Covered Bond & SSA View

NORD/LB Floor Research

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Marketing communication (see disclaimer on the last pages)

Agenda

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Market overview
Covered Bonds

Author: Dr. Frederik Kunze

Primary market: Deutsche Kreditbank breaks the ice... or does it?!

Over the past few weeks, the primary market for covered bonds in EUR benchmark format has been far less dynamic, to the point that there has actually been no activity at all. The last issuer to approach investors was Skipton Building Society on 11 June. The new issue premium for this deal was "generous", as we also reported in last week's edition of our weekly publication. The ice-breaker for this trading week is Deutsche Kreditbank (DKB) with a public Pfandbrief (EUR 500m; WNG; 6.0y). The deal started off in the marketing phase with guidance in the area of ms +31bp. According to our estimates, the calculated fair value for the Pfandbrief came in around the level of ms +23/24bp, with the final spread amounting to ms +27bp. DKB is among the issuers in Germany that regularly make use of green and social issuances in relation to capital market refinancing activities (cf. investor presentation) and reports a sustainable loan portfolio in the amount of EUR 54.4bn as at year-end 2023. The public cover pool contained cover assets in the amount of EUR 6.5bn as at the reporting date of 31 March 2024. The OC ratio (202%) indicated the significant issuance potential for fresh Pfandbrief deals. The cover assets exclusively originate in Germany. Meanwhile, the extent to which the DKB Pfandbrief deal will now actually come to be recognised as an ice-breaker very much remains to be seen. However, for one thing, we consider it still too early for a summer pause to issuance activities, while we also believe that the primary market still certainly has the potential to bring supply and demand onto an even keel. In June, deals totalling EUR 3.3bn have been placed so far. By way of comparison: In June 2023, a total of EUR 15bn was issued, and the volume for June 2022 amounted to EUR 9.3bn. From our perspective, the new issue premium (+3/4bp) for the only transaction so far reported in this trading week is at best likely to be seen as the start of an incentive aimed at generating stronger investor interest. Despite the period of calm on the primary market in June, we do not see any significant risk to our forecast of a gross new issuance volume of EUR 171.5bn across 2024 as a whole.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
Deutsche Kreditbank AG	DE	25.06.	DE000DKB0531	6.0y	0.50bn	ms +27bp	- / Aaa / -	-

Source: Bloomberg, NORD/LB Floor Research (Rating: Fitch / Moody's / S&P)

Secondary market: real money not in sell-off mode

Looking back, the trading week on the secondary market for covered bonds got off to an extremely quiet start. When looking at the trading books, the continuing caution in relation to the sales activities of the real money accounts is striking. In this regard, there has been no change in sentiment on the secondary market.

Moody's evaluates CRE risks for covered bonds in Austria

The risk experts from Moody's recently examined commercial real estate (CRE) risks in Austria with a focus on covered bonds. Increased interest rates and the refinancing conditions led to a noticeable slowdown in the CRE market in Austria. For the banking sector, this results in increased risks from this sub-segment. In terms of the composition of the cover pools, Moody's also highlights the high proportion of commercial mortgages. However, according to Moody's, in comparison with Germany it should be noted that the maturities of the amortised loans are generally longer in Austria. In addition, the proportion of owner-occupied properties is higher than in Germany. While the market for office properties in Austria has come under a certain degree of pressure, the hotel real estate sub-segment is benefiting from the dynamic development of tourism. Overall, covered bond ratings are still shielded from these developments to a significant extent. Moody's highlights the statutory LTV limit (60% for commercial properties) and the high OC ratios as risk-mitigating factors, in addition to citing the standard market practice of banks removing NPLs from their cover pools. In the context of our year-end spread forecast, based on current levels, we do not expect a disproportionate increase in the ASW spreads of Austrian covered bonds in EUR benchmark format. Net new supply for the full year 2024 is expected to amount to around EUR 7.3bn. So far this year, a volume of EUR 6bn has been placed on the market, meaning that with maturities amounting to EUR 2.3bn, we are likely to "only" see a further EUR 3.5bn in issuances over the rest of the year.

Fitch discusses nominal OC ratios of Spanish covered bonds

Before the country's covered bond legislation was amended, Spain was one of the jurisdictions with the highest overcollateralisation (OC) ratios. In short, this resulted from the combination of less stringent cover asset requirements and a higher minimum level of OC. As part of a recent comment piece, the risk experts from Fitch have now taken a look at the OC ratios of mortgage-backed covered bonds in Spain (Cedulas hipotecarias), with the authors subsequently ascertaining that these continue to remain at higher levels, despite the fact that a decline had been expected as a result of the change in the law reducing the legal minimum OC to 5%. The nominal OC ratios came in at an average of 55% in March 2024 (maximum: 121%; minimum: 21%). According to Fitch's data, the average OC ratio is also much higher than the "break-even OC" would require on average to maintain the current rating assessments. Here, the average is 16%. In terms of the issuers' calculations, the risk experts differentiate between those institutions that wanted to protect themselves against possible downgrades in the issuer rating and those that "simply" held the assets in the cover pool (as far as possible) in line with the old regulations. With regard to the credit quality of the cover pools of the programmes rated by Fitch, the authors also highlight the trend indicating that the share of NPLs in the pools has continued to decline on average. This now stands at a comparatively low level (March 2024: 0.5%; December 2023: 2.6%). With regard to the primary market, the downward trend is likely to continue in 2024. Although we expect a total of EUR 4bn in fresh supply, the Spanish market is likely to contract further, with maturities totalling EUR 6.3bn. However, issuers that do opt to approach investors could potentially capitalise on a scarcity benefit – particularly in the second half of the year.

Moody's presents Sector Update on covered bonds

The risk experts from Moody's present their Sector Update on the global covered bond market on a quarterly basis. With the publication of the second report this year, we also comment on the statistical appendix in the Covered Bond focus article included in this present edition of our weekly publication. Thematically, the authors of the study dealt with both the usual risk issues relating to covered bonds and specific focus topics ("Basel 3.1" and AI in the structured finance segment). The authors are of the view that the implementation and application of the Basel 3.1 requirements in the European Union should reduce the risk of "boom & bust" cycles in the real estate segment, while also explaining that the reforms would certainly benefit covered bond investors. In contrast, negative effects for the CRE segment are to be expected – at least in the short term – as the lending options available to banks are likely to be noticeably restricted, while it seems plausible that refinancing conditions for CRE customers will become more expensive. In our opinion, the study also covers the currently important topics in terms of the usual risk issues. In this context, we are keen to highlight the possible capping of covered bond ratings through a mechanism known as the "sovereign ceiling". Accordingly, in addition to Italy (local currency ceiling: Aa3), the trio of Iceland (Aa1), Poland (Aa1) and Spain (Aa1) are among the EUR benchmark jurisdictions whose covered bonds cannot currently achieve the top rating of Aaa. The outlook for Spain is positive. On the other side of the coin, covered bonds in Portugal recently benefited from an upgrade to the sovereign rating. Here, with a sovereign rating of A3, it is now possible for Portuguese covered bond programmes to achieve the top rating of Aaa.

S&P: Global Covered Bond Insights Q3 2024

As part of the current edition of S&P's Global Covered Bond Insights, which is also published on a quarterly basis, the rating agency discussed issuance activities on the covered bond market. The study authors note, among other aspects, the investor appetite for longer-dated deals has made it possible to better manage the risks of mismatches when comparing the asset and liability side at the level of covered bond programmes. S&P is keeping its own risk outlook stable and does not anticipate any need to instigate downgrades, even against the backdrop of current geopolitical challenges. The risk experts attribute this to the OC ratios and existing rating buffers (in other words, the "unused notches").

ICMA: Clarification of the classification of green Pfandbriefe

In our weekly publication on 12 June, we briefly commented on the social covered bond debut from a Canadian issuer. Equitable Bank placed its deal as a "Secured Social Standard Bond" and referred to the ICMA Social Bond Principles and the information in Appendix I. At the time, we also highlighted the open question of the categorisation of covered bonds in social or green format. As the Association of German Pfandbrief Banks (vdp) was subsequently informed, green Pfandbriefe (cf. Minimum Standards for Green Pfandbriefe) would indeed have to be classified as secured green standard bonds. This contradicts the initially obvious assessment that green covered bonds can be understood as secured green collateral bonds. For the ICMA – or the authors responsible for Appendix I – it is also important to make it clear to investors that this is a bond with exclusively green (or social) assets as collateral. The mixing with conventional (i.e. non-green or non-social) assets – as is the case for the majority of covered bond programmes – contradicts this state of affairs.

The EBA and the covered bond market: Call for Advice and questionnaire

We have been tracking regulatory developments on the global covered bond market for many years now. One of the most significant milestones (also in relation to the rather bumpy road of the European Capital Markets Union) is the European Covered Bond Harmonisation Package, which consists of the Covered Bond Directive and an accompanying regulation, and which has been applicable to all EU member states since 8 July 2022. The European Banking Authority (EBA) received a Call for Advice from the European Commission in July 2023. The main substantive basis for this EBA task can be found in Article 31 of the Covered Bond Directive. Accordingly, the Call for Advice initially covers the following points: "Third country regulation" (Article 31 (1): "[…] whether and, if so, how an equivalence regime could be introduced for third-country credit institutions issuing covered bonds and for investors in those bonds, […]", the "Performance of the covered bond market" (Article 31 (2): "[…] with regard to the level of investor protection and on the developments regarding the issue of covered bonds in the Union […]"), the "covered bonds with potential maturity extensions" (Article 31 (4): "[…] assessing the risks and benefits arising from covered bonds with extendable maturity structures […]") and "European Secured Notes" (Article 31 (5): "[…] report on the possibility of introducing a dual-recourse instrument named European Secured Notes" […]). In addition, the European Commission is asking the EBA to provide an overview of current and future developments in relation to the market for green covered bonds. The EBA has also been requested, among other aspects, to assess the relevance of introducing disclosure requirements for ESG risks in cover pools. In order to gain the most comprehensive overview possible of the covered bond market, the EBA has prepared a questionnaire aimed at investors, issuers, analysts and rating agencies, covering the topics of supply and demand, composition of the cover pool, liquidity in the covered bond market, third country equivalence, maturity postponements, green covered bonds, European Secured Notes, transparency, due diligence as well as data and methodologies.

EBA Risk Dashboard: Profitability of EU banks (still) remains resilient

On 20 June, the EBA presented its most recent data in relation to its Risk Dashboard (RDB). The reporting period for the comprehensive data on relevant risk indicators for the EU/EEA banking sector is the first quarter of 2024. The results of the Risk Assessment Questionnaire (RAQ), which is published twice a year, were also presented. As a result of margin expansions in the wake of the interest rate turnaround, the profitability of banks can, on the whole, still be described as resilient. Moreover, owing to this circumstance, the banks were able to further improve their capital positions. Nevertheless, the banks recorded rises in NPLs during the first quarter of 2024 and the majority of the institutions surveyed as part of the RAQ expect a further deterioration in asset quality in the commercial real estate, SME and consumer credit segments over the next 6-12 months. On average, the CET1 ratio of EU/EEA banks stood at 15.9% in the first quarter of 2024, and the average RoE was 10.6%. The net interest margin averaged 1.69%, which signified a slight increase of three basis points compared with the previous quarter. However, the banks also expect their own profitability to be adversely impacted as a result of future interest rate cuts.

Market overview
SSA/Public Issuers

Authors: Dr Norman Rudschuck, CIIA // Christian Ilchmann // Lukas-Finn Frese

European Commission: Seven EU Member States to undergo excessive deficit procedure

As announced last week, the European Commission is applying the EU debt rules again for the first time since the start of the COVID-19 pandemic. Seven EU Member States (namely Belgium, France, Italy, Malta, Poland, Hungary and Slovakia) will be subject to more stringent surveillance because their respective budget deficits are too high. To recap, the "Maastricht criteria" stipulate that the public debt of countries must not exceed 60% and any new annual budget deficit 3%, both measured in terms of GDP. How the European Commission will deal with the high deficits of the various governments will become a test case for the Stability and Growth Pact (SGP). The latter came into force in April 2024 and is aimed at significantly reducing the current high level of public debt in the Eurozone of around 90%. At present, France and Italy are a particular cause for concern. Last year, France had a budget deficit of 5.5% and Italy's was as high as 7.4%. The focus is on France especially, following the country's recent rating downgrade. Furthermore, snap elections are about to take place – which could be won by either the right or the left. According to experts, either outcome would push up public debt. The EU's finance ministers are to consult on the report of the European Commission in July and decide whether the excessive deficit procedures involving the seven EU Member States are to start. Paolo Gentiloni, European Commissioner for Economy, emphasised that the excessive deficit procedures did not signal a return to austerity, which would be a "terrible mistake". Nevertheless, he said, the Eurozone needed common debt rules to ensure sound fiscal policy. The European Commission may request that countries for which an excessive deficit procedure is implemented make additional cost-cutting efforts and introduce reforms. The worst-case scenario would be sanctions, such as stopping payments from the Recovery and Resilience Facility (RRF) or the EU's Cohesion Fund (CF) if the countries ignore the recommendations from Brussels.

WIBank issues first ever digital registered bond

Wirtschafts- und Infrastrukturbank Hessen (ticker: WIBANK) is the first development bank to launch a digital registered bond (German abbreviation: dNSV). The reason for this is a test phase for financial transactions based on distributed ledger technology (DLT), which was launched by the ECB in May this year. The aim is to test technological solutions and gain practical insights. In order to achieve this, the German Bundesbank is making an interface available – Trigger Solution – which links DLT-based transactions and the traditional payment system. As part of this, it has become possible for the first time to settle digital securities with central bank money. Using the blockchain-based Trigger Solution of the German Bundesbank, delivery-versus-payment (DVP) is to be explored in interbank business, which in turn is to ensure safe settlement of financial transactions and minimize credit and liquidity risks. Dr Michael Reckhard from WIBank's Management Team explained: "We are proud to be taking part in the exploratory work of the ECB for improving the processing of payments in the capital market. […] (In so doing,) we have taken important steps to succeed in the financial markets of the future. A big thank you goes to all participants who are facilitating this innovative project and proving that development banks are at the forefront of digitalisation."

EBRD: New funds approved to support Ukraine

At the Ukraine Recovery Conference (URC) in Berlin, the European Bank for Reconstruction and Development (ticker: EBRD) announced fresh funds and support for Ukraine. In addition, the bank is mobilising more than EUR 600m for de-risking and risk sharing instruments. These commitments increase the total amount of EBRD financing for Ukraine since the beginning of the war to EUR 4.5bn, making the EBRD the biggest institutional investor in Ukraine. The long-term plan is to continue investing between EUR 1.5bn and EUR 2bn per year in the country. For this purpose, the EBRD shareholders recently agreed to increase the paid-in capital by EUR 4bn. During her visit to Kyiv in the first week of June, EBRD President Odile Renaud-Basso and Ukrainian Prime Minister Denys Shmyhal signed a memorandum of understanding, pledging EUR 300m in new emergency support for Ukraine's energy sector. In summary, some of the other projects include EUR 60m to finance the construction of a Ukrainian biofuel project, a loan in local currency amounting to EUR 20m extended to Bank Lviv for strengthening its lending capacity and boosting access to financing for Ukrainian SMEs, up to USD 435m to support the expansion and improvement of the country's telecommunications infrastructure as well as EUR 143m for regional transport and water infrastructure projects.

