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1. T-Bills Outstanding

The new state treasury bills line T-Bills 20 was issued into own portfolio of the Ministry of Finance of the Slovak Republic (MoF) on 6 May 2020, with maturity 5 May 2021, in size EUR 1,000 million.

Total amount of T-Bills issued as of the end of the month was EUR 4,000 million, from that amount EUR 2,980 million is owned by investors. For repo trades and auction sale on secondary market the issuer has disposable EUR 1,020 million in nominal value.

T-Bills	ISIN	Issue date	Maturity	Sold (EUR million)	MF SR account (EUR million)	Total amount (EUR million)
TB 17	SK4000016655	29.01.2020	27.01.2021	885.0	115.0	1,000.0
TB 18	SK4000016978	08.04.2020	07.07.2020	700.0	300.0	1,000.0
TB 19	SK4000016986	08.04.2020	05.10.2020	1000.0	0.0	1,000.0
TB 20	SK4000017133	06.05.2020	05.05.2021	395.0	605.0	1,000.0
Total				2,980.0	1,020.0	4,000.0

2. T-Bills Auctions

Since the beginning of the year, amount of state treasury bills sold via auctions reached EUR 2,980 million.

In the current month, the two auctions of T-Bills Dutch type (sell from own portfolio) took place, the first on 4 May 2020 and the second on 25 May 2020.

The auction of T-Bills 17 and T-Bills 20 took place on 4 May 2020. The amount sold in this auction was EUR 310 million.

Overview of the T-Bills sale via auction on 4 May 2020:

T-Bills	ISIN	Settlement date	Maturity	Amount (EUR million)		Accepted yields to maturity (% p.a.)	Auction type
				Bids	Accepted		
TB 17	SK4000016655	06.05.2020	27.01.2021	580.0	50.0	-0.100	Dutch
TB 20	SK4000017133	06.05.2020	05.05.2021	1,065.5	260.0	-0.040	Dutch
Total				1,645.5	310.0		

The auction of T-Bills 20 took place on 25 May 2020. The amount sold in this auction was EUR 135 million.

Overview of the T-Bills sale via auction on 25 May 2020:

T-Bills	ISIN	Settlement date	Maturity	Amount (EUR million)		Accepted yields to maturity (% p.a.)	Auction type
				Bids	Accepted		
TB 20	SK4000017133	27.05.2020	05.05.2021	1,869.0	135.0	-0.210	Dutch

3. Syndicated Sale and Government Bonds Auction

Since the beginning of the year, amount of government bonds sold via auctions and the syndicated sale reached EUR 7,577.3 million.

SYNDICATED SALE

On 5 May 2020, the Slovak Republic, rated A2 (positive) / A+ (stable) / A+ (stable) (Moody's / S&P / Fitch), represented by the Debt and Liquidity Management Agency ("ARDAL"), through the syndicate of five banks Barclays, Citi, Deutsche Bank, HSBC (B&D) and VUB Banka/Banca IMI (Intesa Sanpaolo Group) successfully came to the international capital markets with a new dual tranche benchmark transaction, consisting of new 5-year and new 12-year tranches of government bonds issue in whole amount EUR 4,000 million.

The transaction represents the largest-ever SLOVGB syndication on record, as well as the largest-ever government bond syndication in the CEE space. The transaction attracted the largest orderbook on record for a SLOVGB syndication, with final orders in excess of EUR 15,000 million combined (EUR 7,600 million billion for the 5-year and EUR 7,400 million for the 12-year).

The new 5-years government bonds issue GB 238 SK4000017158 with maturity on 14 May 2025 and annual coupon 0.25% p.a was sold in amount EUR 2,000 million and reoffer spread 65 bps above midswap. The complete distributions to the investor for this tranche were the following:

- By region:
United Kingdom: 26%, Germany / Austria: 24%, Benelux: 16%, Scandinavia: 13%, Switzerland: 6%, France: 6%, Slovakia: 5%, Other Europe: 4%, Rest of World: 1%;
- By investor type:
Fund Managers: 46%, Banks / Private Banks: 31%, Central Banks / Official Institutions: 20%, Other: 4%.

The new 12-years government bonds issue GB 239 SK4000017166 with maturity on 14 May 2032 and annual coupon 1.00% p.a was sold in amount EUR 2,000 million and reoffer spread 110 bps above midswap. The complete distributions to the investor for this tranche were the following:

- By region:
Germany / Austria: 33%, United Kingdom: 19%, France: 14%, Slovakia 11%, Benelux: 9%, Scandinavia: 4%, Switzerland: 2%, Other Europe: 7%, Rest of World: 1%;

- By investor type:

Fund Managers: 50%, Banks / Private Banks: 27%, Insurance / Pension Funds: 13%, Central Banks / Official Institutions: 8%, Others: 2%.

