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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

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Market overview
Covered Bonds

Author: Dr Frederik Kunze

Primary market: deals remain slightly thin on the ground

The primary market remains in a phase of weak activity and the market environment for covered bonds continues to be shaped by a focus on shorter maturities. The risk sentiment that has been in evidence for several trading days is also not without consequences for the EUR benchmark segment, which has not been left unscathed by the resultant general upward trend in spreads. All in all, five issuers have approached investors since the previous edition of our weekly publication a fortnight ago (cf. Covered Bond & SSA View dated 26 September). First, Prima Banka Slovensko (ticker: PKBSK) from Slovenia successfully placed a bond worth EUR 500m (2.0y) on 26 September. The deal started off in the marketing phase with an initial guidance of ms +58bp area, before eventually being fixed at ms +56bp. The order books were well filled at EUR 860m. After lying dormant for a full eight days, Kookmin Bank (ticker: CITNAT) and Compagnie de Financement Foncier (ticker: CFF) injected some life back into the market. Kookmin Bank approached investors with a covered bond worth EUR 500m (3.5y) and an initial guidance of ms +58bp area. The deal was significantly oversubscribed with a bid-to-cover ratio of 1.9x. In the marketing phase, the spread tightened by three basis points to ms +55bp. The 5y deal from CFF was its ESG debut in the form of a social bond, with the bank is planning to put the proceeds from this deal towards granting loans for social housing construction projects and financing the healthcare sector. The deal, which was announced at EUR 500m prior to entering the marketing phase, was subject to very high levels of investor interest, as reflected in the bid-to-cover ratio of 6.2x. With an adjusted guidance, the initial price thoughts of ms +40bp area were reduced by six basis points two hours after the books opened. In the end, the final reoffer spread amounted to ms +32bp. From our perspective, this deal once again demonstrates that relatively high demand and greater leeway in terms of pricing can be generated both by ESG factors and initially limiting deals to a small benchmark volume. Against this backdrop, another French issuer – on this occasion Caisse Française de Financement Local (Ticker: CAFFIL) – made a successful appearance on the market with an ESG bond. The green covered bond in the amount of EUR 750m (order book: EUR 3.5bn; 5.3y; guidance: ms +38bp area) was also subject to heightened investor interest and was ultimately priced at ms +32bp. On the same day, Nationale-Nederlanden Bank N.V. (ticker: NNGRNV) was active on the market with a covered bond in the amount of EUR 750m (order book: EUR 1.3bn; 3.0y). At ms +20bp, the reoffer spread for this deal came in four basis points tighter than the initial guidance.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
CAFFIL	FR	10.10.	FR001400LDK9	5.3y	0.75bn	ms +32bp	- / Aaa / AA+	X
NN Bank	NL	10.10.	NL0015001R87	3.0y	0.75bn	ms +20bp	- / - / AAA	-
Kookmin Bank	KR	05.10.	XS2681940370	3.5y	0.50bn	ms +55bp	AAA / - / AAA	-
CFF	FR	05.10.	FR001400L933	5.3y	0.50bn	ms +32bp	- / Aaa / AAA	X
Prima Banka	SK	26.09.	SK4000023834	2.0y	0.50bn	ms +56bp	- / Aaa / -	-

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

Moody's highlights impacts of increased bank levy in the Netherlands...

In a recently published Sector Report, the rating experts at Moody's commented on the impacts of an increased bank levy in the Netherlands. On 21 September, the Dutch parliament decided to increase the bank levy by EUR 350m, which corresponds to 2.3% of the annual profits of the three largest banks in the Netherlands. The levy represents just one element of a broader overhaul of Dutch tax law that will affect the profits of the country's banks. According to Moody's, the increase comes at a time when financial institutions in the Netherlands are benefiting to a significant extent from interest rate hikes, but are also being forced to face up to challenges such as restrained lending, the expectation of rising funding costs and higher personnel costs. The Dutch government plans to use the additional tax revenue to support low-income households, which it is hoped will have a positive impact on the ability of such households to repay debts. The rating experts expect that the increased levy, which remains subject to final approval by the Senate, will compromise bank earnings in the Netherlands to a lesser extent than would be the case for comparable laws in Italy or Spain.

... and sees the Norwegian banking sector as being well supported by the state's financial power

In a market environment that is increasingly characterised by general uncertainty, there is an ever-greater focus on potential risks – also in relation to covered bonds. Moody's recently discussed potential risk factors for Norwegian banks. For example, the rating agency highlighted the importance of capital market-based funding for the country's banks as well as the high level of household debt and the growth in house prices. Overall, however, Norwegian banks have benefited from the state's financial strength in particular, as well as the fact that they are based in a wealthy country. In relation to risk factors linked to commercial real estate financing, which have recently become more prominent, the rating agency has only identified a slight decline in prices in Norway up to this point. In addition, the banks' individual exposures in the CRE segment remain manageable, Moody's has said.

S&P comments on covered bonds in Finland and Sweden

Standard & Poor's (S&P) recently looked into the changes to covered bond legislation in Finland. The risk experts from S&P are of the view that the new legislative framework in Finland expands on the old Covered Bond Act in certain points, but these do not influence the analysis of S&P to any significant extent. The changes include, among other amendments, the introduction of a liquidity buffer of 180 days. The rating experts at S&P believe that the amended legislation continues to meet all the requirements for individual covered bonds to be rated higher than the respective issuer. A significant knock-on effect of the country's new legislation can be seen in the recently launched programmes of some issuers. This enabled the banks to avoid making subsequent amendments to existing programmes that would have required investor approval. S&P experts have also commented on the market for Swedish covered bonds, and in so doing focused more on the market itself. Here, the rating agency sees the ratings for the mortgage programmes that it evaluates as being stable overall. This also applies against the background of developments on the real estate markets and the preponderance of issuances with shorter terms to maturity. The classifications are supported in particular by issuer ratings and the OC levels of the cover pools underlying the outstanding covered bonds.

Market overview
SSA/Public Issuers

Authors: Dr Norman Rudschuck, CIIA // Christian Ilchmann

KfW: funding target for 2023 revised upwards

In the first nine months of the current year, KfW has raised more than the equivalent of EUR 75bn on the capital market. Based on its positive business development this year, especially at its subsidiary KfW IPEX-Bank and an increase in its liquidity requirements, KfW will raise its planned refinancing for 2023 by EUR 5bn to around EUR 90bn. The funds raised are also expected to be used to prefinance its probable liquidity requirements next year. In view of the increase in the amount to be refinanced, KfW plans to raise around EUR 15bn on the international capital markets in Q4 of this year; this figure includes the 3.25% green bond worth EUR 3bn maturing in March 2031 with a settlement date of 4 October 2023.

ESM and EFSF: Q3 newsletter and funding for 2023 completed

On 28 September, the European Stability Mechanism (ESM) and the European Financial Stability Facility (EFSF) sent out their investor newsletter for the third quarter of 2023, in which the issues of sustainability and combatting with natural disasters, in particular, featured at the top of the agenda. Against the backdrop of heatwaves in Europe, wildfires and floods in Greece, Bulgaria and Turkey plus the earthquake in Morocco and the floods in Libya, Kalin Anev Janse, CFO and Member of the Management Board of the ESM and EFSF, referred urgently to the particular importance of ESG guidelines, even within in his own institution: "We are grateful that there are investors that put ESG issues right at the top of their list of key factors. ESG matters will always be of critical importance for us whatever the future may bring." Both the ESM and the EFSF were successful in raising funds on the capital market in the first nine months of 2023: while the ESM normally issues in euros, it issued a USD bond in September, the first for almost two years. The issue generated a record order book (for the ESM) of USD 8.1bn, which meant that the ESM has already concluded its funding programme for 2023. The EFSF raised EUR 6bn in total in July and August, issuing bonds with maturities of three, seven and 15 years. Accordingly, the EFSF would still have to raise EUR 4bn of its total funding programme of EUR 20bn, but it raised these funds in the first week in October (as we report in the section on the Primary market). Consequently, the ESM and EFSF are not expected to tap the primary market until the new year. Janse was particularly pleased by the latest developments in Greece: "I would like to close with another positive development. Greece – the largest of the EFSF and ESM's debtors – reached a key milestone this month, when it was upgraded to *investment grade* by the rating agency DBRS following the upgrade by Scope Ratings at the beginning of the year. This is evidence of the country's success […] and that of the ESM/EFSF programmes. The rating of Greece as investment grade, which has already led to a reduction in the bond spread compared with European competitors, will also prompt more investors to return and allow better conditions for the placement of Greek bonds as collateral."

CEB: Loans of EUR 670m for various ESG projects

On 29 September, the Council of Europe Developmment Bank (ticker: COE) approved seven new loans totalling EUR 670m to implement various ESG-related (development) projects in seven different European countries. We shall summarise these in the following: in France, a loan of EUR 200m was awarded to the "société publique des écoles marseillaises" to finance the construction of new schools plus extensive renovation work to existing schools. The project is part of the school plan launched by the city of Marseille in 2021 to counter the serious deterioration in the fabric of the city's schools. With total investment of at least EUR 845m, the project comprises 188 establishments, which corresponds to 40% of all primary schools in Marseille. A loan of EUR 25m was awarded to Italy, or more precisely the city of Reggio Emilia. Its purpose is to react more flexibly to changes in the challenges relating to social development and integration. A key component of the project is the construction of 148 social housing units, either through constructing new units or converting existing buildings. Moving onto Poland, where a loan of EUR 150m was awarded to SocGen Equipment Leasing Polska (SGELP) to (co)finance investments by Polish SMEs. Among other benefits, these funds are expected to create and preserve jobs, particularly in regions with the highest unemployment rates. Furthermore, the funds are expected to promote the expansion of environmentally friendly plants in particular. The current loan is the CEB's fifth loan to SGELP, whereas its loan to Romania, to be precise a major project of EUR 72.9m in Bucharest, is its first. Social conditions there are to be improved by the construction of a new hospital and improved access to healthcare services. The new healthcare facilities will provide inpatient and outpatient services for approximately 400,000 citizens, while the planned employment of almost 1,200 staff is also expected to slow the emigration of Romanian doctors and nurses to other countries. In Spain, an additional loan of EUR 110m was granted to the city of Barcelona for its Agenda 2030 for sustainable development and making Barcelona a more integrated city. This new loan will supplement the CEB financing of EUR 170m approved in 2018. The CEB also provided direct funding for a project by a municipal company in the Czech Republic for the first time: a loan of EUR 64m to Brünner Wasserwerke und Kanalisation (BVK – Brno Water and Sewage Works) aims to improve the treatment of wastewater for more than 412,000 inhabitants in the Brno area. The project is expected to allow the recycling of sewage sludge and boost energy efficiency. It is also expected to help reduce water pollution and, by doing so, improve the quality of downstream watercourses. Last but not least, we arrive in Cyprus: a loan of EUR 48m to the Larnaca Sewerage and Drainage Board (LSDB) is intended to connect undersupplied suburban areas to the integrated municipal sewage network. The project for which funding has been provided focuses on rectifying territorial inequalities as a precondition for improving social cohesion. On completion, the project will improve the living conditions of around 32,000 inhabitants and at the same time complement two previous investment phases that were successfully completed with support from the CEB. Carlo Monticelli, Governor of the CEB, summarised its commitments as follows and stressed that "investing in social infrastructure and people while simultaneously protecting the environment is crucial to the well-being of all European citizens. The loans approved today confirm our continuing commitment to resilient and integrated societies."

Baden-Wuerttemberg: improved rating outlook

At the end of last week (5 October), we received the following news from Baden-Wuerttemberg (ticker: BADWUR): the rating agency Standard & Poor's (S&P) had confirmed Baden-Wuerttemberg's very positive credit rating and also improved its rating outlook. The state was previously rated "AA+" with a "stable" outlook, it is now rated "AA+" with a positive outlook. The key justification here is its sound budgetary management based on cautious financial planning. Despite significant spending pressures and reduced tax revenues, it has managed to balance its budget. This was also taken into account by the risk provisions recognised in the 2023/24 double budget. The risk experts at S&P expect that the sub-sovereign will be able to maintain a sound budgetary performance despite the muted economic situation. If it continues to restrict its spending and the economic outlook picks up, the rating could also be increased to "AAA" in future. Dr Danyal Bayaz, Baden-Wuerttemberg's State Minister of Finance, commented as follows: "Despite economic difficulties and lower tax revenues, our finances are stable. The fact that we budgeted with foresight and made provisions is paying off in the crisis and means that we are able to act." In the wake of the coronavirus pandemic, S&P downgraded the state's rating from "AAA" to "AA+". This was in response to substantial borrowings on the one hand and subdued economic expectations on the other (due to COVID-19 in each case), as well as the anticipated deterioration in the budget situation associated with this.

