

spot and time change.
<4.47E4.gif>
19.5 is mid (offer is 21)

4) Scale into £4mm Nationwide (UK Building Society) 6.875% perpetual which yields 6.4% in GBP and is likely to be called in 5years
European Bank AT1 Hybrid Bonds (aka CoCo's) have rallied significantly. We were unable to get the BBVA issue at the right levels.
A very similar bond which has rallied 30bp less than the BBVA is the Nationwide (UK Building Society) 6.875% perpetual which currently yields 6.4% and is likely to be called in 5years time. It has a tier1 capital trigger of 7% and current tier1 capital ratio is 13% which is fair margin.

The Nationwide one i'm suggesting today is rated Fitch/S&P BB+, its parent is Fitch/S&P rated single-A
The BBVA bond we tried to buy earlier is rated Fitch BB-, its parent is S&P rated BBB-

I suggest scaling £2mm at 6.5% and £2mm at 6.75%.
Transaction cost is 6bp from mid.

Yield to call of Nationwide 6.875% perpetual ISIN
XS1043181269
<5.215E.gif>

Tazia for any execution, Q&A to me.

Best,
Nav

<6.26FC.gif>

Nav Gupta
Managing Director

Deutsche Bank AG, Filiale London
Deutsche Asset & Wealth Management
105/108 Old Broad St (Pinners Hall), EC2N 1EN London, United Kingdom
Tel. [REDACTED]
Mobile [REDACTED]
Email [REDACTED]

Any proposed ideas are being delivered to you by the DeAWM Key Client Partners ("KCP") London desk for discussion purposes only, and do not create any legally binding obligation on the part of Deutsche Bank AG and / or its affiliates ("DB"). These ideas are for the consideration of the intended recipients of this mail only. The KCP London desk does not provide investment advice. All intended recipients are Professional investors (as defined by MiFID), who understand the strategy, characteristics and risks associated with any ideas proposed herein and will be able to evaluate it independently. All trades on proposed ideas shall be subject to the relevant internal approvals prior to execution.

<6.33A6.gif>