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: two trading days reminiscent of January?

Seasonal patterns on the covered bond primary market dictate that exceptionally high issuance volumes tend to be seen over the course of the first few trading days of the new year. However, given the rather sluggish pace of issuance activities so far this year, the last two trading days almost had the feel of a start to the new year about them. On Monday and Tuesday, we welcomed six new benchmarks from five jurisdictions to the market. Last week, another Australian issuer, Westpac (ticker: WSTP) on this occasion, got the ball rolling by approaching investors. In the end, a final volume of EUR 1.5bn was placed at ms +43bp (guidance: ms +50bp area; bid-to-cover ratio: 2.9x), bringing the gross volume for 2025 from Australia to EUR 4bn in the process. Thereafter, the primary market took a breather for a couple of days, before three banks approached investors with fresh supply on Monday. Firstly, we welcomed what was only the third benchmark from the Netherlands so far this year. This was placed by Achmea Bank (ticker: ACHMEA), which raised a sum of EUR 500m (WNG) from its investors at ms +45bp, which was a full seven basis points below the original guidance. The marketing phase for the mortgage Pfandbrief issued by Helaba (ticker: HESLAN) started out at ms +31bp area. Eventually, a volume of EUR 750m was placed at ms +27bp (bid-to-cover ratio: 1.3x). Covered bonds that are not based on a legal framework boast a certain rarity value in the EUR benchmark segment. Nevertheless, the UBS deal (ticker: UBS) demonstrated that this category is quite marketable. The contractual covered bond from Switzerland (final size: EUR 1.25bn) was priced at ms +45bp, tightening by seven basis points compared with the original guidance during the book-building process. Yesterday, Tuesday, was similarly active. On the back of Slovenska Sporitelna (ticker: SLOSPO) entering the primary market in January, Vseobecna Uverova Banka (ticker: VUBSK) placed the second deal from Slovakia. In total, EUR 500m (WNG) was successfully issued at ms +60bp (guidance: ms +67bp area). The second benchmark Pfandbrief of the current trading week came from Sparkasse Hannover (ticker: SSPHAN) (cf. Issuer View). The books opened at ms +46bp area for this transaction in the amount of EUR 500m, which was also the first benchmark placed by SSPHAN with public sector cover assets. During the marketing phase, it proved to be possible to set the final reoffer spread at ms +40bp (order book: EUR 1.4bn). For the second time this year, the Portuguese issuer Novo Banco (ticker: NOVBNC) approached investors and raised EUR 500m at ms +36bp (guidance: ms +42bp area). Overall, the issuance volume recorded over the past five trading days amounts to EUR 5.5bn. A simple aggregation of the order books results in combined “demand” of EUR 11.4bn. The average bid-to-cover ratio stands at 2.3x. The mean value in terms of new issue premiums comes to +0.4bp and is therefore, from our perspective, at a relatively low level. In total, the benchmark issuance volume so far in 2025 amounts to EUR 70bn, with Germany (EUR 17bn) and France (EUR 15bn) accounting for the most significant shares. By way of comparison: fresh benchmarks totalling EUR 87bn had been placed by 13 May last year.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
Novo Banco	PT	13.05.	PTNOBPOM0007	4.0y	0.50bn	ms +36bp	- / Aaa / -	-
VUB	SK	13.05.	SK4000027355	7.0y	0.50bn	ms +60bp	- / Aa1 / -	-
Sparkasse Hannover	DE	13.05.	DE000A4DFHD2	7.0y	0.50bn	ms +40bp	AAA / - / -	-
UBS	CH	12.05.	CH1433241275	5.0y	1.25bn	ms +45bp	AAA / - / -	-
Helaba	DE	12.05.	XS3074424188	4.0y	0.75bn	ms +27bp	- / Aaa / -	-
Achmea Bank	NL	12.05.	XS3074462352	7.0y	0.50bn	ms +45bp	- / - / AAA	-
Westpac	AU	07.05.	XS3067881832	5.0y	1.50bn	ms +43bp	AAA / Aaa / -	-

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

Secondary market: constructive environment for covered bonds

Recent events on the capital markets, which were also influenced by developments in connection with the tariff disputes, are leading to an increased risk appetite on the part of investors. In this context, credit and financials also performed notably well. This movement has supported demand in the secondary market for covered bonds, as it has increased the relative attractiveness of covered products. We also believe that covered bonds look more attractive to some buyers than products in the Public Issuers/SSA segment. In addition, the general yield level appears to be supportive, in our view. As a result, even a few trading days ago, some longer-term bonds (8–10y) were initially in high demand. This situation became even more pronounced after the weekend. Looking back on the past two trading weeks, it is certainly possible to identify individual bonds that were placed too expensively, but even these deals are now trading at their respective reoffer levels. Even against the backdrop of brisk activity in the primary market, turnover in the secondary market remains comparatively high, which we would put down to the significant investment requirement on the part of investors. Looking at recent transactions, we also see this as a reason as to why fresh supply is coming to market with extremely low new issue premiums.

EUR sub-benchmark segment: Nassauische Sparkasse makes successful debut

German covered bond issuers, and institutions from the savings bank sector in particular, can certainly be described as mainstays of the EUR sub-benchmark segment. In the year to date, a total of EUR 2.8bn has been issued, which is split across 11 bonds in this covered bond sub-market. Of this, EUR 1.6bn has been placed by German banks. A new issuer in the shape of Nassauische Sparkasse (ticker: NASPA) has now entered the market to place the latest EUR sub-benchmark deal. The mortgage Pfandbrief (EUR 250m; WNG) was priced last Wednesday (reoffer spread: ms +40bp; final book: EUR 840m). The majority of the issue volume was allocated to accounts in Germany (79%), followed by Austria and Switzerland (7% combined). Investors from the Nordic countries as well as the UK & Ireland accounted for 6% in each case. With regard to the breakdown by investor type, banks (67%) unsurprisingly dominated proceedings, followed by the categories of asset managers (17%) and central banks/OI (12%). For more information on both the mortgage Pfandbrief issued by NASPA and public Pfandbrief deals, please refer to our NORD/LB Covered Bond Special – Transparency requirements §28 PfandBG Q1/2025 Sparkassen.

vdp attests to positive start to the year for property prices

A few days ago, the vdp presented updated figures in relation to the property price index, which garners a great deal of attention (cf. press release dated 12 May). The association talks of a "positive start to the year" and observes that the index achieved a value of 180.5 points in the first quarter of 2025 (+3.3% Y/Y and +1.2% Q/Q). The strongest momentum here came once again from residential property prices, which have risen by +3.6% in comparison with the previous year. An increase was also recorded for commercial real estate, according to the current vdp data (+2.3% Y/Y and +1% Q/Q). Although these figures are to be interpreted in a positive light, Jens Tolckmitt, Chief Executive of the vdp, warns at the same time that they should not be "overestimated". He notes that some "potentially market-relevant announcements" only emerged towards the end of the first quarter of 2025. Tolckmitt also offered some words of warning for the incoming federal government: "The housing shortage is becoming increasingly severe. The housing policy challenges facing the new Federal Government and the Federal Building Ministry could hardly be greater. We urgently need fast and effective stimuli to boost housing construction." While the coalition agreement does, according to Tolckmitt, contain promising approaches to this issue, he stresses that in the end, it will all come down to implementation and results. As usual, we shall be presenting the current data from the vdp Real Estate Price Index as part of our weekly publication, although readers will have to wait until next week's edition for the full details here.

Portugal: rating experts assess the soft bullet programme of MONTPI

The Portuguese bank Caixa Economica Montepio Geral (Ticker: MONTPI) was part of the universe of EUR benchmark issuers until 14 November 2024 and was therefore also included in our coverage (cf. NORD/LB Issuer Guide Covered Bonds 2024, among other publications). Up to this point, the covered bond programme was still arranged in a conditional pass-through (CPT) structure. The proportion of issues placed under CPT programmes has been sharply reduced on the global covered bond market. From our point of view, this is not least a consequence of the European covered bond harmonisation project in combination with an increased convergence of market standards, even above and beyond those stipulated at EU level. This applies both to the supply and demand sides. To this extent, it comes as no surprise to us that MONTPI has also transformed its own programme into a soft bullet structure. As recently announced by the rating experts at both Fitch and Moody's, this switchover will not lead to any rating changes. Accordingly, Fitch maintains both the AAA rating and stable outlook. However, the risk experts are taking this switch from CPT to soft bullet into account with "rating-insensitive" adjustments. Specifically, the Payment Continuity Uplift (PCU) and Asset Liability Mismatch metrics will be adjusted in line with Fitch's rating approach. As far as Moody's is concerned, the top rating (Aaa) is again maintained. With regard to the individual metrics, for example, the Timely Payment Indicator (TPI) has been moved from "Very High" to "Probable", which Moody's puts down to the transition from CPT to soft bullet (which includes an option to postpone maturity by up to 12 months). In line with its own methodology, Moody's is applying more pronounced refinancing risks to soft bullet covered bonds. We certainly expect MONTPI to re-enter the EUR benchmark segment in the near future. The bond deal that reached maturity in November 2024 featured a volume of EUR 500m. We would also expect a transaction of this size for the bank's inaugural soft bullet bond, which would allow the issuer to benefit from a double scarcity premium – both in terms of the name and in relation to the outstanding volumes for the jurisdiction of Portugal.

Italy: Moody's presents Covered Bond Sector Update

The risk experts from Moody's recently presented their assessment of the covered bond market in Italy. The macro profile of Italy is rated at "Strong-", which indicates a "large and diversified economy with manageable albeit weakening debt servicing capacity". The real estate market is described as stable, while the comparatively low level of household debt and their asset situation, in addition to low unemployment, are all highlighted as stabilising factors with regard to the mortgage segment. In this context, Moody's is of the view that covered bonds remain an integral component in relation to refinancing activities. According to Moody's, its coverage in Italy encompasses an outstanding covered bond volume of EUR 100bn. The 16 programmes evaluated by the agency all have an Aa3 rating, which corresponds to the best possible rating (keyword: "country ceiling"). With regard to Italian covered bond legislation, the risk experts underline the prescribed tests in the context of cover calculations. The coverage tests are performed on both a nominal and present value basis. Moreover, the framework is bolstered by the fact that there are no restrictions on the realisation or sale of cover assets. Conversely, Moody's highlights weak points resulting from a lack of minimal overcollateralisation and the absence of an explicitly named cover pool administrator, which could result in operational disruptions in the event that an issuing bank is forced to file for insolvency.

NORD/LB Covered Bond Specials on §28 PfandBG

At least in comparison with other jurisdictions, the German Pfandbrief market has managed to hold its own. In the year to date, we have recorded a total of 21 benchmark transactions (volume: EUR 16.8bn) and six EUR sub-benchmark deals (volume: EUR 1.6bn) from Germany. In this context, the growth among Pfandbrief institutions active in these submarkets is also worth highlighting. For example, Nassauische Sparkasse recently made a successful debut in the EUR sub-benchmark segment (see dedicated paragraph above). We are firmly convinced that transparency is an essential element in the long-term success of Pfandbrief and covered bond deals. In this respect, we also welcome initiatives launched by the Association of German Pfandbrief Banks (vdp) and the Pfandbrief Office of the German Savings Banks Association (DSGV) with regard to the collection and dissemination of mandatory transparency disclosures in relation to cover pools and outstanding Pfandbriefe in line with §28 of the Pfandbrief Act (PfandBG). As usual, we have published the relevant Covered Bond Specials for the vdp member banks and Pfandbrief issuers from the savings bank sector pertaining to the data set for the first quarter of 2025. We also discuss some more general aspects as part of a focus article in this present edition of our weekly publication.

Market overview
SSA/Public Issuers

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Lower Saxony: 2024 budget year closed with a surplus of EUR 1.5bn

Gerald Heere, Minister of Finance of the federal state of Lower Saxony (ticker: NIESA), presented the financial statement for the 2024 budgetary year on 30 April. According to the press release, the sub-sovereign was able to report a surplus of EUR 1.5bn in the reporting period, which is mainly attributable to non-recurring additional income – for example, due to a high penalty payment to the federal state and a transfer by Hannoversche Beteiligungsgesellschaft Niedersachsen mbH to the budget as a result of the Porsche IPO that was only reflected in the cash position in 2024. A further positive effect is attributable to expenses for interest and personnel, which were lower than originally estimated. Tax revenues, however, were around EUR 350m below the value assumed when the budget was initially prepared. Of the EUR 1.5bn net surplus for the year, EUR 640m is to be made available to the municipalities in order to relieve their financial burden – this is provided for in the pact for municipal investments, which was signed by the state government and the municipal umbrella associations at the end of March. “We find ourselves in a dynamic time with many changes and uncertainties – also from a fiscal policy point of view. Given this situation, the positive annual financial statements provide a little buffer. This puts us in a position where we can significantly relieve our municipalities with the pact for municipal investments. As in previous years, we will initially allocate the remaining surplus to the general reserve [...],” said the Minister of Finance of Lower Saxony.

Brandenburg also presents annual financial statements for 2024

The federal state of Brandenburg (ticker: BRABUR) also presented its final annual financial statements for the 2024 budget year, closing with a significant deficit of EUR 871.7m. According to the final accounts, total revenues amounted to around EUR 16.6bn, whereas total spending including consideration of reserve postings totalled EUR 17.5bn. The accrued deficit was to be offset by the sub-sovereign’s general reserve. When the preliminary annual financial statements for 2024 became available at the end of January, Minister of Finance Robert Crumbach had already informed the cabinet that a deficit of around EUR 900m was to be expected (cf. weekly publication dated 05 February). “The deficit that has now been established proves once again in black and white that the federal state of Brandenburg is in part living beyond its means. All net credit authorisations granted by the legislator were utilised last year. Nevertheless, the deficit comes to more than EUR 870m. In the course of drawing up the dual budget for 2025 and 2026, we have therefore decided to implement a budget structure reform [...],” said Minister of Finance Robert Crumbach. On the subject of credit authorisations – we provided an overview of credit authorisations that have already been published in our last edition. Shortly after our editorial deadline, an updated overview of Laender credit planning was released, which now also included the Free State of Thuringia’s credit authorisation in the amount of EUR 1.08bn (gross) and EUR 0.31bn (net). However, in addition to Hesse, Rhineland-Palatinate and Saxony, Brandenburg is still missing from the list, as the approval of the budget by the state parliament is still pending.

KfW presents quarterly figures – increase in new commitment volume to EUR 17.7bn

the first quarter. Across the first three months of 2025, the national promotional bank registered a volume of new commitments amounting to EUR 17.7bn, as reported in a press release (Q1/2024: EUR 17.5bn). This year-on-year rise was above all attributable to growth in domestic promotional business, which increased from EUR 10.7bn in the first quarter of 2024 to EUR 12.5bn this time around. The SME Bank and Private Clients business sector accounted for a significant share of this, with promotional business up EUR +1.9bn to EUR 10.9bn. New business in the Customised Finance and Public Clients business sector generated the same commitment volume as in the previous year of EUR 1.6bn. The KfW Capital business sector contributed commitments of EUR 41m (Q1/2024: EUR 43m) to domestic promotional business, although this relatively low volume was due to usual fluctuations during the year for large-volume individual commitments. KfW IPEX-Bank, which is responsible for the export and project finance business sector, also saw a strong start to the year: by the end of the first quarter, its new commitments reached EUR 4.5bn, although this fell short of the high level of the prior-year period (Q1/2024: EUR 6.1bn). At EUR 509m, commitments at KfW Development Bank in the first quarter were slightly above the previous year's volume (Q1/2024: EUR 508m), with DEG able to commit EUR 129m from its own funds to private companies for investments in emerging and developing countries. Overall, KfW achieved a considerably lower quarterly profit of EUR 117m (Q1/2024: EUR 461m). This decline was primarily due to conservative risk provisioning and a negative result from equity investments, which reflects the challenging geopolitical environment. The economic result as consolidated profit before IFRS effects, promotional expense and taxes reached EUR 386m (Q1/2024: EUR 600m). Regarding the relevant regulatory capital ratios, the total capital ratio and CET1 ratio both amounted to 28.6%. As at 31 December 2024, these stood at 30.3% and 30.2% respectively. To fund its promotional business, KfW raised funds in the amount of EUR 30.6bn on the international capital markets in the first quarter, which corresponds to around 45% of its planned funding volume of EUR 65-70bn for the year as a whole. KfW also invited to its semi-annual Global Investor Broadcast last Monday: alongside CEO Stefan Wintels, the new Chief Economist Dr Dirk Schumacher was among the speakers. Tim Armbruster, Group Treasurer, provided an overview of funding to date in EUR, USD and other currencies, as well as ESG and digital opportunities. The funding target for 2025 will therefore be reviewed on 30 June.

NIB: strong demand for lending in the 2024 financial year

The Nordic Investment Bank (ticker: NIB) has presented its figures for the past financial year. As per information in the press release, the supranational disbursed EUR 4.4bn (2023: EUR 3.4bn) in loans. Only in 2020 – due to the COVID-19-pandemic – have disbursements been higher. Despite a somewhat dampened investment climate in the region, NIB faced strong demand for its sustainable long-term lending. For 2024, the Bank reported net profit of EUR 256m (2023: EUR 251m), while net interest income amounted to EUR 332m (2023: EUR 299m). Total assets also increased and amounted to EUR 43.1bn (2023: EUR 39.6bn). Meanwhile, equity increased to EUR 4.6bn (2023: EUR 4.4bn). In terms of profitability, return on equity declined slightly to 5.8% (2023: 5.9%). On the funding side, NIB raised fresh capital in the aggregated amount of EUR 9.1bn through 95 bond transactions overall – this includes EUR 1.75bn through the issuance of three EUR benchmarks.

