



## GLOBAL PROJECT BONDS MARKET OVERVIEW

### Recently closed transactions

#### DISTRIBUTED GENERATION

- **GoodLeap Sustainable Home Solutions Trust 2021-3:** \$361MM in 27-year solar ABS backing a portfolio of 10,569 solar loans for residential customers in the United States. The transaction comprised 3 tranches rated A, BBB, and BB by Kroll priced with coupons of 2.100%, 2.410%, 3.500% respectively. (Originator: GoodLeap previously Loanpal)
- **Sunnova Sol III Issuer LLC, Series 2021-1:** \$319MM in 35-year solar ABS backing a portfolio of 20,981 solar PPAs and leases for residential customers in the United States. The transaction comprised only one A-rated tranche by Kroll priced at a spread of 140bps on top of interpolated swaps resulting in a 2.580% coupon. (Originator: Sunnova)
- **Mosaic Solar Loan Trust 2021-2:** \$191MM in 26-year solar ABS backing a portfolio of 3,002 solar loans for residential customers in the United States. The transaction comprised 4 tranches rated AA-, A-, BBB-, and BB- by Kroll priced with coupons of 1.640%, 2.090%, 2.170% and 3.700% respectively. (Originator: Mosaic)

#### ENERGY

- **Florida Pipeline Holdings (BBB) / Florida Pipeline Funding (BB+):** \$1.7BN in HoldCo and Super Holdco senior secured notes backing Nextera's interests in the Sabal Trail Transmission and Florida Southeast Connection pipelines. (Sponsor: NextEra Energy) **Crédit Agricole CIB acted as lead placement agent.**
- **Hån and Duvhällen Onshore Wind Farms:** NOK1.07BN (€105MM eq.) in privately placed senior secured notes to finance onshore a 77MW wind portfolio in Sweden and in Norway. Operations are expected to begin in 2021 and 2023 for the Hån and the Duvhällen wind farms respectively. (Sponsor: Cloudberry Clean Energy)
- **GIP Capricorn Finco Pty Ltd (Baa2 / -- / --):** \$1.4BN in 14-year privately placed senior secured notes to refinance the debt associated with GIP's acquisition of a 26% interest in the Shell-operated Queensland Curtis LNG Terminal located in Australia. The notes priced at 170 bps over treasuries, resulting in a 3.110% coupon. (Sponsor: Global Infrastructure Partners "GIP")
- **Georgetown Energy Partners LLC (A3):** \$600MM in 30-year senior secured notes to finance the modernization of Georgetown University's utility system as per the terms of a 50-year agreement. The notes priced at 125 bps over treasuries of a tenor equivalent to the notes' 21-year weighted average life (Sponsors: Engie & Axium Infrastructure)
- **Renewable Energy Backed Securities:** €26MM in green asset-backed securities (ABS) backing project finance loans for a 110MW Italian renewable energy portfolio. The transaction comprised a €17MM Class A asset-backed floating-rate notes and a €9MM Class B asset-backed floating-rate and variable return notes. (Sponsor: Glennmont Partners)
- **Hamina Biofuel Refinery:** €70MM in 4-year green labelled senior secured notes to finance the construction of a biofuel refinery to produce renewable diesel and biochemicals for the chemical, food and pharmaceuticals industries in Finland. The notes priced at a 7.500% coupon. (Sponsor: Fintoil)
- **Inversiones Latin America Power Limitada (Ba1 / -- / BB+):** \$404MM in 12-year green labelled 144A/Reg S senior secured notes to refinance a 239MW portfolio of wind farms in Chile. The high yield notes priced at a 5.125% coupon. (Sponsor: Latin America Power)
- **Q-Energy 18 Solar Projects Portfolio:** £175MM in 17-year senior secured notes backing a portfolio of 18 operating solar project projects in Spain. (Sponsor: Q-Energy)

