The IPAF International Conference at the ADB

Regional Cooperation for Safeguarding Macroeconomic and Financial Stability

NPL Transaction Platform Technology Digital Solutions and Prerequisites for AMC

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October 27 2022



Introduction

- NPL Markets operates in 27 jurisdictions mainly in Europe, US, Canada, Brazil, Mexico and South Africa
- 850 institutional investors, 2m non-performing loans uploaded and valued across 950 portfolios
- More than 7.5m performing loans mapped and valued on the platform
- Access to derived data from over 15m loans, both performing and non-performing
- Our main clients include banks, specialised lenders, asset managers, hedge funds, private equity and servicers

Supranational partners

- NPL Markets has a cooperation agreement with the International Finance Corporation (IFC) in Brazil and Mexico
- NPL Markets sits on the European Commission NPL Advisory Panel

Research & Awards

- Global NPL monitor and projections based on IMF WEO scenarios https://NPL Markets.com/en/research
- Structured Credit Investor 2022 Award: Contribution to Market Development



Transaction platform that delivers the full data value chain

Technology and team expertise to streamline data preparation, valuation, reporting and disposal processes

Raw data download from source system Loan, Borrower, Collateral, Legal, Collections, Provisions	Conform data tape Match investor expectations and analytics data warehouse (NPL data templates or other tailor made templates)	Conduct internal loan valuation Upload standardized data, enrich tape with missing data. Run valuation scenarios and impact of bank balance of portfolio sale	Segment portfolio by servicer, collateral, region, required workout action or other Zoom into each segment to review workout assumption	Create optimal workout strategy, servicer & transaction structure Identify deal opportunities with optimal transactions structures (e.g. ABS, outright sale, etc)	Receive optimal investor prices on final transaction Fine-tune final auction to optimise portfolio allocation and economic benefit	Monitor servicer performance Transfer to new servicer. Create detailed online collection reports, securitisation disclosures
Data Extraction	Transformation	Seller Valuation &	Segmentation	Strategy &	Optimal Offer &	Online Reports
	& Validation	Due Diligence	& Optimisation	Deal Structures	Auction Process	& Monitoring
Data Preparation		Valuation & Analytics			Marketplace	Reporting
Data tapes with performance data		Valuation assumptions and pricing parameters			Market prices	Performance data



What are the prerequisites for AMC to use technology, data & ecosystem?

- Marketplace & auction function available
 on demand
- Judicial and regulatory due diligence with local partners plus AMC, ADB, IFC
- Map and onboard **investor universe** and servicing providers
- Data hub & analytics: Identify data providers and data standards. Transform, validate and aggregate for automated valuation & reporting
- Additional functions: Transaction advice, creditor coordination, collateral valuation, data enrichment



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