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Ratings

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Asian Development Bank

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Asian Development Bank

Major Rating Factors

Issuer Credit Rating
Foreign Currency
AAA/Stable/A-1+

Strengths:

- Strong capital position, elevating AsDB's financial profile.
- Strong public policy mandate and overall sound loan book growth, cementing the business profile.
- Expected continued treatment as a preferred creditor.

Weaknesses:

- High regional concentration of sovereign borrowers in the Asia-Pacific.

Rationale

Our issuer credit ratings on the Asian Development Bank (AsDB) reflect the bank's extremely strong capital position and improved lending capacity. A transfer of Asian Development Fund (ADF) loans and certain other assets to AsDB's Ordinary Capital Resources (OCR) took effect on Jan. 1, 2017. The move boosted AsDB's total lending capacity substantially due to the addition of nonleveraged ADF equity to the OCR. The combined account's equity has nearly tripled to approximately US$50.3 billion as of end-2017. This has provided for an extremely strong capital position, which underpins our assessment of AsDB's stand-alone credit profile (SACP) at 'aaa'.

Although we consider ADF to have some exposure to higher credit risk, in our view, the addition of significant capital resources outweighs the increase in risk, as evident from AsDB's risk-adjusted capital (RAC) ratio increasing to 33% as of Dec. 31, 2017 (compared with 16% at year-end 2016). In addition, we believe the distinctions between some countries that qualify for ADF and OCR may no longer be valid because the gaps between their social and economic indicators have narrowed. In fact, many countries eligible for ADF are already borrowing from the OCR. After the transfer of ADF assets to OCR, lower-income countries currently eligible for ADF loans will continue to receive concessional lending terms and conditions under the expanded OCR. However, we expect the share of concessional lending in the overall portfolio to remain small.

We expect lending activity to accelerate prudently given the completion of the OCR-ADF merger, resulting in a declining RAC ratio. However, our assessment of capital adequacy assumes that AsDB's ability to generate capital internally combined with the latest general capital increase will prevent its capital ratio from falling below 23% of risk-weighted assets over the medium term. We believe AsDB's financial profile strengthened after the merger and now consider it as extremely strong.

We anticipate AsDB will continue to receive preferred creditor treatment, given the payment record of its borrowing members. In our view, the payment record of ADF clients has been strong. Despite instances of arrears by Myanmar, Nauru, and the Marshall Islands, the amounts were small and were eventually repaid, with interest. As of Dec. 31, 2016, AsDB had one nonsovereign loan of US$20 million in default, which was completely written-off in 2017. It has no sovereign defaults. However, AsDB has provisioned and subsequently written off approximately US$34 million in loan principal and interest provided under concessional loan facilities to Afghanistan under the Heavily Indebted Poor Countries initiative. As a result of the OCR-ADF merger, OCR will shoulder the write-off provision without affecting its income.

We believe AsDB will continue to promote the economic and social development of its members in the Asia-Pacific, through loans, policy dialogue, technical assistance, equity investments, grants, and guarantees. In terms of its size of purpose-related exposures, the bank is the third-largest multilateral lending institution that we rate globally, after the European Investment Bank, and the International Bank for Reconstruction and Development. In our view, AsDB's role, unwavering public policy mandate, and membership support anchors our assessment of its extremely strong business profile.

Our assessment of AsDB's funding and liquidity, following the OCR-ADF merger, has been less affected than the financial profile. AsDB is significantly ramping up its funding and plans to raise about US$23 billion in 2018. Although AsDB's funding ratios are lower than some peers', the bank has a consistent track record as a benchmark issuer in multiple currencies and key global markets. In addition, we believe the gap with peers will narrow over the next six to 12 months. According to our liquidity ratios, we expect AsDB to be able to meet its obligations under stressed market conditions and without access to the capital markets for at least one year.

Although the Chinese government's initiative to spur infrastructure investment in Asia via the Asian Infrastructure Investment Bank (AIIB) could see its lending volume eventually eclipsing that of the AsDB, we do not expect that to hamper AsDB's policy importance. This is because the region's infrastructure needs are immense, and will be larger than what one multilateral lending institution can handle. We believe AIIB will cooperate, rather than compete, with AsDB and other multilateral lending institutions to boost the level of infrastructure and developmental growth in Asia.

