8 October 2026

Reading the Markets EUR

France: Not a quick fix

Macro. We review the implications for the ECB of the French market turmoil, which we expect to continue in the coming months. We do not expect the ECB to intervene directly at current levels, but the turmoil makes a hike in October unlikely. The most obvious response of the ECB if there is additional pressure on France would be to lower the pace of QT or pause it.

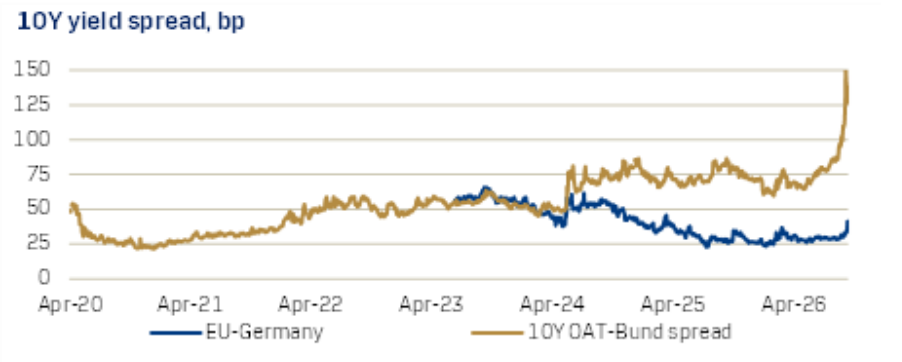
***Bond strategy*.** A busy week ahead in the EGB market with net issuance of almost EUR40bn in EGBs and EU bonds. There is a syndication due from the EU, which could include a new 15Y benchmark, as well as tap auctions from Netherlands, Germany, France, Ireland, Spain and Italy. Gross issuance would be around EUR50bn. We look at the EU and the limited impact on EU bonds from the recent widening in France.

Trade log. We close two trades, where we sold 2Y Finland versus Germany and 2Y Finland versus France. The trade versus Germany reached our profit target, while we were stopped out versus France. We keep our trades where we sell 2Y Finland versus Netherlands and 2Y Finland versus EU.

Key views

- **ECB.** ECB to deliver additional tightening but likely not in October, so our call is under review.
- **Outright.** 3M at 3.00-3.25% for 10Y Bunds.
- **Curve.** 2s10s German curve to re-steepen 50-60bp in the next 3M as we partly scale back expectations for rate hikes.
- **ASW (Schatz/Bobl/Bund).** Range-bound spreads but we see risk of tighter German ASW spreads due to the issuance (i.e. German government bonds to under-perform swaps).
- **Covereds/SSA.** Spreads to swaps are tightening due to strong demand at syndicated deals.
- **EUR/USD**. Structural trend still headed lower towards 1.12 on a 12M horizon.

Chart of the week. Limited impact on EU from the fall-out in France



Note: Past performance is not a reliable indicator of current or future results. Source: Danske Bank

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Important disclosures and certifications are contained from page 12 of this report.

Macro

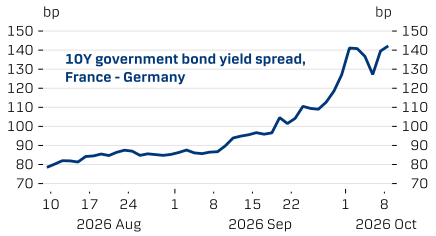
French budget uncertainty to continue in the coming months, making an ECB hike in October unlikely

French public finances remain in focus despite some stabilisation after last week's sharp volatility. Far-right presidential candidate Marine Le Pen has presented her party's proposed 2027 budget and five-year fiscal plan, both with ambitious consolidation targets. The proposals signal an intention to improve public finances and reduce next year's deficit, but it is unclear how much could be implemented and what impact the measures would have. The party targets savings in public administration, immigration and EU contributions, which are somewhat unlikely to have an effect already next year, while also proposing lower taxes and a lower pension age. The party's approach therefore differs markedly from the government's, and the party neither supports the government's proposal nor has it credibly committed to not try and oust the government in a no-confidence vote. Budget uncertainty will therefore persist, but we ultimately expect the 2027 budget to pass with a deficit target slightly above 5% of GDP. This should tighten the OAT-Bund spread but will not resolve the longer-term unsustainability of France's public finances.

As France still has market access when issuing new debt, and the market moves are warranted given more than 50 consecutive years of budget deficits, **we do not expect the ECB to intervene directly at current levels. The most obvious response of the ECB if there is additional pressure on France would be to lower the pace of QT.** This would also be a way to limit the ECB's "credibility" concerns and avoid stigmatising France. Moreover, the ECB has already announced that it will review the key parameters of its operational framework in 2026, which are affected by the monetary policy portfolio. We estimate EGB redemptions from the PEPP and PSPP in 2026 at around EUR272bn, which is a significant amount compared with net issuance of EUR515bn (see chart bottom right). Hence, a change in the pace of QT or a pause would be significant.

