Euro AT1s prove hits for Nykredit, CASA, as investors overcome cautious edge to pile in

Nykredit and Crédit Agricole hit the euro AT1 market last week and found conditions even more advantageous than expected, with supply dynamics and relief measures underpinning demand, even if second wave and political risks are rising. *Neil Day* reports, with insights from market participants including Crédit Agricole CIB trading and syndicate in London and Hong Kong.

Nykredit Realkredit and Crédit Agricole secured unexpectedly strong results in one of the last and best potential windows of the year for AT1 issuance last week, achieving pricing flat to through fair value on the back of multiple-times oversubscribed order books for their euro benchmarks, even if price sensitivity in the book reflected investor caution.

The book for Nykredit's €500m no-grow perpetual AT1 with a first call in 2026 peaked above €2.65bn on Tuesday of last week (6 October) and Crédit Agricole's above €4.25bn for its €750m no-grow perpetual with a first call in 2027 the next day, allowing each to progressively set the lowest coupon on a euro AT1 since the pre-Covid-19 days of February, 4.125% for the Dane and then 4% for the French bank.

Among key factors in pushing investors to participate in the new issues was a general lack of AT1 supply in euros — partly driven by limited needs, and partly due to more attractive US dollar economics — and more specifically the rarity of the two names.

"In euros we have mainly seen peripheral issuers with AT1s, and have unfortunately been lacking deals from core banks, so it was very good to see these two deals," said Alexis Lautrette, fund manager/analyst at Lazard Frères Gestion, "particularly Crédit Agricole — a very strong and very core European bank — after their previous dollar issuance."

Julien de Saussure, fund manager at Edmond de Rothschild Asset Management (France) (EDRAM), echoed this.

"For investors like us that have a skew towards junior subordinated paper but whose major currency is the euro, the fact that we see supply outside of Italy and Spain is a positive development," he said, "particularly given the very high redemption profile of French banks in 2021 and 2022, which had put a question mark against how the euro CoCo universe was going to look after these calls.

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"That probably led to some element of scarcity premium being embedded in the deals," he added, "resulting in their very impressive tightening from IPTs, especially after the recent bout of volatility we had."

The success of the two deals demonstrates ongoing demand for high quality credits at a relatively high yield, according to Jenna Collins, portfolio manager at ExodusPoint Capital Management.

"This is the type of instrument that much of the investment community wants right now," she said. "They want to buy more subordinated paper and the associated higher yields, but in the best quality names — I don't think we're quite at the point when people want to go down into second tier AT1s yet, even if they do offer more generous yields.

"There's still a focus on the low beta names or national champions. Nykredit is not necessarily a national champion, but it's a very low risk business, while Crédit Agricole is a national champion, and sometimes considered the lower risk of the three French national champions."

As good as it gets?

Both Nykredit's and Crédit Agricole's new issues were tightened 0.625% during execution, leading to better than expected outcomes for the two issuers, with pricing deemed flat to through fair value.

Morten Bækmand Nielsen, head of investor relations at Nykredit, said the Danish issuer approached the market considering that market conditions might be "as good as it gets" *(see below for more)*, while Vincent Hoarau, head of FIG syndicate at Crédit Agricole CIB (CACIB), sole bookrunner on the French bank's trade, said

that the week looked like being the best remaining window this year as a variety of fears eased.

"Overall, the market backdrop was supportive last week, boosted by hopes for additional Covid stimulus," he said. "The situation around Trump's health developed in the positive direction, while the significant deterioration of the medical situation across the board did not hurt global sentiment — although that can change quickly."

He noted that €5.5bn of FIG supply last week was easily digested, with all euro deals printed on or inside the curve.

"Frequent borrowers printed sub-€1bn benchmarks, which gives a sense of the level of appetite for funding," said Hoarau. "The demand, supply and redemption dynamic continues to play a key role. Every day we hear about real money investors being heavily underinvested and looking to fill pockets of liquidity via private placements.

"In this context, the early part of last week we saw spreads snap in significantly on high beta peripheral senior and sub debt, but also in core Europe Tier 2 and AT1. The tone continued to be firm into this week, with traders on Tuesday saying it still feels harder to buy paper than sell."

The success of primary issuance has supported the wider AT1 space, according to Nigel Brady, AT1 trader at CACIB.

"Generally you're seeing each new deal demonstrating extra demand for the name, and for the asset class, and it's tightening the rest of the market," he said. "You're also seeing a lot of fund flows out of government bonds and into credit, which is quite a big factor, while both new deals and legacy paper is being driven by real money — after all, they are where the stimulus is having the most impact.

