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# Improved Industry Risk Drives Various Rating Actions On Danish Banks And A Securities Firm

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- The Danish banking regulation and supervision has continuously improved, which combined with its proven funding model, strong economy, and sovereign strength helps to preserve financial stability in the Danish banking system through business and economic cycles.
- We forecast Danish banks will maintain robust asset quality and solid risk adjusted profitability in the next two years, supporting domestic banks' high capitalization. Danish banks will continue to benefit from efficient, deep, stable, and low-cost funding sources, supported by regulatory and legislative frameworks protecting the Danish covered bond market.
- We have reflected on the progress made and revised up our industry risk score for the Danish banking system to '3' (intermediate risk) from '4' and our overall Banking Industry Country Risk Assessment (BICRA) for Denmark to '2' from '3'. This corresponds with an upward revision of the anchor starting point for domestic banks to 'a-' from 'bbb+' and a securities firm to 'bbb' from 'bbb-', positioning Denmark among countries such as Australia, Canada, Norway, and Sweden. We maintained our '2' (low risk) economic risk assessment.
- We therefore took various rating actions, including upgrades, affirmations, and outlook revisions, on five Danish banks and a securities firm.

FRANKFURT (S&P Global Ratings) Aug. 26, 2026--S&P Global Ratings today said that it took the following rating actions on Danish banks:

- Danmarks Skibskredit A/S (Danish Ship Finance A/S): We affirmed our 'BBB+/A-2' long- and short-term issuer credit ratings. We also affirmed our issue ratings on all debt instruments. We maintained the stable outlook.
- Danske Bank A/S: We revised the outlook to positive from stable. We affirmed our 'A+/A-1' long- and short-term issuer credit ratings, our 'AA-/A-1+' long- and short-term resolution counterparty ratings, our 'K-1' short-term Nordic scale rating, and our issue ratings on all debt instruments.
- DLR Kredit A/S: We raised our long- and short-term issuer credit ratings to 'A/A-1', raised our long-term resolution counterparty rating to 'A+', affirmed our 'A-1' short-term resolution counterparty rating, and raised our issue ratings on all debt instruments by one notch. The outlook is stable.

- Jyske Bank A/S: We affirmed our 'A+/A-1' long- and short-term issuer credit ratings, our 'AA-/A-1+' long- and short-term resolution counterparty ratings, our 'K-1' short-term Nordic scale rating, and our issue ratings on all debt instruments. We maintained the stable outlook.
- Nykredit Realkredit A/S: We affirmed our 'A+/A-1' long- and short-term issuer credit ratings and our 'AA-/A-1+' long- and short-term resolution counterparty ratings, and the ratings on the senior unsecured debt instruments. We maintained the stable outlook. We raised our issue ratings on the senior subordinated debt to 'A-' from 'BBB+', the subordinated debt to 'BBB+' from 'BBB', and the additional Tier 1 instruments to 'BBB-' from 'BB+'.
- Saxo Bank A/S: We revised our outlook to positive from stable. We affirmed our 'A-' long-term issuer credit ratings and our 'A' long-term resolution counterparty ratings. We also affirmed our 'BB+' issue ratings on the subordinated debt instruments and 'BBB-' issue ratings on the senior subordinated debt instruments.

**Our rating actions reflect our consideration of improved industry risk in the Danish banking sector, following a review of our BICRA for Denmark (unsolicited; AAA/Stable/A-1+).** It mainly reflects our view that the Danish banking regulation and supervision is stronger than in most EU countries, and on par with our institutional framework assessments for Norway and the U.K. We think Danish banks benefit from regulators' effective and hands-on enforcement to preserve financial stability in the Danish banking system through business and economic cycles. This should also help banks deal with current difficult periods when there is a high degree of unpredictability around the duration and scale of the Middle East war, and its potential effect on commodity prices, supply chains, economies, and credit conditions.

It also reflects our view of regulatory and legislative frameworks protecting the Danish covered bond market and mortgage bank jurisdiction, which is the largest in Europe providing efficient, deep, stable, and low-cost funding sources and demonstrated exceptional resilience throughout past market crises and volatility.

