

Italian CQS ABS

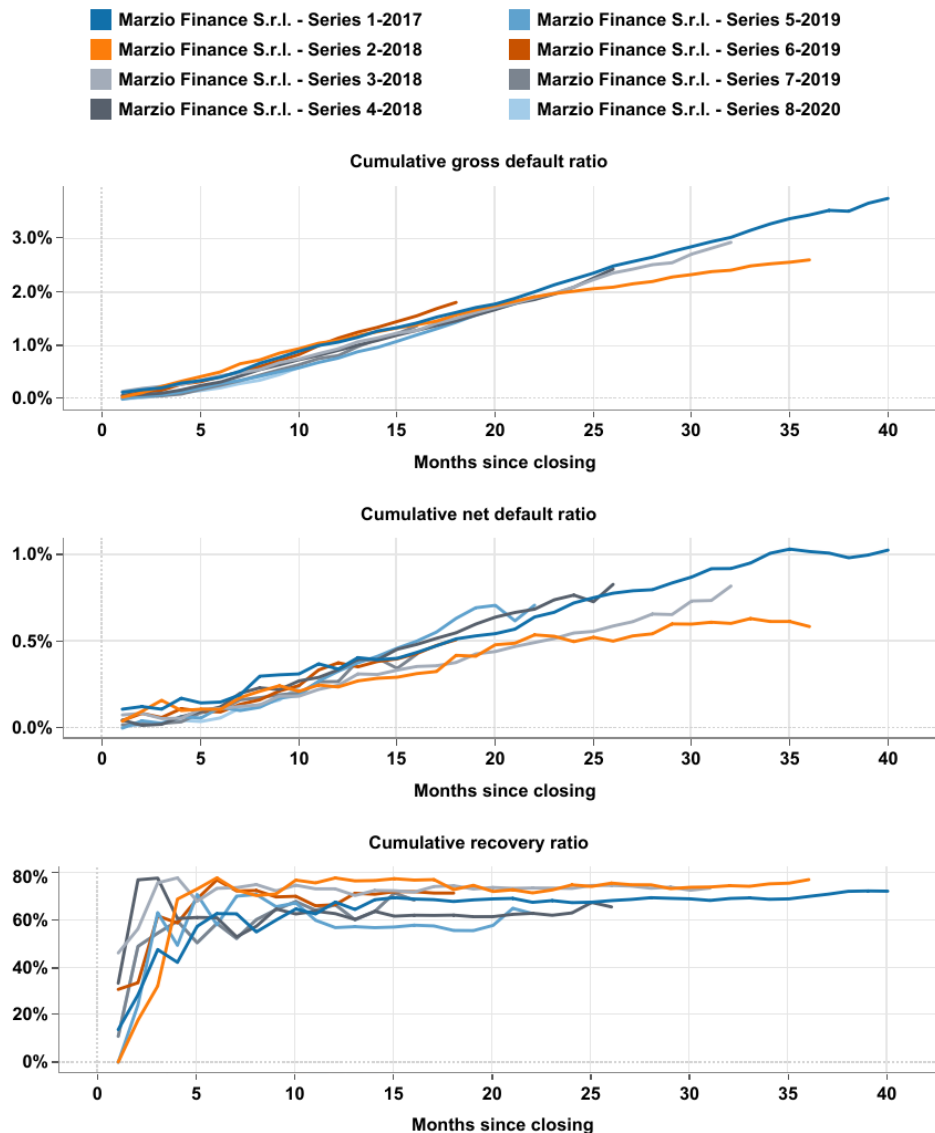
Marzio Finance S.r.l. performance snapshot



Scope
Ratings

Marzio Finance S.r.l. is a EUR 10bn securitisation programme of notes backed by 'cessione del quinto' and 'delegazione di pagamento' (CQS) loans originated by IBL Banca. This report provides an insight into the performance of the different series issued under the programme¹.

