Covered Bond & SSA View

NORD/LB Markets Strategy & Floor Research

14 June 2023 ♦ 20/2023

Marketing communication (see disclaimer on the last pages)

Agenda

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Market overview
Covered Bonds

Authors: Dr Frederik Kunze // Melanie Kiene, CIIA

Primary market: after the Italian reawakening, silence on the market until yesterday

Since the three deals placed last Wednesday, the primary market has been relatively quiet with just a single new issuance to report in the interim. Last week, Münchener Hypothekenbank, Eika Boligkreditt and Crédit Agricole Italia (CA Italia) were all active. At this point, we should highlight that CA Italia took to the market with a covered bond in the amount of EUR 1.0bn (order book: EUR 1.3bn, 6.6y, new issue premium: 7bp) just a day after UniCredit re-opened the Italian covered bond market under the harmonised covered bond legislation. The bond placed by Münchener Hypothekenbank is this issuer's third green Pfandbrief, having already issued deals worth EUR 500m in 2018 and EUR 1.0bn in 2022 in this segment. For this latest green Pfandbrief, the issuer opted for a volume of EUR 500m, which ultimately generated an order book of EUR 620m. In comparison with the initial guidance of ms +10bp, the final spread tightened by two basis points. This produced a new issue premium of 3bp. Eika Boligkreditt is just the second Norwegian issuer to make an appearance on the market this year (after SpareBank 1 Boligkreditt). Eika sought investors for a 10y covered bond in the amount of EUR 500m, which was priced at ms +37bp (new issue premium: 5bp). The order book amounted to EUR 800m. Overall, the past couple of weeks has shown that, aside from a handful of exceptions, issuers are focusing on the medium-to-long maturity segment and that these bonds are being well absorbed by the market. For example, the highest new issue premiums of 7bp in each case were paid by the two Italian banks (UniCredit, CA Italia). Activity in the current week did not get under way until yesterday, when UniCredit Bank Czech Republic and Slovakia issued a 5y green covered bond (volume: EUR 500m, WNG, order book: EUR >900m, guidance: ms +85bp area). The bond was priced at ms +77bp. Since the start of the year, the total issuance volume therefore now stands at EUR 129.5bn.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
UniCredit Bank CZ & SK	CZ	13.06.	XS2637445276	5.0y	0.50bn	ms +77bp	- / Aa2 / -	X
Münchener Hypo	DE	07.06.	DE000MHB35J0	7.2y	0.50bn	ms +8bp	- / Aaa / -	X
Credit Agricole Italia	IT	07.06.	IT0005549396	6.6y	1.00bn	ms +59bp	- / Aa3 / -	-
Eika Boligkreditt	NO	07.06.	XS2636611332	10.0y	0.50bn	ms +35bp	- / Aaa / -	-

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

Secondary market: little turnover, with spreads relatively stable

There has been little in the way of turnover on the secondary market over the past three weeks. With a new issue volume of EUR 8bn (since 16 May 2023) in the 7-10y maturity segment, the market would now appear to be saturated. Despite the low customer turnover in the secondary market, spreads remain pretty stable. The reopening of the Italian covered bond market, which has seen investors paying higher spreads in contrast to Pfandbriefe, has certainly also contributed to this situation. Looking back at the new issue market over the past few weeks, performance has been rather weak overall. Spread widening of one basis point has even been recorded for a single bond.

Moody’s presents new quarterly report on covered bonds...

The risk experts at Moody’s present a global “Covered Bond Update” on a quarterly basis. As part of this publication series, the rating agency deals with the global framework conditions in connection with the covered bond market, with the latest report focusing on the second quarter of 2023. The report authors have identified stability within the banking sector as part of their baseline expectations – which can also be seen in the context of state and regulatory interventions. Nevertheless, the current environment does still harbour potential risks for the banking landscape and the real economy, Moody’s writes. For the structured finance asset class – and therefore for the covered bond segment as well – the aforementioned stability of the banking sector is having a supportive effect. In terms of the rating evaluations for governments and banks which are relevant to covered bonds, Moody’s attests that the outlook is largely stable. For example, Moody’s has awarded stable outlooks to the banking markets in France, Germany, Spain, Sweden, the Netherlands and the UK. The same also applies to Australia, Canada and Japan. However, the outlook for the Italian banking sector has been set at “negative”. According to Moody’s, this stability applies to the rated covered bond issuers as well. The quarterly report also includes an extensive database that summarises the relevant key metrics pertaining to the covered bond programmes rated by Moody’s. As usual, we have presented a compact overview of these key figures as part of a Covered Bond article in our weekly publication.

...and deals with stress factors on international property markets

In other Sector Reports, Moody’s has focused on the current developments on international real estate markets. From our perspective, these insights are important to the covered bond segment due to the fact, in particular, that the looming implications in connection with the current interest rate environment could be of relevance to both the rating assessment of the issuers and the cover assets. For several months now, capital market players have also had the commercial real estate market in their sights, which is being hampered by falling property valuations as a result of rising interest rates. At the same time, the deteriorating LTV ratios for some projects increase the risk of a default event if refinancing proves to be necessary. According to Moody’s, the risk landscape is quite heterogeneous, with the agency citing the example of Sweden in particular. This is because the refinancing periods in the Scandinavian jurisdiction are comparatively short and interest rates are highly variable in many cases. In this context, Moody's also points to the high leverage ratios of banks and the existing exposure to the CRE sector. For Swedish covered bonds, most of which have underlying cover assets of a residential nature, we see an increased risk of sentiment-driven spread widening in the event of a dramatic deterioration in the situation of the country’s commercial banks. Direct influences from the CRE segment on the credit quality of cover pools with high commercial shares are an inevitable consequence of the environment described above, although it should be mentioned that the cover requirements serve as a form of risk mitigation. Moreover, Moody’s recently took the deterioration in the macro environment as an opportunity to examine in greater detail the dynamics linked to residential mortgage financing in selected jurisdictions (UK, Sweden, Spain, Italy, France, Germany and the Netherlands). The rating agency identifies the highest risk potential for deterioration in performance in Sweden and the UK, which it puts down to the high share of variable or short-term fixed loan instalments. We continue to see (also for Sweden) high potential for mitigating economic losses linked to the cover assets in residential cover pools, a situation reflected in particular in the rating agency’s expectation of stability on the labour market.

Moody's: economic conditions and mortgage markets

Indicator	FR	DE	IT	NL	ES	SE	UK
GDP *2023* (%)	0.4	0.0	0.8	0.5	1.7	-1.2	-0.1
Inflation *2023* (%)	6.0	6.2	6.4	3.2	3.2	6.5	7.5
Unemployment 2022 (%)	7.3	3.1	8.1	3.5	12.9	7.5	3.7
Unemployment *2023 (%)*	7.8	3.1	8.1	3.9	12.8	8.0	4.5
2015-2022 house price increase (%; cum.)	28.8	51.7	-2.6	65.1	34.4	44.2	39.9
Mortgage rate (new; %; as of 12/21)	1.1	1.3	1.4	1.7	1.4	1.5	1.6
Mortgage rate (new; %; as of 03/23)	2.5	3.9	4.0	3.6	3.6	4.2	4.4
Residential mortgage to GDP (%; 2015)	39.4	42.3	21.9	100.6	61.2	82.4	65.9
Residential mortgage to GDP (%; 2021)	48.6	48.9	23.1	91.7	40.4	91.2	69.1
Mortgages floating & short-term fixed (%)	6.5	23.6	50.0	36.3	87.2	98.8	97.8
New mortgage vol. (%; 03/22 to 03/23)	-5.5	-27.6	1.2	-17.2	1.9	5.7	-17.5

Source: Moody's, NORD/LB Markets Strategy & Floor Research; FR = France, DE = Germany, IT = Italy, NL = Netherlands, ES = Spain, SE = Sweden, UK = United Kingdom; *2023* = Moody's forecast

Fitch: CB programmes benefit from buffers in the event of issuer downgrades

At the beginning of the week, the rating agency Fitch published an analysis of the covered bond programmes included in its rating universe as at the end of May 2023. Fitch states that around 88% of covered bond ratings are immune to one notch issuer rating downgrades. The average buffer against issuer downgrades stands at 3.6 notches. Furthermore, Fitch writes that the majority of programmes have high coverage ratios and 65% of the evaluated programmes feature a break-even OC of double the level stipulated by Fitch analysts. The average break-even OC for the ratings was 7.4%, while the average value of break-even OC put in place by the issuers stands at 33.8%. Changes to sovereign ratings impacted covered bond ratings on two occasions in the period under review. In this context, Cyprus (upgrade from BBB- to BBB) and France (downgrade from AA to AA-) were the jurisdictions affected. All in all, Fitch concludes that the majority of covered bond programmes benefit from comfortable buffers against downgrades to issuer ratings.

Moody's puts the Belgian Covered Bond Act under the spotlight

Moody's just published an assessment of the Covered Bond Act in Belgium, and in so doing, also referred to the implementation of the EU legal framework. In terms of strengths, the rating agency highlights that the law contains requirements for detecting imbalances in the interest rate and currency risks. In addition, an independent cover pool administrator is appointed in the event of an issuer default. The administrator is also granted extensive powers and a huge degree of flexibility when it comes to the refinancing of covered bonds. In addition, statutory restrictions on clawback, commingling and netting are immediately activated in the event of an issuer insolvency. In terms of weaknesses, Moody's points to the situation in which mortgage loans that exceed the statutory LTV limit of 80% can also be added to the cover pool, despite the fact that the portion of loan exceeding the threshold value may not be included in the calculation of the asset coverage test.

What we would like to draw your attention to: investor survey for the ECBC Factbook

For several years now, the Factbook published on an annual basis by the European Covered Bond Council (ECBC) has been an established reference work for the international covered bond markets. As we play an active role in creating the Handbook, we are also keen to ensure that the interests of investors concerning the asset class of covered bonds are adequately represented. For this reason, we would really appreciate your input into the investor survey, which one of the co-authors of this article helped to compile. If you have any questions, please do not hesitate to contact us.

Market overview SSA/Public Issuers

Author: Dr Norman Rudschuck, CIIA

ECB: interest rate decision imminent

After a review of the ECB's 25-year history and a preview of the future course of interest rates in our leading article last week, all eyes will once again be on Skytower in the Ostend district of Frankfurt, where the ECB is headquartered, ahead of its imminent interest rate decision that is expected tomorrow. Major surprises apart from a 25bp hike to the three key interest rates along with an end to reinvestments in the context of the APP from 30 June are unlikely. Nonetheless, it is fair to ask what direction the ECB's monetary policy is likely to take going forward. In an interview on 7 June with the Dutch publication *De Tijd* and in answer to the question of whether further rate hikes of 25bp respectively might be expected, ECB Director Schnabel answered that this would depend on incoming data, before adding: "A peak in underlying inflation would not be sufficient to declare victory. We need to see convincing evidence that inflation returns to our 2% target in a sustained and timely manner. We are not at that point yet."

EIB: hat-trick of green bonds in just seven days

The European Investment Bank (EIB) announced on 12 June that it has signed a EUR 1bn financing agreement with the Spanish power generator and distributor Iberdrola S.A. in the context of the REPowerEU programme to reduce the dependency on importing of fossil fuels. The deal will help finance the construction of 19 solar power plants and three onshore wind farms which is expected to cost a total of EUR 1.7bn with a maximum overall installed capacity of 2.2 gigawatts in Spain, Portugal and Germany. The new installations are expected to provide green energy to an average of one million households. The EIB already announced last week (8 June) that it will be supporting another project in Spain: it plans to buy a EUR 350m covered bond from Grupo Cajamar. This would enable the cooperative bank Cajamar to make available financing amounting to EUR 980m; of which EUR 784m will go to SMEs and EUR 196m will be earmarked to finance the energy transition. The bulk of the financing is to be put towards cohesion regions, thus contributing to the EIB's main aim of promoting well-balanced growth along with a convergence between EU regions. In addition, for the first time under the Green Gateway programme, an advisory service agreement has been signed between the EIB, or more precisely EIB Advisory, and a Spanish bank. The green hat-trick got under way just three days earlier on 5 June: According to the announcement, the EIB will be providing financing of EUR 110m to the Austrian energy provider EVN AG to finance wind farms with a total installed capacity of 103 megawatts, which would help Austria come one step closer to its goal of generating 100% of its energy from renewables by 2030. Although this is already the fifth financing arrangement between the EIB and EVN AG, it is the first to be described as "green".

Landwirtschaftliche Rentenbank: biogas now part of the Green Bond framework

Landwirtschaftliche Rentenbank has been issuing public green bonds to fund its promotional business since 2020. Until now, only loans for projects in the field of wind and solar energy could be funded with green bonds, equating to a total loan volume of around EUR 6.7bn. On 31 May, the bank presented its now revised Green Bond Framework which is in line with the Green Bond Principles from the International Capital Market Association (ICMA): according to Nikola Steinbock, spokeswoman for the Board of Directors, expanding the Framework to include biogas will now allow the bank to classify an even larger proportion of its ongoing lending business under the green loans portfolio. She added that the relevant loans portfolio of over EUR 1.6bn served mostly to finance biogas plants for agricultural businesses. In 2022, this had led to a "saving" of around 7.4m tonnes of CO_2-equivalent, as reported by the Centre for Solar Energy and Hydrogen Research in Baden-Wuerttemberg. After successfully placing seven green bonds, Landwirtschaftliche Rentenbank is now planning further new issues based on the revised framework. Ms. Steinbock moreover held out the prospect of a future extension of the portfolio, especially in relation to the harmful greenhouse gases produced by the agricultural sector and measures aimed at strengthening biodiversity.

KfW-ifo SME Barometer: scepticism gaining the upper hand

KfW published the latest results of the KfW-ifo SME Barometer on 6 June. After six rises in a row in the business climate index – in April, the long-term average of zero, i.e., pre-Ukraine war level, had moved within reach – there was a sudden break in the recovery phase in May. A score of -6.3 points reflects a month-on-month loss of -3.3 points. The cooling business climate can be put down to a much more pessimistic assessment of business expectations. These have fallen by -6.1 points to -14.0 points, whereas the assessment of the present situation (down -0.1 points) is practically stagnating at 2.0 points. Pessimistic business expectations mainly reflect fears of a recession in conjunction with an inflation-led loss of purchasing power. However, the picture varies from one sector to another: on the one hand, there has been a slight improvement in business climate for the construction industry (+0.5 points; -12.5 points) and in services (+0.3 points to 0.7 points), although this was not enough to make up for last month's losses. The main reason in the case of the latter is likely to have been a shift in global goods consumptions towards services. On the other hand, business climate in the industry sector shows a marked fall of -5.4 points to -10.2 points, which means that it has returned close to the level seen in March 2022 shortly after the Russian invasion of Ukraine. The main reasons for this are likely to be more restrictive monetary-policy conditions worldwide along with a disappointing economic recovery in China. Another factor is likely to be growing uncertainty surrounding China's future geopolitical role. An inflation-led fall in the real incomes of households and muted consumptions continue to have an impact in the retail sector, which shows a fall in business climate of -9.5 points to -3.9 points – the sharpest of all sectors. On the plus side, however, it is worth mentioning that the sales price expectations of companies are gradually normalising to pre-COVID levels, down by -3.8 points to 4.3 points.