Primary market

Following our publication break last week, we are able to report – contrary to all uncertainties – four new benchmarks and two taps. Just after the last issue went to print, the Land of Hesse ventured onto the market and raised EUR 1.75bn with a five-year maturity. Well-filled order books (EUR 2.4bn) meant that the issue was ultimately priced at ms -2bp, which represented a tightening of 1bp compared with the guidance. The State of Lower Austria (ticker: NIEDOE) then raised EUR 500m with a ten-year maturity. The guidance was ms +40bp area, the bid-to-cover ratio amounted to 2.4x, meaning that the deal was bagged at ms +37bp. Following a period of quiet, the EFSF broke the silence in sensational style: EUR 2.5bn with a maturity of 5.5 years was issued at ms +7bp in line with the guidance, although the books were significantly oversubscribed at EUR 5.3bn. The EU provided a rousing conclusion with a 20-year bond in the amount of EUR 4bn WNG. The fact that the deal was almost 8.0x oversubscribed meant that it tightened by 2bp compared with the guidance to ms +67bp. On the subject of the EU: the monthly bond auction took place on 25 September. Around EUR 3.4bn was successfully raised by tapping the 2034 bond (EUR 2,148m) and the 2053 bond (EUR 1,312m). Further taps also took place at a European level: first, the EFSF increased its 2034 bond by EUR 1.5bn at ms +25bp, before the EU again tapped its 2026 bond by EUR 3bn at ms -11bp. As far as the latter is concerned, the order book of over EUR 26bn was remarkable. A new mandate this week involved CDC, which intends to issue an ESG bond worth EUR 500m WNG with a 7y term to maturity.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
EU	SNAT	09.10.	EU000A3K4EL9	20.4y	4.00bn	ms +67bp	AAA / Aaa / AA+	-
EFSF	SNAT	03.10.	EU000A2SCAL3	5.5y	2.50bn	ms +7bp	AA- / Aaa / AA	-
NIEDOE	AT	26.09.	AT0000A377E6	10.0y	0.50bn	ms +37bp	- / Aa1 / -	-
HESSEN	DE	26.09.	DE000A1RQEN1	5.0y	1.75bn	ms -2bp	- / - / AA+	-

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

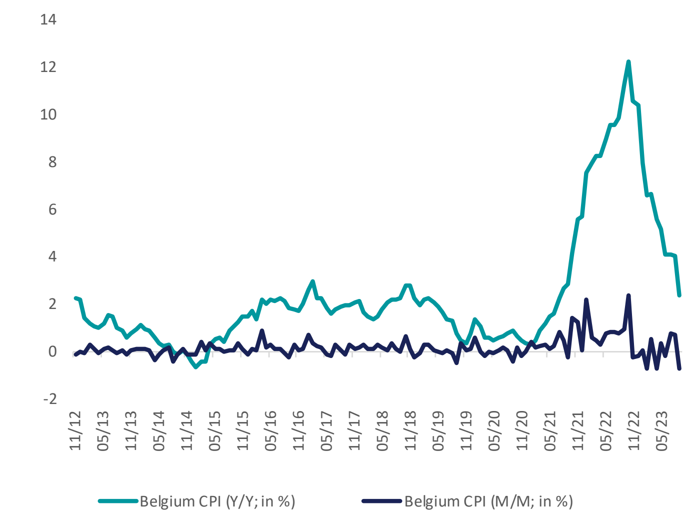
Covered Bonds
A covered bond view of Belgium

Author: Dr Frederik Kunze

Belgium: more than a niche market for covered bonds

The current market environment for covered bonds in EUR benchmark format is still dominated by the ECB's monetary policy course. The repayment of purchase programmes and the erosion – not only due to this – of the central bank's balance sheet are exercising a perceptible influence on the issuance behaviour of Eurozone banks. The prevailing interest rate environment on the money and capital market plus the repricing of the risk of interest rate changes as well as fundamentally derived credit risks are shaping investment behaviour. An obvious consequence here is certainly the preponderance of shorter-dated covered bonds. And even though this is not yet immediately or extensively reflected in ASW spreads, questions regarding the fundamental valuation of issuers and cover pools are increasingly coming to the fore. Against this backdrop, we believe it is eminently sensible to focus on individual covered bond markets and to examine specific characteristics in more detail. As part of today's edition of our weekly publication, we shall look at covered bond issues in Belgium. In our opinion, the comparatively "small" jurisdiction is distinguished by some noteworthy characteristics. For instance, the dramatic upsurge in some consumer prices has also recently weakened significantly in the Belgian economy. The growth rate with regard to the granting of new residential mortgages is nevertheless – as in other covered bond jurisdictions – characterised by a certain weakness. However, there is no sign of a collapse in the housing market. Almost without exception, residential mortgage loans provide the basis for the cover pools for mortgage-backed programmes, which have out-standing issues in EUR benchmark format.

Belgium: price trend



Belgium: mortgages (residential; outstanding)

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

Currently applicable legal framework for Belgian covered bonds

The currently applicable legal framework for Belgium covered bonds is enshrined in the Banking Law of 25 April 2014 and has already been amended on several occasions. Belgian covered bonds can be issued by financial institutions based in Belgium, which must be licensed by the National Bank of Belgium (NBB) as covered bond issuers (general licence as an issuer). The covered bond programmes must also be approved by the NBB (specific programme licence). At programme level, the various covered bonds are differentiated in terms of their requirements: in this connection Belgian pandbrieven/lettres de gage (presented in the following table) meet the requirements of article 129 CRR, while Belgian covered bonds (which are not looked at any further here) are not compliant with article 129 CRR. The latest amendment to the legislation on 15 February 2022 implemented the requirements of the European Covered Bond Directive in national law. In particular, the possible triggers for maturity deferrals are explicitly defined in the new version. According to the amended law, maturity may be deferred in the event of liquidation or winding up and if the issuer cannot meet all its payment obligations at the original maturity date.

Overview of legislation: Belgium and Germany

Country	Belgium	Germany
Name	Belgian Pandbrieven / Lettres de Gage	Mortgage Pfandbriefe, Public-, Ship- & Aircraft Pfandbriefe
Cover assets (if applicable incl. substitute cover)	Mortgage loans, public sector loans, loans to banks (max. 3 months)	Mortgage, Ship and Aircraft loans, Public sector loans, Bank loans
Owner of the assets	Issuer	Issuer
Specialist bank principle	No	No
Geographical scope – Mortgage loans	EEA	EEA, CH, US, CA, JP, AU, NZ, SG, UK8, ship and aircraft Pfandbriefe worldwide
Geographical scope – Public sector loans	OECD	EEA, CH, US, CA, JP, UK1
Loan to value Mortgage loans	Residential: 80% Commercial: 60%	60% of the mortgage lending value
Derivatives as cover assets	Yes	No
Substitute assets	Yes	No
Limit of substitute assets	15% CQS1/ 10% CQS2	CQS1; 15% public sector Pfandbriefe, 20% mortgage, ship, aircraft Pfandbriefe
Minimum OC	2% nominal value	Mortgage/public sector Pfandbriefe:2% (nominal + stressed present value) Ship/aircraft Pfandbriefe: 5% (nominal)
Asset encumbrance * Issue limit	8% of total assets* (abolished as of 1.1.2024)	-
CRD compliant	Lettres de Gage/ Belgian Pandbrieven: Yes	Yes (does not apply to aircraft Pfandbriefe)
ECB eligible	Yes	Yes

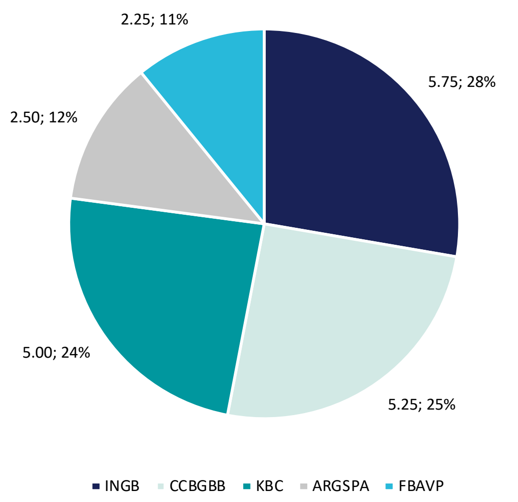
Source: Nationale legislation, ECBC, NORD/LB Markets Strategy & Floor Research

[1] Non-EEA assets are limited to 10% unless the collateral is guaranteed

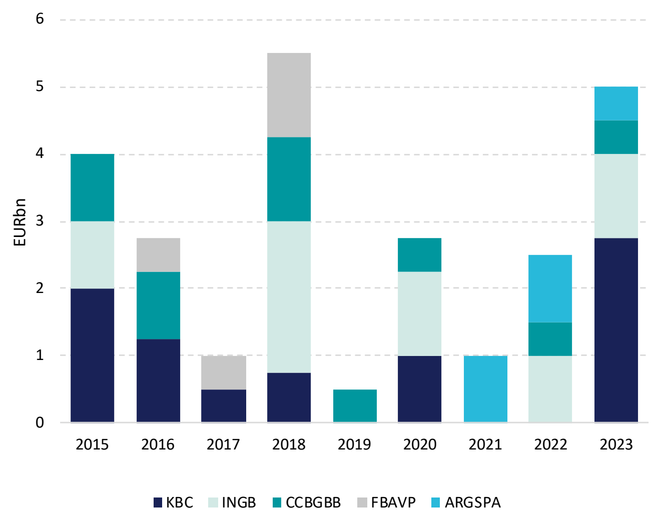
Belgian covered bond market: a global comparison

Even though we focus on the EUR benchmark segment in the context of our weekly publication, we view the annual statistics presented by the European Covered Bond Council (ECBC) as a very suitable database for a quantitative or comparative ranking of national covered bond markets at a global level. Against the backdrop of increasing numbers of retained issues, an examination of the ECBC's annual statistics seems advisable, since these retained covered bonds recently represented a significantly increased proportion of outstanding volumes in some jurisdictions. However, in this context, it should be borne in mind that the ECBC's data refers to a reporting date of 31 December 2022, meaning that the actual figures for 2023 are not yet included in its data. On the basis of the available statistics, the Belgian covered bond market ranks 15th in terms of outstanding volume (around EUR 47bn; share: 1.6%) behind Finland (around EUR 52bn) and ahead of Portugal (around EUR 37bn). In relation to issuance volumes, Belgium ranked 16th in 2022 with a volume of around EUR 8bn (share: 1.1%). With a share of 2.6% of the outstanding volume (FY 2022), covered bonds backed by public sector receivables are of little relevance for the Belgian market. The previously mentioned significance of retained covered bonds must be stressed in this context. In Belgium, the comparatively substantial proportion of issues that were not publicly placed totalled around EUR 30bn at the end of 2022 (FY 2022; including private placements). Covered bonds that were not publicly placed therefore represent a share of more than 60% of the total outstanding volume in Belgium. According to data from Bloomberg, there are currently retained covered bonds amounting to just under EUR 19bn outstanding, although none of these deals are attributable to 2023 so far. We also expected retained covered bonds to play a more minor role over the rest of the year in Belgium too, which is also reflected in our EUR benchmark issue forecast. We expect a total of EUR 5.00bn in new benchmarks from Belgium in 2023 (net supply: EUR 2.50bn). In relation to outstanding EUR benchmark volume, Belgium currently ranks 13th – ahead of New Zealand and behind the UK. We shall look at the active EUR benchmark issuers in Belgium below.

EUR benchmark segment: Belgium (EURbn)



Issues in Belgium (EUR benchmarks)



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

EUR benchmark issuers in Belgium: solely soft bullet programmes

The following table provides a summary of the Belgian covered bond programmes with EUR benchmark deals. The EUR benchmark segment in Belgium consists solely of covered bonds issued within the framework of a soft bullet structure. For Belgium, the current EUR benchmark volume totals EUR 20.75bn spread across 29 bonds. Therefore, around 52% of the outstanding covered bond volume is attributable to EUR benchmark issues. Only Belfius Bank has outstanding public sector covered bonds in EUR benchmark format. The largest EUR benchmark issuer – with an outstanding volume of EUR 5.75bn – is ING Belgium. The bank last placed a covered bond worth EUR 1.25bn on the market in May 2023. Generally speaking, 2023 has seen a remarkably high new issuance volume of EUR 5.00bn from Belgium. A higher new issuance volume was recently observed only in 2018. To date, all benchmark issuers, with the exception of BNP Paribas Fortis, have ventured onto the market with at least one new issue. KBC Bank has even approached its investors three times this year and successfully placed a volume totalling EUR 2.75bn overall. The granularity of the EUR benchmark issuers' cover pools is reflected in the respective figures on average loan volume, the number of loans and the low level of concentration. The same applies to the regional distribution. In relation to the maturity structure (by this we mean the previous term of the property financing, which is mainly granted in the form of redeemable loans), there are no indications of any significant vulnerability to higher interest rates. As mentioned previously, only residential property, the majority of which is owner-occupied, is financed with mortgages in the cover pool. NPLs are not present or account for only very marginal proportions of the cover pools.

Overview: Belgian EUR benchmark issuers

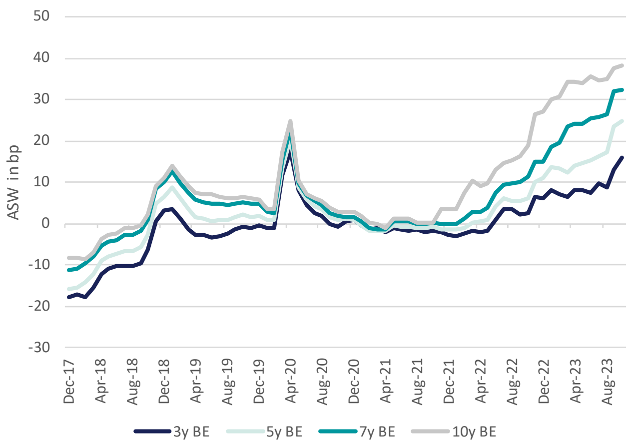
Issuer (*Link*) *(as of 31 August 2023)*	**Cover pool volume** (EURm)	**Total amount out-standing** (EURm)	**OC** (in %)	**EUR BMK volume** (EURbn)	**Maturity type** (BMK)	**Covered bond rating** (Fitch / Moody's/ S&P)	**Main region** (share in %)	**Owner occupied** (share in %)
Argenta Spaarbank	3,039	2,500	21.6%	2.50	Soft Bullet	- / - / AAA	Antwerpen 33.9%	98.9%
Belfius Bank (Mortgage)	11,950	9,992	21.3%	4.25	Soft Bullet	AAA / - / AAA	Antwerpen 14.9%	95.8%.
Belfius Bank (Public)	1,686	1,211	39.2%	1.00	Soft Bullet	- / Aaa / AAA	Brussels 14.0%	N/A
BNP Paribas Fortis	3,086	2,250	37.2%	2.25	Soft Bullet	- / Aaa / AAA	Antwerpen 16.8%	80.4%
ING Belgium	13,442	10,000	34.5%	5.75	Soft Bullet	AAA / Aaa / -	Flanders 57.2%	100.0%
KBC Bank	18,437	13,920	32.4%	5.00	Soft Bullet	AAA / Aaa / -	Antwerpen 27.8%	79.2%

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

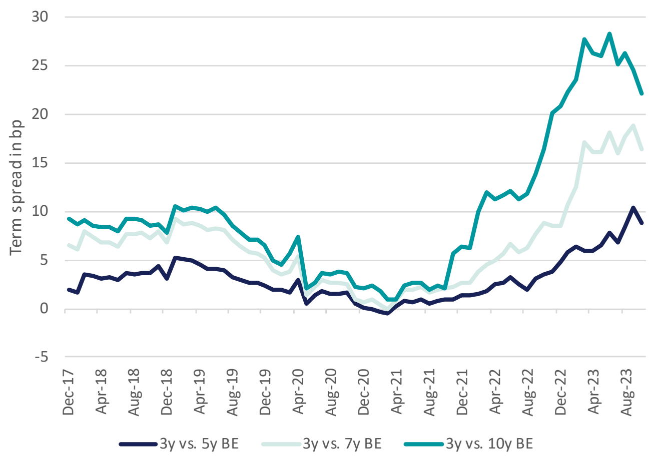
Spread trend: repricing in Belgium too

In our generic examination of ASW spreads, spreads have widened significantly in Belgium too. This increase was more marked in relation to the longer maturities. The substantial maturity premium (e.g. the "3y vs. 10y" term spread) makes refinancing more expensive for issuers but does not necessarily offer investors higher yields or spreads. We attribute the now significantly more marked spread difference between Belgian covered bonds and Pfandbriefe to a home bias on the part of the dominant German investor base, in particular. However, in fact, we view the premium on Belgian covered bonds as somewhat exaggerated. While we expect spreads to widen further in Belgium – as is the case for virtually all other jurisdictions – up to the end of 2023, a dearth of supply combined with a fundamentally robust impression of issuers and pools should, however, benefit Belgian covered bonds and prevent any widening from getting out of hand.