"What continues to trump everything is the ECB stimulus," added Brady. "Investors are comfortable riding the coat-tails of the central banks, so we've got a very healthy demand underpinning the market."

Few fears over balance sheets

Although the AT1 market is witnessing its lowest coupons since the onset of the pandemic, the investors remain comfortable with current valuations.

"We are quite bullish on current levels," said Lautrette, "especially on AT1, where we have been globally in a range between 450bp and 500bp over the third quarter, while senior spreads are more or less back to pre-Covid levels.

What continues to trump everything is the ECB stimulus

"And if you compare AT1 with equities, banks shares were hammered in the third quarter, but that was not the case for AT1 or Tier 2. That means we have fears over earnings once again, but not over balance sheets, which is clearly positive for us."

After European banks' second quarter results proved less dramatic than feared, de Saussure at EDRAM expects third quarter results to be similarly uneventful. And he sees the lack of AT1 issuance as reflective of banks' confidence in this respect.

"If you believe that banks' cost of risk assumptions are accurate, the outlook is still very constructive," he said, "and that's probably why we haven't seen many big banks take advantage of the strong market to prefinance or optimise Pillar 2 buckets.

"We are still of the view that banks will have sufficient capital to manage through the crisis," added de Saussure. "But given that in all likelihood we have reached or may in the next quarter reach the highest distance to trigger, I'm not sure how investors will look at diminishing MDA headroom as we move to an area where losses are starting to materialise — that sort of back-end-loaded momentum-fade could be difficult to navigate."

Lautrette sees this and another risk to AT1 coupons, namely that they are caught up in the ECB dividend ban, as limited.

"And then you have extension risk," he said. "Only three bonds were not called in 2020, while more than 20 were called, and if you look at the total return of the three bonds that were not called, the total return was in the range of minus 2% to plus 2%, so clearly we didn't see any important repricing.

"So it's still a risk, but I don't think any extension will trigger a massive sell-off due to the very healthy spread levels on the current AT1 bonds."

Tone tentative, with less upside

In spite of the evident supports for new issues and valuations, the investors injected notes of caution into the outlook. Collins at ExodusPoint, for example, sees the market tone as somewhat tentative.

"I think people are cautious right now," she said. "A lot of investors and the Street have had reasonably profitable years and they want to protect that.

"And while people generally feel that the latest Covid measures will be more targeted than in March or April, and that maybe we're going to be OK by next summer, some nervousness persists. So there's an interesting balance, with people feeling relatively positive, but not wanting to take too much risk."

De Saussure at EDRAM meanwhile

noted that there is less upside in the market.

"On a volatility-adjusted basis, the returns are less obvious than a couple of months ago," he said, "and therefore we are entering areas where repositioning for carry makes sense, securing the downside through arbitrage in terms of curve, in terms of low resets, etc and so on.

"I don't want to be again stuck in issues with very low resets, or at least resets lower than I consider necessary to overcome the next cycle without any problems."

CACIB's Hoarau noted that investor caution was clearly evident in the price sensitivity experienced in last week's new AT1 — Crédit Agricole's book shrank almost €2bn upon final pricing, while Nykredit's also declined.

"That's quite understandable," he said, "It has been one-way only for credit markets over the past six months. Now investors have to get more selective and vigilant on prices. But a coupon of 4% for an IG instrument denominated in euros has a lot of value in the current spread and yield complex. We may be right in the middle of a pandemic, but from a pure relative value standpoint, that makes sense for a lot of investors, particularly in the context of a €750m-sized new issue, with only one Euro AT1 out there since 2014.

"Anyway, it now feels that this market wants to continue to go up, but the narrative is uncertain. And remember, in March the AT1 market was trading 40% lower."

Nykredit back for AT1

Nykredit's new issue came after it announced on 15 September that it would be calling a €500m 6.25% AT1 on 26 October. Rather than directly replacing the outstanding instrument, the new AT1 was launched in anticipation of future needs, according to Morten Bækmand Nielsen, head of investor relations at Nykredit.

"On the face of it, it doesn't seem like we are in a big need of AT1 right now," he said. "On the other hand, we have previously communicated that it will definitely have a place in our capital structure going forward, because the overcapitalisation that we have today, about 300bp of CET1, will gradually be absorbed by the implementation of Basel IV.

