

## MNI EGB Supply - W/C July 17, 2023

19 July 2023 - By Tim Davis

### THIS WEEK:

Germany, Greece, Spain and France all look to issue this week. **We pencil in gross nominal issuance of E29.0bln**, down a little from E31.1bln last week.

- **Germany** kicked off issuance for the week on Tuesday selling E6bln (E4.963bln allotted) of the new 3.10% Sep-25 Schatz (ISIN: DE000BU22023).
- **Greece** will look to hold a GGB auction on Wednesday with up to E250mln of the 5-year 3.875% Jun-28 GGB (ISIN: GR0114033583) on offer.
- Also Wednesday, **Germany** will return to the market to hold a 30-year Bund auction. E1bln of the 0% Aug-52 Bund (ISIN: DE0001102572) will be on offer alongside E1.5bln of the 1.80% Aug-53 Bund (ISIN: DE0001102614).
- **Spain** will come to the market on Thursday to hold a Bono/Olbi auction for E5.5-6.5bln. On offer will be the 3-year on-the-run 2.80% May-26 Bono (ISIN: ES0000012L29), alongside the 5-year 1.40% Apr-28 Obli (ISIN: ES0000012B39), the on-the-run 15-year 3.90% Jul-39 Obli (ISIN: ES0000012L60) and the 30-year 1.00% Oct-50 Obli (ISIN: ES0000012G00).
- **France** will also come to the market on Thursday to hold a MT OAT auction for E11-12bln. Both of the on-the-run issues are on offer, the 3-year 2.50% Sep-26 OAT (ISIN: FR001400FYQ4) and the 5-year 2.75% Feb-29 OAT (ISIN: FR001400HI98), alongside the 0.75% May-28 OAT (ISIN: FR0013286192).
- **France** will return later on Thursday to launch a new OATei, the new 0.60% Jul-34 OATei, for E1.75-2.25bln.

**NET NOMINAL FLOWS:** This week sees large redemptions totalling E41.9bln: E17.4bln of a formerly 10-year Netherlands DSL, E11.7bln of an originally 7-year Italian CCTeu, E9.8bln of a formerly 7-year Austrian RAGB and E3.0bln of a formerly long 3-year EFSF-bond. Coupons for the week total E3.0bln of which E1.8bln are Portuguese and E0.7bln are Belgian. This leaves **estimated net flows of negative E16.0bln in the week**, in contrast to the positive E27.4bln seen last week.

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

### NEXT WEEK (W/C 24 July)

Belgium, Italy, Germany and potentially Portugal all look to issue in the W/C 24 July. **We pencil in gross nominal issuance of E21.0bln.**

- **Belgium** will kick off issuance for the week on Monday 24 July with on-the-run 10/30/50-year OLOs on offer: the 3.00% Jun-33 OLO (ISIN: BE0000357666), the 3.30% Jun-54 OLO (ISIN: BE0000358672) and the 0.65% Jun-71 OLO (ISIN: BE0000353624). The auction size will be announced on Friday 21 July, we look for an auction size of E3.0-3.5bln, but with downside risks given the duration on offer.
- **Italy** will come to the market on Tuesday 25 July to hold a BTP Short Term / BTPei auction. For the BTP Short Term, we think there is a good chance that a new BTP Short Term maturing 29 September 2025 will be launched but there is a change the MEF reopen the 3.40% Mar-25 BTP Short Term (ISIN: IT0005534281) for one last time. For the BTPei, we pencil in either a reopening of the 1.50% May-29 BTPei (ISIN: IT0005543803) or the 0.10% May-33 BTPei (ISIN: IT0005482994) or potentially both. The bonds on offer will be announced on Thursday 20 July.
- On Wednesday 26 July, **Germany** will come to the market to launch the new 7-year Nov-30 Bund (ISIN: DE000BU27006) for E4bln. The coupon will be confirmed on Tuesday 25 July.
- Also Wednesday 26 July **Portugal** will potentially hold an auction, but we think this is unlikely after the auction held on Wednesday 12 July.
- **Italy** will return to the market on Thursday 27 July to hold a 5/10-year BTP and CCTeu auction. We look for a reopening of the 5-year 3.80% Aug-28 BTP (ISIN: IT0005548315) for E2.5-3.0bln. We also look for a reopening of the 10-year 4.35% Nov-33 BTP (ISIN: IT0005544082) – the size of this is a little less certain in our view as it partly depends on whether the MEF choose to issue another off-the-run 10-year BTP alongside it – something that was done in both May and June. In terms of the CCTeu on offer, we pencil in a reopening of the 0.80% Oct-28 CCTeu (ISIN: IT0005534984) for E1.0-1.5bln.

