

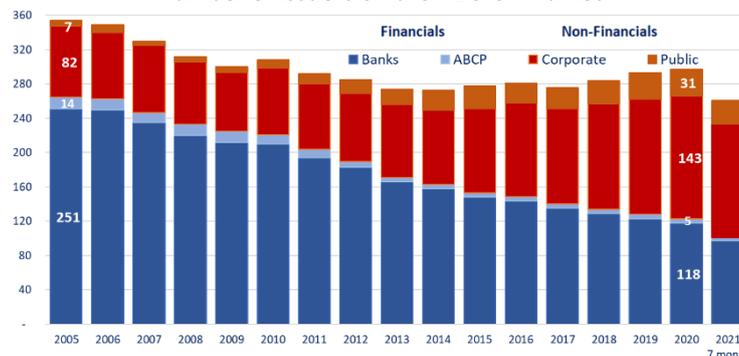
- In July, the overall market rise again and attains € 306.7 billion, after € 300.8 billion in June. The increase is particularly noticeable for corporate issuers (+ 10.5% over one month).
- The average rates at issuance of financial issuers are unchanged. The yield curve slope appears almost flat, with only +4 bps between 1 day and 1 month and + 4 bps again between 1 and 12 months.
- The average rates at issuance of corporate issuers rise slightly on all pillars over and including 6-month (2 to 3 bps). Rates fall back on the 3-month pillar (-8 bps) which volumes increases sharply (+ 65% in July, compared to June).
- The NEU CP market comprises 297 active issuers in 2020, including 143 corporate issuers (+ 75% compared to 2005). Non-financial issuers (corporate and public) account for 60% of active issuers nowadays (25% in 2005-2009) and 39% of outstanding amounts.
- Currency issues continue to grow on the NEU CP market. Their share in outstanding amounts reaches 14.6% in July 2021, compared to 8.8% in July 2020.

## 1. Market overview

### Stocks (EUR billions) and annual variation

	Jul-21	Jun-21	Jul-20	Var. (%)
NEU CP	260,2	253,1	313,0	-16,9%
Financial issuers	153,2	152,1	179,3	-14,6%
Corporate issuers	65,0	58,8	73,9	-12,0%
Public issuers	37,2	37,3	55,1	-32,5%
Securitization vehicles	4,8	4,9	4,7	2,1%
NEU MTN	46,5	47,7	50,6	-8,1%
<b>Total</b>	<b>306,7</b>	<b>300,8</b>	<b>363,6</b>	<b>-15,6%</b>

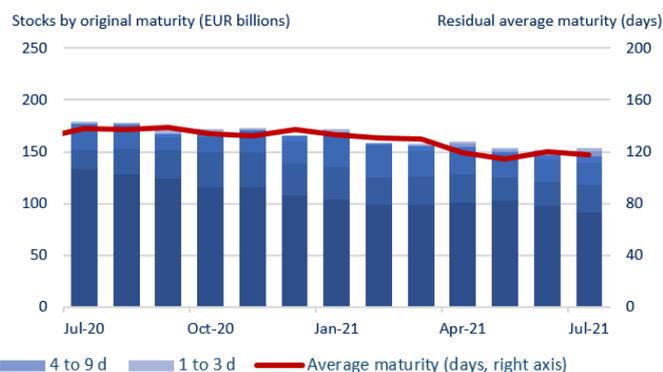
### Number of issuers on the NEU CP market



- NEU CP outstanding amounts rise again in July compared to the end of June (+ 2%). The increase is particularly noticeable for corporate issuers (+ 10.5% over one month).
- The number of issuers active on the NEU CP market has been on the rise for several years and reached 297 issuers in 2020. The NEU CP market has gradually opened up to non-financial issuers, particularly public issuers (quadrupled) and corporates (+ 75%). The drop in the number of financial issuers mainly reflects the simplification of the structure and reduction of the geographic network operated by mutual banking groups.

