

4 March 2022
Credit Strategy

US Dollar Credit Supply

Financial supply running ahead of previous years

Supply for February (US\$bn)

	Corporates	Financials
February	44.2	33.3

Source: ING, Dealogic

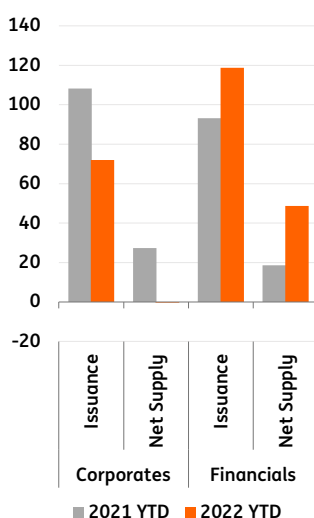
Supply FY and YTD (US\$bn)

Corporates	FY	YTD
2016	697	168
2017	745	134
2018	654	86
2019	704	126
2020	1166	108
2021	720	146
2022	79	79

Financials	FY	YTD
2016	387	64
2017	425	106
2018	435	112
2019	362	76
2020	523	91
2021	573	108
2022	133	133

Source: ING, Dealogic

Supply and Net Supply YTD



Source: Dealogic, ING



Corporate supply amounts to US\$44bn in February, lower than previous years

- Corporate supply was lower in February compared to previous years, at US\$44bn vs US\$76bn last year. Redemptions were US\$41bn in February, therefore net supply was very low at just US\$3bn. Following a quiet January, YTD supply is running considerably behind previous years at US\$79bn, versus US\$146bn by this time last year. USD spreads have been pushing wider consistently since November, now on the back of the crisis, spreads are even more volatile. This has put pressure on the primary market, and as such we will likely see lower levels of supply until spreads stabilise.

- We are expecting a drop in USD corporate supply in 2022, forecasting just US\$650bn. Similarly, we forecast US corporate supply (in \$ and €) to be lower this year at US\$630bn, down from the US\$685bn seen last year. Redemptions are also expected to drop to US\$267, meaning net supply will still be sizeable at US\$383bn, much in line with last year's US\$388bn.
- The healthcare sector saw US\$12bn supply in February, after US\$0bn in January. Utilities saw another US\$7bn last month, now sitting at US\$16bn YTD, the highest supplying sector thus far this year. The TMT sector has seen US\$6bn thus far this year, down from the substantial US\$52bn supply YTD last year.

Financial supply totals

- Financials supply amounted to US\$33bn in February, up on the average US\$25bn seen in years previous. Redemptions were also on the higher end of the monthly average at US\$24bn, thus net supply was pencilled in at US\$9bn. This comes after a substantial US\$85bn supplied in January, pushing the YTD total to US\$133bn, the highest level on record.
- Bank senior supply is now sitting at US\$66bn thus far this year, after US\$25bn supplied in February. This is up on the US\$53bn senior debt supplied by banks by this time last year. Bank Capital, however, has been rather low, currently pencilled in at US\$12bn YTD, running behind the US\$25bn in 2021 YTD.

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Fig 1 USD corporate supply overview (US\$bn)

	2018	2019	2020	2021	2021 Feb	2022 Jan	2022 Feb	2021 YTD	2022 YTD	% diff
Auto	43	36	41	30	3	4	4	6	8	34%
Consumer	153	97	193	76	9	5	4	17	9	-48%
Healthcare	86	108	128	97	2	0	12	10	12	22%
Industrial & Chemicals	99	83	207	80	13	4	5	24	12	-51%
Real Estate	22	59	55	54	4	2	3	11	5	-54%
TMT	91	127	265	218	31	0	5	52	6	-89%
Utility	93	105	134	113	8	7	7	15	16	7%
Others	33	33	50	26	1	1	1	4	4	-4%

Source: ING, Dealogic

Fig 2 USD financial supply overview (US\$bn)

