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Graubuendner Kantonalbank

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Graubuendner Kantonalbank

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

\+

Support	+2
ALAC Support	0
GRE Support	+2
Group Support	0
Sovereign Support	0

\+

Additional Factors	0

Issuer Credit Rating
AA/Stable/A-1+

Credit Highlights

Overview

Key strengths	Key risks
Very strong capitalization supported by stable earnings and sound fee income from private banking and asset management activities.	Concentration risk in the home region from residential real estate lending, and some exposure to the volatile tourism sector.
A strong retail franchise in the home market of Graubuenden.	Regional focus and a fiercely competitive environment on a national scale, potentially limiting growth and earnings potential.
An extremely high likelihood of support from the Swiss canton of Graubuenden.	Low interest rates, which make it difficult to maintain high earnings capacity.

We anticipate that, if necessary, Graubuendner Kantonalbank (GKB) will receive government support from its majority owner, the canton of Graubuenden, in the foreseeable future. In our view, GKB will maintain its integral link with, and a very important role for, the canton, largely facilitated by the cantonal bank act. We expect that the canton will maintain the existing guarantee resulting from the cantonal bank act for at least the next two years. Although we have not seen any evidence of it, there is a long-term risk that future agreements between Switzerland and the EU regarding preferential market access for Switzerland could include the removal of the guarantee for all cantonal banks.

Despite GKB's large dependence on interest-sensitive mortgage lending, we expect that fees and commission from other products will continue to support the stability of its earnings. The bank has been improving its revenue diversification in recent years, trying to mitigate its dependence on challenging conditions for interest income. We view fee and commission income as an important source of earnings at a time when net interest margins are under pressure from ultra-low interest rates. Fees increased to Swiss franc (CHF) 84.9 million in the first half of 2021, comprising about 37% of GKB's operating revenues. This was thanks to an increase in clients' investment volumes, and performance-related fees from investment and asset manager Albin Kistler AG. This amount of fees is on par with much larger and more diversified peers such as Zuricher Kantonalbank, or the cantonal banks based in Geneva and Vaud.

Capitalization will remain a rating strength, in our view. We expect that GKB will maintain its key rating strength, its capital and earnings position, and project GKB's risk-adjusted capital (RAC) ratio at around 29%-32% over the next two years. We continue to expect that GKB's capitalization will remain superior to that of other cantonal banks or most other banks we rate globally.

Asset quality remains unaffected by the COVID-19 pandemic, and we expect a low proportion of nonperforming loans (NPLs) over the next two years at least. In the middle of 2020, and based on the progression of the pandemic, we had expected NPLs to deteriorate slightly toward 0.3-0.4%. However, contrary to our expectations, and thanks to various government support programs, the NPLs fell continuously over 2020 and in the first half of 2021 to below 0.2%, compared with 0.25% as of year-end 2019. We expect the proportion of NPLs to remain stable and around 0.2% until at least 2023. The high collateralization of GKB's lending and its sound underwriting standards limit the potential losses for the bank.

Outlook: Stable

The stable outlook on GKB reflects our view that over the next two years, GKB will continue to benefit from its status as a government-related entity (GRE), with strong ties to its majority owner, the Swiss canton of Graubuenden. We consider that there remains an extremely high likelihood that the canton would provide timely and sufficient extraordinary support to GKB in the event of financial distress. Moreover, the stable outlook on GKB reflects our view that the bank's robust and superior loss-absorption capacity from its high capital and earnings buffer sufficiently offsets potential domestic financial risks, even if the economic cycle were to worsen unexpectedly over our two-year forecast horizon.

Downside scenario

The likelihood of a downgrade is very low. In the event of a moderate deterioration in the bank's stand-alone credit profile, the potential for extraordinary support from the canton cushions the ratings on GKB. Furthermore, a negative rating action may occur if there is a change in GKB's role for, or link with, the canton of Graubuenden, or changes in the statutory guarantee, which could lead to a weaker assessment of GKB's GRE status. We consider this scenario unlikely, but if it were to occur, we would expect GKB's existing obligations to be grandfathered.

Upside scenario

We are unlikely to raise the ratings in the next 12-24 months. That said, all else remaining equal, we could raise the ratings on GKB if our view on the canton's ability to support the bank during times of financial stress had strengthened.

