

Investor Group Endorses DealVector

The Association of Institutional Investors is urging all mortgage-bond buyers to use DealVector's online matchmaking service.

The trade group plans to issue the recommendation in the coming days, suggesting the move could improve bondholder communication while facilitating a more efficient and transparent market. DealVector's flagship product serves as a social network of sorts, allowing investors, issuers and other market participants to communicate anonymously about specific transactions.

With the AII's endorsement, meanwhile, the organization's full members are loading information on all of their mortgage bond-holdings into DealVector's database. The full members are: **BNY Mellon Asset Management, Fidelity Investments, Loomis Sayles, MFS Investment, Natixis Global Associates, Putnam Investments, Schroder Investment, Standish Mellon Asset Management and State Street Global Advisors.**

Those shops are expected to add data on other types of securitizations down the line. They also are forming an advisory panel to help guide product development at DealVector.

Also involved to a lesser extent are **Depository Trust & Clearing, Ernst & Young, Federated Investors, MarketAxess, New York Life, PNC Capital and S&P.**

The AII recommendation comes at a key time for DealVector. The firm has been gaining traction by offering access to its

service free of charge, but will start charging subscription fees during the second quarter for users who want to send queries through the system. It currently counts 800 companies as users.

Among other benefits, the AII believes DealVector's service might help eliminate lags in coordinating investors for purposes like exercising call options or removing servicers, thus reducing delays that magnified losses during the financial crisis. "This initiative with DealVector offers investors a chance to make a real difference in market structure," AII president **John Gidman** said. "If investors in specific bonds can quickly communicate, we can enforce rights and resolve issues in ways that have not previously been possible."

DealVector also has instituted a paid service, InvestorLink, that allows issuers to communicate directly with investors, who in turn can access trustee reports, inquire about deals, communicate with other bondholders and vote on various actions. The firm plans to demonstrate its products during a Feb. 29 session at the "ABS Vegas 2016" conference in Las Vegas, titled "Bondholder Communications Demos."

Collectively, the AII's members manage \$9.4 trillion. ❖

Auto ABS Back on Table for CapOne

Once again, there's talk that **Capital One** may resume issuance of bonds backed by prime-quality auto loans.

Representatives of the McLean, Va., company's treasury division recently met with bankers from **Bank of America, J.P. Morgan and RBC Capital** about the possibility of floating a deal in the second half. CapOne executives plan to discuss the offering with investors at the "ABS Vegas 2016" conference in Las Vegas on Feb. 28-March 2.

CapOne once was a prolific issuer of auto-loan securities, but shuttered its program during the credit crisis. Since then, it has relied exclusively on bank deposits to fund its auto loans.

In the past few years, there have been on-and-off rumblings that the bank was getting ready to re-enter the auto-loan securitization scene. But this time, it appears to be well along in the process, motivated primarily by a desire to diversify its funding sources.

Such a move would add to CapOne's overall output of asset-backed securities, as the bank already is a routine issuer of credit-card bonds. ❖



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