#### INFRASTRUCTURE

- **P.A. Autopista Río Magdalena (Baa3 / -- / BBB-):** COP915.0BN (\$248MM eq.) in 15-year 6.050% UVR Indexed secured notes to build the 4G toll road Río Magdalena 2 in Colombia including 87KM of new road and the restoration of 57KM. The project bond tranche was part of a larger financing package which included project finance loans both in USD (\$200MM) and local currency (COP1.1TR eq. to \$298MM). (Sponsor: IFM Global Infrastructure Fund via Aleatica S.A.U.) **Crédit Agricole CIB acted as lead arranger and lender.**
- **Bayfront Infrastructure Capital Securitisation 2021:** \$401MM securitization of 27 project and infrastructure loans across 13 countries in the Asia-Pacific, the Middle East and South America; in the conventional power and water sector (36%), renewable energy (26%), and LNG (13%). The transaction also included a \$120MM sustainability tranche backing loans for eligible sustainable green or social assets. (Sponsor: Clifford Capital Holdings' Bayfront Infrastructure Management)

#### NORTH AMERICA TRANSACTION SPOTLIGHT:

##### Florida Pipeline Holdings / Florida Pipeline Funding

- **The issuers:** HoldCo and Super Holdco for Nextera's interests in the Sabal Trail Transmission and Florida Southeast pipelines.
- **The transaction:**
  - ✓ \$1.5BN in 17-year privately placed Holdco fully amortizing senior secured notes, rated BBB, which priced at a 2.920% coupon.
  - ✓ \$260MM in 7-year privately placed Super Holdco bullet senior secured notes bullet, rated BB+, which priced at a 4.700% coupon.
  - ✓ **Crédit Agricole CIB acted as lead placement agent.**

#### LATIN AMERICA TRANSACTION SPOTLIGHT:

##### Inversiones Latin America Power Limitada

- **The issuer:** special purpose entity which owns the San Juan and Totoral wind farms in Chile which benefit from PPAs with 23 regulated energy distribution companies and Santiago Metro.
- **The transaction:**
  - ✓ \$404MM in 12-year green labelled 144A/Reg S senior secured notes priced at a 5.125% coupon.
  - ✓ This issuance, rated Ba1 / -- / BB+, represents the first high yield green bond from Chile.

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



## GLOBAL PROJECT BONDS MARKET OVERVIEW

### Primary Issuances

DISTRIBUTED GENERATION										
Issuer	Geography	Currency *	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
GoodLeap Sustainable Home Solutions Trust 2021-3	NAm	USD	361	Jun-21	27	6 / 6 / 7	2.100% / 2.410% / 3.500%	IntS + 115 bps / 140 bps / 335 bps	A / BBB / BB (Kroll)	
Sunnova Sol III Issuer LLC, Series 2021-1	NAm	USD	319	Jun-21	35	7	2.58%	IntS + 140 bps	A- (Kroll)	
Mosaic Solar Loan Trust 2021-2	NAm	USD	191	Jun-21	26	5 / 6 / 6	1.640% / 2.090% / 2.170% / 3.700%	IntS + 80 bps / 120 bps / 175 bps / 330 bps	AA- / A- / BBB- / BB- (Kroll)	
GoodGreen Trust 2021-1	NAm	USD	343	Apr-21	35	6	2.660% / 3.010% / 5.740%	S + 160 bps / 195 bps / 465 bps	AAA / AA / BBB (DBRS)	