NGEU: H1 2023 funding update

As we have already reported – and obviously not merely from a sense of duty – last week, the EU successfully concluded its seventh syndicated transaction since the beginning of the year, raising a total of EUR 7bn. Of the total amount, EUR 3bn was raised by tapping the 7y bond maturing on 4 December 2029 and EUR 4bn by tapping the 20y bond maturing on 4 November 2042. As we know, order books for the two tranches amounted to a combined amount of almost EUR 76bn. This equates to an oversubscription ratio of more than 10x and 11x respectively. Proceeds from this transaction will be used for the NextGenerationEU economic programme and the Macro Financial Assistance+ programme for Ukraine, in line with the European Commission's method of issuing single-branded EU bonds, instead of allocating a different identifier for individual programmes. The use of EU bonds with single-brand names was one of the steps taken by the European Commission at the end of 2022 to increase liquidity in the secondary market for its securities. The present dual tranche means that the European Commission has now reached 88% of its funding target of EUR 80bn for the first half of 2023. Further EU bond auctions were and are still planned for 12th and 26th of this month. We will comment on these in the usual manner on the next page in our Primary Market analysis. We expect plans for H2 2023 to be issued in the next two weeks (minimum of EUR 55bn for NGEU and a further EUR 8bn for Ukraine).

EU launches investor survey

The European Commission, which issues bonds in the name of the EU, has launched an investor survey two years after the beginning of what we know to be large-scale borrowing through bonds as part of a sovereign-style funding strategy. The survey – which is something quite usual among large issuers, according to press reports – aims to collect information from the worldwide investor community in order to identify and answer certain issues surrounding the European Commission's bond activities and its status as issuer. In particular, it is hoped that the survey will enable the European Commission to get the views of investors on the most effective way to bring about further improvements in the liquidity of EU bonds and allow them to be traded and valued in a similar way to European sovereign bonds. The data collected will be analysed anonymously and will not be made available to the public. However, the European Commission is planning to publish a summary of the replies it receives.

Regarding the EU: improvement in haircut category with effect from 29 June 2023

As we already reported a few months ago, at the end of 2022, the European Commission welcomed the European Central Bank's decision to treat EU bonds exactly in the same way as bonds from central states and central banks under its risk control framework. In concrete terms, from 29 June 2023, EU bonds will be part of haircut category I under the ECB's risk control framework – instead of the current haircut category II. As such, EU debt will receive the same lower haircuts as debt instruments issued by central governments in the context of the ECB's collateralised credit operations. Consequently, it will be cheaper to use EU debt in refinancing operations with the ECB, and there will be no additional costs in relation to the use of sovereign debt. The ECB's decision reflects the increased liquidity of EU securities in the wake of issues under its large-scale, flagship NGEU and SURE programmes.

Primary market

Before the start of the summer holidays in many European countries and in a number of German Laender – the summer holidays begin on 22 June in NRW; in Bavaria, they end on 11 September – we once again take a look at the primary market where there is no sign of any summer break so far: Île-de-France Mobilités issued a 15y green bond under the IDFMOB ticker. The bond raised EUR 500m at OAT +45bp (reference bond: FRTR 1.25% 05/25/38). The order book was more than 9x oversubscribed. The guidance was three basis points higher, and it is therefore fair to say that this was a successful deal. Staying in the ESG segment, there was a social bond debut from Saxony-Anhalt: as we reported last week, Saxony-Anhalt's new Social Bond Framework – unique in the German Laender segment – has been accompanied by various presentations and one-on-one talks. SACHAN announced a EUR 500m (WNG) bond with a 10y maturity. Initial guidance stood at ms +3bp area, but quickly tightened to ms flat on the back of a growing order book. In the end, the deal was almost 6x oversubscribed. This was certainly a successful debut for Saxony-Anhalt! Erste Abwicklungsanstalt only ever makes very rare appearances on the EUR market. ERSTAA, to use its ticker, issued a 3y benchmark bond with a volume of EUR 500m at ms -12bp. Initial guidance was at ms -10bp area. The deal attracted an order book of EUR 1.1bn. In addition, there was a tap from Berlin: BERGER tapped its 2028 bond by EUR 500m at ms -9bp, although no further details were disclosed. On the subject of taps: as we mentioned earlier, the EU will be involved in two auctions this month – the first already took place on 12 June, and the second is scheduled for 26 June, which will ultimately complete the EU's funding target (EUR 80bn for the first half). There were taps of EU bonds 04/10/2027 2.000% and 04/10/2038 3.375% by EUR 2.136bn and EUR 1.756bn respectively. This leaves just under EUR 6bn to be raised in what remains of the first half. It is also worth mentioning that nobody is "forcing" the EU to meet its target in full, since, for example – as we reported last week – payments to Italy are delayed. In addition, 3CIF (Caisse Centrale Du Crédit Immobilier de France) has mandated a syndicate of banks for an actual in-person road show (13-15 June) and investor calls (16 June). We expect a 5y bond issue in the near future. The rest of this week will be dominated by the ECB. As we commented before, all eyes will not only be on the ECB but also on the EU: according to Bloomberg, the EU survey will help in market sounding the bond investors in order to ascertain the potential for improvement in relation to bond trading and pricing. Up to now, EU securities have been trading at a premium against sovereign bonds of the same rating. The higher costs involved in raising debt are apparently something of a thorn in the side for Brussels.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
SACHAN	DE	12.06.	DE000A351SC5	10.0y	0.50bn	ms flat	AAA / Aa1 / AA	X
ERSTAA	DE	12.06.	DE000EAA06B2	3.0y	0.50bn	ms -12bp	AAA / Aa1 / -	-
IDFMOB	FR	06.06.	FR001400IKC7	15.0y	0.50bn	ms +60bp	- / Aa3 / AA-	X

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

Covered Bonds
Moody's covered bond universe – an overview

Author: Dr Frederik Kunze

Moody's provides ratings for 243 covered bond programmes worldwide

The rating agency Moody's published the latest issue of its Covered Bond Sector Update a few days ago (Q2 2023). The data was primarily based on rating reports from the fourth quarter of 2022. In total, ratings were affirmed for 243 covered bond programmes from 30 countries, with detailed key figures presented. This means that the rating agency's coverage encompassed a significant share of the total global covered bond universe. Based on the number of programmes, most originated in Germany (40), followed by Austria (24) and Spain (23). Overall, 13 countries accounting for seven or more programmes each made up 80.7% (196 programmes) of the total number of programmes. The remaining 19.3% (47 programmes) were distributed across 17 jurisdictions, each accounting for five programmes or fewer. Mortgage-backed programmes totalling 202 (83.1%) accounted for the major share of the programmes rated by Moody's. Furthermore, Moody's rated 39 public sector programmes (16.0%) from ten different countries, although in terms of jurisdiction most were concentrated in Germany (12 programmes), Austria (9 programmes), Spain (6 programmes) and France (4 programmes). One ship Pfandbrief programme and one programme in the Other category (both from Germany) completed the 243 ratings in total. As per usual, we present specific key figures in this article of the present edition of our weekly publication.

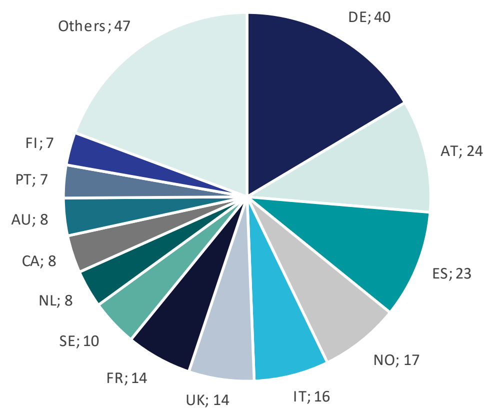
Focus on mortgage programmes from EUR benchmark jurisdictions

With regard to the Moody's rating universe, we focus on mortgage programmes. Almost all of these programmes originate from EUR benchmark jurisdictions. Greece (4 programmes), Turkey (2 programmes), Hungary (2 programmes), Cyprus (1 programme) and Romania (1 programme) currently have no covered bonds outstanding in the EUR benchmark segment. For these reasons, our analysis below focuses on those mortgage-backed programmes which were set up in EUR benchmark jurisdictions. It should be noted that transactions under the programmes considered are not necessarily EUR benchmark bond issues.

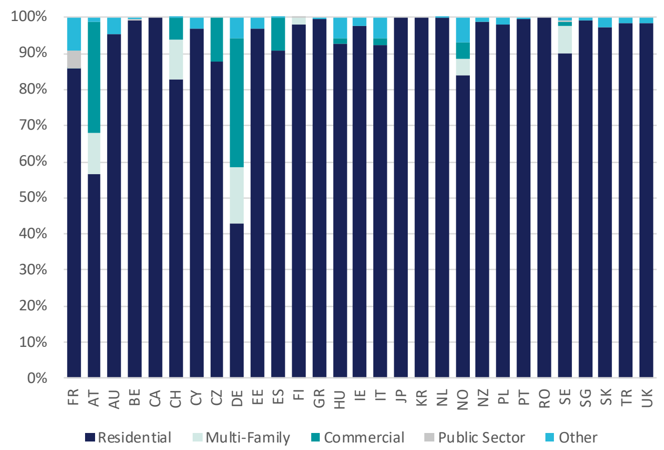
Majority of mortgage programmes with residential character

With regard to Moody's categorisation of cover assets for the various programmes, it can be stated that on average, 84.4% of covered bond issues were covered by residential assets. However, in Germany (35.6%), Austria (30.9%), the Czech Republic (12.2%) and Spain (8.9%), the share of commercial assets was comparatively high. At the same time, Germany (15.6%) and Austria (11.1%) as well as Sweden (7.7%) and Switzerland (11.1%) had significant shares of multi-family assets. With the exception of the above-mentioned countries as well as France (85.8%) and Norway (84.1%), the share of residential assets in the cover pools of the programmes from the remaining 21 jurisdictions ranged from 92.2% to 100%. In France, residential assets were supplemented by public sector-related mortgage-backed assets (5.0%) as well as assets in the Other segment (9.1%). Neither of the cover pools for the two programmes from Luxembourg comprised mortgage assets.

Number of programmes rated by Moody's



Cover pool structure (mortgage programmes)



Source: Moody's, NORD/LB Markets Strategy & Floor Research

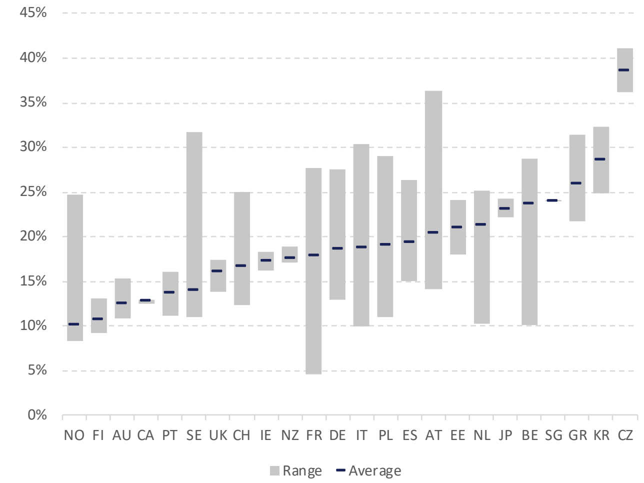
The collateral score as an indicator of cover pool quality

In our view, the collateral score represents a key indicator in Moody's covered bond universe. The rating agency uses it to assess the quality of cover assets, with a low value indicating that the quality of the cover pool is high. The collateral score measures the deterioration in credit quality of assets included in the cover pool in connection with the theoretical highest possible rating in the relevant country. In principle, we consider it appropriate to compare collateral scores across both programmes and jurisdictions. Nevertheless, some specific features must be taken into account. For example, Moody's provides for 5.0% as the lower limit for the collateral scores of most mortgage-based programmes. Yet, in Australia, some collateral scores were as low as 4.0%, while in Japan they are set at 0% due to the RMBS structure of the relevant programmes. With the Netherlands, the UK, Switzerland and Singapore, four jurisdictions exclusively recorded scores of 5%. The range of collateral scores was also very narrow in New Zealand and Finland (both with a maximum of 5.1%). Germany (12.2%), Austria (12.1%) and Greece (20.0%) had the highest average collateral scores. At the same time, a wide range of scores was recorded in Germany and Austria (25.5 and 15.3 percentage points respectively). This was also true of Norway (16.3 percentage points). As outlined above, Germany and Austria feature a comparatively high share of commercial assets in their respective cover pools. Evidently, a high share of commercial cover assets is associated with a higher collateral score.

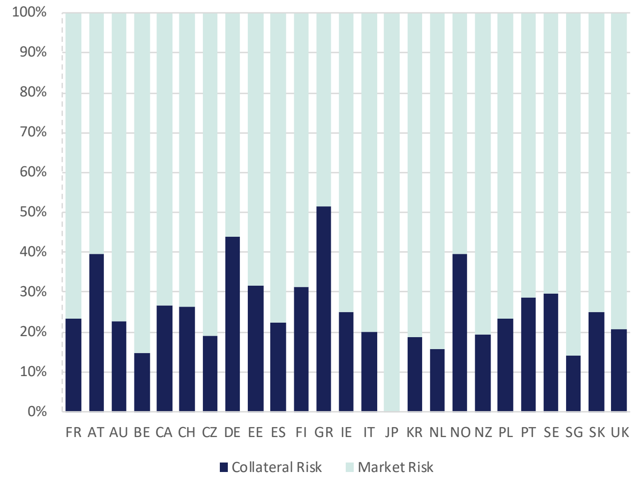
Cover pool losses – an indicator for expected losses

Moody's uses cover pool losses (CPL) as an indicator to reflect the losses expected in the cover pool following issuer default (covered bond anchor event). The risk comprises two components, market risk (cover pool losses as a result of funding, interest rate and currency risks) and collateral risk (cover pool losses resulting from a deterioration in the credit quality of cover assets). Similar to the collateral score, a high degree of heterogeneity was evident in this respect in a global comparison. This is true of both average cover pool losses and the national range in each case. For example, potential cover pool losses are particularly low in Norway, Finland, Canada and Australia, whereas they are relatively high in the Czech Republic.

