

Weekly Supply Monitor

Euro, UK and US Supply Outlook

- **Europe:** Next week's bond supply of around €16bn comes from Belgium, Italy and the Netherlands. Next week sees €6.8bn of coupon payments from Belgium and €12.7bn of redemptions from Belgium.
- **US:** The US Treasury will issue \$99bn across the 2-, 5- and 7-year sectors. Next week sees \$4.9bn of coupon payments and \$57.1bn of redemptions.
- **UK:** The DMO will issue £1bn of a conventional (5% Mar25) in a mini-tender next week. There are minimal coupon payments over the next four weeks.
- **New section – forecasts for Spanish and Italian bill supply:** We have included our projections for Spanish and Italian bill supply by month and tenor for 2013 along with a 4-week auction calendar. This section will be included in future reports.
- Italy will issue around €8.5bn of 6-month bills on 26 March. There is no bill issuance from Spain next week.

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See Appendix A-1 for Analyst Certification, Important Disclosures and non-US research analyst disclosures.

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Weekly Supply Monitor

Provisional auction calendar for the next four weeks

Figure 1. Provisional Auction Calendar for the Next Four Weeks, Gross Issuance (Billions), DV01 (USD Millions)

Date	Country	Nominal Size (Local Ccy, bn)	Issue Details	DV01 \$million/bp	Approx. Number 10yr Futures TYM3 (UST) G M3 (Gilt) RXM3 (Bund)
25 Mar (Mon)	Belgium	3.5	OLO 1.25% Jun18, 2.25% Jun23, 4% Mar32 (issue confirmed, estimated size)		30k
25 Mar (Mon)	Italy	2.8	CTZ Dec14 (issue confirmed, size €2-3bn)		5k
25 Mar (Mon)	Italy	1.0	BTPei '18 and BTPei '23 (issue confirmed, size €0.75-1bn)		8k
25 Mar (Mon)	US	1.25 - 1.75	Outright Treasury Coupon Purchases: 15/2/2036 - 15/2/2043		-37k
26 Mar (Tue)	Netherlands	2.8	DSL Jan18 (issue confirmed, size €2-3bn)		11k
26 Mar (Tue)	UK	1.0	Mini Tender: 5% Mar25 (issue and size confirmed)		8k
26 Mar (Tue)	US	35.0	2-Year	85k	
26 Mar (Tue)	US	2.75 - 3.5	Outright Treasury Coupon Purchases: 15/5/2020 - 15/2/2023	-30k	
27 Mar (Wed)	Italy	5.3	BTP 5yr and 10yr (estimated tenor and size)		33k
27 Mar (Wed)	US	35.0	5-Year	205k	
27 Mar (Wed)	US	1.25 - 1.75	Outright Treasury Coupon Purchases: 15/2/2036 - 15/2/2043	-37k	
28 Mar (Thu)	US	29.0	7-Year	233k	
28 Mar (Thu)	US	4.25 - 5.25	Outright Treasury Coupon Purchases : 31/3/2017 - 30/11/2017	-20k	

Weekly \$DV01 of Issuance

47.4

Total Number of Futures Contracts

398k

8k

87k

Date	Country	Nominal Size (Local Ccy, bn)	Issue Details	DV01 \$million/bp	Approx. Number 10yr Futures TYM3 (UST) G M3 (Gilt) RXM3 (Bund)
04 Apr (Thu)	Spain	4.0	Bono 2yr, 5yr and 15yr (estimated tenors and size)		17k
04 Apr (Thu)	France	8.0	OAT 5yr and 10yr (estimated tenors and size)		57k

Weekly \$DV01 of Issuance

11.1

Total Number of Futures Contracts

0k

0k

73k

Date	Country	Nominal Size (Local Ccy, bn)	Issue Details	DV01 \$million/bp	Approx. Number 10yr Futures TYM3 (UST) G M3 (Gilt) RXM3 (Bund)
09 Apr (Tue)	Germany	1.0	Bobleit/Bundei (estimated date and size)		8k
09 Apr (Tue)	Austria	1.5	RAGB 5yr and 10yr (estimated size and tenors)		9k
09 Apr (Tue)	UK	3.3	Conventional (estimated maturity - Medium, estimated size)		28k
09 Apr (Tue)	US	32.0	3-Year	78k	
10 Apr (Wed)	US	21.0	10-Year (re-opening)	228k	
11 Apr (Thu)	Italy	4.8	BTP 2yr, 15yr and 30yr (estimated tenors and size)		27k
11 Apr (Thu)	Italy	1.3	CCTeu (estimated size)		5k
11 Apr (Thu)	UK	1.6	Index-linked (estimated size)		20k
11 Apr (Thu)	US	13.0	30-year (re-opening)	294k	

Weekly \$DV01 of Issuance

64.9

Total Number of Futures Contracts

600k

49k

49k

Date	Country	Nominal Size (Local Ccy, bn)	Issue Details	DV01 \$million/bp	Approx. Number 10yr Futures TYM3 (UST) G M3 (Gilt) RXM3 (Bund)
18 Apr (Thu)	Spain	4.8	Obligaciones 2yr, 5yr and 10yr (estimated tenors and size)		26k
18 Apr (Thu)	France	10.0	BTAN, OAT 2yr and 5yr / OATi (estimated tenors and size)		46k
18 Apr (Thu)	UK	2.5	Conventional (estimated maturity - Long, estimated size)		48k
18 Apr (Thu)	US	18.0	5-Year TIPS	215k	

Weekly \$DV01 of Issuance

36.7

Total Number of Futures Contracts

215k

48k

72k

The next release of the tentative outright Treasury operation schedule will be at 1 p.m. on March 28, 2013. Therefore we have only provided details of Fed buybacks for the next 2 weeks.

The auction calendar above does not include auctions the Netherlands and Germany after 31st March as their auction calendars for 2Q 2013 have not yet been announced. Detailed auction calendar for gilt issuance in April-June 2013 will be announced on 28 March 2013.

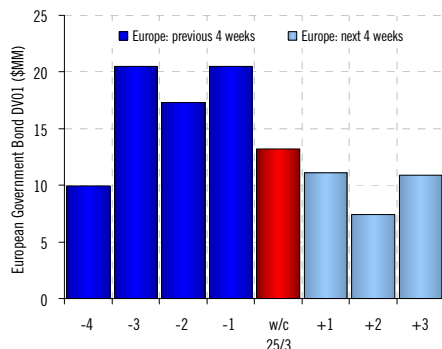
Additional issues expected in April: Finland new 10yr (€4bn). Portugal 10yr (€1.5bn). These are not included in cash flow tables and gross supply charts.

