

# ITALY AUCTION PREVIEW: BTPs on Offer

11 November 2022 – By Lucy Hager

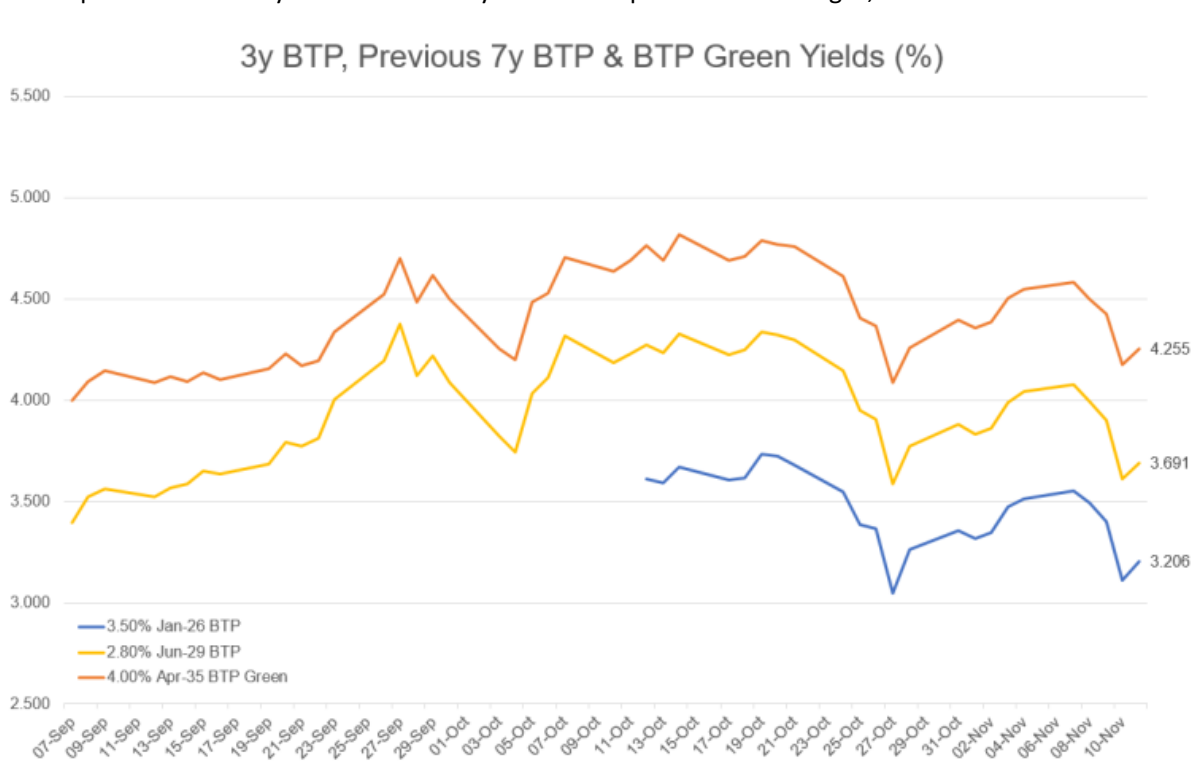
**On offer today:**

- E2.25-2.75bln of the 3.50% Jan-26 BTP (ISIN: IT0005514473)
- E3.5-4.0bln of the new 3.85% Dec-29 BTP (ISIN: IT0005519787)
- E1.5-2.0bln of the 4.00% Apr-35 BTP Green (ISIN: IT0005508590)

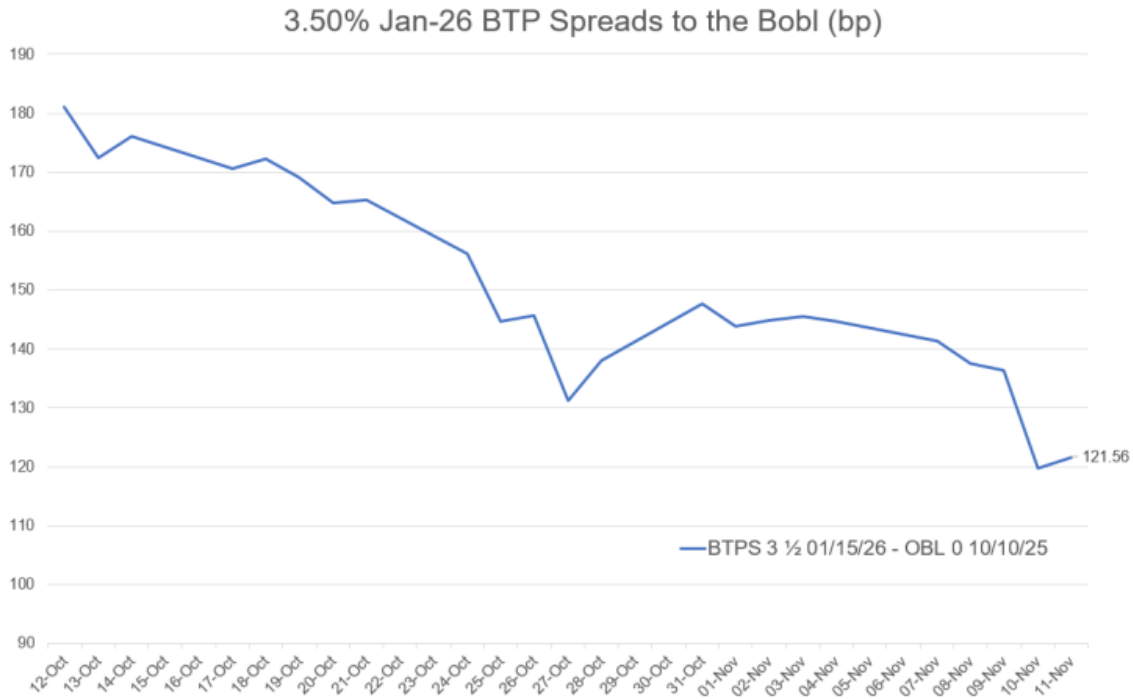
**Timing:** Results will be available shortly after the auction closes at 1000 GMT / 1100 CET.

