Helaba

Focus on: Credit
12 January 2026

EUR Corporate Bonds: Primary Market Q4 2025

A firework of issuance closes out the year

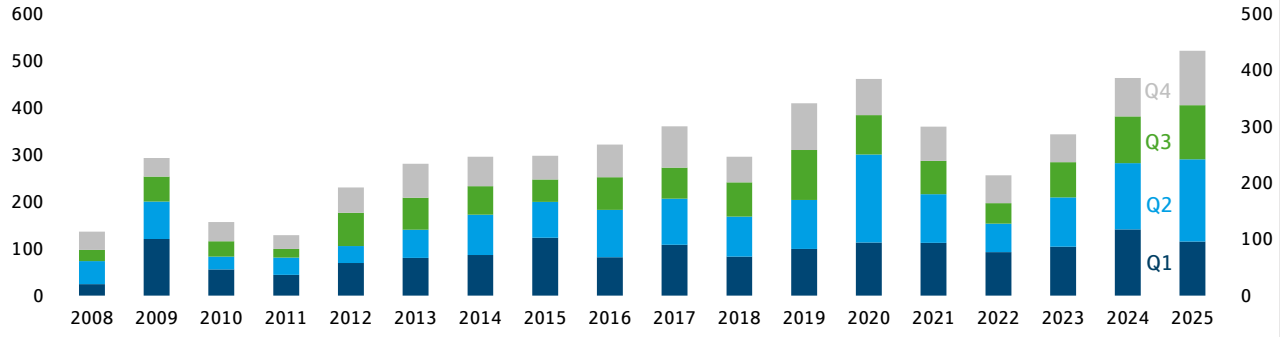


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The market for euro-denominated corporate bonds wrapped up 2025 in spectacular fashion, with issuance of around € 115 billion in the months from October to December - more than in any previous fourth quarter. Total placement volume was particularly strong in November, significantly beating figures recorded in previous years. Deal activity was also elevated, with 210 individual tranches brought to market during the quarter. For the full year, total issuance reached a new record of roughly € 520 billion, representing an increase of € 57 billion compared with 2024. Tightening credit spreads provided important support for this expansion. Spread compression was most pronounced in the BBB segment, where risk premia declined more sharply than in the A-rated universe. In terms of sectors, retailers were among the principal beneficiaries of this outperformance. Moreover, expectations of rising policy rates appear to have encouraged many issuers to bring forward their funding plans. Looking ahead, we see no material change in the underlying market environment. Against this backdrop, we expect primary market activity to remain robust as 2026 gets underway.

Record issuance volume in 2025

EUR corporate bonds*: Issuance volume in EUR (billions)



*issues with a minimum volume of EUR 50 million.
Sources: Bloomberg, bondradar, Helaba Research & Advisory

Larger benchmark issues particularly sought after in Q4 – green format dominates ESG-related issuance

Bonds with issue sizes of between € 1.0 billion and € 1.5 billion accounted for around one quarter of total quarterly volume, a notable increase relative to earlier periods. For 2025 as a whole, this segment represented just under 19 % of total issuance. Nevertheless, smaller benchmark deals of up to € 1.0 billion remained the dominant format over the year, comprising approximately 68 % of aggregate supply. The largest transactions in the quarter were led by Alphabet (€ 5.5 billion across five tranches, November), Bristol Myers Squibb (€ 5.0 billion across five tranches, November), Orange (€ 5.0 billion across five tranches, November), and Novo Nordisk (€ 4.0 billion across six tranches, November). Bonds with a sustainability component remained a relatively small factor in overall activity, representing around 16 % of total volume. Within this segment, issuance was overwhelmingly concentrated in green use-of-proceeds structures.

Industrials and utilities lead issuance; non-European borrowers increase their footprint

Industrial issuers were the largest contributors to primary market supply in the fourth quarter, placing € 17.8 billion, equivalent to 15.4 % of total volume. Utilities were close behind with € 16.8 billion (14.5 %), while the healthcare sector accounted for € 15.3 billion (13.3 %). This sectoral ranking was also reflected in full-year issuance: Industrial companies remained the dominant borrowers with 16 % of aggregate volume across 172 transactions, followed by utilities with 14 % and 135 deals. Issuance by non-European borrowers accelerated over the course of the year. By end 2025, their share of the euro corporate bond market had risen to 28 %. Within this group, US issuers were the most active, accounting for roughly a fifth of total issuance. French issuers were comparatively less active in the fourth quarter, placing just under € 18 billion. As a result, their share of total market volume declined to 18 % over the January-to-December period.

