

Q1 2021

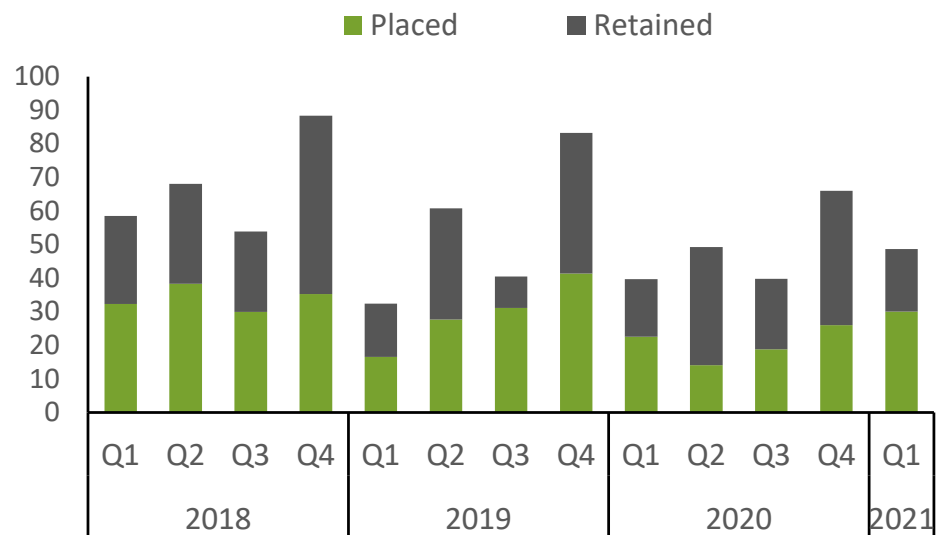
# Securitisation Report

European Structured Finance



Key Findings	3
Regulatory Update	5
Issuance	11
Outstandings	17
Credit quality	22
Valuations and spreads	27
ABCP	31

## 1.1 European Securitisation Issuance (EUR Billions)



Source: AFME, SIFMA, Bank of America

In Q1 2021, EUR 48.9 bn of securitised product was issued in Europe, a decrease of 25.9% from Q4 2020 and an increase of 18.7% from Q1 2020.

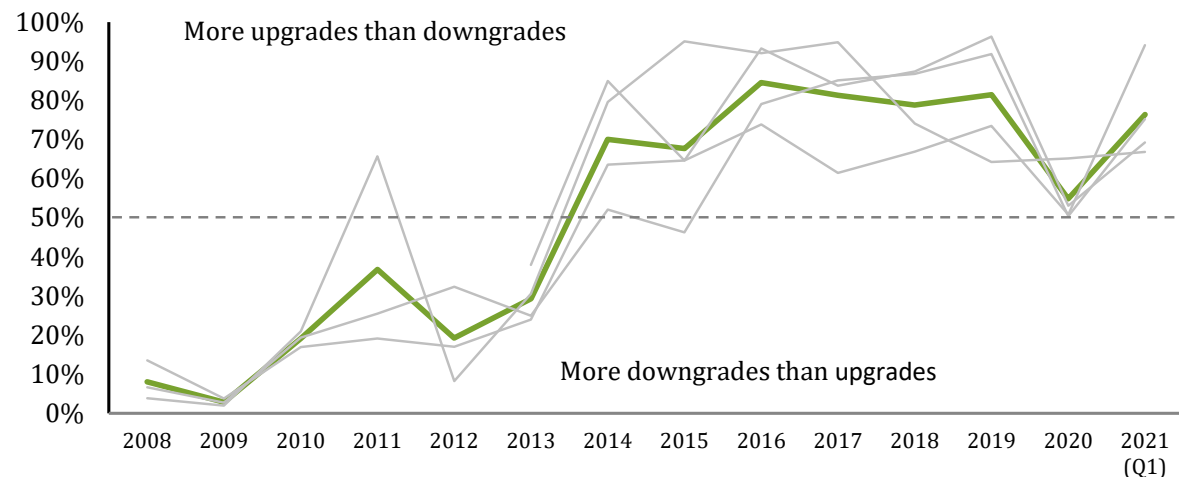
Of the EUR 48.9 bn issued, EUR 30.0 bn was placed, representing 61.3% of the total, compared to 39.4% of issuance in Q4 2020 and 58.0% of issuance in Q1 2020.

Among placed issuance, UK RMBS, Pan-European CLOs and Dutch RMBS led issuance totals, with EUR 12.7bn, EUR 6.6bn and EUR 2.3bn of issuance, respectively.

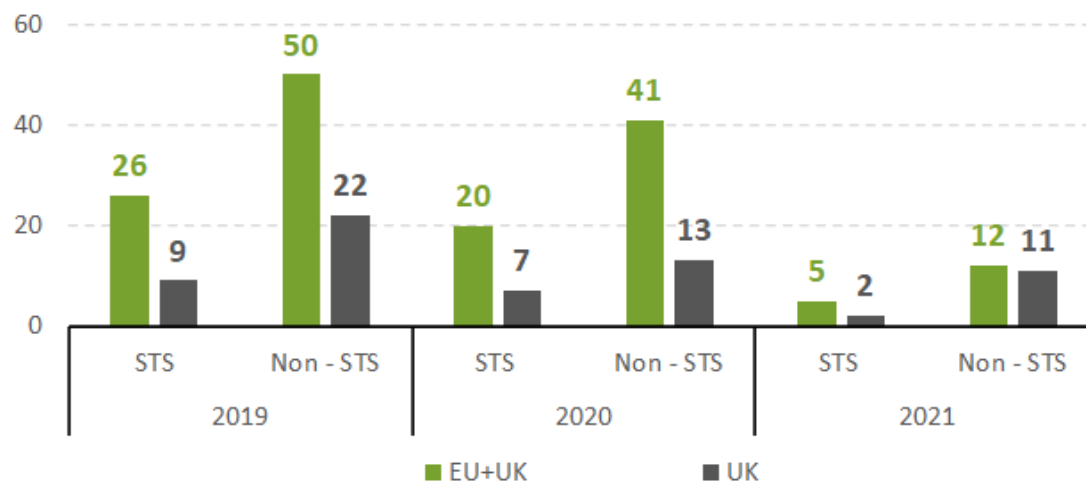
Outstanding volumes (ex-CLOs) decreased slightly to EUR 987.8 bn at the end of Q1 2021, a decrease of 0.5% QoQ and a decrease of 0.3% YoY.

# Key findings

## 1.2 Upgrades/Downgrades ratio (Upgrades as % of ratings actions)



## 1.3 Placed STS and placed non-STS Securitisation Issuance, EUR bn



**Source:** DBRS, Fitch, Moody's, S&P, Bank of America. 1.2: 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 ratings actions has recovered substantially in Q1 2021 after a fall during 2020 due to the economic effects of the pandemic.

During Q1 2021, upgrades comprised 76% of total rating actions by the four CRAs, compared to 55% of total rating actions during 2020FY.

Over the last three years, placed non-STS issuance has consistently made up more than double the amount of placed STS issuance in the EU+UK.



## Securitisation Framework

- By 1 January 2022 the European Commission (EC) is required, pursuant to Art. 46, to present a report on the functioning of the EU Securitisation Regulation (EUSR) accompanied (if appropriate) by a legislative proposal.
- The implementation of some of the remaining Level 2 legislation under the original EUSR is still not complete.
- The EUSR, including Art. 46, was on-shored into the UK at the end of 2020 so a similar review is also expected to take place in the UK.

