2Q 2020

Prudential Data Report

EU GSIBs prudential capital and liquidity

Contents

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What this report covers

This report collates timely information on European GSIBs' prudential capital*, leverage, loss-absorption capacity and liquidity ratios with updated information as at 30 June 2020.

It also illustrates the recent performance of the debt and contingent convertibles (CoCo) markets for banks in Europe as at October 2020.

Most prudential data publications and statistical sources compile information that is not comparable or is published with a substantial delay. This report addresses the existing data gap by publishing comparable and consistent prudential statistics of EU GSIBs on a timely basis.

All data is sourced from public information, with the exception of CoCo markets performance and banks' debt structure by seniority. All figures exclude any estimates for the impact of the final Basel III proposals.

As this Data Report illustrates, European systemically important banks (or EU-GSIBs) have improved their capital, leverage, loss-absorption and liquidity positions over the last years, in compliance with CRDIV.

The CRDIV rules comprise minimum requirements on bank solvency and liquidity, which seek to enhance the soundness of banks' balance sheets.

*According to the 2019 FSB GSIB list. EU27 and UK

Key Highlights

European GSIBs capital and liquidity ratios

		2013	2014	2015	2016	2017	2018	2019	1Q 20	2Q 20
CET1 ratio (end-point)		10.0%	10.9%	11.6%	12.2%	13.3%	13.1%	13.6%	13.4%	13.8%
T1 ratio (end-point)		11.3%	11.7%	12.7%	13.5%	14.7%	14.8%	15.3%	15.0%	15.4%
Leverage ratio (end-point)		3.6%	4.2%	4.5%	4.7%	4.9%	4.8%	4.8%	4.6%	4.7%
Liquidity Coverage Ratio (LCR)		-	127.5%	134.8%	132.9%	141.0%	141.3%	140.4%	141.9%	154.0%
TLAC ratio	% RWAs	-	-	-	-	-	-	26.1%	25.7%	26.6%
	% exposure measure	-	-	-	-	-	-	8.4%	8.0%	8.2%

Source: EUGSIBs earnings reports, EBA and Dealogic

European systemically important banks* (GSIBs) reported in 2Q20 record CET1, T1 capital and Liquidity Coverage ratios on the back of the build-up of precautionary buffers and regulatory support to facilitate the COVID-19 economic recovery.

Among the main findings of this report:

- **EU GSIBs end-point CET1 ratio increased from 13.4% in 1Q20, to 13.8% in 2Q20.**
- **End-point Tier 1 ratios increased from 15.0% in 1Q20, to 15.4% in 2Q20.**
- **End-point Leverage ratios (LR) increased from 4.6% in 1Q20 to 4.7% in 2Q20.**
- **Liquidity Coverage Ratio (LCR) increased to 154% in 2Q20, from 141.9% in 1Q20, driven by an increase in central bank deposits.**
- **TLAC ratio stood at 26.6% relative to RWAs and 8.2% as a percentage of leverage exposure.**

*According to the 2019 FSB GSIB list. EU27 and the UK afme / Finance for Europe

Key Highlights

Regulatory relief contributed to build capital buffers

In response to the COVID crisis, EU and UK regulators temporarily amended capital requirements rules for banks as a measure to support the wider economy.

In the EU, the CRR quick fix allows a lower weighting of exposures to SMEs and implements a support factor for infrastructure finance. UK regulators also allowed a transitional implementation of IFRS9 which had a net positive impact to the CET1 capital stack. The regulatory relief had a net positive impact of 24bps on CET1 ratio.

The RWA decline (ex-regulatory relief) during the quarter contributed with an increase of 6 bps in CET1 ratio.

Earnings reported during the period contributed 11bps on CET1 ratio

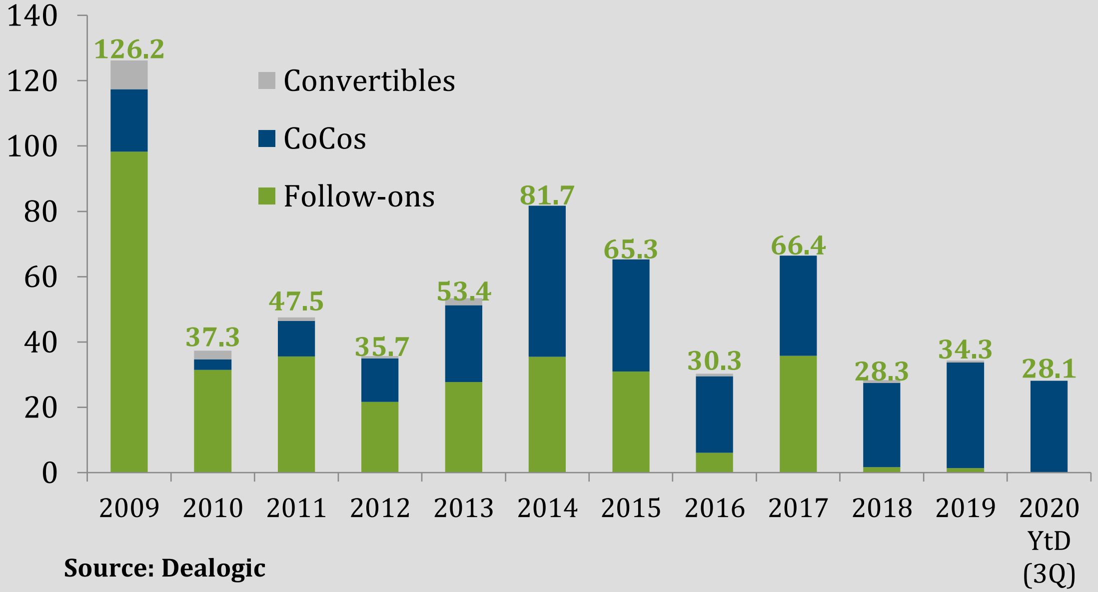
External capital raising roughly in line with recent years

The amount of new capital raised during 2020YtD (as of 3Q 2020) by European banks totalled €28.1 bn.

The amount of fresh capital raised was almost exclusively in the form of contingent convertible (CoCo) bonds. See chart on right panel.

36 European banks have issued 43 CoCo instruments in 2020 (as of end 3Q20) including 10 European GSIBs.

Fresh capital raised by European banks (€bn)



Source: Dealogic

Key highlights

Contingent Convertible (CoCo) market

The CoCo market reopened in the second quarter of 2020 with the issuance of 30 AT1 notes since May-20 equivalent to €18.6bn in proceeds.

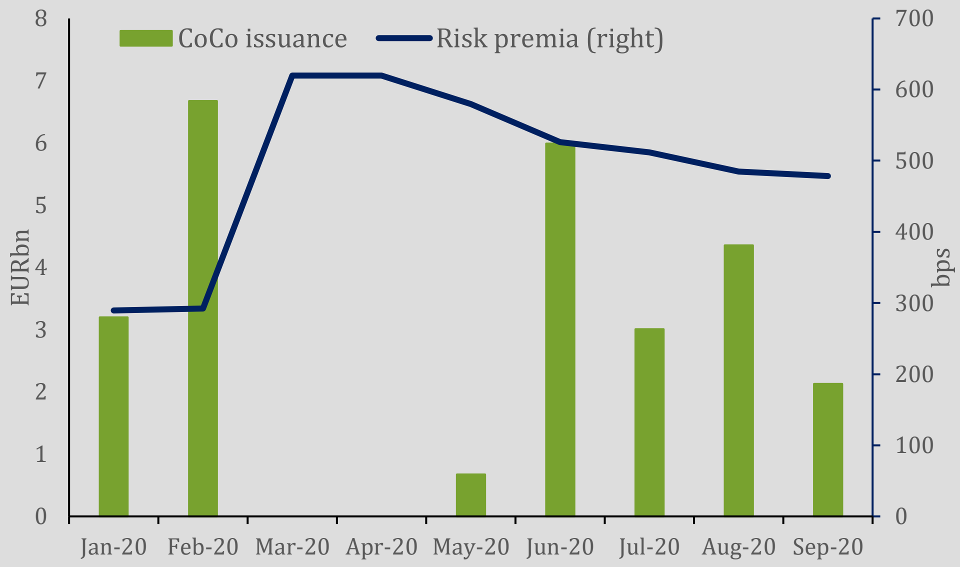
CoCo issuance was abruptly interrupted during the months of March and April due to the sharp increase in CoCo risk premia as a result of the market turbulence generated by the COVID-19 outbreak.

The rising spreads implied a substantial increase in the cost of CoCo debt, which made uneconomical to raise capital in such market conditions.

As shown on the chart in the right panel, spreads of CoCo instruments have not returned to pre-COVID levels.

CoCos issued during 2Q20 and 3Q20 have been originated with higher coupon rates compared to those issued in 1Q20 (5.9% in 2Q20 and 5.4% in 3Q20 vs. 4.6% in 1Q20 for fixed rate bonds). See further details on page 35.

CoCo issuance & CoCo risk premia



Source: Dealogic and Barclays

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The end of TBTF

The end of Too Big To Fail (TBTF) (See box pages 21-25)

The TBTF reforms have been largely successful, reducing both systemic risk and the need for direct government support to institutions during periods of stress.

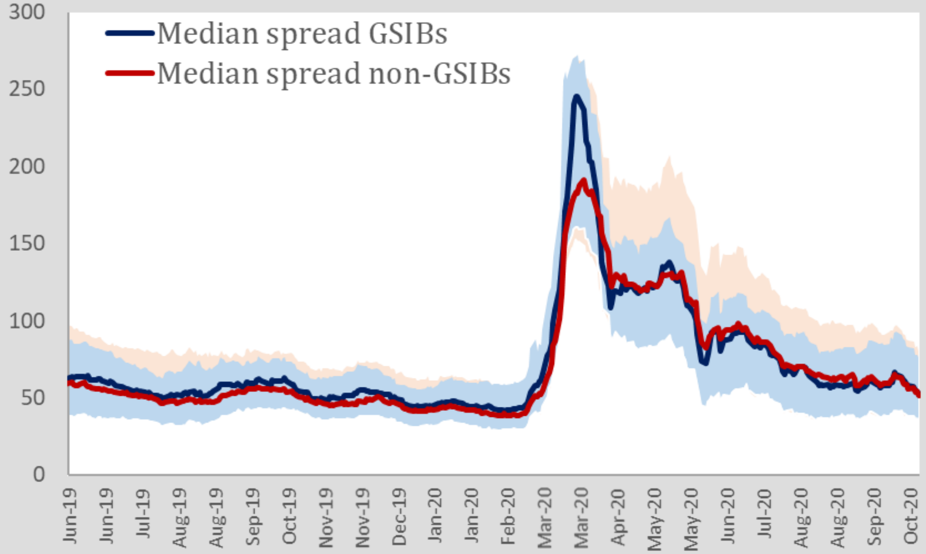
Progress has been made also in reducing the moral hazard posed by the largest financial institutions and the funding advantage for systemic banks compared to smaller institutions (i.e. implicit subsidy).

The box on pages 21-25 presents preliminary research with the evolution of the implicit subsidy for European banks during the COVID-19 outbreak.

The implicit subsidy refers to the funding advantage for large institutions (i.e. GSIBs) due to an implicit guarantee whereby markets assume that the Government is the ultimate bearer of default risk should large institutions under distress require government-sponsored bail-outs.

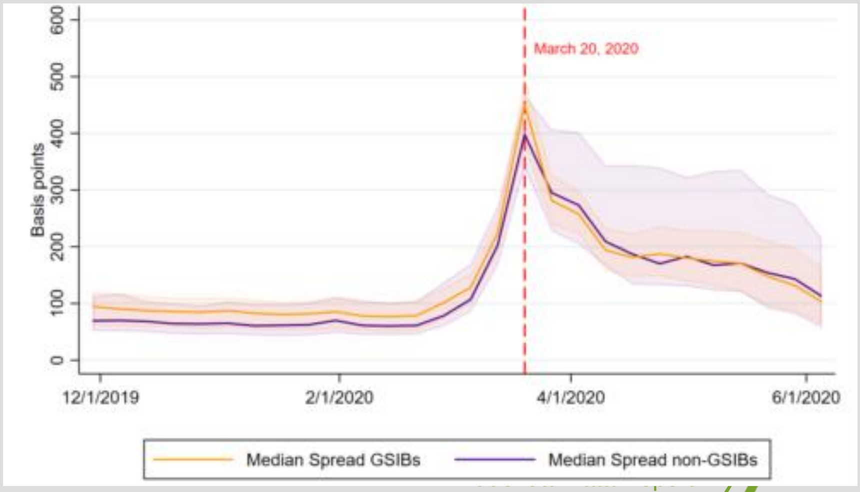
The implicit subsidy manifested in the past with lower borrowing costs for GSIBs compared to non-GSIBs (other things equal). However, as this box shows, during the COVID-19 market distress episode, large systemic institutions exhibited higher funding costs compared to smaller non-systemic institutions. See charts on right panel.

