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## 1. T – Bills auctions

There was no auction of T-Bills realized in August.

## 2. T–Bills outstanding

Total amount of T-Bills issued as of the end of August 2014 was EUR 0.0 million.

## 3. Government bonds auction

In August was not realized auction of government bonds. Nominal amount of issued government bonds via auctions, syndicated sales and private placement is EUR 4,122.6 million in year 2014.

On the web site <http://www.ardal.sk/en/government-securities/plan-of-issues> is published auctions and new issues calendar for year 2014.

State bonds auctions in year 2014												
Auction date	20.1.	17.2.	17.3	17.4.	19.5.	16.6.	21.7.	18.8.	16.9.	20.10.	18.11	15.12
Settlement date	23.1.	20.2.	20.3.	24.4.	22.5.	19.6.	24.7.	21.8.	19.9.	22.10.	20.11.	17.12

## 4. Government debt securities Buybacks

Throughout August ARDAL realized buyback trades of government bonds via bilateral trades: Direct buyback trade of bond ŠD 210 in nominal amount EUR 25.0 million was done on August 1<sup>st</sup> with price 100.065 % and direct buyback trade of bond ŠD 210 in nominal amount EUR 0.75 million was done on August 4<sup>th</sup> with price 100.065 %.

Till the end of year 2014 ARDAL want to buy back bonds maturing in January 2015, namely SD 210 ISIN SK4120006503 registered and listed in Slovakia and SLOVAK 2015 ISIN XS0430015742 registered in Luxembourg and listed in London. Price of buybacks will be derived from Money-Market price for relevant time period.

## 5. Government bonds outstanding

There are 5 bond lines open for further auctioning as of the end of August. Total nominal value of bonds available for sale on primary market is EUR 4,512.3 million.

Bond	ISIN	Issue date	Maturity	Outstanding	Available
				[million EUR]	[million EUR]
ŠD 219	SK4120008203	19.01.2012	19.01.2017	2,659.6	340.4
ŠD 223	SK4120008871	15.11.2012	15.11.2024	1,833.0	1,167.0
ŠD 225	SK4120009044	28.02.2013	28.02.2023	2,646.1	353.9
ŠD 226	SK4120009234	28.05.2013	28.11.2018	1,697.0	1,303.0
ŠD 227	SK4120009762	16.01.2014	16.01.2029	1,652.0	1,348.0
<b>Total</b>				<b>10,487.7</b>	<b>4,512.3</b>

## 6. Government loans

No loan was drawdown in August.

## 7. State financial liabilities

Financial liabilities of Slovakia are presented without financial sources from State Treasury and money market loans and deposits. Data as of August 31<sup>st</sup>, 2014.

Financial liability type	Financial liability value [EUR million]
Government bonds	35,557.0
T- Bills	0.0
Government loans	1,574.1
<b>SUM</b>	<b>37,131.1</b>

## 8. State budget balance

State budget expenditures were bigger than revenues approximately of EUR 2,419.62 million on August 31<sup>st</sup>, 2014.

## 9. Outlook for September 2014

In September there is no redemption of government financial liabilities coming from government bonds and T-bills.

On the base of PDs responses and issuer's decision there will be government bond ŠD 225 (coupon fix rate 3.000 % p. a. with residual tenor 8.44 years) and of government bond ŠD 226 (coupon fixed rate 1.500 % p. a. with residual tenor 4.19 years) auction.

Auction of both bonds will take place on September 16<sup>th</sup> – on Tuesday (on Monday September 15<sup>th</sup> there is holiday in Slovakia).

Date		Security	ISIN	Auction type (competitive)	Available for sale [mil. EUR]	Supposed transaction value [mil. EUR]
auction	settlement					
16.09.2014	19.09.2014	ŠD 225	SK4120009044	American	353.9	100.0
16.09.2014	19.09.2014	ŠD 226	SK4120009234	American	1,303.0	100.0

#### 10. State debt securities ownership – share of domestic and foreign investors

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	31.12.2009	31.12.2010	31.12.2011	31.12.2012	31.12.2013	31.08.2014
<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>
Residents	90.2	78.9	74.8	70.1	50.6	49.5
- banks	63.0	47.7	45.9	44.3	37.5	32.9
- legal person	26.8	31.0	28.7	25.6	13.0	16.5
- individual person	0.4	0.3	0.2	0.2	0.1	0.1
Non residents	9.8	21.1	25.2	29.9	49.4	50.5
<b>Treasury Bills</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>
Residents	100.0	89.9	84.4	65.5	87.0	0.0
- banks	NA	NA	28.1	39.5	87.0	0.0
- legal person	NA	NA	56.3	26.0	0.0	0.0
- individual person	NA	NA	0.0	0.0	0.0	0.0
Non residents	0.0	10.1	15.6	34.5	13.0	0.0

#### 11. Other information

**In line with other EMU countries Slovakia is changing settlement day on primary market of state debt securities to T+2 commencing October 6<sup>th</sup>, 2014.**

ESDM Press Release - harmonized implementation of T+2 as standard settlement period in OTC Secondary Markets for transferable government securities, as of 6 October 2014 full wording is published on our website:

[http://www.ardal.sk/\\_img/Documents/en/Government%20Securities/Documents%20of%20Primary%20Market/ESDMregulationEN.pdf](http://www.ardal.sk/_img/Documents/en/Government%20Securities/Documents%20of%20Primary%20Market/ESDMregulationEN.pdf)

Commencing January 2013 ARDAL is realising auctions in Bloomberg Auction system. During auction day (<http://www.ardal.sk/en/government-securities/plan-of-issues>) several auctions can be realised at the same time or with different deadlines.

As of the end of February 2014 valid Primary Dealers Contract has following Primary dealers (<http://www.ardal.sk/en/government-securities/primary-dealers/list-of-pd>):

Barclays Bank, Citibank Europe plc, Crédit Agricole CIB, ČSOB (KBC), Deutsche Bank, HSBC France, ING Bank, Natixis, SLSP (Erste), Société Générale, Tatrabanka (RBI), Unicredit Bank and VÚB (Intesa).

Given the expected cash flow of state until the end of 2014 and the financing needs of state debt the auctions of government bonds in July, August and December will not take place.