

**European Benchmarking Exercise (EBE)
for Private Securitisations**

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**Report of H2-2022 Results
(September 2023)**

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1. Executive Summary

- This report is part of the European Benchmarking Exercise, a market-led initiative organised by AFME, European DataWarehouse (EDW) and TSI.
- Its purpose is to further enhance the quality and usefulness of disclosure in the private cash securitisation market, both ABCP and balance sheet financed, in the EU and UK, in order to assist market participants and reassure supervisors.
- Synthetic securitisations and public ABS bonds are out of scope of this report.
- This report provides, on a voluntary basis, aggregated transaction-level data gathered from 12 banks across 6 countries.
- The overall market is currently estimated at least €196bn of total commitments; specific data received covers €73bn of commitments.
- Private securitisations backed by Trade Receivables and Auto Loans/Leases make up around 73% of the market, of which 36% and 91% respectively are funded through syndicated transactions.
- Over 72% of private cash securitisations fund sellers in the EU, and over 72% directly fund the real economy (non-financial) sectors of the economy.
- As is usual, Trade Receivables contain certain concentrations of debtors, while Auto Loans/Leases have more granular portfolios.
- The majority of transactions were initiated after the Global Financial Crisis but before the entry into force of the Securitisation Regulation.
- Of all transactions by volume, 87% were undertaken by sellers with ratings of BBB and below at inception, and the average seller rating was below BBB. In contrast, the average transaction rating is in the range A to AA. This shows that private cash securitisations provide a cost-effective means of financing, especially for lower-rated sellers.
- During the second half of 2022 we observed 47 new commitments while 16 existing commitments ended in that 6-month period.
- This is the fourth in a series of such reports, to be published biannually over time. All amounts are in million EUR.

2. Background, Scope and Objectives:

Regulatory background: The European Securitisation Regulation (EU) 2017/2402 (“SECR”) came into force on the 1st of January 2019, and it provides a very detailed and stringent regulatory framework. It has been acknowledged (including by the EBA) as being the global “gold standard”, and as a result securitisation is the first uniformly regulated financial product throughout the EU.

Disclosure & Transparency: Considering the far-reaching transparency and disclosure obligations (which have the force of law) under Article 7 of the SECR, securitisation is also the most transparent of fixed income financial products. The nature and scope of information to be provided by issuers and sponsor banks to investors are extensive and provide a wide range of possible information to allow investors to undertake due diligence (also a legal requirement under the SECR) including proper analysis for investing in and monitoring securitisation transactions.

Private Securitisations: The majority of private cash securitisations comprise ABCP and private non-ABCP securitisations. Like public securitisations, they also must comply with the transparency requirements of Article 7 SECR. Financing banks, investors and supervisors receive all information in a standardised format in the same way as for public securitisations, but this information is not made available to the public. Readers should be aware that:

- The European Securities and Markets Authority (ESMA) has been given a mandate by the European Commission (EC) to undertake a consultation with the industry with the objective of rationalising disclosure requirements for both private and public securitisations. This consultation has not started yet.
- The United Kingdom (UK) is currently in the process of reforming the rules that apply to securitisation.¹ On 7 August 2023, the Financial Conduct Authority (FCA) launched consultation [CP 23/17](#) which sets out the FCA’s proposed rules for the UK securitisation markets. Chapter 7 of the consultation paper includes a discussion on the definitions of public and private securitisations, however the review of the reporting regime itself, especially for private securitisations, will be undertaken in a second consultation. In the meantime, the Prudential Regulation Authority (PRA), together with the FCA, is also currently reviewing the transparency requirements in the context of its own consultation [CP 15/23](#) published on 27 July 2023. While this CP does not contain proposals on which the PRA is consulting, feedback is still invited in order for the PRA to develop future policy proposals. Both consultations will close on Monday, 30 October 2023.

