

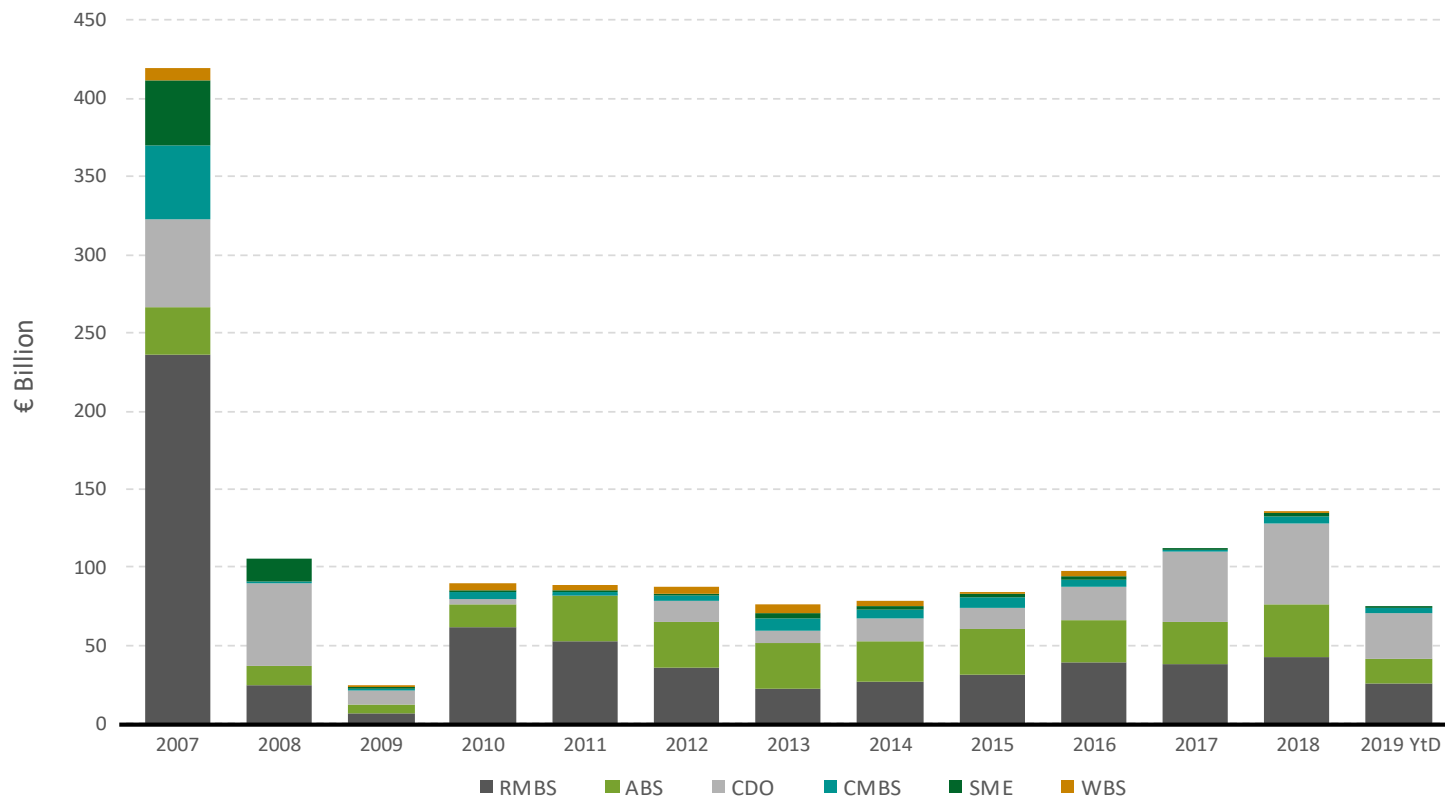
Key points on European securitisation

Florence School of Banking & Finance
Online seminar, February 10th 2020

*“... Bank profitability is under pressure, under the combined impact of higher capital requirements and accommodative monetary policy rates ...
... Europe should implement Basel IV with care and mitigate the tightening impact of ongoing regulatory pressure by setting up a truly workable securitisation framework, allowing banks to shift assets into capital markets and providing investors with access to previously illiquid exposures...
... Securitisation is the main gap compared to the US financial system. Every banking regulation has a disproportionate impact on the European economy compared to the US one.”*

