



MONTHLY REPORT
31-Jan-14

A. PUBLIC DEBT ACCORDING TO NATIONAL LEGISLATION	pag
I. Financing needs and sources.....	1
1. Borrowing requirement in 2014.....	1
2. Actual borrowings in 2014.....	1
II. Public debt stock.....	1
1. Public debt stock evolution.....	1
2. Government public debt evolution.....	2
3. Government securities evolution.....	2
4. Holdings of government securities.....	3
III. Secondary market activity and yields on government securities.....	3
1. Government securities issued on domestic and external markets	3
2. Yield curve.....	4
1. Liquidity on secondary market.....	4
IV. Cost of the government public debt.....	5
V. Implementation of the Debt Management Strategy 2013-2015.....	5
1. Currency risk.....	5
2. Refinancing risk.....	6
3. Interest rate risk.....	6
B. PUBLIC DEBT ACCORDING TO EUROPEAN METHODOLOGY.....	7

Credit rating		
Moody's Baa3	S&P BB+	Fitch 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. Financing needs and sources

1. Borrowing requirement 2014

	2013	2014 forecast	January 31, 2014	mil. RON
Financing needs, o/w:	72,094.9	62,620.4		1,660.1
1. Deficit of general consolidated budget	15,771.3	14,490.0		-1,498.2
2. Principal repayments*, o/w:	56,323.6	48,130.4		3,158.3
- refinancing of government securities issued on domestic	47,422.7	39,341.7		2,785.2
- principal repayments on external loans:	7,500.9	7,696.7		290.9
- principal repayments on local loans	1,400.0	1,092.0		82.2
*) debt repaid from budget				

2. Actual borrowing in 2014 up to January 31 (mil. Ron denominated)

MFP	By Instrument		By Currency		By Market	
T-Bills	2,023.0		RON	4,862.0	Domestic	6,127.2
T-Bonds	4,104.2		EUR	1,327.6	External	6,764.9
Eurobonds	6,702.4		USD	6,702.4		
FX loans	62.5					
total	12,892.1			12,892.0		12,892.1

Local governments total 110.2

Ratio of covering of financing needs 20.8%

II. Public debt stock and changes in the stock

1. Public debt evolution

	December 2013		January 2014		change	
	RON mln	% of total	RON mln	% of total	RON mln	% of total
Outstanding public debt	266,952.8		270,820.1			
Government public debt	266,952.8	100.0%	270,820.1	100.0%	3,867.3	1.4%
Local public debt	252,147.5	94.5%	255,987.2	94.5%	3,839.7	1.5%
Direct public debt	14,805.3	5.5%	14,832.9	5.5%	27.6	0.2%
Guaranteed public debt	266,952.8	100.0%	270,820.1	100.0%	3,867.3	1.4%
Total public debt	252,219.1	94.5%	256,050.1	94.5%	3,831.0	1.5%
o/w	14,733.7	5.5%	14,770.0	5.5%	36.3	0.2%
marketable debt	157,404.6	59.0%	167,774.4	62.0%	10,369.8	6.6%
Outstanding Public debt /GDP	42.5%		40.9%		-1.6%	

