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Swedish Export Credit Corp.

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Swedish Export Credit Corp.

SACP	a-	+	Support	+5	+	Additional Factors	0

Anchor	a-	
Business Position	Moderate	-1
Capital and Earnings	Very Strong	+2
Risk Position	Moderate	-1
Funding	Average	0
Liquidity	Adequate	

ALAC Support	0
GRE Support	+5
Group Support	0
Sovereign Support	0

Issuer Credit Rating
AA+/Stable/A-1+

Major Rating Factors

Strengths:	Weaknesses:
• Extremely high likelihood of government support. • Very good loan asset quality and high-quality guarantees. • Robust capitalization.	• Heavy reliance on foreign wholesale funding, including structured funding. • Concentration on large individual exposures. • Relatively low profitability.

Outlook: Stable

The stable outlook on Swedish Export Credit Corp. (SEK) reflects S&P Global Ratings' view that there is an extremely high likelihood of timely support to SEK from the Swedish government, if needed, over the next two years. The outlook also reflects our expectation that the company's asset quality will remain strong and its liquidity and capitalization robust. Given this level of extraordinary support and our 'AAA' rating on Sweden, we could revise our assessment of SEK's stand-alone credit profile (SACP) downward by four notches without it affecting the rating.

While presently unlikely, we could consider a negative rating action if we saw that SEK's role or link with the Swedish government were weakening. Given SEK's current SACP, we could lower the ratings by one notch if in our view, the likelihood of support had reduced to very high from extremely high, due a change in the role or link with the government.

We consider a positive rating action unlikely at this stage. However, we could raise the ratings if the Swedish government provided a timely guarantee for SEK's liabilities.

We expect that the Swedish krona (SEK) 125 billion ($14.6 billion) back-up credit line for the Commercial Interest Reference Rate (CIRR) portfolio will be renewed as part of the ongoing support we factor into our analysis of SEK's SACP, and more specifically, its funding and liquidity.

Rationale

The 'AA+' long-term rating on SEK reflect our expectation that it will remain very tightly linked to its sole owner the Kingdom of Sweden (AAA/Stable/A-1+), while playing a central part in the delivery of its national export strategy, leading us to factor five notches of uplift into our long-term rating on SEK.

Our assessment of SEK's 'a-' SACP reflects our view of the Swedish banking industry as a whole, and the institution's somewhat narrow focus on lending to borrowers with a connection to Swedish exports. It also rests on our expectation that SEK will continue to show capitalization levels comparing very strongly with international peers, balancing its unsecured concentration risk to some large Swedish corporates and international financial institutions, as well as the complex nature of its funding structure. The company's funding and liquidity position, characterized by a wholesale funding profile, is further supported by the Swedish government in the form of access to a SEK125 billion credit facility at the Swedish National Debt Office.

Anchor: Blended economic risk reflects net exposure after guarantees

The anchor we assign to SEK is 'a-', reflecting its regulatory headquarters in Sweden and its net credit exposure after guarantees to different markets worldwide. As a result, our blended economic risk score for SEK is somewhat higher than for banks operating only in Sweden, due to SEK's external exposures. However, the difference is not large enough to lower the anchor.

We view the Swedish economy as highly diverse and competitive, with considerable and demonstrated monetary and fiscal flexibility given a historical focus on prudent management of public finances. We believe that the developments in commercial and retail property valuations since 2014 are not fully explained by fundamental factors and, in connection with Sweden's high and increasing household and private-sector debt, are exacerbating existing imbalances. Sweden has now mandated amortization on new residential mortgages; however, low interest rates, tax incentives for debt, and a structural shortage of housing continue to support our view that the existing imbalances in Sweden could have a negative impact on the Swedish economy, if not contained. Household incomes are high and households' net financial assets and high savings remain supporting factors for our assessment of economic risks. In addition, we expect credit losses and nonperforming loans will remain low in a low interest rate environment.