Jean Lemierre, Chairman BNP Paribas, Eurofi, September 2019

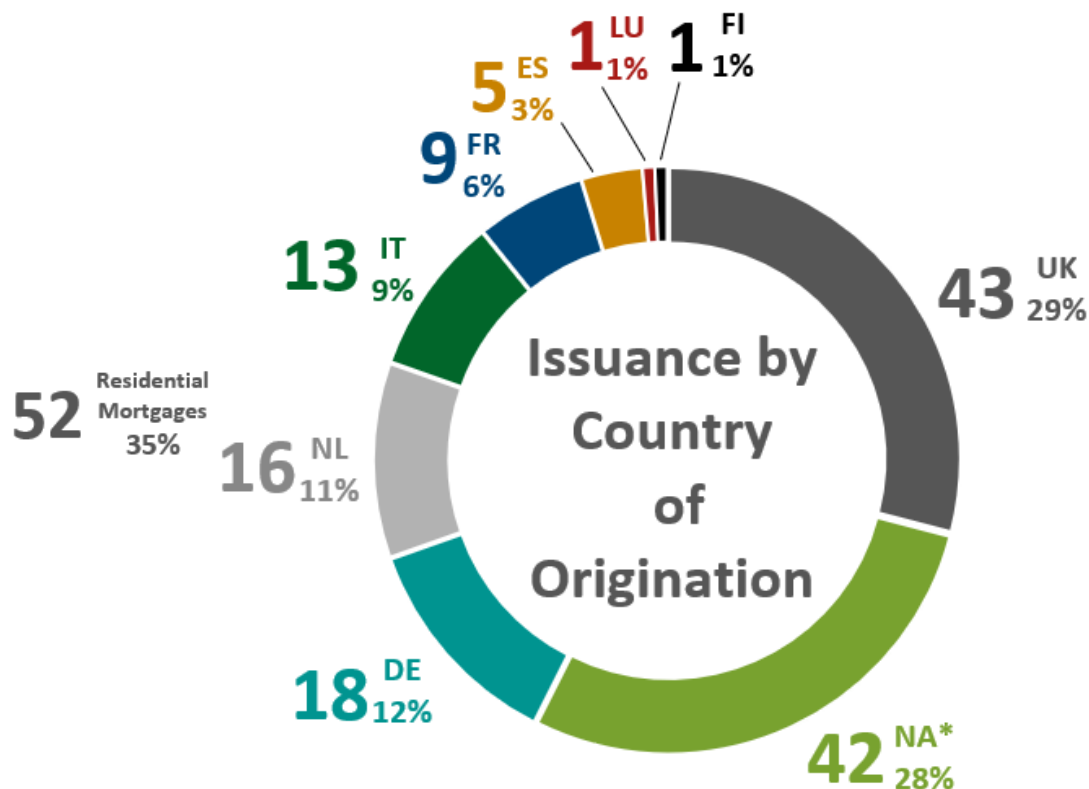
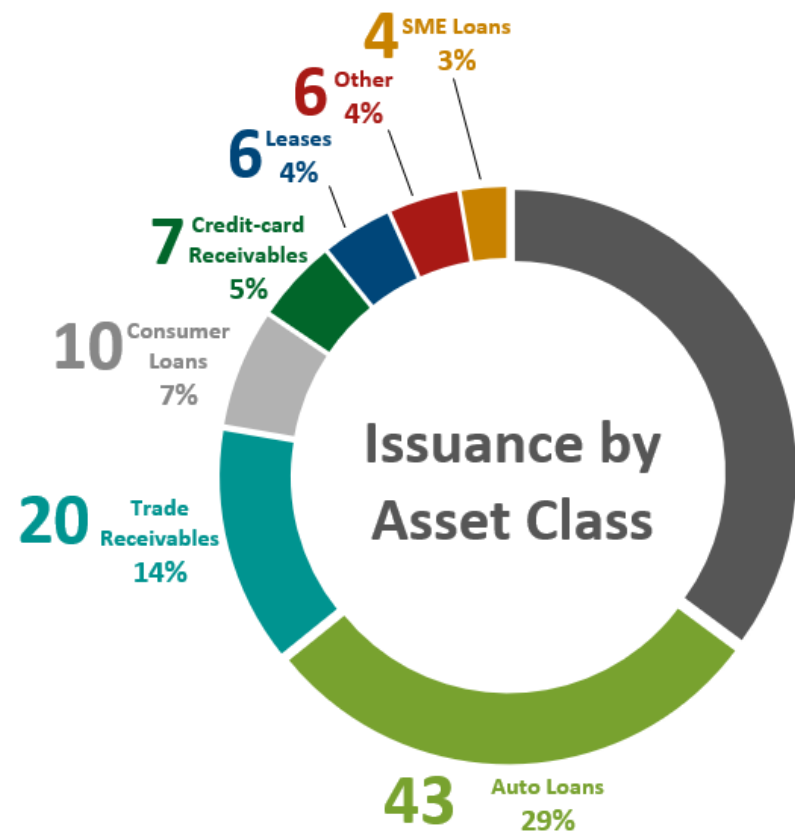
Cash securitisation: European placed issuance to Q3 2019



