

## CREDIT OPINION

15 April 2024

Update



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### RATINGS

#### Barclays PLC

Domicile	United Kingdom
Long Term CRR	Not Assigned
Long Term Debt	Baa1
Type	Senior Unsecured - Fgn Curr
Outlook	Stable
Long Term Deposit	Not Assigned

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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## Barclays PLC

### Update to credit analysis

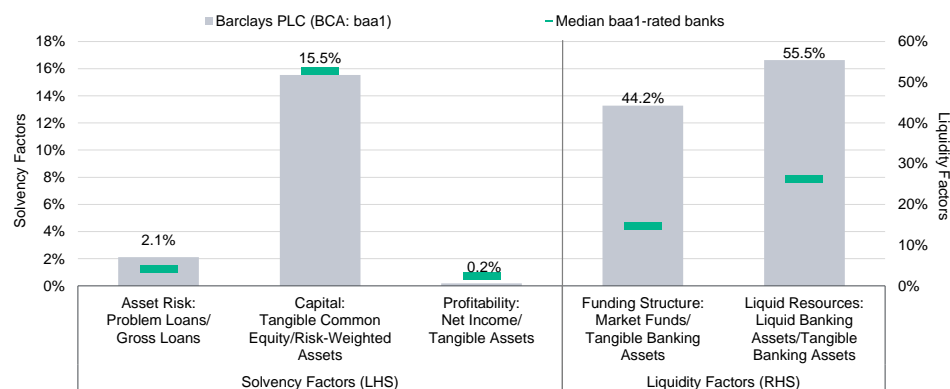
#### Summary

Barclays PLC's (Barclays) senior unsecured debt rating of Baa1, with a stable outlook, reflects the group's standalone creditworthiness, illustrated by a baa1 notional Baseline Credit Assessment (BCA). Moderate loss given failure under our Advanced Loss Given Failure (LGF) analysis and our assessment of a low probability of support from the [Government of the UK](#) (Aa3 stable) do not lead to any additional uplift.

Barclays' baa1 notional BCA reflects, on the one hand, the group's sound capitalisation, good credit quality and robust risk management, improved and stabilising profitability, and ample liquidity against market shocks; on the other, high reliance on inherently more volatile capital markets revenue and high exposure to more confidence sensitive wholesale funding.

Exhibit 1

#### Rating scorecard - Key financial ratios As of December 2023



Ratios are from Moody's banking scorecard. The capital ratio is as of the most recent period; the asset risk and profitability ratios are the worse of the most recent year-to-date period or the average of the last three years and the most recent year-to-date; the funding structure and liquid resources ratios are as of the most recent year-end.

Source: Moody's Ratings

## Credit strengths

- » Good credit quality and robust risk management
- » Good risk-weighted capitalisation
- » Ample liquidity against market shocks

## Credit challenges

- » High exposure to confidence-sensitive and opaque capital markets activities
- » Profitability weaker than peers
- » Relatively weak leverage according to our metrics
- » High exposure to wholesale funding

## Outlook

The outlooks on Barclays' senior unsecured debt ratings is stable, reflecting our expectation of broad stability in the group's solvency and liquidity metrics, despite a weak macroeconomic environment, and our expectation that the recent profitability levels will be sustained.

## Factors that could lead to an upgrade

Barclays' senior unsecured and subordinated debt ratings could be upgraded following an upgrade of the group's notional BCA.

The group's notional BCA could be upgraded following a material improvement in macroeconomic conditions globally and in the UK, a further structural improvement in the level and stability of Barclays' net profits and higher capital, while maintaining ample liquidity and a prudent risk appetite and management of risk.

## Factors that could lead to a downgrade

Barclays' senior unsecured and subordinated debt ratings could be downgraded following a downgrade of the group's notional BCA.

The group's notional BCA could be downgraded following a sustained deterioration of profitability (driven for example by a reduction of revenues or the need to absorb material charges related to litigation, conduct or risk management failures), a reduction in capitalisation to levels below Barclays' medium-term guidance, or an increase in the group's risk appetite.

Barclays' subordinated debt ratings could also be downgraded following a modest reduction in the stock of junior subordinated debt and Additional Tier 1 capital relative to the group's tangible banking assets, leaving subordinated debt subject to higher losses in a failure scenario. A material reduction in subordinated debt relative to tangible banking assets could lead to a downgrade of Barclays' senior unsecured debt ratings.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### Barclays PLC (Consolidated Financials) [1]

