

MNI EGB Supply - W/C November 28, 2022

29 November 2022 - By Tim Davis

The Netherlands, Italy, Germany, Spain and France will all look to issue bonds this week while Italy and the EU have already come to the market. **We look for estimated gross nominal issuance of E21.1bln** from announced operations (excluding the Italian exchange), up from last week's E7.3bln.

- **Italy** held an exchange auction on Monday and launched the new 5-year 3.40% Apr-28 BTP (ISIN: IT0005521981). In exchange, it bought back E659mln of the 0% Jul-23 CCTeu (ISIN: IT0005185456), E236mln of the 0.65% Oct-23 BTP (ISIN: IT0005215246), E1.305bln of the 0% Nov-23 BTP Short Term (ISIN: IT0005482309), E824mln of the 0% Dec-23 CCTeu (ISIN: IT0005399230) and E1.942bln of the 0.95% Apr-25 CCTeu (ISIN: IT0005311508).
- Also Monday, the **EU** held its final auction of 2022 selling E2.265bln (against a target of up to E2.5bln) of the 2.00% Oct-27 EU NGEU (ISIN: EU000A3K4DS6) and E1.000bln (top of the target range) of the 1.25% Feb-43 Green EU (ISIN: EU000A3K4DG1).
- On Tuesday, the **Netherlands** will look to sell E1.0-1.5bln of the 0% Jul-31 DSL (ISIN: NL00150006U0) in an auction that was added to the schedule last week due to additional funding needs.
- Also Tuesday, **Italy** will return to the market with E2.5-3.0bln of the 10-year 4.40% May-33 BTP (ISIN: IT0005518128) and E0.75-1.25bln of the 0.75% Oct-30 CCTeu (ISIN: IT0005491250) on offer.
- **Germany** will conclude November issuance on Wednesday with E3bln of the 1.70% Aug-32 Bund (ISIN: DE0001102606) on offer.
- **Spain** will come to the market on Thursday with a combined E2.5-3.5bln of the 1.45% Oct-27 Obli (ISIN: ES0000012A89), the 0.10% Apr-31 Obli (ISIN: ES0000012H41) and the 0.85% Jul-37 Obli (ISIN: ES0000012I24) on offer.
- **France** will hold its final OAT auction of the year with a combined E5-6bln on offer of the 0% Nov-31 OAT (ISIN: FR0014002WK3), the 0.50% May-40 OAT (ISIN: FR0013515806), the 3.25% May-45 OAT (ISIN: FR0011461037) and the 0.75% May-52 OAT (ISIN: FR0013480613).

NET NOMINAL FLOWS: This week will see a E15.1bln redemption of a BTP Short Term and coupon payments of E4.2bln (E2.3bln Spanish and E1.7bln Italian). With estimated gross issuance of E21.1bln, MNI estimates **net nominal issuance of negative E0.5bln this week**, up from last week's negative E5.8bln.

For a calendar of all announced EGB/EU/ESM/EFSF auctions [see the MNI EZ/UK Bond Supply Calendar here.](#)

EGB issuance W/C 28 November

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| Day/Time | Country | Bond | Amount | Allotted | Yield | Bid-to-cover | Notes |
|--------------------------------|-------------|-----------------------|---------------|----------|--------|--------------|---------------|
| Mon 1000 | Italy | 3.40% Apr-28 BTP | E5bln | | 3.560% | | Exch; new iss |
| Mon 1030 | EU | 2.00% Oct-27 EU NGEU | E2.265bln | | 2.492% | 1.03x | Re-open |
| Mon 1030 | EU | 1.25% Feb-43 Green EU | E1bln | | 2.845% | 1.93x | Re-open |
| Tue 900 | Netherlands | 0% Jul-31 DSL | E1.0-1.5bln | | | | Re-open |
| Tue 1000 | Italy | 4.4% May-33 BTP | E2.5-3.0bln | | | | Re-open |
| Tue 1000 | Italy | 0.75% Oct-30 CCTeu | E0.75-1.25bln | | | | Re-open |
| Wed 1030 | Germany | 1.70% Aug-32 Bund | E3bln | | | | Re-open |
| Thu 930 | Spain | 1.45% Oct-27 Obli | E2.5-3.5bln | | | | Re-open |
| Thu 930 | Spain | 0.10% Apr-31 Obli | Shared | | | | Re-open |
| Thu 930 | Spain | 0.85% Jul-37 Obli | Shared | | | | Re-open |
| Thu 950 | France | 0% Nov-31 OAT | E5-6bln | | | | Re-open |
| Thu 950 | France | 0.50% May-40 OAT | Shared | | | | Re-open |
| Thu 950 | France | 3.25% May-45 OAT | Shared | | | | Re-open |
| Thu 950 | France | 0.75% May-52 OAT | Shared | | | | Re-open |
| Total expected weekly issuance | | | E26.2bln | | | | |

Source: MNI Market News

