Covered Bond & SSA View

NORD/LB Markets Strategy & Floor Research

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Marketing communication (see disclaimer on the last pages)

NORD/LB

Agenda

Floor analysts:

Covered Bonds/Banks
Dr Frederik Kunze
frederik.kunze@nordlb.de
Melanie Kiene, CIIA
melanie.kiene@nordlb.de
Stefan Rahaus
stefan.rahaus@nordlb.de

SSA/Public Issuers
Dr Norman Rudschuck, CIIA
norman.rudschuck@nordlb.de
Jan-Phillipp Hensing
jan-phillipp.hensing@nordlb.de

NORD/LB:
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Covered Bond Research

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Market overview Covered Bonds

Authors: Dr Frederik Kunze // Melanie Kiene

Primary market: "Välkommen Sverige!" – first deal of 2023 from Sweden

In a market environment characterised by extremely dynamic issuance activity from the eurozone, it might occasionally appear that crowding-out effects have already taken hold here. In what is still a comparatively nascent new year, we can now welcome the first covered bond in EUR benchmark format from Sweden for 2023. For the first time since September 2022, a bank from this jurisdiction approached investors. At the start of the week, SEB placed its deal for EUR 1.5bn (5.2y) with a re-offer spread of ms +15bp and therefore paid a new issue premium calculated at two basis points above fair value. Also not uncommon for Swedish issuers is the advantageous pricing that can be attributed to the placement compared with their own curve in SEK. Moreover, the perceived timing for a EUR benchmark from Sweden is also not all that unusual. In 2022, the first Swedish issuer made an appearance on the market in March. In 2021, it was June, while in 2020 we had to wait until November for the only Swedish deal that year. However, in both 2018 and 2019, the market was able to welcome the first EUR benchmarks from Sweden in January. Sweden's first deal of 2023 was accompanied by a dual tranche from France on the same trading day, when CA Home Loan SFH issued its deal comprising two bonds of EUR 1.0bn each at ms +3bp (3.6y) and ms +29bp (9.6y). At +2bp, the new issue premiums here came in on a par with the SEB deal. The issuance volume from France therefore now stands at an impressive EUR 19.4bn (17 bonds), which ultimately accounts for a 28.7% share of the primary market volume recorded so far in 2023. We have already included the following deals placed yesterday (21.02.) in these figures. NN Bank increased the primary market volume for the current year from the Netherlands to EUR 7.0bn with its deal worth EUR 750m (4.25y at ms +10bp; NIP: +2-3bp). The bond was also placed in the form of a green covered bond, bringing the ESG volume in the EUR benchmark segment to a total of EUR 5.75bn overall. Another Spanish bank, on this occasion Banco de Sabadell, approached investors with the successful placement of a deal in the amount of EUR 1.0bn (3.5y) at ms +25bp. For this deal, the issuer paid the investors a calculated new issue premium of a single basis point, with the order book finally amounting to EUR 4.25bn here.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
Banco de Sabadell	ES	21.02.	ES0413860836	3.5y	1.00bn	ms +25bp	- / Aa1 / -	-
NN Bank	NL	21.02.	NL0015001BV1	4.3y	0.75bn	ms +10bp	- / - / AAA	X
SEB	SE	20.02.	XS2592234749	5.2y	1.50bn	ms +15bp	- / Aaa / -	-
CA Home Loan SFH	FR	20.02.	FR001400G5S8	3.6y	1.00bn	ms +3bp	AAA/Aaa/AAA	-
CA Home Loan SFH	FR	20.02.	FR001400G5Z3	9.6y	1.00bn	ms +29bp	AAA/Aaa/AAA	-

Source: Bloomberg, NORD/LB Markets Strategy & Floor Research, (Rating: Fitch / Moody's / S&P)

Solid demand side keeps new issue premiums in check

In the recent past, we have repeatedly referred to issuers' motivation for placing covered bonds at this point in time. We are now also past the point of describing the recent spate of issuers from the eurozone as a new phenomenon. However, the marketing phases of the most recent deals also reveal a buoyant demand side on the part of investors. At least this is the conclusion we reach from looking at the order book dynamics and the NIPs.

Bundesbank monthly report offers snapshot of the German property market in 2022
On 20 February, the German Bundesbank published its regular annual review of the German property market as part of the monthly report prepared by Germany's central bank. In terms of a data basis for its own commentary, the Bundesbank consulted both the figures pertaining to the vdp property price index (cf. Covered Bond & SSA View on 15 February) and numerous other indicators and metrics. Further details regarding the Bundesbank's system of indicators can be found here. Overall, the Bundesbank reaches the conclusion, among other aspects, that there is an overvaluation with regard to residential real estate prices, the purchase price-to-income ratio and also the purchase price-to-annual rent ratio for apartments in cities. In terms of further developments, from our perspective we also expect that the price indices for residential real estate are likely to cool down further, while rents from new leases are more likely to continue rising.

Moody's comments on the European property market: borrowers well positioned
The rating agency Moody's also commented on the European real estate market recently. Overall, the risk experts believe that borrowers are solidly positioned for the expected economic downturn. The agency puts this down to improved lending standards, government support and the strength of the credit institutions, among other aspects. These factors are also "credit positive" for the covered bond programmes rated by Moody's, although some borrowers are exposed to a greater degree of risk than others.

Moody's upgrades rating of Schipfe and Hypfe from HCOB – Schipfe now CQS1 under CRR and Level 1 assets for LCR management
At the end of last week, the rating agency Moody's upgraded the rating of the mortgage Pfandbriefe (Hypfe) and ship Pfandbriefe (Schipfe) issued by Hamburg Commercial Bank (HCOB). The Hypfe were upgraded from Aa1 to the top rating Aaa, while the Schipfe are now rated Aa3 having previously been rated at A1. Both programmes are exclusively rated by Moody's. HCOB's public covered bond programme is not rated. In connection with the one-notch upgrade of the Pfandbrief programmes, Moody's writes that this is due to an improvement in the bank's Credit Risk Assessment (CRA) (upgraded from Baa1 to now stand at A3). Both programmes also have sufficient overcollateralisation for the correspondingly higher rating. At this point, however, the rating upgrade for ship Pfandbriefe should be emphasised, as this also results in a lower risk weighting in accordance with Article 129 CRR. With the Aa3 rating, the Schipfe can now be assigned to Credit Quality Step 1, which means that banks only need to have an equity backing of 10% instead of the previous 20%. At the same time, this impacts the LCR level too. From our perspective, the EUR benchmark in the form of a ship Pfandbrief from HCOB (ISIN: DE000HCB0BL1) can now be assigned to Level 1 (previously Level 2A) due to the higher CQS rating.

Fitch discusses Italian covered bond legislation
The risk experts from Fitch recently discussed the proposed amendments to the requirements for Italian covered bonds (Obbligazioni Bancarie Garantite, OBG). According to Fitch, the measures presented by the Italian central bank, Banca d'Italia, would in all likelihood not entail any rating adjustments as it is not expected that issuers would have to undertake adjustments to the contractual framework conditions of their OBG programmes. We cover the Italian covered bond market in greater detail as part of a focus article in this present edition of our weekly publication.

Market overview
SSA/Public Issuers

Authors: Dr Norman Rudschuck, CIIA // Valentin Jansen // Jan-Phillipp Hensing

IB.SH adopts new guideline for sustainable promotional and investment business

In the promotional bank segment, an area we regularly focus on, one topic in particular has dominated for some time - sustainable business activities. The Paris Climate Agreement, the EU Green Deal as well as the German government's current coalition agreement are all aimed at transforming the economy to make it more sustainable. After having already turned our attention several times to the latest sustainability efforts of promotional banks – such as KfW in the previous edition of our weekly publication – we would now like to highlight the updated sustainability programme of Investitionsbank Schleswig-Holstein (IB.SH for short; ticker: IBBSH). With the new Sustainability Guideline at the turn of the year, the bank expanded on the Executive Board's self-declaration on the implementation of sustainable finance that was issued in September 2020. This related to the avoidance of financing likely to have a critical impact on sustainability development. The new guideline now builds on this. It includes the new exclusion criteria for the promotional business as well as ESG criteria for the investment business and also reflects the Bank's qualitatively formulated sustainability goals. Besides conserving resources and climate protection, the eight goals include the intended contributions to the UN Sustainable Development Goals (SDGs), which are to be achieved primarily through its own promotional products. Therefore, in the promotional business, financing will in future be excluded that, for example, originates from controversial business areas (including armaments, non-state-regulated gambling) or violates the UN Global Compact (UNGC). In light of climate protection efforts and the energy policy goals of Schleswig-Holstein, IB.SH also considers financing in the area of energy production and fossil fuels to be controversial. As part of the necessary transformation process, current borrowers will be given the opportunity to abandon controversial business areas and practices without support being withdrawn immediately and in full. If the financing is not aimed at improving the carbon footprint, nuclear energy and the construction of power plants that are mainly coal-fired, for example, are excluded.

Baden-Wuerttemberg anchors sustainability in the state budget

Sustainability has been a mandatory criterion in Baden-Wuerttemberg's budgetary policy since 2 February. The new Climate Protection Act was passed in the state parliament, which includes an amendment to the state budget regulation. The aspects of economic efficiency, frugality and now sustainability will be closely interlinked from now on and form the basis of all future budgets. Baden-Wuerttemberg has set itself the target of reducing its greenhouse gas emissions by 65% by 2030 compared with 1990. By this time, the state administration should already be net greenhouse gas neutral, enabling the overarching goal of climate neutrality for the entire federal state to be achieved by 2040. To reach the 2030 targets, the draft law already specifies greenhouse gas reductions in seven economic sectors, including energy, industry, transport, buildings and agriculture. The legislation is expected to affect many other laws and rulings in addition to the state budget regulation.

Top rating of Investitionsbank Berlin (AAA) reconfirmed by Fitch

Investitionsbank Berlin (ticker: IBB) was once again awarded the best possible AAA credit rating and a stable outlook by the rating agency Fitch at the end of January. The rating agency based its decision primarily on the support of the owner (Berlin), which also has the top AAA rating with a stable outlook. As the federal state of Berlin is the sole owner and explicitly assumes liability for IBB's liabilities, the rating of IBB is equated with that of Berlin. In this context, the owners' rating is also linked to that of the Federal Republic of Germany due to the solidarity principle and the comprehensive systems of financial equalisation. In terms of the outlook for the updated IBB rating, the rating agency also refers to IBB's strategic role in the Berlin economy.

NRW state government presents new housing promotion programme for 2023-2027

Under the motto "Fördern, was Wohnungen schafft" (Promote what creates housing), the North Rhine-Westphalia state government, together with the Chairman of the Board of NRW.BANK (ticker: NRWBK), presented the promotional programme for 2023-2027 with a total volume of EUR 9.0bn on 10 February, in addition to the results for housing promotion in 2022. In order to create more rent and occupancy-linked housing, subsidised loans will be increased by +15% at all rent levels, which is also intended to counteract the rising building costs. In addition, attractive interest conditions are envisaged, such as 0% p.a. during the first five earmarked years and then 0.5% for the remaining period. "With the public housing promotion for 2023, we as the federal state of North Rhine-Westphalia are setting new standards in terms of funding conditions and climate protection," explained Ina Scharrenbach, Minister for Home Affairs, Municipal Affairs, Building and Digitalisation. The Minister also sees a particular challenge in the area of energy-efficient refurbishments of existing properties, with around 48,000 tonnes of CO2 having already been saved through the state's modernisation drive, which has been in progress since 2019. In order to press ahead with climate protection in construction, the promotional business will be geared even more strongly towards this in the future. For example, modernisation loans of up to EUR 200,000 per flat or home will be granted. The maximum level of loan subsidies will be increased from 35% to 55%, meaning that more than half of the investment costs incurred could be borne directly by the state. In a nutshell, the more energy-saving and climate-friendly the modernisation, the more the state government will contribute to the costs. In 2022, a total of EUR 1.1bn, the second highest figure in public housing promotion in the history of NRW, was approved for almost 8,000 flats. This means that the number of publicly funded flats has increased by +8% compared to 2021. By comparison, in the previous year, EUR 957.1m was granted for around 7,300 flats. With a calculated volume of EUR 1.8bn per year, the recently presented housing promotion programme for the next five years certainly represents a major boost. "The construction and housing industries are subject to long-term investment cycles. Especially here, it is important to provide security in uncertain times so that new construction and energy modernisation projects can be carried out. With the public housing promotion of North Rhine-Westphalia until 2027, we as a state are providing as much of this planning security as possible," said Minister Scharrenbach. Closely linked to the new promotion plans is, for example, the state-owned promotional bank's "NRW.BANK.Wohneigentum" lending programme designed to support the construction and acquisition of owner-occupied housing with low-interest loans.

WIBank: Infrastructure financing grew by more than a third in 2022

Wirtschafts- und Infrastrukturbank Hessen (ticker: WIBANK) again supported cities, local authorities and municipal enterprises with extensive financing last year. The total promotional volume of around EUR 2.65bn in 2022 grew by more than a third compared with the previous year (nominal growth of around EUR 700m). The increased demand for infrastructure funding in particular is due to a surge in investment in municipal infrastructure as well as increased government investment subsidies for hospitals. In WIBank's central promotional area - infrastructure and municipal promotion - local authorities in Hesse were funded with a volume of EUR 754.7m, a sevenfold increase year on year. According to WIBank, the main reasons for this are the continuing high level of infrastructure investments by the public sector and the turnaround in interest rates on the capital market, as a result of which many local authorities switched from short-term refinanced loans to long-term fixed-interest loans, most notably in the second half of the year. Accordingly, the promotional volume from the Hessian investment fund for municipal infrastructure investments totalling EUR 277.0m was also around 26% higher than the volume of new business in the previous year. For various other investment projects, a total of EUR 96.3m was paid to the local authorities in Hesse from the Hessenkasse special fund in 2022 (2021: EUR 69.2m). In the promotional area of health support, a total of just under EUR 1.1bn was made available to hospitals in 2022 (2021: EUR 814.1m) and, in addition, the lump-sum funding of hospital investments from federal state resources rose further after the already very significant increase in the previous year of EUR 407.8m. (2021) to EUR 565.2m. Disbursements in the education sector to public and private school authorities increased significantly to EUR 55.3m, compared with a figure of just EUR 7.0m in 2021. "As the promotional bank of the federal state of Hesse, it is our task to support local authorities and institutions with investments and to work with them to drive forward the major transformations of our time through appropriate promotional offers," says Gottfried Milde, spokesman for the WIBank management.

ISB: New business remained at a high level of EUR 2.9bn in 2022

In its press conference on 9 February, Investitions- und Strukturbank Rheinland-Pfalz (ticker: ISBRLP) took a look at the 2022 financial year, which was characterised in particular by the processing of assistance programmes that were handled in addition to the regular promotional programmes. Against the backdrop of the flood disaster in the region around Trier and the Ahr Valley, around 8,500 applications for reconstruction aid with a total volume of EUR 726m were approved. With a total of EUR 524m, aid in connection with Covid-19 continued to be provided, although the number of new applications had already declined sharply in the course of the year. The volume of the assistance programmes alone therefore came to roughly EUR 1.2bn. With a net profit of about EUR 1.7m, the previous year's result (EUR 1.5m) was exceeded. The approved promotional volume of EUR 2.9bn in 2022 was only just shy of the previous record year of 2021, when a volume of around EUR 3.0bn was registered. All in all, the promotional bank's balance sheet total rose by around +8% year on year from EUR 9.2bn to EUR 9.9bn. New business thus remained at a high level in 2022, with reconstruction aid programmes continuing to occupy the ISB in the current year. In the area of housing promotion, too, a continuation of the positive trend is expected based on rental housing projects under way, some of which are large in scale.