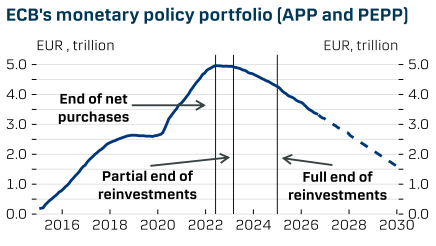
However, we believe that the current French turmoil makes an ECB hike at the October meeting unlikely. We have therefore placed our call for a hike under review. This review also reflects several other factors than France. First, communication from GC members since the September meeting has been less hawkish than Lagarde's comments at the press conference from which we added the hike. Lagarde focused clearly on energy costs, while more recent comments increasingly also consider the demand destruction and the lack of second-round effects. Although headline inflation surprised to the upside in September, spillovers to core inflation remain muted, and firms' selling-price expectations in services and retail even declined in September despite higher energy costs. For these reasons, we think the ECB may be more likely to deliver the next hike in December. Additional tightening beyond December will be highly influenced by the growth developments in Q1, where higher energy costs, the lagged effects of rate hikes, and a tightening fiscal stance are set to weigh on growth, as well as the amount of spill-over to underlying inflation which remains low currently.

Stabilisation in OAT-Bund spread



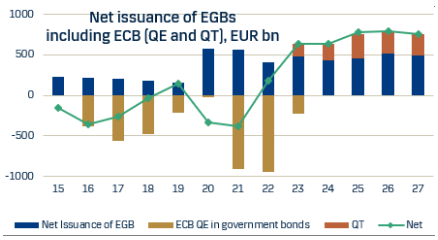
Source: Bloomberg, Danske Bank

Expected run-down of ECB's monetary policy portfolio



Source: ECB, Danske Bank

ECB's QT significantly affects the EGB market due to the size of redemptions



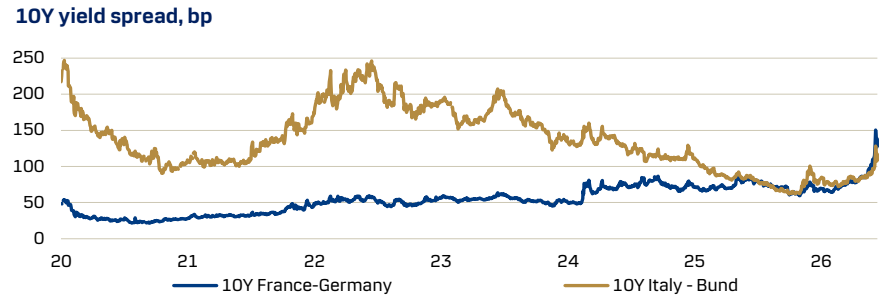
Source: ECB, Danske Bank

Bond strategy

Busy week ahead in the EGB market with net issuance of almost EUR40bn due in EGBs and EU bonds

It will be a very busy week in terms of EGB and EU issuance next week as Germany, Netherlands, France, Italy, Spain and Ireland are all set to come to the market. On top of this, an EU syndication is due. Hence, gross issuance should be close to EUR50bn, while there are set to be coupons of EUR7.4bn and redemptions of EUR4bn. Net issuance should be close to EUR40bn in the current environment, with significant pressure on France and Italy, as shown by the recent spread widening (see chart below)

Pressure on France has a spill-over effect on Italy



Source: Danske Bank

Note: Past performance is not a reliable indicator of current or future results.

Part of the widening of Italy is due to the rising energy costs, which puts pressure on the Italian economy despite wide expectations of a budget deficit below 3% in 2027.

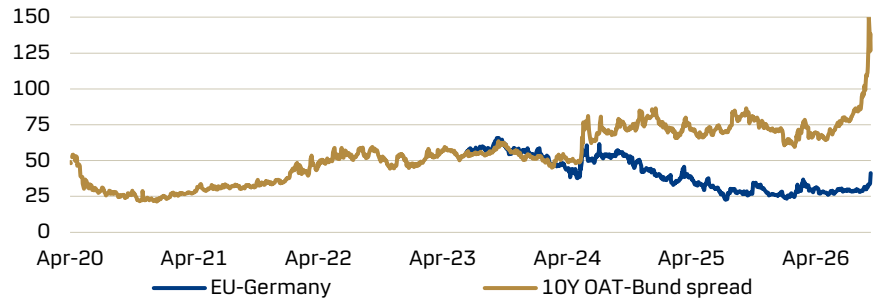
Syndication from EU, and French medium term and linker auction are the main events next week

The main events next week will be the EU syndication and the French government bond auction. The EU is set to do a dual tranche in a short bond and a long bond. It has announced that it will open new lines in 3Y, 5Y, 15Y and 30Y in H2. So far, it has opened a new 5Y in July, and a 3Y and a 30Y in September. Hence, it could come with the 15Y and a tap in e.g. the 5Y. We expect strong demand for the bonds as there will be only one syndication left for 2026 (10 November).

Furthermore, the outlook for 2027 suggests a significant reduction in the issuance of EU bonds, as there will be no more funding from NGEU. Hence, funding demand would consist primarily of redemptions (EUR40bn), Ukraine (EUR45bn), SAFE (EUR30-35bn); for a total of c.EUR120bn. However, the EU has proposed several programmes under the proposed MFF (Multiannual Financial Framework). Although this is under negotiations, it could add some EUR20-30bn to the funding need in 2027.

