

MNI EGB Supply - W/C March 20, 2023

22 March 2023 - By Tim Davis

Germany is due to return to the market today while Slovakia, the EU, Belgium, Germany and Finland have all sold bonds already this week. **We pencil in gross nominal issuance of E15.8bln from auctions this week**, down from last week's E45.9bln.

- **Slovakia** kicked off this week's issuance selling a combined E438mln 2/4/10/12-year SlovGBs: E51.3mln of the 0.25% May-25 SlovGB (ISIN: SK4000017158), E78mln of the 0.125% Jun-27 SlovGB (ISIN: SK4000017380), E142.5mln of the 4.00% Oct-32 SlovGB (ISIN: SK4000021986) and E166mln of the 3.75% Feb-35 SlovGB (ISIN: SK4000022539).
 - In the non-competitive round E3mln of the 0.125% Jun-27 SlovGB was sold alongside E2mln of the 3.75% Feb-35 SlovGB.
- The **EU** then sold a combined E3.596bln of 5/10-year EU-bonds at auction: E1.850bln of the 2.00% Oct-27 EU-bond (ISIN: EU000A3K4DS6) and E1.746bln of the 1.00% Jul-32 EU-bond (ISIN: EU000A3K4DD8).
 - Another decent EU-bond auction, with the lowest accepted price comfortably above the pre-auction mid-price for both the 5-year and 10-year issues.
 - However, the auction did see a bit of a drop in the bid-to-cover for both bonds on offer today, but with a similar amount sold.
- **Belgium** concluded Monday's issuance selling a combined E3.902bln (top of the target range): E1.497bln of the 0.80% Jun-27 OLO (ISIN: BE0000341504), E1.542bln of the 3.00% Jun-33 OLO (ISIN: BE0000357666) and E863mln of the 2.75% Apr-39 Green OLO (ISIN: BE0000356650).
 - The first conventional Belgian auction of the year (i.e. not a syndication or ORI operation) saw decent demand with the stop price a decent distance above the pre-auction mid-price across all three OLOs on offer today. The top of the target range of E3.9bln was sold across the three issues.
 - Despite moving a bit higher after the bidding deadline, all three OLOs continue to trade below the stop price in today's auction.
- On Tuesday, **Germany** sold E1.5bln (E1.374bln allotted) of the 1.30% Oct-27 Green Bobl (ISIN: DE0001030740).
 - The auction of the 1.30% Oct-27 Green Bobl saw a similar volume of bids to the last green auction on 24 January (the 0% Oct-25 Green Bobl).
 - However, despite the price falling ahead of the auction cut-off, this auction still saw the lowest accepted price of 96.20 below the pre-auction mid-price of 96.213. In our view this made this auction slightly disappointing, despite the decent bid-to-cover.
- Also Tuesday, **Finland** sold 5/13-year RFGBs: E1.00bln of the 0.50% Sep-28 RFGB (ISIN: FI4000348727) and E385mln of the 0.125% Apr-36 RFGB (ISIN: FI4000415153).
- On Wednesday, **Germany** will look to sell E5bln of the 2.30% Feb-33 Bund (ISIN: DE000BU2Z007).
- This week we might also start to receive some updated issuance plans regarding Q2 issuance.

NET NOMINAL FLOWS: This week sees a E7.0bln redemption of a formerly 10-year Irish government bond and coupon payments of E1.1bln. With estimated gross nominal issuance of E15.8bln this week, **we look for net flows of positive E7.7bln**, down from last week's positive E26.3bln.

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	15.0	16.4	5.8	90.1	76.2	3.5	4.9	83.4	16.8	4.1	5.0	1.6	59.5	33.4	6.0	3.0	424.8	4.3
YTD Cash Proc.	13.5	16.2	5.4	80.4	72.7	3.5	4.6	82.8	15.2	3.6	4.8	1.5	56.8	31.2	6.0	3.0	401.1	4.2
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	30.0	34.5	30.8	29.8	23.8	49.9	51.0	26.3	30.4	18.4	60.6	29.5	32.9	19.7	29.8	37.5	27.5	-
Cash Proceeds:																		
<3.5 YR	0.7	-	-	3.6	18.3	-	-	18.1	3.7	-1.1	0.2	-0.1	8.3	4.3	-	-	56.0	0.1
3.5 - 5.5 YR	1.0	1.4	1.5	20.7	16.3	-	-	7.2	2.1	-	0.3	-	7.7	3.5	2.0	3.0	66.8	0.1
5.5 - 8 YR	1.3	-	-	9.4	7.8	-	-	11.3	-	-	-	-	7.0	4.3	-	-	41.0	0.1
8 - 11 YR	7.6	8.6	0.7	22.7	14.9	3.5	0.4	10.7	5.9	1.4	0.4	1.2	20.5	3.0	4.0	-	105.4	1.2
11 - 16 YR	0.4	-	3.2	7.2	2.6	-	0.7	3.7	1.6	3.4	2.3	-	-	5.9	-	-	31.1	-
16 - 21 YR	0.5	1.1	-	-	0.9	-	3.4	7.0	-	-	-	1.5	-	8.7	5.3	-	28.3	1.7
21 - 26 YR	0.6	-	-	1.7	1.9	-	-	-	-	-	0.1	0.2	1.4	-	-	-	5.8	-
26 - 32 YR	0.7	5.0	-	6.7	8.0	-	-	5.0	1.8	-	0.1	0.1	1.3	4.9	-	-	33.5	-
32 YR +	0.7	0.2	-	2.9	-	-	-	0.5	-	-	-	-	-	-	-	-	4.4	-
Total conv	13.5	16.2	5.4	74.9	70.7	3.5	4.6	63.4	15.2	3.6	4.8	1.5	54.8	31.2	6.0	3.0	372.3	3.4
CCTeu / FRN	-	-	-	-	-	-	-	6.2	-	-	-	-	-	-	-	-	6.2	-
< 6 YR	-	-	-	0.9	0.6	-	-	9.9	-	-	-	-	-	-	-	-	11.4	-
6 - 11 YR	-	-	-	2.9	1.1	-	-	3.2	-	-	-	-	-	2.0	-	-	9.2	-
11 - 21 YR	-	-	-	1.3	-	-	-	-	-	-	-	-	-	-	-	-	1.3	-
21 - 32 YR	-	-	-	0.5	0.3	-	-	-	-	-	-	-	-	-	-	-	0.7	-
Total linker	-	-	-	5.5	2.0	-	-	13.1	-	-	-	-	-	2.0	-	-	22.6	-
EMTN/Fgn Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.8

