

23 September 2020

Navigating Covid-19 and beyond

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SEB

SEB



Extraordinary times require extraordinary measures



COVID-19 declared a pandemic

Less stringent government response in Sweden

Decisive implementation of relief measures in Sweden

Sweden financially strong

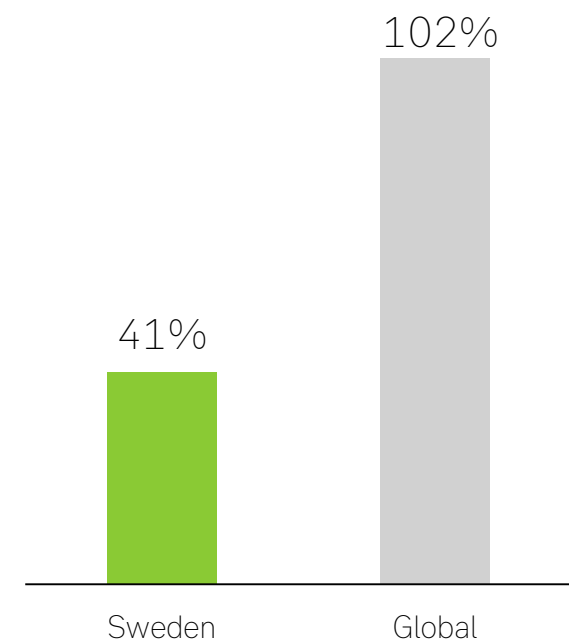
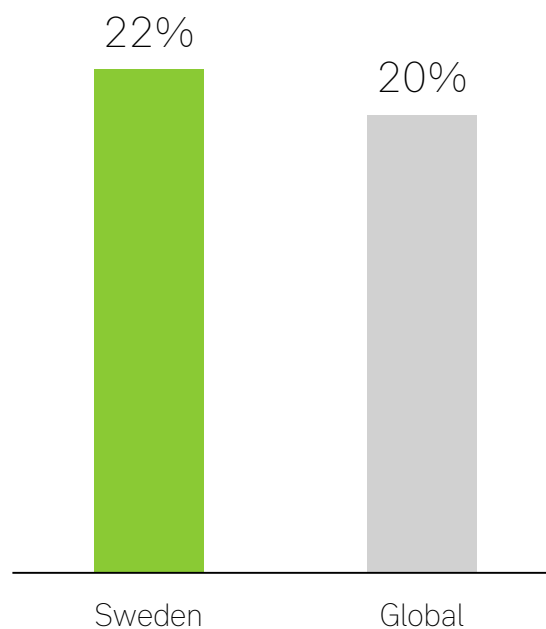
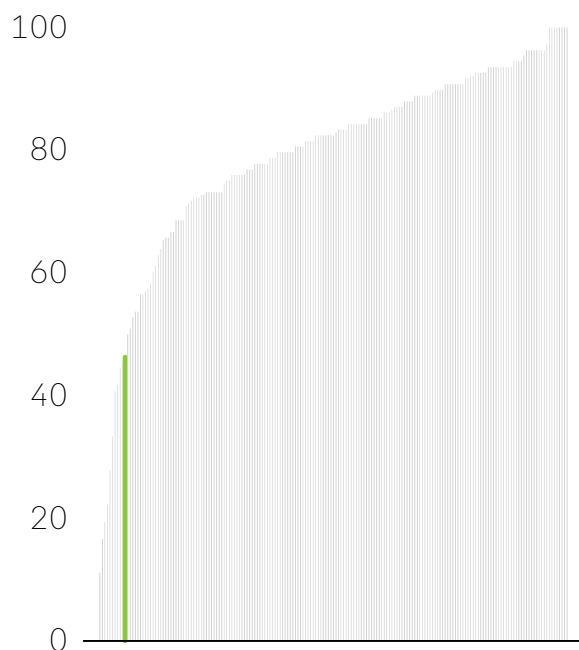
DATE OF DECLARATION BY WHO