European Benchmark Exercise (EBE): The EBE is a market-led initiative organised by AFME, EDW and TSI, and supported by the Foundation Project Capital Markets Union (<https://stiftungsprojekt-kapitalmarktunion.de/en/>) to enhance the quality and usefulness of disclosure by providing

¹ The UK Securitisation Regulation (UK SR) is retained EU law (REUL) which specifies how securitisation markets are regulated. Supervisory responsibility for the regulation is currently shared primarily between the FCA and the PRA. As part of the HM Treasury’s [Smarter Regulatory Framework](#), some provisions of the UK SR will be brought into new UK legislation, and most firm-facing provisions of the UK SR will be covered by new FCA and PRA rules. The HM Treasury expects to lay a Statutory Instrument (SI) before Parliament which will keep part of the UK SR in new legislation. The HM Treasury has recently published a [near-final draft of that SI](#).

aggregated transaction-level data on private cash securitisations (both ABCP and non-ABCP) to supervisors, legislators, and the public. Banks active in the European securitisation market (EU27 and UK) have volunteered to provide this data for all securitisations which (i) they have financed directly on their balance sheet or through their ABCP programs and (ii) are not public ABS or synthetic balance sheet securitisations.

Participants and confidentiality: As of 31 December 2022, twelve banks from six countries (Austria, France, Germany, Italy, Netherlands and the UK) have provided data on a voluntary basis: BayernLB, BNP Paribas, Commerzbank, Credit Agricole, DZ Bank, Helaba, HSBC, ING, LBBW, Natixis, RBI and UniCredit. The data provided has been received only by EDW, and all analysis, aggregation and publication of data has been made on the basis that specific data cannot be identified to the contributing bank or to the underlying transaction.

3. Overview

This is the fourth report of the European Benchmark Exercise on private securitisations in Europe. Following the inaugural issue in November 2021 in respect of the cut-off date 30/06/2021 and two follow-up reports released with data as of 31/12/2021 and 30/06/2022, respectively, this report analyses data provided by the participating banks as of December 2022. We are now moving into our second year of data and generating a robust time series. The following table depicts the key figures derived from data received. Please note that the Δ-Column now shows the annualised growth rate over three half-year periods.

Table 1 – Overview

		2022-12*	2022-06	2021-12	2021-06	Δ
Number of Participants	#	12	12	12	12	n.a.
Number of Commitments	#	556	525	527	504	7%
Committed Amount	Million EUR	73,182	67,241	65,064	62,814	11%
Funded Amount	Million EUR	60,502	56,400	53,009	50,205	14%
Utilisation		82.7%	83.9%	81.5%	80.0%	2%

* One bank has reported aggregated data as of 2022-12. This does not affect aggregated data in Table 1, however it might slightly affect the accuracy of the following tables; Δ=annualised growth rate;

Since the European Benchmark Exercise has started, we have seen a solid annualised growth of 11% in committed amounts and a 14% increase in funding, which indicates an increased funding demand of the real economy. Particularly strong growth is observed in 2H2022 where commitments rose by almost 18% (annualised).

Table 2 – Type of Funding

Funding Type	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
ABCP	65,235	59,412	57,491	55,524	12%
BS	7,947	7,829	7,573	7,291	6%
Total	73,182	67,241	65,064	62,814	11%

Δ=annualised growth rate

In 2H2022, ABCP commitments have increased by 10%, while balance sheet funding has remained flat. The relatively strong increase in ABCP is most likely caused by the corresponding increase in Trade Receivables (see Table 3) with ABCP as the adequate short-term funding instrument for corporates. Higher volumes in Trade Receivables might be due to growth in the economy as well as inflation and higher prices.

Table 3 – Asset Type Distribution

Asset Type	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
Trade Receivables	42,523	40,682	38,966	35,689	13%
Auto Loans/Leases	11,132	10,162	11,187	13,985	-14%
Equipment Leasing	5,096	4,327	4,183	3,417	33%
Consumer Loans	4,891	4,704	3,760	3,197	35%
Other Types	9,541	7,366	6,968	6,527	31%
Total	73,182	67,241	65,064	62,815	11%

Δ=annualised growth rate

Table 3 shows the distribution of commitments by asset types. Consumer Loans and Equipment Leasing have changed ranks again. This is caused by a €800m (+20%) increase of Equipment Leasing commitments in 2H2022. This increase is even outpaced by an increase of 30% for “Other Type” commitments in 2H2022 which we will look at closer in section 5 “Asset Types”.

Table 4 – Regional Distribution

Seller Region	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
Germany	17,482	16,286	15,886	16,006	6%
France	11,903	11,142	11,113	10,115	12%
Italy	11,165	10,580	10,052	8,541	20%
UK	10,653	9,263	9,029	9,466	8%
EU27 other	9,884	9,174	8,276	7,926	16%
non-EU27 other	8,693	8,435	8,204	8,323	3%
ND	3,403	2,361	2,504	2,437	26%
Total	73,182	67,241	65,064	62,814	11%

Δ=annualised growth rate

Table 4 above shows the evolution of the regional distribution of the sellers. The highest annualised growth rate since June 2021 is observed in Italy with 20% and the lowest in the UK with 8%. It is worth mentioning that the UK has shown the strongest growth in 2H2022 with 15%, followed by “EU27 other” with just under 8%.

