Covered Bond & SSA View

NORD/LB Floor Research

26 March 2025 ♦ 12/2025

Marketing communication (see disclaimer on the last pages)

Agenda

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Market overview
Covered Bonds

Author: Alexander Grenner

Primary market: Under the sign of the Nordics?

In the primary market section of the previous edition of our weekly publication, we were already able to report on a significant number of deals from the Nordics region, with three of the six deals originating in Norway, Sweden and Denmark. This week, all of the deals in the trading days under review here were placed by issuers hailing from this region. DNB Boligkreditt (cf. Issuer View) from Norway made the start on 20 March. This was the issuer's second primary market appearance in the current year, having approached investors back on 20 January with a deal in the amount of EUR 1.5bn (5.0y). On this occasion, too, the bank opted for a final size of EUR 1.5bn (term to maturity: 4.5y) for its covered bond. Moreover, a reoffer spread of ms +30bp was achieved, which equates to a narrowing of six basis points versus the guidance (ms +36bp area) during the marketing process. In comparison with the deal from January, the oversubscription ratio was slightly lower (bid-to-cover ratio: 2.6x), although in the current market environment this can be described as a very successful transaction. Overall, 50% of the deal was allocated to investors from the German-speaking DACH (Germany, Austria, Switzerland) region, with banks (59%) accounting for the dominant share of the breakdown by investor type. Rounding out the previous trading week, another Norwegian issuer in the shape of Sparebanken Vest Boligkreditt came onto the market. The transaction, with guidance of ms +41bp area, showed an order book of EUR 1.65bn after the books closed. This resulted in a final spread of ms +34bp. The bank ultimately chose a deal size of EUR 750m. So far in 2025, four of the seven Norwegian issuers currently active in the EUR benchmark segment have already appeared on the market. At the start of the new week, Stadshypotek from Sweden decided to approach investors with a fresh bond with a volume of EUR 1.0bn and a maturity of seven years (final spread: ms +40bp). Among the Swedish issuers, three of the six active EUR benchmark issuers have now placed new covered bonds this year. In light of these developments, we use our focus article in this present edition of our weekly publication to take a closer look at issuers from the Nordics.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
Stadshypotek	SE	24.03.	XS3037817494	7.0y	1.00bn	ms +40bp	- / Aaa / -	-
Sparebanken Vest	NO	21.03.	XS3037102301	5.3y	0.75bn	ms +34bp	- / Aaa / -	-
DNB Boligkreditt	NO	20.03.	XS3035906844	4.5y	1.50bn	ms +30bp	- / Aaa / AAA	-

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

Secondary market: demand sustained in medium maturity segment

In the secondary market, a concentration of demand for covered bonds from core jurisdictions such as Germany, France and the Netherlands in the 5-7y maturity segment can still be observed. Demand in the long-term segment was more marginal. Recently placed deals have all been well received by the secondary market. Overall, an increase in absolute yield levels is further driving demand for covered bonds at present, although supply remains rather limited.

S&P I: ratings confirmed for Compagnie de Financement Foncier

The rating experts from S&P recently confirmed the short and long-term sovereign credit ratings (foreign and domestic currency) of France at AA-/A-1. However, at the same time, S&P revised the outlook from stable to negative. As a result of this decision, the ratings of the covered bond issuer Compagnie de Financement Foncier (CFF) were also reviewed. On 19 March, the agency finally announced that the top ratings for both the issuer's mortgage-backed and public-backed covered bond programmes (AAA) had been confirmed, with the stable outlook untouched as well. As justification for this, the rating experts stated that a sovereign downgrade does not automatically result in a rating downgrade for the issuer, assuming that all other factors remain constant. Both covered bond programmes also come with a buffer of four notches uplift in the event that the long-term issuer credit rating (ICR) of the parent company BPCE (A+) were to be impacted by a downgrade. In the EUR benchmark segment, CFF currently has an outstanding volume of EUR 35.6bn, with the most recent issue in the form of a dual tranche (EUR 750m; 5.0y and EUR 500m; 10.0y) only being placed on the market in February of this year. In addition, we are anticipating several more appearances from CFF on the EUR benchmark covered bond market across the remaining nine months of the year.

Moody’s I: rating adjustments for four Greek covered bond programmes

In a recent press release, Moody’s announced rating upgrades for a quartet of covered bond programmes in Greece. This decision was originally prompted by the upgrade to the Greek issuer and bond ratings from Ba1 to Baa3 with a stable outlook on 14 March 2025. As a result, Greece’s local-currency bond ceiling was adjusted from A1 to Aa3, which was in turn also decisive for the aforementioned adjustments to the covered bond ratings. The issuers affected by the upgrades are National Bank of Greece, Eurobank, Alpha Bank and Piraeus Bank. The covered bond ratings of these issuers now match the ceiling for Greek local-currency bonds (Aa3). Moody’s also raised the counterparty risk assessment from Baa2 to Baa3 in each case, while the OC ratios satisfy the requirements for the new rating. At present, no Greek issuers have any outstanding bonds in the EUR benchmark segment. Alpha Bank was the last issuer from this jurisdiction to be active on the market, when it placed a bond in 2018 that matured in February 2023. Both Eurobank and the National Bank of Greece have also approached investors with EUR covered bonds in benchmark size in the past. While we are not expecting any fresh supply on the part of Greek issuers in this market segment across the remainder of 2025, we are optimistic that new issues from this jurisdiction will be seen again in the future, which would not least be down to the rating agencies’ more positive assessments here.

S&P II: outlook for the Norwegian and Finnish covered bond markets

In connection with our current focus article covering the Nordics, deals in non-EUR formats and the Danish covered bond market, we would like to briefly touch upon the S&P's recently published report "Norwegian and Finnish Covered Bond Market Insights 2025". According to the authors, declining interest rates should have a positive impact on the debt sustainability of budgets overall while at the same time contributing to boosting house prices in Norway and Finland. For Norway in particular, the rating experts expect growth in the real estate markets thanks to an easing of macroprudential regulations. The current structural difficulties of Finnish real estate funds could potentially delay the recovery of real estate prices. These real estate funds are a popular investor group in the domestic housing market, although they only account for around 7% of the total net assets of the funds registered in Finland, according to data from the Finnish Financial Supervisory Authority. From the perspective of S&P, these developments are not expected to have a negative impact on the dual-recourse covered bond product. In summary, the risk experts believe that the rating performance of the covered bond programmes will continue to be supported by the solid rating buffers.

Scope: tariff uncertainties straining asset quality at Spanish banks

The rating experts at Scope have reviewed the current performance of Spanish banks, noting that despite the strong economic performance of Spain the current uncertainties in connection with potential US trade tariffs could see the asset quality of Spanish banks come under pressure by weighing on export demand (particularly for commercial loans). In addition, a sharp increase in demand for retail loans is expected as a result of the falling ECB key interest rate. According to Scope, this could further increase competitive pressure and strain the profit margins of Spanish banks. According to the agency, capitalisation at Spanish banks remains at a suitable level compared with the previous quarter, although excess capital is being actively managed through measures such as dividend distributions or risk transfers and is closely aligned with the respective specified CET1 ratios. Funding costs also remain stable, with Spanish banks benefiting from the significant increase in deposit levels following the rate hikes in 2022. In terms of our forecast for new issues in the EUR benchmark segment from Spain, we are also anticipating a significant decline in net supply in 2025, with maturities also at a high level. So far this year, we have only seen Caja Rural de Navarra active on the primary market; according to our projections, further issues in the amount of EUR 3.5bn are to be expected over the remainder of the year.

Vseobecna uverova banka joins the Covered Bond Label Foundation

We have regularly reported on newcomers to the Covered Bond Label Foundation (CBLF) and on 21 March it was announced that the Slovakian issuer Vseobecna uverova banka (VUB) had also joined the label. This makes VUB the second issuer from Slovakia to commit to reporting in line with the transparency requirements of the Harmonised Transparency Template in future. Andrej Hronec, Head of Treasury and ALM at VUB, is convinced that by joining the CBLF the bank will meet the highest transparency requirements of its investors. Luca Bertalot, the Administrator of the CBLF, furthermore highlighted the added value that the label reportedly offers investors as a benchmark of quality. With VUB newly joining the label, the CBLF now totals 155 issuers and 192 cover pools from 25 different jurisdictions.

Moody's II: Austrian banks boast strong macro profiles

In a recent analysis, the rating agency Moody's rated the macroeconomic profile of Austrian banks as "Strong+". The country's banks benefit in particular from Austria's strong and diversified economy, which is characterised by a high level of value creation in the industrial sector and a competitive tourism sector. The rating experts also highlight a stable institutional framework as a positive factor, despite allegations of corruption at the highest levels of government. The trend in private sector debt in relation to GDP has declined in recent years. In addition, Austrian banks benefit from high deposit levels and are only dependent on volatile market financing to a moderate degree. In terms of the challenges facing Austrian banks, Moody's points to potential earnings fluctuations on account of significant equity investments in banks and non-financials. Under certain circumstances, these could potentially impact the stability of the banking system. In our view, a stress scenario of this kind is unlikely to impact Austrian covered bonds to a significant extent. While the risk experts see the declining debt-to-GDP ratio of companies and private households as credit positive, it also constrains demand for new loans. Furthermore, a large proportion of variable-rate loans in the banking system is said to increase the debt burden for consumers and companies.

Market overview
SSA/Public Issuers

Authors: Dr Norman Rudschuck, CIIA // Lukas-Finn Frese // Tobias Cordes

European Commission presents its vision for European defence

The European Commission has fleshed out its ideas and priorities regarding the creation of a European Defence Union as part of a "white paper". Under the slogan "Readiness 2030", the EU intends to assume more responsibility for its own security by investing in a robust and resilient defence and ensuring that financial and military resources are available. Member States are to retain primary responsibility in matters of defence and, at the same time, benefit from the added value inherent in being a member of the EU. In this context, the Commission is appealing to the Member States to make more funding available for defence in future. The Commission envisages mobilising an amount of **EUR 800bn** for this purpose within the framework of the "ReArm Europe Plan". Member States will have to be given more financial leeway to be able to raise these funds. This is to be achieved by:

- Activating the national exception clause enshrined in the Maastricht Treaty to activate **EUR 650bn** of additional defence expenditure in national budgets over a period of four years
- Introducing a credit facility – Security Action for Europe (SAFE) – of **EUR 150bn,** to invest more heavily in areas such as missile defence, drones and cybersecurity. The funding is to be raised via the capital market and disbursed to interested Member States on request based on national plans. Should demand be greater than expected, the European Commission is willing to make use of additional instruments, including the ESM
- Supporting the EIB in expanding its lending for defence and security projects

We expect the new SAFE programme, in particular, to trigger an increased supply of bonds from the mega-issuer EU in the immediate future. By way of reminder, the EU plans to raise new funding of EUR 160bn this year. We therefore believe that it is highly likely that this figure will be revised upwards in the course of the publication of the funding plan for the second half of 2025, which is likely to take place at the end of June.

EDC supporting Canadian exporters in uncertain times

Export Development Canada (ticker: EDC) has created an instrument worth CAD 5bn (EUR equivalent: EUR 3.4bn) in the form of the "Trade Impact Program" to provide financial capacity in times of increasing uncertainty caused by trade restrictions to support companies affected by such restrictions. The funds are to be disbursed over a period of two years and, among other things, include credit insurance, guarantees and export guarantees. "Our priority is to provide meaningful and timely support to Canadian exporters in their time of need so that they can focus on what they do best – providing the goods and services that the world needs. We will stay agile, evolving our range of support as developments occur to meet the changing needs of our customers over the longer term", as Todd Winterhalt, Senior Vice-President of International Markets at EDC, explains.

EUROFIMA: Annual Report and Green Bond Allocation Report 2024

EUROFIMA (ticker: EUROF), the promotional bank specialising in the development of European rail transport, closed financial year 2024 with a strong balance sheet and a positive financial result. At the reporting date, assets came to EUR 15.4bn (EUR -1.1bn; -6.5% Y/Y), which was primarily attributable to a reduction in the loan book and declining liquid funds. Meanwhile, the net profit amounted to EUR 32.8m and was therefore EUR +5.2m up on the level in the previous year. The trend in net interest income was also positive, as it increased by +17% year on year to stand at EUR 30.3m, which was primarily based on the positive effects of Treasury activities. On the reporting date, total operating expenses amounted to EUR 9.1m, which is slightly down on the previous year (2023: EUR 9.7m). With regard to new business, EUROFIMA concluded three new contracts in the past financial year (of which two were contracts covering several years, involving disbursements over the next few years), disbursed the final tranche of a multi-year framework contract, refinanced seven tranches associated with five different leasing structures and provided short-term finance via a framework agreement for four shareholders to finance railway material. Sustainability was also a key issue for EUROFIMA in 2024: the promotional bank succeeded in raising 100% of its long-term funding from the issue of green bonds, including a new green benchmark bond of EUR 500m (10y), which was priced at ms +62bp. In this context, EUROFIMA additionally published its Green Bond Allocation & Impact Report. As the report makes clear, the outstanding volume of green bonds reached a level of EUR 5.8bn at the end of 2024, with green bonds accounting for 54% of total volume. “Our latest impact report emphasises again EUROFIMA’s engagement related to its unique public and sustainable mission: financing passenger railway transportation to support environmentally friendly and affordable mobility for millions of people”, said Christoph Pasternak, CEO of EUROFIMA.

NWB: strong growth in the Dutch public sector

The Dutch municipal financier Nederlandse Waterschapsbank (NWB, ticker: NEDWBK) awarded far more loans in the past year than in 2023, as revealed in its 2024 Annual Report. In particular, NWB expanded its new business involving customers from the public sector in the Netherlands, which increased by +30% year on year to EUR 9.6bn. Its entire lending business reached a record amount of EUR 57bn. Meanwhile, net profit came to EUR 94m, of which EUR 50m was paid out to the shareholders of NWB – water authorities, the central government and provinces – in the form of dividends. The profit came in at EUR 126m in the reference period, this result being unusually high due to non-recurring, unexpected profits from financial transactions. The municipal financier’s capital and liquidity buffers are still strong: on the reporting date, the CET1 ratio came to 41.4%, while the leverage ratio was 24%. Therefore, both ratios comfortably exceeded the minimum standards. The balance sheet total increased by EUR +2.9bn compared with 2023 and stood at EUR 78.8bn at the end of 2024 (2023: EUR 75.9bn). As far as funding is concerned, NWB issued bonds totalling EUR 10bn in the past financial year, of which 40% were in ESG format – EUR 2.9bn in SDG housing bonds and EUR 1.1bn in water bonds.