World Bank: Canada pledges USD 200m to hybrid capital project

Canada is the latest shareholder in the World Bank Group (ticker: IBRD) to invest in hybrid capital. Hybrid capital is an innovative subordinated debt instrument with leverage effect. It is intended to make it easier to access World Bank funding. The product was created as part of a series of reforms recommended by the G20 Expert Panel that was tasked with an independent review of the capital adequacy frameworks (CAF) of multilateral development banks (MDBs). The leverage of the hybrid capital pledged by Canada totalling USD 200m will enable additional credit capacity of up to USD 1.6bn in the next ten years. Canada's announcement followed a similar announcement in April this year when a first group of eleven countries committed more than USD 11bn to hybrid capital, as well as a new portfolio guarantee platform. With Canada's contribution, this may facilitate additional leeway in terms of lending of more than USD 70bn in future. Ajay Banga, President of the World Bank Group, said: "Canada's generosity will help finance critical development priorities such as the energy transition, stronger health systems, protecting biodiversity and much more."

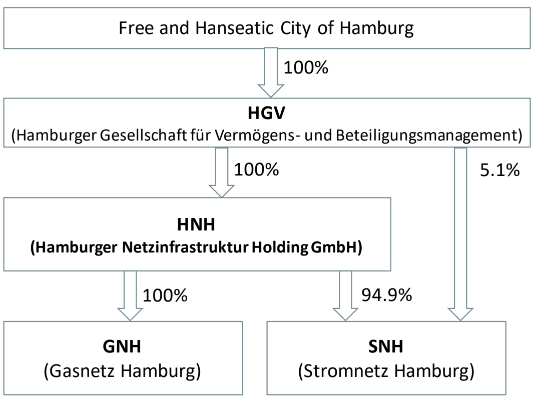
ESM: Board of Governors approves annual report for 2023

Last week, the Board of Governors of the European Stability Mechanism (ticker: ESM) held its twelfth Annual Meeting in Luxembourg. The Board of Governors adopted the annual report for 2023, including the ESM annual accounts, and discussed the main developments and key activities of the ESM in the previous year. In 2023, the ESM recorded net profit of around EUR 321m (2022: EUR -60m). This marked increase was mainly attributable to the positive return on investment relating to paid-in capital of the ESM as a result of higher interest rates. The Board of Governors also discussed the final report on the ESM's maximum lending volume, adequacy of the authorised capital and financial assistance instruments. Paschal Donohoe, Chairperson of the ESM Board of Governors, commented: "The ESM has proven over the years its value and importance as the euro area's crisis prevention and solution mechanism."

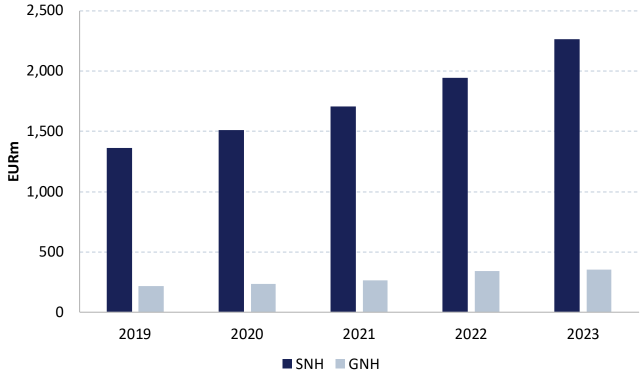
HNH – Energy supplier for Hamburg

Established in 2014, Hamburger Netzinfrastruktur Holding GmbH (HNH) – the former Hamburg Energienetze GmbH (HEG) until 02 May 2024 – is a wholly-owned subsidiary of Hamburger Gesellschaft für Vermögens- und Beteiligungsmanagement mbH (HGV), which in turn is wholly owned by the Free and Hanseatic City of Hamburg. HNH acts purely as a financial holding company for the electricity and gas networks in Hamburg and does not exercise its own operational management. The bundling of both network companies in the HNH simplifies the implementation of joint projects, including integrated network planning (iNeP) as a key driver of the transformation of the energy system from electricity and gas to realize the energy transition in Hamburg. HNH is therefore part of HGV's supply and disposal investments in the areas of electricity and gas. To fulfil its remit, the company holds 94.9% of the shares in Stromnetz Hamburg GmbH (SNH) and 100% of the shares in Gasnetz Hamburg GmbH (GNH). Profit transfer agreements are in place between the companies. SNH operates the city’s distribution network (total length: approx. 30,000km) and has basic responsibility as meter operator (1.2m meters) for the Hanseatic City. Its responsibilities encompass energy supply to households, business enterprises and industry. Around EUR 5bn will be invested in the coming ten years to modify and expand power grids so as to ensure that they meet future requirements, with growth in heat pumps, charging points and electrolysers for hydrogen production. In the past ten years, SNH invested approximately EUR 2bn in the refurbishment of substations, transformers, cables at all voltage levels and power stations. GNH is the operator of the city’s gas network and Hamburg’s future hydrogen industry network, HH-WIN. Key tasks comprise constructing, operating, maintaining and expanding energy distribution systems as well as providing meter operation services. From summer 2024 onwards, GNH will construct a hydrogen network in the city’s port area. Notification of IPCEI state aid has been received for 40km (planned: 60km) of this infrastructure, with commissioning planned for 2027. A current GNH and SNH project is integrated network planning. Launched in 2020, the focus is on reducing CO_2 emissions of future energy supply at a low cost. This is to be achieved with sector coupling, for example by using industrial waste heat as energy for heating homes. At the start of September 2024, GNH and SNH will be merged with retroactive effect from 01 January 2024. Although no separate rating is available for HNH, we regularly analyse Hamburg (AAA/ - / -), the guarantor of HNH, as part of our Issuer Guide – German Laender 2023. HEG then closed FY 2022 with a result of EUR 59.4m (2021: EUR 46.9m), which was transferred to HGV.

Organisational structure



Balance sheet growth of the subsidiaries



Source: Issuer, NORD/LB Floor Research

Long-term funding plan incl. 2024 (EURbn)

	2023	2024	2025	∑
EFSF	20.0	20.0	21.5	**61.5**
ESM	8.0	6.0	7.0	**21.0**
∑	**28.0**	**26.0**	**28.5**	**82.5**

Time window for...

… syndicated EU bond issuances		**… syndicated EU bond issuances**	
CW 28	08-12 July	**CW 47**	18-22 November
CW 37	09-13 September	**CW 50**	(09-13 December)*
CW 41	07-11 October		* optional window

… EU auctions

15 July	26 August	23 September	21 October
04 November	25 November		

Source: EU, ESM, EFSF, NORD/LB Floor Research

Primary market

The announcement of the EU's funding target for the second half of 2024 was anticipated with bated breath. The data was made available on Monday at 18:00 (CET), with the relevant press conference taking place today, Wednesday. In the second half of this year, the "mega issuer" plans to raise EUR 65bn. In H2/2023, the corresponding figure was "only" EUR 40bn. This refers to the full amount across all programmes, i.e. in addition to NextGenerationEU (NGEU), the Ukraine facility, macro financial assistance (MFA) and the specific programmes for the Western Balkans region. For the second half of the year, we expected at least a further EUR ±55bn and are not particularly surprised by the higher figure. This means that the total target envisaged for 2024 amounts to EUR 140bn. EU bills always supplement these figures and are therefore not included. Taking a look at new benchmark bond issues, only two issuers from Germany were present with activities in the SSA primary market during the trading week under review. We already mentioned the mandate relating to Baden-Württemberg (ticker: BADWUR) in the last edition of our weekly publication. The fourth EUR benchmark bond issue from the federal state in 2024, with a total amount issued of EUR 1bn in the seven-year maturity range, started the marketing phase with a guidance of ms +12bp area. The order book eventually totalled EUR 1.35bn, and the final pricing was consequently in line with the guidance. Yesterday, Tuesday, the German development bank Kreditanstalt für Wiederaufbau (ticker: KFW) raised fresh funds totalling EUR 4bn with a maturity of over three years. A guidance in the ms -3bp area was initially communicated at the start of the bookbuilding process. In view of the well filled order book of EUR 12.9bn, the final pricing then was two basis points tighter at ms -5bp. This transaction was the sixth new benchmark bond issue in the current year from Germany's biggest development bank. As part of its most recent and simultaneously last bond auction in H1/2024, the EU was also present with activities, increasing not one but two bond issues, EU 2.75% 05/10/2026 and EU 3% 04/12/2034, by EUR 2.266bn and EUR 2.343bn respectively.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
KFW	DE	25.06.	DE000A383B10	3.3y	4.00bn	ms -5bp	AAAu / Aaa / AAA	-
BADWUR	DE	19.06.	DE000A14JZ46	7.0y	1.00bn	ms +12bp	- / Aaa / AA+	-

Source: Bloomberg, NORD/LB Floor Research (Rating: Fitch / Moody's / S&P)

Covered Bonds
The covered bond universe of Moody’s: An overview

Author: Alexander Grenner

Moody’s publishes new Covered Bond Sector Update

As part of its series of regular Covered Bond Sector Updates, the rating agency Moody’s has carried out an update of the data it provides with this publication. The “Q2/2024” issue again concentrates on all the covered bonds assessed by Moody’s with the relevant information for Q1 2024. With its ratings and detailed figures on a total of 238 covered bond programmes from 31 countries, the agency covers a significant proportion of the worldwide covered bond universe. Based on numbers, most of the programmes come from Germany (40), followed by Austria (25) and Spain (22). Nine countries with nine or more programmes respectively account for a total of just under 69% (165 programmes) of the total number. The remaining 31% (73 programmes) are split between 21 jurisdictions with eight or fewer programmes. Mortgage-backed programmes, of which there are 198 (85.7%), account for the bulk of the programmes rated by Moody’s. The agency also rates 38 public programmes (14.3%) from nine countries, although these are mainly concentrated in the jurisdictions of Germany (12 programmes), Austria (9), Spain (6) and France (4). Moody’s also covers one ship Pfandbrief programme from Germany and one programme in the "other" category. In today’s article of our weekly publication, we present various key figures as usual.

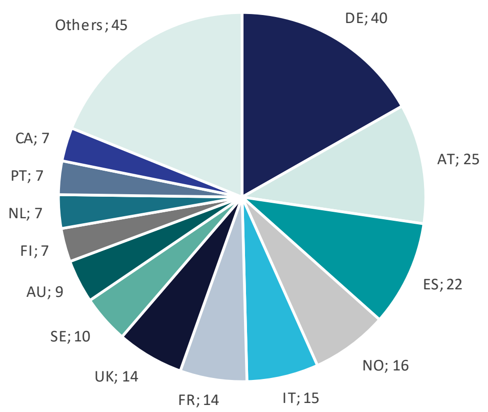
Focus on mortgage programmes from EUR benchmark jurisdictions

As regards Moody’s rating universe, its focus is clearly on mortgage programmes; whose are almost entirely domiciled in EUR benchmark jurisdictions. At present, we cannot see any outstanding covered bonds in EUR benchmark format in either Greece (3 programmes), Hungary (2), Romania (1), Turkey (1) or Cyprus (1). In the following, we will concentrate on those mortgage-backed programmes which have been set up from EUR benchmark jurisdictions. It is worth bearing in mind that the programmes under consideration do not necessarily have to have issued EUR benchmarks.

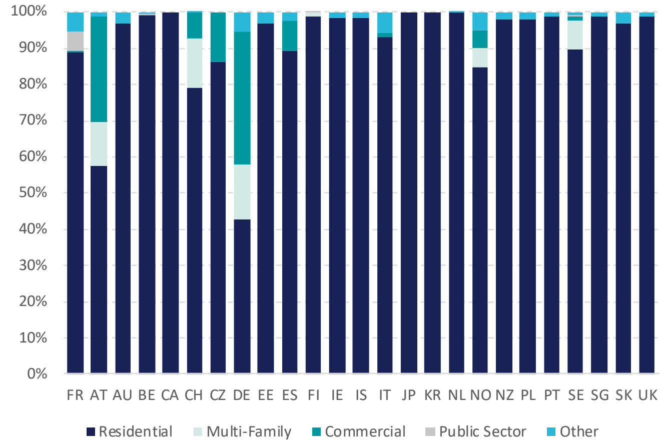
Majority of the mortgage programmes are residential

Regarding the classification of the individual programmes' cover assets carried out by Moody’s, on average 83.7% of the issues are covered by residential assets. Germany (36.8%), Austria (29.1%), Czechia (13.8%) and Spain (8.3%) have a relatively high proportion of commercial assets. At the same time, there is a fairly substantial proportion of multi-family assets in Germany (14.9%), Switzerland (13.6%), Austria (11.9%) and Sweden (7.9%). With the exception of the aforementioned countries along with France (89.0%) and Norway (84.6%), the programmes in all the remaining jurisdictions have at least 93% of residential assets in their cover pools. Neither of two programmes from Luxembourg include any mortgage assets.

Number of programmes with a Moody's rating



Cover pool structure (mortgage programmes)



Source: Moody's, NORD/LB Floor Research

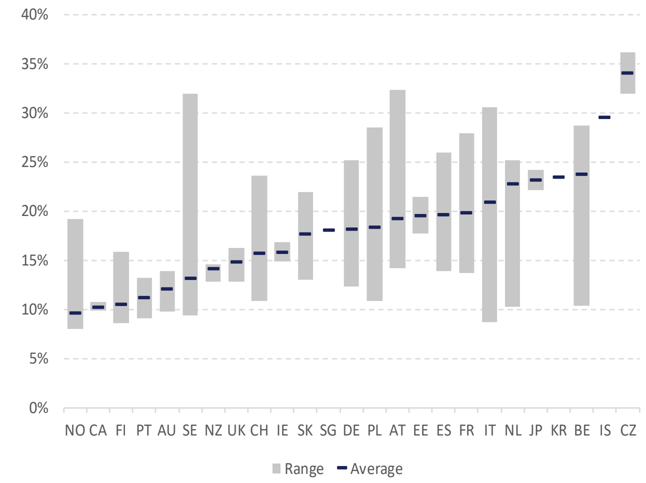
Collateral score as indicator of cover pool quality

We use the Moody's collateral score as one of the most important metrics in our analysis of cover pool quality. A lower figure in this respect implies a higher quality of cover assets. More specifically, the score is a measure of the credit deterioration of the assets in the cover pool in conjunction with the theoretically highest possible rating in the relevant country. Fundamentally, we regard it as adequate to compare collateral scores even across programmes and jurisdictions whereby a number of specific features have to be taken into account. Moody's mostly sees a collateral score floor of 4-5% for the mortgage programmes. The exceptions are "smaller" covered bond jurisdictions such as Cyprus (27.0%) or Iceland (16.6%), which have higher floors. In Japan, collateral scores as low as 0.0% are applied in view of the RMBS structure of the respective programmes. In all, six jurisdictions (Australia, Canada, New Zealand, Singapore, Finland and Portugal) have scores of 4.0% exclusively. Issuers from Greece (14.8%), Iceland (16.6%) and Cyprus (27%) have on average the highest collateral scores. Germany and Sweden show wide ranges at the same time (22.1 and 11.8 percentage points). As we mentioned earlier, issuers from Germany and Austria have a comparatively high proportion of commercial assets in their cover pools, and therefore, at the moment, it would appear that a high proportion of commercial cover assets goes hand in hand with a higher collateral score.