Limited impact on EU from the French underperformance

10Y yield spread, bp

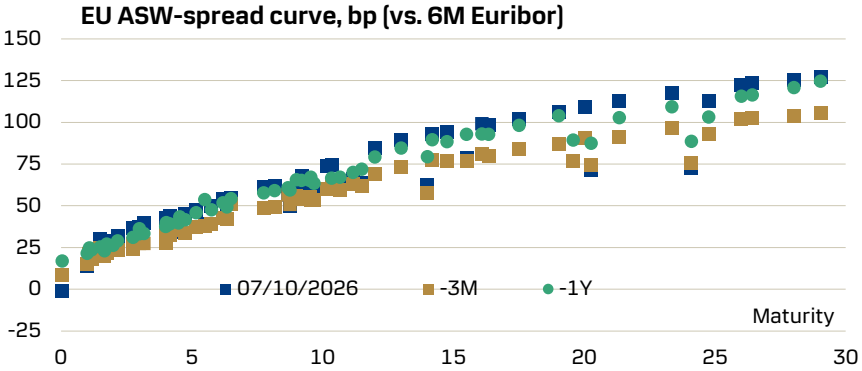


Source: Danske Bank

Note: Past performance is not a reliable indicator of current or future results.

Only a modest widening of the ASW-spread curve over the past 3mths

EU ASW-spread curve, bp (vs. 6M Euribor)



Source: Danske Bank

Note: Past performance is not a reliable indicator of current or future results.

Another risk factor for the EU would be is a downgrade from Moody's having a spill-over effect on the EU, but we doubt it as according to Moody's the following are factors that could lead to a downgrade – "*Downward pressure could result from a deterioration in the creditworthiness of highly rated member states that are large contributors to the EU budget, such as Germany (Aaa stable), France (Aa3 negative) and the Netherlands (Aaa stable), although the EU's Aaa rating has a degree of resilience to such changes if they are limited in extent*". Hence, we keep our long position in 2Y EU versus Finland.

The French medium-term and linker auction is likely to go well as there has always been strong demand at this auction even in periods with market stress. The French Debt Office may scale down the auction size, but this would be small and we expect that it will sell EUR12bn in the medium-term segment and EUR1.5bn in the linkers.

Issuance over the next two weeks

week 42		issuer	type	maturity	coupon	size
Monday	12/10	EU	EU			EUR 10bn
Tuesday	13/10	Netherlands	Nether	Jan-2031	2.50%	EUR 3.5bn
		Italy	BTPS	5Y-30Y		EUR 9bn
		Germany	Bobl	Oct-2031	2.90%	EUR 5bn
Wednesday	14/10	Germany	DBR	30Y		EUR 2.5bn
		Sweden	SGB	2Y-20y		SEK 5bn
		Norway	NGB	2Y-20Y		NOK 2-4bn
Thursday	15/10	Ireland	IRISH	2Y-30Y		EUR 1-1.5bn
		Spain	SPGB	2Y-30Y		EUR 6bn
		France	FRTR	5Y10Y		EUR 10bn
		France	OATei	2Y-20Y		EUR 2bn
		Portugal	PGB	2Y-30Y		EUR 1.5bn
		Sweden	SGBi	2Y-10Y		SEK 0.75bn

week 43		issuer	type	maturity	coupon	size
Tuesday	20/10	Finland	RFGB	2Y-30Y		EUR 1-1.5bn
		Germany	DBR(G)			
Wednesday	21/10	Norway	NGB	2Y-20Y		NOK 2-4bn
		Denmark	DGB	2Y-10Y		DKK 2-3bn
		Sweden	SGB	2Y-10Y		SEK 5bn

Source: EU Debt Offices, Bloomberg, Danske Bank

Net cash flow in coming weeks

	Week 42	Week 43	Week 44	Week 45	Week 46
Germany	-7.0	0.7	-10.5	-7.0	-0.6
France	-12.0	4.9	0.0	-12.0	0.0
Italy	-6.3	0.0	7.2	0.0	-6.6
Spain	-6.0	0.0	40.1	-6.0	0.0
Portugal	-0.8	0.2	0.0	0.0	0.0
Belgium	0.0	1.1	-4.0	0.0	0.0
Netherlands	-3.0	0.0	-2.0	0.0	-2.5
Austria	0.0	18.5	0.0	-2.9	0.0
Finland	0.0	-1.5	0.0	0.0	0.0
Ireland	-0.4	0.0	0.0	0.0	0.0
Slovakia	0.1	0.1	0.0	0.1	0.0
EU	-7.3	2.2	-6.0	0.6	-8.0
EFSF	4.0	0.0	0.0	0.0	0.1
ESM	0.0	0.1	0.0	0.1	0.0
Total - EUR	-38.7	26.3	24.8	-27.1	-17.6
Denmark	0.0	-3.0	0.0	-3.0	28.9
Sweden	-3.5	-5.0	-5.0	-5.0	99.2
Norway	-3.0	-3.0	-3.0	0.0	-3.0

Note: All volumes are in billions, local currency.

