Finance for Europe

Q4 2023 & 2023 FY

Securitisation Report

European Structured Finance

Contents

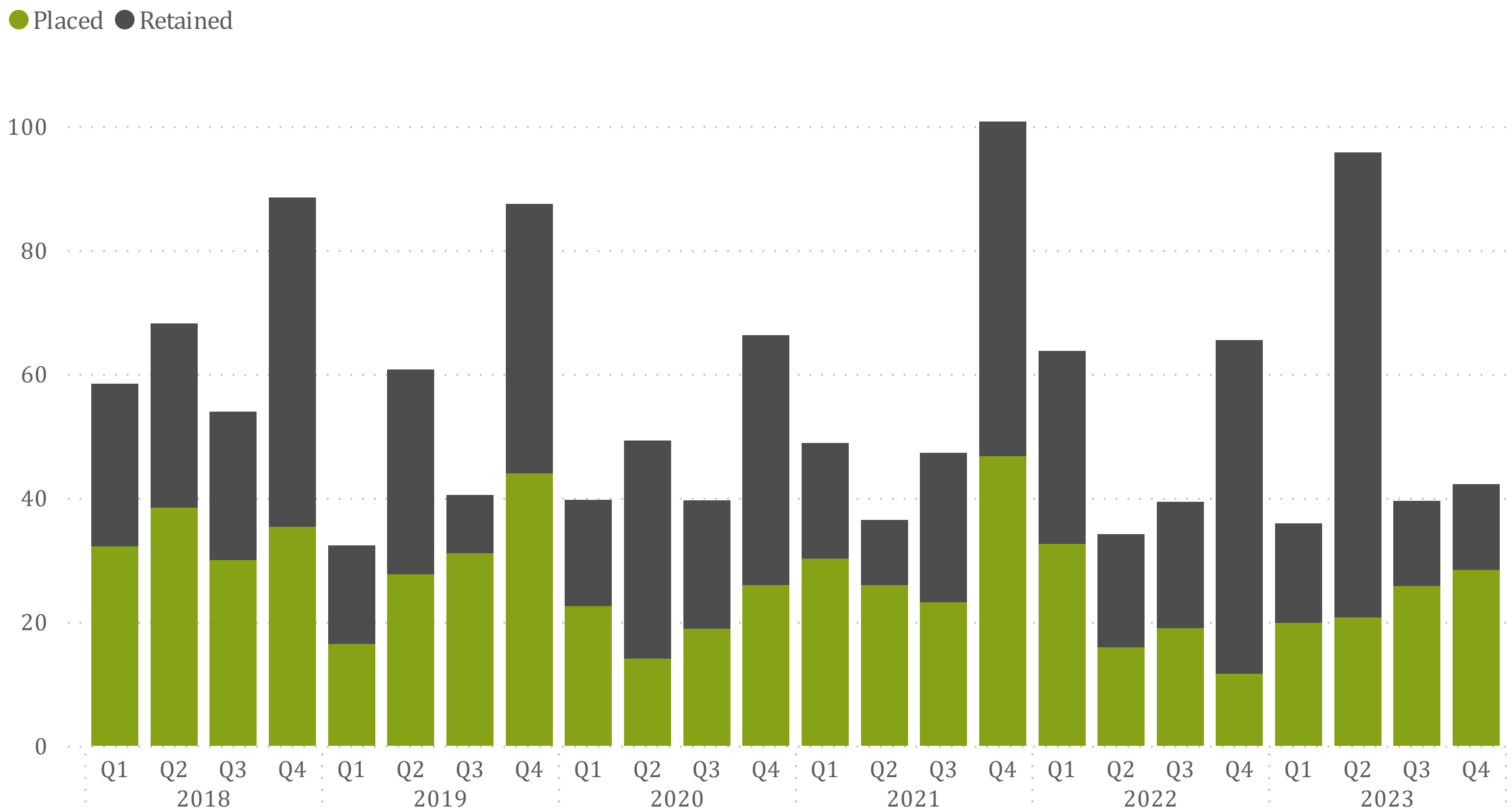
Key Findings	3
Regulatory update	7
True Sale Issuance	21
Outstanding	30
Significant Risk Transfer (SRT)	35
Credit Quality	37
Valuations and Spreads	44
ABCP	49

Finance for Europe

Key Findings

Key Findings

1.1 European Securitisation Issuance (EUR Billions)



Source: AFME, SIFMA, Bank of America, JP Morgan

In Q4 2023, EUR 42.2 bn of securitised product was issued in Europe, an increase of 6.8% from Q3 2023 (EUR 39.5 bn) and a decrease of 35.6% from Q4 2022 (EUR 65.5 bn)

Of the EUR 42.2 bn issued, EUR 28.4 bn was placed, representing 67.3% of the total, compared to 65.3% of issuance in Q3 2023 and 17.7% of issuance in Q4 2022.

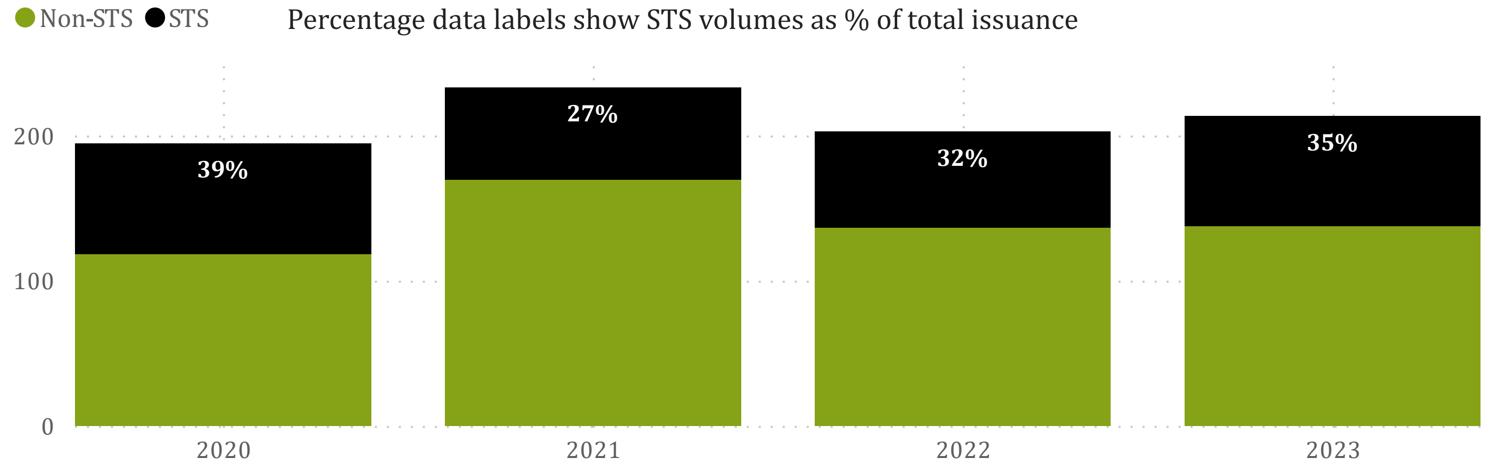
Among placed issuance, Pan-European CLOs, UK RMBS and German Auto ABS led placed totals, with EUR 7.9 bn, EUR 5.4 bn and EUR 2.7 bn of issuance, respectively.

Outstanding volumes (including CLOs) increased to EUR 1,180.6 bn at the end of Q4 2023, a decrease of 0.17% QoQ and an increase of 4.05% YoY.

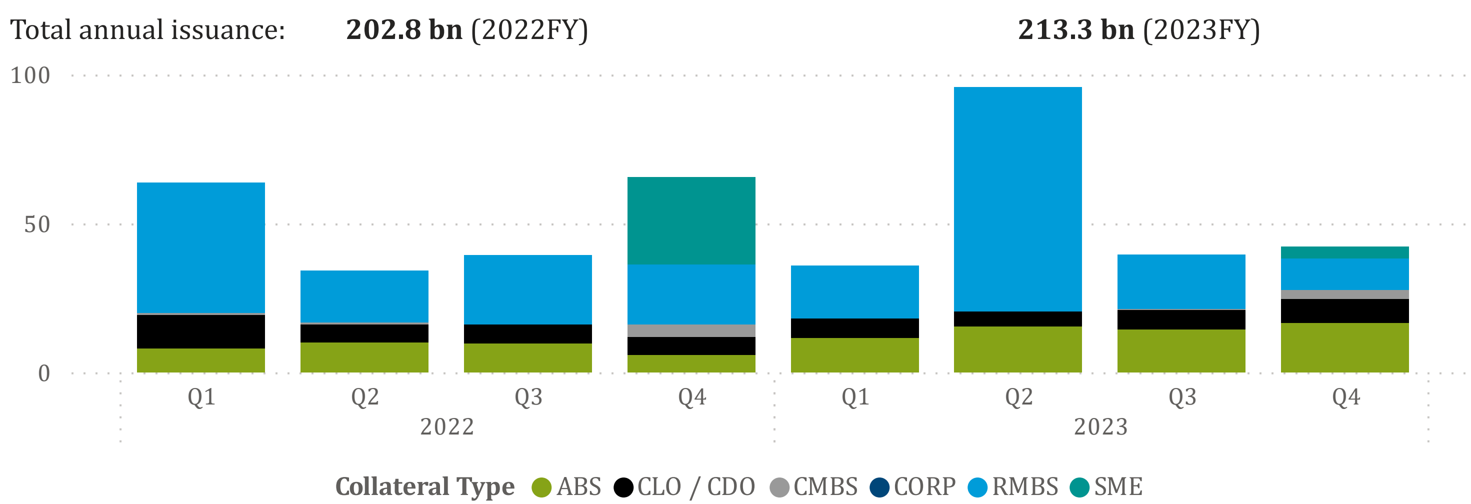
Based on SCI data, quarterly SRT issuance in Europe reached EUR 21.7 bn in Q4 2023, a decrease of 17.8% from Q3 2023 and a decrease of 60.5% from Q4 2022.

Key Findings

1.2 STS and non-STS securitisation issuance (EUR bn)



1.3. Quarterly European securitisation issuance by asset class (2022-2023, EUR bn)



Source: AFME, SIFMA, Bank of America, JP Morgan [Chart 1.2 & Chart 1.3] Non-STS in Chart 1.2 includes CLO / CDO, CMBS and UK NC RMBS issuance which are ineligible under the STS regime.

STS issuance

Total (placed and retained) Simple Transparent and Standardised (STS) securitisation issuance totalled EUR 18.4 bn in Q4 2023, an increase of 1.3% QoQ and a decrease of 39.8% YoY.

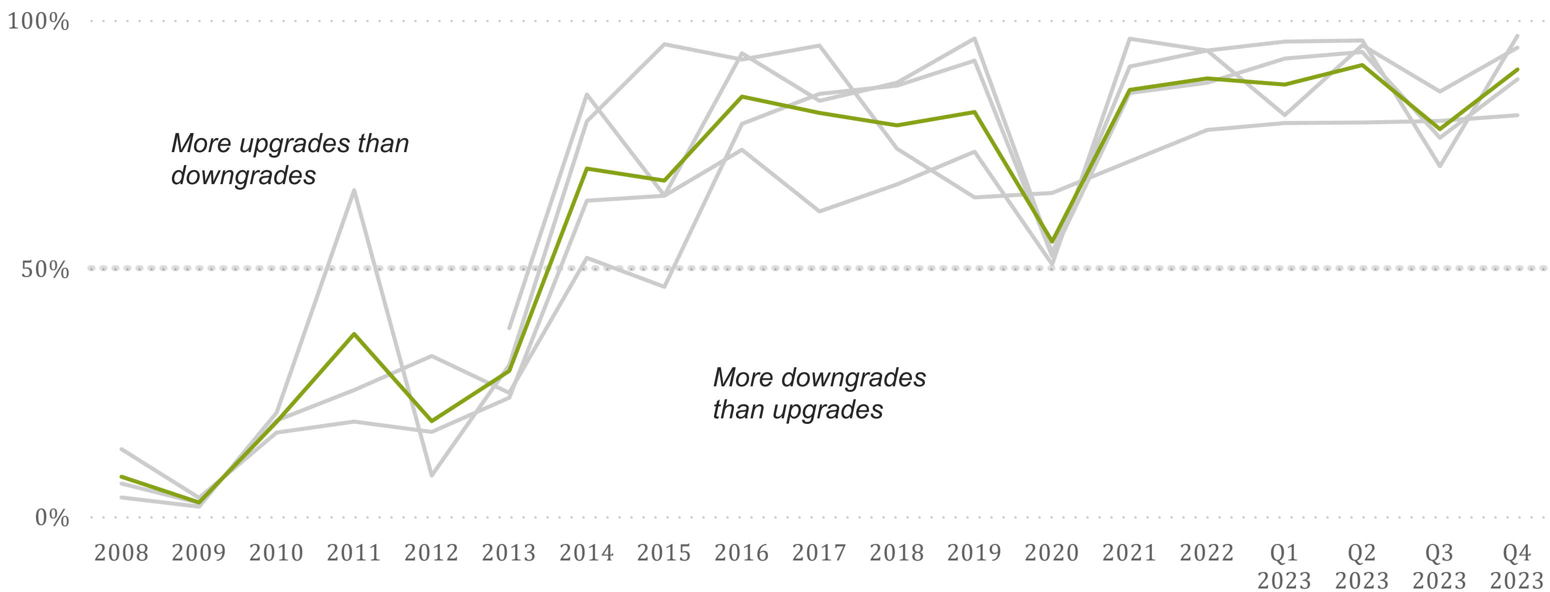
For 2023FY, STS issuance totalled EUR 75.7 bn, representing the highest annual STS issuance volume since 2020, and constituting 35% of total securitisation issuance (STS & non-STS). Year-on-year, STS issuance increased 14.4% compared to 2022FY, when EUR 66.1 bn was issued in STS securitisation (making up 32% of total issuance).

Issuance by asset class

By asset class, ABS issuance increased 70.6% YoY driven by high volumes issued during the second half of 2023. SME securitisation issuance was down 86.3% YoY whilst issuance in the CMBS and CLO / CDO categories decreased by 37.5% and 11.5% respectively. Corporate securitisation issuance remained at zero for the second consecutive year.

Key Findings

1.4 Upgrades/Downgrades ratio (Upgrades as % of rating actions)



Source: DBRS, Fitch, Moody's, S&P [Chart 1.4] In chart 1.4, each line represents the rating actions by a Credit Rating Agency (CRA). The green line is the average of the four CRAs' rating actions.

In Europe, the proportion of upgrades as a percentage of total rating actions increased during Q4 2023, when upgrades comprised 90% of total rating actions by the main Credit Rating Agencies (CRAs), up from 78% in Q3 2023 and up from 87% in Q4 2022.

