

KANGANEWS
AWARDS
2015

KAURI ISSUER
OF THE YEAR

World Bank

There have been five winners of the Kauri Issuer of the Year award since its introduction during the inaugural KangaNews Awards in 2007, all of which are supranational, sovereign and agency names. The second-time winner of this category in 2015 has been a regular and consistent supporter of the Kauri market, demonstrated by the fact that its NZ\$5.7 billion (US\$3.8 billion) is the most outstanding from a Kauri issuer while its NZ\$7.2 billion all-time issuance is also a record.

World Bank's Kauri efforts have been focused on consistency in issuance and a long-term commitment to the New Zealand market through the cycle, explains Andrea Dore, Washington-based lead financial officer at World Bank. "We focus heavily on investor outreach, seeing our investors a minimum of once a year. The Kauri market is strategic and World Bank's approach is mentioned by other issuers as something which they try to emulate."

In 2015, World Bank was the largest issuer by volume sold in the New Zealand domestic market behind the government, with nearly NZ\$2 billion of bonds issued, and the supranational tries to manage its flow carefully. "We try to issue into demand but not to flood the market," Dore explains.

She also reveals that Kauri issuance was of greater relevance to World Bank during 2015 than Kangaroos. "The biggest size we were able to achieve in Australia during 2015 was A\$700 million [US\$506.1 million] so, for the first time, we have executed a larger Kauri trade than a Kangaroo," Dore explains. "This is also the first year in which we have executed larger volume overall in the New Zealand market."

Dore tells *KangaNews* that World Bank's approach to the Kauri market will be unchanged in 2016. However, when it comes to the likely conduciveness of issuance she also notes some headwinds – including the fact that there are no New Zealand dollar SSA redemptions scheduled for the first five months of the new year.

"While general demand and the cross-currency basis swap tend to be the main drivers for international-market issuance, a lack of redemptions means expectations around the level of reinvestment may be tempered," Dore comments. "Even so, World Bank would like to continue to be a regular issuer into the New Zealand market and to be able to achieve the accolade of Kauri Issuer of the Year again in 2016."