



Securitisation in Luxembourg

PwC Market Survey 2026

(in cooperation with LuxCMA)



Foreword

As we move through 2026, Luxembourg's securitisation market continues to stand out for its strong momentum and ability to perform in a challenging global environment. Over the past year, the market not only proved to be resilient but also delivered one of its strongest performances in recent years, reinforcing Luxembourg's position as a leading hub for securitisation activity.

This momentum became increasingly visible over the course of 2025 and culminated in a particularly strong finish. By year-end, the number of active securitisation vehicles had risen to 1,682, up from 1,541 at the end of 2024. This reflected a very active year for new vehicle formation, with 221 new securitisation vehicles established during the period, marking an all-time annual high since the Securitisation Law was introduced in 2004.

The perspectives captured in our 2026 PwC Market Survey, conducted once again in collaboration with the Luxembourg Capital Market Association (LuxCMA), offer a clear view of how market participants see the Luxembourg securitisation market evolving. Drawing on input from a broad cross-section of stakeholders, including corporate servicers, law firms, banks, originators, investors and arrangers, the survey highlights both outlook and expectations for the market's direction for the periods ahead.

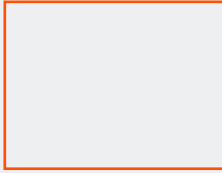
This year's survey examines a broad set of themes that reflect both today's market realities and the developments shaping its future. It analyses the main features of securitisation vehicles, from asset classes and refinancing instruments to listing venues and investor profiles. It also addresses key regulatory developments at EU and Luxembourg level, the implications of recent legislative changes and expectations for future growth. In addition, it brings into focus the opportunities and challenges expected to define the next phase of the Luxembourg securitisation market.

We would like to extend our sincere thanks to all those who contributed to the survey and shared their valuable perspectives. As always, we would also like to acknowledge our continued collaboration with LuxCMA in bringing this survey to life.

It is important to note that while this survey offers valuable insights, it is not a statistical report and should not be considered a comprehensive representation of the Luxembourg securitisation market. Rather, it reflects the views and perceptions of key market players, providing a snapshot of where the industry stands today and where it is heading.

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Securitisation vehicle characteristics

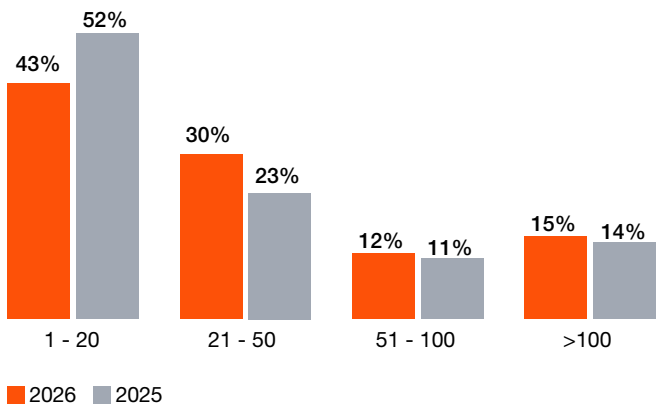


The 2026 survey results continue to confirm that the management and advisory of securitisation vehicles remains largely the domain of specialised market participants. The largest group of respondents continues to service between 1 and 20 securitisation vehicles; however, this segment has declined year on year, representing 43% of responses compared to 52% in 2025, signalling a gradual shift towards larger servicing portfolios. This trend is further reflected in the growing share of respondents managing between 21 and 50 vehicles, which increased to 30% from 23% in the prior year. The expansion of this segment is consistent with the record level of securitisation vehicle creations observed in 2025, which has contributed to a natural scaling-up of portfolios among established market participants. Overall, the results point to a steady expansion of securitisation activities, reinforcing it as an increasingly integral component of the Luxembourg financial ecosystem.

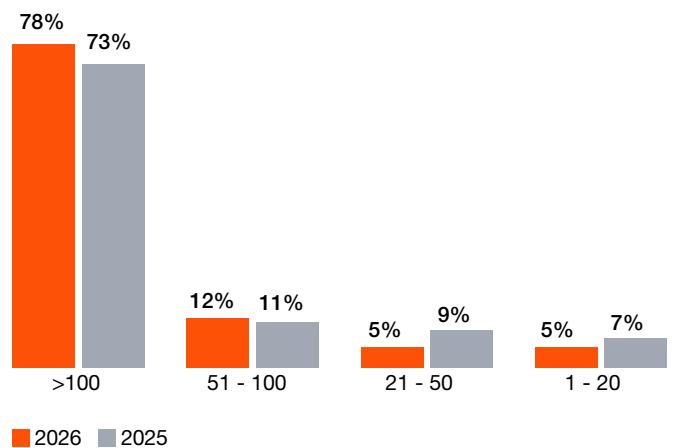
In terms of transaction sizes, the survey results confirm a continued dominance of larger deals. A clear majority of respondents (78%) report that the typical securitisation transaction they observe exceeds EUR 100 million, further strengthening a trend already visible in 2025, when this category represented 73% of responses. This stability at the upper end highlights not only sustained interest in securitisation, but also a preference for launching and maintaining structures with substantial underlying portfolios.

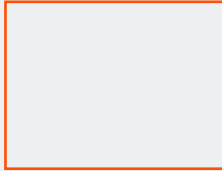
At the same time, smaller transactions are becoming increasingly rare. The further decline in deals below EUR 50 million, including the 1–20 and 21–50 million ranges, suggests that even newly established securitisation vehicles tend to enter the market with a critical mass most likely to gain from cost efficiencies.

1. How many securitisation vehicles (companies and funds) do you service per year?



2. What is the average of total assets of “your” securitisation vehicles (in EUR million, sum of all compartments)?



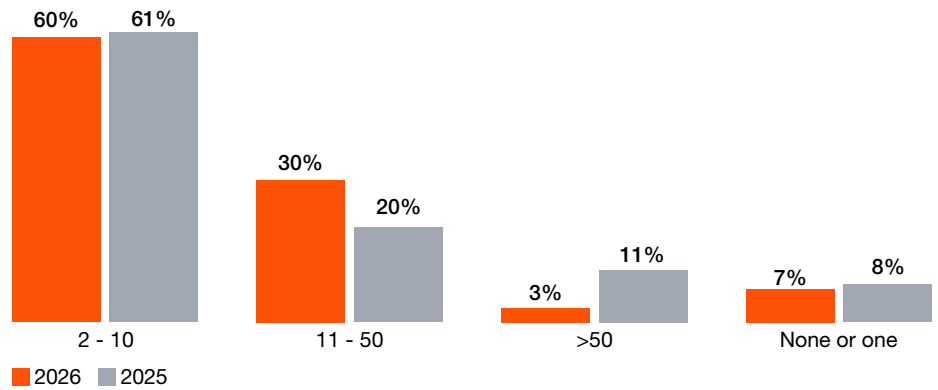


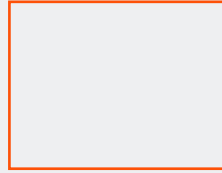
The ability to combine multiple transactions within a single securitisation by compartment-based structuring has firmly established itself as the market norm in Luxembourg securitisations. Around 60% of vehicles operate with between 2 and 10 compartments, demonstrating that this feature remains central to how transactions are designed. By contrast, only 7% of securitisation vehicles are structured with no or a single compartment, highlighting how rarely this flexibility is left unused.

While Luxembourg securitisations can accommodate extremely complex structures, with some vehicles in

the market comprising up to 2,000 active compartments, notable shifts can be observed at the higher end of the spectrum. Vehicles with more than 50 compartments have become significantly less common, declining from 11% in 2025 to just 3% in 2026. In contrast, structures with 11 to 50 compartments gained further traction, increasing by around 10 percentage points to reach 30% of responses. This evolution suggests a preference for scalable yet manageable compartment structures, allowing sponsors to grow portfolios efficiently without excessive structural complexity.

