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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Covered Bonds
Market overview

Authors: Lukas Kühne // Dr Norman Rudschuck, CIIA

Primary market: all eyes on Davos

After reporting on a more than dynamic start to the year in terms of issuance activities in last week's edition, the primary market has lost a fair bit of momentum over the past five trading days. The concentrated issuance of eight EUR benchmark bonds on a single trading day last week (13 January) and the immense volume of new issuance revealed initial signs of price sensitivity among investors. Against this backdrop, the declining dynamics seen in the days that followed make a lot of sense. Over the final three trading days of last week, just three issuers approached investors to place new bonds with a volume of EUR 2.5bn. At this point, we want to highlight the deal from Slovenská Sporiteľňa (6.0y; cf. Issuer View), which featured the highest issuance volume of any covered bond from Slovakia to date. In addition to Slovenská Sporiteľňa (Ticker: SLOSPO), Banca Monte dei Paschi di Siena (MONTE) and La Banque Postale Home Loan SFH (LBP Home Loan) were active on the market with deals featuring terms to maturity of four and seven years respectively. Ultimately, MONTE came up with fresh supply in the amount of EUR 750m, while LBP Home Loan opted for a volume of EUR 1.0bn. Over the weekend, the geopolitical tensions between the USA and its European NATO partners intensified in connection with questions over the territorial integrity of Greenland. In this regard, the US President raised the prospect of higher tariffs for countries that oppose the US claim to this autonomous island territory of Denmark in the far north. The Greenland question, which as far as the USA is concerned remains unresolved, has led to unrest on global markets. In this spirit, just one issuer, namely Bausparkasse Schwäbisch Hall (ticker: BAUSCH) was active on the primary market with a new EUR benchmark (EUR 500m; WNG). BAUSCH was able to successfully place its long-dated bond (12.0y) at a reoffer spread of ms +36bp. In terms of the issuance dynamics on the primary market moving forward, the focus is increasingly turning to the US President's speech slated for Wednesday (21 January) at the World Economic Forum in Davos. It is impossible to predict which way he will go at the moment: escalation or de-escalation. But one thing is for sure: all eyes are on Davos!

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
BAUSCH	DE	20.01.	DE000A46Z8K8	12.0y	0.50bn	ms +36bp	- / Aaa / -	-
LBP Home Loan	FR	16.01.	FR0014015PC6	7.0y	1.00bn	ms +35bp	- / - / AAA	-
MONTE	IT	15.01.	IT0005690893	4.0y	0.75bn	ms +30bp	AA+ / Aa2 / -	-
SLOSPO	SK	15.01.	SK4000028726	6.0y	0.75bn	ms +34bp	- / Aaa / -	-

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

Secondary market: stronger focus on high-beta names and longer maturities

New issuances continue to be well absorbed by the secondary market, although these are only performing to a certain extent. In this regard, the focus of investors appears at present to be more strongly directed towards high-beta names and covered bonds with longer maturities, which offer slightly more in the way of pick-up (in particular those from France). Conversely, secondary market demand for Pfandbriefe or deals from Norway is thinner on the ground, which strongly limits the potential for spread tightening in secondary trading.

Liechtenstein establishes first Pfandbrief institution

Last week, the LGT Group and Liechtensteinische Landesbank (LLB) announced the establishment of the "Liechtensteinische Pfandbriefinstitut" (LPPI), the principality's first Pfandbrief institution. This will allow its partners to issue covered bonds under Liechtenstein law for refinancing purposes. LGT is under the ownership of the Princely Family of Liechtenstein and manages assets totalling CHF 359.6bn (H1/2025), provided by high-net-worth individuals and institutional investors. LLB, which describes itself as the bank "with the richest tradition in Liechtenstein", offers its clients the full range of financial services of a universal bank (June 2025: CHF 117.2bn in total assets). The bank's focus is on asset and wealth management, private banking and fund services. Mortgage loans, which are located exclusively in Liechtenstein, serve as the primary cover pool assets. Michael Bürge (CFO of the LGT Group) and Christoph Reich (CEO of LLB) emphasise in the press release that the creation of the Pfandbrief institution will broaden the refinancing landscape in addition to strengthening the stability and innovative capacity of the Liechtenstein financial centre. The LPPI will place covered bonds in line with the Liechtenstein Pfandbrief Act, the specific characteristics of which we shall highlight in the following section.

Liechtenstein Pfandbrief Act – an overview: focus on CHR covered bonds

In addition to the Liechtenstein Pfandbrief Act (PfbG), there is also the Act on European Covered Bonds, which serves to transpose the European Covered Bond Directive into national law. The two laws differ in several relevant points, although the Liechtenstein Pfandbrief Act also partially references European regulations. For example, Art. 8 PfbG stipulates that a Pfandbrief institution is not authorised to issue covered bonds under the Act on European Covered Bonds. Furthermore, only covered bonds denominated in CHF with underlying mortgage assets that are located in Liechtenstein are entitled to carry the designation "Liechtenstein Pfandbrief". Alternatively, under application of the principle of Art. 33 PfbG, "other Pfandbriefe" may be issued by a Pfandbrief institution. These can also be secured by way of assets outside of Liechtenstein (after approval from the supervisory authorities) and be denominated in a currency other than CHF. Nevertheless, both types of mortgage bonds must meet specific currency congruence requirements (cf. Art. 32 PfbG). This stipulates that covered bonds must be denominated in the same currency as the cover assets used as collateral. Given the straitjacket-like nature of this framework, we consider it to be rather unlikely that LPPI will issue EUR benchmarks or sub-benchmarks in the near future, as this would only be possible by turning to the "Other Pfandbriefe" asset class, the fundamental characteristics of which (including the type of cover assets and eligible currencies) still need to be specified in Liechtenstein government regulations. Liechtenstein has significantly diverged from other EEA states such as Norway and Iceland, which have already issued EUR benchmarks, in the structure of its covered bond legislation.

Scope: Covered Bond Outlook 2026

The rating experts from Scope presented their Covered Bond Outlook for 2026 at the start of the week, in which they assume a stable development overall with regard to the ratings of the covered bond programmes they assess. In this respect, most of the covered bond programmes rated by Scope currently offer protection of three notches against an issuer downgrade. Scope bases its Covered Bond Outlook on the projected development of the European banking sector across 2026, among other factors. In this context, solid profitability and asset quality, combined with comfortable capital buffers, should contribute to a robust performance of the banking sector. In terms of the development of real estate markets, which is relevant to mortgage cover pools, Scope anticipates moderate price increases in EU Member States in 2026, although the picture varies from jurisdiction to jurisdiction. For example, some European countries have implemented specific measures aimed at making lending more attractive for banks, such as by switching to flexible mortgage lending guidelines. Moreover, according to Scope, in the 2026 covered bond year there is also likely to be a focus on consultations with regard to the EBA proposals for the Covered Bond Framework in the EU (which we have reported on previously). Here, the rating experts expect that core themes will include the harmonisation of cover tests, improving liquidity assurance mechanisms as well as the potential introduction of third country equivalence regimes.

S&P: Italy Banking Outlook 2026

One day before Banca Monte dei Paschi di Siena (ticker: MONTE) successfully placed the first covered bond in the EUR benchmark segment from Italy in the new year on 15 January, the rating experts from S&P published their Outlook for the Italian banking sector for 2026. In this report, the rating agency states, among other aspects, that the focus in 2026 will continue to be on M&A activities. In terms of a priority here, S&P highlights the integration of Mediobanca into MONTE, which it considers to be a complex procedure. Moreover, the rating experts also focus on BPER Banca’s acquisition of Banca Popolare di Sondrio. All of the four banks mentioned are active issuers of covered bonds in the EUR benchmark segment. As a result of these advanced acquisitions, it is likely that the number of Italian EUR benchmark issuers will fall over the coming months and years. Looking at profitability in the Italian banking sector, the rating experts from S&P expect the solid trend to be sustained. On average, S&P anticipates that the profitability of Italian banks (as measured by return on equity) will exceed that of their European peers. Nevertheless, the rating agency expects larger and more diversified banks to perform better than smaller and more specialised institutions. For 2026, S&P anticipates a slight improvement in the economic environment in Italy, reflected in expected GDP growth of +0.8%. At the same time, a moderate increase in loan growth to 2% is expected for 2026. Among other aspects, S&P identifies risks for Italian banks in a weakening of the economic framework conditions owing to global uncertainty or additional trade barriers. Overall, the rating experts assess the refinancing risks for Italian banks as low, even with regard to the further course of this year, particularly due to improving funding conditions. This can also be seen from spread developments in relation to Italian covered bonds over recent months.

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SSA/Public Issuers
Market overview

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

Funding strategies of E-supras: the outlook for 2026

The four major Luxembourg institutions, the EU and EIB as well as the ESM and EFSF, will also feature frequently on the capital market this year: the respective funding targets of the latter two – EUR 7bn (ESM) and EUR 18.5bn (EFSF), respectively – have been set in stone for some time. Both issuers have even announced their figures for 2027, namely EUR 6.5bn and EUR 18.5bn, respectively! We are expecting a negative net supply of EUR -5.3bn for the ESM. The net supply from the EFSF is also likely to be negative, at EUR -2.5bn. Moving on to a real heavyweight now, in H1/2026 the EU, in its role as a "mega-issuer", plans to raise funding of EUR 90bn. To ensure that the EU can achieve its target for 2026 of EUR 160bn, we therefore expect a further EUR 70bn for the second half. These figures are constantly supplemented by EU bills, which are therefore not included. However, it is still unclear how the financial aid of EUR 90bn for Ukraine, which was resolved last December, will affect this planning. The European Commission subsequently announced that it would adjust the funding calendar to take account of this, but there has so far been no new information regarding this. What is unlikely to change, however, is that there will still be three different bonds to bid for under the familiar bond auctions and the EU will continue to make use of a greenshoe option the following day. We shall now turn our attention to the EIB: according to the press release, the Board of Directors again approved the procurement of up to EUR 60-65bn in its December meeting, which would give the supranational a certain degree of leeway. All things considered, net supply is likely to amount to around EUR 24bn. In 2025, funding for the world's largest multilateral development bank ultimately came to EUR 63.9bn, of which a total of EUR 27.8bn was raised from the issue of Climate and Sustainability Awareness Bonds. The EU needs the help of the EIB to continue its journey towards net zero and consequently we expect supply to remain buoyant in the ESG segment this year too.

Long-term funding plan incl. 2027 (EURbn)

	2025	2026	2027	∑
EFSF	21.5	18.5	18.5	**58.5**
ESM	7.0	7.0	6.5	**20.5**
∑	**28.5**	**25.5**	**25.0**	**79.0**

Time windows for syndicated EU bond issuances

CW 03	12-16 January	**CW 16**	13-17 April
CW 07	09-13 February	**CW 20**	11-15 May
CW 11	09-13 March	**CW 24**	08-12 June

Dates of EU auctions

26 January	23 February	23 March	27 April
18 May	22 June		

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

Five Bundeslaender set to hold elections

Citizens in five of the 16 Laender will be voting in elected representatives for their respective legislative bodies in 2026. As per the election calendar, votes are scheduled to be held in Baden-Wuerttemberg, Rhineland-Palatinate, Saxony-Anhalt, Berlin and Mecklenburg-Western Pomerania. Attention is focused, in particular, on the elections in the East German Laender. A sweeping victory for the AfD seems likely in Saxony-Anhalt, as current polling figures eight months before the election date indicate that it could achieve at least 40% of the votes. The more parties that then fail to achieve the 5% barrier, the fewer votes will be needed for the AfD to achieve an absolute majority, which is why they do not need to achieve 50%. According to forecasts, the AfD is also likely to emerge as the clear winner in the election in “MeckPomm”. An absolute majority is, however, likely to be far less realistic here. Following the emergence of the CDU as the strongest power for the first time since 1999 in the repeat elections to the Berlin parliament on 12 February 2023, the aim of the mayor, Kai Wegner, must be to have this success confirmed. Unlike the East German non-city states, the assumption in the case of Berlin is that the AfD will not receive a sufficient increase in its votes to emerge as the victor in the election to the 20th state parliament. According to current polling figures, the left-wing party, in particular, is likely to receive more votes than it did three years ago and become the second largest party after the CDU. Let’s look at southern Germany now, at those election dates that are much nearer: Winfried Kretschmann (Alliance 90/The Greens), who has been Minister-President in Baden-Wuerttemberg since 2011, will not stand for re-election on 08 March. Even though the Greens are forecast to suffer significant losses, polling figures indicate that they will receive enough votes for a coalition with the CDU, albeit under conservative leadership. New state election regulations will also come into effect, which will among other issues reduce the voting age to 16. In contrast, the SPD is likely to lose its relative majority in the election in Rhineland-Palatinate. Having received 35.7% of the votes in 2021, the SPD is likely to receive only 22-23% on 22 March according to current estimates, while the CDU and AfD can expect to make gains.

Provisional dates for the next Landtag elections (and frequency)

Baden-Wuerttemberg	**08 March 2026**	**5 years**
Bavaria	Autumn 2028	5 years
Berlin	**20 September 2026**	**5 years**
Brandenburg	Autumn 2029	5 years
Bremen	Spring 2027	4 years
Hamburg	Spring 2030	5 years
Hesse	Autumn 2028	5 years
Mecklenburg-Western Pomerania	**20 September 2026**	**5 years**
Lower Saxony	Autumn 2027	5 years
North Rhine-Westphalia	Spring 2027	5 years
Rhineland-Palatinate	**22 March 2026**	**5 years**
Saarland	Spring 2027	5 years
Saxony	Autumn 2029	5 years
Saxony-Anhalt	**06 September 2026**	**5 years**
Schleswig-Holstein	Spring 2027	5 years
Thuringia	Autumn 2029	5 years

Source: German Federal Council (Bundesrat), NORD/LB Floor Research

Bund published its planning figures for 2026 in mid-December

Although we do not consider the German federal government, or Bund, as an issuer in detail in Floor Research because of our bespoke coverage of supranationals, sub-sovereigns and agencies (i.e., excluding sovereigns) as well as covered bonds and financials, its curve is still the reference for a majority of our institutional clients. We will therefore look briefly at the funding requirements of the German Finance Agency this year too: the federal government is planning to issue securities of around EUR 512bn through auctions to finance its expenditure in 2026, which would correspond to an increase of just under +35% (2025: EUR 380bn). Of this figure, EUR 318bn will be attributable to the capital market and EUR 176bn to the money market. On top of this, it will issue Green bunds in the amount of EUR 16-19bn. As is well-known, the programme for index-linked Bunds on the primary market has come to an end. In addition to the auctions, the German government intends to carry out four syndications in the course of the year, including the placement of a new conventional sovereign bond (also known as a Bund) with a 20-year maturity for the first time in response to strong demand in this segment. The issuance volume will also grow year on year in the green segment. Here, one auction date per month is planned from February up to and including October. Multi-ISIN auctions are feasible within the framework of these nine dates. The new issue of a fresh green bond in the 15-year maturity segment is also planned. The placement of green Bunds will also take place under an updated framework from this year. In addition, one day after publication of the issuance calendar by the German Finance Agency, the Bundesrat approved the budget for 2026 – following its resolution by the Bundestag on 28 November. The budget envisages expenditure of just under EUR 525bn. New borrowing excluding special funds is expected to increase to EUR 98bn. If special funds are included, new borrowing will rise to EUR 180bn. The expansionary fiscal policy is likely to have a significant impact on the future development of public budgets in Germany. In its Monthly Report – December 2025, the Bundesbank assumes that the deficit ratio is likely to increase sharply to 4.8% (2025: 2.5%) up to 2028. Furthermore, a significant increase to 68.1% up to the end of 2028 is forecast for the Maastricht debt ratio (year-end 2024: 62.2%).

