

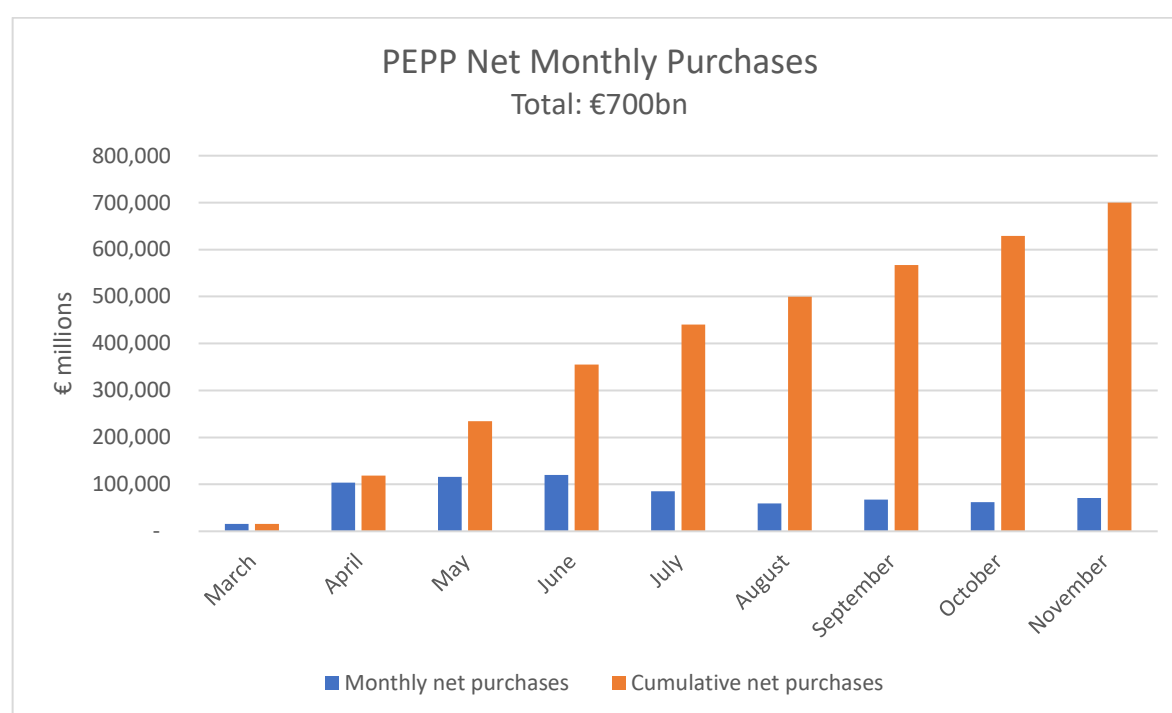
# ECB publishes PEPP purchases bimonthly data

## November 2020

By Andy Hill, ICMA [Dec 9, 2020]

The ECB has [published](#) its fourth bi-monthly breakdown of holdings under its Pandemic Emergency Purchase Programme (PEPP), covering the period from October through November 2020.

The data shows that the ECB made net purchases of €132.8bn (book value) of bonds under the PEPP, taking the total to-date to €700bn, which is 52% of the total €1,350bn of purchases targeted under the Programme. This is slightly up on the previous two months (€126.8bn), but remains a slower pace than that set between March and July).