	12-23 <sup>2</sup>	12-22 <sup>2</sup>	12-21 <sup>2</sup>	12-20 <sup>2</sup>	12-19 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (GBP Billion)	1,209.5	1,202.7	1,107.0	1,021.6	895.1	7.8 <sup>4</sup>
Total Assets (USD Billion)	1,541.8	1,446.8	1,494.0	1,396.4	1,185.8	6.8 <sup>4</sup>
Tangible Common Equity (GBP Billion)	53.3	51.9	49.7	45.1	57.2	(1.8) <sup>4</sup>
Tangible Common Equity (USD Billion)	67.9	62.5	67.1	61.6	75.7	(2.7) <sup>4</sup>
Problem Loans / Gross Loans (%)	2.1	2.0	2.2	2.8	2.5	2.3 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	15.5	15.4	15.8	14.8	19.4	16.2 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	12.2	12.3	13.0	16.8	12.5	13.4 <sup>5</sup>
Net Interest Margin (%)	1.1	0.9	0.7	0.7	1.1	0.9 <sup>5</sup>
PPI / Average RWA (%)	2.2	2.2	2.2	2.3	2.1	2.2 <sup>6</sup>
Net Income / Tangible Assets (%)	0.3	-0.3	0.6	0.4	0.6	0.3 <sup>5</sup>
Cost / Income Ratio (%)	68.8	69.7	67.6	65.7	70.8	68.5 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	44.2	44.2	42.5	39.4	37.9	41.6 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	55.5	52.8	55.1	54.6	55.0	54.6 <sup>5</sup>
Gross Loans / Due to Customers (%)	64.7	66.3	64.9	68.6	73.2	67.6 <sup>5</sup>

[–] Further to the publication of our revised methodology in July 2021, only ratios from annual 2020 onwards included in this report reflect the change in analytical treatment of the "high-trigger" Additional Tier 1 instruments. [1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Ratings and company filings

## Profile

Barclays PLC is the holding company of a universal banking group with a multinational footprint.

The group operates in approximately 40 countries in the corporate and investment banking business, with a focus on the UK, EU and the US. It has strong retail (mortgages, credit cards and small and medium enterprises) and commercial banking franchises in the UK, and a significant credit card business in the US and in the EU. Barclays generates most of its revenue in the UK and the US, its two core markets.

Barclays' two main operating entities are:

- » [Barclays Bank PLC](#) (Barclays Bank, A1/A1 stable, baa2<sup>1</sup>) accounts for approximately 80%<sup>2</sup> of the group's risk-weighted assets as of December 2023. The bank is focused on the more confidence-sensitive corporate banking and capital markets activities mostly in the UK, in the US and in the European Economic Area (EEA). Barclays Bank also retains certain commercial activities such as payments, wealth management and the consumer and cards business outside of the UK. The operations in the EEA are concentrated under Barclays Bank's subsidiary, Barclays Bank Ireland PLC.
- » [Barclays Bank UK PLC](#) (Barclays Bank UK, A1 stable, a3) is the group's UK ring-fenced bank, which accounts for approximately 20% of the group's total risk weighted assets as of December 2023. The bank is focused on UK retail (mortgages and credit cards) and small business banking.

## Detailed credit considerations

Please refer to the Credit Opinions of [Barclays Bank](#) and [Barclays Bank UK](#) for an analysis of the credit drivers for each of these entities.

### Barclays is predominantly exposed to the UK and the US

We assign a Strong+ Macro Profile to Barclays, reflecting its large exposure to the UK and the US (both Strong+).

### Good credit quality and inherent risks from large capital market activities

We assign a baa1 Asset Risk score to Barclays, two notches below the Macro Adjusted score to reflect counterparty, operational and market risks, which are not incorporated in the scorecard's historical ratio.

### High exposure to confidence-sensitive capital markets activities

Capital markets activities are sensitive to market conditions, resulting in inherent earnings volatility and the tail risk of significant one-off losses. Capital markets activities are also more opaque than traditional retail and commercial banking operations. This, combined with Barclays' complex legal structure and multinational footprint, makes reporting and oversight more difficult. We reflect these risks in a one-notch downward adjustment for Opacity and Complexity in the qualitative section of Barclays' BCA scorecard; we apply the same adjustment to Barclays' global investment banking peers. At the same time, we believe that Barclays' risk management is robust; for example, unlike some its peers, Barclays avoided the risks related to the downfall of Archegos and Greensill.

In line with its high exposure to exposure to capital markets activities, market and operational risks are material for Barclays. For example, the group has a large stock of financial assets and derivatives, totaling around £257 billion or around 17% of total assets at year-end 2023. As of 31 December 2023, Barclays reported a £19.4 billion stock of level 3 assets, those that are most illiquid and complex to value <sup>3</sup>. This is relatively large in comparison with the group's tangible common equity (TCE) as of the same date (around 27%).

### Loan book has good and stable quality

The credit quality of Barclays' customer loan book is good, which represented around a quarter of the group's total assets as of the end of 2023.

As of December 2023, home loans accounted for around 49% of Barclays' loan book, wholesale loans were 37% and credit card and unsecured personal loans 14%. Residential mortgages are predominantly in the UK, while the rest of the loan book is originated in the UK, the US and Europe.

Stage 3 loans, those credit impaired under the IFRS 9 definition, were low at 1.8% of total loans as of 31 December 2023 and significantly below the peak of 2.6% of total loans as of the end of December 2020.

