



GLOBAL PROJECT BONDS MARKET OVERVIEW

Recently closed transactions

ENERGY

- **FEL Energy VI S.à r.l. (Baa3 / BBB- / BBB-):** \$953MM in 20-year 144A / Reg S senior secured notes to refinance the 875MW Tierra Mojada operating combined-cycle gas-fired power plant in Guadalajara, Mexico. The Project benefits from a 20-year PPA with a subsidiary of state-owned utility CFE for 70% of the plant capacity. (Sponsor: Fistera Energy (The Blackstone Group Inc.))
- **Yarnel & Natelu Solar Projects (-- / BBB / --):** \$29MM in 20-year green labelled senior secured notes backing a 23 MW solar portfolio comprised of the Yarnel & Natelu solar plants in Uruguay. The projects, which began commercial operations in June 2017, benefit from long term PPAs with the state-owned utility company UTE. (Sponsor: Solaria)
- **Portland Natural Gas Transmission System (BBB):** \$125MM in 10-year privately placed senior secured notes backing a natural gas pipeline that spans New England from the Canadian border to pipeline connections in New Hampshire, Maine and Massachusetts. The notes priced at a 2.840% coupon. (Sponsors: TC Energy and Energir)
- **WEC Infrastructure LLC (BBB):** \$410MM in 12-year privately placed senior notes secured against a 700MW wind portfolio of 4 wind farms in the US. The wind assets benefit from long-term PPA for all of the energy produced. The notes priced at a spread of 235 bps over U.S. treasuries, resulting in a 2.750% coupon. (Sponsor: WEC Energy)

INFRASTRUCTURE

- **Future Valleys Project Company:** Fixed-rate long-tenor Institutional Facility to finance the bid on Wales' A465 PPP. This project is procured under a 30-year concession contract and with a 55-month construction program. It aims to upgrade an 18km stretch of the A465 road, including the widening of three lanes to dual carriageway between Dowlais Top and Hirwaun in South Wales. (Sponsors: Meridiam, FCC Concesiones de Infraestructuras, Welsh Government). **Crédit Agricole CIB acted as Sole Bookrunner and Placement Agent**
- **Vista Ridge Regional Water Supply (A):** \$1.0BN in 29-year senior secured notes backing 18 water wells and a 142-mile water pipeline. The Project started operations in May 2020 and benefits from a long-term contract with the city of San Antonio, Texas. The notes priced at a spread of 140 bps over U.S. treasuries, resulting in a 2.570% coupon. (Sponsor: Garney Construction)
- **ENA Master Trust (-- / BBB+ / A-):** \$400MM in 29-year 144A / Reg S fully amortizing senior secured notes refinancing debt at ENA Sur SA and ENA Este SA which respectively hold the concession for the Corredor Sur toll road in Panama City and the concession for the connection between the Panamerican highway and the Tocumen airport. The notes have a 19-year average life and priced at a 4.000% coupon. (Sponsor: Empresa Nacional de Autopistas (ENA))
- **Brussels Airport (Baa1 / -- / BBB+):** €300MM backing the Brussels Airport. The notes were issued in 5 maturities of 10-year, 15-year, 20-year, 25-year and 30-year which priced at coupons of 2.430%, 2.550%, 2.940%, 2.980% and 3.130% respectively. (Sponsors: Ontario Teachers' Pension Plan, APG, QIC, Swiss Life, Belgium Government, Tcorp, GPIF)
- **Viveracqua:** €248MM in three separates 14-year, 17-year and 24-year notes to support growth investments of six water companies part of Viveracqua consortium, which serve 320 municipalities in an area with almost 2,3 million inhabitants. The structure in place allows the six firms to join their resources and raise financing under a cross-guarantee mechanism. (Sponsors: Acquevenete, Alto Trevigiano, Azienda Gardesana, Livenza Tagliamento Acque, Piave Servizi and Viacqua).
- **VTTI:** \$194MM in senior secured private placement to refinance existing debt, fund the acquisition of fellow liquid bulk storage terminal operators and move into LNG storage. VTTI is the first liquid storage operator to secure an investment grade rating for its private placement issuance. The private placement has a partial delayed drawdown. (Sponsors: IFM, Vitol, VIP).