Key Metrics

Graubuendner Kantonalbank Key Ratios And Forecasts

	--Fiscal year ended Dec. 31 --				
(%)	**2019a**	**2020a**	**2021f**	**2022f**	**2023f**
Growth in operating revenue	5.3	-0.3	2.4-3.0	2.2-2.7	1.8-2.2
Growth in customer loans	1.9	3.4	2.3-2.8	1.8-2.2	1.4-1.7
Net interest income/average earning assets (net interest margin)	1.1	1.1	1.0-1.1	1.0-1.1	1.0-1.1
Cost-to-income ratio	50.0	53.6	47.9-54.3	47.7-54.0	47.7-54.1

Graubuendner Kantonalbank Key Ratios And Forecasts (cont.)					
	--Fiscal year ended Dec. 31 --				
(%)	2019a	2020a	2021f	2022f	2023f
Return on average common equity	6.5	6.4	6.1-6.8	6.2-6.9	6.2-6.8
Return on assets	0.7	0.6	0.5-0.6	0.5-0.7	0.5-0.7
Gross nonperforming assets/customer loans	0.2	0.2	0.2-0.2	0.2-0.2	0.2-0.2
Risk-adjusted capital ratio	31.3	31.0	29.0-31.1	29.2-31.5	29.7-31.9

All figures are S&P Global Ratings-adjusted. a--Actual. f--Forecast.

Anchor: 'a-' for banks operating only in Switzerland

Our anchor for banks operating mainly in Switzerland is 'a-'. We consider the trend for economic and industry risk in Switzerland stable.

We forecast that the Swiss economy will have fully recovered from the effects of the COVID-19 pandemic by year-end 2021. We view positively the country's very high household income levels, proven stress-resilient corporate sector, and the prudent underwriting standards and high collateralization of residential mortgage loans in the banking sector--which dominate most banks' customer portfolios. Considering these factors, we forecast only limited credit losses over the coming years, at slightly above the historical lows we observed before the pandemic. We also expect that price growth in the owner-occupier real estate segment will remain moderate. However, in our view, the investment property segment remains a particular risk after showing signs of a price correction before the pandemic.

Our view of industry risk in Switzerland encompasses the stability of the domestic banking sector and our expectation that damage from the COVID-19 pandemic will remain negligible. We view positively banks' high capitalization in an international comparison, and their low reliance on capital markets for funding. In our view, the Swiss Financial Market Supervisory Authority (FINMA) remains ahead of its peers in terms of both regulatory oversight and innovations. We think FINMA's thorough investigations of large-scale international money-laundering cases have improved market discipline. Notably, in our view, compliance with the highest anti-money-laundering standards is crucial for banking sector stability, reflecting the importance of the wealth management industry. We consider that Swiss banks face limited risks from technology disruption, given the small size of the market, with high barriers to entry and technologically well-equipped banks.

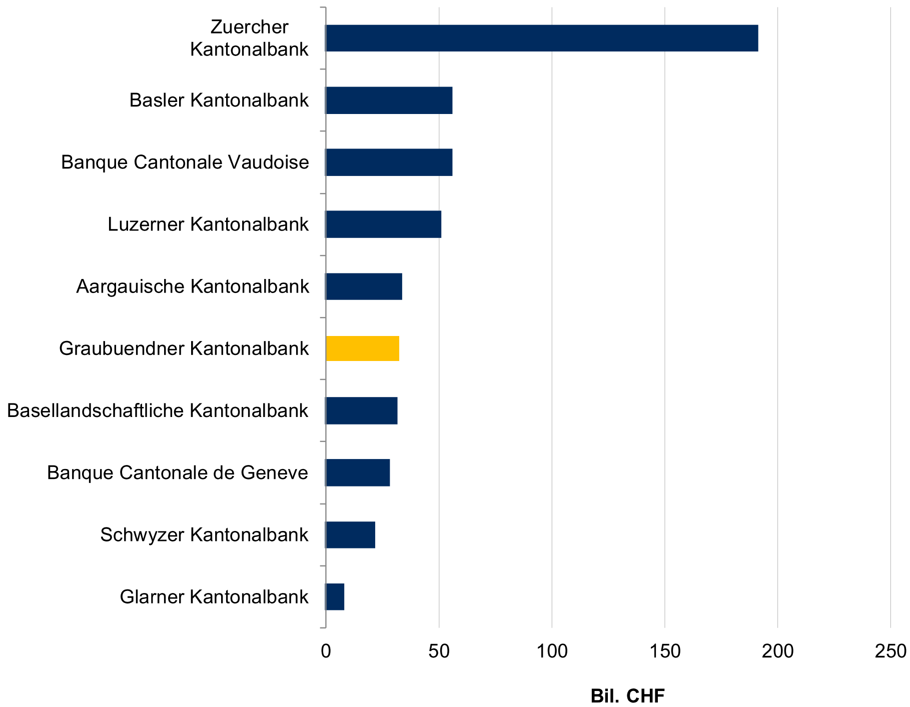
Business position: Solid regional franchise, complemented by private banking and asset management activities

