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1. T – Bills auctions

There was no T- Bills auction realized in September. In year 2010 was already sold EUR 2,420.7 millions of T-Bills with average interest rate 1.082 % p.a. by total demand EUR 5,834.9 millions.

2. T – Bills outstanding

Total nominal amount issued equals to EUR 4 billion. For repo trades and auction sale on secondary market is available approximately EUR 2.41 billion in nominal value.

T-Bills	ISIN	Issue date	Maturity	Sold [EUR millions]	MFSR account [EUR millions]	Total amount [EUR millions]
ŠPP 04	SK6120000048	20.1.2010	19.1.2011	1,060.6	939.4	2,000.0
ŠPP 05	SK6120000055	14.7.2010	13.7.2011	529.3	1,470.7	2,000.0
Sum				1,589.9	2,410.1	4,000.0

3. Government bonds auctions

There were two bond auctions realized in September. Total amount of sold bonds is EUR 4,489.3 millions in year 2010.

Bond	ISIN	Settlement date	Maturity	Coupon interest [% p.a.]	Nominal amount [EUR million]		Accepted yields (price) to maturity [% p.a. (%)]		
					Bids	Accept	Min.	Average	Max.
ŠD 212	SK4120006990	16.09.2010	27.01.2012	0.00	344.1	135.6	1.598	1.633	1.650
ŠD 213	SK4120007071	29.09.2010	24.02.2016	3.50	319.7	107.0	3.070	3.113	3.130
Sum					663.8	242.6			

Till the end of year has to take place 4 auctions, one of them can be replaced by a syndicate.

Auctions of government bonds in year 2010	Realized	Remained
ŠD 206 - original maturity 20 years and fix interest rate coupon	3	1
ŠD 210 - original maturity 6 years and float interest rate coupon	2	0
ŠD 212 - original maturity 2 years and zero coupon	4	4
ŠD 213 - original maturity 6 years and fix interest rate coupon	6	1
ŠD 214 - original maturity 10 years and fix interest rate coupon	2	0
Sum	17	3
Auction for decision	3	1

4. Government bonds outstanding

There are 4 bond lines open for further auctions at the end of August. Total nominal value of bonds ready for sale on primary market is EUR 3,710.6 millions.

Bond	ISIN	Issue date	Maturity	Outstanding [million EUR]	Available for sale [million EUR]
ŠD 206	SK4120004987	10.05.2006	10.05.2026	1,049.8	278.0
ŠD 212	SK4120006990	27.01.2010	27.01.2012	874.8	125.2
ŠD 213	SK4120007071	24.02.2010	24.02.2016	1,057.0	1,943.0
ŠD 214	SK4120007204	27.04.2010	27.04.2020	1,635.6	1,364.4
Spolu					3,710.6

5. Government loans

No loan was drawdown in September.

6. State financial liabilities

Financial liabilities of Slovakia are presented without financial sources from State Treasury and money market loans and deposits. Data as of September 30, 2010.

Financial liability type	Financial liability value [EUR million]
Government bonds	21,352.6
T- Bills	1,589.7
Government loans	838.7
SUM	23,781.0

7. State budget balance

State budget expenditures were bigger than revenues approximately of EUR 3,110.4 millions on September 30, 2010.

8. Outlook for October

In October there is no redemption of government financial liabilities coming from state bonds and T-Bills.

There are two auctions of bonds planned in October.

Date		Bond	ISIN	Auction type (competitive)	Available for sale [EUR million]	Supposed sale [EUR million]
auction	settlement					
11.10.2010	14.10.2010*	ŠD215	SK4120007527	American	1,500.0	200.0
25.10.2010	27.10.2010	ŠD212	SK4120006990	American	125.2	125.2

* Settlement date will take place T + 3.

Some of the planned auction can be postponed to December for "clean market" reason in case of issuing new benchmark bond via syndicate.

Slovak economy as of September 15th, 2010 (monthly indicators)

Inštitút finančnej politiky, MF SR

(Detailed information on web site: <http://www.finance.gov.sk/en/Default.aspx?CatID=547>)

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 year-on-year growth in manufacturing continued in July despite the seasonally adjusted month-on-month drop by 2.8%. The year-on-year growth of **industrial production index** reached 16.8%. The fastest growing sectors were the manufacturing of computer, electronic and optical products (58.1%), manufacturing of non-classified machinery (50.7%) and manufacturing of transportation vehicles (48.2).
- + **Nominal wages in selected sectors** (almost two thirds of total employment) continued to grow on a year-on-year basis in July, with the growth reaching 4.0%. The fastest growth was recorded in the energy supply sector (13.1%).
- + The stabilization of the **labor market** continues. Although the **employment in selected sectors** has fallen by 2.7% compared to the previous year, the fall is gradually leveling off and the number of employees grew by over 2.8 thousand compared to previous month. The only sector that recorded a growth of employment was the energy supply.
- + The year-on-year growth of the **stock of loans** has stabilized after a significant slowdown (1.6% in August) and loans continued to grow on a month-on-month basis for four months in a row.
- + The year-on-year growth in **export of goods** by 22.8% continues to confirm growing foreign demand.

Negative news:

- After the year-on-year growth in the previous month the **retail sales** in July dropped again by 1.6%.
- The economic sentiment in Germany measured by the **ZEW and IFO indicators** decreased for a fourth month in a row, indicating negative expectations for our largest trading partner for the second half of 2010.
- The year-on-year drop of **car registrations** by 18.6% is caused mainly by the car scrapping scheme, which positively influenced the numbers in the previous year.

Main message

Monthly indicators imply a positive trend for Slovak industrial production in the upcoming period, even though there are increasing risks for the German economy as our largest trading partner (ZEW index). However, the job creation remains subdued for now.