EMEA TRANSACTION SPOTLIGHT:

Future Valleys Project Company

- **The issuer:** Future Valleys project company, the SPV incorporated for the procurement of the A465 Heads of the Valleys sections 5 and 6, under the Welsh Government's new Mutual Investment Model (MIM) PPP framework.
- The project was awarded to a consortium led by FCC Concesiones de Infraestructuras and Meridiam Investments.
- **The transaction:**
 - ✓ First privately financed MIM project to reach financial close, with Future Valleys having raised c.£590m of senior debt via a long term fixed rate institutional investor facility and a long term floating rate commercial bank facility with associated hedging.
 - ✓ The debt package has a long tenor over 30 years.
 - ✓ **Crédit Agricole CIB acted as Financial Advisor, Sole Bookrunner and Placement Agent**

AMERICAS TRANSACTION SPOTLIGHT:

FEL Energy VI S.à r.l.

- **The issuer:** FEL Energy VI S.à r.l. is owned by Fistera Energy, a Blackstone portfolio company.
 - ✓ The project consists of the 875MW Tierra Mojada operating combined-cycle gas-fired power plant in Guadalajara, Mexico.
 - ✓ The Project benefits from a 20-year PPA with a subsidiary of state-owned utility CFE for 70% of the plant capacity.
- **The transaction:**
 - ✓ \$953MM in 20-year 144A / Reg S fully amortizing senior secured notes, up from the \$904MM initially targeted.
 - ✓ The Baa3 / BBB- / BBB- rated notes priced at a 5.750% coupon, inside the 5.875% guidance.
 - ✓ This transaction is the first Mexican project bond since the COVID-19 pandemic outbreak. The upsizing of the transaction as well as the pricing tightening illustrate investors appetite for Mexican power assets.

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)	
FEL Energy VI S.à r.l.	LatAm	USD	953	Nov-20	20	15	5.750%	--	Baa3 / BBB- / BBB-	
Yarnel & Natelu Solar Projects	LatAm	USD	29	Nov-20	20	--	--	--	-- / BBB / --	
Portland Natural Gas Transmission System	NAm	USD	125	Nov-20	10	--	2.840%	--	NAIC-2 (BBB)	
WEC Infrastructure LLC	NAm	USD	410	Nov-20	12	5	2.750%	235 bps	BBB (Kroll)	
Star Energy Geothermal Salak & Star Energy Geothermal Darajat 2	APAC	USD	1,110	Oct-20	9 / 18	--	3.250% / 4.850%	--	Baa3 / -- / BBB-	
AMF Florence LLC	NAm	USD	772	Oct-20	15	7	3.210%	275 bps	NAIC-2 (BBB-)	
TEC Hedland Pty Ltd	APAC	AUD	800	Oct-20	22	--	4.070%	275 bps	BBB (Kroll)	
CLP Wind Farms	APAC	INR	2,970	Oct-20	2 / 3	--	6.900% / 7.900%	--	AA (local)	
Western Vista Solar	NAm	USD	135	Oct-20	20	13	3.460%	260 bps	BBB (Kroll)	
Galaxy Pipeline Assets BidCo	EMEA	USD	4,000	Oct-20	7 / 16 / 20	4 / 12 / 18	1.750% / 2.625% / 3.250%	142 bps / 185 bps / 168 bps	Aa2 / -- / AA	
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	--	--	--	--	
Energy	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%	--	-- / -- / --	