ENERGY										
Issuer	Geography	Currency*	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Florida Pipeline Holdings / Florida Pipeline Funding	NAm	USD	1,773	Jun-21	17 / 7	9 / Bullet	2.920% / 4.700%	150 bps / 344 bps	BBB BB+	
GIP Capricorn Finco Pty Ltd	APAC	USD	1,435	Jun-21	14	10	3.110%	170 bps	Baa2 / - / -	
Georgetown Energy Partners LLC	NAm	USD	600	Jun-21	30	21	--	125 bps	NAIC-1 (A3)	
Renewable Energy Backed Securities	EMEA	EUR	26	Jun-21	--	--	--	--	--	
Hamina Biofuel Refinery	EMEA	EUR	70	Jun-21	4	--	7.500%	--	--	
Inversiones Latin America Power Limitada	LatAm	USD	404	Jun-21	12	--	5.125%	--	Ba1 / - / BB+	
Q-Energy 18 Solar Projects Portfolio	EMEA	GBP	175	Jun-21	17	9	--	--	--	
Entergy River Fuel Trust #1	NAm	USD	90	Jun-21	5	--	1.840%	110 bps	NAIC-2 (BBB+)	
Hän and Duvhällen Onshore Wind Farms	EMEA	NOK	1.070	Jun-21	--	--	--	--	- / - / -	
FLEX Intermediate Holdco LLC	NAm	USD	1,250	May-21	10 / 19	Bullets	3.360% / 4.320%	175 bps / 210 bps	- / BBB- / BBB-	
JSW Hydro Energy	APAC	USD	707	May-21	10	Bullet	4.125%	--	Ba1 / - / BB+	
Anselma Issuer S.A.	EMEA	EUR	125	May-21	17	17	--	--	AA by S&P and AA+ by Kroll	
Biffa Plc	EMEA	GBP	150	May-21	7 / 10	--	--	--	--	
Serra do Mel Holding	LatAm	BRL	142	Apr-21	14	--	--	IPCA + 520 bps	--	
Nighthawk Solar Funding	NAm	USD	143	Apr-21	24	9	3.370%	--	--	
Investment Energy Resources (IERL)	LatAm	USD	700	Apr-21	8	8	6.250%	--	Ba3 / BB- / BB-	
La Pimienta Solar	LatAm	USD	270	Apr-21	--	--	--	--	--	
LS Power Grid Holdings	NAm	USD	100	Apr-21	10	10	2.990%	--	BBB High (DBRS)	

INFRASTRUCTURE										
Issuer	Geography	Currency *	Size (MM)	Date	Tenor	WAL	Pricing	Spread at Issuance	Ratings (Moody's / S&P / Fitch)	
Bayfront Infrastructure Capital Securitization	APAC	USD	401	Jun-21	23	--	1.363% / 1.413% / 2.01277% / 2.51277% / 3.56277%	--	Class A SU / Class A / Class B / Class C / Class D	
P.A. Autopista Río Magdalena	LatAm	COP	915,000	Jun-21	15	--	6.050%	--	Baa2 / - / BBB-	
Vinci	EMEA	EUR	750	Jun-21	10	--	0.500%	MS + 45bps	A3 / A-	
LimakPort	EMEA	USD	370	May-21	15	--	9.500%	--	B3 / - / BB-	
Gatwick Airport	EMEA	GBP	300	Apr-21	9	--	2.500%	G + 180 bps	Baa2 / BBB / BBB+	
Puerta de Hierro	LatAm	COP	760	Apr-21	24	16	4.100%	--	Aa1 / AA / -	
Portsmouth Hospital	EMEA	GBP	327	Apr-21	--	--	0.100% / 2.804%	--	A2 / - / -	
Aeroporti di Roma	EMEA	EUR	500	Apr-21	10	--	1.750%	MS + 185-190 bps	Baa3 / BB + / BBB-	
Believe Housing	EMEA	GBP	85	Apr-21	33	--	--	--	--	



FY 2020 Global Project Bond League Tables (Source: PFI)

#	Lead Manager	(\$MM)	# deals
1	MUFG	4.953	32
2	Citi	3.879	17
3	Crédit Agricole	3.211	18
4	JP Morgan	3.109	18
5	BNP Paribas	2.565	13
6	RBC	2.409	11
7	Societe Generale	2.300	16
8	HSBC	2.145	11
9	Goldman Sachs	2.089	10
10	BofA	2.081	13

FY 2020 EMEA Project Bond League Tables (Source: PFI)

#	Lead Manager	(\$MM)	# deals
1	Crédit Agricole	2.790	14
2	BNP Paribas	2.370	11
3	Société Générale	1.865	11
4	HSBC	1.263	3
5	MUFG	1.227	5
6	Citi	1.088	4
7	JP Morgan	1.036	7
8	Santander	1.005	8
9	Unicredit	888	6
10	Mizuho	611	2

\* Currency of issuance

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



## GLOBAL BOND MARKET OVERVIEW

### Market update June 2021

#### EUR Bond Corporate Market

- So far, 2021 is less active than the record year of issuance of 2020. A total of €207BN has been priced year-to-date, 28% below the previous year.
- Nonetheless, the health of the market remains strong. Issuances keep being well absorbed with a 3.0x average oversubscription and 30bps IPTs to final terms spread compression. New issue premiums also reached 2bps in average so far.
- EUR credit spreads have been relatively stable throughout the month of June, avoiding much of the post Federal Open Market Committee meeting volatility. We remain slightly off the post-Covid tightness but expect those levels to be superseded in the coming days.

