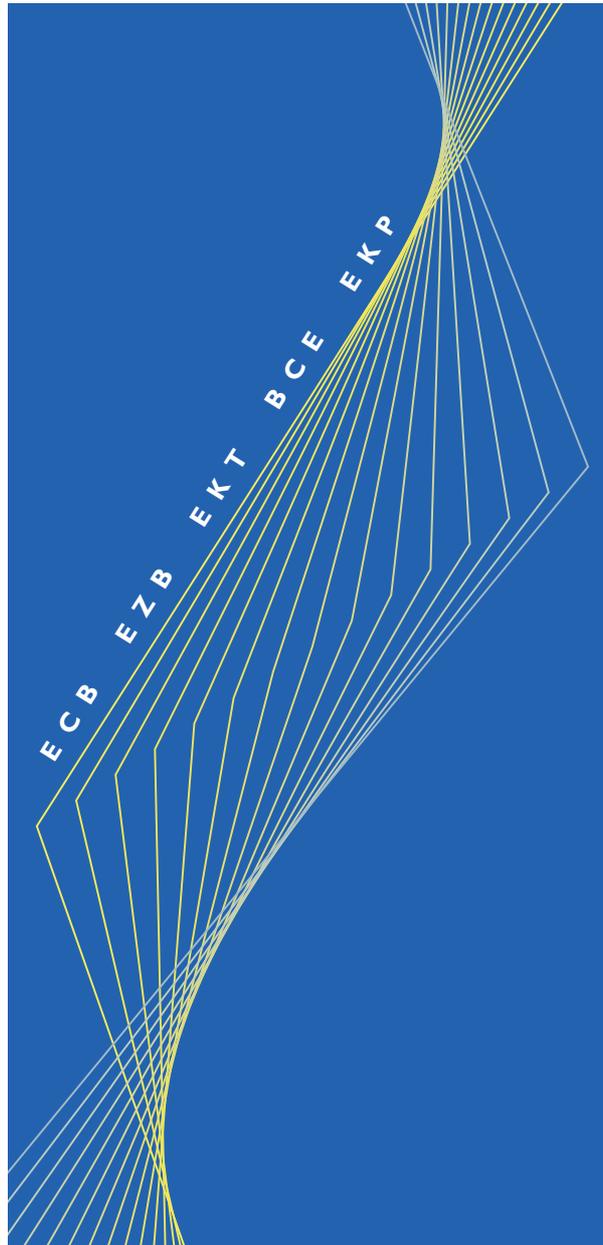




EUROPEAN CENTRAL BANK



**BOND MARKETS AND
LONG-TERM INTEREST
RATES IN EUROPEAN
UNION ACCESSION
COUNTRIES**

October 2003



EUROPEAN CENTRAL BANK



Bond markets and long-term interest rates in EU accession countries

October 2003

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Introduction

Background

The fifth round of European Union (EU) enlargement is well under way. There are currently 12 countries in central and eastern Europe and in the Mediterranean region that have been recognised by the European Council as countries for accession to the European Union. Ten of them (the "accession countries") have been invited to join the European Union on 1 May 2004, following the signing and subsequent ratification of the Accession Treaty¹. All these new EU Member States are also aiming to eventually adopt the euro, once they have achieved a high degree of sustainable economic convergence. This is assessed on the basis of the "Maastricht convergence criteria" set out in Article 121 of the Treaty establishing the European Community ("the Treaty") and further detailed in a Protocol attached to the Treaty.

The four criteria specified in the Treaty will apply to the accession countries joining the European Union, and there will be a regular assessment of the Member States' obligations towards Economic and Monetary Union (EMU).

The fourth Maastricht criterion² is based on the level of long-term interest rates (LTIR). According to Article 4 of Protocol No. 21 of the Treaty, compliance with the fourth convergence criterion shall mean that, *observed over a period of one year before the examination, a Member State has had an average nominal LTIR that does not exceed by more than 2 percentage points that of, at most, the three best performing Member States in terms of price stability. Interest rates shall be measured on the basis of long-term government bonds or comparable securities, taking into account differences in national definitions.*

Given the need to produce harmonised long-term interest rate series for convergence reporting purposes, the European Central Bank (ECB) (DG Statistics) and the European Commission (Eurostat) agreed, together with the national central banks (NCBs) of the accession countries, to work towards the identification of representative debt securities that can be used to measure long-term nominal interest rates and, if necessary, proxies. The relevant statistics must be available before accession countries join the European Union.

Working towards measuring long-term interest rate convergence in EU accession countries

The Treaty and Protocol wording had to be interpreted in statistical terms before it could be applied for the generation of comparable results.

While according to the Protocol the provision of statistics for convergence purposes is the responsibility of the European Commission, the ECB acts as an intermediary and works with the accession country NCBs to develop the conceptual and practical aspects relating to the production of comparable statistics on long-term interest rates.

The statistical framework for the definition of the long-term interest rates of accession countries closely follows the principles that were specified and implemented in close liaison with the European Commission as part of the

preparations for Stage Three of EMU for the current EU Member States. These principles are defined using seven key concepts and their associated recommendations.

The purpose of these principles is to ensure the comparability of accession country statistics, taking into account developments and opportunities in the various national capital markets.

- ¹ For the sake of convenience, all 12 countries will still be referred to in this publication as "accession countries".
- ² The fourth indent of Article 121 of the Treaty refers to "the durability of convergence achieved by the Member State and of its participation in the exchange rate mechanism of the European Monetary System being reflected in the long-term interest rate levels."

Table I**Statistical framework for defining the long-term interest rates**

Ref.	Concept	Recommendation
1	Bond issuer	The bond should be issued by the central government.
2	Maturity	The maturity should be as close as possible to ten years' residual maturity. Any replacement of bonds should minimise maturity drift.
3	Coupon effects	No direct adjustment.
4	Taxation	Gross of tax.
5	Choice of bonds	The applied bonds should be sufficiently liquid. This requirement should determine the choice between benchmark or sample approaches, depending on national market conditions; special feature bonds are to be omitted.
6	Yield formula	The "yield to maturity" ISMA formula 6.3 should be applied.
7	Aggregation	Where there is more than one bond in the sample, a simple average of the yields should be used to produce the representative rate.

Recommendations

Bond issuer

According to the Treaty, the bonds used for the calculation of the yield for the purposes of the convergence criterion should be "long-term government bonds or comparable securities". Long-term government bonds should always be used for the calculation of yields. Alternative solutions may only be considered if these bonds are not available, e.g. bonds issued by other general government, comparable securities or, if necessary, proxies. This approach is based on the economic assumption that government bonds are the most secure type of bonds. It is therefore reasonable to assume that the prices of these bonds are relatively less affected by risk considerations.

Maturity

The recommendation with regard to "maturity" is to select bonds with a residual maturity of close to ten years. The maturity should be stable over time, with minimum drifting. Therefore it is recommended that the residual maturity of bonds should be between 9.5 and 10.5 years. In general this method necessitates the regular issue of comparable bonds. However, when

choosing the maturity, the structural liquidity of the market must also be considered. If the 10-year segment is not sufficiently liquid, it may be appropriate to choose a different segment close to the agreed maturity range, if the market for this issue is considerably more liquid at that point in time.

Coupon effects

There is a positive relationship between coupon and price, and an inverse relationship between price and yield. The extent to which changes in bond prices affect the yield is weighted by the coupon value. If the coupon is significantly different across countries, both the yield and its changes will not be comparable. However, in practice, there is no suitable way of directly adjusting for coupon effects.

Treatment of taxation

The complexity of calculating net-of-tax yields can vary considerably according to the method used and the kind of tax to be netted out. Therefore gross-of-tax yields should be used in the interest of comparability.

Choice of bonds

Both the averaging and benchmark methods have their own merits. Average yields calculated through samples are considered to be more stable over time from a statistical point of view. This is because the replacement of bonds in the basket is usually staggered, and so the renewal effects are dampened. However, in a small market, using a sample may not be meaningful, as the range of liquidity would be very diverse. Forcing relatively illiquid securities into a basket would not improve the comparability of the yields.

Benchmark issues have the advantage of being highly liquid, but the risk of maturity drift is greater than with the sample approach and this method necessitates the issue of comparable bonds each year. The criteria for selecting averaging or benchmark bonds depend on the liquidity of the market.

Yield formula

In view of the need to apply the same formula across all Member States, one single formula is selected which is statistically meaningful and robust and which complies with the recommendations made by the International Securities Market Association (ISMA).

The yield-to-maturity ISMA formula 6.3:

$$P = \sum_{i=1}^n CF_i * V^{L_i}$$

where

- P = gross price (i.e. clean price plus accrued interest)
- n = number of future cash flows
- CF_i = i-th cash flow (can be variable)
- L_i = time in years to the i-th cash flow
- V = annualised discounting factor = 1/(1+y) where y is the annualised yield

The advantages of this formula are its flexibility and versatility. It allows for flows of funds which are not exactly equal and for payment periods of different lengths. Thus it does not excessively impose characteristics on the bond to be selected.

Aggregation

The formula allows for the possibility of adopting a portfolio approach if more than one bond is included in the sample. This is an alternative to taking some form of average of the yields of the bonds, namely they can be treated as one series of cash flows and discounted together at the same rate. Nevertheless, simple averaging is recommended as the most suitable approach.

Bond markets and long-term interest rates in EU accession countries

The Money and Banking Statistics Division of the ECB's Directorate General Statistics and the NCBs of the accession countries have been co-operating for many years in the field of financial market statistics and money and banking statistics. The material presented in this document was provided by the accession country NCBs. The intention of this publication is to provide an overview of the structure of each accession country's capital market, focusing in particular on the bond market and interest rates.

The first edition of this report was published by the ECB in June 2002. Demand was such that the ECB, together with the European Commission (Eurostat) and the NCBs of the accession countries, agreed to publish a new and extended version of this report, containing information as at the end of 2002.