In 2023FY, upgrades comprised 87% of total rating actions by the main CRAs, down from 88% during 2022FY.

Regulatory Update

Regulatory update

Securitisation Framework in the EU

- The European Commission (EC) completed its review on the functioning of the Securitisation Regulation (SECR) mandated by Article 46 of the SECR and published its Report on 10 October 2022. The Report concluded that it would be premature to suggest the re-opening of the legislative framework (i.e., the Level 1 text), however it asked ESMA to review the disclosure templates for underlying exposures. The Report also welcomed the EBA report on sustainable securitisation as an important contribution to developing such framework, and the European Parliament and the Council were invited to take it into consideration in the context of the trilogue negotiations on the EU Green Bond Standard (EuGBS). The Report did not address the prudential treatment of securitisation (CRR/Solvency II) as the advice of the Joint Committee (JC) of the European Supervisory Authorities (ESAs) was expected at the time of publication (please see bullet point below).

- The JC of the ESAs published their response to the EC's Call for Advice on 12 December 2022. In respect of the CRR, the EBA made a number of recommendations, however no changes to the p-factor were proposed. Similarly, the JC suggested that the liquidity framework should be kept unchanged, while no recommendations were made on Solvency II either. The JC concluded that the Solvency II framework does not seem to influence insurance activity in the EU securitisation market and there is not sufficient evidence to conclude that the current capital requirements for spread risk on securitisation positions in Solvency II are not fit for purpose.

- On 17 February 2023, the JC of the ESAs published an updated version of their Q&As relating to the SECR.

- Trilogue negotiations on the CRR/D banking package came to an end on 27 June 2023, and the political agreement reached included the following mitigating measures on securitisation, namely:

  - Transitional measures on the output floor - effective until 31 December 2032 - which lower the p-factor by 50% for both STS and non-STS securitisations for exposures that are risk-weighted using the SEC-IRBA or the IAA; and

  - A review clause which mandates a wider review of the prudential treatment of securitisation by 31 December 2026. The review may then lead the Commission to submit a legislative proposal by 31 December 2027.

- The regulation is expected to be published in the Official Journal of the EU in Q2 2024, most likely by June. The 1st of January 2025 is aimed to be the start date of the new CRR.

Regulatory update

Securitisation Framework in the EU

- Trilogue negotiations on the Solvency II Directive concluded in December 2023 with co-legislators having reached a political agreement on a directive which will amend Solvency II (Directive 2009/138/EC). The consolidated text is available here. Recital 83b mandates the Commission to conduct a review of the securitisation capital requirements under the Level 2 legislation.
- On 22 September 2023, ESMA published a study setting out details on the EU securitisation market based on the data ESMA receives under the SECR. Amongst other findings, the study concludes that the size of the European securitisation market has decreased significantly since the EUR 2tn it reached at the end of 2010.
- Also in September 2023, ESMA kicked off a new initiative which is to prepare Guidelines on Article 5 SECR. A public consultation is expected to commence in Q2 2024.
- On 6 December 2023, the JC of the ESAs launched an informal, targeted consultation in the context of Article 44 of the SECR which closed on 30 January 2024. AFME submitted a response to this consultation.
- ESMA's consultation on disclosure templates commenced in December 2023, and market participants' feedback was submitted on 15 March 2024. AFME's response, co-signed by another 10 associations, can be found here.

Regulatory update

Securitisation Framework in the UK

- The SECR, including article 46, was on-shored into the UK at the end of 2020. On 13 December 2021, the HM Treasury (HMT) published its Report and Responses to the Call of Evidence on the Review of the UK Securitisation Regulation (UK SECR). The Report did not include any legislative proposals and it “finds that, at present, it is challenging to definitively draw conclusions on the effect of the Sec Reg on the functioning of the UK securitisation market.” HMT also recommended that some areas of the UK SECR, such as disclosures or jurisdictional scope, might benefit from targeted and appropriate refinement, and the FCA and PRA will monitor the market developments.

- On 20 July 2022, HMT introduced the Financial Services and Markets Bill (the “FSM Bill”) to Parliament. The FSM Bill aims to implement the outcomes of the UK government’s Future Regulatory Framework Review and to update the UK’s regulatory regime post-Brexit. In respect of securitisation, the FSM Bill repeals the UK SECR and introduces an equivalence regime for non-UK STS Securitisations.

- On 21 July 2022, the UK Government’s consultation on Solvency II closed, and the outcome of the consultation was published by HMT on 17 November 2022. The Government will now legislate as necessary and will also work with the PRA to enable changes to its rulebook.

- On 30 November 2022, HMT launched a consultation on the implementation of the Basel 3.1 standards, which closed on 31 January 2023. On the same day, the Bank of England published consultation paper 16/22 which sets out the PRA’s proposed rules and expectations with respect to the implementation of the Basel 3.1 standards. The latter includes proposals in respect of the output floor application to securitisation exposures (p. 321 of the CP). This consultation closed on 31 March 2023.

- On 9 December 2022, the UK Government announced a package of proposed reforms to the financial services framework, the "Edinburgh Reforms“, and securitisation was one of the files covered. On the same day, HMT published a draft statutory instrument (the “Draft SI”) (here) and an accompanying policy note (here). The Draft SI shows how, following the commencement of the repeal of the UK SECR, HMT intends to set the scope of regulatory requirements for securitisation (that is, to which entities requirements should apply).

- On 11 July 2023, HMT published a near-final version of the SI (here) alongside an explanatory policy note (here) and invited technical comments. AFME submitted its comments (here). The SI was laid before Parliament on 27 November 2023 (here). On 22 January 2024, the procedure in Parliament concluded (here), and the Securitisation Regulations 2024 (SI 2024/102) were made on 29 January 2024 (here). The relevant explanatory memorandum is also available here. As per paragraph 2, the result of this instrument is that the FCA and the PRA will now be able to make their own rules. This instrument will come fully into force alongside those new FCA and PRA rules, when final, and the commencement of the repeal of retained EU law in relation to securitisation.

- The PRA consultation (CP 15/23) and the FCA consultation (CP 23/17) on general rules on securitisation closed on 30 October 2023. The PRA discussion paper (3/23) on securitisation capital requirements also closed on 31 January 2024. The AFME responses can be found here and here respectively. More consultations are expected in Q4 2024. In anticipation of the FCA/PRA consultation on transparency requirements, AFME published on 1 March 2024 its own proposals on the criteria that could be used to define “public” and “private” securitisation (here).

Regulatory update

European Commission Capital Markets Recovery Package (CMRP) for securitisation

The CMRP, which came into effect on 9 April 2021 and includes amendments to the SECR (here) and the CRR (here), introduces a new framework for STS synthetic securitisation and amendments to the treatment of NPL securitisations as well as several mandates for the ESAs to draft further Level 2 legislation:

- **RTS on risk retention**: Final (draft) RTS were published on 12 April 2022 (here) and were adopted by the Commission on 7 July 2023. The final text (here) was published in the Official Journal on 18 October 2023 and entered into force on 7 November 2023.
- **RTS on homogeneity in STS synthetic securitisation:** Final (draft) RTS were published on 14 February 2023 (here). Adoption by the Commission is pending.
- **RTS on pro-rata amortisation triggers and their calibration:** Final (draft) RTS were published on 20 September 2022 (here). The final text (here) was published in the Official Journal on 22 March 2024 and will enter into force on 11 April.
- **RTS and ITS on STS notification for synthetic securitisation**: (a) On 15 August 2022 entered into force the amending RTS (Delegated Regulation (EU) 2022/1301) which amend the RTS prescribing the EU STS notification templates (Delegated Regulation (EU) 2020/1226). The consolidated version of the RTS published in the Official Journal of the EU is here. (b) On 2 November 2022 entered into force the amending ITS (Commission Implementing Regulation (EU) 2022/1929) which amend the ITS prescribing the EU STS notification templates (Commission Implementing Regulation (EU) 2020/1227). The consolidated version of the ITS published in the Official Journal of the EU is here.
- **RTS in relation to synthetic excess spread:** Final (draft) RTS were published on 25 April 2023 (here). Adoption by the Commission is pending.
- **RTS on the content, methodologies and presentation of information in respect of the sustainability indicators for STS securitisation:** Final (draft) RTS were published on 25 May 2023 (here) and were adopted by the Commission on 5 March 2024 (here). The Commission-adopted text will now need to be examined by the European Parliament and Council, which can take two months. If no objections are raised, the delegated act will enter into force in June 2024.

On 21 April 2023, the EBA launched a public consultation on its draft Guidelines (here) on the criteria related to simplicity, standardisation and transparency and additional specific criteria for on-balance-sheet securitisations (so-called STS criteria). These Guidelines will ensure a harmonised interpretation of these STS criteria, in alignment with the EBA Guidelines for traditional securitisations. The consultation ran until 7 July 2023. AFME submitted its response (here). Publication of the final Guidelines is pending.

Regulatory update

Regulatory Developments outside Europe

- In January 2023, the U.S. Securities and Exchange Commission ("SEC") (re)proposed a rule – the Rule 192 - to prohibit certain securitisation participants from engaging in transactions (or taking substantial steps to reach a transaction) that would directly or indirectly involve or result in a material conflict of interest between the securitisation participant and an investor in an asset-backed security ("ABS"), subject to certain exceptions. AFME responded to the consultation (here), which closed on 31 March 2023. On 28 November 2023, the SEC published the final rule (here), which – contrary to the initial proposal – now contains a safe harbour for certain foreign transactions.

- On 30 August 2023, the Financial Stability Board (FSB) published an invitation for feedback on the effects of G20 financial regulatory reforms on securitisation and an accompanying Summary Terms of Reference which provides details about the objectives, scope and process of the FSB's evaluation of these reforms. Feedback, which was due by 22 September 2023, will be considered by the FSB, as it prepares a note with preliminary findings. The latter is expected to be issued for public consultation in Q2 2024, and the final evaluation report will follow afterwards. AFME has submitted its pre-consultation response (here).

- In September, IOSCO issued a consultation titled "Leveraged Loans and CLOs – Good Practices for Consideration" (here) which closed on 15 December 2023. AFME's response can be found here.

Regulatory update

ECB Guide on the notification of securitisation transactions

- On 15 November 2021, the ECB launched a public consultation on its draft Guide on the notification of securitisation transactions. This follows the ECB's announcement of its decision in May 2021 to ensure that directly supervised banks comply with the requirements for risk retention, transparency and resecuritisation for all securitisations, which are set out under Articles 6, 7 and 8 of the SECR.
- This non-binding Guide clarifies the information that the ECB expects directly supervised banks acting as originators or sponsors of securitisation transactions to provide. The requirements of the SECR cover all securitisation transactions, from public to private, traditional, synthetic and asset-backed commercial paper transactions, irrespective of whether or not they are structured to achieve significant risk transfer.
- The ECB expects banks to follow the Guide for all securitisation transactions issued after 1 April 2022. The Guide will be updated when needed to reflect relevant developments in the regulation and supervision of securitisations.
- After the first months of supervision under the Guide, the SSM Securitisation Hub noted the need for banks to have some technical clarifications on the ECB's expectations on SIs' assessments of how their internal policies, processes and procedures ensure compliance with articles 6 to 8 SECR, in line with paragraph 3 of Section D of the Guide. The industry's feedback was informally solicited, and the technical clarifications have been published on CASPER.

Regulatory update

Sustainable Securitisation

1. EBA Report

- On 02 March 2022, the EBA published its Report on developing a framework for sustainable securitisation (here), by which it recommended adjustments to the proposed (at the time) EU Green Bond Standard (EuGBS) with regard to securitisation transactions. The Report was mandated by the CMRP.
- The EBA's analysis concluded that it would be premature to establish a dedicated framework for green securitisation, and that the EuGBS should apply to securitisation provided that some adjustments were made to the standard. In this regard, the EBA recommended that the EuGBS requirements apply at the originator level (instead of at the issuer/ securitisation special purpose entity (SSPE) level). This would allow a securitisation that is not backed by a portfolio of green assets to meet the EuGBS requirements provided that the originator commits to using all the proceeds from the green bond to generate new green assets.
- The EBA saw the proposed adjustments as an intermediate step to allow the sustainable securitisation market to develop and to play a role in financing the transition towards a greener EU economy. They were also meant to ensure that securitisation is treated in a consistent manner as other types of asset-backed securities.
- The EBA also recommended that the SECR be amended in order to extend voluntary "principal adverse impact disclosures" to non-STS securitisations. In respect of establishing a framework for green synthetic securitisation, the EBA acknowledged the benefits that synthetic securitisation could contribute to a more sustainable economy but noted that more time is needed in order to assess whether and how the specificities of synthetic securitisation could be reflected in a green framework.
- The European Commission in its report agreed with the EBA that given the low amount of green assets available to be securitised, there is no scope at present for creating a dedicated sustainability label for securitisation.

Regulatory update

Sustainable Securitisation

2. EU Green Bond Standard

Trilogue negotiations started on 12 July 2022 and concluded on 28 February 2023. The final text was published in the Official Journal (here) on 30 November 2023 and entered into force on 21 December 2023. It will apply from 21 December 2024 onwards. By 21 December 2028, the ESAs must publish a report on the feasibility of extending the eligibility to use the “EuGB” designation to synthetic securitisations. Based on that report, the Commission may then submit a report to the European Parliament and the Council accompanied, if appropriate, by a legislative proposal by 21 December 2029.

3. Joint ESAs-ECB Statement on disclosure on climate change for structured finance products

On 13 March 2023, the European Supervisory Authorities together with the ECB published a joint statement (here) which encouraged the development of disclosure standards for securitised assets through harmonised climate-related data requirements. Even though mandatory disclosure requirements are not yet in place, the ECB and the ESAs called on originators to already collect, at the time of loan origination, the data that investors need to assess the climate-related risks of the underlying assets. In the case of securitisation, originators and sponsors should fill in the voluntary climate-related fields in the existing securitisation disclosure templates.

Regulatory update

Non-Performing Loans in the EU

- On 8 December 2021, the NPLs Secondary Markets Directive (the Directive) was published in OJEU (here). The Directive was entered into force on 29 December 2021, and Member States will have until 29 December 2023 to transpose it into national law. Pursuant to article 16(5) of the Directive, the EBA had to submit its draft ITS on the mandatory data templates to the Commission by 29 September 2022.
- Deviating from the Directive's timeline, the EBA launched a public consultation on the draft ITS on 16 May 2022. The consultation ran until the 7th of September 2022. The final draft ITS were published on 16 December 2022 (here) and were also submitted to the European Commission for adoption. The final ITS were published in the Official Journal on 29 September 2023 (here).
- The negotiations in the European Parliament on the second part of the Directive on an Accelerated Extra-Judicial Collateral Enforcement (AECE) mechanism are currently on hold.

