



GLOBAL PROJECT BONDS MARKET OVERVIEW

Recently closed transactions

ENERGY

- **Utah Solar Holdings (BBB- by Kroll):** \$296MM in 16-year senior secured notes to refinance a 530MW portfolio of seven solar projects in Utah with PacifiCorp as offtaker. The notes, which have a 10-year weighted average life, priced at a spread of 295bps on top of US treasuries resulting in a 3.590% coupon. (Sponsor: Clearway Energy)
- **TerraForm Phoenix I, LLC:** \$296MM in 23-year senior secured notes to refinance a 250MW solar portfolio across 172 sites comprised of Commercial & Industrial (C&I) facilities located in California and recently acquired assets. The notes, which have a 10-year weighted average life, priced at a spread of 275bps on top of US treasuries resulting in a 3.750% coupon. (Sponsor: Brookfield Renewable Partners)
- **Los Olivos and Manque Wind Farms:** \$50MM eq. in senior secured green bond to refinance a 80MW Argentinean wind portfolio comprised of the Los Olivos and Manque operating wind farms. The transaction consists in a \$35MM 3-year dollar-indexed tranche and a \$15MM dollar equivalent 1-year tranche denominated in Argentinian pesos despite the fact that the assets benefits from long term PPA of 10 and 20 years. The deals is listed on the local BYMA stock exchange and the Mercado Abierto Electronico (MAE) in Buenos Aires. (Sponsor: Central Puerto)
- **Enery:** €95MM in a 11-year privately placed senior secured notes to fund the newly closed acquisition of a 60MW solar park in Bulgaria from ACWA Power International. The notes priced at a 2.750% coupon.
- **Ecoener Emisiones:** €130MM in 20-year green senior secured notes to refinance an hydraulic plant and a wind projects in the Canary Islands and Galicia in Spain. The transaction priced at a 2.350% coupon. Ecoener, of Galician origin, is present in the wind, photovoltaic and hydroelectric energy segments. The company has a generation capacity of 142MW. The debt issued will be traded on Deutsche Borse's Open Market platform in Frankfurt. (Sponsor: Ecoener)
- **MKM Invest Group's PV portfolio:** €106MM in a mezzanine private placement to refinance a 579 MW portfolio of solar projects in Germany, France and Spain. MKM issued five individual bonds in private placement cross-collateralized by 94 PV parks, most of which are operational, with the remainder being under construction. The transaction is considered one of the largest mezzanine financings in Europe to date. (Sponsor: MKM Invest Group)

INFRASTRUCTURE

- **Calisen:** £290MM in a 15-year amortizing senior secured private placement to finance the installation of smart meters across UK. The tranche was provided by a group of seven UK and international institutional investors. (Sponsor: KKR)
- **Vantage Data Center:** £73MM in a private placement loan provided by institutional investor to support Vantage Data Centers' acquisition of Next Generation Data from French infrastructure investor InfraVia Capital Partners. (Sponsor: InfraVia Capital Partners)

EMEA TRANSACTION SPOTLIGHT:

Calisen

- **The issuer:** Calisen, in which KKR owns a more than 70% stake, is one of the main smart meter providers in the UK and leases the devices to energy companies over contracts of around 10 to 15 years.
 - ✓ The financing obtained will be aimed at the implementation of smart meters across UK
- **The transaction:**
 - ✓ £290MM in a 15-year amortizing senior secured private placement
 - ✓ This is the first transaction in smart metering, which showed an appetite of institutional investors as seven of them participated in the transaction. The company previously mostly borrowed money against single contracts with major energy suppliers but has more recently been borrowing against pools of contracts as it has increasingly been winning business.
 - ✓ **Crédit Agricole CIB acted as Mandated Lead Arranger on the bank financing**

AMERICAS TRANSACTION SPOTLIGHT:

TerraForm Phoenix I, LLC

- **The issuer:** TerraForm Phoenix I, LLC is owned by Brookfield Renewable Partners which is one of the largest distribution generation (DG) portfolios in the US.
 - ✓ The 250MW solar portfolio is comprised of assets across 172 sites including C&I solar facilities located in California and recently acquired assets.
- **The transaction:**
 - ✓ \$296MM in 23-year privately placed senior secured notes with a 10-year weighted average life .
 - ✓ The notes priced at a spread of 275bps on top of treasuries resulting in a 3.750% coupon.
 - ✓ The transaction received nearly \$1BN in orders demonstrating investors appetite for DG solar assets.
 - ✓ This landmark transaction follows the first solar Project Bond backed by a portfolio of C&I assets issued in February.

