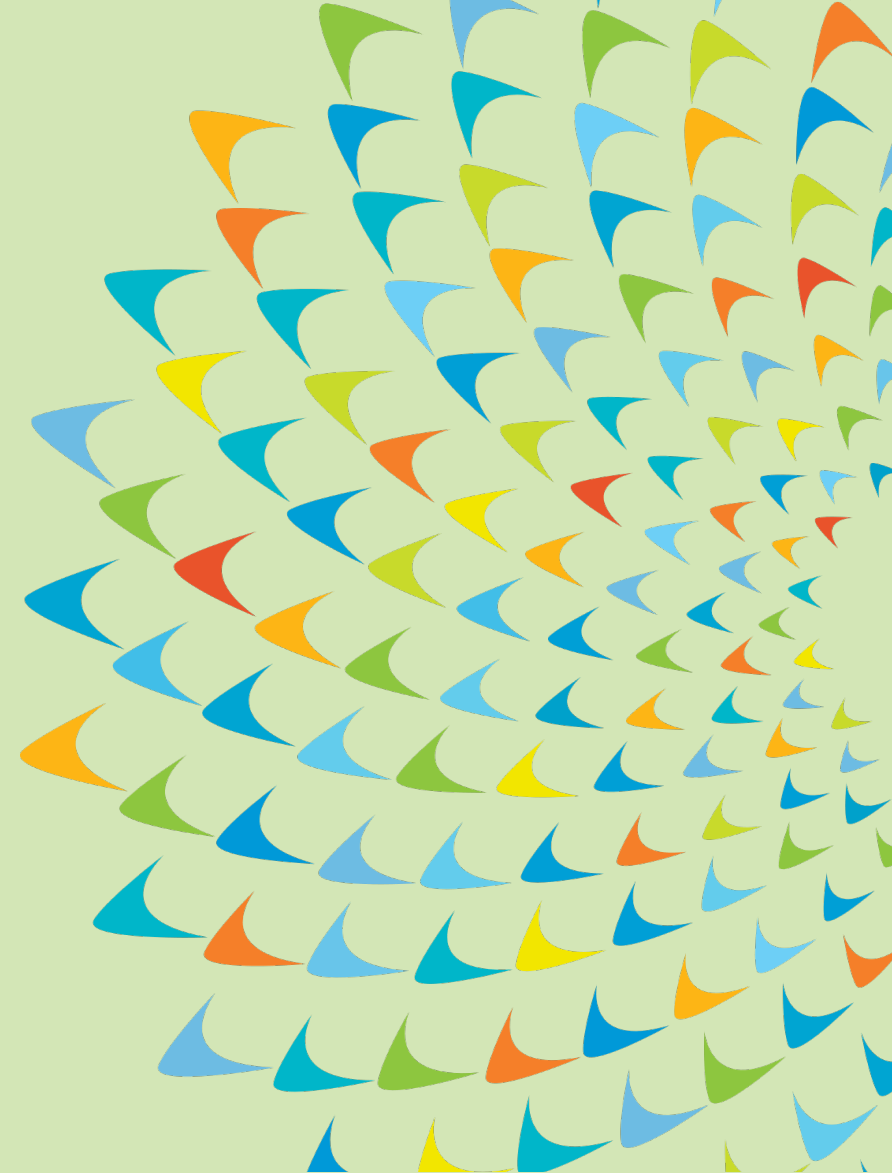


ASEAN+3 Sustainable Bonds Highlights

September 2025

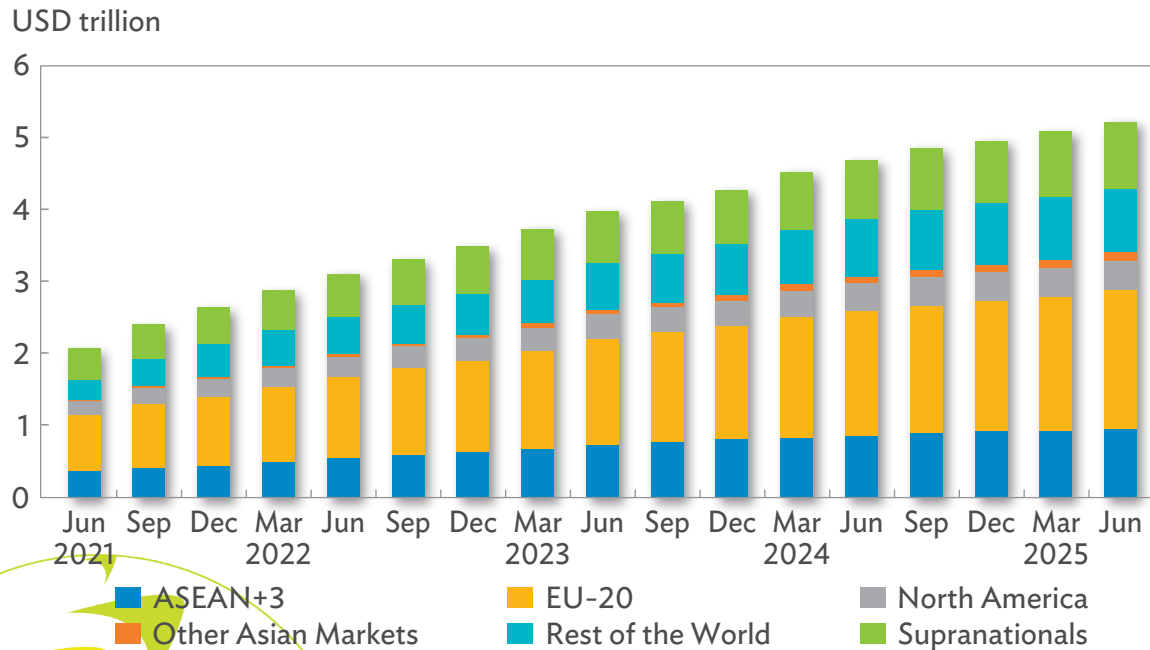


ASEAN+3 sustainable bond market growth accelerated in Q2 2025 amid ongoing monetary easing

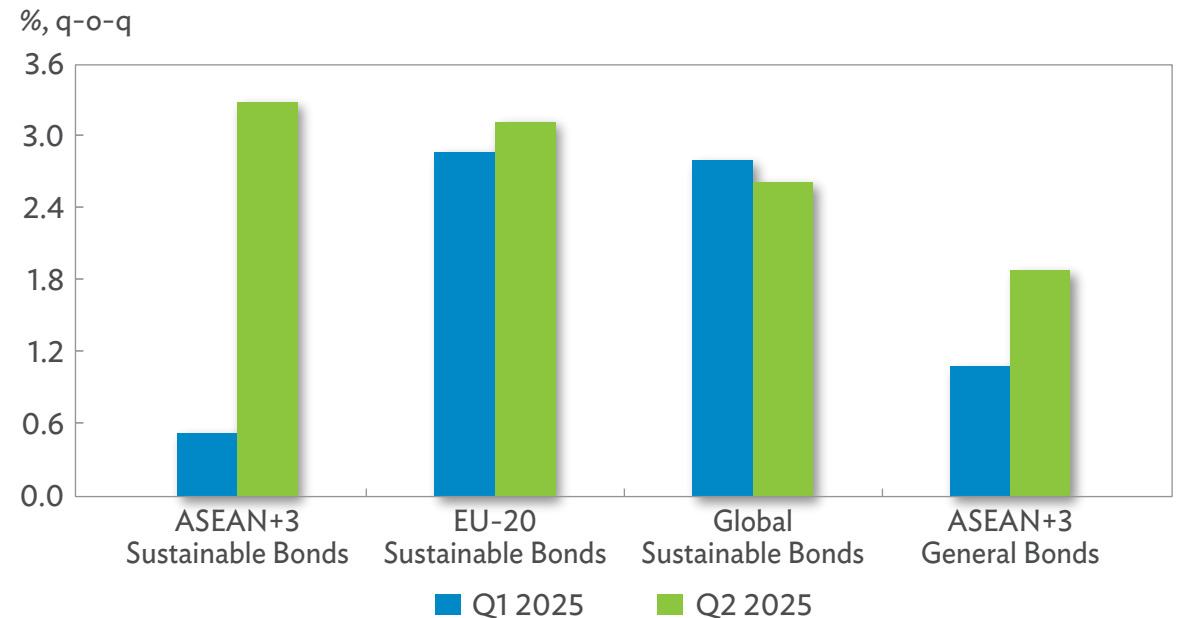
ASEAN+3 sustainable bonds outstanding climbed to USD955.3 billion at the end of June, representing 18.3% of the global total (USD5.2 trillion), on growth of 3.3% q-o-q in Q2 2025. The expansion was buoyed by robust issuance in most regional markets amid ongoing monetary easing.

