S&P Global Ratings

Research

Presale:

Harley-Davidson Motorcycle Trust 2023-B

September 13, 2023

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Preliminary ratings

Class	Preliminary rating	Type	Interest rate	Preliminary amount (mil. $)	Expected legal final maturity
A-1	A-1+ (sf)	Senior	Fixed	91.00	Oct. 15, 2024
A-2	AAA (sf)	Senior	Fixed	207.10	Dec. 15, 2026
A-3	AAA (sf)	Senior	Fixed	180.78	Aug. 15, 2028
A-4	AAA (sf)	Senior	Fixed	47.45	April 15, 2031

Note: This preliminary report is based on information as of Sept. 13, 2023. The ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final ratings that differ from the preliminary ratings.

Profile

Expected closing date	Sept. 27, 2023
Collateral	Motorcycle loan receivables.
Originator	Eaglemark Savings Bank, a Nevada thrift and wholly owned subsidiary of Harley-Davidson Credit Corp.
Sponsor, seller, and servicer	Harley-Davidson Credit Corp. (A-3).
Depositor	Harley-Davidson Customer Funding Corp.
Issuer	Harley-Davidson Motorcycle Trust 2023-B.
Indenture trustee	Citibank N.A. (A+/Stable/A-1)
Owner trustee	Wilmington Trust N.A. (A-/Stable/A-2)
Bank account provider	Citibank N.A.(A+/Stable/A-1)

Rationale

S&P Global Ratings' preliminary ratings assigned to Harley-Davidson Motorcycle Trust 2023-B (HDMOT 2023-B) motorcycle contract-backed notes reflect:

- The availability of approximately 9.8% credit support (hard credit enhancement and excess spread) for the class A (classes A-1, A-2, A-3, and A-4, collectively) notes, based on stressed

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break-even cash flow scenarios. These credit support levels provide at least 5.00x coverage of our expected cumulative net loss (ECNL) of 1.70% for the class A notes (see the Credit Enhancement and Collateral and the Cash Flow Modeling Assumptions and Results sections).

- The expectation that under a moderate ('BBB') stress scenario (2.0x our expected loss level), all else being equal, our preliminary ratings on the class A notes will be within the credit stability limits (see the Cash Flow Modeling Assumptions And Results sections).
- The timely payment of interest and principal by designated legal final maturity dates under our stressed cash flow modeling scenarios, which we believe are appropriate for the assigned preliminary ratings.
- The collateral characteristics of the securitized pool of motorcycle loans, our view of the credit risk of the collateral, and our updated macroeconomic forecast and forward-looking view of the auto finance sector (see the Credit Enhancement And Collateral and the Macroeconomic And Auto Finance Sector Outlook sections).
- The series' bank account at Citibank N.A. (A+/Stable/A-1), which does not constrain the preliminary ratings.
- Our operational risk assessment of Harley-Davidson Credit Corp. as servicer and our view of the company's underwriting.
- Our assessment of the transaction's potential exposure to environmental, social, and governance credit factors, which are in line with our sector benchmark.
- The transaction's legal and payment structures.

Our ECNL for HDMOT 2023-B is 1.70%, up from 1.45% (1.35%-1.55%) for series 2022-A, which was the last series rated by S&P Global Ratings. It reflects:

- Elevated origination static pool net loss performance data given the inclusion of loans with annual percentage rates (APRs) above 11%;
- The managed portfolio data and its relative performance;
- Harley-Davidson Credit Corp. outstanding series, which continue to perform in line with or better than our initial expectations; and
- Our forward-looking view of the auto finance sector.

Environmental, Social, And Governance (ESG) Factors

Our rating analysis considers a transaction's potential exposure to ESG credit factors. For the auto ABS sector, we view the exposure to environmental credit factors as above average, to social credit factors as average, and to governance credit factors as below average (see "ESG Industry Report Card: Auto Asset-Backed Securities," published March 31, 2021).

The exposure to ESG credit factors in this transaction is in line with our sector benchmark. Environmental credit factors are generally viewed as above average, given that the collateral pool primarily comprise vehicles with internal combustion engines (ICE), which emit pollutants that contribute to climate transition risks. While the adoption of electric vehicles and future regulation could in time lower ICE vehicle values, we believe our current approach to evaluating recovery and residual values adequately accounts for vehicle values over the relatively short expected life of the transaction. As a result, we have not separately identified this as a material ESG credit factor in our analysis.

