Asset-Backed Alert

A Green Street News Title

JANUARY 5, 2024

Pros See Market Rebound From Two-Year Drop

League-Table Winners In 2023

Worldwide securitizations:	JPMorgan Chase
U.S. ABS:	Bank of America
U.S. structuring agents:	Bank of America
U.S. MBS:	JPMorgan Chase
European securitizations:	BNP Paribas
Worldwide CLOs:	JPMorgan Chase

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Falling interest rates and resilient U.S. consumers are expected to drive a rebound in securitization volume this year, though the market faces risks from new regulations and the lingering possibility of a global economic slowdown.

That's the assessment of 14 of the industry's top professionals surveyed by **Asset-Backed Alert.** They predicted that $761 billion of fresh asset-backed securities, residential mortgage bonds, commercial mortgage securities and collateralized loan obligations will price worldwide in 2024, on

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Capital-Charge Hazard Lingers for Insurers

A regulatory capital policy that the **National Association of Insurance Commissioners** adopted in August may not be as benign as it originally appeared.

At issue is a so-called principles-based bond definition, which takes effect on Jan. 1, 2025. The definition provides a path to preserve the regulatory capital treatment of many collateralized fund obligations in insurance companies' portfolios as bonds, and as such was initially welcomed by many structured-finance professionals.

Outstanding instruments that fail to meet the standards are not grandfathered, however, leading to uncertainty about their capital treatment.

What's more, some industry pros think the standards codified in the bond definition could result in reclassifications of the junior mezzanine tranches of other kinds of securitized products as residual interests — resulting in higher capital charges.

Before 2019, insurance regulators treated CFOs and other bond-like instruments

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Non-QM Issuers Clear Out Loan Inventories

A yearend flurry of mortgage-bond offerings in large part was the result of pressure on issuers to unload collateral.

The asset pools for the transactions, from shops including **Angel Oak Mortgage Solutions, Nomura** and **PRP Real Estate Investment Management,** each consist largely of loans that don't meet the **Consumer Financial Protection Bureau's** qualified-mortgage standards.

In some cases, the issuers were under pressure from warehouse lenders such as **Atlas SP Partners, Barclays, Goldman Sachs** and Nomura to shed exposures via whole-loan sales or securitizations amid continuing turbulence in the mortgage market — particularly for nonqualified products. Some also sought to clear their inventories of less desirable loans, including those with below-market interest rates or past performance hiccups.

The theme, as one industry professional put it, was "Bring out your dead."

A source identified Angel Oak as being among those that were nudged toward

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THE GRAPEVINE

Market veteran **John Stelwagon** signed on with reinsurer **MultiStrat Advisors** in New York this week as a senior managing director. Stelwagon has been running his own consulting shop since 2018, with clients including a collateralized loan obligation investor and a broker-dealer. Before that, he logged nine years as a managing director in the business-development group at **Cantor Fitzgerald.** He also has worked as a portfolio manager at CLO issuer **CVC Capital Partners,** with additional CLO-focused stops at **Barings** and **First Union.** He counts **Societe Generale, Reliance Insurance, National Australia Bank** and **New Jersey National Bank** as former employers as well.

Mike Reynolds, who oversaw **Freddie Mac's** single-family risk-transfer program since 2012, took a new role in December as the

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Middle-Market CLO Rebrand Mulled

The boom in private credit is blurring the distinctions between collateralized loan obligations that finance larger companies and those that finance smaller companies, leading to calls for more standardization in terminology.

Some professionals would like to see all direct, or nonbank, lending labeled as private credit, regardless of the size of the companies being financed. However, many industry players believe there are important distinctions that should be preserved.

The CLO market was once more cleanly split between securitizations of loans to large companies acquired in the broadly syndicated loan market and securitizations of loans to smaller companies originated by the deals' sponsors.

The sizes of the loans weren't the only distinction. Broadly syndicated corporate loans are traded more easily and lend themselves to active portfolio management. Private loans, by comparison, cannot be unloaded as easily. At the same time, private lenders have a greater influence on company management and more flexibility to negotiate a debt restructuring.

But banks that arrange broadly syndicated loans have pulled back from lending, leaving private lenders that once focused on companies with earnings of less than $100 million as the only alternative in many cases to finance those with revenues in the hundreds of millions of dollars. And many of these loans have been used as collateral for CLOs classified as middle-market issues, even if they stretch that definition.

The dynamic has been in place for several years, but it became more apparent in 2023, when CLO financing became relatively more attractive to private lenders. Issuance of middle-market CLOs rose 41.9% to $23.7 billion in 2023, according to **Asset-Backed Alert's** ABS Database. Meanwhile, issuance of CLOs backed by broadly syndicated loans fell 22.6% last year to $113.1 billion.

Some market pros advocate ditching the middle-market label altogether in favor of the buzzier private-credit moniker. "I've done the middle market my entire career, and this is the first time I feel like a cool kid," one attorney joked. "I can call it private credit."

Others argue that switching terms would not provide any additional clarity, and could even be misleading.

"We get a lot of calls, both internally and externally, asking us to shift our terminology from 'middle market' to 'private credit,' but we don't want to do it," an analyst at a rating company said. "There has to be more differentiation."

Traditional middle-market lenders also want to be able to differentiate themselves from those who lend to much larger companies. **Arlene Shaw,** managing director at **Brightwood Capital,** said lending to small- and medium-size companies is very different from lending to the kinds of companies that traditionally have accessed the broadly syndicated corporate-loan market.

A lender's experience restructuring a few hundred million dollars of debt does not necessarily prepare it for a $1 billion-plus workout, she said. ❖

JPMorgan Again Claims Ranking Helm

JPMorgan Chase remained the world's leading structured-product bookrunner in 2023, securing its fourth consecutive league-table victory even as it surrendered the top spot among banks managing U.S. asset-backed bond deals.

JPMorgan finished the year with $72.4 billion of credit across the global markets for asset-backed securities, residential-mortgage bonds, commercial mortgage bonds and collateralized loan obligations, claiming a 10.1% market share. That represented a 24.5% decline from the bank's 2022 count, at a time when overall issuance contracted by a more modest 18.4%.

Bank of America, meanwhile, saw its business volume hold up better — with a 12.7% decrease — but repeated in second place. Its $67.3 billion tally represented a 9.4% market share.

Citigroup, the last bank other than JPMorgan to claim the worldwide bookrunning title, also repeated in third place. Its $52.6 billion count was good for a 7.4% market share, and a 30.1% decline from its 2022 volume. **Barclays** and **Wells Fargo** rounded out the top five.

Collectively, the five most-active banks controlled 40.2% of the market, a three percentage-point pullback from 2022.

In the U.S. asset-backed bond market, where issuance was up 3.2%, BofA was the bank to beat. While BofA finished 2022 in fifth place, its league-table credit shot up by 50.3% in 2023 to $29.3 billion, good for an 11% market share.

JPMorgan was close behind at $28.3 billion, good for a 10.7% market share as the bank slipped out of first place. Citi, meanwhile, moved up one spot to third with a $20.3 billion tally, claiming 7.7% of the market. Wells Fargo and Barclays took fourth- and fifth-place rankings.

JPMorgan fared better across mortgage-related securitizations in the U.S. In that area, the bank racked up $11.7 billion of credit for a 16% market share. While its count was down 24%

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Railcar Leasing Firm May Issue Bonds

PNW Railcars is considering securitizing leases tied to its growing fleet of railcars.

Executives from the Portland, Ore., company have met recently with bankers to discuss the plan, which sources say eventually could see PNW tap the market once or twice each year.

The initiative comes as the company's railcar fleet has more than doubled over the last few years to more than 20,000. PNW, formerly known as **MUL Railcars,** is a subsidiary of Tokyo-based **Mitsubishi HC Capital.** PNW offers technical, regulatory, operational and administrative support to its railcar clients. It serves customers in the agriculture, automotive, chemical, energy, forest-product, plastics and steel industries.

The market for railcar-lease bonds has not seen a new issuer since manufacturer **Greenbrier Cos.** began issuing bonds in 2022 following a leasing partnership it hammered out with asset manager **Longwood Group.** Greenbrier has completed two railcar-lease securitizations totaling $501.8 million. Its most recent, a $178.5 million transaction, priced on Nov. 7 with **Bank of America** and **Wells Fargo** running the books.

That was the only railcar-lease deal in 2023, as high interest rates have resulted in elevated securitization costs and kept railcar lessors on the market's sidelines. In 2022, three railcar-lease deals were completed totaling $895 million, according to **Asset-Backed Alert's** ABS Database. The asset class set a full-year record in 2021 with nine transactions adding up to $2.8 billion. ❖

Litigation Finance Shop Plans Issuance

Litigation-finance startup **C Cubed Capital Partners** is building a securitization program.

The Boca Raton, Fla., shop plans to complete its first bond offering this year and to become a programmatic issuer in subsequent years. Its bonds will be underpinned by cashflows tied to the company's post-settlement advances and loans to law firms.

C Cubed has issued approximately $100 million of loans to law firms since its launch in April 2022. To date, it has funded the credits with capital borrowed from a single investor, but the company is in discussions to establish a warehouse facility of indeterminate size.

C Cubed partners **Alfredo Chang** and **Lisa DiDario** were at the ABS East conference in October discussing their securitization plans with investors, bankers and rating company representatives.

Chang is no stranger to fixed-income markets. He started his career in the mid-1990s at **Bankers Trust,** and then moved to **AIG's** global investment group. In 2000, Chang joined **General Electric's** asset management unit, where he helped run a $1.5 billion emerging-markets fixed-income portfolio and co-managed its high-grade fixed-income portfolio.

He also worked at **Lehman Brothers, BTIG** and several other finance firms before starting **Witnex,** a subscription-based legal service company, in 2016.

DiDario began her litigation career in 1998 at the **McFarlain Wiley** law firm and launched her own legal consulting shop in 2005.

The new-issue market for bonds underpinned by legal settlements has cooled since a record 11 transactions totaling $4 billion priced in 2021, according to **Asset-Backed Alert's** ABS Database. In 2022, seven deals were completed adding up to $1.1 billion, followed by five offerings in 2023 totaling $577.5 million. ❖

Small-Ticket Losses Jump

Losses among securitized pools of small-ticket equipment loans and leases continued to rise during the November payment period but dropped among large-ticket accounts.

The December installment of an index maintained by **KBRA** showed a 30-bp increase in annualized net losses in the small- and medium-ticket sector, to 1.04%. That's the first time losses have exceeded 1% since September, when they reached 1.13%. The category includes financing for computers and other office equipment.

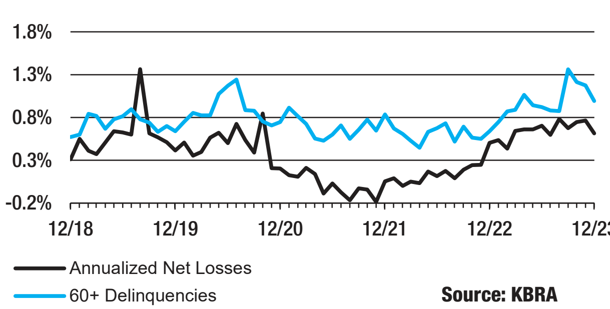
Among large-ticket accounts, which include financing for heavy equipment such as trucks and agricultural and construction machinery, annualized net losses fell to 0.33% — the lowest level since January 2023, when losses were 0.32%.

