16 February 2021

Debt markets have had their fair share of news to digest in recent weeks but technicals continue to eclipse event risk. New issuance has been perky rather than hectic, with the market handling geopolitical noise with little drama while new issues continue to perform.

The impeachment trial of former President Trump, the EU-UK spat over Covid-19 vaccines, the frosty phone call between Presidents Biden and Xi, the tit-for-tat expulsion of diplomats over Western backing for protests in Russia in support of Alexei Navalny, Myanmar's military coup – these all turned out to be sideshows for investors.

Market attention seems to be focusing more on the rollout of Covid-19 vaccines, since this will be a determinant of economic recovery and will dictate how quickly countries reverse restrictions. Vaccination data have of course been the cause of testy political exchanges. The EU spat with the UK was unedifying, but the data can't hide the pitiful vaccine rollout in Europe ex-UK: 23.5 per 100 people vaccinated in the UK versus 5.0, 4.9 and 4.3 in Germany, Italy and France.

Market participants are also paying attention to Q4 corporate earnings. The season is turning out well as revenues and profits reverse the negative trend of previous quarters. Most companies in the US, Europe and Japan are not just beating estimates but beating them by a margin. This has given market participants more confidence in the shape and speed of the recovery, backed by fiscal stimulus and monetary policy. The spectre of inflation is starting to seep into the edges of the narrative but can't be said yet to be leading to any real caution in terms of market positioning.

Oil prices have been trending higher too, in anticipation of better demand while US equities continue, as ever, to front-run the data. US stock indices are back at record highs, having smashed pre-pandemic levels to trade +70% to March 2020 nadirs. The market also like appointment of Mario Draghi as Italian prime minister.

Primary bond market activity has been perky in recent weeks rather than hectic. One highlight has been European sovereign supply (mainly at the long end of the curve) that has all been heavily oversubscribed. Nine EU sovereigns tapped the euro market in the past three weeks; activity also included Iceland (in euros), the UK in sterling and Norway in Norwegian krone with a record book of demand.

Investor support is plain to see: the EUR 37bn-equivalent supply from European sovereigns was 10x covered. Orders for all sovereign supply (including CEEMEA issuers) was above EUR 500bn. Portugal and Spain garnered the biggest oversubscription: 13.3x for Portugal's EUR 3bn; 13x for Spain's EUR 5bn. The attractions were clear: the 1.02% yield on Portugal's 30-year; 1.458% on Spain's 50s. Shorter lines from Cyprus and Greece picked up momentum on the back of their positive yields – 0.053% from Cyprus at the five-year point; 0.807% for Greece's 10s, where core Europe trades deeply negative.

FIG issuance focused on US banks

In FIG, the clear focus has been on US banks, which have sold almost USD 36bn of primary debt since the last edition of Primary Market Talk on January 21. Between them, Citigroup, Goldman Sachs, JP Morgan, and Morgan Stanley raised around USD 28.5bn of senior unsecured debt (including forays into euros by GS, JPM and MS). GS and JPM also debuted sustainability and social bonds, respectively.

US banks also raised USD 5.8bn in preferred stock. Citigroup and Wells Fargo were in action, as were as five large regional banks: FirstRepublic, Huntington Bancshares, SVB Bank, US Bancorp (the 5th largest US bank group), and Washington Federal. Worthy of note was Citigroup's USD 2.3bn PNC5 on 10 February, which started out life at 4.25% area and pierced the 4% barrier to price at 3.875%.

As for European FIG issuers, one sell-side report noted that European FIG primary issuance is down 49% year-to-date and is negative on a net basis. European banks have been in earnings mode of late so issuance has been lacklustre. What there has been, however, has crossed the spectrum of covered bonds, senior preferreds, senior non-preferred, Tier 2 and AT1.

