



Tagging Info

## Fitch Takes Rating Actions on 8 Structured Finance Transactions with Spanish Bank Exposure

Ratings Endorsement Policy

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**Link to Fitch Ratings' Report:** [Fitch Takes Rating Actions on 8 Structured Finance Transactions with Spanish Bank Exposure](#)

Fitch Ratings-London-13 June 2012: Fitch Ratings has taken various rating actions on the Long-term (LT) ratings of two RMBS and ten Structured Credit tranches and simultaneously downgraded the Short-term (ST) ratings on the notes issued by two asset-backed commercial paper (ABCP) programmes. Further details can be found in a separate spreadsheet available at [www.fitchratings.com](http://www.fitchratings.com) or by clicking on the link above.

The rating actions follow similar actions taken on the LT and ST Issuer Default Ratings (IDR) of several Spanish banks upon whom, the transactions are rating-dependent to one or more risk-presenting entities as the transactions' underlying reference entity, swap counterparty, liquidity provider and/or eligible investment (see 'Fitch Downgrades Santander & BBVA to 'BBB+'/'Negative Outlook on Sovereign Action', dated 11 June 2012 and 'Fitch Takes Rating Actions on Spanish Banks Following Sovereign Downgrade', dated 12 June 2012 and available on [www.fitchratings.com](http://www.fitchratings.com).)

The downgrade of the BBVA RMBS 8, FTA class A notes and Outlook revision to Negative from Stable of the class B notes, reflect the linkage to the rating of BBVA bank, which acts as the swap provider and account bank in the transaction. The entire portfolio is comprised of mortgage loans for the acquisition of protected dwellings (Viviendas de Proteccion Oficial, VPO), linked to a national or local housing programme, with favourable terms and conditions. The weighted average interest rate on the portfolio (fixed by law for the different VPO national plans) is assumed to be below the market average rate for standard mortgages portfolios. As a result, the swap in the transaction is a material source of revenue, as the issuer receives the interest paid on the notes plus an excess margin of 40bps, thereby creating a credit linkage between the notes and the bank's LT IDR.

The downgrade of CID Finance B.V. Series 54 reflects both the downgrade of BBVA and Unicaja Banco S.A.U.. The Rating Watch Negative (RWN) is maintained due to the status on Unicaja. The notes are secured by a covered bond issued by Unicaja (ISIN ES0458759034) that is not rated by Fitch. The analysis was based on Fitch's rating of Unicaja representing a rating floor for the covered bond.

ICO Mediacion I AyT, FTA, ICO Mediacion II AyT, FTA, AyT Bonos Tesoreria II, FTA and AyT Deuda Subordinada 1, FTA are all secured by debts provided to Spanish financial institutions. Every rated tranches of these transactions are on RWN while the agency completes its surveillance review. The RWN are expected to be resolved within the next few months.

The downgrades of the ABCP notes issued by AyT Automocion II Cofiber and FTA Santander 2, follows the downgrades on Confederacion Espanola de Cajas de Ahorros (CECA; 'BBB'/'Negative'/'F3') and Banco Santander's ('BBB+'/'Negative'/'F2') ST IDRs which both provide intrinsic support to their respective conduit in their capacity as sole liquidity facility, letter of credit or guarantee provider, where applicable. The downgrades therefore reflect the fully dependent nature of the conduits on these key counterparties.

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

Sources of information - in addition to those mentioned in the applicable criteria, the sources of information used to assess the ratings were investor reports.

The ratings above were solicited by, or on behalf of, the issuer, and therefore, Fitch has been compensated for the provision of the ratings.

Applicable criteria: "Counterparty Criteria for Structured Finance Transactions" and "Counterparty Criteria for Structured Finance Transactions: Derivative Addendum", dated 30 May 2012; "Global Structured Finance Rating Criteria", dated 06 June 2012; "Global Rating Criteria for Single- and Multi-Name Credit-Linked Notes", dated 22 February 2012; "Global Rating Criteria for Asset-Backed Commercial Paper", 10 November 2011 and "Global Rating Criteria for Trade Receivables Securitisations", dated 30 September 2011 are available on [www.fitchratings.com](http://www.fitchratings.com).

**Applicable Criteria and Related Research:**

Counterparty Criteria for Structured Finance Transactions  
Counterparty Criteria for Structured Finance Transactions: Derivative Addendum  
Global Structured Finance Rating Criteria  
Global Rating Criteria for Single- and Multi-Name Credit-Linked Notes  
Global Rating Criteria for Asset-Backed Commercial Paper  
Global Rating Criteria for Trade Receivables Securitisations

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Deal Legal Name	Class	CUSIP	ISIN	Prior Loss Severity/		Prior Rating	Rating	New	Loss Severity/		Rating Watch /	Rating	Action	Effective Date
				Prior Rating	Recovery Rating				Recovery Rating	Rating				
BBVA RMBS 8, FTA	Class A		ES0316858002	Asf		Rating Outlook Negative	Downgrade	BBB+sf			Rating Outlook Negative			13 jun 2012
BBVA RMBS 8, FTA	Class B		ES0316858010	BBB+sf		Rating Outlook Stable	Affirmed	BBB+sf			Rating Outlook Negative			13 jun 2012
FTA, Santander 2	CP			F1sf		Rating Watch Off	Downgrade	F2sf						13 jun 2012
AyT Automocion II Cofiber E.F.C., FTA	CP				F2sf	Rating Watch Off	Downgrade	F3sf						13 jun 2012
CID Finance B.V. Series 54 Credit Link Series 54		XS0630705993		BBB-sf		Rating Watch Negative	Downgrade	BB-sf			Rating Watch Negative			13 jun 2012
ICO Mediacion I AyT, FTA	Class A		ES0347524003	Asf		Rating Outlook Negative	Rating Watch	Asf			Rating Watch Negative			13 jun 2012
ICO Mediacion I AyT, FTA	Syndicated Loan			B+sf		Rating Outlook Negative	Rating Watch	B+sf			Rating Watch Negative			13 jun 2012
ICO Mediacion II AyT, FTA	Class A		ES0347456008	Asf		Rating Outlook Negative	Rating Watch	Asf			Rating Watch Negative			13 jun 2012
AyT Deuda Subordinada 1, FTA	Class A		ES0312284005	BBB-sf		Rating Outlook Negative	Rating Watch	BBB-sf			Rating Watch Negative			13 jun 2012
AyT Deuda Subordinada 1, FTA	Class B		ES0312284013	BB+sf		Rating Outlook Negative	Rating Watch	BB+sf			Rating Watch Negative			13 jun 2012
AyT Deuda Subordinada 1, FTA	Class C		ES0312284021	BBsf		Rating Outlook Negative	Rating Watch	BBsf			Rating Watch Negative			13 jun 2012
AYT Bonos Tesoreria II, FTA	Class A		ES0312271002	Asf		Rating Outlook Negative	Rating Watch	Asf			Rating Watch Negative			13 jun 2012
AYT Bonos Tesoreria II, FTA	Class B		ES0312271010	BBBsf		Rating Watch Positive	Revision Impr	BBBsf			Rating Watch Negative			13 jun 2012
AYT Bonos Tesoreria II, FTA	Class C		ES0312271028	BBBsf		Rating Watch Positive	Revision Impr	BBBsf			Rating Watch Negative			13 jun 2012