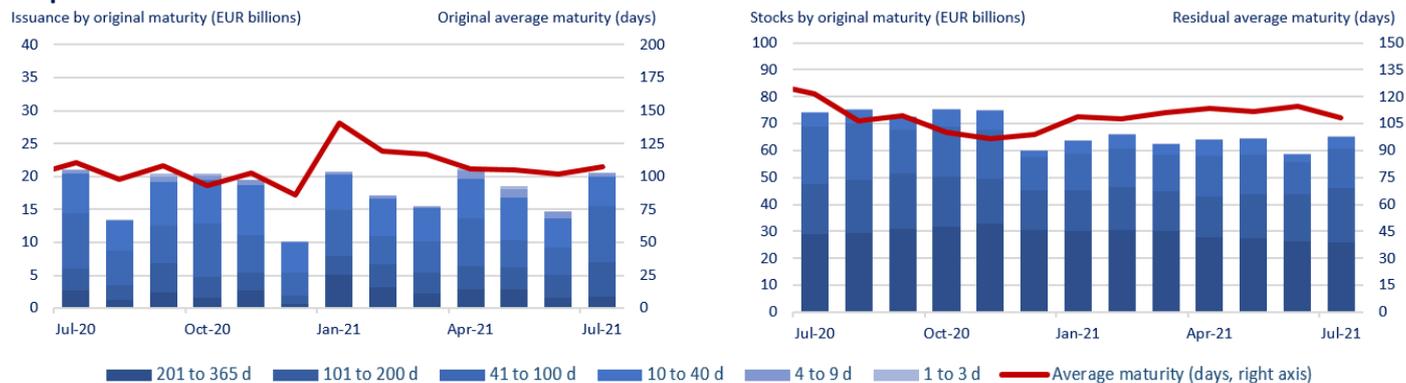
## 2. Issuances and stocks of NEU CP by sector and by original maturity

### Financial issuers



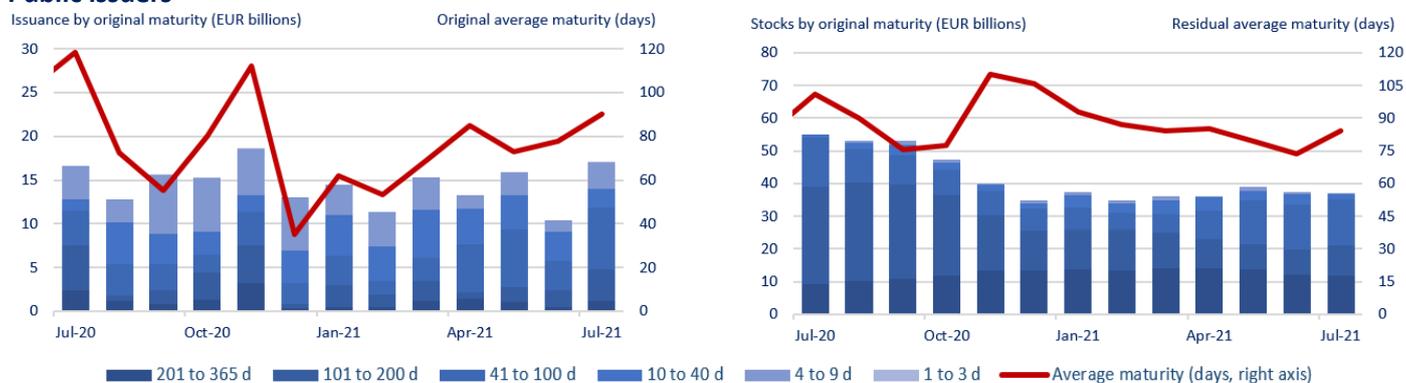
- Financial sector issuances increased in July with € 76.2 billion, compared with € 68.6 billion in June.
- The average initial duration fell at 58 days in July 2021 (82 days in June), following a decline in longer duration issuances (9 and 12 months). Outstanding amounts increases slightly (+ € 1.2bn)

## Corporate issuers



- Corporate issuance volumes rise noticeably in July (€ 20.5 billion after € 14.7 billion in June). It fits with the seasonal behavior typical of these issuers. Their issuance on the 3-month pillar surges significantly on the first month of any given quarter.
- The average initial duration of issuances fluctuates between 102 and 108 days since April.
- Outstanding amounts rebound to € 65 billion and recovers from the fall observed in June, linked to the closing of half-year accounts.

