

European Rates Supply Preview: Week ahead

Italy likely keeping EGB gross supply high

EGBs: Germany, Holland, Italy, Spain and France

This week, the volume of gross EGB auctions should increase to c.€39bn with Germany, Holland, Italy, Spain and France in the market. On the other hand, Austria, Greece, Ireland and Italy will repay €19bn in redemptions and coupons.

On Tuesday, Germany will tap the OBL Apr28 for €5bn.

The Netherlands will tap the DSL Jul27 for up to €2bn.

Also on Tuesday, we could get close to €10bn of BTP supply: Italy will launch the BTPS Apr26 for up to €4bn and tap the BTPS Dec29 for up to €3bn, BTPS Apr35 for up to €2bn and the BTPS Mar72 for up to €750m.

On Wednesday, Germany sells the DBR Aug53 for €1.5bn & DBR Aug50 for €1bn.

On Thursday, Spain will tap the SPGB Jan28, Apr33 and Oct52 (amount TBA).

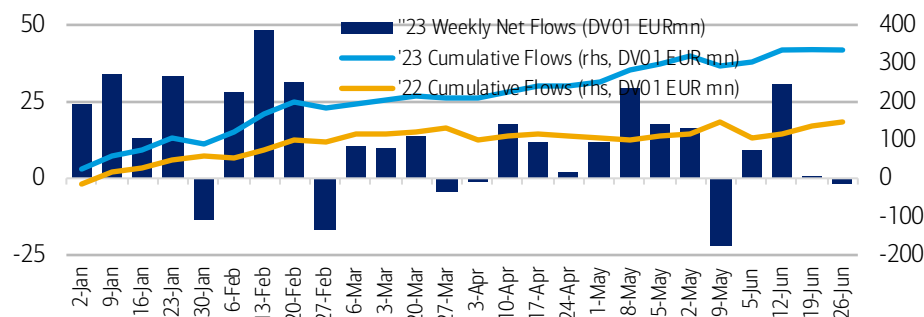
Also on Thursday, France will tap the OAT Sep26, Feb28 and Nov30 for up to €12bn, and the OAT€I Mar 29 & Jul53 and the OATi Mar36 for up to €1.5bn.

Bills: France, Germany, Finland, Spain + EU

On Monday, **France** offers the 3m, 6m and 12m lines for up to €6bn. Also on Monday, **Germany** offers the 6m line for €3bn. On Tuesday, **Finland** offers the 6m and 9m lines for €1bn each. Also on Tuesday, **Spain** offers the 3m and 9m lines (amount TBA). The **EU** offers the 3m and 9m line for up to €1bn on Wednesday.

Exhibit 3: Weekly DV01 of gross issuance net of reinvestment flows (from privates and ECB)

In March, net supply in DV01 terms accelerates further vs 2022



Source: ECB, Treasuries, Own calcs

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UK: UKT Jan33; US: no auctions on schedule

In the UK, the DMO taps the UKT Jan33 for £3bn.

For a complete list of our open trade recommendations, as well as our trade recommendations closed over the last 12 months, see latest [Global Rates Weekly](#).

Trading ideas and investment strategies discussed herein may give rise to significant risk and are not suitable for all investors. Investors should have experience in relevant markets and the financial resources to absorb any losses arising from applying these ideas or strategies.

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Refer to important disclosures on page 7 to 9.

