



# Securitisation Data Report Q4:2011



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# Sovereign Impacts on Asset Backed Securities

## Market Environment

### Economic Conditions

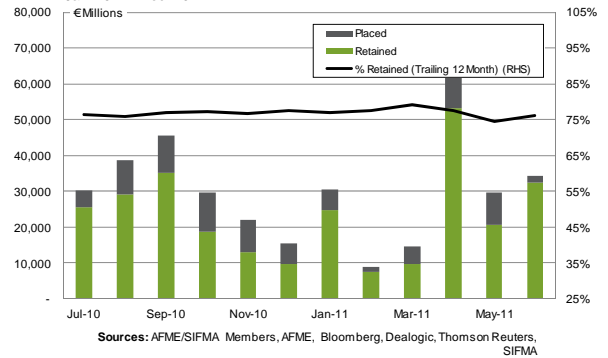
- According to Eurostat, GDP in the Eurozone and the European Union fell by 0.3% in the fourth quarter of 2011 (Q4 2011), compared to growth rates of 0.1% and 0.3% respectively.
- According to the January European Central Bank (ECB) bank lending survey, banks reported, on net, a large tightening of lending standards in Q4 2011, both for small- and medium-sized enterprises (SMEs) and large enterprises. Standards for short-term loans continued to further tighten for the second quarter in a row, while standards for long-term loans continued to tighten. The extremely weak macroeconomic backdrop for Europe and negative industry outlooks contributed the most to tightening standards for corporates. At the same time, bank access to financing and their liquidity positions featured prominently in tightened lending standards.
- In Q4 2011, major central banks adopted a coordinated action to provide liquidity support to the global financial system. The aim of these actions was to ease strains in financial markets and thusly support the supply of credit to household and businesses. At the end of November, coordinated central bank actions alleviated dollar funding needs by easing pricing on dollar liquidity swap arrangements. In mid-December, the European Central Bank (ECB) announced several measures to support bank lending and money market activities in the euro area money market. In particular, the ECB would conduct two longer-term refinancing operations (LTROs) with a 3-year maturity, reduced the reserve ratio requirements from 2% to 1%, and eased collateral requirements in European system operations for asset-backed securities (ABS) backed by SME loans or RMBS. Furthermore, the ECB announced the launch of a new covered bond purchase program (CBPP2) for EUR 40 billion.
- Overall, the demand for loans, which were primarily to continue restructuring debts, dropped in the Q4 2011.

### Term Issuance and Outstanding Volumes

- In Q4 2011, EUR 131.7 billion of securitised products were issued in Europe, an increase of 144.9% from Q3 2011 (EUR 53.8 billion) but a decline of 19.5% from Q4 2010 (EUR 163.6 billion.) The percentage of placed issuance in Q4 2011 decreased slightly from Q3 2011, with 19.5% placed in Q4 compared to 21.9%.
- For the full year 2011, a total of EUR 366.3 billion of securitised products were issued; of this, approximately 76% was retained, remaining relatively unchanged from 2010's 77% retention rate.

European Structured Finance Issuance

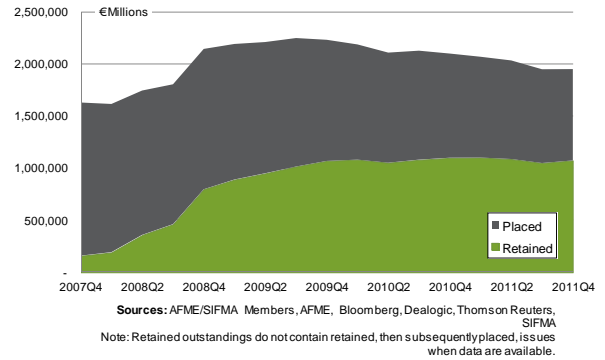
Jan. 2011 - Dec. 2011



- By the end of Q4 2011, about EUR 1.95 trillion of securitised debt was outstanding, of which EUR 1.07 trillion (55% of outstanding) currently retained on bank balance sheets or used for repo.

European Structured Finance Outstanding

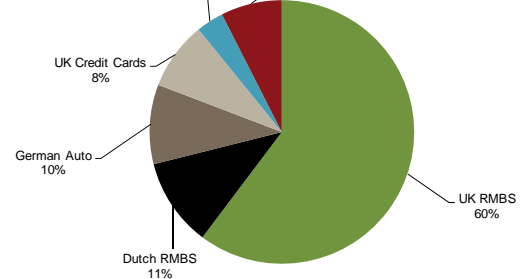
2007:Q4 - 2011:Q4



- UK RMBS continues to make up the majority of placed issuance, followed by Dutch RMBS, German Auto, UK credit cards, and French auto.

Placed European Issuance

Fourth Quarter 2011



### Credit Quality

- In Europe, the amount of negative ratings migrations eased slightly in Q4 from Q3 2011. Downgrades were largely concentrated in CDOs and non-conforming RMBS. Conversely, in the US, the amount of positive

ratings migrations picked up in the Q4 from the third quarter because of the effect of the increasing in consumer spending and the falling of unemployment rates. However, the weak macroeconomic fundamentals in Europe sharply reduced bank lending. Risk of recession will continue to be negative factors on European credit performance.

- Although the ECB lowered collateral requirements for SME deals mid-December to single A at issuance, the weak macroeconomic fundamentals generally had a negative effect on SME ratings, particularly because of sovereign rating ceilings. Moody's noted that its outlooks for banking systems with active SME markets were largely negative. Spain, currently on negative outlook with ratings of A1, is the most active in the SME space and faces heightened risk in 2012.<sup>1</sup> However, seven national central banks have lowered collateral requirements below that of the ECB: Cyprus, Spain, France, Austria, Italy, Portugal, and Ireland.

### ABCP Trends

- According to Dealogic, European ABCP issuance in Q4 2011 was EUR 100 billion, double the amount from Q3 (EUR 56.7 billion) and over twice the amount from Q4 2010 (EUR 38.8 billion). The need for short-term funding by European banks and the continued difficulty accessing the dollar funding market continued to play a role in the pickup of the European ABCP market.

### Major Regulatory, Legislative and Policy Initiatives

- On 20 October 2011, the proposals for the Review of the Markets in Financial Instruments Directive (MiFID)<sup>2</sup> and Regulation (MiFIR)<sup>3</sup> were published by the European Commission (Commission). The proposals extend pre and post trade transparency requirements to non-equities, including securitisation products.
- On 31 October 2011, ESMA announced the successful registrations of Fitch Ratings, Moody's Investor Service and Standard & Poor's as Credit Rating Agencies (CRAs). The announcement confirms that they comply with the standards established in the Regulation on CRAs, entered into force on September 2009. The ratings issued by these institutions can now be used for legislative purposes within the European framework (e.g. prudential requirements for securitisation).<sup>4</sup>

- On 4 November 2011, the Financial Stability Board (FSB) published the report for the G20 leaders entitled '*Overview of Progress in the Implementation of the G20 Recommendations for Strengthening Financial Stability*'. The FSB announces the launch of a new workstream on securitisation within its work to strengthen regulation of the shadow banking system. The workstream will focus particularly on retention requirements for suppliers of securitisation and transparency and standardisation of securitisation products.<sup>5</sup>
- In late 2011, the European Commission proposed capital charges of 7% per year of duration on the market value of AAA rated securitisations held by European insurers utilising the standardised approach. At a time when changes in bank capital requirements are likely to put pressure on the amount of finance available to fund the real economy (mortgages, personal loans, SMEs and other asset classes), these proposed capital charges are already sending a very negative signal to investors in all securitisations.
- On 9 November 2011, the UK Financial Services Authority released its CP11/23 entitled '*Solvency II and linked long-term insurance business*'. The paper provides the FSA's views regarding the treatment of residential mortgage backed securities ('RMBS') in linked funds under the current Handbook and COBS rules and guidance. Furthermore, it proposes amendments to the Handbook in SOLPRU and COBS related to RMBS.<sup>6</sup>
- On 14 December 2011, Othmar Karas, the rapporteur at the European Parliament for the Capital Requirements Directive (CRD) and Regulation (CRR) IV workstream published his reports on the proposed legislation. The reports consist of 36 proposed amendments to the Commission's proposed Directive and 139 proposed amendments to the Commission's proposed Regulation. At the beginning of 2012, the European Presidency is expected to publish a compromised proposal regarding CRD IV.<sup>7</sup>
- In the beginning of December, the Federal Reserve, FDIC, and OCC jointly published a revised notice of proposed regulation (NPR) that modifies an earlier proposal on market risk capital rules. The NPR includes alternative standards for calculating capital requirements for certain debt and securitization positions to be used in place of credit ratings. Shortly after the

<sup>5</sup> The Financial Stability Board (FSB), "[Overview of Progress in the Implementation of the G20 Recommendations for Strengthening Financial Stability](#)", 4 November 2011.

<sup>6</sup> Financial Services Authority, "[Solvency II and linked long-term insurance business](#)", 9 November 2011.

<sup>7</sup> European Parliament, Othmar Karas, "[Draft report on the proposal for a directive of the European Parliament and of the Council on the access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms and amending Directive 2002/87/EC of the European Parliament and of the Council on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate](#)", 14 December 2011; "[Draft Report on the proposal for a regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms](#)", 16 December 2011.

<sup>1</sup> Moody's. European SME ABS 2012 Outlook, 16 January 2012.

<sup>2</sup> European Commission, MiFID Proposal, "[Proposal for a Directive of the European Parliament and of the Council on markets in financial instruments repealing Directive 2004/39/EC of the European Parliament and of the Council](#)", 20 October 2011.

<sup>3</sup> MiFIR proposal, "[Proposal for a Regulation of the European Parliament and of the Council on markets in financial instruments and amending Regulation \(EMIR\) on OTC derivatives, central counterparties and trade repositories](#)", 20 October 2011.

<sup>4</sup> European Securities and Markets Authority (ESMA), "[List of registered and certified CRA's](#)", 31 October 2011.

## MARKET HIGHLIGHTS AND COMMENTARY

end of the quarter, the Federal Reserve also released a white paper on current conditions of the housing market and related policy considerations.<sup>8</sup>

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<sup>8</sup> Federal Reserve, "[The U.S. Housing Market: Current Conditions and Policy Considerations](#)," January 4, 2012.

# ISSUANCE

€ BILLIONS<sup>1, 3, 4, 5</sup>

## 1.1. European Historical Issuance

	Q1	Q2	Q3	Q4	TOTAL <sup>2</sup>
2000	14.1	16.4	21.4	26.3	78.2
2001	20.5	43.2	22.7	66.2	152.6
2002	24.3	42.6	35.7	55.1	157.7
2003	43.3	51.9	39.7	82.4	217.3
2004	55.8	59.0	53.2	75.5	243.5
2005	47.8	94.4	41.5	143.3	327.0
2006	69.0	114.3	112.8	184.9	481.0
2007	128.7	152.0	98.3	74.7	453.7
2008	40.0	169.5	134.1	367.6	711.1
2009	123.2	81.2	114.7	94.9	414.1
2010	75.5	32.2	111.5	163.6	382.9
2011	114.6	67.1	53.8	131.7	367.2

## 1.2. US Historical Issuance

	TOTAL <sup>1,2</sup>
2000	1,088.0
2001	2,308.4
2002	2,592.7
2003	2,914.5
2004	1,956.6
2005	2,650.6
2006	2,455.8
2007	2,147.1
2008	933.6
2009	1,358.9
2010	1,276.7
2011	1,013.7

## 1.3.a. European Issuance by Collateral

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
ABS <sup>3</sup>	20.6	16.6	14.0	20.0	71.1
CDO <sup>4</sup>	7.1	0.9	1.3		9.2
CMBS	1.5	0.7		0.1	2.3
RMBS	68.2	38.5	31.5	84.5	222.7
SME	15.7	10.4	7.0	26.4	59.6
WBS	1.6			0.6	2.2
Total <sup>2</sup>	114.6	67.1	53.8	131.7	367.2

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
6.5	3.9	11.8	9.2	31.4
1.6	0.5	26.1	1.4	29.6
1.7	1.5	0.7	2.1	6.1
51.7	24.9	58.2	136.9	271.7
13.4	1.3	12.2	12.7	39.7
0.6		2.5	1.4	4.5
75.5	32.2	111.5	163.6	382.9

## 1.3.b. European Issuance by Retention

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
Placed <sup>7</sup>	25.0	25.9	11.8	25.6	88.3
Retained	89.7	41.2	42.0	106.0	278.9
Total <sup>2</sup>	114.6	67.1	53.8	131.7	367.2

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
16.1	18.8	32.2	21.0	88.1
59.4	13.4	79.4	142.6	294.8
75.5	32.2	111.5	163.6	382.9

## 1.4. US Issuance by Collateral

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>1,2</sup>
ABS <sup>5</sup>	21.3	25.8	19.9	23.5	90.6
CDO <sup>6</sup>	1.2	2.3	2.6	1.6	7.7
Agency MBS	250.9	166.1	200.9	272.6	890.5
Non-Agency CMBS	5.6	5.7	7.5	4.1	22.9
Non-Agency RMBS	0.5	0.2	0.8	0.5	2.1
Total <sup>1,2</sup>	279.5	200.1	231.8	302.3	1,013.7

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>1,2</sup>
25.0	23.1	19.3	15.2	82.6
0.4	0.9	0.1	1.2	2.7
224.7	239.4	320.1	397.1	1,181.3
0.0	0.2	1.3	4.5	6.0
0.0	0.3	0.5	3.3	4.1
250.2	264.0	341.2	421.2	1,276.7

Source: Bloomberg, Citigroup, Dealogic, Deutsche Bank, JP Morgan, Thomson Reuters, Unicredit, AFME, SIFMA

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>3</sup> European ABS issuance includes auto, credit card, leases, loans, receivables and other.