Primary market

The trading week under review here (Wednesday to Tuesday) again offered a large number of new issues from a wide range of jurisdictions. We already commented on three mandates in the last week's publication, and the marketing of the bonds started immediately on Wednesday: Japan Finance Organization for Municipalities (ticker: JFM) had already announced in advance the volume of its green bond (EUR 500m WNG) and a guidance of ms +35bp area. After a revision of the guidance to ms +33bp area, the bond (5Y) was finally priced at ms +31bp. The deal was oversubscribed several times over with an order book of EUR 1.6bn. The Finnish municipal financier MuniFin (ticker: KUNTA) also placed a green bond: a sum of EUR 1bn changed hands for five years at ms -3bp (guidance: ms -1bp area). The bid-to-cover ratio was 2.0x. The issue by Bank Gospodarstwa Krajowego (ticker: BGOSK) boasted a significantly higher yield. The 10y bond with a volume of EUR 750m was placed at ms +215bp, although the marketing phase had originally started with initial guidance of ms +240bp area. The order book amounted to EUR 2.1bn. Investors also had an opportunity to get their hands on fresh supply from the Netherlands: BNG Bank (ticker: BNG) issued a 5y bond worth EUR 1.5bn at ms -3bp (guidance: ms -1bp area). Over in the supras segment, there was activity from the ESM. The issuer had already sent out RfPs to the relevant banking group in advance. The term is five years and the desired volume of EUR 3bn was raised at ms -10bp (guidance: ms -7bp area). To recap, the ESM's funding target for 2023 is EUR 8bn, meaning that more than a third of the target has already been achieved through this issue. The order book was also well filled with a volume of EUR 13.6bn. From France, CADES approached investors for the second time this year – and of course it had a social bond on offer. The deal has a term of seven years and a volume of EUR 4bn. The marketing phase started with an initial guidance of OAT +34bp, before the price was eventually fixed at OAT +31bp (with both FRTR 0% 11/25/2029 and FRTR 0% 11/25/2030 as reference points in this context). Given an order book of EUR 26.0bn, the bid-to-cover-ratio was 6.5x. From Germany, the federal state of Brandenburg made an appearance in the trading week under review here. After raising EUR 500m in January, this issue added another EUR 600m to the federal state's coffers. The term for this deal is nine years and it was priced at ms -4bp (guidance: ms -3bp area). In total, the German Laender have therefore already issued EUR 12.85bn in EUR benchmark deals so far this year. Looking ahead to the coming week, there is another EU bond auction scheduled for Monday. We will comment on the result - in the usual manner - in next week's edition of this publication. In addition, Investitionsbank Berlin (ticker: IBB) has mandated for a EUR benchmark bond with a ten-year maturity.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
BRABUR	DE	20.02.	DE000A3E5SQ4	9.0y	0.60bn	ms -4bp	- / Aaa / -	-
CADES	FR	20.02.	FR001400G6E6	7.0y	4.00bn	ms -1bp	- / Aa2 / AA	X
ESM	SNAT	20.02.	EU000A1Z99R5	5.0y	3.00bn	ms -10bp	AAA / Aaa / AAA	-
BNG	NL	15.02.	XS2590764713	5.0y	1.50bn	ms -3bp	AAA / Aaa / AAA	-
BGOSK	Other	14.02.	XS2589727168	10.0y	0.75bn	ms +215bp	A- / - / -	-
KUNTA	Nordics	14.02.	XS2590268814	5.6y	1.00bn	ms -3bp	- / Aa1 / AA+	X
JFM	Other	14.02.	XS2572499726	5.0y	0.50bn	ms +31bp	- / A1 / A+	X

Source: Bloomberg, NORD/LB Markets Strategy & Floor Research (Ratings: Fitch / Moody's / S&P)

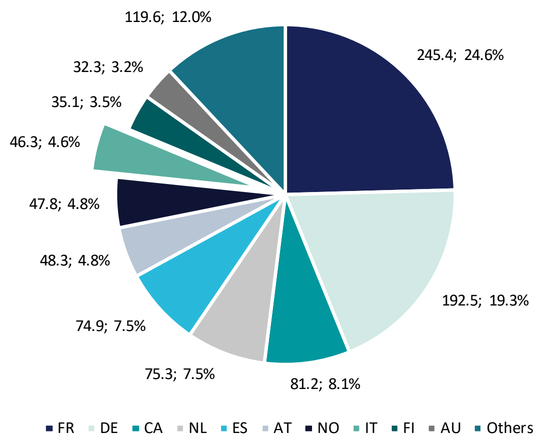
Covered Bonds
The Italian market for EUR benchmark covered bonds

Author: Stefan Rahaus

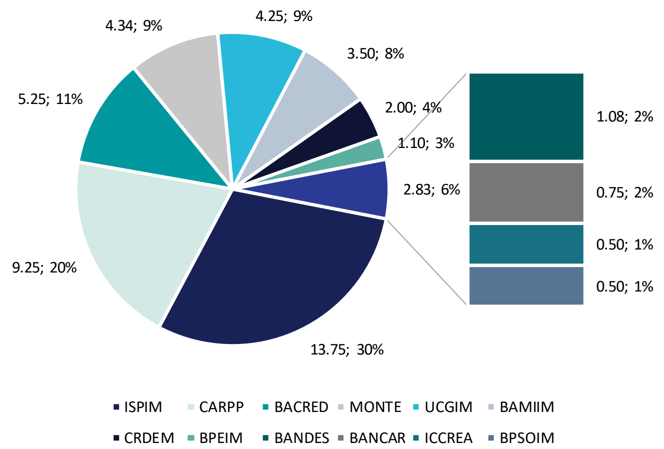
The Italian EUR benchmark segment for covered bonds

Italy is undoubtedly one of the established covered bond jurisdictions and the country's issuers account for a notable share of the EUR benchmark segment. In a country comparison, Italy ranks between Norway (EUR 47.8bn) and Finland (EUR 35.1bn) with an outstanding volume of EUR 46.3bn. A total of twelve issuers are currently active in the EUR benchmark segment and these have 57 covered bonds outstanding. Below we provide a compact overview of Italy's EUR benchmark segment.

Volume by jurisdiction (EUR BMK; EURbn)



IT: Volume by issuer (EUR BMK; EURbn)



Source: Bloomberg, market data, NORD/LB Markets Strategy & Floor Research

Covered bond issuers from Italy

In our NORD/LB Issuer Guide Covered Bonds 2022, which focuses on the EUR benchmark and EUR sub-benchmark segment, we offer an overview of 13 issuers from Italy and their cover pools overall. All the programmes we looked at are backed by mortgage loans, although public cover assets are also permitted under the Italian covered bond legislative framework. Even before the implementation of the EU Covered Bond Directive, most issues were in the soft bullet format. Looking at the EUR benchmark segment, Intesa Sanpaolo (ISPIM) is the market leader with an outstanding EUR benchmark volume of EUR 13.75bn, ahead of Crédit Agricole Italia (CARPP; EUR 9.25bn) and Mediobanca Banca di Credito Finanziario (BACRED; EUR 5.25bn). Other issuers include Banca Monte dei Paschi di Siena (MONTE), UniCredit (UCGIM), Banco BPM (BAMIIM), Credito Emiliano (CRDEM), BPER Banca (BPEIM), Banco di Desio e della Brianza (BANDES), Banca Carige (BANCAR), Banca Popolare di Sondrio (BPSOIM) and Iccrea Banca (ICCREA). In the EUR sub-benchmark segment, Banca Popolare dell'Alto Adige (BPOPAA) is represented with a covered bond that has a volume of EUR 300m. This deal is omitted from the following table due to the focus on the EUR benchmark segment.

Overview: EUR benchmark issuers from Italy

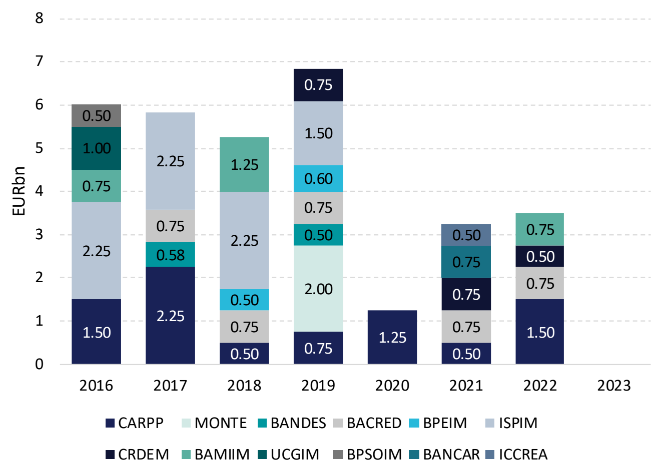
Issuer (Reference date 31.12.2022)	Maturity type	Cover pool volume (in EURm)	Total out-standing (in EURm)	OC (%)	BMK	LCR level / Risk weight	Rating (Fitch / Moody's / S&P / DBRS)	EUR BMK 2023ytd	EUR BMK 2022	EUR BMK 2021
								EURbn / Number of deals		
BANCAR* **	SB	3,472.3	2,422	43.4	BMK	1 / 10%	- / Aa3/ -/ AA	- / -	- / -	0.75 / 1
MONTE**	CPT	11,829.3	8,200	44.3	BMK	1 / 10%	AA-/ Aa3/ -/ AA	- / -	- / -	- / -
BPSOIM	SB	1,270.4	500	154.1	BMK	1 / 10%	AA/- / -/-	- / -	- / -	- / -
BAMIIM	SB	8,217.2	4,000	105.4	BMK	1 / 10%	- / Aa3/ -/ -	- / -	0.75 / 1	- / -
BANDES	SB	1,676.3	1,175	42.7	BMK	1 / 10%	AA/ -/ -/ -	- / -	- / -	- / -
BPEIM	SB	5,392.7	4,250	26,9	BMK	1 / 10%	- / Aa3/ -/ -	- / -	- / -	- / -
CARPP	SB	13,659.5	12,000	13.8	BMK	1 / 10%	- / Aa3/ -/ -	- / -	1.50 / 2	0.50 / 1
CRDEM	SB	4,562.8	2,100	117.3	BMK	1 / 10%	AA/ Aa3/ -/ -	- / -	0.50 / 1	0.75 / 1
ICCREA	SB	1,223.7	500	144.6	BMK	1 / 10%	- / Aa3/ -/ -	- / -	- / -	0.50 / 1
ISPIM**	SB	18,504.5	15,560	18.9	BMK	1 / 10%	- / Aa3/ -/ -	- / -	- / -	- / -
ISPIM (UBI)	SB	9,141.7	7,700	18.7	BMK	1 / 10%	- / Aa3/ -/ AA			
BACRED	SB	7,124.3	5,250	35.7	BMK	1 / 10%	AA / -/ -/	- / -	0.75 / 1	0.75 /1
UCGIM	SB	5,804	2,606	122.7	BMK	1 / 10%	AA/ Aa3/ AA-/ -	- / -	- / -	- / -
	CPT	29,684	18,250	62.7	BMK	1 / 10%	- / AA3/ -/ -			

Source: Issuers, market data, NORD/LB Markets Strategy & Floor Research; *Banca Carige acquired by BPER Banca; **values as at reference date 30 Nov. 2022

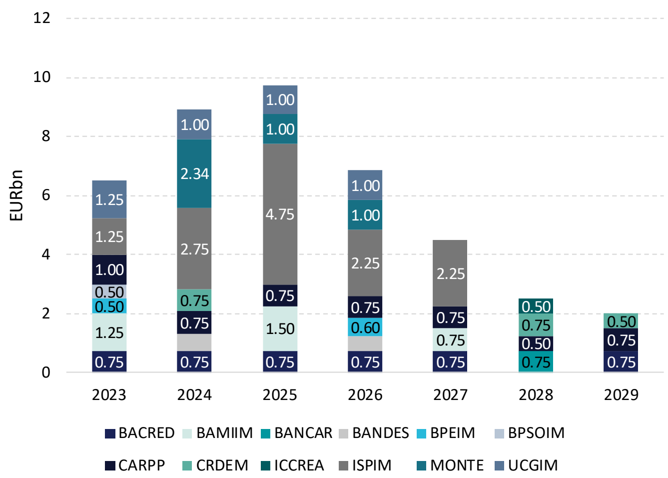
Restrained issuance activity in recent years

While an average of almost EUR 6.0bn in EUR benchmark bonds was issued annually by Italian issuers between 2016 and 2019, the average value fell to just EUR 2.67bn in the period 2020-2022. We also attribute this development to the fact that Italian credit institutions have resorted to alternative refinancing sources. In 2023, no covered bond has yet been issued in the EUR benchmark format from Italy, which can be explained by the still pending finalisation of the official requirements by the Italian central bank.

IT: EUR BMK deals 2016-2023



IT: Maturities EUR BMK 2023 - 2032



Source: Bloomberg, market data, NORD/LB Markets Strategy & Floor Research

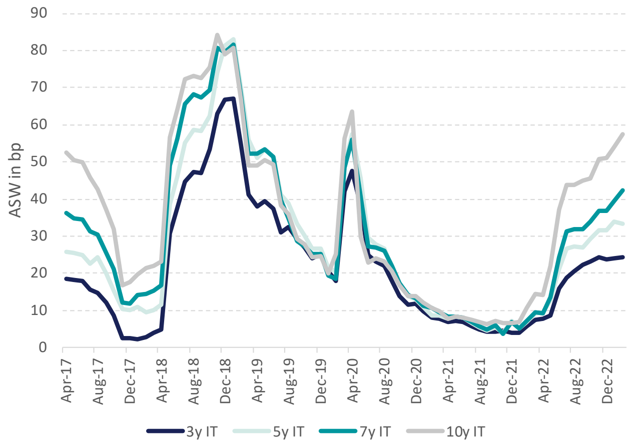
Comparatively high volume of upcoming maturities

In the years 2023 to 2025, significantly more Italian covered bonds in EUR benchmark format will mature than were issued in the last three years. On average, EUR 8.4bn must be repaid to investors per year during this period. Not least for this reason, we assume that issuers from Italy will certainly have quite a high issuance requirement over the coming months and years.

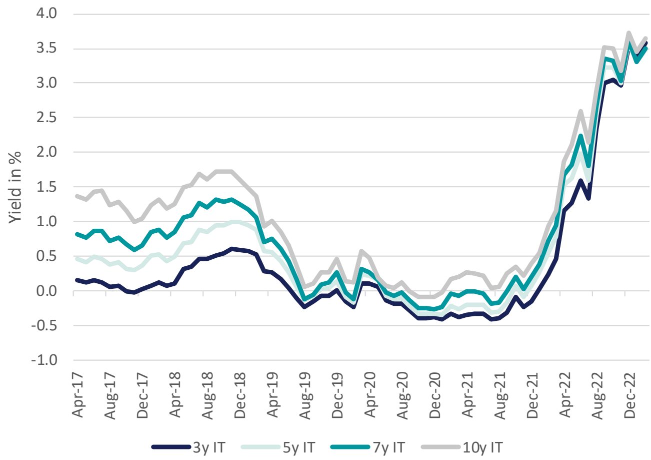
Italian ESG-covered bonds with catch-up potential

With Crédit Agricole Italia and Banco BPM, only two issuers have so far issued covered bonds in a sustainable format. CARPP kicked things off in this regard when it placed a green covered bond with an initial residual maturity of twelve years and a volume of EUR 500m in 2021. Last year, BAMIM followed this up by issuing a deal worth EUR 750m over five years, again in the green ESG segment. Compared with other jurisdictions, there is definitely significant catch-up potential for Italian issuers in this segment, also measured against the overall size of the country's EUR benchmark segment.

