



MONTHLY REPORT  
31 oct 14

	pag	Credit rating		
		Moody's Baa3	S&P BBB-	Fitch BBB-
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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		31-oct-14	
	RON mln	% of GDP	RON mln	% of GDP	mil. RON	% din PIB
Financing needs, o/w:	72.094,9	11,3%	62.806,0	9,3%	45.701,6	6,8%
1. Deficit of general consolidated budget	15.771,3	2,5%	14.713,1	2,2%	-1.940,6	-0,3%
2. Principal repayments*, o/w:	56.323,6	8,8%	48.092,9	7,1%	47.642,2	7,1%
- refinancing of government securities issued on domestic	47.422,7		39.373,0		37.010,1	
- principal repayments on external loans:	7.500,9		7.627,9		9.444,0	
- principal repayments on local loans	1.400,0		1.092,0		1.188,1	
* debt repaid from budget			GDP 637.583,1			
					674.300,0	

**2. Actual borrowing in 2014 up to October, 31 (mil. Ron denominated)**

	By Instrument		By Currency		By Market	
<b>MFP</b>	T-Bills	10.322,9	RON	33.879,3	Domestic	38.051,4
	T-Bonds	27.728,5	EUR	18.196,8	External	20.727,4
	Eurobonds	18.841,0	USD	6.702,8		
	FX loans	1.886,4				
	<b>total</b>	<b>58.778,8</b>		<b>58.778,9</b>		<b>58.778,8</b>

**Local governments total** 4.073,7

**Ratio of covering of financing needs** 100,1%

**II. Public debt stock and changes in stock**

**1. Public debt evolution**

	December 2013		October, 2014		change	
	RON billion	% of total	mil. RON	% din total	RON billion	% of total
Outstanding of public debt	<b>267.150,9</b>		<b>276.373,8</b>			
	<b>267.150,9</b>	<b>100,0%</b>	<b>276.373,8</b>	<b>100,0%</b>	<b>9.222,9</b>	<b>3,5%</b>
Government public debt	252.179,8	94,4%	261.718,6	94,7%	9.538,8	3,8%
Local public debt	14.971,1	5,6%	14.655,2	5,3%	-315,9	-2,1%
	<b>267.150,9</b>	<b>100,0%</b>	<b>276.373,7</b>	<b>100,0%</b>	<b>9.222,8</b>	<b>3,5%</b>
Direct public debt	252.348,2	94,5%	260.949,3	94,4%	8.601,1	3,4%
Guaranteed public debt	14.802,7	5,5%	15.424,4	5,6%	621,7	4,2%
<b>Total public debt</b>	<b>267.150,9</b>		<b>276.373,8</b>		<b>9.222,9</b>	<b>3,5%</b>
o/w						
marketable debt	157.671,3	59,0%	174.321,1	63,1%	16.649,8	10,6%
<b>Outstanding of Public debt /GDP</b>	<b>41,9%</b>		<b>41,0%</b>		<b>-0,9%</b>	

