



Ref: MOD/DB/2024/9

Date: 3/04/2024

To: All Licensed Banks

Subject: AUCTION OF 70th ISSUE OF SULTANATE OF OMAN DEVELOPMENT BONDS

Further to our circular MOD/DB/98/292 dated 14th July, 1998 and in accordance with the Standard Terms of Auction for Sultanate of Oman Development Bonds, banks are hereby informed that the Government gives notice of the **70th Issue** of Development Bonds, for which the terms are summarized below and detailed in the prospects.

Size of the Issue	RO. 75 Million with an option to exceed the announced amount (Greenshoe option)
Maximum Bidding Amount per participant	RO. 37,500,000
Minimum Bidding Amount per participant	RO. 100
Tenor	2 years
Coupon	4.85%
Type of Auction	Competitive only
Investors	Residents & non-residents (Irrespective of nationality)
Subscription period	Sunday, April 14, 2024 to Sunday, April 21, 2024
Auction date	Tuesday, April 23, 2024
Settlement date	Thursday, April 25, 2024
Maturity date	Saturday, April 25, 2026
Interest payment	Semi-annually 25 April & 25 October every year until maturity

Banks are urged to explain to their clients the application process and to emphasize the cost price and premium/ discount amount that matches the yield selected by them before endorsing their applications. To assist you in calculating the purchase price, as per the Standard Auction Terms, we have attached a Reference Table providing a range of purchase price equivalents to different yield bids, for the 70th issue of Development Bonds.

Banks also need to ensure that their investors are providing the same account details registered with Muscat Clearing & Depository Co. to avoid any delay in submitting their bids and receiving interest payments. **Furthermore, Banks are required to submit a list of their investors containing details of their investors' Names, MCD Folio Numbers, Invested Amounts, and Yields to the Market Operations Department via email by 2 p.m. on 21st April 2024.**

In accordance with the terms of Issue (Prospectus) Article 16, non-bank investors (i.e. institutions and individuals) making competitive bids of RO 1 million and above can submit the applications for the Bonds directly to CBO, at their own discretion after getting them endorsed by their banks.

Banks are advised to block the bond purchase price applied for by their clients but not to debit their accounts before the bonds' settlement date (i.e. 25/04/2024).

You are kindly requested to market the bonds to prospective investors, in an effective manner, in order to ensure the success of the issue. Hence, **it is necessary to promote marketing for the 70th Government Development Bonds electronically. Therefore, please make sure that the digital version of the prospectus and application forms for the running GDB are visibly published on your Bank's websites.** To support your efforts in marketing the GDB issue, CBO has uploaded a softcopy of the prospectus and the application forms of the new GDB on its official website (www.cbo.gov.om) for easy access by investors.

You are kindly urged to distribute this circular to all concerned personnel in your headquarter as well as the branches to equip them with the relevant information and requirements in relation to the auction of GDB issue-70.



To compensate your efforts in mobilizing funds, the Government will pay a flat processing fee for each successful application processed through your bank. The processing fee will be equal to **0.1%** of the allotted amount.

For any further clarifications regarding the process of the issue, please feel free to contact the Market Operations Department of CBO on the following Tel. No. 24777429/635/145 for assistance.

Your co-operation in marketing and assisting in making the issue of the Government Bonds successful is highly appreciated.

Best Regards,

Husam Moosa Jawad Al Lawati
General Manager, Markets and Settlements