

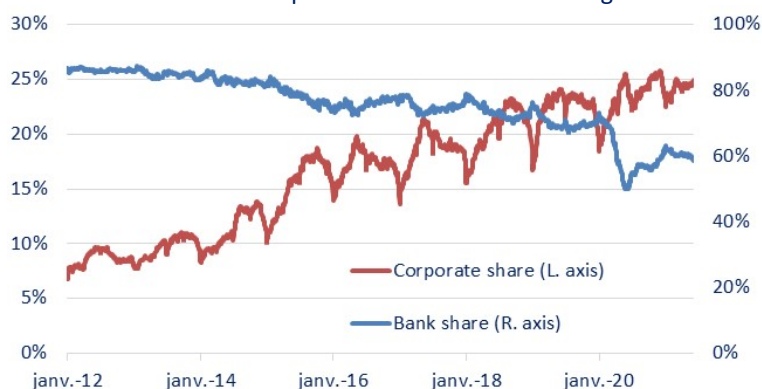
- In August, the overall outstanding amount stood at € 302.6 billion after € 307 billion in July. Most segments were rather stable because of the summer break, with the exception of the public sector NEU CPs (-6.7% over one month).
- Issuance rates of financial issuers decreased further over the longest scale of the short-term segment, ranging between 2 and 3 bps depending on the maturities.
- Corporate issuance rates increased on the 1-month (+6 bps) and 6-month (+3 bps) pillars and remained unchanged over the other durations. The sawtooth shape of the yield curve in August should be interpreted with caution given the limited amount of issuances on the 6-month and 9-month pillars.
- Consumer goods, industrials and utilities accounted for 71% of corporate NEU CP outstanding amounts (excluding real estate). An increasing number of issuers financed themselves in USD on the NEU CP market (15 corporate issuers at the end of August 2021, for € 3.7 billion or 5.8% of outstanding amounts).

1. Market overview

Stocks (EUR billions) and annual variation

	Aug-21	Jul-21	Aug-20	Var. (%)
NEU CP	257,0	260,5	311,3	-17,4%
Financial issuers	153,3	153,5	178,0	-13,9%
Corporate issuers	64,3	65,0	75,2	-14,5%
Public issuers	34,7	37,2	53,1	-34,7%
Securitization vehicles	4,7	4,8	5,0	-6,0%
NEU MTN	45,6	46,5	50,4	-9,5%
Total	302,6	307,0	361,7	-16,3%

Share of banks and corporate in NEU CP outstanding amounts



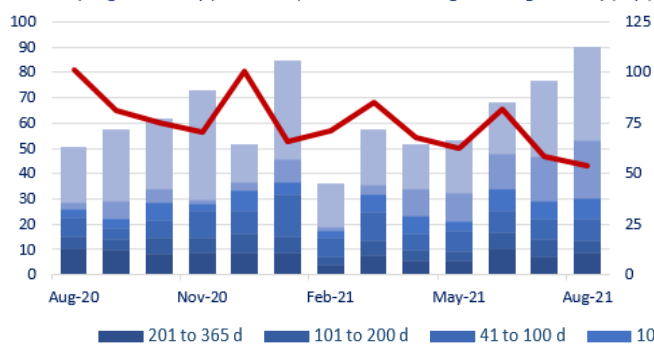
- NEU CP's outstanding amounts fell in August compared to July (-1.3%). The decline was mainly concentrated on public issuers (-6.7%).
- The NEU CP market has gradually opened up to non-financial issuers. These issuers now represent a quarter of outstanding amounts, whereas they represented a maximum of 10% of outstanding amounts in 2012/2014. Even though their relative share has fallen as a result of exceptional monetary policy measures in particular, banks are still the first players in the NEU CP market today, with outstanding amounts exceeding 50%.

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

Financial issuers

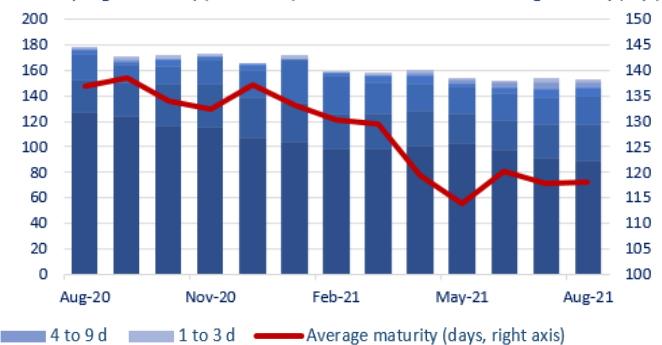
Issuance by original maturity (EUR billions)