Figure 1: Defaults and recoveries



Cumulative gross default ratio = Outstanding balance of all defaulted receivables/Outstanding portfolio at closing
 Cumulative net default ratio = Outstanding balance of all defaulted receivables net of recoveries/Outstanding portfolio at closing
 Cumulative recoveries ratio = Cumulative recoveries/Outstanding balance of all defaulted receivables

Source: Investor and servicer reports by IBL Banca, Scope Ratings

Analysts

Shashank Thakur
 +49 30 27891-336
s.thakur@scoperatings.com

Paula Lichtenzstein
 +49 30 27981-224
p.lichtenzstein@scoperatings.com

Leonardo Scavo
 +39 02 94759859
l.scavo@scoperatings.com

Elom Kwamin
 +49 30 27891-328
e.kwamin@scoperatings.com

Team Leader

David Bergman
 +39 02 30315-838
d.bergman@scoperatings.com

Media

Keith Mullin
k.mullin@scopegroup.com

Related Research

Marzio Finance S.r.l.: annual monitoring review (February 2021)

Covid-19: household financial resilience put to the test (May 2020)

Italian CQS securitisation to remain stable as lower risk weights beckon (February 2020)

Scope Ratings GmbH

Lennéstraße 5
 10785 Berlin

Phone +49 30 27891 0
 Fax +49 30 27891 100

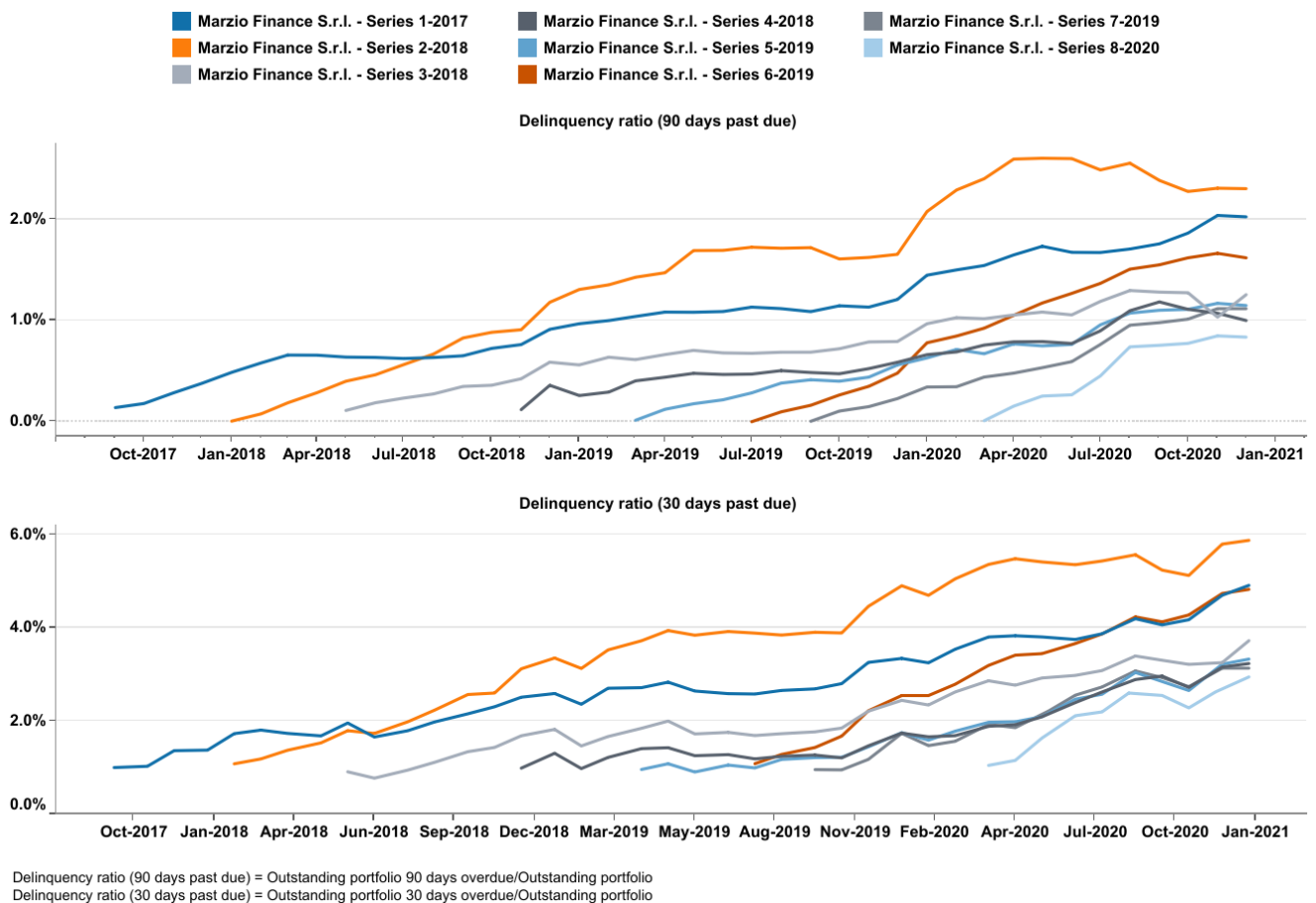
info@scoperatings.com
www.scoperatings.com



Bloomberg: RESP SCOP

¹ This report shows performance of the series with at least six payment dates as of January 2021.