British Columbia presents 2025/26 budget

The government of the Canadian province British Columbia (ticker: BRCOL) has presented its 2025 budget plan, in which it promised, among other aspects, to make investment to secure jobs and to protect the economy from the effects of US tariffs. Additional financial resources of CAD 9.9bn (EUR equivalent: EUR 6.7bn) are to be provided over the next three years, of which CAD 7.7bn alone for health and education as well as social services. The budget also contained an annual contingent of CAD 4bn for unexpected costs, including possible measures in response to the imposition of tariffs by the US government. From the CAD 7.7bn earmarked for investment in health, education and social services, CAD 4.2bn alone is to be used to improve healthcare provision to meet rising demand for health services. A total of CAD 15.5bn will also be provided for the construction and modernisation of hospitals and care homes over the next few years. As far as education is concerned, the budget envisages investment of CAD 4.6bn for the construction and modernisation of schools. An amount of CAD 59.9bn was provided for investment in infrastructure, which will boost the economy's resilience and create around 180,000 direct and indirect jobs. "While our economy is built to withstand the threat of US President Donald Trump's tariffs relatively better than most other provinces, the impact would still be significant. Our budget prepares us to carefully navigate these uncharted waters so we can put people first and support businesses as we build a stronger, more self-sufficient future", said Brenda Bailey, Minister of Finance. Total expenses are estimated at CAD 94.9bn in 2025/26, CAD 95.9bn in 2026/27 and CAD 98bn in 2027/28. According to the budget planning, expenses will be offset by anticipated revenue of CAD 84.0bn (2025/26), CAD 85.7bn (2026/27) and CAD 88.2bn (2027/28). Overall, the province therefore assumes that the budget deficit will fall continuously over the next few years. In contrast, debt in relation to GDP will in all likelihood increase from 22.9% (2024/25) to 34.4% (2027/28), even though positive economic growth of +1.8% and +1.9% is expected for 2025 and 2026 respectively. In the medium term (2027-2029), economic growth of +2.1% is expected.

IsDB approves more than USD 1.4bn to promote SDGs

The Executive Board of Islamic Development Bank (IsDB, ticker: ISDB) approved more than USD 1.4bn for projects to implement the sustainable development goals (SDGs) in eight Member States at its 359th meeting in the Saudi Arabian city of Jeddah on 16 March 2025. The approved development projects span areas such as food security, health, education, transport, wastewater disposal and municipal development, and aim to have a positive impact on quality of life in the Member States. For example, financial resources were approved to increase food security and improve healthcare infrastructure in Nigeria (USD 102.4m), to develop catastrophe-resistant healthcare infrastructure in Türkiye (EUR 500m) and to improve the healthcare sector in Uzbekistan (USD 93m). In terms of transport infrastructure, USD 241.3m is to be provided for the construction of five bridges in Bangladesh and USD 141.4m for the maintenance of roads in Togo.

A new issuer in our coverage: New Zealand Local Government Funding Agency

A non-European agency in the shape of the New Zealand Local Government Funding Agency (ticker: NZLGFA) ventured onto the SSA primary market with its first EUR issue at the end of March: it was looking for EUR 500m (WNG) with a five-year maturity, which was finally raised at ms +38bp (order book: EUR 2.2bn; guidance: ms +41bp area). The role of the municipal financier is to provide financial resources for regional authorities in New Zealand. In this segment, NZLGFA has a market share of just under 90% (as at the end of February 2025). Our understanding is that a total of 72 guarantors from the New Zealand sub-sovereign segment are jointly liable for the agency's liabilities. Guarantors are only excluded from liability once all loans to NZLGFA have been repaid and the longest outstanding bond has matured. Auckland Council, which is also active as an issuer in the EUR benchmark segment, is the largest individual guarantor. NZLGFA plans to issue bonds amounting to NZD 5.2bn (EUR equivalent: EUR 2.8bn) for 2025. Maturing bonds total the equivalent of EUR 1.7bn, meaning that net supply ultimately stands at EUR 1.1bn. Since, in our view, New Zealand sub-sovereigns must be given a risk weighting of 20% according to CRR, this is also the case for EUR bonds issued by NZLGFA. As a consequence of the LCR classification, we deduce that they should be classified as Level 2A assets.

Primary market

Following the lively activity in the previous week, it was noticeably quieter on the SSA primary market, with events being dominated by German issuers. The Free and Hanseatic City of Hamburg (ticker: HAMBRG) kicked things off with a five-year maturity and a volume of EUR 750m at ms +28bp (guidance: ms +28bp area). It was followed by the Free Hanseatic City of Bremen (ticker: BREMEN), which raised EUR 500m with a two-year maturity in line with guidance at ms +10bp. Another issuer from the German Laender segment, namely Hesse (ticker: HESSEN), approached investors yesterday: EUR 1.25bn changed hands with a maturity of ten years at ms +43bp (guidance: ms +43bp area). As described above, we had a new issuer in the EUR benchmark segment in the form of the New Zealand Local Government Funding Agency (ticker: NZLGFA), but we also have a sub-benchmark to report on still: the city of Dortmund (ticker: DRTMND) placed EUR 150m (7y) at ms +65bp. The order book reached EUR 390m, meaning that narrowing of five basis points compared with guidance was achieved. On Monday, all eyes were on the EU's third bond auction in H1 2025 (cf. funding plan), which saw both the 2030 and 2044 bonds increased in volume by around EUR 2.4bn in each case. As announced by the EU, we are expecting three bonds instead of two for the auctions from Q2/2025. New mandates for the remaining trading week: the Canadian province of Alberta (ticker: ALTA) intends to issue a EUR benchmark with a maturity of ten years. We have published issue-related research for the transaction, which is set to be launched imminently. In addition: THRGN (BMK, 7y) and BNG (EUR 500m, WNG, 15y, Sustainability) also announced upcoming deals.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
NZLGFA	Other	25.03.	XS3037674952	5.0y	0.50bn	ms +38bp	AA+ / - / AAA	-
HESSEN	DE	25.03.	DE000A1RQE34	9.9y	1.25bn	ms +43bp	- / - / AA+	-
BREMEN	DE	20.03.	DE000A30V4C6	2.0y	0.50bn	ms +10bp	AAA / - / -	-
HAMBRG	DE	19.03.	DE000A3MQTB1	5.0y	0.75bn	ms +28bp	AAA / - / -	-

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

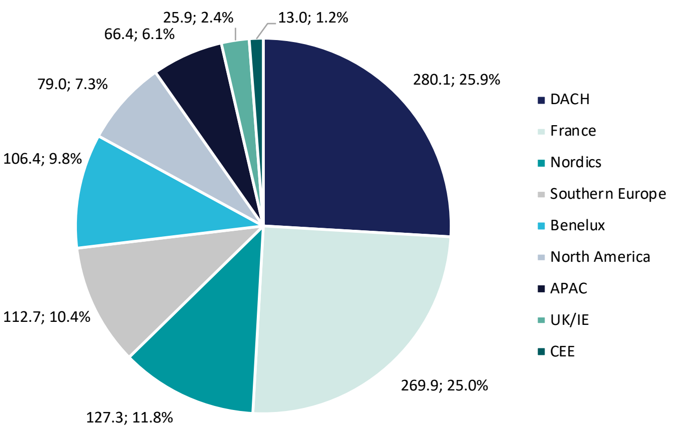
Covered Bonds
A look at the Danish covered bond market

Authors: Alexander Grenner // Lukas Kühne

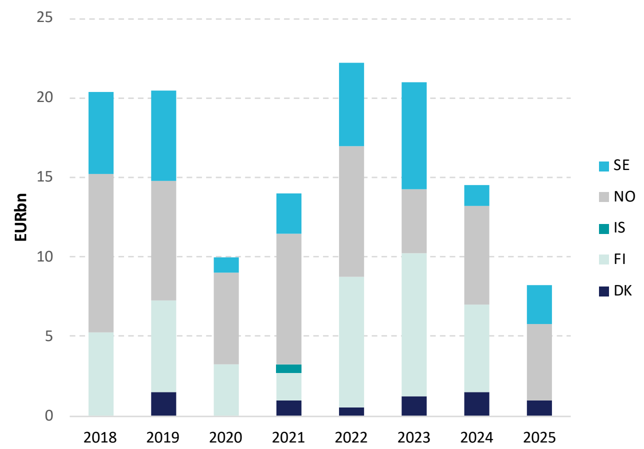
Nordics off to a very active start in 2025

As our readers will be aware, our coverage focuses on covered bonds in the EUR benchmark segment. With a total volume of EUR 127.3bn, the Nordics (Denmark, Finland, Iceland, Norway and Sweden) rank in third place in our regional assessment after issuers from the German-speaking DACH region (Germany, Austria and Switzerland) and France. Once again, Nordic issuers have been very busy in the primary market, placing ten covered bonds in the market already with a volume totalling EUR 8.3bn. While we have not seen any activity from Finland or Iceland yet, Norwegian issuers have issued five deals so far this year, two of which came from DNB Boligkreditt (cf. Issuer View). Denmark has placed two new bonds in the market and Sweden three, one of the recent ones being the deal from Danish Ship Finance in the form of a covered bond backed by shipping loans (cf. Issuer View). This particular form of collateral for a covered bond represents only a niche segment in the covered bond market. Rated AA- by S&P, the EUR 500m covered bond (6.0y) was well received by the market and was placed with a reoffer spread of ms +77bp. In the non-Eurozone Nordic nations (i.e. Denmark, Iceland, Norway and Sweden), issuers mainly place bonds in their domestic currency. This trend is most pronounced in Denmark, where the special features of the Danish Mortgage Act are reflected in the high volume of covered bonds issued. Given the active start to the year for Nordic issuers, we shall be examining the importance of domestic currencies for covered bond issuers in these countries. In this context, we also take a closer look at the Danish covered bond market, which is the second biggest in the world in terms of volume of outstanding covered bonds.

EUR BMK: total outstanding volume (in bn)



EUR BMK: new issues from the Nordics ytd (in bn)

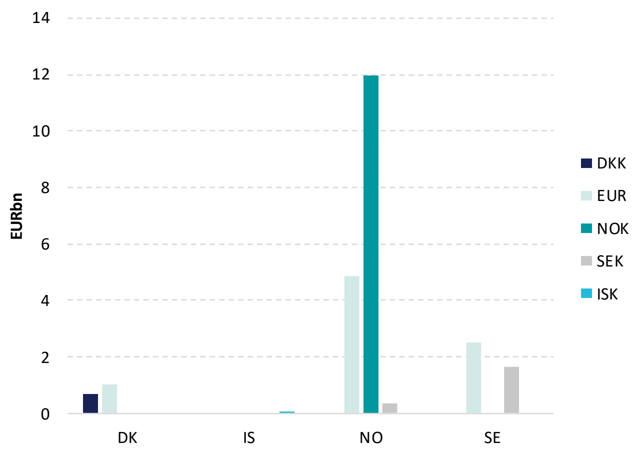


Source: Market data, NORD/LB Floor Research

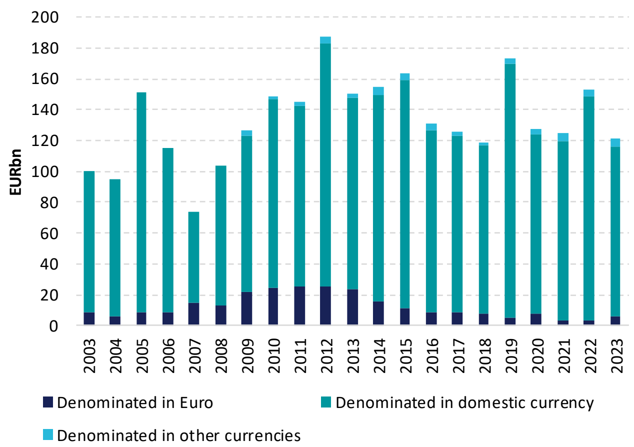
Nordic issuers again focus on domestic currencies in 2025

According to Bloomberg data, the non-Eurozone Nordic countries account for a new issue volume of EUR 23bn so far in 2025. With the exception of Norway, issuers from Denmark, Iceland and Sweden had been active in the market with bonds issued solely in either their domestic currency or EUR-denominated deals as at the reporting date of 25 March. Looking at the currency breakdown for new issues in the year to date, we can see that EUR-denominated bonds barely make up 30% of the total issuance volume from these countries. The largest share is clearly attributable to bonds in Norwegian krone with a volume of EUR 11.9bn (approx. 52%). The equivalent of EUR 2.0bn was issued in Swedish krona, with some of this coming from Norwegian issuers as well as Swedish issuers. So far this year only the equivalent of EUR 670m has been issued in Danish krone (DKK). However, due to the special features of the Danish covered bond market, the actual new issuance volume in Denmark, particularly in its domestic currency, should be significantly higher and is not reflected in the database available from Bloomberg. In the section below, we will look more closely at the specific features of the Danish sub-market.

New issues DK, IS, NO, SE (ytd)*



Denmark: currency breakdown of new issues

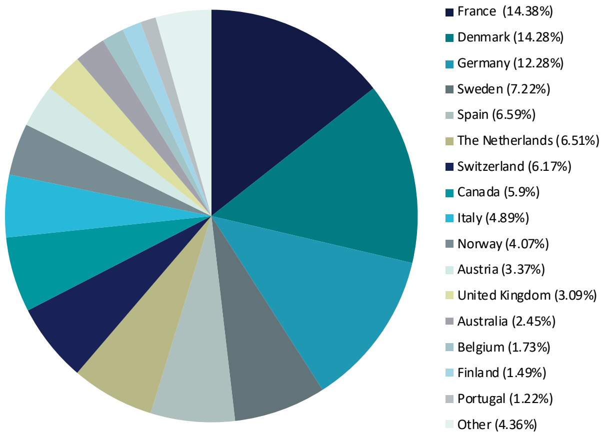


* Last updated on 25 March 2025
Source: ECBC, Bloomberg, NORD/LB Floor Research

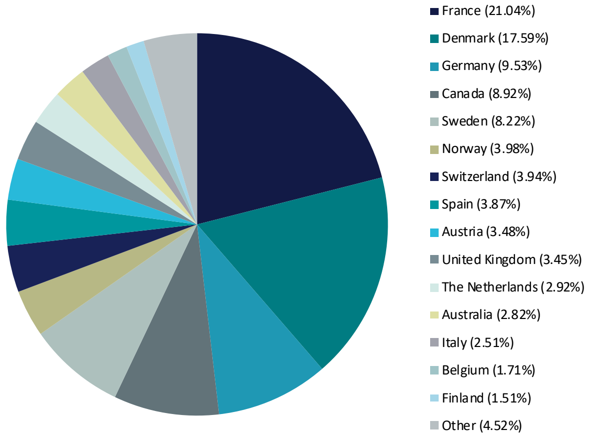
The Danish covered bond market – an overview

France and Germany are the biggest markets in the EUR benchmark segment. However, if we extend from this sub-segment to look at the covered bond market as a whole, ECBC data from 2023 shows that the Danish market is the second largest with 14.3% of the total outstanding volume, just trailing behind France at 14.4%. In fact, for a long time Denmark was the biggest market, but this changed in 2023 with the huge volume of retained covered bonds placed in France. However, for the year as a whole, Danish issuers accounted for 17.6% of all new issues. Over 90% (EUR 110.8bn) of all Danish covered bonds were denominated in DKK with only 5% attributable to EUR-denominated issues. The enormous volume of DKK-denominated covered bonds (total outstanding volume: around EUR 425bn) is primarily due to the special legislative features of the Danish mortgage market.

