



## PUBLIC DEBT BULLETIN

August 2011

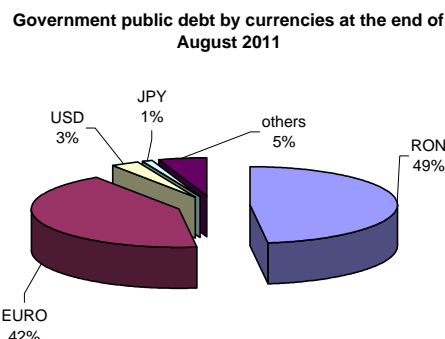
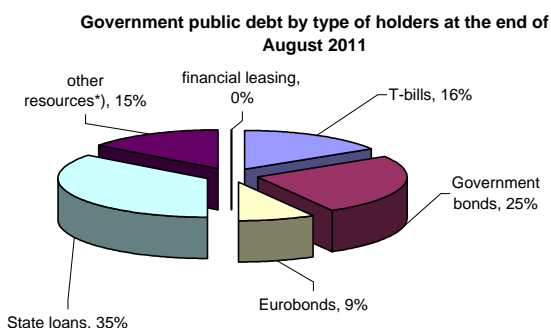
A. Public Debt*			
Public debt composition (RON mln)			
		31 december 2010**	31 August 2011***
<b>Outstanding public debt</b>		<b>194,459.2</b>	<b>207,572.2</b>
<b>% GDP</b>		<b>37.86%</b>	<b>38.22%</b>
out of which:			
A.	Government public debt	94.03%	94.41%
	Local public debt	5.97%	5.59%
B.	Government direct debt	91.92%	94.60%
	Government guaranteed debt	8.08%	5.40%
B.	Negotiable	41.33%	48.76%
	Non-negotiable	58.67%	51.24%
C.	RON	46.21%	48.79%
	EURO	42.58%	42.30%
	other currencies	11.21%	8.92%

GDP: for 2010 RON 513.641 mln and for 2011 RON 543.040 mln

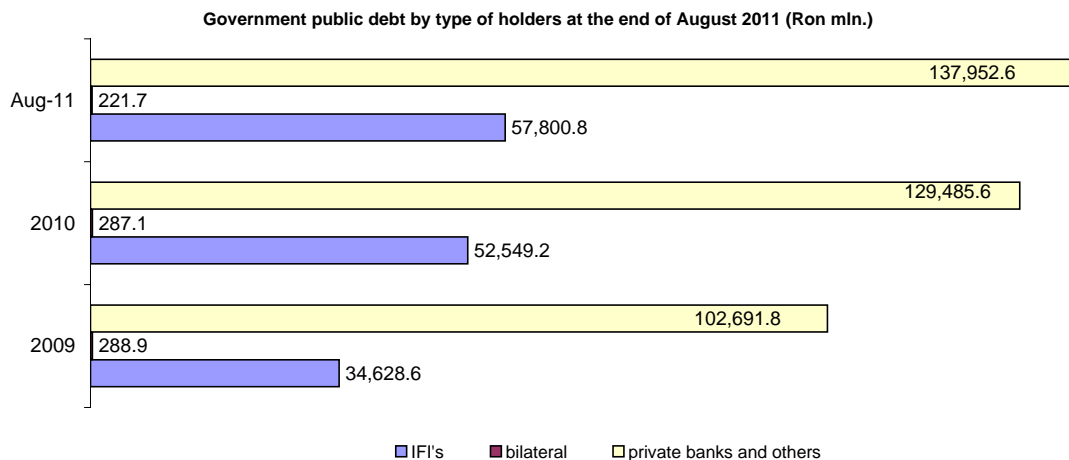
\* including the state and local authorities guaranteed debt according to EOG 64/2007

\*\* according to General account of Public debt.

