MONTHLY REPORT
January 31, 2017

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 indebtness incurred directly or guaranteed by the Romanian Government trought MoPF , including the amounts advanced temporary from the State Treasury accounts and debt contracted by the line ministries.
- local public debt representing indebteness 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 2017

	2016		2017	
	mil. RON	*% din PIB*	*mil. RON*	*% din PIB*
Financing needs, o/w:	69.169,5	*9,1%*	68.579,6	*8,4%*
1. Deficit of general consolidated budget	18.294,4	*2,4%*	24.100,0	*3,0%*
2. Principal repayments*, o/w:	50.875,1	*6,7%*	44.479,6	*5,5%*
- refinancing of government securities issued on domestic	39.138,6		34.353,4	
- principal repayments on external loans:	9.599,0		8.326,2	
- principal repayments on local loans	2.137,5		1.800,0	

**) debt repaid from budget*
GDP for 2016 according to NSI communication, April 7, 2017 — *GDP* 761.473,6 — 815.200,0
GDP for 2017 according to NCP forecast, January 2018

2. Actual borrowing in 2017 up to January, 31 (mil. Ron denominated)

Total reimbursable financing ***3.365,5*** *mil.Ron*
o/w:

	By Instrument		*By Currency*		*By Market*	
MFP	T-Bills	983,2	RON	3.335,6	Interna	3.335,6
	T-Bonds	2.352,4	EUR	14,0	Externa	14,0
	T-Bonds denominated in EURO	0,0				
	Eurobonds	0,0	USD	0,0		
	FX loans	14,0				
	total	*3.349,6*		*3.349,6*		*3.349,6*
Local governments		*15,9*				

Ratio of covering of financing needs ***4,9%***

II. Public debt stock and changes in stock

1. Public debt evolution

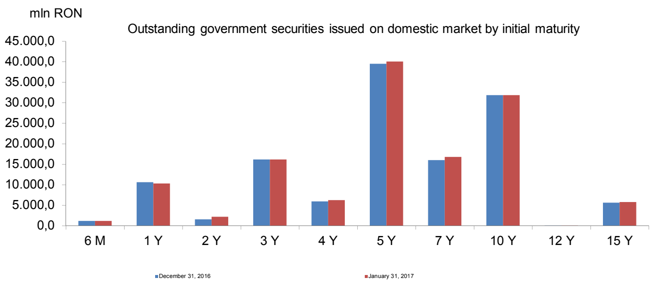
	December, 2016		*January, 2017*		*change*	
	mil. RON	*% of total*	*mil. RON*	*% din total*	*RON billion*	*% of total*
Outstanding of public debt	**339.218,8**		**333.425,8**			
o/w						
a) by type of sector	***339.218,8***	***100,0%***	***333.425,8***	***100,0%***	***-5.793,0***	***-1,7%***
Government public debt	323.458,7	95,4%	317.877,3	95,3%	-5.581,4	-1,7%
Local public debt	15.760,1	4,6%	15.548,5	4,7%	-211,6	-1,3%
b) by type of debt	***339.218,8***	***100,0%***	***333.425,8***	***100,0%***	***-5.793,0***	***-1,7%***
Direct public debt	321.545,7	94,8%	316.057,5	94,8%	-5.488,2	-1,7%
Guaranteed public debt	17.673,1	5,2%	17.368,3	5,2%	-304,8	-1,7%
c) by the residence of creditor	***339.218,8***	***100,0%***	***333.425,8***	***100,0%***	***-5.793,0***	***-1,7%***
External	138.177,1	40,7%	136.461,8	40,9%	-1.715,3	-1,2%
Domestic	201.041,7	59,3%	196.964,0	59,1%	-4.077,7	-2,0%
Total public debt	**339.218,8**		**333.425,8**		**-5.793,0**	**-1,7%**
Outstanding of Public debt /GDP	***44,5%***		***40,9%***		***-3,6%***	
GDP for 2016 according to INS communication, April 7, 2017	*761.473,6*		*815.200,0*			