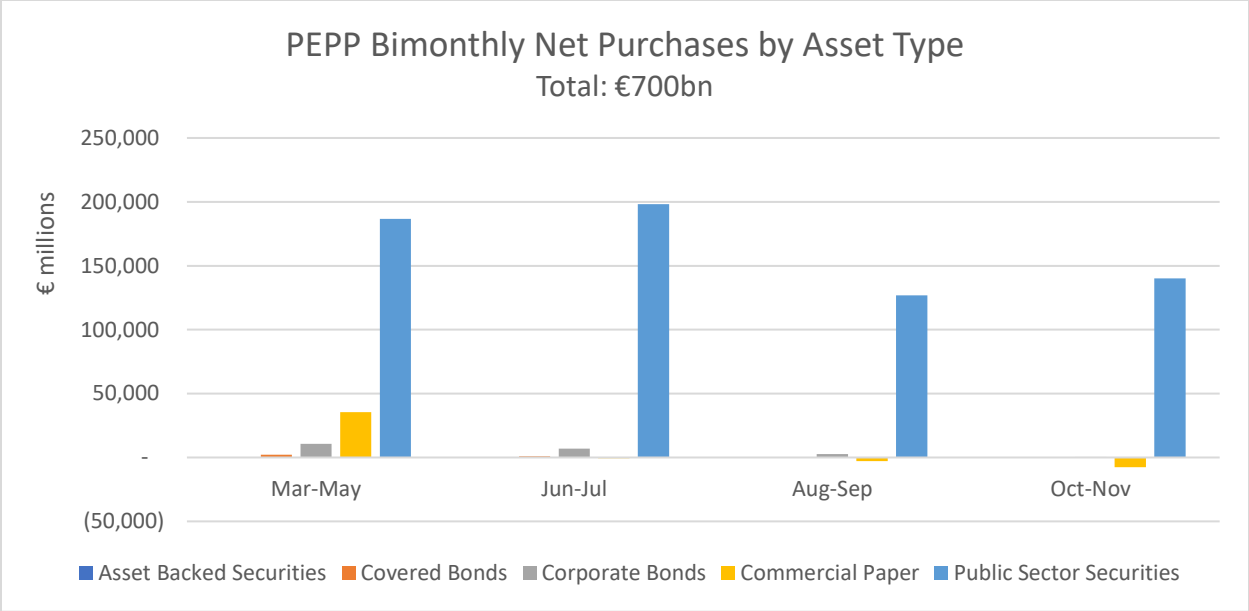


Source: ICMA analysis using ECB data

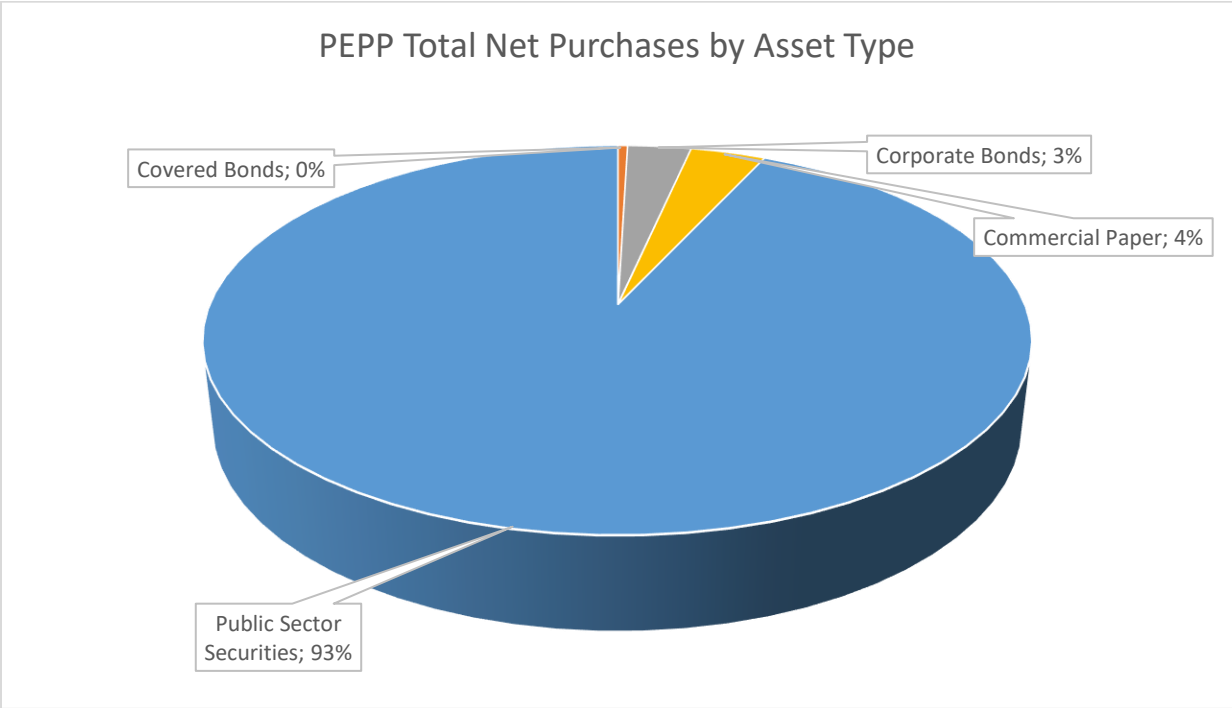
### Breakdown of cumulative net purchases