3. How many compartments do “your” vehicles have in average (estimation)?





Asset types and means of financing



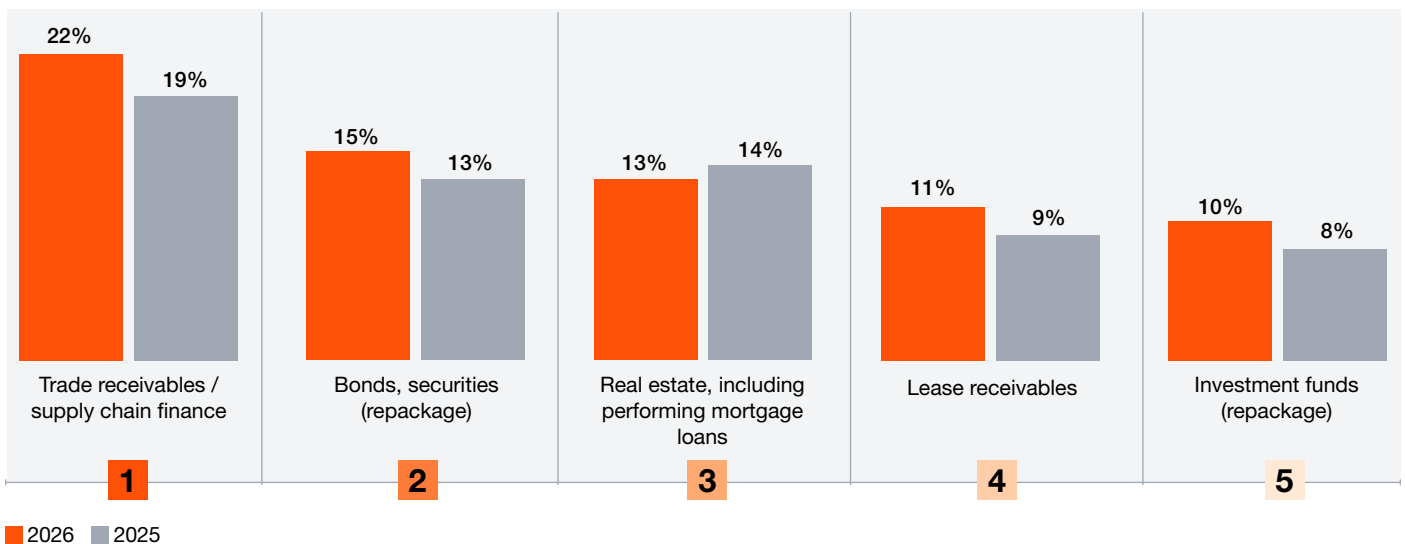
The asset classes observed by survey participants continue to reflect well established market preferences. Trade receivables remain the leading asset class in Luxembourg securitisation, further strengthening their position and increasing by 3% compared to the previous year to represent 22% of responses.

Interest in real estate, including performing mortgage loans-related securitisations showed a marginal decline of 1%, which resulted in bond and fund repack transactions moving into second place. The latter gained additional traction during 2025, recording a 2% increase year on year. Lease receivables also stood out, reversing prior trends and marking a 2% increase compared to 2025.

Investment fund repackage are observed in one out of ten deals, evidencing Luxembourg's prime position in asset management.

Structured products remain a key part of Luxembourg's securitisation market. This year, they increased by 3% compared with last year. In most cases, these products do not qualify as securitisation under the EU Securitisation Regulation (EU) 2017/2402.

4. What are the Top 5 asset classes you observed in the last 12 months?



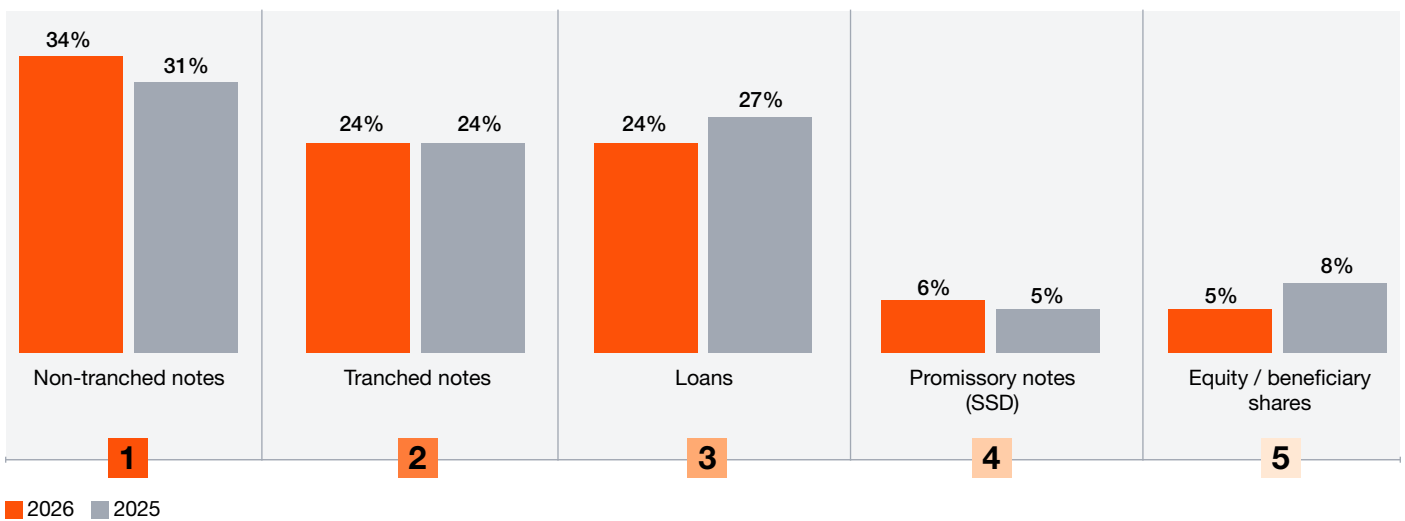


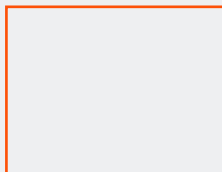
Luxembourg securitisation vehicles continue to benefit from a highly flexible funding framework, allowing transactions to be financed through a broad range of instruments as well as through loans, including fully loan funded structures. This versatility supports not only traditional tranching securitisations, but also a wide spectrum of structured finance transactions, including non-tranching products.

The 2026 survey results point to a relatively balanced use of the available financing options, while confirming the continued predominance of non-tranching notes. This refinancing method strengthened its position further, increasing by 3% year on year to represent 34% of responses. Tranching notes maintained a stable market share at 24%, underscoring their ongoing relevance within the Luxembourg securitisation landscape.

By contrast, refinancing through loans experienced a decline, decreasing by 3% compared to the previous year and accounting for 24% of observed transactions. Overall, the results highlight the market's ability to flexibly combine different funding tools, adapting structures to transaction needs while maintaining a diversified refinancing profile. While not as conventional or widely used as the options outlined above, financing through equity instruments, tokenised securities, CPECs and warrants continues to be observed in the market. Their presence, albeit more limited, further illustrates the breadth of structuring possibilities available to securitisation vehicles in Luxembourg and the market's openness to tailored and innovative financing solutions.