GOVERNMENT STRINGENCY INDEX SWEDEN 46 vs. GLOBAL AVG. 79¹

RELIEF MEASURES AS % OF GDP Q2 2020

PUBLIC DEBT AS % OF GDP 2020F²

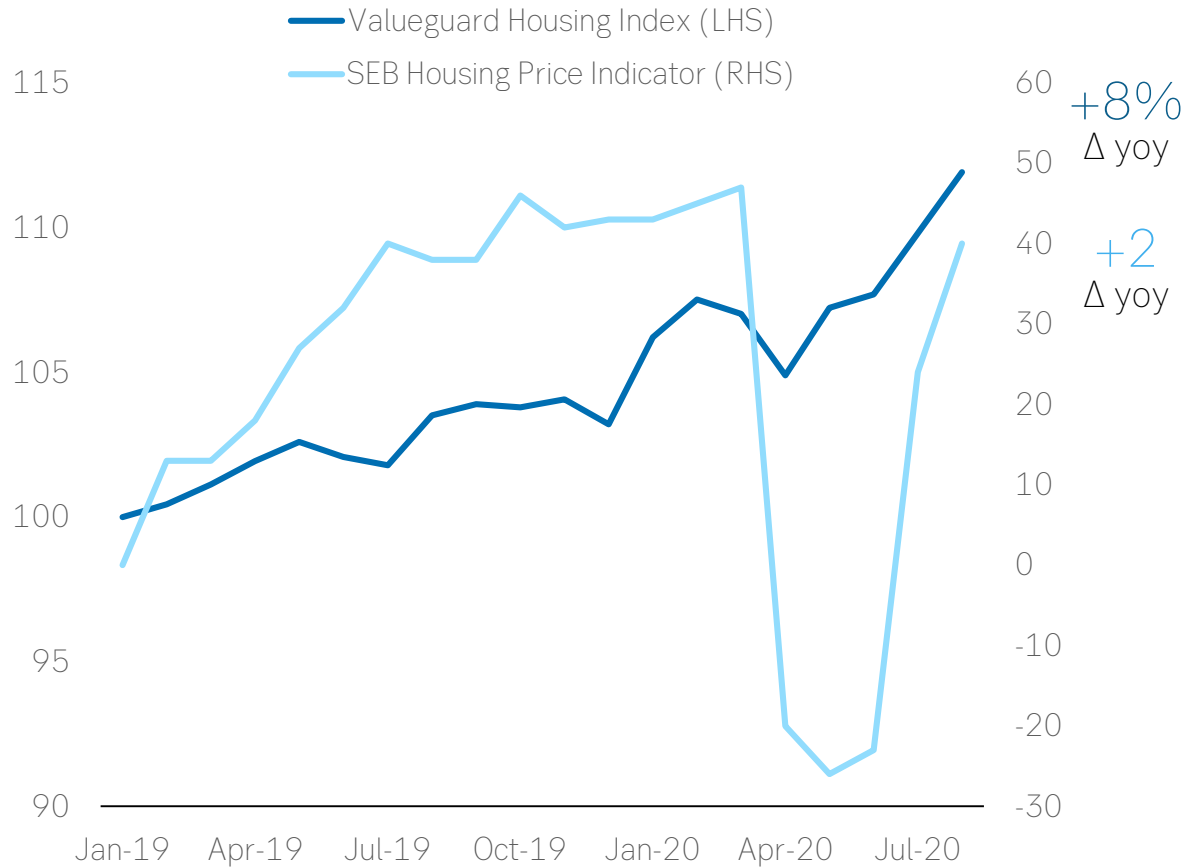
11/03/2020



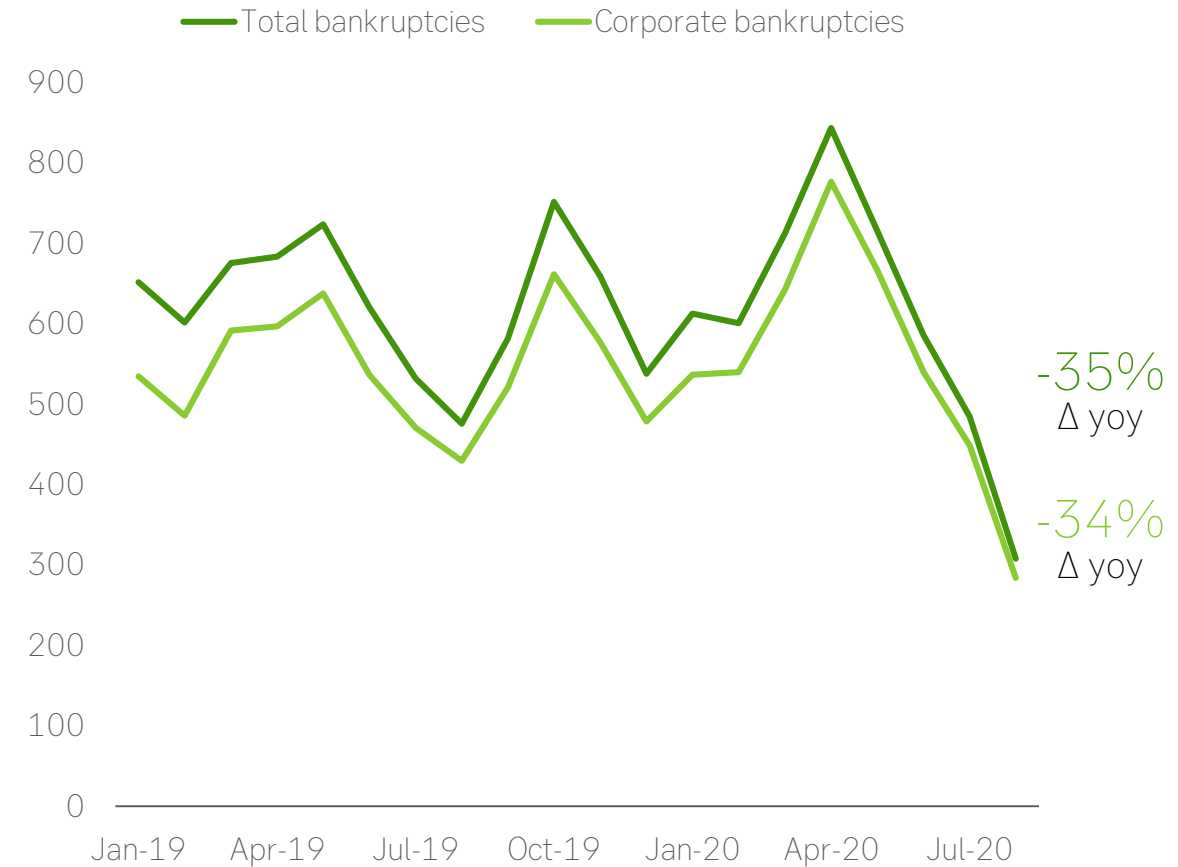
¹ Government Response Stringency Index (0 to 100) on 2020-04-15. ² Forecast for year-end 2020. Sources: WHO, Macrobond, SEB, IMF.