**Market colour:**

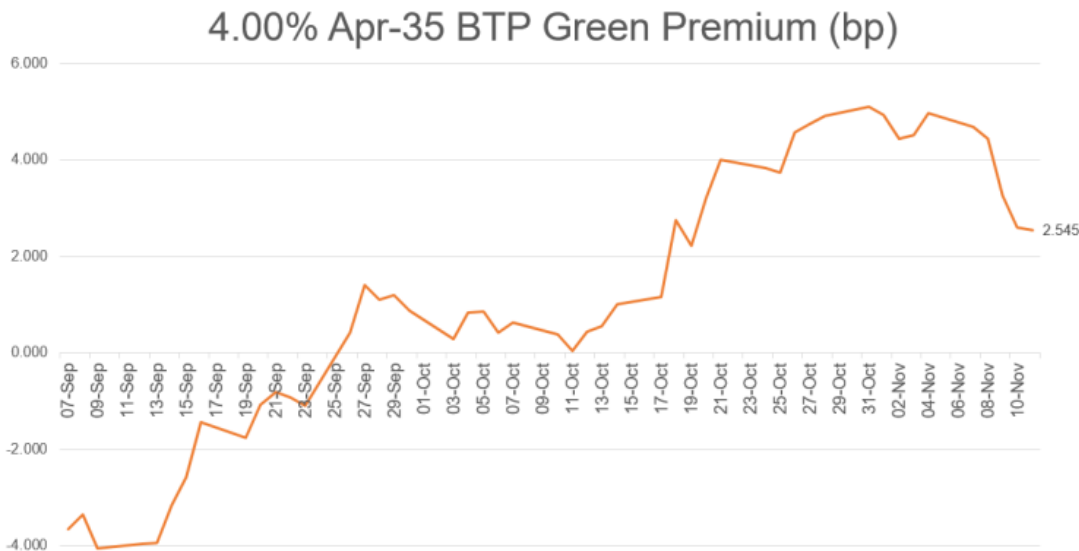
- 3.50% Jan-26 BTP yields are currently standing around 3.206%, around 35bp lower than the beginning of the week and 64bp below the Oct 21 high. The previous 7-year BTP yields (2.80% Jun-29 BTP) have fallen to 3.691%, approx. 82bp below the Sep 28 high.
- 4.00% Apr-35 BTP Green yields are currently around 64bp below Oct 21 highs, at 4.255%.



- 3.50% Jan-26 BTP breakevens to the 0% Oct-25 Bobl are currently at 121.6bp, having widened just under 2bp from yesterday's low.



- 4.00% Apr-35 BTP Green premium (“greenium”) to the 3.35% Mar-35 BTP is around 2.5bp, around half that of the high of 5.1bp recorded on Oct 31.



**Auction history:**

**3.50% Jan-26 BTP (ISIN: IT0005514473)**

Date	Issued	Avg yield	Bid/cover	Price	Pre-auct	Operation
	<b>Current</b>	3.206%				
13-Oct-22	E3.75bln	3.570%	1.50x	99.90	New	Auction

**The recently launched 3.50% Jan-26 BTP is comparable to the 1.20% Aug-25 BTP (ISIN: IT0005493298)**

Date	Issued	Avg yield	Bid/cover	Price	Pre-auct	Operation
	<b>Current</b>	3.691%				
Last 5 ave	E2.75bln	2.100%	1.68x			
13-Sep-22	E2.75bln	2.770%	1.70x	95.69	95.67	Auction
13-Jul-22	E3.25bln	1.840%	1.57x	98.10	98.08	Auction
14-Jun-22	E2bln	3.040%	1.63x	94.55	94.53	Auction
12-May-22	E2bln	1.530%	1.97x	98.99	98.94	Auction
13-Apr-22	E3.75bln	1.320%	1.52x	99.63	New	Auction

**The new 3.85% Dec-29 BTP (ISIN: IT0005519787) is comparable to the 2.80% Jun-29 BTP (ISIN: IT0005495731)**

Date	Issued	Avg yield	Bid/cover	Price	Pre-auct	Operation
	<b>Current</b>	3.691%				
Last 5 ave	E2.95bln	3.330%	1.50x			
13-Oct-22	E2.75bln	4.250%	1.45x	91.93	91.83	Auction
13-Sep-22	E3.25bln	3.500%	1.48x	95.98	95.95	Auction
13-Jul-22	E2.5bln	2.760%	1.58x	100.35	100.35	Auction
14-Jun-22	E2.5bln	3.750%	1.48x	94.38	94.33	Auction
12-May-22	E3.75bln	2.390%	1.52x	102.73	New	Auction

**4.00% Apr-35 BTP Green (ISIN: IT0005508590)**

Date	Issued	Avg yield	Bid/cover	Price	Pre-auct	Operation
	<b>Current</b>	4.255%				
06-Sep-22	E6bln	4.067%		99.73	New	Synd