

Hecho Relevante de BBVA CONSUMER AUTO 2018-1 FONDO DE TITULIZACIÓN

En virtud de lo establecido en el Folleto Informativo de **BBVA CONSUMER AUTO 2018-1 FONDO DE TITULIZACIÓN** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES el presente hecho relevante:

- La Agencia de Calificación **DBRS Ratings GmbH** (“**DBRS**”), con fecha 19 de junio de 2019, comunica que confirma las calificaciones asignadas a las siguientes Series de Bonos emitidos por el Fondo:
 - **Serie A: AA (low) (sf)**
 - **Serie B: A (sf)**
 - **Serie C: BBB (sf)**
 - **Serie D: BB (sf)**

Se adjunta la comunicación emitida por DBRS.

Madrid, 24 de junio de 2019.



Press Release

DBRS Confirms Ratings of BBVA Consumer Auto 2018-1 FT

Credit Card & Consumer Lending

June 19, 2019

DBRS Ratings Limited (DBRS) confirmed the following Notes issued by BBVA Consumer Auto 2018-1 FT (the Issuer):

- Class A Notes confirmed at AA (low) (sf)
- Class B Notes confirmed at A (sf)
- Class C Notes confirmed at BBB (sf)
- Class D Notes confirmed at BB (sf)

The rating of the Class A Notes addresses the timely payment of interest and ultimate payment of principal on or before the legal final maturity date. The ratings of the Class B Notes, the Class C Notes and the Class D Notes address the ultimate payment of interest principal on or before the legal final maturity date.

The confirmations follow an annual review of the transaction and are based on the following analytical considerations:

- Portfolio performance, in terms of delinquencies and defaults, as of the April 2019 payment date.
- Probability of default (PD), loss given default (LGD) and expected loss assumptions on the receivables.
- Current available credit enhancement (CE) to the Notes to cover the expected losses at their respective rating levels.
- No revolving termination events have occurred.

The Issuer is a securitisation of Spanish unsecured vehicle loans originated and serviced by Banco Bilbao Vizcaya Argentaria, S.A. (BBVA). The portfolio is comprised of loans to finance the purchase of new and used vehicles. The transaction closed in June 2018 and is currently in its revolving period which is scheduled to end in January 2020. There are concentration limits in place to mitigate any potential portfolio deterioration that have all been passing to date.

PORTFOLIO PERFORMANCE

As of the April 2019 payment date, two- to three-month arrears represented

Issuers

BBVA Consumer Auto 2018-1 FT

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0.4% of the outstanding portfolio balance and the 90+ delinquency ratio was 0.3%, both up from 0.0% at closing. Cumulative defaults were 0.2%.

PORTFOLIO ASSUMPTIONS

DBRS has maintained its base case Cumulative Net Loss assumption at 4.5%. Given that the transaction is still in its revolving period, the analysis continues to be based on the worst-case portfolio composition.

CREDIT ENHANCEMENT

As of the April 2019 payment date, Class A CE was 9.0%, Class B CE was 6.1%, Class C CE was 2.0% and Class D CE was 0.8%, all stable due to the transaction revolving period. CE is provided by subordination of the junior notes.

The transaction benefits from a Cash Reserve, currently at the target level of EUR 4 million. The Cash Reserve covers senior fees and provides liquidity support to the Class A Notes, the Class B Notes and the Class C Notes.

BBVA acts as the account bank for the transaction. Based on the account bank reference rating of BBVA at A (high) being one notch below the DBRS public Long Term Critical Obligations Rating of AA (low), the downgrade provisions outlined in the transaction documents and other mitigating factors inherent in the transaction structure, DBRS considers the risk arising from the exposure to the account bank to be consistent with the rating assigned to the Class A Notes, as described in DBRS's "Legal Criteria for European Structured Finance Transactions" methodology.

The transaction structure was analysed in INTEX DealMaker.

Notes:

All figures are in euros unless otherwise noted.

The principal methodology applicable to the ratings is the "Master European Structured Finance Surveillance Methodology".

DBRS has applied the principal methodology consistently and conducted a review of the transaction in accordance with the principal methodology.

An asset and a cash flow analysis were both conducted. Due to the inclusion of a revolving period in the transaction, the analysis continues to be based on the worst-case replenishment criteria set forth in the transaction legal documents.

Other methodologies referenced in this transaction are listed at the end of this press release. These may be found on www.dbrs.com at:

<http://www.dbrs.com/about/methodologies>.

For a more detailed discussion of the sovereign risk impact on Structured Finance ratings, please refer to "Appendix C: The Impact of Sovereign Ratings on Other DBRS Credit Ratings" of the "Rating Sovereign Governments" methodology at: <http://dbrs.com/research/333487/rating-sovereign-governments.pdf>.

The sources of data and information used for these ratings include investor reports provided by Europea de Titulización, S.A., S.G.F.T. and loan-level data provided by the European DataWarehouse GmbH.

DBRS did not rely upon third-party due diligence in order to conduct its analysis.

At the time of the initial rating, DBRS was supplied with third-party assessments. However, this did not impact the rating analysis.

DBRS considers the data and information available to it for the purposes of providing these ratings to be of satisfactory quality.