<sup>4</sup> European CDO issuance numbers only include issuance denominated in a European currency regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. Historical CDO issuance totals have been revised due to periodic updates of the sector.

<sup>5</sup> US ABS issuance includes auto, credit card, home equity, student loan, equipment leases, manufactured housing, and other. Historical ABS issuance totals have been revised due to periodic updates of the sector.

<sup>6</sup> US CDO issuance numbers only include US-denominated issuance regardless of the country of collateral and may include European transactions which are denominated in US dollars. Historical CDO issuance totals have been revised due to periodic updates of the sector.

<sup>7</sup> Includes all publicly placed, privately placed, and pre-placed tranches of a security. Partial placements of tranches are considered placed if more than half the euro amount has been placed.

# ISSUANCE

€ BILLIONS<sup>1</sup>

## 1.5. Issuance by Country of Collateral

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
Belgium			1.0	18.0	19.0
Denmark					0.0
France	5.0	1.5	1.2	8.6	16.4
Germany	2.9	2.4	3.5	4.1	12.9
Greece	1.2		4.8	0.4	6.4
Ireland					0.0
Italy	8.0	2.2	8.8	24.3	43.3
Netherlands	31.9	17.2	11.7	24.8	85.6
Portugal	6.9	2.2		0.7	9.9
Spain	19.2	16.7	7.1	18.7	61.7
UK	32.2	23.1	13.6	30.6	99.5
PanEurope		1.1	1.7	0.2	3.0
Other Europe	1.4	0.6	0.3	1.2	3.4
Multinational <sup>7</sup>	5.9	0.0	0.1		6.0
European Total <sup>2</sup>	114.6	67.1	53.8	131.7	367.2
US Total <sup>1,2</sup>	279.5	200.1	231.8	302.3	1,013.7

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
		6.1	6.3	5.3	17.7
	1.0	0.5			1.5
		2.9		6.1	9.0
	4.6	0.5	3.4	4.8	13.4
	1.0				1.0
	2.4	1.1	2.1	1.0	6.6
	0.6	0.4	9.1	5.9	16.0
	50.4	5.4	21.2	61.5	138.5
	1.2	1.2	3.9	10.6	16.9
	1.7	4.1	36.9	12.3	54.9
	11.5	10.0	25.6	55.5	102.6
	1.2		1.4		2.6
			1.6		1.6
	0.1	0.1		0.6	0.7
	75.5	32.2	111.5	163.6	382.9
	250.2	264.0	341.2	421.2	1,276.7

## 1.6. Issuance by Collateral Type and Country of Collateral<sup>2,3,4,5,6,7</sup>

2011:Q4

	ABS <sup>3</sup>	CDO <sup>4</sup>	CMBS	RMBS	SME	WBS	TOTAL <sup>2</sup>
Belgium				18.0			18.0
Denmark							0.0
France	0.9			7.8			8.6
Germany	3.7				0.4		4.1
Greece					0.4		0.4
Ireland							0.0
Italy	7.4			4.1	12.8		24.3
Netherlands				24.8			24.8
Portugal	0.3				0.5		0.7
Spain	4.0			2.4	12.3		18.7
UK	2.4		0.1	27.4		0.6	30.6
PanEurope	0.2						0.2
Other Europe	1.2						1.2
Multinational <sup>7</sup>							0.0
European Total <sup>2</sup>	20.0	0.0	0.1	84.5	26.4	0.6	131.7

	ABS <sup>5</sup>	CDO <sup>6</sup>	AGENCY MBS	NON-AGENCY CMBS	NON-AGENCY RMBS	TOTAL <sup>1,2</sup>
US Total <sup>1,2</sup>	90.6	7.7	890.5	22.9	2.1	1,013.7

Source: Bloomberg, Citigroup, Dealogic, Deutsche Bank, JP Morgan, Thomson Reuters, Unicredit, AFME, SIFMA

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>3</sup> European ABS issuance includes auto, credit card, leases, loans, receivables and other.

<sup>4</sup> European CDO issuance numbers only include issuance denominated in a European currency regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. Historical CDO issuance totals have been revised due to periodic updates of the sector.

<sup>5</sup> US ABS issuance includes auto, credit card, home equity, student loan, equipment leases, manufactured housing, and other. Historical ABS issuance totals have been revised due to periodic updates of the sector.

<sup>6</sup> US CDO issuance numbers only include USD-denominated issuance regardless of the country of collateral and may include European transactions which are denominated in US dollars. Historical CDO issuance totals have been revised due to periodic updates of the sector.

<sup>7</sup> Multinational includes all deals, including CDOs, in which assets are originated from a variety of jurisdictions, or from countries whose total amounts are too small to display.

# ISSUANCE

€ BILLIONS<sup>1</sup>

## 1.7. European Issuance by Rating<sup>3</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
AAA	87.3	51.6	37.1	102.1	278.1
AA	7.9	2.5	0.1	0.7	11.2
A	2.7	1.7	0.7	3.5	8.6
BBB & Below	4.3	3.8	1.1	6.4	15.6
Not Rated	12.4	7.6	14.7	19.0	53.8
European Total <sup>2</sup>	114.6	67.1	53.8	131.7	367.2

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
	61.2	26.7	84.5	142.0	314.4
	1.0	0.3	1.5	3.3	6.2
	1.5	1.6	2.4	5.3	10.8
	0.7	0.7	6.8	3.6	11.8
	11.2	2.9	16.2	9.4	39.7
	75.5	32.2	111.5	163.6	382.9

## 1.8. US Issuance by Rating<sup>4</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>1,2</sup>
AAA	17.4	22.1	21.6	18.8	79.8
AA	0.8	0.9	1.1	2.2	4.9
A	2.3	3.0	1.0	2.0	8.3
BBB & Below	1.2	4.1	0.9	1.8	8.0
Not Rated	7.1	3.9	6.3	5.0	22.2
Agency MBS	250.9	166.1	200.9	272.6	890.5
US Total <sup>1,2</sup>	279.5	200.1	231.8	302.3	1013.7

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>1,2</sup>
	15.9	17.8	12.1	12.5	58.4
	0.4	0.2	0.6	0.6	1.8
	1.5	2.5	1.7	2.9	8.7
	0.2	0.6	0.6	1.3	2.8
	7.5	3.4	6.1	6.7	23.7
	224.7	239.4	320.1	397.1	1181.3
	250.2	264.0	341.2	421.2	1276.7

Source: Bloomberg, Citigroup, Deutsche, JP Morgan, Thomson Reuters, Unicredit, AFME, SIFMA

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>3</sup> European CDO issuance numbers only include issuance denominated in a European currency regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. Historical CDO issuance totals have been revised due to periodic updates of the sector.

<sup>4</sup> US CDO issuance numbers only include USD-denominated issuance regardless of the country of collateral and may include European transactions which are denominated in US dollars. Historical CDO issuance totals have been revised due to periodic updates of the sector.

## 1.9. Securitisation Issuance by Deal Size<sup>1</sup>

2011:Q3

	INCLUDING RETAINED DEALS <sup>2</sup>			
	EUROPE		US	
	# of Issues	€Billions	# of Issues	€Billions
Less than 0.01 Billion	0%	0%	1%	0%
0.01-0.1 Billion	33%	1%	1%	0%
0.1-1.0 Billion	28%	9%	21%	18%
More than 1.0 Billion	39%	90%	6%	13%
Agency MBS	N/A	N/A	72%	70%
Total <sup>3</sup>	100%	100%	100%	100%

2011:Q4

	EXCLUDING RETAINED DEALS <sup>2</sup>				INCLUDING RETAINED DEALS <sup>2</sup>			
	EUROPE		US		EUROPE		US	
	# of Issues	€Billions	# of Issues	€Billions	# of Issues	€Billions	# of Issues	€Billions
Less than 0.01 Billion	0%	0%	0%	0%	0%	0%	0%	0%
0.01-0.1 Billion	1%	10%	1%	7%	0%	10%	1%	7%
0.1-1.0 Billion	24%	55%	21%	27%	11%	49%	22%	27%
More than 1.0 Billion	75%	35%	9%	4%	89%	41%	9%	4%
Agency MBS	N/A	N/A	70%	61%	N/A	N/A	68%	61%
Total <sup>3</sup>	100%	100%	100%	100%	100%	100%	100%	100%

Source: Dealogic

<sup>1</sup> The European data includes all asset classes – ABS, CMBS, RMBS, SME, WBS and CDOs denominated in a European currency. US data includes ABS, non-agency CMBS and RMBS, and USD dollar-denominated CDOs. US agency MBS, which includes agency CMBS and RMBS, is shown separately. All data except for CDOs are included based on the country of collateral.

<sup>2</sup> Dealogic provides data for retained deals based on available market information, sourcing further details from a wide base of syndicate desks wherever possible. Further statistics on retained deals are added based on intelligence from other market participants.

<sup>3</sup> Percentages may not sum to 100% due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.



## BALANCES OUTSTANDING

€ BILLIONS<sup>1</sup>

### 2.1. European Outstandings by Collateral

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
<b>ABS<sup>2</sup></b>	205.5	199.8	200.3	201.5
<b>CDO<sup>3</sup></b>	235.6	227.7	207.6	197.0
<b>CMBS</b>	139.0	138.0	130.4	125.0
<b>RMBS</b>	1,268.8	1,248.5	1,192.4	1,201.4
<b>SME<sup>7</sup></b>	166.3	164.7	162.2	171.4
<b>WBS<sup>4</sup></b>	54.7	55.5	54.5	53.3
<b>Total<sup>5</sup></b>	2,069.8	2,034.3	1,947.3	1,949.7

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
	229.6	216.2	212.9	205.1
	260.9	251.6	236.1	235.2
	146.9	144.7	144.8	143.4
	1,346.3	1,300.5	1,319.7	1,297.0
	154.8	148.0	162.3	166.7
	49.0	49.2	51.5	52.7
	2,187.5	2,110.2	2,127.2	2,100.1

### 2.2. US Outstandings by Collateral

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
<b>ABS<sup>6</sup></b>	1,395.8	1,321.6	1,281.2	1,251.9
<b>Agency MBS</b>	3,896.6	3,850.8	4,182.6	4,311.2
<b>Non-Agency RMBS</b>	603.2	562.8	583.4	578.4
<b>Non-Agency CMBS</b>	523.3	502.1	536.3	543.6
<b>Total<sup>1,5</sup></b>	6,418.9	6,237.4	6,583.5	6,685.1

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
	1,668.7	1,769.2	1,537.0	1,521.3
	4,133.1	4,468.6	4,976.1	5,110.1
	764.0	807.4	691.1	669.4
	580.1	630.8	555.3	559.8
	7,145.9	7,676.0	7,759.5	7,860.5

Sources: Bloomberg (US & Europe), Fannie Mae (US), Federal Reserve (US), Freddie Mac (US), Ginnie Mae (US), Loan Performance (US), Dealogic (US), Thomson Reuters (US), AFME & SIFMA Estimates (US & Europe)

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> European ABS outstanding collateral types include auto loans, credit cards, loans (consumer and student), and other.

<sup>3</sup> Includes CDOs denominated in a European currency, regardless of country of collateral.

<sup>4</sup> Whole Business Securitisation: a securitisation in which the cashflows derive from the whole operating revenues generated by an entire business or segmented part of a larger business. Certain whole business securitisation issues may be bucketed in the ABS or CMBS class based on deal particulars.

<sup>5</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>6</sup> US ABS outstanding collateral types include auto loans, credit cards, loans (home equity, equipment and student loans), CDOs, and other. CDOs outstanding is included in ABS outstanding and represents dollar-denominated tranches.

<sup>7</sup> As of 2010 Q2, SME has been pulled out of the CDO parent category and will be displayed in all tables retroactively for European outstandings.