NRW assumes municipal debts of just under EUR 9bn

Municipal budgets remain one of the key challenges facing German sub-sovereigns. To ease the pressure on cities and municipalities, North Rhine-Westphalia (ticker: NRW) has assumed its municipalities' existing debts amounting to EUR 8.9bn. In the process, each of the 167 cities and municipalities will be relieved of at least 41.1% of their excessive liquidity loans. Particularly highly indebted local authorities will also benefit from being relieved entirely of additional burdens exceeding per capita debt of EUR 1,500. Minister-President Hendrik Wüst commented as follows, "This is a historic move by North Rhine-Westphalia. We are the first state government to tackle the major problem of municipalities' existing debts. To this end, we will now invest a lot of state money and include municipal short-term borrowing (Kassenkredite) in the state's debt service – up to almost 80% of existing debts in individual cases. We shall give our cities and municipalities breathing space once more and boost local authorities' ability to act." In our opinion, it is important to stress that the *Altschuldenentlastungsgesetz* (Existing Debt Relief Act) only takes account of municipal liabilities at the end of 2023. Municipalities' borrowings have, however, increased significantly since then, meaning that the effect of the measure is more likely to peter out than represent a sustainable structural solution to the problem.

Primary market

The past trading week saw another burst of issuance activity; we counted a total of seven new issues with an aggregated volume of EUR 9bn on the SSA primary market. The Swedish municipal financier Kommuninvest (ticker: KOMINS) got the ball rolling by raising EUR 1bn (long 3y) at ms +5bp (guidance: ms +8bp area). Two German sub-sovereigns also raised fresh capital in the shape of Hesse (ticker: HESSEN) and Baden-Wuerttemberg (ticker: BADWUR): while HESSEN was able to raise EUR 1.25bn with a short ten-year maturity at ms +24bp (order book: EUR 1.8bn; guidance: ms +25bp area), BADWUR opted for a volume of EUR 1bn and a maturity of seven years for its second EUR benchmark in the current year. It was finally priced at ms +16bp (bid-to-cover ratio: 1.3x, guidance: ms +16bp area). Three issuers from Germany's neighbours Belgium and France broke cover in the trading week under review, of which two issued ESG bonds. Accordingly, the French Community of Belgium (ticker: LCFB) covered its funding requirement last Thursday by placing EUR 750m in the form of a sustainability bond with a 15-year maturity. The final order book totalled a very respectable EUR 7.6bn at the end of the marketing phase, ultimately allowing a reduction in the spread of three basis points, meaning that the deal was concluded at OLO +37bp, which corresponded to around ms +107bp at the time. The French development bank Agence Française de Développement (ticker: AGFRNC) also provided additional supplies in the ESG segment by approaching investors with a sustainability bond (EUR 2bn, 10y). The bid-to-cover ratio was 4.2x, meaning that the deal was concluded at OAT +27bp (corresponded to roughly ms +83bp; guidance: OAT +30bp area). Société de Financement Local (ticker: SFILFR) also put its money where its mouth is last Thursday and placed EUR 1bn at OAT +20bp, which equated to around ms +45bp, having opted for a maturity of just over five years for its new deal. Tightening of four basis points compared with the original guidance was possible here. The order book came to EUR 3.4bn. On the other side of the Atlantic, Export Development Canada (ticker: EDC) also seized the moment and satisfied its capital requirements by placing EUR 2bn at ms +13bp (guidance: ms +15bp area) with a five-year maturity. The order book for the bond, which has a coupon of 2.625%, ultimately reached EUR 5.0bn, meaning that the deal had a bid-to-cover ratio of 2.5x. With regard to the coming week, the EU's first bond auction this year will take place on 26 January (cf. funding plan). Furthermore, following the issue of new mandates, we expect the following transactions in the near future: Wirtschafts- und Infrastrukturbank Hessen (ticker: WIBANK) intends to issue EUR 500m (WNG) with a maturity of ten years. We have published issue-related research for the transaction, which will take place in the very near future. In addition, Mecklenburg-Western Pomerania (ticker: MECVOR) is planning to place EUR 500m (WNG) with an eight-year maturity.

Issuer	Country	Timing	ISIN	Maturity	Size	Spread	Rating	ESG
EDC	CA	20.01.	XS3281146749	5.0y	2.00bn	ms +13bp	- / Aaa / AAA	-
AGFRNC	FR	20.01.	FR0014015RA6	10.0y	2.00bn	ms +83bp	A+ / - / A+	X
BADWUR	DE	20.01.	DE000A3H2580	7.0y	1.00bn	ms +16bp	- / - / AA+	-
SFILFR	FR	15.01.	FR0014015N57	5.3y	1.00bn	ms +45bp	- / Aa3 / A+	-
LCFB	BE	15.01.	BE0390286558	15.4y	0.75bn	ms +107bp	- / A2 / -	X
HESSEN	DE	14.01.	DE000A1RQFA5	9.9y	1.25bn	ms +24bp	- / - / AA+	-
KOMINS	Nordics	14.01.	XS3276165449	3.4y	1.00bn	ms +5bp	- / Aaa / AAA	-

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

NORD/LB

Covered Bonds
The covered bond universe of Moody's: an overview

Authors: Lukas Kühne // Dr Norman Rudschuck

Moody's presents "Covered Bond Sector Update" Q4/2025
The rating agency Moody's presented a new "Covered Bond Sector Update" as part of its regular series in December. The Q4/2025 edition refers to all the covered bonds assessed by Moody's with the relevant information for the third quarter of 2025. With its ratings and detailed figures on a total of 254 covered bond programmes from 29 countries, the rating experts cover a significant proportion of the global covered bond market. At present, the majority of the programmes come from Germany (43), followed by Austria (27) and Spain (22). In each case, the top ten countries have nine or more programmes, which together account for 72.4% (184 programmes) of the total number. The remaining 27.6% (70 programmes) are split between 19 jurisdictions with seven or fewer programmes. Mortgage-backed programmes, of which there are 214 (84.3%), account for the bulk of the programmes rated by Moody's. The agency also rates 37 public sector programmes (14.6%) from nine jurisdictions. These are chiefly concentrated in Germany (13 programmes), Austria (9), Spain (6) and France (4). Moody's also covers one ship Pfandbrief programme and one each in the "other" and "SME" categories. In this present edition of our weekly publication, we intend, as per usual, to take a more detailed look at a selection of key figures. This makes sense not least because Moody's has the most extensive market coverage in terms of covered bond ratings out of all rating agencies.

Focus on mortgage programmes from EUR benchmark jurisdictions
As regards the Moody's rating universe, its focus is clearly on mortgage programmes, which are located virtually entirely in EUR benchmark jurisdictions. The only countries from which we currently register no outstanding covered bond issues in the EUR benchmark segment are Greece (4 programmes), Ireland (2) and Cyprus (1). Our following analysis will concentrate on those mortgage-backed programmes which have been established in EUR benchmark jurisdictions. It is worth bearing in mind, however, that the programmes under consideration do not necessarily have to have issued EUR benchmarks up to now.

Overwhelming majority of mortgage programmes are residential
On average, 84.3% of all cover assets in the individual mortgage programmes rated by Moody's are residential assets. The proportion of commercial assets in the overall volume is also comparatively high in Germany (33.7%), Austria (25.7%), Czechia (11.4%), Spain (8.2%) and Switzerland (7%). In addition, multi-family assets account for significant shares of the programmes in Germany (13.7%), Switzerland (12.7%) and Austria (10.6%). With the exception of the aforementioned countries plus Norway (84.6%) and Italy (89.4%), residential assets make up a share of at least 90% in the cover pools of the programmes in all the remaining jurisdictions. It is only the programme from Luxembourg that does not include any mortgage assets.

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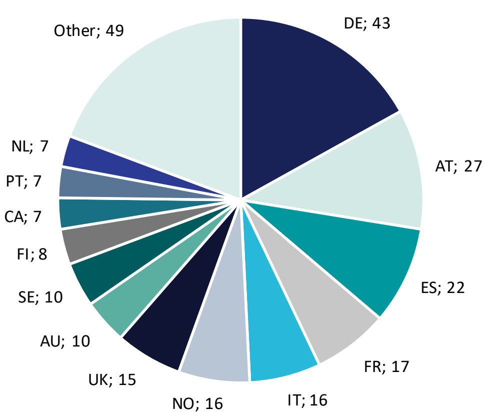
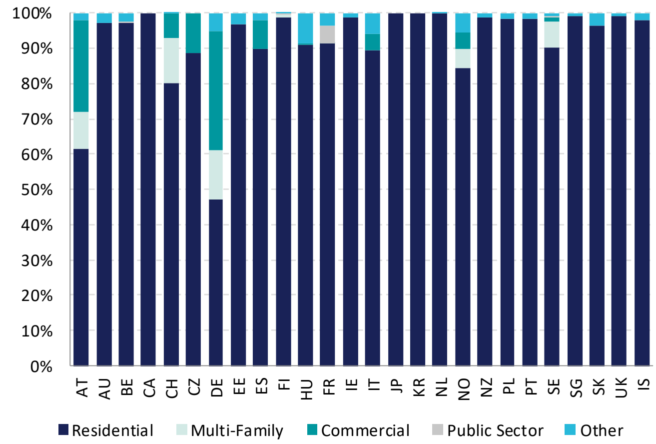
Number of programmes with a Moody's rating



Cover pool structure (mortgage programmes)



Source: Moody's, NORD/LB Floor Research

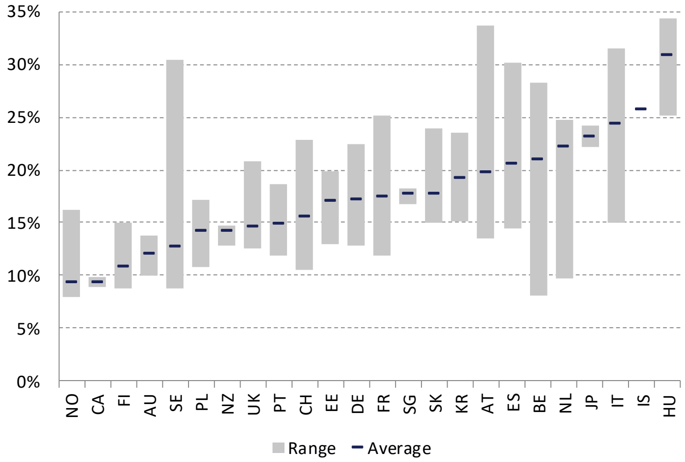
Collateral score as an indicator of cover pool quality

We use the Moody's collateral score as one of the most important metrics in our analysis of cover pool quality. A lower figure in this respect implies a higher quality of cover assets. More specifically, the score is a measure of the credit deterioration of the assets in the cover pool in conjunction with the theoretically highest possible rating in the country in question. In this context, we regard it as adequate to compare collateral scores across programmes and jurisdictions as well, even though a number of specific features might have to be taken into account. For example, Moody's provides for 4% as a lower limit for the collateral score of most mortgage-based programmes. Some "smaller" covered bond jurisdictions, such as Iceland (11.3%), Greece and Cyprus (10% each), in particular have higher floors. With the exception of Japan, where collateral scores as low as 0% are applied in view of the RMBS structure of the respective programmes, only France (2%), Germany (3.4%) and the Netherlands (3.7%) have collateral scores of less than 4%. Issuers from Germany (19.3%), Austria (12.9%) and Sweden (11.8%) register the highest average collateral scores. At the same time, Germany and Austria show the greatest fluctuations around the mean value. As we mentioned earlier, issuers from Germany and Austria have a comparatively high proportion of commercial assets in their cover pools. As a result, it would appear that a high proportion of commercial cover assets goes hand in hand with a higher collateral score.

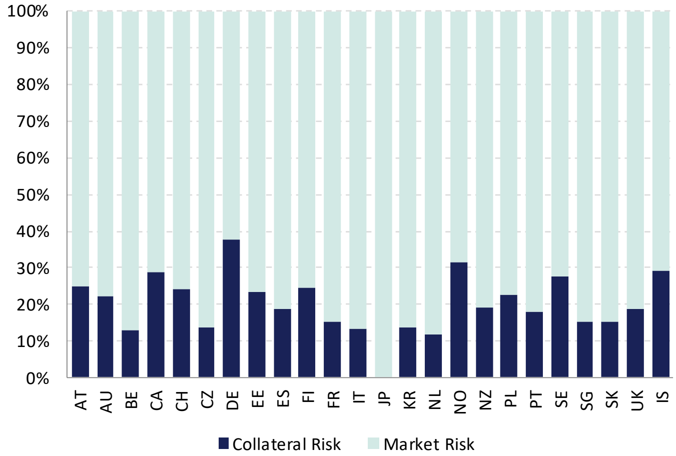
Cover pool losses as an indicator of expected losses in the cover pool

Moody's uses cover pool losses (CPL) as an indicator to reflect the losses which can potentially be expected in the cover pool following a covered bond anchor event (issuer default). In this case, the risk comprises two components, namely market risk (cover pool losses as a result of funding, interest rate and currency risks) and collateral risk (cover pool losses resulting from a deterioration in the credit quality of cover assets). Similar to the collateral score, there is a great disparity here by global comparison. This is true not only in relation to average cover pool losses, but once again in respect of the national range of variation in each case as well. CPLs are especially low in Norway (8.0%) and Belgium (8.1%); in contrast, they are comparatively high in Czechia (30.9%), Iceland (25.8%) and Hungary (25.2%).

Cover pool losses by country[1]



Cover pool losses: Market & collateral risk by country[1]

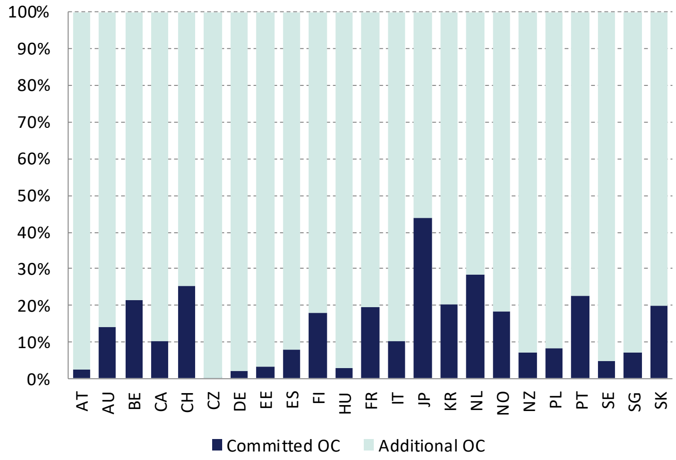


[1] mortgage programmes in each case
Source: Moody's, NORD/LB Floor Research

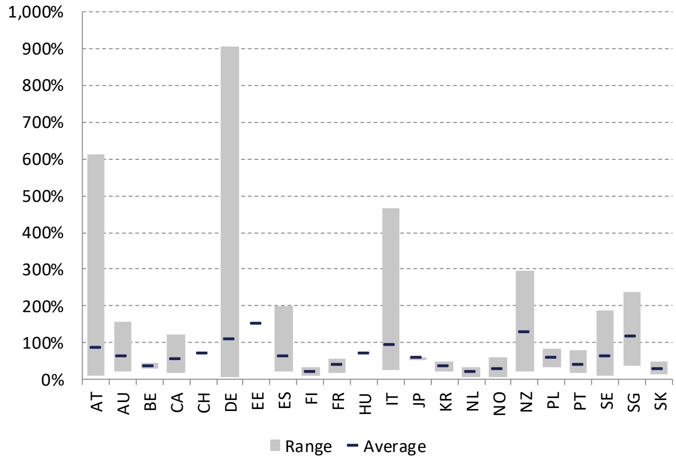
Cover pool losses: refinancing, interest rate and currency risk most widespread

The ratio of collateral and market risks to cover pool losses varies considerably across jurisdictions. However, as we can see from the upper-right chart, market risks quite clearly dominate overall. These risks include those relating to the insolvency of the issuer, e.g. refinancing, interest rate or currency risks. According to the rating experts at Moody's, the highest collateral risks are in Germany, Norway and Iceland, whereas the two covered bond programmes from Japan have no collateral risk whatsoever. This is due to the above-mentioned RMBS transactions, which are used to collateralise Japanese covered bonds.