Cover pool losses by country (mortgage programmes)



CPL market and collateral risk components by country (mortgage programmes)

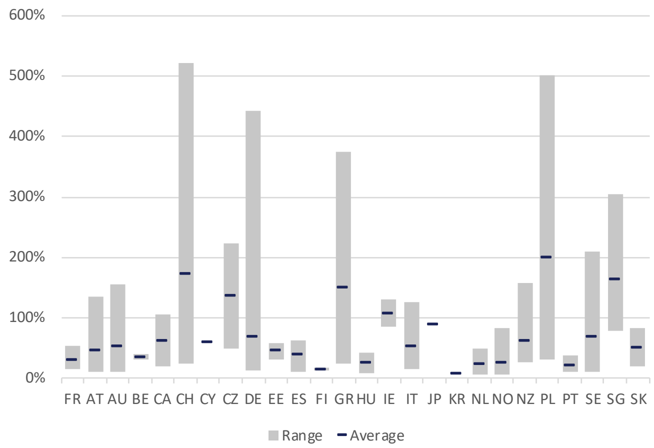


Source: Moody's, NORD/LB Markets Strategy & Floor Research

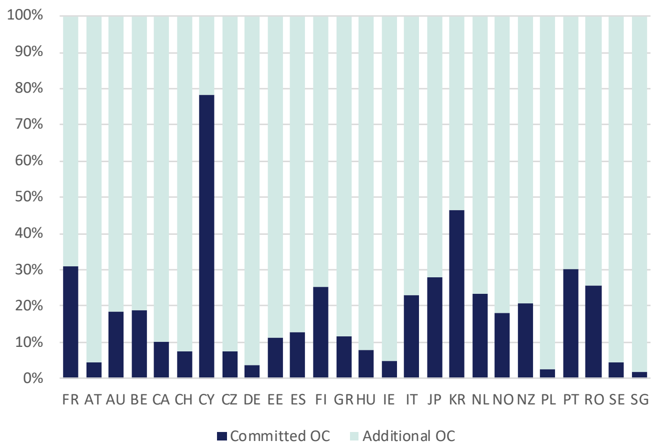
Funding, interest rate and currency risks determine expected losses

The chart above on the right illustrates that the contribution of the two components (collateral risk and market risk) varied considerably at national level. The two programmes from Japan again had a separate role: in view of their cover pool structure (exclusively RMBS transactions used as cover assets), there is no collateral risk. In principle, it is possible to derive that the majority of cover pool losses are impacted by the market risk, i.e. losses in the event of issuer insolvency can be ascribed to the categories of funding risk, interest rate risk and currency risk, and are less the result of the quality of cover assets.

Overcollateralisation by country (mortgage programmes)



Composition of overcollateralisation (mortgage programmes)



Source: Moody's, NORD/LB Markets Strategy & Floor Research

Wide range of overcollateralisation levels

With regard to the overcollateralisation levels of the programmes which Moody's rates, unsurprisingly, there are significant differences in an international comparison. High average overcollateralisation ratios were evident in the comparatively small covered bond jurisdictions of Poland, Switzerland, Greece and Singapore. At the same time, a wide range of levels was recorded for Switzerland, Poland and Greece as well as Germany. Narrower ranges are often due to a smaller number of issuers in the relevant jurisdiction.

Committed OC as the lower overcollateralisation limit

Overcollateralisation (OC) can also be divided into sub-components. OC may have been committed vis-à-vis the rating agency, in order to maintain a specific rating, or it may be based on legal requirements. Committed OC may therefore be understood to be a kind of lower limit for overcollateralisation, where the programme cannot readily fall below this limit, or where falling below this limit is not permitted at all. In contrast, actual overcollateralisation is only temporary in certain circumstances and may be subject to a certain level of volatility as a result of new bond issues or maturities. Overall, it can be stated that the higher share of overcollateralisation is made available by issuers on a voluntary basis, although this could certainly be due to low levels of committed OC. Furthermore, a high share of committed OC by no means also results in high overcollateralisation.

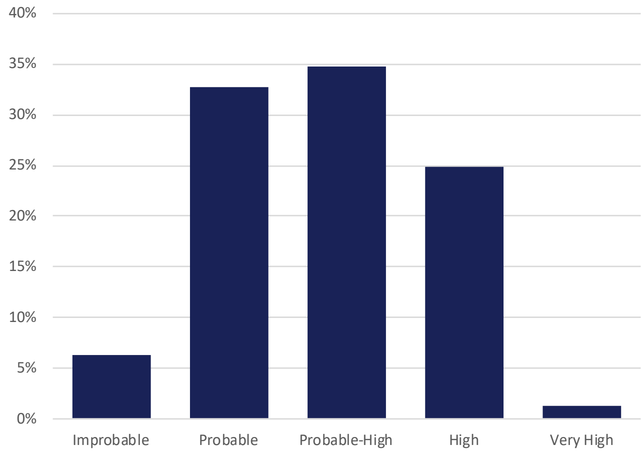
TPI restricts potential rating upgrade of covered bonds in relation to issuer rating

TPI rules restrict the potential covered bond rating to a specific number of notches above the issuer rating. The timely payment indicator (TPI) is a key figure Moody's makes available, which provides information about the probability of timely servicing of payment obligations following issuer default. It is differentiated in six levels, ranging from very high to very improbable. In each case, more than 30% of all the mortgage programmes rated by Moody's are in the "probable" or "probable-high" categories. In contrast, the outer limits are less represented, with shares of 6.2% (improbable) and 1.2% (very high) respectively. In a total of eleven EUR benchmark jurisdictions, all programmes have the same timely payment indicator in each case (chart below right). Italy, the Netherlands and Portugal each have one programme with a TPI of very high. In Germany (38 of 40 programmes) and Norway (11 of 17 programmes), the majority of the programmes rated are allocated to the category "high".

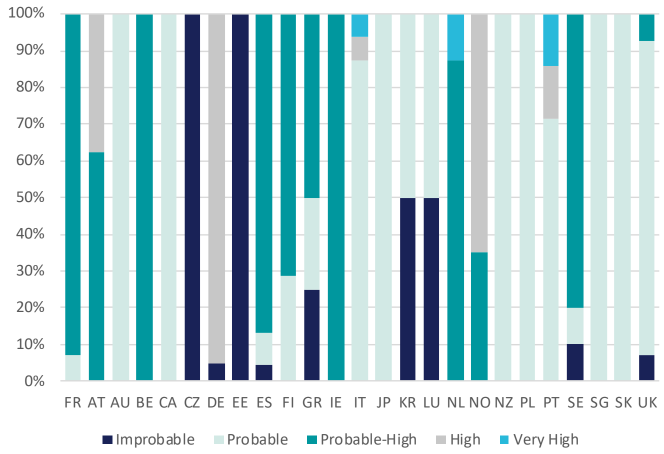
Buffer sufficient with regard to downgrades

In addition to the TPI, the TPI leeway indicates the number of notches by which the relevant covered bond anchor point can be downgraded without this entailing a downgrade of the rating for the covered bond programme, as laid down in the TPI framework. Accordingly, a total of eight (3.8%) of the covered bond programmes rated by Moody's had no such buffer. This means that in the event of the covered bond anchor being downgraded, the direct consequence would be the downgrading of the programme. The highest incidence was a TPI leeway of four notches (54 programmes, or 25.5%). Five programmes, all of which located in Germany (2.4%), had a buffer of seven notches. Six of the nine programmes in total with a TPI leeway of six notches were also based in Germany.

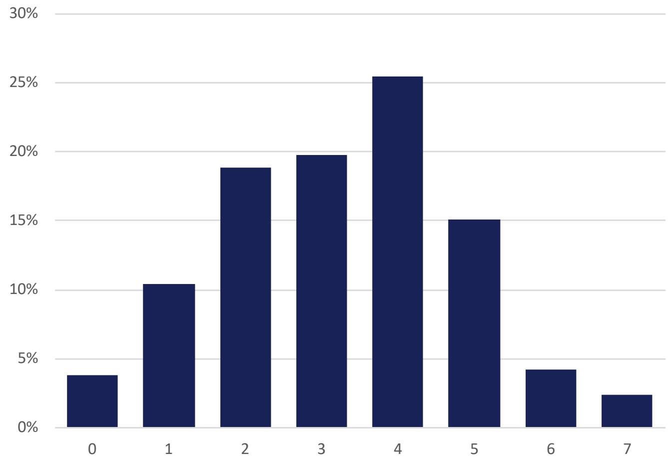
Timely payment indicator (TPI)
(mortgage programmes)



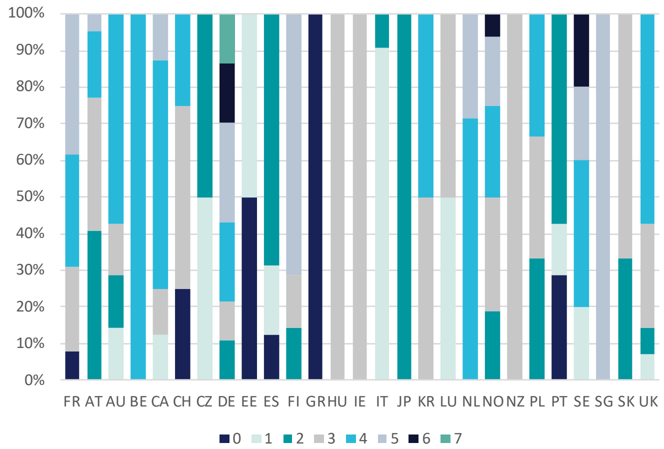
TPI by country
(mortgage programmes)



TPI leeway in notches
(mortgage programmes)



TPI leeway in notches by country
(mortgage programmes)



Source: Moody's, NORD/LB Markets Strategy & Floor Research

Conclusion

Moody's current Sector Report as well as the data on which it is based reflect the heterogeneity which exists in the covered bond market at jurisdiction level. Moody's aggregated parameters have delivered important insights into the relevant countries for several years, particularly regarding the occurrence of a credit event on the issuer side. However, differentiation within each jurisdiction is also necessary, as the case of Germany highlights. At the same time, other factors that play a part in determining covered bond ratings but which are not included in this dataset are also highly relevant when assessing what potentially influences spreads. For Spain, Portugal and Italy, for example, a sovereign downgrade would also have implications for covered bond ratings. With regard to deriving risk weighting and the LCR level, this may in turn result in a revaluation that causes a downgrade, depending on the availability of ratings from other rating agencies.

NORD/LB

SSA/Public Issuers
Beyond Bundeslaender: Spanish regions

Authors: Dr Norman Rudschuck, CIIA // Valentin Jansen

Public Issuer Special – Beyond Bundeslaender: Spanish Regions updated
Having already updated our publications on Amsterdam, Belgium and Paris (Ville de Paris and Île-de-France) this year, we take another look at Spain's capital market-relevant autonomous communities in the recently published edition of Beyond Bundeslaender: Spanish regions. Some issuers represent an interesting investment alternative, especially for ESG investors. In the following, we will provide a brief overview of the issuers that we examine in detail in this study with regard to economic, political and regulatory aspects.

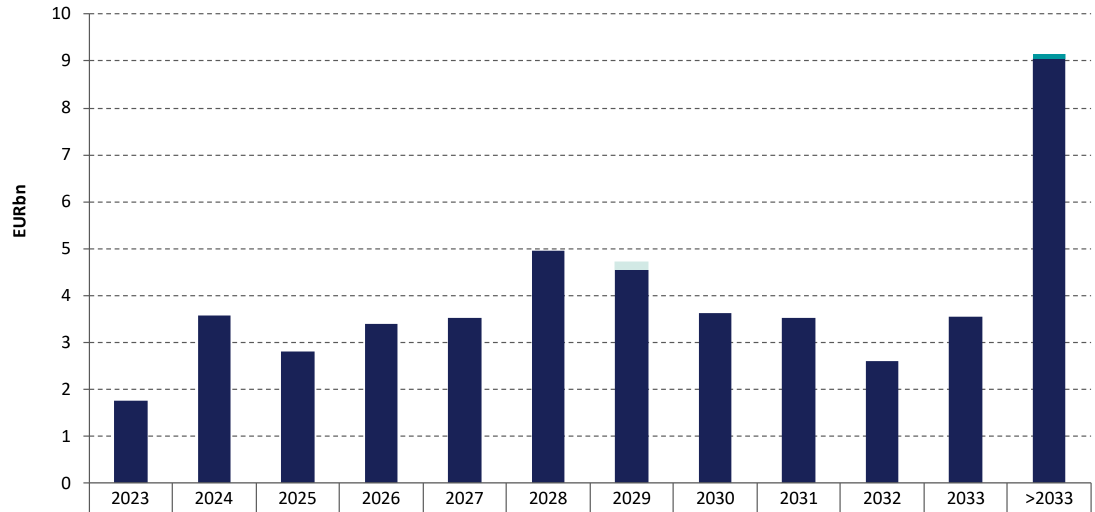
Introduction and structure of Spain
Spain is divided into 17 regions, which are referred to as "autonomous communities", which were formed between 1979 and 1983 with the adoption of the Statutes of Autonomy. In addition, in 1995, Ceuta and Melilla, two Spanish exclaves located on the north African coast, were designated as autonomous cities. The autonomous communities are split into a total of 50 provinces, which are mostly named after the respective provincial capital. In turn, these are split into a total of 8,112 municipalities. Seven of the autonomous communities only consist of one province. Moreover, the Balearic Islands and Canary Islands, which are made up of four and seven islands respectively, are self-governing.

Autonomous communities: capital market activities
At present, with the exception of Cantabria, all of Spain's autonomous communities have bonds outstanding. We will be taking a more detailed look at nine of the 17 issuers (shown in **bold** below) in this article. Sorted by their Bloomberg tickers, these are as follows:

- **ANDAL (Andalusia)**
- **ARAGON (Aragon)**
- BALEAR (Balearic Islands)
- **BASQUE (Basque Country)**
- CANARY (Canary Islands)
- **CASTIL (Castile and León)**
- CCANTA (Cantabria)
- **GENCAT (Catalonia)**
- **JUNGAL (Galicia)**
- JUNTEX (Extremadura)
- LRIOJA (La Rioja)
- **MADRID (Madrid)**
- MANCHA (Castile La Mancha)
- MURCIA (Murcia)
- **NAVARR (Navarre)**
- **PRIAST (Asturias)**
- VALMUN (Valencian Community)

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

Outstanding bonds of all Spanish regions



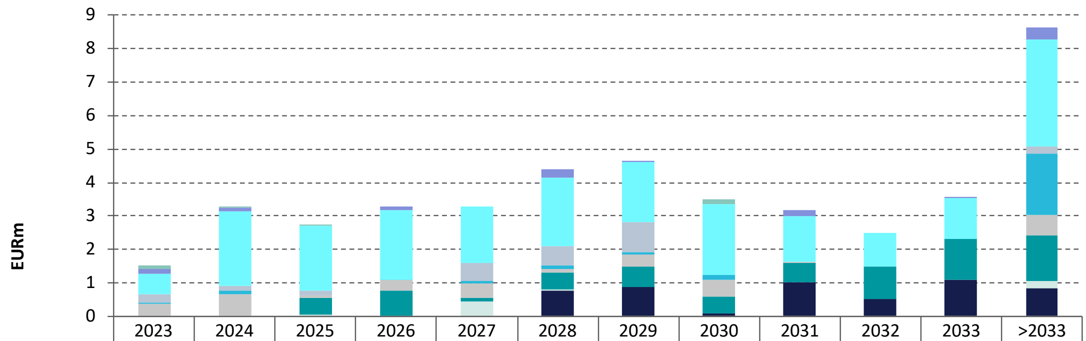
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	>2033
JPY	0	0	0	0	0	0	0	0	0	0	0	120
USD	0	0	0	0	0	0	176	0	0	0	0	0
EUR	1,760	3,570	2,821	3,407	3,519	4,960	4,548	3,625	3,528	2,593	3,560	9,044

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

Volume of the Spanish regions sub-segment

The total market of Spanish regions comprises EUR 47.2bn (EUR equivalent) spread across 189 bonds. Of this figure, 187 bonds (EUR 46.9bn) are denominated in EUR, with one bond each denominated in USD and JPY respectively. With an outstanding volume of EUR 21.3bn, MADRID dominates the market, followed by BASQUE (EUR 7.2bn), ANDAL (EUR 5.2bn) and CASTIL (EUR 3.5bn). In total, 40 of the 189 bonds have been issued in benchmark format (volume equal to or greater than EUR 500m). MADRID has issued two bonds of just under EUR 2bn, while the smallest bond in the universe of Spanish regions is amounting to just EUR 5m (JUNTEX).

