

Data Snapshot

AFME Securitisation: Q4 2018 and 2018 Full Year

Q4 2018 European Issuance

- In Q4 2018, EUR 88.4 bn of securitised product was issued in Europe¹, an increase of 64.0% from Q3 2018 (EUR 53.9 bn) and an increase of 19.3% from Q4 2017 (EUR 74.1 bn)²

The significant quarterly increase was in part in anticipation of the entry into force on 1 January 2019 of the new Simple, Transparent and Standardised (STS) securitisation regime- for which many technical standards are yet to be finalised. As a result, at the time of writing (late January) there have been no issues of mainstream European securitisation at all (excluding CLOs) so far in 2019. Nor are any deals visible in the pipeline, as both issuers and investors find themselves unable to issue pending clarification from regulators on key features such as risk retention, homogeneity and disclosure.

- Of the total issued amount in Q4 2018, EUR 35.2 bn was placed, representing 39.8% of the total, compared to EUR 30.0 bn placed in Q3 2018 (representing 55.7% of EUR 53.9 bn) and EUR 31.5 bn placed in Q4 2017 (representing 42.5% of EUR 74.1 bn)
- In Q4 2018, PanEuropean CLOs led placed totals followed by UK student loan ABS and German Auto ABS
 - PanEuropean CLOs decreased from EUR 14.5 bn in Q3 2018 to EUR 9.5 bn in Q4 2018. According to Refinitiv LPC, the combined amount of European CLO resets and refinancings totalled EUR 1.9 bn in Q4 2018 (EUR 4.7 bn in Q3 2018)
 - UK student loan ABS increased from no issuance in Q3 2018 to EUR 4.1 bn in Q4 2018. This consisted exclusively of one large deal backed by income contingent repayment (ICR) student loans granted by the UK government to higher education students
 - German Auto ABS increased from EUR 1.5 bn in Q3 2018 to EUR 2.8 bn in Q4 2018

2018 Full Year European Issuance

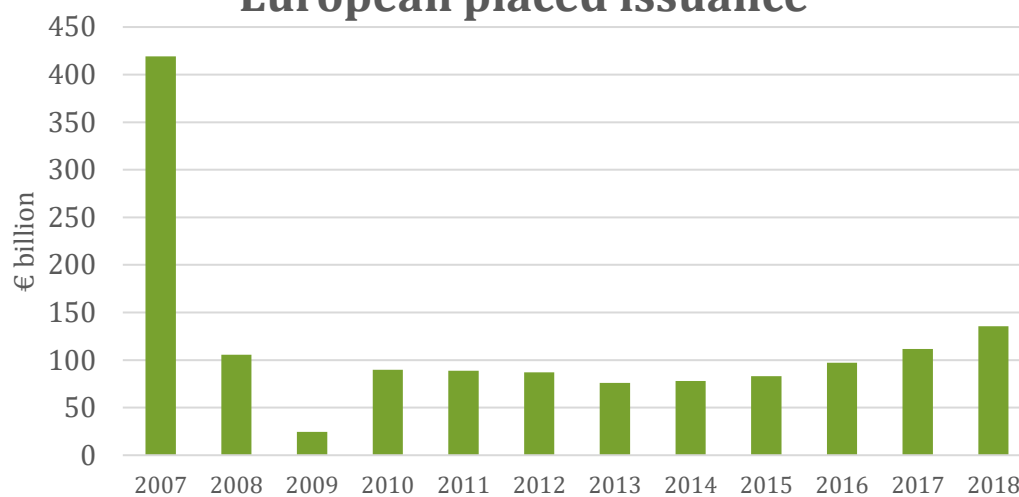
- In 2018, EUR 268.8 bn of securitised product was issued in Europe, an increase of 13.9% from EUR 236.0 bn issued in 2017.
- Of this, EUR 135.7 bn was placed, representing 50.5% of the total, compared to EUR 111.7 bn placed in 2017 representing 47.3% of the total.
- In 2018, PanEuropean CLOs led placed totals (EUR 51.0 bn) followed by UK RMBS (EUR 25.6 bn) and German Auto ABS (EUR 9.5 bn).

Sources: Bloomberg, Citigroup, Dealogic, Deutsche Bank, JP Morgan, Bank of America-Merrill Lynch, RBS, Thomson Reuters, UniCredit, AFME & SIFMA

Notes: (1) European volumes include transactions from all countries in the European continent, including Russia, Iceland, Turkey and Kazakhstan. European volumes include CLOs and CDOs denominated in all European currencies. (2) Volumes have been subject to periodical revision according to the available updated information.

Disclaimer: The AFME Securitisation Data Report (the "Report") is intended for general information only, and is not intended to be and should not be relied upon as being legal, financial, investment, tax, regulatory, business or other professional advice. Neither AFME nor SIFMA represents or warrants that it is accurate, suitable or complete and neither of AFME nor SIFMA or their respective employees or consultants shall have any liability arising from, or relating to, the use of this Report or its contents. Your receipt of the Report is subject to paragraphs 3, 4, 5, 9, 10, 11 and 13 of the Terms of Use which are applicable to AFME's website (available at <http://www.afme.eu/Legal/Terms-of-Use.aspx>) and, for the purposes of such Terms of Use, the Report shall be considered a "Material" (regardless of whether you have received or accessed it via AFME's website or otherwise).

European placed issuance



<i>Values in EUR bn</i>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
European placed	419.2	105.5	24.7	89.8	88.9	87.0	75.9	78.2	83.2	97.1	111.7	135.7
European retained	175.7	713.2	399.3	288.1	287.9	170.9	104.8	138.8	133.5	142.4	124.4	133.1
European retention (%)	30%	87%	94%	76%	76%	66%	58%	64%	62%	59%	53%	50%
Total European	594.9	818.7	423.9	378.0	376.8	257.8	180.8	217.0	216.6	239.5	236.0	268.8
Total US	2,080.5	967.3	1,447.2	1,245.9	1,068.9	1,609.0	1,565.1	1,190.9	1,744.5	1,860.4	1,899.3	1,767.0