



MONTHLY REPORT  
April 30, 2017

|  |     |   |
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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 temporary 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 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   |           |
| <i>* debt repaid from budget</i>                          |           |           |           |           |
| GDP for 2016 according to NSI communication, April 2017   | 761.473,6 |           | 815.200,0 |           |
| GDP for 2017 according to NCP forecast, January 2018      |           |           |           |           |

2. Actual borrowing in 2017 up to April, 30 (mil. Ron denominated)

**Total reimbursable financing 15.656,6 mil.Ron**

| MFP                         | By Instrument   |     | By Currency     |         | By Market       |  |
|-----------------------------|-----------------|-----|-----------------|---------|-----------------|--|
|                             |                 |     |                 |         |                 |  |
| T-Bills                     | 4.783,2         | RON | 14.321,6        | Interna | 15.413,9        |  |
| T-Bonds                     | 9.538,4         | EUR | 1.185,3         | Externa | 93,0            |  |
| T-Bonds denominated in EURO | 1.092,3         |     |                 |         |                 |  |
| Eurobonds                   | 0,0             | USD | 0,0             |         |                 |  |
| FX loans                    | 93,0            |     |                 |         |                 |  |
| <b>total</b>                | <b>15.506,9</b> |     | <b>15.506,9</b> |         | <b>15.506,9</b> |  |
| <b>Local governments</b>    | <b>149,7</b>    |     |                 |         |                 |  |

**Ratio of covering of financing needs 22,8%**

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

**1. Public debt evolution**

|  | December, 2016   |               | April, 2017      |               | change         |             |
|--|------------------|---------------|------------------|---------------|----------------|-------------|
|  | mil. RON         | % of total    | mil. RON         | % din total   | RON billion    | % of total  |
| Outstanding of public debt             | <b>339.218,8</b> |               | <b>341.772,7</b> |               |                |             |
| <i>o/w</i>                             |                  |               |                  |               |                |             |
| <b>a) by type of sector</b>            | <b>339.218,8</b> | <b>100,0%</b> | <b>341.772,7</b> | <b>100,0%</b> | <b>2.553,9</b> | <b>0,8%</b> |
| Government public debt                 | 323.458,7        | 95,4%         | 326.123,7        | 95,4%         | 2.665,0        | 0,8%        |
| Local public debt                      | 15.760,1         | 4,6%          | 15.649,0         | 4,6%          | -1.111,1       | -0,7%       |
| <b>b) by type of debt</b>              | <b>339.218,8</b> | <b>100,0%</b> | <b>341.772,7</b> | <b>100,0%</b> | <b>2.553,9</b> | <b>0,8%</b> |
| Direct public debt                     | 321.545,7        | 94,8%         | 324.255,5        | 94,9%         | 2.709,8        | 0,8%        |
| Guaranteed public debt                 | 17.673,1         | 5,2%          | 17.517,2         | 5,1%          | -155,9         | -0,9%       |
| <b>c) by the residence of creditor</b> | <b>339.218,8</b> | <b>100,0%</b> | <b>340.772,7</b> | <b>99,7%</b>  | <b>1.553,9</b> | <b>0,5%</b> |
| External                               | 138.810,6        | 40,9%         | 137.694,8        | 40,3%         | -1.115,8       | -0,8%       |
| Domestic                               | 200.408,2        | 59,1%         | 203.077,9        | 59,4%         | 2.669,7        | 1,3%        |
| <b>Total public debt</b>               | <b>339.218,8</b> |               | <b>341.772,7</b> |               | <b>2.553,9</b> | <b>0,8%</b> |