This second edition of the publication on "Bond markets and long-term interest rates in European Union accession countries" consists of 12 national chapters, each of which is divided

into five sections. **Section 1** covers the size of the debt securities market by original maturity, sector of the issuer and the currency of denomination. **Section 2** provides an overview of the activity in the primary and secondary markets, in terms of the methods for primary placements and the values and numbers of market transactions. This section also provides information on the liquidity of the secondary market. **Section 3** focuses on certain features of individual long-term debt securities issued by the general government. **Section 4** covers interest rates in order to obtain information on

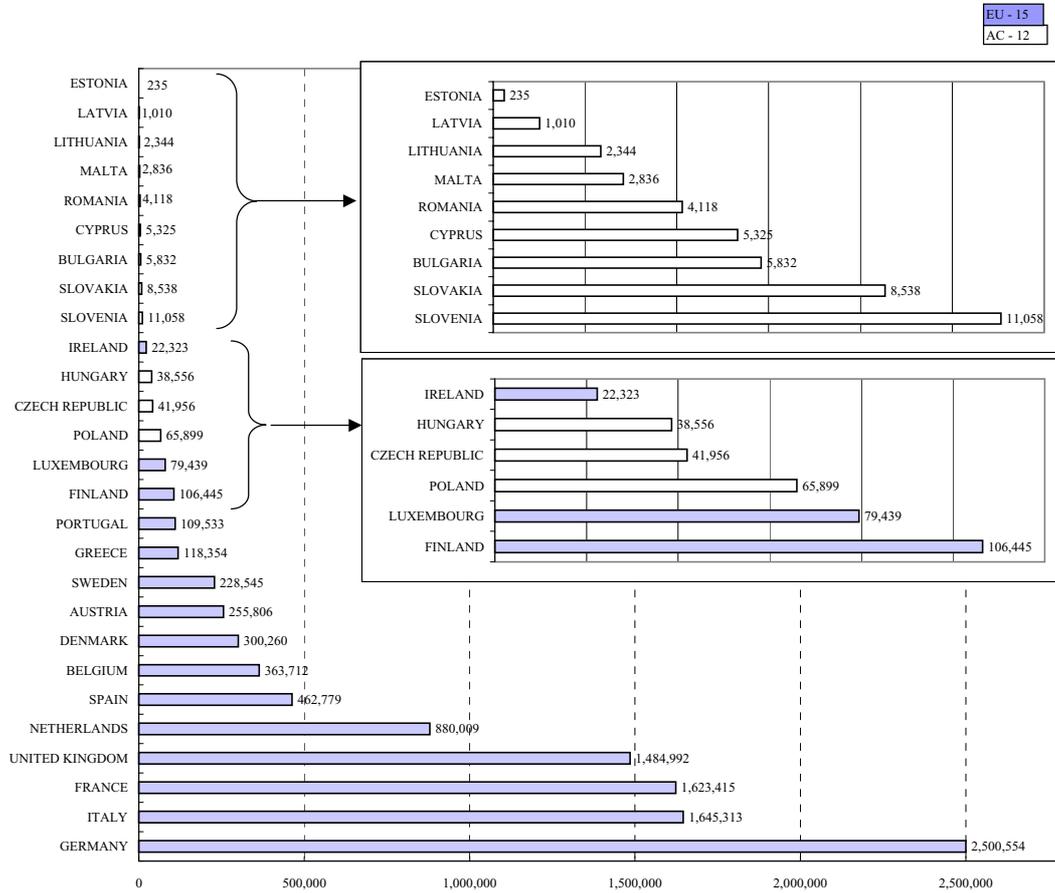
potential proxies (if required). Finally, **Section 5** briefly addresses issues related to securities market regulation.

As a preliminary introduction to the national reports, two overview charts are presented below. The first chart shows the total amount outstanding of debt securities issued by residents of EU Member States and accession countries at the end of December 2002 (in EUR millions). The second chart presents the same information in relative terms as a percentage of GDP.

Chart 1

Debt securities in EU Member States and accession countries

Amounts outstanding at the end of December 2002 (EUR millions, nominal value)



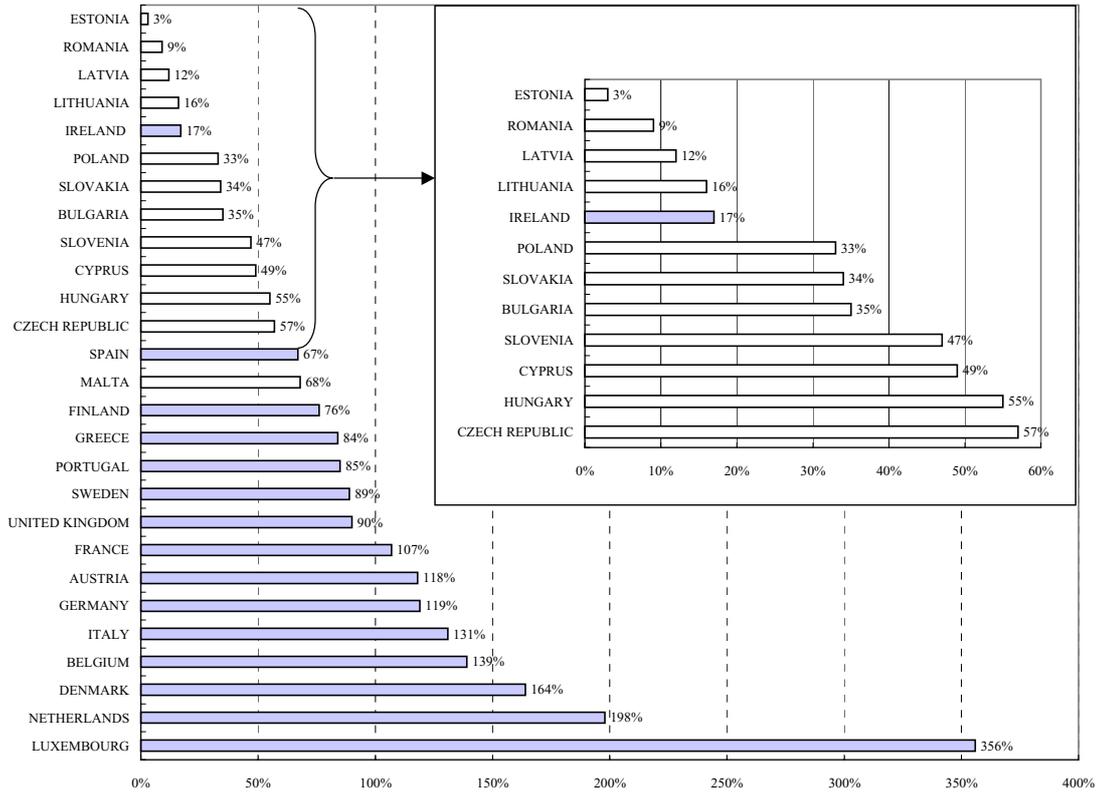
Source: ECB long-term interest rate convergence statistics for EU accession countries.

Chart 2

Debt securities in the EU Member States and accession countries

Amount outstanding at the end of December 2002 (as a percentage of GDP, end-of-period stocks, nominal value)

EU - 15
AC - 12



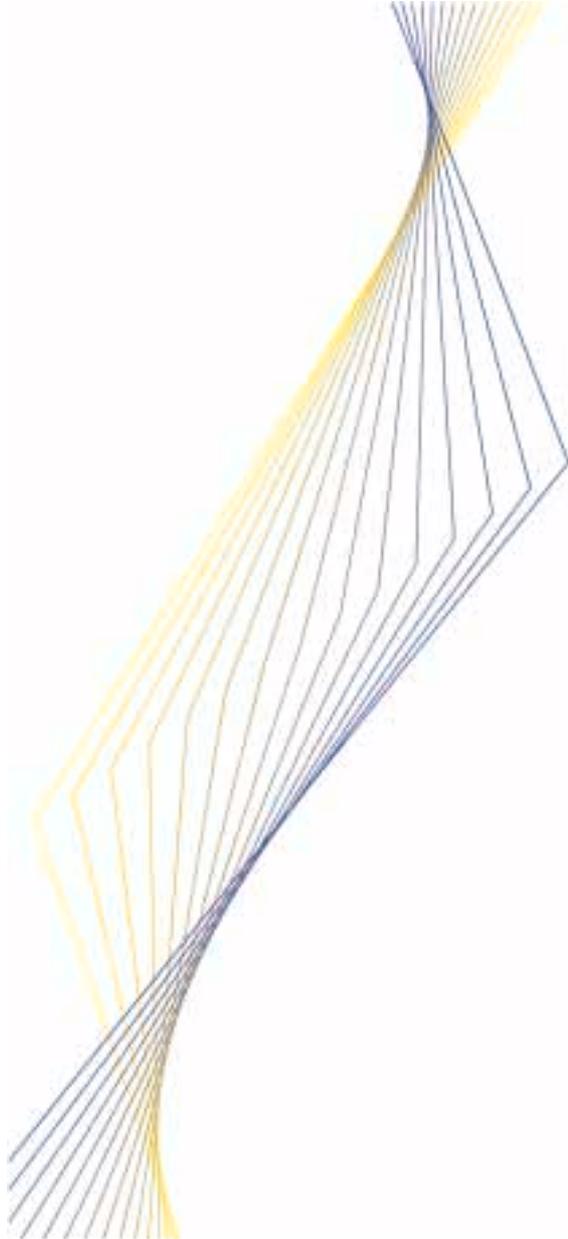
Source: ECB long-term interest rate convergence statistics in EU accession countries, Eurostat (for GDP figures).

Part I

National reports of EU accession countries



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Bulgaria

I Market size

I.1 The size of the national debt securities market

The size of the debt instruments market as at December 2002 amounted to EUR 5,831.7 million, which represented 35% of GDP. In sectoral terms, 99.4% of the debt was central government debt, with a prevailing weight of debt securities denominated in a currency other than the national currency (the Bulgarian lev, BGN). These were primarily Brady bonds, which, as at December 2002, accounted for 41.8% (EUR 2,398.7 million) of the total amount outstanding of long-term debt securities of the central government. Consequently, as a whole debt in the form of government securities issued by the Ministry of Finance (MoF) for euro bonds, global bonds, external bonds (Bradies) and covering banks' uncollectable loans (Zunks) represented about 86.7% of the total central government bond market size (EUR 5,794.7 million).

As regards government securities denominated in the national currency, the largest share is constituted by long-term securities (from five up to and including ten years to maturity)¹. These represent 56% of the total amount outstanding of government debt securities denominated in the national currency. This is in compliance with the MoF's policy of issuing longer-term securities, applied since the introduction of the Currency Board.

This fact is reflected in primary market activity, where, for central government debt securities issued in 2002, the proportions of short-term and long-term issues were 4% and 96% respectively, while in 2001 they were 25% and 75%, and in 2000, 47% and 53% (see the sub-section on the primary market below).

The gradual involvement of Bulgarian municipalities in debt securities issuance on the local market had produced a total stock of EUR 4.5 million by end-2002 in both BGN and euro-denominated instruments (the EUR 50 million Eurobond issue of the City of Sofia matured in the middle of 2002).

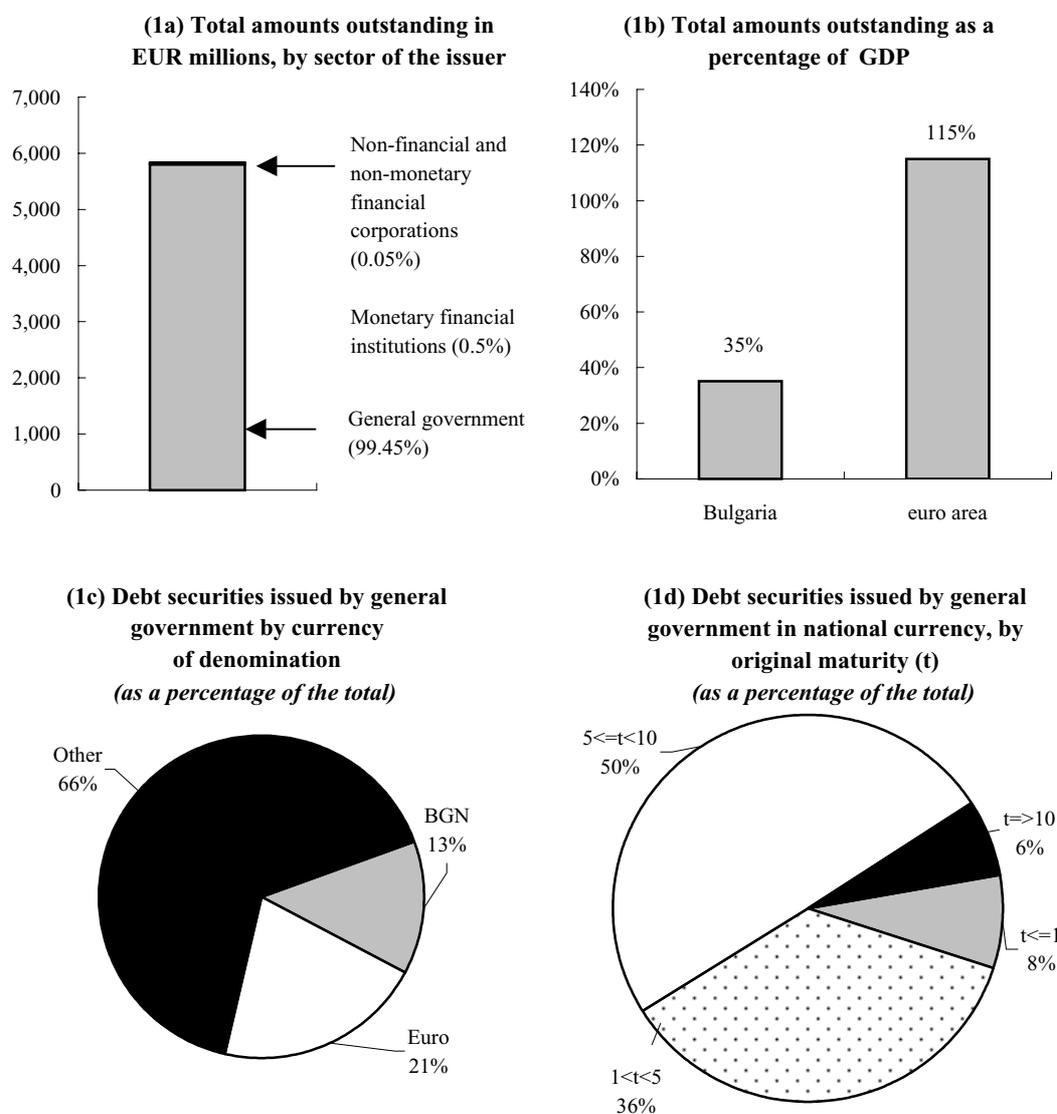
The total stock of locally issued corporate debt paper amounted to EUR 32.3 million in instruments denominated in BGN and EUR. The bulk came from the new bank products that had been launched on the market in the previous two years.

