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இலங்கை மத்திய வங்கி  
CENTRAL BANK OF SRI LANKA

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# Press Release

Issued By

Public Debt Department

Date

September 17, 2012

## Issue of Sri Lanka Development Bonds (SLDBs)

The Central Bank of Sri Lanka, on behalf of the Government of Sri Lanka, offered to issue Sri Lanka Development Bonds (SLDBs) of US Dollars 60 million in 3-year tenor to eligible investors for subscription at a rate of US Dollar 6 month LIBOR plus a margin to be determined through competitive bidding.

The offer was opened from 10 – 17 September 2012 for bidding with the settlement on 24 September 2012. Foreign and local commercial banks operating in Sri Lanka subscribed bids at the auction. The offer was oversubscribed by 2 times with total bid received amounting to USD 121.05 million. In view of the high demand by the investors, the Government decided to accept US Dollars 121.05 million in 3 year maturity at the market determined rates of US Dollar 6 month LIBOR + 400 bps (weighted average margin). Today, the US Dollar 6 month LIBOR rate is 0.67 per cent. With this transaction, the Government succeeded in achieving a lower margin compared to the 410 bps of the previous three-year SLDB issue in June 2012.

The SLDB issue was executed in terms of Section 2 (a) and 2 (c) of the Foreign Loans Act No. 29 of 1957 as amended.

The SLDBs are transferable by endorsement, delivery and registration with the Superintendent of Public Debt of the Central Bank of Sri Lanka. Eligible investors may purchase SLDBs in the secondary market through Designated Agents appointed by the Central Bank of Sri Lanka.