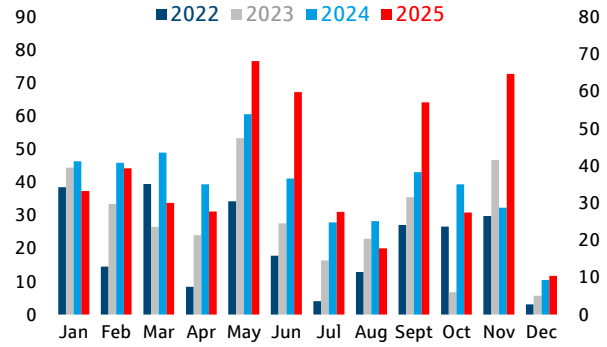
Subordinated issues with stable market share – further growth in proportion of floating-rate issuance

Issuance of subordinated bonds increased modestly in the fourth quarter. For 2025 as a whole, their share of total supply rose to 7 %, up from 6 % over the first nine months of the year. In contrast, activity from sub-investment-grade issuers moderated somewhat, with high-yield borrowers accounting for approximately € 100 billion, or 19.4 % of total issuance in 2025. The BBB rating segment remained broadly stable, representing just under 40 % of aggregate supply. Investor demand continued to favour intermediate maturities, with bonds in the five- to seven-year range capturing a market share of 30 %. Floating-rate notes gained further traction in the fourth quarter, lifting their full-year share to 11 % of total volumes, equivalent to approximately € 56 billion.

Chartbook: Euro-denominated corporate bond issuance

Peak volume in November

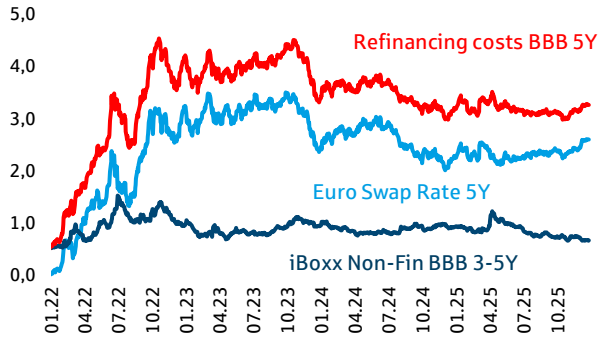
EUR corporate bonds: Issuance volume in EUR (billions)



Sources: Bloomberg, bondradar, Helaba Research & Advisory

Falling spreads mitigate funding cost increase

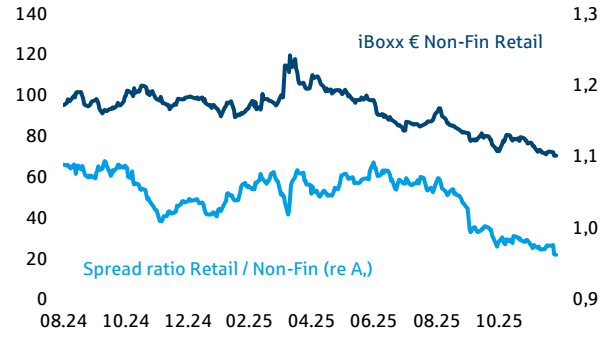
EUR corporate bonds BBB: Euro swap rate und iBoxx ASW in %



Sources: LSEG, Helaba Research & Advisory

Retail spreads declined at an above-average rate

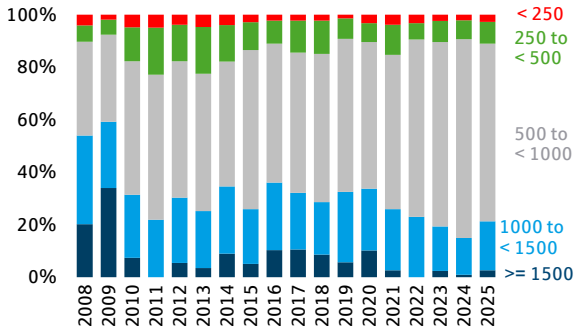
Development of asset swap spread relative to iBoxx € non-financials



