

Q1 2020

Securitisation Report

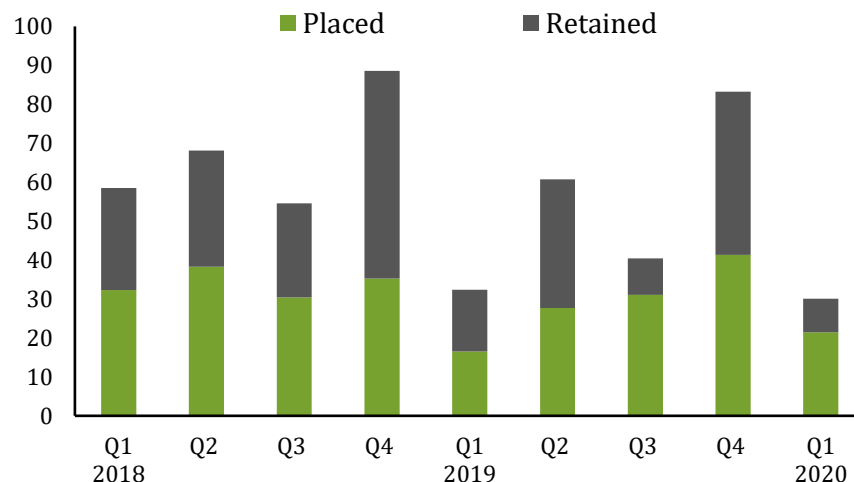
European Structured Finance



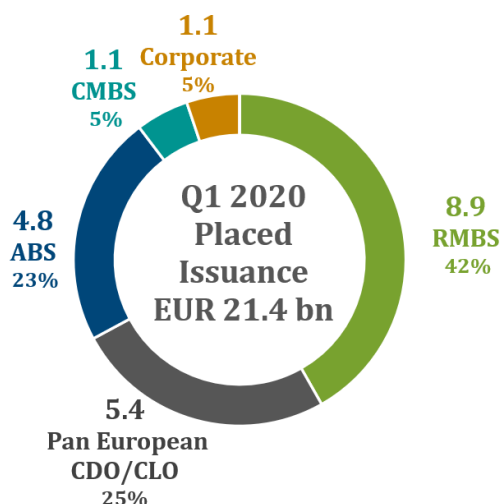
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Key findings

1.1 European Securitisation Issuance (EUR Billions)



1.2 European Securitisation Placed Issuance (% and EUR Billions)



Source: AFME, SIFMA, Bank of America

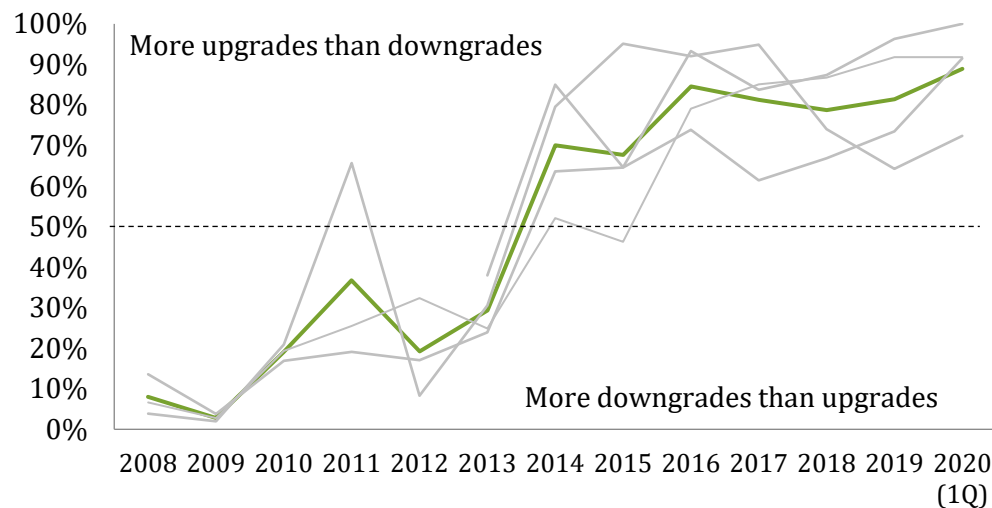
In Q1 2020, EUR 30.1 billion of securitised product was issued in Europe, a decrease of 61.7% from Q4 2019 and a decrease of 2.3% from Q1 2019. Of the EUR 30.1 billion issued, EUR 21.4 billion was placed, representing 71.1% of issuance, compared to the 46.1% of issuance in Q4 2019 and the 63.3% of issuance in Q1 2019.

Among placed issuance, UK RMBS, Pan-European CLOs and Dutch RMBS led issuance totals, with EUR 7.3 billion, EUR 5.4 billion, and EUR 1.9 billion of issuance, respectively.

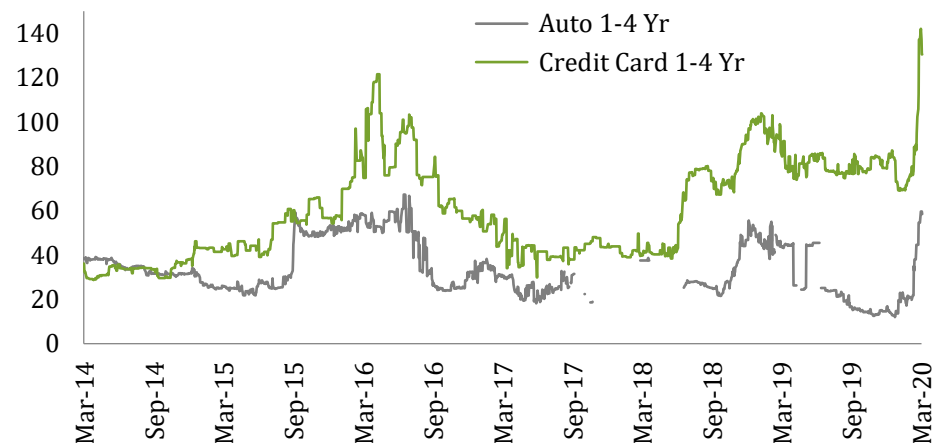
Outstanding volumes (ex-CLOs) fell slightly to EUR 990.6 billion outstanding at the end of Q1 2020, a decrease of 1.8% QoQ and 0.03% YoY.

Key findings

1.3 Upgrades/Downgrades ratio (Upgrades as % of ratings actions)



1.4 European 1-4 Yr AAA ABS spreads



Source: DBRS, Fitch, Moody's S&P, IHS Markit

In Europe, upgrades outpaced downgrades in Q1 2020, with upgrades concentrated in RMBS, both conforming and non-conforming.

European securitisation spreads across all asset classes significantly widened during Q1 2020, as consequence of the outbreak of COVID-19 in Europe.

