

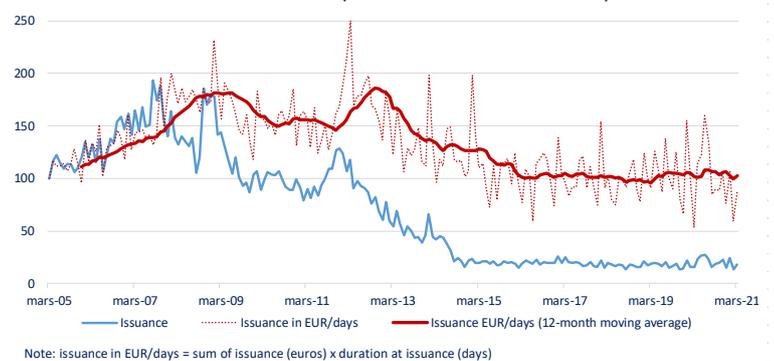
- In March, outstanding amounts are rather stable year on year at € 309 billion.
- Financial sector and corporate issuance rates are mostly stable at low level: financial issuers finance cost below -0.5% on most maturities and corporate issuers in a range between -0.3% and -0.5%.
- Structure by maturity at issuance: the financial sector is stepping up its issuance, particularly on the "long" part of the commercial paper yield curve (3-month and more). Corporate issues increased on 3-month and 6-month maturities and decreased on others.
- French banks account for 71% of NEU CP banking outstanding amounts at the end of March (mutual and cooperative banks 46%, commercial banks 13% and public banks 11%). Foreign banks represent 29%, a share slightly higher than their long-term average measured since 2005, 25%.

1. Market overview

Stocks (EUR billions) and annual variation

	Mar-21	Feb-21	Mar-20	Var. (%)
NEU CP	258,7	261,8	258,6	0,0%
Financial issuers	156,0	156,7	163,6	-4,6%
Corporate issuers	62,3	65,9	59,0	5,6%
Public issuers	36,0	34,9	30,3	18,8%
Securitization vehicles	4,4	4,3	5,7	-22,8%
NEU MTN	50,0	50,6	49,1	1,8%
Total	308,7	312,4	307,7	0,3%

NEU CP issuance (basis 100 = march 2005)



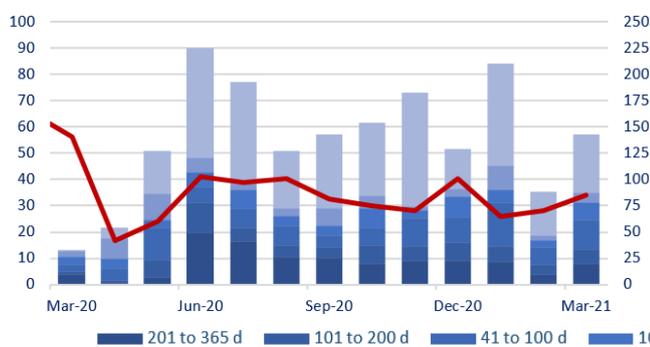
- The overall outstanding amount is stable over 1 year. The decline in outstanding amounts for financial issuers is offset by the growth in corporate and public issuers.
- Evolution of the volume at issuance since 2005: apart from the two peaks linked to the Lehman Brothers (2009) and sovereign debt (2012/2013) crisis, the level of issue measured in euros / day has been stable since 2005. The fall in the volume at issuance in euros (around 1,000 billion per year today compared to 8 or 9,000 in the best years) therefore reflects the lengthening of the average durations at issuance, rather than a decline in activity on the NEU CP market.

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

Financial issuers

Issuance by original maturity (EUR billions)

Original average maturity (days)



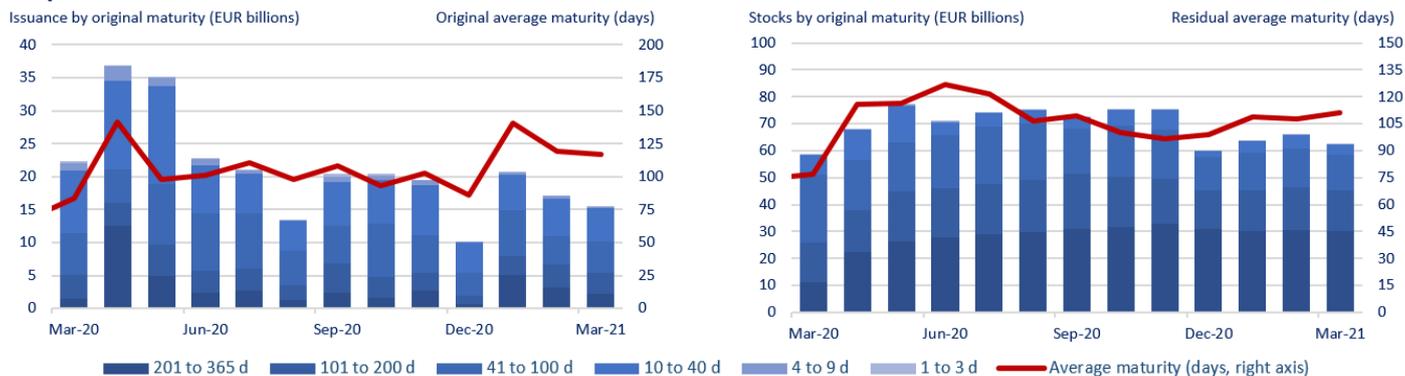
Stocks by original maturity (EUR billions)

