

Improving lives
in Latin American
and the Caribbean

INTER-AMERICAN DEVELOPMENT BANK (IDB)

S&P: AAA/Stable/A-1+ / Moody's: Aaa/Stable/P-1

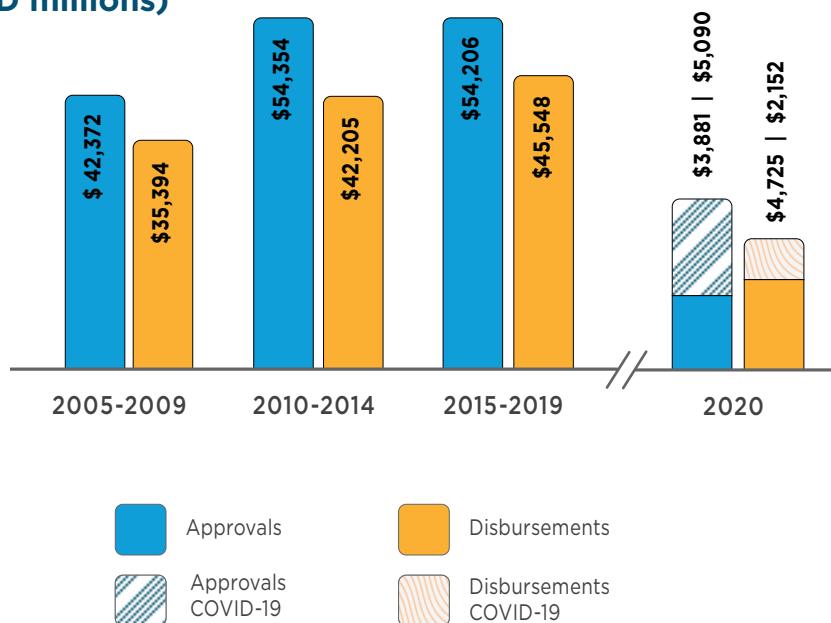
- » IDB Projects are improving lives in Latin America and the Caribbean
- » Q3 2020 Condensed Financial Statements published
- » Record \$26 billion 2020 borrowing program – Update and Highlights in SOFR Issuance

» IDB projects - 15 years of improving lives

In the period 2005-2019 IDB approved USD151 billion in operations to support growth and competitiveness, social development, modernization of the state, sustainable infrastructure, and fiscal management. In 2020, the IDB expects to disburse USD15.8 billion to continue financing development projects and alleviate the immediate effects of the COVID-19 crisis. These figures include all IDB financing: Ordinary Capital, the IDB Grant Facility, and funds under administration.

[Click here](#) for more details.

IDB Loans - (USD millions)



Approvals and disbursements of this year are as of 15 August 2020.

» Q3 Financial Highlights

Operating Income was USD395 million while net interest income was USD1,068 million. These figures decreased when compared to the same period last year mostly due to a decrease in market interest rates. Core Operating Income¹, which management considers as a more representative measure of the Bank’s operations, was USD519 million year-to-date. This metric is driven mainly by the Bank’s approved sovereign lending charges.

Select Results for the nine months ended September 30,2020	
Operating Income	\$395 million
Core Operating Income	\$519 million
Net Interest Income	\$1,068 million
Debt-to-Equity Ratio	3.2

Debt-to-Equity ratio was 3.2, well within the established limit of 4. The Bank remains on track to surpass USD15 billion in new approvals and disbursements, a record for the institution. The Bank has strong capital buffers to absorb external shocks and routinely assesses financial resiliency through stress testing. All internal and external capital and liquidity metrics remained within their respective financial and risk management policy thresholds. [Click here](#) for the full document.

¹ Although the Bank prepares its financial statements in accordance with U.S GAAP, management reviews certain results, such as core operating income, on a non-GAAP basis. Core Operating Income = Operating Income – Net Investment Gains + Provision for development assets credit losses.

» Record \$26 billion 2020 borrowing program – Update and Highlights in SOFR Issuance

The size of the 2020 borrowing program was revised to USD26 billion from USD27.2 billion due to lower disbursements and with USD26.7 billion issued as of November 30, 2020, IDB has completed its funding program. With the emergence of SOFR as the replacement for LIBOR, the IDB is progressing with its internal preparation in shifting towards the new reference rate. IDB has ceased to issue FRNs linked to Libor.

With the market consolidating around the SOFR Index, in October 2020 IDB issued its first SOFR Index-linked global bond. Since the LIBOR transition began, IDB has issued USD1.5 billion in securities linked to the new reference rate. As the investor base for SOFR products grows, IDB anticipates continuing with issuances based on the SOFR Index and further develop the curve.

IDB USD SOFR Transactions				
Trade Date	Maturity Date	Size (USD Million)	Re-offer Spread (bps)	Type
28-Oct-20	04-Feb-25	USD500	SOFR+25	Index-linked
08-Oct-19	16-Sep-22	US400 (TAP)	SOFR+26	Daily Compounded
10-Sep-29	16-Sep-22	USD600	SOFR+26	Daily Compounded

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