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## 1. T-Bills Outstanding

The new state treasury bills lines were issued into own portfolio of the Ministry of Finance of the Slovak Republic (MoF) on 8 April 2020, T-Bills 18 with maturity on 7 July 2020 and T-Bills 19 with maturity on 5 October 2020, both in size EUR 1,000 million.

Total amount of T-Bills issued as of the end of the month was EUR 3,000 million, from that amount EUR 2,535 million is owned by investors. For repo trades and auction sale on secondary market the issuer has disposable EUR 465 million in nominal value.

| T-Bills      | ISIN         | Issue date | Maturity   | Sold<br>(EUR million) | MF SR account<br>(EUR million) | Total amount<br>(EUR million) |
|--------------|--------------|------------|------------|-----------------------|--------------------------------|-------------------------------|
| TB 17        | SK4000016655 | 29.01.2020 | 27.01.2021 | 835.0                 | 165.0                          | 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                       |
| <b>Total</b> |              |            |            | <b>2,535.0</b>        | <b>465.0</b>                   | <b>3,000.0</b>                |

## 2. T-Bills Auctions

Since the beginning of the year, amount of state treasury bills sold via auctions reached EUR 2,535.0 million.

In the current month, the two auctions of T-Bills Dutch type (sell from own portfolio) took place, the first on 6 April 2020 and the second on 27 April 2020.

The auction of T-Bills 18 and T-Bills 19 took place on 6 April 2020. The amount sold in this auction was EUR 1,505 million.

Overview of the T-Bills sale via auction on 6 April 2020:

| T-Bills      | ISIN         | Settlement date | Maturity   | Amount (EUR million) |                | Accepted yields to maturity (% p.a.) | Auction type |
|--------------|--------------|-----------------|------------|----------------------|----------------|--------------------------------------|--------------|
|              |              |                 |            | Bids                 | Accepted       |                                      |              |
| TB 18        | SK4000016978 | 08.04.2020      | 07.07.2020 | 760.0                | 505.0          | -0.002                               | Dutch        |
| TB 19        | SK4000016986 | 08.04.2020      | 05.10.2020 | 1270.0               | 1,000.0        | 0.000                                | Dutch        |
| <b>Total</b> |              |                 |            | <b>2,030.0</b>       | <b>1,505.0</b> |                                      |              |

The auction of T-Bills 17 and T-Bills 18 took place on 27 April 2020. The amount sold in this auction was EUR 586 million.

Overview of the T-Bills sale via auction on 27 April 2020:

| T-Bills      | ISIN         | Settlement date | Maturity   | Amount (EUR million) |              | Accepted yields to maturity (% p.a.) | Auction type |
|--------------|--------------|-----------------|------------|----------------------|--------------|--------------------------------------|--------------|
|              |              |                 |            | Bids                 | Accepted     |                                      |              |
| TB 17        | SK4000016655 | 29.04.2020      | 27.01.2021 | 741.0                | 391.0        | 0.000                                | Dutch        |
| TB 18        | SK4000016978 | 29.04.2020      | 07.07.2020 | 850.0                | 195.0        | -0.100                               | Dutch        |
| <b>Total</b> |              |                 |            | <b>1,591.0</b>       | <b>586.0</b> |                                      |              |

### 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 2,849.5 million.

#### SYNDICATED SALE

On 7 April 2019, the Slovak Republic, rated A2 (positive) / A+ (stable) / A+ (stable) (Moody's / S&P / Fitch), represented by the Debt and Liquidity Management Agency ("ARDAL"), successfully issued this year's first syndicated benchmark Government bonds issue (GB 237 SK4000017059) through the syndicate of three Slovak banks: Československá obchodná banka, Slovenská sporiteľňa and Tatra banka with in the amount EUR 1billion with 10.5-years maturity, annual coupon 1.00% p.a and reoffer spread 100 bps above midswap. The issue was executed in a form of a direct sale to predetermined investors.

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  |                                       |
| 237  | SK4000017059 | 9.4.2020        | 9.10.2030 | 1.000         | 1,500.0                      | 1,500.0 | 1.052                                 |

#### GOVERNMENT BOND AUCTION

On Monday, 20 April 2020, the competitive multiple price (American type) part of the auction of four government bonds GB 227, GB 229, GB 234 and GB 236 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 552.6 million.