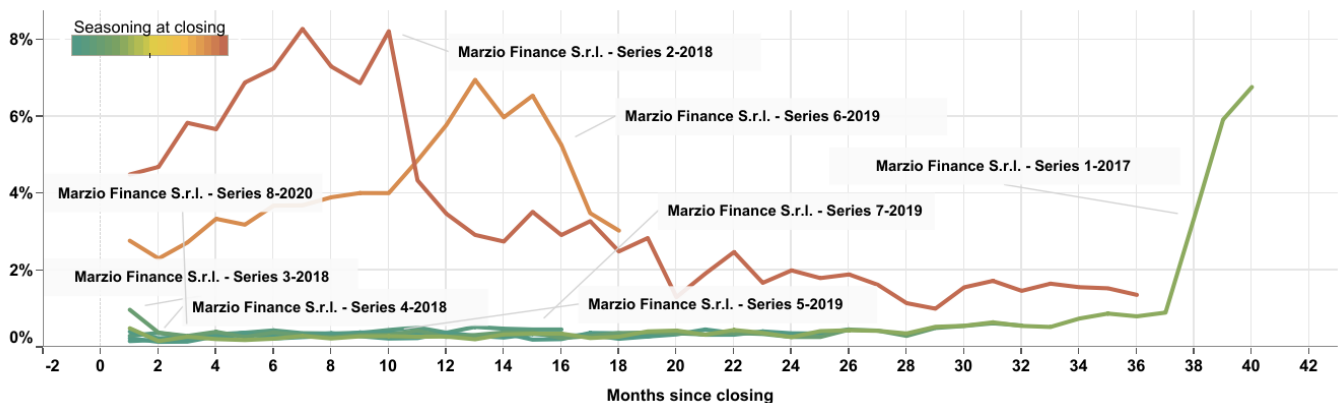
Figure 2: Delinquencies



Source: Investor and servicer reports by IBL Banca, Scope Ratings

Figure 3: Dynamic prepayment rate

- CQS loans can only be refinanced after 40% of the loan has been repaid. The high share of seasoned loans in Series 2 and Series 6 explains the higher prepayment rates compared to the other series.



Dynamic prepayment rate = Periodic prepayment amounts/Outstanding portfolio balance

Source: Investor and servicer reports by IBL Banca, Scope Ratings

Figure 4: Life insurance company exposure²

Insurance company	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio
	Finance S.r.l. - Series 1-2017	Finance S.r.l. - Series 2-2018	Finance S.r.l. - Series 3-2018	Finance S.r.l. - Series 4-2018	Finance S.r.l. - Series 5-2019	Finance S.r.l. - Series 6-2019	Finance S.r.l. - Series 7-2019	Finance S.r.l. - Series 8-2020
Aviva Life SpA	15.4%		25.7%	27.9%	29.1%		30.9%	26.1%
Axa France Vie SA	22.9%	10.0%	18.9%	5.8%	5.0%	22.9%	4.5%	4.8%
Axeria Prevoyance SA		0.0%		0.0%		0.1%	0.0%	0.0%
Cardif Assurance Vie SA	20.8%		13.3%	17.9%	17.9%	24.9%	15.9%	14.6%
Cattolica Previdenza				0.0%		0.5%	0.1%	
CF Assicurazioni SpA					1.8%		5.7%	7.6%
Ergo Previdenza SpA		18.2%	0.1%	0.0%		4.8%	0.4%	0.0%
Eurovita SpA	0.4%		4.4%	6.7%	4.8%		0.1%	
Generel Life Spa	10.3%		15.3%	16.4%	14.2%	2.7%	14.0%	13.9%
Harmonie Muruelle Italia								1.6%
Hdi Assicurazioni SpA	16.1%	24.4%	12.7%	11.5%	10.1%	18.3%	9.5%	9.3%
Italiana Assicurazioni SpA	9.7%	0.2%	5.5%	4.4%	2.8%	7.5%	3.3%	1.1%
Metlife Europe Limited	0.1%	11.8%	0.1%	0.0%	0.0%	9.0%	0.5%	0.0%
Net Insurance Life SpA	4.1%	22.8%	4.1%	9.4%	14.3%	6.1%	15.0%	20.9%
Società Cattolica di Assic.ni		1.8%						
Vittoria Assicurazioni SpA	0.1%	10.8%	0.1%	0.0%		3.1%	0.1%	0.0%

