

EC STS Consultation

TOPIC: Response to EC STS Consultation – attachment (data supplement)

DATE: September 2021

Figure #1

Clydesdale Bank's cumulative defaults by seasoning - Percentage origination vintage

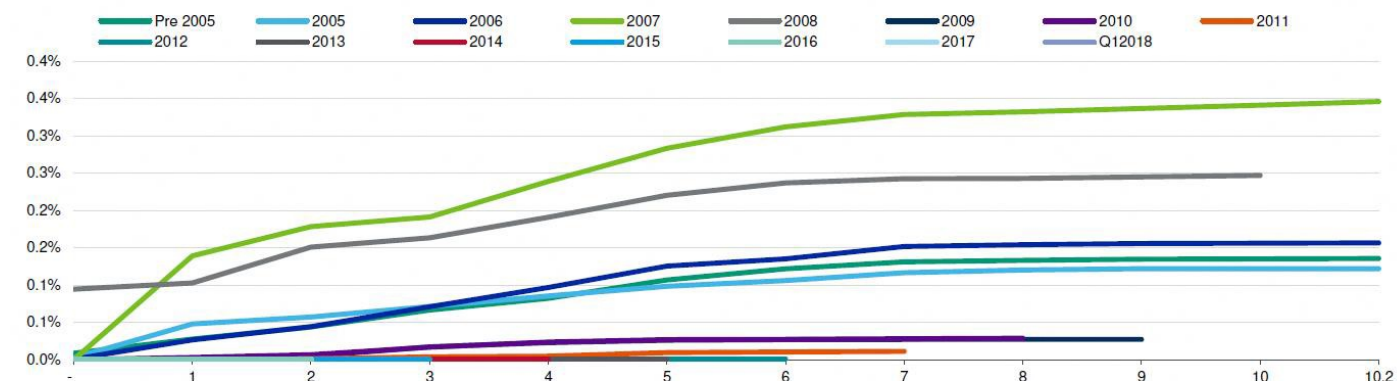


Figure #2

	Credit Rating	Market Value (\$000s)	Modified Duration	Capital Charge	Capital (\$000s)
STS	AAA	-	-	1.00%	-
STS	AA	-	-	1.20%	-
STS	A	-	-	1.60%	-
STS	BBB	-	-	2.80%	-
		-	-		-
Non-STS	AAA	4,718	0.40	12.50%	590
Non-STS	AA	-	-	13.40%	-
Non-STS	A	-	-	16.60%	-
Non-STS	BBB	-	-	19.70%	-
Non-STS	BB	-	-	82.00%	-
Non-STS	Unrated	-	-	100.00%	-
		4,718	0.40		590

Figure #3

Credit Rating	Standard Bond	Senior STS	Non-STS
AAA	2.30%	1.00%	12.50%
LMIE Allocation	\$25,644	\$58,980	\$4,718
\$ Increase	\$20,925	\$54,262	0
Multiple	3.4X	10.5X	0

Figure #4

Historical CLO Tranche Impairment Rates Have Remained Low					
Orig. Rating	US CLO	Euro CLO	Global CLO	Global CDO (ex-CLO)	Global Corporates*
AAA	0.0%	0.0%	0.0%	38.9%	0.1%
AA	0.0%	0.0%	0.0%	47.9%	0.8%
A	0.1%	0.0%	0.1%	52.8%	2.2%
BBB	2.9%	0.0%	2.3%	62.2%	3.3%
BB	5.8%	4.6%	5.4%	60.9%	15.1%

Note: Global corporate default rate data is the 10-year cumulative issuer-weighted global default rate from 1983-2019. CLO impairments by original rating, 10-year cumulative impairments over 1993-2019. Source for all charts: Moody's, Barclays Research