

INSTITUTIONAL RATING

**VICTORY EMPOWERMENT
CENTRE**

Nigeria / July 2019

RATING GRADE

β

OUTLOOK

Stable

ANALYSTS

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ANNEX I: INSTITUTIONAL RATING GRADE DEFINITION

Institutional Rating	The Institutional Rating provides an opinion on the long-term institutional sustainability and creditworthiness of a microfinance institution (MFI) through a comprehensive assessment of risks and performance.
α+ α	<ul style="list-style-type: none"> » Financial Institutions with high long-term sustainability and high creditworthiness. » Excellent performance. Low or well managed short- medium term risk.
α- β+	<ul style="list-style-type: none"> » Financial institutions with good long-term sustainability and good creditworthiness. » Good performance. Modest or well-managed short- medium term risk.
β β-	<ul style="list-style-type: none"> » Financial institutions with moderate long-term sustainability and moderate creditworthiness. » Fair performance. Moderate to medium-high risk.
γ+ γ	<ul style="list-style-type: none"> » Financial institutions with weak long-term sustainability and poor creditworthiness. » Weak or poor performance. High to very high risk.
Financial Profile Rating	Opinion about the financial strength of the institution and the ability to repay their obligations.
Rating Outlook	Expected direction of the rating grade over the 12 months following the rating
Positive	The rating is expected to increase.
Stable	The rating is expected to remain unchanged.
Negative	The rating is not expected to remain unchanged.
Uncertain	Due to unpredictable factors, a rating outlook cannot be determined.

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