5. What are the Top 5 refinancing instruments you observe for securitisation vehicles?

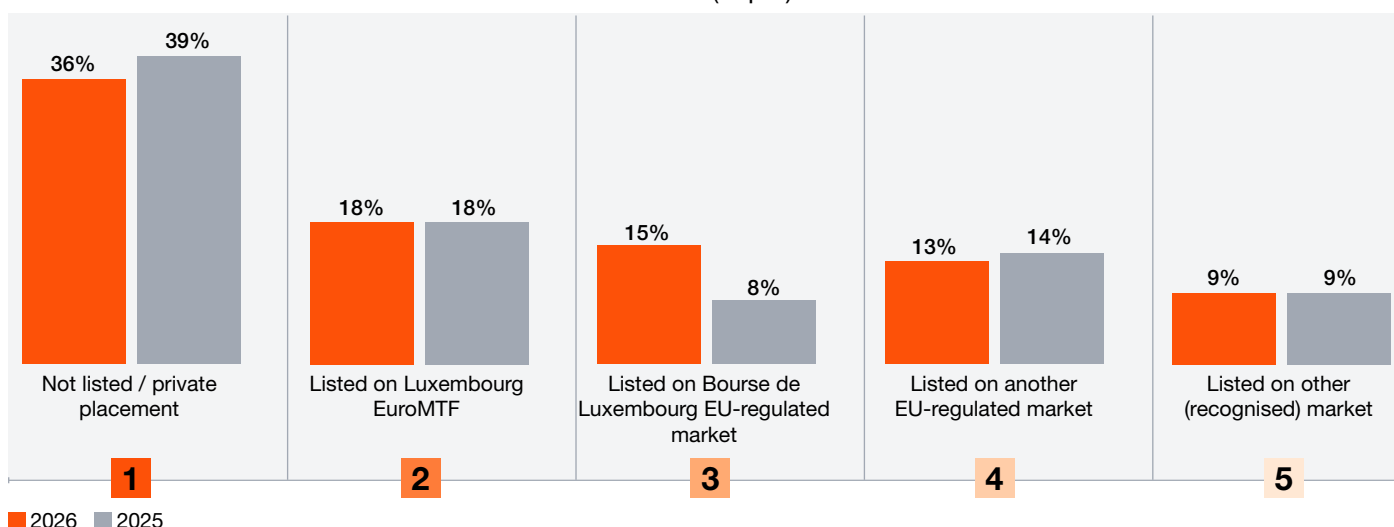




Private placements and unlisted securities continue to represent the clear majority of securitisation transactions in Luxembourg (36%). For listed products, market participants consistently turn to domestic platforms, with the Luxembourg Euro MTF maintaining its leading role (18%) alongside growing activity on the Bourse de Luxembourg (15% compared with 8% in the previous year).

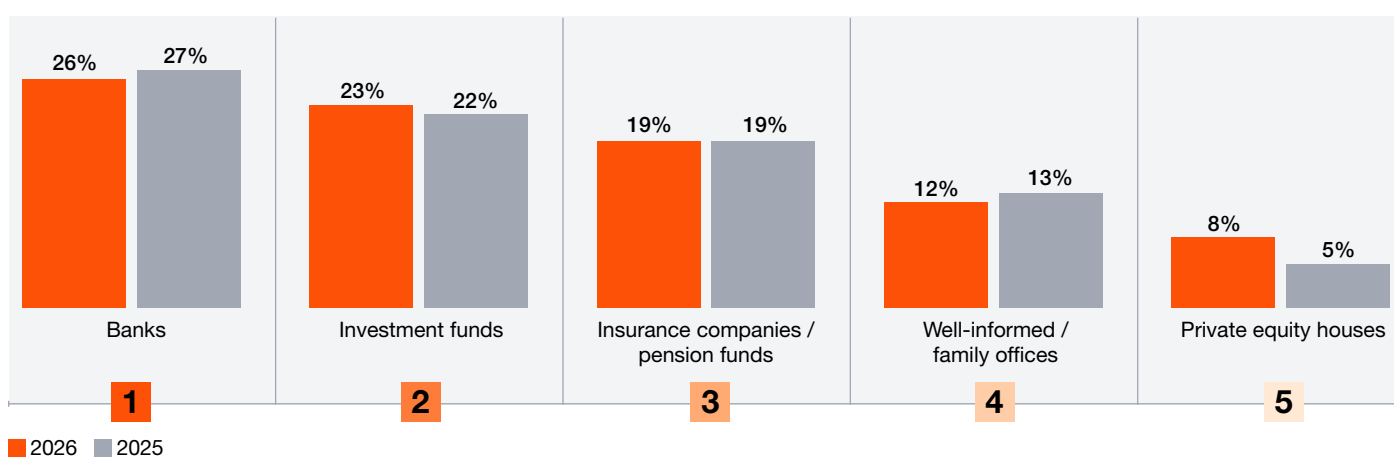
The use of the new segment of the Luxembourg stock exchange, the “Euro MTF Specialist Securities Segment (EM3S)”, is not yet captured by this year’s survey.

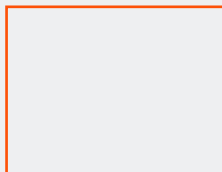
6. Where are the securities issued listed most of the time (Top 5)?



Identifying investors in securitisation vehicles can be challenging, as they often invest through cleared bearer bonds. But, according to our market participants, the overall investor picture emerging from the 2026 survey remains familiar, with banks, investment funds and insurance companies continuing to form the backbone of the market. This underlines the extent to which Luxembourg securitisation continues to operate as a professional investor market, even though a wider range of investor types may be seen in selected cases.

7. What are the most common investor types you observe (TOP 5)?



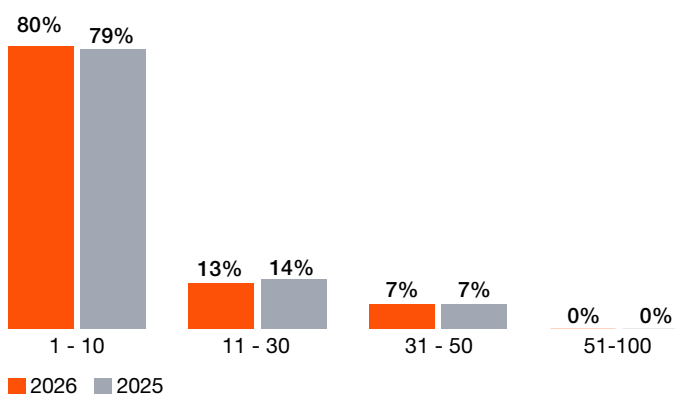


The number of securitisation vehicles falling within the scope of the EU Securitisation Regulation remains broadly unchanged.

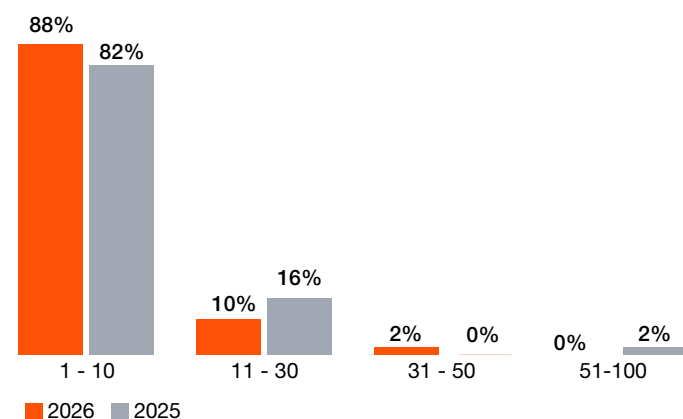
By contrast, responses relating to STS securitisations point to a gradual increase in market activity. As anticipated in last year's survey, STS transactions are gaining visibility among market participants, suggesting a growing

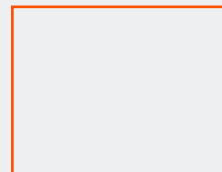
familiarity with, and uptake of, the STS framework within the Luxembourg securitisation market. Ongoing initiatives by European authorities to streamline reporting requirements under the EU Securitisation Regulation as well as further simplifications and incentives are likely to support increased use of such securitisation vehicles in the future.

8. How many of "your" securitisation vehicles are subject to the EU Securitisation Regulation 2017/2402 (total number)?



9. How many of "your" securitisation vehicles are so called STS ("simple, transparent and standardised") securitisations in the meaning of EU Securitisation regulation 2017/2402 (total number)?