ASW spreads: Belgium (generic)

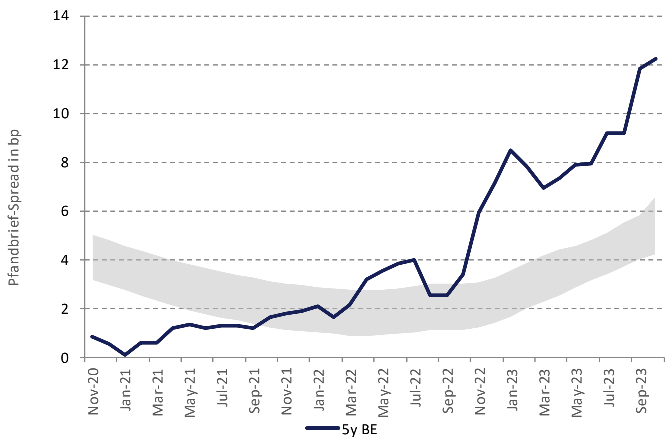


Belgium: term spread (generic)



ASW spreads: BE, NL and DE (5y generic)

Relative value: BE vs. DE (5y generic)[1]



Source: Bloomberg, NORD/LB Markets Strategy & Floor Research
[1] shaded area = ±10% margin (rolling average over 36 months)

Conclusion

The covered bond market in Belgium is characterised – even compared with other countries – by sound framework conditions that are attributable to both the legal framework and the fundamental data. In the current issuance year 2023, Belgian EUR benchmark issuers have been very active on the primary market, meaning that we do not expect to see much more of them in the immediate future. The EUR 5.00bn issued to date would result in net new supply for 2023 of EUR 2.50bn. Fundamental considerations and a noticeable shortage of new placements from Belgium compared with other countries is not likely to prevent the imminent widening of spreads, but should help – by and large – to keep this in check. Should fundamental factors be weighted more highly in the derivation of spreads, EUR benchmarks from Belgium could even outperform other jurisdictions (e.g. those with a high proportion of commercial financing or floating rate loans).

SSA/Public Issuers
Funding of Canadian provinces – an overview
Author: Dr Norman Rudschuck, CIIA

Half-time in Canada's 2023/24 tax year – significant differences between the provinces
Canadian sub-sovereigns differ significantly in terms of their capital market presence. None of the three territories issued any bonds until 2020, the year when the Northwest Territories launched their first bond issue in September – CAD 180m under the GNWT ticker. Furthermore, there are marked differences between the provinces when it comes to the extent and structure of their respective primary market presence.

Ontario and Quebec remain the biggest bond issuers by far
Ontario and Quebec still are the two biggest issuers, with Ontario alone accounting for more than half of all bond issues by Canadian provinces in the past. However, the ratio was somewhat more balanced in 2022 as a whole. Although Ontario (ticker: ONT) remained busier in the capital market at 47.3% than Quebec (33.0%, ticker: Q), the two provinces combined again accounted for around 80% of the overall issuance volume. Alberta and Manitoba, in particular, had launched substantial bond issues before COVID-19 but now account for "only" 2.2% and 5.0% respectively. At the same time, ONT and Q are no longer the only two Canadian sub-sovereigns that have placed EUR benchmark bond issues, with British Columbia, among others, having joined the ranks of EUR provinces. Alberta followed with a bang in April 2018 – a debut placement worth EUR 1.5bn! In 2019, Alberta then followed this up with a further EUR 1.25bn. Manitoba surpassed this threshold in 2022 after increasing its bond issues. The sub-sovereign's eight EUR-denominated bond issues outstanding amount to a total volume of EUR 1.8bn. In 2023, Q has only placed one benchmark bond issue to date. The total amount issued was EUR 2.25bn.

Diversified refinancing
As a rule, refinancing is moderately diversified. All of the provinces except Nova Scotia and Prince Edward Island also included foreign currency as part of their funding strategies. The foreign currency shares in relation to the relevant volume of bonds outstanding ranged from 1.6% (Newfoundland) to 29.8% (Alberta), with an average of 19.7%. The most important foreign currency by a considerable margin is the USD, which accounted for an EUR equivalent of 74.5bn in total of debt outstanding. EUR-denominated bonds represent the second most important foreign currency (EUR 38.9bn) and are examined separately in the following paragraph. Other relevant foreign currencies used to ensure diversification of funding are the AUD, GBP and CHF.

ONT, Q, BRCOL and ALTA – the four issuers of primary EUR benchmarks
Until October 2015, Ontario and Quebec were the only issuers of EUR benchmark bonds. Since then, British Columbia has also accessed new groups of investors. In April 2018, Alberta too opted for this route. At a total of EUR 38.9bn, the funding contribution of EUR programmes by these four issuers plus Manitoba (no benchmark bond issue in the primary market to date) can be described as offering potential to be expanded. The volume declined temporarily following maturities in Ontario but has increased again by more than EUR 10bn since 2020. We expect EUR-denominated funding to increase further in time, as well as new provinces possibly opening up to the euro as a result of Newfoundland's new EMTN programme.

Funding overview

Province/ Territory	Bond volume outstanding (EUR bn)	Foreign currency share	EUR bond volume (in bn)	No. of EUR BMK bond issues	2022 issuing volume (EUR equivalent in bn)
Alberta (ALTA)	65.8	29.8%	4.8	3	1.1
British Columbia (BRCOL)	55.8	21.7%	2.6	2	3.2
Manitoba (MP)	36.4	21.4%	1.8	1	2.4
New Brunswick (NBRNS)	14.6	9.8%	-	-	1.2
Newfoundland and Labrador (NF)	12.7	1.6%	-	-	0.8
Nova Scotia (NS)	10.5	0.0%	-	-	0.0
Northwest Territories (GNWT)	0.1	0.0%	-	-	0.0
Nunavut (-)	-	-	-	-	-
Ontario (ONT)	271.5	15.0%	10.8	7	23.1
Prince Edward Island (PRINCE)	1.8	0.0%	-	-	0.0
Quebec (Q)	170.3	26.8%	19.0	11	16.1
Saskatchewan (SCDA)	12.5	7.6%	-	-	0.9
Yukon (-)	-	-	-	-	-
Total/average	**651.8**	**19.7%**	**38.9**	**21**	**48.9**

Foreign currencies are converted into EUR at rates as at 06 October 2023.
Source: Issuers, NORD/LB Markets Strategy & Floor Research

Total amounts issued partly stabilise and partly increase

The total amounts issued by Canadian sub-sovereigns showed an upward trend in recent financial years before (temporarily) peaking in the 2014/15 financial year. In the 2007/08 financial year, the issuing volume amounted to around CAD 34bn. It then doubled to almost CAD 80bn before reducing to just below CAD 75bn pre-pandemic. At the same time, the balanced budgets continued to decrease. As a result of the pandemic, funding rose again. Generally, in such cases, issuing activities would mainly increase in CAD in the first instance. However, issuing activities in local currency fluctuated considerably. It was similar for foreign currencies. In the short term, the EUR in particular became less relevant, having actually outstripped the greenback during other financial years. In the relevant market situation, this is always opportunistically driven in view of the cross-currency basis swap spread (XCCY). The trend in the total amounts issued reflect economic circumstances and the interest rate environment. With regard to refinancing of the provinces, it also reflects commodity prices in the global markets (particularly crude oil) and any (planned) tax receipts that no longer apply and therefore need to be compensated for, and also which – depending on market prices – will also need to be offset in future.

Ontario and Quebec funding volumes at relatively steady level

Recently, this trend in the amounts issued only conditionally extended to the two biggest issuers – Ontario and Quebec. The sheer size of their two budgets alone means that the funding requirement will always be high (together, always accounting for more than 50% to 80% of the total volume). At 41.7% of the total issuance volume outstanding, Ontario has remained the heavyweight in the capital market, followed by Quebec (26.1%). Meanwhile, British Columbia, Alberta and Manitoba have also increasingly tapped the capital market, partly in EUR. Saskatchewan, New Brunswick and Newfoundland have also increasingly been present with issuing activities, although not (yet) in the European single currency. As was the case across the world, COVID generated additional funding requirements in Canada. This worsened the budget situation, and in some cases the rating too – or certainly the outlook at least.

EUR – the second most important foreign currency

In terms of absolute figures, the EUR is the second most important foreign currency for the refinancing of Canadian provinces. Only the USD is ahead of the European single currency, whereas GBP, CHF and AUD fall far behind the EUR in some cases. In relative terms, with regard to its importance, the EUR continues to struggle against the CAD. The European single currency accounted for around 10% of the total issuing volume only in financial years 2009/10 and 2014/15. Apart from Ontario and Quebec, only British Columbia had issued EUR denominated securities before 2011. These securities worth EUR 40m are still outstanding, with a maturity of 2038. BRCOL successfully placed a benchmark bond issue in 2015 (EUR 500m) that attracted a lot of attention. In addition, this, the westernmost province, has also issued other "smaller" securities. Since 2015, BRCOL has issued a total of 15 EUR-denominated bonds totalling an amount of EUR 2.6bn, including the above-mentioned issue in benchmark format. Up to the start of COVID-19, they were always top rated AAA/Aaa. Alberta also took advantage of issuing opportunities in 2015 and 2016, where the EUR played an important part and provided access to a new community of investors as part of private placements. Manitoba used similar formats in a series of private placements. In April 2018, Alberta then staged its EUR debut with a bond worth EUR 1.5bn. The maturity was also seven years – identical to Ontario in April 2018 – and back then the pricing was ms +5bp vs ms +2bp for ONT. By way of comparison, Quebec's 10y benchmark bond issue (EUR 2.25bn) in January 2023 was priced at ms +41bp. Another interesting fact is that the only other EUR bond previously ever issued by a Canadian sub-sovereign other than Ontario or Quebec matured in 2007. Nova Scotia had placed this bond in 2001. It means that a sixth province also has prior experience of issuing in EUR. Newfoundland has equally been in a position to issue bonds in the European single currency as of this year (2023).

General data

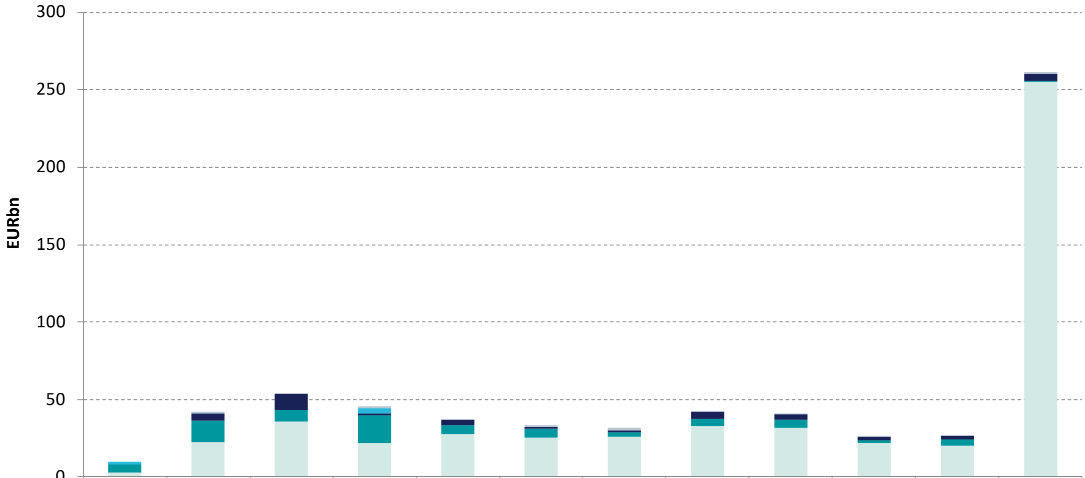
Bonds outstanding in EUR equivalent*

EUR 651.8bn

of which denominated in EUR

EUR 38.9bn

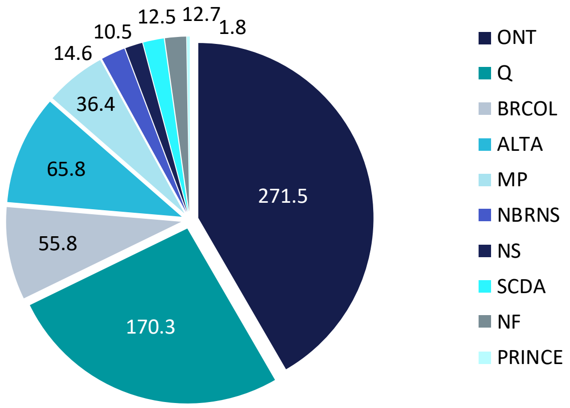
Outstanding bonds of Canadian provinces – an overview



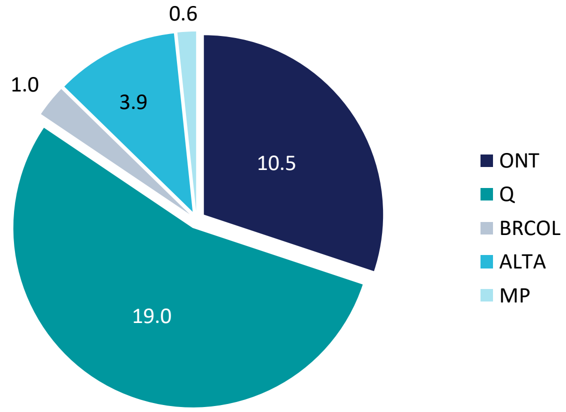
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	>2033
Other	0	1.266	930	920	473	1.069	1.981	206	718	333	723	1.074
GBP	1.733	289	0	3.467	0	0	0	0	0	0	0	0
EUR	0	4.250	10.300	1.250	3.250	1.000	1.000	4.750	3.500	2.500	2.250	4.874
USD	4.701	13.734	7.571	17.975	5.915	5.915	2.650	4.496	4.969	1.420	4.496	665
CAD	3.024	22.654	35.462	21.740	27.480	25.364	26.047	32.755	31.834	22.007	19.854	255.000

* Foreign currencies are converted into EUR at rates as at 06 October 2023.
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Comparison of bond volumes outstanding (EURbn)



Volumes of EUR benchmark bonds outstanding (EURbn)

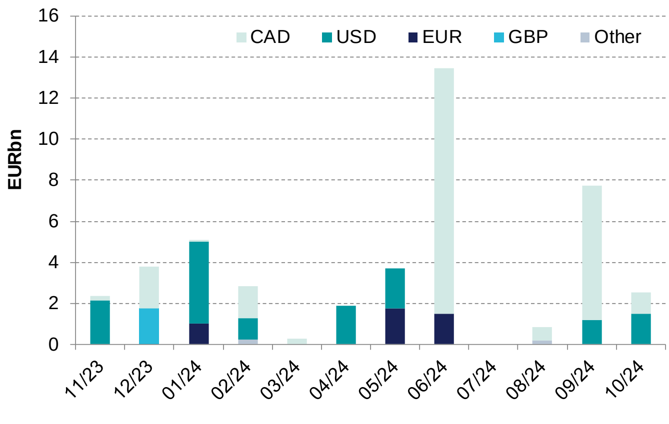


As at: 06 October 2023
Source: Issuers, Bloomberg, NORD/LB Markets Strategy & Floor Research