Composition of OC[1]



OC by country[2]



[1] mortgage programmes in each case; [2] mortgage programmes in each case, excluding Czechia
Source: Moody's, NORD/LB Floor Research

Wide range of overcollateralisation levels

With regard to the overcollateralisation (OC) levels, there are significant differences in an international comparison. An extremely high average OC ratio (>11,000%) is evident in Czechia, which is, in particular, due to the limited number of Czech covered bond programmes (two). Accordingly, the covered bond programmes from Czechia have the largest range of OC ratios. The covered bond jurisdictions of Estonia, New Zealand, Singapore and Germany also have high average OCs (>100%).

Committed OC as lower limit for overcollateralisation

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

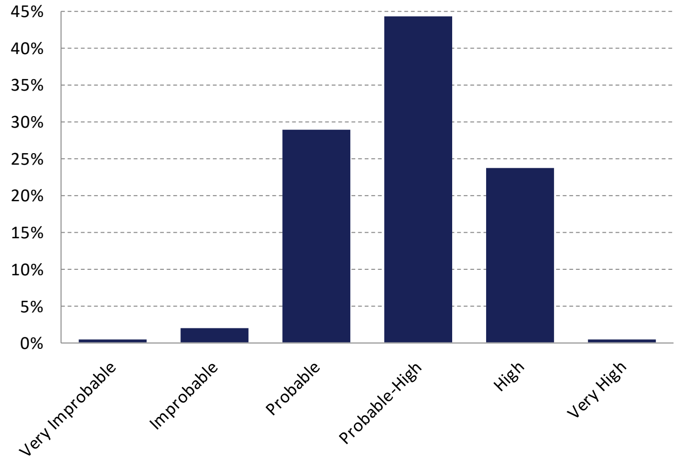
TPI restricts rating upgrades of covered bonds in relation to issuer rating

TPI rules restrict the potential covered bond rating to a specific number of notches above the issuer rating. Moody’s uses the Timely Payment Indicator (TPI) here. It provides information about the probability of timely servicing of payment obligations following a potential issuer default. This is broken down into six assessment levels, ranging from “very high” to “very improbable”. Over 97% of the mortgage programmes rated by Moody’s are assigned to the “probable”, “probable-high” or “high” categories, which in our view is a sign of stable values. In contrast, the outer limits are represented to a far lesser extent, with shares of 0.4% (very improbable) for one programme in Iceland and 0.8% (very high) for one programme in Italy. In 16 of the 26 EUR benchmark jurisdictions covered by Moody’s, there are programmes that all have one and the same timely payment indicator (chart: TPI by country). In Germany (41 of 43 programmes) and Norway (9 of 16 programmes), the majority of the programmes rated are allocated to the category “high” in each case.

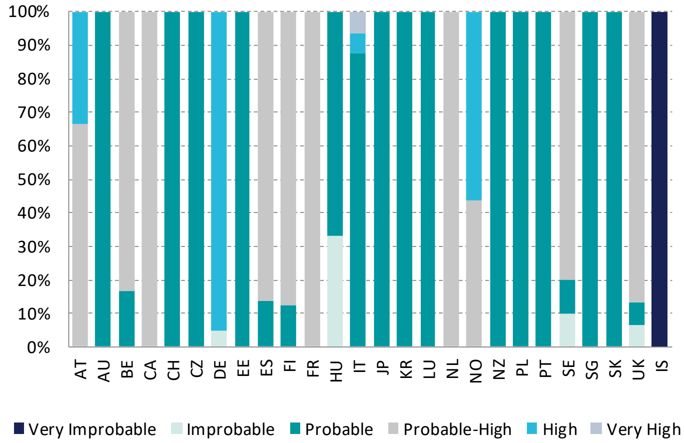
TPI Leeway defines the buffer in relation to downgrades

Apart from the TPI, the TPI Leeway is another key metric. It denotes the number of notches by which the relevant covered bond anchor could be downgraded without it leading to a deterioration in the rating in the context of the TPI framework for the issuer’s covered bond programme. Two (0.9%) of the covered bond programmes in the Moody’s rating universe have no such buffer, which means in the event of a downgrade of the covered bond anchor the programme itself would be directly downgraded as a consequence. Overall, 55 programmes (24.2%) feature a TPI Leeway of four notches. The maximum of seven notches is only achieved by programmes from Germany (9 programmes; 4%). In total, 17 covered bond programmes have a TPI Leeway of six notches (7.5%), of which 13 are attributable to Germany, two to Sweden and one each to Canada and Norway.

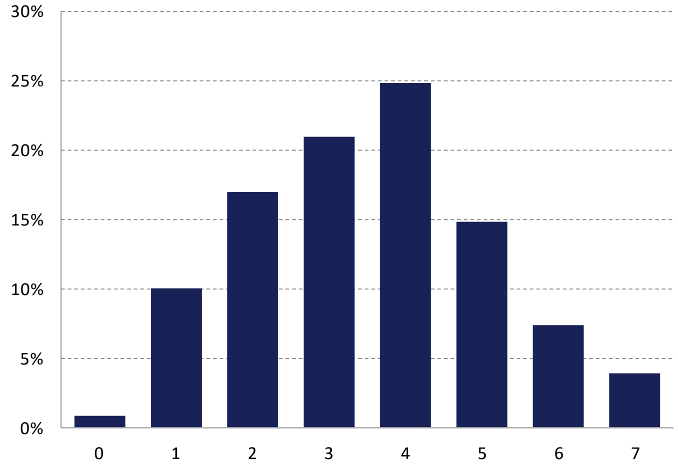
Timely Payment Indicator (TPI)[1]



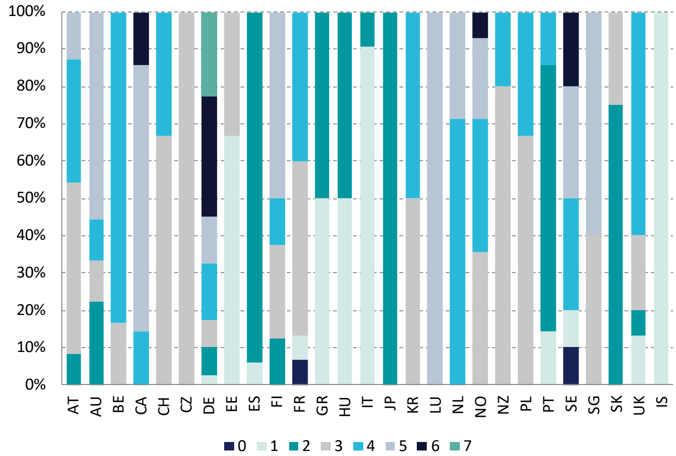
TPIs by country[1]



TPI Leeways in notches[1]



TPI Leeways in notches by country[1]



[1] mortgage programmes in each case
Source: Moody's, NORD/LB Floor Research

Conclusion

Moody's latest update as well as the data on which it is based once again reflect the heterogeneity that exists in the covered bond market at jurisdiction level. For several years now, the parameters used by Moody's have been providing important insights into the relevant countries, particularly regarding the occurrence of a credit event on the issuer side. However, as the case of Germany highlights, differentiation within each jurisdiction is also necessary. In the context of evaluating and analysing covered bond ratings, we always recommend looking beyond the dataset outlined here as well. Taking the upgrade of Italy in November as an example, we consider the country ceiling to be a particularly relevant factor. This gives the best possible covered bond rating depending on a jurisdiction's sovereign rating. Italy's rating upgrade from Baa3 to Baa2 also raised the country ceiling by one notch to Aa2. As a result of unused notches on rating uplifts, all covered bond programmes with at least one outstanding EUR benchmark were also able to benefit from the higher country ceiling. However, the country ceiling continues to limit the best possible rating of an Italian covered bond programme.

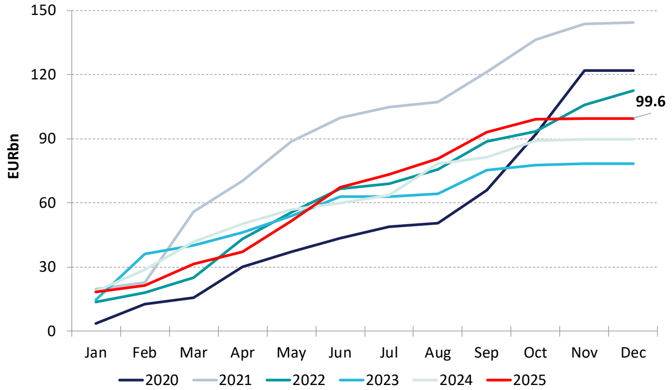
SSA/Public Issuers
Review: EUR ESG benchmarks 2025 in the SSA segment

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

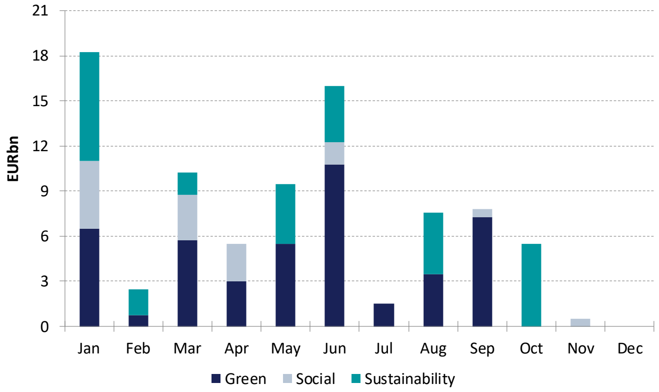
Introduction

As was the case at this time last year, we kicked off 2026 by once again deliberately neglecting a key element of the SSA segment in our Annual Review. Instead, we have decided to give this topic the attention it requires and deserves through a dedicated separate article this week. So, in this edition we are specifically focusing on the EUR ESG segment over the past twelve months as per our definition of the SSA universe (i.e. excluding sovereign issuers). We last published a study on the most important developments within the global ESG bond market in June 2025 (cf. NORD/LB ESG Update 2025; we are planning an update this year as well). The data that serves as the basis for this publication comes from our in-house database, into which we enter every new EUR BMK issue from the SSA segment. To identify ESG bonds, we use fields from the financial data provider Bloomberg, which also allow us to differentiate between green, social and sustainability bonds. In 2025 we recorded a volume of EUR 99.6bn in EUR BMK issues with ESG labels. Compared with the issue trends of previous years, this is significantly below the figures for the years 2020 to 2022 inclusive, but higher than in the two previous years. The ESG issuance volume stood at EUR 89.7bn at the end of 2024, and in the record year of 2021 the figure at year-end came to EUR 144.5bn. The renewed growth in ESG volume compared to the previous year once again underlines the importance and relevance of the ESG segment for both issuers and investors. January was the month with the highest issuance activity: at EUR 18.3bn, the issue volume of ESG bonds was EUR 2.3bn higher than in the next strongest month of June (EUR 16.0bn). A total of ten new ESG issues were placed in January, with the EIB carrying out the largest single transaction in terms of volume at EUR 5bn. The order book of this bond (10y) ultimately amounted to EUR 47.3bn, resulting in a bid-to-cover ratio of 9.5x. Over the year as a whole, December was the only month during which no fresh ESG supply came to market.

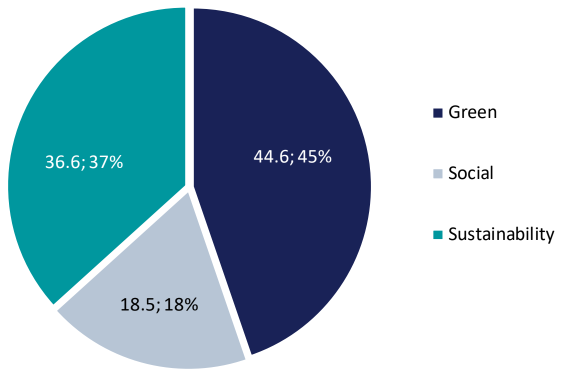
Primary market: EUR ESG BMK issuance trajectory



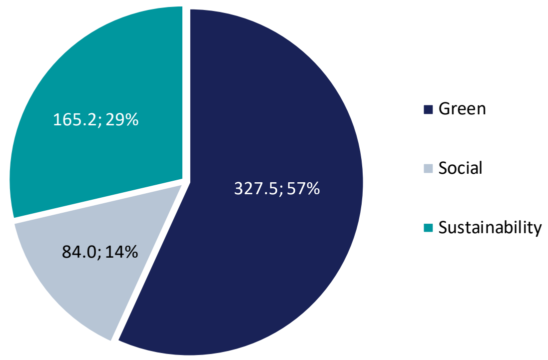
Primary market: EUR ESG BMK issues in 2025



Breakdown by ESG category (EURbn)



Order books by ESG category (EURbn)



Source: Bloomberg, NORD/LB Floor Research

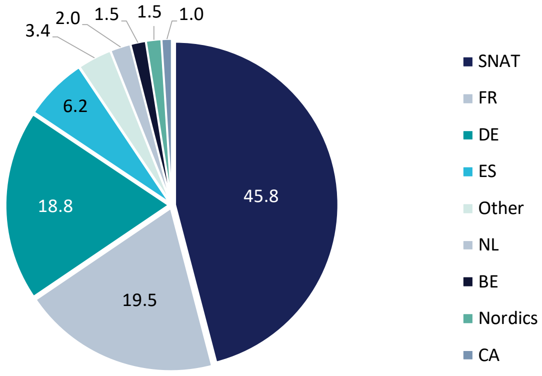
Green bonds dominated new issuances

Let's begin by taking a closer look at the ESG issue volume to date: green bonds were clearly the most dominant overall by the end of 2025. Their share of the total volume was 45%, or EUR 44.6bn, while sustainability bonds accounted for a slightly smaller share of 37% (EUR 36.6bn). Meanwhile, the social bond volume amounted to EUR 18.5bn (18%). Compared with 2024, the share of both green and social bonds in the overall mix therefore decreased by six percentage points, offset by a rise of twelve percentage points in the sustainability format. Looking at the demand side in the form of aggregate order books, the picture is even more pronounced: at EUR 327.5bn (57%), green bonds lead the way by a considerable margin, followed by sustainability bonds (EUR 165.2bn; 29%). Conversely, the aggregated volume of social bonds was "just" EUR 84.0bn (14%). At this point it is also worth mentioning that the comparison of order books was of course also driven by the ratings, as well as the general popularity of issuers, and is consequently difficult to weigh up. For example, of the EUR 84.0bn in social bonds overall, EUR 39.0bn alone went onto the books of CADES through two transactions from the French issuer. The situation is similar for green bonds: EUR 255.9bn of the EUR 327.5bn was attributable to the order book volumes of eight issues from the EIB and the KfW, which are in any case almost always many times oversubscribed for bonds outside of the ESG segment as well.