Purchases remain heavily skewed to public sector bonds, with net purchases in the October-November period almost exclusively made up of public sector bonds (€140.2bn). Net purchases of corporate bonds were marginal (€0.3bn), while net purchases of commercial paper were negative (-€7.7bn). In the October-November period there were no purchases of covered bonds. There have yet to be any purchases of asset back securities under the PEPP.

As of the end of November 2020, 93% of total net purchases are in public sector bonds, with 3% in corporate bonds, and 4% in commercial paper.



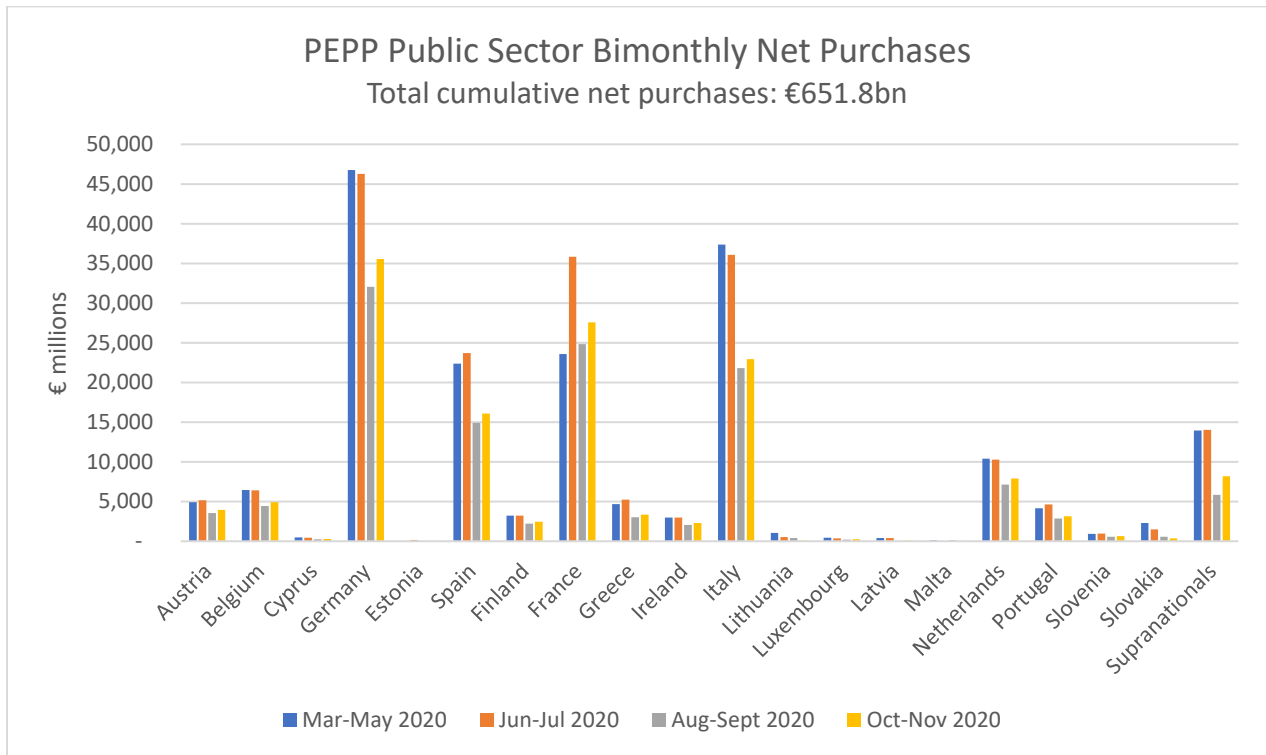
Source: ICMA analysis using ECB data



Source: ICMA analysis using ECB data

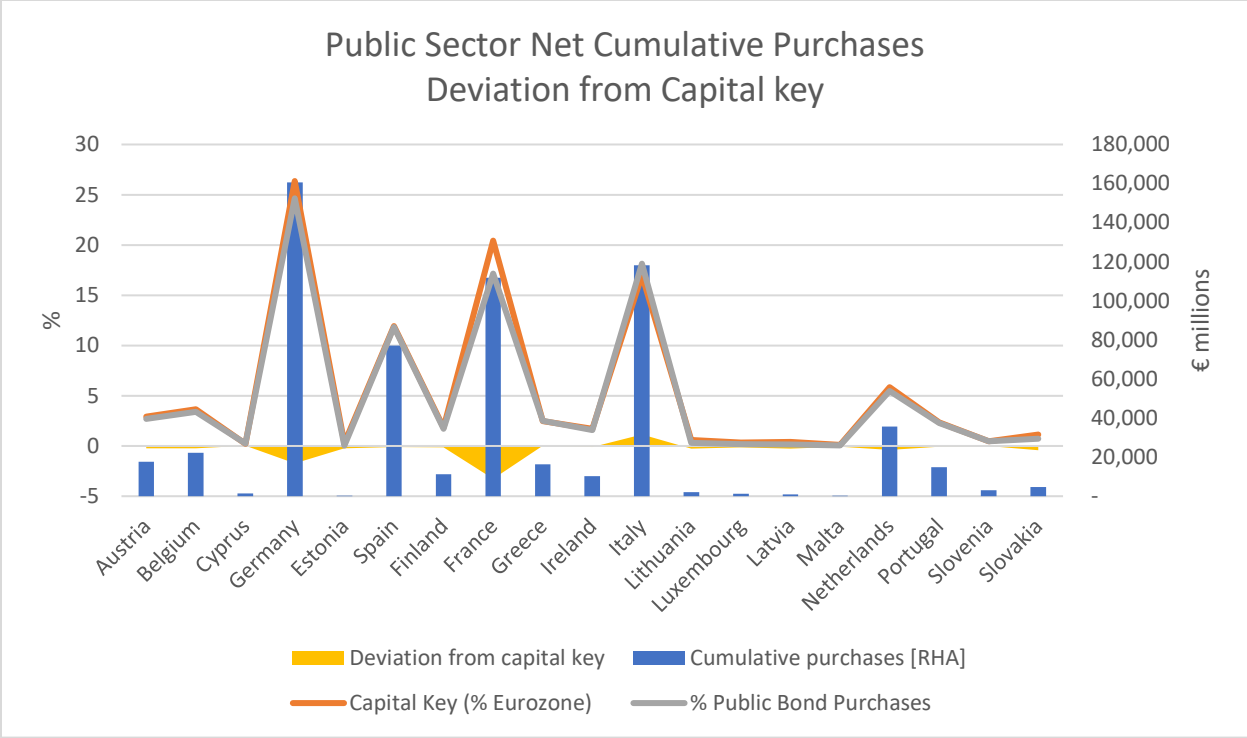
## PEPP Public Bond Purchases

Purchases of public sector bonds were €140.2bn for the period, compared with €126.8bn for August-September, €198.2bn for June-July, and €186.6bn for March-May, taking total cumulative net purchases to €651.8bn. Purchases remained heavily concentrated in bonds issued by Germany (€35.6bn), France (€27.6bn), and Italy (€22.9bn).