INFRASTRUCTURE										
Issuer	Geography	Currency*	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Vista Ridge Regional Water Supply	NAm	USD	1,020	Nov-20	29	16	2.570%	140 bps	NAIC-1 (A)	
ENA Master Trust	LatAm	USD	400	Nov-20	28	19	4.000%	--	Baa1 / BBB+ / BBB+	
Brussels Airport	EMEA	EUR	300	Nov-20	10 / 15 / 20 / 25 / 30	Bullets	2.430% / 2.550% / 2.940% / 2.980% / 3.130%	--	Baa1 / -- / BBB+	
Viveracqua	EMEA	EUR	248	Nov-20	14 / 17 / 24	--	--	--	--	
VTTI	EMEA	EUR	194	Nov-20	--	--	--	--	--	
Future Valleys project Company	EMEA	GBP	--	Nov-20	--	--	--	--	--	
Perth Airport Pty Ltd	APAC	USD	150	Oct-20	5 / 7 / 10 / 12	Bullets	3.030% / 3.320% / 3.620% / 3.830%	265 bps / 270 bps / 275 bps / 285 bps	Baa2 / BBB / --	
VTG	EMEA	EUR	200 / 260 / 90	Oct-20	12 / 15 / 20	--	--	--	-- / BBB / --	
Koole Terminals	EMEA	EUR	145	Oct-20	10	--	--	--	-- / -- / --	
SEA SpA	EMEA	EUR	300	Oct-20	5	--	3,500%	MS + 394 bps	-- / -- / --	
Heathrow Funding Ltd	EMEA	EUR/GBP/CAD	750/450/500	Oct-20	5/9/11	--	1,500%/2,750%/3,661%	MS + 220 bps	-- / BBB+ / A-	
Port Autonome de Dakar	EMEA	XOF	60,000	Oct-20	--	--	6,600%	--	-- / -- / --	
Vantage	EMEA	GBP	73	Sep-20	--	--	--	--	-- / -- / --	
Viridor	EMEA	GBP	350	Sep-20	10 - 12	--	--	--	-- / -- / --	
Calisen	EMEA	GBP	290	Sep-20	15	--	--	--	-- / -- / --	



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 October 2020

EUR Bond Corporate Market

- 2020 is now by far the fastest year ever with a total of €429BN bond priced on the primary EUR market since the beginning of the year (vs €374BN in 2019 FY)
- With only €22.5BN priced in November, this month has been slower than the previous ones. Indeed, primary markets have remained very quiet due to the volatility brought by the American elections. However, ever since the final results, credit markets have fully reopened under excellent conditions
- Many issuers are moving forward to seize the very last window of issuance of 2020 and the days and weeks to come are expected to be particularly active

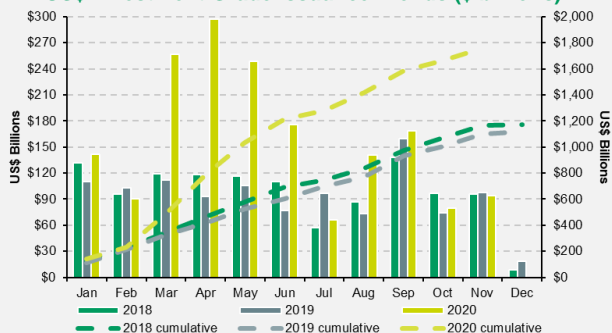
Key Recent Transactions

- ✓ **Vinci (A3/A-):** the global player in concessions and construction, hit the screens with a €500MM no grow 8yr Green bond. As the transaction enjoyed a strong momentum, the borrower was in the position to tighten the spread from IPT to final spread by -28bps and to issue its trade 3bps inside fair value. On the back of a very solid order book, which was 6x covered, the bond was priced at a negative yield of -0.059%: This 8-yr bond thus becoming the longest tranche ever priced in negative territory. Proceeds will be allocated in accordance with the company's framework, especially for green buildings, clean transportation and R&D in the field of circular economy and energy efficiency. **Crédit Agricole CIB acted as Sole Global Coordinator & Green Bond Structurer**
- ✓ **ENGIE (Baa3/BBB-):** has come to the market with a green hybrid bond on November, adding more supply to the record-breaking volume of hybrid bonds this year. After starting marketing the PNC8 at 2.250%, the issuer received outstanding investor demand and this allowed the company to tighten the spread from IPT to final spread by -70bps and to issue its trade 15bps below fair value. The green element of this transaction helped the issuer to achieve the lowest NIP in this very active week. **Crédit Agricole CIB acted as passive Bookrunner**
- ✓ **Aeroporti di Roma S.p.A. :** €300MM in green senior unsecured notes to fund Atlantia's Aeroporti di Roma's planned green investments, aimed at improving energy efficiency, installing renewable power generation units, investing in low-carbon transport and in EV charging stations. The bond has a February 2029 maturity and a 1.625% coupon.