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Credit Enhancement and Collateral

Structural changes from HDMOT 2023-A

Notable changes to credit enhancement compared to HDMOT 2023-A, which S&P Global Ratings did not rate, include that:

- The yield supplement overcollateralization amount (YSOA) discount rate increased to 10.00% from 8.50%.
- The initial YSOA as a percentage of the initial adjusted pool balance increased to 4.24% from 3.40%.

Structural changes from HDMOT 2022-A

Notable structural changes from the last transaction we rated, HDMOT 2022-A, include that:

- HDMOT 2023-B incorporates YSOA, whereas HDMOT 2022-A does not.
- The reserve fund and overcollateralization will equal 0.25% and 4.75%, respectively, of the initial adjusted pool balance, rather than the initial pool balance.

Table 1 shows the credit enhancement changes from recent transactions.

Table 1

Credit enhancement summary (%)

	2023-B	2023-A(i)	2022-A
Overcollateralization(ii)			
Initial	4.75	4.75	4.75
Target	4.75	4.75	4.75
Floor	4.75	4.75	4.75
Reserve fund(ii)			
Initial	0.25	0.25	0.25
Target	0.25	0.25	0.25
Floor	0.25	0.25	0.25
Total initial hard credit enhancement(ii)			
Initial	5.00	5.00	5.00
Target	5.00	5.00	5.00
Floor	5.00	5.00	5.00
Additional enhancement			
YSOA(ii)	4.24	3.40	N/A
Estimated excess spread per year (%)(iii)	3.82	2.96	3.82

(i)Not rated by S&P Global Ratings. (ii)Percentage of the initial adjusted receivables balance for 2023-B and 2023-A; percentage of the initial receivables balance for 2022-A. (iii)The cost of debt was calculated using the simple weighted average of coupons and percentage of total bond balance. The estimated excess spread is pre-pricing for 2023-B and post-pricing for 2023-A and 2022-A. Includes the 1.00% annual servicing fee. HDMOT--Harley-Davidson Motorcycle Trust. N/A—-Not applicable.

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Collateral changes from HDMOT 2023-A

The collateral composition changes from HDMOT 2023-A (not rated) include that:

- The weighted average APR increased to 8.91% from 7.52%. The series 2023-A and prior HDMOT transactions included an APR cap of 11%, whereas 2023-B does not include a cap.
- The percentage of loans for used motorcycles decreased to 36.10% from 38.68%.
- Contracts with an original term of 73-84 months decreased to 24.79% from 29.39% of the pool.

Collateral changes from HDMOT 2022-A

The collateral composition changes from HDMOT 2022-A include that:

- The weighted average APR increased to 8.91% from 7.22%. The 2022-A transaction included an APR cap of 11%, whereas 2023-B does not include a cap.
- The weighted average seasoning increased to 9.3 months from 7.3 months.
- Contracts with an original term of 73-84 months decreased to 24.79% from 33.94% of the pool.

Similarly to the series 2023-A and 2022-A pools, the series 2023-B pool comprises collateral with a minimum FICO score of 670. Unlike the prior HDMOT series, 2023-B includes receivables with weighted average APR above 11.00%, which constitute 29.06% of the pool and generally have lower FICO scores, higher loan-to-value (LTV) ratios, and higher original terms than the lower-APR receivables. Table 2 shows the collateral composition changes from recent HDMOT transactions.

Table 2

Collateral comparison(i)

	HDMOT				
	2023-B	2023-A(ii)	2022-A	2021-B(ii)	2021-A
Receivables balance (mil. $)	575.99	628.51	607.82	635.51	663.10
No. of receivables	30,043	32,361	31,262	32,652	37,093
Avg. loan balance ($)	19,172	19,422	19,443	19,463	17,877
Weighted avg. APR	8.91	7.52	7.22	7.36	7.36
Weighted avg. APR greater than 11% (%)	29.06	N/A	N/A	N/A	N/A
Weighted avg. original term (mos.)	70	71	71	71	72
Weighted avg. remaining term (mos.)	61	62	64	66	64
Weighted avg. seasoning (mos.)	9	9	7	5	8
Weighted avg. FICO score	758	758	756	754	756
Original term greater than 60 mos. (%)	60.11	61.70	63.21	62.62	64.37
New motorcycles (%)	63.90	61.32	64.00	73.94	68.67
Used motorcycles (%)	36.10	38.68	36.00	26.06	31.33

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Table 2

Collateral comparison(i) (cont.)

