



Nordic

# Corporate Bond Market Report

2020



Nordic Trustee is proud to present the 2020 edition of the Nordic Corporate Bond Market Report. 2020 has been a challenging year, and we have throughout the year seen material movements in the capital markets. Still, the Nordic corporate bond market continues to serve as an attractive source of capital, and in 2020 the total outstanding volume grew by almost 4% reaching new record levels at EUR 106bn by year end.



Cato A. Holmsen  
CEO, Nordic Trustee

The purpose of this report is to highlight key developments in the Nordic corporate bond market using aggregated statistics provided by Nordic Trustee, Stamdata, and Nordic Bond Pricing. The report guides the reader through key findings based on the statistics, however, it does not attempt to interpret causality or speculate on drivers behind the development.

The first chapter of the report provides an overview of the total Nordic corporate bond market, including a dedicated green bond overview. The following chapters take a closer look at the market activity in each of the Nordic markets.

We hope you find this report insightful. The presented data only represents a small share of the total data available from Stamdata and Nordic Bond Pricing. Additional statistics and analytics tailored to your specific needs are available at [Stamdata.com](https://www.stamdata.com).

## Executive summary

### **Nordic corporate bond market (in EUR) – Includes NO, SE, FI and DK ISIN**

- Despite increased market volatility due to Covid-19 in H1, the Nordic corporate bond market reached new record levels in 2020 with EUR 106bn in total outstanding, a 4% increase compared to 2019. The outstanding volume consists of 55% corporate investment grade (IG) and 45% corporate high yield (HY).
- Norway is the largest Nordic corporate bond market, representing 50% of the total outstanding volume. Despite weak development in 2020, Sweden's corporate bond market has been the fastest growing over the past 5 years and now represents 40% of the total Nordic corporate market.
- Total corporate new issue volumes across the Nordic markets decreased by 2% in 2020, ending the year at EUR 25bn, with the Norwegian (52%) and the Swedish (43%) market representing the majority of the volume.
- However, the development in new issue volume for the two key markets are strikingly different with a YoY 2019-2020 development of +18% and -17% in the Norwegian and Swedish market respectively.
- Across markets, average new issue spreads in H1 2020 did not have the material increase as one would expect based on the market volatility and significant increase in yield to maturity triggered by Covid-19.
- The Norwegian HY market has a substantial share of non-Nordic issuers (40% of new issue volumes), whilst the Swedish HY market is still dominated by Nordic issuers (91% of new issue volumes).
- Real Estate is the largest industry sector in the Nordic corporate bond market representing 44%/20% of outstanding volume corporate IG and corporate HY respectively. The fastest growing sectors across IG and HY are Finance and Telecom/IT with 35% and 13% CAGR 2016-2020 in corporate IG and 19% and 20% CAGR 2016-2020 in corporate HY.

- Overall, the Swedish market has a 52% share of credit rated issue volume, compared to 27% in the Norwegian market. The higher share of rated volume is true for both the IG and HY segment.
- The first time default rate in the Nordic HY market has increased substantially during 2020, from ~2% in Q1'20 to 9% in Q4'20. Transportation was the industry sector with the highest default rates and average issue spreads in the HY market in 2020.

#### **Nordic Green bonds – Includes NO, SE, FI and DK ISIN**

- The corporate green bond market has reached EUR 14bn in outstanding volume after growing substantially faster than the market average with 46% growth in 2020. Green bonds now represent 14% of the total outstanding volume in the Nordic corporate bond market, up from 10% in 2019.
- Annual new issue volumes continue to show strong growth increasing 30-60% annually since 2016, with an issue volume of EUR 5.7bn in 2020.
- Sweden has in previous years been the primary market for green bond issues, but with a decline in local issues in 2020, and a very strong Norwegian market tripling its issue volume, the two markets ended up with equal issue amounts of EUR 2.6bn in 2020.

#### **Norwegian corporate bond market (in NOK) – Includes NO ISIN**

- After limited volume growth in 2019 (1.6%), the Norwegian corporate bond market had a record year in 2020 with 12% growth and NOK 561bn in total outstanding by year end. Both corporate IG (+15%) and corporate HY (+10%) contributed to the strong volume growth in 2020.

## Executive summary cont.

- Norwegian corporate new issue volumes closed at NOK 147bn in 2020. This is 40% higher than the issue volume in 2019, and the highest level we have ever seen in the Norwegian corporate market.
- **Corporate IG:**
  - New issue volume more than doubled in 2020 compared to 2019, ending the year at NOK 70bn in new issuance. Total outstanding volume grew by 15% to NOK 272bn.
  - Driven by one large issuer, average new issue spreads for corporate IG bonds spiked to new highs during Q2, with average issue spreads at 204bps, the highest level in the past 5 years.
- **Corporate HY:**
  - New issue volumes increased by 4% to NOK 77bn and the outstanding volume by 10% to NOK 289bn in 2020. This is well above the growth rates seen in recent years.
  - Q2 2020, the full quarter after Covid-19 hit the financial market, was the weakest quarter of the year with Real Estate and Telecom/IT as the key issuing sectors (39% and 29% of total).
  - Average new issue spreads for corporate HY was ~440bps in Q1 and ~460bps in Q2 2020, and do not show the expected increase in new issue spreads due to Covid-19. Contributing factors are a high share of Real Estate (39%) in Q2 which have lower than average spreads, and issues being placed late in the quarter (>80% issued in May/June).
  - Corporate HY bonds is an important source of capital for an increasing number of companies. 56% of new bonds in 2020 were issued by first time issuers.

- The first time default rate has increased significantly in 2020. From 3% in Q1 to 10% in Q3, before falling back to 9% in Q4. This represents levels not seen since 2016/2017. Both in 2020 and 2016/2017, Oil Service has been one of the key sectors driving the first time default rate.

#### Swedish corporate bond market (in SEK) – Includes SE ISIN

- Over the past 5 years, Sweden's corporate bond market has been the fastest growing in the Nordic region, but in 2020 total outstanding volume decreased by 1% to SEK 426bn. Both corporate IG and HY declined, and represent 71% and 29% of the total volume respectively.
- Swedish corporate new issues volumes closed at SEK 113bn in 2020. This is the lowest issue volume in since 2016, and 17% lower than the SEK 137bn issued in 2019.
- Real Estate is the dominating industry sector, with 53% and 39% of outstanding volumes in corporate IG and corporate HY respectively.
- **Corporate IG**
  - The new issue volume dropped from SEK 83bn in 2019 to SEK 77bn in 2020, the lowest level since 2016.
  - 54% of new issue volume in 2020 was from Real Estate companies.
  - Average new issue spreads for corporate IG bonds have through 2020 increased from 74 bps in Q1 to 128 bps in Q4.
  - Limited number of new issuers - Only 1 of 132 issues came from a new issuer in 2020.

## Executive summary cont.

- **Corporate HY:**
  - The new issue volume decreased by 33% from 2019 to 2020, closing at SEK 36bn. This is on par with the new issue levels in 2018 (SEK 35bn).
  - The Swedish HY market had a slow start in 2020 with only SEK 5.4bn in new issue volume in Q1, before Covid-19 hit the financial markets and contributed to only SEK 3.3 bn in issued volume in Q2.
  - Average new issue spreads for HY bonds have through 2020 been fairly stable in a range between 470-550bps despite increased market volatility due to Covid-19. However, one should note that it was relatively few issues in Q2 2020 with Real Estate representing 95% of issue volume, and all issues were made in the second half of Q2.
  - New issuers represented 40% of corporate HY new issues in 2020. 15% of new issues were from repeat issuers, of which 63% are within Real Estate.
  - In 2020, 55% of new issues in the Swedish corporate HY market had financial maintenance covenants which is on par with 2019 but significantly higher than the 38% share in 2017. 34% of the new HY issues had no financial covenants.
  - Since 2016, the first time default rate for the HY market has been around 1%. In 2019 the first time default rate increased to just below 3%, and in Q4 2020 it has increased to 9%.



### **Finnish corporate bond market (in EUR) – Includes FI ISIN**

- The Finnish corporate bond market has been in decline for the past three years. In 2020 total new issue volume closed at EUR 1.2bn, and the volume outstanding dropped by 3% closing at EUR 8bn. Both the corporate IG and HY have seen falling volumes since 2016.
- Industry is the dominating industry sector, with 24% and 55% of outstanding volumes in corporate IG and corporate HY respectively.
- In 2020, new issue volumes in the corporate HY segment closed at EUR 0.4bn, which is the lowest level seen in the past 5 years and more than 80% lower than the issue level in 2017.

### **Danish corporate bond market (in DKK) – Includes DK ISIN**

- In absolute numbers the local Danish corporate bond market is still very small, representing ~2% of the Nordic corporate bond market. This is partly due to the fact that most IG issuers issue XS ISIN, not local DK ISIN registered with the Danish CSD.
- The new issue volume in 2020 closed at DKK 1.4bn, a 54% decline compared to 2019. The total outstanding volume ended 2020 at DKK 14bn, a 9% decline from 2019.
- All corporate new issues the past three years have been within the corporate HY segment, and the only sectors with new issues in 2020 are Agriculture and Industry.

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# The leading bond trustee and loan agency provider in the Nordics



**Nordic Trustee is the leading and most experienced provider of bond trustee and loan agency services in the Nordic region. With offices in Oslo, Stockholm, Copenhagen and Helsinki, Nordic Trustee is currently handling close to 3,000 active assignments in the non-bank lending sector for more than 800 issuers/lenders from about 30 countries.**

**Stamdata is a Nordic Trustee subsidiary and the leading provider of market and reference data for the Nordic bond market, with ~45,000 instruments in the portfolio. Data includes detailed information on all Nordic Debt securities issued by public sector, FIGs and corporates. The depth and accuracy of data available in Stamdata are unique in the Nordic fixed income market, making Stamdata the preferred bond data provider in the region.**

**Nordic Bond Pricing (NBP) is owned by Nordic Trustee (50%) and the Norwegian Fund and Asset Management Association (50%). NBP provides a daily independent pricing service and benchmark bond indices covering the Norwegian bond market. NBP's pricing data and index services are exclusively distributed through Stamdata.**

For more information about our market and data services offerings, please contact Nordic Trustee:

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# Nordic Trustee Portals – complex made easy

We offer a portfolio of user friendly and feature rich digital solutions aimed to streamline your everyday workflow

[Stamdata.com](https://stamdata.com) is the leading news and marked data site for debt instruments in the Nordic market. Containing corporate actions, legal documents, reference data, reporting data, analytical tools and more. As a user you can update and reproduce the majority of the graphs shown in this report using the advanced statistics module.

For more information, please visit [Stamdata.com](https://stamdata.com)

[eFIRDS.eu](https://efirds.eu) is a digital look-up site providing access to reference data and GLEIF data on 34+ million financial instruments traded on recognized trading venues in Europe. The service provide relevant Issuer and LEI data mapped to financial instruments data from golden sources including ESMA and FCA in the UK. Key features include:

- Search Issuers, LEIs, and ISINs listed on any recognized trading venue in EU and UK
- Overview of legal entities' equity/debt instruments in European capital markets
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The screenshot shows the Stamdata website interface. At the top, there is a search bar and navigation links for 'MENU', 'LATEST DEALS', 'NEWS', 'FILTERS', and 'SAMSON SVENDSEN'. The main content is divided into two sections: 'LATEST NEWS' and 'STATISTICS'.

**LATEST NEWS**

Date	ISIN	Company	News	Tag
18/02/2021	NO0010741358	NBT AS	Summons to Bondholders Meeting	Summons to Bondholders Meeting
18/02/2021	NO0010745516	NBT AS	Summons to Bondholders Meeting	Summons to Bondholders Meeting
09/02/2021	SE0011282649	Alligon AB (publ)	Notice of Change of Control Ex.	Information from company
09/02/2021	SE0013486057	Host Property AB (publ)	Notice of Written Procedure	Summons to Bondholders Meeting
09/02/2021	NO0010745175	Palmira utvikling AS	Information to Bondholders	Information to Bondholders
09/02/2021	SE0011282649	Alligon AB (publ)	Notice of conditional early volu.	Information to Bondholders
08/02/2021	SE0010628830	RNB Retail and Brands AB (publ)	Notice of Results from Written	Notice from Bondholders Meeting
08/02/2021	Multiple ISINs	Dio Negro Drilling Pte. Ltd.	Accrued and unpaid interest an.	Information to Bondholders
05/02/2021	Multiple ISINs	Siem Offshore Inc.	Notice from Bondholders Meet.	Notice from Bondholders Meeting
05/02/2021	SE0010494450	Drexco AB (publ)	Notice of early redemption	Information from company
05/02/2021	SE0010832154	Catena Media p.l.c.	Notice regarding voluntary part.	Information from company
05/02/2021	NO0010686561	Rem Saltire AS	Summons to Bondholders Meeting	Summons to Bondholders Meeting
05/02/2021	SE0010494450	Drexco AB (publ)	Notice of approval of waiver	Information to Bondholders
05/02/2021	NO0010740467	Gollath Offshore Holdings Pte. ...	Notice from Written Resolution	Notice from Bondholders Meeting
05/02/2021	SE0015483151	AEROF Sweden Bondco AB (pu...	Terms and Conditions	Bond Terms
05/02/2021	NO0010881709	Gollath Offshore Holdings Pte. ...	Notice from Written Resolution	Notice from Bondholders Meeting
05/02/2021	NO0010740459	Gollath Offshore Holdings Pte. ...	Notice from Written Resolution	Notice from Bondholders Meeting
05/02/2021	Multiple ISINs	Hiliren invest AS	Summons to Repeated Bondho.	Summons to Bondholders Meeting
04/02/2021	Multiple ISINs	Aker ASA	Merging of Temporary Bonds L.	Information to Bondholders

**STATISTICS**

**HISTORICAL OUTSTANDING VOLUME BY COUNTRY (ISSUER DOMICILE)**

**TOTAL NEW BOND ISSUES VOLUME BY COUNTRY (ISSUER DOMICILE)**

Stamdata.no

The screenshot shows the eFIRDS website landing page. At the top, there is a navigation bar with 'New Instrument Monitor', 'Favourite Instruments', 'Products', and 'About eFIRDS'. The main content features a large map of Europe with a network of nodes and lines, representing the securities market.

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# Nordic Trustee Portals – continued

**Issuer Portal** is a web-based digital platform developed by Nordic Trustee for bond issuers to support their bond administration and improve their internal workflow. Key functionality includes:

- Loan overview
- Event calendar with alerts
- Compliance reporting
- Calculation of interest
- Cash flow overview
- Document storage
- Security package overview
- Message board
- Audit confirmations

For more information, please visit [issuerportal.nordictrustee.com/about/](https://issuerportal.nordictrustee.com/about/)

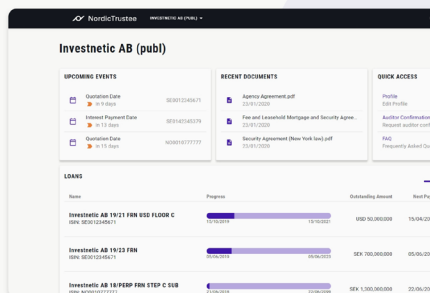


# Issuer Portal

by Nordic Trustee

## Your bonds made simple

Remove operational risk and gain overall process control of your bond portfolio



### Risk Mitigation

- Mitigate manual errors through automation
- Ensure secure administration of your bonds
- Decrease dependency on key employees



### Process Control

- All relevant information and documentation in one hub
- Access information from anywhere at any time
- Always the most up-to-date information available

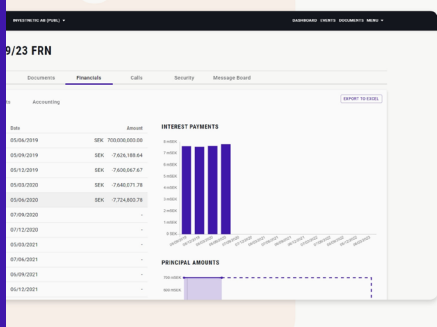


### Automation & Efficiency

- Completely cloud based solution
- No manual maintenance or actions required
- Reduce time spent on bond administration

## Key features

Reduce the operational risks through cutting edge automatization and streamlined workflows. Event notifications, easy access to up-to-date documentation, interest rate calculations and other related information helps you mitigate risks of errors resulting from manual interactions, and reduces dependencies on documents stored locally on employees computers.



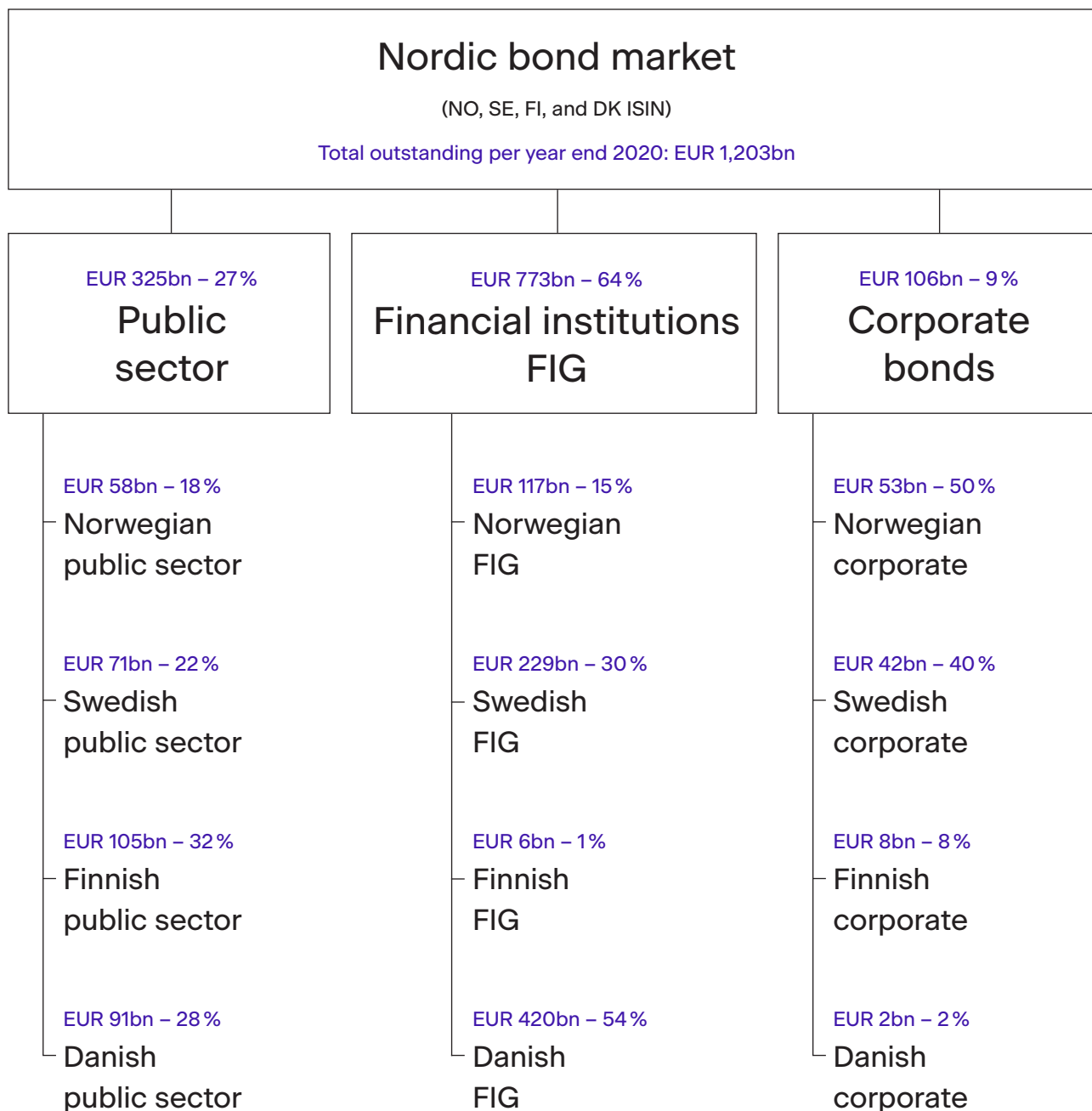
Issuer Portal



01

# Nordic corporate bond market

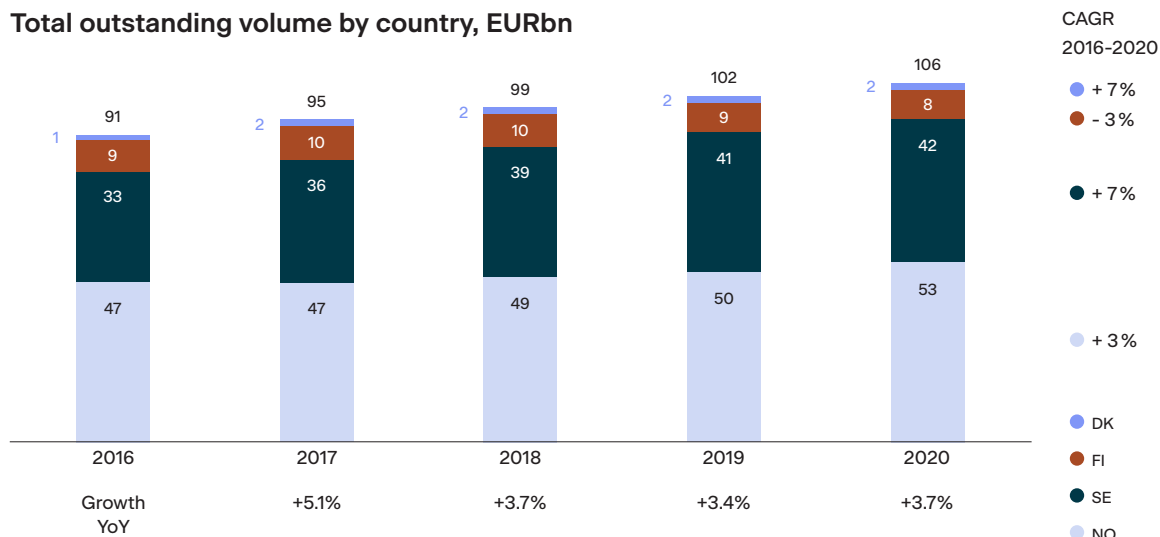




Note: Data per year end. Data presented in the report includes all bonds with NO/SE/DK/FI ISIN

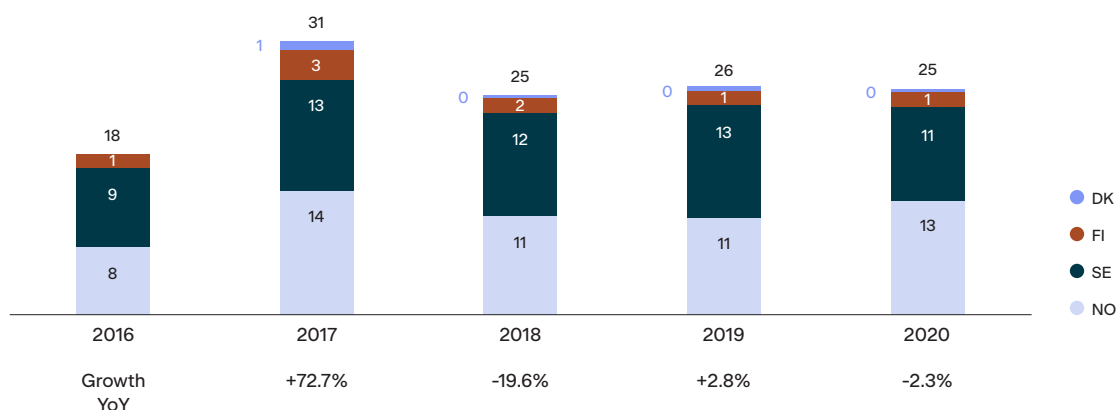
## Nordic corporate bonds

Total outstanding volume by country, EURbn



In 2020, the total outstanding volume in the Nordic corporate bond market reached new record levels at EUR 106bn in total outstanding. The total market has grown by 4% annually since 2016, with Sweden as the key growth market. Last year however, the Norwegian market had the strongest growth with +6% 2019-2020.

Total new issues volume by country, EURbn

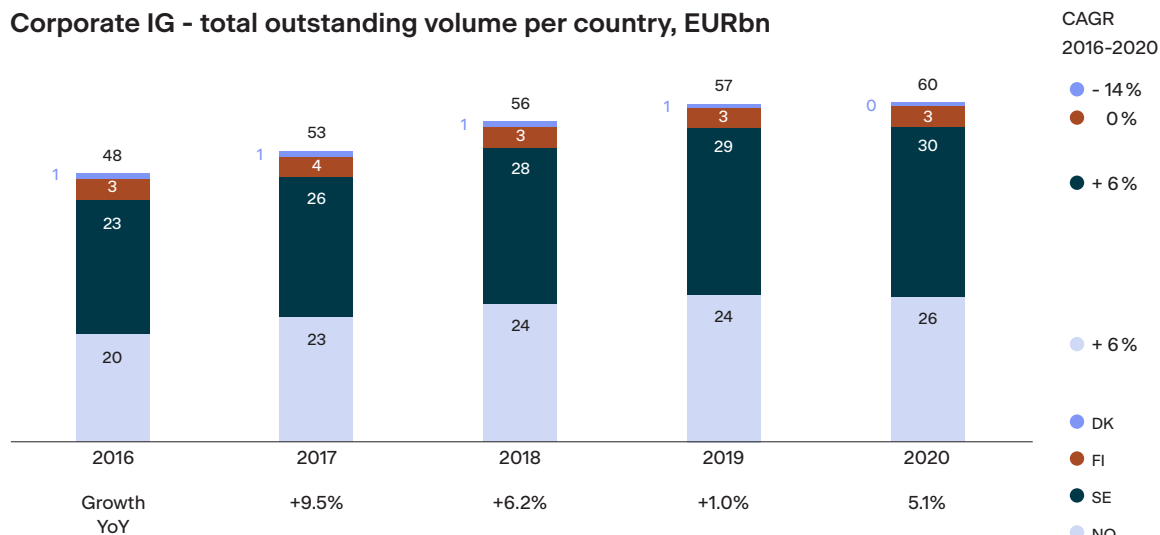


The corporate new issue volume in 2020 closed at EUR 25bn. This is on par with new issue volume the past two years, but almost 20% lower than the new issue volume in 2017.

Note: Data per year end

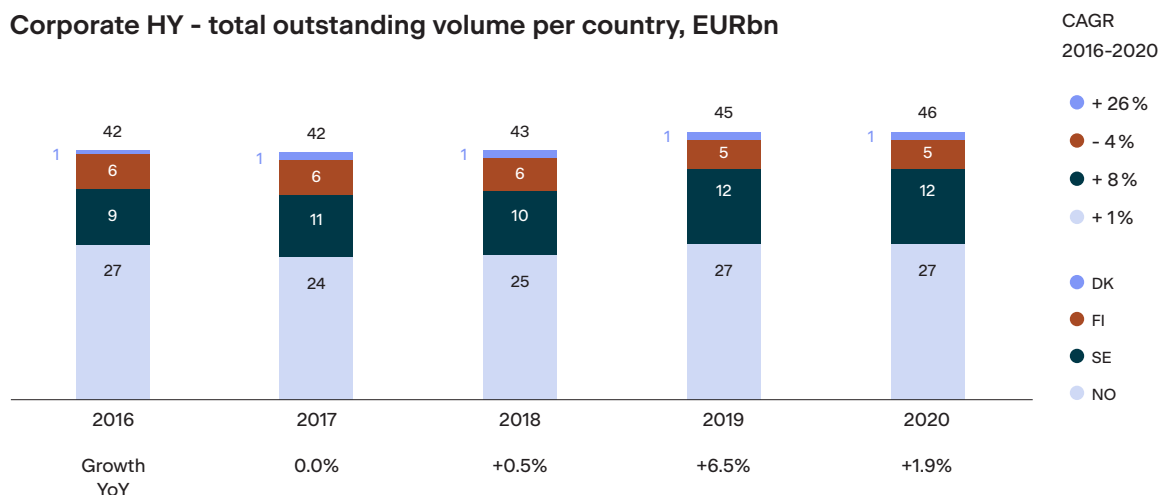
## Nordic corporate bonds

Corporate IG - total outstanding volume per country, EURbn



After a limited increase of only 1% in 2019, the Nordic corporate IG market grew by more than 5% in 2020 and is now totalling EUR 60bn. The Norwegian market, representing 43% of the volume, grew by more than 8% and was the primary growth driver in 2020. Sweden is still the largest IG market with 50% of total outstanding volume.

Corporate HY - total outstanding volume per country, EURbn



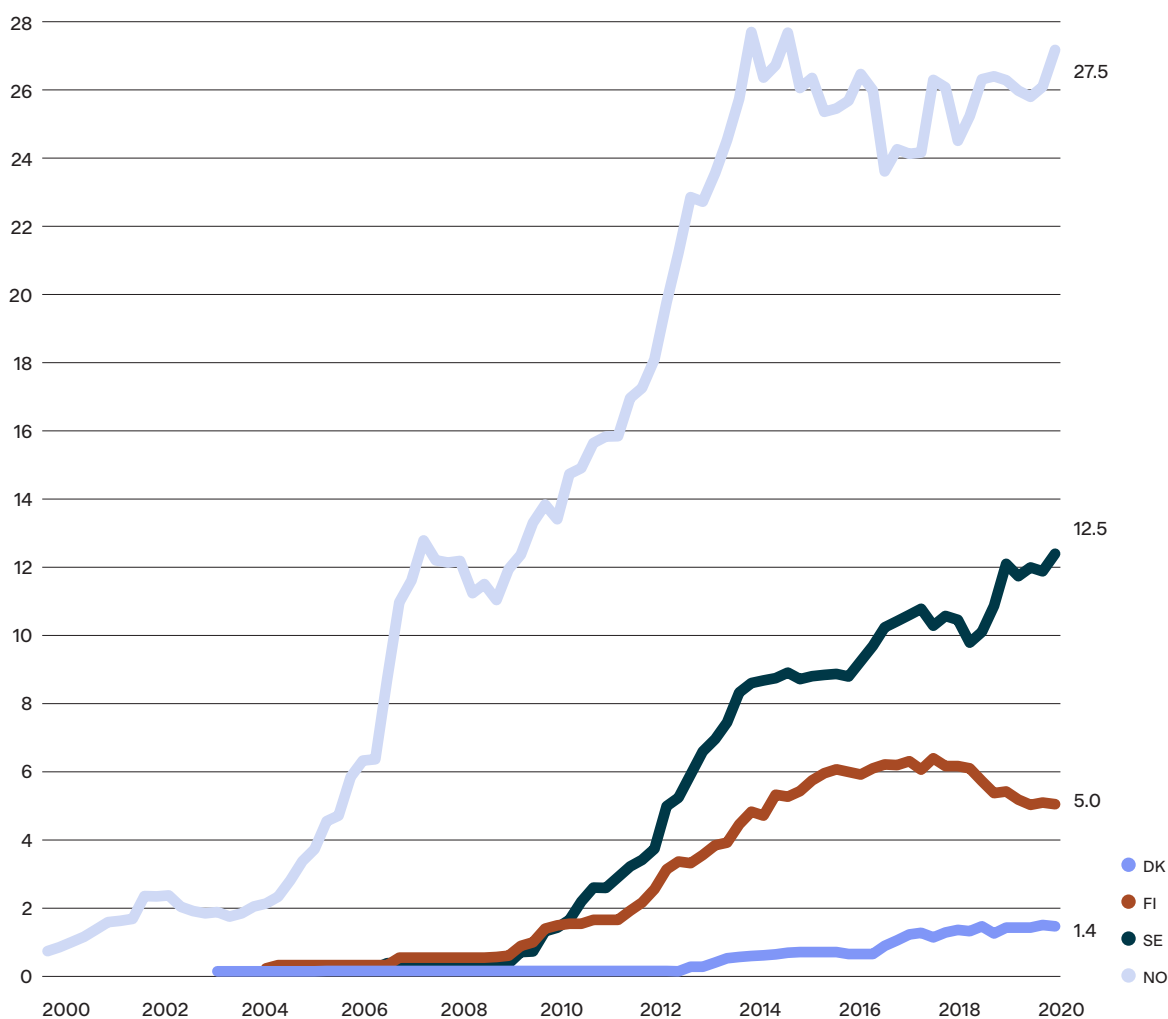
After a solid 7% growth in outstanding volume from 2018 to 2019, the Nordic HY market grew by only 2% in 2020. The Norwegian (59%) and the Swedish (27%) HY markets together represent 86% of the Nordic HY market.

