



GLOBAL PROJECT BONDS MARKET OVERVIEW

Recently closed transactions

ENERGY

- **Sunnova Helios IV Issuer (A- Class A / BB- Class B by Kroll):** \$159MM in asset backed securities ("ABS") backing a portfolio of over 5,600 residential solar loans in the US. The transaction was issued in two tranches achieving an aggregated advance rate of 87.5%. (Sponsor: Sunnova)
- **Mosaic Solar Loan Trust 2020-1 (AA- Class A / A- Class B / BBB- Class C / BB- Class D by Kroll):** \$280MM ABS backing a portfolio of over 7,900 residential solar loans in the US, with a 753 average FICO score. The transaction was issued in four tranches achieving an aggregated advance rate of 88.7%. (Sponsor: Mosaic)
- **Mill City Solar Loan 2020-1 (A Class A / BBB Class B / BB Class C by Kroll):** \$162MM ABS backing a portfolio of approx. 8,400 residential solar loans in the US, with a 750 average FICO score originated and serviced by Loanpal, LLC. The transaction was issued in three tranches achieving an aggregated advance rate of 87.1%. (Sponsor: Goldman Sachs Asset Backed Securities Corp.)
- **Loanpal Solar Loan 2020-1(A Class A / BBB Class B / BB Class C by Kroll):** \$211MM ABS backing a portfolio of over 6,200 residential solar loans in the US, with a 750 average FICO score originated and serviced by Loanpal, LLC. The transaction was issued in three tranches achieving an aggregated advance rate of 84.0%. (Sponsor: Goldman Sachs Asset Backed Securities Corp.)
- **River Bend Fuel (NAIC-2):** \$70MM in 7-year senior secured notes backing a nuclear fuel trust lessor with Entergy Louisiana as lessee. The bullet notes priced at a 2.510% coupon with a 195bps spread on top of treasuries. (Sponsor: Entergy Louisiana)
- **FSL Issuer S.A.U. (- / AA / -):** €305MM in 21-year senior secured privately placed notes to refinance 8 photovoltaic solar plants spread across Spain with a nominal capacity of 65 MW. The fully-amortizing fixed-rate bond is guaranteed by Assured Guaranty (Europe) SA, which allowed it to obtain an AA rating by S&P while the underlying project is rated BBB. (Sponsor: Qualitas Venture Capital)
- **Ellevio (- / BBB / -):** SEK1,650MM in 7-year senior secured green bond to fund the installation of smart electricity meters in nearly one million households and companies in Sweden until 2023. The bullet notes, were split between SEK1000MM of fixed-rate notes priced at STIBOR+1.728% and SEK650MM of floating-rate notes priced at STIBOR+1.430%. It is the company's first issuance under its green bond framework. The bond obtained a "Dark Green" rating by CICERO, its highest rating. (Sponsors: OMERS, AP3, AP1 and Folksam).
- **Obton:** €8MM in 15-year mezzanine-type HoldCo junior secured amortizing notes to refinance a 30.4MW portfolio of 18 PV plants spread across France, which consists mostly of carport systems for parking lots on industrial sites, train stations or airports. (Sponsor: Obton)
- **Malpartida Solar:** €30MM in privately placed notes backing the 11.8MW Malpartida solar PV project in Extremadura, Spain. (Sponsor: Grupo Cyopsa)

INFRASTRUCTURE

- **Brisbane Airport (Baa2 / BBB / -):** AUD850MM (\$587MM eq.) in dual-tranche senior secured notes backing Brisbane Airport. The AUD250MM 6-year tranche priced at a 3.100% coupon while the AUD600MM 10.5-year notes priced at a 4.500% coupon. (Sponsors: QIC Infrastructure Management, IFM Investors, Royal Schiphol Group and Colonial First State Airport Fund).
- **Trident:** £75MM in secured fixed-rate privately-placed notes maturing in 2051 and 2053 to refinance existing long-term debt, allowing Trident to plan further growth and develop more social housing stock. Trident is a housing association that owns and manages around 4,000 homes in the Midlands, UK. The private placement is secured against a pool of housing assets owned by Trident. (Sponsor: Trident)
- **S-Bahn Hannover rolling stock PPP:** €300MM in 27-year senior secured notes to finance the construction of 64 new trains operating on the 385km S-Bahn Hannover rail network in Germany. (Sponsor: Transdev). **Crédit Agricole CIB acted as Sole Arranger and Sole Agent.**