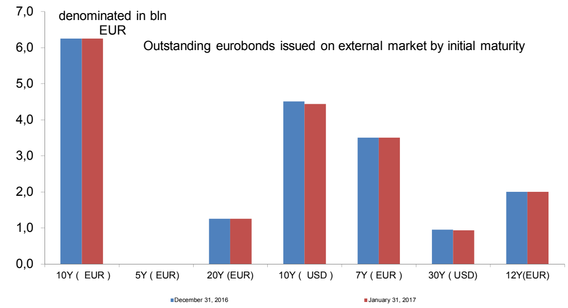
GDP for 2017 according to NCP forecast, January 2018

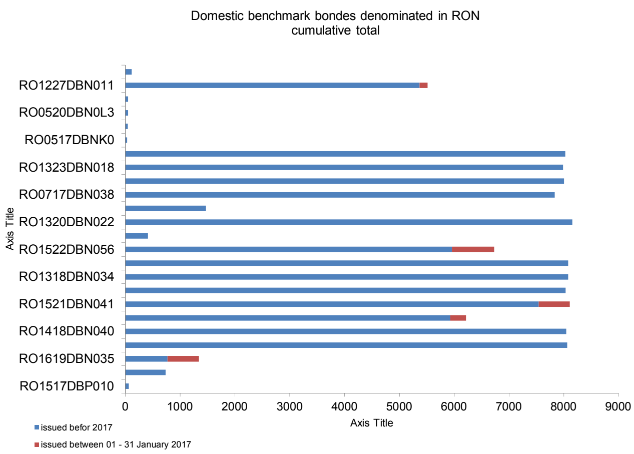
2. Government public debt evolution

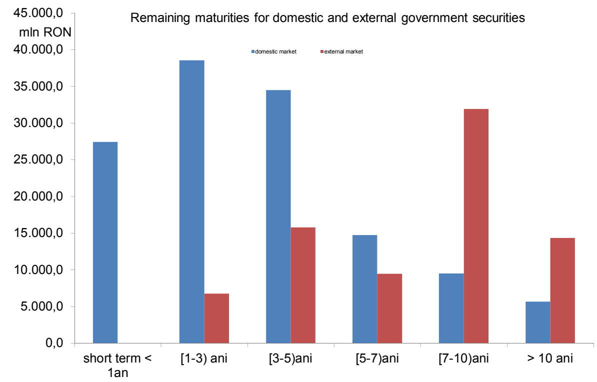
	December, 2016	January, 2017	change	
	RON billion	mil.RON	RON billion	%
Total government public debt , o/w	**323.458,7**	**317.877,3**	**-5.581,4**	***-1,7%***
1. After the market issuance				
External*) , o/w:	***138.127,5***	***136.428,2***	***-1.699,3***	***-1,2%***
By instruments				
Eurobonds	83.778,3	82.740,7	-1.037,6	-1,2%
loans	54.349,2	53.687,5	-661,7	-1,2%
By currency				
RON	94,0	93,7	-0,3	-0,3%
USD	26.893,8	26.267,1	-626,7	-2,3%
EURO	108.678,1	107.595,3	-1.082,8	-1,0%
others	2.461,6	2.472,1	10,5	0,4%
By creditor				
multilateral	52.516,0	52.013,0	-503,0	-1,0%
bilateral	166,6	165,3	-1,3	-0,8%
private banks and others	85.444,9	84.249,9	-1.195,0	-1,4%
By interest rate				
fixed	124.243,5	122.847,5	-1.396,0	-1,1%
floating	13.884,0	13.580,8	-303,2	-2,2%
2. Domestic*), o/w:	***185.331,2***	***181.449,1***	***-3.882,1***	***-2,1%***
By instruments				
T-bills	11.988,2	11.671,5	-316,7	-2,6%
Bonds	116.630,1	118.919,0	2.288,9	2,0%
loans	15.081,5	14.846,0	-235,5	-1,6%
others	41.631,4	36.012,6	-5.618,8	-13,5%
By currency				
RON	170.458,2	166.732,8	-3.725,4	-2,2%
USD	18,3	17,9	-0,4	-2,2%
EURO	14.854,7	14.698,4	-156,3	-1,1%
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	185.331,2	181.449,1	-3.882,1	-2,1%
By interest rate				
fixed	116.630,1	118.919,0	2.288,9	2,0%
floating	68.701,1	62.530,1	-6.171,0	-9,0%
1. After residence of the creditor				
External	***136.051,8***	***133.093,8***	-2.958,0	-2,2%
Domestic	***187.406,9***	***184.783,5***	-2.623,4	-1,4%
Government public debt /GDP	**42,5%**	**39,0%**	**-3,5%**	
GDP (*mln RON*)	761.473,6	815.200,0		