**NET NOMINAL FLOWS:** The W/C 24 July sees totalling E24.1bln, the majority of which come from a French formerly 15-year OATi, while coupons will total E6.8bln (of which E6.5bln are French). This leaves **estimated net flows of negative E10.0bln in the week.**

## mni Eurozone Issuance Profile

2023 Issuance																			
	Austria	Belgium	Finland	France	Germany	Greece	Ireland	Italy	Neth.	Portugal	Slovakia	Slovenia	Spain	EU	EFSF	ESM	Total	Other	
YTD Issuance	34.4	30.6	13.8	177.7	177.7	8.9	6.3	216.8	34.7	7.8	8.7	1.6	120.6	82.2	13.0	5.0	939.8	8.3	
YTD Cash Proc.	31.4	30.0	12.7	165.4	170.3	8.9	5.6	215.7	30.4	6.7	8.4	1.5	113.6	77.4	12.9	5.0	895.8	8.2	
2023 Target	45.0	47.0	17.5	270.0	305.0	7.0	9.0	276.0	50.0	14.2	8.0	5.0	172.5	120.0	20.0	8.0	1374.2		
YTD Cash % Trgt	69.8	63.7	72.7	61.3	55.8	126.6	62.2	78.2	60.8	47.2	104.8	29.5	65.8	64.5	64.7	62.4	65.2		
<b>Cash Proceeds:</b>																			
<b>&lt;3.5 YR</b>	2.4	-	0.4	17.8	42.2	-1.5	-	44.4	3.7	-2.7	0.3	-0.1	19.4	11.4	-	-	137.5	0.3	
<b>3.5 - 5.5 YR</b>	1.9	4.3	1.9	25.3	36.2	2.5	-	40.8	4.2	-1.1	0.5	-	13.9	7.3	2.0	3.0	142.7	0.3	
<b>5.5 - 8 YR</b>	7.0	-	0.7	24.6	17.7	-	-	26.0	7.7	0.5	-	-	12.8	8.7	7.0	-	112.6	0.2	
<b>8 - 11 YR</b>	12.5	12.1	4.6	47.1	42.9	4.0	0.7	40.2	7.9	2.1	3.1	1.2	41.9	4.7	4.0	2.0	231.0	2.5	
<b>11 - 16 YR</b>	1.1	0.5	4.5	7.2	6.1	3.6	0.7	7.8	1.6	4.4	2.8	-	18.9	-	-	-	59.3	-	
<b>16 - 21 YR</b>	0.5	5.1	-	7.5	2.2	0.2	3.4	8.7	-	0.7	1.5	-	15.0	9.2	-	-	54.0	1.7	
<b>21 - 26 YR</b>	1.7	-	0.7	1.7	2.7	-	-	1.5	-	1.1	0.1	0.2	2.5	5.4	-	-	17.5	-	
<b>26 - 32 YR</b>	3.6	7.4	-	15.9	15.7	-	0.7	7.7	5.3	1.8	0.1	0.1	2.6	11.8	-	-	72.8	-	
<b>32 YR +</b>	0.8	0.6	-	3.5	-	-	-	0.5	-	-	-	-	0.8	-	-	-	6.2	-	
<b>Total conv</b>	31.4	30.0	12.7	150.7	165.6	8.9	5.6	177.7	30.4	6.7	8.4	1.5	108.9	77.4	12.9	5.0	833.8	5.1	
<b>CCTeu / FRN</b>	-	-	-	-	-	-	-	15.3	-	-	-	-	-	-	-	-	-	15.3	-
<b>&lt; 6 YR</b>	-	-	-	4.0	0.6	-	-	10.9	-	-	-	-	1.4	-	-	-	-	16.9	-
<b>6 - 11 YR</b>	-	-	-	3.8	3.3	-	-	7.8	-	-	-	-	3.2	-	-	-	-	18.1	-
<b>11 - 21 YR</b>	-	-	-	5.4	-	-	-	4.0	-	-	-	-	-	-	-	-	-	9.4	-
<b>21 - 32 YR</b>	-	-	-	1.5	0.7	-	-	-	-	-	-	-	-	-	-	-	-	2.2	-
<b>Total linker</b>	-	-	-	14.7	4.6	-	-	22.7	-	-	-	-	4.7	-	-	-	-	46.7	-
<b>EMTN/Fgn Debt</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.1