**Outstanding of Public debt /GDP 44,5% 41,9% -2,6%**

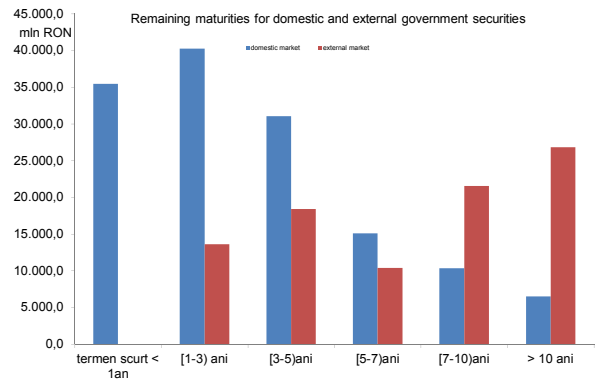
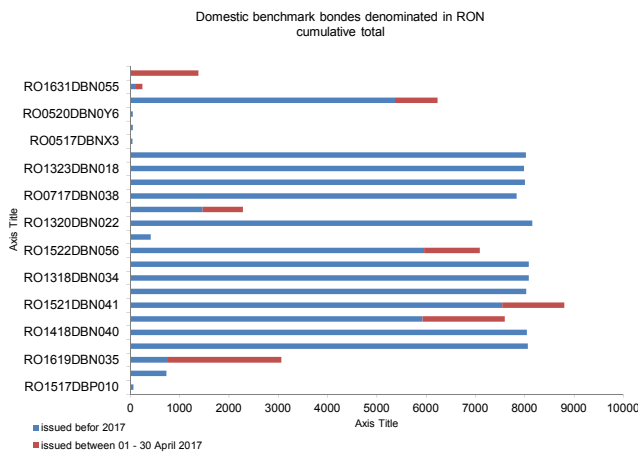
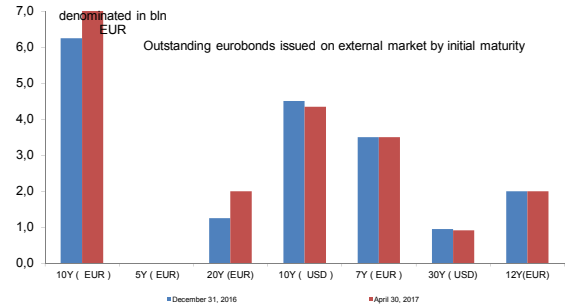
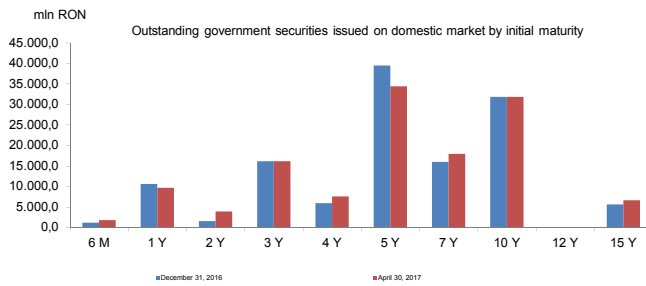
GDP for 2016 according to NSI communication, April 2017

