



OFFICE OF  
STATE TREASURER  
DENISE L. NAPIER

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# NEWS

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**TREASURER CONCLUDES EXTREMELY SUCCESSFUL  
GENERAL OBLIGATION BOND SALE; STRONG RESPONSE HIGHLIGHTS  
INVESTOR CONFIDENCE, WILL SAVE TAXPAYERS \$386,000**

**\$93 MILLION TO RETAIL CUSTOMERS IS AMONG LARGEST  
ONE-DAY SALE OF STATE G.O. BONDS**

(Hartford) -- Connecticut Treasurer Denise L. Nappier said today that individual and institutional investor response was "extremely strong and underscored investor confidence" in the State's \$245 million bond issue, a transaction which concluded yesterday. The strong response, Nappier said, will ultimately help save taxpayers hundreds of thousands of dollars.

The two-day sale of State 1999 Series B General Obligation bonds began on November 1, with a one-day retail order period, in which in-state investors were given the first opportunity to purchase the bonds. This retail order period resulted in \$93 million in orders -- over one-third of the entire transaction and among the largest single day retail order periods for Connecticut GO bonds. Overall, the Treasurer's office received retail orders from close to 700 different investors.

"This bond issue, and the excellent investor response to it, certainly demonstrates the confidence of the investment community in the economic strength of Connecticut and the integrity of the Treasurer's office. It is a clear indication that investors recognize that the illegal actions of the previous state treasurer have not adversely affected, in any way, our ability to conduct the business of the Treasury in a professional and proficient manner," Nappier said.

The bonds made available to investors included maturities from one to 20 years, between 2001 and 2019. During the institutional pricing of the transaction on November 2, the Treasurer's office was able to garner a tremendous amount of institutional interest, which resulted in significant oversubscription of the 2013 through 2018 maturities. The oversubscription allowed the underwriting team to reduce yields in these maturities -- which will result in a cost-saving to the state taxpayers of \$386,000 over the 20 years of the issue. The retail order period had concluded with one oversubscribed maturity (2019).

Contact: Bernard L. Kaval er  
Director of Communication  
(860) 702-3277 FAX (860) 702-3043  
[BERNARD.KAVALER@PO.STATE.CT.US](mailto:BERNARD.KAVALER@PO.STATE.CT.US)

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"The strong investor response clearly benefitted Connecticut's taxpayers," Nappier said. "We are very pleased both in the reaction to this bond issue across the investment community and in our ability to reduce the costs of the issue that must be borne by the citizens of Connecticut."

Investor interest was both substantial and varied – from retail, high-net-worth, bank trust departments and investment advisors during the retail order period to insurance companies, bond funds and crossover buyers during the institutional order period.

The bonds were priced with yields from 3.70% for the November 1, 2000 maturity to 5.81% for the November 1, 2019 maturity. The transaction's true interest cost was 5.419% with ratings of AA from Standard & Poor's, AA from Fitch IBCA and Aa3 from Moody's Investors Service.

This bond sale was Treasurer Nappier's first transaction since selecting new underwriters in August. Morgan Stanley Dean Witter served as senior manager, with Belle Haven Investments, Lehman Brothers and Siebert Brandford Shank & Co. serving as co-senior managers and eleven firms serving as co-managers.