\*\*\*revisable data



\*) loans from the availabilities of the Treasury General Accounts



**B. New government loans between 1 January - 31 August 2011**

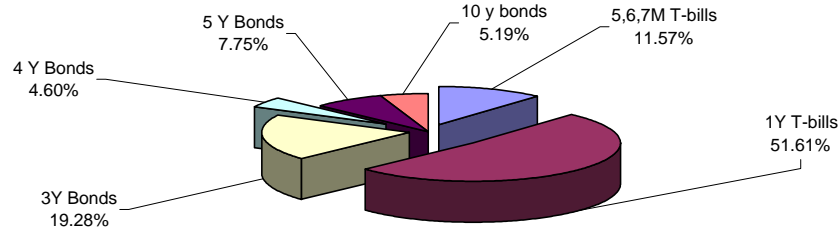
RON mln

The structure of loans contracted between 1 January 2011 - 31 August 2011

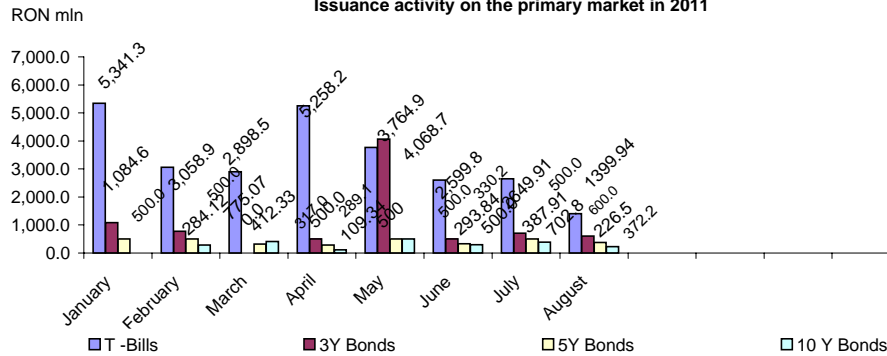
government securities issued on domestic market	42,688.8
cash management instruments*	1,400.0
state loans, out of which:	8,384.7
- contracted directly	7,601.0
- state guaranteed	783.7
<b>TOTAL</b>	<b>52,473.5</b>

\*) cash management instruments contracted on short term, in August 2011

**Government securities by initial maturity issued between 1 January - 31 August 2011**

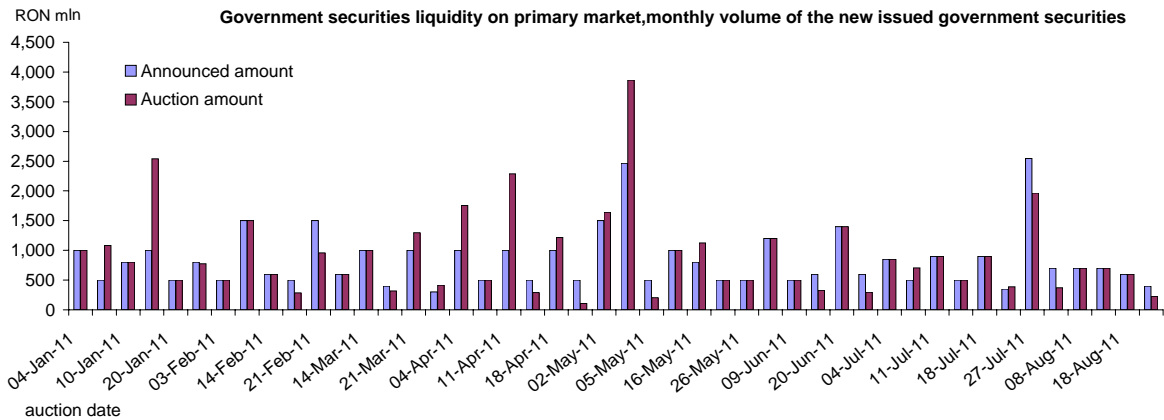


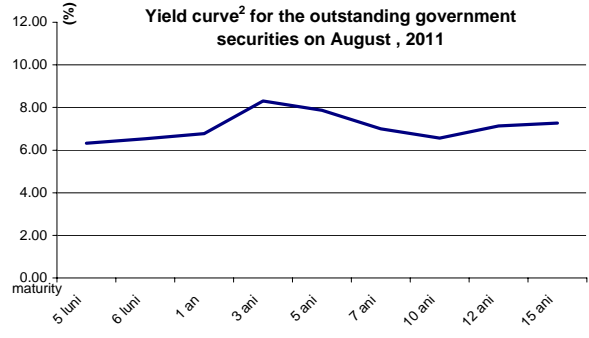
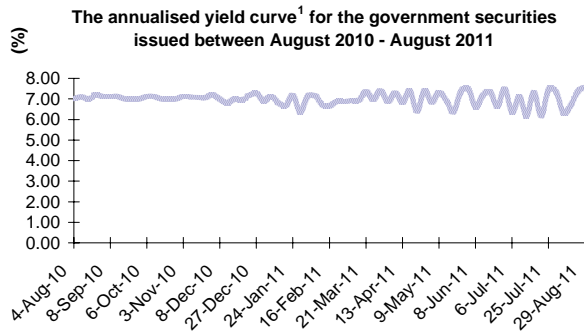
**Issuance activity on the primary market in 2011**