In our view, the high share of net external debt is a key risk factor for the banking sector. Core customer deposits saw a slight increase in 2016 as both corporate and retail depositors continue to build cash buffers, where for households this is shown by maintaining a high savings rate. The banks fill the resulting funding gap with largely domestic covered bonds and international senior debt. We view the regulatory environment in Sweden as in line with that of other EU countries, despite comparatively high capital buffers and a history of capital and liquidity support to the sector. We also view the stability of the banking sector and absence of significant complexity as sector strengths.

Table 1

Swedish Export Credit Corp. Key Figures

		--Year-ended Dec. 31--			
(Mil. SEK)	**2017***	**2016**	**2015**	**2014**	**2013**
Adjusted assets	291,247	299,341	280,303	325,031	306,435
Customer loans (gross)	190,010	194,385	189,149	202,844	187,280
Adjusted common equity	16,845	16,507	15,998	15,047	14,643
Operating revenues	809	1,608	2,056	2,078	1,958
Noninterest expenses	313	590	557	522	511
Core earnings	371	780	1,187	1,260	1,090

*Data as of June 30. SEK--Swedish krona.

Business position: Important export lending role, but with narrow revenue breadth

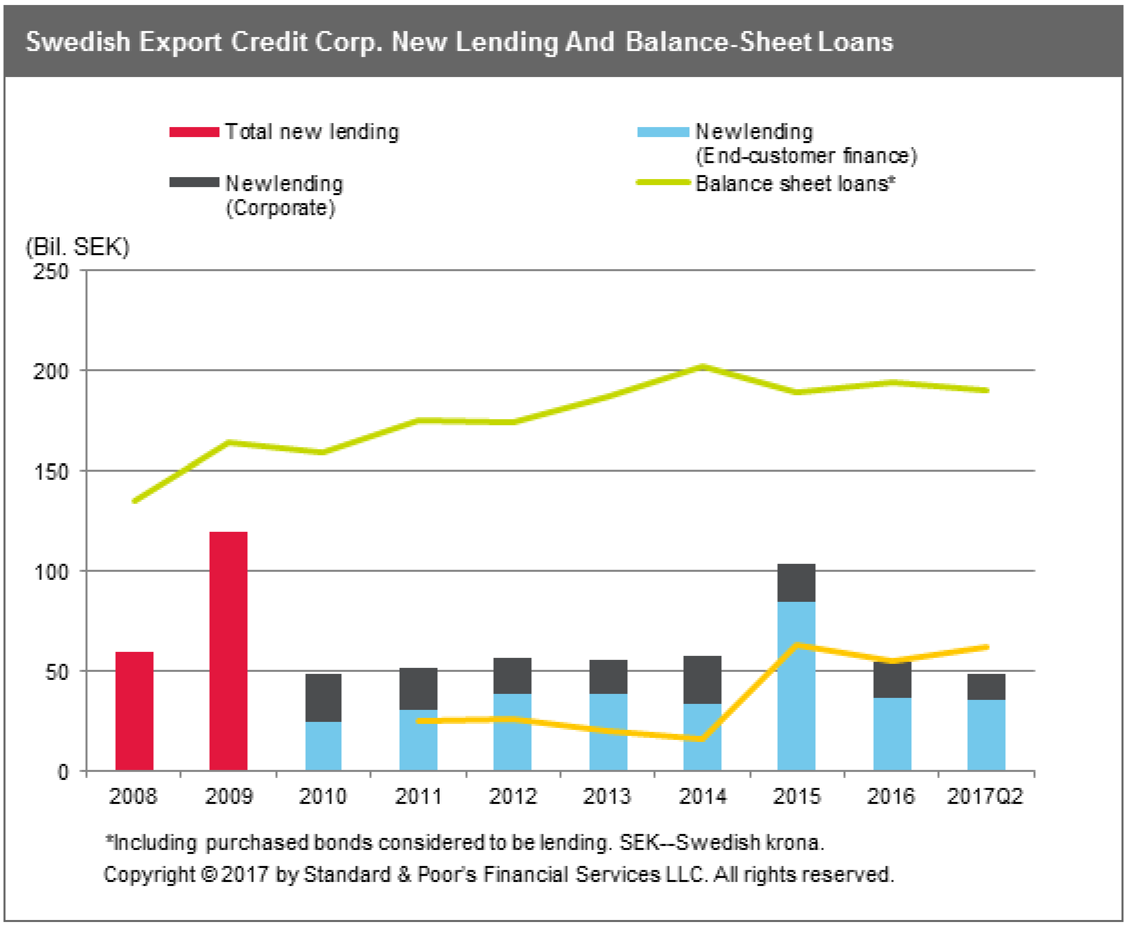
Our assessment of SEK's business position is based on the company's low-margin operating environment and its relatively narrow role of supporting Swedish export companies, particularly through loans at the CIRR under the rules of the Organization for Economic Cooperation and Development (OECD) and for the EU. SEK's business derives from its mandate by the Swedish government to support the country's export sector, which contributes 50% to Sweden's GDP, with either direct or end-client long-term financing. SEK is an important pillar of Swedish exporters' success and it has strong relationships with Sweden's largest and most creditworthy corporations. SEK works together with the Swedish government and commercial banks to offer corporate lending for the benefit of the Swedish export sector and end-customer financing, arranged for the buyers of Swedish goods and services. Nearly half of its lending is guaranteed by the Swedish government via the Swedish Export Credits Guarantee Board (EKN), but SEK is able to take direct unguaranteed credit risk when compliant with its underwriting principles or in connection with other guaranteed lending.

