MOODY'S
INVESTORS SERVICE

NEW ISSUE REPORT

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BBVA Consumo 4, Fondo de Titulización de Activos

ABS/Consumer Loans / Spain

Definitive Ratings

SERIES	RATING	AMOUNT (MILLION)	% OF PORTFOLIO	LEGAL FINAL MATURITY	COUPON	SUBORDI-NATION	RESERVE FUND	TOTAL CREDIT ENHANCE-MENT*
A	Aaa	€937.7	85.25%	June 2023	3mEur+0.3%	14.75%	21.00%	35.75%
B	A3	€162.3	14.75%	June 2023	3mEur +0.8%	0.0%	21.00%	21.00%
Total		€1,100.0	100.00%					

The ratings address the expected loss posed to investors by the legal final maturity. In Moody's opinion the structure allows for timely payment of interest and ultimate payment of principal at par on or before the rated final legal maturity date. Moody's ratings address only the credit risks associated with the transaction. Other non-credit risks have not been addressed, but may have a significant effect on yield to investors.

* Excludes excess spread.

Vscore for the sector:	Medium
Vscore for the subject transaction:	Medium

The subject transaction is a cash securitisation of consumer loans extended to borrowers resident in Spain and is a revolving structure. The portfolio consists of unsecured consumer loans used for several purposes, such as new or used car acquisition, property improvement and other undefined or general purposes.

Asset Summary

Sellers/Originators:	Banco Bilbao Vizcaya Argentaria, S.A. ("BBVA") **(Aa2/P-1/B-; negative outlook)** – 43.97% BBVA Finanzia **(Not Rated)** - 56.03%
Servicers:	BBVA and BBVA Finanzia, each its own portfolio
Receivables:	Loans granted to individuals resident in Spain to finance the purchase of consumer goods and services
Methodology Used:	The Lognormal Method Applied to ABS Analysis, June 2000
Model Used:	ABSROM™
Total Amount:	€1.1 billion
Length of Revolving Period:	Revolving. Less than two years (until 23 September 2011)
Number of Borrowers:	117,907
Number of Groups:	Not applicable as borrowers are individuals
Effective Number:	Pool it is extremely granular with the top borrower representing less than 0,004%
WA Remaining Term:	4.66 years
WA Seasoning:	1.73 years
WAL Years:	2.8 years
Interest Basis:	100% fixed-rate loans

Asset Summary (Continued)

WA Current LTV:	Not applicable as loans are unsecured
Delinquency Status:	No loans in arrears for more than 30 days will be included in the final portfolio
Default Rate Observed:	7.4% (Extrapolated)
Coefficient of Variation:	33%
Recovery Rate Observed:	67% after 2 yrs

Liabilities, Credit Enhancement and Liquidity

Excess Spread Range:	1.75% guaranteed by the swap agreement
Credit Enhancement/Reserves:	1.75% excess spread 21% reserve fund Subordination of the notes
Form of Liquidity:	Cash Reserve and principal to pay interest
Number of Interest Payments Covered by Liquidity:	No liquidity line. However, at closing cash reserve covers more than 3 years of interest and senior fees even considering 3mEuribor equal to 4% and 0.5% of stressed senior fees
% of Reserve Fund Dedicated to Liquidity:	None. Cash reserve does not have a liquidity ledger
Interest Payments:	Quarterly in arrears on each payment date
Principal Payments:	Pass-through on each payment date
Payment Dates:	23 March, 23 June, 23 September, 23 December First payment date: 23 March 2010
Hedging Arrangements:	BBVA Consumo 4, FTA (the Fondo) will pay collections received and the swap counterparty will pay interest on the notes plus 1.75% on the portfolio net of loans in arrears for more than 90 days and will cover any potential negative carry generated due to the revolving mechanism and the servicing fee.

Counterparties

Issuer:	BBVA Consumo 4, Fondo de Titulización de Activos
Seller/Originators:	BBVA and BBVA Finanzia
Servicers:	BBVA and BBVA Finanzia
Back-up Servicer:	BBVA will be the back-up servicer of BBVA Finanzia if requested by the management company. Additionally a back-up servicer will be appointed if BBVA is downgraded below Baa3
Back-up Servicer Facilitator:	None
Cash Manager:	Europea de Titulización ("EdT") (Not Rated). 87.5% owned by BBVA.
Back-up Cash Manager:	None
Interest Rate Swap Counterparty:	BBVA
F/X Swap Counterparty:	Not applicable
Basis Counterparty:	Not applicable
Issuer Account Bank:	BBVA
Collection Account Bank:	BBVA
Paying Agent:	BBVA
Note Trustee (Management Company):	EdT
Issuer Administrator:	EdT
Arranger:	EdT
Lead Managers:	BBVA and BBVA Finanzia
Other Parties:	

Moody's View

Outlook for the Sector:	Negative
Unique Feature:	Asset type and structure previously seen in the market
Degree of Linkage to Originators:	BBVA and BBVA Finanzia will act as servicers (BBVA will back-up BBVA Finanzia and a back-up servicer will be appointed if BBVA is downgraded below Baa3), interest rate swap counterparty (replacement triggers are in line with Moody's swap guidelines), issuer account bank (replacement eligible entity or a eligible guarantor will need to be found if BBVA is downgraded below P-1), and paying agent (replacement eligible entity or a eligible guarantor will need to be found if BBVA is downgraded below P-1).
Originator's Securitisation History:	
Number of Precedent Transactions in Sector:	Six deals by BBVA and one by BBVA Finanzia (all rated by Moody's)
% of Book Securitised:	NA
Behaviour of Precedent Transactions:	Notes of BBVA Consumo 1 and BBVA Autos 2 are currently on review for possible downgrade at publication of this report, while certain rated Notes of BBVA Consumo 2 (Nov 2009), BBVA Consumo 3 (Nov 2009) and and BBVA Finanzia Autos 1 (Oct 2009) Notes were downgraded due to concerns about performance, which is below expectations, and the weak macro-economic environment in Spain, in particular the increasing unemployment rate, expected to rise to a minimum of 20% in 2010. For more information, please see Moody's relevant transaction press release and performance overview.
Key Differences between Subject and Precedent Transactions:	Present transaction is similar, both in terms of portfolio composition and structure BBVA Consumo 3
Portfolio Relative Performance:	
Default Rate Assumed/Ranking:	11.5% / Lower than peer group. Comparison on Default Rate can be found in "Benchmark Analysis" section
Coefficient of Variation Assumed on Default Rate/Ranking:	30% / Lower than peer group. Comparison on Coefficient of Variation (CoV) can be found in "Benchmark Analysis"
Recovery Rate Assumed/Ranking:	35% fix recovery rate / Higher than peer group. Comparison on Recovery Rate can be found in "Benchmark Analysis"
Delinquencies Observed in Portfolio:	Loans more than 30 days in arrears have been excluded from the definitive portfolio.
Potential Rating Sensitivity:	
Chart Interpretation:	When the rating was assigned, the model output indicated that Series A could have achieved a "Aa range" rating even if the cumulative mean default probability (DP) for the initial pool was as high as 13% and even assuming a recovery rate as low as 25%, all else being equal, whilst Series B would have been Ba1 in the same scenario as indicated below.
Factors Which Could Lead to a Downgrade:	The following factor may have a significant impact on the subject transaction's ratings: higher than anticipated increase in the unemployment rate as a result of a deterioration of the Spanish economy beyond the stressed scenarios considered.

