



MONTHLY REPORT
30-Jun-14

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Credit rating		
Moody's	S&P	Fitch
Baa3	BBB-	BBB-

Public debt according to national legislation (the GEO no 64/2007) includes:
 - public government debt representing indebtedness incurred directly or guaranteed by the Romanian Government through MoPF, including the amounts advanced temporarily from the State Treasury accounts and debt contracted by the line ministries.
 - local public debt representing indebtedness incurred directly or guaranteed by the local administration unit.
 Government debt according to EU methodology, means total gross debt at nominal value outstanding at the end of the year and consolidated at general government subsectors level.

A. PUBLIC DEBT ACCORDING TO NATIONAL LEGISLATION

I. Borrowing requirement

1. Borrowing requirement 2014

	2013		2014 forecast		30-Jun-14	
	RON mln	% of GDP	RON mln	% of GDP	mil. RON	% din PIB
Financing needs, o/w:	72,094.9	11.5%	62,702.9	9.5%	32,911.8	5.0%
1. Deficit of general consolidated budget	15,771.3	2.5%	14,490.0	2.2%	3,475.7	0.5%
2. Principal repayments*, o/w:	56,323.6	9.0%	48,212.9	7.3%	29,436.1	4.4%
- refinancing of government securities issued on domestic	47,422.7		39,424.2		21,764.9	
- principal repayments on external loans:	7,500.9		7,696.7		6,911.6	
- principal repayments on local loans	1,400.0		1,092.0		759.6	
^{*) debt repaid from budget}	GDP	628,581.0	GDP	662,300.0		

2. Actual borrowing in 2014 up to June, 30 (mil. Ron denominated)

	By Instrument		By Currency		By Market	
	mil. RON	% of total	mil. RON	% of total	mil. RON	% of total
MFP	6,422.9		RON	21,386.9	Domestic	24,448.5
T-Bills	18,025.6		EUR	10,243.1	External	13,884.3
T-Bonds	12,186.6		USD	6,702.8		
Eurobonds	1,697.7					
FX loans	38,332.8					
total	38,332.8		38,332.8		38,332.8	

Local governments total 1,684.3

Ratio of covering of financing needs 63.8%

II. Public debt stock and changes in the stock

1. Public debt evolution

	December 2013		June, 2014		change	
	RON billion	% of total	mil. RON	% din total	RON billion	% of total
Outstanding public debt	266,952.8		271,751.9		4,799.1	1.8%
Government public debt	252,147.5	100.0%	257,060.7	100.0%	4,913.2	1.9%
Local public debt	14,805.3	5.5%	14,691.2	5.4%	-114.1	-0.8%
Direct public debt	266,952.8	100.0%	271,751.9	100.0%	4,799.1	1.8%
Guaranteed public debt	252,219.1	94.5%	256,975.6	94.6%	4,756.5	1.9%
Total public debt	14,733.7	5.5%	14,776.3	5.4%	42.6	0.3%
o/w						
marketable debt	157,404.6	59.0%	170,351.5	62.7%	12,946.9	8.2%
Outstanding Public debt /GDP	42.5%		41.0%		-1.4%	

for 2013 GDP is according to NIS press release April 2, 2014 (mln Ron)