Source: DMOs, Citi estimates

Historical and projected DV01 of EUR, USD and GBP issuance (weekly)

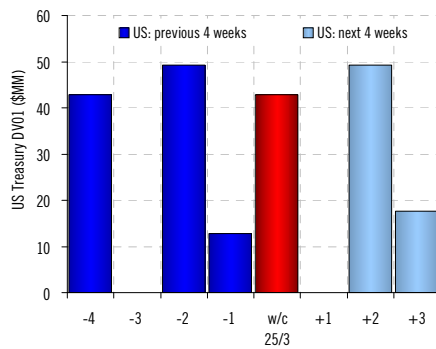
Figure 2 to Figure 4 show the \$DV01 of projected issuance over the next four weeks and also the previous four weeks. The DV01 of issuance in the week commencing 25 March is shown in red.

Figure 2. Estimated \$DV01 of EMU Bond Issuance (Previous 4 and Next 4 Weeks)



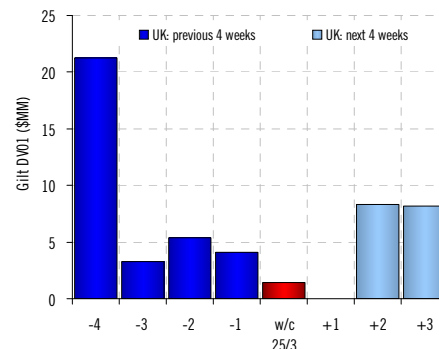
Source: DMOs, Citi estimates

Figure 3. Estimated \$DV01 of US Treasury Issuance (Previous 4 and Next 4 Weeks)



Source: US Treasury, Citi estimates

Figure 4. Estimated \$DV01 of UK Gilt Issuance (Previous 4 and Next 4 Weeks)



Source: DMO, Citi estimates

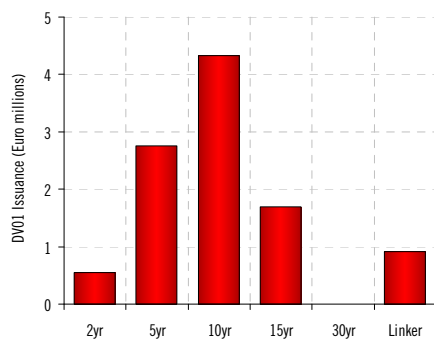
DV01 of expected EUR, USD and GBP issuance split by maturity (week beginning 25 March)

The DV01 of next week's euro issuance is around €10million/bp (Figure 5). 42% of total issuance (in DV01 terms) falls in the 10yr sector.

The US Treasury will issue across the 2-, 5- and 7-year sectors at approximately \$43million/bp (Figure 6).

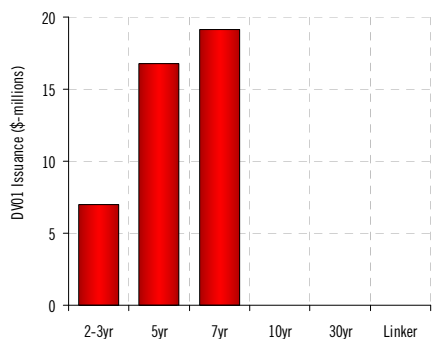
Next week's gilt issuance comes in the form of a conventional (5% Mar25) mini-tender at approximately £1million/bp (Figure 7).

Figure 5. EUR DV01: Split by Maturity (25 Mar – 31 Mar)



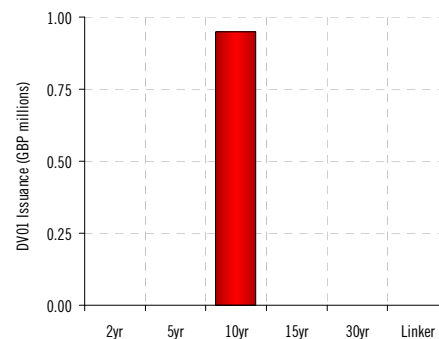
Source: DMOs, Citi estimates

Figure 6. USD DV01: Split by Maturity (25 Mar – 31 Mar)



Source: US Treasury, Citi estimates

Figure 7. GBP DV01 Split by Maturity (25 Mar – 31 Mar)

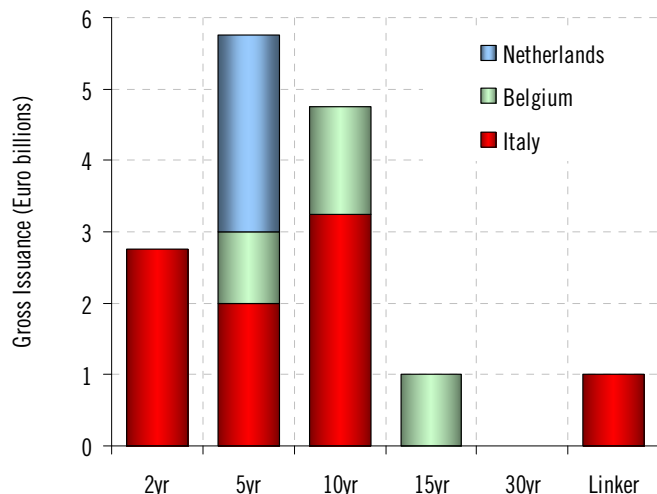


Source: DMO, Citi estimates

Expected euro gross and DV01 split by country and maturity (week beginning 25 March)

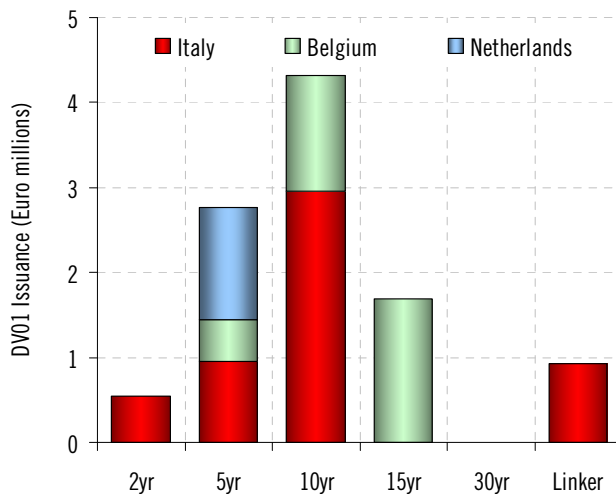
In Europe, supply comes from Belgium (around €3.5bn), Italy (around €9bn) and Netherlands (€2-3bn) - Figure 8. Figure 9 shows the country and maturity split in DV01 terms. In DV01 terms, Italy accounts for just over 50% of total issuance at around €5.5million/bp.