SEK played an especially important role during the difficult market conditions in late 2008 and 2009 (see chart 1), when traditional bank financing was scarce. In September 2015, the Swedish government published a revised export strategy in which SEK and EKN are expected to take on a more prominent role in providing export finance to midsize exporters and to jointly lead (with the Swedish Banking Association) an effort to improve access to financing for

Swedish exporters and their end customers. The aim of this is to reduce bottlenecks that the government feels are costing Sweden some of its global export market share. This should contribute to growth in SEK's lending volumes in the years to come.

During the third quarter of 2015, SEK signed its largest financing agreement, to provide end-customer finance as part of Saab's sale of fighter planes to Brazil, in a defense agreement arranged between the two countries. This significantly increased SEK's committed but undisbursed loans (see chart) and we expect it will further support growth in loans on the balance sheet. Given the Swedish government's guarantee via EKN, the loan will have a limited impact on our capital ratios or asset quality metrics for SEK.

Chart 1



SEK depends on a number of large Swedish exporters for a significant part of its revenues. SEK's lending is mainly conducted bilaterally in the form of loans or corporate bonds classified as lending or arranged in conjunction with commercial banks within long-term export financing with SEK playing the role of co-arranger or financier. In such transactions, SEK is generally willing to lend at longer terms, and with more capital-intensive tranches than private commercial banks, to create long-term financing solutions for the export sector. SEK's revenues are primarily fees for arranging financing and net interest income from its lending activities. It also has some profit and loss volatility due to unrealized gains and losses associated with its liquidity placements and the value of its own debt, but these are mitigated over time by holding short-dated liquidity instruments until maturity.

Table 2

Swedish Export Credit Corp. Business Position					
		--Year-ended Dec. 31--			
(%)	**2017***	**2016**	**2015**	**2014**	**2013**
Total revenues from business line (mil. SEK)	809.0	1,608.0	2,056.0	2,078.0	1,958.1
Commercial & retail banking/total revenues from business line	103.7	106.8	80.5	75.6	113.3
Other revenues/total revenues from business line	(30)	(110)	19.5	24.4	(13.3)
Return on equity	4.32	4.6	7.2	8.1	7.4

*Data as of June 30. SEK--Swedish krona.

Capital and earnings: Very strong capital ratios, supported by ample use of guarantees, reduce balance-sheet risk

SEK's risk-adjusted capital (RAC) ratio at year end 2016 was 17.4% (under our new "Risk-Adjusted Capital Framework Methodology," published on July 20, 2017). We expect stability in the RAC ratio, and that it will remain in the 17%-18% range over the next two years. SEK's capital ratios reflect its high-quality loan book and associated guarantees, highly rated exposures in its liquidity portfolio, and superior capital base. SEK's extensive use of sovereign and bank guarantees reduces its corporate exposure and lower the risk weights in our assessment. As of end- 2016, SEK had reduced exposures to the most capital-consuming components of its liquidity reserves, improving its regulatory core equity tier 1 (CET1) ratio to 22.1%. This ratio was reduced to 19.1% at mid-year 2017, largely as a result of the introduction of regulatory risk-weights on sovereign exposures in Sweden.

