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ESF SECURITISATION DATA REPORT-Q1:2008

June 2008

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European Securitisation Issuance Volume Declined in the First Quarter with Most Issuance Retained

Market Environment

Economic Conditions

- Following a period of historically strong economic performance, the European outlook is for positive but moderating growth over the next year. The European Central Bank (ECB) is forecasting GDP growth of 1.3 percent to 2.1 percent in 2008 and 1.3 to 2.5 percent for 2009.
- Risks to the economic outlook include uncertain financial market conditions, slower housing and construction activity, the global effects of higher commodity prices on consumer spending, and the effect of global imbalances and currency market volatility. Underlying these factors, we note that housing prices continue to be under pressure in certain markets, e.g. the United Kingdom.¹

Market Conditions

- The market environment remained tense and pricing depressed for most of the first quarter as credit markets experienced continued de-leveraging. Risk reduction took many forms, including hedging and restructuring, credit risk price adjustment, and investor retrenchment.
- However, secondary market activity and investor sentiment improved appreciably from quarter's end and into May. This change was spurred by central bank initiatives such as the Bank of England's Special Liquidity Scheme (SLS) and the European Central Bank's collateral framework, particularly for residential mortgage-backed securities (RMBS) transactions. Important distinctions between the programmes include the longer lending provisions and higher haircut of the SLS.
- Since quarter's end, increased secondary market investor appetite has been mainly for lower risk, less structurally complex and more liquid products such as AAA RMBS. In April and May, there were also indications of increased investor interest in lower rated (AA/A), higher spread and non-RMBS products.
- Primary market activity continues to be slow, although the significant tightening of secondary market spreads in the weeks following the end-of-quarter suggests a potential rebound as investors regain confidence. Most of the issuance in the first quarter of 2008 and the second half of 2007 has been retained by issuers for internal use, e.g. for repo financing and participation in central bank liquidity facilities, rather than distributed to investors. By comparison, virtually all of the issuance in the first half of 2007 was sold on to investors.

Term Issuance and Outstanding Volumes

- European securitisation issuance fell in the first quarter to €40 billion compared with €128.7 billion in the first quarter of 2007 and €74.7 billion in the last quarter. Based on Royal Bank of Scotland (RBS) data, 84 percent of first-quarter European issuance and 75 percent of fourth-quarter 2007 issuance was retained.

- RMBS continued to be the leading issuance sector at €27.2 billion, of which 96 percent was retained, according to RBS data.
- According to Moody's Investors Service, 85 percent of rated European securitisation carried a AAA rating at the end of March, based on original issuance volume.

Credit Quality

- The credit quality of European assets remains generally strong relative to similar US assets, but there are signs of deterioration in certain asset classes. To cite one metric for comparison, UK non-conforming RMBS weighted average cumulative loss rates have been well below 1 percent for all vintages since 2000, peaking at 0.6 percent in the 2005 vintage. By comparison, US subprime cumulative loss rates are above 2 percent for both the 2005 and 2006 vintages. The UK RMBS pools have shown improved performance in 2006 and 2007 as lenders have become more conservative, which has resulted in better quality pools.
- There have been numerous downgrades in the US and Europe in the first quarter. As expected, due to the deterioration in US subprime quality, there was a significant number of downgrades in US subprime RMBS and related collateralised debt obligations (CDOs), although other asset classes were relatively more stable. With the exception of CDOs, European rating trends have remained stable through the end of the first quarter. US subprime mortgage exposure has been a dominant factor in European CDO downgrades. Some encouraging signs have also emerged. All European Auto ABS rating changes over the last two quarters have been upgrades.

Spread Changes and Index Returns

- Following the significant widening of credit spreads during the first quarter, high grade (AAA) European securitised credit spreads staged a rally during the latter part of March and into April, amid some signs of stabilisation. According to Deutsche Bank, European AAA RMBS spreads tightened 35 to 40 basis points in the four weeks ending 9 May.
- The Lehman European ABS Index's monthly return was positive in April after a negative run in the first quarter.

ABCP Trends

- The amount of European asset-backed commercial paper (ABCP) outstanding declined by more than half to €26.8 billion over the past year as a result of market dislocations, reduced investor demand and pricing volatility. ABCP spreads tightened in March but remain much wider than for more traditional CP product. By comparison, the amount of outstandings in the larger US ABCP market has fallen by half since the middle of 2007, with the sharpest decline in single-seller conduits. Investor demand has diminished with concerns about opacity and complexity and a preference for simpler and more transparent structures. Consequently, a number of issuers have brought assets back onto their balance sheets.

¹ Nationwide and Halifax indices are registering negative growth on a year-over-year basis.

ISSUANCE

€ BILLIONS¹

1.1. European Historical Issuance

	Q1	Q2	Q3	Q4	TOTAL ²
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	98.2	74.7	453.7
2008	40.0				40.0

1.3. European Issuance by Collateral

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
ABS ³	10.1				10.1
CDO ⁴	2.0				2.0
CMBS	0.7				0.7
RMBS	27.2				27.2
TOTAL ²	40.0				40.0

1.4. US Issuance by Collateral^{7,8}

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
ABS ⁵	37.6				37.6
CDO ⁶	4.6				4.6
Agency MBS ⁷	236.0				236.0
Non-Agency CMBS	3.0				3.0
Non-Agency RMBS	4.0				4.0
TOTAL ²	285.2	-	-	-	285.2

1.5. Issuance by Country of Collateral

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
Belgium	-				-
Denmark	-				-
France	-				-
Germany	3.8				3.8
Greece	1.0				1.0
Ireland	2.5				2.5
Italy	5.9				5.9
Kazakhstan	-				-
Luxembourg	-				-
Netherlands	2.8				2.8
Portugal	2.0				2.0
Russia	0.5				0.5
Spain	9.8				9.8
Switzerland	-				-
UK	8.8				8.8
Ukraine	-				-
Multinational ⁹	2.9				2.9
EUROPEAN TOTAL	40.0				40.0
US TOTAL	285.2				285.2

€ BILLIONS¹

1.2. US Historical Issuance

	TOTAL
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	2,404.9
2008	285.2

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
9.8	21.1	14.1	12.8	57.8
25.9	28.1	25.0	9.7	88.7
11.9	25.0	6.0	4.7	47.6
81.1	77.8	53.2	47.5	259.7
128.7	152.0	98.2	74.7	453.7

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
245.9	243.9	100.7	76.4	666.9
94.8	102.4	37.6	17.7	252.5
237.5	282.4	240.7	223.9	984.5
43.6	67.7	37.0	19.8	168.1
125.7	115.1	65.6	26.5	332.9
747.5	811.5	481.6	364.3	2,404.9

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
-	0.2	3.9	-	4.0
0.1	0.4	-	-	0.5
1.3	1.9	-	0.8	3.9
3.5	8.2	1.8	5.1	18.5
-	1.6	1.3	2.5	5.3
3.0	3.1	2.3	2.0	10.4
6.7	14.1	3.1	2.5	26.4
0.1	0.4	-	0.5	1.0
-	-	0.1	-	0.1
5.8	10.5	11.5	12.9	40.8
2.8	2.5	2.6	2.9	10.8
-	1.0	0.1	-	1.1
16.5	14.5	14.5	15.6	61.1
0.4	0.3	-	-	0.7
62.5	62.1	30.2	17.8	172.6
0.1	-	-	-	0.1
25.9	31.3	26.9	12.1	96.2
128.7	152.0	98.2	74.7	453.7
747.5	811.5	481.6	364.3	2,404.9

- All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.
- Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data sources after the prior period cut-off dates.
- European ABS issuance includes auto, credit card, leases, loans, receivables and other.
- European CDO issuance numbers only include euro-denominated issuance regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. European CDO issuance in 2006 totaled €88.1 billion and €88.7 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.
- US ABS issuance includes auto, credit card, home equity, student loan, equipment leases, non-jumbo mortgage, and other.
- US CDO issuance numbers only include US dollar-denominated issuance. US dollar transactions may include European transactions which are denominated in US dollars. US CDO issuance in 2006 totaled €337.28 billion and €252.5 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.
- Agency MBS includes RMBS and CMBS.
- US non-Agency MBS and non-Agency ABS currency conversion is based on euro-denominated data for each security provided by Thomson Reuters and end of quarter currency exchange rates were used for Agency MBS.
- Multinational includes all deals, including CDOs, in which assets are originated from a variety of jurisdictions.

Sources: Thomson Reuters, JP Morgan, Merrill Lynch, Bloomberg, SIFMA

ISSUANCE

€ BILLIONS¹

1.6. Issuance by Collateral and Country

2007

	ABS ³	CDO ⁴	CMBS	RMBS	TOTAL ²
Belgium	0.2			3.9	4.1
Denmark	0.4			0.1	0.5
France	2.5			1.4	3.9
Germany	8.5		9.5	0.6	18.6
Greece	2.5			2.8	5.3
Ireland	2.0		1.5	6.9	10.4
Italy	9.5			16.8	26.3
Kazakhstan	0.9			0.1	1.0
Luxembourg	0.0			0.1	0.1
Netherlands	0.7		4.8	35.3	40.8
Portugal	0.7			10.1	10.8
Russia	0.6			0.6	1.2
Spain	13.1			48.0	61.1
Switzerland	0.7				0.7
Ukraine	0.0			0.1	0.1
UK	14.2		25.9	132.5	172.6
Multinational ⁵	1.3	88.7	5.9	0.3	96.2
Total ²	57.8	88.7	47.6	259.6	453.7

	ABS ⁶	CDO ⁷	AGENCY MBS	NON-AGENCY CMBS	NON-AGENCY RMBS	TOTAL
US TOTAL	666.9	252.5	984.5	168.1	332.9	2,404.9

2008:Q1

	ABS ³	CDO ⁴	CMBS	RMBS	TOTAL ²
Belgium					0.0
Denmark					0.0
France					0.0
Germany	3.8				3.8
Greece				1.0	1.0
Ireland				2.5	2.5
Italy	0.7			5.2	5.9
Kazakhstan					0.0
Luxembourg					0.0
Netherlands				2.8	2.8
Portugal				2.0	2.0
Russia				0.5	0.5
Spain	2.7			7.1	9.8
Switzerland					0.0
Ukraine					0.0
UK	2.7			6.1	8.8
Multinational ⁵	0.2	2.0	0.7		2.9
TOTAL ²	10.1	2.0	0.7	27.2	40.0

	ABS ⁶	CDO ⁷	AGENCY MBS	NON-AGENCY CMBS	NON-AGENCY RMBS	TOTAL
US TOTAL	37.6	4.6	236.0	3.0	4.0	285.2

1 All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.

2 Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.