Investitionsbank Berlin publishes disclosure report 2024

Investitionsbank Berlin (ticker: IBB) presented its disclosure report for the past financial year at the end of April. Despite challenging macroeconomic developments, which also had a negative impact on demand for certain funding programmes, IBB was able to make financing commitments of EUR 3.7bn, thereby exceeding both the previous year's figure (2023: EUR 2.2bn) and its own forecast. In view of the current interest rate level, net interest income once again developed positively and amounted to EUR 146.1m in the past financial year (2023: EUR 129.7m). Net commission income (2024: EUR 25.3m; 2023: 21.2m) and other operating income (2024: EUR 69.5m; 2023: 62.7m) also increased versus the prior year, bringing the total operating result to EUR 240.9m (2023: EUR 213.7m). Taking into account risk provisions and after deduction of the "Berlin-Beitrag" (support funds and grants for the federal state of Berlin), the promotional bank was therefore able to report net profit for the year of EUR 60.9m (2023: EUR 37.6m), significantly exceeding the previous year's figure in the process. Total assets also increased year on year to EUR 23.5bn (2023: EUR 22.1bn). In part due to the reallocation of reserves in the balance sheet in the amount of EUR 125.0m, equity was also further strengthened and grew by EUR +45.7m to EUR 1.2bn at the end of the year.

NRW.BANK.ifo Business Climate slightly improved versus previous month

According to the NRW.BANK.ifo Business Climate, business sentiment in North Rhine-Westphalia (ticker: NRW) has once more improved in comparison with March, marking the third overall increase this year, albeit at a continued low level. Only in February did the economic indicator stagnate. While the companies surveyed were significantly more positive about their current business situation and the April indicator for the business situation of -6.9 points was the highest value since August 2024 (+4.1 points compared with the previous month), the survey figures for business expectations over the coming months deteriorated by -1.5 points to -15.7 points. For the overall index, the NRW.BANK.ifo Business Climate rose by +1.3 points to -11.3 points in April. A look at the individual sectors reveals a mixed picture for the economic development in North Rhine-Westphalia in April: while the service sector and trade deteriorated, the main construction sector and manufacturing industries recorded a significant increase in sentiment in some cases. For example, the April business climate in the manufacturing industries brightened for the fourth consecutive month, rising by +1.3 points to -20.1 points, with the industrial companies surveyed assessing their current business situation more favourably than in the previous month. However, against the backdrop of US tariff policies, companies are again somewhat more pessimistic as they look to the next six months. The business climate in the construction industry also improved compared with the previous month and reached -23.0 points, the highest figure since May 2023. Building companies continued to be concerned about a lack of orders, although we appear to have reached a turning point owing to the infrastructure package that has been announced by the German government. In trade, the NRW.BANK.ifo Business Climate dropped by -2.8 points to -28.5 points. In the service sector, which accounts for the largest share of the overall indicator, the economic indicator declined slightly, falling by -1.1 points to -7.3 points. The companies surveyed in the service sector were reportedly satisfied with their current business situation, but not in their expectations for the coming months. Scepticism above all increased in the export-oriented transport and logistics sector, while sentiment improved in the hospitality industry.

Primary market

After a marked decline in activity on the SSA primary market in recent weeks, a veritable storm of issuing activity passed over us yesterday, with five transactions in the EUR benchmark segment on Tuesday alone. However, we will begin with deals that appeared shortly after we went to print with our last edition: the Belgian region of Wallonia (ticker: WALLOO) approached investors with a dual tranche consisting of a EUR 1bn bond (7y) and a tap. The bond was ultimately priced at OLO +42bp, which corresponded to approximately ms +81bp at the time of issuance (guidance: OLO +44bp area). In addition, the social 2043 bond was topped up by EUR 700m, also at OLO +42bp. For the dual tranche with an aggregated order book of just under EUR 10bn, we have published issue-related research. The Asian Infrastructure Investment Bank (ticker: AIIB) was also active by means of a new sustainable development bond (7y) amounting to EUR 1bn. The reoffer spread stood at ms +39bp. The new week was kicked off by Agence France Locale (ticker: AFLBNK), which secured EUR 500m (8y) at OAT +18bp. Also from France, CADES ventured out under its eponymous ticker: EUR 2.5bn (3y) in a social format changed hands at OAT +10bp. From the German agency segment, Investitionsbank Berlin (ticker: IBB) was first to deliver on its promises, raising EUR 1bn (5y) at ms +31bp. It was followed by KfW (ticker: KFW) with a green bond (5y) in the amount of EUR 4bn. Its final pricing was at ms +21bp. At the end of the marketing phase, the order booked amounted to EUR 22.5bn, resulting in a bid-to-cover ratio of 5.6x. Further supply in the ESG segment was provided by the federal state of Saxony-Anhalt (ticker: SACHAN), which issued a social bond of EUR 500m (7y) at ms +33bp. This was followed by the Spanish autonomous community of Andalusia (ticker: ANDAL) with a sustainability bond (8y) of EUR 500m, which was finally placed at SPGB +16bp. We also saw an inaugural bond this week. The Australian federal state of Queensland – represented by the Queensland Treasury Corporation (ticker: QTC) – issued its first EUR benchmark bond: the Australians sought to raise EUR 1.25bn (10y), which ultimately went through at ms +74bp. The European Union (ticker: EU) then appeared on screens as part of its fifth syndicated transaction in the first half of 2025 (cf. funding plan). The EU raised fresh capital in the amount of EUR 7bn (20y) at ms +110bp (guidance: ms +112bp area). The final order book stood at EUR 60bn, meaning the deal was more than 8.0x oversubscribed. The EU will already hold its fifth bond auction next Monday. Interesting new mandates include EUROF (15y, Green), BNG (BMK, 5y) as well as EIB (EUR 4bn, WNG, 3y, EARN).

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
QTC	Other	13.05.	XS3045728683	10.2y	1.25bn	ms +74bp	AA+ / Aa1 / AA+	-
KFW	DE	13.05.	XS3075492044	5.3y	4.00bn	ms +21bp	AAA / Aaa / AAA	X
ANDAL	ES	13.05.	ES0000090961	8.4y	0.50bn	ms +70bp	- / Baa2 / A-	X
CADES	FR	13.05.	FR001400ZPR8	3.3y	2.50bn	ms +20bp	AA- / Aa3 / AA-	X
EU	SNAT	13.05.	EU000A4EA8Y7	20.3y	7.00bn	ms +110bp	AAA / Aaa / AA+	-
IBB	DE	12.05.	DE000A3828K7	5.0y	1.00bn	ms +31bp	AAA / Aa1 / -	-
SACHAN	DE	12.05.	DE000A4DFTY3	7.0y	0.50bn	ms +33bp	AAA / Aa1 / -	X
AFLBNK	FR	12.05.	FR001400ZPA4	7.8y	0.50bn	ms +73bp	AA- / - / AA-	-
WALLOO	BE	07.05.	BE0390217835	7.1y	1.00bn	ms +82bp	- / A3 / -	-
AIIB	SNAT	07.05.	XS3072238309	7.0y	1.00bn	ms +39bp	AAA / Aaa / AAA	X

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

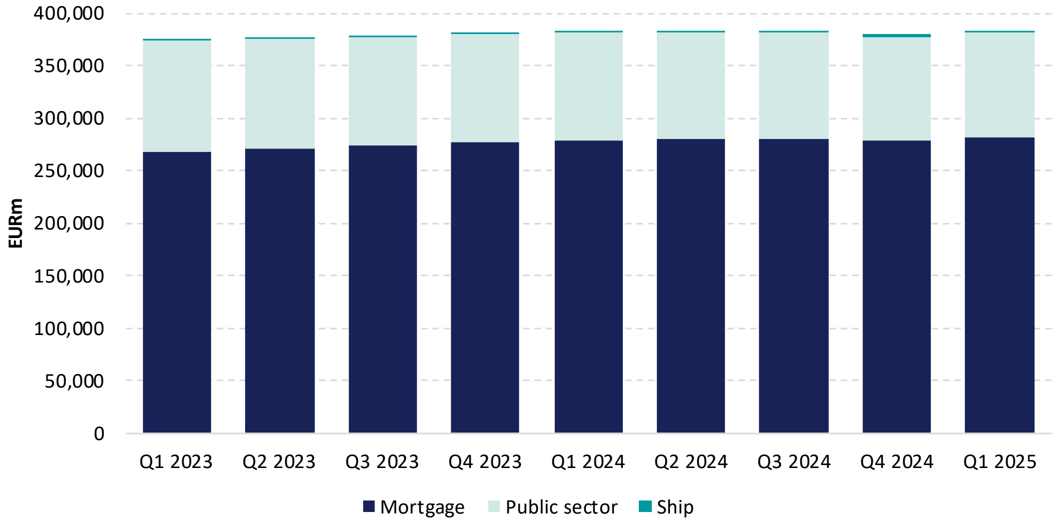
Covered Bonds
Transparency requirements §28 PfandBG Q1/2025

Author: Lukas Kühne

Transparency requirements §28 PfandBG: a look at the German Pfandbrief market

In the current issuing year, German Pfandbrief banks again rank among the key drivers on the primary market both in terms of the EUR benchmark segment and the EUR sub-benchmark segment. In our opinion, a deeper insight into the composition of the cover pools of German Pfandbrief issuers also allows a little more clarity regarding their CRE exposure and its characteristics among the programmes considered by us. Here, attention is primarily focused on both the type of cover (residential vs. commercial) and the geographical distribution of the properties. In this context, the reports published quarterly by the Association of German Pfandbrief Banks (vdp) as part of the transparency reports required by §28 PfandBG regularly represent a key input variable. We recently published our NORD/LB Covered Bond Special "Transparency requirements §28 PfandBG Q1/2025" on the basis of this data. It includes details of the cover pool data from 38 mortgage Pfandbrief programmes, 21 programmes for public sector Pfandbriefe and two ship Pfandbrief programmes; details of Deutsche Bank's cover pool, which are not reported on the vdp's website, have again been added manually. At the same time, in our report entitled "Transparency requirements §28 PfandBG Q1/2025 Sparkassen", we also look more closely at the Pfandbrief programmes operated by German savings banks, which consist of 43 mortgage programmes and 12 programmes backed by public sector assets. The key developments and core messages of the transparency reports at the end of Q1/2025 are summarised below.

Trend in outstanding Pfandbrief volume

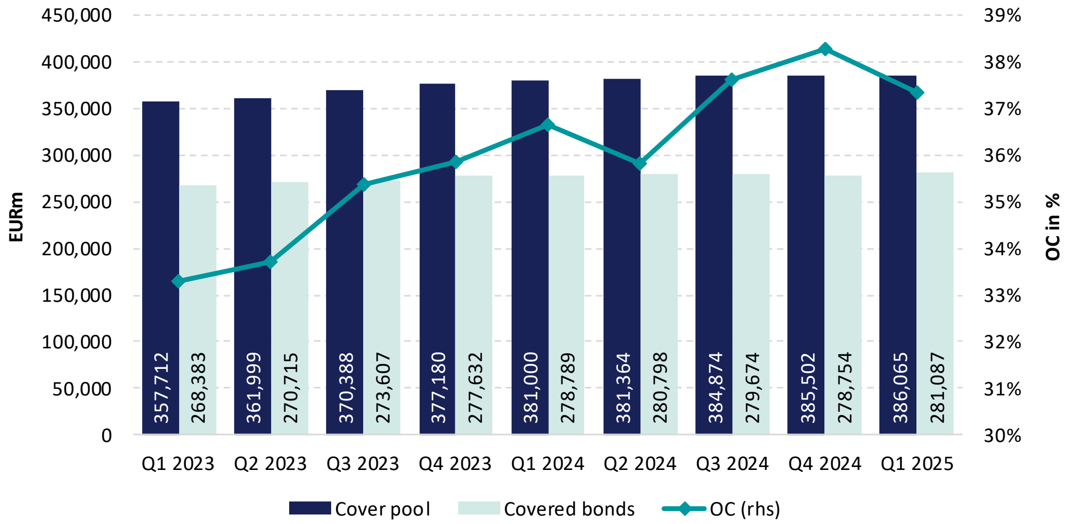


Source: vdp, Deutsche Bank, NORD/LB Floor Research

Outstanding Pfandbriefe: total volume has risen slightly

At EUR 383.5bn in outstanding Pfandbriefe, the total volume has risen slightly compared with the previous quarter (reporting date 31 December 2024: EUR 379.6bn). This development is largely attributable to the outstanding volume of mortgage Pfandbriefe, which increased by EUR +2.3bn compared with the previous quarter to EUR 281.1bn. The volume of public sector Pfandbriefe also increased quarter on quarter (EUR +1.6bn) to reach EUR 100.9bn. In contrast, the volume of outstanding ship Pfandbriefe (Schipfe) remained constant compared with the previous quarter, standing at EUR 1.6bn. At 73.3%, mortgage Pfandbriefe still represent the dominant share of the Pfandbrief market, as defined here.

Trend in mortgage Pfandbriefe

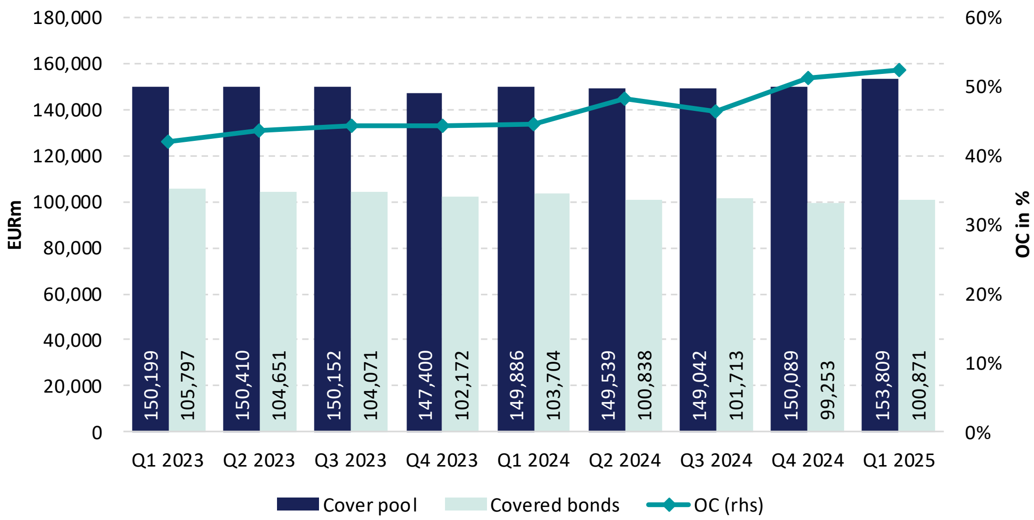


Source: vdp, Deutsche Bank, NORD/LB Floor Research

Mortgage Pfandbrief volume rose again in Q1/2025

The above-mentioned mortgage Pfandbrief volume of EUR 281.1bn is currently matched by a cover pool volume of EUR 386.1bn, resulting in OC of EUR 105bn or 37.3% (previous quarter: EUR 106.7bn or 38.3%). In our opinion, this average view does not suggest any shortage of cover assets that could have an impact on potential issues over the next few quarters. Among other factors, this assessment is based on the increase in the OC ratio of +0.6 percentage points compared with Q1/2024 (36.7%). When comparing the two reporting dates, the EUR 2.9bn growth in Commerzbank's outstanding volume catches the eye. Significant increases were also posted by Norddeutsche Landesbank (EUR +1.6bn) and Berlin Hyp (EUR +956m). In contrast to this, some fairly sharp falls were reported quarter on quarter by Landesbank Baden-Württemberg (LBBW; EUR -3.5bn), Bayerische Landesbank (EUR -765m) and Deutsche Apotheker- und Ärztebank (EUR -598m). Compared with the previous year, the largest growth was attributable to Commerzbank and Aareal Bank at EUR +1.4bn each, whereas the largest year-on-year declines were reported by LBBW (EUR -2.3bn) and Bayerische Landesbank (EUR -1.5bn).

Trend in public sector Pfandbriefe



Source: vdp, Deutsche Bank, NORD/LB Floor Research

Public sector Pfandbriefe: outstanding volume rises above EUR 100bn again

Having dropped below EUR 100bn in the previous quarter for the first time since we started recording this data, the volume of outstanding public sector Pfandbriefe posted a quarter-on-quarter increase again in Q1/2025. In the current reporting period, the outstanding volume totals EUR 100.9bn (previous quarter: EUR 99.3bn). In contrast, the amount of cover assets is less changeable. Accordingly, cover assets increased for the second quarter in a row (previous period: EUR 150.1bn) and now stand at EUR 153.8bn. The overcollateralisation ratio also increased from 51.2% in the previous quarter to 52.5%. In our view, the perfectly adequate overcollateralisation ratios provide an indication of the issuance potential of public sector Pfandbriefe, which could materialise in the EUR benchmark segment and EUR sub-benchmark segment, in particular. Despite the theoretical issuance potential, we are not expecting any significant rise in the issuance of public sector Pfandbriefe. The quarter-on-quarter rise in issuance volume was due, in particular, to Commerzbank (EUR +4.1bn), Deutsche Kreditbank (DKB; EUR +275m) and Landesbank Berlin (EUR +200m). Conversely, Bayerische Landesbank (EUR -855m) and LBBW (EUR -492m), among others, reported declining public sector volumes. Compared with the previous year, the rise in issuance volume reported by Commerzbank (EUR +4.8bn), UniCredit Bank (EUR +1.9bn) and DKB (EUR +915m) are particularly noteworthy, whereas Bayerische Landesbank (EUR -3.2bn) and Landesbank Hessen-Thüringen (EUR -3.0bn), in particular, reported significant falls in their issuance volumes.