We expect GKB's business position to remain in line with that of its domestically focused Swiss peers. We project that GKB's business stability from its dominant regional franchise will remain well managed and robust in the foreseeable future. Together with GKB's strong resilience and Swiss customers' financial health, this balances our structural concerns about its highly concentrated business model by region and product.

Chart 1

GKB Sits Among Midsize Rated Cantonal Banks

By total assets, H1 2021

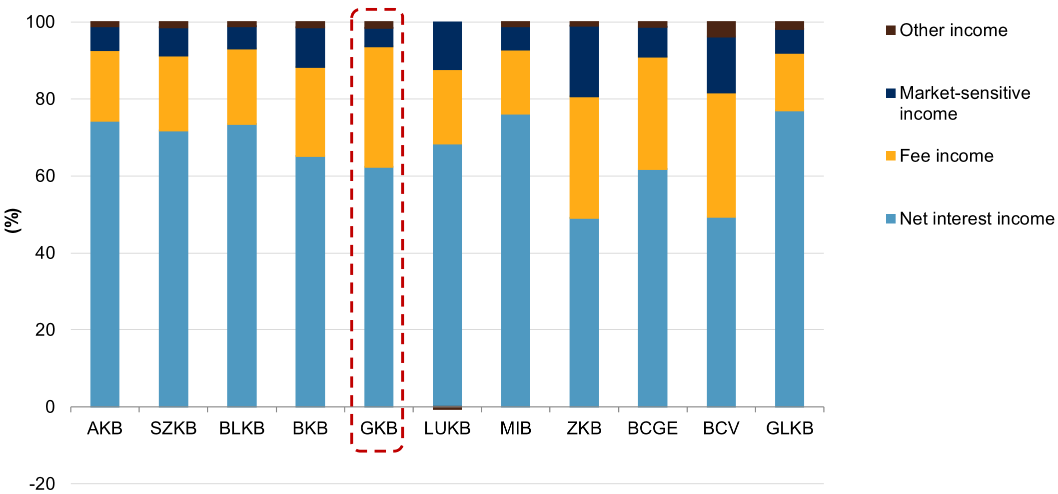


Source: S&P Global Ratings. CHF--Swiss franc.

GKB is a midsize cantonal bank, with total assets of CHF32.4 billion as of June 30, 2021. As a leading commercial bank in its home canton, GKB has high and stable market shares in retail and corporate banking (over a 50% market share of business customers and a 40%-50% share of retail customers). The customer base has proven stable throughout the pandemic, and we expect it to continue to provide GKB with a sustainable source of stable revenues for the next two years. We expect the fee component of revenues to increase further toward an impressive 35%-40% of the total if interest rates remain low.

Chart 2

Of The Cantonal Banks, GKB Demonstrates One Of The Highest Shares Of Stable Fee Income, At Over 30%
Breakdown of operating revenues



Data relates to FY2020. AKB--Aargauische Kantonalbank. BCGE--Banque Cantonale de Geneve. BCV--Banque Cantonale Vaudoise. BLKB--Basellandschaftliche Kantonalbank. BKB--Basler Kantonalbank. GLKB--Glarner Kantonalbank. GKB--Graubuendner Kantonalbank. LUKB--Luzerner Kantonalbank. SZKB--Schwyzer Kantonalbank. ZKB--Zuercher Kantonalbank. Source: S&P Global Ratings.