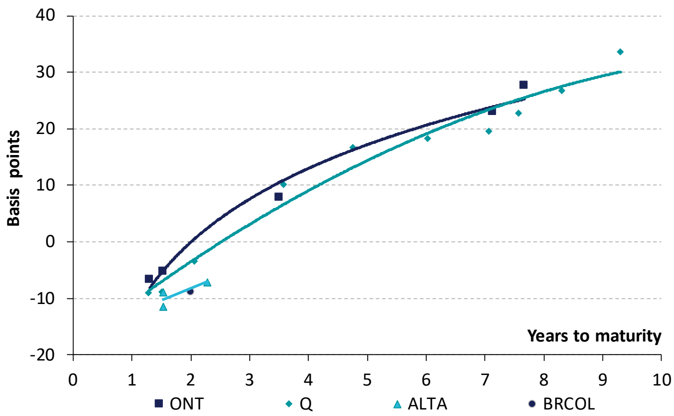
Canadian capital market for bonds of provinces and territories

The volume of bonds outstanding issued by Canadian provinces amounts to the equivalent of EUR 651.8bn in total. Of this, 6.0% is denominated in EUR, meaning that the European single currency is of minor importance from the perspective of these issuers. With a volume outstanding totalling EUR 38.9bn, the EUR nevertheless represents the second most important foreign currency after the USD (equivalent to EUR 74.5bn in total). However, if anything, this highlights the supreme importance of the CAD. The focus on ultra-long maturities is rather fascinating: the volume-weighted average is a mean time to maturity of 12.3 years (as at: 6 Oct. 2023), while more than one third of the bonds outstanding will not mature until after 2033 (39.1%, with an upward trend). Conversely, foreign currency maturities are concentrated at the short end (EUR 4.9bn of the EUR 38.9bn total volume denominated in EUR will mature after 2033). This applies similarly to the USD and GBP. Since, in addition to Ontario & Quebec, only Alberta, B.C. & Manitoba have EUR jumbo bond issues, we consider these provinces in more detail in the upcoming *NORD/LB Issuer Guide Canadian Provinces* later this year before turning our attention to describing other potential future EUR benchmark candidates in detail, such as Newfoundland & Saskatchewan. This will be followed by short profiles of the remaining sub-sovereigns. At the time of our last publication (2020), none of the three territories had bonds outstanding. In fact, they did not even all have a Bloomberg ticker. However, the Northwest Territories now have one bond (ticker: GNWT).

Bond amounts maturing in the next 12 months

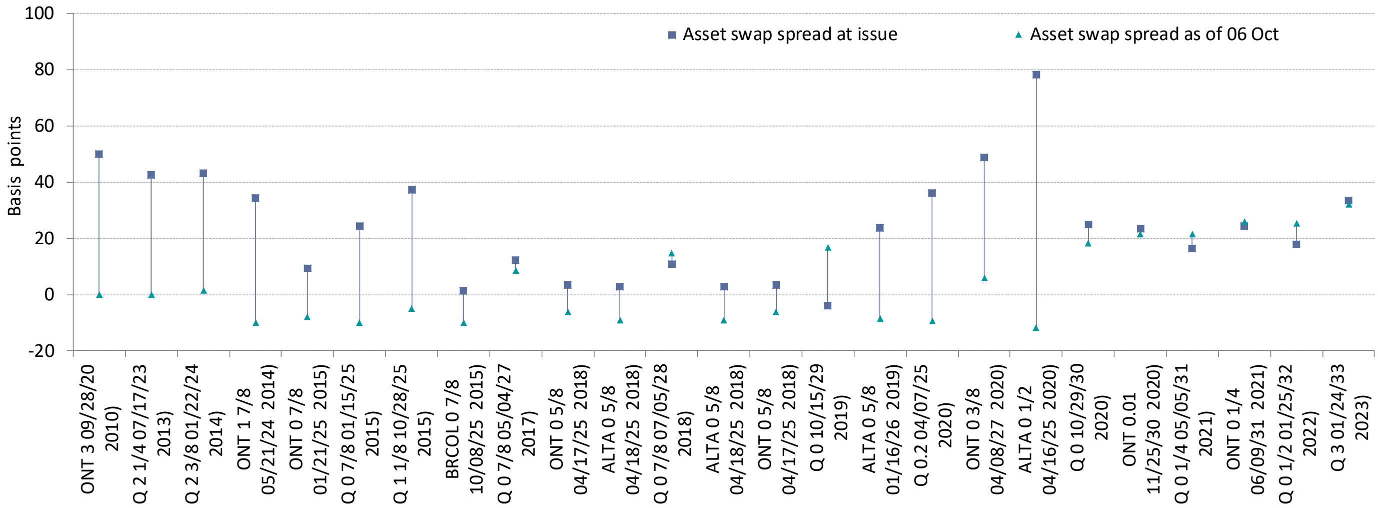


Spreads of Canadian provinces in relation to each other

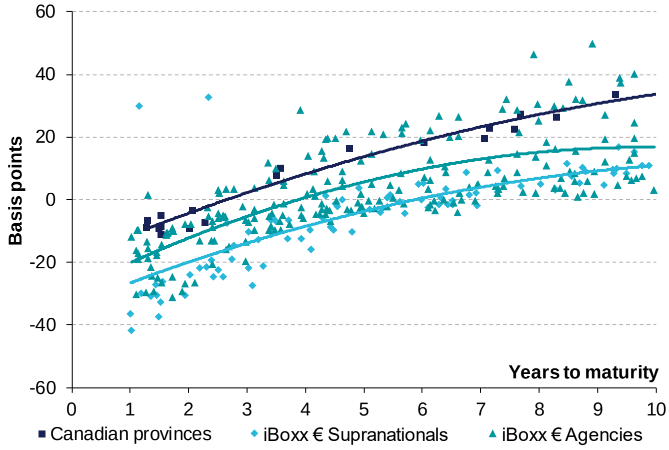


As at: 06 October 2023
Source: Issuers, Bloomberg, NORD/LB Markets Strategy & Floor Research

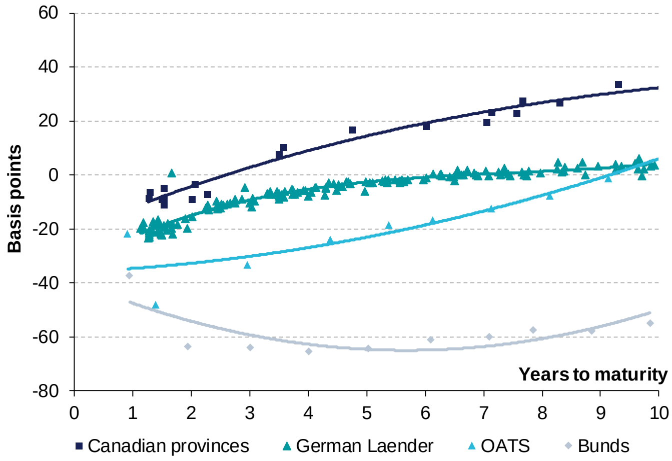
Performance of benchmark issues



ASW spreads vs. iBoxx € Indices



ASW spreads vs. Bunds, OATs & Laender



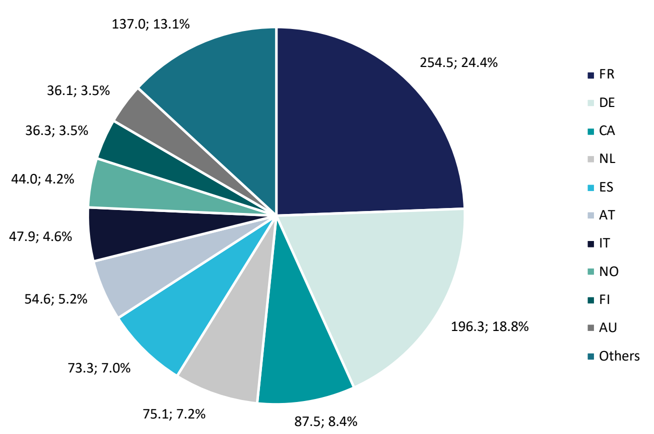
NB: Residual term to maturity >1 year and <10 years, outstanding volume at least EUR 0.5bn; as at: 06 October 2023
Source: Bloomberg, Markit, NORD/LB Markets Strategy & Floor Research

Conclusion and outlook

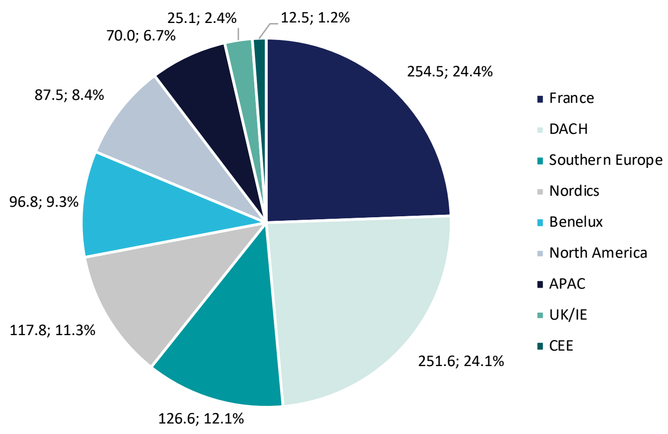
If and when Quebec and, in particular, Ontario will increase their EUR-denominated bond issues again is currently uncertain. Both of these heavyweights have EUR bonds maturing in the coming months. In the 2014/15 financial year, EUR benchmark bonds worth EUR 4.75bn were issued, which represented the highest level since 2009/10. The former issuing activities of the “Big Two” in euros were at least partly compensated for by the above-mentioned BRCOL, MP and ALTA transactions. This segment remains highly attractive to European investors. Of course, the relevant interest rate environment at the time of a transaction as well as the cross-currency basis swap spread (XCCY) always play a major part in the refinancing of provinces as well. Ultimately, new issues are driven by the opportunities arising from the current conditions offered by the relevant issuance window. In Canada, the second half of the local tax year began on 1 October 2023. This means that there is room for speculation with regard to if and when the EUR market will be tapped once again.

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



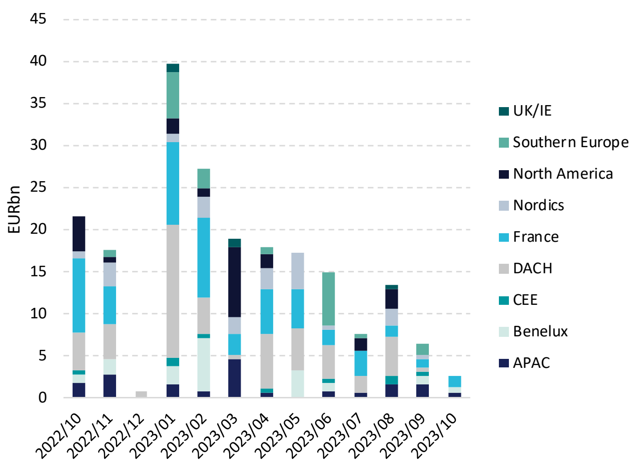
EUR benchmark volume by region (in EURbn)



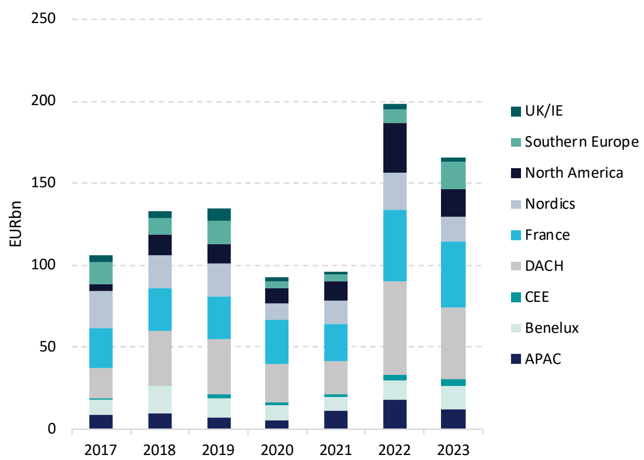
Top-10 jurisdictions

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	254.5	245	21	0.97	9.5	5.0	1.27
2	DE	196.3	280	35	0.65	8.0	4.1	1.14
3	CA	87.5	64	0	1.34	5.5	2.8	1.10
4	NL	75.1	76	2	0.92	10.7	6.5	1.09
5	ES	73.3	58	6	1.15	11.2	3.3	1.95
6	AT	54.6	93	4	0.58	8.2	4.8	1.35
7	IT	47.9	57	2	0.81	8.9	3.6	1.51
8	NO	44.0	53	12	0.83	7.4	3.7	0.62
9	FI	36.3	40	4	0.89	7.0	3.6	1.28
10	AU	36.1	35	0	1.03	7.1	3.2	1.49