## European Commission Capital Markets Recovery Package (CMRP) for securitisation

- This has now been published in the Official Journal of EU and came into effect on 9 April 2021. The CMRP includes amendments to the EUSR ([here](#)) and the CRR ([here](#)).
- The CRR amendments to Article 248 and Article 256 on synthetic excess spread (SES) (points (2) and (4) of Article 1 of the amending regulation) will apply from 10 April 2022. This is to allow the EBA to draft the RTS on the methodology to determine SES exposure value in Article 248 (see below).
- The CMRP 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: within 6 months of the entry into force of the CMRP (EBA)
  - RTS on homogeneity in STS synthetic securitisation: within 6 months of the entry into force of the CMRP (EBA)
  - RTS on pro-rata amortisation triggers and their calibration: by 30 June 2021 (EBA)
  - RTS and ITS on STS Notification for synthetic securitisation: within 6 months of entry into force CMRP. On 28 May ESMA launched a [consultation](#) on these technical standards with a deadline of 20 August 2021.
  - RTS in relation to synthetic excess spread: within 6 months of entry into force of the CMRP (EBA).
  - RTS on the content, methodologies and presentation of information in respect of the sustainability indicators for STS securitisation: within 3 months of entry into force of CMRP (Joint ESAs)

## EBA Report on Sustainable Securitisation

- Under the CMRP the EBA has been mandated to publish, by 1 November 2021, a report on developing a specific sustainable securitisation framework for the purpose of integrating sustainability-related transparency requirements into the EUSR. That report shall duly assess in particular: (a) the implementation of proportionate disclosure and due diligence requirements relating to sustainability factors; (b) the content, methodologies and presentation of information in respect of sustainability factors.
- On 7 June the EBA launched a survey to collect market participants' views on current market practices and potential challenges to the development of the EU sustainable securitisation market, the business need for, the relevance, and the potential content of an EU framework on sustainable securitisation and the potential risk profile of sustainable securitisation compared to similar 'non-sustainable' securitisation. The survey will close on 2 July 2021.

## ESAs Opinion on Jurisdictional Scope under the EUSR

- On 26 March the Joint Committee of ESAs published an Opinion ([here](#)) in which it provided a non-binding recommendation to the EC on the obligations of non-EU parties under the EUSR. The Opinion recommended clarifying certain aspects of the EUSR via guidelines and/or legislative amendments including application of the transparency and risk retention obligations. The Opinion is now with the EC for review.

## ESAs Report on STS Securitisation Review

- On 17 May the ESAs published their [Report under Article 44 of the EUSR](#). The Report includes the ESAs' analysis of the implementation and the functioning of the EUSR and is meant to provide guidance to the EC in the context of its review of the functioning of the EUSR.

## NPL Secondary Market Directive

- The Trilogue process which started in February 2021 has now ended. Co-legislators agreed to limit the scope of the Directive to non-performing loans, while ensuring that credit servicers authorized under the Directive are able to continue to service NPLs that become performing.
- The agreement includes "soft" requirements on borrower protection, for example integrating the provisions already present in the Mortgage Consumer Credit (MCD) in the Consumer Credit Directive (CCD), and no mandatory forbearance requirements or caps on fees.

## EBA consultation on the NPL data templates

- On 4 May 2021 the EBA launched a consultation on the review of its data templates for Non-Performing Loans ([here](#)) which is one of the actions stemming from the EC's NPLs action plan published in December 2020. The deadline to provide comments to the consultation is 31 August 2021 and the EBA will publish a revised version of the templates by December 2021.

## UK Consultation on taxation of securitisation

- On 23 March the UK HM Revenue & Customs and HM Treasury published a consultation on Reform of the Taxation of Securitisation Companies ([here](#)), in which they sought views on making changes to clarify and/or reform certain aspects of the taxation of SPVs and of the Stamp Duty loan capital exemption as it applied to securitisations and to insurance-linked securities. The consultation closed on 3 June 2021.

## Prudential Regulation Authority (PRA) Consultation on implementation of Basel standards: non- performing loan securitisation

- On 3 June the PRA issued a [Consultation Paper](#) which sets out the PRA's proposed rules in respect of the implementation of prudential standards agreed by the Basel Committee on Banking Supervision (BCBS) for NPL securitisations. It sets out how the PRA proposes to define non-performing exposure (NPE) securitisations, and also proposes changes to the associated capital treatment. The response deadline is 26 July 2021.

## Libor and benchmark rates

- As the FCA and the IBA confirmed the cessation for panel bank LIBOR by the end of 2021 for most tenors, AFME continues to engage with market participants and regulatory institutions.
- On 15 March AFME together with ICMA responded to the consultation launched by the HMT on the [development of safe harbour provisions](#) in the Sterling market to reduce the risk of litigation and uncertainty and promote international harmonization.
- On 11 May the ECB published its [recommendation on EURIBOR fallback trigger events and rates.](#)
- On 20 May FCA published a [consultation on its proposed policy framework for exercising two of its new powers under the Benchmarks Regulation](#) (BMR) which relate to the use of critical benchmarks that are being wound down. The consultation deadline is 17 June 2021.



# Securitisation 2021 regulatory status and key upcoming developments

Regulation	Topic	Article	Org	Completion date in published regulation	Status
CMRP	STS Framework for on-balance sheet securitisations and NPL securitisations	NA	EC	NA	Published in the OJ
CMRP (Sec. Reg)	RTS on Risk Retention	6	EBA	6 months from entry into force CMRP	EBA to draft the RTS
CMRP (Sec Reg)	RTS on the content, methodologies and presentation of information in respect of the sustainability indicators for STS securitisation	22	ESA	3 months from entry into force of CMRP	Joint Committee of ESA to draft RTS
CMRP (Sec Reg)	RTS on Homogeneity	26b	EBA	6 month entry into force CMRP	EBA to draft RTS
CMRP (Sec.Reg)	RTS on pro rata amortisation triggers and their calibration	26c	EBA	30 June 2021	EBA to draft RTS
Sec.Reg	Competent Authority Peer Review	36	ESMA	1 January 2022	TBD
Sec.Reg.	Joint ESAs report on implementation of the STS Framework	44	ESAs	1 January 2021 (overdue)	Published on 17 May 2021
CMRP (Sec.Reg)	RTS and ITS on STS Notification for synthetic securitisation	26	ESMA	6 months from entry into force CMRP	Draft RTS in consultation till 20 August 2021
CMRP (Sec. Reg)	Report on developing a specific sustainable securitisation framework	45	EBA	1 November 2021	EBA to draft the report.
Sec.Reg.	EC Report on the functioning of the Securitisation Regulation, accompanied, if appropriate, by a legislative proposal.	46	EC	1 January 2022	EC is expected to prepare the report in 2021
CMRP (CRR)	RTS in relation to synthetic excess spread exposure value	248	EBA	within 6 months of entry into force of the CMRP	EBA to draft RTS
CRR	Securitisation markets macroprudential and economic perspective report	8	519	EC	TBD

# Securitisation Regulation and CRR Level 2 mandates: not finalised

## Overdue Technical Standards under the Securitisation Framework

Regulation	Topic	Article	Org.	Completion date in published regulation	Status
Sec Reg	Competent Authority and ESA cooperation RTS	36	ESMA	18th January 2019	RTS adopted by the Commission ( <a href="#">here</a> ) ; publication in OJ expected in Q2 2021
CRR	Measurement of undrawn portion of cash advance facilities RTS	248	EBA	18th January 2019	TBD
CRR	Purchased receivables/internal models/proxy data RTS	255	EBA	18th January 2019	Final draft ( <a href="#">here</a> ) published by the EBA and submitted to the European Commission; adoption is pending

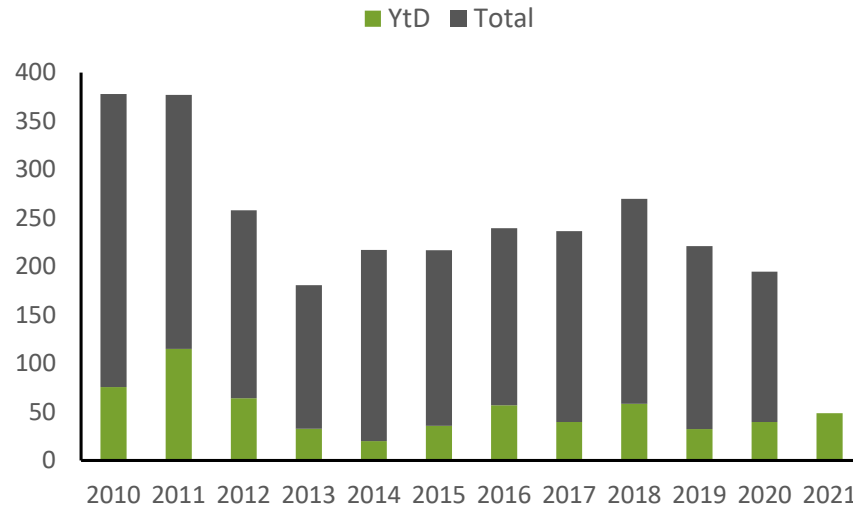
## Level 2 texts: Finalisation date unclear