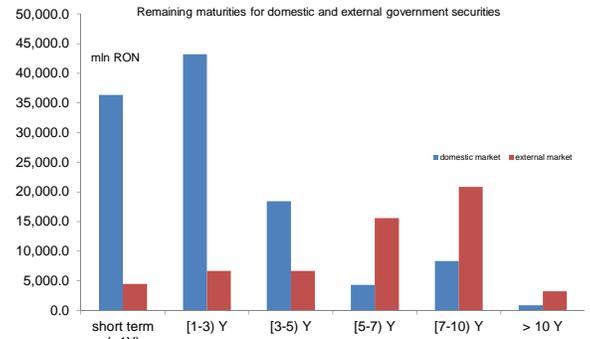
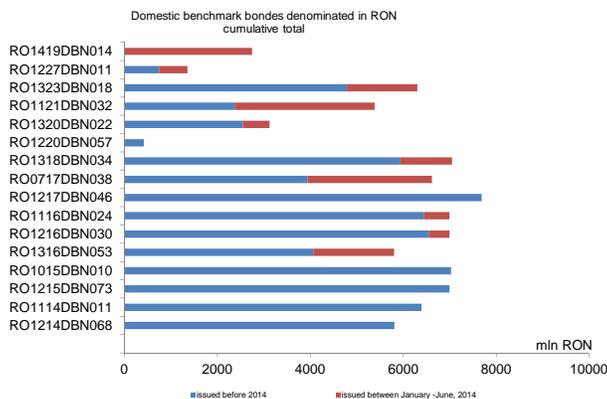
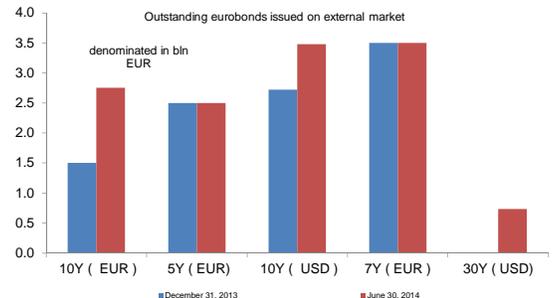
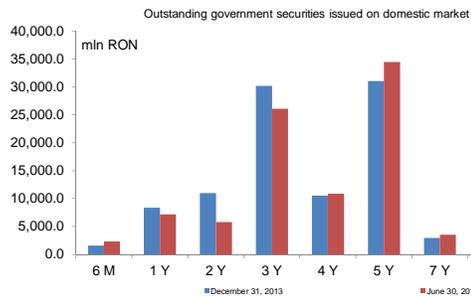
628,581.0 662,300.0

2. Government public debt evolution

	December, 2013	June, 2014	change	
	RON billion	mil. RON	RON billion	%
Total government public debt, o/w	252,147.5	257,060.7	4,913.2	1.9%
1. External*) public gov debt, o/w:	115,590.0	122,698.7	7,108.7	6.1%
By instruments				
Eurobonds	45,841.7	56,865.6	11,023.9	24.0%
loans	69,748.3	65,833.1	-3,915.2	-5.6%
By currency				
RON	139.5	136.0	-3.5	-2.5%
USD	16,177.7	21,967.5	5,789.8	35.8%
EURO	91,604.5	95,445.8	3,841.3	4.2%
others**)	7,668.5	5,149.4	-2,519.1	-32.8%
By creditor				
multilateral	65,365.0	62,094.9	-3,270.1	-5.0%
bilateral	195.0	185.6	-9.4	-4.8%
private banks and others	50,030.0	60,418.2	10,388.2	20.8%
By interest rate				
fixed	95,528.1	104,175.9	8,647.8	9.1%
floating	20,061.9	18,522.8	-1,539.1	-7.7%
2. Domestic*) o/w:	136,557.5	134,362.0	-2,195.5	-1.6%
By instruments				
T-bills	10,298.1	9,826.1	-472.0	-4.6%
Bonds	98,137.8	100,914.7	2,776.9	2.8%
loans	8,965.8	9,459.7	493.9	5.5%
others**)	19,155.8	14,161.5	-4,994.3	-26.1%
By currency				
RON	111,676.9	112,904.8	1,227.9	1.1%
USD	67.4	45.5	-21.9	-32.5%
EURO	24,813.2	21,411.7	-3,401.5	-13.7%
others**)				
By creditor				
multilateral	0.0	0.0	0.0	0.0%
bilateral	0.0	0.0	0.0	0.0%
private banks and others	136,557.5	134,362.0	-2,195.5	-1.6%
By interest rate				
fixed	98,137.8	100,914.7	2,776.9	2.8%
floating	38,419.7	33,447.3	-4,972.4	-12.9%
Government public debt /GDP	40.1%	38.8%	-1.3%	
GDP (mln RON)	628,581.0	662,300.0		

*) market of issuance

3. Government securities market developments



The weighted average value of the remaining maturity relating to the outstanding government securities issued on domestic market end June 2014 is 2.8 years and 7.2 years for Eurobonds issued on external markets.

