

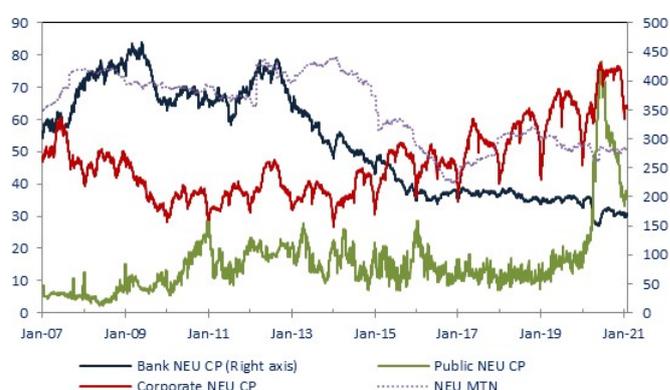
- In January, outstanding amounts rise again and reach 326.8 billion euros, down by 1.5% over one year.
- Financial sector issuance rates are mostly stable, at low levels, while those of corporates are falling again, particularly on longest pillars.
- Maturity structure of issuance shows a shortening of maturities for financial issuers and a lengthening of maturities for corporates.
- Remuneration conditions of issuance in foreign currencies are in line with reference rates (SONIA for GBP and SOFR for USD)

1. Market overview

Stocks (EUR billions) and annual variation

	Jan-21	Dec-20	Jan-20	Var. (%)
NEU CP	275,8	264,0	280,0	-1,5%
Bank issuers	170,5	164,7	196,8	-13,4%
Corporate issuers	63,4	60,0	59,2	7,1%
Public issuers	37,4	34,8	18,6	101,1%
Securitization vehicles	4,5	4,5	5,4	-16,7%
NEU MTN	51,0	51,2	52,0	-1,9%
Total	326,8	315,2	332,0	-1,6%

Trends of stocks since 2007 (EUR billions)



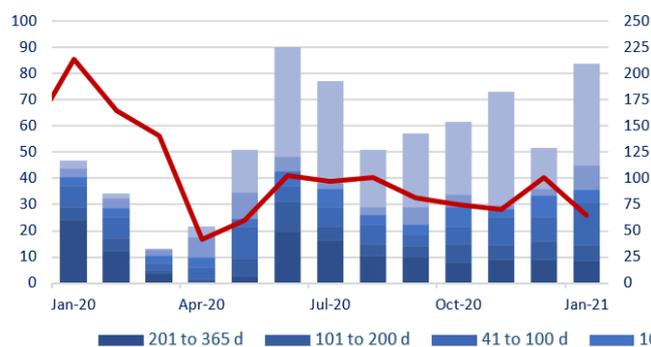
- Compared to the previous month, NEU CP outstanding amounts increased in January (+ 4.5%), driven by public sector (+ 7.5%), corporates (+ 5.7%), and financial sector (+ 3.5%).

2. Issuance and stocks of NEU CP by sector and by original maturity

Financial issuers

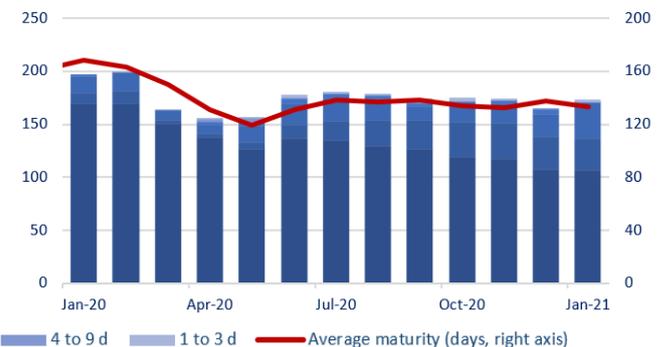
Issuance by original maturity (EUR billions)

Original average maturity (days)



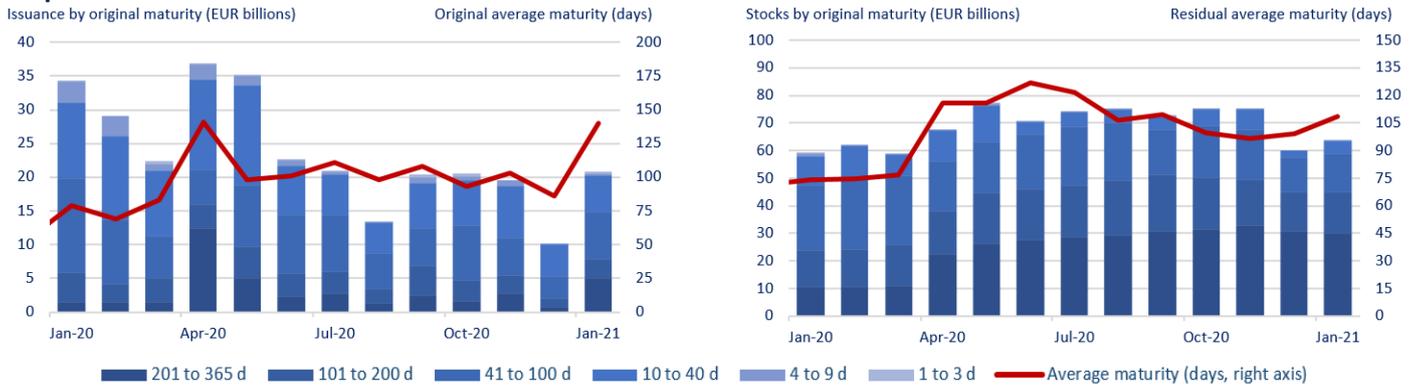
Stocks by original maturity (EUR billions)

