

1.	T – Bills auctions.....	1
2.	T – Bills outstanding.....	1
3.	Government bonds auctions.....	1
4.	Government bonds outstanding.....	2
5.	Government bonds.....	2
6.	Financial liabilities.....	2
7.	State budget balance.....	2
8.	Outlook for February.....	2
9.	Slovak economy as of 15. January 2010 (monthly indicators).....	3

## 1. T – Bills auctions

T- Bills issue (ŠPP 04) in total nominal amount EUR 2 bln. was in January issued to the own MFSR portfolio. To the market was this issue introduced via competitive auction that was first T-Bills auction in year 2010. Whole amount (EUR 2 bln.) is registered in CDCP, a.s. and listed on BCPB, a.s., it means that the whole amount is eligible for ECB.

ŠPP	ISIN	Auction date	Maturity	Amount [EUR mio.]		Accepted interest rate [% p.a.]	Auction type
				Bids	Accepted		
ŠPP 04	SK6120000048	20.1.2010	19.1.2011	739.1	288.1	1.1000	Dutch

## 2. T – Bills outstanding

Total nominal amount issued equals to EUR 4 bln. For repo trades and auction sale on secondary market is available EUR 3.35 bln.

ŠPP	ISIN	Auction date	Maturity	Sold [EUR mio.]	MFSR Account [EUR mio.]	Total amount [EUR mio.]
ŠPP 03	SK6120000030	15.7.2009	14.7.2010	360.7	1,639.3	2,000.0
ŠPP 04	SK6120000048	20.1.2010	19.1.2011	288.1	1,711.9	2,000.0
Sum				648.8	3,351.2	4,000.0

## 3. Government bonds auctions

A new zero coupon bond line was opened for two years maturity and maximum amount EUR 1 bln. In two competitive auctions of bonds that takes place in January was EUR 642.8 bln Accepted. Till the end of year 20 auctions has to take place, one or two of them can be replaced by syndication.

Bond	Auction date	Maturity	Coupon interest [% p.a.]	Nominal amount [EUR million]		Accepted yields to maturity [% p.a.]		
				Bids	Accept.	Min.	Average	Max.
ŠD 210	13.1.2010	21.1.2015	2.202	1,046.1	301.0	1.6544	1.8828	1.8972
ŠD 212	27.1.2010	27.1.2012	0.000	551.8	341.8	1.7500	2.0150	2.1000

Auctions of government bonds in year 2010	Realized	Remained
ŠD 206 - original maturity 20 years and fix interest rate coupon	0	3
ŠD 210 - original maturity 6 years and float interest rate coupon	1	2
ŠD 212 - original maturity 2 years and zero coupon	1	4
ŠD 213 - original maturity 6 years and fix interest rate coupon	0	5
ŠD 214 - original maturity 10 – 15 years and fix interest rate coupon	0	2

Auction for decision	0	4
Sum	2	20

#### 4. Government bonds outstanding

There are 3 bond lines open for further auctions on the end of January, because rest of ŠD 211 v nominal value EUR 50 millions will be left on MFSR property account for secondary market support in frame of „last resort lending“ to primary dealers. Total nominal value of bonds ready for sale on primary market is EUR 1,557 millions.

Bond	ISIN	Issue date	Maturity	Outstanding [EUR]	Ready to sell [EUR]
ŠD 206	SK4120004987	10.05.2006	10.05.2026	667,796,892	659,963,108
ŠD 210	SK4120006503	21.01.2009	21.01.2015	1,261,100,000	238,900,000
ŠD 211	SK4120006545	04.03.2009	04.03.2013	1,450,000,000	50,000,000
ŠD 212	SK4120006990	27.01.2010	27.01.2012	341,800,000	658,200,000
Sum				3,720,696,892	1,607,063,108

#### 5. Government bonds

No loan was drawdown in January.

#### 6. Financial liabilities

Financial liabilities of Slovakia are presented without financial sources from State Treasury, money market loans a deposits.

Financial liability type	Financial liability value [EUR million]
Government bonds	20,068.093876
T- Bills	632.732364
Government loans	912.587723
SUM	21,613.413963

#### 7. State budget balance

State budget ends on January 31<sup>st</sup> 2010 in surplus of EUR 31 millions.

#### 8. Outlook for February

Total value of state financial liabilities (mainly from securities) maturing in February is EUR 1,825 millions. Auction harmonogram shows two bonds auctions, one of them is for decision where suggestion of investors will be taken into account. Two auctions of T-Bills will be realised in February.

Date		Bond	Auction type	Available for sale [EUR million]	Supposed sale [EUR million]
auction	settlement				
1.2.2010	3.2.2010	ŠPP 03	Dutch competitive	1,639.30	227.2*
8.2.2010	10.2.2010	ŠD 206	American competitive	659.96	100.0
15.2.2010	17.2.2010	ŠPP 03	Dutch competitive	1,412.10	300.0
22.2.2010	24.2.2010	ŠD 212 ŠD 213	American competitive	658.20 2,900.00	300.0

\*auction was realised already

Status data are as of January 31<sup>st</sup>, 2010

## 9. Slovak economy as of 15. January 2010 (monthly indicators)

Inštitút finančnej politiky, MF SR

(detailed information on web site: <http://www.finance.gov.sk/Default.aspx?CatID=7458>)

The overview is compiled by the 15th day of the month as most of the indicators are available at this time (a lag of one and half month).

### Positive news:

- ◆ The signs of the economic recovery in production continue. The industrial production index in November 2009 has for the first time since the beginning of the crisis recorded a year-on-year growth (1.5%). After the seasonal adjustment the month-on-month growth remained slightly positive as well (0.1%).
- ◆ Some stabilization can be observed on the labor market. The employment in selected sectors in November has remained on the same level as in the previous month (1 246 thousand persons), the disposable unemployment rate has remained on 12.4% and the number of registered unemployed has remained approximately constant in November as well (328.6 thousand persons).
- ◆ The industrial production index in the euro area has recorded a month-on-month growth in November (1.0%), which contributed to lower year-on-year decline (7.1% compared to 10.9 in October).
- ◆ All of the principal economic sentiment indicators in Slovakia as well as in the euro area (with the exception of the German ZEW indicator) have grown again in December.

### Negative news:

- ◆ The stagnation of the credit growth continues. The year-on-year growth in November reached only 1.7%, and on the monthly basis the banks grant new loans in the broadly same amount as the existing loans are repaid.
- ◆ The car registrations in Slovakia have recorded a significant year-on-year decline in December (33.3%). The decline suggests a fade-out of the effect of the car scrapping scheme.

### Main message:

The economy in the last month showed minor signs of recovery or stabilization of the situation. The industrial production index has reached positive year-on-year values, the unemployment growth has stopped for now and the confidence indicators continue to grow. The stagnant credit growth remains the main risk to the future development.