Across all securitized equipment loans and leases, annualized net losses dipped to 0.62% from 0.76% the previous month.

Meanwhile, delinquencies of at least 60 days fell 48 bp among small- and medium-ticket asset pools to 1.17%. Among large-ticket accounts, late payments inched up 1 bp to 0.87%. Across all deals, delinquencies dropped 18 bp to 0.99%.

KBRA's index expresses asset performance for the preceding month's payment period. The agency's data covers 87 securitizations with an aggregate balance of $29 billion.

Equipment Loan and Lease Index



Source: KBRA

Card Lender Adds Bank Partners

Corporate credit card lender **Ramp** has lined up warehouse financing from two more banks as it progresses toward its inaugural securitization.

Mizuho and **Santander** joined an existing facility from **Citigroup** in late 2023, bringing the line's total commitment to $300 million from $200 million. That's on top of a $300 million warehouse line from **Goldman Sachs** that Ramp also refinanced at yearend.

"The funding rates came in a ton as part of the refinance," one source said. "[Ramp's] track record has become a lot more extensive. The loss rates have been low, and the compression and tightening of spreads have helped a lot."

Word of the new banking arrangements comes as New York-based Ramp eyes midyear to complete a securitization, having pushed back its original target date of 2022. The deal is expected to total some $300 million, with Citi, Goldman, Mizuho and Santander as candidates for underwriting assignments.

Meanwhile, plans by Ramp to securitize small-business loans originated through its Flex program are now in limbo.

The program, unveiled in August 2022, has generated more than $100 million of loans. But Ramp has been financing the effort with private equity capital and has not decided whether to seek external funding, a source said.

Ramp's funding efforts are led by head of capital markets **Alex Song.** The company has an opening for an associate that it plans to fill during the first half of the year. ❖

Stability Seen in Personal Loans

Performance indicators for securitized personal loans were mixed during the December reporting period.

According to an index maintained by **KBRA,** annualized net losses among Tier 1 accounts fell 4 bp to 9.04%, ending a streak of four monthly increases. Meanwhile, delinquencies of 30 days or more in the category fell 9 bp to 3.96%.

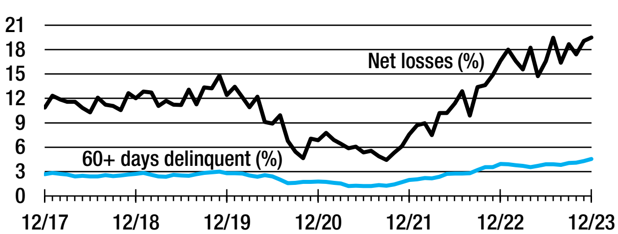
Tier 1 accounts are originated by **BestEgg, LendingClub Bank** and **Social Finance** to borrowers with credit scores of 710 to 760.

Among Tier 2 accounts, annualized losses jumped 44 bp to 19.49% while delinquencies of 30 days or more increased 5 bp to 7.3%. Tier 2 loans are originated by **Achieve, LendingClub, LendingPoint, Pagaya, Prosper Funding, Upgrade, Upstart Network** and **Theorem** to borrowers with credit scores of 660 to 710.

KBRA is projecting relative stability in loan performance due to moves by many originators over the past year to tighten their underwriting standards.

Marketplace Loan Performance

Tier 2 (scores 660-710)



Source: KBRA

More Attorneys Move to Greenberg

Several more structured-finance lawyers are following **Kalyan "Kal" Das** to **Greenberg Traurig.**

Moving to Greenberg from associate posts within Das' former team at **Seward & Kissel** were **Matyas Lich** and **Michael Witschel.** Both started on Jan. 2. Lich, an associate, joined Seward in August. Witschel, a senior associate, joined Seward in 2021.

Some support staff is moving as well.

Additionally, **Gwen Collins** will start in mid-January with a yet-to-be-specified title as a structured-finance and regulatory attorney. Collins most recently was chief financial officer at **Emprise Bank,** where she started in 2021. Her background also includes stops at **BNY Mellon, Alpha GP, Deutsche Bank, Goldman Sachs** and the **Federal Reserve.**

Das said Greenberg will assign more associates to work with his team as demand warrants. Das, who headed Seward's institutional finance practice from New York and London, left the firm for Greenberg last month along with partners **Sharan Calay** and **Andrew Silverstein** in a bid to expand their practice globally.

Das' practice at Seward handled work including representation of collateralized loan obligation issuers, along with banks and trustees including **BNY Mellon, Citigroup, Deutsche Bank, M&T Bank** and **U.S. Bank.**

Greenberg's securitization practice, led by **Mark Michigan,** is active as an issuer counsel for securitizations of timeshare loans by **Holiday Inn Club Vacations** and **Marriott,** and for equipment-loan offerings by **CNH Industrial.**

At Seward, partner **Gregg Bateman** will assume a leadership role in the firm's institutional finance group. Bateman and **Greg Cioffi,** head of the firm's asset securitization group, will ensure that "transactional matters in this space continue to be efficiently managed," Seward said in a statement.❖

Correction

A Dec. 15 article, "Seward Attorneys Pack Bags for Greenberg," misstated **Kalyan Das'** title at **Seward & Kissel.** Das served as head of the firm's institutional finance practice. ❖

To see the initial pricing terms for ABS deals,
visit GreenStreet.com and click on ABS Database
in the News section of your dashboard.

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the market by their warehouse lenders. The company priced its $349.9 million deal on Dec. 11 with **Deutsche Bank,** Goldman, **JPMorgan Chase** and **Morgan Stanley** running the books. The underlying borrowers have prime credit scores, averaging 733, and solid average debt-to-income ratios of 43.4%.

Nomura's $163.7 million offering, its first since 2021, priced on Dec. 14 via the bank's own underwriting unit. Its underlying borrowers have an average credit score of 723 and an average debt-to-income ratio of 39.8%. However, 92.5% of the loans contain defects or exceptions to underwriting guidelines that make them ineligible for agency pools, with reperforming accounts in the mix. "That was a kitchen-sink deal if there ever was one," the source said.

PRP priced its $221.2 million transaction on Dec. 19 with Barclays, Goldman and Nomura running the books. The underlying borrowers have an average credit score of 743 and an average debt-to-income ratio of 42.3%. But 20.3% of the collateral consists of so-called dirty current loans — performing accounts that had experienced delinquencies within the previous 24 months.

Issuance of nonqualified-mortgage bonds totaled $28.9 billion in 2023, down from $39.7 billion in 2022, according to **Asset-Backed Alert's** ABS Database. What's more, rising interest rates led to disruptions in funding costs, with warehouse lenders in some cases pushing their rates to uneconomical levels for issuers.

Bond yields suddenly dropped in December, however, opening the door for some deals. The triple-A-rated Class-A notes from Angel Oak's issue priced at 180 bp over the I-curve, for example, a 10-bp reduction from a comparable tranche of a transaction the company completed on Sept. 1.

An improving interest-rate outlook also lured **Angelo Gordon** into the market. The company completed a $268.8 million issue on Dec. 15 with Goldman as bookrunner. The underlying borrowers have an average credit score of 738 and an average debt-to-income ratio of 36%. ❖

Kane Calls Volume Closest to Mark

Bank of America asset-backed bond syndicate chief **Brian Kane** was the securitization industry's most accurate forecaster of issuance volume in 2023.

A year ago, a panel of 13 market experts surveyed by **Asset-Backed Alert** predicted that, with interest rates on the rise and inflation running hot, the market would take a tumble. On average, the respondents estimated that $797 billion of new asset-backed bonds, residential mortgage-securities, commercial mortgage bonds and collateralized loan obligations would price worldwide in 2023. That would have represented an 8.8% decline from 2022 volume of $876 billion.

But last year's actual tally was $714.7 billion, a larger-than-expected 18.4% drop. Kane was closest to the actual figure with a forecast of $690 billion. The next-closest estimate came from **Performance Trust** securitization-banking head **Mike Kelly,** who pegged volume at $743 billion. He lost to Kane by a margin of only $3.6 billion.

It's not the first time Kane's predictions have been closest to the mark. He was also the most accurate prognosticator of issuance volume in 2019, 2013 and 2012.

In the U.S. asset-backed bond market, **Gunes Kulaligil,** former managing director at valuation firm **Stout,** was the most accurate forecaster (see The Grapevine on Page 25). He predicted that $268 billion of such deals would price in 2023. Actual U.S. issuance rose by 3.2% to $265.3 billion. ❖

2024 Forecasts of ABS Issuance

	U.S. ($Bil.)	Worldwide ($Bil.)
Jason Kravitt, Mayer Brown	$239	$658
William Black, Black Analytics	271	643
James Manzi/Thomas Schopflocher, S&P	268	744
Doug Murray, Fitch	281	765
Patrick Tadie, Wilmington Trust	284	743
Andy Cherna, Mosaic	284	755
Craig Leonard, Atlas SP	285	758
Preston Blankenship, Deutsche Bank	292	786
Michael Banchik, HSBC	295	775
Brian Wiele, Barclays	300	775
Tom Capasse, Waterfall Asset Management	300	760
Mike Kelly, Performance Trust	302	799
Beth Starr, Truist	305	
Michael Guarda, Credit Agricole	305	775
Brian Kane, Bank of America	329	915
Average prediction for 2024	**289**	**761**
Actual 2023 volume	**265**	**715**

Rebound ... From Page 1

average. That would be an increase of 6.5% from last year's tally of $714.7 billion — which was an 18.4% decline from 2022's total.

Worldwide dealflow last year fell for the second consecutive time since hitting $1.2 trillion in 2021 — which was the best showing since 2007, when $2.3 trillion of offerings priced. Volume declined 17% in 2020 amid the pandemic. Dealflow had grown by 5.8% in 2019, 8.8% in 2018 and 26% in 2017.

Twelve of the forecasters predicted that global new-issue volume will grow in 2024. **Bank of America** asset-backed bond syndicate chief **Brian Kane** was the most bullish, predicting $915 billion of issuance in 2024. **Mike Kelly,** head of asset-backed banking at **Performance Trust,** predicted total issuance of $799 billion, while **Deutsche Bank** syndicate chief **Preston Blankenship** expects $786 billion of dealflow this year.

Only two survey participants predicted a downturn in global output. Veteran securitization analyst and independent consultant **William Black** of **Black Analytics** was the most bearish, predicting worldwide volume of $643 billion in 2024 — which would be a 10% dip from last year. "Downside risks will prevail in 2024," said Black, who believes a broad economic slowdown this year will be a drag on global securitization output. Slightly less bearish was **Mayer Brown** partner **Jason Kravitt,** who expects $658 billion of worldwide issuance.

Kravitt based his outlook in part on threats to securitization from the pending U.S. adoption of the final update to the **Bank for International Settlements'** Basel 3 standards by the **Federal Reserve,** the **FDIC** and the **Office of the Comptroller of the Currency** — which released their so-called endgame plan for the rules on July 27. The guidelines call for vast increases in the amounts of capital banks must reserve against their exposures. For example, reserves required for mortgage products would jump by 19% for banks with more than $100 billion of assets, by 10% for midsize institutions and by 5% for the smallest players. The regulations also feature a component that would eliminate the capital relief banks currently can realize through many securitizations.