Non- Performing Loans in the UK

- Following its Consultation Paper on 21 October 2021 the PRA published its Policy Statement PS24/21 'Implementation of Basel standards: Non-performing loan securitisations', which sets out the PRA's rules in respect of the implementation of prudential standards agreed by the Basel Committee on Banking Supervision (BCBS) for NPL securitisations.
- The updated SS10/18 and the rules for calculating capital requirements on exposures to NPE securitisations took effect from Saturday 1 January 2022. This will take effect in conjunction with any consequential amendments to the CRR by HM Treasury.

Regulatory update

Libor and benchmark rates

Latest developments in the EU:

- The discontinuation of all panel-based LIBOR settings, including USD LIBOR on 30 June 2023, led to the discontinuation of the Euro WG which agreed at its meeting on 13 November 2023 that its mandate had been completed. Its final statement was published on 4 December 2023 (here).Despite that, ESMA will continue to monitor developments in the EU benchmarks landscape (including in respect of areas noted above where market participants need to take further action) and will contact the Working Group's participants again in the future, where necessary, depending on market developments related to interest rate benchmarks.
- In July 2023, the Commission adopted a Delegated Regulation extending the transitional period for existing benchmarks and non-EU benchmarks until 31 December 2025 in order to ensure continued access by market participants in the EU to most of the world's benchmarks. (The transitional period was originally set to expire on 31 December 2023.)

Latest developments in the UK:

- 31 Libor settings have ceased permanently.
- Publication of the 3-month synthetic sterling LIBOR will cease on 28 March 2024.
- Publication of the 1-, 3- and 6-month synthetic US dollar LIBOR settings will also cease on 30 September 2024.

Securitisation 2024 – Regulations in force and published level 2 measures, reports and guidelines

Regulation	Topic	Article	Org	Completion date in published regulation	Status
CMRP	STS Framework for on-balance sheet securitisations and NPL securitisations (Regulation (EU) 2021/557)	N/A	EC	N/A	Published in the OJ on 6 April 2021 (here).
UK SECR	Securitisation Regulations 2024 (SI 2024/102)	N/A	UK Gov	N/A	Made on 29 January 2024 (here).

Level 2 measures, reports & guidelines	Topic	Article	Org	Completion date in published regulation	Status
CMRP (SECR)	RTS on pro rata amortisation triggers and their calibration	26c	EBA	30 June 2021	Final text published in the OJ on 22 March 2024 (here).
CMRP (SECR)	RTS on the content, methodologies and presentation of information in respect of the sustainability indicators for STS securitisations	22	ESA	Within 3 months from entry into force of the CMRP.	Final draft RTS published on 25 May 2023 (here). Commission-adopted text (subject to Parliament/Council approval) published on 5 March 2024 (here).
CMRP (CRR)	RTS in relation to the exposure value of synthetic excess spread	248	EBA	Within 6 months of entry into force of the CMRP.	Final draft RTS published on 25 April 2023 (here).
CMRP (SECR)	Guidelines on the STS criteria for on-balance-sheet securitisation	26a(2)	EBA	N/A	Consultation (here) closed on 7 July 2023. Publication of final Guidelines is pending.
CMRP (SECR)	RTS on homogeneity	26b	EBA	Within 6 months from entry into force of the CMRP.	Final draft RTS published on 14 February 2023 (here).
ESAs Advice	Joint ESAs' response to the European Commission's Call for Advice.	NA	ESAs	1 September 2022	ESAs' report published on 12 December 2022 (here).
SECR	EC Report on the functioning of the Securitisation Regulation	46	EC	1 January 2022	EC report published on 10 October 2022 (here).
CMRP (SECR)	RTS on Risk Retention	6	EBA	6 months from entry into force CMRP	Final text published in the OJ on 18 October 2023 (here).
ECB Guideline	Guide on the notification of securitisation transactions	6, 7 & 8 of the SECR.	ECB	N/A	Consultation closed on 5 January 2022. Final guideline was published on 18 March 2022 (here).

Securitisation 2024 – Level 2 measures, reports and guidelines in the pipeline

Level 2 measures, reports & guidelines.	Topic	Article	Org.	Completion date in published regulation	Status
Review of the UK SECR	Review of the Securitisation Regulation: Report and call for evidence response	NA	HM Treasury	1 January 2022	Consultation closed on 2 September 2021. The report was published in December 2021 and laid before Parliament ahead of the statutory deadline of 1 January 2022 (here).
CMRP (SECR)	Report on developing a specific sustainable securitisation framework	45	EBA	1 November 2021	EBA report published on 2 March 2022 (here).
CRR	Arm's length and implicit support guidelines	250	EBA	Deadline not specified	Final report published on 3 October 2016 (here).
CMRP (SECR)	RTS and ITS on STS Notification for synthetic securitisation	26	ESMA	6 months from entry into force CMRP	On 15 August 2022 entered into force the amending RTS (Delegated Regulation (EU) 2022/1301) which amend the RTS prescribing the EU STS notification templates (Delegated Regulation (EU) 2020/1226). On 2 November 2022 entered into force the amending ITS (Commission Implementing Regulation (EU) 2022/1929) which amend the ITS prescribing the EU STS notification templates (Commission Implementing Regulation (EU) 2020/1227).
SECR	Competent Authority and ESA cooperation RTS	36	ESMA	18th January 2019	RTS adopted by the Commission and published in the OJ on 30 August 2021 (here).
SECR	Joint ESAs' report on implementation of the STS Framework	44	ESAs	1 January 2021	Published on 17 May 2021 (here).
CRR	Purchased receivables/internal models/proxy data RTS	255	EBA	18th January 2019	Final draft (here) published by the EBA and submitted to the European Commission. Adoption is pending.

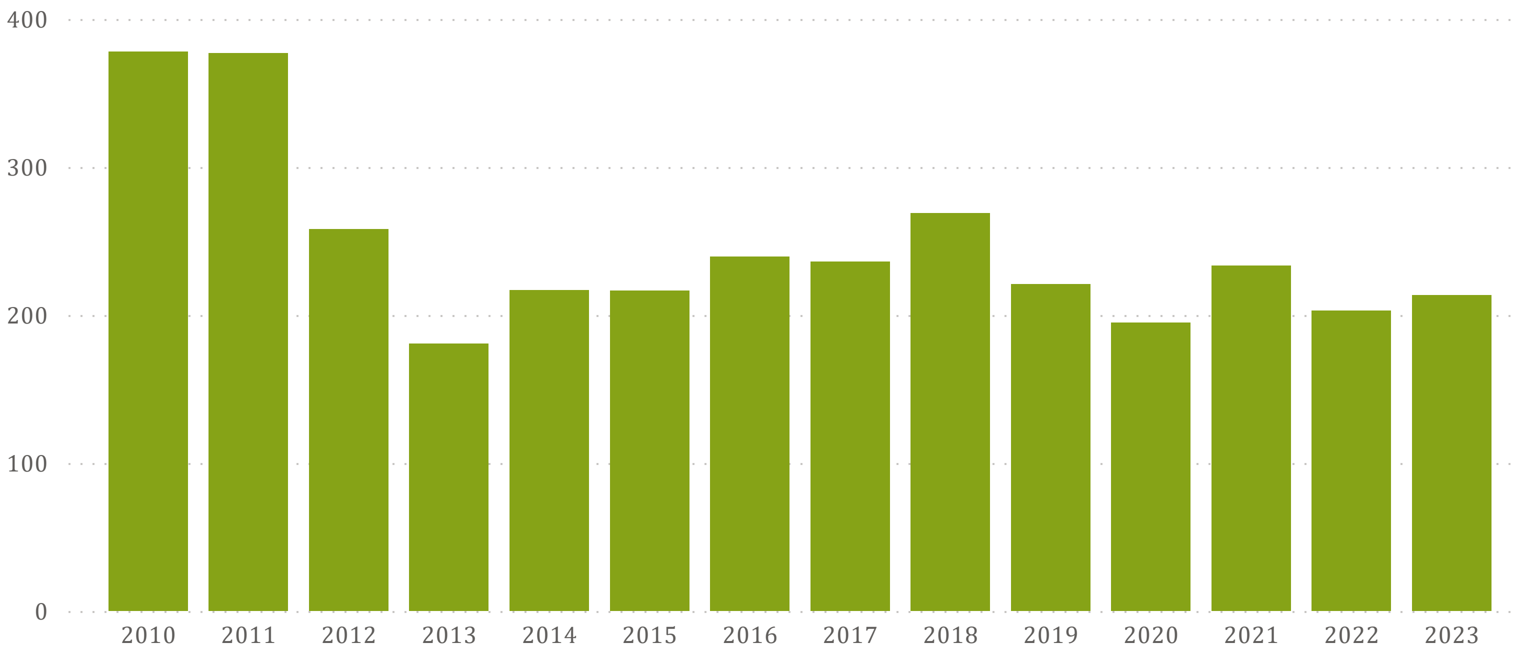
Securitisation 2024 – Level 2 measures, reports and guidelines in the pipeline

Level 2 measures, reports & guidelines.	Topic	Article	Org.	Completion date in published regulation	Status
SECR	Competent Authority Peer Review	36	ESMA	1 January 2022	TBD
CRR	Securitisation markets macroprudential and economic perspective report	519	EC	N/A	TBD
CRR	Case by case prohibition of SEC-SA report and guidelines	254	EBA	Annual report to COM and issue guidelines	TBD
CRR	Combining dilution and credit risk guidelines	255	EBA	Deadline not specified	TBD
CRR	IRC model PD LGD estimate guidelines	337	EBA	Deadline not specified	TBD
SECR	Solvency II additional capital charge RTS	39	EIOPA	Deadline not specified	TBD
SECR	Resecuritisation RTS	8	ESMA	Deadline not specified	TBD
SECR	Financial stability report	31	ESRB EBA	At least every three years	TBD
CRR	Measurement of undrawn portion of cash advance facilities RTS	248	EBA	18th January 2019	TBD

True Sale issuance

Total Issuance

2.1 Total European Historical Issuance (Placed and Retained), EUR bn



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Q1	75.6	115.2	64.3	32.7	19.9	35.7	57.0	39.7	58.4	32.4	39.7	48.8	63.7	35.9
Q2	32.6	67.3	67.7	53.3	99.5	50.2	75.7	73.1	68.1	60.7	49.2	36.4	34.2	95.7
Q3	110.6	57.0	61.9	38.3	37.7	57.8	46.6	49.1	53.9	40.4	39.6	47.3	39.4	39.5
Q4	159.2	137.3	63.9	56.4	59.8	72.7	60.1	74.0	88.4	87.4	66.2	100.7	65.5	42.2
Total	**378.0**	**376.8**	**257.8**	**180.7**	**216.9**	**216.5**	**239.4**	**236.0**	**268.9**	**220.9**	**194.7**	**233.2**	**202.8**	**213.3**

Source: AFME, SIFMA, Bank of America, JP Morgan

In Q4 2023, EUR 42.2 bn of securitised product was issued in Europe, an increase of 6.8% from Q3 2023 (EUR 39.5 bn) and a decrease 35.6% from Q4 2022 (EUR 65.5 bn)

Of the EUR 42.2 bn issued, EUR 28.4 bn was placed, representing 67.3% of the total, compared to 65.3% of issuance in Q3 2023 and 17.7% of issuance in Q4 2022.

Total placed and retained European and US issuance

All volumes in EUR bn

Source: AFME, SIFMA, Bloomberg, Bank of America, JP Morgan

Total issuance includes placed and retained issued volumes.

Due to a change in sources of securitisation issuance data used in this report affecting European volumes issued from 2020:Q1 onwards, collateral types now include a "Corporate" category from 2020:Q1, while no longer including the WBS/PFI category. Historical issuance (reported prior to 2020:Q1) continues to use prior sources.

For Q1-Q4 2022, European issuance volumes (ex-CLOs) are sourced from JP Morgan, with CLO issuance volume data sourced from Bank of America.

*Collateral issuance volumes in table 2.3 may not add to total due to rounding.

**Due to ongoing revisions to the data, US non agency issuance volumes have been revised upwards for 2019-2020. Most recent quarterly issuance data volumes (3Q22 4Q23) concerning the US non-agency RMBS, CMBS and CDO categories likely to be revised upwards next quarter.

2.2 Total European Issuance by Placed and Retained

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total
Placed	19.9	20.7	25.8	28.4	**94.7**
Retained	16.0	75.0	13.7	13.8	**118.6**
Total	**35.9**	**95.7**	**39.5**	**42.2**	**213.3**

2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
32.6	15.9	19.0	11.6	**79.1**
31.1	18.2	20.4	53.9	**123.6**
63.7	**34.2**	**39.4**	**65.5**	**202.8**

2.3 Total European Issuance by Collateral

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total
ABS	11.5	15.4	14.5	16.6	**58.1**
CLO / CDO	6.7	5.0	6.5	8.0	**26.2**
CMBS	0.0	0.0	0.4	3.1	**3.5**
CORP	0.0	0.0	0.0	0.0	**0.0**
RMBS	17.6	75.3	18.2	10.5	**121.6**
SME	0.0	0.0	0.0	4.0	**4.0**
Total	**35.9**	**95.7**	**39.5**	**42.2**	**213.3**

2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
8.2	10.1	9.8	5.9	**34.0**
11.1	6.0	6.4	6.1	**29.6**
0.8	0.7	0.0	4.1	**5.5**
0.0	0.0	0.0	0.0	**0.0**
43.7	17.4	23.2	20.1	**104.4**
0.0	0.0	0.0	29.3	**29.3**
63.7	**34.2**	**39.4**	**65.5**	**202.8**

2.4 Total US Issuance by Collateral**

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total
ABS	55.5	59.7	62.0	43.6	**220.8**
CDO	8.5	3.6	4.3	5.5	**22.0**
Agency MBS	207.3	276.6	282.7	235.9	**1002.6**
Non - Agency CMBS	3.6	5.5	5.2	5.6	**20.0**
Non - Agency RMBS	1.5	2.1	4.0	2.9	**10.5**
Total	**276.4**	**347.6**	**358.3**	**293.6**	**1275.9**

2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
61.7	69.7	52.4	41.5	**225.3**
22.1	24.6	9.8	3.1	**59.6**
575.8	454.9	397.2	282.1	**1710.0**
13.7	12.5	5.1	2.7	**34.0**
7.1	7.1	1.8	0.8	**16.8**
680.3	**568.9**	**466.3**	**330.1**	**2045.6**

Placed European issuance by country

All volumes in EUR bn

2.5 Placed Issuance by Country of Collateral (all volumes in EUR bn)

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total	2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
Finland		1.0			**1.0**	0.6	0.4	0.4		**1.5**
France	0.9	0.9	1.0	1.7	**4.5**	2.1	0.9	1.4		**4.3**
Germany	4.5	1.9	3.1	2.8	**12.3**	1.7	1.7	2.8	0.9	**7.1**
Ireland	0.3	0.5	0.8	0.7	**2.3**	1.4	0.7	0.5	1.0	**3.6**
Italy	0.5	0.7	2.2	3.2	**6.6**	0.4	0.5	0.1		**1.0**
Netherlands	1.3	1.8	1.4	0.3	**4.7**	0.6	2.1	0.2	0.4	**3.3**
Pan European	6.5	4.9	6.5	8.1	**26.0**	10.2	3.7	6.4	6.0	**26.3**
Portugal			0.2	0.9	**1.1**		0.2	0.7		**0.9**
Spain	0.3	0.8	3.1		**4.2**	0.4	1.1	1.2	1.1	**3.8**
Switzerland	0.3	0.4	0.1		**0.8**		0.2		0.3	**0.5**
UK	5.4	8.0	7.5	8.2	**29.1**	15.3	4.4	5.3	1.8	**26.8**
EU total	14.2	12.5	18.2	17.7	**62.7**	17.3	11.3	13.7	9.5	**51.9**
European Total	19.9	20.9	25.9	25.9	**92.6**	32.6	15.9	19.0	11.6	**79.1**
US Total	276.4	347.6	358.3	293.6	**1275.9**	680.3	568.9	466.3	330.1	**2045.6**

Source: JP Morgan and Bank of America

Total European placed issuance in tables 2.2 and 2.5 may show discrepancies due to the different sources used to produce these tables, with country-level placed issuance volumes in table 2.5 having variations to what AFME has reported prior to 2020:Q1.