Perhaps most noteworthy in the European supply was Deutsche Bank taking advantage of a more positive tone towards its paper after its Q4 earnings to make a dent in its 2021 senior non-preferred funding requirement. The bank sold two tranches of EUR 1.5bn each (6NC5 and 11NC10) on 8 February that generated EUR 7.6bn of demand and found solid demand in the sterling market three days later to raise GBP 600m at the 8NC7 maturity point with orders of GBP 2.95bn. Market participants pointed to attractive new-issue premiums that drove momentum

Sustainability-linked format catching on

ESG debt from the corporate sector continued to emerge in size across the spectrum of labels. Merging two massively in-vogue market segments – ESG and corporate hybrids – is clearly a winning formula as Spanish utility Iberdola, Energias de Portugal, Danish wind power producer Orsted, Spanish telecom Telefónica and German rail technology company Vossloh demonstrated; all selling heavily covered ESG hybrids.

The sustainability-linked bond format continues to gain momentum. Confirmation on 9 February by Total SA chairman and CEO Patrick Pouyanne that all new Total bonds will be climate KPI-linked was a momentous announcement and one that will be seen to have been a turning point in the evolution of the SLB market. In the past couple of weeks, French aluminium products manufacturer Constellium, Brazilian car rental company Movida, UK supermarket group Tesco and India's UltraTech Cement all issued in this format.

Debt issued by European banks (21 Jan to 15 Feb):

Aareal Bank came to market on 8 February with a EUR 200m tap of its due November 2027 senior preferred note at MS+63bp, taking total deal size to EUR 500m. Demand was sufficient to cover the tap, but leads were unable to pull pricing in from the middle of the MS+63bp +/-3bp WPIR guidance range.

The bank also priced a USD 750m four-year mortgage covered bond on 3 Feb at MS+24bp. Final books were USD 1.25bn at reoffer. Guidance was MS+27bp area.

Argenta Spaarbank priced a no-grow EUR 500m 10-year Belgian covered bond on 2 February at MS+3bp for a negative yield of -0.135%. Pricing came at the tight end of MS+4bp +/-1bp WPIR revised guidance. Initial guidance was MS+9bp area.

Banco Comercial Português priced a no-grow EUR 500m 6NC5 senior preferred note on 5 February at MS+155bp to orders of more than EUR 1bn. Guidance was MS+160bp area; IPTs MS+180bp area.

Banco Santander priced a EUR 1.25bn seven-year senior preferred on 4 February at MS+52bp to demand of more than EUR 3bn. IPTs were MS+70bp-75bp.

La Banque Postale priced a EUR 500m 11.5NC6.5 Tier 2 on 26 January at MS+123bp, the tight end of MS+125bp +/-2bp WPIR guidance. IPTs were MS+145bp area. Final demand was EUR 1.35bn.

Bayerische Landesbank priced a EUR 500m seven-year senior non-preferred green bond on 4 February at MS+53bp. Demand was above EUR 2.1bn from around 220 accounts, of which 43.2% were ESG investors. Pricing came at the tight end of MS+55bp +/-2bp WPIR guidance. IPTs were MS+75bp a rea.

Belfius Bank priced a no-grow seven-year EUR 500m senior preferred on 1 February at MS+50bp; books closed above EUR 2bn. IPTs were MS+70bp area.

Berlin Hyp priced a no-grow EUR 500m 10-year covered bond on 22 January at MS flat for a negative yield of -0.217%. The final book was above EUR 850m from over 35 accounts. Guidance was MS+3bp area.

BPCE SFH priced a dual-tranche covered bond on 22 Jan. Tranche A was a EUR 1bn eight-year at MS+2bp, the tight end of MS+3bp +/-1bp WPIR revised guidance (initial guidance was MS+5bp area). Tranche B was a EUR 1bn 15-year that priced at MS+5bp, the tight end of MS+6bp +/-1bp WPIR revised guidance (initial guidance was MS+9bp area). Final books were above EUR 1.93bn and EUR 1.85bn respectively.

Caisse Française de Financement Local (Caffil) priced a no-grow EUR 750m 15-year public sector covered bond on 8 February at MS+2bp; books closing at EUR 1.75bn. Guidance emerged at MS+6bp area.

CaixaBank priced a EUR 1bn 8NC7 senior non-preferred green bond on 2 February at MS+90bp, the tight end of MS+90bp-95bp WPIR guidance. IPTs were MS+115bp area. Demand reached above EUR 3.7bn.