EUR benchmark issue volume by month

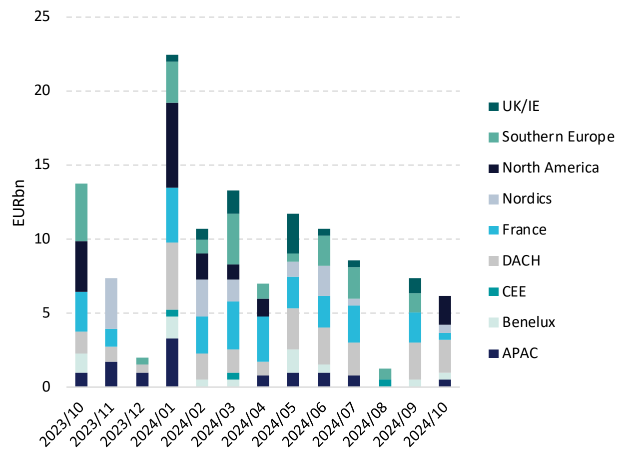


EUR benchmark issue volume by year

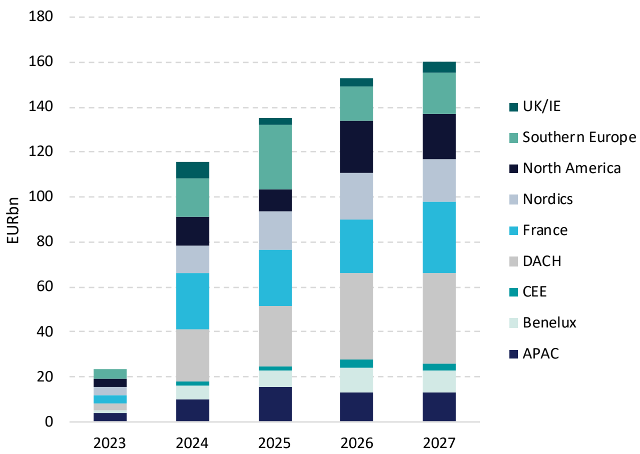


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

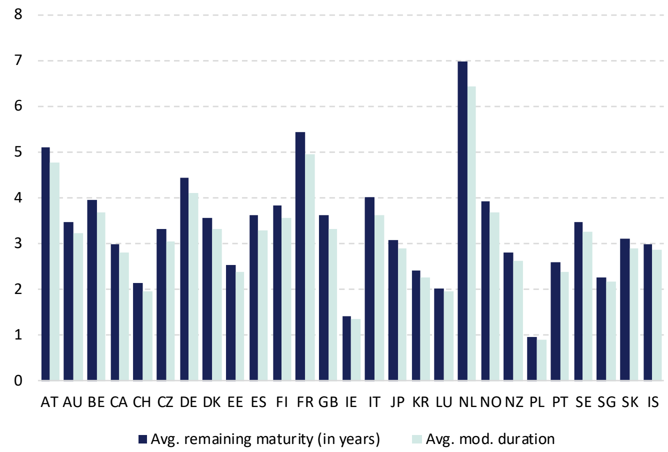
EUR benchmark maturities by month



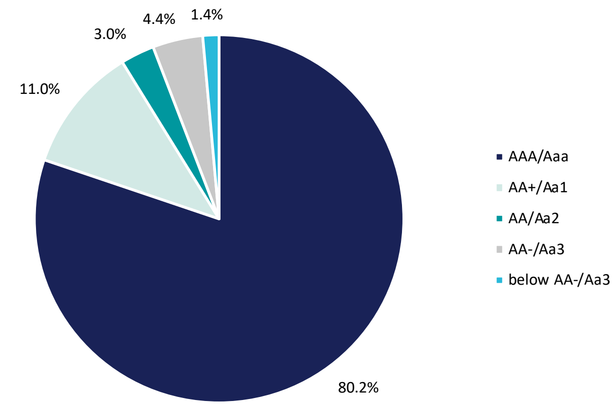
EUR benchmark maturities by year



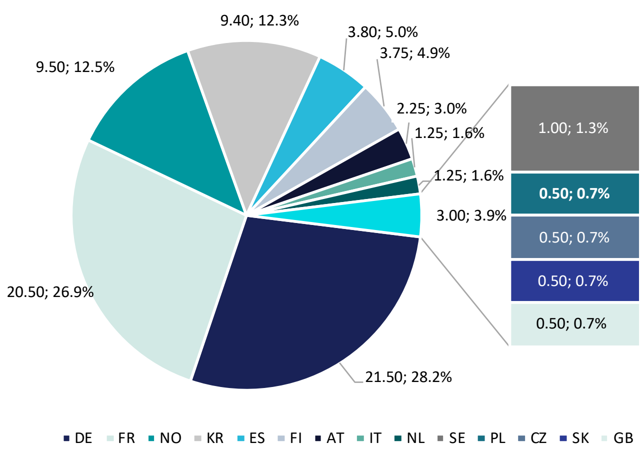
Modified duration and time to maturity by country



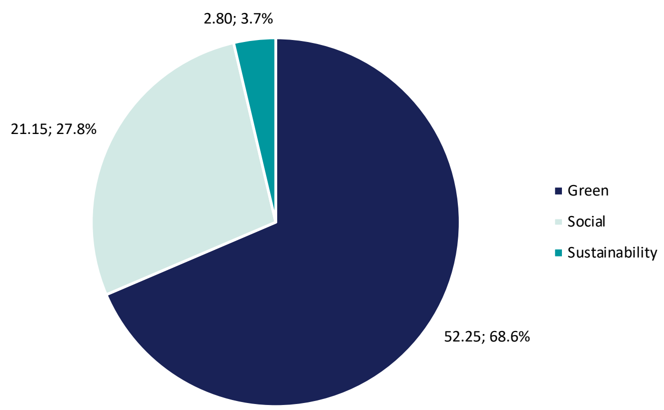
Rating distribution (volume weighted)



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



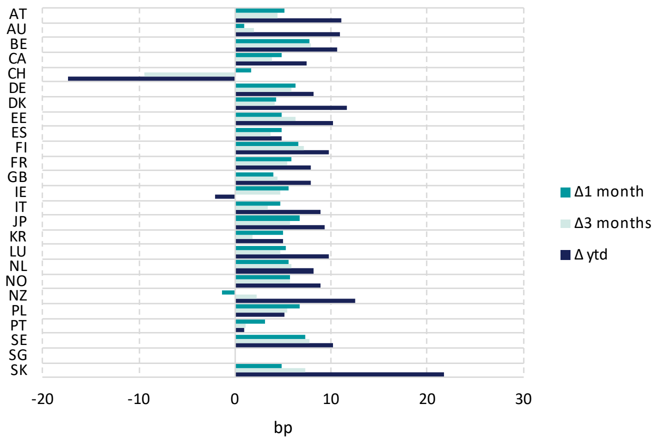
EUR benchmark volume (ESG) by type (in EURbn)



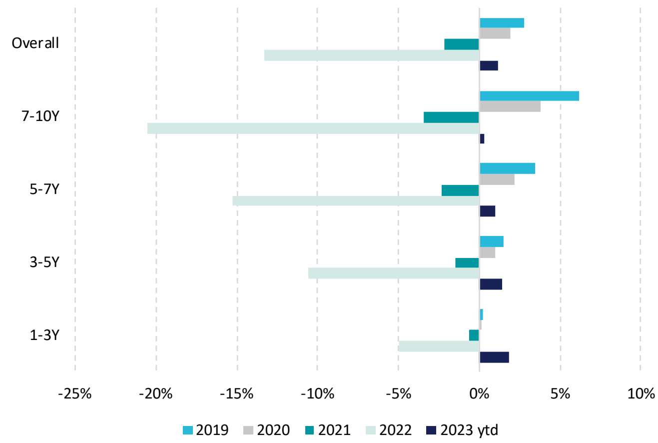
Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

NORD/LB

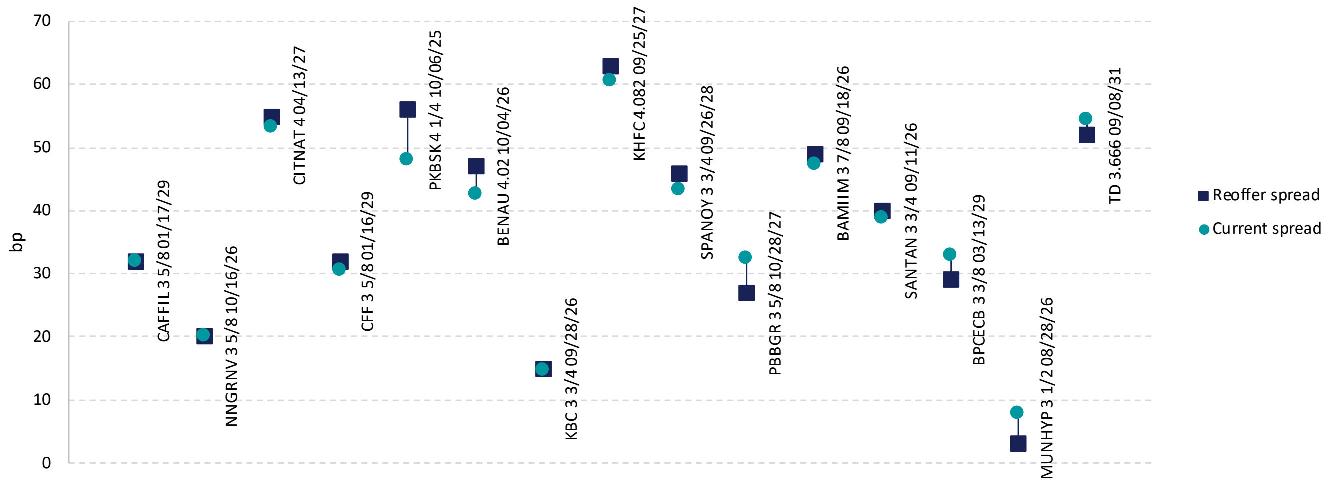
Spread development by country



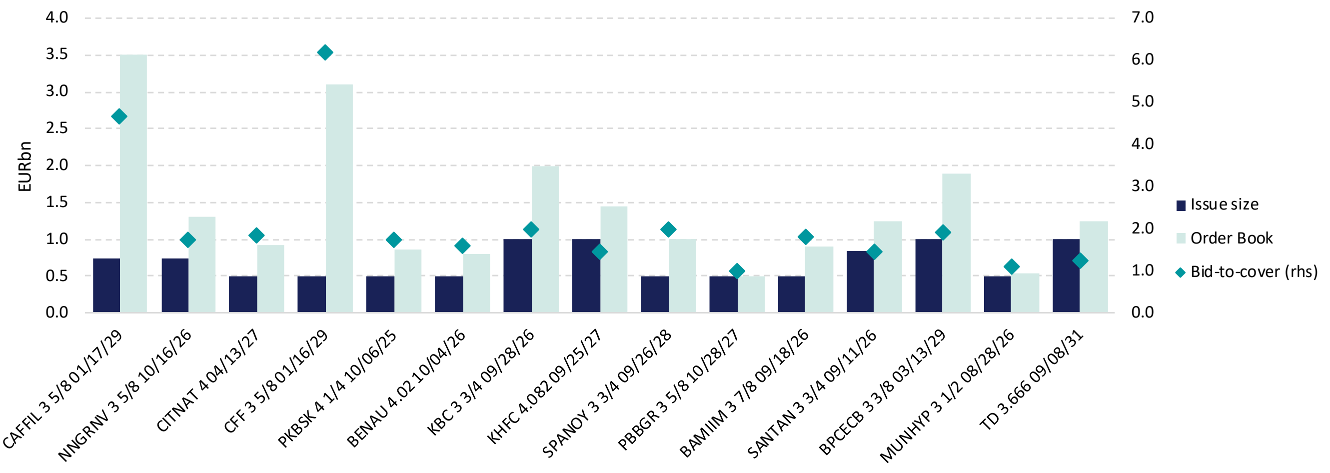
Covered bond performance (Total return)



Spread development (last 15 issues)



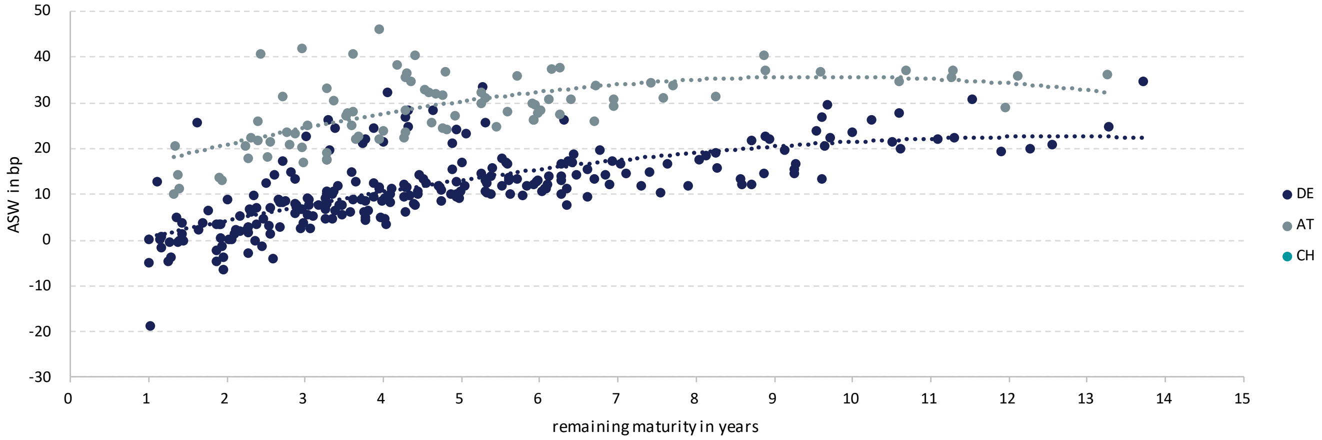
Order books (last 15 issues)



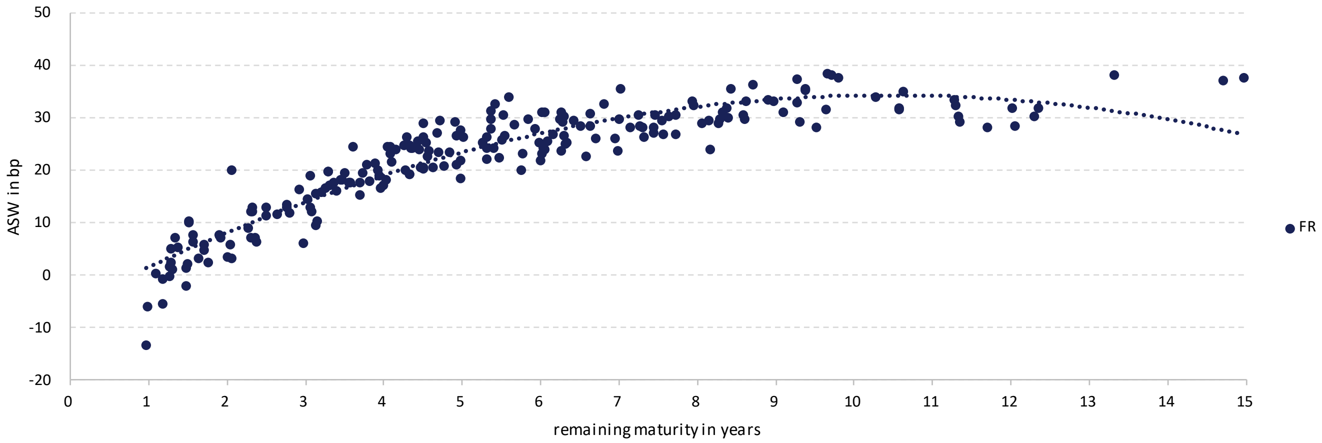
Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

Spread overview[1]