Covered bonds: Spread development IT (generic)



Covered Bonds: Yield development IT (generic)

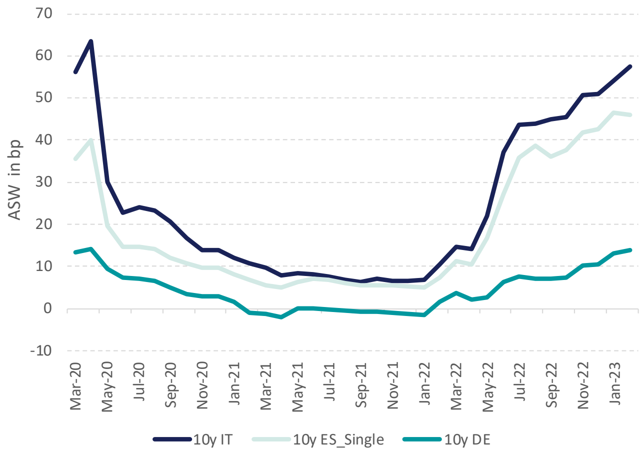


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

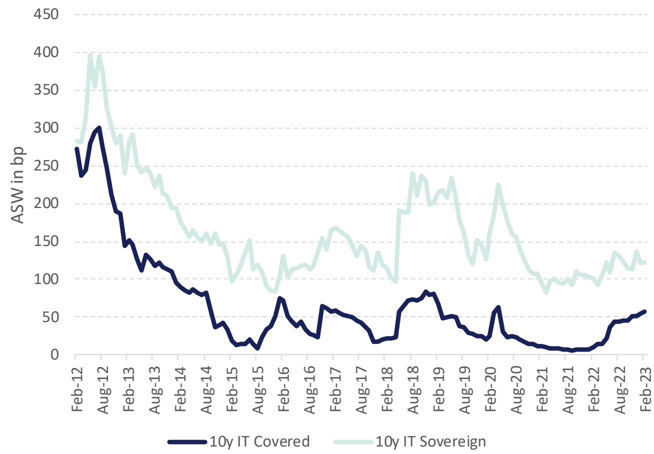
Spread development on the Italian covered bond market

The ASW spreads of Italian covered bonds widened significantly in 2022. The longer end in particular already reached the levels seen during the Covid-related distortions in 2020 with the exception of a few basis points, while the shorter end was almost twice as high at that time. The maturity-dependent spread curve has therefore steepened considerably, which again underlines the preference of investors for shorter maturities that we have repeatedly emphasised. As wide as the ASW spreads are in the different maturity segments, the yields on three to ten-year covered bonds from Italy are currently very close together. At 3.65%, covered Italian bonds with a ten-year maturity yield only 0.06 percentage points above papers with a three-year maturity. In a jurisdiction comparison, there is a clear widening vis-à-vis Pfandbriefe for EUR benchmarks from Italy. As for other countries, we also see normalisation of the spread structure in the covered bond market as a significant factor in the case of Italy. In our opinion, the difference compared to Spanish covered bonds also clearly reflects the fundamental situation in the two overall markets. In our view, the spread difference in comparison with Italian government bonds remains remarkable. This is also where the dual recourse of covered bond investors to the issuer and the cover pool comes into play. Finally, the ratings of the covered bonds (AA/Aa3 range) are also on a different level to the ratings of the Italian government bonds (BBB/Baa3 range). For some investors, on the other hand, the lower risk weight of Italian government bonds is likely to prevail in the investment decision, which may have a dampening effect on demand for covered bonds.

Covered bonds:-Spread trend IT, ES, DE (10y)



Spread trend: Covered IT and Sovereign IT (10y)



Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Conclusion and outlook

The Italian covered bond market is undoubtedly one of the established jurisdictions in the EUR benchmark segment. We attribute the decline in the EUR benchmark issuance volume over the past three years to special factors. For example, the ECB provided cheap liquidity and, as of July 2022, details on the practical implementation of the EU Covered Bond Directive are still pending. We expect a new issuance volume of EUR 9.0bn in the EUR benchmark segment from Italy in 2023, which will be offset by maturities of EUR 7.3bn. This would produce a net new supply of EUR 1.7bn. The delays in the practical implementation of the regulatory requirements support our expectation of a positive net supply.

SSA/Public Issuers
European supranationals – an overview

Authors: Dr Norman Rudschuck, CIIA // Jan-Phillipp Hensing

EU clearly dominates EUR-denominated supply from supranationals

The segment of European supranational entities is the biggest within the global supranational market. With a bond volume outstanding of EUR 1,195.9bn, European supranationals account for around two-thirds of the supranational market as a whole. These European supranationals dominate the supply of EUR denominated bonds in particular. The EUR bond volume outstanding from European supranationals totals EUR 916.7bn. The corresponding amount from other supranationals only amounts to a fraction of this. At the same time, the segment of European supranationals as a sub-market has also seen more changes in recent years than any other. As a result of the national debt crisis, credit facilities were set up that then developed into the biggest supranational issuers within a short period of time and have been brought to public attention. The EFSF should be mentioned as well as the subsequently established ESM, which is still active today and now fulfils additional duties following a change of mandate. Furthermore, the EU has launched various programmes since October 2020 to mitigate the effects of the Covid-19 pandemic. In last week's issue of our publication, we examined these programmes separately. The EU (Bloomberg ticker: EU) is headed towards becoming one of the biggest issuers worldwide by 2026. It has already been the biggest issuer of social bonds since 2021 (in excess of EUR 98bn since the start of the pandemic). In addition, the EU plans to issue green bonds worth up to EUR 250bn by 2026 – a further boost for the growth segment of ESG.

European supranationals – an overview

Institution	Type	Owner(s)	Guarantee	Risk weight
European Financial Stability Facility (EFSF)	Credit facility	17 Eurozone member states	Guarantee ceiling of: EUR 724.5bn	0%
European Stability Mechanism (ESM)	Credit facility	19 Eurozone member states*	Callable capital: EUR 624.3bn	0%
European Union (EU)	Credit facility	27 EU member states	Maintenance obligation	0%
European Investment Bank (EIB)	Promotional bank	27 EU member states	Callable capital: EUR 226.6bn	0%
European Bank for Reconstruction and Development (EBRD)	Promotional bank	71 states, EU and EIB	Callable capital: EUR 23.5bn	0%
Nordic Investment Bank (NIB)	Promotional bank	Eight Scandinavian and Baltic countries	Callable capital: EUR 7.5bn	0%
Council of Europe Development Bank (CEB)	Promotional bank	42 member states of the Council of Europe	Callable capital: EUR 4.9bn	0%
European Company for the Financing for Railroad Rolling Stock (EUROFIMA)	Promotional bank	26 railway companies from 25 European countries	Callable capital: EUR 1.9bn	20%

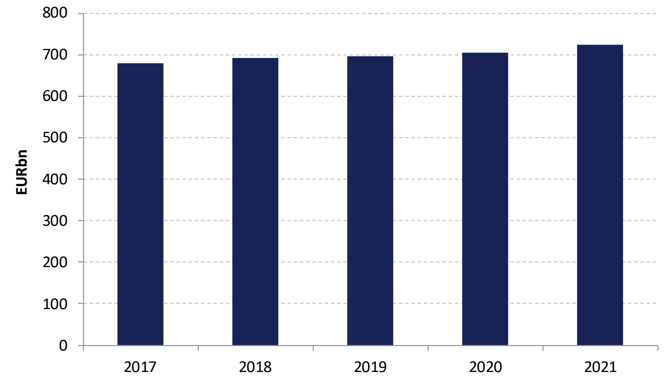
* Croatia has already been approved as the 20th member state and will officially join in the course of 2023.

Source: Issuers, NORD/LB Markets Strategy & Floor Research

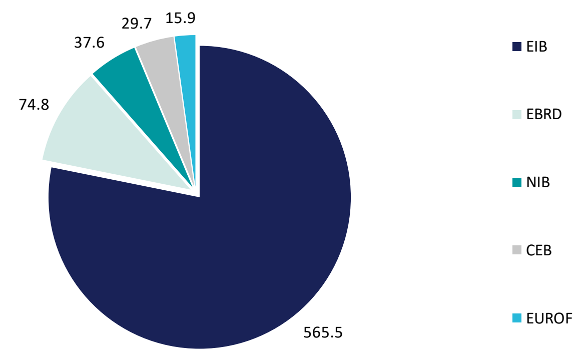
Marginal increase in the total assets of European multilateral development banks

The importance of supranational development financial institutions significantly increased in the wake of various financial and economic crises. The relevance of these financial institutions is evident from their total assets. After a minor expansion of aggregate total assets in 2020, a further small increase was also observed in 2021. With total assets of EUR 565.5bn, the EIB represents approximately 78.2% of all European multilateral development banks. Combined, total assets rose by around 2.7% in 2021. The EIB recorded an increase of EUR 11.2bn in the same year. In addition to the EIB, the EBRD contributed to the slight growth in aggregate total assets from EUR 704.5bn to EUR 723.5bn in view of an increase in its total assets of 7.1% during the last reporting year.

Aggregate total assets



Comparison of balance sheet totals (EURbn)

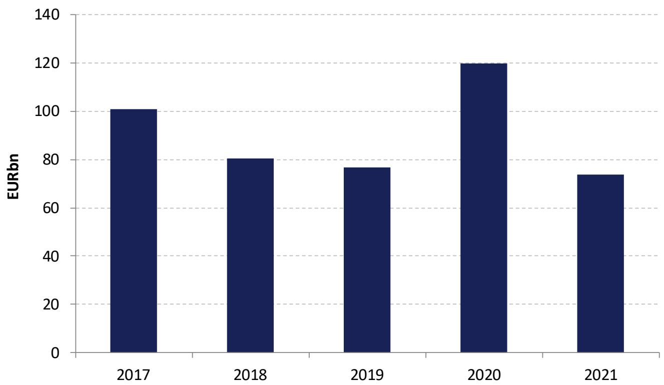


NB: foreign currencies converted into EUR on the basis of average exchange rates.
Source: Issuers, NORD/LB Markets Strategy & Floor Research

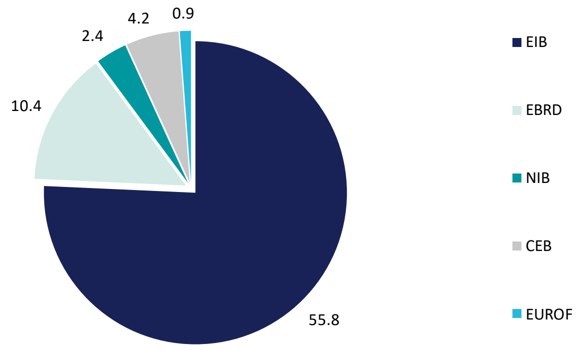
Sharp decline in new commitments

Unlike total assets, aggregate new commitments in 2021 were down on the previous year. On account of a decrease in the development programmes that were implemented to contain economic consequences in the wake of the Covid-19 pandemic, the aggregate volume was down to EUR 73.7bn, which represents a reduction of 38.5%. This was mainly attributable to the EIB, whose volume of new commitments fell by EUR 39.6bn compared with the previous year to EUR 55.8bn. However, the EBRD, NIB, CEB and EUROFIMA also recorded a sharp decline. Overall, new commitments were actually 4% lower than in 2019 – i.e. before the start of the pandemic.

Aggregate new commitments



Comparison of new commitments (EURbn)



NB: foreign currencies converted into EUR on the basis of average exchange rates.
Source: Issuers, NORD/LB Markets Strategy & Floor Research

Comparison of capital ratios of European multilateral development banks

	Paid-in capital/ total assets	Callable capital/ total assets	Subscribed capital/ total assets	Equity/ total assets	Paid-in capital/ subscribed capital
EIB	3.9%	40.1%	44.0%	13.0%	8.9%
EBRD	8.3%	31.5%	39.8%	27.2%	26.4%
NIB	2.3%	20.0%	22.3%	10.6%	10.1%
CEB	2.1%	16.4%	18.4%	10.9%	11.2%
EUROFIMA	3.3%	13.1%	16.3%	9.8%	20.0%

Source: Issuers, NORD/LB Markets Strategy & Floor Research

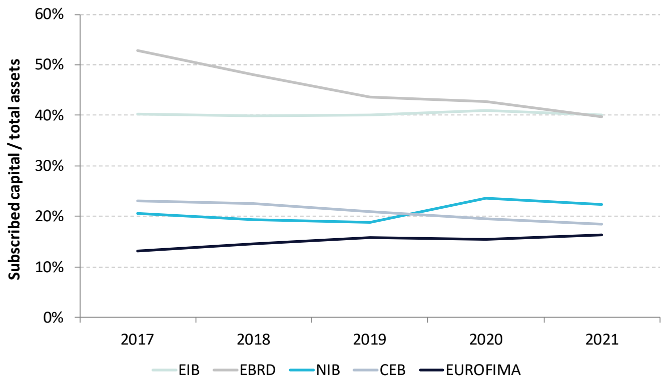
Marked differences in capital ratios

The levels of capital ratios of the European multilateral development banks analysed vary significantly in some cases. For example, the ratio of equity to total assets is considerably higher at the EBRD than at the other development banks. The situation is similar for the ratio of subscribed capital, which comprises paid-in and callable capital, to total assets. While the EBRD and EIB recorded the highest values, the low value for EUROFIMA (16.3%) stands out. However, the performance of EUROFIMA compared with the previous year should be emphasised as positive: following the reduction in total assets in 2021, the ratio of subscribed capital to total assets subsequently went up. At the end of 2022, a capital increase was resolved for the CEB, which will impact positively on what are currently comparatively low ratios.

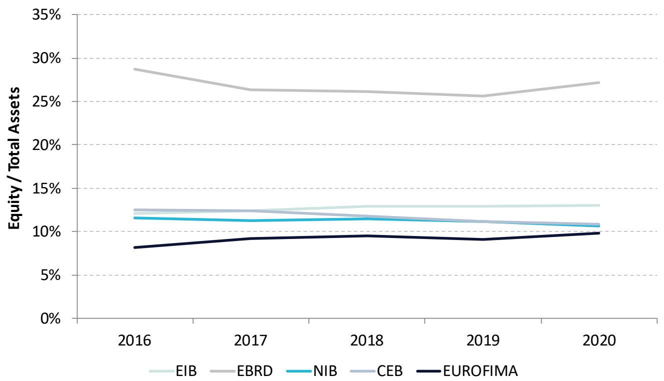
Planned capital increase at the CEB

In December 2022, the Governing Board of the Council of Europe Development Bank approved the seventh increase in capital since the bank was first established. The CEB's subscribed capital is set to increase from EUR 5.48bn by up to EUR 4.25bn to total an amount of EUR 9.73bn – when subscribed in full. The previous paid-in capital of EUR 0.61bn would therefore increase by EUR 1.2bn to EUR 1.81bn. The subscription period ends on 31 December 2023.