While ASEAN+3's sustainable bond market accounted for only 2.4% of its general bond market by June 2025, compared with 8.5% in the EU-20, its quarterly growth of 3.3% exceeded that of the EU-20's sustainable bond market (3.1%), the global sustainable bond market (2.6%), the ASEAN+3 general bond market (1.9%), and its own Q1 2025 expansion (0.5%).

Global Sustainable Bonds Outstanding



Sustainable Bond Market Growth



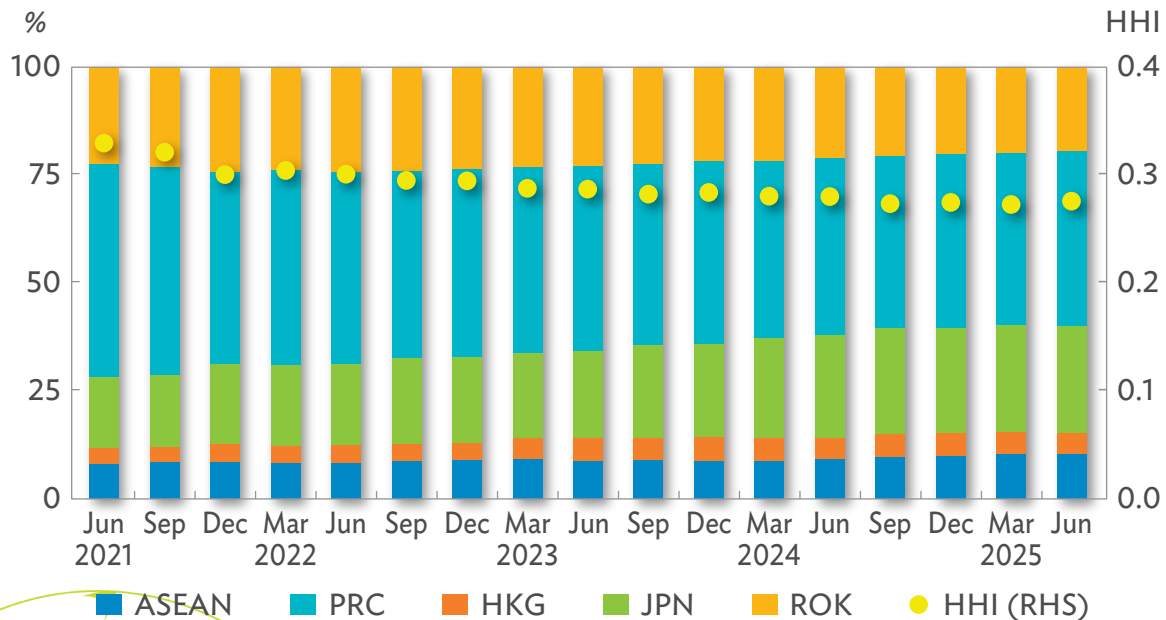
Source: AsianBondsOnline calculations based on Bloomberg LP data.

