



## Fitch Upgrades BBVA Consumo 1 & 2's Class C Notes; Affirms Class B

Ratings Endorsement Policy  
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Fitch Ratings-Madrid/London-05 December 2014: Fitch Ratings has upgraded BBVA Consumo 1 FTA and BBVA Consumo 2 FTA's class C notes and affirmed the class B notes, as follows:

### BBVA Consumo 1 FTA

EUR20.4m class B notes: affirmed at 'AA+sf'; Outlook Stable

EUR24m class C notes upgraded to 'Asf' from 'BBB+sf'; Outlook Stable

### BBVA Consumo 2 FTA

EUR13.4m class B: affirmed at 'AA+sf'; Outlook Stable

EUR42.8m class C upgraded to 'Asf' from 'BBB+sf'; Outlook Stable

The transactions are securitisations of consumer loans. Both transactions consist of receivables granted to Spanish end consumers, originated by BBVA SA (A-/Stable/F2), which is also acting as the servicer. Both transactions are at the end of their lives with pool factors at around 3%.

### KEY RATING DRIVERS

The rating actions reflect the stable performance, fully funded reserve funds and build up of credit enhancement due to transaction deleveraging. Credit enhancement for senior notes are 103% for BBVA Consumo 1 and 118% for BBVA Consumo 2. The junior notes are also benefiting from high credit enhancement at 47% for BBVA Consumo 1 and 39% for BBVA Consumo 2.

BBVA Consumo 1's class A notes were paid in full in October 2014 while BBVA Consumo 2 Class A notes were paid in full in September 2014.

The class B notes are capped at 'AA+sf', the maximum achievable rating level for structured finance transactions in Spain. The junior notes' ratings in both transactions are influenced by the account bank's rating, Societe Generale (A/Negative/F1), which is the single source of subordination for credit enhancement for these tranches.

The affirmation of the Spanish sovereign rating at BBB+/Stable in October 2014 reflected the stabilisation of the Spanish economy. The better prospects on GDP growth together with lower corporate and personal income tax rates in 2015 will prevent from higher delinquencies observed in ABS consumption transactions.

### RATING SENSITIVITIES

#### BBVA Consumo 1 FTA

Expected impact upon the note rating of increased defaults and decreased recoveries (Class B; Class C):

Current Rating: 'AA+sf'; 'Asf'

Increase default base case by 50%; reduce recovery base case by 50%: 'AA+sf'; 'Asf'

#### BBVA Consumo 2 FTA

Expected impact upon the note rating of increased defaults and decreased recoveries (Class B; Class C):

Current Rating: 'AA+sf'; 'Asf';

Increase default base case by 50%; reduce recovery base case by 50%: 'AA+sf'; 'Asf'

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Additional information is available at [www.fitchratings.com](http://www.fitchratings.com).

The information used to monitor the ratings was provided by the originator and the trustee. The agency also relied on historical information provided by the arranger during the new issue rating analysis.

Applicable criteria, 'EMEA Consumer ABS Rating Criteria' dated 24 June 2014, 'Counterparty Criteria for Structured Finance and Covered Bonds' dated 14 May 2014, 'Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds' dated 11 April 2014 and 'Global Structured Finance Rating Criteria' dated 4 August 2014, are available on [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria and Related Research:**

EMEA Consumer ABS Rating Criteria  
Counterparty Criteria for Structured Finance and Covered Bonds  
Criteria for Sovereign Risk in Developed Markets for Structured Finance and Covered Bonds  
Global Structured Finance Rating Criteria

Additional Disclosure  
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