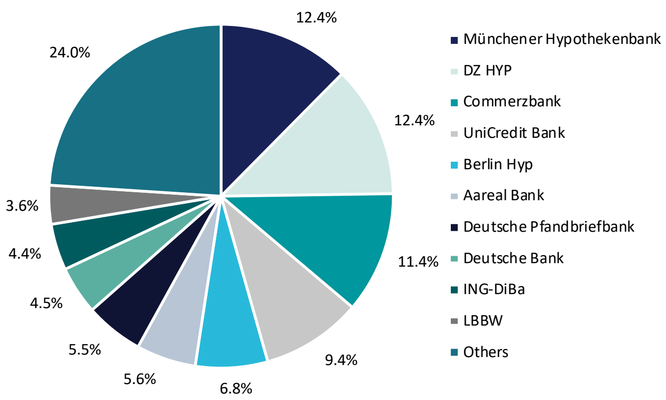
Ship Pfandbriefe remain a niche product

With a share of 0.4% of the total volume, the ship Pfandbrief segment still constitutes a niche market within the Pfandbrief market. The issuance volume remained constant compared with the previous quarter and continues to stand at around EUR 1.6bn. In contrast, the cover pool volume fell by comparison with Q4/2024 and was down EUR -42m to EUR 2.1bn. At present, only two banks, namely Commerzbank (EUR 44m) and Hamburg Commercial Bank (EUR 1.53bn) have outstanding ship Pfandbriefe.

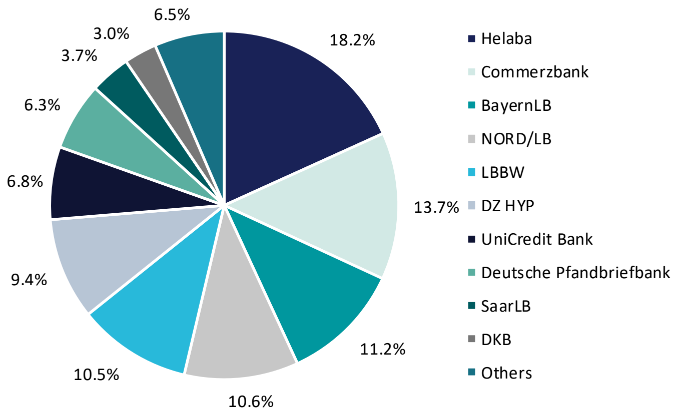
A look at the "top 10"

With regards to the "top 10" of the largest mortgage Pfandbrief issuers in terms of outstanding volume, Münchener Hypothekenbank ranks first with a share of 12.40% – just ahead of DZ HYP at 12.37% – as at the reporting date of 31 March 2025. They are followed in third and fourth places by Commerzbank (11.4%) and UniCredit Bank (9.4%). The share of the outstanding volume attributable to the ten largest issuers stands at 76%. This share is far higher, at 93.5%, for public sector Pfandbriefe. Here, Helaba is ranked in first place by some distance, at 18.2%, followed by Commerzbank at 13.7%. BayernLB (11.2%) and NORD/LB (10.6%) follow in third and fourth place.

Market shares – Mortgage Pfandbriefe



Market shares – Public Sector Pfandbriefe

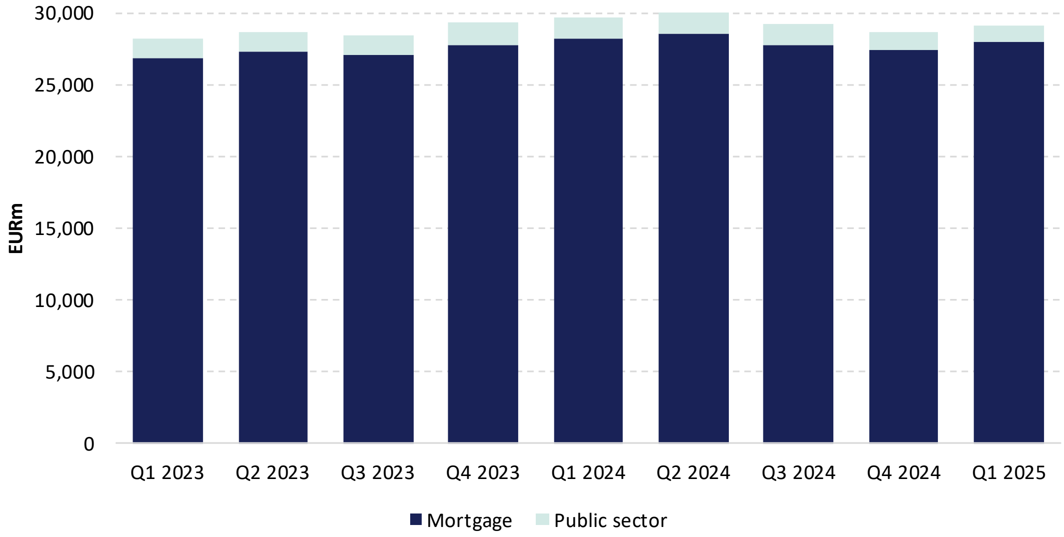


Source: vdp, Deutsche Bank, NORD/LB Floor Research

Savings banks primarily active in the market with mortgage Pfandbriefe

In addition to the transparency reports on the §28 PfandBG disclosures of its member banks, the vdp, in cooperation with the Pfandbrief Office of the German Savings Banks Association (DSGV), also publishes the cover pool data of all Pfandbrief issuers in the savings bank sector on its website. As of 31 March 2025, the savings banks accounted for a total outstanding Pfandbrief volume of EUR 29.2bn. This was matched by cover pool assets of EUR 62.3bn, producing a overcollateralisation ratio of 109.3%. At 96%, mortgage Pfandbriefe make up the lion's share of the outstanding volume, with only 4% attributable to public sector Pfandbriefe. None of the savings banks had any outstanding ship Pfandbriefe as at the end of Q1/2025. With regard to the breakdown of outstanding mortgage Pfandbriefe (Q1/2025: EUR 28bn), the ten biggest savings bank issuers account for around 62% of the total volume. The issuance volume sizes among the mortgage Pfandbrief issuers range from EUR 10m to EUR 5.5bn. The biggest mortgage Pfandbrief issuers as at 31 March 2025 include Hamburger Sparkasse (outstanding volume: EUR 5.5bn), Sparkasse Pforzheim Calw (EUR 2.4bn) and Sparkasse Hannover (EUR 2.1bn). The group of savings banks which are public sector Pfandbrief issuers is much smaller than for mortgage Pfandbrief issuers and the outstanding volume is correspondingly lower at EUR 1.2bn. Sparkasse Hannover is the biggest issuer of public sector Pfandbriefe in the savings bank sector with a volume of EUR 561m.

Trend in outstanding Pfandbrief volume in the savings bank sector

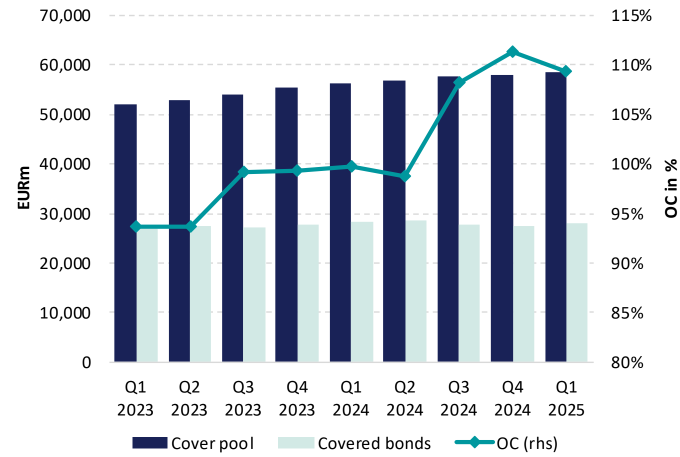


Source: vdp, NORD/LB Floor Research

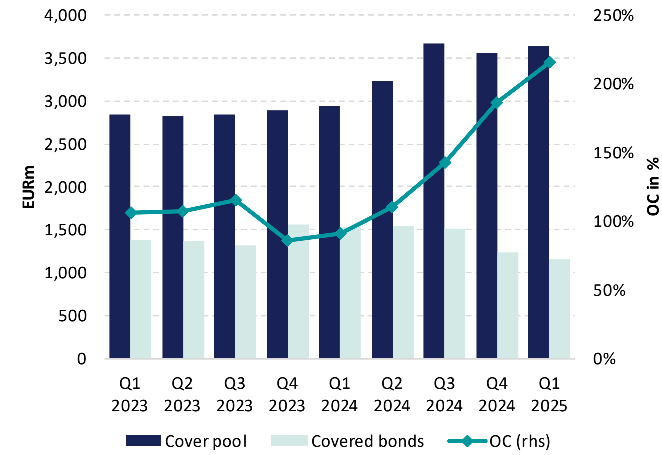
Savings banks as new issuers in the EUR sub-benchmark segment

Over the past few years, savings banks have been increasingly active as issuers in the EUR sub-benchmark segment. Four savings banks have issued inaugural bonds in this market segment in the last two years and just last week, Nassauische Sparkasse successfully issued its first covered bond in the EUR sub-benchmark segment. Details of the new deal issued by Nassauische Sparkasse can be found in the primary market section of the Market Overview in this current edition of our weekly publication. Given the average OC ratios of over 100% (Q1/2025) for the mortgage Pfandbriefe programmes in the savings bank sector, we believe there continues to be potential for further debut deals in sub-benchmark size. Establishing a position as a sub-benchmark issuer in the market, can, in some cases, be seen as paving the way for future benchmark deals. Sparkasse Hannover, for instance, made its debut in the EUR benchmark segment in 2024 having already been active in the market as a sub-benchmark issuer.

Trend in mortgage Pfandbriefe – savings banks



Trend in public sector Pfandbriefe – savings banks



Source: vdp, Deutsche Bank, NORD/LB Floor Research

Additional information on the German and international Pfandbrief markets

Alongside the general overview provided here, a review of individual pools and programmes should not be overlooked. For more detailed information, please refer to our "§28 Report", which offers insights, for example, into which mortgage cover pools contain a high proportion of commercial assets (cf. overview table on p. 5). The publication also contains information with regard to the geographical distribution. For a more international assessment, we also refer to the NORD/LB Issuer Guide Covered Bonds 2024. In this publication, we provide a comprehensive overview of all issuers active in the EUR benchmark and/or EUR sub-benchmark segments at the time of reporting.

Conclusion

The German Pfandbrief market grew again in Q1/2025 with an outstanding volume of EUR 383.5bn. The increasing volume of mortgage Pfandbriefe was the major factor driving this development. The long-term trend towards a decline in the volume of public sector Pfandbriefe did not continue in Q1/2025. On the contrary, we recorded growth in public sector Pfandbriefe, with the outstanding volume once again exceeding EUR 100bn. Issuers from the savings bank sector are also becoming increasingly active in the EUR sub-benchmark segment. Given the average OC ratios of over 100%, we believe there continues to be potential for further debut deals from savings banks in this market segment. In conclusion, we view the reports required by §28 PfandBG as a good basis for analysis, allowing deeper insights into the data structure of German Pfandbrief issuers' cover pools – including details regarding their OC ratios. These are definitely adequate in our opinion and should not therefore stand in the way further growth on the Pfandbrief market.

SSA/Public Issuers
Current LCR classification for our SSA coverage

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

Objective of the LCR: reduction in liquidity risks for credit institutions

The objective of the LCR is to control the liquidity risk of a credit institution in such a way that sufficient High-Quality Liquid Assets (HQLA) are available at all times in order to survive a significant stress scenario lasting 30 days. It comprises the minimum liquidity buffer, which is required in order to bridge liquidity mismatches of one month in crisis situations. Specifically, the LCR is calculated from the ratio of HQLA to the net payment outflows in the 30-day stress scenario, whereby this ratio must be at least 100%.

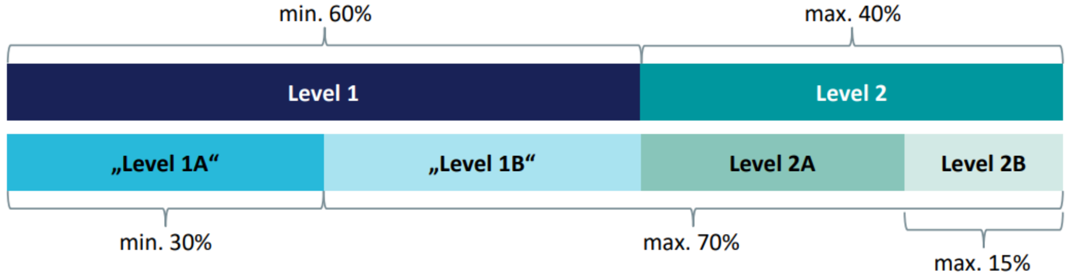
10 October 2014: European Commission publishes LCR Regulation

After there had been a lack of clarity for a long time about the precise definition of HQLA, as well as the EBA recommendation published at the end of 2013 only leading to further uncertainty, the Liquidity Coverage Requirement Delegated Act was finally published on 10 October 2014. This LCR legal act specified in particular which assets are to be treated as HQLA in the future. A revised version of the LCR Regulation first published in July 2018 took effect from 30 April 2020. This governs the regulation concerning assets from third countries, repo transactions, CIU shares and stocks. An update was also issued on 08 July 2022, which has resolved clashes between the specific liquidity requirements for covered bonds and the existing general liquidity requirements of the CRR.

Categorisation in different liquidity levels

Under the HQLA definition, the legislation, as proposed by the BCBS, divides HQLA into different liquidity levels. Depending on the assigned level, this results in upper and lower limits for certain levels and the application of possible haircuts. On the following two pages we provide a brief overview of asset classification and allocation, before analysing the implications for SSA. Please note on our part that in market practice a distinction is occasionally made within Level 1 between Level 1A assets and Level 1B assets (Level 1 covered bonds due to obligatory haircut), even if such a linguistic distinction appears neither in the CRR nor the LCR Regulation.

Structure of the LCR portfolio (Art. 17 LCR Regulation)



Source: LCR-R, NORD/LB Floor Research

Classification overview

	Level 1 assets (Art. 10 LCR Regulation)		Minimum haircut (for shares or units in CIUs)
(a)	Coins and bank notes		- (-)
(b)	Following exposures to central banks:		- (-)
	(i)	Assets representing claims on or guaranteed by the ECB or an EEA Member State's central bank	
	(ii)	Assets representing claims on or guaranteed by central banks of third countries (CQS 1)	
	(iii)	Reserves held by the credit institution in a central bank referred to in (i) and (ii), provided that the credit institution is permitted to withdraw such reserves at any time during stress periods and the conditions for such withdrawal have been specified in an agreement between the relevant competent authority and the ECB or the central bank.	
(c)	Assets representing claims on or guaranteed by the following central or regional governments, local authorities or public sector entities:		- (5%)
	(i)	Central government of an EEA Member State	
	(ii)	Central government of a third country (CQS 1)	
	(iii)	Regional governments or local authorities and PSEs in an EEA Member State, provided that they are treat-ed as exposures to the central government of the respective EEA Member State (i.e. risk weight of 0%)	
	(iv)	Regional governments or local authorities in a third country of the type referred to in (ii), provided that they are treated as exposures to the central government of the third country (i.e. same risk weight as central government [0%])	
	(v)	PSEs, provided that they are treated as exposures to the central government of an EEA Member State or to one of the regional governments or local authorities referred to in (iii), (i.e. same risk weight of 0%).	
(d)	Following assets:		- (5%)
	(i)	Assets representing claims on or guaranteed by the central government or the central bank of a third country that has not been assigned a CQS 1 (rating below AA-)	
	(ii)	Reserves held by the credit institution in a central bank referred to in (i) which meet certain conditions.	
(e)	Assets issued by credit institutions which meet at least one of the following requirements:		- (5%)
	(i)	Incorporated in, or established by the central government of, an EEA Member State or the regional government or local authority in an EEA Member State; the government or local authority is under the legal obligation to protect the economic basis of the credit institution and maintain its financial viability throughout its lifetime, and any exposure to that regional government or local authority, if applicable, is treated as an exposure to the central government (i.e. risk weight of 0%).	
	(ii)	The credit institution extends promotional loans as defined in Article 10(1)(e)(ii).	
(f)	Qualifying EEA covered bonds which meet all the requirements of Art. 10(f), including issue size at least EUR 500m or equivalent in domestic currency, rating: min. CQS 1 or if no rating, a risk weight of 10% according to Art. 129(5) CRR.		7% (12%)
(g)	Assets representing claims on or guaranteed by multilateral development banks and international organisations (Art. 117(2) and Art. 118 CRR respectively).		- (5%)

NB: CQS = Credit Quality Step (rating class) as defined in CSA
Please note: The "Classification overview" section is not a verbatim reproduction of the original legal text but merely serves as a condensed and simplified version of the contents.
Source: LCR-R, NORD/LB Floor Research

Classification overview (continued)

	Level 2A assets (Art. 11 LCR Regulation)	**Minimum haircut (for shares or units in CIUs)**
(a)	Assets representing claims on or guaranteed by regional governments, local authorities or PSEs in an EEA Member State, which are assigned a risk weight of 20% according to Art. 115(1)(5) and Art. 116(1)(2)(3) CRR, respectively.	15% (20%)
(b)	Assets representing claims on or guaranteed by the central government or central bank of, or regional government, local authority or PSE in, a third country, which are assigned a risk weight of 20% according to Art. 114(2) or Art. 115 respectively, or Art. 116.	15% (20%)
(c)	Qualifying EEA covered bonds which meet all the requirements of Art. 11(c), including issue size at least EUR 250m or equivalent in domestic currency, rating: min. CQS 2 or if no rating, a risk weigh of 20% according to Art. 129(5) CRR.	15% (20%)
(d)	Qualifying covered bonds from third countries which meet all the requirements of Art. 11(d), including being issued by a credit institution or a 100% subsidiary of a credit institution guaranteeing the issue, issue size at least EUR 500m or equivalent in domestic currency, rating: min. CQS 1 or if no rating, a risk weight of 10% according to Art. 129(5) CRR.	15% (20%)
(e)	Corporate debt securities which meet all of the following requirements: (i) CQS 1 (minimum rating AA- or equivalent in the case of a short-term credit assessment) (ii) Issue size of at least EUR 250m or equivalent in domestic currency (iii) Maximum time to maturity of the securities at the time of issuance is 10 years.	15% (20%)
	Level 2B assets (Art. 12 LCR Regulation)	**Minimum haircut (for shares or units in CIUs)**
(a)	Exposures in the form of ABS under certain conditions (Art. 13 LCR Regulation)	25-35% (30-40%)
(b)	Corporate debt securities which meet all of the following requirements: (i) CQS ≤ 3 (ii) Issue size of at least EUR 250m or equivalent in domestic currency (iii) Maximum time to maturity of the securities at the time of issuance is 10 years.	50% (55%)
(c)	Shares or units, provided that they meet certain conditions (Art. 12(1)(c) LCR Regulation).	50% (55%)
(d)	Restricted-use committed liquidity facilities provided by the ECB, the central bank of an EEA Member State, or a third country under certain conditions (Art. 14 LCR Regulation).	- (-)
(e)	Qualifying EEA covered bonds which meet the requirements of Art. 12(1)(e) LCR Regulation.	30% (35%)
(f)	Only for religiously observant credit institutions: certain non-interest bearing assets.	50% (55%)

