



MONTHLY REPORT  
July 31, 2016

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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 2016

	2015		2016	
	mil. RON	% din PIB	mil. RON	% din PIB
Financing needs, o/w:	62.656,3	8,0%	70.564,1	9,3%
1. Deficit of general consolidated budget	9.630,7	1,4%	20.905,5	2,8%
2. Principal repayments*, o/w:	53.025,6	7,4%	49.658,6	6,5%
- refinancing of government securities issued on domestic	32.026,3		39.133,2	
- principal repayments on external loans:	15.085,0		9.405,4	
- principal repayments on local loans	5.914,3		1.120,0	
*) debt repaid from budget		GDP		
GDP according to NCP april 2016	712.800,0		758.500,0	

2. Actual borrowing in 2016 up to July, 31 (mil. Ron denominated)

**Total reimbursable financing 43.186,2 mil.Ron**

MFP	By Instrument		By Currency		By Market	
T-Bills	9.260,7		RON	28.755,4	Interna	32.218,3
T-Bonds	19.494,7		EUR	13.703,7	Externa	10.240,8
T-Bonds denominated in EURO	3.462,9					
Eurobonds	10.047,2		USD	0,0		
FX loans	193,6					
total	42.459,1		42.459,1		42.459,1	
Local governments	727,1					

Note: the difference from necessary financing was covered

Ratio of covering of financing needs 61,2%

II. Public debt stock and changes in stock

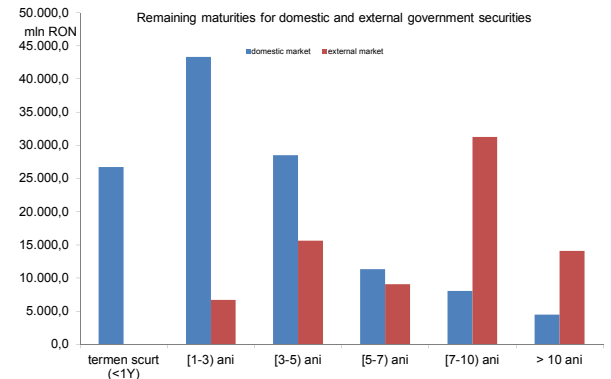
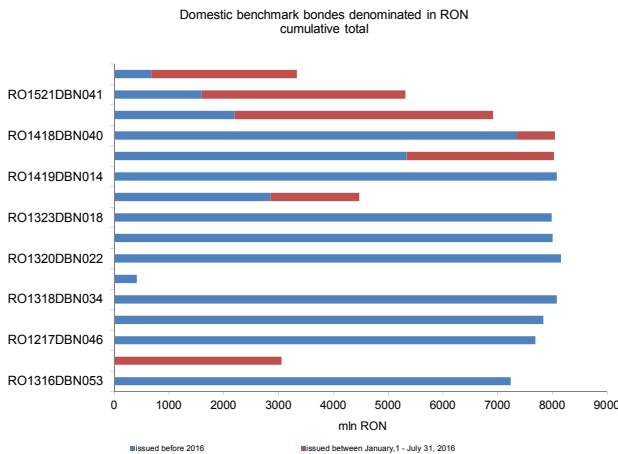
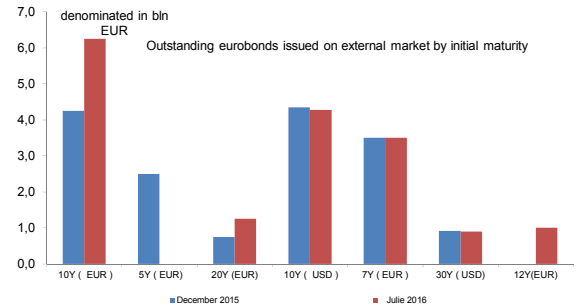
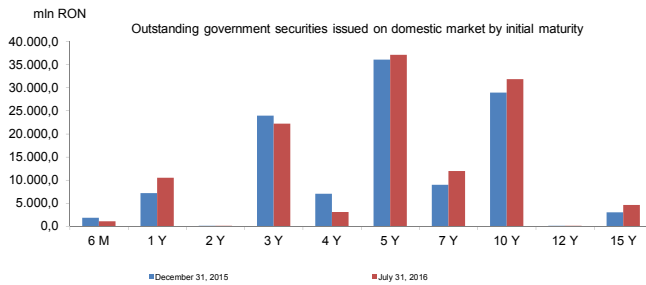
1. Public debt evolution