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Rates Research
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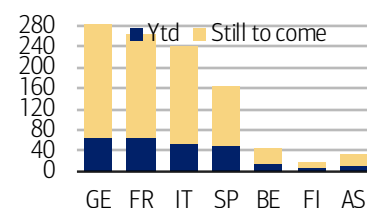
European Rates Research
MLI (UK)

Erjon Satko
Rates Strategist
BofASE (France)
+33 1 8770 0304
erjon.satko@bofa.com

See Team Page for List of Analysts

Exhibit 1: Euro fixed coupon bond issuance, ytd vs. our estimates for the rest of 2023

Year to date versus expected 2023 target

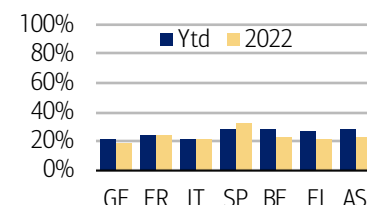


BofA Global Research Note that this is only an indication of issuance evolution in the EUR FIXED COUPON market. It does not incorporate the funding through inflation linked bonds, CTZs and CCTs

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Exhibit 2: Ytd Euro fixed coupon bond issuance in % of 2022 estimated targets

25% of the issuance done so far



BofA Global Research Note that this is only an indication of issuance evolution in the EUR FIXED COUPON market. It does not incorporate the funding through inflation linked bonds, CTZs and CCTs

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Global bond supply/redemptions next 2 weeks

Exhibit 4: Eurozone, UK and US government bond supply and C&R in the next two weeks

Significant flows of redemptions with a higher gross supply lead to a positive net supply of €20bn

	Date	Settle	Country	Sector	Amount (bn)	Bond	Type	Date	Country		Amt (bn)		Type			
Europe	14-Mar	16-Mar	GE	5y	5.0	OBL 2.20% 04/28	Tap	12-Mar	GR	0-6y	0.2	GGB/GGB Float	C			
	14-Mar	16-Mar	NE	4y	1.5-2	DSL 0.75% 07/27	Tap	13-Mar	IR	2y	0.6	IRISH 5.4% 03/25	C			
	14-Mar	16-Mar	IT	3y	3.5-4.0	BTPS 3.80% 04/26	New	15-Mar	IT	-	14.9	BTPS 0.95% 03/23	R			
	14-Mar	16-Mar	IT	7y	2.5-3.0	BTPS 3.85% 12/29	Tap	15-Mar	IT	0-18y	1.4	BTPS/ITALIA	C			
	14-Mar	16-Mar	IT	12y	1.5-2.0	BTPS 4.00% 04/35	Tap									
	14-Mar	16-Mar	IT	5y	0.5-0.75	BTPS 2.15% 03/72	Tap	15-Mar	AS	3-14y	1.1	RAGB	C			
	15-Mar	17-Mar	GE	30y	1.5	DBR 1.80% 08/53	Tap	18-Mar	IR	2y/8y	0.9	IRISH 3.4% 03/24 and IRISH 1.35% 03/31	C			
	15-Mar	17-Mar	GE	27y	1.0	DBR 0% 08/50	Tap									
	16-Mar	20-Mar	SP	4y		SPGB 0% 01/28	Tap									
	16-Mar	20-Mar	SP	10y	5.0-6.0(e)	SPGB 3.15% 04/33	Tap									
	16-Mar	20-Mar	SP	29y		SPGB 1.90% 10/52	Tap									
	16-Mar	20-Mar	FR	3y		OAT 2.5% 09/26	Tap									
	16-Mar	20-Mar	FR	4y	10.5-12.0	OAT 0.75% 02/28	Tap									
	16-Mar	20-Mar	FR	7y		OAT 0% 11/30	Tap									
	16-Mar	20-Mar	FR	4y		OATe 0.10% 03/29	Tap									
	16-Mar	20-Mar	FR	13y	1.0-1.5	OATi 0.10% 03/36	Tap									
	16-Mar	20-Mar	FR	30y		OATe 0.10% 07/53	Tap									
	Total week							€33.5.-38.75(e)	Total week							€19.1
	20-Mar	22-Mar	BE	TBA on 13-Mar	2.0-3.0(e)	BGB	TBA on 13-Mar	20-Mar	IR	-	7.0	IRISH 3.9% 03/23	R			
	21-Mar	23-Mar	FI	TBA	1.0-1.5	RFGB	TBA	20-Mar	IR	-	0.3	IRISH 3.9% 03/23	C			
22-Mar	24-Mar	GE	9y	5.0	DBR 2.30% 02/33	Tap	20-Mar	GR	27y	0.2	GGB 3.25% 03/50	C				
							25-Mar	FR	-	25.1	OAT 0% 03/23	R				
Total week							€8.0.-9.5(e)	Total week							€32.6	
UK	14-Mar	15-Mar	UK	10y	3.0	UKT 3.25% 01/33	Tap	UKTI	UK	1-50y	0.9	UKTI	C			
	Total week							£3.0	Total week							£4.5
	21-Mar	22-Mar	UK	30y	TBA	UKT 3.75% 07/53	Tap									
	22-Mar	23-Mar	UK	3y	TBA	UKT 4.125% 01/27	Tap	Total week							£0.0	
Total week							TBA	Total week								
US								15-Mar	US	-	38.0	T	R			
								15-Mar	US	0-2y	3.0	T	C			
	Total week							\$0.0	Total week							\$41.0
	21-Mar	31-Mar	US	20y	TBA on 16-Mar	T	Tap									
	23-Mar	31-Mar	US	10y	TBA on 16-Mar	TIPS	Tap	Total week							\$0.0	
Total week							TBA on 16-Mar	Total week								