Outstanding covered bonds 2023 (EURbn)



Issued covered bonds 2023 (EURbn)



Source: ECBC, NORD/LB Floor Research

The EUR benchmark segment in Denmark

Only three Danish institutions have been active in the EUR benchmark segment with covered bonds. The outstanding issuance volume currently stands at EUR 6.5bn split across eleven deals. This makes Denmark one of the smaller jurisdictions in terms of placements in EUR benchmark format. Two of the three active issuers have already successfully placed EUR benchmarks in 2025, with only Danske Bank absent from the segment so far. Jyske Realkredit was the first to be active this year with a fresh EUR 500m deal (3.9y) on 31 January. On completion of the marketing phase, the deal achieved a final spread of ms +29bp (guidance: ms +36bp area). The heavily oversubscribed transaction reflected a bid-to-cover ratio of 4.7x. The second primary market appearance this year was the bond issued by Danish Ship Finance, which we mentioned earlier. Comparatively speaking, the lower rating and high level of guidance (ms +85bp area) are due in part to the unusual cover pool assets in the form of ships. Apart from DSF (hard bullets), only mortgage-backed covered bonds can be issued in Denmark, in soft bullet format with a potential maturity extension of 12 months. While Jyske and DSF have only issued EUR benchmarks from one cover pool, Danske Bank has two pools, with a single EUR benchmark issued from each one. The pools differ in terms of composition and volume, with the assets in cover pool C located in Norway and Sweden and the assets in pool D located exclusively in Denmark. For a more detailed examination of the cover pools of the individual issuers, please refer to our Issuer Guide Covered Bonds 2024.

EUR benchmark issuers from Denmark

Issuer	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P)	EUR BMK 2025ytd	EUR BMK 2024	EUR BMK 2023
								EURbn / Number of deals		
Danmarks Skibskredit	Capital Centre A	1,487	1,195	24.5	1 / 10%	Hard Bullet	- / - / AA-	0.50 / 1	- / -	0.50 / 1
Danske Bank	Pool C	6,004	5,031	19.3	1 / 10%	Soft Bullet	- / - / AAA	- / -	0.75 / 1	- / -
	Pool D	4,941	4,582	7.8	1 / 10%	Soft Bullet	- / - / AAA			
Jyske Realkredit	Capital Centre E	46,030	43,056	6.9	1 / 10%	Soft Bullet	- / - / AAA	0.50 / 1	0.75 / 1	0.75 / 1

Cover pool data as at reporting date 31.12.2024
Source: Banks, rating agencies, NORD/LB Floor Research

Special features of the Danish mortgage market…

Unlike traditional commercial banks, Danish mortgage banks can by law only refinance mortgage loans through the issue of covered bonds in the amount of the nominal value of the respective loan (see §2 Danish Mortgage Loan and Mortgage Bond Act [DMLBA]). The idea of this approach is to eliminate mismatching in the cash flows by having a new bond issued with matching cash flow features for each loan granted by the mortgage bank (Match Funding Principle; see §18a DMLBA). Consequently, the mortgage bank acts simply as an intermediary between investors and borrowers. As the loans are issued on an ongoing basis, the covered bond has to be issued before the loan is granted. The issue of such a bond is carried out as a tap deal (daily basis) of an existing covered bond or in the form of an auction that is carried out several times a year. These taps are not included as new issues in the new issuance statistics made available by Bloomberg and therefore are not included in the chart "New issues DK, IS, NO, SE". As a rule, DKK-denominated covered bonds are increased using a tap issue to refinance new mortgage loans, and only rarely by way of EUR benchmark deals. One reason is likely to be the broader investor base in Denmark that is more familiar with regular tap issues (including low volume issues) of existing DKK covered bonds than is the case for EUR benchmark bonds. In addition, if loans granted in DKK are refinanced using a EUR denominated bond, then potential currency fluctuations in the cash flow have to be taken into account in order to meet the Match Funding Principle. The market price of the bond would then determine the credit interest rate at which a loan can be granted. Despite its role as a pure intermediary in this construct, the mortgage bank continues to bear the credit default risk and is remunerated for this through a fee over the term of the loan. The Danish legislator has meanwhile permitted mortgage banks to diverge from the Match Funding Principle. However, the mortgage banks are not currently making use of this possibility. Another particular feature of the Danish mortgage market is that the borrower has the option to buy back the underlying bond and cancel the loan at any time as part of debt rescheduling in order to benefit from lower interest rates for example (see §6 (11) DMLBA).

…and regulatory treatment of covered bonds

Mortgage banks in Denmark can issue covered bonds in three different formats: Saerligt Daekkede Obligationer (SDO), Saerligt Daekkede Realkreditobligationer (SDRO) and Realkreditobligationer (RO). While the cover assets for SDROs and ROs are limited to mortgage loans and public sector assets, the cover pools for SDOs can also include loans to banks and shipping loans. The minimum OC ratio stands at 2% in Denmark and in the case of a mortgage bank largely comprises substitute cover assets as each mortgage loan in the cover pool has to have the same nominal value as the covered bond used to refinance it. Covered bonds issued as SDOs and SDROs can carry the European Covered Bond Premium label. However, this label is not used for ROs other than the bonds issued before 1 January 2008. As a result of the rating of the covered bond programmes, a risk weighting of 10% in line with the CRR applies to all EUR benchmark deals from Denmark. In the context of LCR management, we believe the EUR benchmarks of all issuers also qualify as Level 1 assets.

		Denmark	
Designation	Saerligt Daekkede Obligationer	Saerligt Daekkede Realkreditobligationer	Realkredit-obligationer
Short form	SDO	SDRO	RO
Special bank principle	Yes	Yes	Yes
Owner of assets	Issuer	Issuer	Issuer
Public supervision / Regulator	Danish Financial Supervisory Authority (FSA)	Danish Financial Supervisory Authority (FSA)	Danish Financial Supervisory Authority (FSA)
Cover assets (if applicable incl. substitutional assets)	Mortgage loans, Public sector loans, Ship loans[1], Bank loans	Mortgage loans, public sector loans	Mortgage loans, public sector loans
Substitutional assets	Yes	Yes	Yes
Limit of substitutional assets	15% CQS1/10% CQS2	-	-
Derivatives as cover assets	Yes	Yes	Yes
Geographical scope - Mortgage loans	EEA, UK	EEA, UK	EEA, UK
Geographical scope - Public sector loans	EEA, UK	EEA, UK	EEA, UK
Loan to value - Mortgage loans	Residential: 75%/80%[2] Holiday homes: 60%/75%[3] Agriculture 60%/70%[4] Commercial: 60%/70%[4] Ship: 60%	Residential: 75%/80%[2] Holiday homes: 60%/75%[3] Agriculture: 60%/70%[4] Commercial: 60%/70%[4]	Residential: 80% Holiday homes: 60%/75%[3] Agriculture: 70% Commercial: 60%
LTV calculation	Market value (on site by valuation agent)	Market value (on site by valuation agent)	Market value (on site by valuation agent)
Minimum OC	2% nominal value	2% nominal value	2% nominal value
Cover pool register	Yes	Yes	Yes
Asset encumbrance * Issue limit ** Cover pool limit	Balance Principle	Balance Principle	Balance Principle
Deferral of maturity	Yes, mandatory (except spe-cialised ship banks)	Yes, mandatory	Yes, mandatory
Trigger Deferral of maturity	Refinancing CBs not guaranteed	Refinancing CBs not guaranteed	Refinancing CBs not guaranteed
CRD compliant	Yes	Yes	Depending on programme[5]
ECB eligible	Yes	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; [1] Not an option for mortgage lenders [2] 80%: loans issued up to 30y maturity and 10y interest-only period, 75%: loans with an unlimited maturity and interest-only period; [3] 60%: residential use; 75%: commercial use; [4] up to 70% if the bank adds additional collateral; [5] In terms of risk weight, ROs issued before 1 January 2008 are subject to grandfathering (RW: 10%)

Refinancing of renewable energies in Denmark possible via covered bonds

In addition to the traditional cover pool assets (public sector loans, mortgages or ships), wind or solar energy installations can also be used as cover assets under certain conditions. This is contingent on the assets being registered in the Danish land register. For both solar and wind turbine installations on land, the ownership of the land or a lease agreement guaranteeing the use of the land for a certain period of time and inclusion in the land register is required. For offshore wind turbines, further differentiation is made between installations anchored to the sea floor and floating installations. A mortgage for floating installations cannot be registered in the land register, but the installation can be registered as a ship. For wind turbine installations anchored to the sea floor, a lease agreement is set up and registered in the land register. In Denmark it is therefore also possible to refinance loans to fund renewable energy through the issuance of covered bonds.

Conclusion and outlook

Non-Eurozone Nordic nations mainly place covered bonds in their domestic currencies, but are also active in the EUR benchmark segment. Norwegian issuers account for the largest share of newly placed covered bonds in terms of volume. As a result of its unique legislation compared with other countries, among other aspects, the Danish covered bond market is currently the second largest in the world in terms of the refinancing of mortgage loans. The need to issue a covered bond before any new loan is granted is the reason for the high issuance volume of DKK-denominated covered bonds. This approach eliminates the mismatching of cash flows between mortgage loans and covered bonds for the mortgage banks, which consequently function quasi as intermediaries between the borrower and covered bond investor.

SSA/Public Issuers
Teaser: Issuer Guide – Non-European Supras (MDBs) 2025

Authors: Dr Norman Rudschuck, CIIA // Lukas-Finn Frese // assisted by Justin Hoff

Multilateral development banks dominate the non-European supras market

Aside from the European supranationals that form part of our coverage, there are other international issuers that are also regularly active in the EUR benchmark segment. We propose to look at these separately in greater detail as part of the full Issuer Guide. The nine issuers under review are without exception multilateral development banks (MDBs). The significance of such institutions has risen sharply in recent years as a result of the more restrictive lending policies adopted by private banks in the wake of financial and economic crisis. The outstanding bond volumes of these nine MDBs amounts to the equivalent of around EUR 765bn distributed over 2,885 separate bond issues. Unsurprisingly, the EUR supply takes a backseat here: the outstanding EUR bond volume totals "only" EUR 98bn, distributed over 285 bonds. The European single currency therefore accounts for a share of 13% overall. Despite the supposedly structural homogeneity of non-European MDBs, there are significant differences in terms of ownership structure, scope of geographic activity and callable capital. In some cases, capital increases led to a stabilisation or increased growth of individual supras, which indicated the considerable value that shareholders attach to the MDBs. The significance and advantages of MDBs, for example in connection with cheaper funding and alternative forms of bonds, are increasingly being recognised in all parts of the world. In this context, hybrid bonds (recently launched by the AfDB) and sukuk bonds (IsDB) must be highlighted. In this year's update, we shall also be looking at both the IDA and AIIB for the first time.

Non-European MDBs – an overview

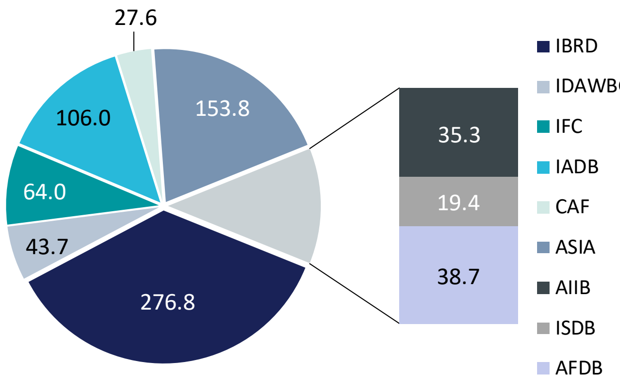
Institution	Type	Owner(s)	Guarantee	Risk weight
International Bank for Reconstruction and Development (IBRD)	Promotional bank	189 states	Callable capital: USD 300.6bn	0%
International Development Association (IDA)	Promotional bank	175 states	-	0%
International Finance Corporation (IFC)	Promotional bank	186 states	-	0%
Inter-American Development Bank (IDB)	Promotional bank	48 states	Callable capital: USD 164.9bn	0%
Corporación Andina de Fomento (CAF)	Promotional bank	22 states (99.99%) & 0.01% commercial banks	Callable capital: USD 1.8bn	20%
Asian Development Bank (ADB)	Promotional bank	69 states	Callable capital: USD 137bn	0%
Asian Infrastructure Investment Bank (AIIB)	Promotional bank	110 states	Callable capital: USD 77.6bn	0%
Islamic Development Bank (IsDB)	Promotional bank	57 states	Callable capital: USD 54.9bn	0%
African Development Bank (AfDB)	Promotional bank	81 states	Callable capital: USD 194.6bn	0%

Source: Issuers, NORD/LB Floor Research

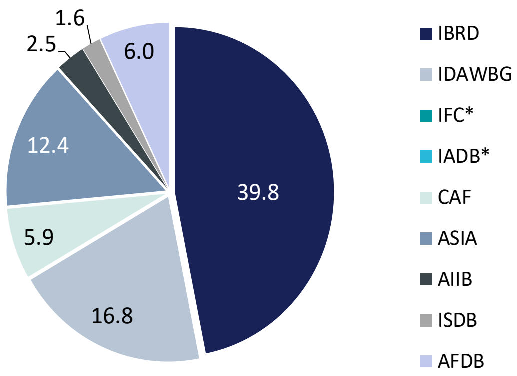
Risk weights of 0% – with the exception of CAF

The risk weight of supranationals is based on art. 117 and 118 of the CRR. Here, the MDBs and international organisations, for which a risk weight of 0% is possible, are explicitly listed. This applies to all of the issuers covered in this publication with the exception of Corporación Andina de Fomento (CAF). The risk weight for CAF results from the rating or corresponding rating class of the issuer. In line with art. 117(1), our understanding is that a risk weight of 20% must therefore be applied to CAF bonds.

