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Consumer ABS Asset Model

Model Summary Document (MSD)

1. Model Purpose and Description

The Consumer ABS Asset Model is used by Fitch for the asset analysis of Consumer ABS, SME and U.S. Private Student Loan transactions. It is used to process asset analysis assumptions and determine sub-pool weighted averages as well as default timing curves and amortisation profiles, for cash flow modelling of consumer and granular SME asset-backed transactions and U.S. Private Student Loan transactions, as per the Consumer ABS Rating Criteria and U.S. Private Student Loan ABS Rating Criteria. It also includes a run mode that produces model implied ratings for selected cases.

2. Model Assumptions

The assumptions input into the model are referenced in Fitch's criteria listed below:

- Consumer ABS Rating Criteria
- Consumer ABS Rating Criteria - Residual Value Addendum
- U.S. Private Student Loan ABS Rating Criteria

3. Model Inputs

The model takes in various inputs depending on selected run mode including:

- Sub-pool inputs defined by transaction-specific characteristics, such as asset type and borrower type, including pool composition, defaults, and recoveries.
- Prepayment rates, interest rate distributions, recovery timing, and residual value assumptions.
- Loan-level data for granular calculations of amortization profiles and interest rate stratifications.
- Liability note inputs such as margin, balance modelled and credit enhancement.

4. Model Development Data

Not applicable to this rating model as it does not use historical data for its development and calibration, and it only uses transaction specific data and other related data as described in the relevant criteria and/or RAC.

5. Model Limitations

The model is intended only to analyse Consumer ABS, SME transactions, and U.S. Private Student Loan transactions based on the criteria listed above.

6. Material Changes

The current model version is 1.1.0. Any future material changes will be disclosed in this section.

Contact Information

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