**We revised up our industry risk score for the Danish banking system to '3' from '4'.** The economic risk score is unchanged at '2'. We revised our BICRA group classification for Denmark to '2' from '3', corresponding to an upward revision of the anchor for domestic banks to 'a-' from 'bbb+' and for securities firms to 'bbb' from 'bbb-'. The economic and industry risk trends remain stable. The revised BICRA group assessment puts Denmark in a new peer group that includes banking systems we currently assess among the strongest, countries like Australia, Belgium, Canada, Norway, Sweden, and Switzerland.

**Danish regulatory authorities demonstrate very conservative implementation and practices of EU regulations.** They are strictly enforcing significant recourse to macroprudential buffers higher than in most EU members, such as capital buffers in case of stress, or unique supervisory diamond rules with monitored benchmark requirements for domestic banks since 2010. We forecast, for example, our rated Danish banks' median risk-adjusted capital (RAC) ratio (before diversification) at 15.7% in 2026, despite increased shareholder distributions by some Danish banks, which compares against a median 14.2% RAC ratio for European banks. We also believe that the Danish supervision and related market authorities continuously proactively enforce, closely monitor, and report with high-level transparency on domestic banks' tighter capital and liquidity requirements, stress testing, corporate governance standards, regulatory inspections, and emerging newer risks (such as cyber risk, technological innovation, and climate change and carbon transition risk-related factors). In our view, Danish banks and regulators forcefully strengthened and adequately monitor anti-money laundering (AML) risk, which remedies earlier concerns because of historically failing to prevent or limit the magnitude of Danske Bank's AML case in Estonia, which surfaced in 2018. While EU policymakers and regulators explore simplification of the framework and Basel III implementation could be reopened to a certain degree, we expect no material backsliding--neither on regulation, nor, importantly, on the Danish supervision.

**Denmark's mortgage bank framework and regulation provide a highly resilient low-cost funding source.** The Danish legislative framework includes the legal requirement for mortgage banks to finance themselves with covered bonds. The balance principle ensures an adequate matching of assets and liabilities. This legal framework strongly reinforces the stability of the Danish mortgage markets, but at the same time mortgage institutions are being legally prohibited from funding their lending with deposits, which makes funding costlier and weighs negatively on the banks' funding metrics. In our view, Danish banks strongly benefit from efficiency, market depth, and stability from the domestic covered bond market. The Danish covered bond market demonstrated an impeccable track record through cycles of market stress as demonstrated through virtually undisrupted funding operations during times of market stress, for example during the COVID-19 pandemic and the start of the Russia-Ukraine war.

**We forecast Danish banks will maintain solid risk-adjusted profitability, supporting their sustained robust capitalization.** We forecast fairly stable 11%-12% return on equity (ROE) or an adequate 0.7% systemwide return on average earning assets for the Danish banking sector in 2026-2028, comparing favorably against many European banking systems. We anticipate some improvements in Danish banks' net interest margin due to anticipated policy rate increases, balanced by an ongoing highly competitive environment. We see moderate lending growth opportunities in a competitive landscape and moderate GDP growth. We expect Danish banks to benefit from increased efforts to improve business and fee diversification, healthy cost structures by leveraging ongoing high AI and IT digitalization investments, and post relatively low credit costs from strong balance sheets and tailwinds in the domestic economy. We see consolidation of banks also supportive to our domestic industry assessment, with significantly improved risk-adjusted profitability, but an unchanged domestic competitive dynamic.

**We anticipate domestic banks will maintain robust asset quality thanks to sound underwriting in the resilient Danish economy.** We expect Danish banks' credit losses will gradually increase from the current record low levels, but still remain among the lowest in the European banking context. We forecast a normalization of credit conditions and related risk costs at 5 basis points (bps)-10 bps of Danish banks' average domestic loans in 2026-2028, up from only about 5 bps in 2025. We positively note that, in our view, the Danish regulator more conservatively requires banks to proactively provision loans at an earlier stage than do some other European regulators, which leads to relatively higher annual cost of risk while finally realized actual losses are often lower than in many peer countries. Similarly, we project nonperforming loans at 1.2%-1.5% of domestic loans through 2028, which remains better than the average for European banking industries. In our underlying credit risk assumptions, we consider sustained corporate and household resilience, high employment, and house price stabilization paramount, particularly in the very-high-growth Copenhagen region. However, we note vulnerability owing to high private-sector debt. The estimated 203% private-sector gross debt in Denmark remained among the highest in the EU in 2025, but our concerns are mitigated by the strong net household asset position at 273%, a particular strength that ranks Denmark as one of the highest globally, with its pension system among the strongest internationally. Moreover, inequality is among the lowest in the OECD, which reduces the risk from income losses for households, such as detrimental situations like job losses, sickness, or other life occurrences.