Like most other Swiss cantonal banks, GKB operates predominantly in its home region, Graubuenden, which represents almost 80% of its outstanding lending portfolio, and focuses on residential mortgage lending and lending to small and midsize companies. In addition, GKB engages selectively in corporate syndicated lending across Switzerland and acts as a partner to larger cantonal or commercial banks, mainly highly rated large Swiss corporate entities. We consider this selective expansion as having only limited revenue diversification benefits.

GKB's lending activities are complemented by its private banking operations. These focus mainly on domestic customers, but the bank also has some cross-border business with German and Italian clients owing to their geographical proximity, with total assets under management estimated at CHF41.4 billion. In our view, the pension services business of GKB's partner, Diventa AG, along with GKB's digital retirement savings app, should further support the bank's strategy of strengthening its position as a provider of professional institutional investment solutions, as well as a partner for private individuals.

In our opinion, the bank's management team continues to demonstrate a strong track record, underpinned by prudent underwriting standards and conservative risk management. The bank also invests in digital solutions like mobile apps to suit its younger customer base and catch up with changes in the banking environment.

Capital and earnings: GKB has one of the highest capitalization buffers globally

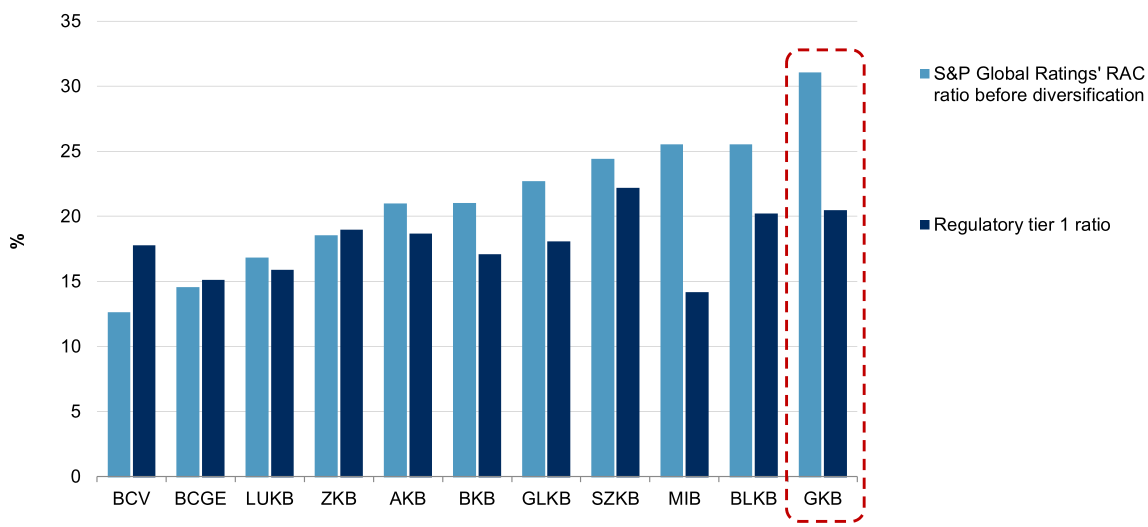
We continue to expect that GKB's capitalization will remain very strong, with the RAC ratio oscillating around 30%. In our view, GKB's earnings are predictable and stable. In our forecast, we expect that low interest rates and the pandemic-induced economic recession will put additional pressure on GKB's net interest margin, but its operating revenue is gaining support from fees and commission.

We estimate that operating income after loss provisions will improve to over CHF200 million in the next 12-24 months, compared with CHF188 million as of year-end 2020. We estimate GKB's three-year average earnings buffer at roughly 170 basis points (bps)-180 bps, which also indicates a sound capacity for earnings to cover normalized losses. We do not assume any changes to the bank's dividend policy of distributing slightly more than CHF100 million per year, a payout ratio of about 55%-60%, to its home canton and other shareholders.

We view GKB's capital as very high quality because it includes only core Tier 1 components. We anticipate that GKB's majority owner, the canton of Graubuenden, will remain supportive of the current capitalization buffers.