GDP according to CNP forecast, december 2014

637.583,1

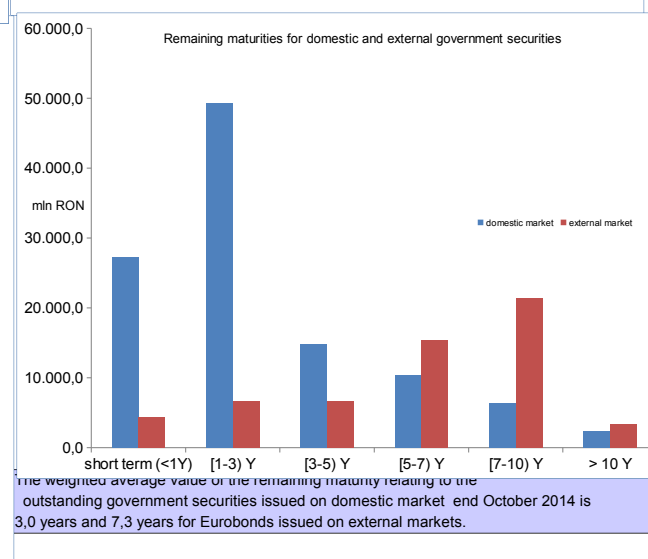
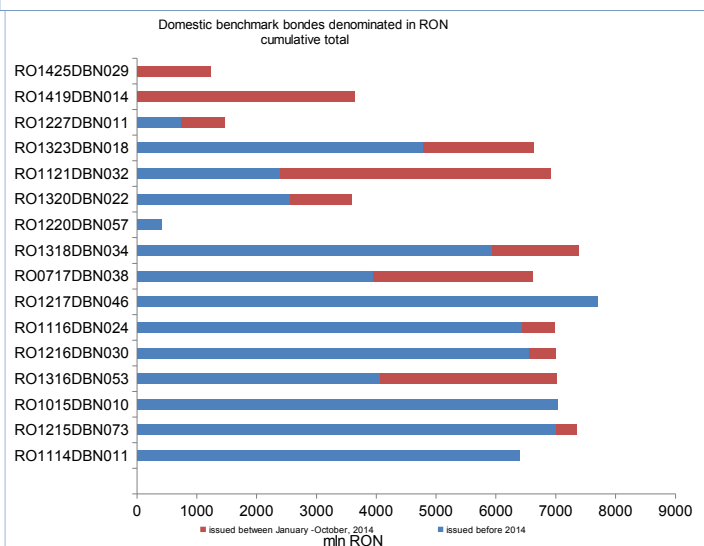
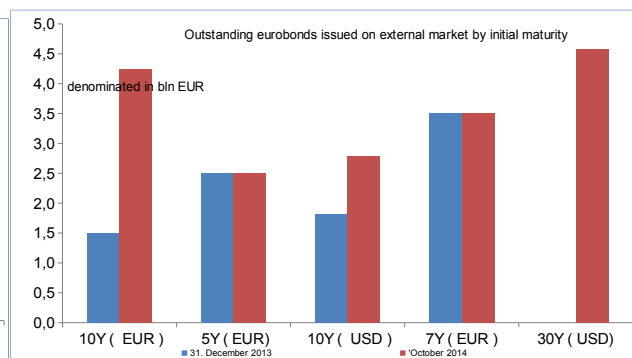
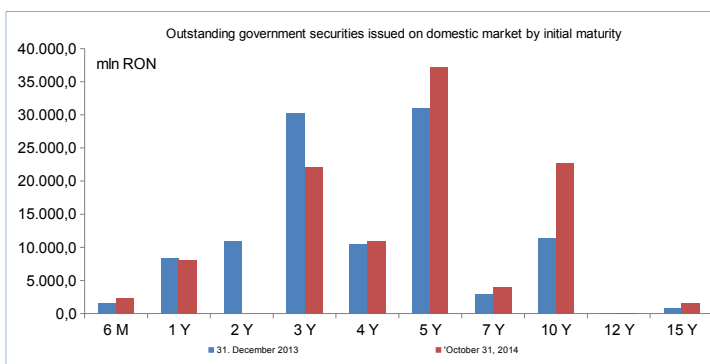
674.300,0

## 2. Government public debt evolution

	December, 2013	October, 2014	change	
	RON billion	mil. RON	RON billion	%
<b>Total government public debt, o/w</b>	<b>252.179,8</b>	<b>261.718,5</b>	<b>9.538,7</b>	<b>3,8%</b>
<b>1. External*) , o/w:</b>	<b>115.625,1</b>	<b>129.779,2</b>	<b>14.154,1</b>	<b>12,2%</b>
By instruments				
Eurobonds	45.841,8	65.423,7	19.581,9	42,7%
loans	69.783,3	64.355,5	-5.427,8	-7,8%
By currency				
RON	139,6	135,9	-3,7	-2,6%
USD	16.201,8	23.708,8	7.507,0	46,3%
EURO	91.594,2	101.958,9	10.364,7	11,3%
others	7.689,4	3.975,6	-3.713,8	-48,3%
By creditor				
multilateral	65.415,4	60.861,5	-4.553,9	-7,0%
bilateral	195,1	181,9	-13,2	-6,8%
private banks and others	50.014,6	68.735,9	18.721,3	37,4%
By interest rate				
fixed	95.537,1	111.639,9	16.102,8	16,9%
floating	20.088,0	18.139,4	-1.948,6	-9,7%
<b>2. Domestic*) , o/w:</b>	<b>136.554,7</b>	<b>131.939,3</b>	<b>-4.615,4</b>	<b>-3,4%</b>
By instruments				
T-bills	10.298,1	10.696,0	397,9	3,9%
Bonds	98.137,6	98.497,5	359,9	0,4%
loans	8.963,2	10.179,6	1.216,4	13,6%
others	19.155,8	12.566,2	-6.589,6	-34,4%
By currency				
RON	111.622,4	112.211,7	589,3	0,5%
USD	67,4	49,7	-17,7	-26,3%
EURO	24.864,8	19.677,9	-5.186,9	-20,9%
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	136.554,7	131.939,3	-4.615,4	-3,4%
By interest rate				
fixed	98.137,6	98.457,5	319,9	0,3%
floating	38.417,1	33.441,8	-4.975,3	-13,0%
<b>Government public debt /GDP</b>	<b>39,6%</b>	<b>38,8%</b>	<b>-0,7%</b>	
GDP (mln RON)	637.583,1	674.300,0		