Sources: Blo LSEG, Helaba Research & Advisory

Large benchmark bonds in vogue

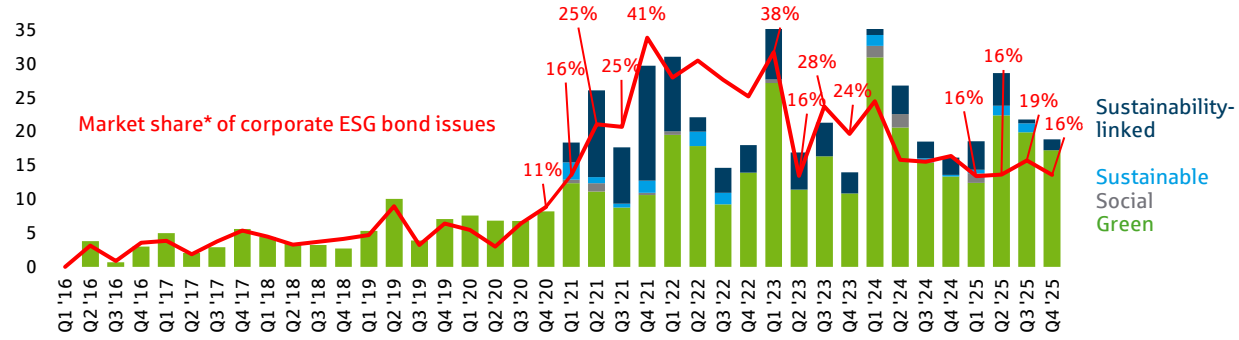
EUR corporate bonds: Placements by issue size in EUR (millions)



Sources: Bloomberg, bondradar, Helaba Research & Advisory

Market share of ESG bonds falls again to 16 %

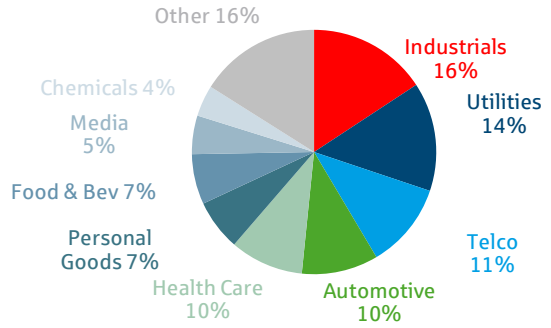
Corporate ESG bond placements in EUR (billions)*



*includes sustainable, social and sustainability-linked bonds from Q1 2021.
Sources: Bloomberg, Helaba Research & Advisory

Industrials and utilities with largest volume ...

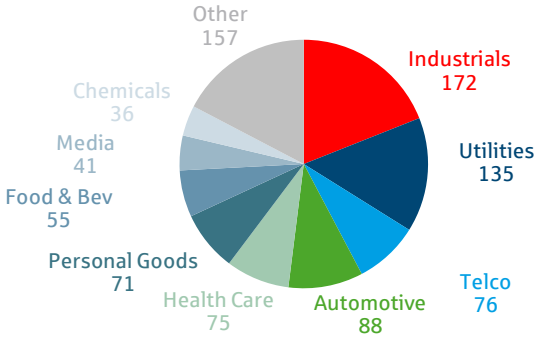
EUR corporate bonds: Issuance volume by sector, 2025



Sources: Bloomberg, Helaba Research & Advisory

... and highest number of individual bonds

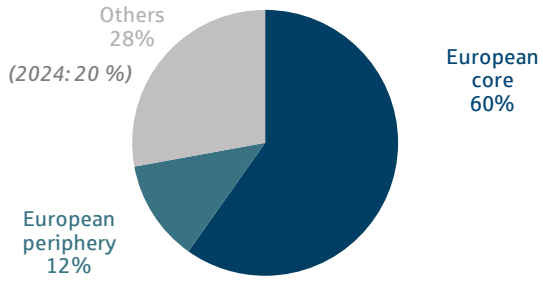
EUR corporate bonds: Number of issues by sector, 2025



Sources: Bloomberg, Helaba Research & Advisory

Non-Europeans with rising market share

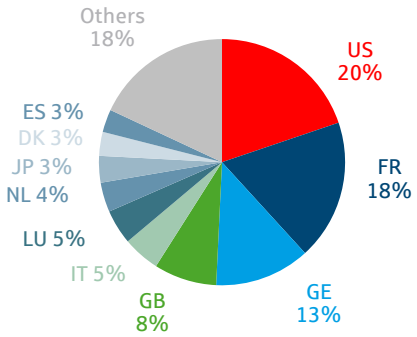
EUR corporate bonds: Issuance volume by region, 2025