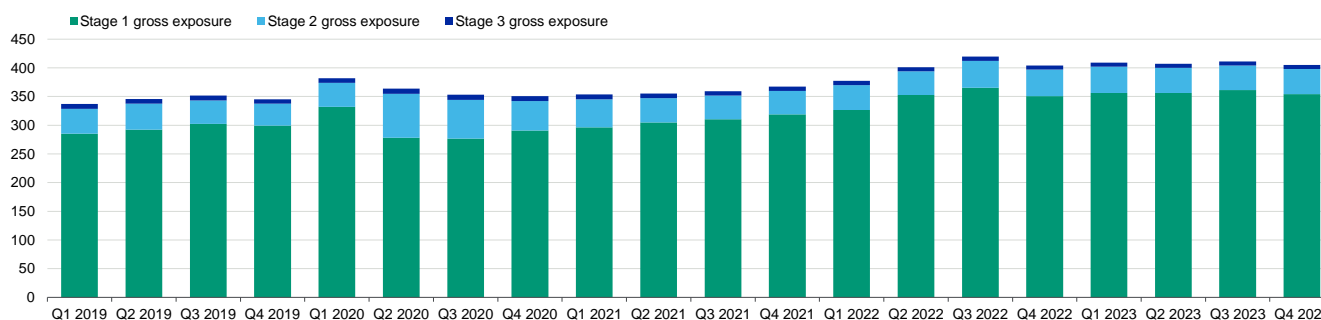
Barclays' allowance for loan losses are good at 1.4% of gross loans as of 31 December 2023 but remain below pre-pandemic levels. Allowance for loan losses for stage 1 loans (those for which credit risk has not increased significantly since initial recognition under IFRS 9 definition) are 0.3% of total gross stage 1 loans, broadly in line with pre-pandemic levels. Barclays indicated that the level of management overlay, the amount of allowance for loan losses on top of what is indicated by the bank's macroeconomic models, was around £0.2 billion as of December 2023 (December 2022: £0.3 billion), which is a good additional buffer.

There is a risk that Barclays' loan book could deteriorate moderately over the next 12-18 months, especially with regards to the group's UK business lending and US credit cards. This is because of the still uncertain macroeconomic environment and a potentially persistent high inflation in the UK coupled with a greater than expected increases in interest rates <sup>4</sup>, which will negatively impact households' and businesses' debt servicing capacity. At the same time, the bank's loan book has been adequately provisioned, and the increase in problem loans is not likely to lead to a further significant spike in loan loss charges.

Exhibit 3

### The credit quality of Barclays' loan book remains strong...

#### Quarterly evolution of Barclays' loans by stage



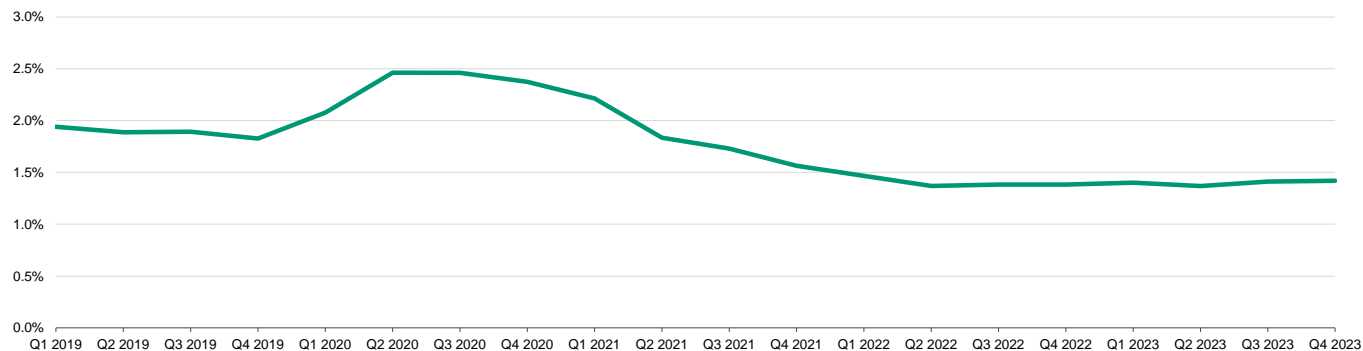
The IFRS 9 accounting standards, which requires the classification in stages, was implemented on 1 January 2018.

Source: Company filings and Moody's Ratings

Exhibit 4

## ...and coverage remains sound

## Quarterly evolution of allowance for loan losses



The IFRS 9 accounting standards, which requires the classification in stages, was implemented on 1 January 2018.

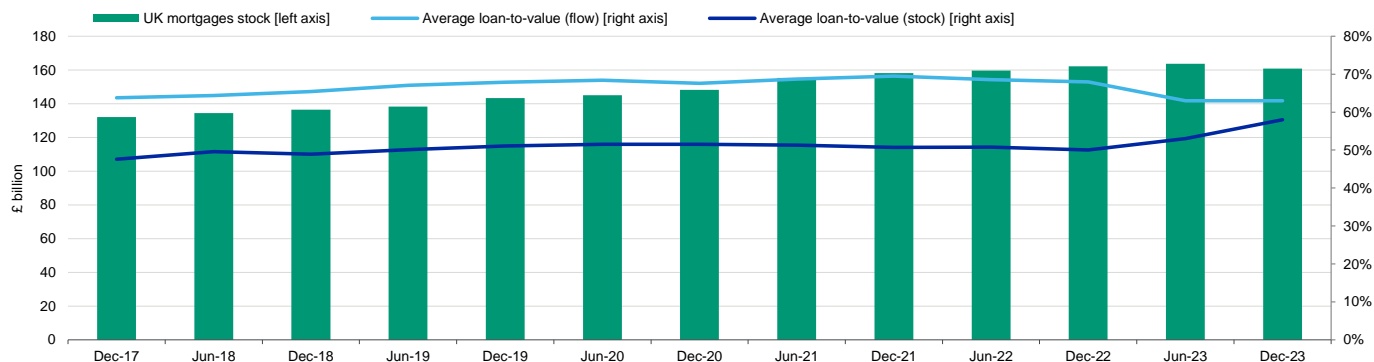
Source: Company filings and Moody's Ratings

- » **Home loans.** Barclays' retail mortgages are predominantly in the UK, representing around 95% of the group's total home loans. The average loan-to-value ratios for Barclays' UK mortgages are in line with the average for large UK banks. As of the end of December 2023, Buy to Let loans in the UK, which inherently carry a higher credit risk, were also in line with the average for large UK banks at 12.8% of total UK mortgage.