# Danmarks Skibskredit A/S

## Primary Analyst: Harm Semder

We affirmed our 'BBB+/A-2' long- and short-term issuer credit ratings on Danmarks Skibskredit A/S (Danish Ship Finance A/S; DSF), and our issue ratings on all debt instruments. The outlook is stable. In a related rating action, we affirmed our 'BBB-/A-3' issuer credit ratings on holding company Magellan Holding Ltd. and intermediate holding company Magellan Capital Holdings PLC, and our issue ratings on the senior secured notes of Magellan Capital Holding. The outlooks are stable.

The affirmation of the ratings on DSF reflects the bank's strong track record and demonstrated prudence in underwriting, which continues to mitigate its significant concentrations in the highly cyclical shipping finance segment. We forecast DSF will maintain its very strong risk-adjusted capitalization, indicated by a 19%-22% RAC ratio over 2026-2028, in tandem with an expanding loan book and risk-weighted assets (RWA) growth. Compared with pure Danish commercial banks, DSF benefits less from the improvement of the Danish industry risk, given its focus on global shipping exposures.

## Outlook

The stable outlook reflects our view that DSF's high-quality underwriting policy will allow it to continue successfully navigating cycles in the shipping segments, with robust capitalization underpinned by predictable earnings and contained realized credit losses in the next 24 months.

We expect DSF will maintain its prudent client selection, underwriting, and investment strategy. Moreover, we anticipate continued prefunding of lending and strong liquidity buffers against adverse scenarios under its new majority owner.

### Downside scenario

We could downgrade DSF if its risk profile were to deteriorate. This could follow an increased risk appetite with lowered standards for new underwriting, a looser provisioning policy, or materially increased risk-taking in investments and liquidity management, for example. A negative rating action could also follow the group's consolidated capitalization weakening below the threshold for our very strong assessment or a significant deterioration in global shipping market conditions, to which DSF would not be immune.

### Upside scenario

We consider an upgrade of DSF remote. We see limited upside to our assessment of its business model, given the lender's business concentration.

# Magellan Holding Ltd. and Magellan Capital Holdings PLC

## Primary Analyst: Harm Semder

Our ratings on Magellan Holding and Magellan Capital Holdings are based on their roles as nonoperating holding companies (NOHCs) and holders of the majority stake in operating company DSF. We assume no external support from the shareholder, such that the NOHCs are entirely reliant on dividend upstreaming from the operating company to service their obligations.

## Outlook

The stable outlook mirrors that on the operating entity DSF. Therefore, our ratings and outlooks on the two NOHCs would typically move in tandem with those on DSF.

### Downside scenario

We could lower our ratings on the NOHCs if we consider that their default risk, relative to that of the operating company, has become materially higher than we assume in our base case. This could occur if much less capital is unstreamed than expected. We would use two metrics to guide our assessment: we could consider a downgrade if double leverage remains above 200% over next two years; or interest coverage (including the reserve) below 2.5x over next two years.

### Upside scenario

We consider an upgrade of the NOHCs to be remote at this stage, given the limited upside to our assessment of the operating entity.

### Danmarks Skibskredit A/S--Rating Component Scores

| Affirmed | Existing |
|---|---|
| Issuer Credit Rating | BBB+/Stable/A-2 |
| SACP | bbb+ |
| Anchor | bbb+ |
| Business position | Constrained (-2) |
| Capital and earnings | Very Strong (2) |
| Risk position | Adequate (0) |
| Funding and liquidity | Moderate and Strong (0) |
| Comparable ratings analysis | 0 |
| Support | 0 |
| ALAC support | 0 |
| GRE support | 0 |
| Group support | 0 |
| Sovereign support | 0 |
| Additional factors | 0 |

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity.
GRE--Government-related entity.