Credit Suisse priced a USD 4bn senior unsecured offering on 26 Jan. Tranche A was a USD 1bn three-year at T+32bp (IPTs were T+low 50s). Tranche B was a USD 1bn three-year FRN at SOFR+39bp (IPTs SOFR+low 50s). Tranche C was a USD 2bn 6NC5 at T+90bp (IPTs T+115bp area).

Danske Bank priced a EUR 750m 10.25NC5.25 Tier 2 on 9 Feb at MS+140bp to demand of EUR 1.75bn. IPTs were MS+160bp area.

Deutsche Bank made a dent in its senior non-preferred funding requirement by pricing a GBP 600m short 8NC7 on 11 February and a EUR 3bn dual-tranche deal on 8 February. The sterling trade printed at G+168bp, the tight end of G+168bp-170bp WPIR guidance. IPTs were G+190bp area. Final books closed at GBP 2.95bn.

On the euro deal, Tranche A, a EUR 1.5bn 6NC5, priced at MS+120bp, the tight end of MS+120bp-125bp guidance; IPTs were MS+145bp area. Tranche B, a EUR 1.5bn 11NC10, priced at MS+150bp, the tight end of MS+15bp-155bp WPIR guidance; IPTs MS+175bp area. Demand was EUR 4.3bn and EUR3.3bn.

Deutsche Kreditbank priced a no-grow EUR 500m five-year senior preferred green note on 15 February at MS+35bp, the tight end of MS+37bp +/-2bp WPIR guidance against EUR 1.6bn of demand. IPTs were MS+55bp area.

Deutsche Pfandbriefbank priced a no-grow EUR 500m five-year senior preferred green bond on 25 January at MS+55bp. Final books were above EUR 1.2bn. IPTs were MS+70bp area.

DZ Hyp priced a EUR 1bn long nine-year mortgage covered bond at MS+1bp for a negative yield of -0.25% on 25 Jan, attracting demand of more than EUR 2bn. Pricing was at the tight end of MS+2bp +/-1bp WPIR revised guidance. Initial guidance was MS+4bp area.

Societe Generale priced a EUR 1bn seven-year senior preferred offering on 12 February at MS+48bp, to demand of above EUR 1.75bn at guidance of MS+50bp. IPTs were MS+65bp-70bp.

Societe Generale SFH priced a no-grow EUR 750m 10-year mortgage covered bond on 26 January at MS+1bp, drawing demand of EUR 2.1bn. Pricing was at the tight end of MS+2bp +/-1bp WPIR revised guidance. Initial guidance was MS+6bp area, at which level demand was above EUR 3bn.

SpareBank 1 SMN priced a EUR 500m seven-year senior preferred green bond at MS+40bp on 11 February, the tight end of MS+40bp-45bp WPIR guidance. Final books were around EUR 1.3bn. IPTs were MS+60bp area.

Sparebanken Sor Boligkreditt priced a no-grow EUR 400m seven-year Norwegian covered bond on 22 January at MS+7bp, drawing demand of over EUR 1.15bn. Guidance was MS+11bp area.

UBS priced a dual-tranche senior unsecured opco note on 2 February. Tranche A was a USD 1bn three-year that priced at T+30bp, the tight end of T+32bp +/-2bp guidance. Tranche B was a USD 1bn three-year FRN that priced at SOFR+36bp, wide of +32bp +/-2bp guidance. IPTs for both tranches were +50bp.

UBS Group priced a USD 2bn 11NC10 senior unsecured holdco note on 2 Feb and a USD 1.5bn PNC10 AT1 the day before. The senior unsecured trade printed at T+100bp. IPTs were T+125bp-130bp. IPTs for the AT1 emerged at 5%, revised to 4.75% area and the deal priced at 4.37% to orders of USD 12.8bn.

US/Canadian bank issuance:

Bank of New York Mellon priced a senior unsecured on 21 January. Tranche A was a USD 700m five-year at T+35bp, the tight end of T+37bp +/-2bp guidance (IPTs T+low 50s). Tranche B was a USD 500m 10-year at T+55bp, the tight end of T+57bp +/-2bp guidance (IPTs T+low 70s). Books closed above USD 1.25bn and USD1.15 bn.