4. Holdings of government securities

Holdings of government securities issued on domestic market

Category	Available (mln RON)	(%) total
1. Banking system	59,190.9	53.8%
2. Central Depository	333.8	
3. Clients holdings:	51,153.6	46.2%
non residents *)	23,335.5	
residents, o/w:	27,818.1	
private pension funds	10,515.1	
Total	110,678.4	100.0%

*) includes government securities held by Clearstream

Holdings of government securities denominated in RON issued on domestic market

Category	Available (mln RON)	(%) total
1. Banking system	51,266.2	53.2%
2. Central Depository	333.8	
3. Clients holdings:	45,333.3	46.8%
non residents *)	20,651.1	
residents, o/w:	24,682.2	
private pension funds	9,114.5	
Total	96,933.4	100.0%

*) includes government securities held by Clearstream

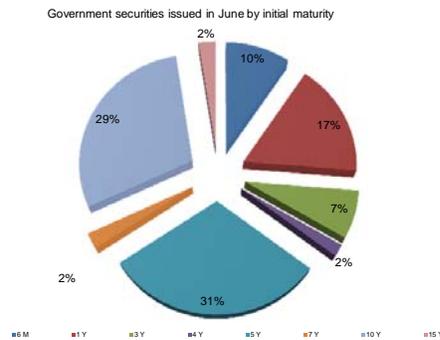
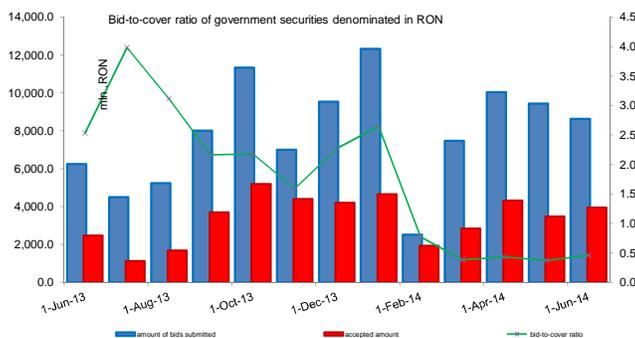
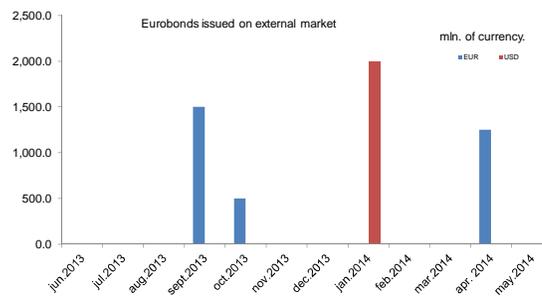
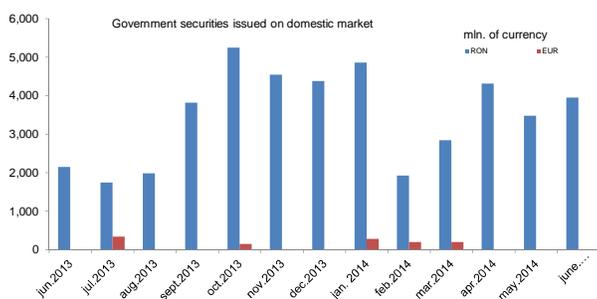
Holdings of government securities denominated in EUR issued on domestic market

Category	Available (mln EUR)	(%) total
1. Banking system	1,806.4	57.7%
3. Clients holdings:	1,326.7	
non residents*)	611.9	42.3%
residents, o/w:	714.8	
private pension funds	319.3	
Total	3,133.1	100.00%

