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Small parcel bonds available for IAM investors

By Marsha Desouza

We're offering a selection of small parcel bonds from well-known names in the investment-grade space (excluding BNK Banking). While credit ratings are typically not issued for smaller deals, these tightly held securities are expected to be quickly absorbed by the market. Notably, we see strong value in Avanti Finance–New Zealand's second-largest non-bank lender by assets, which offers an attractive coupon.

Below are select opportunities with yields that compare favourably to current secondary market levels.

Issuer	Rank	Cpn type	S&p, moodys, fitch rating	Call date	Duration	Yield	Margin (bps)	Running yield	Clean price
AVANTI FINANCE LTD	Secured	Floating	Bb , nr , nr	14-sep-26	0.112	8.286%	478.4	8.798%	101.900
BNK BANKING	Subordinated	Floating	Nr , nr , nr	01-feb-26	0.238	6.248%	159.4	9.040%	102.649
NATIONAL AUSTRALIA BANK	Subordinated	fixed	A- , a3 , a-	09-mar-28	2.631	4.531%	126.2	5.909%	104.300
SCENTRE GROUP TRST 1	Subordinated	fixed	Bbb+ , baa1 , nr	30-sep-31	5.393	5.799%	217.4	5.869%	100.530
WESTPAC BANKING CORP	Subordinated	Floating	A- , a3 , nr	23-jun-28	0.131	4.423%	115.9	6.209%	103.350

To find out more about how you can add value to your portfolio, contact one of our IAM Relationship Managers.

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