EU total category includes EU countries, Pan European and 'other Europe' issuance, excluding the UK and Switzerland.

Most recent quarterly issuance data volumes (3Q22 4Q23) concerning the US likely to be revised upwards next quarter.

Placed European issuance by collateral

All volumes in EUR bn

2.6 Placed European Issuance by Collateral Type and Country of Collateral

2023:Q4	Auto	Cards	CLO / CDO	CMBS	Consumer	Leases	Other	RMBS	**Total**
France	0.5					0.4		0.9	**1.7**
Germany	2.7					0.2			**2.8**
Ireland	0.2							0.4	**0.7**
Italy	2.0				1.1			0.1	**3.2**
Netherlands					0.3				**0.3**
Pan European			7.9	0.2					**8.1**
Portugal							0.9		**0.9**
UK	0.1	0.6		0.7	1.3			5.4	**8.2**
European Total	**5.5**	**0.6**	**7.9**	**0.9**	**2.7**	**0.5**	**0.9**	**6.9**	**25.9**

EU Total	6.8	0.2	6.6		2.6		0.1	1.8	**18.2**

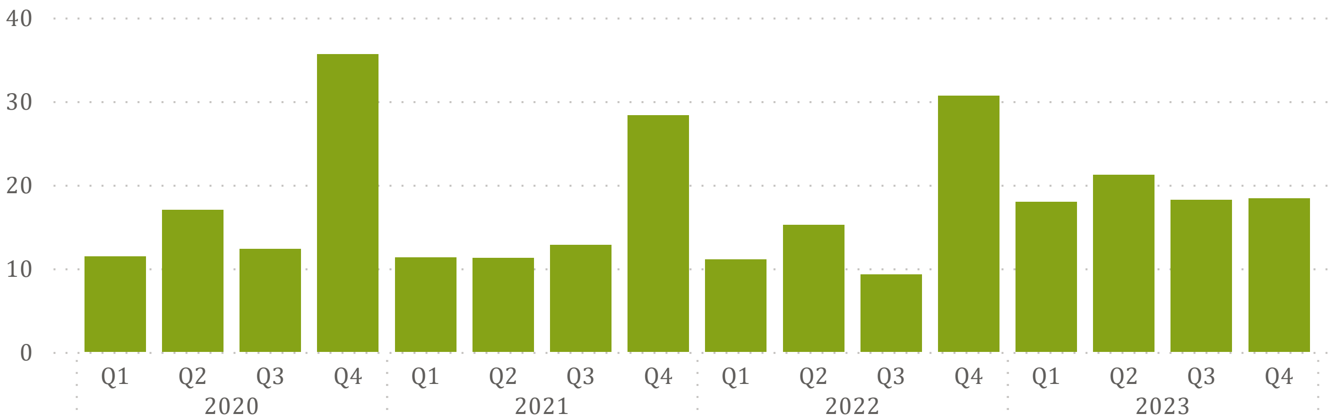
Source: JP Morgan and Bank of America.

Total European placed issuance in charts 1.1, 1.2, and tables 2.2 and 2.6 may show discrepancies due to the separate data sources used.
EU total category includes EU countries, Pan European and 'other Europe' issuance, excluding the UK and Switzerland

All volumes in EUR bn

Simple Transparent and Standardised (STS) Securitisation

2.7 STS Securitisation Issuance



2.8 STS Securitisation Issuance by Placed and Retained

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total
Placed	9.0	10.8	13.8	10.5	**44.1**
Retained	9.0	10.4	4.3	7.9	**31.6**
Total	**18.0**	**21.2**	**18.2**	**18.4**	**75.7**

2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
6.6	7.0	7.0	3.8	**24.4**
4.5	8.2	2.2	26.8	**41.8**
11.1	**15.2**	**9.3**	**30.6**	**66.1**

2.9 STS Securitisation Issuance by Country of Collateral

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	Total
EU	15.5	16.1	14.8	12.5	**58.9**
UK	2.5	5.1	3.4	5.8	**16.7**
Total	**18.0**	**21.2**	**18.2**	**18.4**	**75.7**

2022:Q1	2022:Q2	2022:Q3	2022:Q4	Total
7.7	13.9	8.0	23.1	**52.7**
3.3	1.3	1.3	7.6	**13.4**
11.1	**15.2**	**9.3**	**30.6**	**66.1**

Source: Bank of America, JP Morgan. STS volumes in Chart 2.7 include EU & UK RMBS and ABS. Numbers may not add to the totals due to rounding.

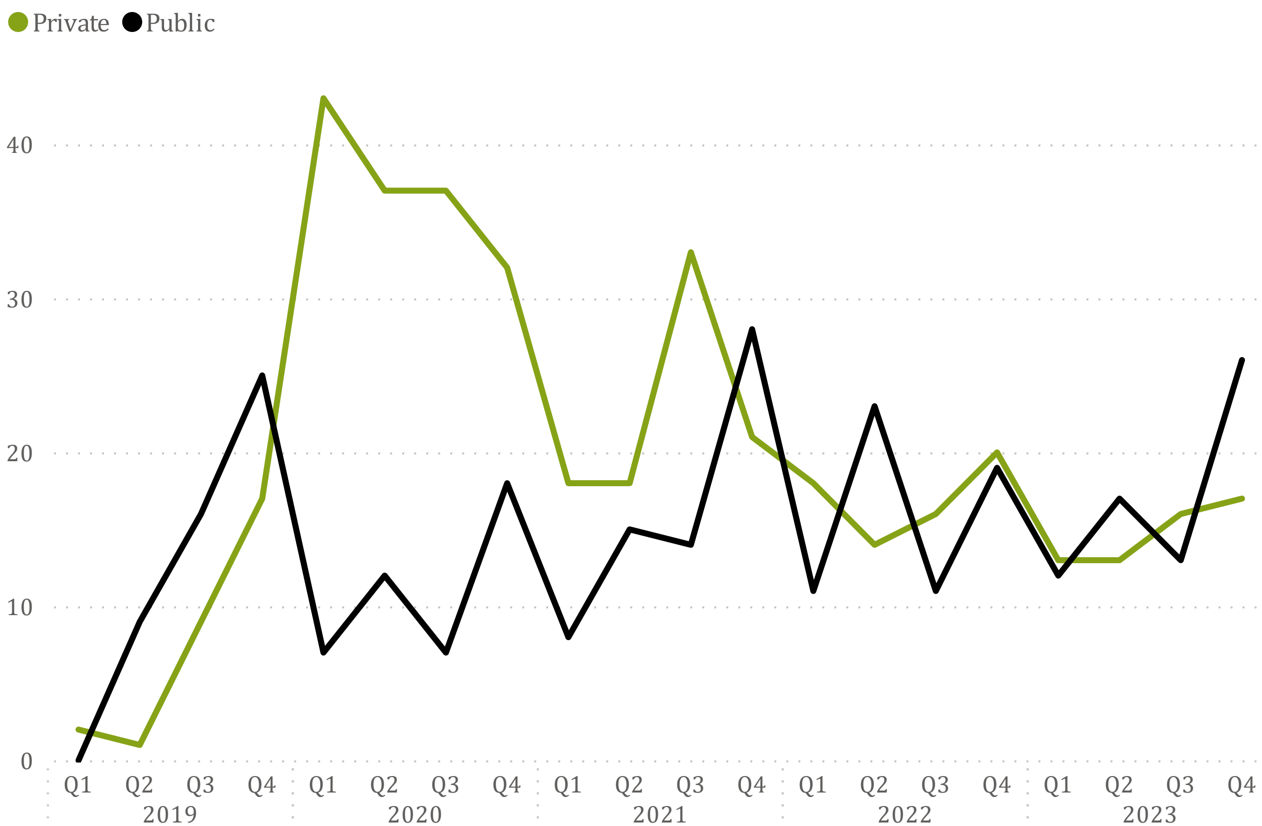
In Q4 2023, EUR 18.4 bn of securitised product was notified as STS to ESMA and the FCA.

This represented 43.6% of the total issued volume in Q4 2023 (EUR 42.2 bn).

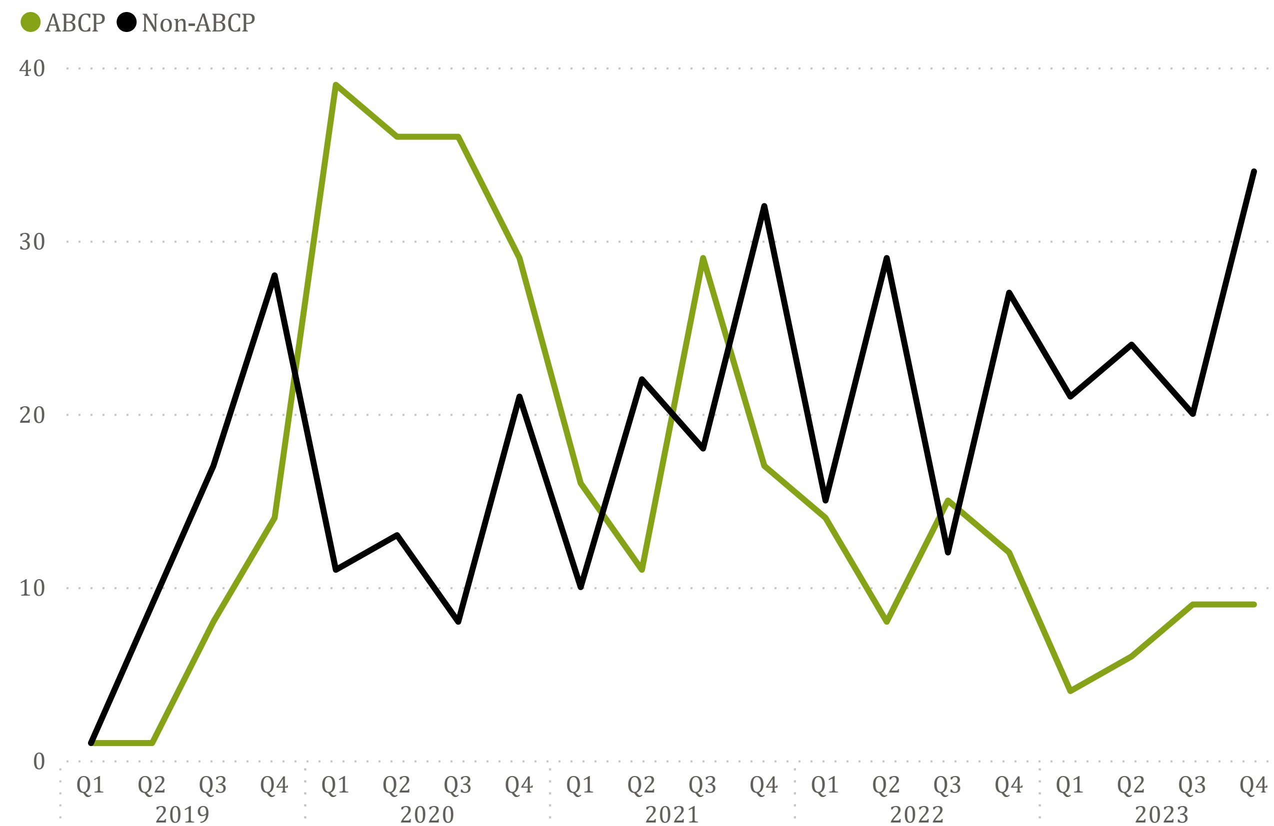
Out of the EUR 18.2 bn in STS issuance, EUR 10.5 bn was placed, representing 37.0% of total placed issuance in Q4 2023 (EUR 28.4 bn).