"Then the question is, when should we replenish our capital reserves with AT1 or Tier 2? Given how markets have developed, this might be as good as it gets, we thought, so let's take advantage of the good backdrop and get some AT1 into the capital structure again."

Danish banks have not been granted the capital relief measures enjoyed by ECB-supervised financial institutions, and hence have no extra room to replace CET1 with additional AT1 or Tier 2 instruments.

Nielsen noted that the impact of the Covid-19 pandemic on Nykredit's loan book has thus far been limited.

"We've been doing a lot of loan loss provisioning," he said, "but we haven't actually seen any loan losses yet, so it's all model-based management judgement.

"In Denmark, we don't have the general payment holidays for mortgages," he added, "but we and the other banks have launched emergency facilities that customers can apply for where we can extend them a line of credit. But while we have several hundred thousand retail mortgage clients in Denmark, we have had only a few hundred applications and granted just a few hundred of these facilities, so the need has been very, very small."

Nielsen said the issuer was well positioned to take advantage of the attractive conditions thanks to its regular investor relations activities.

"We try to be out seeing investors all the time so that everybody is always up to speed with what we are doing and we are not dependent on doing a deal-related roadshow before we launch a transaction," he said. "That strategy has proven very well placed during the coronavirus, because this meant it was not a disadvantage to us that we suddenly couldn't meet anybody — we were pretty much up to speed with most of the investors, and the rest we have been able to catch up with in virtual meetings.

"So we launched the new issue without any deal-related marketing — we didn't even do an investor call or anything; we just put the investor presentation on NetRoadshow and then launched the deal, and that was it."

On Tuesday of last week (6 October), Nykredit went out with initial price thoughts of the 4.75% area for the €500m no-grow perpetual AT1 with a first call in 2026, rated BB+ by S&P. Orders topped €1.5bn within two hours, and guidance was subsequently set at the 4.25% area, plus or minus 0.125%, will price in range, on the back of books above €2.65bn. Half an hour later, the coupon was set at 4.125%, with more than €1.8bn of orders good at re-offer.

The pricing was seen as 0.125% inside fair value.

"All in all, we are very happy with the result," said Nielsen. "Since the outbreak of the pandemic, there have been times when the spreads you needed to pay on AT1 were really high, but now they have come back down, and the outcome that we managed to achieve was better than expected.

Bank of East Asia confirms renewed Asian AT1 strength

Bank of East Asia (BEA) issued an almost five times subscribed $650m perpetual non-call five AT1 yesterday (Wednesday), in the latest sign the Asian market is again proving conducive to bank capital after a bout of volatility.

The mandate for the Hong Kong bank was announced on Tuesday and yesterday launched with initial price guidance of the 6.25% area for a perpetual non-call five trade, rated Ba2/BB. Later in the day, final price guidance was set at the 5.875% area, plus or minus 5bp, will price in range, on the back of orders above $3.8bn, including $350m joint lead manager interest. The deal was then sized at $650m and priced at 5.825%, with the final order book above $3.1bn, comprising 189 accounts.

Asia took 82% and EMEA 18%. Asset managers and fund managers bought 67%, private banks 27%, insurers 3%, and banks and corporates 3%.

According to Francis Woo, director, Asia debt syndicate, at passive lead manager Crédit Agricole CIB in Hong Kong, after the tightening of 42.5bp during execution, the ultimate pricing was roughly flat to fair value. The deal then traded up to 100.75/100.85.

Woo noted that the issuer had managed to attract the strong investor interest on a busy but stable day in Asian markets.

"They were a healthy five times oversubscribed," he said. "For Bank of East Asia to come flat to the curve really just shows the strength of the market."

Like other regions, in preceding weeks Asian markets had been hit by an increase in volatility on the back of Covid-19 and related US political developments.

"Obviously Trump, Covid, and the stimulus talks didn't help," said Woo, "and of course we had Chinese Golden Week just last week. A lot of market participants were sidelined and we didn't see much activity.

"But as we've seen the tone improve in terms of risk appetite and found some stable ground, we are seeing AT1 transactions being mandated and executed, showing the resilience of the market here in Asia."

Bank of East Asia's trade came after Kasikornbank sold a $500m perpetual non-call five AT1 last Thursday (8 October), which was only the third AT1 from Thailand.

The oversubscription and absolute level of demand, at $2bn, for Kasikornbank's Reg S deal compare with a $1.75bn book for a $750m perpetual non-call five 144A/Reg S transaction for compatriot Bangkok Bank on 15 September. Woo noted that Kasikornbank was able to generate such demand in spite of coming to market during Chinese Golden Week.

