

4Q 2017

Prudential Data Report

EU GSIBs prudential
capital and liquidity



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This report collates timely information on EU GSIBs' prudential capital*, leverage and liquidity ratios with updated information as at 31 December 2017.

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

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' funding structure.

As this Data Report illustrates, European systemically important banks (or EU-GSIBs) have improved their capital, leverage 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.

Box 1 of this report (pages 24-27) presents the results of a text analysis exercise of 120 earnings calls transcripts of selected EU GSIBs for the years 2012-17. With a simple word counting exercise it was possible to identify that “Basel”, “regulations”, and “digital” are among the key themes in recent earnings calls. The word “digital” has gained significant importance in earnings calls as company management presents to analysts and shareholders the banks' strategies to adapt to the digital world. “Tax” was topical in 4Q17 calls as analysts were interested in detailed guidance on the impact of the US tax reform on current and future earnings.

*According to the FSB GSIB list currently in force (2016). The latest GSIB list is from November 2017, but is not currently in force

EU GSIBs capital and liquidity ratios

	2013	2014	2015	2016	2017
CET1 ratio (end-point)	10.0%	11.1%	11.9%	12.4%	13.5%
T1 ratio (end-point)	10.8%	11.8%	13.0%	13.8%	15.1%
Leverage ratio (end-point)	3.6%	4.2%	4.6%	4.7%	4.9%
Liquidity Coverage Ratio (LCR)	-	127.5%	128.2%	132.1%	140.8%

Source: EUGSIBs earnings reports, EBA and Dealogic

EU systemically important banks* (EU GSIBs) continued to improve their capital and liquidity positions during 2017, in compliance with the Basel III accord and the CRDIV requirements.

Among the main findings of this report:

- **EU GSIBs increased their end-point CET1 ratio to 13.5% in 2017, from 12.4% in 2016.**
- **End-point Tier 1 ratios increased to 15.1% in 2017, from 13.8% in 2016.**
- **End-point Leverage ratios (LR) improved from 4.7% in 2016 to 4.9% in 2017.**
- **Liquidity Coverage Ratio (LCR) stood at 140.8% on a weighted average basis in 2017, from 132.1% in 2016.**

The annual increase in CET1 ratio was driven by contributions from earnings retention (adding 52 bps to the annual variation); further RWA reduction by the majority of banks through asset disposals, further reduction of legacy distressed assets, and lower loss profiles (adding 32 bps); and other factors including FX variation, and other bank-specific factors such as capital raising from continued issuance of capital instruments and rights issues (most notably in the first half of 2017), only partially offset by share buy-backs by some banks and other non-recurring items (adding on net 25 bps). See page 13.

The weighted average LCR increased from 132.1% in 2016 to 140.8%. See page 19.

*According to the FSB GSIB list currently in force (2016)

EU banks doubled the amount of new capital raised through markets.

The amount of new capital raised during 2017 more than doubled the total accumulated during 2016.

EU banks raised €57.5 bn in new capital in the form of follow-on offerings, contingent convertibles (CoCo), and other convertible securities. This compares with €26.0bn raised during 2016 and €52.5 bn in 2015.

The largest contribution to the total amount was from follow-on (secondary) offerings, with a total of €31.3 bn (€5.8bn in 2016FY), followed by CoCos with €26.2 bn (€19.5bn in 2016FY).

During the first months of 2018, however, CoCos have led the total capital raised by banks, with little participation from rights issues or secondary offerings.

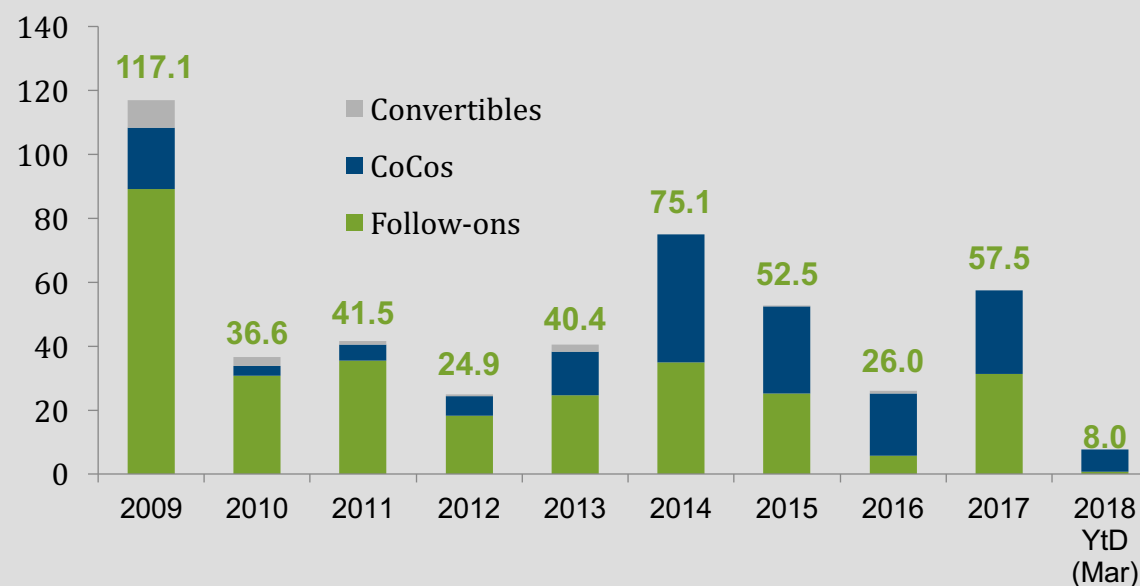
Going forward, it is likely that fresh capital raising from markets may not continue at

the same volume issued in recent years as banks have now accumulated capital surplus against 2019 end point requirements and are now seeking to comply with TLAC/MREL requirements. As shown in page 22, EU GSIBs have recently issued bail-inable senior non-preferred bonds, accumulating a total stock of €51.6bn as of March 2018*.

Banks have also continued to implement and comply with a wide range of regulations, as illustrated in the Box on page 24 of the report. “Basel”, “Tax” and “Regulations” continue to dominate the discussion topics in EU GSIBs earnings calls.

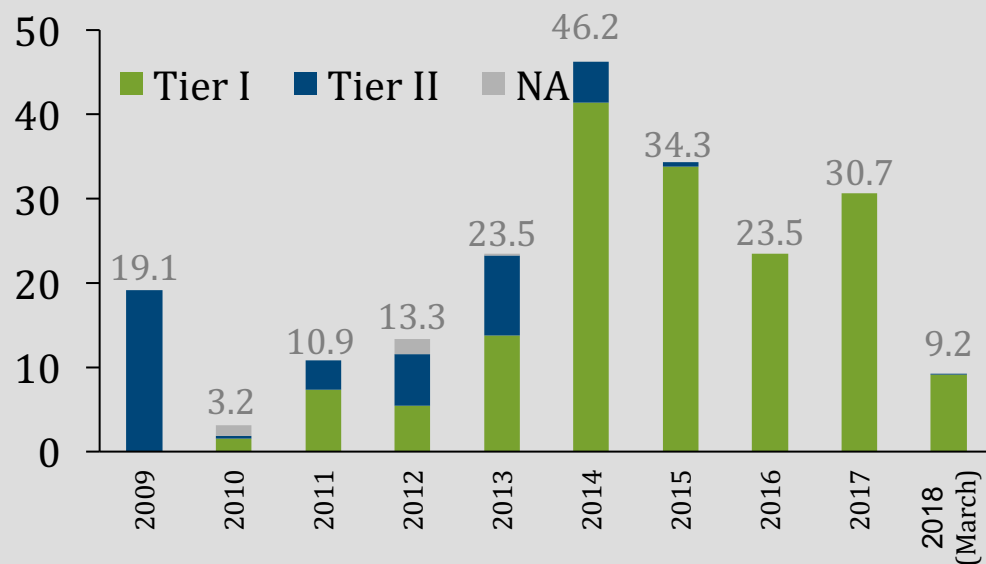
*As at 21 March 2018

Fresh capital raised by EU banks (€bn)



Source: Dealogic

European banks¹ CoCo issuance (€bn)



Source: Dealogic and Thomson Reuters

¹ European banks are EU banks as well as Non-EU CEE banks, including Norwegian and Swiss banks.

CoCo issuance above 2016 issuance volume

European banks¹ accumulated a total of €30.7bn in CoCo issuance in 2017, the third-largest annual volume on record.

During the first part of 2018 (as of mid-March), European banks have issued €9.2bn in CoCos, 19.5% above the volume issued in the first quarter of 2017 (€7.7bn).

Coupons of fixed-rate CoCos at record-low levels

Average coupons of the fixed rate CoCo instruments issued in 2017

stood at 6.18%.

The decline in coupon rates was driven by a decrease in risk premia (as measured by CoCo option-adjusted spreads, OAS), from 499bps on average in 4Q16 to 326bps in 4Q17. Higher 10Y AAA benchmark yields have only partially offset the lower risk premia spreads which have continued to decline in the first three months of 2018. See page 34.

Major upcoming regulatory, legislative and policy initiatives

There are several regulatory initiatives that are currently being considered at both the global and European level. These will potentially impact the basis of calculations for the metrics covered in this report for future iterations. Some of the key initiatives are:

- Review of the Leverage Ratio
- Fundamental Review of the Trading Book
- Credit Valuation Adjustment
- IRB models, revised Standardised Approaches & capital floors
- Interest Rate Risk in the Banking Book

AFME is actively contributing to each initiative.

Capital and liquidity ratios

End-point



Phased-in



Source: EU GSIBs earnings reports

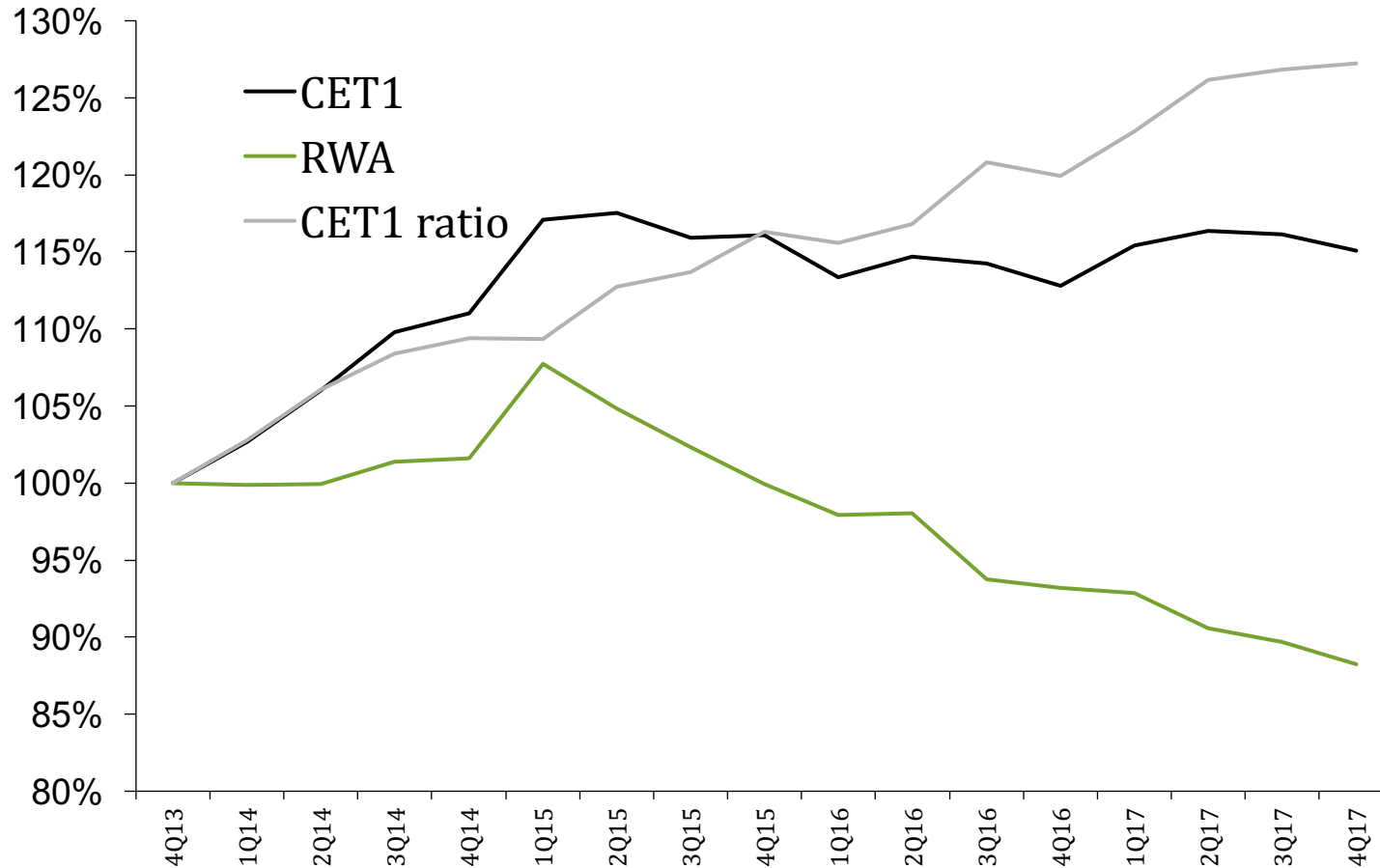
109 bps increase in CET1 ratio during 2017