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 January 2017 is 3,4 years and 7,9 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 (mln RON)	(%) total
1. Banking system	**62.156,4**	**48,1%**
2. Central Depository	219,7	
3. Clients holdings:	**67.223,9**	**51,9%**
non residents *)	22.123,1	*17,1%*
residents, o/w:	45.100,8	*34,8%*
private pension funds	19.910,5	*15,4%*
Total	**129.600,0**	**100,0%**

*) includes government securities held by Clearstream

Holdings of government securities denominated in RON issued on domestic market

Category	Available at nominal value (mln RON)	(%) total
1. Banking system	58.255,8	**48,0%**
2. Central Depository	219,7	
3. Clients holdings:	63.451,5	**52,0%**
non residents *)	21.442,6	*17,6%*
residents, o/w:	42.008,9	*34,5%*
private pension funds	18.055,9	*14,8%*
Total	**121.927,0**	**100,0%**

*) includes government securities held by Clearstream

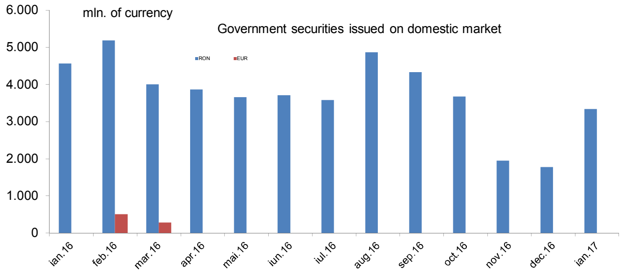
Holdings of government securities denominated in EUR issued on domestic market

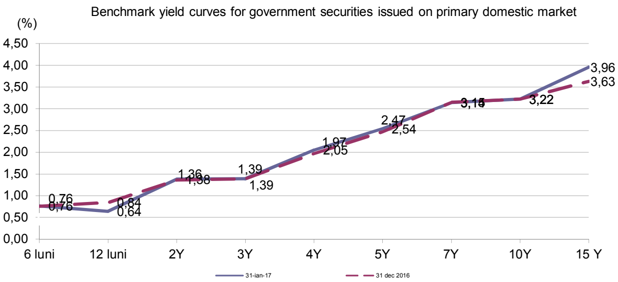
Category	Available at nominal value (mln EUR)	(%) total
1. Banking system	866,1	**50,8%**
3. Clients holdings:	837,6	**49,2%**
non residents*)	151,1	*8,9%*
residents, o/w:	686,5	*40,3%*
private pension funds	411,8	*24,2%*
Total	**1.703,7**	**100,00%**