Simple Transparent & Standardised (STS) Securitisation

2.10 Number of EU STS Notifications by Private and Public



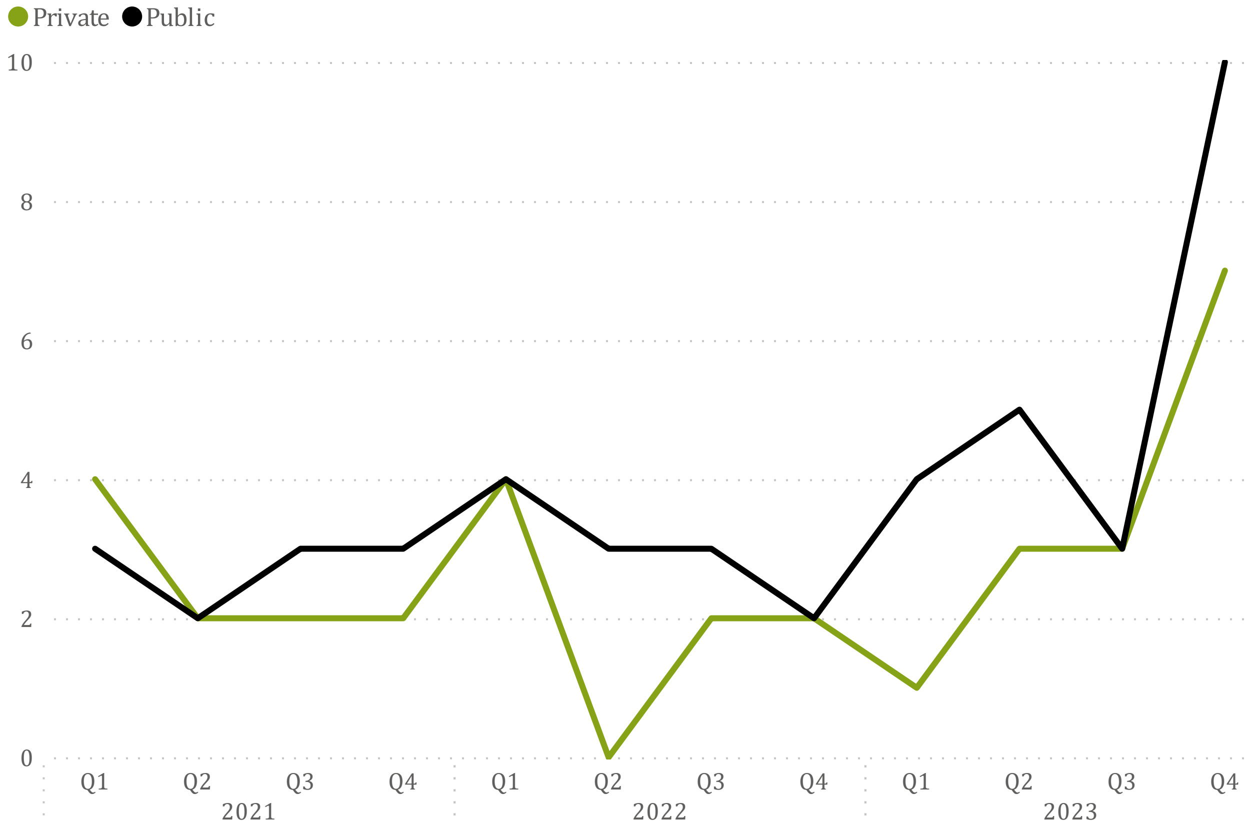
2.11 Number of EU STS Notifications by ABCP and Non-ABCP



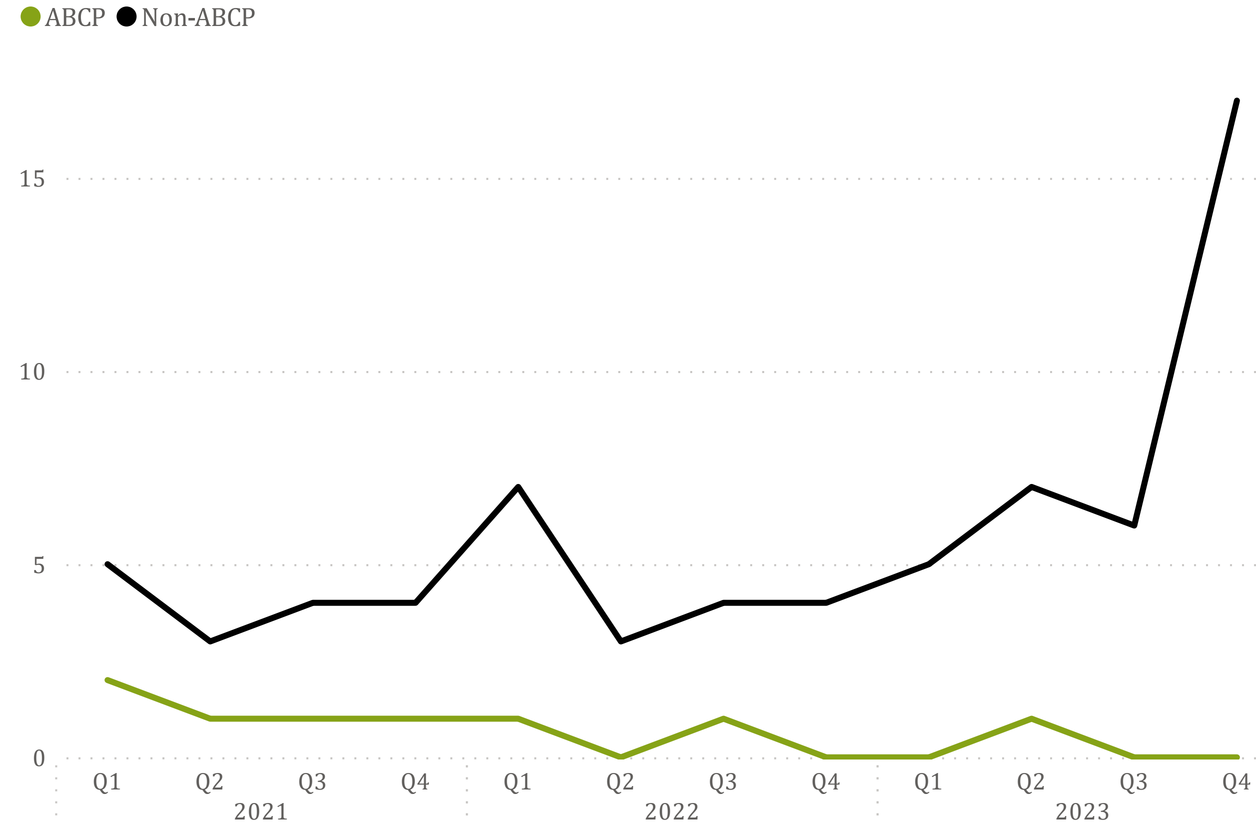
Source: ESMA. Chart 2.10 and 2.11 exclude 86 securitisations no longer eligible for STS status in the EU due to Brexit

Simple Transparent & Standardised (STS) Securitisation

2.12 Number of UK STS Notifications by Private and Public



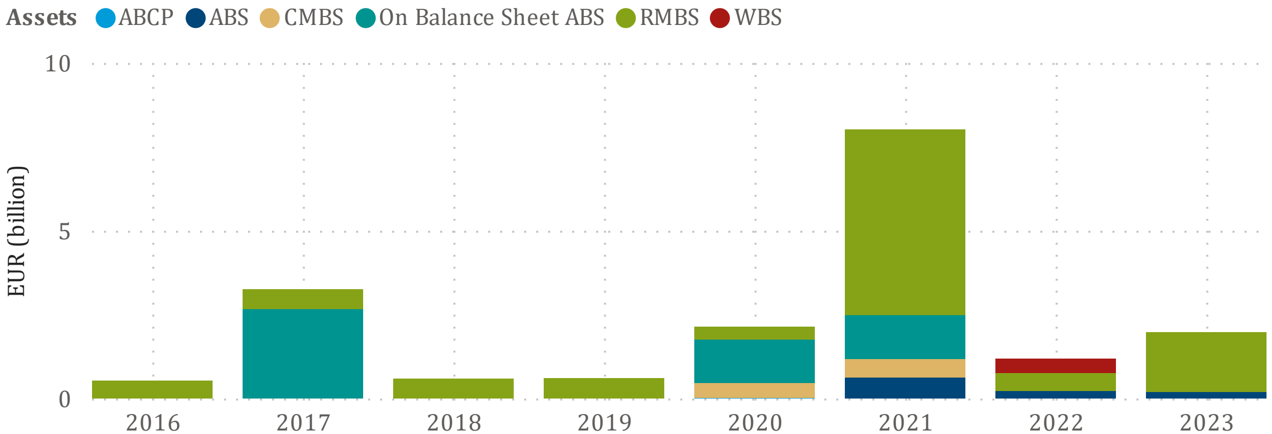
2.13 Number of UK STS Notifications by ABCP and Non-ABCP



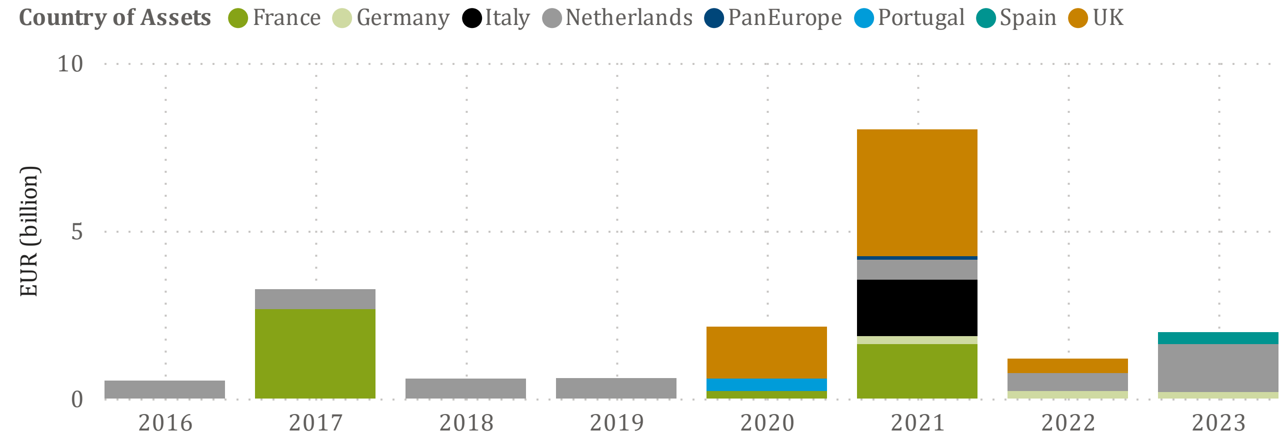
Source: FCA

ESG Securitisation Issuance

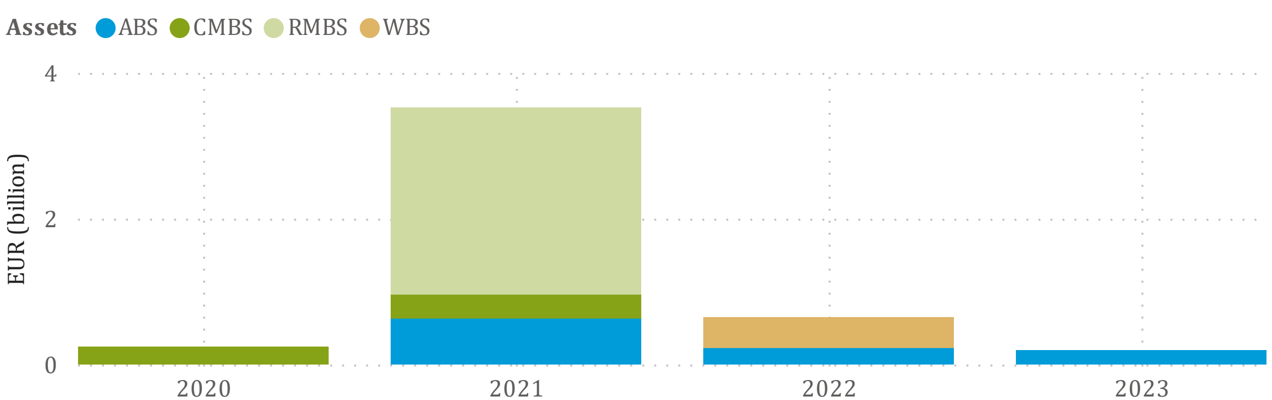
2.14 European ESG Securitisation Issuance by Asset Class



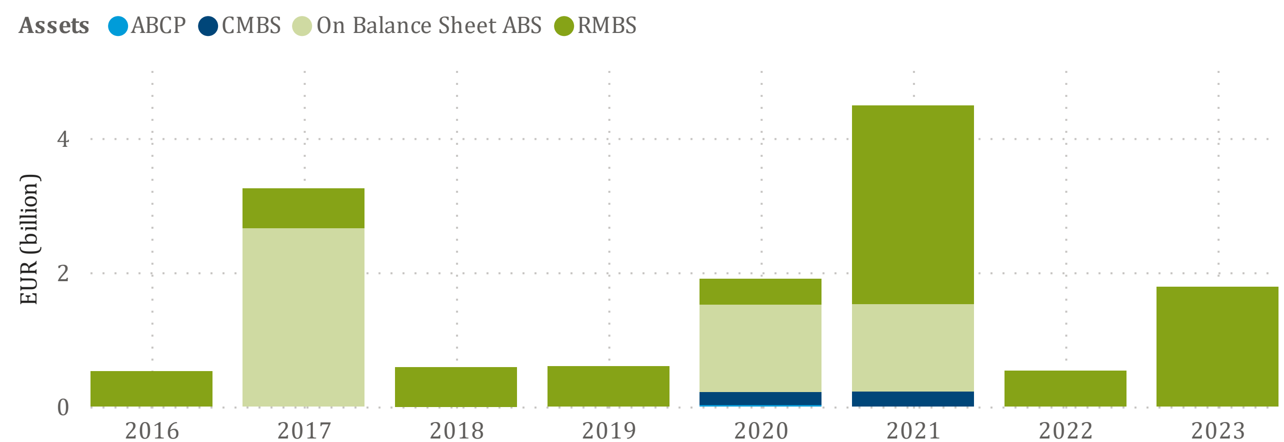
2.15 European ESG Securitisation Issuance by Country



2.16 European Social and Sustainable Securitisation Issuance by Asset Class



2.17 European Green Securitisation Issuance by Asset Class



Source: AFME, Bank of America, Climate Bond Initiative, Credit Agricole, S&P, and European Data Warehouse.

Outstandings

Finance for Europe

European and US outstandings

All volumes in EUR bn

3.1 Total European Outstandings by Collateral Type

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	2022:Q1	2022:Q2	2022:Q3	2022:Q4
Auto	78.8	78.9	79.4	74.3	94.0	94.6	91.7	78.6
Cards	24.1	24.8	25.5	25.6	25.9	25.7	25.7	24.5
CLO / CDO	217.1	218.2	223.7	228.8	186.2	193.2	200.3	207.3
CMBS	34.6	33.3	32.5	33.1	35.4	35.3	34.7	35.2
Consumer	82.7	82.8	83.1	87.5	83.0	82.8	84.5	81.1
Leases	8.8	9.6	9.3	11.9	16.1	15.3	11.6	9.9
Other	47.8	47.6	47.1	47.7	51.8	50.7	47.2	48.9
RMBS	522.5	579.1	566.5	554.3	572.5	553.2	537.1	529.5
SME ABS	118.4	119.3	115.6	117.4	108.8	106.6	103.9	119.6
Total	**1134.7**	**1193.5**	**1182.6**	**1180.6**	**1173.7**	**1157.3**	**1136.6**	**1134.7**

3.2 Total European Outstandings by Vintage (ex-CLOs)*

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	2022:Q1	2022:Q2	2022:Q3	2022:Q4
2023	29.1	109.9	153.9	189.1				
2022	165.4	161.8	167.1	162.9	53.5	82.6	113.1	169.3
2021	165.5	159.9	152.3	146.8	189.9	185.5	179.2	174.1
2020	127.1	119.6	113.0	106.1	146.7	142.2	136.8	132.2
2019	90.5	87.5	71.5	68.9	117.0	110.0	101.4	94.8
2018	57.2	42.2	37.5	25.9	93.5	86.2	76.6	63.0
2017	32.2	31.0	29.6	28.8	55.9	48.5	41.5	35.6
2016	35.6	30.8	24.5	23.0	58.8	49.5	42.0	38.0
2015	19.4	19.4	17.7	13.7	30.4	30.3	28.0	19.5
2014	12.1	12.0	10.0	10.0	22.5	19.1	18.9	12.2
2013	17.7	15.1	14.1	13.1	23.8	21.3	21.1	18.7
2012	2.3	1.9	1.9	1.9	3.8	2.9	2.9	2.4
2011	0.9	0.9	0.8	0.8	4.5	3.6	3.6	1.1
2010	48.6	47.4	45.9	44.9	61.1	58.9	52.7	49.9
Prior	116.9	120.8	117.8	116.1	126.2	123.6	118.6	119.5
Total	**920.5**	**960.1**	**957.5**	**951.9**	**987.6**	**964.1**	**936.4**	**930.2**

3.3 Total US Outstandings by Collateral Type

	2021:Q4
ABS	1379.2
Agency MBS	8092.0
Non-Agency CMBS	585.3
Non-Agency RMBS	730.6
Total	**10787.1**

Source: JP Morgan, AFME, SIFMA, SCI.