	December, 2015		July, 2016		change	
	mil. RON	% of total	mil. RON	% din total	RON billion	% of total
Outstanding of public debt	315.933,7		316.968,4			
o/w						
a) by type of sector	315.933,7	100,0%	316.968,4	100,0%	1.034,7	0,3%
Government public debt	299.142,6	94,7%	300.994,8	95,0%	1.852,2	0,6%
Local public debt	16.791,1	5,3%	15.973,6	5,0%	-817,5	-4,9%
b) by type of debt	315.933,7	100,0%	316.968,4	100,0%	1.034,7	0,3%
Direct public debt	299.764,6	94,9%	299.617,2	94,5%	-147,4	0,0%
Guaranteed public debt	16.169,1	5,1%	17.351,2	5,5%	1.182,1	7,3%
c) by the residence of creditor	315.933,7	100,0%	316.968,4	100,0%	1.034,7	0,3%
External	136.675,2	43,3%	131.622,8	41,5%	-5.052,4	-3,7%
Domestic	179.258,5	56,7%	185.345,6	58,5%	6.087,1	3,4%
<b>Total public debt</b>	<b>315.933,7</b>		<b>316.968,4</b>		<b>1.034,7</b>	<b>0,3%</b>
Outstanding of Public debt /GDP	44,3%		41,8%		-2,5%	
GDP according to CNP forecast, april 2015	712.800,0		758.500,0			

## 2. Government public debt evolution

	December, 2015		July, 2016		change	
	RON billion		mil. RON		RON billion %	
<b>Total government public debt, o/w</b>	<b>299.142,6</b>		<b>300.994,8</b>		<b>1.852,2 0,6%</b>	
<b>1. After the market issuance</b>						
<b>External*), o/w:</b>	<b>132.329,3</b>		<b>131.725,7</b>		<b>-603,6 -0,5%</b>	
By instruments						
Eurobonds	74.749,9	76.701,7	1.951,8	2,6%		
loans	57.579,4	55.024,0	-2.555,4	-4,4%		
By currency						
RON	112,5	103,2	-9,3	-8,3%		
USD	26.841,3	25.538,5	-1.302,8	-4,9%		
EURO	102.873,1	103.432,1	559,0	0,5%		
others	2.502,4	2.651,9	149,5	6,0%		
By creditor						
multilateral	55.094,5	53.054,8	-2.039,7	-3,7%		
bilateral	171,9	169,2	-2,7	-1,6%		
private banks and others	77.062,9	78.501,7	1.438,8	1,9%		
By interest rate						
fixed	120.797,7	117.263,2	-3.534,5	-2,9%		
floating	11.531,6	14.462,5	2.930,9	25,4%		
<b>2. Domestic*), o/w:</b>						
<b>166.813,3</b>	<b>169.269,1</b>		<b>2.455,8</b>		<b>1,5%</b>	
By instruments						
T-bills	9.176,1	11.726,7	2.550,6	27,8%		
Bonds	109.073,3	110.879,5	1.806,2	1,7%		
loans	13.044,7	14.586,4	1.541,7	11,8%		
others	35.519,2	32.076,5	-3.442,7	-9,7%		
By currency						
RON	147.961,0	154.459,3	6.498,3	4,4%		
USD	17,5	17,1	-0,4	-2,3%		
EURO	18.834,8	14.792,7	-4.042,1	-21,5%		
By creditor						
multilateral	0,0	0,0	0,0	0,0%		
bilateral	0,0	0,0	0,0	0,0%		
private banks and others	166.813,3	169.269,1	2.455,8	1,5%		
By interest rate						
fixed	109.073,3	110.879,5	1.806,2	1,7%		
floating	57.740,0	58.389,6	649,6	1,1%		
<b>1. After residence of the creditor</b>						
<b>External</b>	<b>132.882,4</b>		<b>127.904,0</b>		<b>-4.978,3 -3,7%</b>	
<b>Domestic</b>	<b>166.260,2</b>		<b>173.090,8</b>		<b>6.830,5 4,1%</b>	
<b>Government public debt /GDP</b>	<b>42,0%</b>		<b>39,7%</b>		<b>-2,3%</b>	
GDP (min RON)	712.800,0		758.500,0			