Diversity has improved in the ASEAN+3 sustainable bond market since 2021, with ASEAN markets' issuance expanding

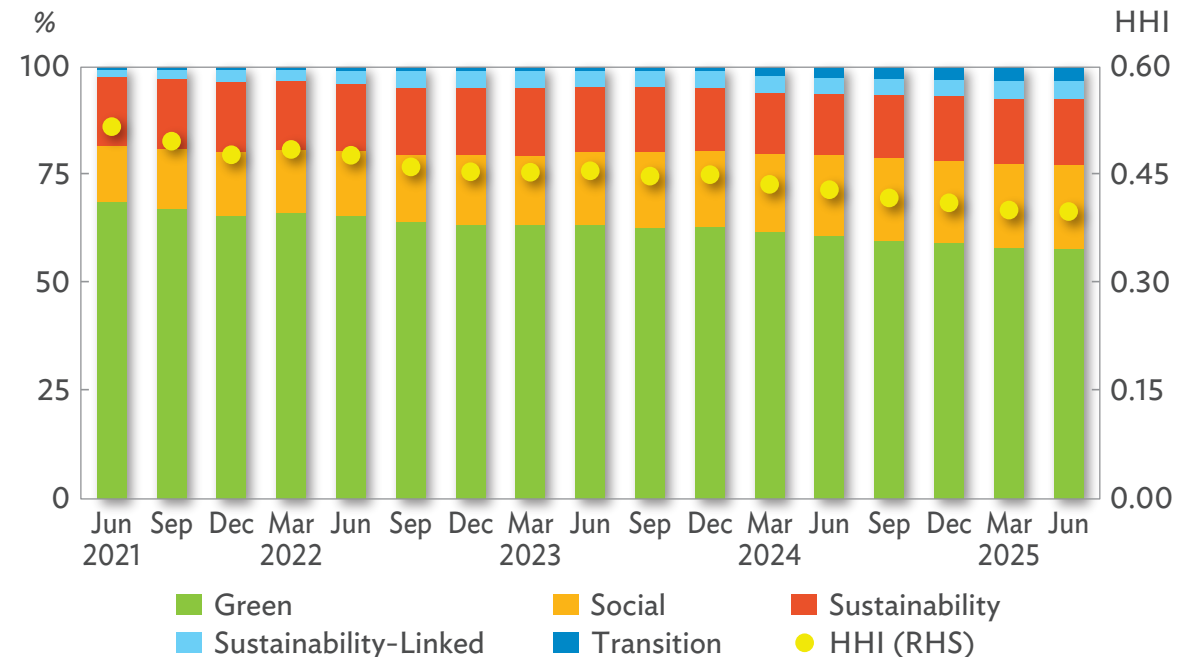
The contribution of ASEAN markets to ASEAN+3 sustainable bonds outstanding continued to increase. At the end of June, ASEAN markets accounted for 10.5% of ASEAN+3 sustainable bonds outstanding, up from 8.3% in June 2021 and exceeding their 5.9% share in the ASEAN+3 general bond market in Q2 2025.

While green bonds still dominate the region's sustainable bond market, their share declined from 68.9% in June 2021 to 57.9% in June 2025 as other bond types continued to expand, led by social and transition bonds.

Market Profile of Sustainable Bonds



Instrument Profile of Sustainable Bonds



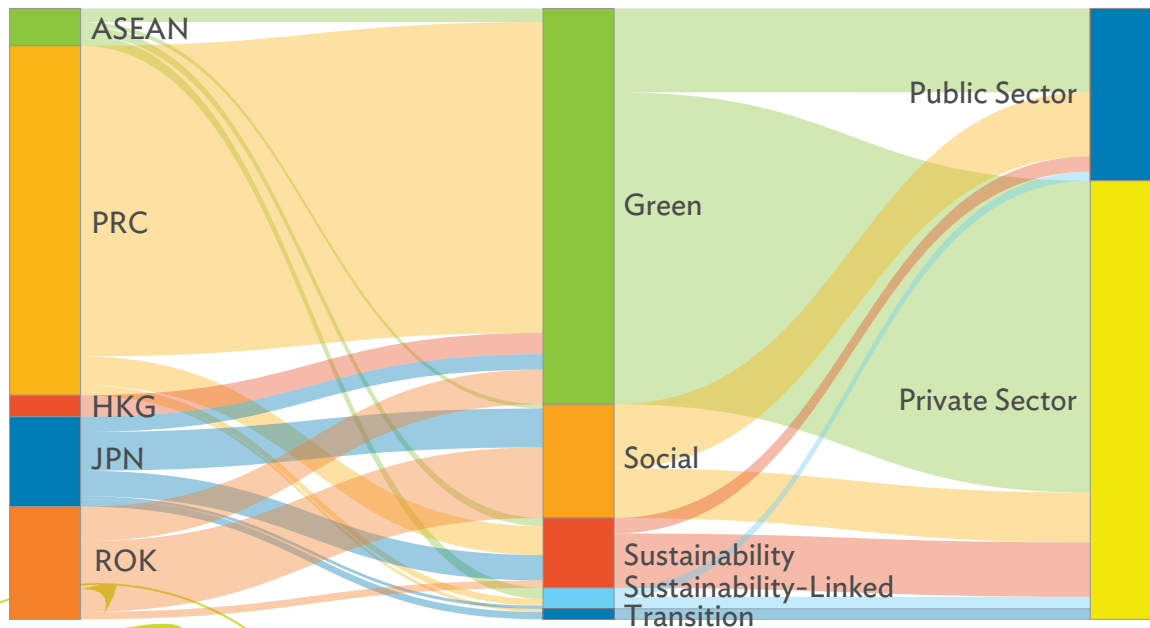
Source: AsianBondsOnline calculations based on Bloomberg LP data.