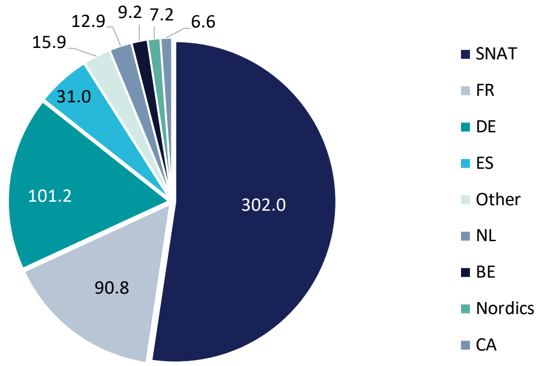
The three ESG musketeers

Regarding individual issuers, the EIB, which we mentioned above, stands out, having placed a total of EUR 22.0bn across five Climate Awareness Bonds (CAB). It was therefore the most active issuer in the ESG segment in terms of volume. CADES was above all responsible for fresh supply in the social segment. The French agency issued an aggregated volume of EUR 5bn via two bonds, while bonds with a focus on sustainability were mainly placed by the IDA (ticker: IDAWBG). As part of the World Bank Group, the multilateral development bank raised EUR 9.0bn on the capital market. The volume was divided between two Sustainable Development Bonds. Broken down by jurisdiction, supras are in the lead overall: EUR 45.8bn was issued via 22 ISINs in this sub-segment. French issuers ranked second with a volume of EUR 19.5bn (14 bonds). German Laender and agencies together complete the podium: they issued thirteen new bonds with a total volume of EUR 18.8bn.

Breakdown by jurisdiction (EURbn)



Order books by jurisdiction (EURbn)



Source: Bloomberg, NORD/LB Floor Research

Overview: Top 10 benchmark issuers* by ESG category and EUR volume

Issuer	Green (EURbn)	Issuer	Social (EURbn)	Issuer	Sustainability (EURbn)
EIB	22.0	CADES	5.0	IDAWBG	9.0
KFW	7.0	UNEDIC	4.0	IBRD	6.0
HESSEN	1.5	BPIFRA	3.0	AGFRNC	3.5
IDFMOB	1.0	AFDB	1.0	KFW	3.0
KUNTA	1.0	NRWBK	1.0	ANDAL	1.5
EBRD	1.0	COE	1.0	CAF	1.5
NEDWBK	1.0	SACHAN	0.5	FLEMSH	1.5
ASIA	1.0	IBB	0.5	NRW	1.3
ONTTFT	1.0	BYLABO	0.5	MADRID	1.0
RENTEN	1.0	NEDFIN	0.5	IDF	1.0

* For reasons of simplicity, other issuers with identical issuance volumes are not represented.
Source: Bloomberg, NORD/LB Floor Research

Sub-sovereigns, supranationals and agencies as issuers of European green bonds

A special development in 2025 was that issuers were able to issue green bonds within the framework of the European Green Bond Standard (EUGBS) for the first time. The first European Green Bond (EuGB) in our SSA coverage was issued on 27 January by the French agency Île-de-France Mobilités (Ticker: IDFMOB) with a volume of EUR 1.0bn and a term to maturity of 20 years at OAT +19bp (corresponds to approximately ms +128bp). The final order book amounted to EUR 5.9bn, which from our perspective underlines the tremendous investor interest in this deal. Then, at the beginning of April, the EIB from the supranational segment, approached investors with a EuGB in the form of its in-house CAB construct, with a volume of EUR 3.0bn and a term of 12 years. The bond was priced at a reoffer spread of ms +53bp and the order book filled to a remarkable EUR 40bn. With a supranational and an agency having successfully launched their first pilot projects, it was now up to a sub-sovereign to complete the missing "S" in our SSA universe: the Spanish autonomous community of Madrid (ticker: MADRID) took its chance to raise EUR 500m in the five-year maturity segment at SPGB +7bp at the beginning of June, which equated to approximately ms +28bp at the time of issue. In our opinion, the transactions completed to date have shown that the new format is likely to appeal to issuers and investors alike. Looking ahead, we expect that as the EUGBS becomes more established, issuance activities in this format are also likely to increase.

Record ESG year for German Laender

The German Laender have been important players in the EUR ESG segment for quite some time now and in fact enjoyed a record year in terms of the volume of fresh supply in 2025. Last year, new bonds totalling EUR 5.1bn were placed on the market. Saxony-Anhalt (ticker: SACHAN) got the ball rolling, issuing EUR 500m (7y) in May in the social format. HESSE (ticker: HESSEN) followed in June with a EUR 1.5bn green bond (10y). Then the two heavyweights North Rhine-Westphalia (ticker: NRW) and Baden-Wuerttemberg (ticker: BADWUR) emerged from cover: NRW placed a new sustainable bond worth EUR 1.25bn (5y) while BADWUR issued a green benchmark (10y) with a volume of EUR 800m. In October, Berlin seized its opportunity and tapped the market with a EUR 1bn sustainability bond (10y).

Sub-sovereign segment also dominated by Spanish and Belgian issuers

Other sub-sovereign markets were also busy in 2025. Above all, the Spanish regions should be mentioned in this context: the sub-sovereigns of the Iberian Peninsula placed EUR 4.7bn on the primary market in 2025 distributed over seven benchmark issues. The Portuguese autonomous regions (once again) did not contribute to this total. With EUR 1.5bn each, MADRID and Andalusia (ticker: ANDAL) provided the largest supply in this segment. The Basque Country (ticker: BASQUE) also issued a sustainability bond with a volume of EUR 700m. Furthermore, Castile and León (ticker: CASTIL) and Galicia (ticker: JUNGAL) each raised EUR 500m via the sustainable format on the market. In total, Spanish regions have placed EUR 27.2bn in ESG-labelled bonds since 2017. The number of ISINs is 39. The lion's share is accounted for by MADRID, with EUR 12.6bn spread over 15 bonds. BASQUE ranks second with EUR 5.7bn across nine bonds. Alongside their Spanish counterparts, Belgian regions are now also established players in the ESG segment. However, last year, we only registered one new sustainable benchmark from Flanders (ticker: FLEMSH) worth EUR 1.5bn. Wallonia (Ticker: WALLOO) also raised a further EUR 1.2bn through taps to previously issued social bonds. Altogether, Belgian regions have issued EUR 17.2bn since 2018, spread over 20 different ISINs in various ESG formats. While FLEMSH leads the ranking in terms of issue volume with EUR 9.3bn spread over eight bonds, WALLOO has carried out the most transactions with nine benchmarks (issue volume: EUR 6.2bn). The Wallonia-Brussels Federation (ticker: LCFB), which constitutes Belgium's French-speaking community, accounts for the remaining volume of EUR 1.8bn spread over three ISINs. Of course, the sub-sovereign markets mentioned in detail in this section are not the only ones from our coverage which are active in the ESG segment. In France the region Île-de-France (ticker: IDF) currently has outstanding sustainability bonds in benchmark format and was also active on the primary market last year with one transaction. ESG bonds can also be found on the other side of the Atlantic among deals placed by the Canadian provinces, although these are denominated exclusively in the domestic currency CAD. The same applies to the sub-sovereigns from Down Under.

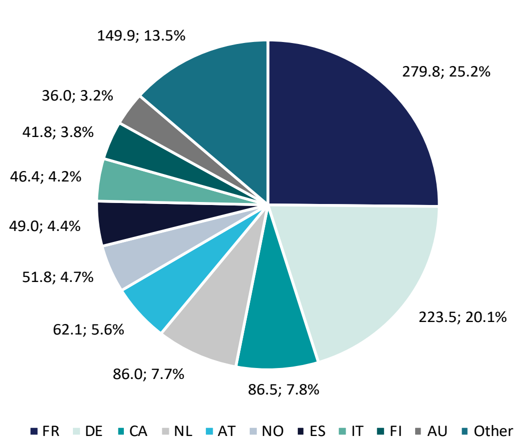
Canadian pension funds as predominantly green issuers
Speaking of Canada: since last year, we have been focusing in our coverage on a selection of Canadian pension funds which use the EUR market to reach their funding targets. In the ESG segment, two issuers already have outstanding green bonds in EUR benchmark format, namely the Ontario Teachers' Finance Trust (ticker: ONTTFT) and the Canadian Pension Plan Investment Board (ticker: CPPIBC). The other pension funds are also active in ESG formats, but not (yet) in the European single currency.

Conclusion and outlook
Within our definition of the SSA universe, the market for ESG bonds is still strongly driven by individual issuers and jurisdictions, although the number does continue to increase year by year. Nevertheless, we believe there is still room for improvement when it comes to the variety of EUR issuances. Of the 214 new placements we recorded from issuers in our coverage last year, 70 bonds had ESG characteristics. This therefore puts the ESG share of all new issuances at around 33%. However, this figure is lower than those seen in the years 2021 to 2024 inclusive. Measured against the new issue volume of EUR 316.7bn, the ESG volume of EUR 99.6bn accounted for just under 31% in this regard, putting it on a par with the level seen in 2024. While we are pleased to see issuers continuing to expand their presence on the ESG floor year after year, we are still seeing a concentration on a few big and established names in the segment. Nevertheless, over the long term we expect the ESG share of funding in our SSA coverage to rise. Environmental protection, sustainability and social added value are not only of undisputed high relevance but are also important to investors. However, without wanting to finish on a negative, we shall take the wind out of our sails a bit at this point: the increased issuance of ESG bonds does not necessarily mean that more green, social or even sustainable projects will be carried out. The issuers would most likely have engaged in these even without an ESG label in their funding, like CADES does, for example. Conversely, however, this also means that issuers that have not yet issued ESG bonds can and undoubtedly do back social and sustainable projects. For smaller issuers, in particular, the high reporting requirements remain a significant barrier. This will continue to be the case within the framework of the EUGBS, which has been in force since the end of December 2024 and was applicable to bond issuers for the first time last year. In fact, this barrier is actually more likely, on the whole, to become even more of an issue. Consequently, we expect that the majority of issuers will continue to adhere to ICMA-compliant ESG issuances in 2026, but we are also curious to see whether and how smaller issuers might continue to drive the segment forward.

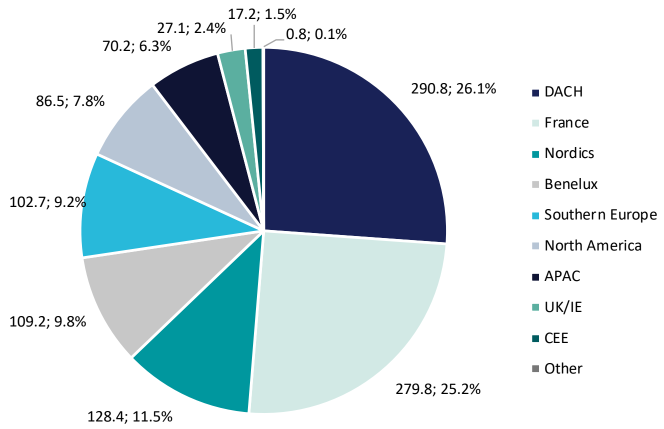
NORD/LB

Charts & Figures
Covered Bonds

EUR benchmark volume by country (in EURbn)



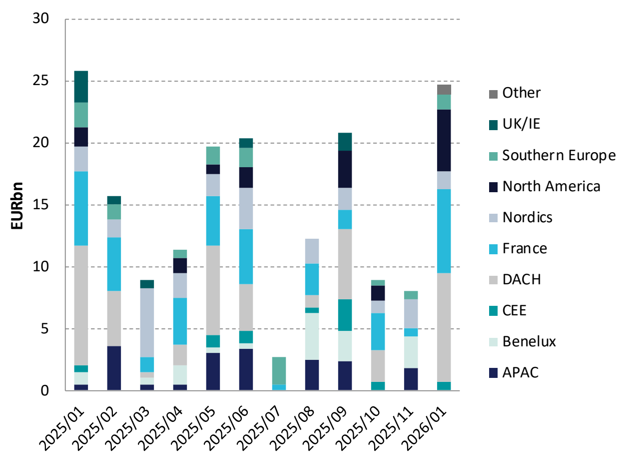
EUR benchmark volume by region (in EURbn)



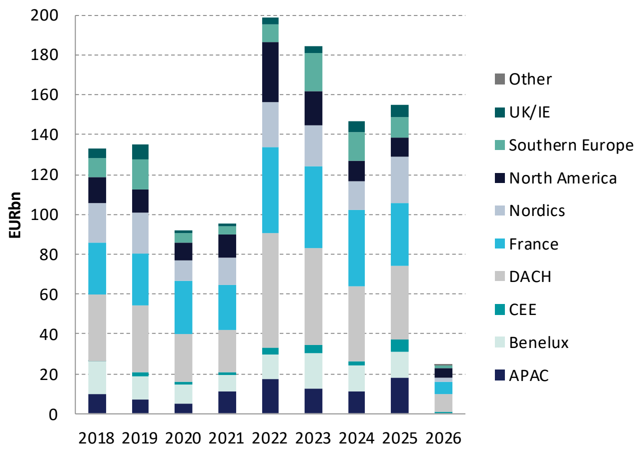
Top 10 jurisdictions

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	279.8	273	37	0.97	9.0	4.3	1.76
2	DE	223.5	312	48	0.67	7.8	3.6	1.80
3	CA	86.5	64	1	1.33	5.5	2.3	1.77
4	NL	86.0	84	4	0.96	10.3	5.2	1.59
5	AT	62.1	103	5	0.60	8.0	3.6	1.72
6	NO	51.8	61	10	0.85	7.1	3.2	1.46
7	ES	49.0	44	4	1.01	10.2	3.3	2.28
8	IT	46.4	60	6	0.74	8.0	3.7	2.23
9	FI	41.8	50	4	0.82	6.6	2.9	1.94
10	AU	36.0	35	0	1.03	7.2	2.7	1.96