Figure 8. Euro Gross Issuance next week



Source: DMOs, Bloomberg, Citi estimates

Figure 9. Euro DV01 Issuance next week



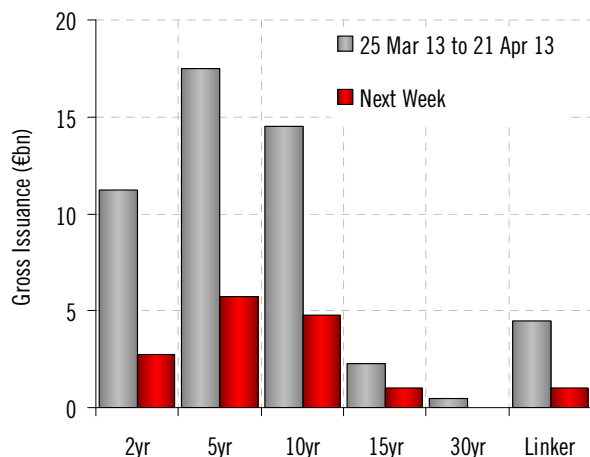
Source: DMOs, Bloomberg, Citi estimates

Please note: Figure 10 & Figure 11 does not contain issuance forecasts for the Netherlands and Germany beyond 1 April 2013 as their 2Q13 auction calendars have not been announced yet.

Expected euro issuance (gross and DV01) by maturity for the next four-weeks (25 March – 21 April)

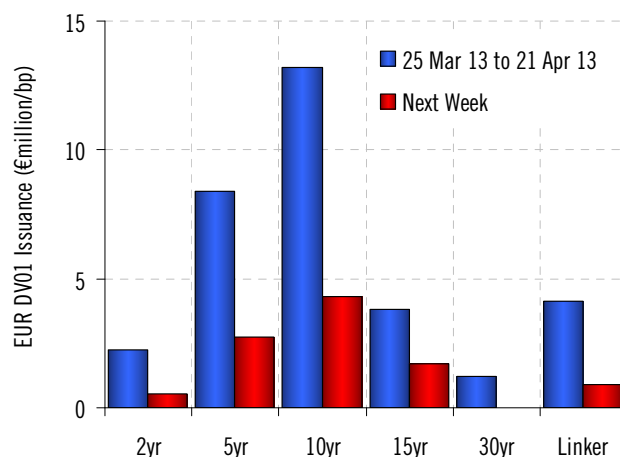
Over the next four weeks, around a third of total issuance falls in the 5yr sector (Figure 10). In DV01 terms, around 40% of total issuance over the next four weeks falls in the 10yr sector (around €13.5million/bp) - Figure 11.

Figure 10. Euro Gross Issuance over the Next Four Weeks



Source: DMOs, Bloomberg, Citi estimates

Figure 11. Euro DV01 Issuance over the Next Four Weeks



Source: DMOs, Bloomberg, Citi estimates

Euro coupons for the next four weeks – maturity split

Next week sees €7.2bn of coupon payments from Belgium, Italy and Spain and €12.7bn of redemptions from Belgium (Figure 15).

Figure 12. Maturity Split of Euro Coupon Payments over the Next Four Weeks (EUR-Billions)*

Week Commencing	2yr	5yr	10yr	15yr	30yr	Linker	Total
25 Mar	2.5	1.3	0.6	1.4	1.4		7.2
01 Apr	0.9	0.1					1.0
08 Apr	2.2	0.3	0.7		0.3	0.9	4.4
15 Apr	0.7		0.8				1.5
Total	6.4	1.7	2.1	1.4	1.7	0.9	14.1

Source: Bloomberg, Citi Research

*This table is on a trade-date basis

US coupons for the next four weeks – maturity split

Next week sees \$4.9bn of coupon payments from the sub-7yr sector along with \$57.1bn of redemptions falling in this week (Figure 13). Thereafter coupon payments will remain light.

Figure 13. Maturity Split of UST Coupon Payments over the Next Four Weeks (USD-Billions)*

Week Commencing	2-3yr	5yr	7yr	10yr	30yr	Linker	Total
25 Mar	2.9	1.8	0.2				4.9
01 Apr							
08 Apr	0.9					1.3	2.2
15 Apr							
Total	3.8	1.8	0.2			1.3	7.1

Source: Bloomberg, Citi Research

*This table is on a trade-date basis

UK coupons for the next four weeks – maturity split

There are minimal gilt coupon payments over the next four weeks (Figure 14).

Figure 14. Maturity Split of Gilt Coupon Payments over the Next Four Weeks (GBP-Billions)*

Week Commencing	2yr	5yr	10yr	15yr	30yr	Linker	Total
25 Mar	0.3						0.3
01 Apr							
08 Apr							
15 Apr						0.2	0.2
Total	0.3					0.2	0.6

Source: Bloomberg, Citi Research

*This table is on a trade-date basis

Euro coupons and redemptions split by maturity and country

Figure 15 below shows a weekly breakdown of euro coupons and redemptions, split by sector and country over the next four weeks.

Figure 15. Euro Coupons and Redemptions by Maturity and Country for the Next 4 weeks (EUR Billions)

WEEK 1	Week Beginning 25 Mar (Mon)		Coupons	Redemptions	WEEK 2	Week Beginning 01 Apr (Mon)		Coupons	Redemptions
		Austria					Austria		
		Belgium	6.8	12.7			Belgium		
		Germany					Germany	1.0	
		Finland					Finland		
	Coupons	France				Coupons	France		
2yr	2.5	Greece			2yr	0.9	Greece		
5yr	1.3	Ireland			5yr	0.1	Ireland		
10yr	0.6	Italy	0.2		10yr		Italy		
15yr	1.4	Netherlands			15yr		Netherlands		
30yr	1.4	Portugal			30yr		Portugal		
Linker		Spain	0.2		Linker		Spain		
	7.2		7.2	12.7		1.0		1.0	0.0
WEEK 3	Week Beginning 08 Apr (Mon)		Coupons	Redemptions	WEEK 4	Week Beginning 15 Apr (Mon)		Coupons	Redemptions
		Austria					Austria	0.3	
		Belgium					Belgium		
		Germany	1.9	28.0			Germany		
		Finland	0.6				Finland		
	Coupons	France				Coupons	France		
2yr	2.2	Greece			2yr	0.7	Greece		
5yr	0.3	Ireland			5yr		Ireland	1.2	4.6
10yr	0.7	Italy	1.1	16.7	10yr	0.8	Italy		
15yr		Netherlands	0.1		15yr		Netherlands		
30yr	0.3	Portugal	0.6		30yr		Portugal		
Linker	0.9	Spain			Linker		Spain		
	4.4		4.4	44.7		1.5		1.5	4.6

Source: Bloomberg, Citi Research

*This table is on a trade-date basis

The three figures on this page show the upcoming profile gross and net supply, coupons and redemptions, and the resultant NCR, for each of the next four weeks.