	2018	2019	2020	2021	2021 Feb	2022 Jan	2022 Feb	2021 YTD	2022 YTD	% diff
Bank Senior	262	191	263	283	8	52	25	53	66	23%
of which Bail-in	161	68	50	107	2	5	5	13	10	-22%
of which Pref	101	123	213	175	6	47	20	40	55	38%
Bank Capital	40	50	70	93	8	12	1	25	12	-50%
Finance	42	47	81	113	7	12	3	18	24	36%
Insurance	37	46	69	63	1	8	4	9	13	47%
Other	54	27	40	20	2	2	0	3	3	26%

Source: ING, Dealogic

Fig 3 USD corporate supply and net supply by month (US\$bn)

Issuance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	25.5	58.4	89.1	41.3	73.9	83.2	10.6	59.9	85.0	58.0	59.2	10.2	654.4
2019	53.0	72.2	73.6	32.0	76.1	54.4	43.4	71.2	97.1	38.9	76.1	16.4	704.4
2020	50.5	52.3	191.1	214.2	170.5	112.7	39.6	110.5	94.5	56.9	60.7	12.9	1166.3
2021	32.0	76.1	133.4	32.7	82.9	58.3	33.4	59.2	75.0	30.8	61.5	45.1	720.5
2022	27.9	44.2											72.1
Net Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	-4.9	28.0	43.2	4.8	15.9	39.7	-11.2	35.6	64.2	42.7	20.6	-11.1	267.6
2019	14.6	16.8	13.7	4.7	29.3	16.8	24.7	41.9	63.3	0.2	52.0	-3.4	274.7
2020	9.9	20.1	140.4	184.6	120.8	72.5	13.2	81.6	60.2	12.7	7.7	-8.9	714.8
2021	2.9	24.5	76.6	-5.7	37.3	7.6	15.1	27.7	23.9	0.0	10.9	18.7	239.5
Redemptions	31.3	41.0	56.5	25.9	53.4	50.6	28.6	48.0	40.5	32.0	46.4	28.7	482.9
2022	-3.4	3.2											-0.2

Redemptions shown for 2021 only

Source: ING, Dealogic

Fig 4 USD financial supply and net supply by month (US\$bn)

Issuance	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	84.2	26.3	26.5	46.4	47.8	25.4	41.7	33.9	56.0	18.4	26.4	2.1	435.1
2019	53.0	22.9	41.5	30.2	33.8	24.8	27.2	18.0	43.6	37.9	22.4	7.4	362.4
2020	62.2	29.0	69.5	59.8	72.0	49.0	18.0	34.4	33.4	33.4	33.9	28.5	523.0
2021	67.7	25.6	57.2	66.7	55.4	52.1	40.4	34.0	41.5	69.7	42.7	20.2	573.1
2022	85.4	33.3											118.7
Net Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2018	39.4	1.7	-0.2	6.8	10.8	10.3	29.0	12.1	44.5	8.0	4.1	-11.0	155.6
2019	16.9	5.5	19.6	0.6	1.0	9.3	10.2	-7.1	19.1	20.0	11.6	-6.5	100.2
2020	5.4	14.0	43.2	45.0	55.5	18.8	-5.6	6.5	6.0	3.8	18.7	6.2	217.5
2021	19.2	-0.5	22.6	25.0	13.2	32.5	8.8	10.3	28.0	47.9	23.5	9.9	240.6
Redemptions	45.7	24.4	18.4	21.7	28.7	17.4	22.3	16.3	28.8	12.3	19.1	3.7	258.9
2022	39.8	9.0											48.7

Redemptions shown for 2021

Source: ING, Dealogic

Fig 5 Corporate supply and redemptions by month, 2022 (US\$bn)

Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Autos	3.9	3.7											7.6
Consumer	5.4	3.7											9.0
Healthcare	0.3	11.5											11.8
Industrial	4.1	5.0											9.1
Real Estate	1.6	3.3											4.9
TMT	0.0	5.1											5.1
Utility	6.9	7.1											14.0
Others	1.2	1.4											2.6
Redemptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Autos	5.7	5.4	1.6	2.6	2.0	2.4	1.3	3.1	2.2	0.6	2.3	0.0	28.8
Consumer	7.8	4.0	7.5	3.4	8.5	12.0	11.0	11.2	6.4	2.2	6.1	3.6	83.6
Healthcare	1.0	4.3	10.6	1.2	10.1	8.5	1.3	4.4	4.5	2.9	11.0	2.5	62.1
Industrial	3.8	4.7	10.0	4.2	4.4	10.0	1.6	9.8	8.1	9.3	7.0	4.0	76.9
Real Estate	2.6	0.6	1.9	1.7	0.2	1.6	1.9	2.3	1.1	3.5	1.4	1.7	20.5
TMT	7.9	11.1	11.5	1.2	17.5	5.5	6.9	4.6	8.1	8.1	9.8	5.1	97.1
Utility	1.6	5.5	4.3	5.8	4.9	7.3	1.5	3.2	6.0	2.4	3.4	1.5	47.4
Others	0.2	2.2	1.8	1.4	2.1	2.0	1.5	1.1	1.9	0.1	1.5	2.2	17.9

Source: ING, Dealogic

Fig 6 Financial supply and redemptions by month, 2022 (US\$bn)

Supply	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Bank Senior	52.1	25.2											77.3
of which NPS	5.4	4.9											10.3
of which Pref	46.7	20.3											67.1
Bank Capital	11.6	0.9											12.4
Finance	11.9	3.2											15.0
Insurance	7.8	3.7											11.5
Redemptions	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Bank Senior	38.0	18.5	11.7	17.2	21.3	9.3	13.1	10.1	18.3	9.9	14.4	5.5	187.3
of which NPS	15.2	3.3	2.5	11.3	8.0	3.4	5.8	1.0	2.8	6.7	1.6	0.0	61.3
of which Pref	22.8	15.2	9.2	5.9	13.3	5.9	7.3	9.1	15.6	3.2	12.8	5.5	126.0
Bank Capital	22.2	2.4	5.5	4.7	2.0	6.2	4.3	2.0	4.2	0.8	3.0	1.1	58.4
Finance	4.8	5.3	4.0	2.0	5.8	4.0	4.9	4.3	7.3	1.2	3.3	5.2	52.2
Insurance	3.0	1.0	0.7	2.3	1.2	4.3	3.6	0.2	2.4	0.5	1.5	0.9	21.7

Source: ING, Dealogic

Fig 7 USD supply, redemptions and net supply by year (US\$bn)

Corporates	YTD	FY	Reds	Net	Financials	YTD	FY	Reds	Net
2011	70.2	435.6	291.9	143.7	2011	91.7	253.3	260.8	-7.5
2012	87.5	604.0	410.0	193.9	2012	66.0	264.3	250.0	14.3
2013	101.6	558.0	199.3	358.6	2013	75.6	328.6	256.3	72.3
2014	94.6	550.9	240.5	310.3	2014	85.0	412.6	255.8	156.8
2015	128.5	710.6	244.4	466.3	2015	86.4	423.6	258.4	165.2
2016	167.6	696.6	231.5	465.1	2016	64.5	386.7	295.5	91.2
2017	133.9	744.9	260.9	484.0	2017	106.5	424.7	356.3	68.4
2018	85.7	654.4	279.5	374.9	2018	112.2	435.1	386.8	48.3
2019	126.3	704.4	262.3	442.1	2019	76.1	362.4	429.7	-67.3
2020	107.7	1166.3	305.5	860.8	2020	91.2	523.0	451.5	71.6
2021	145.8	720.5	332.6	387.9	2021	107.7	573.1	481.0	92.1
2022	79.0	79.0	266.9		2022	132.8	132.8	482.9	
2023			331.6		2023			526.8	
2024			317.2		2024			444.7	

