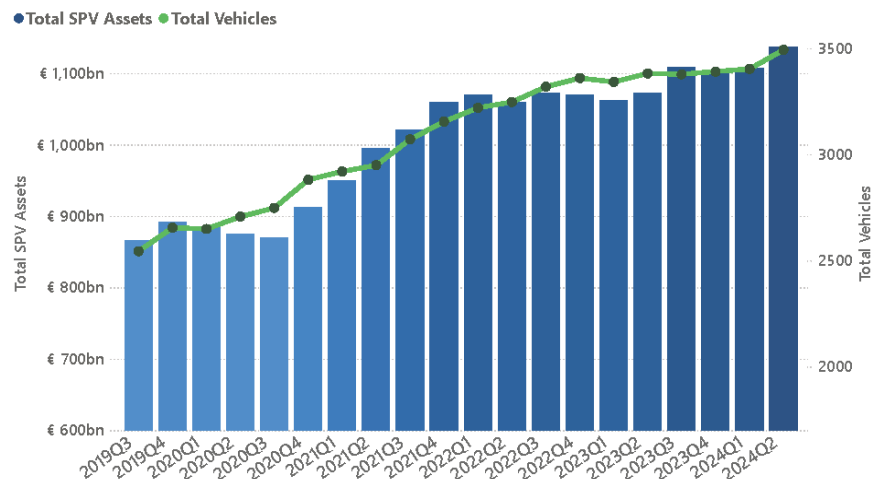


Qtr-on-Qtr	Q2-2024	Q1-2024
Active SPVs	3,493	3,403
Active SPVs QoQ	+90	
Quarter Change %	+2.6%	
SPV Assets*	€1,137.2bn	€1,107.3bn
SPV Assets QoQ	+€29.9bn	
Quarter Change %	+2.7%	

Year-on-Year	Q2-2024	Q2-2023
Active SPVs	3,493	3,382
Active SPVs YoY	+111	
Yearly Change %	+3.3%	
SPV Assets*	€1,137.2bn	€1,072.7bn
SPV Assets YoY	+€64.5bn	
Yearly Change %	+6.0%	

The Irish SPV sector reached another record all-time high in both assets and vehicle numbers at the end of Q2-2024, as activity levels surge.

Chart 1: Total Active Irish SPVs and Assets



Source: Central Bank of Ireland, European Central Bank, authors estimates

Contents

- » Vehicle Numbers
- » Total Assets
- » Asset Types
- » Liability Types
- » Geographic Exposure of Assets

Notes on Data

This report uses quarterly data from the Central Bank of Ireland and the European Central Bank. This differs from data used in other Atlantic Star Analytics publications such as the Irish SPV Tracker, where our real-time statistics are used. Vehicle numbers split between FVCs and Other SPEs is estimated using Central Bank/ECB sources.

*discrepancies may appear due to rounding.

The Irish Special Purpose Vehicle (SPV) sector continues to demonstrate robust growth, setting new record highs in both assets and vehicle numbers during Q2 2024. This growth underscores Ireland's position as a leading global hub for SPVs.

Total assets held by Irish-resident SPVs soared to an all-time high of €1,137.2bn, reflecting a substantial quarterly increase of €29.9bn (+2.7%). This growth was driven by strong contributions from both securitisation-focused Financial Vehicle Corporations (FVCs) and non-securitisation Other SPEs.

FVC assets rose by €13.2bn (+2.0%) to €659.7bn, propelled by increased activity in collateralised loan obligations (CLOs), which remain a cornerstone of the sector. Meanwhile, Other SPEs, which include a diverse range of investment-linked, aircraft leasing and external financing activities, saw their assets grow by €16.6bn (+3.6%) to €477.5bn.

The number of active vehicles also reached new heights, climbing to 3,493 in Q2 2024, up by 90 vehicles (+2.6%) from the previous quarter. Total active FVCs rose by 23 (+1.4%) during the quarter, while Other SPEs rose by 67 (+3.7%). This quarter included a historical revision to the FVC/Other SPE split which reduced FVC numbers by around 90 which were then assigned to the Other SPE grouping.



Irish SPV Report

We Want Your Opinion

Thank you for reading our quarterly **Irish SPV Report**. We appreciate you taking the time to engage with our analysis, and we hope your organisation finds this information useful.