Luxembourg competitive advantage and challenges



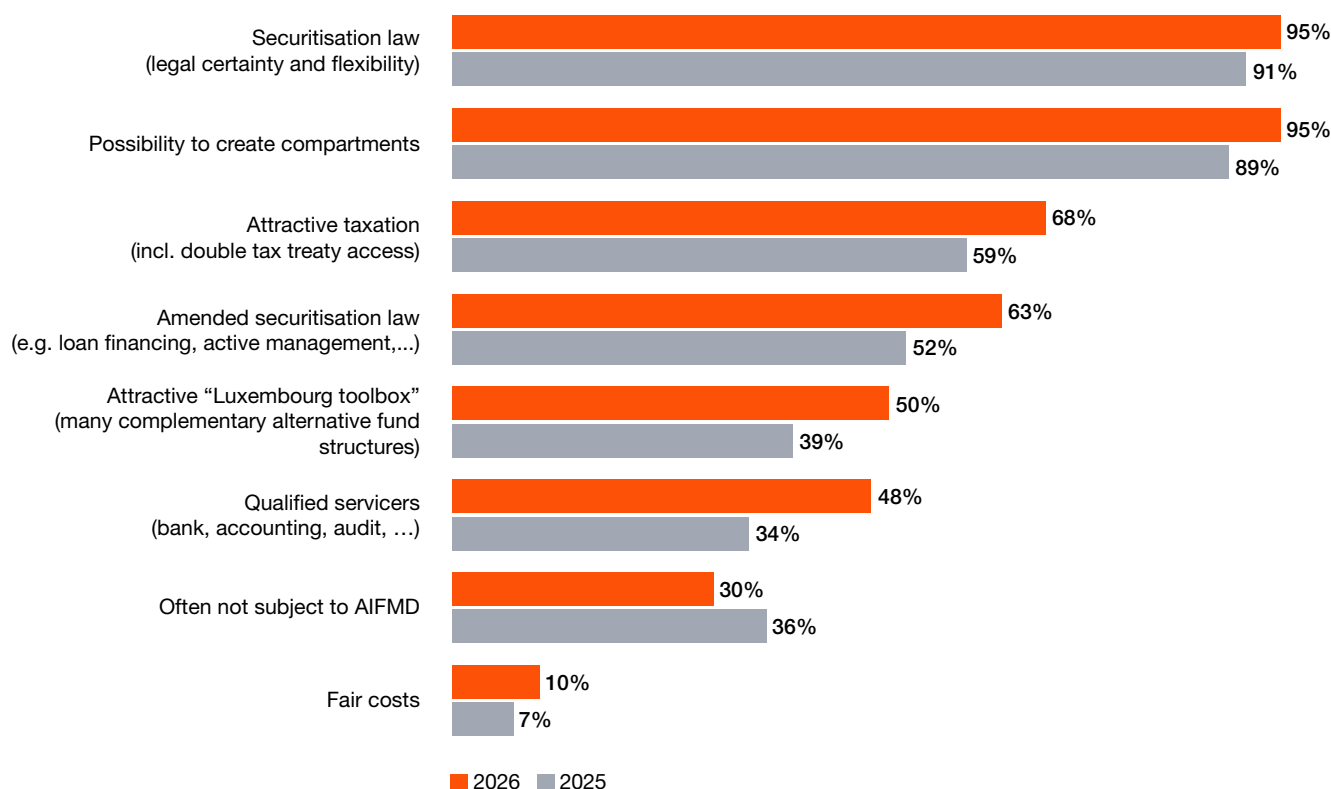
According to our respondents, Luxembourg's legal framework remains a key driver behind the use of securitisation structures. Legal certainty, combined with a high degree of structuring flexibility, continues to resonate strongly with market participants, particularly through the widespread use of multi-compartment vehicles. The ability to isolate risks and tailor structures within a single vehicle remains a key practical advantage in market practice.

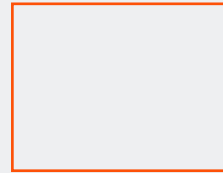
Attractive taxation (including access to double tax treaties) also continue to play an important role, ranking among the main factors cited by respondents. While not typically the primary driver in structuring decisions, the predictability and neutrality of the tax environment remain essential prerequisites for market participants when selecting a jurisdiction.

In addition, the 2026 results point to a growing recognition of the value offered by the wider Luxembourg securitisation and asset management environment. The availability of a broad toolbox of legal and financial solutions, together with the enhancements introduced by the 2022 modernisation of the Securitisation Law, has gained notable momentum, with both factors recording an 11% increase in appreciation compared to the prior year. This shows that market participants are using not only the main features of the securitisation framework, but also its broader structuring possibilities available in Luxembourg.

Last but not least, the quality of the Luxembourg service providers is perceived to be more and more recognised by arrangers and other market participants (with an increase of 14%).

10. In your opinion, what attracts arrangers for setting up a securitisation vehicle in Luxembourg? (multiple answers possible)





Despite the continued consistency of Luxembourg's key structuring features, the survey results indicate that certain challenges remain structural rather than temporary.

High costs related to both the establishment and ongoing operation of securitisation vehicles continue to be identified as the most significant challenge by respondents, suggesting that cost efficiency remains a central consideration in the decision-making process.

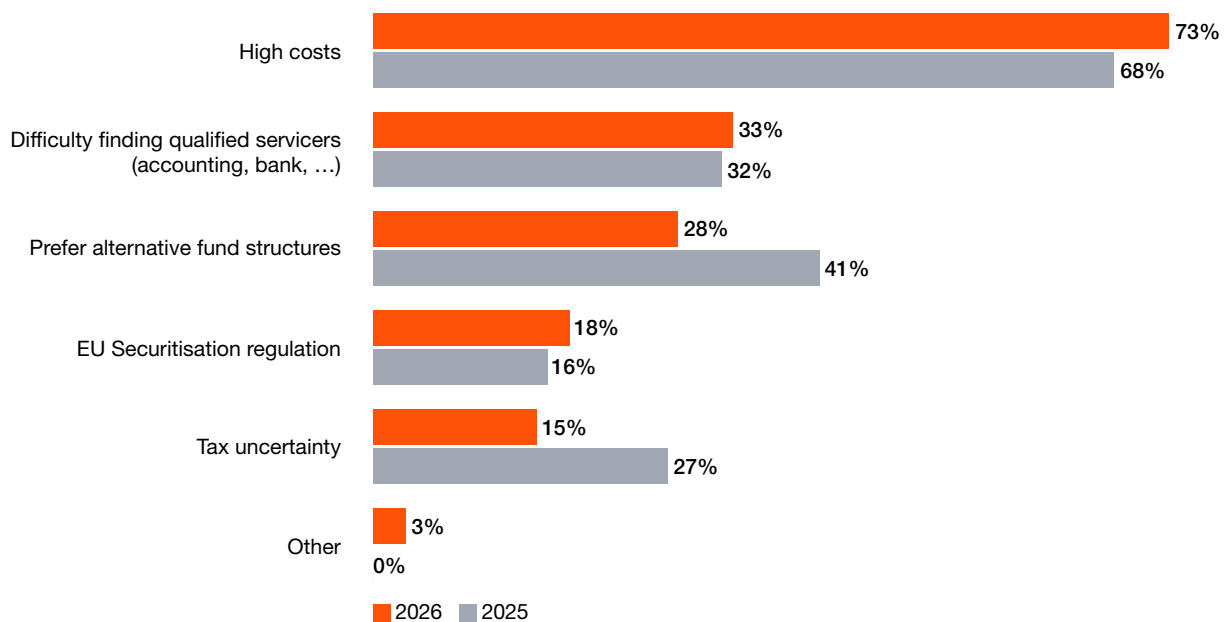
Furthermore, respondents continue to report difficulties in identifying and securing qualified service providers, indicating that capacity constraints and operational complexity remain relevant issues for the market.

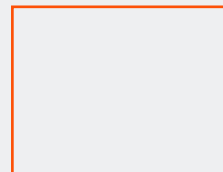
Nevertheless, the quality as such is more and more appreciated (see question 10 above).

By contrast, concerns about taxes have continued to ease. Following the decline seen last year, tax-related worries fell by a further 12% in 2026. This suggests that there is now more clarity and confidence around how securitisation structures are taxed, allowing market participants to focus more on day-to-day operations and keeping costs under control.

Especially the introduction of the "single entity group" concept for applying interest limitation rules in 2024 had a positive impact on Luxembourg as a securitisation jurisdiction.