These are calculated on a *settlement date* basis.

The NCR profile is supportive for bonds if gross supply is outweighed by cash flows and buybacks

Please note: Figure 16 does not contain issuance forecasts for the Netherlands and Germany in weeks 2-4 as their 2Q13 issuance calendars have not been announced yet

Euro cash-flow profile over the next four weeks

The euro net cash requirement (NCR) is non-supportive (+€9.5bn) for bonds next week as €29bn of gross supply easily outweighs €7bn of coupon payments and €13bn of redemptions (Figure 16).

Figure 16. Estimated Euro Weekly Cash Flow Profile for Next Four weeks, EUR Billions

Settling in Week Commencing	A Gross Supply	B Coupons	A - B Net Supply	C Redemptions	A - B - C NCR
25 Mar	29.0	6.8	22.2	12.7	9.5
01 Apr	5.3	0.4	4.8		4.8
08 Apr	14.5	2.0	12.4	17.0	-4.6
15 Apr	6.1	4.6	1.5	32.3	-30.8
Total	54.7	13.8	40.9	62.0	-21.1
Average	13.7	3.5	10.2	15.5	-5.3
12m moving avg	15.7	3.8	11.9	10.4	1.6

Source: DMOs, Bloomberg, Citi estimates

US net cash requirements (NCR) over the next four weeks

The US NCR profile is non-supportive (\$3.5bn) for bonds next week as \$13bn of gross supply easily outweighs around \$9.5bn of buyback (Figure 17).

Figure 17. US Weekly Cash Flow Profile for Next Four weeks, USD Billions

Settling in Week Commencing	A Gross Supply	B Coupons	A - B Net Supply	C Redemptions	D Buybacks	A - B - C - D NCR
25 Mar	13.0		13.0		9.5	3.5
01 Apr	99.0	4.9	94.1	57.1	11.8	25.2
08 Apr					11.8	-11.8
15 Apr	66.0	2.2	63.8	59.2	11.8	-7.2
Total	178.0	7.1	170.9	116.4	44.8	9.7
Average	44.5	1.8	42.7	29.1	11.2	2.4
12m moving avg	41.4	3.2	38.2	24.0	10.5	3.7

Source: US Treasury, Bloomberg, Citi estimates

UK cash-flow profile over the next two weeks

The NCR is slightly supportive (negative) for gilts next week as £1bn of gross supply is outweighed by £0.3bn of coupons and £1.1bn of buyback (Figure 18).

Figure 18. UK Weekly Cash Flow Profile for Next Two weeks, GBP Billions

Settling in Week Commencing	A Gross Supply	B Coupons	A - B Net Supply	C Redemptions	D Buybacks	A - B - C - D NCR
25 Mar	1.0	0.3	0.7		1.1	-0.4
01 Apr						
08 Apr	4.9		4.9			4.9
15 Apr	2.5	0.2	2.2			2.2
Total	8.4	0.6	7.8		1.1	6.7
Average	2.1	0.1	1.9		0.4	1.7
12m moving avg	2.9	0.9	2.0	1.2		0.9

Source: DMO, Bloomberg, Citi estimates

Explanation of trade-date and settlement-date

Throughout the *Supply Monitor* section coupons and redemption payments are allocated on a trade date basis *except in the cash flow tables* shown above. In these cash flow tables; gross supply, coupons and redemptions are on a settlement date basis. This is to keep everything in line with US supply settling during the middle or end of the month instead of just T+3 as in Europe for example.

Trade date basis: In Europe if the coupon payment falls on Monday 4th March, for example, it would be allocated to the previous week (the week commencing 25 February) as that would be when you would trade to use the money you know is coming in on Monday 4th March. In other words, you don't wait for the money to hit your account to use it. Since we are trying to account for the impact of those payments we allocate them on a trade date basis, rather than settlement date.

Settlement date basis: The net cash requirement tables (Figure 16, Figure 17 and Figure 18) are on a settlement basis. In the US, conventional supply settles either during the middle of the month or at the end of the month. (If there is a Treasury auction during the last week of the month it will settle in the following week). Consequently, if you participate in the UST 3-year auction on 8 January the money would leave your account during the w/c 14 January. In addition, TIPS often settle during a different week from conventional supply.

New: ESP and ITA Bill Issuance Projections

This page contains our projections for Spanish and Italian bill supply in 2013. Please note that this is the only page in this document (other than page 1) which refers to bills.

Auction calendar for the next four weeks

Figure 19. Provisional Bill Auction Calendar for the Next Four Weeks, Gross Issuance (Billions)

Week	Date	Country	Issue Details	Total Size (€bn)
Week 1	26 Mar (Tue)	Italy	6 month (30 Sep 2013, estimated size)	8.5
Week 3	10 Apr (Wed)	Italy	3month (estimated tenor), 12month (14 Apr 2014; issue confirmed, estimated size)	11.3
Week 4	16 Apr (Tue)	Spain	6month (18 October 2013), 12 month (16 Apr 2014) - tenors confirmed, estimated issue and size	5.8

Spain: Issue details are announced 1 day before the auction

Italy: The issue size will be announced 3 business days before the auction

Source: DMOs, Citi Research

2013 projections for bill supply

Figure 20. 2013 Italy and Spain Bill Supply – Citi Forecast (Euro Billion)