Citigroup priced a USD 2.3bn PNC5 preferred stock offering on 10 February at the guidance yield of 3.875%. IPTs were 4.25% area. The bank also took USD 2.5bn from the senior unsecured market on 21 January, pricing USD 2.5bn in 6NC5s at T+68bp guidance. IPTs were T+80bp area.

First Republic priced a USD 200m PNC5 preferred stock offering on 28 January at a yield of 4.25%. Price talk was 4.375% area.

Goldman Sachs priced a USD 800m 5NC4 senior unsecured sustainable bond on 10 Feb at T+40bp. The deal was upsized from USD 750m and pricing tightened from IPTs of T+60bp area.

On 21 January, GS priced a EUR 1.75bn seven-year senior unsecured bond at MS+68bp, the tight end of MS+70bp +/-2bp WPIR guidance; IPTs were MS+90bp area. Demand was above EUR 4bn.

On 20 January, Goldman took USD 5.5bn from the senior unsecured market with a triple-tranche offering. Tranche A a USD 2.25bn 2NC1 at T+35bp (IPTs T+45bp area). Tranche B a USD 750m 2NC1 FRN at SOFR+41bp (IPTs SOFR+45bp area). Tranche C a USD 2.5bn 11NC10 at T+90bp (IPTs T+110bp area). Final books were USD 3bn, USD 1bn and USD 8.5bn.

Huntington Bancshares priced a USD 500m PNC5 preferred stock offering on 2 February at a yield of 4.50%. IPTs were 4.625% area.

JP Morgan was in the market on 28 January, and 8 and 9 February. On 28 Jan, the bank priced a USD 5bn senior unsecured bond split into a USD 2bn 6NC5 at T+62bp guidance IPTs T+75bp-80bp), and a USD 3bn 11NC10 at T+90bp guidance (IPTs T+105bp-110bp).

On 8 Feb, JPM tapped senior unsecured euros with a EUR 1.5bn 12NC11 at MS+65bp to EUR 3.3bn in orders. Guidance MS+70bp area; IPTs MS+85bp area.

On 9 February, the group came with a USD 1bn 4NC3 senior unsecured holdco social bond at T+37.5bp. Guidance was T+40bp area; IPTs were T+55bp area.

Morgan Stanley priced a EUR 1.75bn 10NC9 senior unsecured on 3 February at MS+70bp, the tight end of MS+70bp-75bp WPIR guidance. IPTs MS+90bp-95bp.

The bank took USD 7.5bn from the senior unsecured market on 20 Jan. Tranche A: a USD 3bn 3NC2 at T+40bp guidance (IPTs T+55bp-60bp). Tranche B: a USD 2.5bn 11.25NC10.25 at T+85bp (the tight end of T+87.5bp +/-2.5bp guidance; IPTs T+105bp area). Tranche C: a USD 2bn 31NC30 at T+97bp, the tight end of T+100bp +/-3bp guidance (IPTs T+115bp area). Books closed at USD 4bn, USD 6bn and USD 6.25bn.

Royal Bank of Canada priced a EUR 1.25bn 10-year covered bond on 21 January at MS+9bp for a negative yield of -0.128% to demand of EUR 1.5bn. Guidance was MS+11bp area.

SVB Financial Corp priced a USD 750m PNC10 preferred stock offering on 26 January at a 4.10% yield. IPTs had been 4.50%-4.625%. SVB also priced a USD 500m 10-year senior unsecured offering on 26 Jan at T+80bp. IPTs were T+95bp-100bp.

US Bancorp priced a USD 750m PNC5 preferred stock on 26 January at the 4% revised guidance yield. Initial guidance was 4% area for a USD 350m trade.

Washington Federal priced a USD 300m PNC5 preferred stock offering on 1 February at a yield of 4.875%. Guidance was 5% area. Deal size was increased from USD 150m.

Wells Fargo priced a USD 1bn PNC5 preferred stock offering on 25 January at a yield of 4.375%. IPTs were 4.625% area. Initial deal size was USD 300m.