Subscribed capital to total assets ratios



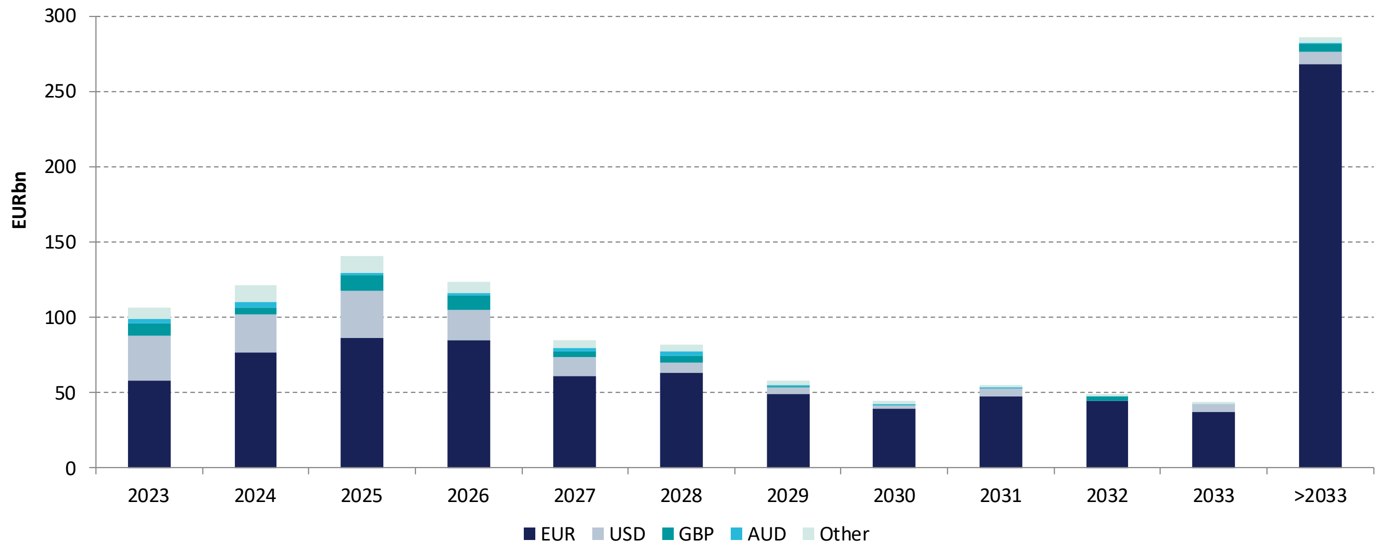
Equity to total assets ratios



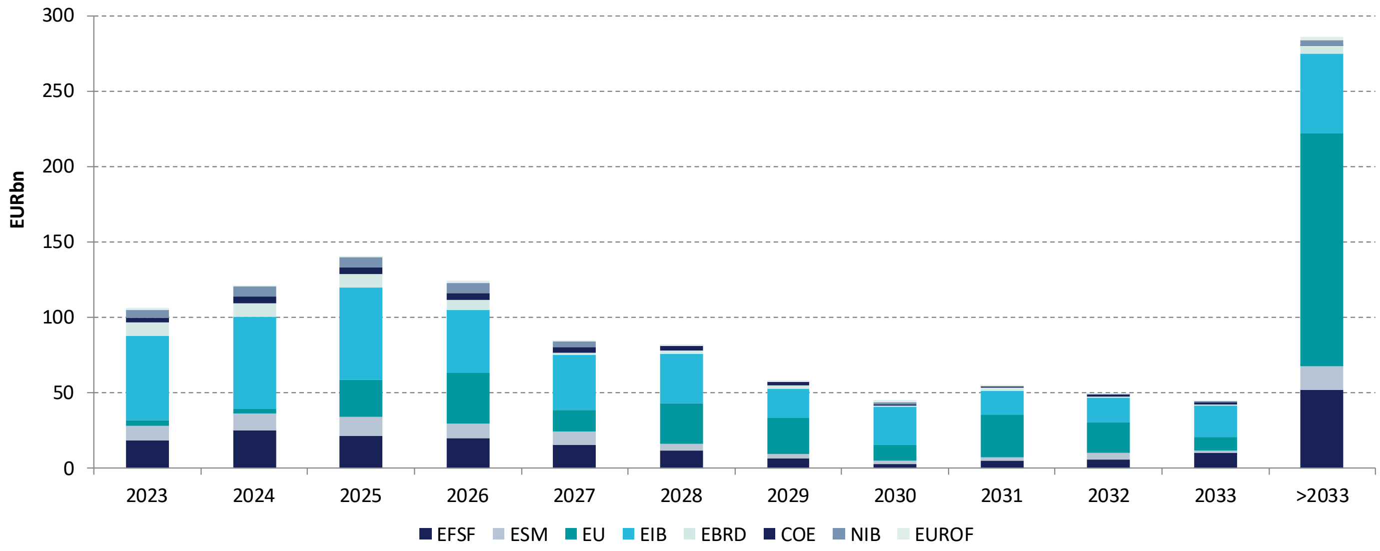
Ratios as at 31 Dec. 2021

Source: Issuers, NORD/LB Markets Strategy & Floor Research

European supranationals: outstanding bonds by currency



European supranationals: outstanding bonds by issuer

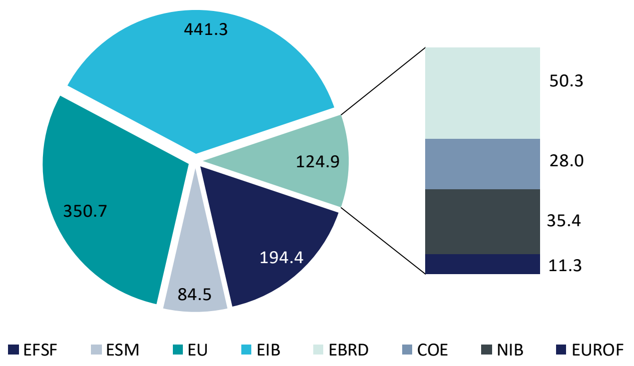


NB: Foreign currencies converted into EUR at rates as at 20 February 2023
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

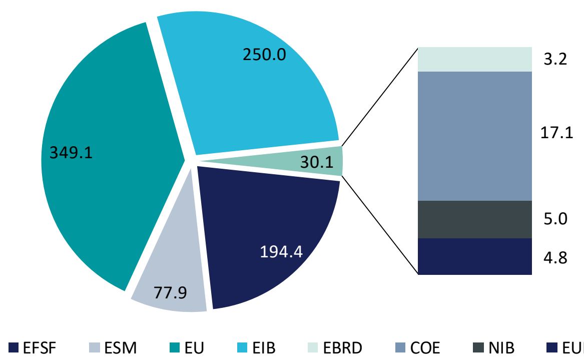
Substantial supply across all maturity ranges

Supply in the supranational market is substantial in almost all maturity ranges. In the period from 2023 to 2028, an annual average volume in excess of EUR 100bn will mature. In the (ultra) long maturity segment, the volume outstanding is also high for numerous bond issues. For a long time, the EIB and EFSF accounted for much of the supply. However, since launching its SURE and NGEU programmes, the EU has evolved into a big player in this segment and is increasingly set to dominate the sub-market in the coming years.

Volume of bond issues outstanding (EURbn)



EUR benchmark bond issues outstanding (EURbn)



NB: Benchmarks are defined as bonds with a minimum volume of EUR 0.5bn, incl. EIB & EFSF floating rate notes.
Foreign currencies converted into EUR at rates as at 20 February 2023.
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Overview of European supranationals (EURbn/EUR equivalent)

Name	Ticker	Rating (Fitch/Moody's/S&P)	Outstanding volume	EUR volume	Funding target 2023	Maturities 2023	Net Supply 2023	Number of ESG bonds	ESG volume
EFSF	EFSF	AA/Aaa/AA	194.4	194.4	20.0	22.5	-2.5	0	0.0
ESM	ESM	AAA/Aaa/AAA	84.5	77.9	8.0	12.7	-4.7	0	0.0
EU	EU	AAA/Aaa/AA+	350.7	350.7	130.0	3.6	126.5	17	134.8
EIB	EIB	AAA/Aaa/AAA	441.3	255.1	45.0	59.5	-14.5	76	70.8
EBRD	EBRD	AAA/Aaa/AAA	50.3	8.6	8.0	10.5	-2.5	48	6.3
NIB	NIB	-/Aaa/AAA	35.4	6.9	8.0	6.8	1.2	14	5.7
CEB	COE	AA+/Aa1*/AAA	28.0	17.3	7.0	3.8	3.2	9	6.0
EUROFIMA	EUROF	AA/Aa2/AA	11.3	5.8	1.1	1.5	-0.4	12	4.9
Total			**1,195.9**	**916.7**	**227.1**	**120.9**	**106.3**	**176**	**228.5**

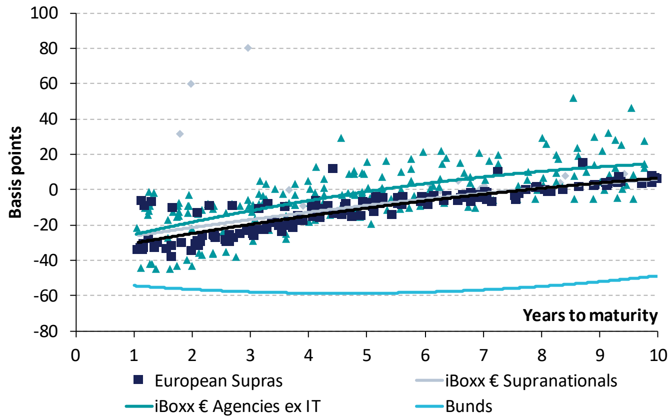
* Moody's rating for the CEB is currently under review for upgrading.
Foreign currencies converted into euros at exchange rates on 20 February 2023.
In view of the issuer's individual funding mix, the values under funding target and, in particular, net supply may differ from actual values.
Source: Bloomberg, issuers, NORD/LB Markets Strategy & Floor Research

Comment

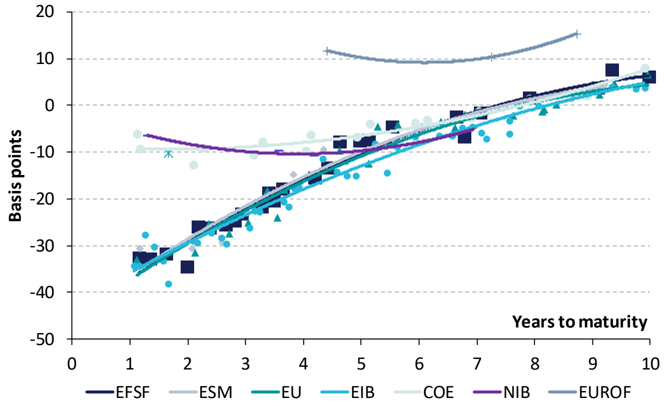
The European supranational market offers a substantial supply of bonds with different maturities, particularly bonds denominated in EUR. This is largely owing to the EFSF and the European Union, as all of their funding is exclusively in the domestic currency. Yet, the volume of bonds outstanding that are denominated in foreign currencies, expressed as absolute figures, is also very high – compared with other markets. For example, the EIB, EBRD and NIB fund themselves on the basis of many different currencies. In the coming years, any fresh supply is set to be dominated by the EU. Up to 2026, an average of EUR 150-200bn is to be raised in the capital market under the NGEU programme. This eclipses other financial institutions, including in terms of the total volume outstanding. All E-supranationals also have excellent ratings, with – except for EUROFIMA – a 0% risk weighting. In addition, the existing volume of ESG bonds outstanding should also be mentioned. A remarkable 176 ESG-related bond issues outstanding worth EUR 228.5bn (converted) are already available in this segment, with an upward trend.

Supranationals A comparison of spreads

European supranationals vs iBoxx € indices & Bunds



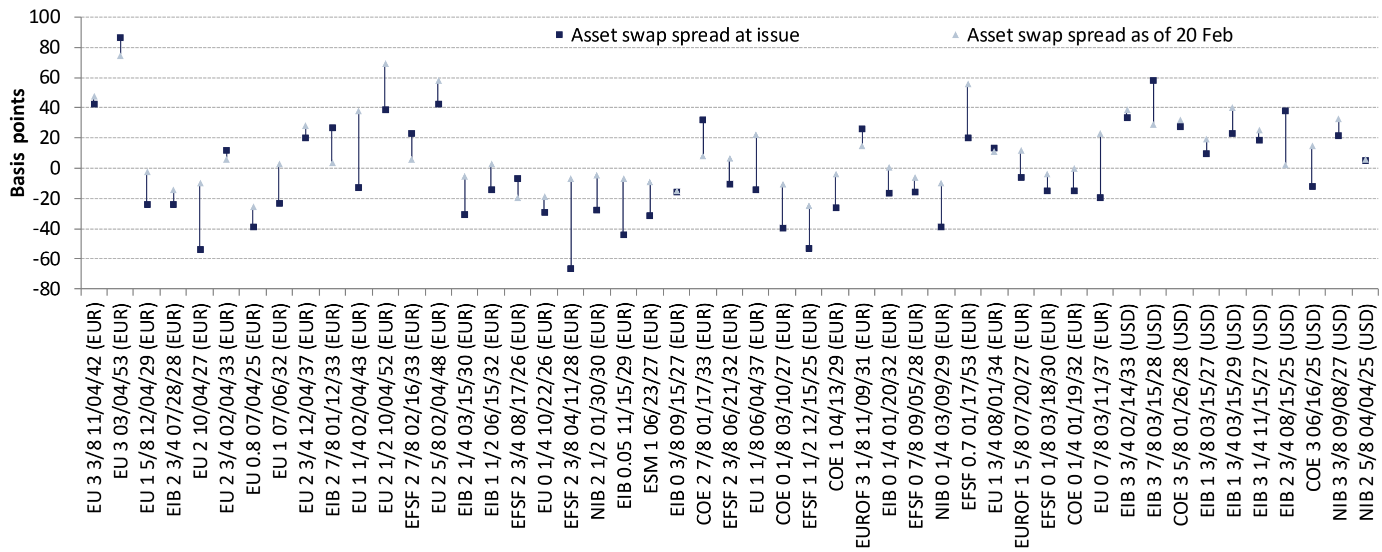
European supranationals – a comparison



* Residual term to maturity >1 year and <10 years; outstanding volume at least EUR 0.5bn.
Source: Bloomberg, Markit, NORD/LB Markets Strategy & Floor Research

Supranationals Primary market activities – an overview

Development of benchmark issues 2022/23 (fixed coupon)



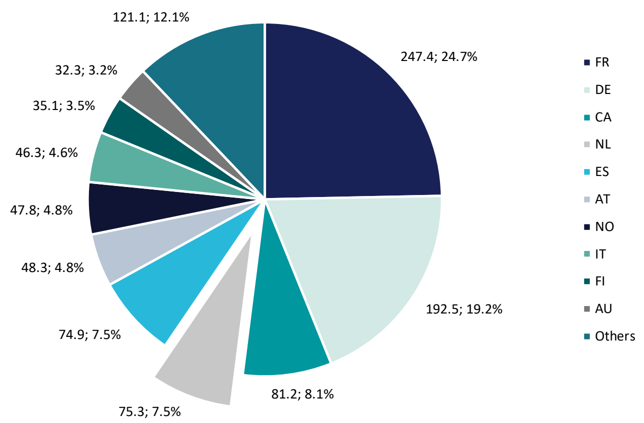
NB: Benchmarks are defined as bonds with a minimum volume of EUR 0.5bn or USD 1.0bn.
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Conclusion

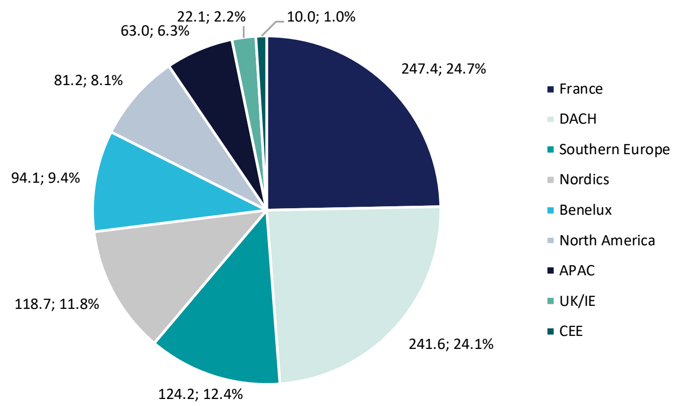
The segment of European supranationals has faced extensive changes in recent decades. Starting with the sovereign debt crisis, which resulted in the creation of credit facilities that developed into major issuers within a very short period of time, the Covid-19 pandemic then led to the European Union becoming a mega issuer. Fresh supply is largely set to be determined by the EU in the period up to 2026. In terms of an annual average, a total of EUR 150-200bn is planned for the NGEU programme alone in the period up to 2026. However, the EIB's funding target of EUR 45-50bn is also an eye-catching figure. The ESM and EFSF are planning a volume of EUR 8bn and EUR 20bn respectively for 2023.

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



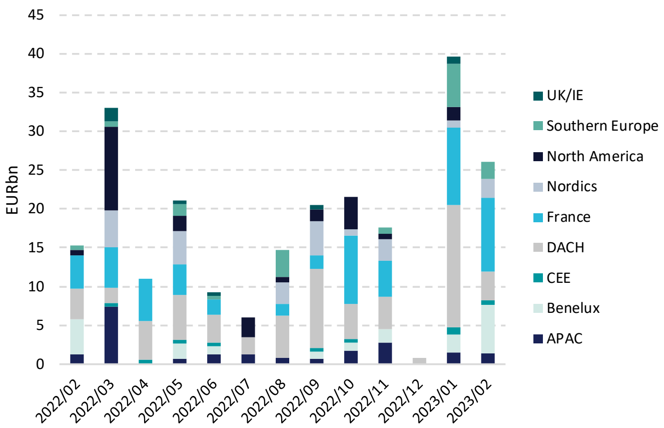
EUR benchmark volume by region (in EURbn)



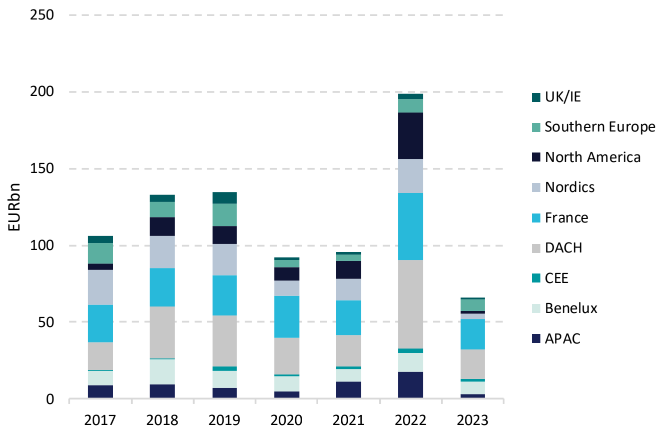
Top-10 jurisdictions

Rank	Country	Amount outst. (EURbn)	No. of BMKs	There of ESG BMKs	Avg. issue size (EURbn)	Avg. initial maturity (in years)	Avg. mod. Duration (in years)	Avg. coupon (in %)
1	FR	247.4	237	16	0.97	9.6	5.3	1.10
2	DE	192.5	275	31	0.65	8.1	4.3	0.86
3	CA	81.2	62	0	1.26	5.6	2.8	0.59
4	NL	75.3	75	1	0.94	11.0	6.8	0.95
5	ES	74.9	60	6	1.16	11.0	3.7	1.87
6	AT	48.3	83	4	0.58	8.8	5.5	1.06
7	NO	47.8	57	11	0.84	7.2	3.8	0.50
8	IT	46.3	57	2	0.79	9.2	3.7	1.24
9	FI	35.1	37	3	0.94	7.3	3.7	0.86
10	AU	32.3	32	0	1.01	7.6	3.8	1.19