Values in EUR bn	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 YtD
RMBS	236.4	24.3	6.5	61.0	52.7	36.2	21.8	26.9	31.1	39.3	38.0	43.0	25.5
ABS	30.1	12.8	5.2	14.7	28.6	29.2	29.2	25.2	29.0	27.1	27.4	33.7	16.3
CDO	56.7	52.5	9.2	3.6	1.0	12.8	8.4	14.7	14.2	21.3	45.0	51.0	28.8
CMBS	47.0	1.6	1.8	4.6	2.2	4.2	8.3	6.2	5.9	3.6	0.7	5.2	3.9
SME	41.1	14.2	0.3	1.5	1.3	1.0	2.8	1.7	2.2	2.8	0.6	2.3	0.8
WBS	7.8	0.0	1.8	4.5	3.2	3.7	5.4	3.6	0.8	2.8	0.0	0.6	0.0
Total placed European	419.2	105.5	24.7	89.8	88.9	87.0	75.9	78.2	83.2	97.1	111.7	135.7	75.3
Placed (% of Total)	70%	13%	6%	24%	24%	34%	42%	36%	38%	41%	47%	50%	56%

Source: AFME Q3 2019 Securitisation Data Snapshot, SIFMA

148 STS issues to mid-January: 106 public, 42 private



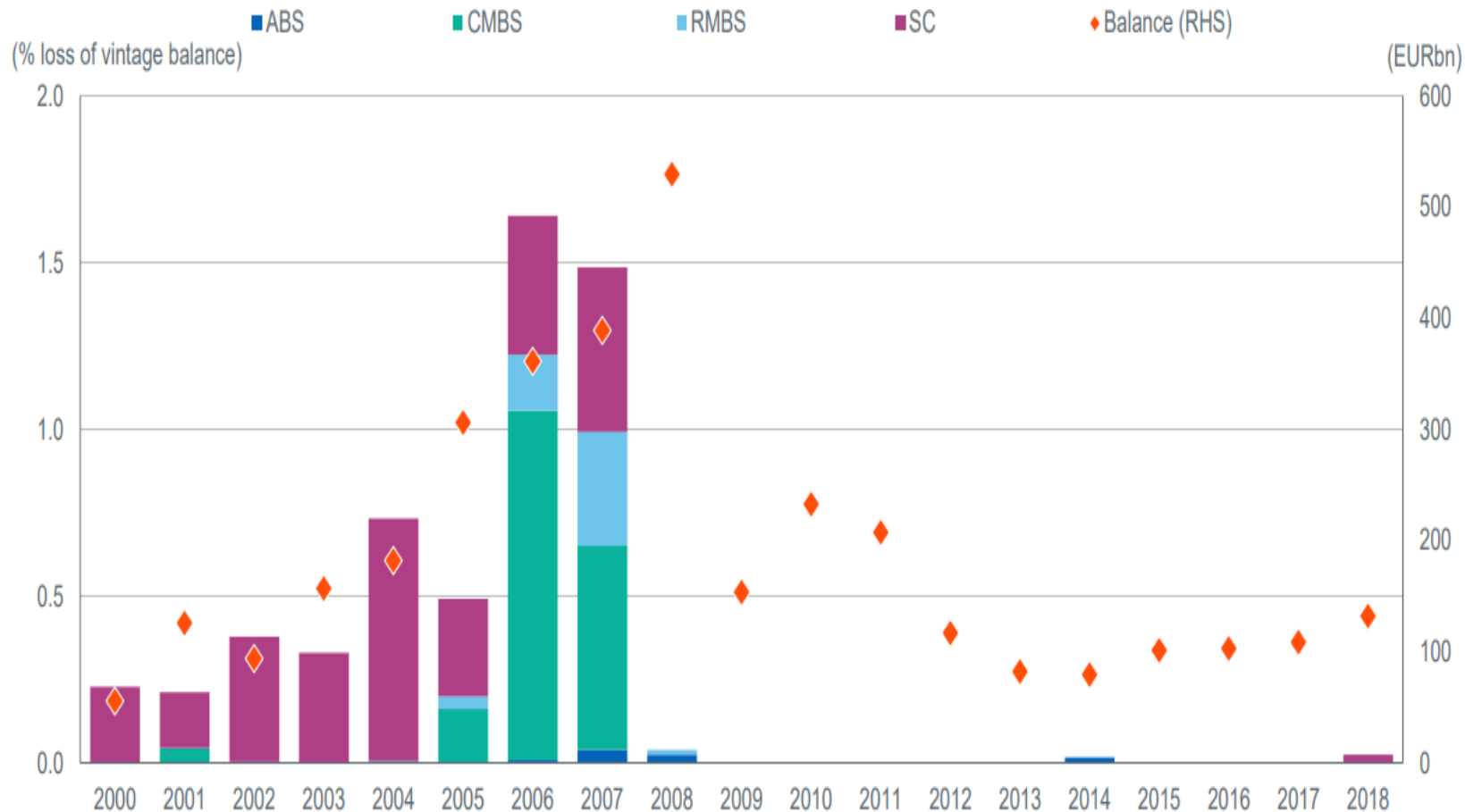
*Country of origination unavailable on ESMA website due to the transaction being private

