

Gaining an Optimal First Rating

- Rating Developments specializes in improving bank relationships with international credit rating agencies.
- We know what rating agency analysts are looking for, beyond their introductory questionnaire.
- We can therefore help banks present a meaningful “story behind the numbers”.
- Rating Developments works closely and confidentially with management to prepare rating presentations that meet the Bank’s aspirations while efficiently presenting essential data to the rating agency. Our personal service ensures that the Bank presents itself professionally, comprehensively and with integrity.
- We save senior management time.
- Rating agencies appreciate working with an professional rating advisor.
- Choosing the most suitable rating agency: agencies differ in their methodologies. Differences include:
 - S&P’s “bottom-up” methodology versus the “top-down” approach of Fitch and Moody’s.
 - The usefulness of subordinated debt in capital adequacy assessments.
 - Their approach to rapid loan portfolio growth.
- What is an Optimal Rating?
 - Optimal first ratings are sustainable and are not subject to sudden downgrades.
 - An optimal rating is based on trustworthy relationships between the Bank and the rating agency. Banks must always be worthy of receiving “the benefit of the doubt” from rating agencies when necessary. Rating Developments helps build that trust and prevents misunderstandings between Bank and Agency.
 - Successful banks in emerging markets should anticipate steadily rising ratings over the longer term.
- Working with rating agencies: they are professional organisations but they too have strengths and weaknesses:
 - Analysts work to tight schedules;
 - Sometimes relatively junior analysts propose ratings to the agencies’ Rating Committees.
 - Rating Developments can anticipate problems and ensure that the Rating Committee receives the right information.