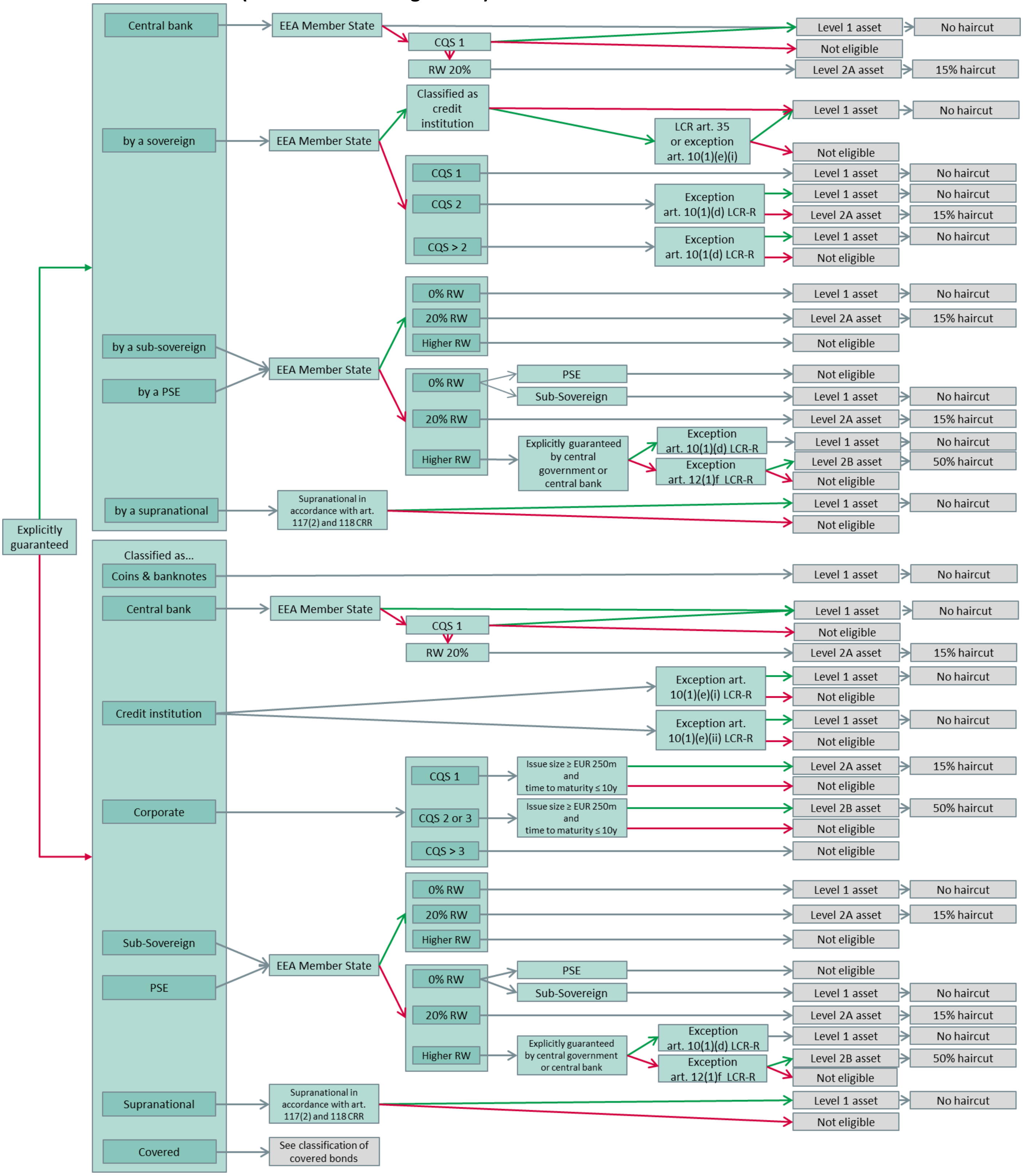
NB: CQS = Credit Quality Step (rating class) as defined in CSA
Please note: The "Classification overview" section is not a verbatim reproduction of the original legal text but merely serves as a condensed and simplified version of the contents.
Source: LCR-R, NORD/LB Floor Research

Mapping table (long-term)

Rating class	Fitch	Moody's	S&P
1	AAA to AA-	Aaa to Aa3	AAA to AA-
2	A+ to A-	A1 to A3	A+ to A-
3	BBB+ to BBB-	Baa1 to Baa3	BBB+ to BBB-
4	BB+ to BB-	Ba1 to Ba3	BB+ to BB-
5	B+ to B-	B1 to B3	B+ to B-
6	CCC+ and lower	Caa1 and lower	CCC+ and lower

Source: CRR, NORD/LB Floor Research
NB: Other rating agencies indicated in Regulation EU/2016/1799

LCR classification of assets (Art. 10 - 12 LCR Regulation)



NB: stated haircuts do not apply to shares or units in CIUs; PSE = Public Sector Entity; CQS = Credit Quality Step (rating class) as defined in CSA; green = condition met; red = condition not met; grey = tbc
Source: LCR-R, NORD/LB Floor Research

Classification of sovereigns

Bonds from EEA sovereigns or bonds from issuers that are explicitly secured by EEA sovereigns are classified as Level 1 assets for the purposes of LCR, unless they are classified as a credit institution. For EEA issuers classified as credit institutions, classification as Level 1 assets is possible, provided that Art. 35 of the LCR Regulation or Art. 10(1)(e) of the LCR Regulation is applicable. Further restrictions apply to non-EEA states. Bonds issued by non-EEA sovereigns have to be rated at least AA- resp. Aa3 to be eligible as Level 1 assets. Government bonds qualify for a Level 2A classification if a risk weight of 20% according to the CRR standardised approach can be applied, i.e. if they have a rating of at least A- resp. A3.

Exemption Art. 10(1)(d) LCR Regulation

However, an exemption is provided for ratings lower than AA- resp. Aa3 through point (d). Consequently, bonds of corresponding non-EEA states can also be declared a Level 1 asset by a credit institution to cover liquidity outflows in the same currency in which the bond is denominated. However, the eligibility as Level 1 asset is limited to the extent of the calculated net liquidity outflows in periods of stress. If the currency of the bond in question does not correspond to the domestic currency of the relevant country, credit institutions can only classify the bond as a Level 1 asset up to the amount of the credit institution's stressed net liquidity outflows in that foreign currency, corresponding to its operations in the jurisdiction where the liquidity risk is taken on. Exemption (d) also applies to bonds that are guaranteed by countries with ratings lower than AA- resp. Aa3.

Exemption Art. 10(1)(e) LCR Regulation

Art. 10(1)(e) of the LCR Regulation makes it possible to classify bonds issued by banks as Level 1 assets. Bank securities are otherwise not regarded as liquid assets, apart from certain covered bonds. This is subject to the condition that exposures to the respective regional governments or local authorities (RGLA; referred to below as sub-sovereigns) can be treated as exposures to the relevant central government for regulatory purposes. This condition stipulates that a risk weight of 0% can be applied under the CRR standardised approach.

(i)

This exemption relates to credit institutions established by the central government or a sub-sovereign of an EEA Member State, or which have their registered office in an EEA state, and for which a corresponding guarantee also exists. If the central government or the sub-sovereign(s) is/are consequently legally obliged to protect the economic basis and to maintain the financial viability indefinitely, bonds of these credit institutions can be classified as Level 1 assets.

(ii)

This exemption relates to credit institutions that are promotional lenders. They fulfil three criteria:

- Purpose is to advance public policy objectives of the EU, an EEA central government or an EEA sub-sovereign
- Provision of loans on a non-competitive, not-for-profit basis
- Loans granted are directly or indirectly guaranteed to at least 90% by the central government or a sub-sovereign resp. sub-sovereigns

Explicitly guaranteed bank bonds

Under Art. 35 of the LCR, bonds from credit institutions with a guarantee from an EEA central government also qualify as Level 1 assets. At a glance, the conditions are as follows:

1. Guarantee by an EEA Member State, providing that the guarantee was awarded prior to 30 June 2014 for a maximum amount and that the guarantee is direct, explicit, irrevocable and unconditional, and covers payments of interest and principal.
2. If the guarantor is a sub-sovereign of an EEA member, the risk exposures of the regional government must be treated as exposures to the central government in accordance with Art. 115(2) CRR and the guarantee conditions as per point 1 must be met.
3. As long as there is a guarantee, a Level 1 classification is possible. If the guarantee amount is increased after 30 June 2014, the respective bonds are eligible for inclusion only up to the maximum guarantee amount in place prior to 30 June 2014.
4. Bank bonds with an explicit guarantee are treated just like any other state-guaranteed assets in the context of the LCR.
5. If there is a guarantee mechanism in place for a credit institution or its bonds, the mechanism as a whole shall apply as a guarantee for the purposes of this article.

SSA: classification depends on several factors

The classification for SSA is relatively complex, as it depends on several steps. If a guarantee is given for an issuer or its bonds, the liquidity category is based on the classification of the guarantor. For agencies with an explicit guarantee from an EEA Member State, this means, for example, that they are assigned to Level 1. If no guarantee is given, classification is more complex in that different classifications apply depending on whether the SSA is in regulatory terms a sub-sovereign, public sector entity (PSE), supranational or corporate. In specific cases, the exemptions above may apply.

Classification of supranationals

The classification of supranationals is the simplest of all the SSA in that claims on or guaranteed by supranationals listed in Art. 117 (2) and 118 CRR are assigned to Level 1. Through Art. 118 (f), they also include financial institutions that were established by at least two EEA Member States and whose purpose it is to mobilise funding and provide financial assistance to the benefit of its members that are experiencing or threatened by severe financial problems. If a supranational does not meet this criterion and/or is not mentioned in the two CRR articles, bonds of these institutions may not be classified as either Level 1 or Level 2 assets. Within our coverage, this directly affects EUROFIMA and the South American CAF, for example, as their bonds are not therefore eligible for inclusion as liquid assets.

LCR classification of assets representing claims on or guaranteed by supranationals: Level 1 issuers

Issuer (Bloomberg ticker)	CRR Art.
International Bank for Reconstruction and Development (IBRD)	Art. 117(2) a)
International Finance Corporation (IFC)	Art. 117 (2) (b)
Inter-American Development Bank (IADB)	Art. 117(2)(c)
Asian Development Bank (ASIA)	Art. 117(2)(d)
African Development Bank (AFDB)	Art. 117(2)(e)
Council of Europe Development Bank (COE)	Art. 117(2)(f)
Nordic Investment Bank (NIB)	Art. 117(2)(g)
Caribbean Development Bank (CARDEV)	Art. 117(2)(h)
European Bank for Reconstruction and Development (EBRD)	Art. 117(2)(i)
European Investment Bank (EIB)	Art. 117(2)(j)
European Investment Fund	Art. 117(2)(k)
Multilateral Investment Guarantee Agency (MULIGA)	Art. 117(2)(l)
International Finance Facility for Immunisation (IFFIM)	Art. 117(2)(m)
Islamic Development Bank (ISDB)	Art. 117(2)(n)
International Development Association (IDAWBG)	Art. 117(2)(o)
Asian Infrastructure Investment Bank (AIIB)	Art. 117(2)(p)
European Union (EU); European Atomic Energy Community (EURAT)	Art. 118(a)
International Monetary Fund	Art. 118(b)
Bank for International Settlements (BIS)	Art. 118(c)
European Financial Stability Facility (EFSF)	Art. 118(d)
European Stability Mechanism (ESM)	Art. 118(e)

Source: CRR, NORD/LB Floor Research

Classification of PSEs and sub-sovereigns

The classification of PSEs and sub-sovereigns (regional governments and local authorities, RGLA for short) is almost identical. If an explicit guarantee is given for a bond or an issuer by a central government, classification is the same as for sovereign bonds (see previous pages). If no explicit guarantee is given, classification is carried out primarily on the basis of the issuer's risk weight. If, in regulatory terms, PSE and sub-sovereign bonds may be treated as exposures to the respective central government and a risk weight of 0% can be applied, these issuers can accordingly be classified as Level 1. Theoretically, exceptions to this are issuers from outside the EEA where a risk weight of 0% can be applied but there is no explicit guarantee in place. If it involves a PSE, classification is not possible. Sub-sovereigns can be classified as Level 1. Institutions where a risk weight of 20% can be applied are classified as Level 2A issuers. Institutions with higher risk weights that are based outside the EEA and have an explicit guarantee from a central bank or government can be classified as Level 1 issuers, using the conditions of Exemption (d) (see classification of sovereigns). If an explicit guarantee is not in place, a Level 2B classification as defined in Art. 12(1)(f) LCR Regulation remains an option. This refers to institutions which, due to their religious beliefs, are not permitted to hold interest-bearing assets. Bonds of other PSEs and sub-sovereigns for which the risk weight is higher than 20% under the standardised credit risk approach cannot be classified as liquid assets.

Interim conclusion for sub-sovereigns and PSEs

The CRR, as the relevant European legislative text, frequently makes a distinction in the treatment of risk positions between positions issued within the EEA and those issued outside the EEA. The grounds for this classification are that the supervisory regimes differ greatly in some cases, and less so in others, from the international Basel III regulations or the European requirements. In order to avoid risks due to inadequate supervisory systems, a higher risk weight is applied to assets issued outside the EEA than to comparable positions of EEA member-state origin. A list of countries where supervisory and legal regulations are regarded as being at least equally stringent to those of the EU is provided in the Commission Implementing Decision (EU) 2021/1753. However, now the country of origin, e.g. New Zealand, must also apply a risk weight of 0% to its sub sovereigns, so that the risk weight for local investors can also be 0%. The New Zealand regulator (RBNZ), for instance, does not do this, but instead assigns its sub-sovereigns a risk weight of 20% (example: Auckland Council, the country's largest sub-sovereign (ticker: AUCKCN)).

PSE definition is gaining in importance

As a result of this classification, the PSE definition, in particular, is gaining in importance within the CRR. The CRR stipulates the basic differentiation, but national supervisory bodies or national laws may define exactly which issuers are to be classified as PSE in the home country. A public sector entity (PSE) is defined in Art. 4(1)(8) CRR as:

- "[…] a non-commercial administrative body responsible to central governments or regional governments or local authorities, or to authorities that exercise the same responsibilities as regional governments and local authorities, or a non-commercial undertaking that is owned or set up and sponsored by central governments, regional governments or local authorities, and that has explicit guarantee arrangements, and may include self-administered bodies governed by law that are under public supervision."

PSE list provides (some) clarity

In our opinion, the existing definition is too vague. However, the EBA publishes a list of public sector entities whose exposure in relation to Art. 116 CRR is defined as identical to RGLA. PSEs not on this list must nonetheless continue to be examined individually on the basis of the PSE definition.

Level 2 classification possible for non-PSEs

Agencies which are not classified as PSEs and are therefore excluded from this classification path may qualify for Level 2 classification in that if an agency is not a bank, it can be categorised as a Level 2A or Level 2B issuer within the scope of the classification of corporates.

Classification of corporates

If agencies are classified as corporates in regulatory terms, there are essentially three different restrictions: ratings, issuance volume and term to maturity.

Classification of individual issuers

To determine the effects on individual issuers, we implement the LCR classification as detailed on the following pages.

LCR classification of assets representing claims on or guaranteed by regions

Issuer	Current LCR level*
German Laender	Level 1
Canadian provinces & territories	Level 1
Belgian regions	Level 1
French regions	Level 1
Spanish regions	Level 1
Portuguese regions	Level 2A**
Italian regions	Level 2A
Austrian Bundeslaender	Level 1
Swedish regions	Level 1

* NB: In the absence of an explicit guarantee from the respective nation state, the current LCR level is dependent on the respective rating (see CQS classification and LCR classification of assets).
** Exemption: Guaranteed bonds from Madeira are classified as Level 1.
Source: NORD/LB Floor Research

LCR classification of assets representing claims on or guaranteed by supranationals

Issuer	Bloomberg ticker	Current LCR level
European Financial Stability Facility	EFSF	Level 1
European Stability Mechanism	ESM	Level 1
European Union	EU	Level 1
European Investment Bank	EIB	Level 1
European Bank for Reconstruction and Development	EBRD	Level 1
Nordic Investment Bank	NIB	Level 1
Council of Europe Development Bank	COE	Level 1
EUROFIMA	EUROF	Not eligible
International Bank for Reconstruction and Development	IBRD	Level 1
International Development Association	IDAWBG	Level 1
International Finance Corporation	IFC	Level 1
Inter-American Development Bank	IADB	Level 1
Corporación Andina de Fomento	CAF	Not eligible
Asian Development Bank	ASIA	Level 1
Asian Infrastructure Investment Bank	AIIB	Level 1
Islamic Development Bank	ISDB	Level 1
African Development Bank	AFDB	Level 1

Source: NORD/LB Floor Research

Clarity on supranationals, but lack of clarity on non-explicit guarantees

While there is clarity with regard to the classification of supranationals, this is lacking for certain agencies that do not have an explicit guarantee from a central government or a sub-sovereign. Consequently, the overview on the following pages, where applicable, lists our assumptions regarding liquidity level classification.