# Danske Bank A/S

## Primary Niklas Dahlström

The revision of the outlook to positive from stable and the affirmation of the 'A+/A-1' ratings reflect our expectation that over the next two years, the bank will sustain its robust, diversified financial profile while further improving its already solid profitability. In our base case, we project Pan-Nordic Danske Bank, the second-largest lender in the region, will deliver on its strategic and sharpened financial targets under the "Forward '28" strategy, including targeted growth in preferred segments, ROE of 14.5%, and cost to income below 43%. While we acknowledge the bank's earnings uplift over the past three years, we remain mindful of the high competition in Danish retail banking, and the bank's shorter track record of risk-adjusted income generation and consistency at the level of higher-rated Nordic peers. This is reflected by the bank's 10-year average core earnings over S&P Global Ratings' RWA of 1.3%, well below the 1.9% average for the peer group, leading us to incorporate a one-notch negative comparable rating analysis adjustment in the stand-alone credit profile (SACP). Even so, the bank's profitability uplift and successful transformation over recent years--including substantial investments in governance, compliance, and financial crime prevention--speaks to its franchise strength, which if sustained could lead us to upgrade the bank.

## Outlook

The positive outlook reflects that, over the next two years, we could raise our rating if Danske Bank further improves its risk-adjusted profitability as the bank continues to successfully execute its "Forward '28" strategy--thereby closing the profitability gap with higher-rated Nordic and global peers. Equally, we expect the bank will preserve its solid financial profile and continue to diligently manage capital and risk.

### Downside scenario:

We could revise the outlook to stable if the bank's earnings, risk indicators, or capital trajectory fell short of our projections or if we had doubts about whether these could be sustained over time.

### Upside scenario

We could take a positive rating action if Danske Bank demonstrated risk-adjusted profitability in line with that of higher-rated peers and if we were sufficiently confident this could be durably maintained through the cycle. Indeed, an upgrade would hinge on the bank's broader creditworthiness being on par with highly rated global peers--supported by solid asset quality indicators and a RAC ratio comfortably above 10% of S&P Global Ratings' RWAs.

### Danske Bank A/S--Rating Component Scores

| Affirmed | To | From |
|---|---|---|
| Issuer Credit Rating | A+/Positive/A-1 | A+/Stable/A-1 |
| SACP | a | a |
| Anchor | a- | bbb+ |
| Business position | Strong (1) | Strong (1) |
| Capital and earnings | Strong (1) | Strong (1) |
| Risk position | Adequate (0) | Adequate (0) |
| Funding and liquidity | Adequate and Adequate (0) | Adequate and Adequate (0) |
| Comparable ratings analysis | -1 | 0 |
| Support | 1 | 1 |
| ALAC support | 1 | 1 |
| GRE support | 0 | 0 |
| Group support | 0 | 0 |
| Sovereign support | 0 | 0 |
| Additional factors | 0 | 0 |

### Danske Bank A/S--Rating Component Scores

| Affirmed | To | From |
|---|---|---|

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity.
GRE--Government-related entity.

# DLR Kredit A/S

## Primary Niklas Dahlström

We raised our long- and short-term issuer credit ratings on DLR Kredit A/S to 'A/A-1' from 'A-/A-2' because we expect that over the next two years the bank will maintain sound financial performance underpinned by its solid asset quality, robust capitalization, and adequate earnings generation capacity. We forecast DLR's RAC ratio will marginally dilute to 15.0%-15.5%, from 15.7% as of the end of 2025, reflecting growth in S&P Global Ratings' RWAs of 4%-6% and annual dividend of approximately Danish krone 600 million.

As the mortgage institution for 35 domestic partner banks, we expect DLR to remain the preferred partner as a financer for the Danish agricultural sector, while further expanding its position as a partner in commercial and residential real estate mortgages. Indeed, we expect the bank to continue diligently managing the inherent concentration risks from this distinct business model. Aided by our improved BICRA industry risk assessment, we revised DLR's SACP upward to 'a-' from 'bbb+', subsequent to which we also raised our issue ratings on the bank's hybrid instruments by one notch. We continue to forecast DLR will maintain additional loss-absorbing capacity (ALAC) buffers above our adjusted 3.5% threshold for one notch of uplift above its SACP.

## Outlook

The stable outlook reflects our expectation that, over the next two years, DLR will maintain sound financial performance--underpinned by solid asset quality, ample capitalization, and material ALAC buffers--providing an offset to its inherent business concentration in the Danish agriculture and real estate sectors.