Note: Data per year end

## Nordic corporate HY bonds

Total outstanding volume EURbn, development per country 2000-2020

Corporate HY, total outstanding (EURbn)

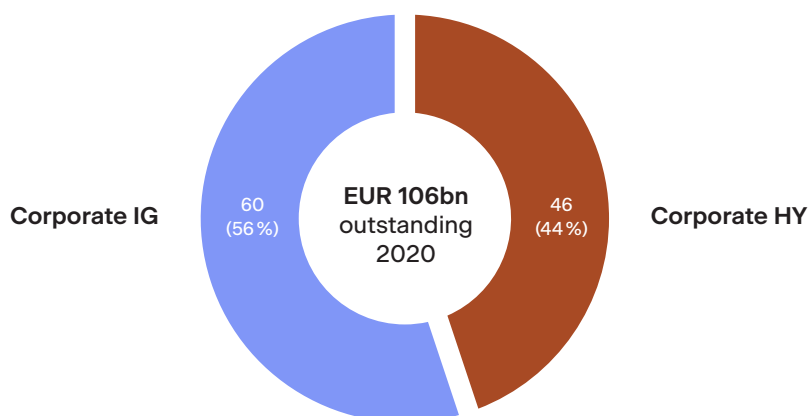


Within the corporate HY segment, the Norwegian market has been the leading Nordic market showing exceptional growth from EUR 1.7bn outstanding in 2004 to its all time high at EUR 28bn outstanding in 2014. Since then, the outstanding volume in the Norwegian HY market has remained between NOK 24 and 28bn.

In recent years the Swedish market has gained substantial size, but it is still only half the size of the Norwegian market despite the size of the larger Swedish economy.

## Nordic corporate bonds

Total outstanding volume per industry sector



### Corporate IG outstanding bond volume 2020 (% of total), EURbn

Industry	Volume (EURbn)	% of Total	CAGR 2016-2020
Real Estate	26	44%	8%
Utilities	9	15%	-2%
Industry	7	12%	10%
Transportation	6	10%	9%
Pulp/paper/forestry	2	4%	7%
Telecom/IT	2	4%	13%
Finance	2	3%	35%
Other	5	8%	-6%

### Corporate HY outstanding bond volume 2020 (% of total), EURbn

Industry	Volume (EURbn)	% of Total	CAGR 2016-2020
Real Estate	9	20%	17%
Industry	8	16%	-4%
Oil and gas services	6	13%	-12%
Shipping	4	9%	3%
Finance	4	9%	19%
Telecom/IT	3	7%	20%
Transportation	3	7%	9%
Other	9	19%	0%

Real Estate is the dominant industry sector within corporate IG, with 8% CAGR 2016-2020 and EUR 26bn in total outstanding. Smaller and fast growing sectors include Finance and Telecom/IT with 35% and 13% CAGR 2016-2020.

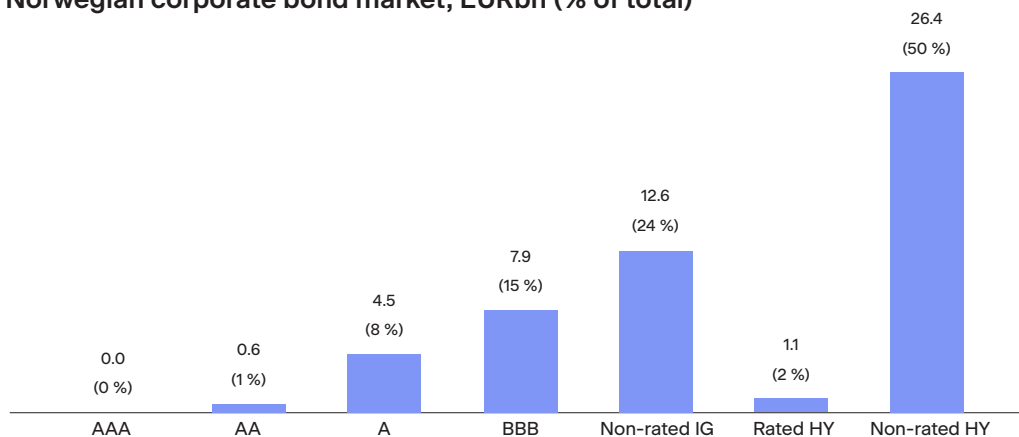
The HY market has a more diverse industry mix compared to IG. Real Estate is the largest sector with EUR 9bn in total outstanding and 17% CAGR 2016-2020. Telecom/IT and Finance are the fastest growing sectors with 20% and 19% CAGR 2016-2020.



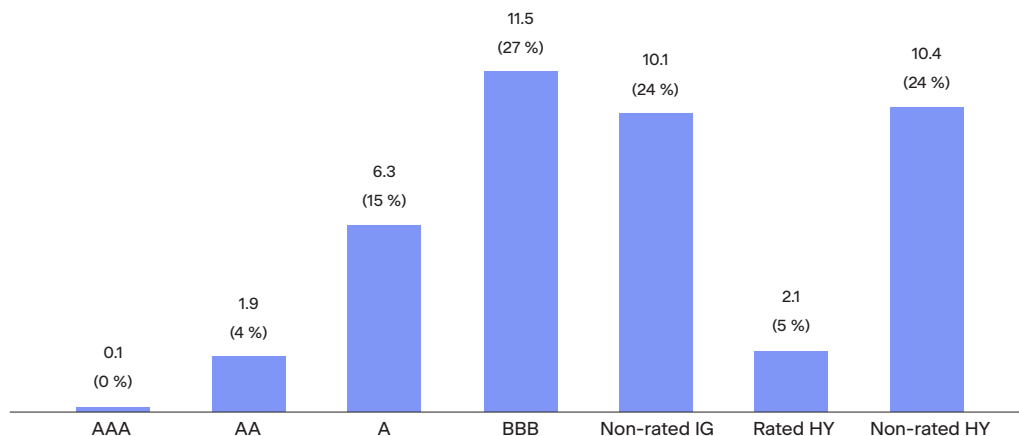
## Nordic corporate bonds

Total outstanding volume by credit rating

### Norwegian corporate bond market, EURbn (% of total)



### Swedish corporate bond market, EURbn (% of total)



Overall, the Swedish corporate market has a 52% share of rated issue volume, compared to only 27% in the Norwegian market.

In the Norwegian HY market only 4% of issued volume is rated, while the share is 17% in the Swedish HY market.

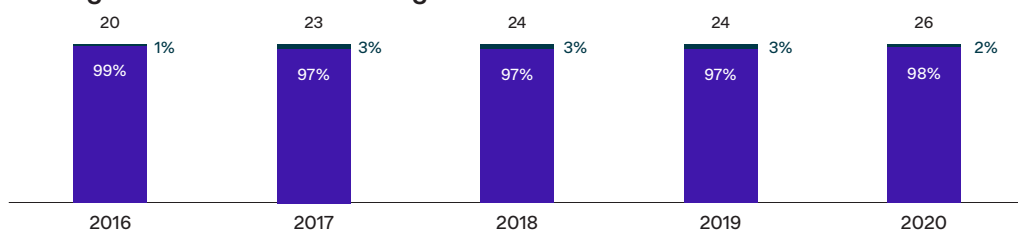
In the Norwegian corporate IG segment 51% the volume outstanding is rated, whilst in Sweden 66% of the IG volume is rated.

Note: Data per year end

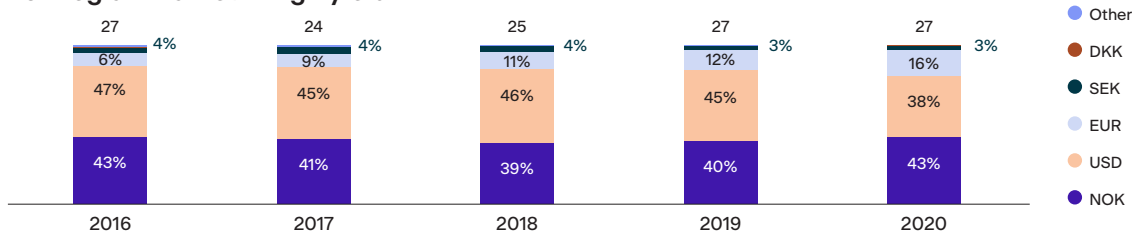
## Nordic corporate bonds

Share of total outstanding volume by currency

### Norwegian market - Investment grade

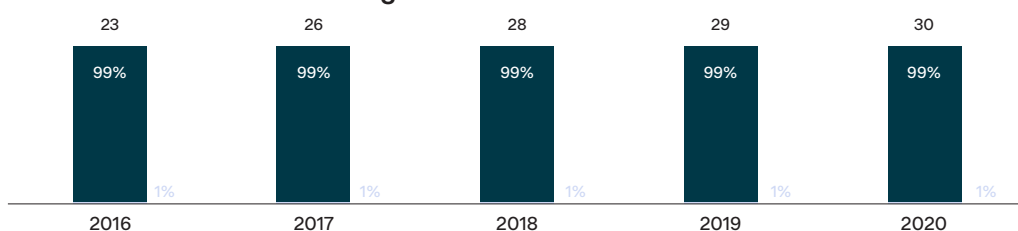


### Norwegian market - High yield

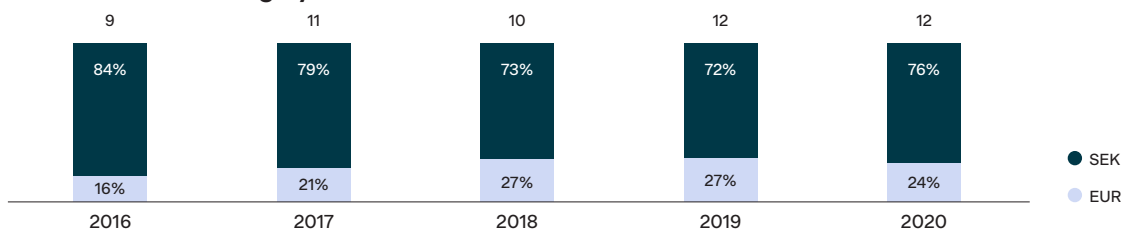


The Norwegian IG market is predominantly a NOK market with a 98% share of outstanding volume in 2020. The HY market is more diverse in terms of currencies, with NOK (43%) and USD (38%) as the key currencies.

### Swedish market - Investment grade



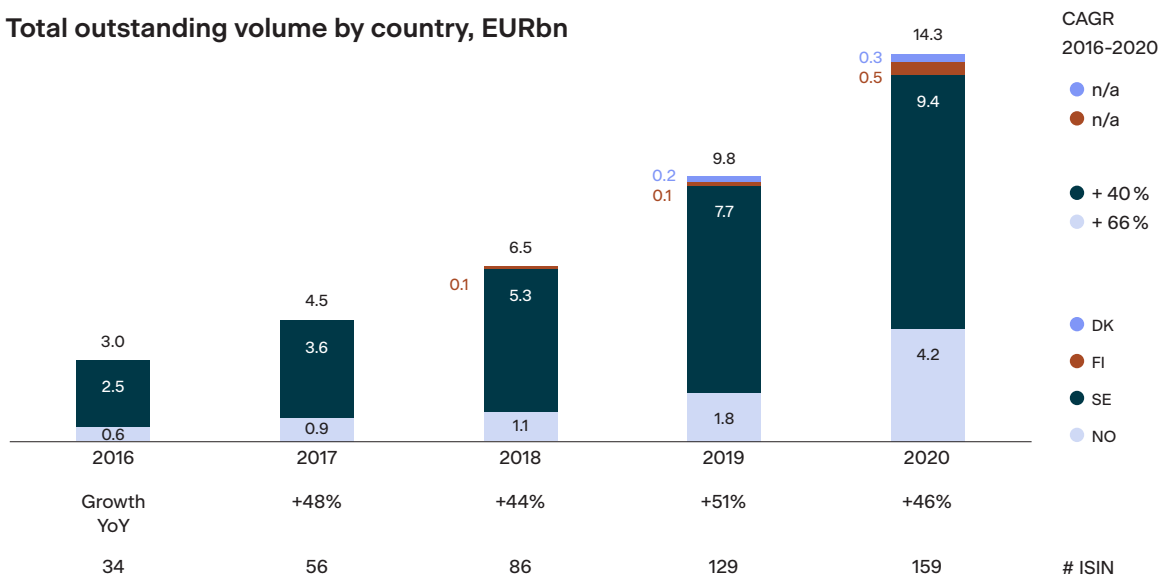
### Swedish market - High yield



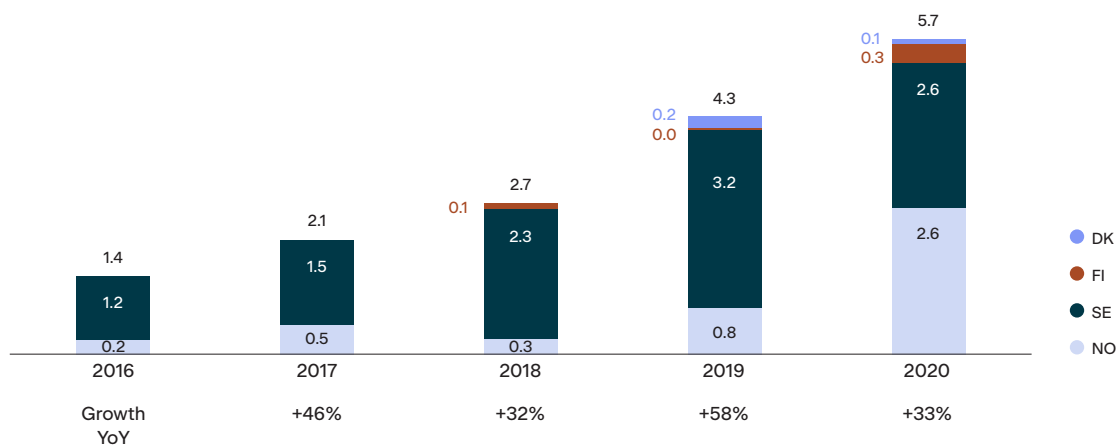
As in the Norwegian market, the local currency SEK dominates the Swedish IG market with 99% share of outstanding volume in 2020. SEK is also the key currency in the Swedish HY market comprising 76% of volume outstanding, with the remaining 24% of volume outstanding in EUR.

## Nordic green corporate bonds

Total outstanding volume by country, EURbn



New issues, EURbn



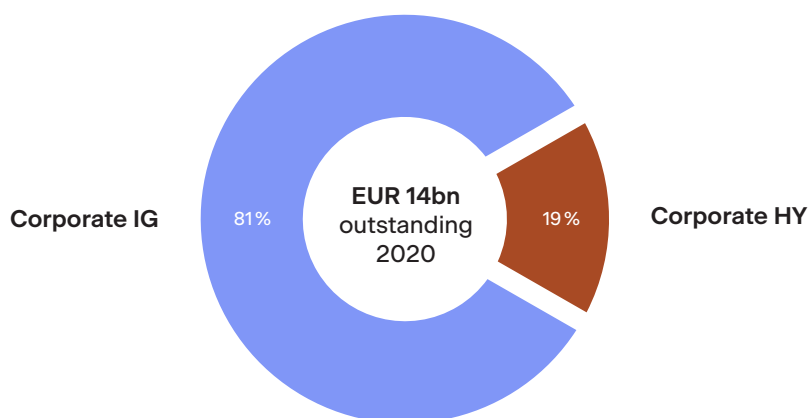
Corporate green bond volumes continue to grow at an exceptional rate, and approaches EUR 15bn after growing 46% in 2020. Sweden is the largest green bond market representing 66% of outstanding volume.

Total new issue volumes continue to show strong growth, increasing with 30-50% per year 2016-2020. The Norwegian new issue market was especially strong in 2020, tripling its issue volume compared to 2019.

Note: Data per year end

## Nordic green corporate bonds

Total outstanding volume per industry sector



### Corporate IG green outstanding bond volume 2020 (% of total), EURbn

Industry Sector	Volume (EURbn)	% of Total	CAGR 2016-2020
Real Estate	7.4	61%	41%
Utilities	2.1	17%	44%
Transportation	1.2	10%	n/a
Pulp/paper/forestry	0.9	8%	45%
Industry	0.4	3%	46%
Other	0.1	1%	n/a

### Corporate HY green outstanding bond volume 2020 (% of total), EURbn

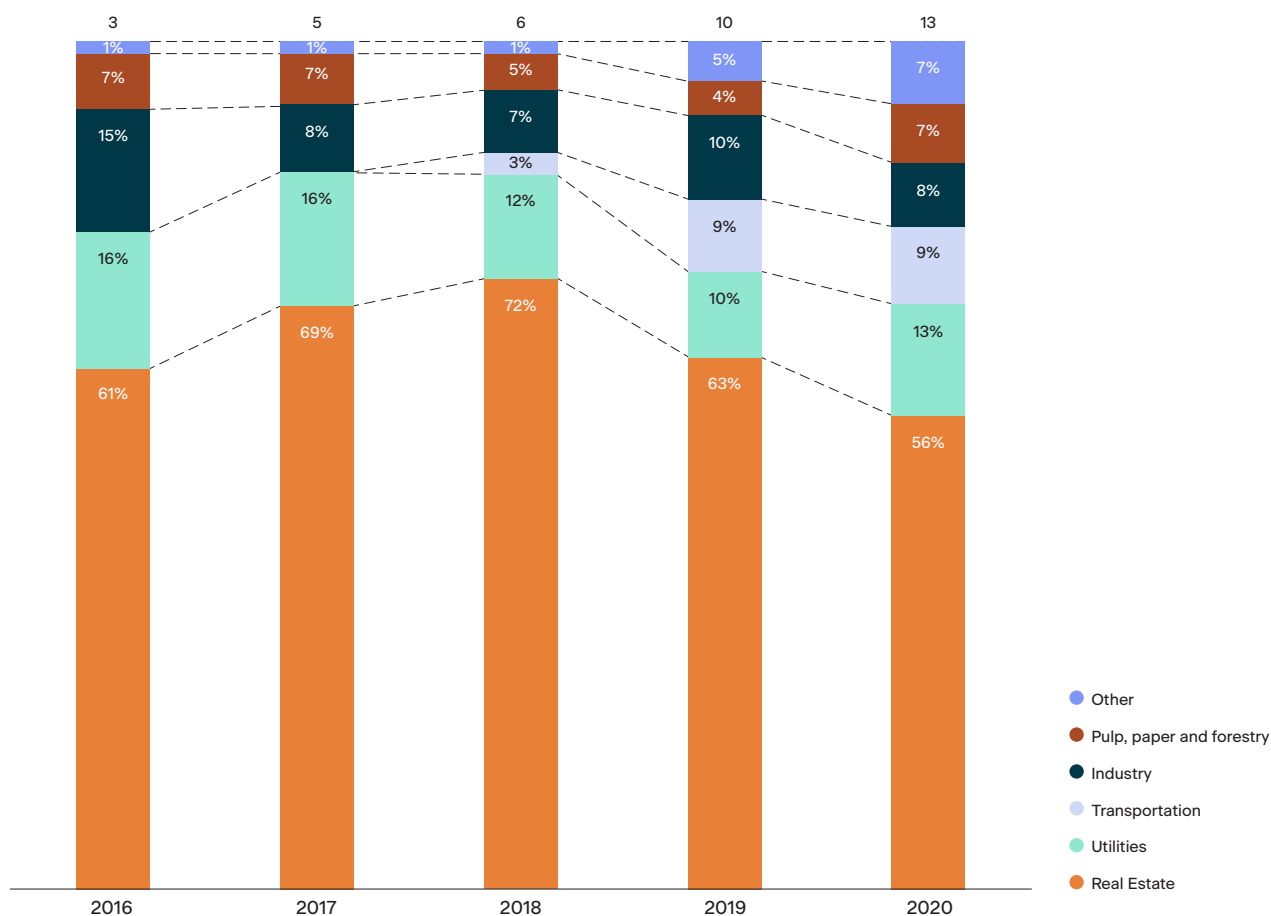
Industry Sector	Volume (EURbn)	% of Total	CAGR 2016-2020
Real Estate	0.6	30%	n/a
Industry	0.6	28%	14%
Seafood	0.3	16%	n/a
Telecom/IT	0.2	10%	n/a
Shipping	0.2	8%	n/a
Other	0.2	9%	57%

IG issuers dominate the Nordic green bond market. Real Estate is the dominating industry sector with EUR 6.9bn outstanding.

Green corporate HY bonds represent a relatively small volume (EUR 2.7bn), with Real Estate (EUR 1.2bn) and Industry (EUR 0.6bn) as the dominant industry sectors.

## Nordic green corporate bonds

Total outstanding volume EURbn, sector development 2016-2020

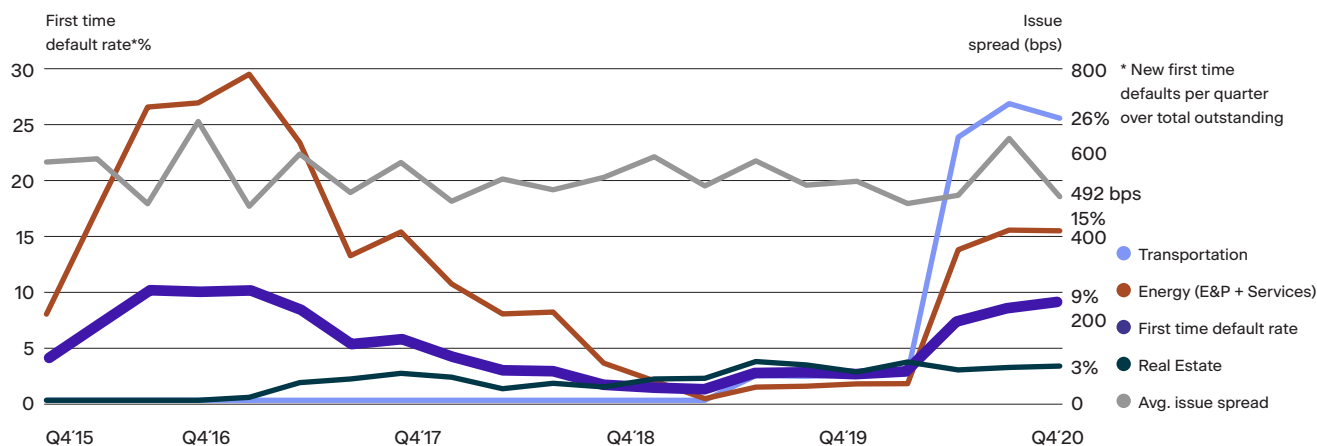


As the green corporate bond market evolves, the industry mix is getting more diverse. Real Estate is still the key industry sector representing 56% of total outstanding volume. However, this is a reduction from 72% in 2018.

Other significant sectors are Utilities (13%), Transportation (9%), Industry (8%) and Pulp/Paper/Forestry (7%).

## First time defaults – Nordic corporate HY

2016 - 2020 per industry sector, quarterly LTM



Default rates in the Nordic HY market decreased from 2016-2019, but increased substantially in 2020, from 2.5% in Q1 to 8.8% in Q4.

### Defaults vs. issue spreads 2020 per industry sector

	First time default rates* 2020	Avg. issue spread (bps)	Sector share of total market (average share of volume 2020)
Transportation	29.9%	793	6%
Cons. Services	26.9%	329	4%
Oil Service	18.0%	245	14%
Telecom/IT	13.8%	161	6%
<b>Grand Total</b>	<b>9.0%</b>	<b>311</b>	<b>100%</b>
O&G E&P	8.9%	62	6%
Real Estate	3.2%	263	19%
Finance	2.9%	169	9%
Industry	2.3%	210	17%
Shipping	0.0%	60	10%

\* Defined as first time defaults as percentage of total outstanding

Transportation was the industry sector with the highest default rates (30%) and highest average issue spreads (793 bps) in the HY market in 2020.

Other industry sectors with above average first time default rates in 2020 includes Consumer Services, Oil Service, and Telecom/IT.







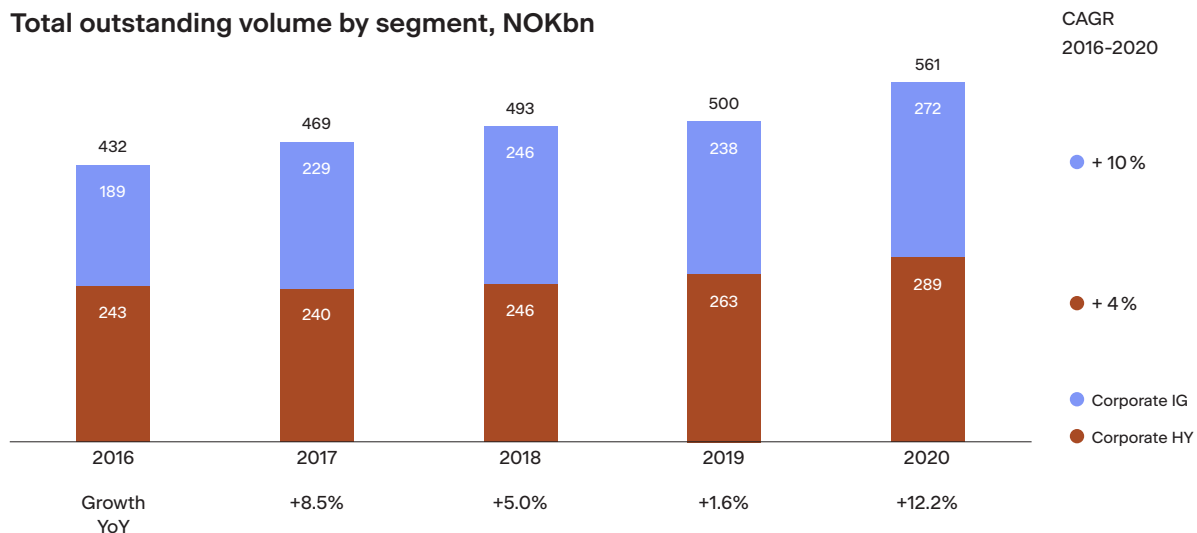
# 02

## Norwegian corporate bonds



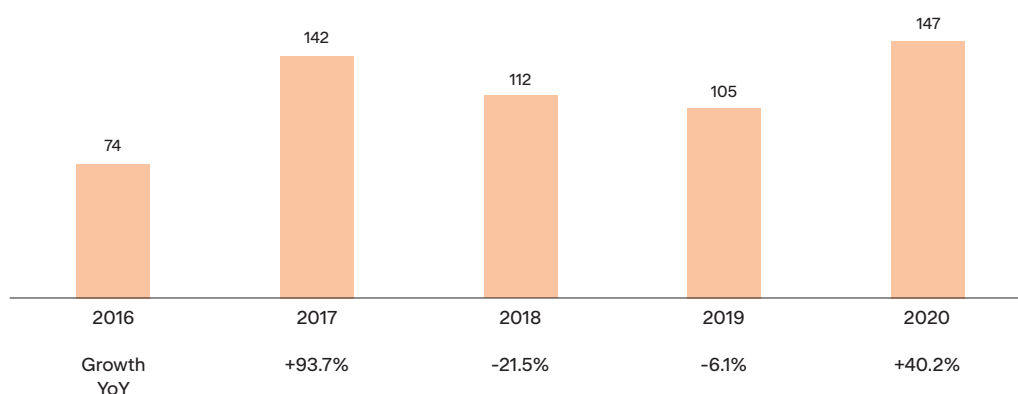
## Norwegian corporate bonds

Total outstanding volume by segment, NOKbn



After limited volume growth in 2019 (1.6%), the Norwegian corporate bond market grew by a record high 12% in 2020 (note that this is partly due to currency effects, in EUR the growth rate is 6%). Both corporate IG (+15%) and corporate HY (+10%) contributed to the strong market growth in 2020.

New issues, NOKbn

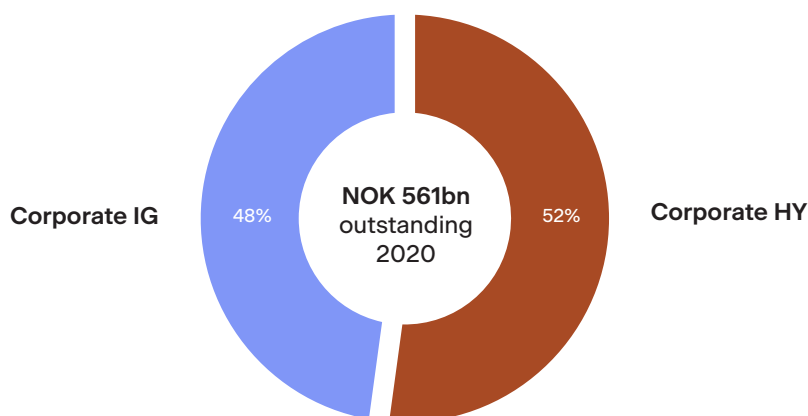


New issue volumes in Norwegian corporate bonds closed at NOK 147bn in 2020. This is 40% higher than the issue volume in 2019, and the highest level we have seen in the Norwegian corporate market. The 2020 new issue volume is 3% higher than the previous high water mark set in 2017 at NOK 142bn.