I.2 Expected issue volume and maturity distribution for government and corporate bonds

Pursuing its general debt issue policy of increasing maturities and issue volumes as well as increasing the share of domestic financing, the Bulgarian Government plans to offer long-term securities with maturities of three, five, seven and ten years in the domestic market over the next two years.

New issues were being prepared by municipalities and corporations in 2002, and the start of 2003 saw some initial experiments with issues of a relatively large size and long maturity.

¹ The Bulgarian Government issues long-term bonds of two, three, five, seven and ten years to maturity.

Chart I**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets**2.1 The primary market****2.1.1 Activity in the primary market**

After the introduction of the Currency Board in 1997², conditions for financial stabilisation in the country were created, and the MoF gradually turned to issuing longer-term fixed income government securities. In 2002 the

value of transactions involving debt securities issued by the central government amounted to EUR 2,527.5 million, compared with just EUR 661.6 million in 2001. One characteristic of the primary market is the long-lasting

2 Under the Currency Board arrangement the Bulgarian National Bank (BNB) is only allowed to hold foreign assets and is committed to buying and selling foreign and domestic currency at the fixed exchange rate.

trend of excess demand over supply. Since 2000 the MoF has been offering to reopen in the domestic market government bonds with maturities of two, three and five years. October 2001 saw the first seven-year reopening issue. The interest demonstrated by participants on the government securities market was such that the Bulgarian Government decided to include seven-year bonds as well as three and five-year bonds in its regular issue calendar for 2002.

In April 2002 the MoF successfully reopened an issue with ten years to maturity. The coupon of issues was gradually reduced during the period 2000-2002 from 8% to 6% for two-year bonds, 9% to 5.75% for three-year bonds, 9% to 6.5% for five-year bonds and from 7.5% to 7.0% for seven-year bonds. This was done to correspond to the trend of decreased yields at issuance.

Short-term issues consist of three-month and 12-month government bills. Three-month government bills were retained on account of their importance as an instrument for the calculation of the basic interest rate (see below).

The first issue of Eurobonds on international capital markets was successfully accomplished in 2001. The nominal value of the issue is EUR 250 million and they have a maturity of five years.

In 2002 some of the outstanding Brady Bonds were exchanged for global bonds denominated in USD and EUR and with maturities of 13 and 11 years respectively. The total nominal value of these global bonds is EUR 2,060 million.

An analysis of issue activity in 2002 shows that the debt instruments issued amounted to EUR 2,557.4 million in value terms (15.4% of GDP), and increased activity was also registered in the corporate sector. Issuance of new corporate securities in the Bulgarian market began in earnest in the first half of this year. The primary market for corporate

and municipal bonds is still rather small: there were ten corporate bond issues and two municipal primary issues during 2002.

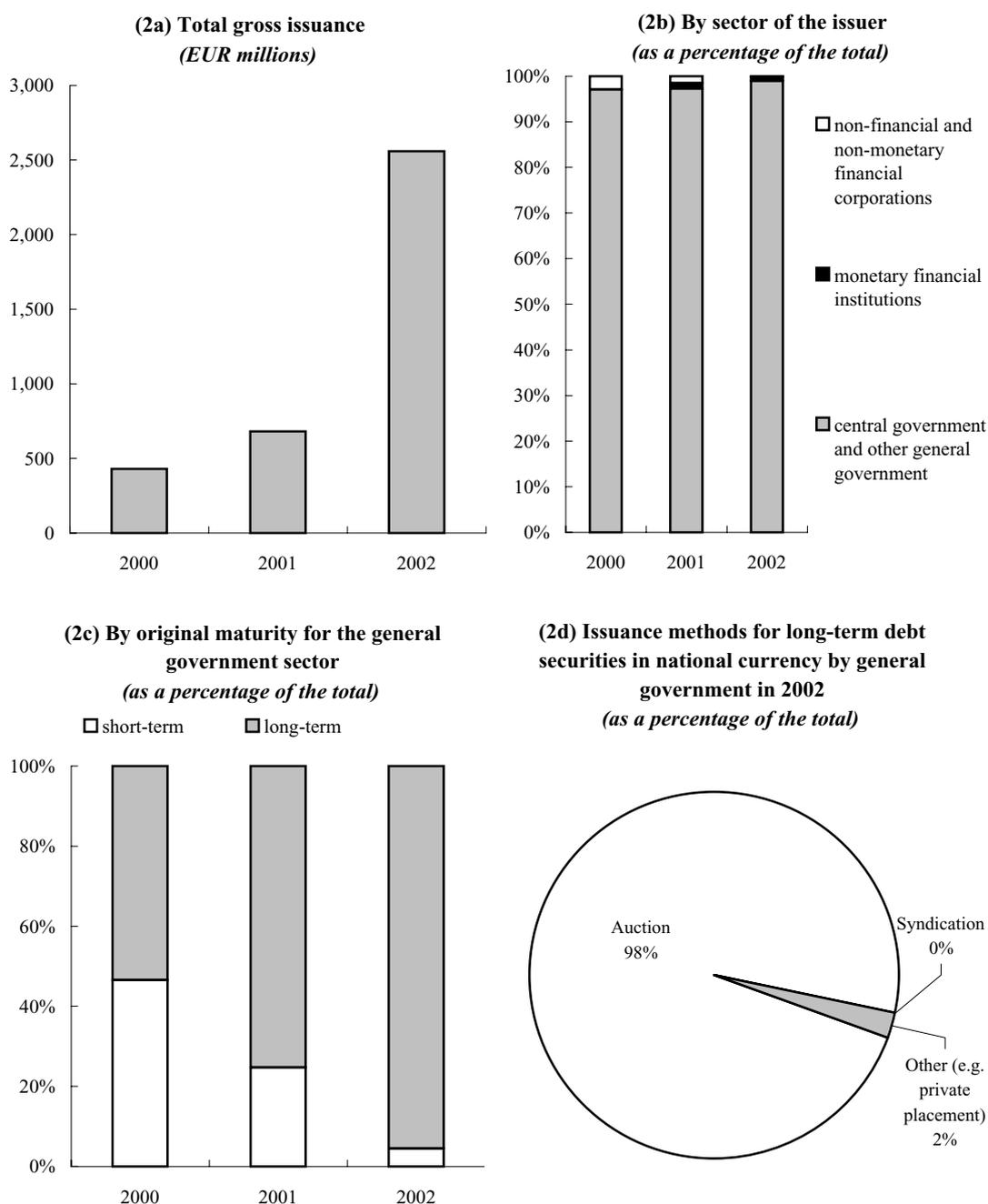
Municipal issuance, although far less active than central government issuance, gradually gained momentum and various types of instruments, methods and currency denominations were utilised.

Corporate issuance originated largely from banks. In particular, mortgage bonds were introduced, including bonds denominated in EUR and backed by USD-denominated assets, which implied the development of elaborate asset-liability management techniques. Non-bank issues were often intended for the funding of financial leasing.

2.1.2 Auctions: regularity, frequency and pre-announcement

So far, government securities have only been issued by auction. Government securities are issued in accordance with a predetermined schedule, and the frequency differs for different maturities. The schedule for the coming year is prepared and announced at the end of the previous year by the MoF. For example, the 2003 schedule is announced in December 2002 as follows: for three-month securities, one issue per month; for one-year securities, an issue on the first month of each quarter; for three-year securities, one issue every six months, re-opened twice; for five-year securities, one issue every six months reopened three or four times; for seven-year securities, one issue every six months, reopened four times; for ten-year securities, one issue every six months, reopened twice.

Subscriptions for corporate and municipal bonds on the IPO market of the Bulgarian Stock Exchange - Sofia (BSE-Sofia) and that lasted several weeks each were also considered to be auctions.

Chart 2**Primary market activity for debt securities***(gross issuance during the period; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

There is a system of primary dealers of government securities, who are selected

twice a year by a committee comprising representatives of the MoF and the Bulgarian National Bank (BNB). The criteria that primary dealers should meet are publicly announced and are also approved by the MoF and the BNB (see Regulation No. 5 on the

Terms and Procedure for Issuance, Acquisition and Redemption of Book-entry Government Securities). The IPO market, a structural unit of the BSE-Sofia and envisaged in its Rules and Regulations, was opened in 2002 with the placement of a bank bond and a municipal bond.

2.2 The secondary market

2.2.1 Activity in the secondary market

The secondary market in Bulgaria is underdeveloped in terms of the variety of debt instruments offered, and is restricted mainly to trade in the over-the-counter (OTC) market for government securities, although several corporate issues have been traded in recent years.

While trading in central government bonds has turned out to be more efficient outside the stock exchange than on it (BSE-Sofia trading in such instruments amounted to only EUR 0.1 million in locally placed bonds in 2000 and EUR 0.4 million in Eurobonds in 2001, with no trading at all in 2002), corporate bond trading has tended to be more energetic on the stock exchange. In the last two years, the only bond transactions registered with the Central Depository AD³ involved bourse-traded bonds. Secondary market turnover in corporate bonds (BGN and EUR-denominated) in 2002 was EUR 9.2 million. Municipal bond issues were either too small to be resold or were issued in late 2002.

The government securities secondary market developed in 2002 driven by a number of factors. As a whole, trade was characterised by the marked predominance of demand over supply of deficit-financing issues. This was due mainly to the restricted amount of issues in circulation and the reported excess liquidity in the banking system, which, combined with the shortage of alternative income-generating investment instruments, prompted banks to keep the securities they had already acquired. As of 2002, the number of

transactions in government securities rose owing to the increase in market participants.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

As of 2000 the scheme for issuing government securities was changed and the concept of reopening issues for completion at subsequent auctions was introduced. This change was aimed primarily at increasing the size of new issues, thus creating possibilities for greater liquidity. The most important measures taken by the stock exchange were:

- providing equal access of participants to all the information available;
- increasing the number of participants trading at the exchange.