We anticipate that the company will continue to pay out approximately 30% of net profits as dividends, even if it results in slightly weaker capital ratios. SEK's total net lending increased by 2.8% in 2016 after a slight contraction in 2015. We anticipate an average annual growth in lending of around 3% over the next three years as part of the large commitment under the Saab/Brazil deal is disbursed and as SEK increases lending to end customers and corporate entities as part of Sweden's export strategy. We note that demand on the Swedish export markets reduced in 2016, causing Swedish exports to grow more slowly than historically. However, strong economic signals from abroad suggest that the demand for Swedish goods and services will increase more rapidly in the years ahead, which will further support SEK's lending growth perspectives.

We expect SEK will post an annual after-tax return on equity of around 5% in the coming two years, in line with the 4.6% reported in 2016, but somewhat lower than the over 7% levels reported in 2013-2015, and below the institution's long-term target of 6%. This occurs as SEK continues to take on higher costs to improve its internal information technology (IT) and risk-measurement systems. Given SEK's narrow lending focus, its earnings composition is dominated by interest income on loans, arrangement fees, interest-bearing securities, and other debt instruments held as liquidity. Revenues are almost exclusively generated through loan syndications and returns on bonds issued by large Swedish exporters that SEK has invested in and are considered to be part of lending activity to support the sector. Margins are relatively low in SEK's business, reflecting the low-risk high-guarantee nature of its lending and competition from commercial banks for high-quality counterparties and projects.

Given its large liquidity and derivatives portfolio and use of the option to fair value its own debt, SEK's net financial unrealized gains and losses were substantial in some years. For example, during the second quarter of 2017, a change in the fair value of assets and hedge accounting resulted in an accounting loss of SEK36 million (compared with a SEK110 million loss in 2016 and a SEK400 million gain in 2015). This has been mainly due to unrealized losses attributable to the change in credit spreads on SEK's own debt, which was offset by unrealized gains attributable to currency swaps. However, these fluctuations have little impact on our capital forecast, because SEK's asset and liabilities at fair value are largely held to maturity and, over time, should have a neutral effect on earnings and capital.

Table 3

Swedish Export Credit Corp. Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2017***	**2016**	**2015**	**2014**	**2013**
Tier 1 capital ratio	19.1	22.1	21.6	16.9	19.5
S&P Global Ratings' RAC ratio before diversification	17.4	18.0	18.2	16.9	17.1
S&P Global Ratings' RAC ratio after diversification	14.2	16.0	16.7	15.5	16.6
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	105.3	108.6	80.8	75.9	79.4
Fee income/operating revenues	(1.6)	(1.8)	(0.3)	(0.3)	(0.3)
Market-sensitive income/operating revenues	(3.7)	(6.8)	19.5	24.4	20.9
Noninterest expenses/operating revenues	38.7	36.7	27.1	25.1	26.1
Preprovision operating income/average assets	0.3	0.4	0.5	0.5	0.5
Core earnings/average managed assets	0.3	0.3	0.4	0.4	0.4

*Data as of June 30. RAC--Risk-adjusted capital.

Table 4

Swedish Export Credit Corp. Risk-Adjusted Capital Framework Data

(Mil. SEK)	**Exposure at default**	**Basel III RWA**	**Average Basel III RW (%)**	**S&P Global Ratings' RWA**	**Average S&P Global Ratings' RW (%)**
Credit risk					
Government and central banks	167,334	963	1	6,681	4
Institutions and CCPs	45,416	14,200	31	10,062	22
Corporate	96,969	52,538	54	70,403	73
Retail	0	0	0	0	0
Of which mortgage	0	0	0	0	0
Securitization*	0	0	0	0	0
Other assets§	123	123	100	121	99
Total credit risk	309,842	67,823	22	87,267	28
Credit valuation adjustment					
Total credit valuation adjustment	--	2,525	--	3,283	--
Market risk					
Equity in the banking book	0	0	0	0	0
Trading book market risk	--	0	--	0	--
Total market risk	--	0	--	0	--

Table 4

Swedish Export Credit Corp. Risk-Adjusted Capital Framework Data (cont.)

