

**Press release**  
Helsinki, 13 July 2018

## Press Release

### NIB USD 1billion 2.875% Global benchmark due 19 July 2023

Issuer:	Nordic Investment Bank (NIB)
Rating:	Aaa (Stable) by Moody's Investor Services, AAA (Stable) by Standard & Poor's
Format:	SEC Registered Global
Issue amount:	USD 1bn (no-grow)
Pricing date:	12 July 2018
Settlement date:	19 July 2018
Coupon:	2.875% payable semi-annually
Maturity date:	19 July 2023
Re-offer spread:	Mid-swaps + 3 bps / UST 2.625% 06/23 + 17.1 bps
Re-offer price / yield:	99.792% / 2.920 s.a.
Joint lead managers:	Citi, HSBC, RBCCM, TD

#### **Execution Highlights**

- *NIB's second USD benchmark in 2018, following the USD 1bn 3-year launched in January*
- *Achieved the tightest pricing to swaps of any conventional 5-year USD benchmark since July 2015, at mid-swaps +3 bps*
- *The final orderbook reached above USD 1.6 billion with 45 accounts participating*

Yesterday, Nordic Investment Bank ("NIB") priced a new 5-year Global USD benchmark issue. The transaction is NIB's second public USD Global benchmark of 2018.

The issue has a final maturity of 19 July 2023, pays a semi-annual coupon of 2.875% and has an issue price of 99.792%, to give a spread of +17.1 bps over the UST 2.625% due June 2023, equivalent to mid-swaps plus 3 bps.

The mandate for the new USD 1 billion (no grow) 5-year benchmark was announced at 13:10 London time on Wednesday 11<sup>th</sup> July, with Initial Pricing Thoughts (IPTs) of mid-swaps plus 5bps area.

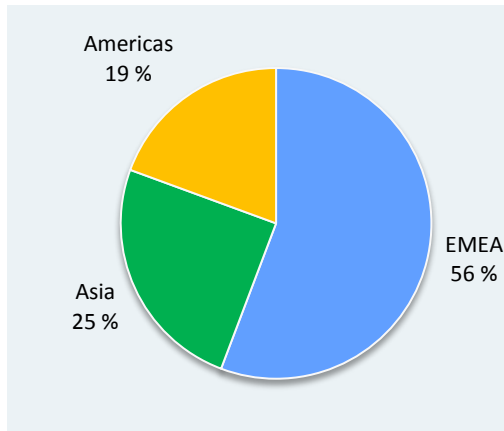
Books were officially opened at 08:10 London time on Thursday 12<sup>th</sup> July, with Indications of Interest (IOIs) in excess of USD 1 billion (excluding JLM interest). Guidance was announced in line with IPTs at mid-swaps plus 5 bps area.

The momentum continued over the course of the morning, with orderbooks in excess of USD 1.3 billion at 09:10 London time, when guidance was revised to mid-swaps plus 4 bps area. At 11:45 London time, the spread was set at mid-swaps plus 3 bps, with books closing at 14:00 London time. The transaction was subsequently priced at 15:18 London time.

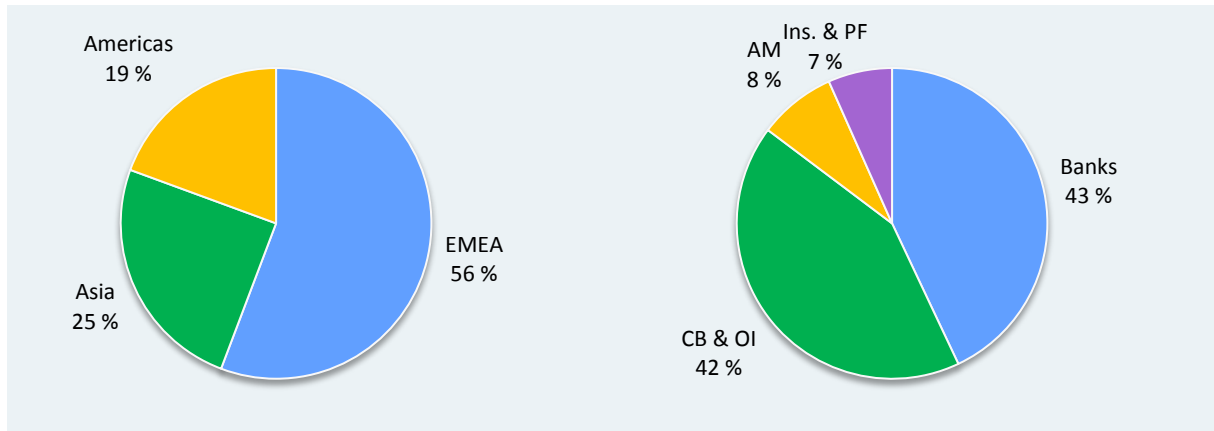
The final orderbook reached above USD 1.6 billion, with 45 investors participating in the transaction. The majority of demand came from EMEA, receiving 56% of allocations, followed by the Asia and the Americas with 25% and 19% respectively. Banks and Central Banks & Official Institutions were the largest investor groups, receiving 43% and 42% of the allocations, followed by Asset Managers with 8% and Insurance and Pension Funds with 7%.

## Distribution statistics

### By investor location:



### By investor type:



## Comments:

“Once again NIB have demonstrated the strong investor support that exists for their name. Their impeccable timing allowed them to take advantage of a relative lack of recent benchmark supply and print the tightest 5yr deal of the year, with a very comfortably oversubscribed final book in excess of \$1.6 billion. Citi was delighted to be involved as a bookrunner on the transaction.” **said Alex Barnes, Head of SSA Syndicate at Citi**

“Another stellar result for NIB in the public benchmark markets. They managed to print the tightest conventional USD SSA benchmark vs Swaps since July 2015. The deal had very good momentum throughout the book build process enabling NIB to price with no new issue concession and still achieving a highly diverse and high quality order book.” **said Asif Sherani, Co-Head of SSA & FIG Syndicate at HSBC**

“The NIB team have built an exceptional investor following over the last few years and clearly reaped the benefit with this very well timed transaction. Their ability to move the spread 2bps from initial price thoughts and consequently price with no new issue concession speaks volumes to strength of NIB's global support. Given the volatile market backdrop their achievement is particularly impressive.” **said Kerr Finlayson, Head of SSA Syndicate at RBC Capital Markets**

“The team at NIB have reacted quickly to an under-supplied 5 year sector of the USD market and reaped rich rewards. This deal will serve as a reference for what is achievable at the tighter end of the pricing spectrum for the SSA sector as a whole.” **said Paul Eustace, Head of Syndicate at TD Securities**

“NIB is very pleased with this new 5 year USD benchmark transaction. We achieved our objective and throughout the trade we had very good support from investors, 45 orders in the book, and a volume of more than USD 1.6bn.

We have been following the market for several weeks and finally this week we decided to take advantage of a clear issuance window. We saw good demand for a mid-curve transaction, which also matched our maturity preference for a 5 year transaction. NIB could have issued a EUR denominated benchmark at approximately the same cost, **says Alexander Ruf, Director Funding and Investor Relations at NIB**, but we wanted to maintain our strategic presence in the USD market.”

*NIB is an international financial institution owned by eight member countries: Denmark, Estonia, Finland, Iceland, Latvia, Lithuania, Norway and Sweden. The Bank finances private and public projects in and outside the member countries. NIB has the highest possible credit rating, AAA/Aaa, with the leading rating agencies Standard & Poor's and Moody's.*

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