Overview of the government bond sales via auction on 20 April 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.  |
| 227*         | SK4120009762 | 22.04.2020      | 16.01.2029 | 3.375         | 196.0                        | 78.0         | 0.464                                 | 0.526   | 0.555 |
| 229*         | SK4120011420 | 22.04.2020      | 21.01.2031 | 1.625         | 199.8                        | 73.8         | 0.713                                 | 0.757   | 0.805 |
| 234*         | SK4120014150 | 22.04.2020      | 12.06.2028 | 1.000         | 146.5                        | 20.0         | 0.406                                 | 0.435   | 0.451 |
| 236*         | SK4120015173 | 22.04.2020      | 09.04.2030 | 0.750         | 454.8                        | 350.8        | 0.518                                 | 0.686   | 0.855 |
| <b>Total</b> |              |                 |            |               | <b>997.1</b>                 | <b>522.6</b> |                                       |         |       |

\* 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) |
|--------------|--------------|---------------------------------------|-------------|--|---------------------------------------|---------------------------------|
| 227          | SK4120009762 | 78.0                                  | 20%         | 15.4                                     | 0.0                                   | 78.0                            |
| 229          | SK4120011420 | 73.8                                  | 20%         | 14.8                                     | 0.0                                   | 73.8                            |
| 234          | SK4120014150 | 20.0                                  | 20%         | 3.6                                      | 0.0                                   | 20.0                            |
| 236          | SK4120015173 | 340.8                                 | 20%         | 68.2                                     | 10.0                                  | 350.8                           |
| <b>Total</b> |              | <b>512.6</b>                          |             | <b>102.0</b>                             | <b>10.0</b>                           | <b>522.6</b>                    |

#### 4. Government Debt Securities Buybacks

There were two buyback trades of government bonds (direct trades) into own portfolio of the MoF in the current month.

| Settlement date | Security | ISIN         | Maturity   | Nominal Amount (EUR million) | Deal Price in % |
|-----------------|----------|--------------|------------|------------------------------|-----------------|
| 07.04.2020      | 214      | SK4120007204 | 27.04.2020 | 4.4                          | 100.2           |
| 22.04.2020      | 214      | SK4120007204 | 27.04.2020 | 4.5                          | 100.1           |
| <b>Total</b>    |          |              |            | <b>8.9</b>                   |                 |

#### 5. Government Bond Lines Available for Tapping

There are 8 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                    | 1,713.0                   | 3,287.0                 |
| 234          | SK4120014150 | 12.06.2018 | 12.06.2028 | 1.000                    | 2,258.9                   | 741.1                   |
| 235          | SK4120014184 | 12.06.2018 | 12.06.2068 | 2.250                    | 500.0                     | 4,500.0                 |
| 236          | SK4120015173 | 09.04.2019 | 09.04.2030 | 0.750                    | 2,019.2                   | 980.8                   |
| 237          | SK4000017059 | 09.04.2020 | 09.10.2030 | 1.000                    | 1,500.0                   | 1,500.0                 |
| <b>Total</b> |              |            |            |                          | <b>16,592.3</b>           | <b>11,407.7</b>         |

## 6. Government Loans

In the current month, the two tranches were drawdown of EIB loan in the total amount EUR 175 million, the one tranche in the amount of EUR 75 million with the tenor of 5 years and the one in the amount of EUR 100 million with the tenor of 7 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<br>(EUR million) |
|--------------------------|--|
| Government bonds         | 38,151.6                                   |
| T- Bills                 | 2,535.0                                    |
| Government loans         | 2,638.4                                    |
| <b>Total</b>             | <b>43,325.0</b>                            |

## 8. State Budget Balance

The state budget deficit reached EUR 2,419.5 million at the end of the month.

## 9. Outlook for May 2020

### BOND AUCTION

Due to the increased volatility in financial markets, ARDAL will conduct a survey of auction preferences of PDs one week before the auction. Competitive part of the auction with four preferred bonds will take place on 18 May 2020.