Outstanding equivalent bond volumes (EURbn)



Outstanding EUR benchmarks (EURbn)



* IFC and IADB are currently not active as issuers of EUR benchmarks.
NB: Benchmarks are defined as bonds with a minimum volume of EUR 0.5bn.
Foreign currencies are converted into EUR at rates as at 25 March 2025.
Source: Bloomberg, NORD/LB Floor Research

Overview of non-European supranationals (EURbn/EUR equivalent)

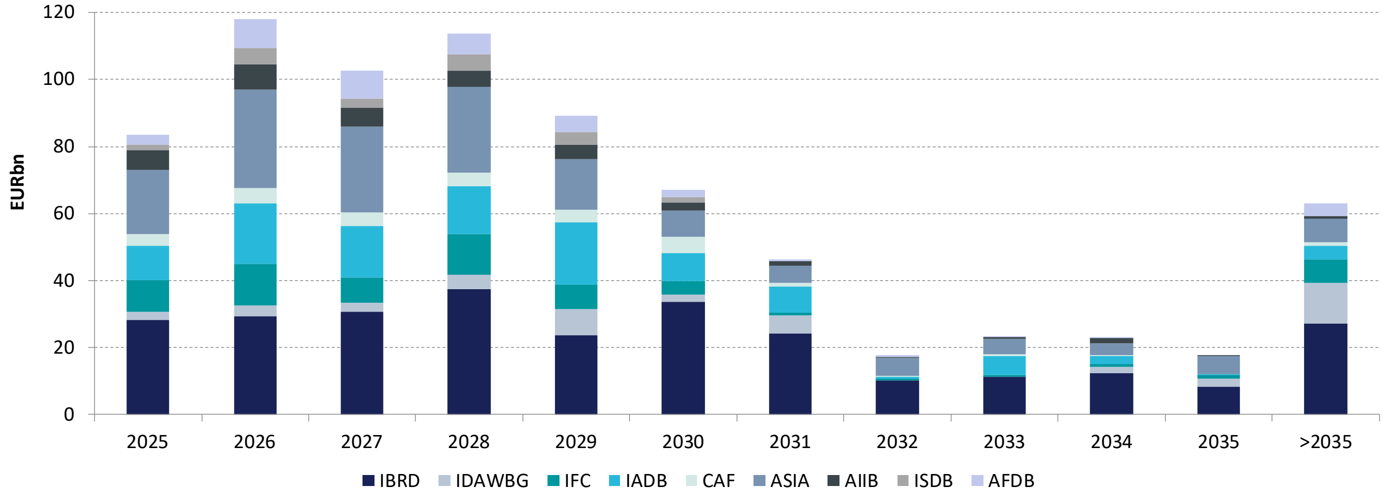
Name	Ticker	Rating (Fitch/Moody's/S&P)	Outstanding Volume	Of which in EUR volume	Funding target 2025	Maturities 2025	Net Supply 2025	Number of ESG bonds	ESG volume
IBRD	IBRD	AAAu/Aaa/AAA	276.8	47.9	48.6	36.9	11.7	758	233.5
IDA	IDAWBG	-/Aaa/AAA	43.7	16.8	12.0	2.1	9.9	31	43.2
IFC	IFC	-/Aaa/AAA	64.0	0.9	14.6	12.1	2.5	270	40.6
IDB	IADB	AAAu/Aaa/AAA	106.0	0.1	20.0	16.3	3.7	205	91.1
CAF	CAF	AA-/Aa3/AA	27.6	6.9	7.5	4.6	2.9	11	2.6
ADB	ASIA	AAA/Aaa/AAA	153.8	13.2	34.0	23.5	10.5	127	22.6
AIIB	AIIB	AAA/Aaa/AAA	35.3	2.7	10.2	6.3	3.9	96	35.5
IsDB	ISDB	AAA/Aaa/AAA	19.4	2.9	4.4	3.8	0.6	2	3.5
AfDB	AFDB	AAA/Aaa/AAA	38.7	6.9	9.8	4.4	5.4	20	10.0
Total			**765.3**	**98.3**	**161.2**	**109.8**	**51.3**	**1,520**	**482.6**

Foreign currencies are converted into EUR at rates as at 25 March 2025.
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

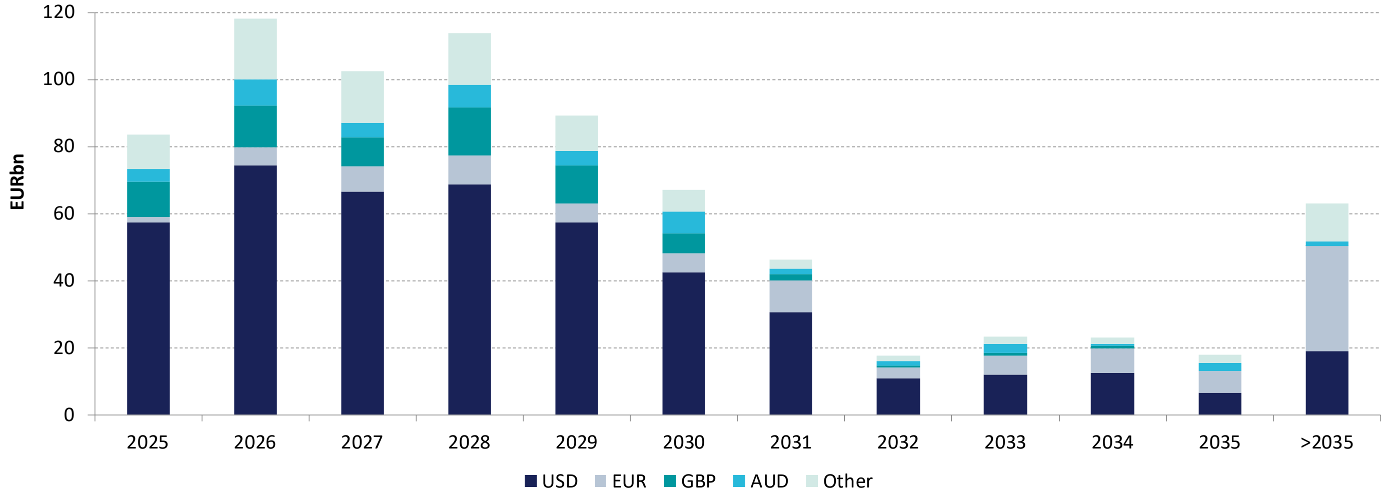
Spotlight on ESG bonds

With respect to the number of ESG bonds issued and the volumes associated with this sub-segment, some readers might well be rubbing their eyes in disbelief or suspecting that the authors have made a typo: a whopping 758 bonds with an ESG focus attributable to just a single issuer really is something of a one-off. As part of the World Bank Group, the IBRD issues bonds in both green and sustainable format. However, the other MDBs have also been active in the ESG segment already and have in some cases amassed considerable outstanding volumes. Overall, we have identified more than 1,500 bonds of this kind.

Non-European supranationals: outstanding bonds by issuer



Non-European supranationals: outstanding bonds by currency



NB: Foreign currencies are converted into EUR at rates as at 25 March 2025.
Source: Bloomberg, NORD/LB Floor Research

Wide range of maturities and USD dominance

A wide range of supply can be found in virtually all maturity segments in the non-European Supras market. Although the focus is still on the shorter maturity segment, the outstanding volumes in the long maturity segment should not be underestimated by any means. The vast majority of outstanding bonds issued by non-European MDBs are denominated in USD. The EUR plays a more subordinate role, accounting for a share of just 13% of the outstanding bond volumes overall. In total, 51 different foreign currencies are used for funding purposes by the nine MDBs under review here.

USA reviewing its participation in MDBs

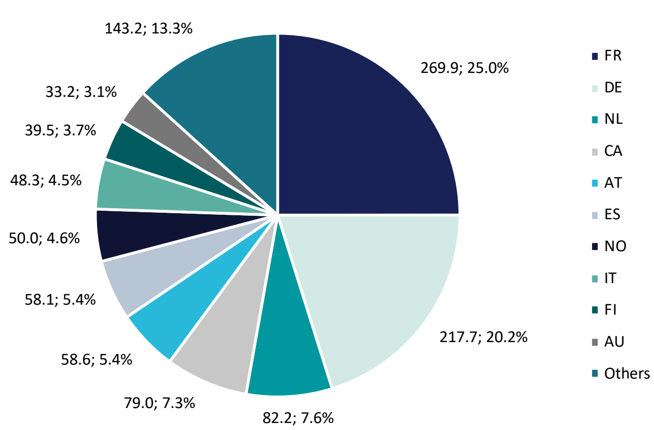
The USA is reviewing its participation in international organisations. As President Trump instructed by Executive Order at the beginning of February, an evaluation of all intergovernmental organisations – of which the USA is a member and which it supports financially – is to be carried out within a period of six months under the leadership of the Secretary of State and the UN ambassador. The aim of this review is to determine which organisations run counter to the interests of the USA and whether the underlying treaties can be reformed. Once the process has been completed, a recommendation will be forwarded to the President as to whether the USA should terminate its membership of the relevant organisations. Therefore, a number of MDBs, in which the United States is at times the largest shareholder, are also under scrutiny, including the IBRD (US share: 16.3%), IDA (9.7%), IDB (30.0%), ADB (15.6%) and AfDB (6.4%). Apart from the latter institution, the USA is the largest shareholder in all the others. While the rating agency Fitch thinks complete withdrawal of the USA from these supranationals is unlikely, as it would lose an essential opportunity to exercise geopolitical influence, such a decision would have far-reaching negative consequences for the capitalisation of the MDBs concerned and their creditworthiness, and could therefore lead to a downgrade. However, the conditions of withdrawal and the response of the other shareholders would also play a key role. From a historical perspective, it is conceivable that the remaining members would increase their shares or significantly restrict the bank's lending to compensate for the lack of capital. Even if it is possible for a sovereign to withdraw from an MDB, it is a protracted and costly process. The statutes of the IBRD and the IDB, for example, clearly stipulate that a state remains liable to the MDB for its liabilities upon withdrawal as long as part of the loans and guarantees this state has received are still outstanding. This means the USA could be bound to the loan portfolio of an MDB for a long time despite having decided to leave. A comparable scenario is the case of the UK, whose participation in the EIB was terminated in the wake of Brexit, but is still liable for outstanding loans. All in all, we think that the USA withdrawing from the above-mentioned MDBs is an unrealistic scenario, as the United States should have no interest in relinquishing this opportunity to exercise geopolitical influence.

Conclusion and comment

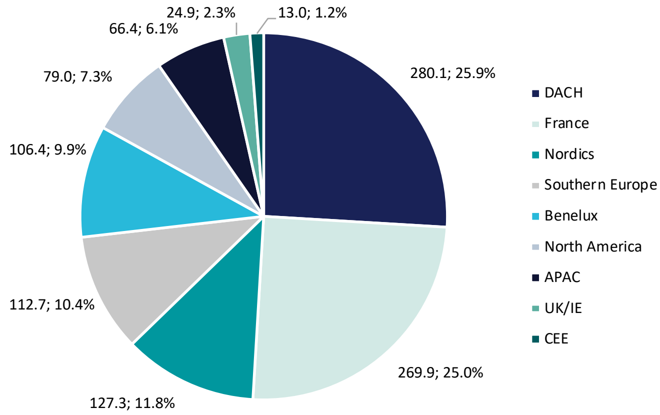
The non-European Supras market offers a wide range of bonds with different maturities, although the majority of the outstanding volume is denominated in USD. Comparatively speaking, the supply of EUR bonds is very low, since non-European supras mainly raise funding in the world's leading currency. In absolute figures, the total outstanding volume of EUR 765bn must not – compared with other markets – be underestimated in any way. As the largest MDB in our coverage, the IBRD appears regularly as an issuer of EUR benchmarks in particular. In view of global risks and challenges, such as post-war reconstruction efforts and climate change, we expect that non-European MDBs will continue to have substantial funding requirements over the years to come. The latter is also apparent from the steadily increasing supply of ESG bonds. As at the reporting date, there are a total of 1,520 ESG bonds in circulation with an outstanding volume equivalent to EUR 483bn. Moreover, this upward trend is expected to continue in the future!

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



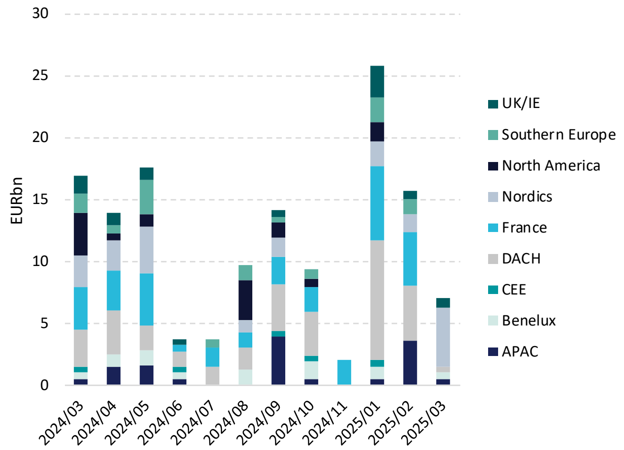
EUR benchmark volume by region (in EURbn)



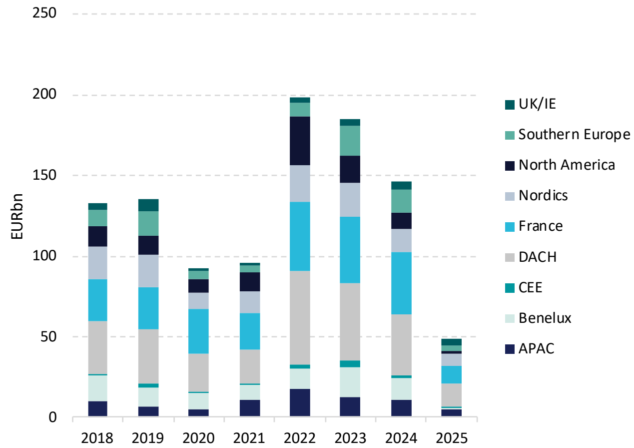
Top-10 jurisdictions

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	269.9	259	30	0.98	9.2	4.6	1.57
2	DE	217.7	303	48	0.66	7.7	3.8	1.63
3	NL	82.2	83	4	0.93	10.4	5.6	1.42
4	CA	79.0	57	1	1.36	5.6	2.5	1.52
5	AT	58.6	97	5	0.60	7.9	3.9	1.61
6	ES	58.1	48	6	1.07	10.7	3.2	2.19
7	NO	50.0	60	12	0.83	7.1	3.4	1.28
8	IT	48.3	62	6	0.76	8.4	3.9	2.06
9	FI	39.5	45	4	0.86	6.7	3.1	1.77
10	AU	33.2	33	0	1.00	7.3	4.3	1.97

EUR benchmark issue volume by month



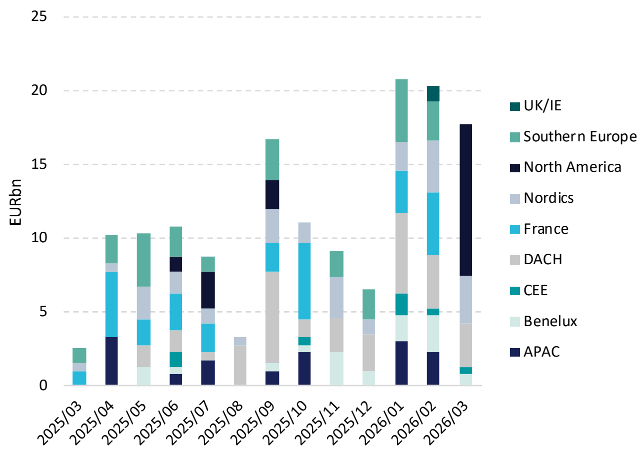
EUR benchmark issue volume by year



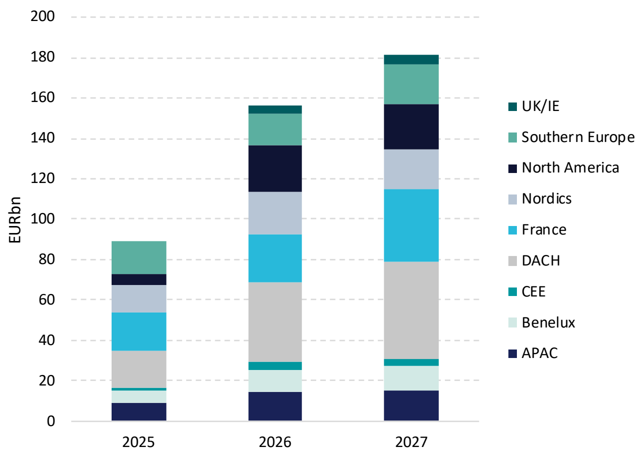
Source: Market data, Bloomberg, NORD/LB Floor Research