Residual average maturity (days)



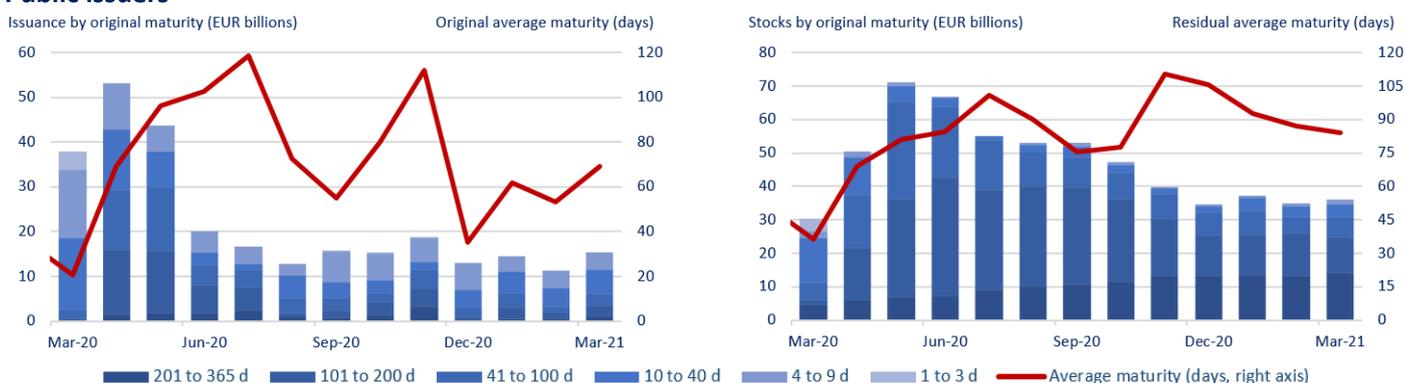
- Issuances from the financial sector rebounded strongly in March: € 57 billion after € 35 billion in February.
- The average duration at issuance is on the rise again: 85 days compared to 71 days in February.
- Outstanding amounts decrease slightly at € 156 billion (-0.7%).

Corporate issuers



- Volumes of corporate issuances drop in March, barely exceeding € 15 billion.
- The average duration at issuance stabilizes below 120 days.
- The usual seasonal behavior of a strong increase at first quarter doesn't occur as outstanding amounts started to fall again (- € 3.6 billion), even though they remain high in absolute terms.

Public issuers



- Public sector issuances rebound in March (€ 15.3 billion after € 11.3 billion in February). The drop over one year should be put into perspective as issuance volumes were historically high in March, April and May 2020 to finance social support measures in the wake of the crisis.
- The original maturity of issues is rising again (69 days, after 53 days in February).

3. Issuances and stocks of NEU MTN by original maturity



- Few issues in March, and focusing on the 1 to 2 years maturities (60% of monthly issuances).
- The outstanding amounts fell slightly to € 50 billion, down 600 million over one month. The average residual maturity is increasing slightly (3.3 years).

