



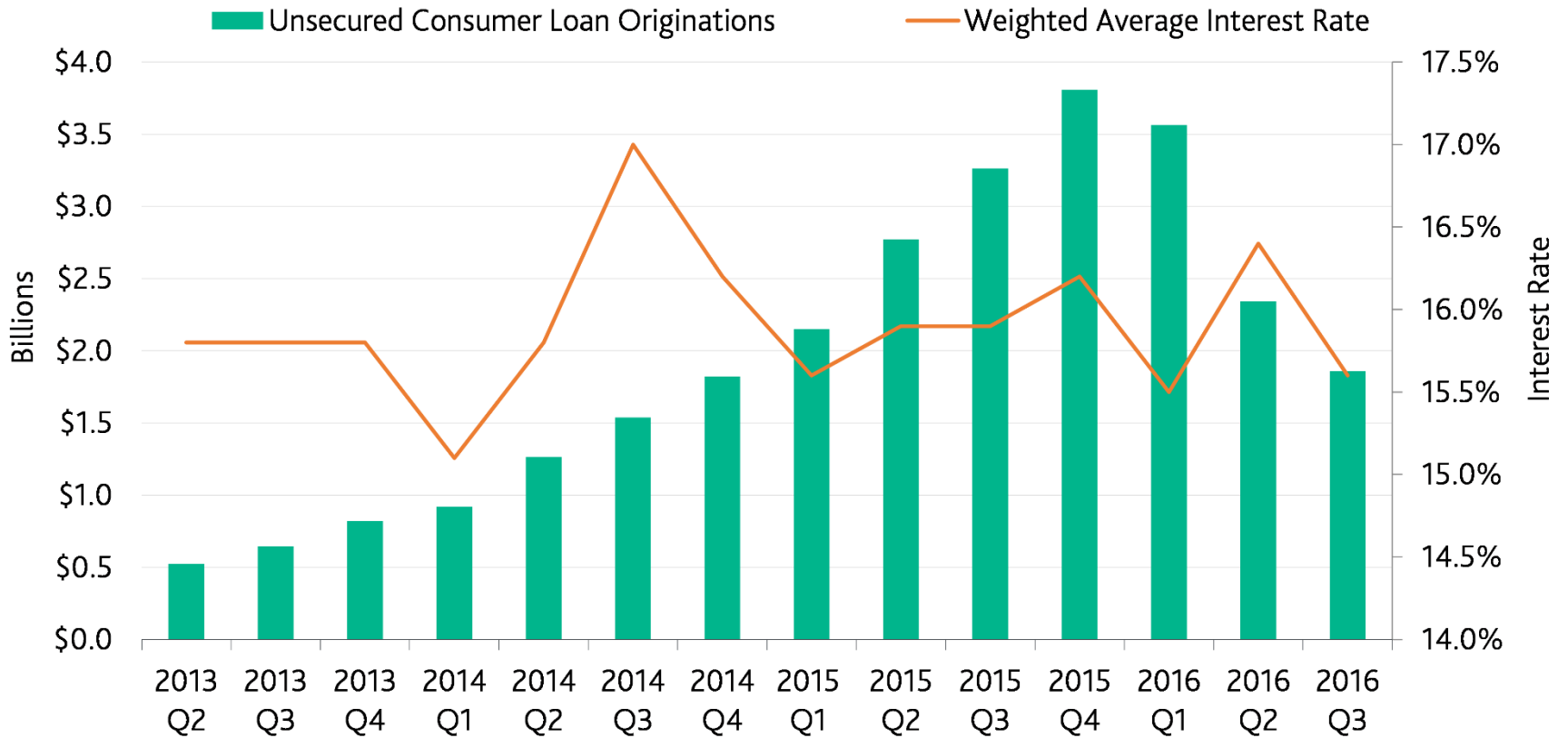
Marketplace Lending ABS Outlook

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2016: A Year of Turmoil



... Resulting in Significant Slowdown in Originations

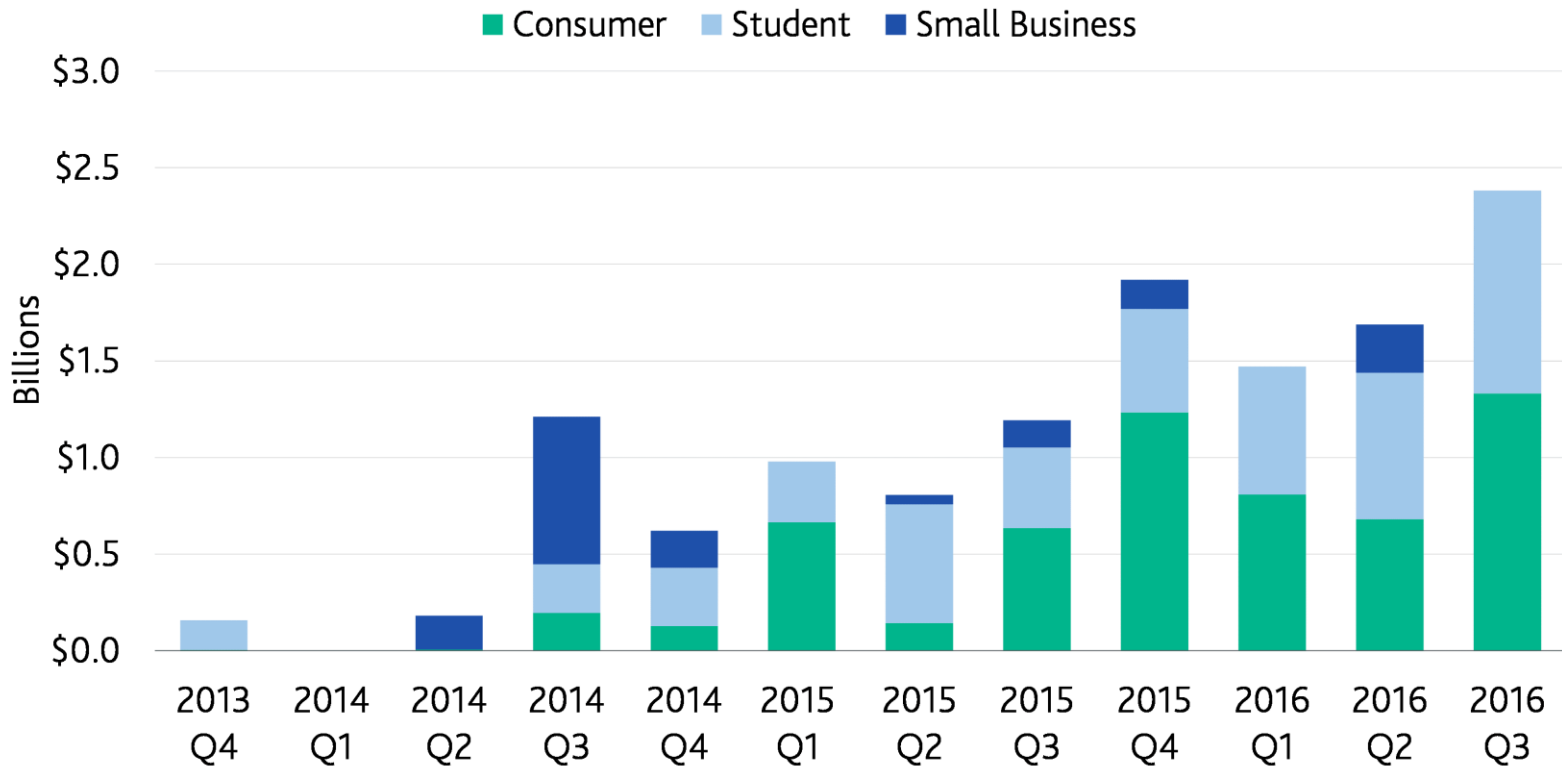


Sources: Orchard Platform, Moody's Investors Service

Legal/Regulatory Developments to Continue in 2017

- » Small business lenders face the highest risk of disruption
- » More court cases to cast doubt on partner-bank model
- » Although developments likely to highlight risks, policy makers could also take steps to support industry's growth
- » New administration creates further uncertainty.

Despite Origination Slowdown, US ABS Issuance Grew



Sources: PeerIQ, Moody's Investors Service

Economic Conditions Bolster Performance of Deals

- » Our view on the asset performance of the sector is stable
- » Economy supports loan performance across categories
 - Forecasted GDP growth of 2.4% in 2017 from 1.6% in 2016
 - Unemployment rate to remain low at 4.6% for next two years
- » But growth subdued; many Americans face challenges

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[Fintech - US Online Lenders: Competitive Advantages in Underserved Niche Market Rest on Unsteady Foundation](#), 19 October 2016

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