Sustainable bonds comprised a higher share of total financing in ASEAN than in ASEAN+3 in Q2 2025

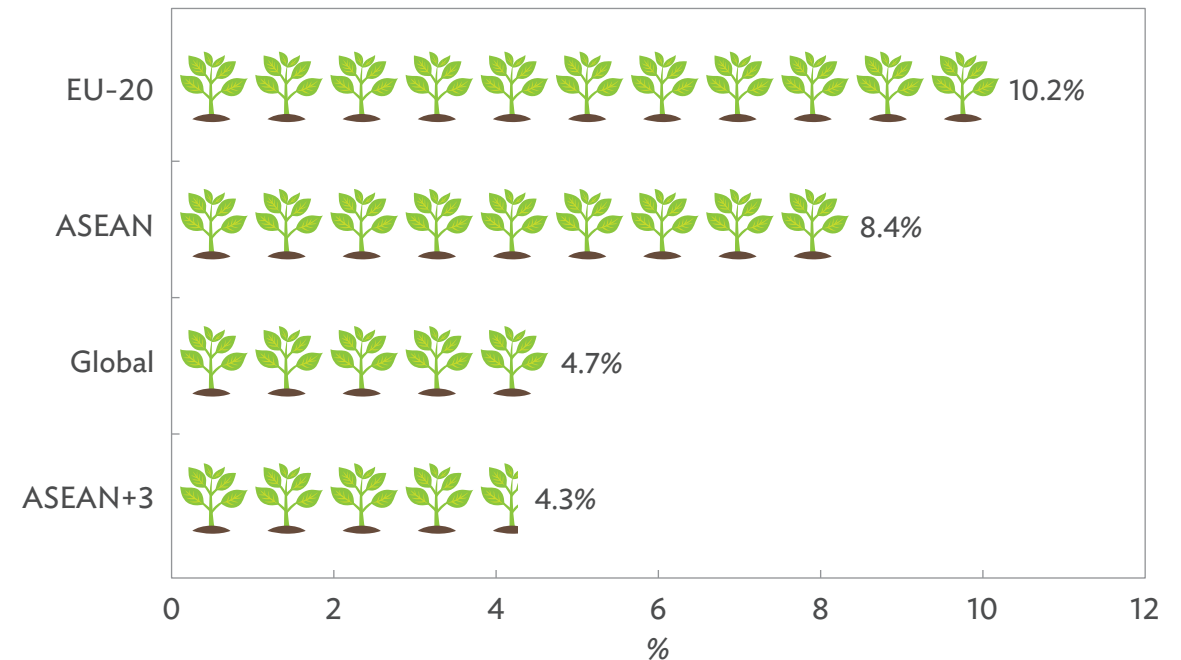
Sustainable bond issuance in ASEAN+3 reached USD79.6 billion in Q2 2025 on growth of 60.6% q-o-q. ASEAN accounted for 6.1% of ASEAN+3's sustainable bond issuance, outpacing its corresponding share (3.1%) of the region's general bond issuance during the quarter.