## Public issuers



- Public sector issuances are well-oriented in July (€ 17 billion). The average initial duration of issuances increases again after a 2-month pause (90 days in July, at its highest since November 2020).
- Outstanding amounts are stable at € 37 billion.
- The residual duration is on the rise again in July (84 days) and gets back to its average level since the start of 2021.

### 3. Issuances and stocks of NEU MTN by original maturity

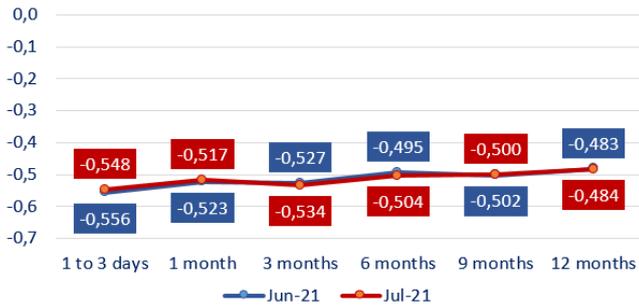


- NEU MTN issuances reach € 1.8 billion in July and are once again focused on the 1 to 2 year bucket (87% of volumes).
- Outstanding amounts fall again for the third consecutive month (-1.2 billion euros in July). The decrease over a three-month period reach € 4 billion, or -8%.
- The average residual maturity of outstanding amounts is increasing slightly (3.4 years). Issuances over 5 year account for more than half of the outstanding amounts

## Average rates of NEU CP and maturities at issuance

### Financial issuers

#### Average rates at issuance in Euros



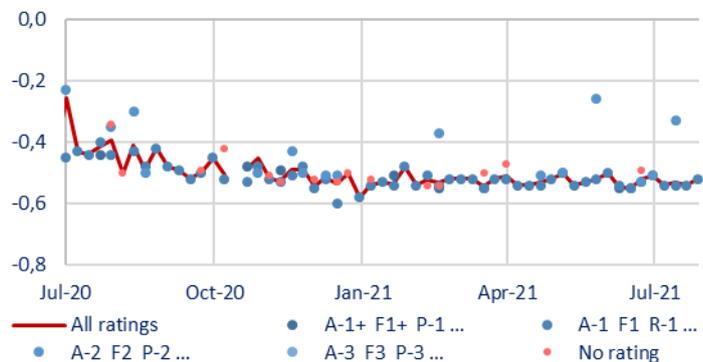
#### Cumulated issuances



- Average rates of financial issuers are unchanged. The yield curve slope appears almost flat, with only +4 bps between 1 day and 1 month and +4 bps again between 1 and 12 months.
- Volumes increase on the shortest maturities (1 to 3 days) and fall back on the 9 and 12 month pillars.

### Dispersion of financial issuers' average rates at issuance on the 3-month maturity pillar (weekly data)

- The issuance rate levels of financial issuers are generally particularly tight on this maturity.
- Only a few issuances stand out from the average.
- Interest rate conditions have remained broadly unchanged at around -0.50% for almost a year.