European banks' option-adjusted senior bond spreads (bps)



Source: AFME with Datastream data

US banks' option-adjusted unsecured bond spread (bps)



Source: BPI with Bloomberg data

Major upcoming regulatory, legislative and policy initiatives

Basel IV implementation in the EU

The European Commission will continue to work towards the EU's implementation of the Basel IV agreement whose implementation was deferred by one year to 1 January 2023 by the Basel Committee. The Commission's so-called CRR3 proposal is likely to be issued in Q2 2021.

Other upcoming initiatives

The Basel committee will continue addressing a targeted set of policy initiatives that require finalisation. This includes work related to the Credit Valuation Adjustment (CVA) framework, expected credit loss accounting changes, the leverage ratio treatment of client cleared derivatives and measures to curtail window-dressing behaviour, efforts to enhance operational resilience, and potential policy measures related to crypto-assets.

At the global level, the Financial Stability Board (FSB) is currently undertaking work addressing the Non-banking Financial Institutions (NBFI) vulnerabilities as well as recent evaluation of too-big-to-fail reforms and lessons learnt following the COVID-19 pandemic.

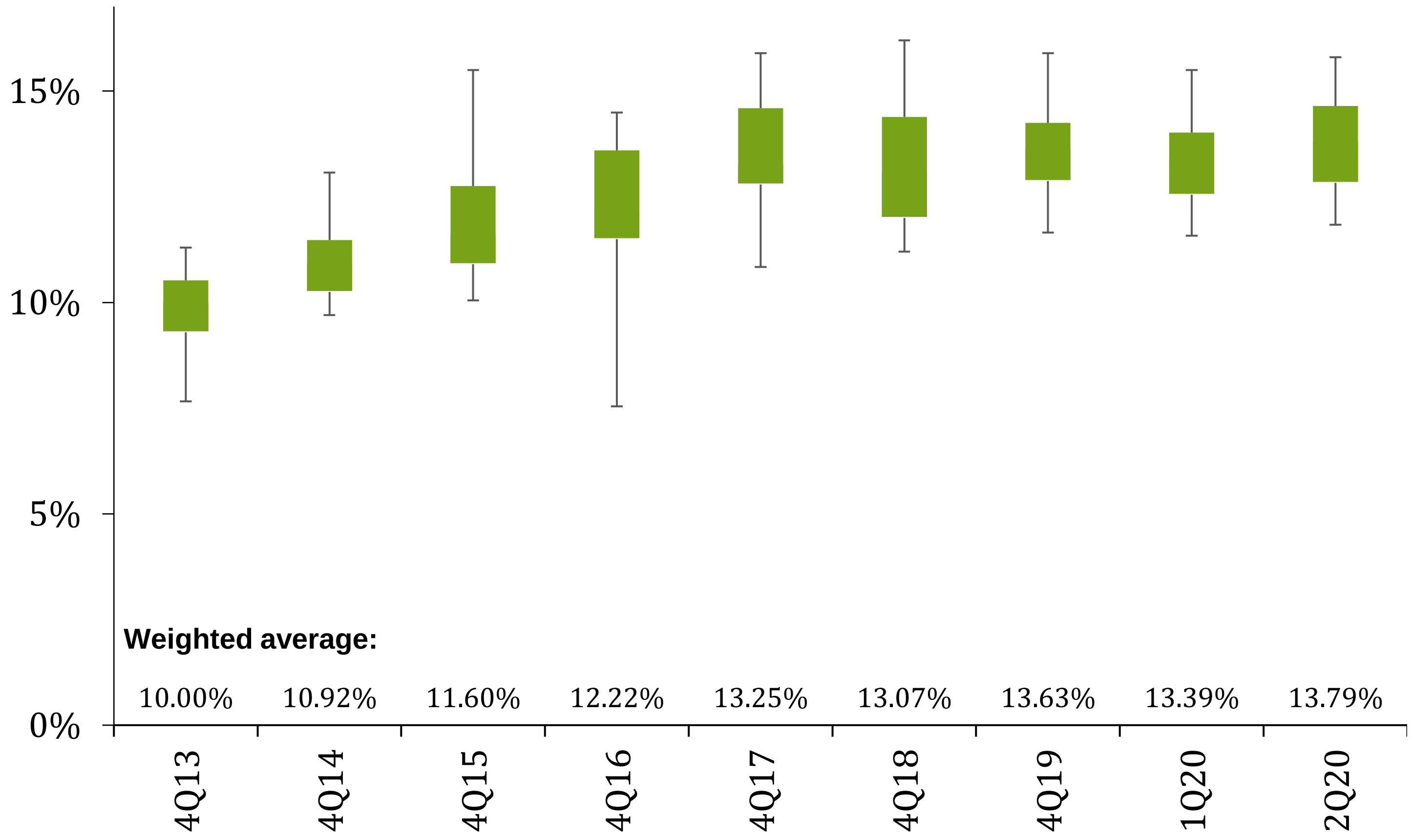
These initiatives will potentially impact the basis of calculations for the metrics covered in this report for future iterations.

AFME is actively contributing to each of these initiatives.

Capital and liquidity ratios

CET1 ratio

CET1 end-point ratio



Source: EU GSIBs earnings reports

Highest CET1 ratio on records

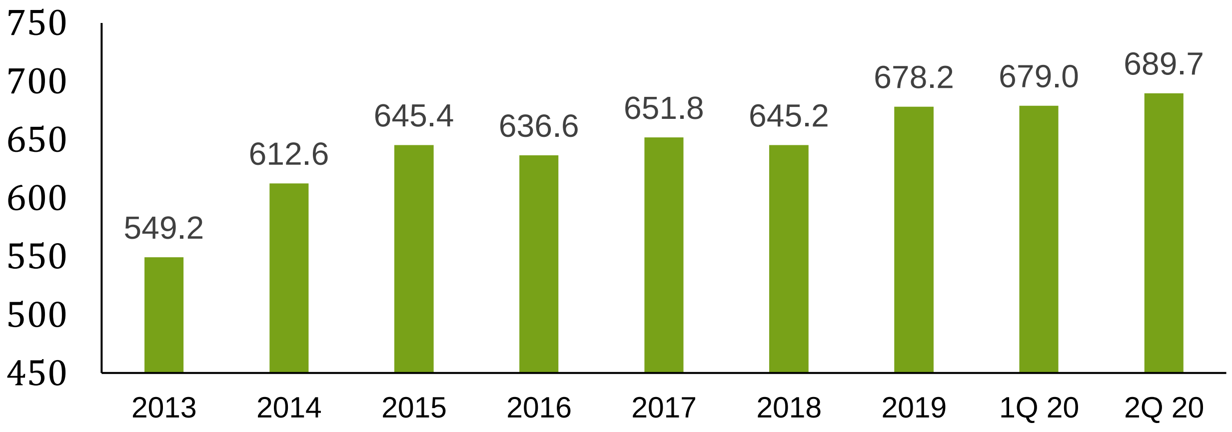
European GSIBs reported the highest CET1 ratio on records following a 40bps increase during the quarter.

The increase was driven by a 1.7% QoQ decline in RWAs and a 1.2% increase in CET1 capital.

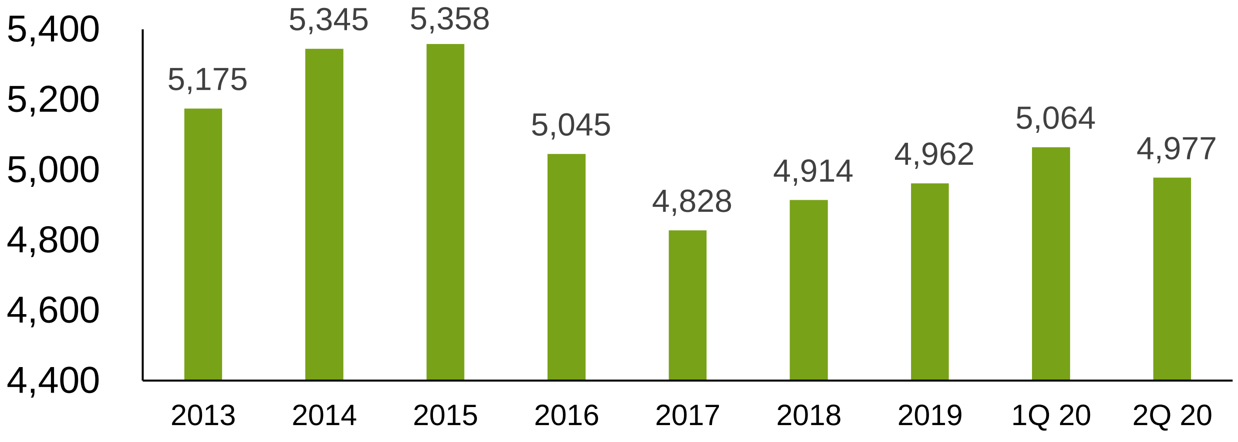
10 of the 11 European GSIBs reported a quarterly increase in their CET1 ratios.

CET1 and RWA levels

CET1 capital (€bn)



RWA (€bn)



Source: EU GSIBs earnings reports.

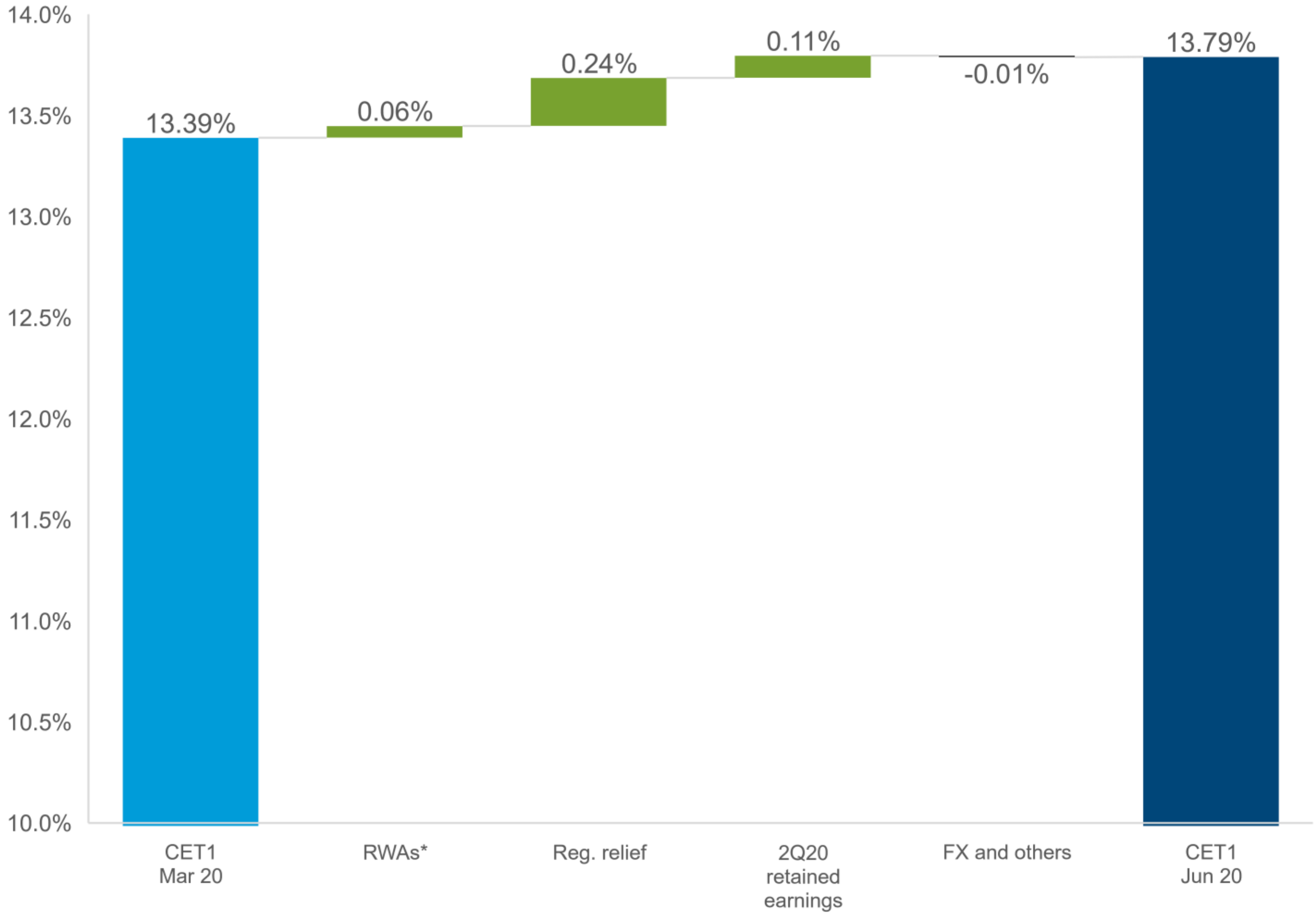
Robust capital buffers to support businesses navigate the pandemic

EU GSIBs increased their reported CET1 capital to €689.7 bn.

RWAs declined 1.7% QoQ on the back of temporary regulatory relief which introduced in the EU lower weighting of exposures to SMEs and implements a support factor for infrastructure finance. This was not fully by higher market risk RWAs due to the severe market volatility during the quarter and asset growth from higher lending activities.

