



Ministero dell'Economia e delle Finanze
Ufficio Stampa

PRESS RELEASE

**BTP Futura: available the term sheet of the second issuance,
tailored to the Covid-19 emergency funding**

The Ministry of Economy and Finance (MEF) has published the term sheet of the BTP Futura, the government bond targeted only to retail investors, that will be placed from **9th of November to 13th of November 2020 (until 1 p.m.)** and will be entirely aimed at financing the last measures adopted by the Government to support families and workers, strengthen the national health system and support enterprises to cope with outstanding crisis related to the Covid-19 pandemic..

The bond will have **a maturity of 8 years**, and it will grant a final bonus, on the nominal amount purchased, equal to the average nominal GDP annual growth rate over the bond life (the first growth rate will be that of the year after the issuance and the last will be that of the year before the bond maturity) as recorded by ISTAT (the National Bureau of Statistics), with a **1% floor and 3% cap**, to investors who purchase the bond during the placement period and hold it until the final maturity.

The BTP Futura will have semi-annual nominal coupons based on a preset path of increasing rates over time (the so-called “step-up mechanism”). The coupons will be calculated on the basis of a preset coupon rate for the first 3 years, which will increase for the following 3 years, and it will increase again for the last 2 years of the bond’s life until maturity. The series of guaranteed minimum coupon rates of this first BTP Futura issuance will be communicated **on Friday 6th of November 2020**, while the final coupon rates will be announced at the end of the placement period, on 13th of November, and in any case they will not be lower than the coupon rates initially set. Moreover, the coupon rate of the first 3 years will remain unchanged, while only the coupon rates of the following periods might be revised upwards based on market conditions.

The bond will be placed at par (price equal to 100) through MOT, the retail Borsa Italiana’s screen-based market for securities and government bonds, through two dealers: Intesa Sanpaolo S.p.A. and Unicredit S.p.A. The placement does not entail any cap or allotment hence guaranteeing the entirely satisfaction of the demand, except for the faculty of the MEF to close the issuance earlier. In any case, the possible early closing will not take place before Wednesday 11th of November, thus guaranteeing to individual investors at least three full days of placement. In case of early closing at 5.30 p.m. of the third or fourth day of the placement, the definitive annual coupon rates will be set during the morning of the day after the closing of the placement and might only be left unchanged or revised upwards, based on market conditions.

Additionally, there are no fees to be borne by investors, the taxation treatment is equal to 12.5% and the Inheritance Tax does not apply, as for all government securities.

In the coming days, the MEF will publish the Technical Note for intermediaries on the website of the Public Debt, on which the FAQs are already available, in order to provide investors and market operators with all the necessary information to take part in the forthcoming placement.

Rome, October 30th, 2020