



MONTHLY REPORT
May 31, 2018

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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 2018

	2017		2018 (**)	
	mil. RON	% din PIB	mil. RON	% din PIB
Financing needs, o/w:	64.737,4	7,5%	71.963,6	7,7%
1. Deficit of general consolidated budget	24.260,7	2,8%	27.619,6	3,0%
2. Principal repayments*, o/w:	40.476,7	4,7%	44.344,0	4,8%
- refinancing of government securities issued on domestic	30.448,1		26.218,0	
- refinancing of eurobonds	0,0		6.975,0	
- principal repayments on external loans:	8.067,3		8.801,0	
- principal repayments on local loans	1.961,3		2.350,0	
*) debt repaid from budget				
**) updated at the moment of the elaboration of this report				
GDP	858.332,8		929.952,0	

2. Actual borrowing in 2018 up to May, 31 (mil. Ron denominated)

Total reimbursable financing 26.669,8 mil.Ron

MFP	By Instrument		By Currency		By Market	
T-Bills	1.185,2	RON	15.020,2	Interna	16.192,6	
T-Bonds	13.835,0	EUR	10.812,3	Externa	9.639,9	
T-Bonds denominated in EURO	1.172,4					
Eurobonds	9.297,0	USD	0,0			
FX loans	403,7					
total	25.893,3		25.832,5		25.832,5	
Local governments	776,5					

Ratio of covering of financing needs 37,1%

II. Public debt stock and changes in stock

1. Public debt evolution

	December, 2017		May, 2018		change	
	mil. RON	% of total	mil. RON	% din total	RON billion	% of total
Outstanding of public debt	368.448,9		368.594,2			
a) by type of sector	368.448,9	100,0%	368.594,2	100,0%	145,3	0,0%
Government public debt	353.015,9	95,8%	353.484,1	95,9%	468,2	0,1%
Local public debt	15.433,0	4,2%	15.110,1	4,1%	-322,9	-2,1%
b) by type of debt	368.448,9	100,0%	368.594,2	100,0%	145,3	0,0%
Direct public debt	350.387,7	95,1%	350.155,6	95,0%	-232,1	-0,1%
Guaranteed public debt	18.061,2	4,9%	18.438,6	5,0%	377,4	2,1%
c) by the residence of creditor	368.448,9	100,0%	368.594,2	99,8%	-692,2	-0,2%
External	147.626,1	40,1%	149.368,3	40,7%	2.218,8	1,5%
Domestic	220.822,8	59,9%	219.225,9	59,1%	-2.911,0	-1,3%
Total public debt	368.448,9		368.594,2		145,3	0,0%