Regulation	Topic	Article	Org	Completion date in published regulation	Status
CRR	Case by case prohibition of SEC-SA report and guidelines	254	EBA	Annual report to COM and issue guidelines	TBD
Sec Reg	Solvency II additional capital charge RTS	39	EIOPA	Deadline not specified	TBD
Sec Reg	Resecuritisation RTS	8	ESMA	Deadline not specified	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
CRR	Arm's length and implicit support guidelines	250	EBA	Deadline not specified	2016 version already published
Sec Reg.	Financial stability report	31	ESRB EBA	At least every three years	TBD

# Issuance

# Highest first-quarter issuance since 2018

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



	Q1	Q2	Q3	Q4	TOTAL
2010	75.5	32.6	110.7	159.2	378.0
2011	115.2	67.3	57.1	137.2	376.8
2012	64.3	67.7	62.0	63.9	257.8
2013	32.8	53.2	38.4	56.4	180.8
2014	20.0	99.5	37.8	59.8	217.1
2015	35.7	50.3	57.8	72.8	216.6
2016	57.0	75.8	46.6	60.1	239.6
2017	40.2	73.0	49.1	74.1	236.5
2018	58.5	68.1	54.5	88.6	269.7
2019	32.4	60.7	40.4	87.4	220.9
2020	39.7	49.2	40.3	65.5	194.7
2021	48.9				48.9

In Q1 2021, EUR 48.9 bn of securitised product was issued in Europe, a decrease of 25.9% from Q4 and an increase of 18.7% from Q1 2020.

All volumes in EUR bn

## 2.2 Total European Issuance by Placed and Retained

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4	TOTAL
<b>Placed</b>	30.0	22.5	14.1	18.9	25.9	81.4
<b>Retained</b>	18.9	17.2	35.2	21.4	39.6	113.3
<b>Total</b>	48.9	39.7	49.2	40.3	65.5	194.7

## 2.3 Total European Issuance by Collateral

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4	TOTAL
<b>ABS</b>	14.4	6.1	26.4	8.9	28.9	70.4
<b>CDO/CLO</b>	6.6	5.8	4.3	5.0	7.0	22.1
<b>CMBS</b>	2.5	1.1	0.0	0.7	0.6	2.4
<b>RMBS</b>	21.9	24.9	17.1	19.6	19.0	80.6
<b>SME</b>	2.0	0.0	0.0	5.1	2.4	7.5
<b>Corporate</b>	1.6	1.7	1.4	1.0	7.6	11.7
<b>Total</b>	48.9	39.7	49.2	40.3	65.5	194.7

## 2.4 Total US Issuance by Collateral\*

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4	TOTAL
<b>ABS</b>	49.8	46.9	32.0	57.1	39.9	175.9
<b>CDO</b>	3.3	20.4	17.6	26.1	25.8	89.8
<b>Agency MBS</b>	847.1	447.5	705.8	810.8	895.2	2,859.3
<b>Non-Agency CMBS</b>	5.6	19.8	8.3	9.8	14.1	52.0
<b>Non-Agency RMBS</b>	8.8	25.8	14.5	41.1	91.6	173.1
<b>Total</b>	914.7	560.3	778.2	944.9	1,066.6	3,350.1

**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.

\*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 (2021 Q1) concerning the US non-agency RMBS, CMBS and CDO categories likely to be revised upwards next quarter.



All volumes in EUR bn

## 2.5 Placed Issuance by Country of Collateral

	2021:Q1
<b>Belgium</b>	0.3
<b>France</b>	0.5
<b>Germany</b>	2.0
<b>Greece</b>	0.0
<b>Ireland</b>	1.0
<b>Italy</b>	0.0
<b>Netherlands</b>	2.3
<b>Pan European</b>	7.0
<b>Portugal</b>	0.0
<b>Spain</b>	2.0
<b>Switzerland</b>	0.0
<b>UK</b>	14.2
<b>Other Europe</b>	0.0
<b>European Total</b>	29.2
<b>US Total</b>	914.7

2020:Q1	2020:Q2	2020:Q3	2020:Q4	TOTAL
0.0	0.0	0.0	0.0	0.0
1.8	0.0	2.0	1.8	5.6
1.0	1.4	0.4	5.0	7.6
0.0	0.0	0.1	0.0	0.1
0.0	0.8	0.3	0.4	1.4
0.2	0.6	0.0	0.3	1.0
2.5	0.9	1.0	0.7	5.0
5.8	4.3	5.0	7.3	22.4
0.0	0.0	0.6	0.0	0.6
1.3	1.1	0.5	1.6	4.5
0.4	0.2	0.2	0.3	1.1
9.1	1.3	8.1	1.1	19.6
0.0	0.0	0.0	0.7	0.7
22.1	10.5	18.1	19.0	69.7
560.3	778.2	944.9	1,066.6	3,350.1

**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.

# Placed European issuance by collateral

All volumes in EUR bn

## 2.6 Placed European Issuance by Collateral Type and Country of Collateral

2021: Q1

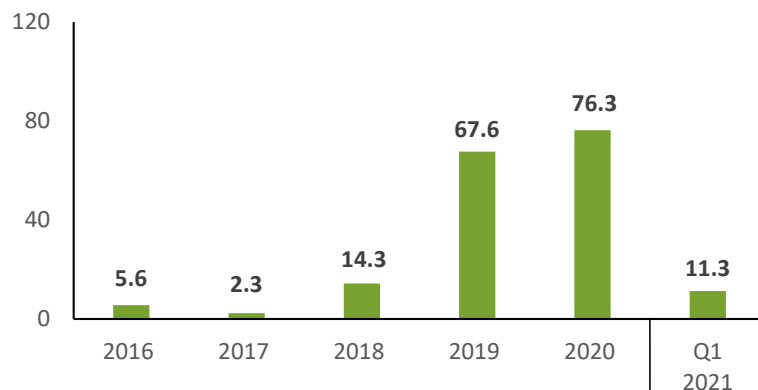
	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	Other	CLO	Total
<b>Belgium</b>	-	-	-	-	0.3	-	-	-	-	0.3
<b>France</b>	0.5	-	-	-	-	-	-	-	-	0.5
<b>Germany</b>	1.5	-	-	0.5	-	-	-	-	-	2.0
<b>Greece</b>	-	-	-	-	-	-	-	-	-	-
<b>Ireland</b>	-	-	-	-	-	-	1.0	-	-	1.0
<b>Italy</b>	-	-	-	-	-	-	-	-	-	-
<b>Netherlands</b>	-	-	-	-	-	-	2.3	-	-	2.3
<b>Pan Europe</b>	-	-	-	0.4	-	-	-	-	6.6	7.0
<b>Portugal</b>	-	-	-	-	-	-	-	-	-	-
<b>Spain</b>	-	-	-	0.1	1.5	-	0.4	-	-	2.0
<b>Switzerland</b>	-	-	-	-	-	-	-	-	-	-
<b>UK</b>	0.5	0.4	-	0.6	-	-	12.7	-	-	14.2
<b>Other Europe</b>	-	-	-	-	-	-	-	-	-	-
<b>European Total</b>	2.4	0.4	-	1.6	1.8	-	16.4	-	6.6	29.2