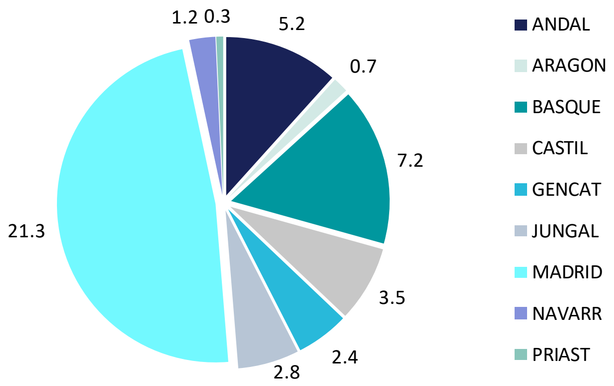
Outstanding bonds of selected Spanish regions



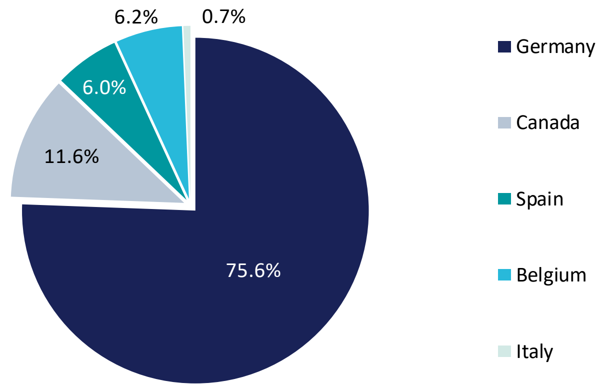
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	>2033
PRIAST	125	23	32	0	0	0	0	131	0	0	0	0
NAVARR	121	104	0	100	0	260	58	0	150	0	15	376
MADRID	619	2,228	1,954	2,086	1,700	2,055	1,775	2,131	1,364	1,000	1,210	3,206
JUNGAL	250	150	150	0	550	575	900	0	0	0	0	200
GENCAT	27	102	0	20	50	111	90	140	0	0	18	1,840
CASTIL	383	650	50	316	453	100	360	500	44	0	0	597
BASQUE	0	0	503	760	100	500	600	500	600	1,000	1,200	1,398
ARAGON	0	0	54	0	438	24	0	0	0	0	0	185
ANDAL	0	0	0	0	0	780	876	84	1,000	500	1,100	851

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

Breakdown of the regions included (EURbn)



Country weighting within the iBoxx EUR Regions

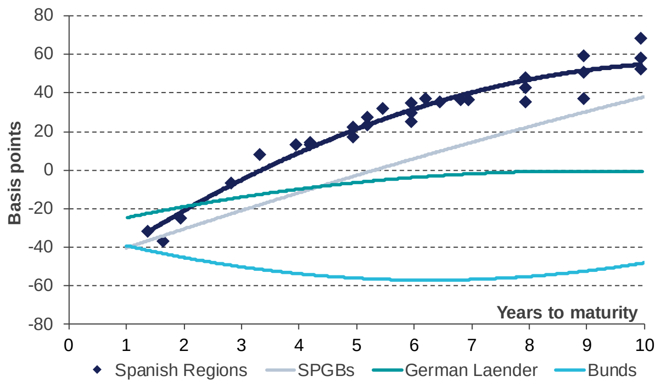


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

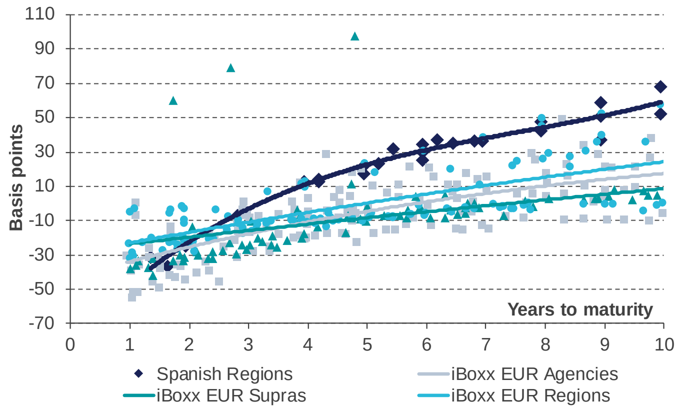
Spanish regions in the iBoxx EUR Regions and review of spreads

As shown above, the entire Spanish market for regional bonds amounts to EUR 47.2bn, of which EUR 21.3bn is attributable to the MADRID ticker. In global terms, the indisputable leading issuer group remains the German Laender, which make up 75.6% of the composition of the iBoxx EUR Regions. After Canada (11.6%), Spanish regions are ranked in third place at 6.0%, followed by Belgium and Italy in fourth and fifth place respectively. Apart from the volumes, the spread levels are of course also suitable: compared with the iBoxx EUR Regions, the Spanish regions trade at premiums from maturities of two years onwards. At the long end (up to 10 years), the spread difference can occasionally reach 30bp. The differences compared with agencies and supras are more marked. Compared with the supras that are even better rated on average and the fact that the bonds placed by these regular issuers are usually far more liquid, this hardly comes as a surprise. Overall, in a peer comparison, Spanish regions feature the widest spreads and could therefore – at restricted liquidity levels – generate pick-ups for investors. Moreover, all investors are likely to be open to private placements with certain expectations regarding yields on the part of institutional investors. Our “Beyond Bundeslaender” online event in March 2021, during which various regions were presented as investment alternatives, also provided an informative overview of this.

Generic ASW spreads – a comparison



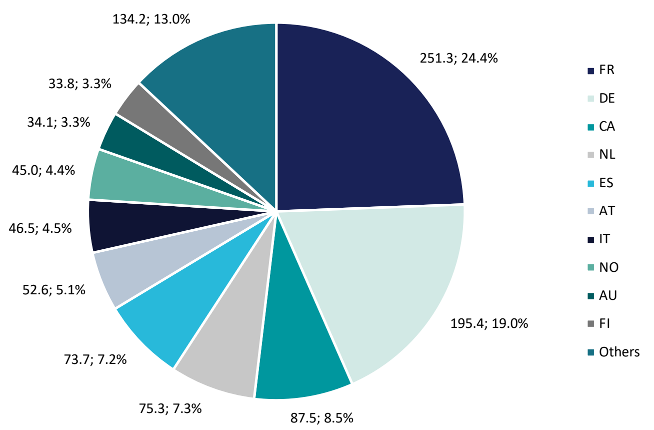
ASW curves of Spanish regions vs. iBoxx



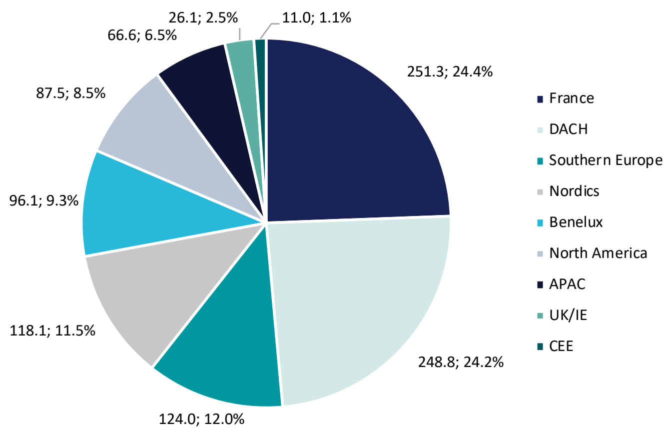
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research; data as at 23 May 2023 eod

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



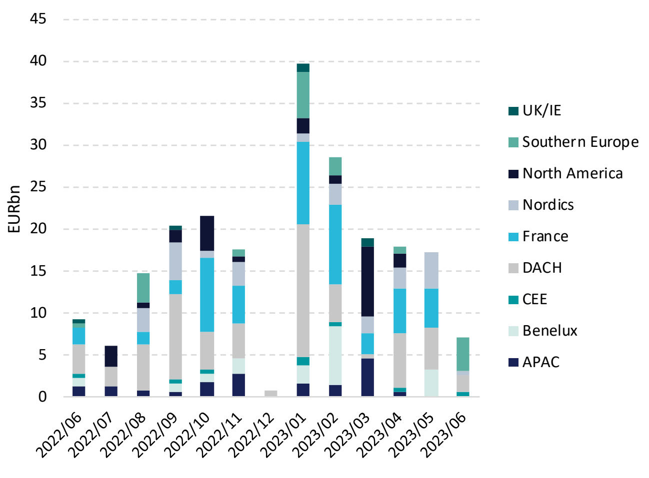
EUR benchmark volume by region (in EURbn)



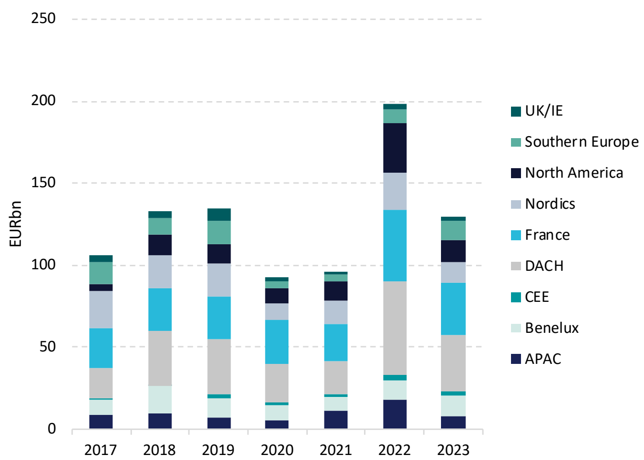
Top-10 jurisdictions

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	251.3	241	18	0.97	9.6	5.2	1.19
2	DE	195.4	278	33	0.65	8.1	4.3	1.01
3	CA	87.5	65	0	1.32	5.5	2.9	0.92
4	NL	75.3	75	2	0.94	10.9	6.7	1.05
5	ES	73.7	59	6	1.14	11.1	3.6	1.93
6	AT	52.6	89	4	0.58	8.4	5.2	1.25
7	IT	46.5	56	2	0.81	9.1	3.7	1.32
8	NO	45.0	54	12	0.83	7.4	4.0	0.62
9	AU	34.1	33	0	1.03	7.3	3.5	1.35
10	FI	33.8	37	3	0.89	7.2	3.8	1.10

EUR benchmark issue volume by month

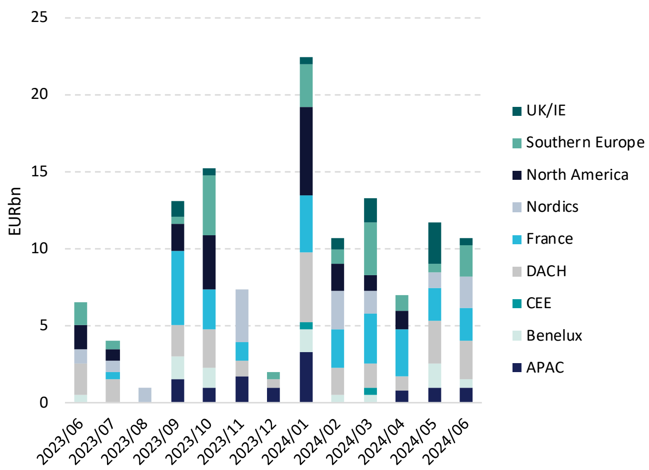


EUR benchmark issue volume by year

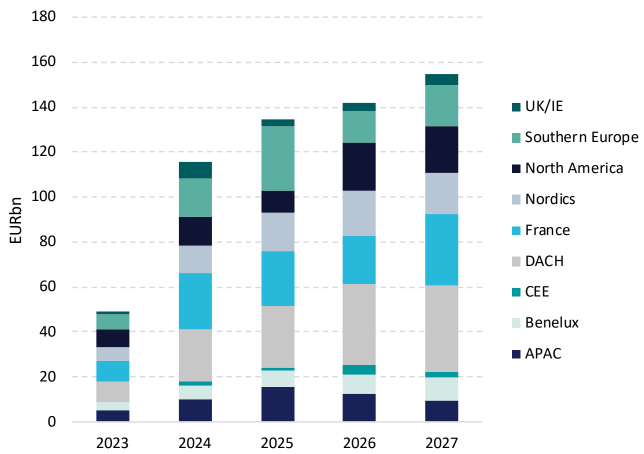


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

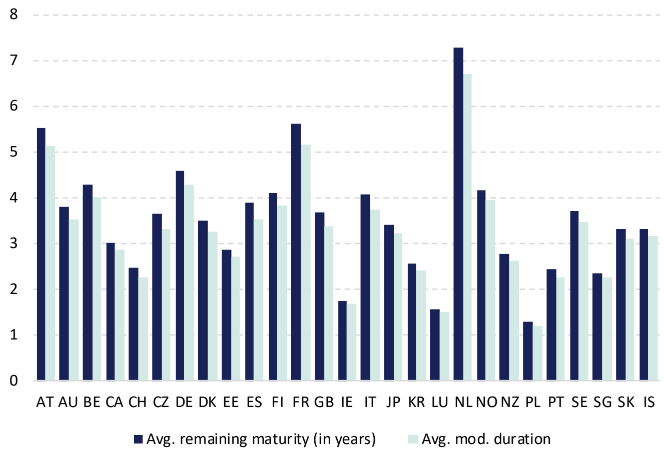
EUR benchmark maturities by month



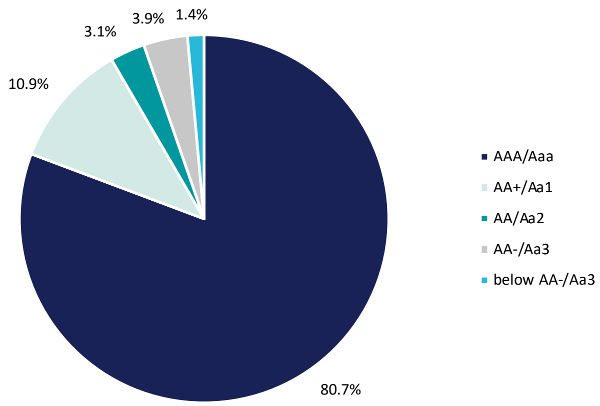
EUR benchmark maturities by year



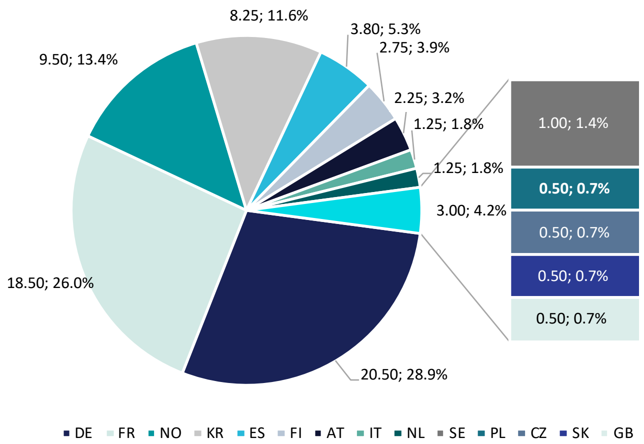
Modified duration and time to maturity by country