Outstanding of Public debt /GDP

	42,9%	39,6%	-3,3%
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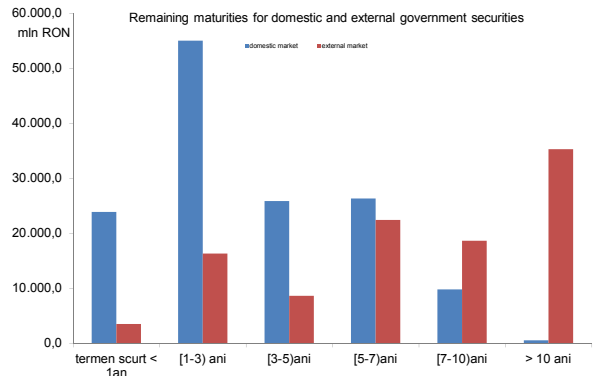
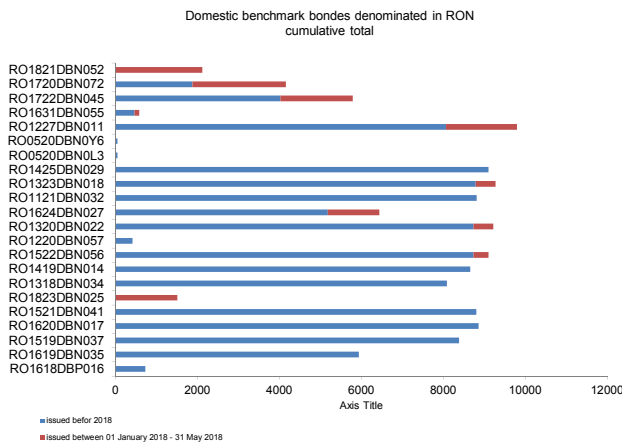
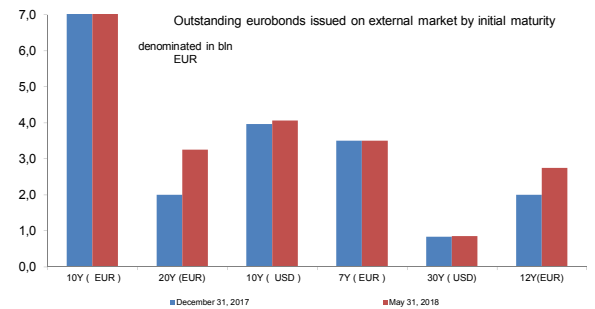
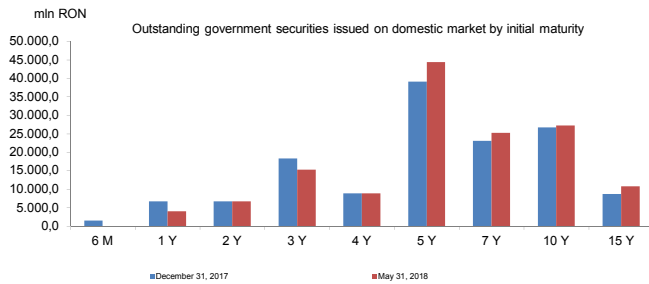
GDP, according to Fiscal Notification, April 2018

	858.332,8	929.952,0
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2. Government public debt evolution

	December 2017	May 2018	change	
	RON billion	mil. RON	RON billion	%
Total government public debt, o/w	353.015,9	353.484,1	468,2	0,1%
1. After the market issuance				
External, o/w:	144.853,8	148.091,2	3.237,4	2,2%
By instruments				
Eurobonds	95.766,3	105.357,9	9.591,6	10,0%
loans	49.087,5	42.733,3	-6.354,2	-12,9%
By currency				
RON	75,0	65,7	-9,3	-12,4%
USD	23.667,6	23.912,6	245,0	1,0%
EURO	118.983,6	121.953,3	2.969,7	2,5%
others	2.127,6	2.159,6	32,0	1,5%
By creditor				
multilateral	47.801,5	41.627,4	-6.174,1	-12,9%
bilateral	144,7	135,9	-8,8	-6,1%
private banks and others	96.907,6	106.327,8	9.420,2	9,7%
By interest rate				
fixed	130.186,4	133.781,0	3.594,6	2,8%
floating	14.667,4	14.310,1	-357,3	-2,4%
2. Domestic, o/w:	208.162,1	205.392,9	-2.769,2	-1,3%
By instruments				
T-bills	8.428,6	4.225,2	-4.203,4	-49,9%
Bonds	131.343,1	138.277,4	6.934,3	5,3%
loans	15.956,0	16.433,3	477,3	3,0%
others	52.434,4	46.457,0	-5.977,4	-11,4%
By currency				
RON	191.980,0	188.264,9	-3.715,1	-1,9%
USD	0,0	10,4	10,4	0,0%
EURO	16.182,1	17.117,6	935,5	5,8%
By creditor				
multilateral	0,0	0,0	0,0	0,0%
bilateral	0,0	0,0	0,0	0,0%
private banks and others	208.162,1	205.392,9	-2.769,2	-1,3%
By interest rate				
fixed	131.343,1	138.277,4	6.934,3	5,3%
floating	76.819,1	67.115,5	-9.703,6	-12,6%
1. After residence of the creditor				
External	144.411,9	146.299,0	1.887,1	1,3%
Domestic	208.604,0	207.185,1	-1.418,9	-0,7%
Government public debt /GDP	41,1%	38,0%	-3,1%	
GDP (mln RON)	858.332,8	929.952,0		