**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.

# Simple Transparent & Standardised (STS) Securitisation

2.7 STS Securitisation Issuance, EUR bn

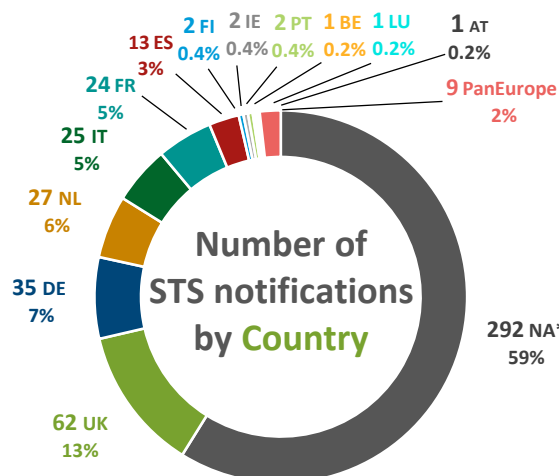


2.8 Cumulative Number of STS Notifications by Deal Type (as of Jun 2021)

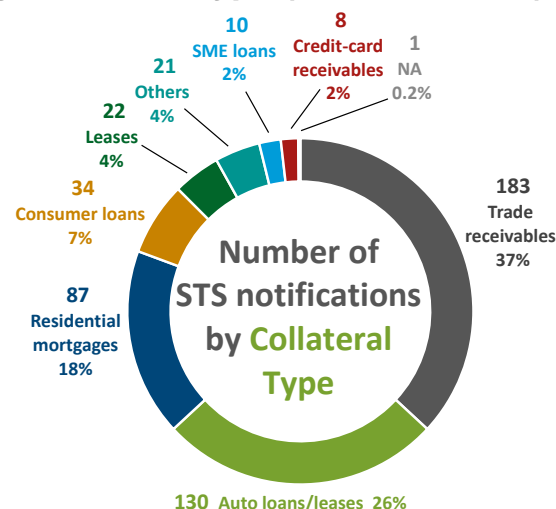
Public	204
Private	292
<b>Total</b>	<b>496</b>

ABCP	257
Non-ABCP	239
<b>Total</b>	<b>496</b>

2.9 Cumulative Number of STS Notifications by Country (as of Jun 2021)



2.10 Cumulative Number of STS Notifications by Collateral Type (as of Jun 2021)



In Q1 2021, EUR 11.3 billion of securitised product was notified as STS by ESMA.

This represented 23.1% of the total issued volume in Q1 2021 (EUR 48.9 billion).

Out of the EUR 11.3 billion in STS issuance, EUR 6.9 billion was placed, representing 23.0% of total placed issuance in Q1 2021 (EUR 30.0 billion).

**Source:** Bank of America, ESMA. \*Includes 292 notifications for private deals in which country-level information is not specified. STS issuance prior to the regulation coming into force (1 Jan 2019) is due to legacy transactions being notified as STS by ESMA.

# Outstandings

# afme / European and US outstandings

Finance for Europe

All volumes in EUR bn

## 3.1 Total European Outstandings by Collateral Type

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>Auto</b>	89.4	81.4	84.4	81.9	90.8
<b>Cards</b>	27.3	26.4	26.3	26.0	21.6
<b>SME ABS</b>	91.9	77.2	77.4	78.9	91.9
<b>CMBS</b>	32.7	31.4	30.7	31.0	31.3
<b>Consumer</b>	78.9	60.8	74.3	72.8	78.2
<b>Leases</b>	15.5	16.9	17.1	18.6	16.5
<b>RMBS</b>	596.8	637.2	630.3	618.6	605.2
<b>Other</b>	55.4	59.3	58.9	57.9	57.4
<b>Total*</b>	987.8	990.6	999.3	985.6	992.8

<b>CLO / CDO</b>	N/A	N/A	N/A	N/A	N/A
<b>Total (incl. CLO / CDO)</b>	N/A	N/A	N/A	N/A	N/A

## 3.3 Total US Outstandings by Collateral Type

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>ABS</b>	N/A	1,590.5	1,640.9	1,520.8	1,275.4
<b>Agency MBS</b>	N/A	7,085.0	7,237.7	7,000.8	7,007.4
<b>Non-Agency RMBS</b>	N/A	710.9	710.1	643.0	650.8
<b>Non-Agency CMBS</b>	N/A	534.8	546.6	509.8	495.3
<b>Total</b>	N/A	9,921.2	10,135.4	9,674.5	9,428.9

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

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>2021</b>	50.4	N/A	N/A	N/A	N/A
<b>2020</b>	163.8	33.6	73.1	108.9	170.3
<b>2019</b>	142.3	160.7	157.5	153.7	147.7
<b>2018</b>	126.6	158.0	151.4	143.4	136.7
<b>2017</b>	92.8	117.8	113.1	105.5	100.0
<b>2016</b>	82.0	110.6	106.6	99.4	90.4
<b>2015</b>	43.4	71.9	67.3	58.8	44.1
<b>2014</b>	32.5	38.2	35.7	34.6	33.3
<b>2013</b>	25.6	31.4	30.5	29.9	25.9
<b>2012</b>	6.6	11.9	11.6	10.0	9.6
<b>2011</b>	7.8	13.1	12.8	12.4	11.0
<b>2010</b>	69.6	71.1	70.6	70.2	69.9
<b>Prior</b>	144.4	172.3	169.2	158.9	153.7
<b>Total</b>	987.8	990.6	999.3	985.6	992.8

Source: JP Morgan, AFME, SIFMA.

As outstanding CLO/CDO data is unavailable from 2019:Q4 the total amount outstanding is therefore an underestimate of the true value.

Due to a change in sources used to generate European outstandings securitisation volumes from 2020:Q1 onwards, outstanding volumes in tables 3.1 and 3.2 may show discrepancies compared with volumes AFME has reported prior to 2020:Q1.

Collateral type categorisation has also been subject to change due to the new reporting format. Complete US outstandings data is available only up to 2020:Q3.

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



All volumes in EUR bn

### 3.4 Total European Outstandings by Country of Collateral (ex-CLOs)

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>Belgium</b>	50.7	51.5	50.8	52.4	51.3
<b>France</b>	112.1	117.5	116.2	120.9	111.1
<b>Germany</b>	49.4	46.5	49.1	45.8	51.1
<b>Greece</b>	10.3	12.7	12.6	9.7	10.3
<b>Ireland</b>	27.8	27.6	28.0	26.5	26.3
<b>Italy</b>	144.3	144.8	152.7	149.4	154.3
<b>Netherlands</b>	151.1	160.0	160.7	154.7	153.6
<b>Pan Europe</b>	5.3	4.7	4.7	4.6	4.9
<b>Portugal</b>	17.4	16.8	16.7	17.4	18.1
<b>Spain</b>	154.8	138.3	140.9	144.4	158.4
<b>Switzerland</b>	4.7	4.2	4.4	4.7	4.7
<b>UK</b>	253.8	259.7	256.7	249.6	243.0
<b>Other Europe</b>	6.1	6.3	5.8	5.6	5.8
<b>Eurozone</b>	727.7	724.8	736.4	729.6	743.5
<b>European Total</b>	987.8	990.6	999.3	985.6	992.8
<b>US Total</b>	N/A	9,921.2	10,135.4	9,674.5	9,428.9

**Source:** JP Morgan.

Note that outstanding volumes on this page do not include outstanding CLO/CDO volumes and figures may show discrepancies compared with previously reported volumes due to a change in data source. Volumes for Pan Europe do not include outstanding CLO/CDO data and therefore may show discrepancies with Section 2 of this report as almost all CLOs/CDOs are classified as “Pan European” issuance.

# Country and collateral of European outstandings

All volumes in EUR bn

## 3.5 Total European Outstandings by Country and Collateral Type (ex-CLOs)

2021:Q1

	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	CLO / CDO	Other	TOTAL
Belgium	0.0	0.0	25.8	0.1	0.3	0.0	24.6	N/A	0.0	50.7
France	5.6	1.4	6.0	0.4	18.1	0.0	80.5	N/A	0.0	112.1
Germany	34.6	0.0	3.2	2.0	3.5	1.7	2.8	N/A	1.6	49.4
Greece	0.3	0.6	4.0	0.0	0.5	0.5	0.3	N/A	4.2	10.3
Ireland	0.3	0.0	0.0	0.2	0.0	0.0	24.7	N/A	2.6	27.8
Italy	9.9	0.0	33.5	1.4	37.1	10.1	38.8	N/A	13.5	144.3
Netherlands	1.1	0.0	0.0	1.1	0.9	0.0	148.0	N/A	0.0	151.1
Pan Europe	0.0	0.0	0.1	1.8	0.0	0.0	3.2	N/A	0.2	5.3
Portugal	1.6	0.5	2.0	0.0	0.1	0.0	12.3	N/A	0.9	17.4
Spain	8.8	1.8	16.9	0.1	13.1	2.7	110.6	N/A	0.7	154.8
Switzerland	3.4	1.1	0.0	0.0	0.0	0.0	0.1	N/A	0.0	4.7
UK	19.9	21.8	0.3	24.9	5.3	0.4	150.5	N/A	30.7	253.8
Other Europe	4.0	0.0	0.0	0.7	0.1	0.1	0.3	N/A	1.0	6.1
Eurozone	65.0	4.4	91.6	7.7	73.6	15.1	445.8	N/A	24.6	727.7
European Total	89.4	27.3	91.9	32.7	78.9	15.5	596.8	N/A	55.4	987.8