Since stock exchange trading in corporate bonds became more liquid as a result, issuers tended either to place bonds directly on the BSE-Sofia, thereby making them instantly tradable on it, or to register previously issued bonds for bourse trading.

2.2.3 Liquidity of the secondary market

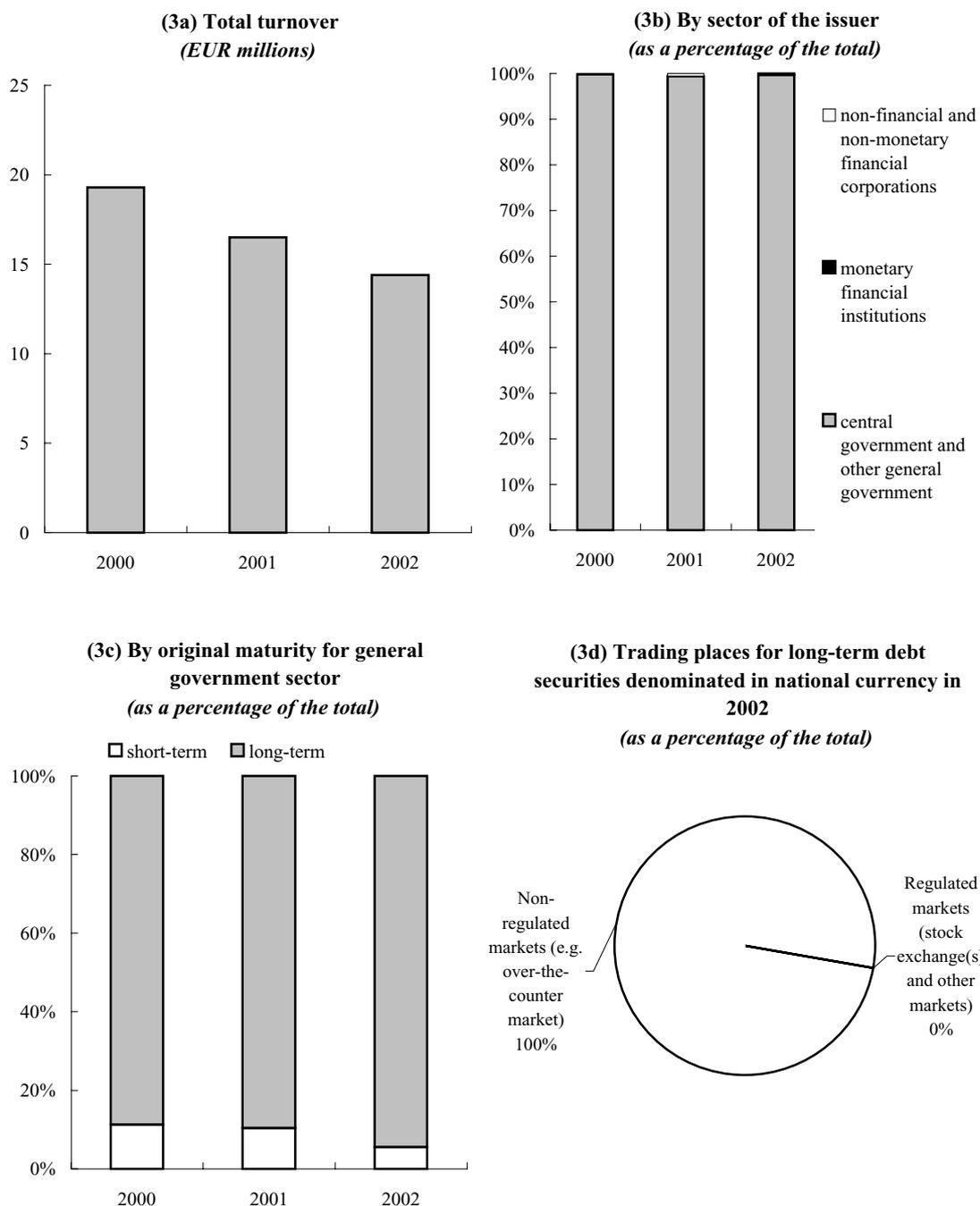
The most appropriate indicator used to measure liquidity on the Bulgarian secondary market is the liquidity ratio (turnover/amount outstanding). In 2002 the turnover on the secondary market was EUR 3,699.3 million (BGN 7,235.2 million), while the amount outstanding was EUR 1,071.9 million (BGN 2,096.5 million). The liquidity ratio was therefore 3.5.

³ The Central Depository AD is an institution whose function is to open and keep accounts with book-entry securities and to register the transactions in these securities. This institution keeps a central (only) register of the book-entry investment securities that have not been issued by the central government.

Chart 3

Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

Table I
Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Included (for 2000: 54.2%; for 2001: 34.57%; and for 2002: 25.43%)	Included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	Transactions are only counted by the counterparty that holds the securities. It is done by the Central Depository for corporate and municipal bonds and by the BNB for government securities. The BNB, keeping a single register on government securities, functions as a depository of these securities (see Article 43, item 1 of the Law on the BNB). ⁴	

In accordance with the requirement set for all EU applicant countries whereby they must define long-term interest rates for the purpose of assessing convergence, the MoF has established a single benchmark bond (ISIN code: BG2040003217; issuance date: 08.01.2003; original maturity date: 08.01.2013; coupon rate: fixed 7.5%; type of issue: reopening issue; YTM 6.93%).

In accordance with the above, the total volume of transactions in the secondary market in January 2003, including the benchmark bond, was EUR 39.9 million (BGN 78 million). There were 61 transactions reported, and the liquidity ratio was 2.6.

3 Calculation of the yield

The method used for the calculation of the yield to maturity is executed in accordance with the methodology approved by the MoF following the yield convention adopted on 1

January 2001, which is ACT/ACT. Since 1 July 2002 the yield calculation has been based on the clean price recorded for the auction concerned⁵.

4 Interest rates

Official rates

The Basic Interest Rate (BIR) is the official (reference) rate. The BNB announces the BIR for the corresponding period, using a method determined by its Managing Board, and publishes it in the State Gazette (Article 35 of the Law on the BNB)⁶. According to this method (Decision No. 497/27.11.1997 of the BNB Managing Board), the BIR is the annual yield on three-month government securities, achieved on each primary auction.

The BIR comes into effect on the day of issue and is valid up to the date of the next issue of three-month government securities.

⁴ See the bank's website: www.bnb.bg.

⁵ For the purposes of comparability, the BNB computed the yield at the end of 2000 using the average market price, which in turn was calculated by dividing the total value for all transactions in 2000 by the acquired nominal value (the price is in 100 units, nominal value) The calculation is based on the year 2000 average close-of-market value (price gross of tax plus accrued interest).

⁶ See the bank's website: www.bnb.bg.

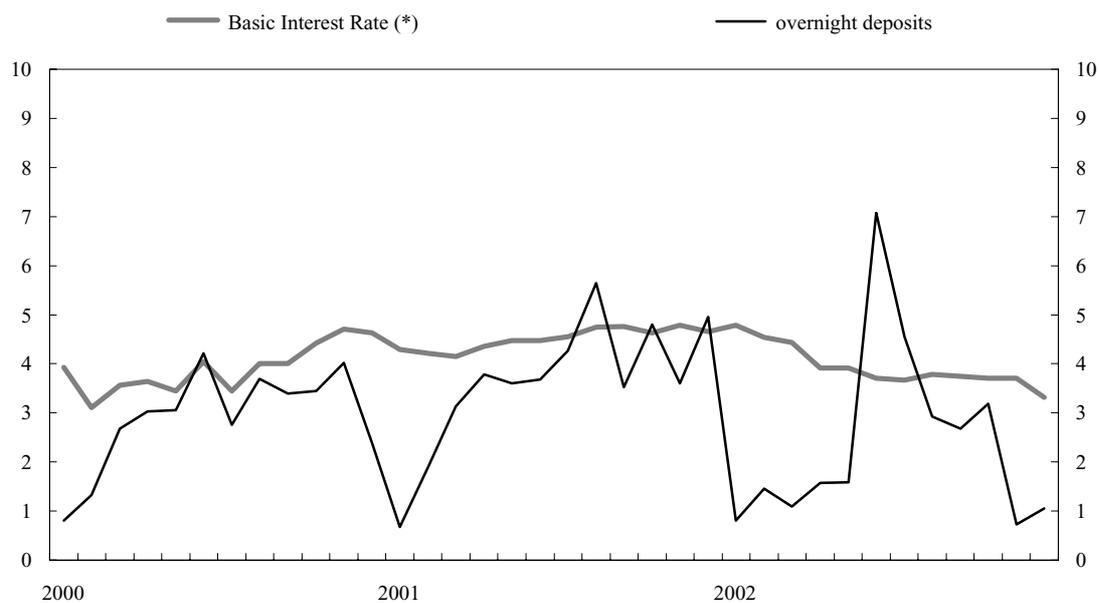
The BIR shown in the statistical Table 4 in Part II is presented at the end of period.

Chart 4

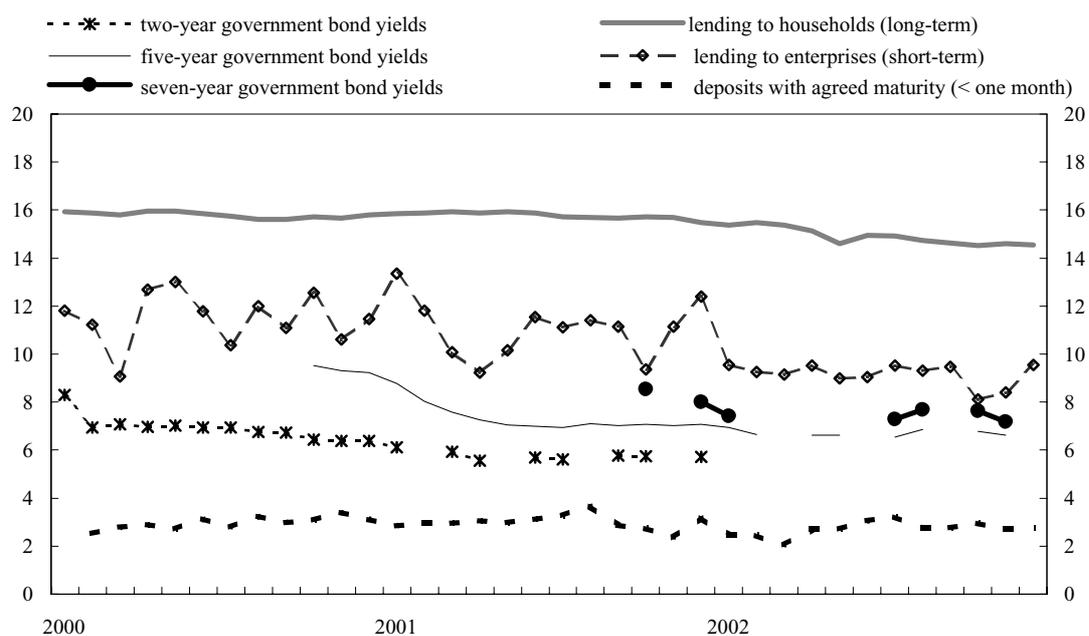
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.
 (*) End of month.

Money market rates

The rates on interbank deposits are set by the market for trade in free monetary funds between banks. The BNB reports data for overnight deposits and time deposits of one month, three months, six months and 12 months. The most widely used deposits are overnight deposits, whose share of the total amount of money market deposits was 59%, 68% and 74% at the end of 2000, 2001 and 2002 respectively.