GDP for 2017 according to NCP forecast, January 2018

## 2. Government public debt evolution

|   | December, 2016   | April, 2017      | change          |              |
|---|------------------|------------------|-----------------|--------------|
|   | RON billion      | mil. RON         | RON billion     | %            |
| <b>Total government public debt, o/w</b>  | <b>323.458,7</b> | <b>326.123,8</b> | <b>2.665,1</b>  | <b>0,8%</b>  |
| <b>1. After the market issuance</b>       |                  |                  |                 |              |
| <b>External*) , o/w:</b>                  | <b>138.127,5</b> | <b>136.054,8</b> | <b>-2.072,7</b> | <b>-1,5%</b> |
| By instruments                            |                  |                  |                 |              |
| Eurobonds                                 | 83.778,3         | 82.768,5         | -1.009,8        | -1,2%        |
| loans                                     | 54.349,2         | 53.286,3         | -1.062,9        | -2,0%        |
| By currency                               |                  |                  |                 |              |
| RON                                       | 94,0             | 88,9             | -5,1            | -5,4%        |
| USD                                       | 26.893,8         | 25.679,8         | -1.214,0        | -4,5%        |
| EURO                                      | 108.678,1        | 107.892,5        | -785,6          | -0,7%        |
| others                                    | 2.461,6          | 2.393,6          | -68,0           | -2,8%        |
| By creditor                               |                  |                  |                 |              |
| multilateral                              | 52.516,0         | 51.666,0         | -850,0          | -1,6%        |
| bilateral                                 | 166,6            | 154,1            | -12,5           | -7,5%        |
| private banks and others                  | 85.444,9         | 84.234,6         | -1.210,3        | -1,4%        |
| By interest rate                          |                  |                  |                 |              |
| fixed                                     | 124.243,5        | 122.849,3        | -1.394,2        | -1,1%        |
| floating                                  | 13.884,0         | 13.205,5         | -678,5          | -4,9%        |
| <b>2. Domestic*) , o/w:</b>               |                  |                  |                 |              |
| <b>By instruments</b>                     | <b>185.331,2</b> | <b>190.069,0</b> | <b>4.737,8</b>  | <b>2,6%</b>  |
| T-bills                                   | 11.988,2         | 11.666,9         | -321,3          | -2,7%        |
| Bonds                                     | 116.630,1        | 127.205,9        | 10.575,8        | 9,1%         |
| loans                                     | 15.081,5         | 15.060,7         | -20,8           | -0,1%        |
| others                                    | 41.631,4         | 36.135,5         | -5.495,9        | -13,2%       |
| By currency                               |                  |                  |                 |              |
| RON                                       | 170.458,2        | 174.444,4        | 3.986,2         | 2,3%         |
| USD                                       | 18,3             | 0,0              | -18,3           | -100,0%      |
| EURO                                      | 14.854,7         | 15.624,6         | 769,9           | 5,2%         |
| 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        | 190.069,0        | 4.737,8         | 2,6%         |
| By interest rate                          |                  |                  |                 |              |
| fixed                                     | 116.630,1        | 127.205,9        | 10.575,8        | 9,1%         |
| floating                                  | 68.701,1         | 62.863,1         | -5.838,0        | -8,5%        |
| <b>1. After residence of the creditor</b> |                  |                  |                 |              |
| <b>External</b>                           | <b>135.418,3</b> | <b>134.361,2</b> | <b>-1.057,1</b> | <b>-0,8%</b> |
| <b>Domestic</b>                           | <b>188.040,4</b> | <b>191.762,6</b> | <b>3.722,2</b>  | <b>2,0%</b>  |
| <b>Government public debt /GDP</b>        | <b>42,5%</b>     | <b>40,0%</b>     | <b>-2,5%</b>    |              |
| GDP (min 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 March 2017 is 3.2 years and 6.4 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     | 67.062,4                             | 48,8%         |
| 2. Central Depository | 219,9                                |               |
| 3. Clients holdings:  | 70.609,9                             | 51,2%         |
| non residents *)      | 23.971,4                             | 17,4%         |
| residents, o/w:       | 46.638,6                             | 33,8%         |
| private pension funds | 19.632,3                             | 14,2%         |
| <b>Total</b>          | <b>137.892,2</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     | 62.060,8                             | 48,2%         |
| 2. Central Depository | 219,9                                |               |
| 3. Clients holdings:  | 66.800,6                             | 51,8%         |
| non residents *)      | 23.078,3                             | 17,9%         |
| residents, o/w:       | 43.722,3                             | 33,9%         |
| private pension funds | 19.211,6                             | 14,9%         |
| <b>Total</b>          | <b>129.081,3</b>                     | <b>100,0%</b> |