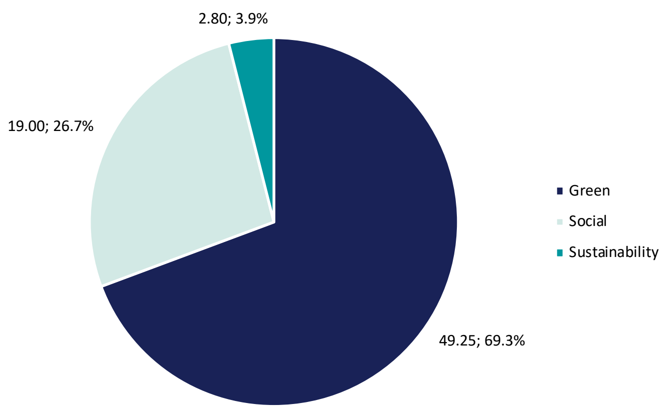
Rating distribution (volume weighted)



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



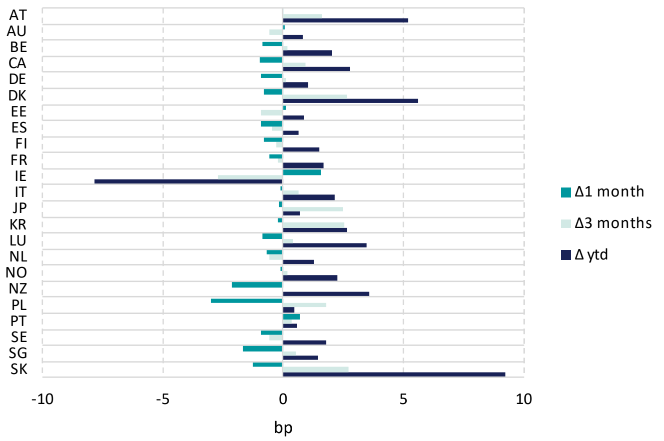
EUR benchmark volume (ESG) by type (in EURbn)



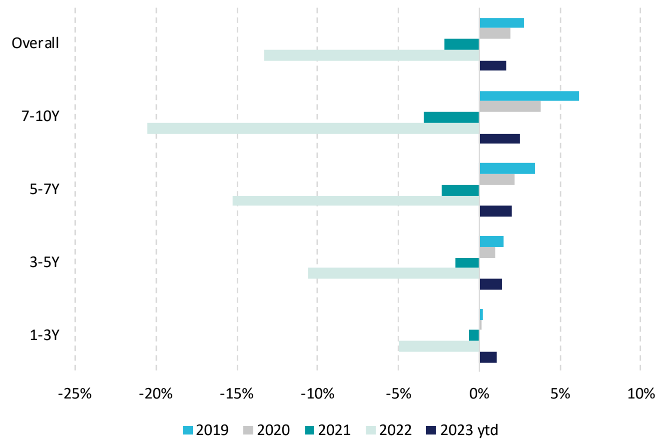
Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

NORD/LB

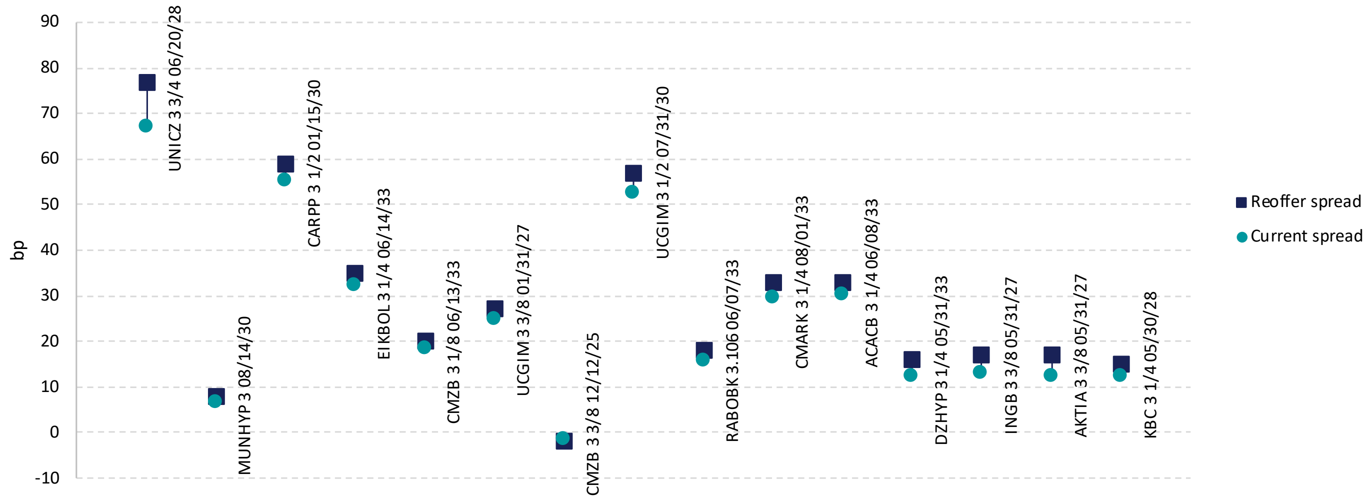
Spread development by country



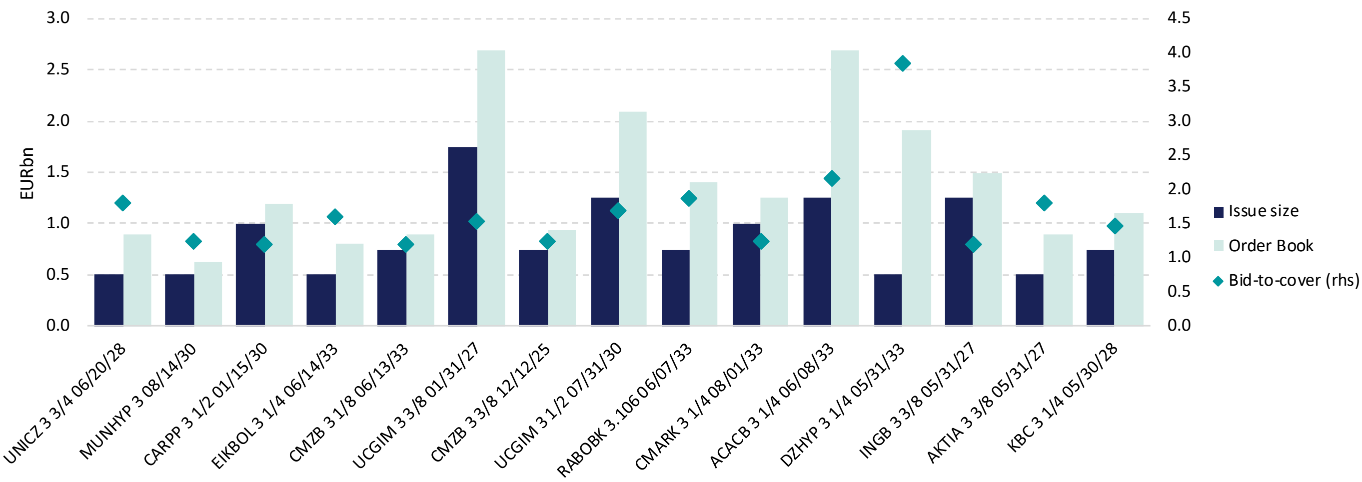
Covered bond performance (Total return)



Spread development (last 15 issues)



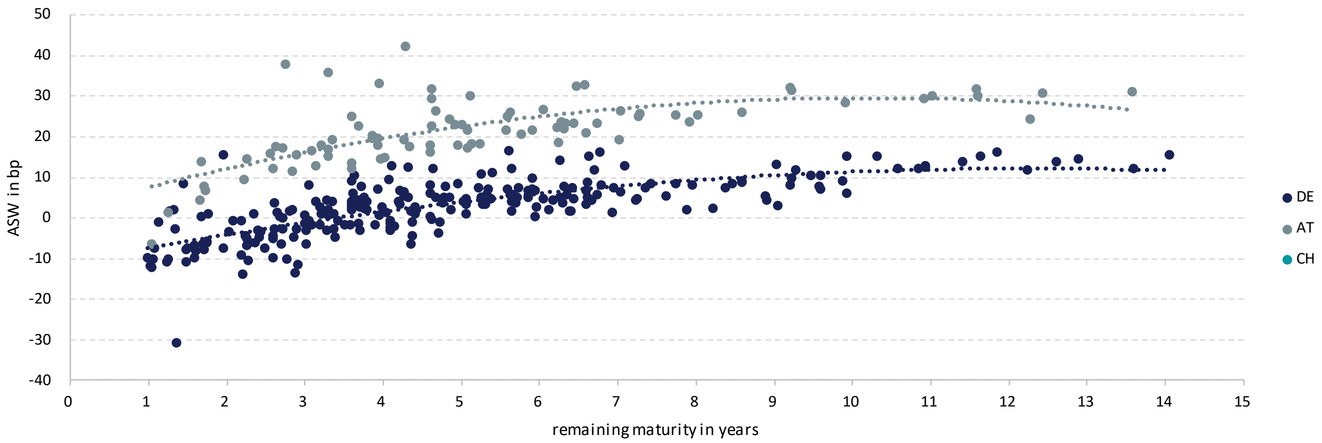
Order books (last 15 issues)



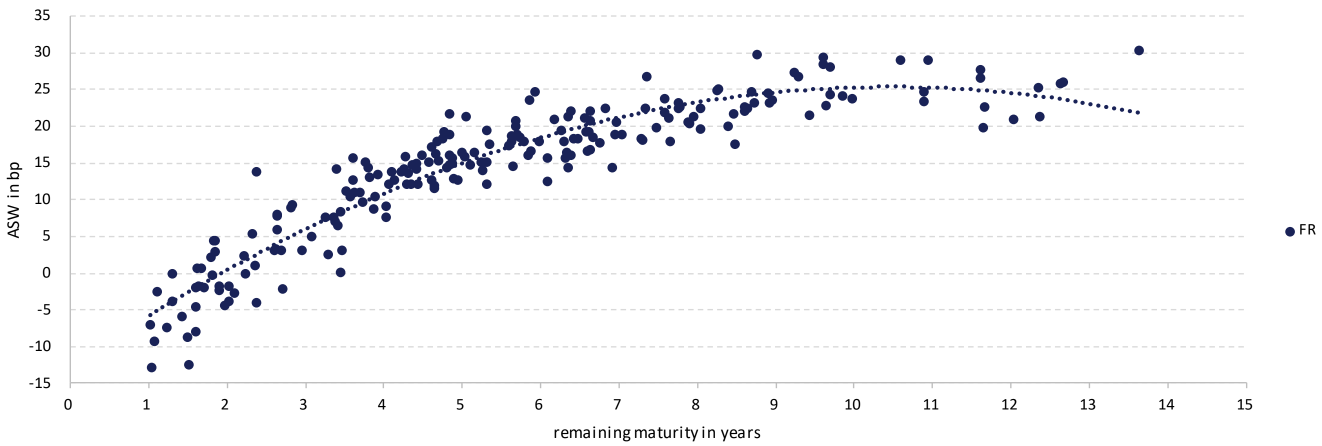
Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

Spread overview[1]