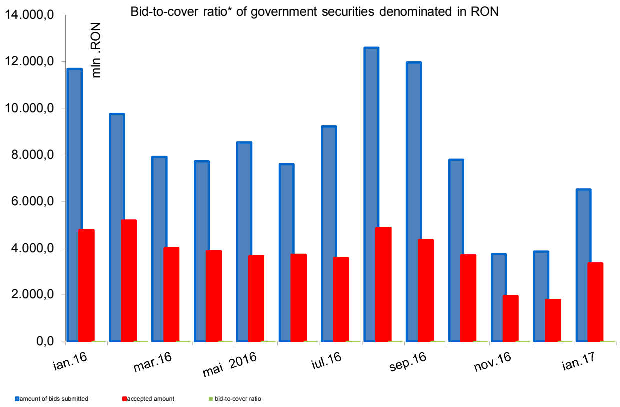
*) includes government securities held by Clearstream

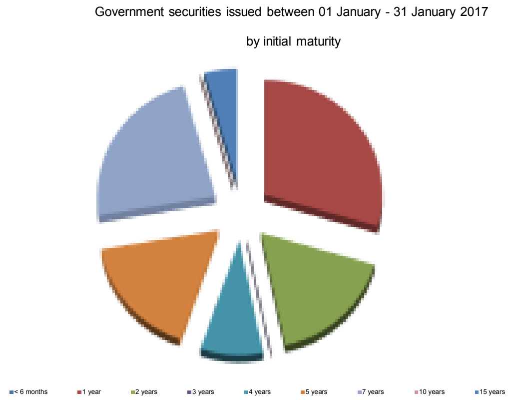
III. Primary and secondary market of government securities

1. Primary market of government securities

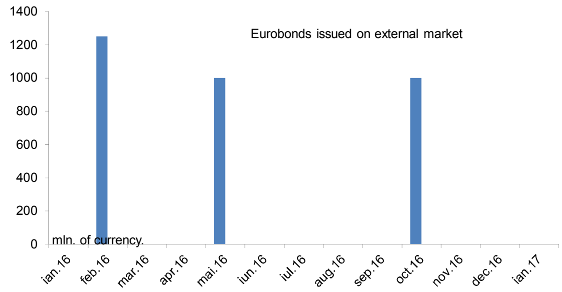




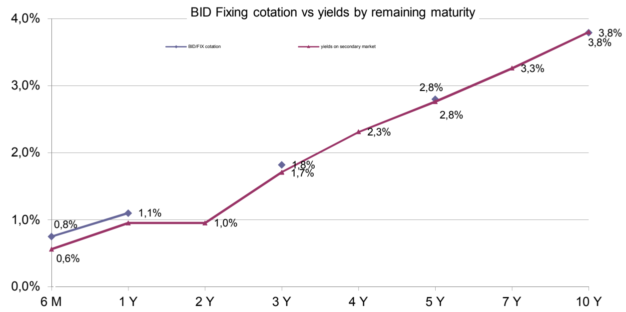


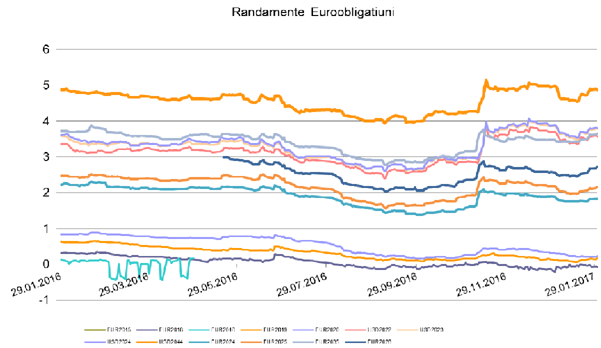


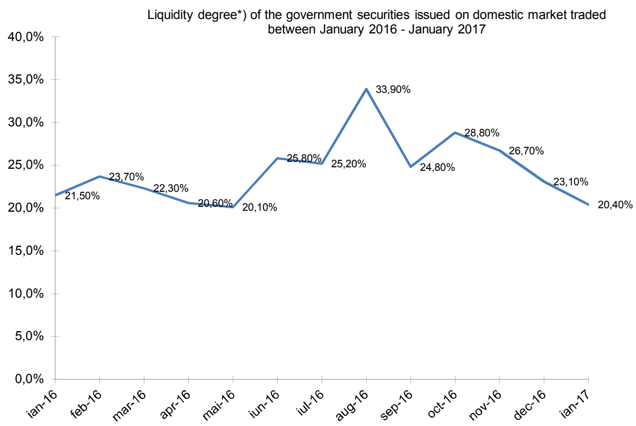
calculated as amount of bids submitted/accepted amount