\*) includes government securities held by Clearstream

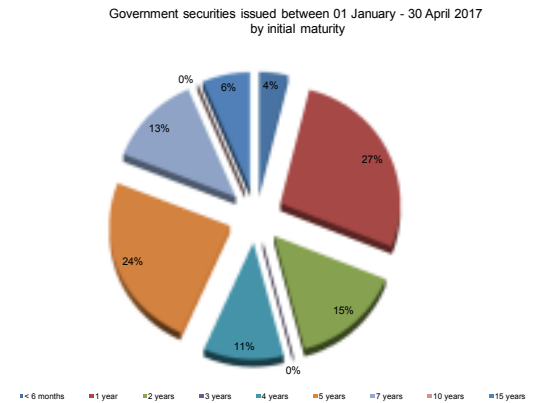
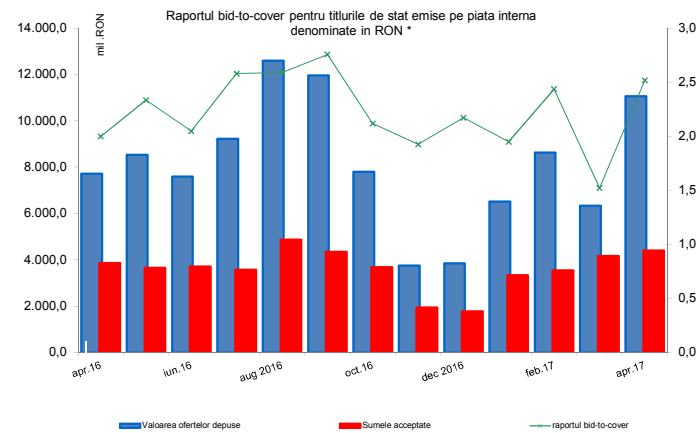
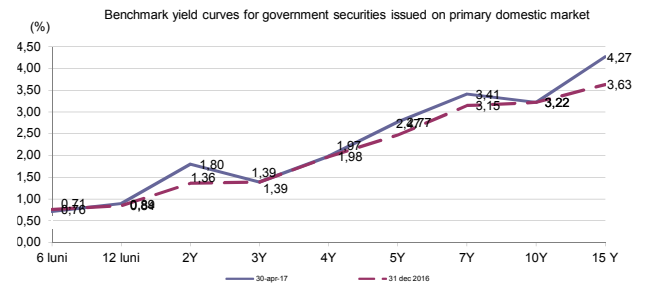
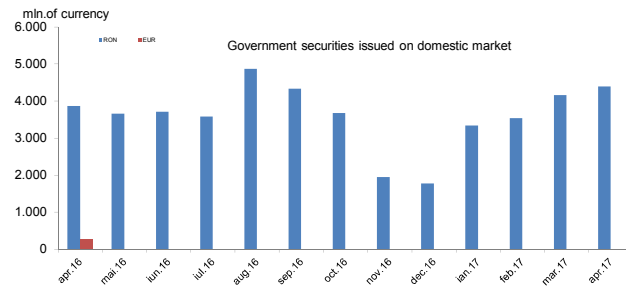
##### Holdings of government securities denominated in EUR issued on domestic market

| Category              | Available at nominal value (mln EUR) | (%) total      |
|-----------------------|--------------------------------------|----------------|
| 1. Banking system     | 1.103,3                              | 56,8%          |
| 3. Clients holdings:  | 840,3                                |                |
| non residents*)       | 197,0                                | 10,1%          |
| residents, o/w:       | 643,3                                | 33,1%          |
| private pension funds | 92,8                                 | 4,8%           |
| <b>Total</b>          | <b>1.943,6</b>                       | <b>100,00%</b> |

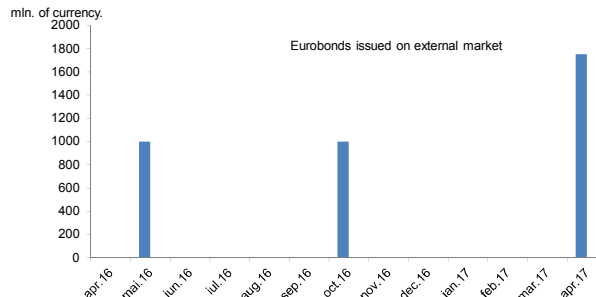
\*) includes government securities held by Clearstream

