Due to amendments to MAS Notices 637 and 656, the securitisation SPIN process results must be validated to ensure accuracy in credit regulatory reporting computations. To develop a SQL query for the validation, the underlying details are examined.

By referencing the TBIS_SECURITIZATION_LIST DB table, the securitisation SPIN process identifies securitisation records from the FACILITY DB tables and insert them into the CREDIT_RATING DB table together with their corresponding credit ratings from the TBIS_SECURITIZATION_LIST table.

FACILITY (DB Table)

CONTRACT_REFERENCE	COUNTERPARTY_CODE	IMPORT_SOURCE
REF123	TH123	LES
REF789	TH123	LES

TBIS_SECURITIZATION_LIST (DB Table)

CUST_CODE	CONTRACT_REFERENCE	IMPORT_SOURCE	ACTIVE
TH123	REF123	LES	Y
TH123	REF456	LES	N
TH123			Y

LT_INFERRED_RATING_NONGMP	LT_FITCH_RATING_NONGMP	LT_MOODYS_RATING_NONGMP	LT_STDPOORS_RATING_NONGMP
	A	A+	Aa3
A			
BBB			

ST_INFERRED_RATING_NONGMP	ST_FITCH_RATING_NONGMP	ST_MOODYS_RATING_NONGMP	ST_STDPOORS_RATING_NONGMP
	BBB	A-	
AA			
BB			

The securitisation SPIN process consists of two main components:

1. Identification of Securitisation Records
2. Population of corresponding Credit Ratings

Identification of Securitisation Records

(1)

It is a securitisation record if:

- FACILITY.COUNTERPARTY_CODE=TBIS_SECURITIZATION_LIST.CUST_CODE,
- FACILITY.CONTRACT_REFERENCE=TBIS_SECURITIZATION_LIST.CONTRACT_REFERENCE,
- FACILITY.IMPORT_SOURCE=TBIS_SECURITIZATION_LIST.IMPORT_SOURCE,
- TBIS_SECURITIZATION_LIST.ACTIVE='Y' or NULL

(2)

If (1) is not true and all the following conditions are met, it is a securitisation record.

- FACILITY.COUNTERPARTY_CODE=TBIS_SECURITIZATION_LIST.CUST_CODE,
- TBIS_SECURITIZATION_LIST.CONTRACT_REFERENCE=NULL,
- TBIS_SECURITIZATION_LIST.IMPORT_SOURCE=NULL,
- TBIS_SECURITIZATION_LIST.ACTIVE='Y' or NULL

A NULL in the TBIS_SECURITIZATION_LIST.CONTRACT_REFERENCE or TBIS_SECURITIZATION_LIST.IMPORT_SOURCE columns is treated as a wildcard during the matching process.

(3)

If the following conditions are met,

- FACILITY.COUNTERPARTY_CODE=TBIS_SECURITIZATION_LIST.CUST_CODE,
- FACILITY.CONTRACT_REFERENCE=TBIS_SECURITIZATION_LIST.CONTRACT_REFERENCE,
- FACILITY.IMPORT_SOURCE=TBIS_SECURITIZATION_LIST.IMPORT_SOURCE,
- TBIS_SECURITIZATION_LIST.ACTIVE='N'

then the record must not be classified as a securitisation record, even if (2) is satisfied.

Population of corresponding Credit Ratings

CREDIT RATING (DB Table)

Columns

REFEREN CE	IMPORT_SOU RCE	AGENCY_C ODE	RATING_C ODE	SHORT_TERM_RA TING

If a securitisation record has multiple credit ratings in TBIS_SECURITIZATION_LIST, it must be split into separate records in the CREDIT_RATING table, based on the AGENCY_CODE. The possible AGENCY_CODE outputs are

- INFERRED
- FITCHINV
- MOODYS
- STD_POORS

REFER ENCE	IMPORT_S OURCE	AGENCY _CODE	RATING_CODE	SHORT_TERM_RAT ING
REF123	LES	INFERRED	(LT_INFERRED_RATI NG_NONGMP)	(ST_INFERRED_RATI NG_NONGMP)
REF123	LES	FITCHINV	(LT_FITCH_RATING_ NONGMP)	(ST_FITCH_RATING_ NONGMP)
REF123	LES	MOODYS	(LT_MOODYS_RATIN G_NONGMP)	(ST_MOODYS_RATIN G_NONGMP)
REF123	LES	STD_POO RS	(LT_STDPOORS_RATI NG_NONGMP)	(ST_STDPOORS_RAT ING_NONGMP)