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## 1. T – Bills auctions

In March three T- Bills auction took place: the auction of ŠPP 03, maturing July 14<sup>th</sup>, 2010 with total bids EUR 379.9 million and accepted amount EUR 145.0 million in nominal value; two auctions of ŠPP 04 with maturity on January 19<sup>th</sup>, 2011 with total bids EUR 1,016.8 million and accepted amount EUR 355.3 million. The competitive auctions were realised as single price (Dutch type). Average YTM was 0.92 % p.a. In year 2010 was already sold EUR 1,474.2 million of T-Bills with average interest rate 0.94 % p.a. by total demand EUR 3,505.0 million.

T-Bills	ISIN	Auction date	Maturity	Amount [EUR million]		Accepted interest rate [% p. a.]	Auction type
				Bids	Accepted		
ŠPP 04	SK6120000048	01.03.2010	19.01.2011	519.2	222.7	1.0495	Dutch
ŠPP 03	SK6120000030	15.03.2010	14.07.2010	379.9	145.0	0.6490	Dutch
ŠPP 04	SK6120000048	29.03.2010	19.01.2011	497.6	132.6	0.9900	Dutch
<b>Sum</b>				<b>1,396.7</b>	<b>500.3</b>	<b>0.9180</b>	

## 2. T – Bills outstanding

Total nominal amount issued equals to EUR 4 billions. For repo trades and auction sale on secondary market is available approximately EUR 2.17 billions in nominal value.

T-Bills	ISIN	Issue date	Maturity	Sold	MF SR account	Total amount [EUR mio.]
				[EUR mio.]	[EUR mio.]	
ŠPP 03	SK6120000030	15.07.2009	14.07.2010	1,191.5	808.5	2,000
ŠPP 04	SK6120000048	20.01.2010	19.01.2011	643.4	1 356.6	2,000
<b>Sum</b>				<b>1,834.9</b>	<b>2,165.1</b>	<b>4,000</b>

## 3. Government bonds auctions

In March two competitive auctions took place with accepted amount EUR 478.4 million from demanded EUR 1,260.3 million (data in nominal value). Total amount of sold bonds in year 2010 is EUR 1,495.1 million. Till the end of year 12 auctions has to take place, one or two of them can be replaced by syndication.

Bond	Auction date	Maturity	Coupon interest [% p.a.]	Nominal amount [EUR]		Accepted yields (price) to maturity		
				Bids	Accept	Min.	Average	Max.
ŠD 210	08.03.2010	21.01.2015	6M EURIBOR	851.8	238.9	97.2250	97.3152	97.9260
ŠD 212	22.03.2010	27.01.2012	0,00	408.5	239.5	1.6967	1.8638	1.9500
<b>Sum</b>				<b>1,260.3</b>	<b>478.4</b>			

Auctions of government bonds in year 2010	Realized	Remained
ŠD 206 - original maturity 20 years and fix interest rate coupon	1	2
ŠD 210 - original maturity 6 years and float interest rate coupon	2	1
ŠD 212 - original maturity 2 years and zero coupon	2	3
ŠD 213 - original maturity 6 years and fix interest rate coupon	1	4
ŠD 214 - original maturity 10 – 15 years and fix interest rate coupon	0	2
<b>Sum</b>	<b>6</b>	<b>12</b>
Auction for decision	1	3

#### 4. Government bonds outstanding

At the end of March there are 3 bond lines open for further auctions, because the rest of ŠD 211 in nominal value EUR 50 millions is left on MFSR property account for secondary market support in the frame of „last resort lending“ to primary dealers. Total nominal value of bonds ready for sale on primary market is EUR 3,755 millions.

Bond	ISIN	Issue date	Maturity	Outstanding [EUR]	Ready to sell [EUR]
ŠD 206	SK4120004987	10.05.2006	10.05.2026	748,689,854	579,066,901
ŠD 211	SK4120006545	04.03.2009	04.03.2013	1,450,000,000	50,000,000
ŠD 212	SK4120006990	27.01.2010	27.01.2012	581,300,000	418,700,000
ŠD 213	SK4120007071	24.02.2010	24.02.2016	293,000,000	2,707,000,000
<b>Sum</b>					<b>3,754,766,901</b>

#### 5. Government loans

No loan was drawdown in March.

#### 6. Financial liabilities

Financial liabilities of Slovakia as of March 31<sup>st</sup>, 2010 are presented without financial sources from State Treasury and money market loans a deposits.

Financial liability type	Financial liability value [EUR million]
Government bonds	19,094.717655
T- Bills	1,834.900000
Government loans	876.614904
<b>SUM</b>	<b>21,806.232559</b>

#### 7. State budget balance

State budget expenditures were bigger than revenues approximately EUR 983.5 millions on March 31<sup>st</sup> 2010.

#### 8. Outlook for April

In April there is redemption of state bonds in nominal value EUR 500 millions (Eurobond 2000). There will be only one bond auction in April. The auction planned on April first will be replaced by syndication throughout the month. There will be no auction of T-Bills in April.

Date		Bond	ISIN	Auction type (competitive)	Available for sale [EUR million]	Supposed sale [EUR million]
auction	settlement					
19.04.2010	21.04.2010	ŠD 213	SK4120007071	American	2,707.0	200.0

Status data are as of March 31<sup>st</sup>, 2010

## 9. Slovak economy as of March 15th, 2010 (monthly indicators)

Inštitút finančnej politiky, MF SR  
(Detailed information on web site: <http://www.finance.gov.sk/Default.aspx?CatID=7458>)

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 signs of the economic stabilization in manufacturing in Slovakia continue. The seasonally adjusted industrial production index grew in January 2010 by 4.4% on month-on-month basis and thus offset a 3.4% slump witnessed in December. Year-on-year growth accelerated to 19.3% partly due to the base effect. Gap versus the pre-crisis level is narrowing only gradually (10%)
- ◆ Industrial wages posted surprisingly high growth of 5.6% on year-on-year basis in January. This could help partly compensate the negative effects on the household consumption induced by falling employment.
- ◆ The industrial production index in the euro area recorded a month-on-month growth for eight months in a row. In January it reached 1.9%, which is the highest growth since the beginning of the crisis.

### Negative news:

- ◆ The number of employed in the selected sectors has continued decreasing in January (-9.3% YoY). Even though the situation is worsening, there are signs of less negative development on a month-on-month basis. This is confirmed by a stabilization of the disposable unemployment rate at 12.9% on the seasonally adjusted basis in January.
- ◆ Alongside the decreasing employment, retail sales continue to suffer, falling by 2.4% on year-on-year basis.
- ◆ The stagnation of the credit growth continues. The year-on-year growth in January reached again only 1.0%.

### Main message

The economy in the last month showed minor signs of stabilization of the situation. The industrial production index has reached once again positive year-on-year values and the confidence indicators continue to grow. Among the main risks to the future development are the worsening of the labour market and the stagnant credit growth.