



National Treasury Management Agency

Ireland launches new Bond

The National Treasury Management Agency (NTMA) today issued €5 billion of a new bond with a maturity of just under eleven years (18 October 2020). The bond, which has a 5 per cent annual coupon, was issued at a price of €99.284 per €100 nominal to give a yield to redemption of 5.091 per cent. The yield on the new bond is 1.62 per cent higher than the yield at the equivalent maturity date on the German bond curve. When Ireland issued a new ten-year bond in June 2009 the yield was 5.932 per cent, equivalent to 2.44 per cent over the German bond.

Today's bond issue was by way of a syndicated deal involving six banks and attracted orders in excess of €7 billion for the €5 billion available for issue. Some 90 per cent of the bond was placed with pension funds, insurance companies, asset managers and banks. Reflecting the increased confidence of the international investment community in the Irish Government bond market, 86 per cent of the bond was taken up by overseas investors.

Mr. John Corrigan, Chief Executive of the NTMA said: "The successful issue of today's €5 billion bond reflects the ability of Ireland to place long term debt with stable investors for longer periods and at narrowing spreads over Germany. Today's issue accounts for 25 per cent of this year's funding programme of €20 billion and leaves the NTMA in a very comfortable position as it commences its series of eleven monthly bond auctions on Tuesday next, 19 January."

National Treasury Management Agency
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