#### Downside scenario:

We could take a negative rating action if the bank's capitalization or risk position weakened beyond our base-case expectations. This could materialize if our forecast RAC ratio deteriorated below 15%, or if its ALAC ratio dropped and stayed below our 3.5% threshold, reducing the protection that this buffer provides to senior unsecured creditors.

#### Upside scenario

We consider the likelihood of a positive rating action remote, given DLR's concentrated business model. For a positive rating action, the ALAC buffer would need to sustainably increase to above 7%, and the bank would need to demonstrate a financial risk profile in line with that of higher-rated European peers.

### DLR Kredit A/S--Rating Component Scores

| Affirmed | To | From |
|---|---|---|
| Issuer Credit Rating | A/Stable/A-1 | A-/Stable/A-2 |
| SACP | a- | bbb+ |

### DLR Kredit A/S--Rating Component Scores

| Affirmed | To | From |
|---|---|---|
| Anchor | a- | bbb+ |
| Business position | Moderate (-1) | Moderate (-1) |
| Capital and earnings | Very Strong (2) | Very Strong (2) |
| Risk position | Moderate (-1) | Moderate (-1) |
| Funding and liquidity | Adequate and Adequate (0) | Adequate and Adequate (0) |
| Comparable ratings analysis | 0 | 0 |
| Support | 1 | 1 |
| ALAC support | 1 | 1 |
| GRE support | 0 | 0 |
| Group support | 0 | 0 |
| Sovereign support | 0 | 0 |
| Additional factors | 0 | 0 |

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity.
GRE--Government-related entity.

# Jyske Bank A/S

## Primary Niklas Dahlström

We affirmed our 'A+/A-1' ratings on Jyske Bank because we expect that, over the next two years, the bank will maintain a sound financial profile, underpinned by healthy profitability and ample capital buffers as it executes its 2028 strategy. In our base case for 2026-2028, we forecast the bank will deliver ROE of 10%-12%, supporting a RAC ratio of 14.0%-14.5% (14.5% in 2025), despite higher capital distribution that we project will average 80% per year. Supported by low unemployment and tailwinds from the robust Danish economy, we anticipate Jyske Bank will maintain strong asset quality with limited provisioning needs and a nonperforming assets ratio largely stable at around 1.5%. We offset the positive anchor revision resulting from the BICRA score revision with a one notch negative adjustment based on our comparable rating analysis. This reflects our consideration of the bank's high geographic concentration in comparison with international peers at the 'a' SACP level, as well as limited organic growth in the highly competitive and consolidating Danish market. We affirmed the ratings on Jyske Bank's hybrid instruments, reflecting our unchanged view of the bank's 'a-' SACP, the starting point for notching hybrid instruments. Moreover, we forecast Jyske Bank will maintain sizable ALAC buffers equivalent to 8%-10% of our RWAs, supporting the two-notch ALAC uplift we incorporate in the issuer credit rating.

## Outlook

The stable outlook reflects our expectation that, over the next two years, Jyske Bank will maintain a sound, albeit regionally concentrated, franchise. In our base case we project the bank will maintain robust earnings and capitalization, as it executes on its strategic and financial targets through 2028. We expect credit loss provisions to remain contained, and that Jyske Bank will continue to display diligent risk management and sound asset quality in line with that of peers.

### Downside scenario

We could take a negative rating action if, contrary to our expectations, we saw signs of a weakened franchise or if Jyske Bank's financial performance underperformed that of similarly rated peers.

### Upside scenario

It is unlikely that we would raise the issuer credit rating on Jyske Bank over the next two years. If we were to revise up SACP on the back of the bank closing the gap with higher-rated diversified international peers as it consolidates its position in the Danish banking market, the ALAC uplift would--all else being equal--reduce, leaving the issuer credit rating unchanged. But it would benefit the hybrid instruments, which we would upgrade by one notch.

### Jyske Bank A/S--Rating Component Scores

| Affirmed | To | From |
|---|---|---|
| Issuer Credit Rating | A+/Stable/A-1 | A+/Stable/A-1 |
| SACP | a- | a- |
| Anchor | a- | bbb+ |
| Business position | Adequate (0) | Adequate (0) |
| Capital and earnings | Strong (1) | Strong (1) |
| Risk position | Adequate (0) | Adequate (0) |
| Funding and liquidity | Adequate and Adequate (0) | Adequate and Adequate (0) |
| Comparable ratings analysis | -1 | 0 |
| Support | 2 | 2 |
| ALAC support | 2 | 2 |
| GRE support | 0 | 0 |
| Group support | 0 | 0 |
| Sovereign support | 0 | 0 |
| Additional factors | 0 | 0 |

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity.
GRE--Government-related entity.