Original average maturity (days)



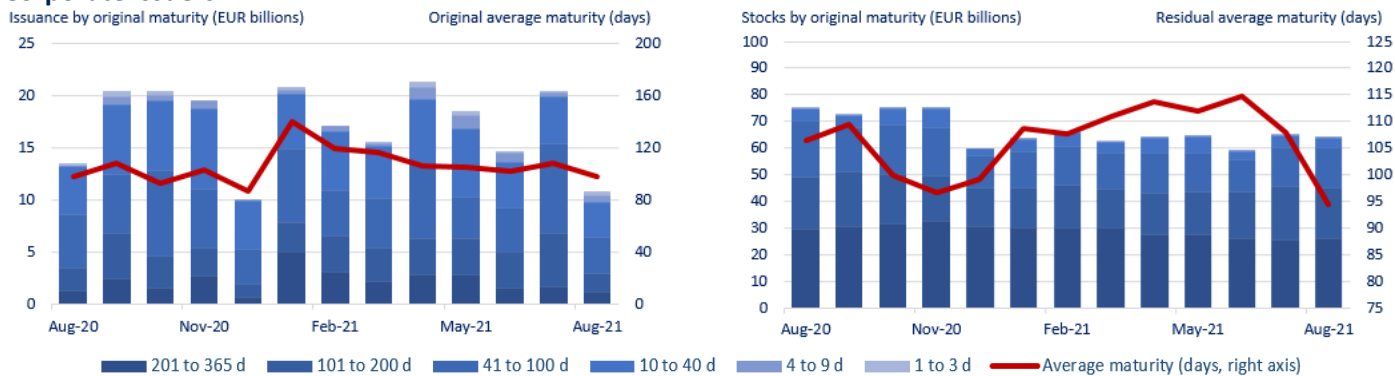
Stocks by original maturity (EUR billions)

Residual average maturity (days)



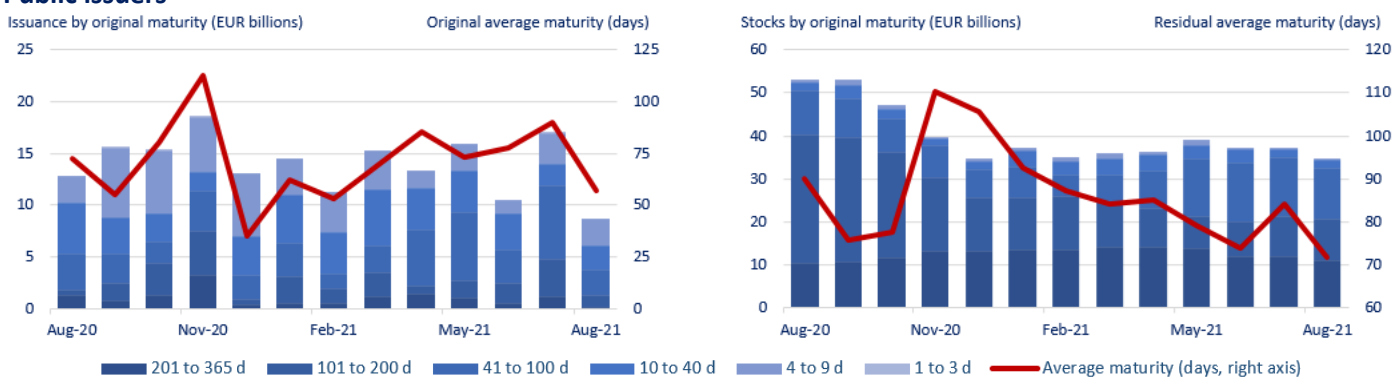
- Issuances from the financial sector rose sharply in August and were close to 90 billion euros.
- The average initial duration remained on a downward trend (54 days in August 2021, after 58 days in July) which can be explained, in recent months, by an increasing recourse to the 4 to 9 day tranche by financial sector issuers.
- The outstanding amounts remained almost stable (- € 0.3bn), as did the average residual maturity (118 days in August and July).