3 European ABS issuance includes auto, credit card, leases, loans, receivables and other.

4 European CDO issuance numbers only include euro-denominated issuance 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.

5 Multinational includes all deals in which assets originate from a variety of jurisdictions. Only CDOs issued in euro are included. Historical CDO issuance totals have been revised due to periodic updates of the sector.

6 US ABS issuance includes auto, credit card, home equity, student loan, equipment leases, non-jumbo mortgage, and other.

7 US CDO issuance numbers only include US dollar-denominated issuance. US dollar transactions may include European transactions which are denominated in US Dollars. Historical CDO issuance totals have been revised due to periodic updates of the sector.

Sources: Thomson Reuters, JP Morgan, Merrill Lynch, Bloomberg

ISSUANCE

€ BILLIONS¹

1.7. European Issuance³ by Rating

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ³
AAA	27.8				27.8
AA	3.5				3.5
A	0.9				0.9
BBB & Below	1.1				1.1
Not Rated	6.7				6.7
EUROPEAN TOTAL²	40.0				40.0

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ³
	86.1	104.7	61.7	56.2	308.7
	5.5	7.2	2.5	2.0	17.2
	19.4	18.9	12.6	7.0	57.9
	6.3	7.0	5.8	3.4	22.5
	11.4	14.2	15.6	6.1	47.3
	128.7	152.0	98.2	74.7	453.7

1.8. US Issuance⁴ by Rating

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ³
AAA	37.2				37.2
AA	0.9				0.9
A	2.4				2.4
BBB & Below	1.2				1.2
Not Rated	7.4				7.4
Agency MBS ⁵	236.0				236.0
US TOTAL³	285.2				285.2

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ³
	124.0	127.2	76.2	51.5	378.9
	13.9	10.8	8.3	1.3	34.3
	72.1	76.3	10.4	11.2	170.0
	8.9	8.6	6.6	3.1	27.2
	291.1	306.3	139.4	73.3	810.0
	237.5	282.4	240.7	223.9	984.5
	747.5	811.5	481.6	364.3	2,404.9

- All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.
- European CDO issuance numbers include only euro-denominated issuance regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. European CDO issuance in 2006 totaled €88.1 billion and €88.7 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.
- Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.
- US CDO issuance numbers include only US dollar-denominated issuance. US dollar transactions may include European transactions which are denominated in US dollars. US CDO issuance in 2006 totaled €337.28 billion and €252.5 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.
- US non-Agency MBS and non-Agency ABS currency conversion is based on euro-denominated data for each security provided by Thomson Reuters and end of quarter currency exchange rates were used for Agency MBS, which includes Agency CMOs.

Sources: Thomson Reuters, JP Morgan, Merrill Lynch, Bloomberg

1.9. Securitisation Issuance¹ by Deal Size

By Volume and Number of Deals Expressed as a Percentage of Total Issuance

2007:Q4

INCLUDING RETAINED DEALS ²				
	EUROPE		US	
	# OF ISSUES	€ BILLIONS	# OF ISSUES	€ BILLIONS
Less than 0.1 Billion	6%	0%	5%	0%
0.1-1.0 Billion	56%	22%	44%	31%
More than €1.0 Billion	38%	78%	24%	55%
Agency MBS	N/A	N/A	27%	14%
TOTAL³	100%	100%	100%	100%

2008:Q1

	EXCLUDING RETAINED DEALS ²				INCLUDING RETAINED DEALS ²			
	EUROPE		US		EUROPE		US	
	# OF ISSUES	€ BILLIONS	# OF ISSUES	€ BILLIONS	# OF ISSUES	€ BILLIONS	# OF ISSUES	€ BILLIONS
Less than 0.1 Billion	17%	1%	5%	0%	7%	0%	5 %	0%
0.1-1.0 Billion	57%	29%	32%	27%	35%	9%	31%	27%
More than €1.0 Billion	26%	70%	13%	34%	58%	91%	13%	33%
Agency MBS	N/A	N/A	50%	39%	N/A	N/A	50%	38%
TOTAL³	100%	100%	100%	100%	100%	100%	99%	98%

- The European data includes all asset classes – ABS, CMBS, RMBS and euro-denominated CDOs. US data includes ABS, non-agency CMBS and RMBS, and US dollar-denominated CDOs. US agency MBS, which includes agency CMBS and RMBS, is shown separately. All data except for CDOs is included based on the country of collateral.
- 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.
- Percentages may not sum to 100% due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.

Source: Dealogic

BALANCES OUTSTANDING

€ BILLIONS¹

2.1. European Outstandings by Collateral

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
ABS ³	167.0			
CDO ⁴	245.3			
CMBS	142.7			
RMBS	616.3			
WBS ⁵	39.8			
TOTAL⁶	1,211.1			

2007:Q1 ²	2007:Q2 ²	2007:Q3	2007:Q4
		178.2	169.5
		273.2	253.1
		146.8	141.3
		685.2	649.7
		40.4	39.3
		1,323.8	1,252.9

Source: Bloomberg

2.2. US Outstandings by Collateral

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
ABS ⁷	1,570.8			
Agency MBS	3,847.4			
Non-Agency MBS	837.2			
TOTAL⁶	6,255.4			

2007:Q1	2007:Q2	2007:Q3	2007:Q4
1,678.7	1,792.8	1,737.1	1,679.7
4,010.0	4,109.9	4,001.4	4,001.3
976.5	981.6	944.4	897.4
6,665.2	6,884.3	6,682.9	6,578.4

¹ All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.

² European outstanding was first calculated for the third quarter of 2007. Data for 2007 Q1 and Q2 is unavailable.

³ European ABS outstanding collateral types include auto loans, credit cards, loans (consumer and student loans) and other.

⁴ Includes euro-denominated CDOs regardless of country of collateral.

⁵ 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.

⁶ Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.

⁷ US ABS outstanding collateral types include auto loans, credit cards, loans (home equity, equipment and student loans), CDOs and other. CDO outstanding can not be broken out within the ABS outstanding collateral type but represents dollar-denominated issues. Converted from US dollar to € based on end-of-quarter exchange rate.

Sources: Freddie Mac, Fannie Mae, Ginnie Mae, Thomson Reuters, SIFMA

BALANCES OUTSTANDING

€ BILLIONS¹

2.3. Outstandings by Country of Collateral

2007

	2007:Q1 ³	2007:Q2 ³	2007:Q3	2007:Q4
Austria			3.6	3.6
Belgium			7.3	7.1
Denmark			6.8	6.1
France			28.9	27.5
Germany			74.1	66.5
Greece			9.9	9.5
Hungary			0.1	0.1
Ireland			18.6	18.0
Italy			117.6	111.1
Netherlands			131.5	127.3
Portugal			29.1	27.1
Russia			3.3	3.0
Spain			173.1	165.6
Sweden			0.8	0.9
Switzerland			0.4	0.4
Turkey			3.1	3.1
UK			492.6	466.6
Multinational			223.0	209.3
EUROPEAN TOTAL³			1,323.8	1,252.8
US TOTAL⁴	6,665.2	6,884.3	6,682.9	6,578.4

2008

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
Austria	3.5			
Belgium	6.9			
Denmark	6.1			
France	24.9			
Germany	63.7			
Greece	9.2			
Hungary	0.1			
Ireland	16.9			
Italy	105.9			
Netherlands	123.8			
Portugal	25.7			
Russia	2.9			
Spain	159.7			
Sweden	0.9			
Switzerland	0.4			
Turkey	3.1			
UK	451.5			
Multinational	205.8			
EUROPEAN TOTAL²	1,211.1			
US TOTAL⁴	6,255.4			

- All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.
- Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.
- European outstanding was first calculated for the third quarter of 2007. Data for 2007 Q1 and Q2 is unavailable.
- US total volume does not include CDOs whereas European total volume includes CDOs.

Sources: Bloomberg, Thomson Reuters, SIFMA

BALANCES OUTSTANDING

2.4. European Outstandings by Moody's Rating² (as a percentage of total Moody's rated securitisations)

	2008:Q1
Aaa/AAA	85.45%
Aa/AA	5.22%
A/A	4.37%
Baa/BBB	3.85%
Ba/BB	0.84%
B/B	0.10%
Caa/CCC	0.05%
Ca/CC	0.03%
C/C	0.07%
TOTAL¹	100.00%

2.5. US Outstandings by Moody's Rating² (as a percentage of total Moody's rated securitisations)

	2008:Q1
Aaa/AAA	81.76%
Aa/AA	5.37%
A/A	3.95%
Baa/BBB	4.82%
Ba/BB	1.41%
B/B	1.09%
Caa/CCC	0.66%
Ca/CC	0.47%
C/C	0.45%
TOTAL¹	100.00%

¹ Percentages may not add to 100% due to rounding.

² The rating distribution is based on current rating and original issuance size. Unrated and defaulted securites are excluded.