**11. In your opinion, what obstructs arrangers from setting up a securitisation vehicle in Luxembourg?
(multiple answers possible)**

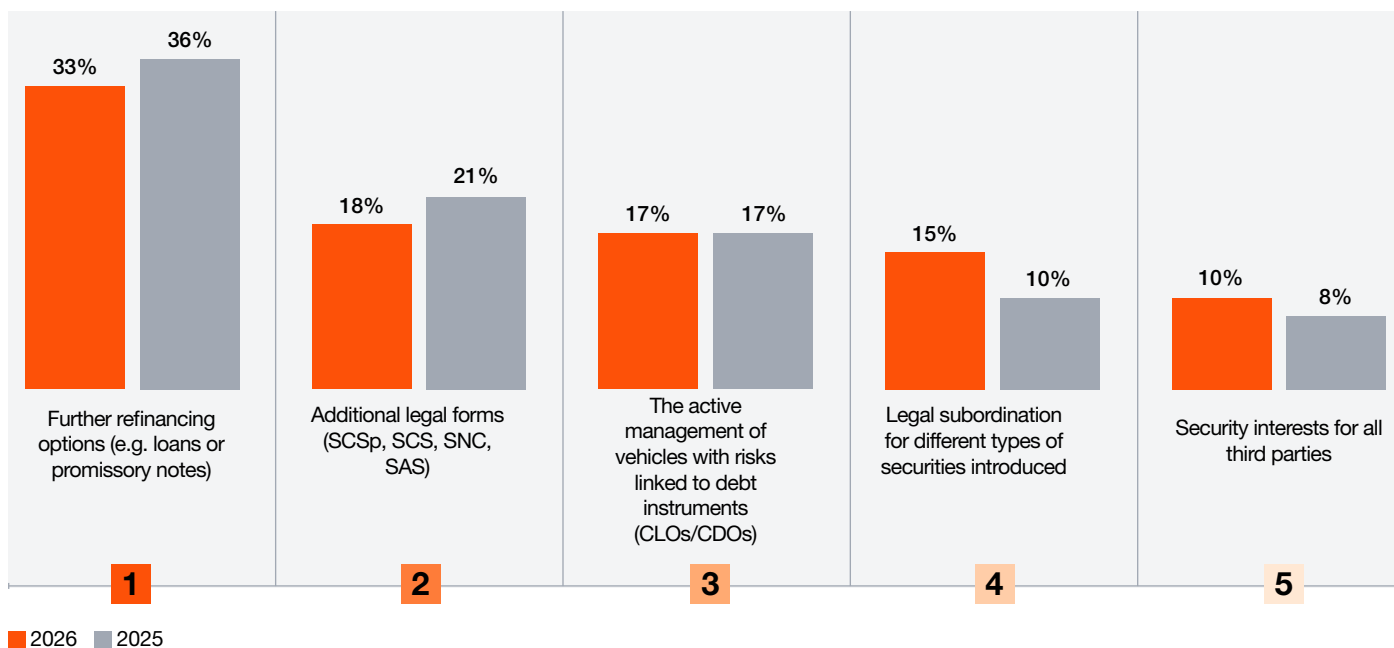


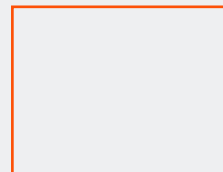


Survey responses show that the modernisation of the Luxembourg Securitisation Law continues to be viewed positively, with expanded refinancing options remaining the most valued enhancement. Further refinancing possibilities, including loans and promissory notes, continue to support flexible funding structures, even though their relative importance eased slightly compared to 2025.

At the same time, respondents increasingly highlight features linked to structuring sophistication. Legal subordination between different types of securities gained further traction, while interest in actively managed debt-linked vehicles such as CLOs and CDOs remained stable. Other elements, including security interests for third parties, also saw growing recognition, pointing to a broader use of the modernised framework.

12. Based on your observations, which features introduced by the modernisation of the Luxembourg Securitisation Law in 2022 have been mostly used (TOP 5)?

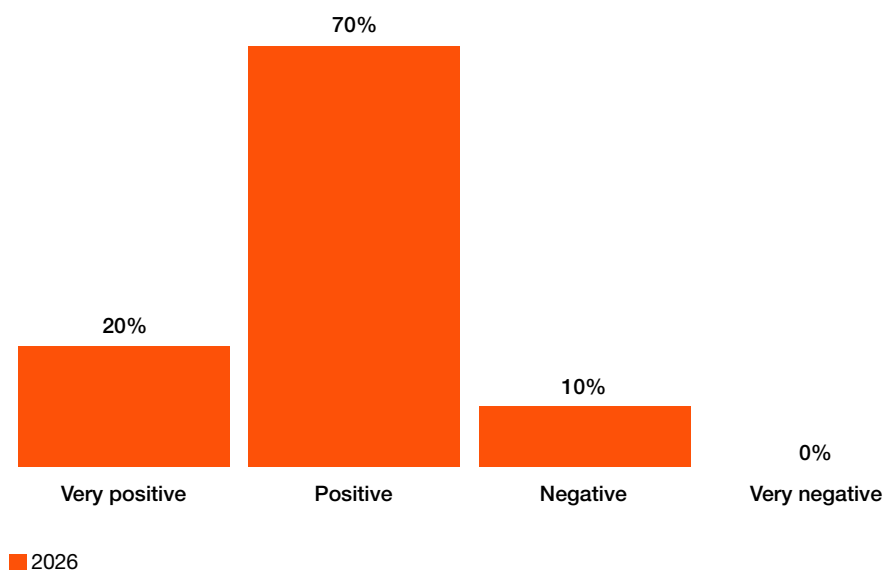


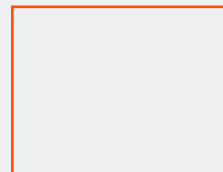


Overall, respondents express a largely favourable view of the Luxembourg government's efforts to develop and support the capital market. A clear majority of participants assess these efforts positively, with 70% providing a positive rating and a further 20% viewing them as very positive. This broadly supportive sentiment suggests that recent initiatives and policy direction are widely recognised by market participants.

At the same time, 10% of respondents expressed a negative assessment. While representing a minority, this segment indicates that a portion of the market remains unsatisfied and sees scope for further innovation, adjustments and improvements. Taken together, the results point to strong overall approval, while also highlighting opportunities to further refine and enhance the capital market framework.

13. How would you evaluate the Luxembourg government's efforts in developing and supporting the capital market?





The 2026 survey highlights a notable shift in how market participants perceive the impact of the EU Securitisation Regulation on market growth. While a majority of respondents still view the regulation as more of a constraint than a driver of growth, the share of negative responses declined significantly from 82% in 2025 to 65% in 2026.

At the same time, the proportion of respondents considering the EU Securitisation Regulation as supportive of market development increased from 18% to 35%. Those expressing a positive view point to greater regulatory clarity and harmonisation at European level, as well as the effective interaction between the EU framework and the Luxembourg Securitisation Law.

Respondents also note that a common European approach enhances legal certainty, promotes securitisation as a funding and risk management tool, and allows Luxembourg structures to remain competitive through flexibility, established legal principles and a broad structuring toolbox.

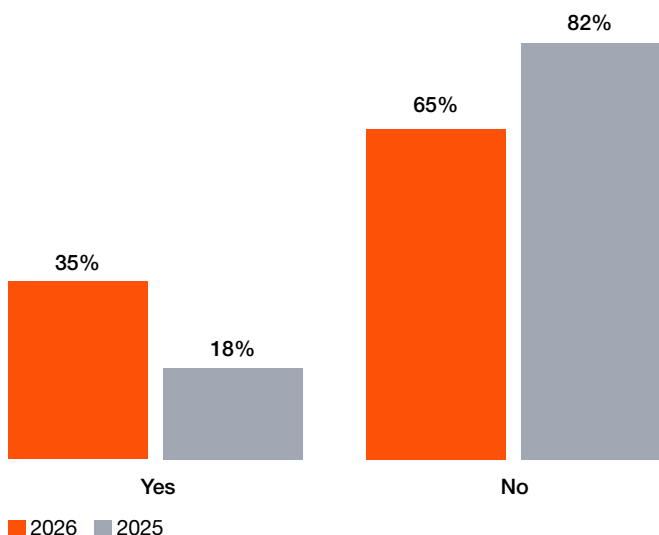
Overall, the results suggest that while regulatory burdens remain a concern for many market participants, perceptions are gradually evolving as familiarity with the framework increases and regulatory initiatives continue to aim for greater transparency, consistency and adaptability.