Corporate issuers



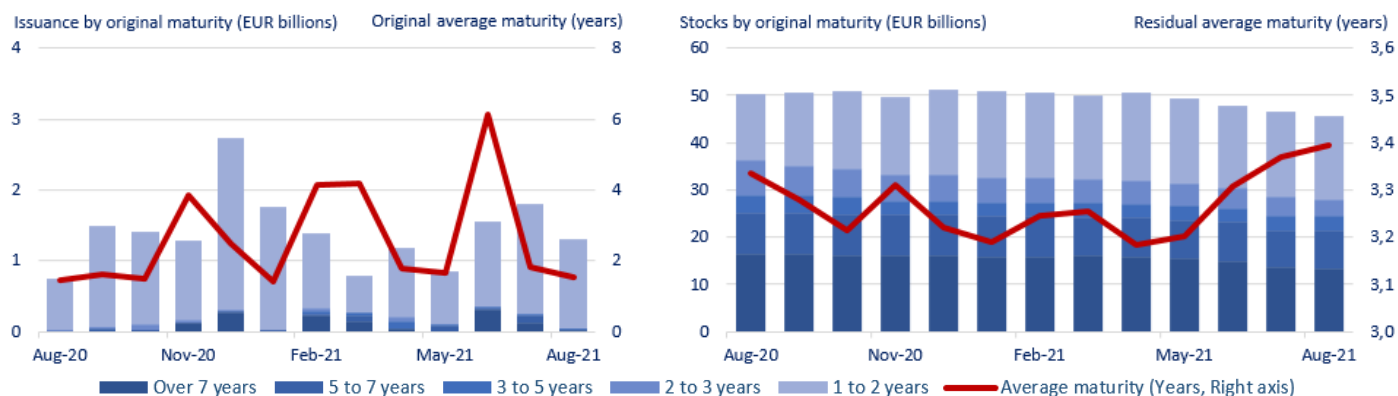
- Corporate issuances fell in August (€ 10.8 billion), after € 20.5 billion in July. August is usually the second lowest month of the year in terms of issuances, after December.
- The average initial duration of issuances reached 98 days.
- Outstanding amounts fell slightly to € 64.3 billion after € 65 billion in July.

Public issuers



- Public sector issuances were halved in August compared to July (€ 8.7 billion and € 17 billion respectively).
- The average initial duration of issuances decreased by one-third (57 days in August after 90 days in July).
- The outstanding amount fell back below 35 billion euros while the residual maturity reached its lowest level since May 2020 at 71 days, under the effect of the repayments of long NEP CP issuances carried out during the Covid crisis.

3. Issuances and stocks of NEU MTN by original maturity

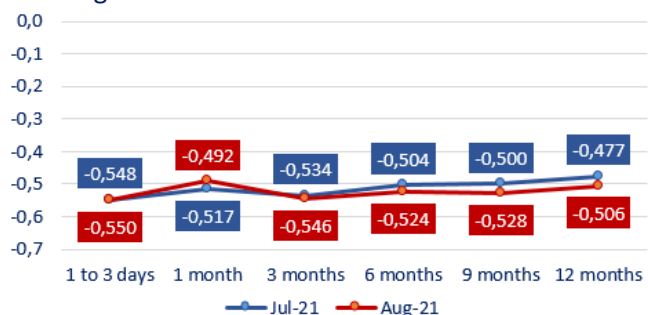


- NEU MTN issuances reached € 1.3bn in August, after € 1.8bn in July
- Outstanding amounts fell by 0.8 billion euros in August, while the average residual maturity of outstanding amounts stabilized at 3.4 years.

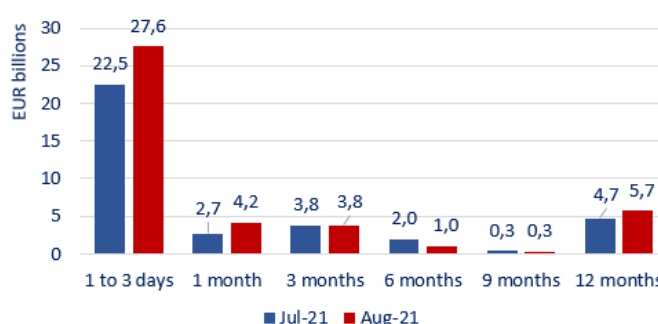
Average rates of NEU CP and maturities at issuance

