



MONTHLY REPORT  
December 31-st, 2019

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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 temporary 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 2019

	2018		2019 **)	
	RON mil.	% of GDP	RON mil.	% of GDP
Financing needs, o/w:	70.773,3	7,43%	91.565,8	8,6%
1. Deficit of general consolidated budget	26.850,3	2,82%	48.300,2	4,56%
2. Principal repayments*, o/w:	43.923,0	4,61%	43.265,6	4,08%
- refinancing of government securities issued on domestic	25.218,0		27.415,1	
- refinancing of eurobonds	6.980,3		7.117,5	
- principal repayments on external loans:	9.024,8		6.933,0	
- principal repayments on local loans	2.699,9		1.800,0	

\* debt repaid from budget

GDP: according to fiscal notification from April 2020

GDP 952.396,8 1.059.803,0

\*\*necessary updated according to the data regarding the execution of the consolidated general budget deficit as of December 31, 2019 (preliminary data).  
- the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

2. Actual borrowing in 2019 up to December, 31 (RON mil.)

Total reimbursable financing		93.188,5 RON mil.	
o/w:			
MFP	By Instrument	by Currency	by Market
			RON
	T-Bills & householders	1.473,9	58.835,4
	Retail bonds	3.180,4	66.426,1
	T-Bills	54.181,1	31.874,8
	T-Bonds denominated in EURO	7.590,7	External
	Eurobonds	23.896,5	24.284,1
	FX loans	387,6	0,0
	total	90.710,2	90.710,2
Local governments		2.478,3	

Ratio of covering of financing needs: for 2019, the financing needs in the amount of 91.6 billion lei, was covered from the internal and also from the external markets.

II. Public debt stock and changes in stock

1. Public debt evolution

Outstanding of public debt	December, 2018		December 2019		change	
	RON mil.	% of total	RON mil.	% din total	RON mil.	% of total
Outstanding of public debt	400.923,0		448.948,5			
o/w:						
a) by type of sector	400.923,0	100,0%	448.948,5	100,0%	48.025,5	12,0%
Government public debt	384.965,0	96,0%	432.481,5	96,3%	47.516,5	12,3%
Local public debt	15.958,0	4,0%	16.467,0	3,7%	509,0	3,2%
b) by type of debt	400.923,0	100,0%	448.948,5	100,0%	48.025,5	12,0%
Direct public debt	382.340,0	95,4%	429.743,9	95,7%	47.403,9	12,4%
Guaranteed public debt	18.583,0	4,6%	19.204,6	4,3%	621,6	3,3%
c) by the residence of creditor	400.923,0	100,0%	448.948,5	100,0%	48.025,5	12,0%
External	155.814,2	38,9%	173.886,7	38,7%	18.072,5	11,6%
Domestic	245.108,8	61,1%	275.061,8	61,3%	29.953,0	12,2%
Total public debt	400.923,0		448.948,5		48.025,5	12,0%
Outstanding of Public debt /GDP	42,1%		42,7%		0,6%	