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)	
Utah Solar Holdings	NAm	USD	296	Sep-20	16	10	3.950%	295 bps	BBB- (Kroll)	
TerraForm Phoenix I LLC	NAm	USD	296	Sep-20	23	10	3.750%	275 bps	NAIC-2 (BBB-)	
Los Olivos and Manque Wind Farms	LatAm	USD / ARS	50	Sep-20	1 / 3	--	--	--	--	
Enery	EMEA	EUR	95	Sep-20	11	--	2.750%	--	-- / -- / --	
MKM Invest Group's PV portfolio	EMEA	EUR	106	Sep-20	--	--	--	--	-- / -- / --	
Ecoener Emisiones	EMEA	EUR	130	Sep-20	20	--	2.350%	--	-- / -- / --	
Cheniere Corpus Christi Holding LLC	NAm	USD	769	Aug-20	19	14	3.500%	270 bps	Baa3 / BBB- / BBB-	
Leviathan Bond Ltd	EMEA	USD	2,250	Aug-20	3 / 5 / 7 / 10	Bullets	5.750% / 6.125% / 6.500% / 6.750%	-- / -- / 613 bps / 623 bps	Ba3 / -- / BB	
Atlantica CSP Helienergy I & II	EMEA	EUR	326	Aug-20	17	10	1.900%	--	-- / AA / --	
Mankato Energy Center	NAm	USD	407	Jul-20	19	8	2.900%	235 bps	NAIC-2	
LPSLT 2020-2GF	NAm	USD	252	Jul-20	27	6 / 6 / 7	2.750% / 3.860% / 3.500%	240 bps / 350 bps / 640 bps	A / BBB / BB (Kroll)	
Tengizchevroil	EMEA	USD	1,300	Jul-20	5 / 10	Bullets	2.750% / 3.375%	--	Baa2 / BBB / --	
Roths CoRDe and Becton Energy Biomass	EMEA	GBP	--	Jul-20	--	--	--	--	--	
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	--	--	--	--	

INFRASTRUCTURE										
Issuer	Geography	Currency*	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Vantage	EMEA	GBP	73	Sep-20	--	--	--	--	-- / -- / --	
Viridor	EMEA	GBP	350	Sep-20	10 - 12	--	--	--	-- / -- / --	
Calisen	EMEA	GBP	290	Sep-20	15	--	--	--	-- / -- / --	
Águas Cuiabá and Paranaguá Saneamento	LatAm	BRL	880	Aug-20	10	--	--	IPCA + 6.100%	--	
Astérix	EMEA	EUR	400	Aug-20	20	--	--	--	-- / -- / --	
Schleswig-Holstein Rolling Stock PPP	EMEA	EUR	160	Aug-20	26	--	--	--	-- / -- / --	
A49 Hessen	EMEA	EUR	208	Aug-20	30	--	--	--	-- / -- / --	
Kingston Student Living LLP	EMEA	GBP	90	Jul-20	35	--	--	--	-- / AA / --	
DP World Antwerp	EMEA	EUR	164	Jul-20	20	-	1.750%	--	-- / -- / --	
Azzura Aeroporti	EMEA	EUR	660	Jul-20	4 / 7	-	2.125% / 2.625%	--	Baa3 / -- / --	
Brisbane Airport	APAC	AUD	850	Jun-20	6 / 11	Bullets	3.100% / 4.500%	--	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	340	Jun-20	27	--	--	--	--	
Currenta	EMEA	EUR	75	May-20	--	--	--	--	--	
Your Housing Group	EMEA	GBP	120	May-20	34	--	2.500%	--	--	
ELL Luxembourg 2 S.à.r.l	EMEA	EUR	--	May-20	--	-	--	--	--	



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 September 2020

EUR Bond Corporate Market

- Over the past 5 years, the average issuance volume in September has been of €38.3BN. This average has been exceeded with €48.9BN priced this month, though it fell short of the last year record at €61.4BN. This month was particularly rich in ESG issuances that represented 21% of the total volume.
- The credit market had been immune to the recent volatility observed in equity and the transactions were globally well received. Indeed, the oversubscription levels are of 4.3x, allowing the issuers to tighten significantly their pricings from IPTs (39bps in average) and eventually to print with negative NIP : -1bps in average this month.