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

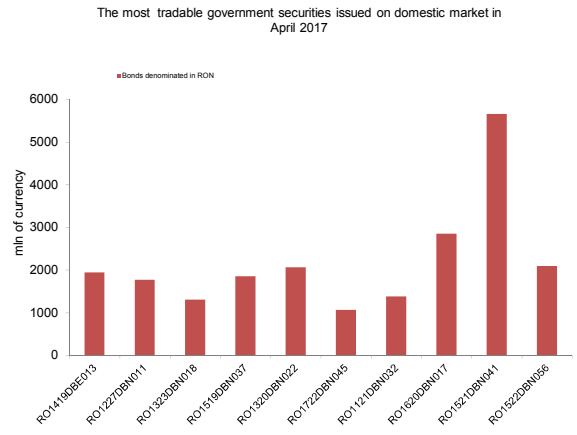
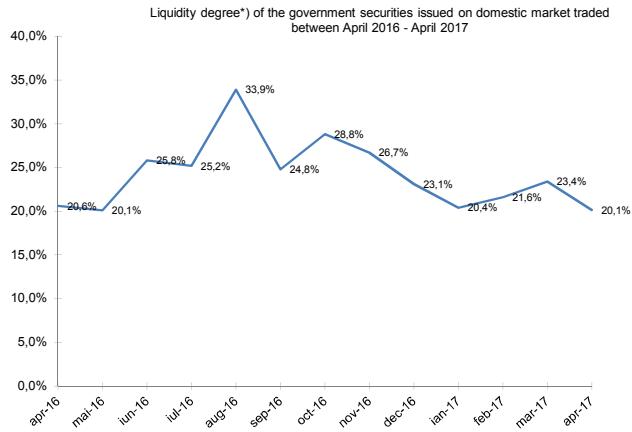
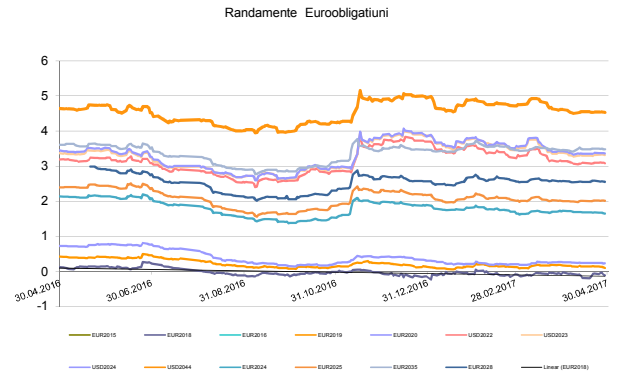
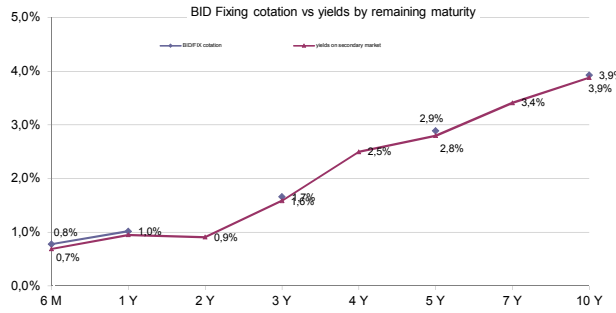
#### 1. Primary market of government securities



\*calculated as amount of bids submitted/accepted amount



## 2. Secondary market of government securities



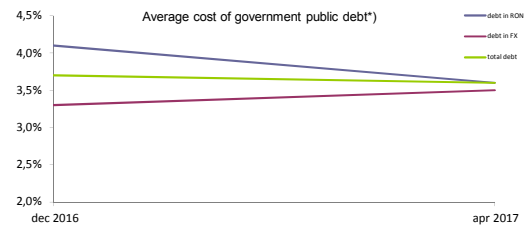
\*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

## IV. Cost of the government public debt

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

| mln. RON      | 2017           |
|---------------|----------------|
| domestic debt | 1.574,1        |
| external debt | 1.461,3        |
| <b>total</b>  | <b>3.035,5</b> |

\*) includes payments on direct and guaranteed debt for the period between January - April 2017

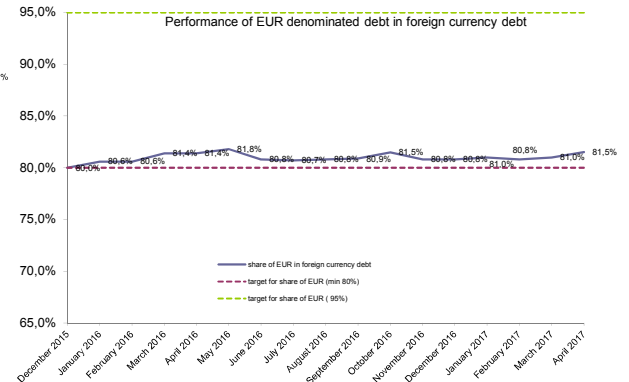
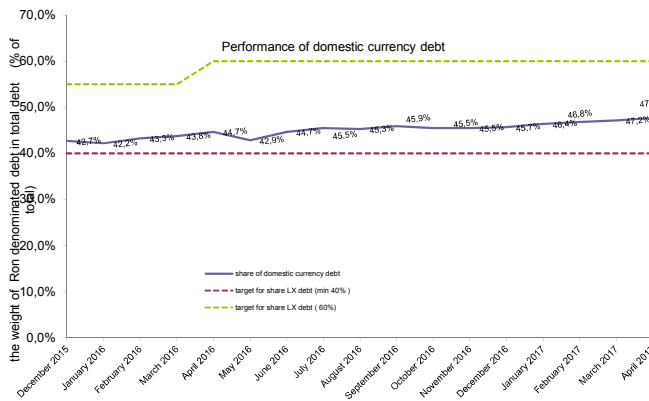
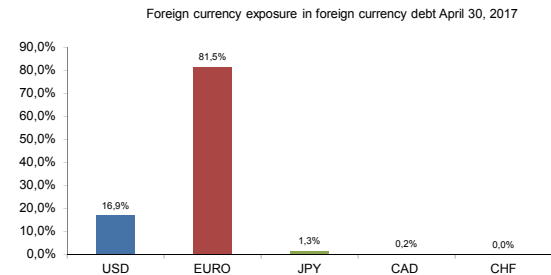
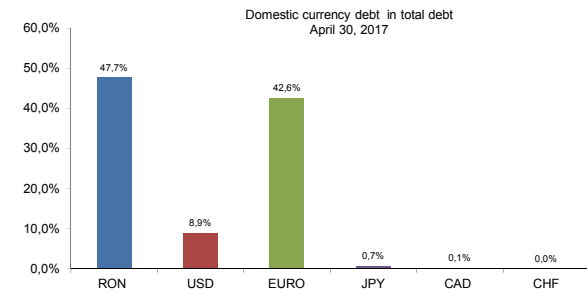