TABLE 1:

		RECOVERY RATE		
	INITIAL PORTFOLIO DP ASSUMPTION	35%	30%	25%
SERIES A	11.5%	**Aaa***	Aa1 (1)	Aa1 (1)
	13.0%	Aa1 (1)	Aa1 (1)	Aa2 (2)
	14.5%	Aa2 (2)	A1 (4)	A2 (5)

		RECOVERY RATE		
	INITIAL PORTFOLIO DP ASSUMPTION	35%	30%	25%
SERIES B	11.5%	**A3***	Baa1 (1)	Baa3 (3)
	13.0%	Baa3 (3)	Baa3 (3)	Ba1 (4)
	14.5%	Ba1 (4)	Ba2 (5)	Ba3 (6)

1) Results are model-indicated ratings, which are one of the many inputs considered by rating committees, which take quantitative and qualitative factors into account in determining actual ratings. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might have differed if key rating input parameters were varied.
2) Results under base case assumptions indicated by ' * '. Change in model-indicated rating (# of notches) is noted in parentheses.
3) The initial portfolio assumption is increased by 1.5% for each additional pool.

Composite V Score

BREAKDOWN OF THE V SCORES ASSIGNED TO		SECTOR	TRANSACTION	REMARKS
Composite Score: Low (L), Medium (M) or High (H)		**M**	**M**	
1	**Sector Historical Data Adequacy and Performance Variability**	**M/H**	**M/H**	
1.1	Quality of Historical Data for the Sector	M/H	M/H	» Same as sector score
1.2	Sector's Historical Performance Variability	M/H	M/H	» Same as sector score
1.3	Sector's Historical Downgrade Rate	M/H	M/H	» Same as sector score
2	**Issuer/Sponsor/Originator Historical Data Adequacy, Performance Variability and Quality of Disclosure**	**M/H**	**M/H**	
2.1	Quality of Historical Data for the Issuer/Sponsor/ Originator	M/H	M/H	» Same as sector score » The historical information does not cover a full severe stress scenario (uncertainty whether past performance adequately reflects future performance). » Moody's has received data from 2000 through 2008 on delinquencies over 90 days and recoveries.
2.2	Issuer/Sponsor/Originator's Historical Performance Variability	M/H	M/H	» Same as sector score » Both BBVA and BBVA Finanzia default rates have significantly deteriorated in recent times in line with the rest of the market.
2.3	Disclosure of Securitisation Collateral Pool Characteristics	L/M	L/M	» Same as sector score » Detailed loan by loan data has been provided for the analysis of the transactions.
2.4	Disclosure of Securitisation Performance	M	M	» Same as sector score. » As for most deals in this mature market, Moody's has not received a specific template for the monitoring report. Expectations are that the management company EdT will continue providing at least the same amount and quality of data as it is currently doing for previous deals.
3	**Complexity and Market Value Sensitivity**	**L/M**	**L/M**	» Current transaction has a standard structure for the Spanish market
3.1	Transaction Complexity	L/M	L/M	» Same as sector score
3.2	Analytic Complexity	L/M	L/M	» Same as sector score
3.3	Market Value Sensitivity	L	L	» Same as sector score
4	**Governance**	**L/M**	**L/M**	»
4.1	Experience of, Arrangements Among and Oversight of Transaction Parties	L/M	L/M	» Same as sector score
4.2	Back-up Servicer Arrangement	L	L	» Same as sector score: investment grade servicer with "loss of Baa3" trigger to appoint a back up servicer.
4.3	Alignment of Interests	L/M	L/M	» Same as sector score
4.4	Legal, Regulatory, or Other Uncertainty	L/M	L/M	» Same as sector score

Strengths and Concerns

Strengths

- Hedged Interest Rates: the interest swap agreement will guarantee the weighted-average margin on the notes plus an excess spread of 1.75%. Additionally it will cover the servicing fee.
- Concentrated Portfolio: The portfolio is extremely granular with the top 10 debtors representing less than 0.06%.
- Seasoning: relatively long seasoning of the initial pool (1.73 years).
- Back-up Servicing arrangements: There is a very low probability of a servicer disruption, given BBVA's current rating (Aa2/P-1; negative outlook). In addition, BBVA will identify a back-up servicer if it is downgraded below **Baa3**. At this stage, the back-up will only step in at the discretion of the management company in accordance with the back-up servicer arrangement. Please note BBVA acts as backup servicer for BBVA Finanzia since closing and guarantees any potential commingled amount with regard to this entity which is not rated.
- Experienced servicer: BBVA has a wide experience in servicing consumer loans, and has a background in securitisation, this transaction being its seventh consumer loan transaction.
- Amortisation: simple structure with sequential amortisation of the notes.

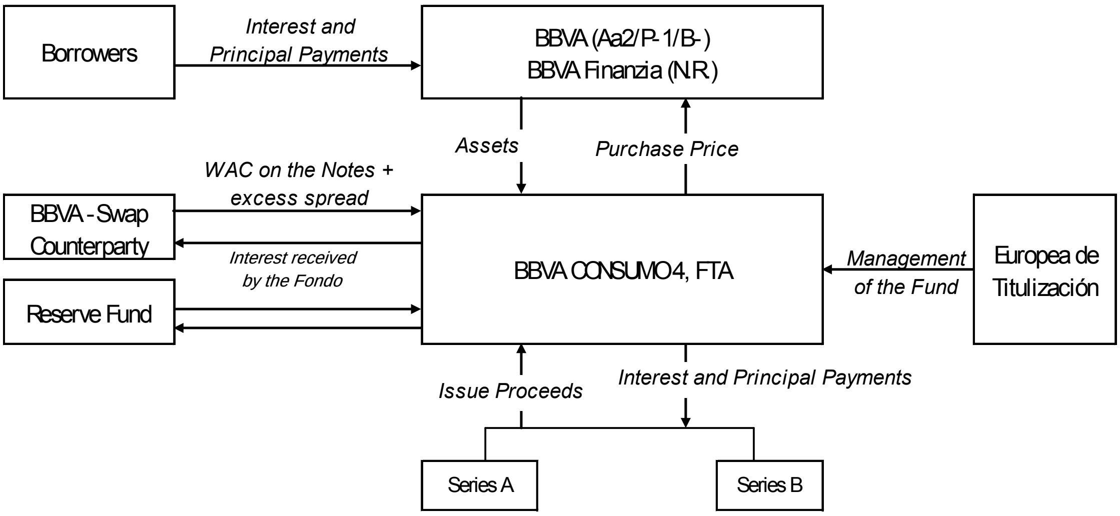
Concerns and Mitigants:

Moody's committees particularly focused on the following factors, listed in order of those most likely to affect the ratings:

- Revolving Structure: There will be a revolving period (almost 2 years) during which additional assets are sold to the Fondo. This might increase the portfolio volatility performance caused by additional portfolio purchases. This mitigated by eligibility criteria for the additional pools and early amortisation triggers.
- Performance of past transactions: A weak and deteriorating performance is observed for the previous consumer loan transactions launched by BBVA, in particular, BBVA Consumo 1, FTA; BBVA Consumo 2, FTA; BBVA Consumo 3, FTA; BBVA Autos 2, FTA; and BBVA Finanzia Autos 1, FTA; which have been placed on review for possible downgrade. Moody's has taken this into consideration when deriving the modelling assumptions.
- Limited information: Historical performance data provided by BBVA/BBVA Finanzia does not cover a full economic cycle. In addition, the bank has not made available information on its internal scoring system on a loan by loan basis. Moody's has factored this when deriving the modelling assumptions.
- Deferral of interest: The deferral of interest payments on each of series B benefits the repayment of the series A, but increases the expected loss on series B. The size of the reserve fund and the subordination take into account this deterioration on the expected loss.