## 3. Government securities market developments



The weighted average value of the remaining maturity relating to the outstanding government securities issued on domestic market end July 2016 is 3,4 years and 8,4 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	60.825,7	49,9%
2. Central Depository	282,9	
3. Clients holdings: non residents *)	61.291,5	50,1%
residents, o/w: private pension funds	20.501,3	16,7%
	40.790,2	33,3%
	17.733,2	14,5%
<b>Total</b>	<b>122.400,1</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 (mln RON)	(%) total
1. Banking system	57.204,3	50,1%
2. Central Depository	282,9	
3. Clients holdings: non residents *)	57.268,6	49,9%
residents, o/w: private pension funds	19.649,3	17,1%
	37.619,3	32,8%
	15.755,4	13,7%
<b>Total</b>	<b>114.755,8</b>	<b>100,0%</b>

\*) includes government securities held by Clearstream

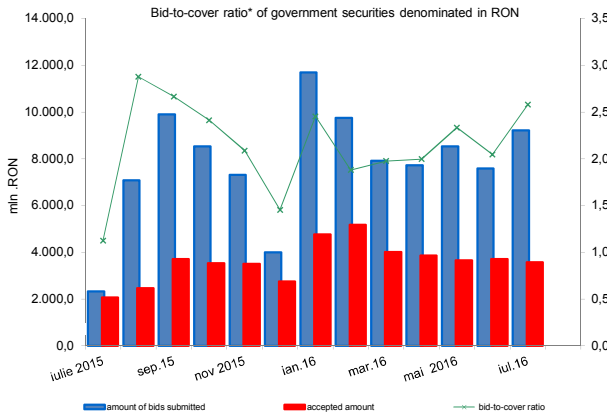
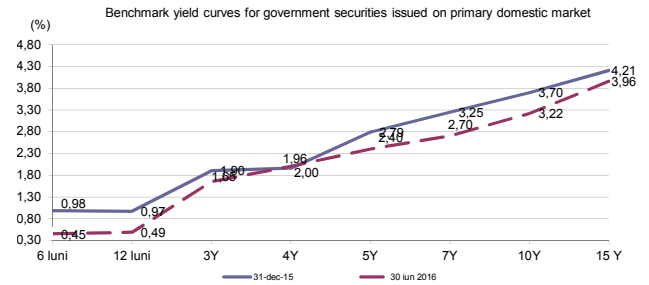
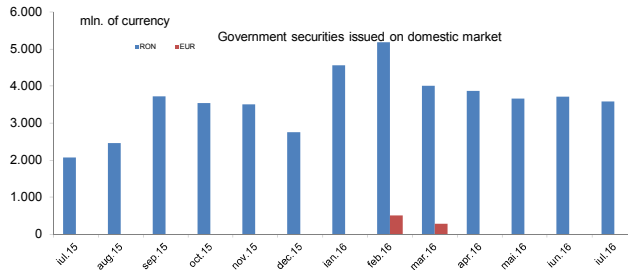
Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (mln EUR)	(%) total
1. Banking system	802,7	47,1%
3. Clients holdings: non residents *)	900,9	
residents, o/w: private pension funds	190,8	11,2%
	710,1	41,7%
	442,9	26,0%
<b>Total</b>	<b>1.703,6</b>	<b>100,0%</b>

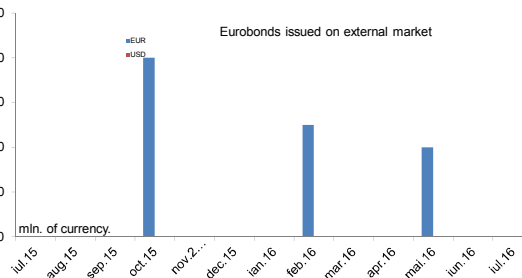
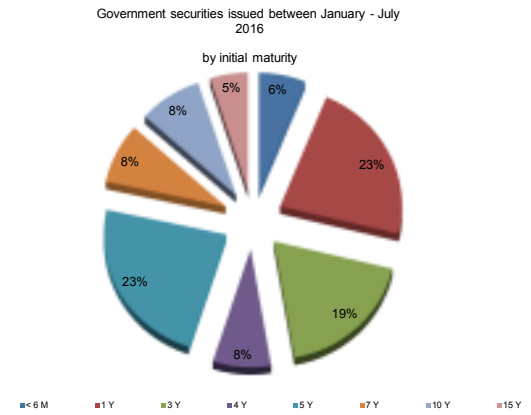
\*) includes government securities held by Clearstream