### 2023 Issuance: Nominal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>&lt;3.5 YR</b>	31.0	19.5	15.6	21.2	27.6	21.6	3.1	-	-	-	-	-	139.5
<b>3.5 - 5.5 YR</b>	20.9	23.5	31.7	10.3	23.4	33.2	5.0	-	-	-	-	-	148.2
<b>5.5 - 8 YR</b>	11.1	18.2	17.1	32.2	14.6	14.5	11.3	-	-	-	-	-	119.0
<b>8 - 11 YR</b>	57.0	36.8	25.9	46.4	18.8	37.1	15.7	-	-	-	-	-	237.7
<b>11 - 16 YR</b>	10.3	6.9	19.4	11.2	5.4	6.6	5.1	-	-	-	-	-	65.0
<b>16 - 21 YR</b>	13.8	15.7	1.6	3.5	13.3	8.1	2.6	-	-	-	-	-	58.7
<b>21 - 26 YR</b>	3.6	4.8	6.2	4.9	0.9	-	-	-	-	-	-	-	20.5
<b>26 - 32 YR</b>	12.9	22.6	7.2	9.3	9.0	17.8	8.7	-	-	-	-	-	87.6
<b>32 YR +</b>	1.6	0.9	2.5	-	1.7	0.5	1.6	-	-	-	-	-	8.8
<b>Total conv</b>	162.1	149.1	127.2	139.0	115.0	139.4	53.0	-	-	-	-	-	884.8
<b>CCTeu / FRN</b>	1.7	4.6	2.9	1.6	1.7	3.0	-	-	-	-	-	-	15.5
<b>&lt; 6 YR</b>	-	0.5	10.7	0.8	1.8	1.8	0.5	-	-	-	-	-	16.0
<b>6 - 11 YR</b>	4.1	3.6	2.8	4.0	0.5	1.8	0.5	-	-	-	-	-	17.3
<b>11 - 21 YR</b>	0.4	0.5	0.3	0.7	4.4	3.0	-	-	-	-	-	-	9.3
<b>21 - 32 YR</b>	-	0.2	0.5	0.4	0.5	0.5	-	-	-	-	-	-	2.0
<b>Total linker</b>	4.5	4.8	14.2	5.9	7.1	7.0	1.0	-	-	-	-	-	44.6
<b>EMTN/Fgn Debt</b>	0.8	0.0	0.1	1.0	0.0	0.5	0.8	-	-	-	-	-	3.1
<b>Total</b>	169.1	158.5	144.4	147.6	123.8	149.9	54.8	-	-	-	-	-	948.1