"The capital advantages of securitization are under threat now by Basel 3 and this will substantially determine what will happen in the near term and middle term," said Kravitt.

The rosy outlooks of most survey respondents reflect a recent rally in U.S. Treasury bonds and a growing consensus that the Fed has largely completed the task of taming inflation via interest-rate cuts — and could start cutting rates this year. That could fuel a surge of new mortgage originations, second liens and home-equity lines of credit. At the same time, the U.S. unemployment rate is low and is expected to remain so for the near future — which is helping to sustain consumer demand for new auto loans and leases and other forms of credit.

"We're confident the Fed is done raising rates," said **Doug Murray,** head of business development at **Fitch.** "You've got to believe things are going to be better this year." He predicted $765 billion of new deals worldwide in 2024.

Given continued home price appreciation, some analysts estimate that U.S. homeowners have $17 trillion of tappable home equity. BofA estimates $60 billion of second liens and

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RANKINGS

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from 2022, that proved a resilient outcome as overall issuance cratered by 45.8%.

In the U.S. market for corporate-loan CLOs, BofA remained in first place. Its $13.7 billion count amounted to a 12.4% market share — and a 19.6% decrease from a year earlier versus a market-wide dip of 18.2%. JPMorgan moved up one spot to second, with $12.5 billion of credit and an 11.3% market share. Citi slipped one spot to third with a $9.5 billion tally, good for an 8.6% claim. **Goldman Sachs** finished fourth, with **Morgan Stanley** in fifth.

The top-three results were different when counting all CLO types worldwide, with JPMorgan in first, followed by BofA and **BNP Paribas.**

In Europe, the league table for bookrunners of structured-finance deals saw some disruption. BNP moved up to first from third in the category, which encompasses asset-backed bonds, residential mortgage bonds, commercial mortgage bonds and CLOs. Its $11.1 billion count represented an 11.3% market share — amounting to a 36.4% jump in volume versus a 13.7% growth rate for the market overall.

Barclays, the 2022 leader, fell to second with $10.2 billion of credit and a 10.4% market share. BofA also slipped one spot, to third, with an $8.6 billion count and an 8.8% market share. Meanwhile, **Santander** moved up to fourth place from 10th while **Lloyds Banking** leapt to fifth from 15th.

Asset-Backed Alert's league tables account for publicly offered and privately placed securitizations worldwide. They exclude continuously offered products such as those from commercial paper conduits and the swap portions of synthetic offerings. Only rated deals are counted. Credit for the dollar volume of each transaction is split evenly among banks named as bookrunners. If no bookrunner is named in the offering documents, the deals are assigned to the banks listed on the top line of underwriters.

The newsletter's 2023 rankings also reflect a streamlined methodology whereby U.S. asset- and mortgage-backed bond transactions fall into two mutually exclusive categories: one for non-mortgage asset-backed bonds and the other for mortgage-related securitizations of all kinds. ❖

Worldwide Securitization Volume

	2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
U.S. Private ABS	$156,494.9	332	21.9	$138,417.1	319	15.8	13.1
U.S. Public ABS	108,841.5	104	15.2	118,582.9	102	13.5	-8.2
U.S. Total ABS	**265,336.4**	**436**	**37.1**	**257,000.0**	**421**	**29.3**	**3.2**
U.S. Residential MBS	72,977.5	213	10.2	134,551.8	299	15.4	-45.8
U.S. Commercial MBS	92,659.1	204	13.0	160,869.9	272	18.4	-42.4
Non-U.S. ABS and MBS	138,628.4	284	19.4	132,652.2	247	15.1	4.5
Non-U.S. Commercial MBS	966.5	3	0.1	1,456.5	5	0.2	-33.6
Worldwide CLOs	144,119.5	357	20.2	189,702.7	407	21.6	-24.0
Worldwide Total	**714,687.4**	**1,497**	**100.0**	**876,233.2**	**1,651**	**100.0**	**-18.4**

RANKINGS

Bookrunners of Worldwide Structured-Finance Deals in 2023

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	JPMorgan Chase	$72,350.5	286	10.1	$95,888.9	282	10.9	-24.5
2	Bank of America	67,284.4	262	9.4	77,094.8	246	8.8	-12.7
3	Citigroup	52,635.3	223	7.4	75,340.7	243	8.6	-30.1
4	Barclays	50,285.2	233	7.0	69,691.3	258	8.0	-27.8
5	Wells Fargo	44,691.5	203	6.3	51,522.1	180	5.9	-13.3
6	Goldman Sachs	38,086.1	174	5.3	60,651.8	197	6.9	-37.2
7	Morgan Stanley	34,916.3	142	4.9	49,244.1	167	5.6	-29.1
8	BNP Paribas	29,421.1	121	4.1	24,051.3	100	2.7	22.3
9	Deutsche Bank	24,171.2	150	3.4	26,142.0	154	3.0	-7.5
10	RBC	21,534.0	104	3.0	26,915.3	102	3.1	-20.0
11	Societe Generale	19,751.4	84	2.8	15,395.8	58	1.8	28.3
12	Mizuho	18,699.5	86	2.6	17,207.1	67	2.0	8.7
13	SMBC Nikko	17,625.3	66	2.5	13,248.6	53	1.5	33.0
14	BMO Capital	16,997.0	86	2.4	16,868.3	67	1.9	0.8
15	MUFG	15,361.3	75	2.1	15,061.1	60	1.7	2.0
16	Jefferies	15,079.3	63	2.1	18,402.9	72	2.1	-18.1
17	Santander	13,965.5	64	2.0	6,772.5	25	0.8	106.2
18	TD Bank	10,948.8	52	1.5	6,283.5	29	0.7	74.2
19	Natixis	9,781.7	45	1.4	12,065.7	48	1.4	-18.9
20	Atlas SP Partners	9,770.5	63	1.4	0.0	0	0.0	
21	Nomura	9,234.8	53	1.3	18,663.2	75	2.1	-50.5
22	National Australia Bank	8,259.7	62	1.2	8,519.1	63	1.0	-3.0
23	Lloyds Banking	7,948.2	36	1.1	4,162.3	17	0.5	91.0
24	Credit Agricole	7,812.7	36	1.1	7,317.3	32	0.8	6.8
25	Westpac	7,461.2	52	1.0	4,199.7	41	0.5	77.7
26	Truist	5,073.7	47	0.7	4,475.9	29	0.5	13.4
27	NatWest	5,053.4	29	0.7	1,624.4	9	0.2	211.1
28	Cantor Fitzgerald	4,903.8	27	0.7	4,691.3	24	0.5	4.5
29	HSBC	4,808.5	27	0.7	5,755.5	33	0.7	-16.5
30	Commonwealth Bank of Australia	4,525.5	31	0.6	3,658.2	31	0.4	23.7
31	UniCredit	4,125.5	14	0.6	1,280.3	4	0.1	222.2
32	Scotiabank	3,609.6	18	0.5	1,340.6	7	0.2	169.2
33	Credit Suisse	3,275.2	18	0.5	49,939.6	217	5.7	-93.4
34	Guggenheim	3,184.4	24	0.4	5,604.0	24	0.6	-43.2
35	Rabobank	3,178.6	6	0.4	1,063.4	5	0.1	198.9
36	CIBC	3,102.4	14	0.4	2,820.7	7	0.3	10.0
37	ING	2,599.5	17	0.4	1,264.2	7	0.1	105.6
38	Standard Chartered Bank	2,519.0	25	0.4	4,100.2	32	0.5	-38.6
39	Capital One	2,138.1	19	0.3	844.8	7	0.1	153.1
40	ANZ Bank	2,129.0	17	0.3	1,519.8	11	0.2	40.1
	OTHERS	36,388.7	240	5.1	65,540.8	353	7.5	-44.5
	TOTAL	**714,687.4**	**1,497**	**100.0**	**876,233.1**	**1,651**	**100.0**	**-18.4**

RANKINGS

Issuers of Worldwide Asset- and Mortgage-Backed Securities

Includes ABS, MBS, CLOs and CDOs for all affiliates

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	General Motors	$17,005.4	15	2.7	$14,824.6	12	2.1	14.7
2	Santander Group	13,998.7	18	2.3	14,439.5	17	2.0	-3.1
3	Ford	13,568.3	13	2.2	9,382.0	10	1.3	44.6
4	Toyota	10,609.7	9	1.7	9,209.3	8	1.3	15.2
5	Volkswagen	9,812.3	12	1.6	5,234.0	6	0.7	87.5
6	JPMorgan Chase	9,731.9	22	1.6	11,685.5	16	1.6	-16.7
7	Hyundai	8,237.5	7	1.3	8,296.5	8	1.2	-0.7
8	BMW	7,752.9	9	1.2	7,201.4	9	1.0	7.7
9	Mercedes-Benz	6,992.2	7	1.1	5,358.2	6	0.8	30.5
10	Honda	6,750.0	4	1.1	2,631.6	2	0.4	156.5
11	CarMax	5,880.2	4	0.9	5,794.4	4	0.8	1.5
12	Japan Housing Finance Agency	5,874.2	11	0.9	9,993.9	12	1.4	-41.2
13	Sumitomo Mitsui Banking	5,770.3	6	0.9	3,599.5	5	0.5	60.3
14	Pepper Group	5,761.2	12	0.9	5,872.3	12	0.8	-1.9
15	Westlake Financial Services	5,697.6	5	0.9	3,867.9	3	0.5	47.3
16	World Omni Financial	5,574.6	6	0.9	4,626.8	5	0.6	20.5
17	Invictus Capital Partners	5,453.9	11	0.9	5,249.6	10	0.7	3.9
18	Fannie Mae	5,439.7	8	0.9	8,921.0	9	1.2	-39.0
19	Palmer Square Capital Management	5,121.5	12	0.8	7,324.7	13	1.0	-30.1
20	Nissan	4,912.5	5	0.8	4,620.4	5	0.6	6.3
21	Pagaya	4,867.3	10	0.8	3,558.8	6	0.5	36.8
22	Annaly Capital	4,861.3	13	0.8	6,195.9	16	0.9	-21.5
23	MassMutual	4,721.8	10	0.8	4,125.3	8	0.6	14.5
24	Bank of America	4,663.9	4	0.8	2,250.0	2	0.3	107.3
25	Verizon	4,485.4	7	0.7	4,597.5	7	0.6	-2.4
26	Cerberus Capital Management	4,430.1	11	0.7	1,643.7	4	0.2	169.5
27	Sallie Mae	4,340.1	4	0.7	5,038.1	4	0.7	-13.9
28	Golub Capital	4,324.7	8	0.7	3,818.1	9	0.5	13.3
29	Enterprise	4,301.4	3	0.7	4,689.3	4	0.7	-8.3
30	Apollo Global	4,194.8	9	0.7	4,688.9	10	0.7	-10.5
31	Avis Budget Group	3,852.0	8	0.6	2,140.5	7	0.3	80.0
32	Liberty Financial	3,659.9	7	0.6	2,403.3	5	0.3	52.3
33	Lloyds Banking	3,635.6	4	0.6	203.3	1	0.0	1,688.3
34	Goldman Sachs	3,616.4	10	0.6	10,581.8	22	1.5	-65.8
35	Morgan Stanley	3,584.5	10	0.6	3,206.7	7	0.4	11.8
36	John Deere	3,584.2	3	0.6	3,715.9	3	0.5	-3.5
37	CVC Capital Partners	3,580.4	8	0.6	3,344.3	7	0.5	7.1
38	Allianz	3,545.4	11	0.6	1,755.7	5	0.2	101.9
39	Tesla	3,526.8	3	0.6	0.0	0	0.0	
40	Texas Public Financing Authority	3,521.8	1	0.6	0.0	0	0.0	
	OTHERS	379,819.5	950	61.2	497,816.9	1,075	69.7	-23.7
	TOTAL	**621,061.8**	**1,290**	**100.0**	**713,906.7**	**1,374**	**100.0**	**-13.0**

