



J.P.Morgan



## PRESS RELEASE – 8<sup>th</sup> January 2020

### Republic of Portugal

(Baa3 Positive / BBB Positive / BBB Positive)  
EUR 4 billion OT 0.475% due 18 October 2030

#### Summary Terms

Format:	Reg S Category 1, (144a eligible for QIBs), CAC
Size:	EUR 4 billion
Pricing Date:	8 <sup>th</sup> January 2020
Settlement:	15 <sup>th</sup> January 2020
Maturity:	18 <sup>th</sup> October 2030
Coupon:	0.475%, Annual ACT/ACT (short first to 18-Oct-2020)
Re-offer Spread:	Mid Swaps + 33bps
Re-offer Yield:	0.499%
Re-offer Price:	99.749%
Listing:	MTS, BrokerTec, BGC Partners and Euronext Lisbon
Law:	Portuguese
Denominations:	EUR 0.01
Lead Managers:	Citi, Deutsche Bank, Goldman Sachs International Bank, HSBC, JP Morgan and Novo Banco

#### Transaction Highlights

- On Wednesday 8<sup>th</sup> January 2020, the Republic of Portugal, rated Moody's Baa3 (Positive), Standard and Poor's BBB (Positive), Fitch Ratings BBB (Positive), priced a EUR 4 billion 0.475% long 10-year Government Bond (OT), due 18<sup>th</sup> October 2030, at Mid Swaps+33bps. The joint-book-runners managing the transaction were Citi, Deutsche Bank, Goldman Sachs International Bank, HSBC, JP Morgan and Novo Banco.
- This is the first syndicated transaction by the Republic of Portugal in 2020 and with this issuance the Republic has completed over 20% of the Republic's gross issuance target of EUR 16.7 billion to execute through auctions and syndications in 2020.
- The transaction benefited from strong investor demand as highlighted by the final orderbook north of EUR 25 billion (incl. EUR 2 billion JLM interest), which allowed Portugal to price the new bond at a spread of Mid Swaps+33bps starting from initial guidance of Mid Swaps+38bps area.

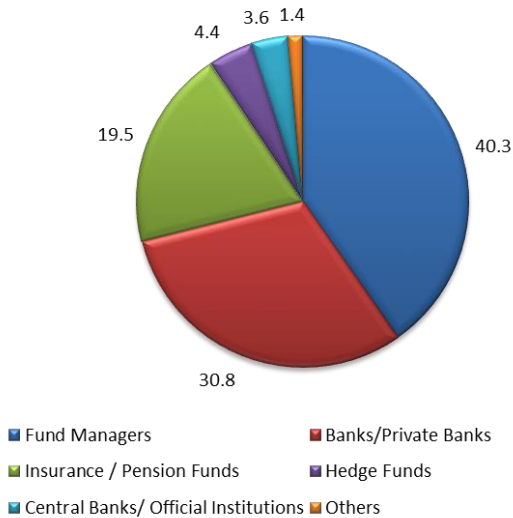


## Execution Summary

- Following supportive market conditions, the Republic of Portugal announced its intention to launch a new OT long 10-year benchmark, maturing 18th October 2030 on Tuesday, January 7<sup>th</sup> at 1.30pm GMT. Books were subsequently opened on Wednesday, January 8<sup>th</sup> around 8.20am GMT with guidance of Mid Swaps+38bps area and IOIs already in excess of EUR 6 billion.
- Orders accumulated quickly and guidance was revised to MS+36bps area by 9.20am GMT, by which time books were already in excess of EUR 19 billion (including EUR 1.75 billion JLM interest). Books continued to grow rapidly and the spread was set a further 3bp tighter at Mid Swaps+33bps soon thereafter at 10.20am GMT.
- Books were closed at 10.30am GMT in excess of EUR 25 billion (including EUR 2 billion of JLM interest) with the deal size set at EUR 4 billion.
- The EUR 4 billion 0.475% OT due 18 October 2030 was priced at 4:00pm GMT at Mid Swaps+33bps, equivalent to a yield of 0.499%, spread to DBR 0% Feb-30 of 72.5bps, and a price of 99.749%.
- The transaction benefited from the participation of over 350 accounts, representing strong and diversified demand, mostly from Europe, especially from the UK, Italy, Spain, France and Portugal. With respect to investor type, Fund Managers, Banks and Insurances/Pension Funds accounted for the largest share of the book.

## Final Distribution

### By Investor Type



### By Investor Region