Exhibit 5

## UK mortgages and loan-to-value ratio have been stable

## Barclays' evolution of stock of UK mortgages and average loan-to-values

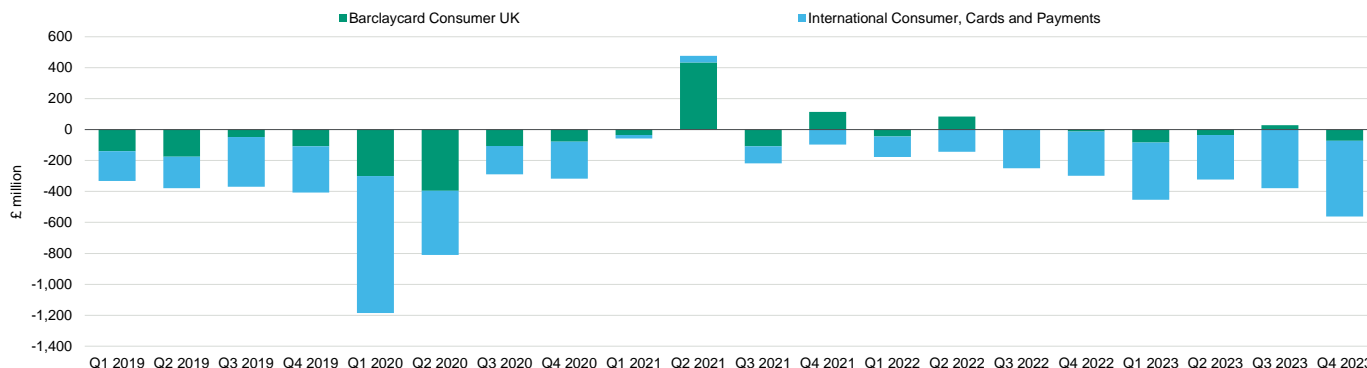


Source: Company filings and Moody's Ratings

- » **Commercial real estate.** Barclays has a moderate exposure to the commercial real estate market at £15.8 billion as of 31 December 2023 (excluding government guaranteed schemes), equivalent to around 4.5% of the bank's customer loans, but 30% of the group's TCE. Barclays significantly reduced its exposure to the UK real estate market after the 2007-08 financial crisis and is now stable and moderate.
- » **Credit cards and consumer loans.** Barclays' retail unsecured business is composed of UK credit cards and other unsecured lending under the Barclaycard Consumer UK division, which is part of Barclays Bank UK PLC, and the US credit cards and consumer business outside under the Barclays US Consumer Bank division (previously under a division that was called Consumer, Cards and Payments), which is part of Barclays Bank PLC. Most of Barclays' international business is related to US credit cards.

Exhibit 6

**Impairments on unsecured loans have normalised post pandemic**  
**Quarterly trend of credit impairments/releases for Barclays' unsecured businesses**



Source: Company filings and Moody's Ratings

**Good risk-weighted capitalisation but relatively weak leverage**

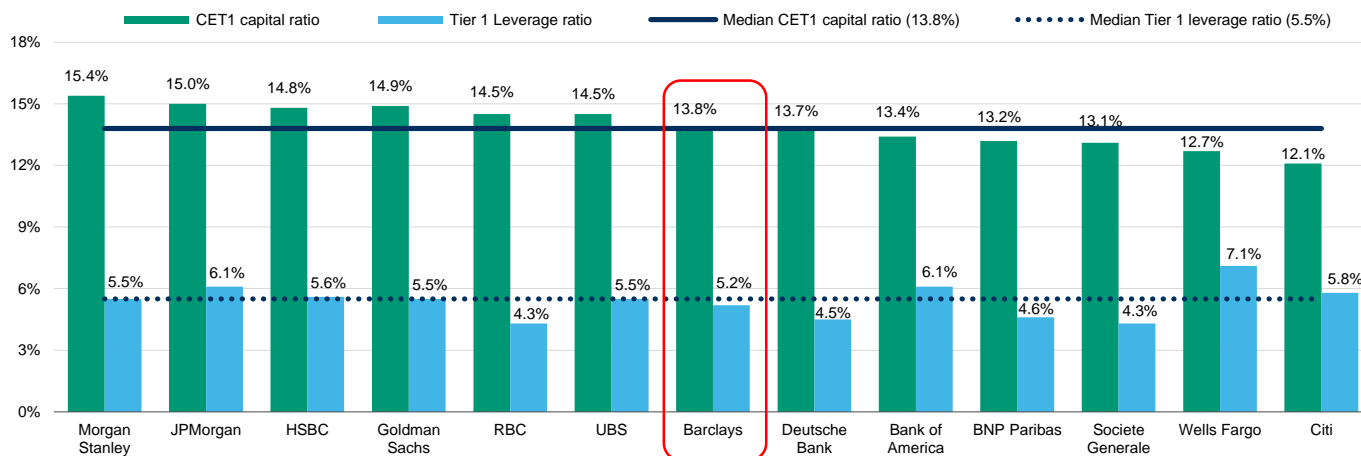
We assign an a2 Capital score to Barclays, two notches below the Macro Adjusted score to reflect the group's target capitalisation and weak leverage according to our metrics.