Note: Data per year end

## Norwegian corporate bonds

Total outstanding volume per industry sector



**Corporate IG outstanding bond volume 2020 (% of total), NOKbn**

Industry	Volume (NOKbn)	% of Total	CAGR 2016-2020
Real Estate	103	38%	17%
Utilities	83	30%	3%
Transportation	34	13%	21%
Industry	26	10%	26%
Conv. Goods	10	3%	-5%
Cons. Services	6	2%	2%
Media	4	1%	7%
Other	7	3%	-17%

**Corporate HY outstanding bond volume 2020 (% of total), NOKbn**

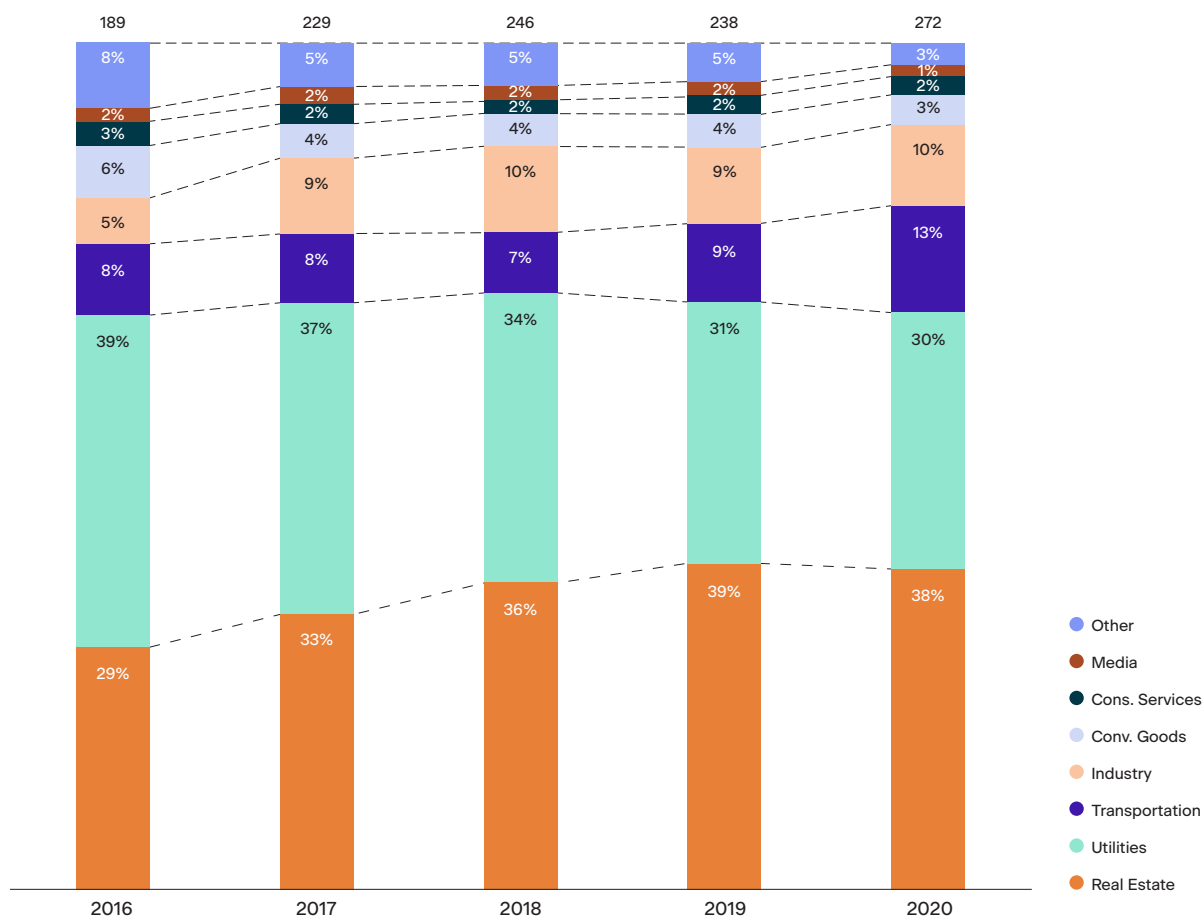
Industry	Volume (NOKbn)	% of Total	CAGR 2016-2020
Oil Service	62	22%	-9%
Shipping	45	16%	7%
Real Estate	45	15%	33%
Industry	31	11%	-2%
O&G E&P	27	9%	3%
Telecom/IT	21	7%	41%
Finance	19	7%	36%
Other	39	13%	4%

In the Norwegian corporate IG market, Real Estate is the largest sector with NOK 103bn in total outstanding and 17% CAGR 2016-2020. Industry and Transportation are the fastest growing sectors with 26% and 21% CAGR 2016-2020.

The HY market has a more diverse industry mix compared to IG. The largest sector, Oil Service, display negative growth, while smaller sectors such as Telecom/IT, Finance, and Real Estate are growing with 41%/36%/33% CAGR 2016-2020.

## Corporate IG

Total outstanding volume NOKbn, sector development 2016-2020

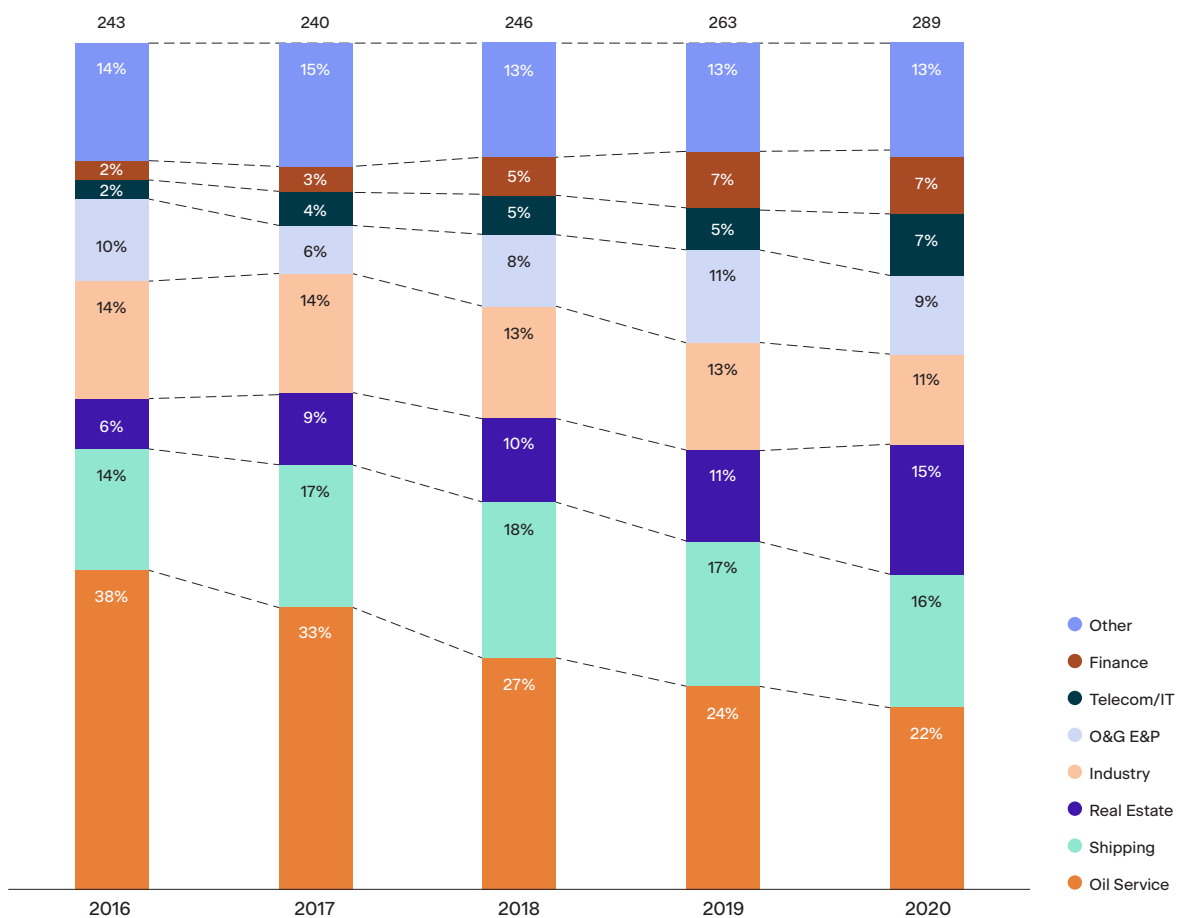


After years of increasing market share, the Real Estate sector reduced its market share from 39% to 38% in 2020. Still, it has increased its share by almost 10% the past 5 years. Utilities continue the long term trend with falling market shares, but remains the second largest industry sector in the IG segment.

Transportation and Industry increased their relative market share by 4% and 1% respectively.

## Corporate HY

Total outstanding volume NOKbn, sector development 2016-2020



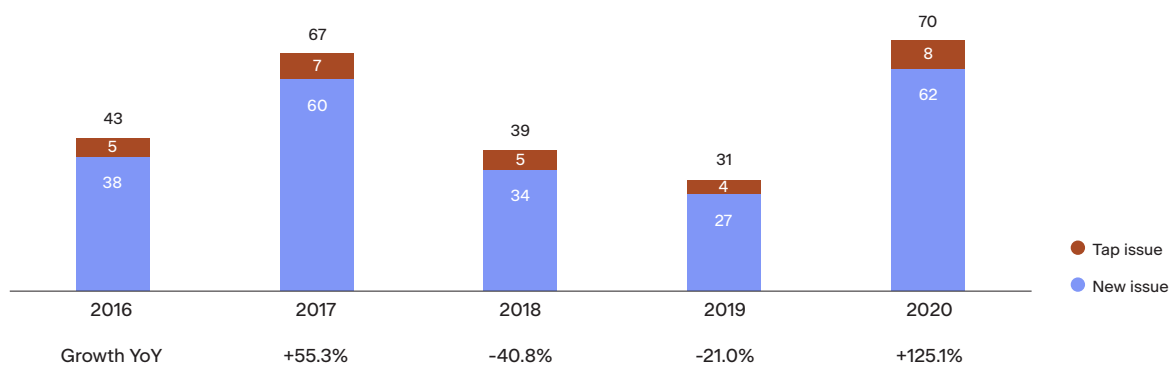
The Norwegian HY market has over the past years become more diverse. Oil Service is still the largest sector in the Norwegian HY market, but the trend with reduced relative market share continues, from 38% in 2016 to 22% in 2020.

Real Estate and Telecom/IT are the two industry sectors with growing relative size from 2019 to 2020.

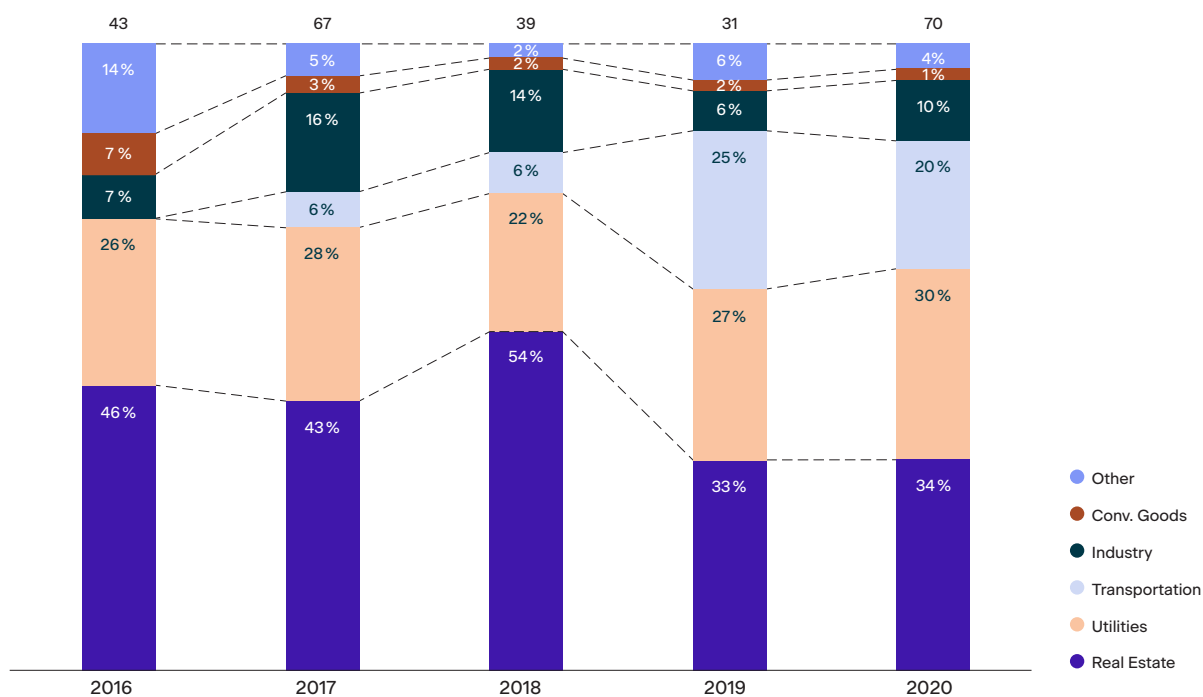
## New Issuance – Corporate IG

Annually 2016-2020

### Volume (NOKbn) – total



### Volume (NOKbn) – per industry sector



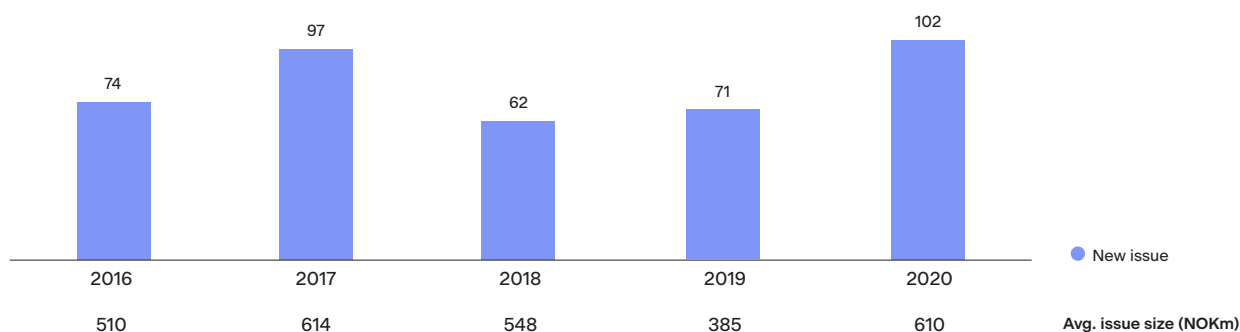
The new issue volume more than doubled in 2020 compared to 2019, and with a total of NOK 70bn issued, 2020 also passed the previous high in 2017 of 67bn.

The industry sector mix in 2020 was similar to 2019. Real Estate represent the largest new issue volume (34%), followed by Utilities (30%), and Transportation (20%).

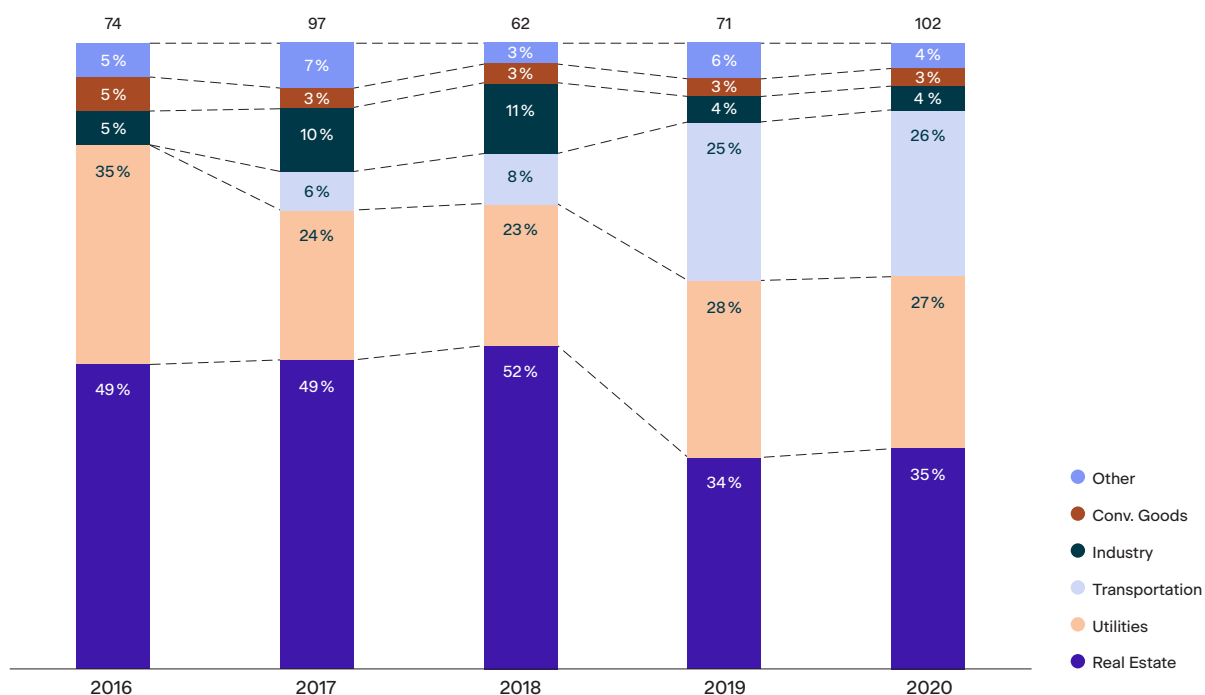
## New Issuance – Corporate IG

Annually 2016-2020

### ISINs – total



### ISINs – per industry sector



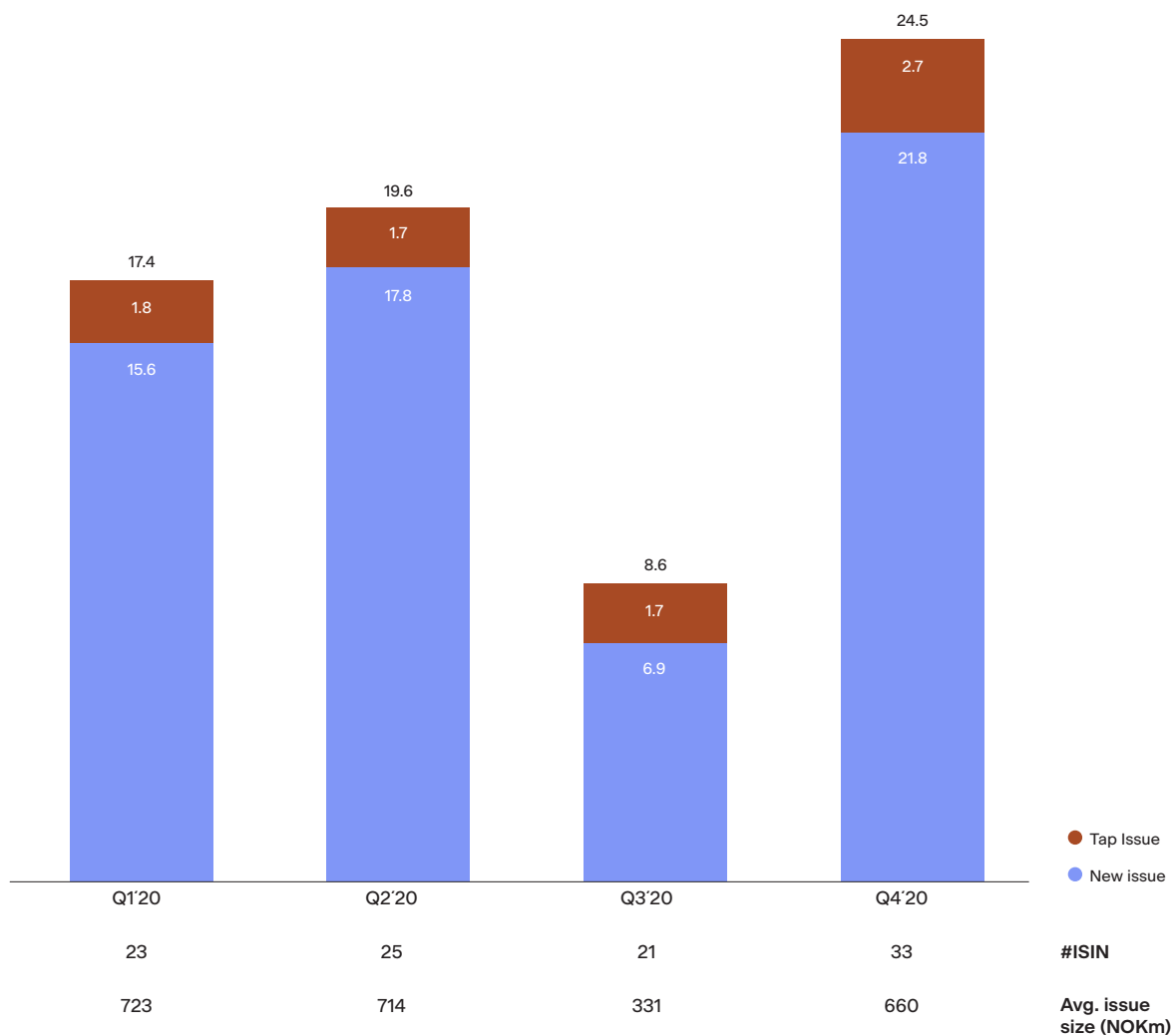
The increase in number of issues (#ISINs) is not as explosive as the increase in volume, but it still grew by 44% in 2020 compared to 2019. The average issue size was NOK 610m in 2020 compared to NOK 385m in 2019.

In general, the development in industry mix looking at #ISINs is comparable to issued volume. However, Industry only has 4% share of #ISINs vs. 10% share of issued volume, indicating relatively large issues. On the other hand, Transportation has 26% of #ISINs vs. 20% of volume.

## New Issuance – Corporate IG

Quarterly 2020

Volume, NOKbn



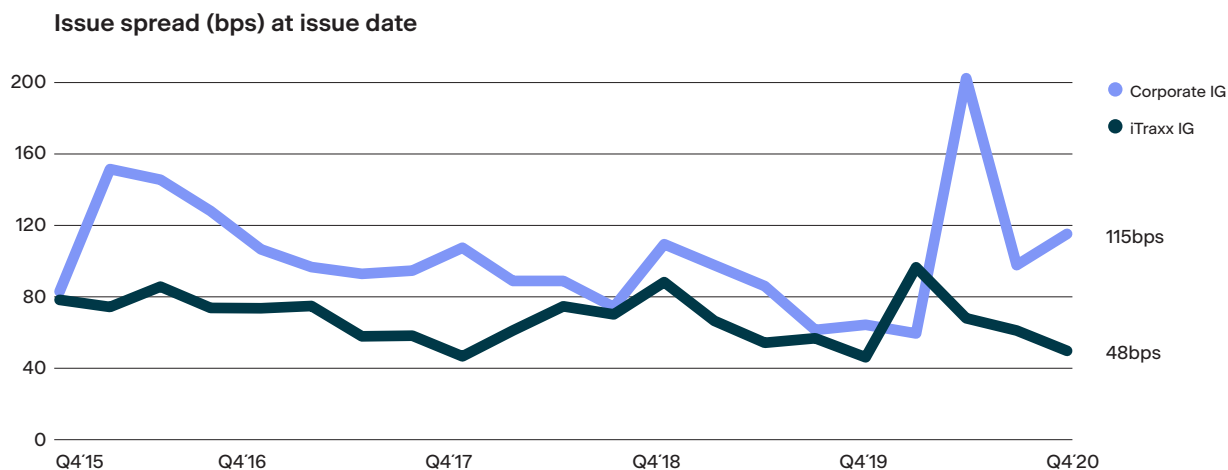
Despite Covid-19 hitting the financial markets with full force in mid-March, Q2 was still the second strongest quarter in 2020 with NOK 19.6bn issued. A key driver was Norsk Hydro ASA (Industry), representing 39% of Q2 issue volume.

2H started with a soft Q3, before ending the year with a very strong Q4 with 33 issues totalling NOK 24.5bn.

During 2020 there were a total of 102 new issues with a volume of NOK 70bn.

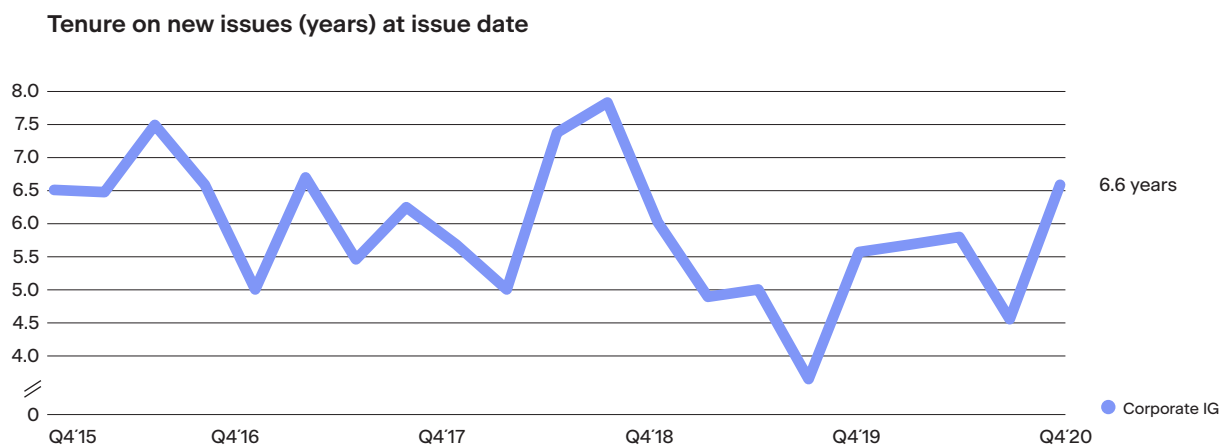


## New Issuance – Corporate IG



Average new issue spreads for corporate IG bonds spiked to new highs during Q2, reaching 204bps. Norsk Hydro ASA (Industry), with four issues in April 2020 was a key driver for the significant increase in average spreads.

The spread dropped to more normal levels in Q3 and Q4, but at 115 bps in Q4 it was still almost 2x the spread in 2H 2019 and Q1 2020.

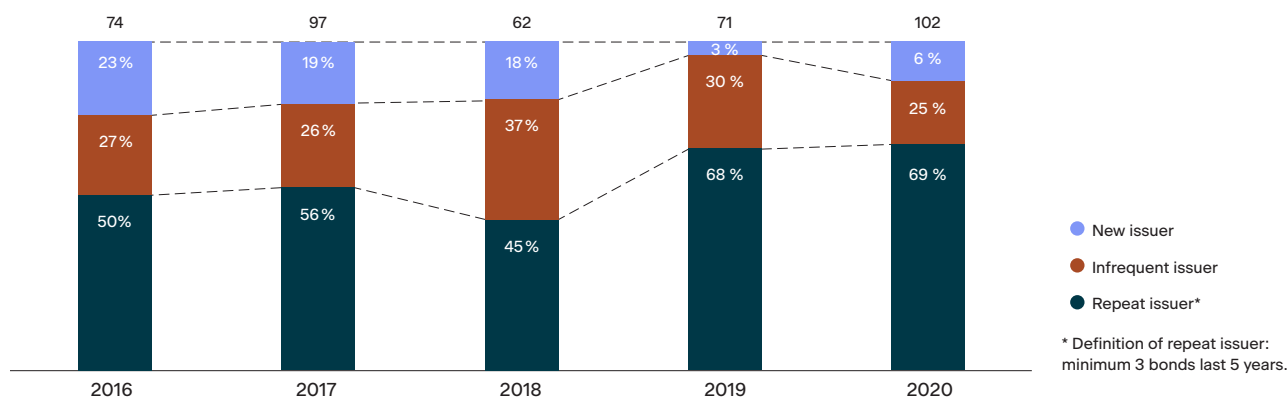


Average tenor on new corporate IG issues have fluctuated throughout the year between 4.8 and 6.6 years.

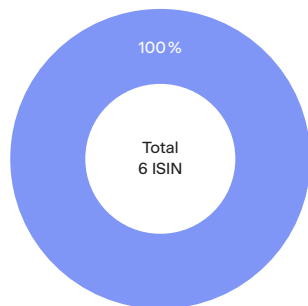
## New Issuance – Corporate IG

Share of new/repeat issuers 2016-2020 (share, #ISIN)

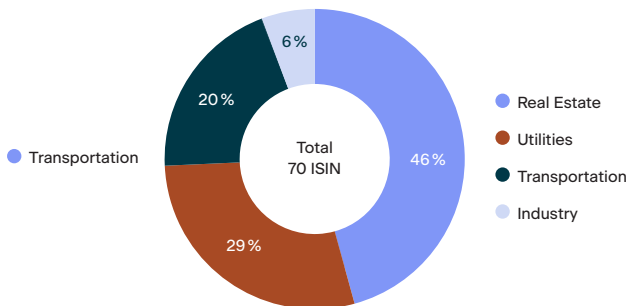
### Type of issuer



### New issuers per sector, 2020



### Repeat issuers per sector, 2020



In the corporate IG market the share of repeat issuers remained stable, ending up at 69% in 2020. 6 completely new issuers came to market in 2020.

Real Estate-, Utilities and Transportation companies dominated among the repeat issuers.