AsDB benefits from the support of its members and a diverse shareholder base. Forty-eight members from Asia-Pacific own 63.5% of the bank and 19 nonregional members own the remainder. While Japan and the U.S. have always been the AsDB's largest shareholders (both own 15.6%), the bank's shareholder base is diversified with eight governments owning more than 5% of the capital each. These include China (6.4%), India (6.3%), Australia (5.8%), Indonesia (5.4%), Canada (5.2 %), and Korea (5.0%). Nonborrowing members have about 62% of the voting rights of AsDB. We believe this helps the bank adopt prudent lending and investment policies.

Given the 'aaa' SACP on AsDB, the ratings on the bank do not rely on callable capital. However, should AsDB's cash capital position weaken, we believe the bank could call on 11 'AAA'-rated shareholders to provide up to US$27 billion of callable capital to support its debt servicing requirements.

Outlook

The stable outlook on AsDB reflects our expectation that the bank will maintain its extremely strong business profile with borrowers treating the bank as a preferred creditor. In addition, we view the significant capital increase as anchoring the extremely strong financial profile. We also expect AsDB will address its funding gaps over the next year.

Our base case indicates a relatively low probability that we would lower our issuer credit rating over the next 24 months.

Downside scenario

We may lower the ratings on AsDB if either the bank's business or financial profile substantially deteriorates. For example, the rating will come under pressure if, contrary to our expectations, the AsDB management adopts more aggressive financial policies, if poor-quality loan growth increases, or if the bank's derivative activities generate persistent operating losses. Should AsDB's other strengths deteriorate, such as its preferential creditor treatment weakening on the diversified portfolio, the rating could also come under pressure.

Stand-Alone Credit Profile: 'aaa'

Our assessment of AsDB's SACP reflects our opinion of its extremely strong business profile and extremely strong financial profile.

Business Profile: Extremely Strong

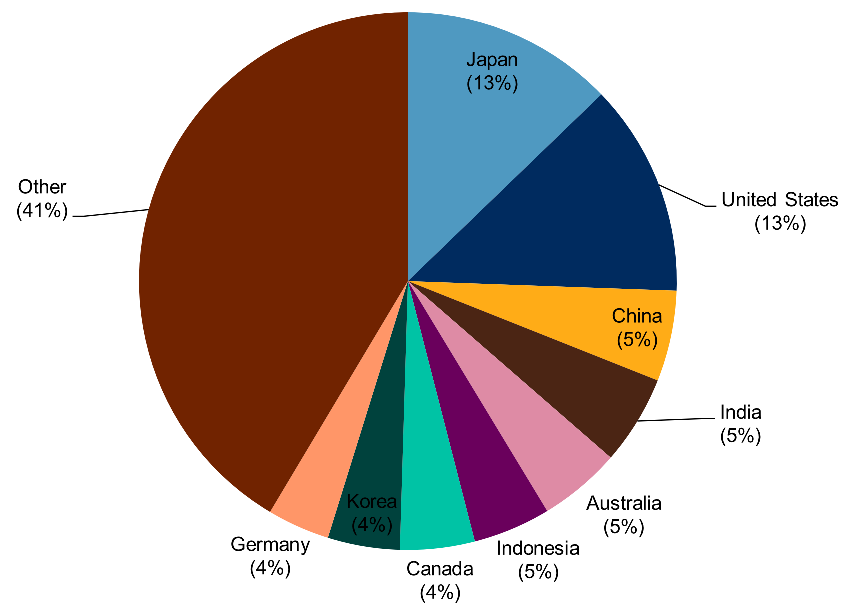
AsDB's business profile reflects our assessment of the bank's governance, role in terms of providing a relevant funding contribution for sovereign and non-sovereign borrowers to assist developing member countries and public policy mandate.

Policy Importance

AsDB was founded in 1966 by international treaty to develop and promote growth in Asia and the Pacific by financing long-term infrastructure projects in developing member countries. AsDB has 67 shareholders, of which none has withdrawn over the bank's history, and we do not expect that any will do so in the near term. The shareholder group is diverse and balanced, with 48 government shareholders in the region, and none from the private sector.

Chart 1

Asian Development Bank - Shareholder Distribution



Source: AsDB 2017 annual report.

The bank has a well-established policy mandate, with a lengthy track record that includes many credit cycles and five increases in capital subscriptions. AsDB's earnings are exempt from taxes, given the nature of its directive.

