



Funding the Republic

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
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(BUREAU OF THE TREASURY)
Intramuros, Manila 1002

Bureau of the Treasury issues Three-Year Retail Treasury Bonds amid favorable market backdrop

Manila, Philippines, May 30, 2018 – The Bureau of the Treasury (BTr) accepts P66 billion in the initial auction of new three-year Retail Treasury Bonds (RTBs) with a coupon rate of 4.875%. This is the 21st issuance of RTBs by the Philippine government and the first for 2018. These will be offered to the general investing public for minimum denominations of P5,000 between May 30, 2018 and June 8, 2018.

Strong demand for the said RTBs allowed the auction committee to increase the offering size to P66 billion from the initial announcement of P30 billion, with total tenders amounting to P92.8 billion.

The Philippine government has been issuing RTBs as part of its efforts to promote financial literacy and wellness among Filipinos. Financial literacy is a key component to attaining inclusive growth, as it enhances the public's knowledge on available financial options, allowing them to make the best decisions for their finances. RTBs are generally considered low-risk for investors, allowing them to earn a fixed interest based on prevailing market rates and are paid quarterly during the term of the bond.

In 2017, the BTr offered RTBs twice, in April and in December, raising a total of more than P430 billion for the National Government.

"The increasing interest of Filipinos in RTBs has been particularly encouraging. We are delighted that more and more Filipinos are getting into the habit of investing as well as in taking part in the funding of the National Government. RTBs are a viable way for Filipinos to achieve their financial goals and prepare for the future, while helping the Philippine government in its financing needs," stated National Treasurer Rosalia V. De Leon.

Proceeds from the issuance of RTBs will form part of the Philippine government's fundraising efforts for its massive infrastructure program.

"The strategic timing of our issuances, as part of our proactive debt management strategy allowed us to do such transaction amid a favorable macroeconomic environment", Treasurer De Leon further noted. "We have always echoed the thought that the current inflation pressures are transitory, and that inflation figure will eventually return within the government's target range. Recent economic events opened an opportunity for us to issue RTBs when the market is liquid and rates are relatively lower."

We continue to see liquidity in the market, especially with many Filipinos benefiting from financial reforms recently introduced," Treasurer de Leon further noted. "We are confident that our advocacy of getting more Filipinos into the habit of investing their hard-earned money could enable them to reach their personal and financial goals, while meaningfully contributing to nation-building."

Those looking to avail of RTBs will find the process easy and convenient. Interested investors only need to have a peso account with the banks identified as accredited selling agents of RTBs. It is through the peso account that the principal and interest payments will be made.

Land Bank of the Philippines is the Lead Issue Manager for the 21st RTB offering. They are joined by BDO Capital & Investment Corporation, BPI Capital Corporation, Development Bank of the Philippines, Metropolitan Bank and Trust Company, and SB Capital Investment Corporation as Joint Issue Managers.

The BTr will be holding roadshows on the issuance of RTBs in key cities throughout the Philippines. Roadshow schedules are the following:

- May 30, 4 p.m., Bulwagan ng Diwang Pilipino, Penthouse, DBP Building, Makati City
- May 31, 4:30 p.m., Seda Abreeza, JP Laurel Avenue, Bajada Poblacion District, Davao City
- May 31, 5 p.m., Le Monet Hotel, Ordonio Dr., Camp John Hay, Baguio City
- May 31, 4:30 p.m., Quest Hotel – Clark, 2059 Mimosa Drive, Clark Freeport, Mabalacat, Pampanga
- June 1, 5 p.m., Marco Polo Plaza Hotel, Cebu Veterans drive, Nivel Hills, Apas, Cebu City
- June 1, 4:30 p.m., Pontefino Hotel, Pastor Village, Batangas City
- June 1, 4:30 p.m., Seda Atria, Donato Pison Avenue, Mandurriao, Iloilo City
- June 4, 5 p.m., Limketkai Luxe Hotel, Limketkai Avenue, Limketkai Center, Cagayan de Oro City
- June 4, 4 p.m., Oriental Hotel, Sto. Niño Village, Legazpi Boulevard, Legazpi City
- June 5, 5 p.m., L'Fisher Hotel, 14 Lacson Street, Bacolod City
- June 6, 4 p.m., East Asia Royale Hotel, National Highway, General Santos City

The BTr will shortly announce the list of authorized selling banks after determining the results of the accepted bids at auction.

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