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

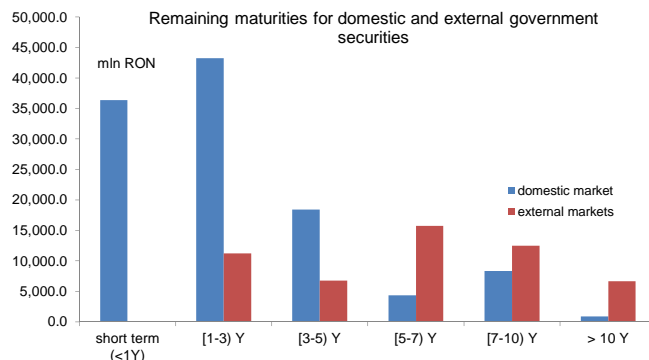
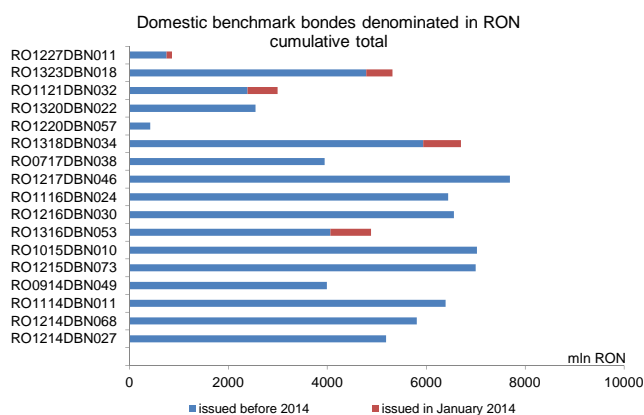
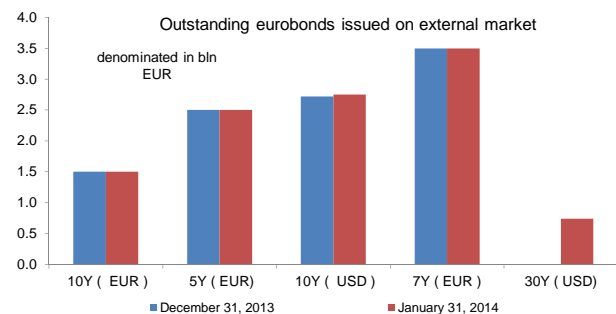
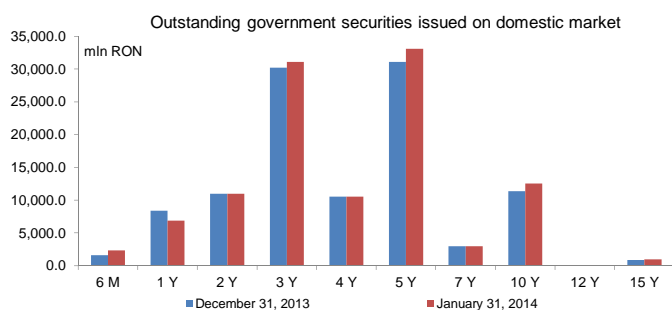
628,581.0 662,300.0

2. Government public debt evolution

	December, 2013	January, 2014	change	
	RON mln	RON mln	RON mln	%
Total government public debt, o/w:	252,147.5	255,987.2	3,839.7	1.5%
1. External*) public gov debt, o/w:	115,590.0	122,628.0	7,038.0	6.1%
By instruments				
Eurobonds	45,841.7	52,835.7	6,994.0	15.3%
loans	69,748.3	69,792.3	44.0	0.1%
By currency				
RON	139.5	139.4	-0.1	-0.1%
USD	16,177.7	23,120.9	6,943.2	42.9%
EURO	91,604.5	91,546.0	-58.5	-0.1%
others**)	7,668.5	7,821.7	153.2	2.0%
By creditor				
multilateral	65,365.0	65,667.4	302.4	0.5%
bilateral	195.0	197.9	2.9	1.5%
private banks and others	50,030.0	56,762.7	6,732.7	13.5%
By interest rate				
fixed	95,528.1	102,769.3	7,241.2	7.6%
floating	20,061.9	19,858.7	-203.2	-1.0%
2. Domestic*), o/w:	136,557.5	133,359.2	-3,198.3	-2.3%
By instruments				
T-bills	10,298.1	9,534.8	-763.3	-7.4%
Bonds	98,137.8	102,279.0	4,141.2	4.2%
loans	8,965.8	9,073.8	108.0	1.2%
others*)	19,155.8	12,471.5	-6,684.3	-34.9%
By currency				
RON	111,676.9	107,149.9	-4,527.0	-4.1%
USD	67.4	68.8	1.4	2.1%
EURO	24,813.2	26,140.4	1,327.2	5.3%
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	133,359.2	-3,198.3	-2.3%
By interest rate				
fixed	98,137.8	102,279.0	4,141.2	4.2%
floating	38,419.7	31,080.2	-7,339.5	-19.1%
Government public debt /GDP	40.1%	38.7%	-1.5%	
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 January 2014 is 2.5 years and 7.4 years for the 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	63,776.0	57.4%
2. Central Depository	352.7	
3. Clients holdings:	47,672.1	42.6%
non residents *)	22,061.3	
residents, o/w:	25,610.9	
private pension funds	9,234.2	
Total	111,800.8	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	52,889.5	56.8%
2. Central Depository	352.7	
3. Clients holdings:	40,504.0	43.2%
non residents *)	17,565.7	
residents, o/w:	22,938.3	
private pension funds	8,354.4	
Total	93,746.2	100.0%