AsDB's primary activity is to provide loans for specific projects or programs for sovereign and non-sovereign borrowers to assist developing member countries. AsDB's loans target three core areas: inclusive economic growth, environmentally sustainable growth, and regional integration as part of the institution's Strategy 2020 policy goals. AsDB extends loans predominantly through its OCR account, which consists of paid-in capital, retained earnings (reserves), and some proceeds from borrowings. In addition, the bank has various concessional funds available to borrowers with low per capita income and limited debt repayment capacity, the largest of which was the ADF.

We believe ADB will focus on boosting private sector funding, as a result of rising private capital flows in Asia in recent years. ADB commitments for private sector operations increased to US$2.3 billion in 2017, from US$1.8 billion in 2016, the highest level to date. Private sector operations also attracted US$5.9 billion in co-financing, which we believe will grow over our outlook horizon.

On Jan. 1, 2017, AsDB transferred loans and other certain assets totaling US$30.8 billion from the ADF to the OCR. At the same time, an equivalent amount of equity was transferred. The merger allows AsDB to enhance financial capacity via greater efficiencies of its capital resources. The merger has nearly tripled the amount of equity in the OCR, providing AsDB a large boost to the bank's total lending and grant approvals to about US$20 billion a year over the next few years (about US$40 billion if including co-financing). We believe AsDB will prudently accelerate its lending activity after the merger. AsDB will continue offering ADF loans on the same concessional terms and conditions as currently provided. Other benefits of the merger include diversification of AsDB's loan portfolio and strengthening of the bank's risk-bearing capacity on its business and financial profiles.

AsDB provides guarantees and makes equity investments in addition to its primary lending activity. The bank also provides technical assistance, grants, and loans for project preparation, planning, and evaluation. We believe these ancillary services supplement AsDB's policy importance and role to its member countries.

As a major multilateral lending institution, AsDB receives implicit preferred creditor treatment from its borrowing members. There are examples where members have serviced AsDB debt even while in arrears on other commercial or bilateral loans.

Governance And Management Expertise

Strengths

- The bank's founding charter outlines strong governance standards and a clear mandate.
- The extensive experience of the sizeable management team minimizes key-person risk.
- Non-borrowing members of AsDB held more than 60% of the total voting rights at fiscal year-end 2017.
- Superior financial and risk management policies inform AsDB's considerable financial derivatives operations and the conservative investment of liquid assets.

AsDB is headquartered in Manila, and has approximately 3,000 employees operating in 31 field offices around the world. The current president is Takehiko Nakao. This office has always been held by a Japanese citizen, indicating the bank's close working relationship with Japan. On Nov. 24, 2016, Mr. Nakao was unanimously reelected for the customary five-year term. His current term ends on Nov. 23, 2021.

Under AsDB's charter, the board of governors holds all power of the bank and is the bank's highest decision-making body. The general operations of AsDB rest with the board of 12 directors, each with an alternate who is elected by the governors every two years. The charter allows the board of governors to delegate to the board all its powers, except those whose delegation is expressly prohibited by the charter.

We believe that AsDB's risk and financial management policies are prudent. We envisage the bank will continue to manage its derivatives position exclusively for hedging purposes and that it will not engage in active trading activities.

AsDB maintains a conservative liquidity policy to guard against a liquidity shortfall in case access to capital markets is temporarily denied. AsDB's board of directors approved a revised liquidity policy framework in November 2016, redefining the prudential minimum liquidity as 100% of the one-year net cash requirements. Maintaining the prudential minimum liquidity would enable AsDB to cover normal net cash requirements for 12 months without borrowing. The bank's treasury portfolio was US$38.3 billion at end-2017, increasing from US$27.4 billion in 2016.

AsDB's treasury portfolio is largely invested in conservative assets, such as money market instruments and government securities. Eligibility criteria are maintained for securities, including:

- Long-term ratings of 'A+' or higher or short-term ratings of 'A-1' or higher on financial institutions for deposit placements;
- Ratings of 'AA-' or higher for debt issued by sovereigns, government agencies, or multilateral lending institutions. In the case of sovereign debt, such debt is denominated in the national currency of the issuer and therefore no rating is required; and
- 'A-' ratings for corporate debt securities (and only up to 10% of the U.S. dollar sub-portfolio).

Additionally, AsDB's swap book risks are controlled via counterparty exposure limits, daily marked-to-market collateral calls, and the eligibility criteria. All swap counterparties are rated at least 'A-', and current exposure to counterparties rated below 'A+' is generally fully collateralized. At the end of 2017, all of AsDB's marked-to-market exposure was collateralized, except for four 'AA-' counterparties whose uncollateralized exposure was within its established threshold.