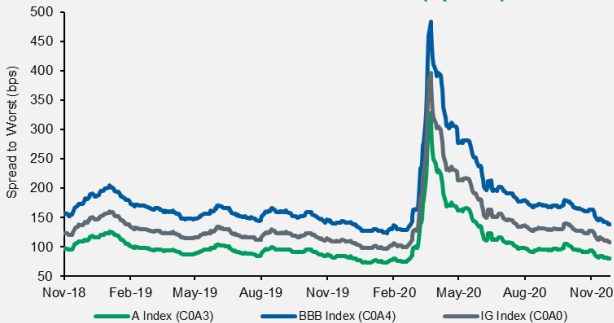
US Investment Grade Public Corporate Bond Market

- November total volume stands at \$93.8BN, bringing YTD total volume to \$1.76BN, ~62% ahead of YTD 2019.
- Early estimates are calling for \$18BN to price in the week ahead, and \$33BN to price in December.
- Credit Markets were supported in recent weeks following progress made toward a widely available COVID-19 vaccine, a peaceful presidential transition in the U.S. and monetary and fiscal stimulus in key economies.
- Given this positive broader sentiment and constructive primary market conditions as of late, it was a surprisingly slow final week for the month, even with the Thanksgiving holiday on Thursday.
- One issuer raised \$300MM, marking the slowest Thanksgiving week since a mere \$100MM priced in 2011.

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



Investment-Grade Index (Spread)



USPP Market Highlight

- The month of November has been very active with \$7.7BN issued, representing a 71% pick up vs. last year (\$4.5BN). The YTD USPP volume stands at \$66.8BN, 14% ahead of last year.
- There were 46 tranches priced across 22 issuances this month vs 58 tranches across 24 issuances last month.
- The split between domestic and cross border USPP remained largely the same in November, with \$6.2BN domestic USPP issued out of a total of \$7.7BN. Domestic issuances account for 72% of the YTD 2020 volume.
- Energy and Infrastructure (including transportation) issuances account for 39% of the total YTD 2020 volume, with Energy and Infrastructure accounting respectively for 31% and 8% of the YTD 2020 volume.



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%	57	0,10	-15	-115		
31/03/2020	E.ON	Germany	Baa2	BBB	2025	750	1,000%	28	-0,18	NA	-102		
09/01/2020	E.ON	Germany	Baa2	BBB	2030	500	0,750%	43	0,17	4	-112		
09/01/2020	E.ON	Germany	Baa2	BBB	2023	750	0,000%	27	-0,23	-4	-93		
31/10/2019	E.ON	Germany	Baa2	BBB	2031	500	0,625%	44	0,22	-26	-118		
02/12/2019	EDF	France	A3	A-	2049	1 250	2,000%	134	1,35	-26	-106		
07/04/2020	EDP	Portugal	Baa3	BBB-	2027	750	1,625%	50	0,08	NA	-130		
13/01/2020	EDP	Portugal	Baa3	BBB-	2080	750	1,700%	220	1,74	-11	-216		
30/01/2020	Elenia Finance	Finland	NR	BBB+	2027	500	0,375%	61	0,18	4	-66		
10/10/2019	Enel	Italy	Baa2	BBB+	2027	1 000	0,375%	43	0,02	-23	-116		
20/03/2020	Engie	France	A3	A-	2028	750	1,750%	37	-0,02	NA	-143		
20/03/2020	Engie	France	A3	A-	2032	750	2,125%	46	0,04	NA	-164		
16/01/2020	Eni	Italy	Baa1	A-	2030	1 000	0,625%	53	0,24	-19	-138		
07/10/2019	Eni	Italy	Baa1	A-	2034	750	1,000%	57	0,46	-29	-142		
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2026	500	1,661%	121	0,78	-9	-124		
27/11/2019	FCC Servicios Medioambiente	Spain	NR	BBB-(Fitch)	2023	600	0,815%	57	0,06	1	-101		
27/11/2019	Gas Network Ireland	Ireland	A3	A	2024	300	0,125%	40	-0,09	8	-68		
01/04/2020	Iberdrola	Spain	Baa1	BBB+	2025	750	0,875%	33	-0,15	NA	-82		
02/12/2019	Italgas	Italy	Baa2	BBB+	2031	500	1,000%	40	0,20	-42	-136		
05/04/2017	Madridena Red de Gas Finance	Spain	NR	BBB	2029	300	2,250%	140	1,06	15	-76		
05/04/2017	Madridena Red de Gas Finance	Spain	NR	BBB	2025	300	1,375%	101	0,53	30	-41		
13/01/2020	National Grid	UK	A3	A-	2025	500	0,190%	34	-0,15	2	-90		
28/08/2019	National Grid	UK	Baa3	BBB	2082	750	2,125%	202	1,61	4	-175		
28/08/2019	National Grid	UK	Baa3	BBB	2079	500	1,625%	168	1,19	-6	-284		
06/04/2020	Naturgy	Spain	BBB (Fitch)	BBB	2026	1 000	1,250%	42	-0,04	NA	-113		
09/01/2020	Red Electrica	Spain	A- (Fitch)	A-	2028	700	0,375%	32	-0,05	-3	-69		
20/09/2018	RTE	France	NR	A	2038	500	2,125%	43	0,40	-12	-86		
20/09/2018	RTE	France	NR	A	2030	500	1,500%	32	0,05	-14	-76		
05/09/2019	Snam	Italy	Baa2	BBB+	2034	600	1,000%	50	0,38	-27	-93		
26/03/2020	Suez	France	Baa1	NR	2027	850	1,250%	46	0,04	NA	-89		
07/04/2020	Veolia Environnement	France	Baa1	BBB	2028	700	1,250%	43	0,05	NA	-87		
08/01/2020	Veolia Environnement	France	Baa1	BBB	2031	500	0,664%	52	0,27	-8	-79		
29/08/2019	Vier Gas Transport	Germany	NR	A-	2034	500	0,500%	43	0,32	-18	-87		
17/09/2018	Vier Gas Transport	Germany	NR	A-	2028	500	1,500%	27	-0,10	-12	-78		

