



Daily Bond Auction Preview

2nd March 2023

Previews of UK, EU and US government bond auctions including the size of issuance, time of the auction(s), estimates, redemptions, coupons and analyst commentary.

PREVIEW: Spain to sell EUR 5-6bln 2.80% 2026, 0.80% 2029, & 3.15% 2033 Bono and EUR 0.25-0.75bln 0.70% 2033 I/L Auction

IFR

- Overall, sale should go well.
- There is currently sufficient demand for peripheral supply.
- Tap is of a slightly smaller guidance size than the mid-month sale.

Auction History

- 2.80% 2026: b/c 2.33x & average yield 2.919%
- 0.80% 2029: b/c 1.76x & average yield 3.206%
- 3.15% 2033: New line
- 0.70% 2033 I/L: b/c 2.1x & average yield 1.018%

Note, bids are submitted by the 09:30GMT bidding deadline, results due shortly afterwards.

PREVIEW: France to sell EUR 10.5-12.0bln 2.00% 2032, 1.25% 2034, 1.25% 2038 & 4.00% 2060

IFR

- Interestingly, 30yr paper has been omitted; presumably to allow the market to digest recent syndication.
- 2032 OAT is at its cheapest level on record, with 10yr French yields at their highest since early 2012.
- 10yr stands out as having outperformed Germany, though further out it has underperformed.
- Competing supply is a headwind, given the hefty issuance already this week and today by the time we get to France.

Auction History

- 2.00% 2032: b/c 2.094x & average yield 2.68%
- 1.25% 2034: b/c 2.314x & average yield 1.57%
- 1.25% 2038: b/c 1.792x & average yield 3.02%
- 4.00% 2060: b/c 1.698x & average yield 0.57%

Note, bids are submitted by the 09:50GMT bidding deadline, results due shortly afterwards.

PREVIEW: UK to sell GBP 0.65bln 0.125% 2051 I/L Gilt

IFR

- Overall, sale should be stress free.
- Very modest value available on a curve basis.

Auction History



- 0.125% 2051 I/L: b/c 2.03x & real yield -1.049%

Note, bids are submitted by the 10:00GMT bidding deadline, results due shortly afterwards.

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