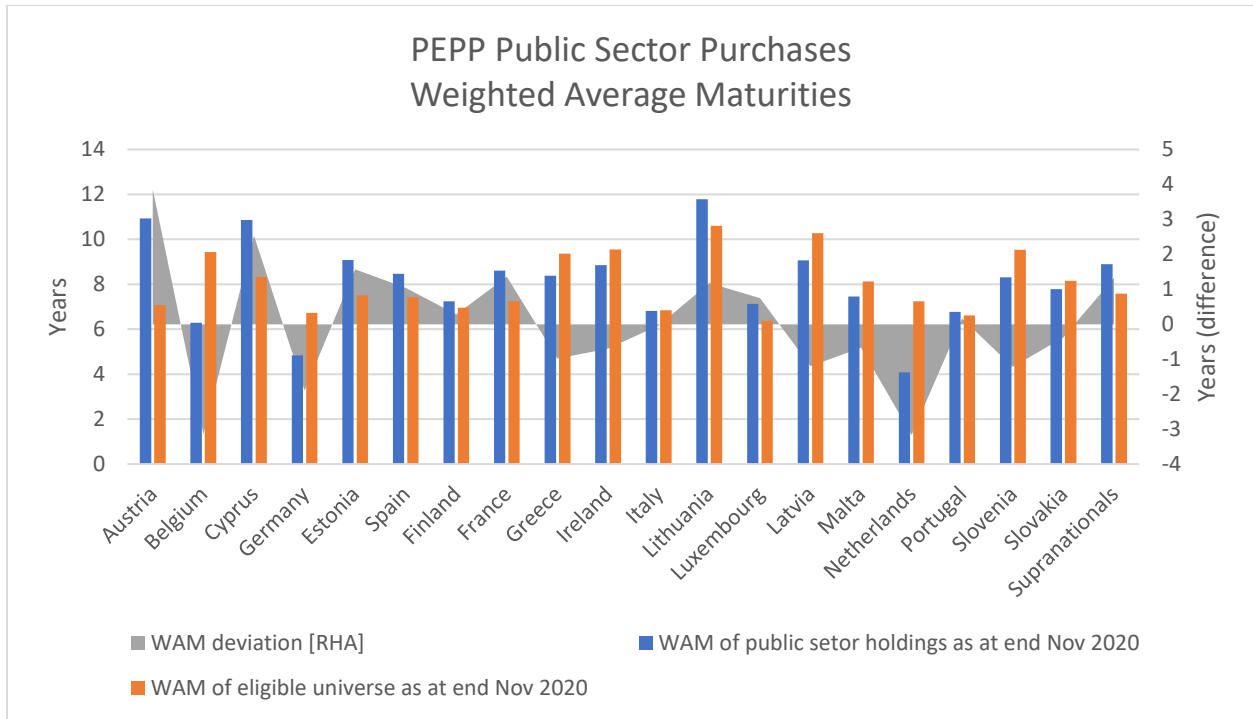
Source: ICMA analysis using ECB data

The below chart shows the cumulative total purchases by sovereign issuer, while also comparing the percentage of purchases with the respective capital key (weighted as a share of the Eurozone total sovereign capital key). What we observe is that while outright net purchases are heavily skewed to Germany and France, with respect to their capital key weightings these purchases are slightly underweight, with a small overweight bias to Italy.



Source: ICMA analysis using ECB data

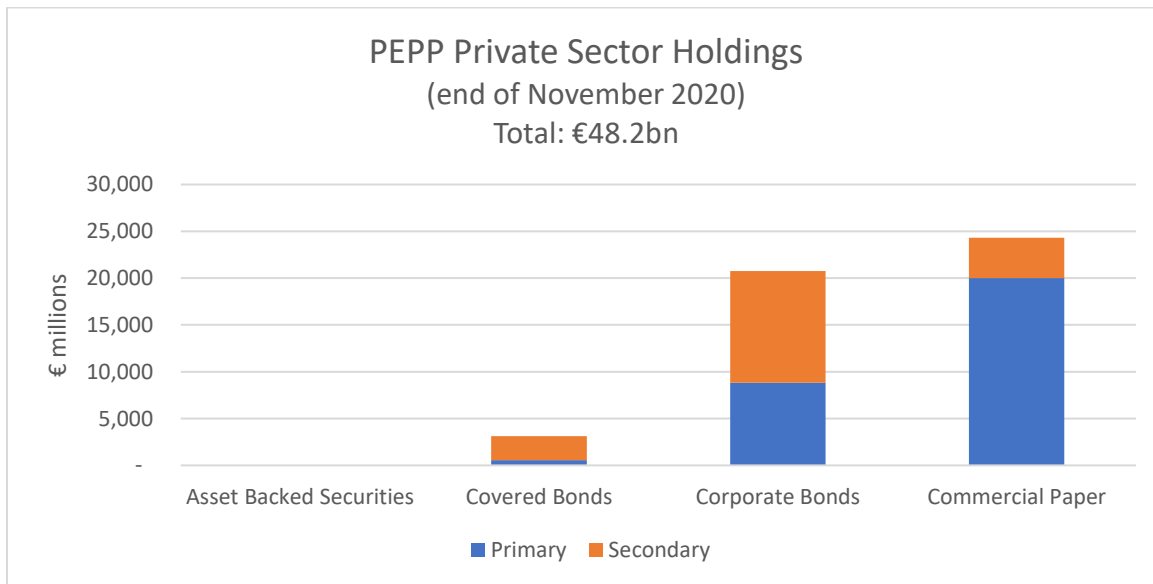
The following chart shows the weighted average maturities (WAM) of public sector debt holdings, compared with the WAM of the PEPP eligible universe of public securities, as at the end of November 2020. The WAM of total holdings continues to extend (to 7.0 years from 6.9 years at the end of September), but remains slightly short of the 7.2 years WAM of eligible bonds). Purchases remains skewed to shorter maturities for Belgium, Germany, and notably the Netherlands, and to longer maturities for Austria, Spain, and France.