Source: <https://www.esma.europa.eu/policy-activities/securitisation/simple-transparent-and-standardised-sts-securitisation>

The post-crisis performance of securitisation has been excellent

Fitch-Rated EMEA SF Total Loss by Issuance Vintage

Issuances 2000 – 2018

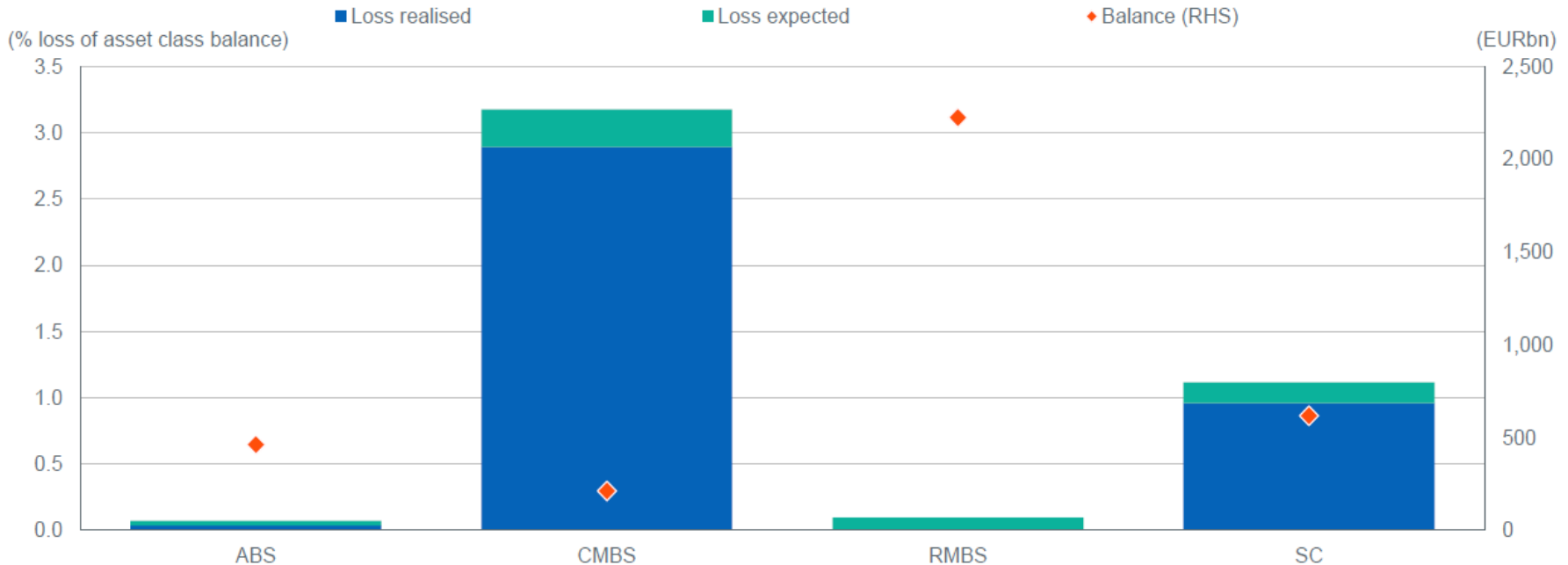


Source: Fitch Ratings: "Structured Finance Losses: EMEA 2000-2018 Issuance", 13th May 2019

The post-crisis performance of securitisation has been excellent: asset class analysis

Fitch-Rated EMEA SF Total Loss by Asset Class

Issuances 2000 – 2018



Source: Fitch Ratings