**C. Primary and secondary market**

**Government securities liquidity on primary market, monthly volume of the new issued government securities**

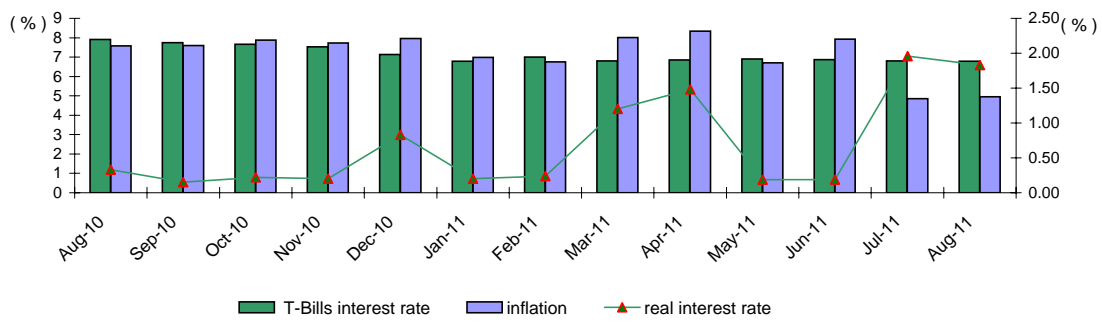




1. the Yield (nominal interest rate) is annualised based on the maturity for the government securities. Otherwise, if the government securities have 3M maturity, it is used the formula:  $Y = [(1+y/400)^4 - 1] * 100$ , where y is the yield

2. the yield curve is calculated based on the average yields for the outstanding government securities

Inflation and interest rates for 12M T-bills for August 2010 - August 2011



Note : The monthly real interest rate is calculated as the difference between 12 M T-bills interest rate and inflation rate.

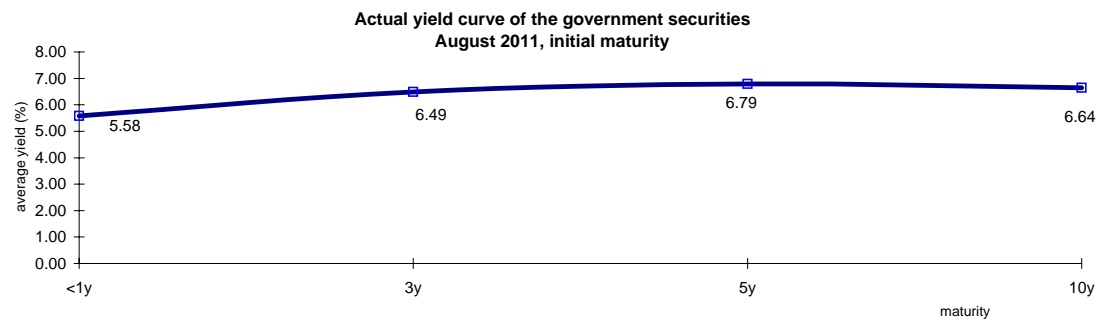
**Remaining maturity of the government securities \***

	31-Dec-10	%	31-Aug-11	% in total
<b>Total amount</b>	66,290.0	100.00%	81,120	100.00%
out of wich:				
short term (<1an)	35,421.0	53.43%	36,781	45.34%
medium term (1-5 Y)	28,142.0	42.45%	39,398	48.57%
long term (>5ani)	2,727.0	4.11%	4,941	6.09%