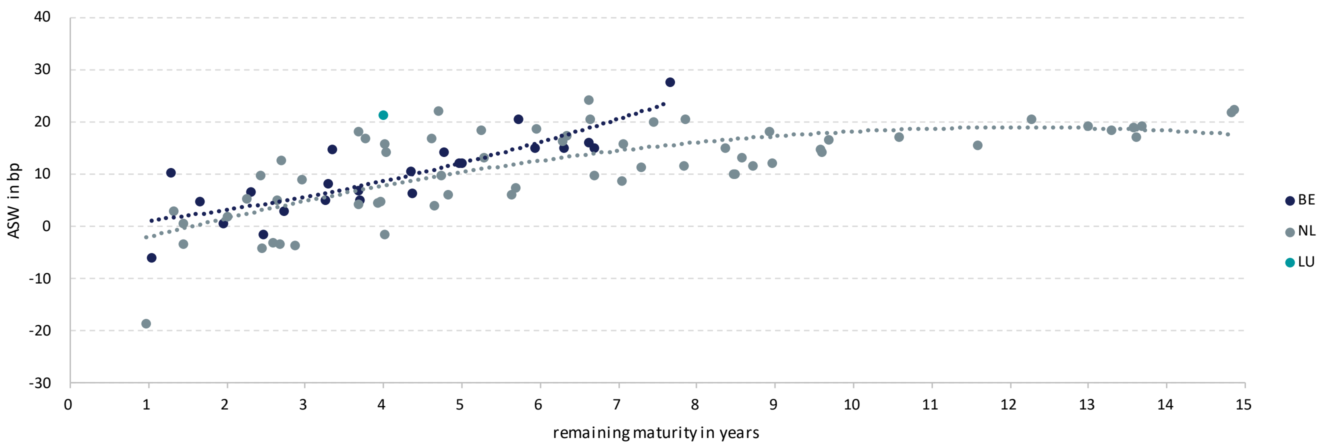
DACH



France

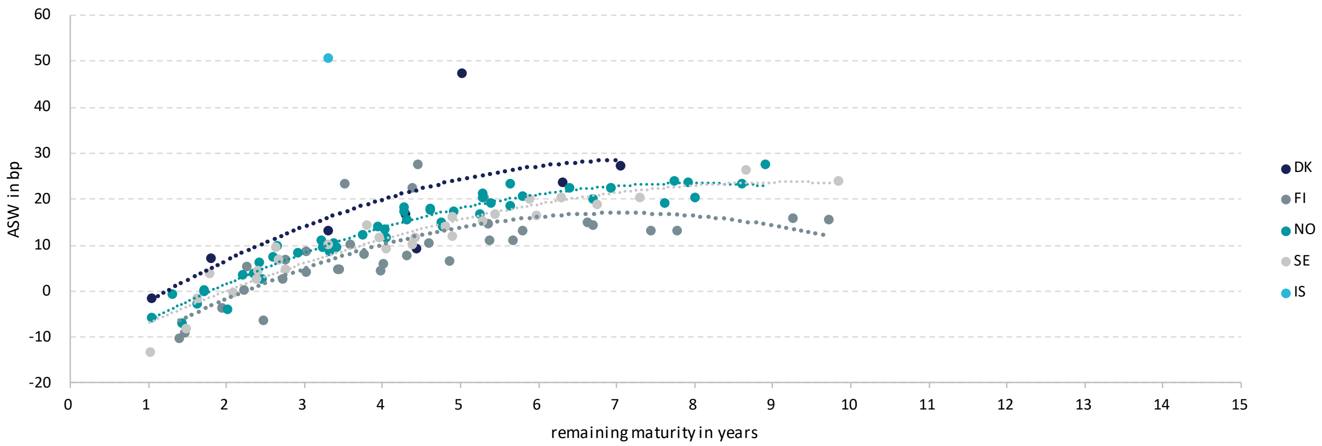


Benelux

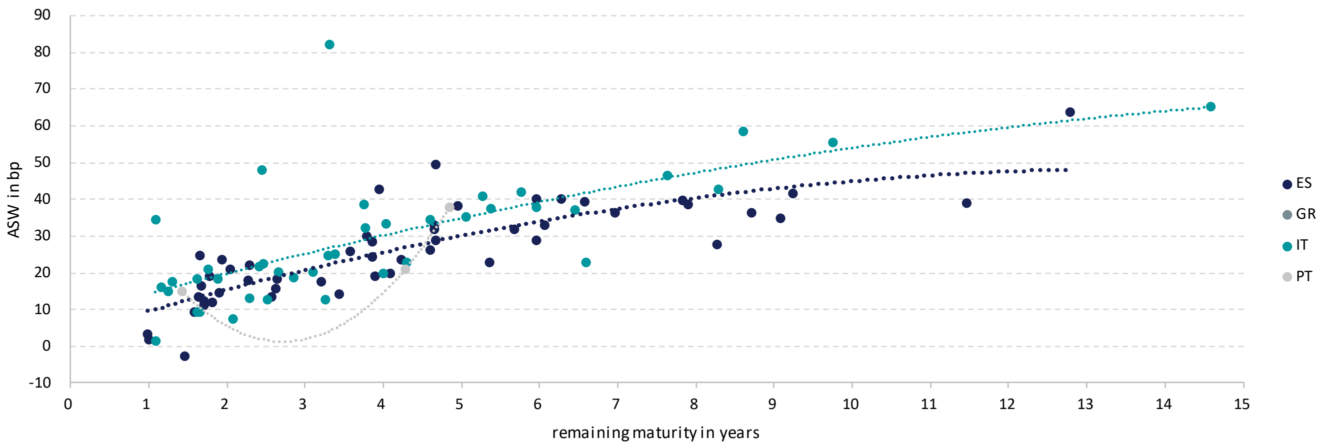


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research [1]Time to maturity 1 ≤ y ≤ 15

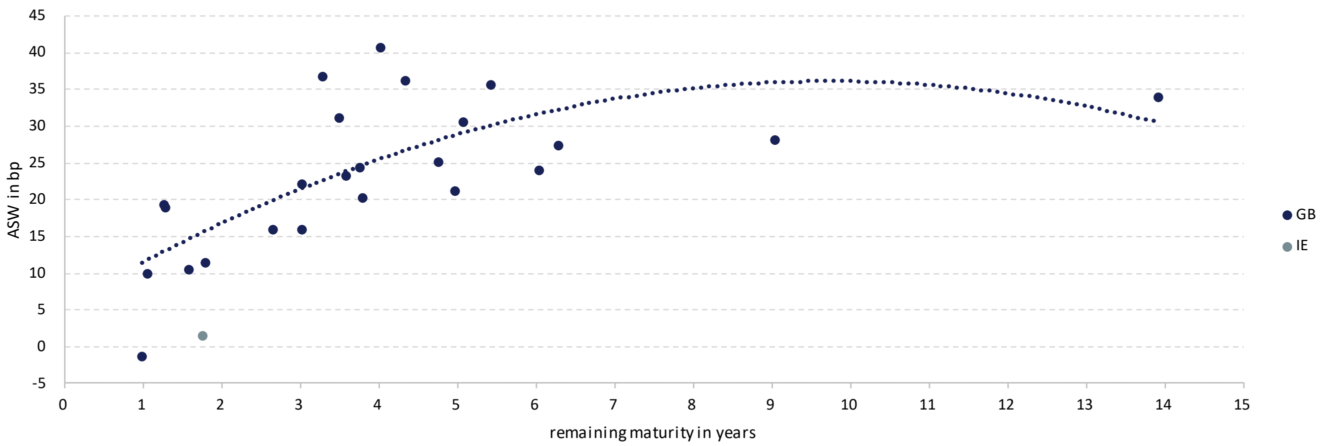
Nordics



Southern Europe

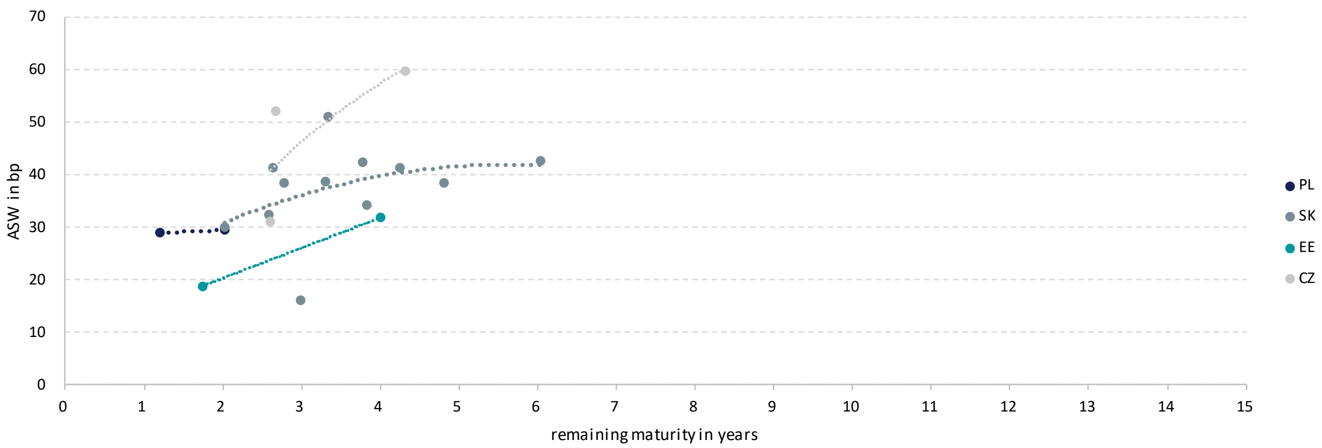


UK/IE

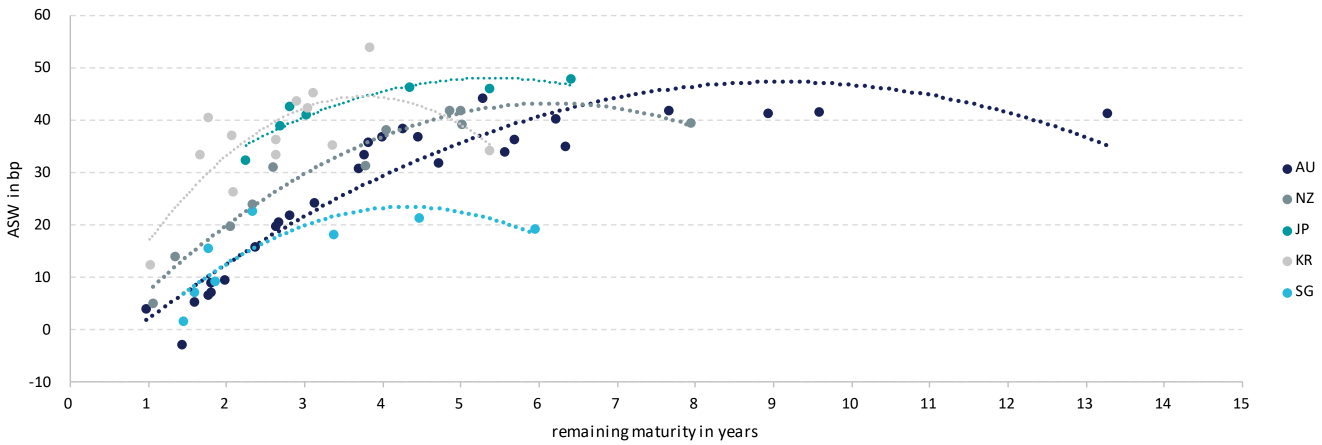


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

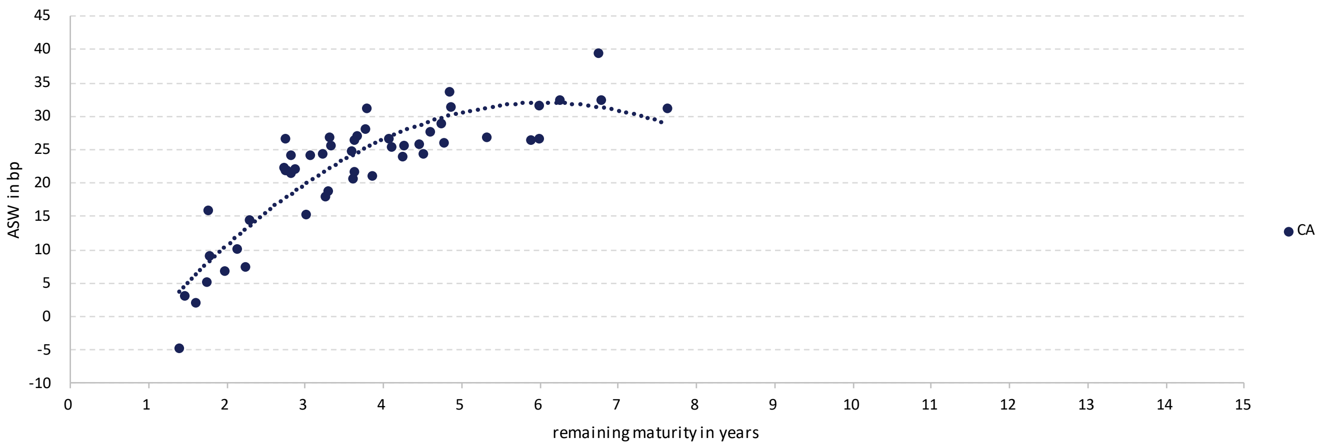
CEE



APAC



North America

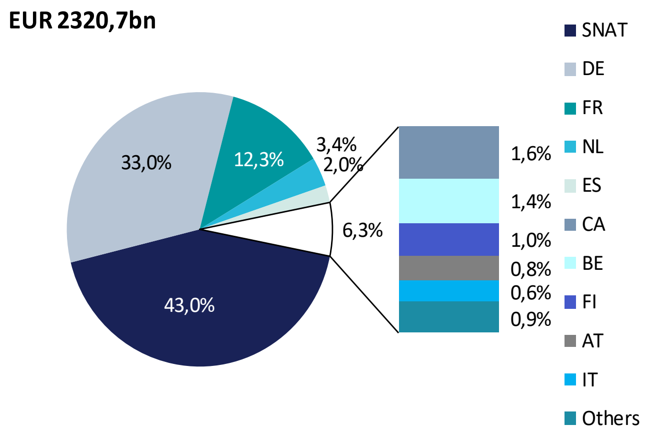


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

NORD/LB

Charts & Figures
SSA/Public Issuers

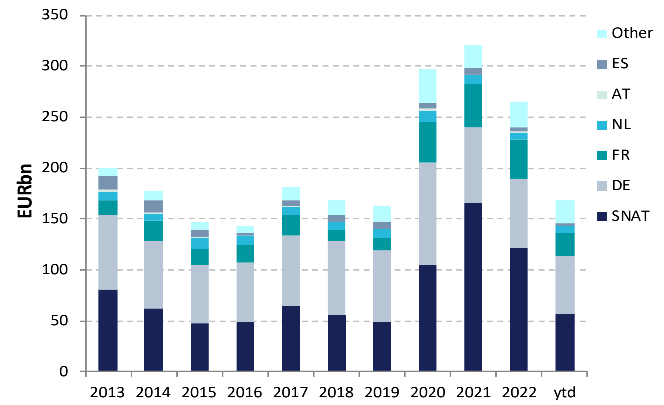
Outstanding volume (bmk)



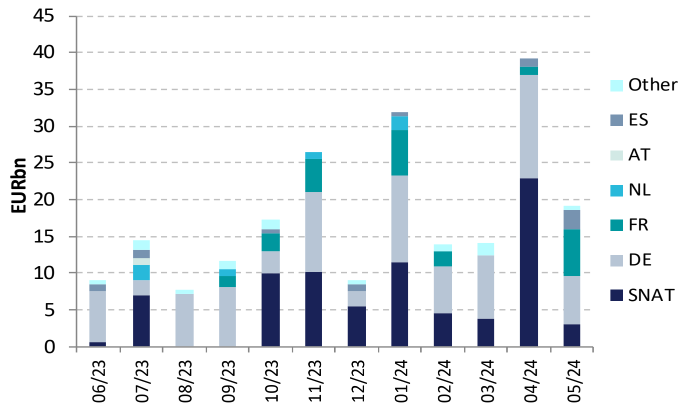
Top 10 countries (bmk)

Country	Vol. (€bn)	No. of bonds	ØVol. (€bn)	Vol. weight. ØMod. Dur.
SNAT	993,3	226	4,4	8,2
DE	772,8	566	1,4	6,2
FR	285,0	190	1,5	6,2
NL	79,4	69	1,2	6,7
ES	47,4	64	0,7	4,7
CA	37,2	26	1,4	4,4
BE	31,5	35	0,9	11,1
FI	22,6	25	0,9	5,0
AT	17,8	21	0,8	4,5
IT	15,0	19	0,8	4,7