Source: ING, Dealogic

Fig 8 Subordinated supply, 2021 and 2022 (US\$bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AT1	8.6	6.2	4.3	3.0	7.6	0.9	6.1	4.0	4.4	7.5	1.6	0.0	54.1
T2	4.7	1.0	1.2	0.8	1.9	0.9	1.8	0.8	3.0	3.1	1.1	1.3	21.3
Bank Capital	13.2	7.2	5.4	3.8	9.5	1.8	7.9	4.8	7.4	10.6	2.7	1.3	75.5
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AT1	3.5	0.0											3.5
T2	2.9	0.2											3.0
Bank Capital	6.3	0.2											6.5

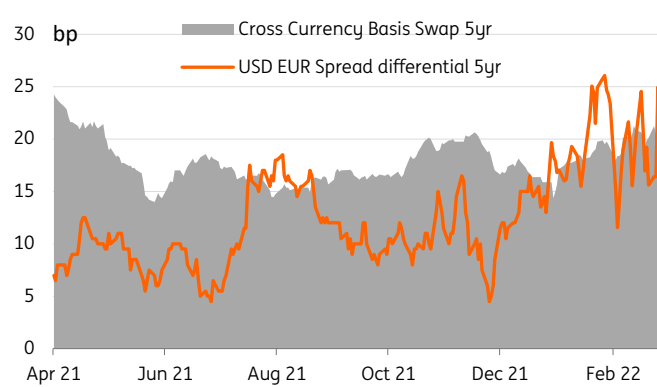
Source: ING, Dealogic

Fig 9 Reverse Yankee supply, 2021 and 2022 (€bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corporate	2.1	5.2	11.7	2.8	4.5	0.1	0.5	3.7	13.9	9.7	5.4	0.0	59.4
Financial	3.4	3.6	3.8	5.3	4.6	0.9	0.6	0.4	6.0	6.8	3.8	0.0	39.1
Total	5.5	8.8	15.5	8.1	9.1	1.0	1.1	4.1	19.9	16.5	9.2	0.0	98.5
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Corporate	2.3	2.6											4.9
Financial	0.8	3.0											3.8
Total	3.1	5.6											8.7

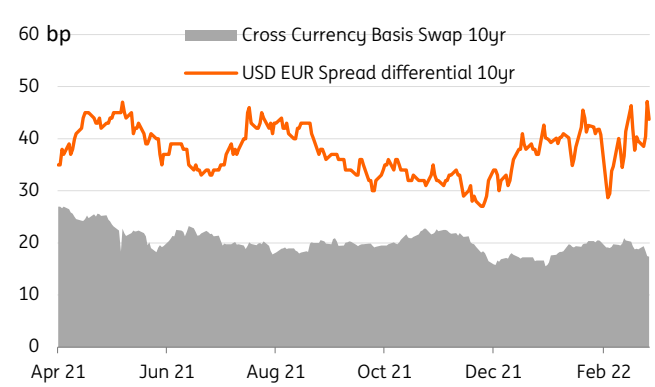
Source: ING, Dealogic

Fig 10 XCCY 5yr



Source: ING, Dealogic

Fig 11 XCCY 10yr



Source: ING, Dealogic

Fig 12 US, Yankee and Reverse Yankee supply (US\$bn)

Corporates	Domestic	Yankee	Rev Yankee (€)	Financials	Domestic	Yankee	Rev Yankee (€)
2011	355.7	92.0	6.4	2011	164.5	89.3	5.7
2012	482.6	140.6	16.6	2012	206.3	57.9	7.5
2013	464.5	112.7	32.5	2013	252.7	77.5	14.4
2014	467.8	113.3	42.9	2014	290.6	125.4	32.3
2015	610.7	108.8	62.1	2015	304.1	128.0	28.7
2016	587.7	114.5	65.9	2016	273.1	115.0	46.1
2017	656.7	102.4	65.2	2017	312.2	113.9	35.8
2018	526.4	130.3	31.6	2018	303.2	133.0	20.4
2019	614.0	95.7	99.3	2019	267.9	96.2	28.3
2020	1062.3	116.6	68.3	2020	400.1	124.9	24.3
2021	628.8	93.9	59.4	2021	409.4	168.1	39.1
2022 YTD	73.7	5.9	4.9	2022 YTD	101.9	32.4	3.8