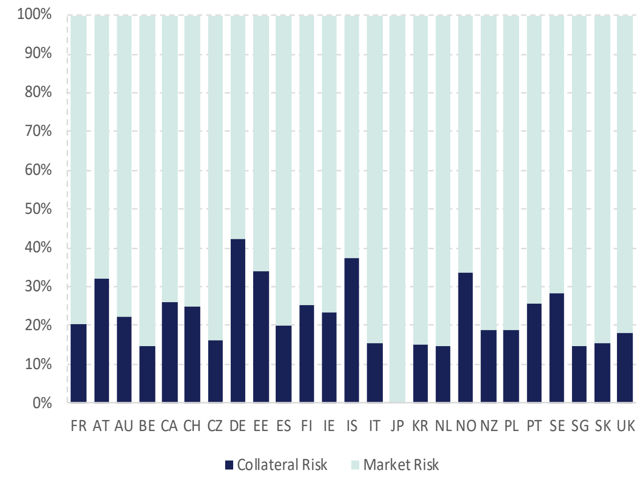
Cover pool losses as indicator of expected losses in the cover pool

Moody's cover pool losses (CPL) score shows the potential losses which can be expected in the cover pool after a covered bond anchor event (default of the issuer). In this case, the risk consists of both a market risk component (losses in the cover pool as a result of funding, interest rate and/or currency risks) and a collateral risk component (losses in the cover pool caused by a reduction in the credit quality of the cover assets). Here as well, as in the case of the collateral score, there is a great disparity by global comparison, which is evident not only in relation to average cover pool losses, but once again also in relation to national ranges. CPLs are especially low in Norway (9.7%), Canada (10.3%) and Finland (10.6%); in contrast, they are quite high in Iceland (29.7%) and Czechia (34.1%).

Cover pool losses by country (mortgage programmes)



CP losses: market and collateral risk by country (mortgage programmes)

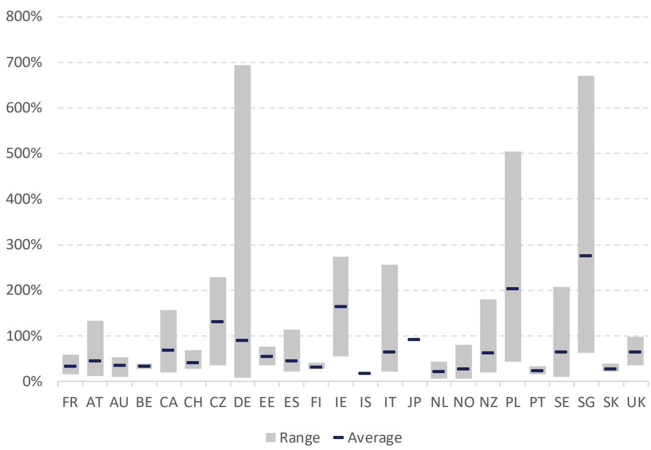


Source: Moody's, NORD/LB Floor Research

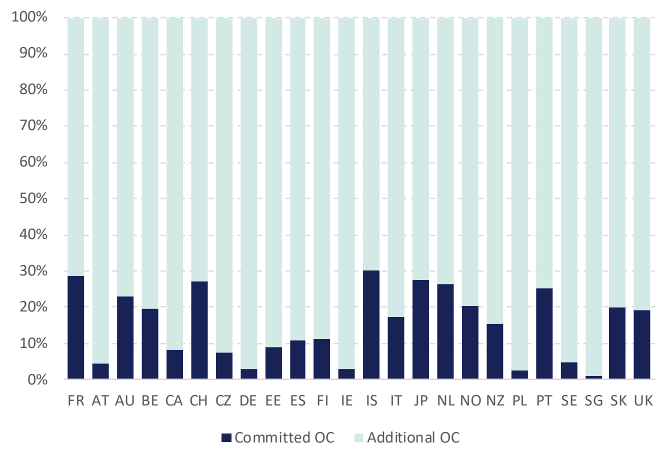
Refinancing, interest rate and currency risk most widespread

As we can see clearly from the upper-right chart, the contribution from both components (collateral risk and market risk) varies considerably from one country to another. The two covered bond programmes from Japan have no collateral risks whatsoever since, as mentioned earlier, they have exclusively RMBS transactions as cover assets. In summary, it is fair to say that cover pool losses are mostly influenced by market risk, i.e. losses, which, in the event of an issuer default, could be ascribed to refinancing, interest rate and currency risks, and be less attributable to the quality of the cover assets.

OC by country (mortgage programmes)



Composition of OC (mortgage programmes)



Source: Moody's, NORD/LB Floor Research

Wide range of overcollateralisation levels

With regard to the overcollateralisation levels of the programmes that Moody's rates, there are significant differences in an international comparison. High average OC ratios (>100%) were evident in the comparatively small covered bond jurisdictions of Singapore, Poland, Ireland and Czechia. At the same time, a wide range of levels was recorded for Singapore and Poland, as well as Germany. Narrower ranges are often due to a smaller number of issuers in the relevant jurisdiction.

Committed OC as lower limit for overcollateralisation

Overcollateralisation (OC) can also be divided into sub-components. OC may have been committed vis-à-vis third parties, in order to maintain a specific rating, or it may be based on legal requirements. This Committed OC may therefore be understood as a kind of lower limit for overcollateralisation, where the programme cannot readily fall below this limit, or where falling below this limit is not permitted at all. In contrast, actual overcollateralisation is only temporary in certain circumstances and may be subject to a certain level of volatility as a result of new bond issues or maturities. Overall, it can be stated that the higher share of overcollateralisation continues to be provided by issuers on a voluntary basis, although this could certainly be due to low levels of committed OC. Furthermore, a high share of committed OC by no means also results in high overcollateralisation.

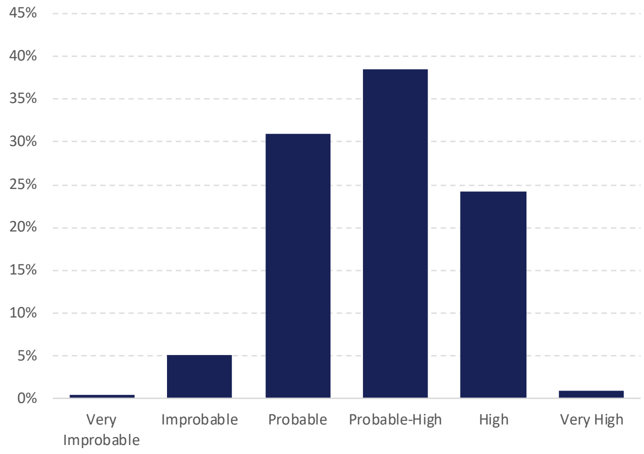
TPI restricts rating upgrades of covered bonds in relation to issuer rating

TPI rules restrict the potential covered bond rating to a specific number of notches above the issuer rating. The Timely Payment Indicator (TPI) is a key figure Moody's makes available. This provides information about the probability of timely servicing of payment obligations following issuer default. It is differentiated in six levels, ranging from very high to very improbable. At 70.0%, the bulk of the mortgage programmes rated by Moody's are in the "probable" or "probable-high" categories. In contrast, the outer limits are less represented, with shares of 0.4% (very improbable) for the programme in Iceland and 0.9% (very high) for one programme each in Italy and Portugal. In a total of six EUR benchmark jurisdictions, there are programmes that all have one and the same timely payment indicator (chart: TPI by country). In Germany (38 of 40 programmes) and Norway (9 of 16 programmes), the majority of the programmes rated are allocated to the category "high".

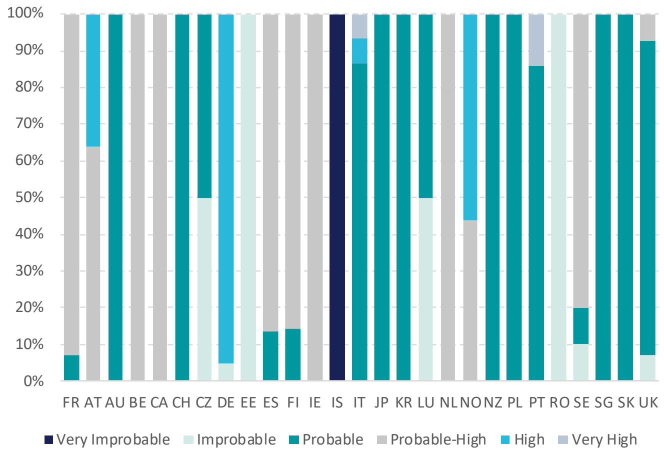
TPI Leeway defines the buffer in relation to downgrades

Apart from the TPI, there is also the TPI Leeway, which indicates the number of notches by which the relevant covered bond anchor could be downgraded without it leading to a deterioration in the rating in the context of the TPI framework for the issuer's covered bond programme. According to Moody's, a total of five (2.3%) of the rated covered bond programmes have no such leeway, which, in the event of a downgrade of the covered bond anchor, would lead to a direct downgrade of the programme. The most frequent is a TPI Leeway of four notches (55 programmes; 25.8%). Seven programmes have the maximum of seven notches (3.3%); these are all without exception in Germany. A total of 15 covered bond programmes have a TPI Leeway of six notches, of which 11 come from Germany, two from Sweden and one each from Canada and Norway.

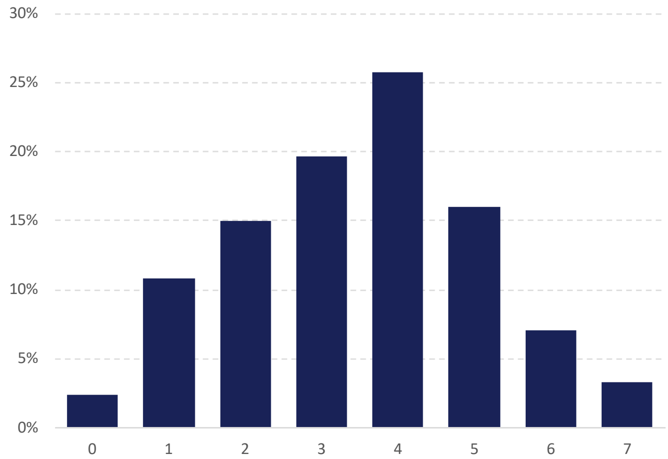
Timely Payment Indicator (TPI) (mortgage programmes)



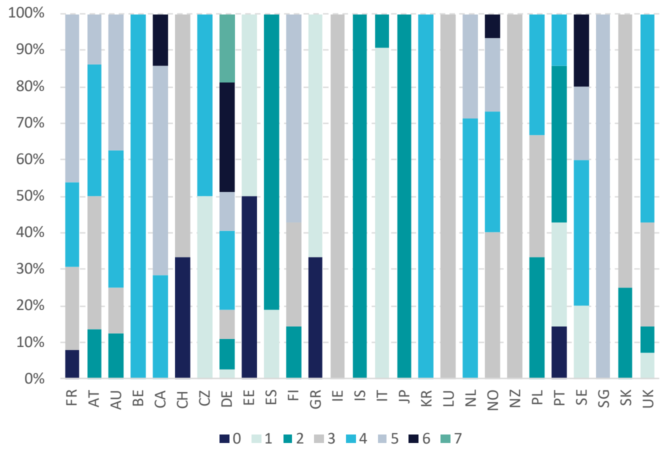
TPIs by country (mortgage programmes)



TPI Leeways in notches (mortgage programmes)



TPI Leeways in notches by country (mortgage programmes)



Source: Moody's, NORD/LB Floor Research

Conclusion

Moody's current Covered Bond Sector Update as well as the data on which it is based once again reflect the heterogeneity that exists in the covered bond market at jurisdiction level. For several years now, Moody's aggregated parameters have delivered important insights into the relevant countries, particularly regarding the occurrence of a credit event on the issuer side. However, differentiation within each jurisdiction is also necessary, as the case of Germany highlights. At the same time, other factors that play a part in determining covered bond ratings, but which are not included in this dataset are also highly relevant when assessing what potentially influences spreads. Italy would be one such example, where a sovereign downgrade would also have implications for the rating of a number of issuers and for Italian covered bond programmes. With regard to deriving the risk weight and the LCR level, and depending on the availability of ratings from other rating agencies, this may in turn result in a reassessment that then causes a change in the rating.

SSA/Public Issuers
Teaser: Issuer Guide – Austrian Agencies 2024

Authors: Dr Norman Rudschuck, CIIA // Christian Ilchmann // Lukas-Finn Frese

Three institutions dominate the Austrian agency market
After having provided an overview of the Nordic Agencies segment in our weekly publication from a fortnight ago, today our attention turns to our southern neighbours in this teaser article: the Austrian agency market is relatively small in a European comparison. Three issuers included in our coverage have outstanding benchmark bonds: Österreichische Kontrollbank (OeKB), ÖBB-Infrastruktur and Autobahn- und Schnellstraßen-Finanzierungs-AG (ASFiNAG). In total, these three Austrian issuers have a total of 89 outstanding bonds with maturities amounting to the equivalent of EUR 40.1bn. The dominance of agencies involved in the management of transport infrastructure is unusual for the European agency market: while ÖBB-Infrastruktur manages the Austrian rail network, ASFiNAG is responsible for managing Austria's motorway and highway network. There is a constant funding requirement due to the need for continuous maintenance and investment, which both agencies to a large extent cover through the capital market. However, ÖBB-Infrastruktur has been pursuing a new financing concept primarily based on loans from the Austrian Treasury (OeBFA) since 2017. All previous bonds and their guarantees from the Republic of Austria remain unaffected by this. No new issuances are therefore to be expected in future – with the exception of SSD deals. OeKB, whose activities are dominated by the administration of export guarantees provided by the state and the provision of export financing, is the largest Austrian agency in terms of outstanding volume. OeKB's ownership structure is also unorthodox for a European agency: the company is owned solely by Austrian banks, which is among the reasons why it operates on a non-competitive basis in its main area of business. OeKB also has a constant funding requirement, with foreign currencies used to cover the vast majority of this on account of its role as an export financier.

Austrian agencies – an overview

Institution	Type	Owner(s)	Guarantee	Risk weight
Österreichische Kontrollbank (OeKB)	Export financier	100% Austrian banks	Explicit guarantee for bonds covered by the rules of the Export Financing Guarantees Act (AFFG)	0%
ÖBB-Infrastruktur	Rail network operator	100% ÖBB-Holding	Explicit guarantee for the EMTN programme and maintenance obligation	0%
Autobahnen- und Schnellstraßen-Finanzierungs-AG (ASFiNAG)	Motorway operator	100% Austria	Explicit guarantee for the EMTN programme and maintenance obligation	0%

Source: Issuers, NORD/LB Floor Research

Explicit guarantees for bonds issued by OeKB, ÖBB-Infrastruktur and ASFiNAG

As a general rule, the bond programmes operated by Austrian agencies are guaranteed by the state. The EMTN programmes of ÖBB-Infrastruktur and ASFiNAG are covered by explicit guarantees on the part of the Austrian government. Bonds issued by OeKB, which is the largest Austrian agency as measured by total assets as well, are explicitly guaranteed by the Austrian state, provided that they were or are issued under the Export Financing Guarantees Act (AFFG).

Maintenance obligations for ÖBB-Infrastruktur and ASFiNAG

Aside from explicit guarantees, ÖBB-Infrastruktur and ASFiNAG each enjoy a maintenance obligation. The Austrian Federal Railway Act and the ASFiNAG Act stipulate that the state must make the necessary funds available to cover the expenditure of both agencies. The resulting maintenance obligation then obliges the state to ensure that its agencies can meet their payment obligations.