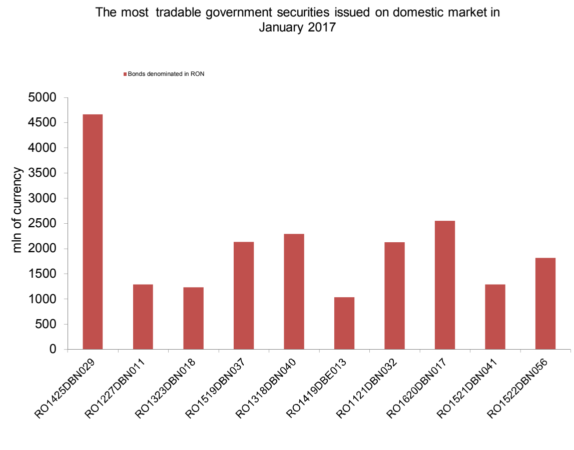


2. Secondary market of government securities









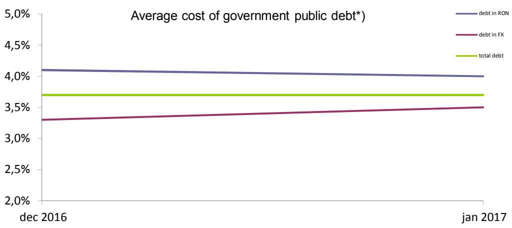
*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

IV. Cost of the government public debt

Interest payments on government public debt*)

mln. RON	*2017*
domestic debt	5.446,0
external debt	5.116,0
total	10.562,0

**) includes payments on direct and guaranteed debt*

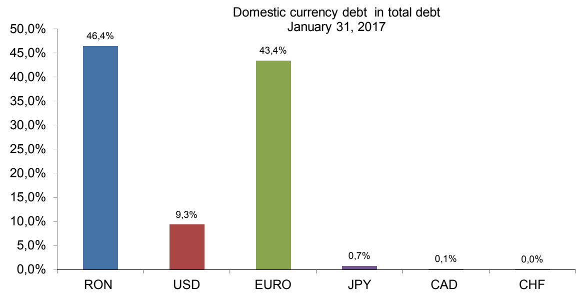


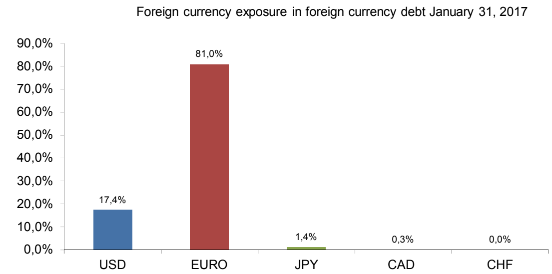
**) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock atJanuary 2017*