Sustainable bond issuance accounted for 8.4% of total bond issuance in ASEAN markets in Q2 2025, compared with the corresponding share in the EU-20 (10.2%), the global market (4.7%), and ASEAN+3 (4.3%).

ASEAN+3 Sustainable Bond Issuance in Q2 2025



Sustainable Bond Issuance as Share of Total Bond Issuance in Q2 2025



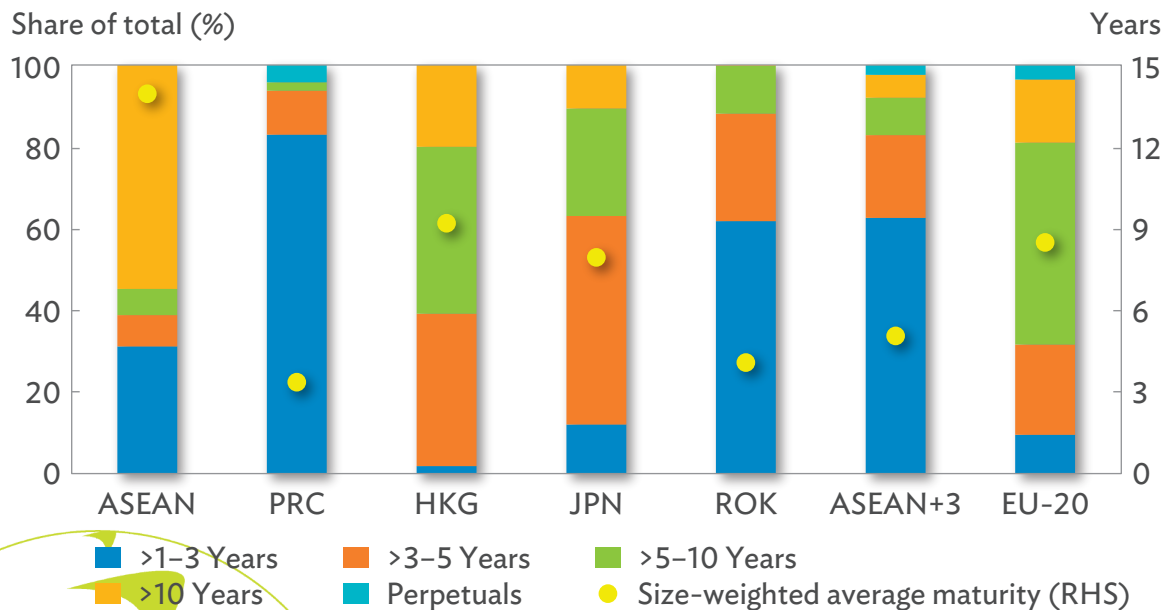
Source: AsianBondsOnline calculations based on Bloomberg LP data.

ASEAN recorded more long-term financing in its sustainable bond market in Q2 than either the EU-20 or ASEAN+3