Capital market interest rates

The yield of government securities denominated in the national currency and issued in a primary auction is reported on an annual basis. The data are presented for original maturities of two years, five years, seven years and ten years.

Bank interest rates

The interest rate statistics on banks cover data on the average weighted rate levels on newly contracted loans and on newly received deposits to households and enterprises. The interest rates on outstanding amounts are only collected for

deposits. All maturities are defined on the basis of the original maturity and are the most representative for loans and deposits for two sectors, households and enterprises.

Lending interest rate - The most representative maturity band on newly contracted loans to enterprises is the short-term maturity band. It includes overdrafts and loans of up to one year. Short-term loans to enterprises account for more than 95% of the total amount of newly contracted short-term loans. The most representative maturity on newly contracted loans to households is the long-term maturity (of more than one year). The indicator includes interest rates on long-term loans for consumption, for house purchases and for other purposes. Long-term loans to households account for about 55% of the overall amount of long-term loans.

Deposit interest rate - The most representative interest rates on newly accepted deposits to enterprises refer to current account deposits (approximately 78%). The most representative maturity band on newly accepted deposits to households is up to one month (50%). The proportion of one-month deposits is particularly high for enterprises (51%).

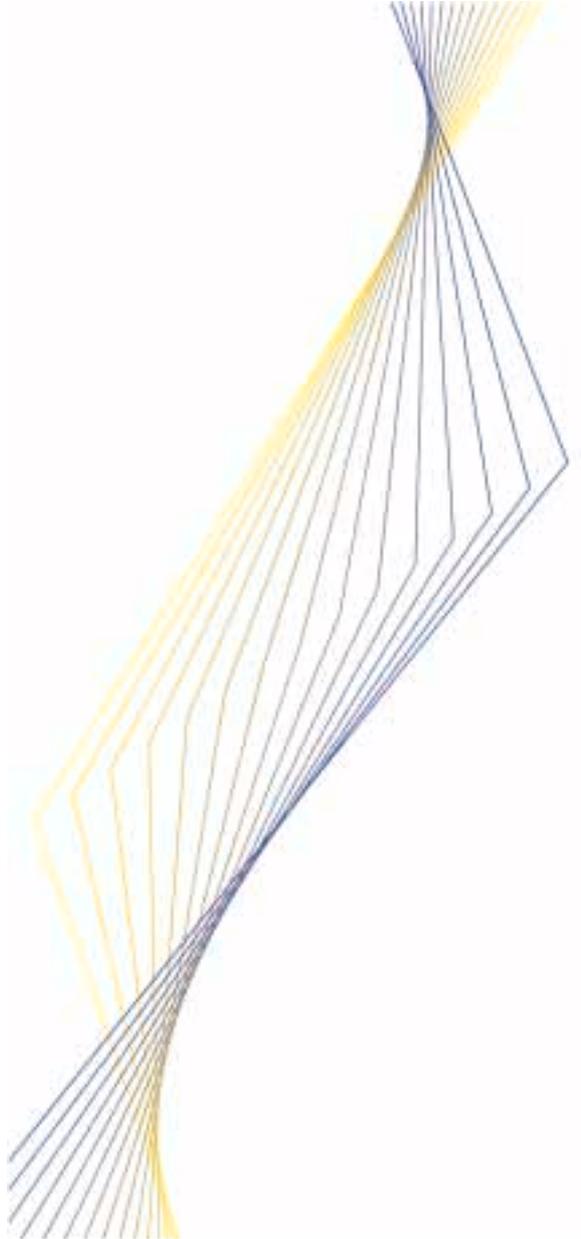
5 Authorities involved in bond issuance, bond management and securities market supervision

In accordance with the State Debt Law, the MoF sets the issuance policy for government securities. Auctions and registration of trades are carried out by the BNB. The BNB and the MoF are responsible for supervising the government securities market, in accordance with Regulation No. 15 on the control of transactions involving book-entry government securities. As regards debt

instruments other than those issued by the central government, the Bulgarian National Securities Commission (BNSC), as an independent body, regulates and controls their public offering, their trade in regulated markets and the activities of the investment intermediaries, investment companies, managing companies and the Central Depository.



EUROPEAN CENTRAL BANK



Cyprus

I. Market size

I.1 The size of the national debt securities market

At the end of 2002, the overall size of the debt securities market in Cyprus, as measured by the total amount outstanding, was EUR 5,325 million (EUR 3,449 million at the end of 2000), representing almost 50% of GDP (36% at the end of 2000). The vast majority (85% or EUR 4,528 million) of these securities were issued by the central government and other general government sector, followed by the monetary financial institutions sector (EUR 739 million or 14%) and the non-financial and non-monetary financial corporations sector (EUR 59 million or 1%).

Debt securities outstanding in national currency accounted for the largest part of the total debt securities issued by the central government and other general government sector (73%), while the remaining 27% were issued in euro.

With regard to debt securities issued in national currency by the central government and other general government sector, a proportion of 42% of total issues outstanding in this sector had an original maturity of five years or more, but less than ten years, whereas a proportion of 30% had an original maturity of more than one but less than five years. Issues at the two ends of the maturity spectrum, that is short-term issues (with an original maturity of less than or equal to one year), as well as longer-term issues (with an original maturity of over ten years) accounted for 17% and 11% of the total respectively.

I.2 Expected issue volume and maturity distribution for government bonds

The current maturity distribution of government debt securities is as follows:

In local currency

- 13-week Treasury bills
- 52-week Treasury bills
- two-year registered development stocks
- three-year registered development stocks
- five-year registered development stocks
- ten-year registered development stocks
- 15-year registered development stocks
- five-year savings certificates
- seven-year savings bonds

In foreign currency

- euro commercial paper with a maturity of up to 12 months
- public Eurobond issues with a maturity of over 12 months

A short description of government debt securities issued in both local and foreign currency is given below.

Treasury bills

13-week and 52-week Treasury bills are issued in multiples of CYP 1,000 (EUR 1,745) and are offered to the public by auction. Auctions of 13-week Treasury bills are usually held on the second and fourth Wednesday of each month, while auctions of 52-week Treasury bills are held on average once or twice every month. However, the government reserves the right to change its regular issuing schedule depending on its financing and liquidity needs. 52-week Treasury bills are listed on the Cyprus Stock

Exchange (CSE) and are traded at prices determined on the floor of the CSE.

Registered development stocks

- a) two-year registered development stock, bearing a coupon rate of 4.25% per annum as at end-2002, payable every six months. These securities are offered to the public via a bid-price auction. Buyers of these securities may be both natural and legal persons. As from the beginning of 2002, these bonds have also been listed on the CSE.
- b) three-year registered development stock, bearing a coupon rate of 4.50% per annum as at end-2002, payable every six months. During the subscription period (approximately one week prior to the issue date), the security is offered at par. Three-year registered development stocks may be purchased, by natural persons only, through banks, post offices, stockbrokers and the Central Bank of Cyprus (CBC). Encashment prior to maturity is possible at prices quoted by the CBC.
- c) five-year registered development stock, bearing a coupon rate of 4.75% per annum as at end-2002, payable every six months. It is issued in tranches and offered to both natural and legal persons via a bid-price auction.
- d) ten-year registered development stock, bearing a coupon rate of 5% per annum as at end-2002, payable every six months. It is issued in tranches and offered to both natural and legal persons via a bid-price auction.
- e) 15-year registered development stock, bearing a coupon rate of 5.10% per annum as at end-2002, payable every six months. It is issued in tranches and offered to both natural and legal persons via a bid-price auction.

Two-year, five-year, ten-year and 15-year registered development stocks are listed on the CSE and are traded at prices determined on the floor of the CSE. Interest from investments in all development stocks held by natural persons is exempt from income tax without any limitation.

Savings bonds

Savings bonds are issued in values of CYP 5 and CYP 10, with a maturity of seven years. They are entered into regular savings bond draws, and prizes from these draws are exempt from income tax without any limitation. Both CYP 5 and CYP 10 savings bonds may be redeemed on or after maturity at CYP 5.50 and CYP 11 respectively. In October 2002, the issue of new series of savings bonds was suspended by the Ministry of Finance.

Savings certificates

Savings certificates are issued in values of multiples of CYP 1, with a maturity of five years from the issue date. Interest from investments in savings certificates is compounded annually and, on maturity, amounts to an average interest rate of 4.65% per annum as at end 2002. Encashment prior to maturity may be effected at prices that reflect the overall length of the investment period. Interest earned is exempt from income tax without limitation as to the amount. Savings certificates are sold exclusively to individuals.

Euro commercial paper

These notes are issued by the Republic of Cyprus through the CBC in euro, US dollars and Swiss francs, normally for maturities of up to 12 months, and are offered to non-resident institutional investors. Notes in any other currency may also be issued subject to all necessary approvals and consent having been obtained. These notes are issued under

the Euro Commercial Paper (ECP) Programme of the Republic of Cyprus.

Japanese yen, or any other currency that may be agreed between the authorities and the dealer(s). In all cases such issues are subject to the applicable laws and regulations, normally for maturities of over 12 months, and are offered to non-resident institutional investors. These notes are issued under the Euro Medium-Term Note (EMTN) Programme of the Republic of Cyprus.

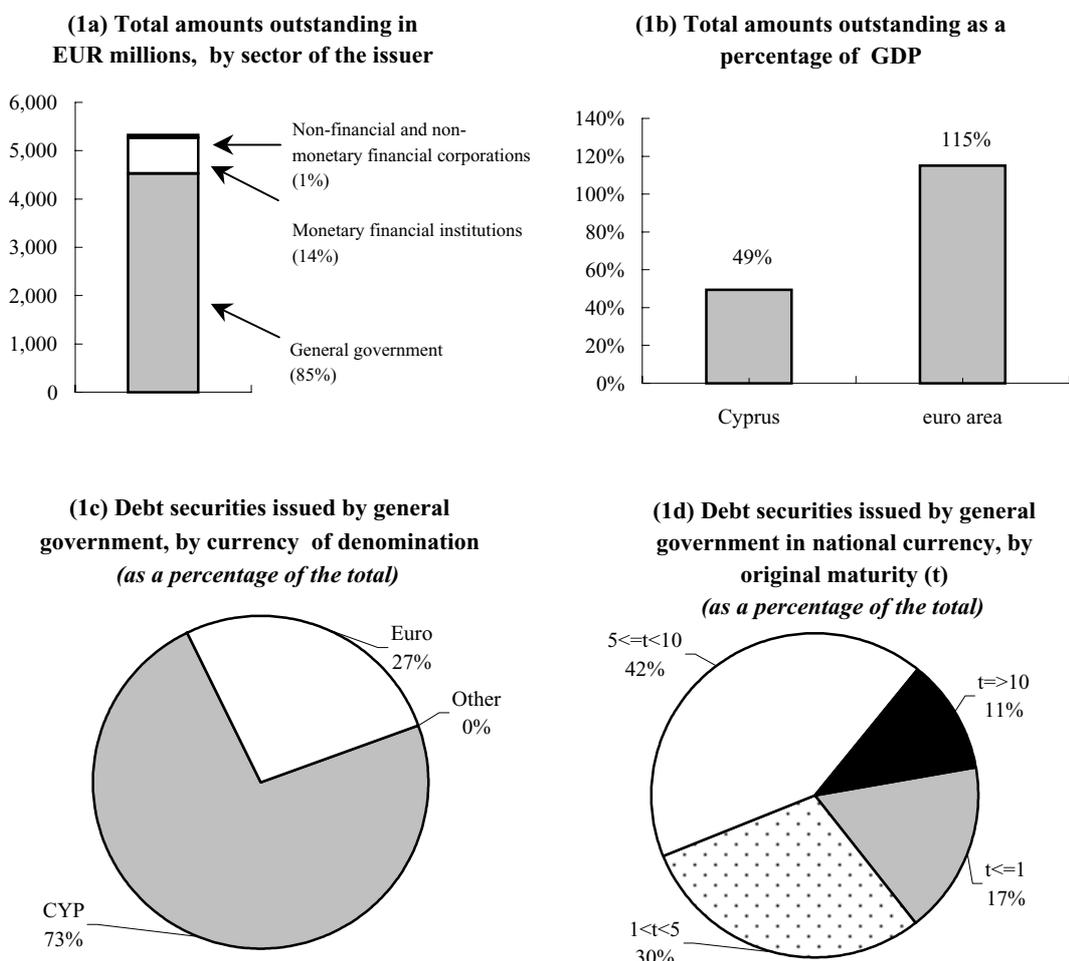
Public Eurobond issues

Public Eurobond notes are issued by the Republic of Cyprus through the CBC in US dollars, euro, sterling, Swiss francs and

Chart I

Debt securities by original maturity, sector of the issuer and currency of denomination

(amounts outstanding at the end of December 2002; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets

2.1 The primary market

2.1.1 Activity in the primary market

During 2000 the total value of the gross issues of debt securities in nominal terms amounted to EUR 1,800 million. In 2001 it increased to EUR 3,509 million, while in 2002 it decreased to EUR 2,852 million.