0% risk weight under CRR/Basel III

The explicit guarantees on the part of the Austrian state for the bond issuance programmes of Austrian agencies mean that the bonds placed by these respective issuers qualify for a risk weighting of 0% according to Basel III, if they are issued under the AFFG.

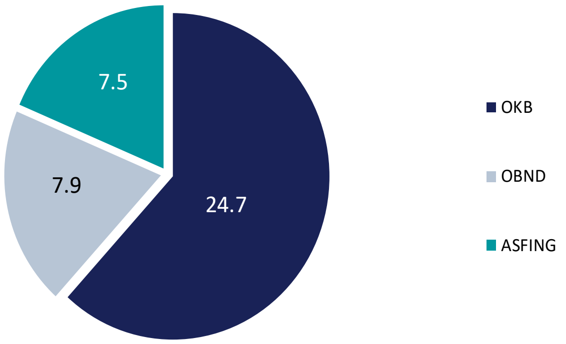
Name	Ticker	Rating (Fitch/Moody's/S&P)	Outstanding Volume	Of which in EUR volume	Funding target 2024	Maturities 2024	Net Supply 2024	Number of ESG bonds	ESG volume
OeKB	OKB	-/Aa1/AA+	24.7	3.0	6.0	4.2	1.8	5	1.8
ÖBB-Infra	OBND	-/Aa1/AA+	7.9	7.9	0.0	1.0	-1.0	0	0.0
ASFiNAG	ASFING	-/Aa1/AA+	7.5	7.5	0.9	0.8	0.1	0	0.0
Total			**40.1**	**18.4**	**6.9**	**6.0**	**0.9**	**5**	**1.8**

NB: Foreign currencies are converted into EUR at rates as at 25 June 2024.
On account of the issuer's individual funding mix, the values for "funding target" and "net supply" in particular may deviate from reality.
Source: Bloomberg, issuers, NORD/LB Floor Research

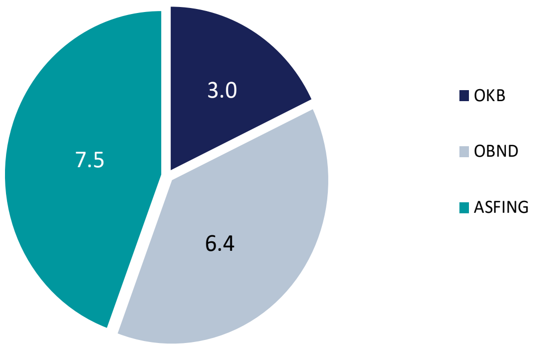
Outstanding volume of Austrian agencies marginally down again

After temporarily rising due to the pandemic, outstanding volumes have fallen further to continue the trend that was already discernible in the years before the onset of COVID-19. While the outstanding volume of OeKB has risen, further bonds from ÖBB-Infrastruktur have fallen due in the same period, thereby reducing its outstanding volume still further. Fresh supply – above all in EUR – has in the meantime become limited, with new bonds having generally been more likely to be brought to market by OeKB and, and somewhat less frequently, by the infrastructure operator ASFiNAG. However, OeKB is regularly active in USD. As a rule, sufficient liquidity should be available for investors here. Since 2017, ÖBB-Infrastruktur issuance activities have been conducted exclusively in conjunction with the Austrian Treasury (OeBFA). As such, it is not independently active on the primary market. The picture for ÖBB-Personenverkehr AG, which is part of the ÖBB Group, looks slightly different: since 2017 it has been placing SSD deals under the same ticker (OBND). Of course, these deals do not feature an ISIN. With regard to funding targets for 2024, OeKB expects a requirement of EUR 6.0bn, while ASFiNAG has announced its intention to raise fresh funds via the capital market of just under EUR 900m in the current year.

Outstanding bond volumes (EURbn)

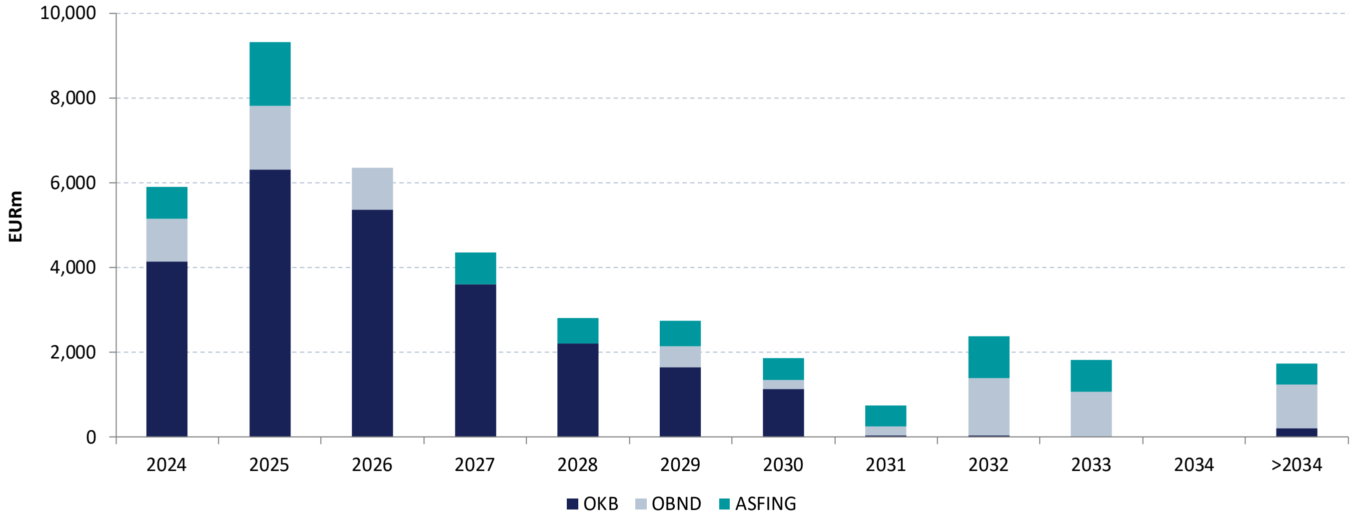


Outstanding EUR benchmarks (EURbn)

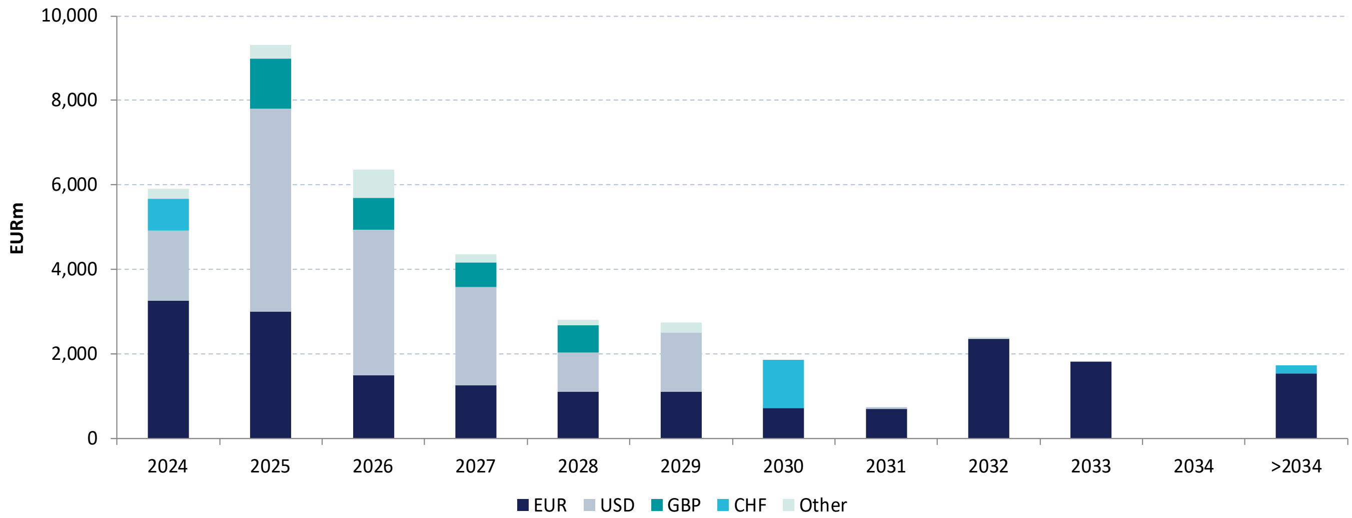


NB: Benchmarks are defined as bonds with a minimum volume of EUR 0.5bn.
Source: Bloomberg, NORD/LB Floor Research

Austrian agencies: Outstanding bonds by issuer



Austrian agencies: Outstanding bonds by currency



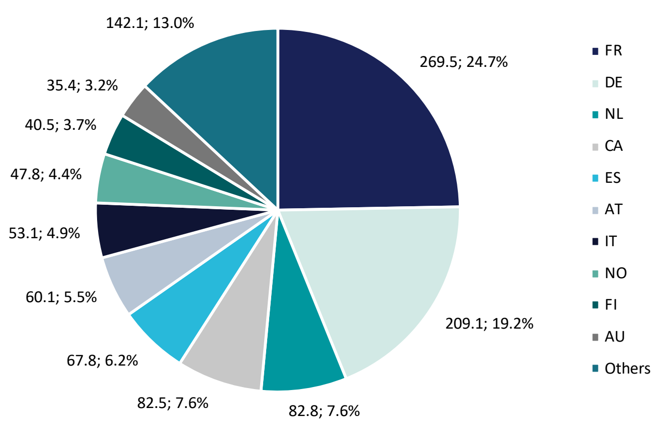
NB: Foreign currencies are converted into EUR at rates as at 25 June 2024.
Source: Bloomberg, NORD/LB Floor Research

Conclusion and comment

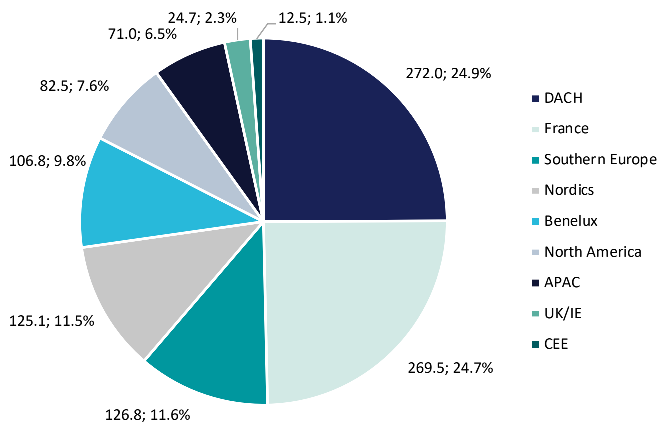
Measured in terms of outstanding bond volumes, the Austrian agency market is relatively small in relation to other European markets. Nevertheless, there is a modest supply of EUR benchmarks. However, primary market activities have declined over recent years, which can be chiefly attributed to the fall in OeKB's funding requirements caused by the economic situation. Moreover, ÖBB will no longer make independent capital market appearances, with an agreement now in place for refinancing activities to be conducted directly via the Republic of Austria instead. Therefore, ÖBB-Infrastruktur AG will have at its disposal funding via the Austrian Treasury as well as project funding via the European Investment Bank (EIB). Following a period of absence in 2017 and 2018, ASFiNAG has been active on the primary market again since 2019 and has specified a funding requirement of just under EUR 900m for 2024.

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



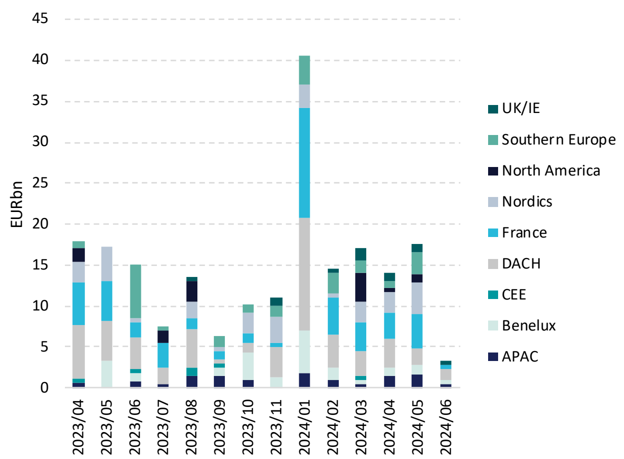
EUR benchmark volume by region (in EURbn)



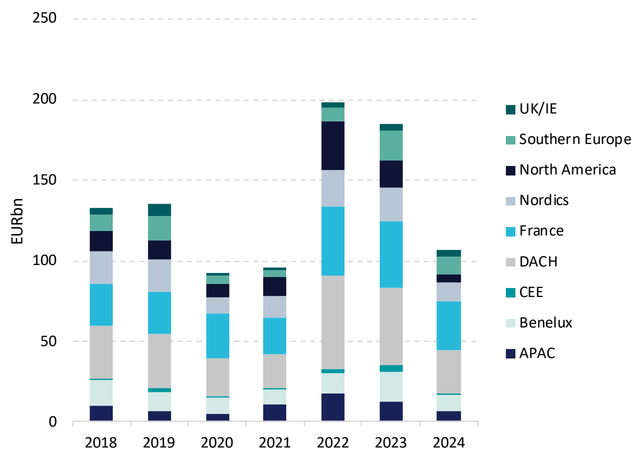
Top-10 jurisdictions

Rank	Country	Amount outst. (EURbn)	No. of BMKs	There of ESG BMKs	Avg. issue size (EURbn)	Avg. initial maturity (in years)	Avg. mod. Duration (in years)	Avg. coupon (in %)
1	FR	269.5	260	26	0.97	9.3	4.8	1.45
2	DE	209.1	296	41	0.65	7.8	4.0	1.42
3	NL	82.8	84	3	0.92	10.5	6.1	1.35
4	CA	82.5	61	1	1.33	5.5	2.7	1.34
5	ES	67.8	53	5	1.16	11.2	3.4	2.16
6	AT	60.1	101	5	0.59	8.1	4.3	1.54
7	IT	53.1	67	4	0.76	8.5	3.7	1.86
8	NO	47.8	58	12	0.82	7.3	3.6	1.03
9	FI	40.5	46	4	0.87	6.9	3.6	1.72
10	AU	35.4	33	0	1.07	7.2	3.4	1.82

