

The Government of the Republic of the Philippines

Case Study

The Client

The client is the National Government of the Philippines, which is intent on developing high quality infrastructure to propel the country's economy through sustainable and equitable growth. Engagement was through the Republic's Bureau of the Treasury.

The Challenge

The Republic needed strategic advisory and execution services to successfully issue a US\$ bond to fund its 2019 external funding requirements while navigating substantial volatility in the global bond markets.

The Solution

Citi, a longstanding partner to the Republic, proposed a 10-year US\$ benchmark issue.

Upon being mandated as a Joint Bookrunner to this transaction late in 2018, Citi, in partnership with other global banks, provided end-to-end support to the Republic through the successful pricing and settlement of the US\$1.5BN 10-year U.S. dollar benchmark.

The Result

This marked the first international issuance by an Emerging Markets Sovereign in 2019 in addition to being the first issuance by the Republic marketed in US Treasury spread terms.

Initial price guidance was set at T+130 bps area. This issuance marks the Republic's first offering marketed in US Treasury spread terms, which further aligns the Republic with other investment grade issuers. Following strong orderbook momentum, comprising principally high-quality orders, the joint syndicates announced final price guidance at T+110, representing a 20 bps tightening compared to the initial price guidance level.