To help us improve and better serve you, we would appreciate if you could take a few minutes to complete a short survey about your experience with Atlantic Star Analytics and the Irish SPV Report.

The survey is brief and should only take a few minutes of your time. Your input will be invaluable in helping us serve you better.

Thank you once again for your time and insights. We look forward to hearing your thoughts.



SURVEY LINK:

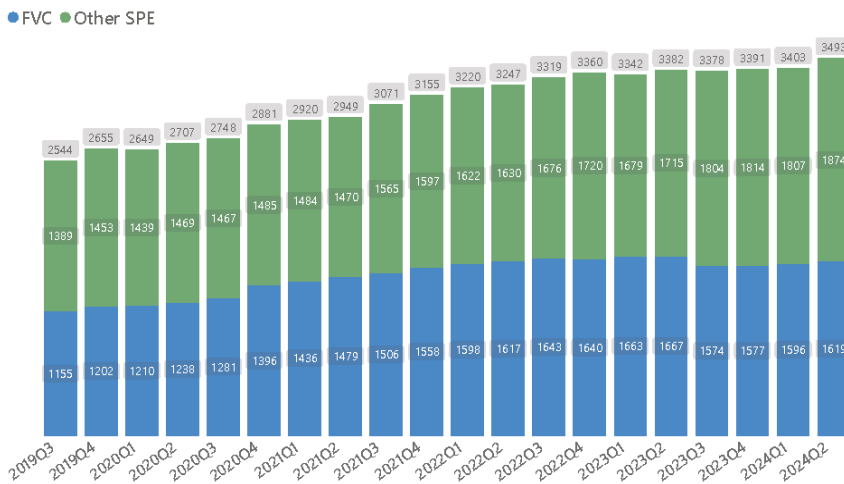
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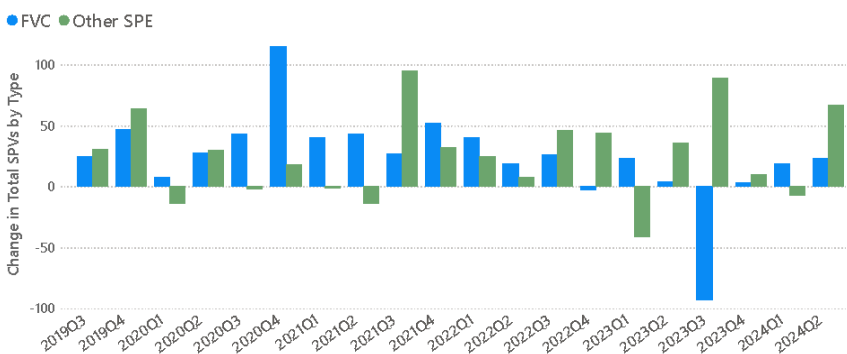
Vehicle Numbers

Chart 3: Total SPV Numbers, by SPV Type



Source: Central Bank of Ireland, European Central Bank, authors estimates

Chart 4: Quarterly Change in SPV Numbers, by SPV Type



Source: Central Bank of Ireland, European Central Bank, authors estimates

The total number of Irish SPVs reached a new all-time high in Q2-2024, with 3,493 SPVs now active, up 90 (+2.6%) from Q1-2024.

This continued growth underscores the sector's expansion, with consistent increases across both FVCs and Other SPEs. As of Q2-2024, FVCs comprised 1,619 vehicles, marking a quarterly increase of 23 (+1.4%). In contrast, the Other SPE category experienced a more significant rise, adding 67 vehicles (+3.7%) to reach a total of 1,874.

A notable adjustment occurred in Q3-2023 following a reclassification that moved a group of FVCs into the Other SPE category, as part of a population revision prompted by updated data from the European Central Bank (ECB). Our latest figures reflect this adjustment; however, data prior to Q3-2023 remain incomparable, as ECB revisions have been applied only from that point onwards. While asset figures incorporate this adjustment consistently across the entire time series, the FVC/Other SPE split in vehicle numbers is estimated using ECB lists, unlike asset data where the breakdown is directly provided by the Central Bank of Ireland.

