



# sci

Securitisation innovation in focus

Summer 2018

# China in your hand

Opportunities and challenges  
in a surging market

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Investing in  
structured credit

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Growing  
green ABS

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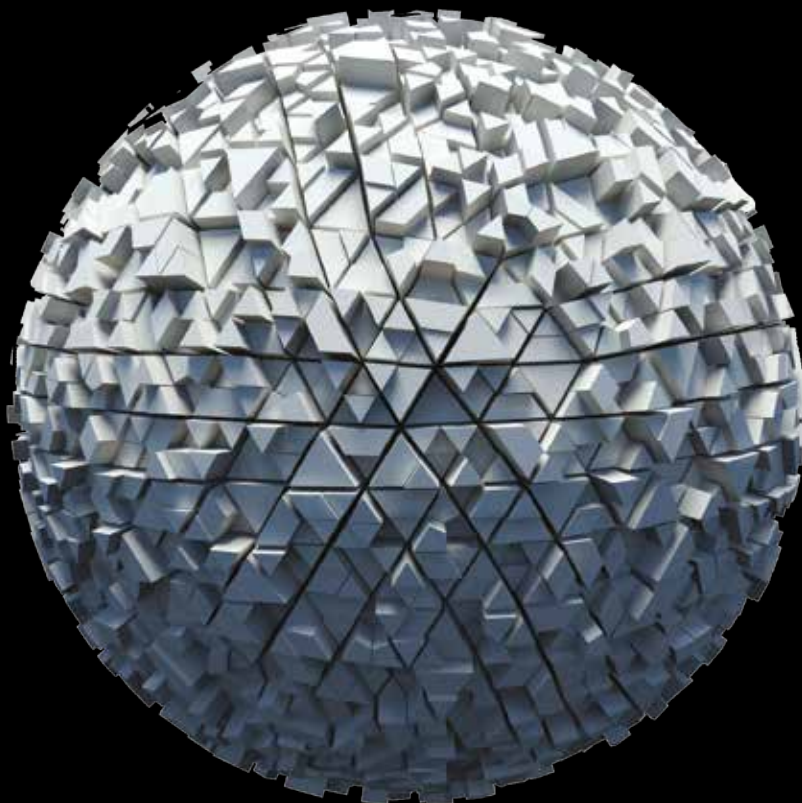
The state  
of STS

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Reforming  
the GSEs

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Rethinking  
CRTs



## The securitization solution

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# Editorial

## Summer 2018

London, May 2018

Don't call it a comeback; while we are very excited to have a new print issue, SCI has been providing leading structured finance news, data and events for years. The market has grown and so have we, and growth is a key theme in this issue of the magazine.

China's securitisation market has grown from a smidge more than nothing to stand as the second-largest in the world. Its rapid growth and the questions that raises provide this edition's cover story, with a strong range of opinions as to the market's value and potential.

PACE is the name of the game for green ABS. The development of commercial and residential PACE on both sides of the Atlantic has provided fresh impetus to the renewables space. We have looked at how that is shaping up and how the rest of the market is growing, too.

The fate of STS, "an idea whose time never came", is not just being discussed in conference halls and boardrooms, but also in these pages. We look at the latest regulatory twists and turns as well as the likely uptake of the STS label.

The cases for and against reform of the GSEs are put forward, as well as an investigation of the change that has been achieved so far. We have also dug into how the GSEs themselves see things and how private companies are adapting the enterprises' strategies and growing the risk transfer market.

Meanwhile, the capital relief trade sector has grown up a lot since we published our special report on the market in 2015. That report has since been updated, but it is time now for an entirely new one on the sector and that is exactly what we are bringing. A sneak peek is available in this magazine.

There are also examples of some of the great news and data you can find on our website. Oh, and we even found time to sit down with Palmer Square Capital Management to get their take on corporate and structured credit.

Enjoy the magazine.



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Special Projects Editor, SCI



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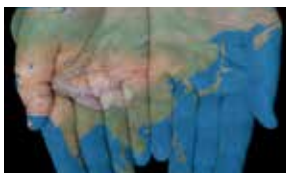


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The US green ABS market has been dominated by residential PACE and solar ABS transactions, but commercial PACE and other renewables are establishing themselves. There is also growing interest in these markets in Europe, where a PACE pilot programme is underway



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From boardrooms to conference halls, the subject of STS remains high on the agenda. Once portrayed as the initiative to revitalise European securitisation, it has been variously hailed as a game-changer or lamented as not fit for purpose. The truth, perhaps, may be somewhere in between



## 22 Mortgage Finance The GSEs they are a-changin'

A new common security for Fannie Mae and Freddie Mac is one year away, with implementation set for June 2019. This shifts the ongoing debate over how to reform the GSEs and how the US mortgage market should function at a time when private companies are issuing securitisations which look increasingly like those of the government enterprises



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