*Outstanding volumes in table 3.2 do not include outstanding CLO/CDO volumes.

Complete US outstandings data is available only up to 2021:Q4. Outstanding European volumes by vintage in table 3.2 may show discrepancies with issuance volumes reported in Section 2 of this report due to different sources of data used for the relative volumes.

Total European outstandings by country

All volumes in EUR bn

3.4 Total European Outstandings by Country

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	2022:Q1	2022:Q2	2022:Q3	2022:Q4
Belgium	46.6	51.3	50.9	50.5	48.2	44.8	44.0	46.3
France	121.5	182.1	175.6	176.2	123.5	131.7	125.8	122.0
Germany	80.4	79.3	76.2	75.3	62.7	61.4	74.9	71.8
Greece	9.5	9.5	9.4	9.4	10.1	10.1	9.6	9.5
Ireland	26.6	23.8	23.1	23.0	31.3	33.5	32.6	31.1
Italy	141.4	135.9	139.4	143.2	144.8	141.2	134.5	146.1
Netherlands	120.2	122.5	122.3	110.3	151.4	140.3	126.7	123.4
Other Europe	6.0	6.8	6.4	6.0	8.1	8.2	8.3	6.6
Pan European	222.8	223.8	229.2	234.2	192.4	199.3	206.3	213.3
Portugal	9.8	9.4	9.2	9.9	15.8	15.4	13.1	10.3
Spain	120.6	118.3	115.2	116.0	142.7	132.6	128.7	123.6
Switzerland	2.3	2.5	2.6	2.1	4.1	4.1	4.1	2.2
UK	227.2	228.4	223.1	224.4	238.6	234.6	228.1	228.6
EU Total	905.3	962.5	956.8	954.1	931.1	918.6	904.4	903.9
European Total	1134.7	1193.5	1182.6	1180.6	1173.7	1157.3	1136.6	1134.7

Source: JP Morgan, SCI.

Note that outstanding volumes of CLO/CDO are aggregated on a European basis and not broken down by country.

EU total category includes EU countries, Pan European and 'other Europe' issuance, excluding the UK and Switzerland.

Country and collateral of European outstandings

All volumes in EUR bn

3.5 Total European Outstandings by Country and Collateral Type

	Auto	Cards	CLO / CDO	CMBS	Consumer	Leases	Other	RMBS	SME ABS	Total
Belgium	0.4	0.0		0.0	0.3	0.0	0.0	25.2	24.6	**50.5**
Eurozone	65.6	3.1		7.1	78.5	11.3	20.0	422.3	117.1	**725.0**
France	6.5	1.1		0.2	21.1	0.8	0.0	140.6	6.0	**176.2**
Germany	29.2	0.0		2.0	5.8	1.7	0.0	31.3	5.3	**75.3**
Greece	0.1	0.5		0.0	0.0	0.5	4.2	0.2	4.0	**9.4**
Ireland	0.5	0.0		0.2	0.0	0.0	2.8	19.5	0.0	**23.0**
Italy	11.2	0.0		1.2	39.3	5.3	10.1	33.6	42.4	**143.2**
Netherlands	1.9	0.0		0.7	0.4	0.0	0.0	82.1	25.3	**110.3**
Other Europe	3.3	0.0		0.6	1.0	0.0	0.9	0.2	0.0	**6.0**
Pan European	0.0	0.0	228.8	2.1	0.0	0.0	0.0	3.2	0.1	**234.2**
Portugal	2.0	0.7		0.0	0.7	0.0	1.0	5.5	0.0	**9.9**
Spain	10.4	0.9		0.1	9.9	3.1	1.0	81.1	9.5	**116.0**
Switzerland	1.5	0.6		0.0	0.0	0.0	0.0	0.0	0.0	**2.1**
UK	7.2	21.9		25.8	9.1	0.6	27.8	131.8	0.3	**224.4**
EU Total	65.7	3.1	228.8	7.3	78.5	11.3	20.0	422.5	117.1	**954.1**
Europe Total	74.3	25.6	228.8	33.1	87.5	11.9	47.7	554.3	117.4	**1180.6**

Source: JP Morgan, SCI.

Note that outstanding volumes of CLO/CDO are aggregated on a European basis and not broken down by country.

EU total category includes EU countries, Pan European and 'other Europe' issuance, excluding the UK and Switzerland.

European and US outstandings by rating

(as percentage of total Moody's securities)

3.6 Europe

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	2022:Q1	2022:Q2	2022:Q3	2022:Q4
Aaa/AAA	54.0%	56.0%	56.0%	57.6%	52.0%	52.0%	53.0%	53.0%
Aa/AA	31.0%	30.0%	30.0%	29.2%	33.0%	33.0%	33.0%	31.0%
A/A	8.0%	7.0%	7.0%	6.4%	8.0%	8.0%	7.0%	8.0%
Baa/BBB	4.0%	4.0%	3.0%	3.5%	4.0%	4.0%	4.0%	4.0%
Ba/BB	1.0%	1.0%	2.0%	1.5%	2.0%	2.0%	2.0%	2.0%
B/B	1.0%	1.0%	1.0%	1.3%	1.0%	1.0%	1.0%	1.0%
Caa/CCC	0.0%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%
Ca/CC	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%
C/C	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

3.7 US

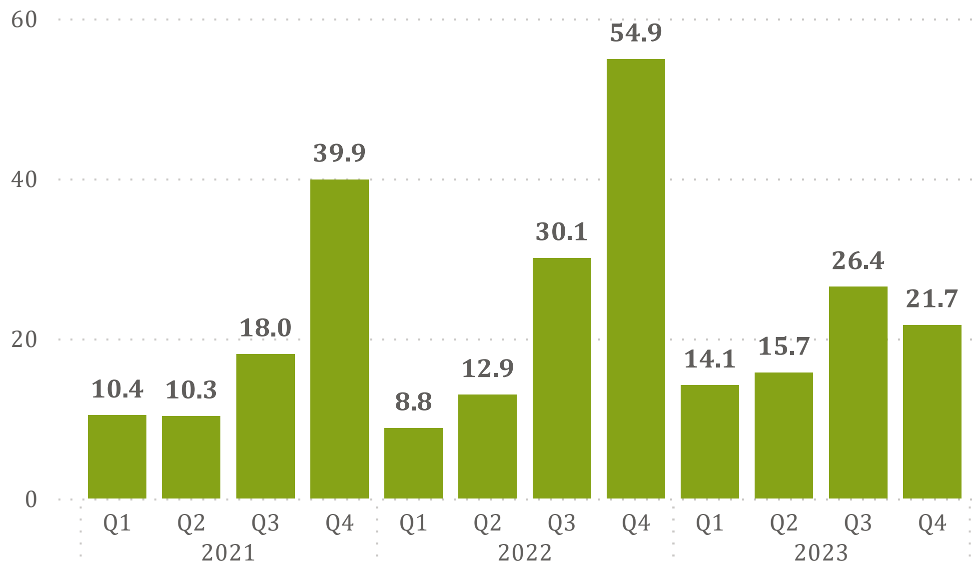
	2023:Q1	2023:Q2	2023:Q3	2023:Q4	2022:Q1	2022:Q2	2022:Q3	2022:Q4
Aaa/AAA	47.0%	48.0%	49.0%	49.0%	43.0%	46.0%	47.0%	47.0%
Aa/AA	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
A/A	5.0%	5.0%	5.0%	5.0%	6.0%	5.0%	6.0%	5.0%
Baa/BBB	5.0%	5.0%	5.0%	5.0%	6.0%	5.0%	5.0%	5.0%
Ba/BB	3.0%	3.0%	3.0%	3.0%	3.0%	4.0%	4.0%	3.0%
B/B	4.0%	4.0%	3.0%	3.0%	4.0%	4.0%	4.0%	4.0%
Caa/CCC	14.0%	13.0%	13.0%	13.0%	15.0%	14.0%	14.0%	14.0%
Ca/CC	11.0%	10.0%	10.0%	10.0%	11.0%	11.0%	10.0%	10.0%
C/C	5.0%	5.0%	5.0%	5.0%	6.0%	5.0%	5.0%	5.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Moody's Investors Service

Significant Risk Transfer (SRT)

Significant Risk Transfer (SRT) Securitisation

4.1 Quarterly European SRT securitisation issuance, EUR bn



4.2 Top 10 asset classes for annual issuance EUR bn

	2021	2022	2023
Corporate and SME loans	42.0	82.1	58.0
Real estate / Mortgage loans	9.5	7.0	3.7
Auto loans	5.8	4.5	2.5
Consumer loans	3.0	2.3	7.1
Leasing	2.0	6.9	3.3
Undrawn corporate revolving facilities	5.3		
Project finance loans	0.6	1.5	1.3
Buy now pay later loans		1.4	
Project finance and CRE loans		1.0	
Housing community loans		0.1	
Other	10.4		2.1
Total	**78.6**	**106.7**	**78.0**

4.3 SRTx™ SPREAD INDEXES (March 2024)

Index Short Name	Index Style	SRT Category	Region	Index Value	Last	Chg	% Chg
SRTx™ CORP EU	Spread (bps)	Large Corporate	EU	1,038	1038	-73	-7.0%
SRTx™ CORP US	Spread (bps)	Large Corporate	US	807	881	-74	-8.4%
SRTx™ SME EU	Spread (bps)	Small and Medium-Sized Enterprises (SMEs)	EU	1,110	1108	3	0.2%
SRTx™ SME US	Spread (bps)	Small and Medium-Sized Enterprises (SMEs)	US	1,228	1238	-9	-0.7%

Source: SCI. European SRT volumes include EU and non-EU European countries and aggregated on the basis of the transaction currency being European (EUR, CHF, GBP, PLN and RON). Issuance refers to total portfolio notional volumes. For transactions for which portfolio volumes are unavailable, volumes have been estimated using the European median average. YtD in Chart 4.2 implies Q1 2023. The SRTx™ (the Index) is a fixed income benchmark rate index that measures the estimated prevailing new-issue price spread for generic private market risk transfer transactions. The Index is comprised of two theoretical deal structures with standardised, pre-defined characteristics across the corporate and SME sectors – the two most widely utilised SRT deal types. The principle of the index is to canvas prevailing opinion on the price of such generic deals. SRTx™ SPREAD INDEXES updated monthly.

Credit Quality

Upgrades/Downgrades by country

5.1 Moody's Investor Service

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
France	21/1	22/1	23/2	23/2	89/6	14/1	15/1	15/1	18/1	62/4
Germany	34/5	34/5	36/5	39/6	143/21	23/2	27/3	27/3	33/4	110/12
Italy	42/98	45/100	48/104	52/106	187/408	34/90	34/93	34/96	40/98	142/377
Multinational	266/44	283/50	314/60	359/63	1222/217	165/34	193/35	212/37	243/42	813/148
Netherlands	50/5	56/6	56/6	58/6	220/23	35/5	35/5	49/5	50/5	169/20
Spain	168/16	181/17	193/17	235/18	777/68	145/15	155/16	156/16	160/16	616/63
UK	203/27	207/28	235/29	235/30	880/114	173/25	182/25	193/25	194/25	742/100
European Total	882/231	934/243	1015/259	1125/267	3956/1000	681/206	734/212	782/218	834/226	3031/862
US	3507/1327	3820/1397	4066/1458	4381/1511	15774/5693	2792/1178	3000/1232	3078/1244	3275/1283	12145/4937

5.2 S&P Global Ratings

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
France	0/0	5/0	0/0	0/0	5/0	0/0	5/0	0/0	0/0	5/0
Germany	3/4	5/0	1/0	1/0	10/4	2/0	9/0	2/0	2/0	15/0
Italy	0/0	9/0	1/0	6/0	16/0	0/0	5/0	2/0	5/0	12/0
Multinational	19/2	4/1	24/2	66/1	113/6	13/0	0/0	21/0	10/2	44/2
Netherlands	11/0	0/1	0/0	0/4	11/5	2/0	4/2	3/0	3/4	12/6
Spain	34/0	16/0	0/0	0/0	50/0	23/1	14/0	8/0	0/1	45/2
UK	28/2	121/9	19/12	23/8	191/31	26/5	19/2	46/14	25/5	116/26
European Total	95/8	160/11	45/14	96/13	396/46	66/6	56/4	82/14	45/12	249/36
US	252/164	274/165	474/242	699/276	1699/847	415/55	254/185	469/77	349/211	1487/528

Source: Moody's Investors Service, S&P Global Ratings.

afme/ Finance for Europe

Upgrades/Downgrades by country

5.3 DBRS

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
France	0 / 0	11 / 0	2 / 4	3 / 0	16/4	0 / 0	7 / 0	7 / 0	2 / 0	16/0
Germany	0 / 0	4 / 0	9 / 4	10 / 0	23/4	0 / 0	5 / 0	11 / 1	4 / 0	20/1
Italy	22 / 3	22 / 4	13 / 8	49 / 2	106/17	23 / 3	19 / 4	18 / 7	26 / 2	86/16
Multinational	11 / 0	18 / 0	26 / 9	6 / 1	61/10	12 / 0	23 / 2	12 / 0	13 / 0	60/2
Netherlands	8 / 0	15 / 0	3 / 0	1 / 0	27/0	10 / 0	10 / 0	8 / 0	4 / 0	32/0
Spain	14 / 0	13 / 0	18 / 3	10 / 1	55/4	8 / 0	14 / 0	24 / 2	19 / 1	65/3
UK	11 / 0	10 / 0	8 / 5	42 / 0	71/5	28 / 0	10 / 5	22 / 0	89 / 1	149/6
European Total	66 / 3	93 / 4	79 / 33	121 / 4	359/44	81 / 3	88 / 11	102 / 10	157 / 4	428/28
US	696 / 20	702 / 53	706 / 59	1345 / 106	3449/238	1129 / 90	771 / 41	581 / 30	1528 / 96	4009/257