Change (%) since closing

Insurance company	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio
	Finance S.r.l. - Series 1-2017	Finance S.r.l. - Series 2-2018	Finance S.r.l. - Series 3-2018	Finance S.r.l. - Series 4-2018	Finance S.r.l. - Series 5-2019	Finance S.r.l. - Series 6-2019	Finance S.r.l. - Series 7-2019	Finance S.r.l. - Series 8-2020
Aviva Life SpA	2.1%		1.1%	0.9%	0.6%		1.0%	0.4%
Axa France Vie SA	1.1%	2.0%	0.1%	-0.5%	-0.4%	2.6%	-0.2%	-0.2%
Cardif Assurance Vie SA	-0.4%		0.0%	-0.2%	-0.3%	-3.2%	-0.4%	0.0%
Cattolica Previdenza				0.0%		0.0%	0.0%	
CF Assicurazioni SpA					0.0%		0.1%	-0.1%
Ergo Previdenza SpA		-3.9%	-0.2%	0.0%		1.0%	-0.1%	0.0%
Eurovita SpA	0.1%		0.4%	0.5%	0.4%		0.0%	
Generel Life Spa	0.3%		0.0%	-0.2%	-0.1%	0.1%	0.2%	-0.1%
Harmonie Muruelle Italia								0.1%
Hdi Assicurazioni SpA	-0.3%	0.3%	-0.2%	0.1%	0.2%	-0.7%	0.2%	0.1%
Italiana Assicurazioni SpA	-2.2%	-0.1%	-0.3%	-0.1%	0.1%	1.2%	-0.1%	0.0%
Metlife Europe Limited	-0.2%	0.0%	-0.2%	0.0%	0.0%	-0.8%	-0.5%	0.0%
Net Insurance Life SpA	-0.4%	1.6%	-0.5%	-0.6%	-0.6%	-0.2%	-0.1%	-0.1%
Società Cattolica di Assic.ni		-0.3%						
Vittoria Assicurazioni SpA	-0.2%	0.4%	-0.2%	0.0%	0.0%	0.0%	-0.1%	-0.7%

Source: Investor and servicer reports by IBL Banca, Scope Ratings

Figure 5: Credit insurance company exposure³

Insurance company	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio
	Finance S.r.l. - Series 1-2017	Finance S.r.l. - Series 2-2018	Finance S.r.l. - Series 3-2018	Finance S.r.l. - Series 4-2018	Finance S.r.l. - Series 5-2019	Finance S.r.l. - Series 6-2019	Finance S.r.l. - Series 7-2019	Finance S.r.l. - Series 8-2020
Aviva Italia SpA			2.5%	7.3%	7.8%			6.7%
Axa France Iard SA	21.8%	9.9%	18.4%	5.5%	4.7%	21.9%	4.1%	4.2%
Cardif Assurances Risques Divers SA	11.6%		10.5%	12.0%	11.9%	12.1%	8.7%	9.5%
CF Assicurazioni SpA					1.8%		5.7%	7.6%
Generali Italia SpA	10.3%		15.2%	16.3%	14.1%	2.7%	13.8%	13.8%
Hdi Assicurazioni SpA	16.1%	24.4%	12.7%	11.5%	10.1%	18.3%	9.5%	9.3%
Net Insurance SpA	3.9%	20.2%	3.9%	9.2%	13.9%	5.5%	12.1%	15.1%
Vittoria Assicurazioni SpA	0.1%	7.4%	0.1%	0.0%		2.6%	0.0%	0.0%