EUR benchmark issue volume by month

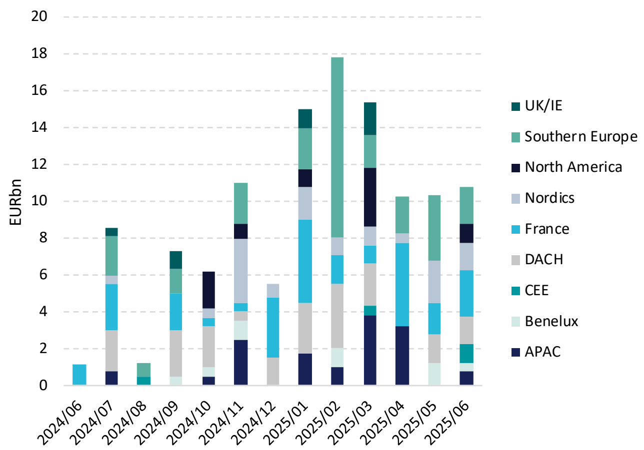


EUR benchmark issue volume by year

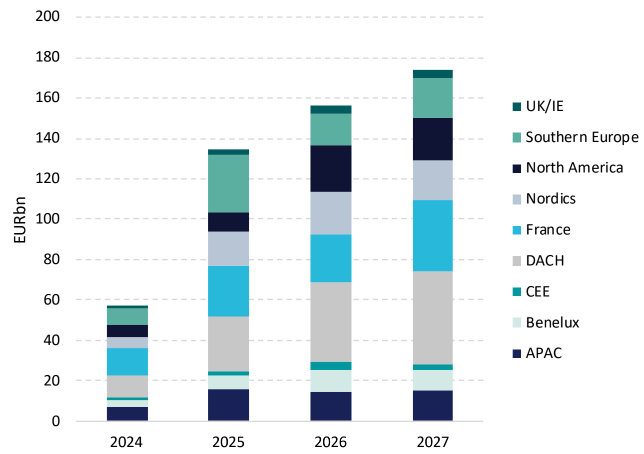


Source: market data, Bloomberg, NORD/LB Floor Research

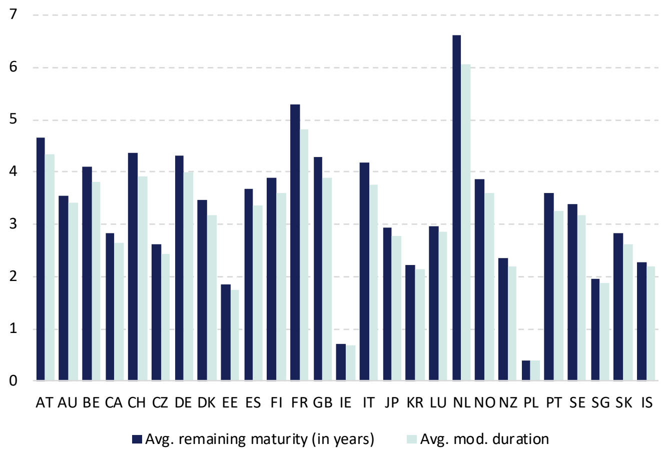
EUR benchmark maturities by month



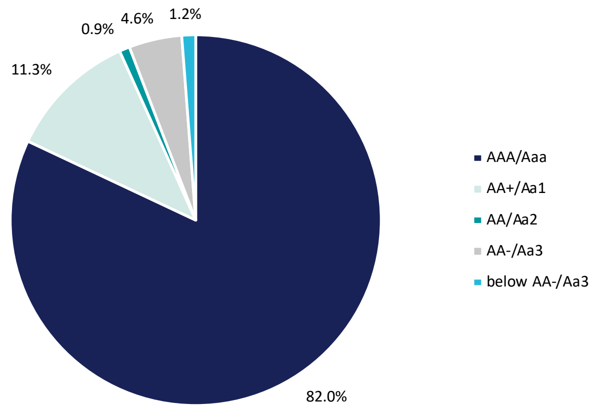
EUR benchmark maturities by year



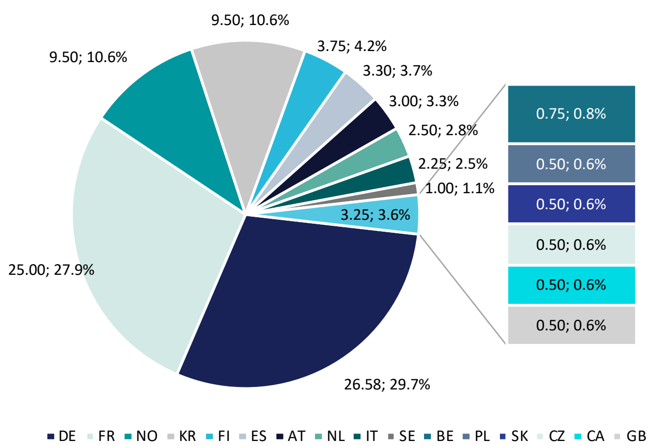
Modified duration and time to maturity by country



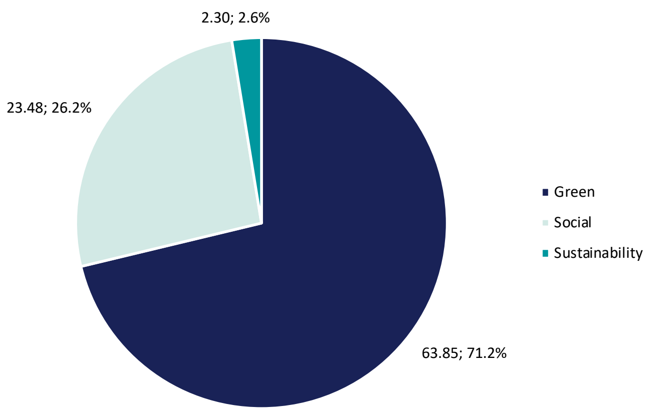
Rating distribution (volume weighted)



EUR benchmark volume (ESG) by country (in EURbn)

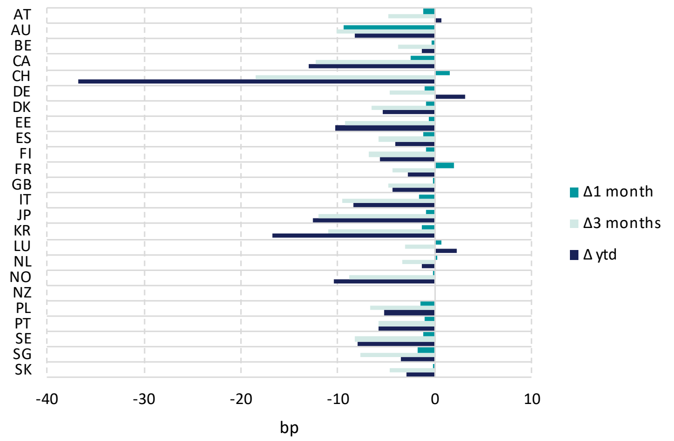


EUR benchmark volume (ESG) by type (in EURbn)

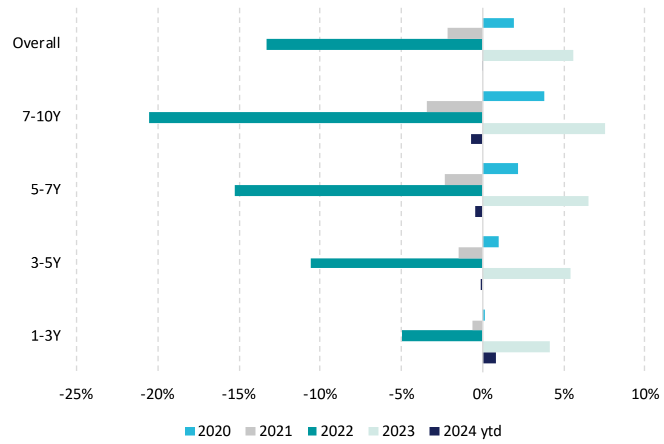


Source: market data, Bloomberg, NORD/LB Floor Research

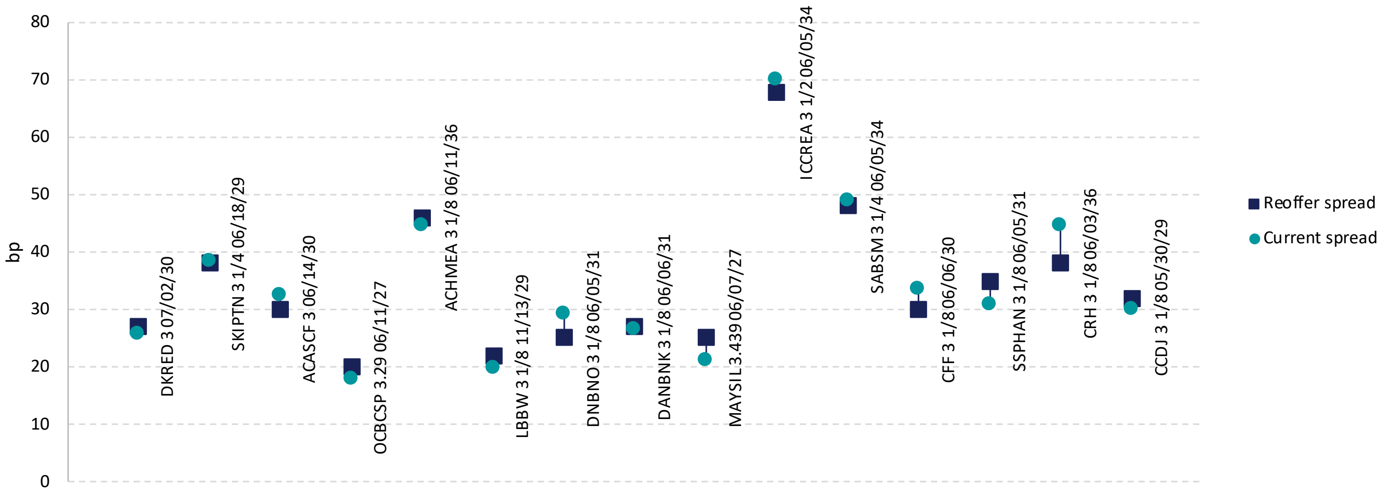
Spread development by country



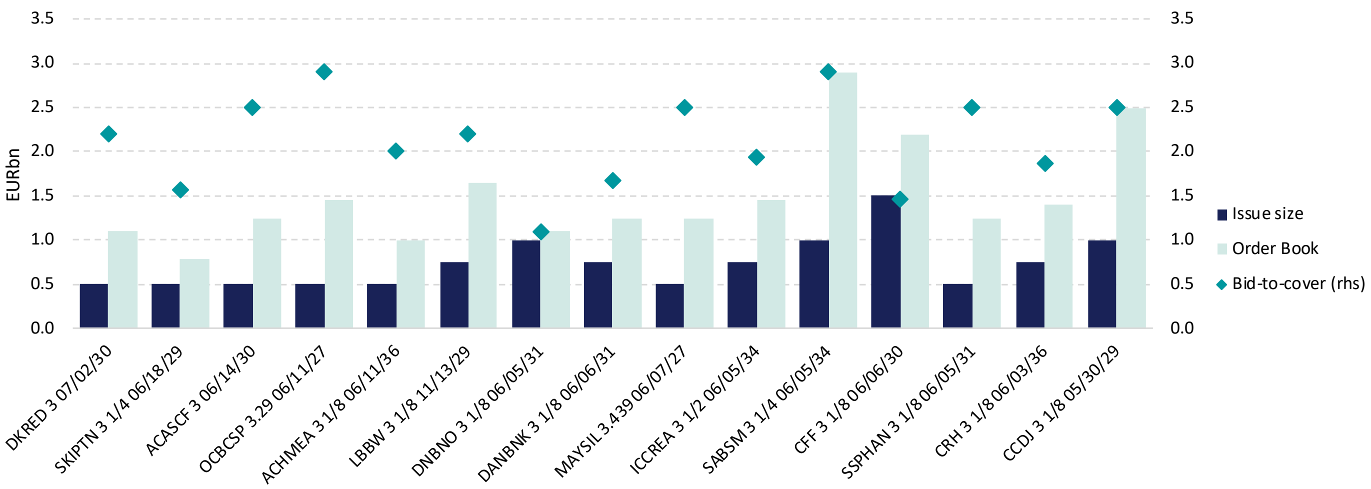
Covered bond performance (Total return)



Spread development (last 15 issues)



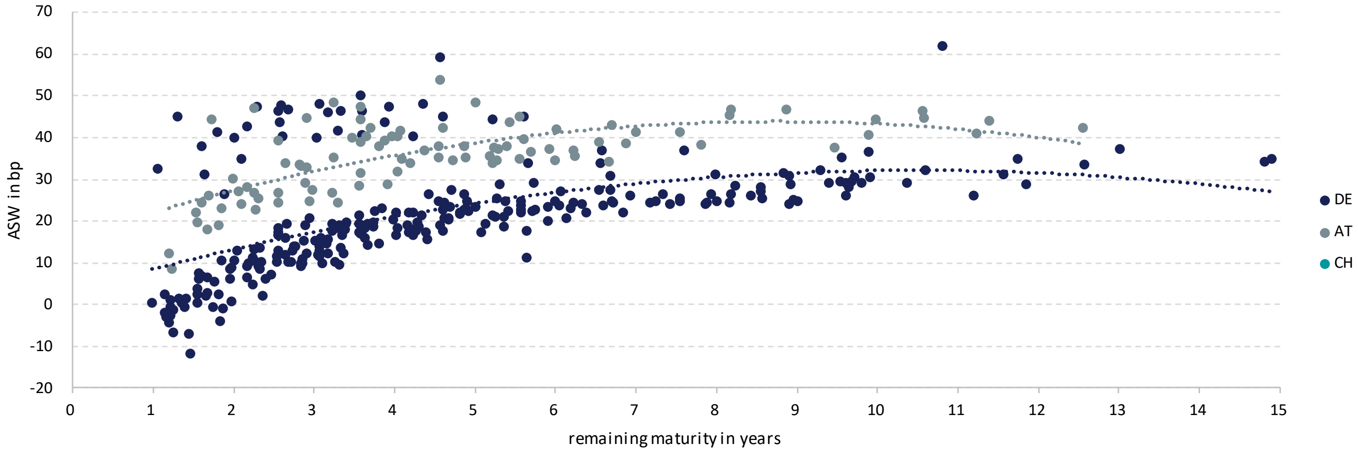
Order books (last 15 issues)



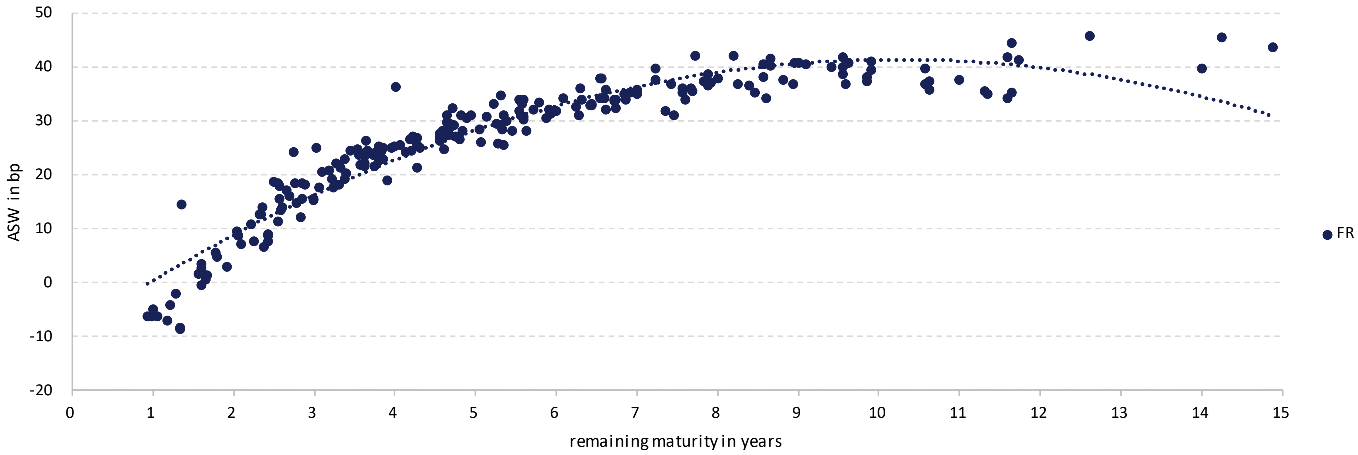
Source: market data, Bloomberg, NORD/LB Floor Research

Spread overview[1]