Drivers of CET1 ratio

Change in CET1 ratio by components in 2Q 2020 (%)



Source: EU GSIBs earnings reports

Regulatory relief contributed to quarterly increase in CET1 ratio

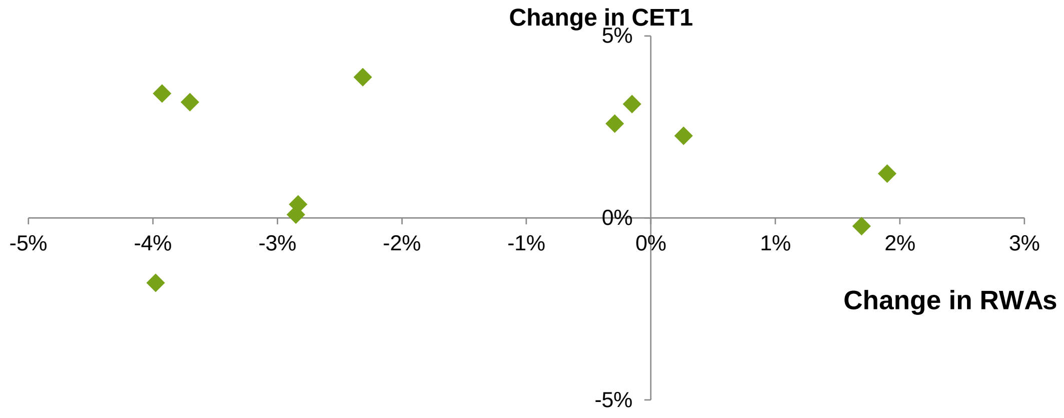
In response to the COVID crisis, EU and UK regulators temporarily amended capital requirements rules for banks as a measure to support the wider economy. In the EU, the CRR quick fix allows a lower weighting of exposures to SMEs and implements a support factor for infrastructure finance. UK regulators also allowed a transitional implementation of IFRS9 which had a net positive impact to the CET1 capital stack. The regulatory relief had a net positive impact of 24bps on CET1 ratio.

The RWA decline (ex-regulatory relief) during the quarter contributed with an increase of 6 bps in CET1 ratio.

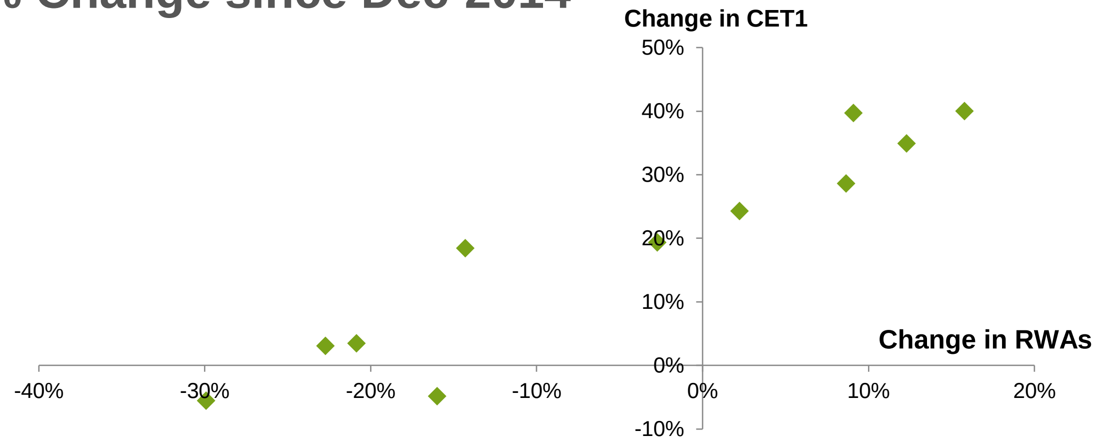
Earnings reported during the period contributed 11bps on CET1 ratio

Change in CET1 capital and RWAs by banks

2Q 20 % change QoQ



% Change since Dec-2014



Source: EU GSIBs earnings reports. Each dot represents a bank

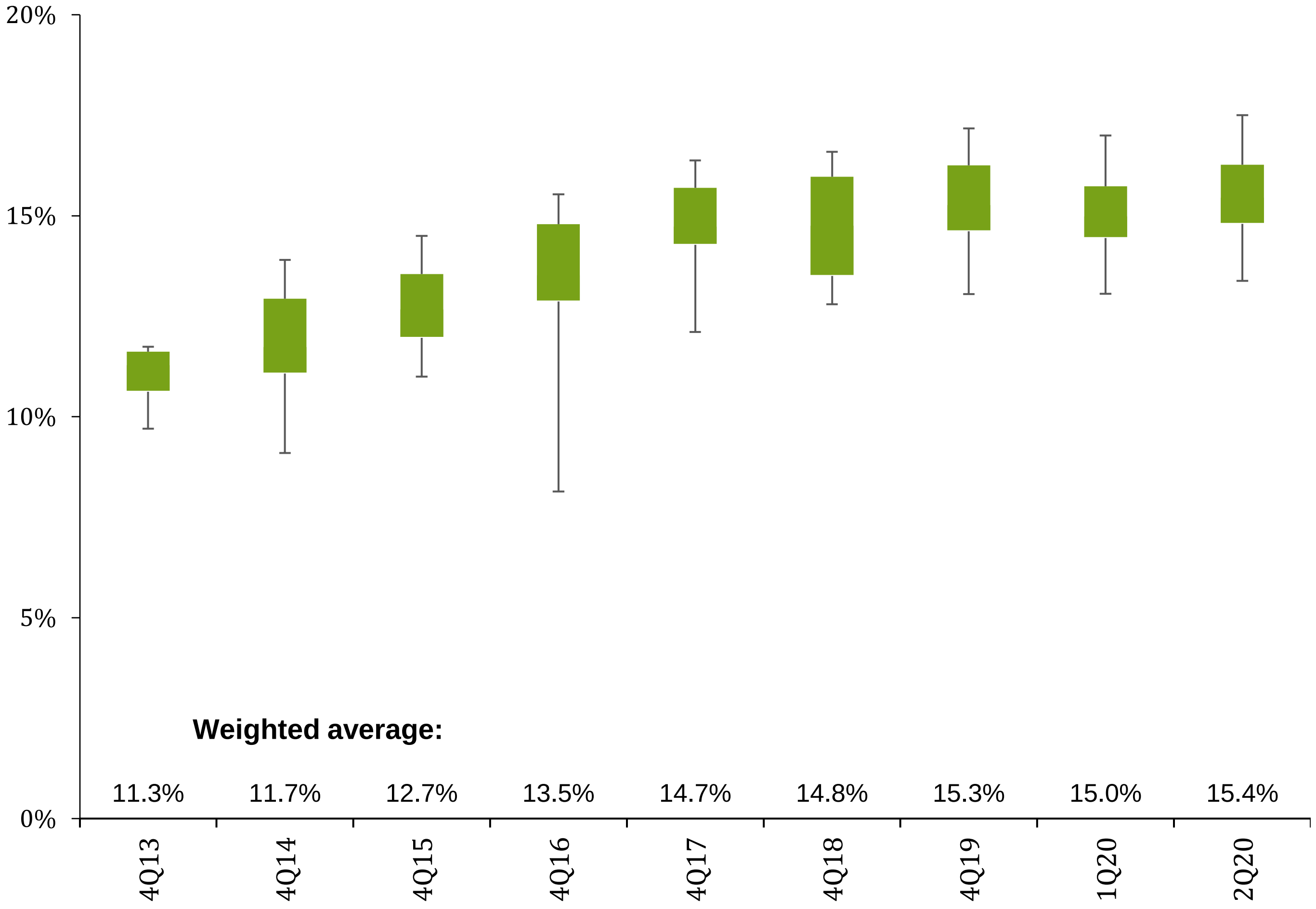
CET1 and RWA variations by banks

9 of the 11 banks increased their CET1 capital during the quarter

Most of the banks reported a quarterly decline in RWAs. The three banks that reported an increase in RWAs attribute the quarterly variation to increase in lending activities– particularly: non-guaranteed part of State-Guaranteed loans, ratings migration, and corporates credit line drawdowns.

T1 ratio

End-point



Source: EU GSIBs earnings reports

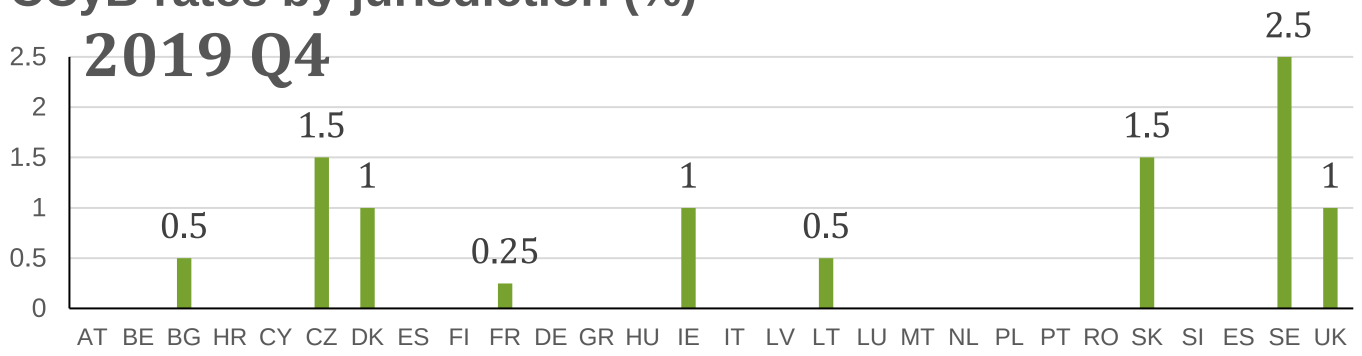
40bps increase in T1 capital ratio

End-point T1 ratios increased to 15.4% in 2Q20 from 15.0% in 1Q20 when banks reported a quarterly decline in T1 ratios following the COVID-19 outbreak.

As observed on page 34, European banks have resumed issuance of AT1 bonds after the market turbulence episode of March-April of 2020.

Countercyclical capital buffer (CCyB)

CCyB rates by jurisdiction (%)



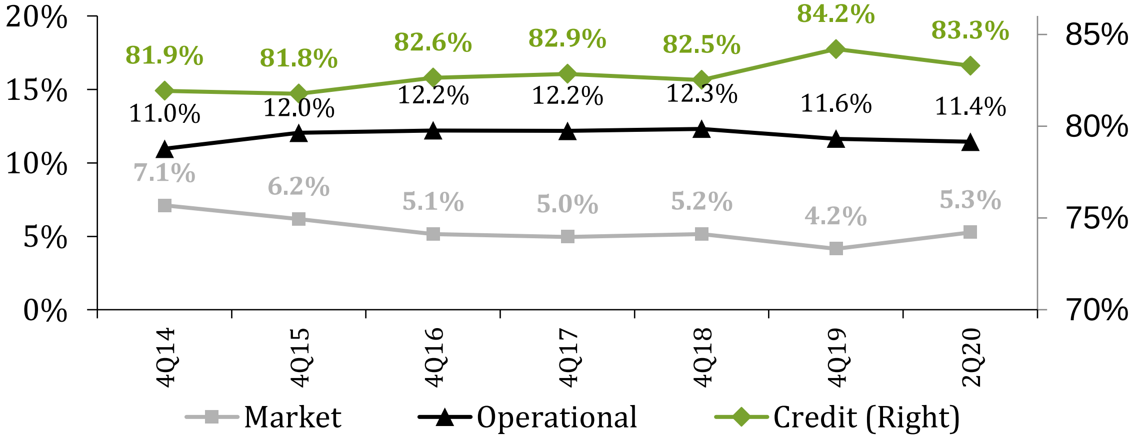
Source: ESRB. Exemptions are provided for certain small and medium-sized investment firms from holding a CCyB in the following countries: Croatia, Cyprus, Luxembourg, Malta, Poland, Slovakia, Sweden and the United Kingdom

Over the last quarter CZ and SK national authorities reduced their CCyB rates to 0.5% and 1% respectively.

Most national macroprudential authorities have reduced the CCyB rate to zero as a measure of policy support due to the COVID-19 outbreak.