Change (%) since closing

Insurance company	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio	Marzio
	Finance S.r.l. - Series 1-2017	Finance S.r.l. - Series 2-2018	Finance S.r.l. - Series 3-2018	Finance S.r.l. - Series 4-2018	Finance S.r.l. - Series 5-2019	Finance S.r.l. - Series 6-2019	Finance S.r.l. - Series 7-2019	Finance S.r.l. - Series 8-2020
Aviva Italia SpA			0.0%	-0.1%	-0.2%		-0.1%	0.1%
Axa France Iard SA	1.4%	2.0%	0.1%	-0.5%	-0.4%	2.9%	-0.2%	-0.2%
Cardif Assurances Risques Divers SA	0.4%		0.1%	-0.1%	-0.2%	0.6%	0.1%	0.0%
CF Assicurazioni SpA					0.0%		0.1%	-0.1%
Generali Italia SpA	0.3%		0.0%	-0.1%	-0.1%	0.1%	0.2%	-0.1%
Hdi Assicurazioni SpA	-0.3%	0.3%	-0.2%	0.1%	0.2%	-0.7%	0.3%	0.1%
Net Insurance SpA	-0.3%	1.6%	-0.5%	-0.5%	-0.6%	-0.1%	-0.2%	-0.2%
Vittoria Assicurazioni SpA	-0.2%	-0.4%	-0.1%	0.0%	0.0%	0.0%	0.0%	0.0%

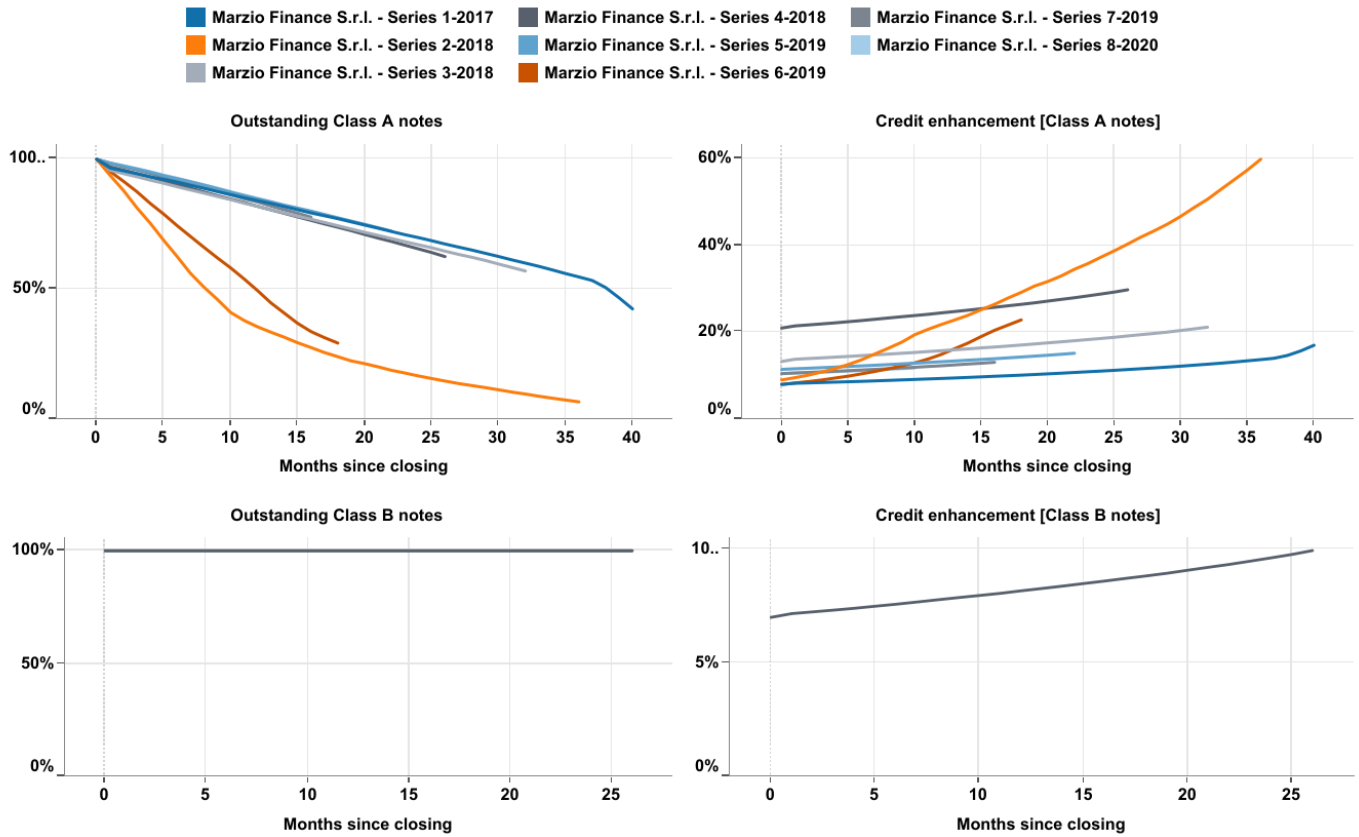
Source: Investor and servicer reports by IBL Banca, Scope Ratings

² Top exposures highlighted in red.