*) includes government securities held by Clearstream

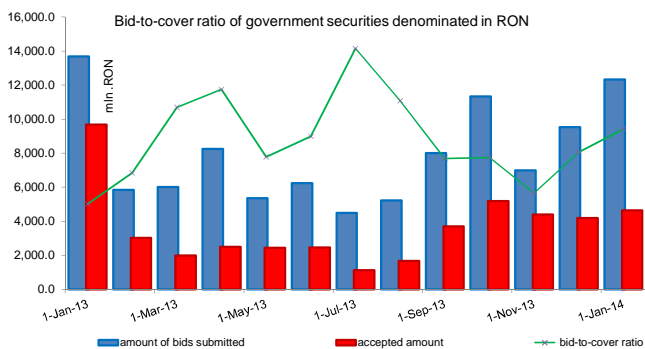
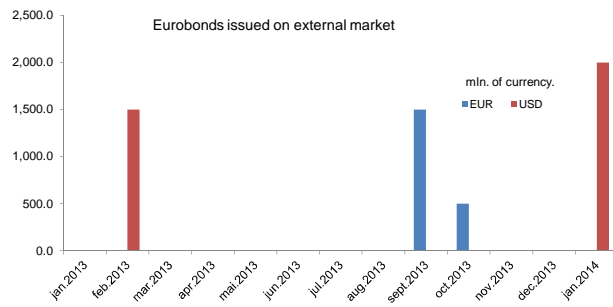
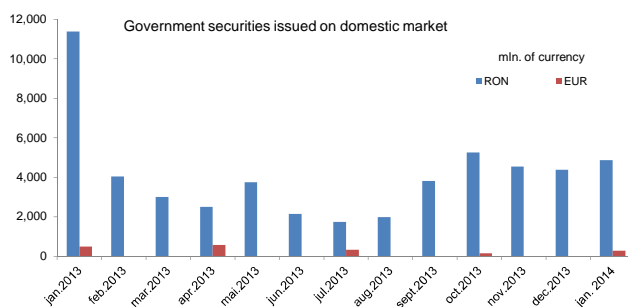
Holdings of government securities denominated in EUR issued on domestic market

Category	Available (mln EUR)	(%) total
1. Banking system	2,420.4	60.30%
3. Clients holdings:	1,593.7	39.70%
non residents*)	999.5	
residents, o/w:	594.2	
private pension funds	195.6	
Total	4,014.1	100.00%

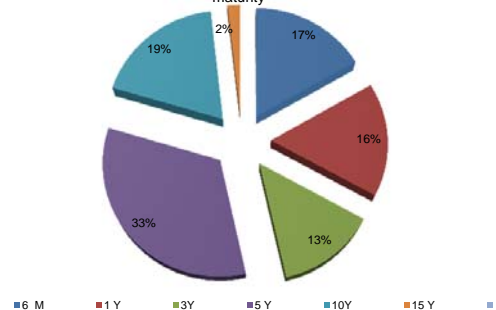
*) includes government securities held by Clearstream

