



MONTHLY REPORT
October 31-st, 2019

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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 2019

	2018		2019 **)	
	RON mil.	% of GDP	RON mil.	% of GDP***)
Financing needs, o/w:	70.773,2	7,50%	89.373,0	8,6%
1. Deficit of general consolidated budget	26.850,3	2,84%	46.107,4	4,43%
2. Principal repayments*, o/w:	43.922,9	4,65%	43.265,6	4,16%
- refinancing of government securities issued on domestic	25.218,0		27.415,1	
- refinancing of eurobonds	6.980,3		7.117,5	
- principal repayments on external loans:	9.024,8		6.933,0	
- principal repayments on local loans	2.699,9		1.800,0	
*) debt repaid from budget				
GDP: according to NCSP release from November 2019				
	GDP	944.220,2	1.040.800,0	
**) updated at the moment of the elaboration of this report				
***) the difference in absolute value / percentage is due to the rounding of the calculation formula in excel				

2. Actual borrowing in 2019 up to October, 31 (RON mil. denominated)

Total reimbursable financing 70.716,7 RON mil.
o/w:

MFP	By Instrument		by Currency		by Market	
T-Bills & householders	1.273,9		RON	42.542,4	Domestic	44.948,3
T-Bonds	2.624,1					
Retail bonds	38.644,4		EUR	26.487,2	External	24.081,3
T-Bonds denominated in EURO	2.405,9					
Eurobonds	23.788,0		USD	0,0		
FX loans	293,3					
total	69.029,6			69.029,6		69.029,6
Local governments	1.687,1					

Ratio of covering of financing needs 79,1%

II. Public debt stock and changes in stock

1. Public debt evolution

	December, 2018		October 2019		change	
	RON mil.	% of total	RON mil.	% din total	RON mil.	% of total
Outstanding of public debt	400.923,0		428.776,1			
o/w						
a) by type of sector	400.923,0	100,0%	428.776,1	100,0%	27.853,1	6,9%
Government public debt	384.965,0	96,0%	412.708,8	96,3%	27.743,8	7,2%
Local public debt	15.958,0	4,0%	16.067,3	3,7%	109,3	0,7%
b) by type of debt	400.923,0	100,0%	428.776,1	100,0%	27.853,1	6,9%
Direct public debt	382.340,0	95,4%	409.697,2	95,6%	27.357,2	7,2%
Guaranteed public debt	18.583,0	4,6%	19.078,9	4,4%	495,9	2,7%
c) by the residence of creditor	400.923,0	100,0%	428.776,1	100,0%	27.853,1	6,9%
External	155.814,2	38,9%	175.468,8	40,9%	19.654,6	12,6%
Domestic	245.108,8	61,1%	253.307,3	59,1%	8.198,5	3,3%
Total public debt	400.923,0		428.776,1		27.853,1	6,9%
Outstanding of Public debt /GDP	42,5%		41,2%		-1,3%	