Financial Profile: Extremely Strong

Our view of AsDB's financial profile incorporates our calculation of the bank's capital adequacy and its funding and liquidity profiles.

AsDB prepares its financial statements according to U.S. generally accepted accounting principles.

Table 1

Asian Development Bank -- Selected Financial Statistics

(Mil. US$)	2017	2016	2015	2014	2013
Asssets					
Due from banks and time deposits, of which:	6,379	1,524	2,061	4,388	3,946
Assets in banks subject to restrictions	0	0	0	107	97
Securities	31,626	25,264	22,133	20,322	21,720
Loans outstanding	101,362	67,794	61,975	55,925	53,124
Allowance for loan losses	(118)	(45)	(34)	(35)	(36)
Equity investments	1,185	814	862	862	819
Receivable from members	0	0	0	0	0
Receivable from swaps	40,761	29,143	29,538	33,092	35,043
Other assets	1,186	1,360	1,162	1,106	1,252
Total assets	182,381	125,854	115,660	115,428	115,868
Liabilities					
Borrowings, of which:	87,281	74,476	66,054	62,701	61,630
Portion maturing during next year	19,315	18,548	14,234	14,053	13,265
Payable for swaps	42,852	32,079	32,272	33,987	34,347
Other liabilities	1,979	2,085	1,925	2,034	2,753
Total liabilities	132,112	108,640	100,251	98,722	98,730

Table 1

Asian Development Bank -- Selected Financial Statistics (cont.)					
(Mil. US$)	**2017**	**2016**	**2015**	**2014**	**2013**
Capital					
Paid-in capital	7,563	7,075	7,293	7,229	6,843
Other capital	42,706	10,139	10,153	9,709	10,295
Shareholders' equity	50,269	17,214	17,446	16,938	17,138
Other items:					
Guarantees	2,173	2,105	1,407	1,740	1,780
AAA' callable capital	26,789	26,026	26,850	30,022	31,997
Borrowings and other financial expenses	1,247	751	374	317	400
Administrative expenses	578	390	383	352	411
Operating income	31,473	521	343	571	469
Undisbursed effective loans	40,056	26,898	25,911	26,140	21,907
Undisbursed equity investments	354	422	432	433	587
Nonaccrual loans	0	20	0	0	0
Sum of loans to five largest borrowing countries	63,533	51,229	48,016	44,944	43,619

Capital Adequacy

Capital and earnings

In our opinion, AsDB's capitalization remains comfortable. AsDB's RAC ratio before adjustments strengthened to 45% after the merger and we consider it to be extremely strong. The RAC ratio after adjustments improved to 33%. This is significantly higher than last year's adjusted RAC ratio of 16% (before the merger), due to the near threefold increase in adjusted common equity (ACE) to US$50 billion from US$17.2 billion as of Dec. 31, 2017. Other factors boosting the capital position include a reduced concentration of the consolidated loan portfolio and increased geographic diversification. These factors outweigh a slight increase in lending activities. The RAC ratio after diversification does not reflect the criteria correction published on July 10, 2017. We assessed the impact of the correction on the ratio as immaterial to the rating.

Loan pricing

AsDB's sovereign loan pricing varies depending on country classification and type of assistance. For Regular OCR loans guaranteed by the sovereign, the spreads are 0.50% over six-month U.S. dollar LIBOR with additional maturity premia applied for long tenors. Concessional assistance is extended on terms more favorable to the borrower. Results-based lending was introduced to support government-owned sector programs and disburse financing based on program results. The loan terms under results-based lending are the same as for investment projects. As of Dec. 31, 2017, four new OCR loans totaling US$1.85 billion were approved (two OCR for US$375 million and two ADF for US$141 million were approved in 2016) under results-based lending, with disbursements totaling US$587 million (2016: US$443 million).

Guarantees and equity investments

Under AsDB guidelines, the bank can provide credit guarantees for a portion of a project's debt service (a partial credit guarantee) or a risk guarantee for specific event risks (a political risk guarantee). At end-2017, AsDB had outstanding guarantees just over US$2.2 billion (compared with US$2.1 billion in 2016), or just over 2% of total loans.