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

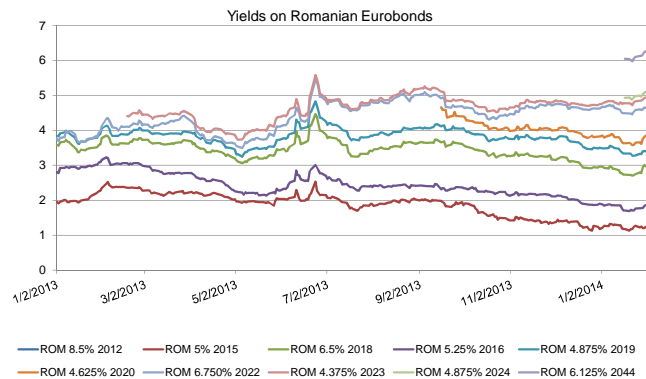
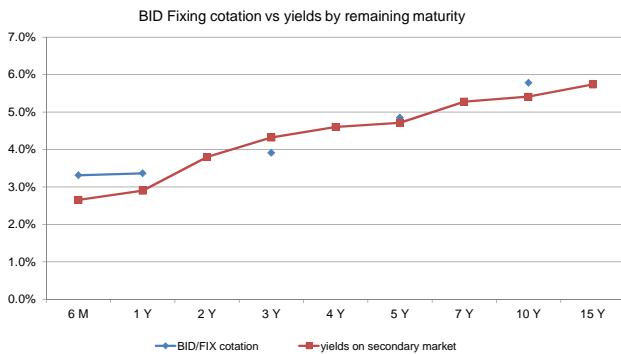
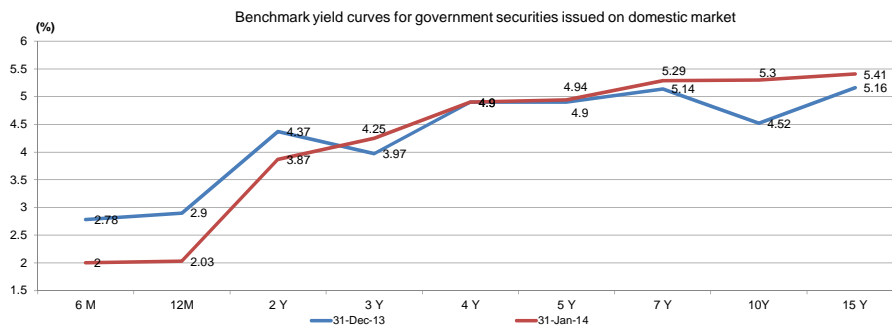
1. Borrowing in the domestic and external markets



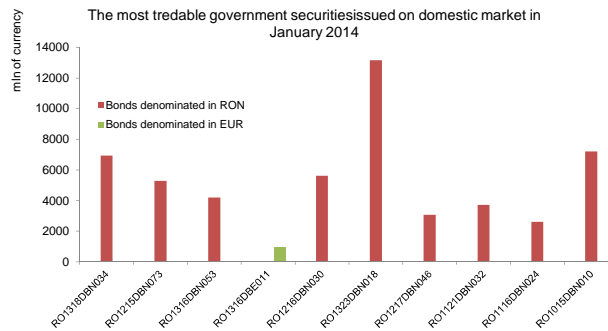
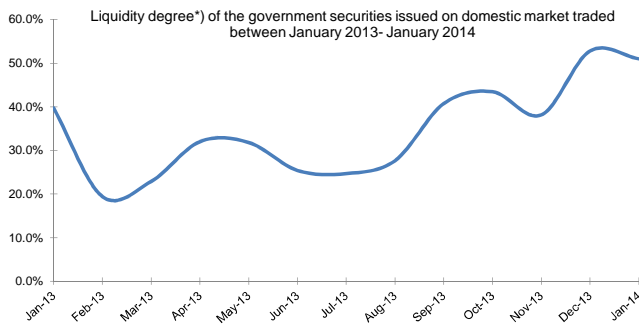
Government securities issued on domestic market in January by initial maturity



