# IHS Markit™

# Pricing Data: Securitized Products

**Independent bond pricing and data across US securitized products**

The changing regulatory and accounting environment, along with the intense focus on transparency, have increased demand for high quality independent pricing data for use within price verification, price discovery, valuations and risk management processes.

IHS Markit offers customers securitized products pricing data, sector level time series reports, and transparency metrics across Agency Pass Through, Agency CMO, Agency CMBS, Reverse Mortgages, Non-Agency RMBS, Consumer ABS, European ABS, CMBS, TruPS, ABS CDO, CRE CDO, and CLO asset classes.

We provide same day clean prices as a percentage of par for all asset classes, including assumptions, liquidity scores, and dates of observed recent market color. We offer independent evaluated prices that are reviewed on a daily basis using our proprietary bond pricing system. Prices and assumptions are calculated assuming round-lot levels for all asset types.

We combine innovative technology and a robust pricing methodology to collect, process and deliver high quality pricing data. Our securitized finance pricing service provides you with unrivalled visibility on market pricing levels on a daily basis. This enables you to optimize your ability to verify prices accurately and ensure alignment with the market.

Pricing and data models utilize the industry standard providers of cashflows, trading, and reference data. Our systems and models are connected to Intex, Trepp, eMBS, Andrew Davidson, Loan Pricing from IHS Markit, SIFMA TRACE, Tullett Prebon and others.

| MBS | CLO/CDO | Consumer ABS | Global ABS |
|-----|---------|--------------|------------|
| Residential | Debt | Student Loans | European |
| Commercial | Equity | Autos | Asian |
| Agency | TruPS | Marketplace | Canadian |
| Non Agency | ABS | Whole Business | Australian |

### KEY STATS

| 1.34M+ | 11 | 14 | 24/5 |
|--------|----|----|------|
| Securities Priced | Currencies | Unique Asset Classes | Global Customer Support |

## Observable pricing data

Evaluators maintain access to several observable pricing sources, such as Markit Parsing and SIFMA TRACE feeds. Markit Parsing data includes dealer-to-client runs, bids wanted in competition information and trade color. Through Markit Parsing we observe over 1.1 million daily quotes that are processed in real-time from 300+ buy and sell side participants.

## Sophisticated methodology

We utilizes a sophisticated categorization methodology to group securities with similar collateral and structural characteristics into multiple cohorts. In addition, eour best-in-class models and data from Intex are employed to mirror the standards set by buy-side and sell-side firms.

## System Flexibility

Our enhanced system flexibility allows evaluators to rapidly adapt to changing market conditions while adhering to established pricing convention.

## Transparency

For each bond, we provide detailed information about key pricing assumptions used in the evaluation process to ensure full transparency in price generation.

## Distribution

We offer direct multiple data delivery channels, including SFTP, E-mail, our Portfolio Valuations service, a web based Price Viewer and Markit Desktop.

## Dedicated support

We offer immediate accessibility and support from the evaluation team, who are available 24/5 to assist in the explanation of Markit's pricing methodology and inputs used, with a fully documented price challenge process. The team is committed to providing a timely explanation to challenges, a crucial need for same day pricing.

## US Mortgage Backed Securities
(RMBS and CMBS)

US mortgage related product issuance grossed nearly $2 trillion in 2016, making it the second largest US debt sector by issuance after Treasuries. We offer independent and transparent pricing data on over 1.3 million securities of US Agency MBS, along with data, sector-level time series reports and transparency metrics on all securities covered.

Our RMBS coverage universe is comprised of multiple unique asset classes under the RMBS umbrella. Within the Agency (GSE) space, we cover all offerings from Fannie Mae, Freddie Mac and Ginnie Mae. This includes TBAs, Pass-Throughs (Spec Pools), CMOs, CMBS, Reverse Mortgages (HECM), Multifamily and SBA securities. Our Agency Pass-Through and TBA pricing includes the calculation of pre-factor pricing and future settlement TBA coverage.

Non-Agency RMBS coverage includes legacy collateral types, such as Subprime, Alt-A, and Prime mortgages. Additionally, we have full coverage on newly issued asset classes that have come to market over the past few years, such as Prime 2.0, Credit Risk Transfer (CRT)and Non/Re-performing collateral.