Financial issuers

Average rates at issuance in Euros



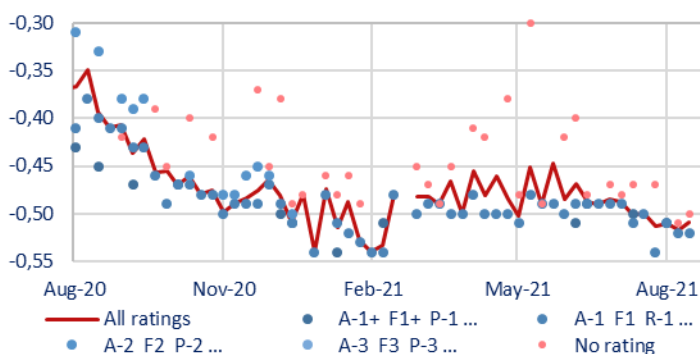
Cumulated issuances



- Average rates of financial issuers have eased somewhat on maturities over and including 6-month (-2 bps on the 6-month pillar and -3 bps on the 9-month and 12-month pillars).
- Issuance volumes increased on the shortest (1 to 3 days and 1-month) and longest (12-month) maturities while they fell back on the 6-month pillars

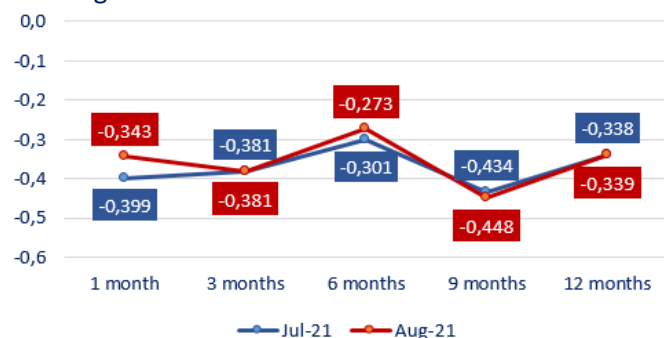
Dispersion of financial issuers' average rates¹ at issuance on the 12-month maturity pillar (weekly data)

- 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 of rated issuances have remained in a narrow range between -0.55% and -0.45% since November 2020.

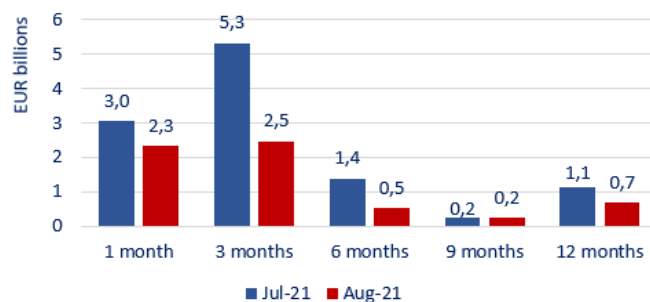


Corporate issuers

Average rates at issuance in Euros



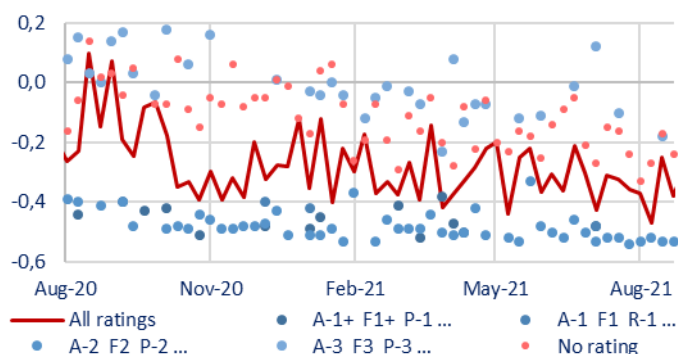
Cumulated issuances



- Average rates of corporate issuers rose slightly on the 1-month (+4 bps) and 6-month (+3 bps) pillars. They remained mostly unchanged on other maturities.
- Issuance volumes decreased on all maturities. As a reminder, August is usually, with December, the least active month in terms of corporate issuances.

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

- Average rates of issuers with an investment grade rating (A1 A2) have been stable below -0.5% for several weeks.
- Meanwhile, spreads paid by unrated issuers compared with the A1 A2 population tend to get increasingly lower throughout the year.



¹ Outliers are not displayed so as to improve the clarity and detail of charts by dispersion of average rates.