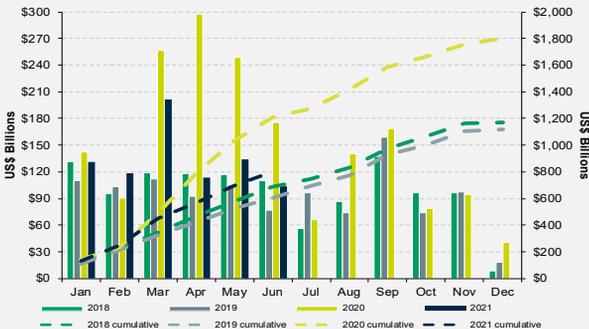
#### Key Recent Transactions

- ✓ **Air France-KLM (NR)**: announced a €600MM 3-year and 5-year bond at IPTs of resp. 3.375% and 4.500%. The final terms were given at 3.125% and 4.125%, the bond was upsized to €800MM (resp. €300MM and €500MM) as the order book was above €4.1BN. **Crédit Agricole CIB acted as a Joint Bookrunner**
- ✓ **Deutsche Bahn (Aa1 / AA-)**: announced a EUR Benchmark 30-year bond at IPTs of m/s+90bps area. As the order book grew to €2.3BN the guidance was released at m/s+70-75bps and the size was set to €750MM-1BN. The final terms were given at m/s+68bps and the size was set to €1.0BN as the order book continued to increase up to €2.4BN
- ✓ **Engie (Baa1 / BBB+ / A-)**: announced a EUR PerpNC10 Green Hybrid bond at IPTs of 2.250%-2.375%. The order book increased up to €1.9BN allowing the bond to be sized at €750MM. The guidance was given at 2-2.125%. The final terms were given at 1.950% as the order book was at €2.0BN. The size was set at €750MM. **Crédit Agricole CIB acted as a Joint Bookrunner**
- ✓ **Snam S.p.A (Baa2 / BBB+ / BBB+)**: announced a €500MM exp. 10-year Transition Bond at IPTs of m/s+85bps area. The order book increased to €1.3BN and the guidance was given at m/s+65-70bps. The final terms were given at m/s+65bps and the order book was at €1.1BN. **Crédit Agricole CIB acted as a Joint Bookrunner**

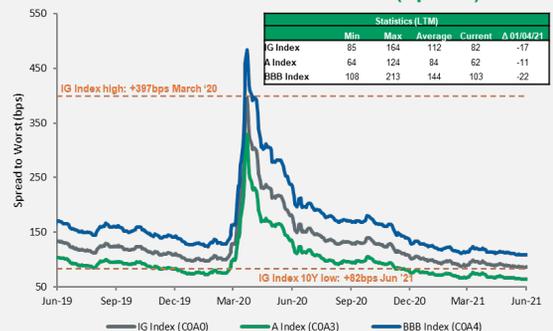
#### US Investment Grade Public Corporate Bond Market

- \$104BN have been issued in June, which is more than in 2019 (\$77BN) but less than last year record levels (\$175BN).
- Over the first five months of the year, corporate/industrial borrowers made up 32% of all ex-SSA issuance, while accounting for a mere 14.9% of this month's total issuance.
- At \$800BN, YTD volumes are far behind last year height of \$1.2TR.
- Underlying technicals remain supportive of IG issuance and borrowers continue to weigh supportive market conditions (the combination of low rates, tight corporate spreads, and robust investor demand and an impending rate hike) against conflicting and unclear signals from Chairman Powell.
- New issue premiums averaged at 0bps in June.
- Treasuries bear-steepened after the core PCE deflator recorded its fastest monthly increase since the early 1990s at 3.4% in May.
- Central bankers from the U.S. to Europe downplayed risks of inflation and quicker pullback in accommodative measures.

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



Investment-Grade Index (Spread)



#### USPP Market Highlight

- With \$8.3BN issued, June has been the second top month this year and outperformed levels encountered the two previous years.
- YTD volumes remain at a 10-year record high level with over \$39.0BN USPP issued.
- Since the beginning of the year, 117 transactions in 226 tranches were issued vs. 251 transactions in 494 tranches last year.
- Cross-boarder transactions represented 51% of this month USPP volumes, bringing up their YTD level to 42% while 2020 ended at 29%.
- With \$11.7BN issued YTD, Energy issuances account for 30% of the total 2021 USPP volumes while the infrastructure sector represents 10% With \$3.9BN.



## EMEA BOND MARKET OVERVIEW

### EMEA market – Public secondary levels (€)

Sources: Crédit Agricole CIB, Bloomberg

ENERGY						EMM	01/07/2021	01/07/2021	
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size (EMM)	Coupon	Bid I Spread	Bid YTM
22/01/2021	2I RETE GAS SPA	IT	Baa2	BBB	2031	500	0,579%	71,08	0,81
12/01/2021	E.ON SE	DE	Baa2	BBB	2028	600	0,100%	39,12	0,34
09/01/2020	E.ON SE	DE	Baa2	BBB	2030	500	0,750%	42,16	0,49
31/10/2019	E.ON SE	DE	Baa2	BBB	2031	500	0,625%	48,78	0,62
30/01/2020	ELENIA VERKKO OYJ	FI	NR	BBB+	2027	500	0,375%	52,37	0,31
10/10/2019	ENEL FINANCE INTL NV	NL	Baa1	BBB+	2027	1 000	0,375%	35,87	0,17
07/04/2020	ENERGIAS DE PORTUGAL SA	PT	Baa3	BBB	2027	750	1,625%	46,01	0,26
13/01/2020	ENERGIAS DE PORTUGAL SA	PT	Ba2	BB+	2080	750	1,700%	183,34	1,52
20/03/2020	ENGIE SA	FR	Baa1	BBB+	2028	750	1,750%	34,29	0,21
16/01/2020	ENI SPA	IT	Baa1	A-	2030	1 000	0,625%	51,41	0,54
07/10/2019	ENI SPA	IT	Baa1	A-	2034	750	1,000%	50,86	0,82
01/04/2020	IBERDROLA FINANZAS SAU	ES	Baa1	BBB+	2025	750	0,875%	22,32	-0,12
05/02/2021	ITALGAS SPA	IT	Baa2	BBB+	2033	500	0,500%	67,50	0,90
02/12/2019	ITALGAS SPA	IT	Baa2	BBB+	2031	500	1,000%	64,99	0,80
13/01/2020	NATL GRID ELECT TRANS	UK	Baa1	BBB+	2025	500	0,190%	33,25	-0,04
06/04/2020	NATURGY FINANCE BV	NL	BBB (Fitch)	BBB	2026	1 000	1,250%	29,92	0,00
28/08/2019	NGG FINANCE PLC	UK	Ba1	BBB-	2082	750	2,125%	206,01	1,89
28/08/2019	NGG FINANCE PLC	UK	Ba1	BBB-	2079	500	1,625%	161,46	1,24
09/01/2020	RED ELECTRICA FIN SA UNI	ES	A- (Fitch)	A-	2028	700	0,375%	23,40	0,13
20/09/2018	RTE RESEAU DE TRANSPORT	FR	NR	A	2038	500	2,125%	51,53	0,95
20/09/2018	RTE RESEAU DE TRANSPORT	FR	NR	A	2030	500	1,500%	37,04	0,43
27/11/2019	SERVICIOS MEDIO AMBIENTE	ES	NR	BBB- (Fitch)	2026	500	1,661%	78,14	0,56
05/09/2019	SNAM SPA	IT	Baa2	BBB+	2034	600	1,000%	63,69	0,93
26/03/2020	SUEZ	FR	Baa1	BBB+	2027	850	1,250%	34,01	0,14