2020:Q4

	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	CLO / CDO	Other	TOTAL
Belgium	0.0	0.2	26.0	0.1	0.0	0.0	25.0	N/A	0.0	51.3
France	5.4	1.5	4.0	0.4	18.4	0.0	81.3	N/A	0.0	111.1
Germany	35.1	0.0	3.2	1.5	3.6	1.8	2.8	N/A	3.1	51.1
Greece	0.3	0.6	4.0	0.0	0.5	0.5	0.3	N/A	4.2	10.3
Ireland	0.3	0.0	0.0	0.2	0.0	0.0	23.2	N/A	2.6	26.3
Italy	9.2	0.0	34.6	1.4	37.0	10.4	48.0	N/A	13.7	154.3
Netherlands	1.1	0.0	0.0	1.2	1.0	0.0	150.4	N/A	0.0	153.6
Pan Europe	0.0	0.0	0.1	1.5	0.0	0.0	3.2	N/A	0.2	4.9
Portugal	1.6	0.5	2.0	0.0	0.2	0.0	12.6	N/A	1.0	18.1
Spain	9.5	1.8	17.5	0.0	12.1	3.2	113.5	N/A	0.7	158.4
Switzerland	3.4	1.1	0.0	0.0	0.0	0.0	0.1	N/A	0.0	4.7
UK	21.3	15.9	0.4	24.4	5.3	0.5	144.4	N/A	30.9	243.0
Other Europe	3.6	0.0	0.0	0.7	0.1	0.1	0.3	N/A	1.0	5.8
Eurozone	65.1	4.6	91.5	6.7	72.8	16.0	460.3	N/A	26.5	743.5
European Total	90.8	21.6	91.9	31.3	78.2	16.5	605.2	N/A	57.4	992.8

Source: JP Morgan.

Note that outstanding volumes do not include outstanding CLO/CDO volumes. Volumes for Pan Europe do not include outstanding CLO/CDO data and therefore may show discrepancies with Section 2 of this report as almost all CLOs/CDOs are classified as “Pan European” issuance.

# afme/ European and US outstandings by rating

Finance for Europe

(as percentage of total Moody's rated securities)

## 3.6 Europe

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>Aaa/AAA</b>	51.11%	52.05%	51.75%	51.24%	50.95%
<b>Aa/AA</b>	33.79%	32.74%	32.67%	33.08%	33.50%
<b>A/A</b>	7.73%	8.12%	8.50%	8.58%	8.25%
<b>Baa/BBB</b>	3.48%	3.45%	3.40%	3.34%	3.49%
<b>Ba/BB</b>	1.64%	1.54%	1.50%	1.61%	1.62%
<b>B/B</b>	1.12%	1.07%	1.16%	1.05%	1.08%
<b>Caa/CCC</b>	0.68%	0.57%	0.57%	0.65%	0.67%
<b>Ca/CC</b>	0.27%	0.26%	0.26%	0.26%	0.25%
<b>C/C</b>	0.19%	0.20%	0.20%	0.20%	0.18%
<b>Total</b>	100.00%	100.00%	100.00%	100.00%	100.00%

## 3.7 US

	2021:Q1	2020:Q1	2020:Q2	2020:Q3	2020:Q4
<b>Aaa/AAA</b>	42.84%	39.43%	42.80%	42.87%	42.67%
<b>Aa/AA</b>	5.96%	5.31%	5.86%	5.94%	6.01%
<b>A/A</b>	5.32%	5.42%	5.34%	5.32%	5.24%
<b>Baa/BBB</b>	6.37%	6.61%	6.60%	6.34%	6.30%
<b>Ba/BB</b>	3.67%	4.19%	3.47%	3.67%	3.68%
<b>B/B</b>	4.55%	4.37%	4.54%	4.61%	4.48%
<b>Caa/CCC</b>	15.54%	17.10%	15.67%	15.56%	15.73%
<b>Ca/CC</b>	10.08%	11.11%	9.99%	9.99%	10.12%
<b>C/C</b>	5.67%	6.45%	5.73%	5.70%	5.77%
<b>Total</b>	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Moody's Investors Service

# Credit Quality

# Upgrades/Downgrades by country

## 4.1 Moody's Investor Service

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
France	7/1	5/1	5/1	6/1	6/1	22/4
Germany	15/2	12/1	12/1	13/1	15/2	52/5
Italy	18/83	7/73	10/75	11/83	11/83	39/314
Netherlands	20/3	16/1	16/1	16/1	18/1	66/4
Spain	81/14	58/11	58/11	59/14	72/14	247/50
UK	88/19	58/3	58/6	60/10	74/15	250/34
Multinational	84/33	31/0	31/15	31/31	48/33	141/79
European Total	379/188	244/93	247/123	255/164	305/182	1051/562
US	2091/1045	1813/329	1816/666	1827/926	1951/995	7407/2916

## 4.2 S&P Global Ratings

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
France	0/0	0/0	0/0	0/0	0/0	0/0
Germany	0/0	3/0	1/0	1/0	0/0	5/0
Italy	2/0	0/0	2/1	1/0	1/5	4/6
Netherlands	5/4	18/0	0/0	0/0	0/0	18/0
Spain	77/1	12/0	2/5	0/2	33/0	47/7
UK	2/23	3/13	2/28	6/13	7/15	28/59
Multinational	2/1	5/1	4/6	3/21	4/7	16/35
European Total	88/29	51/4	11/40	11/36	45/27	118/107
US	116/145	219/211	79/404	122/941	162/302	582/1858

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



# Upgrades/Downgrades by country

## 4.3 DBRS

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
France	2 / 0	1 / 0	0 / 2	1 / 0	3 / 1	5 / 3
Germany	1 / 0	0 / 0	2 / 0	3 / 0	2 / 0	7 / 0
Italy	8 / 12	13 / 0	3 / 0	7 / 7	8 / 10	31 / 17
Netherlands	0 / 0	0 / 0	0 / 0	1 / 0	0 / 0	1 / 0
Spain	3 / 0	9 / 0	3 / 0	2 / 3	7 / 9	21 / 12
UK	2 / 0	2 / 0	0 / 5	10 / 9	16 / 35	28 / 49
Multinational	11 / 0	1 / 0	2 / 5	5 / 0	3 / 6	11 / 11
European Total	27 / 12	26 / 0	10 / 12	29 / 19	39 / 61	104 / 92
US	256 / 184	561 / 65	19 / 86	54 / 14	250 / 133	884 / 298

## 4.4 Fitch Ratings

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
France	1/0	3/0	1/3	0/0	0/0	4/3
Germany	2/0	4/3	1/2	4/0	3/1	12/6
Italy	8/2	5/3	8/81	0/3	4/7	17/94
Netherlands	0/0	15/0	3/5	0/1	8/3	26/9
Spain	2/0	34/0	1/32	6/11	7/8	48/51
UK	6/0	121/9	5/36	3/11	18/19	147/75
Multinational	11/0	4/0	4/15	5/23	12/1	25/39
European Total	32/2	194/18	27/175	18/52	55/40	294/285
US	1,807/545	1,995/418	56/199	73/215	153/307	2277/1139

Source: DBRS, Fitch Ratings.