Source: Moody's Investors Service

BALANCES OUTSTANDING

€ BILLIONS¹

2.6. Outstandings by Collateral and Country

2007:Q4

	ABS ²	CDO ³	CMBS	RMBS	WBS ⁴	TOTAL ⁵
Austria	1.0	0.0	0.2	2.3	-	3.6
Belgium	0.3	0.0	0.1	6.6	-	7.1
Denmark	0.0	5.9	0.0	0.3	-	6.1
France	6.4	0.8	3.9	16.5	-	27.5
Germany	27.2	14.6	19.0	5.7	0.1	66.5
Greece	1.3	2.3	0.0	5.9	-	9.5
Hungary	0.0	0.0	0.0	0.1	-	0.1
Ireland	0.0	2.0	0.4	15.6	-	18.0
Italy	50.9	4.4	3.9	49.7	2.2	111.1
Netherlands	2.9	9.7	7.7	106.9	-	127.3
Portugal	2.2	1.4	0.0	23.5	-	27.1
Russia	2.0	0.2	0.0	0.8	-	3.0
Spain	15.7	36.0	1.8	112.2	-	165.6
Sweden	0.2	0.0	0.0	0.7	-	0.9
Switzerland	0.0	0.4	0.0	0.0	-	0.4
Turkey	3.1	0.0	0.0	0.0	-	3.1
UK	48.2	7.4	74.5	300.3	36.3	466.6
Multinational ⁶	8.1	168.0	29.8	2.7	0.7	209.3
TOTAL⁵	169.5	253.1	141.3	649.7	39.3	1,252.8

	ABS ⁷	AGENCY MBS	NON-AGENCY MBS	TOTAL
US TOTAL	1,679.7	4,001.3	897.4	6,578.4

2008:Q1

	ABS ²	CDO ³	CMBS	RMBS	WBS ⁴	TOTAL ⁵
Austria	0.9	0.0	0.2	2.3	-	3.5
Belgium	0.3	0.0	0.1	6.5	-	6.9
Denmark	0.0	5.9	0.0	0.3	-	6.1
France	6.2	0.8	3.7	14.2	-	24.9
Germany	26.3	14.0	18.2	5.2	0.1	63.7
Greece	3.6	0.0	0.0	5.7	-	9.2
Hungary	0.0	0.0	0.0	0.1	-	0.1
Ireland	0.0	2.0	0.4	14.5	-	16.9
Italy	47.7	4.3	3.9	47.8	2.3	105.9
Netherlands	2.8	9.1	7.2	104.7	-	123.8
Portugal	2.1	1.3	0.0	22.3	-	25.7
Russia	1.9	0.2	0.0	0.8	-	2.9
Spain	15.2	34.2	1.7	108.6	-	159.7
Sweden	0.1	0.0	0.0	0.7	-	0.9
Switzerland	0.0	0.4	0.0	0.0	-	0.4
Turkey	3.1	0.0	0.0	0.0	-	3.1
UK	48.9	7.2	78.8	280.0	36.7	451.5
Multinational ⁶	7.9	165.9	28.6	2.6	0.7	205.7
TOTAL⁵	167.0	245.3	142.7	616.3	39.8	1211.1

	ABS ⁷	AGENCY MBS	NON-AGENCY MBS	TOTAL
US TOTAL	1,570.8	3,847.4	837.2	6,255.4

1 All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.

2 European ABS issuance includes auto, credit card, leases, loans, receivables and other.

3 European CDO issuance numbers only include euro-denominated issuance regardless of the country of collateral. A substantial percentage of CDOs are backed by multi-jurisdictional collateral. European CDO issuance in 2006 totaled €88.1 billion and €88.7 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.

4 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.

5 Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.

6 Multinational includes all deals in which assets originate from a variety of jurisdictions.

7 US ABS issuance includes CDOs, as well as auto, credit card, home equity, student loan, equipment leases, non-jumbo mortgage, and other. US dollar volumes converted to € based on end-of-quarter exchange rate. US CDO issuance numbers only include US dollar-denominated issuance. US dollar transactions may include European transactions which are denominated in US dollars. US CDO issuance in 2006 totaled €337.28 billion and €252.5 billion in 2007. Historical CDO issuance totals have been revised due to periodic updates of the sector.

Sources: Thomson Reuters, JP Morgan, Merrill Lynch, Bloomberg

CREDIT QUALITY - RATING CHANGES

Upgrades/Downgrades by Country¹

3.1. Fitch Ratings³

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
France	0/0				0/0
Germany	4/1				4/1
Italy	2/10				2/10
Netherlands	0/0				0/0
Spain	0/0				0/0
UK	22/50				22/50
Multinational ³	8/0				8/0
EUROPEAN TOTAL	36/61				36/61
US TOTAL	335/4901				335/4901

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
	3/0	0/0	0/1	0/0	3/1
	0/0	3/9	11/4	20/8	34/21
	7/1	6/0	5/0	19/0	37/1
	10/0	12/0	27/0	13/0	62/0
	2/0	7/0	0/0	22/2	31/2
	91/18	45/3	70/38	72/129	278/188
	3/0	5/0	11/1	17/0	36/1
	116/19	78/12	122/44	163/139	481/214
	654/221	637/643	335/2053	132/3099	1758/6016

3.2. Moody's Investors Service

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
France	0/0				0/0
Germany	0/2				0/2
Italy	0/1				0/1
Netherlands	0/0				0/0
Spain	1/0				1/0
UK	10/7				10/7
Multinational ²	11/247				11/247
EUROPEAN TOTAL	22/257				22/257
US TOTAL	111/4751				111/4751

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
	0/0	0/0	0/0	0/0	0/0
	2/0	1/0	0/0	1/0	4/0
	0/0	0/0	0/2	1/2	1/4
	17/0	3/0	0/0	0/0	20/0
	0/0	0/0	0/0	0/0	0/0
	3/2	4/0	5/1	9/8	21/11
	79/36	54/42	33/73	70/84	236/235
	101/38	62/42	38/76	81/94	282/250
	447/158	279/380	562/1619	315/7498	1603/9655

3.3. Standard & Poor's

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
France	1/2				1/2
Germany	1/7				1/7
Italy	10/0				10/0
Netherlands	0/0				0/0
Spain	6/1				6/1
UK	6/52				6/52
Multinational ²	26/450				26/450
EUROPEAN TOTAL	50/512				50/512
US TOTAL	216/8895				216/8895

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL/TOTAL
	2/0	0/0	0/0	1/0	3/0
	17/0	5/2	3/3	9/0	34/5
	4/0	6/5	3/1	7/0	20/6
	12/0	4/0	0/0	1/0	17/0
	0/0	4/0	9/0	3/0	16/0
	22/12	11/5	17/4	27/1	77/22
	68/54	51/60	60/69	35/144	214/327
	125/66	81/72	92/77	83/145	381/360
	419/195	414/372	407/1230	292/4738	1532/6535

¹ Each box contains two numbers: Upgrades followed by Downgrades. Because the three credit rating agencies (CRAs) track different securities and apply slightly different rating criteria, these numbers are not directly comparable across the CRAs. For an explanation of each credit rating agency's specific methodology, please consult the annex which follows this report.

² Multinational is defined for Standard & Poor's and Moody's ratings as all issues with collateral located in multiple countries. All CDOs are also included in this category.

³ The Fitch '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.

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

CREDIT QUALITY - RATING CHANGES

Upgrades/Downgrades by Collateral¹

3.4. Fitch Ratings-Europe

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	1/0				1/0
Credit Card	0/0				0/0
Other ABS ²	3/21				3/21
CDO	0/10				0/10
CMBS	5/12				5/12
RMBS (prime)	12/0				12/0
RMBS (sub-prime)	15/18				15/18
TOTAL	36/61				36/61

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	0/0	3/0	1/0	2/0	6/0
Credit Card	0/0	0/0	0/0	0/0	0/0
Other ABS ²	0/0	13/0	14/9	4/8	31/17
CDO	26/18	23/2	23/32	20/128	92/180
CMBS	23/1	8/6	19/3	16/0	66/10
RMBS (prime)	50/0	19/4	40/0	91/12	200/6
RMBS (sub-prime)	17/0	12/0	27/0	29/1	85/1
TOTAL	116/19	78/12	122/44	162/139	480/214

3.5. Moody's Investors Service-Europe

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	1/0				1/0
CDO	11/247				11/247
CMBS	2/0				2/0
Credit Card	3/0				3/0
RMBS (prime)	0/3				0/3
RMBS (sub-prime)	5/7				5/7
TOTAL	22/257				22/257

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	0/0	0/0	0/0	1/0	1/0
CDO	74/36	48/42	28/73	65/84	215/235
CMBS	10/2	14/0	10/3	8/1	42/6
Credit Card	0/0	0/0	0/0	0/0	0/0
RMBS (prime)	17/0	0/0	0/0	1/1	18/1
RMBS (sub-prime)	0/0	0/0	0/0	6/8	6/8
TOTAL	101/38	62/42	38/76	81/94	282/250

3.6. Standard & Poor's-Europe

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	4/0				4/0
CDO	25/475				25/475
CMBS	4/0				4/0
Credit Card	4/4				4/4
RMBS (prime)	7/2				7/2
RMBS (sub-prime)	0/1				0/1
TOTAL	44/482				44/482

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	0/0	1/0	0/0	1/0	2/0
CDO	66/56	46/60	56/72	38/144	206/332
CMBS	14/10	13/4	9/1	10/0	46/15
Credit Card	0/0	1/1	2/2	3/3	6/6
RMBS (prime)	26/0	8/3	17/3	16/0	67/6
RMBS (sub-prime)	1/0	0/0	2/0	13/0	16/0
TOTAL	107/66	69/68	86/78	81/147	343/359

3.7. Fitch Ratings-US

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	8/34				8/34
Credit Card	0/3				0/3
Other ABS ²	242/467				242/467
CDO	0/155				0/155
CMBS	69/39				69/39
RMBS (prime)	11/100				11/100
RMBS (subprime)	0/3683				0/3683
Other RMBS ³	5/420				5/420
TOTAL	335/4901				335/4901

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	26/0	35/0	29/0	5/0	95/0
Credit Card	0/0	14/2	0/0	0/0	14/2
Other ABS ²	10/25	40/5	32/10	43/20	125/60
CDO	16/18	103/29	81/228	18/905	218/1180
CMBS	284/6	265/13	172/11	55/40	776/70
RMBS (prime)	110/2	38/1	18/0	11/20	177/23
RMBS (subprime)	139/128	127/501	1/1746	0/1354	267/3729
Other RMBS ³	69/42	15/92	2/58	0/760	86/952
TOTAL	654/221	637/643	335/2053	132/3099	1758/6016

3.8. Moody's Investors Service-US

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	0/49				0/49
CDO	3/1637				3/1637
CMBS	93/76				93/76
Credit Card	0/1				0/1
RMBS	15/2988				15/2988
TOTAL	111/4751				111/4751

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	0/0	52/0	1/0	40/0	93/0
CDO	74/29	20/7	2/103	15/1387	111/1526
CMBS	259/30	161/17	294/18	163/12	877/77
Credit Card	68/0	0/0	0/0	0/0	68/0
RMBS	46/99	46/356	265/1498	97/6099	454/8052
TOTAL	447/158	279/380	562/1619	315/7498	1603/9655

3.9. Standard & Poor's-US

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
Auto	6/80				6/80
CDO	40/3232				40/3232
CMBS	84/54				84/54
Credit Card	0/0				0/0
RMBS (prime)	80/85				80/85
RMBS (sub-prime)	6/5444				6/5444
TOTAL	216/8895				216/8895

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
Auto	15/0	58/0	23/0	28/2	124/2
CDO	81/43	104/142	41/340	79/1168	305/1693
CMBS	133/29	216/31	174/16	125/52	648/128
Credit Card	40/0	0/3	26/0	2/0	68/3
RMBS (prime)	106/8	35/5	140/16	51/7	332/36
RMBS (sub-prime)	44/115	1/191	3/858	7/3509	55/4673
TOTAL	419/195	414/372	407/1230	292/4738	1532/6535

¹ Each box contains two numbers: Upgrades followed by Downgrades. Because the three credit rating agencies (CRAs) track different securities and apply slightly different rating criteria, these numbers are not directly comparable across the CRAs.