5.4 Fitch Ratings

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
France	0/0	7/3	4/0	0/0	11/3	3/0	0/0	10/1	6/0	19/1
Germany	1/0	10/1	9/0	2/0	22/1	1/0	8/0	13/0	0/0	22/0
Italy	7/5	17/0	7/4	3/0	34/9	24/4	6/0	1/2	5/0	36/6
Multinational	6/0	12/2	30/4	180/1	228/7	325/0	11/0	52/0	34/0	422/0
Netherlands	4/0	3/0	2/0	9/5	18/5	2/0	1/0	21/4	0/0	24/4
Spain	32/2	32/1	9/4	8/0	81/7	7/2	20/0	25/0	24/3	76/5
UK	19/11	27/0	39/5	31/3	116/19	27/26	41/9	105/1	80/0	253/36
European Total	76/18	131/7	101/17	255/15	563/57	394/32	92/9	237/8	163/9	886/58
US	780/132	1,376/109	318/1,204	1,980/340	4454/1785	2,872/266	1,242/85	406/85	1,781/250	6301/686

Source: DBRS, Fitch Ratings

Upgrades/Downgrades by collateral

Moody's Investor Service

5.5 Europe

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL
Auto	62 / 9	64 / 9	65 / 9	71 / 10	262/37
CDO	266 / 44	283 / 50	314 / 60	359 / 63	1222/217
CMBS	21 / 21	21 / 21	21 / 23	21 / 25	84/90
Credit Card	2 / 1	2 / 1	2 / 1	2 / 1	8/4
RMBS (non-prime)	186 / 53	196 / 56	227 / 60	232 / 62	841/231
RMBS (prime)	345 / 103	368 / 106	386 / 106	440 / 106	1539/421
Total	882 / 231	934 / 243	1015 / 259	1125 / 267	3956/1000

2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
41 / 8	48 / 9	48 / 9	56 / 9	193/35
165 / 34	193 / 35	212 / 37	243 / 42	813/148
19 / 15	21 / 15	21 / 17	21 / 18	82/65
1 / 1	2 / 1	2 / 1	2 / 1	7/4
155 / 47	160 / 49	173 / 51	176 / 53	664/200
300 / 101	310 / 103	326 / 103	336 / 103	1272/410
681 / 206	734 / 212	782 / 218	834 / 226	3031/862

5.6 US

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL
Auto	640 / 13	668 / 15	696 / 17	747 / 20	2751/65
CDO	711 / 345	825 / 378	898 / 407	982 / 419	3416/1549
CMBS	178 / 395	181 / 423	182 / 445	138 / 467	679/1730
Credit Card	11 / 0	11 / 0	11 / 0	11 / 0	44/0
RMBS	1967 / 574	2135 / 581	2279 / 589	2458 / 605	8839/2349
Total	3507 / 1327	3820 / 1397	4066 / 1458	4381 / 1511	15774/5693

2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
554 / 11	596 / 11	607 / 11	626 / 11	2383/44
509 / 333	552 / 333	574 / 334	629 / 341	2264/1341
168 / 318	172 / 336	173 / 345	176 / 364	689/1363
11 / 0	11 / 0	11 / 0	11 / 0	44/0
1550 / 516	1669 / 552	1713 / 554	1833 / 567	6765/2189
2792 / 1178	3000 / 1232	3078 / 1244	3275 / 1283	12145/4937

Source: Moody's Investors Service.

Upgrades/Downgrades by collateral

S&P Global Ratings

5.7 Europe

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
Auto	7/0	25/1	8/0	12/0	52/1	2/0	20/0	8/0	3/0	33/0
CDO	19/3	8/1	18/2	56/2	101/8	10/0	1/1	21/0	8/3	40/4
CMBS	6/4	8/8	9/6	10/5	33/23	3/5	0/1	0/14	9/2	12/22
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
RMBS (prime)	53/0	19/0	5/0	5/0	82/0	30/1	21/2	13/0	6/5	70/8
RMBS (subprime)	10/1	100/1	5/6	13/6	128/14	21/0	14/0	40/0	19/2	94/2
Total	95/8	160/11	45/14	96/13	396/46	66/6	56/4	82/14	45/12	249/36

5.8 US

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
Auto	20/4	133/2	102/0	163/0	418/6	117/0	51/0	174/6	84/0	426/6
CDO	2/7	10/5	83/26	1/12	96/50	6/3	75/1	4/4	6/7	91/15
CMBS	0/61	0/64	1/63	0/159	1/347	154/11	5/128	6/32	0/61	165/232
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
RMBS (prime)	34/28	42/51	62/4	142/19	280/102	35/35	14/23	8/8	11/15	68/81
RMBS (subprime)	196/64	89/43	226/149	393/86	904/342	103/6	109/33	277/27	248/128	737/194
Total	252/164	274/165	474/242	699/276	1699/847	415/55	254/185	469/77	349/211	1487/528

Source: S&P Global Ratings

Upgrades/Downgrades by collateral

DBRS

5.9 Europe

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL
Auto	5 / 0	11 / 0	15 / 0	23 / 0	48/1
CDO	6 / 0	6 / 0	6 / 0	7 / 1	24/2
CMBS	0 / 0	6 / 0	0 / 23	8 / 0	15/6
Credit Card	18 / 0	19 / 0	16 / 0	53 / 0	61/2
Other ABS	4 / 3	15 / 4	6 / 4	5 / 2	28/14
RMBS (non-prime)	2 / 0	20 / 0	6 / 0	13 / 0	46/0
RMBS (prime)	31 / 0	16 / 0	29 / 6	12 / 0	206/1
Total	66 / 3	93 / 4	78 / 33	121 / 3	428/26

2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
4 / 0	12 / 0	16 / 1	16 / 0	48/1
3 / 0	9 / 0	10 / 2	2 / 0	24/2
4 / 0	4 / 5	3 / 0	4 / 1	15/6
16 / 0	7 / 0	16 / 2	22 / 0	61/2
1 / 3	4 / 3	17 / 5	6 / 3	28/14
0 / 0	9 / 0	19 / 0	18 / 0	46/0
53 / 0	43 / 1	21 / 0	89 / 0	206/1
81 / 3	88 / 9	102 / 10	157 / 4	428/26

5.10 US

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL
Auto	14 / 0	97 / 0	74 / 0	39 / 2	169/3
CDO	4 / 0	13 / 0	5 / 0	24 / 0	87/0
CMBS	72 / 20	42 / 42	24 / 59	132 / 101	485/211
Credit Card	3 / 0	6 / 2	12 / 0	11 / 1	48/0
Other ABS	8 / 0	52 / 1	18 / 0	8 / 1	77/4
RMBS	595 / 0	492 / 8	573 / 0	1131 / 1	3143/39
Total	696 / 20	702 / 53	706 / 59	1345 / 106	4009/257

2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
38 / 3	46 / 0	56 / 0	29 / 0	169/3
15 / 0	16 / 0	7 / 0	49 / 0	87/0
62 / 64	80 / 31	109 / 23	234 / 93	485/211
1 / 0	29 / 0	9 / 0	9 / 0	48/0
13 / 0	4 / 2	22 / 0	38 / 2	77/4
1000 / 23	596 / 8	378 / 7	1169 / 1	3143/39
1129 / 90	771 / 41	581 / 30	1528 / 96	4009/257

Source: DBRS

Upgrades/Downgrades by collateral

Fitch Ratings

5.11 Europe

	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
Auto	15/0	12/0	13/0	11/0	51/0	15/0	14/0	5/0	3/0	37/0
CDO	12/1	12/3	31/4	0/0	55/8	333/0	12/1	53/1	37/0	435/2
CMBS	4/15	6/0	0/4	0/11	10/30	3/14	4/2	7/0	2/6	16/22
Credit Card	0/0	3/0	2/0	30/0	35/0	1/0	0/0	0/0	2/0	3/0
Other ABS	6/0	22/3	3/0	5/0	36/3	17/0	5/0	9/1	10/1	41/2
Other RMBS	2/0	13/0	11/4	8/0	34/4	1/1	7/0	34/0	3/0	45/1
RMBS (non-conforming)	9/0	12/0	17/3	19/3	57/6	12/15	7/6	66/0	60/0	145/21
RMBS (prime)	28/2	51/1	24/2	30/0	133/5	12/2	43/0	63/6	46/2	164/10
Total	76/18	131/7	101/17	255/15	563/57	394/32	92/9	237/8	163/9	886/58

5.12 US

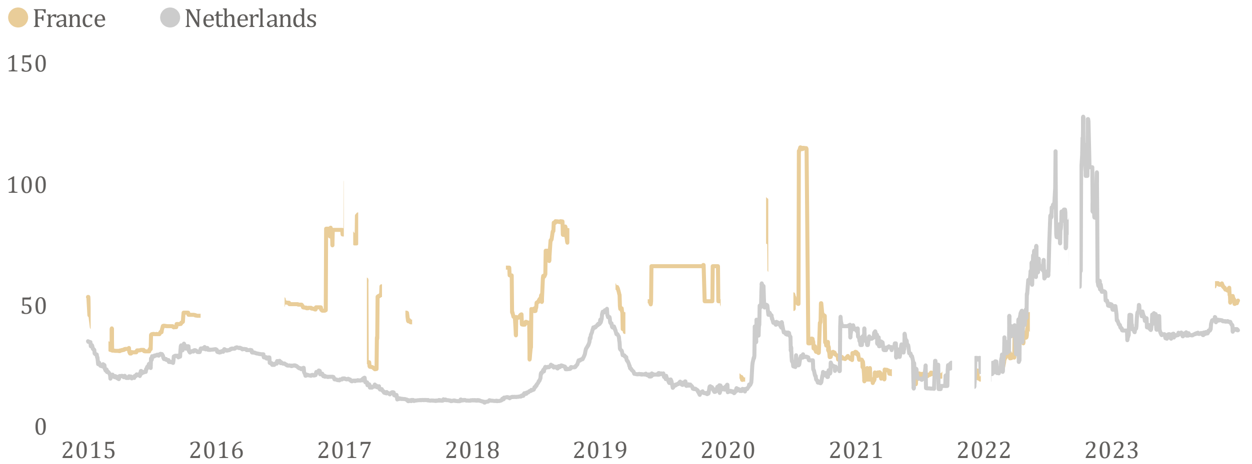
	2023:Q1	2023:Q2	2023:Q3	2023:Q4	TOTAL	2022:Q1	2022:Q2	2022:Q3	2022:Q4	TOTAL
Auto	43/0	15/0	45/0	73/0	176/0	53/0	25/0	45/0	24/0	147/0
CDO	8/6	9/5	2/12	36/8	55/31	127/2	73/2	3/0	9/0	212/4
CMBS	86/118	21/89	184/440	36/174	327/821	34/62	51/75	18/78	21/65	124/280
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0	0/0
Other ABS	7/8	11/10	6/317	14/2	38/337	9/2	7/6	35/3	16/14	67/25
Other RMBS	615/0	999/2	81/435	1,242/38	2937/475	662/64	1,086/2	106/0	1,147/54	3001/120
RMBS (prime)	21/0	321/3	0/0	138/36	480/39	504/92	0/0	199/4	121/39	824/135
RMBS (subprime)	0/0	0/0	0/0	441/82	441/82	1,483/44	0/0	0/0	443/78	1926/122
Total	780/132	1,376/109	318/1,204	1,980/340	4454/1785	2,872/266	1,242/85	406/85	1,781/250	6301/686