DBRS does not audit or independently verify the data or information it receives in connection with the rating process.

The last rating action on this transaction took place on 20 June 2018, when DBRS finalised its provisional ratings on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes of AA (low) (sf), A (sf), BBB (sf) and BB (sf), respectively.

The lead analyst responsibilities for this transaction have been transferred to Clare Wootton.

Information regarding DBRS ratings, including definitions, policies and methodologies is available at www.dbrs.com.

To assess the impact of changing the transaction parameters on the rating, DBRS considered the following stress scenarios as compared with the parameters used to determine the rating (the "Base Case"):

-- DBRS expected a lifetime base case PD and LGD for the pool based on a review of the current assets. Adverse changes to asset performance may cause stresses to base case assumptions and therefore have a negative effect on credit ratings.

-- The base case PD and LGD of the current pool of loans for the Issuer are 7.6% and 59.2%, respectively.

-- The Risk Sensitivity overview below illustrates the ratings expected if the PD and LGD increase by a certain percentage over the base case assumption. For example, if the LGD increases by 50%, the rating of the Class A Notes would be expected to fall to BBB (high) (sf), assuming no change in the PD. If the PD increases by 50%, the rating of the Class A Notes would be expected to fall to BBB (high) (sf), assuming no change in the LGD. Furthermore, if both the PD and LGD increase by 50%, the rating of the Class A Notes would be expected to fall to BB (high) (sf).

Class A Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of A (sf)
- 50% increase in LGD, expected rating of BBB (high) (sf)
- 25% increase in PD, expected rating of A (sf)

50% increase in PD, expected rating of BBB (high) (sf)

- 50% increase in PD, expected rating of BBB (high) (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of BBB (high) (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of BBB (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of BBB (sf)
- 50% increase in PD and 50% increase in LGD, expected rating of BB (high) (sf)

Class B Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of BBB (high) (sf)
- 50% increase in LGD, expected rating of BBB (sf)
- 25% increase in PD, expected rating of BBB (high) (sf)
- 50% increase in PD, expected rating of BBB (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of BBB (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of BB (high) (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of BB (high) (sf)
- 50% increase in PD and 50% increase in LGD, expected rating of BB (sf)

Class C Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of BB (high) (sf)
- 50% increase in LGD, expected rating of BB (low) (sf)
- 25% increase in PD, expected rating of BB (high) (sf)
- 50% increase in PD, expected rating of BBB (low) (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of BB (low) (sf)
- 25% increase in PD and 50% increase in LGD, expected rating of B (sf)
- 50% increase in PD and 25% increase in LGD, expected rating of B (sf)
- 50% increase in PD and 50% increase in LGD, expected rating below B (sf)

Class D Notes Risk Sensitivity:

- 25% increase in LGD, expected rating of BB (low) (sf)
- 50% increase in LGD, expected rating of B (sf)
- 25% increase in PD, expected rating of BB (low) (sf)
- 50% increase in PD, expected rating of B (high) (sf)
- 25% increase in PD and 25% increase in LGD, expected rating of B (sf)
- 25% increase in PD and 50% increase in LGD, expected rating below B (sf)
- 50% increase in PD and 25% increase in LGD, expected rating below B (sf)
- 50% increase in PD and 50% increase in LGD, expected rating below B (sf)

For further information on DBRS historical default rates published by the European Securities and Markets Authority (ESMA) in a central repository, see: <http://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>.

Ratings assigned by DBRS Ratings Limited are subject to EU and US regulations only.

Lead Analyst: Clare Wootton, Senior Financial Analyst
 Rating Committee Chair: Alfonso Candelas, Senior Vice President
 Initial Rating Date: 13 June 2018

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The rating methodologies used in the analysis of this transaction can be found at: <http://www.dbrs.com/about/methodologies>.

- Legal Criteria for European Structured Finance Transactions
- Master European Structured Finance Surveillance Methodology
- Operational Risk Assessment for European Structured Finance Servicers
- Operational Risk Assessment for European Structured Finance Originators
- Rating European Consumer and Commercial Asset-Backed Securitisations

A description of how DBRS analyses structured finance transactions and how the methodologies are collectively applied can be found at:

<http://www.dbrs.com/research/278375>.

For more information on this credit or on this industry, visit www.dbrs.com or contact us at info@dbrs.com.

Ratings

Date Issued	Debt Rated	Action	Rating	Trend	Issued
19-Jun-19	Class A Notes	Confirmed	AA (low) (sf)	--	EU
19-Jun-19	Class B Notes	Confirmed	A (sf)	--	EU
19-Jun-19	Class C Notes	Confirmed	BBB (sf)	--	EU
19-Jun-19	Class D Notes	Confirmed	BB (sf)	--	EU

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Related Documents

Methodology Used:

Legal Criteria for European Structured Finance Transactions / September 11, 2018

Rating European Consumer and Commercial Asset-Backed Securitisations / December 4, 2018

Operational Risk Assessment for European Structured Finance Originators / January 23, 2019

Operational Risk Assessment for European Structured Finance Servicers / January 23, 2019

Master European Structured Finance Surveillance Methodology / January 30, 2019

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