



**Maryland State Treasurer's Office
Nancy K. Kopp, Treasurer**

NEWS RELEASE

FOR IMMEDIATE RELEASE

CONTACT:

**Susanne Brogan
410-260-7418 (office)
443-924-9540 (cell)**

**Maryland Has Successful Sale of
\$510 Million in General Obligation Bonds**

ANNAPOLIS (August 1, 2018) – Maryland State Treasurer Nancy K. Kopp announced that the Board of Public Works (BPW), composed of Governor Larry Hogan, Treasurer Nancy Kopp, and Comptroller Peter Franchot, completed the sale of \$510,000,000 of General Obligation bonds today in two bidding groups.

Competitive sales for Bidding Group 1 and Bidding Group 2 occurred at today's BPW meeting, with the State receiving seven bids for the \$275,295,000 of Tax-Exempt General Obligation Bonds (Bidding Group 1) and bids from the same seven bidders for the \$234,705,000 of Tax-Exempt General Obligation Bonds (Bidding Group 2).

In today's competitive sales:

- \$275,295,000 in Tax-Exempt Bonds (Bidding Group 1), with maturities from 2021 – 2028, sold at a true interest cost of 2.328%; the winning bidder was Goldman Sachs & Co. LLC; and the net premium was \$45,155,782;
- \$234,705,000 in Tax-Exempt Bonds (Bidding Group 2), with maturities from 2029 – 2033, sold at a true interest cost of 3.125%; the winning bidder was Citigroup Global Markets, Inc.; and the net premium was \$35,231,753; and

- The true interest cost (TIC) for the overall sale of the \$510 million in Tax-Exempt Bonds was 2.807%

Treasurer Kopp commented “This is great news for Maryland. Investors recognize Maryland’s AAA bonds are the highest quality investment. That investor confidence, combined with the enhanced competition that the smaller sized bidding groups provided, results in low interest rates that save Maryland taxpayers millions of dollars. When you consider those savings and the benefit to be derived from investing \$510 million in Maryland’s schools, colleges, hospitals, and other vital public projects, today truly is a win – win for the State and the market.”

Maryland is one of only twelve states to currently hold the AAA rating, the highest possible rating, from all three major bond rating agencies. The AAA was affirmed by Fitch Ratings, Moody’s Investors Service, and S&P Global Ratings as recently as July 24, 2018, in anticipation of this bond sale.

The Maryland State Treasurer’s Office expects to conduct another bond sale in February or March 2019.