Table 5 – Currency Distribution

Transaction Currency	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
EUR	53,591	49,630	47,301	46,543	10%
USD	8,109	7,498	7,511	6,813	13%
GBP	9,800	8,489	8,707	7,876	16%
Others	1,683	1,624	1,545	1,583	4%
Total	73,182	67,241	65,064	62,814	11%

Δ=annualised growth rate

The currency distribution remains fairly unchanged. The strongest 2H2022 growth occurred in GBP in line with the increase of the committed amount in the UK by 15% in the same period.

Table 6 – Projection of total Market and total Assets

		2022-12	2022-06	2021-12	2021-06	Δ
Projected Asset Amount	Million EUR	184,159	183,326	173,016	177,329	3%

Δ=annualised growth rate

The transaction level data gathered includes information about syndicated transactions, but not all banks participating in such syndicates also participate in the EBE (“non-EBE participants”). However, using the reported data we can project the asset amounts and the total transaction volume including non-EBE participants.

Based on the asset amounts used above we can provide an estimate of the overall market size. Assuming an average credit enhancement of 15% (so that 85% of the asset volume is financed), and assuming an average utilisation rate of 80%, we derive a market coverage volume of approximately:

- €184.2 bn Assets
- €147.1 bn Funded Amounts
- €195.7 bn Total Commitments

We believe that these data show that the following analysis and conclusions are representative of the overall market. For the sake of clarity, all the following tables are based on actual data received without projections based on data from syndicated transactions. Regarding asset classes, we will focus especially on Trade Receivables, Auto Loans/Leases and Equipment Leases.

EBE – European Benchmark Exercise – Presentation of H2-2022 Results (September 2023)
(All amounts in EUR million)

Table 7 – Projected Assets (total market) by Asset Type

Asset Type	Asset Amount 2022-12	Asset Amount 2022-06	Asset Amount 2021-12	Asset Amount 2021-06	Δ
Trade Receivables	84,240	92,053	88,097	ND	-4%
Auto Loans/Leases	48,889	44,477	46,711	ND	5%
Consumer Loans	9,307	9,233	8,321	ND	12%
Equipment Leasing	7,981	6,743	6,359	ND	26%
Other Types	33,742	30,820	23,528	ND	43%
Total	184,159	183,326	173,016	177,329	6%

Δ=annualised growth rate. Please note that in this table the annualised growth rate relates to the one-year period 2021-12 to 2022-12, only, since the asset type breakdown was not available in the initial data.

The table 7 shows the distribution of asset amounts by Asset Type. Commitments have grown stronger than the underlying asset volume, which may be due to (i) parties building some additional funding capacity for future use or (ii) participations in syndicated transactions having been changed. Auto Financing and Equipment Leasing have grown most in 2H2022. We also observe a notable increase in asset volume of the smaller asset types over 2022 which will be discussed further below.

Table 8 – Projected Assets (total market) by Seller Country

Seller Region	Asset Amount 2022-12	Asset Amount 2022-06	Asset Amount 2021-12	Asset Amount 2021-06	Δ
Germany	47,784	45,132	41,355	ND	16%
France	27,019	21,709	21,926	ND	23%
Italy	18,871	16,879	15,019	ND	26%
UK	32,568	28,230	31,165	ND	5%
EU27 other	18,036	16,382	14,855	ND	21%
non-EU27 other	25,916	36,352	33,327	ND	-22%
ND	13,966	18,642	15,369	ND	-9%
Total	184,159	183,326	173,016	177,329	6%

Δ=annualised growth rate. Please note that in this table the annualised growth rate relates to the period 2021-12 to 2022-12, only, since the country breakdown was not available in the initial data.

The regional perspective on the underlying asset volumes shows an annualised growth of around 6%. The Table 8 shows the regional perspective on the underlying asset volume. Among the big securitising countries, the UK is the major outlier. The UK, which had suffered a drop in volume in 1H2022, has now reached about the same volume as that at the end of 2021. Another interesting observation is the substantial drop in “non-EU27 other” assets by more than €10bn in 2H2022.