EUR benchmark issue volume by month

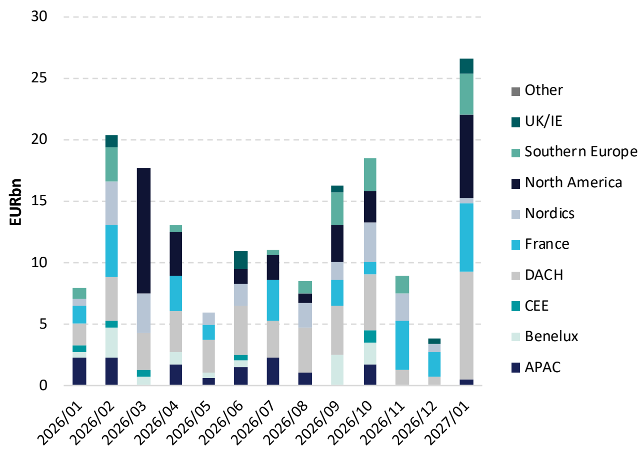


EUR benchmark issue volume by year

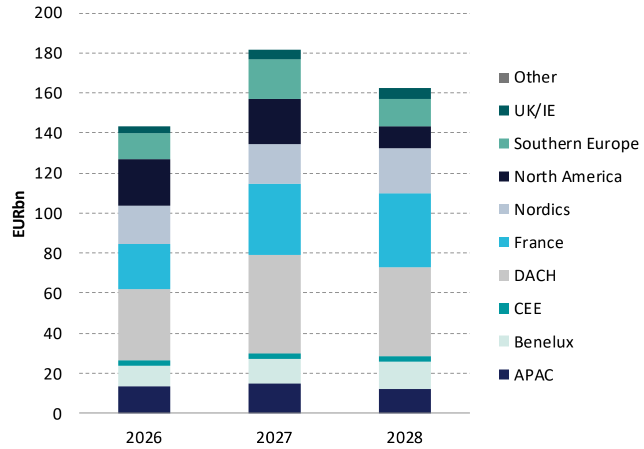


Source: Market data, Bloomberg, NORD/LB Floor Research

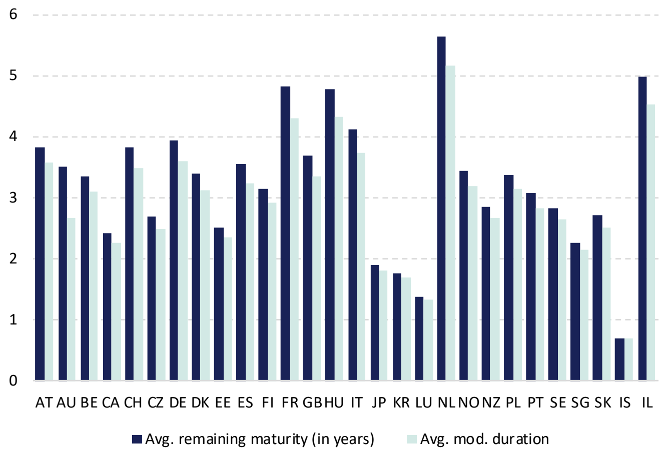
EUR benchmark maturities by month



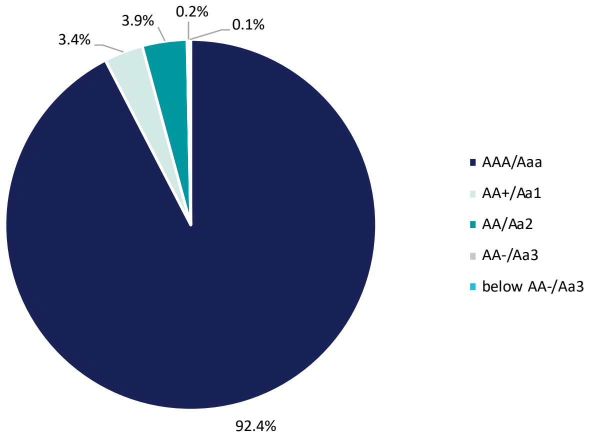
EUR benchmark maturities by year



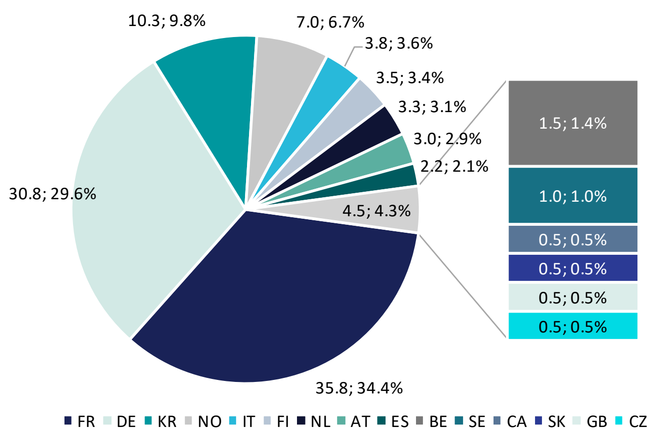
Modified duration and time to maturity by country



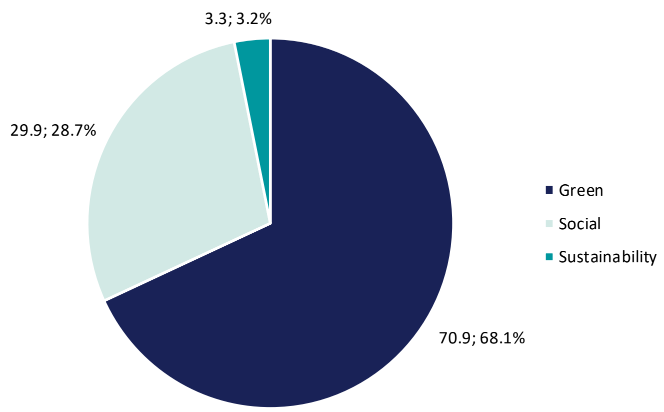
Rating distribution (volume weighted)



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

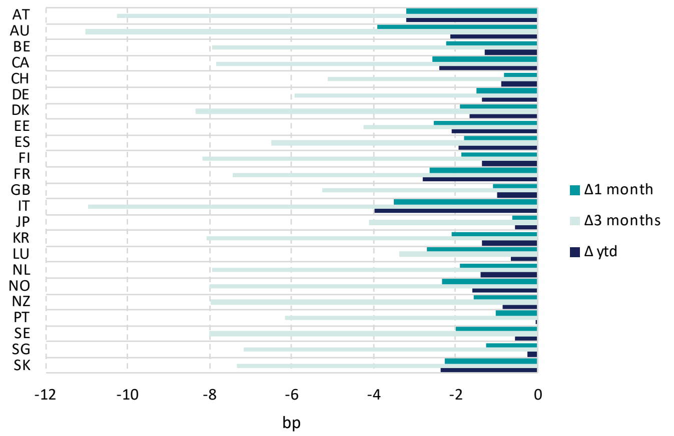


EUR benchmark volume (ESG) by type (in EURbn)

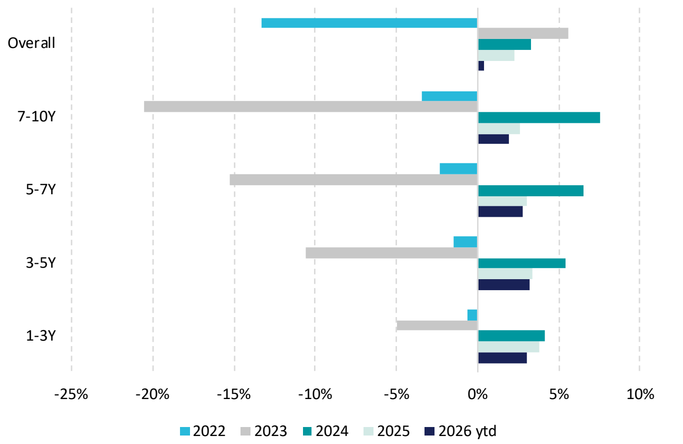


Source: Market data, Bloomberg, NORD/LB Floor Research

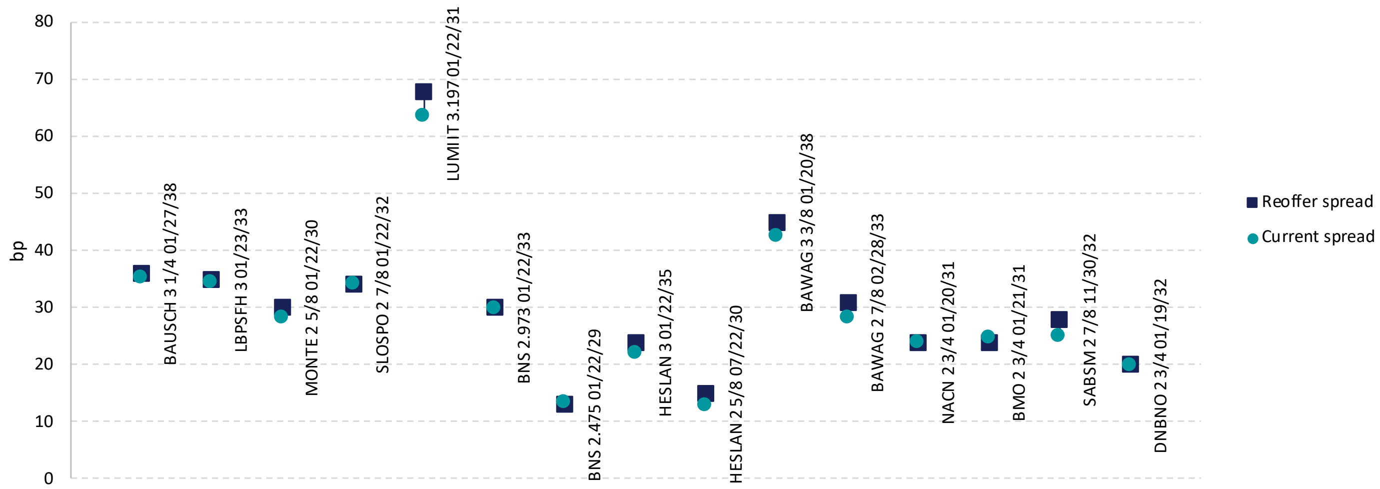
Spread development by country



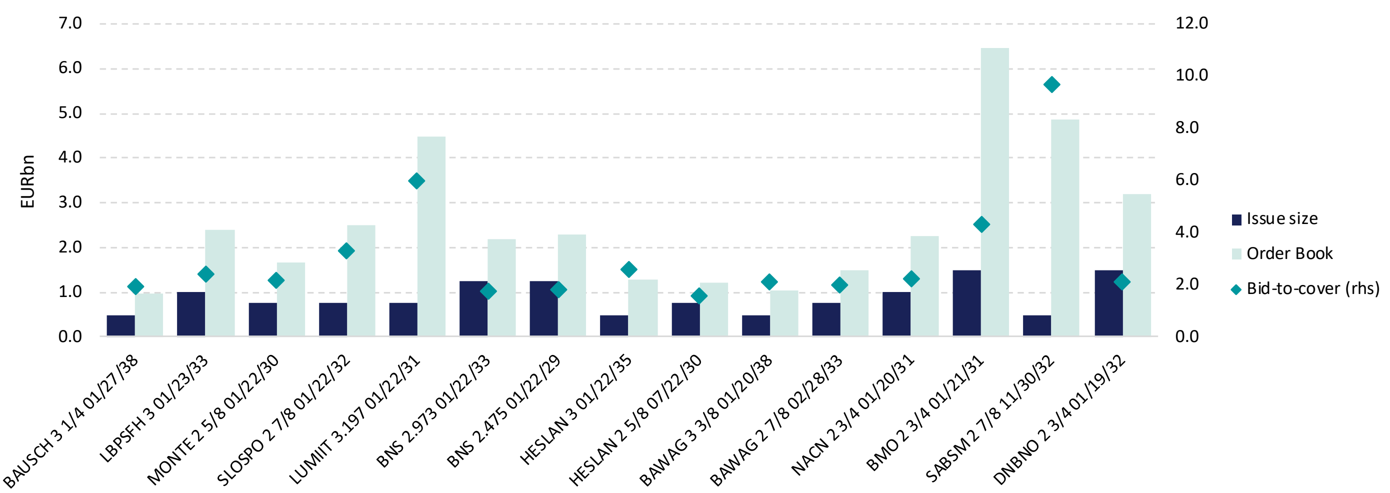
Covered bond performance (Total return)



Spread development (last 15 issues)



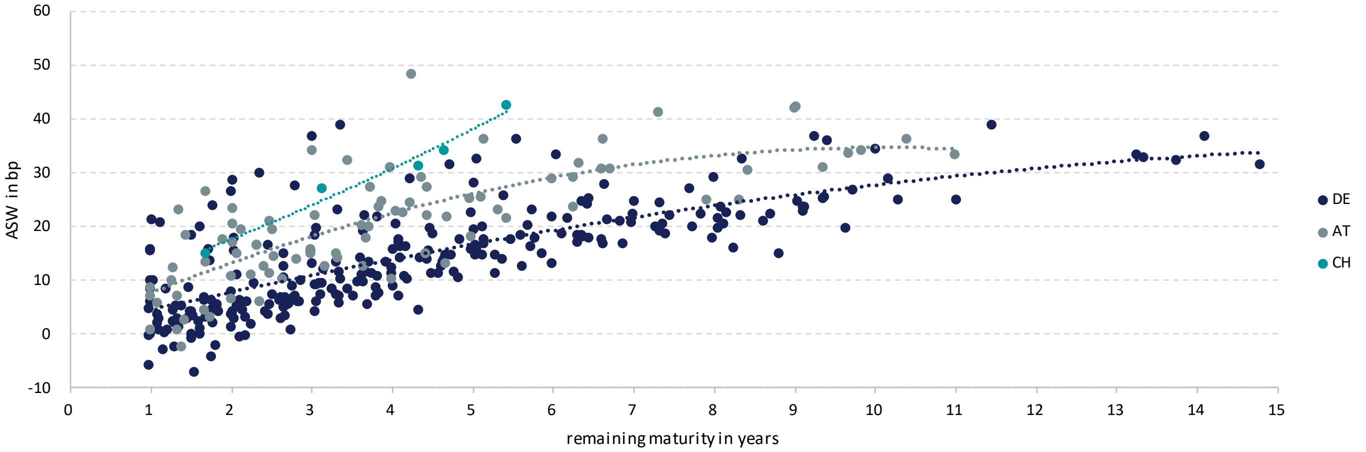
Order books (last 15 issues)



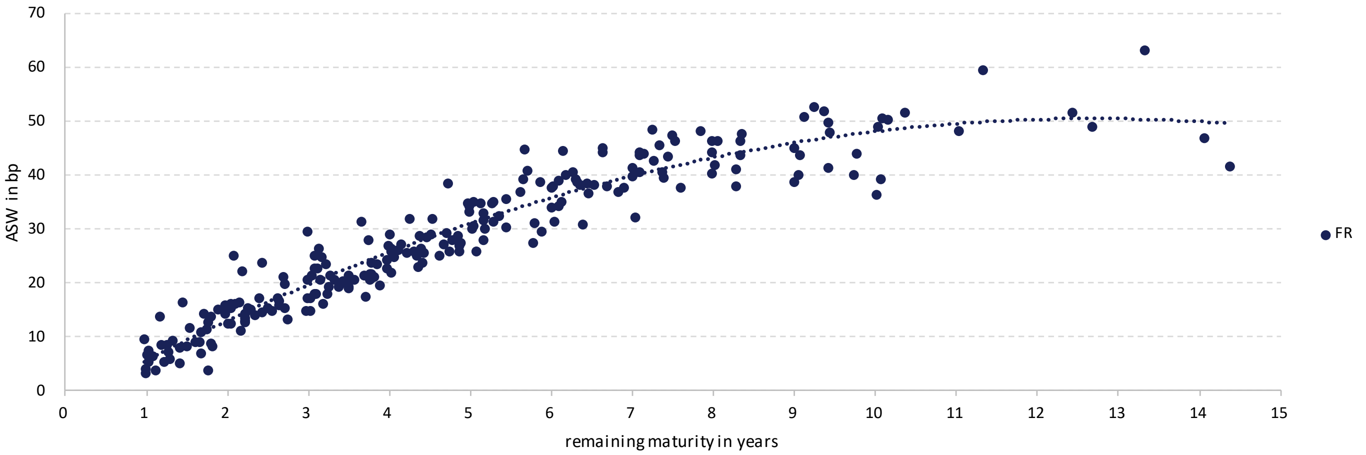
Source: Market data, Bloomberg, NORD/LB Floor Research

Spread overview[1]