Residual average maturity (days)



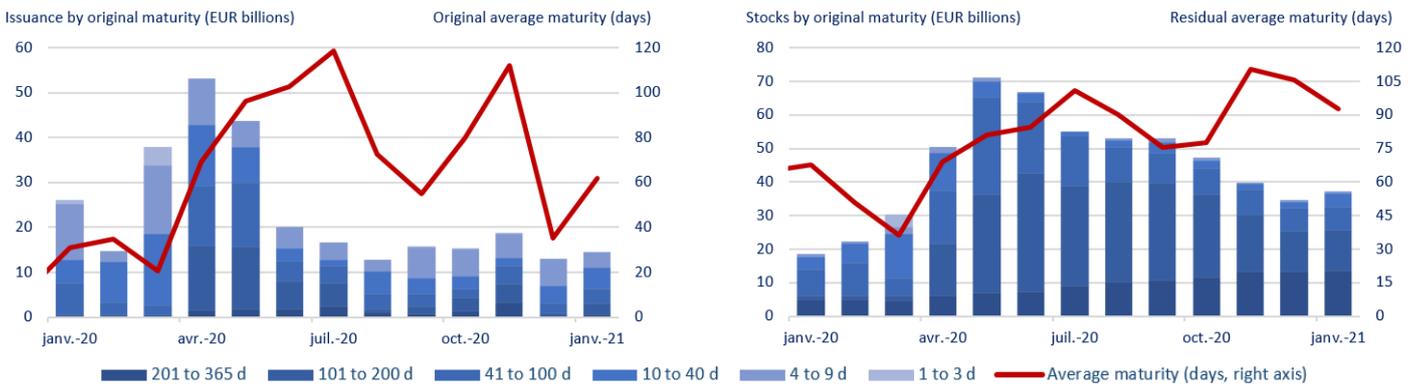
- Financial sector issuance rebounded in January and exceeded € 80 billion (€ 51.5 billion in December).
- Volumes are up sharply over one year, with shorter durations at issuance. Issuance reached € 83.9 billion in January 2021 (original duration 65 days in average) compared to € 46.8 billion in January 2020 (original duration 213 days).

Corporate issuers



- In January, issuance rebounded after a traditionally weak December (€ 20.8 billion compared to € 10 billion). The average original duration rebounded strongly in January (140 days). It was at 86 days in December and 79 days in January 2020.
- Stocks increased slightly (+ € 3.4 billion) and the average residual maturity of stocks started to rise again.

Public issuers



- Public sector issuance increased slightly in January (€ 14.5 billion after € 13 billion in December) but volumes are lower than those of January 2020.
- On the other hand, stocks are on the rise thanks to long-term issuance carried out at the height of the crisis for NEU CP.

3. Issuance and stocks of NEU MTN by original maturity



- NEU MTN issuance fell back slightly in January compared to December (€ 2.7 billion), and returned to their level of the previous year (€ 1.8 billion).
- Outstanding amounts are almost stable over one year (€ 51 billion in January 2021, compared to € 52 billion a year ago) with an increase in the share of *under 2 years* issuance in the stocks. This particular maturity represent currently 35.8% of the stock, compared to 27.7% a year ago.

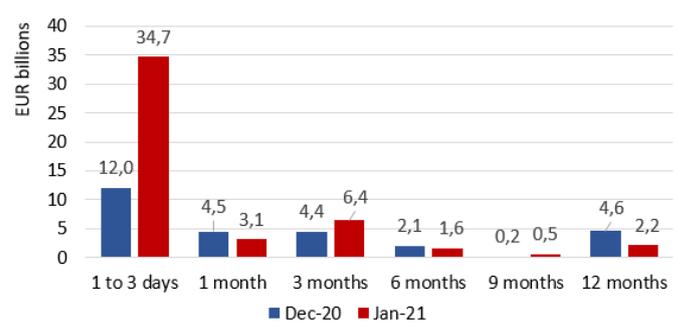
4. Average rates of NEU CP and durations at issuance

Financial issuers

Average rates at issuance in Euros



Cumulated issuances



- Interest rates are virtually unchanged on pillars with maturities of less than 3 months and up slightly on the other pillars, and are still very close to the €STR which averaged -0.56 in January and December.
- Volumes rebounded strongly on 1 to 3 day issues (December being traditionally low) and more slightly over the 3 month; volumes are down over 1, 6 and especially 12 months.