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 May 2018 is 3,3 years and 8,5 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	67.789,5	48,0%
2. Central Depository	167,9	
3. Clients holdings:	73.622,3	52,0%
non residents *)	25.580,3	18,1%
residents, o/w:	48.042,1	33,9%
private pension funds	22.738,7	16,1%
Total	141.579,7	100,0%

*) 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	61.787,8	47,3%
2. Central Depository	167,9	
3. Clients holdings:	68.954,3	52,7%
non residents *)	23.845,9	18,2%
residents, o/w:	45.108,4	34,5%
private pension funds	22.397,0	17,1%
Total	130.910,0	100,0%

*) includes government securities held by Clearstream

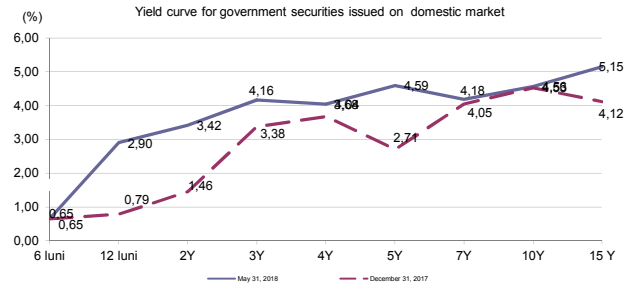
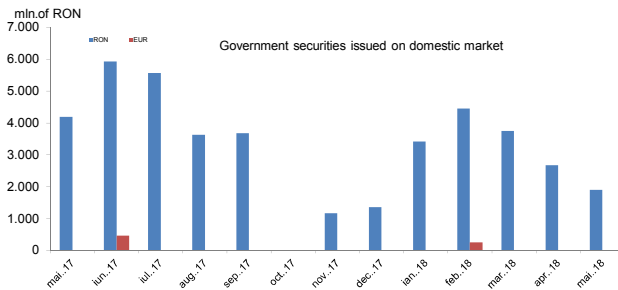
Holdings of government securities denominated in EUR issued on domestic market

Category	Available at nominal value (mln EUR)	(%) total
1. Banking system	1.291,1	56,2%
3. Clients holdings:	1.004,2	43,8%
non residents*)	373,1	16,3%
residents, o/w:	631,1	27,5%
private pension funds	73,5	3,2%
Total	2.295,3	100,00%

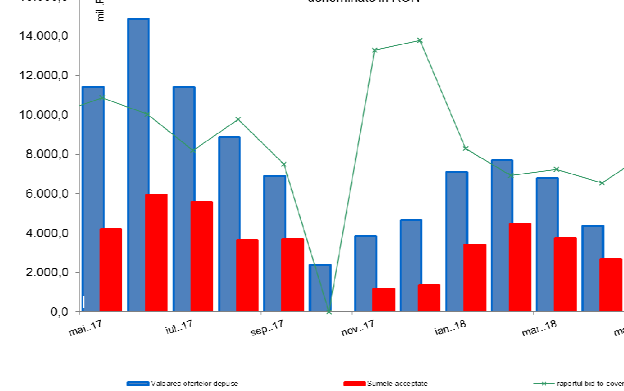
*) includes government securities held by Clearstream