4. Transaction and Seller Ratings

Table 9 – Transaction Ratings

Transaction Rating	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
AAA	16,293	15,198	14,543	12,707	19%
AA	25,744	26,781	25,235	21,529	13%
A	18,938	14,697	15,527	13,180	29%
BBB	8,355	7,461	6,487	6,053	25%
BB and lower	292	361	289	321	-6%
NR	3,469	2,643	2,651	8,228	-39%
ND	90	100	332	797	-59%
Total	73,182	67,241	65,064	62,815	11%

Δ=annualised growth rate

In general, the transaction rating distribution appears to be stable. The “A” bucket has increased by almost 30% in 2H2022 and also has the highest annualised growth rate. Transactions in the range AAA to A have increased from 75% to 83% of the total volume since 2021-06. We understand that the transactions reported as NR have no public rating, but that they may have internal ratings which some of our data providers were not able to provide to us.

Table 10 – Transaction Rating Distribution

Transaction Rating Share	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
AAA	22.3%	22.6%	22.4%	20.2%	7%
AA	35.2%	39.8%	38.8%	34.3%	2%
A	25.9%	21.9%	23.9%	21.0%	16%
BBB	11.4%	11.1%	10.0%	9.6%	12%
BB and lower	0.4%	0.5%	0.4%	0.5%	-15%
NR	4.7%	3.9%	4.1%	13.1%	-43%
ND	0.1%	0.1%	0.5%	1.3%	-60%
Total	100.0%	100.0%	100.0%	100.0%	

Δ=annualised growth rate

Table 10 above shows the share of the transaction ratings. No major shift is observable, however ratings seem to migrate towards “A”, which is the rating class with the strongest increase (annualised growth rate) over the entire observation period. This may in part be driven by a drop of AA shares in the commitment portfolio in the last period but also by the substantial drop of NR in 2H2021.

Tables 11 and 12 below show the breakdown of committed amounts by seller rating in EUR million and in %.

Table 11 – Seller Ratings

Seller Rating	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
AAA	812	886	868	1,676	-34%
AA	424	20	20	815	-32%
A	5,499	4,984	4,252	10,267	-31%
BBB	30,616	27,712	26,432	27,023	9%
BB and lower	12,573	13,935	13,283	14,332	-8%
NR	9,996	7,378	6,898	5,186	62%
ND	13,262	12,327	13,310	3,515	185%
Total	73,182	67,242	65,063	62,814	11%

Δ=annualised growth rate

Table 12 – Seller Rating Distribution

Seller Rating Share	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
AAA	1.1%	1.3%	1.3%	2.7%	-51%
AA	0.6%	0.0%	0.0%	1.3%	-98%
A	7.5%	7.4%	6.5%	16.3%	-55%
BBB	41.8%	41.2%	40.6%	43.0%	-4%
BB and lower	17.2%	20.7%	20.4%	22.8%	-9%
NR	13.7%	11.0%	10.6%	8.3%	33%
ND	18.1%	18.3%	20.5%	5.6%	228%
Total	100.0%	100.0%	100.0%	100.0%	

Δ=annualised growth rate

The largest rating bucket is “BBB”. In 2H2022 there has been a notable drop for sellers rated “BB and lower” while commitments to unrated sellers have increased.

Excluding “No Data” and “Non-Rated” sellers the committed amount towards sellers rated BBB and below is still 87%. This again shows that private cash securitisations provide a cost-effective means of financing, especially for lower-rated sellers. This is particularly the case for corporates as originators of trade receivables securitisations. Growth with lower-rated sellers (BBB/BB) shows the strength of the securitisation product as a funding tool for the real economy.

Rating Migrations, New and Dropped Transactions

Applying the same approach as in the last report we are looking at the combination of “participant id” and “asset id” as unique identifiers of a commitment. In 2022 we found 78 new commitments and 49 which had been dropped.

Table 13 – Annual Transaction Rating Migration

		End of 2022								
End of 2021	# Commitments	AAA	AA	A	BBB	BB	NR	ND	Dropped	Total
	AAA	60	8	3	1	-	-	-	13	85
	AA	22	138	16	-	-	-	-	13	189
	A	1	16	119	8	-	-	-	10	154
	BBB	-	1	6	51	1	-	-	9	68
	BB	-	-	-	-	5	-	-	1	6
	NR	-	-	-	-	-	18	-	3	21
	ND	-	-	-	-	-	3	1	-	4
	New in 2022	18	27	12	16	-	5	-	-	78
	2022	101	190	156	76	6	26	1	49	

This migration matrix shows that in the full year of 2022 overall transaction ratings have improved, i.e., the number of commitments migrating to better ratings is higher than the number of those migrating to worse ratings. This may be due to transaction-related measures such as the increase of collateralisation or an economic improvement in spite of the war in Ukraine and the impact on energy prices and inflation in general.