Source: ING

Fig 13 ESG supply per month 2022 (US\$bn)

Corporate	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Green	1.2	3.0											4.2
Social	0.0	0.0											0.0
Sustainable	1.2	0.8											2.0
ESG	2.4	3.7											6.1

Financial	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Green	0.7	0.0											0.7
Social	2.5	0.0											2.5
Sustainable	0.0	0.0											0.0
ESG	3.2	0.0											3.2

Source: ING, Dealogic

Fig 14 ESG supply per year and YTD (US\$bn)

Corporate	2018	2019	2020	2021	2022	2018 YTD	2019 YTD	2020 YTD	2021 YTD	2022 YTD
Green	6.3	14.3	18.4	29.5	4.2	1.2	3.4	0.3	2.9	4.2
Social	0.0	0.0	1.5	0.6	0.0	0.0	0.0	0.0	0.0	0.0
Sustainable	0.0	1.0	7.5	9.8	3.1	0.0	0.0	0.5	0.8	3.1
ESG	6.3	15.3	27.4	39.9	7.3	1.2	3.4	0.8	3.6	7.3

Financial	2018	2019	2020	2021	2022	2018 YTD	2019 YTD	2020 YTD	2021 YTD	2022 YTD
Green	4.2	7.0	7.1	9.0	0.7	0.7	1.5	0.0	1.0	0.7
Social	0.1	0.5	6.6	6.5	2.5	0.0	0.5	0.0	2.6	2.5
Sustainable	0.1	0.1	2.6	4.7	0.0	0.0	0.0	0.2	1.8	0.0
ESG	4.3	7.6	16.2	20.2	3.2	0.7	2.0	0.2	5.4	3.2

Source: ING, Dealogic

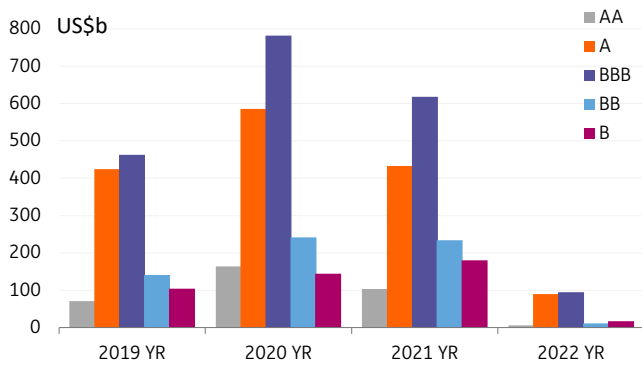
Fig 15 Investment grade issuance by maturity, 2021 and 2022 (US\$bn)

2021	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021
Corp 0-3yr	2.3	12.3	30.1	3.8	14.5	6.3	4.5	6.7	10.9	8.0	7.6	5.2	111.9
Corp 3-6yr	4.7	16.5	18.3	5.1	12.8	4.1	5.4	5.2	7.5	2.2	5.5	5.3	92.7
Corp 6-9yr	2.7	5.8	11.8	3.7	6.5	6.6	5.2	4.5	8.7	2.9	4.5	7.8	70.7
Corp 9-12yr	10.7	16.3	35.4	11.0	22.9	15.9	7.6	21.4	21.2	8.7	19.7	11.7	202.3
Corp 12-17yr	2.1	1.0	1.3	1.6	0.4	2.1	0.8	0.4	2.3	1.4	1.5	0.1	14.9
Corp 17yrs+	9.5	24.4	36.6	7.6	25.9	23.4	10.0	21.0	24.4	7.5	22.7	15.1	228.0
Fin 0-3yr	15.0	3.7	11.9	8.0	11.0	8.3	0.6	8.5	6.4	12.0	7.3	5.9	98.5
Fin 3-6yr	10.9	5.2	9.6	8.9	17.1	9.3	5.2	6.4	8.9	10.6	6.7	6.3	105.2
Fin 6-9yr	13.3	2.4	12.0	12.7	4.1	17.6	5.8	7.2	10.1	12.0	7.7	2.5	107.3
Fin 9-12yr	12.3	4.5	8.9	20.3	12.3	5.6	15.1	3.0	1.8	19.0	11.7	1.8	116.4
Fin 12-17yr	0.0	0.2	0.2	0.0	0.0	1.4	0.2	0.7	5.4	3.0	1.1	1.6	14.0
Fin 17yrs+	16.1	9.5	14.6	16.8	10.9	9.8	13.4	8.1	8.9	12.6	8.1	2.2	131.1