EMEA TRANSACTION SPOTLIGHT:

S-Bahn Hannover rolling stock PPP

- **The issuer:** Transdev, which is owned by Caisse des Dépôts and Rethmann Group, has been awarded the 385km S-Bahn Hannover rolling-stock PPP in January 2018. The French company will operate the contract through its German subsidiary NordWestBahn from 2022 to up to June 2034.
- **The transaction:**
 - ✓ €300MM in 27-year senior secured notes to finance the construction of 64 new trains operating from June 2022 on the regional S-Bahn Hannover rail network in Germany.
 - ✓ Funds will be provided as a Schuldschein during construction phase and for the long-term operation phase through issuing a bond (NSV) by the leasing SPV incorporated and owned by DAL (subsidiary of Deutsche Leasing AG).
- **Crédit Agricole CIB acted as Sole Arranger and Sole Agent**

AMERICAS TRANSACTION SPOTLIGHT:

Sunnova Helios IV Issuer

- **The issuer:** Sunnova Helios IV Issuer, LLC is a SPV ultimately owned by Sunnova, a leading solar developer which is listed on the NYSE under the ticker symbol NOVA.
- ✓ The collateral is a US portfolio of over 5,600 residential solar loans with a weighted average FICO score of 735.
- ✓ Sunnova is both the originator and servicer of the loans.
- **The transaction:**
 - ✓ \$159MM ABS in two tranches with \$136MM in 2.980% senior notes with a 5.1-year WAL and \$23MM in 7.250% subordinated notes with a 4.9-year WAL. The senior tranche priced at 262bps over interpolated swap rate.
 - ✓ The resulting aggregated advance rate was 87.50%.
 - ✓ Kroll rated the senior notes A- and the subordinated notes BB-.
 - ✓ With this transaction, which is its fifth residential solar securitization in the 144A market and its second backed by solar loans, Sunnova becomes the third largest issuer in the public solar ABS market.

Sources: *Crédit Agricole CIB, Bloomberg, PFI, IJGlobal.*



GLOBAL PROJECT BONDS MARKET OVERVIEW (cont'd)

