



EUROPEAN CENTRAL BANK

EUROSYSTEM

DG MARKET OPERATIONS

7 January 2013

Bond Market Contact Group

Frankfurt, Tuesday 22 January 2013 (13:00-16:00 CET)

AGENDA

1. Mandate of the BMCG and Work programme 2013

The chairman will introduce and explain the mandate of the BMCG and his expectations for its functioning. Members will be invited to introduce themselves and to describe their expectations for the BMCG. The Work Programme for 2013 will be discussed and all participants are invited to provide ideas for it.

Documents: BMCG Mandate and draft Work Programme 2013.

2. Review of recent bond market developments

Beatriz Sotomayor (ECB) will review the main developments in the euro bond markets over the last quarter, followed by a group discussion.

Document: Presentation on the latest bond market developments (1 July 2012 – 15 January 2013).

3. Global outlook for public sector and private sector bond issuance

Mr Adrian Averre (BNP Paribas) and Mr Carl Norrey (JP Morgan) will present the 2013 outlook for public sector and private sector bond issuance, with a particular focus on euro area developments. The presentations will cover corporate bonds (subordinated and senior unsecured), covered bonds and ABS and implications on price and liquidity of the different bond market sectors. Mr Laurent Clamagirand (AXA) will discuss the outlook from the investor side.

Furthermore, Mr Pontus Aberg (ECB) will present developments in eligible and used collateral for Eurosystem monetary policy operations, with a focus on their relevance for the functioning of the euro bond market. A discussion will follow.

Documents: Presentation on the outlook for bond issuance in 2013 by two BMCG members; and presentation on developments in eligible and used collateral by the ECB.

4. Impact of recent regulatory changes & other structural issues

Based on introductory remarks by the chairman and a presentation from Mr Martin Scheck (ICMA) on the recent regulatory changes, including: (i) the progressive introduction of harmonised CACs in euro area government bonds; (ii) the covered bond label; (iii) the Prime Collateralised Securities (PCS) label; and (iv) recent decisions on the regulatory (“Basel III”) treatment of assets; members will be invited to comment and to raise any other structural developments, which in their view could affect the functioning of euro area bond markets.

Document: A presentation by a BMCG member on recent regulatory changes and impact on euro area bond markets.

Links to relevant websites: http://europa.eu/efc/sub_committee/index_en.htm; www.pcsmarket.org;
<https://www.coveredbondlabel.com/>

5. Other items

Planning of the next meeting, concluding remarks by ECB Executive Board Member Benoît Coeuré and group photo.