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CREDIT

Euro Credit Supply: Strong corporate supply but financials slow

Slower financial supply in April but primary markets remain busy for corporates, still running ahead of most previous years

Executive summary

Corporate supply remains strong in April

Corporate supply in April again exceeded the norm with €33bn of issuance. Thus, YTD continues to run ahead of most previous years, totalling €151bn thus far this year. This is, however, lower than the record-breaking, Covid-19 induced supply seen in 2020. The market remains a very conducive environment for supply and deals are mostly still seeing strong books and generally low NIPs. However, in recent weeks, it has been more of a mixed bag, with some deals seeing slightly lower subscription levels and needing to offer more NIPs.

Slight drop in bank bonds supply in April compared to March levels

The covered bond primary market remained relatively quiet in April with €14bn EUR benchmark covered instruments supplied, back to the level recorded in February this year. This represents a drop of €2bn compared to March levels. The YTD total is reaching nearly €90bn, €16bn behind what we saw in 2023 YTD.

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