³ Numbers expressed as a percentage of outstanding portfolio balance. Pensioners are not covered under credit insurance.

Figure 6: Note amortisation and evolution of credit enhancement

- High prepayment rates in Series 2 and Series 6 have led to the faster amortisation of the Class A notes of these series.



Credit enhancement [Class A notes] = 1 - Outstanding balance of Class A notes/Total notes outstanding balance
 Credit enhancement [Class B notes] = Outstanding balance of Class J notes/Total notes outstanding balance
 Outstanding Class A notes = Current Class A outstanding balance/Class A outstanding balance at closing
 Outstanding Class B notes = Current Class B outstanding balance/Class B outstanding balance at closing

Source: Investor reports by IBL Banca, Scope Ratings

Figure 7: Reserve and Cash trap trigger status

	Marzio Finance S.r.l. - Series 1-2017	Marzio Finance S.r.l. - Series 2-2018	Marzio Finance S.r.l. - Series 3-2018	Marzio Finance S.r.l. - Series 4-2018	Marzio Finance S.r.l. - Series 5-2019	Marzio Finance S.r.l. - Series 6-2019	Marzio Finance S.r.l. - Series 7-2019	Marzio Finance S.r.l. - Series 8-2020
Cash reserve at target level	Yes	Yes	Yes	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Liquidity reserve at target level	Not applicable	Not applicable	Not applicable	Yes	Yes	Yes	Yes	Yes
Additional reserve at target level	Not applicable	Not applicable	Not applicable	Yes	Yes	Yes	Yes	Yes
Cash trapping trigger breached?	No	No	No	No	No	No	No	No

Source: Investor reports by IBL Banca, Scope Ratings



Italian CQS ABS

Marzio Finance S.r.l. performance snapshot

Scope Ratings GmbH

Headquarters Berlin

Lennéstraße 5
D-10785 Berlin

Phone +49 30 27891 0

Oslo

Karenslyst allé 53
N-0279 Oslo

Phone +47 21 62 31 42

Frankfurt am Main

Neue Mainzer Straße 66-68
D-60311 Frankfurt am Main

Phone +49 69 66 77 389 0

Madrid

Edificio Torre Europa
Paseo de la Castellana 95
E-28046 Madrid

Phone +34 914 186 973

Paris

23 Boulevard des Capucines
F-75002 Paris

Phone +33 1 8288 5557

Milan

Via Nino Bixio, 31
20129 Milano MI

Phone +39 02 30315 814

Scope Ratings UK Limited

111 Buckingham Palace Road
London SW1W 0SR

Phone +44020-7340-6347

info@scoperatings.com

www.scoperatings.com

Disclaimer

© 2021 Scope SE & Co. KGaA and all its subsidiaries including Scope Ratings GmbH, Scope Ratings UK Limited, Scope Analysis GmbH, Scope Investor Services GmbH, and Scope ESG Analysis GmbH (collectively, Scope). All rights reserved. The information and data supporting Scope's ratings, rating reports, rating opinions and related research and credit opinions originate from sources Scope considers to be reliable and accurate. Scope does not, however, independently verify the reliability and accuracy of the information and data. Scope's ratings, rating reports, rating opinions, or related research and credit opinions are provided 'as is' without any representation or warranty of any kind. In no circumstance shall Scope or its directors, officers, employees and other representatives be liable to any party for any direct, indirect, incidental or other damages, expenses of any kind, or losses arising from any use of Scope's ratings, rating reports, rating opinions, related research or credit opinions. Ratings and other related credit opinions issued by Scope are, and have to be viewed by any party as, opinions on relative credit risk and not a statement of fact or recommendation to purchase, hold or sell securities. Past performance does not necessarily predict future results. Any report issued by Scope is not a prospectus or similar document related to a debt security or issuing entity. Scope issues credit ratings and related research and opinions with the understanding and expectation that parties using them will assess independently the suitability of each security for investment or transaction purposes. Scope's credit ratings address relative credit risk, they do not address other risks such as market, liquidity, legal, or volatility. The information and data included herein is protected by copyright and other laws. To reproduce, transmit, transfer, disseminate, translate, resell, or store for subsequent use for any such purpose the information and data contained herein, contact Scope Ratings GmbH at Lennéstraße 5 D-10785 Berlin.