ASEAN+3 Sustainable Bonds Highlights

### Green bonds and social bonds were the most common sustainable bond instruments issued in ASEAN+3 in Q2 2024.

- Green bonds issued in ASEAN+3 amounted to USD 25.1 billion, equivalent to 65.5% of the region’s total sustainable bond issuance during the quarter. 
- Social bonds issued tallied USD 10.1 billion, representing 22.5% of the regional total.
- All other sustainable bond issuance was USD 8.6 billion in issuance for a collective share of 12.1%.
- Transition-linked bonds accounted for the smallest share, collectively accounting for only 0.3% of total sustainable bond issuance in ASEAN+3.

### ASEAN+3 sustainable bond issuance in Q2 2024 was dominated by short-term tenors, in contrast with the EU-20, which had a higher share of long-term issuance.

- In Q2 2024, about 77.9% of sustainable bond issuance in ASEAN+3 occurred at maturities of 5 years or less, while in the EU-20, 30.5% of sustainable bond issuance occurred at maturities of 5 years or less.
- Most markets in ASEAN+3 have a high share of bonds (70%-90%) with maturities of 5 years or less, except for Hong Kong, China (46%), which is still relatively higher with 30.3%.
- ASEAN+3’s sustainable bond issuance in Q2 2024 had a non-weighted average tenure of 5.0 years, which was about half of the EU-20’s average of 9.7 years and also lower than the average of 6.4 years for ASEAN+3’s general bond market.

### ASEAN+3 sustainable bond issuance accounted for a smaller share in the region’s sustainable bond versus general bond market.

- In Q2 2024, 73% of ASEAN+3 sustainable bond issuance was LCY-denominated, which was still well below the 96.4% share for LCY bonds in ASEAN+3’s general bond market.
- In the EU-20, around 86.6% of sustainable bond issuance in Q2 2024 was LCY-denominated, which was similar to the corresponding LCY bond share of 81.8% in the EU-20’s general bond market.
- This phenomenon is more pronounced in ASEAN+3 sustainable bond markets, with LCY-denominated issuance only accounting for 48.8% of total issuance, in contrast to the LCY issuance share of 88.3% in ASEAN+3’s general bond market.