EUR benchmark issue volume by month

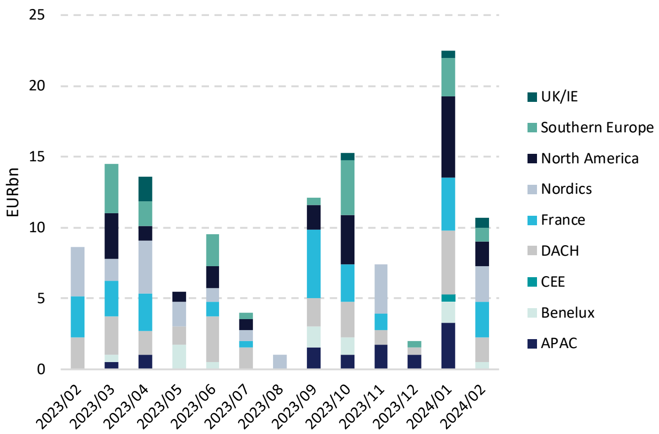


EUR benchmark issue volume by year

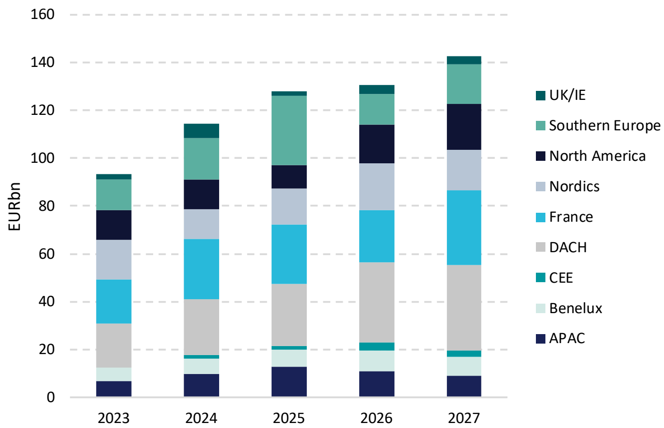


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

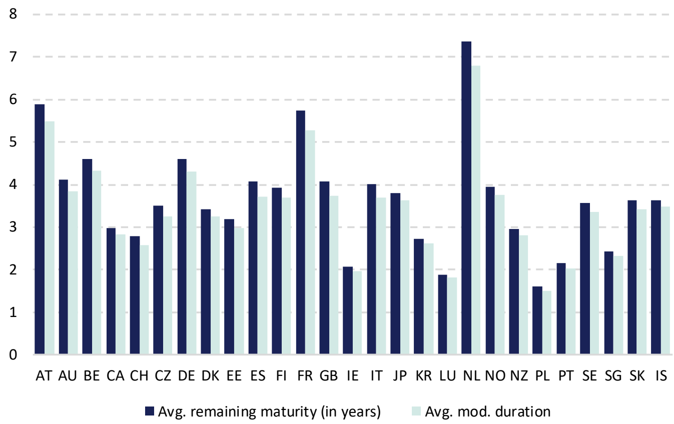
EUR benchmark maturities by month



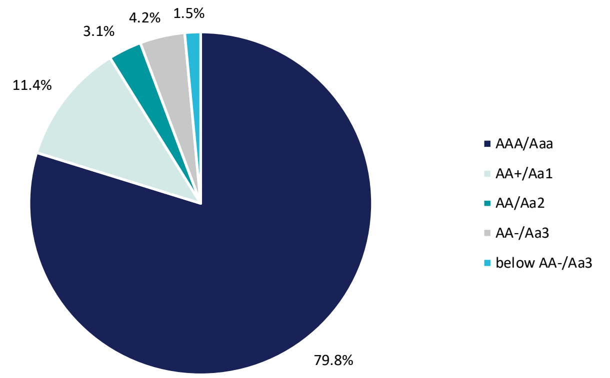
EUR benchmark maturities by year



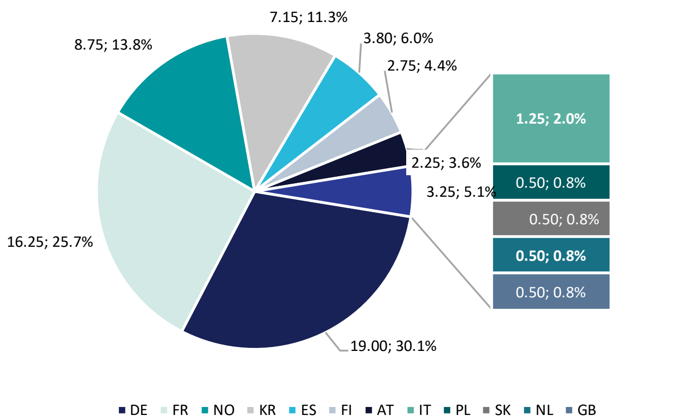
Modified duration and time to maturity by country



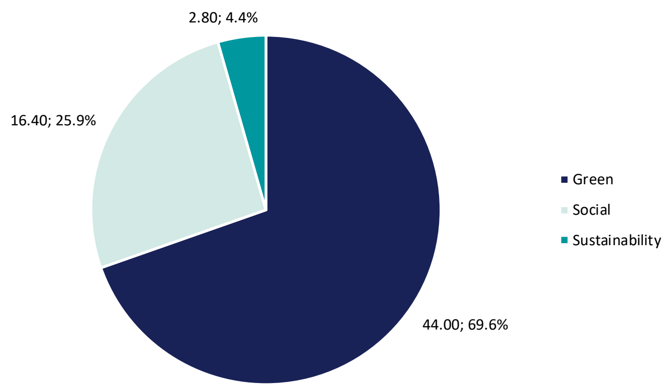
Rating distribution (volume weighted)



EUR benchmark volume (ESG) by country (in EURbn)

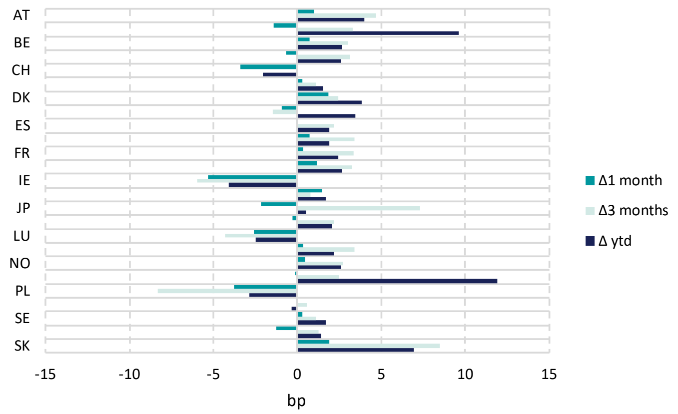


EUR benchmark volume (ESG) by type (in EURbn)

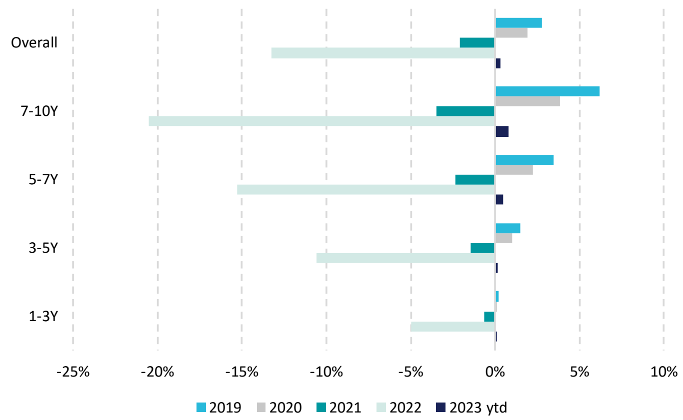


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

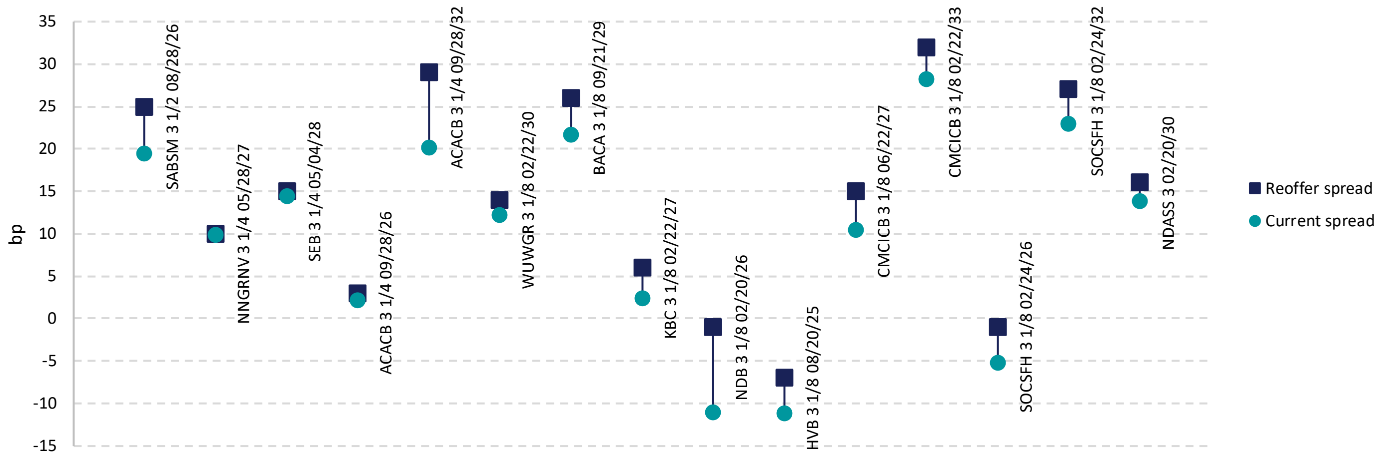
Spread development by country



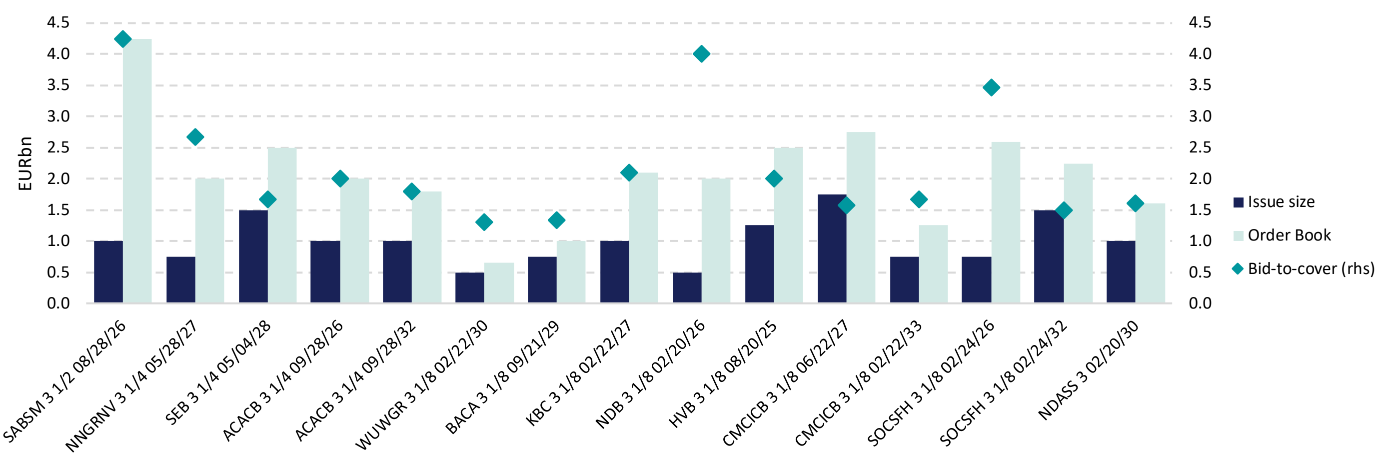
Covered bond performance (Total return)



Spread development (last 15 issues)



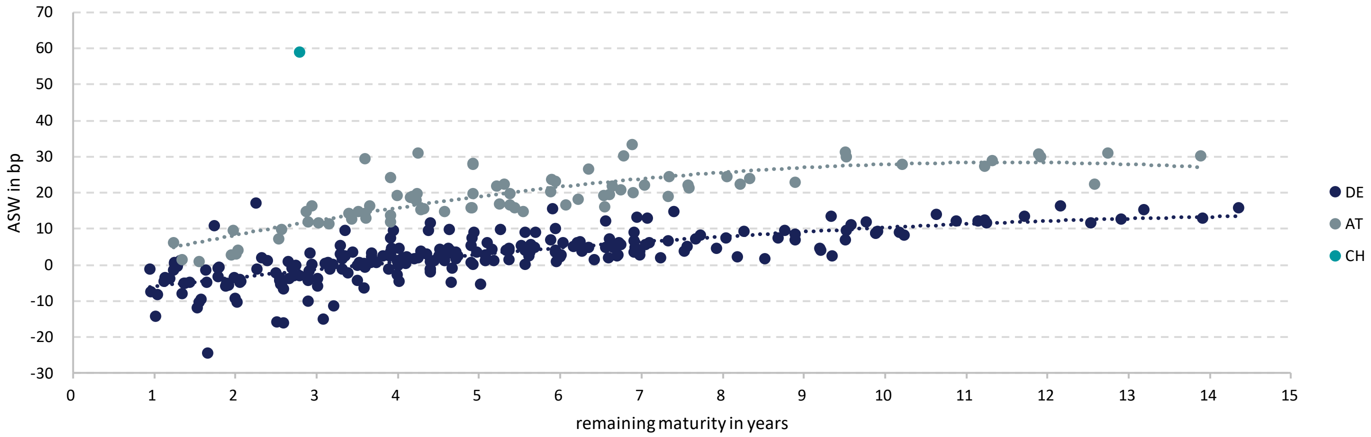
Order books (last 15 issues)



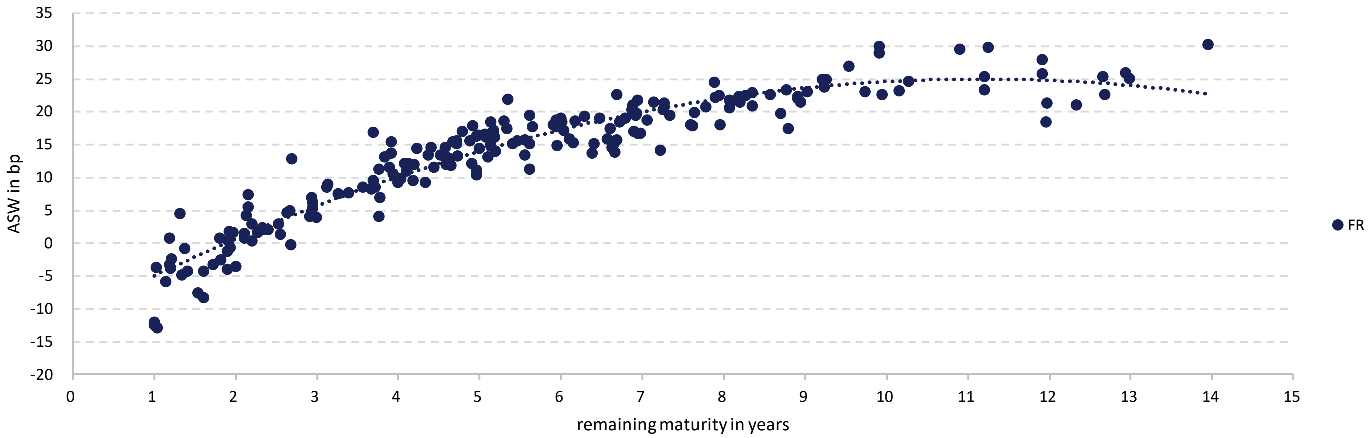
Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

Spread overview[1]