"They started with wider initial price guidance than Bangkok Bank," he added, "but given the better tone in the market, they were able to achieve stronger oversubscription."

Kasikornbank tightened pricing from initial price guidance of the 5.7% area to 5.28%, while Bangkok Bank moved from the 5.4% area to 5%. Both trades are rated Ba1.

The day after Bangkok Bank's deal, China's ICBC on 16 September hit the market with a $2.9bn perpetual non-call five Reg S AT1. Following IPTs of the 3.95% area, the new issue was priced at 3.58%, driven by onshore Chinese demand. ●

Some 180 investors participated, with fund managers taking 48%, insurance companies and pension funds 25%, banks and private banks 18%, and corporates 9%. Nordic accounts were allocated 63%, the UK 14%, France 11%, the Benelux 5%, southern Europe 3%, Switzerland 2%, and others 2%.

"It was great to have so many people participate," said Nielsen, "and not so many dropped out when we tightened the spread. We are aware that some remarked on the final price being inside fair value, but felt they just had to have it given our rarity.

"And it was very good to see that although the market went south after launch, our new issue at least stayed above par."

Some investors questioned why Nykredit did not solicit a rating from Fitch for the AT1, given that such a rating would have been expected to be investment grade, with the only rating, BB+ from S&P, being sub-investment grade.

"Even if we had a Fitch rating, we would still end up with a split rating, and most investors would be compelled to use the lowest of two," said Nielsen.

"So we didn't think it would make much of a difference and decided against it, and could proceed swiftly with the trade."

Crédit Agricole returns to euros

Crédit Agricole approached the market in Nykredit's wake, issuing a rare €750m no-grow perpetual AT1 last Wednesday with a first call in December 2027 and first reset in June 2028.

Orders passed €1.75bn within 90 minutes of IPTs being set at the 4.625% area, and after around three hours the book was above €3.5bn. After an hour and 50 minutes, guidance was set at the 4.125%

area, plus or minus 0.125%, WPIR, on the back of a peak book of more than €4.25bn, comprising some 270 accounts. The pricing was ultimately set at 4% with orders above €4bn, pre-reconciliation, although the book then experienced order drops to settle above €2.5bn, with 200 accounts involved.

According to Hoarau at CACIB, the pricing was roughly flat to fair value around the 4% mark, and just a few basis points back from Rabobank — the Dutch issuer's perpetual non-call July 2027 paper was trading at a yield-to-call of 3.85% the previous day. The 4% coupon is the tightest since March, before the pandemic struck financial markets, with Rabobank's aforementioned AT1 having before Nykredit set a tight of 4.375% in July.

Hoarau said the issuer had also considered a longer tenor, but that the shorter option offered better pricing, while the €750m "will not grow" size was also key to the level achieved.

"This is the first time the issuer has used the WNG wording," he said, "and all CASA's outstanding AT1 in euros and dollars are one billion-plus, so we had some scarcity value throughout the process. And most investors would prefer to buy something smaller.

"This is a strategic deal, which must work for both sides, the issuer and investors," added Hoarau.

The AT1 is also Crédit Agricole's first such transaction in euros since April 2014, when it issued its only previous euro AT1, a €1bn issue callable next June.

The French bank took a strategic decision to issue in euros, despite US dollars offering better economics, said Hoarau. And the coupon of 4% in euros offered an added incentive for currency-agnostic investors.

"If you take everything into consideration — the issuer coming in euros, the size element, the capital metrics, the rating, and the fact that Crédit Agricole has demonstrated its resilience from a credit standpoint during the crisis — it goes a long way towards explaining the pricing and the success of the deal," he said.

The investment grade, BBB-/BBB (S&P/Fitch), nature of Crédit Agricole's AT1 was indeed a key factor in the magnitude of demand, noted Hoarau, also relative to Nykredit's sub-investment grade offering the day before.

Asset managers were allocated 67% of the issue, insurance companies and pension funds 21%, banks, private banks and wealth management 8%, and hedge funds 4%. French accounts took 29%, the UK and Ireland 20%, the Benelux 12%, Germany and Austria 10%, Switzerland 8%, the Nordics 7%, southern Europe 7%, Asia 6%, and others 1%.

The issuer said the AT1 further enhances Crédit Agricole SA's (CASA) and Crédit Agricole Group's significant capital management flexibility. It said it could take advantage of positive market conditions in the new issue, while establishing a new euro AT1 benchmark for Crédit Agricole SA for the first time since April 2014.