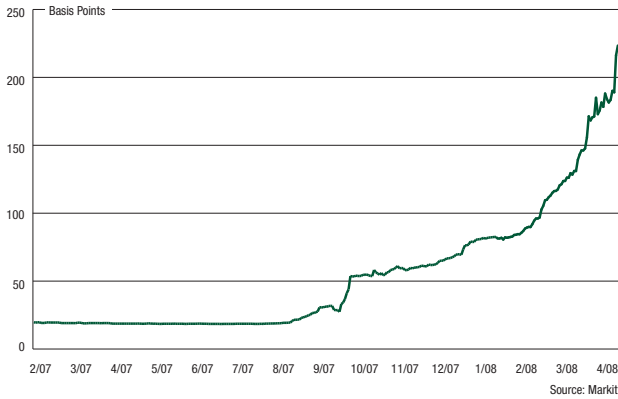
² Fitch's Other ABS category may include student loans, equipment leases, home equity, and other.

³ Fitch's Other RMBS category includes other types of RMBS transactions such as ALT-A, Reverse Mortgage, Government RMBS etc.

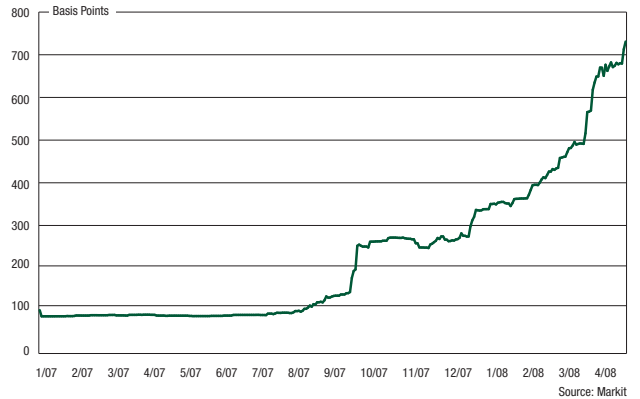
Sources: Fitch Ratings, Moody's Investors Service, Standard & Poor's

CMBS CREDIT SPREADS

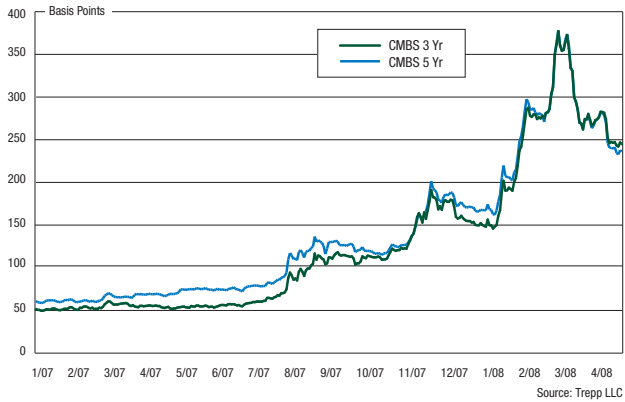
4.1. European 3-5 Yr AAA CMBS Credit Spreads¹



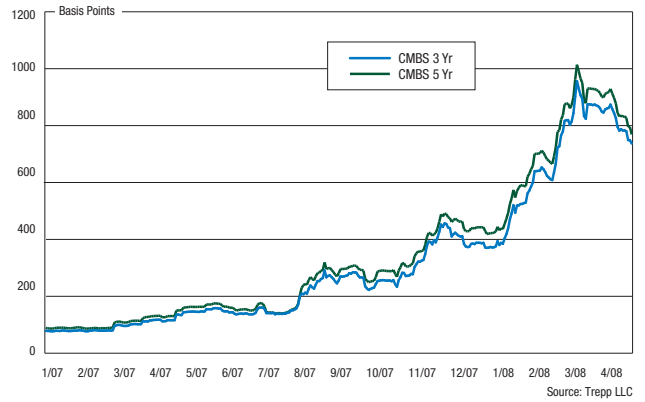
4.2. European 3-5 Yr BBB CMBS Credit Spreads¹



4.3. US 3 & 5 Yr AAA CMBS Credit Spreads²



4.4. US 3 & 5 Yr BBB CMBS Credit Spreads²



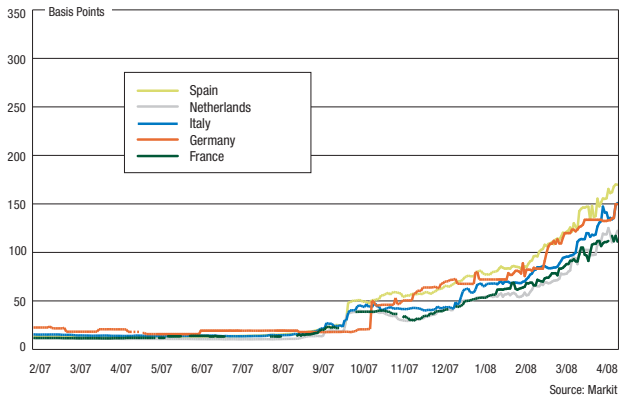
¹ Markit provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting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

² 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.

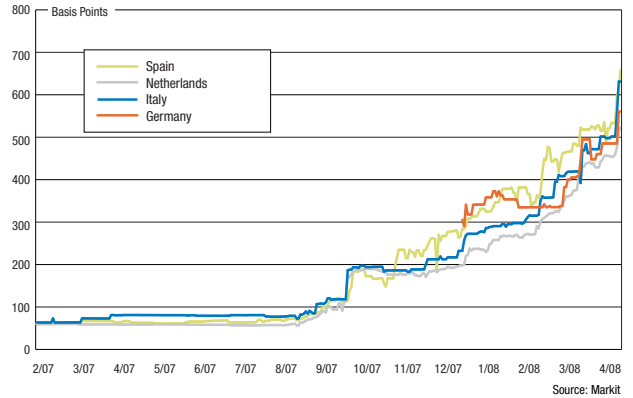
Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

RMBS CREDIT SPREADS

5.1. European 3-5 Yr AAA RMBS Credit Spreads¹

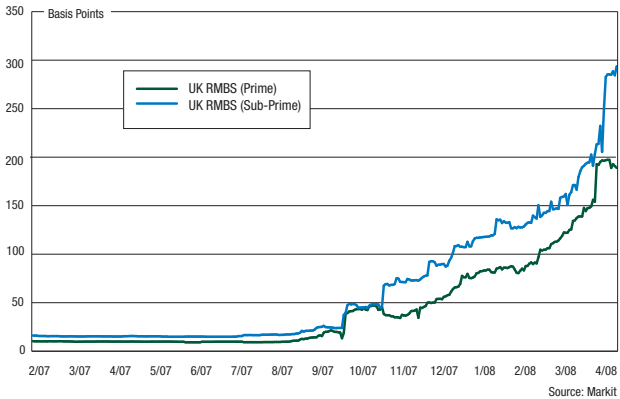


5.2. European 3-5 Yr BBB RMBS Credit Spreads¹

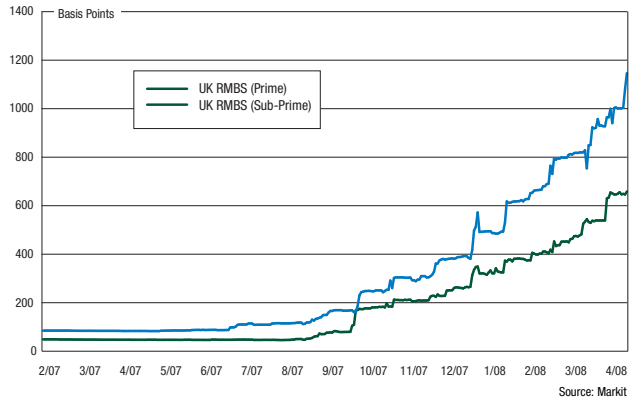


Note: French 3-5 Yr BBB RMBS data are not available.