## BALANCES OUTSTANDING

€ BILLIONS<sup>1</sup>

### 2.3. Outstandings by Country of Collateral<sup>2</sup>

2009 - 2010

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
Austria	2.7	2.6	2.5	2.5
Belgium	63.8	66.1	71.8	76.4
Finland	5.5	5.2	4.9	4.6
France	34.0	32.9	32.1	33.3
Germany	104.0	96.5	94.1	93.3
Greece	42.7	39.5	35.5	35.1
Ireland	71.9	71.5	72.7	72.5
Italy	231.3	228.5	217.8	214.7
Netherlands	328.7	310.1	316.4	321.3
Portugal	47.8	46.2	49.4	57.5
Russia	4.7	4.4	4.4	4.3
Spain	290.6	279.5	297.9	297.4
Turkey	5.0	4.7	5.1	4.8
UK	666.9	645.3	664.4	624.8
Other <sup>3</sup>	3.5	3.7	3.6	3.6
PanEurope <sup>4</sup>	84.9	81.3	68.9	76.5
Multinational	199.5	192.3	185.7	177.4
European Total <sup>2</sup>	2,187.5	2,110.2	2,127.2	2,100.1
US Total <sup>1</sup>	7,145.9	7,676.0	7,759.5	7,860.5

	2009:Q1	2009:Q2	2009:Q3	2009:Q4
	3.1	3.0	2.9	2.8
	55.3	62.3	61.6	68.5
	7.0	6.5	6.2	5.8
	31.9	36.3	35.0	35.1
	132.6	131.7	134.2	105.0
	30.1	35.8	41.9	42.2
	60.8	62.4	67.2	69.7
	208.1	211.2	232.2	239.3
	303.0	319.4	310.1	305.9
	47.7	48.4	49.0	49.0
	3.9	3.9	5.2	4.9
	308.3	312.5	306.6	303.3
	6.8	6.4	6.1	5.8
	686.2	668.5	688.4	689.0
	8.7	7.5	6.9	6.7
	92.5	93.1	89.9	88.0
	206.7	203.0	206.5	212.1
	2,192.9	2,211.9	2,249.8	2,233.1
	6,821.2	7,056.5	6,780.0	6,799.0

2011

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
Austria	2.4	2.3	2.3	2.3
Belgium	75.1	74.6	74.8	85.6
Finland	4.3	4.1	3.8	3.7
France	32.2	33.8	34.3	41.3
Germany	87.4	86.0	83.4	83.4
Greece	31.9	29.9	36.1	34.2
Ireland	69.0	68.5	65.2	62.8
Italy	203.5	192.3	188.8	197.7
Netherlands	311.9	322.9	295.4	314.8
Portugal	60.3	59.5	57.1	55.2
Russia	4.1	4.1	3.9	3.7
Spain	301.1	296.2	286.4	280.7
Turkey	4.5	4.1	3.8	3.4
UK	628.2	610.5	589.2	568.4
Other <sup>3</sup>	5.0	5.0	4.8	5.6
PanEurope <sup>4</sup>	76.0	74.6	69.5	67.4
Multinational	172.9	165.8	148.4	139.5
European Total <sup>2</sup>	2,069.8	2,034.3	1,947.3	1,949.7
US Total <sup>1</sup>	6,418.9	6,237.4	6,583.5	6,685.1

Sources: Bloomberg (US & Europe), Fannie Mae (US), Federal Reserve (US), Freddie Mac (US), Ginnie Mae (US), Loan Performance (US), Dealogic (US), Thomson Reuters (US), AFME & SIFMA Estimates (US & Europe)

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>3</sup> Other includes countries with outstanding securities that are too small to be displayed, such as Georgia, Iceland, Ukraine, Switzerland, Sweden, and Hungary.

<sup>4</sup> As of 2010 Q2, PanEurope has been pulled out of the Multinational parent category and will be retroactively displayed for European outstandings.

## BALANCES OUTSTANDING

### 2.4. European Outstandings by Moody's Investors Service Ratings<sup>1 3</sup>

(as a percentage of total Moody's rated securitisations)

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
Aaa/AAA	70.22%	68.34%	66.39%	65.74%
Aa/AA	11.45%	12.63%	12.11%	12.27%
A/A	7.48%	7.51%	8.57%	8.95%
Baa/BBB	5.75%	5.28%	6.66%	6.91%
Ba/BB	1.42%	2.34%	2.34%	2.20%
B/B	1.04%	1.00%	1.07%	1.12%
Caa/CCC	1.37%	1.69%	1.29%	1.28%
Ca/CC	0.84%	0.76%	1.11%	1.14%
C/C	0.43%	0.44%	0.46%	0.38%
<b>Total<sup>2</sup></b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
	72.87%	72.90%	73.74%	73.42%
	11.00%	10.33%	10.04%	10.63%
	6.10%	6.51%	6.01%	5.79%
	5.25%	5.30%	5.37%	5.45%
	1.36%	1.65%	1.57%	1.50%
	0.84%	0.68%	0.71%	0.77%
	1.15%	1.19%	1.22%	1.14%
	0.93%	0.92%	0.87%	0.86%
	0.51%	0.52%	0.47%	0.44%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

### 2.5. US Outstandings by Moody's Investors Service Ratings<sup>1</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
Aaa/AAA	30.15%	27.60%	28.74%	28.63%
Aa/AA	9.37%	9.18%	7.84%	8.08%
A/A	5.69%	6.35%	6.07%	6.01%
Baa/BBB	5.71%	6.48%	6.11%	6.13%
Ba/BB	4.23%	4.70%	4.77%	4.78%
B/B	7.25%	7.37%	7.73%	7.77%
Caa/CCC	16.92%	17.38%	17.64%	17.83%
Ca/CC	9.94%	9.99%	10.07%	10.12%
C/C	10.74%	10.95%	11.03%	10.64%
<b>Total<sup>2</sup></b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
	37.05%	35.29%	34.65%	33.71%
	10.54%	10.28%	10.06%	9.76%
	7.53%	6.67%	6.44%	6.12%
	7.19%	6.27%	5.94%	5.43%
	6.08%	5.14%	4.75%	3.95%
	8.60%	7.65%	7.15%	6.14%
	11.50%	14.64%	14.34%	15.38%
	5.79%	7.34%	9.16%	9.38%
	5.71%	6.72%	7.51%	10.13%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Moody's Investors Service

### 2.6. European Outstandings by Vintage<sup>1</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
2011	105.1	169.4	215.0	328.7
2010	339.4	331.4	322.0	307.2
2009	285.5	270.5	249.7	241.1
2008	490.1	461.6	418.6	370.6
2007	313.6	290.4	270.2	257.1
2006	255.8	247.7	227.4	214.6
2005	124.6	114.8	107.9	101.7
2004	65.2	58.8	50.4	46.2
2003	40.7	41.0	38.5	37.8
2002	16.0	15.5	15.2	15.0
2001	15.1	14.9	14.2	12.3
2000	9.2	9.0	8.8	8.2
1999	2.9	2.8	2.7	2.4
1998	1.6	1.6	1.6	1.5
Prior	5.1	5.1	5.1	5.1
<b>Total</b>	<b>2,069.8</b>	<b>2,034.3</b>	<b>1,947.3</b>	<b>1,949.7</b>

	2010:Q1	2010:Q2	2010:Q3	2010:Q4
	N/A	N/A	N/A	N/A
	73.4	105.3	210.1	344.4
	360.8	346.8	336.7	314.3
	638.0	606.7	574.5	527.4
	443.6	405.8	387.1	333.3
	309.2	302.0	293.6	278.6
	174.9	162.9	150.9	137.8
	77.3	73.7	71.5	69.5
	52.8	50.6	48.2	42.3
	17.9	17.5	17.0	16.7
	16.4	16.2	15.9	15.7
	12.7	12.8	11.7	10.1
	3.5	3.2	3.1	3.1
	1.6	1.6	1.6	1.6
	5.2	5.2	5.2	5.1
<b>Total</b>	<b>2,187.5</b>	<b>2,110.2</b>	<b>2,127.2</b>	<b>2,100.1</b>

Source: Bloomberg, AFME, SIFMA

<sup>1</sup> The rating distribution is based on current rating and original issuance size. Unrated and defaulted securities are included.

<sup>2</sup> Percentages may not add to 100% due to independent rounding.

<sup>3</sup> Vintage year determined by pricing date of tranche. Restructured issues continue to keep old pricing date.

## BALANCES OUTSTANDING

€ BILLIONS

### 2.7. European Outstandings by Country and Collateral

2011:Q3

	ABS <sup>1</sup>	CDO <sup>2</sup>	CMBS	RMBS	SME <sup>3</sup>	WBS <sup>3</sup>	TOTAL <sup>4</sup>
Austria	0.0		0.2	2.1			2.3
Belgium	0.2		0.1	60.0	14.5		74.8
Finland				3.7	0.1		3.8
France	17.5	0.2	2.4	11.5	2.6		34.3
Germany	32.5	2.3	18.2	20.0	10.3	0.1	83.4
Greece	15.4	3.9		7.2	9.7		36.1
Ireland		3.0	0.4	61.9			65.2
Italy	46.8	4.8	10.3	118.9	6.6	1.4	188.8
Netherlands	6.1	1.9	6.9	266.1	14.5		295.4
Portugal	7.5			38.9	10.7		57.1
Russia	1.1			2.9			3.9
Spain	21.8	2.0	0.3	182.1	80.1		286.4
Turkey	3.8						3.8
UK	41.0	7.9	65.5	416.6	5.9	52.3	589.2
Other <sup>7</sup>	1.4	2.7		0.3	0.4		4.8
PanEurope <sup>9</sup>	2.8	37.2	23.6	0.2	5.6	0.1	69.5
Multinational <sup>5</sup>	2.3	141.7	2.5	0.2	1.1	0.6	148.4
<b>European Total<sup>4</sup></b>	<b>200.3</b>	<b>207.6</b>	<b>130.4</b>	<b>1192.4</b>	<b>162.2</b>	<b>54.5</b>	<b>1947.3</b>

2011:Q4

	ABS <sup>1</sup>	CDO <sup>2</sup>	CMBS	RMBS	SME <sup>3</sup>	WBS <sup>3</sup>	TOTAL <sup>4</sup>
Austria	0.0		0.2	2.0			2.3
Belgium	0.1		0.1	70.8	14.5		85.6
Finland				3.7	0.0		3.7
France	18.4	0.2	2.4	17.6	2.6		41.3
Germany	33.8	2.3	17.2	19.8	10.2	0.1	83.4
Greece	15.4	3.0		6.3	9.5		34.2
Ireland		2.9	0.4	59.5			62.8
Italy	48.4	4.8	10.3	119.2	13.7	1.4	197.7
Netherlands	5.9	1.8	6.8	286.6	13.8		314.8
Portugal	7.5			37.5	10.3		55.2
Russia	1.0			2.7			3.7
Spain	24.1	1.3	0.3	170.8	84.3		280.7
Turkey	3.4						3.4
UK	36.6	7.8	63.1	404.0	5.7	51.2	568.4
Other <sup>7</sup>	2.2	2.7		0.3	0.4		5.6
PanEurope <sup>9</sup>	3.0	36.7	21.9	0.2	5.5	0.1	67.4
Multinational <sup>5</sup>	1.9	133.5	2.4	0.2	0.9	0.6	139.5
<b>European Total<sup>4</sup></b>	<b>201.5</b>	<b>197.0</b>	<b>125.0</b>	<b>1201.4</b>	<b>171.4</b>	<b>53.3</b>	<b>1949.7</b>

Sources: Bloomberg, AFME, SIFMA

<sup>1</sup> European ABS outstanding collateral types include auto loans, credit card, loans (consumer and student), and other.

<sup>2</sup> Includes CDOs denominated in a European currency, regardless of country of collateral.

<sup>3</sup> Whole Business Securitisation: a securitisation in which the cashflows derive from the whole operating revenues generated by an entire business or segmented part of a larger business. Certain whole business securitisation issues may be bucketed in ABS or CMBS based on deal particulars.

<sup>4</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>5</sup> Multinational includes all deals in which assets originate from a variety of jurisdictions. This includes the majority of CDOs denominated in a European currency.

<sup>6</sup> Other includes countries with outstanding securities that are too small to be displayed, such as Georgia, Iceland, Ukraine, Sweden, Switzerland, and Hungary.

<sup>7</sup> As of 2010 Q2, SME has been pulled out of the CDO parent category and will be displayed in all tables retroactively for European outstandings.

<sup>8</sup> As of 2010 Q2, PanEurope has been pulled out of the Multinational parent category and will be retroactively displayed for European outstandings.

