

## USD 1bn 5Y Benchmark due 28 January 2026

### **\*\*Press points\*\***

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On Thursday 21<sup>st</sup> January 2021, KommuneKredit, rated Aaa (Moody's) / AAA (S&P) priced a new USD 1bn 5Y fixed rate RegS benchmark transaction due 28 January 2026. The bond carries a coupon of 0.500% and pays an annual yield of 0.594%, which is equivalent to a spread of 6bps over Mid Swaps and 14.1bps over the 0.375% Dec-25 U.S. Treasury note

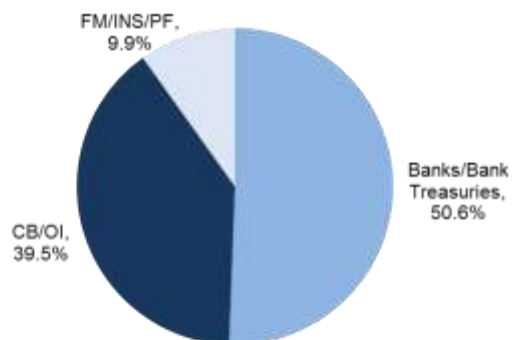
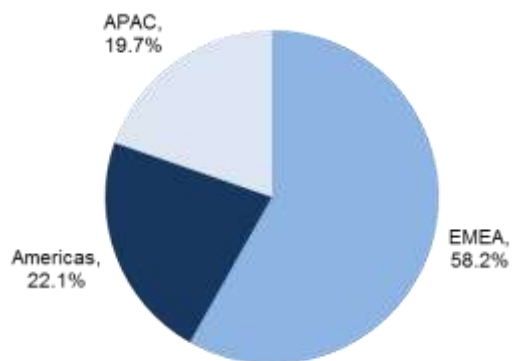
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#### ***Highlights***

- This transaction is KommuneKredit's first benchmark of 2021 and extends KommuneKredit's USD curve past the June 2025 line that was issued last year
- Final pricing was 3bps tighter than initial pricing thoughts and represents minimal concession to their secondary curve and through where comparable peers are trading
- MS +6bps is the tightest spread that KommuneKredit ever achieved at the 5Y maturity and CT5 +14.1 is the tightest spread that KommuneKredit ever achieved in any USD public benchmark transaction

#### ***Transaction details***

- The mandate for a USD 1bn no-grow 5Y RegS benchmark was announced at 12:00pm London time on Wednesday 20<sup>th</sup> January with IPTs of mid-swaps +9bps area. Despite a very busy primary pipeline, indications of interest built rapidly from the outset and continued during the overnight Asian session
- Books opened at 8:00am London time on Thursday 21<sup>st</sup> January with official guidance of MS +7bps area and indications of interest of over USD 1.9bn, driven by a diverse group of investors, primarily Central Banks and Bank Treasuries. Given the strong demand and the limited size that the issuer was looking to raise, the spread was set at MS +6bps at 9:30am London time, with books closing shortly thereafter with total orders in excess of USD 2.4bn
- The transaction priced at 15:45 London time with a strong distribution among central banks and official institutions. 50 investors participated in the transaction with very granular demand seen across geographical regions

**Investor Type Distribution:****Geographical Distribution:**

Summary Deal Terms	
Issuer	KommuneKredit
Rating	Aaa / AAA (stable/stable)
Notional amount	USD 1bn
Format	RegS Bearer
Coupon	0.500%, annual, 30/360
Settlement	28 <sup>th</sup> January 2021
Maturity	28 <sup>th</sup> January 2026
Re-offer Price	99.539%
Re-offer Yield	0.594%, annual / 0.593% s.a.
Mid Swap Spread	+6bps
Benchmark Spread	+14.1bps vs 0.375% December 2025
Lead Managers	BofA Securities, BMO Capital Markets, Daiwa Capital Markets, RBC Capital Markets