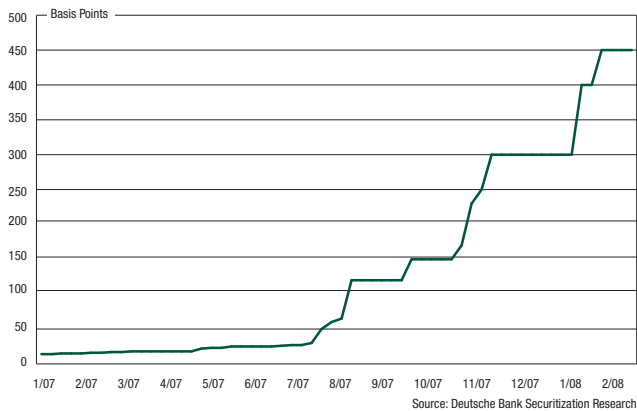
5.3. UK 3-5 Yr AAA RMBS Credit Spreads¹



5.4. UK 3-5 Yr BBB RMBS Credit Spreads¹



5.5. US 3-Yr AAA Subprime RMBS Credit Spreads²

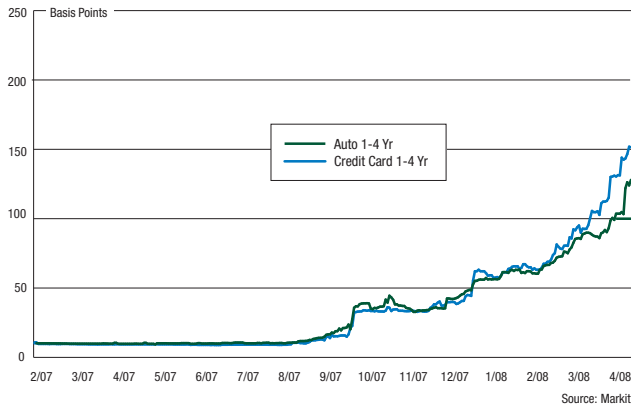


1 Market provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting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

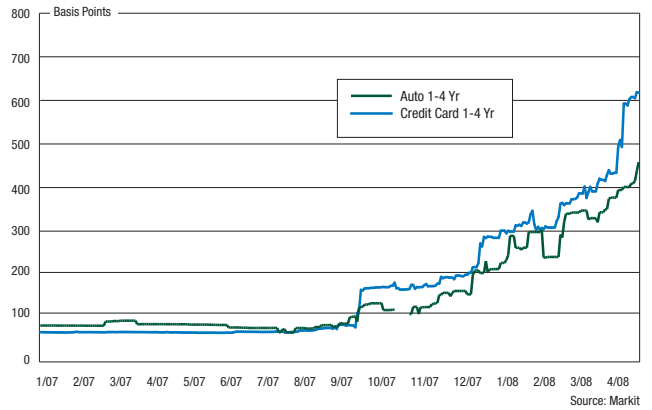
Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

ABS CREDIT SPREADS

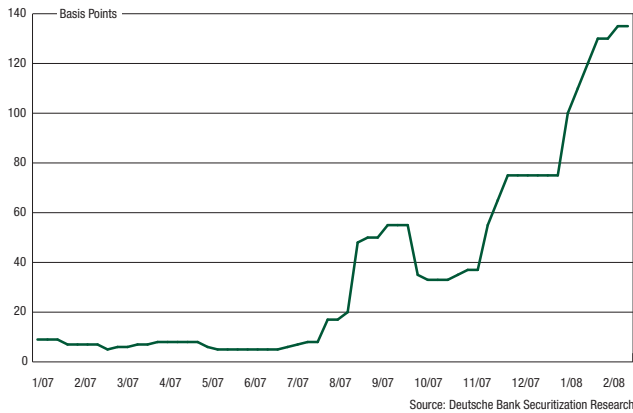
6.1. European 1-4 Yr AAA ABS Credit Spreads¹



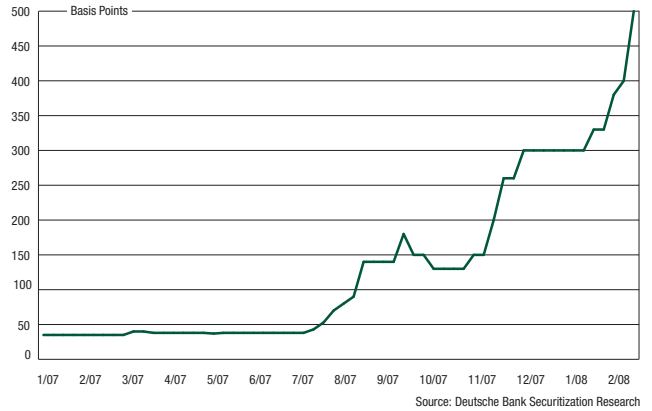
6.2. European 1-4 Yr BBB ABS Credit Spreads¹



6.3. US 3-Yr AAA Auto Credit Spreads²



6.4. US 3-Yr BBB Auto Credit Spreads²



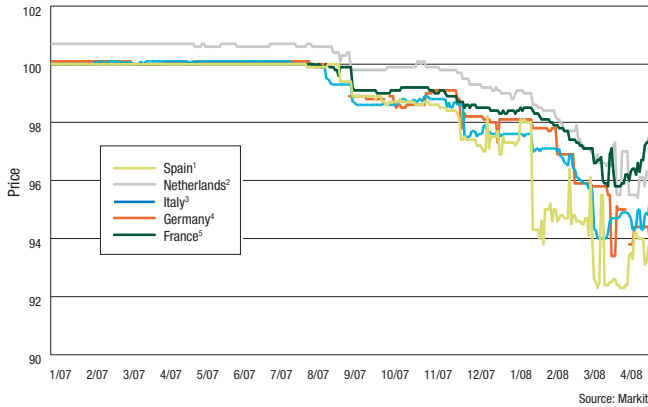
¹ Markit provides independent composite spread levels which are calculated from dealer contributions and are subject to multiple cleaning algorithms. These levels are equivalent to the 'discount margin' which is defined as the effective spread to maturity of a floating rate security after discounting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

² Auto ABS spreads are based on a swaps curve which effectively identifies the relationship between swap rates for Auto ABS products at varying maturities.

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

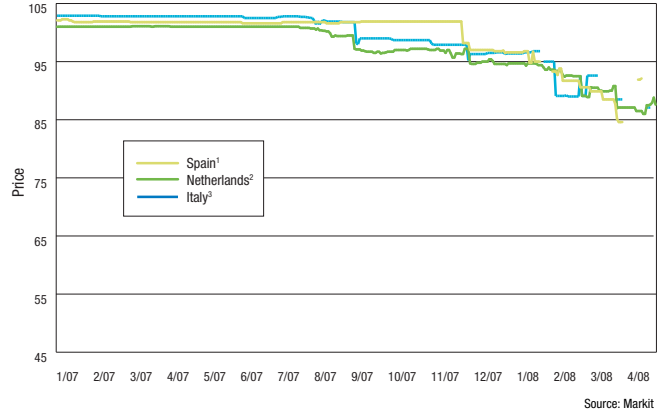
RMBS CREDIT PRICES

7.1. European 3-5 Yr AAA RMBS Credit Prices¹



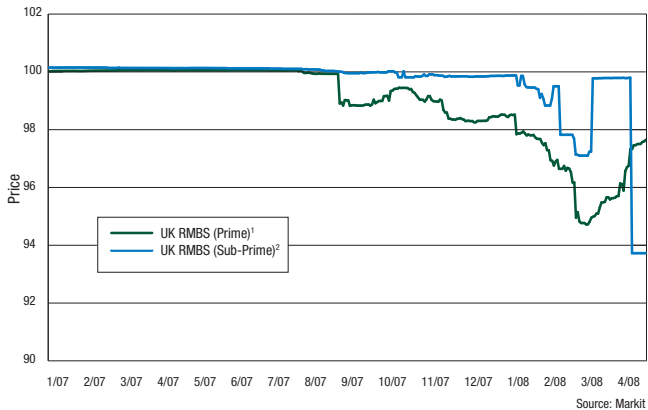
- 1 Spanish AAA RMBS provided: IM Pastor 3, Fondo de Titulizacion Hipotecaria, Class A, Series 3. ISIN# ES0347862007. Euro-denominated.
- 2 Dutch AAA RMBS provided: Saecure 5 B.V., Class A, Series 1. ISIN# XS0217032738. Euro-denominated.
- 3 Italian AAA RMBS provided: Vela Home S.r.l. 3, Class A, Series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

7.2. European 3-5 Yr BBB RMBS Credit Prices¹



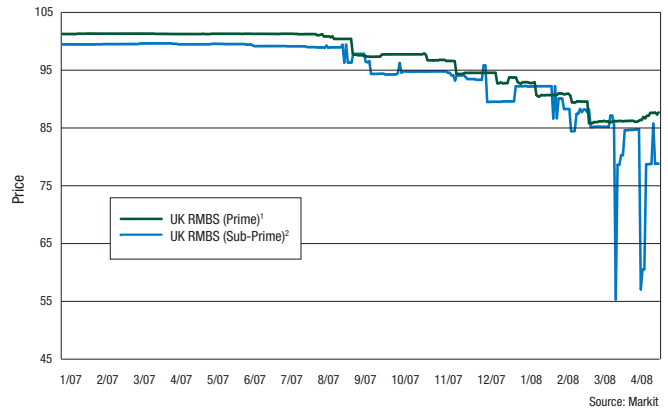
- 1 Spanish BBB RMBS provided: Bancaja 6, Fondo de Titulización de Activos, Class C, Series 1. ISIN# ES0312885033. Euro-denominated.
 - 2 Dutch BBB RMBS provided: Dutch Mortgage Portfolio Loans IV B.V, Class C, Series 1. ISIN# XS0194097670. Euro-denominated.
 - 3 Italian BBB RMBS provided: IntesaBci Sec. 2 S.r.l., Class C, Series 1. ISIN# IT0003428635. Euro-denominated.
- Note: French and German 3-5 Yr BBB RMBS data are not available.

7.3. UK 3-5 Yr AAA RMBS Credit Prices¹



- 1 UK AAA prime RMBS provided: Permanent Financing (No.9) PLC, Class 4A, Series 9. ISIN# XS0248264060. Euro-denominated.
- 2 UK AAA subprime RMBS provided: First Flexible No. 4 Plc, Class A, Series 1. ISIN# XS0132692384. Pound sterling denominated.

7.4 UK 3-5 Yr BBB RMBS Credit Prices¹



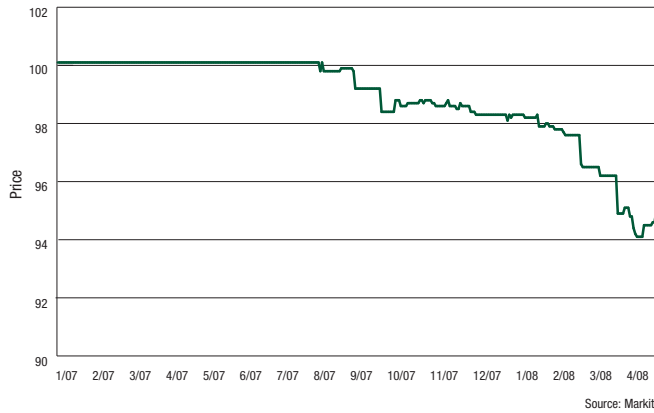
- 1 UK BBB prime RMBS provided: Permanent Financing (No.5) PLC, Class C, Series 5. ISIN# XS0197070831. Pound sterling denominated.
- 2 UK BBB subprime RMBS provided: Leek Finance Number Fifteen Plc, Class Cc, Series 1. ISIN# XS0216901552. Euro-denominated.