COVERAGE

**1.3 million**
Securities

**6**
Core asset types

## European Mortgage and Asset Backed Securities

(MBS and ABS)

Pricing Data from IHS Markit provides an independent and transparent source of daily pricing data for European securitized products, including consumer ABS, RMBS and CMBS. Our European ABS pricing data combines contributed and evaluated pricing.

Our European ABS pricing service is supported by over 15 global sell-side desks active in ABS sales and trading, promoting market liquidity and pricing transparency.

The service allows clients to track the value of proprietary ABS portfolios through a secure website or via direct feeds to client internal systems. Our European ABS service offers a complementary methodology to price bonds where contributed data points/quotes are not readily observed.

We employ best in class analytical and data systems to provide independent prices.

COVERAGE

**10,000+**
bonds

## Consumer Asset-Backed Securities

(CABS)

Consumer ABS issuance in 2016 totaled $175 billion. The market continues to grow with the expansion of marketplace lending ABS, whole business securitization, and other asset classes, while sustained issuance in traditional ABS sectors continues to drive liquidity and stability. We offer independent and transparent pricing for more than 5,000 tranches of US and Canadian consumer ABS, including credit cards, auto loans, student loans, and marketplace lending. Our evaluated pricing platform blends transparent methodology with established valuation expertise to deliver robust solutions for consumer ABS pricing. Our pricing models are fueled by observable market data from Markit Parsing, SIFMA TRACE and Intex-cashflows.

COVERAGE

**5,000+**
bonds

**12**
product types

## Collateralised Loan and Debt Obligations

(CLO and CDO)

The evaluation of CLO and CDO securities requires the ability to accurately price and cover the value of the underlying securities that comprise each deal. We leverage the robust coverage of our loan and bond pricing products to facilitate NAV calculations, tally industry concentrations and evaluate the value of each bond.

Issuance in the CLO market has totaled over $350 billion from 2014 to 2016, while CDO and Trust Preferred (TruPS) markets reached their peak in 2007, with over 1.4 trillion in deals issued by that time. Our coverage includes all legacy and newly issued US and European securities, where we leverage our cashflow and data models to price the full deal including intricate equity and combination tranches.

The changing regulatory requirements call for more rigorous accounting obligations and an ongoing focus on price transparency. Our pricing file includes our pricing data and the full assumption set used for each security, liquidity metrics, and reference data.
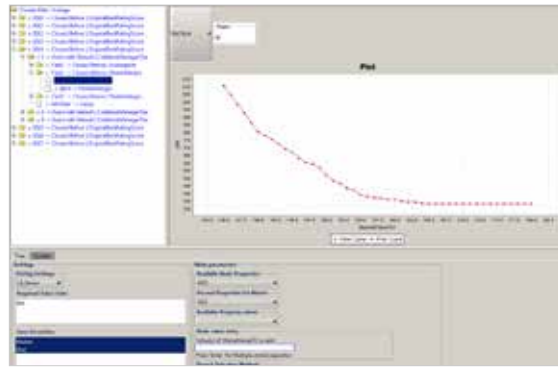
COVERAGE

**10,000+**
bonds
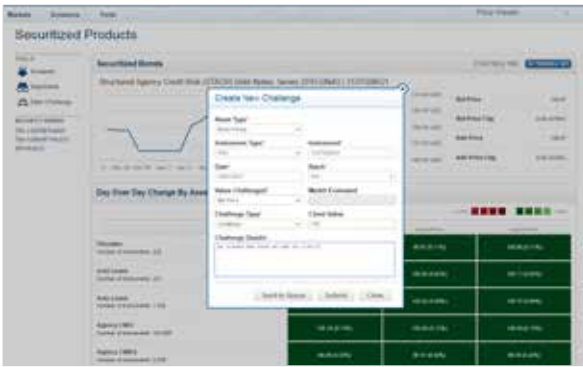
Submit challenges through an easy-to-use interface.



Our proprietary pricing system is able to plot categories and spread curves for each security universe.



Our intuitive interface gives a snapshot of a wide variety of relevant data, including liquidity scores and pricing history.



Our analysts utilize a broad variety of information available through Markit Parsing.

## More information on IHS Markit products and services

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