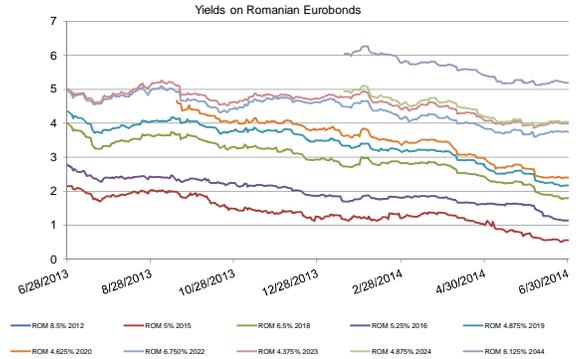
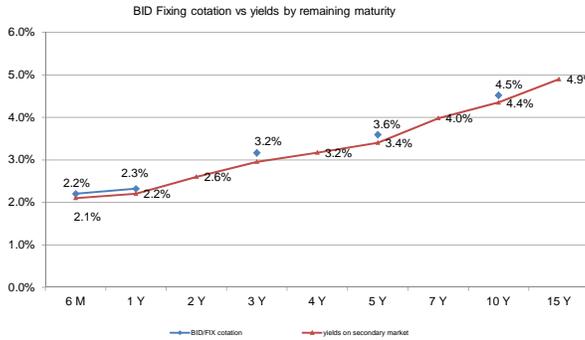
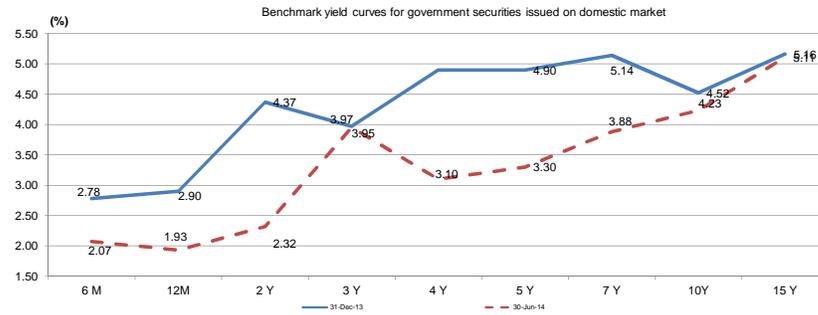
*) includes government securities held by Clearstream

III. Secondary market activities and evolution of yields on government securities

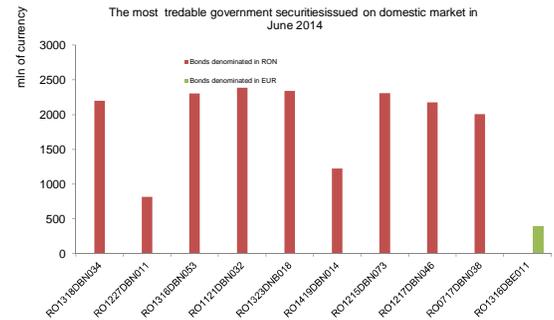
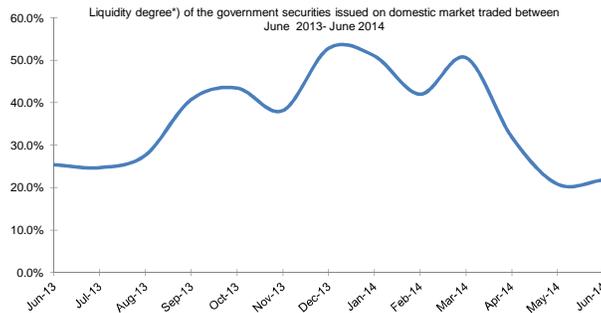
1. Borrowing in the domestic and external markets



2. Yield curve



3. Turnover of securities in the secondary market



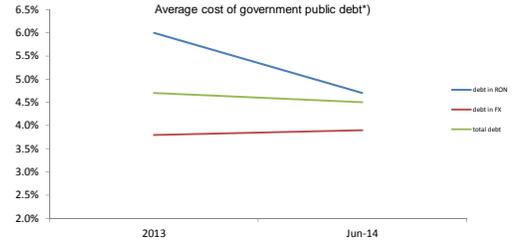
*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

III. Cost of the government public debt

Interest payments on government public debt*)

mln. RON	2013	Jun-14	2014 (f)
domestic debt	6,426.3	3,472.5	6,280.7
external debt	3,878.6	2,431.3	4,526.2
total	10,304.9	5,903.8	10,806.9