III. Primary and secondary market of government securities

1. Primary market of government securities

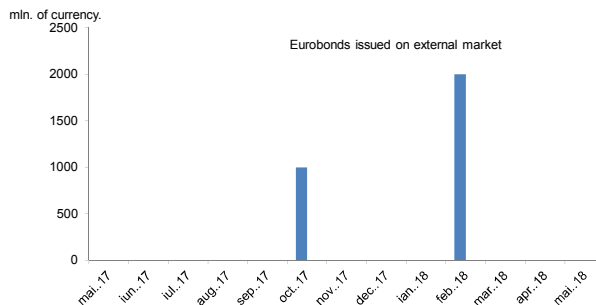
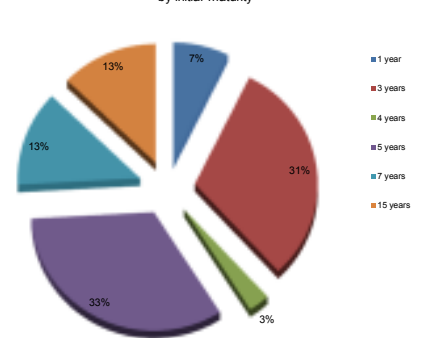


Raportul bid-to-cover pentru titlurile de stat emise pe piata interna denuminate in RON *

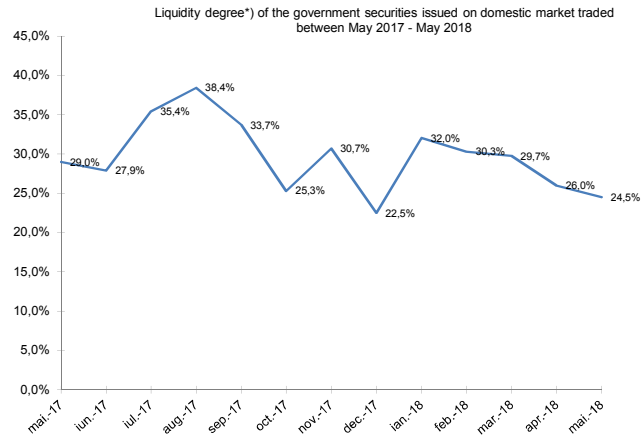
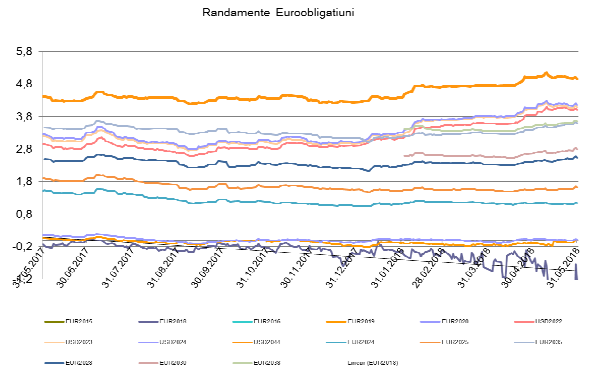
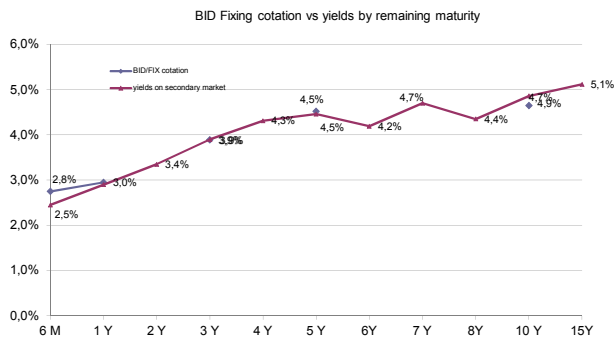


*calculated as amount of bids submitted/accepted amount

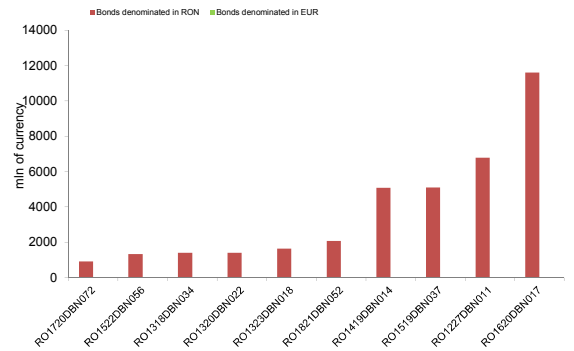
Government securities issued between 01 January - 31 May 2018 by initial maturity



