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1. T-Bills auctions

There was no auction of T-Bills in the current month.

2. T-Bills outstanding

New T-Bills line (TB 16) was issued into own portfolio of the Ministry of Finance of the Slovak Republic (MoF) on 27 June 2018, with maturity on 26 June 2019 in size EUR 1,000.0 million.

Total amount of T-Bills issued as of the end of the month was EUR 1,000.0 million; from that amount EUR 0.0 million is owned by investors. For repo trades and auction sale on secondary market the issuer has disposable EUR 1,000.0 million in nominal value.

T-Bills	ISIN	Issue date	Maturity	Sold [EUR million]	MF SR account [EUR million]	Total amount [EUR million]
T-Bills 16	SK6120000162	27.06.2018	26.06.2019	0.0	1,000.0	1,000.0
Total				0.0	1,000.0	1,000.0

ARDAL plans to sale the T-Bills from own portfolio of the MoF in auctions in September, October and November 2018.

3. Syndicated sale and government bonds auction

Since the beginning of the year, the sum of nominal amounts of issued government bonds via auctions and the syndicated sale reached EUR 2,558.6 million.

Syndicated sale

On 5 June 2018, 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 entered the European capital markets with a new EUR 1 billion 10-year and a EUR 500 million 50-year dual tranche bond issue.

The new issue represents the tightest 10-year syndicated international capital market transaction ever issued by the Slovak Republic, successfully extending the Republic's yield curve.

The 50-year tranche represents the longest EUR denominated transaction issued out of CEE during the last 10 years and the longest bond by the Slovak Republic.

The transaction attracted interest investors, the orderbook peaked at over EUR 5 billion allowing launch the transaction at spreads of "MS+10bps" on **the 10-year EUR 1billion bond** (GB 234 ISIN SK4120013150), annual coupon 1.000% p.a., with yield to maturity 1.021% p.a. and MS+80bps" on **the 50-year EUR 500 million bond** (GB 235 ISIN SK4120013184), the annual coupon 2.250% p.a., with yield to maturity 2.254% p.a.

The Joint Lead Managers on these transactions were: Barclays Bank, Citibank, Slovenská sporitelna (Erste Group), Tatra banka (Raiffeisen Bank International Group).

The interest of a purchase of **the 10-year bond** was expressed by investors mainly from: Austria, Germany, CEE, UK, Benelux, Nordics, France and others. The 10-year bond was purchased mainly by Managers, Banks, Private Bank, Central Banks, Official Institutions, Insurance Funds and, Pension Funds.

The interest of a purchase of **the 50-year bond** was expressed by investors mainly from: Austria, Germany, UK, Italy, Spain, Nordic, CEE and others. The 50-year bond was purchased mainly by Fund Managers, Insurance Funds, Pension Funds, Banks, Private Banks, Central Banks and Official Institutions.

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	
234	SK4120014150	12.06.2018	12.06.2028	1.000	3,400.0	1,000.0	1.021
235	SK4120014184	12.06.2018	12.06.2068	2.250	1,600.0	500.0	2.254
Total					5,000.0	1,500.0	

Government bonds auction

In June, the competitive multiple price (American type) part of the auction of 2 government bonds GB 230 and GB 232 took place. The non-competitive part of the bond 232 with the offered amount up to 20% of accepted amount (coefficient 0.20) followed the competitive part.

Overview of the government bonds sales via auction in the current month:

Bond	ISIN	Settlement date	Maturity	Coupon % p.a.	Nominal amount (EUR million)		Accepted yields (price) to maturity in % p.a.		
					Bids	Accept	Min.	Average	Max.
230	SK4120011636	20.06.2018	13.11.2023	0.000	147.0	57.0	0.269	0.308	0.328
232*	SK4120012691	20.06.2018	09.03.2037	1.875	143.0	79.0	1.552	1.577	1.600
Total					290.0	136.0			

* Including a non-competitive 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)
232	SK4120012691	77.0	20%	13.2	2.0	79.0

No auctions of government bonds will take place in the summer months of July and August.

Auctions of the government bonds in 2018												
Auction date	15.1.	19.2.	19.3.	16.4.	21.5.	18.6.	16.7.	20.8.	17.9.	15.10.	19.11.	17.12.
Settlement date	17.1.	21.2.	21.3.	18.4.	23.5.	20.6.	18.7.	22.8.	19.9.	17.10.	21.11.	19.12.

4. Government debt securities buybacks

There were one buyback trade of government bonds (direct trades) in the current month.

Settlement date	Security	ISIN	Maturity	Nominal Amount (EUR million)	Deal Price in %
26.06.2018	226	SK4120009234	28.11.2018	68.0	100.8

5. Government bond lines available for tapping

There are 7 bond lines available for further auctioning.

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	2,742.8	257.2
229	SK4120011420	21.01.2016	21.01.2031	1.625	2,047.9	952.1
230	SK4120011636	13.05.2016	13.11.2023	0.000	1,396.4	103.6
232	SK4120012691	09.03.2017	09.03.2037	1.875	2,724.8	275.2
233	SK4120013400	17.10.2017	17.10.2047	2.000	1,267.5	3,732.5
234	SK4120014150	12.06.2018	12.06.2028	1.000	1,000.0	2,000.0
235	SK4120014184	12.06.2018	12.06.2068	2.250	500.0	4,500.0
Total					11,679.4	11,820.6

6. Government loans

No loan was drawdown in the current month.

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 month. Contingent liabilities (EFSF bond guaranties) are not included as well.

Financial liability type	Financial liability value (EUR million)
Government bonds	39,109.7
T- Bills	0.0
Government loans	2,285.5
Total	41,395.2

8. State budget balance

The state budget deficit reached EUR 573.9 million at the end of the month.

9. Outlook for July 2018

No auctions of government bonds will take place in the summer months of July and August. The reason is the existing cash buffer and the expected cash flow of the government in next months.

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	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017	30.06.2018
Government Bonds	100.0	100.0	100.0	100.0	100.0	100.0
Residents	50.6	50.1	58.3	59.3	50.3	49.3
- banks	37.5	32.4	42.8	44.3	44.9	44.4
- legal person	13.0	17.6	15.4	14.9	5.4	4.9
- individual person	0.1	0.1	0.1	0.0	0.0	0.0
Non residents	49.4	49.9	41.7	40.7	49.7	50.7
Treasury Bills	100.0	0.0	0.0	100.0	0.0	0.0
Residents	87.0	0.0	0.0	40.0	0.0	0.0
- banks	87.0	0.0	0.0	30.0	0.0	0.0
- legal person	0.0	0.0	0.0	10.0	0.0	0.0
- individual person	0.0	0.0	0.0	0.0	0.0	0.0
Non residents	13.0	0.0	0.0	60.0	0.0	0.0

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

In February 19, 2018 started the live operation of the MTS Slovakia, dedicated for secondary market of the Slovak government bonds. MTS Slovakia membership and the active support of the secondary market is one of the main requirement 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 for 2018 is published on the ARDAL website:

[Plan of Issues](#)

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.

From January 2018 **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](#)

Current Primary Dealers with signed contract for 2018 are the following institutions:

[Primary Dealers](#)

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

Current Recognized Dealer with signed contract for 2018 is UniCredit Bank Czech Republic and Slovakia

[Recognized Dealers](#)

Listed institutions have the right to participate in auctions of the Slovak government debt securities.