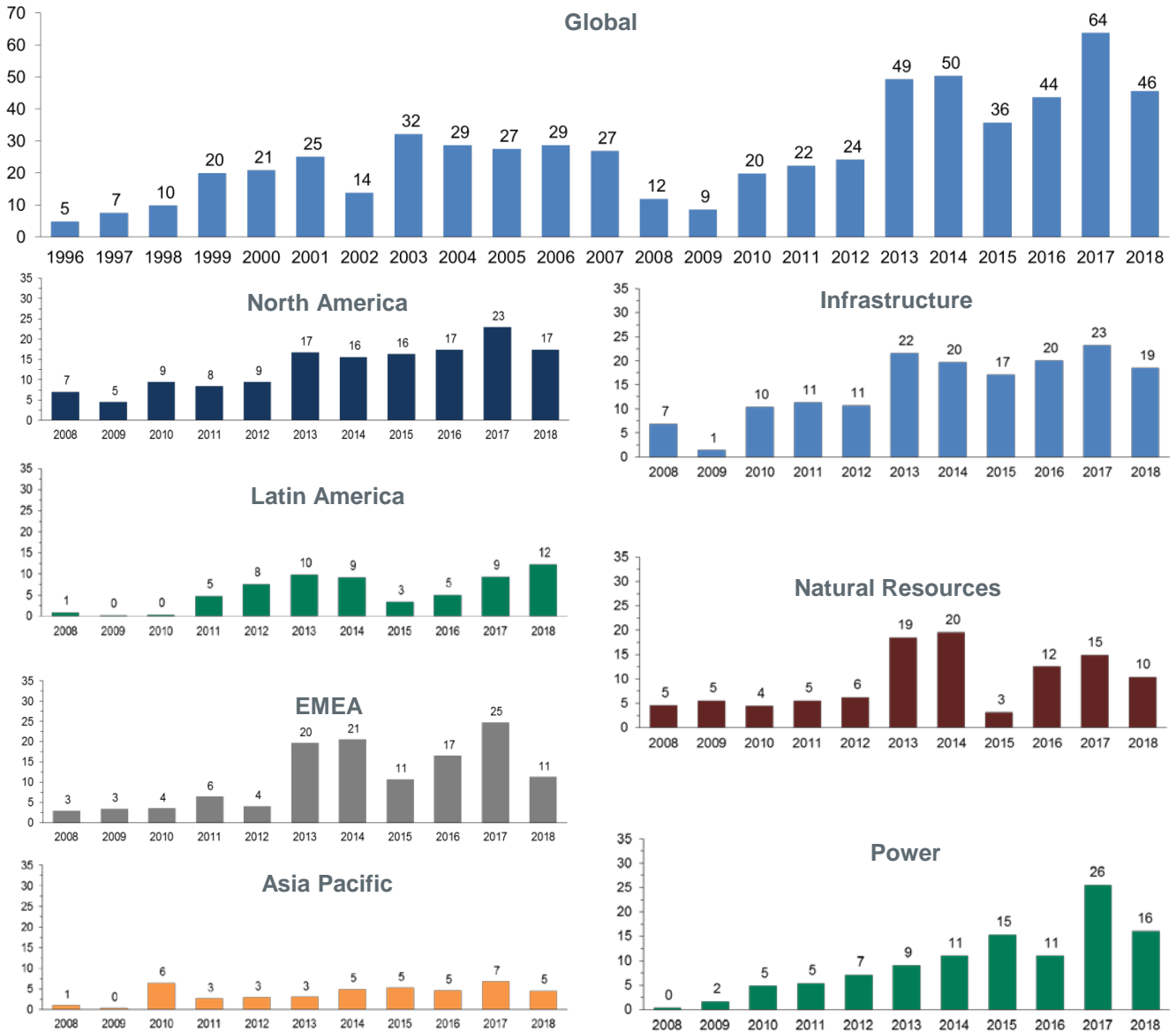




GLOBAL PROJECT BONDS MARKET OVERVIEW

2018 Annual Performance Review

Project Bond Issuances by Year in \$BN (Source: PFI)