	HDMOT				
	2023-B	2023-A(ii)	2022-A	2021-B(ii)	2021-A
Top five state concentrations (%)					
	TX= 10.65	CA=10.32	TX=11.07	CA=10.72	TX=10.07
	CA= 9.83	TX=9.30	CA=10.51	TX=10.10	CA=9.84
	FL=7.53	FL=6.80	FL=9.46	FL=7.66	FL=7.19
	PA=4.17	PA=4.48	NC=4.54	NY=4.51	PA=4.30
	NC=4.15	NC=4.38	PA=3.78	NC=4.03	NC=4.05

(i)All percentages are of the initial receivables balance. (ii)Not rated by S&P Global Ratings; data provided by Harley-Davidson Credit Corp. HDMOT--Harley-Davidson Motorcycle Trust. APR--Annual percentage rate. N/A--Not applicable.

Macroeconomic And Auto Finance Sector Outlook

In our view, changes in the unemployment rate are a key determinant of charge-offs in the auto finance industry. We have also observed that recovery values tend to weaken during recessionary periods.

In our analysis, we considered the economic data and forecasts outlined in table 3 and their baseline effect on collateral credit quality in determining our base-case expected loss level.

Despite 500 basis points of official rate hikes, the U.S. economy has remained resilient. First-quarter 2023 real GDP growth came in at 1.3% annualized, and second-quarter GDP is tracking close to 2.0% annualized. In light of the economic resilience, our baseline scenario has a shallower and more attenuated slowdown than previously. Importantly, our baseline U.S. forecast no longer contains a recession. Our updated forecast is for real GDP growth to slow to under 1.0% in the second half of the year and register only 1.3% and 1.5% in 2024 and 2025, respectively. Unemployment will gradually rise to an average of 4.5% in 2025 (see "Economic Outlook U.S. Q3 2023: A Sticky Slowdown Means Higher For Longer," published June 26, 2023).

Inflation remains a concern because it is eroding wage gains and the savings cushion that was built during the pandemic, particularly for those with lower incomes and smaller cushions.

Table 3

U.S. economic factors

	Actual	Forecast			
	2021	2023	2024	2025	2026
Real GDP (% year-over-year growth)	2.1	1.7	1.3	1.5	1.8
Unemployment rate (annual average, %)	3.6	3.5	4.0	4.5	4.6
Consumer Price Index (CPI) (annual average, %)	8.0	4.3	2.7	2.3	2.1

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, and S&P Global Ratings Economics forecasts.

In the auto market, as new vehicle supply imbalances continue to ease and borrowing rates continue to rise, we would expect used vehicle values to normalize to historical levels.

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S&P Global Ratings' Expected Loss: 1.70%

We determined our expected loss for HDMOT 2023-B by analyzing:

- The transaction's collateral characteristics relative to those of outstanding series (see table 2);
- The managed portfolio performance and origination static pool data and their relative performances (see table 4); and,
- The outstanding series' performance (see table 5 and chart 1).

Given the inclusion of the higher APR loans in the 2023-B pool, we placed more emphasis on origination static pool analysis, which incorporated the performance of these loans. We complemented this analysis with our forward-looking view of the economy and the auto finance sector (see the Macroeconomic And Auto Finance Sector Outlook section above).

Overall, we expect HDMOT 2023-B to experience lifetime CNLs of 1.70%, up from 1.45% (1.35%-1.55%) for HDMOT 2022-A.

Managed portfolio

The serviced portfolio of Harley-Davidson Credit Corp. (the seller and servicer of the receivables) grew by approximately 2.14% to $6.61 billion as of June 30, 2023, compared with $6.48 billion one year earlier (see table 4).

We believe Harley-Davidson's current managed portfolio exhibits slightly worse performance than pre-pandemic levels. Total delinquencies (including repossessions) as a percentage of the outstanding loan balance increased to 3.65% in June 2023, compared with 2.97% in June 2022. Annualized net losses as a percentage of the outstanding balance of all serviced contracts increased to 2.64% as of June 2023 from 1.40% in the prior year period. Harley-Davidson Credit Corp. attributed increasing delinquencies and net losses to challenges in the repossession industry and to the overall rise in monthly payments because of increased borrowing costs.

Harley-Davidson's securitizations since 2016, including HDMOT 2023-B, generally consist of higher-quality loans than those of the overall managed portfolio, as the HDMOT securitizations are characterized by a minimum FICO score of 670.