Primary Issuances

ENERGY										
Issuer	Geography	Currency*	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Sunnova Helios IV Issuer	NAm	USD	159	Jun-20	35	9 / 6	2.980% / 7.250%	262 bps / --	A- / BB- (Kroll)	
Mosaic Solar Loan Trust 2020-1	NAm	USD	280	Jun-20	26	5 / 5 / 2 / 2	2.100% / 3.100% / 4.470% / 6.910%	175 bps / 275 bps / 425 bps / 675 bps	AA- / A- / BBB- / BB- (Kroll)	
Mill City Solar Loan 2020-1	NAm	USD	162	Jun-20	27	6 / 7 / 6	3.590% / 4.250% / 2.000%	--	A / BBB / BB (Kroll)	
Loanpal Solar Loan 2020-1	NAm	USD	211	Jun-20	27	6 / 6 / 4	3.780% / 5.350% / 2.000%	--	A / BBB / BB (Kroll)	
River Bend Fuel	NAm	USD	70	Jun-20	7	Bullet	2.510%	195 bps	NAIC-2	
FSL Issuer S.A.U.	EMEA	EUR	305	Jun-20	21	--	--	--	-- / AA / --	
Ellevio	EMEA	SEK	1,650	Jun-20	7	Bullet	1.728% / floating	--	-- / BBB / --	
Obton	EMEA	EUR	8	Jun-20	15	--	--	--	--	
Malpartida Solar	EMEA	EUR	30	Jun-20	--	--	--	--	--	
Whistler Pipeline	NAm	USD	800	May-20	10 / 11	8 / 11	5.160% / 7.000%	465 bps / 633 bps	Baa3 / -- / --	
Risen Yarranlea Solar PV Project	APac	AUD	90	May-20	20	--	--	--	IG	
Guaimbe and Ouroeste Solar	LatAm	BRL	820	May-20	10	--	--	--	--	
SabinePass Liquefaction	NAm	USD	2,000	May-20	10	10	4.500%	388 bps	Baa3 / BBB- / BBB-	
Catalyst Old River Hydroelectric LP	NAm	USD	560	Apr-20	9	6	4.000%	--	BBB- (DBRS)	
Folha Larga 1 Wind Farm	LatAm	BRL	140	Apr-20	1	--	0.520%	--	--	
Albion Community Power	EMEA	GBP	57	Apr-20	--	--	--	--	--	
Adani Transmission Ltd	APac	USD	90	Mar-20	30	16	5.200%	427 bps	-- / BBB- / --	
Pinecone Power, LLC	NAm	USD	55	Mar-20	7	--	7.180%	--	--	
Hancock HoldCo US Renewable Portfolio	NAm	USD	130	Mar-20	--	5	3.000%	--	BBB- (Kroll)	
Alton Road Solar PV Plant	NAm	USD	32	Mar-20	--	--	--	--	--	
Dracena Solar PV Plants	LatAm	BRL	350	Mar-20	17	--	--	--	--	
University of Iowa Utility System P3	NAm	USD	615	Mar-20	--	--	--	--	--	
INFRASTRUCTURE										
Issuer	Geography	Currency *	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Brisbane Airport	APAC	AUD	850	Jun-20	6 / 11	Bullets	3.10% / 4.50%	--	Baa2 / BBB / --	
Meridian Water Heat Network	EMEA	GBP	15	Jun-20	--	--	--	--	--	
Trident	EMEA	GBP	75	Jun-20	31 / 33	--	--	--	--	
S-Bahn Hannover rolling stock PPP	EMEA	EUR	300	Jun-20	27	--	--	--	--	
Currenta	EMEA	EUR	75	May-20	--	--	--	--	--	
VTG	EMEA	EUR	342	May-20	6	Bullet	--	--	-- / BBB / --	
Your Housing Group	EMEA	GBP	120	May-20	34	--	2.500%	--	--	
ELL Luxembourg 2 S.à.r.l	EMEA	EUR	--	May-20	--	--	--	--	--	
ODEG	EMEA	EUR	75	May-20	--	--	--	--	--	
3i BIIF PFI Tidal Portfolio	EMEA	GBP	248	May-20	16 / 18	--	--	--	--	
3i EOPF PPP Bravo Portfolio	EMEA	EUR	24	May-20	15	--	--	--	--	
Violin FTTH	EMEA	EUR	717	Apr-20	7	--	--	--	--	
Transurban Toll Roads	EMEA	EUR	600	Apr-20	10	--	--	MS + 310 bps	Baa1 / BBB+ / A-	
Nova Scotia Highway 104 Expansion PPP	NAm	CAD	189	Mar-20	16 / 23	--	2.800% / --	--	A3 / -- / --	
A3 Nordbayern GmbH & Co. KG	EMEA	EUR	400	Apr-20	--	--	--	--	--	
Ruta del Algarrobo	LatAm	UF	9.3	Mar-20	25	--	3.000%	--	A+ (local)	
Alpha Trains	EMEA	EUR	130	Mar-20	7	Bullet	--	--	-- / -- / BBB	
Aéroports de Paris	EMEA	EUR	2,500	Mar-20	6.5 / 10	--	2.125% / 2.75%	240 bps / 290 bps	-- / A- / --	



FY 2019 Global Project Bond League Tables (Source: PFI)

#	Lead Manager	(\$MM)	# deals
1	JP Morgan	6,675	27
2	MUFG	4,855	26
3	Citi	4,582	32
4	SMBC	3,974	22
5	Morgan Stanley	3,495	8
6	Mizuho	3,465	17
7	Crédit Agricole	3,406	26
8	RBC	2,649	12
9	Santander	2,132	24
10	Goldman Sachs	1,996	15

FY 2019 Global Project Bond League Tables (Source: IJGlobal)

#	Lead Manager	(\$MM)	# deals
1	SMBC	4,622	27
2	JP Morgan	4,374	18
3	Citi	3,755	22
4	MUFG	3,729	23
5	Mizuho	3,403	17
6	Crédit Agricole	2,707	20
7	Societe Generale	1,917	8
8	RBC	1,860	11
9	Santander	1,820	24
10	Barclays	1,795	10

* Currency of issuance.

Sources: Crédit Agricole CIB, Bloomberg, PFI, IJGlobal.