Treasuries, BofA Global Research. (e) = estimate, C= Coupon, R= Redemption

Source: Treasuries, BofA Global Research.

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Exhibit 5: Euro-area bill auction calendar next week (€ bn)

Strong activity in the T-bill market

Auctions	Date	Ctry	Amt €bn	Sector	Maturity
Week 11	13-Mar	FR	2.3-2.7	3m	7-Jun-23
	13-Mar	FR	1.3-1.7	6m	23-Aug-23
	13-Mar	FR	1.2-1.6	9m	21-Feb-24
	13-Mar	GE	3.0	6m	20-Sep-23
	14-Mar	FI	1.0	6m	13-Nov-23
	14-Mar	FI	1.0	9m	13-Feb-24
	14-Mar	SP	-	3m	09-Jun-23
	14-Mar	SP	-	9m	08-Dec-23
	15-Mar	EU	1.0	3m	09-Jun-23
	15-Mar	EU	1.0	6m	08-Sep-23

Source: Treasuries, BofA Global Research.

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Exhibit 6: Issuance of EUR denominated fixed coupon bonds YTD versus estimated 2023 target – comparison with % reached at same time in '22 (**)

Issuance led by Germany

	EZ total	AS	BE	FI	FR***	GE	GR*	CY	IR	IT**	NE	PO	SP
Issued week 06 Mar	8.2	1.6	-	0.4	-	4.0	-		1.3	-	-	0.9	-
Issued YTD, Gross	285.5	9.6	12.5	4.8	64.9	66.2	3.5		4.8	52.0	14.5	5.1	47.7
As% of 2023	25%	28%	28%	27%	25%	22%			68%	22%	29%	25%	29%
Difference vs 22	3%	5%	5%	5%	1%	3%			18%	0%	-3%	-6%	-4%
Gross supply left	865.2	24.2	32.5	13.2	199.1	232.8	3.5		2.3	189.0	35.5	14.9	118.3
Redemptions (bn) **	663.9	28.1	21.3	10.8	140.3	148.5			7.0	195.2	17.5	9.7	69.5
Net supply left	201.3	-3.9	11.2	2.4	58.8	68.3	3.5		-4.8	-6.2	18.0	5.2	48.8

Source: BofA Global Research, Bloomberg. Difference vs 22: positive when the country is more advanced than in 2022. Numbers may not add-up due to rounding. Numbers between bracket correspond to provisory figures (awaiting second day allocation), (***) NOT netted for buy-back operations (estimated at €20bn).(*) we expect very small Euro bond issuance from these countries, as they will mainly rely on EU/IMF help to pay back their debt and fund their deficit; (+) Exclusively held by the ECB/EIB(**) This is an indication of issuance evolution in the EUR FIXED COUPON bonds. It may not translate the full picture of evolution of state funding as it does not incorporate inflation linked bonds, zeros and floating rate notes issuance / redemp. The table only tracks auctions and syndications