Table 4

Managed portfolio

	As of June 30		Year Ended Dec. 31				
	2023	2022	2022	2021	2020	2019	2018
Portfolio at end of period (mil. $)	6,614.76	6,476.08	6,410.31	6,143.43	5,986.48	6,094.70	6,052.71
Average portfolio balance (mil. $)	6,546.20	6,320.98	6,492.17	6,259.03	6,154.52	6,132.75	6,006.94
No. of receivables contracts outstanding	448,730	456,640	446,200	455,280	468,732	485,222	487,421
Delinquencies (% of total portfolio)(i)							
30-59 days	1.98	1.75	2.30	1.83	1.74	2.32	2.23
60-89 days	0.74	0.60	0.95	0.74	0.68	0.93	0.87
90-plus days	0.94	0.63	1.27	0.78	0.79	1.20	1.04
Total delinquencies	3.65	2.97	4.53	3.35	3.22	4.45	4.14

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Table 4

Managed portfolio (cont.)

	As of June 30		Year Ended Dec. 31				
	2023	2022	2022	2021	2020	2019	2018
Net dollar loss (% of average portfolio balance)(ii)	2.64	1.40	1.89	1.20	1.40	2.00	1.77

(i)Includes delinquent contracts already in repossession. (ii)Annualized for non-annual periods.

Origination static pool analysis

To derive the base-case loss assumptions for the transaction, we examined Harley-Davidson Credit Corp.'s origination net loss static pool data on motorcycle loans that have FICO scores of 670 or above. From the origination static pool data, we developed expected loss ranges stratified by the loans' FICO scores, new and used vehicles, and original terms. We then weighted the loss proxies by the pool's collateral composition to determine an overall loss range. For HDMOT 2023-B, we received static pool data incorporating the performance of loans with APRs over 11%, which resulted in higher projections than for previous HDMOT transactions.

HDMOT series performance

Compared to the paid off transactions from 2009-2015, the outstanding transactions are exhibiting better performance (see chart 1). HDMOT 2016-A was the first series to have a minimum FICO score of 670.

We currently maintain ratings on three outstanding HDMOT transactions: series 2020-A, 2021-A, and 2022-A (see table 5). We reviewed our lifetime loss expectations for the outstanding series on June 29, 2023, and affirmed our ratings on all outstanding classes (see "Seven Ratings Affirmed On Three Harley-Davidson Motorcycle Trust Transactions"). We believe the outstanding HDMOT transactions rated by S&P Global Ratings have adequate credit enhancement to support the classes at their current rating levels. We will continue to monitor the performance of the outstanding transactions to ensure that the credit enhancement remains sufficient, in our view, to cover our cumulative net loss expectations under our stress scenarios for each of the rated classes.

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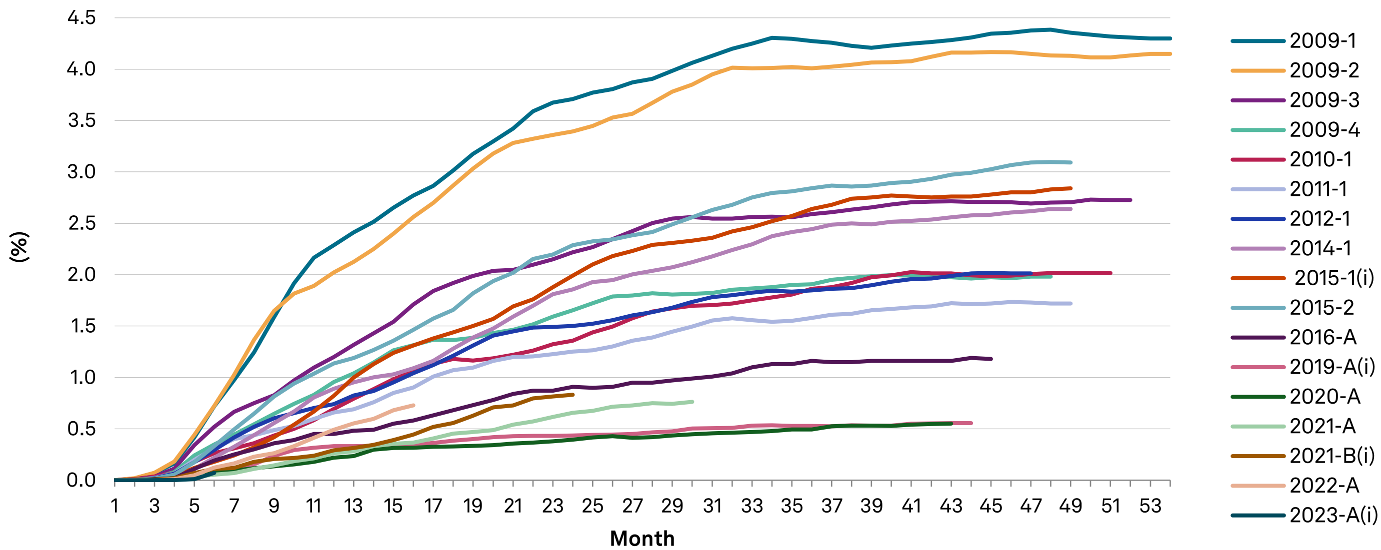
Chart 1