Operational risk					
Total operational risk	--	3,663	--	4,569	--
		Basel III RWA		**S&P Global Ratings' RWA**	**% of S&P Global Ratings' RWA**
Diversification adjustments					
RWA before diversification		74,010		95,118	100
Total Diversification/Concentration Adjustments		--		20,742	22
RWA after diversification		74,010		115,861	122
		Tier 1 capital	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global Ratings' RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		16,542	22.4	16,507	17.4
Capital ratio after adjustments†		16,542	22.1	16,507	14.2

*Securitization exposure includes the securitisation tranches deducted from capital in the regulatory framework. §Other assets includes Deferred Tax Assets (DTAs) not deducted from ACE. †Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. SEK--Sweden krona. Sources: Company data as of Dec. 31, 2016, Standard & Poor's.

Risk position: Moderate, due to concentration and complexity

Our assessment of SEK's risk position reflects the company's concentration risk, arising from largely unguaranteed corporate exposures, bond investments that we consider constitute lending, and SEK's complex operational structure, which results from substantial activity in the structured funding market. However, the company's loss history is exceptional, and we expect that its asset quality will remain strong.

SEK has, in our view, concentrations in unguaranteed corporate exposures to large Swedish export companies, primarily in the form of bond investments to some of Sweden's largest corporations. We also believe SEK faces further concentration risk from guarantees provided by governments and financial institutions, and counterparty exposures in its derivative transactions, an element of concentration that is not captured in our RAC framework. However, we note mitigation of double-default risk, in that both the guarantor and the underlying guaranteed corporation have to default for a loss to materialize on SEK's guaranteed loan book. In addition, most losses SEK has faced have been due to bank failures and investments in collateralized debt obligations in its liquidity portfolio. SEK has exited all of its securitization positions and as of June 30, 2017, 99% of its liquidity portfolio comprised financial instruments rated 'BBB+' or higher.

SEK's use of structured funding adds materially to its operational complexity, in our view. SEK relies on the extensive use of complex and fairly illiquid derivatives, which in some circumstances can be difficult to value and renew if necessary. As of June 30, 3017, SEK had SEK52 billion in level 3 (marked to model) liabilities, including SEK49.2 billion classified as senior secured funding (compared with only SEK2.1 billion of such assets, primarily derivatives, as of June 2017). We believe that the company has strengthened its resources significantly over the past few years with respect to management and valuation of remaining risks, and note that it is investing further in IT systems to improve its oversight of this risk.

SEK's loss experience has been exceptional. It had almost no losses until 2008, when it wrote down two collateralized debt obligations and a loss from its exposure to Icelandic banks in its liquidity portfolio. SEK has indicated its intention to increase its participation in syndicated loans, which we expect will lead to more direct corporate credit risk. These transactions could be end-client financing for large international clients of Swedish exporters or lending directly to Swedish counterparties. However, we believe that these risks are captured within our RAC framework and note SEK's history of strong underwriting of unsecured risks. We expect credit losses will remain low, given the guaranteed nature of the business that SEK underwrites, lower valuation risks resulting from the liquidation of securitization exposures, and overall improvements in asset quality of the liquidity portfolio since SEK manages regulatory liquidity coverage ratio requirements in euros, U.S. dollars, and all currencies imposed by the Swedish regulator.