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%	117	0,78	-53	-209		
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2029	600	1,625%	137	1,04	-52	-220		
03/07/2019	Abertis	Spain	BBB(Fitch)	BBB-	2025	700	0,625%	44	-0,03	-83	-258		
07/09/2020	APRR	France	A-(Fitch)	A-	2029	500	0,125%	33	-0,02	NA	-15		
01/04/2020	APRR	France	A-(Fitch)	A-	2027	500	1,250%	23	-0,20	NA	-127		
10/01/2020	APRR	France	A-(Fitch)	A-	2023	500	0,000%	21	-0,30	4	-82		
10/01/2019	APRR	France	A-(Fitch)	A-	2028	500	1,250%	29	-0,01	-13	-105		
15/02/2019	ASF	France	A3	A-	2031	1 000	1,375%	35	0,10	-20	-106		
21/06/2018	ASF	France	A3	A-	2028	700	1,375%	21	-0,16	-14	-103		
07/04/2020	Bouygues	France	A3	A-	2028	1 000	1,125%	31	-0,05	NA	-94		
03/05/2017	Brisa	Portugal	Baa3	A- (Fitch)	2027	300	2,375%	74	0,33	-29	-143		
09/09/2020	HIT	France	BBB (Fitch)	BBB-	2029	600	1,625%	119	0,87	NA	-81		
24/04/2020	HIT	France	BBB (Fitch)	BBB-	2027	600	2,500%	96	0,54	NA	-184		
28/08/2019	Hochtief	Germany	NR	BBB	2031	250	1,250%	124	1,01	4	-113		
28/08/2019	Hochtief	Germany	NR	BBB	2027	500	0,500%	64	0,24	-16	-123		
10/06/2020	Iliad	France	NR	NR	2026	650	2,375%	217	1,72	NA	-68		
09/10/2014	Infra Park (Indigo)	France	NR	BBB	2025	650	2,125%	62	0,14	14	-126		
12/07/2017	Infra Park (Indigo)	France	NR	BBB	2037	125	2,951%	212	2,08	89	-54		
19/06/2019	Indigo (tap)	France	NR	BBB	2028	100	1,625%	153	1,15	76	-57		
31/03/2020	Orange	France	Baa1	BBB+	2027	750	1,250%	31	-0,10	NA	-109		
31/03/2020	Orange	France	Baa1	BBB+	2032	750	1,625%	46	0,26	NA	-119		
07/02/2020	SBB	Sweden	BBB- (Fitch)	BBB-	2027	750	1,000%	121	0,81	-4	-144		
30/03/2016	TDF	France	NR	BBB-	2026	800	2,500%	135	0,90	-23	-147		
13/05/2020	Telefonica	Spain	Baa3	BBB	2032	750	1,807%	86	0,65	NA	-104		
13/05/2020	Telefonica	Spain	Baa3	BBB	2027	1 250	1,201%	51	0,10	NA	-94		
10/09/2020	Teréga SA	France	Baa2	NR	2030	500	0,875%	81	0,54	NA	-34		
20/02/2020	Teréga SA	France	Baa3	NR	2028	400	0,625%	119	0,81	25	-61		
12/05/2020	Verizon	US	Baa1	BBB+	2040	800	1,850%	101	1,02	NA	-79		
12/05/2020	Verizon	US	Baa1	BBB+	2033	1 350	1,300%	78	0,62	NA	-57		
11/01/2019	Vinci	France	A3	A-	2029	950	1,650%	28	-0,06	-21	-117		
18/09/2018	Vinci	France	A3	A-	2030	1 000	1,750%	29	0,01	-20	-114		