# Nykredit Realkredit A/S

## Primary Analyst: Harm Semder

We affirmed our 'A+/A-1' long- and short-term issuer credit ratings on Nykredit, reflecting our expectation that Nykredit will successfully defend its dominant and cost-efficient franchise in the Danish mortgage banking sector. We anticipate that asset quality will remain resilient and that provisioning needs will be contained, aided by Nykredit's highly collateralized loan book and the prevailing benign operating environment in Demark. Accordingly, we forecast Nykredit will maintain its strong risk-adjusted capitalization, indicated by a 12.4%-13.0% RAC ratio over 2026-2028. Because of the higher Danish BICRA industry risk assessment, we revised our assessment of Nykredit's SACP upward to 'a' from 'a-', and subsequently raised our issue ratings on Nykredit's hybrid instruments by one notch. We continue to forecast that Nykredit maintains sizable bail-in-able buffers comfortably above the Danish debt-buffer requirement, and well above our 6% ALAC ratio threshold in 2026-2028, but we cap the ALAC uplift to one notch at the 'a' SACP level.

## Outlook

The stable outlook reflects our expectation that Nykredit will maintain a sound financial profile, with strong capitalization and a substantial ALAC buffer, over the next two years.

### Downside scenario

We could lower the rating if Nykredit fails to maintain its business profile and risk-adjusted profitability on par with similarly rated peers or if we see unexpectedly pronounced asset quality problems, such as a significant rise in risk costs due to secondary impacts from geopolitical unrest. However, we consider it unlikely that we would lower the long-term issuer credit rating on Nykredit over the next two years, or the senior unsecured issue ratings that are linked to this rating. With the SACP at 'a-' or lower, we could include an additional notch of ALAC support if the buffer continued to exceed our 6% threshold for a second notch of uplift.

### Upside scenario

It is unlikely that we would raise the issuer credit rating on Nykredit over the next two years because they are high relative to those of more diversified international peers.

### Nykredit Realkredit A/S--Rating Component Scores

| | To | From |
|---|---|---|
| Issuer Credit Rating | A+/Stable/A-1 | A+/Stable/A-1 |
| SACP | a | a- |
| Anchor | a- | bbb+ |
| Business position | Adequate (0) | Adequate (0) |
| Capital and earnings | Strong (1) | Strong (1) |
| Risk position | Adequate (0) | Adequate (0) |
| Funding and liquidity | Adequate and Adequate (0) | Adequate (0) |
| Comparable ratings analysis | 0 | 0 |
| Support | 1 | 2 |
| ALAC support | 1 | 2 |
| GRE support | 0 | 0 |
| Group support | 0 | 0 |
| Sovereign support | 0 | 0 |
| Additional factors | 0 | 0 |

**SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity. GRE--Government-related entity.**

# Saxo Bank A/S

## Primary Analyst: Cihan Duran

We revised our outlook on Saxo Bank A/S to positive from stable and affirmed our 'A-' issuer credit rating and 'A' resolution counterparty rating. We also affirmed the 'BBB-' and 'BB+' issue ratings on Saxo's senior and subordinated debt securities. The outlook revision is based on our view that positive dynamics in the Danish banking and brokerage sector could positively impact

Saxo's creditworthiness in the next 12-24 months. While this will contribute to capital ratios through earnings retention, we will monitor whether Saxo can maintain its currently very strong RAC ratio in light of the ownership change during 2026. Since its designation as a significant financial institution in 2023, Saxo has been subject to increased supervisory checks and stricter minimum capital requirements. Although meeting all the requirements is challenging, we believe the requirements contribute to the health of the brokerage company. As such, Saxo has notably improved its risk organization because of the increased supervisory scrutiny by the Danish Financial Supervision Agency and has increased its resources and employee headcount in relevant risk functions.