In this context, respondents were also asked to identify changes that

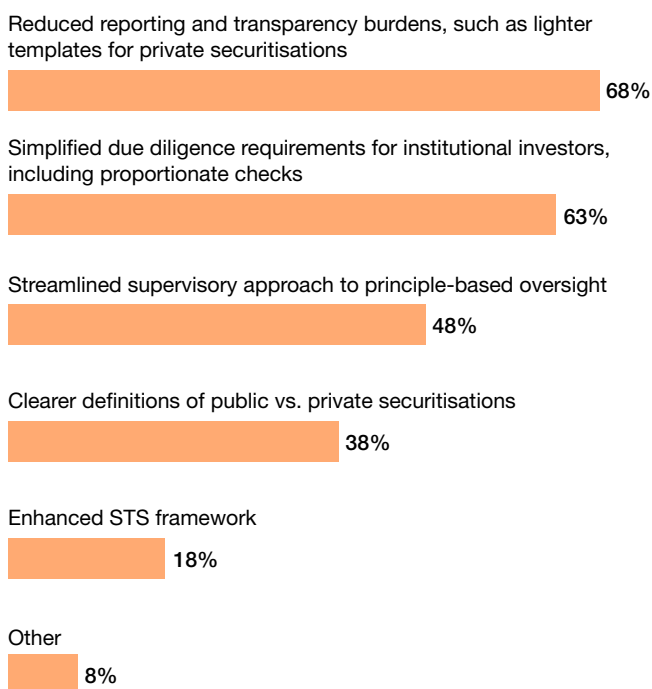
could further improve their view of the EU Securitisation Regulation. Several recurring themes emerged from the responses, most notably the need to ease reporting and transparency obligations, simplify due diligence requirements for institutional investors, and move towards a more principle-based supervisory approach rather than exhaustive, compliance-driven checks.

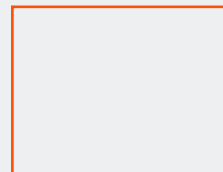
These possible changes are seen as important steps that could strengthen the positive mood already seen in 2026 and help the EU securitisation market work more smoothly and effectively.

14. Do you think that the EU Securitisation Regulation assists the growth of the Luxembourg securitisation market? If yes, please mention how it assists the growth.



15. Which changes to the European securitisation regulation do you believe would make the market most appealing to investors and originators?



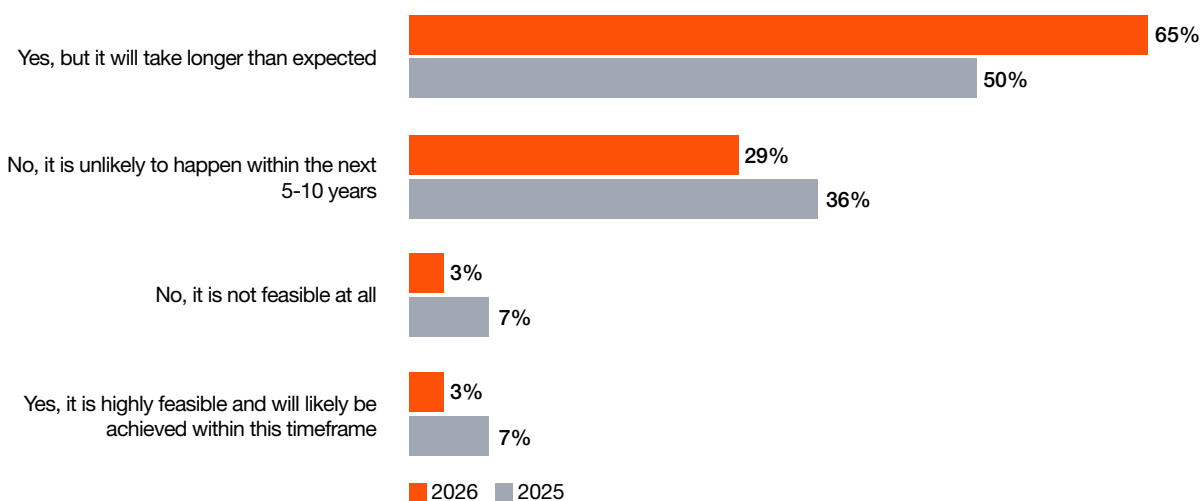


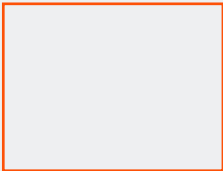
When asked about the feasibility of establishing a fully integrated Savings and Investments Union (SIU) in the EU within the next three years, respondents expressed a cautious and realistic outlook.

A clear majority of respondents (65%) consider the creation of a SIU to be achievable in principle but expect implementation to take longer than initially envisaged due to regulatory and political challenges, with any impact on the Luxembourg securitisation market likely to materialise gradually.

At the same time, 29% of respondents remain more sceptical, viewing the establishment of a fully integrated SIU as unlikely within the next five to ten years given the significant practical barriers that persist at EU level. Overall, responses reflect broad recognition of the initiative's long-term potential, tempered by pragmatic expectations around timing and execution.

16. Do you believe the creation of a fully integrated Savings and Investments Union (SIU) in the EU is feasible within the next 3 years, and how do you see its potential impact on securitisation in Luxembourg?