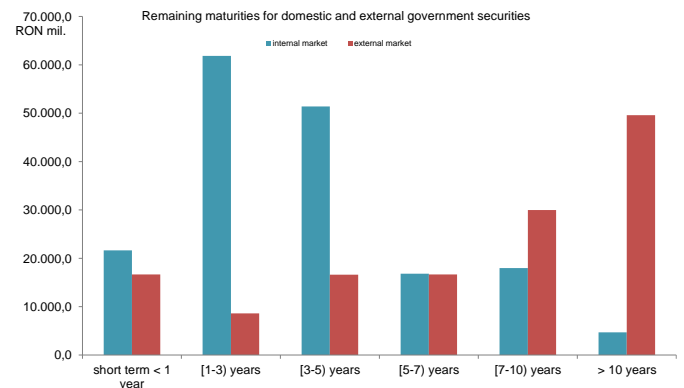
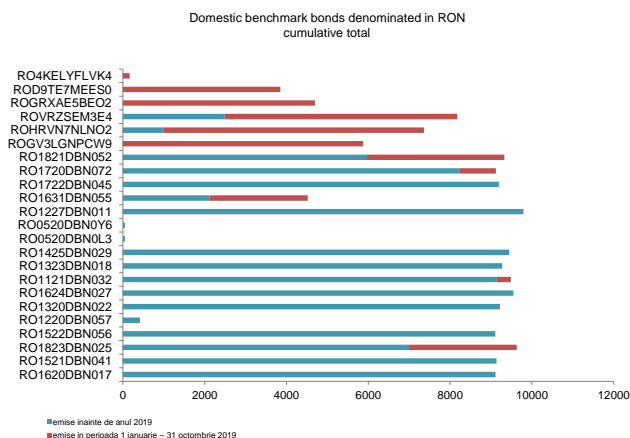
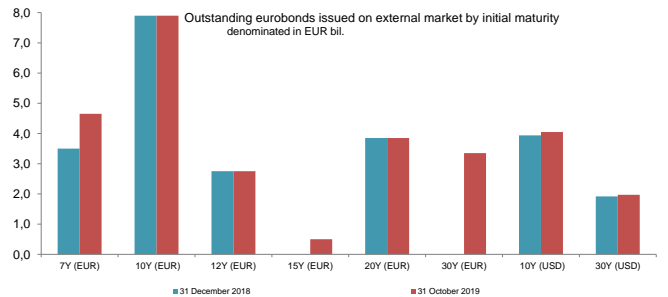
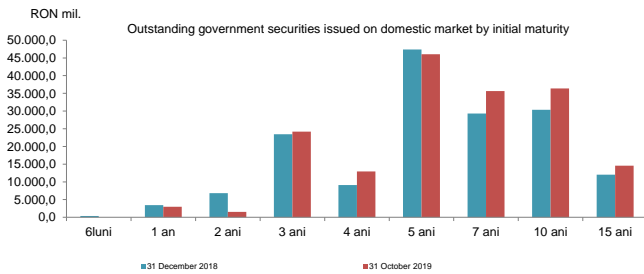
GDP: according to NCSP release from November 2019 944.220,2 1.040.800,0
 - the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

2. Government public debt evolution

	December, 2018	October 2019	change	
	RON mil.	RON mil.	RON mil.	%
Total government public debt , o/w	384.964,9	412.708,8	27.743,9	7,2%
1. After the market issuance				
External , o/w:	151.844,6	172.813,6	20.969,0	13,8%
By instruments				
Eurobonds	111.320,3	138.056,4	26.736,1	24,0%
loans	40.524,3	34.757,2	-5.767,1	-14,2%
By currency				
RON	56,3	42,2	-14,1	-25,0%
USD	28.214,7	29.166,2	951,5	3,4%
EURO	121.532,0	141.590,5	20.058,5	16,5%
others	2.041,6	2.014,7	-26,9	-1,3%
By creditor				
multilateral	39.764,8	34.129,5	-5.635,3	-14,2%
bilateral	79,1	78,0	-1,1	-1,4%
private banks and others	112.000,7	138.606,1	26.605,4	23,8%
By interest rate				
fixed	138.242,0	159.760,5	21.518,5	15,6%
floating	13.602,6	13.053,1	-549,5	-4,0%
Domestic, o/w:	233.120,3	239.895,2	6.774,9	2,9%
By instruments				
T-bills	3.997,0	2.663,6	-1.333,4	-33,4%
Bonds	158.393,7	167.166,0	8.772,3	5,5%
Retail bonds issued under the Program TEZAUR				
loans	16.882,7	4.696,9	4.696,9	4,0%
others	53.846,9	17.556,8	674,1	4,0%
others		47.811,9	-6.035,0	-11,2%
By currency				
RON	214.615,3	223.467,2	8.851,9	4,1%
USD	10,6	11,1	0,5	4,7%
EURO	18.494,4	16.416,9	-2.077,5	-11,2%
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	233.120,3	239.895,2	6.774,9	2,9%
By interest rate				
fixed	158.393,7	167.166,0	8.772,3	5,5%
floating	74.726,7	72.729,2	-1.997,5	-2,7%
2. After residence of the creditor				
External	152.970,7	172.777,2	19.806,5	12,9%
Domestic	231.994,2	239.931,6	7.937,4	3,4%
Government public debt /GDP	40,8%	39,7%	-1,1%	
GDP (min RON)	944.220,2	1.040.800,0		