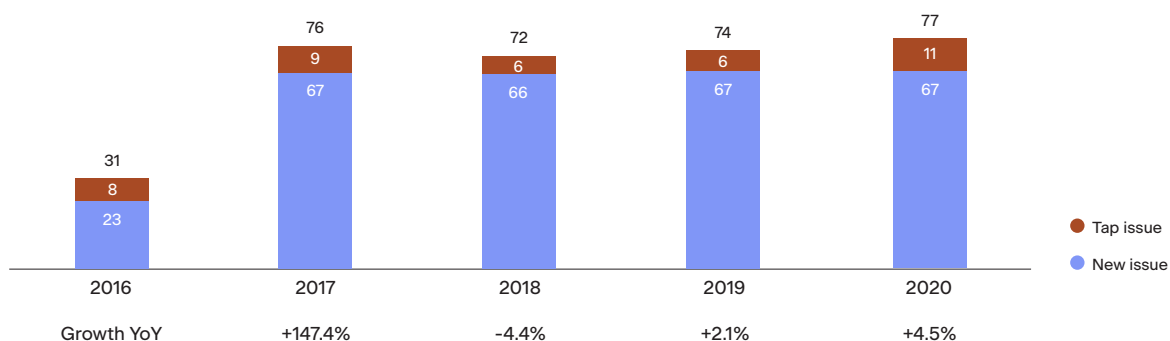
### Largest repeat issuers 2020 (Volume)

Issuer	% of IG Issued Vol. 2020	New Bonds Issued 2020	% of IG Issue Vol. 2019
Norsk Hydro ASA	11.2%	4	0.0%
BKK AS	9.6%	3	3.7%
Norwegian Property ASA	9.4%	6	5.3%

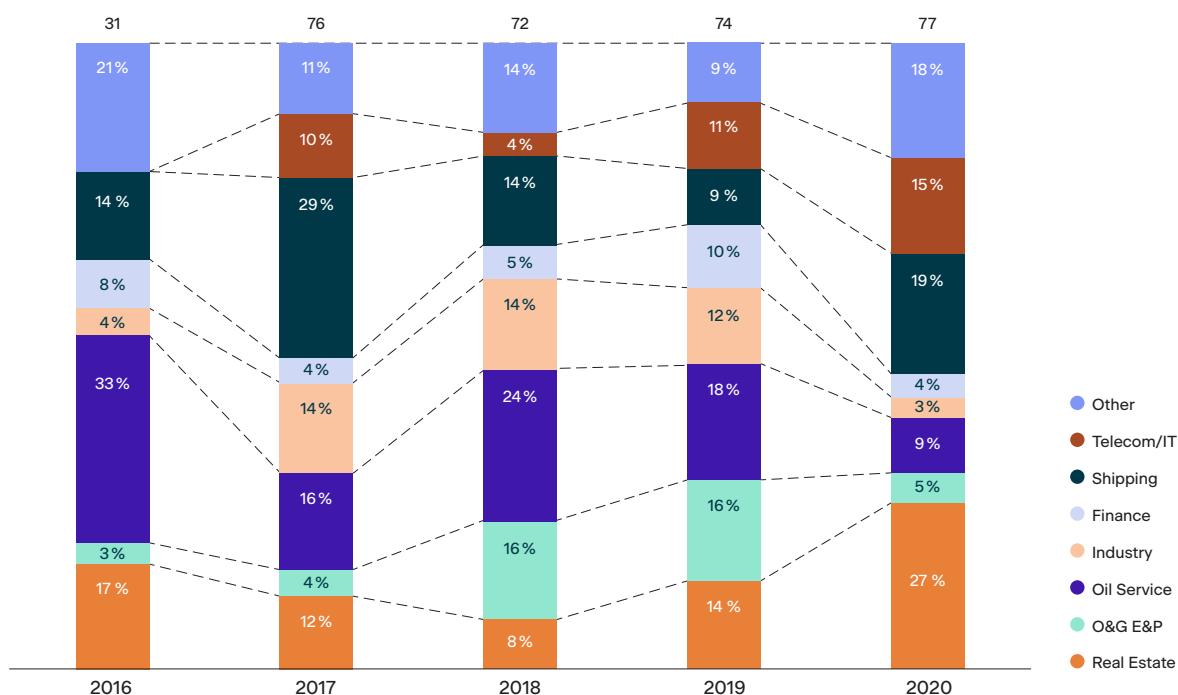
## New Issuance – Corporate HY

Annually 2016-2020

### Volume (NOKbn) – total



### Volume (NOKbn) – per industry sector

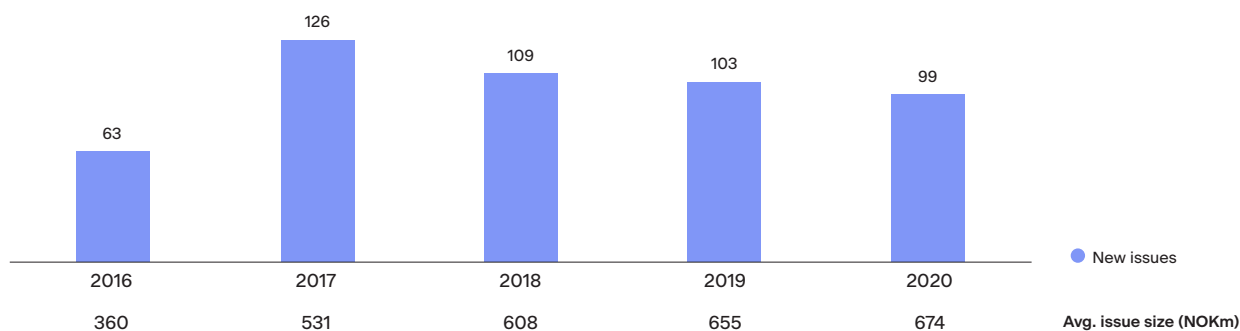


Corporate HY new issue volumes continued to stay strong in 2020 despite Covid-19 closing at NOK 77bn for the year. Despite stable total volumes, there is large variation in industry sector mix. Real Estate, Shipping and Telecom/IT are the sectors with the largest growth in relative new issue volume in 2020, and together they represented 61% of issued volume in 2020.

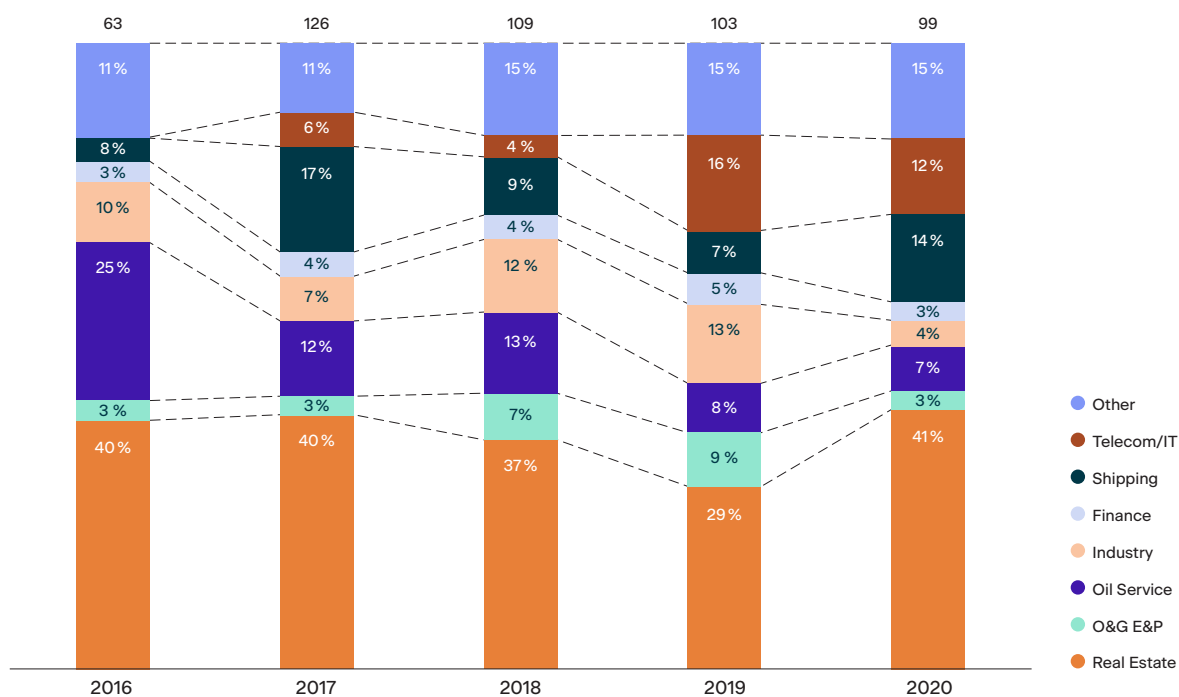
## New Issuance – Corporate HY

Annually 2016-2020

### ISINs – total



### ISINs – per industry sector



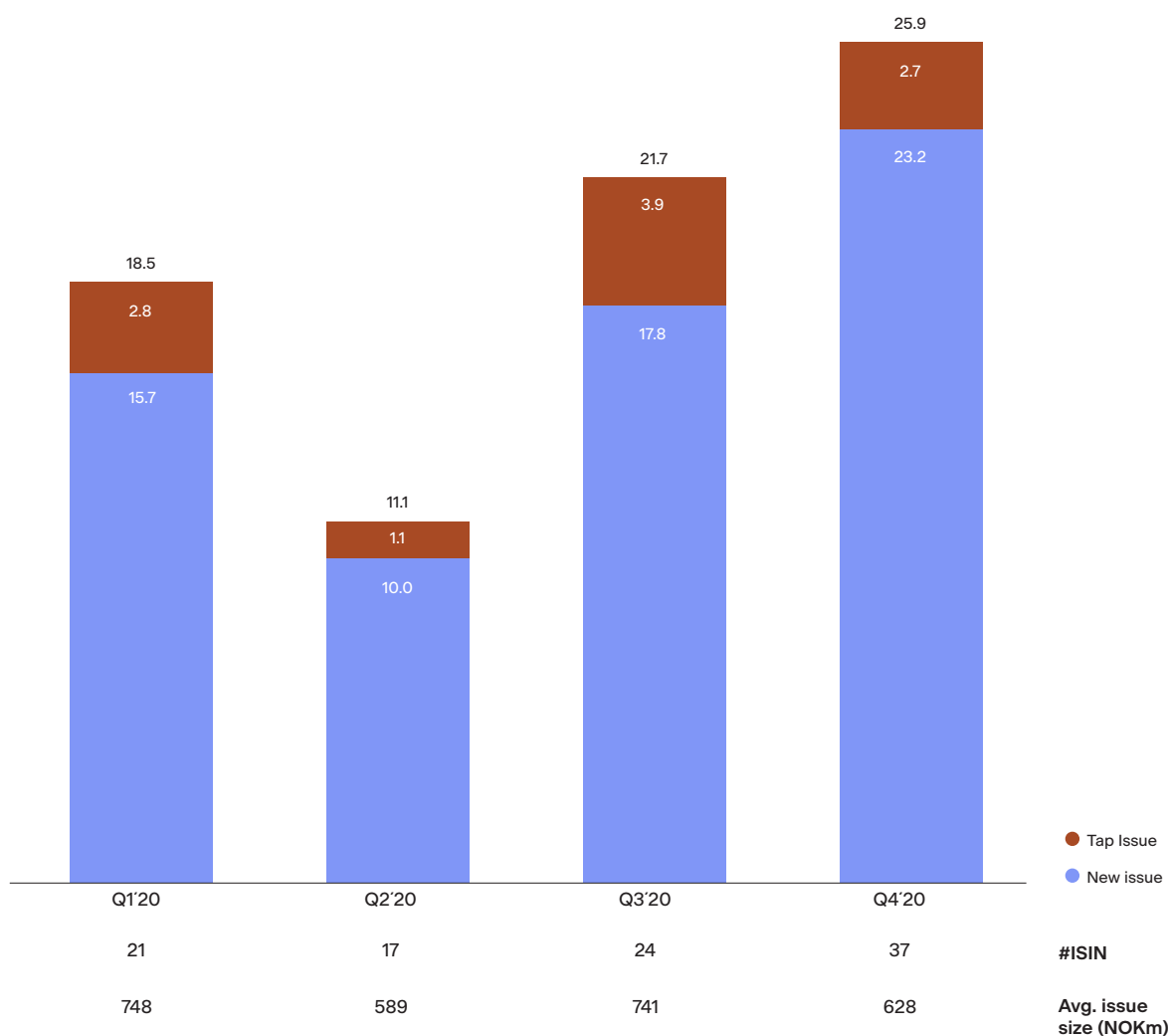
Despite increasing volumes, the number of new issues dropped from 103 in 2019 to 99 in 2020. However, this is still more than 60% above the 2016 level, and over the period the average size of new HY issues have increased steadily.

The largest industry sector the past 4 years, Real Estate, increased its relative market share from 29% in 2019 to 41% in 2020.

## New Issuance – Corporate HY

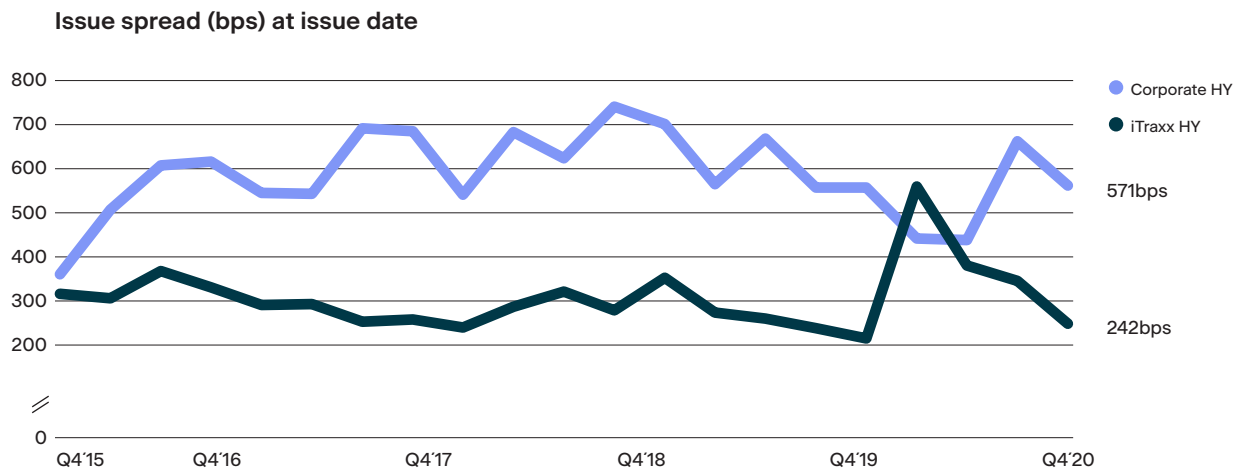
Quarterly 2020

Volume, NOKbn



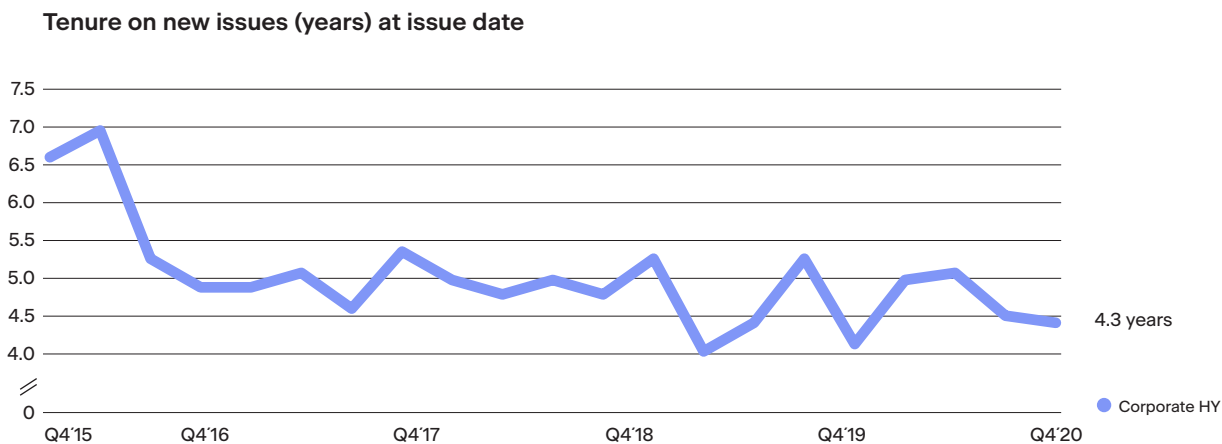
The corporate HY market started 2020 with a fair Q1 after a strong Q4 2019 (NOK ~29bn). Q2, the full quarter after Covid-19 hit the financial market, was the weakest quarter of the year with Real Estate and Telecom/IT dominating the issue volume (39% and 29% of total). Issuing volumes increased though H2, with Q4 as 2020s strongest quarter at NOK 25.9bn issued. During 2020 there were a total of 99 new issues with a volume of NOK 77bn.

## New Issuance – Corporate HY



Average new issue spreads for corporate HY was ~440bps in Q1 and ~460bps in Q2 2020, and do not show the expected increase in new issue spreads due to Covid-19. Contributing factors can be a high share of Real Estate (39%) in Q2 which have lower than average spreads, and issues being placed late in the quarter (>80% issued in May/June).

Issue spreads increased to 677 bps in Q3, a level that's below spreads seen in 2019 and 2018.

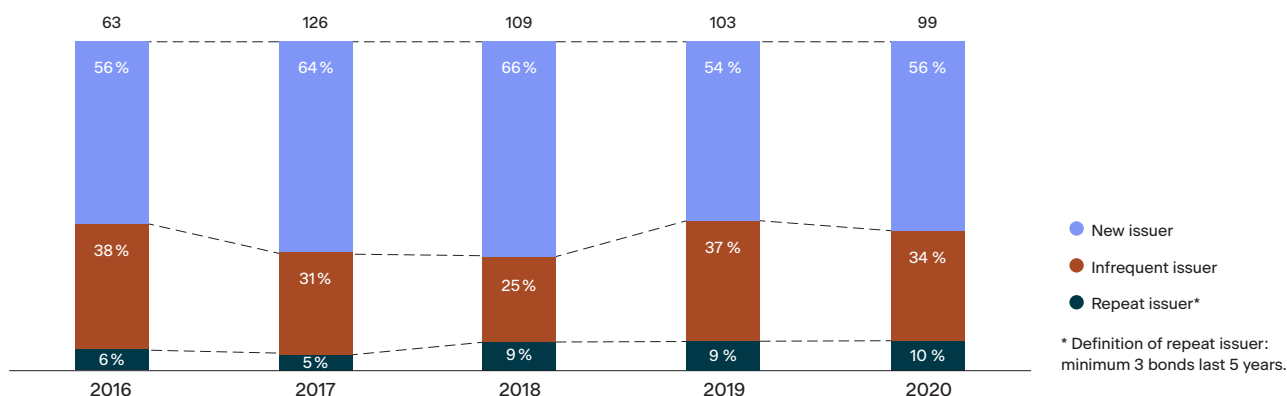


Average tenor on new corporate HY issues has fluctuated between 4 and 5 years throughout the year, before ending up at 4.3 years in Q4 2020.

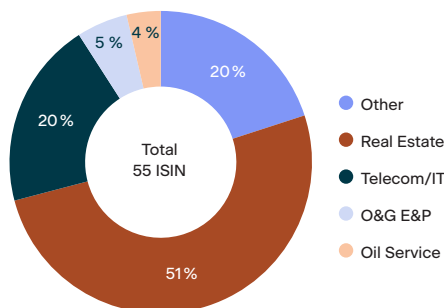
## New Issuance – Corporate HY

Share of new/repeat issuers 2016-2020 (share, #ISIN)

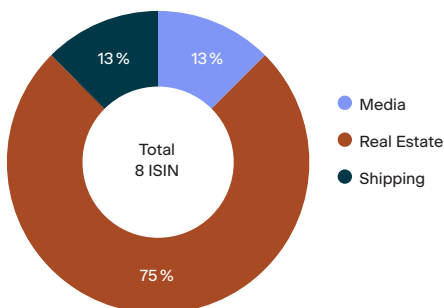
### Type of issuer



### New issuers per sector, 2020



### Repeat issuers per sector, 2020



First time issuers represented the majority of new HY issues in 2020. Real Estate companies represent 51% of issues from first time issuers.

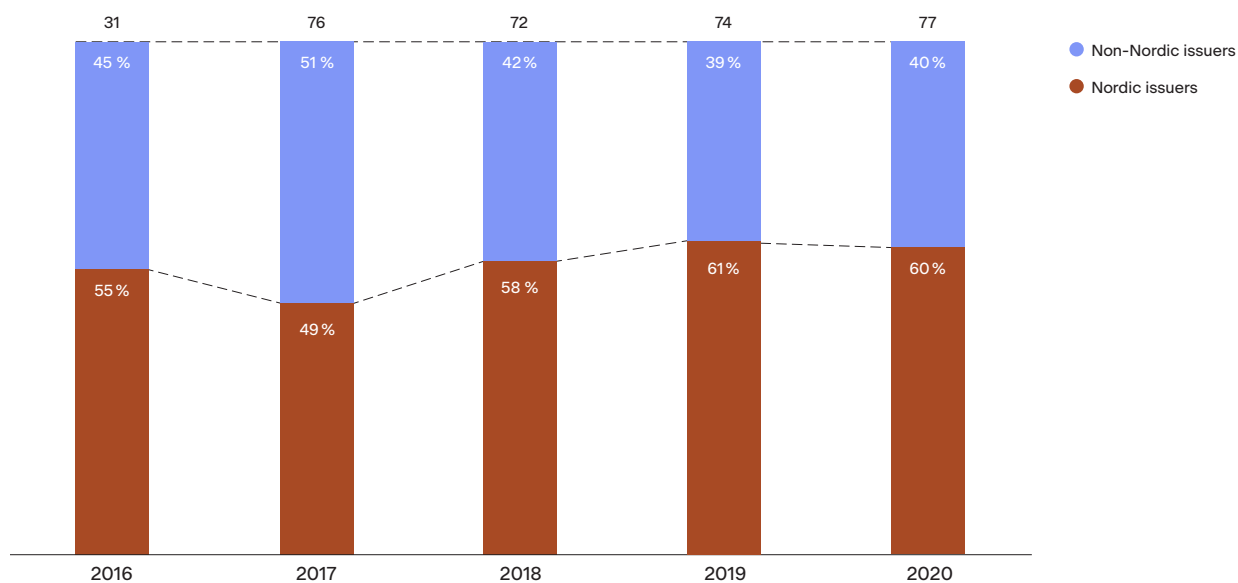
The repeat issuers were Real Estate, Shipping, and Media companies.

### Largest repeat issuers 2020

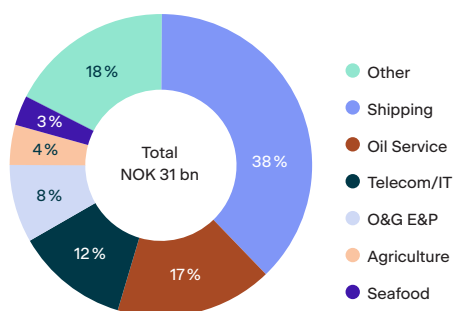
Issuer	% of HY Issued Vol. 2020	New Bonds Issued 2020	% of HY Issue Vol. 2019
Klövern AV (publ)	1.5 %	1	0.7 %
Color Group AS	1.2 %	2	1.2 %
SFL Corporation Ltd.	0.9 %	1	1.0 %

## New Issuance – Corporate HY

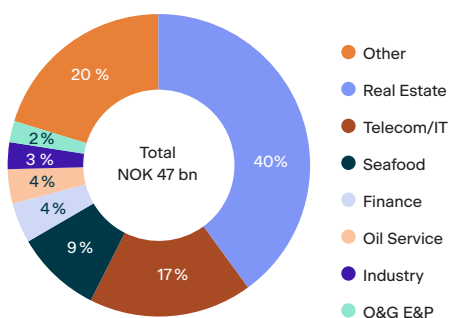
Nordic vs. non-Nordic issuers, 2016-2020 (share of volume, NOKbn)



Nordic Issuers per sector, 2020



Non-Nordic Issuers per sector, 2020

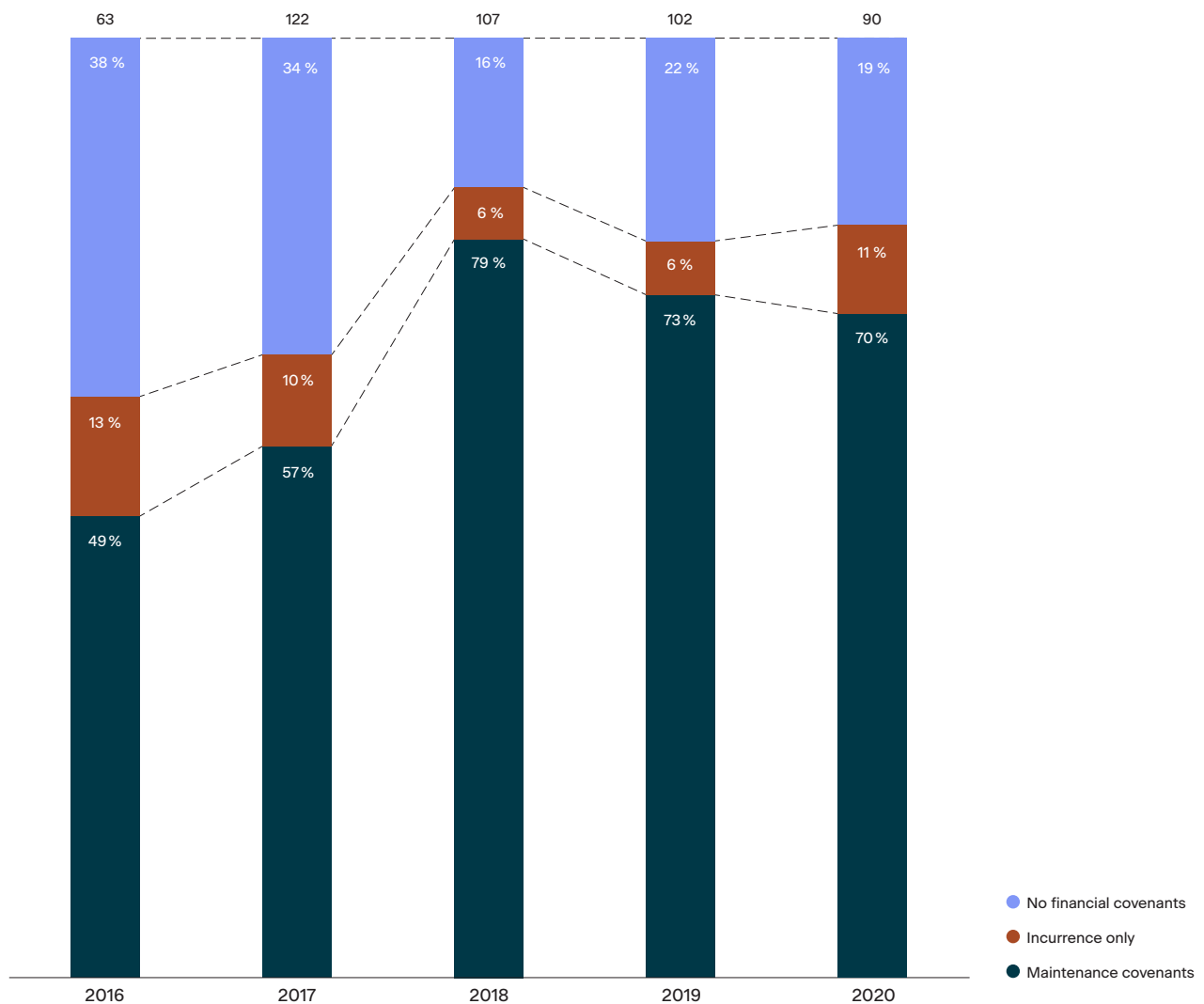


The Norwegian corporate HY market includes a large number of non-Nordic issuers, and they represented 40% of the NOK 77bn issued in 2020. These volumes were in 2020 primarily driven by Shipping, Oil service and Telecom/IT.



## New Issuance – Corporate HY

Financial covenant structure (#ISINs)

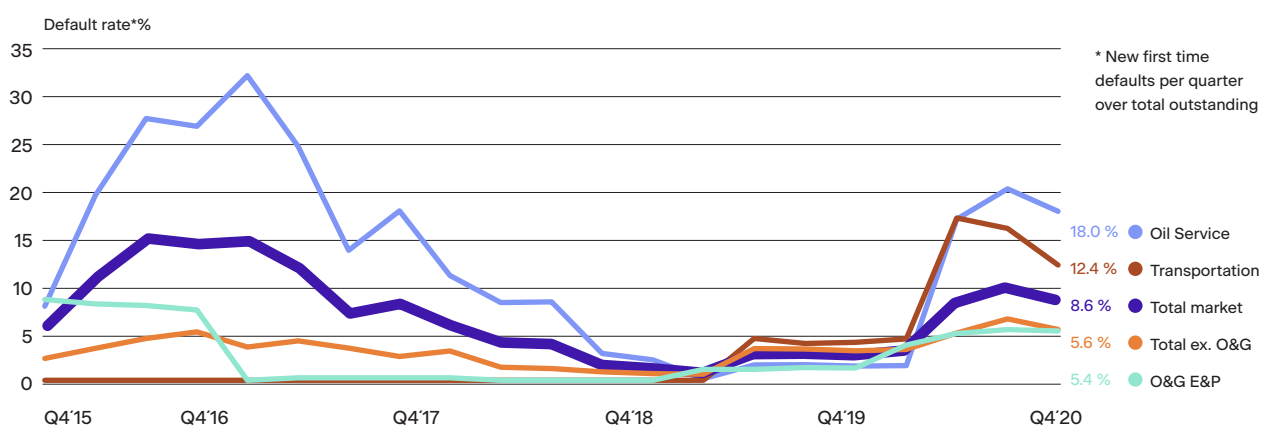


Financial maintenance covenants continue to be the dominant covenant type, but in 2020 we saw a substantial increase in incurrence covenants in new issues.

Note: Sample size over the period 90-100% of total new issues due to data availability.

## First time defaults – Corporate HY

### Quarterly LTM



The first time default rate in Norwegian HY bonds has increased significantly in 2020. From 3% in Q1 to 10% in Q3, before falling back to 9% in Q4. This represent levels not seen since 2016/2017. Both in 2020 and 2016/2017, Oil Service has been one of the key sectors driving the first time default rate.

### 2020 per industry sector

	First time default rates* 2020	Avg. issue spread (bps)	Sector share of total market (average share of volume 2020)
Seafood	46.1%	356	3%
Oil Service	20.0%	910	23%
Transportation	16.6%	441	5%
Cons. Services	16.1%	625	1%
Telecom/IT	13.8%	624	6%
O&G E&P	10.3%	880	10%
<b>Grand Total</b>	<b>10.1%</b>	<b>546</b>	<b>100.0%</b>
Industry	5.5%	371	11%
Real Estate	2.6%	389	13%
Shipping	0.0%	577	16%

\* Defined as first time defaults as percentage of total outstanding

Several sectors showed high first time default rates in 2020. Seafood, a sector representing only 3% of the market, was the industry sector with the highest first time default rate at 46% despite having a lower than average issue spread.

Other industry sectors with above HY average first time default rates includes Oil Service, Transportation, Consumer Services, Telecom/IT, and O&G E&P.