NORD/LB

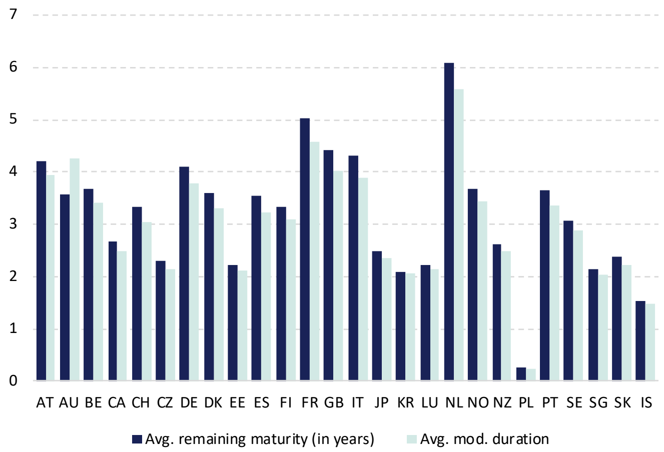
EUR benchmark maturities by month



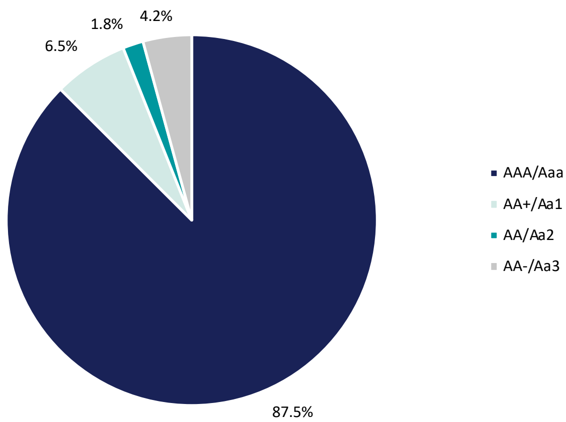
EUR benchmark maturities by year



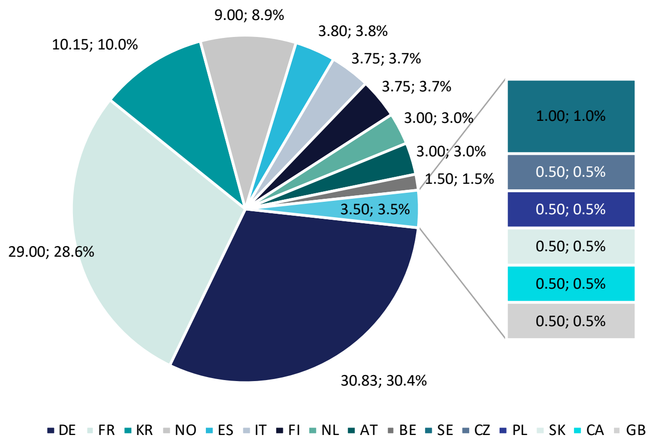
Modified duration and time to maturity by country



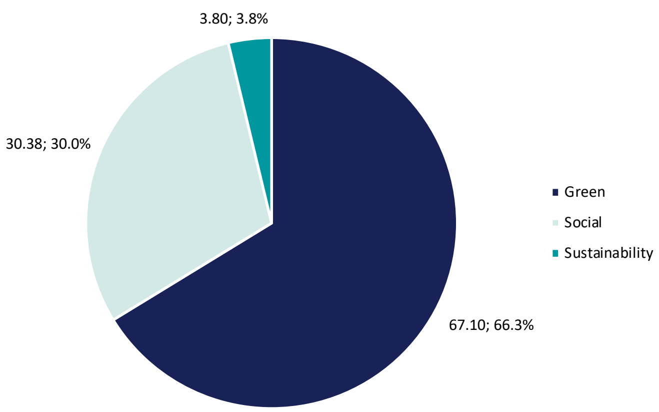
Rating distribution (volume weighted)



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



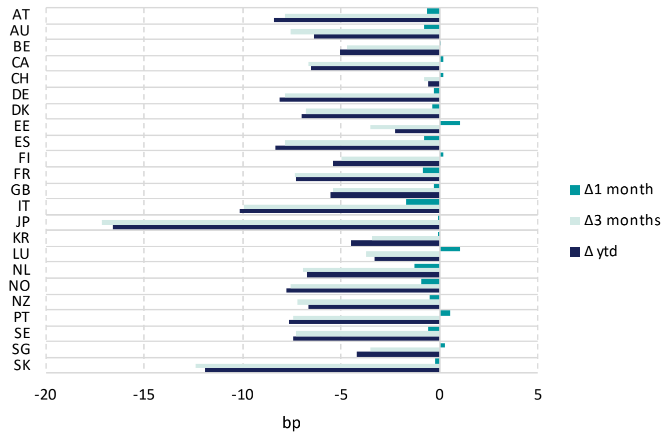
EUR benchmark volume (ESG) by type (in EURbn)



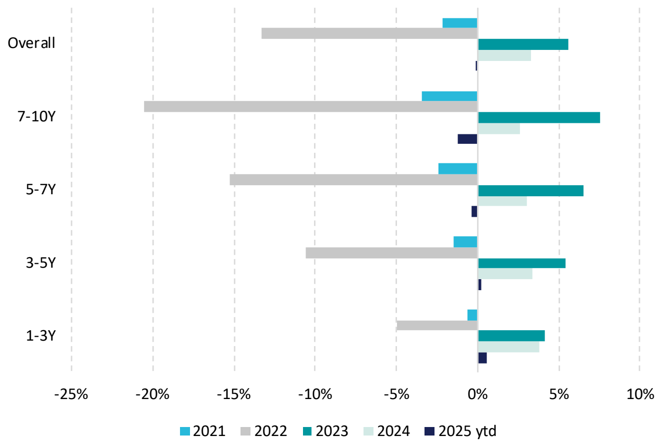
Source: Market data, Bloomberg, NORD/LB Floor Research

NORD/LB

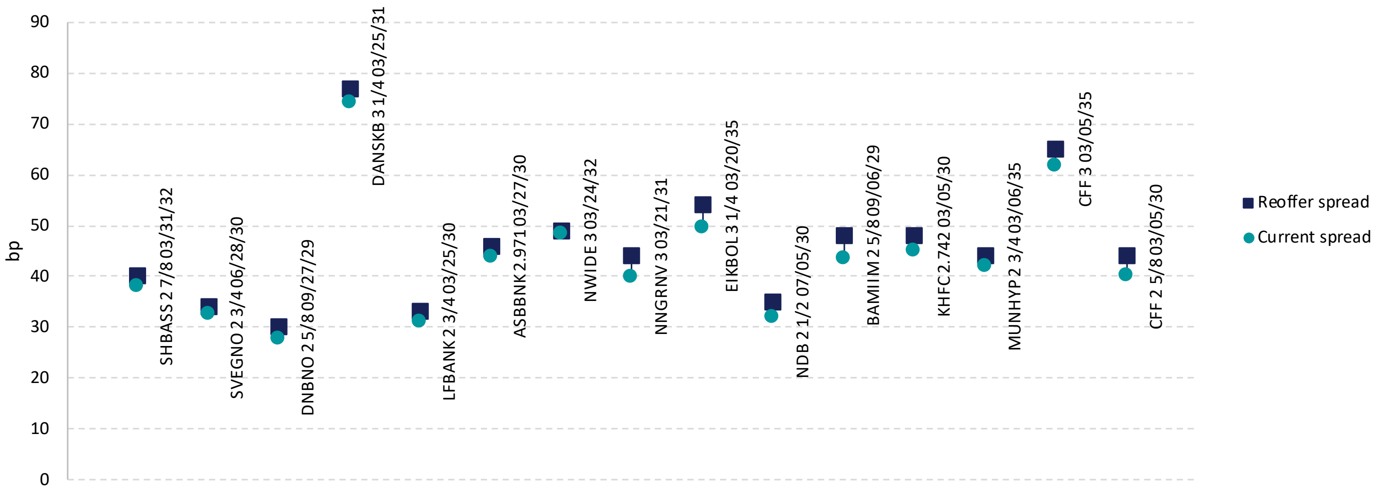
EUR benchmark emission pattern



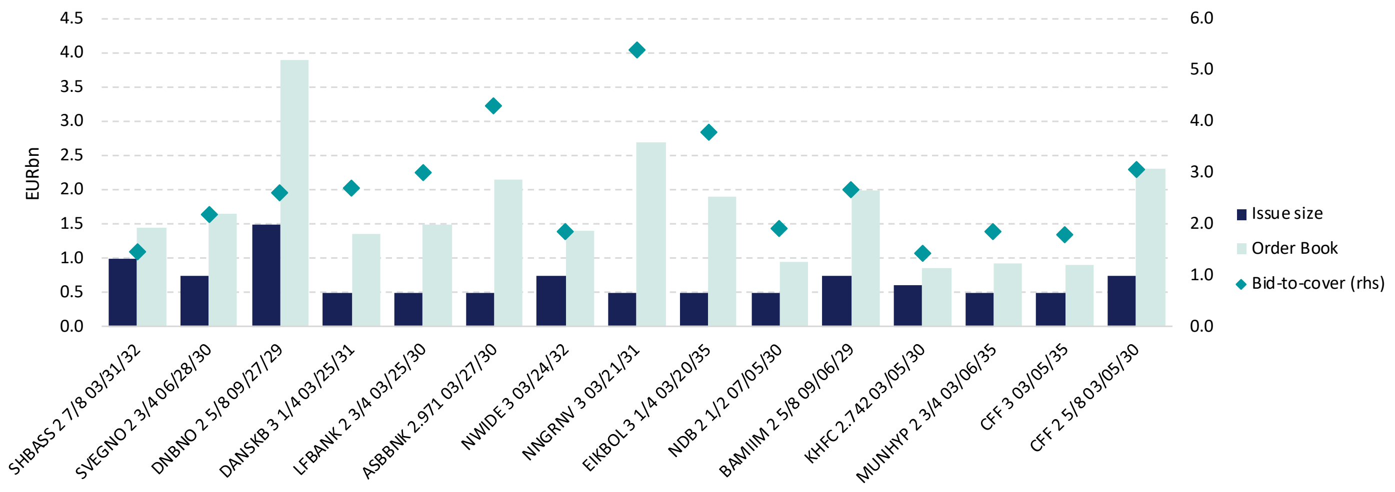
Covered bond performance (Total return)



Spread development (last 15 issues)



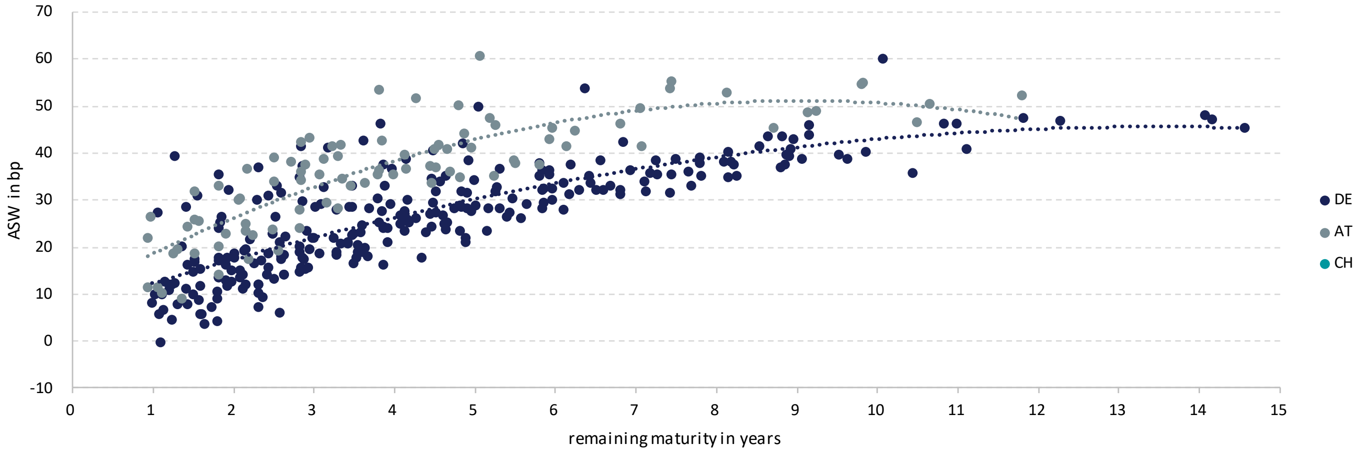
Order books (last 15 issues)



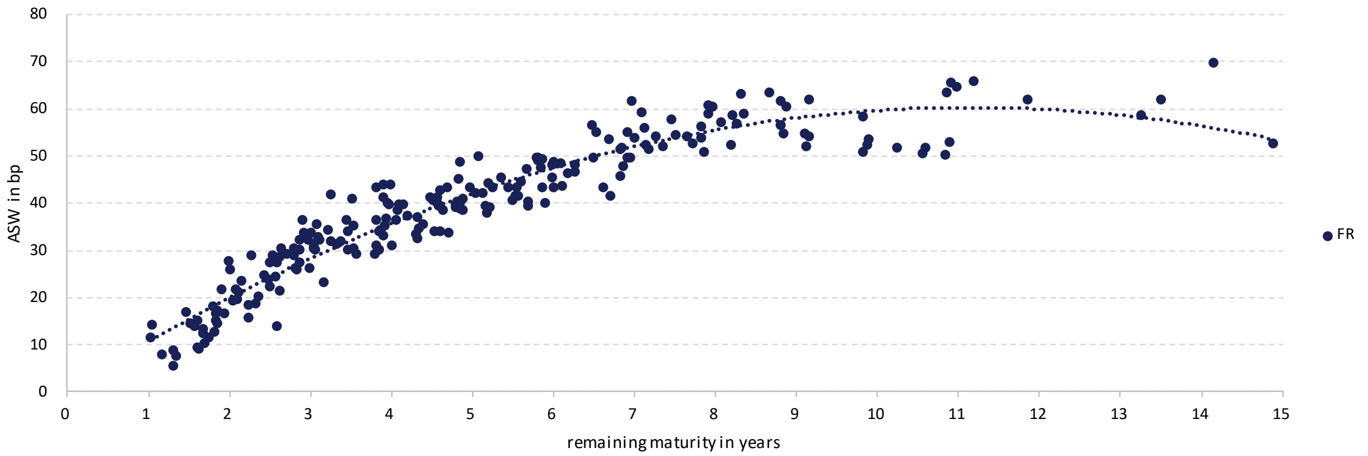
Source: Market data, Bloomberg, NORD/LB Floor Research

Spread overview[1]