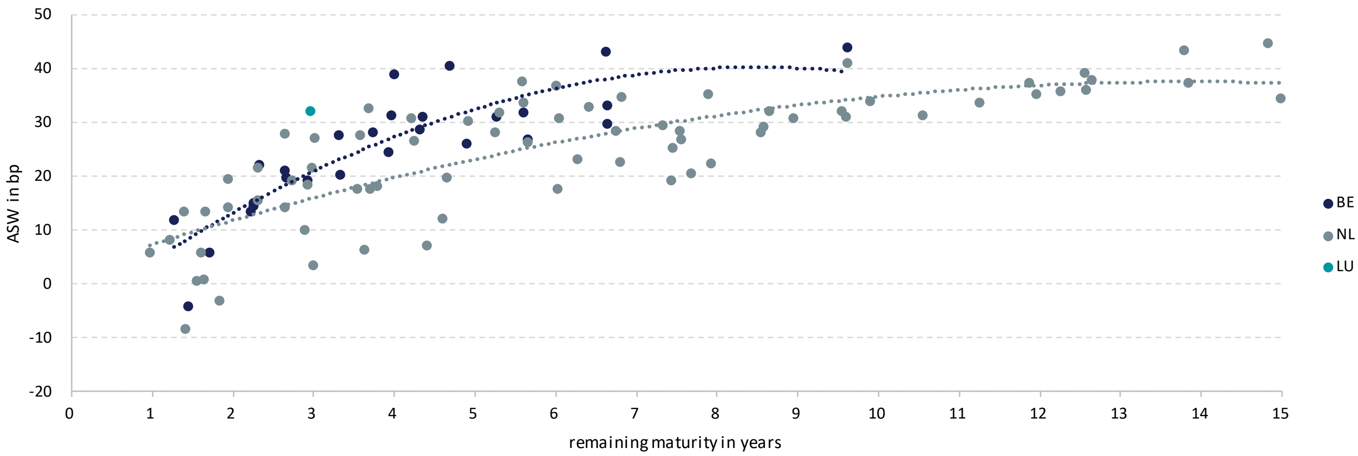
DACH



France

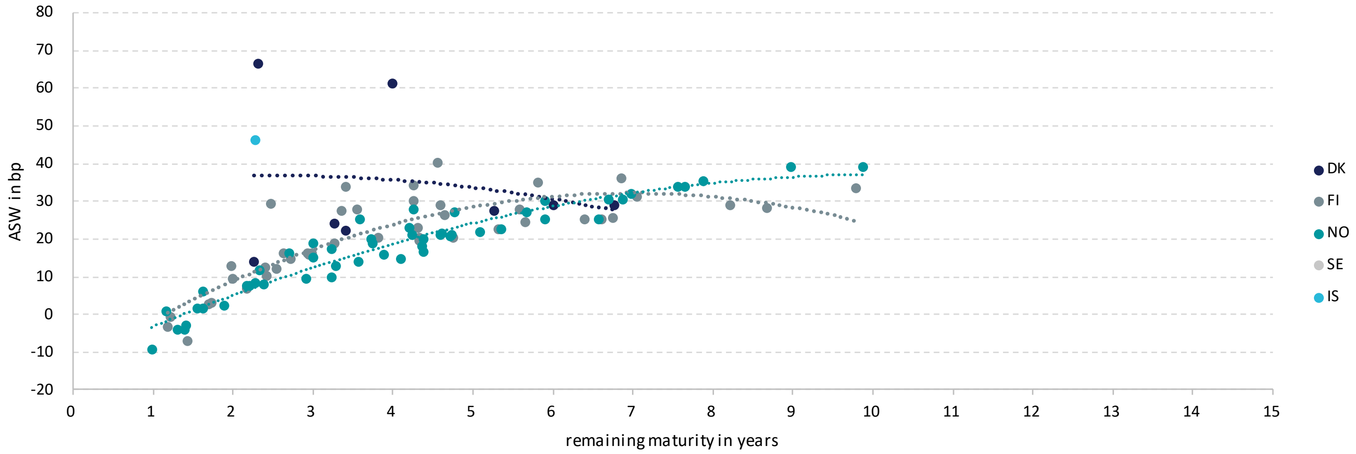


Benelux

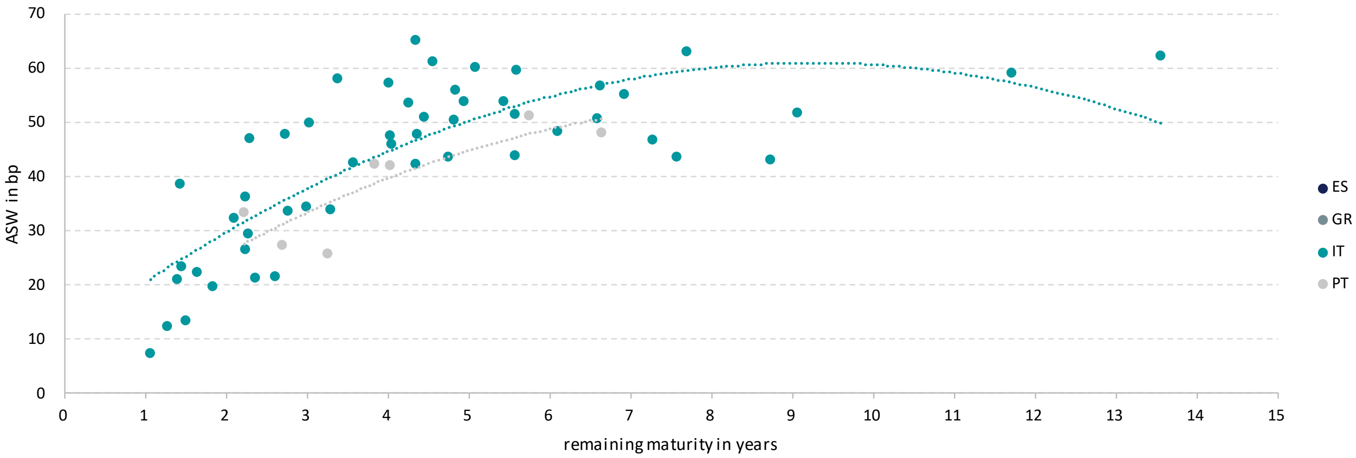


Source: market data, Bloomberg, NORD/LB Floor Research [1]Time to maturity 1 ≤ y ≤ 15

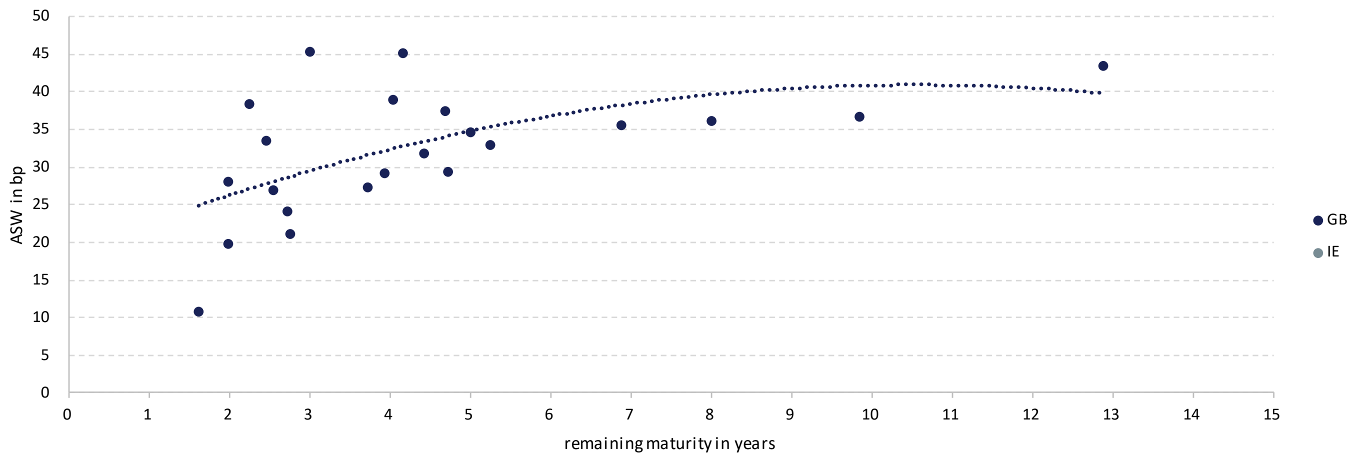
Nordics



Southern Europe

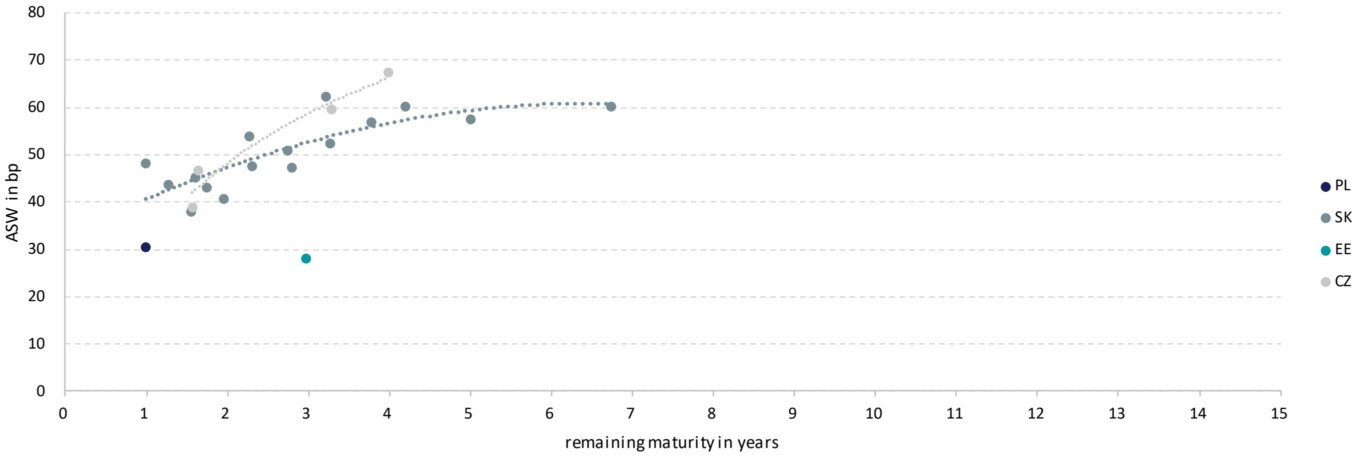


UK/IE

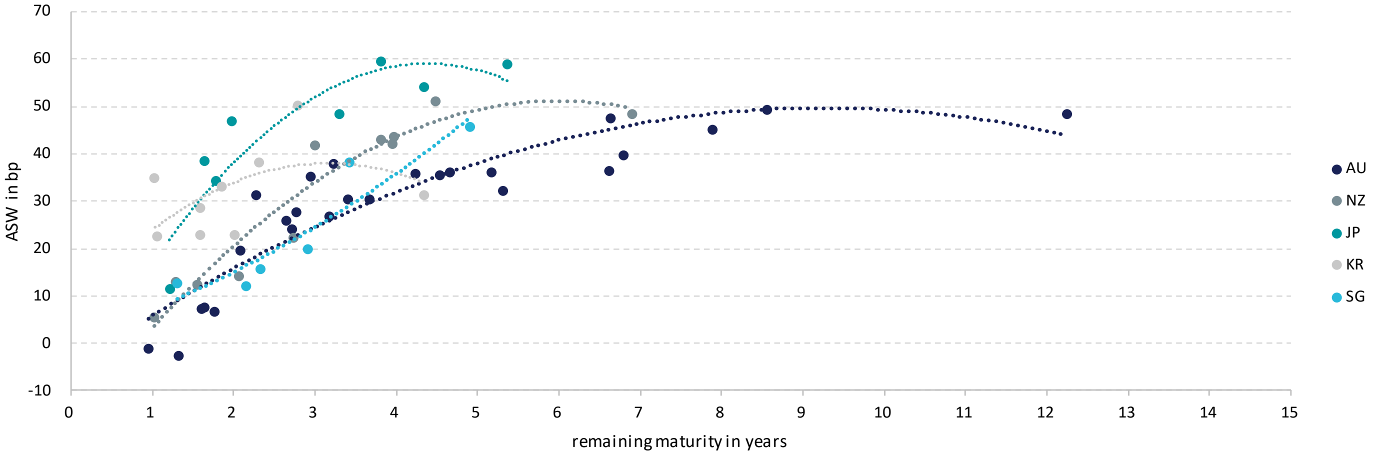


Source: market data, Bloomberg, NORD/LB Floor Research

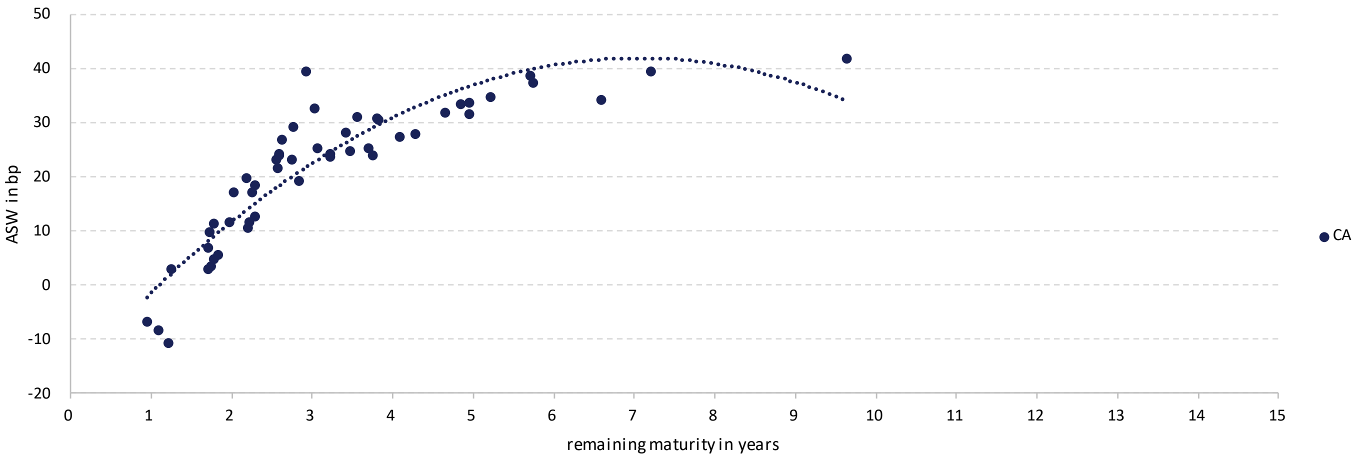
CEE



APAC



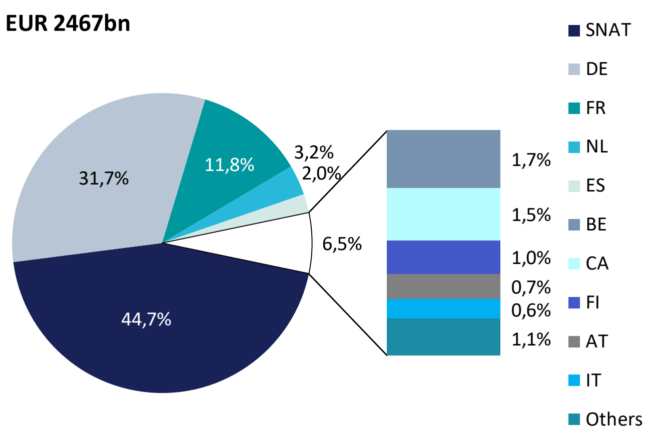
North America



Source: market data, Bloomberg, NORD/LB Floor Research

Charts & Figures
SSA/Public Issuers

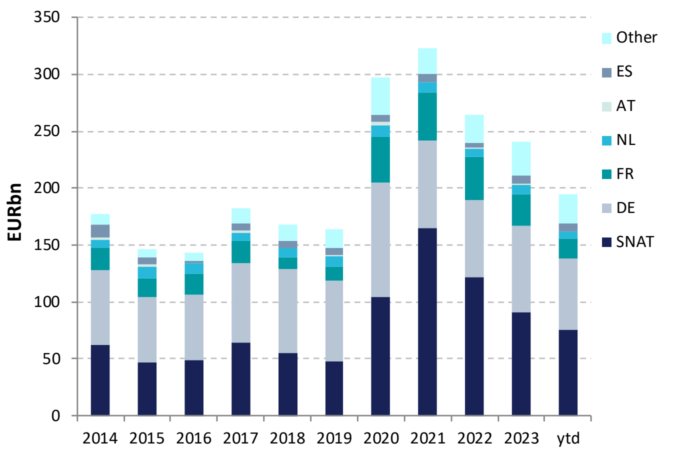
Outstanding volume (bmk)



