

Net green/fossil bond syndication league table – Sep23

Ulf Erlandsson(*), Johan Jarnmo

Presented below are the net/green fossil bond syndication league tables ahead of the IMM date (and rolls) in Sep-23.[1] These league tables proxy the relative tilt of individual institutions' debt capital markets activities in terms of climate alignment.

Using fee-intake rather than nominal volumes of financing and/or underwriting is a way to adjust for the risk appetite of the bank for particular types of transactions.[2] Transactions where the bank is a more important facilitator to enable the capital flow ('additionality') are likely to generate higher fees than deals where the bank is more replaceable.

Figure 1 shows a relatively stable table compared to the June report, with the largest moves being the downward trajectories of HSBC (-3), Goldman Sachs (-3) as well as the improvement of SMBC (+5), the latter moving up to the middle of the list. GS has gone from a positive balance (+1.2%) in Jun-23 to negative (-0.4%) in Sep-23.

Figure 1 Large net green/fossil league table based on bond and loan syndications. A top rank (low ranking number=1) indicates a higher degree of green activities relative to fossil. Source: AFII, Bloomberg.

Rank	Chg vs Jun-23	vs Sep-2022	vs Sep-2021	Bank	Net green/fossil fees pct	Total fees USDmn	Net green/ fossil revenue USDmn	Chg in fossil fees vs -21/22	SLB fees of total	Net fees (green+ SLB) /fossil
1	2 ↑	3 ↑	1 ↑	BNP Paribas	7.7%	1,605.7	123.4	-80%	2.4%	10.1%
2	-1 ↓	-1 ↓	-1 ↓	Credit Agricole	7.5%	1,206.4	90.5	-46%	3.5%	11.0%
3	2 ↑	11 ↑	2 ↑	Societe Generale	5.7%	667.7	37.9	-57%	4.1%	9.8%
4	0 ~	-1 ↓	0 ~	UBS & Credit Suisse	5.4%	2,794.5	151.8	41%	2.0%	7.4%
5	-3 ↓	-3 ↓	1 ↑	HSBC	5.0%	1,244.6	62.8	-52%	1.8%	6.9%
6	1 ↑	-1 ↓	-3 ↓	Deutsche Bank	2.4%	1,188.9	28.4	-7%	1.4%	3.8%
7	-1 ↓	10 ↑	8 ↑	MUFG	2.0%	927.0	18.4	-17%	1.4%	3.3%
8	1 ↑	-1 ↓	-1 ↓	Morgan Stanley	1.8%	1,075.4	19.7	-55%	1.1%	2.9%
9	-1 ↓	-1 ↓	-1 ↓	Barclays	1.7%	1,338.3	22.6	-40%	0.8%	2.5%
10	5 ↑	0 ~	2 ↑	SMBC	1.4%	763.8	11.0	-20%	1.5%	2.9%
11	1 ↑	-2 ↓	-1 ↓	BofA Securities	0.7%	2,220.7	15.6	-34%	1.1%	1.8%
12	-1 ↓	-1 ↓	1 ↑	Citi	0.6%	1,855.1	10.5	-50%	1.3%	1.9%
13	-3 ↓	-7 ↓	-4 ↓	Goldman Sachs	-0.4%	1,140.8	-4.3	-36%	1.0%	0.6%
14	-1 ↓	-2 ↓	-3 ↓	JP Morgan	-1.1%	3,063.6	-35.2	-36%	0.5%	-0.6%
15	-1 ↓	-2 ↓	-1 ↓	Mizuho Financial	-2.2%	924.8	-20.2	-4%	1.8%	-0.4%
16	0 ~	0 ~	0 ~	RBC	-5.5%	944.6	-51.5	-16%	0.5%	-4.9%
17	0 ~	-2 ↓	0 ~	Wells Fargo	-7.5%	1,105.4	-83.3	-26%	0.5%	-7.1%

[1] The introductory article on this subject, also devising a system to apply these league table to drive climate ambition among counterparties "The Box: Algorithmic climate impact for fixed income markets", AFII, 25 Sep 2021. Implementations of this are discussed in, for example, "Buy-side traders start to cool on ESG-deficient dealers", Risk.Net, 11 Jan 2022.

[2] BloombergNEF presents a volume based approach in "Banks Need Even Bigger Low-Carbon Pivot to Avert Climate Crisis", 28 Feb 2023. The study, which also accounts for equity underwriting, replicates many of the relative ranking results of this study and other previous AFII studies (e.g. our Dec22 ranking).

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(*) Anthropocene Fixed Income Institute (www.anthropocenefii.org), uge@anthropocenefii.org

In Figure 2, displaying the intermediate institutions, Unicredit (+7), Westpac Banking (+5) and Standard Chartered Bank (-5) exhibit some of the larger moves. The DNB calculation has been adjusted for what appears to be a data error in terms of total fees, indicated by (*).

Figure 2 Intermediate net green/fossil league table based on bond and loan syndications. A top rank (low ranking number=1) indicates a higher degree of green activities relative to fossil. Source: AFII, Bloomberg.