- the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

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 October 2019 is 3,5 years and 11,2 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 (RON mil.)	(%) total
1. Banking system	77.021,7	45,4%
2. Central Depository	115,5	0,1%
3. Clients holdings:	92.582,1	54,6%
non residents *)	31.026,3	18,3%
residents, o/w:	61.555,8	36,3%
private pension funds	34.466,2	20,3%
Total	169.719,3	100,0%

*) includes government securities held by Clearstream

Holdings of government securities denominated in RON issued on domestic market

Category	Available at nominal value (RON mil.)	(%) total
1. Banking system	69.566,1	43,8%
2. Central Depository	115,5	
3. Clients holdings:	89.410,2	56,2%
non residents *)	30.071,9	18,9%
residents, o/w:	59.338,3	37,3%
private pension funds	34.306,8	21,6%
Total	159.091,8	100,0%

*) includes government securities held by Clearstream

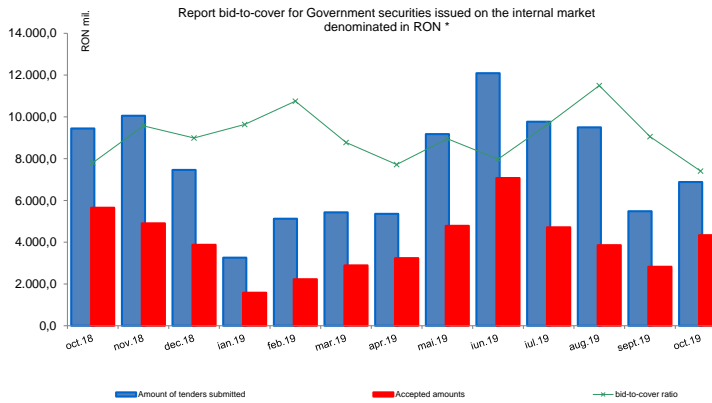
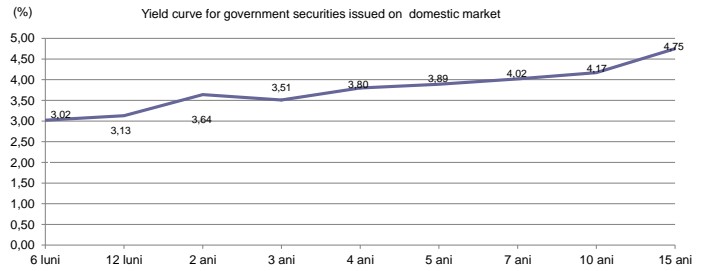
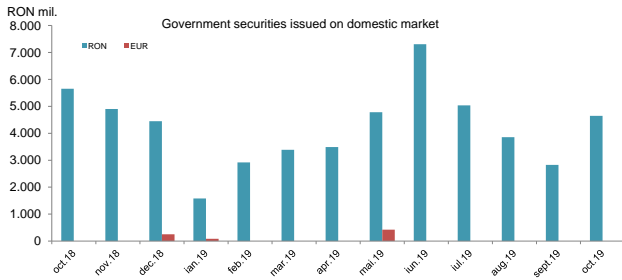
Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (EUR mil.)	(%) total
1. Banking system	1.567,1	70,2%
3. Clients holdings:	666,7	29,8%
non residents*)	200,6	9,0%
residents, o/w:	466,1	20,9%
private pension funds	33,5	1,5%
Total	2.233,8	100,00%