Note: Negative means more issuance than coupon and redemption

Source: Bloomberg, Danske Bank

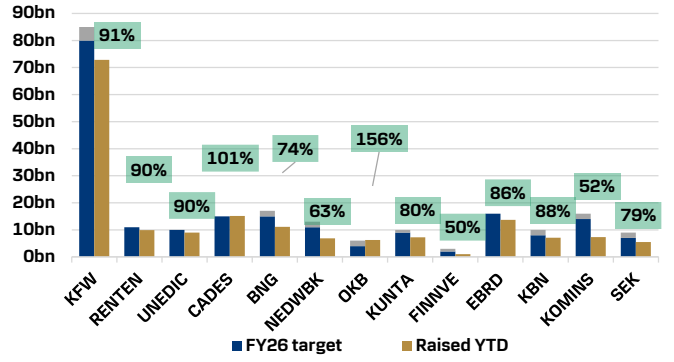
Bond issuance for 2026

Expected issuance (Bn)	Expected gross bond issuance 2026		Gross issuance 2026 YtD	Bonds maturing 2026	Net issuance 2026 YtD	Expected net issuance 2026	% issued YtD of expected gross issuance	
	Official forecast	Danske Bank					Official forecast	Danske Bank
Germany	350.0	*350.0*	271.0	43.0	100.8	307.0	77%	77%
France*	310.0	*310.0*	291.9	36.4	156.9	273.6	94%	94%
Italy	360.0	*360.0*	268.7	32.2	35.5	327.8	75%	75%
Spain	177.0	*177.0*	141.1	28.7	48.6	148.3	80%	80%
Portugal	24.0	*24.0*	19.3	0.0	9.3	24.0	80%	80%
Greece	8.0	*8.0*	7.6	0.5	2.1	7.5	94%	94%
Belgium	52.0	*52.0*	47.7	0.0	21.5	52.0	92%	92%
Netherlands	50.0	*50.0*	45.4	0.0	16.5	50.0	91%	91%
Austria	45.0	*45.0*	35.1	17.2	19.8	27.8	78%	78%
Finland	25.3	*25.3*	22.8	0.0	15.7	25.3	90%	90%
Ireland	12.0	*12.0*	11.1	0.0	-0.6	12.0	92%	92%
Slovakia	10.0	*10.0*	9.2	0.0	4.9	10.0	92%	92%
EU	180.0	*180.0*	141.7	2.2	110.7	177.8	79%	79%
EFSF	18.0	*18.0*	16.5	4.0	-0.5	14.0	92%	92%
ESM	7.0	*7.0*	6.5	4.0	1.0	3.0	93%	93%
Total - EUR	1628.3	*1628.3*	1335.2	168.2	542.2	1460.1	82%	82%
Denmark*	65.0	*65.0*	53.0	19.4	53.0	45.6	82%	82%
Sweden*	222.0	*222.0*	172.1	96.4	138.4	125.6	78%	78%
Norway*	110.0	*105.0*	94.0	0.0	48.8	110.0	85%	90%

***local currency, France is net of buy-backs**

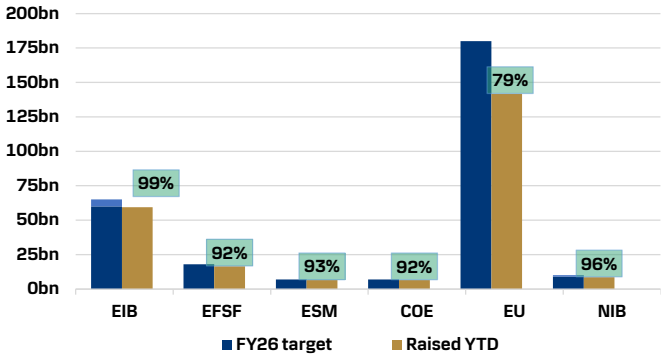
Source: EU Debt Offices, Bloomberg, Danske Bank

How far are the agencies in their funding?



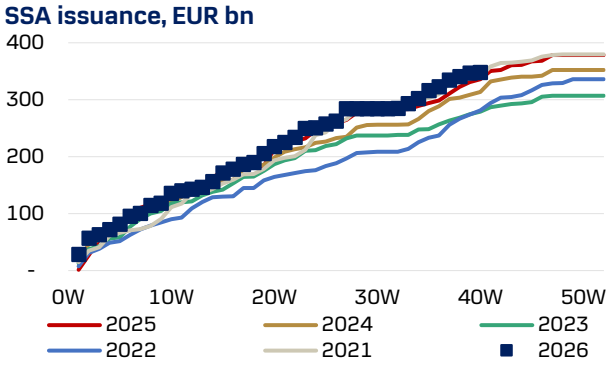
Source: Bloomberg, Danske Bank

How far are the supras in their funding?



Source: Bloomberg, Danske Bank

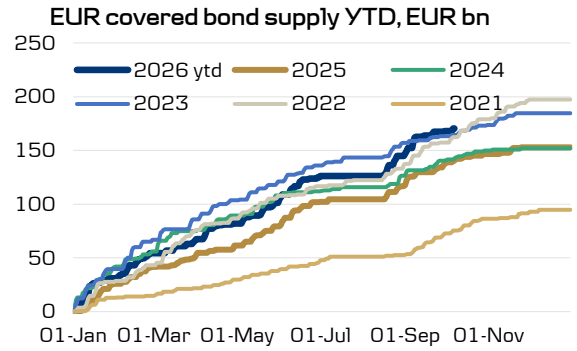
Total supply of SSAs during the past five years



Note: Past performance is not a reliable indicator of current or future results.

Source: Bloomberg, Danske Bank

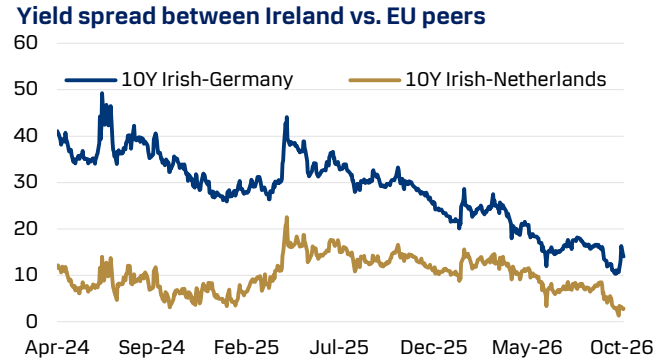
Total supply of covered bonds during the past five years



Note: Past performance is not a reliable indicator of current or future results.