Average rates of NEU CP and maturities at issuance

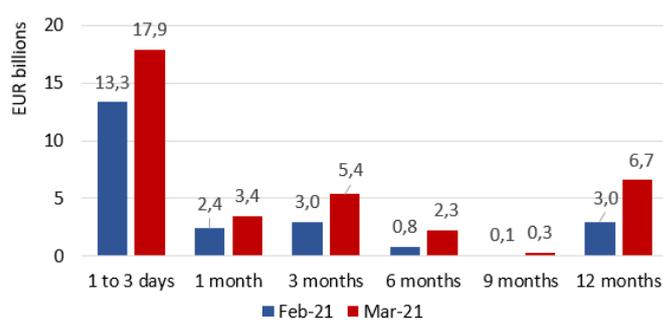
Financial issuers

Average rates at issuance in Euros



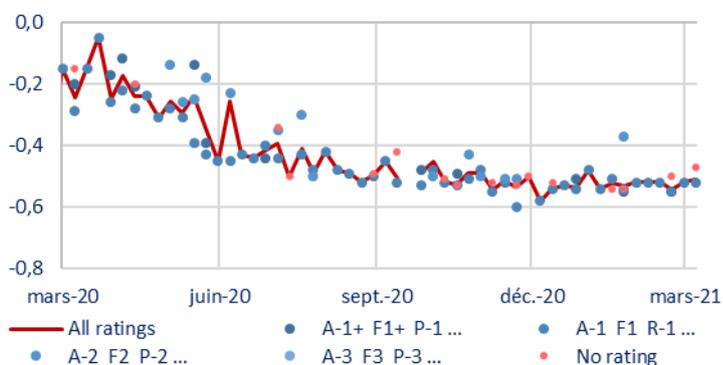
- The yield curve is flat on all maturities, unchanged compared to previous month and remains fixed on levels close to €STR (-0.57% at the end of March).
- Volumes at issuance rebound on all maturity pillars (x2 on the 3-month and 12-month pillars), after a particularly weak month of February.

Cumulated issuances



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

- Issuance rates levels of financial issuers are particularly tight on this maturity.
- Interest rate conditions remain broadly unchanged at around -0.50% since the start of the year.



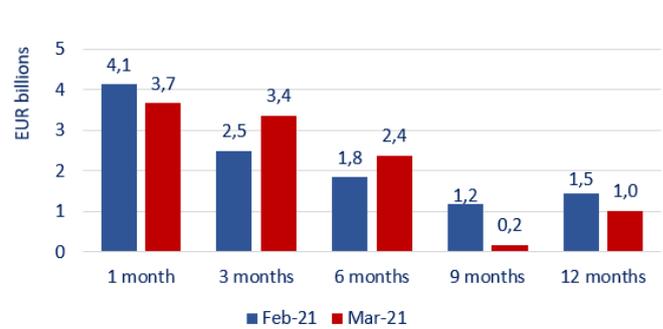
Corporate issuers

Average rates at issuance in Euros



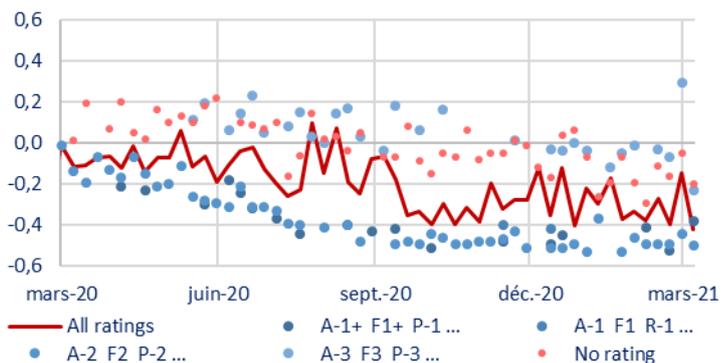
- Interest rates are mostly unchanged over all durations, except for the 9-month period.
- The evolution of volumes at issuance is heterogeneous: decrease over the duration 1-month, 9-month and 12-month while the intermediate durations (3-month and 6-month) are progressing.

Cumulated issuances



Dispersion of corporate issuers' average rate at issuance on the 3-month maturity pillar (weekly data)

- The dispersion in corporate issuance rates is rather limited on this maturity.
- Interest rate conditions of most issuers remain favorable in recent months. Rates were around -0.50% in March against -0.20% a year earlier.

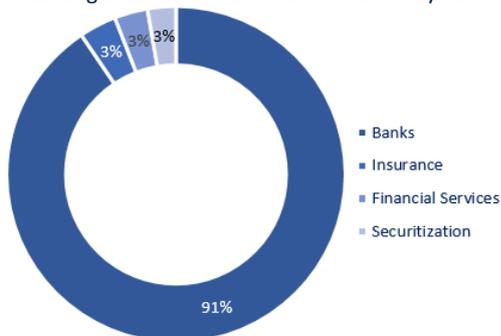


4. Focus on financial sector on the NEU CP market, by type of activities, at end March 2021

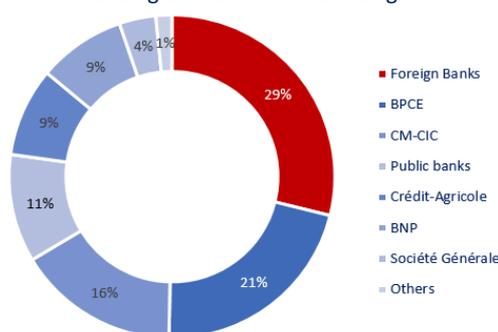
Financial sector, in its broad sense, represents an outstanding amount of € 160.4 billion at the end of March 2021. Banks account for the bulk with € 145.4 billion (91%). Other activities of the financial sector (insurance, financial services and securitization) contribute to the remaining 15 billion in roughly equal proportions.