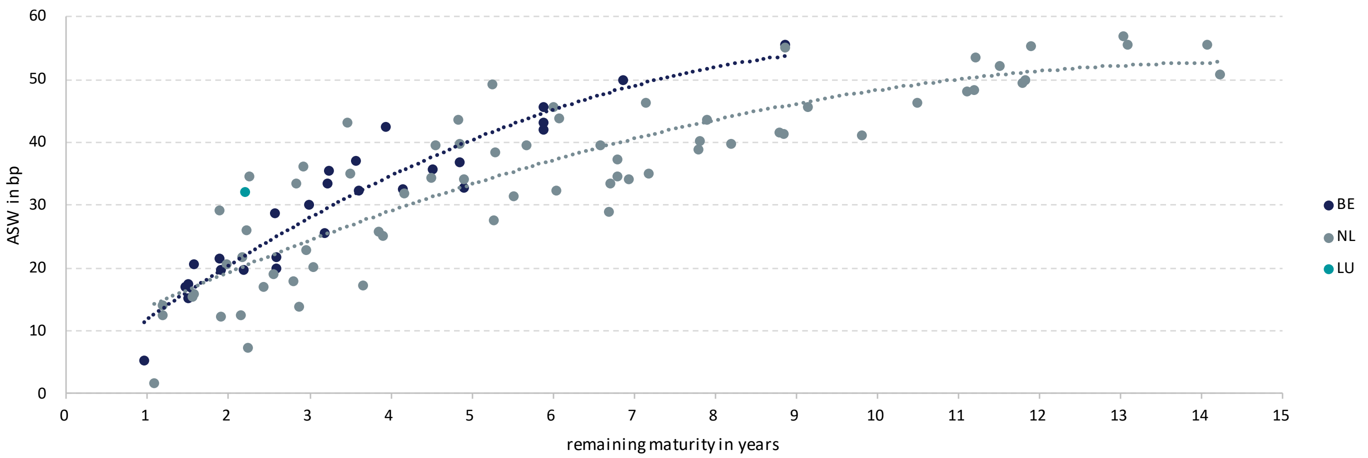
DACH



France

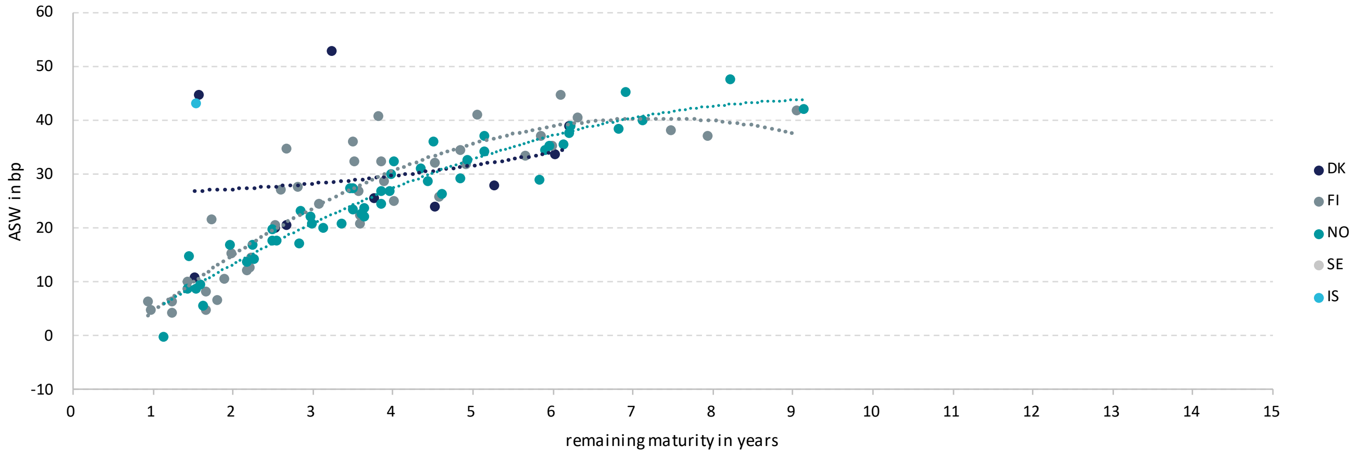


Benelux

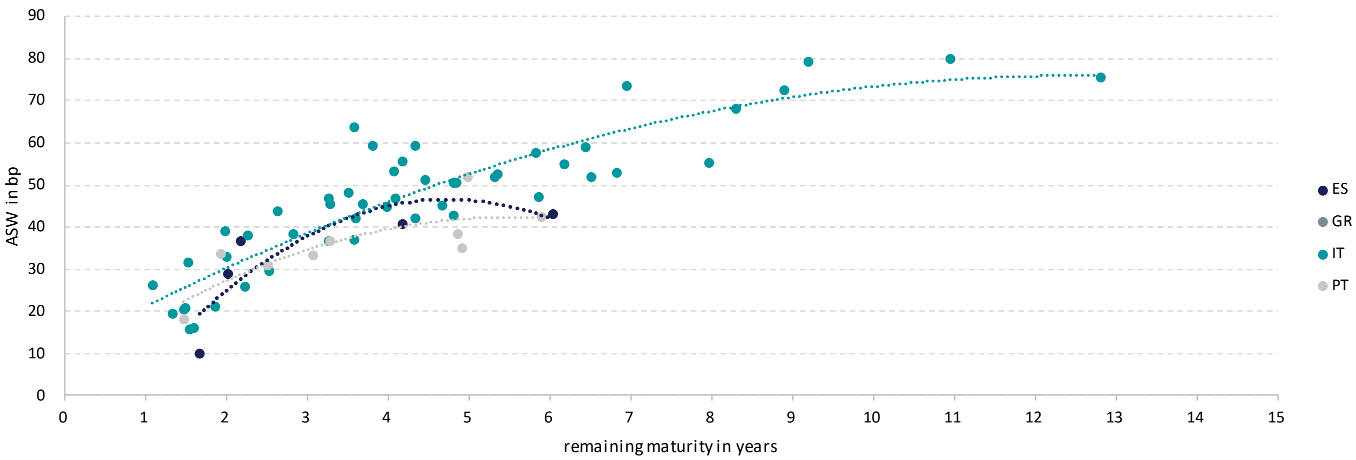


Source: Market data, Bloomberg, NORD/LB Floor Research [1]Time to maturity 1 ≤ y ≤ 15

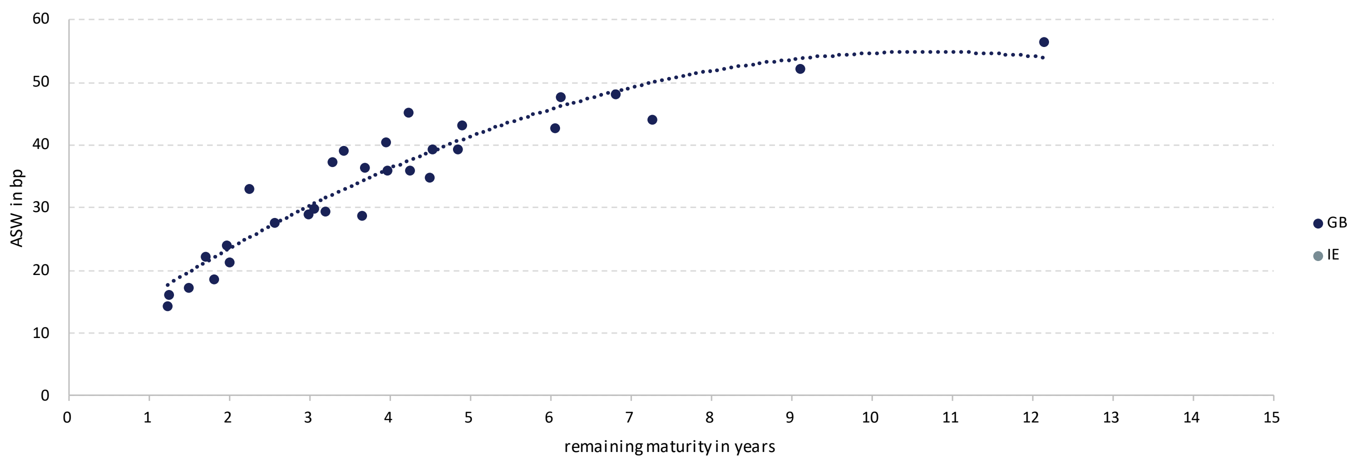
Nordics



Southern Europe

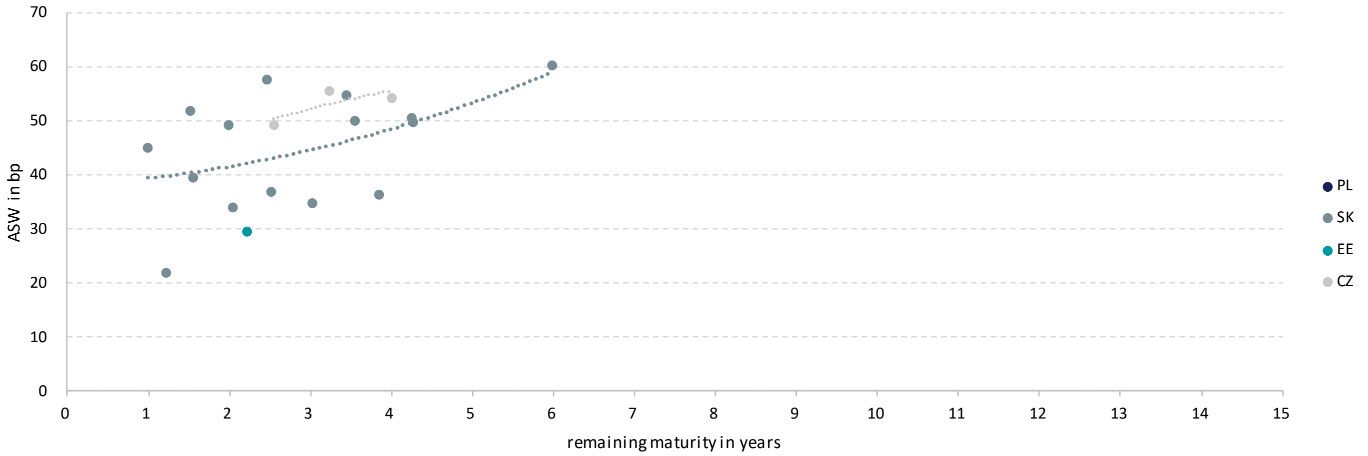


UK/IE

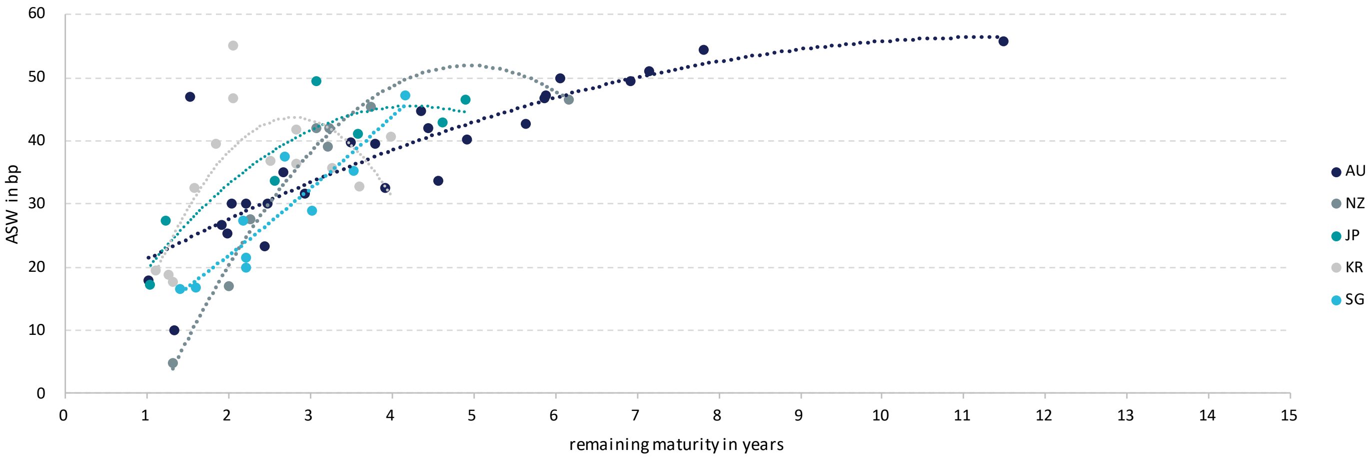


Source: Market data, Bloomberg, NORD/LB Floor Research

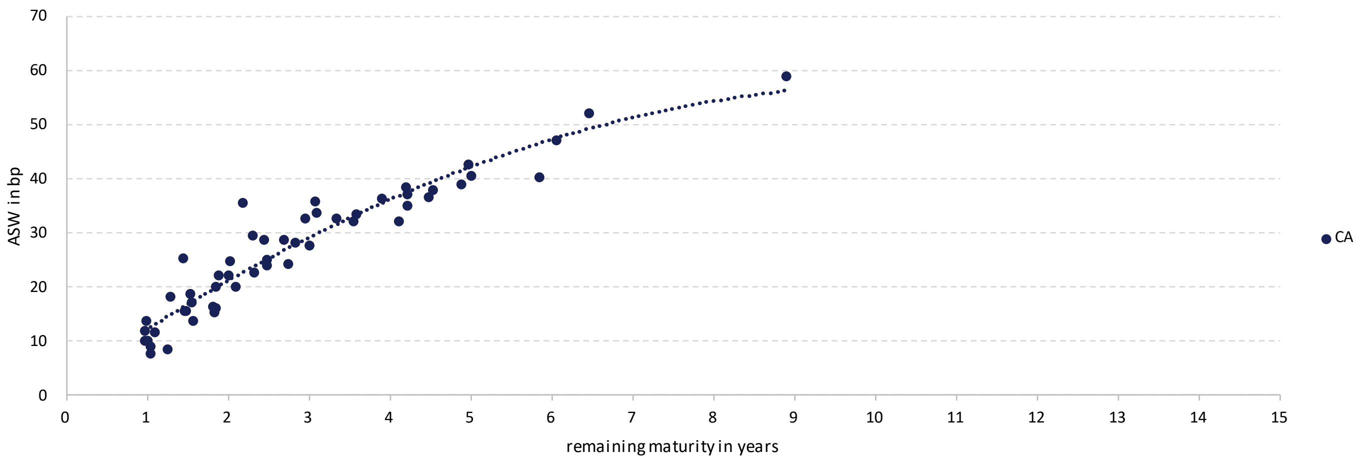
CEE



APAC



North America

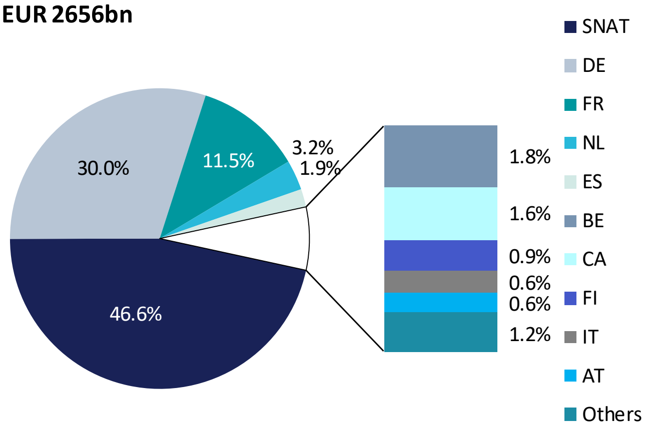


Source: Market data, Bloomberg, NORD/LB Floor Research

Charts & Figures
SSA/Public Issuers

Outstanding volume (bmk)