SPAIN	3m	6m	9m	12m	18m	Gross Supply	Redemptions	NCR
Jan	1.3	1.8		3.2	2.5	9	5	3
Feb	1.0	2.9	3.7	3.6		11	9	2
Mar	1.7	2.3	2.3	4.0		10	12	-2
Apr	1.0	2.0	2.5	3.8		9	8	2
May	1.0	2.3	2.5	3.8		10	6	4
Jun	1.0	2.3	2.5	3.5		9	10	
Jul	1.0	2.3	2.5	3.5		9	5	4
Aug	1.0	2.3	2.5	3.0		9	11	-2
Sep	1.0	2.3	2.5	3.0		9	7	2
Oct	1.0	2.3	2.3	2.8		8	5	3
Nov	1.0	2.3	2.3	2.8		8	11	-2
Dec	1.0	2.0	2.3	2.8		8	9	-1
Total	13.1	26.8	27.7	39.6	2.5	110	98	12

ITALY	3m*	6m	9m	12m	18m	Gross Supply	Redemptions	NCR
Jan		9.8		9.8		20	21	-2
Feb		10.1		9.7		20	19	
Mar		8.5		7.8		16	19	-3
Apr	3.5	9.0		7.8		20	17	3
May	3.0	9.0		7.8		20	16	4
Jun		9.0		7.8		17	16	
Jul		9.5		7.8		17	21	-4
Aug		10.0		8.0		18	21	-3
Sep	3.0	9.0		9.0		21	19	2
Oct		9.0		8.5		18	17	1
Nov		8.5		7.5		16	16	1
Dec		10.0		7.5		18	19	-2
Total	9.5	111.3		98.7		220	221	-2

*3month bills will be issued only for specific cash needs. In this case, auctions shall be held on the 12 month BOT auction dates

Source: DMOs, Bloomberg, Citi estimates

EMU: Coupons & Redemptions (next 3mths)

Figure 21. EMU-10 Bond Redemptions over the next three months (€bn)

Redemptions = €145bn											
Redemptions	DEU 45	FRA 22	NLD 0	ITA 46	ESP 15	BEL 13	AUT 0	FIN 0	PRT 0	GRC 0	IRL 5
(Thu) 28-Mar-13						12.7					
(Fri) 12-Apr-13	17.0										
(Mon) 15-Apr-13	11.0			16.7							
(Thu) 18-Apr-13											4.6
(Thu) 25-Apr-13		21.6									
(Tue) 30-Apr-13				12.4	14.9						
(Sat) 01-Jun-13				17.2							
(Fri) 14-Jun-13	17.0										

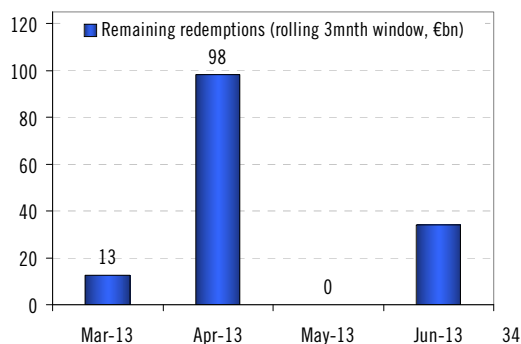
Source: DMOs, Bloomberg, Citi estimates

Figure 22. EMU-10 Coupon Payments over the next three months (€bn)

Coupons = €45bn											
Coupons	DEU 3	FRA 17	NLD 0	ITA 9	ESP 4	BEL 7	AUT 1	FIN 1	PRT 2	GRC 0	IRL 2
(Thu) 28-Mar-13						6.8					
(Sun) 31-Mar-13					0.2						
(Mon) 01-Apr-13				0.2							
(Sun) 07-Apr-13	0.1										
(Mon) 08-Apr-13	0.5										
(Wed) 10-Apr-13	0.4										
(Thu) 11-Apr-13	0.4										
(Fri) 12-Apr-13	0.6										
(Mon) 15-Apr-13	0.9		0.1	1.1				0.6	0.6		
(Thu) 18-Apr-13											1.2
(Sat) 20-Apr-13							0.3				
(Thu) 25-Apr-13		16.9									
(Tue) 30-Apr-13					4.2						
(Wed) 01-May-13				5.1							
(Wed) 15-May-13				0.4							
(Mon) 20-May-13											0.0
(Sat) 25-May-13		0.1									
(Sat) 01-Jun-13				1.2							
(Fri) 14-Jun-13	0.3								0.4		
(Sat) 15-Jun-13				0.9					0.7		
(Sun) 16-Jun-13									0.3		
(Tue) 18-Jun-13							0.1				0.3
(Thu) 20-Jun-13	0.2						0.1				

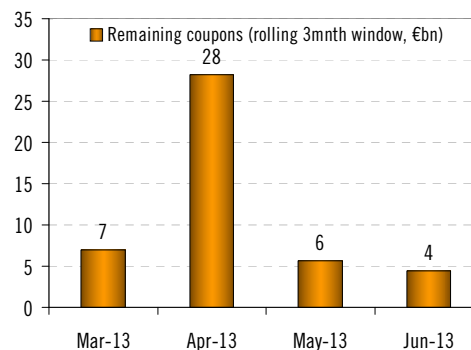
Source: DMOs, Bloomberg, Citi estimates

Figure 23. EMU-10 remaining redemptions over the next 3months (€bn)



Source: DMOs, Bloomberg, Citi estimates

Figure 24. EMU-10 remaining coupons over the next 3months (€bn)



Source: DMOs, Bloomberg, Citi estimates

Appendix – Global Supply Forecasts

Figure 25. UK, US and EMU-10 Gross Supply – Citi forecasts

2013 Cashflow Tables													
Gross Supply (£bn cash)								A	B	C = A - B	D	E	F = C - D - E
UK	Auctions				Syndications								
	Shorts	Mediums	Longs	Linkers	Long	Linker	Mini Tender	Gross Supply	Coupons	Net Supply	Redemptions	Buybacks	NCR
Apr-13		3.3	2.5	3.2			1.6	11	3	8			8
May-13	4.7		2.5	1.6	4.0			13	1	12			12
Jun-13	4.7	3.3	2.5	1.6				12	12	1	34		-34
Jul-13		3.3	2.5	1.6		4.0	1.6	13	0	13			13
Aug-13	4.7		2.5	3.2				10	1	10			10
Sep-13	4.7	3.3	2.5	1.6	4.0		1.6	18	7	11			11
Oct-13		3.3	2.5	1.6				7	3	5			5
Nov-13	4.7	3.3	2.5	1.6		4.0	1.6	18	1	17	8		9
Dec-13	4.7	3.3		1.6			1.0	11	11	-0	9		-9
Jan-14	4.7		2.5	1.6				9	0	9			9
Feb-14	4.7	3.3	2.5	1.6		4.0	1.6	18	1	17			17
Mar-14	4.7	3.3		3.2			1.0	12	7	5			5
Total	42.6	30.0	24.6	23.8	8.0	12.0	10.0	151	45	106	51		56

