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Here is the Fall 2018 issue of *The Journal of Structured Finance*. The US structured finance market is on pace to have a very good year. The recent ABS East 2018 event in Miami Beach attracted nearly 5,000 attendees, setting a record for issuance at the industry's Fall event. Although the Federal Reserve is raising interest rates, the general view is that the next recession is still more than a year away. Moreover, modest rate increases may not be all bad. According to "King of the Mountain: The Shiller P/E and Macroeconomic Conditions," from the Fall 2017 issue of *The Journal of Portfolio Management*, the conditions for strong P/E ratios are around a 10-year Treasury yield of 3% and inflation (measured by the 1-year trailing Consumer Price Index) of 1.36%. As I write this, the 10-year Treasury yield stands at 3.065% and inflation is at 2.7%, conditions associated with average price-to-earnings ratios of nearly 20.

This issue's lineup of articles begins with an article by Eric Kolchinsky, director of the Structured Securities Group of the National Association of Insurance Commissioners. Kolchinsky provides an introduction to machine-learning systems and their potential in the area of structured finance.

John Ruddy, Murli Rajan, Iordanis Petsas, and Vince Rocco (all at the University of Scranton) write about the cost of litigation for a selection of large banks. They find that 13 large banks have paid an aggregate of roughly $200 billion in verdicts, settlements, and expenses for RMBS-related and other litigation stemming from the financial crisis.

Gene Phillips of PF2 Securities Evaluations writes about financial market gatekeepers and correction mechanisms that appeared to have failed in the last financial crisis. He argues that gatekeepers, such as rating agencies and auditors, must be motivated to compete on quality rather than on the laxity of their oversight.

Vikas Srivastava and Surya Dashottar, both of the Indian Institute of Management, consider approaches for improving the ability to turnaround distressed infrastructure projects in India. Despite the recent adoption of a new bankruptcy code, the authors argue that additional steps, such as the establishment of a debtor-in-possession priority-financing mechanism or government guarantees, in appropriate cases, are necessary.

Joseph Pimbley of Maxwell Consulting (and also the new editor of our sister publication, *The Journal of Derivatives*) writes about a new model of credit defaults that melds Student's *t*-distribution with the Vasicek model of portfolio credit losses. He calls the result the T-Vasicek model and demonstrates that it offers particular advantage over other approaches.

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Ezana Ceman and Francis Parisi, both of Pace University, apply extreme-value theory to assess the valuation "haircuts" that S&P uses in its ratings of US leveraged closed-end funds. The haircuts reflect assumptions about the potential market value decline of a funds assets. They find that the haircuts that S&P uses are consistent with the rating agency's definitions of its ratings symbols.

John Hill, formerly with Credit Suisse, writes about a technique for mitigating certain forms of model risk in financial institutions. He explains the value of coding models to record key information about their use in a central database within a firm.

Carlos Ortiz of Arcadia University, Charles Stone of Brooklyn College, and Anne Zissu of CUNY and NYU present a model for analyzing pools of life settlements. They demonstrate that under certain conditions, pools with very different expected mortality profiles but the same cost of capital can have the same value.

In addition, the issue includes the final print version of my report on the May 2018 CLO conference in New York City. The issue also includes highlights from GlobalCapital and a selection of industry news items from the Structured Finance Industry Group (SFIG), in both cases covering Q3 2018.

As always, we welcome your submissions. Please encourage those you know who have good papers or have made good presentations on structured finance—or project finance—related subjects to submit them to us.

Submission guidelines can be found at http://jsf.iprjournals.com/authors. If you have comments or suggestions, you can e-mail me directly at M.Adelson@PageantMedia.com.

Mark Adelson
Editor