*) includes payments on direct and guaranteed debt

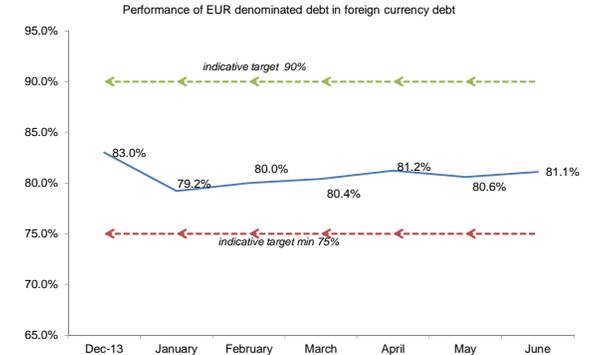
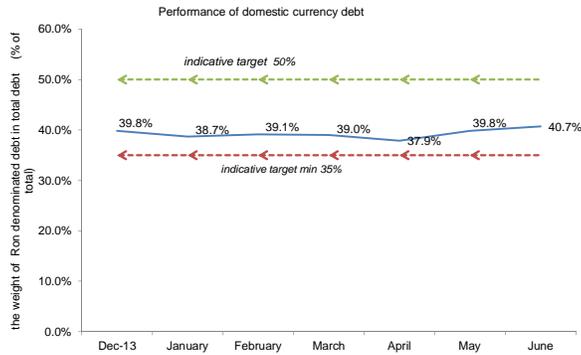
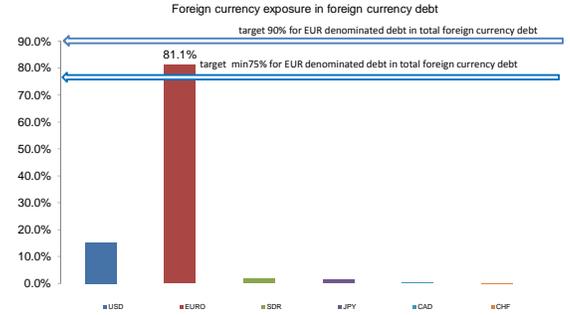
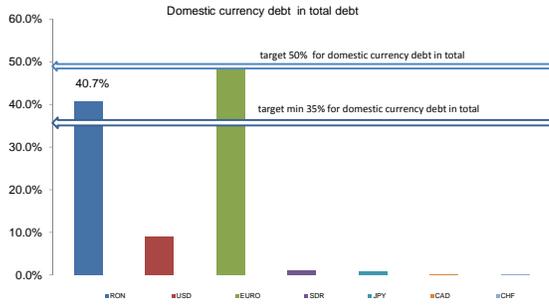


*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at June 2014

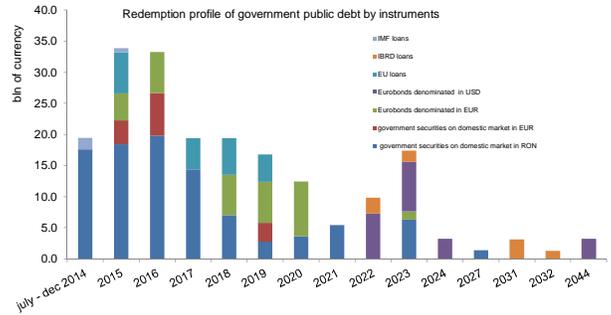
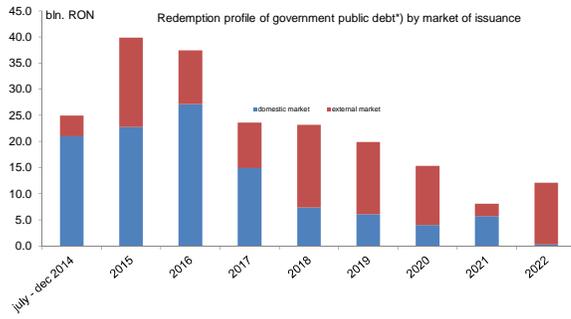
IV. Implementation of DMS 2013-2015

The revised Debt management Strategy approved by the Government at end June 2014 proposed indicative targets for managing the financial risks of the debt portfolio. With data up to the end of June 2014 Treasury complies with the most targets.

