Bulletin:

Dexia's Credit Quality Is Unchanged After France Sovereign Downgrade

October 21, 2025

This report does not constitute a rating action.

PARIS (S&P Global Ratings) Oct. 21, 2025--S&P Global Ratings today said that its issuer credit rating on Dexia (BBB-/Stable/A-3) is unaffected by the recent downgrade to France (for more information, see "France Ratings Lowered To 'A+/A-1' From 'AA-/A-1+' On Heightened Risks To Budgetary Consolidation; Outlook Stable," Oct. 17, 2025), even if we consider the institution a government-related entity.

We continue to think there is a very high likelihood Dexia would receive extraordinary support from the French and Belgian governments in the event of stress. All else being equal, the institution's rating sensitivity to the sovereigns is very low, since the rating would still only be affected in the event of a multinotch downgrade to one or both sovereigns, which is not a realistic scenario.

However, the downgrade to France has affected the issue ratings on Dexia's debt that is guaranteed by the states, as we equalize the issue ratings with the lowest rating among its guarantors, currently France (unsolicited; A+/Stable/A-1).

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Related Research

- Ratings On French Banks Not Affected By Sovereign Downgrade Amid Rising Political Instability, Oct. 20, 2025
- France Ratings Lowered To 'A+/A-1' From 'AA-/A-1+' On Heightened Risks To Budgetary Consolidation; Outlook Stable, Oct. 17, 2025
- Dexia 'BBB-/A-3' Ratings Affirmed On Steady Asset Runoff; Outlook Stable, Sept. 12, 2025
- Full Analysis: Dexia, Aug. 21, 2025