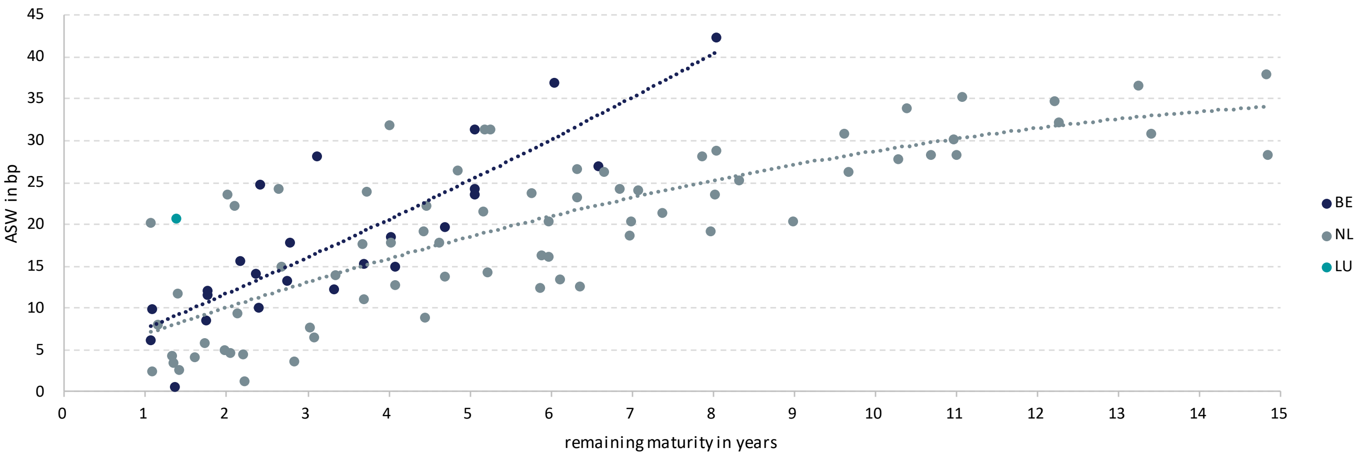
DACH



France

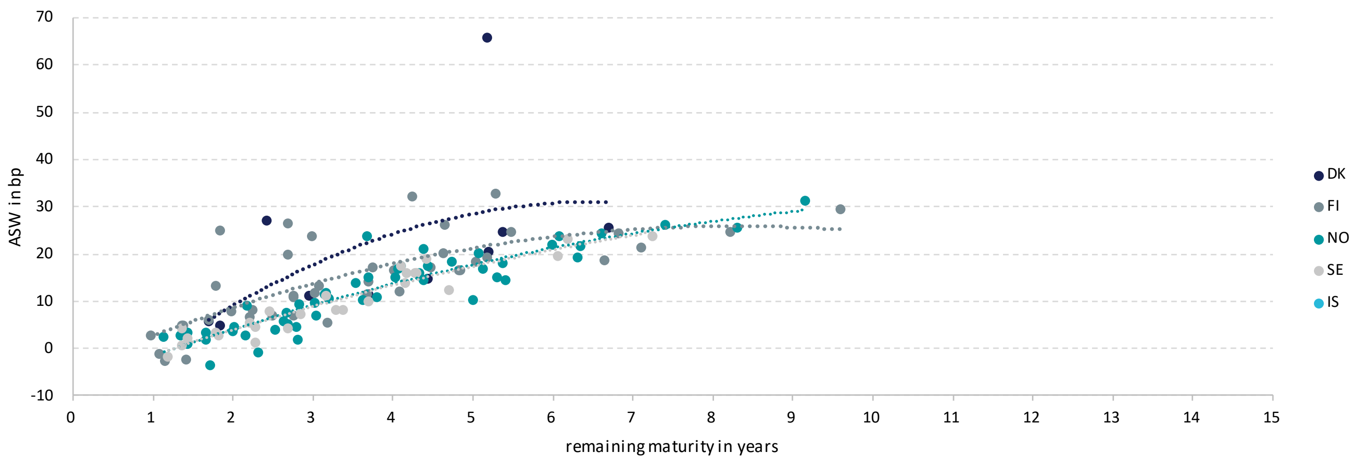


Benelux

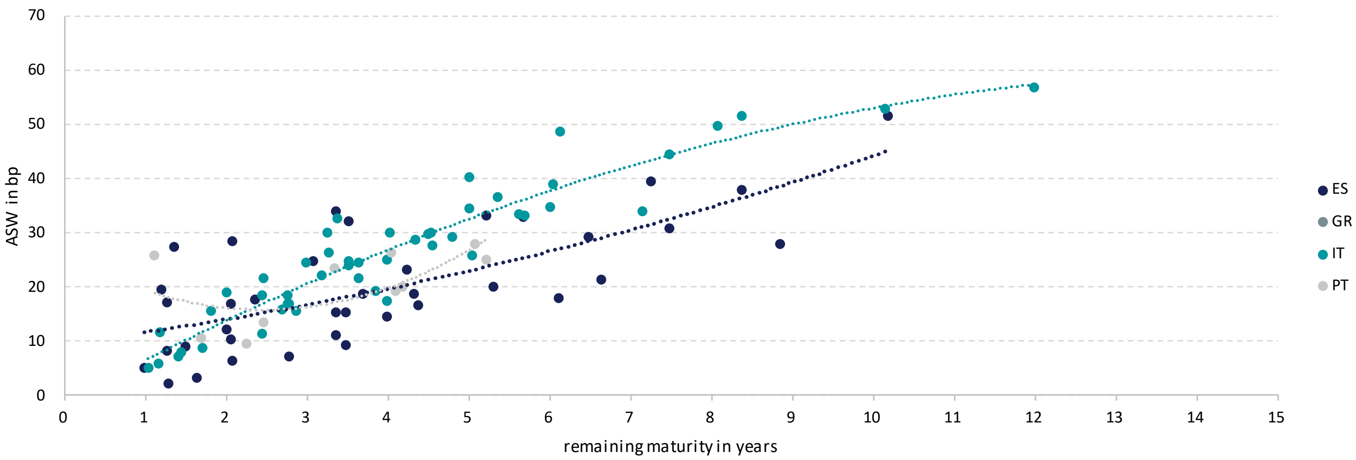


Source: Market data, Bloomberg, NORD/LB Floor Research [1] Time to maturity 1 ≤ y ≤ 15

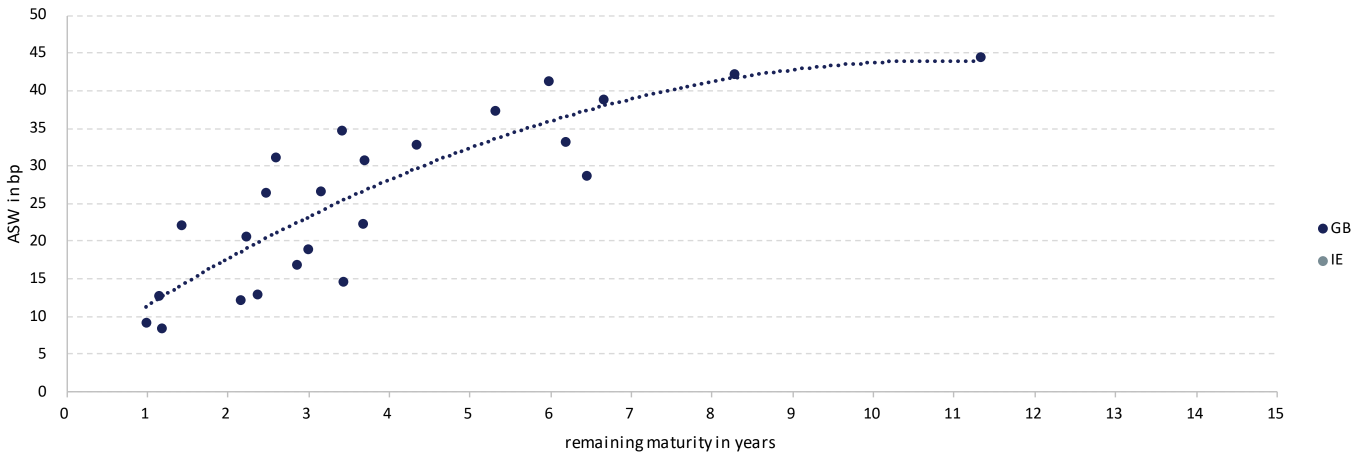
Nordics



Southern Europe

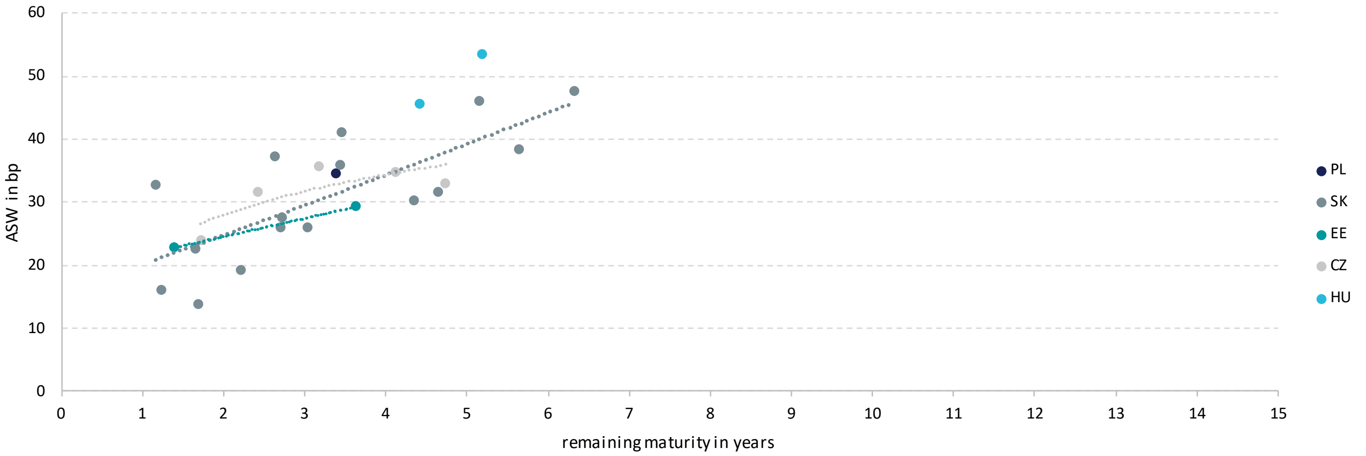


UK/IE

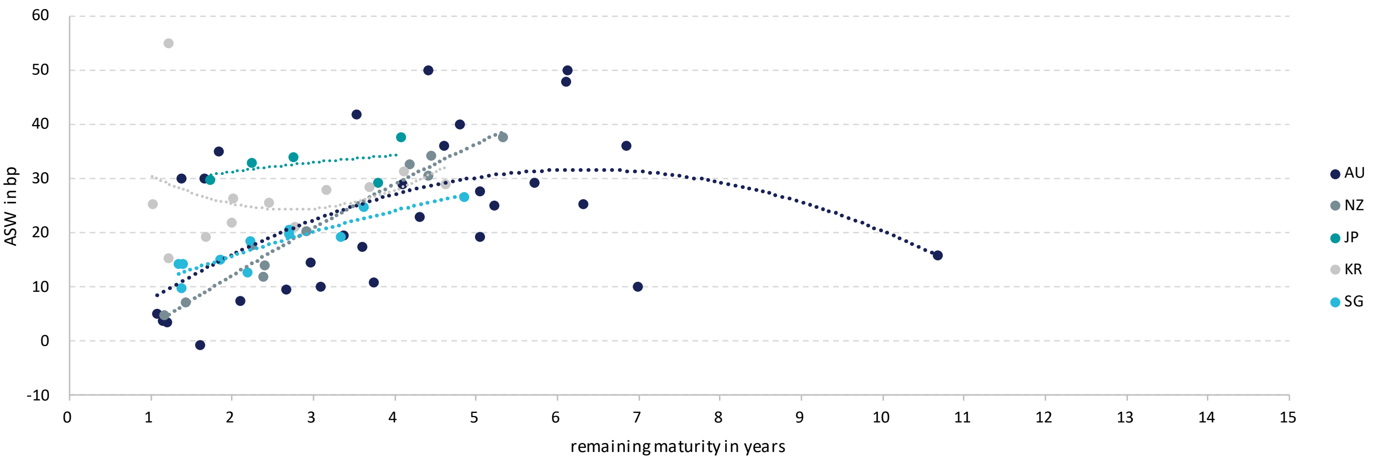


Source: Market data, Bloomberg, NORD/LB Floor Research

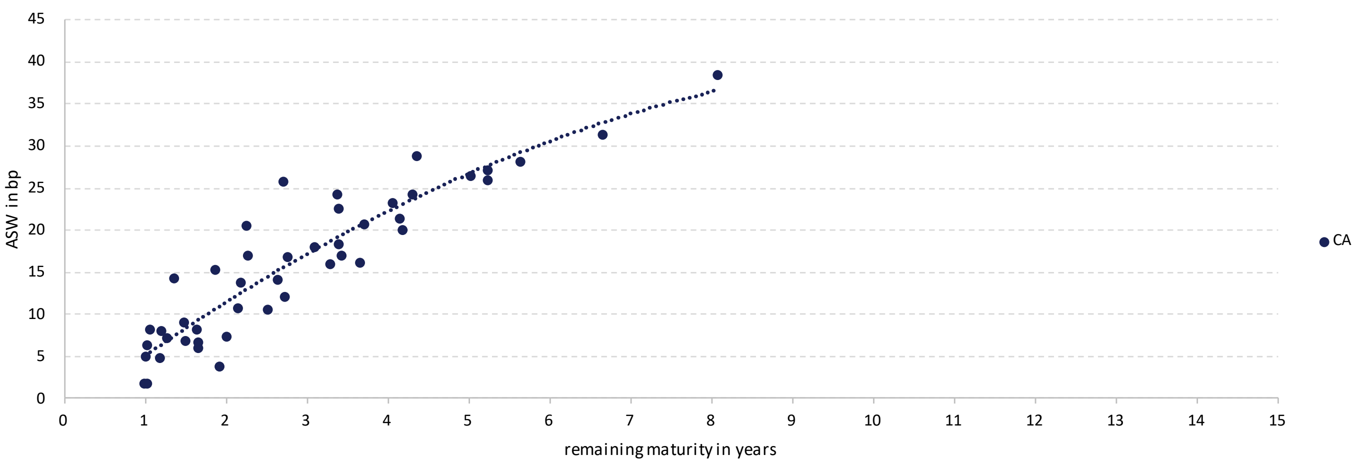
CEE



APAC



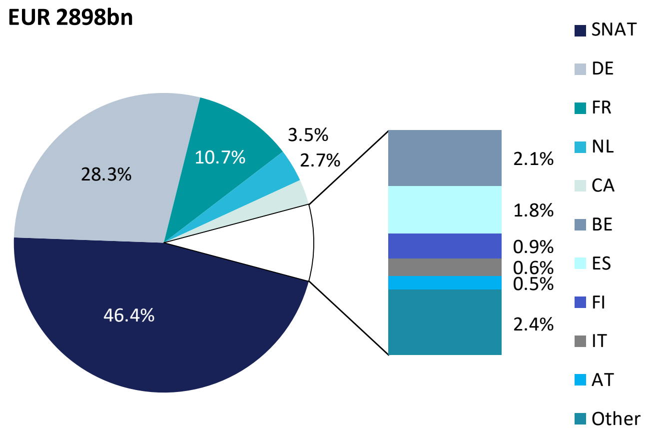
North America



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

Charts & Figures
SSA/Public Issuers

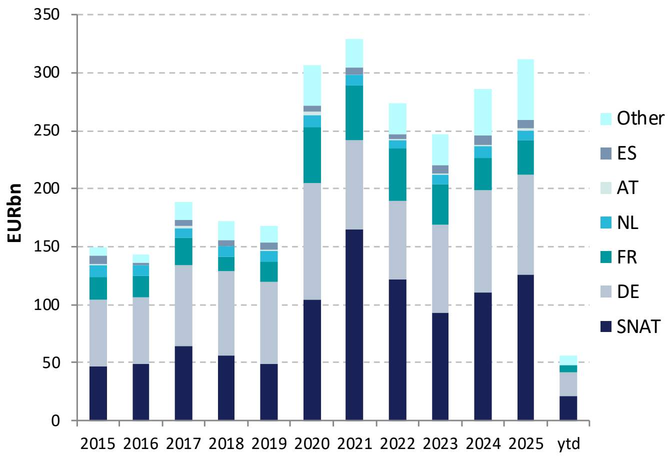
Outstanding volume (bmk)