2. Secondary market of government securities



The most tradable government securities issued on domestic market in May 2018



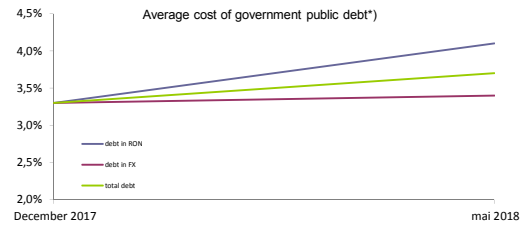
*) liquidity degree is calculated as ratio between the total volume of monthly transactions and the total volume of the government securities.

IV. Cost of the government public debt

Interest payments on government public debt*)

mln. RON	2018
domestic debt	3.185,7
external debt	2.131,0
total	5.316,7

*) includes payments on direct and guaranteed debt for January - May 2018

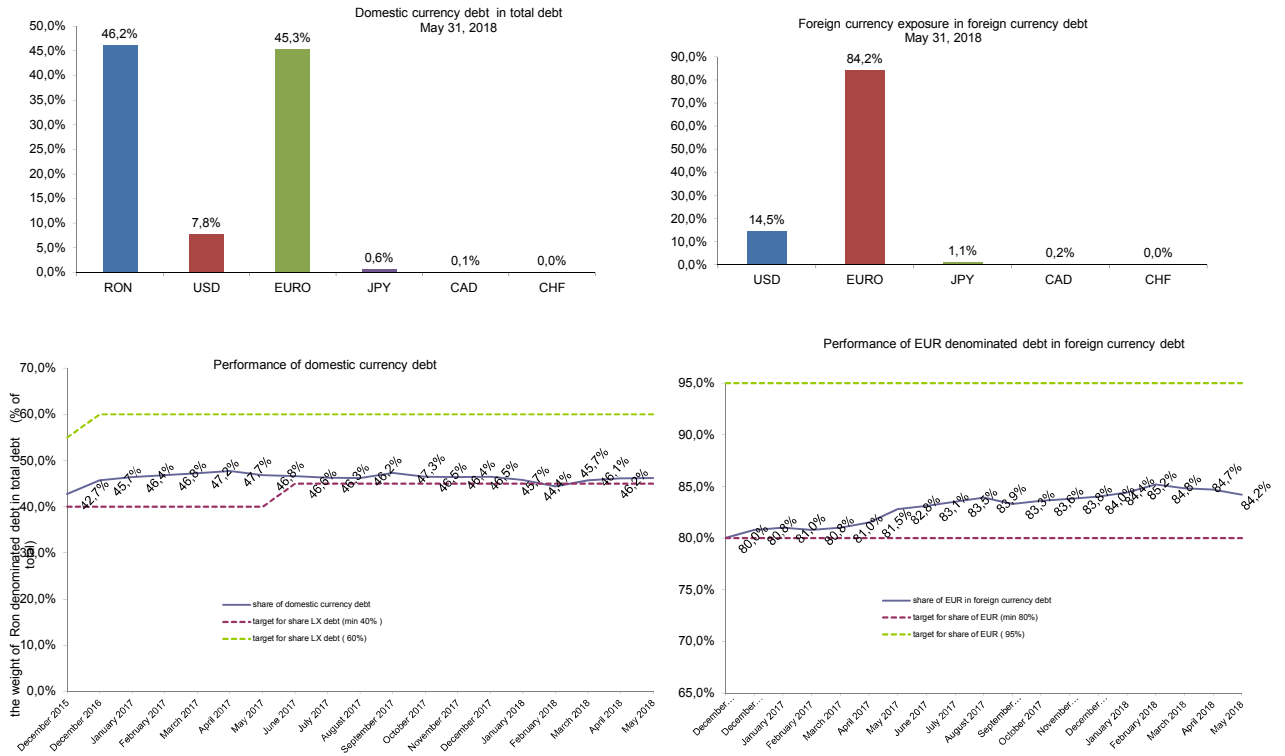


*) does not include interest for temporary financing. It was calculated dividing annually interest payments by stock at May 2018