Source: Bloomberg, Danske Bank

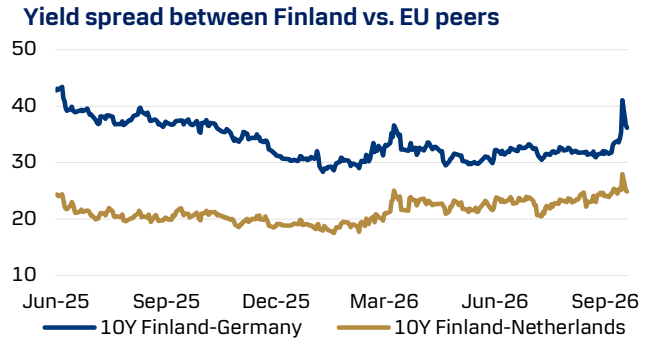
Ireland is rebounding vs peers



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

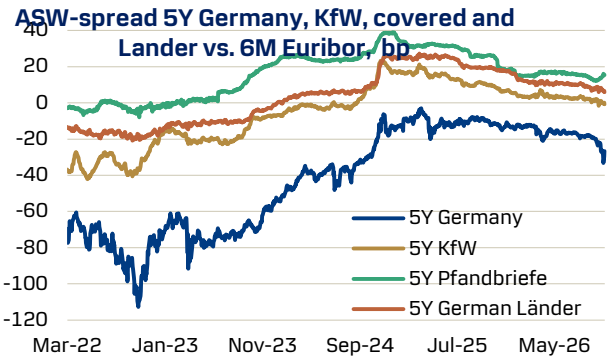
10Y Finland is stabilising vs. EU peers



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

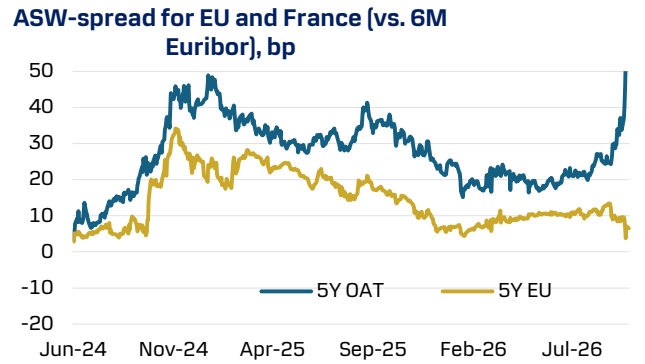
5Y ASW-spreads for KfW, Pfandbriefe, Länder and Bobl



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

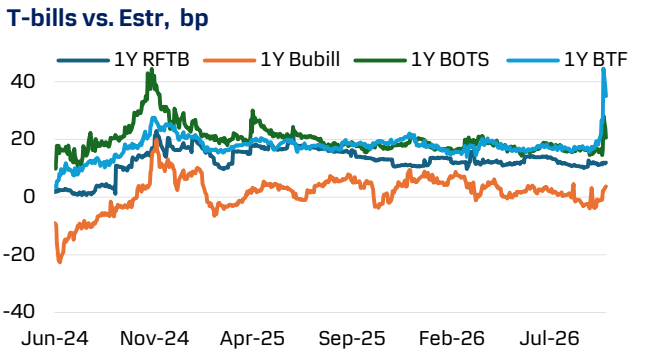
SW-spreads for 5Y France and EU



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

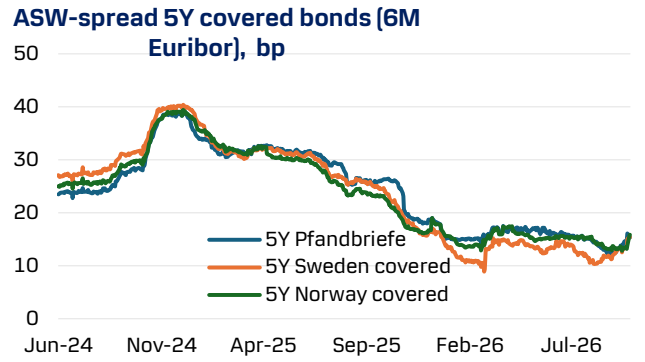
T-bills vs. €str



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

SEK, NOK and German covered bonds



Note: Past performance is not a reliable indicator of current or future results.