STS Framework - Level 2 legislation

The implementation of the Level 2 legislation under the STS Framework is still progressing.

- The Regulatory Technical Standards (RTS) on the Disclosure Requirements, on STS notification and on operational standards for Securitisation Data Repositories have been adopted by the European Commission (EC) and endorsed by the European Parliament and the Council. Publication in the Official Journal (OJ) is expected in June 2020.
- The RTS on Risk Retention and Kirb calculation are not expected to be adopted by the EC until later in 2020.
- On 17 January ESMA published a consultation on the use of "no data" (ND) fields in securitisation reporting. In its response AFME stressed that, as the guidelines are intended to apply to securitisation repositories and only public securitisations need report to securitisation repositories, the limited use of ND fields should also apply only to public transactions. ESMA's final guidelines are expected in June 2020
- On 4 May EBA published their final report on "Guidelines on the determination of the weighted average maturity (WAM) of the contractual payments due under the tranche" of a securitisation transaction. The Guidelines address to a large degree some of AFME's members' concerns by allowing for an assessment of CPR and recoveries (albeit on a conservative basis) and by introducing similar methodologies for WAM calculation for cash and for synthetic securitisations (NB the definition of contractual payments under synthetic securitisations is different).
- On 6 May EBA published its proposals for developing a STS framework for synthetic securitisations. EBA's proposal is limited to balance-sheet synthetic securitisation and includes a list of criteria to be considered when using the STS label. It sets out the pros and cons of a potential differentiated capital treatment for STS synthetic securitisation but does not make a recommendation on this. Based on the EBA report the EC may propose legislative measures to establish such a STS Framework for synthetic securitisations
- On 28 May ESMA published updated its Questions and Answers (Q&A) on the Securitisation Regulation. The majority of the new Q&As in this document provide clarification on different aspects of the disclosure templates under draft RTS. The document also contains clarifications addressed to securitisation repositories.

Green Securitisation

On 8 April the EC launched a consultation on its Renewed Sustainable Finance Strategy which includes a section on green securitisation. Among other questions, the EC is requesting feedback on the need for a dedicated regulatory and prudential framework for green securitisation. The consultation closes on 15 July 2020 and AFME is preparing its response.

High Level Forum on CMU

On 10 June the High Level Forum on CMU published its Final Report which includes a set of recommendations for reviewing the EU Securitisation Framework many of which align with AFME's existing advocacy positions.

Libor and benchmark rates

AFME continued its engagement in the various IBOR Working Groups in London and the Eurozone.

SONIA is now the market norm for new issuance of sterling FRNs for supranationals, covered bonds and securitisations. In 2020 year-to-date GBP 21 billion has been issued, and the total issuance since 2018 is GBP 90 billion (of which GBP 27 billion comprises securitisations).

In the Eurozone, EUR 4 billion has been issued since the €STR market opened, with EUR 1.6 billion issued in 2020 year-to-date. AFME continues to contribute on work arising from the new €STR rate, which has been published daily since October 2019.

AFME's Model Wording to create uniform transitional language for new securitisation transactions continues to be widely used in the market; we are building on this to produce an adjusted version better suited for use in EUR transactions.

Securitisation Regulation and CRR Level 2 mandates by Article number

Regulation	Topic	Article	Org.	Completion date in published regulation	Status
Sec Reg	Risk retention RTS	6	EBA	18th July 2018	Final draft (here) submitted to the European Commission; adoption now delayed to 2020.
Sec Reg	Disclosure requirements RTS and ITS	7, 17	ESMA	18th January 2019	European Commission has adopted the RTS and the Annexes (here); the non-objection period for the EP and the Council has lapsed; publication in the OJ expected in June 2020
Sec Reg	Securitisation data repositories operational standards RTS (and Annex); and RTS on application for registration	10	ESMA	18th January 2019	European Commission has adopted the RTS (here) and the Annexes (here) on 29 November 2019; the non-objection period for the EP and the Council has lapsed; publication in the OJ expected in June 2020
Sec Reg	Securitisation repository fees Delegated Act	16	ESMA	18 January 2019	Final draft of ESMA technical advice submitted to the Commission (here) adoption is expected in 2020
Sec Reg	STS Criteria Guidelines	19, 23	EBA	18th October 2018	Finalised on 12 December 2018. The Guidelines are developed for both non asset-backed commercial paper (ABCP) (here) and ABCP securitisation (here)
Sec Reg	Homogeneity RTS	20, 24	EBA	18th July 2018	RTS published in the OJ on 7 November 2019 (here)
Sec Reg	STS notification RTS and ITS	27	ESMA	18th July 2018	European Commission has adopted the RTS (here) and the Annexes (here); the non-objection period for the EP and the Council has lapsed; publication in the OJ expected in June 2020
Sec Reg	Third party STS verification services RTS	28	ESMA	18th July 2018	RTS (here) and the Annexes (here) published in the OJ in February 2019
Sec Reg	Clearing and collateral posting obligation exemption RTS	42	ESAs	18th July 2018	Final draft (here) submitted to the European Commission, expected adoption in 2020
Sec Reg	Competent Authority and ESA cooperation RTS	36	ESMA	18th January 2019	Final draft RTS (here) submitted to the Commission; adoption expected in 2020
Sec Reg	Synthetic STS report	45	EBA	1st July 2019	EBA Report published on 6 May 2020 (here). Based on the EBA Report the European Commission may propose legislative measures to establish a STS Framework for synthetic securitisations
Sec Reg	Synthetic STS report and legislative proposal	45	COM	1st January 2020	Expected late 2020
CRR	SRT supervisory recognition report	244, 245	EBA	1st January 2021	Expected in Summer of 2020
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; expected adoption in 2020
CRR	Tranche maturity definition guidelines	257	EBA	31st December 2019	EBA final guidelines published on 4 May 2020 (here)
Sec Reg	Guidelines on securitisation repository data completeness and consistency thresholds	NA	ESMA	Not specified	ESMA consultation on the draft Guidelines closed on 16 March. Final Guidelines are expected in June 2020 (here)

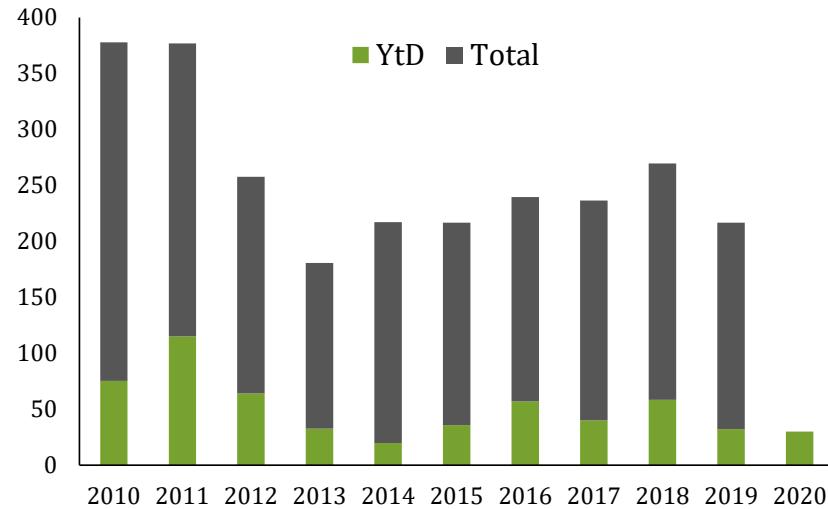
Securitisation Regulation and CRR Level 2 mandates status by date of completion