Overview of government bonds sale via syndicate:

Bond	ISIN	Settlement date	Maturity	Coupon % p.a.	Nominal amount (EUR million)		Accepted yields to maturity in % p.a.
					Bids	Accept	
238	SK4000017158	14.05.2020	14.05.2025	0.250	7,600.0	2,000.0	0.3500
239	SK4000017166	14.05.2020	14.05.2032	1.000	7,400.0	2,000.0	1.0560

GOVERNMENT BOND AUCTION

On Monday, 18 May 2020, the competitive multiple price (American type) part of the auction of four government bonds GB 233, GB 234, GB 236 and GB 237 took place. The non-competitive part for all bonds with offered amount of 20% of accepted amount (coefficient 0.20) followed the next day after the competitive part. The issued government bonds in the auction reached EUR 727.8 million.

Overview of the government bond sales via auction on 18 May 2020:

Bond	ISIN	Settlement date	Maturity	Coupon % p.a.	Nominal amount (EUR million)		Accepted yields to maturity in % p.a.		
					Bids	Accept	Min.	Average	Max.
233*	SK4120013400	20.05.2020	17.10.2047	3.375	119.0	44.0	0.984	1.014	1.028
234*	SK4120014150	20.05.2020	12.06.2028	1.000	418.0	224.0	0.307	0.350	0.363
236*	SK4120015173	20.05.2020	09.04.2030	0.750	571.1	186.8	0.593	0.617	0.624
237*	SK4000017059	20.05.2020	09.10.2030	1.000	541.0	273.0	0.648	0.671	0.690
Total					1,649.1	727.8			

* Including the non-competitive part of the auction

Bond	ISIN	Accepted in competitive (EUR million)	Coefficient	Offered in non-competitive (EUR million)	Sold in non-competitive (EUR million)	Whole amount sold (EUR million)
233	SK4120013400	43.5	20%	6.7	0.5	44.0
234	SK4120014150	209.9	20%	41.8	15.0	224.4
236	SK4120015173	160.0	20%	32.0	26.8	186.8
237	SK4000017059	230.0	20%	46.0	43.0	273.0
Total		642.5		126.5	85.3	727.8

4. Government Debt Securities Buybacks

There were no buyback trades of government bonds (direct trades) into own portfolio of the MoF in the current month.

5. Government Bond Lines Available for Tapping

There are 10 bond lines available for further auctioning at the end of the current month.

Bond	ISIN	Issue date	Maturity	Coupon interest (% p.a.)	Outstanding (EUR million)	Available (EUR million)
227	SK4120009762	16.01.2014	16.01.2029	3.625	2,872.6	127.4
229	SK4120011420	21.01.2016	21.01.2031	1.625	2,842.6	157.4
232	SK4120012691	09.03.2017	09.03.2037	1.875	2,886.0	114.0
233	SK4120013400	17.10.2017	17.10.2047	2.000	1,757.0	3,243.0
234	SK4120014150	12.06.2018	12.06.2028	1.000	2,482.9	517.1
235	SK4120014184	12.06.2018	12.06.2068	2.000	500.0	4,500.0
236	SK4120015173	09.04.2019	09.04.2030	0.750	2,206.0	794.0
237	SK4000017059	09.04.2020	09.10.2030	1.000	1,773.0	1,227.0
238	SK4000017158	14.05.2020	14.05.2025	0.250	2,000.0	1,000.0
239	SK4000017166	14.05.2020	14.05.2032	1.000	2,000.0	1,000.0
Total					21,320.1	12,679.9

6. Government Loans

In the current month, the two tranches of government loans were drawdown, the one of EIB in the total amount EUR 173 million, with the tenor of 19 years and the one of CEB in the amount of EUR 280 million with the tenor of 5 years.

7. State Financial Liabilities

The financial liabilities of Slovakia are presented without the sources from The State Treasury and money market loans as of the end of the month. Contingent liabilities (EFSF bond guaranties) are not included as well.

Financial liability type	Financial liability value (EUR million)
Government bonds	42,879.4
T- Bills	2,980.0
Government loans	3,090.8
Total	48,950.2

8. State Budget Balance

The state budget deficit reached EUR 3,136.2 million at the end of the month.

9. Outlook for June 2020

BOND ISSUE AND AUCTION

In June, ARDAL will issue two new lines of government bonds: GB 240 with maturity in 2024 in total amount EUR 2,000 million and GB 241 with maturity in 2027 also in total amount EUR 2,000 million. The first tranches of both bonds will be sold in the competitive auctions (Dutch type, single price, primary market) on 15 June 2020. There will be no non-competitive part of the auction and settlement will be D+2.