Table 5

Swedish Export Credit Corp. Risk Position

		--Year-ended Dec. 31--			
(%)	**2017***	**2016**	**2015**	**2014**	**2013**
Growth in customer loans	(4.5)	2.8	(6.8)	8.3	7.6
Total diversification adjustment/S&P Global Ratings' RWA before diversification	21.8	12.3	8.7	9.1	2.9
Total managed assets/adjusted common equity (x)	17.3	18.1	17.5	21.6	20.9
Gross nonperforming assets/customer loans + other real estate owned	0.0	0.0	0.2	0.0	0.0
Loan loss reserves/gross nonperforming assets	943.5	577.3	65.9	4,218.2	N.M.

*Data as of June 30. N.M.--Not meaningful. RWA--Risk-weighted assets.

Funding and liquidity: Supported by SEK's link to the government, which mitigates the wholesale profile, and by its substantial liquidity portfolio

Our assessment of SEK's funding is supported by its link with the Swedish government and the back-up facility provided by the Swedish National Debt Office in support of the company's CIRR lending. We expect the company will remain entirely wholesale funded and continue to rely on nondomestic capital markets. SEK funds itself internationally, primarily in euros, U.S. dollar, and Japanese yen, while maintaining nearly 20% of its long-term funding in relatively complex funding structures with early-redemption clauses at end-June 2017, both factors we consider to be weaknesses. Conversely, we see the link to the Swedish government and the diversity of SEK's funding sources as supportive factors, which have worked effectively in difficult markets historically, largely due to the strength of the sovereign. SEK's stable funding ratio of 77% as of June 30, 2017, is below the Swedish banking system average. This reflects SEK's short-term financing of the CIRR portfolio, affecting SEK50 billion or 17% of the total balance sheet, as of that date, and understates the matching and prefinancing of the project-based loan portfolio. As such, although SEK shows relatively weak S&P Global Ratings' funding and liquidity metrics, we use our qualitative analysis of the company's policy of effectively matching assets and liability redemptions in our assessment of its funding.

In line with the mandate from the state, SEK has funded the loan portfolio related to CIRR loans (with an average duration of seven years), which it administrates on behalf of the government, with short-term borrowings that have maximum tenors of one year. Although profitable for the government, the structure gives rise to a duration mismatch and refinancing risk, which is mitigated by a SEK125 billion credit facility provided by the Swedish National Debt Office that is renewed annually. This facility is treated as contingent financing and has never been used, but it reduces the need to prefinance SEK56 billion (as of June 2017) in commitments for the CIRR program, a figure that increased materially in 2015 following the long-term defense lending agreement between Brazil and Sweden (see chart 1). We note that the credit facility was increased by SEK45 billion from 2016 to reduce the prefinancing burden of the Brazilian deal on SEK, which otherwise prefinances all commitments outside the CIRR program. However, due to its off-balance-sheet nature, we exclude the facility in our funding and liquidity ratios, but consider the government-provided credit facility in our assessment of SEK's liquidity as adequate. SEK's ratio of broad liquid assets to less than one-year wholesale funding was 0.6x on June 30, 2017, which is below the industry average of about 1x, reflecting a better match of balance sheet liquidity and short-term wholesale funding.

As of June 30, 2017, SEK had an aggregate regulatory liquidity coverage ratio of about 1,164%; as well as a regulatory net stable funding ratio of 144.8%, both strong for the Swedish banking sector.

Table 6

Swedish Export Credit Corp. Funding And Liquidity

		--Year-ended Dec. 31--			
(%)	**2017***	**2016**	**2015**	**2014**	**2013**
Customer loans (net)/customer deposits	N.M	N.M	309,693.4	321,238.1	314,520.4
Long-term funding ratio	64.8	64.3	66.4	64.9	66.8
Stable funding ratio	76.6	77.0	76.5	80.9	86.1
Short-term wholesale funding/funding base	37.6	38.1	36.0	37.1	35.0
Broad liquid assets/short-term wholesale funding (x)	0.6	0.7	0.6	0.7	0.8
Net broad liquid assets/short-term customer deposits	N.M	N.M	(54,229.3)	N.M.	(39,387.3)
Short-term wholesale funding/total wholesale funding	37.6	38.1	36.0	37.1	35.0
Narrow liquid assets/3-month wholesale funding (x)	1.2	1.2	1.8	1.6	2.6

*Data as of June 30. N.M.--Not meaningful.

