

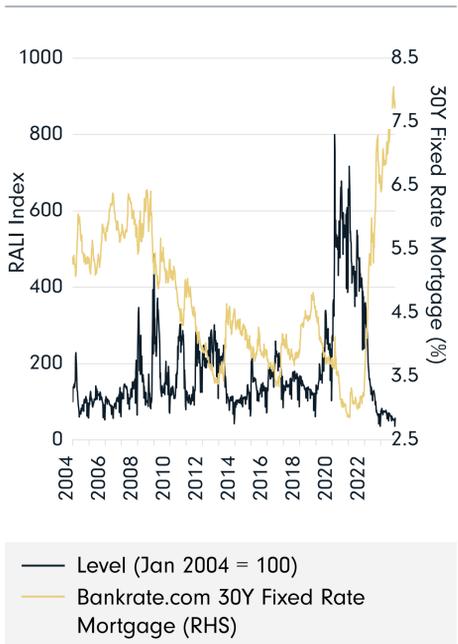
Securitization in Focus

November 2023

Residential Mortgage-Backed Securities (RMBS)

The rally in rates along the yield curve brought the 30-year fixed rate mortgage lower, triggering an increase in refinance applications as indicated by the week-over-week and 4-week average numbers. The refinance rate remains nearly 16% lower on a year-over-year basis.

Fannie Mae's Refinance Application-Level Index (RALI)



Source: Fannie Mae Refinance Application-Level Index (RALI). Fannie Mae's Refinance Application-Level Index (RALI) is a weekly series sourcing data from our automated underwriting system, Desktop Underwriter® (DU®), to provide the market timely, comprehensive, and ongoing tracking of refinance activity and historical trends.

RALI (\$) percent change for week ending 1 December 2023

+60.8% Week over week
-15.6% Year over year
+2.7% 4-week average

Historical comparisons

-91.4% Q3 2020 Refinance Boom
-40.5% Q4 2018 Refinance Slowdown
-58.9% 2010 – 2018 Average

Commercial Mortgage-Backed Securities (CMBS)

November Delinquency Rates, 30+ Day (%)

Conduit	Nov '23	Nov '22
Office	5.3	2.2
Retail	6.3	6.1
Lodging	4.7	6.4
Mixed-Use	5.0	3.5
Multifamily	1.3	1.0

SASB	Nov '23	Nov '22
Office	6.0	0.0
Retail	3.5	3.5
Lodging	5.4	2.7
Mixed-Use	2.3	0.3
Multifamily	3.7	2.4

CRE CLO	Nov '23	Nov '22
Office	6.9	2.5
Retail	2.2	3.4
Lodging	3.7	2.1
Mixed-Use	5.9	2.7
Multifamily	2.9	0.4

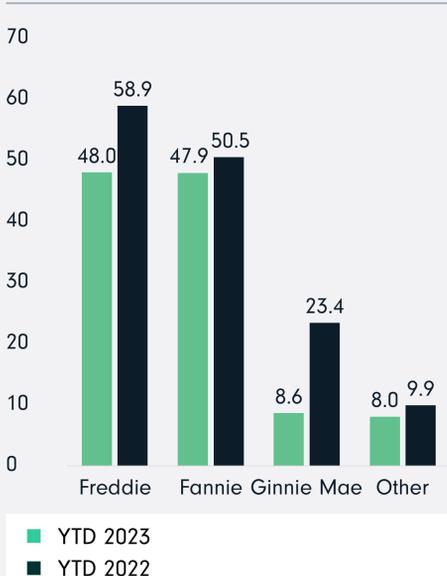
ISSUANCE UPDATE

Private Label or Non-Agency (\$B)



As of 30 Nov 2023.

Agency (\$B)



As of 30 Nov 2023.

Asset-Backed Securities (ABS)

Issuance

ABS issuance showed no signs of slowing in November, though December tends to be a slow month for most sectors.

Continued strong issuance over the past several months has pushed YTD totals ahead of last year's by roughly 4.7%

ABS Issuance

	YTD 2023 (\$B)	YTD 2022 (\$B)	Change (%)
Auto	148.6	112.1	32.6
Student Loan	6.6	7.0	-6.4
Credit Card	18.9	28.6	-33.8
Equipment	21.4	21.1	1.4
Other	53.2	68.8	-22.7
Total	248.6	237.5	4.7

As of 30 Nov 2023.

Delinquencies (%)

	30+ Day Delinquencies			Annualized Net Loss		
	Nov	MoM	YoY	Nov	MoM	YoY
Subprime Auto	14.60	0.48	1.26	10.30	1.31	2.34
Prime Auto	1.70	0.04	0.24	0.60	0.05	0.13
Bank Card	1.40	-0.01	0.48	1.90	0.08	0.81
Retail Card	3.00	0.10	1.32	5.10	0.51	2.09
Personal Loan	6.00	0.30	-0.13	8.90	0.75	0.32
Marketplace Lending	6.30	0.36	0.45	17.10	0.86	2.69

As of 30 Nov 2023.

Sources: Trepp, Barclays, Deutsche Bank, Bank of America and Fannie Mae.

The views expressed are those of Diamond Hill as of December 2023 and are subject to change without notice. These opinions are not intended to be a forecast of future events, a guarantee of future results or investment advice. Investing involves risk, including the possible loss of principal. Past performance is not a guarantee of future results.