Structure, Legal Aspects and Associated Risks

CHART 2
Structure Chart



Allocation of Payments/Waterfall: On each quarterly payment date, the Fondo's available funds (i.e. amounts received from the portfolio, the reserve fund, amounts received under the swap agreement, and interest earned on the accounts) will be applied in the following simplified order of priority:

1. Senior expenses;
2. Interest on Series A;
3. Interest on Series B (if not deferred);
4. Principal repayment (or new loans acquisition during the revolving period)
5. Interest on Series B (if deferred);
6. Reserve fund replenishment
7. Junior expenses

Once the revolving period is over (September 2011), the notes will be amortised sequentially.

Allocation of Payments/PDL like mechanism: A Principal Deficiency Ledger (PDL) is defined as the negative difference between the principal available funds and a target principal amount. A target principal amount is the difference between the notes' outstanding principal and the performing assets. A non-performing asset is defined as one with any amount due but unpaid for more than 18 months or one written off according to management's discretion.

The "artificial write-off" speeds up the amortisation of non-performing loans (NPL); thus, the amount of notes collateralised by NPLs is minimised, and, consequently, the negative carry. However, the most significant benefit for the transaction is that the amount of spread trapped in the structure is larger (the excess spread between the "artificial write-off" time and the "natural write-off" time would otherwise be lost). Therefore, the transaction makes better use of the spread, allowing for lower levels of other credit enhancement figures.

Performance Triggers:

TRIGGER	CONDITIONS	CONSEQUENCE
Interest deferral	» The cumulative written-off level exceeds 21%	Interest payments on Series B notes will be brought to be more junior in the waterfall (until the Series senior to it is fully redeemed) and will be paid after principal is repaid.
Stop Reserve Fund Amortisation	» The arrears level (percentage of loans more than 90 days in arrears not written-off) exceeds 1.0%; or » The reserve fund is not funded at its required level or » Less than two years have elapsed since closing	The target amount of the reserve fund will not be reduced on any payment date on which these occur

Liquidity: The reserve fund has been funded up front with a subordinated loan, granted by both originators for an amount equal to 21% of the notes. It provides both credit and liquidity protection to the notes.

After the first two years of the transaction, the reserve fund may amortise over the life of the transaction so that it amounts to the lower of the following amounts:

» 21% of the initial balance of the Series A and B notes

» The higher of:

» 42% of the outstanding balance of the Series A and B notes

» 10.5% of the initial balance of the Series A and B notes

Subordination of Interest: The payment of interest on Series B will be brought to a more junior position if, on any payment date, the cumulative written-off level exceeds 21%.

Revolving Period: During the revolving period, the principal available funds will be used for the purchase of additional loans from BBVA & BBVA Finanzia. This period will last until the payment date of **September 2011**, or, if earlier, upon the breach of any of the early amortisation triggers, mainly:

1. Insolvency, failure to pay or bankruptcy in respect of BBVA or BBVA Finanzia
2. The arrears level exceeds 2.2%
3. The cumulated amount of written-off loans since closing exceeds the Reference Value (the Reference value is calculated = 0.375% x number of determination dates since closing)
4. The outstanding amount of the non-written-off loans is less than:
    a) 90% of the outstanding amount of the notes after purchase on the two previous payment dates
    b) 80% of the outstanding amount of the notes after purchase on the previous payment date
5. BBVA or BBVA Finanzia ceases to be the servicer of the loans
6. There is a termination under the swap agreement and no replacement, guarantor or alternative solution is found within 15 days
7. The cash reserve is not funded at the required level.
8. Failure to pay interest on Series A or B on any payment date.

Loans to be acquired during the revolving period will be purchased at par and will have to comply with the eligibility criteria (see “Collateral Description” section).

During the revolving period, any amount retained as principal due, which is not used on a payment date for the acquisition of loans, will be transferred to a special account (the principal account) held at BBVA. This account is subject to the same triggers and will yield the same rate as the treasury account. The treasury account will be automatically cancelled on the payment date following the end of the revolving period.

Following the termination of the revolving period, the principal available funds will be used for the amortisation of the notes on a fully sequential basis and by order of seniority.

Assets:

Asset transfer:

» **True Sale:** According to the legal opinion received, a true sale securitisation of assets will be carried out in compliance with the Spanish securitisation law.

» **Bankruptcy remoteness:** Under the Spanish Securitisation Law, a Spanish SPV (Fondo FTA/FTH) is not subject to the Spanish Insolvency Law. It is just the management Company, acting in the best interest of the noteholders, who may decide to liquidate the SPV.

» **Claw-back risk upon default of the Originator:** Claw-back risk is limited to those activities performed during a period of 2 years previous to the declaration of the bankruptcy state, even in the absence of fraud. However, in no case the activities performed under the regular activity of the originator may be cancelled as the transfer of credit rights forms part of the normal activity of the originators.

Interest rate mismatch: 100% of the portfolio corresponds to fixed-rate loans whereas the notes are floating liabilities. As a result the Fondo will be subject to fixed-floating risk (i.e. the risk that the reference rate of the notes will differ from the interest rates payable on this portion of the portfolio).

Mitigant: The Fondo will enter into a swap agreement with BBVA to mitigate these risks and to obtain a minimum level of excess spread guaranteed. Under the swap agreement:

» The Fondo will pay the interest received from the loans since the previous payment date.

» The swap counterparty will pay the sum of (1) the weighted average coupon on the notes plus 175 bppa, over a notional calculated as the daily average of the outstanding amount of loans not more than 90 days in arrears since the last payment date; (2) potential negative carry due to the revolving mechanism if any amount is deposited in the principal account and (3) the servicer fee due on that payment date

The excess spread provided by the swap constitutes the first layer of protection for investors.

The swap documentation complies with Moody's swap criteria.

Cash Commingling: All the payments received from the securitised loans are made through direct debit and deposited into accounts in the name of each servicer. As a result, in the event of insolvency of any of the servicer – and until notification is delivered to the relevant debtors to redirect their payments – payments by the underlying debtors will continue to be collected by the servicers and may be commingled with other funds belonging to them.

Mitigants:

» Payments are transferred on a weekly basis to the treasury account in the name of the SPV held by BBVA. If BBVA's short-term rating falls below P-1, transfers will be done daily by both originators.

» BBVA guarantees, without any cost for the Fund, any potential commingled amount with regards BBVA Finanzia.

» Triggers are in place to protect the treasury account from a possible downgrade of the GIC provider's short-term rating. If BBVA's short-term rating falls below P-1, it will have find a suitably rated guarantor or substitute.

» If BBVA long term rating falls below **Baa3**, it will fund a commingling reserve. This reserve will be equal to the highest future scheduled monthly amount of principal and the interest collections, at the time of the downgrade, assuming a 0% delinquency rate and 10 % prepayment rate. This reserve will be part of the available funds if the servicer does not transfer received collections to the fondo (drawn amounts will be equal to the amount of collections received and not transferred by BBVA and/or BBVA Finanzia). Alternatively a liquidity line (provided by a P-1 entity) could be put in place to provide equivalent support.

» In the event of insolvency, administration by the Bank of Spain, liquidation or substitution of the servicers, or because the management company deems it reasonable, the management company may demand that the servicers notify obligors of the portfolio's transfer to the Fondo and advises obligors that payments on their loans will only be effective as a discharge if made into the treasury account in the name of the issuer. The management company also has the ability to carry out the notification.

