

MNI EGB Supply - W/C January 23, 2023

24 January 2023 - By Tim Davis

THE WEEK AHEAD:

The Netherlands, Germany and Italy are due to hold auctions and we expect syndications from the EU, Spain and France. We look for **gross nominal issuance at first round operations of E29.0bln** for these deals, down a little from last week's E32.6bln.

- The **EU** will look to hold a syndication today with the 30-year 3.00% Mar-53 EU-bond (ISIN: EU000A3K4DY4) due to be tapped. There is a bit more uncertainty over the size of the deal than normal – most recent 30-year syndications have been as part of a dual-tranche (for around E3bln) with the single tranche deals tended to be launches of around E5bln. So we pencil in a E3-5bln range for today's transaction.
- In terms of today's auctions, the **Netherlands** will look to sell E1.5-2.0bln of the 2.00% Jan-54 DSL (ISIN: NL00150012X2). This will be the first reopening of the 30-year DSL since it was launched via DDA in September.
- Also this morning, **Germany** will come to the market with E1.5bln of the 0% Oct-25 Green Bobl (ISIN: DE0001030716) on offer. Note that the issue has a residual maturity of around 3-years and marks the first of 5 green auctions in 2023 (with 2 green syndications due too). **Germany** plans to sell E15-17bln of green securities this year.
- Looking to the rest of the week, MNI also expects **Spain** to hold a syndication to launch a new 10-year Apr-33 Obli for E10bln. Furthermore we pencil in a **French** syndication (albeit with lower conviction) and note that a 30-year OAT or 10-20-year OATi could be on offer.
- **Germany** will return to the market on Wednesday with E1.5bln of the 15-year 1.00% May-38 Bund (ISIN: DE0001102598) on offer.
- **Italy** will conclude issuance for the week on Thursday. Instead of issuing a new BTP Short Term (which we had expected) it will reopen two existing BTPs: E1.00-1.25bln of the 1.50% Jun-25 BTP (ISIN: IT0005090318) and E1.5-2.0bln of the 2.50% Nov-25 BTP (ISIN: IT0005345183). Also on offer will be E1.25-1.75bln of the 0.10% May-33 BTPei (ISIN: IT0005482994).

NET NOMINAL FLOWS: The upcoming week sees no redemptions and coupons of just E0.5bln. With gross nominal issuance of E29.0bln **we look for net flows of positive E28.5bln in the week ahead**, more than reversing last week's negative -E6.8bln of net issuance.

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

mni Eurozone Issuance Profile

2023 Issuance

	Austria	Belgium	Finland	France	Germany	Greece	Ireland	Italy	Neth.	Portugal	Slovakia	Slovenia	Spain	EU	EFSS	ESM	Total	Other	
YTD Issuance	6.2	7.0	1.4	26.7	18.0	3.5	3.5	15.0	4.0	3.0	0.6	1.5	12.3	4.7	6.0	0.0	113.4	0.9	
YTD Cash Proc.	5.9	7.0	1.3	23.4	17.6	3.5	3.4	15.4	3.7	2.9	0.5	1.5	11.8	3.8	6.0	0.0	107.8	0.9	
2022 Target	45.0	47.0	17.5	270.0	305.0	7.0	9.0	315.0	50.0	19.8	8.0	5.0	172.5	158.0	20.0	8.0	1456.8		
YTD Cash % Trgt	13.2	14.9	7.3	8.7	5.8	49.9	38.3	4.9	7.4	14.8	6.7	29.5	6.8	2.4	29.8	0.0	7.4		
Cash Proceeds:																			
<3.5 YR	-	-	-	3.6	5.0	-	-	1.4	3.7	-	-	-	2.9	2.7	-	-	19.1	0.0	
3.5 - 5.5 YR	0.5	-	0.6	3.5	5.0	-	-	-	-	-	0.1	-	2.1	-	2.0	-	13.7	0.0	
5.5 - 8 YR	-	-	-	2.2	-	-	-	4.2	-	-	-	-	3.2	-	-	-	9.7	0.1	
8 - 11 YR	5.0	7.0	0.7	7.4	5.0	3.5	-	2.9	-	-	0.2	1.2	-	-	4.0	-	36.9	-	
11 - 16 YR	-	-	-	1.8	-	-	-	-	-	2.9	0.2	-	-	-	-	-	4.9	-	
16 - 21 YR	-	-	-	-	-	-	3.4	7.0	-	-	-	-	-	1.7	1.2	-	13.3	-	
21 - 26 YR	0.5	-	-	-	-	-	-	-	-	-	0.1	0.2	1.4	-	-	-	2.2	-	
26 - 32 YR	-	-	-	1.8	2.0	-	-	-	-	-	-	-	-	-	-	-	3.8	-	
32 YR +	-	-	-	1.2	-	-	-	-	-	-	-	-	-	-	-	-	1.2	-	
Total conv	5.9	7.0	1.3	21.4	17.0	3.5	3.4	15.4	3.7	2.9	0.5	1.5	11.2	3.8	6.0	-	104.7	0.1	
CCTeu / FRN	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
< 6 YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 - 11 YR	-	-	-	1.5	0.6	-	-	-	-	-	-	-	0.6	-	-	-	2.7	-	
11 - 21 YR	-	-	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	0.5	-	
21 - 32 YR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total linker	-	-	-	2.0	0.6	-	-	-	-	-	-	-	0.6	-	-	-	3.1	-	
EMTN/Fgn Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.7	