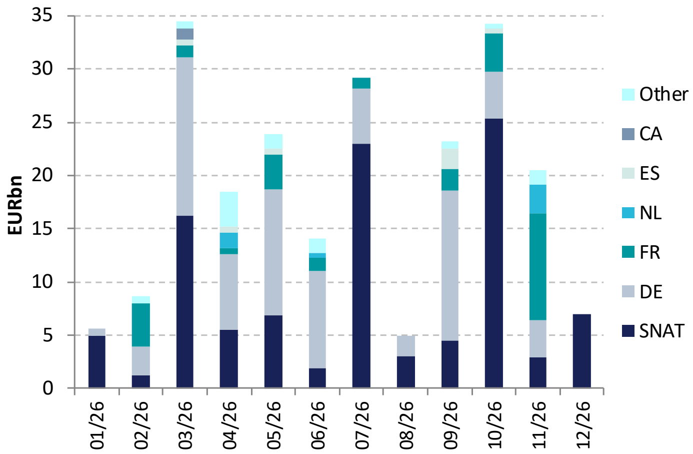
Top 10 countries (bmk)

Country	Vol. (EURbn)	No. of bonds	ØVol. (EURbn)	Vol. weight. ØMod. Dur.
SNAT	1,345.0	270	5.0	7.5
DE	821.1	620	1.3	5.7
FR	310.1	206	1.5	5.3
NL	102.4	91	1.1	6.0
CA	78.7	68	1.2	6.2
BE	59.8	55	1.1	9.4
ES	51.4	75	0.7	4.6
FI	26.2	27	1.0	3.8
IT	18.3	24	0.8	4.0
AT	14.5	21	0.7	5.1

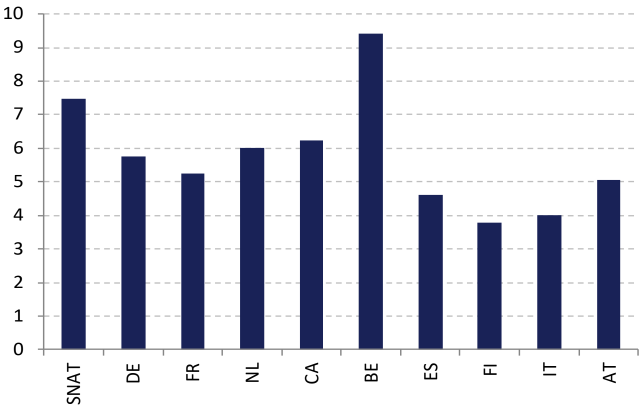
Issue volume by year (bmk)



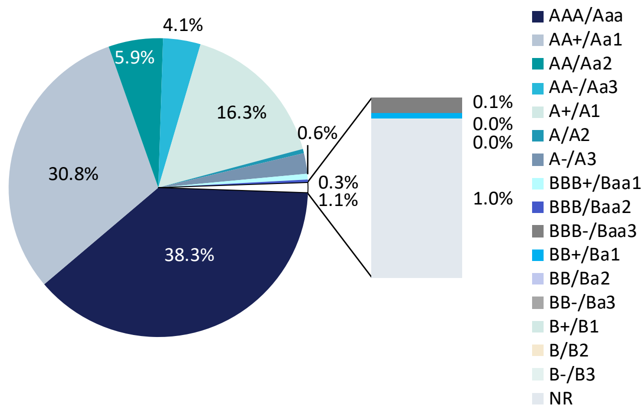
Maturities next 12 months (bmk)



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

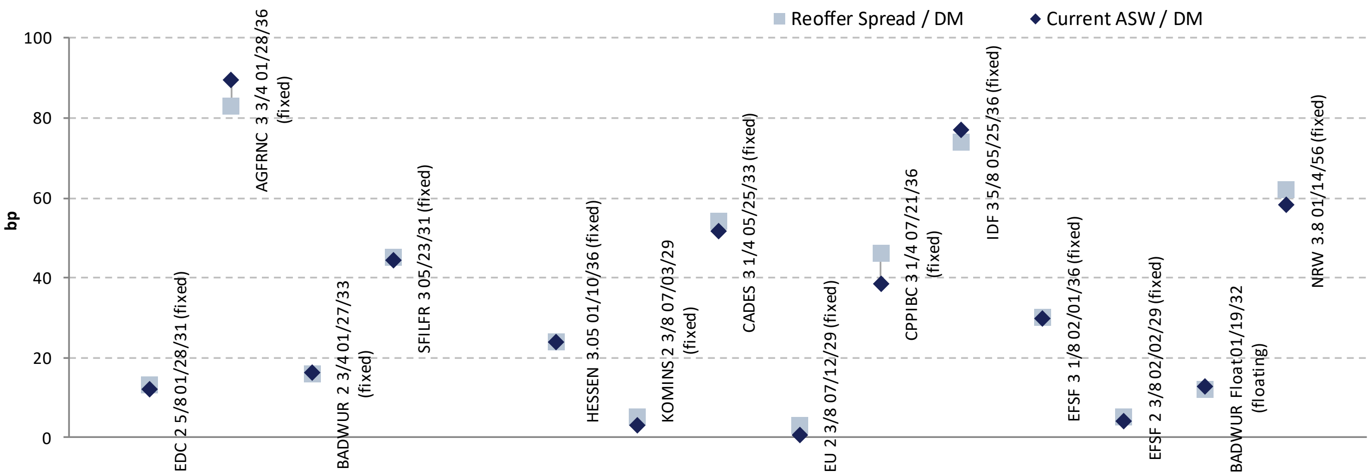


Rating distribution (vol. weighted)

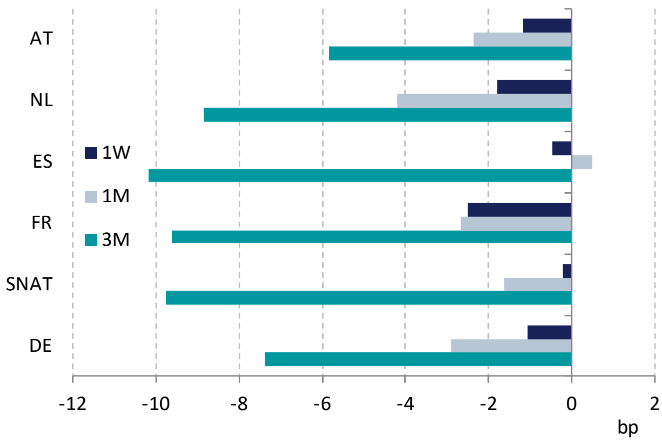


Source: Bloomberg, NORD/LB Floor Research

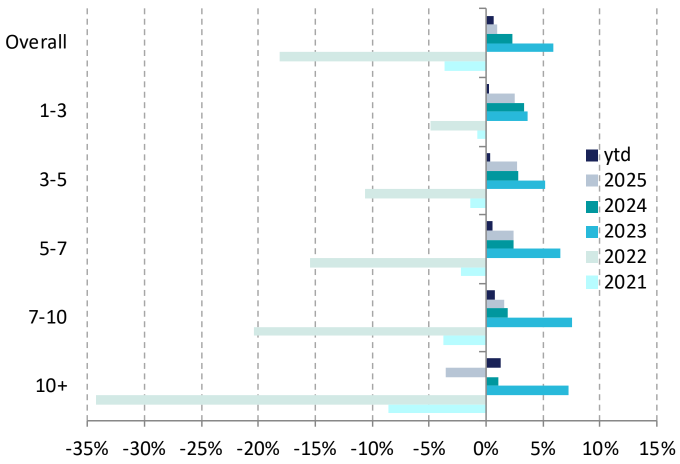
Spread development (last 15 issues)



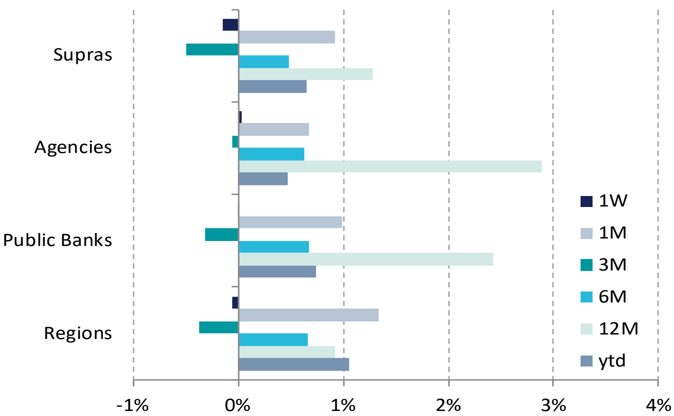
Spread development by country



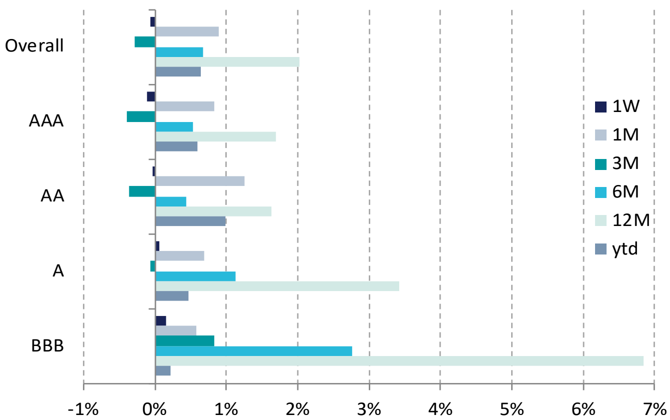
Performance (total return)



Performance (total return) by segments

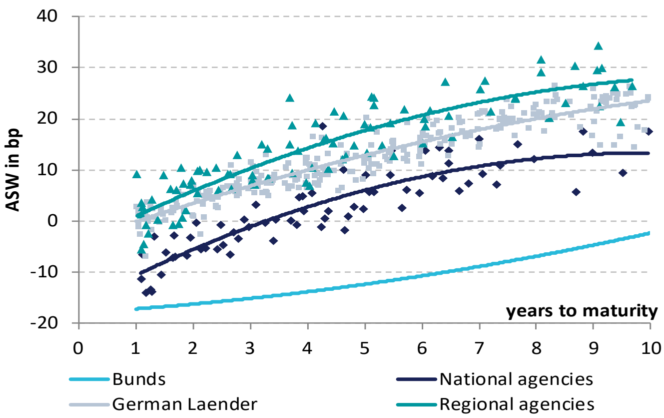


Performance (total return) by rating

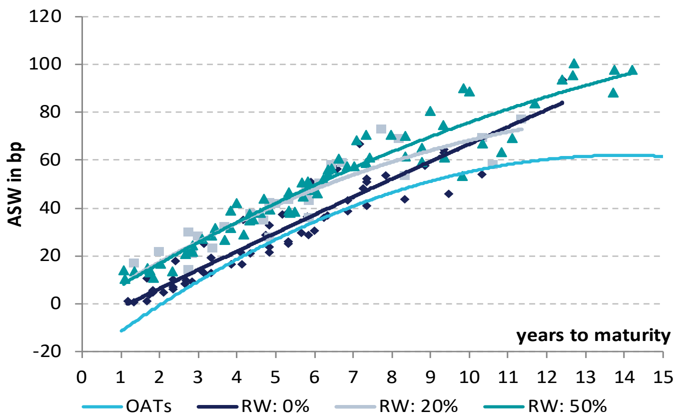


Source: Bloomberg, NORD/LB Floor Research

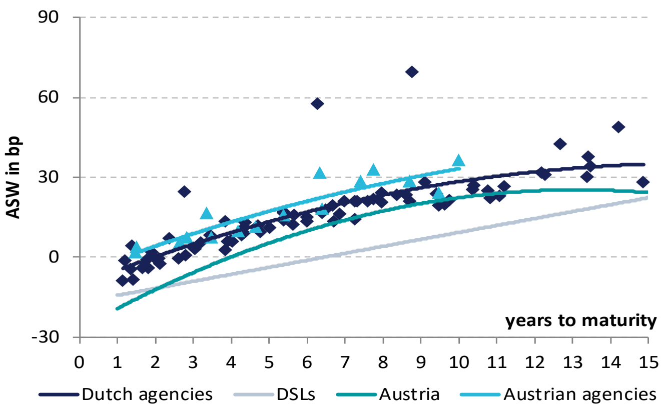
Germany (by segments)



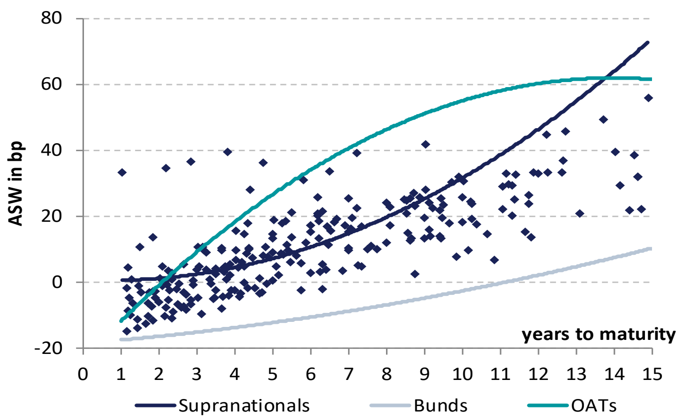
France (by risk weight)



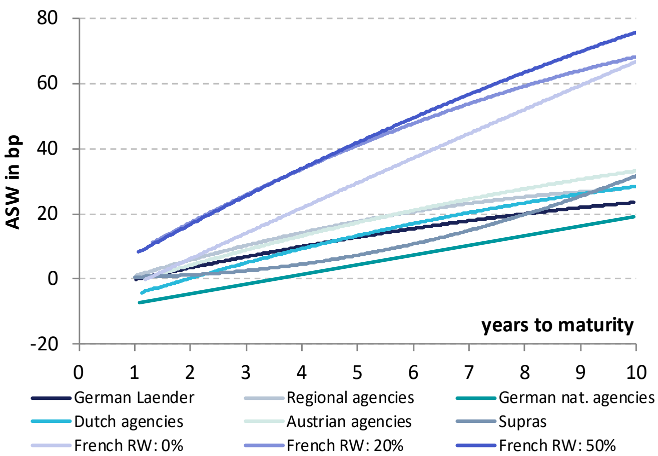
Netherlands & Austria



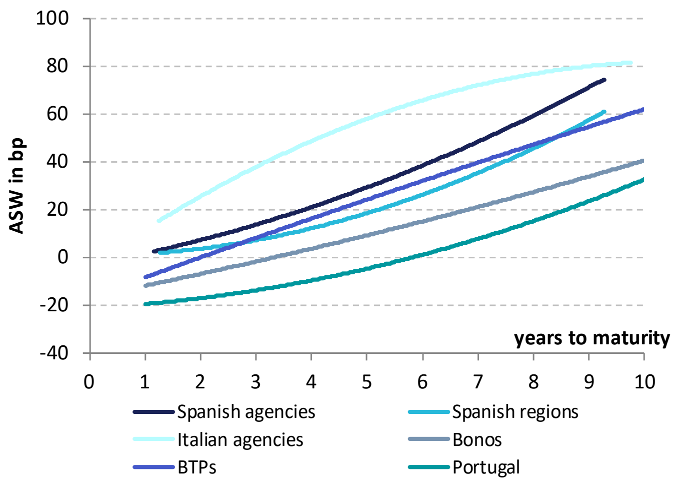
Supranationals



Core



Periphery

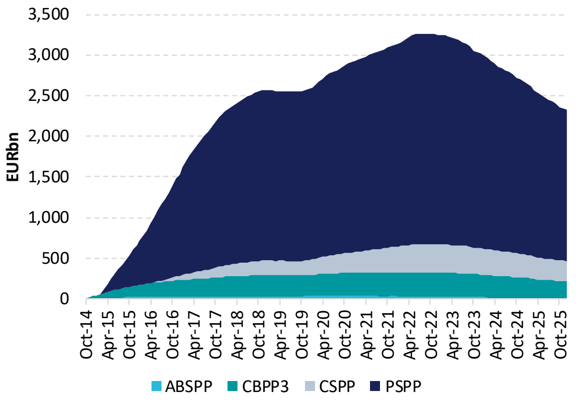


Source: Bloomberg, NORD/LB Floor Research

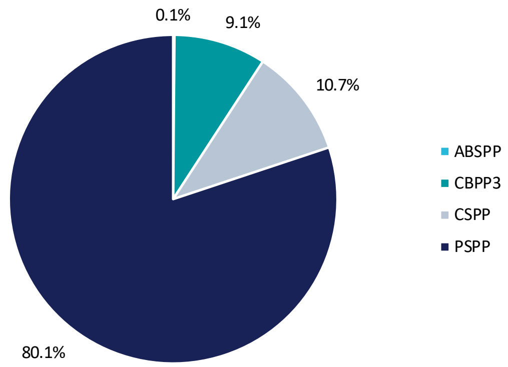
Charts & Figures
ECB tracker

Asset Purchase Programme (APP)