Set off: All BBVA obligors have accounts with this seller. BBVA Finanzia it is not an account bank.

Mitigant: Set off is very limited because, according to a legal opinion received by Moody's, only unpaid instalments prior to the declaration of insolvency might be offset against the deposits hold by the debtors (such instalments must be considered as fully due and payable prior to the insolvency).

Originator Profile, Servicer Profile and Operating Risks

Date of Operations Review:	October 2009

Originator Background:

Rating:	BBVA: Aa2/P-1; negative outlook BBVA Finanzia – Not rated
Financial Institution Group Outlook for Sector:	Negative
Ownership Structure:	N/A
Asset Size:	BBVA €543 billion (as of December 2008) BBVA Finanzia: Not made available
% of Total Book Securitised:	Not made available
Transaction as % of Total Book:	Not made available
% of Transaction Retained:	100% (Aaa tranche might be used for repo with ECB)

Servicer & Back-Up Servicer Background:

Servicer and Its Rating:	BBVA - Aa2/P-1; negative outlook BBVA Finanzia – Not rated
Total Number of Receivables Serviced:	Not made available
Number of Staff:	
Servicer Assessment:	Strengths » Experienced servicer » One of the top banking groups in Spain by asset size » Scoring systems validated by the Bank of Spain » Recently reorganised the servicing activities to tackle the increase in delinquencies in the Spanish market Weaknesses » Due to the bank's large size, it cannot achieve deep knowledge of each client as would a smaller entity
Strength of Back-up Servicer Arrangement:	A back-up servicer will be appointed if BBVA is downgraded below Baa3. This is standard practice in the Spanish market.
Back-up Servicer and Its Rating:	BBVA (Aa2/P-1) commits to be the back-up servicer of BBVA Finanzia if needed.

ORIGINATOR RELATED TRIGGERS

Key Servicer Termination Events:	Breach of obligations under the servicing agreement or insolvency. In any case, replacement will always be at discretion of the management company.
Downgrade of Original Servicer's Rating to Certain Level	N/A
Appointment of Back-up Servicer Upon:	BBVA's loss of Baa3 rating
Key Cash Manager Termination Events:	Insolvency
Notification of Obligors of True Sale	Insolvency, administration by the Bank of Spain, liquidation or substitution of the servicer, or because the management company deems it reasonable (always at discretion of the management company)
Conversion to Daily Sweep	BBVA's loss of P-1 rating
Notification of Redirection of Payments to SPV's Account	Insolvency, administration by the Bank of Spain, liquidation or substitution of the servicer, or because the management company deems it reasonable (always at discretion of the management company)
Accumulation of Set Off Reserve	N/A

Receivable Administration:	
Method of Payment:	100% by direct debit
% of Obligors with Account at Originator:	Not made available
Distribution of Payment Dates:	Not made available
Cash Manager:	
Cash Manager and Its Rating:	Europea de Titulización S.G.F.T; S.A (**Not Rated**)
Main Responsibilities:	» Keeping the Fund's accounts duly separate from the Management Company's own » Complying with its formal, documentary and reporting duties to the CNMV, the Rating Agencies and any other supervisory body. » Appointing and, as the case may be, replacing and dismissing the auditor who is to review and audit the Fund's annual accounts » Complying with the calculation duties provided for and taking the actions laid down in the Deed of Constitution and in this Prospectus » Checking that the Mortgage Credit income amount actually received by the Fund matches the amounts that must be received by the Fund, on the terms of issue of the Pass-Through Certificates and on the terms of the relevant Mortgage Credits » Calculating and determining on each Determination Date the principal to be amortised and repaid on each Bond Series on the relevant Payment Date » Watching that the amounts credited to the Treasury Account return the yield set in the Agreement » Instructing transfers of funds between the various borrowing and lending accounts, and issuing all relevant payment instructions, including those allocated to servicing the Bonds

	» Calculating the Available Funds, the Available Funds for Amortisation of Series A, B, and C, the Liquidation Available Funds and the payment or withholding obligations to be complied with, and applying the same in the Priority of Payments or, as the case may be, in the Liquidation Priority of Payments. The Management Company may extend or amend the agreements entered into on behalf of the Fund, and substitute, as the case may be, each of the Fund service providers on the terms provided for in each agreement
Calculation Timeline:	Determination date
Back-up Cash Manager and Its Rating:	None
Main Responsibilities of Back-up Cash Manager:	Not applicable

Collateral Description

CHART 3
Initial Portfolio Breakdown by Year of Origination

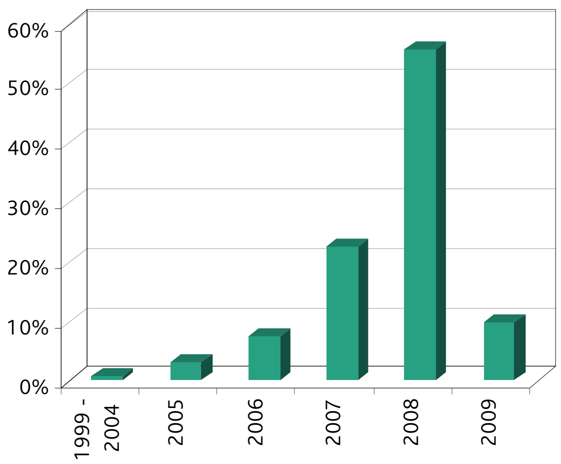


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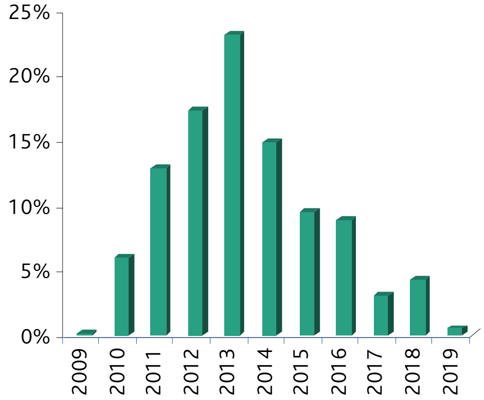
CHART 4
Initial Portfolio Breakdown by Year of Maturity



Source:

CHART 5
Initial Portfolio Breakdown by Originator

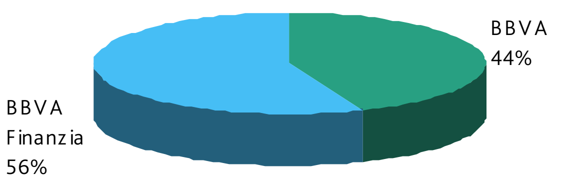


CHART 6
Initial Portfolio Breakdown by region

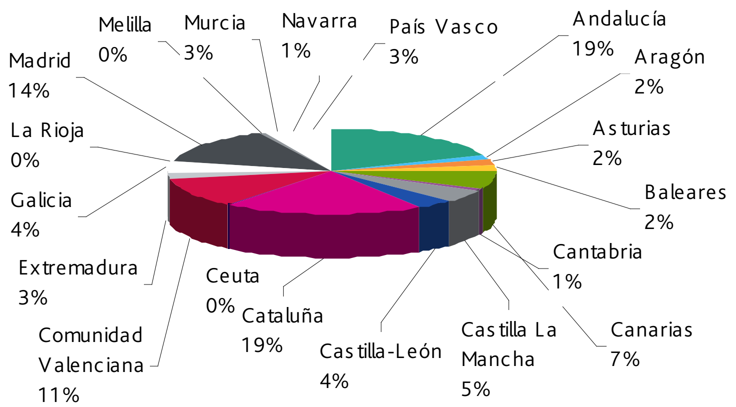


CHART 7
Portfolio Breakdown by loan purpose –BBVA subpool

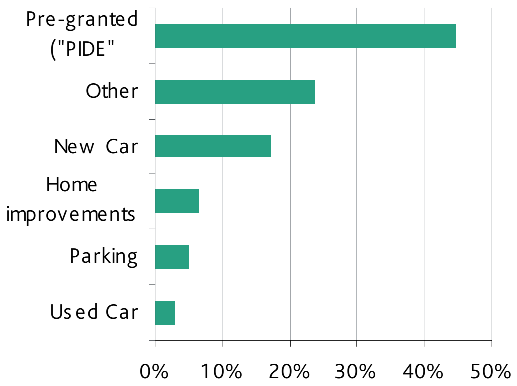
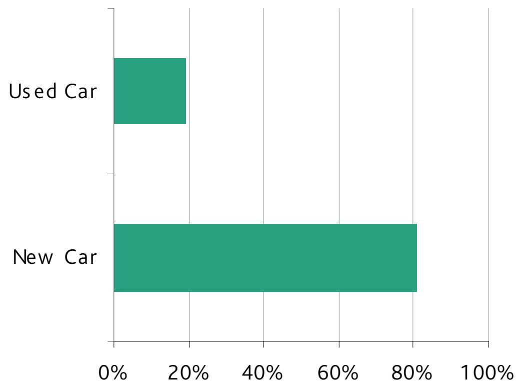


CHART 8
PORTFOLIO BREAKDOWN BY LOAN PURPOSE –BBVA FINANZIA SUBPOOL



Source:

Audits: Performed by Deloitte, in compliance with the Spanish regulatory framework.

Product Description: The portfolio consists of unsecured consumer loans extended to individuals resident in Spain by BBVA (43.97%) and BBVA Finanzia (56.03%), to finance the acquisition of consumer goods (including new and used cars) and services, as well as for home improvements (with no mortgage guarantee). The tenor of the products varies (from 6 months to 10 years) depending on the purpose of the loans, and the portfolio securitised includes only fixed-rate loans. All loans are standard amortising loans (French amortisation) and have monthly instalments.

Individual Eligibility Criteria for the initial/additional pools:

The key eligibility criteria for the initial/additional pools are as follows:

» Fixed-rate loans (in euros) with a personal guarantee granted to individuals resident in Spain. Debtors are not BBVA or BBVA Finanzia employees

» Fully drawn down and direct debit loans

» Loans enjoying payment holidays are excluded

» Not more than 30 days past due and at least one instalment has been paid

» The loans will amortise through monthly instalments

» No loan incorporates any type of balloon payments or deferred payments of interest or principal

» The outstanding amount of any loan is equal or less than €65,000

» No loan will mature later than April 2021

Global Eligibility Criteria for the total pool:

The global resulting pool at each purchase date must comply with the following main conditions:

» BBVA subpool will represent between 30% and 45% of the total resulting pool.

» The weighted average interest rate is at least equal to 5%.

» The aggregate outstanding balance of the pool belonging to debtors within the same region is not over 25% of the outstanding balance.

» The aggregate outstanding balance of the pool belonging to debtors within the three most represented regions is not over 60% of the outstanding balance.

» The aggregate outstanding balance of the loans, which purpose is the acquisition of used cars, is not over 14.5% of the outstanding balance.

» Top debtor represents less than 0.008% and top 10 less than 0.06%.

» The weighted average remaining term is less than 6 years.

» Just for the loans included in each additional pool, eligibility criteria have been set to guarantee (1) a minimum weighted average seasoning of three months; and (2) since the assignment date, a maximum remaining weighted average life of 3.50 years.

Additional Information on Borrowers:

Top Debtor Concentration:	0.006%
Top 5 Debtors:	0.029%
Top 10 Debtors:	0.058%
Geographic Diversity:	Madrid (13.6%), Andalucia (18.6%), Cataluña (19.4%)

Additional Information on Portfolio:

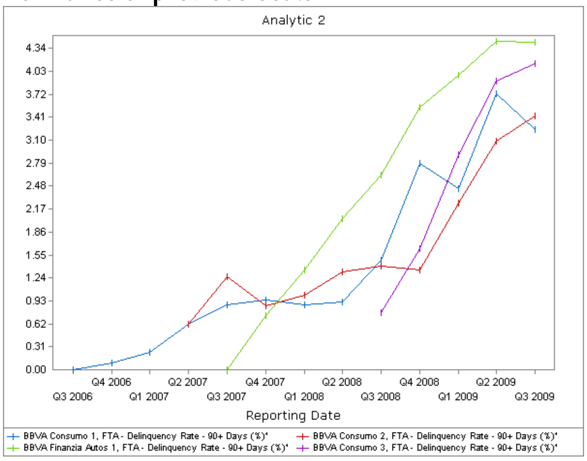
Number of Contracts:	117,907
Type of Contracts:	100% term
Contract Amortisation Style:	French (100%)
% Bullet Loans:	0%
Loan purpose:	Used car (13.15%), new car (56.7%), home improvement (2.45%), pre-granted (16.85%), rest (10.85%)
WA Interest Rate:	8.54%
WA Internal Rating:	N/A
Guarantees:	100% personal guarantees
Origination channel	For BBVA – Not available For BBVA Finanzia - 100% auto dealers
Grace periods	0%

Credit Analysis

Precedent Transactions' Performance: The performance of the originators' precedent transactions in this sector are below Moody's expectations. For this reason Moody's has recently either placed BBVA and BBVA Finanzia outstanding consumer loan transactions on review for downgraded or has performed recent rating actions on Notes issued (for more information, please see BBVA Consumo 1, FTA; BBVA Consumo 2, FTA; BBVA Consumo 3, FTA; BBVA Autos 2, FTA and BBVA Finanzia Autos 1, FTA transaction related information on Moodys.com). This was in large part due to continued weakening of the Spanish auto loan and consumer loan portfolios, as well as Moody's negative sector outlook for Spanish consumer ABS. The negative outlook results from the weak macro-economic environment in Spain, in particular the increasing unemployment rate which expected to rise to a minimum of 20% in 2010.

CHART 9

Performance of previous deals



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Default Definition: The definition of a defaulted asset in this transaction is one which is more than 18 months in arrears or where the obligor is declared bankrupt.

Data Quantity and Content: Moody's has received historical data from Q3 2000 to Q4 2008, reflecting gross default/recoveries (not CPR) although not split by any concept (not even by originator). However performance information is available for the previous deals rated by Moody's. In Moody's view, the quantity and quality of the historical data available is better compared to transactions which have achieved high investment grade ratings in this sector. However, neither BBVA nor BBVA Finanzia have provided internal scoring system information. In addition, Moody's has received a line-by-line database on the portfolio, and the quantity and quality of this data is slightly above average compared to transactions which have achieved high investment grade ratings in this sector

Assumptions: Note other values within a range of the notional amount listed below may result in achieving the same ratings.