We think potential synergies and cross-selling opportunities from J. Safra Sarasin Group's (JSSG's) full acquisition of Saxo will contribute to organic growth in the medium term. That said, we will monitor Saxo's ability to maintain its very strong capital ratios in this growth phase, also coupled with potentially higher dividend payments to new shareholders, installed by JSSG. While in our baseline projection, we expect that the RAC ratio will remain 17.0%-19.0% until 2028, a potentially more aggressive dividend payout strategy by its new 100% owner, JSSG, could challenge the capital trajectory of Saxo (for more information, see "Saxo Bank A/S Outlook Revised To Positive On Improving Sector Dynamics And Earnings Performance; 'A-' Rating Affirmed," published on Aug. 26, 2026).

## Outlook

The positive outlook on Saxo reflects our expectation that it will benefit from improving dynamics in the brokerage sector in Denmark leading to potentially higher creditworthiness in the next 12-24 months. Denmark's forward-looking and prudent regulation and supervision help securities firms in the country, including Saxo, to grow their brokerage services despite the persistent high financial market volatility. Following JSSG acquiring Saxo, we expect synergies and growth opportunities for the broker in existing and new markets.

### Downside scenario

We could revise the outlook to stable if Saxo's capital ratios decline because of high growth or higher-than-expected dividend payments to its owner, JSSG. In particular, a weakening of the RAC ratio below 15% could result in an outlook revision to stable. We could also take a negative rating action if Saxo fails to demonstrate a proactive and effective approach to enterprise risk management or if it allocates its liquidity book toward riskier investments. While less likely, we could lower the rating if the strategic relevance to JSSG declines, and it faces stand-alone weakness in its brokerage operations indicated by weaker operating margins leading to financial underperformance compared to its peer group of securities firms globally.

### Upside scenario

We could raise our rating on Saxo if it maintains its RAC ratio above 15% and continues to keep solid profitability and funding metrics in the targeted growth phase. Specifically, an upgrade hinges on key performance indicators that would be comparable to higher-rated peers. We could also raise our rating on Saxo by one notch if we took a positive rating action on its parent, JSSG, because of group-wide strengths that could lead to financial support, if needed.

### Saxo Bank A/S--Rating Component Scores

| | To | From |
|---|---|---|
| Issuer Credit Rating | A-/Positive/-- | A-/Stable/-- |

### Saxo Bank A/S--Rating Component Scores

| | To | From |
|---|---|---|
| SACP | bbb | bbb |
| Anchor | bbb | bbb- |
| Business position | Moderate (-1) | Moderate (-1) |
| Capital and earnings | Strong (1) | Very Strong (2) |
| Risk position | Adequate (0) | Adequate (0) |
| Funding and liquidity | Strong and Strong (1) | Strong and Strong (1) |
| Comparable ratings analysis | -1 | -1 |
| Support | 2 | 2 |
| ALAC support | 2 | 2 |
| GRE support | 0 | 0 |
| Group support | 0 | 0 |
| Sovereign support | 0 | 0 |
| Additional factors | 0 | 0 |

SACP--Stand-alone credit profile. ALAC--Additional loss-absorbing capacity.
GRE--Government-related entity.

### Denmark--BICRA Score Snapshot

| | To | From |
|---|---|---|
| BICRA group | 2 | 3 |
| **Economic risk** | **2** | **2** |
| Economic resilience | Very low risk | Very low risk |
| Economic imbalances | Low risk | Low Risk |
| Credit risk in the economy | Intermediate Risk | Intermediate Risk |
| Trend | Stable | Stable |
| **Industry risk** | **3** | **4** |
| Institutional framework | Low Risk | Intermediate Risk |
| Competitive dynamics | Intermediate Risk | Intermediate Risk |
| Systemwide funding | Intermediate Risk | Intermediate Risk |
| Trend | Stable | Stable |

Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores are on a scale from 1 (lowest risk) to 10 (highest risk). For more details on our BICRA scores on banking industries across the globe, please see "Banking Industry Country Risk Assessment Update," published monthly on RatingsDirect.