Issues of debt securities by the central government and other general government sector account for the largest proportion of primary issues. Issues by this sector represented 96% of the total in 2000, 84% in 2001 and 99% in 2002. The monetary financial institutions sector made no contribution to the primary market for debt securities in 2000. Issues by this sector represented 16% of the total during 2001 and a negligible share during 2002. In 2000 the issues of the non-financial and non-monetary financial corporations sector represented 4% of the total, while in 2001 and 2002 its share was negligible.

Within the central government and other general government sector in 2001 short-term debt securities, i.e. 13-week and 52-week Treasury bills, had the highest primary market activity (40%), followed by Eurobonds (35%). However, the situation was reversed in 2002 and Eurobonds had the highest primary market activity (43%) followed by 13-week and 52-week Treasury bills (25%).

Long-term debt securities in national currency, issued by the central government and other general government sector, have been mainly offered to the public via the auction procedure. In 2002, 61% of total long-term government bond issues were offered to the public by auction, as against 38% by syndication.

2.1.2 Auctions: regularity, frequency and pre-announcement

The timing and amounts of auctioned government securities depend on the government's financing and liquidity needs.

- 13-week Treasury bill auctions are usually held on the second and fourth Wednesday of each month, while auctions of 52-week Treasury bills are held on average once or twice a month;
- two-year and five-year registered development stock auctions are held on average once a month;
- ten-year and 15-year registered development stocks are auctioned less frequently and according to market needs.

Approximately seven days before each auction, the CBC announces the auction date together with all the details of the debt security to be auctioned. Announcements are published in the Official Gazette of the Republic, the local media and on Bloomberg. Investors can submit their bids during the specified period, which commences two to three days prior to the actual auction date.

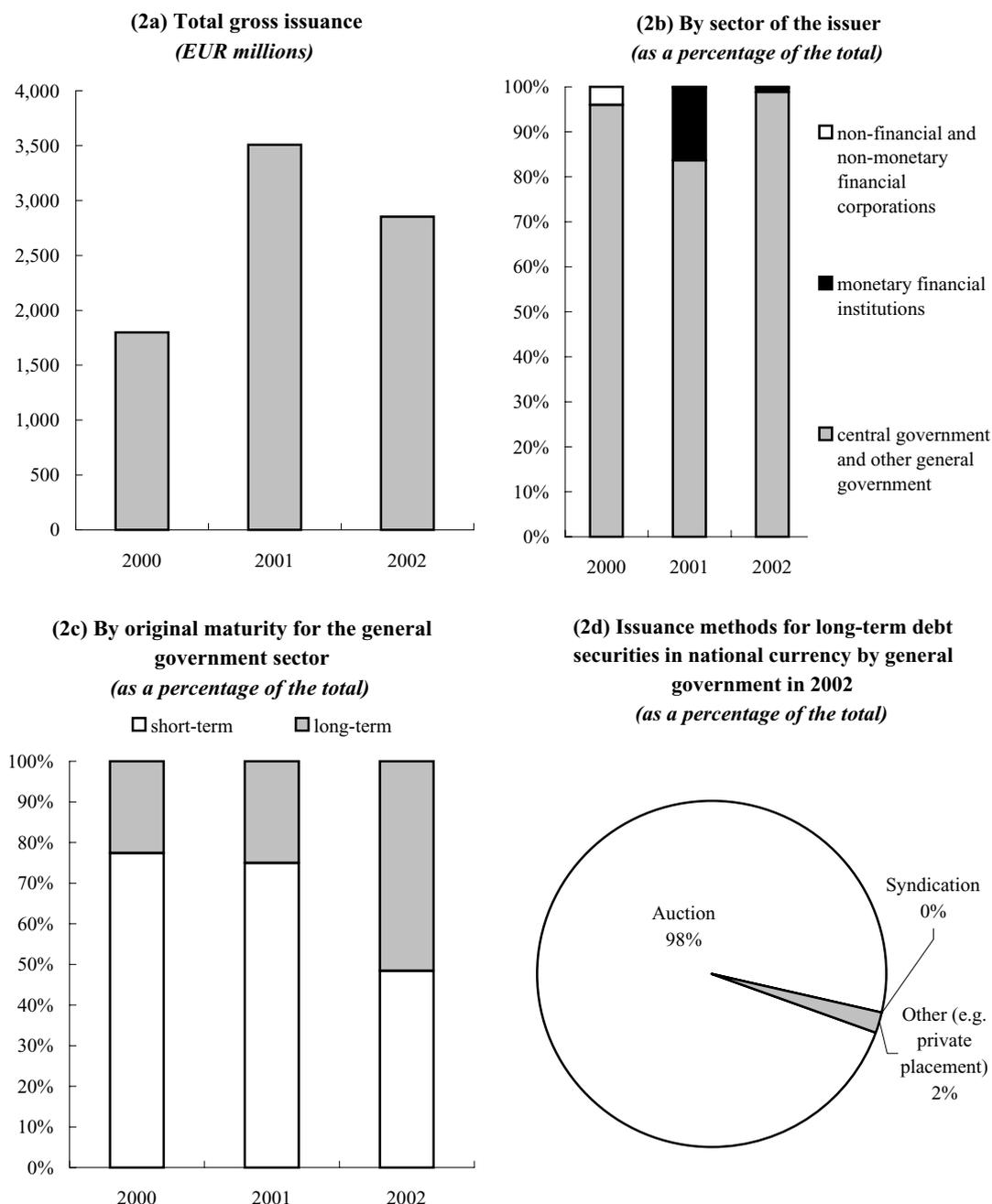
2.1.3 Measures (either public or private) to promote the functioning of the primary market

A number of measures have been taken in order to promote the functioning of the primary market for government debt securities in local currency. The CBC acts as the agent for the issue of government debt instruments. This includes giving advice and/or recommendations to the Minister of Finance on the type of securities to be issued and the terms of issue and redemption. These measures include:

Chart 2

Primary market activity for debt securities

(gross issuance during the period; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

- a) a regular and frequent issue programme to enable institutional and other investors to plan accordingly;
- b) designating various entities in the public and private sectors to act as agents of the CBC in order to increase the number

of sales outlets. A commission is paid by the issuer to these agents to compensate them for their services to investors on the condition that they do not charge the investors with additional expenses. Such agents are the post office, commercial banks and the stock exchange brokers.

Until the end of June 2002, the Government of Cyprus had direct access to CBC financing. This practice was causing distortions in the smooth functioning of the market for government bonds and was also affecting government demand for loanable funds. As a result, the market for government securities failed to develop sufficiently. However, with the amendment of the Central Bank of Cyprus Law providing for the independence of the CBC, and the amendments of the pertinent provisions of the Constitution in order to comply with the Treaty on European Union and the Statute of the European System of Central Banks, as of 1 July 2002 the CBC has been prohibited from granting overdrafts or other credit facilities to the Government, and from purchasing debt instruments directly from it. This is expected to pave the way for a better functioning primary market based on market forces, and will help with the further development of the government bond market.

2.2 The secondary market

2.2.1 Activity in the secondary market

The secondary market for debt securities in Cyprus is still at an embryonic stage, and trading activity in this market is very low. In particular, the daily average of the value of transactions in the bond market amounted to EUR 0.048 million during 2000, EUR 0.035

million in 2001 and EUR 0.020 million in 2002. The corresponding number of transactions for the bond market was 654 in 2000, 355 in 2001 and 392 in 2002.

Secondary market activity in government bonds has been on a declining trend in recent years and dropped to 37% of the total nominal value of transactions in 2002, compared with 61% in 2000. On the other hand, secondary market activity for debt securities issued by the monetary financial institutions sector reached 31% during 2002, from 19% of the total in 2000. Finally, trading in debt securities issued by the non-financial and non-monetary financial corporations sector surged to 33% of the total in 2002, from 20% in 2000.

It is worth mentioning that secondary market activity in government bonds during the period 2000-2002 was limited to the trading of long-term government bonds, while no trading was reported for 52-week Treasury bills.

The CSE is the only regulated secondary market operating in Cyprus. According to certain provisions of the Cyprus Stock Exchange Law, the operation of other secondary markets in the Republic of Cyprus is prohibited. Consequently, only the CSE reports for trading on long-term debt securities in national currency.

