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Commercial Bank of Dubai issues USD 500 Mln conventional bonds



CBD has successfully completed its debut issuance of USD 500 million of conventional bonds under its EMTN programme. The process involved a rating of its USD2 billion EMTN programme. The programme was rated A- by Fitch and Baa1 by Moody's. Citigroup, HSBC and National Bank of Abu Dhabi were mandated as joint lead managers to the issue.

As it was a debut issuance, CBD went on a road show in Asia, Europe and the Middle East and conducted a series of meetings with potential investors. These presentations were well received and this translated into an overwhelming demand for the bonds which resulted in an over five times oversubscription to the issue. Despite it being CBD's first time issuance in international markets the coupon of 3.375 % was at the lower end of the initial pricing guidance. The pricing compares very favourably with recent issuances by UAE based banks. The issue elicited strong demand for the issue from across the region, Asia and Europe. The transaction closed shortly after the initial announcement.

The five-year bond will be listed on the Irish Stock Exchange.