

1. T-Bills auctions	1
2. T-Bills outstanding	1
3. Government bonds auction	1
4. Government debt securities buybacks	2
5. Government bond lines open for tapping	2
6. Government loans	2
7. State financial liabilities	2
8. State budget balance	3
9. Outlook for June 2016	3
10. State debt securities ownership – share of domestic and foreign investors	3
11. Other information	4

1. T-Bills auctions

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

2. T-Bills outstanding

Total amount of T-Bills issued as of the end of 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 14	SK6120000147	18.11.2015	16.11.2016	0.0	1,000.0	1,000.0
Sum				0.0	1,000.0	1,000.0

3. Government bonds auction

A new bond line (GB 230) was opened via domestic auction of Dutch type in May. The amount of EUR 335 million out of total accepted bids of EUR 651 million was bought by non-residents.

The sum of nominal amounts of issued government bonds via auctions and the syndicated sale is EUR 3,437.4 million since the beginning of the year.

Overview of government bonds sales in May:

Bond	ISIN	Settlement date	Maturity	Coupon [% p.a.]	Nominal amount [EUR million]		Accepted yields (price) to maturity [% p.a. (%)]		
					Bids	Accept	Min.	Average	Max.
230	SK4120011636	13.05.2016	13.11.2023	0.000	909.5	651.0	0.352	0.352	0.352
Sum					909.5	651.0			

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. New bond issue and auction calendar for 2016 is published on the website:

https://www.ardal.sk/_img/Documents/en/Government%20Securities/Plan%20of%20Issues/Auction%20calendar%202016.pdf

Auctions of the government bonds in 2016												
Auction date	18.1.	15.2.	21.3.	18.4.	11.5.	20.6.	18.7.	15.8.	19.9.	17.10.	21.11.	19.12.
Settlement date	20.1.	17.2.	23.3.	20.4.	13.5.	22.6.	20.7.	17.8.	21.9.	19.10.	23.11.	21.12.

4. Government debt securities buybacks

The following buyback trades of government bonds (direct trades) were accomplished in May:

Settlement date	Security	ISIN	Maturity	Nominal Amount [EUR million]	Deal Price [%]
12.05.2016	219	SK4120008301	19.01.2017	19.3	103.3
Sum				19.3	

5. Government bond lines open for tapping

There are 5 bond lines open for further auctioning as of the end of month. Total nominal value of bonds available for sale is EUR 4,702.8 million.

Bond	ISIN	Issue date	Maturity	Coupon interest [% p. a.]	Outstanding [EUR million]	Available [EUR million]
223	SK4120008871	15.11.2012	15.11.2024	3.375	2,798.9	201.1
227	SK4120009762	16.01.2014	16.01.2029	3.625	2,255.1	744.9
228	SK4120010430	21.01.2015	21.01.2027	1.375	1,902.2	1,097.8
229	SK4120011420	21.01.2016	21.01.2031	1.625	1,190.0	1,810.0
230	SK4120011636	13.05.2016	13.11.2023	0.000	651.0	849.9
Total					8,797.2	4,702.8

6. Government loans

No loan was drawdown in the current month.

7. State financial liabilities

The financial liabilities of Slovakia are presented without the financial 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	35,824.0
T- Bills	0.0
Government loans	2,137.5
Sum	37,961.5

8. State budget balance

The state budget expenditures were bigger than revenues approximately of EUR 1,111.51 million as of the end of month.

9. Outlook for June 2016

There is a redemption of the foreign JPY denominated bond in total value of JPY 25.8 bn. in the current month.

Following the PDs survey, the auction of the american type of two bonds, GB 228 and GB 230 maturing in 2027 and 2023, will take place in June. **The non-competitive auction will take place after the competitive auction at the same day.** The exact time will be announced in the auction conditions.

ARDAL declares that the coefficient will be set as 0.3 (or 30%) in this auction on 20 June 2016.

According to the Rules in the non-competitive auction:

- The maximum bid amount of respective Primary dealer will be calculated by multiplying the coefficient and the nominal value of accepted bids of respective Primary dealer in the competitive auction.

Date		Security	ISIN	Maturity date	Remaining maturity [years]	Coupon interest [% p.a.]	Auction type	Indicated accepted amount in comp. auction [EUR million]	Coefficient value of non-comp. auction
auction	settlement								
20.06.2016	22.06.2016	228	SK4120010430	21.01.2027	10.6	1.375	American competitive and non-competitive	150.0	30%
20.06.2016	22.06.2016	230	SK4120011636	13.11.2023	7.4	0.000	American competitive and non-competitive	250.0	30%

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 Slovak CSD and listed on Slovak Stock Exchange. Share as percentage.

Date	31.12.2011	31.12.2012	31.12.2013	31.12.2014	31.12.2015	31.05.2016
Government Bonds	100.0	100.0	100.0	100.0	100.0	100.0
Residents	74.8	70.1	50.6	50.1	58.3	59.5
- banks	45.9	44.3	37.5	32.4	42.8	45.1
- legal person	28.7	25.6	13.0	17.6	15.4	14.3
- individual person	0.2	0.2	0.1	0.1	0.1	0.1
Non residents	25.2	29.9	49.4	49.9	41.7	40.5
Treasury Bills	100.0	100.0	100.0	0.0	0.0	0.0
Residents	84.4	65.5	87.0	0.0	0.0	0.0
- banks	28.1	39.5	87.0	0.0	0.0	0.0
- legal person	56.3	26.0	0.0	0.0	0.0	0.0
- individual person	0.0	0.0	0.0	0.0	0.0	0.0
Non residents	15.6	34.5	13.0	0.0	0.0	0.0

11. Other information

Rating development of the Slovak Republic liabilities:

https://www.ardal.sk/_img/Documents/en/Economy/Rating%20of%20the%20SR/rating%20development%20SR_EN.pdf

Commencing January 2013 ARDAL is executing auctions in Bloomberg Auction system. During auction day several auctions can be accomplished at the same time or with different deadlines. Standard European settlement D+2 is applied from October 6th, 2014.

As of end of March 2016 Primary Dealers Contract has signed and Primary dealer became following institutions (<https://www.ardal.sk/en/government-securities/primary-dealers/list-of-pd>):

Barclays Bank, ČSOB (KBC), Deutsche Bank AG, HSBC France, ING Bank N.V., Natixis, Slovenská sporiteľňa (Erste Group Bank), Société Générale, Tatrabanka (RZB Group), UniCredit Bank Czech Republic and Slovakia, Všeobecná úverová banka, (Intesa Sanpaolo Group) and Citibank Europe plc. Listed Institutions has the right to participate in auctions of Slovak government debt securities.

As of 2nd February 2016 Recognized Dealers Contract has signed and Recognized dealer became following institutions (<https://www.ardal.sk/en/government-securities/recognized-dealers/list-of-rd>):

Crédit Agricole CIB. Listed Institution has the right to participate in auctions of Slovak government debt securities.