

ESM raises €4 billion in two bond issues

[View PDF](#)

11/10/2016

Press releases

ESM

Luxembourg – The European Stability Mechanism (ESM) today raised €4 billion in a dual-tranche transaction, through the issue of a new 6-year benchmark bond and a tap of an existing 16-year bond.

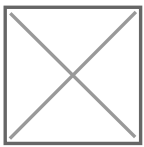
“The ESM’s first deal in the fourth quarter was received with enthusiasm by the market, enabling the ESM to meet two-thirds of its long-term funding needs for the quarter. With a combined order book of €7.2 billion, we could have opted for a much larger volume. Instead, we decided to stick to our strategy of having a regular market presence and keep €2 billion in store for later in this quarter,” said Kalin Anev Janse, ESM Management Board member responsible for funding.

The size of the new 6-year bond was €3 billion. It has a coupon of 0% and will mature on 18 October 2022. The spread at issuance was fixed at mid-swaps minus 22 basis points, implying a reoffer yield of minus 0.203%. Total orders were in excess of €5.3 billion.

The tap of the existing bond raised €1 billion, bringing the total volume up to €4 billion. This bond has a coupon of 1.125% and will mature on 3 May 2032. The spread at issuance was fixed at mid-swaps minus 13 basis points for a reoffer yield of 0.660%. Books were in excess of €1.9 billion.

Goldman Sachs International, Morgan Stanley and UniCredit were joint lead managers on the deal.

Contacts



[Cédric Crelo](#)

Head of Communications and Chief Spokesperson

+352 260 962 205

c.crelo@esm.europa.eu



[Anabela Reis](#)

Deputy Head of Communications and Deputy Chief Spokesperson

+352 260 962 551

a.reis@esm.europa.eu



[Juliana Dahl](#)

Principal Speechwriter and Principal Spokesperson

+352 260 962 654

j.dahl@esm.europa.eu