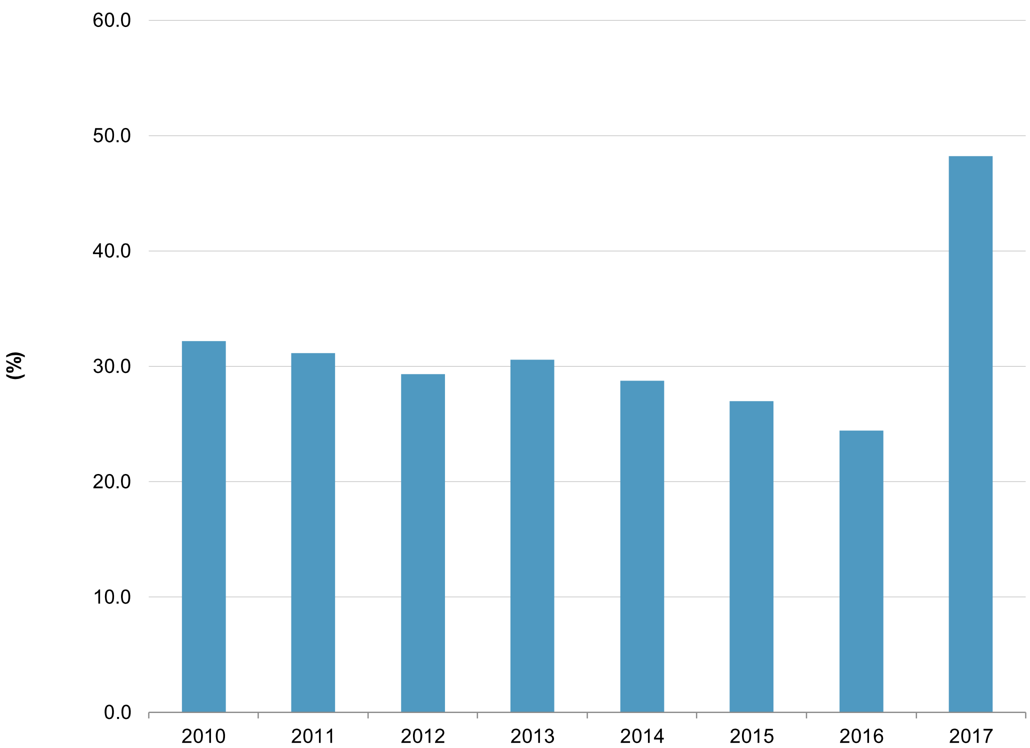
AsDB's charter prevents it from holding equity investments beyond 10% of the value of its unimpaired paid-up capital stock, reserves other than special reserves, and accumulated surpluses. As of Dec. 31, 2017, AsDB's approved equity investment (both outstanding and undisbursed) amounted to US$1.3 billion, or 26% of the ceiling. Much of the equity exposure is to non-sovereign operations.

Leverage

AsDB has low leverage. The institution's gross outstanding borrowings cannot exceed the sum of callable capital from non-borrowing members, paid-in capital, and reserves (including surplus). Based on this policy, the bank has borrowing headroom of US$60 billion (40%). Similar to other multilateral financial institutions, AsDB's lending policy limits the total amount of disbursed loans and equity investments, related prudential buffer, and the maximum ADB guarantee amount to the bank's unimpaired subscribed capital, reserves, and surplus, exclusive of the special reserve. This ratio was at 52% of lending authority utilization at end-2017, giving the bank increased lending headroom of US$93.5 billion.

Chart 2

Disbursed Loans, Equity Investments + Guarantees / Adjusted Shareholders' Equity



Treasury activities

Credit risk. AsDB's aggregate portfolio exposure to credit risk is US$142.9 billion as of end-2017. This consists of:

- Sovereign loans and guarantees (68%);
- Non-sovereign loans and guarantees (5%);
- Fixed income (18%);
- Cash and deposits (8%);
- Equity (1%); and
- Derivatives (<0.1%).

Nearly 70% of the fixed-income positions are in high-quality debt securities issued by governments. The rest are in instruments of government agencies, sovereign guaranteed, supranationals, and corporate entities. Likewise, the cash and deposits are placed with highly rated institutions.

Interest rate risk. AsDB's primary exposure to interest risk is thus through its liquidity portfolio. The bank manages this via various methods including mark-to-market, stress testing, scenario analysis, and monitoring of risk metrics. AsDB uses duration and value-at-risk as its key measures to assess interest-rate risk in the treasury portfolio. The aggregate value-at-risk decreased to 0.6% from 2.6% in 2016, due mainly to a bigger equity portfolio from the addition of ADF. The duration decreased to 1.6 years in 2017, from two years in 2016, as a result of shorter-term investments.