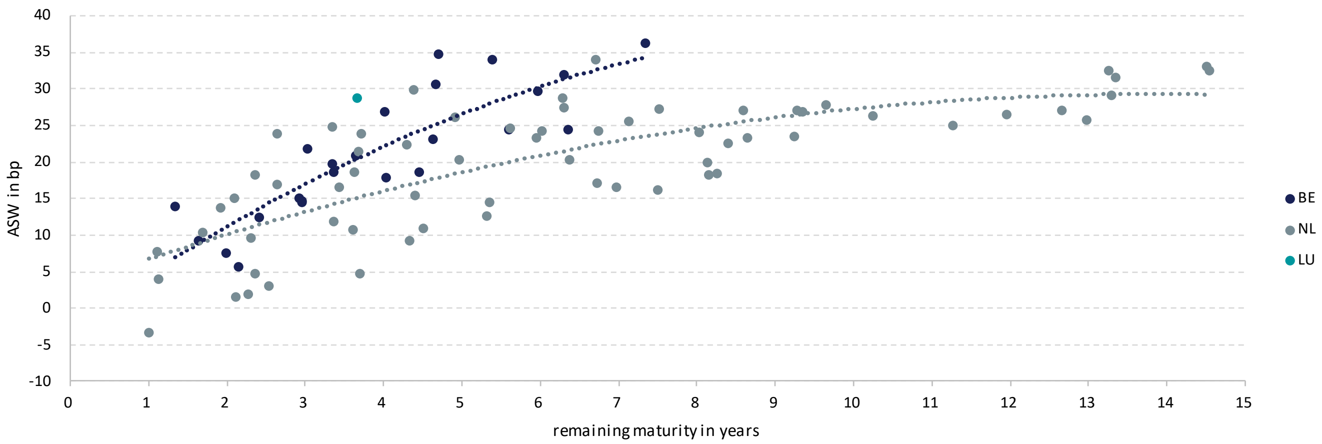
DACH



France

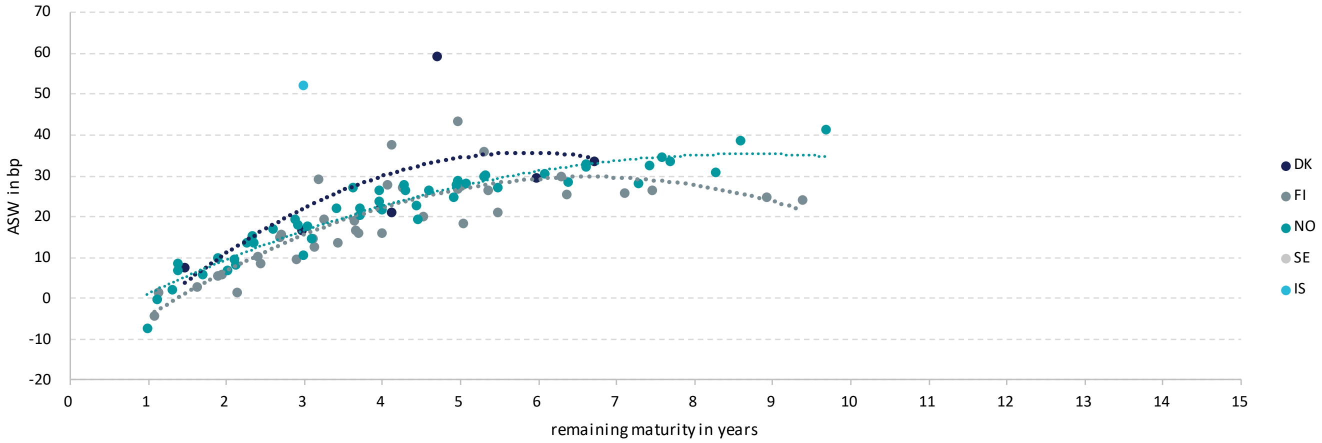


Benelux

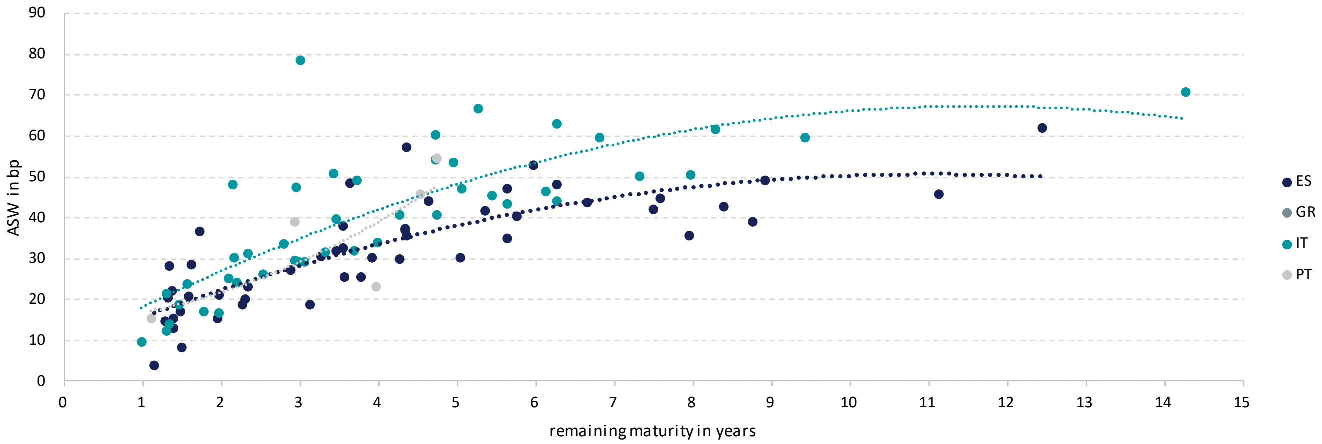


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research [1]Time to maturity 1 ≤ y ≤ 15

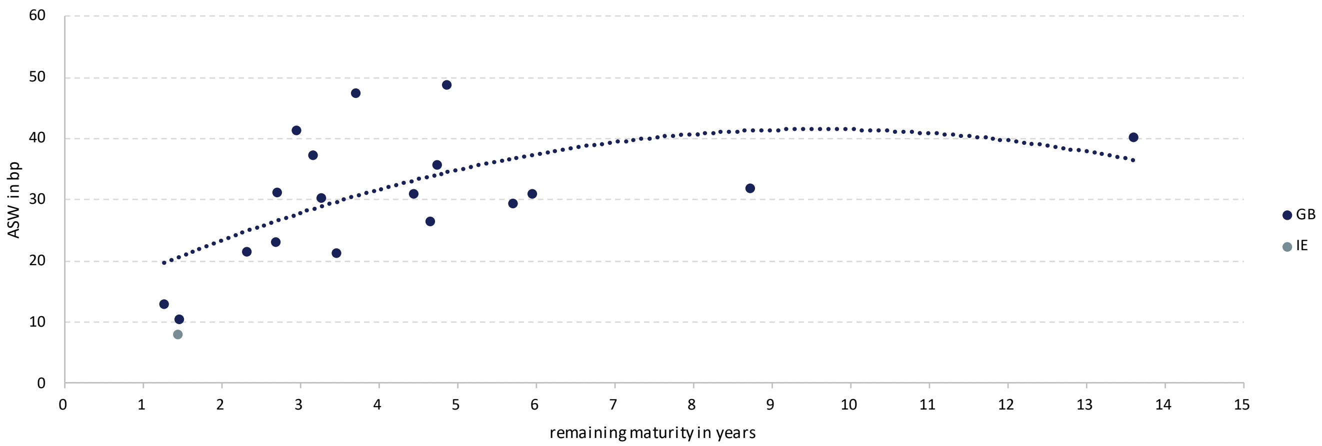
Nordics



Southern Europe

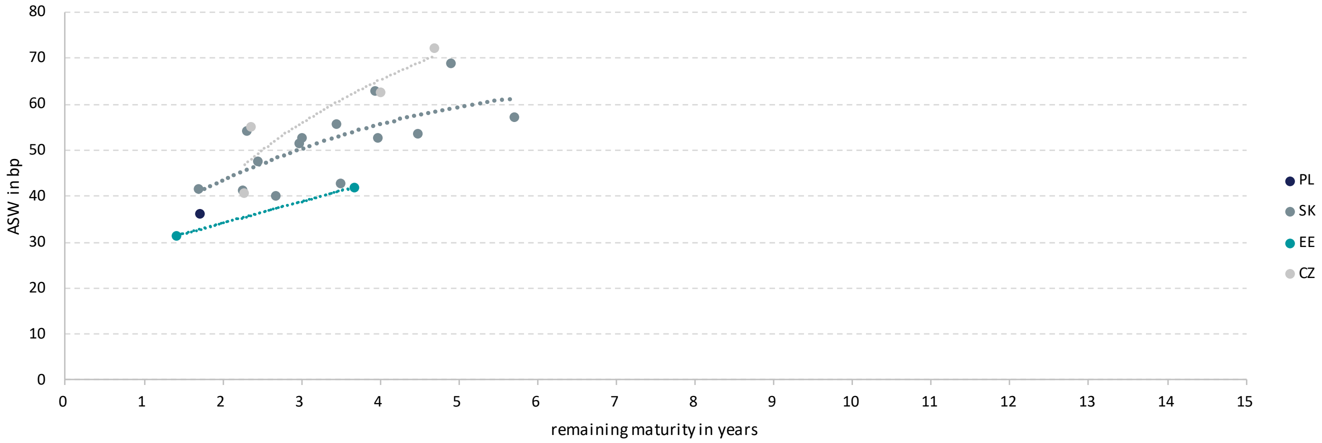


UK/IE

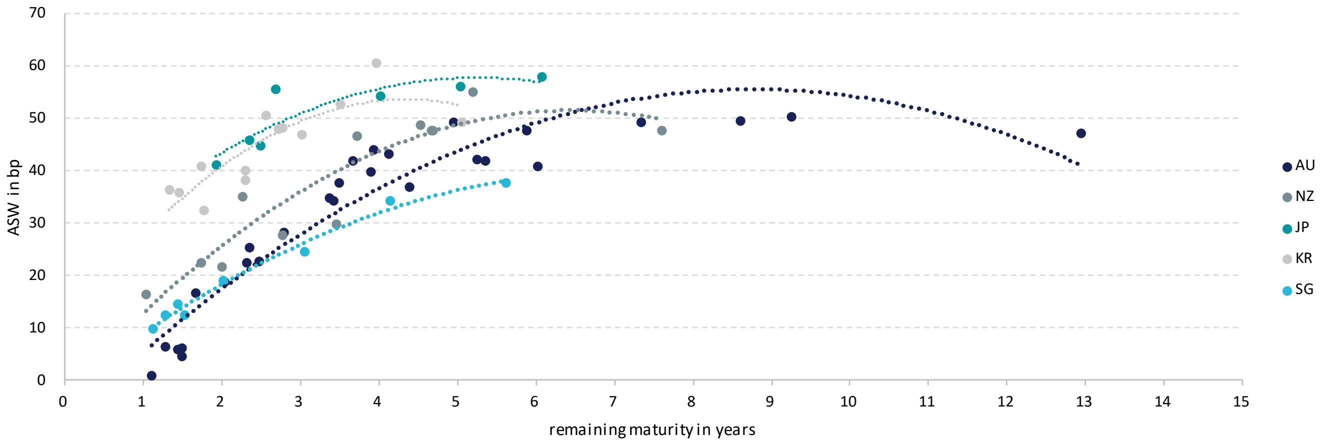


Source: market data, Bloomberg, NORD/LB Markets Strategy & Floor Research

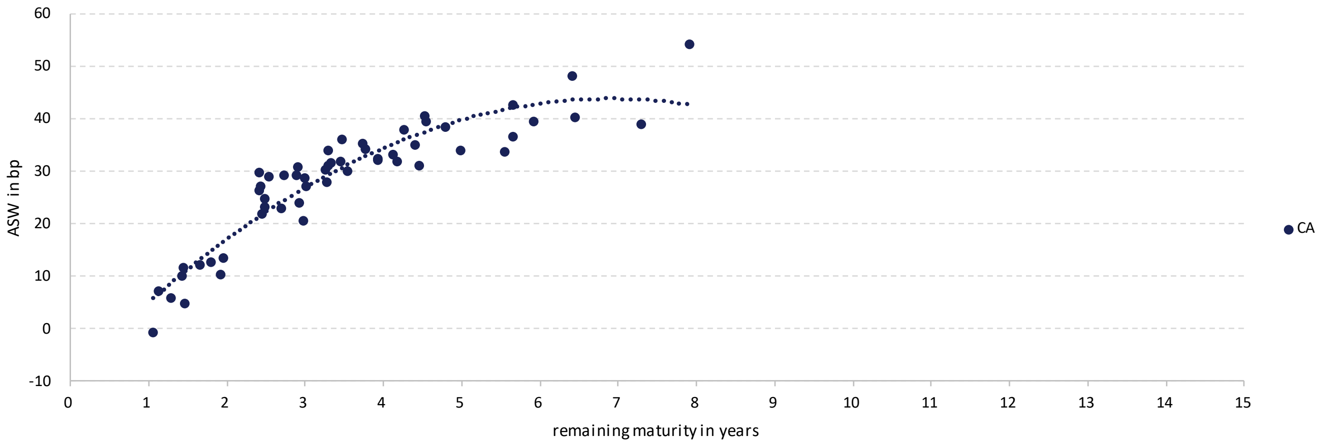
CEE



APAC



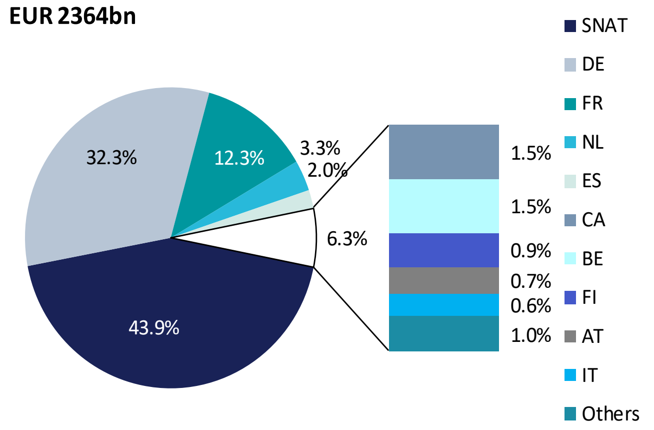
North America



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

Charts & Figures
SSA/Public Issuers

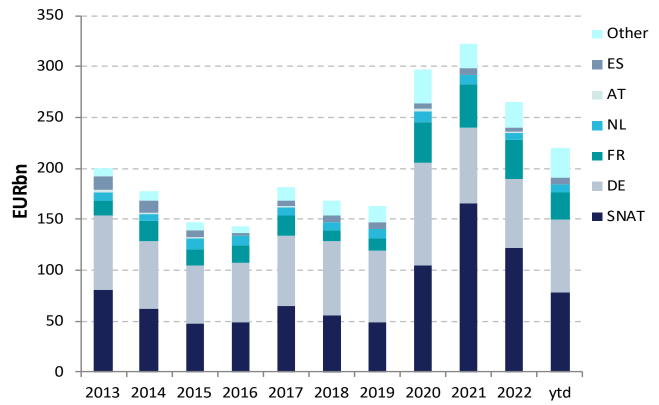
Outstanding volume (bmk)



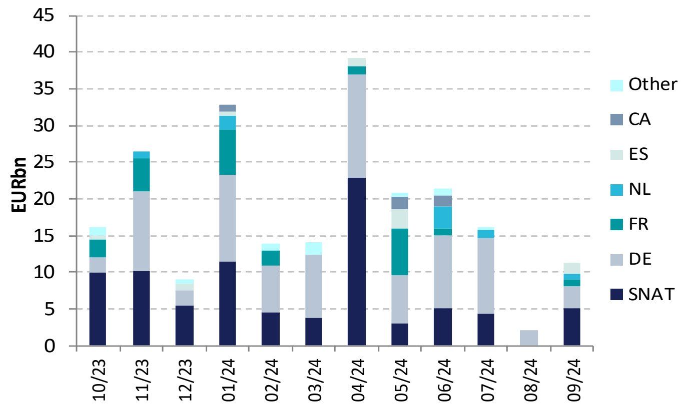
Top 10 countries (bmk)