Source: Danske Bank

New deals in the covered bond market

	Name (: green, ♥: soc., ✱: sust.)	Cntry	Vol	Mty	Rtg (M/S&P/F)	Book sz.	Guidance	Issue yld	Issue spr	Spr. now	Perf.
15-Sep-26	ASN BANK	NL	500	23-Sep-30	Aaa/NR/AAA	#N/A	23a	3.69%	+18	17	-1
14-Sep-26	ACHMEA	NL	500	21-Sep-31	NR/AAA/NR	1,100	27a	3.73%	+22	21	-1
09-Sep-26	KUTXABANK	ES	750	16-Sep-33	Aaa/NR/NR	1,250	35a	3.66%	+29	29	0
08-Sep-26	RBC	CA	750	15-Sep-36	Aaa/NR/AAA	1,100	44a	3.80%	+40	39	-1
08-Sep-26	RBC	CA	2,250	15-Sep-31	Aaa/NR/AAA	2,500	28a	3.49%	+22	22	0
08-Sep-26	HELABA	DE	750	15-Sep-31	Aaa/NR/NR	1,900	22a	3.47%	+18	17	-1
07-Sep-26	SHNHAN	KR	600	14-Mar-30	Aaa/AAA/NR	1,902	26a	3.42%	+19	17	-2
07-Sep-26	OTP	HU	750	31-Oct-31	Aaa/AAA/NR	1,901	50a	3.29%	+44	43	-1
07-Sep-26	LBBW	DE	1,000	17-Sep-30	Aaa/NR/NR	1,900	17a	3.35%	+11	10	-1
07-Sep-26	ING	NL	1,000	14-Sep-38	Aaa/AAA/AAA	985	44a	3.83%	+38	37	-1
07-Sep-26	ING	NL	750	14-Sep-34	Aaa/AAA/AAA	1,000	32a	3.60%	+27	26	-1
07-Sep-26	NORDEA MORTGAGE	FI	750	14-Sep-33	Aaa/NR/NR	850	27a	3.55%	+24	23	-1
07-Sep-26	NORDEA MORTGAGE	FI	500	14-Sep-29	Aaa/NR/NR	1,150	23a		E+16		
07-Sep-26	SR-BOLIGKREDITT AS	NO	750	16-Sep-31	Aaa/NR/NR	1,500	23a	3.43%	+17	16	-1
03-Sep-26	BCO SABADELL	ES	750	10-Sep-31	Aaa/NR/NR	2,100	28a	3.46%	+22	21	-1
03-Sep-26	DZ HYP	DE	500	30-Jun-31	Aaa/AAA/NR	1,920	20a	3.34%	+13	11	-2
03-Sep-26	CREDIT AGRICOLE PS SCF	FR	500	14-Sep-32	Aaa/AAA/NR	1,300	40a	3.60%	+35	35	0
03-Sep-26	UNICZ	CZ	750	10-Sep-31	Aaa/AAA/NR	2,100	40a	3.56%	+32	31	-1
02-Sep-26	CESSPO	CZ	500	09-Dec-31	Aaa/AAA/NR	1,400	37a	3.57%	+30	27	-3
02-Sep-26	EIKA BOLIGKREDITT	NO	500	09-Sep-36	Aaa/NR/NR	1,200	38a	3.72%	+32	31	-1
02-Sep-26	HAMBURG COMMERCIAL	DE	500	11-Sep-29	Aa3/NR/NR	2,010	33a	3.49%	+25	21	-4
02-Sep-26	NORD LB	DE	750	12-Sep-33	Aaa/NR/NR	1,100	30a	3.56%	+24	23	-1
02-Sep-26	SANTANDER TOTTA	PT	500	09-Sep-29	Aaa/NR/NR	2,400	21a	3.39%	+14	11	-3
01-Sep-26	CFF	FR	1,000	08-Sep-36	Aaa/AAA/NR	1,500	60a	3.92%	+54	56	2
01-Sep-26	NN GROUP NV	NL	500	08-Sep-31	NR/AAA/NR	2,000	25a	3.41%	+18	17	-1
01-Sep-26	HYPO VORARLBERG	AT	500	08-Sep-33	Aaa/NR/NR	2,280	33a	3.55%	+27	26	-1

Note: Past performance is not a reliable indicator of current or future results.