Other bank issuance:

Ali Bank Qatar priced a USD 300m PNC5 AT1 on 10 February at a yield of 4%, drawing demand of USD 1.9bn. IPTs were 4.75% area.

ANZ Bank priced a EUR 750m 10.25NC5.25 SDG-linked Tier 2 on 29 January at MS+112bp, the tight end of MS+115bp +/-3bp WPIR guidance. Final books were over EUR 2.1bn. IPTs were MS+135bp-140bp.

Brazil's **Banco do Estado do Rio Grande do Sul** priced a USD 300m 10NC5 Tier 2 on 21 January at a yield of 5.375% (T+492.8bp). IPTs were high 5s.

Guatemala's **Banco Industrial** priced a USD 300m 10NC5 Tier 2 on 22 Jan at 4.875% yield (IPTs low 5s).

Bank of China priced a no-grow USD 500m three-year Yulan bond on 29 January at final guidance of T+67bp. Demand reached above USD 1.2bn from 54 accounts. Initial guidance was T+110bp area. Yulan bonds are issued through the Shanghai Clearing House but international investors settle within Euroclear.

CITIC Bank Corp priced a senior unsecured on 27 Jan. Tranche A: a USD 200m three-year at T+77bp (tight end of T+78bp +/-1bp WPIR final guidance); demand USD 1.7bn from 48 investors. Initial guidance T+120bp area. Tranche B: a USD 350m five-year at T+89bp (tight end of T+90bp +/-1bp WPIR final guidance) to final demand of USD 2.6bn from 63 accounts. Initial guidance was T+130bp area. Combined books had been above USD 7.5bn in marketing.

Ecobank Nigeria priced a USD 300m five-year senior unsecured on 10 February at a yield of 7.125%, equivalent to MS+654.9bp. Leads went out with IPTs of 7.75% area, tightening to 7.50%-7.75% guidance. Demand was above USD 900m.

First Abu Ahabi Bank priced a EUR 750m five-year senior unsecured on 9 Feb at MS+55bp. Books closed above EUR1.6bn. IPTs were MS+75bp area. On 2 Feb, the bank accessed the sterling market, selling a GBP 400m short five-year senior unsecured at G+98bp to GBP 850m in demand. IPTs G+115bp area.

Investec Bank priced a EUR 300m 6NC5 senior unsecured on 10 Feb at MS+95bp, attracting orders of more than EUR 700m. IPTs were MS+110bp area.

Saudi Arabia's **National Commercial Bank** priced a USD 1.25bn PNC6 Sukuk AT1 on 20 Jan at a 3.5% profit rate. IPTs 4.125% area. Orders >USD 4.8bn.

Woori Bank priced a USD 550m five-year senior unsecured sustainability bond on 26 Jan at T+45bp final guidance. Books closed above USD 2.1bn from 110 accounts. Initial guidance was T+75bp area.

Turkey's **Ziraat Bank** priced a USD 600m five-year sustainability note on 26 January at a 5.50% yield. Books were over USD 1.9bn. Guidance was 5.625%-5.75%; IPTs were 5.875% area.

Corporate ESG bonds

Italian multi-utility **Acea SpA** priced a dual-tranche senior unsecured green bond on 22 Jan. Tranche A was a EUR 300m five-year at MS+40bp for a negative yield of -0.038%. Pricing came through the tight end of MS+45bp +/-3bp guidance. IPTs were MS+75bp-80bp. Tranche B was a EUR 600m 10-year at MS+65bp, through the tight end of MS+70bp-75bp guidance. IPTs were MS+105bp area. Final order books EUR 2bn and EUR 3.9bn respectively.

Alibaba's USD 5bn four-tranche unsecured offering on 4 February included a USD 1bn 20-year sustainability bond at T+100bp, the tight end of T+105bp +/-5bp guidance. IPTs were T+140bp area.

Brazilian soybean producer **Amaggi Group** priced a USD 750m 7NC4 senior unsecured sustainability bond on 21 January at a yield of 5.25%. IPTs were 5.75% area.

