

Ratings Lowered On Class A And B Notes In BBVA Consumo 3's Spanish ABS Transaction

Surveillance Credit Analyst:

Chiara Sardelli, Madrid (34) 91-389-6966; chiara_sardelli@standardandpoors.com

OVERVIEW

- Today's rating actions follow a review of the transaction's performance and an updated credit and cash flow analysis.
- We have lowered our ratings on all classes of notes in this transaction.
- A pool of consumer loans originated by BBVA and BBVA Finanzia backs the notes in this transaction.

MADRID (Standard & Poor's) July 19, 2010--Standard & Poor's Ratings Services today lowered and removed from CreditWatch negative its credit ratings on the class A and B notes in BBVA Consumo 3 Fondo de Titulizacion de Activos (see list below).

Today's rating actions follow a credit and cash flow analysis of the most recent transaction information we have received.

The current outstanding balance is about 62.1% of the issuance balance. BBVA Consumo 3 ended its revolving period one year ahead of the February 2010 scheduled due date, because the delinquency rate was higher than the threshold early amortization trigger level of 2.2%. As of June 2010, loans more than three months in arrears and not yet defaulted accounted for 3.12% of the outstanding balance. The credit support from the cash reserve is currently lower than at closing. In our view, the risk of severely delinquent loans becoming defaulted is significant--which would lead to further draws on the reserve. As of the May payment date, the level of the cash reserve was 1.68% of the principal balance outstanding of the notes, compared with 2.30% at closing.

BBVA Consumo 3 has experienced cumulative defaults of 3.70%--calculated as a

Ratings Lowered On Class A And B Notes In BBVA Consumo 3's Spanish ABS Transaction

percentage of the original balance and adjusting for all assets purchased during the revolving period--compared with an unstressed base case of 3.80% that we assumed at closing.

As of the latest available report, the recovery rates as a percentage of defaulted loans are 7.15%, which is lower than our unstressed assumptions as of closing. The current high unemployment rate and our view of the current Spanish economic environment are further adverse factors that lead us to believe that the transaction will continue to experience relatively high defaults and low recoveries.

Based on our cash flow and credit analysis, we consider that the current credit enhancement levels are not sufficient to support the initial ratings. We will maintain contact with the originator to monitor the status of the delinquent loans, and we aim to promptly detect any eventual or further performance deterioration that may occur.

The notes in BBVA Consumo 3 are backed by a portfolio of Spanish consumer loans originated by Banco Bilbao Vizcaya Argentaria, S.A. (BBVA) and Finanzia Banco de Credito, S.A. (BBVA Finanzia).

RELATED CRITERIA AND RESEARCH

- Principles-Based Rating Methodology For Global Structured Finance Securities, May 29, 2007
- European Consumer Finance Criteria, March 10, 2000

Related articles are available on RatingsDirect. Criteria, presales, servicer evaluations, and ratings information can also be found on Standard & Poor's Web site at www.standardandpoors.com. Alternatively, call one of the following Standard & Poor's numbers: Client Support Europe (44) 20-7176-7176; London Press Office (44) 20-7176-3605; Paris (33) 1-4420-6708; Frankfurt (49) 69-33-999-225; Stockholm (46) 8-440-5914; or Moscow (7) 495-783-4011.

RATINGS LIST

Class	Rating
	To From

RATINGS LOWERED AND REMOVED FROM CREDITWATCH NEGATIVE

BBVA Consumo 3, Fondo de Titulizacion de Activos
€975 Million Asset-Backed Floating-Rate Notes

A	AA+	AAA/Watch Neg
B	BBB	A-/Watch Neg

Ratings Lowered On Class A And B Notes In BBVA Consumo 3's Spanish ABS Transaction

Additional Contact:

Structured Finance Europe; StructuredFinanceEurope@standardandpoors.com

Copyright (c) 2010 by Standard & Poor's Financial Services LLC (S&P), a subsidiary of The McGraw-Hill Companies, Inc. All rights reserved.

No content (including ratings, credit-related analyses and data, model, software or other application or output therefrom) or any part thereof (Content) may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of S&P. The Content shall not be used for any unlawful or unauthorized purposes. S&P, its affiliates, and any third-party providers, as well as their directors, officers, shareholders, employees or agents (collectively S&P Parties) do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content, or for the security or maintenance of any data input by the user. The Content is provided on an "as is" basis. S&P PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

Credit-related analyses, including ratings, and statements in the Content are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or to make any investment decisions. S&P assumes no obligation to update the Content following publication in any form or format. The Content should not be relied on and is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment and other business decisions. S&P's opinions and analyses do not address the suitability of any security. S&P does not act as a fiduciary or an investment advisor. While S&P has obtained information from sources it believes to be reliable, S&P does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives.

S&P keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain business units of S&P may have information that is not available to other S&P business units. S&P has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

S&P may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of securities or from obligors. S&P reserves the right to disseminate its opinions and analyses. S&P's public ratings and analyses are made available on its Web sites, www.standardandpoors.com (free of charge), and www.ratingsdirect.com and www.globalcreditportal.com (subscription), and may be distributed through other means, including via S&P publications and third-party redistributors. Additional information about our ratings fees is available at www.standardandpoors.com/usratingsfees.

The McGraw-Hill Companies