12 of the 13 EU GSIBs increased their CET1 end-point ratio during 2017

Since December 2013, the average end-point CET1 ratio has accumulated an increase of 352bps, from 10.0% to 13.5% in December 2017

Phased-in CET1 ratio also increased in 2017 on a weighted average basis, from 12.8% in 2016 to 13.8%

Cumulative change of CET1, RWAs and CET1 ratio (phased-in)

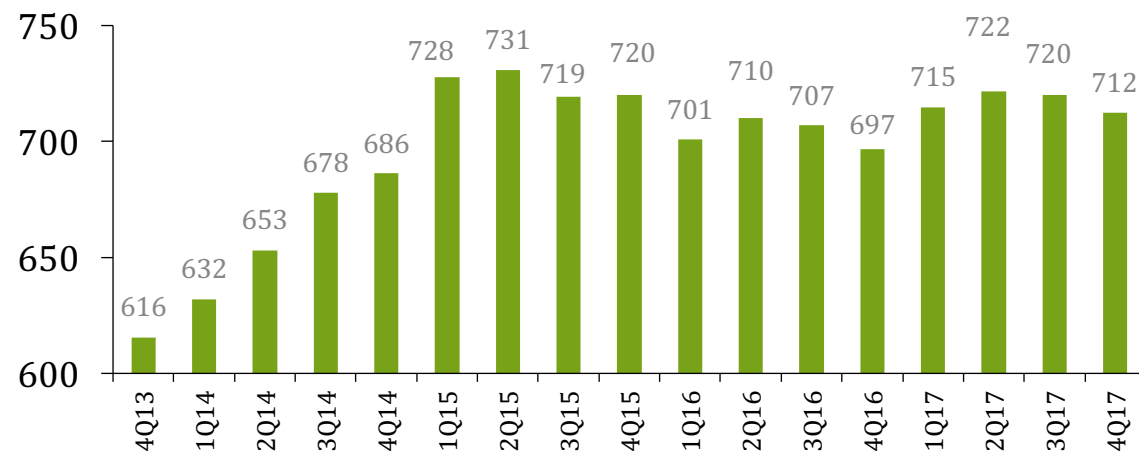


Source: EU GSIBs earnings reports

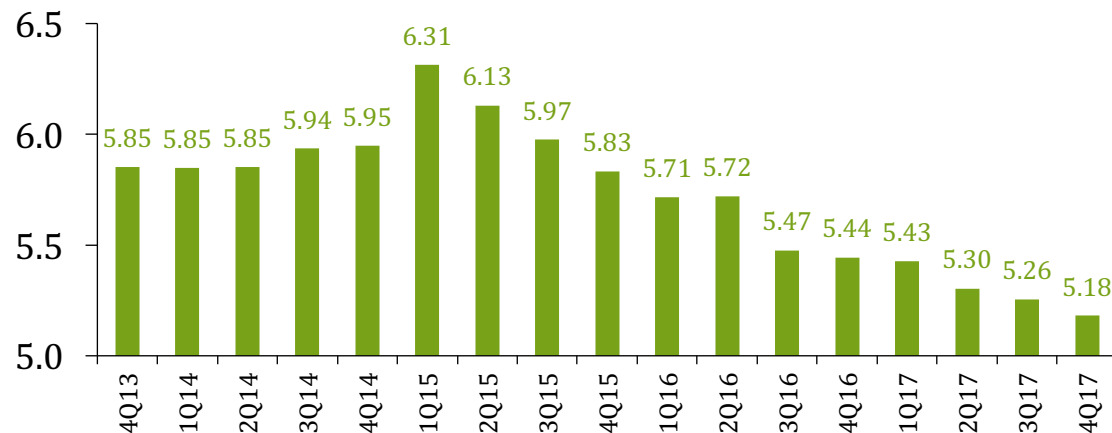
CET1 ratio: more capital with lower RWAs

The increase in phased-in CET1 ratio during 2017 was driven by a decrease of 4.8% in Risk-Weighted Assets (RWA) against the total of last year, and an increase of 2.2% in CET1 capital during the year.

CET1 capital (phased-in, €bn)



RWA (phased-in, €Tn)



Source: EU GSIBs earnings reports

CET1 capital accumulation and RWA restructuring

RWAs have decreased by a total of €670 bn over the last four years (or 11.5%). In 2017 alone, EUGSIBs reduced RWAs by a total of €260bn through a combination of asset disposals, continued internal restructuring and reduction of risk profiles.

CET1 capital has increased by just below €100 bn over the last four years.

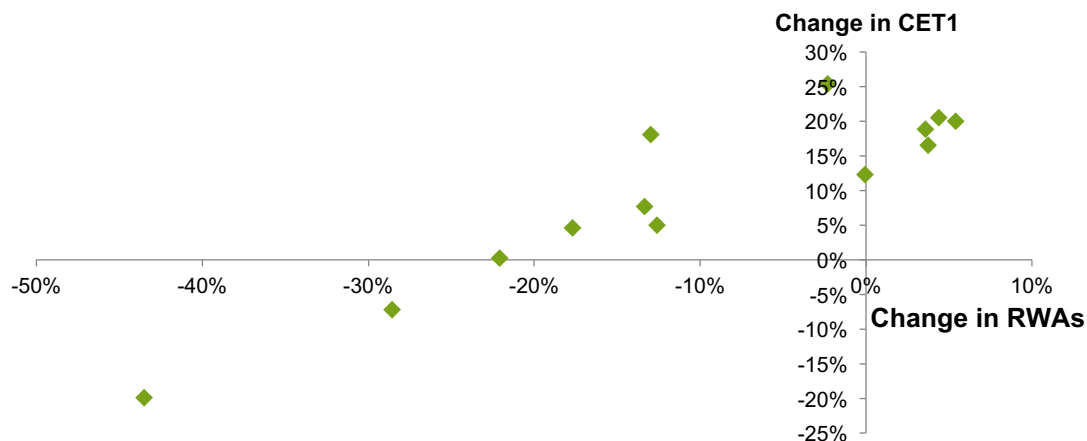
Change in CET1 capital and RWAs by banks

% change QoQ

Asset disposals, reduction of legacy distressed assets, lower internal and external loss profiles, and reduction of real estate exposure



% Change since Dec-2014



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

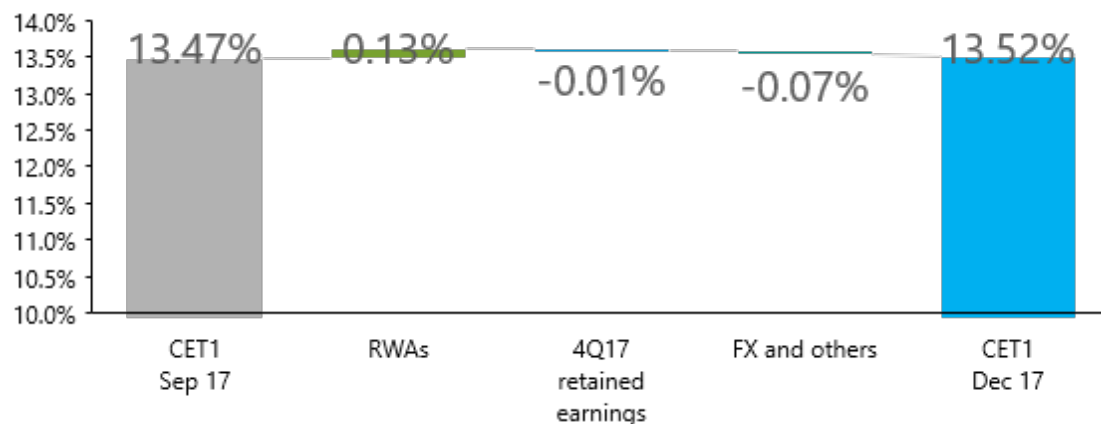
CET1 variation by banks

9 of the 13 banks reduced their RWAs during 4Q17, with quarterly variations ranging from -4.6% to +1.7%).

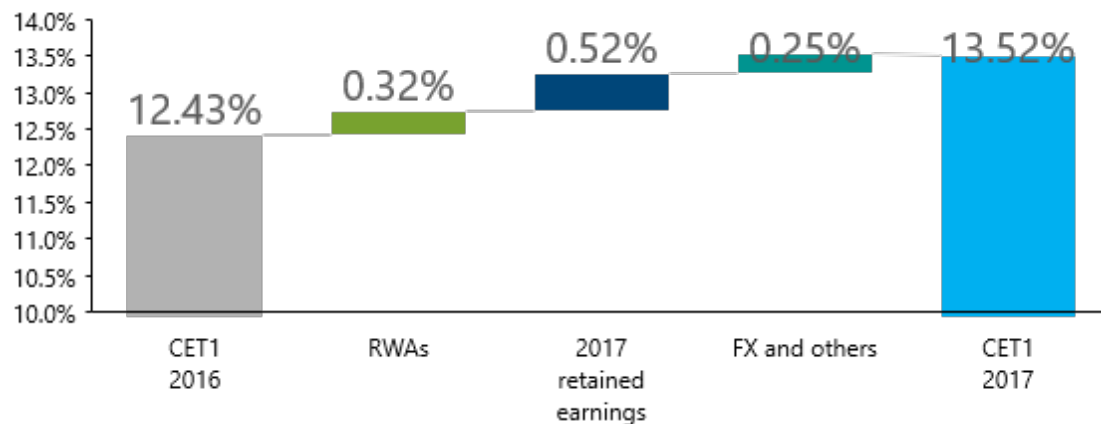
3 of the 13 EU GSIBs increased their RWAs and CET1 capital from 3Q17, 2 increased CET1 capital and decreased RWAs, 1 bank decreased CET1 capital and slightly increased RWAs, and 7 decreased CET1 capital and RWAs.

Since December 2014, the large majority of banks have increased CET1 capital, while the banks that have reduced the amount of capital since 2014 have also substantially decreased their RWAs.

Change in CET1 ratio by components in 4Q17 (%)



Change in CET1 ratio by components in 2017 (%)



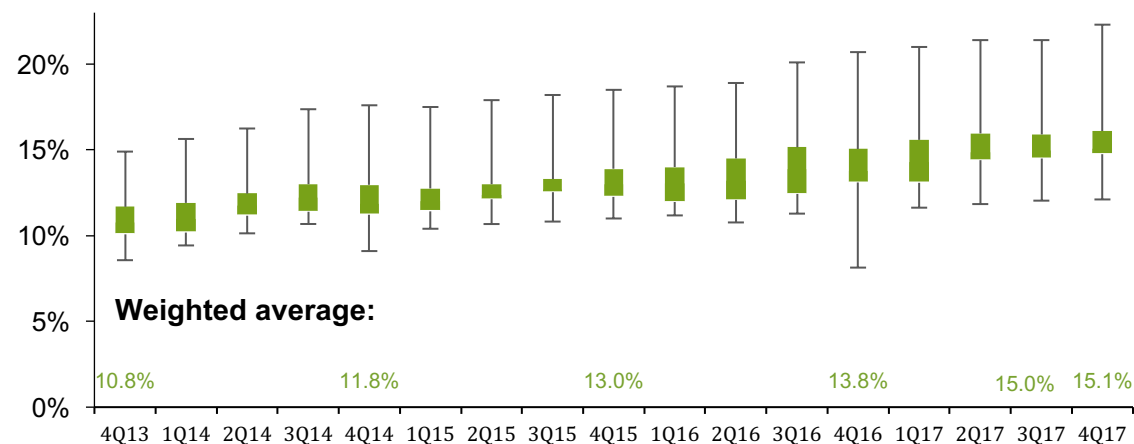
Source: EU GSIBs earnings reports

The quarterly increase in CET1 ratio was driven by RWA reduction

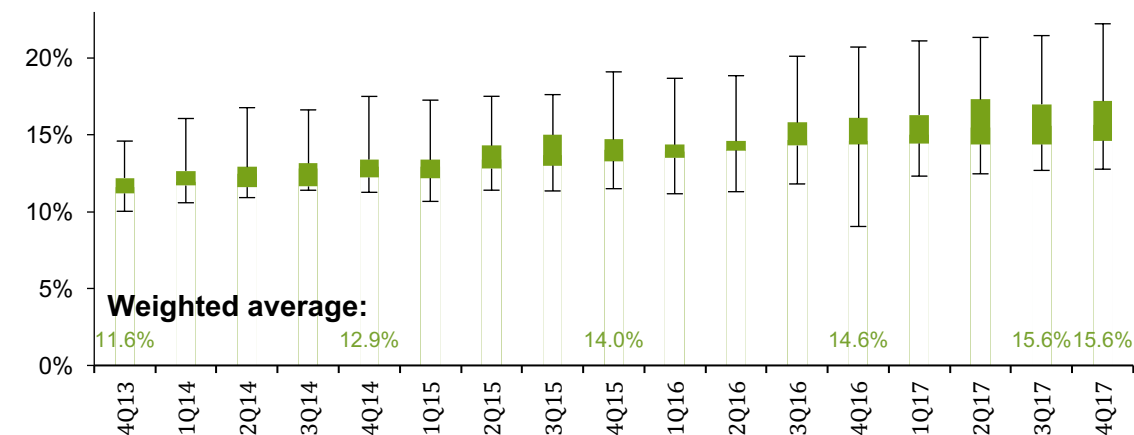
RWAs contributed 13 bps to the quarterly increase in CET1 ratio, which was partially offset by lower retained earnings (-1bps) and a negative contribution of FX and other factors (-7bps)