Exchange rate risk. AsDB's practice of either on-lending the proceeds of its borrowings in the same currency or swapping its borrowings into the currency in which it lends minimizes its exposure to exchange rate risk.

Earnings

The bank's 2017 net income increased significantly to US$31.5 billion, compared with US$7 million in 2016. The surge is driven mainly by the one-time transfer of US$30.7 billion from ADF as a result of the merger. Excluding this one-off transfer, net income increased to US$774 million in 2017, from US$7 million in 2016, due to unrealized gains reported from fair value adjustments of the portfolio. AsDB continues to function with stable operating profits and small positive net income.

AsDB's operations are consistently run with very low overheads. The ratio of administrative expenses to average purpose-related exposures is lower than the average for the multilateral lending institutions that we rate. This ratio has been 0.6%-0.7% over the past five years.

Risk Position

AsDB's RAC ratio improved to 33% (45% before adjustments for concentration risk and preferred creditor treatment) as of Dec. 31, 2017. The RAC has increased significantly from 16% (26% before adjustments) as of Dec. 31, 2016, before the OCR-ADF merger.

The additional equity provided from ADF when the soft loan window was merged with the OCR at the start of this year increased AsDB's adjusted common equity (ACE) by nearly three times--to US$50 billion--consequently improving our RAC ratio. The RAC ratio also considers the care with which AsDB manages its exposures, even compared with other multilateral lending institutions. This supports our assessment of AsDB's extremely strong financial profile.

Table 2

Asian Development Bank -- Risk Adjusted Capital Framework Data

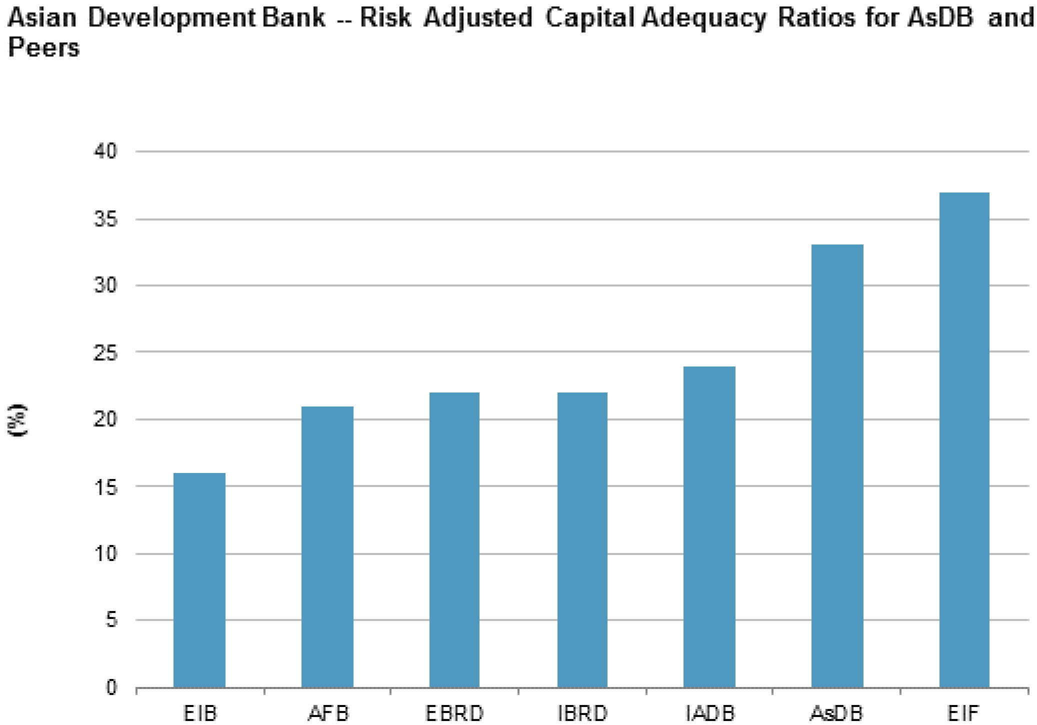
(US$ mil.)	Exposure	Standard & Poor's RWA	Average Standard & Poor's RW (%)
Credit Risk			
Government and Central banks	146,522	91,013	62
Institutions	11,707	4,901	42
Corporate	5,101	8,084	158
Securitization	--	-	--
Other Assets	367	625	170
Total credit risk	163,697	104,623	64