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Exhibit 7: Total bond and Bill issuance in 2023 across all bond types, with buybacks included where relevant

Supply through the year

2023	Austria	Belgium	Finland	France	Germany	Greece	Ireland	Italy	Netherlands	Portugal	Spain	Totals
EUR fixed coupon bonds (1)	34	45	18	264	303	7	7	241	50	20	166	1155
Change versus 2021	1	2	0	4	81	1	0	17	6	8	22	141
Other Bonds (EUR linkers/floating/zero cpn) (2)	0	0	0	26	7	0	0	70	0	0	7	110
Gross Bond Issuance (3) = (1)+(2)	34	45	18	290	310	7	7	311	50	20	173	1265
Change versus 2022	1	1	0	4	81	-1	0	40	6	8	22	161
Total Redemptions* (4)	28	21	11	156	189	5	7	266	30	10	92	815
Net Bond issuance (*inc. Buybacks)	6	23	7	116	121	4	0	45	20	10	81	433
Change versus 2022	-1	7	0	-7	60	0	5	4	7	6	-2	78
Net Bill issuance (6)	6	1	1	3	42	1	0	0	4	4	-5	57
Net Total (5)+(6)	12	24	8	120	163	4	0	45	24	14	76	489

Source: BofA Global Research, Countries Treasuries. Note: Numbers are expressed in EUR bn and may not add up due to rounding. (2) Total bonds correspond to the sum of EUR-denominated fixed coupon bonds

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Exhibit 8: Forecasted European government bond gross supply in 2023

Supply through the year

	Jan	Feb	Mar (est.)	Apr (est.)	May (est.)	Jun (est.)	Jul (est.)	Aug (est.)	Sep (est.)	Oct (est.)	Nov (est.)	Dec (est.)	2023
Austria	6	2	6	1	6	2	1	1	5	2	1	1	34
Belgium	7	6	3	5	5	5	4	2	5	3	0	0	45
Finland	4	0	1	1	4	1	0	3	1	1	2	0	18
France	27	30	28	25	32	28	31	14	30	25	17	3	290
Germany	28	32	32	25	32	19	25	29	27	25	29	8	310
Greece	4	0	0	1	1	0	1	0	0	1	0	0	7
Ireland	4	0	1	0	1	0	0	0	1	0	0	0	7
Italy	31	31	28	28	25	32	23	12	29	27	31	16	311
Netherlands	6	8	6	3	5	6	3	0	6	3	4	0	50
Portugal	3	1	2	5	2	1	0	0	2	2	2	0	20
Spain	20	17	16	14	14	23	15	7	19	15	8	5	173
Total	139	127	122	108	126	117	102	69	126	103	94	33	1265

Source: BofA Global Research. Note: Numbers are expressed in EUR bn.

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Exhibit 9: Projected supply net of coupons, redemptions, buybacks and QE

Monthly supply through the year

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023
Austria	6	2	5	-4	5	2	-7	1	5	-9	1	1	8
Belgium	7	6	0	5	5	-8	4	2	5	-5	0	0	21
Finland	4	0	1	-3	4	1	0	3	-3	1	2	0	9
France	27	16	6	7	-15	28	8	14	30	-21	14	4	118
Germany	26	12	19	-7	13	7	22	10	14	10	30	-6	150
Greece	-2	0	0	1	1	0	1	0	0	1	0	0	0
Ireland	4	0	-6	0	1	0	0	0	1	0	0	0	0
Italy	14	27	-11	17	-13	13	10	-27	0	-6	-3	3	24
Netherlands	-8	9	6	3	6	6	-12	0	6	3	4	0	22
Portugal	3	0	2	4	1	1	0	0	2	-8	2	0	7
Spain	-5	17	15	11	-6	22	-10	7	18	-8	1	4	67
Total	76	87	37	35	3	71	15	10	78	-41	51	6	428

Source: BofA Global Research. Note: Numbers are expressed in EUR bn.