For the full year, earnings retention was the main factor that drove the 109 bps increase in end-point CET1 ratio contributing 52 bps to the annual variation, followed by RWA reduction from asset disposals and lower risk profiles (contributing 32 bps), and FX and other factors contributing 25 bps (most notably the robust rights issue capital raising by some banks in the first half of 2017)

End-point



Phased-in



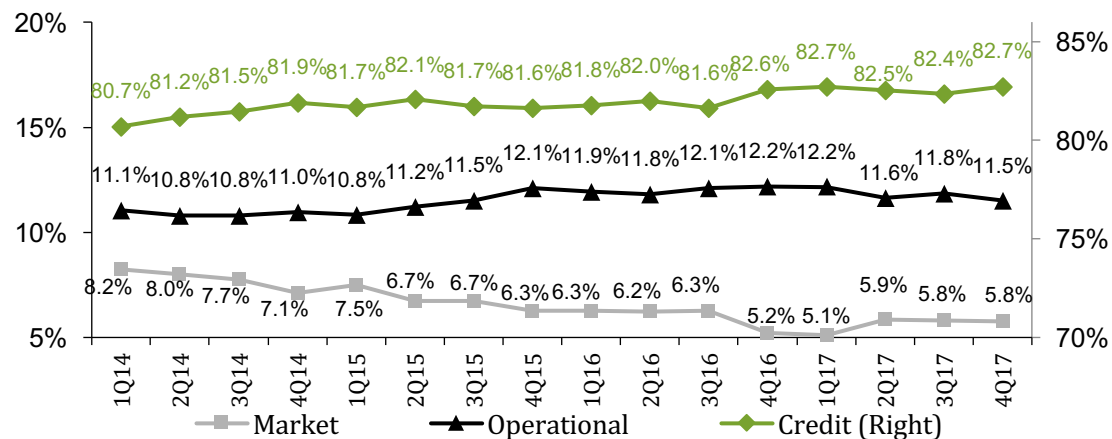
Source: EU GSIBs earnings reports

EU GSIBs have also complied with the requirements on T1 capital ratios

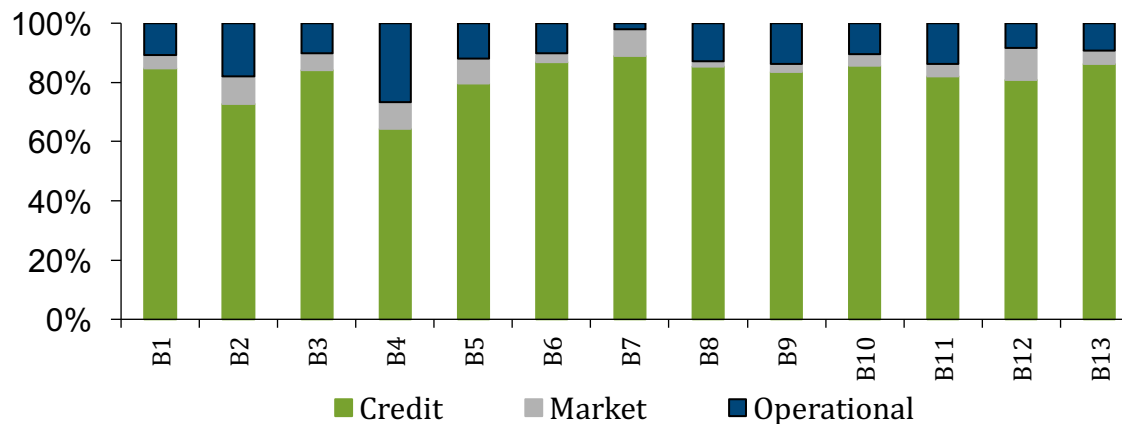
Fully loaded T1 ratios significantly improved during 2017, from 13.8% in 2016 to 15.1% in 2017. The increase was in part driven by the robust issuance of AT1 CoCo instruments by banks during 2017 (see pages 29-34)

These ratios are comparable with a minimum required T1 ratio of between 9.5% and 13.5% due to be in force by 2019, taking into account only Pillar I requirements (and depending on the individual GSIB bank buffer which varies between 0.5% and 2.5% on the CET1 ratio).

RWAs by risks



RWAs by risks and EU GSIB



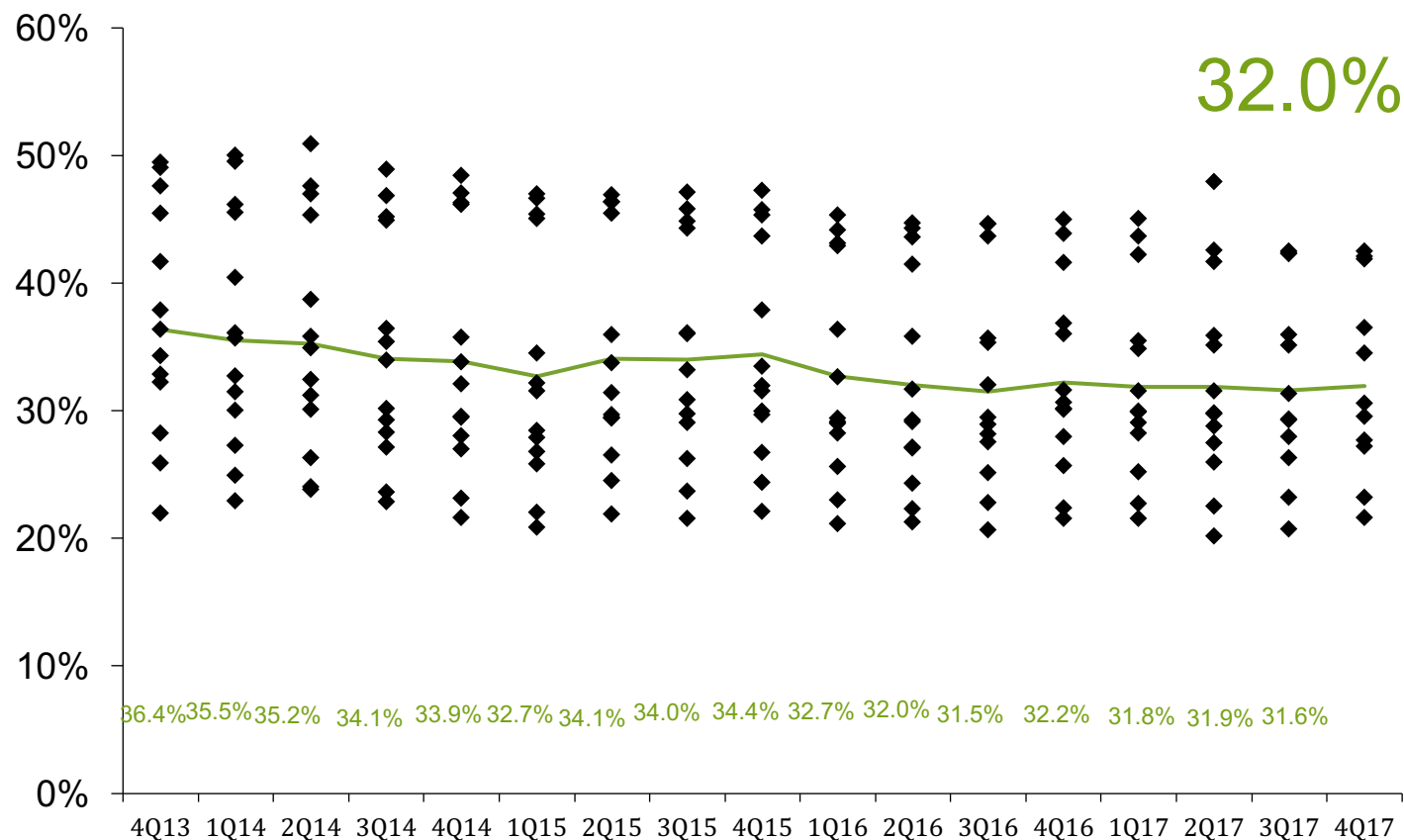
Source: EU GSIBs earnings reports

Growing participation of operational risks

As of December 2017, 5.8% of RWAs corresponded to market risks; 11.5% to operational risks; and 82.7% to credit risks.

The proportions in the RWA mix will continue to change through the implementation of the remainder of the Basel package with the final trading book proposals pushing up market risk RWAs before other changes – or indeed management action— are considered

RWA densities: RWA/total assets

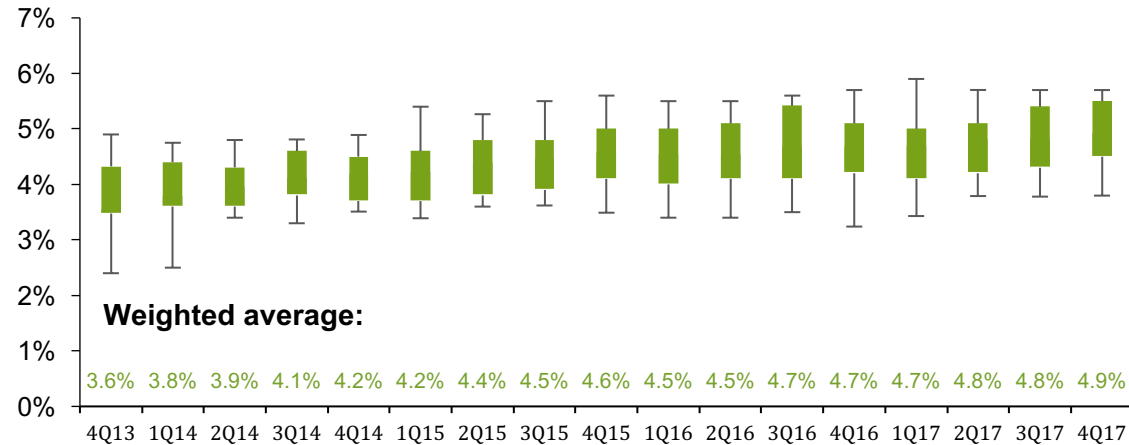


32.0% average RWA density

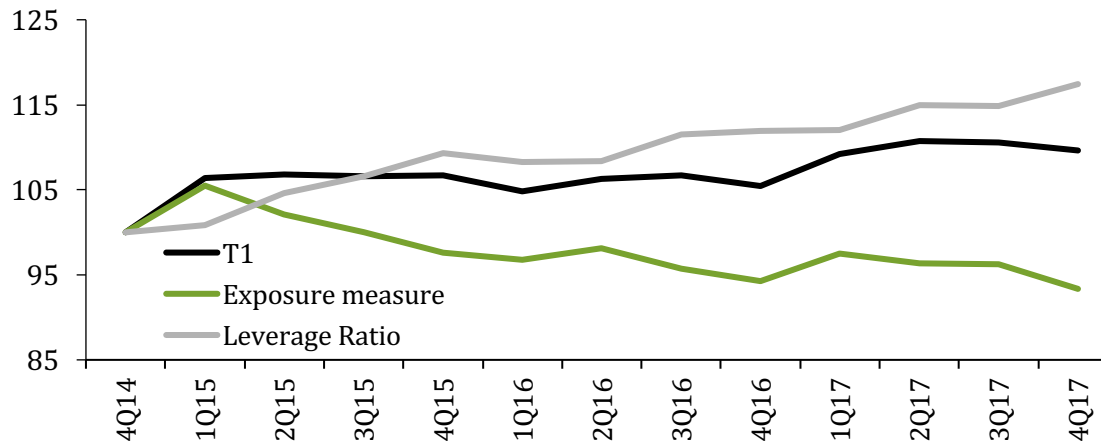
Decreasing trend in RWA density, in part explained by the continued de-risking of high RWA activities.

Notwithstanding the decreasing trend in RWA densities, the aggregate ratio is expected to increase with the implementation of new Basel initiatives such as the IRB models, revised Standardised Approaches & capital floors.