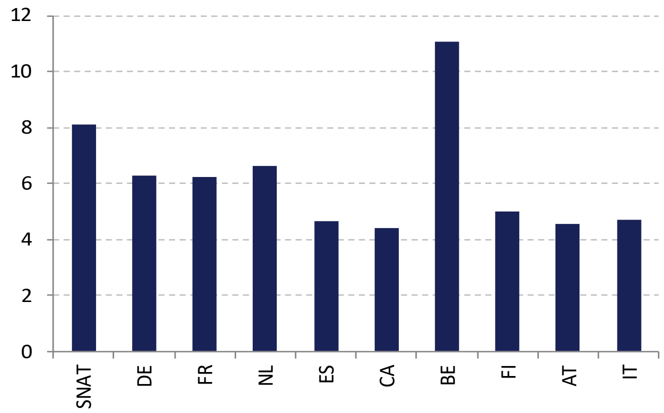
Issue volume by year (bmk)



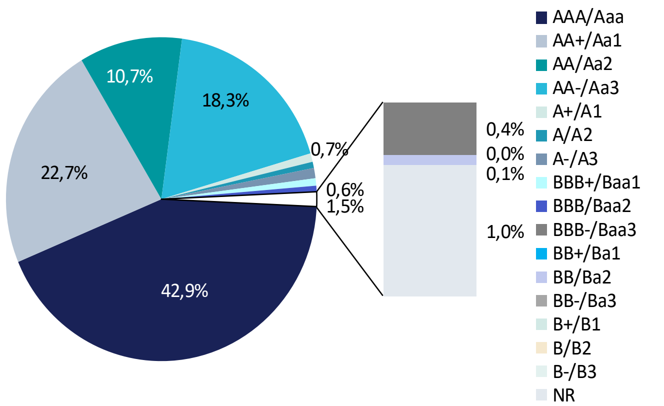
Maturities next 12 months (bmk)



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

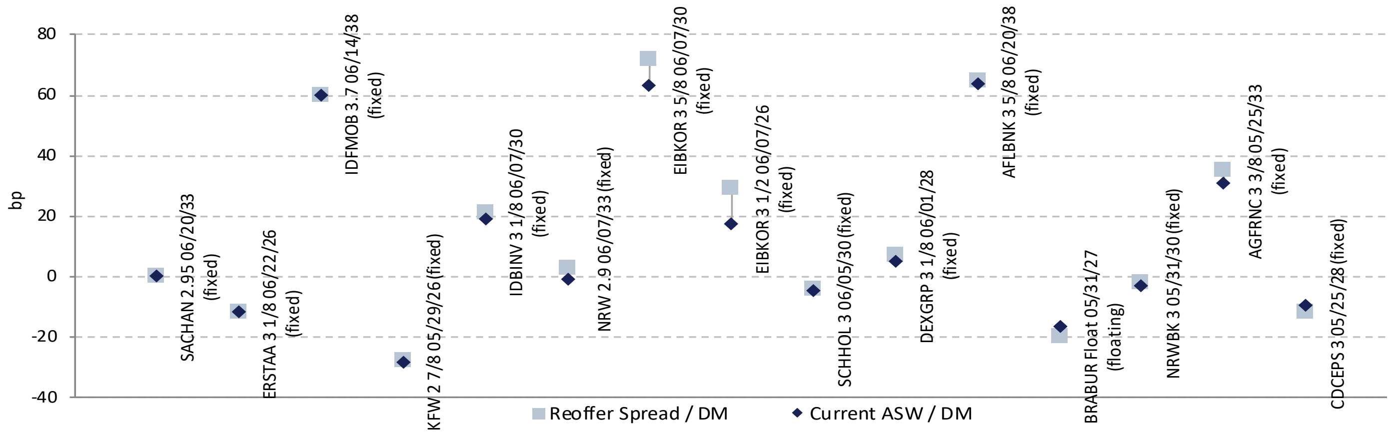


Rating distribution (vol. weighted)

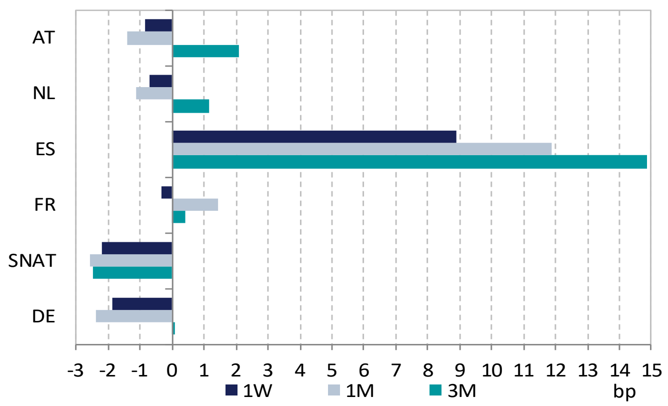


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

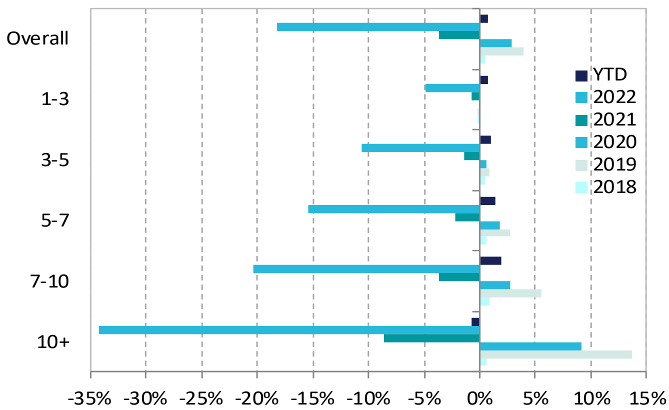
Spread development (last 15 issues)



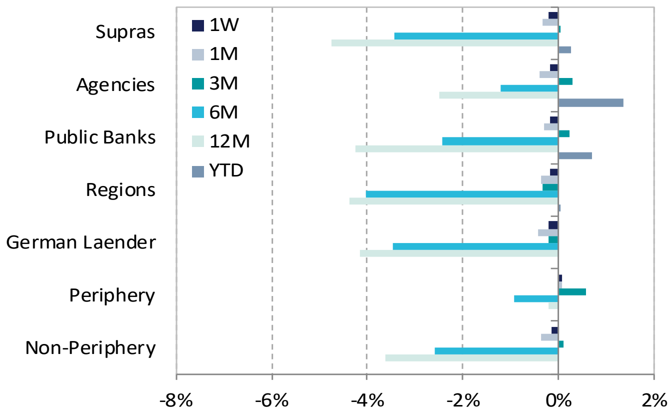
Spread development by country



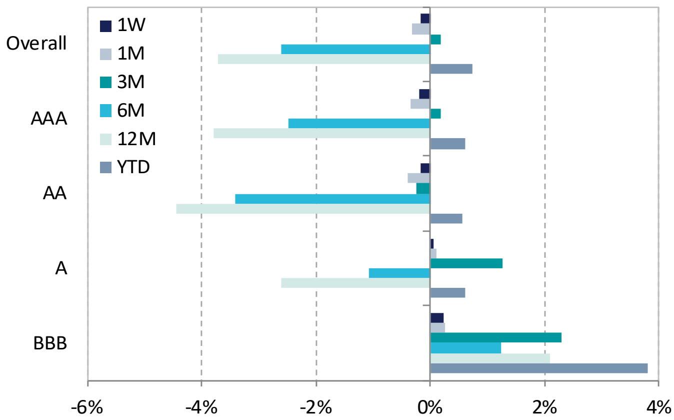
Performance (total return)



Performance (total return) by segments

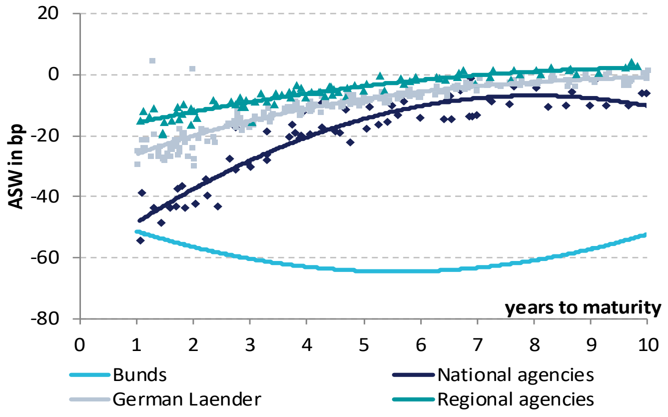


Performance (total return) by rating

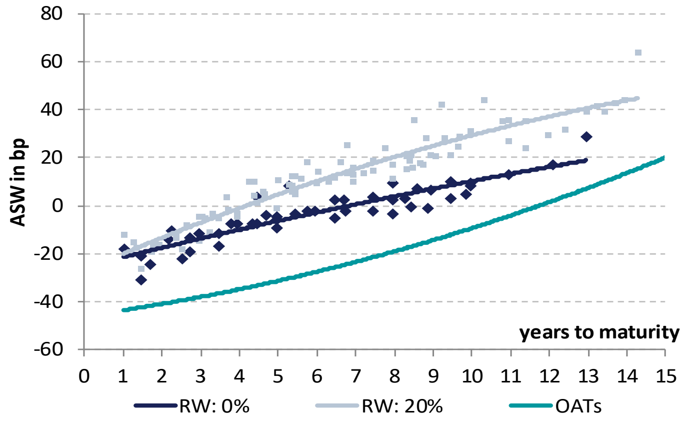


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

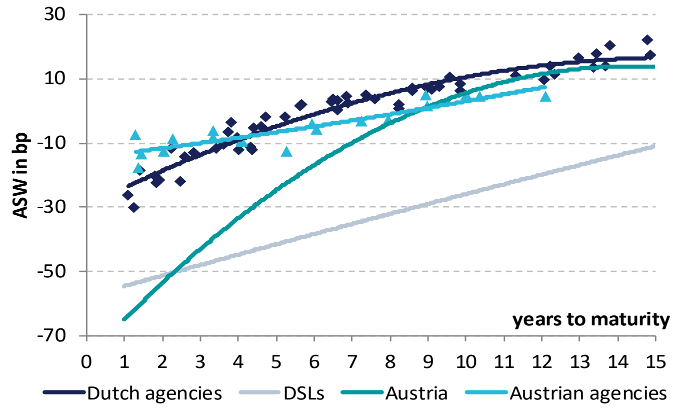
Germany (by segments)



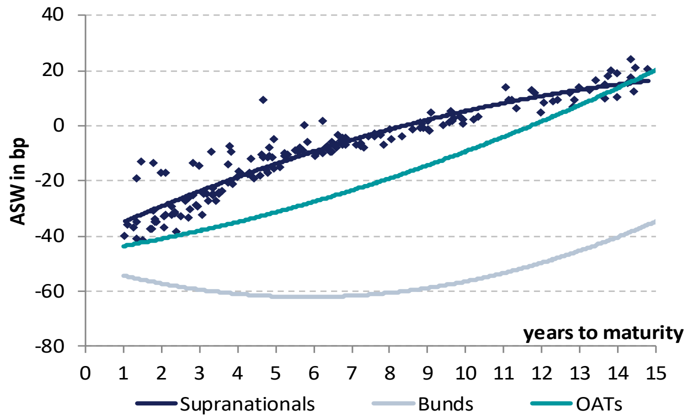
France (by risk weight)



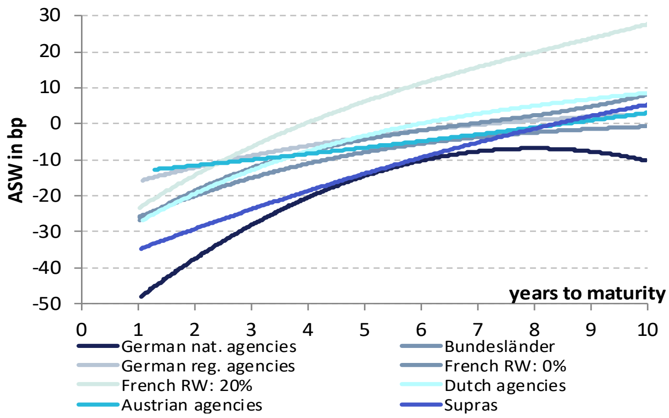
Netherlands & Austria



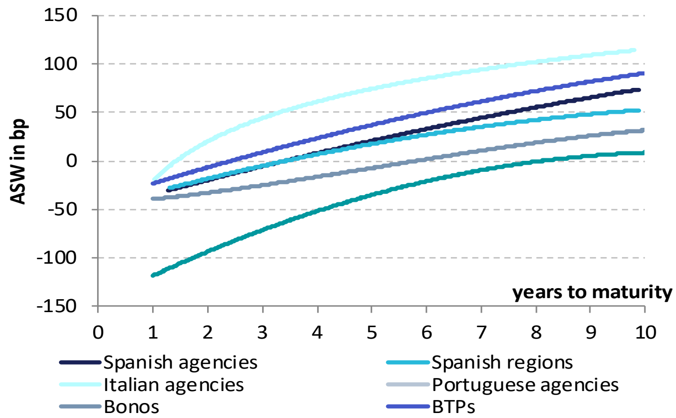
Supranationals



Core



Periphery



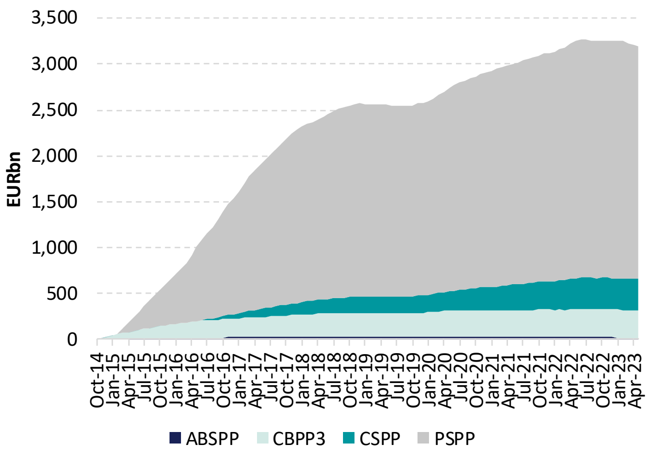
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

ECB tracker

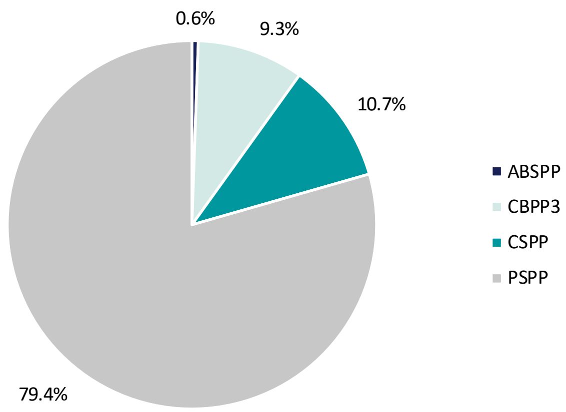
Asset Purchase Programme (APP)