LCR classification of assets representing claims on or guaranteed by agencies

Issuer	Country	Ticker	Haircut	Rationale	Current LCR level
KfW	DE	KFW	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
Rentenbank	DE	RENTEN	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
FMS-WM	DE	FMSWER	-	Art. 10(1)(c)(v): FMS-WM classified as PSE	Level 1
EAA	DE	ERSTAA	-	Art. 10(1)(c)(v): EAA classified as PSE	Level 1
NRW.BANK	DE	NRWBK	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
L-Bank	DE	LBANK	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
WIBank	DE	WIBANK	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
LfA	DE	BAYLAN	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
IB.SH	DE	IBBSH	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
BayernLabo	DE	BYLABO	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
IBB	DE	IBB	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
ILB	DE	ILBB	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
SAB	DE	SABFOE	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
ISB	DE	ISBRLP	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1
IFBHH	DE	IFBHH	-	Art. 10(1)(c)(iii): explicit guarantee from regional government	Level 1

Source: NORD/LB Floor Research

LCR classification of assets representing claims on or guaranteed by agencies (continued)

Issuer	Country	Ticker	Haircut	Rationale	Current LCR level
CADES	FR	CADES	-	Art. 10(1)(c)(i): PSE with risk weight of 0%*	Level 1
AFD	FR	AGFRNC	-	-	Not eligible
Unédic	FR	UNEDIC	-	Art. 10(1)(c)(i): PSE with risk weight of 0%*	Level 1
CDC	FR	CDCEPS	-	Art. 10(1)(c)(v): PSE with risk weight of 0%*	Level 1
Bpifrance	FR	BPIFRA	-	Level 1 classification in line with Art. 10(1)(e)(i)	Level 1
SAGESS	FR	SAGESS	15%	Art. 11(1)(a): PSE with risk weight of 20%	Level 2A
AFL	FR	AFLBNK	-	Art. 10(1)(e)(ii): promotional credit institution	Level 1
SFIL	FR	SFILFR	-	Level 1 classification in line with Art. 10(1)(e)(i)	Level 1
SGP	FR	SOGRPR	15%	Art. 11(1)(a): PSE with risk weight of 20%	Level 2A
3CIF	FR	CCCI	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
ALS	FR	ALSFR	-	-	Not eligible
BNG	NL	BNG	-	Art. 10(1)(e)(ii): promotional credit institution**	Level 1
NWB	NL	NEDWBK	-	Art. 10(1)(e)(ii): promotional credit institution**	Level 1
FMO	NL	NEDFIN	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
OeKB	AT	OKB	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
ÖBB-Infrastruktur	AT	OBND	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
ASFiNAG	AT	ASFING	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1

* According to classification of Banque de France.

** Applicability of Art. 10(1)(e)(i) confirmed by De Nederlandsche Bank.

Source: NORD/LB Floor Research

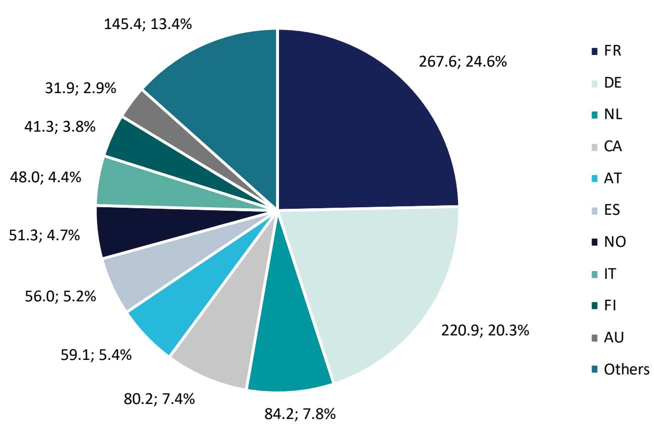
LCR classification of assets representing claims on or guaranteed by agencies (continued)

Issuer	Country	Ticker	Haircut	Rationale	Current LCR level
KBN	NO	KBN	15%	Art. 11(1)(a): PSE with RW of 20%	Level 2A
SEK	SE	SEK	15%	Level 2A classification in line with Art. 11(1)(a):	Level 2A
Kommuninvest	SE	KOMINS	-	Level 1 classification in line with Art. 10(1)(e)(i)	Level 1
MuniFin	FI	KUNTA	-	Art. 10(1)(c)(v): explicit guarantee from PSE	Level 1
KommuneKredit	DK	KOMMUN	-	Art. 10(c)(iv): explicit guarantee from RGLA with risk weight of 0%	Level 1
Finnvera	FI	FINNVE	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
ICO	ES	ICO	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
FADE	ES	FADE	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
ADIF-AV	ES	ADIFAL	-	Art. 10(1)(c)(v): PSE with risk weight of 0%	Level 1
CORES	ES	CORES	-	Art. 11(1)(a): PSE with RW of 50%	Not eligible
CDP	IT	CDEP	-	Not a corporate, RW too high to apply Art. 11(1)(a)	Not eligible
REFER	PT	REFER	-	Art. 10(1)(c)(i): Explicit state guarantee (only guaranteed bonds)	Level 1 (guaranteed bonds)
BGK	PL	BGOSK	-	Art. 10(1)(c)(i): explicit state guarantee (only guaranteed bonds)	Level 1 (guaranteed bonds)
EXIM	HU	MAEXIM	-	Art. 10(1)(c)(i): explicit state guarantee	Level 1
DCL	BE	DEXGRP	-	Art. 10(1)(c)(i): explicit state guarantee (only guaranteed bonds)	Level 1 (guaranteed bonds)
DBJ	JP	DBJJP	15%	Art. 11(1)(b) explicit state guarantee (only guaranteed bonds)	Level 2A (guaranteed bonds)
JBIC	JP	JBIC	15%	Art. 11(1)(b) explicit state guarantee (only guaranteed bonds)	Level 2A (guaranteed bonds)
JFM	JP	JFM	15%	Art. 11 (1)(b) explicit state guarantee (only guaranteed bonds)	Level 2A (guaranteed bonds)
KEXIM	KO	EIBKOR	15%	Level 2A classification in line with Art. 11(1)(b)	Level 2A
IBK	KO	INDKOR	15%	Level 2A classification in line with Art. 11(1)(b)	Level 2A
KDB	KO	KDB	15%	Level 2A classification in line with Art. 11(1)(b)	Level 2A
CDB	CN	SDBC	-	Not a corporate, RW too high to apply Art. 11(1)(a)	Not eligible
CEXIM	CN	EXIMCH	-	Not a corporate, RW too high to apply Art. 11(1)(a)	Not eligible
EDC	CA	EDC	-	Art. 11(1)(b) explicit state guarantee	Level 1

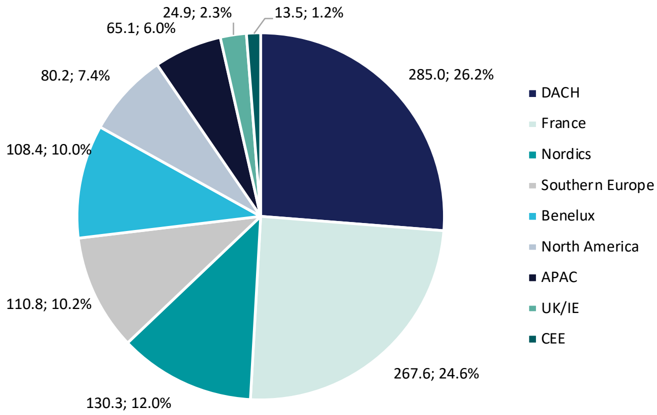
Source: NORD/LB Floor Research

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



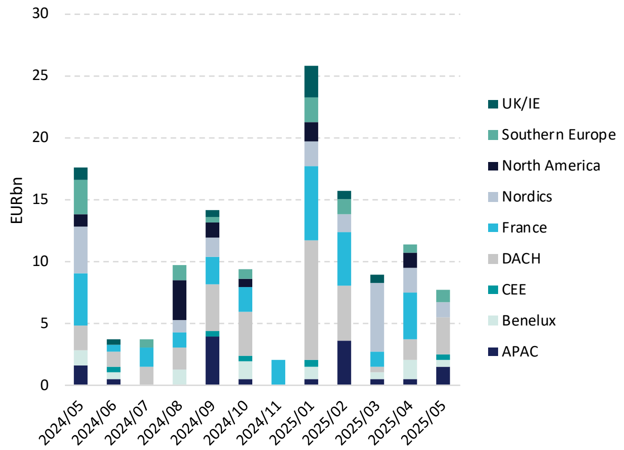
EUR benchmark volume by region (in EURbn)



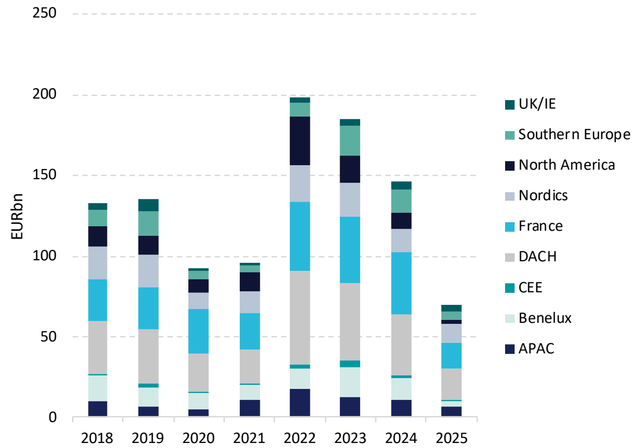
Top-10 jurisdictions

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	267.6	257	31	0.98	9.2	4.6	1.63
2	DE	220.9	308	49	0.66	7.7	3.7	1.65
3	NL	84.2	85	4	0.93	10.3	5.5	1.45
4	CA	80.2	58	1	1.36	5.6	2.4	1.54
5	AT	59.1	98	5	0.59	7.9	3.8	1.62
6	ES	56.0	46	5	1.08	10.7	3.4	2.29
7	NO	51.3	61	12	0.84	7.1	3.3	1.30
8	IT	48.0	62	6	0.75	8.3	3.9	2.09
9	FI	41.3	47	5	0.86	6.6	3.0	1.80
10	AU	31.9	32	0	1.00	7.5	3.5	1.89

EUR benchmark issue volume by month

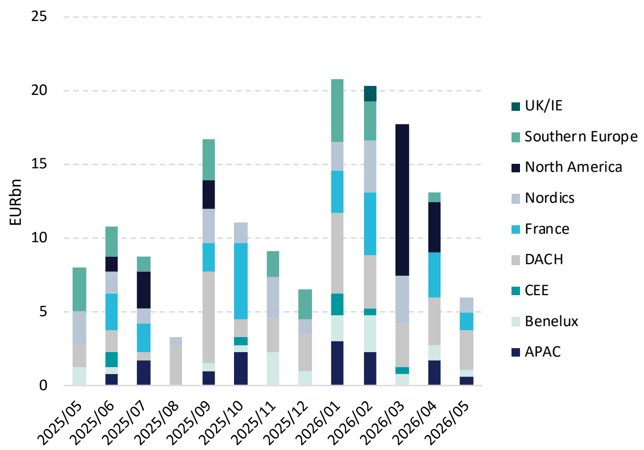


EUR benchmark issue volume by year

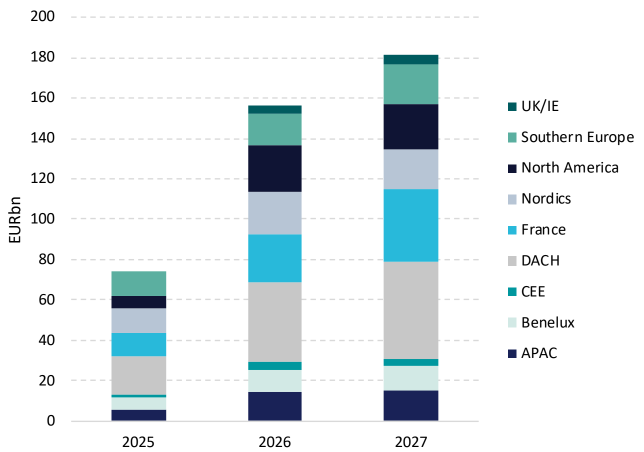


Source: Market data, Bloomberg, NORD/LB Floor Research

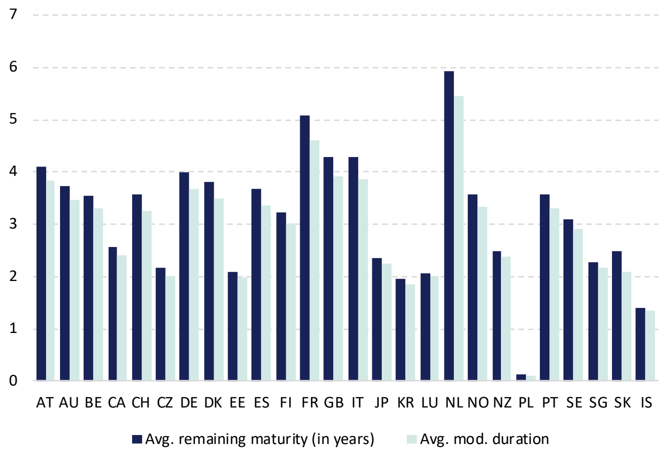
EUR benchmark maturities by month



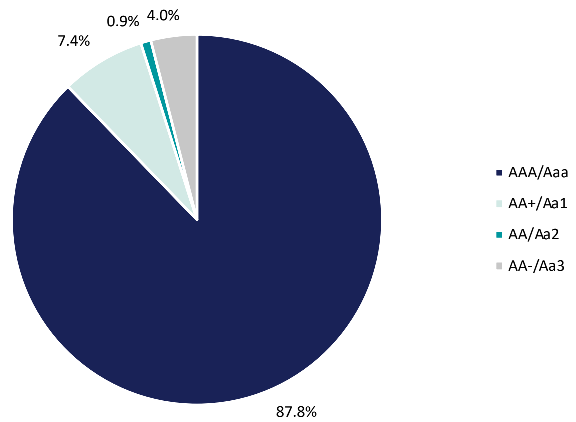
EUR benchmark maturities by year



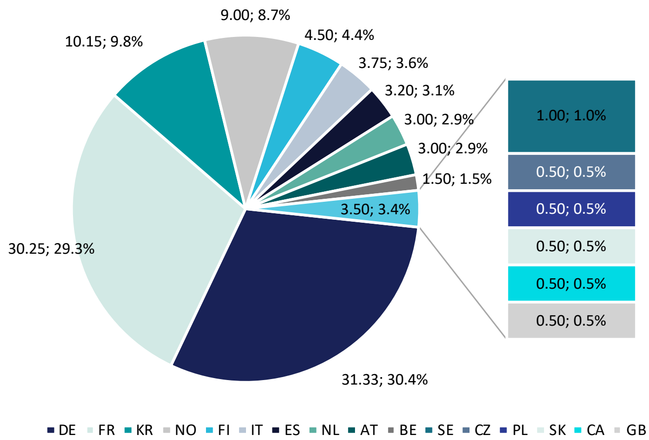
Modified duration and time to maturity by country



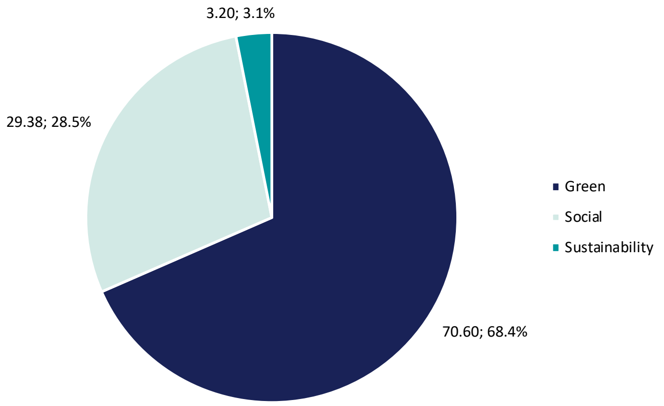
Rating distribution (volume weighted)



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

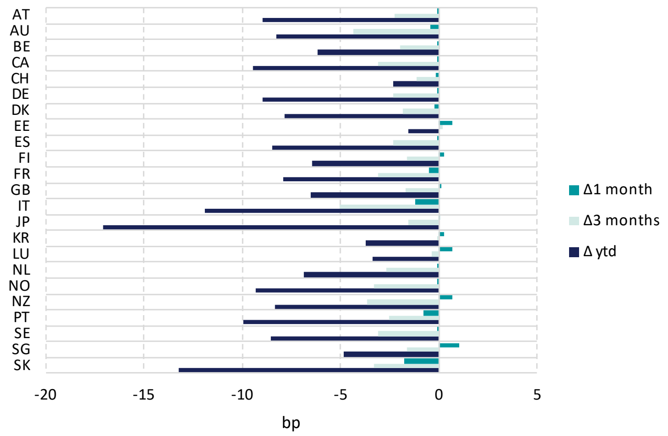


EUR benchmark volume (ESG) by type (in EURbn)

