

SECURITIES TRANSACTIONS SHOW NEW CONFIDENCE IN PORTUGUESE ASSETS - VIEIRA DE ALMEIDA

Posted on 22/04/2014



Category: [Uncategorized](#)



Renewed market confidence in Portuguese assets has been demonstrated by the fact that the first significant asset-backed securities transaction originated with banking assets in the country since the start of the financial crisis was successfully placed in February. Originated by BANIF, €437m of bonds related to loan portfolios for small and medium-sized enterprises were arranged and placed internationally by StormHarbour and BanifInvestimento in a deal called Atlantes SME 3.

For Pedro Cassiano and Paula Gomes Freire, Partners at Vieira de Almeida – the Portuguese law firm that worked on the transaction – the fact Atlantes SME 3 comes shortly after the Volta transaction in 2013, is a positive sign.

“These transactions not only demonstrate how asset-backed securities can enable a jurisdiction like Portugal to gain access to the market in difficult times, they signify the renewed confidence of the markets in Portuguese assets,” Cassiano says.

And while Volta achieved the successful placement of Portuguese energy generation tariff deficits – thereby demonstrating the relevant pools and pipelines of receivables from many sectors of the

economy that could take advantage of the resurgence of the asset-backed world – what is of significance to Gomes Freire is that the greatest number of these transactions are still originated by banks. “They are essentially the sellers, the ones signing the portfolios for asset-backed transactions,” she says.



Cassiano and Gomes Freire believe this kind of transaction has potential for Iberia as a whole as it shows that – in a harsh environment – a small bank, recently recapitalised by the state, with a very demanding asset type such as loans to SMEs, can access the internal markets. Cassiano concludes both Spain and Portugal will access the markets more often, though transactions must be more robust to please investors.