¹ 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.

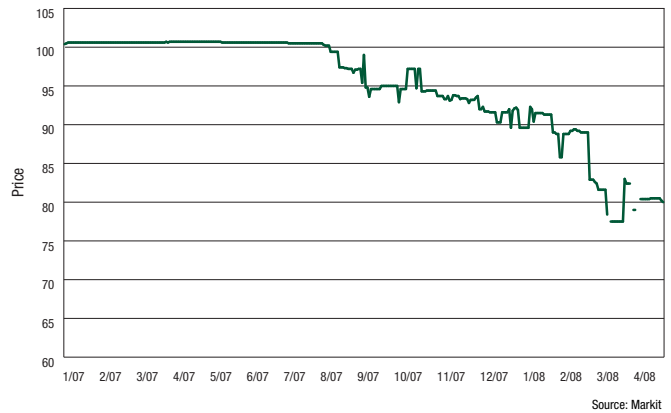
CMBS AND ABS CREDIT PRICES

8.1. Pan-European 3-5 Yr AAA CMBS Credit Prices¹



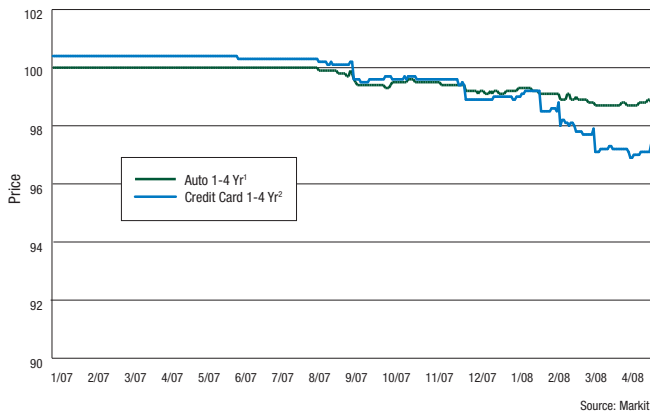
Pan-European AAA CMBS provided: Opera Finance (Lakeside) Plc, Class A, Series 1. ISIN# XS0198555202. Pound sterling-denominated.

8.2. Pan-European 3-5 Yr BBB CMBS Credit Prices¹



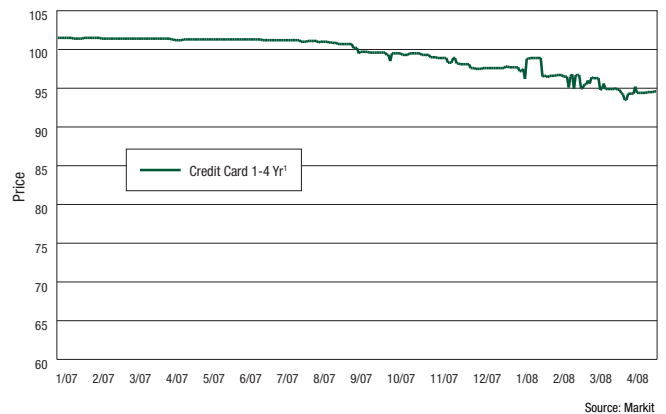
Pan-European BBB CMBS provided: German Residential Asset Note Distributor Plc, Class D, Series 1. ISIN# XS0260143101. Euro-denominated.

8.3. Pan-European 1-4 Yr AAA ABS Credit Prices¹



- 1 Pan-European AAA Auto ABS provided: Driver Two GmbH, Class A, Series 1. ISIN# XS0228171673. Euro-denominated.
- 2 Pan-European AAA Credit Card ABS provided: Chester Asset Receivables Dealings 2003-C PLC, Class A, Series UK2003-C. ISIN# XS0178090162. Euro-denominated.

8.4. Pan-European 1-4 Yr BBB ABS Credit Prices¹



- 1 Pan-European BBB Credit Card ABS provided: Chester Asset Receivables Dealings 2002-A Plc (CARDS No. 02-A), Class C, Series UK2002-A. ISIN# XS0146915282. Euro-denominated.

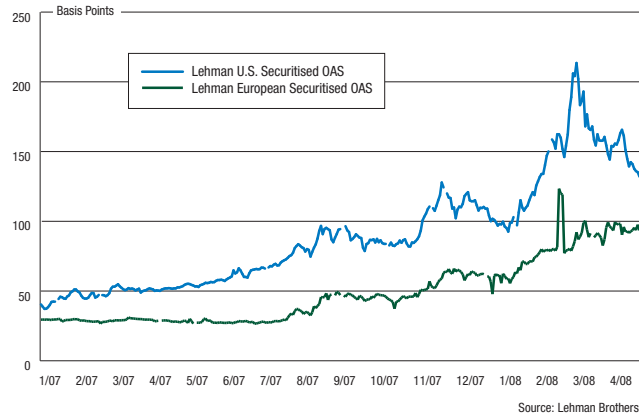
Note: Pan European 1-4 Yr ABS BBB Auto price data is not available.

¹ 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.

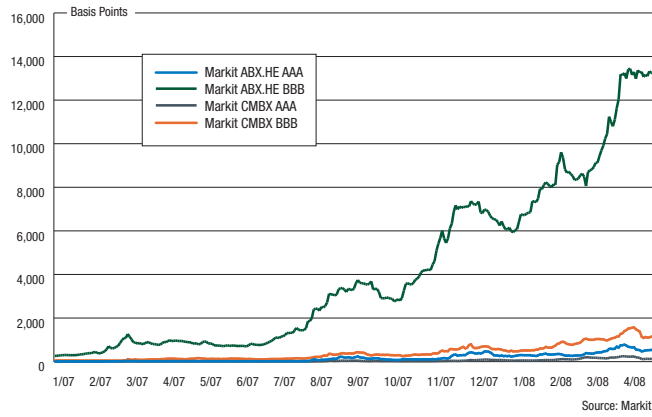
Note: Gaps in data availability occur in some places and result in linebreaks for those data series.

INDICES DATA

9.1. Lehman Securitised Index Option Adjusted Spreads



9.2. Markit ABX.HE and Markit CMBX Spreads



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

EUROPEAN TERM PRIMARY DISTRIBUTION

IN PERCENTAGE

10.1. Term Primary Distribution by Investor Type¹

	RMBS	CMBS ³	CONSUMER ABS	OTHER ²
Bank	67.8 %	63.3 %	40.6 %	59.5 %
Insurance Co.	3.7 %	4.0 %	2.4 %	1.8 %
Money Mkt & Fund Mgr.	21.1 %	21.9 %	37.0 %	27.1 %
Hedge Fund	1.3 %	5.3 %	4.3 %	7.8 %
Other	6.1 %	5.5 %	15.7 %	3.8 %
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %

IN PERCENTAGE

10.2. Term Primary Distribution by Investor Location²

	RMBS	CMBS ³	CONSUMER ABS	OTHER ²
Benelux	11.8 %	7.4 %	25.1 %	25.1 %
France	10.2 %	3.2 %	10.4 %	15.2 %
Germany	23.4 %	14.5 %	24.4 %	17.9 %
Ireland	5.5 %	12.9 %	5.8 %	2.0 %
Italy	5.2 %	0.4 %	2.4 %	6.5 %
Spain	1.3 %	4.5 %	3.6 %	3.4 %
UK	27.5 %	52.9 %	23.5 %	24.7 %
Others	15.1 %	4.2 %	4.8 %	5.2 %
TOTAL	100.0 %	100.0 %	100.0 %	100.0 %

¹ Dealers were surveyed about the primary distribution of new term securitisation issues by product type for the second half of 2007, for both by investor type and location. The responses were provided in percentage form and averaged.

² Includes CDOs.

³ Note that CMBS primary issuance declined significantly in the second half of 2007 through the first quarter of 2008. Therefore, this data represents extremely reduced issuance volumes.

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

ASSET-BACKED COMMERCIAL PAPER

€ BILLIONS¹

11.1. European ABCP Historical Issuance

	Q1	Q2	Q3	Q4	TOTAL ²
2004	28.1	29.5	35.7	37.8	131.0
2005	44.7	52.2	51.1	45.7	193.7
2006	61.6	65.8	76.1	84.7	288.2
2007	111.4	106.7	111.3	131.6	460.9
2008	78.1	-	-	-	78.1

11.2. European ABCP Issuance by Nationality of Issuer³

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
France	5.2				5.2
Germany	7.9				7.9
Ireland	36.5				36.5
Luxembourg	0.2				0.2
Netherlands	7.2				7.2
UK	21.1				21.1
EUROPEAN TOTAL ²	78.1				78.1

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
5.8	5.5	6.3	5.5	23.2
8.6	8.2	12.3	9.4	38.5
63.5	59.3	47.1	63.5	233.4
1.4	1.0	0.8	0.3	3.5
7.0	7.9	9.2	27.9	52.0
25.1	24.8	35.5	24.9	110.4
111.4	106.7	111.3	131.6	460.9

€ BILLIONS

11.3. European ABCP Issuance by Programme Type

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
Loan-Backed	-				-
SIVs	6.7				6.7
Single-Seller Conduits	0.5				0.5
Multi-Seller Conduits	42.1				42.1
Unspecified	28.9				28.9
TOTAL ²	78.1				78.1

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
-	-	-	-	-
3.3	5.8	7.0	12.2	28.2
5.4	4.6	1.8	0.3	12.1
42.8	45.4	60.5	50.0	198.8
59.9	50.9	42.0	69.0	221.9
111.4	106.7	111.3	131.6	460.9

11.4. US ABCP Issuance by Programme Type⁴

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL ²
Loan-Backed					
SIVs					
Single-Seller Conduits					
Multi-Seller Conduits					
Unspecified					
TOTAL ²					

2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL ²
2.8	2.6	2.4	2.2	9.9
			0.3	-
112.8	111.4	74.7	40.7	339.6
300.9	333.7	319.5	291.3	1,245.4
91.6	84.3	105.1	84.8	365.8
508.1	531.9	501.7	419.3	1,960.6

€ BILLIONS

11.5. ABCP Outstanding by Nationality of Issuer⁵

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
France	2.3			
Germany	3.7			
Ireland	10.1			
Luxembourg	0.1			
Netherlands	0.8			
UK	9.8			
EUROPEAN TOTAL ²	26.8			
US TOTAL ⁴	350.5			

2007:Q1	2007:Q2	2007:Q3	2007:Q4
2.8	2.4	2.6	1.4
3.7	3.7	4.9	4.5
30.7	27.4	21.9	12.9
0.5	0.4	0.2	0.1
4.6	4.5	3.6	2.5
15.8	15.8	13.5	9.2
58.1	54.2	46.7	30.6
508.2	528.9	470.6	392.1

- All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.
- Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.
- 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.
- Based on US ABCP programs rated out of Moody's NY office ABCP Program Index, regardless of market. Therefore, some euro CP may be included in this figure. 2008 first quarter data was unavailable at the time of publication.
- Outstanding data is 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.