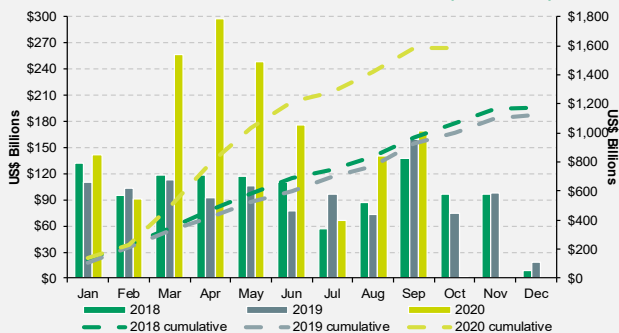
Key Recent Transactions

- ✓ **APRR (A-/A-):** launched a new €500MM (no grow) Long 8-year tranche at IPTs of m/s+75 area. As orderbooks was spotted in excess of €1.8BN at guidance spreads were revised to m/s+50-55bps. Finally, APRR released final terms at m/s+48bps securing a negative NIP of -2bps. **Crédit Agricole CIB acted as Active Bookrunner on this transaction**
- ✓ **Teréga S.A. (Baa2/NR):** returned to the market after a 5-year hiatus. After refreshing its credit story, Teréga S.A. moved forward on the 10th with a new €500MM (no grow) 10-year bond announced at IPTs of m/s+160bps area. Orderbooks grew rapidly and reached €3BN at guidance, allowing spreads to be revised to m/s+125bps area. As demand kept growing, the issuer was able to set its final spread at m/s+115bps, representing a negative NIP of -25/20bps. **Crédit Agricole CIB acted as an Active Bookrunner on this transaction**
- ✓ **HIT (BBB-/BBB):** successfully priced a EUR 600m (wng) 9-year Senior Unsecured transaction. The net proceeds will be used for general corporate purposes, including refinancing of existing indebtedness. This is HIT's second senior transaction in 2020. The transaction was launched at IPTs of MS +240bp area in order to maximize investor's participation and benefit from a strong bookbuilding. With the orderbook standing at €3.0bn in orders at guidance, the issuer finally priced the deal at mid-swap+ 200bps, translating into a negative new issue concession of ~5bps. **Crédit Agricole CIB acted as Joint Bookrunner on this transaction.**

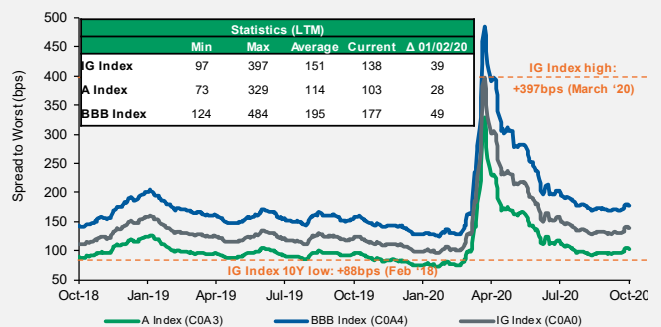
US Investment Grade Public Corporate Bond Market