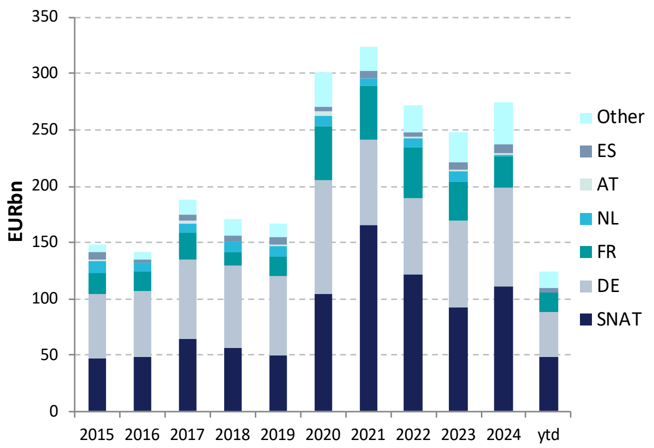
EUR 2656bn



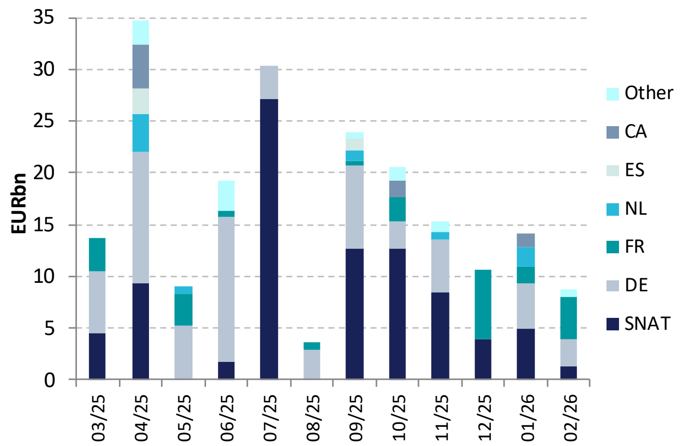
Top 10 countries (bmk)

Country	Vol. (EURbn)	No. of bonds	ØVol. (EURbn)	Vol. weight. ØMod. Dur.
SNAT	1,237.2	255	4.9	7.6
DE	797.1	598	1.3	6.0
FR	305.0	206	1.5	5.6
NL	85.7	68	1.3	6.1
ES	51.5	71	0.7	4.9
BE	48.4	49	1.0	9.8
CA	43.1	31	1.4	4.9
FI	24.6	26	0.9	4.2
IT	16.8	21	0.8	4.2
AT	16.0	21	0.8	4.6

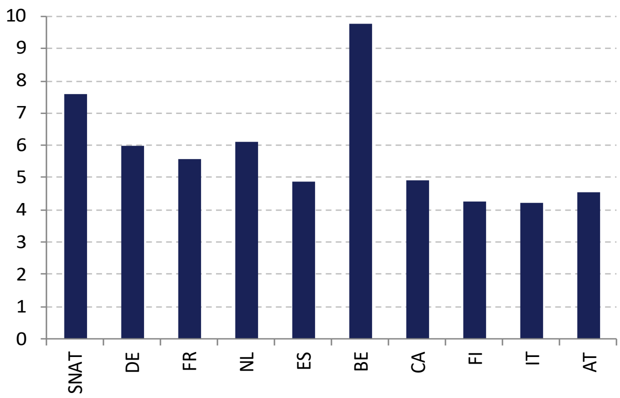
Issue volume by year (bmk)



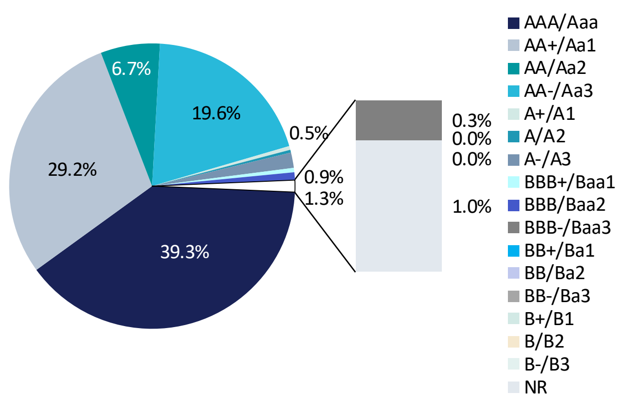
Maturities next 12 months (bmk)



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



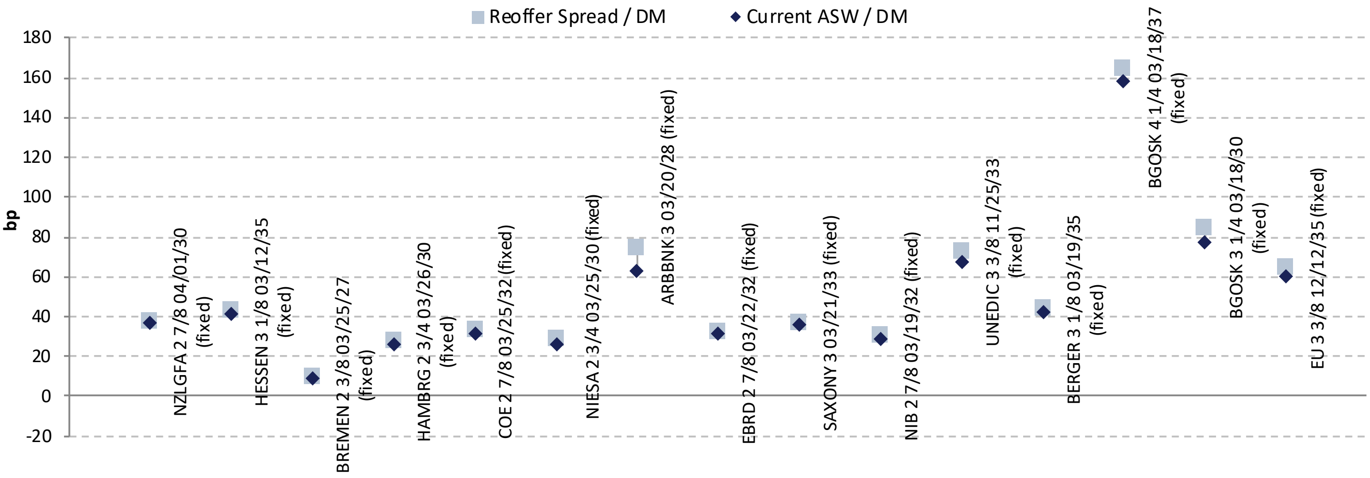
Rating distribution (vol. weighted)



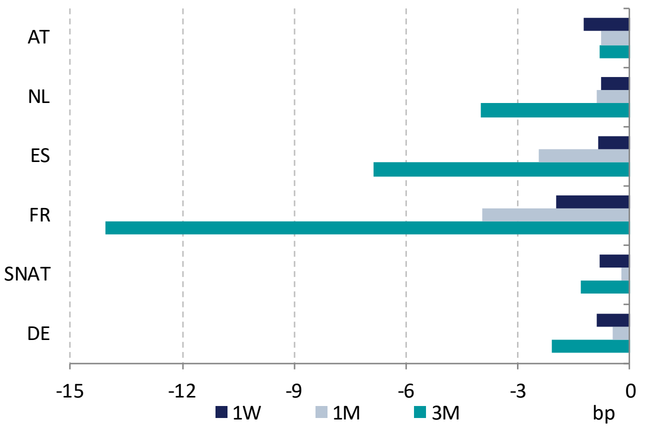
Source: Bloomberg, NORD/LB Floor Research

NORD/LB

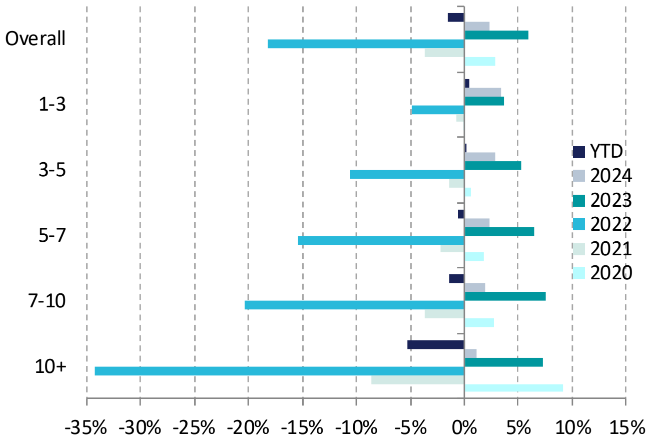
Spread development (last 15 issues)



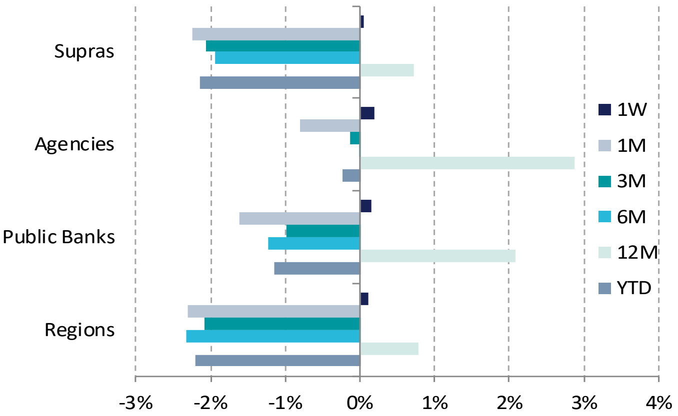
Spread development by country



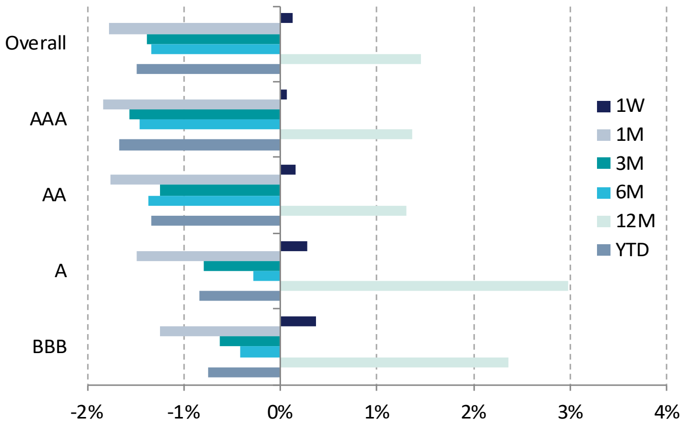
Performance (total return)



Performance (total return) by segments

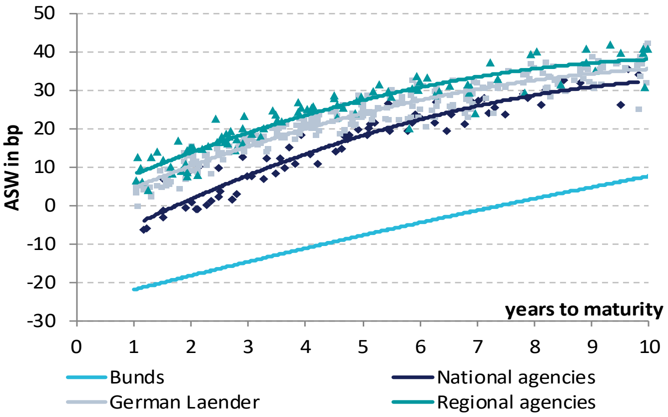


Performance (total return) by rating

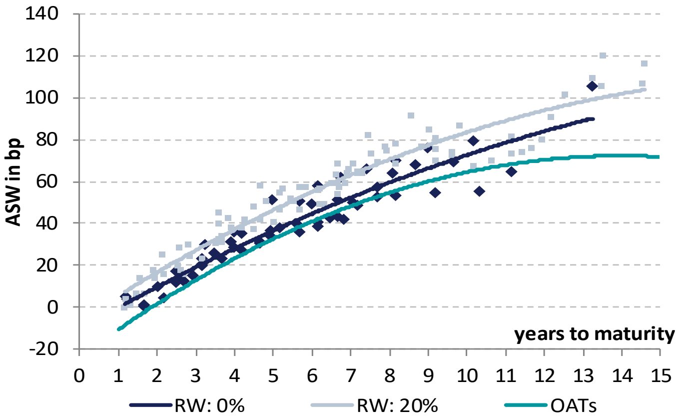


Source: Bloomberg, NORD/LB Floor Research

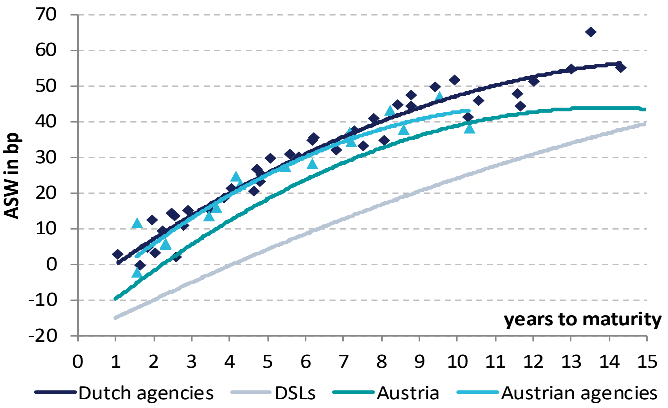
Germany (by segments)



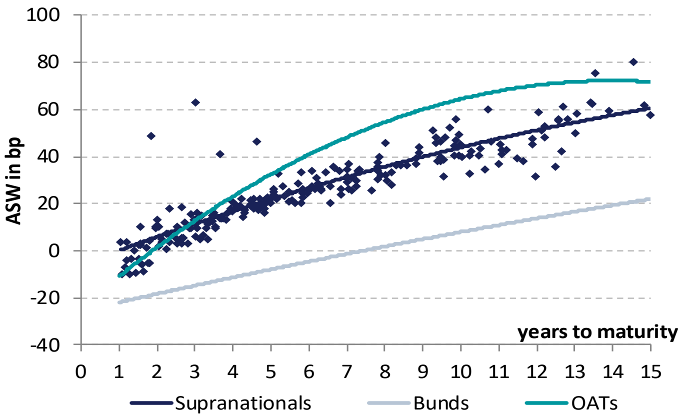
France (by risk weight)



