

**PRESS RELEASE**  
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## **METROBANK PIONEERS FIRST ISSUANCE AND LISTING OF BANK-ISSUED BONDS IN THE LOCAL DEBT MARKET**



*In photo are, from left: First Metro Investment Corporation Institutional Sales Department Peter Anthony D. Bautista, PDS Group Officer-in-Charge and concurrently Philippine Depository & Trust Corp. President and COO Ma. Theresa B. Ravallo, Standard Chartered Bank Chief Executive Officer Lynette V. Ortiz, Metrobank Senior Executive Vice President and Financial Markets Sector Head Fernand Antonio A. Tansingco, SEC Commissioner Ephyro Luis B. Amatong, Philippine Dealing & Exchange Corp. President and COO Antonino A. Nakpil, and Metrobank Treasury Group Head Anthony Paul C. Yap.*

**09 November 2018, Makati Philippines** - The local debt market welcomed the first issuance and listing under the newly implemented Guidelines for Bank-Issued Bonds with Metrobank's PhP 10 Billion Fixed Rate Bonds on the Philippine Dealing & Exchange Corp. (PDEX) bourse. This 23rd listing of the year also marks the first corporate bond listing in the new PDEX fixed income trading system, Bloomberg FIQ trading, which was just launched on 29 October 2018.

PDEX President and COO Antonino Nakpil said: "It is fitting that these "firsts" are achieved by Metrobank, the first bank to list its securities in the organized market back in May 2009, the first bank to issue and list LTNCTDs under the clarified fiscal framework in 2014. And with this issue, it is first again to utilize the guidelines and "break in" the listing process in the new trading system." He added that, "The path to this milestone in the local debt market was paved by the Bangko Sentral ng Pilipinas and the Securities and Exchange Commission's (SEC)

joint and proactive efforts to facilitate banks' access to funding through bond issuances, creating a positive nexus between banking reform and capital market development.”

Metrobank Senior Executive Vice President and Financial Markets Sector Head Fernand Antonio A. Tansingco was pleased to have set a roadmap for other banks follow. He also mentioned that this bank-issued bond is the first public instrument to be priced using the new benchmark curve, BVAL. “We were able to price this bond at the tight end of the spread guidance and have started a benchmark for bank credit. We got almost ten times of orders from our initial announcement,” remarked Mr. Tansingco.

SEC Commissioner Ephyro Luis B. Amatong graced the event and expressed his delight in the success of the pioneer issuance and listing of this instrument, especially as measured by the final size of the issue offered, PHP 10.0 Billion, and the fact that in order to accommodate investor demand, the final size was a fivefold increase from the original offering.

“We look forward to Metrobank’s follow on issuances as they move towards fulfilling their PHP 100 Billion of planned borrowing. Today’s issuance of bank bonds does not simply represent a new funding instrument for banks. Rather, it is one aspect of a broader, domestic capital market reform effort which involves close cooperation among the SEC, BSP, and the Bureau of the Treasury,” said Commissioner Amatong. He stressed that bank bonds will serve an important need in the current regulatory and interest rate environment as bonds provide longer term cost of funding certainty, which is valuable when rates are on the rise. He further expressed his hope that the success of this pioneer issue would spur other banks to utilize this new avenue of funding.

The listing of its bond brought Metrobank’s total face amount of instruments listed on PDEX to PHP 45.33 Billion, the total face amount of new bonds listed on PDEX for 2018 at PHP 184.39 Billion, and the total face amount of corporate bonds listed in PDEX to PHP 976.27 Billion, an increase of 23.18% over the 2017 year-end level of PHP 792.53 Billion.

Also in attendance were Metrobank Officers, Asset Liability Management Division Head Edgar Alan P. Guerrero, Markets Sales Group Head Angelica S. Reyes, Treasury Group Head Anthony Paul C. Yap, and the Issue Underwriters including Standard Chartered Bank Chief Executive Officer Lynette V. Ortiz and First Metro Investment Corporation Institutional Sales Department Head Peter Anthony D. Bautista.

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