Country	Vol. (€bn)	No. of bonds	ØVol. (€bn)	Vol. weight. ØMod. Dur.
SNAT	1,036.9	230	4.5	7.9
DE	762.9	567	1.3	6.1
FR	290.5	196	1.5	5.9
NL	78.2	68	1.2	6.6
ES	47.5	65	0.7	4.6
CA	35.7	25	1.4	4.3
BE	35.2	38	0.9	10.7
FI	22.2	24	0.9	4.8
AT	17.3	21	0.8	4.6
IT	14.5	18	0.8	4.6

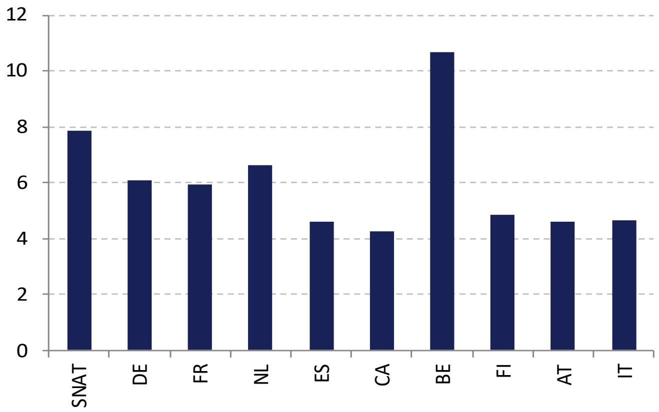
Issue volume by year (bmk)



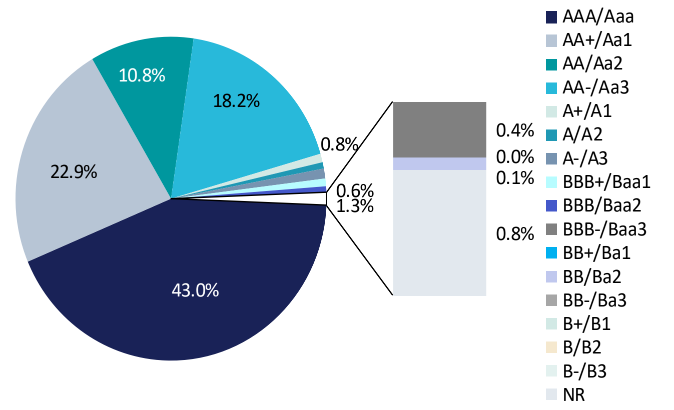
Maturities next 12 months (bmk)



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



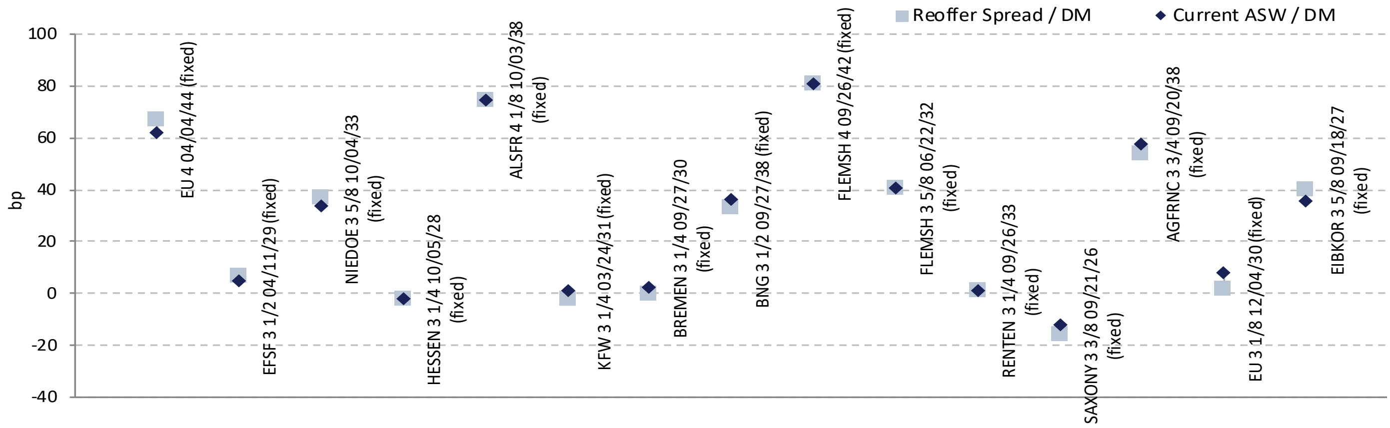
Rating distribution (vol. weighted)



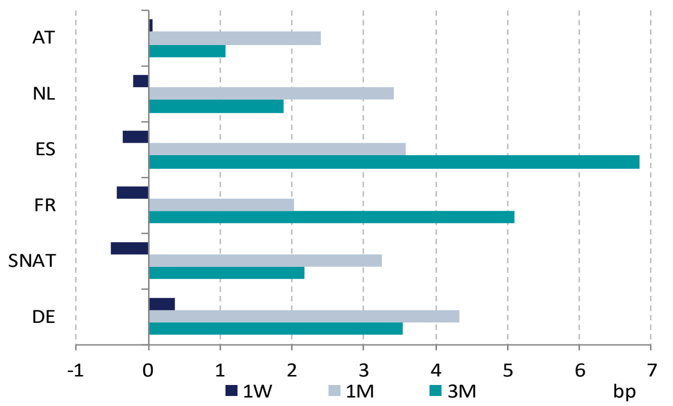
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

NORD/LB

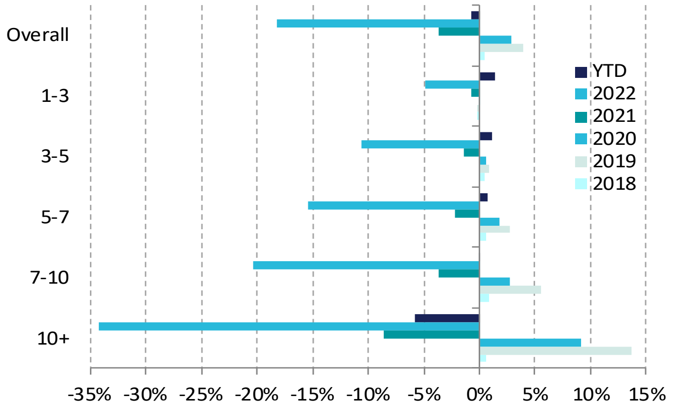
Spread development (last 15 issues)



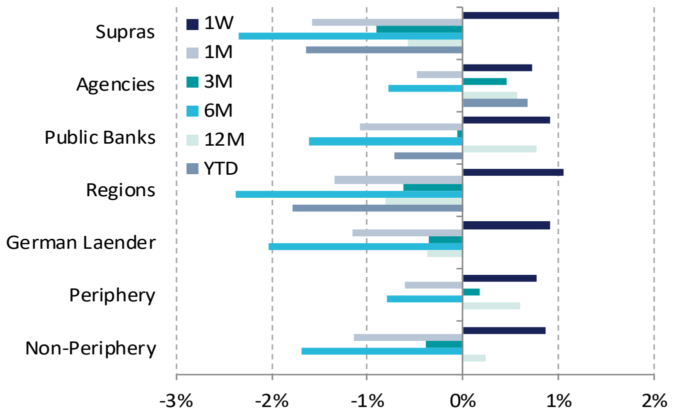
Spread development by country



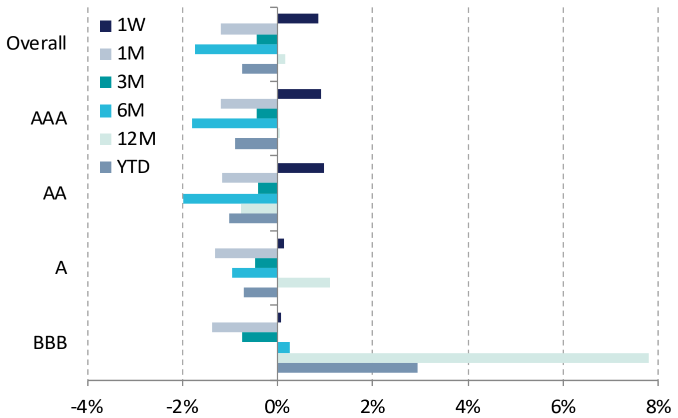
Performance (total return)



Performance (total return) by segments

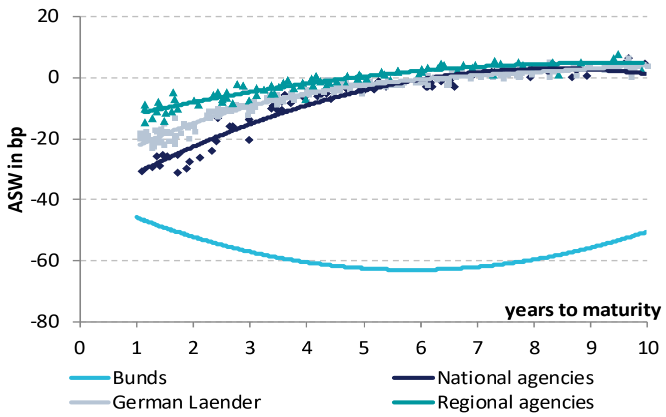


Performance (total return) by rating

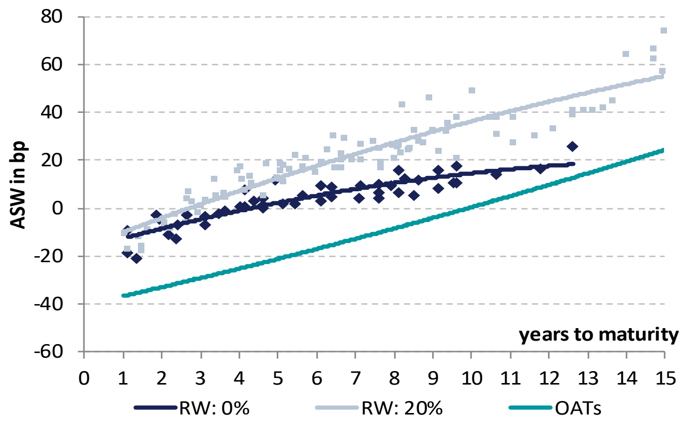


Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

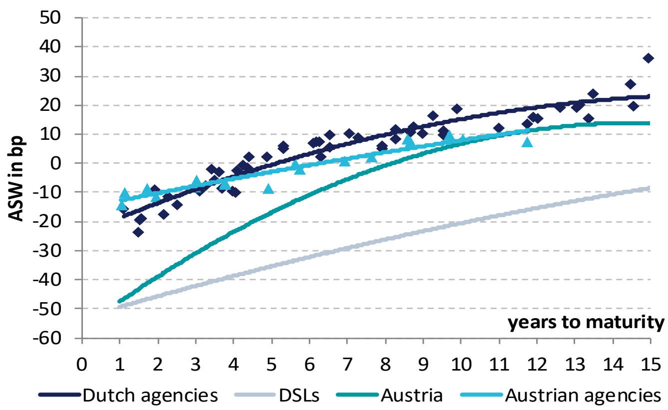
Germany (by segments)



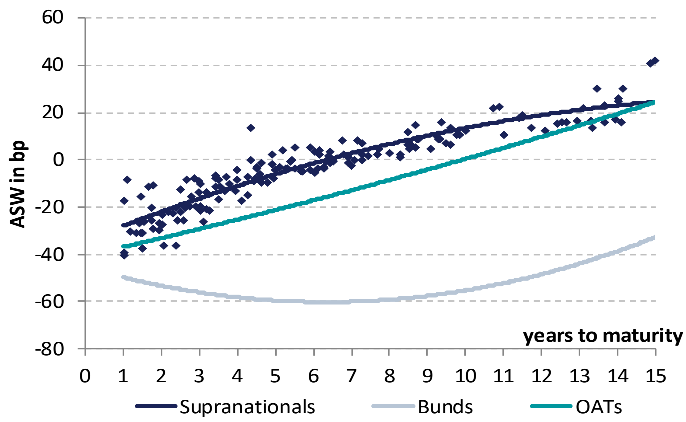
France (by risk weight)



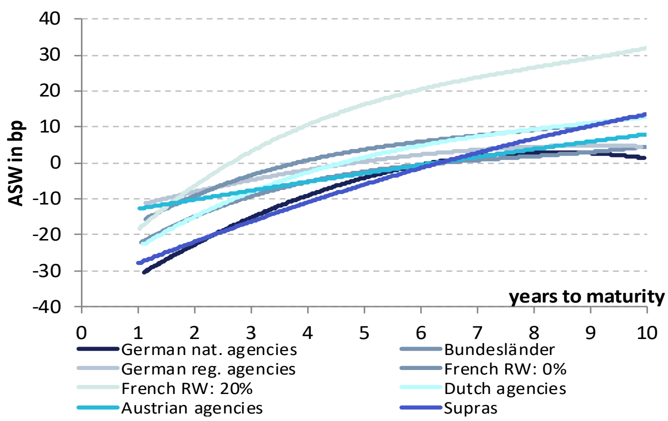
Netherlands & Austria



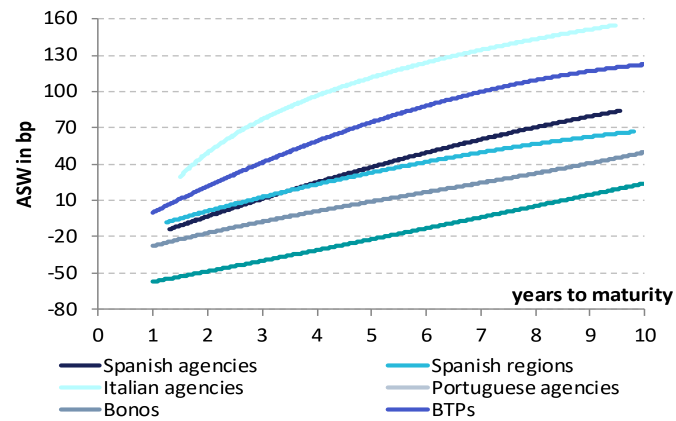
Supranationals



Core



Periphery



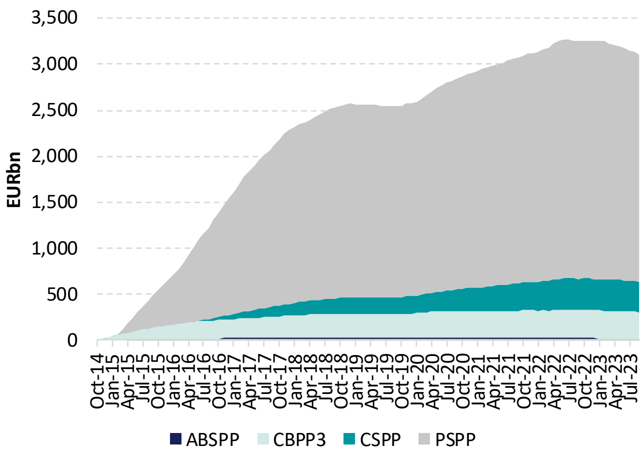
Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