UK housing company **Aster Group** priced a GBP 250m (GBP 50m retained) 15-year senior secured sustainability bond on 20 Jan uary at G+80bp to demand above GBP 800m. IPTs were G+95bp area.

Atrium European Real Estate, the owner and manager of shopping centres in Central and Eastern Europe, priced a no-grow EUR 300m long six-year unsecured green bond on 29 January at a yield of 2.937%. equivalent to MS+330bp, below guidance of MS+340bp-350bp. Books closed above EUR 1bn.

CBRE Global Investors priced a EUR 500m seven-year senior unsecured green bond on 20 January at MS+95bp, attracting demand of EUR 1.7bn at MS+100bp-105bp guidance). IPTs MS+125bp area.

Constellium, the Paris-based manufacturer of aluminium products for markets including aerospace, automotive and packaging, priced a USD 500m 8NC3 senior unsecured sustainability-linked bond on 9 February at a yield of 3.75%, equivalent to T+277bp.

Indian solar and wind generator **Continuum Energy Levanter** priced a USD 561m 6NC3 green bond on 2 Feb at the final guidance yield of 4.50% to demand of > USD 1.5bn. Initial guidance was 4.875% area.

Prague-based property developer **CTP** priced a EUR 500m six-year senior unsecured green bon on 11 Feb at MS+117bp, the tight end of MS+120bp +/- 3bp WPIR guidance. Books closed above EUR 1.7bn. IPTs were MS+145bp area.

Energias de Portugal priced a EUR 750m 60.5NC5.5 green hybrid on 25 January at a yield of 1.95% (MS+238bp), the tight end of 2% +/-5bp guidance; IPTs were 2.375% area. Final books EUR 2.8bn.

Hyundai Capital Services priced a USD 600m five-year senior unsecured green bond on 1 Feb at a yield of 1.343% (T+92.5bp). Initial guidance T+130bp area.

Iberdrola priced a dual-tranche green hybrid on 2 February. Tranche A was a EUR 1bn perpetual with a 9 November 2026 call that priced at a yield of 1.45%, through 1.50%-1.625% guidance; IPTs were 2% area. Tranche B was a EUR 1bn perpetual with a 9 August 2029 call that priced at a yield of 1.825%, through guidance of 1.875%-2%; IPTs were 2.375% area. Books were above EUR 5.2bn and EUR 4.3bn, respectively, at guidance.

India Green Power Holdings priced a USD 460m 6NC3 secured amortising green bond (WAL 5.6 years) at the final guidance yield of 4%. The final order book was above USD 1.6bn from 115 accounts. Initial guidance was 4.25% area.

Korean Southern Power priced a USD 450m five-year green bond on 21 January at T+40bp final guidance. Demand was above USD 2.8bn at reoffer from 165 accounts. Guidance was T+75bp area.

Modern Land (China) tapped two of its senior unsecured green bonds on 25 January. Tranche A was a USD 71m tap of its 9.8% due 11 April 2023 line that priced at the final guidance yield of 9.95% (initial guidance 10.50% area). Tranche B was a USD 77m tap of its 11.95% due 4 March 2024 at the final guidance yield of 11.25% (initial guidance was 11.85% area). Combined books were above USD 2.8bn.

Motability Group priced a dual-currency senior unsecured social bond on 21 Jan. Tranche A was a EUR 500m 7.5-year at MS+53bp, through MS+55bp-60bp guidance (IPTs MS+75bp-80bp). Tranche B was a GBP 350m 20-year at G+75bp, the tight end of G+75bp-80bp guidance (IPTs G+90bp area). Books closed above EUR 2.2bn/GBP 1bn at guidance.

Brazilian car rental company **Movida Participações** priced a USD 500m 10NC5 senior unsecured sustainability-liked bond on 28 January at guidance yield of 5.25%. IPTs were mid 5s.

Danish wind power producer **Orsted** priced a dual-currency green hybrid on 10 Feb. Tranche A was a EUR 500m 1,000-year (call in Aug 2030) that priced at 1.50% yield (MS+161bp). IPTs 2% area). Tranche B was a GBP 425m 1,000-year (call in Aug 2032) at a 2.50% yield (IPTs 3% area), equivalent to G+188.6bp. Books were above EUR 3.4bn and GBP 3.1bn.