RWAs by risks

RWAs by risks



RWAs by risks and EU GSIB

Source: EU GSIBs earnings reports

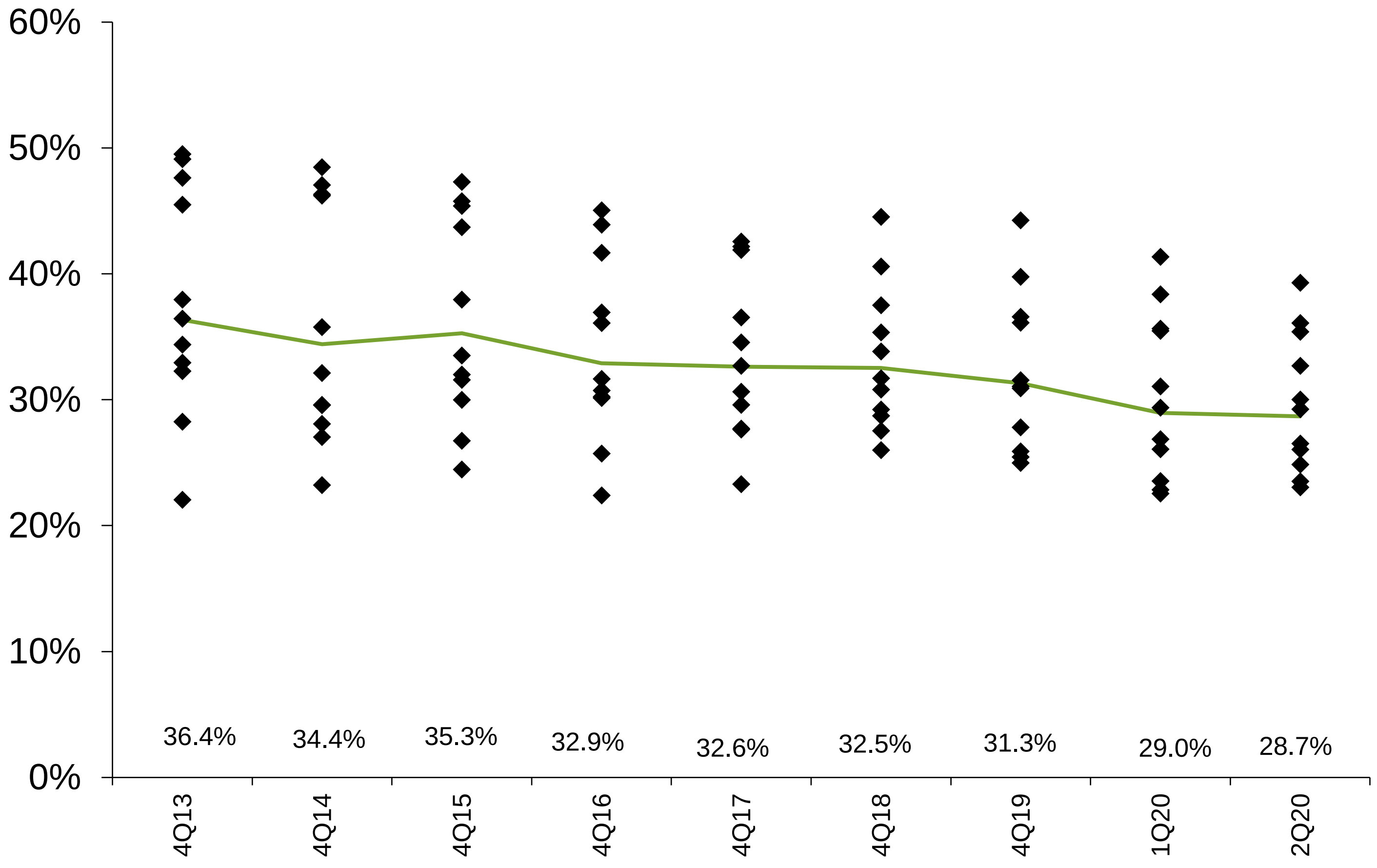
Quarterly increase in market risk RWAs

Market risk RWAs rose 8% QoQ and 26% YtD due to the significant increase in market volatility and trading activities during the quarter.

10 of the 11 banks covered in this report increased their market risk RWAs during the quarter.

RWA densities

RWA densities: RWA/total assets



Source: EU GSIBs earnings reports

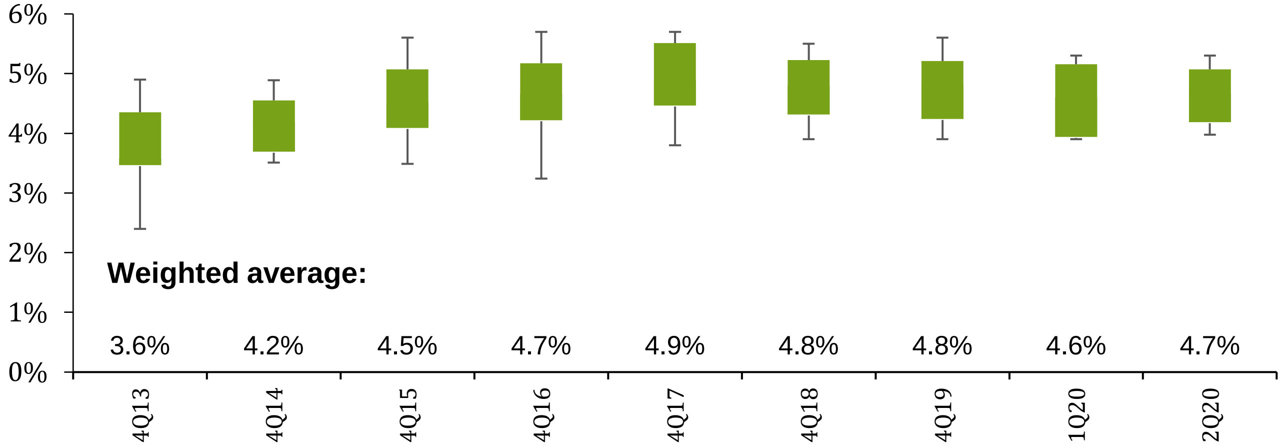
28.7% average RWA density

RWA variability between banks declined to the lowest gap since 2013.

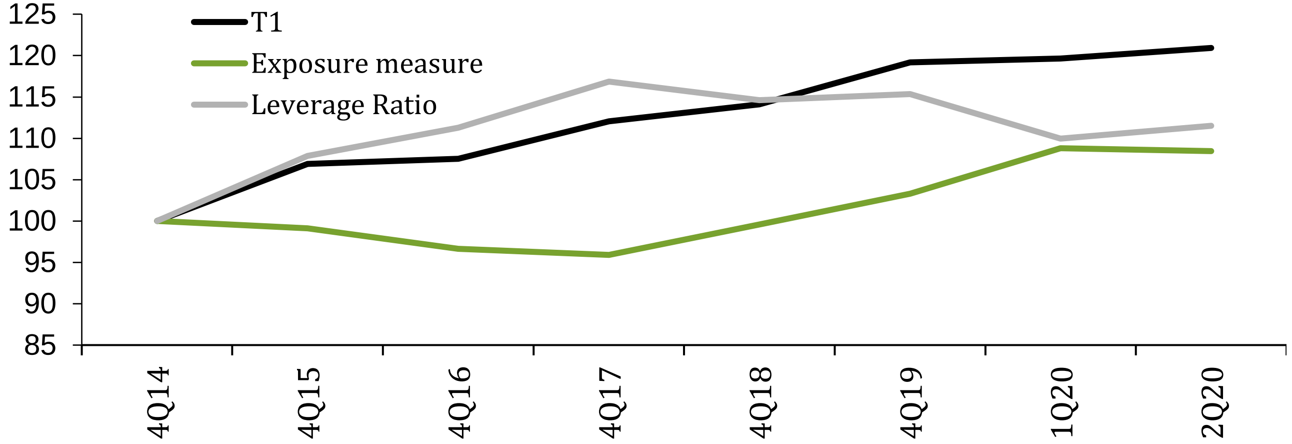
The difference between the banks with the highest and lowest RWA density declined from 27.5% in 4Q13 to 16.3% in 2Q20.

Leverage Ratio (LR)

Leverage ratio: end-point



Cumulative change of T1 capital, exposure measure and LR



Source: EU GSIBs earnings reports

Increase in Leverage Ratio due to increase in T1 capital

The weighted average leverage ratio stood at 4.67% in 2Q20, 7bp above the ratio observed in 1Q20 (4.60%).

The increase was driven by a slight decrease in risk exposure (0.3%) and a quarterly increase in T1 capital (1.1%).

The weighted average ratio of 4.67% is comparable with a global minimum standard of 3% according to the Basel III accord.

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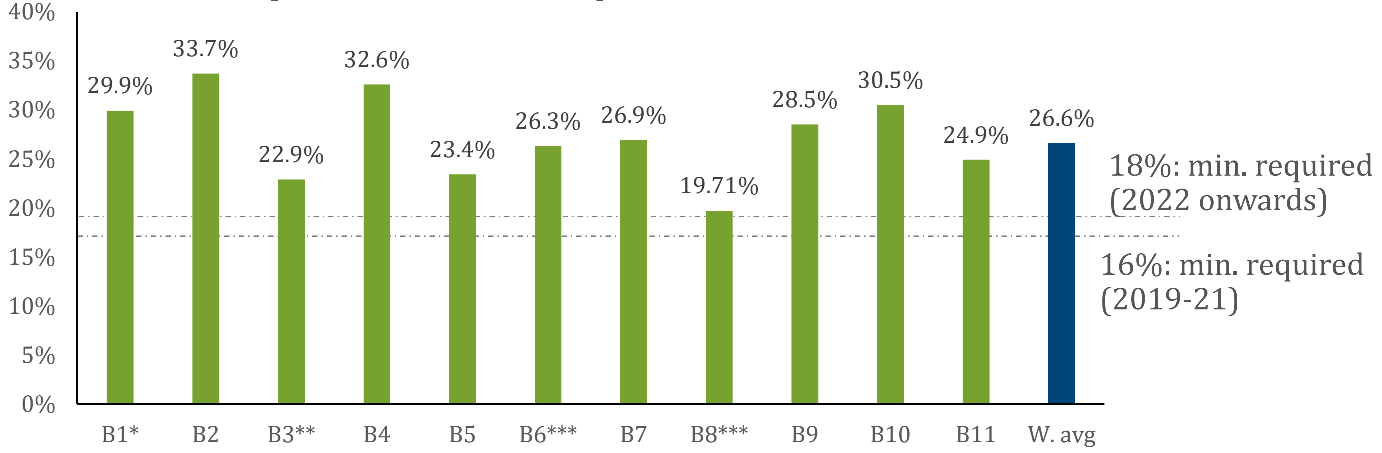
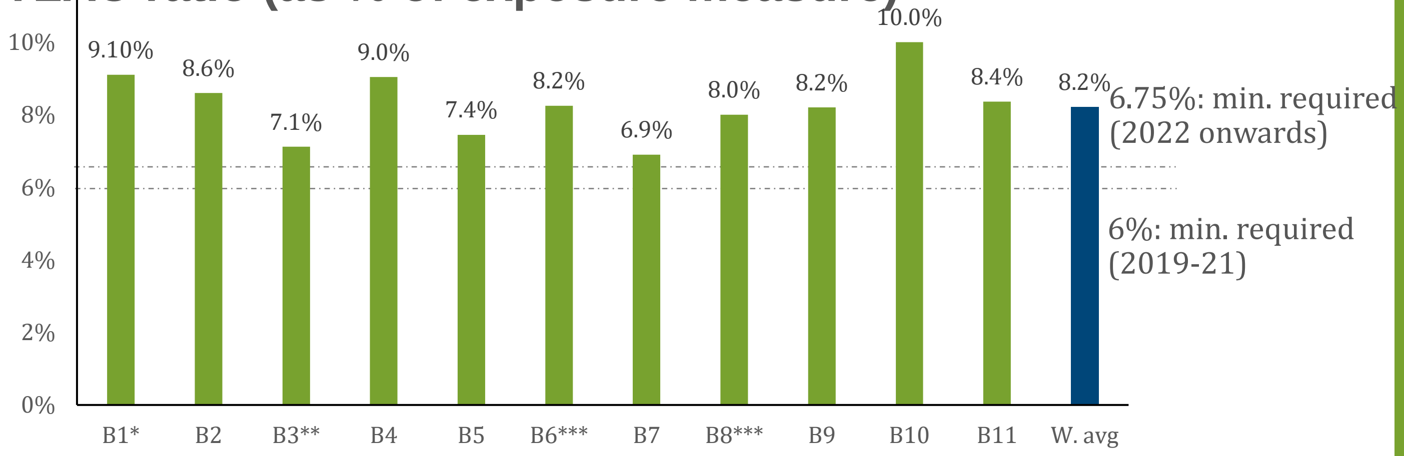
TLAC ratio (as % of RWAs)



TLAC ratio (as % of exposure measure)



Source: EU GSIBs earnings reports. *weighted average of resolution entities. ** including 2.5% senior preferred allowance
*** not based on public disclosure. Based on AFME calculations as a sum of own funds + senior non-preferred+ senior preferred allowance of 2.5% of RWAs