Barclays reported a good 13.8% Common Equity Tier 1 (CET1) ratio as of 31 December 2023. Barclay's CET1 ratio provides a substantial buffer above the current 11.8% Minimum Distributable Amount (MDA) requirement <sup>5</sup>. The group indicated that it will maintain its CET1 ratio in a range between 13% and 14%, reflecting buyback programs and capital distributions and future regulatory changes, leaving the ratio well within management targets.

The leverage ratio calculated according to the policy statement of the Bank of England's Prudential Regulation Authority (UK leverage ratio), which includes Additional Tier 1 (AT1) instruments and excludes the exposure toward central banks, was 5.2% as of 31 December 2023 and well above the 4.1% minimum leverage requirement <sup>6</sup>.

Exhibit 7

**Barclays' capital and leverage are broadly in line with its global peers' median**  
**Common Equity Tier 1 (CET1) and Tier 1 leverage ratios for global and universal investment banks, Q4 2023**



The CET1 ratio for US banks is calculated under the advanced approach. The Tier 1 leverage ratios of UK and European banks are calculated as per the Capital Requirement Regulations, and they exclude certain central bank balances as temporarily allowed; for US banks we show the supplemental leverage ratio (SLR).

Source: Company filings and Moody's Ratings

We expect Barclays' TCE ratio, calculated per our standard approach, to remain stable and between 14%-15% in the next 12-18 months (year-end 2023: 15.5%), driving a one-notch adjustment. We expect Barclays' leverage, expressed as TCE as a percentage of tangible assets, to remain below 5% (year-end 2023: 4.4%) in the next 12-18 months, driving another one-notch adjustment<sup>7</sup>.

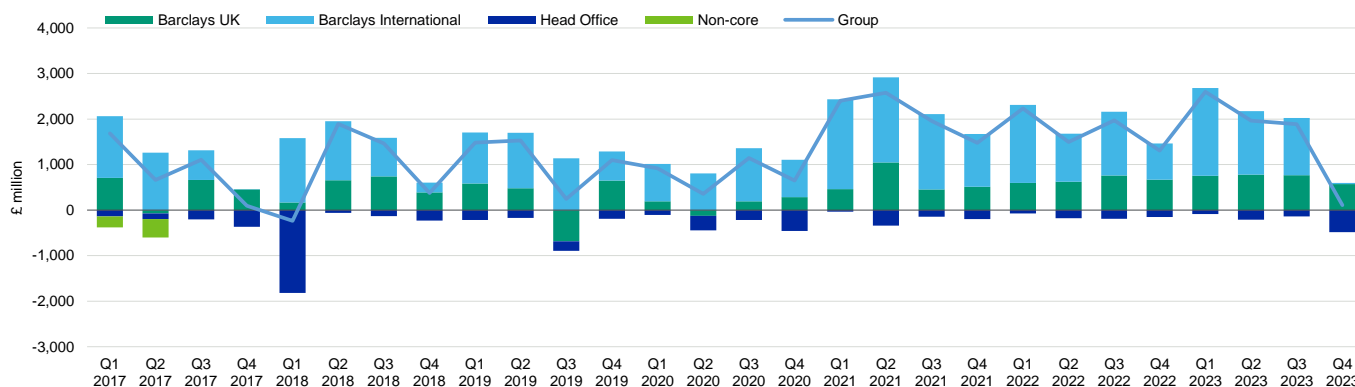
### Profitability will stabilise following a normalisation of capital markets revenue and reversal of charges for expected credit losses

We assign a baa2 Profitability score to Barclays, reflecting our expectation that the group's return on tangible assets will normalise to around 0.5% (score between baa2 and ba1).

In the last few years, Barclays' pre-tax profit has been weakened by extraordinary items. For example, structural costs, provisions against customer redress for payment protection insurance, run-down of non-core operations, investigations into sales and trading practices in the foreign exchange market across multiple jurisdictions, legal entity restructuring to comply with the UK ring-fencing legislation and Brexit, and a lawsuit by the US Department of Justice relating to the offering of residential mortgages-backed securities. In 2020, profitability was weakened by very high pandemic-induced expected loss charges that the group has been gradually releasing as the operating environment improves. Between Q4 2021 and Q3 2022, Barclays booked a £0.9 billion charge related to the overissuance of notes under a US shelf programme (including a monetary settlement to the SEC and net of the benefit of netting arrangements).

Exhibit 8

#### Barclays' pre-tax profit is more stabilising Quarterly pre-tax profit by segment Q1 2017 – Q4 2023



In February 2024, Barclays introduced a new divisional split: Barclays UK (BUK), Private Bank & Wealth Management, US Consumer Bank (USCB), UK Corporate Bank (UKC), and Investment Bank (IB).