RANKINGS

Summary of Worldwide Securitization in 2023

How the Securities Were Offered

	2023 ($Mil.)	No. of Deals	% of Total	2022 ($Mil.)	No. of Deals	% of Total	'22-'23 % Chg.
U.S. Private	$369,146.9	873	51.7	$484,867.6	1,018	55.3	-23.9
U.S. Public	179,658.3	268	25.1	229,178.4	312	26.2	-21.6
Non-U.S.	165,882.2	356	23.2	162,187.1	321	18.5	2.3
TOTAL	**714,687.4**	**1,497**	**100.0**	**876,233.2**	**1,651**	**100.0**	**-18.4**

Where the Collateral Came From

	2023 ($Mil.)	No. of Deals	% of Total	2022 ($Mil.)	No. of Deals	% of Total	'22-'23 % Chg.
U.S.	$540,694.4	1,123	75.7	$703,701.3	1,304	80.3	-23.2
Australia	34,961.4	84	4.9	30,288.1	76	3.5	15.4
U.K.	29,995.3	60	4.2	29,768.6	45	3.4	0.8
China	14,716.0	31	2.1	23,506.4	34	2.7	-37.4
Germany	13,849.6	20	1.9	6,826.3	9	0.8	102.9
Japan	12,279.8	19	1.7	14,933.7	20	1.7	-17.8
Canada	9,720.1	20	1.4	10,508.9	20	1.2	-7.5
OTHERS	58,470.9	140	8.2	56,699.8	143	6.5	3.1
TOTAL	**714,687.4**	**1,497**	**100.0**	**876,233.2**	**1,651**	**100.0**	**-18.4**

Who Securitized the Assets

	2023 ($Mil.)	No. of Deals	% of Total	2022 ($Mil.)	No. of Deals	% of Total	'22-'23 % Chg.
Investment group	$161,327.3	411	22.6	$197,326.4	457	22.5	-18.2
Commercial mortgage lender	93,625.6	207	13.1	162,326.4	277	18.5	-42.3
Bank/thrift	81,118.6	143	11.4	74,789.3	123	8.5	8.5
Finance company (captive)	72,714.7	78	10.2	59,597.0	61	6.8	22.0
Auto lender (independent)	72,350.8	123	10.1	61,621.2	100	7.0	17.4
Finance company (diversified)	48,385.7	112	6.8	48,103.1	102	5.5	0.6
Mortgage bank	45,392.4	115	6.4	92,967.6	193	10.6	-51.2
Government entity	18,861.8	30	2.6	36,568.9	41	4.2	-48.4
OTHERS	120,910.5	278	16.9	142,933.2	297	16.3	-15.4
TOTAL	**714,687.4**	**1,497**	**100.0**	**876,233.2**	**1,651**	**100.0**	**-18.4**

What Types of Receivables Backed the Issues

	2023 ($Mil.)	No. of Deals	% of Total	2022 ($Mil.)	No. of Deals	% of Total	'22-'23 % Chg.
CLOs	$144,119.5	357	20.2	$189,702.7	407	21.6	-24.0
Auto loans (prime)	106,490.1	136	14.9	84,896.0	102	9.7	25.4
Commercial mortgages	93,625.6	207	13.1	162,326.4	277	18.5	-42.3
Non-U.S. residential loans	69,382.3	127	9.7	75,809.9	132	8.7	-8.5
Auto leases	36,350.9	50	5.1	22,520.2	27	2.6	61.4
Auto loans (subprime)	36,047.6	75	5.0	33,577.1	63	3.8	7.4
Credit cards	30,347.8	48	4.2	37,259.1	51	4.3	-18.5
Nonqualified mortgages	28,700.5	85	4.0	37,949.8	104	4.3	-24.4
Consumer loans, unsecured	23,133.2	62	3.2	26,099.2	75	3.0	-11.4
Equipment loans	15,647.5	29	2.2	12,303.1	20	1.4	27.2
Auto-fleet leases	15,040.1	22	2.1	10,677.9	22	1.2	40.9
Qualified mortgages	14,183.9	46	2.0	33,349.3	71	3.8	-57.5
OTHERS	101,618.5	253	14.2	149,762.4	300	17.1	-32.1
TOTAL	**714,687.4**	**1,497**	**100.0**	**876,233.2**	**1,651**	**100.0**	**-18.4**

RANKINGS

Bookrunners of US Asset-Backed Securities in 2023

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	Bank of America	$29,235.8	114	11.0	$19,445.8	81	7.6	50.3
2	JPMorgan Chase	28,299.7	128	10.7	27,588.3	107	10.7	2.6
3	Citigroup	20,343.3	97	7.7	21,114.0	90	8.2	-3.7
4	Wells Fargo	19,614.8	100	7.4	17,462.9	78	6.8	12.3
5	Barclays	17,998.7	87	6.8	22,135.9	84	8.6	-18.7
6	RBC	14,443.4	67	5.4	21,368.5	76	8.3	-32.4
7	Mizuho	12,820.4	53	4.8	11,310.9	42	4.4	13.3
8	TD Bank	10,780.8	50	4.1	6,055.1	27	2.4	78.0
9	MUFG	10,687.7	51	4.0	9,363.5	34	3.6	14.1
10	Deutsche Bank	10,522.3	69	4.0	8,552.2	56	3.3	23.0
11	Societe Generale	9,609.9	41	3.6	5,971.1	24	2.3	60.9
12	BNP Paribas	8,073.1	45	3.0	6,712.4	36	2.6	20.3
13	BMO Capital	7,229.3	39	2.7	6,062.6	26	2.4	19.2
14	SMBC Nikko	6,859.2	29	2.6	4,139.8	17	1.6	65.7
15	Goldman Sachs	5,927.3	43	2.2	9,988.9	44	3.9	-40.7
16	Atlas SP Partners	5,204.3	35	2.0	0.0	0	0.0	
17	Morgan Stanley	5,082.9	24	1.9	3,519.0	12	1.4	44.4
18	Truist	5,073.7	47	1.9	4,475.9	29	1.7	13.4
19	Santander	4,253.0	24	1.6	3,726.8	15	1.5	14.1
20	Credit Agricole	4,237.0	23	1.6	4,229.3	23	1.6	0.2
21	Jefferies	4,148.5	9	1.6	3,114.2	19	1.2	33.2
22	Guggenheim	2,944.9	22	1.1	5,604.0	24	2.2	-47.5
23	Scotiabank	2,863.9	12	1.1	1,039.5	5	0.4	175.5
24	Lloyds Banking	2,857.3	11	1.1	2,387.8	8	0.9	19.7
25	Cantor Fitzgerald	2,571.9	11	1.0	1,197.2	6	0.5	114.8
26	HSBC	1,678.3	7	0.6	1,568.5	7	0.6	7.0
27	Citizens Bank	1,481.3	6	0.6	307.6	3	0.1	381.6
28	Capital One	1,337.5	14	0.5	595.8	6	0.2	124.5
29	Stifel Nicolaus	986.4	8	0.4	461.5	3	0.2	113.8
30	U.S. Bank	981.9	3	0.4	338.0	2	0.1	190.5
31	CIBC	947.4	6	0.4	270.1	1	0.1	250.8
32	Credit Suisse	878.5	6	0.3	14,946.0	75	5.8	-94.1
33	Baird	757.3	4	0.3	1,215.0	6	0.5	-37.7
34	Rabobank	725.2	3	0.3	336.8	2	0.1	115.4
35	KKR Capital Markets	661.8	5	0.2	753.5	4	0.3	-12.2
36	Performance Trust	495.0	3	0.2	0.0	0	0.0	
37	Apollo Global	428.2	2	0.2	987.6	2	0.4	-56.6
38	KeyBank	413.8	3	0.2	806.7	6	0.3	-48.7
39	ING	309.1	4	0.1	67.4	1	0.0	358.4
40	Amherst Pierpont	269.9	1	0.1	2,459.4	10	1.0	-89.0
	OTHERS	1,301.6	11	0.5	5,320.4	27	2.1	-75.5
	TOTAL	**265,336.4**	**436**	**100.0**	**257,000.0**	**421**	**100.0**	**3.2**

RANKINGS

Structuring Agents of US Asset-Backed Securities in 2023

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	Bank of America	$41,955.7	51	15.8	$24,847.7	34	9.7	68.9
2	JPMorgan Chase	41,469.2	66	15.6	35,437.5	52	13.8	17.0
3	Citigroup	26,315.0	43	9.9	32,449.5	42	12.6	-18.9
4	Barclays	24,386.0	35	9.2	30,470.5	40	11.9	-20.0
5	Wells Fargo	22,052.9	35	8.3	16,843.6	27	6.6	30.9
6	RBC	20,636.1	25	7.8	32,674.0	36	12.7	-36.8
7	Deutsche Bank	11,526.6	28	4.3	8,789.2	23	3.4	31.1
8	MUFG	9,546.0	10	3.6	6,496.3	6	2.5	46.9
9	BNP Paribas	7,379.7	10	2.8	3,032.5	3	1.2	143.4
10	Atlas SP Partners	7,324.8	20	2.8	0.0	0	0.0	
11	Societe Generale	5,987.2	6	2.3	5,241.4	4	2.0	14.2
12	Mizuho	5,208.3	7	2.0	4,362.0	6	1.7	19.4
13	Goldman Sachs	5,122.7	17	1.9	9,358.3	25	3.6	-45.3
14	BMO Capital	4,772.3	9	1.8	6,164.9	9	2.4	-22.6
15	SMBC Nikko	4,450.8	4	1.7	4,464.8	3	1.7	-0.3
16	Jefferies	3,876.3	3	1.5	2,857.6	13	1.1	35.7
17	TD Bank	3,529.1	4	1.3	448.8	2	0.2	686.3
18	Guggenheim	3,504.4	14	1.3	5,958.9	22	2.3	-41.2
19	Morgan Stanley	3,211.1	10	1.2	775.0	2	0.3	314.3
20	Truist	1,999.8	10	0.8	2,385.9	9	0.9	-16.2
21	Cantor Fitzgerald	1,817.6	6	0.7	1,520.0	2	0.6	19.6
22	Scotiabank	1,739.1	3	0.7	0.0	0	0.0	
23	Apollo Global	1,712.8	2	0.6	487.9	1	0.2	251.1
24	Credit Suisse	1,676.8	4	0.6	16,913.4	46	6.6	-90.1
25	KKR Capital Markets	1,278.3	4	0.5	976.0	2	0.4	31.0
26	HSBC	620.0	1	0.2	0.0	0	0.0	
27	Stifel Nicolaus	525.5	4	0.2	461.5	3	0.2	13.9
28	KeyBank	389.4	2	0.1	665.6	4	0.3	-41.5
29	Santander	347.0	3	0.1	0.0	0	0.0	
30	Capital One	320.5	3	0.1	75.1	1	0.0	326.8
	OTHERS	655.2	6	0.2	2,842.3	13	1.1	-76.9
	TOTAL	**265,336.4**	**436**	**100.0**	**257,000.0**	**421**	**100.0**	**3.2**

RANKINGS

Managers of US Asset-Backed Securities in 2023

Full credit to lead- and co-managers

		2023 Issuance ($Mil.)	No. of Deals
1	Bank of America	$99,380.1	134
2	JPMorgan Chase	99,181.9	147
3	Wells Fargo	93,978.3	134
4	Citigroup	87,288.6	124
5	Barclays	85,989.3	109
6	Mizuho	79,043.3	82
7	TD Bank	75,409.2	80
8	RBC	71,965.8	93
9	MUFG	62,896.4	74
10	Societe Generale	57,538.0	59
11	Deutsche Bank	47,562.0	83
12	SMBC Nikko	44,328.2	50
13	Truist	42,966.0	75
14	BNP Paribas	40,904.7	56
15	U.S. Bank	38,166.7	36
16	BMO Capital	36,339.5	63
17	Scotiabank	35,841.6	40
18	Credit Agricole	28,644.6	34
19	Goldman Sachs	28,402.3	56
20	Lloyds Banking	26,109.9	26
21	Santander	25,924.0	36
22	Morgan Stanley	24,347.1	31
23	CIBC	20,344.3	25
24	HSBC	19,300.9	20
25	Siebert Williams	18,065.9	16
26	Citizens Bank	16,353.5	29
27	Academy Securities	15,531.2	19
28	Atlas SP Partners	13,583.6	37
29	Loop Capital	12,537.0	12
30	ING	12,262.5	18
31	Fifth Third Bank	11,942.6	21
32	Mischler Financial	9,464.2	10
33	Capital One	9,027.4	23
34	Regions Bank	8,353.5	21
35	Drexel Hamilton	8,290.3	9
36	Guggenheim	8,082.0	25
37	ANZ Bank	7,931.1	5
38	CastleOak	7,761.9	7
39	R. Seelaus	7,410.7	8
40	BNY Mellon	7,355.3	5

		2023 Issuance ($Mil.)	No. of Deals
41	Stifel Nicolaus	$6,696.1	10
42	UniCredit	6,492.0	6
43	PNC	5,415.8	7
44	Jefferies	5,415.5	11
45	Piper Sandler	5,321.3	3
46	Raymond James	5,013.2	2
47	Great Pacific Securities	4,740.4	3
48	Wedbush Securities	4,717.4	10
49	Cantor Fitzgerald	4,684.6	11
50	Natixis	4,524.0	8
51	Ramirez	4,472.7	7
52	HillTop Securities	4,346.8	2
53	Baird	4,140.5	9
54	AmeriVet Securities	3,674.4	4
55	Rabobank	3,641.0	5
56	Standard Chartered Bank	3,238.4	4
57	NatWest	3,225.0	4
58	Performance Trust	3,201.8	8
59	Cabrera Capital Markets	3,033.9	3
60	M&T Bank	2,832.2	4
61	Commerzbank	2,822.8	2
62	KeyBank	2,551.0	7
63	KKR Capital Markets	2,493.6	5
64	Comerica	2,332.4	4
65	Credit Suisse	2,273.2	6
66	Zions Bank	2,209.3	4
67	CRB Securities	1,875.4	7
68	Apollo Global	1,712.8	2
69	First Citizens Bank	1,640.0	3
70	Synovus Financial	1,636.3	6
71	UBS	1,527.7	2
72	American Veterans Group	1,491.5	1
73	Huntington Capital	1,417.9	3
74	National Bank of Canada	1,350.0	2
75	FHN Financial	1,321.3	1
76	C.L. King	1,207.1	1
76	Multi-Bank Securities	1,207.1	1
78	East West Bank	908.9	4
79	Nomura	840.0	2
80	DBS Bank	817.0	1

RANKINGS

Bookrunners of US Asset-Backed Securities

Excludes self-issuance

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)
1	JPMorgan Chase	$24,189.4	119	10.1
2	Bank of America	23,490.5	104	9.8
3	Wells Fargo	18,626.7	96	7.8
4	Citigroup	18,047.4	92	7.6
5	Barclays	16,006.2	81	6.7
6	RBC	12,946.4	64	5.4
7	Mizuho	12,553.6	52	5.3
8	TD Bank	10,329.0	47	4.3
9	MUFG	10,288.7	49	4.3
10	Deutsche Bank	9,971.1	67	4.2
11	Societe Generale	8,981.4	39	3.8
12	BNP Paribas	7,497.5	43	3.1
13	SMBC Nikko	6,859.2	29	2.9
14	BMO Capital	5,974.0	34	2.5
15	Goldman Sachs	5,880.6	42	2.5
16	Atlas SP Partners	5,204.3	35	2.2
17	Truist	4,837.3	45	2.0
18	Credit Agricole	4,237.0	23	1.8
19	Jefferies	4,148.5	9	1.7
20	Morgan Stanley	4,079.8	22	1.7
21	Guggenheim	2,944.9	22	1.2
22	Lloyds Banking	2,857.3	11	1.2
23	Cantor Fitzgerald	2,571.9	11	1.1
24	Santander	2,136.5	16	0.9
25	Scotiabank	$2,103.1	9	0.9
26	HSBC	1,523.3	6	0.6
27	Capital One	1,337.5	14	0.6
28	Stifel Nicolaus	986.4	8	0.4
29	U.S. Bank	981.9	3	0.4
30	Credit Suisse	878.5	6	0.4
31	CIBC	792.4	5	0.3
32	Baird	757.3	4	0.3
33	KKR Capital Markets	661.8	5	0.3
34	Performance Trust	495.0	3	0.2
35	Citizens Bank	478.2	4	0.2
36	Apollo Global	428.2	2	0.2
37	KeyBank	413.8	3	0.2
38	ING	309.1	4	0.1
39	Amherst Pierpont	269.9	1	0.1
40	Rabobank	262.7	1	0.1
41	PNC	242.2	1	0.1
42	NatWest	233.3	1	0.1
43	Natixis	223.0	2	0.1
44	GC Securities	200.0	1	0.1
45	Fifth Third Bank	198.2	1	0.1
46	First Citizens Bank	29.0	1	0.0
47	Ramirez	18.9	1	0.0
	TOTAL	**238,483.1**		**100.0**

RANKINGS

Bookrunners of US MBS in 2023

Includes resecuritizations of MBS

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	JPMorgan Chase	$11,702.5	50	16.0	$15,397.6	39	11.4	-24.0
2	Goldman Sachs	8,763.1	52	12.0	14,674.6	57	10.9	-40.3
3	Barclays	7,248.4	59	9.9	11,597.8	83	8.6	-37.5
4	Bank of America	7,168.3	36	9.8	16,082.7	55	12.0	-55.4
5	Morgan Stanley	7,092.4	44	9.7	13,773.4	63	10.2	-48.5
6	Nomura	5,342.7	39	7.3	12,232.0	55	9.1	-56.3
7	Citigroup	5,063.0	17	6.9	10,997.1	30	8.2	-54.0
8	Wells Fargo	4,221.8	26	5.8	8,048.2	26	6.0	-47.5
9	Atlas SP Partners	3,150.5	21	4.3	0.0	0	0.0	
10	StoneX	1,530.5	7	2.1	797.9	3	0.6	91.8
11	Raymond James	1,521.4	7	2.1	2,245.8	11	1.7	-32.3
12	Jefferies	1,496.8	16	2.1	1,125.0	10	0.8	33.0
13	Cantor Fitzgerald	1,473.5	9	2.0	1,119.6	7	0.8	31.6
14	Deutsche Bank	1,348.5	14	1.8	3,787.3	37	2.8	-64.4
15	Performance Trust	1,026.9	11	1.4	5,138.6	40	3.8	-80.0
16	Mizuho	797.1	7	1.1	0.0	0	0.0	
17	BMO Capital	727.0	4	1.0	198.7	1	0.1	265.8
18	Incenter Securities	681.4	3	0.9	1,287.7	6	1.0	-47.1
19	BNP Paribas	569.9	4	0.8	242.2	2	0.2	135.3
20	Natixis	520.3	6	0.7	0.0	0	0.0	
21	Brean Capital	351.8	3	0.5	523.1	3	0.4	-32.7
22	Credit Suisse	290.8	3	0.4	11,352.3	72	8.4	-97.4
23	Guggenheim	239.5	2	0.3	0.0	0	0.0	
24	RBC	232.3	3	0.3	1,108.7	8	0.8	-79.0
25	Santander	209.7	2	0.3	0.0	0	0.0	
26	Amherst Pierpont	131.6	1	0.2	423.6	6	0.3	-68.9
27	KeyBank	75.8	1	0.1	133.6	1	0.1	-43.3
	OTHERS	0.0	0	0.0	2,264.3	13	1.7	-100.0
	TOTAL	**72,977.5**	**213**	**100.0**	**134,551.8**	**299**	**100.0**	**-45.8**

RANKINGS

US MBS Issuance, by Primary Collateral Type

	2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
Nonqualified mortgages (subprime)	$28,700.5	85	39.3	$37,949.8	104	28.2	-24.4
Qualified mortgages	14,183.9	46	19.4	33,349.3	71	24.8	-57.5
Risk transfer	9,808.5	19	13.4	23,162.8	26	17.2	-57.7
Reperforming mortgages	7,031.2	15	9.6	14,460.0	29	10.7	-51.4
Reverse mortgages	3,568.4	10	4.9	8,046.9	24	6.0	-55.7
Single-family rentals	3,552.4	11	4.9	12,000.0	24	8.9	-70.4
Home-equity lines of credit	2,972.3	13	4.1	606.5	3	0.5	390.1
Nonqualified mortgages (prime)	1,105.8	4	1.5	1,741.6	6	1.3	-36.5
Residential and commercial mix	859.9	4	1.2	1,622.9	6	1.2	-47.0
Home-improvement loans	718.1	3	1.0	438.9	2	0.3	63.6
Home-equity agreements	476.5	3	0.7	0.0	0	0.0	
Nonperforming mortgages	0.0	0	0.0	708.2	2	0.5	-100.0
Non-U.S. residential loans	0.0	0	0.0	465.0	2	0.3	-100.0
TOTAL	**72,977.5**	**213**	**100.0**	**134,551.8**	**299**	**100.0**	**-45.8**

Rebound ... From Page 6

$50 billion of home-equity lines of credit will be originated this year. As a result, the bank is predicting securitization volume of second liens and HELOCs will reach $8 billion in 2024, up from $4 billion last year.

Falling interest rates are helping to lower securitization costs for mortgage bond issuers. Over the last month or so, the cost of selling bonds backed by home loans that don't meet the **Consumer Financial Protection Bureau's** qualified-mortgage guidelines has fallen sharply. New transactions are currently pricing at their tightest spreads in months. That has many issuers optimistic that issuance will rebound after dipping 24.9% in 2023.

In the U.S. asset-backed bond market, which makes up the largest component of worldwide volume, 15 panelists predicted that $289 billion of new deals will price in 2024, on average. That would mark an 8.9% increase from last year's count of $265.3 billion — which was up 3.2% from 2022.