- September closed out with \$169BN of new issues priced, creating a new monthly record. YTD volumes currently stand at \$1.6TR, ~70% ahead of full-year 2019 and well-ahead of the all-time annual volume record of \$1.34TR set in 2017.
- Investors remain engaged on the new issues front as deals priced last week with an average of ~3x orderbook oversubscription, allowing issuers to tighten pricing by 25-30bps from IPT and price with an average of -1bp through secondaries.
- The September employment report was weaker than expected as nonfarm payrolls rose 661K compared to the Bloomberg consensus of 859K. Despite this, the unemployment rate beat consensus, dropping to 7.9% from 8.4%. Stimulus talks last week brought no immediate breakthrough on a deal for a new pandemic relief package.
- U.S. stocks slumped Friday in volatile trading as investors weighed the implications of President Donald Trump's positive test for the coronavirus. However, stocks advanced last week as the S&P 500 rose 1.5% to 3,348.44, and the Dow added 1.9% closing at 27,682.81.
- Against this backdrop, yields on the 10Y and 30Y USTs rose to 0.702% and 1.488% respectively, vs 0.656% and 1.402% the prior Friday.
- Spread on the ICE BAML Corporate Index closed at +138bps on Friday – representing a level 259bps tighter vs the peak reached on March 23rd, but still ~39bps wider on the year.

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



Investment-Grade Index (Spread)



USPP Market Highlight

- September was an active month with \$6.4BN issued, representing almost twice the amount issued the previous year (\$3.3BN) and a 57% increase since last month (\$4.1BN). The YTD USPP volume stands at \$49.2BN, 5% ahead of last year.
- There were 45 issues by 25 issuers this month vs 37 issues by 18 issuers last month, and 30 issues by 18 issuers last year.
- The amount of cross border USPP increased slightly vs last month (28% of the total issuance vs 20%). Domestic USPP accounts for 70% of the YTD 2020 issuances.
- Energy and Infrastructure (including transportation) issuances account for 38% of the total YTD issuance, with Energy accounting for 31% of the YTD issuances and Infrastructure 6%.



EMEA BOND MARKET OVERVIEW

EUR market – Public secondary levels

Sources: Crédit Agricole CIB, Bloomberg

ENERGY										Today	Today	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	I Spread	I Spread
04/09/2018	Zi Rete Gas	Italy	Baa2	BBB	2025	500	2,195%	75	0,31	3		-97	
31/03/2020	E.ON	Germany	Baa2	BBB	2025	750	1,000%	46	0,02	NA		-84	
09/01/2020	E.ON	Germany	Baa2	BBB	2030	500	0,750%	66	0,43	27		-89	
09/01/2020	E.ON	Germany	Baa2	BBB	2023	750	0,000%	45	-0,04	14		-75	
31/10/2019	E.ON	Germany	Baa2	BBB	2031	500	0,625%	73	0,53	3		-89	
02/12/2019	EDF	France	A3	A-	2049	1 250	2,000%	187	1,86	27		-53	
07/04/2020	EDP	Portugal	Baa3	BBB-	2027	750	1,625%	70	0,30	NA		-110	
13/01/2020	EDP	Portugal	Baa3	BBB-	2080	750	1,700%	293	2,49	62		-143	
30/01/2020	Elenia Finance	Finland	NR	BBB+	2027	500	0,375%	74	0,34	17		-53	
10/10/2019	Enel	Italy	Baa2	BBB+	2027	1 000	0,375%	68	0,30	2		-91	
20/03/2020	Engie	France	A3	A-	2028	750	1,750%	54	0,19	NA		-126	
20/03/2020	Engie	France	A3	A-	2032	750	2,125%	70	0,30	NA		-140	
16/01/2020	Eni	Italy	Baa1	A-	2030	1 000	0,625%	82	0,55	10		-109	
07/10/2019	Eni	Italy	Baa1	A-	2034	750	1,000%	88	0,79	2		-111	
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2026	500	1,661%	164	1,23	34		-81	
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2023	600	0,815%	102	0,53	46		-56	
27/11/2019	Gas Network Ireland	Ireland	A3	A	2024	300	0,125%	65	0,19	33		-43	
01/04/2020	Iberdrola	Spain	Baa1	BBB+	2025	750	0,875%	45	0,00	NA		-70	
02/12/2019	Italgas	Italy	Baa2	BBB+	2031	500	1,000%	66	0,48	-16		-110	
05/04/2017	Madridena Red de Gas Finance	Spain	NR	BBB	2029	300	2,250%	232	2,00	107		16	
05/04/2017	Madridena Red de Gas Finance	Spain	NR	BBB	2025	300	1,375%	142	0,96	71		0	
13/01/2020	National Grid	UK	A3	A-	2025	500	0,190%	48	0,02	16		-76	
28/08/2019	National Grid	UK	Baa3	BBB	2082	750	2,125%	280	2,42	82		-97	
28/08/2019	National Grid	UK	Baa3	BBB	2079	500	1,625%	245	1,99	71		-207	
06/04/2020	Naturgy	Spain	BBB (Fitch)	BBB+	2026	1 000	1,250%	61	0,17	NA		-94	
09/01/2020	Red Electrica	Spain	A- (Fitch)	A-	2028	700	0,375%	46	0,12	11		-55	
20/09/2018	RTE	France	NR	A	2038	500	2,125%	63	0,62	8		-66	
20/09/2018	RTE	France	NR	A	2030	500	1,500%	48	0,24	2		-60	
05/09/2019	Snam	Italy	Baa2	BBB+	2034	600	1,000%	74	0,64	-3		-69	
26/03/2020	Suez	France	Baa1	NR	2027	850	1,250%	70	0,30	NA		-65	
07/04/2020	Veolia Environnement	France	Baa1	BBB	2028	700	1,250%	74	0,39	NA		-56	
08/01/2020	Veolia Environnement	France	Baa1	BBB	2031	500	0,664%	86	0,62	26		-45	
29/08/2019	Vier Gas Transport	Germany	NR	A-	2034	500	0,500%	68	0,59	7		-62	
17/09/2018	Vier Gas Transport	Germany	NR	A-	2028	500	1,500%	42	0,08	3		-63	