Sources: Dealogic, Moody's Investors Service

ASSET-BACKED COMMERCIAL PAPER

€ BILLIONS¹

11.6 European ABCP Outstanding by Programme Type²

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
Loan-Backed	-			
SIVs	1.9			
Single-Seller	0.2			
Multi-Seller	15.3			
Unspecified	9.4			
TOTAL³	26.8			

2007:Q1	2007:Q2	2007:Q3	2007:Q4
-	-	-	-
1.9	1.1	3.0	2.4
4.5	4.8	2.4	0.4
20.6	20.1	22.0	16.0
31.1	28.2	19.2	11.7
58.1	54.2	46.7	30.6

11.7 US ABCP Outstanding by Programme Type⁴

	2008:Q1	2008:Q2	2008:Q3	2008:Q4
Loan-Backed	2.0			
SIVs	-			
Single-Seller	41.9			
Multi-Seller	271.4			
Unspecified⁵	35.2			
TOTAL³	350.5			

2007:Q1	2007:Q2	2007:Q3	2007:Q4
2.8	2.6	2.4	2.2
-	-	-	0.3
112.8	111.4	74.8	40.7
300.9	333.8	319.6	291.2
91.6	81.1	73.8	57.6
508.2	528.9	470.6	392.1

1 All volumes are denominated in euro. The US volumes were converted from dollar to euro based on the \$/€ exchange rates as of quarter-end. The US \$/€ exchange rates were 0.75 at the end of Q1 07, 0.7422 for Q2 07, 0.7012 for Q3 07, 0.6794 for Q4 07, and 0.6333 for Q1 08.

2 Dealogic classifies ABCP programs as European based on the nationality of SPVs.

3 Numbers may not add due to independent rounding. Historical or prior period issuance numbers are revised to reflect changes in classification or information submitted to our data source after the prior period cut-off dates.

4 Based on US ABCP programs rated by Moody's NY office ABCP Program Index, regardless of market. Therefore, some euro-denominated ABCP may be included in this figure.

5 "Unspecified" in the U.S. ABCP Outstanding by Programme Type table includes arbitrage and hybrid programme types.

Source: Dealogic, Moody's Investors Service

11.8. ABCP Outstanding Assets Split by Country¹

United States	28.9%
United Kingdom	19.3%
Global²	14.7%
Netherlands	9.2%
Europe³	4.3%
Germany	7.0%
France	3.8%
Italy	2.8%
Others	4.6%
Australia	2.0%
Spain	1.0%
Ireland	1.1%
Belgium	1.2%
TOTAL	100%

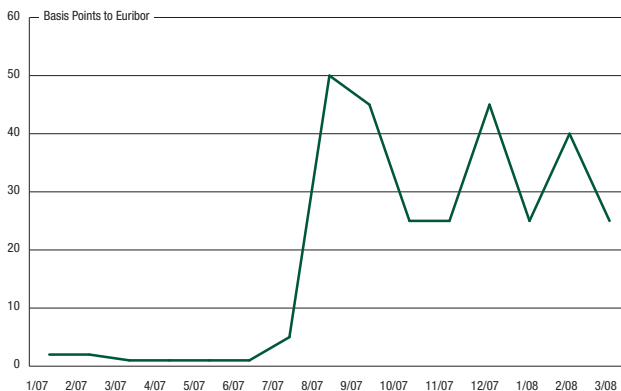
1 Percentages shown are as of 28/02/2008.

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

3 Refers to ABCP with assets originating from multiple European countries.

Source: Moody's Investors Service

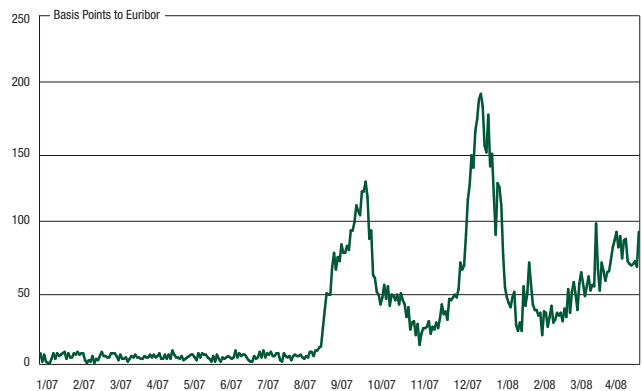
11.9. Euro A-1+/A-1/P-1 ABCP¹ to Euribor Spread



1 This figure includes ABCP rated A-1+ and A-1 by Standard & Poor's and P-1 at Moody's Investors Service. Lehman creates a composite spread for all such ABCP that it tracks, and estimates this amount of CP to represent the majority of current ABCP outstanding.

Source: Lehman Brothers

11.10. US AA ABCP to AA Non-financial CP Spread



Source: Federal Reserve

ABECP PRIMARY DISTRIBUTION BY INVESTOR TYPE AND LOCATION

11.11. ABECP Primary Distribution by Investor Type¹

	CONDUITS	SIVs
Bank	12.75%	58.18%
Corporation	6.87%	24.18%
Insurance Co.	1.27%	0.00%
Money Mkt & Fund Mgr.	71.10%	10.46%
Hedge Fund	0.30%	0.00%
Sovereign/Supra	4.33%	7.18%
Other	3.37%	0.00%

11.12. ABECP Primary Distribution by Investor Location¹

	CONDUITS	SIVs
Benelux	10.84%	3.36%
France	2.09%	0.00%
Germany	2.03%	0.00%
Ireland	2.46%	1.03%
Italy	0.00%	0.00%
Spain	0.00%	0.00%
Switzerland	1.83%	1.30%
UK	64.30%	62.97%
Other European	5.22%	0.00%
Rest of World	11.24%	31.34%

¹ Dealers were surveyed about the primary distribution of outstanding ABECP by program type for both investor type and location. Outstandings were given as of 31/12/2007. The responses were provided in euro volume, given weighted averages and converted to percentage form.

Source: Dealer firms, in cooperation with ICMA. Data collated by SIFMA.

GLOBAL COMPARATIVE DATA

€ BILLIONS¹

12.1. Global Securitisation Issuance²

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
US	224.4				224.4
Europe	36.5				36.5
Asia	18.6				18.6
TOTAL	279.5				279.5

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
	586.8	570.6	355.8	270.4	1,783.6
	136.2	149.9	86.4	118.7	491.3
	22.4	32.4	16.8	18.3	89.9
TOTAL	745.4	752.9	459.0	407.4	2,364.8

12.2. Global Corporate Bond Issuance³

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
US	83.0				83.0
Europe	56.8				56.8
Asia	1.5				1.5
TOTAL	141.2				141.2

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
	76.4	90.8	101.6	115.1	384.0
	45.4	58.8	37.1	51.2	192.6
	6.6	9.0	2.5	2.8	20.9
TOTAL	128.4	158.6	141.2	169.2	597.4

12.3. Global Government Bond Issuance²

	2008:Q1	2008:Q2	2008:Q3	2008:Q4	TOTAL
US	101.2				101.2
Europe	52.0				52.0
Asia	6.6				6.6
TOTAL	159.8				159.8

	2007:Q1	2007:Q2	2007:Q3	2007:Q4	TOTAL
	130.9	119.2	61.8	101.2	413.2
	197.4	144.7	71.2	31.5	444.9
	37.8	19.2	55.8	12.3	125.2
TOTAL	366.1	283.2	188.9	145.1	983.3

¹ 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.

² Includes CDOs, RMBS, ABS, CMBS, and WBS. Region of issue is determined by the currency denomination of each security.

³ Data is for public placements only.

Source: Merrill Lynch Research based on Dealogic data

Summary of the Methodologies Adopted for this Report

1. Issuance

1.1. - 1.2. European and US Historical Issuance (p. 2)

The tables covering historical issuance in Europe and the US are denominated in euro. The historical issuance volume is the total 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).

1.3. - 1.4. European Issuance by Collateral (p. 2)

The European issuance volumes are determined based on the review of four data sources: Bloomberg, JP Morgan, Merrill Lynch 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. Those securities that fail to meet this criteria are excluded. With respect to CDOs, securities are designated as European if they are issued in euro, regardless of their country of collateral, due to the limited amount of CDOs denominated in European currencies other than the euro. CDO information does not cover transactions with bespoke portfolios of credit default swaps, single tranche or synthetic arbitrage CDOs which can be found at www.creditflux.com. The information published is based on data provided by Thomson Reuters.

The end-of-quarter dollar to euro exchange rates used were 0.75 for the first quarter of 2007, 0.7422 for the second quarter, 0.7012 for the third quarter, 0.6794 for the fourth quarter, and 0.6333 for the first quarter of 2008. These same conversion rates, sourced from Bloomberg, are used on all US issuance and outstanding volume data.

The US non-agency RMBS, CMBS, ABS and CDO issuance data source is Thomson Reuters. Agency mortgage-backed securities (MBS) are defined as securities issued by Fannie Mae, Freddie Mac, Federal Home Loan System and Ginnie Mae. The information is derived from Bloomberg. US issuance data is generally based on the sum of securities with US collateral. US CDO data is defined as US dollar-denominated CDOs regardless of the country of collateral. The US issuance data is converted from US dollar-to-euro based on the dollar to euro exchange rate at each quarter-end at the above indicated exchange rates.

