The following report is a summary of the results of the “Securitization Market Trends Survey” (see JSDA’s website at <http://www.jsda.or.jp/en/index.html>), conducted monthly by the Japan Securities Dealers Association (JSDA) and the Japanese Bankers Association (JBA), for the second half of fiscal 2013, the period from October 1, 2013 to March 31, 2014. For chart data, please see the appendix “Chart Data at a Glance.”

I. Overall Issuance Trends for Securitization Products

Looking at the issuance trends for securitization products in the second half of 2013, both amount and number of issues increased year on year. Total issuance amount was ¥1,414.0 billion, increasing 7% from the second half of fiscal 2012, while the number of issues was 74, up 42% year on year (Chart 1).

Ref.: The total issuance amount of corporate straight bonds during the second half of fiscal 2013 was ¥3,272.4 billion (provisional figure).

Chart 1. Securitization Product Issuance Amount and Number of Issues
II. Issuance Trends by Underlying Assets

Looking at the securitization product issuance amount for the second half of fiscal 2013 by underlying assets, the amount of CMBS, CDO, consumer loans, shopping credits, sales receivables/commercial bills and others increased. In contrast, RMBS and leases decreased (Chart 2).

Chart 2. Securitization Product Issuance Amount by Underlying Assets

<table>
<thead>
<tr>
<th></th>
<th>RMBS</th>
<th>CMBS</th>
<th>CDO</th>
<th>Leases</th>
<th>Consumer loans</th>
<th>Shopping credits</th>
<th>Sales receivables/Commercial bills</th>
<th>Others</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance amount(¥100 million)</td>
<td>9,194</td>
<td>271</td>
<td>22</td>
<td>101</td>
<td>180</td>
<td>3,365</td>
<td>570</td>
<td>436</td>
<td>14,140</td>
</tr>
<tr>
<td>Year on year change(¥100 million)</td>
<td>▲546</td>
<td>118</td>
<td>22</td>
<td>▲378</td>
<td>50</td>
<td>1,158</td>
<td>49</td>
<td>413</td>
<td>885</td>
</tr>
<tr>
<td>Year on year change(%)</td>
<td>▲6</td>
<td>▲77</td>
<td>▲34</td>
<td>▲79</td>
<td>▲38</td>
<td>▲3%</td>
<td>▲1,158</td>
<td>▲9</td>
<td>▲1,651</td>
</tr>
<tr>
<td>% Composition</td>
<td>65</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>24</td>
<td>100</td>
<td>21</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>Ref. Number of issues</td>
<td>20</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>22</td>
<td>21</td>
<td>4</td>
<td>4</td>
</tr>
</tbody>
</table>

*YoY change in CDO is shown as “—” because there were no issues in the same period last year.

Reference: The specific types of underlying assets for each securitization product category are as follows.

RMBS (Residential Mortgage Backed Securities): Housing loans and loans to individuals to build commercial apartments
CMBS (Commercial Mortgage Backed Securities): Commercial real estate collateralized loans, commercial real estate
CDO (Collateralized Debt Obligations): Corporate loans, corporate bonds, credit default swaps, and others
Leases: Lease credits
Consumer loans: Consumer loans, bank card loans
Shopping credits: Shopping loans, credit card loans, automobile loans
Sales receivables/Commercial bills: Sales receivables, commercial bills
Others: Fund receivables, business cash flow, medical fee receivables, and others
RMBS Issuance Trends

(i) By Originator

Looking at the RMBS issuance amount (¥919.4 billion) by originator, the Japan Housing Finance Agency (JHF) accounted for 71% (¥649.8 billion) of the total (Chart 3).

(ii) Product Type

Looking at the RMBS issuance amount (¥919.4 billion) by product type, bonds accounted for 76% (¥695.3 billion), followed by trust beneficiary rights with 20% (¥188.3 billion) (Chart 4).
(iii) Repayment Method

Looking at the RMBS issuance amount (¥919.4 billion) by repayment method, all repayments were pass-through repayments (Chart 5).

![Chart 5. RMBS Issuance Amount by Repayment Method](image)

(iv) Spread at Issuance

The launch spread (difference between the RMBS coupon rate and Japanese government bond yield at the time of fixing issuing conditions) for JHF RMBS (monthly issuance bonds) contracted to February and expanded in March 2014 (Chart 6).

![Chart 6. JHF RMBS Launch Spread](image)
III. Issuance Trends by Product Type

Looking at the securitization product issuance amount (¥1,414.0 billion) by product type, bonds accounted for 52% (¥735.3 billion), followed by trust beneficiary rights with 42% (¥593.8 billion) (Chart 7).

Chart 7. Securitization Product Issuance Amount by Product Type

IV. Issuance Trends by Repayment Method

Looking at the securitization issuance amount (¥1,414.0 billion) by repayment method, pass-through repayments accounted for 80% (¥1,135.4 billion) of the total (Chart 8).

Chart 8. Securitization Product Issuance Amount by Repayment Method
V. Issuance Trends by Planned/Average Term to Maturity

Looking at the securitization issuance amount (¥1,414.0 billion) by planned/average term to maturity, “Not noted” accounted for 91% (¥1,281.9 billion), followed by “3 year to 5 years” with 5% (¥70 billion) (Chart 9).

VI. Issuance Trends by Credit Rating

Looking at the securitization issuance amount (¥1,414.0 billion) by credit rating, AAA accounted for 88% (¥1,241.1 billion) (Chart 10).