GLOBAL BOND MARKET OVERVIEW

Market update June 2020

EUR Bond Corporate Market

- After two record months in a row in terms of volume issued, June was also a very active month with €53.1BN priced, setting the total volume of 2020 at €289.1BN, i.e. 51% above 2019 YTD.
- After previous weeks' deluge of new deals, sentiment in Europe's high grade corporate bond market has been rocked by the fear of a second wave of COVID-19. The boosts from supportive central bank policy changes seem to have already dissipated. The drop in sentiment has seen some recent trades underperform in secondary, including Exxon Mobil's first foray into euros and EnBW's green hybrid transaction.
- However the natural slowdown of primary issuance in the summer months will be helpful in patching up sentiment. Markets have indeed rallied tremendously and are within touching distance of pre-COVID levels.

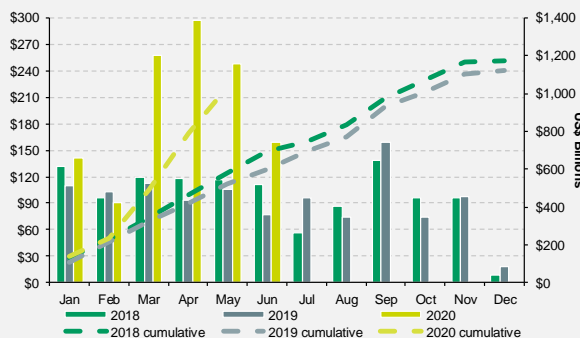
Key Recent Transactions

- ✓ **Iliad (NR/NR)** launched a €500MM (exp.) 6-year transaction at IPTs of MS+320bps area. On the back of a €1.85BN orderbook, guidance was released at MS+290bps area while size was set at €650MM. Final terms unveiled a spread of MS+285bps area which is equivalent to a NIP of c.5bps. **Crédit Agricole CIB acted as Active Bookrunner.**
- ✓ **Deutsche Bahn (Aa1/AA-)** launched a dual-tranche transaction consisting of a 9-year and a 19-year tranche. IPTs were released at MS+80-85bps and MS+110-115bps, respectively. The final terms were eventually set at MS+55bps and MS+85bps with final sizes of €850MM and €650MM, respectively. The combined orderbook reached €4.75BN. **Crédit Agricole CIB acted as Joint Bookrunner.**
- ✓ **Aéroports de Paris (NR/A)**: On June 25th, despite a still volatile market on the back of fears of second waves, ADP was able to price a very successful deal for a total of 1.5BN€, at a long 8-year and 12-year maturity. **AdP** pulled the trigger and hit the primary market on an equally weighted €1.5BN 8.5-year and 12-year dual-tranche. ADP opened books at MS+170bps area and MS+195bps area respective IPTs. As the combined orderbook increased further post-guidance, ADP released the final spreads and the final sizes: MS+150bps for the first €750MM leg and MS+175bps for the second €750MM leg, which are equivalent to a NIP of c.35bps. **Crédit Agricole CIB acted as a Joint Bookrunner.**

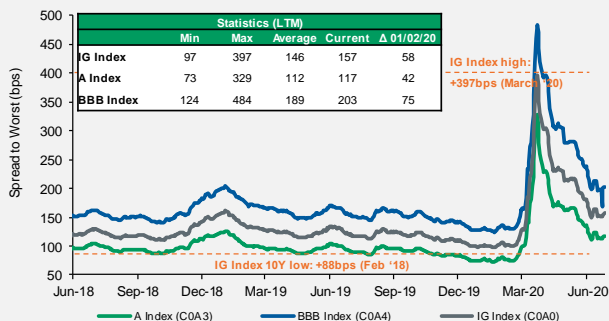
US Investment Grade Public Corporate Bond Market

- With \$197BN issued, the month of June outperformed the past two years. Yet, after three months of historic high, the volume of US investment grade issuance started to slowdown, as rising coronavirus cases and downwardly revised economic forecasts from the IMF have contributed to a weakening in market tone. YTD volume now reaches \$1.2TN, 99% ahead of last year's pace.
- While we have seen a dampening in demand compared to the insatiable appetite observed over the past few months, orderbooks still managed to land ~3.5x covered on average, and Lipper fund flows continues to provide technical support.
- Smaller books led to less ability to move pricing, and signs of investor push-back have appeared in some places. Issuers such as Total Capital International (Aa3/A+) experienced some difficulty achieving their desired size ~\$2.0BN and saw elevated NICs at 10-15bps on their new 21/40-year notes. However, Total still managed to successfully price \$1.6BN on a day when sentiment took a turn for the worse, and went on to perform in secondary trading (2-4bps tighter at Friday's close). **Crédit Agricole CIB acted as Active Joint Bookrunner.**
- Sentiment worsened on the Fed's decision to cap shareholder payouts and stock re-purchase programs in the third quarter, as well as on results from the Central Bank's annual stress test came back showing weakening capital levels in the nation's systemically important banks due to the pandemic.
- Despite volatility, the market remains actionable with better execution on a name-by-name basis.

