Daily Bond Auction Preview - 16th 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.

Spain to sell EUR 5-6bln 2.35% 2029, 3.55% 2033 and 3.95% 2056 Bono

Analysis:

- Currently, the Spanish 10yr yield trades at 3.59%. Given the usual characteristics of Spanish bonds, this auction should go well.
- Yields have risen in recent weeks, given the re-escalation of tensions between the US and Iran, resulting in 4 consecutive days of strikes and US President Trump threatening to strike power plants and bridges if Iran does not negotiate. The 10yr has risen 32bps in a (near-enough) straight line, however remains contained within the 3.32-3.64% range.
- The value of the greenshoe option is a key characteristic for strong Bono auctions. Given the current volatility in markets, the option is usually worth more than in calmer times.

Recent History:

- 2.35% 2029: b/c 2.47x & average yield 2.772%
- 3.55% 2033: No recent history
- 3.95% 2056: No recent history

Results due shortly after the 09:30BST bidding deadline

France to sell EUR 12-14bln 2.40% 2029, 1.50% 2031, 3.25% 2032 and 3.50% 2033 OAT

Analysis:

- Currently, the 10yr yield trades at 3.92%. Over the past 2 weeks, yields have risen globally with French debt being among the worst performers, but just slightly behind BTPs given PM Meloni's failed attempt to amend an electoral reform bill.
- Politics continues to remain key in France. More recently, RN's Le Pen was found guilty of embezzlement by the Paris court, but given the timing of the first round of the Presidential Election, she has been eligible to run for President. Since then, she announced she would appeal the court's decision and has launched her presidential bid.
- Polls show that Le Pen has extended her lead, with support rising to above 35% from 33% before she announced her bid.
- As the Presidential Election on April 18th nears and polls become more clear, OATs will start to price in the potential outcomes and with the increased uncertainty, could see further downside in OATs.

Recent History:

- 2.40% 2029: b/c 3.22x & average yield 2.85%
- 1.50% 2031: No recent history
- 3.25% 2032: b/c 2.66x & average yield 3.13%
- 3.50% 2033: 2.60x & average yield 3.48%

Results due shortly after the 09:50BST bidding deadline

The UK to sell GBP 4.25bln 4.875% 2036 Treasury Gilt

Analysis:

- Currently, the 10yr yield trades at 4.96% after topping back above the 5% handle in Tuesday's session.
- As MP Burnham is set to become PM, focus is on who he will choose as Chancellor. Reports initially pointed as Ed Miliband as the incoming Chancellor, however, more recent reports point to Home Secretary Mahmood to being the next Chancellor, according to the iPaper. Markets have taken this as a positive, with upside in GBP and Gilts, as she is seen as fiscally conservative. However, this is yet to be confirmed. Polymarket is giving Mahmood a 63% chance vs Miliband's 9% to become the next Chancellor.
- For this auction, demand for this tap should go fine with the b/c consistently holding above the 3x mark.

Recent History:

- 4.875% 2036: b/c 3.46x, average yield 4.858%, tail 0.1bps

Results due shortly after the 10:00BST bidding deadline