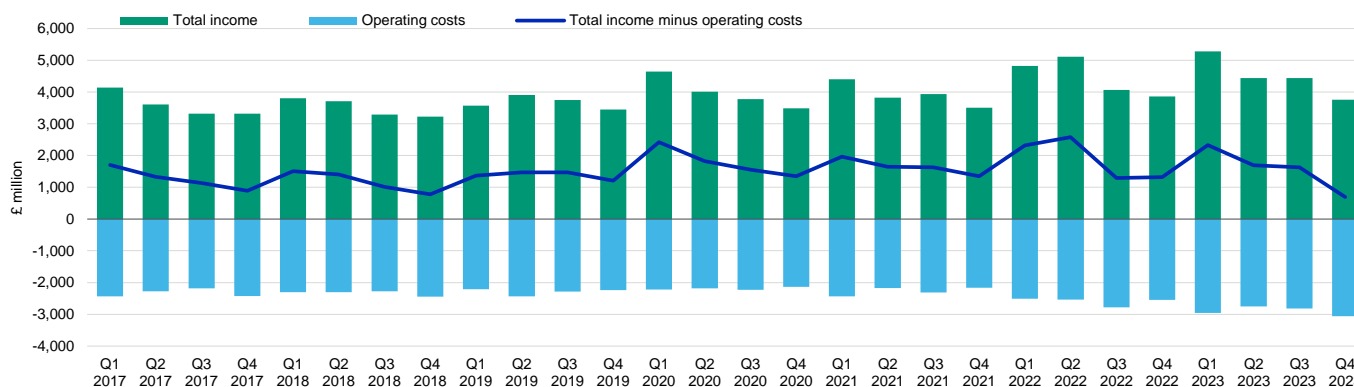
Source: Company filings and Moody's Ratings

However, the group's total income has been relatively stable, despite the inherent volatility of the capital markets business.

Exhibit 9

**Core profitability has been relatively stable for many years**

Quarterly total income and operating costs by segment Q1 2017 - Q4 2023



Source: Company filings and Moody's Ratings

In recent quarters, Barclays reported good profits, with a strong increase in revenue from the retail and commercial business reflecting improving margins, and a decline in revenue from capital markets and investment banking after the exceptional 2020 and 2022. However, in the final quarter of 2023 the bank reported lower earnings, exacerbated by structural costs<sup>8</sup>.

In the next two years, we expect Barclays' earnings to be higher, more diversified and more sustainable than in the last decade. Even so, the group's profitability will likely remain weaker and more volatile than most of its global investment bank peers, because these peers have greater scale and wallet-share across many capital markets products; and in case of deteriorating market conditions or material idiosyncratic charges, Barclays' profitability would tend to be affected more significantly.

**High exposure to more confidence sensitive wholesale funding**

We assign a ba2 Funding Structure score to Barclays, reflecting our expectation that market funding will remain around 40% of the group's tangible banking assets (score between ba2 and b1), but also reflecting the group's strong retail and corporate deposit franchises in the UK.

Barclays' funding is well diversified between debt classes. In line with its business model, and also partially as a consequence of regulatory requirements (in particular the TLAC requirement and UK ring-fencing), the stock of market funding is relatively high.

The amount of potential deposit outflow that Barclays calculates to derive its liquidity coverage ratio (LCR) is high, and above most peers. The regulatory definition, however, does not take into account Barclays' strong domestic retail and corporate franchises, which we incorporate in a one-notch positive adjustment.

**Ample liquidity against market shocks**

Liquidity is a key strength for Barclays. We assign an aa2 Liquid Resources score to Barclays. The assigned score is in line with the Macro Adjusted score, reflecting the encumbrance of a sizeable amount of assets that we deem as liquid in our ratio, but also a LCR above the peer median and a higher proportion of high quality liquid assets compared with peers.

The group has a conservative liquidity risk management framework and significant liquidity buffers. For example, as of December 2023, Barclays reported a very high 161% LCR and a strong 74% loan-to-deposit ratio.

Barclays' LCR is one of the highest among peers. The amount of high quality liquid assets, per the LCR definition, is also one of the highest among peers.

Our liquidity ratios include assets that are pledged against certain liabilities. As of December 2023, these included around £150 billion of securities. At the same time, Barclays also maintains a substantial amount of pre-positioned unencumbered assets with the Bank of England, including around £50 billion loans to customers as of December 2023.