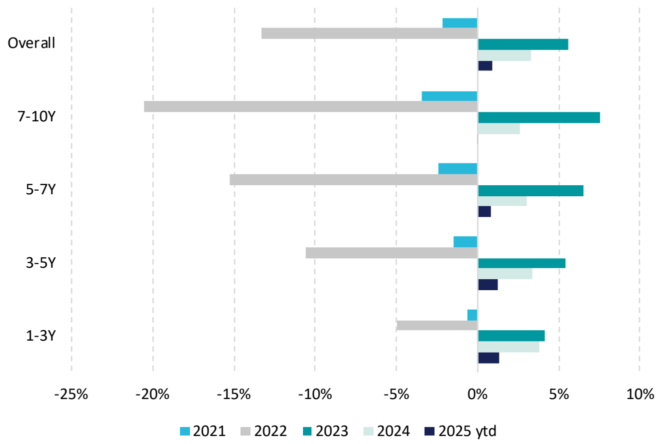


Source: Market data, Bloomberg, NORD/LB Floor Research

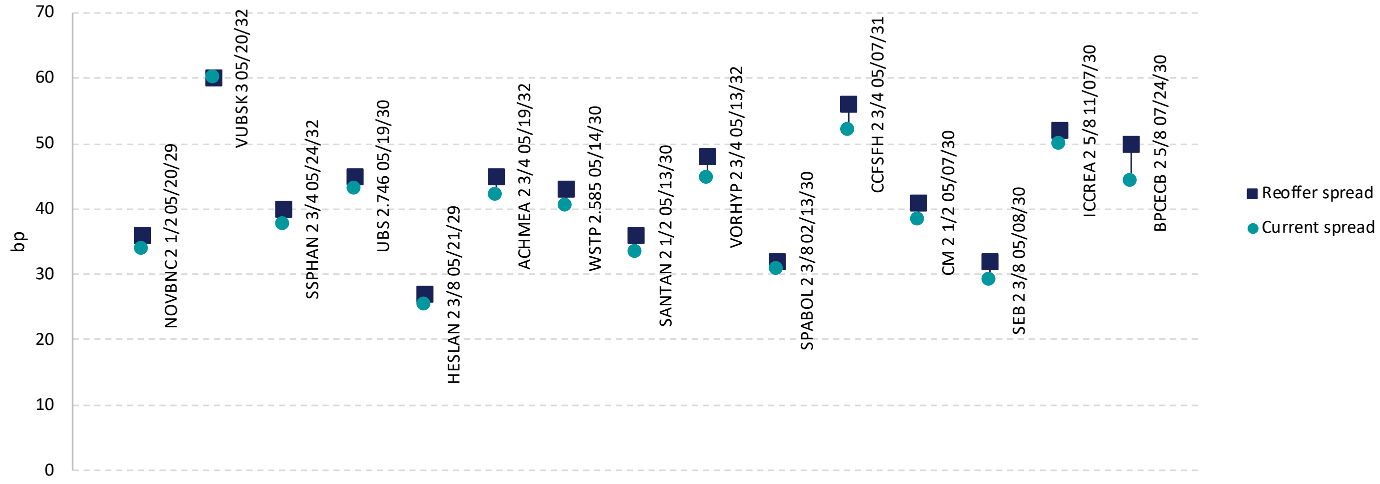
EUR benchmark emission pattern



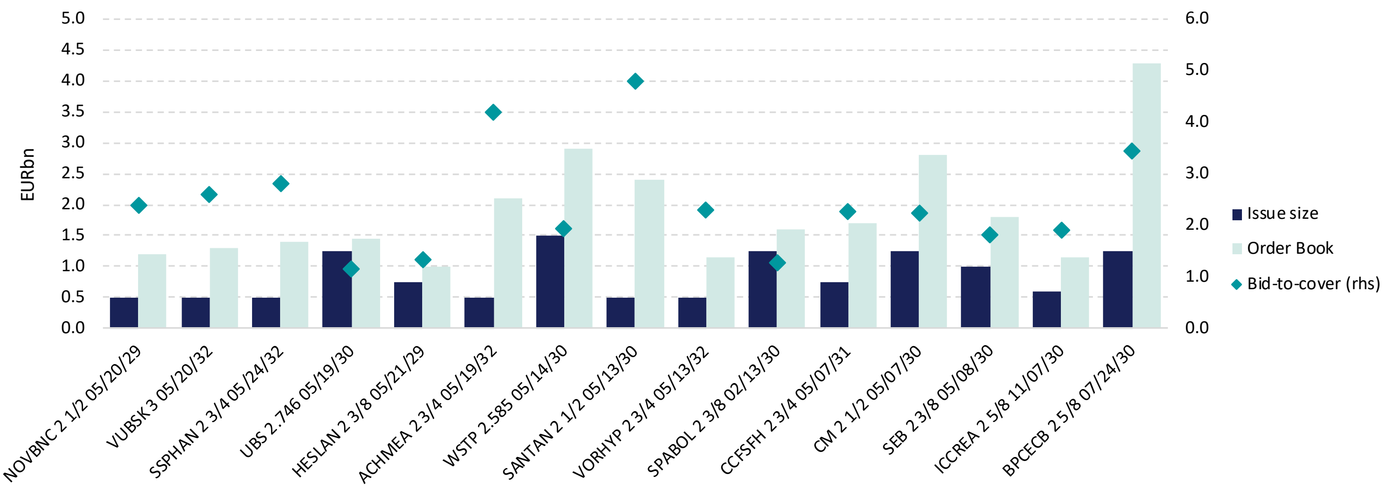
Covered bond performance (Total return)



Spread development (last 15 issues)



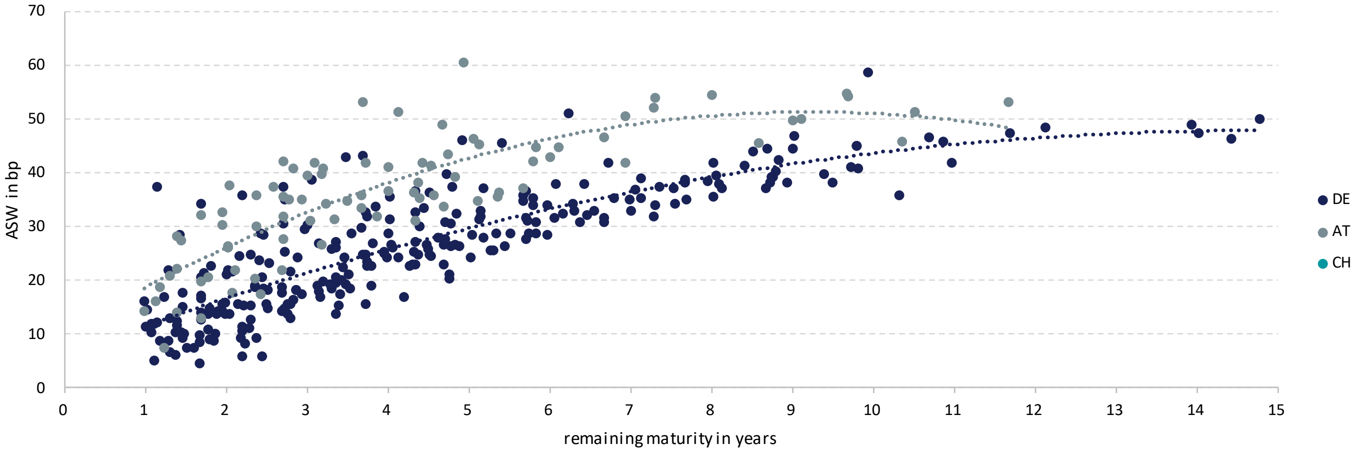
Order books (last 15 issues)



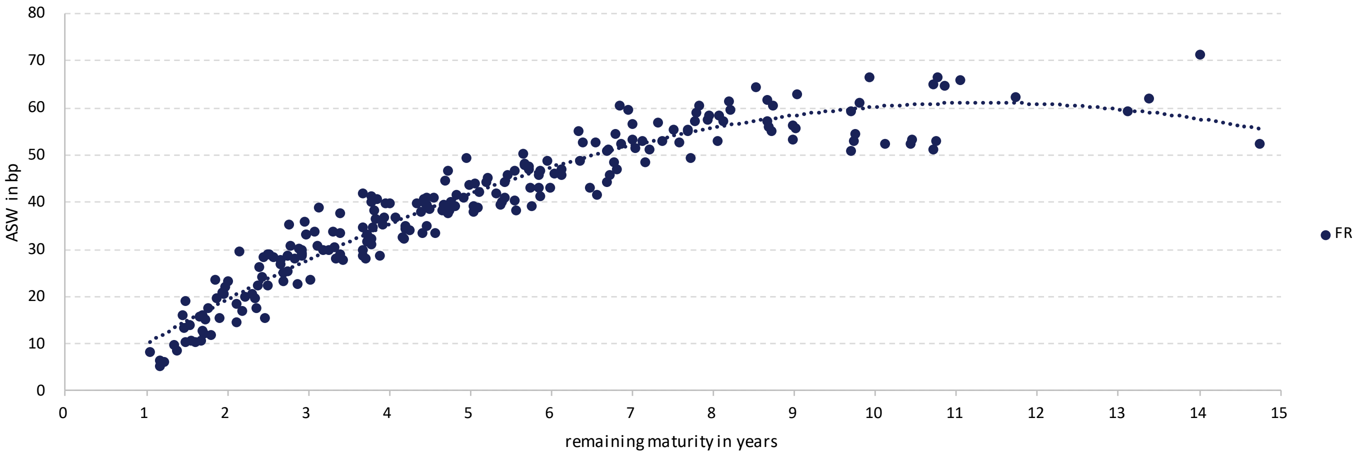
Source: Market data, Bloomberg, NORD/LB Floor Research

Spread overview[1]

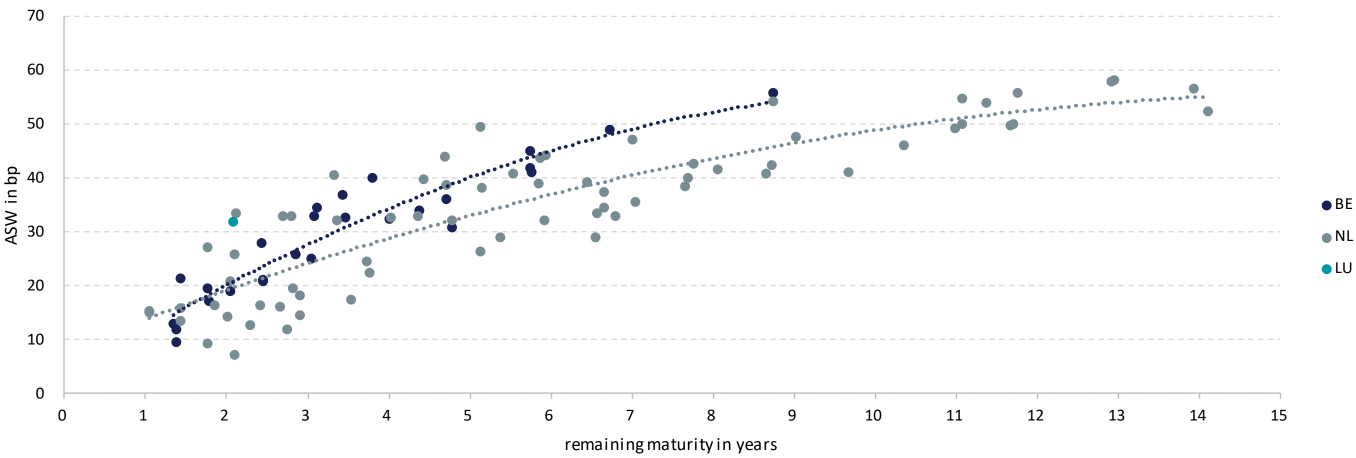
DACH



France

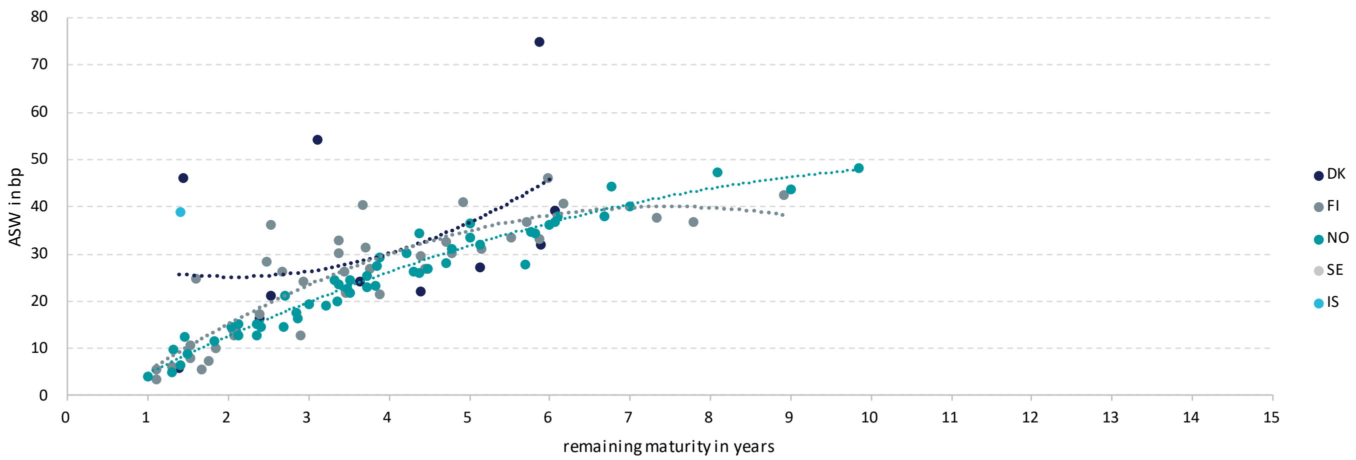


Benelux

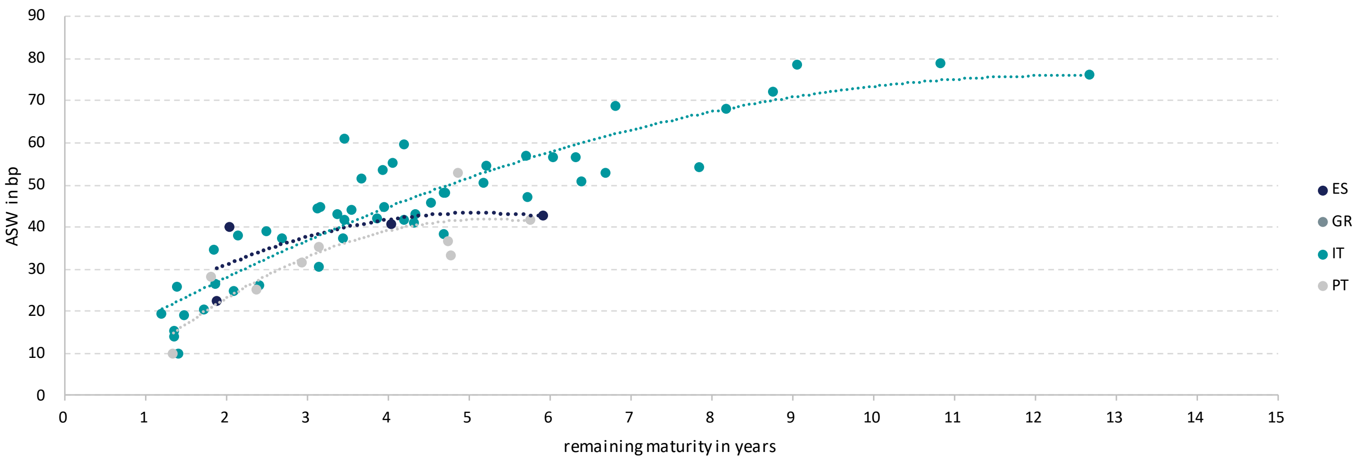


Source: Market data, Bloomberg, NORD/LB Floor Research [1]Time to maturity 1 ≤ y ≤ 15

