

MNI EGB Issuance, Redemption and Cash Flow Matrix - W/C February 13, 2023

13 February 2023 - By Tim Davis

Italy, Germany, Spain and France will all hold auctions this week. The EU will hold a syndication on Tuesday and we pencil in a syndication from Italy (and possibly Belgium). **If we were to see all of these deals we could see gross issuance as high as E46.3bln, with scheduled auctions making up E29.3bln.** Either way, we would look for gross nominal issuance of more than last week's E18.5bln.

- The **EU** will hold a dual-tranche syndication on Tuesday, tapping the 1.625% Dec-29 EU-bond (ISIN: EU000A3K7MW2) and the 3.375% Nov-42 EU-bond (ISIN: EU000A3K4DV0).
- We had been expecting a **Belgian** syndication this week, however, there was no announcement on Monday and no auction details were announced regarding next week either. A syndication this week remains a possibility.
- We pencil in an **Italian** syndication this week. We think that the probability of this has increased following the announcement that the longest maturity BTP on offer at Tuesday's auction is the 15-year BTP. We would expect an Italian syndication to take place potentially on Wednesday or even Friday next week.
- In terms of auctions, **Italy** will kick off the week with on-the-run 3/7/15-year BTPs on offer: E3.0-3.5bln of the 3.50% Jan-26 BTP (ISIN: IT0005514473), E3.0-3.5bln of the 3.85% Dec-29 BTP (ISIN: IT0005519787) and E1.0-1.5bln of the 3.25% Mar-38 BTP (ISIN: IT0005496770).
- On Wednesday, **Germany** will hold a 30-year Bund auction with E1.0bln of the 1.25% Aug-48 Bund (ISIN: DE0001102432) and E1.5bln of the 0% Aug-52 Bund (ISIN: DE0001102572) on offer.
- **Spain** will come to the market on Thursday to sell a combined E5.5-6.5bln of Oblis. On offer will be the on-the-run 7-year Obli as well as off-the-run 4/9-year Oblis: the 0.80% Jul-27 Obli (ISIN: ES0000012G26), the 0.80% Jul-29 Obli (ISIN: ES0000012K53) and the 2.55% Oct-32 Obli (ISIN: ES0000012K61).
- **France** will then look to launch its new 3-year OAT as part of its MT OAT auction. A combined E10.0-11.5bln of the new 2.50% Sep-26 OAT, the 0.75% Feb-28 OAT (ISIN: FR001400AIN5) and the 2.50% May-30 OAT (ISIN: FR0011883966) will be on offer.
- **France** will return to the market later on Thursday to sell E1.25-1.75bln of linkers. On offer will be the 0.10% Mar-29 OATei (ISIN: FR0013410552), the 0.10% Mar-32 OATi (ISIN: FR0014003N51) and the 0.10% Jul-38 Green OATei (ISIN: FR001400AQH0).

NET NOMINAL FLOWS: This week sees just one redemption, a formerly 10-year Bund for E20.5bln. Coupons total E2.7bln of which E1.3bln are German and E0.9bln Portuguese. With potential gross nominal issuance of up to E46.3bln this week, **we look for net flows of positive E23.1bln this week**, up from last week's positive E15.3bln.

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