Some light at the end of the tunnel?

Swedish house prices
VALUEGUARD HOUSING INDEX ¹
SEB HOUSING PRICE INDICATOR ²



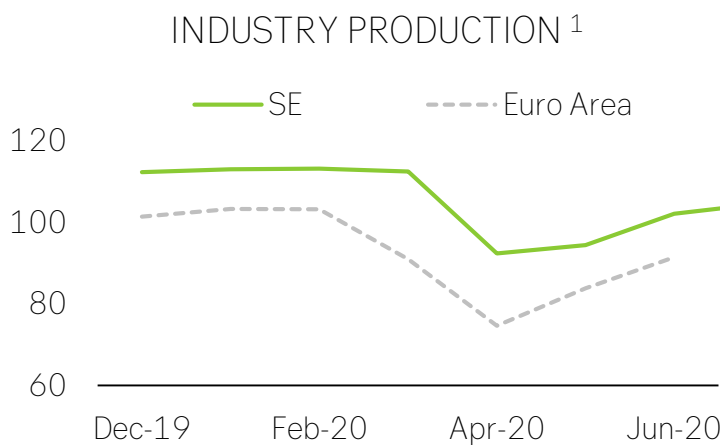
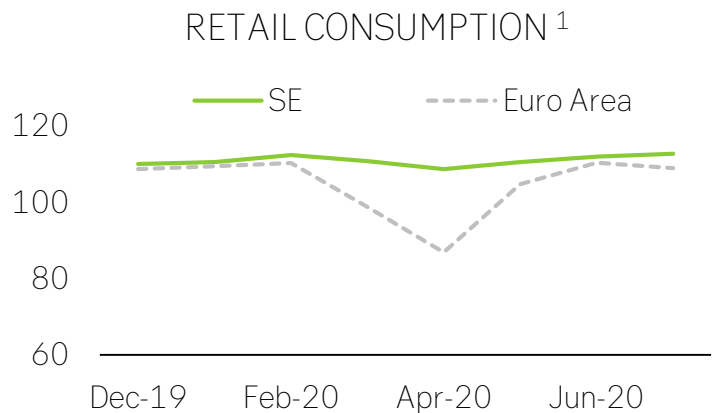
Swedish bankruptcies
NUMBER OF BANKRUPTCIES PER MONTH



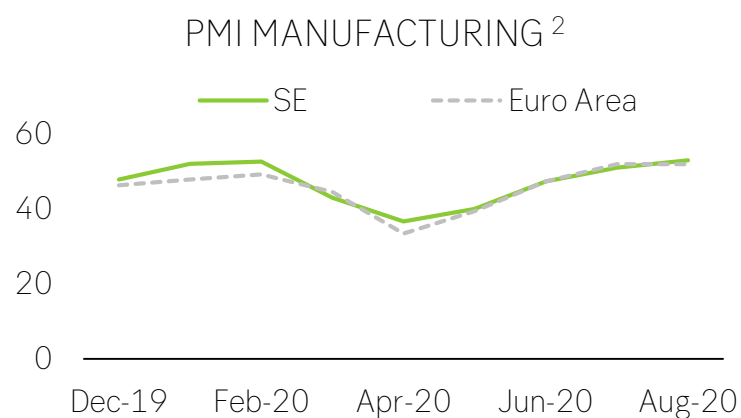
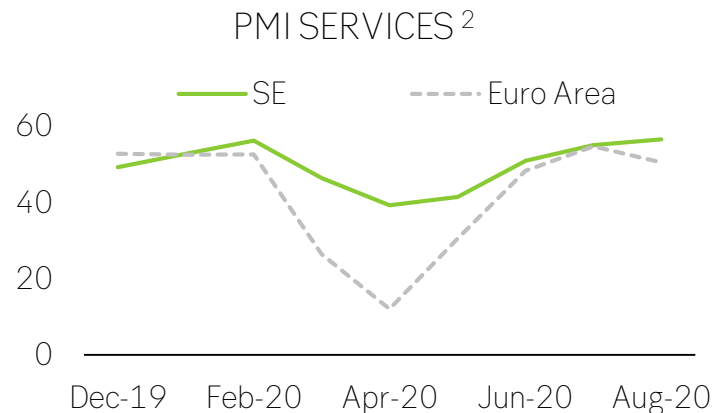
¹ Price trend based on data from Swedish real estate agents. ² Price expectation based on the difference between the share of Swedish households expecting higher and lower prices in 12 months' time. Source: Macrobond.