INFRASTRUCTURE										Today	Today	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	I Spread	I Spread
30/01/2020	Abertis	Spain	BBB(Fitch)	BBB-	2028	600	1,250%	197	1,62	27		-129	
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2029	600	1,625%	222	1,93	33		-135	
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2025	700	0,625%	145	1,01	18		-157	
07/09/2020	APRR	France	A-(Fitch)	A-	2029	500	0,125%	46	0,15	NA		-2	
01/04/2020	APRR	France	A-(Fitch)	A-	2027	500	1,250%	46	0,06	NA		-104	
10/01/2020	APRR	France	A-(Fitch)	A-	2023	500	0,000%	34	-0,16	16		-69	
10/01/2019	APRR	France	A-(Fitch)	A-	2028	500	1,250%	49	0,21	6		-85	
15/02/2019	ASF	France	A3	A-	2031	1 000	1,375%	53	0,30	-2		-88	
21/06/2018	ASF	France	A3	A-	2028	700	1,375%	39	0,05	4		-85	
07/04/2020	Bouygues	France	A3	A-	2028	1 000	1,125%	63	0,29	NA		-62	
03/05/2017	Brisa	Portugal	Baa3	A- (Fitch)	2027	300	2,375%	142	1,04	39		-75	
09/09/2020	HIT	France	BBB (Fitch)	BBB-	2029	600	1,625%	188	1,59	NA		-12	
24/04/2020	HIT	France	BBB (Fitch)	BBB-	2027	600	2,500%	172	1,33	NA		-108	
28/08/2019	Hochtief	Germany	NR	BBB	2031	250	1,250%	145	1,25	24		-92	
28/08/2019	Hochtief	Germany	NR	BBB	2027	500	0,500%	91	0,54	11		-96	
10/06/2020	Iliad	France	NR	NR	2026	650	2,375%	269	2,27	NA		-16	
09/10/2014	Infra Park (Indigo)	France	NR	BBB	2025	650	2,125%	165	1,19	117		-23	
12/07/2017	Infra Park (Indigo)	France	NR	BBB	2037	125	2,951%	331	3,28	208		65	
19/06/2019	Indigo (tap)	France	NR	BBB	2028	100	1,625%	253	2,19	177		43	
31/03/2020	Orange	France	Baa1	BBB+	2027	750	1,250%	56	0,17	NA		-84	
31/03/2020	Orange	France	Baa1	BBB+	2032	750	1,625%	75	0,57	NA		-90	
07/02/2020	SBB	Sweden	BBB- (Fitch)	BBB-	2027	750	1,000%	200	1,63	75		-65	
30/03/2016	TDF	France	NR	BBB-	2026	800	2,500%	202	1,59	44		-80	
13/05/2020	Telefonica	Spain	Baa3	BBB	2032	750	1,807%	113	0,95	NA		-77	
13/05/2020	Telefonica	Spain	Baa3	BBB	2027	1 250	1,201%	76	0,38	NA		-69	
10/09/2020	Teréga SA	France	Baa2	NR	2030	500	0,875%	112	0,89	NA		-3	
20/02/2020	Teréga SA	France	Baa3	NR	2028	400	0,625%	144	1,10	51		-36	
12/05/2020	Verizon	US	Baa1	BBB+	2040	800	1,850%	137	1,37	NA		-43	
12/05/2020	Verizon	US	Baa1	BBB+	2033	1 350	1,300%	105	0,91	NA		-30	
11/01/2019	Vinci	France	A3	A-	2029	950	1,650%	46	0,14	-3		-99	
18/09/2018	Vinci	France	A3	A-	2030	1 000	1,750%	48	0,24	-1		-95	

