



Ministero dell'Economia e delle Finanze

Ufficio Stampa

PRESS RELEASE

Details on demand composition during the two Phases of the sixteenth issuance of BTP Italia aimed at financing the measures in response to Covid-19 emergency

The Ministry of Economy and Finance announces the details regarding the sixteenth issuance of BTP Italia, the government bond indexed to Italian inflation (FOI index, ex-tobacco - Indices of Consumer Prices for blue and white-collar households with the exclusion of tobacco), with 5 year maturity, aimed at financing the measures in response to Covid-19 emergency.

The amount placed, equal to 22,297.606, is the biggest ever issued in the BTP Italia segment.

Also the amount issued during the First Phase of the placement, dedicated to retail investors, has been the biggest ever subscribed by this type of investor, for both number of contracts and turnover. The issuance has met a larger demand since the first day, and it has progressively increased during the following two days, in terms of both number of contracts and turnover, unlike the past issuances, where demand has always experienced a physiological decreasing trend.

The Second Phase, dedicated to institutional investors, that lasted 2 hours during the fourth day of the placement, saw a total demand greater than the final amount on offer of 8,300 million Euros.

		number of contracts	total turnover demanded (€)	total turnover allotted (€)
First Phase	1 st day	109,025	4,018,866,000	4,018,866,000
First Phase	2 nd day	133,378	4,766,762,000	4,766,762,000
First Phase	3 rd day	141,563	5,211,978,000	5,211,978,000
Second Phase	3 rd day (closing at 12 p.m.)	746	19.546.876.000	8,300,000,000

With reference to the First Phase, out of 383,966 contracts concluded on the MOT (the Borsa Italiana's screen-based market for securities and government bonds) through Banca IMI S.p.A, BNP Paribas, Monte dei Paschi di Siena Capital Services Banca per le imprese S.p.A and UniCredit

S.p.A - Dealers of the transaction - around 60 per cent of them had a size of less than 20,000 euros, while considering contracts up to 50,000 euros, they were around 88 per cent of the total related to that Phase of the placement.

Although the methodology of issuance does not allow to obtain precise information about the investors' characteristics, from the data received from Dealers and Co-Dealers, during the First Phase, it can be estimated that there was a prevailing participation of individual investors compared to the private banking (with an estimated share of 72 per cent versus 28 per cent).

Within the share allotted to individual investors, requests received through the banking networks (both at the bank desk and through remote offers) were estimated to be around 71 per cent, while orders carried out via home banking were about 29 per cent. Looking at the geographical distribution of the orders received during the First Phase of the placement, it is estimated that domestic investors bought almost entirely the amount issued during the First Phase.

With reference to the Second Phase, data collected from Dealers and Co-Dealers allow to elaborate statistics that cover most of the amount issued.

In particular, banks and asset managers bought respectively 59 and 23.7 per cent of the turnover of the Second Phase. Central Banks and Official Institutions subscribed 6.3 per cent, while hedge funds bought 7.2 per cent of the amount issued during the Second Phase. The remaining 3.8 per cent has been allotted to insurance companies (2.8 per cent) and non-financial institutions (1 per cent).

During the Second Phase, the placement of the bond saw a dominant presence of domestic investors, who bought 51.9 per cent of it, while the remaining 48.1 per cent was subscribed by foreign ones. Among foreign investors, a relevant share of 42.6 per cent has been placed in Europe, in particular in the UK (27.9 per cent), France (5.7 per cent), Germany (3.7 per cent), Iberian Peninsula (1.9 per cent), Northern Europe (1.6 per cent) and in other European countries (1.7 per cent). Middle Eastern and US investors (respectively 4.7 and 0.8 per cent) have subscribed the remaining 5.5% of the amount issued during the Second Phase.

The information contained herein is not for publication or distribution, directly or indirectly, in or into the United States of America. The materials do not constitute an offer of securities for sale in the United States. The securities discussed herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "US Securities Act") and the securities may not be offered or sold in the United States of America absent registration or an exemption from registration as provided in the U.S. Securities Act, and the rules and regulations thereunder. No public offering of securities is being or will be made in the United States of America. Accordingly, the securities are being offered, sold or delivered only to persons outside the United States in offshore transactions in reliance on Regulation S under the US Securities Act.

Rome, May 22nd, 2020