External support: Five notches of uplift, owing to SEK's government-related entity status

We regard SEK as a government-related entity (GRE). According to our criteria for rating GREs, we consider that SEK:

- Plays a very important role for the Swedish government in providing financing to the export sector, which generates about 50% of Sweden's GDP. We also note that SEK's role as a key financier to export-related credits was confirmed in Sweden's 2015 revision to its export strategy and by SEK's role in Sweden's defense agreement with Brazil; and
- Has an integral link with the Swedish government, reflecting its 100% ownership of SEK, its supportive stance toward the company, and its mandate for SEK to act as the country's sole provider of CIRR export loans to Swedish exporters. We also note that in December 2015 the Swedish parliament voted to remove the government's option to reduce its ownership share to no less than 34%, which had been in place since 1996 but never significantly considered.

This results in our view of an extremely high likelihood that the Swedish government would provide timely and sufficient support to SEK if needed. Our long-term rating on SEK consequently incorporates five notches of uplift above our SACP assessment. We do not believe that the February 2016 implementation of the Bank Recovery and Resolution Directive in Sweden affects the Swedish government's willingness or ability to provide support to SEK before bailing in senior unsecured debtholders.

Additional rating factors: None

No additional factors affect the ratings.

Related Criteria

- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings - April 07, 2017
- Criteria - Financial Institutions - Banks: Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions - January 29, 2015
- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology - July 20, 2017
- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions - July 17, 2013
- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions - November 09, 2011
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment Methodology And Assumptions - November 09, 2011
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions - March 25, 2015
- General Criteria: Use Of CreditWatch And Outlooks - September 14, 2009

Related Research

- Nordic Banks Continue To Outperform European Peers On Capital Thanks To Steady Retained Earnings And Hybrid Issuance, July 12, 2017
- Nordic Banking Regulation Compared, July 10, 2017
- Banking Industry Country Risk Assessment: Sweden, March 29, 2017
- Future of Banking: Nordic Banks Looking Svelte In The Fintech Race, June 14, 2016

Anchor Matrix

Industry Risk	Economic Risk									
	1	**2**	3	4	5	6	7	8	9	10
1	a	a	a-	bbb+	bbb+	bbb	-	-	-	-
2	a	a-	a-	bbb+	bbb	bbb	bbb-	-	-	-
3	a-	**a-**	bbb+	bbb+	bbb	bbb-	bbb-	bb+	-	-
4	bbb+	bbb+	bbb+	bbb	bbb	bbb-	bb+	bb	bb	-
5	bbb+	bbb	bbb	bbb	bbb-	bbb-	bb+	bb	bb-	b+
6	bbb	bbb	bbb-	bbb-	bbb-	bb+	bb	bb	bb-	b+
7	-	bbb-	bbb-	bb+	bb+	bb	bb	bb-	b+	b+
8	-	-	bb+	bb	bb	bb	bb-	bb-	b+	b
9	-	-	-	bb	bb-	bb-	b+	b+	b+	b
10	-	-	-	-	b+	b+	b+	b	b	b-

Ratings Detail (As Of October 2, 2017)	
Swedish Export Credit Corp.	
Counterparty Credit Rating	AA+/Stable/A-1+

Ratings Detail (As Of October 2, 2017) (cont.)		
Commercial Paper		
Foreign Currency		A-1+
Senior Unsecured		A-1+
Senior Unsecured		AA+
Senior Unsecured		AA+/A-1+
Short-Term Debt		A-1+
Subordinated		BBB
Counterparty Credit Ratings History		
04-Sep-2009	*Foreign Currency*	AA+/Stable/A-1+
06-Jul-2009		AA+/Watch Neg/A-1+
06-Jun-2003		AA+/Stable/A-1+
04-Sep-2009	*Local Currency*	AA+/Stable/A-1+
06-Jul-2009		AA+/Watch Neg/A-1+
06-Jun-2003		AA+/Stable/A-1+
Sovereign Rating		
Sweden (Kingdom of)		AAA/Stable/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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