Commercial paper and medium-term note market (NEU CP - NEU MTN)

January 2023

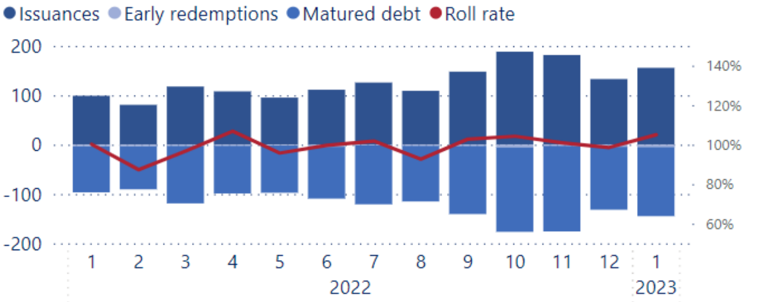
- In January 2023, the overall outstanding amount of the NEU CP and NEU MTN market reached € 317.5 Bn, an increase of almost €30 Bn compared to the end of January 2022 (+10.3%). This rise is due to the NEU CP compartment (+€36.9 Bn over one year) and more particularly to financials issuers (+€48.6 Bn over one year). On the contrary, the outstanding amount of the NEU MTN compartment decreased by € 7.4 Bn over the year (-16%).
- The average yields at issuance carried on growing in January 2023. For financial issuers, the increases ranged from +11 bps on the 9-month pillar (associated with a relatively low level of issuances) to +37 bps on the 1-day pillar (strongly used by issuers). For corporate issuers, the increases ranged from +19 bps to +38 bps (3-month pillar).
- Issuance volumes increased for all types of issuers in January 2023. The rise is more significant on the 1-day pillar for financial issuers (+€6 Bn) and on the 3-month pillar for corporate issuers (+€2.9 Bn). After declining for 3 month in a row, corporate issuances recovered (+€7 Bn compared to December 2022) and amounted to €28.1 Bn in January 2023.

1. Market overview

Outstanding amounts (EUR Bn) and year-on-year change (%)

	Month	Month -1	Year -1	Var. (%)
NEU CP	**278,9**	**268,0**	**242,0**	**15,3**
Financial issuers	199,6	184,4	151,0	32,2
Non-financial issuers	54,5	57,9	57,2	-4,7
Public issuers	17,5	18,0	29,0	-39,5
ABCP issuers	7,3	7,8	4,8	49,6
NEU MTN	**38,6**	**38,6**	**46,0**	**-16,0**
Financial issuers	30,1	30,1	35,7	-15,6
Public issuers	5,5	5,5	7,4	-25,1
Non-financial issuers	3,0	3,0	2,9	2,6
ABCP issuers	0,0	0,0		
Total	**317,5**	**306,6**	**287,9**	**10,3**

Issuances, early redemptions and matured issues (LHS; € Bn), roll rate (RHS; %)



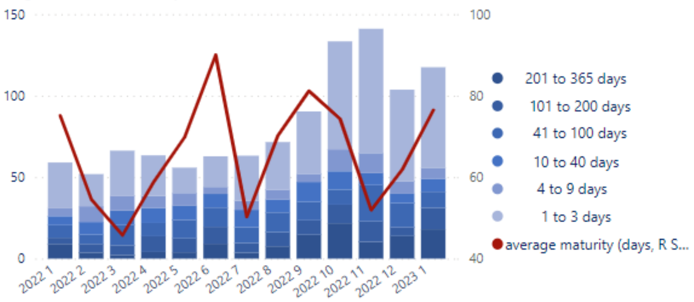
Source : Banque de France

- The overall outstanding amount of the NEU CP/ NEU MTN market increased by 10.3% over the year (+€29.6 Bn) to reach € 317.5 Bn at the end of January 2023.
- Over one year, the NEU CP outstanding amount increased by +32.2% (+€48.6 Bn) for financial issuers, while public entities and corporate issuances contracted by respectively 39.5% and 4.7%
  The NEU MTN outstanding amount remains stable at €38.6 Bn at the end of January (-€7.4 Bn over one year).