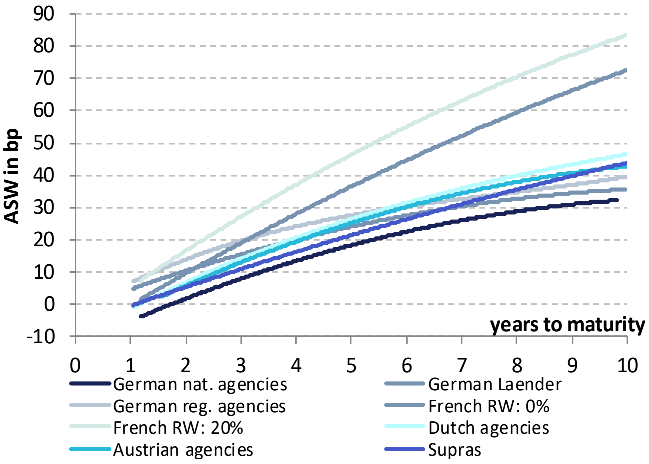
Netherlands & Austria



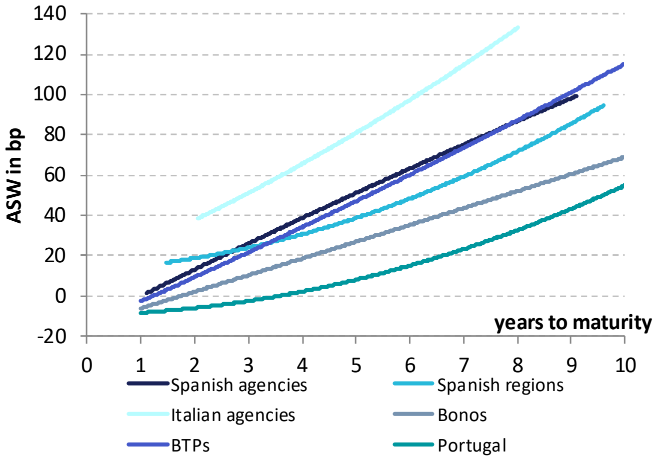
Supranationals



Core



Periphery

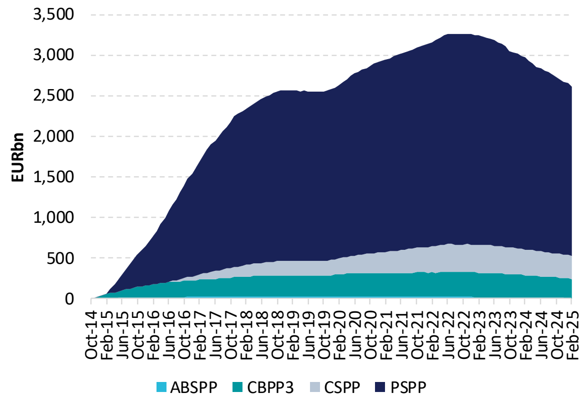


Source: Bloomberg, NORD/LB Floor Research

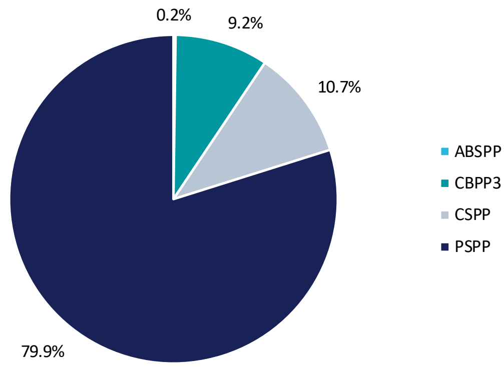
Charts & Figures
ECB tracker

Asset Purchase Programme (APP)

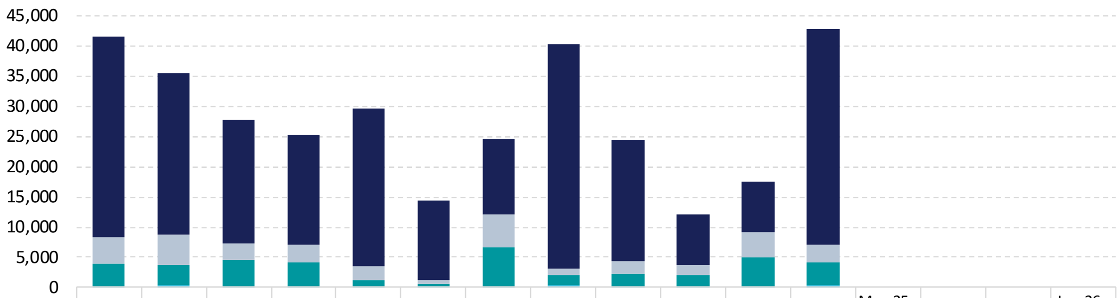
APP: Portfolio development



APP: Portfolio structure

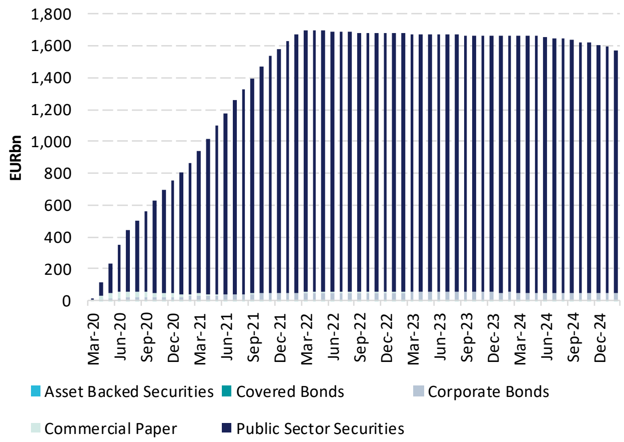


Expected monthly redemptions (in EURm)

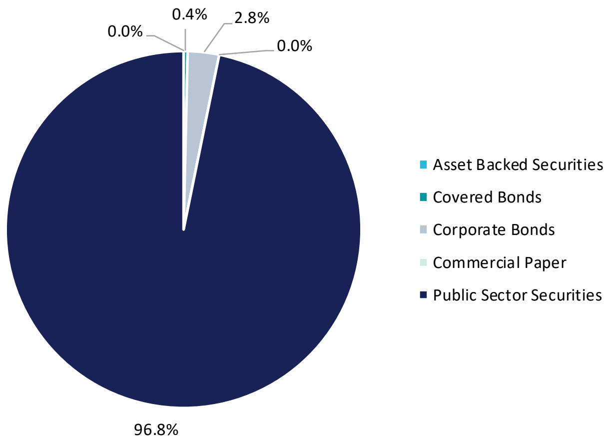


	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-25 - Feb-26	2024	2025	Jan-26 - Feb-26
APP	41,660	35,527	27,846	25,290	29,618	14,310	24,596	40,249	24,445	12,017	17,538	42,791	335,887	334,302	334,255	42,791
PSPP	33,379	26,671	20,541	18,261	26,161	13,114	12,568	37,073	20,060	8,274	8,318	35,650	260,070	264,480	253,586	35,650
CSPP	4,279	5,137	2,699	2,940	2,156	562	5,259	1,005	2,008	1,693	4,212	2,926	34,876	31,380	34,499	2,926
CBPP3	3,709	3,373	4,448	3,864	1,135	468	6,492	1,864	2,106	1,903	4,740	3,911	38,013	32,173	42,332	3,911
ABSPP	293	346	158	225	166	166	277	307	271	147	268	304	2,928	6,269	3,838	304

PEPP: Portfolio development



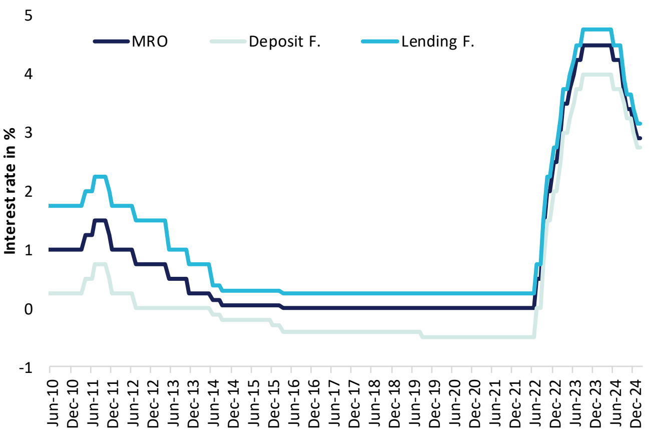
PEPP: Portfolio structure



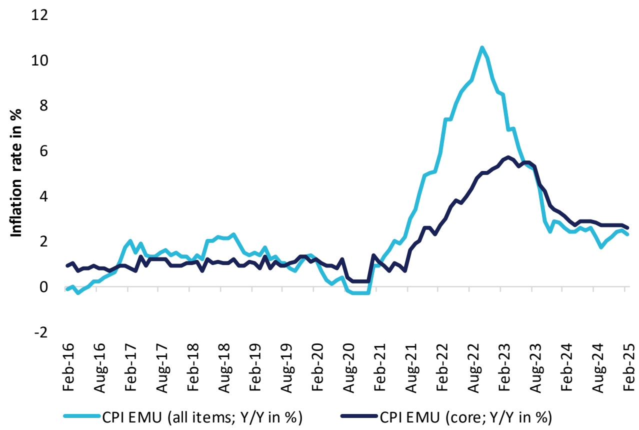
Source: ECB, NORD/LB Floor Research

Charts & Figures
Cross Asset

ECB key interest rates

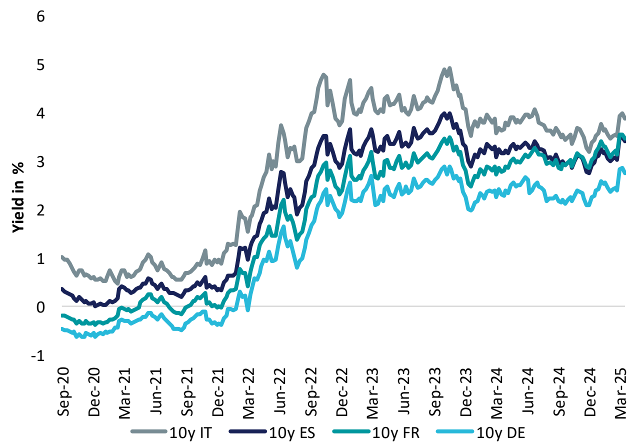


Inflation development in the euro area

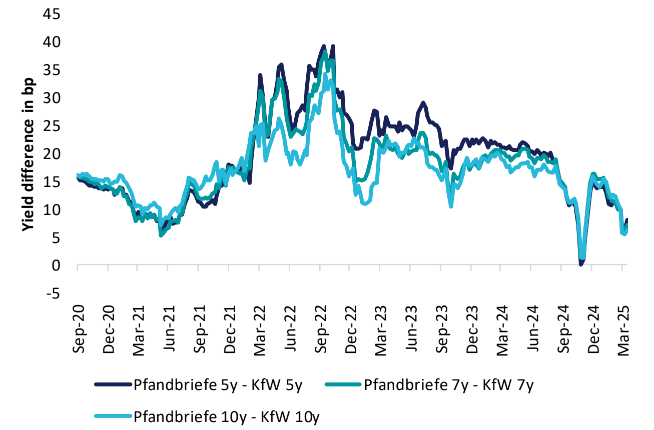


Bund-swap-spread

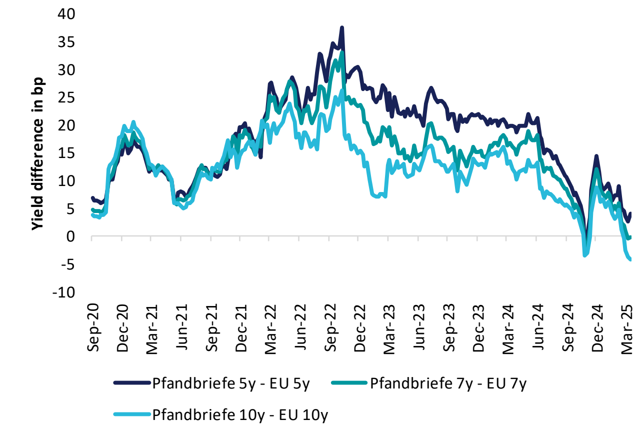
Selected yield developments (sovereigns)



Pfandbriefe vs. KfW



Pfandbriefe vs. EU



Source: ECB, Bloomberg, NORD/LB Floor Research

Appendix
Overview of latest Covered Bond & SSA View editions

Publication	Topics
11/2025 ♦ 19 March	▪ Eligibility of covered bonds for repo transactions ▪ Current risk weight of supranationals & agencies
10/2025 ♦ 12 March	▪ Covereds vs. sovereign bonds: A question of attractiveness ▪ NGEU: Green Bond Dashboard
09/2025 ♦ 05 March	▪ Transparency requirements §28 PfandBG ▪ Teaser: Issuer Guide – Non-European Agencies 2025
08/2025 ♦ 26 February	▪ Overseas Covered Bonds – A Brave New Spread World? ▪ Update: Joint Laender – Laender jumbos
07/2025 ♦ 19 February	▪ An overview of the EUR sub-benchmark segment ▪ Export Development Canada – spotlight on EDC
06/2025 ♦ 12 February	▪ Development of the German property market (vdp index) ▪ Occitania – spotlight on OCCTNE
05/2025 ♦ 05 February	▪ Crelan Home Loan plans return to the covered bond market ▪ SSA January recap: record start to 2025
04/2025 ♦ 29 January	▪ Cross Asset – ESG pilot project: First EU Green Bond in our coverage
03/2025 ♦ 22 January	▪ Focus on the banking sector: EBA Risk Dashboard in Q3/2024 ▪ 30th meeting of the Stability Council (December 2024)
02/2025 ♦ 15 January	▪ The Moody's covered bond universe – an overview ▪ Review: EUR-ESG benchmarks 2024 in the SSA segment
01/2025 ♦ 08 January	▪ Annual review of 2024 – Covered Bonds ▪ SSA: Annual review of 2024
42/2024 ♦ 18 December	▪ A regulatory look at the iBoxx EUR Covered ▪ Teaser: Beyond Bundeslaender – Belgium
41/2024 ♦ 11 December	▪ Focus on France: Covered bond view of Groupe CCF ▪ Teaser: Issuer Guide – French Agencies 2024
40/2024 ♦ 04 December	▪ Our outlook for the covered bond market in 2025 ▪ SSA Outlook 2025: Risk premiums are back in town
39/2024 ♦ 27 November	▪ What's going on outside of the EUR benchmark segment? ▪ Teaser: Issuer Guide – Down Under 2024
38/2024 ♦ 20 November	▪ Transparency requirements §28 PfandBG Q3/2024 ▪ ECB repo collateral rules and their implications for Supranationals & Agencies
37/2024 ♦ 13 November	▪ Development of German property market (vdp index) ▪ Auvergne-Rhône-Alpes Region – spotlight on REGRHO
36/2024 ♦ 06 November	▪ ESG covered bonds: Benchmark segment on a growth trajectory ▪ Current LCR classification for our SSA coverage

NORD/LB:
Floor Research

NORD/LB:
Covered Bond Research

NORD/LB:
SSA/Public Issuers Research

Bloomberg:
RESP NRDR <GO>

Appendix
Publication overview

Covered Bonds:

- Issuer Guide – Covered Bonds 2024
- Risk weights and LCR levels of covered bonds (updated semi-annually)
- Transparency requirements §28 PfandBG Q4/2024 (quarterly update)
- Transparency requirements §28 PfandBG Q4/2024 Sparkassen (quarterly update)
- Covered bonds as eligible collateral for central banks

SSA/Public Issuers:

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

Fixed Income Specials:

- ESG-Update 2024
- ECB interest rate cut in the wake of Rambo-Zambo bond packages

Appendix
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Financials	+49 511 9818-9490
Governments	+49 511 9818-9660
Länder/Regionen	+49 511 9818-9660
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Time of going to press: 26 March 2025 (08:45)