*) includes government securities held by Clearstream

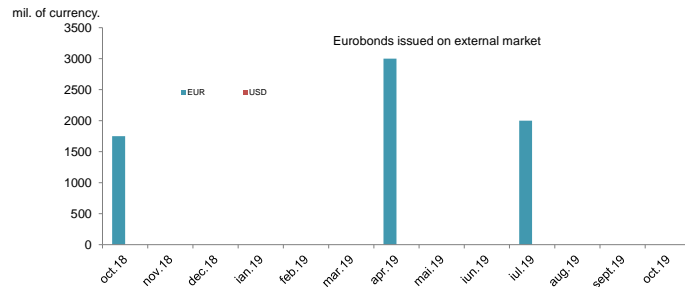
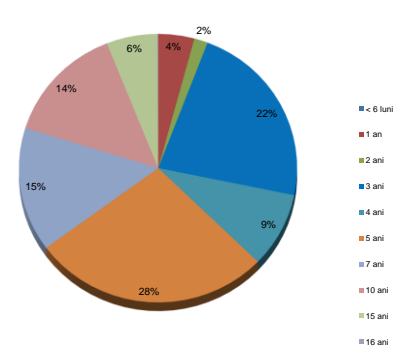
III. Primary and secondary market of government securities

1. Primary market of government securities



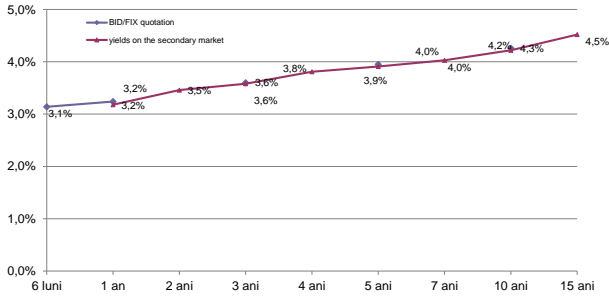
*calculated as amount of bids submitted/accepted amounts

Government securities issued between 01 January - 31 October 2019 by initial maturity

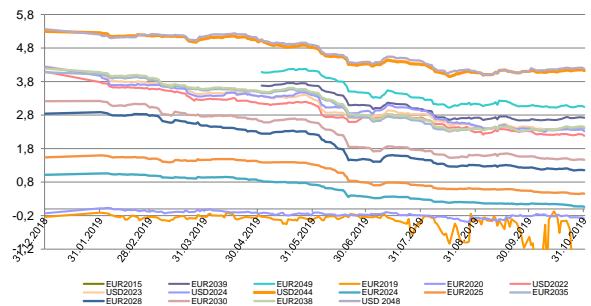


2. Secondary market of government securities

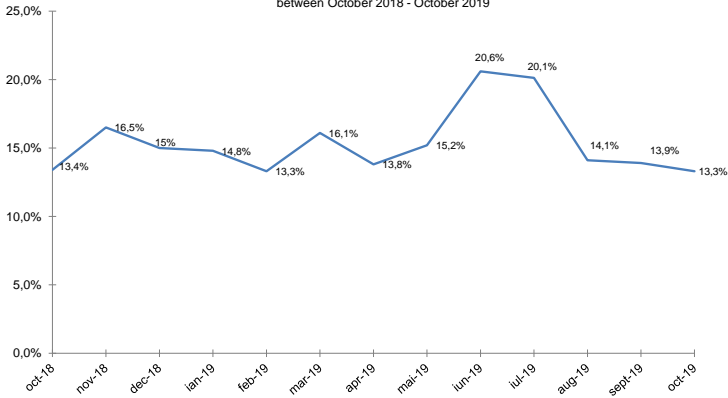
BID Fixing quotation vs yields by remaining maturity as of the 31-th October 2019