ECB tracker

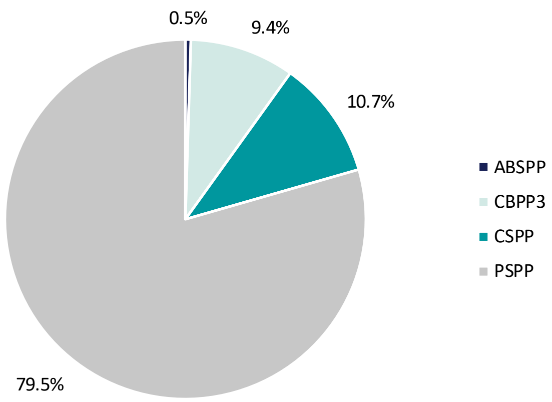
Asset Purchase Programme (APP)

	ABSPP	CBPP3	CSPP	PSPP	APP
Aug-23	16,436	295,503	334,738	2,487,900	3,134,577
Sep-23	15,324	291,992	331,156	2,470,598	3,109,070
Δ	-1,096	-3,346	-3,377	-13,434	-21,253

Portfolio development

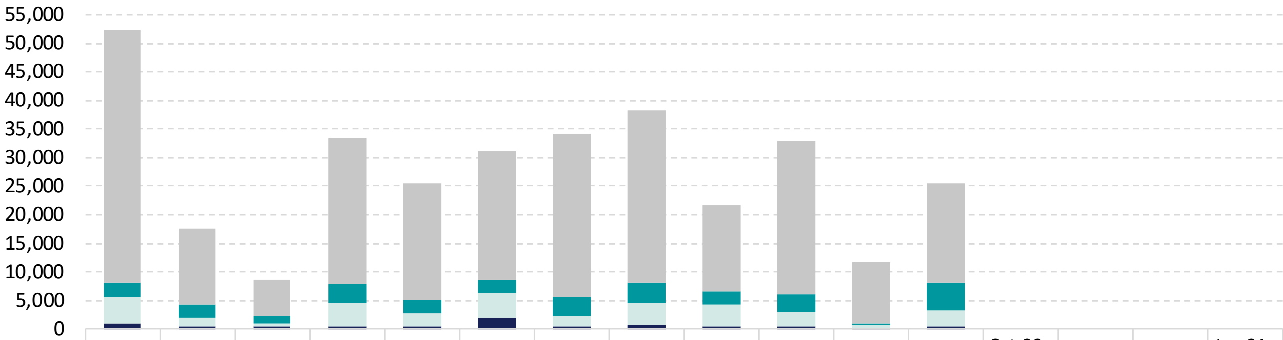


Portfolio structure



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

Expected monthly redemptions (in EURm)

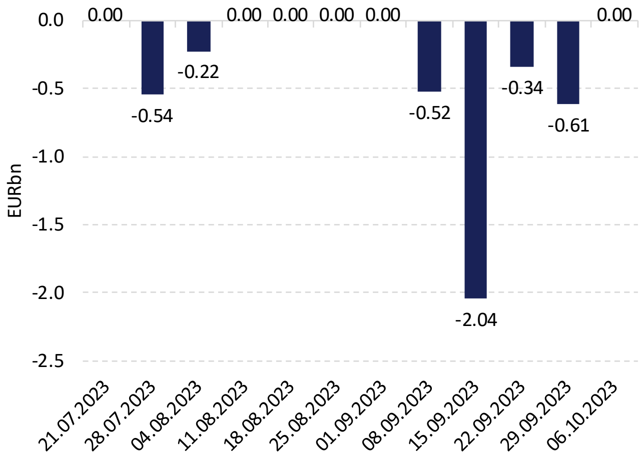


	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-23 - Sep-24	2022	2023	Jan-24 - Sep-24
APP	52,271	17,548	8,541	33,359	25,585	31,034	34,251	38,273	21,625	32,972	11,577	25,468	332,504	299,142	331,156	254,144
PSPP	44,186	13,277	6,336	25,524	20,470	22,413	28,712	30,194	14,974	26,877	10,533	17,401	260,897	228,585	255,017	197,098
CSPP	2,589	2,393	1,336	3,243	2,325	2,188	3,316	3,463	2,462	3,204	244	4,738	31,501	17,670	30,797	25,183
CBPP3	4,467	1,351	408	4,109	2,449	4,434	1,814	3,836	3,777	2,558	541	2,993	32,737	41,244	35,147	26,511
ABSPP	1,029	527	461	483	341	1,999	409	780	412	333	259	336	7,369	11,643	10,195	5,352

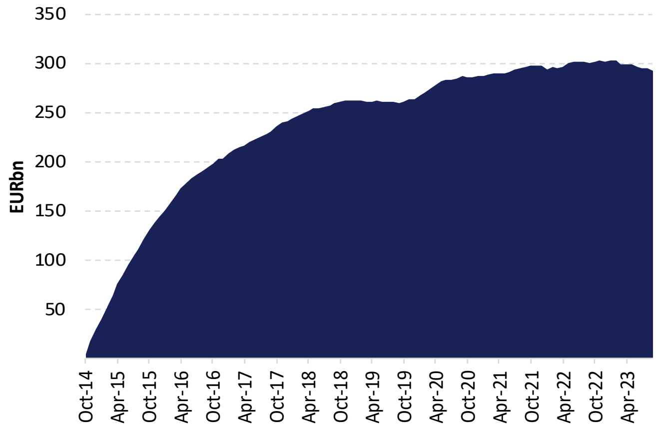
Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

Covered Bond Purchase Programme 3 (CBPP3)

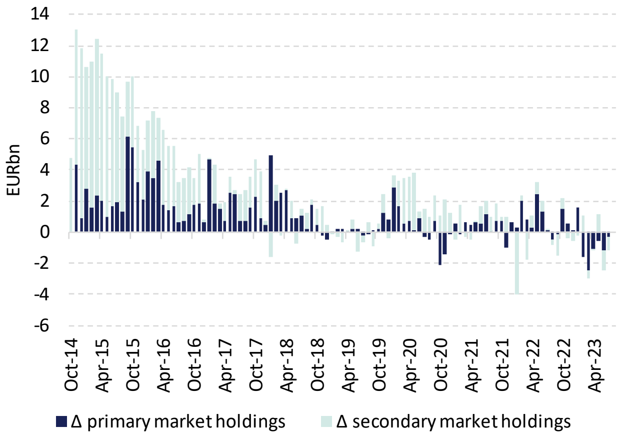
Weekly purchases



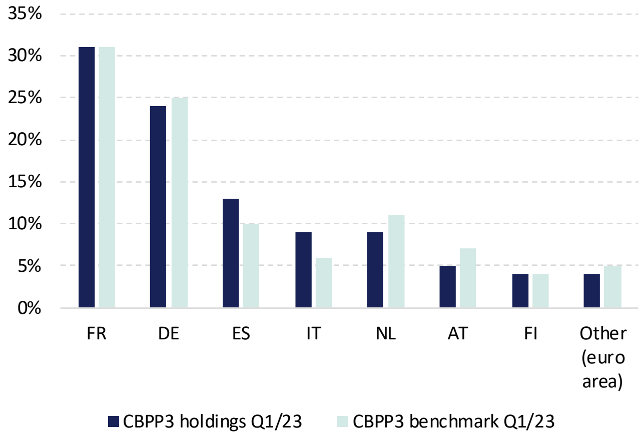
Development of CBPP3 volume



Change of primary and secondary market holdings

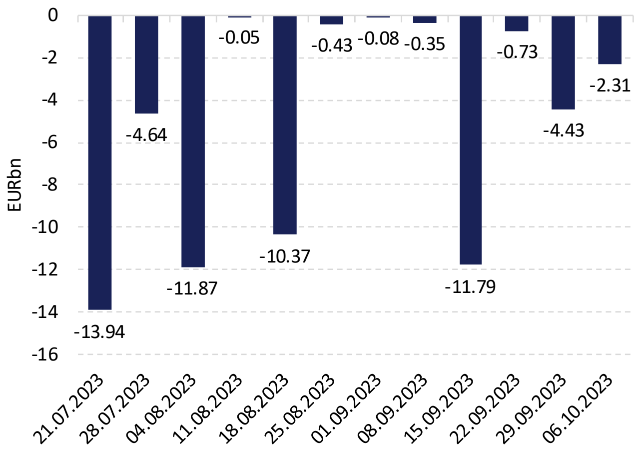


Distribution of CBPP3 by country of risk

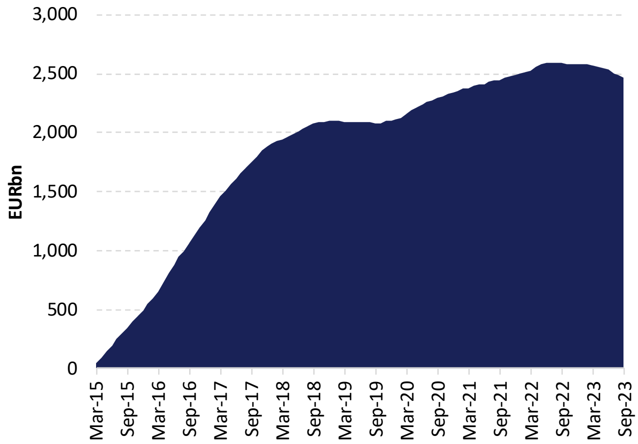


Public Sector Purchase Programme (PSPP)

Weekly purchases



Development of PSPP volume

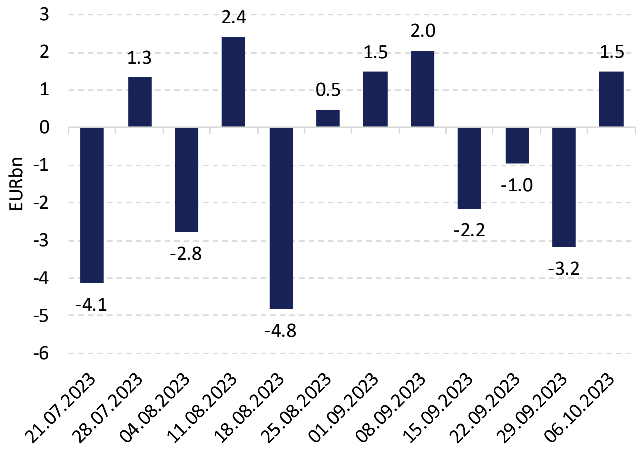


Source: ECB, Bloomberg, NORD/LB Markets Strategy & Floor Research

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	44,129	-1,028	2.6%	2.7%	0.0%	7.2	7.8
BE	56,941	-610	3.3%	3.4%	0.2%	6.0	9.4
CY	2,423	-156	0.2%	0.1%	0.0%	8.4	8.2
DE	393,313	1,135	23.7%	23.7%	0.0%	6.7	7.0
EE	256	0	0.3%	0.0%	-0.2%	6.7	6.5
ES	193,041	-2,722	10.7%	11.6%	0.9%	7.2	7.4
FI	25,953	565	1.7%	1.6%	-0.1%	7.5	7.7
FR	298,322	1,717	18.4%	18.0%	-0.4%	7.3	7.8
GR	38,260	-172	2.2%	2.3%	0.1%	8.5	9.1
IE	25,541	133	1.5%	1.5%	0.0%	8.8	9.2
IT	292,198	938	15.3%	17.6%	2.3%	7.0	6.9
LT	3,145	-2	0.5%	0.2%	-0.3%	9.3	8.6
LU	1,858	-110	0.3%	0.1%	-0.2%	6.0	8.3
LV	1,843	23	0.4%	0.1%	-0.2%	7.9	7.5
MT	604	-4	0.1%	0.0%	-0.1%	9.8	8.5
NL	80,598	-2,269	5.3%	4.9%	-0.4%	7.6	8.9
PT	33,921	127	2.1%	2.0%	-0.1%	7.0	7.7
SI	6,493	44	0.4%	0.4%	0.0%	8.4	8.8
SK	8,040	65	1.0%	0.5%	-0.5%	7.9	8.3
SNAT	153,089	2,000	10.0%	9.2%	-0.8%	9.9	9.0
Total / Avg.	**1,659,970**	**-327**	**100.0%**	**100.0%**	**0.0%**	**7.4**	**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
28/2023 ♦ 27 September	▪ The covered bond universe of Moody's: an overview ▪ Update on DEUSTD – Joint German cities (bond No. 1)
27/2023 ♦ 20 September	▪ Newcomer to the EUR benchmark segment: Bendigo and Adelaide Bank set to expand issuer base in Australia ▪ Teaser: Issuer Guide – Austrian Agencies 2023
26/2023 ♦ 13 September	▪ ECBC publishes annual statistics for 2022 ▪ Teaser: Issuer Guide – Dutch Agencies 2023
25/2023 ♦ 06 September	▪ Covered bond market on the growth path: OLB looks set to join the ranks of EUR benchmark issuers ▪ NORD/LB Issuer Guide German Laender 2023 published
24/2023 ♦ 19 July	▪ Banks in Europe: EBA Risk Dashboard in Q1 2023 ▪ ECB repo collateral rules and German Laender
23/2023 ♦ 12 July	▪ Covereds: Half-year review and outlook for the second half of 2023
22/2023 ♦ 28 June	▪ Special publication on LCR classification and risk weights: a (regulatory) overview of the EUR benchmark segment ▪ ESG bonds of German Laender – significant further development
21/2023 ♦ 21 June	▪ ESG covered bonds: a look at the supply side ▪ Increasing exposure of E-supras to Ukraine
20/2023 ♦ 14 June	▪ Moody's covered bond universe – an overview ▪ Beyond Bundeslaender: Spanish regions
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)

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

NORD/LB

Appendix
Publication overview

Covered Bonds:

Issuer Guide Covered Bonds 2023

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 Q2/2023 (quarterly update)

Covered bonds as eligible collateral for central banks

SSA/Public Issuers:

Issuer Guide – German Laender 2023

Issuer Guide – European Supranationals 2023

Issuer Guide – French Agencies 2023

Issuer Guide – German Agencies 2022

Issuer Guide – Dutch Agencies 2022

Beyond Bundeslaender: Belgium

Beyond Bundeslaender: Greater Paris (IDF/VDP)

Beyond Bundeslaender: Spanish regions

Fixed Income Specials:

ESG-Update 2023

ECB: This rate terminates here – 99.9% sure

ECB preview: Knives out… It's edging-time

ECB: From the bottom to the top time to stop? Nobody knows it

ECB preview: About scrambling and hiking to the terminal rate

Appendix
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Sales MM/FX	+49 511 9818-9460
Sales Europe	+352 452211-515

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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

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

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

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