TLAC ratios increased in 2Q 20 following quarterly declines observed in 1Q 20

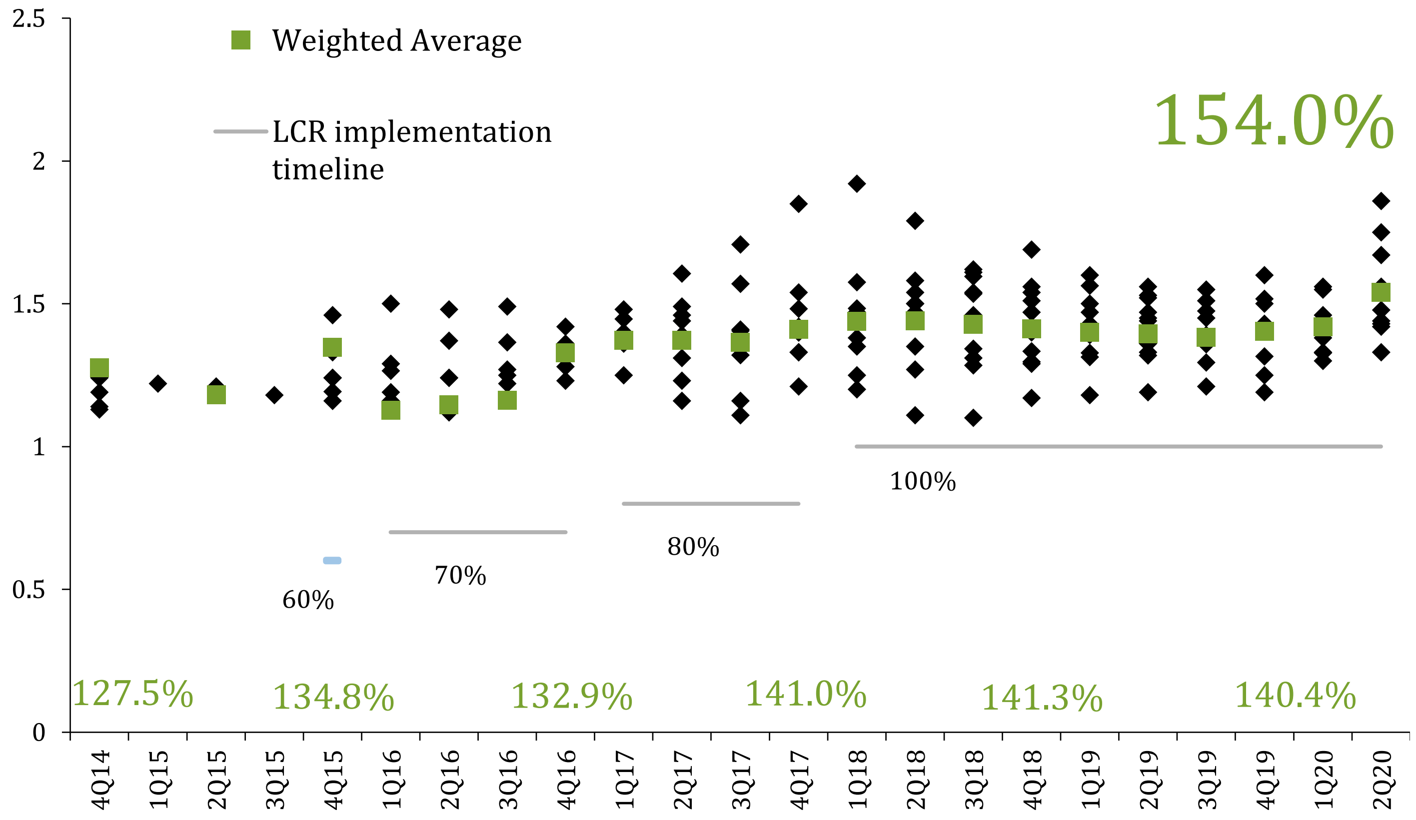
TLAC ratios measured relative to RWAs increased from 25.7% in 1Q20 to 26.6% in 2Q20.

TLAC ratios measured as a percentage of exposure measure increased from 8.0% in 1Q20 to 8.2% in 2Q20.

According to AFME estimates based on public disclosures, EUGSIBs have a total of c€1.3tn of TLAC eligible liabilities, with all EU GSIBs meeting their 2020 and 2022 TLAC minimum ratios.

Liquidity Coverage Ratio (LCR)

Liquidity coverage ratio (%)



Source: EU GSIBs earnings reports

LCR 54pp above minimum required ratio (100%)

The weighted average LCR finalised the quarter at 154%, above the average ratio at the end of 2019 (140.4%).

The precautionary increase in cash buffers by European banks has been driven predominantly by an increase in central bank deposits.

CRDIV requires banks to have a sufficient level of High Quality Liquid Assets (HQLA) to withstand a stressed funding scenario of 30 days. HQLA relative to total net cash outflows over a 30-day time period must be greater than or equal to 100%.

Box: The end of ‘Too Big To Fail’ (TBTF)

The end of ‘Too Big To Fail’ (TBTF)

The TBTF reforms have been largely successful, reducing both systemic risk and the need for direct government support to institutions during periods of stress.

This may be attributable to, among other things, to significantly enhanced capital and liquidity requirements; the issuance of bail-inable debt that comprises part of the Total Loss Absorbing Capacity (TLAC) requirements, which clarifies the parties that will absorb losses in a crisis; the development of credible recovery and resolution plans; significantly improved risk management systems and governance structures; and reduced organizational and business model complexity to support resolution strategies.

Progress has been made also in reducing the moral hazard posed by the largest financial institutions and the funding advantage for systemic banks compared to smaller institutions (i.e. implicit subsidy).

This box presents preliminary research with the evolution of the implicit subsidy for European banks during the COVID-19 outbreak.

The implicit subsidy refers to the funding advantage for large institutions (i.e. GSIBs) due to an implicit guarantee whereby markets assume that the Government is the ultimate bearer of default risk should large institutions under distress require government-sponsored bail-outs.

The implicit subsidy manifested in the past with lower borrowing costs for GSIBs compared to non-GSIBs (other things equal). However, as this box shows, during the COVID-19 market distress episode, large systemic institutions did not exhibit lower funding costs compared to smaller non-systemic institutions.

The end of ‘Too Big To Fail’ (TBTF)

There are several studies which estimate the value of implicit subsidies using a range of different approaches and methodologies. The most commonly used approach focus on cost of funding (in some instances using econometric techniques).

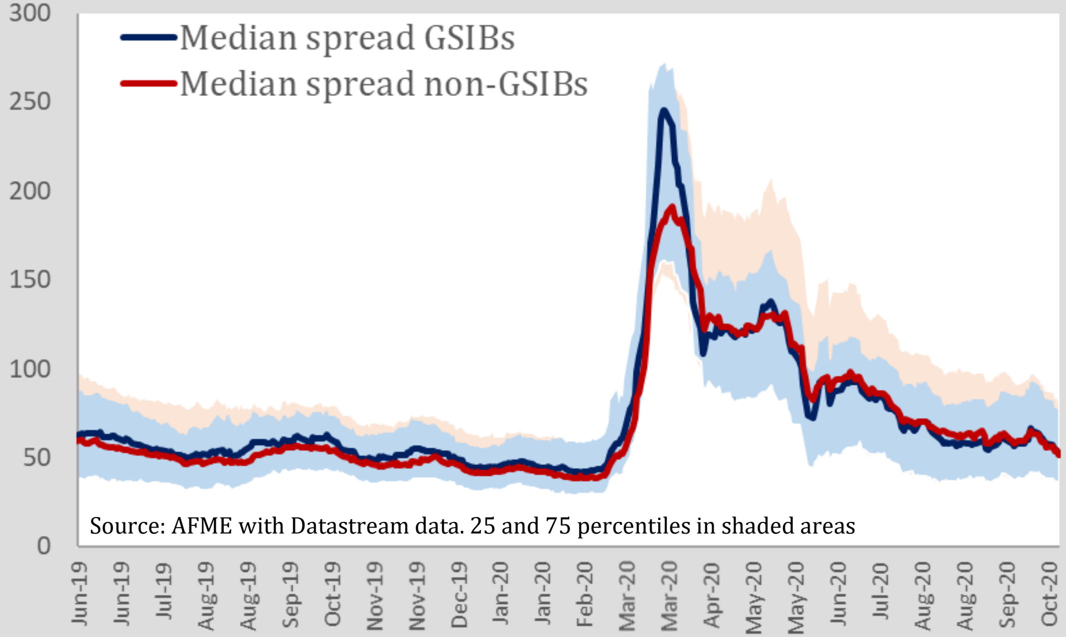
In this Box we have produced a primer analysis with the variation of option-adjusted senior bond spreads for a sample of 348 unique bonds issued by European banks*.

The chart on the right panel shows the medium spread of large European GSIBs compared to non-GSIBs over the last 16 months.

Median spreads across large European GSIBs were higher than those of non-GSIBs for the second half of 2019. More noticeable is the large gap in funding spread during the March 2020 COVID-19 outbreak where GSIBs funding costs rose 62bps above those of European non-GSIBs.

Most recently, the median spreads for GSIBs and non-GSIBs have converged to pre-COVID levels.

European banks’ option-adjusted senior bond spreads (bps)



*The sample consists of senior bonds constituents of Barclays “EUR Banking Senior” Index with price information for the sample period June 2019-Oct 2020. This results in 348 unique bonds issued by 79 European banks (14 European GSIBs, 27 European OSIIs and 38 smaller European institutions) traded over the second half of 2019 and the first half of 2020.

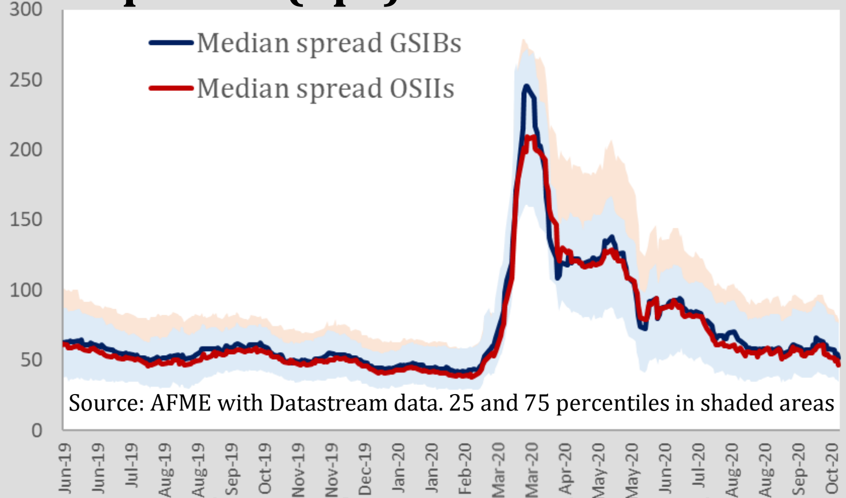
The end of 'Too Big To Fail' (TBTF)

GSIBs and OSIIs

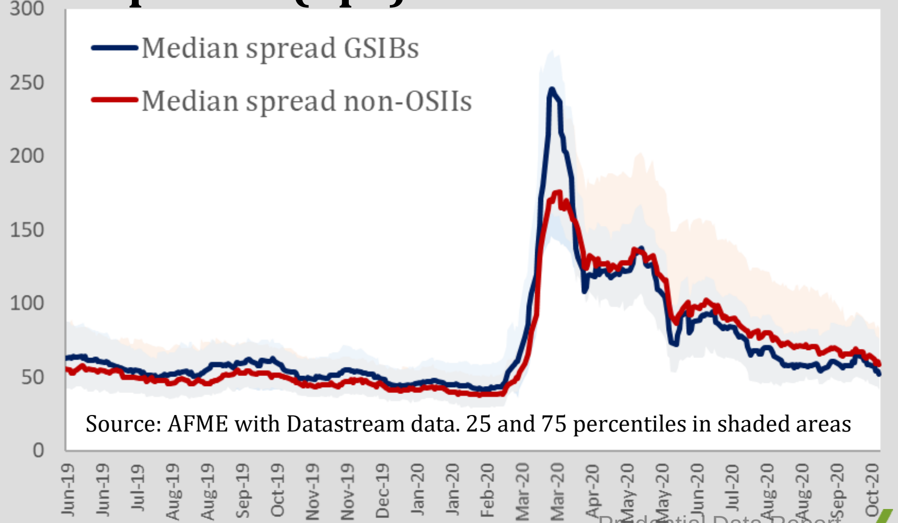
The funding cost gap between GSIBs and OSIIS also increased during the COVID-19 outbreak. European GSIBs exhibited higher funding costs than OSIIs by 36bps in late March, with the gap most recently normalizing during the month of October 2020.

The funding gap is more noticeable between European GSIBs and European banks that are not deemed neither OSIIs nor GSIBs (labeled as "non-OSIIs in the bottom chart). In late March 2020, European GSIBs exhibited funding costs that were 78bps higher than those of smaller institutions, although has most recently the funding gap has tightened in October 2020.

European banks' option-adjusted senior bond spreads (bps) GSIBs and OSIIs



European banks' option-adjusted senior bond spreads (bps) GSIBs and non-OSIIs



The end of 'Too Big To Fail' (TBTF)

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Similar evidence has been found for US banks. According to BPI, the median GSIB spread widened by more than the median spread of non-GSIBs in the second half of March before the passage of the stimulus from Congress.

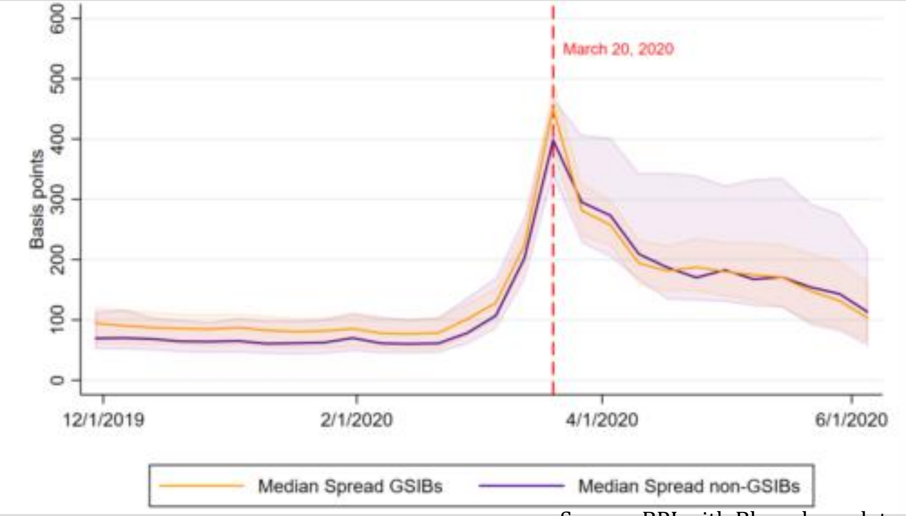
When excluding monoline and trust banks from the sample, the gap between US GSIBs and non-GSIBs results more prominent and persistent. See charts on right panel.

Next steps

It is clear from the initial phase of the COVID-19 event that systemically important banks (SIBs), particularly global systemically important banks (GSIBs), are now significantly more resilient than they were prior to the last financial crisis.

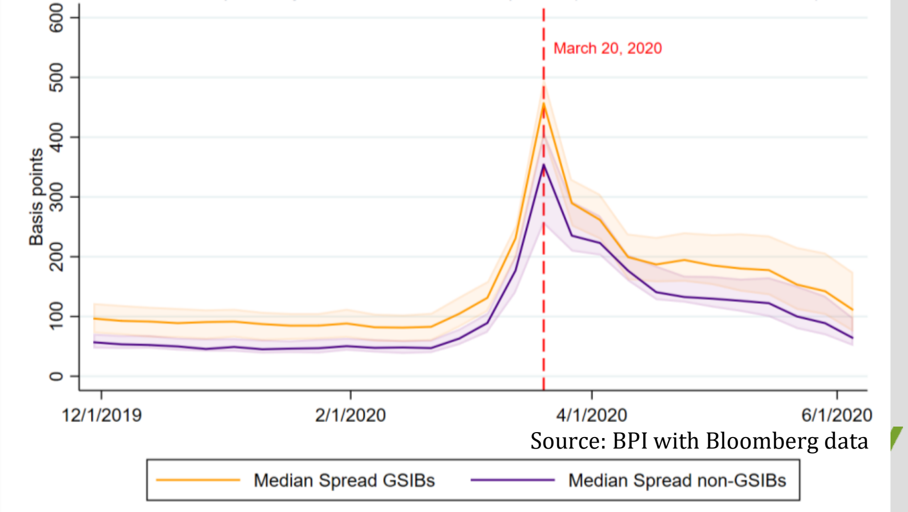
AFME via GFMA recently commented on the FSB's "Evaluation of the Effects of Too-Big-to-Fail Reforms" Consultation Paper. AFME will continue the dialogue with relevant authorities and supporting the FSB throughout its evaluation process on the Effects of Too-Big-to-Fail Reforms to financial stability.

US banks' option-adjusted unsecured bond spread (bps)



Source: BPI with Bloomberg data

US banks' option-adjusted unsecured bond spread (bps) Excl- monoline & trust banks

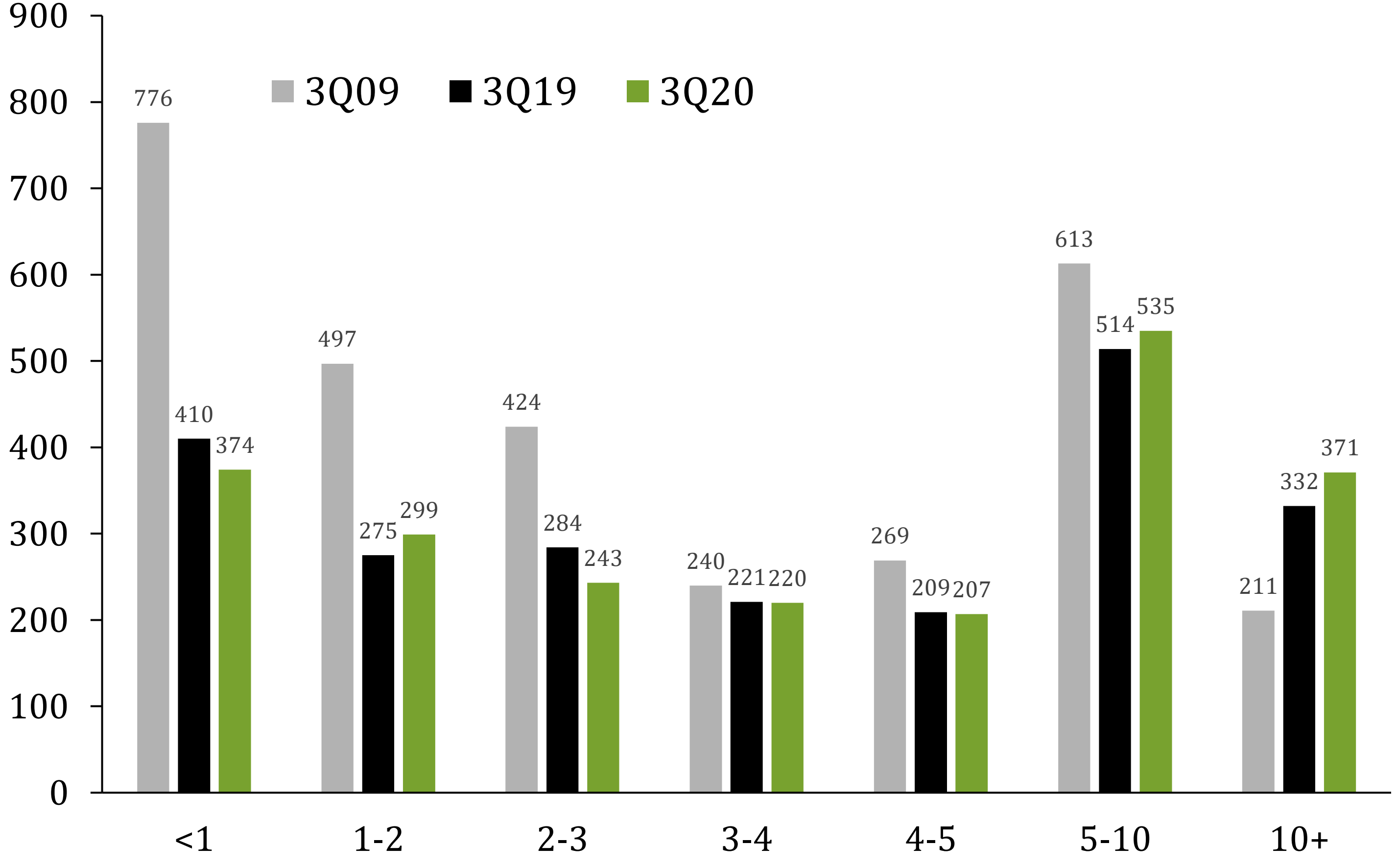


Source: BPI with Bloomberg data

Funding structure

Maturity wall of EU banks' debt

Maturity profile of EU27 banks' outstanding debt securities (€ bn, maturity in years)



Source: ECB

EU banks maturity ladder

Banks have significantly reduced their short-term funding risk and extended the maturity profile

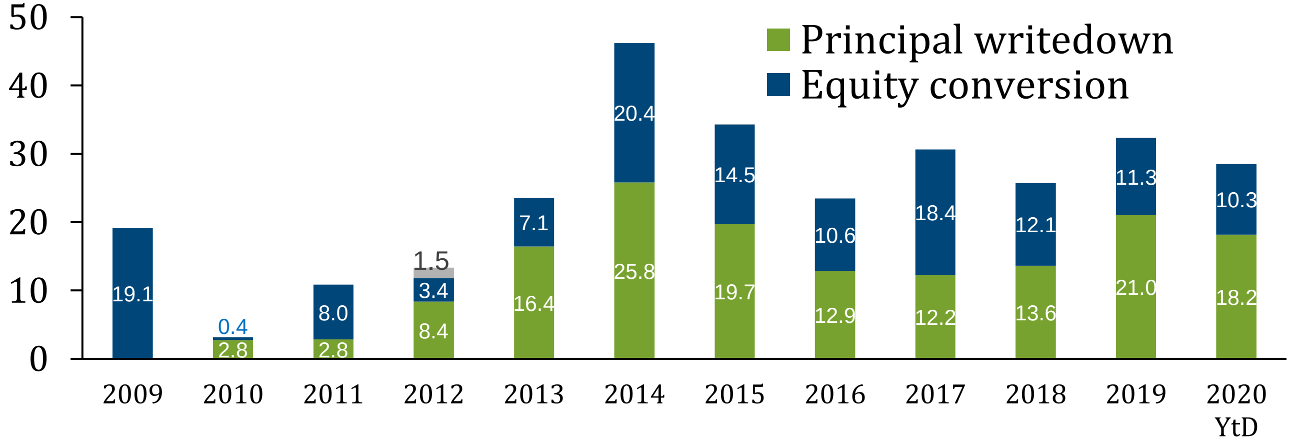
The proportion of long-term debt (>10Y) has continued to increase in both relative and absolute terms over the last decade, increasing from €211bn (9%) in 3Q09 to €371bn (17%) in 3Q20.

The proportion of short-term debt (<1Y maturity) has decreased from 35% in 3Q 2009 of total market debt to 17% in 3Q 2020.

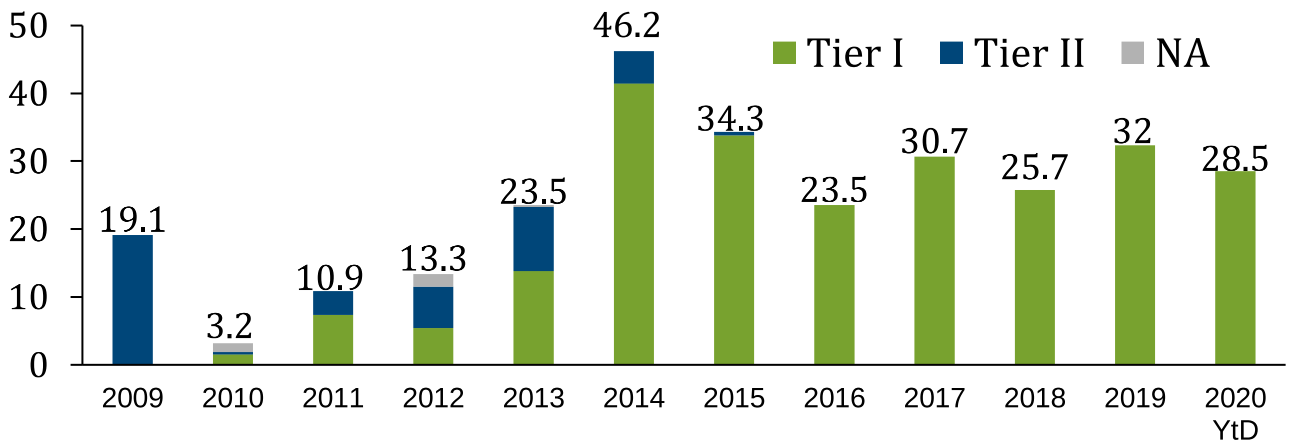
Contingent Convertibles (CoCo)

European CoCo issuance

CoCos by loss absorbing mechanism (€ bn)



CoCos by capital tiering (€ bn)