## CREDIT QUALITY - RATING CHANGES

### Upgrades/Downgrades by Country<sup>1</sup>

#### 3.1. Fitch Ratings

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
France	1/8	0/0	0/1	N/A	1/9
Germany	11/27	14/34	18/41	N/A	43/102
Italy	2/9	2/2	1/5	N/A	5/16
Netherlands	1/9	0/1	0/9	N/A	1/19
Spain	1/77	14/56	21/79	N/A	36/212
UK	9/86	29/37	25/53	N/A	63/176
Multinational <sup>2</sup>	8/33	4/97	7/56	N/A	19/186
European Total	33/249	63/227	72/244	N/A	168/720
US <sup>4</sup>	68/3882	148/3707	140/1987	N/A	356/9576

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
	0/0	0/3	1/3	0/0	1/6
	0/78	10/26	7/6	6/14	23/124
	3/10	0/7	3/2	1/22	7/41
	4/10	0/1	0/0	2/5	6/16
	1/58	6/31	7/38	1/14	15/141
	23/70	8/91	30/84	27/31	88/276
	7/41	3/67	6/21	4/54	20/183
	38/267	27/226	54/154	41/140	160/787
	55/3455	68/4739	100/9877	46/1948	269/15753

#### 3.2. Moody's Investors Service

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
France	0/0	0/0	0/0	0/0	0/0
Germany	0/4	2/2	0/41	0/2	2/49
Italy	0/1	2/5	0/6	6/14	8/26
Netherlands	1/0	0/12	0/4	0/2	1/18
Spain	1/44	4/64	0/46	0/30	5/184
UK	0/27	0/62	2/64	18/47	20/200
Multinational <sup>3</sup>	94/42	147/50	627/41	357/48	1225/181
European Total	96/118	155/195	629/202	381/143	1261/658
US	696/8448	723/4351	2994/1363	716/299	5129/14461

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
	0/0	0/1	0/0	0/0	0/1
	0/1	0/14	7/5	3/3	10/23
	0/2	1/0	0/1	2/4	3/7
	0/15	4/0	0/0	0/5	4/20
	0/20	0/3	0/0	0/30	0/53
	29/58	4/24	4/14	0/38	37/134
	4/83	22/95	28/75	49/103	103/356
	33/179	31/137	39/95	54/183	157/594
	115/1104	378/11411	531/5897	735/8071	1759/26483

#### 3.3. Standard & Poor's

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
France	0/2	0/24	8/7	0/3	8/36
Germany	11/8	4/51	21/65	3/5	39/129
Italy	0/7	16/38	18/42	6/10	40/97
Netherlands	0/13	0/22	12/54	13/30	25/119
Spain	0/52	4/70	18/175	2/80	24/377
UK	15/46	30/217	51/495	37/76	133/834
Multinational <sup>3</sup>	48/114	68/374	86/294	-61/-204	141/578
European Total	74/242	122/796	214/1132	0/0	410/2170
US	820/2731	358/2495	249/7751	653/5160	2080/18137

	2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
	1/1	0/0	0/0	1/2	2/3
	2/33	17/48	5/26	0/32	24/139
	5/4	0/9	0/8	1/19	6/40
	2/16	0/0	0/6	0/0	2/22
	0/46	0/30	2/25	2/34	4/135
	30/205	23/190	46/50	21/73	120/518
	92/789	185/626	76/187	106/204	459/1806
	132/1094	225/903	129/302	131/364	617/2663
	28/10595	121/3671	48/2123	465/2072	662/18461

Source: Fitch Ratings, Moody's Investors Service, Standard & Poor's

<sup>1</sup> Each box contains two numbers: Upgrades followed by Downgrades. Because the three credit rating agencies track different securities and apply slightly different rating criteria, these numbers are not directly comparable.

<sup>2</sup> Fitch's "Multinational" classification includes cross-jurisdictional CMBS issues as well as the aggregated sum of rating actions in other EMEA countries, namely Austria, Belgium, Greece, Ireland, Portugal, and the Russian Federation. Fitch assigns CDO issues to the country in which the majority of the underlying assets are located.

<sup>3</sup> "Multinational" for Standard & Poor's and Moody's ratings is defined as all issues with collateral located in multiple countries. All CDOs are also included in this category.

## CREDIT QUALITY - RATING CHANGES

### Upgrades/Downgrades by Collateral<sup>1</sup>

#### 3.4. Fitch Ratings – Europe

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	12/0	9/1	2/0	N/A	23/1
<b>Credit Card</b>	0/1	10/1	0/1	N/A	10/3
<b>Other ABS<sup>2</sup></b>	4/14	5/8	3/7	N/A	12/29
<b>CDO</b>	1/131	6/39	26/53	N/A	33/223
<b>CMBS</b>	9/51	19/40	8/70	N/A	36/161
<b>RMBS (prime)</b>	3/45	7/137	10/95	N/A	20/277
<b>RMBS (non-conforming)</b>	4/7	7/1	23/18	N/A	34/26
<b>Total</b>	33/249	63/227	72/244	N/A	168/720

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
4/7	10/3	0/1	4/0	18/11
16/0	0/0	0/0	0/0	16/0
2/25	0/12	3/7	0/7	5/51
2/125	7/87	0/42	1/30	10/284
4/44	3/72	9/34	7/44	23/194
6/58	7/41	19/58	2/45	34/202
4/8	0/11	23/12	27/14	54/45
38/267	27/226	54/154	41/140	160/787

#### 3.5. Moody's Investors Service – Europe

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	0/0	2/0	0/4	1/1	3/5
<b>CDO</b>	94/26	147/29	627/14	356/38	1224/107
<b>CMBS</b>	0/50	0/54	0/78	1/39	1/221
<b>Credit Card</b>	0/0	0/1	0/0	0/0	0/1
<b>RMBS (prime)</b>	2/86	5/141	0/192	5/43	12/462
<b>RMBS (non-conforming)</b>	0/17	1/31	2/56	18/22	21/126
<b>Total</b>	96/179	155/256	629/344	381/143	1261/922

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
0/0	0/6	6/0	5/0	11/6
4/72	22/90	28/70	47/100	101/332
6/17	0/24	4/21	0/13	10/75
14/15	0/1	0/0	0/0	14/16
4/56	5/25	1/29	2/30	12/140
9/35	4/17	0/4	0/40	13/96
37/195	31/163	39/124	54/183	161/665

#### 3.6. Standard & Poor's – Europe

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	2/1	2/9	8/8	2/0	14/18
<b>CDO</b>	50/89	86/92	71/173	217/119	424/473
<b>CMBS</b>	10/32	7/228	12/157	0/21	29/438
<b>Credit Card</b>	0/0	0/6	0/2	0/0	0/8
<b>RMBS (prime)</b>	0/65	0/244	1/355	0/68	1/732
<b>RMBS (non-conforming)</b>	0/20	8/112	21/162	3/4	32/298
<b>Total</b>	62/207	103/691	113/857	222/212	500/1967

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
2/11	12/1	5/0	2/0	21/12
89/781	192/702	87/180	110/196	478/1859
3/159	4/59	6/41	5/32	18/291
16/1	0/1	0/0	0/0	16/2
10/70	0/54	2/28	0/26	12/178
2/16	0/13	22/6	9/13	33/48
122/1038	208/830	122/255	126/267	578/2390

#### 3.7. Fitch Ratings – US

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	26/0	17/0	21/0	N/A	64/0
<b>Credit Card</b>	0/0	0/0	0/0	N/A	0/0
<b>Other ABS<sup>2</sup></b>	12/84	13/85	6/233	N/A	31/402
<b>CDO</b>	7/144	34/100	14/118	N/A	55/362
<b>CMBS</b>	22/788	68/503	99/323	N/A	189/1614
<b>RMBS (prime)</b>	0/303	0/265	0/390	N/A	0/958
<b>RMBS (subprime)</b>	1/1832	0/56	0/229	N/A	1/2117
<b>Other RMBS<sup>3</sup></b>	0/731	16/2698	0/694	N/A	16/4123
<b>Total</b>	68/3882	148/3707	140/1987	N/A	356/9576

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
12/1	18/2	10/0	25/0	65/3
22/0	7/0	0/0	0/0	29/0
8/104	10/142	61/181	6/65	85/492
12/849	9/727	3/383	10/272	34/2231
1/274	25/596	21/433	0/545	47/1848
0/528	0/385	5/4365	0/146	5/5424
0/565	0/2588	0/103	0/142	0/3398
0/1134	0/299	0/4412	5/778	5/6623
55/3455	69/4739	100/9877	46/1948	270/20019

#### 3.8. Moody's Investors Service – US

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	37/0	87/0	56/0	12/0	192/0
<b>CDO</b>	536/32	521/45	2642/66	510/11	4209/154
<b>CMBS</b>	115/481	101/175	137/169	171/207	524/1032
<b>Credit Card</b>	0/0	0/0	4/0	0/0	4/0
<b>RMBS</b>	8/7935	14/4131	155/1128	23/81	200/13275
<b>Total</b>	696/8448	723/4351	2994/1363	716/299	5129/14461

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
9/0	19/0	83/0	32/0	143/0
23/187	191/333	306/237	309/206	829/963
24/721	35/753	47/673	143/2041	249/4188
59/3	0/0	0/3	0/0	59/6
0/193	133/10325	95/4984	251/5824	479/21326
115/1104	378/11411	531/5897	735/8071	1759/26483

#### 3.9. Standard & Poor's – US

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL
<b>Auto</b>	3/2	42/1	40/0	50/8	135/11
<b>CDO</b>	778/200	307/499	195/365	363/1919	1643/2983
<b>CMBS</b>	37/691	9/723	12/684	10/694	68/2792
<b>Credit Card</b>	0/0	0/2	0/3	0/8	0/13
<b>RMBS (prime)</b>	0/1010	0/880	2/3710	23/1345	25/6945
<b>RMBS (subprime)</b>	2/828	0/390	0/2989	207/1186	209/5393
<b>Total</b>	820/2731	358/2495	249/7751	653/5160	2080/18137

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL
16/0	27/3	4/1	14/26	61/30
12/1927	60/1012	2/882	386/384	460/4205
0/1029	9/1007	34/564	59/994	102/3594
0/0	24/36	0/0	6/1	30/37
0/4353	1/1204	7/402	0/266	8/6225
0/3286	0/409	1/274	0/401	1/4370
28/10595	121/3671	48/2123	465/2072	662/18461

Source: Fitch Ratings, Moody's Investors Service, Standard & Poor's

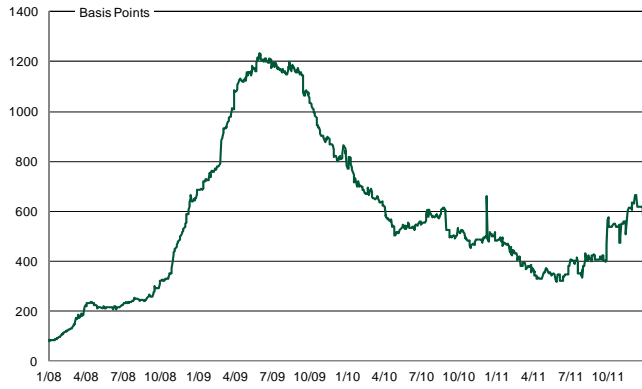
<sup>1</sup> Each box contains two numbers: Upgrades followed by Downgrades. Because the three credit rating agencies track different securities and apply slightly different rating criteria, these numbers are not directly comparable.

<sup>2</sup> May include student loans, equipment leases, home equity, and other.

<sup>3</sup> May include other types of RMBS transactions such as ALT-A, reverse mortgages, government RMBS, etc.

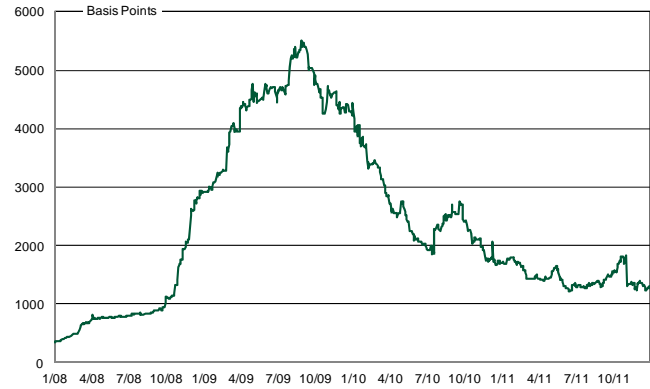
# CMBS SPREADS

## 4.1. European 3-5 Yr AAA CMBS Spreads<sup>1</sup>



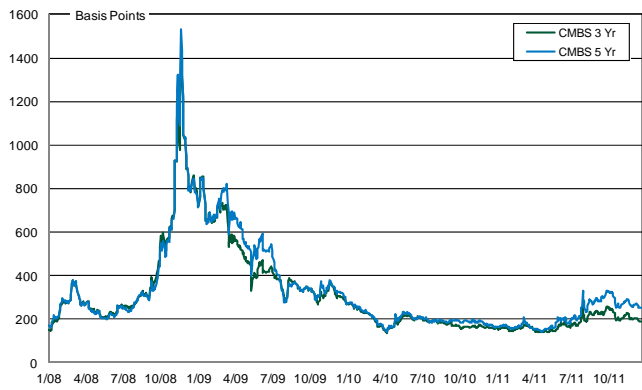
Source: Markit

## 4.2. European 3-5 Yr BBB CMBS Spreads<sup>1</sup>



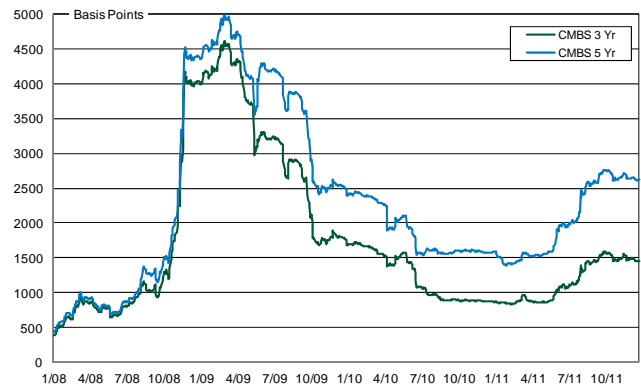
Source: Markit

## 4.3. US 3 & 5 Yr AAA CMBS Spreads<sup>2</sup>



Source: Trepp LLC

## 4.4. US 3 & 5 Yr BBB CMBS Spreads<sup>2</sup>



Source: Trepp LLC

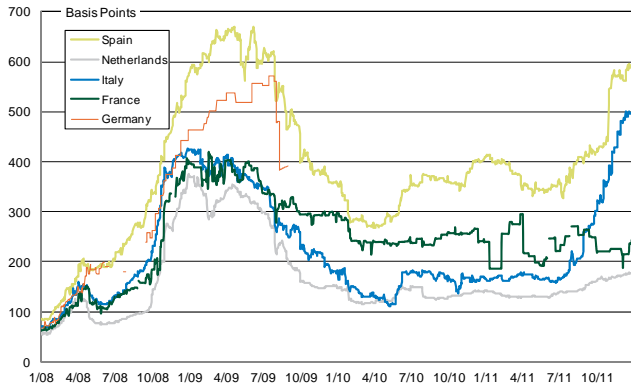
<sup>1</sup> Markit provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting the yield value of a price other than par over the life of a security.