Regulation	Topic	Article	Org	Completion date in published regulation	Status
CRR	Measurement of undrawn portion of cash advance facilities RTS	248	EBA	18th January 2019	Expected 2020
Sec Reg	Joint ESAs report	44	ESAs	1st January 2021	TBD
Sec Reg	Commission STS review report and legislative proposal	46	COM	1st January 2022	TBD
Sec Reg	Competent Authority Peer Review	36	ESMA	1st January 2022	TBD
CRR	Securitisation markets macroprudential and economic perspective report	519	COM	1st January 2022	TBD
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

Lowest quarterly issuance since 2014

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	83.2	216.8
2020	30.1				30.1

In Q1 2020, EUR 30.1 billion of securitised product was issued in Europe, a decrease of 61.7% from Q4 2019 and a decrease of 2.3% from Q1 2019.

All volumes in EUR bn

2.2 Total European Issuance by Placed and Retained

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Placed	21.4	16.5	27.7	31.1	41.3	116.6
Retained	8.7	15.9	33.0	9.4	41.9	100.2
Total	30.1	32.4	60.7	40.4	83.2	216.8

2.3 Total European Issuance by Collateral

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
ABS	5.1	5.0	11.9	14.0	17.1	48.1
CDO/CLO	5.4	7.3	9.7	11.9	10.7	39.5
CMBS	1.1	0.1	2.5	1.4	1.9	5.8
RMBS	17.2	20.1	34.2	12.9	33.2	100.3
SME	0.0	0.0	2.5	0.3	20.3	23.0
Corporate	1.3					
Total	30.1	32.4	60.7	40.4	83.2	216.8

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.

2.4 Total US Issuance by Collateral

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
ABS	42.0	51.6	58.7	50.1	51.8	212.3
CDO	14.6	16.8	27.1	19.1	1.7	64.8
Agency MBS	448.2	239.5	326.4	469.7	496.9	1,532.5
Non-Agency CMBS	13.2	13.1	6.7	10.5	9.5	39.8
Non-Agency RMBS	7.8	29.0	6.3	9.1	12.4	56.8
Total	525.8	350.1	425.3	558.6	572.3	1,906.2

All volumes in EUR bn

2.5 Placed Issuance by Country of Collateral

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Belgium	0.0	0.0	0.0	0.0	0.0	0.0
France	1.8	0.2	0.2	1.3	2.0	3.7
Germany	1.0	1.0	1.4	3.7	6.0	12.0
Greece	0.0	0.0	0.0	0.0	0.0	0.0
Ireland	0.0	0.5	0.8	0.9	1.3	3.5
Italy	0.2	0.3	2.8	1.3	2.8	7.2
Netherlands	2.5	0.0	4.0	1.5	1.1	6.6
Pan European	5.4	7.3	10.0	11.9	10.7	39.8
Portugal	0.0	0.0	0.0	0.5	0.0	0.5
Spain	1.3	0.0	0.0	1.4	2.3	3.7
Switzerland	0.4	0.2	0.2	0.0	0.2	0.6
UK	9.1	7.2	8.5	9.8	8.7	34.2
Other Europe	0.0	0.0	0.0	0.0	1.2	1.2
European Total	21.6	16.8	27.7	32.1	36.4	113.0
US Total	525.8	350.1	425.3	558.6	572.3	1,906.2

Source: JP Morgan and Bank of America.

Total European placed issuance in tables 2.2 (on previous page) 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 minor 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

2020: Q1

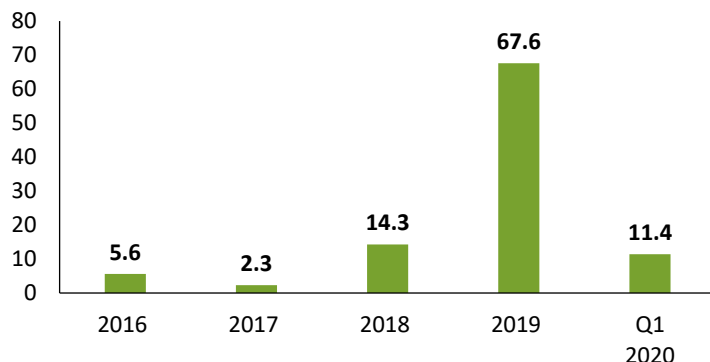
	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	Other	CLO	Total
Belgium	-	-	-	-	-	-	-	-	-	-
France	-	-	-	0.2	-	-	1.7	-	-	1.8
Germany	1.0	-	-	-	-	-	-	-	-	1.0
Greece	-	-	-	-	-	-	-	-	-	-
Ireland	-	-	-	-	-	-	-	-	-	-
Italy	-	-	-	-	-	-	-	0.2	-	0.2
Netherlands	-	-	-	0.6	-	-	1.9	-	-	2.5
Pan Europe	-	-	-	-	-	-	-	-	5.4	5.4
Portugal	-	-	-	-	-	-	-	-	-	-
Spain	1.0	-	-	-	-	-	-	0.3	-	1.3
Switzerland	0.4	-	-	-	-	-	-	-	-	0.4
UK	1.4	-	-	0.3	-	-	7.3	-	-	9.1
European Total	3.8	-	-	1.1	-	-	10.9	0.4	5.4	21.6

Source: JP Morgan and Bank of America.

Total European placed issuance in tables 2.2 (on page 11) and 2.6 may show discrepancies due to the separate sources used to produce these tables, with country-level placed issuance volumes in table 2.6 having minor variations to what AFME has reported prior to Q1:2020.

