



ශ්‍රී ලංකා මහ බැංකුව
இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel: 2477424, 2477423, 2477311

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

Issued By

Public Debt Department

Date

June 24, 2013

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 50 million in 3-year tenor and US Dollars 25 million in 5-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 two offers were opened from 17 – 24 June 2013 for bidding with the settlement on 01 July 2013. Both foreign and local commercial banks subscribed bids at the auction. The offer for US Dollars 50 million in 3-year tenor was oversubscribed by 1.8 times with total bid received amounting to USD 90 million. The offer for US Dollars 25 million in 5-year tenor was oversubscribed by 6.56 times with total bid received amounting to USD 164 million. In view of the high demand by the investors, the Government decided to accept US Dollars 90 million in 3 year maturity and US Dollars 164 million in 5 year maturity at the market determined rates of US Dollar 6 month LIBOR + 400 bps (weighted average margin) and 6 month LIBOR + 415 bps (weighted average margin) respectively. Today, the US Dollar 6 month LIBOR rate is 0.4138 per cent.

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.