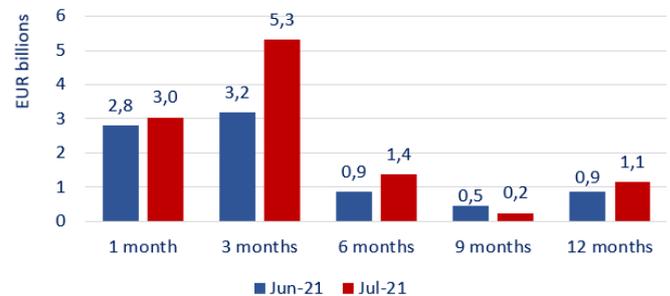


### Corporate issuers

#### Average rates at issuance in Euros



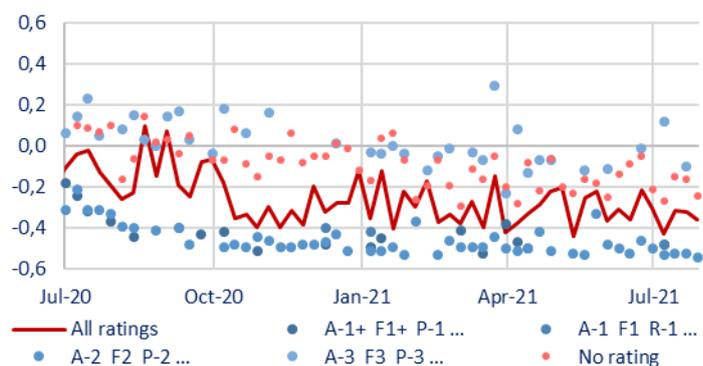
#### Cumulated issuances



- Average rates of corporate issuers rise slightly on all pillars over and including 6-month (2 to 3 bps), while they decrease on the 3-month pillar (-8 bps)
- Volumes are on the rise, particularly on the 3 and 6 month pillars. The spike on the 3-month pillar fits with a seasonal behavior of corporate issuers. They roll their 3-month pillar issuances at the start of the quarter.

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

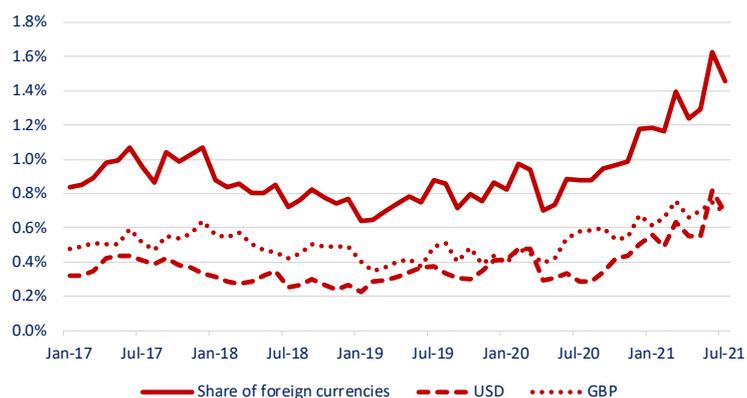
- We observe a normalization of the spread between the best-rated issuers and those not-rated, at levels which are getting closer to the situation before the Covid crisis.
- Interest rate conditions of highly-rated issuers (A1+ ... and A1 ...) remain well-oriented, with an average rate around -0.5%, while those of unrated issuers are at -0.2% today, against 0.1% a year earlier.



## 5. Focus on conditions of NEU CP issuance in foreign currencies

- NEU CP issuances in foreign currencies account for 14.6% of outstanding amounts in July 2021 (8.8% in July 2020).
- Foreign currency issuances are mostly in GBP and USD.
- CNY (Chinese Yuan) issuances made a breakthrough in recent months. They attained 0.8% of outstanding amounts in July 2021.
- Financial sector and public issuers account for the majority of foreign currency issuances since the start of 2021 (respectively 68% and 24% of volumes).

Share of foreign currencies in NEU CP outstanding amounts



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

Average rate at issuance, SONIA in monthly average



Issuance volume by initial maturity (EUR billions)



- Average issuance rates in GBP follow closely the SONIA benchmark, with at most a spread of around ten bps since the end of 2020.
- Maturity at issuance change significantly from month to month. Issuances over 100 days account for as much as half of the volumes in some months. On the other hand, the shortest maturities (40 days and below) are used very little, compared to what can be observed on USD issuances.

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

Average rate at issuance, SOFR in monthly average



Issuance volume by initial maturity (EUR billions)



- Spreads compared to SOFR benchmark have been stable for nearly a year and are at levels close to those observed before the Covid-related health crisis (30 to 50 bps depending on the maturity).
- NEU CP in USD are mostly issued on short maturities (40 days and less). They represent between 60 and 80% of volumes depending on the month. Volumes at issuances have increased significantly over the last two months.

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

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