### 2023 Issuance: Cash Proceeds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>&lt;3.5 YR</b>	30.1	19.3	15.5	21.1	27.5	21.2	3.1	-	-	-	-	-	137.9
<b>3.5 - 5.5 YR</b>	20.2	22.6	30.2	10.0	22.1	32.9	4.9	-	-	-	-	-	143.0
<b>5.5 - 8 YR</b>	10.3	17.2	15.3	31.1	14.3	13.9	10.8	-	-	-	-	-	112.9
<b>8 - 11 YR</b>	56.4	34.9	24.8	46.0	18.9	37.0	15.6	-	-	-	-	-	233.5
<b>11 - 16 YR</b>	9.4	5.8	16.9	10.9	5.1	6.4	4.8	-	-	-	-	-	59.3
<b>16 - 21 YR</b>	13.3	15.4	1.7	2.8	12.4	7.9	2.3	-	-	-	-	-	55.8
<b>21 - 26 YR</b>	3.3	3.6	5.5	4.2	0.9	-	-	-	-	-	-	-	17.5
<b>26 - 32 YR</b>	10.7	20.8	4.6	7.2	7.7	14.1	7.7	-	-	-	-	-	72.8
<b>32 YR +</b>	1.2	1.0	2.3	-	0.7	0.4	0.8	-	-	-	-	-	6.2
<b>Total conv</b>	154.8	140.5	116.9	133.3	109.6	133.8	50.0	-	-	-	-	-	838.8
<b>CCTeu / FRN</b>	1.7	4.5	2.8	1.6	1.7	3.0	-	-	-	-	-	-	15.3
<b>&lt; 6 YR</b>	-	0.6	10.8	0.9	2.1	1.9	0.6	-	-	-	-	-	16.9
<b>6 - 11 YR</b>	4.3	3.7	2.8	4.1	0.6	2.0	0.6	-	-	-	-	-	18.1
<b>11 - 21 YR</b>	0.5	0.5	0.3	0.7	4.5	3.0	-	-	-	-	-	-	9.4
<b>21 - 32 YR</b>	-	0.3	0.5	0.4	0.5	0.6	-	-	-	-	-	-	2.2
<b>Total linker</b>	4.7	5.1	14.4	6.2	7.6	7.5	1.2	-	-	-	-	-	46.7
<b>EMTN/Fgn Debt</b>	0.7	0.0	0.1	1.0	0.0	0.5	0.7	-	-	-	-	-	3.1
<b>Total</b>	162.0	150.1	134.1	142.1	118.9	144.8	52.0	-	-	-	-	-	904.0

### 2022 Issuance: Nominal

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>&lt;3.5 YR</b>	19.4	18.4	15.2	20.5	24.4	13.5	15.5	19.3	17.5	18.6	10.7	8.5	201.5
<b>3.5 - 5.5 YR</b>	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
<b>5.5 - 8 YR</b>	12.2	7.4	21.6	5.8	13.1	18.0	18.3	7.4	8.2	22.7	12.5	3.5	150.7
<b>8 - 11 YR</b>	46.7	26.2	30.0	30.3	26.6	28.7	32.6	16.0	27.3	21.1	31.0	4.1	328.6
<b>11 - 16 YR</b>	7.0	2.2	5.4	2.9	7.4	5.7	1.6	3.4	5.9	4.4	6.6	8.2	64.6
<b>16 - 21 YR</b>	7.7	2.1	2.0	12.4	5.7	5.6	3.0	-	15.5	6.6	2.0	1.1	64.6
<b>21 - 26 YR</b>	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
<b>26 - 32 YR</b>	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
<b>32 YR +</b>	2.0	-	0.2	2.1	2.2	-	-	0.2	0.2	1.2	-	0.5	8.6
<b>Total conv</b>	137.9	104.6	108.8	97.2	116.3	101.8	94.4	65.9	120.3	110.4	87.4	30.0	1175.2
<b>CCTeu / FRN</b>	1.7	0.8	5.0	1.5	1.4	1.2	2.4	1.3	0.2	2.2	-2.0	-	15.8
<b>&lt; 6 YR</b>	2.1	1.0	-	1.2	-	-1.0	0.5	0.7	1.1	0.9	-1.2	-	5.0
<b>6 - 11 YR</b>	1.4	1.6	1.3	1.2	3.5	9.4	2.8	0.4	1.3	1.8	14.1	-	38.7
<b>11 - 21 YR</b>	1.2	5.3	3.3	1.1	4.8	1.0	0.5	0.7	1.0	1.2	-	-	20.2
<b>21 - 32 YR</b>	3.0	0.2	0.2	0.4	-	0.2	0.4	-	0.4	0.3	0.4	-	5.7
<b>Total linker</b>	7.6	8.1	4.8	3.9	8.3	9.7	4.1	1.7	3.8	4.2	13.3	-	69.5
<b>EMTN/Fgn Debt</b>	1.0	-0.5	0.4	0.4	0.8	0.1	0.1	0.2	0.1	3.2	-	-	5.6
<b>Total</b>	148.3	113.1	119.0	103.0	126.8	112.7	101.1	69.0	124.4	120.0	98.7	30.0	1266.1

### 2022 Issuance: Cash Proceeds

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
<b>&lt;3.5 YR</b>	19.5	18.3	15.1	20.3	24.3	13.4	15.3	19.1	17.0	18.0	10.5	8.4	199.3
<b>3.5 - 5.5 YR</b>	22.8	24.4	17.6	15.4	21.5								