Chart 3

GKB Has One Of The Highest Capitalization Buffers Globally…
...and the highest S&P Global Ratings' RAC ratio compared to its cantonal bank peers

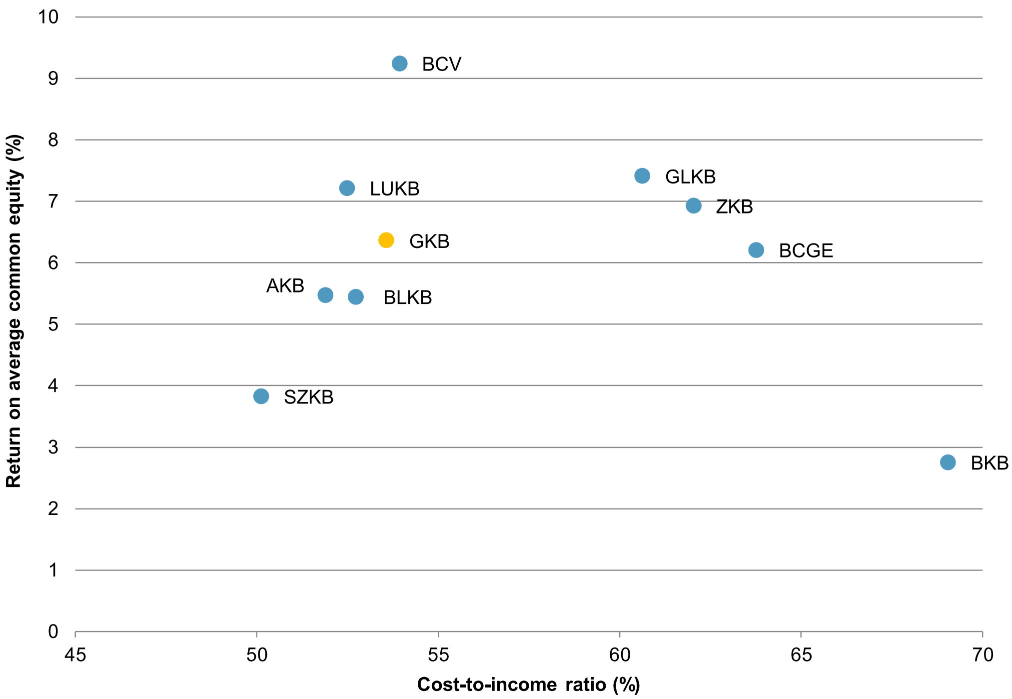


Ratios as of December 2020. AKB--Aargauische Kantonalbank. BCGE--Banque Cantonale de Geneve. BCV--Banque Cantonale Vaudoise. BLKB--Basellandschaftliche Kantonalbank. BKB--Basler Kantonalbank. GLKB--Glarner Kantonalbank. GKB--Graubuendner Kantonalbank. LUKB--Luzerner Kantonalbank. SZKB--Schwyzer Kantonalbank. ZKB--Zuercher Kantonalbank. Source: S&P Global Ratings.

Chart 4

GKB Has Sound Profitability At An Extraordinarily High Level Of Capitalization...

...and sound efficiency relative to cantonal bank peers



Source: S&P Global Ratings. All data as per FY2020.

Risk position: Exceptionally low loan losses despite regional concentration in Graubuenden

We expect GKB's risk profile to remain robust, because of the bank's focus on low-risk, highly collateralized, residential mortgage lending, and lending to small and midsize companies. In our opinion, the bank will maintain its prudent underwriting standards, which we see as a supportive factor for the risk assessment.

These factors offset risks from GKB's regional concentration in a canton that relies considerably on the cyclical tourism sector. GKB's sustained prudent risk management and low risk appetite have enabled it to remain resilient to periods of economic stress throughout the cycle, including during the pandemic. The proportion of NPLs at only 0.12% as of June 30, 2021, is the lowest level for many years now. However, we expect a limited rebound in NPLs over 2022 toward normalized pre-pandemic levels.

We forecast that risk costs will remain negligible over 2021, but will slightly increase toward 5 bps in 2022-2023, as some prolonged post-pandemic effects may still materialize.