Simple Transparent & Standardised (STS) Securitisation

2.7 STS Securitisation Issuance, EUR bn

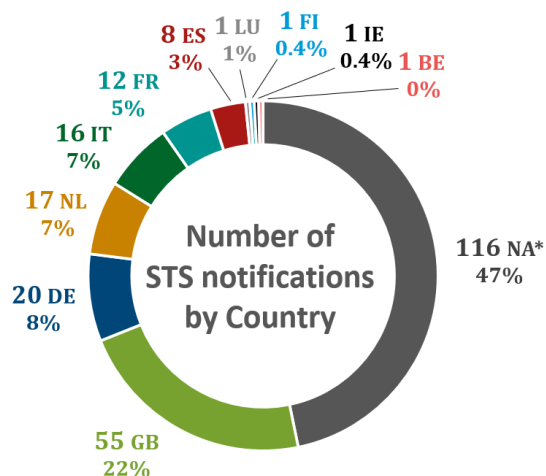


2.8 Cumulative Number of STS Notifications by Deal Type (as of Q1 2020)

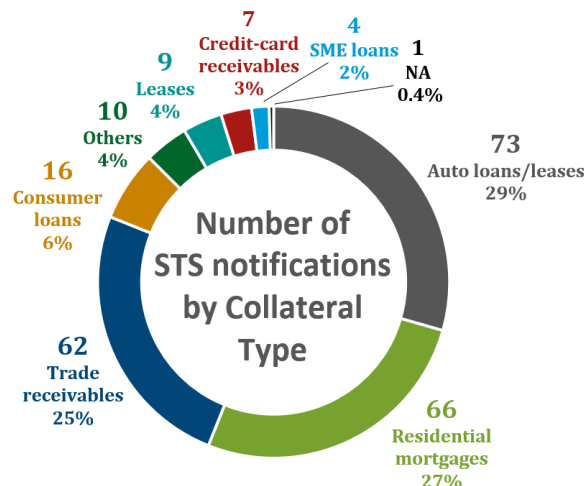
Public	133
Private	115
Total	248

ABCP	97
Non-ABCP	151
Total	248

2.9 Cumulative Number of STS Notifications by Country (as of Q1 2020)



2.10 Cumulative Number of STS Notifications by Collateral Type (as of Q1 2020)



In Q1 2020, EUR 11.4 billion of securitised product was notified as STS by ESMA.

This represented 38% of the total issued volume in Q1 2020 (EUR 30.1 billion).

Source: Bank of America, ESMA. *Includes 115 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.

Oustandings

All volumes in EUR bn

3.1 Total European Outstandings by Collateral Type

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
Auto	81.4	74.9	76.7	77.8	82.5
Cards	26.4	27.1	26.7	27.2	27.3
SME ABS	77.2	71.6	68.5	67.3	84.5
CMBS	31.4	32.3	32.7	31.5	32.5
Consumer	60.8	67.7	64.0	63.5	63.6
Leases	16.9	18.0	18.7	18.3	18.1
RMBS	637.2	640.4	650.6	635.4	640.4
Other	59.3	58.8	58.1	58.1	59.7
Total*	990.6	990.9	996.0	979.1	1,008.6

CLO / CDO	N/A	130.1	137.3	137.7	N/A
Total (incl. CLO / CDO)	990.6	1,120.9	1,133.3	1,116.9	1,008.6

3.3 Total US Outstandings by Collateral Type

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
ABS	N/A	1,391.9	1,445.8	1,618.8	N/A
Agency MBS	N/A	6,529.3	6,503.5	6,760.6	6,964.9
Non-Agency RMBS	N/A	744.3	740.4	988.9	N/A
Non-Agency CMBS	N/A	487.2	487.3	546.8	N/A
Total	N/A	9,152.7	9,176.9	9,915.2	N/A

3.2 Total European Outstandings by Vintage (ex- CLOs)

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
2020	33.6	N/A	N/A	N/A	N/A
2019	160.7	19.2	69.1	103.5	164.8
2018	158.0	183.0	177.2	171.2	165.4
2017	117.8	144.1	136.8	129.5	124.4
2016	110.6	140.0	129.6	122.1	115.4
2015	71.9	87.7	82.2	78.2	75.6
2014	38.2	70.9	66.5	54.3	50.3
2013	31.4	37.7	35.7	32.8	32.1
2012	11.9	15.6	14.0	13.6	12.3
2011	13.1	17.5	17.3	17.0	16.7
2010	71.1	75.2	73.8	72.2	71.5
Prior	172.3	199.8	193.9	184.8	180.0
Total	990.6	990.9	996.0	979.1	1,008.6

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 2019:Q3.

Outstanding European volumes by vintage in table 3.2 may show discrepancies with issuance volumes reported in section 2 of this report (Issuance, pp. 9-14) 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)

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
Belgium	51.5	55.2	54.4	53.5	52.5
France	117.5	109.5	122.2	120.2	122.3
Germany	46.5	42.1	44.4	45.4	49.1
Greece	12.7	16.3	16.3	15.4	14.6
Ireland	27.6	26.3	26.1	23.6	24.6
Italy	144.8	136.0	132.7	132.1	149.9
Netherlands	160.0	163.7	166.8	162.5	161.0
Pan Europe	4.7	5.3	5.3	5.0	4.8
Portugal	16.8	25.0	22.9	21.7	20.8
Spain	138.3	142.9	138.6	135.5	142.3
Switzerland	4.2	3.8	4.0	3.6	3.8
UK	259.7	258.2	256.1	254.7	256.0
Other Europe	6.3	6.6	6.2	5.9	6.8
Eurozone	724.8	726.7	733.9	718.9	724.8
European Total	990.6	990.9	996.0	979.1	1,008.6
US Total	N/A	9,152.7	9,176.9	9,915.2	N/A

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 (Issuance, pp 9-14) 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)

2020:Q1

	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	CLO / CDO	Other	TOTAL
Belgium	0.0	0.2	21.4	0.1	0.0	0.0	29.8	N/A	0.0	51.5
France	5.0	1.4	2.0	0.4	15.5	0.0	93.2	N/A	0.0	117.5
Germany	32.0	0.0	2.4	1.5	2.7	1.8	2.9	N/A	3.1	46.5
Greece	0.1	2.1	4.0	0.0	1.5	0.5	0.4	N/A	4.2	12.7
Ireland	0.1	0.0	0.0	0.2	0.0	0.0	24.8	N/A	2.4	27.6
Italy	7.8	0.0	26.7	1.5	27.6	12.3	55.0	N/A	13.8	144.8
Netherlands	0.7	0.0	0.0	1.3	1.2	0.0	156.9	N/A	0.0	160.0
Pan Europe	0.0	0.0	0.1	1.3	0.0	0.0	3.1	N/A	0.2	4.7
Portugal	1.1	0.0	2.1	0.0	0.3	0.0	11.8	N/A	1.5	16.8
Spain	7.3	1.7	17.8	0.0	7.0	1.5	101.9	N/A	1.0	138.3
Switzerland	3.1	0.9	0.0	0.0	0.0	0.0	0.2	N/A	0.0	4.2
UK	21.0	20.1	0.6	24.3	4.8	0.6	156.7	N/A	31.6	259.7
Other Europe	3.1	0.0	0.0	0.8	0.3	0.1	0.5	N/A	1.5	6.3
Eurozone	56.3	5.4	76.5	7.0	55.8	16.3	479.9	N/A	27.7	724.8
European Total	81.4	26.4	77.2	31.4	60.8	16.9	637.2	N/A	59.3	990.6