\*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at April 2017

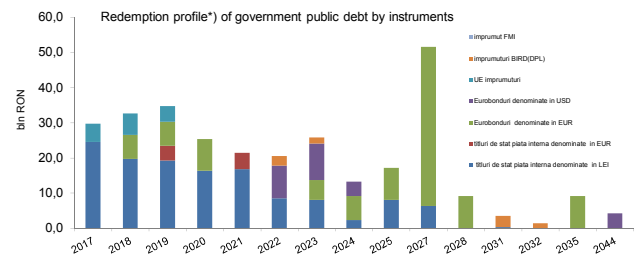
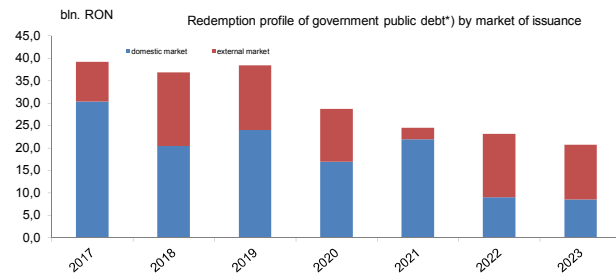
## V. Implementation of DMS 2016-2018

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 30 April 2017 show that the Treasury complies with the targets set in the DMS.

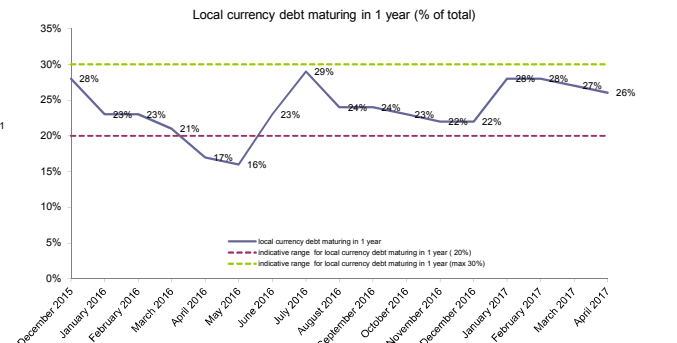
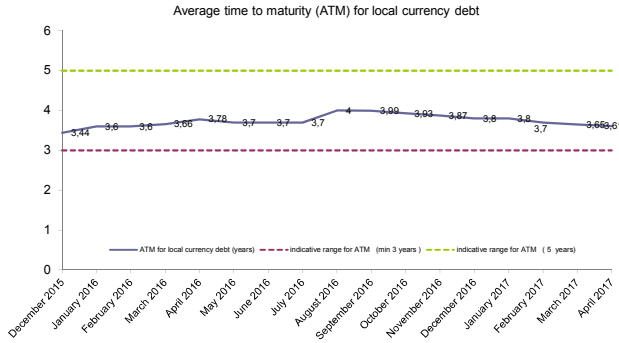
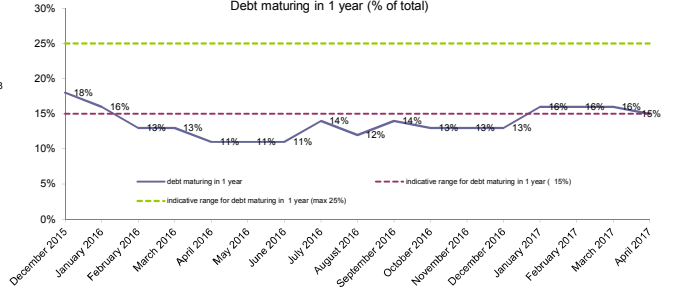
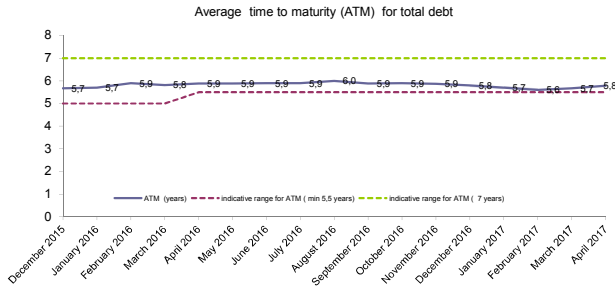
### 1. Currency risk