US\$ Investment Grade Issuance Trends (\$ billions)



Investment-Grade Index (Spread)



USPP Market Highlight

- In June, \$5.7BN was issued in USPP, less than in the month of May (\$6.0BN) but greater than in the previous June (\$4.6BN). The YTD volume reached \$29.0BN, a 4% lag vs. last year.
- There were 38 issues by 19 issuers this month vs 44 issues by 22 issuers last month, and 27 issues by 18 issuers last year.
- Despite an increase in cross-border transactions, domestic transactions continued to outpace cross-border transactions in May at \$4.2BN vs \$1.8BN respectively. Domestic USPP are keeping their lead on a YTD basis with 67% of the 2020 issuances.
- Energy and Infrastructure (including transportation) issuances account for 59% of the total YTD issuance, with Energy accounting for 36% of the YTD issuances and Infrastructure 23%.



EMEA BOND MARKET OVERVIEW

EMEA market – Public secondary levels

Sources: Crédit Agricole CIB, Bloomberg.

ENERGY											29/06/2020	29/06/2020	vs. End of Feb	vs. End of March / Issuance
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM	I Spread	I Spread			
04/09/2018	2i Rete Gas	Italy	Baa2	BBB	2025	500	2,195%	95	0,59	23	-77			
31/03/2020	E.ON	Germany	Baa2	BBB	2025	750	1,000%	64	0,29	NA	-66			
09/01/2020	E.ON	Germany	Baa2	BBB	2030	500	0,750%	89	0,71	50	-66			
09/01/2020	E.ON	Germany	Baa2	BBB	2023	750	0,000%	66	0,27	35	-54			
31/10/2019	E.ON	Germany	Baa2	BBB	2031	500	0,625%	94	0,81	24	-68			
02/12/2019	EDF	France	A3	A-	2049	1 250	2,000%	207	2,07	47	-33			
07/04/2020	EDP	Portugal	Baa3	BBB-	2027	750	1,625%	98	0,67	NA	-82			
13/01/2020	EDP	Portugal	Baa3	BBB-	2080	750	1,700%	347	3,12	116	-89			
30/01/2020	Elenia Finance	Finland	NR	BBB+	2027	500	0,375%	77	0,46	20	-50			
10/10/2019	Enel	Italy	Baa2	BBB+	2027	1 000	0,375%	85	0,56	19	-74			
20/03/2020	Engie	France	A3	A-	2028	750	1,750%	90	0,63	NA	-90			
20/03/2020	Engie	France	A3	A-	2032	750	2,125%	80	0,49	NA	-130			
16/01/2020	Eni	Italy	Baa1	A-	2030	1 000	0,625%	110	0,90	38	-81			
07/10/2019	Eni	Italy	Baa1	A-	2034	750	1,000%	111	1,07	25	-88			
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2026	500	1,661%	206	1,75	76	-39			
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2023	600	0,815%	138	1,00	82	-20			
27/11/2019	Gas Network Ireland	Ireland	A3	A	2024	300	0,125%	76	0,39	44	-32			
01/04/2020	Iberdrola	Spain	Baa1	BBB+	2025	750	0,875%	64	0,27	NA	-51			
02/12/2019	Italgas	Italy	Baa2	BBB+	2031	500	1,000%	98	0,85	16	-78			
05/04/2017	Madriena Red de Gas Finance	Spain	NR	BBB	2029	300	2,250%	173	1,49	48	-43			
05/04/2017	Madriena Red de Gas Finance	Spain	NR	BBB	2025	300	1,375%	105	0,68	34	-37			
13/01/2020	National Grid	UK	A3	A-	2025	500	0,190%	53	0,16	21	-71			
28/08/2019	National Grid	UK	Baa3	BBB	2082	750	2,125%	269	2,40	71	-108			
28/08/2019	National Grid	UK	Baa3	BBB	2079	500	1,625%	246	2,08	72	-206			
06/04/2020	Naturgy	Spain	BBB (Fitch)	BBB+	2026	1 000	1,250%	84	0,49	NA	-71			
09/01/2020	Red Electrica	Spain	A-(Fitch)	A-	2028	700	0,375%	55	0,29	20	-46			
20/09/2018	RTE	France	NR	A	2038	500	2,125%	78	0,80	23	-51			
20/09/2018	RTE	France	NR	A	2030	500	1,500%	56	0,38	10	-52			
05/09/2019	Snam	Italy	Baa2	BBB+	2034	600	1,000%	99	0,95	22	-44			
26/03/2020	Suez	France	Baa1	NR	2027	850	1,250%	80	0,49	Na	-55			
07/04/2020	Veolia Environnement	France	Baa1	BBB	2028	700	1,250%	84	0,56	NA	-46			
08/01/2020	Veolia Environnement	France	Baa1	BBB	2031	500	0,664%	93	0,77	33	-38			
29/08/2019	Vier Gas Transport	Germany	NR	A-	2034	500	0,500%	91	0,87	30	-39			
17/09/2018	Vier Gas Transport	Germany	NR	A-	2028	500	1,500%	55	0,29	16	-50			

INFRASTRUCTURE											29/06/2020	29/06/2020	vs. End of Feb	vs. End of March / Issuance
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM	I Spread	I Spread			
30/01/2020	Abertis	Spain	BBB(Fitch)	BBB-	2028	600	1,250%	262	2,34	92	-64			
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2029	600	1,625%	269	2,47	80	-88			
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2025	700	0,625%	218	1,82	90	-84			
01/04/2020	APRR	France	A-(Fitch)	A-	2027	500	1,250%	79	0,48	NA	-71			
10/01/2020	APRR	France	A-(Fitch)	A-	2023	500	0,000%	64	0,25	47	-39			
10/01/2019	APRR	France	A-(Fitch)	A-	2028	500	1,250%	81	0,60	38	-53			
14/11/2018	APRR	France	A-(Fitch)	A-	2030	500	1,500%	81	0,60	38	-53			
15/02/2019	ASF	France	A3	A-	2031	1 000	1,375%	68	0,51	13	-73			
21/06/2018	ASF	France	A3	A-	2028	700	1,375%	60	0,33	25	-64			
07/04/2020	Bouygues	France	A3	A-	2028	1 000	1,125%	90	0,63	NA	-35			
03/05/2017	Brisa	Portugal	Baa3	A-(Fitch)	2027	300	2,375%	189	1,59	86	-28			
24/04/2020	HIT	France	BBB (Fitch)	BBB-	2027	600	2,500%	235	2,04	NA	-45			
28/08/2019	Hochtief	Germany	NR	BBB	2031	250	1,250%	161	1,47	40	-76			
28/08/2019	Hochtief	Germany	NR	BBB	2027	500	0,500%	96	0,67	16	-91			
10/06/2020	Iliad	France	NR	NR	2026	650	2,375%	267	2,34	NA	-18			
09/10/2014	Infra Park (Indigo)	France	NR	BBB	2025	650	2,125%	187	1,51	139	-1			
12/07/2017	Infra Park (Indigo)	France	NR	BBB	2037	125	2,951%	307	3,08	185	41			
19/06/2019	Indigo (tap)	France	NR	BBB	2028	100	1,625%	251	2,25	175	41			
31/03/2020	Orange	France	Baa1	BBB+	2027	750	1,250%	79	0,49	NA	-61			
31/03/2020	Orange	France	Baa1	BBB+	2032	750	1,625%	98	0,86	NA	-67			
07/02/2020	SBB	Sweden	BBB- (Fitch)	BBB-	2027	750	1,000%	250	2,21	125	-15			
30/03/2016	TDF	France	NR	BBB-	2026	800	2,500%	245	2,11	87	-37			
13/05/2020	Telefonica	Spain	Baa3	BBB	2032	750	1,807%	144	1,31	NA	-46			
13/05/2020	Telefonica	Spain	Baa3	BBB	2027	1 250	1,201%	103	0,73	NA	-42			
20/02/2020	Teréga SAS	France	Baa3	NR	2028	400	0,625%	177	1,50	83	-3			
11/01/2019	Vinci	France	A3	A-	2029	950	1,650%	71	0,46	22	-74			
18/09/2018	Vinci	France	A3	A-	2030	1 000	1,750%	67	0,49	18	-76			

