



European Covered Bond Council

The Covered Bond Voice of the European Mortgage Federation



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“ECBC Publishes Covered Bond Statistics for 2012”

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The European Covered Bond Council ([ECBC](#)) is pleased to announce that the results of its 2012 covered bond market data collection exercise have now been published on the ECBC [website](#).

The statistics for 2012 evidence a continuation of the year-on-year growth observed over recent years and demonstrate the ongoing stability of the covered bond market with **an increase of +5.2% in the total outstanding (to EUR 2,813 bn) and of +1.5% in terms of issuance (to EUR 707 bn) at global level**, helped by the emergence in 2012 of three additional covered bond issuing countries: Belgium, Iceland and Panama.

The ECBC Working Group on Statistics and Data, chaired by Mr Florian Eichert, is responsible for coordinating the ECBC data collection exercise, which collates information on issuing activities and volumes outstanding of covered bonds worldwide in both public and private placements. The ECBC's data in this area now covers market developments over the past ten years for 30 different countries.

Commenting on the statistics for 2012, Luca Bertalot, Head of the ECBC, said:

“This data collection exercise, together with the launch of the Covered Bond Label, is an integral part of the transparency road map currently being implemented by the covered bond community. This highlights our strong commitment to ensuring the continuous enhancement of qualitative and quantitative data in the covered bond space.”

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Notes to the Editor:

1. The **European Covered Bond Council** ([ECBC](#)) is a platform that brings together covered bond market participants including covered bond issuers, analysts, investment bankers, rating agencies and a wide range of interested stakeholders. The ECBC was created by the European Mortgage Federation (EMF) in 2004. As of August 2013, the Council has over 100 members across 25 active covered bond jurisdictions and many different market segments. ECBC members represent over 95% of covered bonds outstanding. For more information please visit the ECBC website, <http://ecbc.hypo.org>.

EMF



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2. Established in 1967, the **European Mortgage Federation (EMF)** is the voice of the European mortgage industry, representing the interests of mortgage lenders and covered bonds issuers at European level. The EMF provides data and information on European mortgage markets and its members grant more than 75% of residential and non-residential mortgage loans in Europe.
3. With **over EUR 2.8 trillion outstanding at the end of 2012**, covered bonds are playing an important role in European capital markets, contributing to the efficient allocation of capital and, ultimately, economic development and recovery. The **EUR 707 billion issuance and the arrival of 20 new issuers during 2012** evidence the ability of the asset class to provide essential access to long-term capital market funding. This is achieved even during volatile market conditions, notably thanks to a stable investor base. Their consistently strong performance and quality features attract the attention of regulators and market participants worldwide, which, in turn, leads to an increasing recognition of the macro-prudential value of the asset class.
4. From an issuer perspective, covered bonds provide an important contribution to the enhancement of a bank's funding profile and the management of liquidity. **Benefits provided by covered bonds include:**
 - adding duration to liabilities, allowing banks to obtain long-term funding matching the maturity profile of their long-term asset portfolios;
 - providing stability to the funding mix, allowing ALM teams to increase predictability in the maturity profiles;
 - enabling issuers to increase diversification in the investor base, both in terms of geography and investor type; and
 - serving the Industry as one of the most reliable funding tools, even in times of turmoil.
5. Through the ECBC the European covered bond community has committed to develop a quality label for covered bonds. This initiative is intended to result in multiple benefits with an enhancement of the overall recognition of and trust in the asset class. The **ECBC Covered Bond Label** will facilitate access to relevant and comprehensive information for investors, regulators and other market participants. This initiative demonstrates the determination of the covered bond community to tackle the challenges arising from the crisis and underlines its active engagement in the maintenance of the high quality of the collateral assets, the improvement of transparency, and eventually, the promotion of liquidity and the strengthening of secondary market activity. Further details on the initiative can be found [here](#) and [here](#).