Total Assets

Assets held by Irish SPVs rose by €29.9bn (+2.7%) during Q2-2024, reaching a total of €1,137.2bn by quarter-end.

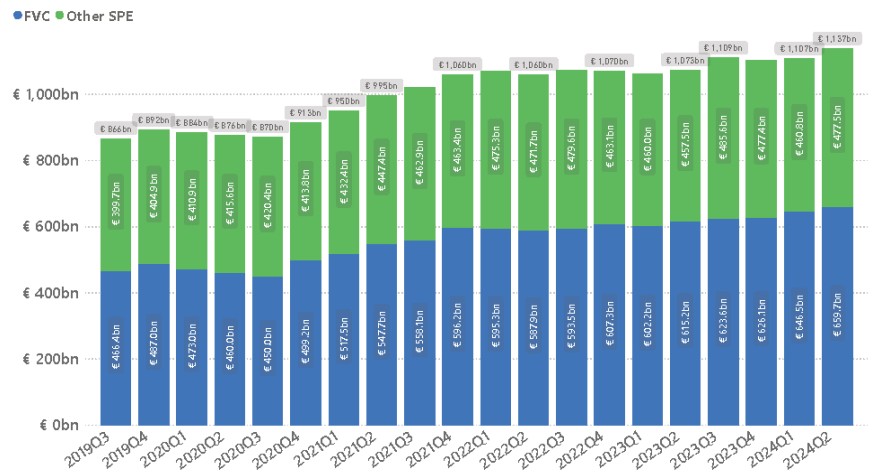
Irish SPVs collectively held €1,137.2bn in assets at the end of Q2-2024. SPV assets at the end of the first quarter were split between FVCs (€659.7bn) and Other SPEs (€477.5bn).

FVC assets rose by €13.2bn (+2.0%) during the quarter, mostly driven by an increase in CLO assets. Other SPE assets rose by €16.6bn (+3.6%) during the quarter, mostly due to an increase in external financing and loan origination structures.

Assets of Other SPEs have been volatile over the past year, as indicated by the large increase of almost €28bn in Q3-2023, followed by two quarters of decreases. Many of the underlying transactions in this category have more asset volatility than FVCs, such as holdings of equities and derivatives on behalf of investment funds, and intra-group financing structures that have back to back related party loans.

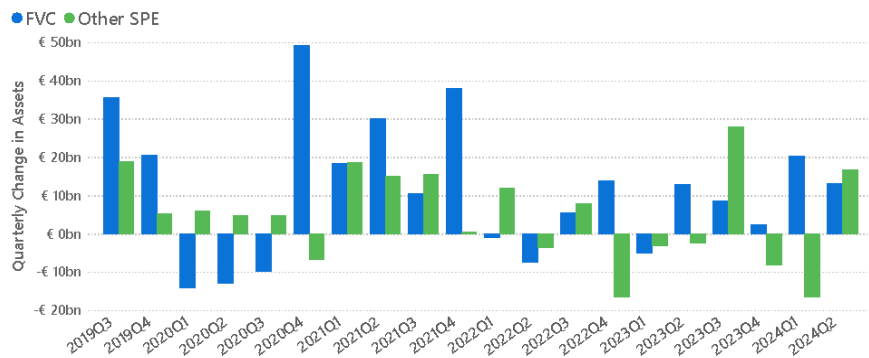
Asset levels in general tend to be more volatile than vehicle numbers, and can be strongly influenced by once-off or isolated effects. For example, Q1-2020 saw a reduction in assets due to the market reaction to the Covid-19 pandemic, while Q4-2020 saw a redomiciling of approximately 80 CLOs from the Netherlands to Ireland.