Favourable but uncertain conditions for recovery

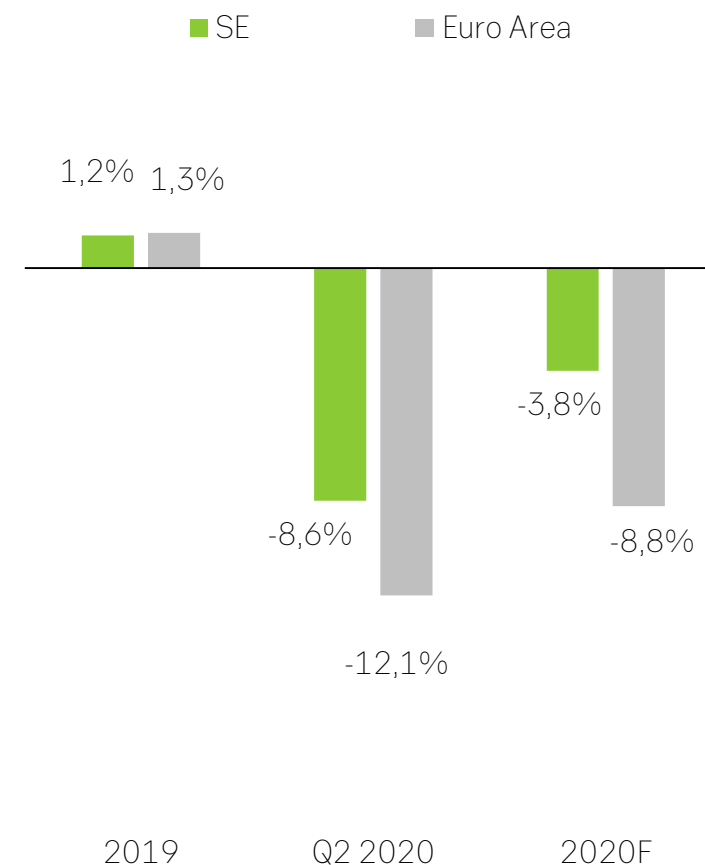
Consumption and production



Business sentiment



GDP growth ³



¹ Data as of July 2020. Industry production data for Euro Area as of June 2020. ² Data as of August 2020. ³ GDP forecast based on SEB Nordic Outlook published in August 2020. Sources: Macrobond, SEB and Eurostat.

SEB critical function in society



Secure payment system



Give continuous advice



Extend credits



SEB's support to customers to weather the storm

Credit & liquidity support

- Covid-19 related credit requests corresponding to around SEK 139bn. ¹
- Amortisation grace periods granted for around 28,000 customers. ¹

Transactions

- Covid-19 related transactions in private and public sector.

Collaboration

- Constructively engaging in dialogue with government and authorities.
- Supporting central bank lending facilities.
- Issuance of state-guaranteed loans to corporates and collaboration with EKN in Sweden.