	ABSPP	CBPP3	CSPP	PSPP	APP
Apr-23	18,462	298,627	341,574	2,557,798	3,216,461
May-23	17,821	299,134	341,010	2,543,603	3,201,568
Δ	-641	+507	-564	-14,195	-14,893

Portfolio development

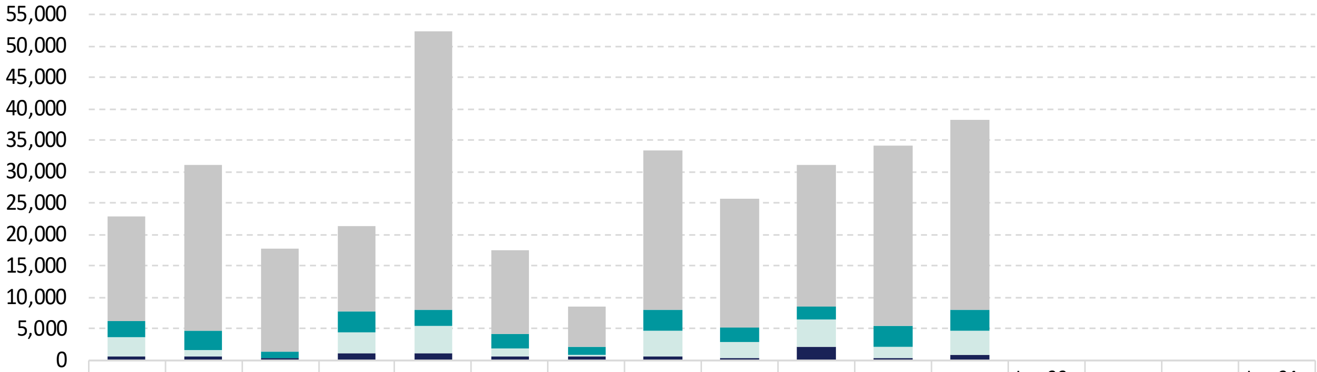


Portfolio structure



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

Expected monthly redemptions (in EURm)

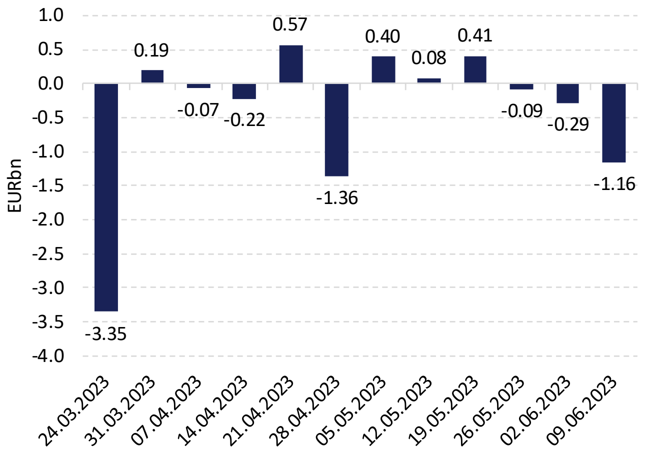


	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-23 - May-24	2022	2023	Jan-24 - May-24
APP	22,923	30,975	17,862	21,258	52,368	17,531	8,565	33,485	25,730	31,020	34,251	38,270	334,238	299,142	331,286	162,756
PSPP	16,619	26,223	16,445	13,404	44,340	13,269	6,336	25,524	20,586	22,413	28,712	30,194	264,065	228,585	255,111	127,429
CSPP	2,557	3,038	986	3,377	2,589	2,393	1,336	3,363	2,325	2,188	3,315	3,457	30,924	17,670	30,797	14,648
CBPP3	3,112	1,170	0	3,346	4,467	1,351	408	4,109	2,449	4,434	1,814	3,836	30,496	41,244	35,147	16,642
ABSPP	635	544	431	1,131	972	518	485	489	370	1,985	410	783	8,753	11,643	10,231	4,037

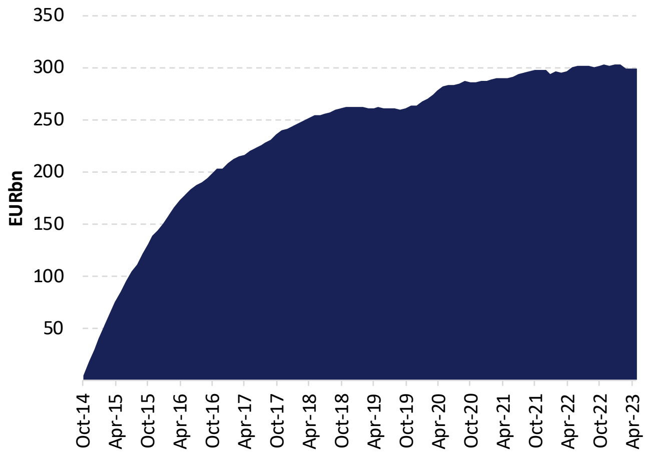
Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

Covered Bond Purchase Programme 3 (CBPP3)

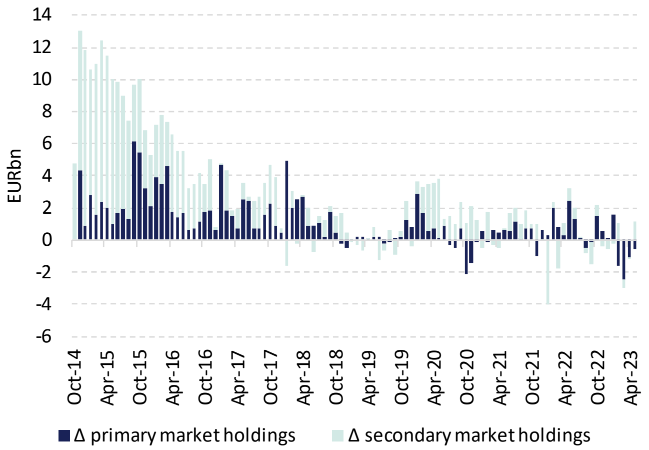
Weekly purchases



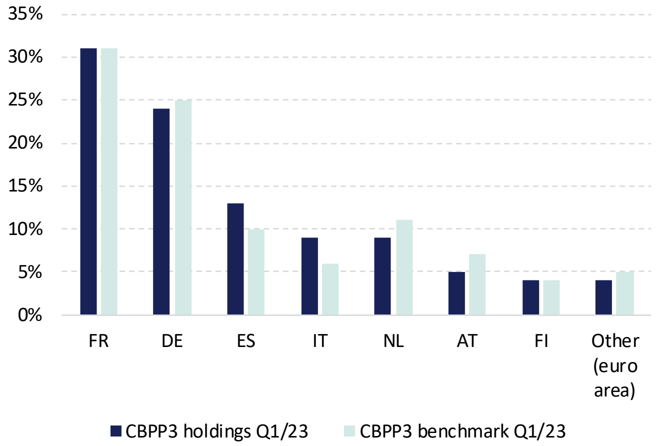
Development of CBPP3 volume



Change of primary and secondary market holdings

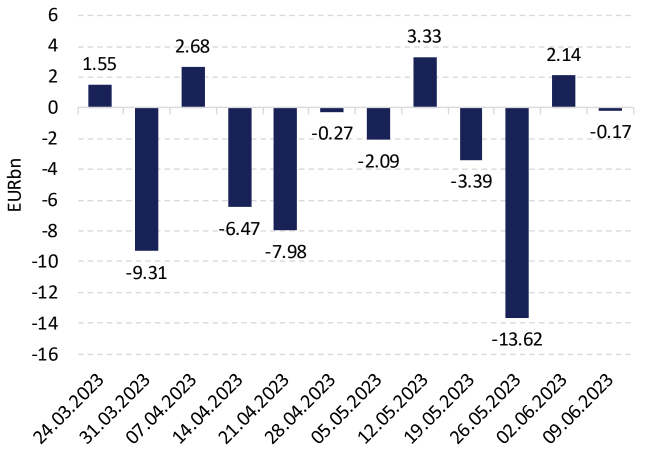


Distribution of CBPP3 by country of risk

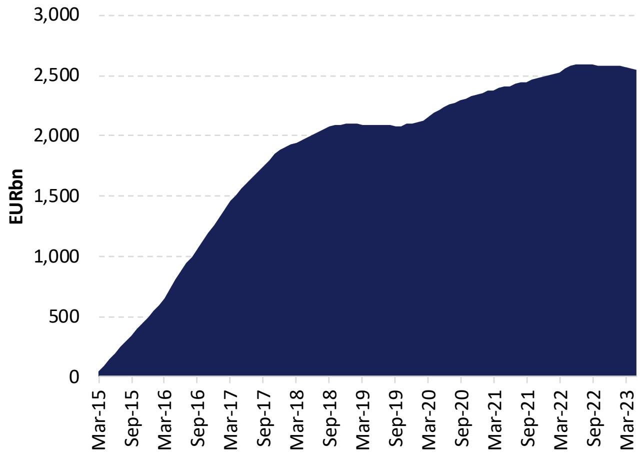


Public Sector Purchase Programme (PSPP)

Weekly purchases



Development of PSPP volume

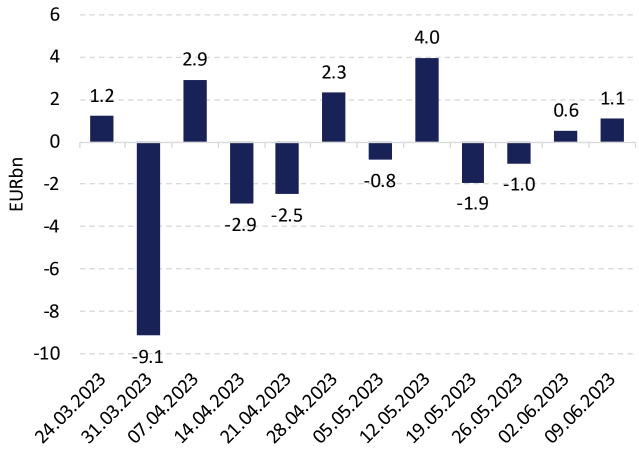


Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

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	44,688	1,070	2.6%	2.7%	0.1%	7.3	7.8
BE	57,078	630	3.3%	3.4%	0.2%	6.1	9.4
CY	2,543	0	0.2%	0.2%	0.0%	8.0	8.5
DE	396,449	627	23.7%	23.9%	0.1%	6.8	7.0
EE	256	0	0.3%	0.0%	-0.2%	7.0	7.0
ES	194,312	2,502	10.7%	11.7%	1.0%	7.3	7.4
FI	26,195	-64	1.7%	1.6%	-0.1%	7.6	7.7
FR	294,956	-4,954	18.4%	17.8%	-0.6%	7.6	7.8
GR	38,150	-34	2.2%	2.3%	0.1%	8.4	9.2
IE	25,280	-893	1.5%	1.5%	0.0%	9.1	9.7
IT	292,896	2,069	15.3%	17.6%	2.3%	7.1	6.9
LT	3,237	49	0.5%	0.2%	-0.3%	9.3	8.7
LU	1,955	19	0.3%	0.1%	-0.2%	5.7	8.6
LV	1,801	44	0.4%	0.1%	-0.2%	8.3	7.6
MT	607	0	0.1%	0.0%	-0.1%	10.1	8.5
NL	81,957	-1,771	5.3%	4.9%	-0.3%	7.7	9.1
PT	33,861	54	2.1%	2.0%	-0.1%	7.0	7.5
SI	6,406	-283	0.4%	0.4%	0.0%	8.7	9.1
SK	7,918	-192	1.0%	0.5%	-0.6%	8.2	8.4
SNAT	150,090	1,000	10.0%	9.0%	-1.0%	10.1	9.0
Total / Avg.	**1,660,635**	**-127**	**100.0%**	**100.0%**	**0.0%**	**7.5**	**7.7**

[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

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Appendix
Overview of latest Covered Bond & SSA View editions

Publication	Topics
19/2023 ♦ 07 June	▪ ECB Preview: ECB's 25th anniversary and is still going strong ▪ Focus on legal requirements for covered bonds
18/2023 ♦ 24 May	▪ Repayment structures on the covered bond market: an update ▪ Stability Council convenes for 27th meeting
17/2023 ♦ 17 May	▪ ESG update 2023 in the spotlight ▪ Development of the German property market ▪ Transparency requirements §28 PfandBG Q1/2023
16/2023 ♦ 10 May	▪ The ECB and the covered bond market: influences old and new ▪ Update: Joint Laender (Ticker: LANDER)
15/2023 ♦ 26 April	▪ ECB preview: caught in two minds? ▪ EBA Risk Dashboard paints solid picture of Q4 2022
14/2023 ♦ 19 April	▪ Lending in the Eurozone and Germany ▪ The French agency market – an overview
13/2023 ♦ 05 April	▪ Supply forecast requires no great adjustment ▪ Current risk weight of supranationals & agencies
12/2023 ♦ 29 March	▪ The Moody's covered bond universe – an overview ▪ NGEU: Green Bond Dashboard
11/2023 ♦ 22 March	▪ Covered Bonds: Under the spell of the banking crisis and ECB hawks? ▪ ESG: EUR-benchmarks 2023 in the SSA segment (ytd)
10/2023 ♦ 15 March	▪ Transparency requirements §28 PfandBG Q4/2022 ▪ Credit authorisations of the German Laender for 2023
09/2023 ♦ 08 March	▪ ECB preview: Soft landing lets ECB play hard ball with key rates ▪ Where does the Pfandbrief stand within the covered bond universe?
08/2023 ♦ 01 March	▪ The covered bond market and the ECB: a gradual farewell? ▪ Beyond Bundeslaender: Focus on Greater Paris (IDF and VDP)
07/2023 ♦ 22 February	▪ The Italian market for EUR benchmark covered bonds ▪ European supranationals – an overview
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)

NORD/LB: Markets Strategy & Floor Research
NORD/LB: Covered Bond Research
NORD/LB: SSA/Public Issuer Research
Bloomberg: RESP NRDR <GO>

Appendix
Publication overview

Covered Bonds:

- **Issuer Guide Covered Bonds 2022**
- **Covered Bond Laws**
- **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 Q1/2023** (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**
- **Issuer Guide – European Supranationals 2023**
- **Issuer Guide – French Agencies 2023**
- **Beyond Bundeslaender: Belgium**
- **Beyond Bundeslaender: Greater Paris (IDF/VDP)**
- **Beyond Bundeslaender: Spanish regions**

Fixed Income Specials:

- **ESG-Update 2023**
- **ECB interest rate decision: All new in May... Or: The force of past rate hikes!**
- **ECB interest rate decision: Backbone in times of turmoil?!**
- **ECB interest rate decision: Roadmap to QT**

Appendix
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Governments	+49 511 9818-9660
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Frequent Issuers	+49 511 9818-9640

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Time of going to press: Wednesday, 14 June 2023 (08:53)