**The non-competitive part of the auction will take place on the next day after the competitive part of the auction.** Settlement of trades from both auction parts, competitive and non-competitive, will be on the same day:

- the settlement of trades from the competitive part of the auction D+2;
- the settlement of trades from the non-competitive part of the auction D+1.

| Auction date |                | Settlement | Security | ISIN | Maturity | Remaining maturity (years) | Coupon (% p.a.) | Auction type                        | Indicated accepted amount in comp. auction (EUR million) | Coefficient value of non-comp. auction |
|--------------|----------------|------------|----------|------|----------|----------------------------|-----------------|-------------------------------------|--|--|
| Comp. part   | Non-comp. part |            |          |      |          |                            |                 |                                     |  |  |
| 18.05.2020   | 19.05.2020     | 20.05.2020 |          |      |          |                            |                 | <b>American comp. and non-comp.</b> | 100 - 300  | <b>20%</b>                             |
| 18.05.2020   | 19.05.2020     | 20.05.2020 |          |      |          |                            |                 | <b>American comp. and non-comp.</b> | 100 - 300  | <b>20%</b>                             |
| 18.05.2020   | 19.05.2020     | 20.05.2020 |          |      |          |                            |                 | <b>American comp. and non-comp.</b> | 100 - 300  | <b>20%</b>                             |
| 18.05.2020   | 19.05.2020     | 20.05.2020 |          |      |          |                            |                 | <b>American comp. and non-comp.</b> | 100 - 300  | <b>20%</b>                             |

| 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. |

## ISSUE AND T-BILLS AUCTIONS

ARDAL will issue the new line of state treasury bills (T-Bills 20) into own portfolio on 6 May 2020 with maturity 364 days in nominal value EUR 1 billion.

The T-Bill lines will be sold in competitive auctions (Dutch type, single price, secondary market) on every first and fourth Monday in Q2 of 2020. There will be no non-competitive part of the auction and settlement will be D+2.

The following T-Bills auctions will take place in May:

| Date       |            | Security | ISIN         | Maturity   | Remaining maturity (years) | Coupon (% p.a.) | Auction type |
|------------|------------|----------|--------------|------------|----------------------------|-----------------|--------------|
| auction    | settlement |          |              |            |                            |                 |              |
| 04.05.2020 | 06.05.2020 | TB 17    | SK4000016655 | 27.01.2021 | 266                        | -               | <b>Dutch</b> |
| 04.05.2020 | 06.05.2020 | TB 20    | SK4000017133 | 05.05.2021 | 364                        | -               | <b>Dutch</b> |
| 25.05.2020 | 27.05.2020 | TB 20    | SK4000017133 | 05.05.2021 | 343                        | -               | <b>Dutch</b> |

| 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   | 30.04.2020   |
|-------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Government Bonds</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> | <b>100.0</b> |
| <b>Residents</b>        | <b>58.3</b>  | <b>59.3</b>  | <b>50.3</b>  | <b>49.5</b>  | <b>48.7</b>  | <b>50.9</b>  |
| - banks                 | 42.8         | 44.3         | 44.9         | 44.2         | 44.2         | 46.5         |
| - legal person          | 15.4         | 14.9         | 5.4          | 5.3          | 4.5          | 4.4          |
| - individual person     | 0.1          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Non residents</b>    | <b>41.7</b>  | <b>40.7</b>  | <b>49.7</b>  | <b>50.5</b>  | <b>51.3</b>  | <b>49.1</b>  |
| <b>Treasury Bills</b>   | <b>0.0</b>   | <b>100.0</b> | <b>0.0</b>   | <b>100.0</b> | <b>0.0</b>   | <b>100.0</b> |
| <b>Residents</b>        | <b>0.0</b>   | <b>40.0</b>  | <b>0.0</b>   | <b>37.5</b>  | <b>0.0</b>   | <b>50.4</b>  |
| - banks                 | 0.0          | 30.0         | 0.0          | 37.0         | 0.0          | 50.0         |
| - legal person          | 0.0          | 10.0         | 0.0          | 0.0          | 0.0          | 0.4          |
| - individual person     | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          | 0.0          |
| <b>Non residents</b>    | <b>0.0</b>   | <b>60.0</b>  | <b>0.0</b>   | <b>62.5</b>  | <b>0.0</b>   | <b>49.6</b>  |

## 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](#)