1.5. Issuance by Country of Collateral (p. 2)

The tables covering issuance in the US and Europe are presented in euro. 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 collateral coming from more than one jurisdiction are categorised as Multinational. All CDOs are classified under this Multinational group due to the complexity involved in identifying the collateral origin in the specific tranches. The European issuance volumes are determined based on the review of four data sources: Bloomberg, JP Morgan, Merrill Lynch and Thomson Reuters. As above, all European CDOs are placed in the Multinational group.

US CDO data is defined as dollar-denominated issues regardless of country of collateral.

1.6. Issuance by Collateral Type and Country of Collateral

(p. 3)

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

1.7. - 1.8. Issuance by Rating (p. 4)

Issuance is presented by credit rating classification (AAA, AA, A, BBB & Below and Not Rated) on a quarterly basis for 2007 and the first quarter of 2008. The credit rating assigned is the lowest of the ratings provided by Fitch Ratings, Moody's Investors Service and/or Standard & Poor's. Securities are classified Not Rated if none of the credit rating agencies has provided an opinion on the credit of the tranches. US agency MBS issues are generally not rated and are therefore grouped separately under Agency MBS.

1.9. Issuance by Deal Size (p. 4)

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 euro-denominated CDOs. US data include ABS, non-agency CMBS and RMBS, and US 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. European collateral includes European ABS, CMBS, and RMBS. US collateral includes US Agency MBS, non-agency CMBS and RMBS, and ABS.

The number of issues refers to the number of deals, not the number of tranches within each deal.

Dealogic data for retained deals is based on market available information from 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. 5)

The outstanding volumes are reported by asset class. For Europe, outstanding volume is calculated by the principal balance outstanding on structured product transactions, including public, private, rated, unrated, listed and unlisted securities derived from the Bloomberg database. Outstanding volumes at the end of each quarter are calculated using the pool factor for each tranche. The pool factor is adjusted with the expected weighted average life at the time of transaction pricing. For tranches that are non-euro denominated, the exchange rate obtained from Bloomberg at the end of the quarter is applied for the conversion into euro. Securities included in the calculations have collateral originating from a European country. For the CDO sector, only euro-denominated issuance is included regardless of the country of collateral due to the limited amount of CDOs denominated in European currencies other than the euro. CDO information generally does not cover transactions with a derivative form included such as bespoke portfolios of credit default swaps, single tranche or synthetic arbitrage CDOs, which can be found at www.creditflux.com.

The US outstanding calculations are based on information derived from Bloomberg for agency MBS and Thomson Reuters for other asset classes (non-agency MBS and ABS). Specific assumptions are developed for prepayment and amortisation speeds based on consultations with the US dealer community. The following asset classes are segmented: Agency MBS, non-agency MBS, and ABS. The MBS figures include both RMBS and CMBS. The ABS classification for the US includes CDOs, which contains dollar-denominated CDOs regardless of the country of collateral.

2.3. Outstandings by Country of Collateral (p. 6)

The European outstanding volumes are segmented by country of collateral based on the above methodology. The US outstandings include agency and non-agency securities.

2.4. - 2.5. Outstandings by Moody's Rating (p. 7)

The percentage rating distribution for Europe and the US is based on Moody's Investors Service data. The data provide current ratings as of the end of the quarter. The data presented are based on original issuance volume for European and US deals. Information on current ratings by outstanding volume is not currently available. The Moody's data has been converted to percentages based on the original issuance size to make it easily comparable with the other outstanding volumes provided in the report. Defaulted and unrated issues are excluded from this data.

2.6. Outstandings by Country and Collateral (p. 8)

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

3. Credit Quality - Rating Changes

3.1. - 3.3. Upgrades/Downgrades by Country (p. 9)

The 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 the credit rating agencies (CRAs) are 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 criteria, these numbers are not directly comparable across the CRAs. According to Moody's Investors Service, a security is classified as European or American depending on if it is monitored out of Moody's office in Europe or the US. More specifically in Europe, 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 Standard & Poor's and Moody's Investors Service. 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. 10)

The 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 CRA are shown in separate tables and presented by number of rating changes. For Fitch Ratings, the category Other RMBS includes other categories of RMBS transactions such as ALT-A, Reverse Mortgage, Government RMBS etc., and the category Other ABS could include student loans and whole business securitisations (WBS). For Moody's Investors Service, the total number of European upgrades/downgrades reported are not comparable with the data presented by country (p. 9) because there may be securities that experience rating changes that are backed by collateral originated from a country outside of those six specified.

4 - 6. Credit Spreads

4.1. - 4.4. CMBS Credit Spreads (p. 11)

These graphs present credit spread data for European and US AAA and BBB 3-5 Yr CMBS. European 3-5 yr CMBS data are provided by Markit. 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 yr 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 Credit Spreads (p. 12)

European RMBS credit spreads are provided for 3-5 Yr 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 3-year AAA RMBS data calculated over LIBOR are based on data provided by Deutsche Bank.

6.1. - 6.4. ABS Credit Spreads (p. 13)

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

US spreads reflect levels for AAA auto credits and benchmark securities. Spread data are weekly mid-market levels, rounded to the nearest whole basis point, as of the end of each week. Sources of spread data are Bloomberg and Deutsche Bank. Fixed rate spreads are quoted to swap rates with maturities closest to the average life of the security.

7. - 8. Credit Prices

RMBS Credit Prices (p. 14)

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

8.1. - 8.4. CMBS and ABS Credit Prices (p. 15)

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

9.1. - 9.2. Indices Data (p. 16)

The first graph presents spreads derived from Lehman Europe and US ABS indexes from a cross-section of securitised products. The graphs cover daily spreads.

The second graph presents daily spreads 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.

10.1. - 10.2. European Term Primary Distribution by Investor Type and Location (p. 17)

Dealers were surveyed on the primary distribution of new term securitisation transactions by product type and were requested to provide information on distribution by investor type and investor location on a semi-annual basis. Investor location means the jurisdiction where the buyer is domiciled. Responses are based on the last three public and non retained transactions for each asset class. The responses were provided in percentage form and averaged.

11. Asset-Backed Commercial Paper (ABCP)

11.1. - 11.2. ABCEP Historical Issuance; ABCP Issuance by Nationality of Issuer (p. 18)

Aggregate issuance data covers the period 2004 through to the first quarter of 2008 for Europe and the US. ABCP by country of collateral data are presented quarterly from the first quarter of 2007 through the first quarter of 2008 for Europe.

European issuance is provided by the Dealogic database, 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 ABCP deals. The US data is provided by Moody's Investors Service. The volumes are converted from dollar to euro based on the end-of-quarter exchange rate.

11.3. ABCP Issuance by Programme Type (p. 18)

ABCP data by programme type covers the period 2004 through to the first quarter of 2008 for Europe and the US. The programme type classifications included are: loan-backed, SIVs, single seller conduit, multi-seller conduit and "unspecified."

The European issuance is provided by the Dealogic database. The US data is provided by Moody's Investors Service and based on US ABCP programs rated out of Moody's NY office ABCP Program Index, regardless of market. Therefore, some euro-denominated ABCP may be included in this figure. The volumes are converted from dollar to euro based on the end-of-quarter exchange rate.

11.5. ABCP Outstanding by Nationality of Issuer (p. 18)

Outstanding quarterly data is provided from the first quarter of 2007 through the first quarter of 2008 for Europe and the US. The European outstanding is provided by country through the Dealogic database, and the US data is 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.

11.6. - 11.7. ABCP Outstanding by Programme Type (p. 19)

Outstanding quarterly data from the first quarter of 2007 through the first quarter of 2008 for Europe and through the fourth quarter of 2007 for the US. The European data are provided by Dealogic and the US data are provided by Moody's Investors Service. First quarter US ABCP data were not available at the time of publication. 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."

11.8. ABCP Outstanding Assets Split by Country (p. 19)

Global outstanding ABCP assets percentages are presented by country as of February 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.

11.9. - 11.10. ABCP Spreads (p. 19)

European ABCP spreads are a monthly average data series presented from the beginning of 2007 through the first quarter of 2008. The information was provided by the Lehman Short Term Credit desk. The European ABCP spread data is based on euro-denominated ABCP, and the spread represents the difference between the European ABCP and Euribor.

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.

11.11 - 11.12. ABCEP Primary Distribution by Investor Type and Location (p. 20)

With the support of the International Capital Markets Association (ICMA), dealers were contacted and surveyed about the primary distribution of outstanding asset-backed European commercial paper (ABCEP) by programme type for both investor type and location. Investor location represents the jurisdiction where the buyers are domiciled, not the country in which the conduits or SIVs are registered in. Outstandings were given as of 31 December 2007. The responses were provided in euro volumes, given weighted averages and converted to percentage form.

12. Global Comparative Data**12.1. - 12.3. Global Securitisation Issuance, Global Corporate Bond Issuance, Global Government Bond Issuance** (p. 21)

The data is provided by the Merrill Lynch Structured Finance, Credit and Index research departments and is derived from Dealogic. It presents issuance volumes for securitisation, corporate bonds and government bonds in Asia, US and Europe. Securitisation and government bond figures represent gross issuance which could include outstanding volumes for some countries. Corporate bond issuance is on a net basis. All securitisation types 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 the first quarter of 2008. Numbers do not necessarily match with the issuance numbers on page 2 and 3 as different sources are used for European and US securitisation issuance. The US and Asian volumes were converted from US dollar to euro based on the average exchange rate for each quarter. The issuance volume is based on public deals unless otherwise indicated. It should be noted that private placements are a major feature of the Asian market. For example, public placements of Asian corporate bonds for the first quarter of 2008 was €1.5 billion; including private placements, this figure is €71.1 billion. By comparison, the European corporate bond issuance figures for the first quarter of 2008 are €56.8 billion excluding private placements and €112.19 billion inclusive; US corporate bond issuance for 2008 Q1 was €83.0 billion excluding private placements and €115.17 billion inclusive. 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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