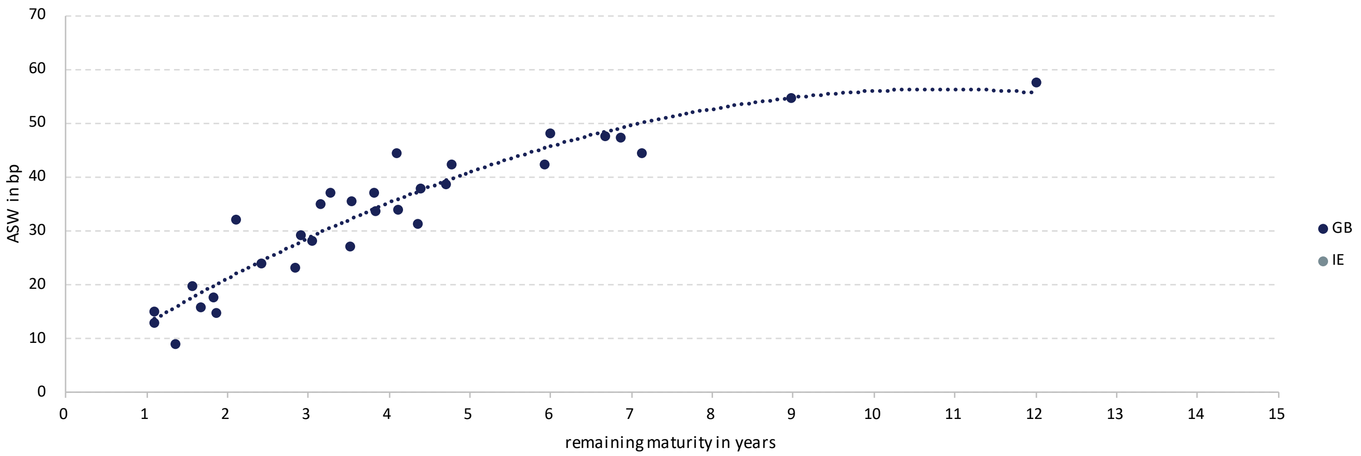
Nordics



Southern Europe

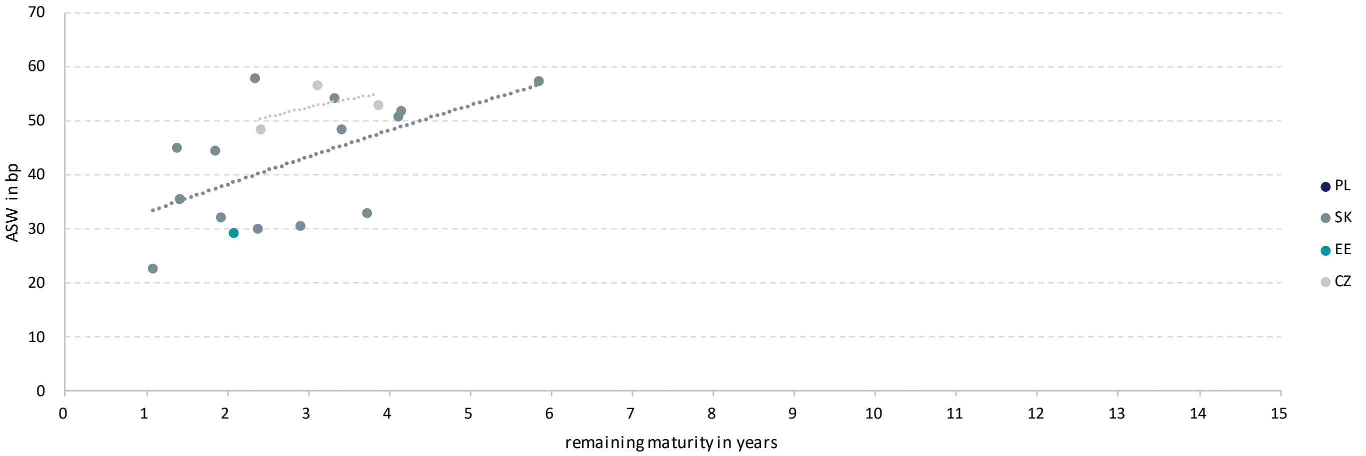


UK/IE

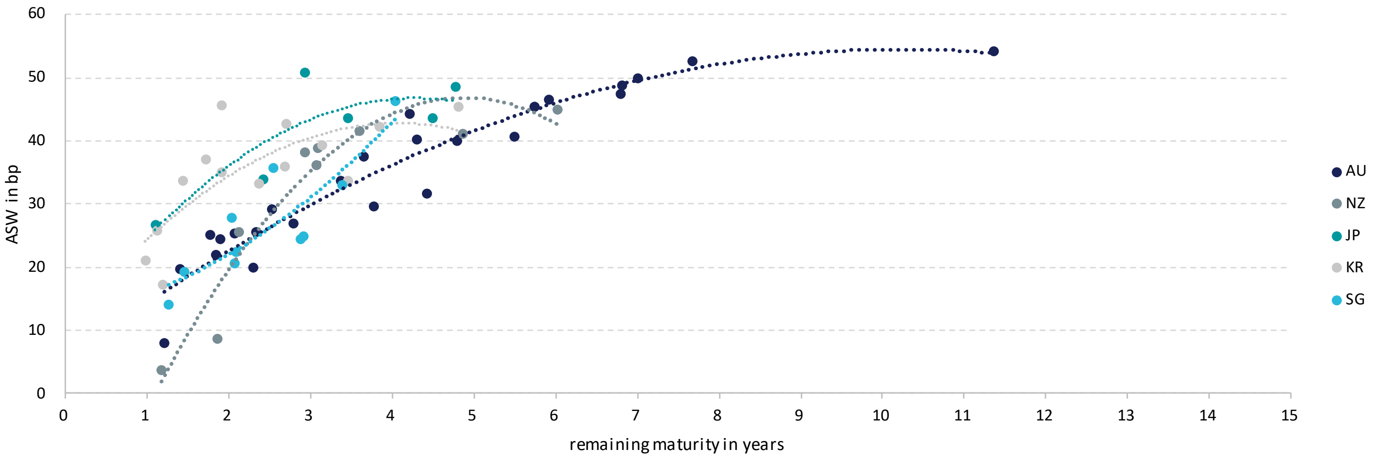


Source: Market data, Bloomberg, NORD/LB Floor Research

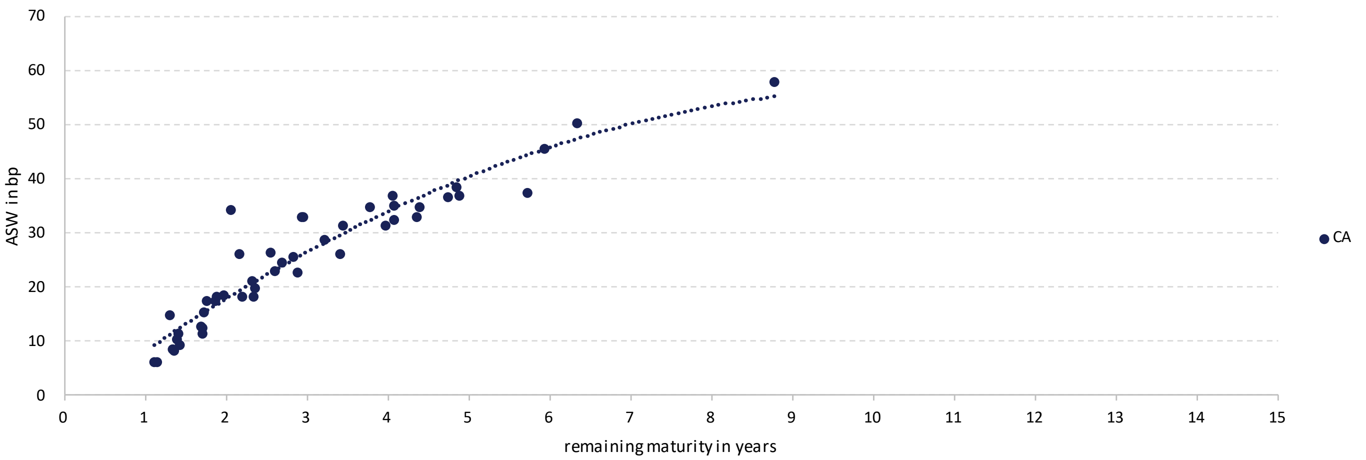
CEE



APAC



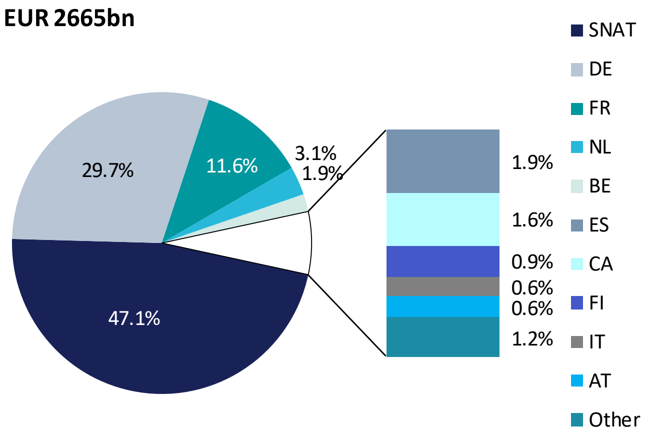
North America



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

Charts & Figures
SSA/Public Issuers

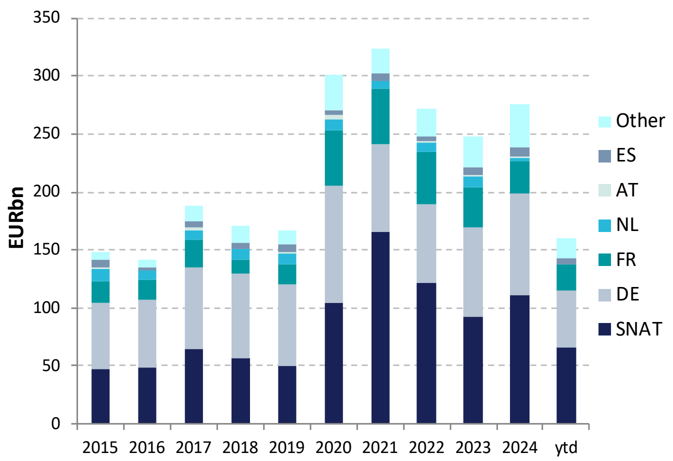
Outstanding volume (bmk)



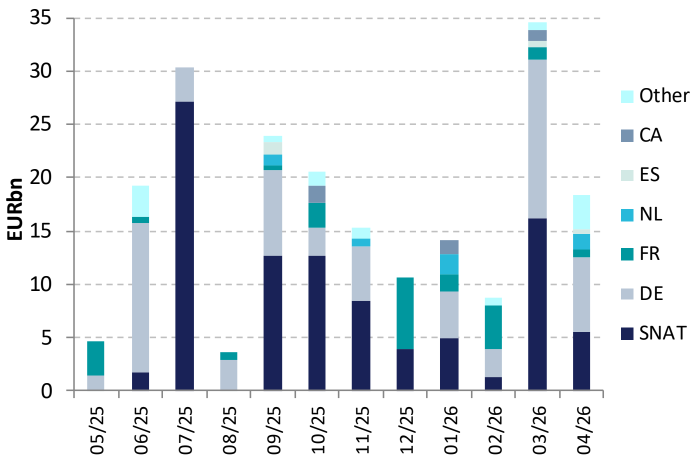
Top 10 countries (bmk)

Country	Vol. (EURbn)	No. of bonds	ØVol. (EURbn)	Vol. weight. ØMod. Dur.
SNAT	1,254.4	255	4.9	7.6
DE	790.5	596	1.3	6.0
FR	308.8	208	1.5	5.5
NL	81.7	66	1.2	6.4
BE	50.1	50	1.0	9.6
ES	50.1	71	0.7	5.1
CA	42.0	29	1.4	5.5
FI	24.0	25	1.0	4.3
IT	16.1	20	0.8	4.3
AT	16.0	21	0.8	4.4

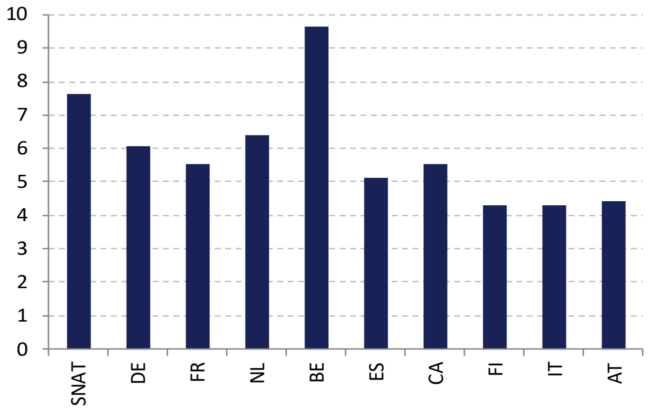
Issue volume by year (bmk)



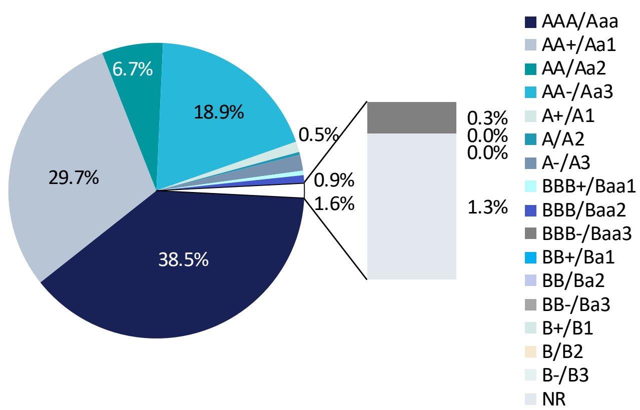
Maturities next 12 months (bmk)



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

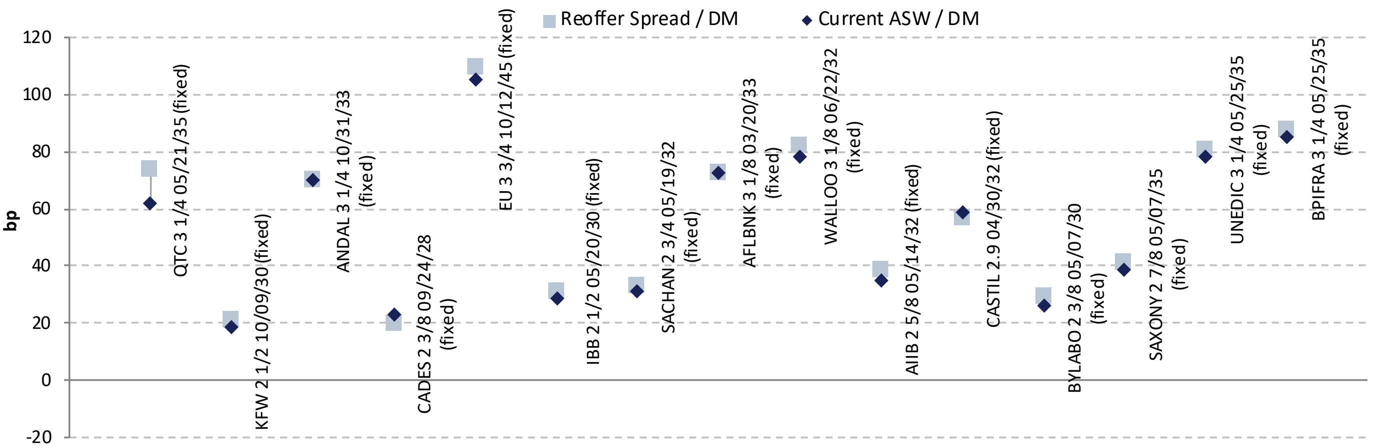


Rating distribution (vol. weighted)

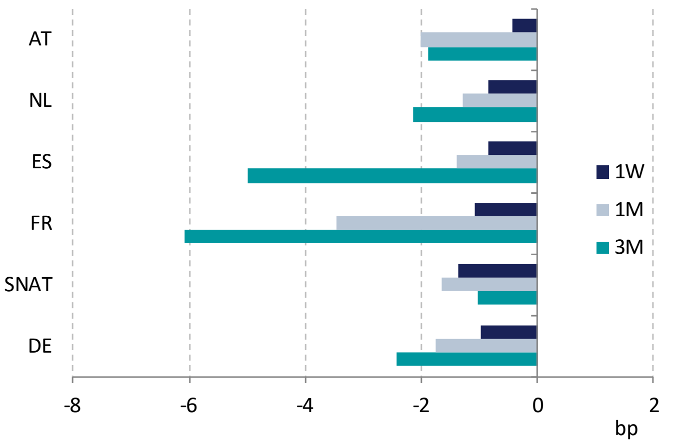


Source: Bloomberg, NORD/LB Floor Research

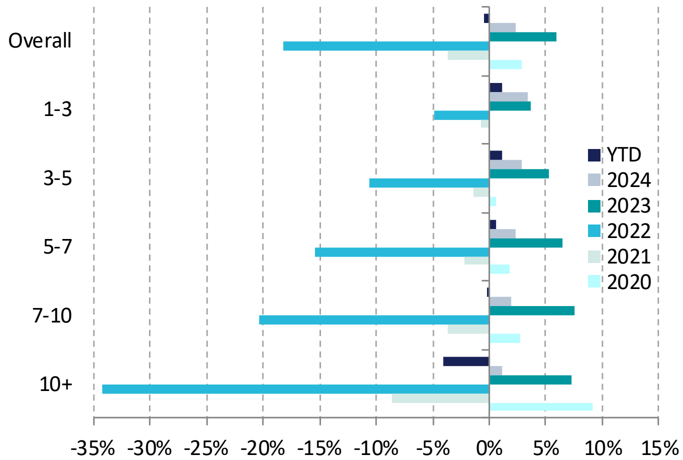
Spread development (last 15 issues)



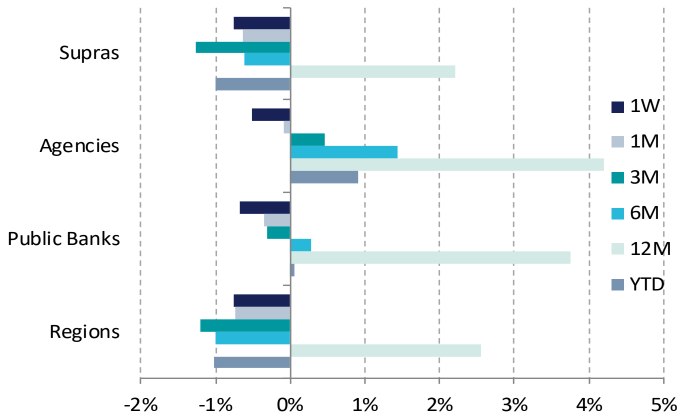
Spread development by country



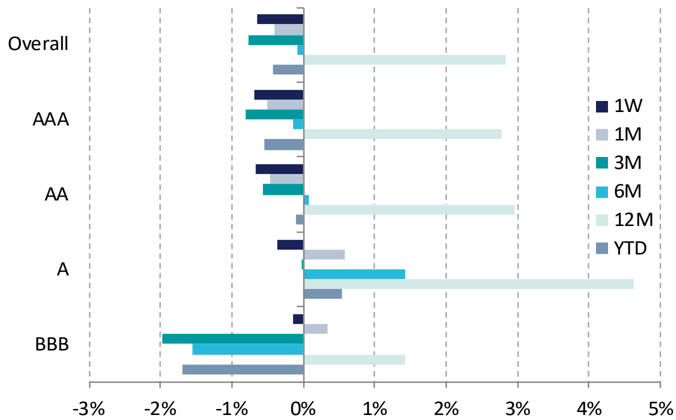
Performance (total return)