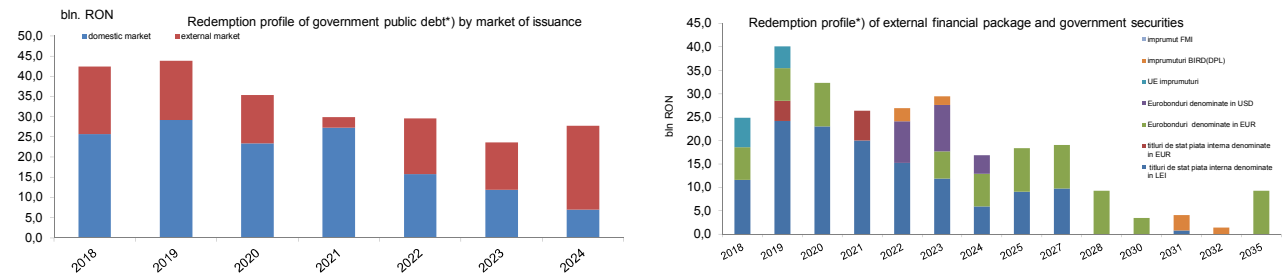
V. Implementation of DMS 2017-2019

The revised Debt management Strategy approved by the Government in June 2017 proposed indicative targets for managing the financial risks of the debt portfolio. The level of the risk indicators up to end of May, 2018 complied the targets set in the DMS.

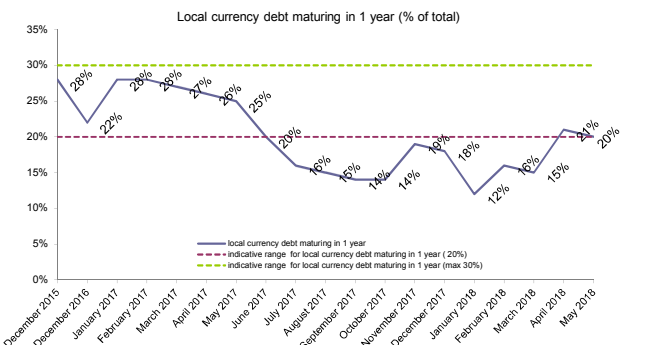
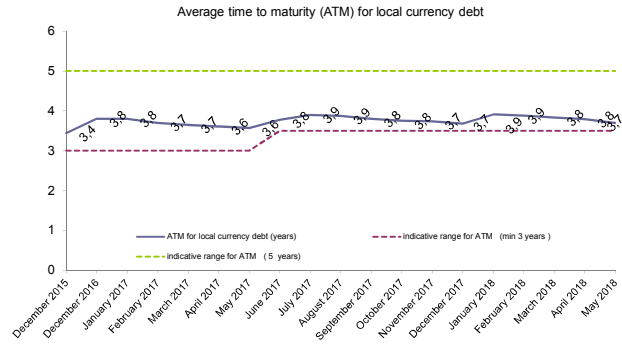
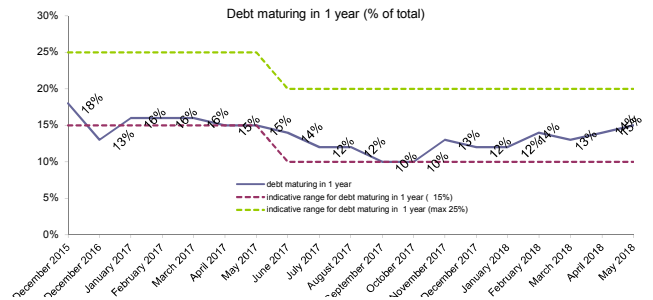
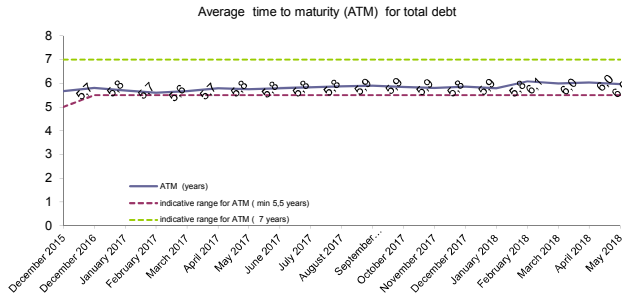
1. Currency risk