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Eurozone bond supply/redemption quarterly**Exhibit 10: Euro-area government bond auctions (incl. fixed coupons, IL, CTZ, CCT), coupons and redemptions (only EUR) for Q1 2023**

Flows through the quarter

Auctions	Date	Ctry	Amt	Sector(s)	Date	Country	Amount	Type
Syndication								
	Mar	AS	2.0-3.0(e)	15/20y				
	Mar	IT	10.0-15.0(e)	BTP Italia				
Wk 1	4-Jan	GE	5.0	BKO 2.20%12/24	Wk 1	1-Jan	IT	0.3 C
	5-Jan	FR	9.0-10.0(e)	>8y OAT		4-Jan	GE	4.8 C
Wk 2	10-Jan	AS	1.0-2.0(e)	RAGB				
	10-Jan	NE	2.5-3.5	DSL				
	11-Jan	GE	5.0	DBR 2/33				
	12-Jan	IT	5.0-7.0(e)	3y BTPS, 7y BTPS, >10y BTPS				
	12-Jan	SP	4.0-5.0(e)	SPGB/SPGB€i				
Wk 3	17-Jan	FI	1.0-1.5	RFGB	Wk 3	15-Jan	NE	12.5 R
	17-Jan	GE	5.0	OBL 4/28		15-Jan	IT	15.4 R
	18-Jan	GE	1.5	DBR 1.80%8/53		15-Jan	NE	0.8 C
	19-Jan	SP	4.0-5.0(e)	SPGB		18-Jan	CY	0.2 R
	19-Jan	FR	9.0-10.0(e)	2-8y OAT/OAT€i				
Wk 4	24-Jan	NE	2.0-3.0(e)	DSL	Wk 4	26-Jan	AS	0.1 C
	25-Jan	GE	1.5	DBR 1.00%5/38				
	26-Jan	IT	3.0-5.0(e)	BTPShort, BTP€i				
Wk 5					Wk 5	30-Jan	GR	4.4 R
	31-Jan	GE	6.0	BKO 3/25		30-Jan	GR	1.1 C
	31-Jan	IT	5.0-7.0(e)	5y BTPS, 10y BTPS, CCTeu		31-Jan	SP	4.5 C
Total Jan			up to €69.5-86(e)		Total Jan			€ 48.0
Wk 5	1-Feb	GE	5.0	DBR 2/33	Wk 5	1-Feb	IT	4.0 C
	2-Feb	SP	5.0-6.0(e)	SPGB/SPGB€i				
	2-Feb	FR	10.0-11.0(e)	>8y OAT				
	3-Feb	BE	0.5-0.7(e)	ORI Facility				
Wk 6	7-Feb	AS	1.0-2.0(e)	RAGB				
	7-Feb	NE	4.0-6.0	DSL 2.50% 07/33				
	8-Feb	GE	4.0	DBR 2.10%11/29				
Wk 7	14-Feb	IT	7.0-9.0(e)	3y BTPS, 7y BTPS, >10y BTPS	Wk 7	15-Feb	GE	20.5 R
	15-Feb	GE	1.5	DBR 0.00%8/52		15-Feb	GE	1.3 C
	15-Feb	GE	1.0	DBR 1.25% 08/48		15-Feb	GR	0.1 C
	16-Feb	SP	5.0-6.0(e)	SPGB		15-Feb	IT	0.3 C
	16-Feb	FR	10.0-11.0(e)	2-8y OAT/OAT€i		15-Feb	PO	0.9 C
						18-Feb	IR	0.2 C
Wk 8	20-Feb	BE	2.0-3.0(e)	BGB	Wk 8	20-Feb	AS	0.4 C
	21-Feb	GE	5.0	OBL 4/28		24-Feb	GR	0.1 R