2019:Q4

	Auto	Cards	SME ABS	CMBS	Consumer	Leases	RMBS	CLO / CDO	Other	TOTAL
Belgium	0.0	0.2	21.6	0.1	0.0	0.0	30.7	N/A	0.0	52.5
France	5.3	1.4	2.0	0.3	16.4	0.0	97.0	N/A	0.0	122.3
Germany	33.4	0.0	2.3	2.2	3.2	2.0	2.9	N/A	3.1	49.1
Greece	0.1	2.1	6.3	0.0	1.1	0.5	0.4	N/A	4.2	14.6
Ireland	0.2	0.0	0.0	0.3	0.0	0.0	21.7	N/A	2.4	24.6
Italy	8.2	0.0	27.4	1.6	27.9	13.0	58.1	N/A	13.7	149.9
Netherlands	0.8	0.0	0.0	0.7	1.3	0.0	158.3	N/A	0.0	161.0
Pan Europe	0.0	0.0	0.1	1.4	0.0	0.0	3.1	N/A	0.2	4.8
Portugal	1.2	0.0	5.5	0.0	0.3	0.0	12.2	N/A	1.6	20.8
Spain	6.6	1.7	18.6	0.0	8.2	1.8	104.7	N/A	0.7	142.3
Switzerland	2.7	0.9	0.0	0.0	0.0	0.0	0.2	N/A	0.0	3.8
UK	20.6	21.0	0.7	25.2	4.9	0.6	150.7	N/A	32.1	256.0
Other Europe	3.4	0.0	0.0	0.8	0.4	0.2	0.5	N/A	1.5	6.8
Eurozone	58.0	5.4	83.8	7.1	58.3	17.5	489.0	N/A	27.6	746.7
European Total	82.5	27.3	84.5	32.5	63.6	18.1	640.4	N/A	59.7	1008.6

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 (Issuance, pp9-14) 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

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
Aaa/AAA	52.05%	50.82%	51.84%	52.51%	51.65%
Aa/AA	32.74%	31.76%	31.17%	31.59%	31.99%
A/A	8.12%	9.95%	9.45%	8.57%	9.01%
Baa/BBB	3.45%	3.07%	3.67%	3.59%	3.60%
Ba/BB	1.54%	2.01%	1.62%	1.56%	1.53%
B/B	1.07%	1.28%	1.19%	1.13%	1.09%
Caa/CCC	0.57%	0.61%	0.60%	0.59%	0.64%
Ca/CC	0.26%	0.25%	0.25%	0.26%	0.26%
C/C	0.20%	0.24%	0.22%	0.21%	0.22%
Total	100.00%	100.00%	100.00%	100.01%	100.00%

3.7 US

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4
Aaa/AAA	39.43%	39.43%	40.44%	40.93%	42.46%
Aa/AA	5.31%	5.31%	5.34%	5.32%	5.43%
A/A	5.42%	5.42%	5.39%	5.35%	5.27%
Baa/BBB	6.61%	6.61%	6.56%	6.56%	6.72%
Ba/BB	4.19%	4.19%	3.96%	3.81%	3.73%
B/B	4.37%	4.37%	4.38%	4.49%	4.35%
Caa/CCC	17.10%	17.10%	16.63%	16.36%	15.74%
Ca/CC	11.11%	11.11%	10.99%	10.97%	10.16%
C/C	6.45%	6.45%	6.32%	6.21%	6.13%
Total	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

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
France	5/1	5/0	5/1	5/1	5/1	20/3
Germany	12/1	1/0	6/0	7/1	9/1	23/2
Italy	7/73	1/71	3/71	6/72	7/72	17/286
Netherlands	16/1	0/0	9/1	13/1	13/1	35/3
Spain	58/11	18/5	31/8	31/8	38/8	118/29
UK	58/3	17/2	26/2	47/3	52/3	142/10
Multinational	31/0	49/3	12/0	22/0	26/0	67/0
European Total	244/93	91/79	136/85	183/89	205/89	615/342
US	1813/329	773/164	1131/221	1279/258	1447/258	4630/901

4.2 S&P Global Ratings

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
France	5/0	2/0	1/0	2/0	0/0	5/0
Germany	12/1	0/0	8/0	1/0	3/1	12/1
Italy	43/4	0/0	29/4	14/0	0/0	43/4
Netherlands	27/0	4/0	3/0	4/0	16/0	27/0
Spain	95/1	0/0	64/0	12/0	19/1	95/1
UK	261/17	0/0	14/0	136/0	111/17	261/17
Multinational	17/18	1/4	2/1	4/9	10/4	17/18
European Total	460/41	7/4	121/5	173/9	159/23	460/41
US	1090/863	208/237	212/170	227/171	443/285	1090/863

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

Upgrades/Downgrades by country

4.3 DBRS

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
France	1 / 0	1/0	1 / 0	3 / 0	7 / 0	12/0
Germany	0 / 0	6/0	3 / 0	5 / 0	7 / 0	21/0
Italy	13 / 0	11/2	20 / 0	22 / 1	15 / 0	68/0
Netherlands	0 / 0	1/0	16 / 0	1 / 0	0 / 0	18/0
Spain	9 / 0	6/0	23 / 0	5 / 0	18 / 0	52/0
UK	2 / 0	2/2	2 / 0	8 / 0	16 / 0	28/2
Multinational	1 / 0	3/0	6 / 0	6 / 0	19 / 4	34/4
European Total	26 / 0	30/4	71 / 0	50 / 1	82 / 4	233/9
US	561 / 65	433/16	575 / 14	701 / 6	186 / 7	1895/43

4.4 Fitch Ratings

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
France	3/0	0/0	4/9	4/0	1/0	9/9
Germany	4/3	0/1	2/0	0/0	7/2	9/3
Italy	5/3	12/0	1/2	1/2	1/0	15/4
Netherlands	15/0	11/6	3/0	5/0	12/1	31/7
Spain	34/0	66/2	19/1	18/2	16/5	129/8
UK	121/9	79/4	27/4	13/1	159/11	278/20
Multinational	4/0	0/0	7/0	20/2	3/0	30/2
European Total	194/18	187/14	64/17	68/137	199/19	518/187
US	1,995/418	2,684/351	1,079/146	1,566/610	449/137	5778/1244

Source: DBRS, Fitch Ratings

Upgrades/Downgrades by collateral

Moody's Investor Service

4.5 Europe

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	19 / 6	1/4	11 / 6	11 / 6	14 / 6	37/22
CDO	31 / 0	7/0	12 / 0	22 / 0	26 / 0	67/0
CMBS	14 / 3	1/1	8 / 1	11 / 3	11 / 3	31/8
Credit Card	1 / 0	0/0	0 / 0	1 / 0	1 / 0	2/0
RMBS (prime)	139 / 73	67/64	88 / 68	108 / 70	119 / 70	382/272
RMBS (non-conforming)	40 / 11	15/10	17 / 10	30 / 10	34 / 10	96/40
Total	244 / 93	91/79	136 / 85	183 / 89	205 / 89	615/342