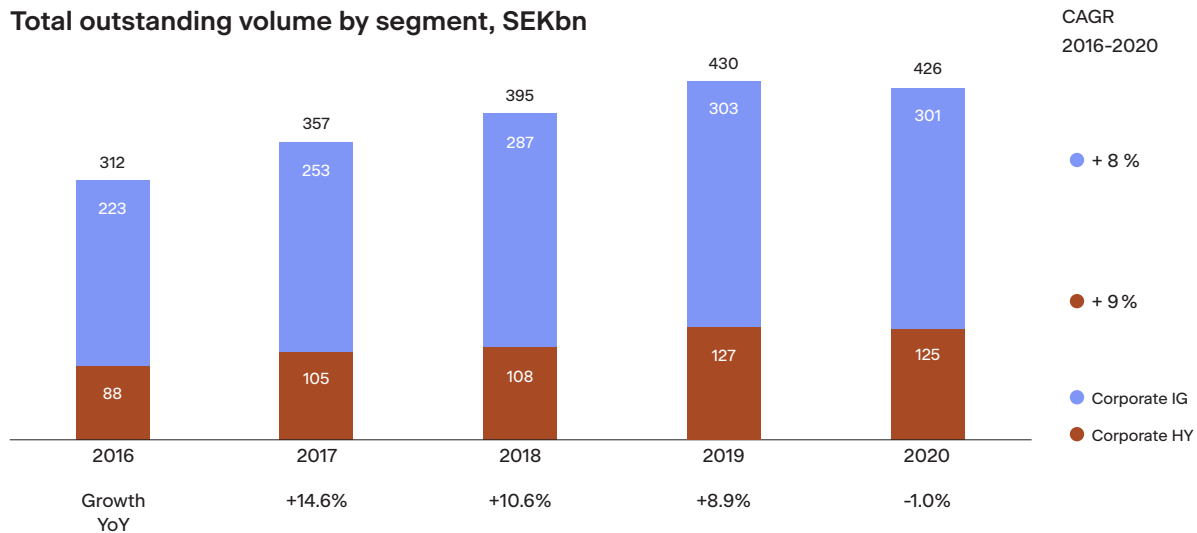
# 03

## Swedish corporate bonds



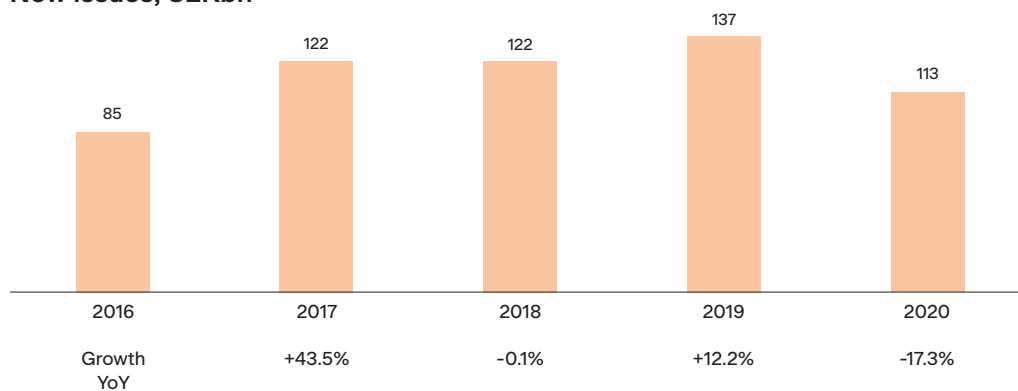
## Swedish corporate bonds

### Total outstanding volume by segment, SEKbn



After several years with strong growth in both the IG and HY market, the outstanding volume in the Swedish corporate bond market declined by 1% in 2020 to SEK 426bn.

### New issues, SEKbn

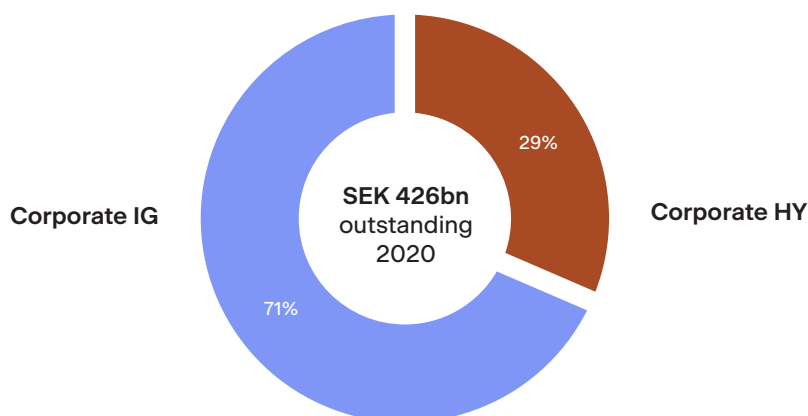


Swedish corporate new issues volumes closed at SEK 113bn in 2020. This is the lowest issue volume in one year since 2016, and 17% lower than the SEK 137bn issued in 2019.

Note: Data per year end

## Swedish corporate bonds

Total outstanding volume per industry sector



### Corporate IG outstanding bond volume 2020 (% of total), SEKbn

Industry	Volume (SEKbn)	% of Total	CAGR 2016-2020
Real Estate	161	53%	8%
Industry	38	13%	8%
Pulp/paper/forestry	18	6%	9%
Transportation	17	6%	-1%
Finance	15	5%	38%
Telecom/IT	14	5%	14%
Utilities	13	4%	-3%
Other	26	9%	5%

### Corporate HY outstanding bond volume 2020 (% of total), SEKbn

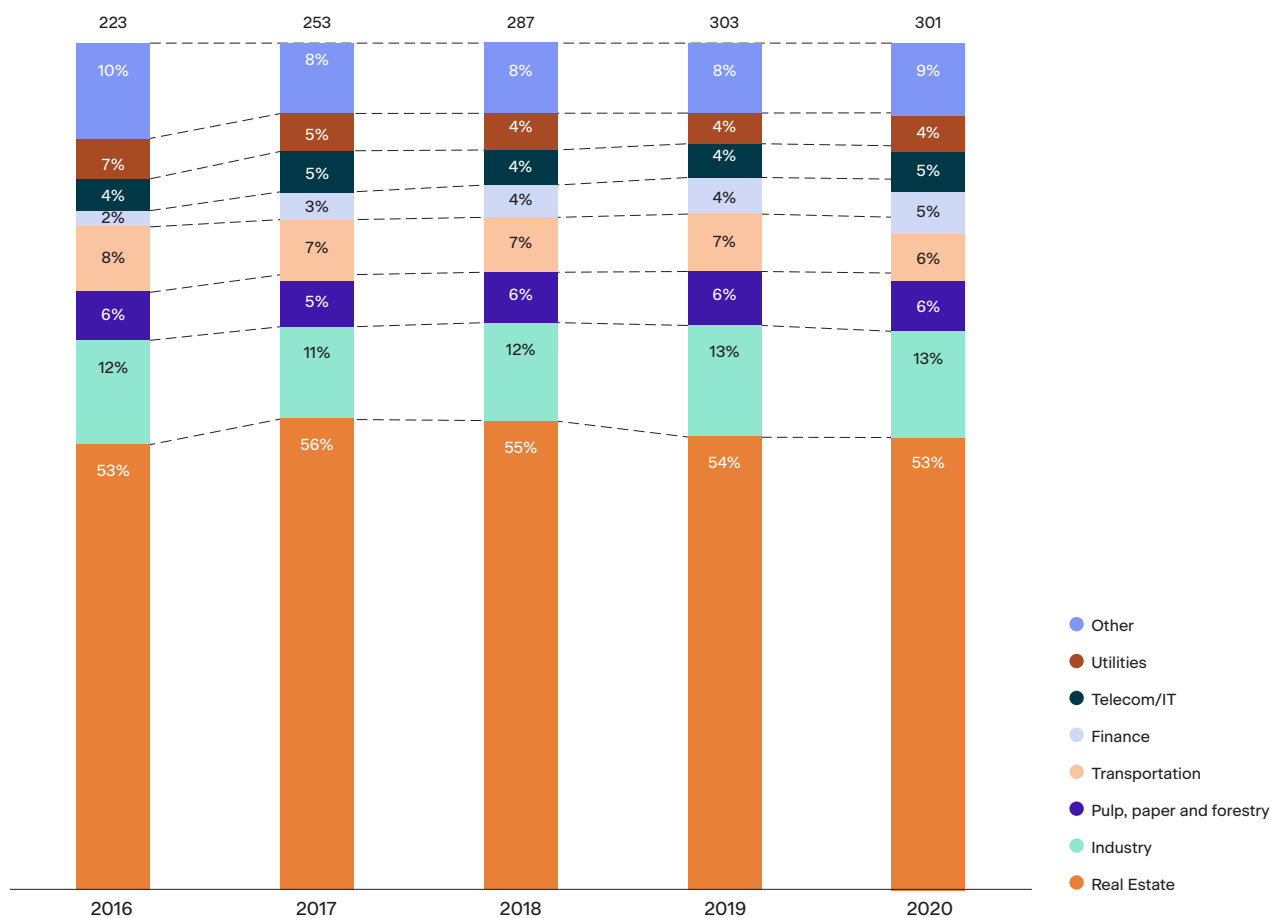
Industry	Volume (SEKbn)	% of Total	CAGR 2016-2020
Real Estate	49	39%	13%
Finance	16	13%	7%
Cons. Services	15	12%	25%
Transportation	13	10%	27%
Industry	11	9%	-7%
Telecom/IT	9	8%	6%
Conv. Goods	3	3%	29%
Other	9	7%	-7%

In the Swedish corporate IG market, Real Estate is the dominant industry sector with 53% of outstanding volume. The fastest growing segment is Finance, with a 38% CAGR 2016-2020.

Real Estate is also the dominating sector in the HY market with 39% of outstanding volumes. Smaller and fast growing sectors include Conv. Goods, Transportation and Cons. Services with 29%, 27%, and 25% CAGR 2016-2020.

## Corporate IG

Total outstanding volume SEKbn, sector development 2016-2020



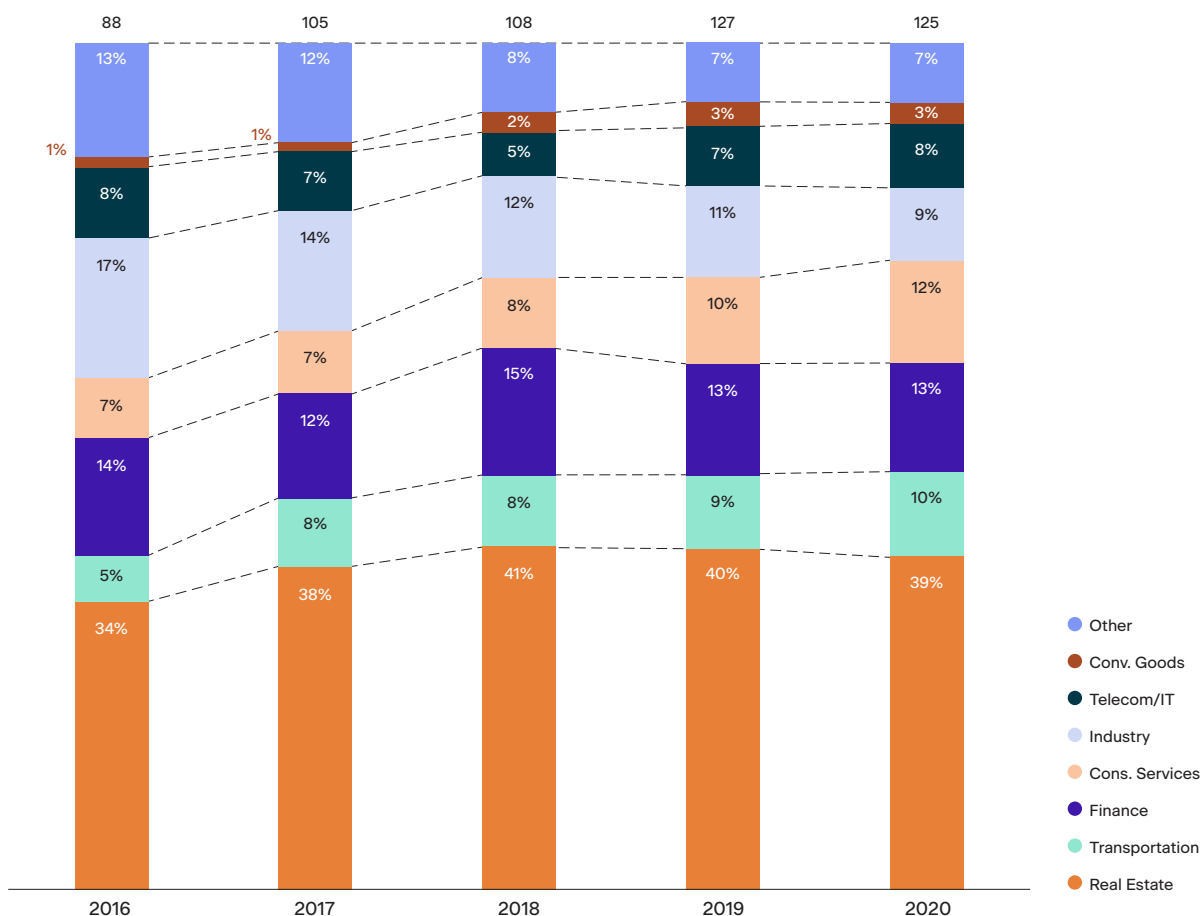
The sector mix in the Swedish IG market has been fairly stable the past years. The Real Estate sector has experienced marginally decreasing market share the past 3 years – from 56% in 2017 to 53% in 2020.

Sectors experiencing an increase in market share in 2020 include Finance and Telecom/IT, both increasing their relative share from 4% to 5%.



## Corporate HY

Total outstanding volume SEKbn, sector development 2016-2020



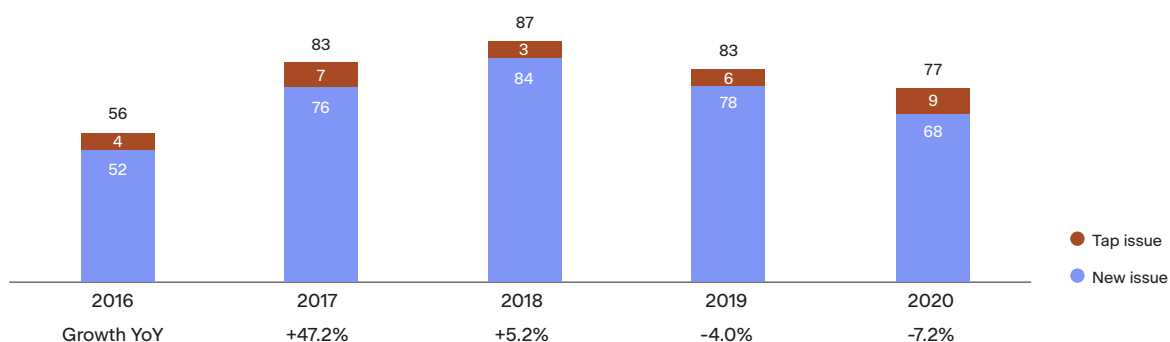
For many years Real Estate showed an increasing share of outstanding volume in the Swedish HY market. The past years however the relative share has declined slightly, and in 2020 Real Estate represented 39% of total volume outstanding. Other sectors decreasing their share is Industry which has reduced its relative market share from 17% in 2016 to 9% in 2020.

Sectors increasing their share of volume outstanding includes Transportation, Consumer Services and Telecom/IT.

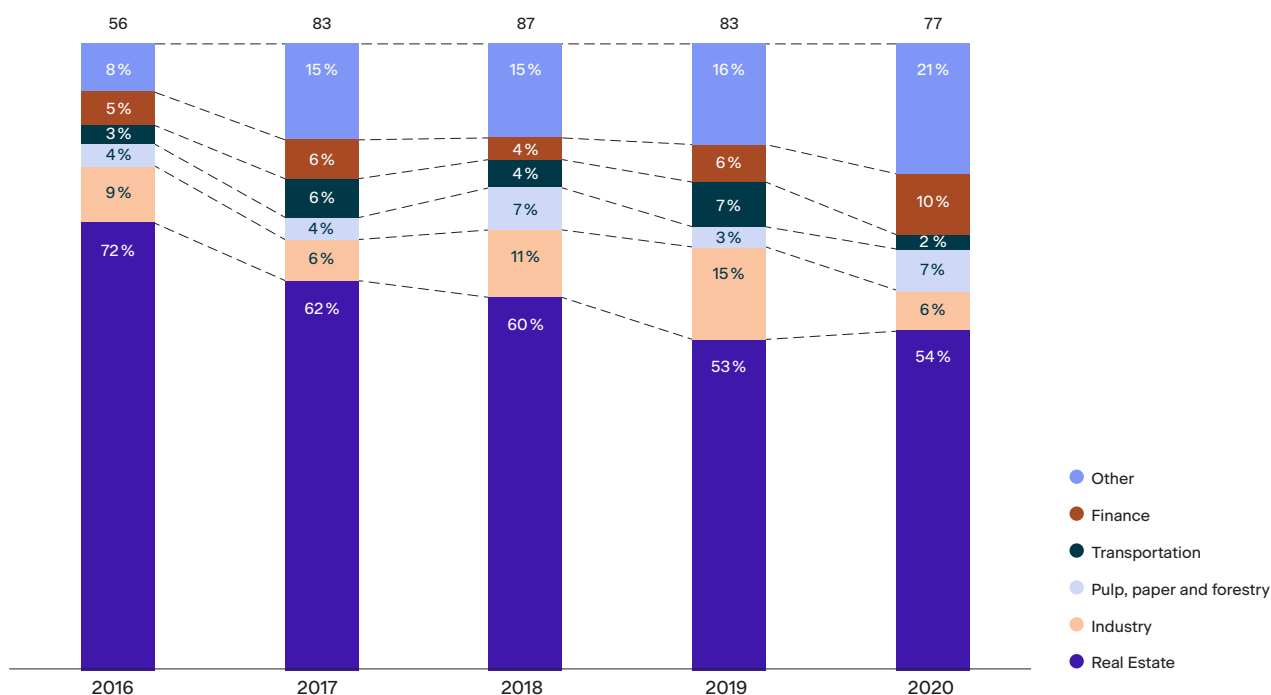
## New Issuance – Corporate IG

Annually 2016-2020

### Volume (SEKbn) – total



### Volume (SEKbn) – sector deep-dive



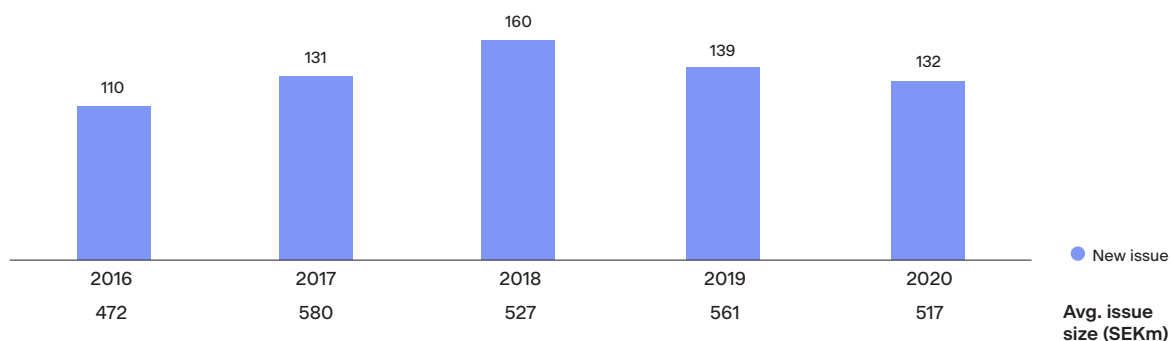
The new issue volume was reduced by 7% from SEK 83bn in 2019 to SEK 77bn in 2020. The issue volume in 2020 is still almost 40% higher than the volume issued in 2016.

The industry sector mix in the IG market has become more diverse, but Real Estate still constitute more than 50% of all IG new issue volume.

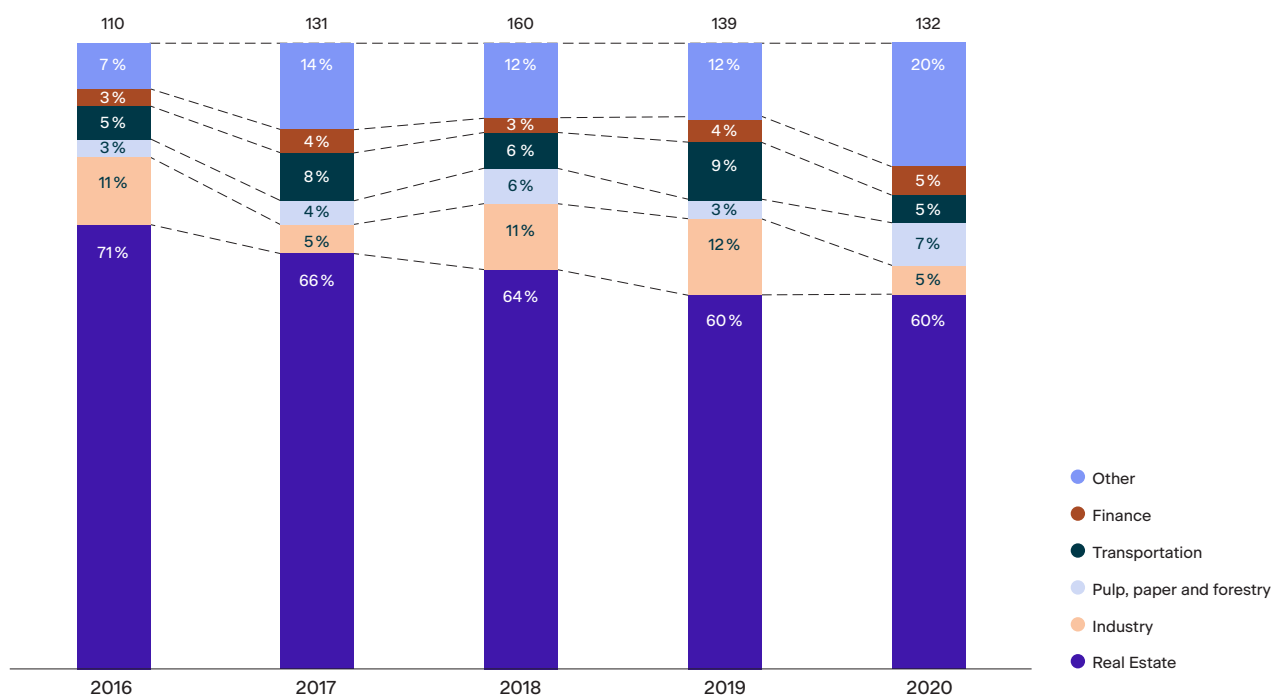
## New Issuance – Corporate IG

Annually 2016-2020

### ISINs – total



### ISINs – sector deep-dive



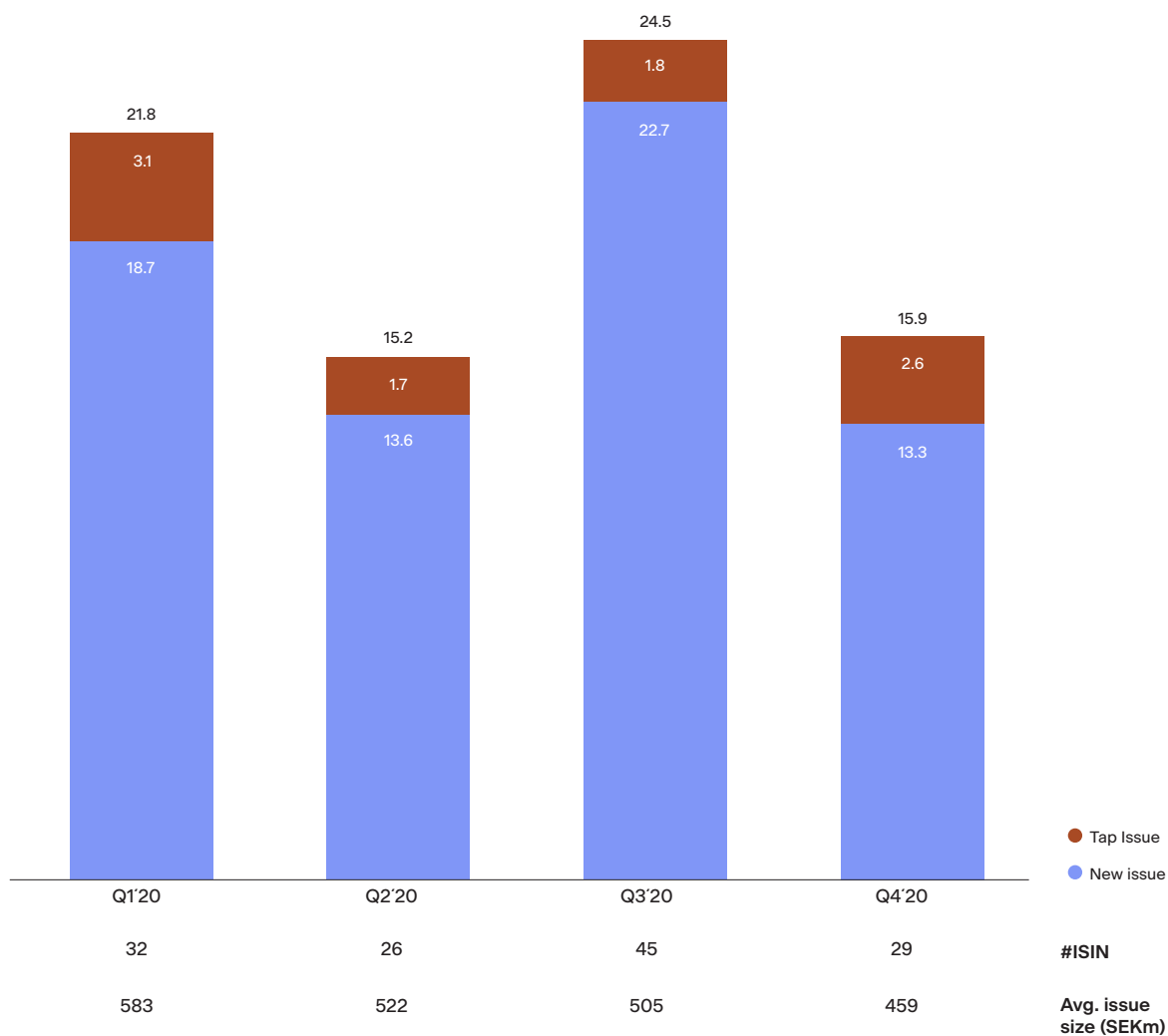
Total number of issues in 2020 was 132, which is a 5% decline compared to 2019 (139).

Pulp, Paper & Forestry had the largest increase in relative share of total issues in 2020, increasing to 7% from 3% in 2019. Real Estate has after years of declining share levelled out at 60% share. Average issue size have been relatively stable over the period 2016-2020.

## New Issuance – Corporate IG

Quarterly 2020

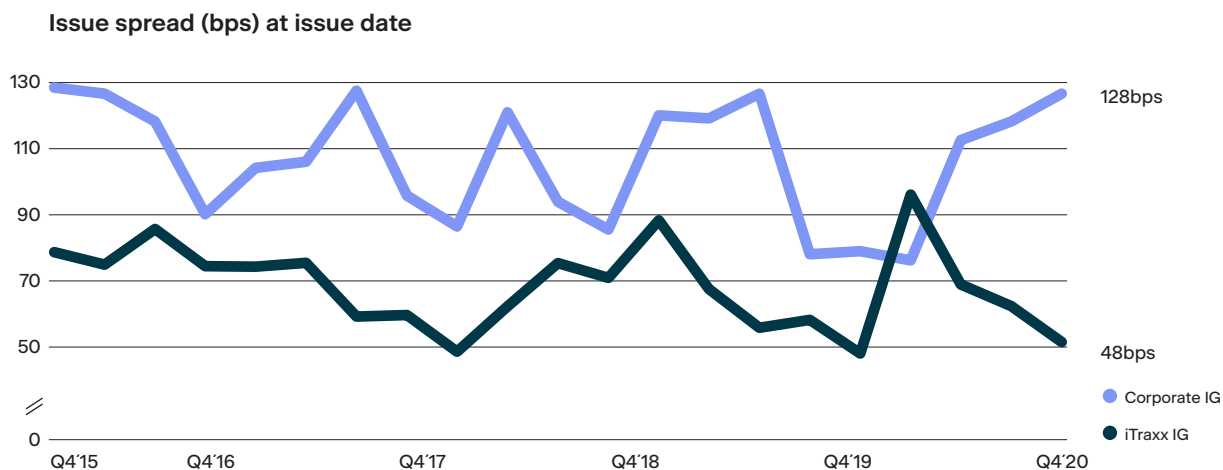
Volume, SEKbn



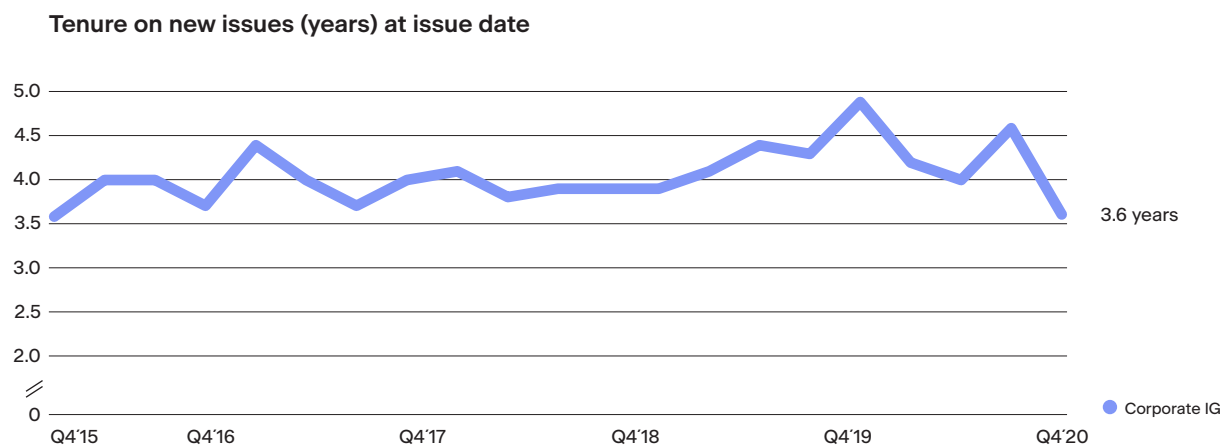
Q3 was the strongest quarter in 2020 for the Swedish IG market with SEK 15.9bn issued. As expected, Q2 was the weakest quarter with SEK 15.2bn due to Covid-19. 75% of the issue volume in Q2 was issued in the second half of the quarter, and 93% was issued after 01.15.20.

During 2020 there were a total of 132 new issues with a volume of SEK 77bn, and average issue size of SEK ~460-580m.

## New Issuance – Corporate IG



After a very low spread level at the start of 2020, average new issue spreads for corporate IG bonds increased from 74 bps in Q1 to 128 bps in Q4. However, one could argue that the development is less dramatic than expected based on the increased volatility caused by Covid-19.

