

Announcement of Periodic Review: Moody's announces completion of a periodic review of ratings of Bank of Africa - BMCE Group

29 Sep 2020

Paris, September 29, 2020 -- Moody's Investors Service ("Moody's") has completed a periodic review of the ratings of Bank of Africa - BMCE Group and other ratings that are associated with the same analytical unit. The review was conducted through a portfolio review in which Moody's reassessed the appropriateness of the ratings in the context of the relevant principal methodology(ies), recent developments, and a comparison of the financial and operating profile to similarly rated peers. The review did not involve a rating committee. Since 1 January 2019, Moody's practice has been to issue a press release following each periodic review to announce its completion.

This publication does not announce a credit rating action and is not an indication of whether or not a credit rating action is likely in the near future. Credit ratings and outlook/review status cannot be changed in a portfolio review and hence are not impacted by this announcement. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on www.moodys.com for the most updated credit rating action information and rating history.

Key rating considerations are summarized below.

Bank of Africa - BMCE Group's (BOA-BMCE) long-term local currency deposit rating of Ba1 reflects its b1 Baseline Credit Assessment (BCA) and Adjusted BCA, as well as three-notches of uplift based on Moody's assessment of a very high probability of government support. The very high support probability is driven by the bank's importance to the local financial system and the local authorities' track record of supporting the banking system.

BOA-BMCE's long-term foreign currency deposit rating is Ba2, constrained by the sovereign ceiling.

The b1 BCA captures BOA-BMCE's stable funding and high liquidity, that together balance its gradually weakening asset quality and modest core capitalization.

This document summarizes Moody's view as of the publication date and will not be updated until the next periodic review announcement, which will incorporate material changes in credit circumstances (if any) during the intervening period.

The principal methodology used for this review was Banks Methodology published in November 2019. Please see the Rating Methodologies page on www.moodys.com for a copy of this methodology.

This announcement applies only to EU rated and EU endorsed ratings. Non EU rated and non EU endorsed ratings may be referenced above to the extent necessary, if they are part of the same analytical unit.

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