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

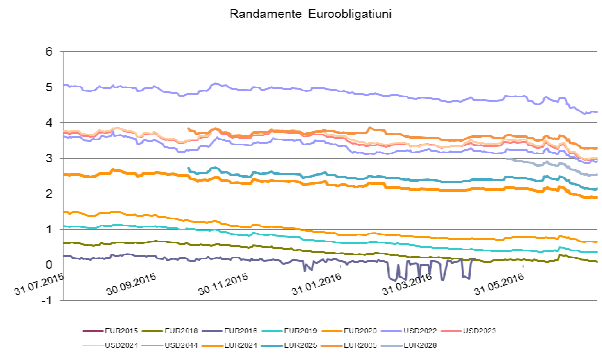
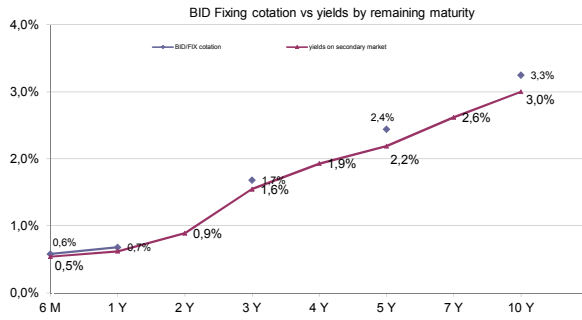
#### 1. Primary market of government securities



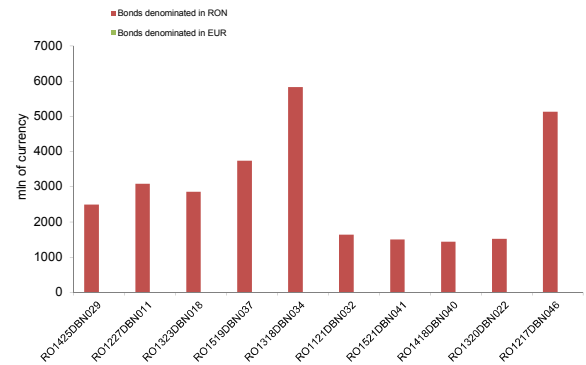
\*calculated as amount of bids submitted/accepted amount



## 2. Secondary market of government securities



The most tradable government securities issued on domestic market in July 2016



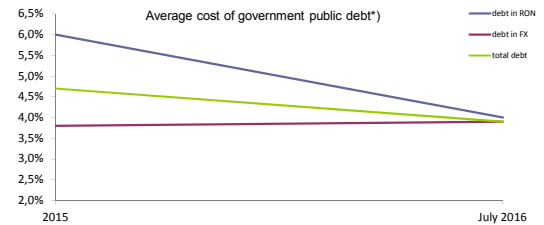
\*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