Table I

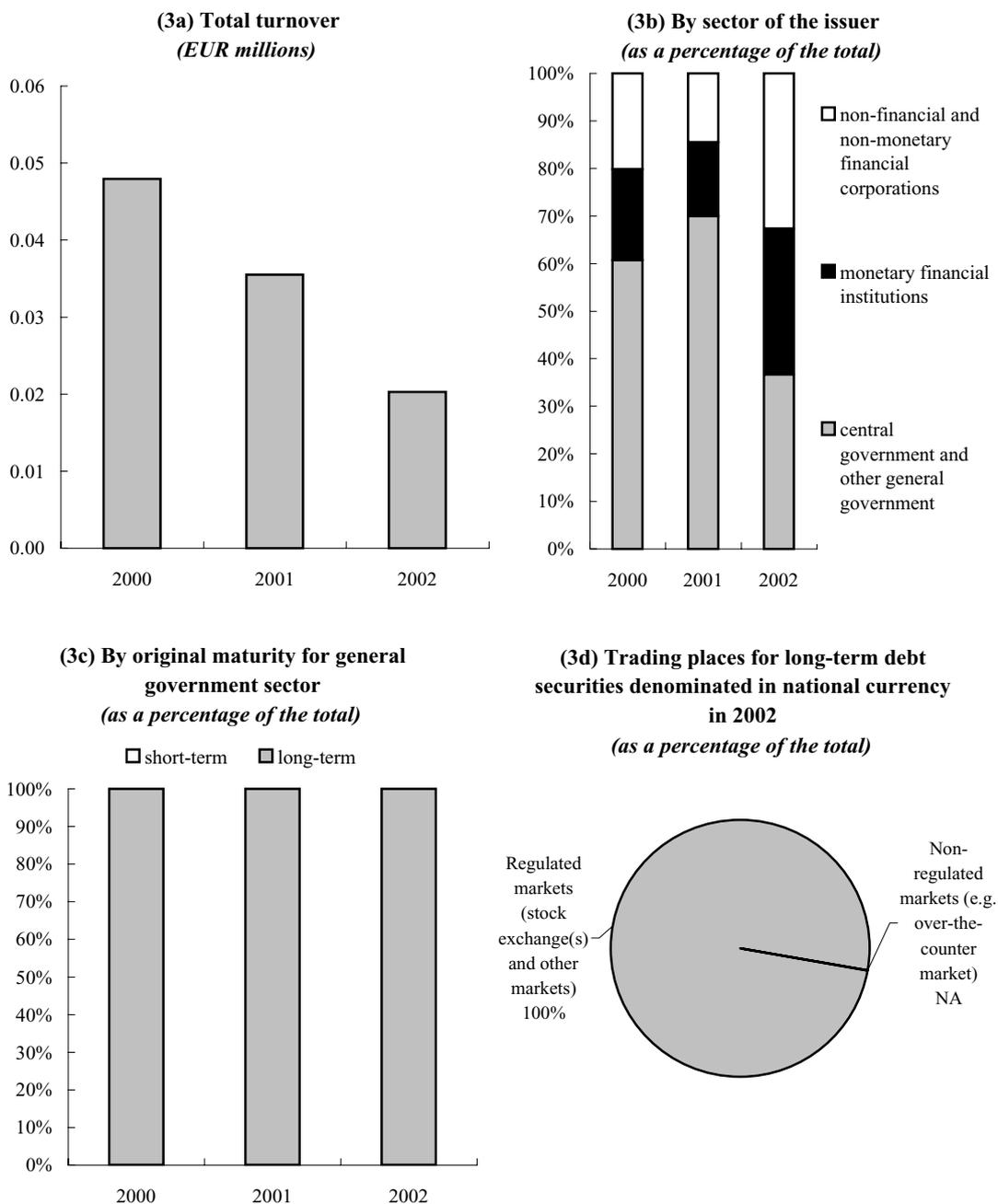
Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Not applicable	Not applicable
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	All data on secondary market activity were obtained from the same official source, namely the Cyprus Stock Exchange (CSE). The CSE ensures single counting of transactions via its computerised system (Cyprus Automatic Trading System). Trades - matched buy and sell orders that have been input into the Trading System - are assigned a unique trade number. In the reports, the System only takes into account the unique (single) trade number.	

Chart 3
Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

To promote liquidity in the secondary market for government bonds in local currency, the CBC, as the agent for the issue of all government paper, took the following measures:

- a) For the three-year registered development stock which is being offered on tap to private individuals and is not listed on the CSE, the CBC establishes prices at which it is prepared to buy or sell stock.
- b) For the first few years after the 52-week Treasury bills and the five-year and ten-year registered development stocks started being listed on the CSE, the CBC stood ready to buy and sell the Treasury bills and the stocks at such prices as to ensure an orderly market in these instruments. This policy with regard to the trading in Treasury bills was recently discontinued. However, the CBC is continuing its policy of intervening in the market for development stocks and retains the right to intervene in the market of any of its debt securities, when necessary. A 15-year stock was recently introduced and, as from the beginning of 2002, the two-year stock is also traded on the CSE.

2.2.3 Liquidity in the secondary and primary market of government bonds

In order to assess the liquidity of the secondary market for government debt securities, the number of transactions, the value of the securities traded, the liquidity ratio¹ and the bid-offer spread² were calculated. However, it is evident from the results discussed below that neither the liquidity ratio nor the frequency/number of transactions in the secondary market may be considered appropriate indicators for

measuring the liquidity of the government debt securities market, since trading in these bonds is very thin and the transactions few and far between. Moreover, there are no reliable data on bid-offer spreads apart from the spread used by the CBC for market intervention.

a) Short-term $t \leq 1$

The 52-week Treasury bills are listed on the CSE. However, there was no trading activity in these securities during 2002.

b) Long-term $1 < t < 5$

The two-year registered development stocks were first listed on the CSE in January 2002. However, no transactions were recorded for these securities during 2002. The bid-offer spread for the period was on average 0.0145.

c) Long-term $5 \leq t < 10$

The five-year registered development stocks have been listed on the CSE since 1997. During 2000, 44 transactions were recorded, for a total value of CYP 2.72 (EUR 4.74)³ million. The liquidity ratio for the year was 0.0049 and the average bid-offer spread was 0.02634. During 2001, 62 transactions were recorded, with a total value of CYP 1.79 (EUR 3.11) million. The liquidity ratio for 2001 was 0.0028 and the average bid-offer spread was 0.023. During 2002, 34 transactions were recorded for a total value of CYP 0.86 (EUR 1.5) million. The liquidity ratio for the period was 0.0034 and the average bid-offer spread was 0.0232.

¹ Liquidity ratio = Value of securities traded during the year / Market capitalisation of securities as at the end of the year.

² The bid-offer spread is calculated as the difference between the average offered price and average bid price, for the reference month.

d) Long-term $t \Rightarrow 10$

The ten-year registered development stocks have been listed on the CSE since 1997. During 2000, 13 transactions were recorded, for a total value of CYP 1.31 (EUR 2.28) million. The liquidity ratio for the year was 0.0119 and the average bid-offer spread was 0.0698. In 2001, 15 transactions were recorded, with a total value of CYP 1.77 (EUR 3.07) million, a liquidity ratio of 0.0117 and an average bid-offer spread of 0.0701 for the year. During 2002, four transactions were recorded for a total value of CYP 0.24 (EUR 0.42) million. The liquidity ratio for the period was 0.0059 while the average bid-offer spread was 0.0782.

The 15-year registered development stocks were listed on the CSE in November 2001. However, no transactions have so far been concluded for these securities. For the year 2002 the bid-offer spread averaged 0.1192.

Based on this analysis it is quite obvious that trading of government bonds in the secondary market is very thin. Therefore we should also consider the liquidity in the primary market, as calculated below:

a) Short-term: $t \leq 1$

13-week Treasury bills: during 2000, 25 auctions for a total amount of CYP 610 (EUR 1,063.17) million were announced. The tenders amounted to CYP 283.8 (EUR 494.63) million, with CYP 224.4 (EUR 391.10) million eventually being offered to the public. During 2001, 27 auctions for a total amount of CYP 710 (EUR 1,234.69) million were announced and the tenders submitted amounted to CYP 504.7 (EUR 877.67) million. The amount eventually auctioned was CYP 262.2 (EUR 455.96) million. During 2002, 9 auctions for a total amount of CYP 195 (EUR 340.22) million were announced, while tenders were submitted for CYP 289 (EUR 504.22) million. The amount auctioned to the public was CYP 69 (EUR 120.38) million.

52-week Treasury bills: during 2000, 24 auctions were announced for a total amount of CYP 445 (EUR 775.59) million. Tenders were submitted for CYP 92 (EUR 160.35) million, and CYP 70 (EUR 122) million were auctioned. During 2001, 27 auctions were announced for a total amount of CYP 640 (EUR 1,112.96) million and tenders were submitted for CYP 950.7 (EUR 1,653.26) million. The amount of CYP 420.1 (EUR 730.55) million was eventually auctioned. For 2002, 13 auctions were announced for a total amount of CYP 585 (EUR 1,020.64) million and CYP 887.3 (EUR 1,548.07) million was tendered. CYP 329.39 (EUR 574.69) million was auctioned during this period.

b) Long-term: $1 < t < 5$

Two-year registered development stocks: The first auction of two-year development stocks was announced in March 2000. Only two auctions were announced during 2000 for a total amount of CYP 145 (EUR 252.72) million. Tenders were submitted for CYP 53 (EUR 92.37) million, all of which were accepted. During 2001, eight auctions were announced for the total amount of CYP 225 (EUR 391.28) million, and CYP 419 (EUR 728.64) million was tendered. The amount of CYP 142 (EUR 246.93) million was eventually offered to the public. During 2002, 11 auctions were announced for the amount of CYP 395 (EUR 689.15) million. CYP 592.9 (EUR 1,034.43) million was tendered and CYP 207.55 (EUR 362.11) million was eventually offered to the public.

c) Long-term: $5 \leq t < 10$

Five-year registered development stocks: During 2000, ten auctions were announced for the total amount of CYP 155 (EUR 270.15) million. Tenders were submitted for CYP 81.2 (EUR 141.52) million, and CYP 75.7 (EUR 131.94) million were eventually

³ End-of-year exchange rates used (EUR/CYP): 2000, 1.7429; 2001, 1.739; 2002, 1.7447.

auctioned. During 2001, 11 auctions were announced for the total amount of CYP 230 (EUR 399.97) million, with tenders being submitted for CYP 550.1 (EUR 956.62) million. The amount of CYP 158.4 (EUR 275.45) million was eventually auctioned. During 2002, 12 auctions were announced for the total amount of CYP 425 (EUR 741.5) million. Tenders were submitted for CYP 536.2 (EUR 935.5) million and the amount of CYP 199.53 (EUR 348.12) million was auctioned during this period.

d) Long-term: $t \Rightarrow 10$

Ten-year registered development stocks. During 2000, ten auctions were announced for the total amount of CYP 110 (EUR 191.72) million. Tenders were submitted for CYP 32.2 (EUR 56.12) million and the amount of CYP 30.1 (EUR 52.46) million was subsequently auctioned. During 2001, ten

auctions were announced for the total amount of CYP 105 (EUR 182.59) million. Tenders were submitted for CYP 167.4 (EUR 291.11) million and the amount of CYP 37 (EUR 64.34) million was eventually auctioned. During 2002 only two auctions were announced for CYP 30 (EUR 52.34) million. Tenders were submitted for CYP 31.16 (EUR 54.36) million, and the amount of CYP 3.68 (EUR 6.42) million was eventually auctioned.

15-year registered development stocks. The first bid-price auction for this stock was announced in October 2001 for the amount of CYP 15 (EUR 26.08) million. The amount of CYP 24.5 (EUR 42.6) million was tendered and CYP 4.1 (EUR 7.13) million was offered to the public. During 2002, two auctions were announced for the total amount of CYP 25 (EUR 43.62) million, with CYP 19.5 (EUR 34.02) million being tendered. The amount of CYP 7.76 (EUR 13.54) million was auctioned.

3 Calculation of the yield

The yield-to-maturity figures for all debt securities excluding the three-year registered development stock, as reported in statistical Table 3, were calculated using formula 6.3 of the International Securities Market Association (ISMA). In the case of securities with more than one transaction, the yield-to

maturity represents a simple average (the sum of all yield-to-maturity figures for the security in question, divided by the number of transactions). The yield-to maturity of the three-year registered development stocks, which may only be purchased by natural persons, is set in advance by the CBC.

4 Interest rates

Official rates

The marginal lending rate or short-term central bank facility rate is intended to provide the upper end of money market interest rates. A change in the interest rate of this facility is used to signal a change in the monetary policy stance.

The overnight deposit rate is the interest rate on the overnight deposit facility offered to banks by the CBC for depositing their short-term surplus funds at the end of the

day. It is intended to provide the floor for short-term money market rates.

The repo rate (reverse repo rate) refers to the minimum bid (maximum bid) rate for the liquidity-providing (liquidity-absorbing) open market operations, i.e. repos (reverse repos or depositions), of the CBC.

Since 1 January 2001 when interest rate liberalisation came into force, rates have been cut four times. As at the end of 2002, the prevailing rates were as follows: marginal

lending rate 5%, overnight deposit rate 2.5%, repo rate 3.75%.