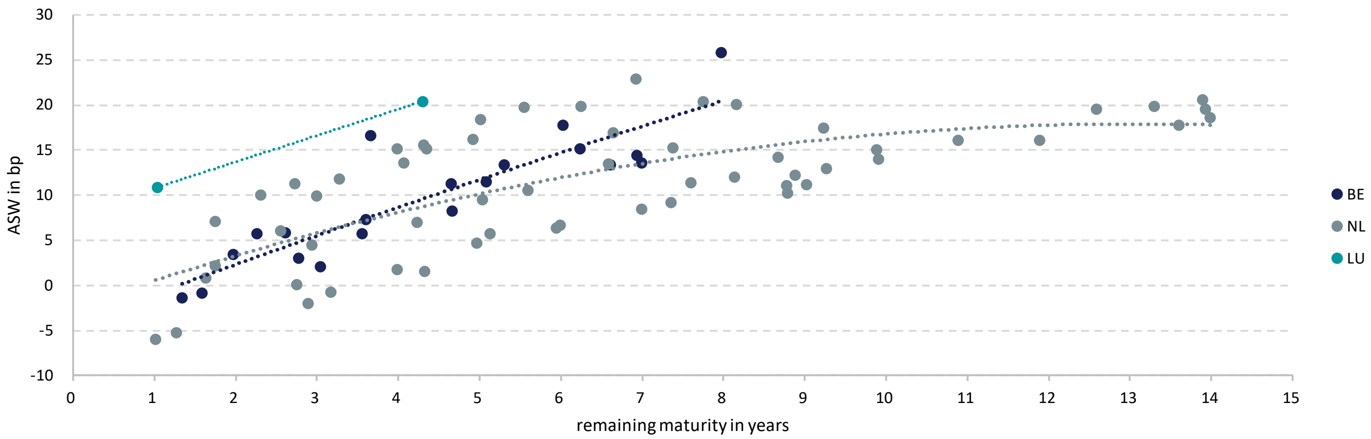
DACH



France

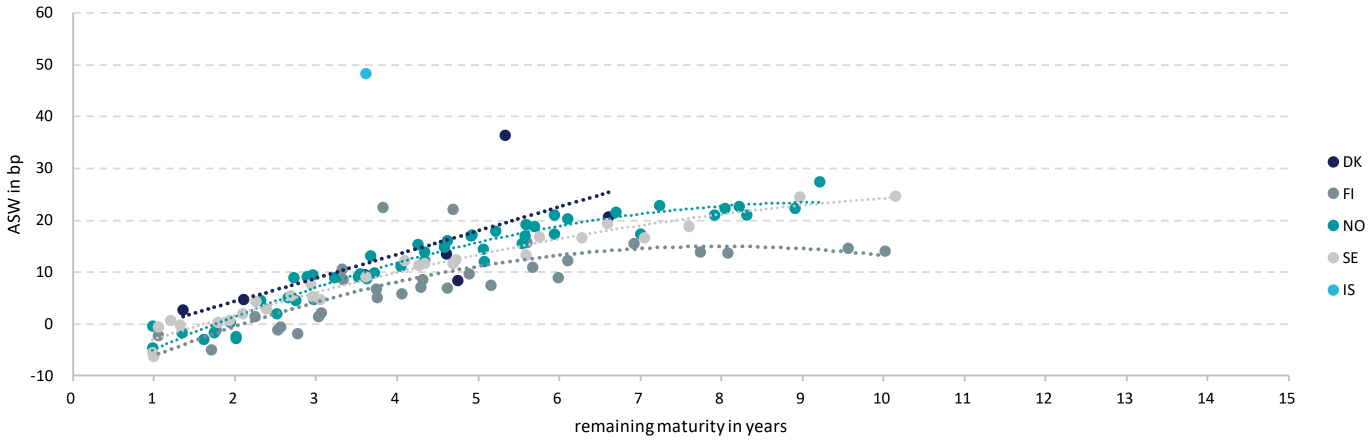


Benelux

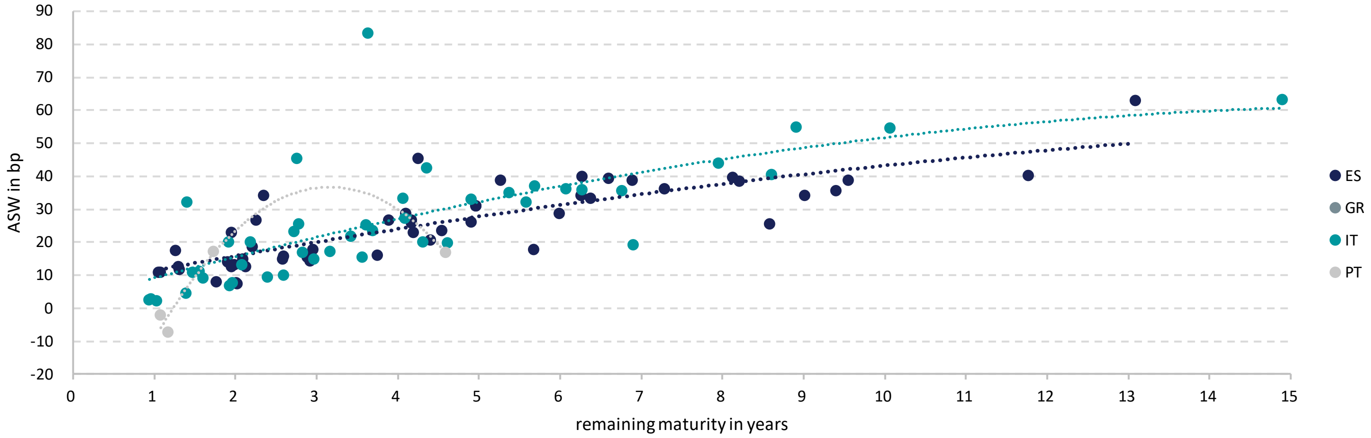


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research [1]Time to maturity 1 ≤ y ≤ 15

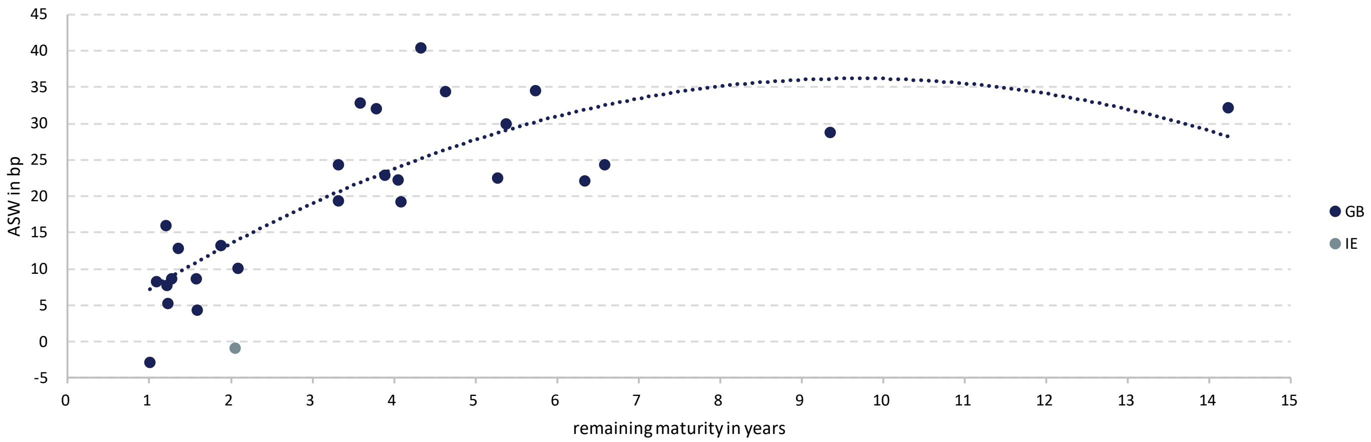
Nordics



Southern Europe

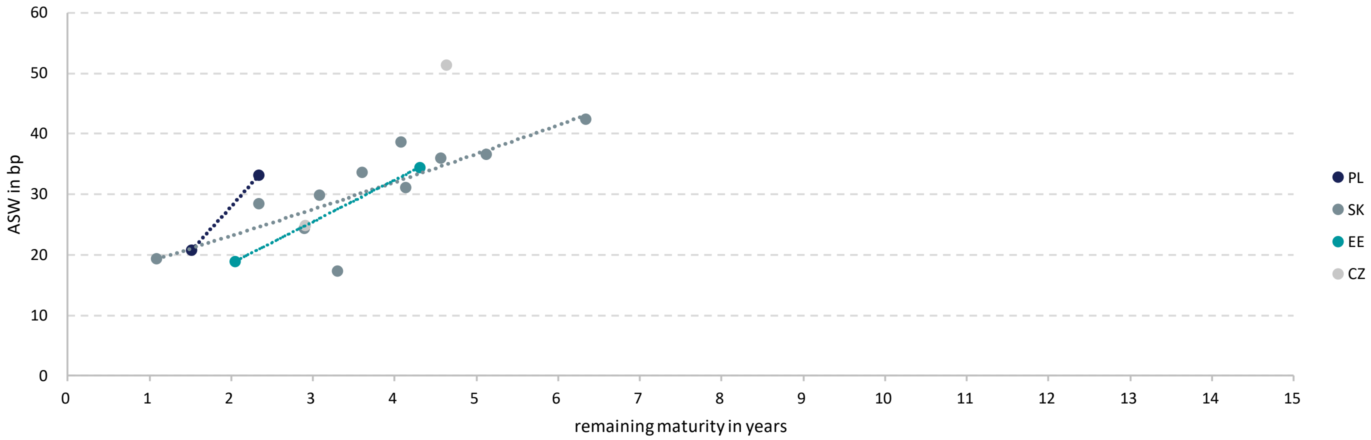


UK/IE

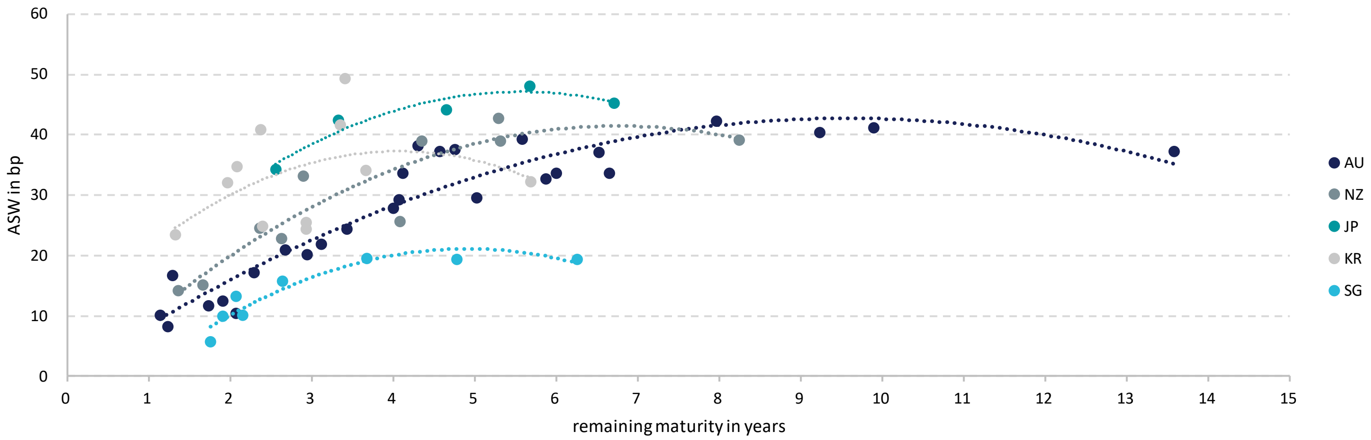


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

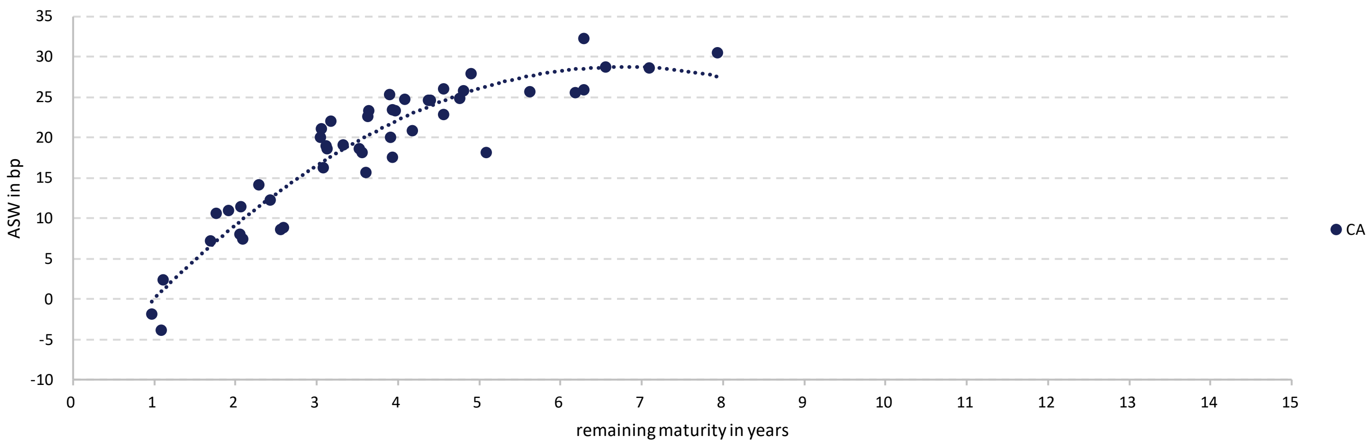
CEE



APAC



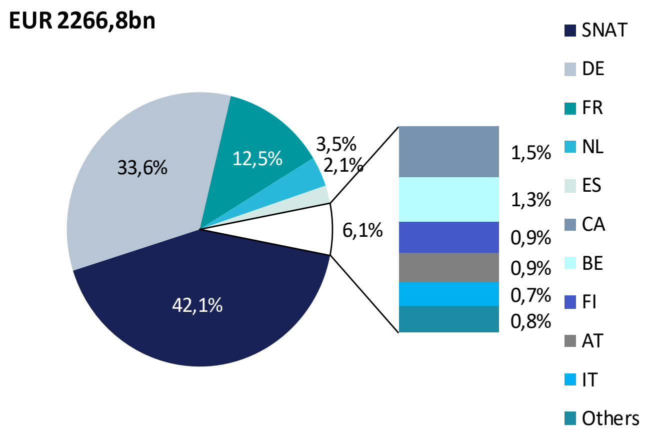
North America



Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

Charts & Figures
SSA/Public Issuers

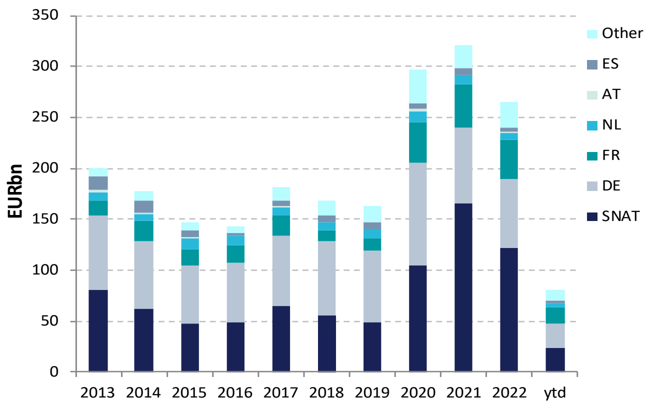
Outstanding volume (bmk)



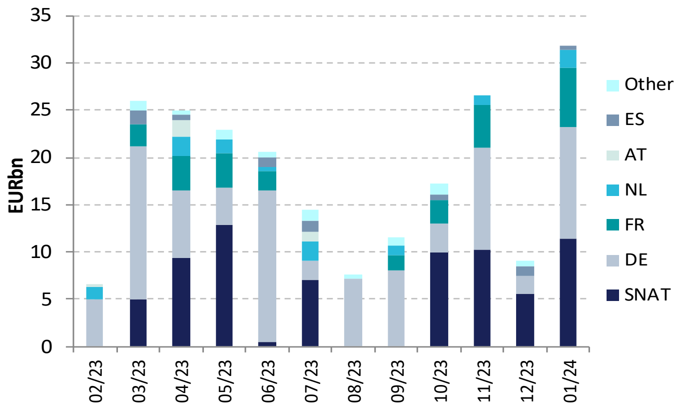
Top 10 countries (bmk)

Country	Vol. (€bn)	No. of bonds	ØVol. (€bn)	Vol. weight. ØMod. Dur.
SNAT	953,8	224	4,3	8,1
DE	762,6	562	1,4	6,2
FR	284,1	189	1,5	6,2
NL	79,9	71	1,1	6,4
ES	47,8	63	0,8	4,6
CA	34,6	25	1,4	4,4
BE	29,5	33	0,9	11,5
FI	21,0	24	0,9	5,2
AT	19,8	23	0,9	4,3
IT	15,5	20	0,8	4,8