Leverage ratio: end-point



Cumulative change of T1 capital, exposure measure and LR



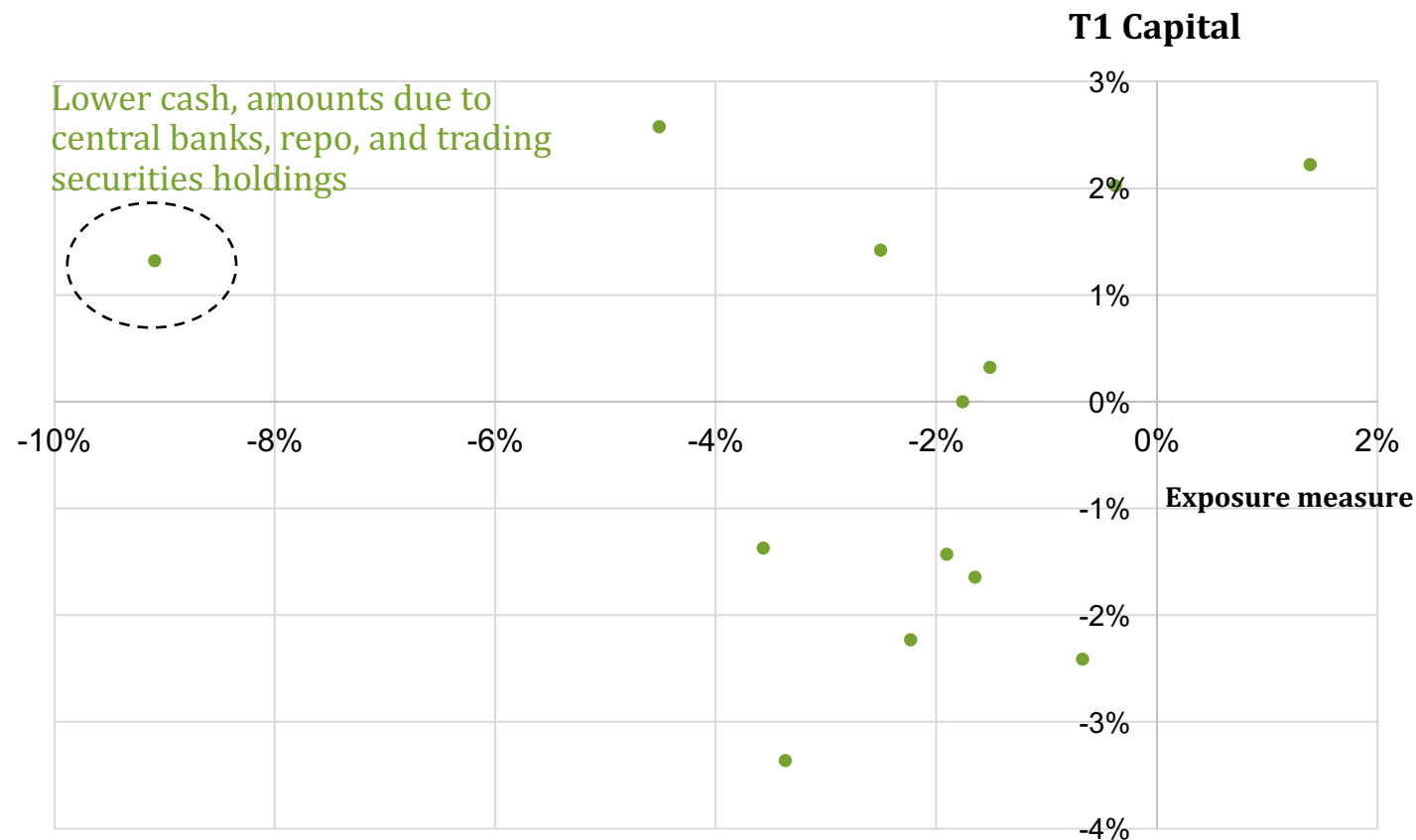
Source: EU GSIBs earnings reports

LR increased 20bps in 2017 to 4.9%

These ratios are comparable with a global minimum standard of 3% according to the Basel III accord.

In 2017, EU GSIBs reported an increase in T1 capital of 4%, and an increase of 1% in exposure measure

Change in T1 capital and Exposure measure (QoQ, %)



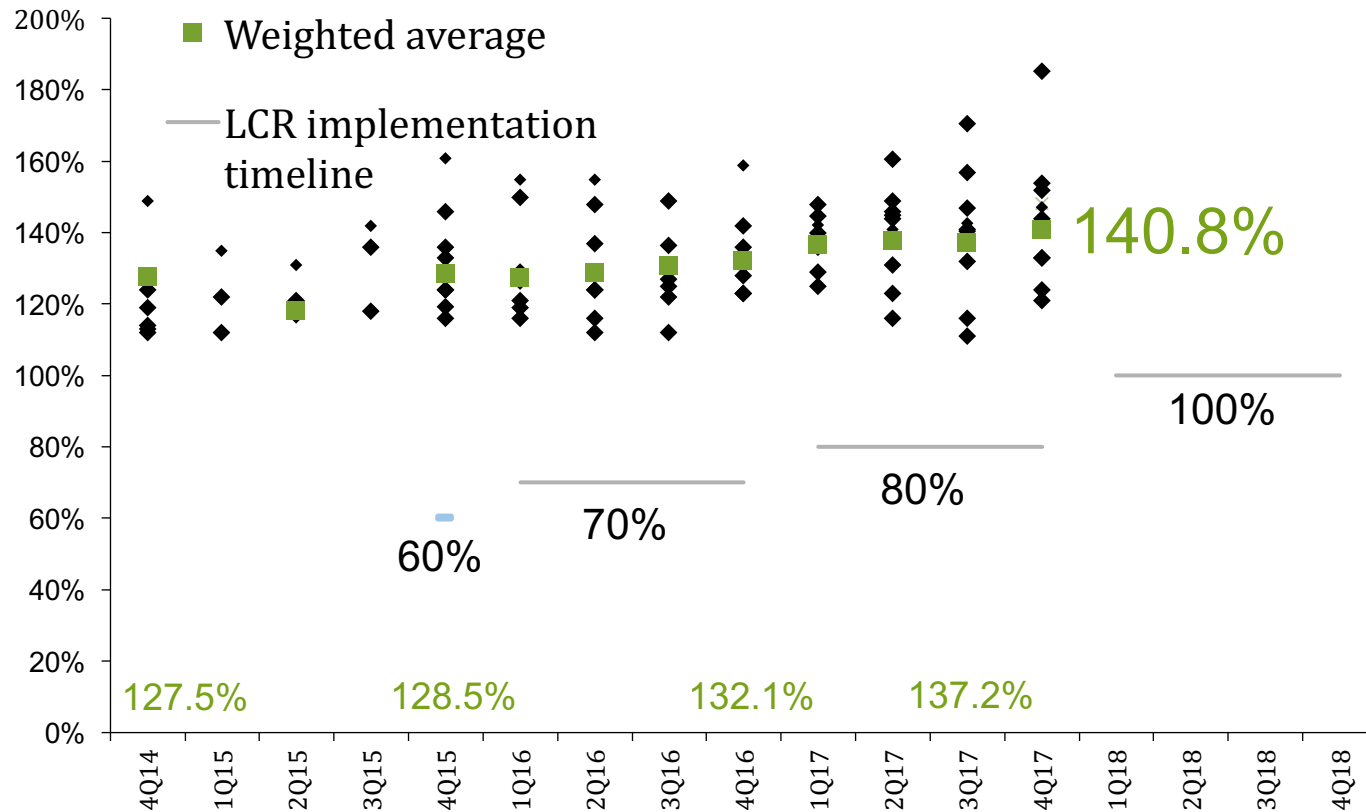
LR variation by banks

For the latest quarter, although the large majority of banks (12 of the 13) reduced their exposure measure, there was significant heterogeneity in the variation of T1 capital.

The outlier bank with a significant decline in exposure measure (-9%) saw a similar quarterly decline in total assets but not in RWAs (suggesting reduction of less risk-weight intensive assets). Indeed, this bank reduced cash holdings, repos, trading securities and amounts due to central banks during the quarter.

Liquidity Coverage Ratio (LCR)

Liquidity coverage ratio (%)



LCR above 2018 minimum required ratio (100%)

The weighted average LCR finalised the year at 140.8% in 4Q17, above the average ratio at the end of 4Q16 (132.1%).

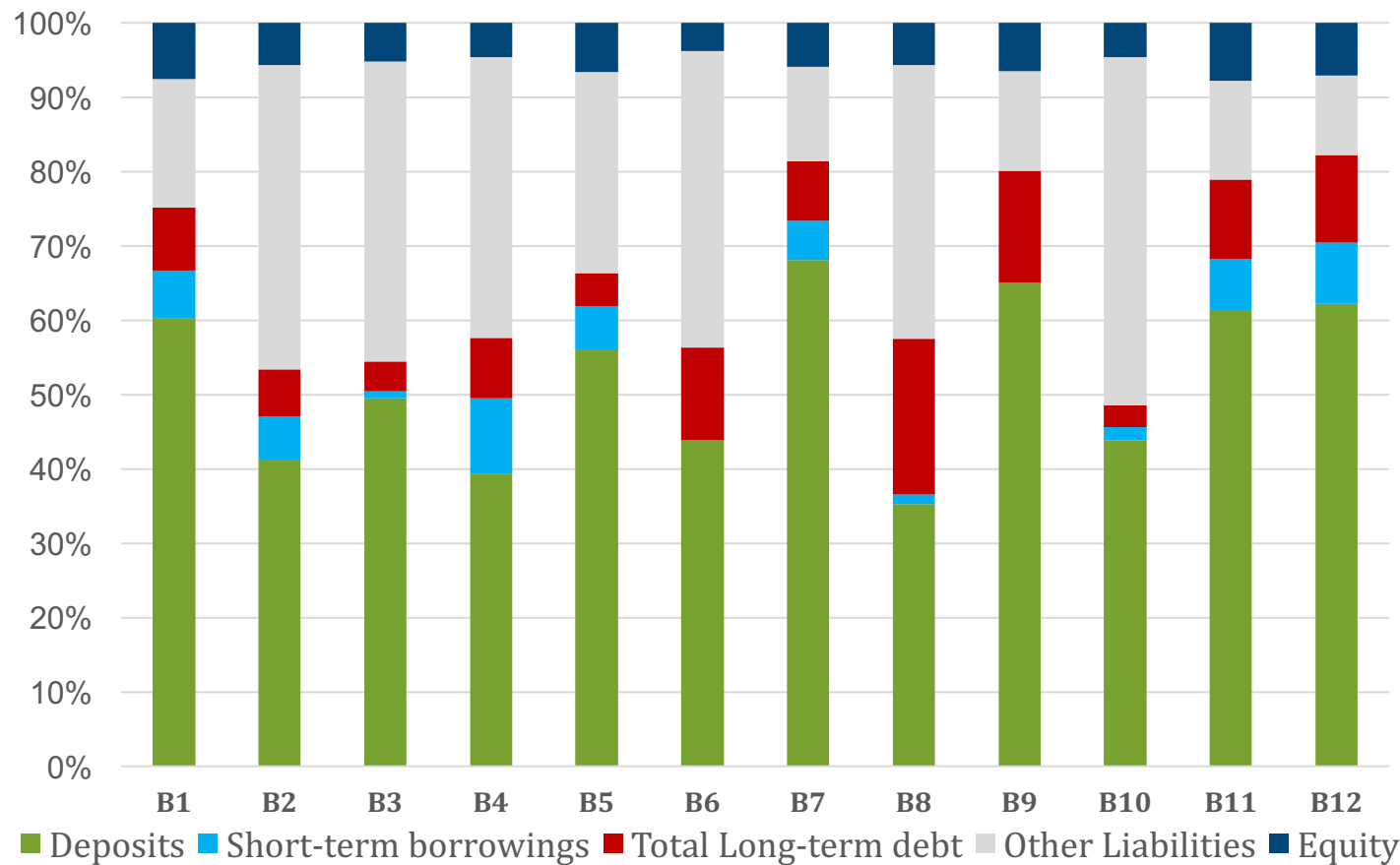
CRDIV requires banks to have a sufficient level of High Quality Liquid Assets (HQLA) to withstand a stressed funding scenario of 30 days. HQLA relative to total net cash outflows over a 30-day time period must be greater than or equal to 100%.

Funding structure

afme / EU GSIBs funding structure

Finance for Europe

EU GSIBs funding structure: 4Q 2017



Thomson Reuters Eikon. Other liabilities include hedge transactions with interest rate swap, put options/warrants, liabilities for energy contracts, purchased power contracts, Derivatives and contingent liabilities for commitments, Technical reserves of insurance companies (policyholders' equity in insurance companies). LT debt represents interest-bearing debt with maturities beyond one year. Long-term debt may consist of long-term bank borrowings, bonds, convertible bonds, etc, excluding derivative liabilities. Short term borrowings includes Commercial paper, Federal Funds Purchased/Securities Sold Under Repurchase Agreements and the portion of long-term debt or capitalized lease obligations that is due within one year. Data not available for one bank.

Source:

EU GSIBs fund their activities with stable resources

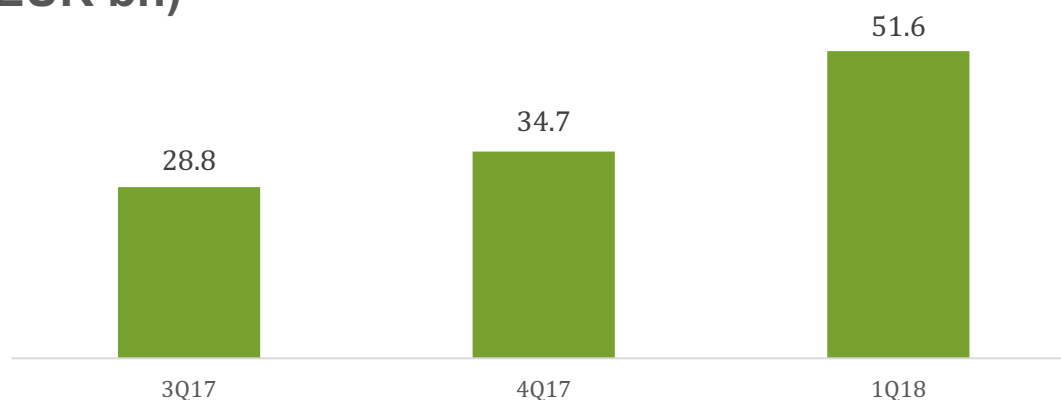
Deposits are the largest component in the funding structure of banks, representing between 40-60% of the combined amount of total liabilities and equity.