Source: ICMA analysis using ECB data

### PEPP Private Sector Purchases

Purchases of private sector securities were net negative in the period October-November, with only an addition of €0.3bn corporate bonds, a net roll-off of -€7.7bn of commercial paper, no purchases of covered bonds (and still not a single purchase of asset backed securities). As at the end of November 2020, private sector securities form just 7% of total PEPP holdings.

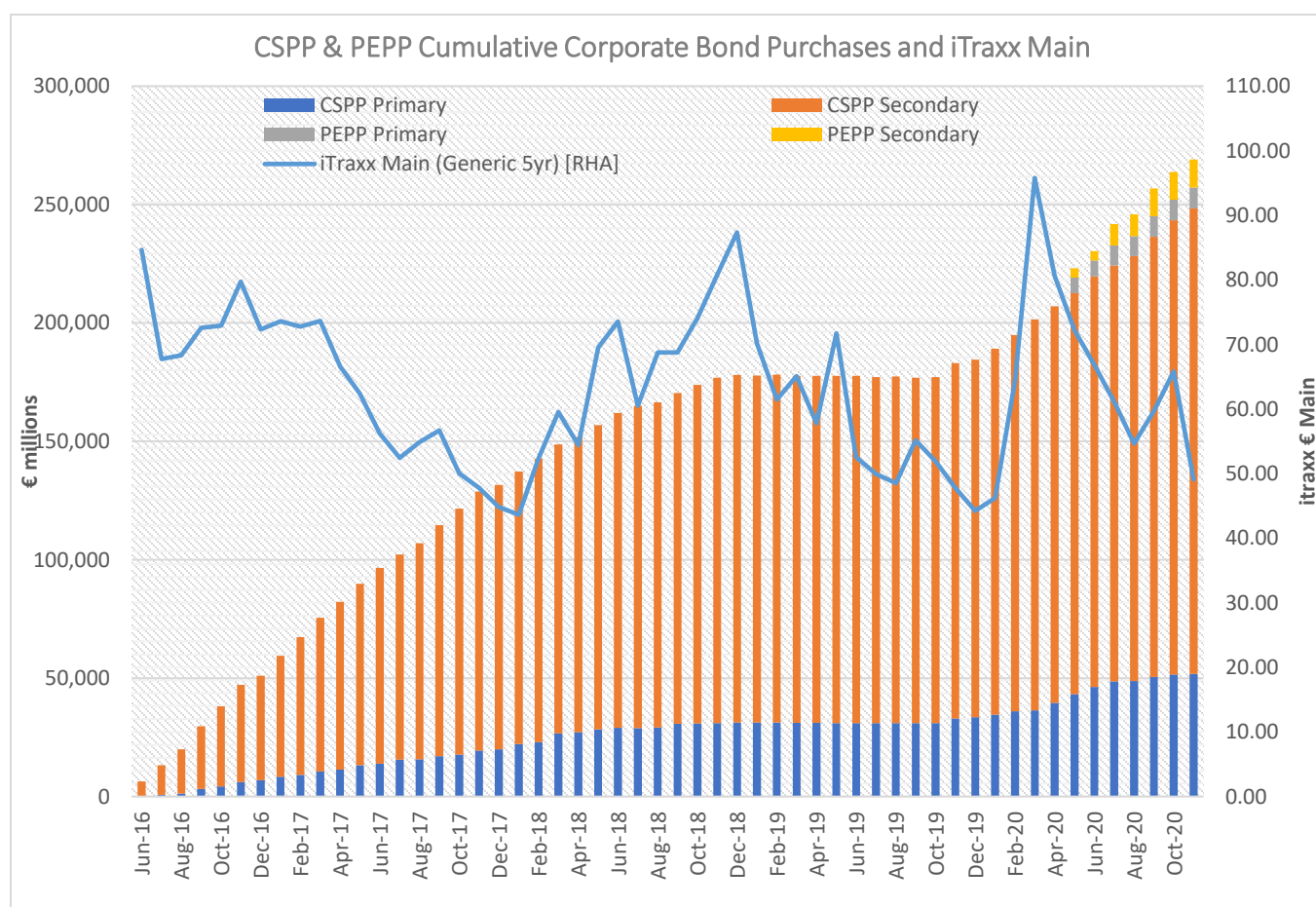


Source: ICMA analysis using ECB data

## Corporate Sector Purchase Programme

Purchases under the CSPP have continued at their regular pace of around €6bn a month<sup>1</sup> (€7bn on October and €5bn in November). This takes total net cumulative purchases under the CSPP to €248.3bn (of which €51.8bn, or 21%, are primary market purchases, and €196.5bn, or 79%, are secondary). Including the €20.8bn purchases of corporate bonds under the PEPP, this takes the total net cumulative purchases of corporate bonds to €269.1bn

Based on Bloomberg data, ICMA estimates a universe of CSPP eligible bonds at the end of November with a nominal value of €1,069bn. This suggests that 25% of eligible bonds are being held under the purchase programmes. Based on the 70% upper limit for purchases of individual ISINs, this implies an available pool of €560bn for further purchases.