Source: Bloomberg, Danske Bank

New deals in the SSA market

Date	Issuer	Type	Country	Vol (EUR m)	Mty	Rtg (M/S/F)	IPT/IPG	Spread	Yield	ASW6M now	Perf.
06/10/2026	LAND NRW	Muni/Local Gov't	GERMANY	1250	Oct-36	Aa1 / AA / AAA	MS+28a	MS+26	3.813%	25	-1
01/10/2026	LAND SCHLESWIG HOLSTEIN	Muni/Local Gov't	GERMANY	1000	Oct-34	NR / NR / AAA	MS+20a	MS+19	3.801%	18	-1
30/09/2026	FINNVERA	Agency	FINLAND	1000	Oct-31	Aa1 / NR / AA	MS+8a	MS+8	3.680%	7	-1
29/09/2026	JBIC	Agency	JAPAN	1500	Oct-33	A1 / A+ / NR	MS+40a	MS+39	0.000%	39	0
29/09/2026	TENNET NL	Agency	NETHERLANDS	1500	Oct-31	Aaa / AAA / NR	MS+6a	MS+3	3.645%	2	-1
22/09/2026	KfW	Agency	GERMANY	3000 (tap)	Nov-32	Aaa / AAA / NR	MS+7a	MS+6	3.475%	6	0
15/09/2026	EUROPEAN UNION	Supra	SNAT	5000	Oct-56	Aaa / AA+ / AAA	EU+5a	EU+3	4.541%	119	-
15/09/2026	EUROPEAN UNION	Supra	SNAT	6000	Mar-30	Aaa / AA+ / AAA	EU+8a	EU+6	3.495%	7	-
09/09/2026	AFD	This	FRANCE	1500	May-34	NR / A+ / A+	OAT+25a	FRTR+23	4.254%	135	-
09/09/2026	CITY OF HAMBURG	Muni/Local Gov't	GERMANY	1000	Sep-32	NR / NR / AAA	MS+12a	MS+12	3.486%	11	-1
08/09/2026	NEDWATERSCHAPS	Agency	NETHERLANDS	1250	Oct-31	Aaa / AAA / NR	MS+12a	MS+9	3.355%	8	-1
08/09/2026	ADB	Supra	SNAT	1250	Jan-34	Aaa / AAA / AAA	MA+15a	MS+12	3.451%	11	-1
07/09/2026	BPIFRANCE	Agency	FRANCE	1250	Mar-31	Aa3 / NR / A+	OAT+20a	FRTR+15	3.634%	83	-
03/09/2026	TENNET NL	Agency	NETHERLANDS	1000	Sep-41	Aaa / AAA / NR	MS+40a	MS+37	3.859%	32	-5
03/09/2026	TENNET NL	Agency	NETHERLANDS	1500	Sep-33	Aaa / AAA / NR	MS+18a	MS+15	3.431%	12	-3
03/09/2026	MUNICIPALITY FINANCE	Agency	FINLAND	1000	Sep-31	Aa1 / AA+ / NR	MS+11a	MS+8	3.323%	6	-2
02/09/2026	ACOSS	Agency	FRANCE	2000	Sep-28	Aa3 / A+ / A+	OAT+15a	FRTR+15	3.324%	41	-
02/09/2026	EIB	Supra	SNAT	5000	Feb-32	Aaa / AAA / AAA	MS+9a	MS+6	3.335%	7	1
01/09/2026	KfW	Agency	GERMANY	1000 (tap)	Jun-30	Aaa / AAA / NR		B+21.4		-5	-
01/09/2026	LAND HESSEN	Muni/Local Gov't	GERMANY	1250	Sep-31	NR / AA+ / NR	MS+10a	MS+9	3.318%	7	-2
26/08/2026	CDPQ	Agency	CANADA	1250	Sep-33	Aaa / AAA / AAA	MS+36a	MS+33	3.479%	33	0
26/08/2026	UNEDIC	Agency	FRANCE	2000	Sep-28	Aa3 / A+ / NR	OAT+13a	FRTR+10	3.076%	35	-
25/08/2026	IDF MOBILITIES	Agency	FRANCE	1000	Jan-37	Aa3 / NR / A+	OAT+15a	FRTR+12	4.204%	144	-
25/08/2026	WORLD BANK	Supra	SNAT	3000	Sep-36	Aaa / AAA / NR	MS+25a	MS+23	3.477%	24	1
25/08/2026	LAND BERLIN	Muni/Local Gov't	GERMANY	1250	Sep-36	Aa1 / NR / AAA	MS+25a	MS+24	3.490%	23	-1
19/08/2026	LAND NRW	Muni/Local Gov't	GERMANY	1500	Aug-33	Aa1 / AA / AAA	MS+18a	MS+16	3.345%	14	-2

Note: Past performance is not a reliable indicator of current or future results.

Source: Bloomberg, Danske Bank

Moody's rating calendar

Moody's	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Germany			13						18			
France				10						23		
Italy			27						25			
Spain			27				17					
Portugal					22						20	
Greece			13						18			
Belgium				17						9		
Netherlands		13						21				
Austria		13						14				
Finland						12						11
Ireland		20						21				
Denmark	16						24					
Sweden		20						21				
Norway				24						23		
Slovakia						19						18
Slovenia		27						28				
EFSF				17						30		
ESM			20						26			
EU			20						26			

Note: Past performance is not a reliable indicator of current or future results.

Source: Moody's, Danske Bank

S&P rating calendar

S&P	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Germany				24						23		
France					29						27	
Italy	30				15						13	
Spain			13						11			
Portugal		27						28				
Greece				24						23		
Belgium				24						23		
Netherlands				17						16		
Austria		6						7				
Finland				24						23		
Ireland			20						18			
Denmark		6						7				
Sweden						5						4
Norway					22						20	
Slovakia				24						23		
Slovenia			27						25			
EFSF	30						31					
ESM	30						31					
EU												

Note: Past performance is not a reliable indicator of current or future results.

Source: S&P, Danske Bank

Fitch rating calendar

Fitch	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Germany	9				15							
France			6					28				
Italy			13						11			
Spain			13						11			
Portugal			6						4			
Greece					8						6	
Belgium					22						20	
Netherlands	16						10					
Austria						5						4
Finland	23						17					
Ireland					1						7	
Denmark			27						25			
Sweden			20						18			
Norway						12						11
Slovakia					8					30		
Slovenia			27						11			
EFSF						12						11
ESM						12						11
EU												

Note: Past performance is not a reliable indicator of current or future results.

Source: Fitch, Danske Bank

DBRS rating calendar

DBRS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Germany					8						6	
France			20						18			
Italy				17						16		
Spain					29					30		
Portugal	16				15						13	
Greece			6						4			
Belgium	23						27					
Netherlands		27						28				
Austria						5						4
Finland			20						18			
Ireland			13						11			
Denmark			27						25			
Sweden	9				22						20	
Norway												
Slovakia		6						7				
Slovenia					22						20	
EFSF	16						17					
ESM	16						17					
EU				17						16		

Note: Past performance is not a reliable indicator of current or future results.