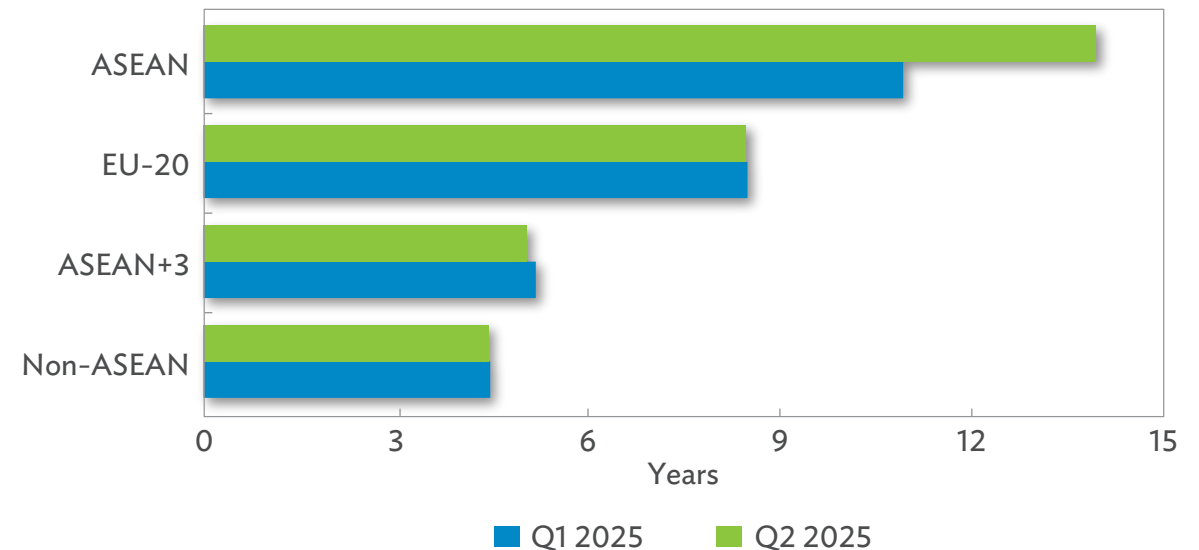
Medium to long-term (over 5 years) financing accounted for only 17.1% of ASEAN+3 sustainable bond issuance in Q2 2025, well below the corresponding share of 68.5% in the EU-20. However, over half of ASEAN's sustainable bond issuance in Q2 2025 carried maturities longer than 10 years, exceeding the EU-20's corresponding share of 18.9%.

The size-weighted average maturity of ASEAN sustainable bond issuance in Q2 2025 was 13.9 years, compared with 8.5 years in the EU-20 and 5.1 years in ASEAN+3. This was largely driven by a 29-year green bond issued by the Government of Singapore during the quarter.

Maturity Profiles of ASEAN+3 and European Union 20 Sustainable Bond Issuance in Q2 2025



Size-Weighted Average Maturity of Sustainable Bond Issuance in Q2 2025



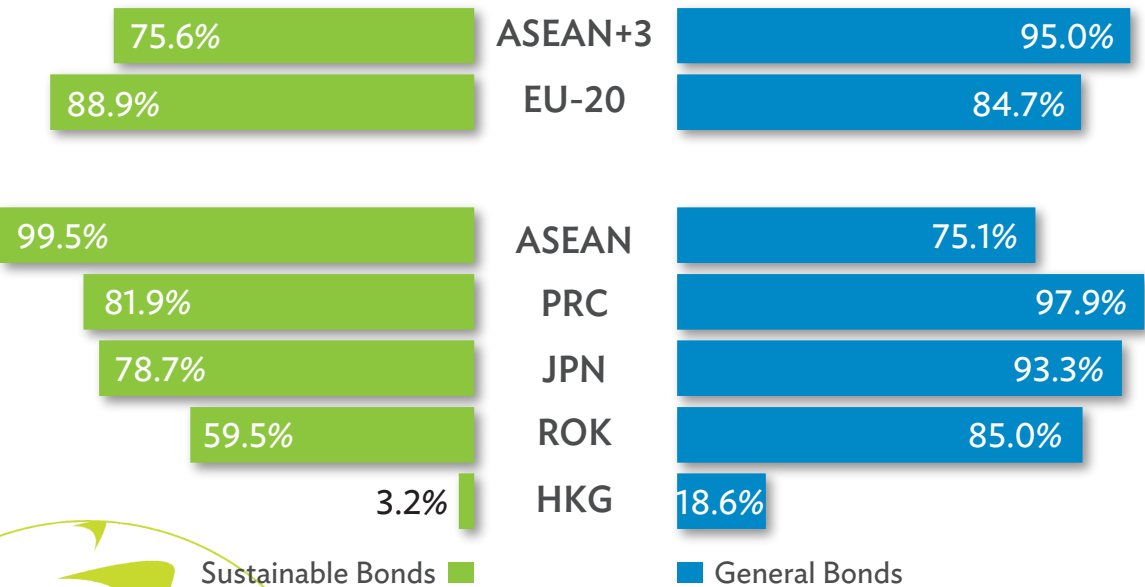
Source: AsianBondsOnline calculations based on Bloomberg LP data.