RAIL & AERO											29/06/2020	29/06/2020	vs. End of Feb	vs. End of March / Issuance
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM	I Spread	I Spread			
18/03/2015	Alpha Trains	Luxembourg	BBB (Fitch)	NR	2025	350	2,064%	145	1,10	29	18			
01/06/2017	Aeroporti Di Roma	Italy	Baa3	BB+	2027	500	1,625%	272	2,42	126	-17			
26/03/2020	Aeroports de Paris	France	NR	A	2026	1 000	2,125%	118	0,86	NA	-115			
26/03/2020	Aeroports de Paris	France	NR	A	2030	1 500	2,750%	145	1,25	NA	-124			
11/06/2019	Aeroports de Paris	France	NR	A	2034	800	1,125%	144	1,40	97	-71			
04/10/2018	Aeroports de Paris	France	NR	A	2038	500	2,125%	168	1,70	107	-58			
26/04/2017	Brussels Airport	Belgium	Baa1	BBB+ (Fitch)	2024	300	1,000%	172	1,34	117	6			
01/04/2020	Deutsche Bahn	Germany	AA (Fitch)	NR	2029	750	1,375%	98	1,02	NA	-17			
05/03/2019	Heathrow Funding	UK	A-(Fitch)	BBB+	2034	650	1,875%	183	1,77	45	-128			
28/06/2017	Heathrow Funding	UK	A-(Fitch)	BBB+	2032	500	1,875%	181	1,71	64	-115			
01/04/2020	Royal Schiphol	Netherlands	A1	A+	2029	750	2,000%	96	0,72	NA	-114			



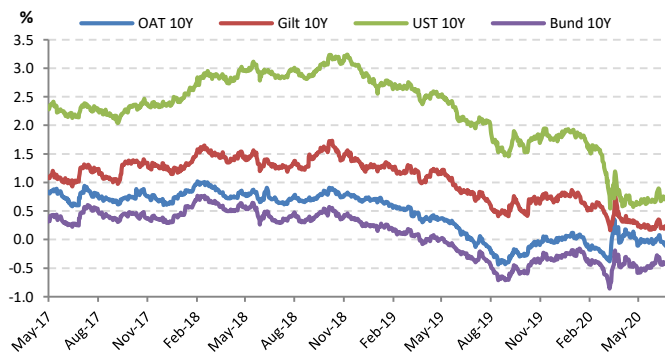
MACROECONOMIC ENVIRONMENT

- On June 4, the ECB took a strong decision to significantly expand the PEPP : increasing the envelope by €600BN, extending its duration until June 2021 and reinvesting the redemptions until 2022. Macroeconomic projections show that the ECB is not optimistic on the long-term inflation outlook and confirm that the ECB will remain accommodative for a very prolonged period of time. In the US, as widely expected at its 10th June meeting, the Fed reiterated its strong support for the economy by signaling asset purchases "at least" at the current pace (around \$120BN monthly – \$80BN Treasuries and \$40BN MBS per month) and reinforcing its commitment to keep rates near zero until 2023. That commitment is consistent with new economic projections reflecting a slow and incomplete recovery. While the Fed expects a relatively dynamic recovery in the second part of 2020, the projections beyond that point remain very conservative with the unemployment rate still well above pre-crisis levels.
- Despite the boosts from supportive central bank policy changes, the global rising concerns over a resurgence in COVID-19 cases and geopolitical issues fueled fears and risk-aversion both in the US and Europe. Infection toll is now surpassing 10MM and new cases continue to rise in the US although the Trump administration signaled a fierce opposition to additional lockdowns, with many Republican governors following suit. Unlike earlier in the COVID-19 outbreak, there is no monetary and fiscal stimulus to offset the negative trend in health statistics as there are unlikely to be any major easing measures in the short term. In this context, the equity market contracted last week: the Dow Jones closed at -3% WoW on Friday while the Eurostoxx 50 lost 2% WoW. On the credit market iTraxx Main and Xover respectively increased by 6 and 24bps.
- Also in the background at the moment, geopolitical tensions remain strong. The US is considering new tariffs on \$3.1BN of exports from Germany, France, Spain and the UK while Merkel suggested that the UK 'might not be interested' in reaching a Brexit agreement.
- On the positive side, the data at least is coming in better than expected. A strong print in US non-farm payrolls on Friday (expected around 3MM) may provide a short-term boost. However, in this fast-moving Covid-19 world, even that data could be considered dated should lockdown measures intensify.

