



# African Development Bank

## 1.625% US\$1bn Global due 11<sup>th</sup> February 2013

### Press Points

#### Transaction Details

Rating:	Aaa/AAA/AAA
Issue amount:	USD1 billion
Issue date:	2 <sup>nd</sup> February 2010
Payment date:	9 <sup>th</sup> February 2010
Maturity date:	11 <sup>th</sup> February 2013
Coupon:	1.625% (s.a.)
Re-offer price:	99.656%
Re-offer spread:	MS minus 2bps
Lead Managers:	Daiwa Capital Markets, Deutsche Bank, Goldman Sachs International and UBS Investment Bank
Co-Lead Managers:	BNP Paribas, Credit Suisse, HSBC, Mizuho and Standard Chartered

On 2<sup>nd</sup> February 2010, the African Development Bank ('AfDB'), rated Aaa/AAA/AAA, launched and priced a new US Dollar 1 billion Global Benchmark issue due 11<sup>th</sup> February 2013. This is the AfDB's first benchmark transaction in 2010 from an anticipated borrowing requirement of about USD5.5 billion.

AfDB moved quickly to take advantage of favorable market conditions - despite the low yield environment, there is still extremely strong demand at the short-end of the US Dollar market for top quality assets and a soft sounding was not considered necessary.

The order book was opened at HK open on Tuesday 2<sup>nd</sup> February, with an initial price guidance of mid-swaps flat to minus 2 bps area. The order book grew rapidly in Asia and Europe, before benefiting from further sponsorship in the US upon New York open and was well oversubscribed by 9 am New York time. When the order book closed at 11 am New York time, there was over USD1.4 billion of demand with 43 accounts participating.

There was little price sensitivity in the order book and as the deal was capped at USD1 billion, we were able to announce and price a USD1 billion transaction at the tighter end of the initial guidance at mid-swaps minus 2 bps at 12 noon New York time. This was 2 bps back from the bid side of the recent EIB and KfW 3-year transactions and just 1 bp back from where EIB priced its 3-year transaction last week (on a Libor basis). The tight pricing achieved by AfDB, with a broad distribution both by geography and investor type, clearly demonstrates the high value international investors place on AfDB's credit.

#### Distribution statistics:

