

Class C Rating Lowered In Spanish Auto ABS Deal BBVA Finanzia Autos 1; Class A And B Notes Placed On Watch Neg

Surveillance Credit Analyst:

Virginie Couchet, Madrid (34) 91-389-6959; virginie_couchet@standardandpoors.com

OVERVIEW

- We have observed that the credit quality of BBVA Finanzia Autos 1's underlying portfolio has significantly deteriorated.
- This has resulted in our default estimates increasing, meaning that the current credit enhancement level may not be commensurate with our current ratings on the class A, B, and C notes.
- We have therefore lowered our rating on the class C notes to 'CCC (sf)' from 'BB- (sf)', and placed on CreditWatch negative our ratings on the class A and B notes for credit reasons.
- The deal, originated by Finanzia Banco de Credito S.A., is backed by a portfolio of Spanish loans granted to purchase new and used cars.

MADRID (Standard & Poor's) April 1, 2011--Standard & Poor's Ratings Services today lowered its credit rating on BBVA Finanzia Autos 1, Fondo de Titulizacion de Activos' class C notes to 'CCC (sf)' from 'BB- (sf)' and placed on CreditWatch negative its credit ratings on the class A and B notes (see list below).

These rating actions follow the ongoing significant deterioration in the reported credit quality of BBVA Finanzia Autos 1's underlying portfolio.

On Feb. 1, 2010, we lowered our ratings on all classes of notes in BBVA Finanzia Autos 1 following our credit and cash flow analysis.

Based on the latest investor reports, the transaction experienced a rapid increase in defaulted loans--defined in this transaction as loans more than 12 months in arrears--during 2010.

A rapid increase in defaulted loans may also trigger a deferral in interest payments on the class C notes. The issuer defers interest payments on this class if the cumulative amount of defaulted loans is more than 8.5% of the original collateral balance. As per the latest investor report in February 2011, the cumulative amount of defaulted loans comprised 6.28% of the original collateral balance.

Since April 2010, the reserve fund has been fully depleted due to the rising default levels. Finally, as of the last payment date, the fund accumulated €2.7 million of principal deficiency, which is the difference between the remaining principal receipts and the amount of the notes outstanding.

We will monitor any steps the servicer takes to address this credit risk and we will conduct a credit and cash flow analysis to assess whether our ratings on the class A and B notes are appropriate. We then intend to resolve the CreditWatch placements affecting the class A and B notes following this analysis.

Finanzia Banco de Credito S.A.--the consumer finance arm of Banco Bilbao Vizcaya Argentaria S.A.--originated the transaction, which closed in April 2007. The revolving period ended in April 2008, one year ahead of the scheduled date, because the delinquency rate was higher than the trigger threshold level.

RELATED CRITERIA AND RESEARCH

- Principles Of Credit Ratings, Feb. 16, 2011
- Counterparty And Supporting Obligations Update, Jan. 13, 2011
- Counterparty and Supporting Obligations Methodology and Assumptions, Dec. 6, 2010
- Credit Stability Criteria, May 3, 2010
- Ratings Lowered On All Tranches Of BBVA Finanzia Autos 1's Spanish Auto ABS Transaction, Feb. 1, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Default Modeling For European Consumer Asset-Backed Securitizations, June 23, 2003
- European Consumer Finance Criteria, March 10, 2000

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at www.standardandpoors.com. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

RATINGS LIST

Class	To	Rating	From
BBVA Finanzia Autos 1, Fondo de Titulizacion de Activos			

Class C Rating Lowered In Spanish Auto ABS Deal BBVA Finanzia Autos 1; Class A And B Notes Placed On Watch Neg

€800 Million Asset-Backed Floating-Rate Notes

Rating Lowered

C CCC (sf) BB- (sf)

Ratings Placed On CreditWatch Negative

A AA+ (sf)/Watch Neg AA+ (sf)

B A- (sf)/Watch Neg A- (sf)

Additional Contact:

Structured Finance Europe; StructuredFinanceEurope@standardandpoors.com

Copyright © 2011 by Standard & Poors Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.