2023 Issuance: Nominal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	31.0	19.5	6.7	-	-	-	-	-	-	-	-	-	57.2
3.5 - 5.5 YR	20.9	23.5	25.6	-	-	-	-	-	-	-	-	-	70.1
5.5 - 8 YR	11.1	18.2	15.2	-	-	-	-	-	-	-	-	-	44.5
8 - 11 YR	57.0	36.8	16.6	-	-	-	-	-	-	-	-	-	110.4
11 - 16 YR	10.3	6.2	19.2	-	-	-	-	-	-	-	-	-	35.7
16 - 21 YR	13.8	15.3	1.6	-	-	-	-	-	-	-	-	-	30.7
21 - 26 YR	3.5	3.8	0.1	-	-	-	-	-	-	-	-	-	7.4
26 - 32 YR	12.9	21.1	5.2	-	-	-	-	-	-	-	-	-	39.2
32 YR +	1.6	0.9	2.5	-	-	-	-	-	-	-	-	-	5.0
Total conv	162.0	145.5	92.7	-	-	-	-	-	-	-	-	-	400.2
CCTeu / FRN	1.7	4.6	-	-	-	-	-	-	-	-	-	-	6.3
< 6 YR	-	0.5	10.7	-	-	-	-	-	-	-	-	-	11.2
6 - 11 YR	4.1	3.6	1.1	-	-	-	-	-	-	-	-	-	8.8
11 - 21 YR	0.4	0.5	0.3	-	-	-	-	-	-	-	-	-	1.2
21 - 32 YR	-	0.2	0.5	-	-	-	-	-	-	-	-	-	0.7
Total linker	4.5	4.8	12.5	-	-	-	-	-	-	-	-	-	21.8
EMTN/Fgn Debt	0.8	0.0	0.1	-	-	-	-	-	-	-	-	-	0.9
Total	169.0	154.8	105.2	-	-	-	-	-	-	-	-	-	429.1

2023 Issuance: Cash Proceeds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<3.5 YR	30.1	19.3	6.7	-	-	-	-	-	-	-	-	-	56.1
3.5 - 5.5 YR	20.2	22.6	24.1	-	-	-	-	-	-	-	-	-	66.9
5.5 - 8 YR	10.3	17.2	13.7	-	-	-	-	-	-	-	-	-	41.1
8 - 11 YR	56.4	34.9	15.4	-	-	-	-	-	-	-	-	-	106.6
11 - 16 YR	9.4	5.1	16.7	-	-	-	-	-	-	-	-	-	31.1
16 - 21 YR	13.3	15.0	1.7	-	-	-	-	-	-	-	-	-	30.0
21 - 26 YR	3.2	2.5	0.1	-	-	-	-	-	-	-	-	-	5.8
26 - 32 YR	10.7	19.3	3.6	-	-	-	-	-	-	-	-	-	33.5
32 YR +	1.2	1.0	2.3	-	-	-	-	-	-	-	-	-	4.4
Total conv	154.7	136.8	84.2	-	-	-	-	-	-	-	-	-	375.7
CCTeu / FRN	1.7	4.5	-	-	-	-	-	-	-	-	-	-	6.2
< 6 YR	-	0.6	10.8	-	-	-	-	-	-	-	-	-	11.4
6 - 11 YR	4.3	3.7	1.2	-	-	-	-	-	-	-	-	-	9.2
11 - 21 YR	0.5	0.5	0.3	-	-	-	-	-	-	-	-	-	1.3
21 - 32 YR	-	0.3	0.5	-	-	-	-	-	-	-	-	-	0.7
Total linker	4.7	5.1	12.8	-	-	-	-	-	-	-	-	-	22.6
EMTN/Fgn Debt	0.7	0.0	0.1	-	-	-	-	-	-	-	-	-	0.8
Total	161.9	146.4	97.0	-	-	-	-	-	-	-	-	-	405.4

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	2.0	1.1	28.2
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	87.2	30.0	1174.8
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	0.4	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	98.5	30.0	1265.7

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	60.1
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	2.1	1.2	28.9
26 - 32 YR	16.5	20.0	5.8	4.9	10.2	6.9							