Sources: Bloomberg, Helaba Research & Advisory

US corporates in the top spot

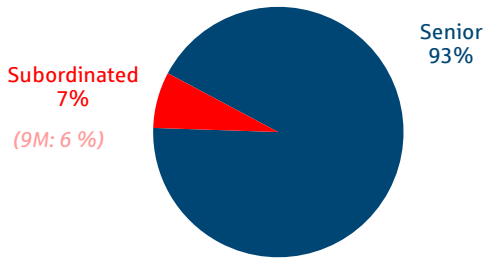
EUR corporate bonds: Issuance volume by country of origin, 2025



Sources: Bloomberg, Helaba Research & Advisory

Subordinated bonds with higher market share

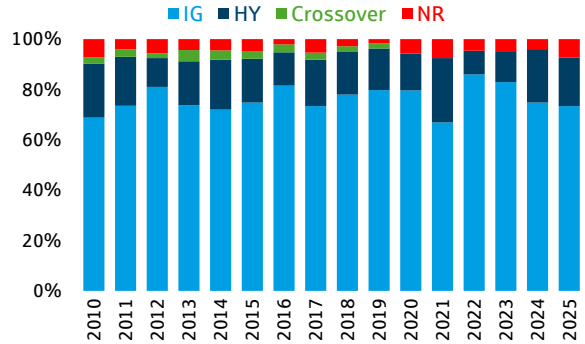
EUR corporate bonds: Issuance volume by ranking, 2025



Sources: Bloomberg, Helaba Research & Advisory

Sub-IG issuers at 19 % market share

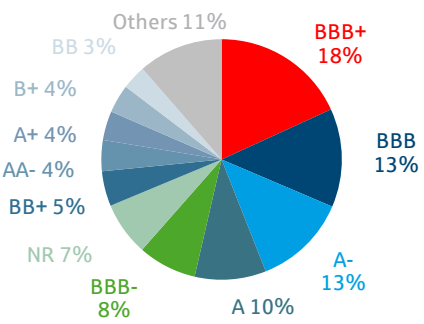
EUR corporate bonds: Issuance volume by credit quality group



Sources: Bloomberg, Helaba Research & Advisory

"BBB" classes stay below 40 % of total issuance

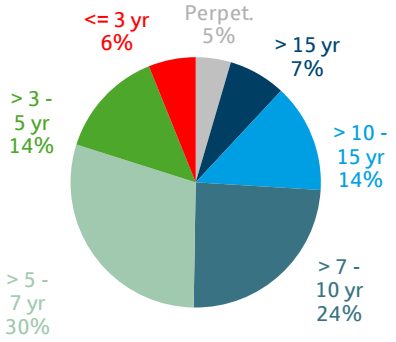
EUR corporate bonds: Issuance volume by rating category, 2025



Sources: Bloomberg, Helaba Research & Advisory

Nearly one in three bonds with maturity of 5 - 7yrs

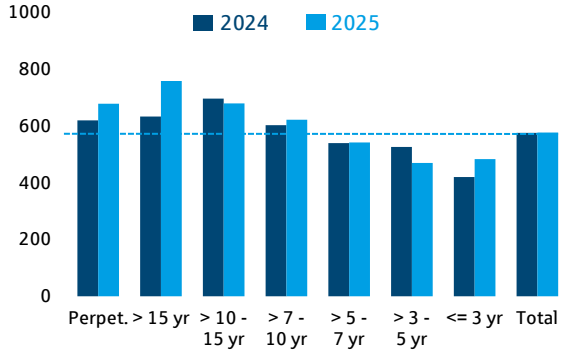
EUR corporate bonds: Issuance volume by maturity, 2025



Sources: Bloomberg, Helaba Research & Advisory

Average bond volume as large as 2024

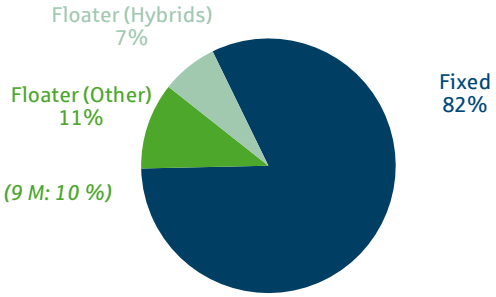
EUR corporate bonds: Average issuance size in EUR (millions)



Sources: Bloomberg, Helaba Research & Advisory

Floaters remain highly sought after

EUR corporate bonds: Issuance volume by fixed vs. floating, 2025



Sources: Bloomberg, Helaba Research & Advisory

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