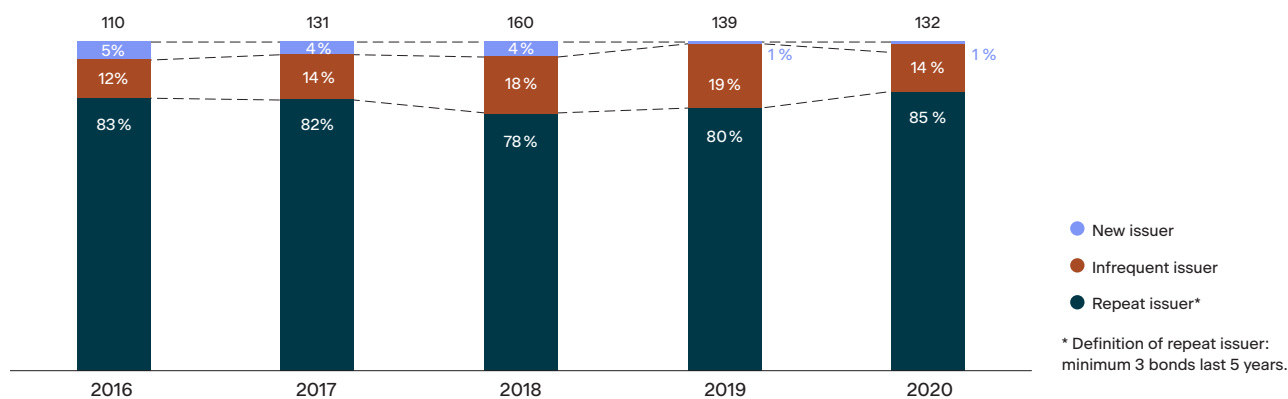


Average tenor on new corporate IG issues has been stable around 4 years. Through 2020 the average tenor on new issues has decreased and ended at 3.6 years in Q4 2020.

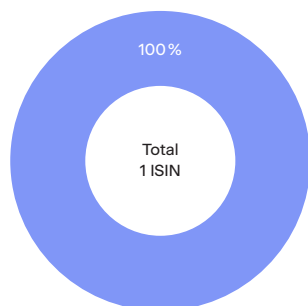
## New Issuance – Corporate IG

Share of new/repeat issuers 2016-2020 (share, #ISIN)

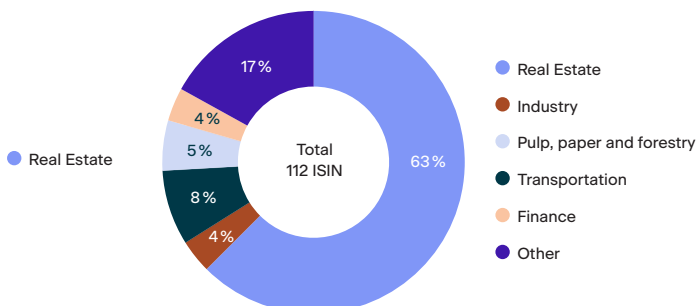
### Type of issuer



### New issuers per sector, 2020



### Repeat issuers per sector, 2020



Repeat issuers represents the majority of corporate IG issues in 2020 with a 85% share of all issues. 63% of the repeat issuers are real estate companies.

Only one issuer within corporate IG came from a new issuer in 2020.

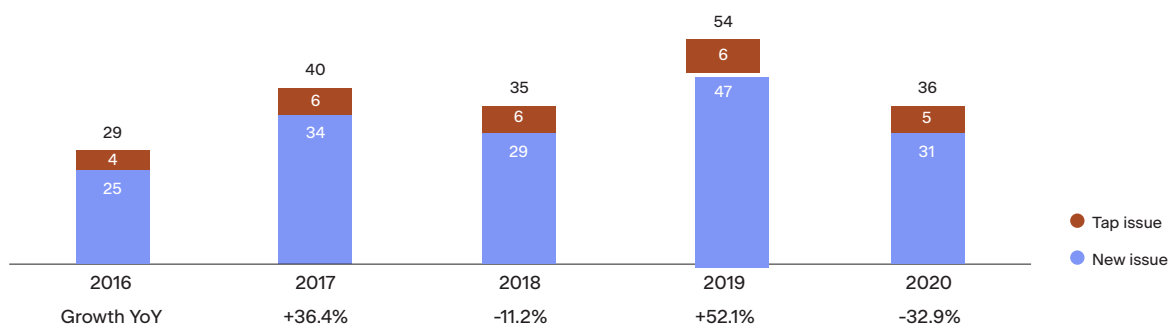
### Largest repeat issuers 2020

Issuer	% of IG Issued Vol. 2020	New Bonds Issued 2020	% of IG Issue Vol. 2019
Willhelm AB	7.9%	13	0.0%
Castellm AB	5.7%	10	4.4%
Svensk Fastighets-Finansiering (SFF) AB	5.4%	11	2.5%

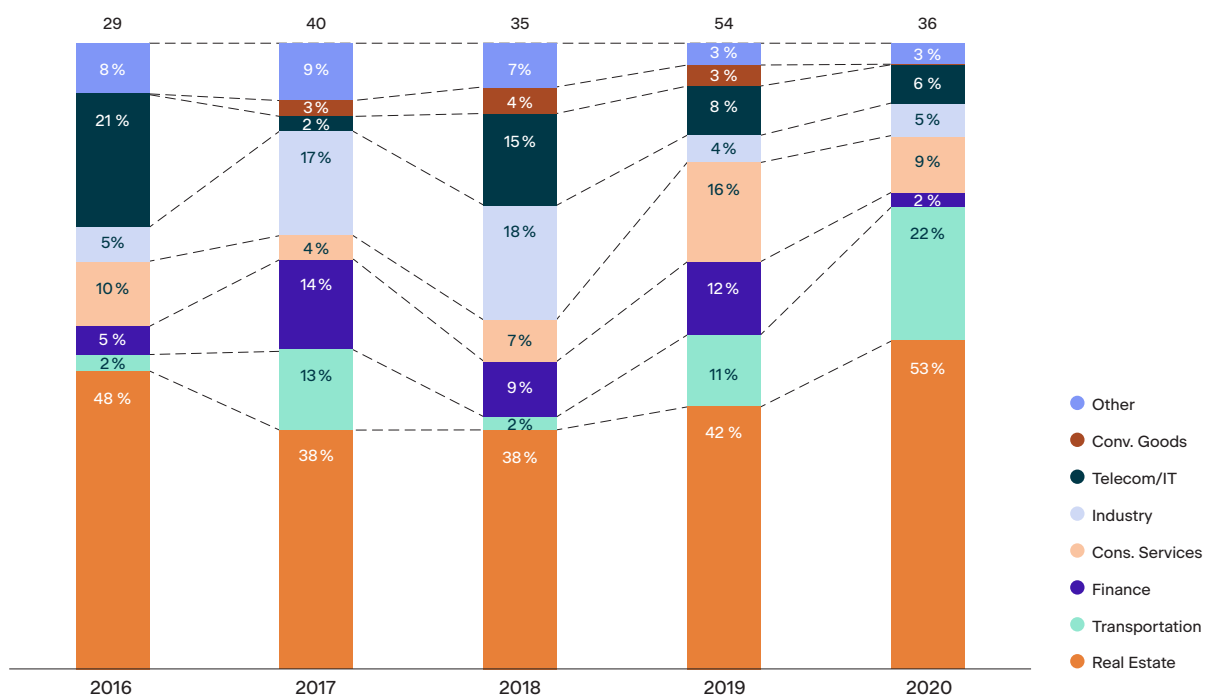
## New Issuance – Corporate HY

Annually 2016-2020

### Volume (SEKbn) – total



### Volume (SEKbn) – per industry sector



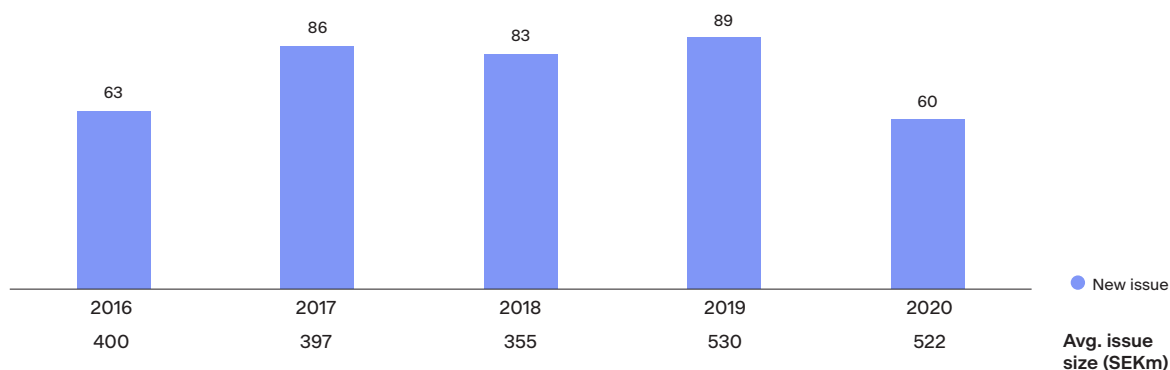
The new issue volume decreased by 33% from 2019 to 2020, closing at SEK 36bn. This is on par with the new issue levels in 2018 (SEK 35bn).

The industry sector mix vary from year to year. In 2020 the sectors issuing the largest volume were Real Estate, Transportation, and Cons. Services. Combined these sectors represented more than 80% of the new issue volume in 2020.

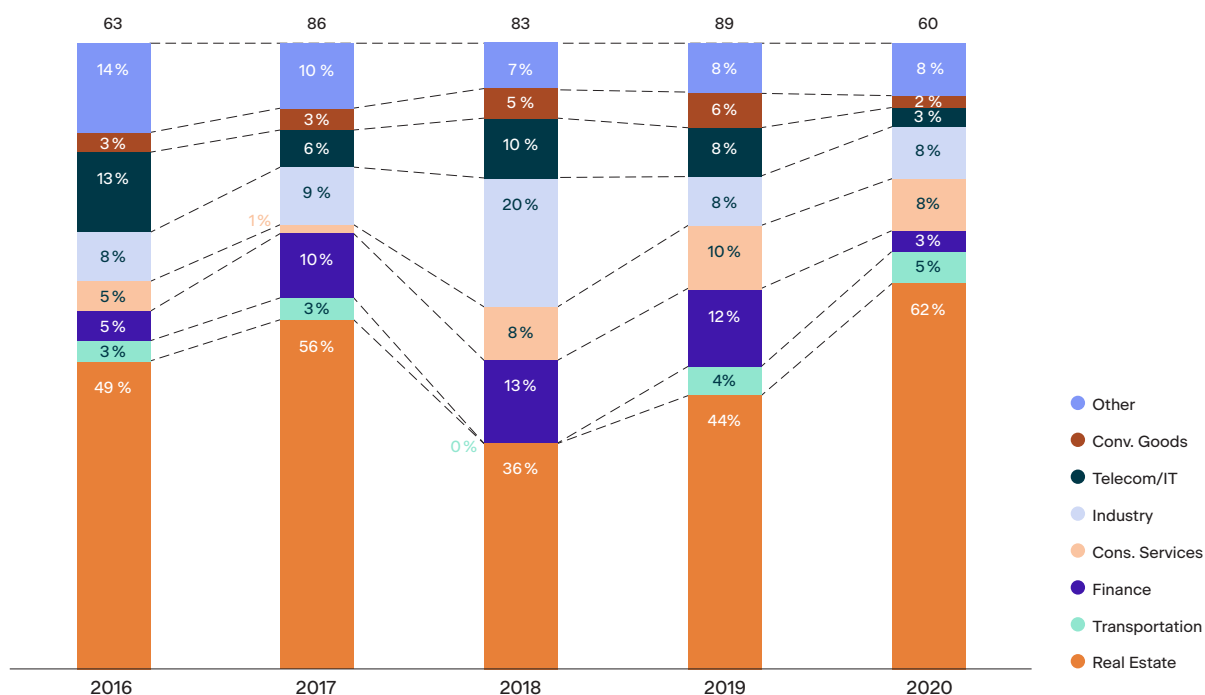
## New Issuance – Corporate HY

Annually 2016-2020

### ISINs – total



### ISINs – per industry sector



The 60 new ISINs in 2020 are significantly lower than the number in 2017-2019, but on par with the 63 new issues in 2016.

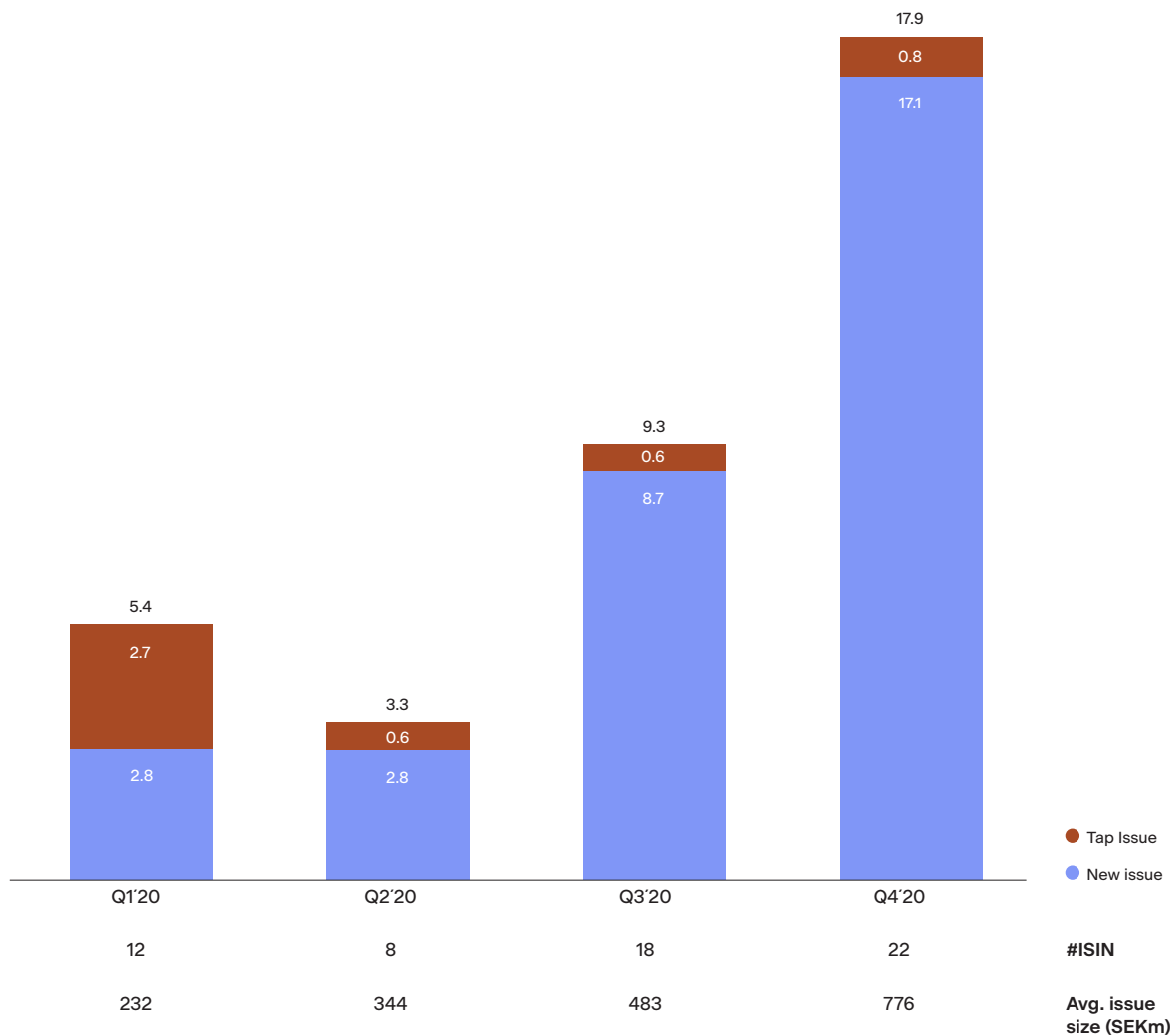
In general, the development in industry mix looking at #ISINs is comparable to issued volume. However, Transportation only has 5% share of #ISINs vs. 22% share of issued volume, indicating relatively large issues within the sector.



## New Issuance – Corporate HY

Quarterly 2020

Volume, SEKbn

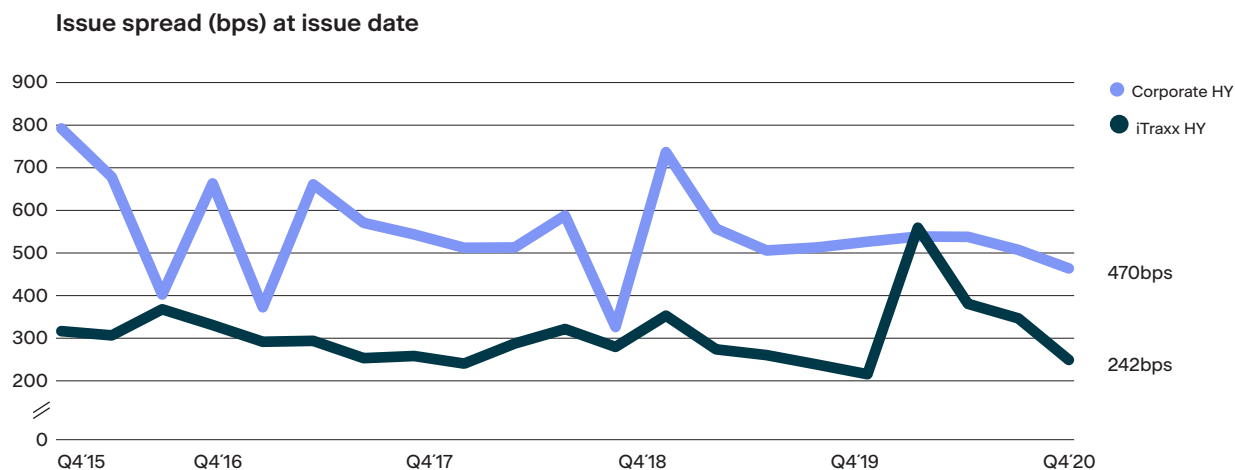


The corporate HY market had a slow start in 2020 with only SEK 5.4bn in new issue volume, before Covid-19 hit the financial markets and contributed to only SEK 3.3 bn in issued volume in Q2. 100% of the volume in Q2 was issued in the second half of the quarter.

Momentum increased through the year and Q4 closed a total volume of SEK 17.9bn.

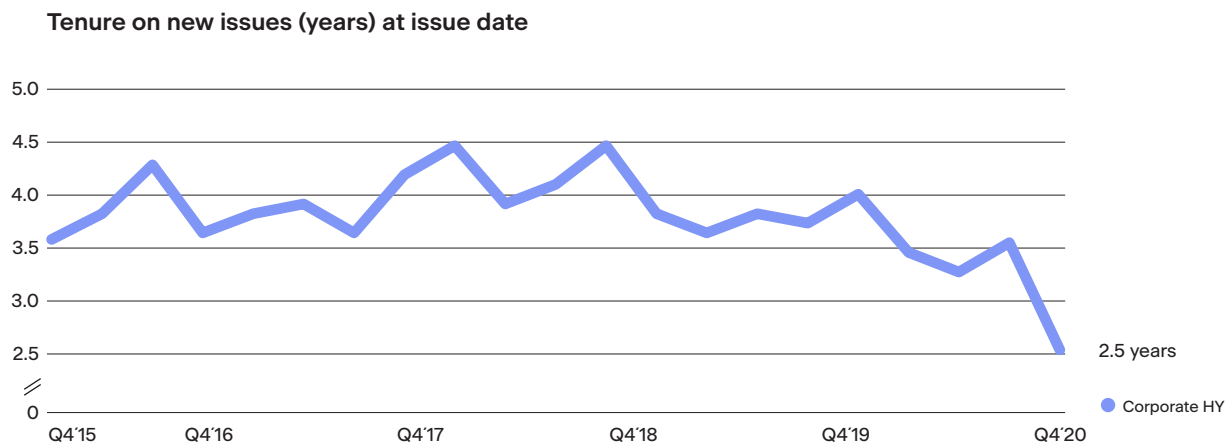
During 2020 there were a total of 60 new issues with a volume of SEK 36bn.

## New Issuance – Corporate HY



Average new issue spreads for corporate HY bonds have through 2020 been fairly stable despite increased market volatility due to Covid-19. However, one should note that it were relatively few issues in Q2 2020 with Real Estate representing 95% of issue volume, and all issues were made in the second half of Q2.

The spread increased from 536 bps in Q4 2019 to ~550 bps in Q1 and Q2 2020, before declining to 470 bps in Q4 2020.

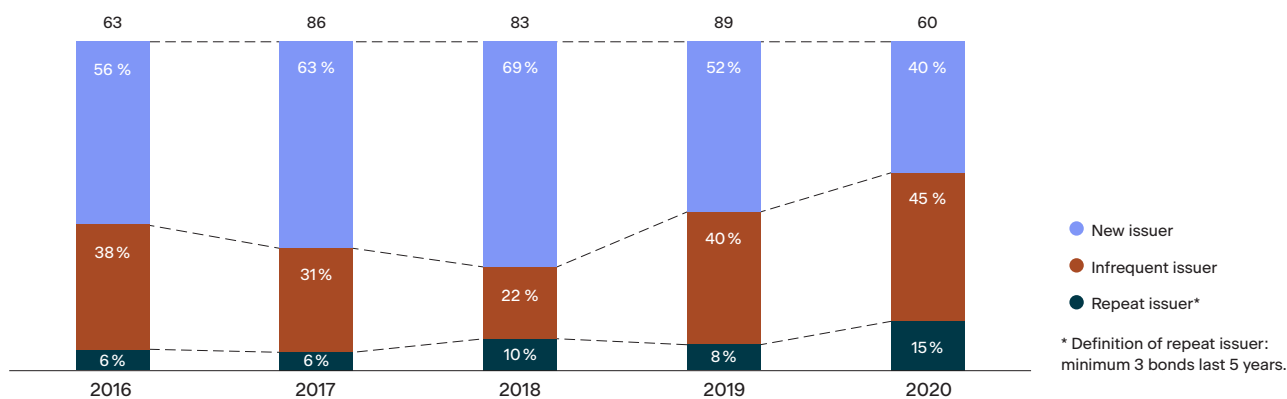


Average tenor on new corporate IG issues has been reduced substantially throughout 2020, falling from 4.1 years in Q4 2019 to 2.5 years in Q4 2020.

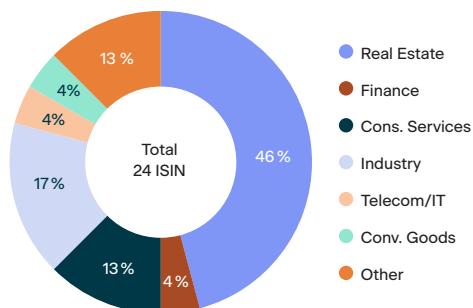
## New Issuance – Corporate HY

Share of new/repeat issuers 2016 -2020 (share, #ISIN)

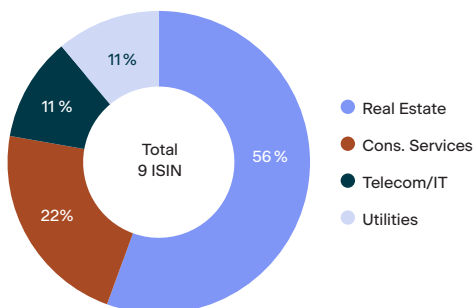
### Type of issuer



### New issuers per sector, 2020



### Repeat issuers per sector, 2020



New issuers represented 40% of corporate HY issues in 2020, which is a reduction from 52% in 2019 and 69% in 2018. 46% of the new issuers are real estate companies.

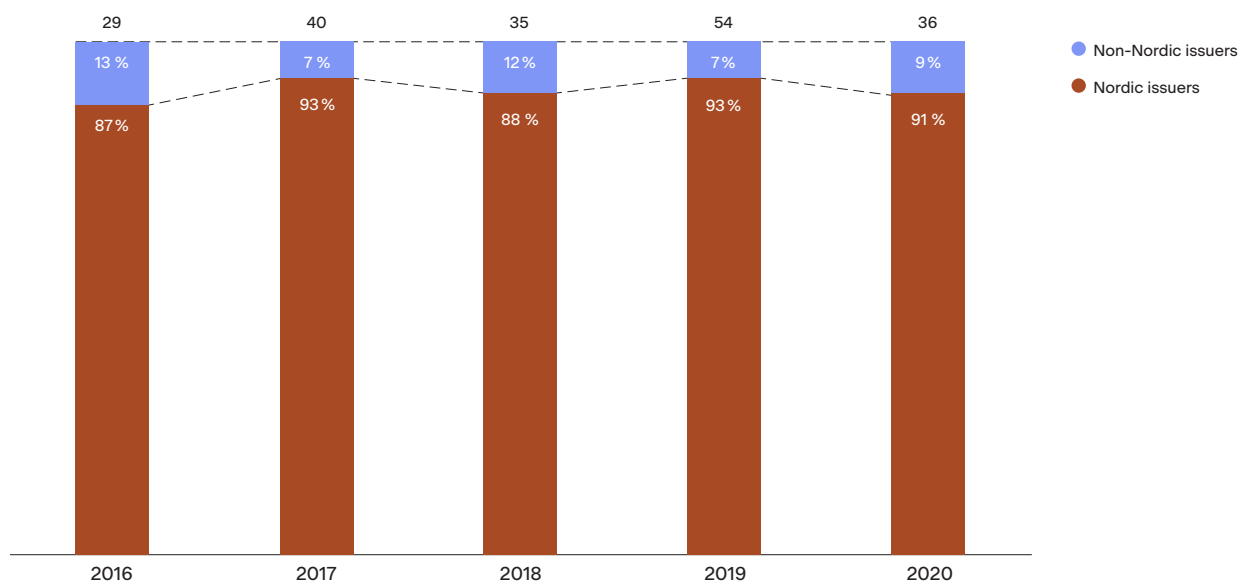
Real Estate, Consumer Services, and Telecom/IT companies represented the repeat issuers.

### Largest repeat issuers 2020

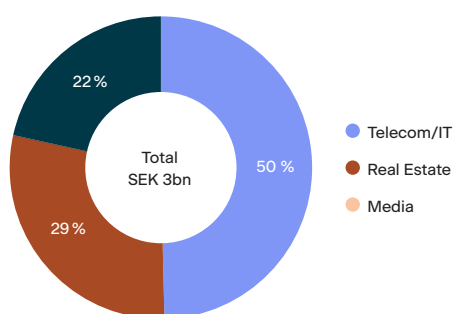
Issuer	% of HY Issued Vol. 2020	New Bonds Issued 2020	% of HY Issue Vol. 2019
Intrum AB	5.9 %	2	7.5%
Azerion Holding B.V.	1.9 %	1	0.0%
Gemma Properties Holding AB	0.3 %	5	0.0%

## New Issuance – Corporate HY

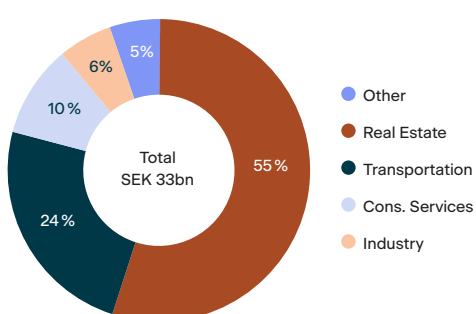
Nordic vs. non-Nordic issues, 2016-2020 (share of volume, SEKbn)



Non-Nordic Issuers per sector, 2020



Nordic Issuers per sector, 2020

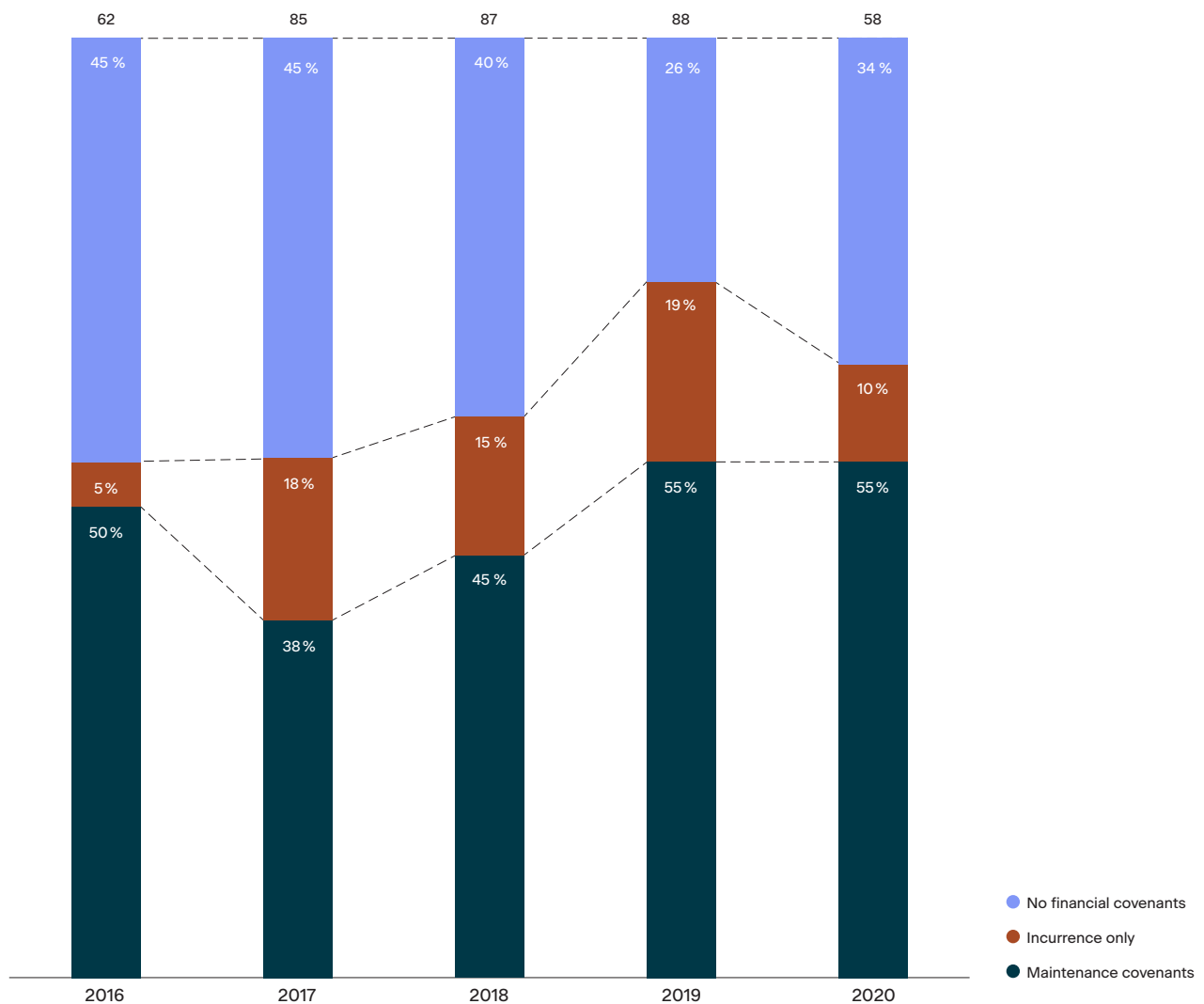


Compared to the Norwegian HY market, the Swedish HY market has a relatively low share of non-Nordic issuers. The non-Nordic issuers represented 9% of the total SEK 36bn in HY issue volume in 2020.

The non-Nordic issuers are companies operating in the Telecom/IT, Real Estate and Media sectors.