Source: DBRS, Danske Bank

Ratings and outlooks

RATINGS					
	Fitch	Moody's	S&P	DBRS	Scope
Germany	AAA	Aaau	AAAu	AAA	AAA
Finland	AA	Aa1	AA+u	AAH	AA
Netherlands	AAA	Aaau	AAAu	AAA	AAA
Austria	AA	Aa1	AA+	AAH	AA+
Belgium	A+u	**A1**	AA-u	AA	---
France	A+u	Aa3u	A+u	AA	A+
Ireland	AA	Aa2	AA+	AA	AA
Italy	BBB+u	Baa2u	BBB+u	AL	BBB+
Spain	Au	A3	A+u	AH	A+
Portugal	A+u	A3u	A+u	AH	---
UK	AA-	Aa3u	AAu	AA	WR
Slovenia	A+	A2	AA	AAL	A+
Slovakia	A-	A3	A	AL	A-
Greece	BBB	Baa3	BBB	BBB	BBB+
EFSF	A+	Aaa	A+	AAA	WR
ESM	AAA	Aaa	AAA	AAA	AAA
EU	AAA	Aaa	AA+	AAA	AAA
Denmark	AAA	Aaau	AAAu	AAA	AAA
Sweden	AAA	Aaa	AAAu	AAA	AAA
Norway	AAA	Aaa	AAAu	AAA	WR

OUTLOOK				
	Fitch	Moody's	S&P	DBRS
Germany	STABLE	STABLE	STABLE	STABLE
Finland	STABLE	STABLE	NEG	STABLE
Netherlands	STABLE	STABLE	STABLE	STABLE
Austria	STABLE	NEG	STABLE	STABLE
Belgium	STABLE	STABLE	STABLE	NEG
France	STABLE	NEG	STABLE	NEG
Ireland	STABLE	POS	STABLE	POS
Italy	STABLE	STABLE	POS	STABLE
Spain	STABLE	STABLE	STABLE	STABLE
Portugal	STABLE	STABLE	POS	POS
UK	STABLE	STABLE	STABLE	STABLE
Slovenia	STABLE	STABLE	STABLE	STABLE
Slovakia	STABLE	STABLE	STABLE	STABLE
Greece	STABLE	POS	STABLE	POS
EFSF	---	NEG	STABLE	NEG
ESM	STABLE	STABLE	STABLE	STABLE
EU	STABLE	STABLE	STABLE	STABLE
Denmark	STABLE	STABLE	STABLE	STABLE
Sweden	STABLE	STABLE	STABLE	STABLE
Norway	STABLE	STABLE	STABLE	STABLE

Note: Past performance is not a reliable indicator of current or future results.
Source: Rating agencies, Danske Bank

Trade overview

Open trades	Opened	Closed	Opening level	Current level	Target	P/L	% of principal
Buy CMCICB 3% 02/31 vs. OAT 02/31	21/08/2026	22/09/2026	1	-24	-5	25	1.1%
Buy CRH 10/31 vs. OAT 05/31	21/08/2026	22/09/2026	0	-23	-7	23	1.1%
Buy RFGB 3.3% 04/33 vs. Swaps	21/08/2026	22/09/2026	13	11	7	2	0.1%
Buy Schatz 09/28 vs. RFGB 09/28	23/09/2026	08/10/2026	4	-4	-5	8	0.2%
Buy Nether 07/28 vs. RFGB 09/28	23/09/2026		2	-2	-5	4	0.1%
Buy OAT 09/28 vs. RFGB 09/28	23/09/2026	08/10/2026	31	52	20	-21	-0.4%
Buy EU 09/28 vs. RFGB 09/28	23/09/2026		17	22	10	-5	-0.1%

Note: Past performance is not a reliable indicator of current or future results. Source: Danske Bank

Closed trades

Closed trades	Opened	Closed	Opening level	Current level	Target	P/L	% of principal
Buy EIB 2.875% 06/35 vs. BGB 3.1% 06/35	12/12/2025	06/03/2026	-24	-26	-36	2	0.19%
Buy EU 3.375% 12/35 vs. BGB 3.1% 06/35	12/12/2025	06/03/2026	-12	-9	-25	-3	-0.26%
Buy 5Y Lower Saxony vs. swaps	05/01/2026	06/03/2026	13	11	5	2	0.09%
Buy 10Y Lower Saxony vs. swaps	05/01/2026	06/03/2026	26	24	15	2	0.18%
Buy 5Y KfW vs. swaps	07/01/2026	06/03/2026	3	-1	-5	4	0.18%
Buy 10y KfW vs. swaps	07/01/2026	06/03/2026	17	20	10	-3	-0.32%
Buy 10Y Ireland vs. Swaps	14/01/2026	06/03/2026	26	23	18	3	0.28%
Reiceve 15Y EUR swap vs. 5Y and 30Y EUR swaps(vs. 6M)	14/01/2026	06/03/2026	46	42	28	4	0.42%
Buy 15Y Finland vs. Swaps	21/01/2026	06/03/2026	47	46	40	1	0.07%
Recieve EUR 2Y1Y swap (vs. Estr)	12/02/2026	06/03/2026	2.21	2.35	2.05	-14	-0.49%
Recieve April 2026 ESTR future	19/03/2026	26/03/2026	15.5	15.5	0	0	0.00%
Recieve EUR 2Y1Y swap (vs. Estr)	16/04/2026	17/04/2026	2.55	2.46	2.35	9	0.42%
Buy the Bobl spread	13/03/2026	26/06/2026	13	11	30	-2	-0.07%
Receive 3M ESTR June 27 IMM vs pay June 28 IMM.	12/05/2026	26/06/2026	-15	-7	10	8	0.06%
Pay 2Y SOFR and recieve 2Y ESTR	26/05/2026	26/06/2026	-142	-161	-170	19	0.29%
Recieve 1Y1Y ESTR	26/06/2026	15/07/2026	2.51	2.70	2.30	-19	-0.14%

Note: Past performance is not a reliable indicator of current or future results. Source: Danske Bank

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