GDP: according to fiscal notification from April 2020

952.396,8

1.059.803,0

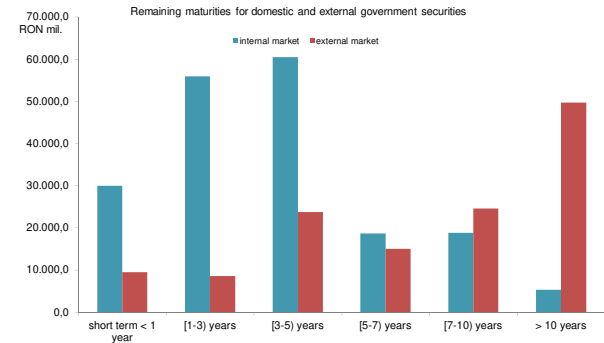
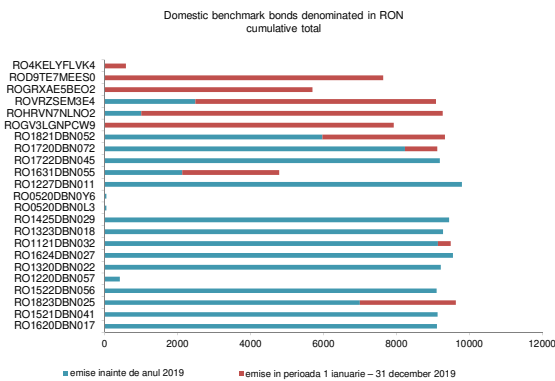
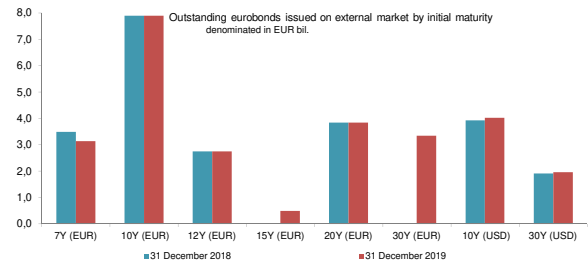
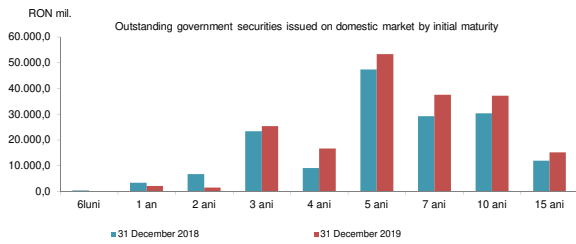
- the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

## 2. Government public debt evolution

	December 2018		December 2019		change	
	RON mil.		RON mil.		RON mil.	%
<b>Total government public debt , o/w</b>	<b>384.964,9</b>		<b>432.481,5</b>		<b>47.516,6</b>	<b>12,3%</b>
<b>1. After the market issuance</b>	<b>151.844,6</b>		<b>165.728,8</b>		<b>13.884,2</b>	<b>9,1%</b>
<b>External , o/w:</b>						
By instruments						
Eurobonds	111.320,3		131.382,6		20.062,3	18,0%
loans	40.524,3		34.346,2		-6.178,1	-15,2%
By currency						
RON	56,3		37,5		-18,8	-33,4%
USD	28.214,7		29.123,3		908,6	3,2%
EURO	121.532,0		134.591,7		13.059,7	10,7%
others	2.041,6		1.976,3		-65,3	-3,2%
By creditor						
multilateral	39.764,8		33.779,3		-5.985,5	-15,1%
bilateral	79,1		75,1		-4,0	-5,1%
private banks and others	112.000,7		131.874,4		19.873,7	17,7%
By interest rate						
fixed	138.242,0		152.800,0		14.558,0	10,5%
floating	13.602,6		12.928,8		-673,8	-5,0%
<b>Domestic, o/w:</b>	<b>233.120,3</b>		<b>266.752,7</b>		<b>33.632,4</b>	<b>14,4%</b>
By instruments						
T-bills	3.997,0		1.660,5		-2.336,5	-58,5%
Bonds	158.393,7		182.760,1		24.366,4	15,4%
Retail bonds issued under the Program TEZAUR			5.240,5		5.240,5	
loans	16.882,7		17.738,2		855,5	5,1%
others	53.846,9		59.353,4		5.506,5	10,2%
By currency						
RON	214.615,3		245.154,2		30.538,9	14,2%
USD	10,6		11,1		0,5	4,7%
EURO	18.494,4		21.587,4		3.093,0	16,7%
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	233.120,3		266.752,7		33.632,4	14,4%
By interest rate						
fixed	158.393,7		182.760,1		24.366,4	15,4%
floating	74.726,7		83.992,6		9.265,9	12,4%
<b>2. After residence of the creditor</b>						
<b>External</b>	<b>152.970,7</b>		<b>170.700,6</b>		<b>17.729,9</b>	<b>11,6%</b>
<b>Domestic</b>	<b>231.994,2</b>		<b>261.780,9</b>		<b>29.786,7</b>	<b>12,8%</b>
<b>Government public debt / GDP</b>		<b>40,4%</b>		<b>40,8%</b>		<b>0,4%</b>
GDP (mil RON)		952.396,8		1.059.803,0		

- the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

## 3. Government securities market developments



The weighted average value of the remaining maturity relating to the outstanding government securities issued on domestic market at the end of December 2019 is 9.5 years and 11.6 years for Eurobonds issued on external markets.