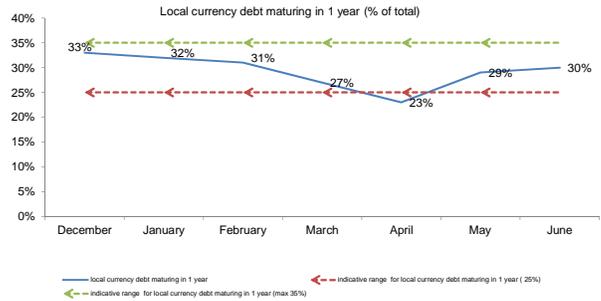
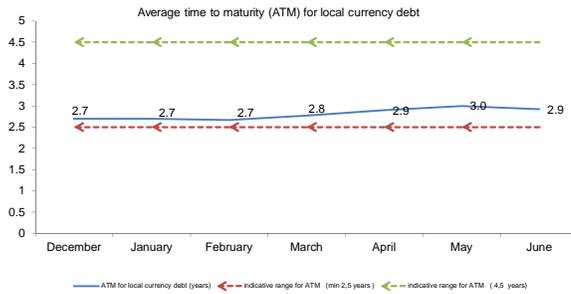
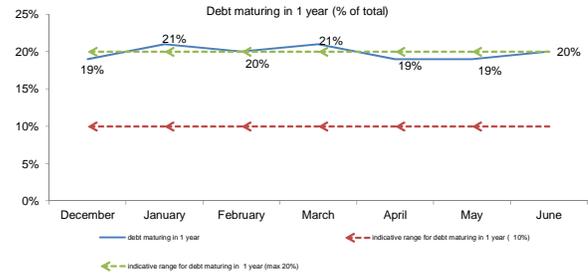
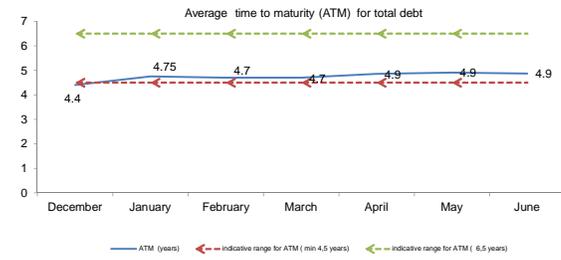
1. Currency risk



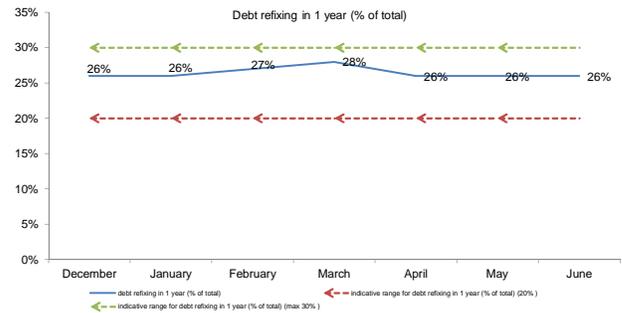
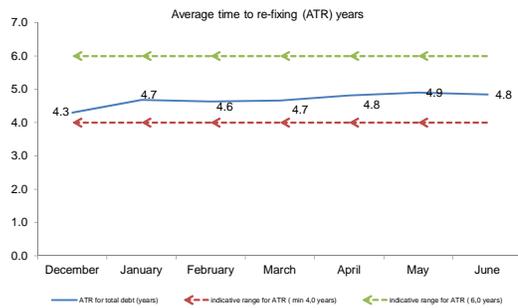
2. Refinancing risk

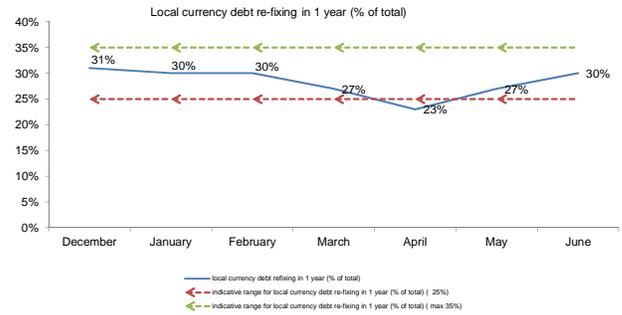
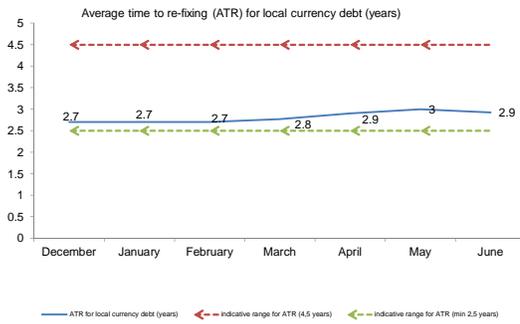