Table 2

Asian Development Bank -- Risk Adjusted Capital Framework Data (cont.)			
Market Risk			
Equity in the Banking Book	1,185	3,563	301
Trading Book Market Risk	-	-	--
Total market risk	--	3,563	--
Operational Risk			
Total operational risk	--	3,330	--
RWA before MLI adjustments		111,516	100
MLI Adjustments			
Single name(On Corporate Portfolio)		1,496	19
Sector(On Corporate Portfolio)		(885)	(9)
Geographic		(16,780)	(15)
Preferred Creditor Treatment		(21,963)	(24)
Single Name (On Sovereign Exposures)		77,193	85
Total MLI adjustments		39,061	35
RWA after MLI adjustments		150,576	135
		Adjusted Common Equity	**Standard & Poor's RAC ratio (%)**
Capital ratio before adjustments		50,076	45
Capital ratio after adjustments			33

MLI-- Multilateral lending institutions. RW-- Risk weighting. RWA-- Risk-weighted assets.

Chart 3



AFB - African Development Bank. AsDB - Asian Development Bank. EBRD - European Bank for Reconstruction and Development. EIF - European Investment Bank. IADB - Inter-American Development Bank. IBRD - International Bank for Reconstruction and Development. EIB - European Investment Bank.

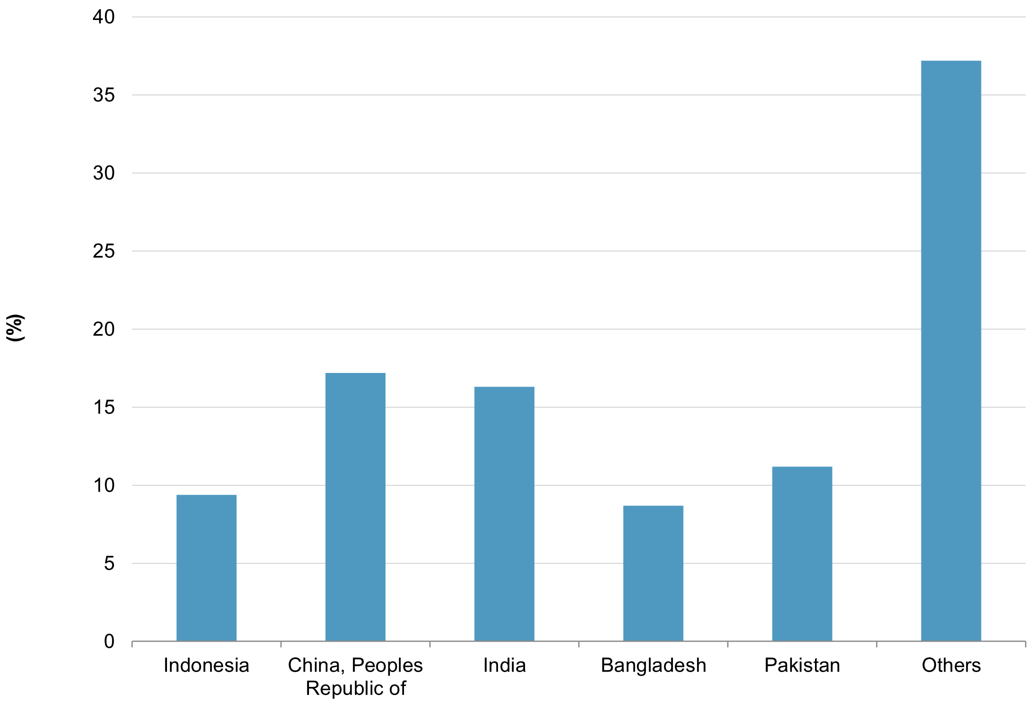
Compared to other 'AAA' rated peers, AsDB's RAC after multilateral adjustments is one of the highest as a direct result of the increase in equity from the ADF-OCR merger. We expect the ratio to gradually decline as AsDB prudently accelerates lending over the next three years.

AsDB has not suffered any losses of principal on its loans to sovereigns, and it has followed a policy of not taking part in debt-rescheduling agreements with respect to sovereign loans. The bank has experienced few sovereign arrears. And when members have fallen into arrears, they have generally returned their loans to accrual status such that AsDB has never had to write off a sovereign loan funded from its OCR.

The ADF loan portfolio has lower credit worthiness than loans in the OCR. These loans are relatively more prone to potential sovereign default than those of sovereigns with higher credit quality. As part of the multilateral HIPC Initiative, AsDB provisioned and subsequently wrote off approximately US$34 million in loan principal and interest for Afghanistan as of Dec. 31, 2017. The write-off of the remaining US$72 million in loan principal and interest under the HIPC Initiative is expected to continue until February 2028 as loan service payments fall due.