2. Yield curve



3. Turnover of securities in the secondary market



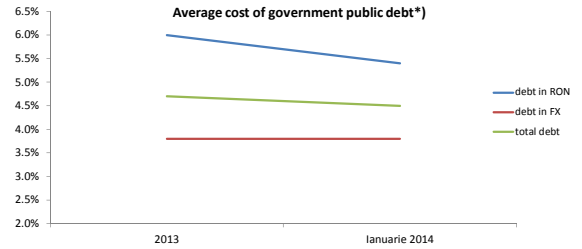
*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

III. Cost of the government public debt

Interest payments on government public debt*)

mln. RON	2013	Jan-14	2014 (forecast)
domestic debt	6,426.3	598.7	6,264.1
external debt	3,873.3	253.2	4,719.2
total	10,299.6	851.9	10,983.3

*) includes payments on direct and guaranteed debt



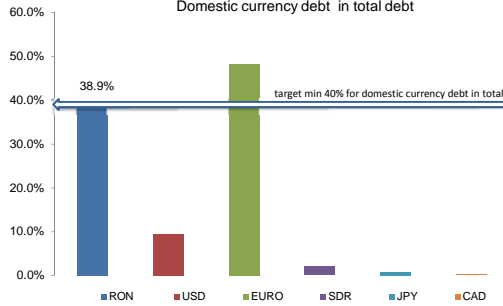
*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at January 2014

IV. Implementation of DMS 2013-2015

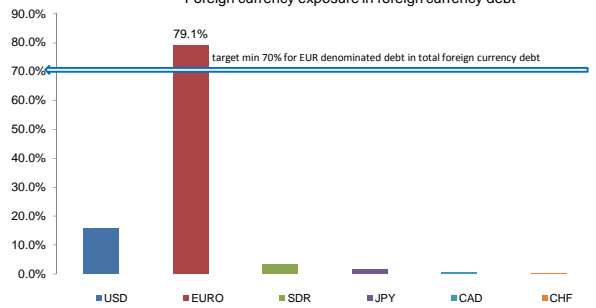
The Debt management Strategy approved by the Government at end March 2013 proposed indicative targets for managing the financial risks of the debt portfolio. With data up to January 2014 Treasury complies with the most targets, except the ratio of the local currency debt in the debt portfolio.

1. Currency risk

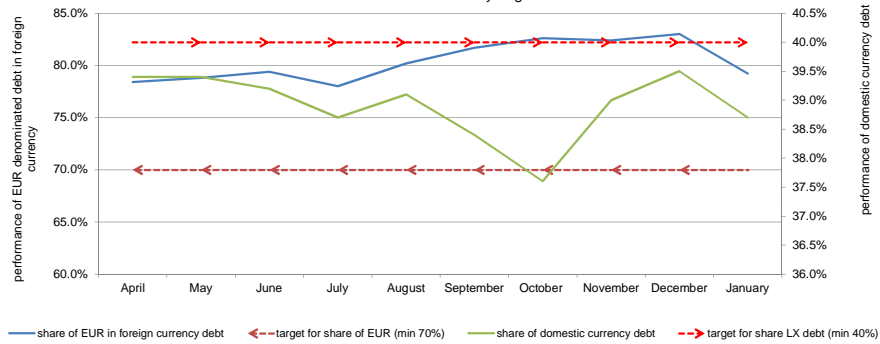
Domestic currency debt in total debt



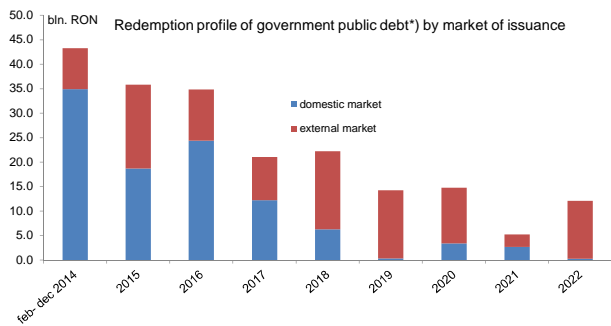
Foreign currency exposure in foreign currency debt



