



Corporate Schuldschein: Primary Market Q3 2023

A short breather

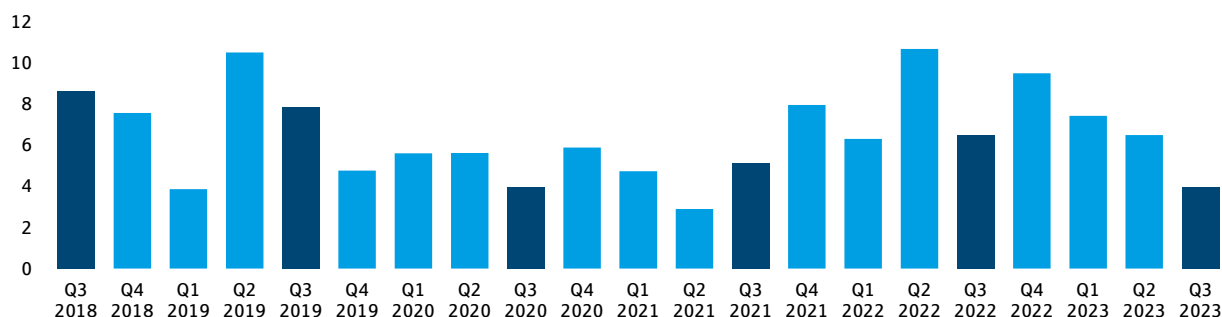


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Following the dynamic development in the first half of the year, issuance activity in the Schuldschein market slowed noticeably in the third quarter. With a placement volume of just under EUR 4 billion, not only was the amount placed significantly lower than in previous quarters, but the issuance volume was also at the lower end of the Q3 results of the last five years. The number of transactions also remained at a relatively modest level of 29 deals. No benchmark-sized SSD was issued. Accordingly, placements averaged just under EUR 140 million, somewhat lower than in the first half of the year. Transaction spreads have recently been slightly higher on average than during the summer break. Investors currently prefer short maturities in most transactions. To the best of our knowledge, 11 issues with a total volume of EUR 1.2 billion are currently in the marketing phase. In addition, there are transactions in the amount of approximately EUR 1 billion that will value in Q4, but for which the marketing phase has already been completed. We therefore expect the months October to December to be much more dynamic again.

Q3 emissions volume as low as last seen in 2020

Corporate Schuldscheine: Valued issuance volume* in EUR (billions)



*values from previous quarter adjusted where applicable
Sources: Bloomberg, bondradar, Helaba Research & Advisory

ESG market share remains at a solid level

The share of deals with a sustainability component remained at 45% of placement volume in Q3, almost the same high level as in Q2 (46%). Only in Q2 2022 was the share slightly higher at 51%. In our view, the long-term growth trend thus remains unbroken. In terms of number of issues, ESG deals again reached a market share of 45% with 13 out of a total of 29 transactions. In the last three months, only sustainability-linked deals have been placed.

Utilities most active in Q3 - participation of rated corporates remains low

Utilities brought the highest number of Schuldschein transactions to market in the third quarter (4 deals). On an annual basis, the sector maintained its leading position. The highest volume (EUR 830 million) came from food and beverage companies in the months July to September. Since January, however, the automotive sector has led

the way with a transaction volume of almost EUR 3 bn. The participation of agency-rated issuers did not increase significantly in the third quarter. Not least because of the often higher spreads compared to the bond market, rated companies have only issued 14 of the total 101 transactions or EUR 2.9 bn since the beginning of the year.

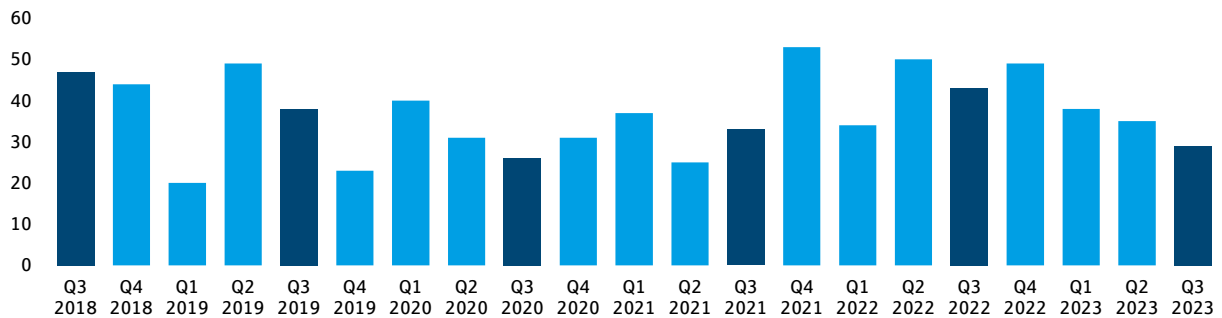
Non-German issuers with pent-up demand

Non-German issuers placed 32 deals or 32% of all transactions in the first nine months, compared with 38% in the previous year. The volume share was also lower than a year earlier. Almost half of the issues placed came from Austria. Dutch companies were also unusually active, with 5 placements in the first three quarters. In contrast, no French company has yet come to the market with a public transaction.

Chartbook: Corporate Schuldschein issues

Number of transactions remains subdued in Q3

Corporate Schuldscheine: Number* of valued issues

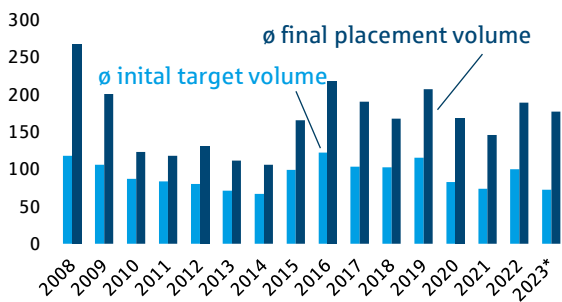


*values from previous quarter adjusted where applicable.