FY 2018 Project Bond Market Commentary

- After a record year in 2017, the pace of Project Bond issuance slowed down to reach \$45.6BN in 2018 vs. \$63.7BN (-30%). The overall market grew at a 11% CAGR in the 2010-2018 period.
- The Latin American region continued to grow and reached a record high with \$12.3BN of issuance in 2018 vs. \$9.3BN in 2017 (+33%). It became the second largest market after the Americas for the first time and was ahead of the EMEA region. Brazil (\$3.7BN), Panama (\$2.7BN), Mexico (\$2.3BN), Peru (\$1.7BN) and Argentina (\$1.7BN) drove this trend in the region. Brazil, Panama and Mexico also took respectively the 3rd, 5th and 6th rank in term of global issuing volume in dollar equivalent.
- The broader infrastructure sector was particularly active this year driven by transportation transactions (\$14.2BN).
- The power sector attained its second highest record of issuance with \$16.1BN.
- 2018 was a record year for renewable energy with \$11BN in senior secured notes backing wind (\$5.2BN) and solar (\$5.8BN) assets, what represents 69% of the Power issuance that year and one fourth of the overall Project Bond market.
- Over the 2010-2018 period, the issuance of Project Bonds backing renewable energy assets grew at a 25% CAGR in comparison with a 7% CAGR for non-renewable energy sources leading to a 16% CAGR for the overall power issuances.

* Source: Crédit Agricole Corporate & Investment Bank, Bloomberg, PFI, IJGlobal.



DISCLAIMER

This material has been prepared by a member of the Front Office department of Crédit Agricole Corporate and Investment Bank or one of its affiliates (collectively "Crédit Agricole CIB"). Front Office personnel are not part of the research department and this material does not constitute "Investment Recommendations" as defined under the Market Abuse Regulations (MAR). It does not constitute research as considered by the Markets in Financial Instruments Directive II. This material is provided for information purposes only. It is not to be construed as a solicitation or an offer to buy or sell any financial instruments and has no regard to the specific investment objectives, financial situation or particular needs of any recipient. It is not intended to provide legal, tax, accounting or other advice and recipients should obtain specific professional advice from their own legal, tax, accounting or other appropriate professional advisers before embarking on any course of action. The information in this material is based on publicly available information and although it has been compiled or obtained from sources believed to be reliable, such information has not been independently verified and no guarantee, representation or warranty, express or implied, is made as to its accuracy, completeness or correctness. This material may contain information from third parties. Crédit Agricole CIB has not independently verified the accuracy of such third-party information and shall not be responsible or liable, directly or indirectly, for any damage or loss caused or alleged to be caused by or in connection with the use of or reliance on this information. Information in this material is subject to change without notice. Crédit Agricole CIB is under no obligation to update information previously provided to recipients. Crédit Agricole CIB is also under no obligation to continue to provide recipients with the information contained in this material and may at any time in its sole discretion stop providing such information. Investments in financial instruments carry significant risk, including the possible loss of the principal amount invested. This material is not intended to forecast or predict future events. Past performance is not a guarantee or indication of future results. Any prices provided herein (other than those that are identified as being historical) are indicative only and do not represent firm quotes as to either price or size. Financial instruments denominated in a foreign currency are subject to exchange rate fluctuations, which may have an adverse effect on the price or value of an investment in such products. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party without the prior express written permission of Crédit Agricole CIB. This material is not directed at, or intended for distribution to or use by, any person or entity domiciled or resident in any jurisdiction where such distribution, publication, availability or use would be contrary to applicable laws or regulations of such jurisdictions. No liability is accepted by Crédit Agricole CIB for any damages, losses or costs (whether direct, indirect or consequential) that may arise from any use of this material.

United States of America: The delivery of this material to any person in the United States shall not be deemed a recommendation to effect any transactions in any security mentioned herein or an endorsement of any opinion expressed herein. Recipients of this material in the United States wishing to effect a transaction in any security mentioned herein should do so by contacting Crédit Agricole Securities (USA), Inc., the U.S. Broker-Dealer affiliate of Crédit Agricole CIB and a member of the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC).

United Kingdom: Crédit Agricole Corporate and Investment Bank is authorised by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and supervised by the European Central Bank (ECB), the ACPR and the Autorité des Marchés Financiers (AMF) in France and subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority. Details about the extent of our regulation by the Financial Conduct Authority and the Prudential Regulation Authority are available from us on request. Crédit Agricole Corporate and Investment Bank is registered in England & Wales (registered number: FC008194) and incorporated in France. Registered office: 12 Place des Etats-Unis / CS 70052 / 92547 Montrouge Cedex / France.

© 2019, CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK. All rights reserved.