# Upgrades/Downgrades by collateral

## Moody's Investor Service

### 4.5 Europe

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
<b>Auto</b>	28 / 8	19 / 6	19 / 7	23 / 8	27 / 8	88 / 29
<b>CDO</b>	84 / 33	31 / 0	31 / 15	31 / 31	48 / 33	141 / 79
<b>CMBS</b>	16 / 12	14 / 3	14 / 6	14 / 6	16 / 10	58 / 25
<b>Credit Card</b>	1 / 1	1 / 0	1 / 0	1 / 0	1 / 1	4 / 1
<b>RMBS (prime)</b>	185 / 100	139 / 73	142 / 82	144 / 90	164 / 100	589 / 345
<b>RMBS (non-conforming)</b>	65 / 34	40 / 11	40 / 13	42 / 29	49 / 30	171 / 83
<b>Total</b>	379 / 188	244 / 93	247 / 123	255 / 164	305 / 182	1051 / 562

### 4.6 US

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
<b>Auto</b>	388 / 11	271 / 0	271 / 0	271 / 5	361 / 11	1174 / 16
<b>CDO</b>	287 / 323	158 / 76	158 / 104	169 / 299	192 / 322	667 / 801
<b>CMBS</b>	139 / 217	132 / 88	132 / 117	132 / 159	133 / 184	529 / 548
<b>Credit Card</b>	11 / 0	11 / 0	11 / 0	11 / 0	11 / 0	44 / 0
<b>RMBS</b>	1266 / 494	1241 / 165	1244 / 445	1244 / 463	1254 / 478	4983 / 1551
<b>Total</b>	2091 / 1045	1813 / 329	1816 / 666	1827 / 926	1951 / 995	7407 / 2916

## S&P Global Ratings

### 4.7 Europe

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
<b>Auto</b>	1/0	7/0	2/0	0/0	0/0	9/0
<b>CDO</b>	3/5	9/1	4/6	3/22	4/8	20/37
<b>CMBS</b>	0/23	0/3	0/27	1/10	0/18	1/58
<b>Credit Card</b>	0/0	0/0	0/0	0/0	5/0	5/0
<b>RMBS (prime)</b>	79/1	22/0	5/6	2/2	34/0	63/8
<b>RMBS (subprime / non-conf)</b>	5/0	13/0	0/1	5/2	2/1	20/4
<b>Total</b>	88/29	51/4	11/40	11/36	45/27	118/107

### 4.8 US

	2021: Q1	2020: Q1	2020: Q2	2020: Q3	2020: Q4	TOTAL
<b>Auto</b>	99/0	92/0	25/0	92/9	152/0	361/9
<b>CDO</b>	0/4	0/0	0/19	5/474	5/10	10/503
<b>CMBS</b>	0/39	0/71	1/36	0/208	0/126	1/441
<b>Credit Card</b>	2/0	0/0	0/0	0/0	0/0	0/0
<b>RMBS (prime)</b>	3/62	37/22	1/200	2/230	2/93	42/545
<b>RMBS (subprime / nonconf)</b>	12/40	90/118	52/149	23/20	3/73	168/360
<b>Total</b>	116/145	219/211	79/404	122/941	162/302	582/1858

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

# Upgrades/Downgrades by collateral

## DBRS

### 4.9 Europe

	2021: Q1	2020:Q1	2020:Q2	2020:Q3	2020: Q4	TOTAL
Auto	7 / 0	7 / 0	2 / 0	3 / 0	6 / 0	18 / 0
CDO	0 / 1	2 / 0	4 / 0	2 / 1	4 / 9	12 / 10
CMBS	0 / 7	0 / 0	0 / 12	0 / 0	0 / 22	0 / 34
Credit Card	5 / 0	9 / 0	2 / 0	10 / 8	11 / 18	32 / 26
RMBS (prime)	8 / 0	6 / 0	0 / 0	9 / 2	10 / 6	25 / 8
RMBS (non-prime)	0 / 0	0 / 0	0 / 0	4 / 1	7 / 0	11 / 1
Other ABS	7 / 4	2 / 0	2 / 0	3 / 7	1 / 6	8 / 13
Total	27 / 12	26 / 0	10 / 12	31 / 19	39 / 61	106 / 92

### 4.10 US

	2021: Q1	2020: Q1	2020: Q2	2020:Q3	2020: Q4	TOTAL
Auto	81 / 1	65 / 0	0 / 47	39 / 0	51 / 0	155 / 0
CDO	1 / 0	5 / 1	0 / 31	0 / 0	11 / 1	16 / 33
CMBS	14 / 183	37 / 23	11 / 7	6 / 10	37 / 107	91 / 147
Credit Card	2 / 0	17 / 0	0 / 0	5 / 0	38 / 0	60 / 0
RMBS	140 / 0	421 / 41	8 / 0	0 / 0	103 / 18	532 / 59
Other ABS	18 / 0	16 / 0	0 / 1	4 / 4	10 / 7	30 / 12
Total	256 / 184	561 / 65	19 / 86	54 / 14	250 / 133	884 / 298

## Fitch Ratings

### 4.11 Europe

	2021: Q1	2020: Q1	2020: Q2	2020:Q3	2020: Q4	TOTAL
Auto	5/0	10/0	4/6	9/0	4/1	27/7
Credit Card	0/0	0/0	0/5	0/0	1/1	1/6
Other ABS	11/0	4/0	7/10	0/1	4/0	15/11
CDO	15/0	4/0	11/32	6/25	16/1	37/58
CMBS	0/0	0/9	0/44	0/0	0/19	0/72
RMBS (prime)	1/2	57/6	2/63	1/19	13/9	73/97
RMBS (non-conforming)	0/0	100/3	3/11	2/7	17/4	122/25
Other RMBS	0/0	19/0	0/4	0/0	0/5	19/9
Total	32/2	194/18	27/175	18/52	55/40	294/285

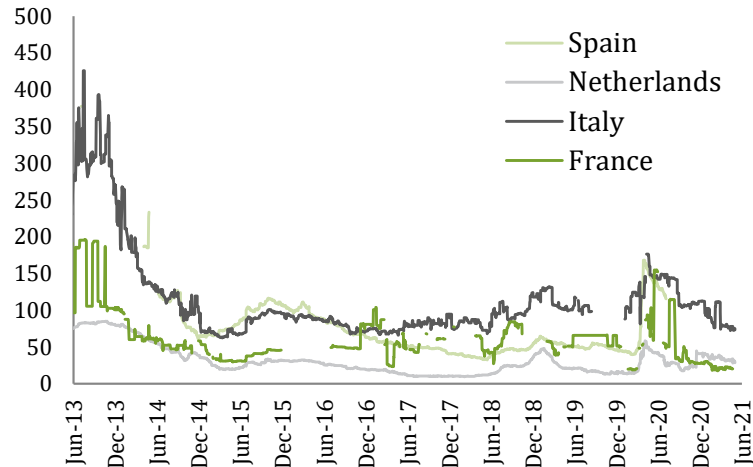
### 4.12 US

	2021: Q1	2020: Q1	2020: Q2	2020:Q3	2020: Q4	TOTAL
Auto	41/0	30/0	8/44	21/0	13/0	72/44
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0
Other ABS	7/9	22/0	8/24	4/19	4/34	38/77
CDO	78/11	23/23	34/17	5/7	0/5	62/52
CMBS	6/194	20/45	6/97	7/119	5/170	38/431
RMBS (prime)	391/191	202/139	0/0	9/17	0/0	211/156
RMBS (subprime)	978/77	483/157	0/16	2/15	8/4	493/192
Other RMBS	306/63	1,215/54	0/1	25/38	123/94	1363/187
Total	1,807/545	1,995/418	56/199	73/215	153/307	2277/1139