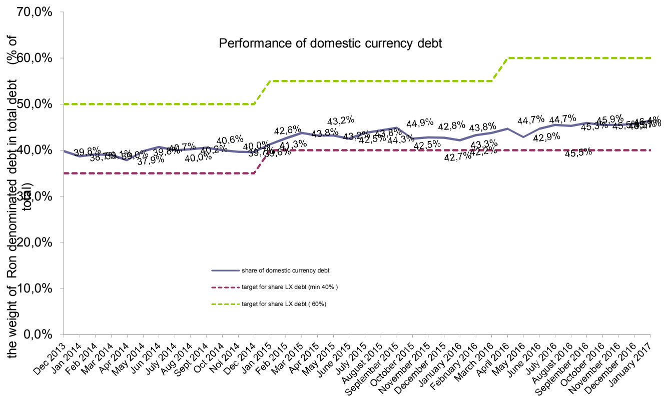
V. Implementation of DMS 2016-2018

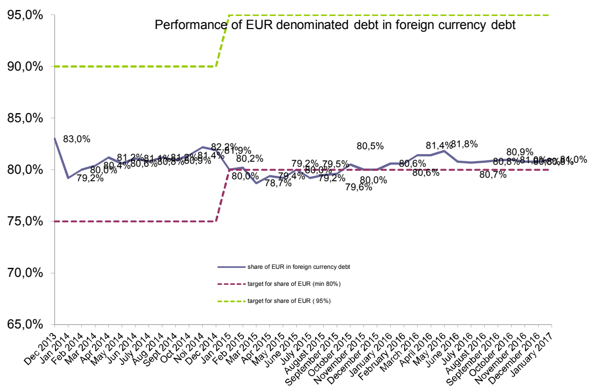
The revised Debt management Strategy approved by the Government in May 2016 proposed indicative targets for managing the financial risks of the debt portfolio. The risk indicators up to end 31 January 2017 show that the Treasury complies with the targets set in the DMS.