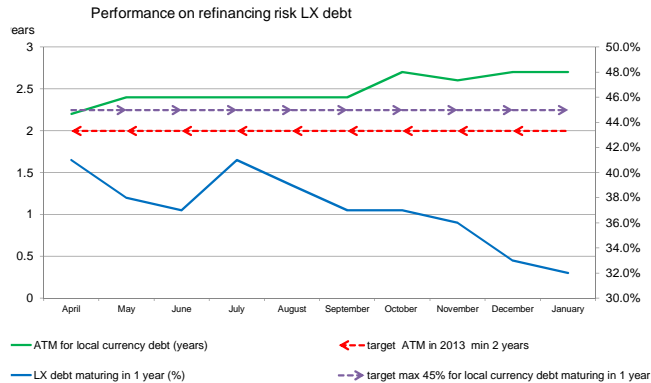
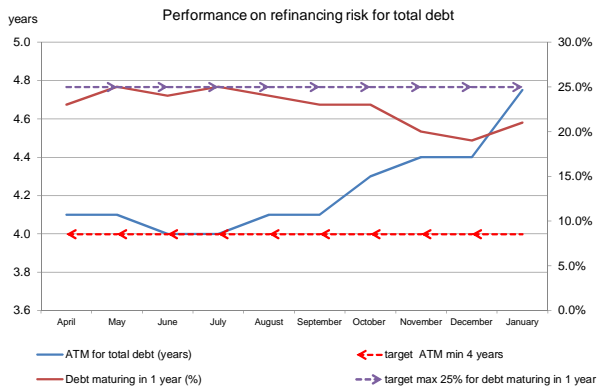
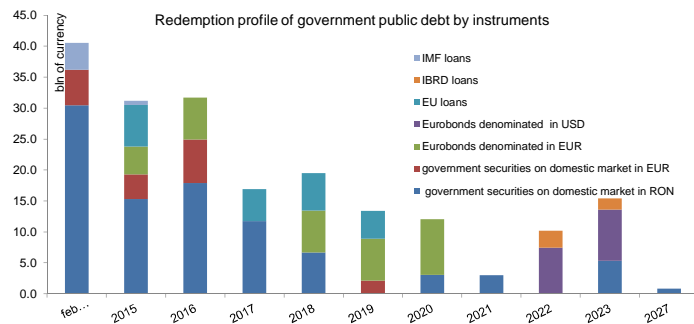
Performance on currency targets



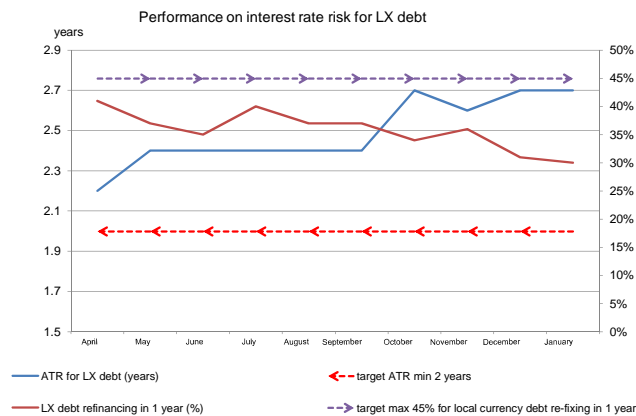
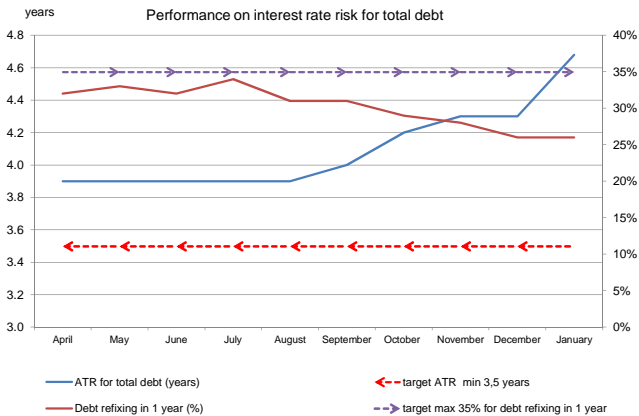
2. Refinancing risk