RAIL & AEREO										Today	Today	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	I Spread	I Spread
18/03/2015	Alpha Trains	Luxembourg	BBB (Fitch)	NR	2025	350	2,064%	157	1,13	41		30	
01/06/2017	Aeroporti Di Roma	Italy	Baa3	BB+	2027	500	1,625%	238	2,00	92		-51	
26/03/2020	Aeroports de Paris	France	NR	A	2026	1 000	2,125%	101	0,60	NA		-132	
26/03/2020	Aeroports de Paris	France	NR	A	2030	1 500	2,750%	149	1,22	NA		-120	
11/06/2019	Aeroports de Paris	France	NR	A	2034	800	1,125%	145	1,35	97		-70	
04/10/2018	Aeroports de Paris	France	NR	A	2038	500	2,125%	161	1,60	100		-65	
26/04/2017	Brussels Airport	Belgium	Baa1	BBB+ (Fitch)	2024	300	1,000%	164	1,17	110		-2	
01/04/2020	Deutsche Bahn	Germany	AA (Fitch)	NR	2029	750	1,375%	82	0,83	NA		-33	
05/03/2019	Heathrow Funding	UK	A- (Fitch)	BBB+	2034	650	1,875%	258	2,48	120		-53	
28/06/2017	Heathrow Funding	UK	A- (Fitch)	BBB+	2032	500	1,875%	253	2,37	136		-43	
01/04/2020	Royal Schipol	Netherlands	A1	A+	2029	750	2,000%	80	0,49	NA		-130	



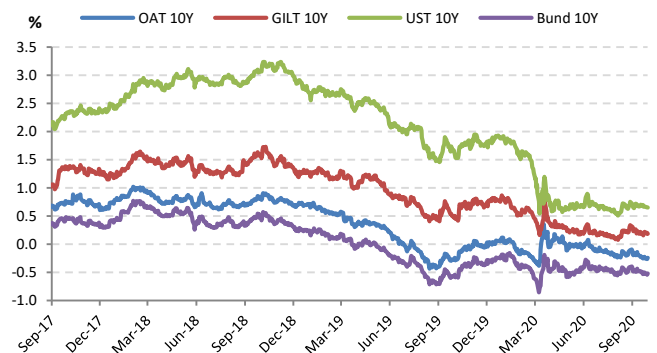
MACROECONOMIC ENVIRONMENT

- Since the peak of the pandemic, market conditions have stabilized and spreads are now globally back to pre-Covid levels. However as a lot of good news is priced in so that markets remain vulnerable to negative news flow in particular around the sanitary situation as illustrated w/c 21st September.
- Indeed, pandemic numbers have continued to worsen and fresh restrictions are being imposed for the first time since April in several European countries (UK, France, Spain, etc).
- Additionally, some sources of uncertainty remain in the markets: US elections, US / China trade tensions and Brexit negotiations. Equity futures temporarily rose during the first US presidential debate but ultimately fell after it ended, probably because the messy debate did not provide more clarity about the outcome of the upcoming election.
- Nevertheless, financial conditions are still very easy thanks to massive central bank support, and we expect central banks' current policies to effectively keep the tightening of credit and funding markets limited. This explains in our view why the major central banks have not been in any hurry to add fresh stimulus measures in September despite equity markets' declines.