Large mutual and cooperative banks (BPCE, CM-CIC and Crédit Agricole) represent 46% of banks' outstanding amounts, commercial banks (BNP and SG) 13% and public banks (mainly LBP, BPI and Dexia) 11%. Finally, foreign banks make up for the remaining 29% of outstanding amounts issued by banking sector.

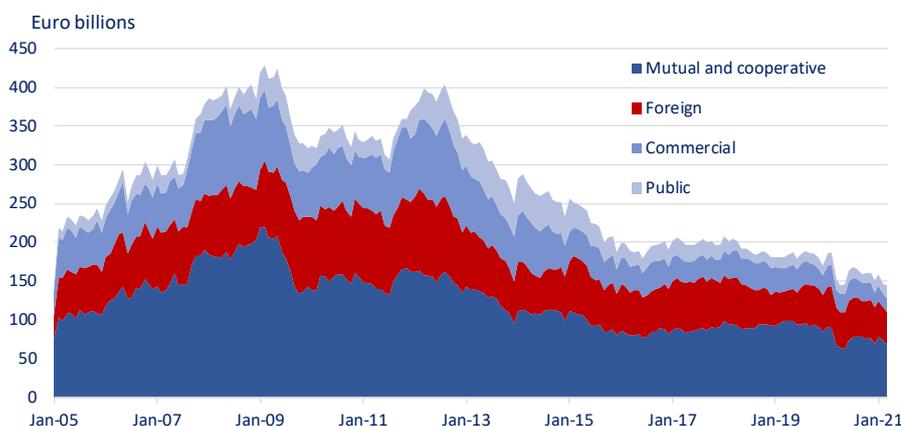
Outstanding amounts of the financial sector by activities



Outstanding amounts of the banking sector



Variation of outstanding amounts by type of banks, since 2005



Note: French local and independent banks are not taken into account due to their limited weight in totals

While outstanding amounts in absolute values have evolved significantly, the relative share by type of banks is rather stable over a long period.

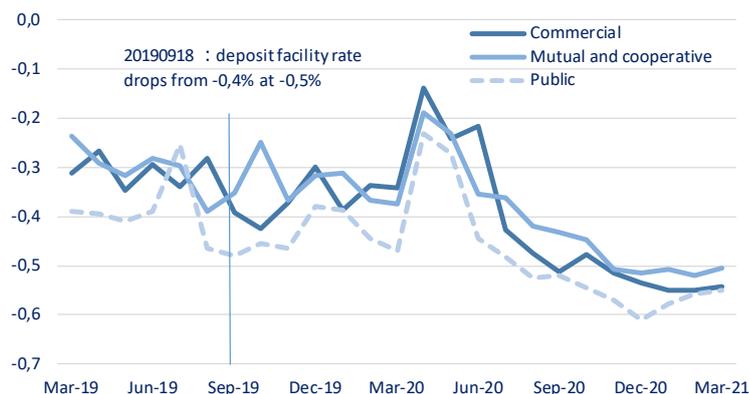
The entry into force of unconventional monetary policy measures (TLTRO in particular) led to a fall in the share of commercial banks during the second half of 2014 (their share fell from 22% to 15% between July 2014 and January 2015), these banks having benefited from other sources of funding.

Remuneration conditions¹ of major categories of banks tend to converge in recent months towards the floor of the €STR interbank rate (-0.57% at the end of March).

At the height of the crisis (April and May 2020), the average rates of the different categories of banks on the 3-month pillar increased in similar proportions (+20 basis points). The level of interest rates during this period must be considered with caution due to the low level of volumes and the shortening of duration at issuance.

Interest rates return to their pre-crisis levels after a few months (June for mutual and cooperative and also public banks, July for commercial banks) and have remained at favorable levels ever since. The slightly higher average rate of mutual and cooperative banks compared to commercial is explained by the higher share of transactions carried out with own-clients (NEU CP offered as investment support).

Average-weighted rate of 3-month euro issuance, by type of banks (including investment operations with own clients)



Note: by difference with previous charts, foreign banks have been reallocated to the three type of banks (commercial, mutual and cooperative, and public)

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Series currently available on BDF statistical portal: [Webstat](#)

¹ Weighted average rates, all nationalities and ratings combined, including transactions with own-clients.