*) based on contracted debt at the end of January

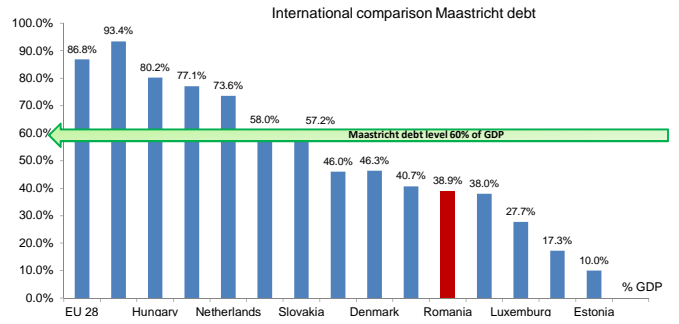
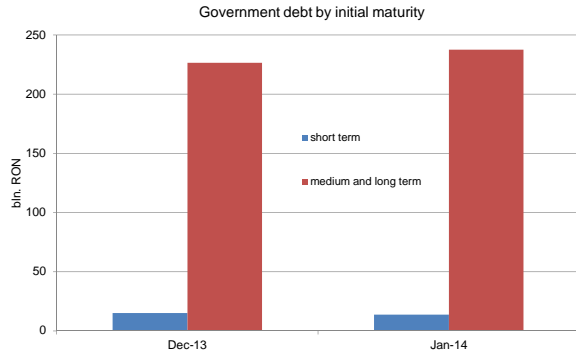
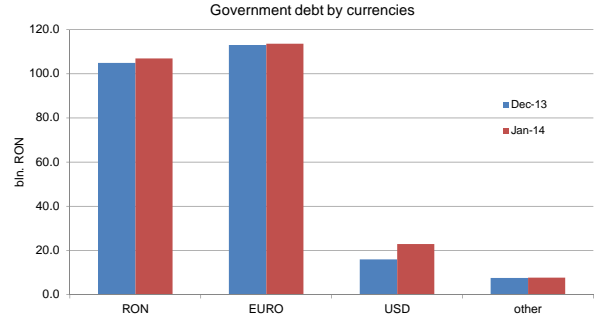
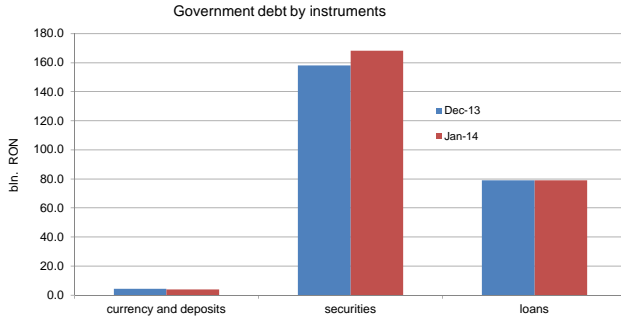


3. Interest rate risk



B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2013		January, 2014		change	
	RON million	% of total	RON million	% of total	Ron million	% of total
General government debt	241,445.3	38.4%	251,214.0	40.0%	9,768.7	4.0%
	%GDP				1.6%	
A o/w:						
Central government debt	226,090.1	93.6%	235,883.6	93.9%	9,793.5	4.3%
Local government debt	15,355.2	6.4%	15,330.4	6.1%	-24.8	-0.2%
B o/w:						
General domestic government debt	109,737.5	45.5%	113,210.4	45.1%	3,472.9	3.2%
General external government debt	131,707.8	54.5%	138,003.6	54.9%	6,295.8	4.8%



At the end of Q3, 2013 government debt represented 38.9% of GDP*, well below the level registered in the European Union (86.8% of GDP), and the Euro Zone (92.6% of GDP). * according to Eurostat methodology, the debt to GDP ratio was calculated taking into consideration the sum of GDP for the four last quarters