5. Sectoral focus: corporate issuers on the NEU CP market at end august 2021

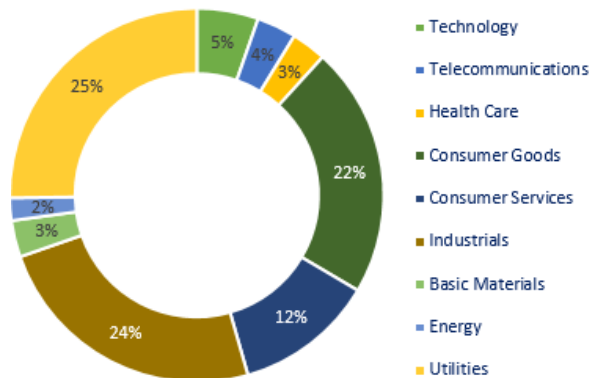
Corporate outstanding amounts has returned to pre Covid-crisis levels (-14.5% over one year)
 Snapshot of activities of the three main sectors according to the industry classification benchmark (ICB)²:

- Utilities: Electricity and Gas (60%), Water and Waste disposal (40%)
- Consumer Goods: Food and Beverage (50%), Automobile and Parts (25%) ...
- Industrials: Transportation (30%), Electrical equipment (25%), Construction and Materials (20%), Aerospace (10%) ...

Activities of issuers (industries and services) split according to industry classification benchmark (ICB)

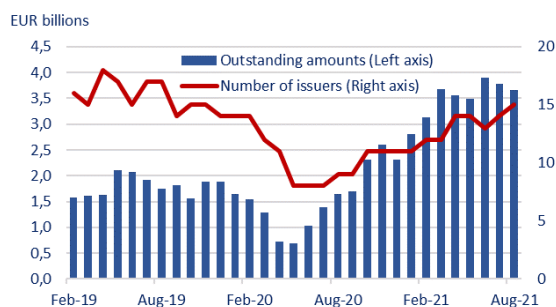
Industries and services outstanding amounts accounted for 55.3 EUR billions at end august 2021.

- NEU CP provides financing to the entire economy, with three sectors getting nearly three quarters (71%) of the whole financing: consumer goods, industrials and utilities.
- The utilities sector (electricity, water ...) is the major player in the NEU CP market (25% of the outstanding amounts with only 5% of issuers).
- Technology and health sectors account for a limited share of the market (8% of stocks) with a fair number of issuers (17%).



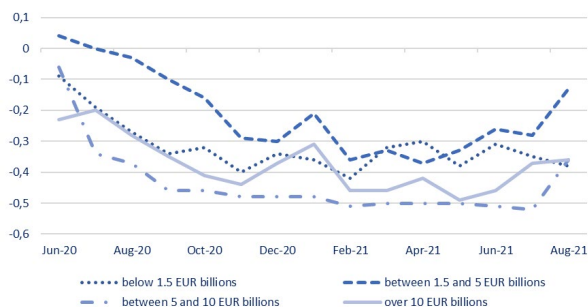
Outstanding amounts issued in USD and number of issuers

- Corporate issuers' USD funding resumed after a low during the Covid crisis.
- The NEU CP segment had 15 issuers in USD at the end of August 2021, compared to 8 during the same period in 2020 and 17 in 2019.
- Outstanding amounts in USD increased markedly to € 3.7 billion in August 2021 (5.8% of outstanding amounts), compared to € 1.6 billion in August 2020 (2.1%) and €1.7 billion in August 2019 (3.3%).



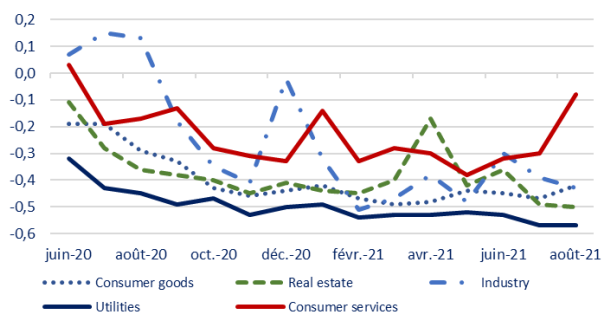
Monthly average rate by size of the corporate issuer (turnover)

- The hierarchy of rates by turnover size remained broadly unchanged over one year.
- There is an average gap of 20 bps between issuers whose group turnover is between 1.5 and 5 billion € and those whose turnover is between 5 and 10 billion.



Monthly average rate of the main activity sectors (ICB classification)

- Issuance rates of the consumer goods and utilities sectors are particularly stable over time.
- Issuance rates of the real estate, industrials and consumer services sectors present a more mixed profile.



² Industry Classification Benchmark (ICB) is a standard used in financial markets for the categorization of companies. This standard is managed by FTSE RUSSEL <https://www.ftserussell.com/data/industry-classification-benchmark-icb>

In the case of this note on the NEU CP market, level 1 sectors “consumer staples” and “consumer discretionary” have been split into “consumer goods” and “consumer services.”