Exhibit 10: Euro-area government bond auctions (incl. fixed coupons, IL, CTZ, CCT), coupons and redemptions (only EUR) for Q1 2023

Flows through the quarter

Auctions	Date	Ctry	Amt	Sector(s)	Date	Country	Amount	Type	
	22-Feb	GE	5.0	DBR 2/33	25-Feb	FR	10.0	R	
	22-Feb	IT	3.0-5.0(e)	BTPShort, BTP€i	25-Feb	FR	0.2	C	
	24-Feb	IT	7.0-9.0(e)	5y BTPS, 10y BTPS, CCTeu					
Wk 9	28-Feb	GE	6.0	BKO 3/25					
	28-Feb	NE	2.0-3.0(e)	DSL					
		Total Feb	up to €83.0-98.2(e)			Total Feb	€ 38.1		
Wk 9	1-Mar	GE	1.5	DBR 1.00%5/38	Wk 9	1-Mar	IT	15.5	R
	2-Mar	SP	5.0-6.0(e)	SPGB/SPGB€i		1-Mar	IT	7.9	C
	2-Mar	FR	10.0-11.0(e)	>8y OAT					
Wk 10	7-Mar	AS	1.0-2.0(e)	RAGB	Wk 10	10-Mar	GE	16.0	R
Wk 11	14-Mar	GE	5.0	OBL 4/28	Wk 11	12-Mar	GR	0.2	C
	14-Mar	NE	2.0-3.0(e)	DSL		13-Mar	IR	0.6	C
	14-Mar	IT	7.0-9.0(e)	3y BTPS, 7y BTPS, >10y BTPS		15-Mar	IT	14.9	R
	15-Mar	GE	1.5	DBR 1.80%8/53		15-Mar	IT	1.4	C
	16-Mar	SP	5.0-6.0(e)	SPGB		15-Mar	AS	1.1	C
	16-Mar	FR	10.0-11.0(e)	2-8y OAT/OAT€i		18-Mar	IR	0.4	C
Wk 12	20-Mar	BE	2.0-3.0(e)	BGB	Wk 12	20-Mar	IR	7.0	R
	21-Mar	FI	1.0-1.5	RFGB		20-Mar	IR	0.3	C
	22-Mar	GE	5.0	DBR 2/33		20-Mar	GR	0.2	C
				25-Mar		FR	26.3	R	
Wk 13	28-Mar	GE	5.5	BKO 3/25	Wk 13	28-Mar	BE	3.8	C
	28-Mar	NE	2.0-3.0(e)	DSL					
	28-Mar	IT	3.0-5.0(e)	BTPShort, BTP€i					
	30-Mar	IT	7.0-9.0(e)	5y BTPS, 10y BTPS, CCTeu					
	31-Mar	BE	0.5-0.7(e)	ORI Facility					
		Total Mar	up to €74.0-88.7(e)			Total Mar	€ 95.5		

BofA Global Research estimates and national debt GE management agencies. Note: Numbers are expressed in EUR bn. In the leftmost column, C indicates a coupon payment, R a redemption

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Exhibit 11: Common acronyms/abbreviations used in our Europe Economics Research reports