Chart 5: Total SPV Assets*, by SPV Type



Source: Central Bank of Ireland, European Central Bank

Chart 6: Quarterly Change in Total SPV Assets*, by SPV Type

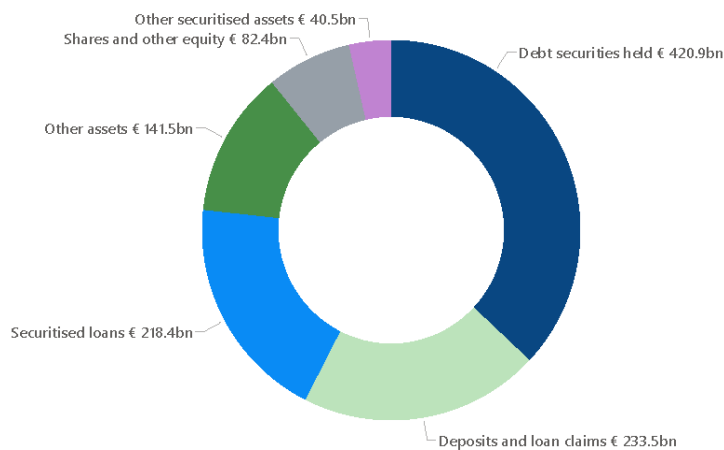


Source: Central Bank of Ireland, European Central Bank

*discrepancies may appear due to rounding. An error was identified in Central Bank data tables whereby sum of components for the debt securities held asset category did not add up to the total for this category. We have adjusted this manually and added the balance to the 'all other countries' segment.

Asset Types

Chart 7: SPV Assets by Instrument Type (Q2-2024)



Source: Central Bank of Ireland, European Central Bank

Assets held by Irish SPVs primarily consist of three categories:

- Debt securities (37.0%)
- Deposit and loan claims (20.5%)
- Securitised loans (19.2%)

These categories can be broadly segmented into the types of vehicles which commonly hold these instruments:

Debt securities - CLOs, CDOs, Repacks.

Securitised loans - RMBS, CMBS, ABS.

Deposit and loan claims - Multi-vehicle structures, cash holdings of all SPVs, LPNs.

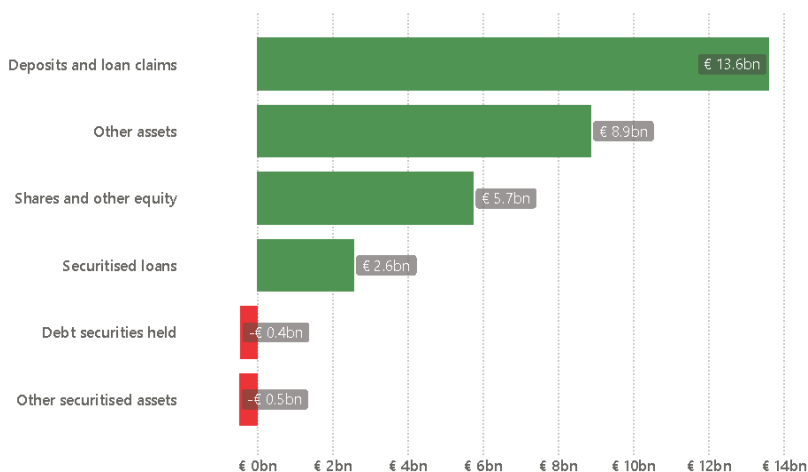
During Q2-2024 there was a broad increase across most asset categories.

The deposits and loan claims segment rose by €13.6bn (+6.2%). This could be due to several factors, including intra-group loans or loans to related parties.

Other assets, which tend to be volatile and linked to interest accruals and mark-to-market derivatives, rose by €8.9bn (+6.7%) during the quarter.

The shares and other equities category is also volatile, with significant rises and falls over recent quarters. This category saw an increase of €5.7bn (+7.4%) during Q2-2024.

Chart 8: Quarterly Change in SPV Assets by Instrument Type (Q2-2024)



Source: Central Bank of Ireland, European Central Bank

Liability Types

Liabilities issued by Irish SPVs primarily consist of three categories:

- Debt securities issued (60.9%)
- Deposits and loans received (22.7%)
- Other liabilities (12.5%)

These categories can be broadly segmented into the types of vehicles which commonly issue these instruments:

Debt securities issued - Most FVCs, some Other SPEs such as external financing. Includes PPNs, LPNs, structured notes, etc.

Deposit and loans received - Most Other SPEs including vehicles funded by PPLs.

