

Structured finance has already attracted trillions of dollars and despite significant losses continues to attract more investment in increasingly complex structures. In this thesis, I use new data available to analyze the development of structured products in three main categories: ABS, CDO and MBS. The thesis is focused on the rapid development of structured finance in the years leading up to the credit crunch, the extent of its role in the crisis, and how credit-rating agencies and regulatory bodies are involved in the feasibility and future potential of the main products. As data clearly showed, the recent crisis heavily hit the US non-agency MBS securitization (especially the RMBS and the CMBS market) and the global CDO market as well, mainly due to the subprime collateral.