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BNP Paribas, the French bank, will take control of the remaining assets of Fortis after the Belgian government was forced to find a buyer following the shock Dutch nationalisation on Friday of its part of the troubled Belgo-Dutch banking and insurance group, reports the FT. The all-share deal, announced Sunday night by the Belgian government, is set to make BNP the biggest bank in the eurozone by deposits and will over time make Belgium and Luxembourg shareholders in the French bank. BNP will buy 75% of Fortis Bank Belgium from the government for €8.25bn ($11.3bn) in stock, and purchase the Belgian insurance operations, Bloomberg reported Monday. The Belgian government will keep a blocking minority of 25% in Fortis Bank and its subprime and related assets will be moved into a special vehicle, added the FT. There were fears Friday that the Dutch nationalisation would cause a fresh rout in shareholder confidence unless a solution was found by Monday.

In a second weekend of tumult for Belgian banks, Dexia, which was bailed out by France, Belgium and Luxembourg last week, was forced to state that its credit links to Hypo Real Estate, the stricken German company, would have "a very limited impact" on the group’s solvency.

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