Residential real estate loans, mainly from GKB's home region, represented 76% of its loan book on June 30, 2021. Our concerns regarding regional concentration risks remain balanced by the high granularity and adequate collateralization of GKB's loan portfolio, evident from, for example, our estimate of a 56% average loan-to-value ratio for mortgage loans.

We view positively the fact that the majority of the bank's mortgage loan book relates to borrowers in the residential sector rather than the tourism sector, and that the tourism sector represents less than 5% of the overall mortgage portfolio by property type. We expect GKB to maintain its conservative underwriting practices in mortgage lending, reflected in the high asset quality of its credit portfolio, which we expect to broadly persist following the pandemic.

To diversify its loan book geographically and by sector, GKB participates in syndicated corporate loans, mainly across Switzerland. Although corporate lending increases the credit risk in GKB's loan book, mitigating factors are that borrowers are mainly large, rated Swiss corporations, and that GKB participates selectively and with small amounts. We do not believe that this activity, today representing less than 5% of GKB's loan book, will provide any significant diversification benefit or, at its current magnitude, increase GKB's credit risk to an extent that would lead us to revise down our capital or risk assessments.

Funding and liquidity: A favorable funding profile owing to stable retail deposits

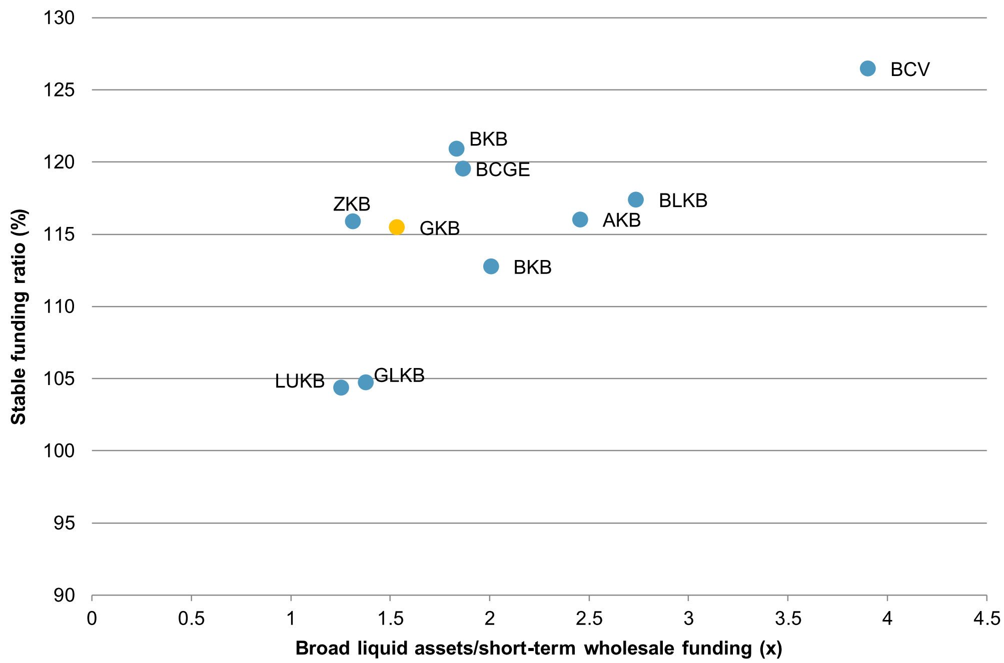
We believe that GKB's combined funding and liquidity position will remain on a par with the positions of most of its peers. We believe that GKB's funding will continue to benefit from a large and reliable customer deposit base (65% of its total funding base in mid-2021), which is average compared with many domestic peers. GKB had a stable funding ratio of 116.5% as of end-2020. In our view, the ratio will remain at a similar level over the next few years at least.

As is the case with most of GKB's cantonal bank peers, we expect GKB's deposits to remain resilient in times of unexpected and systemic market stress because of the bank's public-sector ownership and the statutory guarantee from the canton of Graubuenden. Moreover, the shareholder and guarantee structure support GKB's access to low-cost, long-term, wholesale funding (14% of its total funding base) and its ability to issue covered bonds. GKB successfully issued its first CHF100 million green bond in November 2021, which supports the bank's environmental, social, and governance (ESG) agenda.