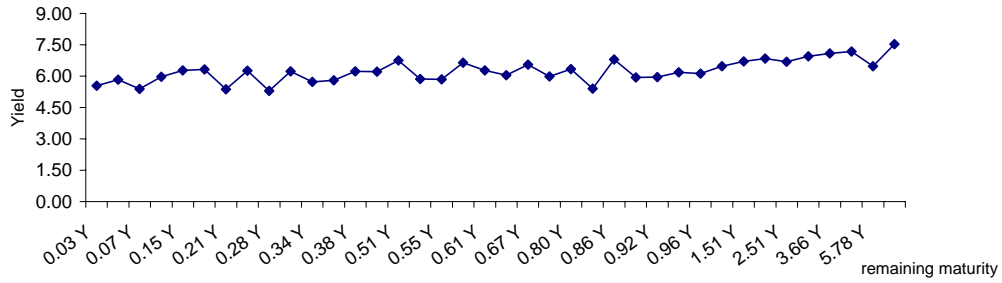
\* does not include eurobonds

Weighted average value of the remaining maturity for T-bills and bonds is at the end of August 2011: 1,8 years

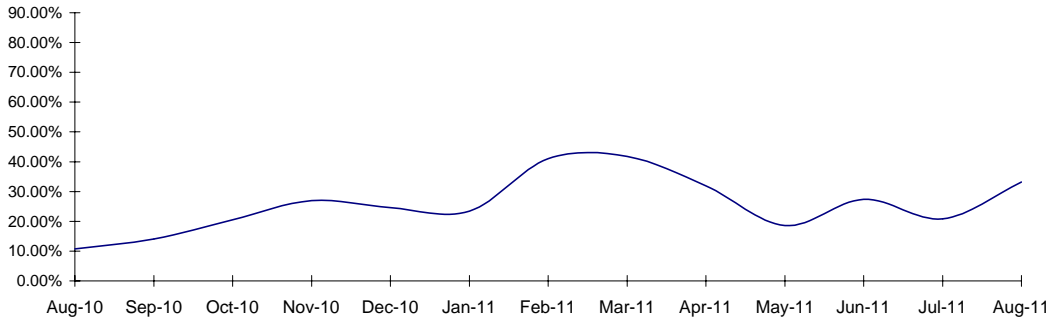
**II. Secondary market**



Evolution of yield of government securities traded in August 2011, by remaining maturity

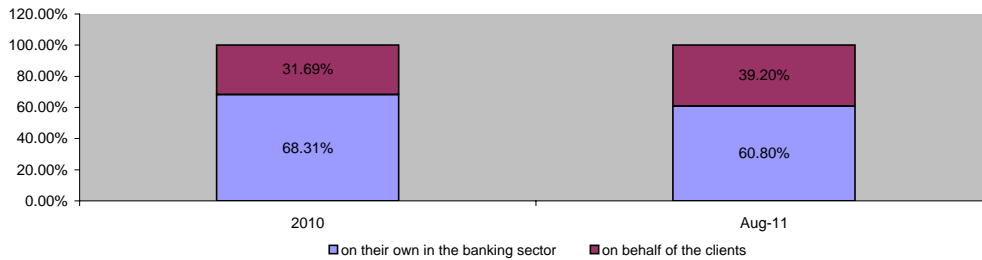


Liquidity degree<sup>4</sup> of the government securities traded between August 2010 - August 2011

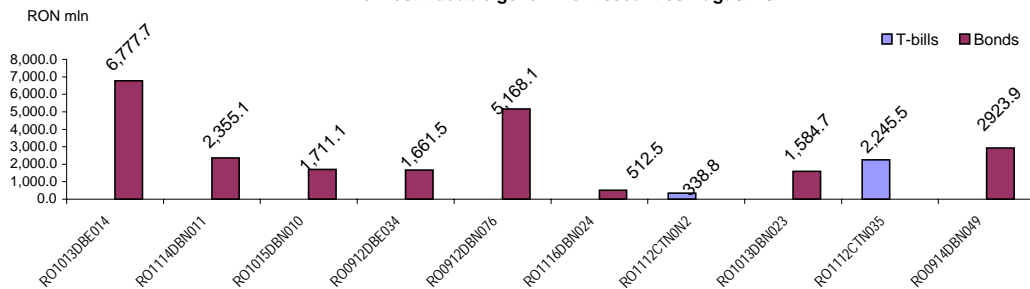


4. liquidity degree is calculated as report between the total volume of the monthly transactions and the total volume of the government securities