Gross Supply (\$bn nominal)								A	B	C	D = A - B - C	E	F = D - E
US	2yr	3yr	5yr	7yr	10yr	30yr	TIPS	Gross Supply	Coupons	Fed Purchases	Net Supply	Redemptions	NCR
Jan-13	35	32	35	29	21	13	15	180	11	45	124	93	31
Feb-13	35	32	35	29	24	16	9	180	26	45	109	119	-10
Mar-13	35	32	35	29	21	13	13	178	6	45	127	98	29
Apr-13	35	32	35	29	21	13	18	183	7	45	131	117	14
May-13	35	32	35	29	24	16	13	184	24	45	115	118	-3
Jun-13	35	32	35	29	21	13	7	172	5	45	122	94	27
Jul-13	33	30	34	29	21	13	15	175	10	45	120	119	0
Aug-13	33	30	34	29	24	16	16	182	25	45	112	129	-18
Sep-13	33	30	34	29	21	13	13	173	5	45	123	96	27
Oct-13	30	28	32	29	21	13	7	160	6	45	109	94	15
Nov-13	30	28	32	29	24	16	13	172	23	45	104	128	-24
Dec-13	30	28	32	29	21	13	16	169	5	45	119	99	21
Total	399	366	408	348	264	168	155	2108	154	540	1414	1304	110

Gross issuance forecasts for 2013 vs 2012

(for fixed rate government bonds and index-linked notes)

Gross Supply	2012	2013	Gross Supply (€bn)	2012	2013	Tickers used in our supply estimates
EMU-10 (€bn)	829	795	Germany	184	183	Schatz, Bobl, Bund, Bundeil, Boblei
			France	201	187	OAT, BTAN, BTANI, OATi, OATei
			Italy	205	186	BTP, BTPei, CCT, CTZ
			Spain	98	106	SPGB
			Netherlands	60	51	DSL
			Belgium	43	37	OLO
			Austria	21	21	RAGB
			Finland	11	11	RFGB
			Ireland	5	10	IRLD
			Portugal	0	4	OT
Gross Supply *	12/13	13/14				
UK (€bn)	164.8	151.0				

*UK supply forecasts on financial year basis (cash amt)

Source: DMOs, Bloomberg, Citi estimates

EMU 2013 Supply, Coupons & Redemptions

Figure 26. 2013 Euro Government Bond Supply – Citi Forecasts (Euro in Billions)

EMU-10	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	25.1	25.7	25.2	8.7	4.6	5.8	95	27	68	71	-4
Feb	17.4	27.5	19.4	5.7	1.0	4.6	76	12	63	21	42
Mar	20.1	19.4	29.7	4.9	1.4	3.5	79	17	62	31	31
Apr	16.3	21.8	22.5	1.3	9.0	4.5	75	28	47	98	-51
May	18.8	19.7	24.9	2.0	4.0	4.0	73	6	68		68
Jun	16.8	17.8	18.7	1.5	4.8	4.0	64	5	58	34	24
Jul	18.5	25.3	19.0	3.5	5.3	4.0	76	36	40	107	-67
Aug	12.8	11.8	10.0	0.8			35	9	26	25	2
Sep	17.8	24.5	18.8		2.3	4.0	67	16	51	60	-9
Oct	16.0	20.5	21.7	2.0	2.8	4.0	67	27	40	66	-26
Nov	20.0	18.7	16.2	0.5	0.8	2.5	59	6	53	18	35
Dec	10.3	11.4	7.7	1.0			30	2	28	35	-7
Total	210	244	234	32	36	41	796	192	604	566	38

GERMANY	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	5.0	5.0	5.0		2.0	1.0	18	12	6	24	-18
Feb	5.0	4.0	5.0			1.0	15	1	14		14
Mar	5.0	4.0	4.0			1.0	14		14	18	-4
Apr	5.0	4.0	4.0		2.0	1.0	16	3	13	28	-15
May	5.0	5.0	5.0			1.0	16		16		16
Jun	5.0	4.0	5.0			1.0	15	1	14	17	-3
Jul	5.0	4.0	4.0		2.0	1.0	16	12	4	22	-18
Aug	5.0	4.0	4.0				13		13		13
Sep	5.0	5.0	5.0			1.0	16	1	15	17	-2
Oct	5.0	4.0	9.0		2.0	1.0	21	2	19	16	3
Nov	5.0	4.0	4.0			1.0	14		14		14
Dec	5.0	4.0					9		9	15	-6
Total	60.0	51.0	54.0		8.0	10.0	183	31	152	157	-5

FRANCE	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	2.4	7.3	5.2	1.2		1.8	18	2	16	18	-2
Feb	2.0	7.6	5.6	4.0		2.3	21	1	21		21
Mar	5.0	5.5	3.6	1.8		1.5	17		17		17
Apr	2.0	7.0	6.5			2.5	18	17	1	22	-21
May	2.5	6.0	6.0	2.0		2.0	19		18		18
Jun	4.0	6.5	4.0		4.0	2.0	21		21		21
Jul	3.0	6.0	6.0	2.0		2.0	19	6	13	33	-21
Aug											
Sep	3.5	7.0	4.0		1.5	2.0	18		18	11	7
Oct	3.3	6.3	6.5			2.0	18	16	2	21	-19
Nov	4.0	4.5	4.0			1.5	14		14		14
Dec		1.0	2.5	1.0			5		5		5
Total	31.6	64.5	53.8	11.9	5.5	19.6	187	42	145	105	40

ITALY	CTZ/3yr	5yr/CCT	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	7.6	4.5	3.5	6.0		2.9	25	1	24		24
Feb	6.8	4.5	5.2	1.0	1.0	1.3	20	9	10	21	-11
Mar	4.8	2.9	3.3	2.0		1.0	14	8	6		6
Apr	6.3	5.3	3.3	0.8	0.5	1.0	17	1	16	29	-13
May	5.3	3.8	3.3		4.0	1.0	17	6	12		12
Jun	5.3	3.8	3.3	0.5		1.0	14	2	12	17	-5
Jul	5.3	3.8	3.3		0.5	1.0	14	1	13	14	-1
Aug	5.3	3.8	3.3	0.8			13	9	4	25	-21
Sep	5.3	3.8	4.3			1.0	14	8	6	11	-4
Oct	5.3	5.0	3.3	0.5		1.0	15	1	14		14
Nov	6.3	3.8	3.3	0.5			14	6	8	18	-10
Dec	2.8	3.5	3.3				10	2	8	20	-12
Total	65.9	48.5	42.3	12.0	6.0	11.2	186	54	132	155	-22