4.6 US

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	271 / 0	68/0	139 / 0	179 / 0	227 / 0	613/0
CDO	158 / 76	51/42	81 / 52	104 / 58	128 / 58	364/210
CMBS	132 / 88	62/33	81 / 49	99 / 59	120 / 59	362/200
Credit Card	11 / 0	0/0	0 / 0	7 / 0	11 / 0	18/0
RMBS	1241 / 165	592/89	829 / 120	890 / 141	961 / 141	3272/491
Total	1813 / 329	773/164	1130 / 221	1279 / 258	1447 / 258	4629/901

S&P Global Ratings

4.7 Europe

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	7/0	0/0	2/0	5/0	3/0	10/0
CDO	9/1	3/4	2/1	4/9	10/9	19/23
CMBS	0/3	0/0	0/4	6/0	7/12	13/16
Credit Card	0/0	0/0	1/0	0/0	0/0	1/0
RMBS (prime)	22/0	0/0	102/0	34/0	35/2	171/2
RMBS (subprime / non-conforming)	13/0	4/0	14/0	124/0	104/0	246/0
Total	51/4	7/4	121/5	173/9	159/23	460/41

4.8 US

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	92/0	108/1	83/0	77/4	170/0	438/5
CDO	0/0	41/14	1/2	24/19	50/19	116/54
CMBS	0/71	29/48	31/21	9/24	27/33	96/126
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0
RMBS (prime)	37/22	16/91	33/37	41/71	24/105	114/304
RMBS (subprime / nonconforming)	90/118	14/83	64/110	76/53	172/128	326/374
Total	219/211	208/237	212/170	227/171	443/285	1090/863

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

Upgrades/Downgrades by collateral

DBRS

4.9 Europe

	2020:Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	7 / 0	6/2	5 / 0	14 / 0	6 / 0	31/2
CDO	2 / 0	8/0	8 / 0	5 / 0	6 / 0	27/0
CMBS	0 / 0	3/0	0 / 0	0 / 0	0 / 0	3/0
Credit Card	9 / 0	5/0	7 / 0	12 / 0	16 / 0	40/0
RMBS (prime)	6 / 0	6/2	41 / 0	9 / 1	32 / 0	88/3
RMBS (non-prime)	0 / 0	0/0	7 / 0	6 / 0	14 / 4	27/4
Other ABS	2 / 0	2/0	3 / 0	4 / 0	8 / 0	17/0
Total	26 / 0	30/4	71 / 0	50 / 1	82 / 4	233/9

4.10 US

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	65 / 0	78/0	33 / 2	52 / 0	27 / 0	190/2
CDO	5 / 1	13/3	10 / 0	13 / 1	4 / 0	40/4
CMBS	37 / 23	100/10	23 / 3	6 / 5	4 / 6	133/24
Credit Card	17 / 0	2/0	1 / 0	20 / 0	10 / 0	33/0
RMBS	421 / 41	222/3	486 / 9	599 / 0	73 / 0	1380/12
Other ABS	16 / 0	18/0	22 / 0	11 / 0	68 / 1	119/1
Total	561 / 65	433/16	575 / 14	701 / 6	186 / 7	1895/43

Fitch Ratings

4.11 Europe

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	10/0	2/0	1/9	4/2	2/0	9/11
Credit Card	0/0	0/0	0/0	0/0	0/0	0/0
Other ABS	4/0	1/0	5/3	3/128	1/1	10/132
CDO	4/0	14/1	12/1	28/4	15/2	67/8
CMBS	0/9	0/1	2/4	0/1	0/1	2/7
RMBS (prime)	57/6	80/10	23/0	31/2	53/8	187/20
RMBS (non-conforming)	100/3	71/2	14/0	2/0	112/7	199/9
Other RMBS	19/0	19/0	7/0	0/0	16/0	42/0
Total	194/18	187/14	64/17	68/137	199/19	518/51

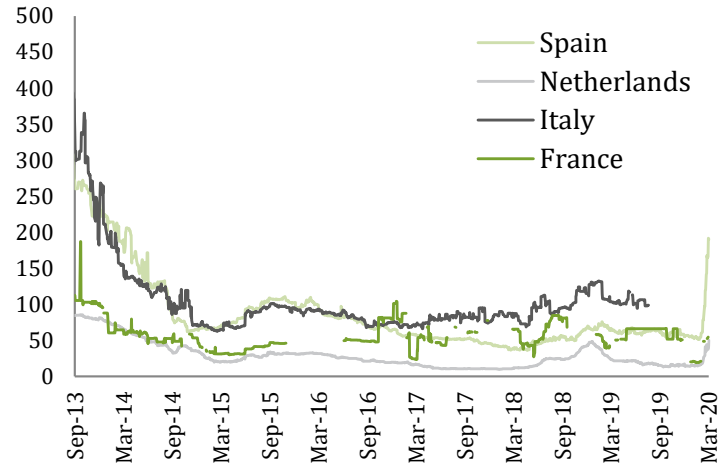
4.12 US

	2020: Q1	2019:Q1	2019:Q2	2019:Q3	2019:Q4	TOTAL
Auto	30/0	25/0	40/0	18/0	23/0	106/0
Credit Card	0/0	1/0	0/0	0/0	0/0	1/0
Other ABS	22/0	11/3	10/0	29/29	8/5	58/37
CDO	23/23	12/21	55/11	9/0	3/5	79/37
CMBS	20/45	61/51	28/62	42/46	24/75	155/234
RMBS (prime)	202/139	344/120	0/0	56/193	0/0	400/213
RMBS (subprime)	483/157	1,467/46	17/6	574/228	18/5	2076/285
Other RMBS	1,215/54	763/110	929/67	838/114	373/47	2903/338
Total	1,995/418	2,684/351	1,079/146	1,566/610	449/137	5778/1244