Note assumptions & actual amount

Conditional Prepayment Rate (CPR)	8%
Distribution	Lognormal
Default rate:	11.5% for the initial pool 13% for the additional pools
Standard deviation/ mean:	30%
Timing of default:	Sinus curve: first default at quarter 6, peak of default at quarter 12 and last default at quarter 20
Recoveries:	35% (no volatility modelled around this value)
Recovery lag:	60%/20%/10%/10% each year after default
Correlation Default/ Recoveries	Not applicable
Amortisation profile:	Actual pool amortisation
Fees:	0.5%
Fees floor:	€25,000
Euribor:	4%
PDL definition	18 months
Write-off:	18 months

Derivation of default rate assumption:

As regards the two default distribution parameters – the mean default and standard deviation – Moody's has based its analysis on the historical cohort performance provided by BBVA/BBVA Finanzia for a portfolio that is representative of the actual portfolio being securitised. The historical analysis was complemented with (i) the general Spanish market trend (ii) the performance of previous BBVA/BBVA Finanzia deals; and (iii) other qualitative considerations. Vintages prior to 2007 reflect positive economic conditions, with new vintages showing higher default rates which reflect a deterioration of the performance under the current stressed economic conditions. However, those vintages are still too young to allow a meaningful extrapolation analysis. Therefore, Moody's has stressed the results obtained from historical data provided (i) as this data does not cover a full economic cycle, and (ii) in light of the current stressed economic environment in Spain and the below-average performance of the previous BBVA/BBVA Finanzia consumer loan transactions.

CHART 10
Vintage Cumulative Default Curves
BBVA + BBVA Finanzia

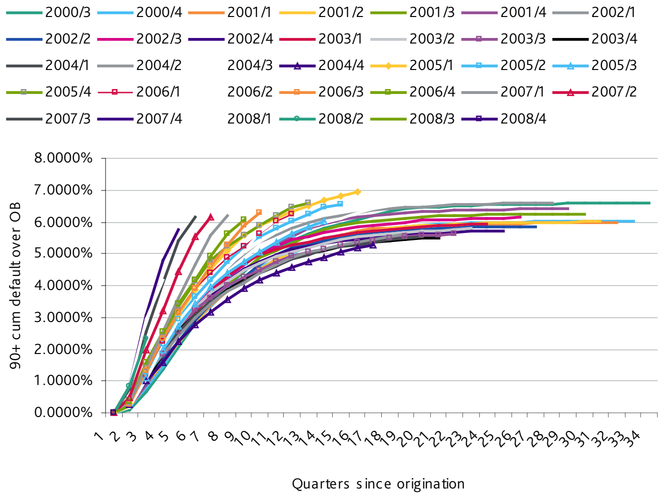

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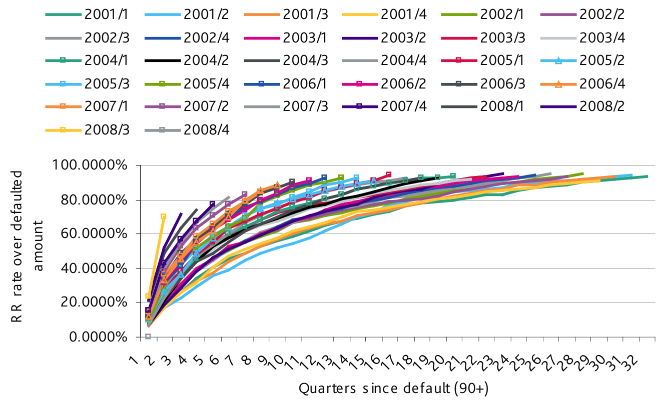
CHART 11
Vintage Recovery Rates
BBVA + BBVA Finanzia



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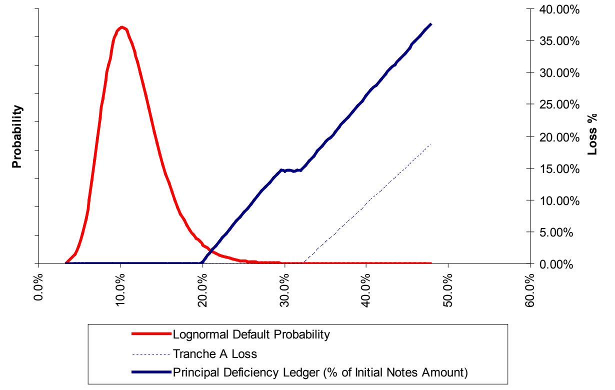
Timing of defaults: Moody's tested different timings for the default curve to assess the robustness of the ratings. In the base case scenario, the timing of defaults curve assumed is sinus, with first default occurring with a 18-month lag (according to transaction definition), a peak at quarter 12 and last default at quarter 20.

CHART 12
Default distribution



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Derivation of Recovery Rate Assumption: Moody's considers that the recovery data was compiled during good economic cycles; therefore, observed data might overestimate recovery rates during a stressed economic environment. In addition, please note that if a loan returns to performing status, its recovery rate is recorded as 100%. Assumptions for recoveries were made on the basis of (i) historical information received for this deal; (ii) statistical information on the Spanish consumer loan market; and (iii) other qualitative and pool-derived aspects.

Modelling Approach: Given the granularity of the portfolio, Moody's assumed that the default distribution of the portfolio follows a lognormal distribution, which is fully characterised by its mean default and standard deviation.

Moody's tested the credit enhancement levels by using a cash flow model, which has been adjusted to take into account a number of structural features.

The lognormal probability distribution (based on the values derived for the mean default and standard deviation) was applied to numerous default scenarios on the asset side to derive the level of losses on the notes.

Expected loss and average life levels relative to the ratings assigned to each tranche were computed, by weighting each scenario's severity and average life result on the notes, with its probability of occurrence. An example of the application of the lognormal distribution of defaults with their relative probability is detailed below.

Treatment of Concerns:

Performance of past transactions and limited information: Past BBVA/BBVA Finanzia's consumer loan transactions are currently under review for possible downgrade due to weaker-than-expected performance. In addition, as explained above, historical performance information provided does not cover a full economic cycle, therefore, it has limited value for the extrapolation exercise. Moody's has taken a conservative approach with regards to PD, stressing the PD from 7.4% (observed from historical data) to 11.5%-13.0%, which is closer to the default rates observed for the vintages after 2007 (in the range of 12.5%) and also taking into consideration the current Spanish economic environment and the level of unemployment.

Benchmark Analysis

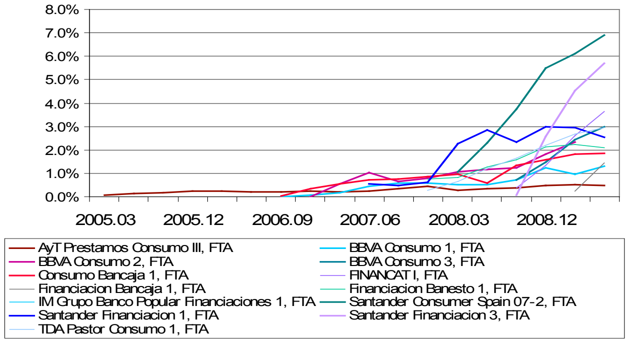
Performance Relative to Sector:

In Moody's view, the present transaction's historical performance data provided on gross defaults compares slightly positively with other recent transaction in this sector. Chart 13 shows the outstanding proportion of delinquencies in Moody's rated Spanish consumer loan transactions. Please note that performance shown is affected by several factors, such as the age of the transaction, the pool-specific characteristics, and the presence of a revolving period.