Chart 4

Asian Development Bank -- Outstanding Loan Exposure Concentrations As At Dec. 31, 2017



Exposure concentrations. Loans and guarantees to sovereigns in the OCR-ADF window comprised about 95% of AsDB's total loans as of Dec. 31, 2017. The addition of the ADF loans to the OCR have resulted in diversification benefits, with 62% of outstanding loans as of Dec. 31, 2017, belonging to the top-five borrowers, compared with the top-five borrowers in the OCR comprising 70% of outstanding loans as of Dec. 31, 2016. The high concentration of recipients is one of the characteristics of AsDB's operations. The five largest borrowers of the combined loan window are China (17%), India (15.0%), Pakistan (11.4%), Indonesia (9.7%), and Bangladesh (9%).

In AsDB's non-sovereign operations, one loan was in non-accrual status as of end-2016, with principal outstanding of US$20 million, which has been completely written off in 2017. Although these operations account for a small portion of AsDB's overall operations, the bank plans to raise this gradually under its Strategy 2020 vision. In our opinion, larger non-sovereign exposure would pose increased credit risks to AsDB's portfolio. A planned gradual increase of non-sovereign approvals to 25% of total OCR approvals by 2020 is projected to lead to a non-sovereign share of OCR exposure at about 9% in the same year. The policy further limits non-sovereign operations in a single country and provides limits for industry sectors, groups, and counterparties.

Funding And Liquidity

Funding

We view AsDB's funding program as broadly diversified by geography and investors. The bank has made frequent issuances in multiple markets and currencies. AsDB's funding is concentrated in U.S. dollars, with 81% of issuances.

AsDB benefits from brand name recognition in the capital markets and maintained a diversified funding profile in 2017. The bank raised the equivalent of US$28.6 billion in 2017 (US$20.6 billion in 2016) in 15 currencies in medium- and long-term funding, as well as US$7.5 billion of short-term funding under its Euro-Commercial Paper Program (ECP).

We had observed some deterioration in our key metrics as of Jan. 1, 2017, as a result of the merger being a point in time view and explained by the addition of ADF loans without commensurate increase in funding sources on that date. However, significant fund raising during the year has stabilized the situation. AsDB is significantly ramping up funding and plans to raise US$23 billion in 2018 and beyond.

Liquidity

AsDB has a large derivatives position as part of its investments, borrowings, and asset-liability management. At end-2017, derivatives liabilities outstanding amounted to US$42.9 billion, which is equivalent to about 49% of AsDB's outstanding borrowings. This is mostly offset by US$40.8 billion in derivatives assets.

Our liquidity stress tests for AsDB indicate that the bank would be able to fulfill its mandate for approximately a year, without access to the capital markets. This is true even under extremely stressed market conditions under which the sale or repo of liquid assets in the market could only be performed at severe discounts.

Likelihood Of Extraordinary Shareholder Support

We assign no uplift for the likelihood of extraordinary shareholder support, in the form of 'AAA'-rated shareholders answering one or more calls on their callable capital allocations in the event of a stress scenario. This is because we already assess AsDB's SACP at our highest level without such support.

However, should AsDB's SACP weaken, we consider that 'AAA'-rated shareholders could uphold the bank by potentially answering one or more calls on their callable capital allocations in the event of a stress scenario. Ten 'AAA'-rated shareholders could provide up to about US$27 billion of callable capital (20% of total liabilities at end-2017) to support AsDB's debt servicing requirements.

Related Criteria

- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria - Governments - General: Multilateral Lending Institutions And Other Supranational Institutions Ratings Methodology, Nov. 26, 2012
- Criteria - Financial Institutions - Banks: Multilateral Lending Institutions Capital Methodology And Assumptions,

Dec. 6, 2010

- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009

Ratings Detail (As Of July 19, 2018)		
Asian Development Bank		
Issuer Credit Rating		
Foreign Currency		AAA/Stable/A-1+
Commercial Paper		
Foreign Currency		A-1+
Senior Unsecured		AAA
Issuer Credit Ratings History		
03-Jan-1990	*Foreign Currency*	AAA/Stable/A-1+
18-Sep-1989		AAA/Stable/--
02-Apr-1971		AAA/--/--
Related Entities		
Credit Guarantee and Investment Facility		
Issuer Credit Rating		
Foreign Currency		AA/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.