This list is subject to change

Acronym/Abbreviation	Definition	Acronym/Abbreviation	Definition
1H	First Half	IT	Italy
2H	Second Half	Jan	January
1Q	First Quarter	Jul	July
2Q	Second Quarter	Jun	June
3Q	Third Quarter	lhs	left-hand side
4Q	Fourth Quarter	m	month
ann	annualized	MA	Moving Average
APP	Asset Purchase Programme	Mar	March
Apr	April	MBM	Meeting-by-meeting
AS	Austria	mom	month-on-month
Aug	August	Mon	Monday
BdF	Banque de France (Bank of France)	MPC	Monetary Policy Committee
BE	Belgium	MWh	Megawatt-hour
BEA	Bureau of Economic Analysis	NGEU	NextGenerationEU
BLS	Bank Lending Survey	NE	Netherlands
BoE	Bank of England	Nov	November
BofA	Bank of America	NRRP	National Recovery and Resilience Plan
BoI	Banca d'Italia (Bank of Italy)	NSA	Non-seasonally Adjusted
BoJ	Bank of Japan	OAT	Obligations assimilables du Trésor
BoS	Banco de España (Bank of Spain)	OBR	Office for Budget Responsibility
bp	basis point	Oct	October
BTP	Buoni Poliennali del Tesoro	OECD	Organisation for Economic Co-operation and Development
Buba	Bundesbank	ONS	Office for National Statistics
c	circa	p	preliminary/flash print
CA	Current Account	PBoC	People's Bank of China
CPI	Consumer Price Index	PEPP	Pandemic Emergency Purchase Programme

Exhibit 11: Common acronyms/abbreviations used in our Europe Economics Research reports

This list is subject to change

Acronym/Abbreviation	Definition	Acronym/Abbreviation	Definition
CSPP	Corporate Sector Purchase Programme	PMI	Purchasing Managers' Index
d	day	PSPP	Public Sector Purchase Programme
GE	Germany	PT	Portugal
Dec	December	QE	Quantitative Easing
DS	Debt sustainability	qoq	quarter-on-quarter
EA	Euro area	QT	Quantitative Tightening
EC	European Commission	RBA	Reserve Bank of Australia
ECB	European Central Bank	RBNZ	Reserve Bank of New Zealand
ECJ	European Court of Justice	rhs	right-hand side
EFSF	European Financial Stability Facility	RPI	Retail Price Index
EGB	European Government Bond	RRF	Recovery and Resilience Facility
EIB	European Investment Bank	SA	Seasonally Adjusted
EMOT	Economic Mood Tracker	SAFE	Survey on the access to finance of enterprises
EP	European Parliament	Sat	Saturday
SP	Spain	Sep	September
ESI	Economic Sentiment Indicator	SMA	Survey of Monetary Analysts
ESM	European Stability Mechanism	SNB	Swiss National Bank
EU	European Union	SPF	Survey of Professional Forecasters
f	final print	Sun	Sunday
Feb	February	SURE	Support to mitigate Unemployment Risks in an Emergency
Fed	Federal Reserve	S&P	Standard & Poor's
FR	France	Thu	Thursday
Fri	Friday	TLTRO	Targeted Longer-term Refinancing Operations
GC	Governing Council	TPI	Transmission Protection Instrument
GDP	Gross Domestic Product	TTF	Title Transfer Facility
GNI	Gross National Income	Tue	Tuesday
GR	Greece	UK	United Kingdom
HICP	Harmonised Index of Consumer Prices	US	United States
HMT	His Majesty's Treasury	WDA	Work-day Adjusted
IMF	International Monetary Fund	Wed	Wednesday
INSEE	National Institute of Statistics and Economic Studies	y	year
IP	Industrial Production	yoy	year-on-year
IR	Ireland	ytd	year-to-date
PCA	Principal Component Analysis	EGB	Eurozone Government Bond

Source: BofA Global Research

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Research Analysts

European Rates Research

Ralf Preusser, CFA

Rates Strategist
MLI (UK)
ralf.preusser@bofa.com

Sphia Salim

Rates Strategist
MLI (UK)
sphia.salim@bofa.com

Mark Capleton

Rates Strategist
MLI (UK)
mark.capleton@bofa.com

Ronald Man

Rates Strategist
MLI (UK)
ronald.man@bofa.com

Erjon Satko

Rates Strategist
BoFASE (France)
erjon.satko@bofa.com

Agne Stengeryte

Rates Strategist
MLI (UK)
agne.stengeryte@bofa.com

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