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%	123	0,76	7	-4		
01/06/2017	Aeroporti Di Roma	Italy	Baa3	BB+	2027	500	1,625%	184	1,42	39	-105		
26/03/2020	Aeroports de Paris	France	NR	A	2026	1 000	2,125%	36	-0,07	NA	-197		
26/03/2020	Aeroports de Paris	France	NR	A	2030	1 500	2,750%	67	0,37	NA	-202		
11/06/2019	Aeroports de Paris	France	NR	A	2034	800	1,125%	91	0,79	43	-124		
04/10/2018	Aeroports de Paris	France	NR	A	2038	500	2,125%	100	0,98	39	-126		
26/04/2017	Brussels Airport	Belgium	Baa1	BBB+ (Fitch)	2024	300	1,000%	129	0,79	75	-37		
01/04/2020	Deutsche Bahn	Germany	AA (Fitch)	NR	2029	750	1,375%	39	0,40	NA	-76		
05/03/2019	Heathrow Funding	UK	A- (Fitch)	BBB+	2034	650	1,875%	138	1,26	0	-173		
28/06/2017	Heathrow Funding	UK	A- (Fitch)	BBB+	2032	500	1,875%	137	1,19	20	-159		
01/04/2020	Royal Schiphol	Netherlands	A1	A+	2029	750	2,000%	39	0,05	NA	-171		



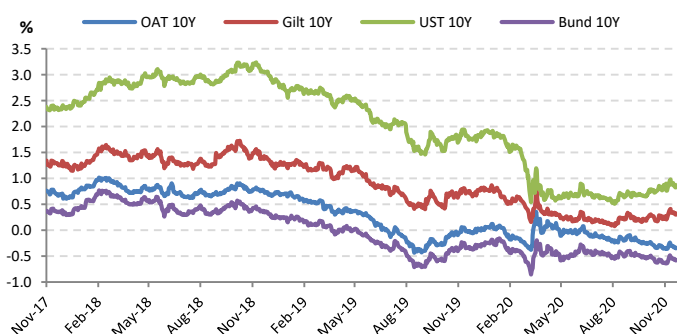
MACROECONOMIC ENVIRONMENT

- Vaccine developments, central bank dovishness and greater US political clarity have kept market sentiment upbeat for the past weeks. That said, all the positive factors are in the price now and we see little room for further improvement of sentiment in the near term.
- On the positive side, China's official PMIs surprised to the upside while on the vaccine front there were headlines suggesting the distribution of Covid vaccines could start in the UK and US in early December.
- That was however offset by newswire reports that the US is preparing to add more Chinese defense companies to its banned list. Also on US-China tensions, US Congress is voting on a bill this week that will require Chinese companies listed in the US to meet strict US accounting and auditing standards or they will have to de-list.
- In Europe, focus will be on the Brexit evolution ahead of the EU Summit on the 10 and 11 December. The other hot topic to be discussed then will be the NGEU, after Hungary and Poland's veto. So far, dissensions around the NGEU have failed to provoke EGB market reaction but a persisting deadlock past the 10-12 December EU summit could put a dampener on sentiment.