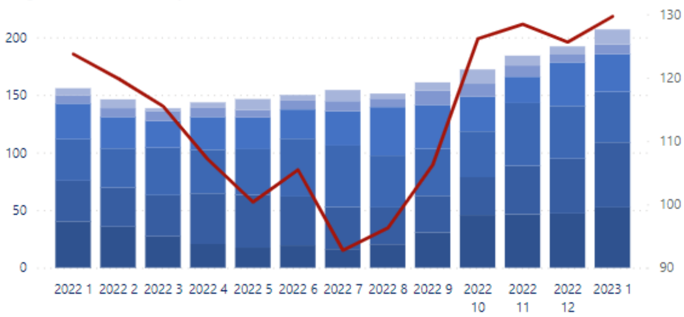
2. Issuances and stocks of NEU CP by sector and by original maturity

Financial issuers

Issuances by original maturity (Left Hand Scale; € Bn) and original average maturity (Right hand Scale; Days)



Stocks by original maturity (Left Hand Scale; € Bn) and residual average maturity (Right Hand Scale; Days)



- In January 2023, financial sector issuances amounted to €114.4 Bn: it is €11 Bn higher than in December 2022 and almost twice as much as the volume issued in January 2022 (€59.1 Bn).
- The original average maturity of issuances increased to 72 days (62 days in December 2022), while the residual average maturity of the outstanding amount remains stable above 4 months.
- The outstanding amount continued to grow since the end of August 2022 and reached €203.7 Bn at the end of January 2023 (+€11.9 Bn compared to December 2022 and +€52 Bn since end August 2022).

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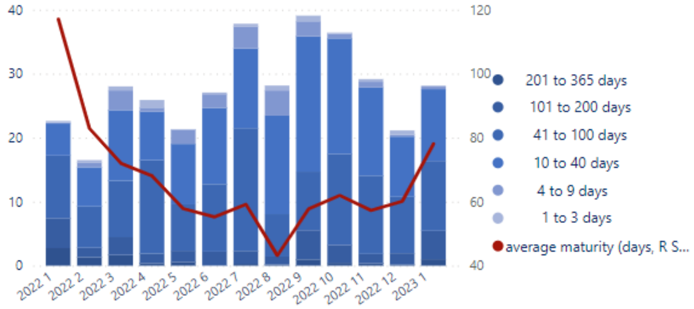
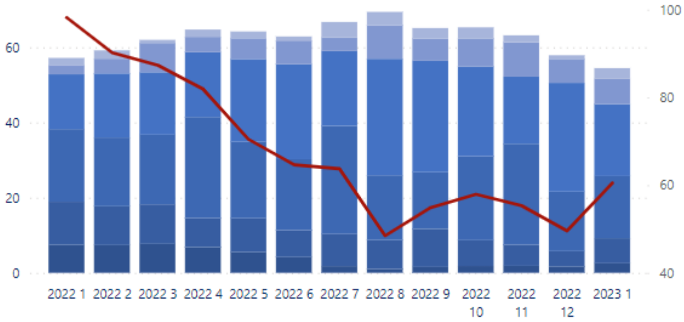
Access to the series currently available on the portail Webstat

Corporate issuers

Issuances by original maturity (Left Hand Scale; € Bn) and original average maturity (Right hand Scale; Days)



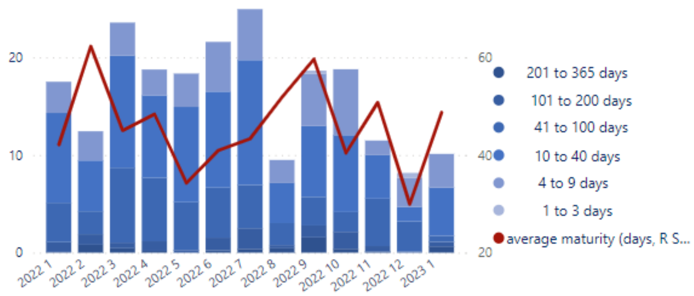
Stocks by original maturity (Left Hand Scale; € Bn) and residual average maturity (Right Hand Scale; Days)



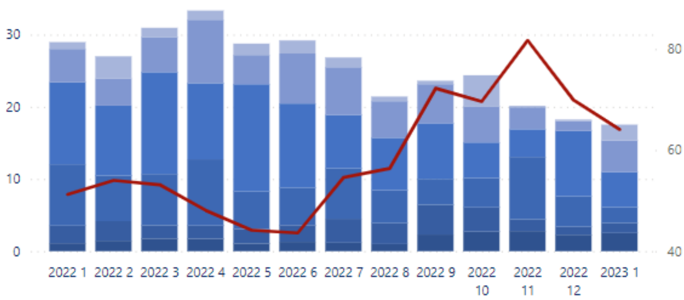
- After declining for 3 month in a row, corporate issuances recovered (+€7 Bn compared to December 2022) and amounted to €28.1 Bn in January 2023. The original average maturity of issuances kept on rising and reached 78 days (60 days in December 2022).
- The outstanding amount decreased by €3.4 Bn compared to the end of December 2022 and stood at €54.5 Bn in January 2023.Bn. The residual average maturity of the outstanding amount increased from 50 to 60 days.