HDMOT securitization cumultative net losses



(i)Not rated by S&P Global Ratings. HDMOT--Harley-Davidson Motorcycle Trust.

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Table 5

Performance data for outstanding Harley-Davidson motorcycle trust transactions(i)

Series	Month	Pool factor (%)	CNL (%)	60-plus-day delinquency (%)(ii)	Initial expected lifetime CNL (%)	Revised expected lifetime CNL (%)(iii)
2020-A	43	9.79	0.55	0.73	1.35-1.55	Up to 0.60
2021-A	30	25.90	0.76	0.88	1.45-1.65	1.10
2022-A	16	53.92	0.73	0.77	1.35-1.55	1.45

(i)As of the August 2023 distribution date. Excludes series 2021-B and 2023-A, which were not rated by S&P Global Ratings. (ii)Calculated as a percentage of the end of month collateral balance. (iii)Revised in June 2023. HDMOT--Harley-Davidson Motorcycle Trust. CNL--Cumulative net loss.

Legal Overview and Transaction Structure

Legal overview

In rating this transaction, S&P Global Ratings will review the legal matters it believes are relevant to its analysis, as outlined in its criteria.

The HDMOT 2023-B transaction is structured as a true sale of the receivables from Harley-Davidson Credit Corp. (the seller and sponsor) to Harley-Davidson Customer Funding Corp. (the depositor). Harley-Davidson Customer Funding Corp., in turn, will transfer and assign the receivables to HDMOT 2023-B, the issuing entity. HDMOT 2023-B will then pledge the rights to the

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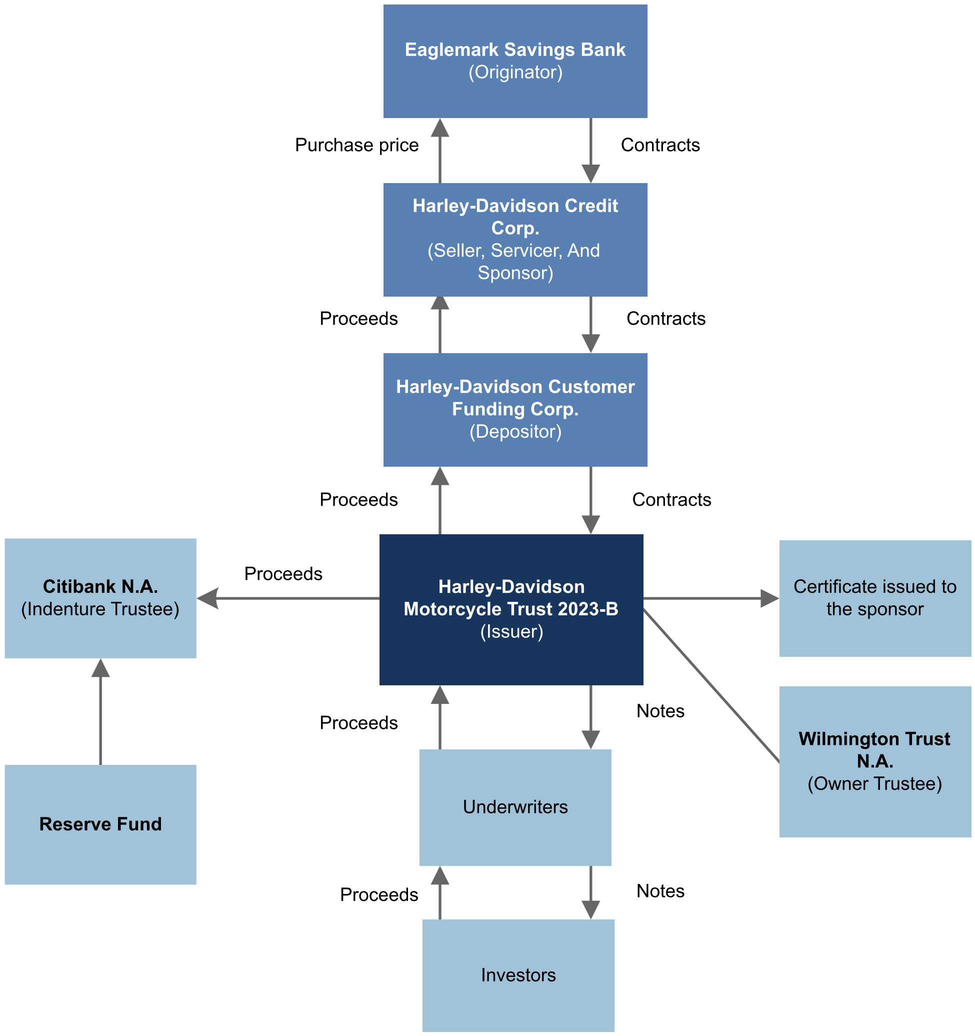
receivables to the indenture trustee for the noteholders' benefit (see chart 2).