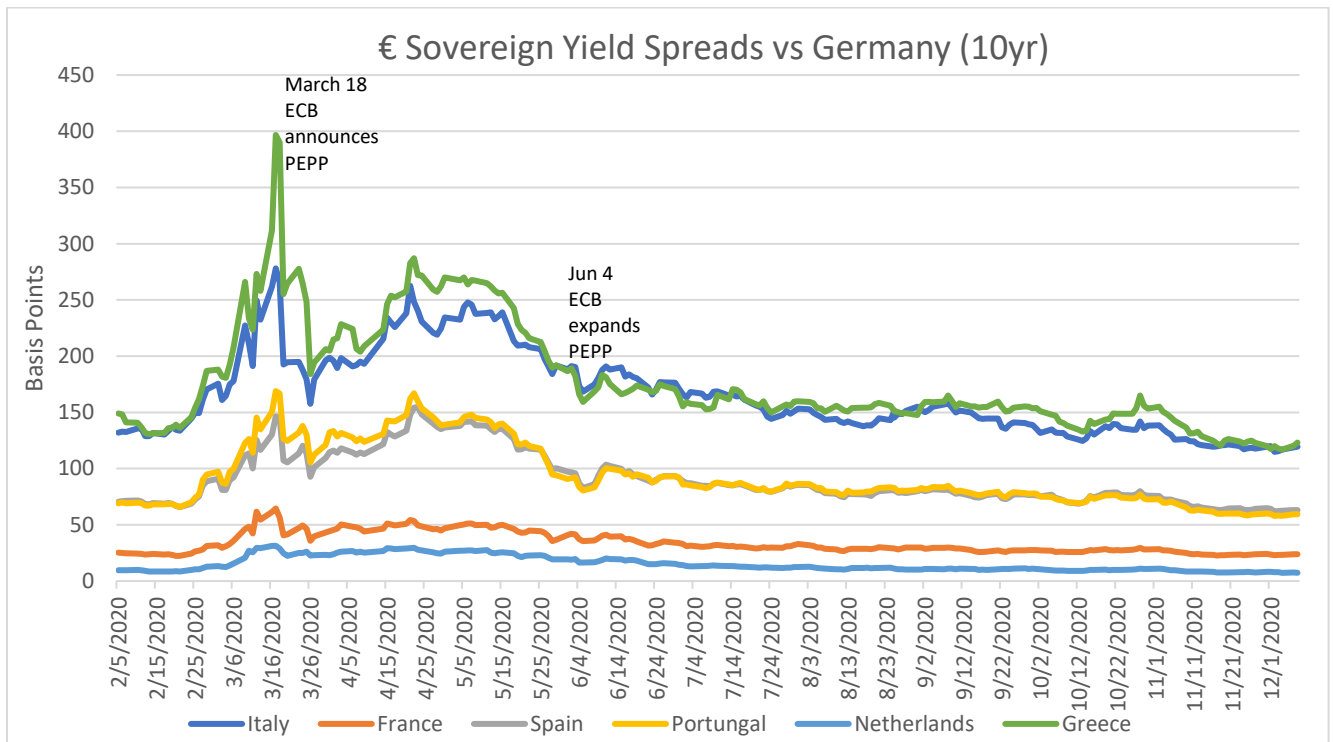


Source: ICMA analysis using ECB and Bloomberg data

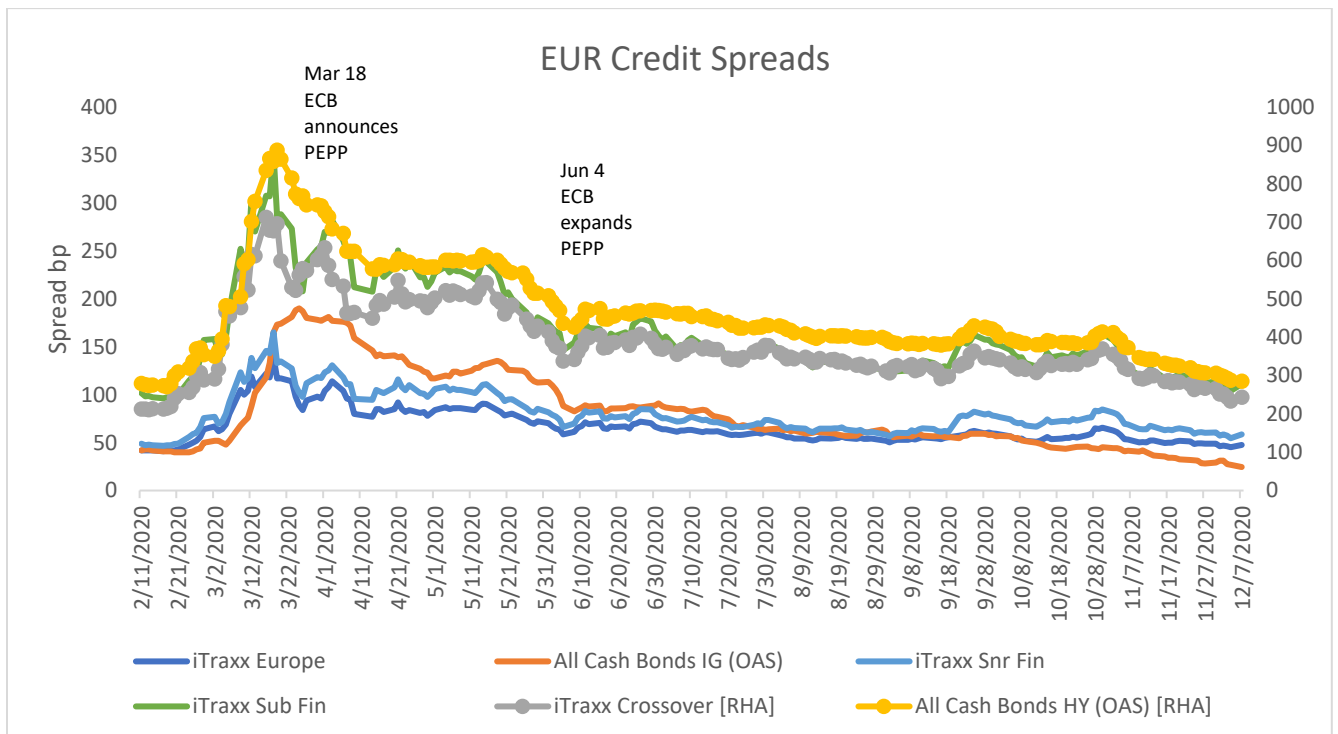
More details of the ECB's Asset Purchase Programmes can be found on its [website](#).  
Historical updates and relevant resources can be found on ICMA's [Central bank corporate purchases webpage](#).

<sup>1</sup> CSPP purchases have totaled €46.bn from April-November, an average of €5.9bn per month

**Annex**



Source: ICMA analysis using Bloomberg data



Source: ICMA analysis using Bloomberg data