



## **IIB successfully closes the order book for a new ruble bond issuance on the Moscow Stock Exchange**

May 4, 2020

On 30<sup>th</sup> April, 2020 IIB held a successful book building for a new 3 year ruble-denominated issuance on the Moscow Stock Exchange. The Bank had taken an opportunity of a favorable market window following the recent decision of the Russian Central Bank to cut the key rate by 50 bps and once again tapped this market by closing the book for a RUB 7 bn bond under the registered programme with MSE.

Benefiting from a strong demand with orders in excess of RUB 10 bn, IIB was able to significantly reduce the costs in four rounds of guidance starting with IPTs (initial price thoughts) in a range of 6,90-7% coupon (7,08-7,19% yield-to-maturity) and reaching a quarterly coupon of 6.75% (YTM at 6.92%) in the end.

This was IIB's second return to the Russian market in April, after closing a successful placement two weeks ago. Compared to the previous 5-year issuance this represents 100 bps decrease in the coupon level and yield-to-maturity. The final volume of the allocated orders stood at RUB 7 bn, with 14 investors participating.

The joint lead managers of the issuance were BC Region, Credit Bank of Moscow and Sovcombank.

"Following a very successful issuance two weeks ago, we were watching the market developments closely and saw an opportunity window, which we decided to use. We were pretty fast in executing this deal since we have a registered RUB 100 bn Programme in Moscow Stock Exchange. The book had brought us some new investor names and we are very happy to constantly broaden our investor base in Russia. " noted Nikolay Kosov - Chairperson of the IIB Management Board.

"We are very carefully monitoring opportunities offered by various local bond markets of member states since they could offer good liquidity on favourable terms even in these challenging times. It's a win-win situation for all parties involved, since we also offer a good value for money benefiting from the highest credit rating on the local scale (AAA from the local rating agency ACRA). Therefore, the outcome of today's deal is not a surprise but rather a reconfirmation of the strong trust of the local investor base in IIB's successful credit story" mentioned Jozef Kollar - First Deputy Chairperson of IIB Management Board in charge of Treasury and Investment.

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