Redes Energéticas Nacionais, Portugal's transmission system operator, mandated leads to arrange calls to present its Green Finance Framework.

Norwegian renewable power producer **Scatec** priced a EUR 250m 4.5-year senior unsecured green FRN on 9 Feb at 3mE+250bp; demand reaching EUR 400m enabling leads to fix pricing at the tight end of 3mE+250bp-275bp WPIR guidance. IPTs were 3mE+275bp-300bp. Deal size was above the expected EUR 200m.

Austria-based property developer **S IMMO** priced a modestly covered EUR 150m seven-year senior unsecured green bond on 26 January at 1.75% yield (MS+211.2bp). Yield guidance was 1.875% area; IPTs were 2% area.

SNAM priced a dual-tranche senior unsecured transition bond on 8 February. Tranche A was a no-grow EUR 500m long four-year that priced a MS+37bp, the tight end of MS+40bp +/-3bp WPIR guidance (IPTs MS+60bp area). Tranche B was a EUR 250m tap of its due June 2030 bond, which priced at 103.545 for a spread of MS+50bp, the tight end of MS+50bp-55bp guidance (IPTs MS+70bp area). Final books were above EUR 1.7bn and EUR 550m, respectively.

Surbana Jurong Pte, the Singapore-based global urban, infrastructure and managed services consulting firm, priced SGD 250m in 10-year sustainability bond on 4 Feb at a yield of 2.48%, 132bp over the Singapore government curve. Final books were over SGD 1.7bn across 120 accounts. Initial guidance was 2.75% area.

Telefónica priced a EUR 1bn PNC8.25 sustainable hybrid on 3 February at a yield of 2.375%, equivalent to MS+296.1bp. The final book was above EUR 4.25bn, having been as high as EUR 7bn at 2.625% guidance. IPTs were 3.125% area.

Tesco plc priced a EUR 750m 8.5-year senior unsecured sustainability-linked bond on 20 January at T+75bp. Demand was >EUR 5.75bn at the tight end of MS+80bp-85bp guidance. IPTs MS+110bp-115bp.

India’s largest cement company **UltraTech Cement** priced a USD 400m senior unsecured sustainability-linked bond on 10 February at a yield of 2.845%, equivalent to T+167.5bp. Books closed above USD 1bn from 71 investors. Pricing came at the tight end of T+170bp +/-2.5bp WPIR final spread guidance. Initial price guidance was T+210bp area, at which level investors put in orders of more than USD 2bn.

UK water utility **United Utilities** priced a GBP 300m long eight-year senior unsecured sustainable bond on 21 January at G+68p, the tight end of G+70bp +/-2bp WPIR guidance; IPTs were T+80bp-85bp. Final books were above GBP975m.

Vattenfall priced a no-grow EUR 500m eight-year senior unsecured green bond on 5 February at MS+38bp. Demand reached above EUR 2.5bn. IPTs were MS+65bp area.

German rail technology company **Vossloh** priced its EUR 150m PNC5 ESG-linked hybrid pushed at a 4% yield on 15 February. This was below final yield guidance of 4.125%. IPTs of 4.75% +/-0.125%, revised to 4.375% area.

Whitbread Group priced a dual-tranche senior unsecured green bond on 3 February. Tranche A was a GBP 300m long six-year at G+230bp, the tight end of G+230bp-235bp WPIR revised guidance; initial guidance was G+245bp area, and IPTs G+270bp-280bp. Tranche B was a GBP 250m long 10-year that priced at G+260bp, the tight end of G+260bp-265bp WPIR revised guidance; initial guidance was G+275bp area, and IPTs, G+300bp-310bp. Final books over GBP2.55bn and over GBP2.55bn, respectively.

Zhenro Properties priced a USD 300m 5.5NC3.5 senior unsecured green bond on 27 January at a 6.70% yield, to final demand of over USD 2bn from 95 accounts; books having peaked above USD 3bn in marketing at initial guidance of 7.20% area.

Source for raw bond data: Bond Radar (www.bondradar.com), company reports, media reports

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