## IV. Cost of the government public debt

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

mln. RON	2016
domestic debt	5.052,5
external debt	5.170,9
total	10.223,4

\*) includes payments on direct and guaranteed debt

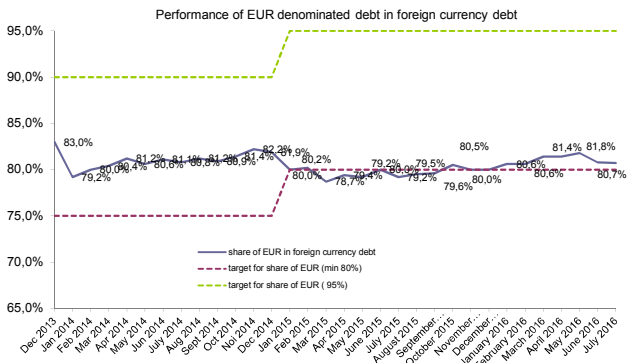
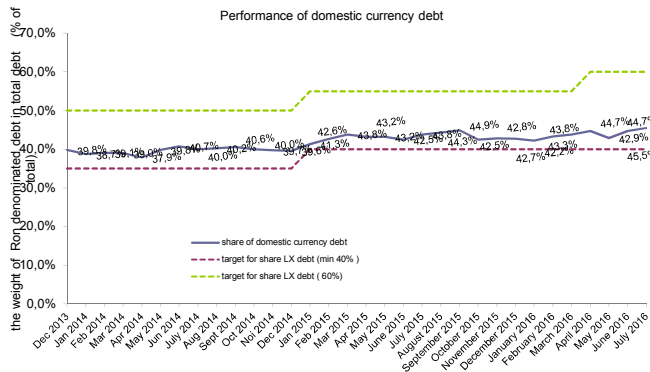
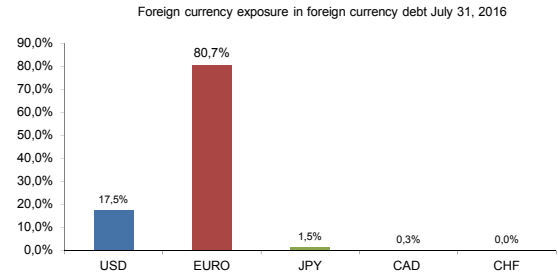
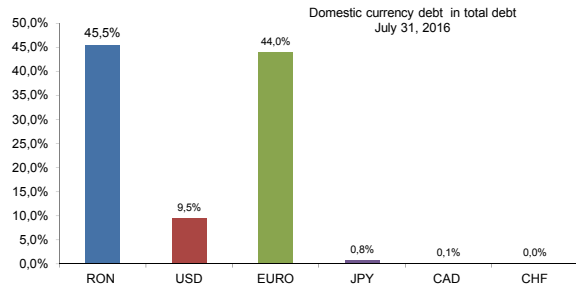


\*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at July 2016

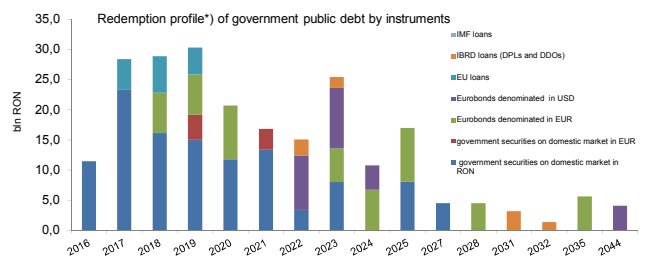
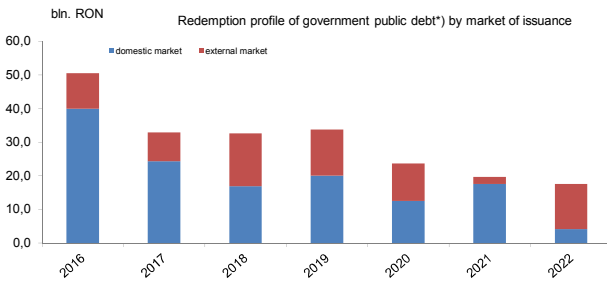
**V. Implementation of DMS 2016-2018**

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 July 2016 show that the Treasury complies with the targets set in the DMS.

