Data Dissemination & Investment Relations
Dominican Republic Start-up Case

Public Debt Office – Ministry of Finance
Dominican Republic
The Beginning...

- Get the basics right first
- Strengthen the team
- Data dissemination
- Investor Relationship (IR) Build local support
- Rating agencies relationship
- IR – Int’l Best Practices and develop your target audience/investor base
- Measure and Improve
The Basics

- Invest in your Creditworthiness
- Legal Framework
- Back-Office Operations
  - Continuous quality improvement loop
- Debt Accounting, Registry and Statistics
  - Don’t be an outlier
  - Explain changes
- IT and Technology Infrastructure
- Middle Office capacity
Strengthen the Team

- Clearly state team objectives
- Develop internal talent ASAP
  - WB, UNCTAD, LAC-Debt Group
- Advisors for in-house knowledge transfer
- Search and recruit adequate talent for immediate deployment
- Pay grade delta
- Invest in medium term talent base

A continuous relationship will require repeated encounters
Data Dissemination

Manage online presence
www.creditopublico.gov.do

Int’l Institutional Distribution

World Bank - QEDS

- Daily Secondary Mkt Updates
- Monthly statistics and auctions
- Congress Quarterly Reports
- English and Spanish
- Schedules and Frequency matter
Data Dissemination
Facilitate/Motivate Local Institutional Data Distribution

• Encourage local Depository to develop stronger website presence.
• Active working relationship on data displays.
• Daily feed from Depository to generate secondary market statistics on own website

• Local Exchange website has link to Public Debt Office website for daily data
Data Dissemination

Get data to where the int’l players are…

- Manage learning curve of local players (test, teach, trials, before starting for real)
- Auction Program moved to Bloomberg Platform in 2010
- Secondary market still in pipeline

...and steer local players to use that platform.
Since 2009 new auction program, new instruments, new team members at the Public Debt Office.

- Intensive start-up phase. Energy, predictability, clear goals to achieve credibility in financial system.
- Formal communication sessions, specially at start-up, and then regular dialogue.
- Clear distribution strategy for the start-up.
- 18 months later, the financial establishment recognizes the work and new institutional investors are more interested to participate directly.
- Dynamics of ‘traditional’ participants expanding their strategic horizon.
Ratings Agency Relationship

**Build Credibility**
- Legal framework DMO deployment
- Quarterly reports to Congress
- Incorporate financing plan to Annual Budget Law
- IMF/WB/IADB support

**Manage the Relationship**
- Collaborative dialogue with the technical analysts
- Coordinate with government institutions to facilitate the analysts country-visits
- Host the country visits
- Prompt communication with the analysts
- Cater to their particular data requests
- Actively discuss and analyze their pre-releases.

**Road to Investment Grade**
- Formulated with the US Treasury Advisory and IMF
- Short term steps to continue improvement
- Medium term horizon (5-7 yrs)

April 2010: Moody’s from B2 to B1
“The creation of a domestic market for government bonds, while still in an early stage, is a relevant credit event as it will progressively provide the government access to longer-term local-currency financing”

May 2010: S&P stable to positive.
“The country has achieved the most progress in its domestic debt management. The Public Debt Office has been successful in restablishing and deepening the government debt market, with maturity dates that extend up to 7 years.”
IR – Int’l Best Practices in Practice

2006 – 2008:
- Bilateral meetings with investors, with the participation of senior policy makers.
- Web-based communication with investors via e-mail box: infodeuda@creditopublico.gov.do
- Reciprocal links to Central Bank, Ministry of Finance and to other government agencies websites.

2009:
- Investors able to register for website subscription. Investors contact list.
- Data updates and Public Debt Office news sent to investors contact list through infodeuda@creditopublico.gov.do
- Institutionalized investor relations activities. One-on-one meetings at least one a month.
- Archive of presentations to investors available on webpage.
- Staff identifiable and reachable through website.
IR – Int’l Best Practices in Practice

2010:

- Roadshow for Sovereign Bond Issue
  - More than 35 institutional investor visits
  - Hard money accounts
  - Demand almost 6 times the authorized issue
  - Process amidst the PIIGS situation

- International institutional investor visits on ad-hoc basis at the Ministry

- Council of Debt approved recommended list of international banks, in which to engage with for financing services

- Out-of-crisis mode, better filtering process on ‘potential investors’ vis-à-vis 2009
Measure, Benchmark and Improve

- Statistics in "Public Debt" section in MoF’s webpage
- GDDS Subscription
- Bilateral meetings with investors
- CGO’s and external debt data meet periodicity and timeliness standards

IR: 2pts / DT: 7 pts (2005)

- "Public Debt" available in English
- Web based communication via email (infodeuda)


- Public Debt Office webpage launch

IR: 16 pts / DT: 33 pts (2007)

- Quarterly meetings with local investors

- Debt statistics updated in external webpages


- External and Domestic secondary market data daily updated
- Launch of Formal Investor Relations Program

IR: 29 pts / DT: 35 pts (2009)

- 2009

IR: 29 pts / DT: 35 pts (2010)

- 2010
Public Debt Office Google Analytics

19,964 visits came from 43 countries/territories
Data Dissemination Online Survey

1. How often do you visit the Public Debt Office website?
   - Never
   - Rarely (Once per month or less)
   - Frequently (Once or more per week)
   - Very often (at least once a day)

2. How do you consider the data update frequency of the website?
   - Unsatisfactory
   - Regular
   - Satisfactory

¿Cómo calificarías las informaciones contenidas en cada una de las secciones de la página web de la Dirección General de Crédito Público?
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