#### 4. Holdings of government securities

##### Holdings of government securities issued on domestic market

Category	Available at nominal value (RON mil.)	(%) total
1. Banking system	84.257,3	45,7%
2. Central Depository	115,5	0,1%
3. Clients holdings:	99.907,8	54,2%
non residents *)	35.628,7	19,3%
residents, o/w:	64.279,1	34,9%
private pension funds	35.711,0	19,4%
<b>Total</b>	<b>184.280,7</b>	<b>100,0%</b>

\*) includes government securities held by Clearstream

##### Holdings of government securities denominated in RON issued on domestic market

Category	Available at nominal value (RON mil.)	(%) total
1. Banking system	75.161,2	44,7%
2. Central Depository	115,5	0,1%
3. Clients holdings:	93.134,2	55,3%
non residents *)	32.118,3	19,1%
residents, o/w:	61.015,9	36,2%
private pension funds	35.530,1	21,1%
<b>Total</b>	<b>168.411,0</b>	<b>100,0%</b>

\*) includes government securities held by Clearstream

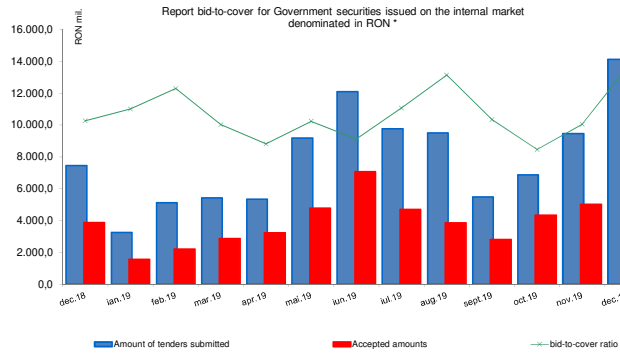
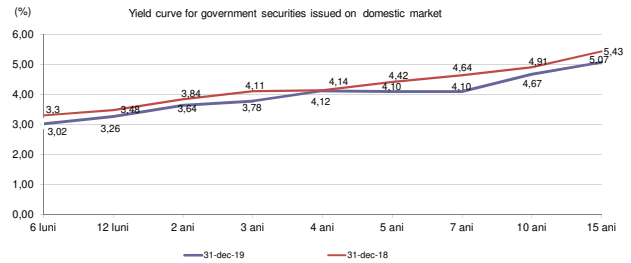
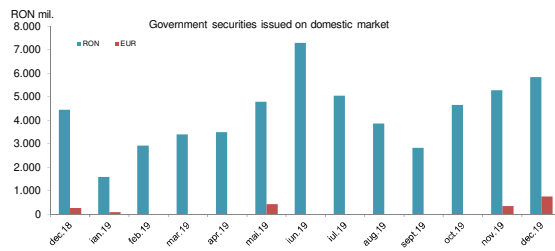
##### Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (EUR mil.)	(%) total
1. Banking system	1.903,2	57,3%
3. Clients holdings:	1.417,2	42,7%
non residents*)	734,5	22,1%
residents, o/w:	682,8	20,6%
private pension funds	37,9	1,1%
<b>Total</b>	<b>3.320,5</b>	<b>100,0%</b>

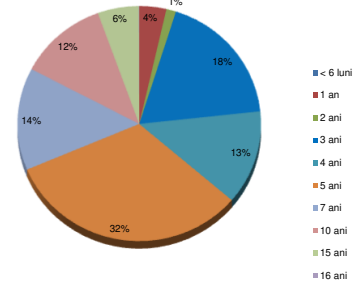
\*) includes government securities held by Clearstream

### III. Primary and secondary market of government securities

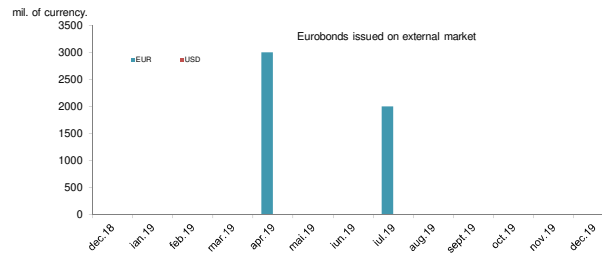
#### 1. Primary market of government securities