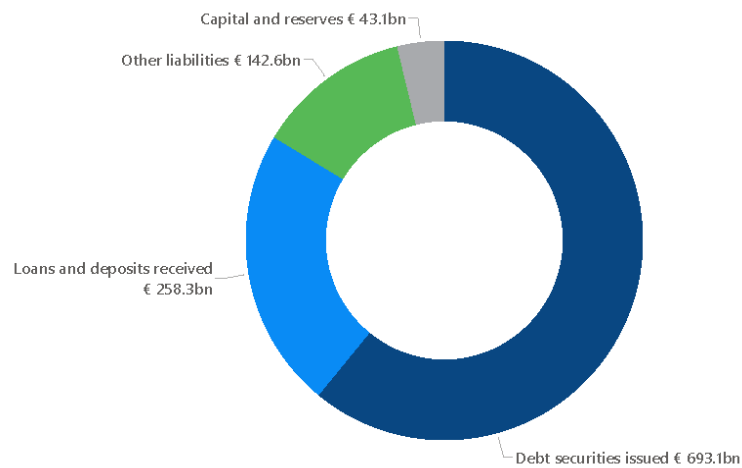
Other liabilities - Includes derivative liabilities, interest accruals, valuation adjustment for securitised loans (market value below par).

During Q2-2024, there was a broadly increase across all liability types as measured by instrument category.

Debt securities issued rose by €15.0bn (+2.2%) during Q2-2024. This category has increased every quarter since Q2-2022, with the exception of Q1-2024 where there was a slight decrease which has been eclipsed this quarter.

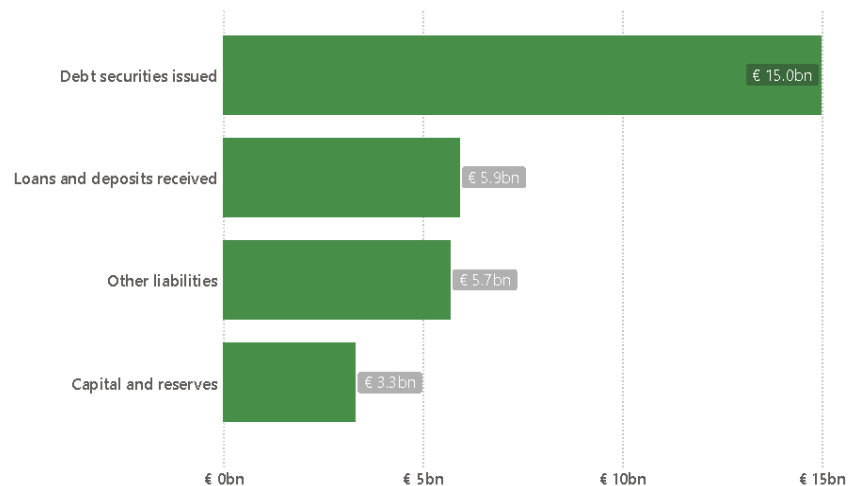
Loans and deposits received rose by €5.9bn (+2.3%) during the quarter. This figure may be influenced by multi-vehicle structures increasing, or from warehouse facilities being drawn down as part of CLO portfolio building.

Chart 9: SPV Liabilities by Instrument Type (Q2-2024)



Source: Central Bank of Ireland, European Central Bank

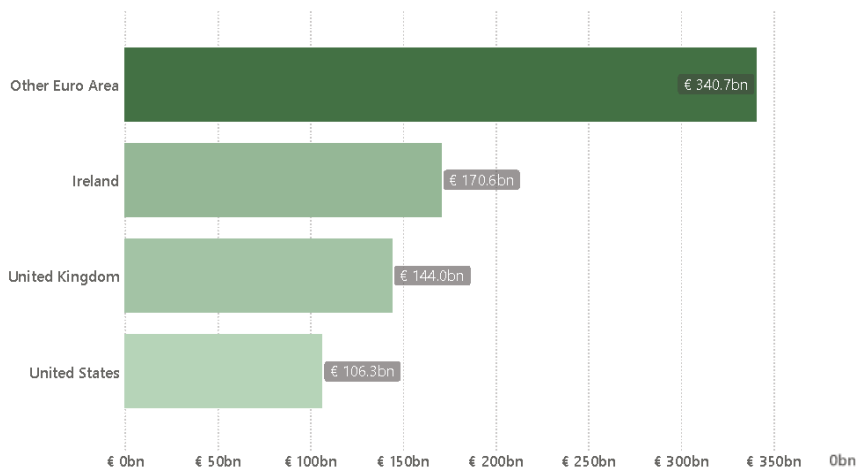
Chart 10: Quarterly Change in SPV Liabilities by Instrument Type (Q2-2024)



Source: Central Bank of Ireland, European Central Bank

Geographic Exposure of Assets

Chart 11: SPV Assets by Country Exposure (Q2-2024)



Source: Central Bank of Ireland, European Central Bank; not shown: €375.6bn in assets where no geographic information is available.