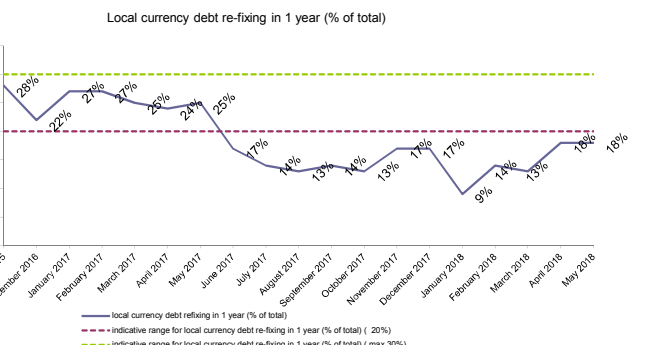
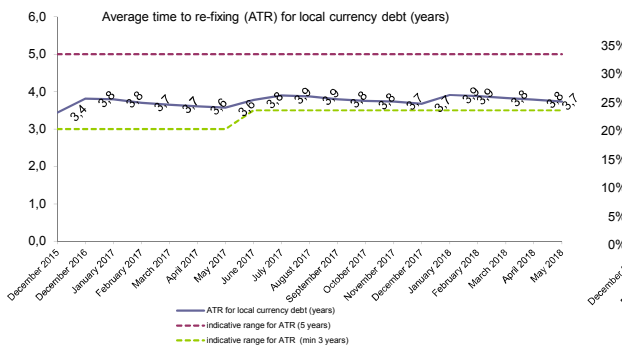
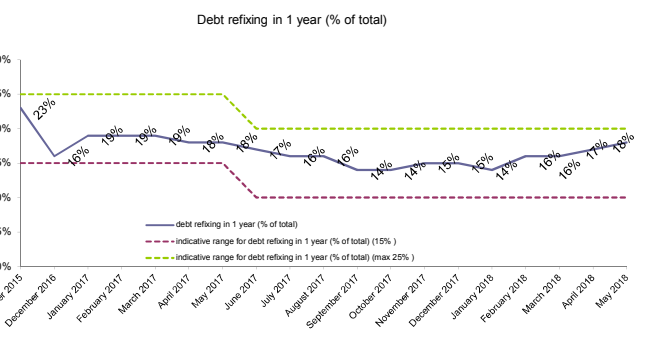
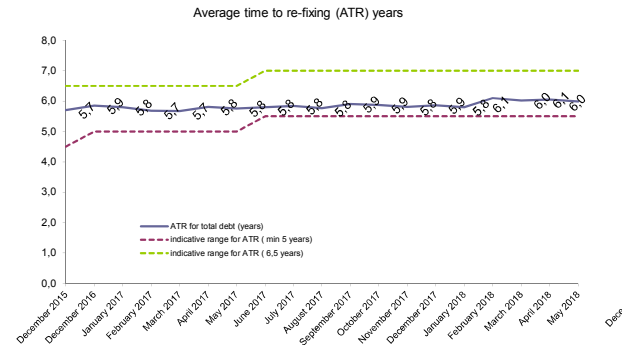
2. Refinancing risk



