



Daily Bond Auction Preview

12th March 2024

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.

Netherlands to sell EUR 2-2.5bln 2.50% 2030 DSL

Recent History:

- 2.50% 2030: average yield 2.95%

Sold via a tap auction process, which commences from 09:00GMT

UK to sell GBP 3.75bln 4.625% 2034 Gilt

IFR Analysis:

- Since the last auction, the line has lost around 16bps, so there is no natural concession in play.
- However, there is some relative value, with around 1bp to be had.
- Recent strong history and relative value should be enough to deliver a strong auction.

Recent History:

- 4.625% 2034: b/c 3.09x, average yield 4.132% & tail 1bps

Results due shortly after the 10:00GMT bidding deadline

Germany to sell EUR 4.5bln 2.50% 2026 Schatz

IFR Analysis:

- The limited amount of high quality duration and recent strong history for Schatz, should ensure a strong sale.

Recent History:

- 2.50% 2026: b/c 1.91, average yield 2.79%, retention 17.24%

Results due shortly after the 10:30GMT bidding deadline

US to sell USD 39bln 10yr Notes

SUPPLY: US to sell USD 56bln of 3yr notes on Monday, March 11th; will sell USD 39bln of 10yr notes on Tuesday, March 12th; and will sell USD 22bln of 30yr bonds on Wednesday, March 13th; all to settle on March 15th.

US 3-YEAR NOTE AUCTION RESULTS:

- High Yield: 4.256% (prev. 4.169%, six-auction average 4.478%)
- Tail: -1.3bps (prev. -0.8bps, six-auction avg. 0.4bps)
- Bid-to-Cover: 2.60x (prev. 2.58x, six-auction avg. 2.61x)
- Dealers: 14.4% (prev. 15.7%, six-auction avg. 19.7%)
- Directs: 15.6% (prev. 18.3%, six-auction avg. 20.0%)
- Indirects: 70.1% (prev. 66.0%, six-auction avg. 60.3%)



US 10-YEAR NOTE AUCTION RECENT HISTORY:

- High Yield: (prev. 4.093%, six-auction average 4.305%)
- Tail: (prev. -1.2bps, six-auction avg. 0.5bps)
- Bid-to-Cover: (prev. 2.56x, six-auction avg. 2.52x)
- Dealers: (prev. 13.0%, six-auction avg. 15.5%)
- Directs: (prev. 16.1%, six-auction avg. 18.3%)
- Indirects: (prev. 71.0%, six-auction avg. 66.2%)

US 30-YEAR BOND AUCTION RECENT HISTORY:

- High Yield: (prev. 4.36%, six-auction average 4.481%)
- Tail: (prev. -2.0bps, six-auction avg. 1.3bps)
- Bid-to-Cover: (prev. 2.4x, six-auction avg. 2.38x)
- Dealers: (prev. 14.8%, six-auction avg. 17.0%)
- Directs: (prev. 14.5%, six-auction avg. 16.9%)
- Indirects: (prev. 70.7%, six-auction avg. 66.1%)

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