Long-term debt, including bonds with maturities above 1 year and long-term borrowings represent c10% of banks funding structure.

EU GSIBs Senior non-preferred outstanding by banks. 1Q18 (March)

	Outstanding amount (EUR bn)	as % of RWAs	# Bonds
B1	0.4	0.1%	3
B2	12.2	1.9%	20
B3	6.6	1.7%	14
B4	10.2	1.9%	17
B5	1.5	0.5%	1
B6	9.4	1.6%	20
B7	9.7	2.8%	14
B8	1.5	0.4%	1
Total	51.6	-	90

EU GSIBs Senior non-preferred debt outstanding (EUR bn)



Source: Reuters Eikon. 1Q18 data retrieved on 20 March, 2018

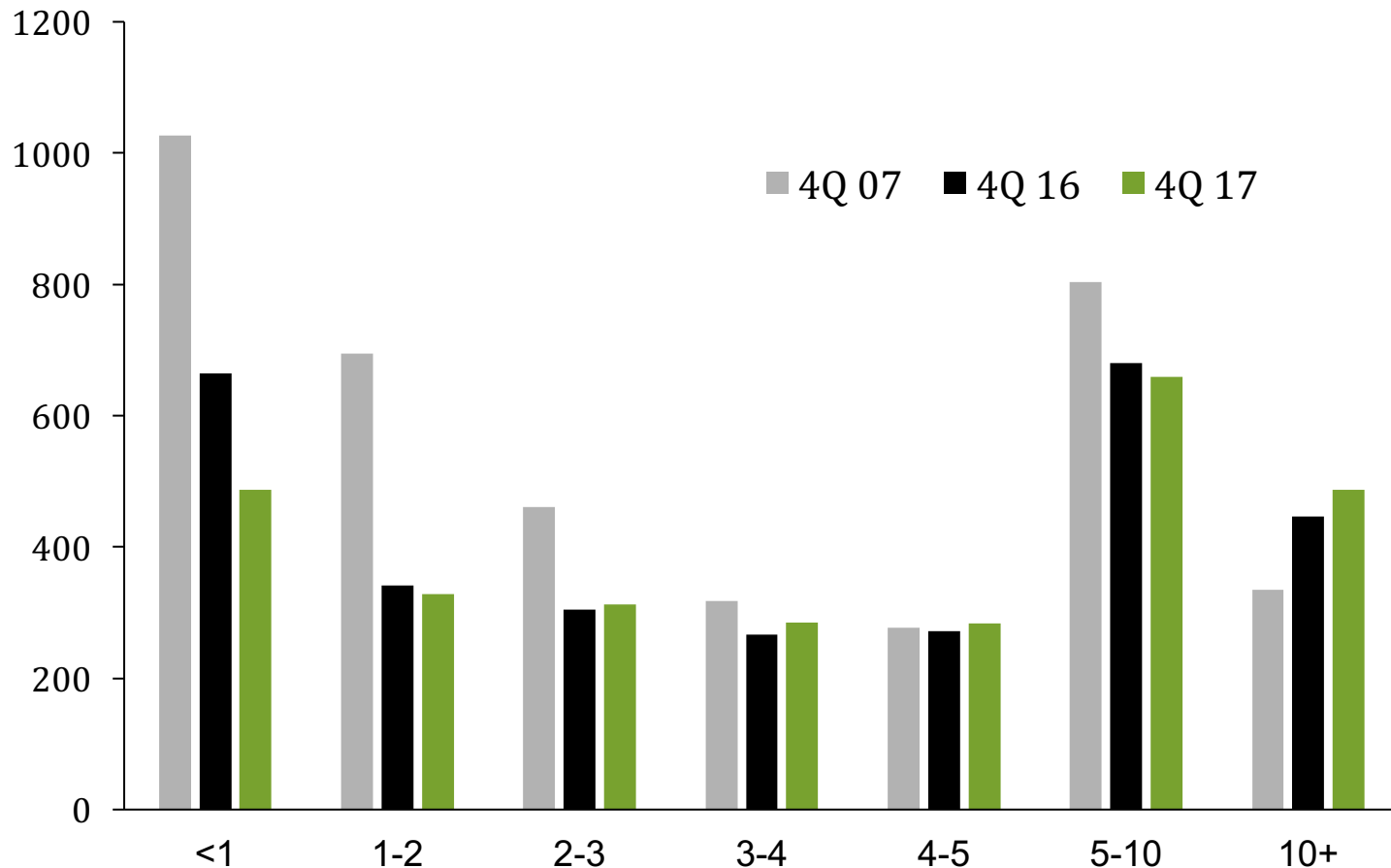
EU GSIBs have increased the amount of senior non-preferred bonds which take losses after subordinated notes and before preferred senior debt

In September 2017, banks had issued an accumulated amount of €28.8 bn in this form of *bail-inable* (loss absorption) debt. The total amount has increased most recently to €51.6bn (as of March 2018) representing between 2.8% and 0.1% of RWAs for the banks that have issued this form of debt.

Future changes to the debt structure and further issuance of senior non-preferred debt will be driven by the preparation for the implementation of MREL and TLAC, ahead of the finalisation of the legal text of the provisions.

Maturity ladder of EU banks' debt

Maturity profile of EU28 Banks' outstanding debt securities
(€ bn, maturity in years)



Source: ECB. 4Q17 as of October 2017 due to data availability

EU banks have continued to issue debt securities at longer-term maturities

The proportion of short-term debt (<1Y maturity) relative to outstanding debt securities has decreased from 26% in 4Q07 to 17% in 3Q17.

Long-term debt (>10Y maturity) has increased from 9% (4Q07) of total market debt to 17% in 3Q17.

Box: What earnings call say

Identifying key themes from earnings call transcripts

Extracting information from earnings calls

Quarterly earnings calls are a valuable opportunity for company management to present the context of the financial results of a reporting period and provide market guidance on future earnings performance.

The Q&A between analysts and management are also an opportunity for analysts to form more informed assumptions about future performance and have a better understanding about the company's strategy in a changing economic environment.

Quantifying key themes in earnings calls

Conference call transcripts are usually published on publically available websites (either on the reporting company's website or in third-party data vendors) which helps a wider audience to analyse company results and the drivers behind earnings performance. As such, the text-based data from the calls contains useful information to understand what are the key themes for management, what are the current and prospect risks, and more generally analyse the language of an open interaction between experts and company leading management.

Using a sample of 120 earnings call transcripts for the years 2012-17 for 5 EU GSIBs (for which transcripts were consistently available during the period from seekingalpha.com website), we conducted a high-level text analysis to quantify the frequency of specific words in earnings calls. This simple method can help ascertain through a quantitative method the relevance of key themes for analysts and management for the current and

future performance of European banks.

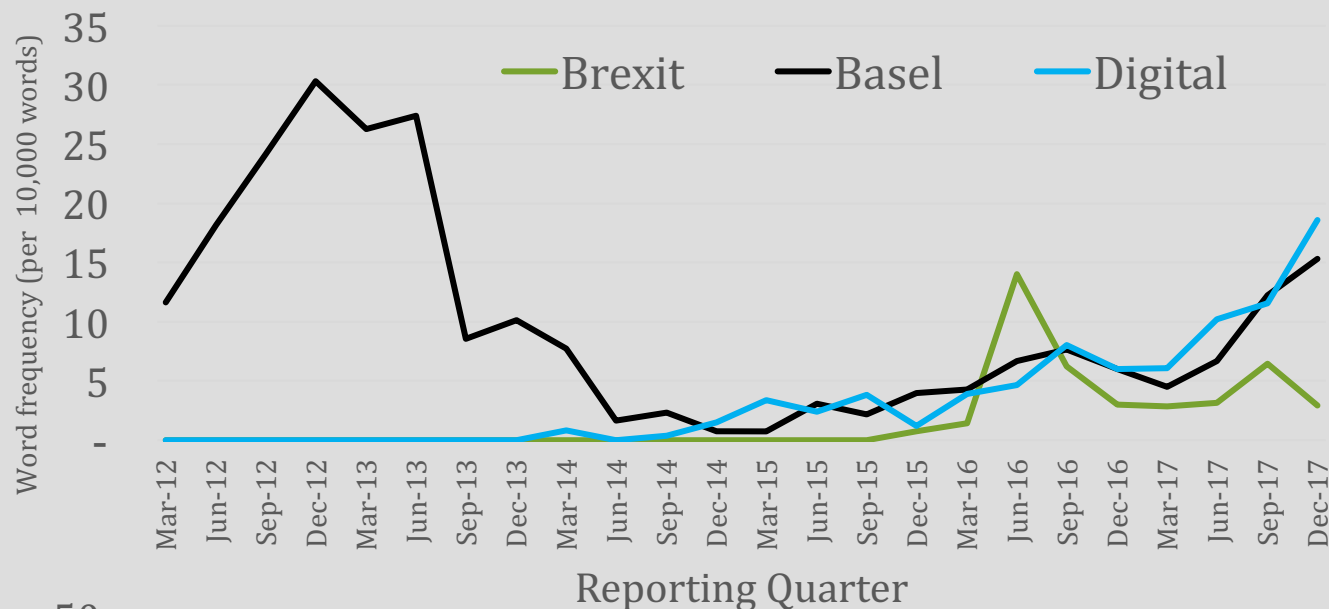
Common non-relevant words are removed from the sample (e.g. "and", "or", "millions", "billions", etc.) to extract only the most relevant information from the interaction between analysts and management.

Word frequency is estimated as a proportion of every 10,000 words to take into account variable length in earnings calls.

Admittedly this method is not the most scientific for quantifying or ranking the critical key issues for the sector as a whole. However, it can help illustrate the importance through time of certain key themes.

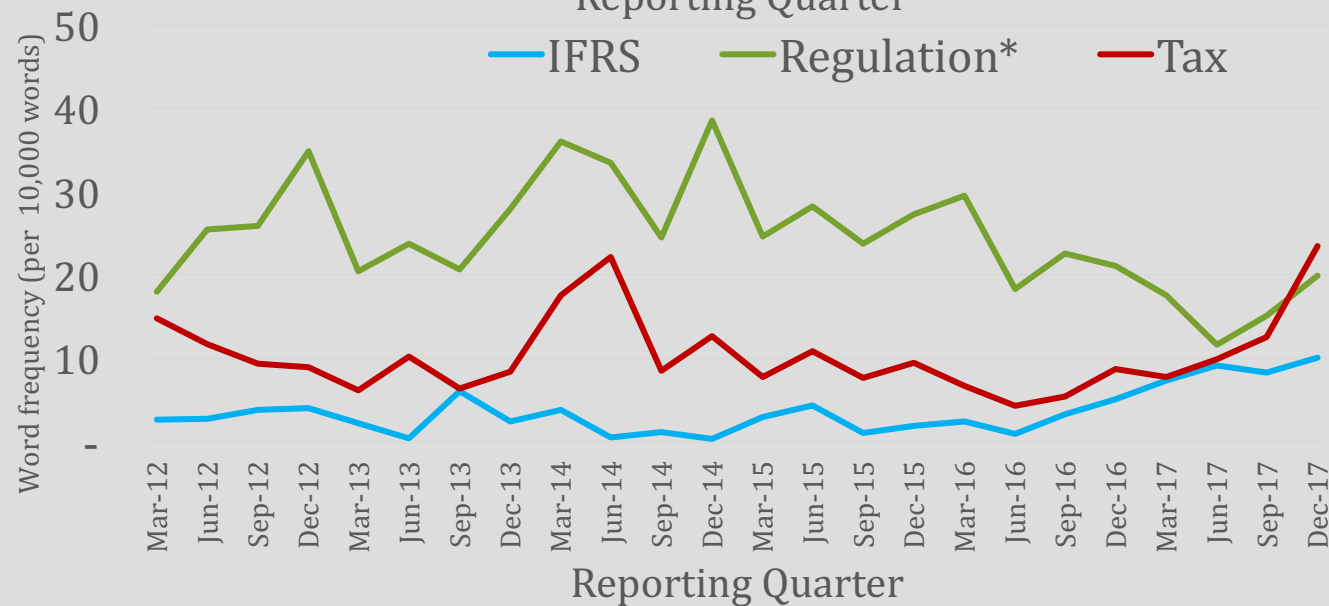
Anecdotally, unstructured text analysis of earnings call transcripts is now frequently used by investors to quantify the "sentiment" of management and analysts on the company's earnings performance. The basic assumption is that there is useful information in the language used in conference calls that can complement the data provided by company management in financial reports, earnings presentations, and other public disclosure materials.