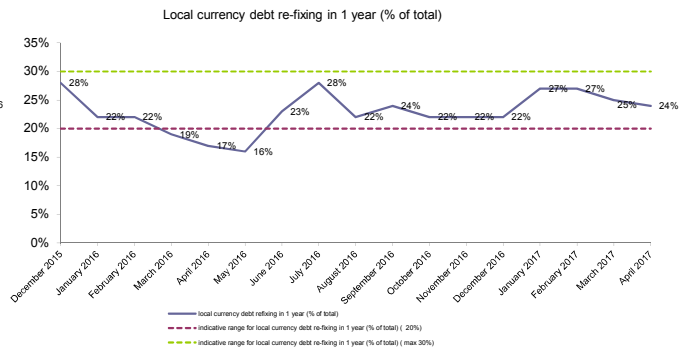
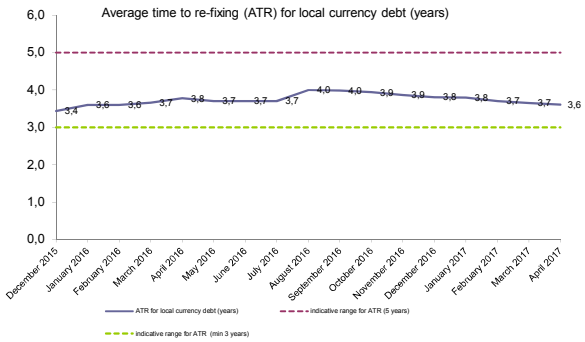
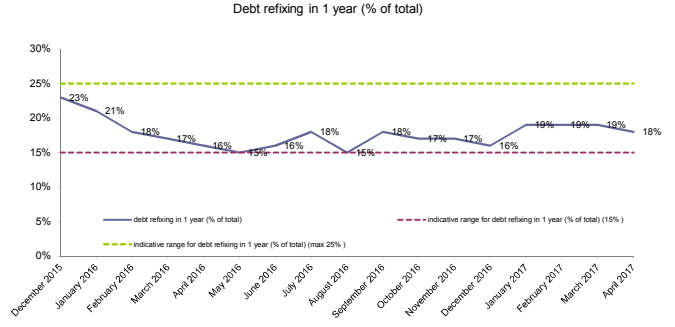
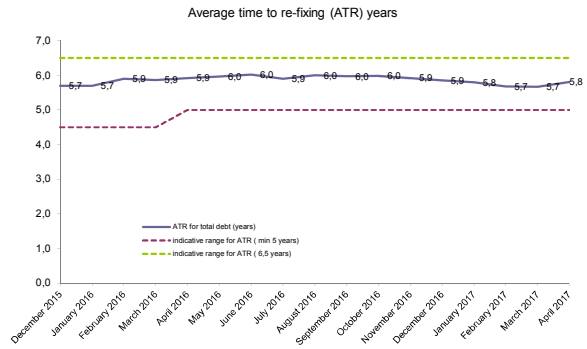
### 2. Refinancing risk