The quarterly coupon — adding extra value versus semi-annual — was one of several notable structuring features of the transaction:

- Quarterly coupons payment dates aligned across all outstanding CASA AT1 transactions: 23 March; 23 June; 23 September; 23 December — provides issuer with operational management flexibility, whilst mitigating coupon cancellation risk (no full year coupons lost)
- Six month par call ahead of the first reset date (23 June 2028) and also ahead of each subsequent reset date (every five years post first reset date). This is the first time such a feature has been implemented in a euro-denominated AT1 issue. Par calls are accepted by investors in combination with five-yearly call periods post first reset date
- Integration of MREL/TLAC disqualification call which can be exercised at least five years from the issue date (to comply with regulation) to the extent the issue is disqualified from MREL/TLAC (but remains included in own funds)
- First ever AT1 issued by CASA under French law, yet with bail-in recognition condition, to maximise compliance with current and future regulation. No unilateral substitution of notes or variation of their terms without bondholder consent. No alignment event. ■

All European FI Hybrids (EUR & USD) 1/1/2020-30/9/2020

	Managing bank or group	No of issues	Total EUR m	Share (%)
1	Barclays	31	6,394	9.1
2	BNP Paribas	25	5,676	8.1
3	Crédit Agricole CIB	19	5,151	7.3
4	JP Morgan	33	4,713	6.7
5	Morgan Stanley	28	4,555	6.5
6	Deutsche Bank	17	4,460	6.4
7	Credit Suisse	16	4,208	6.0
8	HSBC	28	4,055	5.8
9	BofA Securities	24	3,385	4.8
10	Citi	23	3,381	4.8
11	UBS	19	3,200	4.6
12	Goldman Sachs	22	3,200	4.6
13	NatWest Markets	11	2,890	4.1
14	ING	6	1,268	1.8
15	UniCredit	7	1,238	1.8
	Total	122	70,189	

Includes EUR, USD, FI, Subordinated Debt. Excludes Corporates.
Source: Dealogic, Crédit Agricole CIB

2020 Benchmark AT1 supply

AT1 benchmarks in dollars, euros and sterling (1/1/20-14/10/20)

Launch date	Issuer ticker	Currency	Rating (M/S/F)	Size (m)	Coupon	Structure	Reoffer	IPT	Spread move through execution	NIP	Books	Cover
09-Jan	SANTAN	EUR	Ba1/-/-	1500	4.38%	PNC6	4.375% / 453	4.75%a	37.5	31	10000	6.7x
13-Jan	UBIIM	EUR	Ba3/BB-/-	400	5.88%	PNC5	5.875% / 607	6.5%a	62.5	-12.5	5500	13.8x
14-Jan	BAMIIM	EUR	B3/-/-	400	6.13%	PNC5	6.125% / 635	high 6%	62.5	-18.75	4500	11.3x
16-Jan	CS	USD	Ba2u/BB-/BB+	1000	5.10%	PNC10	5.1% / 329	5.75% a	65	-12.5	14000	14.0x
20-Jan	ERSTBK	EUR	Ba1u/BBB-/-	500	3.38%	PNC7.2	3.375% / 343	4% a	62.5	-6.25	5000	10.0x
11-Feb	DB	USD	B1/-/B+	1250	6.00%	PNC5.6	6% / 452	6.75% a	75	-25	14000	11.2x
12-Feb	UCGIM	EUR	Ba3/-/B+	1250	3.88%	PNC7.3	3.875% / 408	4.625% a	87.5	-18.75	7200	5.8x
18-Feb	BNP	USD	Ba1/BBB-/BBB	1750	4.50%	PNC10	4.5% / 294	5.125% a	62.5	0	10600	6.1x
19-Feb	HOFISS	EUR	NR	40	7.75%	PNC5	7.75% / 805	8/8.25%	32.5	-	140	3.5x
19-Feb	ARION	USD	-/BB/-	100	6.25%	PNC5	6.25% / 484	6.375% a	12.5	-	500	5.0x
20-Feb	ISPIM	EUR	Ba3/BB-/B+	750	3.75%	PNC5	3.75% / 410	4.25% a	50	0	3500	4.7x
20-Feb	ISPIM	EUR	Ba3/BB-/B+	750	4.13%	PNC10	4.125% / 427	4.625% a	50	0	2200	2.9x
20-Feb	DBSSP	USD	Baa1/-/BBB+	1000	3.30%	PNC5	3.3% / 192	3.65% a	35	0	5500	5.5x
24-Feb	INTNED	USD	Ba1/-/BBB	750	4.88%	PNC9.2	4.875% / 351	low 5% a	30	25	3000	4.0x
14-May	BKIR	EUR	Ba2/-/-	675	7.50%	PNC5.5	7.5% / 792	7.5%#	0	12.5	1400	2.1x
28-May	BNS	USD	Baa3/BBB-/-	1250	4.90%	PNC5	4.9% / 455	5.25% a	35	0	3000	2.4x
08-Jun	CMZB	EUR	Ba2/BB-/-	1250	6.13%	PNC5.3	6.125% / 636	7% a	100	-12.5	8500	6.8x
08-Jun	ABNANV	EUR	-/-/BBB-	1000	4.38%	PNC5.25	4.375% / 467	5.25%/5.5%	87.5	0	8000	8.0x
10-Jun	NWIDE	GBP	Ba1/BB+/BBB-	750	5.75%	PNC7	5.75% / 563	6.25% a	50	15	4400	5.9x
16-Jun	AIB	EUR	Ba2/B+/-	625	6.25%	PNC5.5	6.25% / 663	7% a	75	12.5	5000	8.0x
17-Jun	STANLN	USD	Ba1/BB-/BBB-	1000	6.00%	PNC5	6% / 566	6.5% a	50	25	4600	4.6x
24-Jun	NWG	USD	Ba2/B+/BBB-	1500	6.00%	PNC5	6% / 563	6.5% a	50	12.5	4100	2.7x
07-Jul	BBVASM	EUR	Ba2/-/BB	1000	6.00%	PNC5.5	6% / 646	6.5% a	50	6	1800	1.8x
07-Jul	RABOBK	EUR	Baa3/-/BBB	1000	4.38%	PNC7.5	4.375% / 468	4.75% a	37.5	15	2500	2.5x
08-Jul	BKTSM	EUR	-/BB/-	350	6.25%	PNC6	6.25% / 671	6.5%a	25	12.5	800	2.3x
22-Jul	UBS	USD	Ba1u/BB/BBB	750	5.13%	PNC6	5.125% / 486	5.75% a	62.5	0	5750	7.7x
22-Jul	RBIAV	EUR	Ba3u/BB+/-	500	6.00%	PNC6	6% / 645	6.5% a	50	0	1600	3.2x
04-Aug	CS	USD	Ba2u/BB-/BB+	1500	5.25%	PNC7	5.25% / 489	5.625% a	37.5	0	6000	4.0x
05-Aug	BACR	USD	Ba2/B+/BBB-	1500	6.13%	PNC5.3	6.125% / 587	6.625% a	25	0	6750	4.5x
25-Aug	ISPIM	EUR	Ba3/BB-/B+	750	5.50%	PNC7.5	5.5% / 585	6% a	50	6	2750	3.7x
25-Aug	ISPIM	EUR	Ba3/BB-/B+	750	5.88%	PNC11	5.875% / 609	6.5% a	62.5	6	3550	4.7x
26-Aug	BKIR	EUR	Ba2/B/-	300	6.00%	PNC5.5	6% / 643	6.5%a	50	6	1500	5.0x
01-Sep	BGAV	EUR	Ba1/-/-	175	5.13%	PNC5.5	5.125% / 555	5.125%#	0	12.5	-	-
08-Sep	CMZB	EUR	Ba2/BB-/-	500	6.50%	PNC9.5	6.5% / 674	7%a	50	0	2400	4.8x
29-Sep	BAERVX	USD	Baa3/-/-	350	4.88%	PNC6	4.875% / 462	5%a	12.5	50	1100	3.1x
29-Sep	SHBASS	USD	Baa3/BBB/A-	500	4.38%	PNC6.5	4.375% / 394	4.625%a	25	30	2900	5.8x
29-Sep	SHBASS	USD	Baa3/BBB/A-	500	4.75%	PNC10.5	4.75% / 405	5%a	25	30	2800	5.6x
01-Oct	CABKSM	EUR	-/BB/-	750	5.88%	PNC7.5	5.875% / 635	6.375%a	50	0	3760	5.0x
06-Oct	NYKRE	EUR	-/BB+/-	500	4.13%	PNC6	4.125% / 457	4.75%a	62.5	-12.5	1800	3.6x
07-Oct	ACAFP	EUR	-/BBB-/BBB	750	4.00%	PNC7.75	4% / 437	4.625%a	62.5	-6	2500	3.3x

Source: Crédit Agricole CIB Syndicate

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