

## ADB APPLICABLE LENDING RATES FOR SOVEREIGN GUARANTEED LOANS (%)

FROM 1 FEBRUARY TO 31 JULY 2017

Variable Spread Loans (VSL) and Enhanced Variable Spread Loans (EVSL) and Fully Flexible Loans (FFL)***	Loans approved before 4-May-2005 & loans approved after 21-Jan-2009				
	USD	EUR <sup>1</sup>	YEN	ZAR	
Floating Base Rate (a)	1,357	-0,244	0,022	7,967	7,350*
Funding Margin [benefit (-) / cost (+)] (b)	-0,020	-0,190	0,000	0,080	0,080
Lending Spread (c)**	0,800	0,800	0,800	0,800	0,800
<b>Applicable Lending Rate (a)+(b)+(c)</b>	<b>2,137</b>	<b>0,366</b>	<b>0,822</b>	<b>8,847</b>	<b>8,230</b>

(\*) 3M Jibar rate from 1Feb to 31April 2017

(\*\*) The applicable Lending Spread is **80bps** for FFL approved from 01-Sep-16; **60 bps** for FFL approved from 03-Mar-2016 to 31-Aug-16; **60 bps** for EVSL approved after 01-Jan-2011; **40 bps** for EVSL and VSL approved between 21-Jan-09 and 31-Dec-10 and **50 bps** for loans approved before 4-may-05

(\*\*\*) For the FFL, in addition to the Applicable Lending Rate, a Maturity Premium is applicable for loans with Average Maturity>12.75 years (See below the description)

Fixed Spread Loans (FSL) (suspended for new commitments as of 21 January 2009)	Loans approved between 4-May-2005 and 21-Jan-2009			
	USD	EUR <sup>1</sup>	YEN	ZAR
Floating Base Rate (a)	1,357	-0,244	0,022	7,967
Lending Spread (b)***	0,40	0,40	0,40	0,40
<b>Applicable Lending Rate (a)+(b)</b>	<b>1,757</b>	<b>0,156</b>	<b>0,422</b>	<b>8,367</b>

(\*\*\*) The applicable Lending Spread is **40 bps** for FSL approved between 4-may-05 and 2-June-08, **20 bps** for FSL approved between 2-June-08 and 21-Jan-2009

VARIABLE RATE LOAN (VLR) (suspended for new commitments as of 21 January 2009)	For all Variable Lending Rate Loans (VLR)				
	USD	EUR <sup>1</sup>	YEN	CHF	UAC
Variable Base Rate (a)	7,270	8,720	4,490	3,760	7,300
Lending Spread (b)	0,50	0,50	0,50	0,50	0,50
<b>Applicable Lending Rate (a)+(b)</b>	<b>7,770</b>	<b>9,220</b>	<b>4,990</b>	<b>4,260</b>	<b>7,800</b>

### Sovereign Guaranteed Loan Pricing :

**FFL=Base Rate + Funding Margin + Lending Spread + Maturity Premium**

EVSL = Base Rate + Funding Margin + Lending Spread

VSL = Base Rate + Funding Margin + Lending Spread

FSL = Base Rate + Lending Spread

VLR = Variable Base Rate + Lending Spread

### Base Rates :

**Floating Base Rate :** (i) the six (6) month reference rate for USD, YEN (6m Libor) and EUR (6m Euribor) resets on 1 February and 1 August; (ii) the three (3) month reference rate for the ZAR (3m Jibar) resets on 1 February, 1 May, 1 August and 1 November for loans approved after 1 January 2009 and; (iii) the six (6) month reference rate for the ZAR (6m Jibar) resets on 1 February and 1 August for loans approved before 1 January 2009

**Fixed Base Rate :** calculated as the swap market rate corresponding to the principal amortization schedule of a particular tranche of a loan. (For Fixed Base Rate, please e-mail to FIST2@afdb.org)

**Variable Base Rate (VLR) :** determined for each loan currency using the Bank's average cost of funding of a designated pool of borrowings and is adjusted semiannually on 1 January and 1 July

**Funding Margin :** based on the Bank's average cost of borrowings relative to Libor/Euribor/Jibar for each loan currency and resets on 1 February and 1 August

**Lending Spread :** 80 basis points for loans approved after 1 September 2016

**Maturity Premium :** the FFL introduces a maturity-based pricing structure and increases the maximum tenor of loans and the grace period. Hence, for loans with Average Maturity above EVSL maximum Average Maturity a premium is added to the Applicable Lending Rate as follow :

If Average Maturity ≤ 12.75 then No Maturity Premium is applied

If 12.75 < Average Maturity ≤ 15 then Maturity Premium =10 bps

If Average Maturity > 15 then Maturity Premium =20 bps

**Front-end fee :** 25 bps on the loan amount for all sovereign guaranteed loans approved from 1 September 2016

**Commitment fee :** 25 bps on the undisbursed balance for all sovereign guaranteed loans approved from 1 September 2016

<sup>1</sup> The EUR replaced the FRF and DEM in 1999