Source: Dealogic and Thomson Reuters

Decline in CoCo issuance

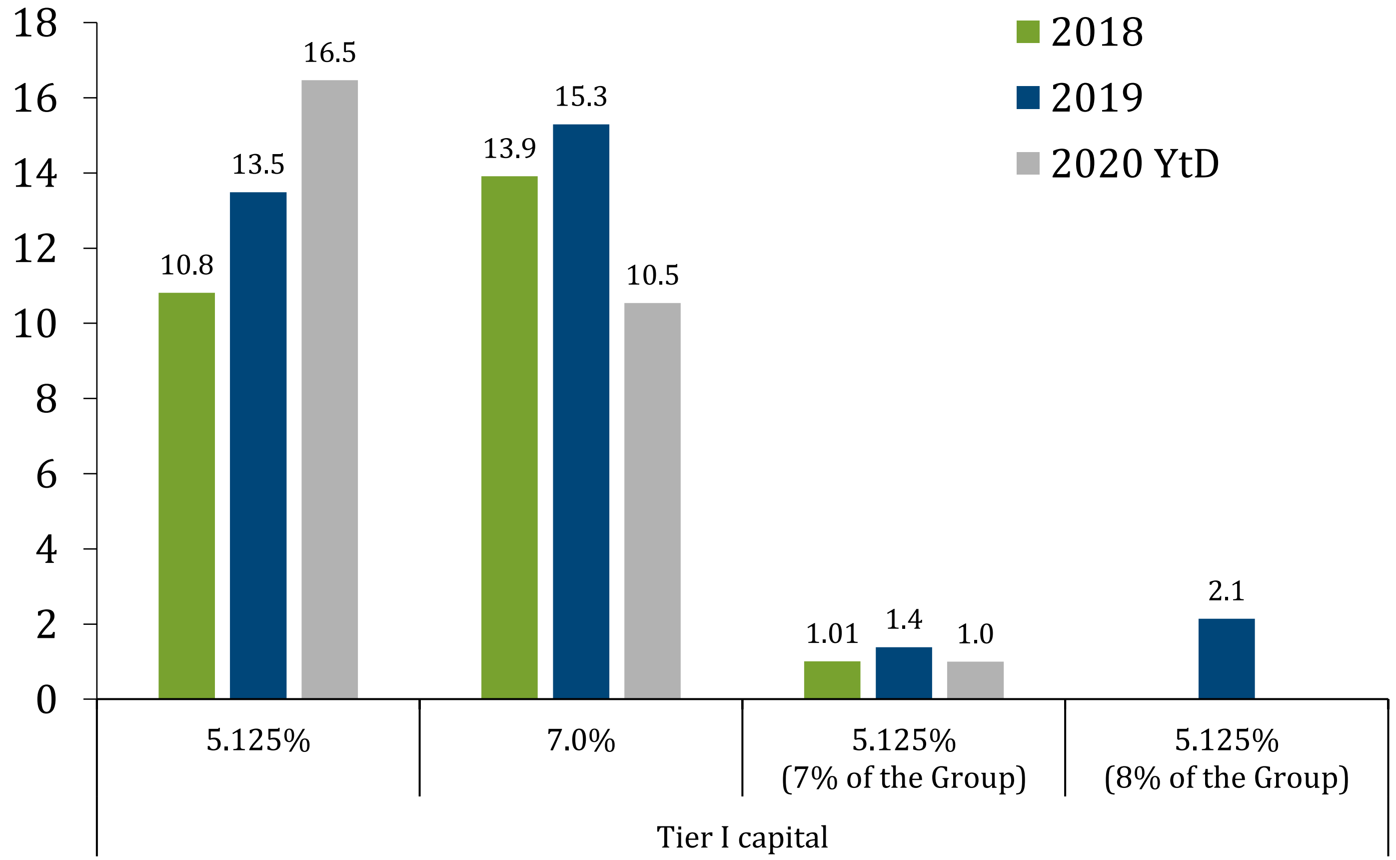
European banks have issued a total of 43 CoCo bonds during 2020, representing a total of €28.5 bn in proceeds, roughly the same amount issued during the same period of 2019 (€28.7 bn).

As shown on page 6, after two months of inactivity, CoCo issuance has recovered and is on track of reaching the same issuance levels observed during 2019.

All the instruments issued in 2020YtD have been structured on the basis of Tier 1 performance.

CoCo issuance by trigger

CoCos by trigger (€ bn)



Source: Dealogic and Thomson Reuters

CoCos contingent on CET1 capital triggers

The majority of instruments issued so far in the year have been structured with triggers of 5.125%.

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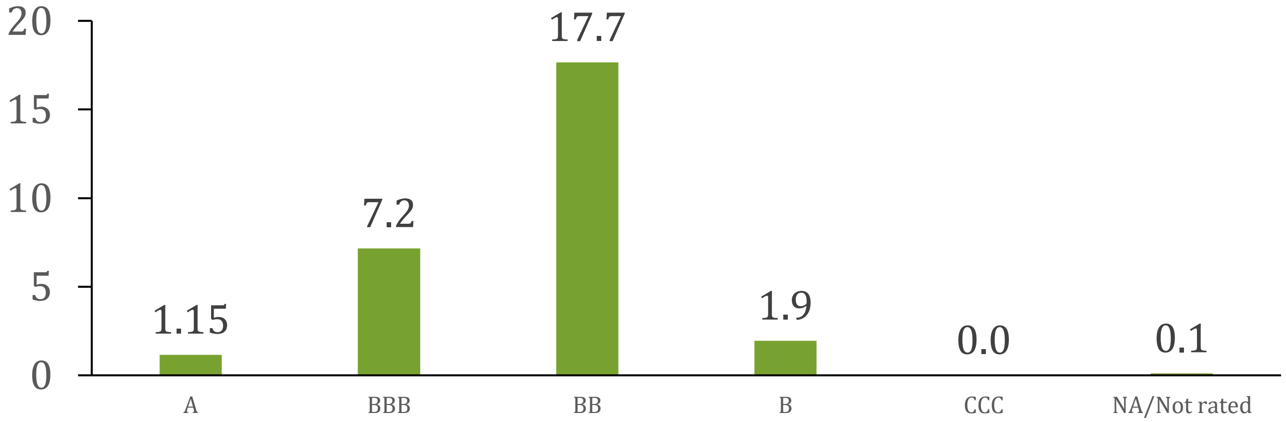
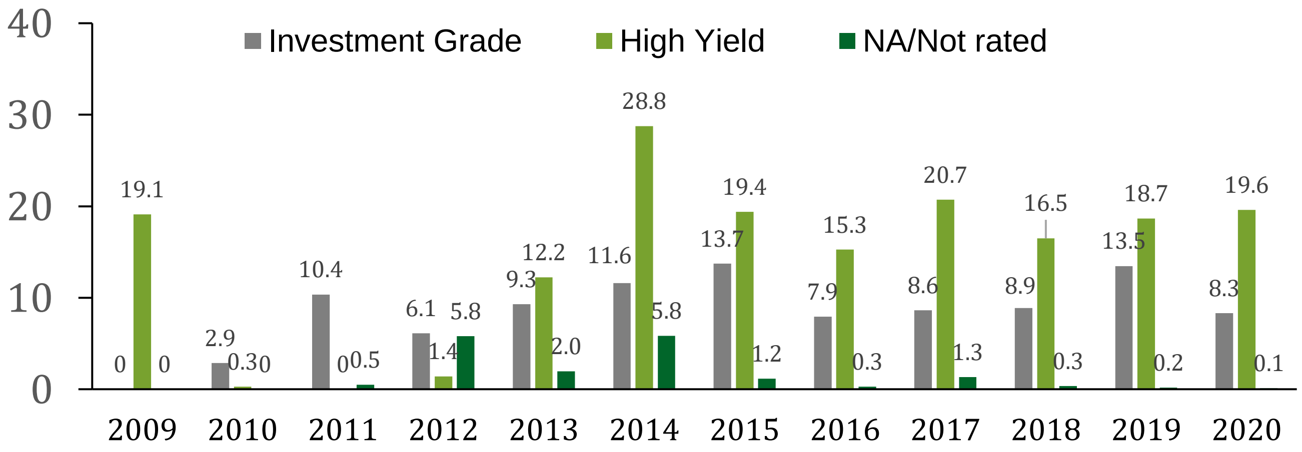
CoCos by credit rating

2020 YtD (3Q) CoCo issuance by credit rating (€ bn)



CoCo issuance by credit risk (€ bn)



Source: Dealogic. Credit rating at date of issuance

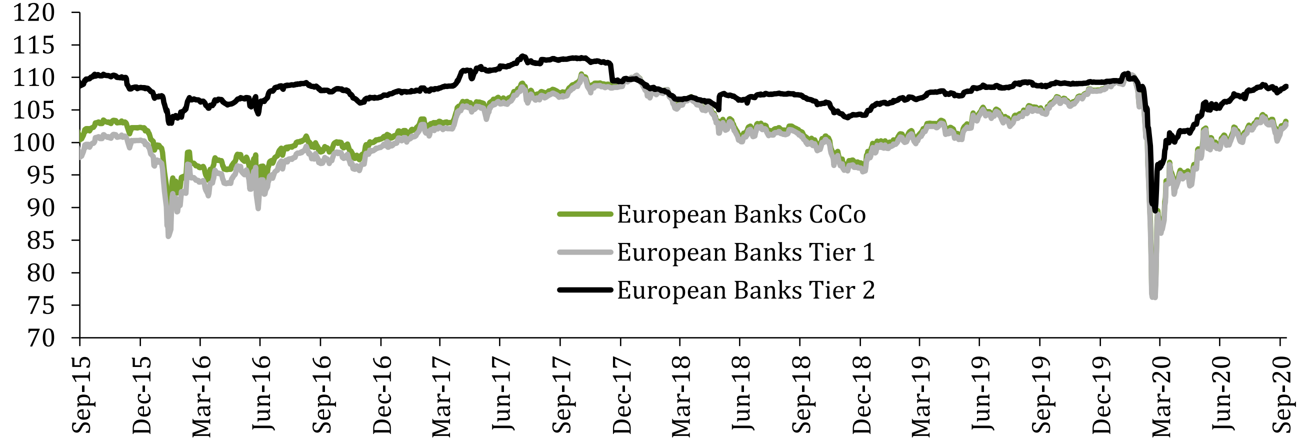
CoCos rated predominantly below investment grade

CoCos issued during 2020 have been assessed with credit ratings of between A- and B- (or between A3 and B3 in the Moody's scale).

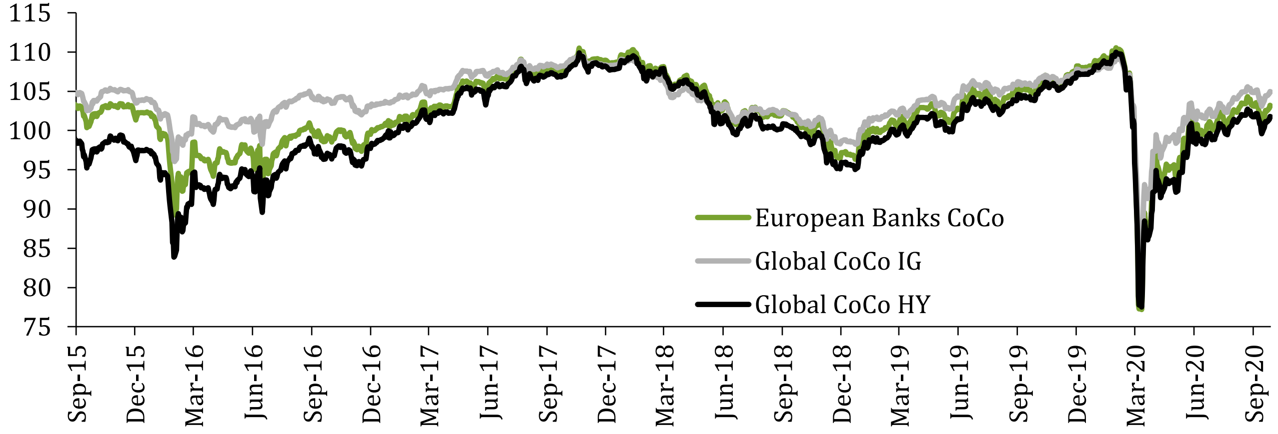
29% of the total issuance value in 2020YtD has been rated at investment grade ratings (AAA to BBB-), 70% were rated at BB+ or below. For the remaining 1% the credit rating score was either not available or the instrument was not rated by a credit rating agency

CoCo prices

CoCo prices by capital tiering



CoCo prices by credit risk



Source: Barclays capital

CoCo prices partially recover

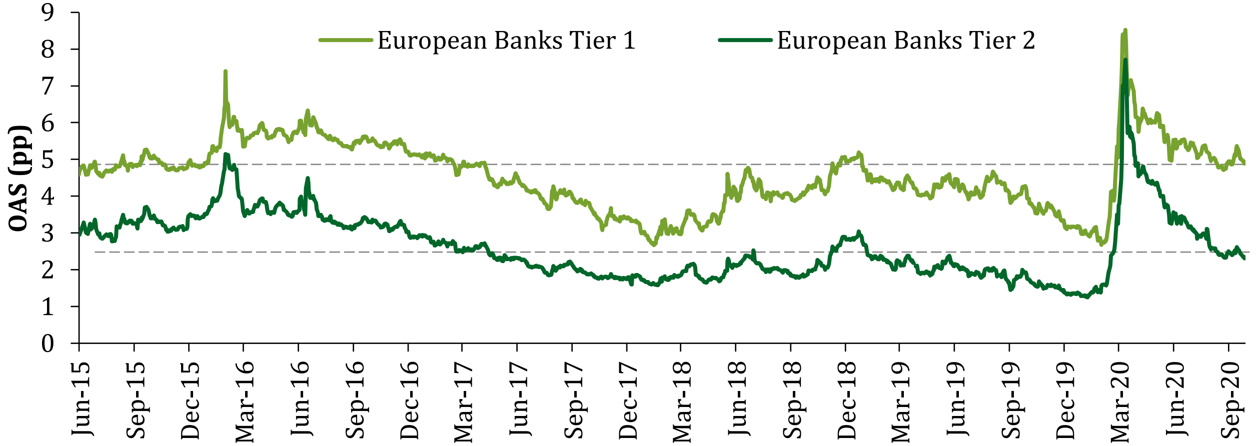
European banks CoCo prices have partially recovered from the sharp losses observed in March following the outbreak of COVID-19.