Date		Security	Maturity	Remaining maturity (years)	ISIN	Coupon (% p.a)	Auction type	Indicated accepted amount in auction (EUR million)
auction	settlement							
15.06.2020	17.06.2020	240	17.06.2024	4	to be announced in Terms and Conditions		Dutch	400
15.06.2020	17.06.2020	241	17.06.2027	7			Dutch	400

Auctions of the government bonds in 2020													
Auction date	20.1.	17.2.	16.3.	30.3.	20.4.	18.5.	15.6.	20.7.	17.8.	21.9.	19.10.	16.11.	14.12.
Settlement date	22.1.	19.2.	18.3.	1.4.	22.4.	20.5.	17.6.	22.7.	19.8.	23.9.	21.10.	18.11.	16.12.

T-BILLS AUCTION

On Monday, 22 June 2020 there will be the competitive auction of T-Bills 20, Dutch type, sales from own portfolio (single price, secondary market). There will be no non-competitive part of the auction and settlement will be D+2.

ARDAL has decided to cancel the auction originally scheduled on 1 June 2020 due to a sufficient cash reserve.

The following T-Bills auction will take place on 22 June 2020:

Date		Security	ISIN	Maturity	Remaining maturity (years)	Coupon (% p.a.)	Auction type
auction	settlement						
22.06.2020	24.06.2020	TB 20	SK4000017133	05.05.2021	315	-	Dutch

Auctions of the treasury bills in 2020									
Auction date	27.1.	24.02.	23.03.	6.4.	27.04.	4.5.	25.5.	1.6.	22.6.
Settlement date	29.1.	26.02.	25.03.	8.4.	29.04.	6.5.	27.5.	3.6.	24.6.

10. State Debt Securities Ownership – Share of Domestic and Foreign Investors

The table shows share of domestic and foreign investors on the state debt securities registered in the CDCP and listed on the Bratislava Stock Exchange. Share as percentage.

Date	31.12.2015	31.12.2016	31.12.2017	31.12.2018	31.12.2019	31.05.2020
Government Bonds	100.0	100.0	100.0	100.0	100.0	100.0
Residents	58.3	59.3	50.3	49.5	48.7	48.4
- banks	42.8	44.3	44.9	44.2	44.2	44.2
- legal person	15.4	14.9	5.4	5.3	4.5	4.2
- individual person	0.1	0.0	0.0	0.0	0.0	0.0
Non residents	41.7	40.7	49.7	50.5	51.3	51.6
Treasury Bills	0.0	100.0	0.0	100.0	0.0	100.0
Residents	0.0	40.0	0.0	37.5	0.0	43.9
- banks	0.0	30.0	0.0	37.0	0.0	43.4
- legal person	0.0	10.0	0.0	0.0	0.0	0.5
- individual person	0.0	0.0	0.0	0.0	0.0	0.0
Non residents	0.0	60.0	0.0	62.5	0.0	56.1

11. Secondary market of the Slovak government bonds at the MTS Slovakia

MTS Slovakia membership and the active support of the secondary market is one of the main requirements for membership in the group of Primary Dealers, who act as market makers and have access to primary market auctions. More information is published on the ARDAL website:

[MTS Slovakia](#)

12. Other information

The Auction and Issues calendar of the government debt securities in the 2020 is published on ARDAL website:

[Plan of Issues](#)

The ARDAL Annual Report 2019 is published on ARDAL website:

[Annual Report](#)

Rating development of the Slovak Republic liabilities is published on the ARDAL website:

[Rating Development](#)

ARDAL is executing auctions in Bloomberg Auction system. During auction day several auctions can be accomplished at the same time or with different deadlines.

The non-competitive part of the auction takes place on the next day after the competitive part of the auction. Settlement of trades resulting from both auction parts, competitive and non-competitive, are on the same day. For more details regarding the auctions please see the auction conditions:

[Auction conditions](#)

Since 1 January 2020 ARDAL has been cooperating with 11 Primary Dealers and 1 Recognizes Dealer, who have the right to participate in auctions of the Slovak government debt securities.

Current Primary Dealers for 2020 are the following institutions:

Barclays Bank plc, Citibank Europe plc, Československá obchodná banka, a.s. (KBC), Deutsche Bank AG, HSBC France, Natixis S.A., Slovenská sporiteľňa (Erste Group), Société Générale S.A., Tatrabanka, a.s. (RBI Group), UniCredit Bank Czech Republic and Slovakia and Všeobecná úverová banka, (Intesa Sanpaolo Group).

[Primary Dealers](#)

Current Recognized Dealer is J.P. Morgan Securities plc.

[Recognized Dealers](#)