GKB's securities portfolio remained relatively stable in the first half of 2021, funded by a meaningful deposit inflow of CHF1.2 billion (+5%). We have observed a temporary increase in banks' balance sheet liquidity during the pandemic in most markets, resulting predominantly from subdued private consumption, but also from sizable government support programs. Overall, we think that GKB's liquidity will remain a strength, underpinned by our assessment of its one-year ratio of broad liquid assets to short-term funding of 1.5x as of December 2020. In our view, the bank should withstand market stress without access to capital market funding for more than 12 months. GKB's liquid assets comfortably cover its short-term wholesale funding needs, minimizing the risk of a gap in its liquidity profile.

Chart 5

GKB's Funding And Liquidity Metrics Are In Line With Those Of Its Cantonal Bank Peers And Are Stable Over Time



Source: S&P Global Ratings. All data for FY2020 unless indicated otherwise.

Support: An extremely high likelihood of extraordinary support from the canton of Graubuenden, if needed

We believe that GKB will remain a GRE, and see an extremely high likelihood that GKB would receive timely and sufficient extraordinary support from Graubuenden if necessary. We base our assessment on our view of the bank's:

- Integral link with the canton. We expect Graubuenden to provide considerable and timely credit support in all circumstances to GKB, due to the canton's majority ownership of GKB and possession of 100% of the voting rights, as well as its provision of a statutory guarantee for GKB; and
- Very important role in the canton, owing to the large impact of GKB's activities on the local economy.

Because of these factors, we incorporate a two-notch uplift into the long-term rating on GKB. We do not envisage that the bank's GRE status or our view of an extremely high likelihood of extraordinary government support will change in the foreseeable future.

GKB benefits from Graubuenden's statutory guarantee, which ultimately covers all its liabilities, excluding those of its subsidiaries Privatbank Bellerive and Albin Kistler; subordinated liabilities; and nonvoting participation certificates (Partizipationskapital). However, the guarantee does not ensure timely repayment, as per our definitions, but we believe that the canton has strong incentives to help GKB meet its obligations on time, due to the bank's importance to the regional economy.

Additional rating factors

No additional factors affect the ratings.

Environmental, Social, And Governance

ESG factors have a neutral impact on our assessment of GKB's creditworthiness in the medium term. GKB's social and environmental credit factors are in line with those of the bank's peers in the banking industry, while the bank's governance standards are comparable with the practices in its home country.

Key Statistics

Table 1

Graubuendner Kantonalbank--Key Figures

		--Year-ended Dec. 31--			
(Mil. CHF)	**2021***	**2020**	**2019**	**2018**	**2017**
Adjusted assets	32,358	31,406	28,489	26,426	25,607
Customer loans (gross)	21,393	20,924	20,239	19,864	19,202
Adjusted common equity	2,679	2,638	2,630	2,531	2,440
Operating revenues	229	409	410	390	373
Noninterest expenses	102	219	205	201	177
Core earnings	122	183	194	194	193

*Data as of June 30. CHF--Swiss franc.

Table 2

Graubuendner Kantonalbank--Business Position

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Total revenues from business line (CHF mil.)	229.9	411.5	414.2	397.0	380.2
Return on average common equity	7.5	6.4	6.5	7.0	7.2

*Data as of June 30.

Table 3

Graubuendner Kantonalbank--Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Tier 1 capital ratio	19.9	20.4	20.9	18.8	18.7
S&P Global Ratings' RAC ratio before diversification	N/A	31.0	31.3	27.4	25.7
S&P Global Ratings' RAC ratio after diversification	N/A	17.3	18.6	18.7	19.5
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	56.3	62.4	60.1	64.6	65.7
Fee income/operating revenues	37.0	31.3	32.7	27.3	25.1

Table 3

Graubuendner Kantonalbank--Capital And Earnings (cont.)

	--Year-ended Dec. 31--				
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Market-sensitive income/operating revenues	5.4	4.7	4.7	5.7	5.3
Cost-to-income ratio	44.7	53.6	50.0	51.7	47.4
Preprovision operating income/average assets	0.8	0.6	0.7	0.7	0.8
Core earnings/average managed assets	0.8	0.6	0.7	0.7	0.8

*Data as of June 30. N/A--Not applicable.