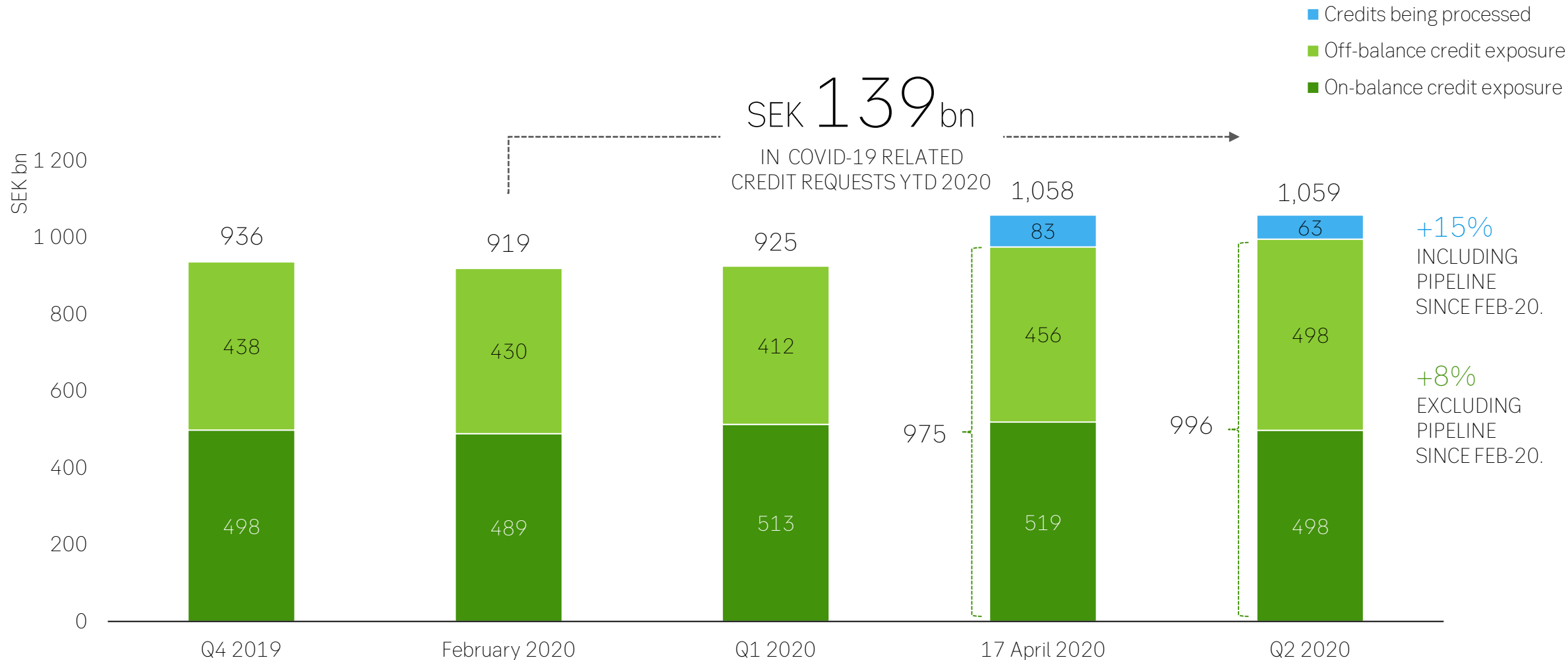
Financial innovations

- Cinder Invest founded to support Swedish companies in need of equity-like capital.



Growth in Covid-19 related credit requests

Large Corporates & Financial Institutions

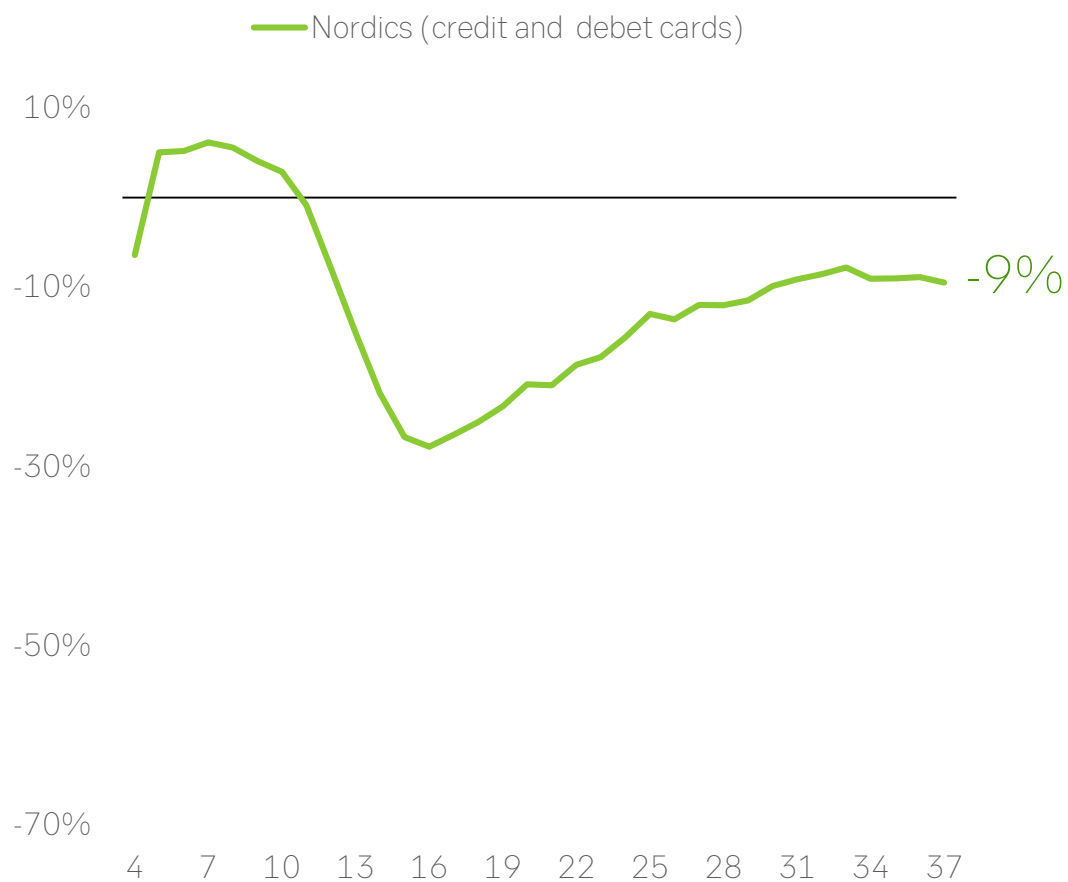


Note: FX-adjusted corporate exposure excluding property management and derivatives.