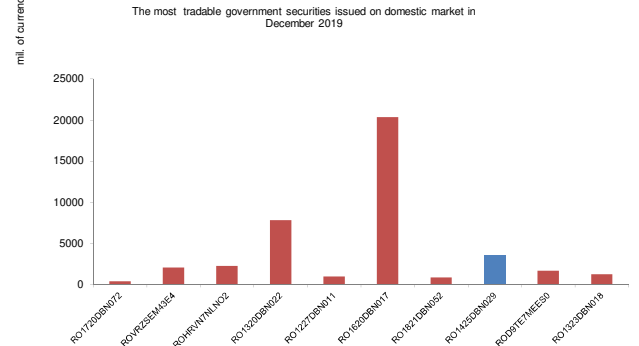
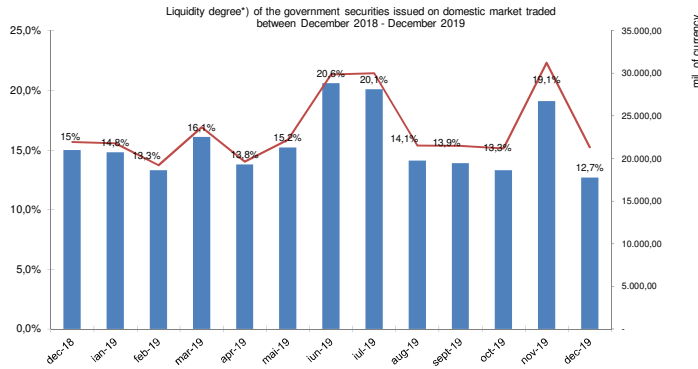
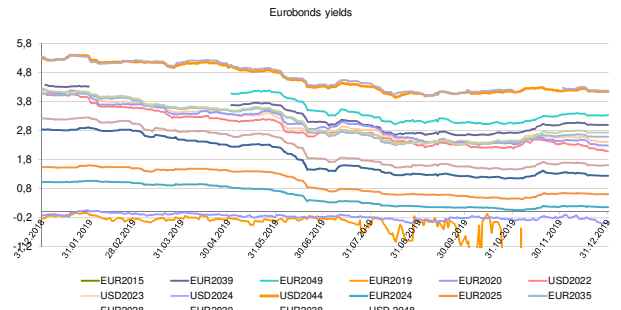
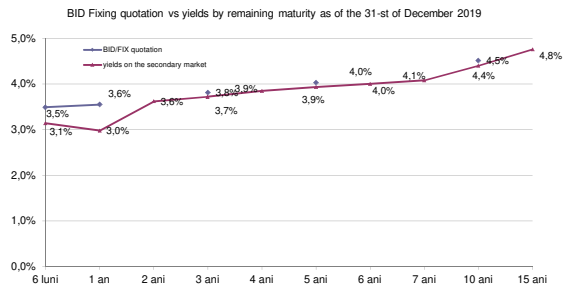
#### Government securities issued between 01st January - 31st December 2019 by initial maturity



\*calculated as amount of bids submitted/accepted amounts



## 2. Secondary market of government securities



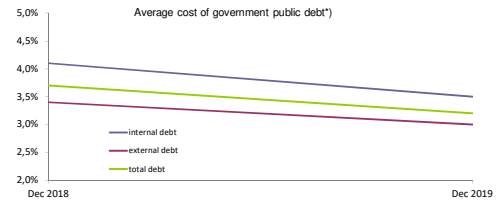
\*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

