

**Best Monoline Insurer for
Securitisation**
Ambac Assurance

Ambac Assurance has now won this award for the third time, although strong showings from XL, FGIC, FSA and MBIA show that there is increasing competition for the monoline title.

In many ways it has been a difficult year for monoline insurers. Narrow credit spreads in the investment grade and high yield markets, and excess liquidity in the banking sector provide very competitive financing terms, reducing the need for wrapped corporate securitisations.

On the other hand the cheap financing available in the bank markets has, increased the potential for large leveraged buy-outs, many of which, by virtue of their size and complexity, are ideally suited to wrapped issues.

Ambac was also one of three monolines involved in the £2.2bn Scotland and Southern Gas Networks, the refinancing of UK gas distribution networks sold by Transco last year to Scotia Gas Networks. The deal was the first in its asset class, made all the more complex by the absence of any operating history on the part of the two

When the going gets tough

borrowing companies.

Ambac, along with MBIA, also played a core role in the financing of Hertz Corp's acquisition by Clayton, Dubilier & Rice, The Carlyle Group and Merrill Lynch, which was completed simultaneously with a \$4.3bn corporate securitisation. That deal won our Best Securitisation of North American Assets award.

And, like its rivals, Ambac has managed to keep busy by developing new markets and asset classes. Notable deals include a slew of future flow issues from Turkey, as well as the first term future flow securitisation from Kazakhstan, Kazkommertz DPR, which was arranged by JP Morgan and WestLB.

And it has also expanded, setting up a Milan office in April, which is run by Vito Semeraro, to seize upon the growing market for PPP in Italy.

2005 has also been a year of change. In May the monoline moved its UK chairman, John Uhlein, back to New York to build

the company's domestic structured finance business, and brought the UK office under the control of Douglas Renfield-Miller, who had previously run its non European international business. **RS**

No one has seen anything quite like it.



Scotia Gas Network's tightly wapped package