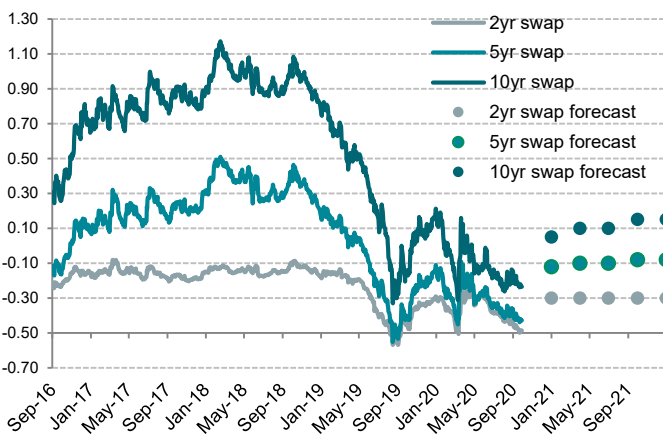
Swap rates

	EUR	MtM Var (%)	USD	MtM Var (%)	GBP	MtM Var (%)
3Y	-0,48%	17,2%	0,24%	-9,6%	0,10%	-36,1%
5Y	-0,44%	22,6%	0,33%	-10,3%	0,17%	-33,2%
7Y	-0,37%	35,0%	0,48%	-9,5%	0,24%	-30,9%
10Y	-0,25%	78,2%	0,68%	-7,9%	0,35%	-26,9%
12Y	-0,17%	251,3%	0,79%	-6,8%	0,41%	-25,0%
15Y	-0,07%	-223,9%	0,89%	-5,9%	0,47%	-23,8%
20Y	0,00%	-100,6%	1,01%	-5,0%	0,52%	-23,3%

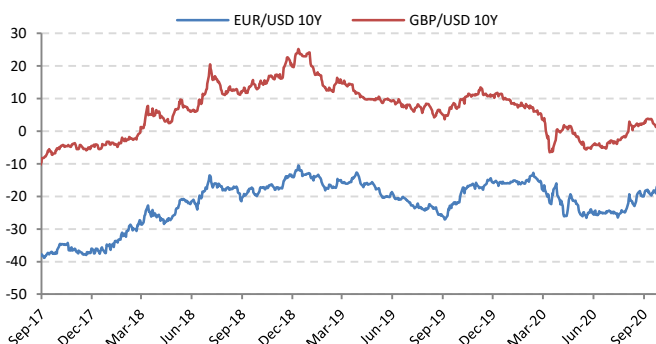
Government yields (10Y)



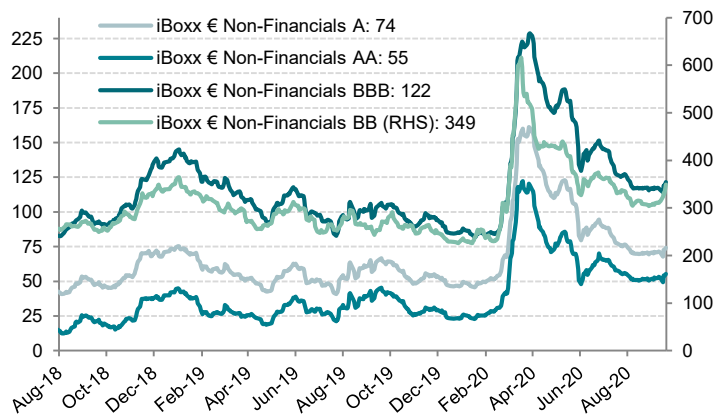
EUR swap rates (historic and forward levels)



10Y basis swap evolution



Credit spread evolutions (EUR)



Main upcoming events

	Events / Data	Expected impact
15-Oct	EU Council meeting	If Brexit negotiations stops without a trade deal agreed, the 10-11 December meeting will be the last hope to avoid a no-deal Brexit (sell-off of UK asset, lower EUR and long term EUR rates)
3-Nov	US presidential election	Trump re-election is a close call, and he should not benefit from a Republican Congress. Positive for equities, USD
29-Oct/5-Nov	ECB/Fed monetary meetings	No change expected, to remain very dovish and continue the QEs

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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