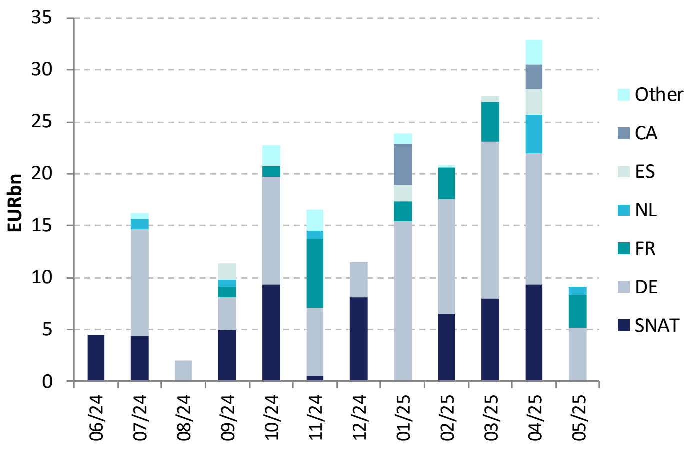
Top 10 countries (bmk)

Country	Vol. (€bn)	No. of bonds	ØVol. (€bn)	Vol. weight. ØMod. Dur.
SNAT	1.107,2	236	4,7	8,0
DE	784,6	583	1,3	6,2
FR	293,0	195	1,5	5,9
NL	80,2	68	1,2	6,6
ES	50,0	70	0,7	5,0
BE	41,6	45	0,9	10,7
CA	37,7	28	1,3	5,1
FI	24,1	25	1,0	4,6
AT	17,8	22	0,8	4,0
IT	14,2	18	0,8	4,5

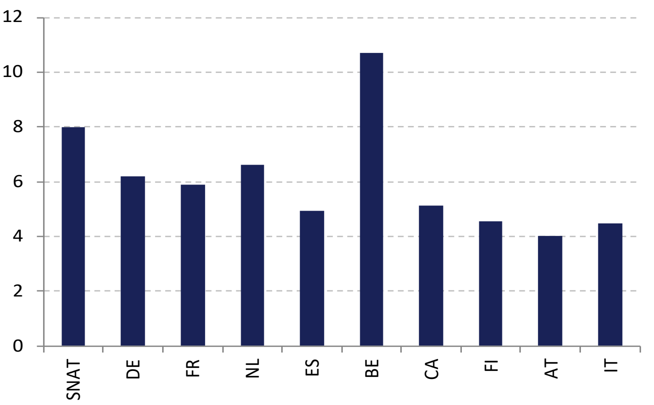
Issue volume by year (bmk)



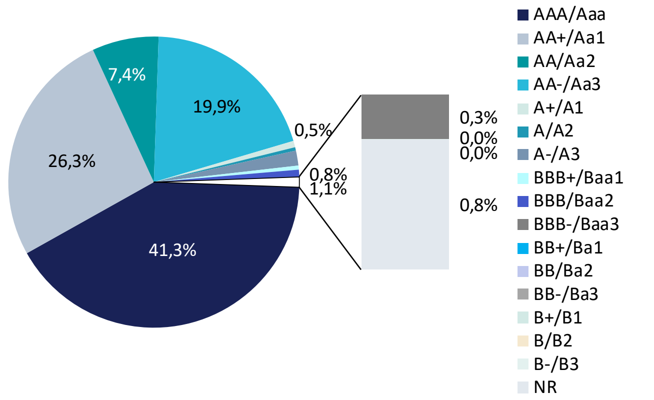
Maturities next 12 months (bmk)



Avg. mod. duration by country (vol. weighted)

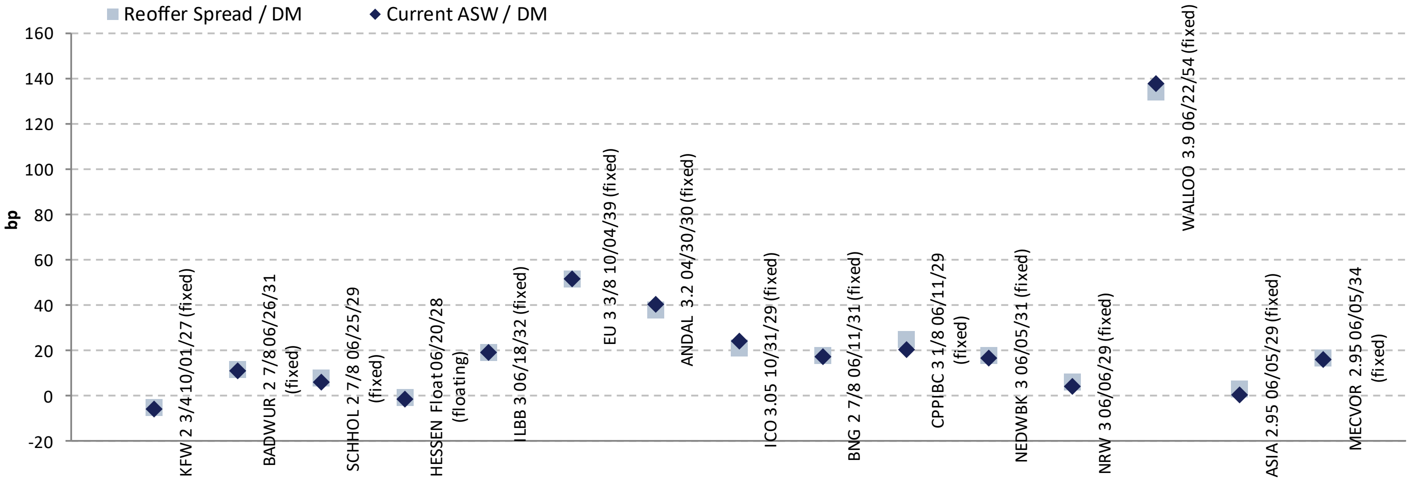


Rating distribution (vol. weighted)

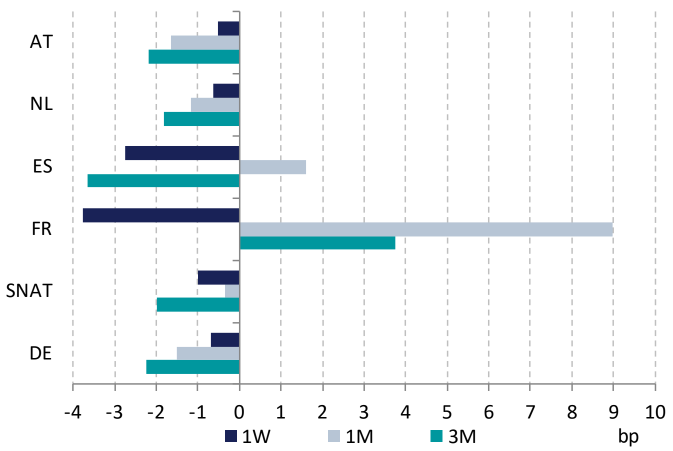


Source: Bloomberg, NORD/LB Floor Research

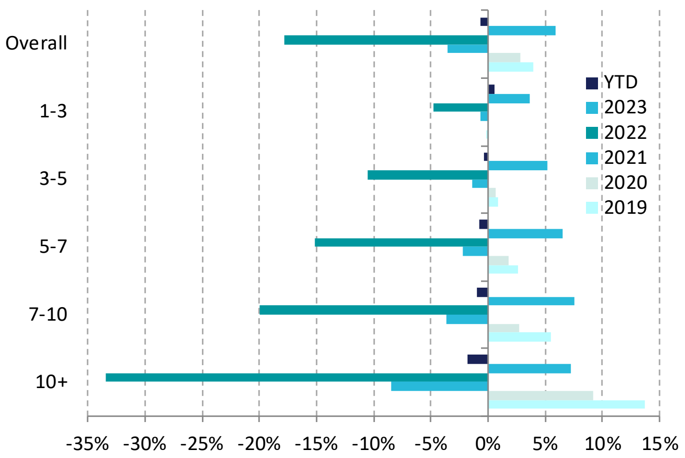
Spread development (last 15 issues)



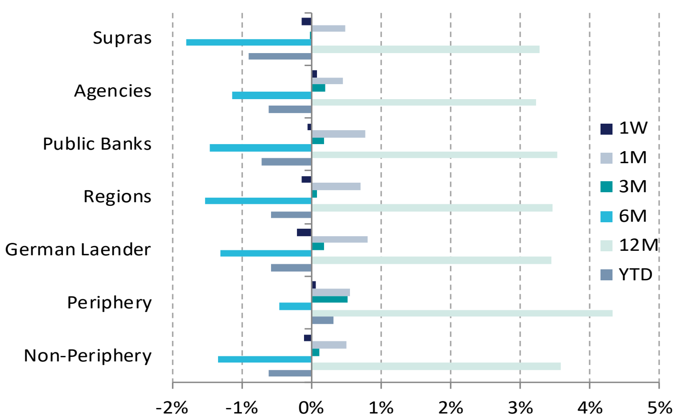
Spread development by country



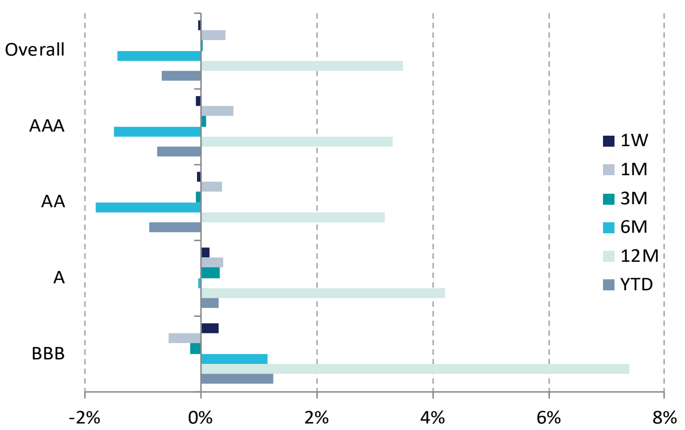
Performance (total return)



Performance (total return) by segments



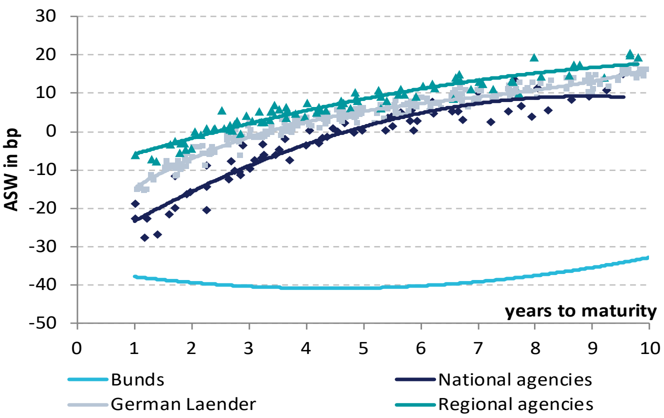
Performance (total return) by rating



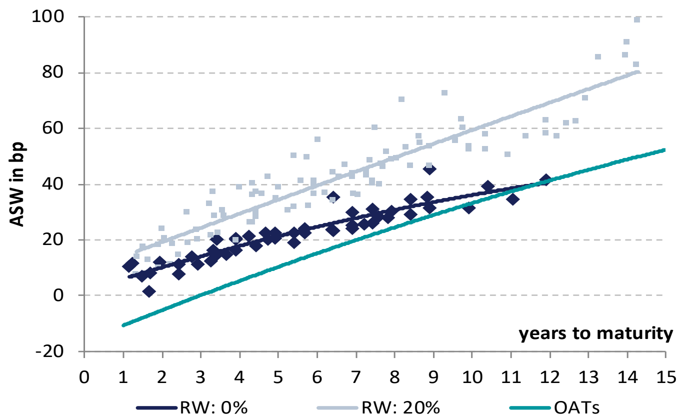
Source: Bloomberg, NORD/LB Floor Research

NORD/LB

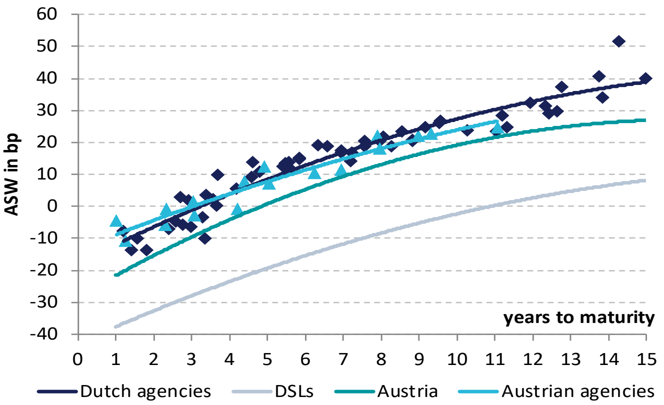
Germany (by segments)



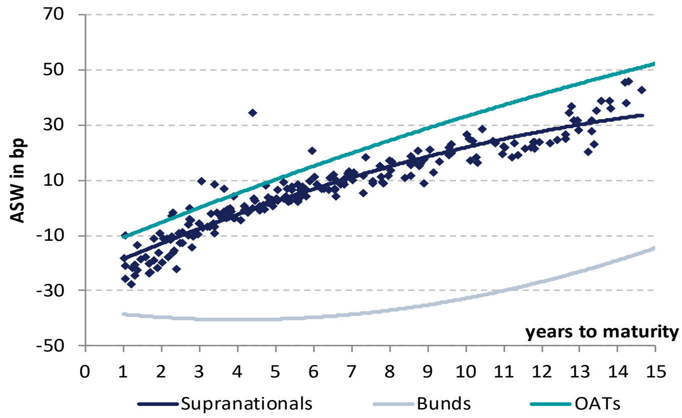
France (by risk weight)