\*) 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 October 2014 is 3,0 years and 7,3 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	56.077,8	51,6%
2. Central Depository	259,7	
3. Clients holdings:	52.782,9	48,4%
non residents *)	22.507,5	
residents, o/w:	30.275,4	
private pension funds	11.713,3	
<b>Total</b>	<b>109.120,4</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	47.268,5	50,5%
2. Central Depository	259,7	
3. Clients holdings:	46.659,5	49,5%
non residents *)	19.639,8	
residents, o/w:	27.019,7	
private pension funds	10.128,8	
<b>Total</b>	<b>94.187,7</b>	<b>100,0%</b>

\*) includes government securities held by Clearstream

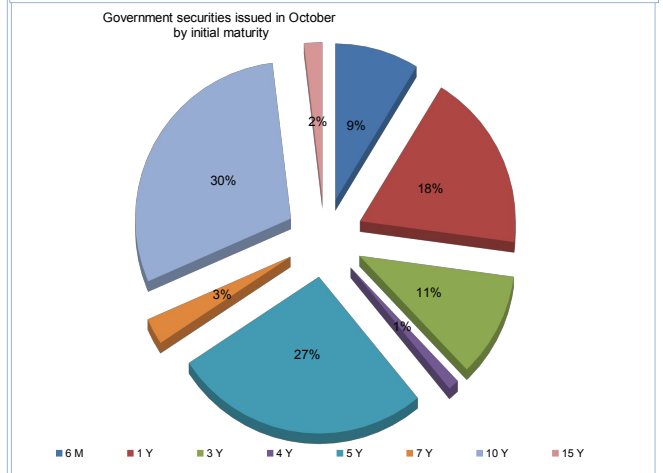
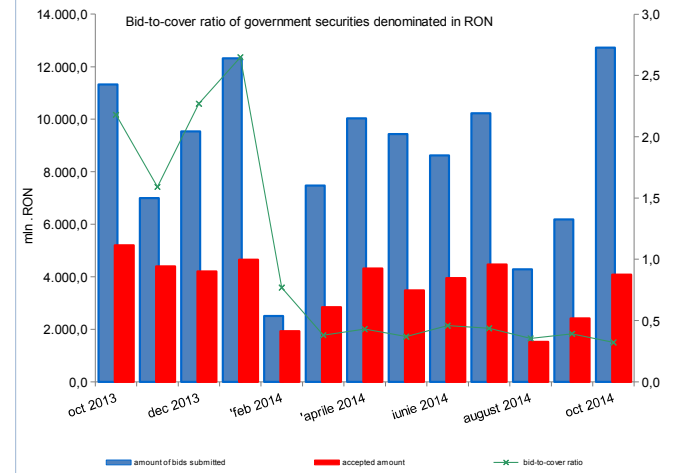
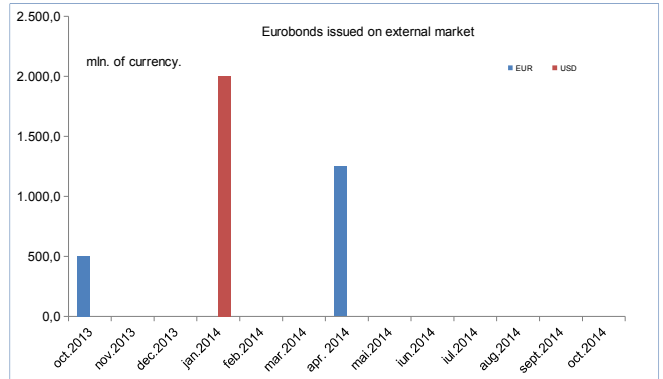
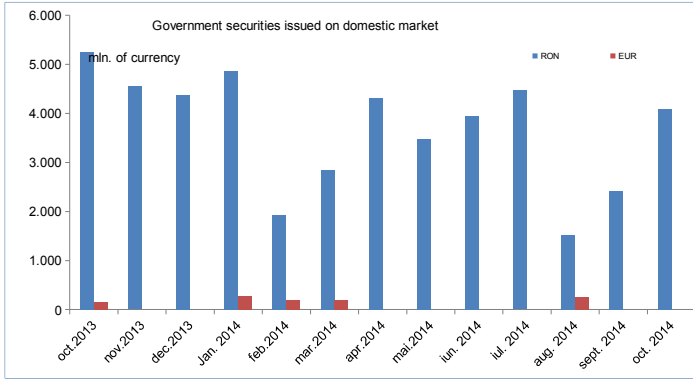
##### Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (mln EUR)	(%) total
1. Banking system	1.995,8	59,0%
2. Central Depository	1.387,3	
3. Clients holdings:	649,7	41,0%
non residents *)	737,6	
residents, o/w:	359,0	
private pension funds	359,0	
<b>Total</b>	<b>3.383,1</b>	<b>100,00%</b>

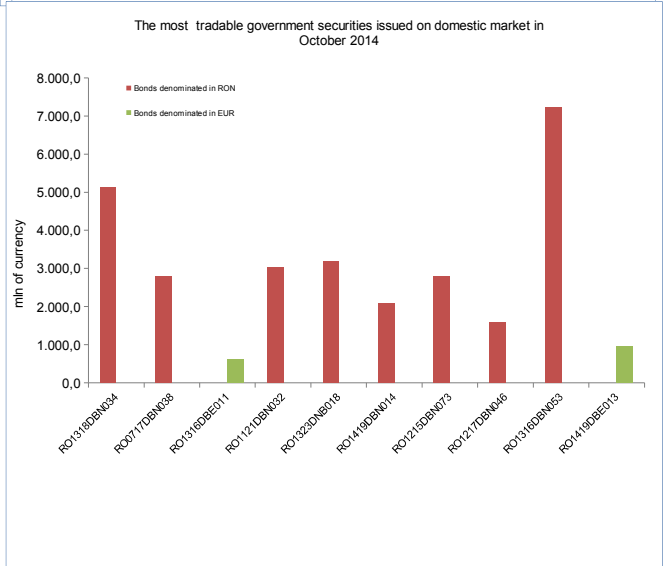
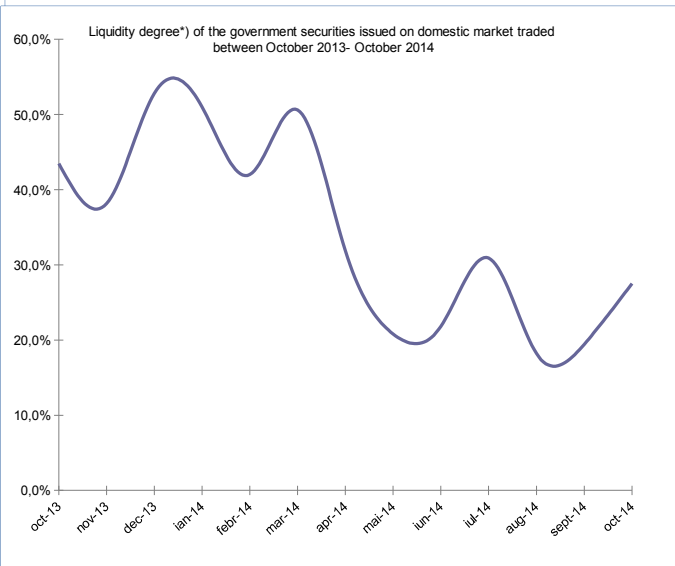
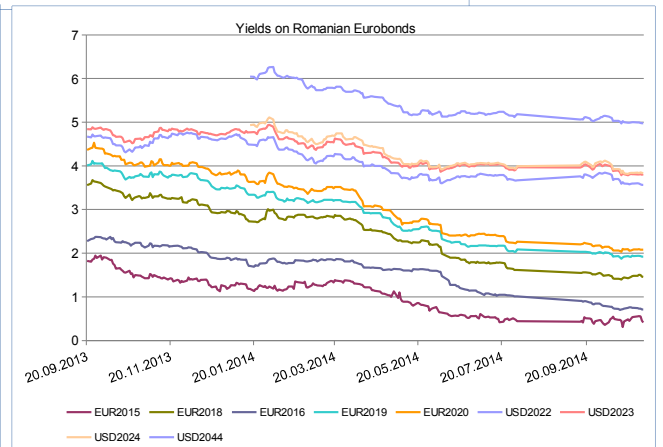
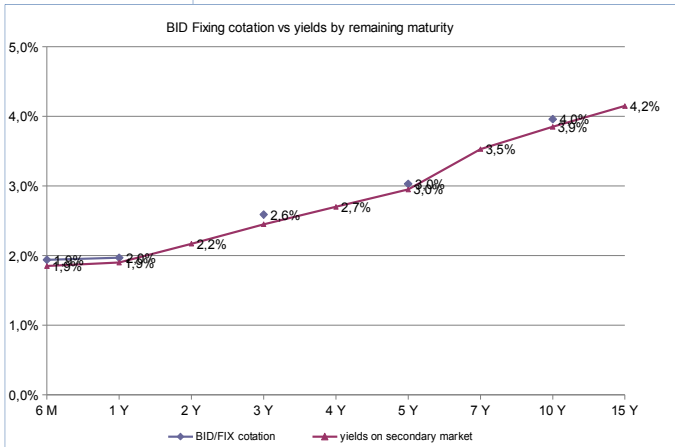
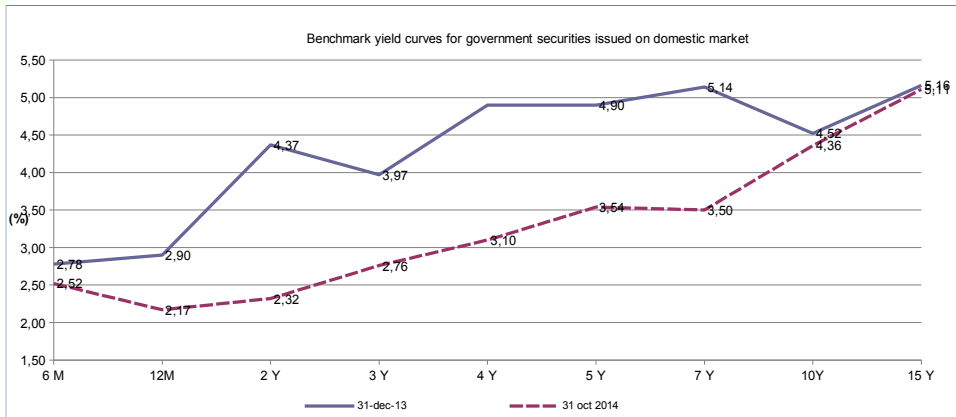
\*) includes government securities held by Clearstream

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

#### 1. Borrowing in the domestic and external markets



2. Yield curve



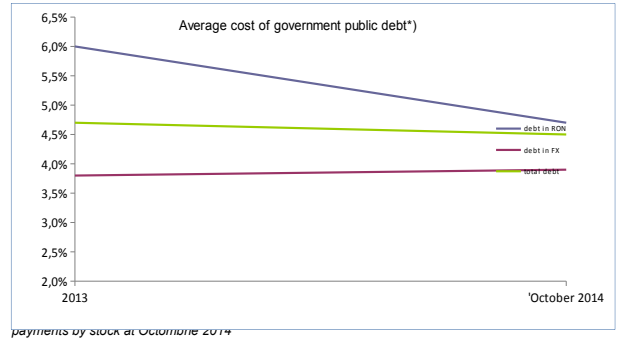
\*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

### III. Cost of the government public debt

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

mln. RON	2013	31 oct 2014	2014 (f)
domestic debt	6.426,3	6.822,6	5.567,9
external debt	3.878,6	3.917,4	4.445,4
total	10.304,9	10.740,0	10.013,3

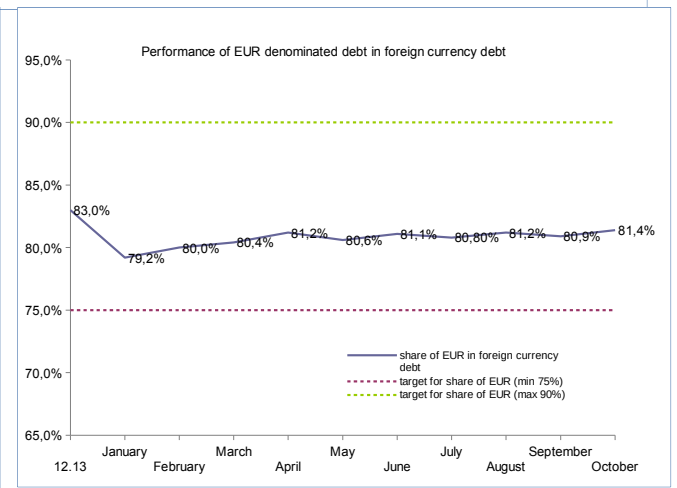
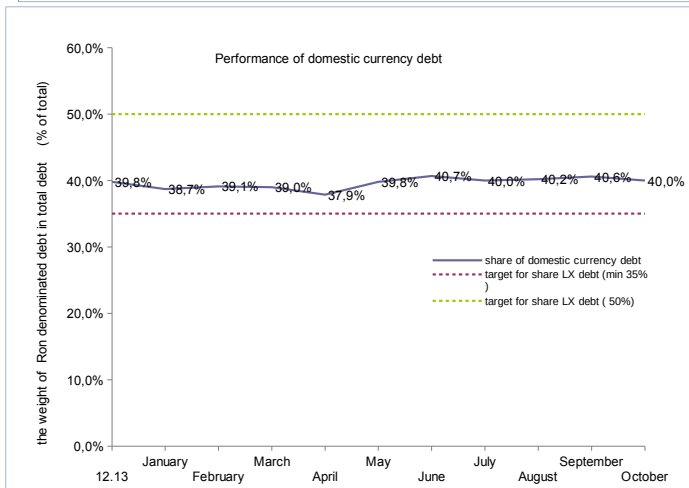
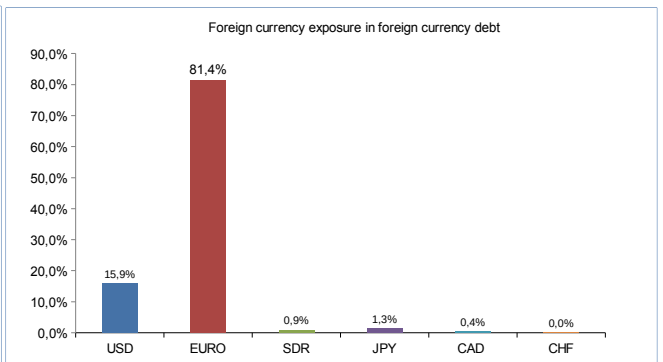
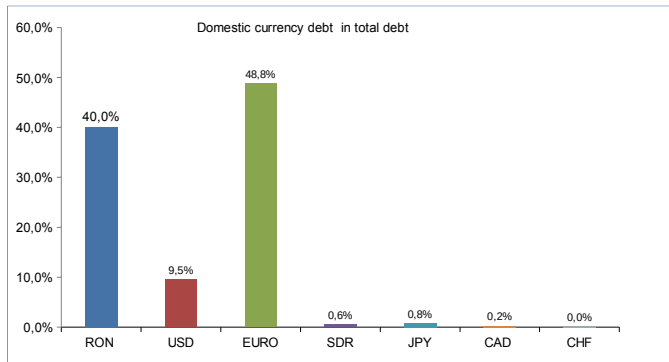
\*) includes payments on direct and guaranteed debt



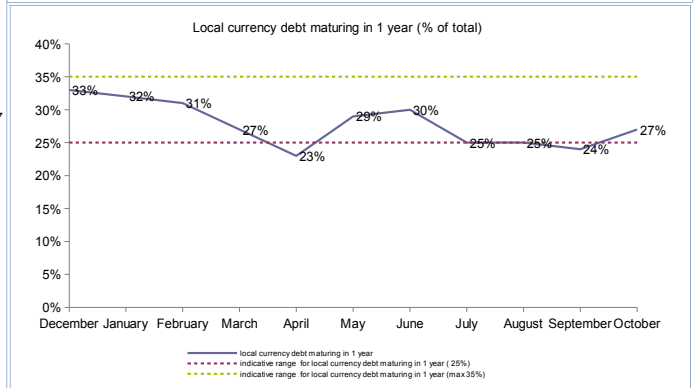
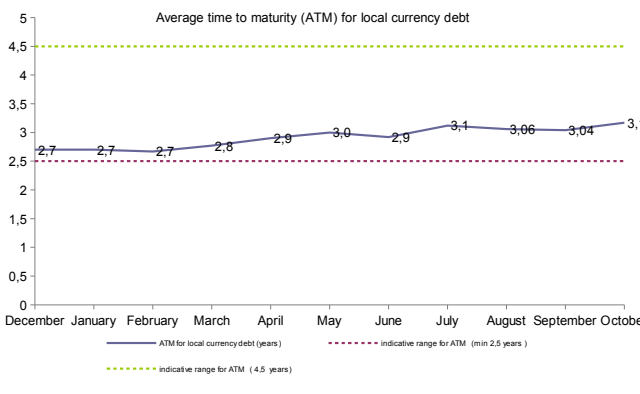
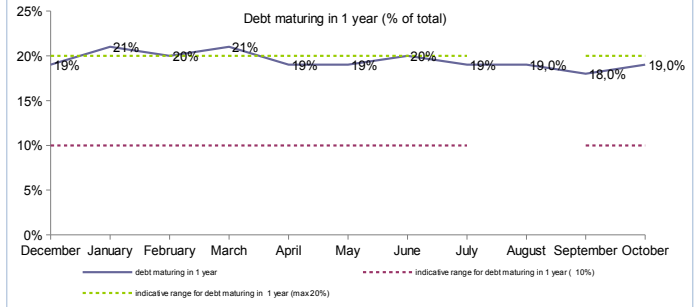
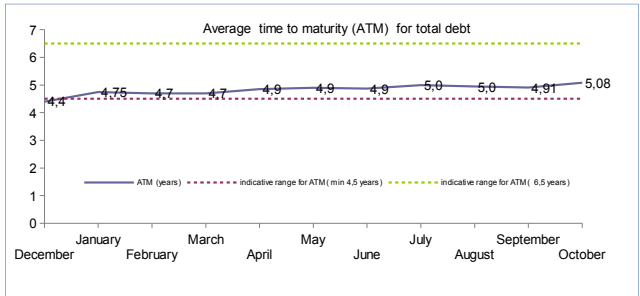
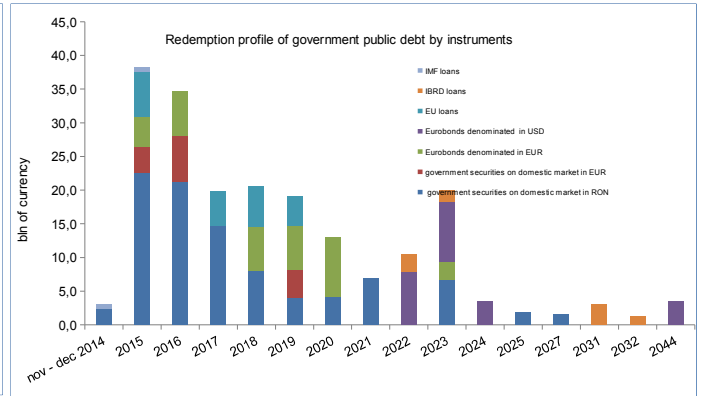
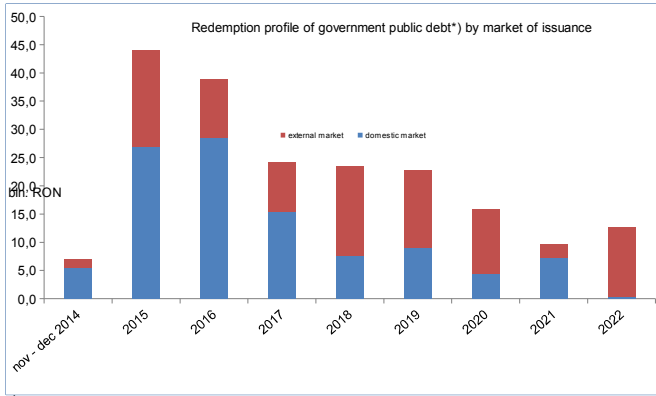
### IV. Implementation of DMS 2014-2016

The revised Debt management Strategy approved by the Government at end March 2014 proposed indicative targets for managing the financial risks of the debt portfolio. The risk indicators up to end October 2014 show that the Treasury complies with the targets set in the DMS.

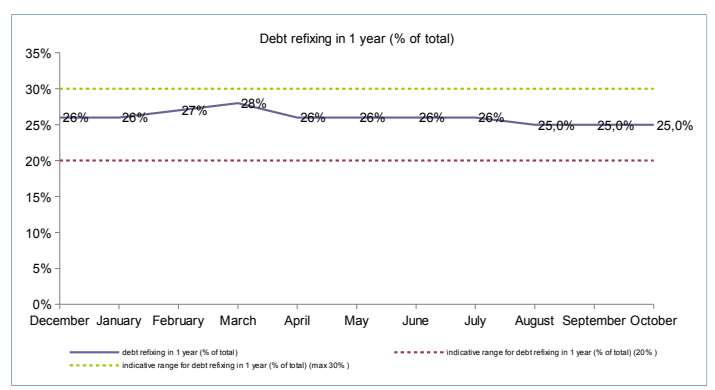
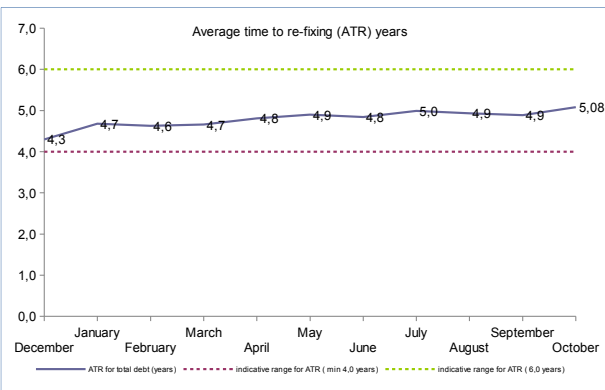
### 1. Currency risk

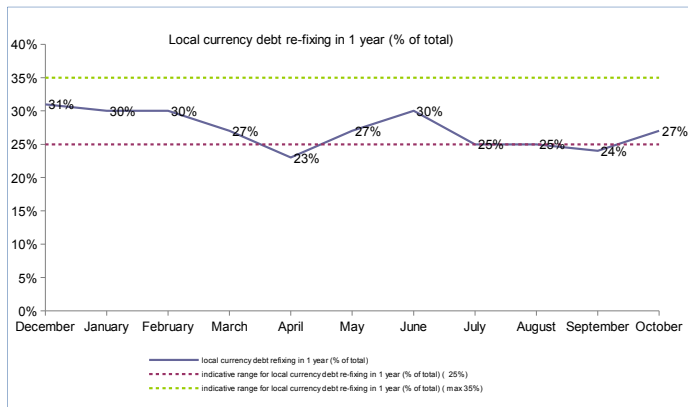
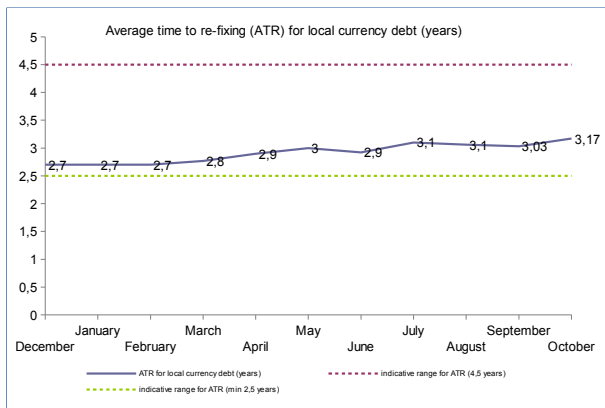