We also see that of the new businesses generated in 2022 23% are “AAA”, 35% are “AA”, 15% are “A”, and 21% are BBB. 5 commitments have been added where the transaction is not rated.

5. Asset Types

The table below gives a more detailed overview of the distribution of commitments among asset types that were discussed in the Overview section (Table 3) above.

Table 14 – Distribution by Asset Type

Asset Type	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
Auto	11,132	10,162	11,187	13,985	-14%
Credit-Card	1,036	785	981	766	24%
Comm. Mortgages	354	535	401	133	111%
Consumer Loans	4,891	4,704	3,760	3,197	35%
Equipment Leasing	5,096	4,327	4,183	3,417	33%
Floorplan Financing	698	699	350	650	5%
SME Loans	705	231	113	23	20
Mixed	135	-	143	140	-2%
Other	2,970	2,621	2,332	2,283	20%
Residential Mgt	3,643	2,495	2,648	2,532	29%
Trade Receivables	42,523	40,682	38,966	35,689	13%
Total	73,182	67,241	65,064	62,815	11%

Δ=annualised growth rate

Trade Receivables and Auto Loans/Leases are the dominant asset types in private cash securitisations and make up approximately 73% of data reported by amount of commitments.

Note that while Auto Loans/Leases are often funded privately by way of “warehousing”, pending (and supporting) future refinancing through public ABS term bond issuance, there is no such public term ABS Bond market for Trade Receivables. Private cash securitisations are therefore a crucial source of medium-term financing for Trade Receivables, which in turn fund the real economy.

In our last report we highlighted “From the real economy financing perspective, the very pronounced increase of SME financing seems worth mentioning.” In fact, the share of SME loan-backed financings has increased from €20mn to over €700mn over the years. This increase continues and even accelerates.

One data provider whose Residential Mortgage commitment amounts increased substantially in 2H2022 contributes disproportionately to the observed increase in RMBS commitments.

Table 15 – Utilisation for the Main Asset Types

Main Asset Types	Utilisation 2022-12	Utilisation 2022-06	Utilisation 2021-12	Utilisation 2021-06	Δ
Trade Receivables	81.1%	81.6%	79.9%	76.8%	4%
Auto Loan or Leasing	92.7%	91.1%	89.3%	89.0%	3%
Equipment Leasing	90.5%	90.7%	89.2%	92.3%	-1%
Consumer Loans	80.8%	87.6%	85.2%	83.1%	-2%
Average	86.3%	87.8%	85.9%	85.3%	1%

Δ=annualised growth rate

Looking at the utilisation for the main asset classes in Table 15 we find a moderate increase of 1% (annualised) overall whilst the most notable development is a drop for Consumer Loans from 88% to 81% in 2H2022. A lower utilisation rate for Consumer Loans might be due to an improved macroeconomic environment with cost reduction measures like inflation premiums. Since the Committed Amount for Consumer Loans increased by 35% since 2021-06, the decrease might also be due to larger deals in a ramp-up phase or a term take-out in the underlying data.

6. Seller Industries

The following table shows the evolution of the reported seller industries. No major changes are visible.

Table 16 – Breakdown by Seller Industry

Seller Industry	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
Manufacturing	17,137	14,867	14,520	12,515	25%
Financial and Insurance	15,742	17,024	16,698	13,534	11%
Electricity, Gas, Steam	6,399	6,018	5,888	4,035	39%
Wholesale and Retail Trade	4,377	3,027	3,123	2,890	34%
Administrative	3,434	1,333	1,195	1,495	86%
Information and Communication	2,356	2,681	3,054	2,761	-10%
Mining and Quarrying	2,005	3,078	3,334	2,894	-20%
Transportation and Storage	1,958	1,000	1,013	1,610	14%
Construction	1,266	1,120	1,054	816	37%
Professional, Scientific	1,085	970	1,189	1,106	-1%
Accommodation and Food	360	-	-	-	
Agriculture, Forestry	336	2,141	1,910	1,872	-55%
Water Supply; Sewerage	-	-	-	60	-67%
ND	16,727	13,981	12,087	17,225	-2%
Total	73,182	67,240	65,065	62,813	11%

Δ=annualised growth rate

For the first time since we started the European Benchmark Exercise the financial sector (-8% in 2H2022) has lost the top ranking which is now taken by Manufacturing (+15% in 2H2022). A pick-up of 45% is also seen for Wholesale and Retail which is probably caused by the strong increase of wholesale prices last year. This would be in line with the increase of the Committed Amount in the sectors “Electricity, Gas, Steam” and “Manufacturing”.

