Class A

ISIN: ES0305332001

Amount: 760,000,000 €

Coupon: EUR1M + 0.20%

Class B

ISIN: ES0305332019

Amount: 240,000,000 €

Coupon: EUR1M + 0.30%

First rating date: 03/05/2018
Review date: 30/12/2019

Analysts

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Executive Summary

IM BCC CAJAMAR PYME 2, FT is a cash flow securitization transaction with a static pool and structured under Spanish legislation. The collateral is a portfolio of loans granted to small and mid-sized enterprises and self-employed individuals, located in Spain and originated by Cajamar Caja Rural, Sociedad Cooperativa de Crédito ("Cajamar"). As of 31 October 2019, the transaction´s portfolio included 6,335 loans and 5,562 obligors. The legal maturity date is 22 June 2057.

Class	Rating	Amount (Thds€)	Coupon	Credit Enhancement	Legal Maturity Date
A	AAA(sf)	128,199	EUR1M + 0.20%	73.33%	22/06/2057
B	CCC(sf)	240,000	EUR1M + 0.30%	8.15%	22/06/2057
Reserve Fund	-	30,000			

(1) As of payment date 22 November 2019

The rating on the Series A Notes addresses the timely payment of interest and the ultimate payment of principal on or before the legal final maturity date. The rating on the Series B Notes addresses the ultimate payment of interest and principal on or before the legal final maturity date established on the prospectus.

Rating Rationale

Axesor rating has affirmed its rating to AAA(sf) for the Series A Notes and upgraded to CCC(sf) from CC(sf) the Series B Notes issued by IM BCC CAJAMAR PYME 2 FT.

The rating on the Series A Notes addresses the timely payment of interest and the ultimate payment of principal on or before the legal final maturity date. The rating on the Series B Notes addresses the ultimate payment of interest and principal on or before the legal final maturity date.

Axesor has reviewed the transaction and the ratings on the Series A and Series B Notes are based on the analysis of the portfolio performance as of 31 October 2019, the current credit enhancement (CE) level available to the Series A and Series B and in the portfolio default rates, recovery rates and expected losses for the remaining portfolio.

It is important to recall that at the end of October 2018, Cajamar entered into an agreement with the Fund to repurchase back 7,501 loans by an amount of 348,254,345 EUR that was aimed to partially amortise the Class A Notes. Therefore, thanks to the accelerated deleverage of the transaction as result of the portfolio repurchase, the credit enhancement for the Series A has increased 46,33% since the closing date of the transaction (from an initial CE of 27.00% up to 73.33% as of the payment date falling on November 2019). Additionallty, the CE of the Series B has increased up to 8.15% (from 3.00% at the closing date of the transaction).

Regarding the portfolio performance, it is within Axesor´s expectations. As of 31 October 2019, the portfolio reported a delinquency ratio +90d of 1.87% and a default ratio of 0.06%.
The pool exhibits improved credit metrics since the initial closing date and prior reviews. Axesor has recalculated its assumptions for the cash flow analysis. Additionally, Axesor conducted a sensitivity analysis to assess the impact on the rating of changes in the expected default and recovery rates, individually or combined over the base case assumptions.

Sensitivities	Class A	Class B
DR +20%	AAA(sf)	CC(sf)
DR +40%	AAA(sf)	CC(sf)
RR - 20%	AAA(sf)	CC(sf)
RR - 40%	AAA(sf)	CC(sf)
DR +20% & RR - 20%	AAA(sf)	CC(sf)
DR +40% & RR - 40%	AA+(sf)	C(sf)

As previously commented, CE for the Class A has increased to 73.33% from 27.00% at the initial closing, and for the Class B has increased to 8.15% from 3.00% at the inicial closing due to the deleveraging of the transaction. Following the application of our credit and cash flow stresses, the available credit enhancement for both Series commensurate with a AAA(sf) rating for Series A and CCC(sf) for Series B Notes.

As set out in the documentation of the transaction, the Series A and Series B Notes were accruing at fixed interest rate. From the payment date 11 November 20 both Series A and Series B bonds will switch to floating and both Series shall accrue a nominal interest rate referenced to 1-month Euribor.

The transaction is exposed to counterparty risk through Banco Santander S.A. as bank account provider and paying agent of the notes. The transaction's documented rating requirements for Banco Santander S.A. under its different roles and its replacement mechanisms, adequately mitigate its exposure to counterparty risk.