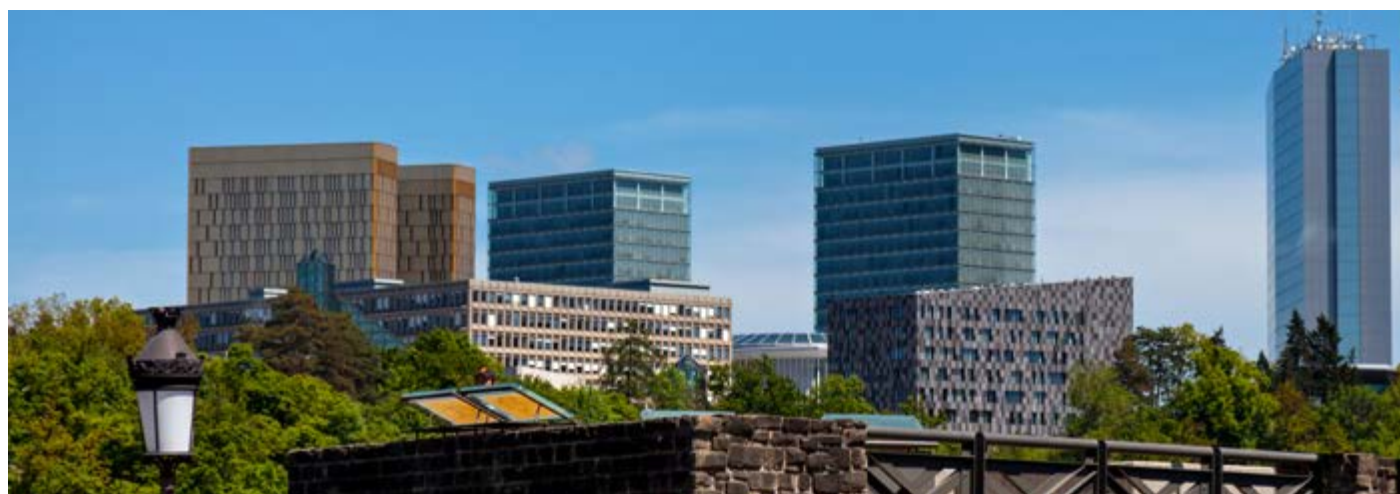
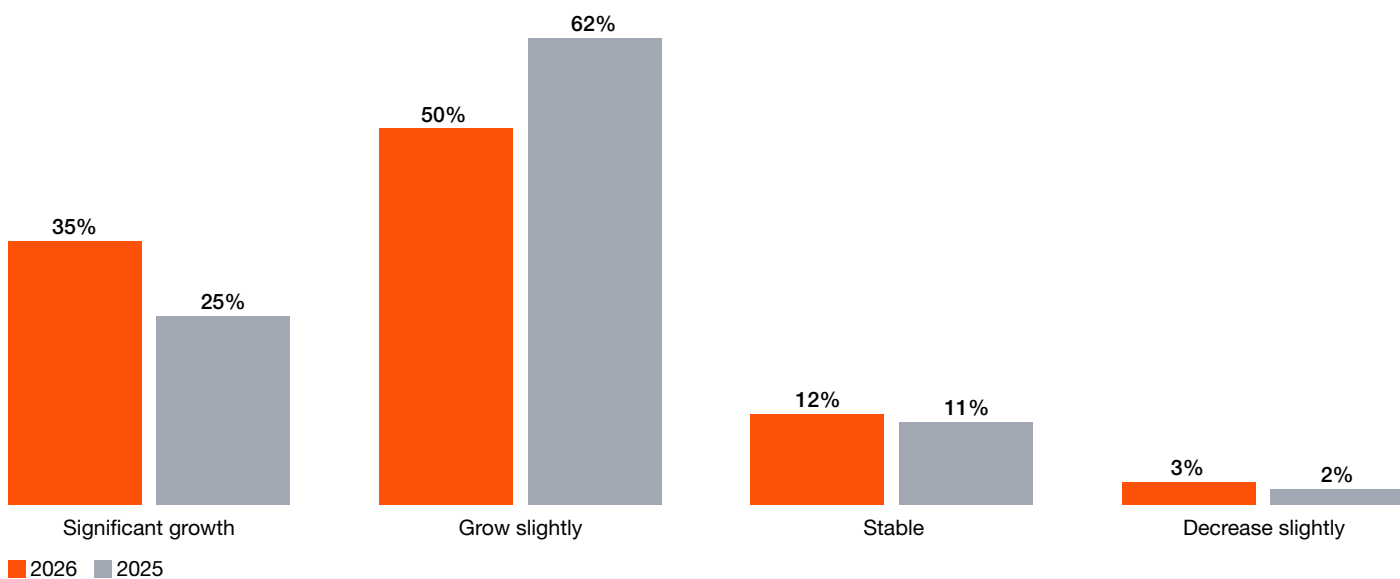
Outlook

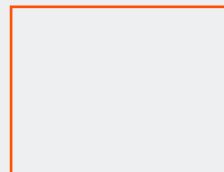


Expectations for the Luxembourg securitisation market remain resilient despite a challenging global situation. A strong majority of respondents anticipate continued expansion, with 50% expecting the market to grow slightly and a further 35% forecasting significant growth. Together, these responses point to a solid confidence in the market's medium-term trajectory.

A smaller portion of respondents (12%) expect market conditions to remain stable compared to the previous year. The results indicate a sustained and resilient level of optimism, with growth-oriented expectations continuing to outweigh more cautious views by a wide margin. Overall, growth expectations continue to dominate, broadly in line with, and slightly stronger than, last year's results.

17. How do you expect the Luxembourg securitisation market to develop over the next 1-5 years?



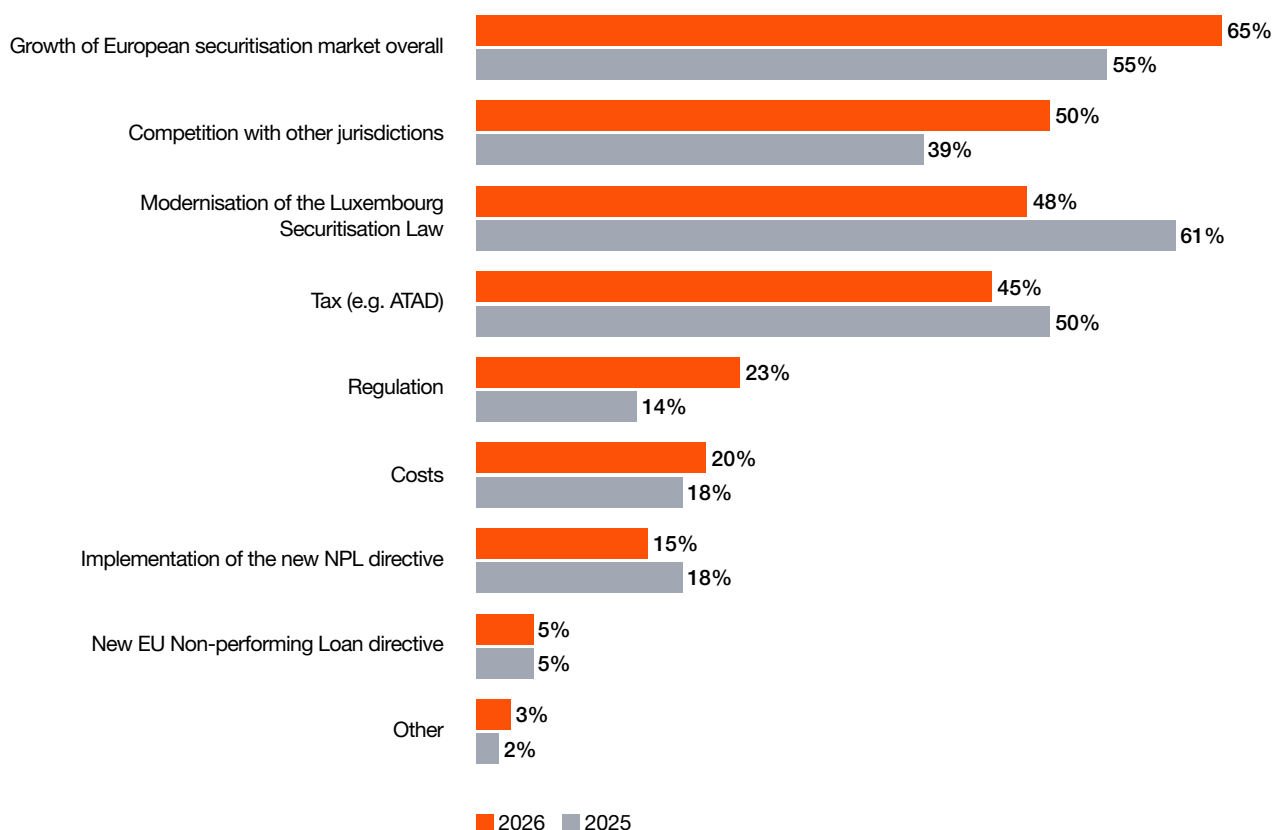


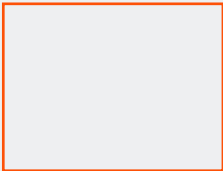
Building on the positive outlook outlined above, respondents largely attribute expected market development to broader European dynamics rather than purely domestic drivers. The continued growth of the European securitisation market remains the most frequently cited supporting factor and gained further importance compared to 2025, reinforcing Luxembourg's strong position as leading European securitisation hub, alongside the lasting effects of the modernisation of the Luxembourg Securitisation Law.

While the impact of the legal changes appears increasingly embedded, tax related aspects are now more often viewed as supportive rather than restrictive.

At the same time, competition from other jurisdictions and cost considerations related to the establishment and operation of securitisation vehicles remain key factors tempering growth expectations.