LCY and corporate financing comprised the majority of ASEAN+3 sustainable bond issuance in Q2 2025

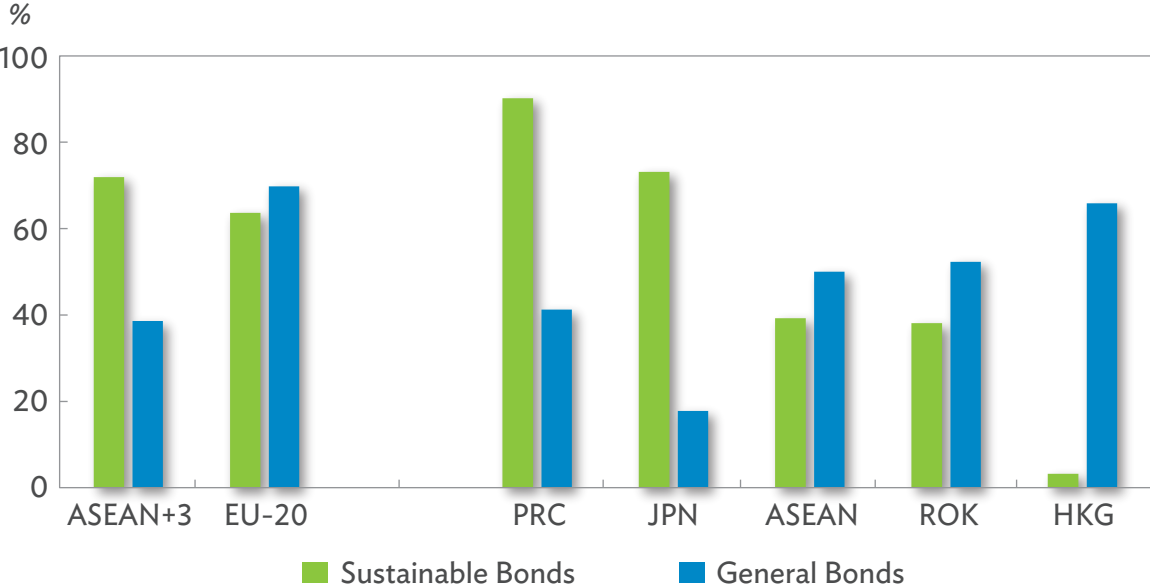
LCY financing accounted for 75.6% of ASEAN+3’s sustainable bond issuance in Q2 2025, compared with 95.0% in its general bond market. ASEAN’s sustainable bond issuances in Q2 consisted almost entirely of LCY financing at 99.5%, compared with 75.1% in its general bond market.

Corporate financing comprised 71.8% of ASEAN+3 sustainable bond issuance in Q2 2025, driven by the PRC and Japan, compared with a much smaller share of 38.5% in the region’s general bond market. Public sector financing comprised most sustainable bond issuance in ASEAN markets and the Republic of Korea, and nearly all in Hong Kong, China in Q2.

LCY Share of ASEAN+3 Sustainable Bond Issuance and General Bond Issuance in Q2 2025



Private Sector Share of Sustainable Bond Issuance and General Bond Issuance in Q2 2025



Source: AsianBondsOnline calculations based on Bloomberg LP data.

Notes and Definitions List

ASEAN = Association of Southeast Asian Nations; PRC = People's Republic of China; EU-20 = European Union 20; HHI = Herfindahl-Hirschman Index; HKG = Hong Kong, China; JPN = Japan; ROK = Republic of Korea; LCY = local currency; Q1 = first quarter; Q2 = second quarter; q-o-q = quarter-on-quarter; RHS = right-hand side; USD = United States dollar.

Notes:

1. ASEAN+3 is defined to include member states of ASEAN plus the People's Republic of China; Hong Kong, China; Japan; and the Republic of Korea. ASEAN includes the markets of Cambodia, Indonesia, Malaysia, the Lao People's Democratic Republic, the Philippines, Singapore, Thailand, and Viet Nam.
2. The EU-20 includes European Union member markets Austria, Belgium, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.
3. Sustainability-linked bonds include transition-linked bonds.
4. The private sector includes financial institutions and private institutions, while excluding state-owned enterprises.
5. Data include both local currency and foreign currency issues.

More information available at:

<https://asianbondsonline.adb.org>

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