Asset exposures to UK counterparties rose by most during Q2-2024, rising by €9.7bn (+7.2%).

Information relating to the geographic exposure of SPV assets is available for loan and deposit claims, securitised loans, and debt securities held.

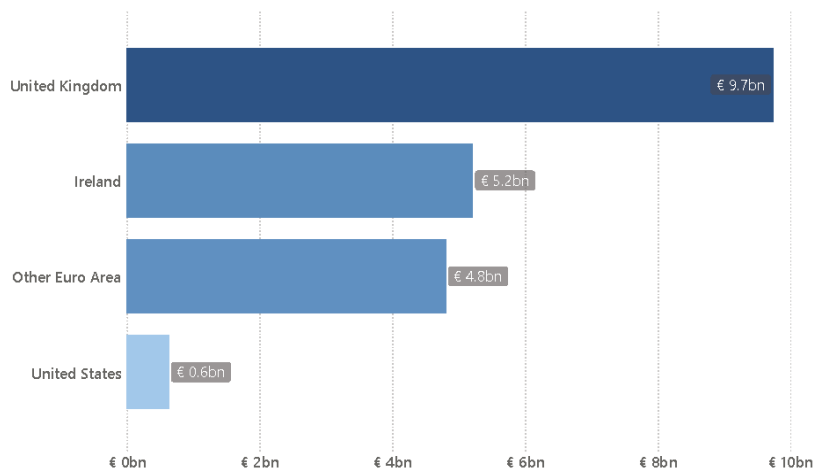
Within these segments, the largest geographic exposure is to entities located elsewhere in the euro area (€340.7bn), which rose by €4.8bn (+1.4%).

62.6% of these other euro area exposures relate to debt securities, and much of this relates to the holdings of European CLO vehicles domiciled in Ireland. This proportion has been rising in recent years as CLO numbers have expanded.

Ireland accounts for the next largest geographic exposure with €170.6bn, rising by €5.2bn (+3.1%) during the quarter. Holdings of US assets increased by €0.6bn (+0.6%) during Q2-2024.

No geographic information is currently available for equities held by Irish SPVs, or for certain other categories such as other securitised assets and other assets.

Chart 12: Quarterly Change in SPV Assets by Country Exposure (Q2-2024)



Source: Central Bank of Ireland, European Central Bank; not shown: €9.6bn in asset increases where no geographic information is available. This would appear to be mostly related to equities and other assets, which do not have a geographic breakdown.

Acknowledgements

Special thanks to Gary Palmer of the Irish Debt Securities Association for his valuable contribution towards the creation of this report.

Background

The Irish SPV Report is a quarterly publication by Atlantic Star Analytics that aims to provide a summary of the latest data available from the Central Bank of Ireland on the Irish SPV sector. The report provides a broad macro analysis of the SPV sector in Ireland, detailing the size, scope and composition of the sector along with trend analysis to examine how the sector is changing over time. The report primarily uses data published by the Central Bank of Ireland and the European Central Bank.

Reference Population

In this report, SPV is taken to mean a corporate entity domiciled in Ireland that is either part of the ECB's Financial Vehicle Corporation (FVC) population, or the Central Bank of Ireland's Other Special Purpose Entities population (Other SPE). The definition of an FVC is contained within Regulation ECB/2013/40, and while there is some nuance to this definition, the simple answer is that an FVC is an entity which engages in securitisation activities. Other SPEs are entities which avail of Section 110 of the Taxes Consolidation Act 1997, but do not form part of the FVC population. Section 110 defines several categories of 'qualifying assets' that a company must hold in order to elect into the tax regime, with the vast majority of FVCs using Section 110 alongside many Other SPEs

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