<sup>2</sup> US CMBS spreads are quoted for fixed rate bonds as the spread to the yield on US Treasury Bonds with the same average life as the CMBS bond.

Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

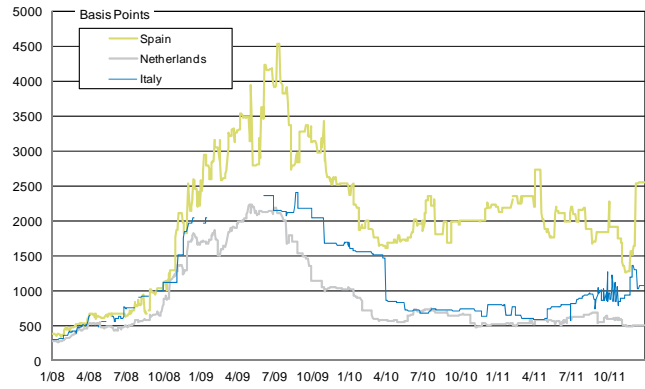
# RMBS SPREADS

## 5.1. European 3-5 Yr AAA RMBS Spreads<sup>1</sup>



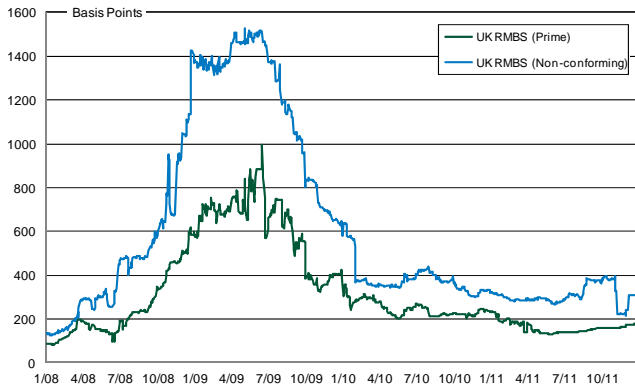
Source: Markit

## 5.2. European 3-5 Yr BBB RMBS Spreads<sup>1,2,3</sup>



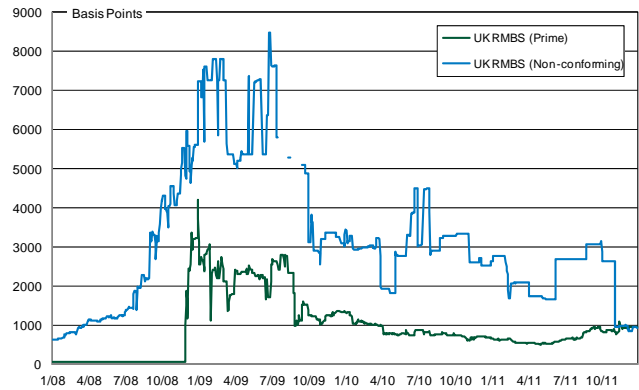
Source: Markit

## 5.3. UK 3-5 Yr AAA RMBS Spreads<sup>1</sup>



Source: Markit

## 5.4. UK 3-5 Yr BBB RMBS Spreads<sup>1,4</sup>



Source: Markit

<sup>1</sup> Markit provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting the yield value of a price other than par over the life of a security.

<sup>2</sup> French 3-5 year BBB RMBS credit spreads are unavailable.

<sup>3</sup> German BBB spreads are unavailable due to insufficient information at time of publication.

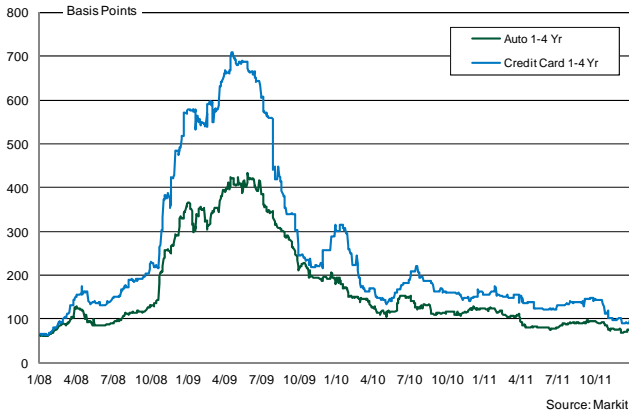
<sup>4</sup> Due to a lack of bonds populating the WAL 3-5 year sector for UK Prime RMBS BBB, the sector has been replaced with the WAL 1-3 year UK Prime RMBS sector. The UK non-conforming RMBS BBB sector will continue to remain WAL 3-5 years.

Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

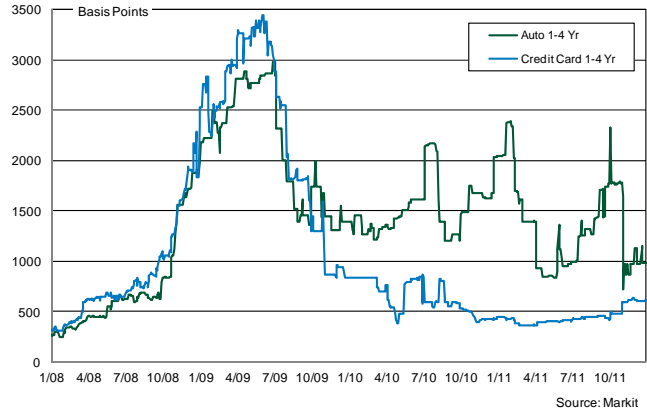


# ABS SPREADS

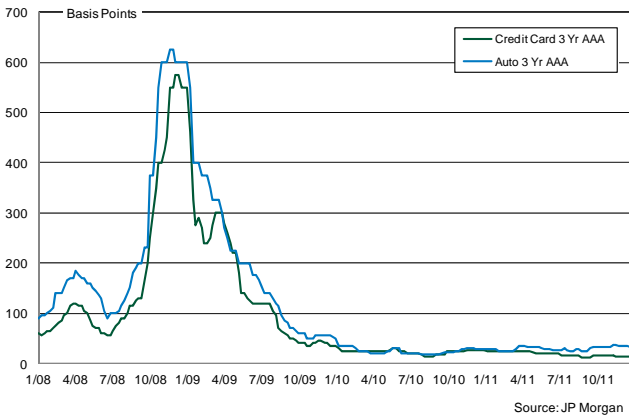
## 6.1. European 1-4 Yr AAA ABS Spreads<sup>1</sup>



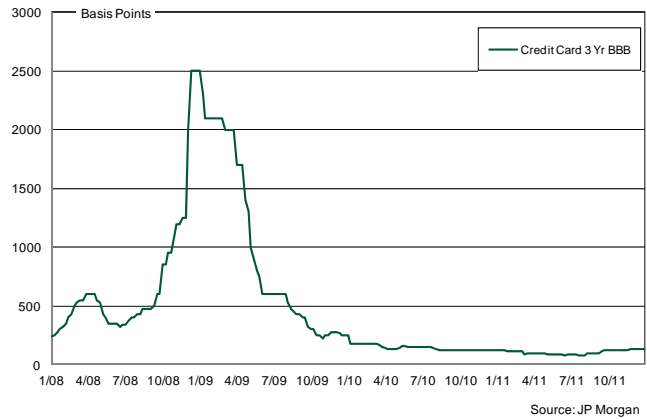
## 6.2. European 1-4 Yr BBB ABS Spreads<sup>1</sup>



## 6.3. US 3 Yr AAA ABS Spreads



## 6.4. US 3 Yr BBB ABS Spreads<sup>2</sup>



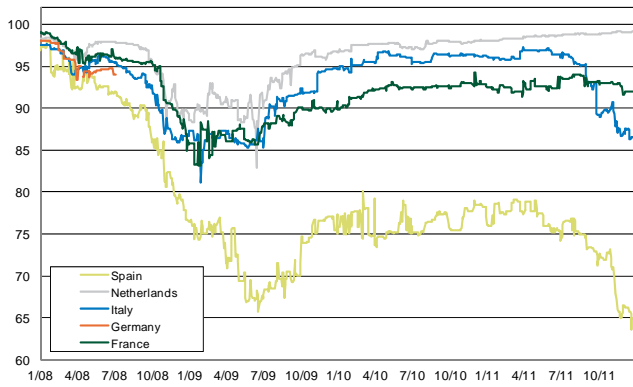
<sup>1</sup> Markit provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting the yield value of a price other than par over the life of a security.

<sup>2</sup> US 3 Yr Auto ABS BBB spreads are not available.

Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

# RMBS PRICES

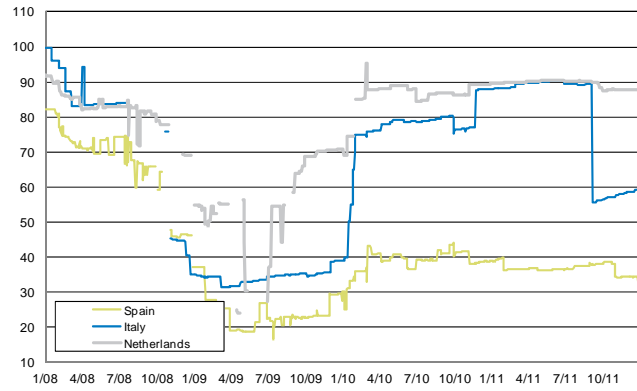
## 7.1. European 3-5 Yr AAA RMBS Prices<sup>1,2</sup>



Source: Markit

1. Spanish AAA RMBS provided: IM Pastor 3, Fondo de Titulizacion Hipotecaria, Class A, Series 3. ISIN# ES0347862007. EUR-denominated.
2. Dutch AAA RMBS provided: Saecure 5 B.V. Class A, Series 1. ISIN# XS0217032738. EUR-denominated.
3. Italian AAA RMBS provided: Vela Home S.r.l. 3, Class A, Series 3. ISIN# IT0003933998. EUR-denominated.
4. German AAA RMBS provided: Hallam Finance plc, Class A, Series 1. ISIN# XS0206470865. EUR-denominated.
5. French AAA RMBS provided: FCC Loggias Compartment 2003, Class A, Series 1. ISIN# FR0010029231. EUR-denominated.

## 7.2. European 3-5 Yr BBB RMBS Prices<sup>1</sup>

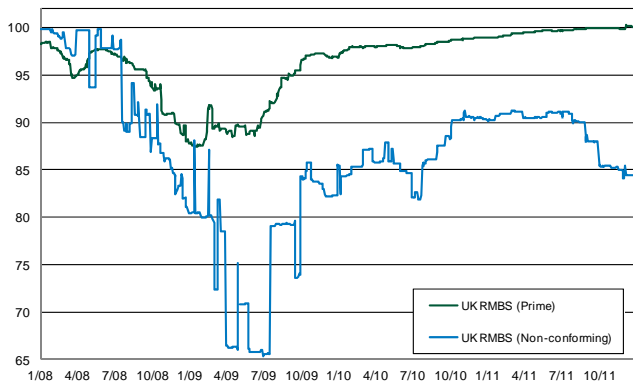


Source: Markit

1. Spanish BBB RMBS provided: Hipocat 8, Fondo de Titulizacion Activos, Class D, Series 1: ISIN# ES0345784047. EUR-denominated.
2. Dutch BBB RMBS provided: Dutch Mortgage Portfolio Loans IV B.V., Class C, Series 1. ISIN# XS0194097670. EUR-denominated.
3. Italian BBB RMBS provided: Intra Mortgage Finance 1 S.r.l., Class 1, Series 1. ISIN# IT0003406003. EUR-denominated.

Note: French and German 3-5 Yr BBB RMBS data are not available.

