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Welcome to the Spring 2018 issue of *The Journal of Structured Finance*. The structured finance market is chugging along. U.S. ABS issuance through March is slightly up compared with the levels at the same point in 2017, though CDO issuance is somewhat lower (according to SIFMA figures). Non-agency MBS issuance was strong in 2017, but it seems to be off to a slow start for the first three months of 2018. On the other hand, GSE risk transfer deals offer mortgage credit investors a potential alternative.

This year is the 10th anniversary of the start of the financial crisis. As such, it calls for some thoughtful reflection about whether things have changed in ways that will protect investors from the problems they faced in the aftermath.

By some measures, a lot is different. Some of the most toxic mortgage products have gone the way of the dinosaur, and there is greater awareness of the limitations of quantitative models. By other measures, however, things are pretty much the same. Structured finance investors still receive little, if any, protection under the federal securities laws because of the short period of time for bringing a lawsuit. Giving structured finance investors more time to enforce their rights might have made a bigger difference than all the other changes in the Dodd–Frank Act put together.

Also, despite the introduction of the "deal agent" (under Regulation AB) and the CMBS "operating advisor" (under the risk retention rules), the mechanisms for actually putting defective loans back to a deal's sponsor don't seem to have evolved past their ineffective pre-crisis forms. All market participants—but especially investors—need to understand their rights and the risks to which they are exposed. For structured finance to actually work, it has to be about a deal's underlying assets and not about trusting the deal's sponsor to be cooperative in the future if loans are found to be defective.

This issue's lineup of articles begins with an examination of the issues and potential alternatives for replacing LIBOR by Stephen Kudenholdt, head of the structured finance practice at Dentons in New York. Replacing LIBOR is undoubtedly one of the biggest issues facing the market. The matter should be of keen interest to holders of floating-rate securities because a biased replacement could potentially diminish the value of their holdings.

Eric Ibara, director of residual value consulting at Kelley Blue Book in Irvine, California, discusses auto residual valuations and how today's changing environment creates novel challenges. He concludes that the current environment produces greater uncertainty and, potentially, larger margins of error in residual value estimates.

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Jeffrey Stern, co-chair of the structured finance practice at Winston & Strawn in New York, provides an update on the CLO sector. He covers a wide range of issues, including the recent decision by the U.S. Court of Appeals for the District of Columbia providing relief from risk retention for CLOs.

Andre Cappon, Alexander Gorenstein, Stephan Mignot, and Guy Manuel, all of the CBM Group in New York, explore one of the notable attributes of rating agency rating scales: the geometric progression of default likelihood as one moves down the scale. They illustrate how this property of rating scales can be used as a tool for estimating the default risk of banks in emerging markets. They use Brazil as an example.

Alexander Malyshev, a partner at Carter Ledyard & Milburn in New York, explains the important *en banc* decision by the U.S. Court of Appeals for the District of Columbia in *PHH Corp. v. CFPB*. The full court reversed an earlier ruling that the CFPB's organizational structure was unconstitutional.

Saifedean Ammous, a professor at the Lebanese American University in Beirut, examines the volatility of Bitcoin. Bitcoin's recent high volatility calls into question the asset's suitability for securitization.

Cameron Gee, a shareholder at Vedder Price in New York, writes about financing pre-delivery payments for aircraft. Financing such payments raises a host of issues that are illuminating, not only for the aircraft ABS sector but also for structured finance in general.

Wantao Yang, a senior partner at Zhong Lun in Shanghai, and Jiequn Guo, a professor in the PBC School of Finance at Tsinghua University in Beijing, discuss the potential for the master trust structure to greatly enhance securitization activity in China.

In addition, the issue includes highlights from GlobalCapital and a selection of industry news items from the Structured Finance Industry Group (SFIG), in both cases covering Q1 2018.

As always, we welcome your submissions. Please encourage those you know who have good articles or have made good presentations related to structured finance or project finance to submit them to us. Submission guidelines can be found at http://jsf.iijournals.com/authors. If you have comments or suggestions, you can e-mail me directly at mark.adelson@iijournals.com.

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