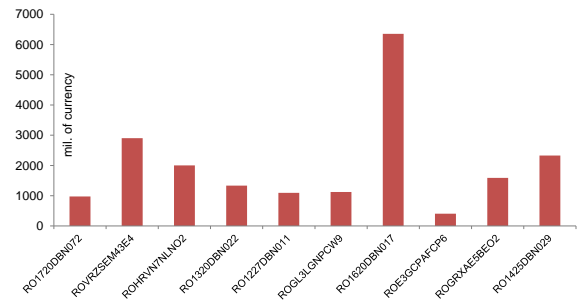
Eurobonds yields



Liquidity degree*) of the government securities issued on domestic market traded between October 2018 - October 2019



The most tradable government securities issued on domestic market in October 2019



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

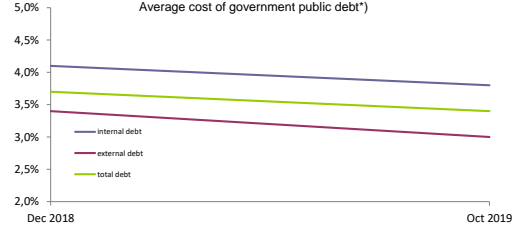
IV. Cost of the government public debt

Interest payments on government public debt*)

RON mil.	2019
domestic debt	6.434,0
external debt	4.825,1
total	11.259,1

*) includes payments on direct and guaranteed debt for October 2019

Average cost of government public debt*)

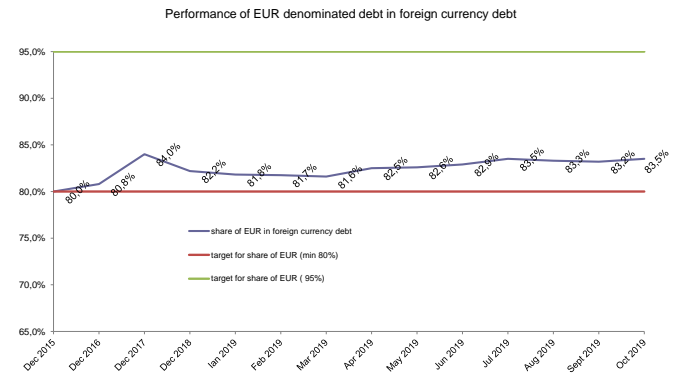
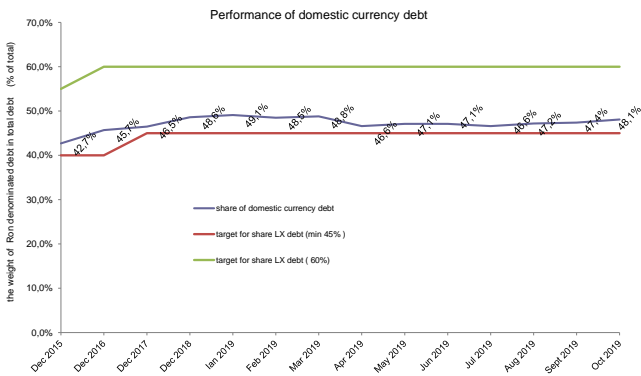
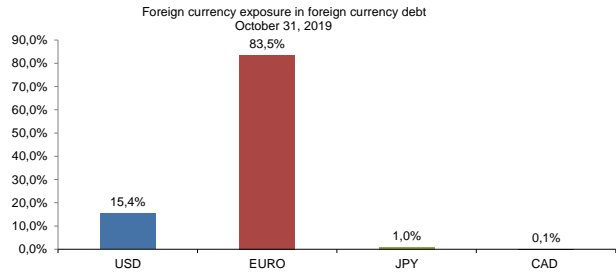
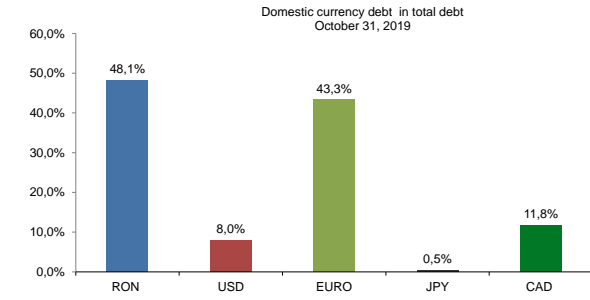