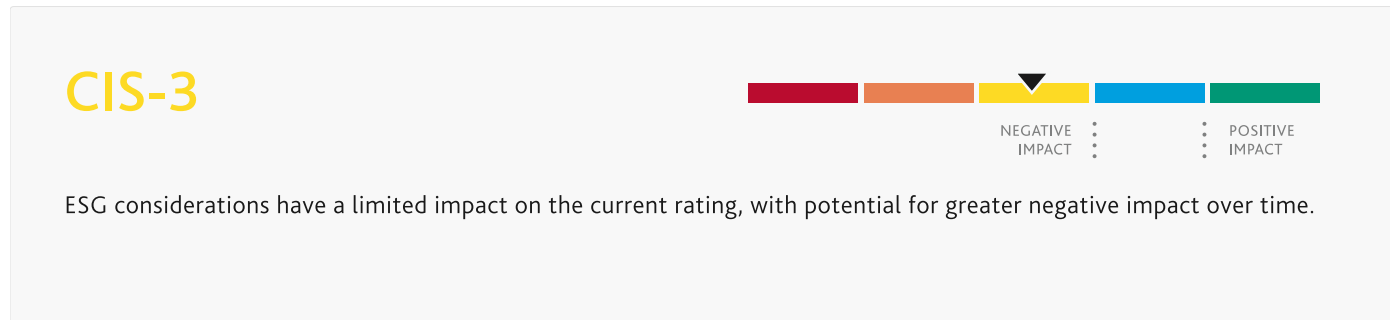


## ESG considerations

### Barclays PLC's ESG credit impact score is CIS-3

Exhibit 10

#### ESG credit impact score



Source: Moody's Ratings

Barclays' **CIS-3** indicates limited impact of ESG considerations on the ratings to date, with the overall assessment reflecting our industry view of the opacity, complexity and tail risks inherent to capital market activities; these factors are captured under our governance assessment. The bank's track record in managing these risks and its strong financial fundamentals are important mitigants to this exposure.

Exhibit 11

#### ESG issuer profile scores



Source: Moody's Ratings

### Environmental

Barclays faces moderate exposure to environmental risks primarily because of its portfolio exposure to carbon transition risk as a diversified, universal banking group, consistent with its global peers. In addition, it is facing mounting business risks and stakeholder pressure to meet broader carbon transition goals. In response, Barclays continues to develop its comprehensive risk management and climate risk reporting frameworks, including its BlueTrack climate methodology built in 2020.

### Social

Barclays faces high social risks from customer relations, because of considerable focus on consumer protection especially in the UK, exposing banks to potential fines from regulators and litigation from customers as well as cyber risk and the financial and reputational implications of data breaches. The group's developed policies and procedures help manage associated credit risks. The group also faces moderate social risks related to potential competition from technology firms and other disruptors. The design of complex, opaque or speculative financial products for institutional clients, which reflects Barclays' business model, increases exposure to the potential for reputational risk and litigation as for all the other global investment banks.

### Governance

Barclays has strong corporate governance practices, a successful track record of risk management and generally conservative financial policies. However, the opacity and complexity of capital market activities, which account for almost 50% of group revenue, exposes the firm to tail risks.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moody's.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

## Support and structural considerations

### Loss Given Failure (LGF) analysis

We apply our advanced Loss Given Failure (LGF) analysis to Barclays, because it is based in the UK, which we consider to have an operational resolution regime.

We assume a residual TCE at failure for Barclays of 3% of tangible banking assets and post-failure losses of 8% of tangible banking assets. These assumptions are in line with our standard assumptions. We also incorporate Barclays' consolidated accounts because its consolidated tangible banking assets almost entirely relate to entities that operate in the UK or other countries that we consider operational resolution regimes (e.g. the US and EU), and because all the stock of external subordinated debt has been issued by Barclays Bank PLC, which is based in the UK. Our analysis would also consider Barclays Bank UK PLC's subordinated external debt, should the bank issue such liabilities.

Our LGF analysis indicates that Barclays' senior debt is likely to face moderate loss given failure because of the loss absorption provided by subordinated debt issued externally by itself and Barclays Bank, and by the volume of Barclays' senior debt itself (including our expectation of future issuance). Our LGF analysis indicates that Barclays' subordinated debt is also likely to face moderate loss given failure. This does not result in any uplift for the senior unsecured or subordinated debt ratings from Barclays' notional BCA.

Finally, our analysis indicates that Barclays' preference share instrument, such as Additional Tier 1 notes, are likely to face high loss given failure, which results in a one-notch adjustment below its notional BCA. We also incorporate two additional notches for such instruments, reflecting coupon features, resulting in a rating that is three notches below Barclays' notional BCA.

### Government support considerations

We incorporate a low probability of government support for the debt issued by Barclays, which does not result in any uplift.

Government support, if needed, would likely only be provided to the operating entities to enable them to maintain critical functions and mitigate risks to financial stability stemming from their failure.