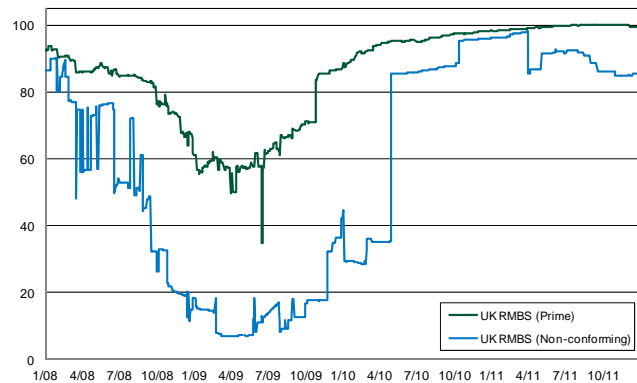
## 7.3. UK 3-5 Yr AAA RMBS Prices<sup>1</sup>



Source: Markit

1. UK AAA prime RMBS provided: Permanent Financing (No. 9) PLC, Class 4A, Series 9. ISIN# XS0248264060. EUR-denominated.
2. UK AAA non-conforming RMBS provided: Leek Finance (No. 17) PLC, Class CC, Series 17. ISIN# XS0232829332. EUR-denominated.

## 7.4. UK 3-5 Yr BBB RMBS Prices<sup>1</sup>



Source: Markit

1. UK BBB prime RMBS provided: Permanent Financing (No. 5) PLC, Class C, Series 5. ISIN# XS0197070831. GBP-denominated.
2. UK BBB subprime RMBS provided: Leek Finance Number Sixteen Plc, Class Cc, Series 1. ISIN# XS0232829332. EUR-denominated.

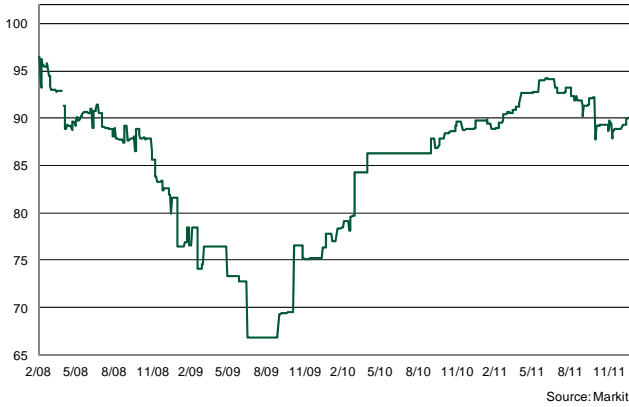
<sup>1</sup> Markit prices: Independent composite prices levels are calculated from dealer contributions which have been subject to multiple cleaning algorithms for one sample bond per sector and ratings category where possible. According to the rules we have agreed on previously, the security we have chosen receives the greatest number of contributions for a bond matching the criteria and must receive at least 3 individual contributions. We have included data from the start of 2007 to present.

<sup>2</sup> A composite level of prices for Germany 3-5 year AAA RMBS could not be formed after 7 July 2008.

Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

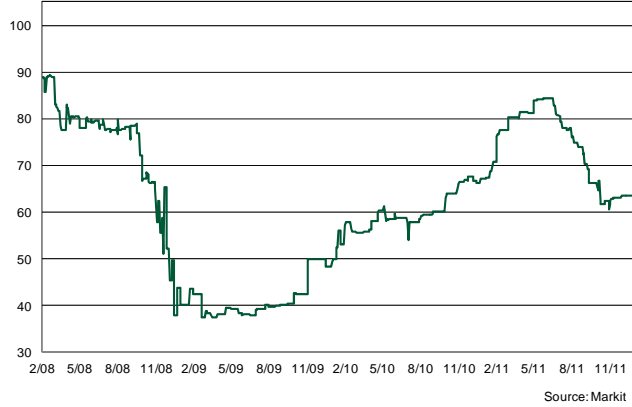
# CMBS AND ABS PRICES

## 8.1. Pan-European 3-5 Yr AAA CMBS Prices<sup>1</sup>



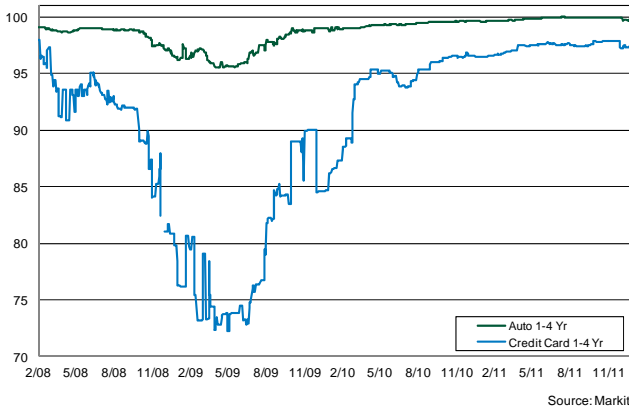
Pan-European AAA CMBS provided: Opera Finance (Metrocentre) Plc, Class A, Series 1. ISIN# XS0211548143. GBP-denominated.

## 8.2. Pan-European 3-5 Yr BBB CMBS Prices<sup>1</sup>



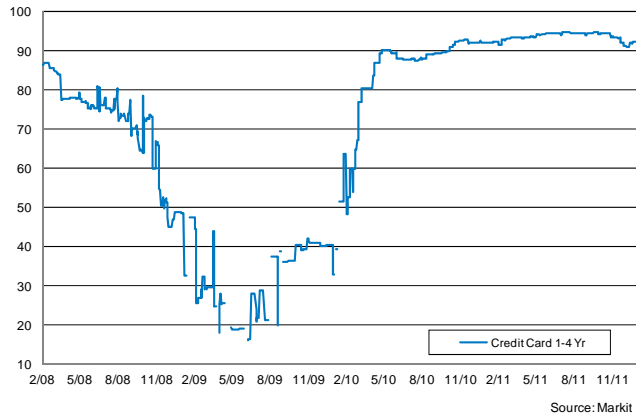
Pan-European BBB CMBS provided: German Residential Asset Note Distributor Plc, Class D, Series 1. ISIN# XS0260143101. EUR-denominated.

## 8.3. Pan-European 1-4 Yr AAA ABS Prices<sup>1</sup>



1. Pan-European AAA Auto ABS provided: Driver Two GmbH, Class A, Series 1. ISIN# XS0228171673. EUR-denominated.
2. Pan-European AAA Credit Card ABS provided: Chester Asset Receivables DGS 2004-1, Class A, Series UK2004-1. ISIN# XS0188611783. GBP-denominated.

## 8.4. Pan-European 1-4 Yr BBB ABS Prices<sup>1</sup>



1. Pan-European BBB Credit Card ABS provided: Chester Asset Receivables DGS 2004-1, Class C, Series UK2004-1. ISIN# XS0188612245. GBP-denominated.

Note: Pan-European 1-4 Yr BBB Auto ABS price data are not available.

<sup>1</sup> Markit prices: Independent composite price levels are calculated from dealer contributions which have been subjected to multiple cleaning algorithms for one sample bond per sector and ratings category where possible. According to the rules we have agreed on previously, the security we have chosen receives the greatest number of contributions for a bond matching the criteria and must receive at least 3 individual contributions. We have included data from start of 2007 to present.

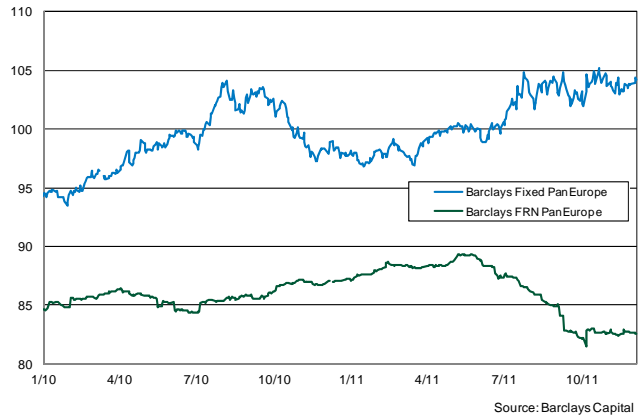
Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

# INDICES DATA

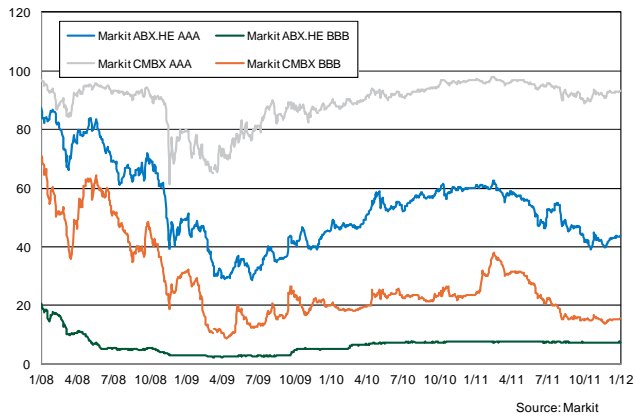
## 9.1. Securitised Index Option Adjusted Spreads



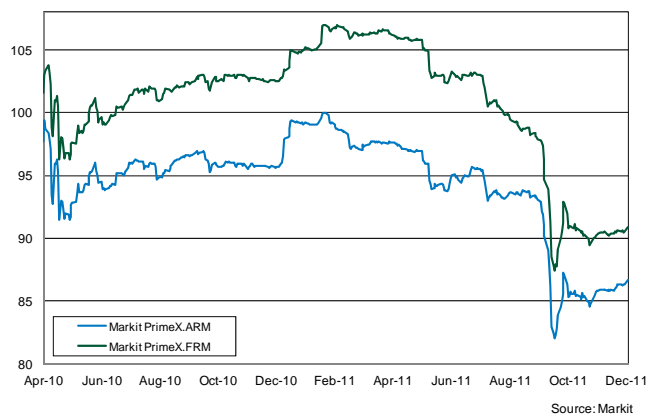
## 9.2. Barclays PanEurope Fixed and Floating Prices



## 9.3. ABX.HE and CMBX Prices<sup>1</sup>



## 9.4. PrimeX ARM and FRM Prices

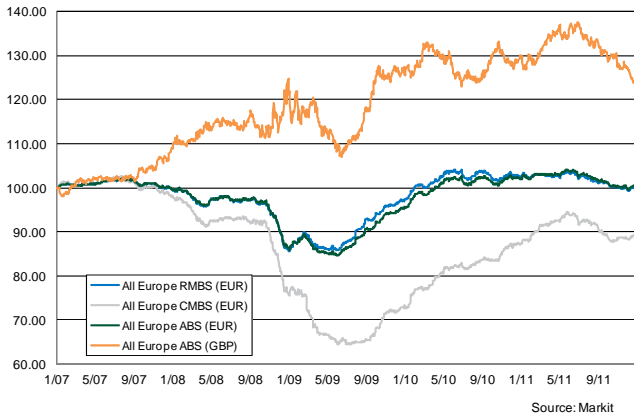


<sup>1</sup> Due to pricing convention changes occurring on 20 April 2009, ABX.HE and CMBS spreads are no longer available.

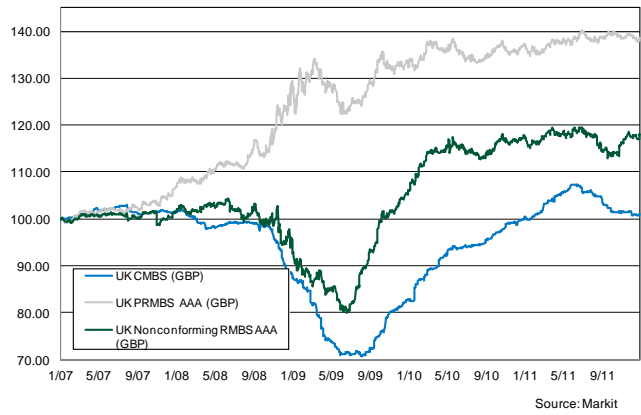
Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

# TOTAL RETURN DATA

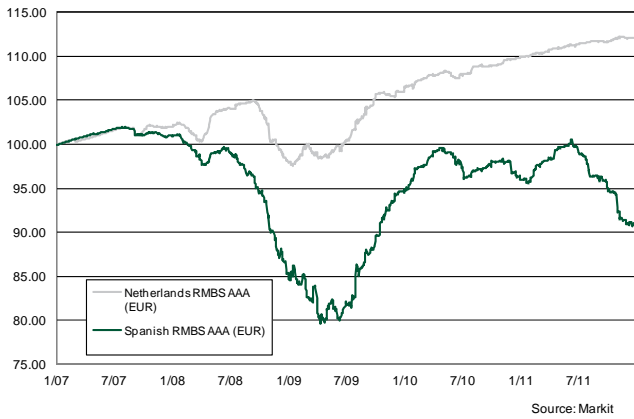
## 10.1. European Total Return<sup>1</sup>



## 10.2. UK Total Return<sup>1</sup>



## 10.3. Europe ex UK RMBS AAA<sup>1</sup>



<sup>1</sup> Total Return Data may be denominated in either EUR or GBP depending on the index. See legends for more detail.

