CEBS Committee of European Banking Supervisors

Standardised Approach: Mapping of ECAIs' credit assessments to credit quality steps

Long term mapping

Credit Quality Step	**Fitch's assessments**	**Moody's assessments**	**S&Passessments**	**Corporate**	**Institution (includes banks)**			**Sovereign**
					Sovereign method	Credit Assessment method		
						Maturity > 3 months	Maturity 3 months or less	
1	AAA to AA-	Aaa to Aa3	AAA to AA-	20%	20%	20%	20%	0%
2	A+ to A-	A1 to A3	A+ to A-	50%	50%	50%	20%	20%
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-	100%	100%	50%	20%	50%
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-	100%	100%	100%	50%	100%
5	B+ to B-	B1 to B3	B+ to B-	150%	100%	100%	50%	100%
6	CCC+ and below	Caa1 and below	CCC+ and below	150%	150%	150%	150%	150%

Short term mapping

Credit quality step	Fitch	Moody's	S&P	Risk weight
1	F1+, F1	P-1	A-1+, A-1	20%
2	F2	P-2	A-2	50%
3	F3	P-3	A-3	100%
4	Below F3	NP	All short-term ratings below A-3	150%
5				150%
6				150%

Securitisation:

Long term mapping**:** Standardised approach

Credit Quality Step	Risk Weights	Fitch	Moody's	S&P
1	20%	AAA to AA-	Aaa to Aa3	AAA to AA-
2	50%	A+ to A-	A1 to A3	A+ to A-
3	100%	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-
4	350%	BB+ to BB-	Ba1 to Ba3	BB+ to BB-
5	1250%	B+ and below	B1 and below	B+ and below

Long term mapping: IRB approach

Credit Quality Step	**Risk Weights**			**Credit Assessments**		
	Most senior tranche	**Base**	**Non-granular pool**	**Fitch**	**Moody's**	**S&P**
1	7%	12%	20%	AAA	Aaa	AAA
2	8%	15%	25%	AA	Aa	AA
3	10%	18%	35%	A+	A1	A+
4	12%	20%	35%	A	A2	A
5	20%	35%	35%	A-	A3	A-
6	35%	50%	50%	BBB+	Baa1	BBB+
7	60%	75%	75%	BBB	Baa2	BBB
8	100%	100%	100%	BBB-	Baa3	BBB-
9	250%	250%	250%	BB+	Ba1	BB+
10	425%	425%	425%	BB	Ba2	BB
11	650%	650%	650%	BB-	Ba3	BB-
Below 11	1250%	1250%	1250%	Below BB-	Below Ba3	Below BB-

Short term mapping: Standardised Approach

Credit quality Step	**Risk weight**	**Fitch**	**Moody's**	**S&P**
1	20%	F1+, F1	P-1	A-1+, A-1

2	50%	F2	P-2	A-2
3	100%	F3	P-3	A-3
All other Credit assessments	1250%	Below F3	NP	All short-term ratings below A-3

Short-term mapping: IRB Approach

Credit quality Step	Risk weights			Credit Assessments		
	Most senior tranche	Base	Non-granular pool	Fitch	Moody's	S&P
1	7%	12%	20%	F1+, F1	P-1	A-1+, A-1
2	12%	20%	35%	F2	P-2	A-2
3	60%	75%	75%	F3	P-3	A-3
All other Credit assessments	1250%	1250%	1250%	Below F3	All short-term ratings below A3, P3 and F3	All short-term ratings below A-3

Collective investment undertakings (CIUs)

The mapping for CIUs is the same as the mapping for long-term fundamental credit ratings. Fitch and Moody's use the same rating scale for their Managed Funds Credit Quality Ratings as for their fundamental credit ratings, while S&P uses a slightly different rating scales for Principal Stability Fund Ratings and for Fund Credit Quality Ratings, the rating scales are identical in terms of number of rating categories.

Credit Quality	**Risk Weights**	**Fitch**	**Moody's**	**S&P Principal stability fund**	**S&P Fund credit quality**

Step				ratings	ratings
1	20%	AAA to AA-	Aaa to Aa3	AAA m to AA- m	AAA f to AA- f
2	50%	A+ to A-	A1 to A3	A+m to A-m	A+f to A-f
3	100%	BBB+ to BBB-	Baa1 to Baa3	BBB+m to BBB-m	BBB+f to BBB-f
4	100%	BB+ to BB-	Ba1 to Ba3	BB+m to BB-m	BB+f to BB-f
5	150%	B+ to B-	B1 to B3	B+m to B-m	B+f to B-f
6	150%	CCC+ and below	Caa1 and below	CCC+m and below	CCC+f and below