## IV. Cost of the government public debt

### Interest payments on government public debt\*)

RON mil.	2019
domestic debt	6.638,5
external debt	5.500,5
total	12.138,9

\*) includes payments on direct and guaranteed debt for 2019

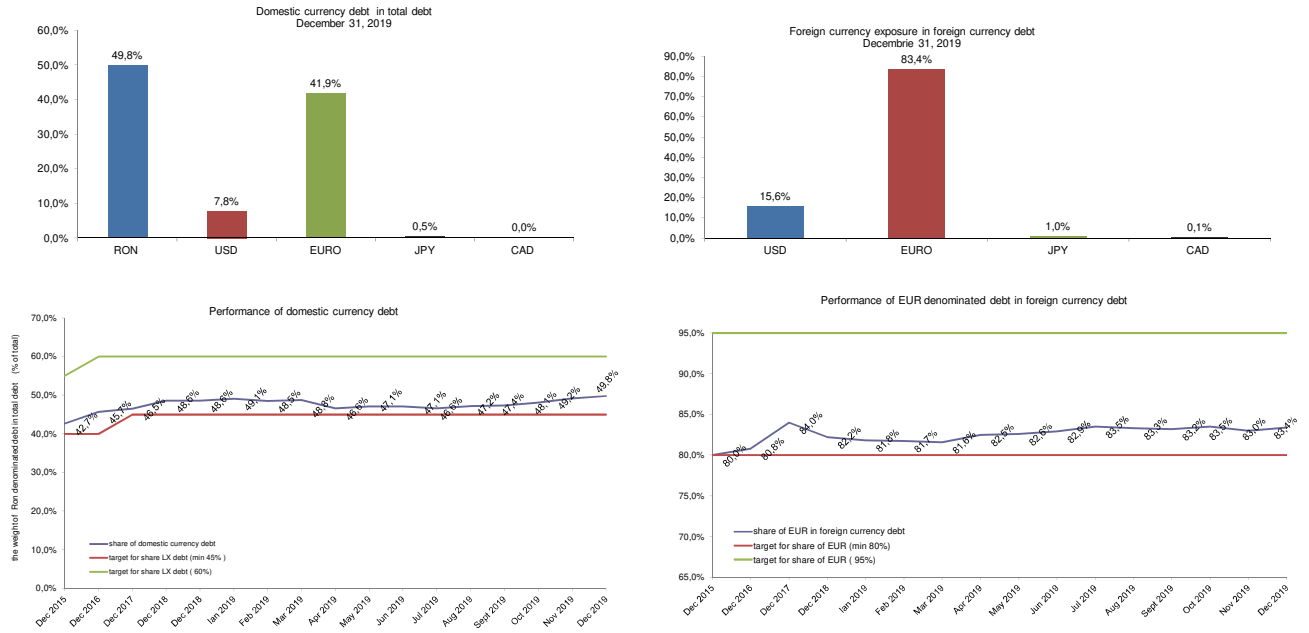


\*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at the end of December 2019

**V. Implementation of DMS on medium term**

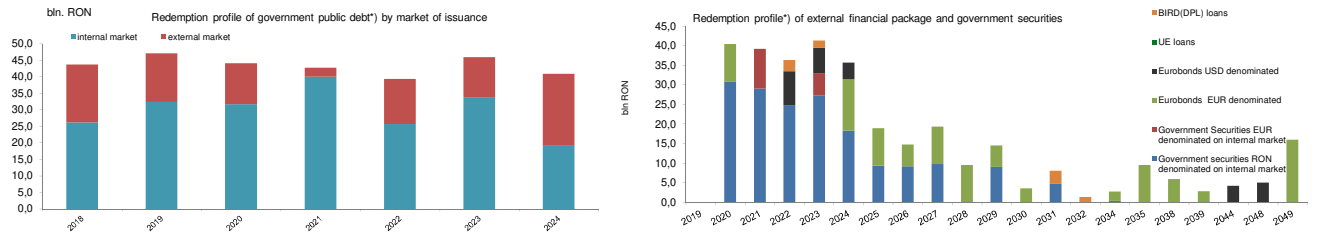
The revised Government Debt Management Strategy for the period 2019-2021 was approved by the Government in September 2019, proposing indicative targets for managing the financial risks associated with the government debt portfolio. On the medium term, risk indicators fall within the indicative targets of the Strategy. According to the Strategy, the limit mentioned as minimum or maximum cannot be exceeded during the period covered by the strategy (hard bound), while the other limit represents the limit to which it is stretched and which can be exceeded (soft bound).