INFRASTRUCTURE						EMM	01/07/2021	01/07/2021	
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM
30/01/2020	ABERTIS INFRAESTRUCTURAS	ES	BBB(Fitch)	BBB-	2028	600	1,250%	88,38	0,74
03/07/2019	ABERTIS INFRAESTRUCTURAS	ES	BBB(Fitch)	BBB-	2029	600	1,625%	96,50	0,93
07/09/2020	APRR SA	FR	A-(Fitch)	A-	2029	500	0,125%	21,23	0,16
01/04/2020	APRR SA	FR	A-(Fitch)	A-	2027	500	1,250%	23,41	0,01
14/11/2018	APRR SA	FR	A-(Fitch)	A-	2030	500	1,500%	17,41	0,18
15/02/2019	AUTOROUTES DU SUD DE LA	FR	A3	A-	2031	1 000	1,375%	27,30	0,36
21/06/2018	AUTOROUTES DU SUD DE LA	FR	A3	A-	2028	700	1,375%	22,54	0,12
07/04/2020	BOUYGUES SA	FR	A3	A-	2028	1 000	1,125%	23,98	0,14
03/05/2017	BRISA CONCESSAO RODOV SA	PT	Baa2	A- (Fitch)	2027	300	2,375%	42,90	0,25
28/08/2019	HOCHTIEF AG	DE	NR	BBB-	2031	250	1,250%	95,45	1,07
28/08/2019	HOCHTIEF AG	DE	NR	BBB-	2027	500	0,500%	57,11	0,40
05/05/2021	HOLDING D'INFRASTRUCTURE	FR	BBB (Fitch)	BBB-	2028	600	0,625%	83,44	0,76
09/09/2020	HOLDING D'INFRASTRUCTURE	FR	BBB (Fitch)	BBB-	2029	600	1,625%	94,01	0,92
24/04/2020	HOLDING D'INFRASTRUCTURE	FR	BBB (Fitch)	BBB-	2027	600	2,500%	62,78	0,43
04/02/2021	ILIAD SA	FR	NR	NR	2028	700	1,875%	224,31	2,12
12/07/2017	INDIGO GROUP SAS	FR	NR	BBB-	2037	125	2,951%	163,65	2,04
12/04/2018	INDIGO GROUP SAS	FR	NR	BBB-	2028	800	1,625%	106,05	0,94
13/10/2020	INFRASTRUTTURE WIRELESS	IT	NR	BB+	2028	750	1,625%	144,12	1,36
12/04/2021	INFRASTRUTTURE WIRELESS	IT	NR	BB+	2031	500	1,750%	166,75	1,78
31/03/2020	ORANGE SA	FR	Baa1	BBB+	2027	750	1,250%	26,31	0,08
31/03/2020	ORANGE SA	FR	Baa1	BBB+	2032	750	1,625%	37,07	0,53
07/02/2020	SAMHALLSBYGGNADSBOLAGET	SE	BBB- (Fitch)	BBB-	2027	750	1,000%	98,96	0,81
30/03/2016	TDF INFRASTRUCTURE SAS	FR	NR	NR	2026	800	2,500%	83,63	0,56
13/05/2020	TELEFONICA EMISIONES SAU	ES	Baa3	BBB-	2032	750	1,807%	63,57	0,79
13/05/2020	TELEFONICA EMISIONES SAU	ES	Baa3	BBB-	2027	1 250	1,201%	39,19	0,22
10/09/2020	TEREGA SA	FR	Baa2	NR	2030	500	0,875%	74,03	0,79
20/02/2020	TEREGA SASU	FR	Baa3	NR	2028	400	0,625%	79,96	0,68
12/05/2020	VERIZON COMMUNICATIONS	US	Baa1	BBB+	2040	800	1,850%	91,15	1,38
12/05/2020	VERIZON COMMUNICATIONS	US	Baa1	BBB+	2033	1 350	1,300%	79,36	1,02
11/01/2019	VINCI SA	FR	A3	A-	2029	950	1,625%	30,51	0,24