## New Issuance – Corporate HY

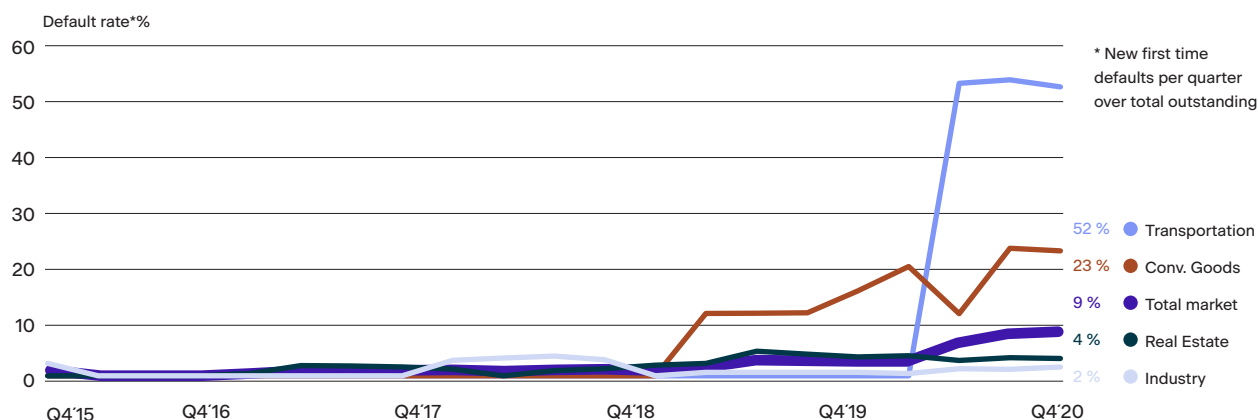
Financial covenant structure (#ISINs)



In 2020, 55% of new issues in the Swedish corporate HY market had financial maintenance covenants, which is the same level as in 2019 but significantly higher than the 38% in 2017. 34% of the new issues had no financial covenants, which is an increase from 26% in 2019, but lower than the share seen in 2016-2018 at 40-45%.

## First time defaults – Corporate HY

### Quarterly LTM



Since 2016, the first time default rate for the total HY market has been fluctuating around 1%. In 2019 the first time default rate increased just below 3%, and in Q4 2020 it has increased to 9%.

### 2020 per industry sector

	First time default rates* 2020	Avg. issue spread (bps)	Sector share of total market (average share of volume 2020)
Transportation	71.9%	353	9%
Conv. Goods	30.0%	494	3%
Telecom/IT	21.5%	699	9%
<b>Grand Total</b>	<b>9.8%</b>	<b>496</b>	<b>100.0%</b>
Real Estate	4.0%	513	41%
Cons. Services	2.0%	491	11%
Industry	1.8%	652	9%
Finance	0.0%	667	13%

\* Defined as first time defaults as percentage of total outstanding

Transportation, Convenience Goods, and Telecom/IT were the industry sectors with the highest first time default rates in 2020. However, the three sectors combined only represent ~20% of the market. The largest industry sector, Real Estate, had 4% in first time defaults in 2020.







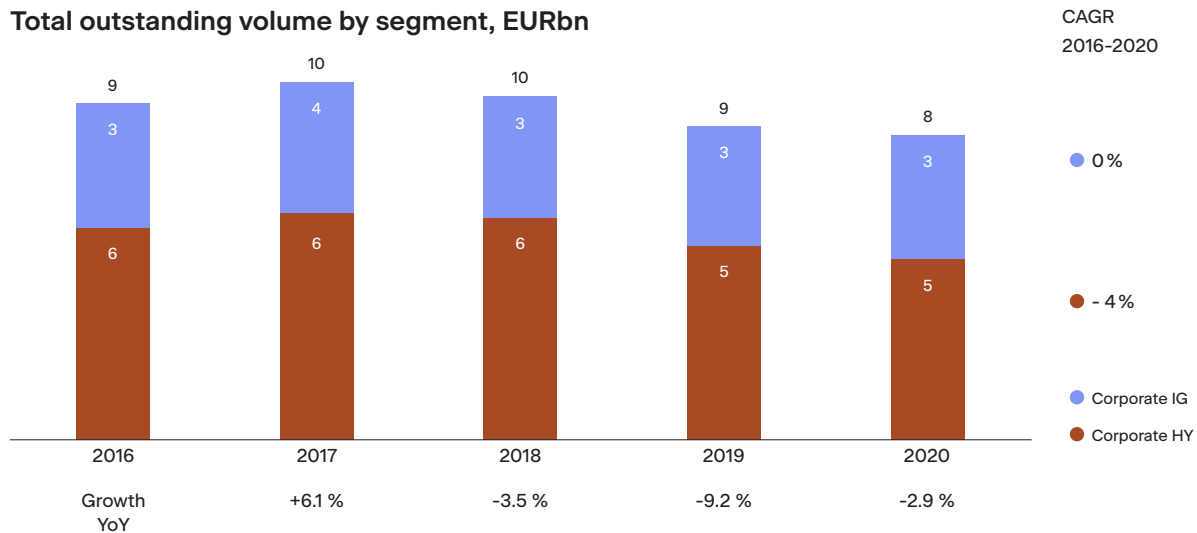
04

# Finnish corporate bonds



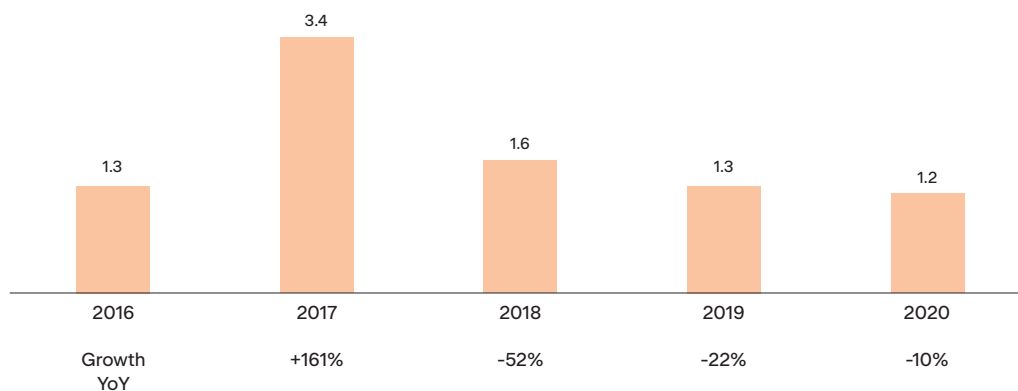
## Finnish corporate bonds

### Total outstanding volume by segment, EURbn



The Finnish corporate bond market has been in decline for the past three years, and dropped by 3% in 2020 closing at EUR 8bn. Both the corporate IG and HY have seen falling volumes since 2016.

### New issues, EURbn

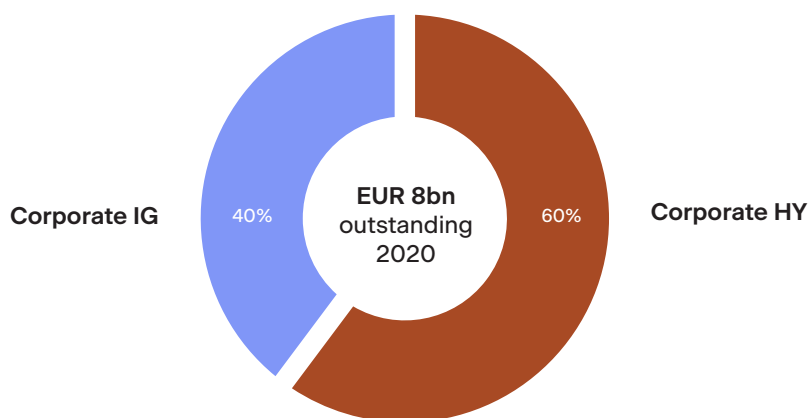


Finnish corporate new issues volumes closed at EUR 1.2bn in 2020. This is a 10% reduction from the volume seen in 2019, and 65% lower than the EUR 3bn in new issue volume in 2017.

Note: Data per year end

## Finnish corporate bonds

Total outstanding volume per industry sector



Corporate IG outstanding bond volume 2020 (% of total), EURbn

Industry	Volume (EURbn)	% of total	CAGR 2016-2020
Industry	0.8	24 %	5 %
Telecom/IT	0.7	21 %	19 %
Pulp/paper/forestry	0.6	18 %	6 %
Transportation	0.5	15 %	35 %
Real Estate	0.3	10 %	-26 %
Utilities	0.3	9 %	81 %
Finance	0.1	3 %	23 %

Corporate HY outstanding bond volume 2020 (% of total), EURbn

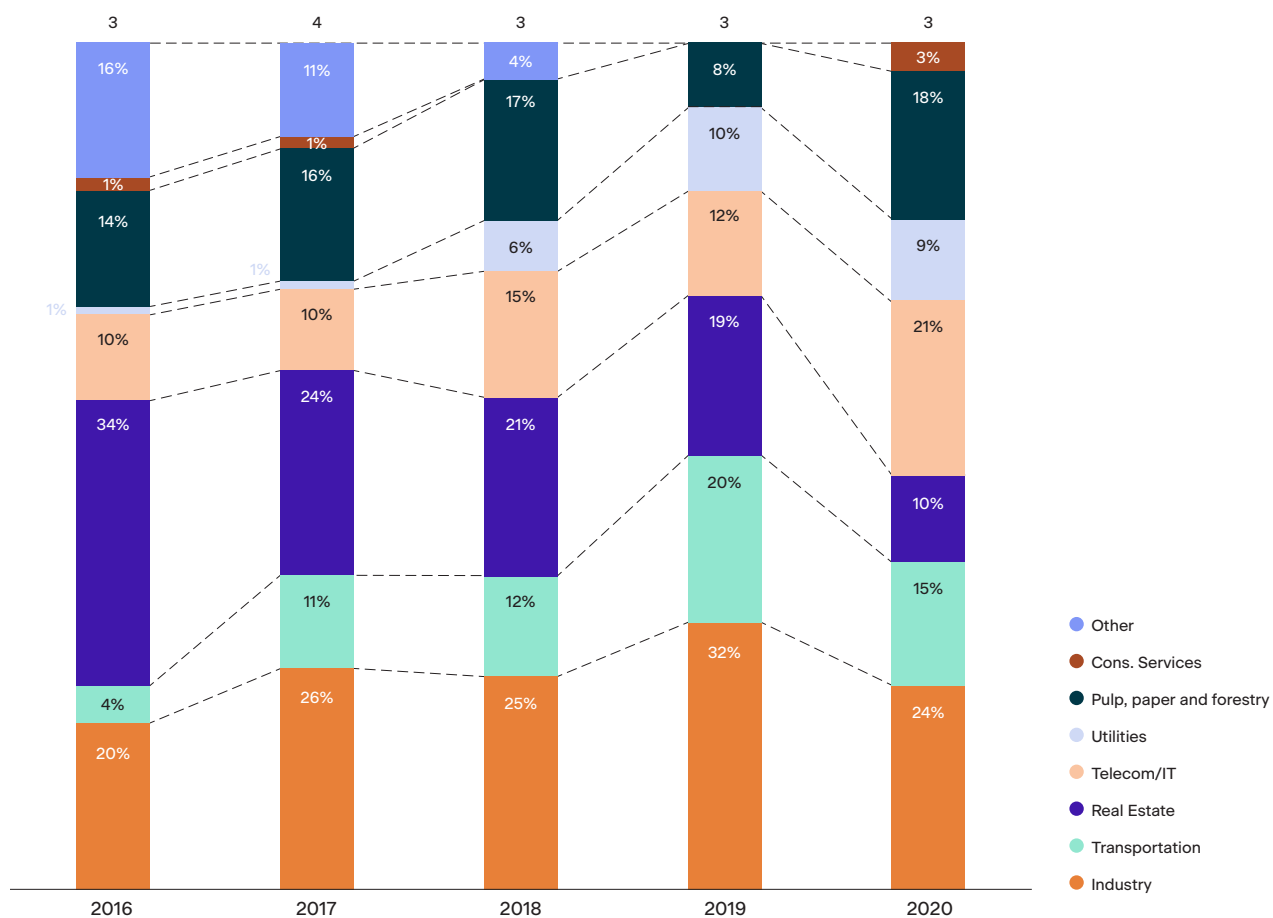
Industry	Volume (EURbn)	% of total	CAGR 2016-2020
Industry	2.8	55 %	-6 %
Real Estate	0.3	7 %	0 %
Finance	0.7	14 %	48 %
Transportation	0.4	8 %	-3 %
Cons. Services	0.4	7 %	2 %
Agriculture	0.2	3 %	23 %
Conv. Goods	0.2	3 %	0 %
Other	0.1	3 %	-36 %

In the Finnish corporate IG market, Industry is the largest sector with EUR 0.8bn and 24% of total outstanding volume. The fastest growing industry sectors are Utilities and Transportation.

Even with negative growth rate 2016-2020, Industry is also the largest sector in the HY market with 55% of total outstanding. The fastest growing industry sectors are Finance and Agriculture.

## Corporate IG

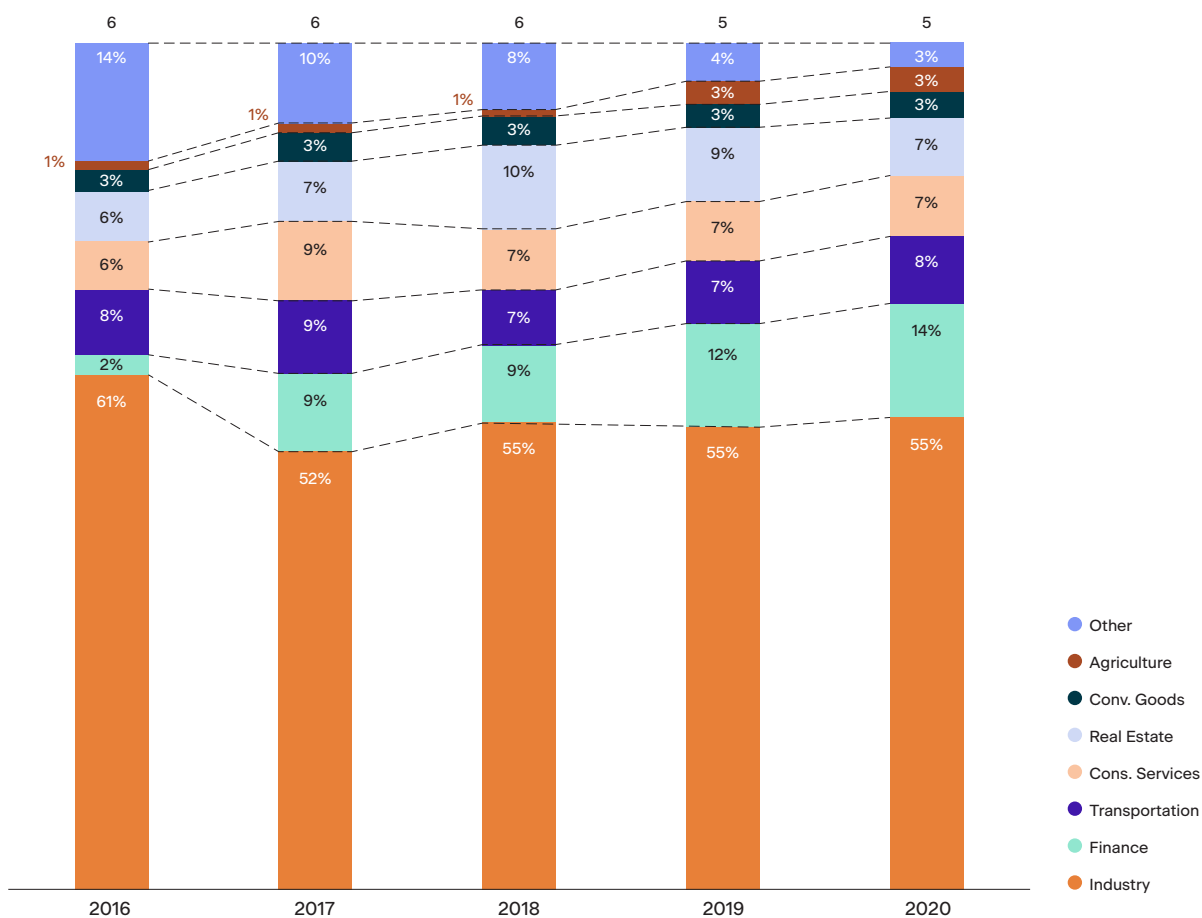
Total outstanding volume EURbn, sector development 2016-2020



In the corporate IG market, the Industry sector has had the largest relative market share at 24-32% the past three years. Telecom/IT had the largest relative growth in 2020, from 12% in 2019 to 21% in 2020.

## Corporate HY

Total outstanding volume EURbn, sector development 2016-2020

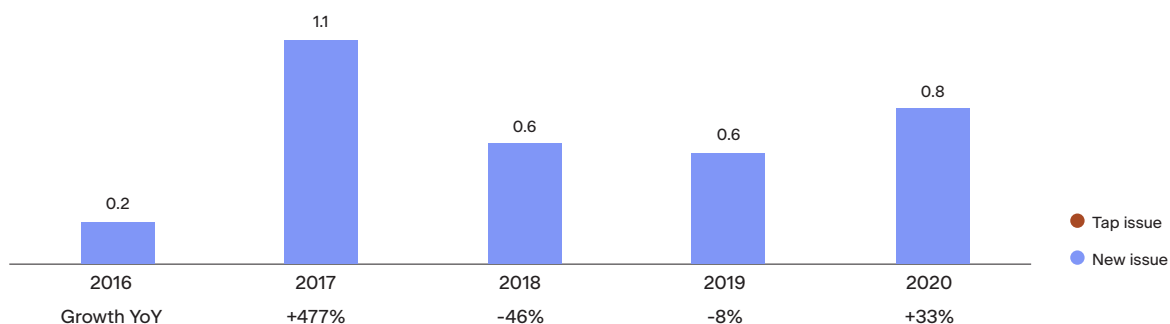


Despite limited growth the past 5 years, the Industry sector still represent more than half of the outstanding corporate HY volumes. Sectors with an increased market share from 2019 to 2020 include Finance and Transportation.

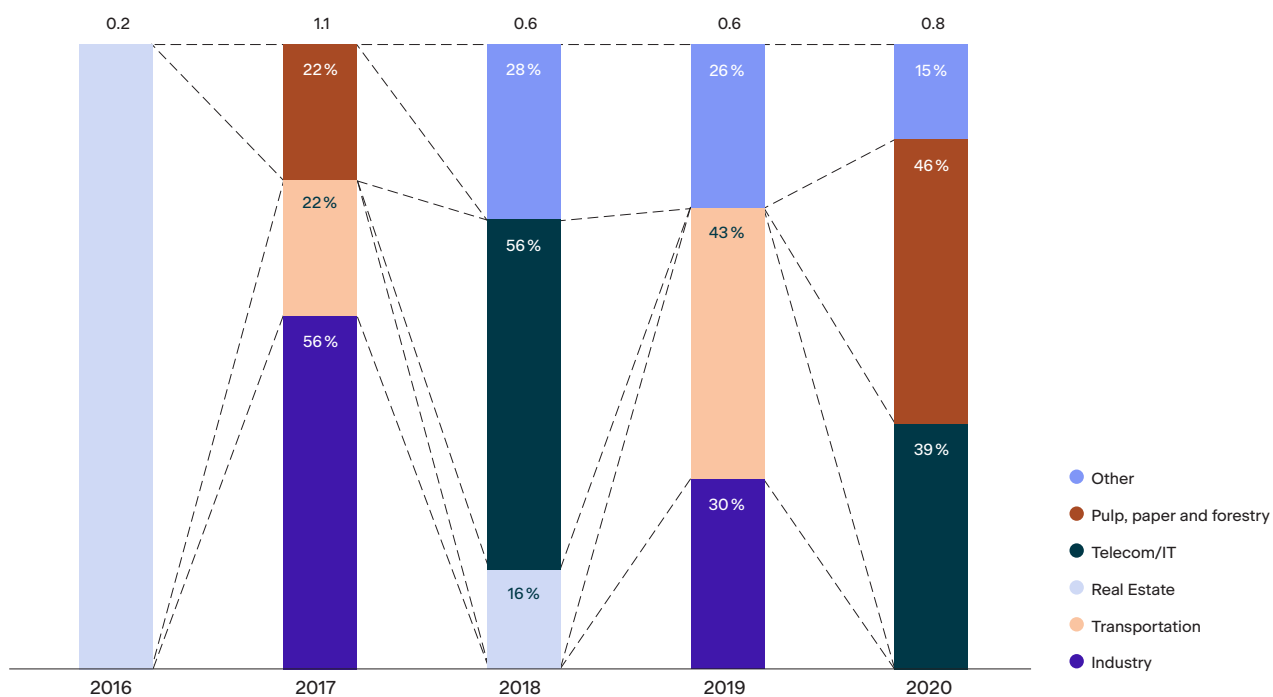
## New Issuance – Corporate IG

Annually 2016-2020

### Volume (EURbn) – total



### Volume (EURbn) – sector deep-dive

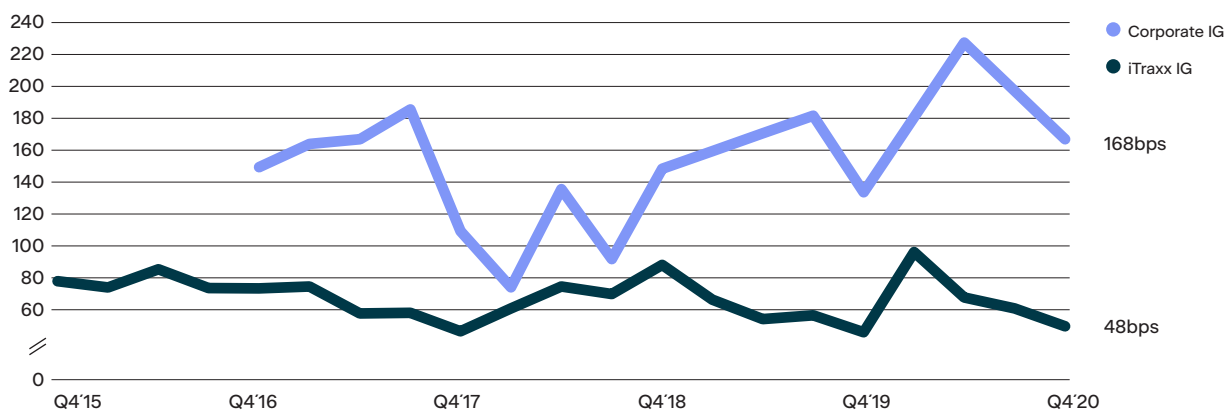


New issue volume in the corporate IG segment was EUR 0.8bn, 33% above the issue volume in 2019 and 2018.

The key sectors in 2020 were Telecom/IT and Pulp, Paper and Forestry companies.

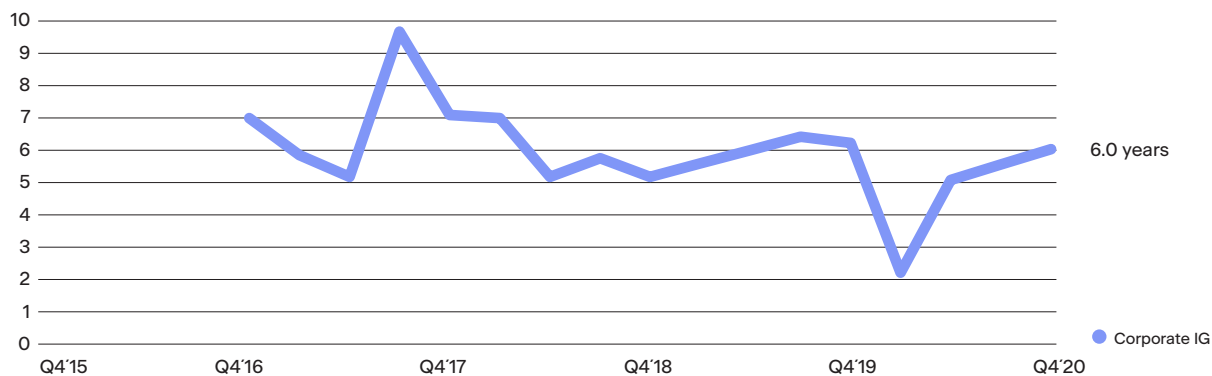
## New Issuance – Corporate IG

Issue spread (bps) at issue date



Average new issue spreads for corporate IG bonds increased from 134 bps in Q4 2019 to 230bps in Q2 2020, before falling to 168 bps in Q4. All levels well above the low levels seen in Q1 and Q3 2018 at 73 bps and 91 bps respectively.

Tenure on new issues (years) at issue date



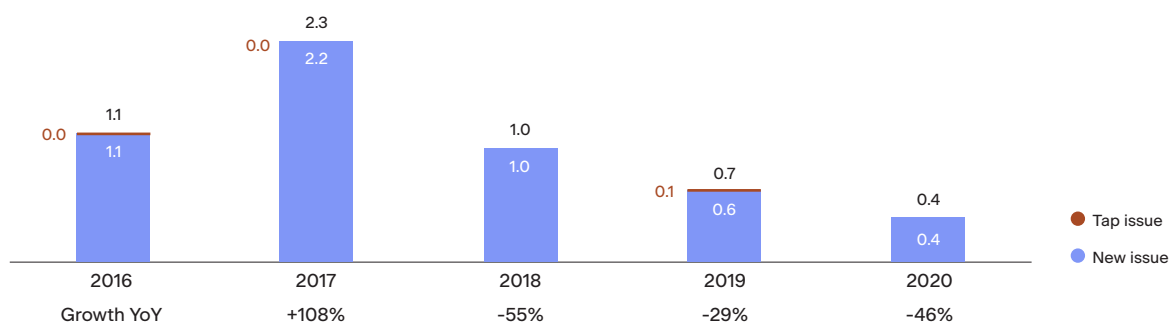
After a drop in to 2 years Q1 2020, average tenor on new corporate IG issues increased throughout the year to 6 years in Q4 2020.

\*Note: Limited data for Q4 2015-Q32016 for Finnish issue spreads within Corporate IG

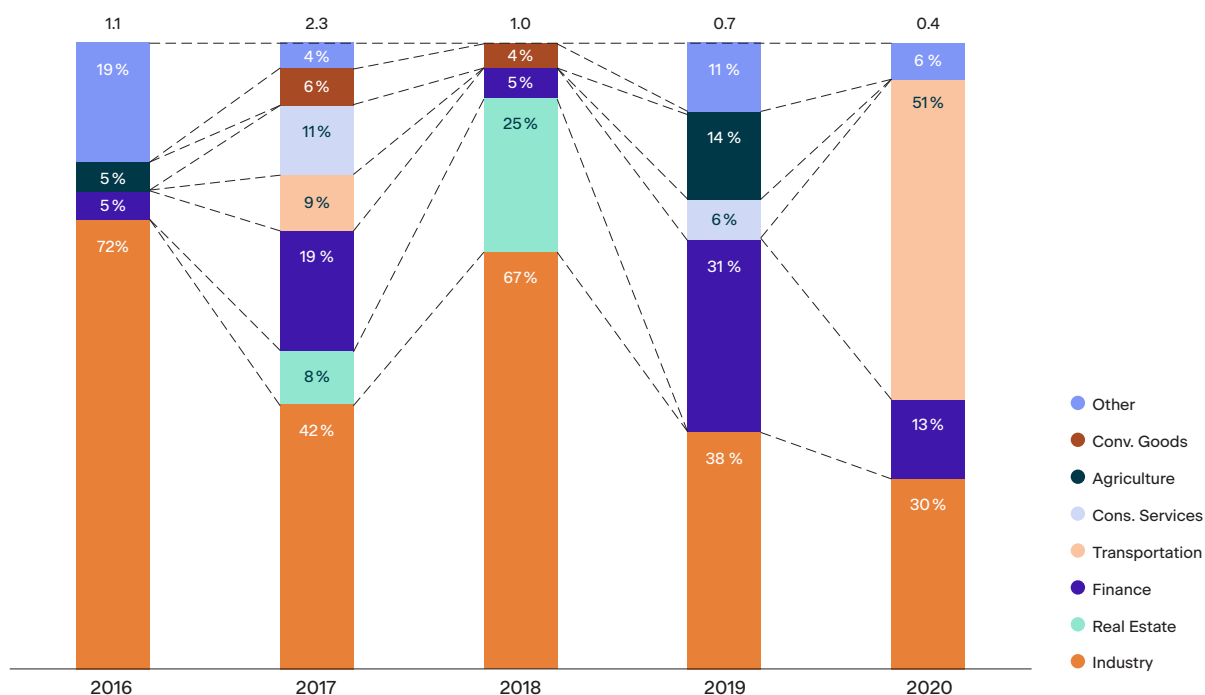
## New Issuance – Corporate HY

Annually 2016-2020

### Volume (EURbn) – total



### Volume (EURbn) – sector deep-dive

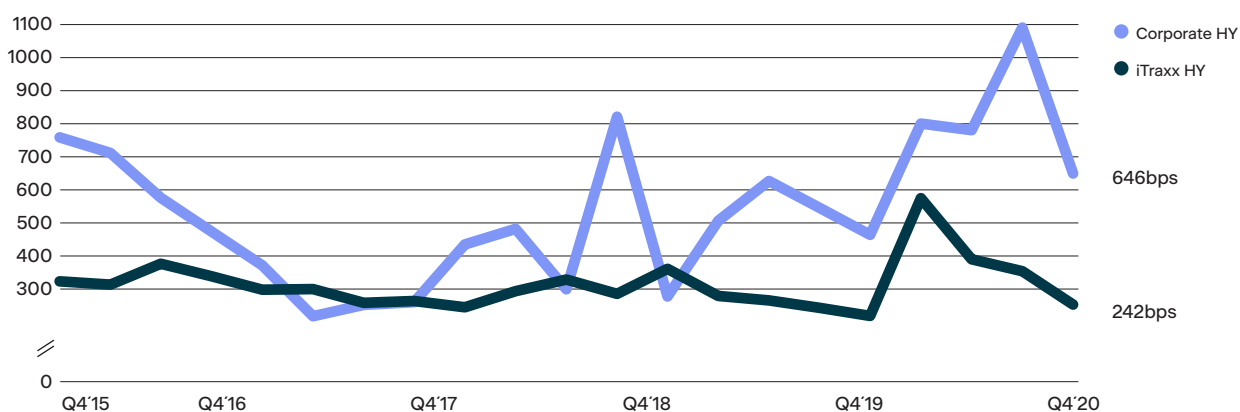


In 2020, new issue volumes in the corporate HY segment closed at EUR 0.4bn, which is the lowest level seen in the past 5 years and more than 80% lower than the issue level in 2017. Industry sectors that issued HY bonds in 2019 includes Industry, Finance, and Transportation.