Word frequency of selected words and themes



The word “Basel” was frequently mentioned in 2012-13 calls with the introduction of the Basel III accord, with new global rules intended to strengthen capital and liquidity but with significant impact on earnings and dividend distribution. Most recently, in 3Q17 and 4Q17 earnings calls, “Basel” became topical once again in earnings calls as banks finalise their implementation of the agreement and with the finalisation of the Basel III framework announced on 7 December by the BCBS (<https://www.bis.org/bcbs/publ/d424.htm>). This is expected to remain topical through 2018.

Banks are adapting to the “digital” world and this is reflected in earnings calls. The word “digital” was more frequently mentioned than Basel or Brexit in the 4Q17 calls from no mentions in 2012 and early 2013.



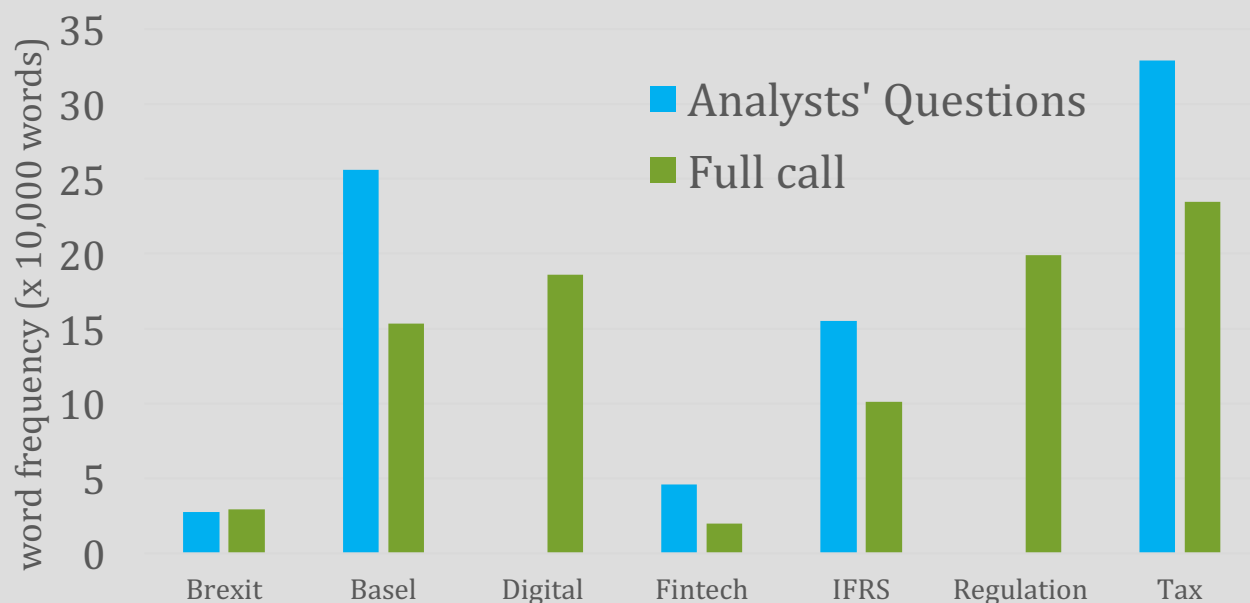
Regulation continues a key theme in earnings calls and a pressing issue for global banks. To illustrate this further, the CEO of one of the banks in the sample said in the 4Q17 call “we remain under considerable and persistent regulatory pressure. In 2017, the bank had almost 3,000 formal meetings with regulators.”

Tax is a frequently mentioned word, often used to clarify specific results (e.g. pre-tax profit), but also as a theme in itself. For example, in 4Q17 management and analysts discussed the impact of the US tax reform on current and future earnings.

*"regulation" includes regulation, regulate, regulating, regulators, regulator,

Word frequency by section in the call

Word count of selected words in 4Q17 earnings calls



Source: AFME with earnings call transcripts from Seeking Alpha

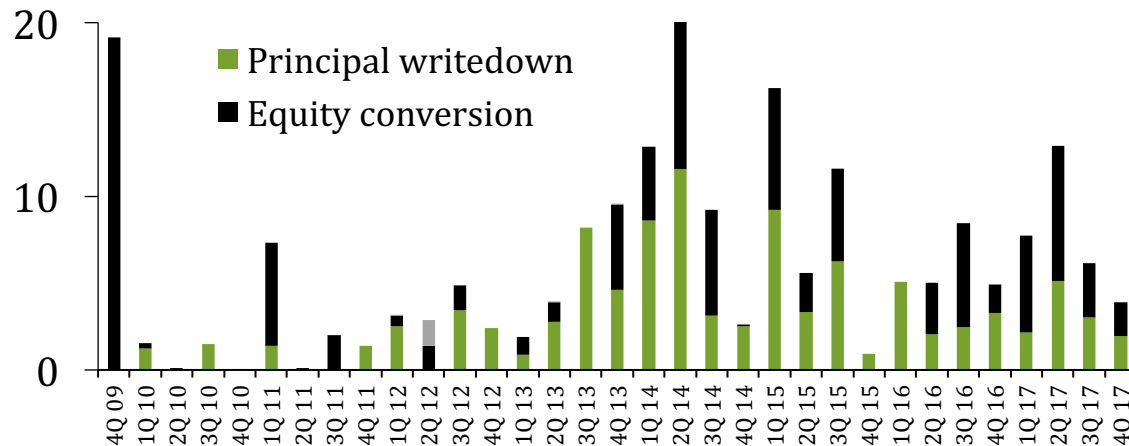
A fundamental question is how much of the word mentions are from analysts or from company management.

Extracting only the analysts questions it is possible to compare word mentions by analysts and by company management. For example, although the word “digital” was frequently mentioned in 4Q17 calls, the word (or variations of it like “Fintech”) was not a recurrent word in analysts’ questions. Analysts seemed highly interested in “Basel” and “Tax”, many of them asking a more detailed guidance on the impact of the finalisation of the Basel package and the US tax reform.

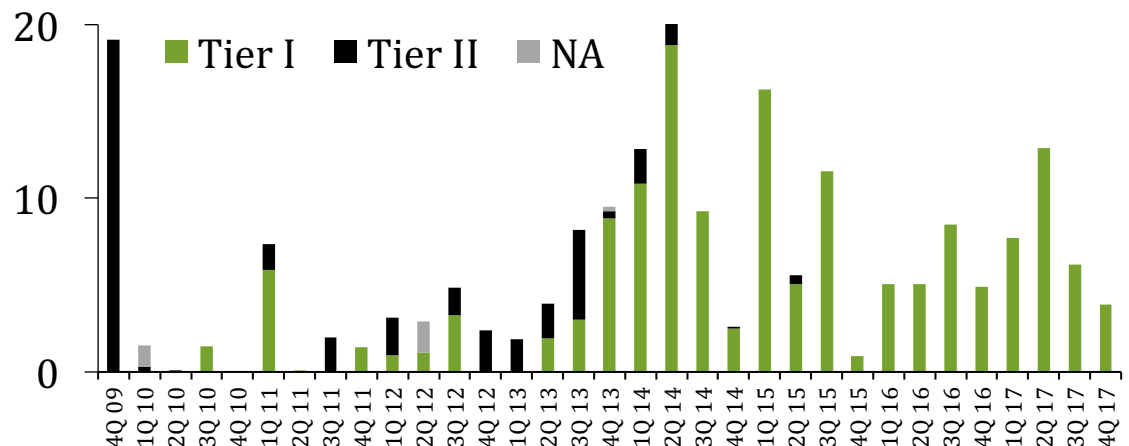
Analysts frequently asked in 4Q17 calls about the impact of IFRS9 implementation—significantly more than on the withdrawal of the UK from the EU illustrated here by the word frequency of “Brexit”. The latest calls, however, took place before recent announcements were made on Brexit which may have relevant implications for banks going forward.

Contingent Convertibles (CoCo)

CoCos by loss absorbing mechanism (€ bn)



CoCos by capital tiering (€ bn)



Source: Dealogic and Thomson Reuters

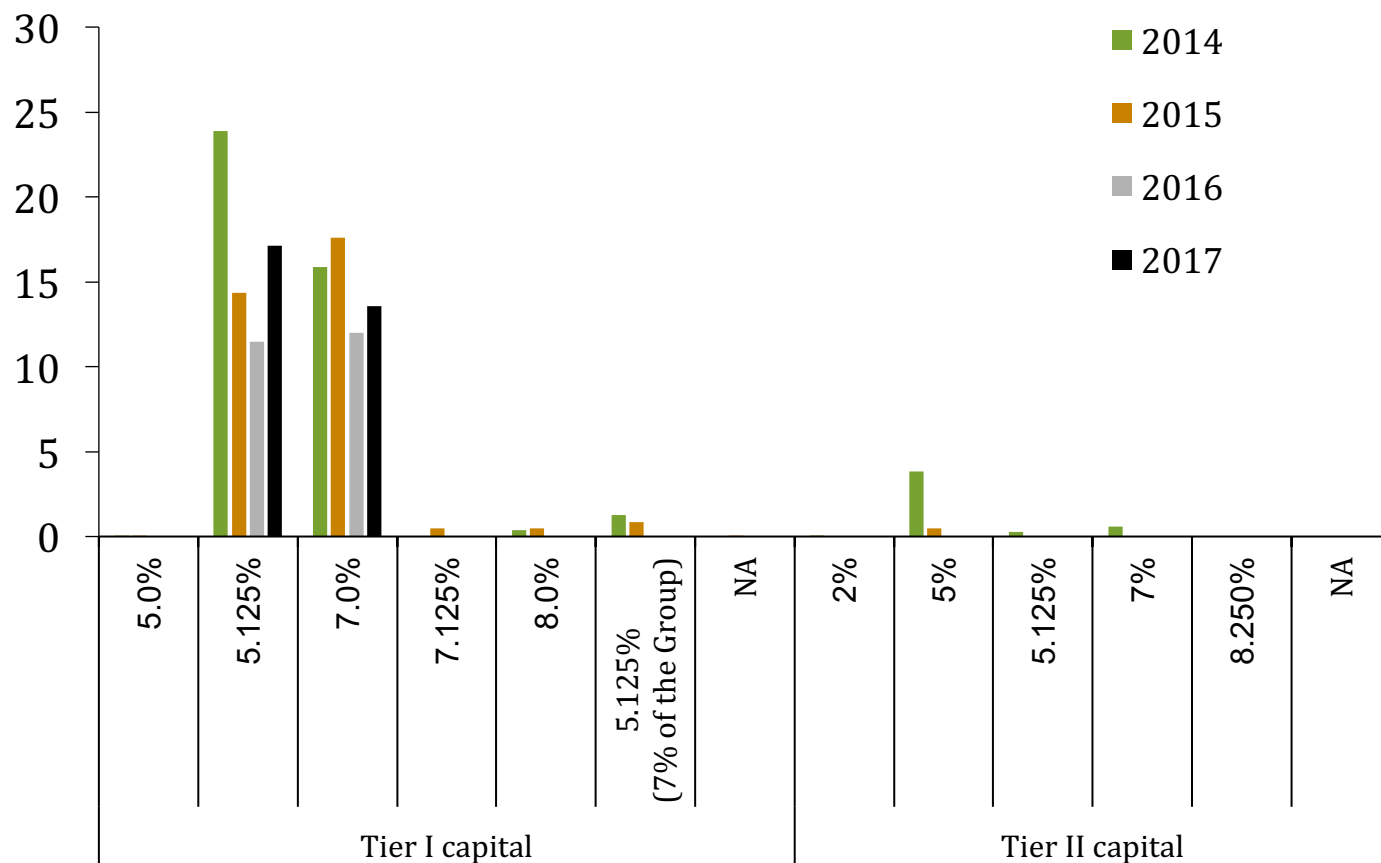
Robust CoCo issuance in 2017

European banks issued a total of €3.9 bn in CoCo bonds during 4Q17, 22% below the issued volume in 4Q16 (€5.0bn), accumulating a total of €30.7bn issued during 2017.

The majority of these bonds were structured contingent on T1 performance and a loss absorbing mechanism on the basis of equity conversion.

See further details of these instruments on page 35.

CoCos by trigger (€ bn)

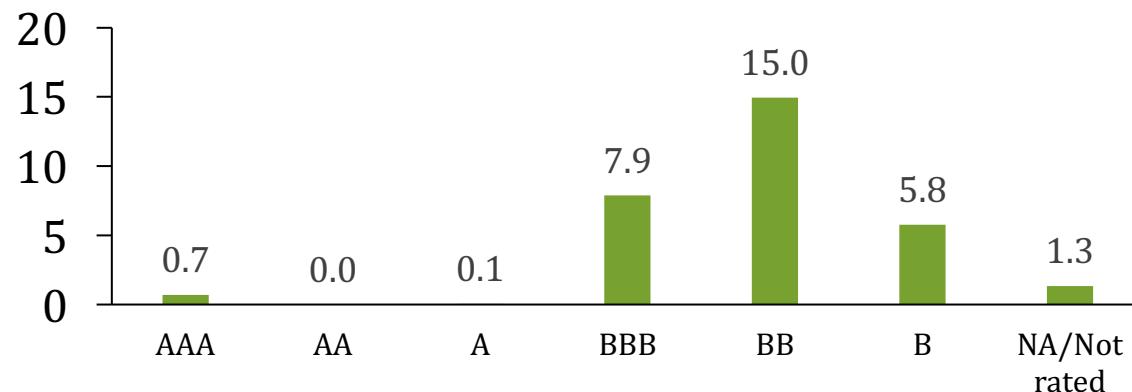


CoCo instruments contingent on Tier 1 performance are typically structured with capital triggers of 5.125% and 7%.