Chart 2

Transaction structure



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Transaction structure

HDMOT 2023-B incorporates certain structural features:

- A sequential pay mechanism.
- Nonamortizing overcollateralization that will equal 4.75% of the initial adjusted pool balance.
- A nonamortizing reserve fund that will equal 0.25% of the initial adjusted pool balance.
- A dynamic YSOA that initially comprises approximately 4.24% of the initial adjusted pool balance and will be calculated each month as the pool amortizes based on the difference between the aggregate receivables balance outstanding and the present value of the

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receivables balance, discounted at the greater of 10.00% per year or the receivables' actual APR. The YSOA is sized so that the yield on the contracts with APRs below the YSOA-required rate is raised to the required rate.

- Excess spread, to the extent available after covering net losses, which pays principal on the outstanding notes to build credit enhancement to the target level.

Payment Priority

Interest and principal are scheduled to be paid to the rated notes on the 15th of each month or, if it is not a business day, on the next business day, in the specified priority shown in table 6. The first payment date is Oct. 16, 2023.

Table 6

Payment waterfall

Priority	Payment
1	Servicer reimbursement of any servicer advances.
2	Servicing fee of 1.00% per year.
3	Indenture trustee fee, capped at $150,000 per year.
4	Asset representation review fees and expenses, to the extent not already paid by the administrator on behalf of the issuing entity, capped at $200,000 per year.
5	Class A note interest to the class A noteholders, pro rata.
6	Principal distributable amount, sequentially to the class A noteholders.
7	To the reserve fund, if necessary, to reach the required amount.
8	Unpaid fees and expenses of the indenture trustee not paid in item 3.
9	Unpaid fees and expenses of the asset representations reviewer not paid in item 4.
10	Any remaining amounts to the residual certificateholders.

Cash Flow Modeling Assumptions and Results

In our cash flow analysis, we assess the availability of asset cash flows to meet the transaction's promised obligations under a variety of stress assumptions while considering the transaction structure and available credit support. We also use our cash flow analysis in other aspects of our ratings analysis, including the testing of credit stability (sensitivity analysis) and legal final analysis.

In a stressed scenario, liquidity risk could arise due to interest shortfalls from the yield on the loans being lower than the yield on the bonds (negative carry risk). This could occur because the bonds pay sequentially, leading to higher-coupon debt remaining outstanding at the tail end of the transaction. In this transaction, negative carry risk is being addressed through the YSOA.

Break-even analysis

We modeled the transaction to simulate stressed scenarios that we believe are commensurate with the assigned preliminary ratings (see table 7).

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In our internal cash flow runs, we used a 1.70% expected cumulative net loss and applied the stresses as outlined above. The break-even results show that the class A notes have, in our view, sufficient credit enhancement to withstand a stressed net loss level that is consistent with the assigned preliminary ratings.