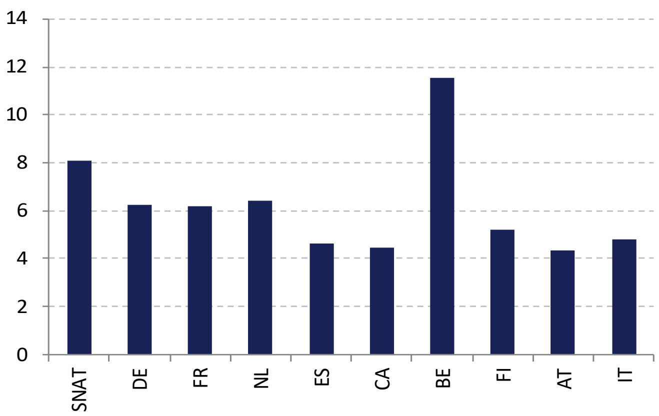
Issue volume by year (bmk)



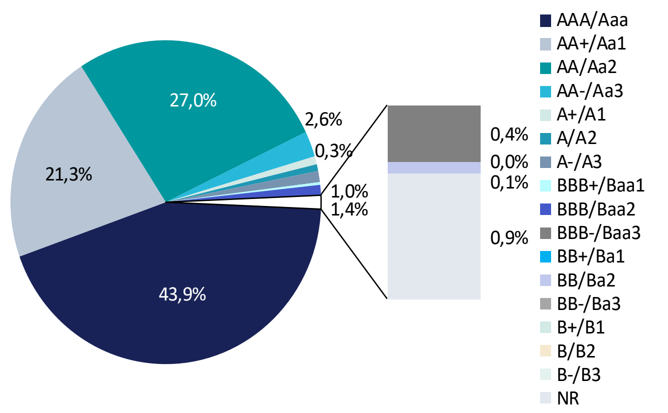
Maturities next 12 months (bmk)



Avg. mod. duration by country (vol. weighted)

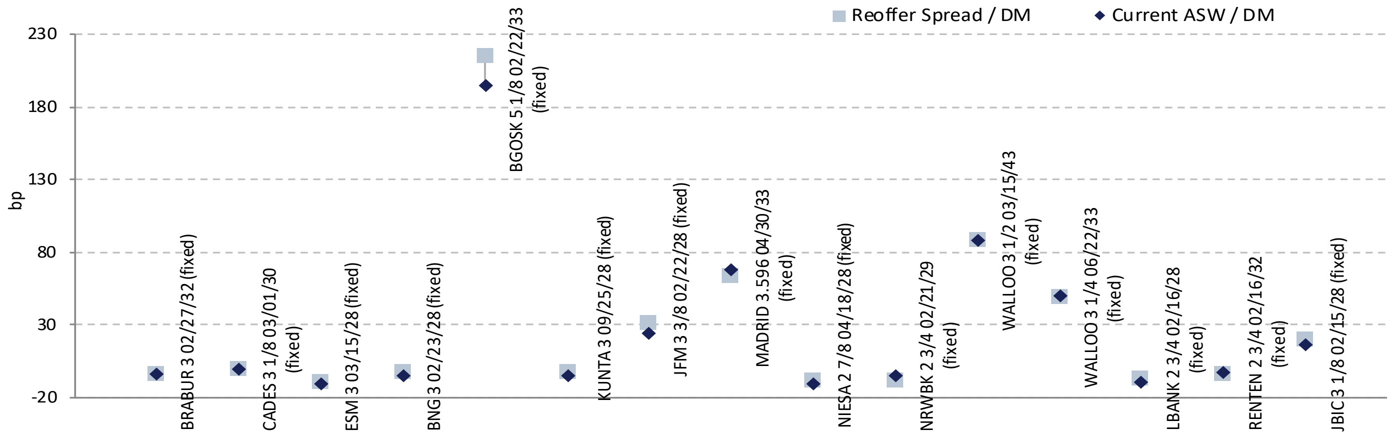


Rating distribution (vol. weighted)

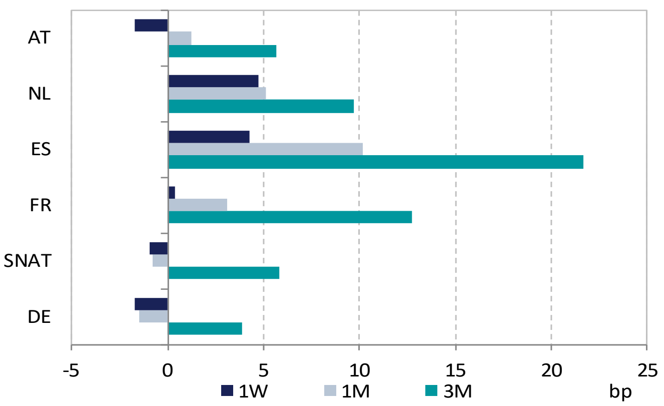


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

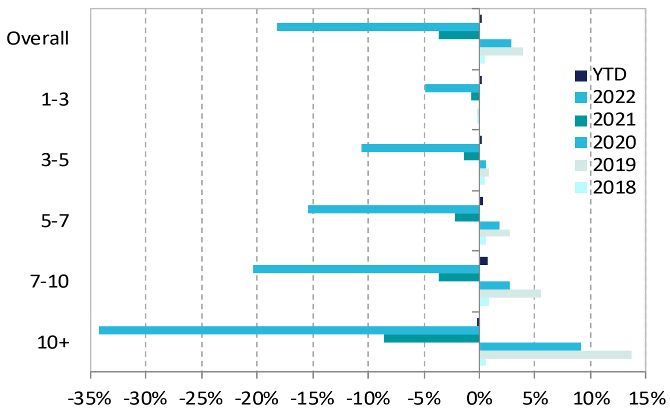
Spread development (last 15 issues)



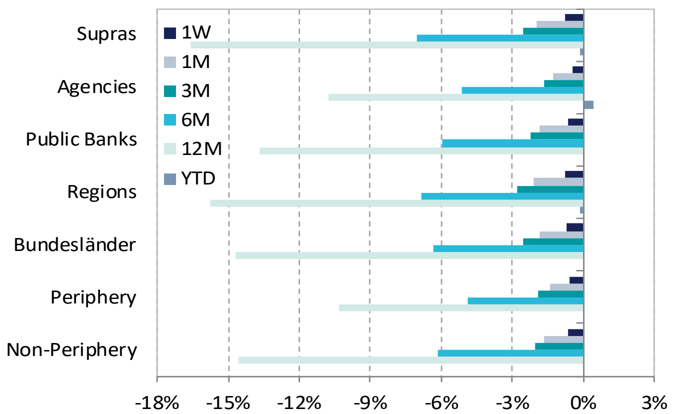
Spread development by country



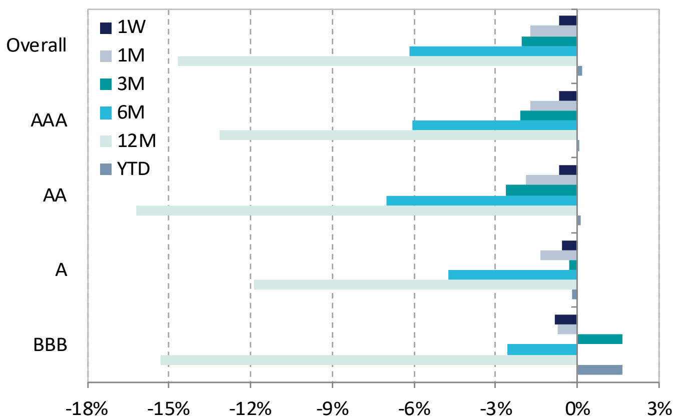
Performance (total return)



Performance (total return) by segments



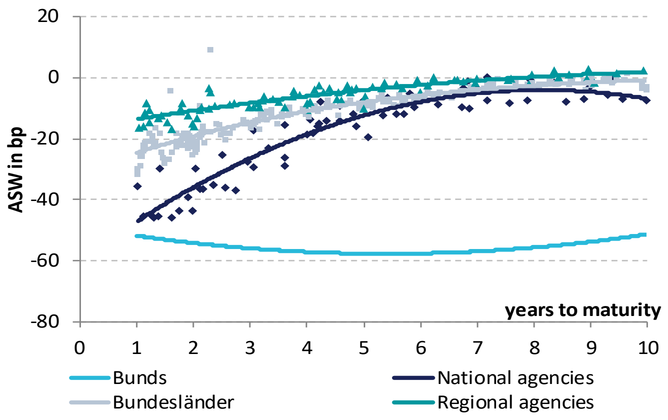
Performance (total return) by rating



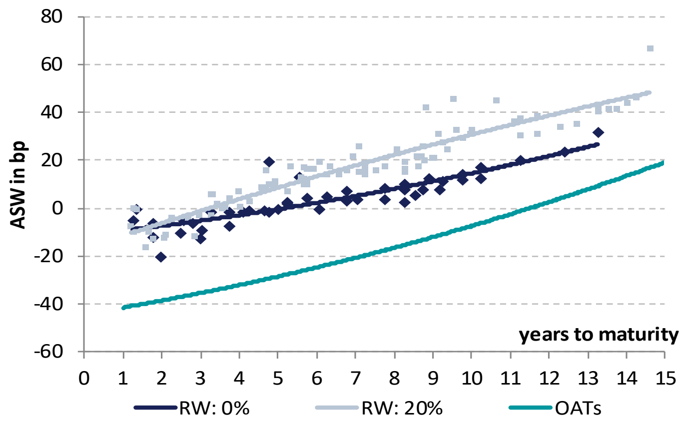
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

NORD/LB

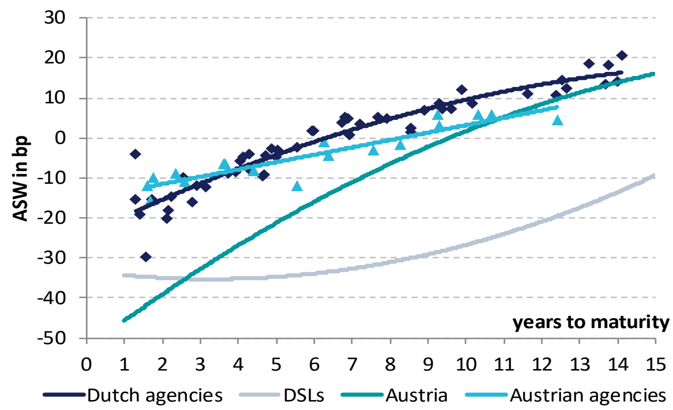
Germany (by segments)



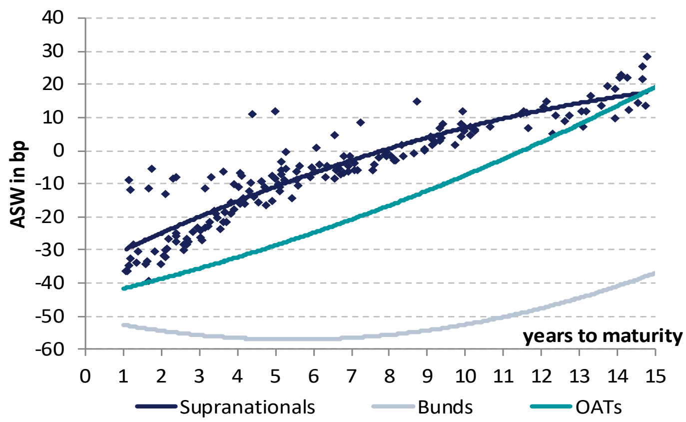
France (by risk weight)



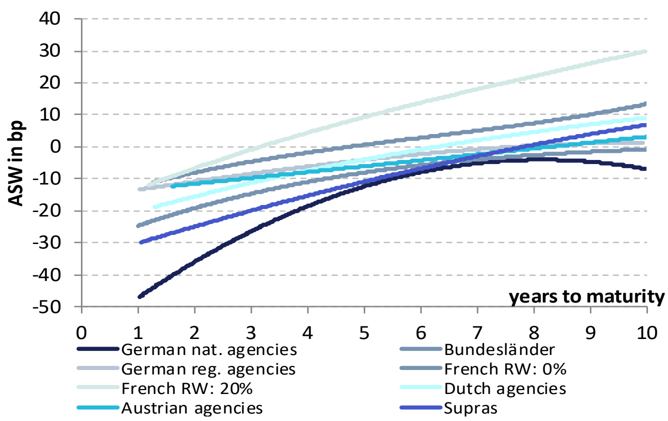
Netherlands & Austria



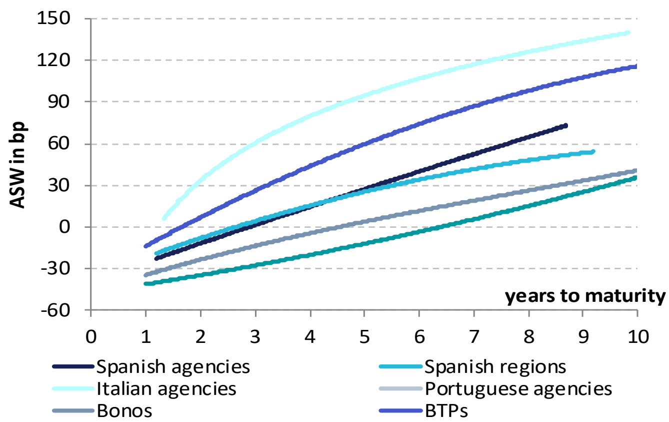
Supranationals



Core



Periphery



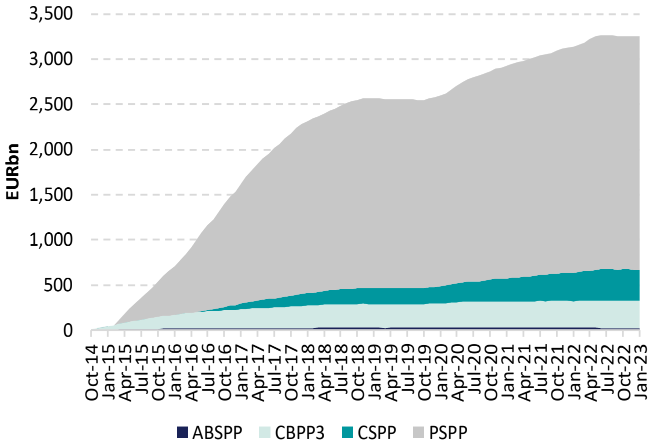
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

ECB tracker

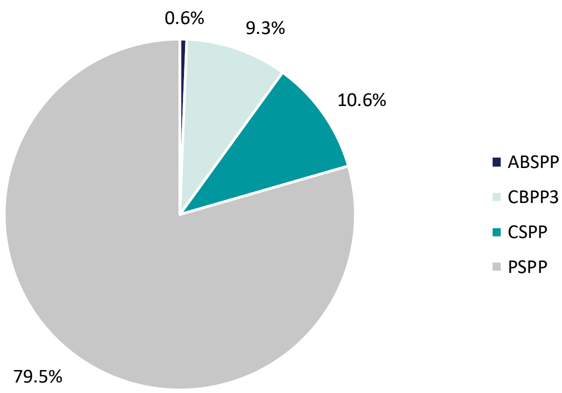
Asset Purchase Programme (APP)

	ABSPP	CBPP3	CSPP	PSPP	APP
Dec-22	22,895	301,973	344,119	2,584,666	3,253,653
Jan-23	20,835	303,269	344,010	2,584,798	3,252,912
Δ	-2,060	+1,296	-109	+132	-741