CHART 13

Spanish Consumer Loan 90+ days arrears

(by Originator)



Source: Moody's Investors Service, periodic investor reports

TABLE 2:

Benchmark Table:

DEAL NAME	FINANCIACION BANCAJA 1, FTA	CAMGE CONSUMO TDA CAM 1 FTA	FTA SANTANDER FINANCIACION 4	BBVA CONSUMO 4 FTA
Country	Spain	Spain	Spain	Spain
Other countries	No	No	No	No
Closing date	December 2008	Abril 2009	September 2009	December 2009
Originator	Bancaja	CAMGE	Banco Santander	BBVA/BBVA Finanzia
Originator's rating	A3/P-2; negative outlook	Not rated	Aa2/P-1; negative outlook	Aa2/P-1; negative outlook / not rated
% Fixed rate contracts	55.30%	27.50%	69.94%	100%
% monthly paying contracts	98.00%	99.40%	82.62%	100%
WA initial yield (total pool)	7.90%	9.07%	9.11%	8.5%
% auto loans	37.00%	18.90%	20.97%	69.85%
% property aquisition/home improvement	20.00%	15.50%	15.33%	2.45% (home improvement only)
% other loans	43.00%	65.60%	63.70%	27.70%
Top obligor %	0.04%	0.02%	0.14%	0.006%
WAL (years)	2.7	2.5	2.7	2.8
Amount in arrears by more than 30 days	0% at closing	0% at closing (and less than 5% of arrears 1-30 days)	0% at closing	0% at closing
Spread guaranteed by the Swap	No swap in place	No swap in place	2.75%	1.75%
Write-off definition	12 months	12 months	12 months	18 months
Mean default	9%	13%	20%	11.5% - 13%
Coefficient of variation (CoV)	35%	35%	25%	30%
Recovery rate	25%	25%	27%	35%
Loss given default (LGD)	7.0%	9.8%	14.2%	8%
Cash Reserve	12%	13%	13%	21%
Aaa CE	29%	37.5%	38.75%	35.75%

Parameter Sensitivities provide a quantitative, model-indicated calculation of the number of notches that a Moody's-rated structured finance security may vary if certain input parameters used in the initial rating process differed. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might differ as certain key parameters vary.

Parameter sensitivities for this transaction were calculated in the following manner: Moody's assumed nine scenarios derived from the combination of the Initial Portfolio DP assumption: 11.5% (base case), 13.0 (base + 1.5%) and 14.5% (base + 3.0%) and Recovery Rate assumption: 35% (base case), 30% (base – 5%) and 25% (base – 10%). The 11.5% - 35% scenario would represent the base case assumptions used in the initial rating process.

The charts below show the parameter sensitivities for this transaction with respect to all Moody's rated tranches.

		RECOVERY RATE		
	INITIAL PORTFOLIO DP ASSUMPTION	35%	30%	25%
	11.5%	Aaa*	Aa1 (1)	Aa1 (1)
SERIES A	13.0%	Aa1 (1)	Aa1 (1)	Aa2 (2)
	14.5%	Aa2 (2)	A1 (4)	A2 (5)

		RECOVERY RATE		
	INITIAL PORTFOLIO DP ASSUMPTION	35%	30%	25%
	11.5%	A3*	Baa1 (1)	Baa3 (3)
SERIES B	13.0%	Baa3 (3)	Baa3 (3)	Ba1 (4)
	14.5%	Ba1 (4)	Ba2 (5)	Ba3 (6)

* Results under base case assumptions indicated by asterix ' * '. Change in model-indicated rating (# of notches) is noted in parentheses.

Worse case scenarios: At the time the rating was assigned, the model output indicated that Series A would have achieved a "Aa range" rating even if the cumulative mean DP was as high as 13% and even assuming a recovery rate as low as 25%, whilst the Series B would have been Ba1 in the same scenario.

Monitoring

Moody's will monitor the transaction on an ongoing basis to ensure that it continues to perform in the manner expected and reviewing periodic servicing reports. Any subsequent changes in the rating will be publicly announced and disseminated through Moody's Client Service Desk.

Originator Linkage: both originators will act as servicers (a back-up servicer will be appointed if BBVA is downgraded below Baa3 and BBVA will be the backup of BBVA Finanzia if needed). BBVA will also be the interest rate swap counterparty (replacement triggers are in line with Moody's swap guidelines), the issuer account bank (replacement eligible entity or a eligible guarantor will need to be found if BBVA is downgraded below P-1), and the paying agent (replacement eligible entity or an eligible guarantor will need to be found if BBVA is downgraded below P-1).

Significant Influences: In addition to the counterparty issues noted, the following factors may have a significant impact on the subject transaction's ratings: increase in the unemployment rate as a result of a deterioration of the Spanish economy beyond the stressed scenarios considered by Moody's.

COUNTERPARTY RATING TRIGGERS	CONDITION	REMEDIES
Interest Rate Swap Counterparty	In accordance with Moody's swap guidelines*	
Issuer Account Bank	Loss of P-1	Replace/Eligible guarantor
Collection Account Bank	Loss of P-1	Replace/Eligible guarantor
Servicer	Lost of Baa3	Appointment of back up servicer

* See Framework for De-Linking Hedge Counterparty Risks from Global Structured Finance Transactions Moody's Methodology, 15 May 2006

Monitoring Report: Moody's has reviewed the standard monitoring report (publicly available at the management company website for previous similar deals) and would like to receive the following important data in addition to the information reflected on the report:

» All the transaction's triggers details

» The cumulative 90 days "defaults" (as obtained for the rating process of the deal)

» The amount of gross excess spread before write offs

» The Principal Deficiency Ledger (PDL) size

» Pool evolution reports on a quarterly basis

Related Research

For a more detailed explanation of Moody's approach to this type of transaction as well as similar transactions please refer to the following reports:

Methodology Used:

» The Lognormal Method Applied to ABS Analysis, June 2000

Analysis

» Banco Bilbao Vizcaya Argentaria, S.A., July 2009

Credit Opinion

» Banco Bilbao Vizcaya Argentaria, S.A., July 2009

Performance Overview

» BBVA Consumo 1, FTA

» BBVA Consumo 2, FTA

» BBVA Consumo 3, FTA

New Issue Report

» BBVA Consumo 1, FTA, May 2006 (SF75160)

» BBVA Consumo 2, FTA November 2006 (SF87611)

» BBVA Consumo 3, FTA, April 2008 (SF128967)

Special Report

» EMEA Asset-Backed Securities and Residential Mortgage-Backed Securities: 2008 Review and 2009 Outlook, January 2009

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» EMEA Consumer Loan Q1 2009 Indice, May 2009

To access any of these reports, click on the entry above. Note that these references are current as of the date of publication of this report and that more recent reports may be available. All research may not be available to all clients.