*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at the end of October 2019

V. Implementation of DMS on medium term

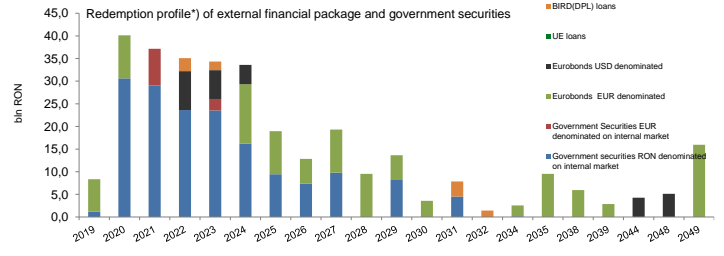
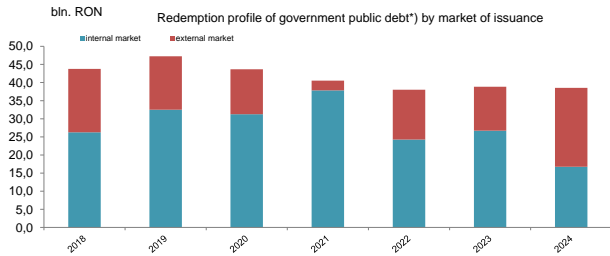
The revised Government Debt Management Strategy for the period 2019-2021 was approved by the Government in September 2019, proposing indicative targets for managing the financial risks associated with the government debt portfolio. On the medium term, risk indicators fall within the indicative targets of the Strategy. According to the Strategy, the limit mentioned as minimum or maximum cannot be exceeded during the period covered by the strategy (hard bound), while the other limit represents the limit to which it is stretched and which can be exceeded (soft bound).

1. Currency risk *)

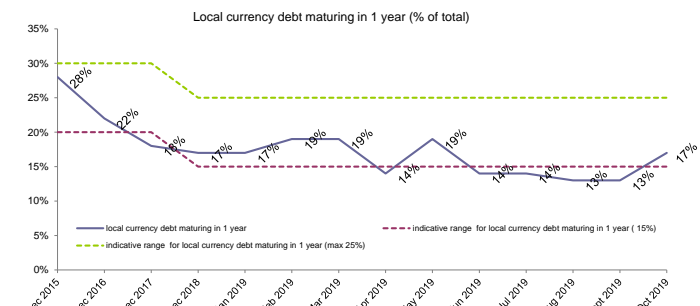
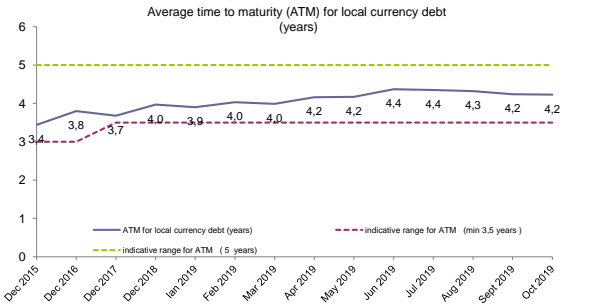
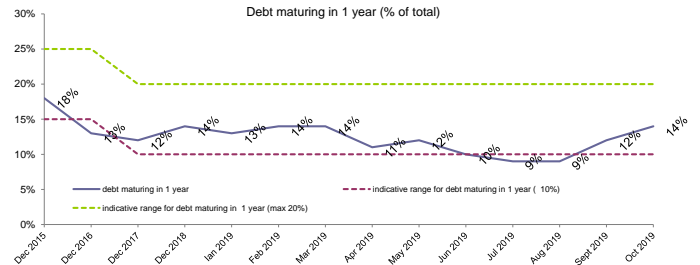
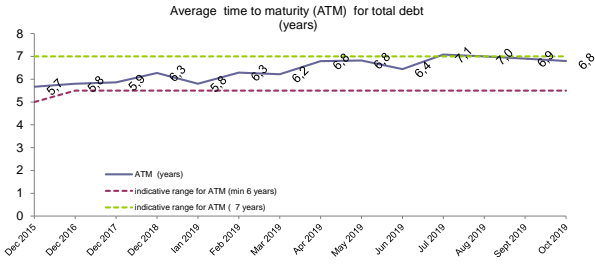