2023 Issuance: Nominal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	19.8	-	-	-	-	-	-	-	-	-	-	-	19.8
3.5 - 5.5 YR	14.3	-	-	-	-	-	-	-	-	-	-	-	14.3
5.5 - 8 YR	10.4	-	-	-	-	-	-	-	-	-	-	-	10.4
8 - 11 YR	37.1	-	-	-	-	-	-	-	-	-	-	-	37.1
11 - 16 YR	5.5	-	-	-	-	-	-	-	-	-	-	-	5.5
16 - 21 YR	13.8	-	-	-	-	-	-	-	-	-	-	-	13.8
21 - 26 YR	2.5	-	-	-	-	-	-	-	-	-	-	-	2.5
26 - 32 YR	5.7	-	-	-	-	-	-	-	-	-	-	-	5.7
32 YR +	1.6	-	-	-	-	-	-	-	-	-	-	-	1.6
Total conv	110.8	-	-	-	-	-	-	-	-	-	-	-	110.8
CCTeu / FRN	-	-	-	-	-	-	-	-	-	-	-	-	-
< 6 YR	-	-	-	-	-	-	-	-	-	-	-	-	-
6 - 11 YR	2.3	-	-	-	-	-	-	-	-	-	-	-	2.3
11 - 21 YR	0.4	-	-	-	-	-	-	-	-	-	-	-	0.4
21 - 32 YR	-	-	-	-	-	-	-	-	-	-	-	-	-
Total linker	2.8	-	-	-	-	-	-	-	-	-	-	-	2.8
EMTN/Fgn Debt	0.8	-	-	-	-	-	-	-	-	-	-	-	0.8
Total	114.3	-	-	-	-	-	-	-	-	-	-	-	114.3

2023 Issuance: Cash Proceeds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	19.2	-	-	-	-	-	-	-	-	-	-	-	19.2
3.5 - 5.5 YR	13.7	-	-	-	-	-	-	-	-	-	-	-	13.7
5.5 - 8 YR	9.7	-	-	-	-	-	-	-	-	-	-	-	9.7
8 - 11 YR	36.9	-	-	-	-	-	-	-	-	-	-	-	36.9
11 - 16 YR	4.9	-	-	-	-	-	-	-	-	-	-	-	4.9
16 - 21 YR	13.3	-	-	-	-	-	-	-	-	-	-	-	13.3
21 - 26 YR	2.2	-	-	-	-	-	-	-	-	-	-	-	2.2
26 - 32 YR	3.8	-	-	-	-	-	-	-	-	-	-	-	3.8
32 YR +	1.2	-	-	-	-	-	-	-	-	-	-	-	1.2
Total conv	104.8	-	-	-	-	-	-	-	-	-	-	-	104.8
CCTeu / FRN	-	-	-	-	-	-	-	-	-	-	-	-	-
< 6 YR	-	-	-	-	-	-	-	-	-	-	-	-	-
6 - 11 YR	2.7	-	-	-	-	-	-	-	-	-	-	-	2.7
11 - 21 YR	0.5	-	-	-	-	-	-	-	-	-	-	-	0.5
21 - 32 YR	-	-	-	-	-	-	-	-	-	-	-	-	-
Total linker	3.1	-	-	-	-	-	-	-	-	-	-	-	3.1
EMTN/Fgn Debt	0.7	-	-	-	-	-	-	-	-	-	-	-	0.7
Total	108.7	-	-	-	-	-	-	-	-	-	-	-	108.7