In addition to the single-pool method, we also added a supplemental bifurcated-pool method, in which the under-water receivables or low APR loans prepay at a much slower rate than the above-water receivables (for cash flow purposes, we define "under-water receivables" as those with APRs of 5.00% or lower). By running low prepayments (0.25%) on the lower-APR receivables--causing these loans to amortize slower over time--and higher prepayments (1.50%) on the higher-APR receivables, the cash flows stressed the pool's yield and excess spread. Further, we applied slower and faster loss timing curves for the under-water and above-water receivables, respectively, which increases the likelihood that the YSOC will be used for yield enhancement, rather than credit enhancement. Increasing the use of the YSOC for liquidity decreases the amount of the YSOC available to cover credit losses, thereby decreasing break-even levels.

Overall, under both the single-pool and supplemental bifurcated-pool method, the break-even net loss results show that the available credit support for the notes provide coverage appropriate for the assigned preliminary ratings (see table 8).

Table 7

Break-even cash flow assumptions

Voluntary ABS (%)	1.50
Servicing fee (%)	1.00
Recovery rate ('AAA') (%)	50.00
Charge-off and recovery lag (mos.)	4
CNL timing mos. (12/24/36/48/60)(%)	
Front-loaded loss curve	40/75/95/100
Back-loaded loss curve	30/65/85/95/100

ABS--Absolute prepayment speed. Mos.--Months. CNL--Cumulative net loss.

Table 8

Break-even cash flow results

	Class A-1/A-2/A-3/A-4
Preliminary rating	A-1+ (sf)/AAA (sf)
CNL timing mos. (12/24/36/48/60)(%)	
Front-loaded loss curve	40/75/95/100
Back-loaded loss curve	31/67/87/97/100
Approx. break-even CNL levels (%)(i)	
Required	8.5
Available: front-loaded loss curve	9.8
Available: back-loaded loss curve	10.0

(i)The maximum cumulative net losses on the pool, with 90% credit to any excess spread, that the transaction can withstand without triggering a payment default on the relevant classes of notes. CNL--Cumulative net loss.

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Sensitivity analysis

In addition to running break-even cash flows, we undertook sensitivity analysis using the assumptions outlined in table 7. We believe that under a moderate ('BBB') stress scenario (2x of 1.70% expected loss level) and with 90% credit to any excess spread, all else being equal, our preliminary 'AAA (sf)' ratings on the class A notes are within the credit stability limits specified by section A.4 of the Appendix of "S&P Global Ratings Definitions," published June 9, 2023 (see table 9).

Table 9

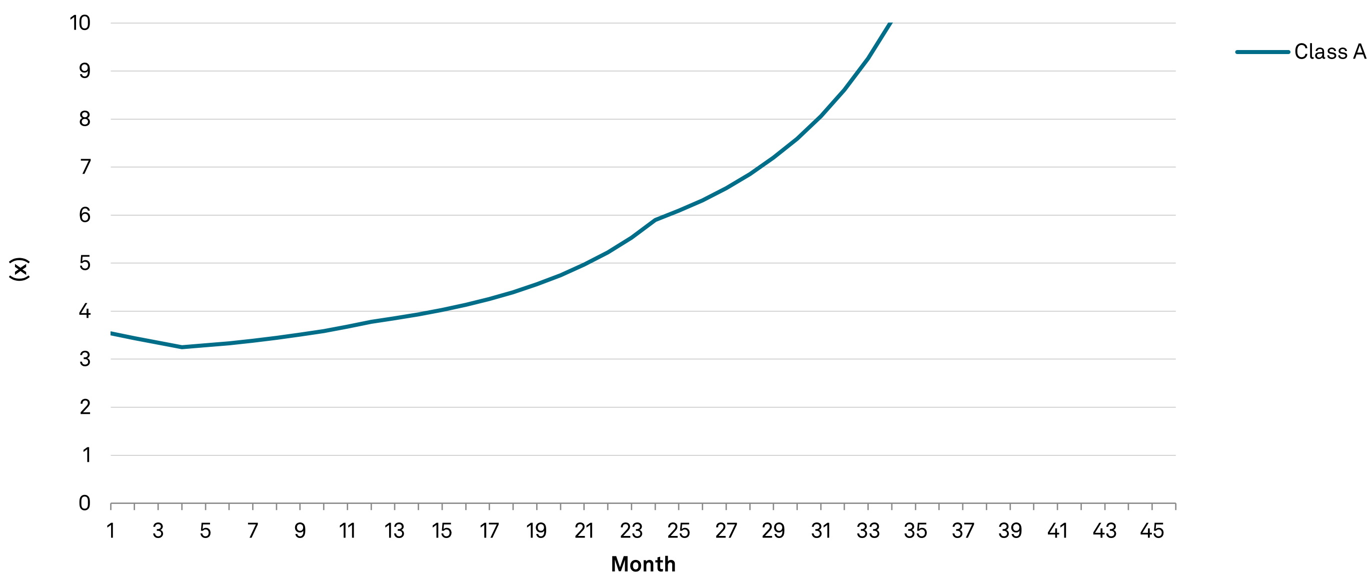
Credit stability as a limiting factor on ratings

