

CEB issues first CAD 300 million 3.5-year global Social Inclusion Bond

Highlights

- On 6 July 2023, Council of Europe Development Bank (CEB), rated Aaa (Stable) / AAA (Stable) / AA+ (Positive) (Moody's / S&P / Fitch) successfully priced its first ever Canadian dollar-denominated Social Inclusion Bond (SIB). The joint lead managers were BMO, CIBC Capital Markets, RBC Capital Markets and Scotiabank.
- The new CAD SIB is part of CEB's strategy of providing further growth to the social bond market by extending issuance into new currencies. CAD is now the fourth SIB currency after issuance in EUR since 2017, USD since 2020 and a [first SEK SIB](#) earlier this year.
- The bond issue also marks CEB's first foray into the Maple market since October 2021 when the Bank issued a 3-year bond in.
- The transaction enjoyed strong investor interest from the domestic investor base that accounted for 65% of the transaction. There was also notable interest from the Central Bank/Official Institution community (35%), highlighting once again the growing appeal of the asset class.

Final terms

Issuer:	Council of Europe Development Bank (CEB)
Issuer rating:	Aaa / AAA / AA+ (Stable / Stable / Positive)
Format:	SEC Registered Global
Tranche:	3.5-year
Amount:	CAD 300 million
Settlement date:	13 July 2023 (T+5)
Coupon:	4.57% Fixed, S/A, Act/Act
Coupon payment dates:	13 January and 13 July
Maturity date:	13 January 2027
Issue price:	100.00%
Issue yield:	4.57%
Reoffer spread:	CORRA Mid-swap + 22 bps / CAN 1.250% Mar-27 +43bps
Listing:	Luxembourg Stock Exchange's regulated market
Clearing systems:	CDS, Clearstream (Luxembourg), Euroclear (Primary Settlement: CDS)
Joint lead managers:	BMO / CIBC CM / RBC CM / Scotiabank
ISIN/CUSIP:	US222213BD15 / 222213 BD1

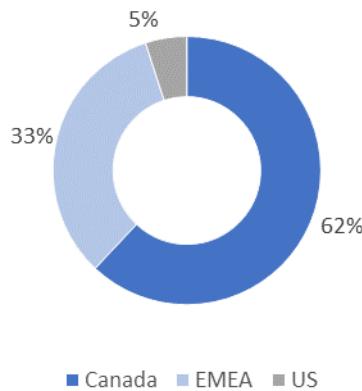
Transaction details

- Following a quiet start to the week, with Canada Day on Monday followed by the 4 July holiday in the US, the mandate for a new 3.5-year CAD Social Inclusion Bond was announced on Wednesday 5 July 2023 14:11pm London time, with Initial Pricing Thoughts ("IPTs") of CORRA mid-swaps +22bps area. This was equivalent to +14bps to the Ontario curve and implied a spread of +20bps to the CMB curve.

- The transaction enjoyed a strong response in the first few hours of marketing, with indications of interest exceeding CAD 325 million (incl. CAD 25 million JLM interest) by the time the order book officially opened at 8:40 am London time on Thursday morning, with price guidance unchanged from IPTs at CORRA mid-swaps +22bps.
- The final size was set at CAD 300 million and the transaction was formally launched at 14:15pm London time with a final orderbook in excess of CAD 345 million (incl. CAD 25 million JLM interest).
- The new issue was priced shortly after 16:00pm London time on Thursday 6 July 2023 at a reoffer price of 100.00% and a spread of +43bps over the Benchmark CAN 1.250% Mar-27.
- The transaction was well-diversified across 15 investors, with larger orders from Central Banks/Official Institutions and Bank Treasury orders driving the order book, with the remainder accounted for by several domestic/international Real-money accounts.
- In terms of geographical split, demand was driven by the Americas, as the region accounted for 67% of the final allocations, with EMEA making up the remainder (33%).

Distribution stats

Investor demand by region



Investor demand by type