Card turnover recovering but new normal uncertain

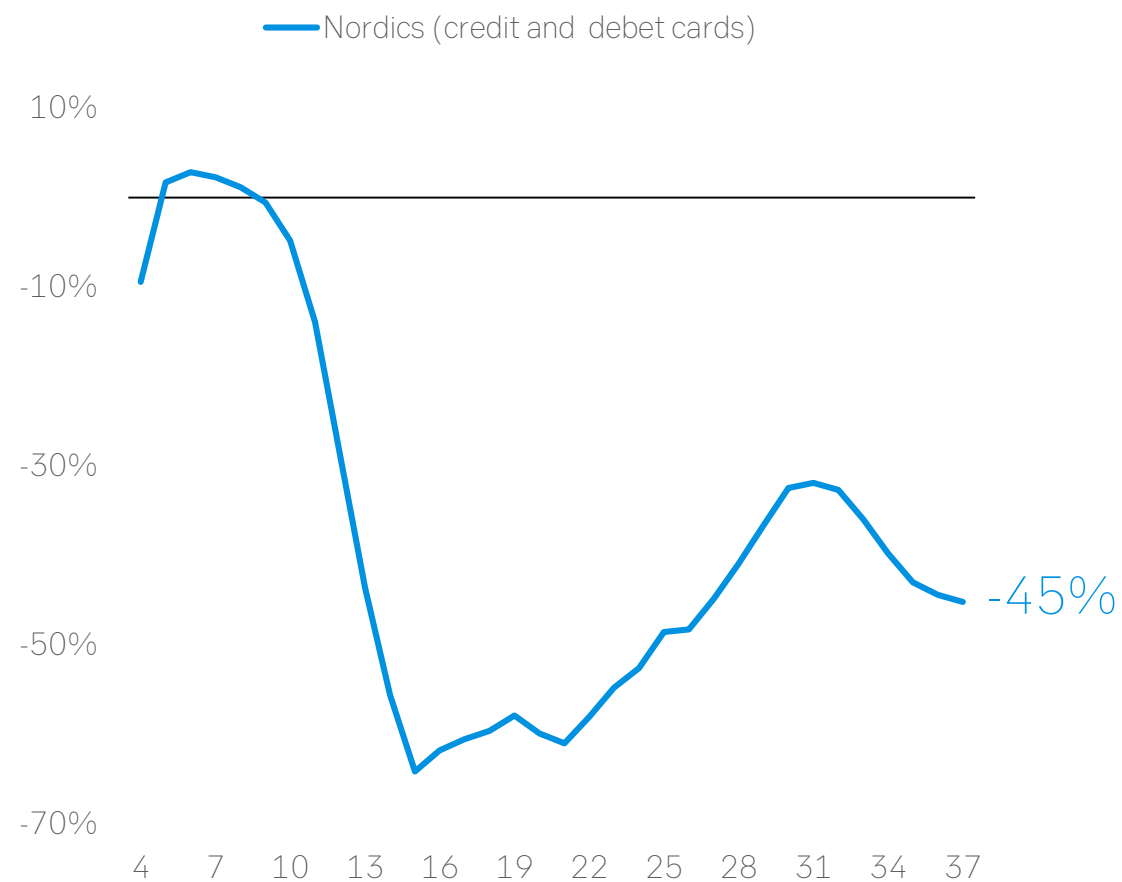
Private customers

ANNUAL CHANGE PER WEEK, 2020 vs. 2019¹



Corporate customers

ANNUAL CHANGE PER WEEK, 2020 vs. 2019¹

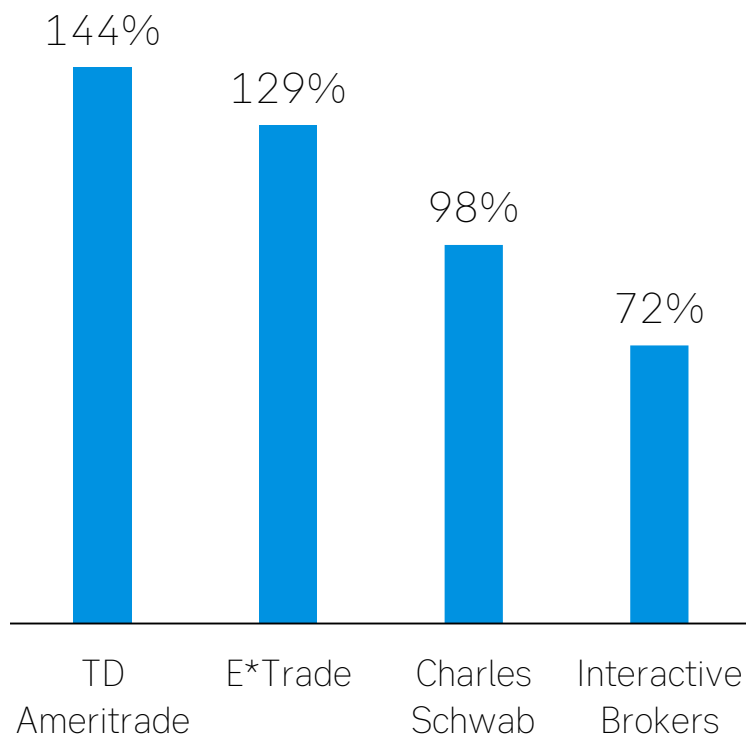


¹ Four-weeks rolling average of annual change 2020 vs. 2019 (week 1-37).

Trends and opportunities: accelerating digitalisation

Global online brokers

TRADING ACTIVITY, Q1 2020 vs Q1 2019 ¹



Nordic online brokers

COMMENTS ON TRADING ACTIVITY, Q1 2020

“The number of transactions ends up at over 14 million, which is **more than twice** as much as the first quarter of 2019.”

Nordnet, Q1 2020 Interim Report

“Compared to the first quarter of 2019, the number of notes increased by no less than **130%...**”

Avanza, Q1 2020 Interim Report

SEB

TRADING ACTIVITY, Q1 2020 vs Q1 2019

+71%

Increase in number of digital fund transactions

+20pp

Increase in share of digital fund purchases





+40%

Increase in number of notes in Private Banking Active Trading

¹ Measured as daily average revenue trades, i.e. number of trades per day that generate revenue through commissions or fees. Source: Piper Sandler.

Trends and opportunities: increasing collaboration

A selection of sustainable transactions YTD AS OF Q2 2020

	Green framework and sovereign green bond
	Green framework and green bond
	Health impact bond (type 2 diabetes)
	Sustainability-linked subscription financing facility

A selection of Covid-19 related transactions YTD AS OF Q2 2020

	Bond to finance health program fighting Covid-19
	Bond to finance Covid-19 crisis program
	Bond to finance development of Covid-19 vaccine
	Bond being part of Covid-19 response bond framework
	Commercial paper to finance production of advanced ventilators

Trends and opportunities: changing market dynamics

Market share development syndicated loans

LEAGUE TABLE MARKET SHARE, SWEDEN

Peers	YTD as of Q2 2020 (%)	Δ vs 3Y average (pp)
SEB	17,1	6,7
Nordic	10,1	4,3
European	6,7	2,4
European	1,5	1,2
European	2,0	1,1
European	3,1	1,0
Nordic	10,4	0,7
European	0,7	0,6
European	1,0	0,4
European	1,3	-0,1
European	0,8	-0,3
European	0,0	-0,4
European	0,7	-0,7
Nordic	4,9	-0,9
US	0,0	-1,2
Nordic	11,8	-1,2
European	0,0	-1,3
US	0,0	-1,3
European	1,0	-1,5
US	0,0	-1,9
US	0,7	-2,0
Nordic	4,6	-2,3
European	0,0	-2,6
US	0,0	-2,9

¹Source: Dealogic.

Market share development syndicated loans

LEAGUE TABLE MARKET SHARE, NORDICS

Peers	YTD as of Q2 2020 (%)	Δ vs 3Y average (pp)
Nordic	16,0	5,3
SEB	10,8	1,9
Nordic	15,8	1,9
European	6,0	1,5
Nordic	5,0	1,3
US	3,6	1,3
European	3,3	1,1
Nordic	3,2	0,4
European	0,3	0,2
US	1,4	0,2
European	1,2	0,2
European	1,8	0,1
European	0,4	-0,1
European	0,4	-0,3
European	0,9	-0,4
US	0,2	-0,6
US	2,3	-0,6
European	1,9	-0,7
European	0,0	-0,8
European	1,2	-1,0
European	0,6	-1,2
US	0,2	-1,2
Nordic	6,0	-1,3
European	0,0	-2,9

Challenges exist ... but good momentum



Covid-19 – credit losses

Dividend

Bank tax

Regulatory compliance



Strong customer satisfaction

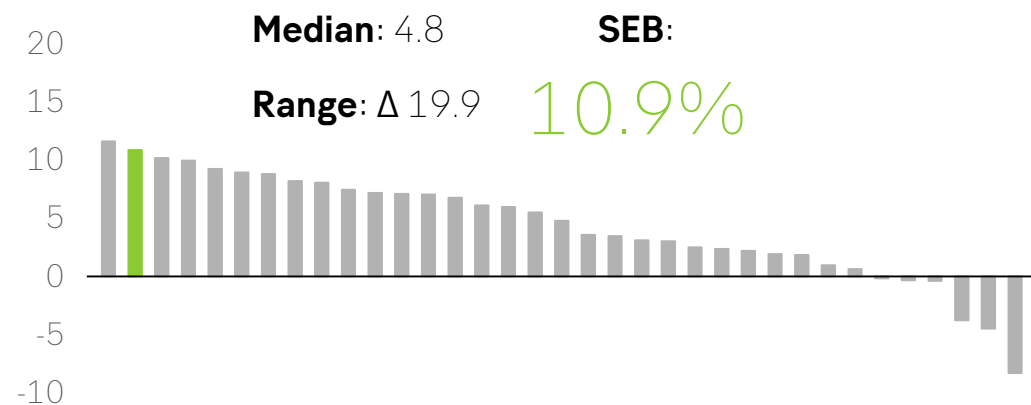
Operating income flat year-over-year
(YTD as of Q2 2020)