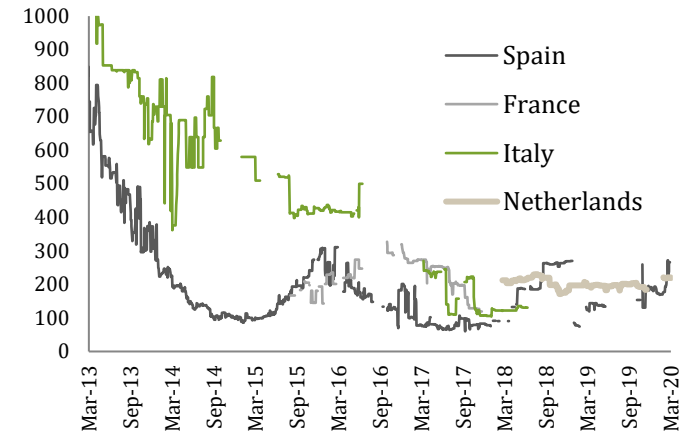
Source: DBRS, Fitch Ratings

Valuations and Spreads

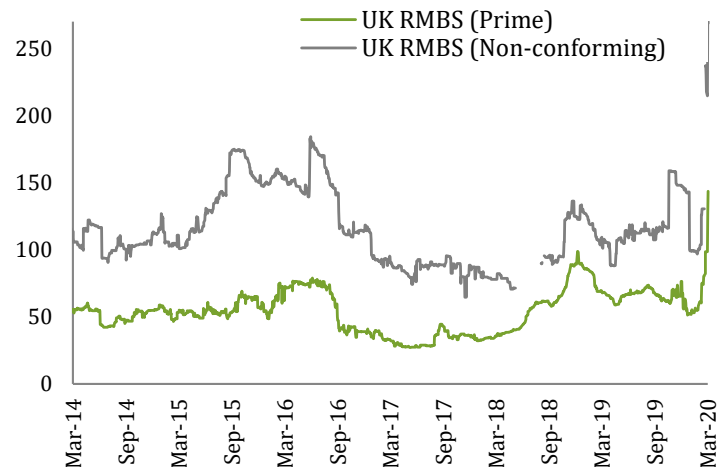
5.1 European 3-5 Yr AAA RMBS Spreads (bps)



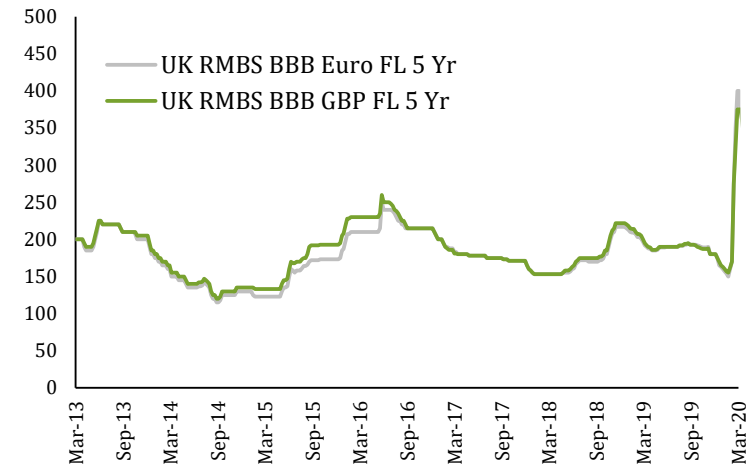
5.2 European 3-5 Yr BBB RMBS Spreads (bps)



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

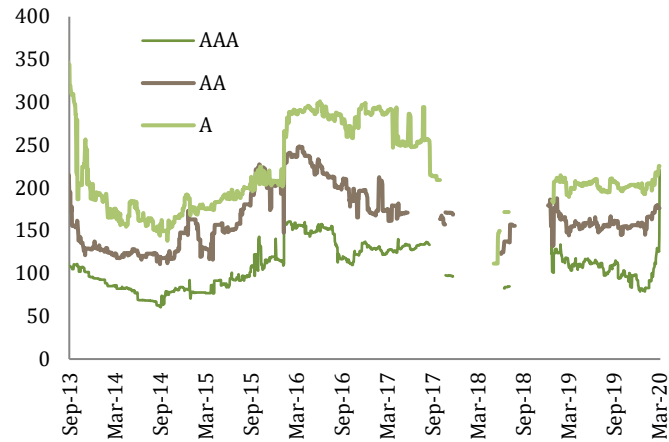


5.4 UK 5 Yr BBB RMBS Spreads (bps)



Source: IHS Markit, JP Morgan

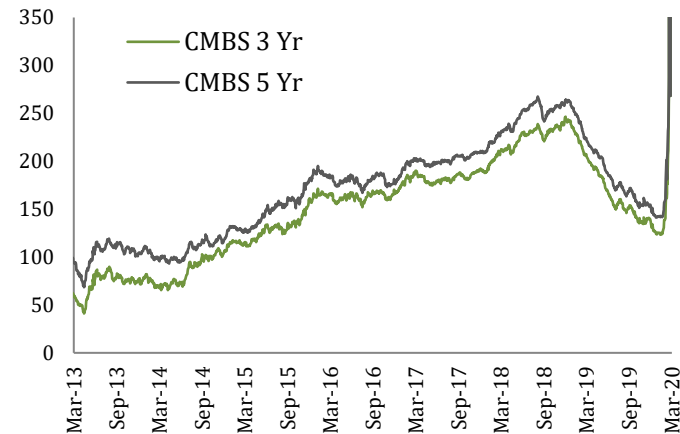
5.5 European 3-5 Yr AAA, AA, A CMBS Spreads (bps)



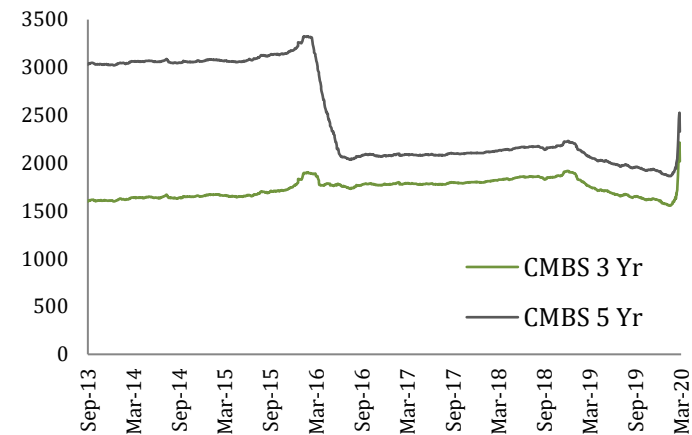
5.6 European 3-5 Yr BBB CMBS Spreads (bps)