*) based on contracted debt at the end of May 2018



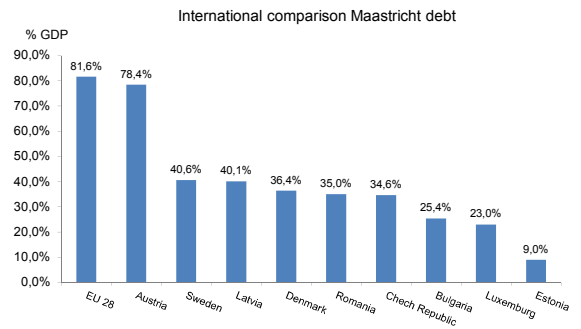
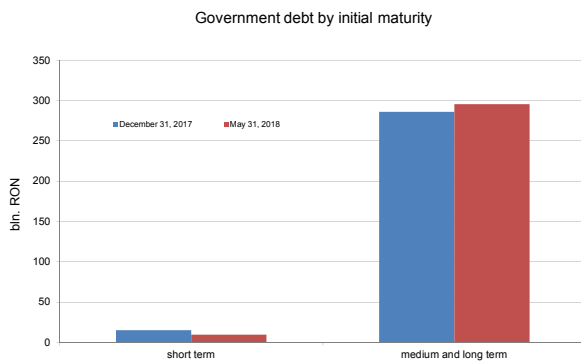
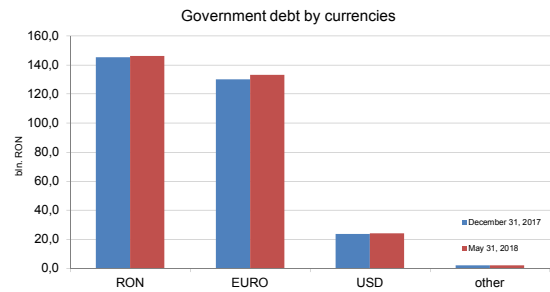
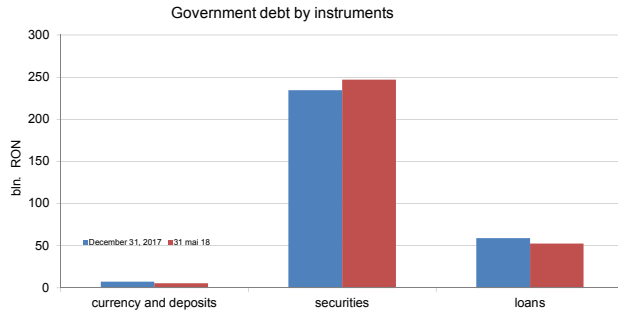
3. Interest rate risk



B. PUBLIC DEBT ACCORDING TO EU METHODOLOGY

	December, 2017		May, 2018		change	
	RON million	% of total	mil. RON	% din total	mil. RON	% din total
General government debt *)	300.777,2		304.851,7		4.074,5	1,4%
	%GDP	35,0%		34,9%		-0,2%
A o/w:						
Central government debt	286.193,0	95,2%	290.494,2	95,3%	4.301,2	1,5%
Local government debt	14.584,2	4,8%	14.357,5	4,7%	-226,7	-1,6%
B o/w:						
General domestic government debt	154.766,5	51,5%	156.906,5	51,5%	2.140,0	1,4%
General external government debt	146.010,7	48,5%	147.945,2	48,5%	1.934,5	1,3%

- 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 July, 2018)



At the end of 2017 government debt represented 35,0% of GDP, well below the level registered in the EU-28 (81,6% of GDP), and the Euro Zone (86,7% of GDP) (according to eurostat newsrelease no.69/2018 - 23 April 2018)