1. Currency risk

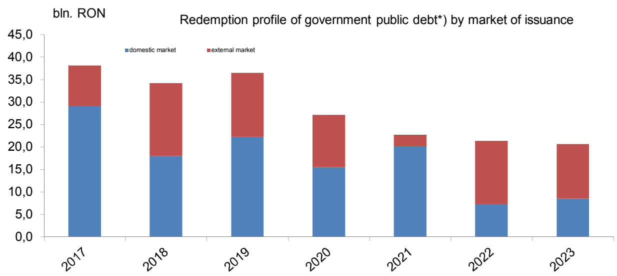


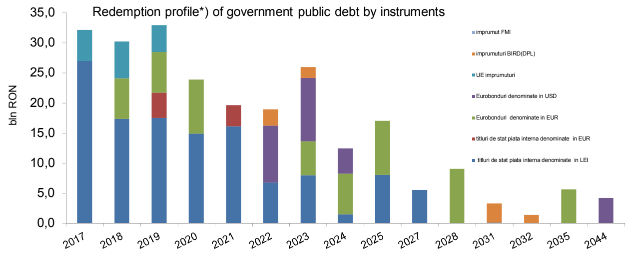




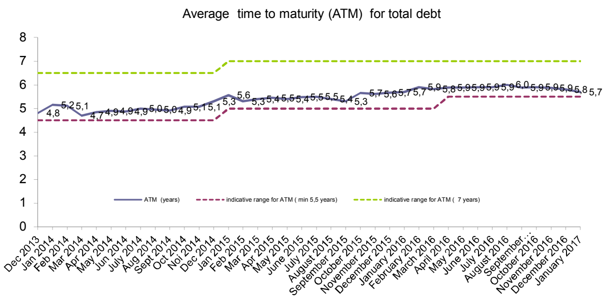


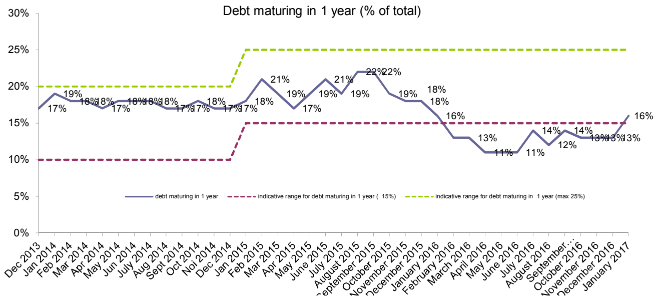
2. Refinancing risk

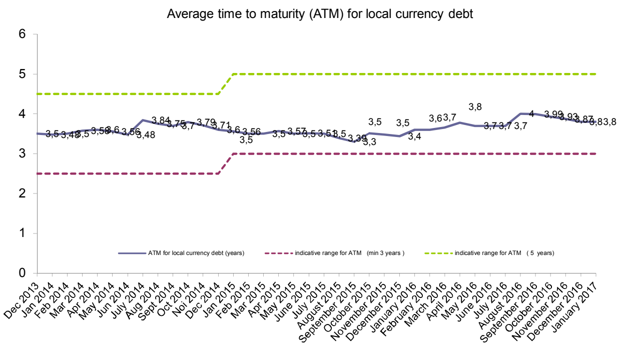


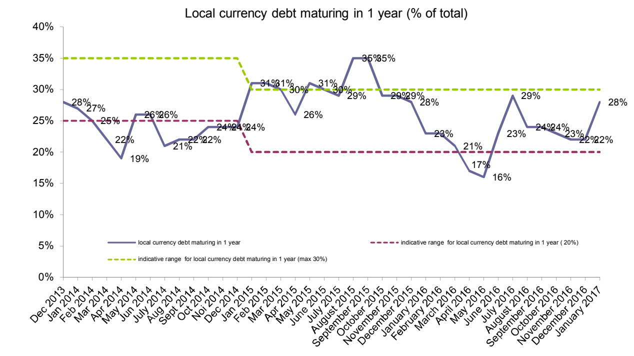


*) based on contracted debt at the end of January 2017

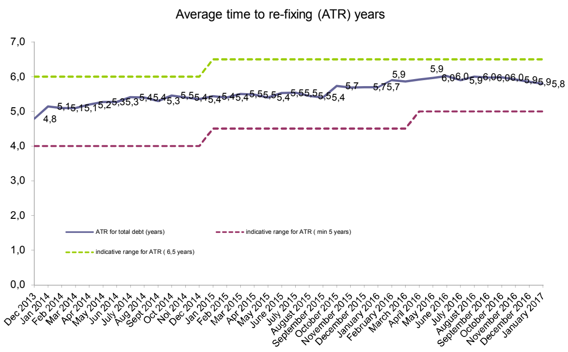


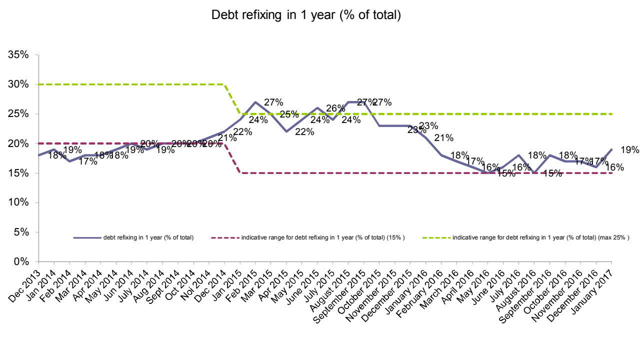


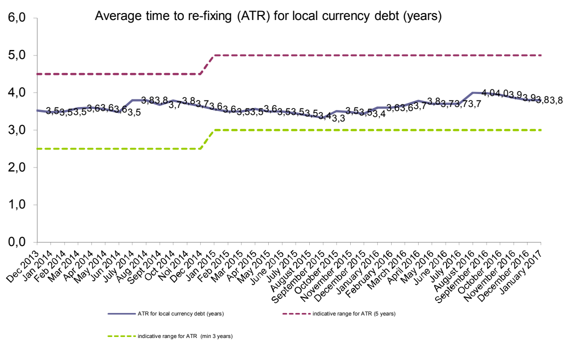


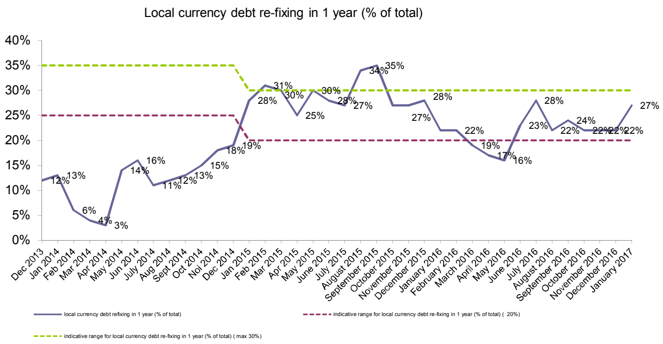


3. Interest rate risk





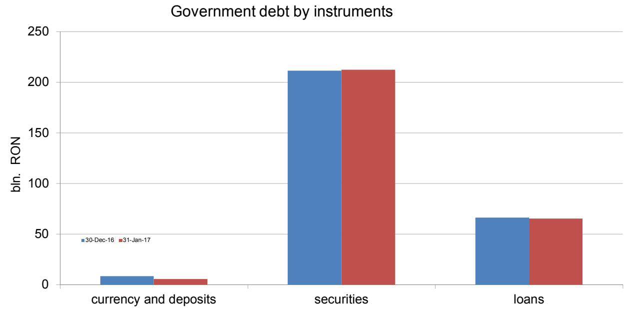


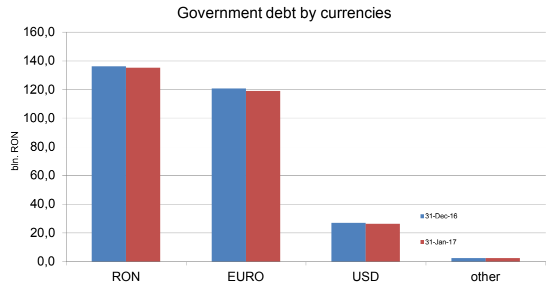


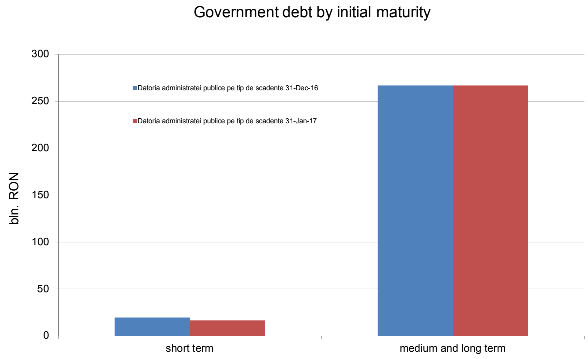
B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

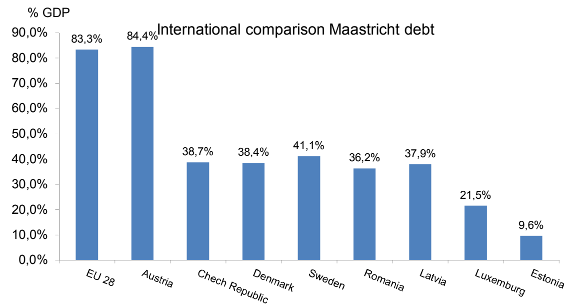
	December, 2016		January, 2017		change	
	RON million	% of total	*mil. RON*	% din total	*mil.RON*	*% din total*
General government debt *)	**285.994,7**		**282.795,1**		***-3.199,6***	*-1,1%*
%GDP	**37,6%**		**37,1%**		***-0,4%***	
A o/w:						
Central government debt	270.865,8	94,7%	267.875,7	94,7%	*-2.990,1*	*-1,1%*
Local government debt	15.128,9	5,3%	14.919,4	5,3%	*-209,5*	*-1,4%*
B o/w:						
General domestic government debt	147.692,0	51,6%	147.027,8	52,0%	*-664,2*	*-0,4%*
General external government debt	138.302,7	48,4%	135.767,3	48,0%	*-2.535,4*	*-1,8%*

- GDP according to NSI comunication April 7, 2017









At the end of Q3, 2016 government debt represented 36,2% of GDP, well below the level registred in the EU-28 (83,3% of GDP), and the Euro Zone (90,1% of GDP) .