Portfolio development

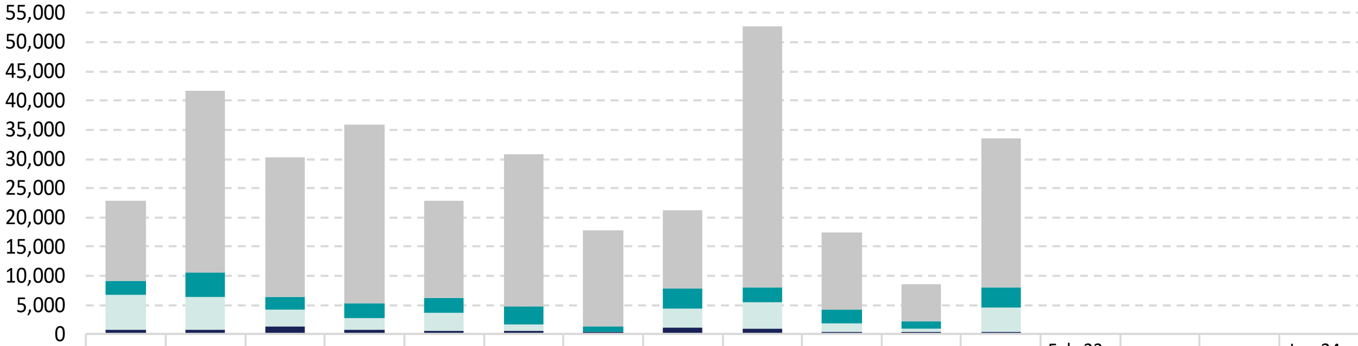


Portfolio structure



Source: ECB, NORD/LB Markets Strategy & Floor Research

Expected monthly redemptions (in EURm)

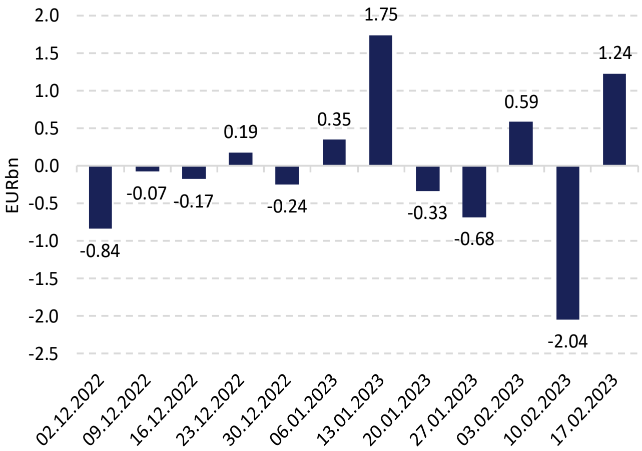


	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-23 - Jan-24	2022	2023	Jan-24 - Jan-24
APP	22,809	41,620	30,245	35,856	22,878	30,890	17,855	21,218	52,641	17,511	8,558	33,570	335,651	299,142	331,410	331,410
PSPP	13,625	31,072	23,883	30,559	16,619	26,133	16,445	13,364	44,611	13,258	6,336	25,524	261,429	228,585	255,374	255,374
CSPP	2,352	4,219	2,162	2,579	2,557	3,038	986	3,366	2,616	2,393	1,336	3,464	31,068	17,670	30,614	30,614
CBPP3	6,065	5,631	2,937	1,874	3,112	1,170	0	3,346	4,465	1,351	408	4,109	34,468	41,244	35,145	35,145
ABSPP	767	698	1,263	844	590	549	424	1,142	949	509	478	473	8,686	11,643	10,277	10,277

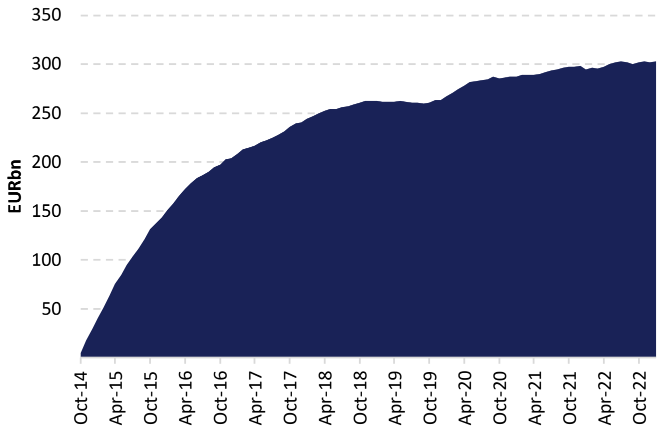
Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

Covered Bond Purchase Programme 3 (CBPP3)

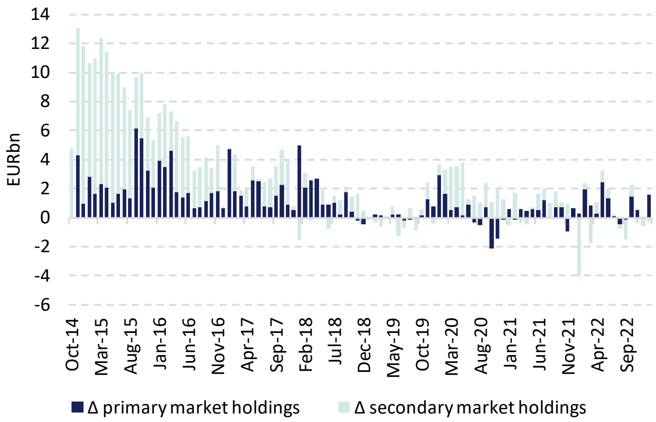
Weekly purchases



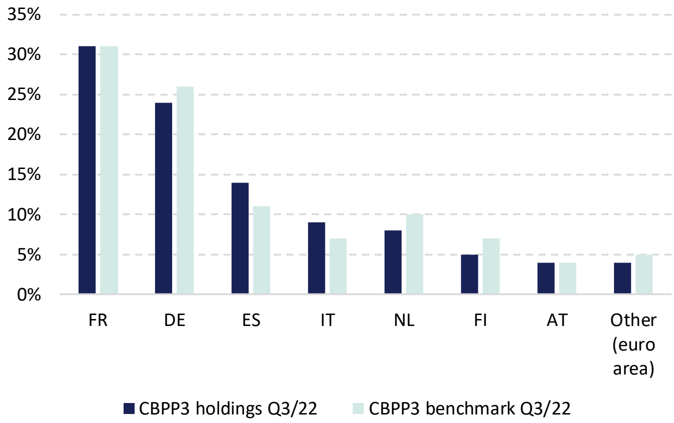
Development of CBPP3 volume



Change of primary and secondary market holdings

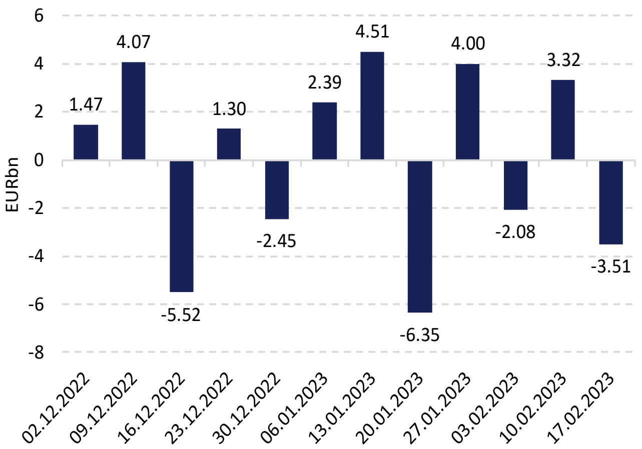


Distribution of CBPP3 by country of risk

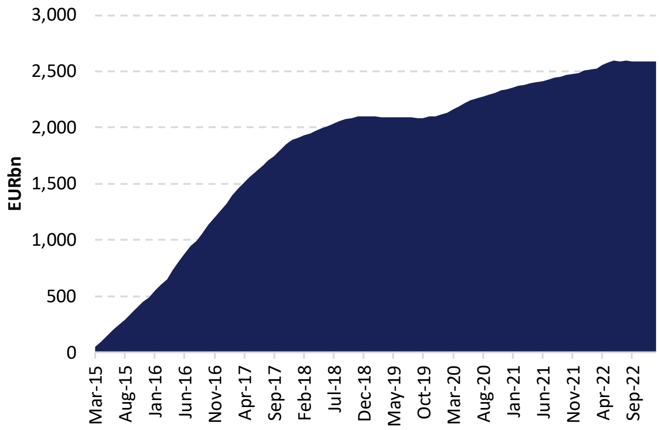


Public Sector Purchase Programme (PSPP)

Weekly purchases



Development of PSPP volume

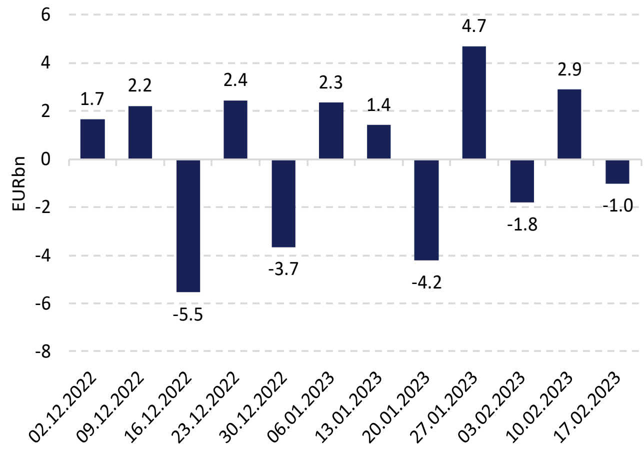


Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

Pandemic Emergency Purchase Programme (PEPP)

Portfolio development

Weekly purchases



Breakdown of public sector securities under the PEPP

Jurisdiction	Holdings (in EURm)	Δ Holdings previous period	Adj. distribution key[1]	PEPP share	Deviations from the adj. distribution key[2]	Current WAM[3] (in years)	WAM of eligible universe[4] (in years)
AT	44,037	-671	2.6%	2.7%	0.0%	7.5	7.4
BE	55,795	-698	3.3%	3.4%	0.1%	6.3	9.3
CY	2,493	4	0.2%	0.2%	0.0%	8.3	8.1
DE	398,297	2,551	23.7%	24.0%	0.3%	6.7	6.9
EE	256	0	0.3%	0.0%	-0.2%	7.4	8.0
ES	193,376	-1,418	10.7%	11.6%	0.9%	7.4	7.3
FI	26,953	-173	1.7%	1.6%	0.0%	7.4	7.5
FR	301,844	14	18.4%	18.2%	-0.2%	7.6	7.8
GR	37,760	729	2.2%	2.3%	0.0%	8.5	9.4
IE	25,998	-503	1.5%	1.6%	0.0%	8.8	10.2
IT	287,658	-794	15.3%	17.3%	2.0%	7.2	6.9
LT	3,256	14	0.5%	0.2%	-0.3%	9.5	9.1
LU	1,922	19	0.3%	0.1%	-0.2%	5.9	6.5
LV	1,911	0	0.4%	0.1%	-0.2%	7.9	7.4
MT	607	1	0.1%	0.0%	-0.1%	10.4	8.6
NL	83,388	1,689	5.3%	5.0%	-0.3%	7.7	8.7
PT	33,909	-1,068	2.1%	2.0%	-0.1%	6.8	7.3
SI	6,627	19	0.4%	0.4%	0.0%	8.5	9.4
SK	8,031	0	1.0%	0.5%	-0.5%	8.1	8.2
SNAT	147,088	0	10.0%	8.9%	-1.1%	10.2	8.8
Total / Avg.	**1,661,205**	**-281**	**100.0%**	**100.0%**	**0.0%**	**7.5**	**7.6**

[1] Based on the ECB capital key, adjusted to include supras [2] Based on the adjusted distribution key
[3] Current WAM of public sector securities holdings under the PEPP [4] WAM of eligible universe of public sector securities holdings under the PEPP
Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

Appendix
Overview of latest Covered Bond & SSA View editions

Publication	Topics
06/2023 ♦ 15 February	▪ Maturity premiums on covered bonds ▪ Development of the German property market ▪ Spotlight on the EU: a mega issuer spawned by the crisis
05/2023 ♦ 08 February	▪ January 2023: record start to the new covered bond year ▪ SSA monthly review: dynamic issuance activity to kick off the new year
04/2023 ♦ 01 February	▪ Focus on covered bond jurisdictions: Canada in the spotlight ▪ Focus on covered bond jurisdictions: Slovakia and Czech Republic in the spotlight ▪ 26th meeting of the Stability Council (December 2022)
03/2023 ♦ 25 January	▪ ECB preview: all eyes and ears on the press conference ▪ Successful start to the year for EUR sub-benchmarks as well ▪ ESG covered bonds from France: La Banque Postale SFH issues inaugural social covered bond
02/2023 ♦ 18 January	▪ Focus on covered bond jurisdictions: Belgium in the spotlight ▪ The Moody's covered bond universe: an overview ▪ Beyond Bundeslaender: focus on Belgian issuers
01/2023 ♦ 11 January	▪ ECB review: 2022 entailed all manner of monetary policy action ▪ Covered Bonds Annual Review 2022 ▪ SSA: Annual review of 2022
39/2022 ♦ 14 December	▪ Our view of the covered bond market heading into 2023 ▪ SSA outlook 2023: ECB, NGEU and the debt brake in Germany
38/2022 ♦ 07 December	▪ ECB preview – next hike but total assets (finally) reduced?! ▪ Covered bond jurisdictions in the spotlight: a look at Spain
37/2022 ♦ 30 November	▪ Transparency requirements §28 PfandBG Q3 2022 ▪ ECB repo collateral rules and their implications for Supranationals & Agencies
36/2022 ♦ 23 November	▪ ESG covered bonds - another record year ▪ Current LCR classifications for our SSA coverage
35/2022 ♦ 16 November	▪ Covered bond jurisdictions in the spotlight: a look at Austria ▪ Development of the German property market ▪ EIB goes Blockchain… again!
34/2022 ♦ 09 November	▪ Covered bond jurisdictions in the spotlight: a look at Norway ▪ Tenth edition of the NORD/LB Issuer Guide Covered Bonds ▪ SSA primary stats ytd before the final sprint
33/2022 ♦ 26 October	▪ Repayment structures on the covered bond market: EU harmonisation project consigns hard bullets to the shadows ▪ The debt brake at Laender level
32/2022 ♦ 19 October	▪ ECB preview: +75bp and the balance sheet question ▪ EBA Risk Dashboard paints a robust picture in Q2 2022 ▪ An overview of the German Laender

Appendix
Publication overview

Covered Bonds:

Issuer Guide Covered Bonds 2022

Covered Bond Directive: Impact on risk weights and LCR levels

Risk weights and LCR levels of covered bonds (updated semi-annually)

Transparency requirements §28 PfandBG Q3/2022 (quarterly update)

Covered bonds as eligible collateral for central banks

SSA/Public Issuers:

Issuer Guide – German Laender 2022

Issuer Guide – German Agencies 2022

Issuer Guide – Dutch Agencies 2022

Beyond Bundeslaender: Belgium

Beyond Bundeslaender: Greater Paris (IDF/VDP)

Spotlight on Spanish regions (Update planned in 2023)

Fixed Income Specials:

ESG-Update 2022

ECB interest rate decision: Roadmap to QT

ECB: The Wishing-Table, the Gold-Ass, and the Cudgel in the Sack

ECB interest rate decision: delivered as expected?

ECB acts as the 'House of Hikes' – or: Winter is coming!

Appendix
Contacts at NORD/LB

Markets Strategy & Floor Research

Dr Frederik Kunze
Covered Bonds/Banks

+49 172 354 8977
frederik.kunze@nordlb.de

Dr Norman Rudschuck
SSA/Public Issuers

+49 152 090 24094
norman.rudschuck@nordlb.de

Melanie Kiene
Covered Bonds/Banks

+49 172 169 2633
melanie.kiene@nordlb.de

Jan-Phillipp Hensing
SSA/Public Issuers

+49 172 425 2877
jan-phillipp.hensing@nordlb.de

Stefan Rahaus
Covered Bonds/Banks

+49 172 6086 438
stefan.rahaus@nordlb.de

Sales

Institutional Sales	+49 511 9818-9440
Sales Sparkassen & Regionalbanken	+49 511 9818-9400
Sales MM/FX	+49 511 9818-9460
Sales Europe	+352 452211-515

Trading

Covereds/SSA	+49 511 9818-8040
Financials	+49 511 9818-9490
Governments	+49 511 9818-9660
Länder/Regionen	+49 511 9818-9550
Frequent Issuers	+49 511 9818-9640

Origination & Syndicate

Origination FI	+49 511 9818-6600
Origination Corporates	+49 511 361-2911

Sales Wholesale Customers

Firmenkunden	+49 511 361-4003
Asset Finance	+49 511 361-8150

Treasury

Collat. Management/Repos	+49 511 9818-9200
Liquidity Management	+49 511 9818-9620 +49 511 9818-9650

Relationship Management

Institutionelle Kunden	rm-vs@nordlb.de
Öffentliche Kunden	rm-oek@nordlb.de

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