**1. Currency risk \*)**

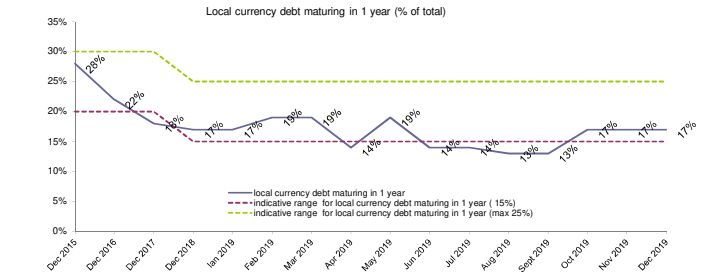
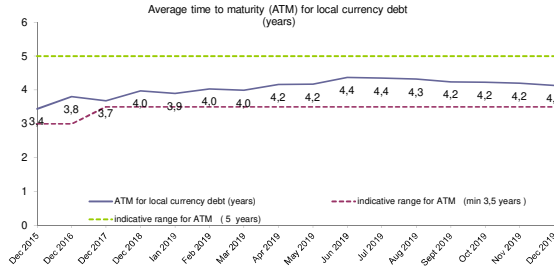
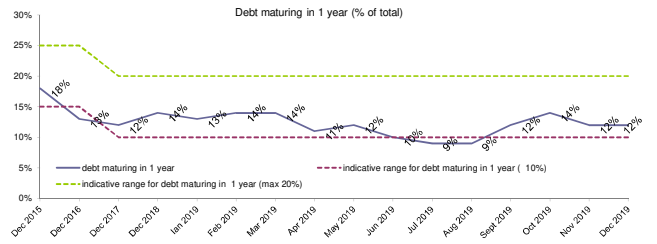
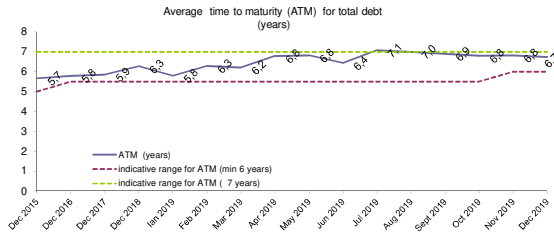


\*) the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

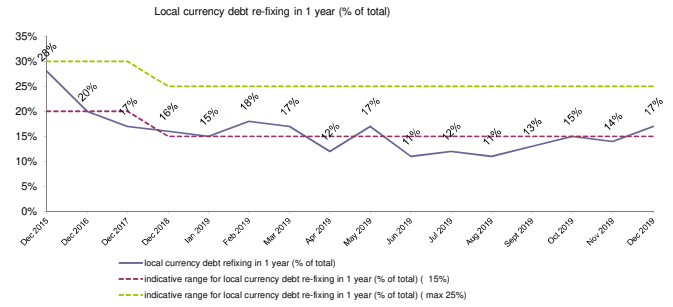
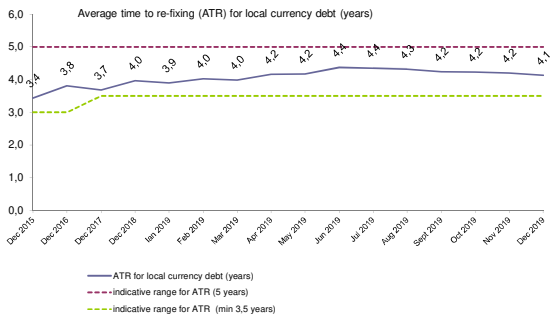
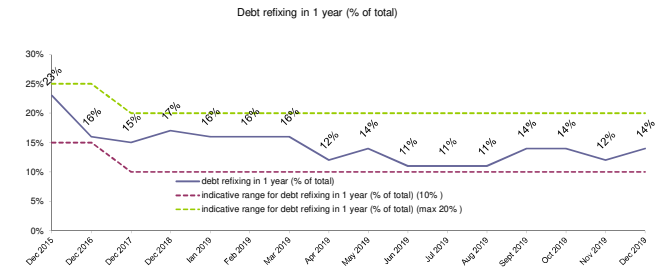
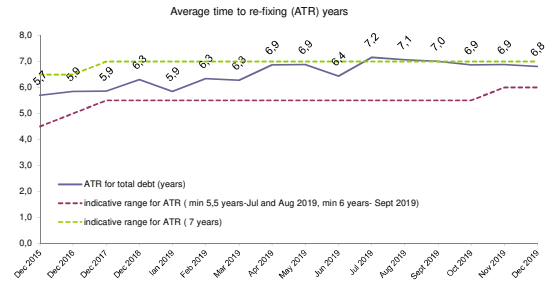
**2. Refinancing risk**