RAIL & AERO						EMM	01/07/2021	01/07/2021	
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM
22/04/2021	AEROPORTI DI ROMA SPA	IT	Baa3	BBB-	2031	500	1,750%	117,98	1,29
25/11/2020	AEROPORTI DI ROMA SPA	IT	Baa3	BBB-	2029	300	1,625%	94,36	0,88
01/06/2017	AEROPORTI DI ROMA SPA	IT	Baa3	BBB-	2027	500	1,625%	84,48	0,65
26/03/2020	AEROPORTS DE PARIS	FR	NR	A	2030	1 500	2,750%	43,35	0,45
11/06/2019	AEROPORTS DE PARIS	FR	NR	A	2034	800	1,125%	54,69	0,83
04/10/2018	AEROPORTS DE PARIS	FR	NR	A	2038	500	2,125%	62,16	1,06
18/03/2015	ALPHA TRAINS FINANCE SA	LU	BBB (Fitch)	NR	2025	350	2,064%	116,43	0,85
21/07/2020	AZZURRA AEROPORTI SPA	IT	Ba1	NR	2027	300	2,625%	219,37	2,00
26/04/2017	BRUSSELS AIRPORT CO NV/S	BE	Baa1	NR	2024	300	1,000%	63,99	0,24
23/06/2021	DEUTSCHE BAHN FIN GMBH	DE	NR	NR	2051	1 000	1,125%	62,54	1,10
01/04/2020	ROYAL SCHIPHOL GROUP NV	NL	A1	A	2029	750	2,000%	37,55	0,32

### EMEA market – Public secondary levels (£)

ENERGY						EMM	01/07/2021	01/07/2021	
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM
01/10/2019	CADENT FINANCE PLC	UK	Baa1	BBB+	2035	300	2,250%	115,37	2,24
08/04/2020	NATL GRID ELECT TRANS	UK	Baa1	BBB+	2040	400	2,000%	102,51	2,15
09/03/2010	NORTHERN GAS NETWORKS	UK	Baa1	BBB+	2040	200	5,625%	116,41	2,29
16/07/2004	SOUTH EAST WATER FIN LTD	UK	Baa2	BBB	2029	166	5,583%	112,80	2,02

RAIL & AERO						EMM	01/07/2021	01/07/2021	
Pricing date	Issuer	Country	Moody's	S&P	Maturity	Size	Coupon	Bid I Spread	Bid YTM
24/07/2017	EVERSHOLT FUNDING PLC	UK	Baa2	NR	2042	400	3,529%	151,57	2,63
08/04/2021	GATWICK FUNDING LIMITED	UK	Baa2	BBB	2030	300	2,500%	150,39	2,44
31/03/2021	GATWICK AIRPORT FINANCE	UK	Ba3	NR	2026	450	4,375%	335,92	3,98
29/03/2011	GREAT ROLLING STOCK LTD	UK	Baa2	NR	2031	460	6,500%	115,69	1,99
12/11/2019	HEATHROW FINANCE PLC	UK	B1	NR	2029	400	4,625%	324,19	4,15
01/05/2019	MAN AIR GRP FND P	UK	Baa1	NR	2044	350	2,875%	170,15	2,84
28/03/2014	PORTERBROOK RAIL FIN LTD	UK	Baa2	NR	2029	250	4,625%	119,20	2,08