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

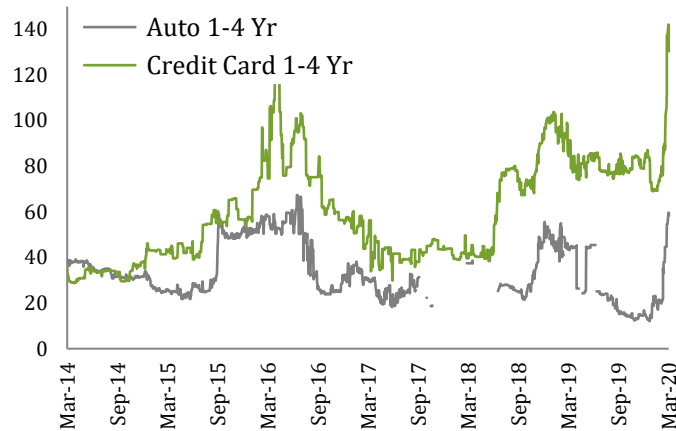


5.8 US 3 & 5 Yr BBB CMBS Spreads (bps)

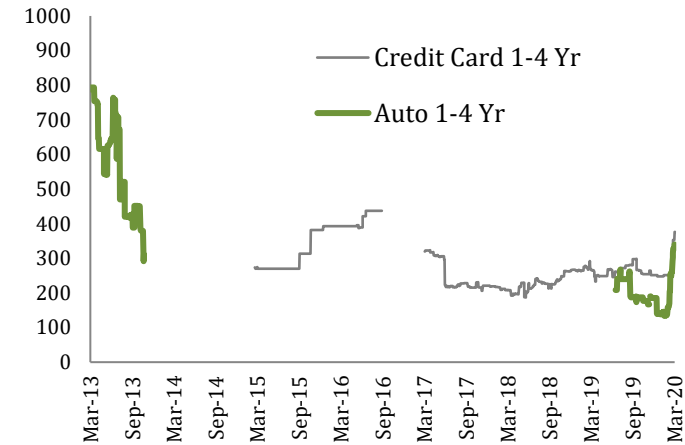


Source: IHS Markit, Trepp

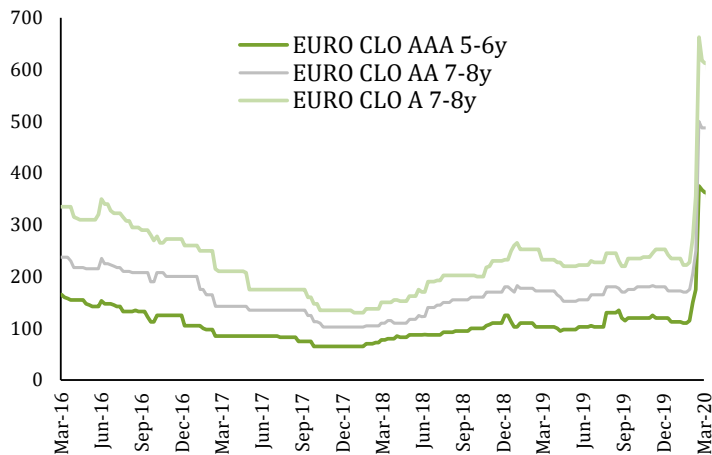
5.9 European 1-4 Yr AAA ABS Spreads (bps)



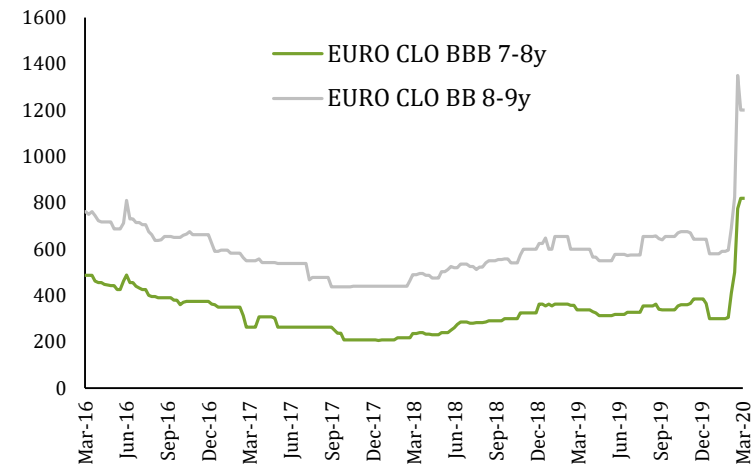
5.10 European 1-4 Yr BBB Spreads (bps)



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



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



Source: IHS Markit and JP Morgan

ABCP

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

	2019				2018		
	H2	H1	Change		H2	H1	Change
Euromarket	14.14	13.46	0.68		14.36	13.45	0.91
France	7.13	7.23	-0.10		6.58	6.15	0.43
Germany	12.26	15.09	-2.84		15.30	13.39	1.91
Italy	13.43	11.89	1.54		11.74	10.06	1.68
Netherlands	2.17	1.92	0.25		2.65	2.28	0.37
Other	3.21	3.21	0.00		2.89	2.52	0.36
Sweden	0.87	0.95	-0.09		0.89	0.85	0.04
United Kingdom	13.85	13.18	0.67		12.03	11.03	1.01
Total	78.53	77.95	0.58		76.70	68.59	8.10

6.2 EU ABCP Outstandings by Programme Type

	2019				2018		
	H2	H1	Change		H2	H1	Change
Multi-Seller	67.55	66.47	1.08		64.28	60.68	3.60
Repo	21.32	19.62	1.70		16.91	14.08	2.83
Single-Seller	0.17	0.18	-0.01		0.16	0.13	0.03
Total	89.04	86.27	2.77		81.36	74.89	6.46

6.3 US ABCP Outstandings by Programme Type

	2019				2018		
	H2	H1	Change		H2	H1	Change
Multi-Seller	151.52	147.86	3.66		143.16	140.87	2.29
Repo	35.56	34.66	0.89		7.04	7.46	-0.42
Single-Seller	9.65	7.59	2.05		29.67	28.73	0.93
Total	187.08	182.52	4.56		180	177	3

ABCP seller additions

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

	2019				2018		
	H2	H1	Change		H2	H1	Change
Austria	0.30	0.00	0.30		0.00	0.10	-0.10
Belgium	0.00	0.00	0.00		0.00	0.05	-0.05
Czech Republic	0.04	0.04	0.00		0.00	0.00	0.00
Euromarket	0.78	0.14	0.64		1.52	0.73	0.79
Finland	0.00	0.07	-0.07		0.00	0.00	0.00
France	0.83	0.54	0.29		0.40	0.25	0.15
Germany	0.74	0.05	0.69		0.99	0.63	0.37
Ireland	0.00	0.00	0.00		0.07	0.10	-0.03
Italy	0.40	3.61	-3.21		1.11	1.18	-0.07
Latvia	0.00	0.00	0.00		0.00	0.14	-0.14
Netherlands	0.40	0.00	0.40		1.29	0.06	1.24
Poland	0.00	0.07	-0.07		0.23	0.00	0.23
Spain	0.14	0.00	0.14		0.00	0.00	0.00
Sweden	0.00	0.04	-0.04		0.00	0.00	0.00
Switzerland	0.07	0.07	-0.01		0.01	0.00	0.01
United Kingdom	1.15	0.88	0.27		2.12	1.79	0.33
European Total	4.85	5.52	-0.67		7.75	5.02	2.73

Source: Moody's Investors Service. Latest data available as of H2 2019. 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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