

14<sup>th</sup> October 2020

**Press Release**

**Council of Europe Development Bank**

**US\$1bn 0.25% Global Benchmark due 21 October 2023**

**Transaction Highlights**

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- This transaction marks Council of Europe Development Bank's (CEB) third USD benchmark trade of 2020, having successfully issued a new USD 1bn 5-year benchmark in January and a new USD 500m 3y Social bond in June
- A strong momentum enabled CEB to maximise the price tension and land 3bps tighter than IPTs, at ms+3bps
- With this transaction, CEB achieved the tightest 3-year USD SSA benchmark print of 2020, while attracting a final orderbook in excess of USD 1.9bn from over 50 accounts

On Wednesday 14<sup>th</sup> October 2020, Council of Europe Development Bank (CEB), rated Aa1/AAA/AA+ (stab/stab/stab), successfully priced a new USD 1bn 3-year Global benchmark, joint led Bank of America Merrill Lynch, Credit Agricole CIB, Morgan Stanley and Royal Bank of Canada. This offering also represents the first time CEB completes a benchmark transaction whose proceeds go towards prefunding for next year's programme.

The deal was announced to the market at 12.35 BST on Tuesday 13<sup>th</sup> October 2020, with IPTs of MS+6bps area. Indications of Interest (IOIs) were subsequently gathered in the US session and overnight in Asia.

The transaction attracted strong support from the outset, with IOIs in excess of USD 1.75bn (excl. JLM) by Wednesday 14<sup>th</sup> October at 07.57 BST, at which point books officially opened with a price guidance of MS+5bps area.

The transaction continued to gain very good traction allowing a book update of in excess of USD 2.5bn (excl. JLM) at 09.25 BST, and the spread was at that point set 2bps tighter than guidance at MS+3bps. By 13.15 BST books of USD 2bn (excl. JLM) were communicated to the market with books closing times set at 10.00 BST (EMEA/Asia) and 08.00 UST (Americas).

The transaction was officially priced at 15.32 BST, with a yield of 0.292% and a spread to UST of 11.5bps. The pricing outcome, which at MS+3bps represents a negative new issue concession of about ~1.5bps to CEB's own curve, is a further testament to the exceptional standing CEB enjoys within the SSA community.

The final orderbook was very granular, closing over USD 1.9bn (incl. USD 50mm JLM interest) with more than 50 investors participating, and this further highlights the very broad appeal of CEB's credit. Central Banks & Official Institutions accounted for 50% of the final allocation, followed by Banks & Bank treasuries (31%) and Assets Managers (19%). In terms of geographic distribution, investors based in Asia took 42% of final allocations, followed by the Americas (36%) and EMEA (22%).

## Investor Distribution

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### By Geography

Asia	42%
Americas	36%
EMEA	22%

### By Investor Type

Central Banks / Official Institutions	50%
Banks & Bank Treasuries	31%
AMs / Pensions / Insurances	19%

## Bond Summary Terms

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Issuer:	Council of Europe Development Bank (Ticker: COE)
Issuer rating:	Aa1/AAA/AA+ (stab/stab/stab)
Amount:	USD 1bn
Pricing Date:	14 October 2020
Settlement Date:	21 October 2020 (T+5)
Maturity Date:	21 October 2023
Coupon:	0.25%, SA 30/360, Short first coupon
Issue Price:	99.875%
Issue Yield:	0.292% s.a.
Reoffer Spread:	MS+3bps / CT3+11.5bps
Listing:	Luxembourg Stock Exchange's regulated market
Joint Lead Managers:	BofA Securities, Credit Agricole CIB, Morgan Stanley and RBC CM
ISIN:	US222213AW05

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## About Council of Europe Development Bank

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The Council of Europe Development Bank (CEB) is a multilateral development bank with an exclusively social mandate. The Bank receives no aid, subsidy or budgetary contribution from its member states to finance its activities. The necessary resources are therefore raised on the international capital markets in the form of borrowings.

As a major instrument of the policy of solidarity in Europe, the Bank finances social projects by making available resources raised in conditions reflecting the quality of its rating (Aa1 with Moody's, outlook stable, AAA with Standard & Poor's, outlook stable and AA+ with Fitch Ratings, outlook stable).

To ensure that it maintains access to the funds needed to pursue its activities, the Bank continues to have recourse both to large-scale borrowings in major currencies, aimed at a broad range of institutional investors, and to issues in given currencies or with specific structures corresponding to more particular requirements.