The U.S. forecasts range from a low of $239 billion by Kravitt, to a high of $329 billion by Kane. **Beth Starr,** head of asset-backed bond syndicate at **Truist,** and **Credit Agricole** banking head **Michael Guarda** expect $305 billion of asset-backed bond issuance, followed by Kelly, who predicted $302 billion. **Barclays** syndicate chief **Brian Wiele** and **Tom Capasse,** co-founder of **Waterfall Asset Management,** each predicted 2024 issuance of $300 billion. Kravitt was the only respondent to predict a contraction in U.S. asset-backed bond output.

Prime-quality auto loans and leases are expected to continue to be the main source of collateral for U.S. asset-backed bond deals in 2024, as is the case most years. Issuance of so-called esoteric offerings — those underpinned by collateral such as leases tied to digital infrastructure and whol-business cash-flows — is also expected to increase relative to overall asset-backed bond volume.

Meanwhile, Black contends the biggest hurdle for U.S. ABS volume in 2024 will be the first full-year reintroduction of student-loan payments for over 40 million borrowers, which could pinch the credit and overall spending habits of millennials and members of so-called Generation Z. "Watch for manifestations across all consumer products where there are intersections of risk," said Black, who predicted U.S. output will rise a mere 2% — the lowest of all the growth predictions. He also believes issuers will front-load their issuance in 2024 to avoid or mitigate market volatility expected around the November U.S. presidential election.

Asset-Backed Alert's U.S. volume survey encompasses all rated **SEC**-registered, Rule-144A and privately placed asset-backed securities, but excludes CLOs, CDOs and residential and commercial mortgage bonds. All those bond types are included in the worldwide estimates.

Both tallies leave out synthetic and commercial-paper conduit deals, along with refinancings. Many of the forecasters tailor their predictions to the newsletter's volume data. Thus, some of the figures may differ from those in their own reports. ❖

RANKINGS

Bookrunners of US Collateralized Loan Obligations in 2023

Excludes commercial real estate CLOs

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	Bank of America	$13,729.1	36	12.4	$17,069.2	39	12.6	-19.6
2	JPMorgan Chase	12,509.5	32	11.3	14,954.0	32	11.1	-16.3
3	Citigroup	9,482.0	23	8.6	16,243.3	33	12.0	-41.6
4	Goldman Sachs	9,409.2	24	8.5	9,070.0	20	6.7	3.7
5	Morgan Stanley	8,019.6	22	7.3	11,290.5	28	8.4	-29.0
6	BNP Paribas	7,909.7	19	7.2	6,354.3	14	4.7	24.5
7	Barclays	6,699.4	17	6.1	10,820.3	26	8.0	-38.1
8	Wells Fargo	5,945.9	18	5.4	4,711.7	14	3.5	26.2
9	Natixis	5,463.8	14	4.9	7,649.8	17	5.7	-28.6
10	RBC	5,011.2	16	4.5	3,064.2	8	2.3	63.5
11	Jefferies	4,021.1	14	3.6	5,764.9	17	4.3	-30.2
12	NatWest	3,298.3	17	3.0	212.8	1	0.2	1,450.3
13	Societe Generale	3,280.4	9	3.0	4,423.9	9	3.3	-25.8
14	Deutsche Bank	3,203.6	9	2.9	4,098.4	12	3.0	-21.8
15	Nomura	2,867.9	7	2.6	3,495.6	8	2.6	-18.0
16	GreensLedge	1,588.4	8	1.4	2,715.5	11	2.0	-41.5
17	SMBC Nikko	1,496.4	6	1.4	185.0	1	0.1	708.9
18	Mizuho	1,246.9	4	1.1	343.0	1	0.3	263.5
19	Apollo Global	1,171.1	5	1.1	1,316.6	5	1.0	-11.1
20	MUFG	1,168.1	3	1.1	1,154.5	3	0.9	1.2
21	Credit Suisse	808.4	2	0.7	7,577.7	19	5.6	-89.3
22	Capital One	516.1	3	0.5	249.1	1	0.2	107.2
23	CIBC	364.0	1	0.3	0.0	0	0.0	
24	Scotiabank	324.5	2	0.3	0.0	0	0.0	
25	KeyBank	314.9	2	0.3	346.3	2	0.3	-9.1
26	Raymond James	251.8	1	0.2	186.8	1	0.1	34.8
27	Santander	194.2	1	0.2	0.0	0	0.0	
28	Academy Securities	181.6	1	0.2	0.0	0	0.0	
	OTHERS	0.0	0	0.0	1,721.8	3	1.3	-100.0
	TOTAL	**110,476.7**	**273**	**100.0**	**135,018.8**	**300**	**100.0**	**-18.2**

RANKINGS

Bookrunners of Worldwide Collateralized Loan Obligations in 2023

Excludes commercial real estate CLOs

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	JPMorgan Chase	$16,116.5	41	11.8	$18,067.9	40	11.1	-10.8
2	Bank of America	15,819.3	44	11.6	20,211.4	46	12.4	-21.7
3	BNP Paribas	11,724.4	29	8.6	9,107.4	21	5.6	28.7
4	Goldman Sachs	11,498.8	29	8.4	10,303.1	24	6.3	11.6
5	Citigroup	11,148.9	27	8.2	19,309.6	40	11.9	-42.3
6	Barclays	10,418.9	27	7.6	14,064.0	35	8.6	-25.9
7	Morgan Stanley	9,720.3	28	7.1	12,357.2	32	7.6	-21.3
8	Jefferies	8,012.8	26	5.9	12,337.3	32	7.6	-35.1
9	Natixis	6,318.7	16	4.6	8,024.4	18	4.9	-21.3
10	Wells Fargo	6,110.9	19	4.5	4,711.7	14	2.9	29.7
11	RBC	5,011.2	16	3.7	3,064.2	8	1.9	63.5
12	NatWest	4,186.1	22	3.1	389.1	2	0.2	976.0
13	Deutsche Bank	4,180.4	12	3.1	4,860.5	14	3.0	-14.0
14	Societe Generale	3,643.4	11	2.7	4,829.2	11	3.0	-24.6
15	Nomura	2,867.9	7	2.1	3,495.6	8	2.1	-18.0
16	GreensLedge	1,588.4	8	1.2	2,715.5	11	1.7	-41.5
17	SMBC Nikko	1,496.4	6	1.1	185.0	1	0.1	708.9
18	Mizuho	1,418.0	5	1.0	343.0	1	0.2	313.4
19	Apollo Global	1,171.1	5	0.9	1,316.6	5	0.8	-11.1
20	MUFG	1,168.1	3	0.9	1,154.5	3	0.7	1.2
21	Credit Suisse	808.4	2	0.6	9,171.8	23	5.6	-91.2
22	Capital One	516.1	3	0.4	249.1	1	0.2	107.2
23	CIBC	364.0	1	0.3	0.0	0	0.0	
24	Scotiabank	324.5	2	0.2	0.0	0	0.0	
25	KeyBank	314.9	2	0.2	346.3	2	0.2	-9.1
26	Raymond James	251.8	1	0.2	186.8	1	0.1	34.8
27	Santander	194.2	1	0.1	0.0	0	0.0	
28	HSBC	188.1	1	0.1	0.0	0	0.0	
29	Academy Securities	181.6	1	0.1	0.0	0	0.0	
	OTHERS	0.0	0	0.0	1,917.5	4	1.2	-100.0
	TOTAL	**136,764.1**	**342**	**100.0**	**162,718.5**	**368**	**100.0**	**-16.0**

CLO Issuance, by Primary Collateral Type

	2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
Arbitrage CLOs	$113,060.9	282	78.4	$146,018.7	330	77.0	-22.6
Small-business CLOs	23,703.2	60	16.4	16,699.8	38	8.8	41.9
Commercial real estate CLOs	5,652.5	10	3.9	24,801.1	31	13.1	-77.2
Structured product	1,403.0	4	1.0	521.9	2	0.3	168.8
Trust-preferred securities	300.0	1	0.2	699.7	2	0.4	-57.1
Hedge fund or private-equity fund shares	0.0	0	0.0	753.7	2	0.4	-100.0
Commercial real estate CDOs	0.0	0	0.0	207.9	2	0.1	-100.0
TOTAL	**144,119.5**	**357**	**100.0**	**189,702.7**	**407**	**100.0**	**-24.0**

RANKINGS

Bookrunners of Worldwide Collateralized Loan Obligations in 2023

Includes all CDO types, as well as commercial real estate CLOs

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	JPMorgan Chase	$17,604.8	48	12.2	$23,171.5	54	12.2	-24.0
2	Bank of America	16,119.3	45	11.2	20,827.0	49	11.0	-22.6
3	Goldman Sachs	12,415.0	35	8.6	14,099.7	42	7.4	-11.9
4	BNP Paribas	12,027.3	30	8.3	9,107.4	21	4.8	32.1
5	Citigroup	11,407.5	29	7.9	19,526.8	42	10.3	-41.6
6	Barclays	10,891.8	29	7.6	16,300.6	44	8.6	-33.2
7	Morgan Stanley	10,665.1	33	7.4	15,279.9	43	8.1	-30.2
8	Jefferies	8,012.8	26	5.6	12,511.1	34	6.6	-36.0
9	Wells Fargo	6,825.9	23	4.7	8,860.6	32	4.7	-23.0
10	Natixis	6,318.7	16	4.4	8,173.7	19	4.3	-22.7
11	RBC	5,011.2	16	3.5	3,064.2	8	1.6	63.5
12	Deutsche Bank	4,440.9	14	3.1	5,624.8	18	3.0	-21.0
13	NatWest	4,186.1	22	2.9	389.1	2	0.2	976.0
14	Societe Generale	4,018.1	13	2.8	4,829.2	11	2.5	-16.8
15	Nomura	2,867.9	7	2.0	3,604.3	9	1.9	-20.4
16	GreensLedge	1,588.4	8	1.1	2,715.5	11	1.4	-41.5
17	SMBC Nikko	1,560.6	7	1.1	259.9	2	0.1	500.5
18	Mizuho	1,418.0	5	1.0	343.0	1	0.2	313.4
19	MUFG	1,303.0	4	0.9	1,398.8	5	0.7	-6.9
20	Apollo Global	1,171.1	5	0.8	1,316.6	5	0.7	-11.1
21	Credit Suisse	929.3	3	0.6	13,562.7	36	7.1	-93.1
22	Capital One	618.0	4	0.4	249.1	1	0.1	148.1
23	Atlas SP Partners	437.6	3	0.3	0.0	0	0.0	
24	CIBC	364.0	1	0.3	0.0	0	0.0	
25	Scotiabank	324.5	2	0.2	0.0	0	0.0	
26	KeyBank	314.9	2	0.2	346.3	2	0.2	-9.1
27	Raymond James	251.8	1	0.2	186.8	1	0.1	34.8
28	Standard Chartered Bank	199.0	2	0.1	521.8	4	0.3	-61.9
28	ING	199.0	2	0.1	74.9	1	0.0	165.9
30	Santander	194.2	1	0.1	0.0	0	0.0	
31	HSBC	188.1	1	0.1	0.0	0	0.0	
32	Academy Securities	181.6	1	0.1	0.0	0	0.0	
33	Oversea-Chinese Banking	64.1	1	0.0	0.0	0	0.0	
	OTHERS	0.0	0	0.0	3,357.6	12	1.8	-100.0
	TOTAL	**144,119.5**	**357**	**100.0**	**189,702.7**	**407**	**100.0**	**-24.0**