*) based on contracted debt at the end of June



3. Interest rate risk

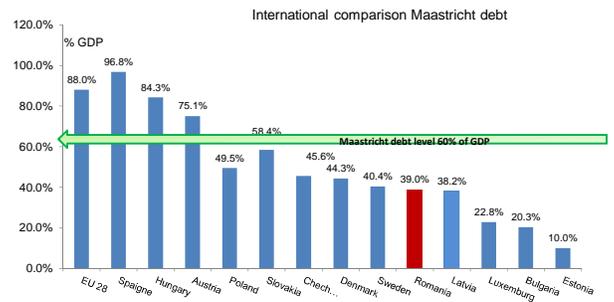
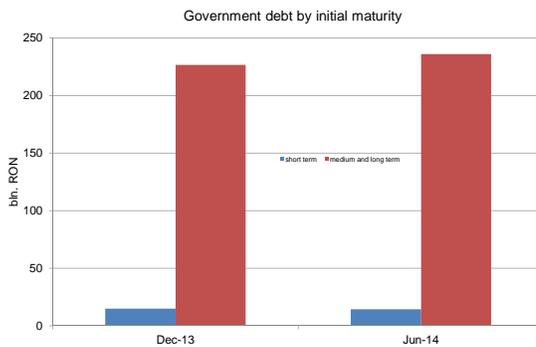
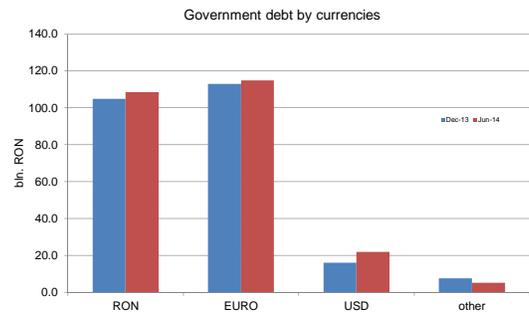
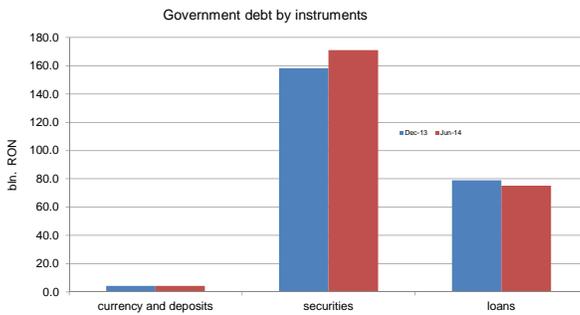




B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2013		June, 2014		change	
	RON million	% of total	RON million	% of total	Ron million	% of total
General government debt	241,445.3		250,471.8		9,026.5	3.7%
	%GDP	38.4%		39.3%	0.9%	
A o/w:						
Central government debt	226,090.1	93.6%	235,357.1	94.0%	9,267.0	4.1%
Local government debt	15,355.2	6.4%	15,114.7	6.0%	-240.5	-1.6%
B o/w:						
General domestic government debt	109,737.5	45.5%	114,853.9	45.9%	5,116.4	4.7%
General external government debt	131,707.8	54.5%	135,617.9	54.1%	3,910.1	3.0%

* Eurostat calculates the ratio in GDP taking into consideration the sum of GDP for the last available 4 quarters (QII-IV 2013 and Q1 2014)



At the end of Q1, 2014 government debt represented 39,0% of GDP, well below the level registered in the European Union (88% of GDP), and the Euro Zone (93,9% of GDP).