# Related Criteria

- Criteria | Financial Institutions | General: Risk-Adjusted Capital Framework Methodology, May 5, 2026
- General Criteria: Hybrid Capital: Methodology And Assumptions, Oct. 13, 2025
- General Criteria: National And Regional Scale Credit Ratings Methodology, June 8, 2023
- Criteria | Financial Institutions | General: Financial Institutions Rating Methodology, Dec. 9, 2021

- Criteria | Financial Institutions | Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Dec. 9, 2021
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

# Related Research

- Saxo Bank A/S Outlook Revised To Positive On Improving Sector Dynamics And Earnings Performance; 'A-' Rating Affirmed, Aug. 26, 2026

# Ratings List

**Ratings List**

| | | |
|---|---|---|
| | **Danske Bank A/S** | |
| **Ratings Affirmed; Outlook Action** | | |
| | **To** | **From** |
| Danske Bank A/S | | |
| Danske Bank A/S, Swedish Branch | | |
| Issuer Credit Rating | A+/Positive/A-1 | A+/Stable/A-1 |
| **Ratings Affirmed** | | |
| Danske Bank A/S | | |
| Issuer Credit Rating | | |
| Nordic Regional Scale | --/--/K-1 | |
| Resolution Counterparty Rating | AA-/--/A-1+ | |
| Senior Unsecured | A+ | |
| Senior Subordinated | A- | |
| Subordinated | BBB+ | |
| Junior Subordinated | BBB- | |
| Commercial Paper | A-1 | |
| Commercial Paper | A+ | |

| | | |
|---|---|---|
| | **DLR Kredit A/S** | |
| **Upgraded** | | |
| | **To** | **From** |
| DLR Kredit A/S | | |
| Issuer Credit Rating | A/Stable/A-1 | A-/Stable/A-2 |
| Resolution Counterparty Rating | A+/--/A-1 | A/--/A-1 |
| Senior Subordinated | BBB+ | BBB |
| Subordinated | BBB | BBB- |

**Ratings List**

| | | |
|---|---|---|
| | **Jyske Bank A/S** | |
| **Ratings Affirmed** | | |
| Jyske Bank A/S | | |
| Issuer Credit Rating | | |
| Nordic Regional Scale | --/--/K-1 | |
| Jyske Bank A/S | | |
| Jyske Realkredit A/S | | |
| Issuer Credit Rating | A+/Stable/A-1 | |
| Resolution Counterparty Rating | AA-/--/A-1+ | |
| Jyske Bank A/S | | |
| Senior Unsecured | A+ | |
| Senior Subordinated | BBB+ | |
| Subordinated | BBB | |
| Junior Subordinated | BB+ | |
| Commercial Paper | A-1 | |
| | **Magellan Holding Ltd.** | |
| **Ratings Affirmed** | | |
| Danmarks Skibskredit A/S | | |
| Issuer Credit Rating | BBB+/Stable/A-2 | |
| Magellan Holding Ltd. | | |
| Magellan Capital Holding Ltd. | | |
| Issuer Credit Rating | BBB-/Stable/A-3 | |
| Magellan Capital Holding Ltd. | | |
| Senior Secured | BBB- | |
| | **Nykredit Realkredit A/S** | |
| **Upgraded** | | |
| | **To** | **From** |
| Nykredit Realkredit A/S | | |
| Subordinated | BBB+ | BBB |
| Junior Subordinated | BBB- | BB+ |
| Nykredit Realkredit A/S | | |
| Nykredit Bank A/S | | |
| Senior Subordinated | A- | BBB+ |
| **Ratings Affirmed** | | |
| Nykredit Realkredit A/S | | |
| Nykredit Bank A/S | | |
| Issuer Credit Rating | A+/Stable/A-1 | |
| Resolution Counterparty Rating | AA-/--/A-1+ | |
| Nykredit Realkredit A/S | | |
| Nykredit Bank A/S | | |
| Senior Unsecured | A+ | |
| | **Saxo Bank A/S** | |
| **Ratings Affirmed; Outlook Action** | | |

**Ratings List**

| | To | From |
|---|---|---|
| Saxo Bank A/S | | |
| Issuer Credit Rating | A-/Positive/-- | A-/Stable/-- |
| **Ratings Affirmed** | | |
| Saxo Bank A/S | | |
| Resolution Counterparty Rating | A/--/-- | |
| Senior Subordinated | BBB- | |
| Subordinated | BB+ | |

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at https://disclosure.spglobal.com/ratings/en/regulatory/ratings-criteria for further information. A description of each of S&P Global Ratings' rating categories is contained in "S&P Global Ratings Definitions" at https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/sourceId/504352. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings referenced herein can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.