Table 4

Graubuendner Kantonalbank--Risk-Adjusted Capital Framework Data

(Mil. CHF)	Exposure*	Basel III RWA	Average Basel III RW(%)	S&P Global RWA	Average S&P Global RW (%)
Credit risk					
Government & central banks	9,422	310	3	289	3
Of which regional governments and local authorities	1,053	310	29	38	4
Institutions and CCPs	2,825	671	24	279	10
Corporate	3,153	3,039	96	2,118	67
Retail	15,705	7,362	47	4,174	27
Of which mortgage	14,460	6,271	43	3,353	23
Securitization§	--	--	--	--	--
Other assets†	262	281	107	259	99
Total credit risk	31,367	11,662	37	7,120	23
Credit valuation adjustment					
Total credit valuation adjustment	--	69	--	0	--
Market risk					
Equity in the banking book	111	227	204	589	528
Trading book market risk	--	20	--	30	--
Total market risk	--	247	--	619	--
Operational risk					
Total operational risk	--	748	--	779	--
(CHF 000s)	**Exposure**	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global RWA**	**% of S&P Global RWA**
Diversification adjustments					
RWA before diversification	--	12,727	--	8,517	100
Total diversification / concentration adjustments	--	--	--	6,694	79
RWA after diversification	--	12,727	--	15,211	179
(CHF 000s)		**Tier 1 capital**	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		2,592.8	20.4	2,638.4	31.0

Table 4

Graubuendner Kantonalbank--Risk-Adjusted Capital Framework Data (cont.)				
Capital ratio after adjustments‡	2,592.8	20.4	2,638.4	17.3

*Exposure at default. §Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. †Exposure and S&P Global Ratings' risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. ‡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.CHF--Swiss franc. Sources: Company data as of Dec. 31, 2020, S&P Global Ratings.

Table 5

Graubuendner Kantonalbank--Risk Position

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Growth in customer loans	2.5	3.4	1.9	3.4	5.3
Total diversification adjustment/S&P Global Ratings' RWA before diversification	N/A	78.6	68.5	46.9	32.0
Total managed assets/adjusted common equity (x)	12.1	11.9	10.8	10.5	10.5
New loan loss provisions/average customer loans	(0.0)	0.0	0.0	(0.0)	0.0
Gross nonperforming assets/customer loans + other real estate owned	0.1	0.2	0.2	0.2	0.2
Loan loss reserves/gross nonperforming assets	N/A	578.3	320.1	413.5	431.2

*Data as of June 30. N/A--Not applicable.

Table 6

Graubuendner Kantonalbank--Funding And Liquidity

		--Year-ended Dec. 31--			
(%)	**2021***	**2020**	**2019**	**2018**	**2017**
Core deposits/funding base	64.5	63.5	65.2	69.9	69.1
Customer loans (net)/customer deposits	111.6	114.5	120.3	119.2	120.4
Long-term funding ratio	79.3	79.1	82.9	86.7	84.4
Stable funding ratio	115.7	115.5	113.1	111.9	108.9
Short-term wholesale funding/funding base	22.6	22.9	18.9	14.8	17.3
Broad liquid assets/short-term wholesale funding (x)	1.6	1.5	1.6	1.7	1.4
Net broad liquid assets/short-term customer deposits	19.9	19.8	17.9	15.2	11.7
Short-term wholesale funding/total wholesale funding	63.7	62.8	54.5	49.1	56.1
Narrow liquid assets/three-month wholesale funding (x)	2.4	1.7	2.2	2.0	1.6

*Data as of June 30.

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria - Financial Institutions - Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015

- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Banking Industry Country Risk Assessment Update: November 2021, Nov. 23, 2021
- Switzerland, Aug. 23, 2021
- As Near-Term Risks Ease, The Relentless Profitability Battle Lingers For European Banks, June 25, 2021
- Banking Industry Country Risk Assessment: Switzerland, Jan. 6, 2021

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 December 6, 2021)*	
Graubuendner Kantonalbank	
Issuer Credit Rating	AA/Stable/A-1+
Issuer Credit Ratings History	
01-Dec-2014	AA/Stable/A-1+
03-Jul-2012	AA+/Negative/A-1+
17-Dec-2010	AA+/Stable/A-1+
Sovereign Rating	
Switzerland	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.