Rank	Chg vs Jun-23	vs Sep-2022	vs Sep-2021	Bank	Net green/fossil fees pct	Total fees USDmn	Net green/fossil revenue USDmn	Chg in fossil fees vs -21/22	SLB fees of total	Net fees (green+SLB) /fossil
1	0 ~	0 ~	0 ~	Swedbank	22.2%	88.1	19.6	-57%	1.3%	23.5%
2	0 ~	0 ~	0 ~	SEB	16.2%	245.1	39.8	-65%	3.9%	20.1%
3	0 ~	0 ~	0 ~	Nordea	15.7%	312.1	49.1	-77%	3.8%	19.6%
4	0 ~	1 ↑	6 ↑	ABN Amro	13.8%	91.8	12.7	-79%	3.8%	17.6%
5	1 ↑	2 ↑	4 ↑	Commerzbank	9.7%	312.6	30.3	-68%	3.4%	13.1%
6	3 ↑	4 ↑	0 ~	BBVA	9.5%	350.0	33.1	139%	3.9%	13.3%
7	5 ↑	9 ↑	4 ↑	Westpac Banking	7.6%	207.8	15.8	-88%	na.	7.6%
8	-1 ↓	-4 ↓	-3 ↓	NatWest Markets	6.7%	378.2	25.5	-67%	0.4%	7.1%
9	1 ↑	-3 ↓	3 ↑	Nomura	6.5%	441.5	28.7	-65%	0.6%	7.1%
10	-5 ↓	-2 ↓	-6 ↓	DNB ASA (*)	6.5%	239.7	15.5	46%	2.5%	9.0%
11	3 ↑	1 ↑	9 ↑	NAB	6.2%	206.4	12.9	-90%	0.4%	6.6%
12	-4 ↓	6 ↑	6 ↑	ING Groep	5.9%	491.6	29.2	-46%	2.0%	7.9%
13	-2 ↓	-2 ↓	4 ↑	ICBC	5.3%	735.0	39.0	-45%	0.3%	5.6%
14	7 ↑	5 ↑	1 ↑	UniCredit	5.0%	632.4	31.4	-35%	4.8%	9.7%
15	3 ↑	-6 ↓	-1 ↓	Natixis	3.5%	567.8	19.8	-18%	3.3%	6.8%
16	4 ↑	4 ↑	-3 ↓	ANZ Banking Group	3.3%	333.0	11.0	-38%	0.3%	3.6%
17	-4 ↓	-2 ↓	5 ↑	Rabobank	3.2%	132.8	4.2	-53%	2.3%	5.4%
18	-2 ↓	-5 ↓	-11 ↓	Banco Santander	2.9%	725.7	20.8	18%	1.5%	4.4%
19	-4 ↓	-2 ↓	0 ~	Lloyds Bank	2.2%	199.2	4.3	-77%	0.4%	2.5%
20	-1 ↓	1 ↑	-12 ↓	Intesa Sanpaolo	-0.3%	471.5	-1.6	53%	3.8%	3.5%
21	1 ↑	1 ↑	0 ~	Jefferies	-0.6%	161.1	-1.0	-84%	na.	-0.6%
22	-5 ↓	-8 ↓	-6 ↓	Standard Chartered Bank	-1.8%	470.6	-8.6	3%	1.5%	-0.4%
23	0 ~	0 ~	0 ~	US Bancorp	-3.6%	408.7	-14.6	1%	0.1%	-3.5%
24	0 ~	2 ↑	1 ↑	TD Securities	-3.7%	771.4	-28.4	-1%	0.3%	-3.4%
25	0 ~	-1 ↓	-1 ↓	BMO Capital Markets	-7.5%	590.4	-44.0	27%	0.9%	-6.5%
26	0 ~	-1 ↓	0 ~	Scotiabank	-7.8%	666.8	-52.3	8%	1.4%	-6.5%

Table column fields:

- The term *fossil*: bond and/or loan issuance from sectors classified as fossil fuel exploration, production, refining or services.
- The term *green*: green bond and/or loan issuance.
- *Net green/fossil pct:* % fees of total fees from green deals minus % fees of total fees from fossil deals.
- *Total fees*: total fee intake from public deals.
- *Net green/fossil revenue:* dollar value of fees from green deals minus dollar value of fees from fossil deals.
- *Chg in fossil fees vs 21/22:* % change in fees from fossil deals in 2023 compared to the average of 2021/22. Note that 2020 was the highest ever year for oil bond issuance.
- *SLB fees of total:* % of total fees from SLB deals.
- *Net green+SLB deals/fossil:* % fees of total fees from green and SLB deals minus % fees of total fees from fossil deals.

Methodology

Refer to "Net green/fossil bond syndication league tables", AFII, 23 Sep 2021, for a broader discussion on methodology. Above tables are based on 11 Sep start and end dates, e.g. 2023 = 11 Sep 2022 – 11 Sep 2023. The league tables shown in Figure 1 highlight banks that we deem to be likely international counterparties. AFII is able to provide similar lists for extended and bespoke counterparty-lists, please contact the team for further discussions.

Numbers are based on Bloomberg data and are in many cases inferred or estimated: thus we would be wary of using the absolute dollar number (e.g. "Bank X made Ymn in fees") but hypothesize that the number on an aggregate level is valid for relative rankings.

Fees are calculated over a two-year rolling window, and changes versus the last report (Jun-23) as well as a rolling window ending Sep-22 and Sep-21 are reported. AFII will continue to produce these tables ahead of the IMM dates, to allow investors to apply fresh counterparty selection routines when rolling various futures and derivatives contracts.

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