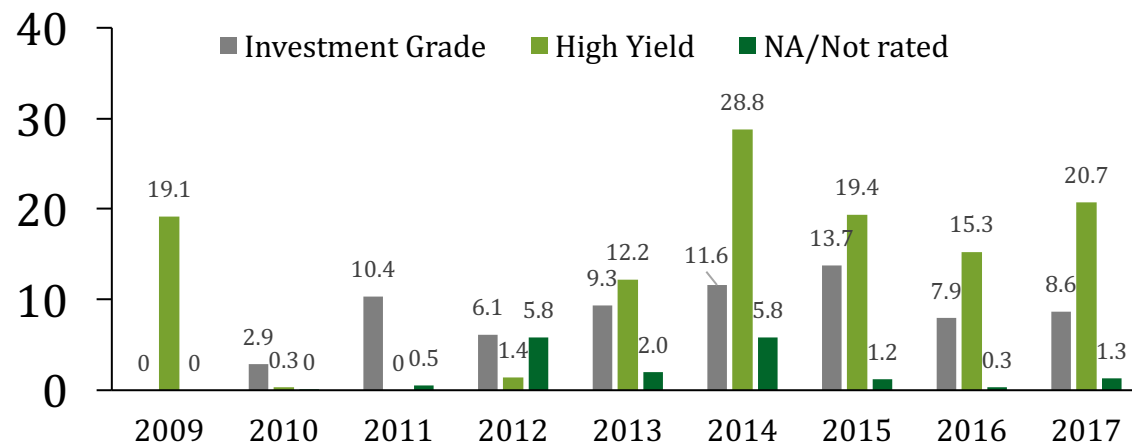
40 instruments representing 55.7% of the issued value during 2017 (or €17.1bn) were structured with capital triggers of 5.125% contingent on Tier 1 performance.

18 instruments representing €13.6bn in volume were structured with a trigger of 7%, also contingent on Tier 1 performance.

2017 CoCo issuance by credit rating (€ bn)



CoCos issuance by credit risk (€ bn)



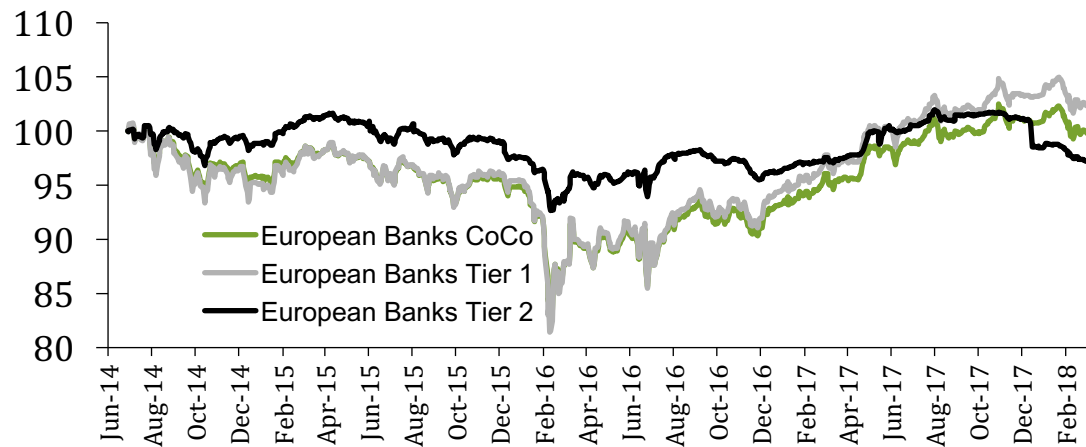
Source: Dealogic. Credit rating at date of issuance

CoCo credit rating assessment

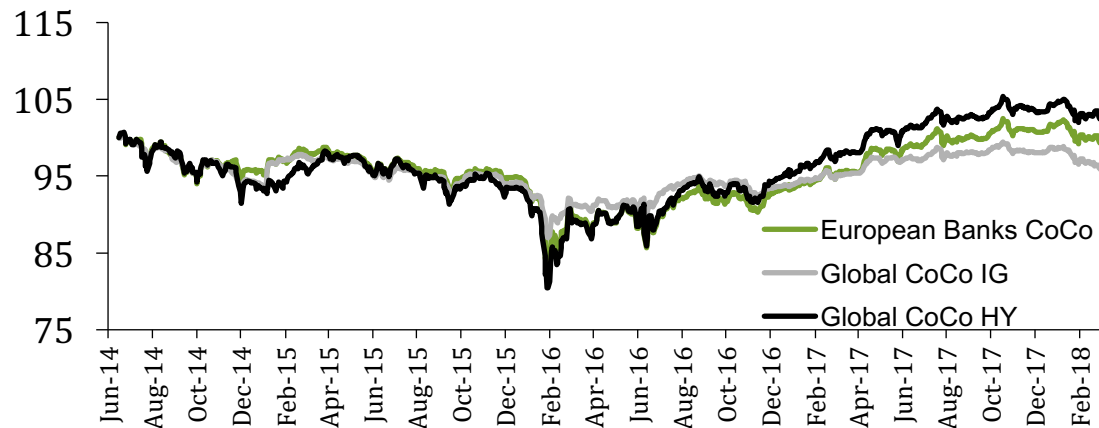
CoCos issued in 2017 were assessed with credit ratings of between AAA and B (or between Aaa and B2 in the Moody's scale).

28% of the total issuance value was rated at investment grade ratings (AAA to BBB-), 68% were rated at BB+ or below, while the remaining 4% were not rated.

CoCo prices by capital tiering (Jun-14=100)



CoCo prices by credit risk (Jun-14=100)



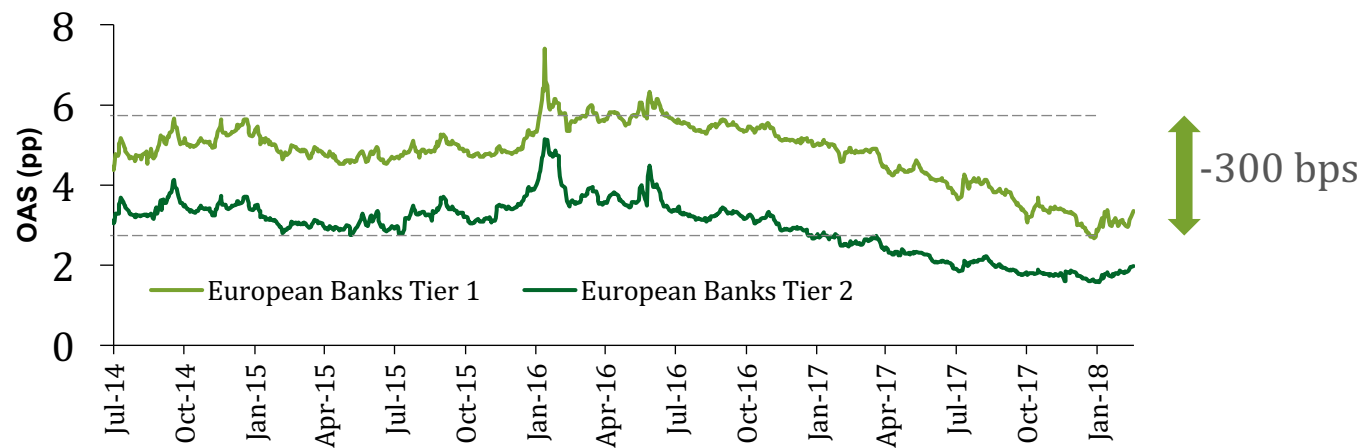
Source: Barclays capital

Strong gains of CoCo instruments on the back of improved risk perception

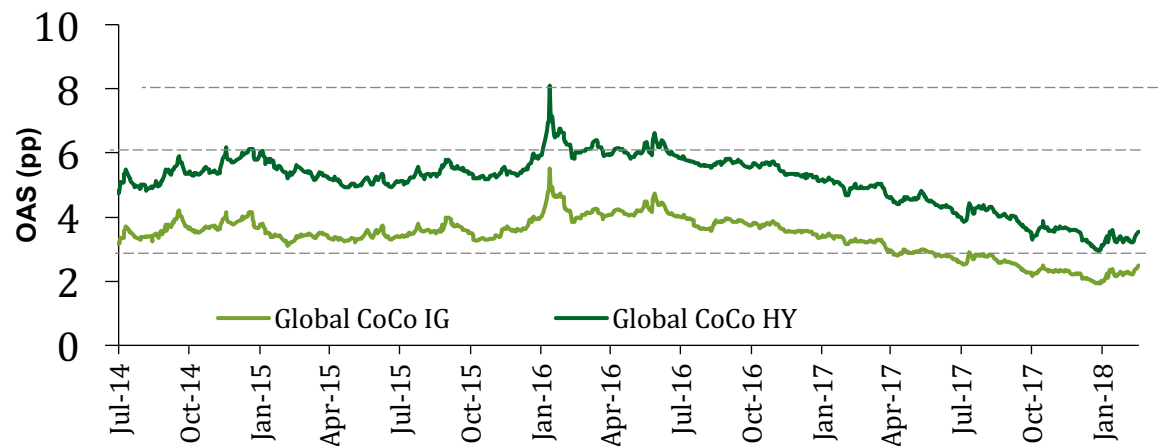
CoCo instruments have continued to post gains over the last quarters with an increase in average European CoCo bonds indices of 8% YoY.

HY CoCos generated the largest price gains of the year, with price indices 9.5% above the levels of the end of 2016.

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



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



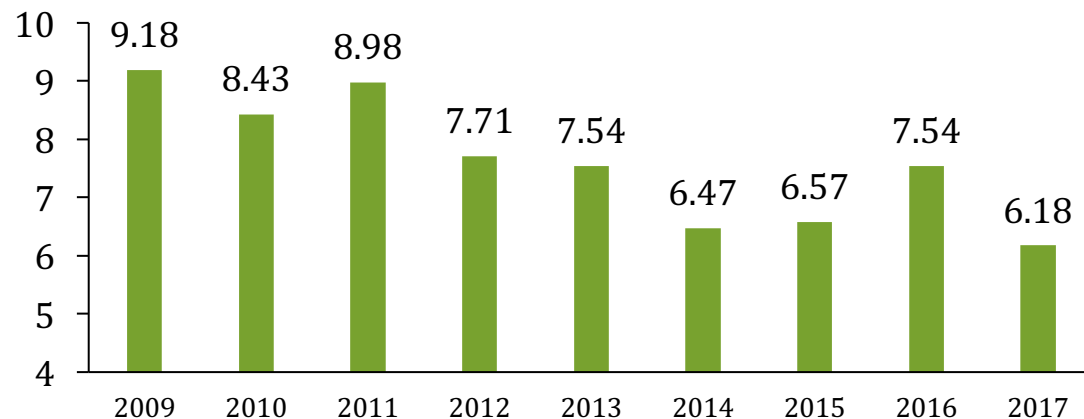
Source: Barclays capital

OAS against benchmark risk-free rates (or risk premium) significantly decreased during the year

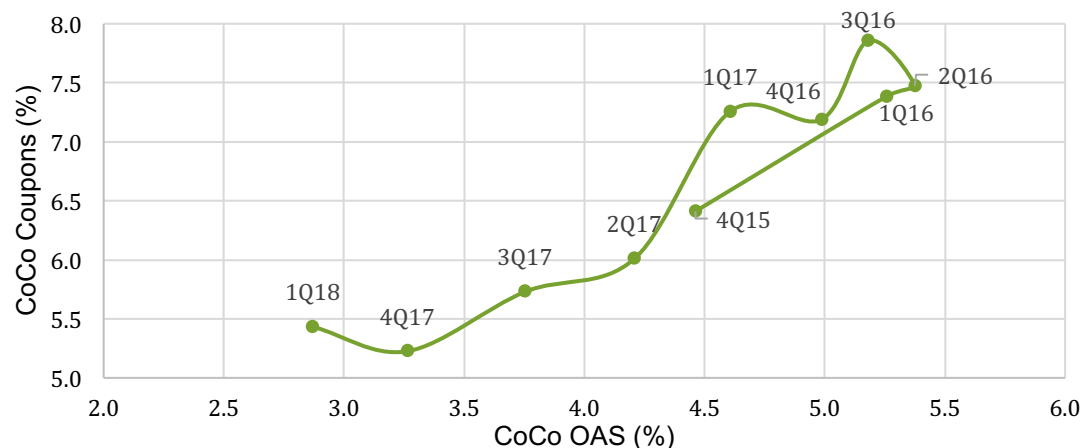
Risk premia of European banks T1 CoCos bottomed out in January 2018, with a decline of c300 bps in the course of six months.