Source: Fitch Ratings

Valuations and Spreads

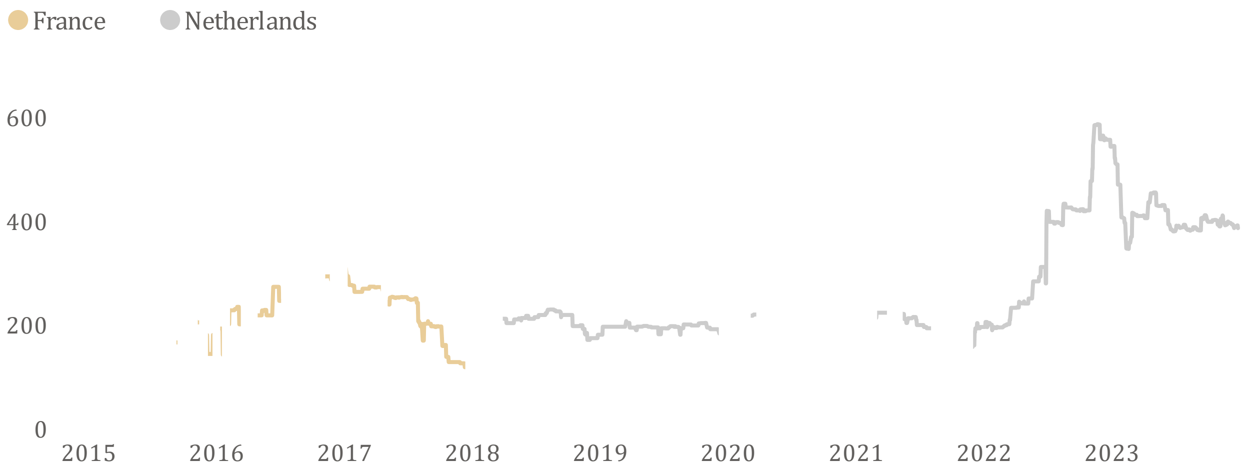
RMBS spreads

6.1 European 3-5 Yr AAA RMBS Spreads (bps) selected jurisdictions

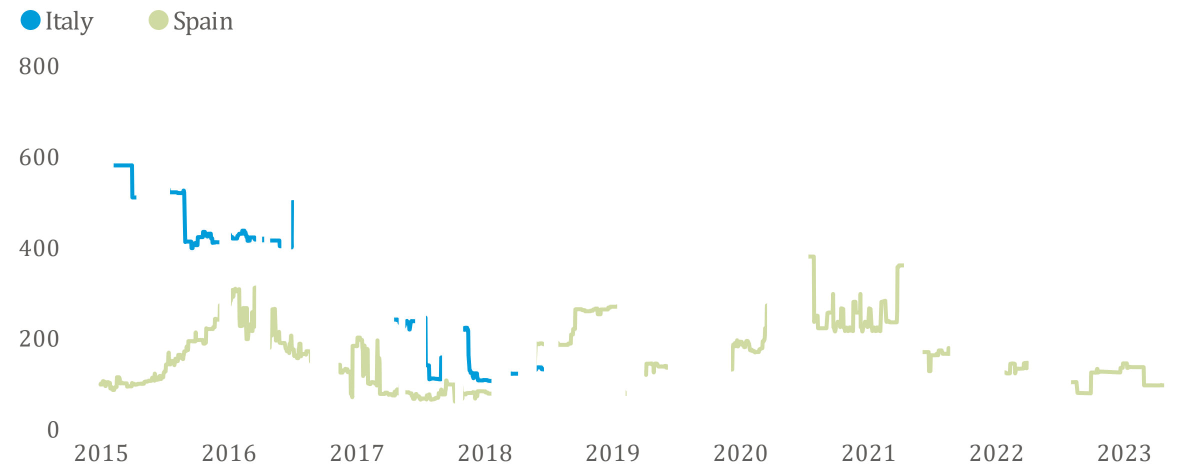


6.2 European 3-5 Yr AAA RMBS Spreads (bps) selected jurisdictions

6.3 European 3-5 Yr BBB RMBS Spreads (bps) selected jurisdictions



6.4 European 3-5 Yr BBB RMBS Spreads (bps) selected jurisdictions



Source: IHS Markit

RMBS spreads

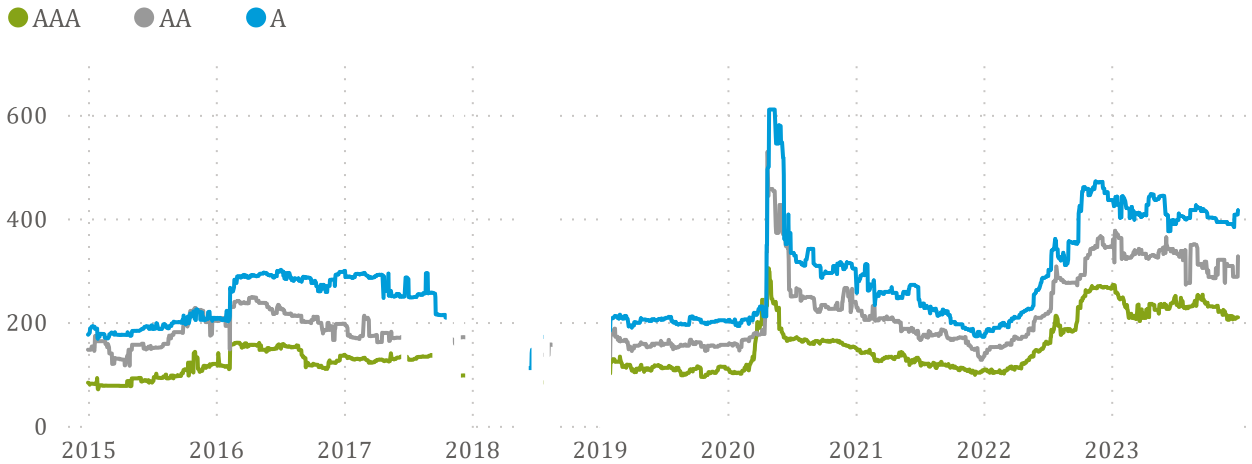
6.5 UK 3-5 Yr AAA RMBS Spreads (bps)

6.6 UK 5 Yr BBB RMBS Spreads (bps)

Source: IHS Markit

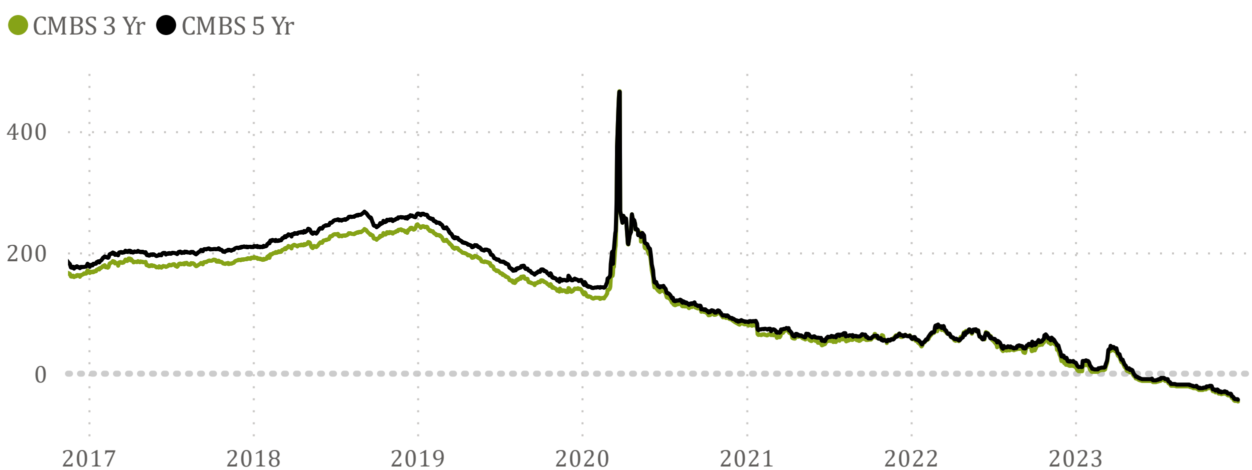
CMBS spreads

6.7 European 3-5 Yr AAA, AA, A CMBS Spreads (bps)

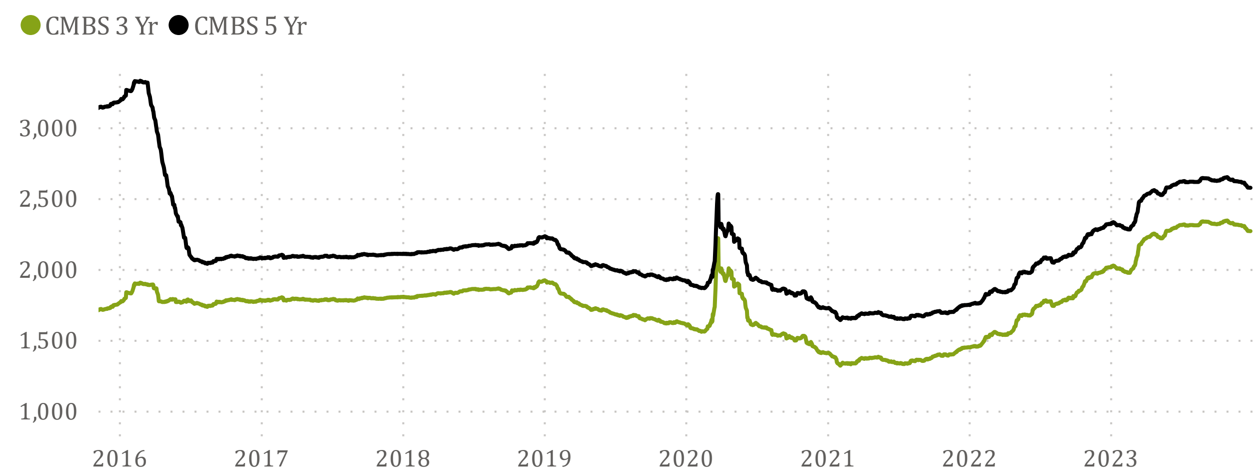


6.8 European 3-5 Yr BBB CMBS Spreads (bps)

6.9 US 3 & 5 Yr AAA CMBS Spreads (bps)



6.10 US 3 & 5 Yr BBB CMBS Spreads (bps)

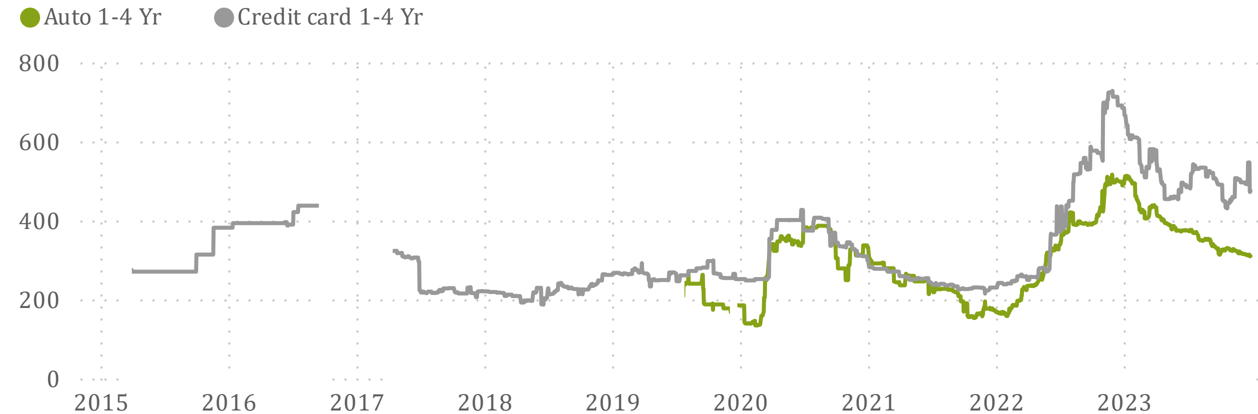


Source: IHS Markit, Trepp

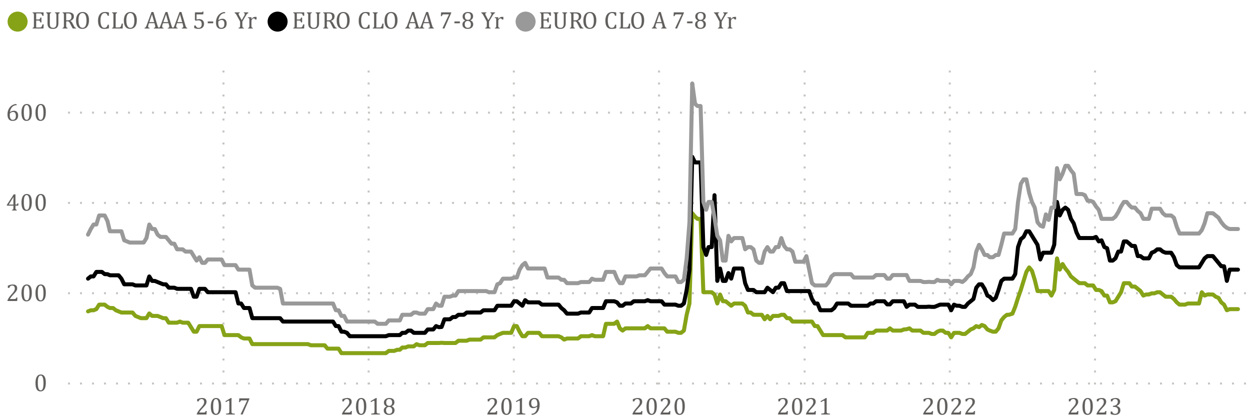
ABS and CLO spreads

6.11 European 1-4 Yr AAA ABS Spreads (bps)

6.12 European 1-4 Yr BBB Spreads (bps)



6.13 EURO 5-10 Yr AAA-A CLO Spreads (bps)



6.14 EURO 7-9 Yr BBB-BB CLO Spreads (bps)

Source: IHS Markit, JP Morgan

ABCP

ABCP Outstandings

7.1 ABCP Outstandings: Asset breakdown by country of asset in multi-seller programmes

	2023 H1	2022 H1	2022 H2	Change
Austria	0.97	0.75	0.97	0.22
Euromarket	11.89	12.60	13.91	1.31
France	11.53	9.57	11.93	2.36
Germany	12.47	10.87	13.81	2.94
Italy	14.13	12.92	15.61	2.69
Netherlands	2.10	1.62	2.47	0.85
Other	2.50	2.06	2.44	0.38
United Kingdom	11.61	9.94	12.29	2.35
Total	**67.20**	**60.33**	**73.43**	**13.10**

7.2 EMEA ABCP Outstandings by Programme Type

	2023 H1	2022 H1	2022 H2	Change
Multi-Seller	72.28	66.27	78.28	12.01
Repo	40.60	37.09	45.81	8.72
Single-Seller	0.17	0.16	0.19	0.03
Total	**113.05**	**103.52**	**124.28**	**20.76**

7.3 US ABCP Outstandings by Programme Type

	2023 H1	2022 H1	2022 H2	Change
Multi-Seller	187.07	168.42	199.79	31.37
Repo	19.02	22.90	21.31	-1.59
Single-Seller	19.57	22.62	24.47	1.85
Total	**225.66**	**213.94**	**245.57**	**31.63**

Source: Moody's Investors Service, Latest data available as of H1 2023

ABCP seller additions

7.4 European ABCP Seller additions in multi-seller portfolios by Country of Asset

	2023 H1	2022 H1	2022 H2	Change
Austria	0.00	0.06	0.22	0.16
Belgium	0.00	0.00	0.26	0.26
Czech Republic	0.00	0.00	0.00	0.00
Euromarket	0.51	0.49	0.09	-0.40
Finland	0.00	0.00	0.00	0.00
France	0.89	0.22	2.82	2.60
Germany	0.35	0.32	1.08	0.76
Ireland	0.00	0.39	0.00	-0.39
Italy	1.41	0.80	2.10	1.30
Latvia	0.00	0.00	0.00	0.00
Netherlands	0.30	0.10	0.58	0.48
Poland	0.00	0.00	0.00	0.00
Spain	0.00	0.10	0.00	-0.10
Sweden	0.09	0.00	0.00	0.00
Switzerland	0.01	0.00	0.00	0.00
United Kingdom	1.74	1.05	0.91	-0.14
Total	**5.30**	**3.53**	**8.06**	**4.53**

Source: Moody's Investors Service. Latest data available as of H1 2023. Seller additions represent a potential new source of assets which may be added to the portfolio up to the maximum of the respective purchase limit.

Contacts

Research

Matt Johnston
Senior Analyst, Research
Matt.Johnston@afme.eu
+44 (0)2038282702

Julio Suarez
Director, Research
Julio.Suarez@afme.eu
+32 (0)2 883 55 50

Securitisation

Shaun Baddeley
Managing Director, Securitisation
Shaun.Baddeley@afme.eu
+44 (0)20 3828 2698

Maria Pefkidou
Associate Director, Securitisation
Maria.Pefkidou@afme.eu
+44 (0)20 3828 2707

Disclaimer and Methodology

For a description of the methodology of this report please visit https://www.afme.eu/en/reports/Statistics/

London Office

Level 10
20 Churchill Place
London E14 5HJ
United Kingdom
+44 (0)20 3828 2700

Brussels Office

Rue de la Loi, 82
1040 Brussels
Belgium
+32 (0)2 788 3971

Frankfurt Office

Neue Mainzer Straße 75,
60311 Frankfurt am Main,
Germany
+49 69 153 258 963

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