Public issuers

Issuances by original maturity (Left Hand Scale; € Bn) and original average maturity (Right hand Scale; Days)



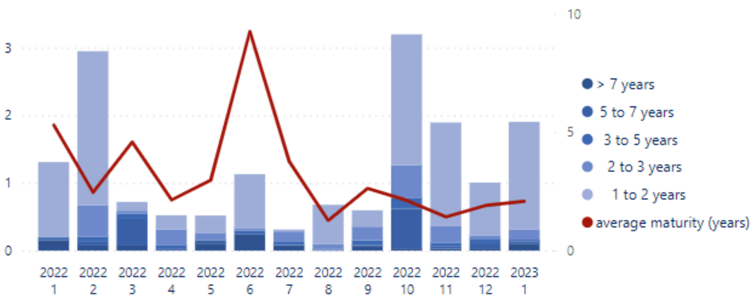
Stocks by original maturity (Left Hand Scale; € Bn) and residual average maturity (Right Hand Scale; Days)



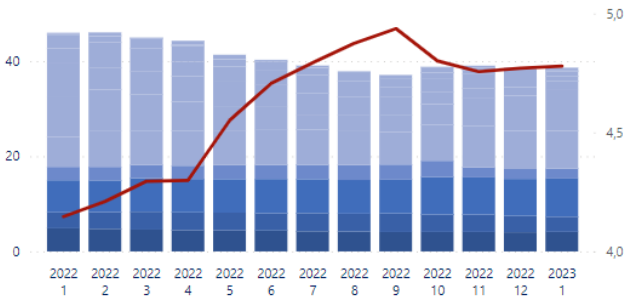
- After declining during 2 month in a row, issuances by public entities slightly increased, and stood at €10.1 Bn in January 2023 (+€1.9 Bn compared to December 2022).
- The original average maturity of issuances rised from 30 days to 49 days between December 2022 and January 2023.
- The outstanding amount kept on declining and stood at €17.5 Bn at the end of January 2023, a decline of €0.5 Bn compared to December 2022 and of €11.5 Bn compared to January 2022 (-40 % over one year).
- The residual average maturity of the outstanding amount felt to 64 days, after having peaked at 82 days in November 2022.

3. Issuances and stocks of NEU MTN by original maturity

Issuances by original maturity (Left Scale, € Billion) and original average maturity (Right Scale, Years)



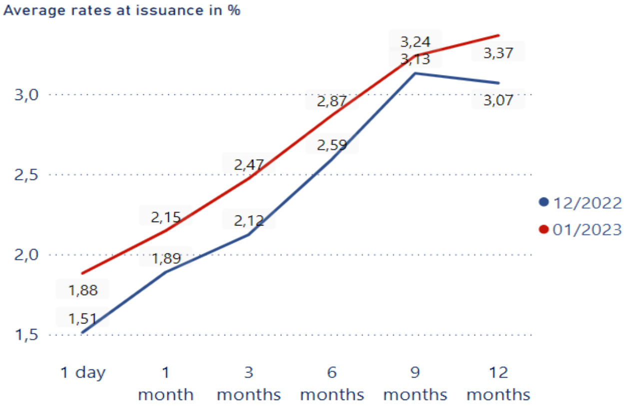
Stocks by original maturity (Left Hand Scale; € Bn) and residual average maturity (Right Hand Scale; Years)

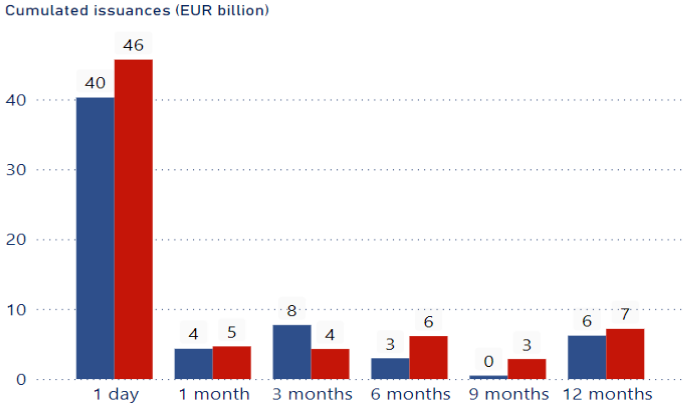


- NEU MTN issuances stood to €1.9 Bn in January 2023, after €1 Bn in December 2022 while the average initial maturity of the issues remains steady around 2 years.
- The NEU MTN outstanding amount stood at €38.6 Bn at the end of January 2023.
- The residual average maturity of the outstanding amount stabilized at 4.8 years.