Source: DMOs, Bloomberg, Citi estimates

Figure 27. 2013 Euro Government Bond Supply – Citi Forecasts (Euro in Billions)

SPAIN	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	6.4	3.9	7.0	0.6	0.5		18	8	11	14	-4
Feb	3.6	3.1	3.1	0.7			11		11		11
Mar	1.8	3.3	5.2		0.7		11		11		11
Apr	3.0	2.8	2.5	0.5			9	4	5	15	-10
May	3.0	2.5	5.0				11		11		11
Jun	2.5	2.5	1.3				6		6		6
Jul	2.5	2.5	1.0	0.5			7	8	-1	15	-16
Aug	2.5	2.5	1.3				6		6		6
Sep	4.0	2.5	1.3				8		8		8
Oct	2.5	2.3	1.3	0.5			7	4	2	16	-14
Nov	2.0	3.8	1.3				7		7		7
Dec	2.5	2.3	1.3				6		6		6
Total	36.4	33.9	31.4	2.9	1.2		105.8	24	81	60	21

NETHERLANDS	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan	3.8				1.5		5	4	1	16	-14
Feb		2.7					3		3		3
Mar	3.5	2.8	6.3				12		12		12
Apr		2.0			2.5		5		4		4
May	3.0		2.8				6		6		6
Jun			2.3				2		2		2
Jul	2.8	5.0			2.0		10	6	4	16	-12
Aug											
Sep			2.0				2		2		2
Oct		2.0					2		2		2
Nov	2.8		2.0				5		5		5
Dec											
Total	15.8	14.4	15.3		6.0		51	10	42	32	10

BELGIUM	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan			4.0				4		4		4
Feb		5.0					5		5		5
Mar		1.0	1.5	1.0			4	7	-3	13	-16
Apr					4.0		4		4		4
May		1.0	1.5				3		3		3
Jun		1.0	1.3	1.0			3	1	3		3
Jul		1.0	1.3	1.0			3		3		3
Aug		1.5	1.5				3		3		3
Sep		1.0	1.0		0.8		3	5	-2	16	-17
Oct		1.0	1.0	1.0			3		3		3
Nov		1.0	1.0		0.8		3		3		3
Dec											
Total		13.5	14.0	4.0	5.5		37	12	25	28	-3

AUSTRIA	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan			0.6		0.6		1	1			
Feb		0.6	0.6				1		1		1
Mar			0.9		0.8		2	1			
Apr		0.7	0.8				1		1		1
May		0.7	0.7				1		1		1
Jun			0.7		0.8		1		1		1
Jul		3.0	3.5		0.8		7	2	5		5
Aug											
Sep		0.7	0.7				1	1			
Oct			0.7		0.8		1	1	1	13	-13
Nov		0.7	0.7				1		1		1
Dec		0.7	0.7				1		1		1
Total		6.9	10.2		3.6		21	7	14	13	0

Source: DMOs, Bloomberg, Citi estimates

Figure 28. 2013 Euro Government Bond Supply – Citi Forecasts (Euro in Billions)

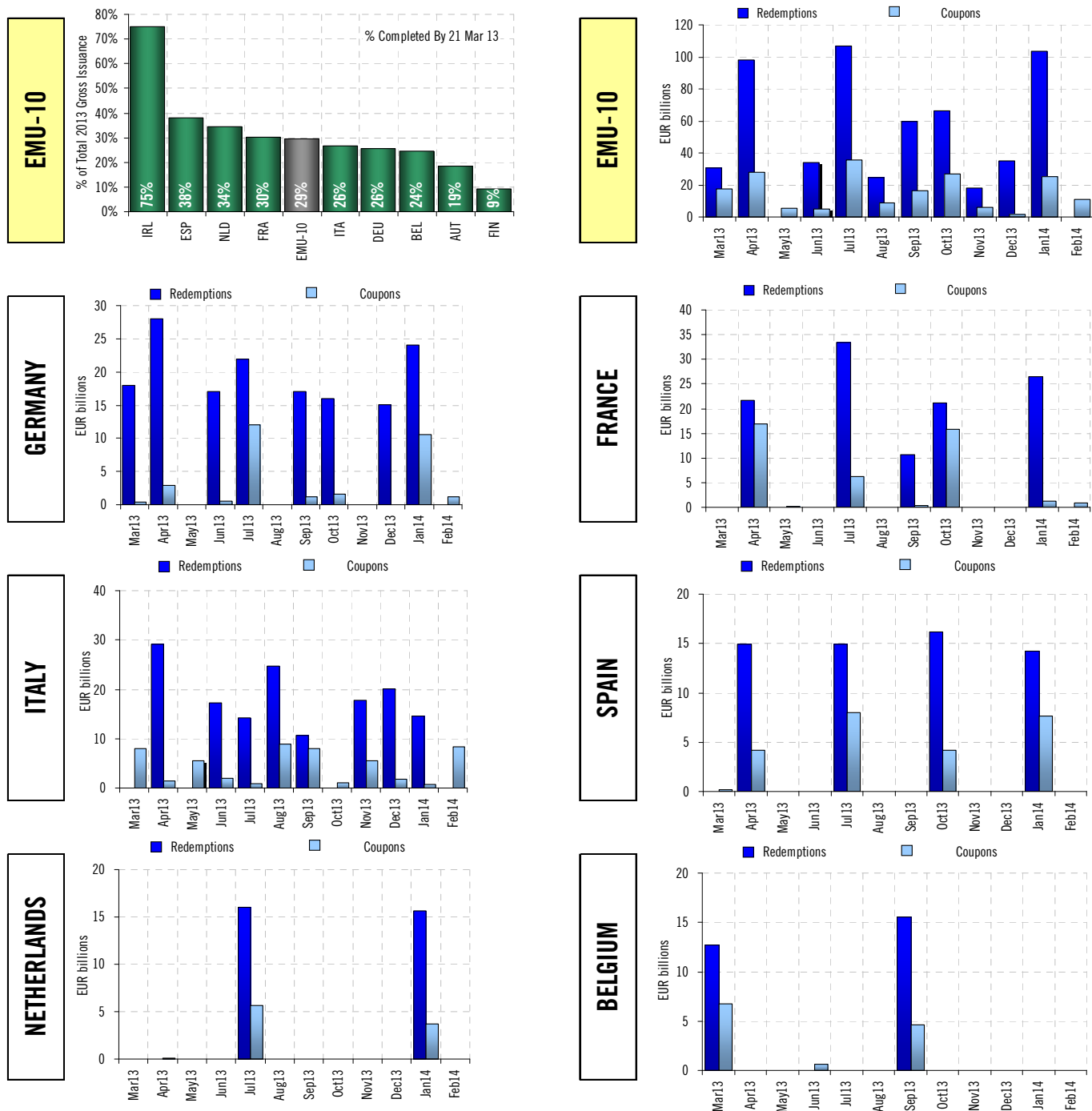
FINLAND	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan				1.0			1		1		1
Feb											
Mar											
Apr			4.0				4	1	3		3
May											
Jun			1.0				1		1		1
Jul								1	-1	6	-7
Aug											
Sep		4.0					4	1	3		3
Oct											
Nov		1.0					1		1		1
Dec											
Total		5.0	5.0	1.0			11	2	9	6	3