RANKINGS

Bookrunners of European Structured-Finance Deals in 2023

Includes ABS, MBS, CMBS, CLOs and CDOs

		2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
1	BNP Paribas	$11,089.2	43	11.3	$8,128.7	35	9.4	36.4
2	Barclays	10,194.2	36	10.4	10,555.0	24	12.3	-3.4
3	Bank of America	8,634.8	37	8.8	9,105.0	26	10.6	-5.2
4	Santander	6,750.8	29	6.9	3,045.7	10	3.5	121.6
5	Lloyds Banking	5,091.0	25	5.2	1,774.5	9	2.1	186.9
6	Societe Generale	4,959.5	18	5.1	3,553.9	15	4.1	39.6
7	Citigroup	4,655.6	23	4.8	7,456.3	31	8.7	-37.6
8	JPMorgan Chase	4,288.0	12	4.4	3,341.6	11	3.9	28.3
9	Morgan Stanley	4,248.1	13	4.3	3,063.3	8	3.6	38.7
10	UniCredit	4,125.5	14	4.2	1,280.3	4	1.5	222.2
11	Jefferies	3,991.8	12	4.1	6,572.5	15	7.6	-39.3
12	Deutsche Bank	3,340.3	17	3.4	1,763.0	6	2.0	89.5
13	Credit Agricole	3,252.6	10	3.3	2,697.8	6	3.1	20.6
14	Goldman Sachs	2,964.1	7	3.0	6,466.6	9	7.5	-54.2
15	HSBC	2,690.8	16	2.7	1,125.7	9	1.3	139.0
16	Natixis	2,628.6	13	2.7	2,156.5	12	2.5	21.9
17	Rabobank	2,453.4	3	2.5	726.6	3	0.8	237.7
18	NatWest	1,521.8	11	1.6	1,386.7	7	1.6	9.7
19	ING	1,405.8	6	1.4	754.9	2	0.9	86.2
20	MUFG	1,094.0	5	1.1	305.6	1	0.4	258.0
21	Landesbank Baden-Wurttemberg	954.5	3	1.0	252.5	1	0.3	278.0
22	Standard Chartered Bank	807.2	7	0.8	2,019.7	14	2.3	-60.0
23	Wells Fargo	657.3	5	0.7	0.0	0	0.0	
24	Mizuho	597.8	2	0.6	0.0	0	0.0	
25	National Australia Bank	558.8	6	0.6	901.0	6	1.0	-38.0
26	Credit Suisse	548.7	4	0.6	2,131.6	7	2.5	-74.3
27	RBC	508.6	3	0.5	140.1	1	0.2	263.1
28	Alantra	507.4	1	0.5	0.0	0	0.0	
29	DZ Bank	432.0	2	0.4	362.6	1	0.4	19.2
30	BBVA	430.2	1	0.4	645.0	1	0.7	-33.3
31	Commerzbank	423.6	2	0.4	252.5	1	0.3	67.7
32	Intesa Sanpaolo	359.5	1	0.4	156.6	1	0.2	129.5
33	Zurcher Kantonalbank	324.7	3	0.3	237.2	2	0.3	36.9
34	ABN Amro	290.2	2	0.3	637.4	3	0.7	-54.5
35	BMW Bank	211.1	1	0.2	262.5	1	0.3	-19.6
	OTHERS	965.7	9	1.0	2,890.6	16	3.4	-66.6
	TOTAL	**97,956.9**	**203**	**100.0**	**86,149.4**	**166**	**100.0**	**13.7**

RANKINGS

ABS Issued Outside of the US

Includes CMBS and CLOs

	2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
Europe	$97,956.9	203	59.1	$86,149.4	166	53.1	13.7
Australia and Oceania	35,576.1	89	21.4	31,166.0	82	19.2	14.2
Asia (except Japan)	14,716.0	31	8.9	24,909.2	39	15.4	-40.9
Japan	12,339.1	19	7.4	14,498.4	19	8.9	-14.9
Canada	4,034.3	10	2.4	5,087.9	10	3.1	-20.7
Africa	1,259.8	4	0.8	376.2	5	0.2	234.9
TOTAL	**165,882.2**	**356**	**100.0**	**162,187.1**	**321**	**100.0**	**2.3**

Where Non-US Assets Are Securitized

	2023 Issuance ($Mil.)	No. of Deals	Market Share (%)	2022 Issuance ($Mil.)	No. of Deals	Market Share (%)	'22-'23 % Chg.
Non-U.S. Markets	$165,882.2	356	95.3	$161,808.4	320	93.8	2.5
U.S. Markets	8,110.8	18	4.7	10,723.5	27	6.2	-24.4
TOTAL	**173,993.0**	**374**	**100.0**	**172,531.9**	**347**	**100.0**	**0.8**

Hazard ... From Page 1

offering exposures to equity as they would any other form of debt. When the NAIC raised concerns that insurers were using the transactions to gain more favorable treatment for private equity investments, however, it triggered a more holistic discussion of what constitutes a bond.

The effort culminated in August, when the Statutory Accounting Principles Working Group, consisting of representatives from 15 state insurance regulators, codified the definition. While the measure states that CFOs and other instruments collateralized by equity interests are presumed ineligible for bond treatment unless proven otherwise, the burden of proof for determining that such instruments do in fact represent creditor relationships can be satisfied if the deals adhere to some basic principles.

Among those factors: the number and diversification of the underlying equity interests in private funds; the investment strategies of the underlying funds; the presence of liquidity facilities that can supply temporary payments on notes; overcollateralization; and waiting periods for distributions or paydowns to begin.

Debt instruments that fail to meet the new bond definition aren't necessarily considered equity interests, which would entail a capital charge of 30%. Instead, they are classified as non-bond debt securities. And originally, it appeared the NAIC would simply accept whatever credit rating had been assigned to non-bond debt securities as the starting point for setting capital charges.

The upshot: The only downside to falling outside the definition of a bond would be a requirement that such instruments be treated for accounting purposes as mark-to-market investments, as opposed to being held to maturity.

In December, however, the NAIC's Valuation of Securities Task Force recommended that only designations from the Securities Valuation Office, and not from rating agencies, should be used as a basis for assigning capital charges.

Next up is for the NAIC's Risk-Based Capital Investment Risk and Evaluation Working Group to deliberate the matter, with a final decision coming from the Capital Adequacy Task Force in 2024.

That's where the potential reclassification of junior mezzanine notes comes in, even for many kinds of structured-finance transactions that meet the principles-based definition of a bond. Collateralized loan obligations, for example, could feel the impact.

"I think that some of the rated tranches that have been considered mezzanine are at risk of being characterized as residual interest if they are deemed in a position of not getting paid under certain scenarios," said **Lawrence Hamilton,** who leads **Mayer Brown's** U.S. insurance regulatory and enforcement group. "It's not clear how severe that scenario has to be. However, people are concerned because the result would be much higher capital charges for those tranches."

Others, including insurance-focused consulting firm **Bridgeway Analytics,** believe asset-backed securities with credit ratings, even as low as single-B, are likely to have sufficient credit enhancement for classification as bonds.

That said, there are other conditions that must be satisfied, including the predictability of cashflows. For example, principle-protected securities that combine low-risk debt such as U.S. Treasurys with an asset whose payments are tied to the performance of an index, such as the S&P 500, generally will not satisfy the bond definition regardless of ratings, said **Nitsa Einan,** Bridgeway's chief legal and product officer.

"The principles-based approach is, by its nature, precedence-based, and with a 2025 effective date, it will take time before we know for certain how various assets will be classified," Einan said.

Residual interests in structured-finance transactions were once treated as equity, with a capital charge of 30%. However, capital charges of 45% for residual interests are scheduled to go into effect this year. ❖

MARKET MONITOR

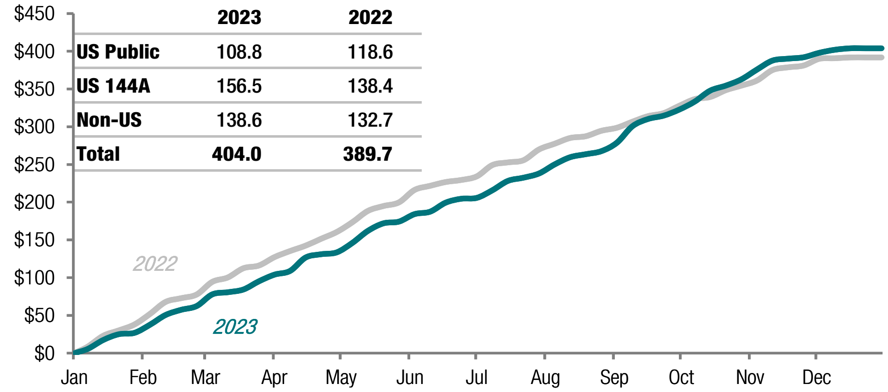
SUMMARY

- 30-year jumbo-mortgage rates have decreased by 70 bp to 7.1% in the last eight weeks.
- The pace of existing home sales has decreased 7.3% year over year, to an annualized rate of 3.82 million units in November.
- The median existing home price has risen 4.0% year over year, to $387,600 in November.
- Single-family home supply rose to 6.4 months in November and now sits above the average of 5.6 months in 2022.

WORLDWIDE ABS ISSUANCE

Year-to-date volume ($Bil.)

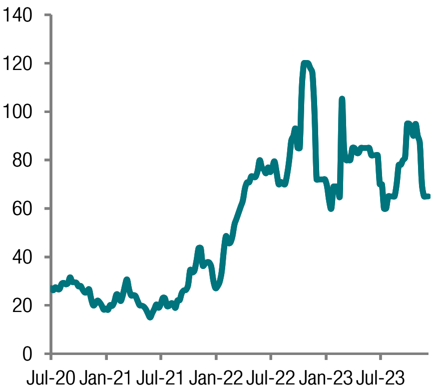
	2023	2022
US Public	108.8	118.6
US 144A	156.5	138.4
Non-US	138.6	132.7
Total	**404.0**	**389.7**



Source: Green Street

3-YR AUTO LOAN SPREADS

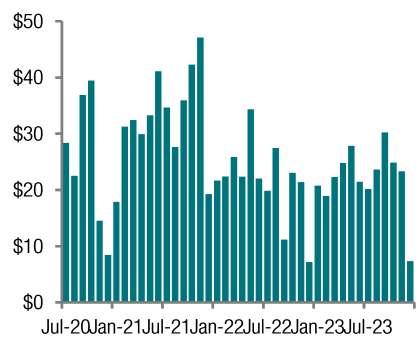
Spread (bp)



Source: Deutsche Bank

US ABS ISSUANCE

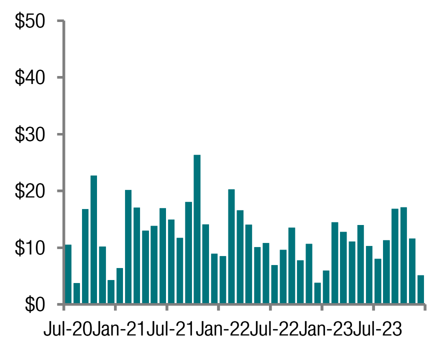
Volume ($Bil.)



Source: Green Street

NON-US ABS ISSUANCE

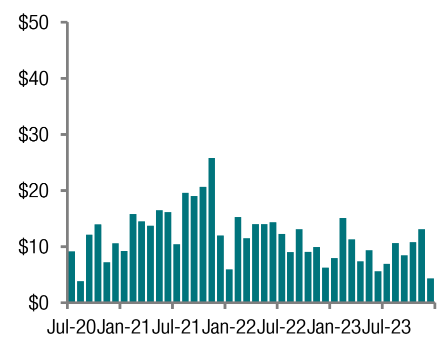
Volume ($Bil.)



Source: Green Street

US CLO ISSUANCE

Volume ($Bil.)



Source: Green Street

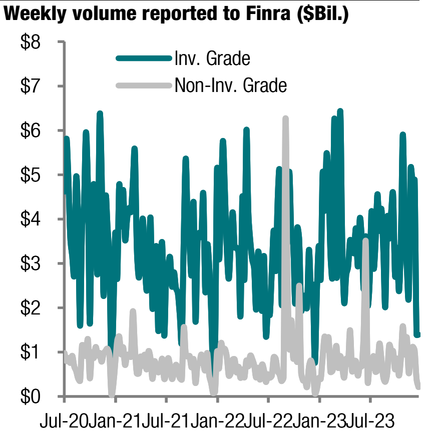
ASSET-BACKED COMMERCIAL PAPER OUTSTANDING

Since 1/2/13 ($Bil.)

Source: Federal Reserve

ABS SECONDARY TRADING

Weekly volume reported to Finra ($Bil.)



Source: Finra

SPREADS ON TRIPLE-A ABS

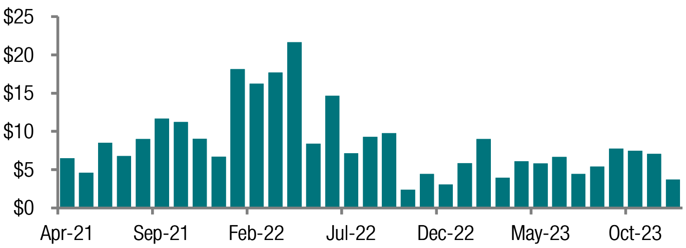
		Spreads		
	Avg. Life	**12/29**	**Week Earlier**	**52-wk Avg.**
Credit Card	2.0	I+50	I+50	I+50
(Fixed)	3.0	I+58	I+58	I+60
Auto Loan	2.0	I+57	I+57	I+65
(Tranched)	3.0	I+65	I+65	I+77
Non-QM MBS	2.0	I+160	I+165	I+176
(Fixed)				

Source: Deutsche Bank

MARKET MONITOR

US NONAGENCY MBS ISSUANCE

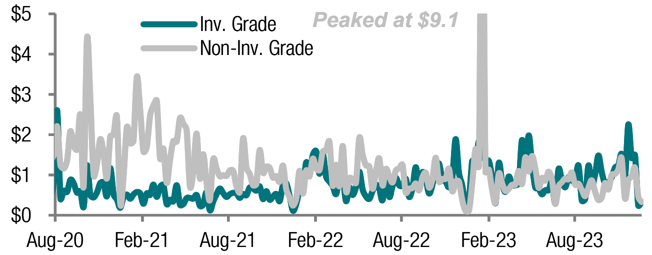
Volume ($Bil.)



Source: Green Street

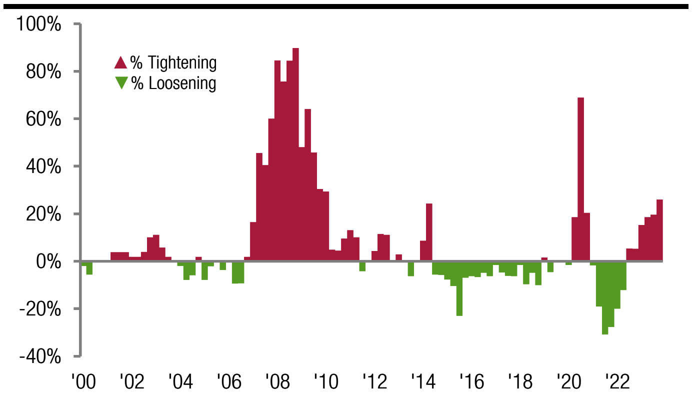
MBS SECONDARY TRADING

Weekly volume reported to Finra ($Bil.)



Source: Finra

LENDING STANDARDS



Source: Federal Reserve

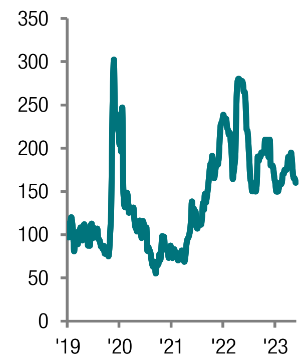
MORTGAGE RATES

30-yr Jumbo National Avg.

Sources: Bankrate.com, Bloomberg

MBS SPREADS

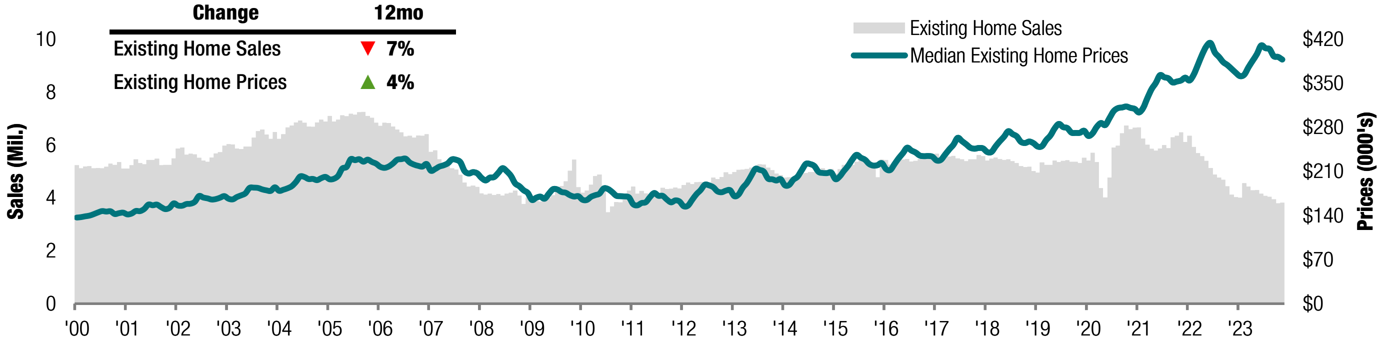
Fixed 2-yr Non-QM



Source: Deutsche Bank

HOME SALES AND PRICES

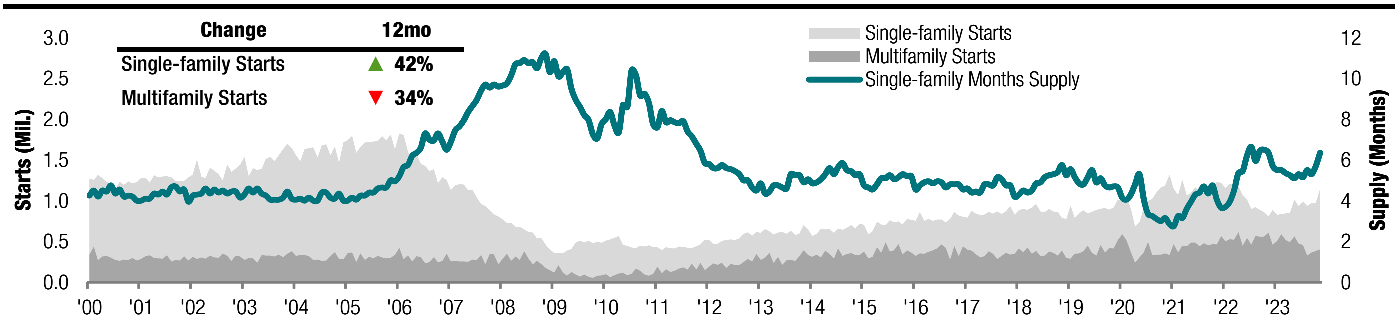
Change	12mo
Existing Home Sales	▼ 7%
Existing Home Prices	▲ 4%



Source: National Association of Realtors

HOUSING STARTS AND MONTHS SUPPLY

Change	12mo
Single-family Starts	▲ 42%
Multifamily Starts	▼ 34%



Source: U.S. Census Bureau

Visit the News Library to access the data in the Market Monitor charts.

THE GRAPEVINE

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agency's head of servicing for single-family mortgages. Under Reynolds, Freddie raised more than $10.5 billion of private capital to absorb potential losses on single-family mortgages it insures. Prior to joining the company in his former role, Reynolds spent 16 years in two stints at **Fannie Mae,** rising from an information-technology analyst to strategy development director, overseeing initiatives including servicer-advance finance facilities. Reynolds' former team now reports to **Kevin Cheng,** previously a vice president for specified-pool trading. Cheng additionally oversees cash window, agency trading and loan portfolio management and structuring functions.

Structured-finance analyst and consultant **Gunes Kulaligil** parted ways with advisory firm **Stout** in December. He has yet to decide on his next move. Kulaligil had joined the Chicago-based firm as a managing director by way of its 2022 purchase of **Methodical Valuation and Advisory,** an advisory shop he co-founded in 2018. Kulaligil also has worked at **Houlihan Lokey,** where he advised hedge fund and private equity fund managers on the values of investments including securitized products. He counts **Fortress Investment, JPMorgan Chase, Bear Stearns** and **Fannie Mae** as former employers as well.

Home-equity line of credit originator **Figure Technologies** has added a member to its capital-markets team. **Todd Stevens** joined the outfit's New York office in November from the head capital-markets post at data company **Inveniam Capital Partners,** where he started in 2021 following a 16-year stint at **Deutsche Bank.** Stevens also has worked at **CIBC, Enron** and **PwC.**

Rental-home specialist **Allen Artis** resurfaced at **Home Partners of America** this month as an Atlanta-based business analyst. Artis had been on the sidelines since August, when he was caught in a round of layoffs at **Amherst Group.** He had been working there since 2021, most recently as manager of a team tasked with buying rental properties and vacant land. Artis also has logged time at **FirstKey Homes** and **PPD.**

Brian Petronis joined **Forbright Bank** in Atlanta this month a managing director focused on asset-backed securities portfolio management. Petronis previously was a senior vice president at **Pacific Western Bank,** which he joined by way of the institution's 2014 purchase of **CapitalSource.** He also has worked at **Ernst & Young, PwC** and **Deloitte.**

Santander has hired a whole-loan trader for its securitized-product group in New York. **Efe Birkan** started last month as vice president with a focus on mortgages and consumer loans. Birkan was most recently trading similar products as an assistant vice president at **Barclays,** which he joined in 2020.

Opal Group fielded more than 1,800 registrations for its CLO Summit on Dec. 3 to 5 and its ABS Summit on Dec. 5 to 7, both at the Waldorf Astoria Monarch Beach Resort & Club in Dana Point, Calif. Opal plans to host the CLO Summit again on Dec. 4 to 6, but has yet to release dates for the ABS Summit.

ASSET-BACKED ALERT — **Visit ABA Website**

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