Main Figures:

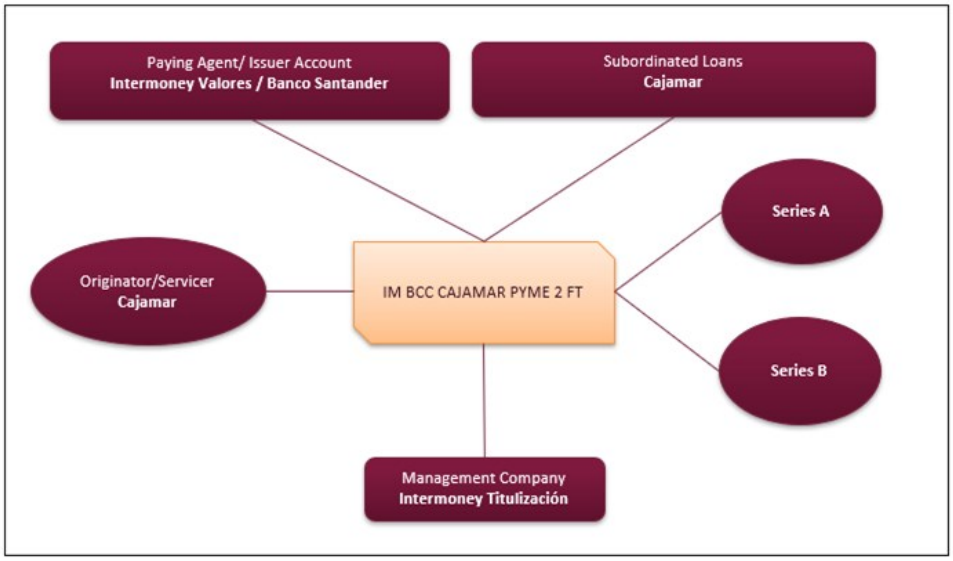
Main figures	Issuance Data
Issuer	IM BCC Cajamar PYME 2 FT
Purpose	Liquidity and Funding
Fund Type	Closed
Asset Class	SMEs Loans
Constitution Date	25/04/2018
Closing Date	04/05/2018
Assets (31 October 2019)	368,199,517 EUR
Liabilities (Payment date 22/11/2019)	368,199,536 EUR
Listing	AIAF
Settlement	IBERCLEAR
Clean-Up Call	10.00%
Payment Dates	22nd of each month
Legal Maturity Date	22/06/20570

Source: IM Titulización, S.A., SGFT

Participants

Participants	Function
Cajamar, Caja Rural, S.C.C	Seller
Cajamar, Caja Rural, S.C.C	Servicer
Cajamar, Caja Rural, S.C.C	Arranger
Intermoney Titulización S.A. SGFT	Management Company
Banco Santander, S.A	Paying Agent
Banco Santander, S.A.	Bank Account
PriceWaterhouseCoopers Auditores, S.L	Auditor
J&A GARRIGUES, S.L.P	Legal Adviser

Transaction Diagram



Regulatory information

Sources of information

The credit rating assigned in this report has been made solicited by the originator of the assets, taking part in the process. The credit rating is based in:

1. Public information from public access sources.
2. Information provided by the originator of assets assigned or that shall be assigned to the securitization fund.

From the time of the assignment of the credit rating, all information provided by the originator of the assets, by the servicer of the assets (other than the originator) o by a third participant in the transaction, shall be reviewed and analyzed with the aim to assess the following issues:

1. The performance of the credit quality of the assets comprising the collateral of the Fund.
2. The level of credit enhancement.
3. The evolution of the quantitative triggers of the Fund.
4. The evolution of the qualitative triggers (counterparty risks).

The information has been thoroughly reviewed to ensure that it is valid, coherent and consistent and it is considered as satisfactory. Nevertheless, Axesor Rating assumes no responsibility for the accuracy of the information provided and the conclusions drawn from it.

Additional information

- The rating was carried out in accordance with Regulation (EC) N°1060/2009 of the European Parliament and the Council of 16 September 2009, on credit rating agencies, and in accordance with the Structured Finance Rating Methodology that can be consulted on www.axesor-rating.com/en/about-axesor/methodology and according to the Structured Finance Rating scale available at www.axesor-rating.com/en/about-axesor/rating-scale.
- Axesor publishes data on the historical default rates of the rating categories, which are located in the central statistics repository CEREP, of the European Securities and Markets Authority (ESMA).
- In accordance with Article 6 (2), in conjunction with Annex I, section B (4) of the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009, it is reported that during the last 12 months axesor has provided ancillary services to related third parties of the rated entity, but not to the rated entity. However, according to our Conflict of Interest Policy, it does not involve a conflict of interest, since the aggregate sale does not exceed 5% of net turnover.
- The issued credit rating has been notified to the rated entity, and has not been modified since.