

Rating Affirmed On Spanish ABS Transaction BBVA Finanzia Autos 1's Class C Notes

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OVERVIEW

- Following our review of BBVA Finanzia Autos 1's collateral performance, we have affirmed our 'D (sf)' rating on the class C notes.
- BBVA Finanzia Autos 1, originated by Finanzia Banco de Crédito, is backed by a portfolio of Spanish loans granted to purchase new and used cars.

LONDON (S&P Global Ratings) Feb. 13, 2017—S&P Global Ratings today affirmed its 'D (sf)' credit rating on BBVA Finanzia Autos 1, Fondo de Titulizacion de Activos' class C notes.

We have reviewed BBVA Finanzia Autos 1's collateral performance, and the transaction's current structural features.

Since our previous review on Feb. 26, 2014, the transaction has paid down significantly (see "Rating Lowered On Spanish ABS Transaction BBVA Finanzia Autos 1's Class C Notes; Class A And B Notes Affirmed"). The outstanding portfolio balance, excluding defaulted loans (defined in this transaction as loans in arrears for more than 12 months), as of the last investor report, dated Dec. 31, 2016, was 0.3% of the closing balance, down from 7.3% at our January 2014 review.

Since our previous review, we have continued to observe stabilizing delinquencies, with slight reductions in some arrears buckets. However, long-term delinquencies have continued to roll into defaults. Due to the transaction's deteriorating performance observed so far, the fact that the

class C notes have previously missed interest payments and remain undercollateralized, and the reserve being fully depleted, we have affirmed our 'D (sf)' rating on the class C notes.

Our rating on the class C notes addresses the timely payment of interest due under the rated notes, and ultimate payment of principal at maturity.

The transaction is exposed to counterparty risk through Societe Generale S.A. (Madrid Branch) as guarantor of the bank account provider, and Deutsche Bank AG (London Branch) as a swap provider. Under our current counterparty criteria, we consider that the required minimum rating for the supporting entities and the transaction's replacement mechanisms adequately mitigate its exposure to counterparty risk (see "Counterparty Risk Framework Methodology And Assumptions," published on June 25, 2013).

BBVA Finanzia Autos 1 is backed by a portfolio of Spanish loans granted to purchase new and used cars. Finanzia Banco de Credito S.A.--the consumer finance arm of Banco Bilbao Vizcaya Argentaria S.A.--originated the transaction, which closed in May 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

- Criteria - Structured Finance - General: Ratings Above The Sovereign - Structured Finance: Methodology And Assumptions, Aug. 08, 2016
- Criteria - Structured Finance - General: Structured Finance Temporary Interest Shortfall Methodology, Dec. 15, 2015
- Criteria - Structured Finance - ABS: Methodology And Assumptions For European Auto ABS, Oct. 15, 2015
- General Criteria: Post-Default Ratings Methodology: When Does S&P Global Ratings Raise A Rating From 'D' Or 'SD'?, March 23, 2015
- Criteria - Structured Finance - General: Methodology: Criteria For Global Structured Finance Transactions Subject To A Change In Payment Priorities Or Sale Of Collateral Upon A Nonmonetary EOD, March 02, 2015
- Criteria - Structured Finance - General: Global Framework For Cash Flow Analysis Of Structured Finance Securities, Oct. 09, 2014
- Criteria - Structured Finance - General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 09, 2014
- Legal Criteria: Europe Asset Isolation And Special-Purpose Entity Criteria--Structured Finance, Sept. 13, 2013
- Criteria - Structured Finance - General: Counterparty Risk Framework Methodology And Assumptions, June 25, 2013
- General Criteria: Criteria For Assigning 'CCC+', 'CCC', 'CCC-', And 'CC' Ratings, Oct. 01, 2012
- Criteria - Structured Finance - General: Criteria Methodology Applied To Fees, Expenses, And Indemnifications, July 12, 2012
- General Criteria: Global Investment Criteria For Temporary Investments In

Transaction Accounts, May 31, 2012

- Criteria - Structured Finance - General: Standard & Poor's Revises Criteria Methodology For Servicer Risk Assessment, May 28, 2009
- Criteria - Structured Finance - ABS: European Consumer Finance Criteria, March 10, 2000

RELATED RESEARCH

- Global Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- European Structured Finance Scenario And Sensitivity Analysis 2016: The Effects Of The Top Five Macroeconomic Factors, Dec. 16, 2016
- 2015 EMEA ABS Scenario And Sensitivity Analysis, Aug. 6, 2015
- Rating Lowered On Spanish ABS Transaction BBVA Finanzia Autos 1's Class C Notes; Class A And B Notes Affirmed, Feb. 26, 2014

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