2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Corp 0-3yr	6.0	4.5											10.5
Corp 3-6yr	4.9	4.2											9.1
Corp 6-9yr	0.2	1.2											1.4
Corp 9-12yr	10.3	14.9											25.1
Corp 12-17yr	1.3	0.8											2.1
Corp 17yrs+	5.2	18.7											23.9
Fin 0-3yr	17.9	2.9											20.9
Fin 3-6yr	13.9	6.9											20.8
Fin 6-9yr	15.1	10.1											25.2
Fin 9-12yr	25.3	10.5											35.7
Fin 12-17yr	1.0	0.1											1.1
Fin 17yrs+	12.2	2.8											15.0

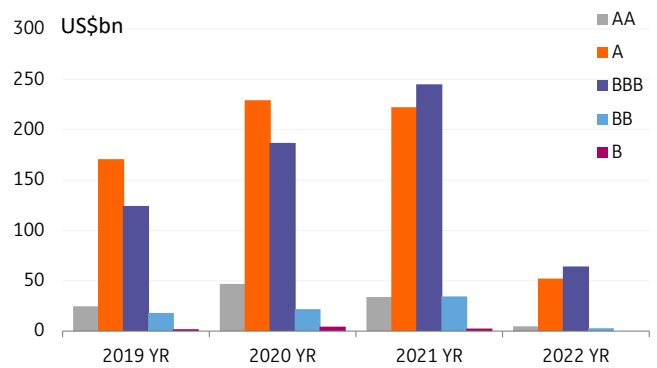
Source: ING, Dealogic

Fig 16 Corporate supply per S&P rating (US\$bn)



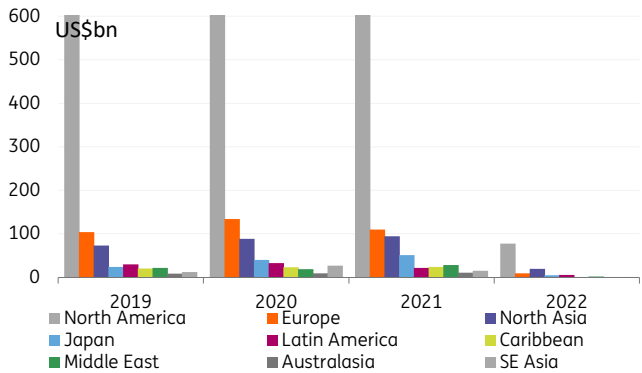
Source: ING, Dealogic

Fig 17 Financial supply per S&P rating (US\$bn)



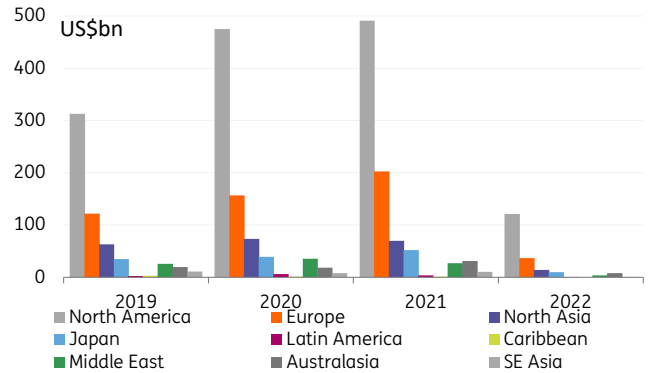
Source: ING, Dealogic

Fig 18 Corporate supply per country (US\$bn)



Source: ING, Dealogic

Fig 19 Financial supply per country (US\$bn)



Source: ING, Dealogic

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