Appendix 1: BBVA's Underwriting and Collection Practices

Originator Ability:	With total assets of EUR 543 billion at the end of 2008, BBVA is the second-largest banking group in Spain. Excluding international operations, however, BBVA is Spain's leading domestic bank with market shares around 12.5% in loans and 14% in deposits, positioned closely behind Banco Santander and Caja de Ahorros y Pensiones de Barcelona (La Caixa) with nationwide market shares of about 10% each. The Iberian franchise contributes to around 52% of net income. BBVA has also built up a solid franchise in Latin America, holding a 15% share of both loans and deposits as at December 2008, and a leading position in the pension fund business, with a market share of 23.1% in the region. BBVA's market positioning is particularly strong in Mexico through its subsidiary BBVA Bancomer; it has the largest banking franchise in Mexico with an undisputed leadership in retail. These leading positions in Spain and Mexico - where about 85% of the group's profits are generated - translate into very high scores for market share and sustainability as well as for geographic diversification
Sales and Marketing Practices:	» Number employees: 29,070 » Origination channels (on average for total bank's portfolio): Branch (100%) as broker origination was stopped by the end of 2007 » Incentive-based compensation: yes
Underwriting Policies and Procedures:	» Underwriting function is provided by 3,300 branches organised in 69 regional sub-areas, which are coordinated by seven regional areas. » Authorisation level is based on the loan amount and scoring result, and varies by branch type and employee level. There are six employee levels that represent the degrees of experience. » Exceptions are very infrequent. » Loan credit is analysed based on borrower payment capacity and borrower profile. All loans go through the scoring system and there are a number of filters including affordability and employment stability. Affordability takes into account net income in excess of estimated expenses. Expenses estimation takes into account the borrower social characteristics and additional borrower debt payments. Interest rate is not stressed. No haircut on variable income. » Credit history and indebtedness checks are performed through CIRBE and ASNEF. Internal information on BBVA customer accounts is also searched. » Sources of verification include payslips, national identity cards, employment contracts and tax return documents.
Collateral Valuation Policies and Procedures:	» Advance rate against purchase price: Not applicable, as all loans are unsecured » Valuation process: Not applicable, as all loans are unsecured
Closing Policies and Procedures:	» BBVA has a specialised centre that handles all the paperwork and takes care of reconciliation of system data and origination files.
Credit Risk Management:	» Bad loan performance is assessed relative to the characteristics of the loans in the branch in order to detect actual servicing weaknesses; the issue is passed onto the area servicing head. » BBVA has a proactive approach towards risk throughout the whole life of the loan during the surveillance and origination process. Risk control is carried out by an experienced team using specialised, internally developed tools, which are approved by the Bank of Spain.
Originator Stability:	
Quality Controls and Audits:	» Regular loan book audits at branch level and central risk department level. » Audits of underwriting practices to policy compliance are performed on a regular basis by internal and external auditors as well as the Bank of Spain. » The servicing collection activities are under the same code of conduct, internal and external auditing procedures as the rest of the activities of the bank. » BBVA has a fraud prevention department. There is an internal code of conduct whereby, in case of suspicion, all employees know how to proceed and transfer the deal to the fraud prevention department for its analysis.
Regulated by:	» Bank of Spain
Management Strength and Staff Quality	» Staff has access to policies via the intranet. » BBVA has 225 direct employees to help with underwriting. Otherwise, the bank works closely with various external companies that help with some mechanical parts of the process, such as telephone calls. » Employees are trained on a continuous basis to meet area and market needs.
Technology	» Centralised system to list borrowers in arrears and new arrears daily, notify the branches and manage letters. » Integrated system for arrears management and reporting. » A back-up system is in place and there is currently work in progress on an improved system to reduce disaster recovery times. » Back-up servers are in a different location. » There is a contingency plan in place and quarterly tests on the back up system.
Arrears Management:	»
Number of Receivables per Collector:	» No data available
Staff Description:	» 225 employees in central offices dedicated to servicing. » Staff turnover varies depending on the phase. In the early stage of the arrears, the branch network and specialised employees are involved. The average tenure within the company in these departments is 3-4 years. For the late-stage arrears, there is a more specialised workforce with an experience of 15-20 years within the company, since more judicial and banking knowledge is needed. » Compensation is linked to collection performance through a bonus scheme.

Early Stage Arrears Practices:	» Automated alert and messaging system. Separate process for clients (six or more months of open account history) and no clients. » Branch employees are assigned delinquent borrowers to manage the arrears and foreclosure process. » Letter sent on day 11 or 21 for clients; calls made day 1 or short after the first non-payment, by the branch employee. » Arrangement of face-to-face meetings in the early arrears. » Workload prioritisation by the higher loan principal balance.
Late Stage Arrears Practices:	» Loan is passed to the late arrears and foreclosure team after 90 days. » Creation of a late arrears and foreclosure department as a separate centralised business unit (early 2008). » In-house legal team » Late-arrears management provided by central services after 90 days and until the case is filed to court. This is in addition to the arrears management activities of the branch.
Average Time to Repossess:	» Not applicable, as all loans are unsecured.
Loan Modifications:	» In line with market general practises.

Appendix 2: BBVA Finanzia's Underwriting and Collection Practices

Originator Ability:	BBVA Finanzia is a Spanish financial institution which is not rated by Moody's. Currently, it is 100% owned by BBVA which is the second-largest financial group in Spain and one of the major financial institutions incorporated in Europe. With total assets amounting €7.4 billion in December 2008, BBVA Finanzia is the second-largest financial institution in the Spanish car finance market with around 10% domestic market share. Moody's has recently performed an operational review and, in its opinion, BBVA Finanzia complies with the standards good practices in the Spanish market in terms of origination and risk management.
Sales and Marketing Practices:	» Number employees: 523 » Origination channels (on average for total bank's portfolio): Dealers (100%) » Incentive-based compensation: yes, adjusted for each dealer
Underwriting Policies and Procedures:	» Automatic underwriting: 70.0% » % exceptions to underwriting policy: very infrequent. » Income and credit history verification: Yes, applied to all borrowers » Internal credit scoring and use of external bureaus: Yes, applied to all borrowers
Collateral Valuation Policies and Procedures:	» Advance rate against purchase price: Not applicable, as all loans are unsecured » Valuation process: Not applicable, as all loans are unsecured
Closing Policies and Procedures:	» Reconciliation of data on system and origination files: Yes
Credit Risk Management:	» Strategic target market and product type: mainly loans to individuals resident in Spain originated through point of sales to acquire a new or used car.
Originator Stability:	
Quality Controls and Audits:	» Frequency of external and internal audits, particularly underwriting practices to policy and collection practices: Usual procedures adopted by BBVA. Specific surveillance of model results and analysts decisions. » Fraud prevention process: Centralised circuit through which loans originated through point of sales are supervised (the bank controls on an ongoing basis the quality of the brokers).
Regulated by:	»
Management Strength and Staff Quality	» Average tenure with company: NA » Compensation structure i.e. incentive for receivables growth: incentives based on efficiency, quality of risk, and quality of service.
Arrears Management:	
Number of Receivables per Collector:	» No data available
Staff Description:	» Average tenure with company: NA
Early Stage Arrears Practices:	» Automated dial centre? Yes, with different strategies to manage the pipeline. » Teams organised by period of time in arrears: 0-30, 30-60, 60-70 and 70-90. » Compensation structure i.e. incentive for collections achieved: A ranking is created monthly (amount recovered by hour) and incentives are based on it.
Late Stage Arrears Practices:	» Arrears passed to litigation team on day 90 after first missed payment. » Involvement of external collectors or law firms: 9 entities to cover the whole country. » Workload is distributed automatically to third parties based on previous results obtained. » Sales of past due accounts: very uncommon.
Average Time to Repossess:	» Typically, an agreement is reached with the debtor to return the car and reduce the outstanding debt by the market value of the vehicle at that point in time.
Loan Modifications:	» In line with market general practises.

[1] Parameter sensitivities provide a quantitative, model-indicated calculation of the number of notches that a Moody's-rated structured finance security may vary if certain input parameters used in the initial rating process differed. The analysis assumes that the deal has not aged. It is not intended to measure how the rating of the security might migrate over time, but rather, how the initial rating of the security might differ as certain key parameters vary. For more information on V Score and Parameter sensitivity methodology for ABS, please refer 'V Scores and Parameter Sensitivities in the EMEA Small-to-Medium Enterprise ABS Sector' published in June 2009.

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