Holders of government securities on domestic market



The most tradable government securities August 2011

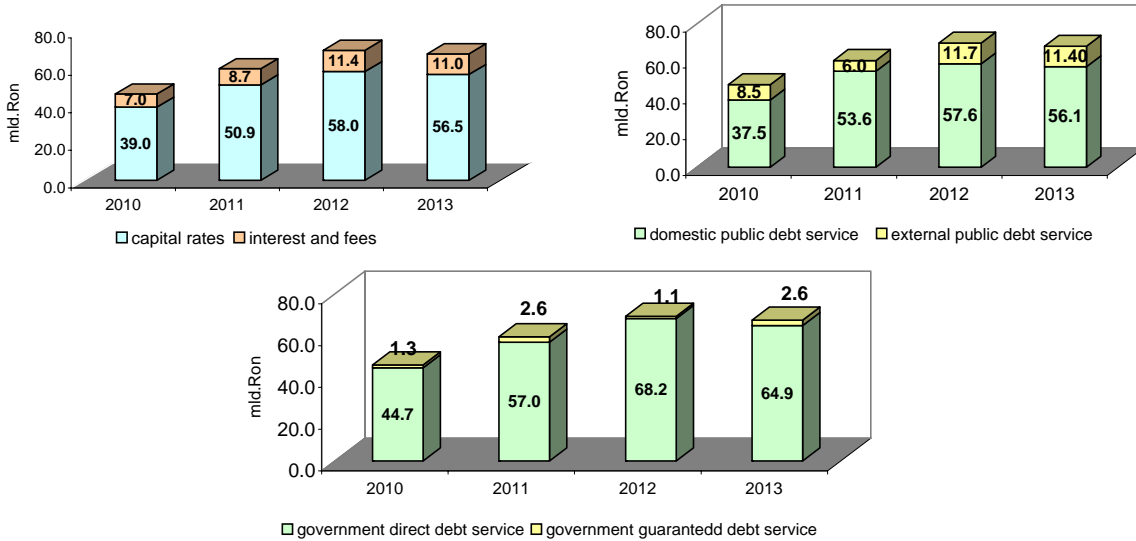


Holdings of government securities denominated in RON , in August 2011

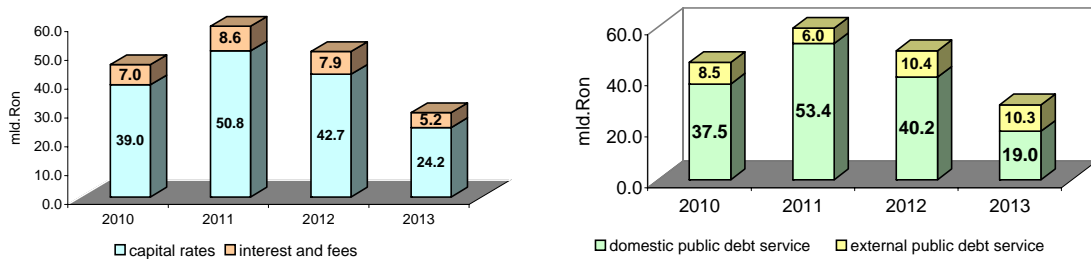
Category	Available (mln RON)	(%) total
<b>1. Banking system</b>	<b>39,842.69</b>	<b>60.82%</b>
Central Depository	542.36	
<b>2. Clients holdings:</b>	<b>26,021.19</b>	<b>39.18%</b>
non resident individuals	17.74	
resident individuals	2,013.37	
corporate residents	12,470.35	
corporate non residents	11,519.73	
<b>Total</b>	<b>66,406.24</b>	

D.1. Government debt service

D.1.a Government debt service \*)



D.1.b Government debt service contracted at August 31, 2011



\*) Projection includes the debt service for new debt (domestic and external, includes external financing package with IMF, EC and IBRD) to be issued for financing the deficits of next years and refinancing of public debt.

D.2. Reimbursement schedule for the tranches drawn from IMF / EC / WB \*) package.

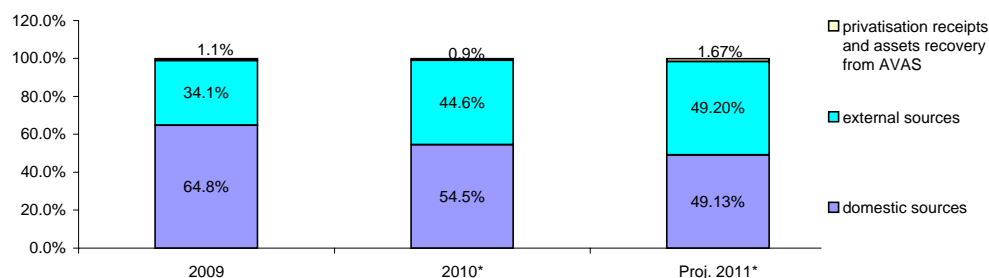
\*) The tranches drawn by MPF at August 31, 2011