2022 Issuance: Nominal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	19.4	18.4	15.2	20.5	24.4	13.7	15.5	19.3	17.5	18.6	10.7	8.5	201.7
3.5 - 5.5 YR	22.7	24.6	17.6	15.8	22.2	15.6	11.4	17.6	26.6	22.8	16.9	1.3	215.0
5.5 - 8 YR	12.2	7.4	21.6	5.8	13.0	18.0	18.2	7.4	8.2	22.7	12.4	3.5	150.4
8 - 11 YR	46.7	26.2	38.0	30.3	26.5	28.7	32.5	16.0	27.3	21.1	30.9	4.1	328.3
11 - 16 YR	7.0	2.2	5.4	2.9	7.4	5.7	1.6	3.4	9.9	4.4	6.6	8.2	64.6
16 - 21 YR	7.7	2.1	2.0	12.4	5.7	5.6	3.0	-	15.5	7.6	2.0	1.1	64.6
21 - 26 YR	3.2	2.9	2.5	2.0	2.0	5.0	4.2	0.5	2.5	0.4	1.8	1.1	28.0
26 - 32 YR	17.0	20.9	6.4	5.4	12.6	9.7	7.9	1.5	12.7	11.6	5.8	1.8	113.3
32 YR +	2.0	-	0.2	2.1	2.2	-	-	0.2	0.2	1.2	-	0.5	8.6
Total conv	137.9	104.6	108.8	97.2	116.1	102.0	94.3	65.8	120.3	110.4	87.0	30.0	1174.6
CCTeu / FRN	1.7	0.8	5.0	1.5	1.4	1.2	2.4	1.3	0.2	2.2	-2.0	-	15.8
< 6 YR	2.1	1.0	-	1.2	-	-1.0	0.5	0.7	1.1	0.9	-1.2	-	5.0
6 - 11 YR	1.4	1.6	1.3	1.2	3.5	9.4	2.8	0.4	1.3	1.8	14.1	-	38.7
11 - 21 YR	1.2	5.3	3.3	1.1	4.8	1.0	0.5	0.7	1.0	1.2	-	-	20.2
21 - 32 YR	3.0	0.2	0.2	0.4	-	0.2	0.4	-	0.4	0.3	0.4	-	5.7
Total linker	7.6	8.1	4.8	3.9	8.3	9.7	4.1	1.7	3.8	4.2	13.3	-	69.5
EMTN/Fgn Debt	1.0	-0.5	0.4	0.4	0.8	0.1	0.1	0.2	0.1	3.2	-	-	5.6
Total	148.3	113.1	119.0	103.0	126.6	112.9	100.9	68.9	124.4	120.0	98.3	30.0	1265.5

2022 Issuance: Cash Proceeds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	19.5	18.3	15.1	20.3	24.3	13.6	15.3	19.1	17.0	18.0	10.5	8.4	199.5
3.5 - 5.5 YR	22.8	24.4	17.6	15.4	21.5	15.1	11.5	17.6	25.5	21.2	16.2	1.2	210.0
5.5 - 8 YR	12.2	7.3	21.4	5.7	12.9	16.6	17.8	7.2	7.4	21.4	12.0	3.6	145.5
8 - 11 YR	46.3	25.4	36.6	29.5	24.2	26.4	31.8	16.1	25.4	19.8	28.9	3.4	313.7
11 - 16 YR	7.0	2.3	5.2	2.4	7.3	4.8	1.5	3.3	9.3	3.4	5.7	7.7	60.4
16 - 21 YR	7.5	1.9	1.8	12.2	4.8	4.2	2.1	-	15.5	7.6	1.4	0.8	59.7
21 - 26 YR	3.2	2.7	3.6	2.4	2.1	4.9	3.3	0.6	2.5	0.3	1.9	1.2	28.7
26 - 32 YR	16.5	20.0	5.8	4.9	10.2	6.9	5.3	1.6	11.5	7.9	4.7	1.3	96.6
32 YR +	1.8	-	0.2	1.4	1.7	-	-	0.2	0.2	0.9	-	0.5	6.8
Total conv	136.8	102.3	107.3	94.3	108.9	92.6	88.6	65.7	114.3	100.5	81.3	28.1	1120.7
CCTeu / FRN	1.7	0.8	5.0	1.5	1.4	1.1	2.3	1.2	0.2	2.2	-2.1	-	15.4