

Otra Información Relevante de BBVA CONSUMER AUTO 2020-1 FONDO DE TITULIZACIÓN

En virtud de lo establecido en el Folleto Informativo de **BBVA CONSUMER AUTO 2020-1 FONDO DE TITULIZACIÓN** (el “Fondo”) se comunica a la COMISIÓN NACIONAL DEL MERCADO DE VALORES la presente información relevante:

La Agencia de Calificación **Standard & Poor’s Global Ratings (“S&P”)** con fecha 4 de junio de 2024, comunica que ha elevado la calificación asignada a la siguiente Serie de Bonos emitidos por el Fondo:

- **Serie E:** **BBB (sf)** (anterior **BB+ (sf)**)

Asimismo, S&P ha afirmado las calificaciones asignadas a las restantes Series de Bonos

- **Serie A:** **AA (sf)**
- **Serie B:** **AA- (sf)**
- **Serie C:** **A (sf)**
- **Serie D:** **A- (sf)**

Se adjunta la comunicación emitida por S&P.

Madrid, 4 de junio de 2024

BBVA Consumer Auto 2020-1 Spanish ABS Auto Loans Rating Raised On Class E-Dfrd Notes; Four Classes Affirmed

June 4, 2024

Overview

- We have reviewed the performance of BBVA Consumer Auto 2020-1 by conducting our credit and cash flow analysis and applying our relevant criteria.
- Following our review, we raised our rating on the class E-Dfrd notes. At the same time, we affirmed our ratings on the class A to D-Dfrd notes.
- BBVA Consumer Auto 2020-1 securitizes a portfolio of Spanish auto loans that BBVA originated. The underlying assets are monthly paying fixed-rate auto loans to the BBVA's private customers base, resident in Spain.

PRIMARY CREDIT ANALYST

Rocio Romero
Madrid
+ 34 91 389 6968
rocio.romero
@spglobal.com

MADRID (S&P Global Ratings) June 4, 2024--S&P Global Ratings today raised to 'BBB (sf)' from 'BB+ (sf)' its credit rating on BBVA Consumer Auto 2020-1 Fondo de Titulizacion's class E-Dfrd notes. At the same time, we affirmed our 'AA (sf)', 'AA- (sf)', 'A (sf)', and 'A- (sf)', ratings on the class A, B-Dfrd, C-Dfrd, and D-Dfrd notes, respectively.

Our ratings address the timely payment of interest and the ultimate payment of principal for the class A notes and the ultimate payment of interest and principal on the other rated notes. Interest payments on the class B-Dfrd to E-Dfrd notes cannot be deferred once that class of notes becomes the most-senior outstanding.

Today's rating actions follow our review of the transaction's performance since closing and the application of our criteria (see "Related Criteria").

The transaction has been amortizing since January 2022, (see "New Issue: BBVA Consumer Auto 2020-1 Fondo de Titulizacion," published on June 18, 2020). It is amortizing on a pro rata basis. Credit enhancement is available in the form of subordination on the class A to E-Dfrd notes. The reserve fund provides liquidity support on the class A to C-Dfrd notes, and, once the class A to C-Dfrd notes are redeemed, is available immediately in the waterfall for both liquidity and credit support.

Given the good performance and increased seasoning, we have lowered our gross loss base-case assumptions to 3.25%. At the same time, we lowered to 4.4x from 4.6x, at our May 2023 review, our multiples based on the remaining term of the collateral and the current pool factor at the 'AAA' rating level (see "BBVA Consumer Auto 2020-1 Spanish ABS Auto Loans Ratings Raised On Two

Classes; Three Classes Affirmed," May 22, 2023).

Based on the current recoveries, in our cash flow analysis we have applied a recovery rate of 40% with a 45% haircut at a 'AAA' rating level. This equates to a 22% stressed recovery rate at the 'AAA' rating level. We have maintained the recovery lag from 24 months at closing.

Credit assumption summary ('AAA')

| | Current review | Previous review |
|--|-----------------------|------------------------|
| Base-case cumulative rate assumption (%) | 3.25 | 4.12 |
| Remaining losses applied in our analysis (%) | 5.12 | 5.01 |
| Stress multiple (X) | 4.4 | 4.6 |
| Stressed cumulative recovery (%)* | 22 | 22 |
| Stressed net loss (%) | 17.6 | 18.0 |

*100% of recoveries are realized 24 months after default.

Our cash flow analysis indicates that the available credit enhancement for the class A to D-Dfrd notes in this transaction is sufficient to withstand the credit and cash flow stresses that we apply at the 'AA', 'AA-', 'A', and 'A-' rating levels, respectively. Therefore, we have affirmed our ratings on the class A to D-Dfrd notes.

Our analysis also indicates that the available credit enhancement for the class E-Dfrd notes is commensurate with the credit and cash flow stresses that we apply at the 'BBB' rating level. Therefore, we have raised to 'BBB (sf)' from 'BB+ (sf)' our rating on the class E-Dfrd notes.

Although the structure pays pro rata from the start of amortization, it incorporates a sequential redemption event which, once breached, is irreversible. We have considered additional tests under cash flow analysis, simulating back-loaded defaults to assess the effect of concentrated defaults later in the life of the transaction and a later recession to simulate the effect of pro rata amortization under the notes.

We are no longer stressing commingling risk as we believe that in a resolution scenario a bail-in would be a credible strategy and borrowers would continue to make payments to the collection account held by BBVA. Therefore, we consider commingling risks during the notification period to be mitigated. Commingling risk during the accumulation period is also mitigated, in our view, given the daily transfer of collections to the transaction account.

Counterparty and legal risks continue to be adequately mitigated, in our view, and do not constrain our ratings on the notes.

BBVA Consumer Auto 2020-1 securitizes a portfolio of Spanish auto loans that BBVA originated. The underlying assets are monthly paying fixed-rate auto loans to BBVA's private customer base, resident in Spain.

Related Criteria

- Criteria | Structured Finance | ABS: Global Auto ABS Methodology And Assumptions, March 31, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021

- Criteria | Structured Finance | General: Methodology To Derive Stressed Interest Rates In Structured Finance, Oct. 18, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
- Criteria | Structured Finance | General: Incorporating Sovereign Risk In Rating Structured Finance Securities: Methodology And Assumptions, Jan. 30, 2019
- Legal Criteria: Structured Finance: Asset Isolation And Special-Purpose Entity Methodology, March 29, 2017
- Criteria | Structured Finance | General: Global Framework For Assessing Operational Risk In Structured Finance Transactions, Oct. 9, 2014
- Criteria | Structured Finance | General: Global Derivative Agreement Criteria, June 24, 2013
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011
- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- Economic Outlook Eurozone Q2 2024: Labor Costs Hinder Disinflation As Rate Cuts Loom, March 26, 2024
- Economic Research: Economic Outlook Eurozone Q1 2024: Headed For A Soft Landing, Nov. 27, 2023
- BBVA Consumer Auto 2020-1 Spanish ABS Auto Loans Ratings Raised On Two Classes; Three Classes Affirmed, May 22, 2023
- New Issue: BBVA Consumer Auto 2020-1 Fondo de Titulizacion, June 18, 2020
- 2017 EMEA ABS Scenario And Sensitivity Analysis, July 6, 2017
- 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
- How We Rate And Monitor EMEA Structured Finance Transactions, March 24, 2016

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