Bond Auction Preview - 7th July 2026

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.

UK to sell GBP 4bln 4.125% 2033 Treasury Gilt

Analysis:

- An auction which comes after a period of mild political uncertainty, though markets appear to be content with the likely PM Burnham. A factor which should help buoy demand.
- However, uncertainty remains surrounding the next Chancellor pick, whereby a Miliband appointment could spook markets in the long-term; as such, some investors may prefer to stay away from the offer, awaiting further clarity on the matter.
- For today though, the main update will be the BoE FSR which drops 30 minutes after the auction. A report that could spur Gilt demand, see the 09:41BST Fixed Income update for details.

Recent History:

- b/c 3.38x, average yield 4.550%, tail 0.2bps

Results due shortly after the 10:00BST bidding deadline

Germany to sell EUR 0.5bln 1.30% 2027 Green Bobl and EUR 1bln 2.60% 2041 Green Bund

Analysis:

- The relatively low amount on offer, and with this being a Green auction, suggest the sale will pass without issue.

Recent History:

- 1.30% 2027: b/c 3.97x, average yield 1.86%, retention 2.3%
- 2.60% 2041: b/c 1.5x, average yield 3.30%, retention 23.7%

Results due shortly after the 10:30BST bidding deadline

US to sell USD 58bln 3-Year Note

Analysis:

- The 3-year yield currently trades around 4.15%, below the previous auction high yield but still comfortably above the six-auction average of 3.793%. Yields have declined since the soft June jobs report, prompting markets to push back Fed tightening expectations. Pricing for a hike has been pushed out towards December, vs September/October prior to the release.
- At Sintra, Chair Warsh was less hawkish than some had expected and largely reiterated the June FOMC's messaging. Albeit, he acknowledged that inflation expectations have declined over his first four weeks in office.
- The June 3-year auction was marginally firmer than previous sales but remained soft relative to recent averages, with direct demand still subdued while indirect participation remained stable. The subsequent 2-year auction was met with strong demand, suggesting investors were comfortable adding front-end duration at the higher yield levels seen after the June FOMC.
- Since the last 3-year tap, rate volatility has eased considerably, with the MOVE Index falling from around 77 to roughly 65 at the time of writing. Lower volatility could help support investor demand, partially offsetting the slightly lower yield available this month.
- Overall, the lower yield on offer presents a modest headwind for demand, and means that this sale will be a test for demand resilience in the context of the post-NFP yield pullback. However, the shift towards a softer macro backdrop and reduced rate volatility could help support bidding, while yields remain comfortably above the six-auction average.

Recent History:

- Tail: (prev. 0.3bps, six-auction average 0.1bps)
- High Yield: (prev. 4.192%, six-auction average 3.793%)
- B/C: (prev. 2.64x, six-auction average 2.61x)

- Dealer: (prev. 15.3%, six-auction average 15.0%)
- Direct: (prev. 21.0%, six-auction average 22.5%)
- Indirect: (prev. 63.7%, six-auction average 62.5%)