Performance (total return) by segments

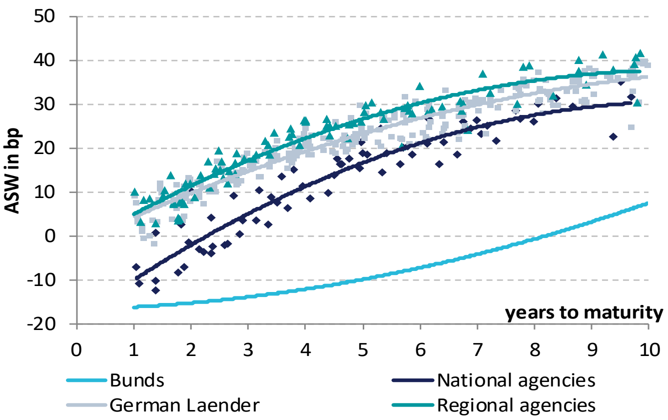


Performance (total return) by rating

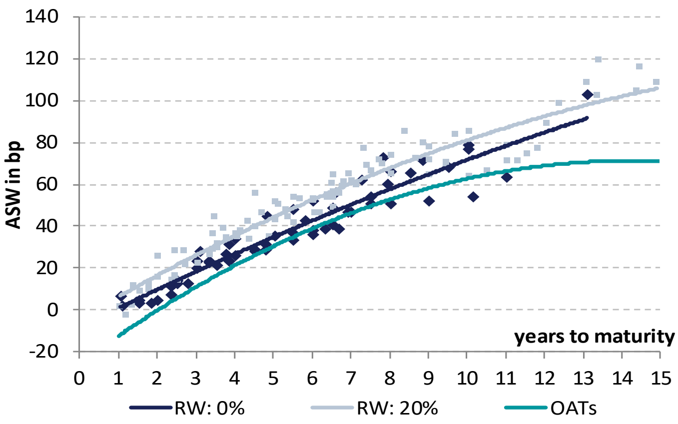


Source: Bloomberg, NORD/LB Floor Research

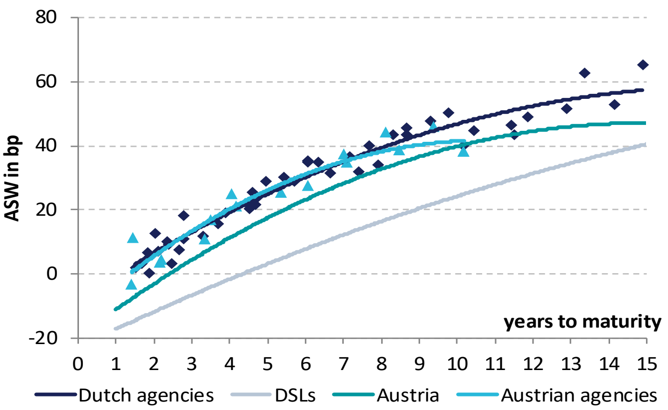
Germany (by segments)



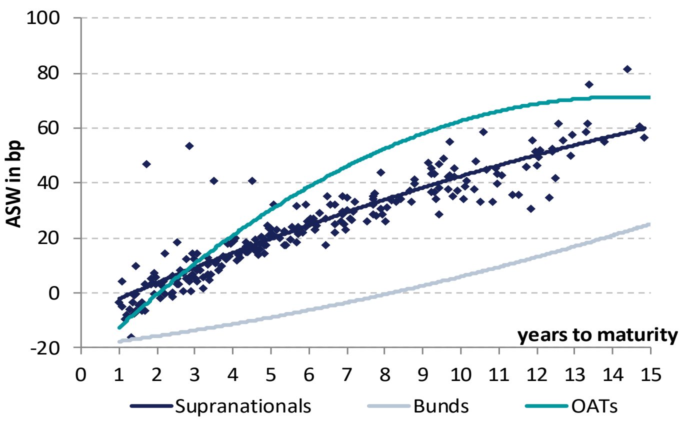
France (by risk weight)



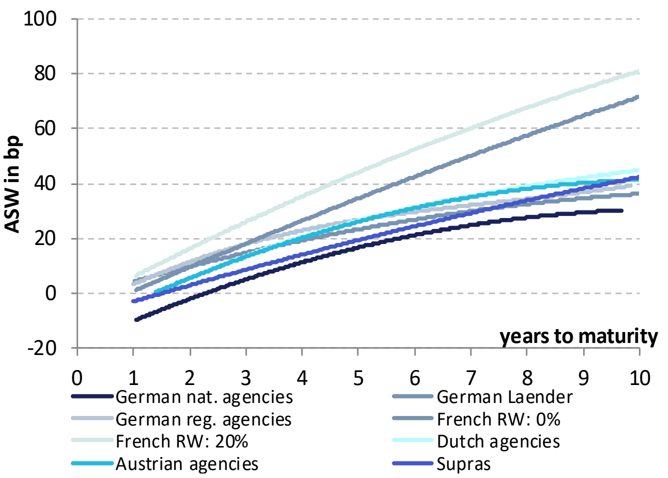
Netherlands & Austria



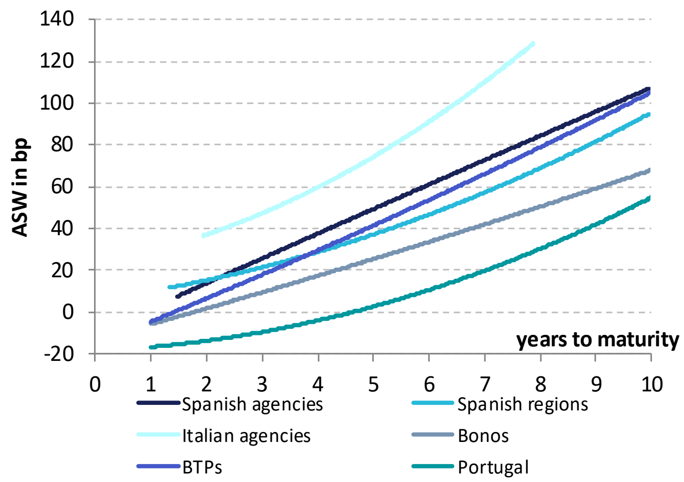
Supranationals



Core



Periphery

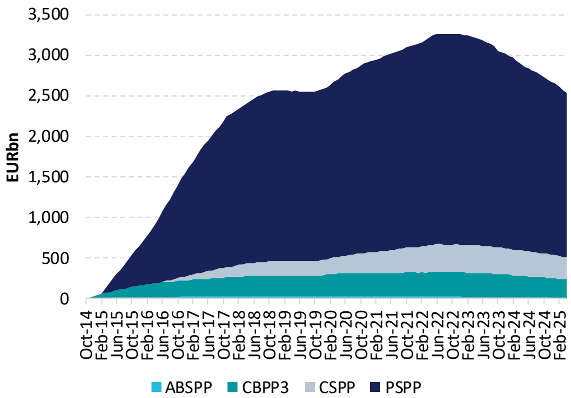


Source: Bloomberg, NORD/LB Floor Research

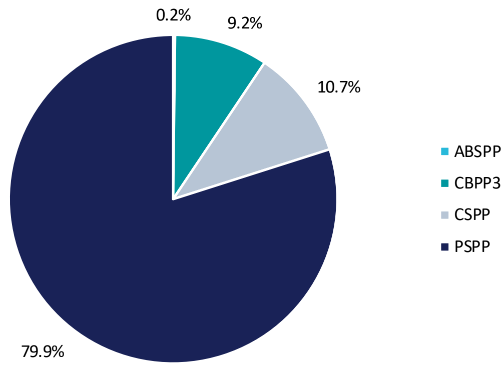
Charts & Figures
ECB tracker

Asset Purchase Programme (APP)

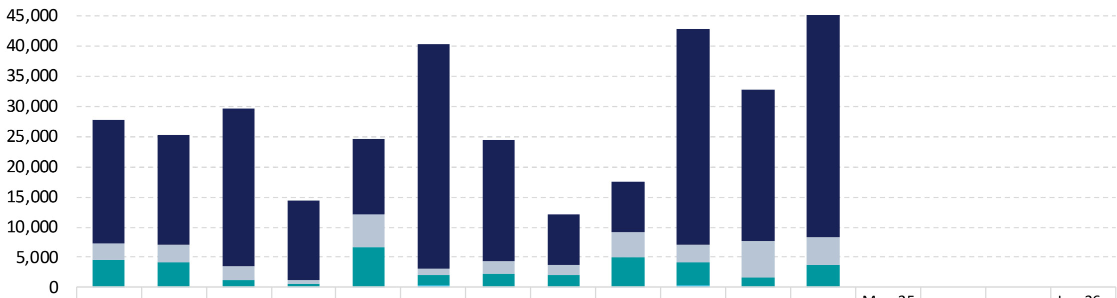
APP: Portfolio development



APP: Portfolio structure

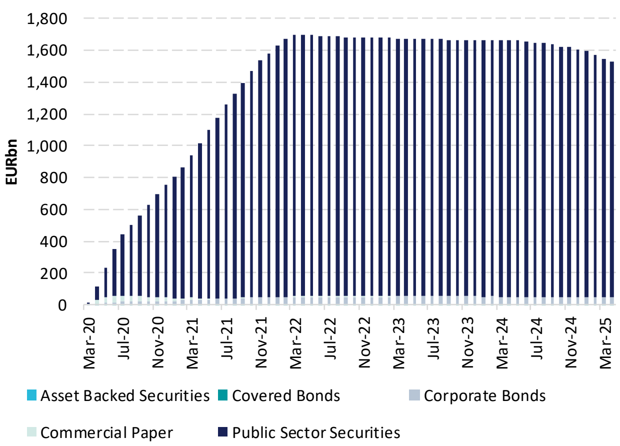


Expected monthly redemptions (in EURm)

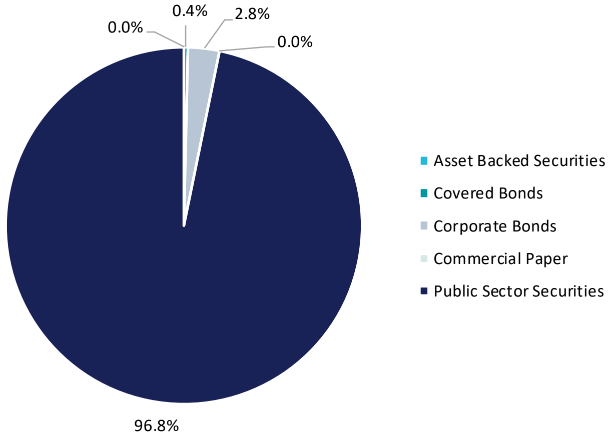


	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-25 - Apr-26	2024	2025	Jan-26 - Apr-26
APP	27,846	25,290	29,618	14,310	24,596	40,249	24,445	12,017	17,538	42,791	32,768	50,965	342,433	334,302	334,255	50,965
PSPP	20,541	18,261	26,161	13,114	12,568	37,073	20,060	8,274	8,318	35,650	25,077	42,520	267,617	264,480	253,586	42,520
CSPP	2,699	2,940	2,156	562	5,259	1,005	2,008	1,693	4,212	2,926	5,946	4,673	36,079	31,380	34,499	4,673
CBPP3	4,448	3,864	1,135	468	6,492	1,864	2,106	1,903	4,740	3,911	1,575	3,685	36,191	32,173	42,332	3,685
ABSPP	158	225	166	166	277	307	271	147	268	304	170	87	2,546	6,269	3,838	87

PEPP: Portfolio development



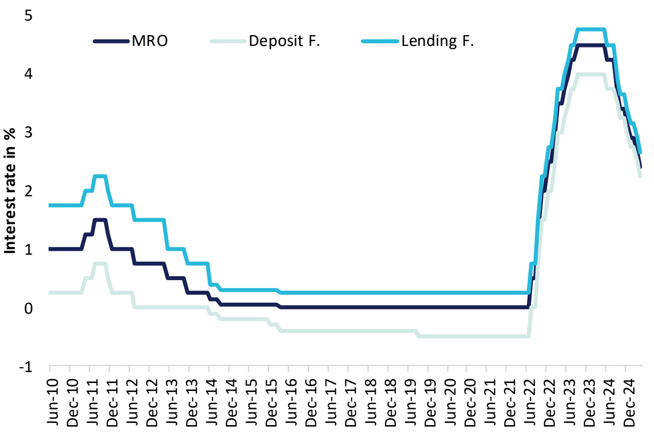
PEPP: Portfolio structure



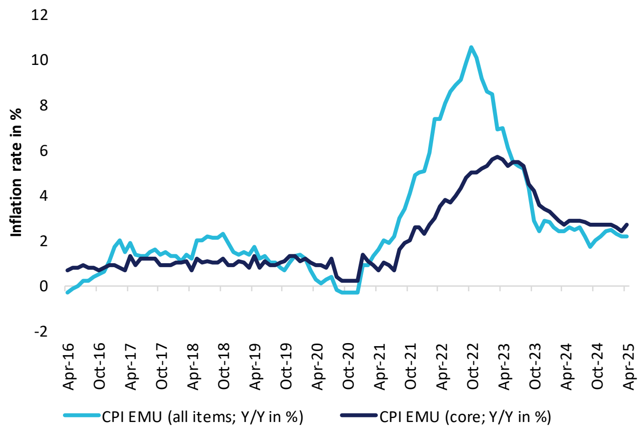
Source: ECB, NORD/LB Floor Research

Charts & Figures
Cross Asset

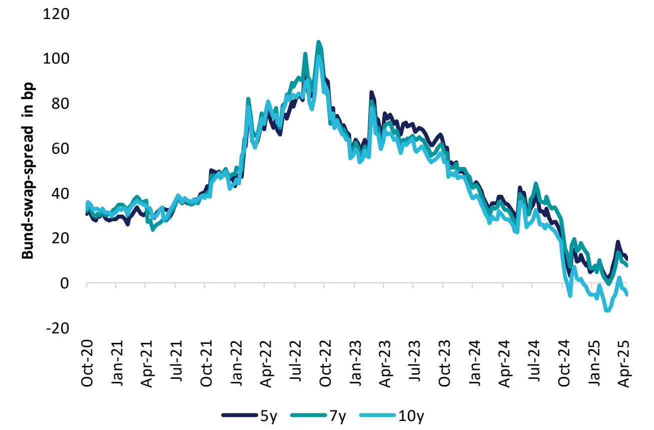
ECB key interest rates



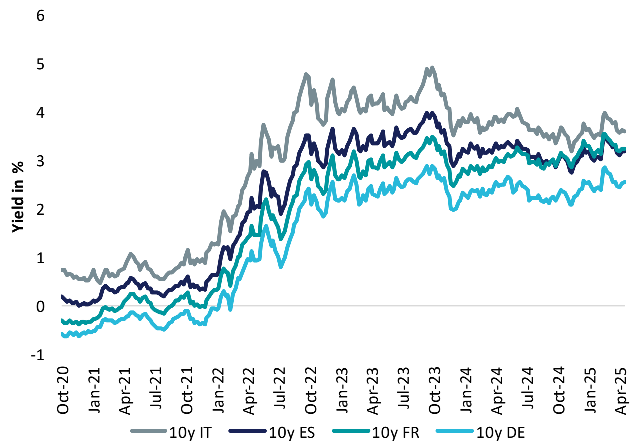
Inflation development in the euro area



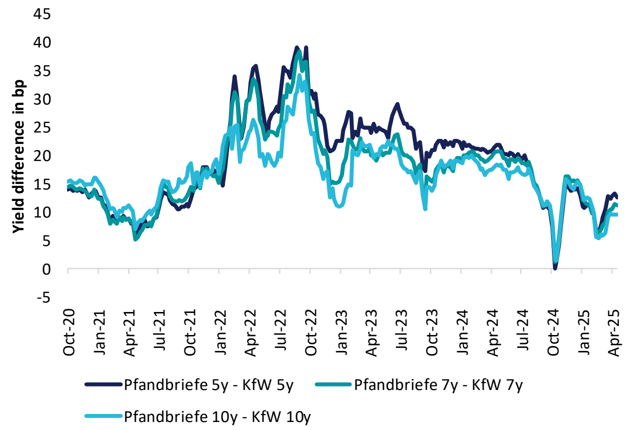
Bund-swap-spread



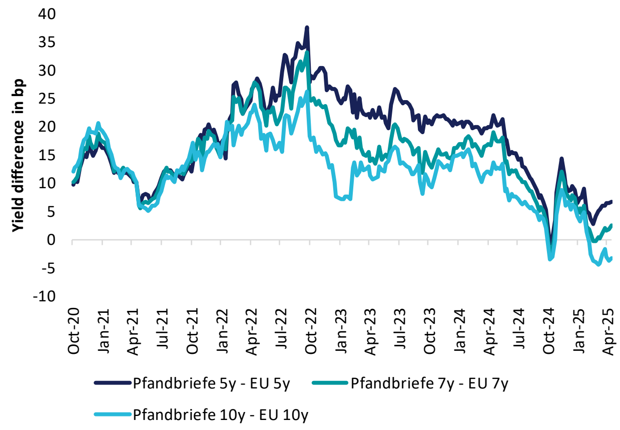
Selected yield developments (sovereigns)



Pfandbriefe vs. KfW



Pfandbriefe vs. EU



Source: ECB, Bloomberg, NORD/LB Floor Research

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Appendix
Overview of latest Covered Bond & SSA View editions

Publication	Topics
17/2025 ♦ 07 May	▪ Fitch: rating approach covered bonds ▪ Credit authorisations of the German Laender for 2025
16/2025 ♦ 30 April	▪ Special report on LCR classification and risk weights: a (regulatory) look at the EUR benchmark segment ▪ Teaser: Issuer Guide – Dutch Agencies 2025
15/2025 ♦ 16 April	▪ Cross Asset: Relative value – What is the state of play?
14/2025 ♦ 09 April	▪ The covered bond universe of Moody's: an overview ▪ SSA review: EUR-ESG benchmarks in Q1/2025
13/2025 ♦ 02 April	▪ Review of the first quarter in the covered bond segment ▪ A review of Q1/2025 in the SSA segment
12/2025 ♦ 26 March	▪ A look at the Danish covered bond market ▪ Teaser: Issuer Guide – Non-European Supras (MDBs) 2025
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

NORD/LB:	NORD/LB:	NORD/LB:	Bloomberg:
Floor Research	Covered Bond Research	SSA/Public Issuers Research	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 Q1/2025] (quarterly update)

[Transparency requirements §28 PfandBG Q1/2025 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) 2025]

[Issuer Guide – German Agencies 2024]

[Issuer Guide – French Agencies 2024]

[Issuer Guide – Nordic Agencies 2024]

[Issuer Guide – Dutch Agencies 2025]

[Issuer Guide – Austrian Agencies 2024]

[Beyond Bundeslaender: Belgium]

[Beyond Bundeslaender: Greater Paris (IDF/VDP)]

[Beyond Bundeslaender: Spanish regions]

Fixed Income Specials:

[ESG-Update 2024]

[Another ECB rate cut: "You say it's urgent, so urgent"]

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

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