*) the difference in absolute value / percentage is due to the rounding of the calculation formula in excel

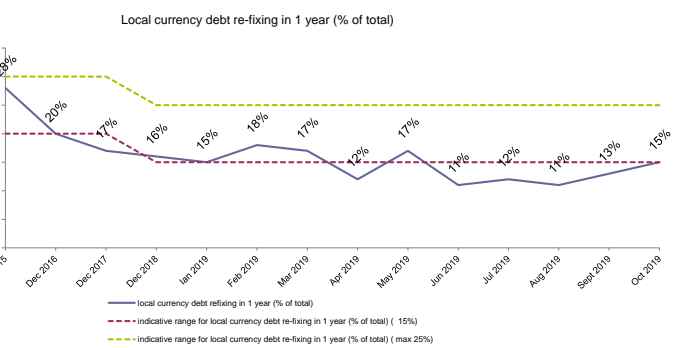
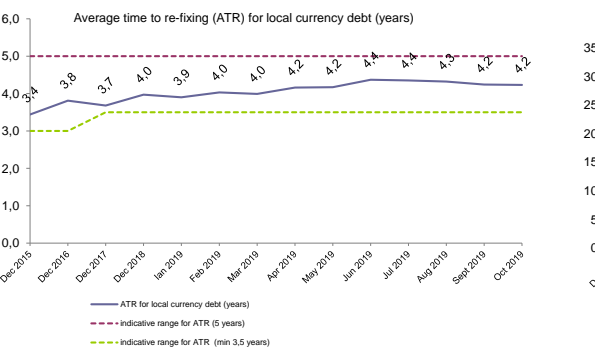
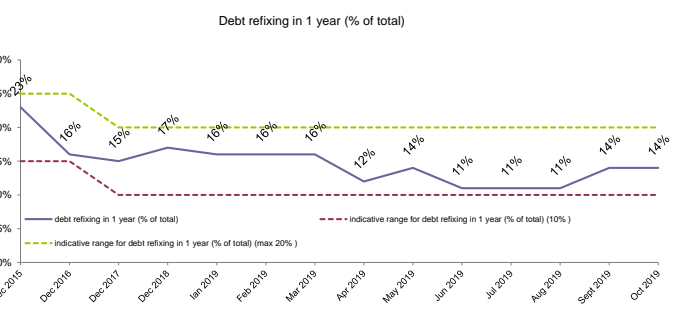
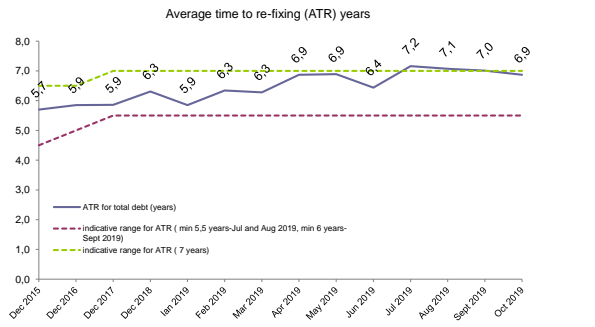
2. Refinancing risk