\*) based on contracted debt at the end of December 2019



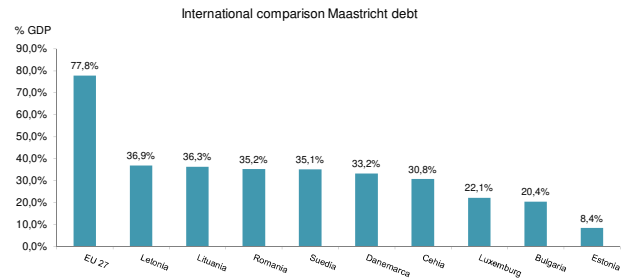
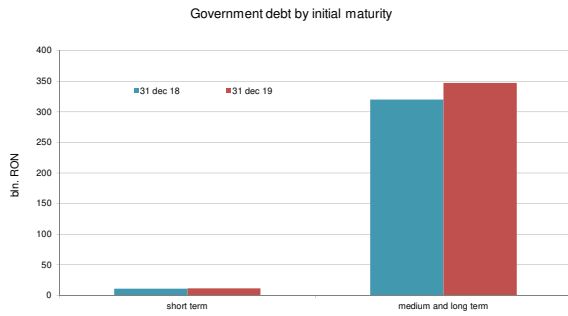
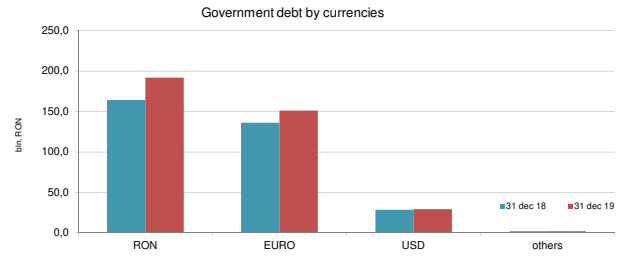
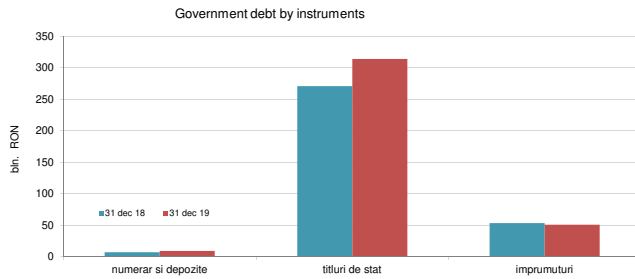
**3. Interest rate risk**



## B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2018		December, 2019		change	
	RON million	% of total	RON mil	% din total	mil. RON	% din total
General government debt *)	<b>330.487,2</b>		<b>373.509,2</b>		<b>43.022,0</b>	<b>13,0%</b>
	%GDP	<b>34,7%</b>		<b>35,2%</b>		<b>0,5%</b>
<b>A o/w:</b>						
Central government debt	315.943,1	95,6%	358.742,5	96,0%	42.799,4	13,5%
Local government debt	14.544,1	4,4%	14.766,7	4,0%	222,6	1,5%
<b>B o/w:</b>						
General domestic government debt	172.585,6	52,2%	200.581,0	53,7%	27.995,4	16,2%
General external government debt	157.901,6	47,8%	172.928,2	46,3%	15.026,6	9,5%

\*) - according to EU methodology, the debt to GDP ratio was calculated taking into consideration the sum of GDP for the four last quarters.



At the end of 2019 government debt represented 35.2% of GDP, well below the level registered in the EU-27 (77.8% of GDP), and the Euro Zone (84.1% of GDP) (according to Eurostat news release no.65/2020 - April 22, 2020).