

Case Study

ADB – USD2.0bn and USD3.5bn Global Bonds Offering

The Client

Asian Development Bank is a multilateral development bank established in 1996 owned by 68 members of which 49 are from the region. The Bank aims to eradicate extreme poverty in Asia by assisting its members and partners through loan provision, technical assistance, grants and equity investments to promote social and economic development.

The Challenge

ADB has an annual borrowing program, wherein proceeds of debt products are used to finance its Ordinary Capital Resources (OCR) operations, which includes projects and programs that help support its constituent developing member countries.

The client sought to raise a significant capital at the start of the year to secure its financing needs, as it plans to raise USD31–33 billion in the capital markets in 2023.

The Solution

To this end, Citi assisted ADB in two of its benchmark transactions in 2023. Global Medium Term Notes were issued in January, with issue sizes of USD 2.0Bn and USD 3.5Bn respectively, where Citi acted as the Joint Lead Manager.

The Result

The transaction helped meet ADB's financing needs and respond to specific investor requirements. The 3-year and 10-year tenor tranches allowed wider market distribution and gave medium-

term support for ADB's projects and programs, including recovery from the pandemic, food security and climate change.

Orderbooks reached over USD13 billion, and final books were evenly spread. On the 3-year, investors mainly came from the Americas (43%), with the rest from Europe, Middle East, Africa and Asia. They are central banks and official institutions (47%), banks (34%), fund managers and other investor types (19%). On the 10-year, demand came mostly from Europe, Middle East and Asia (66%). Almost half (47%) were banks, followed by fund managers and other investor types (32%), and central banks and official institutions (21%).