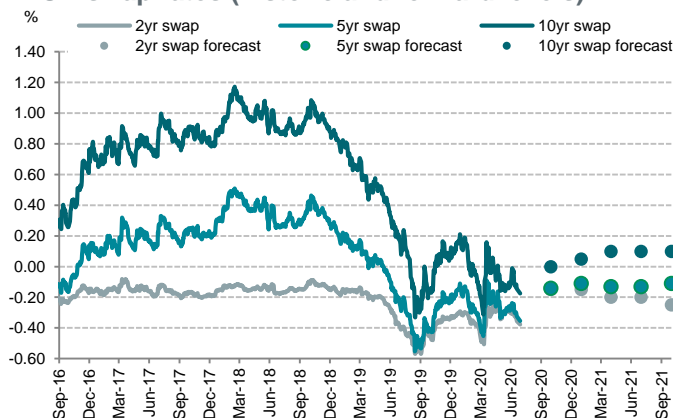
Swap rates (as of June 29th 2020)

	EUR	MtM Var (%)	USD	MtM Var (%)	GBP	MtM Var (%)
3Y	-0,39%	23,0%	0,24%	-9,8%	0,20%	-21,1%
5Y	-0,35%	22,5%	0,34%	-8,3%	0,24%	-19,2%
7Y	-0,29%	25,9%	0,47%	-6,0%	0,29%	-16,2%
10Y	-0,18%	37,5%	0,63%	-4,9%	0,36%	-11,2%
12Y	-0,10%	73,4%	0,71%	-5,6%	0,39%	-8,5%
15Y	-0,01%	-160,8%	0,78%	-6,3%	0,42%	-5,9%
20Y	0,05%	-44,8%	0,86%	-7,0%	0,44%	-3,3%

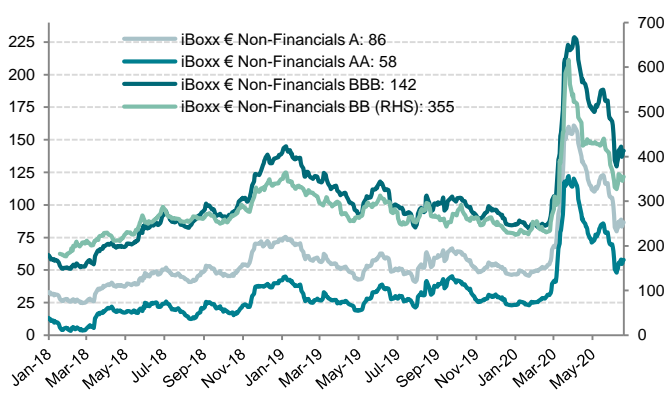
Government yields (10Y)



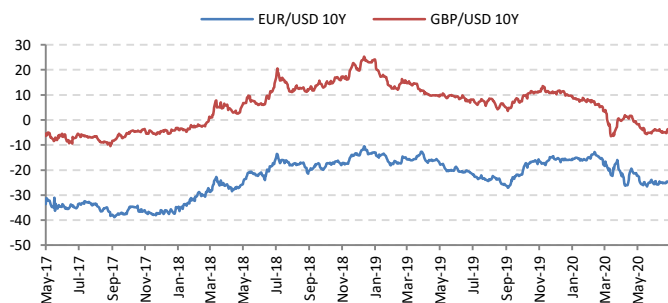
EUR swap rates (historic and forward levels)



Credit spread evolutions (EUR)



10Y basis swap evolution



Main upcoming events

	Events / Data	Expected impact
1-July	Deadline for the UK-EU to extend the transition period	The UK is unlikely to request an extension of the transition period (that ends in Dec 2020), opening the way for a hard Brexit at the end of the year. Negative impact for the GBP.
16-July	ECB monetary meeting	No change, as dovish as possible, new targeted programs if needed.
29-July	Fed monetary meeting	

iBoxx™ bond indices offer broad benchmarking and liquid tradable index solutions that track bond markets globally. Fuelled by multi-source pricing, iBoxx provides transparency to bond market performance.

Sources: Bloomberg, Crédit Agricole CIB.



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