High Yield (HY) CoCo average risk premium against risk-free benchmark rates reached 300 bps in January 2018. This spread was below the average observed for Investment Grade (IG) CoCo bonds in 2016FY (400 bps), in 2015FY (350) and 2014FY (343).

Weighted average coupons of fixed-rate CoCos (%)



CoCo OAS and coupon rates of new issues



Source: Dealogic and Barclays capital. 1Q18 includes CoCos issued as of 21 March and average OAS during the quarter as of mid-March

New CoCo bonds issued with lower average coupon rates

Average coupon rates for newly issued CoCos have reached record lows in the last quarter of 2017.

The decline was driven by lower risk premia not fully offset by higher long-term benchmark yields.

Option-adjusted spreads (OAS) of European banks' CoCos declined from 499 bps in 4Q16 to 326bps in 4Q17, with a further decline in 1Q18 to 2.88%.

afme / Recently issued CoCos

Finance for Europe

Pricing Date	Issuer	Tier Capital	Deal Total Value (Euro)	Trigger	Conversion mechanism	Issue Rate	Effective Rating (Launch)	Maturity	Coupon
04-Jan-17	Intesa Sanpaolo SpA	Tier I	1,250,000,000	5.125%	Writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	7.75
11-Jan-17	Standard Chartered plc	Tier I	944,688,489	7.0%	Equity conversion	Fixed rate	BB+	Perpetual	7.75
24-Jan-17	Credit Suisse Group	Tier I	1,397,624,039	7.000%	Equity conversion	Fixed rate	BB	Perpetual	7.125
15-Feb-17	Skandiabanken ASA	Tier I	11,249,796	5.1%	Writedown	Floating rate note	A-	Perpetual	3-mth NIBOR +360bp
28-Feb-17	Barclays plc	Tier I	1,468,571,932	7.000%	Equity conversion	Fixed rate	BB	Perpetual	7.25
15-Mar-17	Credit Suisse Group	Tier I	186,428,039	7.0%	Writedown	Fixed rate	BB	Perpetual	3.875
16-Mar-17	Skandinaviska Enskilda Banken AB - SEB	Tier I	564,360,626	5.125%	Equity conversion	Fixed rate	BBB	Perpetual	5.625
21-Mar-17	Danske Bank A/S	Tier I	697,512,206	7.0%	Equity conversion	Fixed rate	BBB-	Perpetual	6.125
22-Mar-17	Landshypotek Bank AB	Tier I	73,763,409	5.125%	Writedown	Floating rate note	BB+	Perpetual	3-mth STIBOR +440bp
23-Mar-17	Caixa Geral de Depositos SA - CGD	Tier I	500,000,000	5.1%	Equity conversion	Fixed rate	B-	Perpetual	10.75
27-Mar-17	Sparebanken Sogn og Fjordane	Tier I	10,901,143	5.125%	writedown	Floating rate note	A	Perpetual	3-mth NIBOR +335
30-Mar-17	Santander UK Group Holdings plc	Tier I	575,871,005	7.0%	Writedown	Fixed rate	BB	Perpetual	6.75
31-Mar-17	SpareBank 1 Nord-Norge	Tier I	38,218,369	5.125%	writedown	Floating rate note	A+	Perpetual	3-mth NIBOR +330
05-Apr-17	Erste Group Bank AG	Tier I	500,000,000	5.1%	Writedown	Fixed rate	BB+	Perpetual	6.5
18-Apr-17	Banco Santander SA	Tier I	750,000,000	5.125%	Equity conversion	Fixed rate conv. to floating rate note	BB+	Perpetual	6.75
26-Apr-17	Credit Bank of Moscow OAO - MKB	Tier I	642,703,025	5.1%	Writedown	Fixed rate	B-	Perpetual	8.875
02-May-17	OBOS Banken AS	Tier I	106,918,710	5.125%	Writedown	Floating rate note	BBB+	Perpetual	3-mth NIBOR +340bp
05-May-17	Banco de Sabadell SA	Tier I	750,000,000	5.1%	Equity conversion	Fixed rate conv. to floating rate note	B	Perpetual	6.5
09-May-17	Intesa Sanpaolo SpA	Tier I	750,000,000	5.125%	Writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	6.25
15-May-17	UniCredit SpA	Tier I	1,250,000,000	5.1%	Writedown	Fixed rate conv. to floating rate note	B+	Perpetual	6.625
15-May-17	HSBC Holdings plc	Tier I	2,744,362,622	7.000%	Equity conversion	Fixed rate	BBB	Perpetual	6
16-May-17	Banco Bilbao Vizcaya Argentaria SA - BBVA	Tier I	500,000,000	5.1%	Equity conversion	Fixed rate conv. to floating rate note	BB	Perpetual	5.875
18-May-17	Klarna AB	Tier I	25,659,053	5.125%	Writedown	Floating rate note	NA	Perpetual	3-mth STIBOR +575bp
18-May-17	OneSavings Bank plc	Tier I	69,860,860	7.0%	Equity conversion	Fixed rate	Not rated	Perpetual	9.125
30-May-17	Banque Cantonale de Geneve	Tier I	82,580,172	5.125%	Equity conversion	Fixed rate	BBB-	Perpetual	2
31-May-17	Sparebanken More	Tier I	37,179,855	5.1%	Writedown	Floating rate note	A	Perpetual	3-mth NIBOR +325bp
01-Jun-17	CaixaBank SA	Tier I	1,000,000,000	5.125%	Equity conversion	Fixed rate	BB-	Perpetual	6.75
01-Jun-17	HSBC Holdings plc	Tier I	645,057,249	7.0%	Equity conversion	Fixed rate	BBB	Perpetual	4.7
08-Jun-17	Tinkoff Bank AO	Tier I	266,465,337	5.125%	Writedown	Fixed rate conv. to floating rate note	B-	Perpetual	9.25
08-Jun-17	Haugesund Sparebank	Tier I	8,389,614	5.1%	Writedown	Floating rate note	Not rated	Perpetual	3-mth NIBOR +350bp
08-Jun-17	Gjensidige Bank ASA	Tier I	7,340,912	5.125%	Writedown	Floating rate note	A	Perpetual	3-mth NIBOR +320bp
12-Jun-17	Kommunalbanken AS	Tier I	126,191,590	5.1%	Writedown	Fixed rate conv. to floating rate note	Not rated	Perpetual	3.26
12-Jun-17	Bank Norwegian AS	Tier I	31,547,898	5.125%	Writedown	Floating rate note	BBB	Perpetual	3-mth NIBOR +525bp
15-Jun-17	Zuercher Kantonalbank - ZKB	Tier I	689,718,595	7.0%	Writedown	Fixed rate	AAA	Perpetual	2.125

afme / Recently issued CoCos (cont.)

Finance for Europe

Pricing Date	Issuer	Tier Capital	Deal Total Value (Euro)	Trigger	Conversion mechanism	Issue Rate	Effective Rating (Launch)	Maturity	Coupon
19-Jun-17	Sparebank 1 SR-Bank ASA	Tier I	15,861,686	5.125%	writedown	Floating rate note	A	Perpetual	3-mth NIBOR +320
27-Jun-17	HSBC Holdings plc	Tier I	1,250,000,000	7.0%	Equity conversion	Fixed rate conv. to floating rate note	BBB	Perpetual	4.75
28-Jun-17	Raiffeisen Bank International AG	Tier I	650,000,000	5.125%	Writedown	Fixed rate	BB	Perpetual	6.125
06-Jul-17	Bankia SA	Tier I	750,000,000	5.1%	Equity conversion	Fixed rate	B+	Perpetual	6
26-Jul-17	Promsvyazbank OAO	Tier I	428,963,624	5.125%	Writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	8.75
03-Aug-17	Barclays plc	Tier I	1,396,024,123	7.0%	Equity conversion	Fixed rate	BB	Perpetual	5.875
03-Aug-17	Barclays plc	Tier I	1,396,024,123	7.000%	Equity conversion	Fixed rate	BB	Perpetual	5.875
15-Aug-17	SpareBank 1 Telemark AS	Tier I	10,680,337	5.1%	Writedown	Floating rate note	Not rated	Perpetual	3-mth NIBOR +325bp
05-Sep-17	Julius Baer Group AG	Tier I	252,153,814	7.000%	Writedown	Fixed rate	BBB-	Perpetual	4.75
07-Sep-17	Nationwide Building Society	Tier I	869,565,217	7.0%	Writedown	Variable	Not rated	Perpetual	
13-Sep-17	Monobank ASA	Tier I	5,331,144	5.125%	Writedown	Floating rate note	Not rated	Perpetual	3-mth NIBOR +700bp
14-Sep-17	Jyske Bank A/S	Tier I	150,000,000	7.0%	Writedown	Fixed rate conv. to floating rate note	BB+	Perpetual	4.75
18-Sep-17	Grenke AG	Tier I	75,000,000	5.125%	Writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	7
21-Sep-17	Sparebanken Sor	Tier I	21,379,513	5.1%	Writedown	Floating rate note	Not rated	Perpetual	3-mth NIBOR +320bp
22-Sep-17	NIBC Bank NV	Tier I	200,000,000	5.125%	Writedown	Fixed rate conv. to floating rate note	B+	Perpetual	6
26-Sep-17	Banco Santander SA	Tier I	1,000,000,000	5.1%	Equity conversion	Fixed rate conv. to floating rate note	BB+	Perpetual	5.25
27-Sep-17	ABN AMRO Bank NV	Tier I	1,000,000,000	5.125%	Writedown	Fixed rate conv. to floating rate note	BB+	Perpetual	4.75
07-Nov-17	BNP Paribas SA	Tier I	646,301,004	5.1%	Equity conversion	Fixed rate conv. to floating rate note	BBB-	Perpetual	5.125
08-Nov-17	BBVA SA	Tier I	862,998,921	5.125%	Equity conversion	Fixed rate conv. to floating rate note	BB	Perpetual	6.125
10-Nov-17	Banco de Sabadell SA	Tier I	400,000,000	5.1%	Equity conversion	Fixed rate conv. to floating rate note	B+	Perpetual	6.125
16-Nov-17	St Galler Kantonalbank	Tier I	85,719,184	7.000%	Writedown	Fixed rate	BBB-	Perpetual	1.7
21-Nov-17	Nordea Bank AB	Tier I	750,000,000	5.1%	Writedown	Fixed rate conv. to floating rate note	BBB	Perpetual	3.5
01-Dec-17	Shawbrook Group plc	Tier I	141,932,554	7.000%	writedown	Fixed rate conv. to floating rate note	Not rated	Perpetual	7.875
13-Dec-17	UniCredit	Tier I	1,000,000,000	5.1%	writedown	Fixed rate conv. to floating rate note	B+	Perpetual	5.375
17-Jan-18	Raiffeisen Bank International AG	Tier I	500,000,000	5.125%	writedown	Fixed rate conv. to floating rate note	BB-	Perpetual	4.5
22-Jan-18	Eika Boligkreditt AS	Tier II	33,809,967	5.1%	writedown	Floating rate note		10	3-mth NIBOR +140
24-Jan-18	UBS Group Funding (Switzerland) AG	Tier I	1,630,324,027	7.000%	writedown	Fixed rate conv. to floating rate note	BBB-	Perpetual	5
25-Jan-18	Alfa Bank	Tier I	404,710,834	5.1%	writedown	Fixed rate conv. to floating rate note	B	Perpetual	6.95
25-Jan-18	Belfius Bank & Insurance	Tier I	500,000,000	5.125%	writedown	Fixed rate conv. to floating rate note	BB	Perpetual	3.625
30-Jan-18	Eika Boligkreditt AS	Tier I	20,945,808	5.1%	writedown	Floating rate note		Perpetual	3-mth NIBOR +315
15-Feb-18	Glarner Kantonalbank	Tier I	86,595,081		writedown	Fixed rate	AA	Perpetual	2
12-Mar-18	Santander	Tier I	1,500,000,000	5.1%	Equity conversion	Fixed rate	BB+	Perpetual	4.75
13-Mar-18	CaixaBank	Tier I	1,250,000,000	5.125%	Equity conversion	Fixed rate	BB-	Perpetual	5.25
19-Mar-18	HSBC Holdings plc	Tier I	1,424,037,757	7.0%	Equity conversion	Fixed rate conv. to floating rate note	BBB	Perpetual	6.5
19-Mar-18	HSBC Holdings plc	Tier I	1,830,905,688	7.000%	Equity conversion	Fixed rate conv. to floating rate note	BBB	Perpetual	6.25

Contacts

Research

Julio Suarez

Associate Director
julio.suarez@afme.eu
+44 (0)20 3828 2726

Prudential

Michael Lever

Head of Prudential
Michael.Lever@afme.eu
+44 (0)20 3828 2707

Sahir Akbar

Director, Prudential
Sahir.Akbar@afme.eu
+44 (0)20 3828 2721

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London Office

39th Floor
25 Canada Square
London E14 5LQ
United Kingdom
+44 (0)20 3828 2700

Brussels Office

Rue de la Loi, 82
1040 Brussels
Belgium
+32 (0)2 788 3971

Frankfurt Office

Skyper Villa
Taunusanlage 1
60329 Frankfurt am Main
Germany
+49 (0)69 5050 60 590



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www.afme.eu