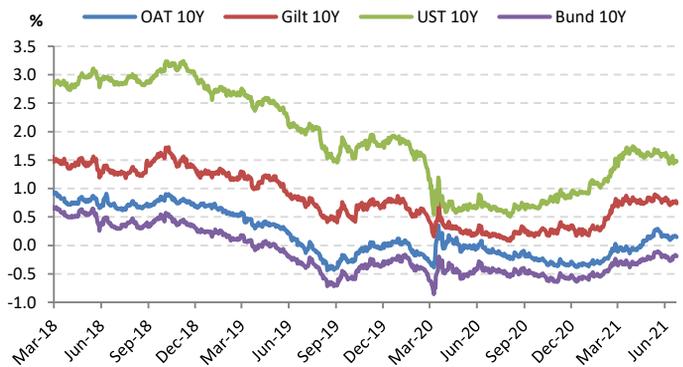
## MACROECONOMIC ENVIRONMENT

- Although the beginning of the month was relatively calm in terms of market news flow, Fed's hawkish surprise pushed up short-dated U.S. Treasury as UST 10 year yields rose more than 7bps to 1.575% and brought back volatility to the markets with the VIX spiking more than 16% to its highest level since May.
- Nevertheless, EUR credit spreads seemed to have been spared by the announcement since they remained relatively stable, avoiding much of the post FOMC meeting volatility.
- A week later, the Bank of England announced its very dovish stance despite the evidence of a strong economic rebound in Europe mid-2021 and a further positive economic surprise for the Eurozone - coming from a bigger-than-expected increase in Eurozone PMIs - drove risk appetite in excessive risk seeking territory. This was also confirmed by equity prices reaching all-time highs and credit spreads returning to post-crisis lows.
- However, the global escalation of the delta variant raises worries. More countries have ramped up the number of restrictive measures such as closing schools, extending local lockdowns or banning alcohol distribution. In Europe, the delta variant remains most visible in the UK but also Portugal, Sweden and Belgium, suggesting that the COVID crisis is far from over.

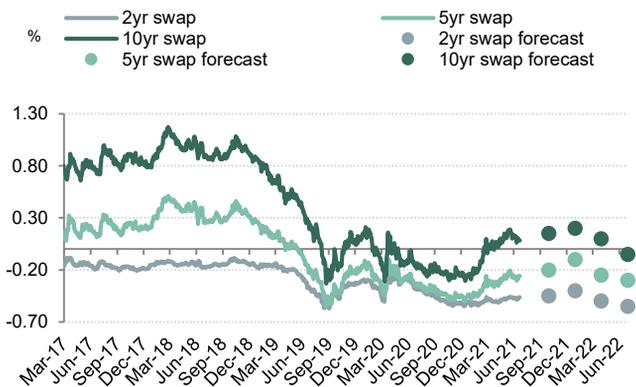
### Swap rates

	EUR	MtM Var (%)	USD	MtM Var (%)	GBP	MtM Var (%)
3Y	-0.39%	-2.1%	0.53%	17.5%	0.54%	21.1%
5Y	-0.24%	5.1%	0.92%	1.0%	0.75%	8.2%
7Y	-0.09%	59.0%	1.19%	-6.0%	0.88%	0.6%
10Y	0.11%	-30.7%	1.43%	-10.2%	1.02%	-4.3%
12Y	0.23%	-19.5%	1.53%	-11.4%	1.08%	-6.5%
15Y	0.36%	-13.7%	1.64%	-12.3%	1.13%	-8.1%
20Y	0.47%	-12.0%	1.73%	-12.7%	1.16%	-9.3%

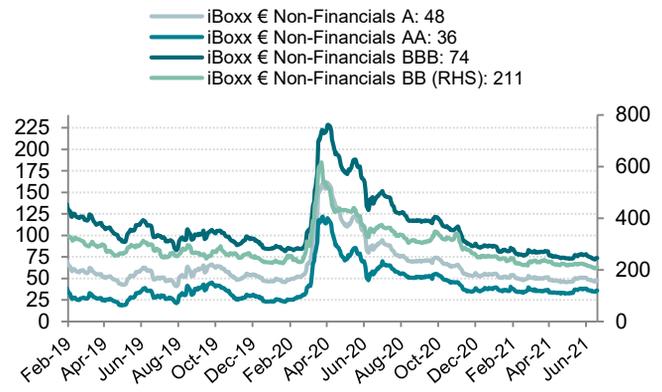
### Government yields (10Y)



### EUR swap rates (historic and forward levels)



### Credit spread evolutions (EUR)



### 10Y basis swap evolution



### Main upcoming events

	Events / Data	Expected impact
22-Jul	ECB meeting	ECB on hold, with a very dovish tone
28-Jul	Fed monetary meeting	Fed on hold but with a very dovish tone (continued QE for a long time)
9-Sep	ECB monetary meeting (+updated projections)	ECB on hold but with a very dovish tone but could announce a reduction of the pace of the PEPP purchases

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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