## 2. Refinancing risk



## 3. Interest rate risk

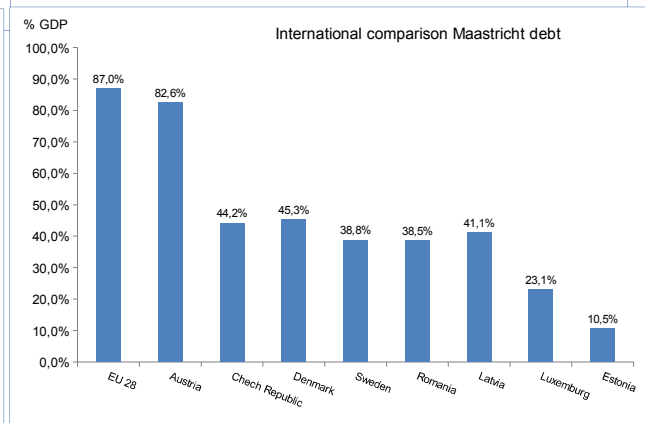
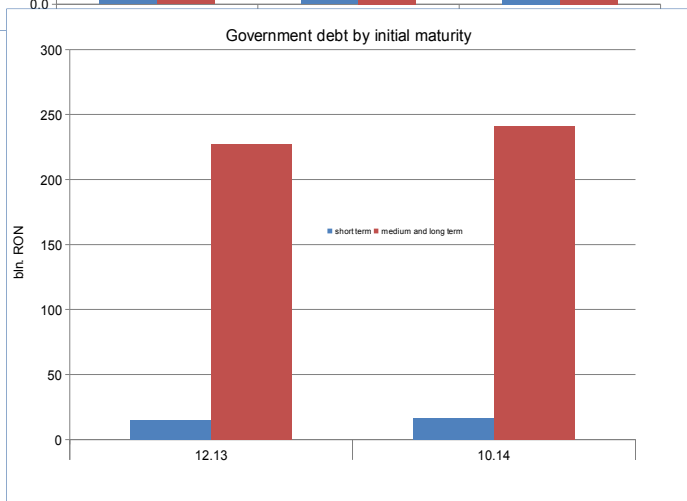
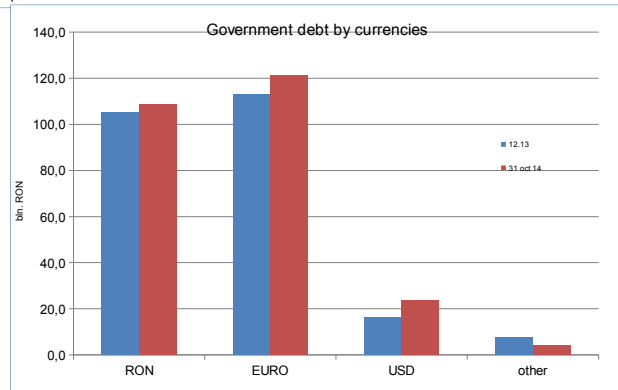
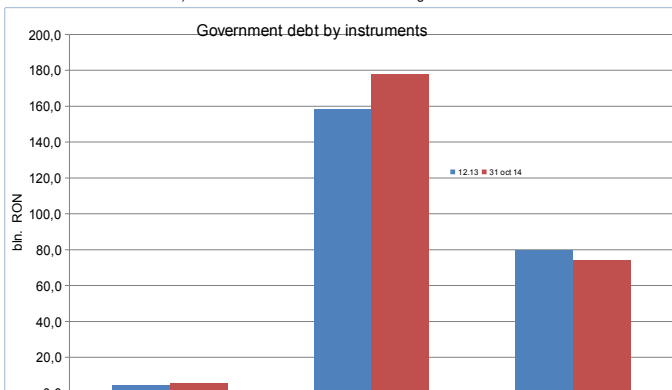




## B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2013		October, 2014		modificarea	
	RON million	% of total	mil. RON	% din total	mil. RON	% din total
General government debt *)	<b>242.194,0</b>		<b>257.370,4</b>		<b>15.176,4</b>	<b>6,3%</b>
	%GDP	<b>37,9%</b>		<b>40,4%</b>		<b>2,5%</b>
<b>A o/w:</b>						
Central government debt	226.718,5	93,6%	242.191,5	94,1%	15.473,0	6,8%
Local government debt	15.475,5	6,4%	15.178,9	5,9%	-296,6	-1,9%
<b>B o/w:</b>						
General domestic government debt	110.155,0	45,5%	123.360,5	47,9%	13.205,5	12,0%
General external government debt	132.039,0	54,5%	134.009,9	52,1%	1.970,9	1,5%

\*) Eurostat calculates the GDP ratio taking into consideration the sum of GDP for the last 4 quarters



At the end of Q2, 2014 government debt represented 38.5% of GDP, well below the level registered in the EU-28 (87% of GDP), and the Euro Zone (92.7% of GDP).