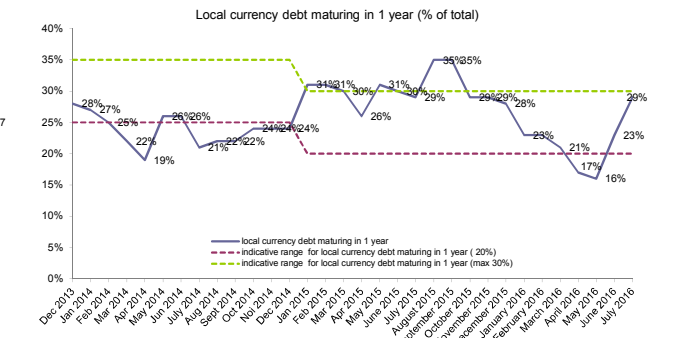
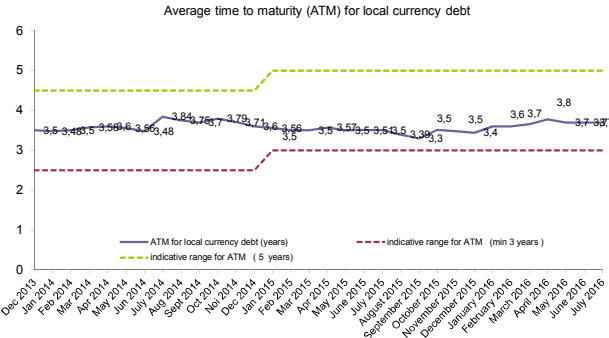
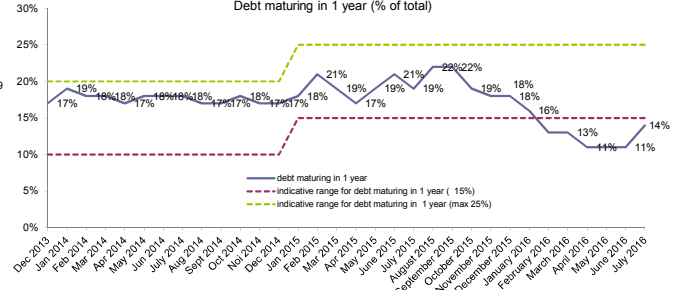
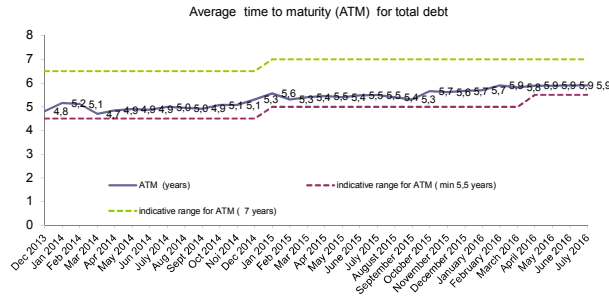
**1. Currency risk**



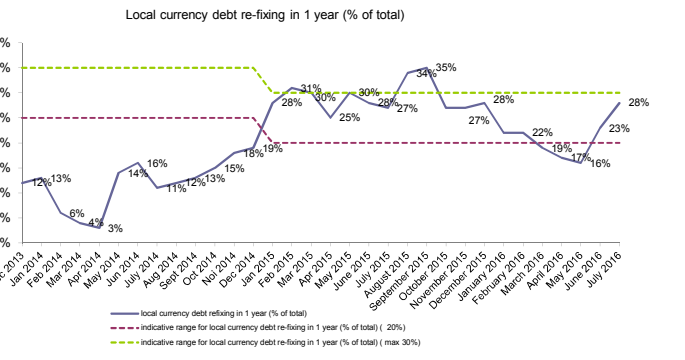
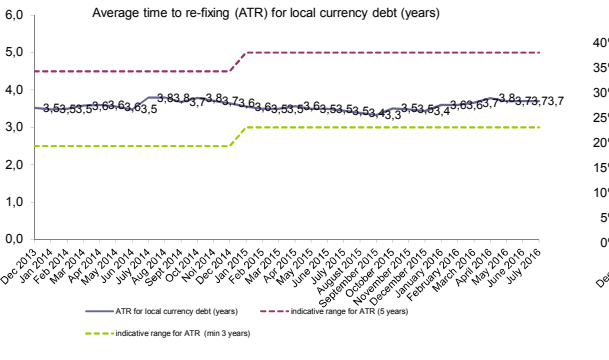
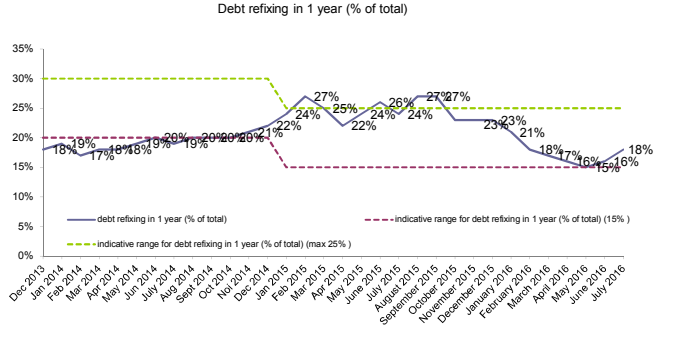
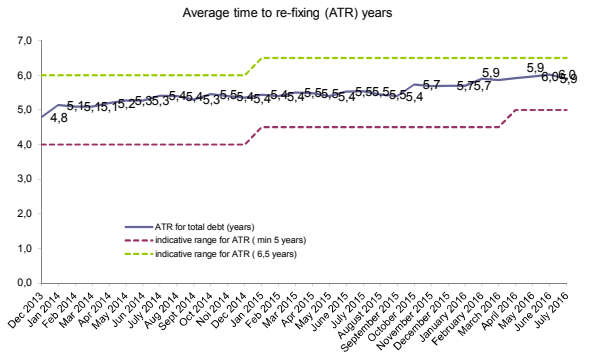
**2. Refinancing risk**