*) based on contracted debt at the end of October 2019



3. Interest rate risk

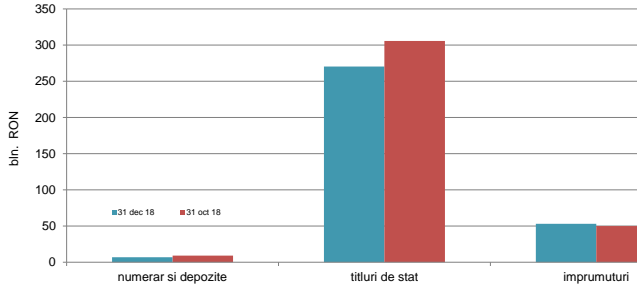


B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

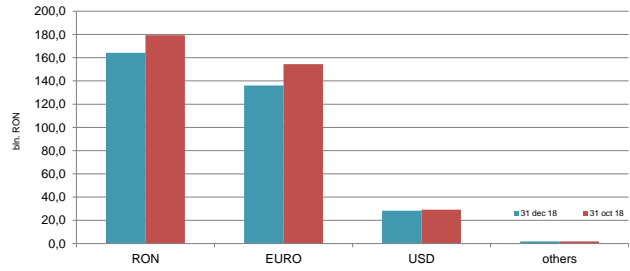
	December, 2018		October, 2019		change	
	RON million	% of total	RON mil.	% din total	mil. RON	% din total
General government debt *)	330.487,2		364.904,9		34.417,7	10,4%
	%GDP	35,0%		36,9%	1,9%	
A o/w:						
Central government debt	315.943,1	95,6%	350.598,7	96,1%	34.655,6	11,0%
Local government debt	14.544,1	4,4%	14.306,2	3,9%	-237,9	-1,6%
B o/w:						
General domestic government debt	172.585,6	52,2%	190.424,7	52,2%	17.839,1	10,3%
General external government debt	157.901,6	47,8%	174.480,2	47,8%	16.578,6	10,5%

*) - according to EU methodology, the debt to GDP ratio was calculated taking into consideration the sum of GDP for the four last quarters (for 2019 GDP: according to NIS release from 10-th of October 2019).

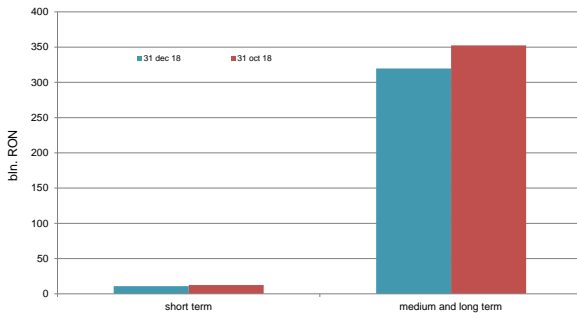
Government debt by instruments



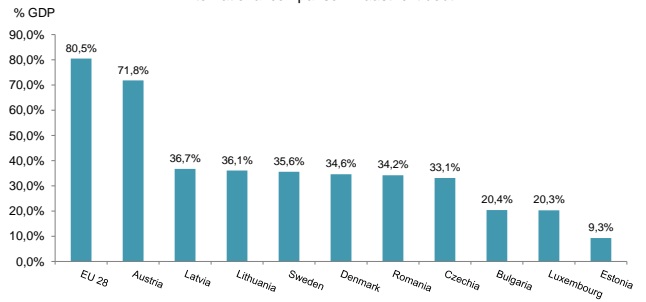
Government debt by currencies



Government debt by initial maturity



International comparison Maastricht debt



At the end of Q1 2019 government debt represented 34,2% of GDP, well below the level registered in the EU-28 (80,5% of GDP), and the Euro Zone (86,4% of GDP) (according to eurostat news release no.162/2019 - October 22-nd, 2019).