## ASSET-BACKED COMMERCIAL PAPER

€ BILLIONS<sup>1</sup>

### 11.1. European ABCP Historical Issuance

	Q1	Q2	Q3	Q4	TOTAL <sup>2</sup>
2004	28.2	29.7	35.8	37.8	131.5
2005	44.9	52.4	51.2	46.6	195.1
2006	61.6	65.8	76.1	84.7	288.2
2007	111.0	108.5	100.9	129.9	450.2
2008	75.0	66.8	73.8	86.2	301.8
2009	46.1	39.9	39.0	32.1	157.2
2010	32.1	35.7	38.8	38.8	145.4
2011	35.4	38.6	56.7	100.0	230.7

### 11.2. European ABCP Issuance by Nationality of Issuer<sup>3</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
France	7.2	8.9	20.7	38.2	75.0
Germany	2.6	3.4	3.8	2.1	11.8
Ireland	22.2	21.0	29.0	56.2	128.4
Italy					0.0
Luxembourg					0.0
Netherlands					0.0
Spain	0.0				0.0
UK	3.4	5.4	3.2	3.6	15.5
Total <sup>2</sup>	35.4	38.6	56.7	100.0	230.8

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
5.1	6.3	7.2	7.0	25.5
0.0				0.0
24.2	26.0	26.9	27.9	105.0
0.0				0.0
0.1	0.2	0.2	0.1	0.6
		0.0	0.0	0.0
2.6	3.3	4.5	3.8	14.2
32.1	35.7	38.8	38.8	145.4

### 11.3. European ABCP Issuance by Programme Type

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>2</sup>
SIVs					0.0
Single-Seller Conduits					0.0
Multi-Seller Conduits	23.6	29.2	40.5	70.8	164.1
Unspecified	11.8	9.4	16.2	29.2	66.7
Total <sup>2</sup>	35.4	38.6	56.7	100.0	230.8

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>2</sup>
	0.0			0.0
0.1	0.2	0.2	0.1	0.6
20.4	23.0	25.7	24.8	93.9
11.6	12.5	12.9	13.9	50.9
32.1	35.7	38.8	38.8	145.4

### 11.4. ABCP Outstandings by Nationality of Issuer

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
France	2.8	3.4	1.8	2.8
Germany			0.5	0.2
Ireland	6.4	7.1	7.5	11.6
Italy				
Luxembourg				
Netherlands				
Spain				
UK	1.0	1.0	1.1	1.1
European Total <sup>2,4</sup>	10.3	11.4	10.8	15.7
US Total <sup>1,2</sup>	188.1	192.3	194.1	

2010:Q1	2010:Q2	2010:Q3	2010:Q4
1.5	2.2	2.3	2.4
7.4	8.4	7.4	6.4
0.1	0.1	0.1	
		0.0	0.0
1.1	1.9	1.9	1.5
10.0	12.5	11.7	10.3
217.9	222.8	196.1	192.8

Source: Dealogic, Moody's Investors Service

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Numbers may not add due to independent rounding. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>3</sup> Dealogic provides the issuer's nationality as the country in which the SPV is domiciled. This data does not represent the seller-servicers of the underlying assets or the bank conduits for ABCP deals.

<sup>4</sup> Outstanding data are restricted to nationality of the issuer to determine the country of collateral. Dealogic provides the issuer's nationality as the country in which the SPV is domiciled.

## ASSET-BACKED COMMERCIAL PAPER

€ BILLIONS<sup>1</sup>

### 11.5. European ABCP Outstandings by Programme Type

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
<b>SIVs</b>				
<b>Single-Seller</b>				
<b>Multi-Seller</b>	7.8	8.7	7.2	10.3
<b>Unspecified</b>	2.5	2.8	3.7	5.4
<b>Total</b>	10.3	11.4	10.8	15.7

2010:Q1	2010:Q2	2010:Q3	2010:Q4
0.1	0.1	0.1	0.1
7.5	8.9	8.7	7.7
2.5	3.6	3.0	2.5
10.0	12.5	11.7	10.3

### 11.6. US ABCP Outstandings by Programme Type<sup>2</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4
<b>Loan-Backed</b>				
<b>SIVs</b>				
<b>Single-Seller</b>	21.4	28.6	27.1	
<b>Multi-Seller</b>	159.1	152.9	155.7	
<b>Unspecified<sup>5</sup></b>	7.7	10.8	11.3	
<b>Total<sup>1,3</sup></b>	188.1	192.3	194.1	

2010:Q1	2010:Q2	2010:Q3	2010:Q4
18.6	17.4	13.4	15.3
189.6	195.0	174.6	170.0
9.8	10.4	8.1	7.5
217.9	222.8	196.1	192.8

Source: Dealogic, Moody's Investors Service

<sup>1</sup> All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end.

<sup>2</sup> Based on US ABCP programmes rated by Moody's NY office ABCP Program Index, regardless of market. Therefore, some euro-denominated ABCP may be included in this figure.

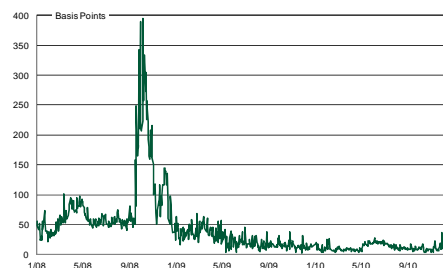
<sup>3</sup> Includes arbitrage and hybrid programme types.

### 11.7. ABCP Outstanding Assets Split by Country<sup>1</sup>

Country	
<b>United States</b>	28.3%
<b>United Kingdom</b>	20.4%
<b>Others</b>	14.2%
<b>Global<sup>2</sup></b>	13.7%
<b>Germany</b>	7.4%
<b>Europe<sup>3</sup></b>	7.1%
<b>Italy</b>	4.6%
<b>France</b>	4.3%
<b>Total</b>	100.0%

Source: Moody's Investors Service

### 11.8. US ABCP to AA Non-financial CP Spread



Source: Federal Reserve

<sup>1</sup> Percentages shown are as of June 2010; all EMEA ABCP programmes.

<sup>2</sup> Refers to ABCP with assets originating from multiple countries, at least one of which is outside Europe.

<sup>3</sup> Refers to ABCP with assets originating from multiple European countries.

## GLOBAL COMPARATIVE DATA

€ BILLIONS<sup>1</sup>

### 12.1. Global Securitisation Issuance<sup>2</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>1</sup>
<b>US</b>	118.5	115.3	86.2	77.0	397.0
<b>Europe</b>	16.4	24.5	9.7	20.5	71.0
<b>Asia</b>	10.2	19.9	13.1	14.9	58.0
<b>Total<sup>1</sup></b>	145.1	159.6	108.9	112.4	526.0

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>1</sup>
119.5	110.1	128.1	134.6	492.3
15.1	17.9	25.6	14.0	72.5
8.7	8.3	13.9	13.4	44.4
143.3	136.4	167.5	162.1	609.2

### 12.2. Global Corporate Bond Issuance<sup>3</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>1</sup>
<b>US</b>	99.9	89.4	72.0	76.1	337.4
<b>Europe</b>	185.9	112.8	48.1	65.4	412.1
<b>Asia</b>	92.3	103.9	86.7	140.4	423.3
<b>Total<sup>1</sup></b>	378.1	306.1	206.7	281.9	1172.7

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>1</sup>
74.0	49.1	104.4	75.6	303.0
184.2	91.1	146.6	86.0	507.9
78.8	86.1	89.6	81.0	335.5
337.0	226.3	340.6	242.6	1146.4

### 12.3. Global Government Bond Issuance<sup>4</sup>

	2011:Q1	2011:Q2	2011:Q3	2011:Q4	TOTAL <sup>1</sup>
<b>US</b>	141.8	125.8	177.6	144.0	589.1
<b>Europe</b>	190.9	120.7	86.1	54.9	452.7
<b>Asia</b>	37.4	38.7	39.2	52.7	168.1
<b>Total<sup>1</sup></b>	370.2	285.2	303.0	251.6	1210.0

2010:Q1	2010:Q2	2010:Q3	2010:Q4	TOTAL <sup>1</sup>
243.3	218.5	217.1	175.5	854.3
181.4	99.2	112.9	61.4	454.9
45.3	39.1	56.2	44.7	185.4
470.0	356.8	386.2	281.6	1494.6

Source: Dealogic

<sup>1</sup> US and Asian volumes were converted to euro based on the average exchange rate of the currency of issue to euro over each given quarter. Historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data source after the prior period cut-off dates.

<sup>2</sup> Global securitisation issuance includes ABS & MBS, both public and private placements, but excludes any retained volumes. Asia numbers include Japan.

<sup>3</sup> Global corporate bond issuance is for investment grade bonds, public placements only. Asia numbers include Japan.

<sup>4</sup> Global government bond issuance includes all agency and non agency issuances and does not include supranationals. Asia numbers include Japan.



## Summary of the Methodologies Adopted for this Report

### 1. Issuance

#### 1.1. – 1.2. European and US Historical Issuance (p. 3)

The tables covering historical issuance in Europe and the US are denominated in EUR billions. The historical issuance volume total is calculated by adding all transactions in different asset classes including, among others, asset-backed securities (ABS), collateralised debt obligations (CDOs), commercial mortgage-backed securities (CMBS), and residential mortgage-backed securities (RMBS). Please note that numbers may not add due to independent rounding and that historical or prior period numbers are revised to reflect changes in classification, refined selection methodology, or information submitted to our data sources after the prior period cut-off dates.

#### 1.3. - 1.4. Issuance by Collateral (p. 3)

The European issuance volumes are determined based on the review of four data sources: Bloomberg, JP Morgan, Thomson Reuters, and UniCredit starting from Q1 2009; and Deutsche Bank starting from Q1 2010; Citigroup from Q2 201. In prior quarters our sources were Bloomberg, JP Morgan, Merrill Lynch, RBS, and Thomson Reuters. RMBS, CMBS and ABS are defined as European by having underlying assets located in a European country. European securities included in the calculation are the ones for which there is a specific match in terms of size, name, country of collateral and collateral type from at least two sources. Securities that fail to meet these criteria are excluded. With respect to CDOs, securities are designated as European if they are issued in any European currency, regardless of their country of collateral.

Placed and retained European issuance collateral are sourced from AFME and/or SIFMA dealer member research, Dealogic, Bloomberg, and Thomson Reuters. Placed issuance includes all tranches placed in the public market, private placements, and preplacements. Partial issuance of a tranche is considered to be placed if half or more by euro amount of the tranche is reported placed. Placed and retained issuance will not retroactively consider securities originally issued retained and then placed in the marketplace, and are estimates.

The US non-agency RMBS, CMBS, ABS and CDO issuance data source is Thomson Reuters. From 2008 onward, Dealogic replaced Thomson Reuters as the source of US non-agency CMBS issuance. Agency mortgage-backed securities (MBS) are defined as securities issued by Fannie Mae, Freddie Mac, and Ginnie Mae and are acquired from company statements. US issuance data are generally based on the sum of securities with US collateral; agency issuance numbers do not include securitisations of existing agency securities. US CDO data are defined as USD-denominated CDOs regardless of the country of collateral. The US issuance data are converted to Euros based on the USD to EUR exchange rate at each quarter-end indicated below.

Q1 2010	.7402
Q2 2010	.8172
Q3 2010	.7334
Q4 2010	.7471
Q1 2011	.7064
Q2 2011	.6896
Q3 2011	.7468
Q4 2011	.7714

These same conversion rates, sourced from Bloomberg, are used on all US issuance and outstanding volume data.

#### 1.5. Issuance by Country of Collateral (p. 4)

The tables covering issuance in the US and Europe are presented in EUR billions. For Europe the information is segmented by country of collateral.

The European issuance is segmented by country to the extent that a determination can be made. Securities with the underlying collateral originating from more than one jurisdiction are categorised as Multinational. Almost all CDOs are classified under this Multinational group due to the complexity involved in identifying origin of collateral for each specific tranche. The European issuance volumes are determined based on the review of multiple data sources: Deutsche Bank and Bank of America-Merrill Lynch as of Q1 2010, Bloomberg, JP Morgan, Thomson Reuters and UniCredit starting from Q1 2009; and RBS starting from Q3 2009. In prior quarters the sources were Bloomberg, JP Morgan, Thomson Reuters and Merrill Lynch.

US CDO data are defined as USD-denominated issues regardless of country of collateral.

#### 1.6. Issuance by Collateral Type and Country of Collateral (p. 4)

Issuance information is further specified by country of collateral for European issuance only and by asset class. CDO classification is the same as above.

#### 1.7. – 1.8. Issuance by Rating (p. 5)

Issuance is presented by credit rating classification (AAA; AA; A; BBB and below; and Not Rated) on a quarterly basis for 2007 and 2008. The credit rating assigned is the lowest of the ratings provided by Fitch Ratings, Moody's Investors Service and/or Standard & Poor's. These ratings are intended to represent their corresponding equivalent at each agency; e.g., an AAA rating is equal to an Aaa Moody's rating, AA equal to Aa1, etc. Securities are classified 'Not Rated' if none of the credit rating agencies have provided an opinion on the underlying credit quality of a particular tranche, or if the ratings are unknown. US agency MBS issues are generally not rated and therefore grouped separately under Agency MBS.

### 1.9. Issuance by Deal Size (p. 5)

European and US securitisation issuance volume is segmented by transaction size based on data provided by Dealogic. The European data covers all asset classes and EUR-denominated CDOs. US non-Agency data includes ABS, non-agency CMBS and RMBS, and USD-denominated CDOs. US agency MBS, which includes agency CMBS and RMBS, is shown separately.

All data, except for CDOs, are included according to the country of collateral. The number of issues refers to the number of deals, not the number of tranches within each deal.