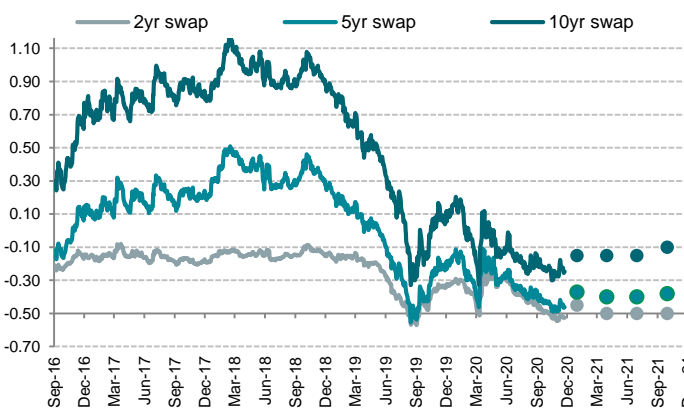
Swap rates

	EUR	MtM Var (%)	USD	MtM Var (%)	GBP	MtM Var (%)
3Y	-0,51%	-3,6%	0,26%	-0,2%	0,14%	33,2%
5Y	-0,46%	-4,6%	0,42%	5,8%	0,25%	23,4%
7Y	-0,39%	-5,5%	0,61%	7,4%	0,34%	18,1%
10Y	-0,25%	-8,4%	0,85%	6,6%	0,47%	13,3%
12Y	-0,17%	-14,6%	0,97%	5,9%	0,54%	12,5%
15Y	-0,07%	-29,7%	1,08%	5,2%	0,60%	11,5%
20Y	0,01%	-167,8%	1,20%	4,5%	0,65%	10,5%

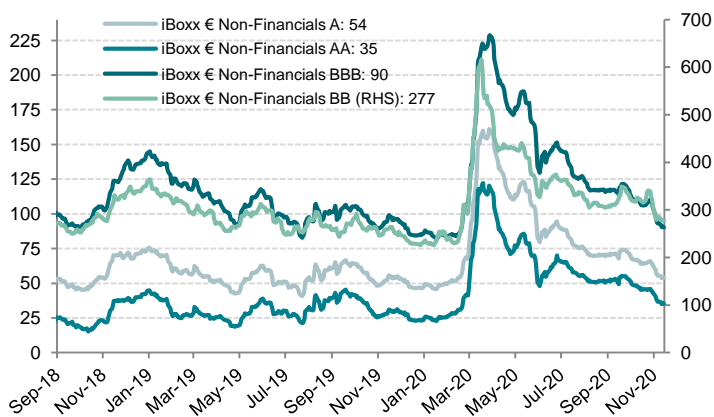
Government yields (10Y)



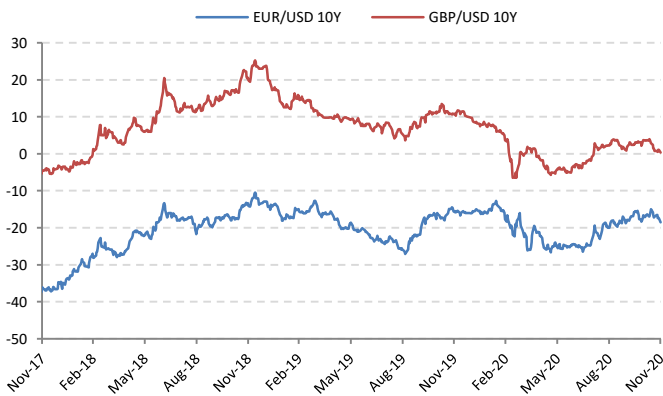
EUR swap rates (historic and forward levels)



Credit spread evolutions (EUR)



10Y basis swap evolution



Main upcoming events

	Events / Data	Expected impact
14- Dec	Vote of the US electoral college	This vote may definitively settle the (low) remaining uncertainty regarding who will be President from 20 January. Biden is all but certain to win. Marginally lower USD, higher risky assets and EM FX
10- 11 Dec	EU council meeting	Last chance to a Brexit trade deal. If no trade deal agreed, the UK economy will suffer from a cliff-edge Brexit, sending the GBP permanently lower, and the EUR and long term EUR rates temporary down. We expect the EU head of states to find a compromise so that Hungary and Poland removes the veto for the and MFF. If they refuse to remove their veto, hard negotiations will continue but it would be negative the EU reputation

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Sources: Bloomberg, Crédit Agricole CIB.



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