4. Average rates of NEU CP and maturities at issuance

Financial issuers

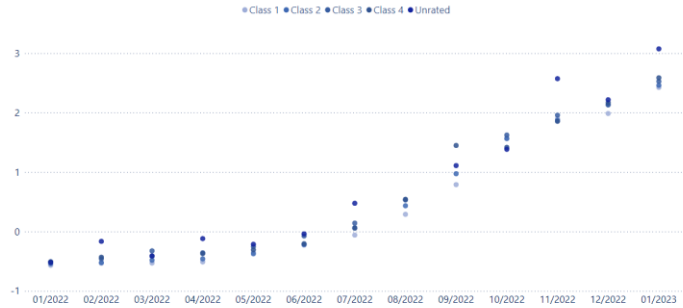




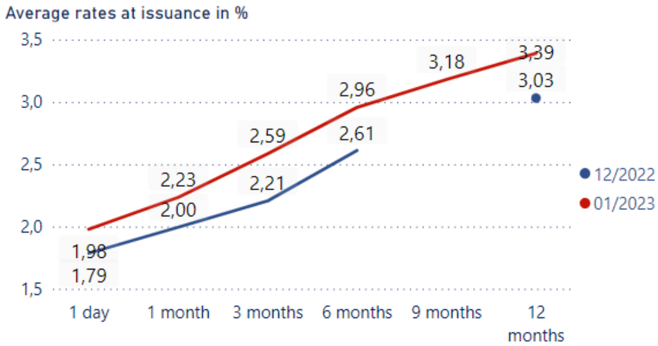
- In January 2023, the average rates at issuance continued to grow for all maturities for financial issuers. The largest increases were experienced on the 1-day pillar (+37 bps) and the 3-month pillar (+35 bps).
- Issuance volumes decreased on the 3-month pillar (-€4 Bn) while they increased on all other pillars and especially on the 1-day pillar (+€6 Bn) which is the dominant one.

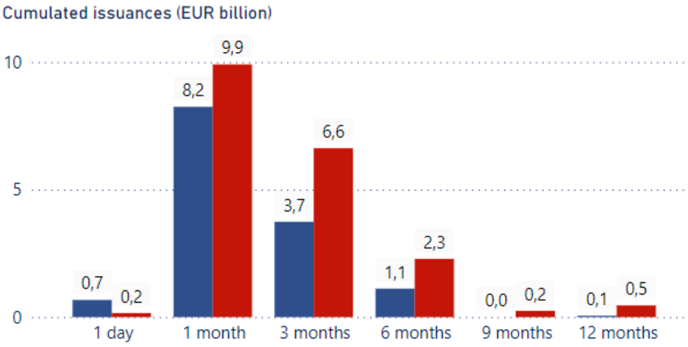
Dispersion of financial issuers' average rates [1] at issuance on the 3-month maturity pillar (weekly data)

- Overall, average issue rates for financial issuers rose by 35 basis points over the month.
- With the exception of a few issuances by unrated issuers that stood out, average rates moved in a band of about 65 bps in January 2023.



Corporate issuers

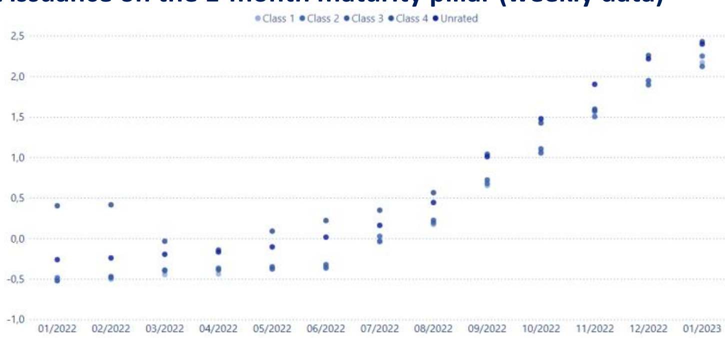




- In January 2023, the corporate average rates at issuance carried on growing for all maturities, particularly on the 12-month pillar (+36 basis point compared to December 2022).
- The 1-month and 3-month pillar still accounted for the bulk of issuance volumes (83% in January 2023, compared to 86% in December 2022), they increased by €1.7 Bn and €2.9 Bn respectively over the month.

Dispersion of corporate issuers' average rates [1] at issuance on the 1-month maturity pillar (weekly data)

- Since July 2022, the average issue rates are on the rise for all rating categories.
- In terms of dispersion, the average rates remained within a band of about 31 basis points, depending on the rating class.



[1] Outliers are not displayed so as to improve the clarity of charts on average rates' dispersion.