## Methodology and scorecard

### About Moody's scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 12

### Barclays PLC

<b>Macro Factors</b>							
<b>Weighted Macro Profile</b>		<b>Strong +</b>	<b>100%</b>				
<b>Factor</b>	<b>Historic Ratio</b>	<b>Initial Score</b>	<b>Expected Trend</b>	<b>Assigned Score</b>	<b>Key driver #1</b>	<b>Key driver #2</b>	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	2.1%	a2	↔	baa1	Market risk	Operational risk	
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - fully loaded)	15.5%	aa3	↓	a2	Expected trend	Nominal leverage	
Profitability							
Net Income / Tangible Assets	0.2%	b1	↑↑	baa2	Expected trend	Earnings quality	
Combined Solvency Score		a3		a3			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	44.2%	b1	↑	ba2	Deposit quality	Expected trend	
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	55.5%	aa2	↔	aa2	Asset encumbrance	Quality of liquid assets	
Combined Liquidity Score		baa2		baa1			
Financial Profile							
Qualitative Adjustments				Adjustment			
Business Diversification				0			
Opacity and Complexity				-1			
Corporate Behavior				0			
Total Qualitative Adjustments				-1			
Sovereign or Affiliate constraint				Aa3			
BCA Scorecard-indicated Outcome - Range				a3 - baa2			
Assigned BCA				baa1			
Affiliate Support notching				0			
Adjusted BCA				baa1			
<b>Balance Sheet</b>							
		<b>in-scope (GBP Million)</b>	<b>% in-scope</b>	<b>at-failure (GBP Million)</b>	<b>% at-failure</b>		
Other liabilities		1,092,382	90.9%	1,092,382	90.9%		
Deposits		0	0.0%	0	0.0%		
Preferred deposits		0	0.0%	0	0.0%		
Junior deposits		0	0.0%	0	0.0%		
Dated subordinated bank debt		466	0.0%	466	0.0%		
Preference shares (bank)		543	0.0%	543	0.0%		
Senior unsecured holding company debt		48,934	4.1%	48,934	4.1%		
Dated subordinated holding company debt		9,974	0.8%	9,974	0.8%		
Preference shares(holding company)		13,310	1.1%	13,310	1.1%		
Equity		36,050	3.0%	36,050	3.0%		
Total Tangible Banking Assets		1,201,659	100.0%	1,201,659	100.0%		

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional Notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Senior unsecured holding company debt	9.1%	5.0%	9.1%	5.0%	0	0	0	0	0	baa1
Dated subordinated holding company debt	5.0%	4.2%	5.0%	4.2%	0	0	0	0	0	baa1
Holding company non-cumulative preference shares	4.2%	3.0%	4.2%	3.0%	-1	-1	-1	-1	-2	ba1

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Senior unsecured holding company debt	0	0	baa1	0	Baa1	Baa1
Dated subordinated holding company debt	0	0	baa1	0	Baa1	Baa1
Holding company non-cumulative preference shares	-1	-2	ba1	0	Ba1 (hyb)	Ba1 (hyb)

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Ratings

## Ratings

Exhibit 13

Category	Moody's Rating
<b>BARCLAYS PLC</b>	
Outlook	Stable
Baseline Credit Assessment	baa1
Adjusted Baseline Credit Assessment	baa1
Issuer Rating -Dom Curr	Baa1
Senior Unsecured	Baa1
Subordinate	Baa1
Pref. Stock Non-cumulative	Ba1 (hyb)
ST Issuer Rating -Dom Curr	P-2
Other Short Term -Dom Curr	(P)P-2
<b>BARCLAYS BANK PLC, CAYMAN BRANCH</b>	
Commercial Paper	P-1
<b>BARCLAYS BANK PLC, NEW YORK BRANCH</b>	
Commercial Paper	P-1
<b>BARCLAYS BANK PLC</b>	
Outlook	Stable
Counterparty Risk Rating	A1/P-1
Bank Deposits	A1/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	A1(cr)/P-1(cr)
Issuer Rating	A1
Senior Unsecured	A1
Subordinate	Baa1
Jr Subordinate	Baa2 (hyb)
Pref. Stock Non-cumulative	Ba1 (hyb)
Commercial Paper	P-1
Other Short Term	(P)P-1
<b>BARCLAYS US CCP FUNDING LLC</b>	
Commercial Paper	P-1
<b>BARCLAYS BANK UK PLC</b>	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	A1/P-1
Baseline Credit Assessment	a3
Adjusted Baseline Credit Assessment	a3
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Commercial Paper	P-1

Source: Moody's Ratings

## Endnotes

- 1 Unless otherwise noted, the bank ratings shown in this report are the long-term deposit rating, the senior unsecured debt rating (where available) and the standalone baseline credit assessment (BCA).
- 2 Barclays Bank reports risk-weighted assets only on an unconsolidated basis. As a proxy, we consider the difference between the risk-weighted assets of Barclays PLC (i.e. the group) and the risk-weighted assets of Barclays Bank UK PLCs.
- 3 As of year-end 2023, only £3.5 billion of derivative assets were classified as level 3; most Barclays' derivatives (£257 billion) were level 2, and the remaining £0.1 billion level 1. Most level 3 assets (£8.2 billion) were accounted as financial assets as fair value through the income statements, while £6.5 billion were classified under trading portfolio assets.
- 4 For our latest macroeconomic forecasts, please refer to [Global Macro Outlook 2024-25 \(February 2024 Update\): Growth for G-20 economies to stabilize at modestly lower levels in 2024](#), published on 29 February 2024.
- 5 11.8% MDA requirement is calculate as the sum of Pillar 1 (4.5%), Pillar 2A (2.4%), Capital Conservation Buffer (2.5%), Global Systemically Important Institution buffer (1.5%), and Countercyclical Capital Buffer (0.9%, increased from 0.5% in Q2 2023)
- 6 Barclays 4.075% leverage ratio requirement is calculated as the sum of the minimum requirement (3.25%) and a buffer for globally systemically important banks (0.525%). The countercyclical leverage ratio buffer is currently 0.3%.
- 7 We typically assign a one-notch negative adjustment for Capital when leverage, calculated as TCE over tangible assets, is below 5%.
- 8 For more details on Barclays' recent quarterly results, please refer to [Q4 2023: Structural cost actions wipe out a quarter of weakening earnings and stable costs](#), published on 20 February 2024.

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