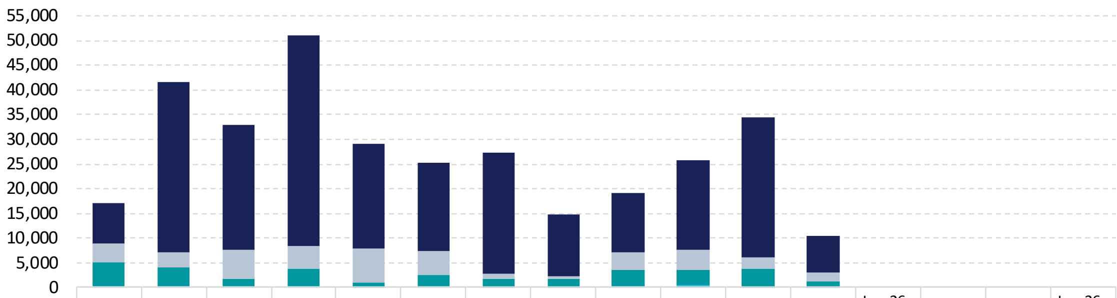
APP: Portfolio development



APP: Portfolio structure

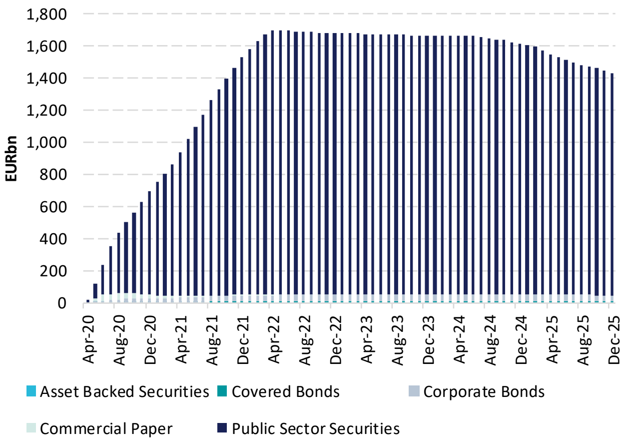


Expected monthly redemptions (in EURm)

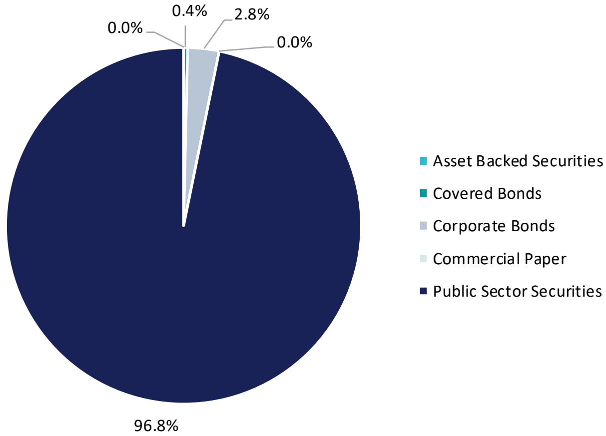


	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-26 - Dec-26	2025	2026	Jan-26 - Dec-26
APP	17,119	41,523	32,837	51,023	29,020	25,281	27,197	14,893	19,219	25,849	34,527	10,448	328,936	332,840	328,936	328,936
PSPP	8,318	34,465	25,111	42,657	21,135	17,964	24,306	12,570	12,097	18,215	28,397	7,420	252,655	252,566	252,655	252,655
CSPP	3,815	2,926	5,886	4,562	6,820	4,857	1,245	684	3,610	4,069	2,398	1,741	42,613	33,961	42,613	42,613
CBPP3	4,740	3,911	1,575	3,685	1,003	2,317	1,554	1,566	3,281	3,123	3,692	1,216	31,663	42,332	31,663	31,663
ABSPP	246	221	265	119	62	143	92	73	231	442	40	71	2,005	3,981	2,005	2,005

PEPP: Portfolio development



PEPP: Portfolio structure

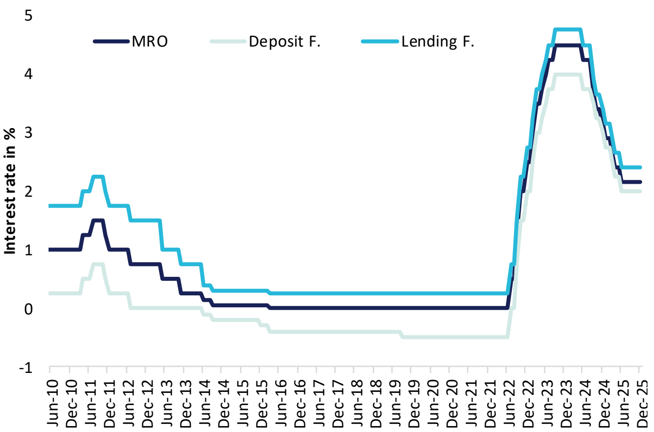


Source: ECB, NORD/LB Floor Research

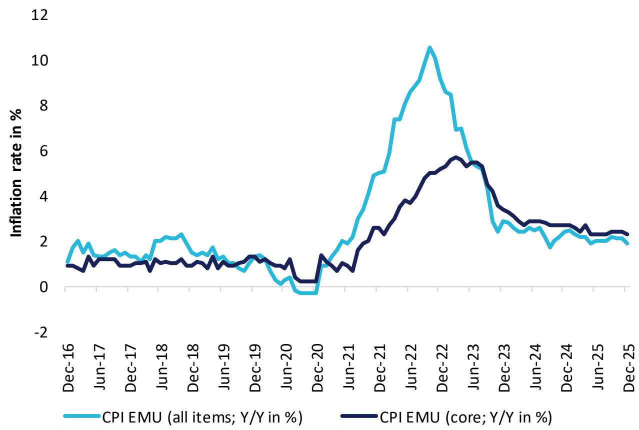
NORD/LB

Charts & Figures
Cross Asset

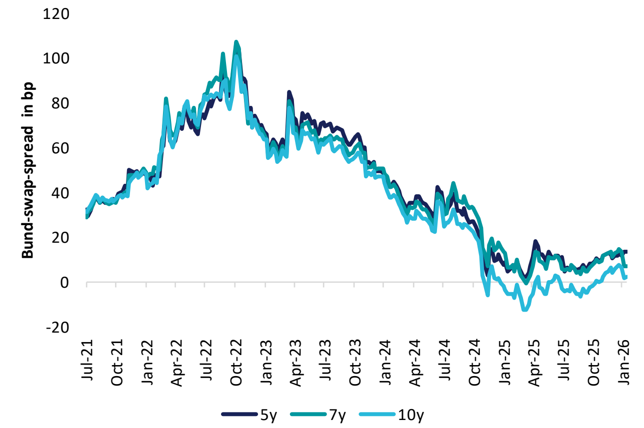
ECB key interest rates



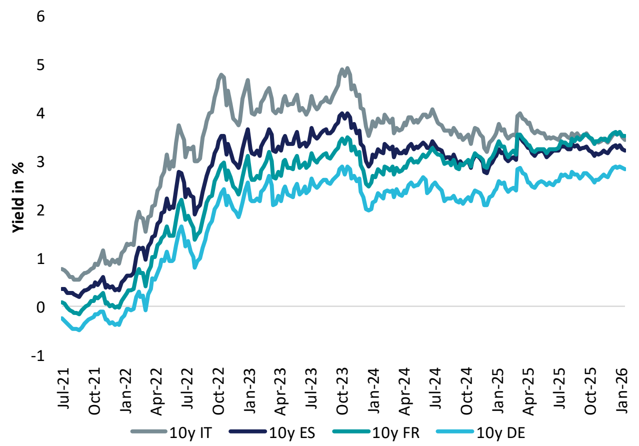
Inflation development in the euro area



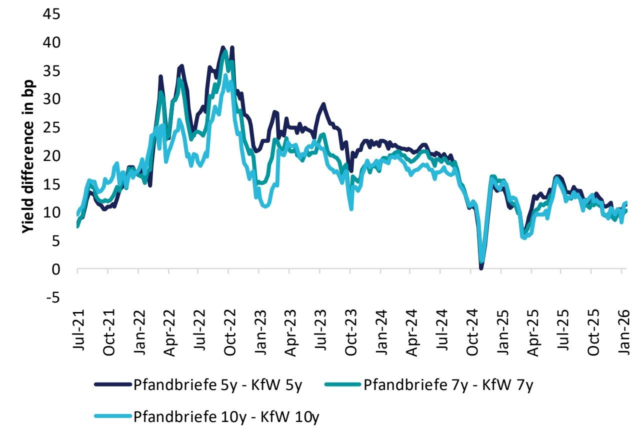
Bund-swap-spread



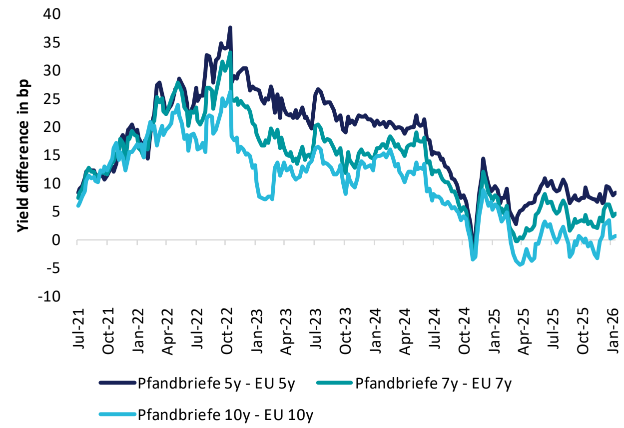
Selected yield developments (sovereigns)



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
01/2026 ♦ 14 January	▪ Annual review of 2025 – Covered Bonds ▪ SSA: Annual review of 2025
43/2025 ♦ 17 December	▪ Cross Asset: Dutch pension funds in the spotlight
42/2025 ♦ 10 December	▪ Focus on spread relationships: Covereds vs. Seniors ▪ Teaser: Beyond Bundeslaender – Belgium
41/2025 ♦ 03 December	▪ The bigger picture – ECB and four daring suppositions ▪ Our view of the covered bond market heading into 2026 ▪ SSA outlook 2026: More debt, less scope?
40/2025 ♦ 26 November	▪ Cross Asset // Call for evidence: EU Taxonomy under review
39/2025 ♦ 19 November	▪ A covered bond view of the Nordics ▪ Teaser: Issuer Guide – French Agencies 2025
38/2025 ♦ 12 November	▪ Covereds: Development of the German property market (vdp index) ▪ Funding strategies of Canadian provinces – an overview
37/2025 ♦ 05 November	▪ Covereds: Savings banks as primary market issuers ▪ Auvergne-Rhône-Alpes Region – spotlight on REGRHO
36/2025 ♦ 29 October	▪ Covereds: A look at the EUR sub-benchmark segment ▪ SSA: Canadian pension funds in the spotlight
35/2025 ♦ 22 October	▪ ESG benchmark segment at a crossroads? ▪ Teaser: Issuer Guide – European Supranationals 2025
34/2025 ♦ 15 October	▪ Greece: covered bond jurisdiction on the rise? ▪ Agencies and resolution instruments of the BRRD
33/2025 ♦ 08 October	▪ Solvency II and covered bonds ▪ NGEU: Green Bond Dashboard
32/2025 ♦ 01 October	▪ Teaser: EBA report on the review of the EU covered bond framework ▪ Update on German municipality bonds: DEUSTD and NRWGK
31/2025 ♦ 24 September	▪ The rating approach of Morningstar DBRS ▪ Teaser: Beyond Bundeslaender – Greater Paris (IDF/VDP)
30/2025 ♦ 03 September	▪ A look at the German banking market ▪ ECB repo collateral rules and their implications for Supras & Agencies
29/2025 ♦ 27 August	▪ The rating approach of Standard & Poor's ▪ Pension avalanche and municipal debt: Laender under pressure
28/2025 ♦ 20 August	▪ Transparency requirements §28 PfandBG Q2/2025 ▪ Teaser: Issuer Guide – Spanish Agencies 2025
27/2025 ♦ 13 August	▪ Covereds – Relative value analysis: a stocktake of the situation ▪ SSA review: EUR-ESG benchmarks in H1/2025
26/2025 ♦ 06 August	▪ Repayment structures on the covered bond market: an update ▪ Teaser: Issuer Guide – German Agencies 2025

NORD/LB:	NORD/LB:	NORD/LB:	Bloomberg:
Floor Research	Covered Bond Research	SSA/Public Issuers Research	Weekly: DS NDB <GO>

NORD/LB

Appendix
Publication overview

Covered Bonds:

[Issuer Guide – Covered Bonds 2025]

[Risk weights and LCR levels of covered bonds] (updated semi-annually)

[Transparency requirements §28 PfandBG Q3/2025] (quarterly update)

[Transparency requirements §28 PfandBG Q3/2025 Sparkassen] (quarterly update)

[Covered bonds as eligible collateral for central banks]

[EBA report on the review of the EU covered bond framework]

SSA/Public Issuers:

[Issuer Guide – German Laender 2025]

[Beyond Bundeslaender: Canadian Provinces]

[Beyond Bundeslaender: Belgium]

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

[Beyond Bundeslaender: Spanish regions]

[Issuer Guide – European Supranationals 2025]

[Issuer Guide – Non-European Supranationals (MDBs) 2025]

[Issuer Guide – German Agencies 2025]

[Issuer Guide – French Agencies 2025]

[Issuer Guide – Nordic Agencies 2025]

[Issuer Guide – Dutch Agencies 2025]

[Issuer Guide – Austrian Agencies 2025]

[Issuer Guide – Other European Agencies 2024]

Fixed Income Specials:

[ESG-Update 2025]

[NO! You joyful… pause! – ECB keeps key rates unchanged]

Appendix
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Institutional Sales MM/FX	+49 511 361-9460
Fixed Income Relationship Management Europe	+352 452211-515
Retail & Structured Products	+49 511 361-9420

Trading

Covereds/SSA	+49 511 9818-8040
Financials	+49 511 9818-9490
Governments	+49 511 9818-9660
Länder/Regionen	+49 511 9818-9660
Frequent Issuers	+49 511 9818-9640

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Origination Corporates	+49 511 361-2911

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