Period	IMF		EC (mln Eur)	WB (mln Eur)
	(mln DST)	(mln Eur)		
2012	107.38	119.83	-	-
2013	837.31	934.43	-	-
2014	865.87	966.31	-	-
2015	135.94	151.70	1,500.00	-
2016	-	-	-	-
2017	-	-	1,150.00	-
2018	-	-	1,350.00	-
2019	-	-	1,000.00	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	600.00
<b>TOTAL</b>	<b>1,946.49</b>	<b>2,172.27</b>	<b>5,000.00</b>	<b>600.00</b>

### Fulfilling the objectives of the Government Debt Management Strategy 2011-2013

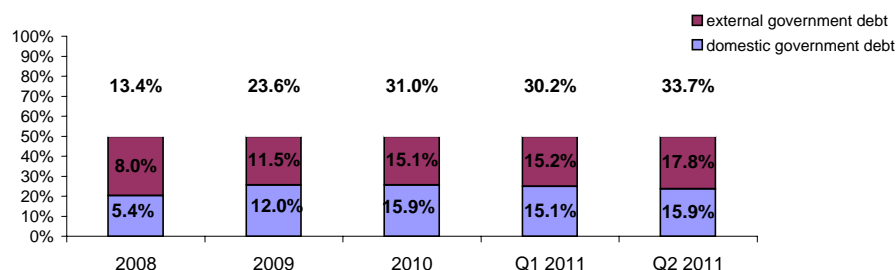
Parameters	Aug-11	Dec-10	Limits according to Strategy
1. Controlled increased of the government public debt (%GDP)	36.1%	35.0%	
2. Limiting financial risk associated with government public debt portfolio :			
<b>A. Currency risk</b>			
Increasing the share of the government public debt in lei in total gov. public debt	48.1%	45.2%	min 45%
Increasing the share of the government public debt in Euro in total gov. public debt in foreign currency	81.8%	81.4%	min 75%
Decreasing of the gov. public debt in Euro in total public gov. debt.	72.5%	44.7%	max 50%
<b>B. Refinancing risk</b>			
The share of the short term debt in the total public government debt	31.0%	32.4%	
Average remaining maturiti (years)	3.9	3.7	
<b>C. Interest rate risk</b>			
Increasing the share of the debt with fix interest rate in the total gov. public debt	56.7%	53.5%	
Increasing the share of the negotiable debt in the total government public debt	56.7%	53.5%	
3. Development of the government securities market (bln.lei)-issuance of the government securities in the period less refinancing of gov. securities	16.9	19.8	

### E. Financing of the budget deficit



\*) revisable data

### F. Government debt according ESA 95 methodology % in GDP

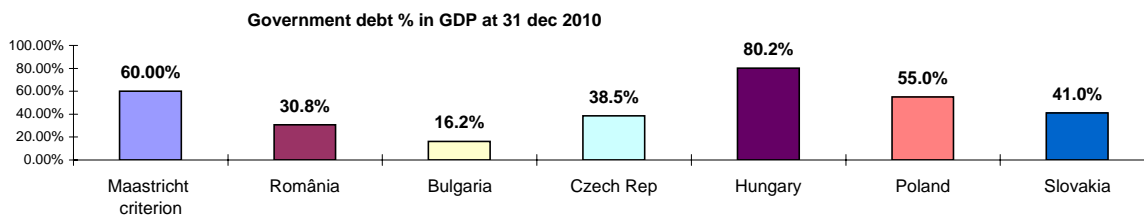


### G. Evolution of government debt according ESA 95 methodology

\*) the consolidation is made within each sub-sector but not between sub-sectors.

min RON	2008	2009	2010	Q1 2011	Q2 2011
<b>General Government*</b>	69,020.4	118,428.0	159,438.6	164,085.7	182,993.8
<b>Central Government</b>	69,875.1	115,270.5	154,144.7	163,661.8	182,374.9
<b>Local Government</b>	9,629.1	11,735.2	12,881.2	12,415.3	12,578.9
<b>Social Security Funds</b>	2,273.5	2,714.3	2,962.9	3,878.4	4,269.3

G. International comparisons\*



\*) according to the EU methodology (ESA 95)