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Euro Credit Supply: Supply continues at a strong pace

Supply continues running with a heavy June

Executive summary

June corporate supply remains strong

Corporate supply was still very active in June, with €51bn issued over the month. While this marks a slowdown from the very heavy €68bn seen in May, it is still ahead of most previous Junes and brings YTD supply to €289bn, comfortably above the €259bn seen at this stage in 2025. Net supply also remained positive, with June adding roughly €17bn.

June supply was spread across sectors, led by Utilities and TMT. TMT issuance normalised after the very large €23bn printed in May, falling to €10bn in June, although the sector remains the largest contributor to YTD corporate supply at €76bn and continues to run well ahead of last year. Consumer and Healthcare remained quiet, with Healthcare still the clear laggard on a YTD basis (-55% YoY).

ESG issuance stood out in June reaching €18bn, the highest monthly print of the year so far bringing YTD levels to €64bn a record level since the highs of 2021.

Corporate hybrids also picked up again in June after the slowdown seen in May, with another €4bn issued over the month. This takes YTD hybrid supply to €36bn, double last year's level at this stage, and keeps hybrids as one of the clearest differences versus

2025 alongside Reverse Yankee and TMT supply.

Financials' supply remains strong in June

Banks remained very active in the primary market last month with €52bn printed across the liability structure, just a slight €2bn drop compared to May levels. Nearly half of that number stems from the covered bond segment with €23.5bn supplied (including benchmark and sub-benchmark instruments), making it the highest issuance level since February this year. Last month's supply brings covered bond issuances to a little over €124bn on a YTD basis, still a comfortable €20bn ahead of 2025 YTD.

The senior unsecured supply also remained high in June, although noting a slight drop MoM with €24bn. This is split with just over €10bn in senior preferred instruments and another €13bn in senior bail-in bonds. While senior preferred issuances lie €7bn behind the 2025 level at €48bn, the drop is compensated by the senior bail-in supply, which is up €6bn at €93bn in 2026 YTD.

The subordinated segment is the only one in which we note a drop in supply over June, mainly stemming from AT1 instruments where only €1.1bn was printed last month. Another €4bn was issued in Tier 2 bonds. This brings the supply to just over €10bn and €20bn for AT1 and Tier 2 instruments respectively in the first half of 2026.

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