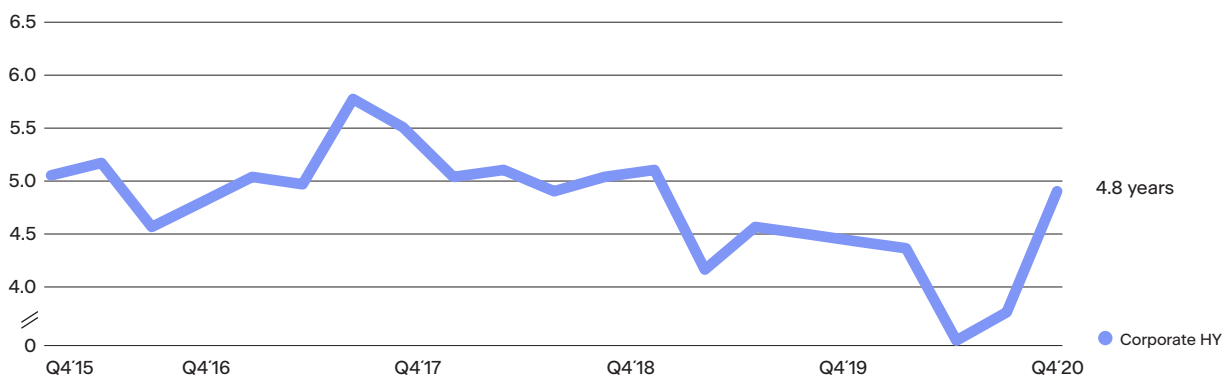
## New Issuance – Corporate HY

Issue spread (bps) at issue date



Due to limited volumes average new issue spreads for corporate HY bonds fluctuate significantly between quarters. The spread went from 457 bps in Q4 2019, reaching 1096 bps in Q3 2020 before falling to 646 bps in Q4 2020.

Tenure on new issues (years) at issue date



Average tenor on new corporate HY issues has decreased to 2.7 years in Q2 2020, before increasing to 3.1 years in Q3 and 4.8 years in Q4 2020.



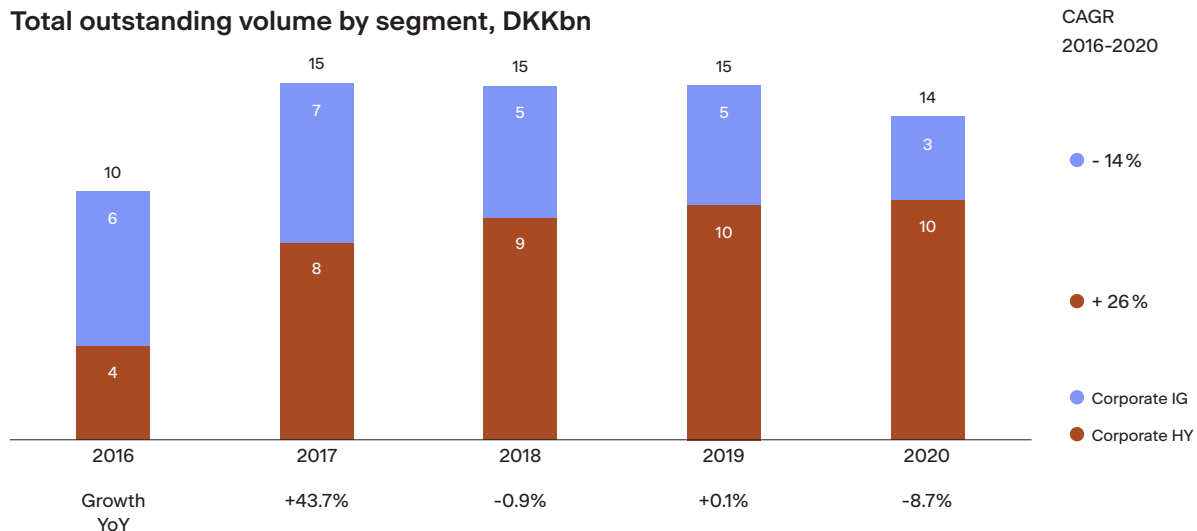
05

# Danish corporate bonds



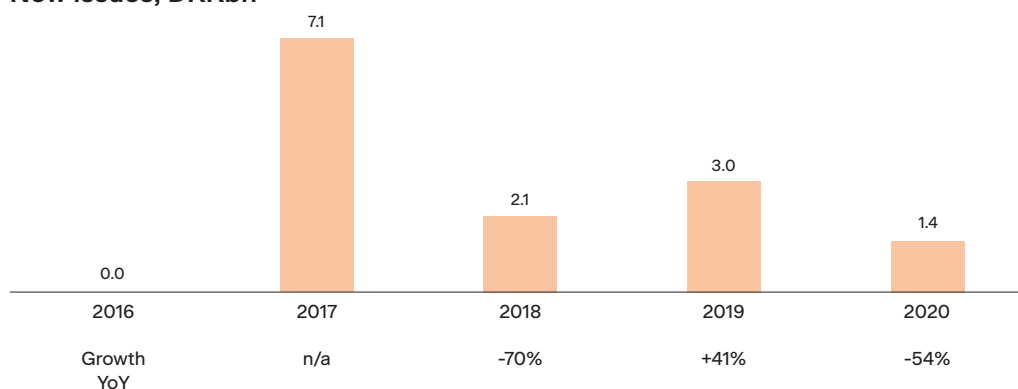
## Danish corporate bonds

Total outstanding volume by segment, DKKbn



Total outstanding volume in the Danish corporate HY segment fell by 9% to DKK 14bn in 2020, primarily driven by negative development in the IG segment. In absolute numbers the local Danish corporate bond market is still very small, which is partly due to the fact that most IG issuers use issue XS ISIN, and not local DK ISINs.

New issues, DKKbn



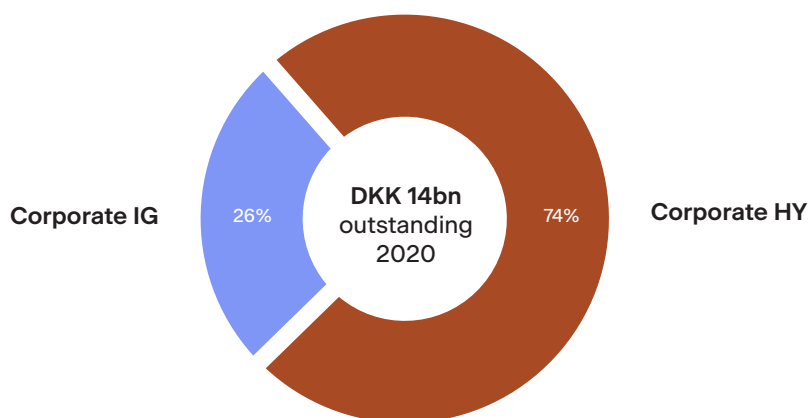
Danish corporate new issues volumes closed at DKK 1.4bn in 2020. This is a 54% decrease from the volume seen in 2019.

All corporate new issues with a DK ISIN in 2018 and 2019 are within the corporate HY segment. Note: As mentioned above, IG issuers usually issue XS ISIN, hence they are not included here.

Note: Data per year end

## Danish corporate bonds

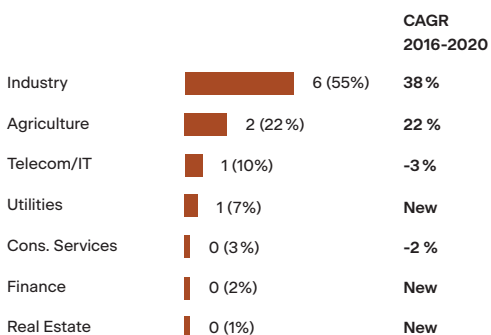
Total outstanding volume per industry sector



Corporate IG outstanding bond volume 2020 (% of total), DKKbn



Corporate HY outstanding bond volume 2020 (% of total), DKKbn

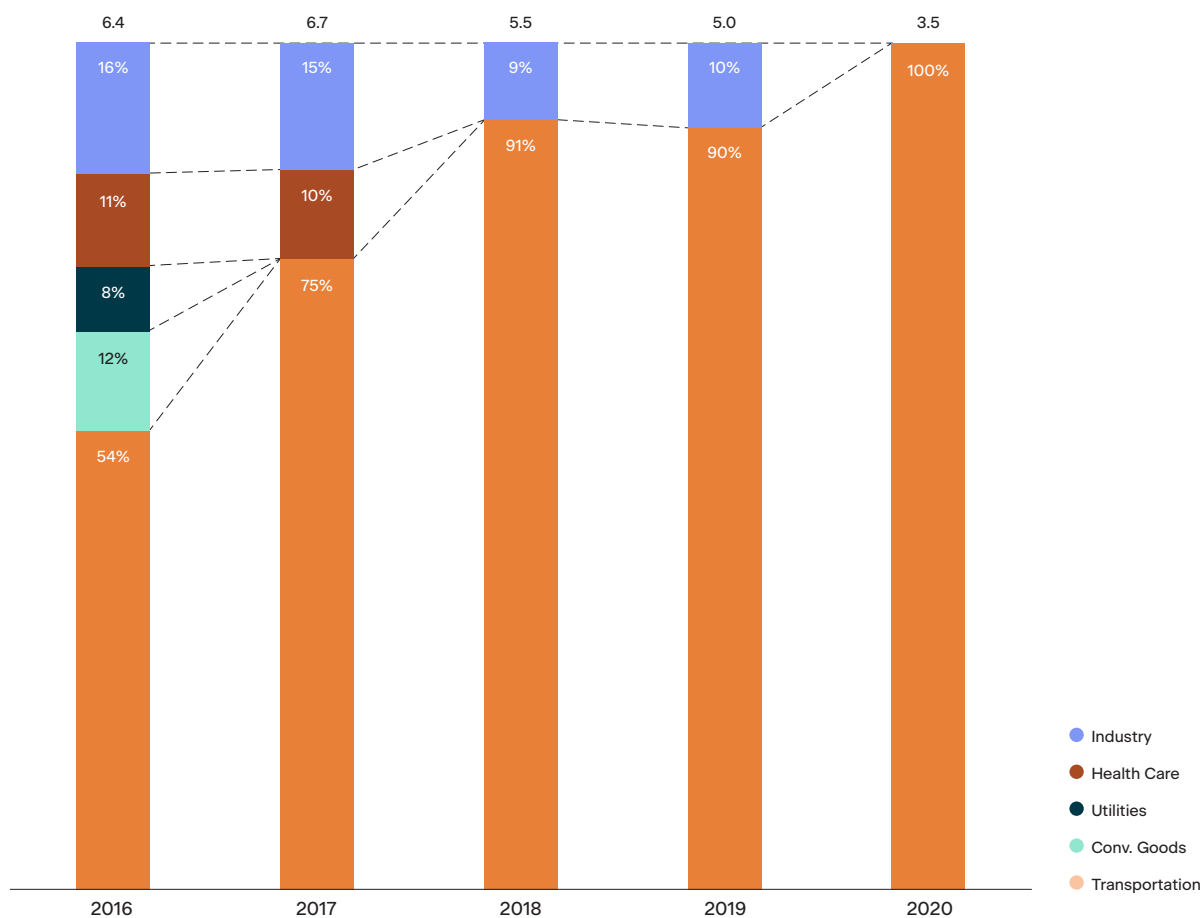


The local corporate IG segment consists of only 1 industry sector, Transportation with DKK 3bn outstanding.

In the HY segment several industry sectors are represented. The largest with 55% of total outstanding is Industry, followed by Agriculture (22%) and Telecom/IT (10%). Industry is also the sector with the strongest growth, with 38% CAGR 2016-2020.

## Corporate IG

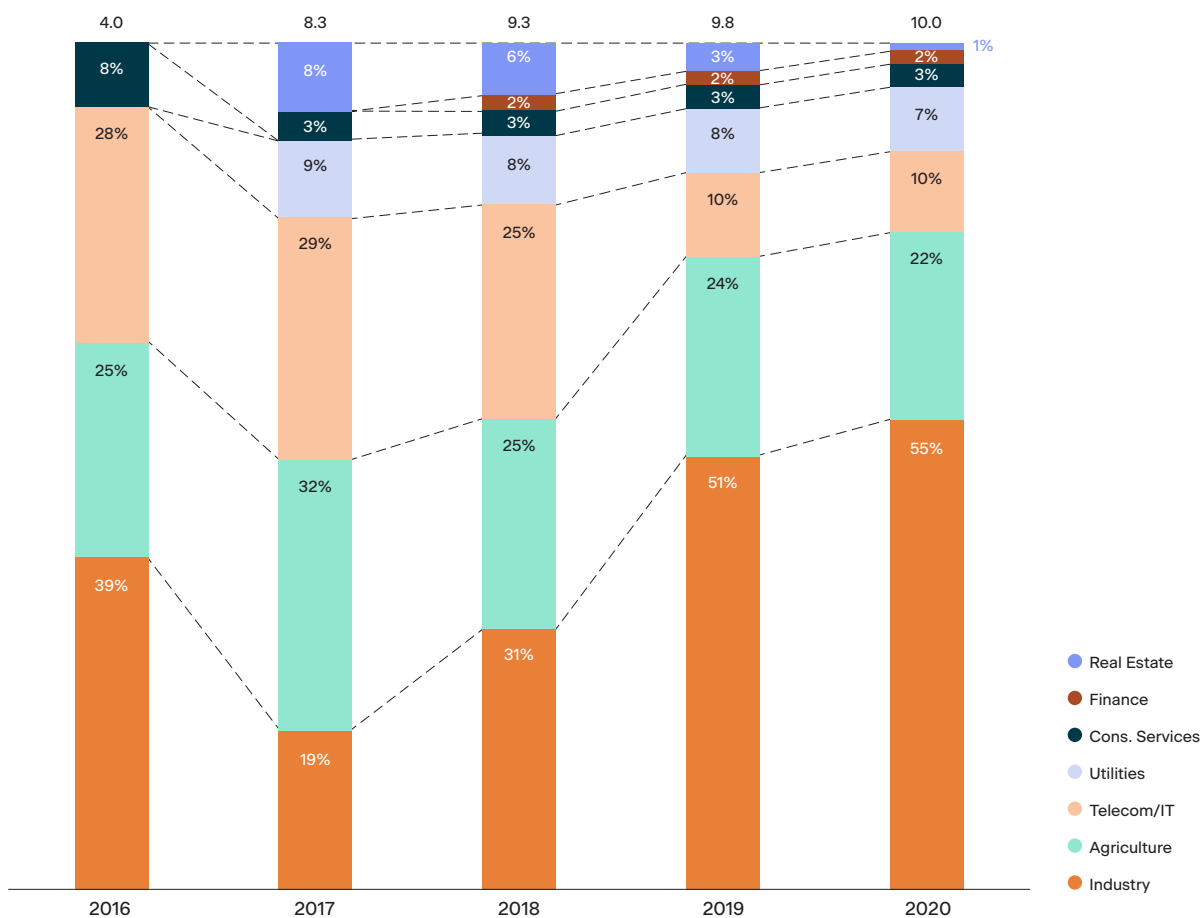
Total outstanding volume DKKbn, sector development 2016-2020



The local Danish corporate IG market has in terms of present industry sectors become less diversified. Since 2016 4 of 5 industry sectors has left the IG market. Transportation is the only remaining sector with outstanding corporate IG volume.

## Corporate HY

Total outstanding volume DKKbn, sector development 2016-2020

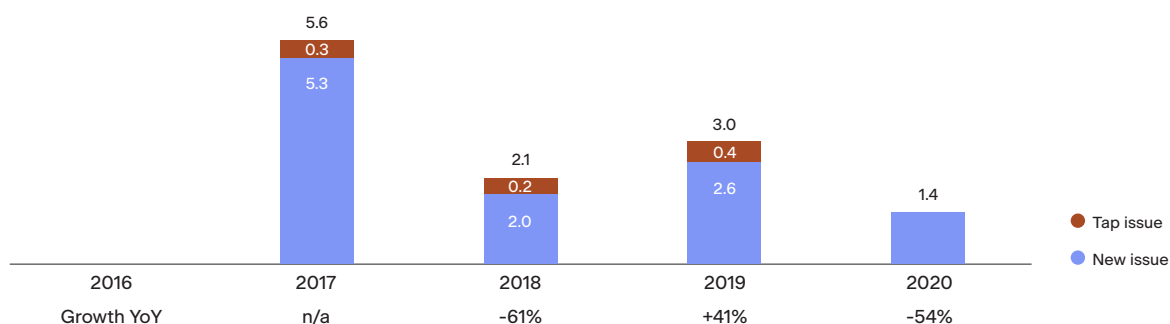


Industry has since 2017 increased its share of outstanding HY volumes from 19% to 55% in 2020. All other industry sectors except Finance has in the same period had stable or falling relative market share.

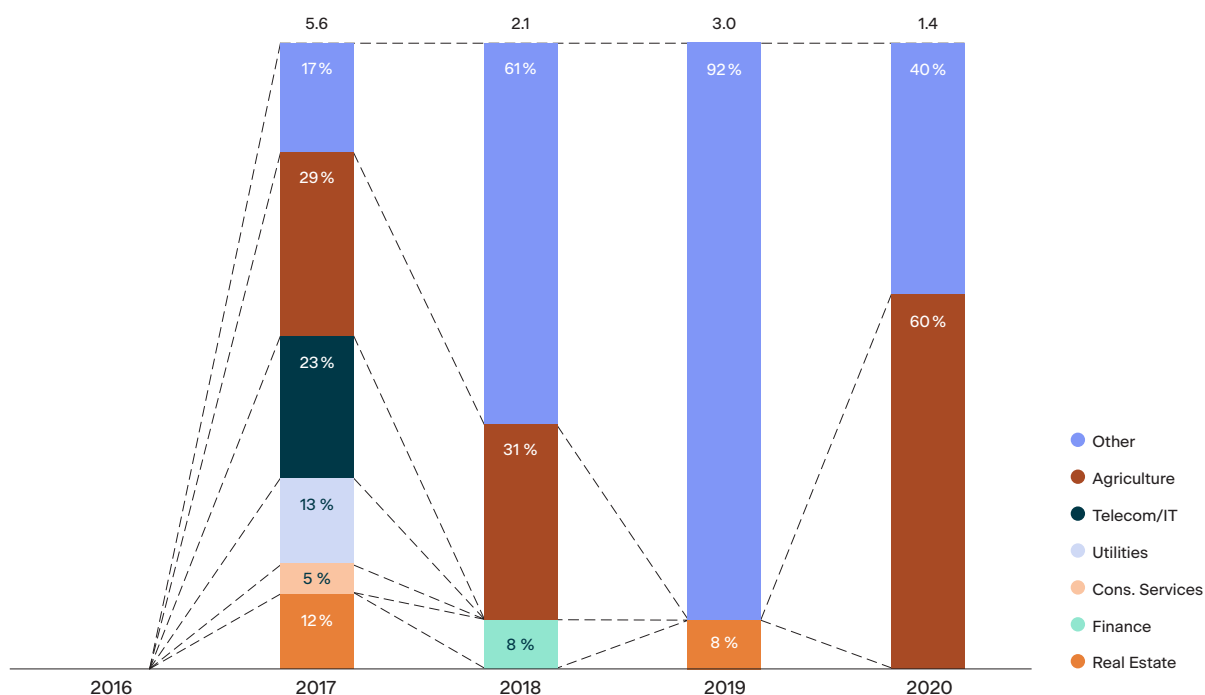
## New Issuance – Corporate HY

Annually 2016-2020

### Volume (DKKbn) – total



### Volume (DKKbn) – sector deep-dive



New issues in the local Danish corporate HY segment closed at DKK 1.4bn in 2020. This is a 54% decrease from the volume seen in 2019, and 75% lower than the issue volume in 2017. The past three years, all corporate issues with a DK ISIN have been within the HY segment. The only industry sectors with new issues in 2020 are Agriculture and Industry.







06

# Manager league tables



# 06

## Manager League Tables

Nordic corporate bonds (NO/SE/DK/FI ISIN)

Based on issue volume:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(2)	Nordea	19%	1(2)	Pareto	22%	1(2)	Nordea	22%
2(1)	SEB	18%	2(3)	Nordea	15%	2(4)	DNB	18%
3(4)	Danske Bank	16%	3(4)	Arctic Sec.	10%	3(1)	SEB	17%
4(3)	Handelsbanken	16%	4(6)	ABG	10%	4(5)	Danske Bank	13%
5(5)	DNB	15%	5(8)	Danske Bank	9%	5(6)	Swedbank	12%
6(6)	Swedbank	9%	6(1)	DNB	8%	6(3)	Handelsbanken	10%
7(11)	Arctic Sec.	3%	7(5)	Swedbank	8%	7( )	OP Corporate Bank	2%
8(7)	AB SEK Sec.	1%	8(7)	SEB	6%	8( )	ABG	2%
9(8)	SpareBank 1	1%	9(10)	Carnegie	4%	9( )	SpareBank 1	1%
10(9)	OP Corporate Bank	1%	10(16)	Clarksons Platou	2%	10(7)	Pareto	1%
Total volume (EURbn)		14	Total volume (EURbn)		9	Total volume (EURbn)		5

## Manager League Tables

Nordic corporate bonds (NO/SE/DK/FI ISIN)

Based on number of new issues:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(1)	Nordea	23%	1(3)	Pareto	15%	1(1)	Nordea	23%
2(4)	Danske Bank	17%	2(1)	Nordea	15%	2(2)	SEB	19%
3(2)	SEB	17%	3(4)	Arctic Sec.	10%	3(5)	Danske Bank	14%
4(3)	Handelsbanken	16%	4(6)	Danske Bank	9%	4(6)	DNB	13%
5(5)	DNB	14%	5(2)	DNB	9%	5(3)	Swedbank	13%
6(6)	Swedbank	11%	6(5)	Swedbank	8%	6(4)	Handelsbanken	11%
7(7)	SpareBank 1	3%	7(8)	ABG	7%	7( )	SpareBank 1	3%
8(8)	AB SEK	1%	8(7)	SEB	7%	8(8)	Pareto	1%
9( )	Arctic Sec.	1%	9(14)	Carnegie	4%	9( )	OP Corporate Bank	1%
10( )	Pareto	0%	10(12)	Aquarat	2%	10( )	ABG	1%
Total no. of issues*		405	Total no. of issues*		389	Total no. of issues*		124

\* Including taps

## Manager League Tables

Norwegian corporate bonds (NO ISIN)

Based on issue volume:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(1)	DNB	31%	1(3)	Pareto	24%	1(1)	DNB	38%
2(2)	SEB	20%	2(2)	Arctic Sec.	16%	2(3)	Nordea	17%
3(3)	Nordea	16%	3(5)	ABG	11%	3(2)	SEB	16%
4(4)	Danske Bank	11%	4(1)	DNB	11%	4(6)	Swedbank	8%
5( )	Arctic Sec.	7%	5(4)	Danske Bank	10%	5(4)	Danske Bank	8%
6(6)	Swedbank	6%	6(7)	Nordea	10%	6( )	ABG	4%
7(5)	SpareBank 1	3%	7(6)	SEB	6%	7(5)	Handelsbanken	4%
			8( )	Carnegie	5%	8( )	SpareBank 1	3%
			9(12)	Clarksons Platou	3%	9( )	Rabobank	1%
			10(10)	Swedbank	3%	10( )	ABN AMRO	1%
Total volume (EURbn)		6	Total volume (EURbn)		6	Total volume (EURbn)		3

## Manager League Tables

Norwegian corporate bonds (NO ISIN)

Based on number of new issues:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(1)	DNB	27%	1(2)	Arctic Sec.	16%	1(1)	DNB	27%
2(2)	SEB	19%	2(3)	Pareto	15%	2(3)	Nordea	19%
3(3)	Nordea	18%	3(1)	DNB	12%	3(2)	SEB	19%
4(4)	Danske Bank	12%	4(4)	Danske Bank	11%	4(4)	Danske Bank	10%
5(6)	Swedbank	10%	5(5)	Nordea	11%	5(6)	Swedbank	10%
6(7)	Handelsbanken	7%	6(6)	ABG	9%	6( )	SpareBank 1	6%
7(5)	SpareBank 1	6%	7(7)	SEB	8%	7(5)	Handelsbanken	6%
8( )	Arctic Sec.	1%	8( )	Carnegie	4%	8( )	ABG	1%
			9(10)	Swedbank	3%	9( )	Rabobank	1%
			10(14)	Clarksons Platou	3%	10( )	ABN AMRO	1%
Total no. of issues*		144	Total no. of issues*		184	Total no. of issues*		26

\* Including taps

## Manager League Tables

Swedish corporate bonds (SE ISIN)

Based on issue volume:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(1)	Handelsbanken	26%	1(1)	Nordea	26%	1(2)	Nordea	28%
2(3)	Nordea	21%	2(2)	Swedbank	21%	2(3)	Handelsbanken	19%
3(4)	Danske Bank	21%	3(3)	Pareto	20%	3(4)	Swedbank	18%
4(2)	SEB	15%	4(5)	ABG	9%	4(1)	SEB	17%
5(5)	Swedbank	11%	5(7)	Danske Bank	8%	5(5)	Danske Bank	15%
6(6)	AB SEK Sec.	3%	6(4)	SEB	6%	6(7)	Pareto	3%
7(7)	DNB	2%	7(8)	Carnegie	4%			
8( )	Arctic Sec.	1%	8(6)	DNB	3%			
9( )	Pareto	0%	9(12)	Aquarat	1%			
			10(10)	JOOL Markets	1%			
Total volume (EURbn)		7	Total volume (EURbn)		3	Total volume (EURbn)		3



## Manager League Tables

Swedish corporate bonds (SE ISIN)

Based on number of new issues:

Corporate IG			Corporate HY			Green corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(1)	Handelsbanken	25%	1(1)	Nordea	20%	1(1)	Nordea	26%
2(2)	Nordea	22%	2(2)	Swedbank	18%	2(3)	SEB	19%
3(4)	Danske Bank	21%	3(3)	Pareto	16%	3(4)	Handelsbanken	17%
4(3)	SEB	14%	4(9)	Aquarat	7%	4(5)	Danske Bank	17%
5(5)	Swedbank	12%	5(6)	ABG	6%	5(2)	Swedbank	16%
6(6)	AB SEK Sec.	2%	6(4)	SEB	6%	6(8)	Pareto	2%
7(7)	DNB	2%	7(7)	Danske Bank	6%			
8( )	Pareto	0%	8(5)	JOOL Markets	5%			
9( )	Arctic Sec.	0%	9(9)	Carnegie	5%			
			10(8)	DNB	3%			
Total no. of issues*		208	Total no. of issues*		106	Total no. of issues*		97

\* Including taps

## Manager League Tables

Finnish/Danish corporate bonds (FI/DK ISIN)

Based on issue volume:

Finnish corporate bonds			Danish corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(3)	OP Corporate Bank	28%	1(4)	Pareto	50%
2(2)	SEB	26%	2(1)	Nordea	25%
3(1)	Nordea	24%	3(2)	DNB	25%
4(4)	Danske Bank	16%			
5( )	Citigroup	6%			
Total volume (EURbn)		1	Total volume (EURbn)		0.2

## Manager League Tables

Finnish/Danish corporate bonds (FI/DK ISIN)

Based on number of new issues:

Finnish corporate bonds			Danish corporate Bonds		
2020 (2019)	Manager	Share (%)	2020 (2019)	Manager	Share (%)
1(3)	OP Corporate Bank	38%	1(4)	Pareto	33%
2(1)	Nordea	25%	2(1)	Nordea	33%
3(4)	Danske Bank	19%	3(2)	DNB	33%
4(2)	SEB	13%			
5( )	Citigroup	6%			
Total no. of issues*		16	Total no. of issues*		3

If you wish to see manager league tables for different bond segments, other timeseries, or other variables, please visit [stamdata.com](http://stamdata.com)

\* Including taps

## Definitions (I/II)

### Corporate investment grade vs. high yield

Investment grade (IG) vs high yield (HY) split is made due to statistic reasons only and no credit assessments are made for any company. The split follows the following criteria;

<p>Official Ratings</p>	<p>For Bonds with rating the relevant rating will be used. If issuer rating, unsecured senior Bonds will be placed into the corresponding segment as the Issuer. For issuers with short-term rating, unsecured senior Bonds with a remaining time to maturity of less than 397 days will be placed into the same short-time rating.</p>
<p>Market rates, Yields and trading prices</p>	<ul style="list-style-type: none"> <li>• For unrated Bonds, the split between IG and HY is the average spread of the top 5 per cent (minimum 5 companies) of rated IG issuers with comparable Bonds with a reliable market price. <ul style="list-style-type: none"> <li>• Comparable Bonds are defined as Bonds with (i) <math>\pm</math> 1-year duration difference, (ii) equal seniority and (iii) in the same market segment (FIG, Corporate).</li> <li>• For determination of market price two weeks average prices are used.</li> </ul> </li> <li>• If an issuer has multiple Bonds with equal security and seniority, all the issuers Bonds will be placed in the same IG/HY-category, and the highest category will be used.</li> <li>• Bonds may change between IG and HY based on market prices, however a reclassification may only occur if there exists 3 months of market prices.</li> </ul>

## Definitions (II/II)

Term	Definition
Bond Market (Nordic/Domestic)	Nordic: Bonds issued with NO, SE, FI, and DK ISIN (XS ISINs are not included in the report). Domestic: includes bonds with domestic ISIN (NO/SE/FI/DK) for the corresponding market.
Bonds	Debt securities which are not certificates
Corporates	Debt securities issued by corporates
Debt securities	Bonds and certificates, which are financial instruments
Default	Any non-payment or change to Bond terms where investors are not adequately compensated, and whereas "First time default" is the first time a Bond has defaulted
FIG	Debt Securities issued by financial institutions
FIX	Means Bonds with fixed rate
FRN	Means Bonds with floating rate
Green bonds	Any bond verified as green by a third party
HY	High yield Bonds, see appendix 1 for details
IG	Investment grade Bonds, see appendix 1 for details
iTraxx IG	iTraxx Europe Non-Financial index, composed of 100 equally weighted CDS on IG European Corporate entities (5Y Generic)
iTraxx HY	iTraxx Europe Crossover index, composed of 75 equally weighted CDS on sub-investment grade European Corporate entities (5Y Generic)
Issue spread	(i) FRN; margin is used, (ii) FIX; the rate less applicable swap is used
New issuance	All New issues and Tap issues during a period
New issue	All new Bonds in the corresponding quarter or year
Public sector	Debt Securities issued by Norwegian and foreign (i) states, (ii) counties and municipalities and (iii) supranational issuers (World bank, European Investment Bank, etc.)
Tap issue	New debt added to an existing Bond
Tenor	Time to maturity using value weighted average of outstanding amounts, whereas Tenure at issuance is time to maturity at issue date, however, for perpetuals and similar Bonds the first call date is used
Yield to maturity	Median yield to maturity, YTM



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