CoCos contingent on T2 performance (which absorb losses after T1 instruments) have stood more resilient during the year than AT1s.

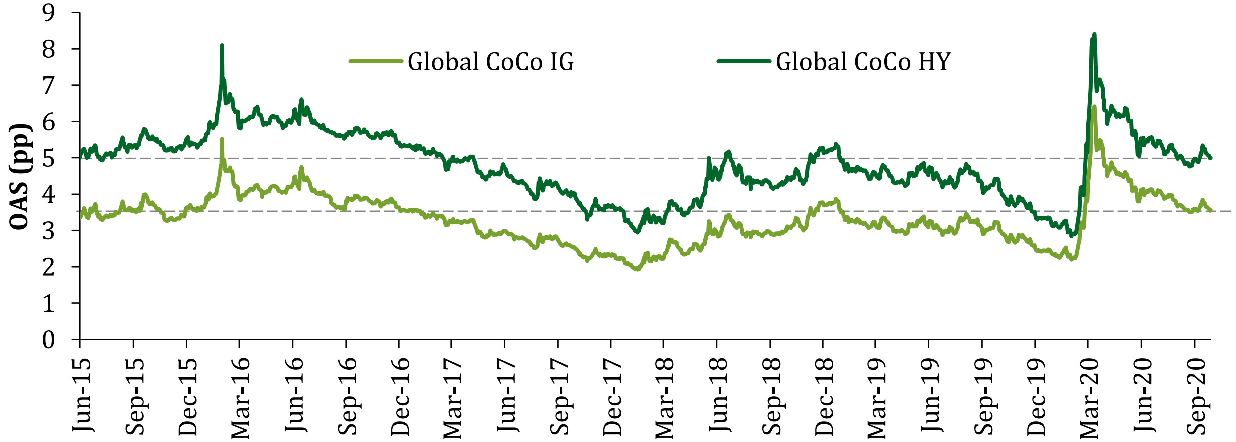
As of late September, T2 CoCos were c1% below the levels observed at the start of the year while T1 CoCos were 6% below Q1 2020 levels.

CoCo risk premia

CoCo option-adjusted spreads (OAS) by capital tiering (%)



CoCo option-adjusted spreads (OAS) by credit risk (%)



Source: Barclays capital

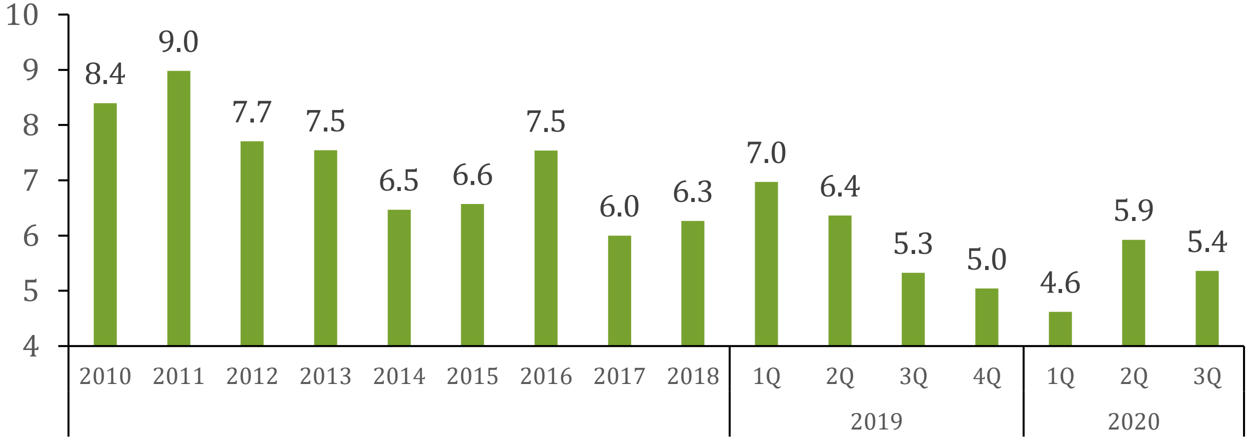
CoCo risk premia reach 2018 levels

AT1 option-adjusted spreads (OAS) have accumulated an decrease of more than c60bps from the record high levels observed at the end of Q1 2020.

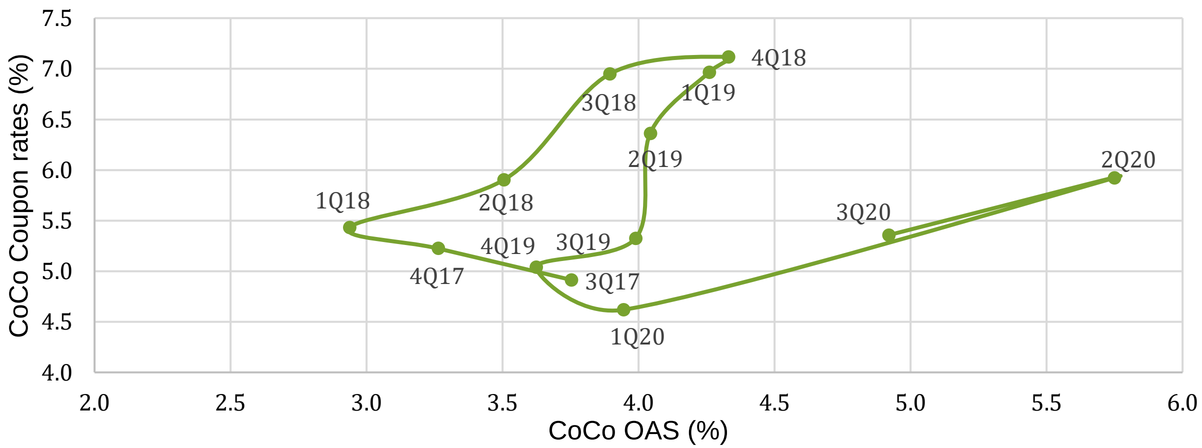
Risk premia continues above the pre-COVID levels observed during the start of the year.

CoCo risk premia

Weighted average coupons of fixed-rate CoCos (%)



CoCo risk premia (OAS) and coupon rates of new issues



Source: Barclays capital

CoCo borrowing decline as financial tensions ease

Coupon rates of newly originated CoCos declined to 5.4% in Q3, on the back of a 60bps decrease in CoCo risk premia during the quarter.

Borrowing costs, however, continue above the levels observed prior to the COVID-19 outbreak.

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Recently issued CoCos

Pricing Date	Issuer	Tier Capital	Deal Total Value (Euro)	Trigger	Conversion mechanism	Issue Rate	Effective Rating (Launch)	Maturity	Coupon
09-Jan-20	Santander	Tier I	1,500,000,000	5.125%	Equity conversion	Fixed rate	BB+	Perpetual	4.375
13-Jan-20	UBI Banca	Tier I	400,000,000	5.125%	writedown	Fixed rate	B+	Perpetual	5.875
14-Jan-20	Banco BPM SpA	Tier I	400,000,000	5.125%	writedown	Fixed rate	B-	Perpetual	6.125
16-Jan-20	Credit Suisse Group AG	Tier I	897,545,214	7.000%	writedown	Fixed rate	BB	Perpetual	5.1
06-Feb-20	Luzerner Kantonalbank AG	Tier I	336,385,722	5.125%	writedown	Fixed rate	BBB	Perpetual	1.5
11-Feb-20	Deutsche Bank	Tier I	1,143,229,405	5.125%	writedown	Fixed rate	B+	Perpetual	6
12-Feb-20	UniCredit	Tier I	1,250,000,000	5.125%	writedown	Fixed rate	BB-	Perpetual	3.875
19-Feb-20	Hoist Finance AB	Tier I	40,000,000	5.125%	writedown	Fixed rate	Not rated	Perpetual	7.75
19-Feb-20	BNP Paribas SA	Tier I	1,617,823,796	5.125%	writedown	Fixed rate	BBB-	Perpetual	4.5
19-Feb-20	Arion Banki	Tier I	92,447,074	5.125%	Equity conversion	Fixed rate	BB	Perpetual	6.25
20-Feb-20	Intesa Sanpaolo SpA	Tier I	750,000,000	5.125%	writedown	Fixed rate	BB-	Perpetual	3.75
20-Feb-20	Intesa Sanpaolo SpA	Tier I	750,000,000	5.125%	writedown	Fixed rate	BB-	Perpetual	4.125
24-Feb-20	ING Groep NV	Tier I	691,467,294	7.000%	Equity conversion	Fixed rate	BBB-	Perpetual	4.875
14-May-20	Bank of Ireland	Tier I	675,000,000	7.000%	writedown	Fixed rate	BB	Perpetual	7.5
08-Jun-20	Commerzbank	Tier I	1,250,000,000	5.125%	writedown	Fixed rate	BB	Perpetual	6.125
08-Jun-20	ABN AMRO Bank	Tier I	1,000,000,000	5.125% (7% of the Group)	writedown	Fixed rate	BBB-	Perpetual	4.375
10-Jun-20	Nationwide Building Society	Tier I	843,170,320	7.000%	Equity conversion	Fixed rate	BBB-	Perpetual	5.75
10-Jun-20	Sbanken ASA	Tier I	28,643,036	5.125%	writedown	Floating rate note		Perpetual	3-mth Other +310
16-Jun-20	AIB Group plc	Tier I	625,000,000	7.000%	writedown	Fixed rate	BBB	Perpetual	6.25
17-Jun-20	Standard Chartered plc	Tier I	886,925,670	7.000%	Equity conversion	Fixed rate	BB+	Perpetual	6
23-Jun-20	Komplett Bank ASA	Tier I	21,059,393	5.125%	writedown	Floating rate note		Perpetual	3-mth Other +800
24-Jun-20	Royal Bank of Scotland Group plc	Tier I	1,336,064,844	7.000%	Equity conversion	Fixed rate	BB	Perpetual	6
07-Jul-20	Cooperatieve Rabobank UA	Tier I	1,000,000,000	5.125%	writedown	Fixed rate	BBB	Perpetual	4.375
07-Jul-20	BBVA	Tier I	1,000,000,000	5.125%	Equity conversion	Fixed rate	BB	Perpetual	6
08-Jul-20	Bankinter	Tier I	350,000,000	5.125%	Equity conversion	Fixed rate	BB	Perpetual	6.25
22-Jul-20	UBS Group AG	Tier I	655,565,753	7.000%	writedown	Fixed rate	BB+	Perpetual	5.125
04-Aug-20	Credit Suisse Group AG	Tier I	1,273,344,652	7.000%	writedown	Fixed rate conv. to floating rate note	BB	Perpetual	5.25
05-Aug-20	Barclays plc	Tier I	1,276,161,307	7.000%	Equity conversion	Fixed rate	BB	Perpetual	6.125
25-Aug-20	Intesa Sanpaolo SpA	Tier I	750,000,000	5.125%	Equity conversion	Fixed rate	BB-	Perpetual	5.5
25-Aug-20	Intesa Sanpaolo SpA	Tier I	750,000,000	5.125%	writedown	Fixed rate	BB-	Perpetual	5.875
26-Aug-20	Bank of Ireland	Tier I	300,000,000	7.000%	writedown	Fixed rate	BB-	Perpetual	6
28-Aug-20	Nordic Corporate Bank ASA	Tier I	7,103,854			Floating rate note		Perpetual	3-mth Other +575
01-Sep-20	BAWAGPSK	Tier I	175,000,000	5.125%	writedown	Fixed rate	BB+	Perpetual	5.125
08-Sep-20	Naeringsbanken ASA	Tier I	3,789,924			Floating rate note		Perpetual	3-mth Other +500
08-Sep-20	Commerzbank	Tier I	500,000,000	5.125%	writedown	Fixed rate	BB	Perpetual	6.5
28-Sep-20	Zuercher Kantonalbank - ZKB	Tier I	291,626,163	7.000%	writedown	Fixed rate	BBB+	Oct-30	1.75
29-Sep-20	Svenska Handelsbanken AB	Tier I	429,867,171	5.125%	Equity conversion	Fixed rate	BBB+	Mar-27	4.375
29-Sep-20	Svenska Handelsbanken AB	Tier I	429,867,171	5.125%	Equity conversion	Fixed rate	BBB+	Mar-27	4.75
29-Sep-20	Julius Baer Group AG	Tier I	300,907,020	7.000%	writedown	Fixed rate	BBB-	Perpetual	4.875
01-Oct-20	CaixaBank	Tier I	750,000,000	5.125%	writedown	Fixed rate	BB	Perpetual	5.875
06-Oct-20	Nykredit Realkredit A/S	Tier I	500,000,000	7.125%	writedown	Fixed rate	BB+	Perpetual	4.125
07-Oct-20	Credit Agricole	Tier I	750,000,000	5.125%	Equity conversion	Fixed rate	BBB	Perpetual	4
07-Oct-20	Raiffeisen Schweiz Genossenschaft	Tier I	487,238,979	7.000%	writedown	Fixed rate	A-	Apr-26	2

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