IRELAND	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan		2.5					3		2		2
Feb											
Mar			5.0				5	1	4		4
Apr								1	-1	5	-6
May		0.7	0.7				1		1		1
Jun											
Jul											
Aug											
Sep		0.6	0.6				1		1		1
Oct								2	-2		-2
Nov											
Dec											
Total		3.8	6.3				10	4	6	5	1

PORTUGAL	2yr/3yr	5yr	10yr	15yr	30yr	Linkers	Gross Supply	Coupons	Net Supply	Redemptions	NCR
Jan		2.5					3		3		3
Feb											
Mar											
Apr			1.5				2	1	1		1
May											
Jun								1	-1		-1
Jul											
Aug											
Sep										6	-6
Oct								2	-2		-2
Nov											
Dec											
Total		2.5	1.5				4	4	0	6	-6

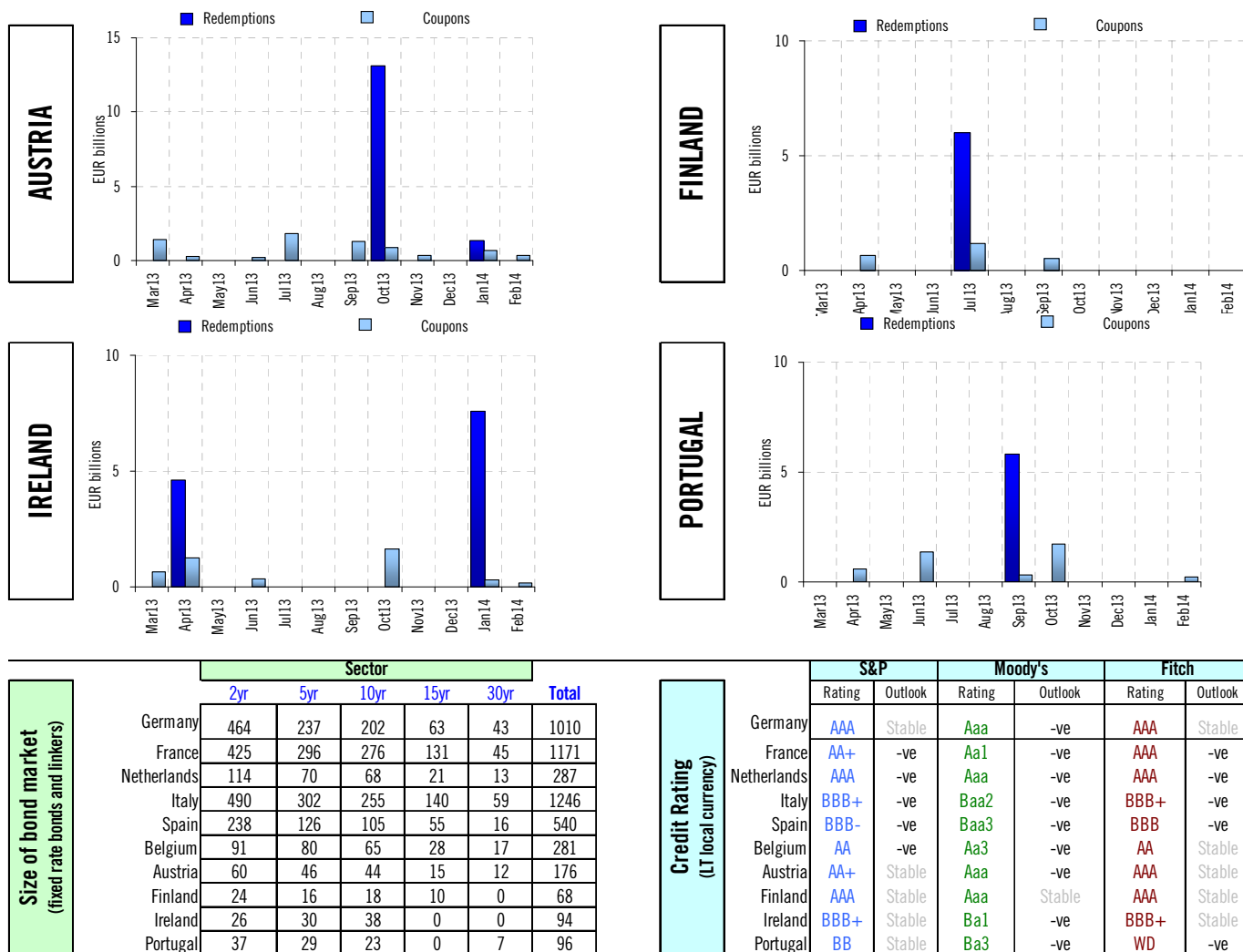
Source: DMOs, Bloomberg, Citi estimates

Figure 29. 2013 EMU Issuance Progress and Cash flow profile – Citi Forecasts (Euro in Billions)



Source: DMOs, Bloomberg, Citi estimates

Figure 30. 2013 EMU Issuance Progress and Cash flow profile – Citi Forecasts (Euro in Billions)



Source: DMOs, Bloomberg, Citi estimates

Appendix A-1

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