\*) based on contracted debt at the end of April 2017



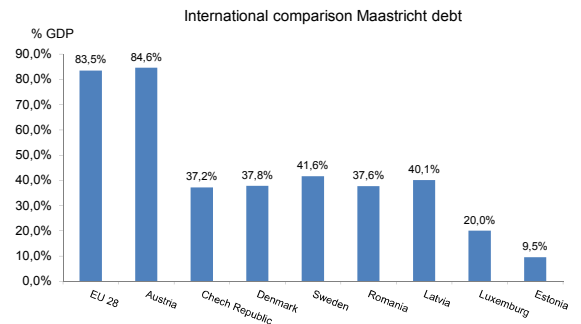
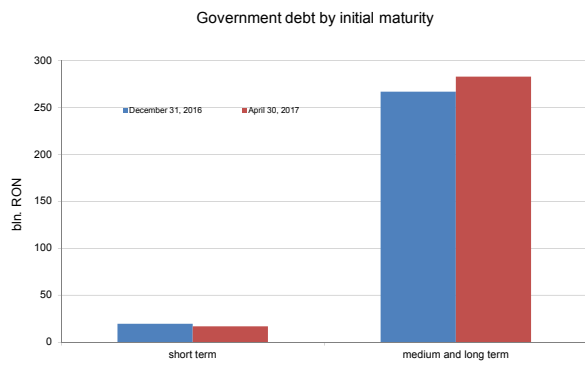
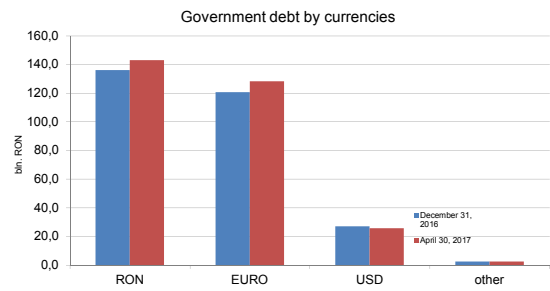
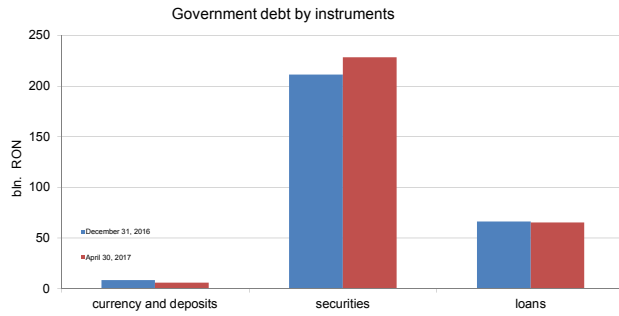
### 3. Interest rate risk



## B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

|                                  | December, 2016   |              | April, 2017      |              | change          |             |
|----------------------------------|------------------|--------------|------------------|--------------|-----------------|-------------|
|                                  | RON million      | % of total   | mil. RON         | % din total  | mil. RON        | % din total |
| General government debt *)       | <b>285.994,7</b> |              | <b>299.437,3</b> |              | <b>13.442,6</b> | <b>4,7%</b> |
|                                  | %GDP             | <b>37,6%</b> |                  | <b>38,7%</b> |                 | <b>1,1%</b> |
| <b>A o/w:</b>                    |                  |              |                  |              |                 |             |
| Central government debt          | 270.865,8        | 94,7%        | 284.341,8        | 95,0%        | 13.476,0        | 5,0%        |
| Local government debt            | 15.128,9         | 5,3%         | 15.095,5         | 5,0%         | -33,4           | -0,2%       |
| <b>B o/w:</b>                    |                  |              |                  |              |                 |             |
| General domestic government debt | 147.692,0        | 51,6%        | 154.324,5        | 51,5%        | 6.632,5         | 4,5%        |
| General external government debt | 138.302,7        | 48,4%        | 145.112,8        | 48,5%        | 6.810,1         | 4,9%        |

- according to EU methodology, the debt to GDP ratio was calculated taking into consideration the sum of GDP for the four last quarters (GDP according to press release NIS from June 7, 2017)



At the end of 2016 government debt represented 37,6% of GDP, well below the level registered in the EU-28 (83,5% of GDP), and the Euro Zone (89,2% of GDP).