	Maximum projected deterioration associated with rating levels for one-year and three-year horizons under moderate stress conditions					
	AAA	**AA**	**A**	**BBB**	**BB**	**B**
One year	AA	A	BB	B	CCC	D
Three years	BBB	BB	B	CCC	D	D

These credit-quality transitions do not reflect our view of the expected degree of deterioration that rated issuers or obligations could experience over the specified time horizons, nor do they reflect the typical historical levels of deterioration among rated issuers and securities.

Chart 3

2.0x cumulative net loss--multiple coverage



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Money market tranche sizing

The proposed class A-1 money market tranche has a final maturity date of Oct. 15, 2024. To test whether the money market tranche can be repaid by then, we ran cash flows using assumptions to delay the principal collections during that time. We assumed zero defaults, and we saw that the money market tranche would be paid off in full before the legal final maturity date, assuming a 0.25% absolute prepayment speed for the collateral.

Legal final maturity

To test the legal final maturity dates proposed for the class A-2, A-3, and A-4 notes, we determined the dates on which the respective notes were fully amortized in a zero-loss, zero-prepayment scenario, plus three months. For the longest-dated security (class A-4), we added at least eight months to the tenor of the longest receivable in the pool to accommodate potential extensions. Furthermore, we verified that in the break-even scenario for each respective preliminary rating level there was sufficient credit enhancement to both cover losses and repay the related notes in full by the legal final maturity date.

Counterparty And Operational Risks

Bank account provider

On or before the closing date, the series bank accounts will be established with Citibank N.A., the indenture trustee and bank account provider, as segregated trusts accounts. The bank account provider is consistent with our counterparty criteria for a 'AAA' supported transaction (see "Counterparty Risk Framework: Methodology And Assumptions," published March 8, 2019).

Servicer

As servicer, Harley-Davidson Credit Corp. has an experienced management team that oversees origination, underwriting, servicing, collections, and general operational practices. Harley-Davidson Credit Corp. satisfies our requirements for commingling risk by the requirement that all collections are deposited into the series collections account within two business days of collection. Our operational risk assessment of Harley-Davidson Credit Corp. as servicer does not constrain the ratings (see "Global Framework For Assessing Operational Risk In Structured Finance Transactions," published Oct. 9, 2014).

Harley-Davidson Credit Corp.

Harley-Davidson Credit Corp. (A-3) is a wholly owned subsidiary of Harley-Davidson Financial Services Inc. Harley-Davidson Credit Corp. has been securitizing motorcycle contracts from retail purchases between Harley-Davidson motorcycle dealers and customers since 1994. Since then, Harley-Davidson Credit Corp. has securitized approximately $32.9 billion in motorcycle contracts. Harley-Davidson Inc. (BBB-/Stable/--) is the U.S. market leader in the premium, custom, and touring segments of the heavyweight motorcycle market. The 'BBB-' rating reflects S&P Global Ratings' view of the company's financial risk profile as minimal and its business risk profile as fair.

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Related Criteria

- Criteria | Structured Finance | ABS: Global Auto ABS Methodology And Assumptions, March 31, 2022
- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- Criteria | Structured Finance | General: Global Framework For Payment Structure And Cash Flow Analysis Of Structured Finance Securities, Dec. 22, 2020
- Criteria | Structured Finance | Legal: U.S. Structured Finance Asset Isolation And Special-Purpose Entity Criteria, May 15, 2019
- Criteria | Structured Finance | General: Counterparty Risk Framework: Methodology And Assumptions, March 8, 2019
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- Criteria | Structured Finance | General: Methodology For Servicer Risk Assessment, May 28, 2009

Related Research

- Harley-Davidson Inc., Aug. 28, 2023
- U.S. Auto Loan ABS Tracker: June 2023 Performance, Aug. 15, 2023
- Seven Ratings Affirmed On Three Harley-Davidson Motorcycle Trust Transactions, June 29, 2023
- Credit Conditions North America Q3 2023: Risks vs. Resilience, June 27, 2023
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