Cost control is key

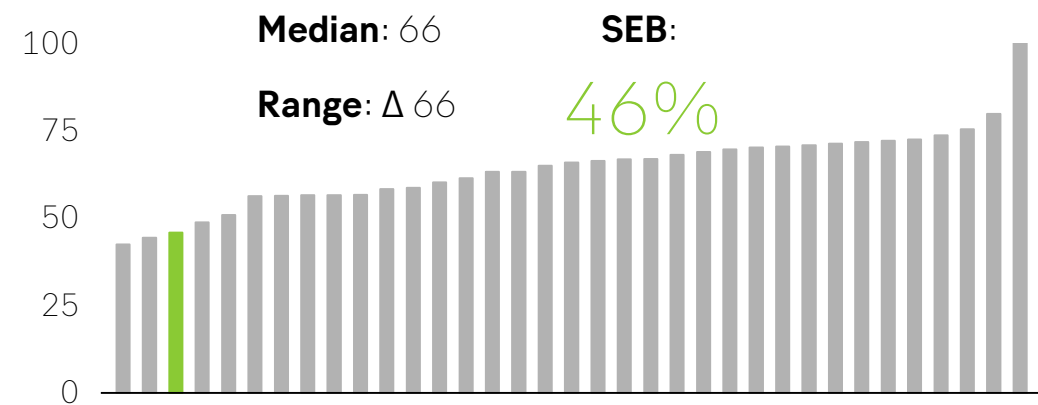
Strong capital position

Continued relative financial strength

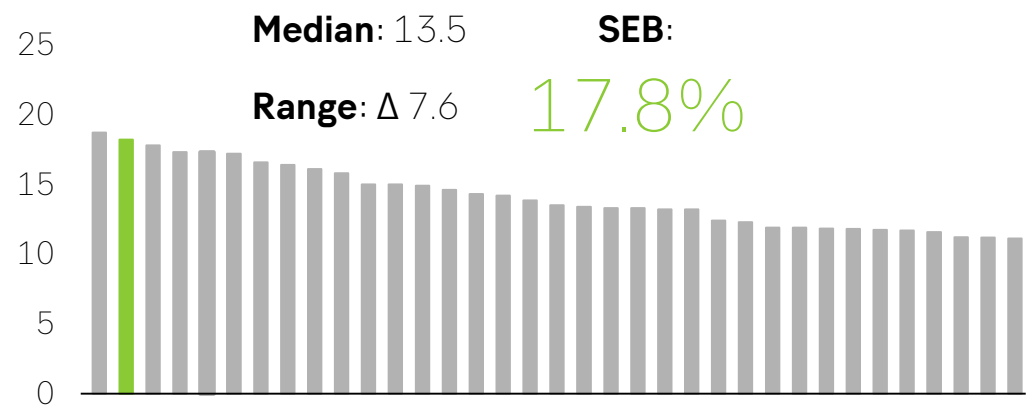
Return on equity
YTD 2020 (%)



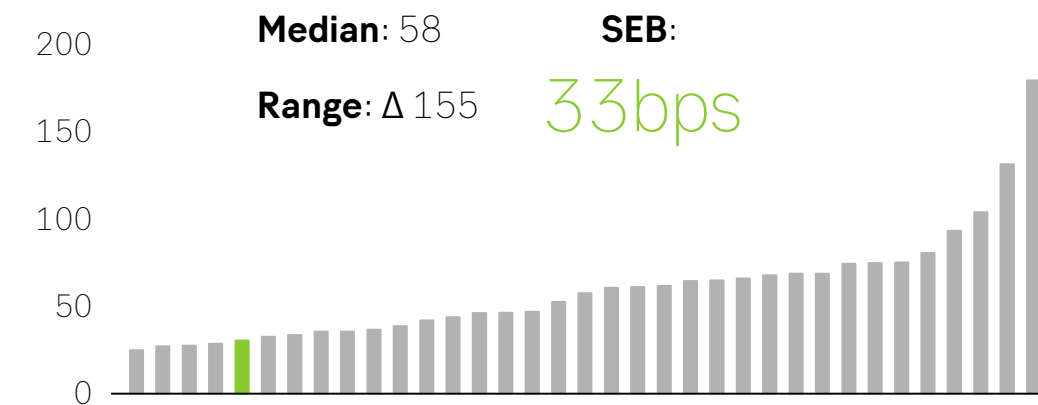
Cost/income ratio
YTD 2020 (%)



CET1 capital ratio
YTD 2020 (%)



CDS spread
SEPTEMBER 2020 (bps)



Thank you for your attention.