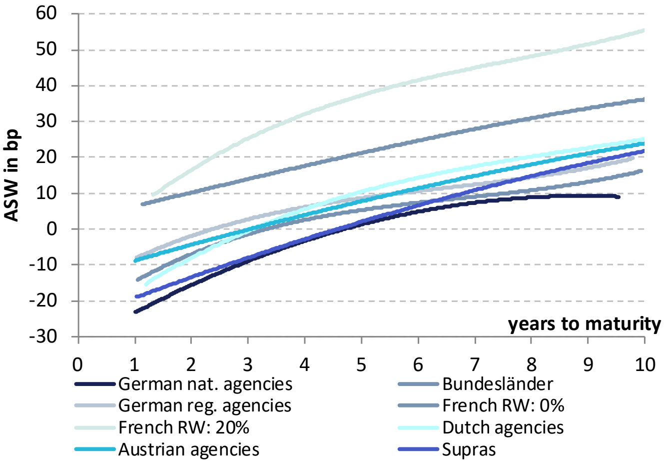
Netherlands & Austria



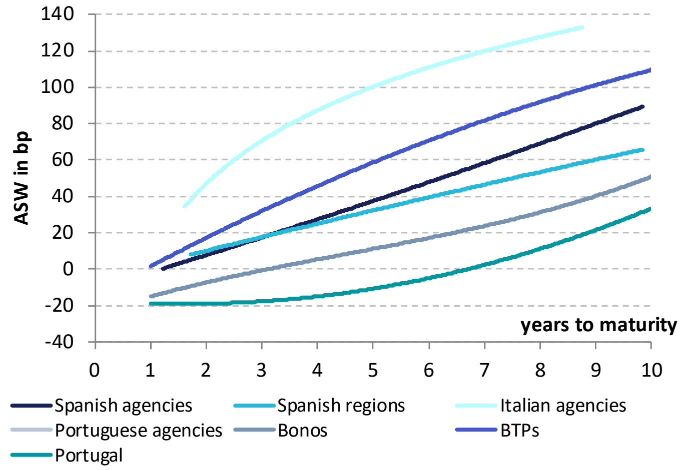
Supranationals



Core



Periphery



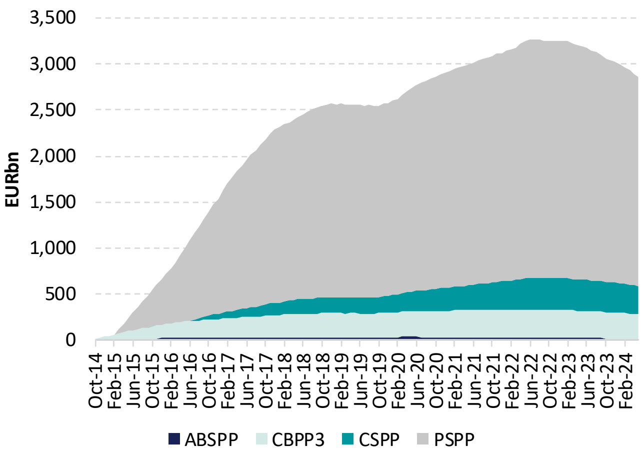
Source: Bloomberg, NORD/LB Floor Research

ECB tracker

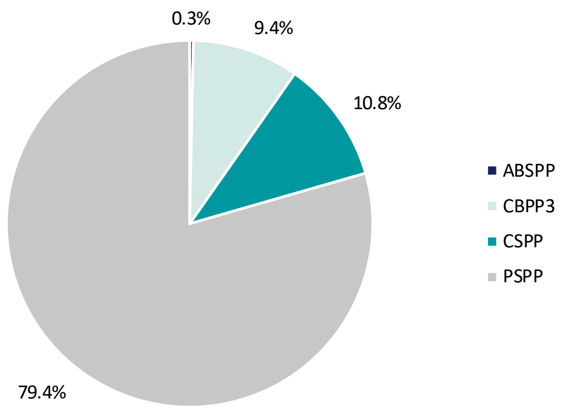
Asset Purchase Programme (APP)

	ABSPP	CBPP3	CSPP	PSPP	APP
Apr-24	10,153	272,685	312,679	2,301,586	2,897,103
May-24	9,450	268,850	309,215	2,271,392	2,858,907
Δ	-702	-3,836	-3,463	-30,194	-38,195

Portfolio development

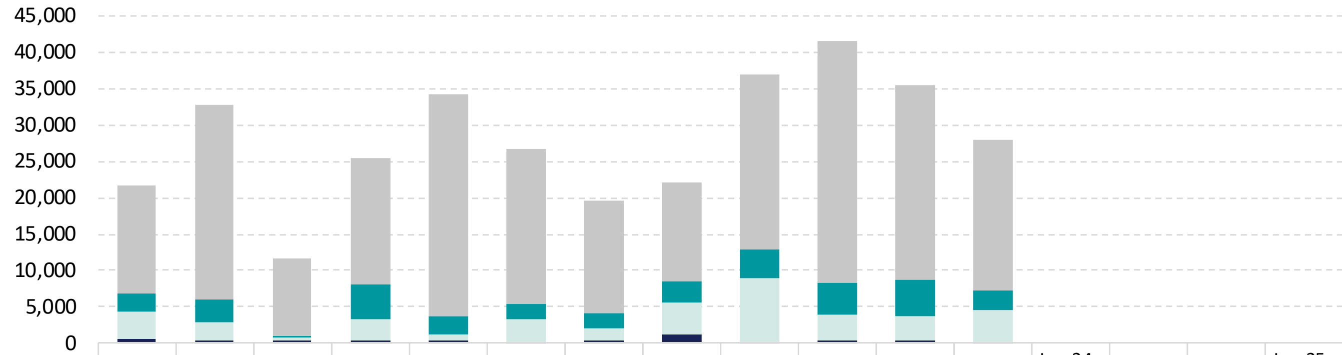


Portfolio structure



Source: ECB, NORD/LB Floor Research

Expected monthly redemptions (in EURm)

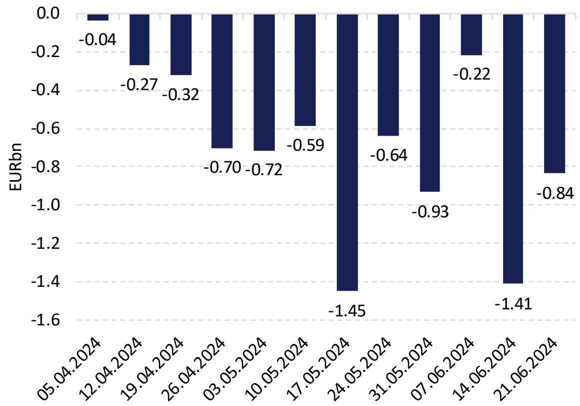


	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-24 - May-25	2023	2024	Jan-25 - May-25
APP	21,729	32,795	11,587	25,537	34,343	26,692	19,667	22,059	36,954	41,645	35,497	27,886	336,391	331,565	334,219	59,013
PSPP	14,974	26,692	10,533	17,468	30,578	21,298	15,605	13,463	24,021	33,355	26,671	20,571	255,229	255,025	264,363	37,484
CSPP	2,488	3,186	244	4,738	2,606	2,031	1,944	2,973	4,076	4,279	5,137	2,699	36,401	31,251	31,380	7,049
CBPP3	3,777	2,558	541	2,993	736	3,136	1,790	4,335	8,635	3,709	3,373	4,448	40,031	35,147	32,173	12,970
ABSPP	490	359	269	338	423	227	328	1,288	222	302	316	168	4,730	10,142	6,303	1,510

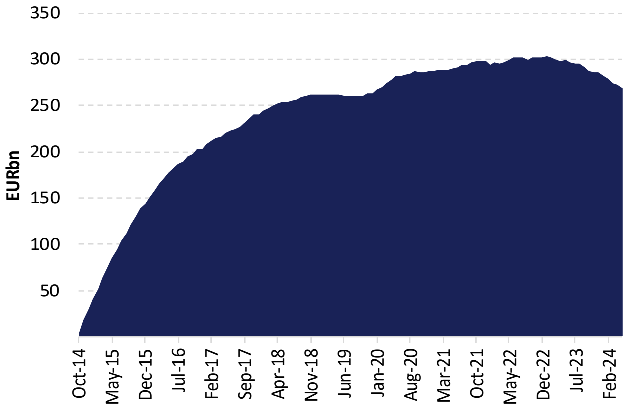
Source: ECB, Bloomberg, NORD/LB Floor Research

Covered Bond Purchase Programme 3 (CBPP3)

Weekly purchases

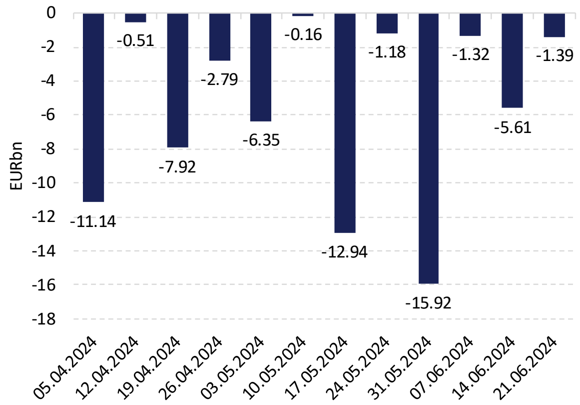


Development of CBPP3 volume

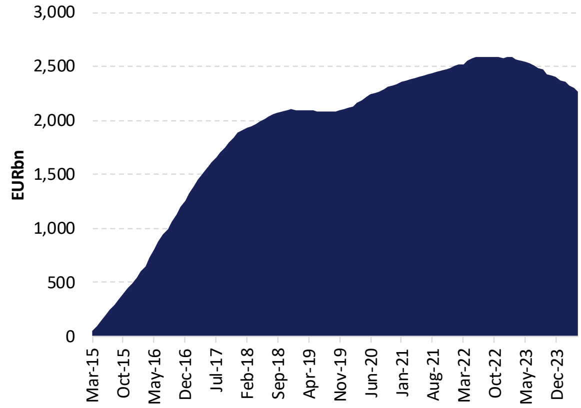


Public Sector Purchase Programme (PSPP)

Weekly purchases



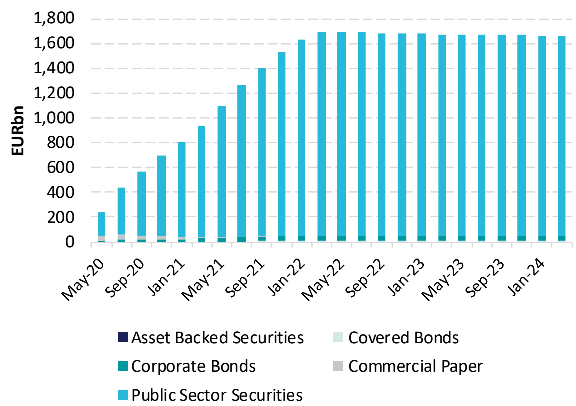
Development of PSPP volume



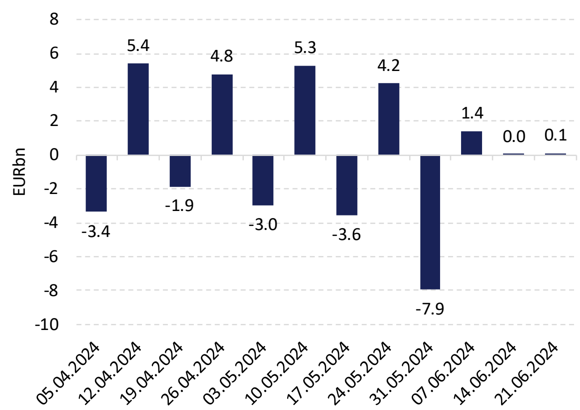
Source: ECB, Bloomberg, NORD/LB Floor Research

Pandemic Emergency Purchase Programme (PEPP)

Portfolio development



Weekly purchases



Source: ECB, Bloomberg, NORD/LB Floor Research

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Appendix
Overview of latest Covered Bond & SSA View editions

Publication	Topics
20/2024 ♦ 19 June	▪ New EUR benchmark issuer from Slovakia ▪ ECB repo collateral rules and their implications for Supranationals & Agencies
19/2024 ♦ 12 June	▪ ESG covered bonds: Green deals continue to dominate ▪ Teaser: Issuer Guide - Nordic Agencies 2024
18/2024 ♦ 29 May	▪ Transparency requirements §28 PfandBG Q1/2024 ▪ Development of the German property market (vdp Index) ▪ Spotlight on the EU as a mega issuer
17/2024 ♦ 15 May	▪ Standard Chartered Bank Singapore boosts APAC growth ▪ Stability Council convenes for 29th meeting
16/2024 ♦ 08 May	▪ Whats happening away from the benchmark? ▪ Teaser: Issuer Guide – Dutch Agencies 2024
15/2024 ♦ 24 April	▪ A covered bond view of Portugal: Welcome back! ▪ Credit authorisations of the German Laender for 2024
14/2024 ♦ 17 April	▪ Moody's covered bond universe: An overview ▪ SSA review: EUR-ESG benchmarks in Q1/2024
13/2024 ♦ 10 April	▪ A review of Q1 in the Covered Bond segment ▪ A review of Q1 in the SSA segment
12/2024 ♦ 27 March	▪ Maybank: New covered bond issuer from Singapore ▪ A closer look at Export Development Canada (Ticker: EDC)
11/2024 ♦ 20 March	▪ Covered bond jurisdictions "Down Under" in the spotlight ▪ Collective Action Clauses (CACs) – An (Italian) update
10/2024 ♦ 13 March	▪ Spotlight on Pfandbrief issuers in the savings bank sector ▪ NGEU: Green Bond Dashboard
09/2024 ♦ 06 March	▪ Transparency requirements §28 PfandBG Q4/2023 ▪ Current LCR classification for our SSA coverage
08/2024 ♦ 28 February	▪ New UK player on the EUR covered bond market ▪ Teaser: Issuer Guide – Non-European supras (MDBs) 2024
07/2024 ♦ 21 February	▪ Covered bond jurisdictions in the spotlight: A look at Austria ▪ Hope for hybrids? New SSA sub-asset class for MDBs
06/2024 ♦ 14 February	▪ Development of the German property market (vdp Index) ▪ Update: Joint Laender (Ticker: LANDER)
05/2024 ♦ 07 February	▪ January 2024: Record start to the new covered bond year ▪ SSA January recap: issuance volume at record level
04/2024 ♦ 31 January	▪ The Pfandbrief market at the start of 2024: caution thrown to the wind ▪ Teaser: Issuer Guide – Other European Agencies 2024

NORD/LB:	NORD/LB:	NORD/LB:	Bloomberg:
Floor Research	Covered Bond Research	SSA/Public Issuers Research	RESP NRDR <GO>

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Appendix
Publication overview

Covered Bonds:

- Issuer Guide – Covered Bonds 2023
- Covered Bond Laws
- Covered Bond Directive: Impact on risk weights and LCR levels
- Risk weights and LCR levels of covered bonds (updated semi-annually)
- Transparency requirements §28 PfandBG Q1/2024 (quarterly update)
- Transparency requirements §28 PfandBG Q1/2024 Sparkassen (quarterly update)

SSA/Public Issuers:

- Issuer Guide – German Laender 2023
- Issuer Guide – German Agencies 2023
- Issuer Guide – Canadian Provinces & Territories 2024
- Issuer Guide – European Supranationals 2023
- Issuer Guide – French Agencies 2023
- Issuer Guide – Dutch Agencies 2024
- Issuer Guide – Non-European Supranationals (MDBs) 2024
- Beyond Bundeslaender: Belgium
- Beyond Bundeslaender: Greater Paris (IDF/VDP)
- Beyond Bundeslaender: Spanish regions

Fixed Income Specials:

- ESG-Update 2024
- Decision Day: One swallow does not make an ECB summer!

Appendix
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