Dealogic data for retained deals are based on available information from both European and US dealers' syndicate desks. Further statistics on retained deals are added based on intelligence from other market participants such as regulatory bodies and newswires across Europe.

## 2. Balances Outstanding

### 2.1. – 2.2. Outstandings by Collateral (p. 6)

The outstanding volumes are reported by asset class. Subtotals may not add to totals due to independent rounding and historical or prior period numbers are continuously revised to reflect changes in classification, refined selection methodology, or information submitted to our data sources after the prior period cut-off dates. For Europe, balances outstanding are calculated by the principal balance outstanding on structured product transactions including public, private, rated, unrated, listed and unlisted securities provided by Bloomberg. Balances outstanding are determined by multiplying eligible securities by their pool factor for the quarter and sorted accordingly. Tranches that are non-EUR-denominated are converted to EUR by Bloomberg based on the exchange rate at the time of the pricing date (as specified by the lead manager/arranger), or, if missing, the issue date as specified in each security's original offering documentation. Securities included in the calculations, except for CDOs, have collateral originated from at least one European country to the extent that a determination can be made. However, for ABS and MBS securities with collateral originated in multiple countries, or where the origin of the underlying collateral is undefined, the following selection criteria apply: securities are considered eligible as European only if they are denominated in a European currency, as defined below, and the country of issuer (considered to be the country in which the issuing SPV is incorporated) is within Europe. In certain limited cases, the Channel Islands and the Cayman Islands are considered eligible as European jurisdictions for ABS and MBS products if underlying collateral is derived from a variety of jurisdictions and the original currency of issue is EUR only.

For our selection criteria, European currencies include the euro (EUR) and all predecessor currencies, as well as the Turkish lira (TRY), the Danish kroner (DKK), the Swedish krona (SEK), the British pound (GBP), and the Russian ruble (RUB).

Furthermore, our selection criteria consider Europe to include all European Economic Area (EEA) countries and certain non-EEA countries located on the geographic European continent. We have included Turkey, Kazakhstan, Iceland, Georgia and the Russian Federation in these criteria.

For the CDO sector, only issuance denominated in a European currency (as specified above) is included, regardless of the country of collateral.

Beginning in Q2 2010, the CDO asset class has been further broken down into the CDO and SME asset classes. SME securities follow the same criteria application as non-CDOs. Revisions during this quarter were retroactively applied and balances outstanding from prior quarters have all been restated accordingly.

The US outstanding calculations are based on information derived from Bloomberg for ABS; agency balance statements for agency MBS; Loan Performance for non-agency RMBS; Federal Reserve, Bloomberg and SIFMA for non-agency CMBS. The following asset classes are segmented: agency MBS, non-agency RMBS, non-agency CMBS, and ABS. The agency MBS figures include both RMBS and CMBS. The ABS classification for the US includes CDOs, which contains USD-denominated CDOs regardless of the country of collateral.

### 2.3. Outstandings by Country of Collateral (p. 7)

The European outstanding volumes are segmented by country of collateral based on the above methodology. For our selection criteria, Europe is considered to include all European Economic Area (EEA) countries and certain non-EEA countries located on the geographic European continent (Georgia, Iceland, Turkey, Kazakhstan and the Russian Federation). In certain limited cases, the Channel Islands and the Cayman islands are considered eligible for ABS and MBS products if underlying collateral is derived from a variety of jurisdictions and the original currency of issue is European. CDOs issued in a European currency with either collateral from multiple jurisdictions or for which the underlying location of collateral is undefined are categorized under 'Multinational' for the purpose of determining outstanding balances by country. Collateral from multiple European countries is now categorised under 'PanEurope' unless collateral is predominantly (over 90%) from one country.

The US outstandings include both agency and non-agency securities.

### 2.4. – 2.5. Outstandings by Moody's Rating (p. 8)

The percentage rating distribution for Europe and the US is based on Moody's Investors Service data for balances outstanding. The data provides current ratings as of the end of the quarter. The data presented are based on original issuance volumes for European and US securities, and therefore do not reflect amortised balances. Information on current ratings by outstanding volumes is not currently available. Moody's data have been converted to percentages based on the original issuance size to make it easily comparable with the outstanding

volumes provided in this report. Defaulted and unrated issues are excluded from these data.

## 2.6. Outstandings by Country and Collateral (p. 9)

Outstanding volumes are further specified by asset class and, for Europe only, by country of collateral. CDO selection criteria are the same as above.

## 2.7. Outstandings by Vintage (p. 9)

Outstanding volumes by vintage are determined by year of original pricing date. Restructurings are counted from original pricing date rather than remarketed date.

## 3. Credit Quality – Rating Changes

### 3.1. – 3.3. Upgrades/Downgrades by Country (p. 10)

These tables present the aggregate number of upgrades and downgrades for securitisation (including CDOs) by country of collateral for European deals and in total for US deals. The information is based on data provided by Fitch Ratings, Moody's Investors Service and Standard & Poor's. The upgrade number is shown first followed by the downgrade number. The upgrades and downgrades of each of credit rating agency is shown in separate tables and presented as the number of rating changes. Because the credit rating agencies track different securities and apply different credit rating methodologies, these numbers are not directly comparable.

According to Moody's Investors Service, a security is classified as European or American based on if it is monitored out of Moody's office in Europe or the US. More specifically, European securities are classified within a particular country if all of its assets are located within that country.

The Multinational category includes CDOs and all other cross-jurisdictional securitisations for both Moody's Investors Service and Standard & Poor's. The Fitch Ratings Multinational classification includes cross-jurisdictional CMBS as well as the aggregated sum of rating actions in other countries including Austria, Belgium, Greece, Ireland, Portugal and the Russian Federation. Fitch Ratings assigns CDO issues to the country in which the majority of the underlying assets are located.

### 3.4. – 3.9. Upgrades/Downgrades by Collateral (p. 11)

These tables present aggregate upgrades and downgrades for securitisation and CDO issues by securitised product type for Europe and the US. The upgrade number is shown first followed by the downgrade number. The upgrades and downgrades of each agency are shown in separate tables and presented by number rating changes. For Fitch Ratings, the category Other RMBS includes other categories of RMBS transactions such as ALT-A, reverse mortgage, government RMBS, etc. The category 'Other ABS' may include student loans and the whole business securitisations (WBS). For Moody's Investors Service and Standard & Poor's, the total number of European upgrades/downgrades reported by collateral type are not always comparable with the upgrades/downgrades presented by country because there may be securities that experience rating migrations that are backed

by collateral originated from a country outside of those specified and will not be captured under the "Multinational" category.

## 4 - 6 Spreads

### 4.1. - 4.4. CMBS Spreads (p. 12)

These graphs present credit spread data for European and US AAA and BBB 3-5 Yr CMBS. European 3-5 year AAA & BBB CMBS data are provided by Markit. Composite spread levels are calculated from dealer contributions which have been subjected to multiple cleaning algorithms. Spread levels are equivalent to the discount margin. The discount margin is defined as the effective spread to maturity of a floating rate security after discounting the yield value of a price other than par over the life of the security. The spread calculation is based on data provided by dealer trading desks.

US CMBS 3 and 5 year spreads are provided by Trepp LLC. US CMBS spreads are quoted as fixed rate bonds based on the yield of US treasury bonds with the same average life.

### 5.1. - 5.5. RMBS Spreads (p. 13)

European RMBS credit spreads are provided for 3-5 year AAA and BBB securities based on data provided by Markit. European credit spreads cover Spain, Netherlands, Italy, Germany and France. The UK RMBS spreads are provided for both prime and non-conforming transactions. Markit spread calculations are based on data provided by dealer trading desks.

US subprime AAA home equity credit spreads are calculated over LIBOR and provided by Barclays Capital.

### 6.1. - 6.4. ABS Spreads (p. 14)

European ABS credit spreads are provided for 1-4 year AAA and BBB securities based on data provided by Markit based on the same calculations described above.

US spreads reflect levels for AAA autos, AAA credit cards, and BBB credit cards; spreads are fixed against swaps and are provided by JP Morgan.

## 7 - 8 Prices

### 7.1. – 7.4. RMBS Prices (p. 15)

These graphs represent price data for specific European and UK RMBS selected as benchmarks in the respective jurisdictions. The price calculations are provided by Markit and are based on data provided by dealer trading desks.

### 8.1. - 8.4. CMBS and ABS Prices (p. 16)

These graphs represent price data for specific pan-European CMBS and ABS selected as benchmarks in the respective jurisdictions. The price calculations provided by Markit and are based on data provided by dealer trading desks.

### 9.1. - 9.3. Indices Data (p. 17)

The first graph presents daily option-adjusted spreads provided by Barclays Capital for Europe and US ABS indexes from a cross-section of securitised products. The second graph presents prices provided by Barclays for a cross-section

of pan-European securitised products, broken out by fixed and floating rates.

The third graph presents daily prices provided by Markit for the benchmark AAA and BBB rated US ABX and CMBX derivative indices. The ABX (ABX.HE) is an index from reference obligations issued by twenty issuers of RMBS that meet the criteria specified in the ABX.HE Index Rules. The majority of the mortgages backing the security underlying must be first-liens. The index calculation is based on the Markit proprietary methodology calculating the contributed prices from dealers. The CMBX follows a similar methodology as an index for credit derivatives of US CMBS issues. The ABX and CMBX are widely followed benchmarks in the securitised marketplace for subprime RMBS and CMBS market sectors, respectively.

## 10 Total Return Benchmark Data

### 10.1. – 10.3. Total Return Data (p. 18)

These graphs represent historical return composites generated by tracking the aggregate asset value on an underlying portfolio of single name bonds. Data are provided by Markit and are preliminary.

For more information, please visit here: <http://www.markit.com/en/products/data/indices/structured-finance-indices/iboxx-abs/iboxx-abs.page>

## 11. Asset-Backed Commercial Paper (ABCP)

### 11.1. – 11.2. ABCP Historical Issuance; ABCP Issuance by Nationality of Issuer (p. 19)

Aggregate issuance data covers the period 2008 through 2009 for Europe and the US. European issuance is provided by Dealogic, which identifies the issuer's nationality as the country in which the SPV is domiciled. These data do not represent the seller-servicers of the underlying assets or the bank conduits for the ABCP deals. The US data are provided by Moody's Investors Service. The volumes are converted from dollar to euro based on the end-of-quarter exchange rate.

### 11.3. European ABCP Issuance by Programme Type (p. 19)

ABCP data by programme type is provided by Dealogic and covers the period from 2008 through 2009 for Europe. The programme type classifications included are: SIVs, single-seller conduit, multi-seller conduit and 'unspecified'.

### 11.4. ABCP Outstandings by Nationality of Issuer (p. 19)

Outstanding quarterly data are provided from the first quarter of 2008 through 2009 for Europe and the US. The European outstanding is provided by country through the Dealogic database, and the US data are provided by Moody's Investors Service. Dealogic identifies the issuer's nationality as the country in which the SPV is domiciled. The dollar volumes were converted to euro based on the end-of-quarter exchange rate.

### 11.5. – 11.6. ABCP Outstandings by Programme Type (p. 20)

Outstanding quarterly data are provided from the first quarter of 2008 through 2009 for Europe and the US. The European data are provided by Dealogic and the US data are provided by Moody's Investor Service. The volumes are converted from dollars to euro based on the end-of-quarter exchange rate. The programme type classifications included are: loan-backed, SIVs, single-seller conduit, multi-seller conduit and 'unspecified'.

### 11.7. ABCP Outstanding Assets Split by Country (p. 20)

Global outstanding ABCP assets percentages are presented by country as of June 2008. The information is provided by Moody's Investors Service. The asset percentage represents the actual amount of assets funded via ABCP and other sources, not including cash and short-term investments. Therefore the asset percentage is not necessarily equal to the ABCP outstanding amount.

### 11.8. ABCP Spreads (p. 20)

The US ABCP spread information is based on data collected and developed by the Federal Reserve. The spread is defined as the difference between AA ABCP and AA nonfinancial CP.

## 12. Global Comparative Data

### 12.1. - 12.3. Global Securitisation Issuance, Global Corporate Bond Issuance, Global Government Bond Issuance (p. 21)

These statistics are provided by Dealogic and present issuance volumes for securitisation, corporate bonds and government bonds in Asia, the US and Europe. Securitisation and government bond figures represent gross issuance; corporate bond issuance is provided on a gross, not net, basis. All types of securitisation are included; CDOs are included based on the region of the currency in which they are denominated. The issuance volumes are provided quarterly for 2007 and 2008. These statistics do not correspond to the issuance numbers provided elsewhere in this report as different sources and selection methodologies are used to determine both the European and US securitisation issuance. In terms of geographical description, Europe represents the European, the Middle East and African (EMEA) countries while Asia includes the Pacific countries and Japan.

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## **AFME / ESF**

**Rick Watson**, Managing Director

**Sidika Ulker**, Manager

[www.afme.eu](http://www.afme.eu)

---

## **SIFMA**

**Kyle Brandon**, Managing Director,  
Director of Research

**Sharon Sung**, Director, Research

[www.sifma.org](http://www.sifma.org)