Sources: Bloomberg, Helaba Research & Advisory

Average SSD size somewhat smaller than in 2022

Corporate SSD: Average transaction volumes* in EUR (millions)

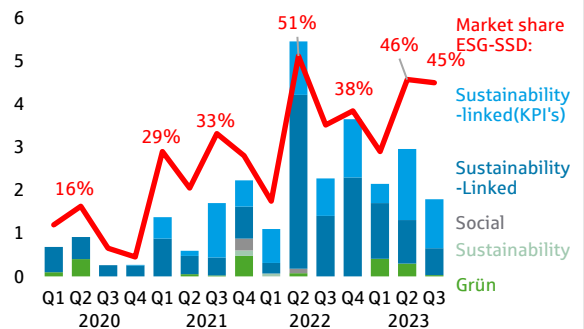


*SSD = Schuldscheindarlehen, data up to end of September 2023

Sources: Bloomberg, Helaba Research & Advisory

ESG deals remain at a high level

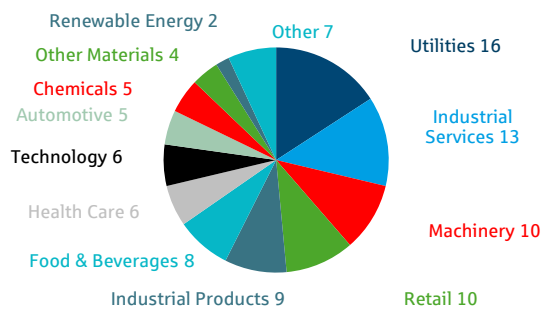
Valued SSD volume of deals with ESG component in EUR billion



Sources: Bloomberg, Helaba Research & Advisory

Most transactions placed by utilities

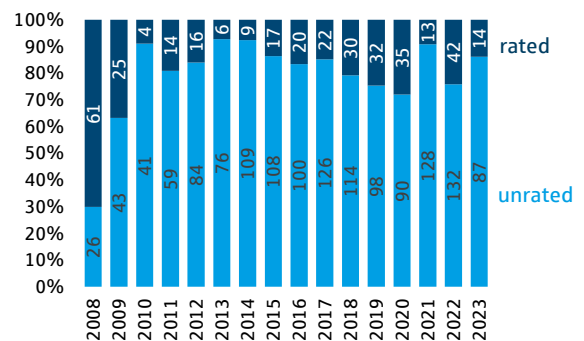
Corporate SSD: Number of valued issues*, 9M 2023



Sources: Bloomberg, Helaba Research & Advisory

Few deals from rated corporates

Corporate SSD: Number of deals with and without agency ratings*

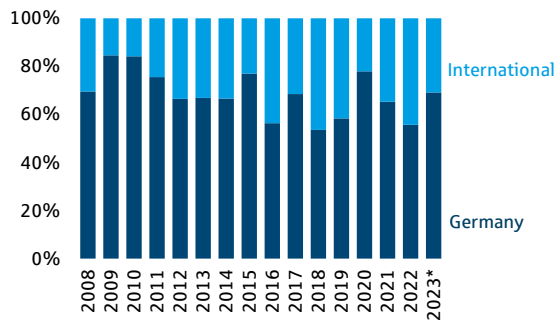


*data up to end of September 2023

Sources: Bloomberg, Helaba Research & Advisory

Foreign volume share below previous year's level

Corporate SSD: Valued issuance volume*

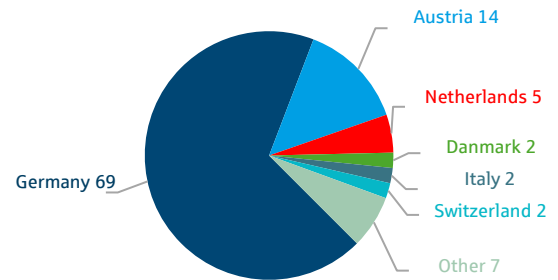


*data up to end of September 2023

Sources: Bloomberg, Helaba Research & Advisory

Just under a third of deals from abroad

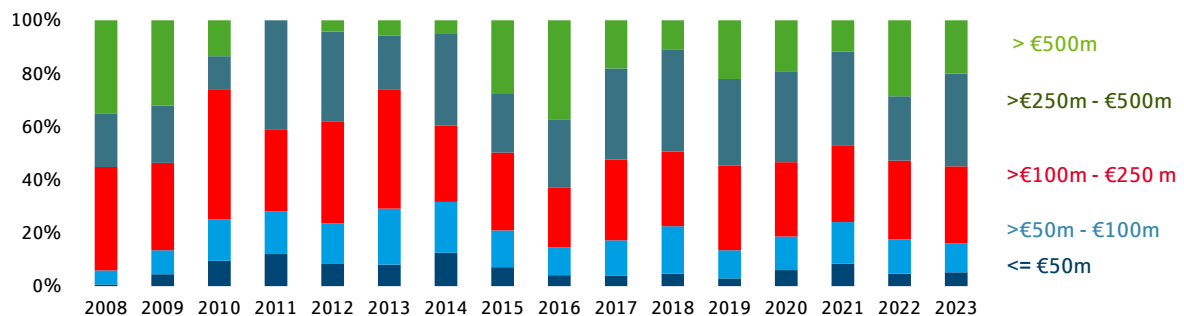
Corporate SSD: Number of valued issues, 9M 2023



Sources: Bloomberg, Helaba Research & Advisory

Share of large Schuldschein issues slightly lower than in previous year

Corporate SSD: Valued issuance volume by tranche size*



*data up to end of September 2023

Sources: Helaba Research & Advisory



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