

Diese Meldung kann unter <http://www.presseportal.de/pm/41193/1674388/kfw-successfully-launches-its-second-10-year-usd-global-bond-in-2010> abgerufen werden.



KfW successfully launches its second 10-year USD Global Bond in 2010

01.09.2010 - 13:27 Uhr, KfW

Frankfurt (ots) -

- KfW is the only issuer in its segment who has issued two 10-year bonds this year - New USD Global underlines KfW's strong profile as a frequent issuer in the USD market KfW has successfully launched a new USD 4 bn Global transaction which has been priced yesterday evening. The new 10-year offering marks the second well executed 10-year USD Global transaction and the sixth USD Global by KfW of 2010.

The USD 4 bn transaction has a 2.75% coupon and maturity date of 8 September 2020. Joint lead managers are Bank of America Merrill Lynch, Deutsche Bank and JP Morgan. The bond was priced at a re-offer spread versus mid-swaps of +34 basis points which equates to a spread of +35.25 basis points over the current 10-year US Treasury bond [T2.625% 15 August 2020].

One of the main drivers of the transaction was the strong interest for yield in high quality names, especially given the rally in the US Treasury market. Investors looking for yield were willing to go for longer maturities without taking more credit risk.

The strong bid-side flows seen in secondary markets led to the decision to proceed with the transaction early Tuesday morning London time.

KfW began marketing the benchmark transaction with a volume of USD 3 bn at mid-swaps +35 basis points area at 8 a.m. London time on Tuesday morning. Over the course of early morning, the order book reached over USD 3 bn with orders predominantly from buy and hold investors, as a consequence by the strong momentum the price talk was tighten to mid-swaps +34 / +35 basis points in the early afternoon.

With additional US investors coming in during the afternoon, the order book closed at around USD 5.2 bn. Finally, a USD 4 bn bond at the tight end of the price range at mid-swaps +34 basis points could be launched and priced.

KfW is the only SSA issuer that has been able to launch USD bonds in four different maturities (2, 3, 5 and 10 years) this year. This strategy allows Germany's largest Agency to not only maintain a liquid and on-the-run curve, which is highly appreciated by investors around the globe. This new benchmark underlines KfW's strong benchmark profile and leadership in the international capital markets, as one of the top borrower with consistent access to the market.

KfW is assigned with a direct and irrevocable guarantee from the Federal Republic. All global bonds issued by KfW have been assigned a triple-A rating by Standard & Poor's, Moody's and Fitch. For 2010, KfW announced a funding programme of approximately EUR 75 bn in medium and long-term debt. So far KfW has issued EUR 59.7 bn (around 80%).

The breakdown of the order book by sectors is as follows:

Breakdown by investor type:

Central Banks: 43%
Asset Managers: 28%
Banks: 27%
Others / Corp.: 2% Geographical Breakdown:

Asia: 61%
Europe: 27%
Americas: 12% USD 4 billion - 2.75% - 2010 / 2020

ISIN: US500769DZ48
Issuer: KfW (Kreditanstalt für Wiederaufbau)
Guarantor: Federal Republic of Germany
Rating: AAA (Fitch Ratings)/Aaa (Moody's)/AAA (Standard & Poor's)
Size: USD 4,000,000,000.--
Maturity Date: 8 September 2010 - 8 September 2020
Coupon: 2.75% p.a., payable semi annually

Payment Dates: 8 March and 8 September
Re-offer-Price: 99.29%
Yield: 2.832% s.a.
Format: Global
Stock Market Listing: Luxembourg Lead Managers (3):

Bank of America Merrill Lynch
Deutsche Bank
JP Morgan Co-Lead Managers (10):

Barclays Capital
Citi
Credit Suisse
Goldman Sachs
HSBC
Mitsubishi UFG
Nomura
RBC CM
Toronto Dominion

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