

Securitisation

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How did the BA 500 change?

- **Basel III change**

- Deductions against capital

- RW of 1250%

OR

- such imputed percentage that will effectively result in an amount equivalent to a deduction against capital and reserve funds



Standardised Approach Summary of selected information

Standardised approach: Summary of selected information	Line no.	Securitisation exposures	Resecuritisation exposures
		Risk weighted exposure 1	Supervisory deductions against common equity tier 1 capital and reserve funds 2
Total (of items 39 to 44)	38		
Gain on sale	39		
Credit-enhancing interest-only strips, net of gain on sale	40		
Rated positions	41		
Unrated positions	42		
Investors' interest subject to early amortisation requirement	43		
Non credit-enhancing interest-only strips or principal-only strips	44		



Standardised Approach Securitisation

Standardised approach Rated exposures based on rating categories and specified risk weights	Line no.	Corporate receivables	SME receivables	Retail: mortgages	Retail: revolving products	Retail: instalment sales and leasing	Retail: other	Total
		1	2	3	4	5	6	7
Total Securitisation exposure (total of items 65 to 68)	64							
AAA to AA- or A1 / P1	20%	65						
A+ to A- or A2 / P2	50%	66						
BBB+ to BBB- or A3/ P3	100%	67						
BB+ to BB- (investors)	350%	68						
Total Resecuritisation exposure (total of items 70 to 73)	69							
AAA to AA- or A1 / P1	40%	70						
A+ to A- or A2 / P2	100%	71						
BBB+ to BBB- or A3/ P3	225%	72						
BB+ to BB- (investors)	650%	73						
Total high risk securitisation exposures (total of items 75 and 76)	74							
BB+ to BB- (originators)	1250%²	75						
Rated below BB- or A3 / P3	1250%²	76						
Total high risk resecuritisation exposures (total of items 78 and 79)	77							
BB+ to BB- (originators)	1250%²	78						
Rated below BB- or A3 / P3	1250%²	79						
Memorandum item: Total risk weighted exposure i.r.o rated exposures ¹	80							

1. Amounts reported in items 65 to 68, 70 to 73, 75, 76, 78 and 79, multiplied

2. Or such imputed percentage that will effectively result in an amount equivalent to a deduction against capital and reserve funds.

IRB Approach

Summary of selected information

IRB approach Summary of selected information	Line no.	Securitisation exposures	Resecuritisation exposures
		Risk weighted exposure 1	Supervisory deductions against common equity tier 1 capital and reserve funds 2
Total (of items 102 to 107)	101		
Gain on sale	102		
Credit-enhancing interest-only strips, net of gain on sale	103		
Exposures subject to ratings-based or internal assessment approach	104		
Unrated exposures - treated in respect of standard formula or otherwise	105		
Investors' interest subject to early amortisation requirements	106		
Non credit enhancing IOs and POs	107		



IRB Approach Securitisation

IRB approach Securitisation exposures subject to ratings-based (external or inferred) or internal assessment approach, based on rating categories and specified risk weights	Line no.	Exposures after credit conversion factor and credit risk mitigation						
		Corporate receivables	SME receivables	Retail: mortgages	Retail: revolving products	Retail: instalment sales and leasing	Retail: other	Total
		1	2	3	4	5	6	7
Total senior exposures rated BBB or better (total of items 128 to 134)	127							
AAA or A1 / P1 7%	128							
AA 8%	129							
A+ 10%	130							
A or A2 / P2 12%	131							
A- 20%	132							
BBB+ 35%	133							
BBB or A3 / P3 60%	134							
Total base risk weight exposures rated BBB or better (total of items 136 to 142)	135							
AAA or A1 / P1 12%	136							
AA 15%	137							
A+ 18%	138							
A or A2 / P2 20%	139							
A- 35%	140							
BBB+ 50%	141							
BBB or A3 / P3 75%	142							
Total exposures backed by non-granular pools, rated BBB or better (total of items 144 to 150)	143							
AAA or A1 / P1 12%	144							
AA 25%	145							
A+ 35%	146							
A or A2 / P2 35%	147							
A- 35%	148							
BBB+ 50%	149							
BBB or A3 / P3 75%	150							
Total exposures rated BBB- or below (total of items 152 to 156)	151							
BBB- 100%	152							
BB+ 250%	153							
BB 425%	154							
BB- 650%	155							
Rated below BB- or A3 / P3 1250%³	156							
Memorandum items:	157							
Total risk weighted exposure i.r.o rated exposures^{1,2}								

3. Or such imputed percentage that will effectively result in an amount equivalent to a deduction against capital and reserve funds.

1. Amounts reported in items 128 to 134, 136 to 142, 144 to 150 and 152 to 156, multiplied by the specified risk weights and a scaling factor of 1.06.
2. After the application of the look-through approach specified in regulation 23(11)(b)(xii)(I).