

# Statement following Moody's decision to change outlook on EFSF's rating

[View PDF](#)

25/07/2012

Press releases

EFSF

Luxembourg - The European Financial Stability Facility takes note of the decision by Moody's to change the outlook on the provisional Aaa long-term rating of the EFSF to negative from stable. The rating outlook has a time horizon of 12-18 months and therefore does not indicate any rating action for EFSF in the immediate future.

As noted in Moody's announcement, the Aaa long-term and short-term ratings for the debt issuance programme of the EFSF remain unchanged, thanks to the EFSF's overcollateralization of 165% and the 62.2% share of Aaa-rated countries in the EFSF's guarantor pool. EFSF issuance continues to be fully covered by Aaa-rated guarantees.

Klaus Regling, CEO of the EFSF, stated "The negative outlook does not outweigh the fact that despite volatile market conditions, the EFSF is a well-established and trusted issuer, as evidenced by our recent 6-month bill, placed at a negative yield of - 0.0113%".

## About EFSF

The European Financial Stability Facility (EFSF) was incorporated in Luxembourg on 7 June 2010. Its objective is to preserve financial stability of Europe's Economic and Monetary Union by providing financial assistance to euro area Member States in difficulty. In order to fulfil its mission, the EFSF is authorised to issue bonds or other debt instruments on the market to raise funds needed to provide loans to countries in financial difficulties, intervene in the debt primary and secondary markets, act on the basis of a precautionary programme and finance recapitalisations of financial

institutions through loans to governments including in non-programme countries. All financial assistance to Member States is linked to appropriate conditionality. EFSF issues are backed by guarantees given by euro area Member States of up to €780 billion. EFSF has a lending capacity of €440 billion.

## Contacts



### [Cédric Crelo](#)

Head of Communications and Chief Spokesperson

+352 260 962 205

[c.crelo@esm.europa.eu](mailto:c.crelo@esm.europa.eu)

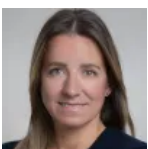


### [Anabela Reis](#)

Deputy Head of Communications and Deputy Chief Spokesperson

+352 260 962 551

[a.reis@esm.europa.eu](mailto:a.reis@esm.europa.eu)



### [Juliana Dahl](#)

Principal Speechwriter and Principal Spokesperson

+352 260 962 654

[j.dahl@esm.europa.eu](mailto:j.dahl@esm.europa.eu)