7. STS Transactions, Timing

Table 17 – All Commitments by Transaction Start Date

Start Date - All	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
2000-2008	6,256	5,981	5,731	5,196	14%
2009-2018	39,865	39,651	41,205	41,562	-3%
2019+	27,061	21,609	18,129	16,056	46%
Total	73,182	67,241	65,064	62,814	11%

Δ=annualised growth rate

As the Table 17 shows, new business is coming in the 2019+ bucket, while the other buckets remain relatively unchanged. The mild increase in the pre-crisis bucket is probably due to currency fluctuations.

Table 18 – STS vs non-STS

Start Date - STS	Committed Amount 2022-12	Committed Amount 2022-06	Committed Amount 2021-12	Committed Amount 2021-06	Δ
2000-2008	4,351	4,241	3,547	3,092	27%
2009-2018	24,589	23,368	23,466	18,561	22%
2019+	12,513	10,531	8,771	6,880	55%
Total	41,452	38,140	35,784	28,533	30%

Δ=annualised growth rate

As can be expected, commitments of STS transactions have grown much stronger (+30%) than the overall market (+11%), with existing transactions being restructured as STS. There is also an increase in commitments in the 2019+ bucket. There is little indication that more legacy transactions have been made STS compliant to a significant extent.

Table 19 – STS Share by Asset Type

STS	STS Share 2022-12	STS Share 2022-06	STS Share 2021-12	STS Share 2021-06	Δ
Trade Receivables	68.8%	66.9%	64.5%	ND	5%
Auto Loan or Leasing	64.6%	64.6%	62.8%	ND	2%
Equipment Leasing	66.4%	71.0%	60.2%	ND	7%
Consumer Loans	4.5%	2.6%	3.2%	ND	27%
Other	14.4%	2.6%	3.2%	ND	235%
Average	56.6%	56.7%	55.0%		2%

Δ=annualised growth rate

Overall, the STS-share among the commitments per asset class are stable. The main asset classes have an STS share around 65% with the notable exception of consumer loans which consistently have a share of STS commitments of less than 5%. We understand that this is to some extent because these consumer deals have features that make them incompatible with the STS label. In 2H2022 we find a strong increase of STS commitments in the “Other” group which represents 18% of the asset volume.

8. Conclusion

This is the fourth EBE report on private securitisations in Europe and it presents data as of December 2022. In the last six (6) months, a healthy growth in the ABCP market has been observed with 47 new commitments, an increase of 9%. Commitments of STS transactions have also grown by 30% on an annualised basis. In respect of underlying asset volume, Auto Financing and Equipment Leasing have seen the biggest growth in 2H2022. While the transaction rating distribution appears to be generally stable, the “A” bucket has shown the strongest increase. With regards to seller rating distribution, the largest rating bucket is that of “BBB”, and the committed amount towards sellers rated BBB and below is 87%, proof that securitisation is a cost-effective funding tool, especially for lower-rated sellers.

The information set out above therefore provides a unique insight into the private cash securitisation market and confirms many of its key characteristics, including its significant contribution towards funding the real economy. By producing this report voluntarily, we hope it (a) demonstrates the strong commitment of the participants to providing useful data of good quality and (b) reassures other market participants, supervisors, and policy makers.

9. Contact Details

Shaun Baddeley Maria Pefkidou	Dr. Christian Thun Dr. Ludovic Thebault Jiamin Lou	Jan-Peter Hülbert Dr. Jürgen Brust Peter Grijsen
Shaun.Baddeley@afme.eu Maria.Pefkidou@afme.eu	christian.thun@eurodw.eu ludovic.thebault@eurodw.eu jiamin.lou@eurodw.eu	jan-peter.huelbert@tsi-gmbh.de juergen.brust@tsi-gmbh.de peter.grijsen@tsi-gmbh.de
		