18. In your opinion, what are the main reasons for this market development (multiple answers possible)?





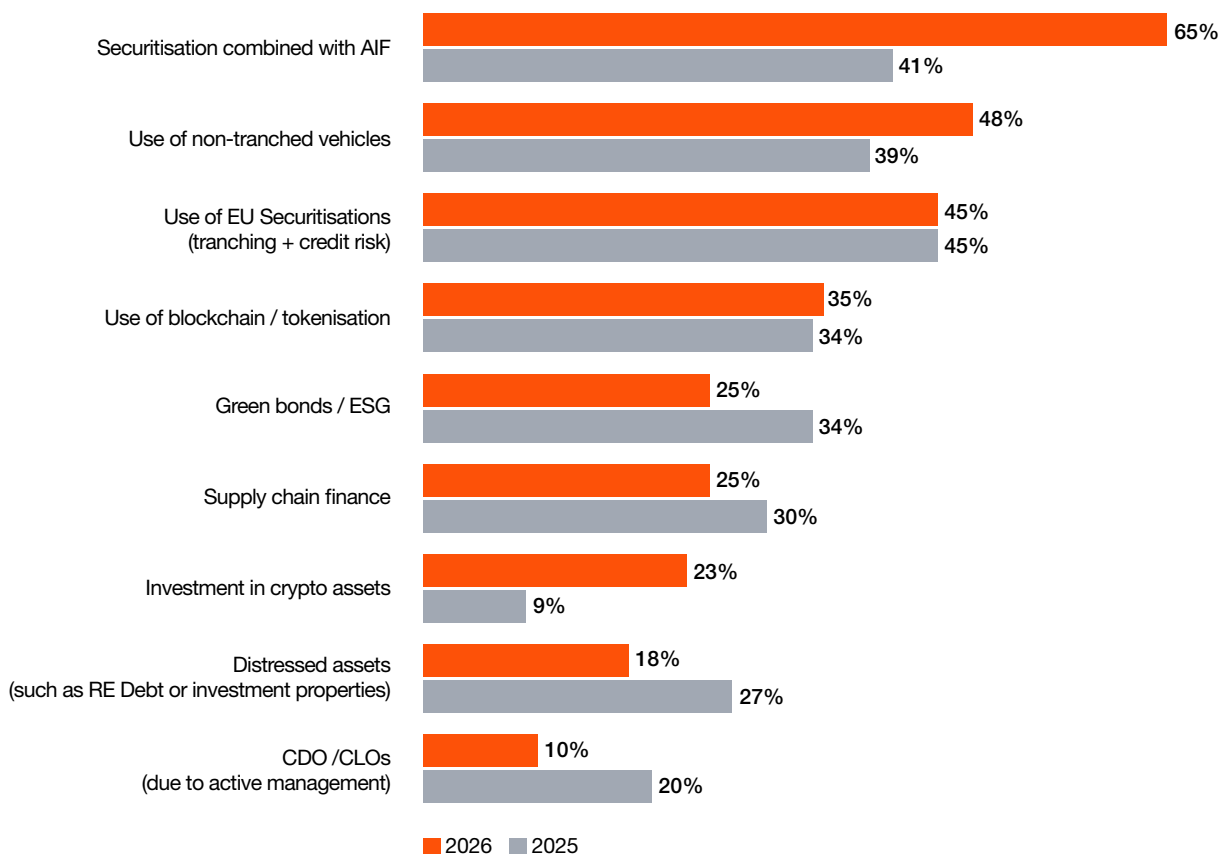
Looking ahead, respondents point to a more concentrated set of market trends compared to previous years. The combination of securitisation with alternative investment funds has clearly emerged as the dominant theme, building on its momentum from 2025. This highlights a growing preference for integrated structures that combine securitisation techniques with fund based strategies.

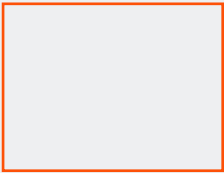
At the same time, the use of non tranching securitisation vehicles gained further traction, increasing by 9% year on year, confirming their continued relevance within the Luxembourg market. Use of EU securitisations

involving tranching and credit risk transfer also remain firmly established as a key trend among market participants.

Other developments show a more differentiated picture. Interest in investments linked to crypto assets increased noticeably, rising by 14%, albeit from a lower base. In contrast, the use of actively managed debt structures such as CDOs and CLOs declined sharply, with responses falling by almost half compared to the prior year.

19. What are the main trends you observe in the market (multiple answers possible)?

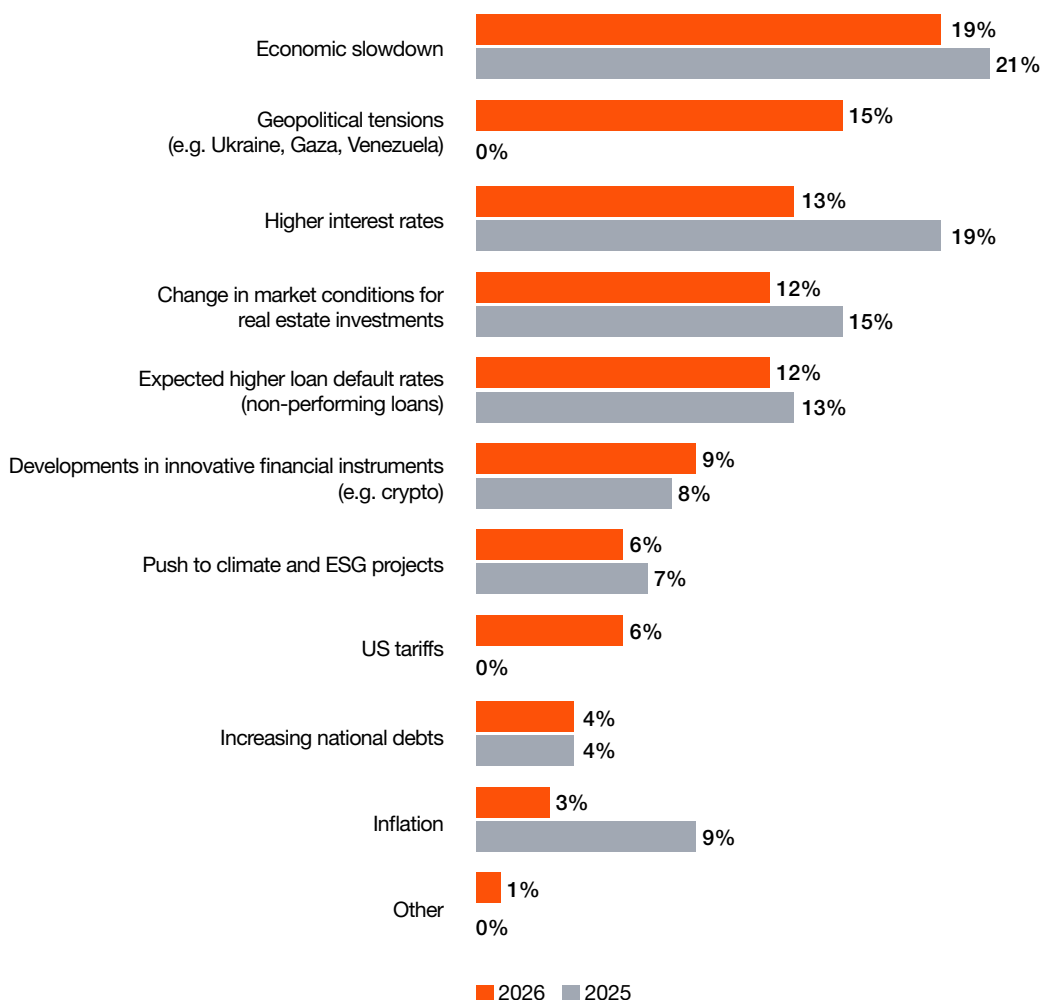




We conclude the 2026 survey with respondents' views on the macroeconomic factors currently shaping, or expected to shape, the Luxembourg securitisation market. Unsurprisingly, the ongoing economic slowdown continues to be cited as one of the most influential factors, broadly in line with the findings from 2025. This year, however, it is increasingly considered in conjunction with the global geopolitical tensions, reflecting a more complex and interconnected risk environment.

At the same time, the perceived impact of higher interest rates has eased compared to the previous year, with responses declining by 6%.

20. Which of the current macroeconomic effects do you think have the biggest impact on securitisation in Luxembourg (TOP 5)?



We would like to thank all participants to this survey for their valuable input and hope that you read the results with as much interest as we had while putting this publication together.

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