Dispersion of credit institutions' average rate at issuance on the 3-month maturity pillar (weekly data)

- Dispersion of credit institutions' rates at issuance is very small.
- Interest rates conditions are stable in January (around -0.50% on average, as in December) and have eased compared to a year ago (-0.36% on average in January 2020)



Corporate issuers

Average rates at issuance in Euros



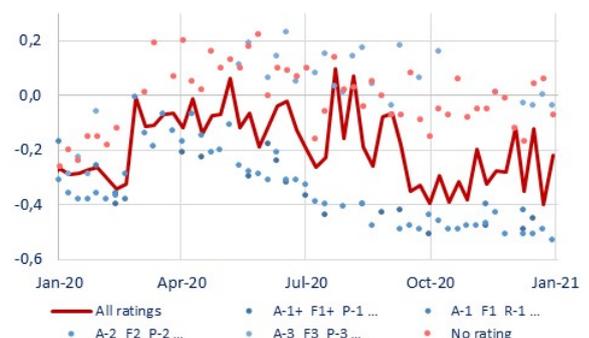
Cumulated issuances



- Interest rates are stable or slightly down on intermediate maturities (1 to 6 months) and fall back on longer maturities (-15bps over 12 months). This is a seasonal effect, with average rates traditionally peaking at the end of the year, particularly on long maturities, with the scarcity of issues.
- Volumes are up over all maturities and very significantly over the 12-month period.

Dispersion of corporate issuers' average rate at issuance on the 3-month maturity pillar (weekly data)

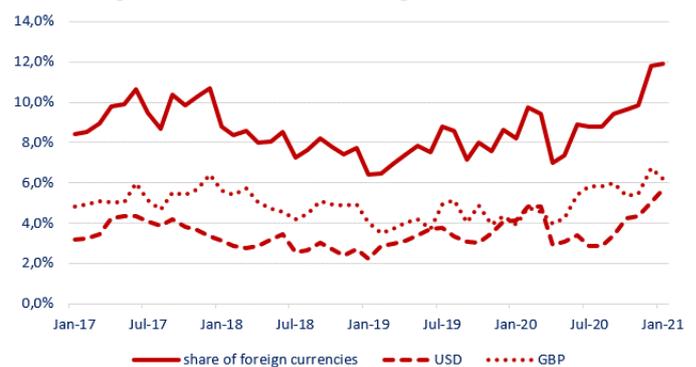
- Dispersion of corporate issuers' rates at issuance is greater than that of credit institutions.
- Interest rates conditions of A-2, F2, P-2 issuers improved over one year. The rates were around -0.50% in January (as in December), compared to around -0.35% a year earlier.



5. Focus on conditions of NEU CP issuance in GBP and USD

- NEU CP issued in foreign currencies accounts for 11.9% of outstanding amounts in January 2021 (+3.7 points over one year).
- GBP and USD makes up for 99.5% of foreign currencies issuance in 2020.
- Financial and public issuers were at the origin of respectively 67% and 27% of foreign currencies issuance in 2020.
- Remuneration conditions are in line with the applicable reference rates (SOFR for USD and SONIA for GBP)

Share of foreign currencies in NEU CP outstanding amounts

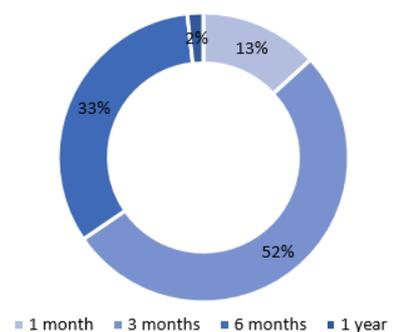


Remuneration conditions and level of issuance in GBP (by maturity pillars)

Average rate at issuance



Issuance volume as of 2020



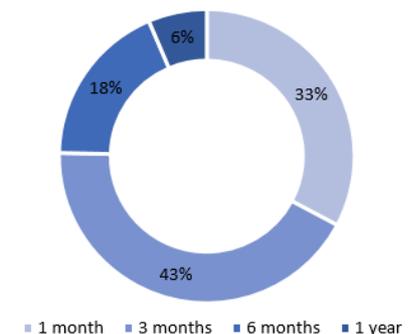
- Decrease of GBP spreads at issuance in recent months. Spread against SONIA is close to zero since August 2020 whereas it fluctuated between 15 and 30 basis points before.
- Extension of durations at issuance. The share of six-month issues doubled and reached 33% in 2020 (17% on average over 2017-2019). The share of 3-month issues is decreasing symmetrically (52% in 2020, 68% in 2017-2019).

Remuneration conditions and level of issuance in USD (by maturity pillars)

Average rate at issuance



Issuance volume as of 2020



- Increase of USD spreads at issuance in 2020. The spread over SOFR was around 20 basis points on average in 2019 and reached almost 50 basis points in 2020.
- Extension of durations at issuance. The share of six-month issues increased by 10 points compared to the 2017-2019 average (8% compared to 18% in 2020) at the expense of three-month issues. The share of 1-month issues remains stable.

Source and calculations: Banque de France, Commercial paper and medium-term note department, with the exception of SONIA (Bank of England) and SOFR (FED).

Contact us: stcn.publi@banque-france.fr

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