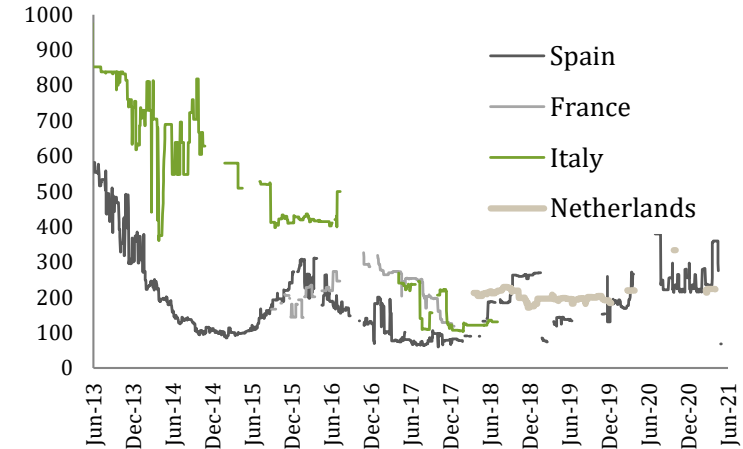
Source: DBRS, Fitch Ratings

# Valuations and Spreads

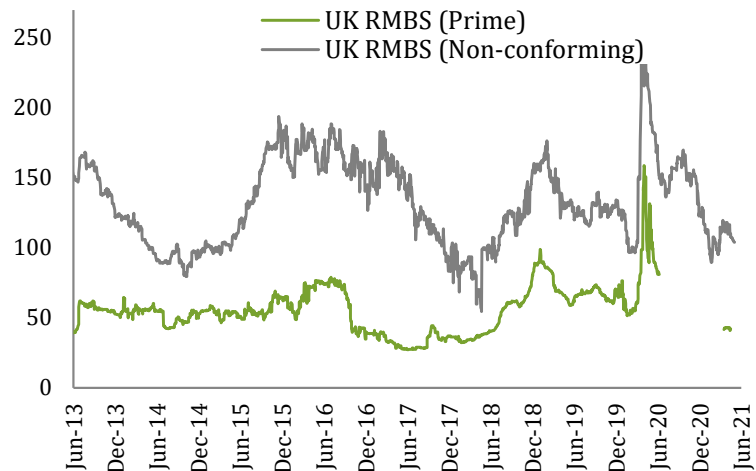
**5.1 European 3-5 Yr AAA RMBS Spreads (bps)**



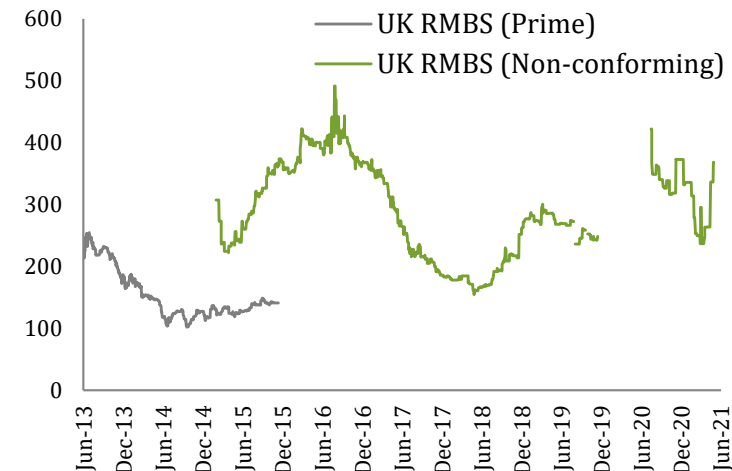
**5.2 European 3-5 Yr BBB RMBS Spreads (bps)**



**5.3 UK 3-5 Yr AAA RMBS Spreads (bps)**



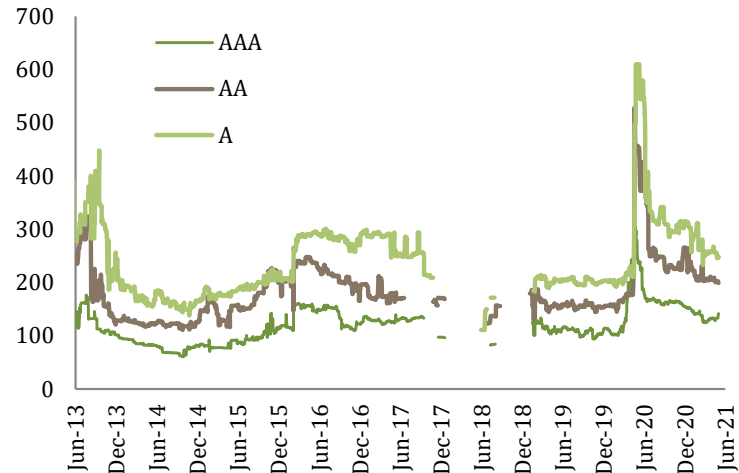
**5.4 UK 5 Yr BBB RMBS Spreads (bps)**



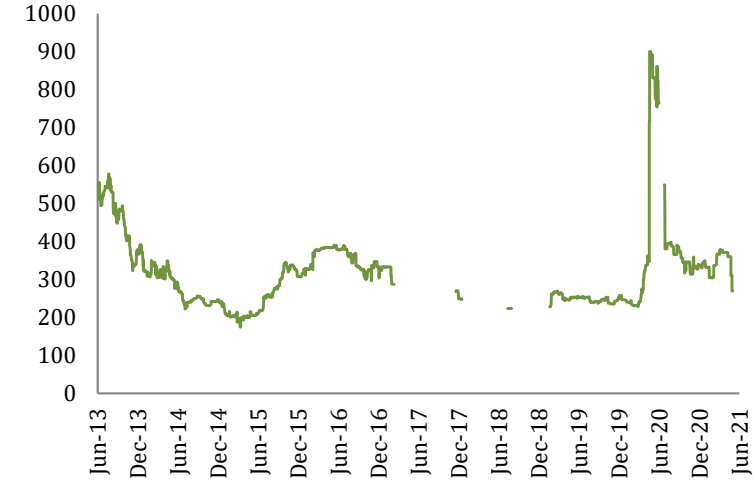
Source: IHS Markit, JP Morgan



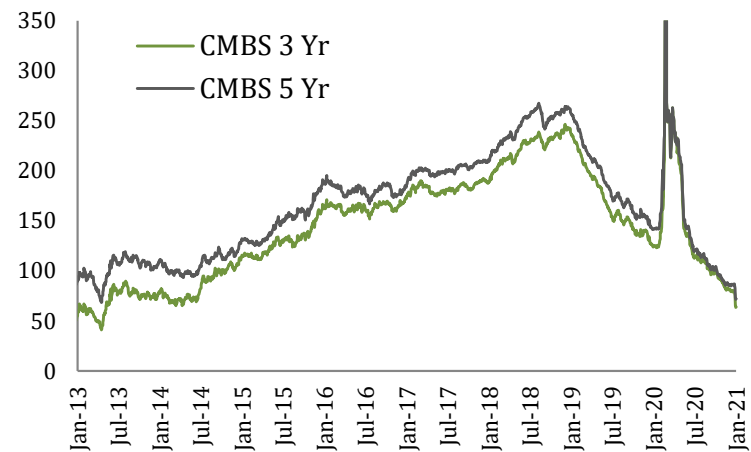
**5.5 European 3-5 Yr AAA, AA, A CMBS Spreads (bps)**



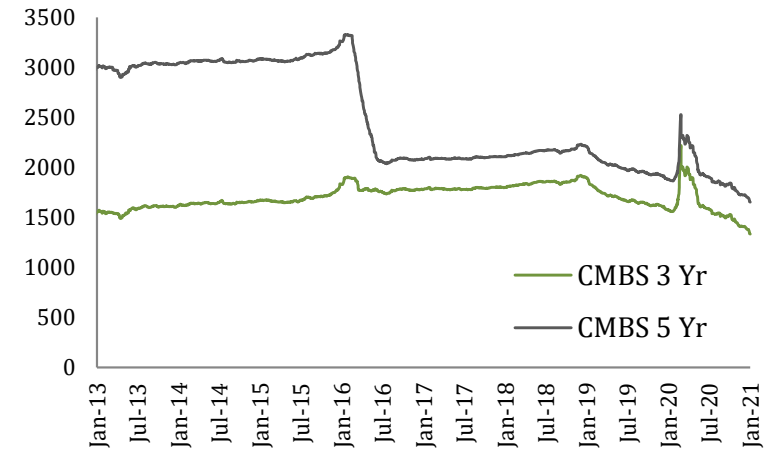
**5.6 European 3-5 Yr BBB CMBS Spreads (bps)**