\*) based on contracted debt at the end of July 2016



### 3. Interest rate risk



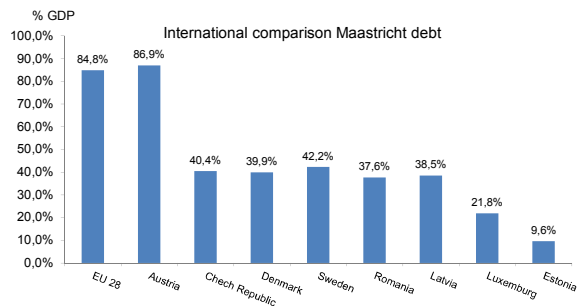
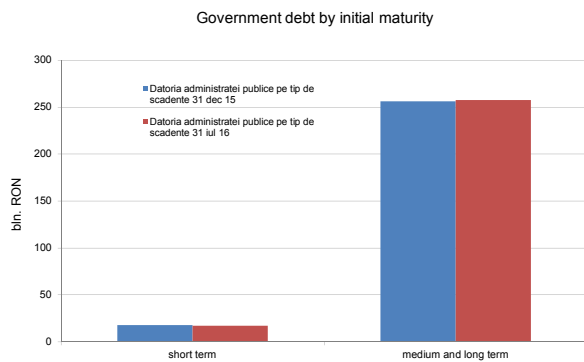
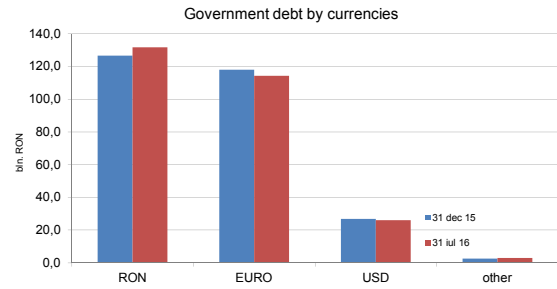
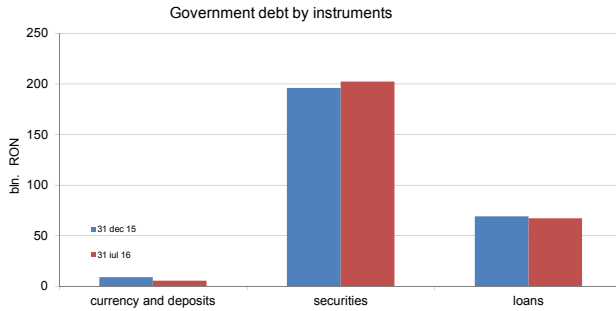
## B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2015		July, 2016		modificarea	
	RON million	% of total	mil. RON	% din total	mil. RON	% din total
General government debt *)	273.894,6		274.594,7		700,1	0,3%
	%GDP	38,4%		37,5%		-0,9%
<b>A o/w:</b>						
Central government debt	258.081,8	94,2%	259.262,6	94,4%	1.180,8	0,5%
Local government debt	15.812,8	5,8%	15.332,1	5,6%	-480,7	-3,0%
<b>B o/w:</b>						
General domestic government debt	137.897,3	50,3%	143.550,2	52,3%	5.652,9	4,1%
General external government debt	135.997,3	49,7%	131.044,5	47,7%	-4.952,8	-3,6%

\*) Eurostat calculates the GDP ratio taking into consideration the sum of GDP for the last 4 quarters (Q 2 2015, Q3 2015, Q4 2015, Q1 2016)

- GDP 2015, 2016 according to INS communication september 6, 2016

- general government debt at December 31, 2015 was recalculated according to the March 2016 Fiscal notification



At the end of Q1, 2016 government debt represented 37.6% of GDP, well below the level registered in the EU-28 (84.8% of GDP), and the Euro Zone (91.7% of GDP).