**5.7 US 3 & 5 Yr AAA CMBS Spreads (bps)**

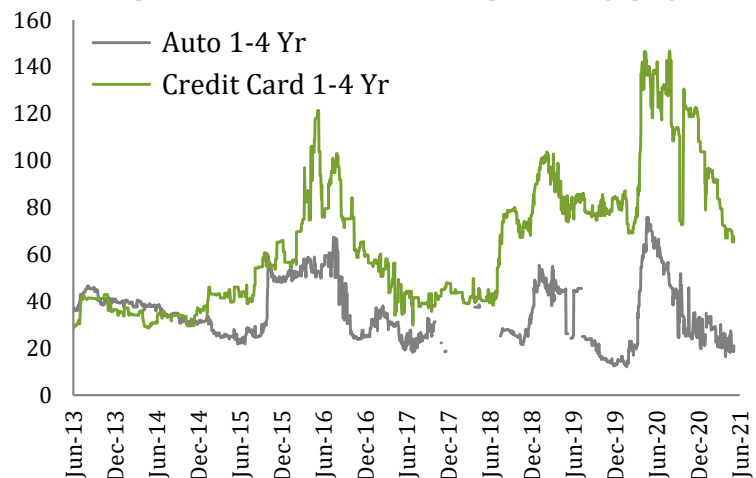


**5.8 US 3 & 5 Yr BBB CMBS Spreads (bps)**

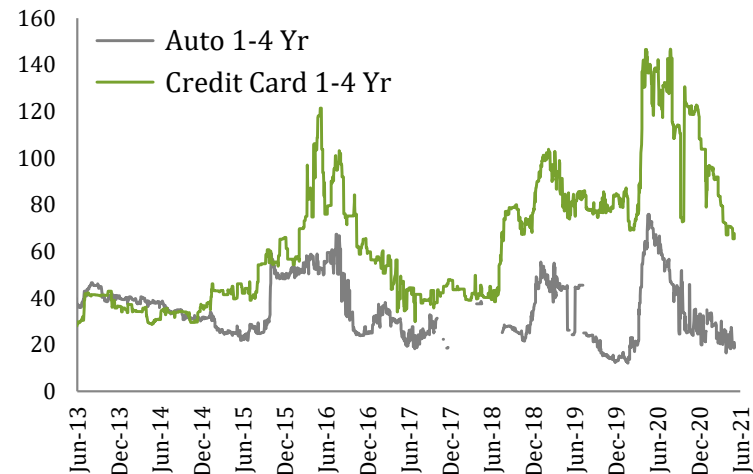


Source: IHS Markit, Trepp

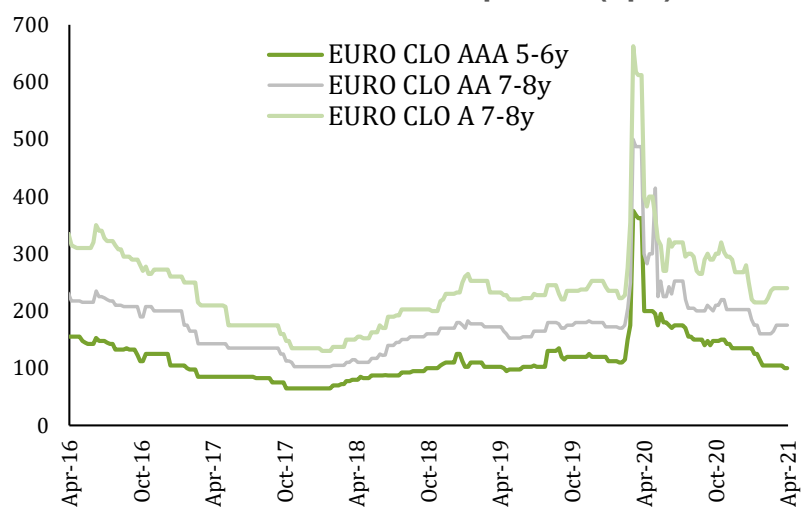
**5.9 European 1-4 Yr AAA ABS Spreads (bps)**



**5.10 European 1-4 Yr BBB Spreads (bps)**

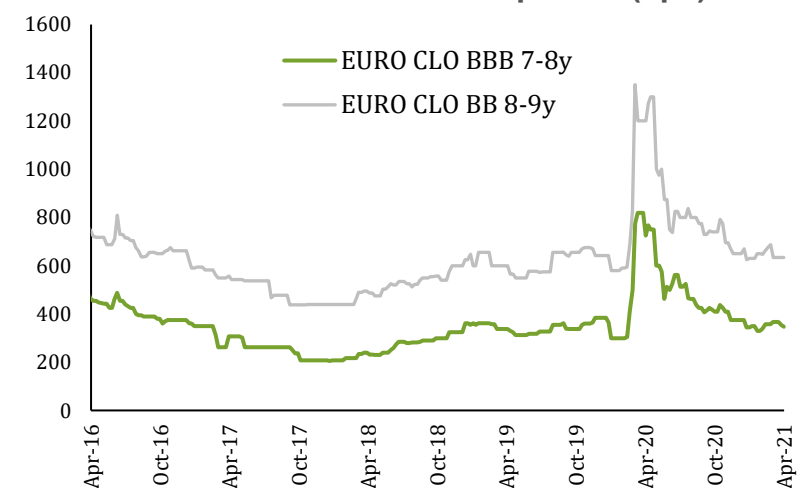


**5.11 EURO 5-10 Yr AAA-A CLO Spreads (bps)**



Source: IHS Markit and JP Morgan

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



# ABCP

# ABCP Outstandings

## 6.1 ABCP Outstanding: Asset breakdown by country of asset in multi-seller programmes

	2020			2019		
	H2	H1	Change	H2	H1	Change
<b>Euromarket</b>	12.43	10.95	1.49	14.14	13.46	0.68
<b>France</b>	8.31	6.37	1.94	7.13	7.23	-0.10
<b>Germany</b>	12.33	11.30	1.03	12.26	15.09	-2.84
<b>Italy</b>	10.80	11.00	-0.20	13.43	11.89	1.54
<b>Netherlands</b>	2.37	2.27	0.10	2.17	1.92	0.25
<b>Other</b>	3.35	2.80	0.55	3.21	3.21	0.00
<b>Sweden</b>	N/A	N/A	N/A	0.87	0.95	-0.09
<b>United Kingdom</b>	11.28	11.05	0.23	13.85	13.18	0.67
<b>Total</b>	60.88	55.74	5.14	78.53	77.95	0.58

## 6.2 EU ABCP Outstandings by Programme Type

	2020			2019		
	H2	H1	Change	H2	H1	Change
<b>Multi-Seller</b>	65.58	56.50	9.08	67.55	66.47	1.08
<b>Repo</b>	23.25	24.10	-0.85	21.32	19.62	1.70
<b>Single-Seller</b>	0.17	0.16	0.01	0.17	0.18	-0.01
<b>Total</b>	89.00	80.76	8.24	89.04	86.27	2.77

## 6.3 US ABCP Outstandings by Programme Type

	2020			2019		
	H2	H1	Change	H2	H1	Change
<b>Multi-Seller</b>	138.77	160.17	-21.40	151.52	147.86	3.66
<b>Repo</b>	25.84	37.75	-11.91	35.56	34.66	0.89
<b>Single-Seller</b>	17.28	15.43	1.86	9.65	7.59	2.05
<b>Total</b>	181.89	213.35	-31.46	187.08	182.52	4.56

Source: Moody's Investors Service. Latest data available as of H2 2020.

# ABCP seller additions

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

	2020			2019		
	H2	H1	Change	H2	H1	Change
<b>Austria</b>	0.00	0.00	0.00	0.30	0.00	0.30
<b>Belgium</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Czech Republic</b>	0.00	0.00	0.00	0.04	0.04	0.00
<b>Euromarket</b>	0.09	0.23	-0.14	0.78	0.14	0.64
<b>Finland</b>	0.42	0.00	0.42	0.00	0.07	-0.07
<b>France</b>	0.68	0.39	0.28	0.83	0.54	0.29
<b>Germany</b>	1.60	0.66	0.95	0.74	0.05	0.69
<b>Ireland</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Italy</b>	1.35	0.63	0.72	0.40	3.61	-3.21
<b>Latvia</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Netherlands</b>	0.10	0.00	0.10	0.40	0.00	0.40
<b>Poland</b>	0.00	0.00	0.00	0.00	0.07	-0.07
<b>Spain</b>	0.04	0.00	0.04	0.14	0.00	0.14
<b>Sweden</b>	0.00	0.00	0.00	0.00	0.04	-0.04
<b>Switzerland</b>	0.03	0.00	0.03	0.07	0.07	-0.01
<b>United Kingdom</b>	1.22	0.45	0.77	1.15	0.88	0.27
<b>European Total</b>	5.53	2.36	3.17	4.85	5.52	-0.67

**Source:** Moody's Investors Service. Latest data available as of H2 2020. 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.

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