Money market rates

With regard to the money market rates, banks submit offered rates for the following maturity bands: overnight, one week, one month, three months, six months and one year. In 2002, half of the amounts involved were placed for a period of six to twelve months.

Bank interest rates

The Interest Law of 1977 was in effect until the end of 2000, prescribing a legal ceiling on interest rates of 9% per annum. Within this ceiling, the upper limits of bank deposit and lending interest rates were determined, from time to time, by the CBC.

The Interest Rate Liberalisation Law came into force on 1 January 2001, providing for the abolition of the interest rate ceiling. Following interest rate liberalisation, banks adopted a base lending rate as the reference rate, to which a margin is added according to the risk and creditworthiness of the client. As a transitional measure, the base rate of banks was set equal to the marginal lending rate, so that changes in the official interest rates by the CBC could be passed on effectively to market rates.

The most representative interest rates in Cyprus are:

Official rates

Marginal lending rate and overnight deposit facility rate.

Money market rates

Six to twelve months deposit rate, which is the most active maturity band (with a market share of approximately 50% of total deposits in the interbank market for 2002).

Bank interest rates

Lending rate to enterprises, up to one year - It refers to the simple average of the representative nominal interest rates charged on overdrafts within limits and overdrafts in excess of limits, as defined by the three largest banks.

Lending rate to enterprises, over one year - It refers to the simple average of the representative nominal interest rates charged on secured loans to enterprises, as defined by the three largest banks.

Lending rate to households, consumer credits - It refers to the average of the representative nominal interest rates charged to individuals on overdrafts within limits, personal secured loans and credit cards, as defined by the three largest banks.

Lending rate to households, for house purchase - It refers to the average of the representative nominal interest rates charged on housing loans secured by assignment of life policy and other housing loans, as defined by the three largest banks.

Overnight deposits rate (with a market share of 8.8% on total deposits in Cyprus pounds as at end December 2002) - It refers to the average of the representative interest rates applied to overnight deposits, as defined by the three largest banks.

Rate of deposits with agreed maturity (with a market share of 72% on total deposits in Cyprus pounds as at end December 2002) - It refers to the average of the representative nominal interest rates applied to one year fixed deposits for amounts up to CYP5000 and over CYP5000, as defined by the three largest banks.

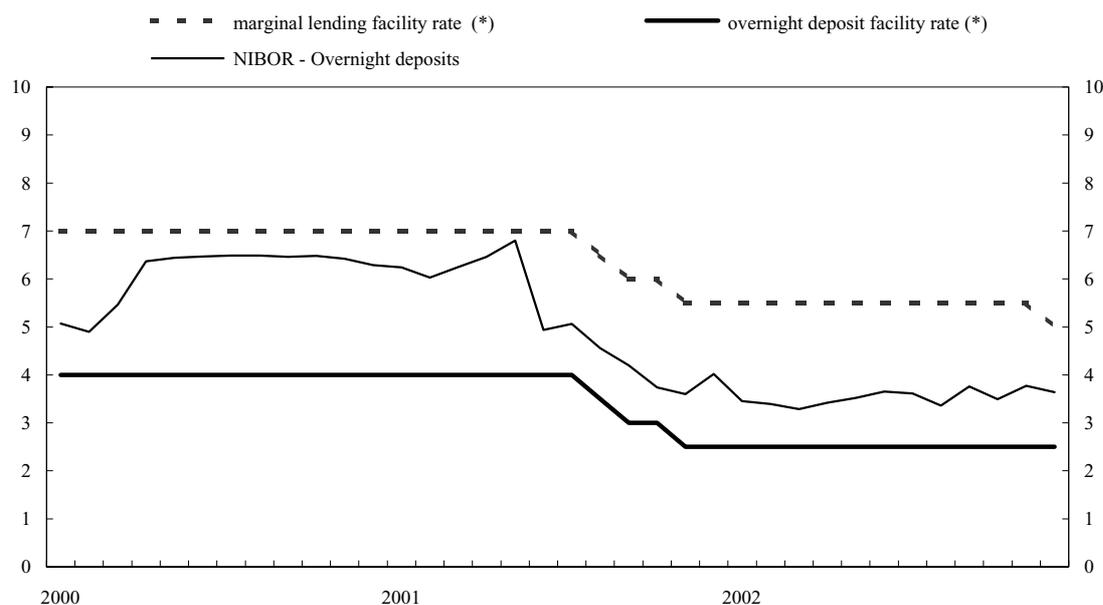
Rates for deposits redeemable at notice (with a market share of 9.5% on total deposits in Cyprus pounds as at end December 2002). It refers to the average of the representative nominal interest rates

applied to seven-day and three-month notice over CYP5000, as defined by the three deposits for amounts up to CYP5000 and largest banks.

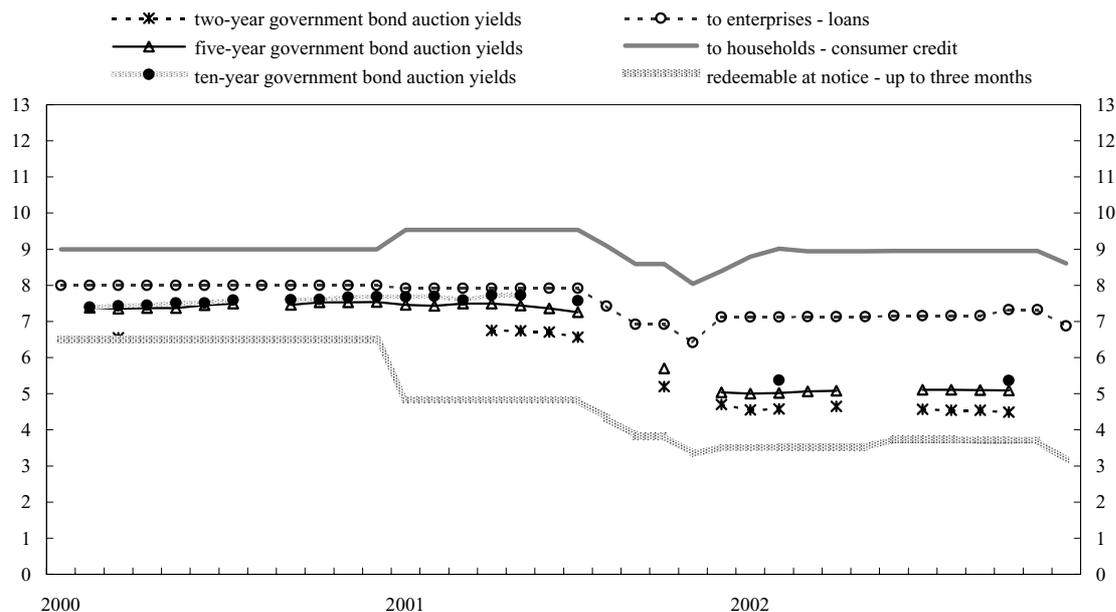
Chart 4 Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(*) End of month

5 Authorities involved in bond issuance, bond management and securities market supervision

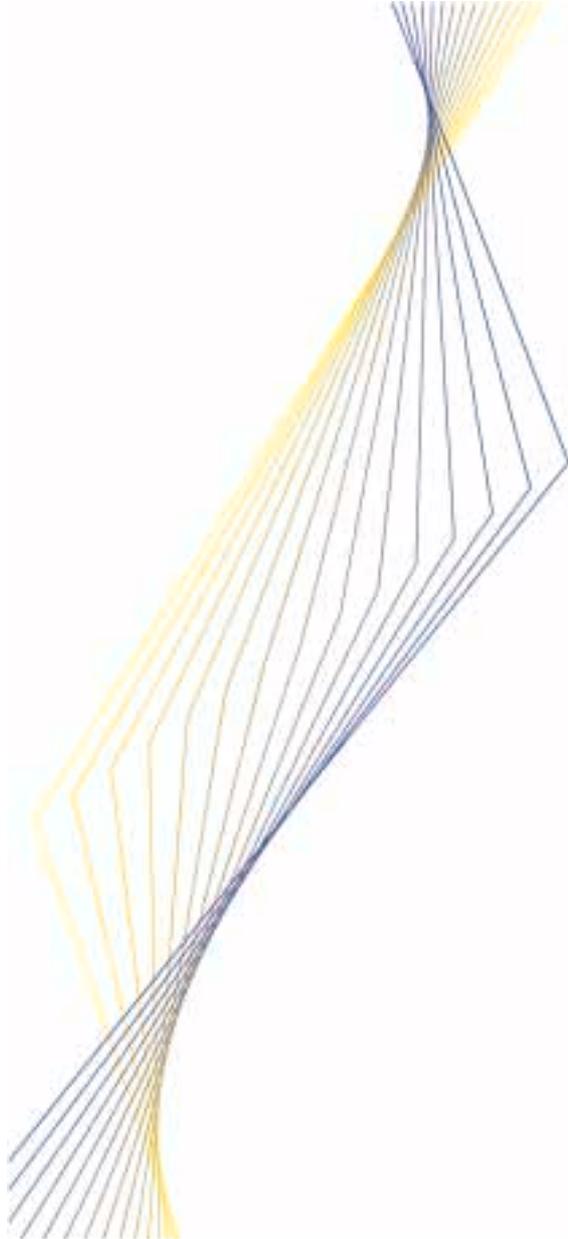
The CBC acts as the financial agent of the government for the issuance and management of government bonds denominated in local currency. The central bank also has the right to intervene in the secondary market for government debt securities in local currency in order to maintain orderly market conditions. The Securities and Exchange Commission is responsible for securities market supervision in the case of companies listed, or seeking listing, on the CSE. The CSE is also, to a limited extent, responsible for securities market supervision, but only with regard to members of the CSE and certain listing requirements. For companies

not seeking listing on the CSE, the competent authority is the Registrar of Companies. However, the Securities and Exchange Commission also has the power to supervise the issuance of prospectuses and the collection of subscriptions of companies that go to public offering, claiming that they will be, or intend to be, listed on the CSE.

The issuance of debt securities in foreign currency, for notes under both the Euro Commercial Paper Programme and the Euro Medium-Term Note Programme, is executed through prime international banks and securities houses.



EUROPEAN CENTRAL BANK



Czech Republic

I Market size

I.1 The size of the national debt securities market

The Ministry of Finance (MoF) is the official issuer of Czech Republic short-term and long-term government debt securities (Treasury bills and Treasury bonds) whose purpose is to cover the government's borrowing needs in a given fiscal year and to refund the state debt. Treasury bills are issued as discounted instruments in book-entry form with a face value of CZK 1 million (approximately EUR 32,679) and their standard maturity is 13, 26, 39 and 52 weeks. If necessary, they are complemented by issues of Treasury bills with non-standard maturities, serving the MoF in its cash-flow liquidity management. The central registry is operated by the System of Short-term Debt Securities (SKD) at the Czech National Bank (CNB). Treasury bonds are issued as fixed interest-bearing securities in book-entry form with a face value of CZK 10,000 (approximately EUR 326). The central registry for these is operated by the Securities Centre of the Czech Republic.

The amount outstanding of Czech debt securities at the end of 2002 was EUR 41,956 million, representing almost 57% of GDP. The relative share of general government securities in the market as a whole was around 34%, while securities issued by monetary financial institutions (MFIs) amounted to almost 60%. Private bonds issued by non-financial and non-monetary financial corporations represented some 6% of the stock. It is worth noting that short-term debt securities issued by MFIs, which amounted to EUR 22,876 million and represented more than 90% of total issues by this sector, are all CNB bills used as collateral in monetary policy operations (repos).

Treasury debt securities are denominated in Czech korunas (CZK) only. The domestic market is well able to absorb all the securities

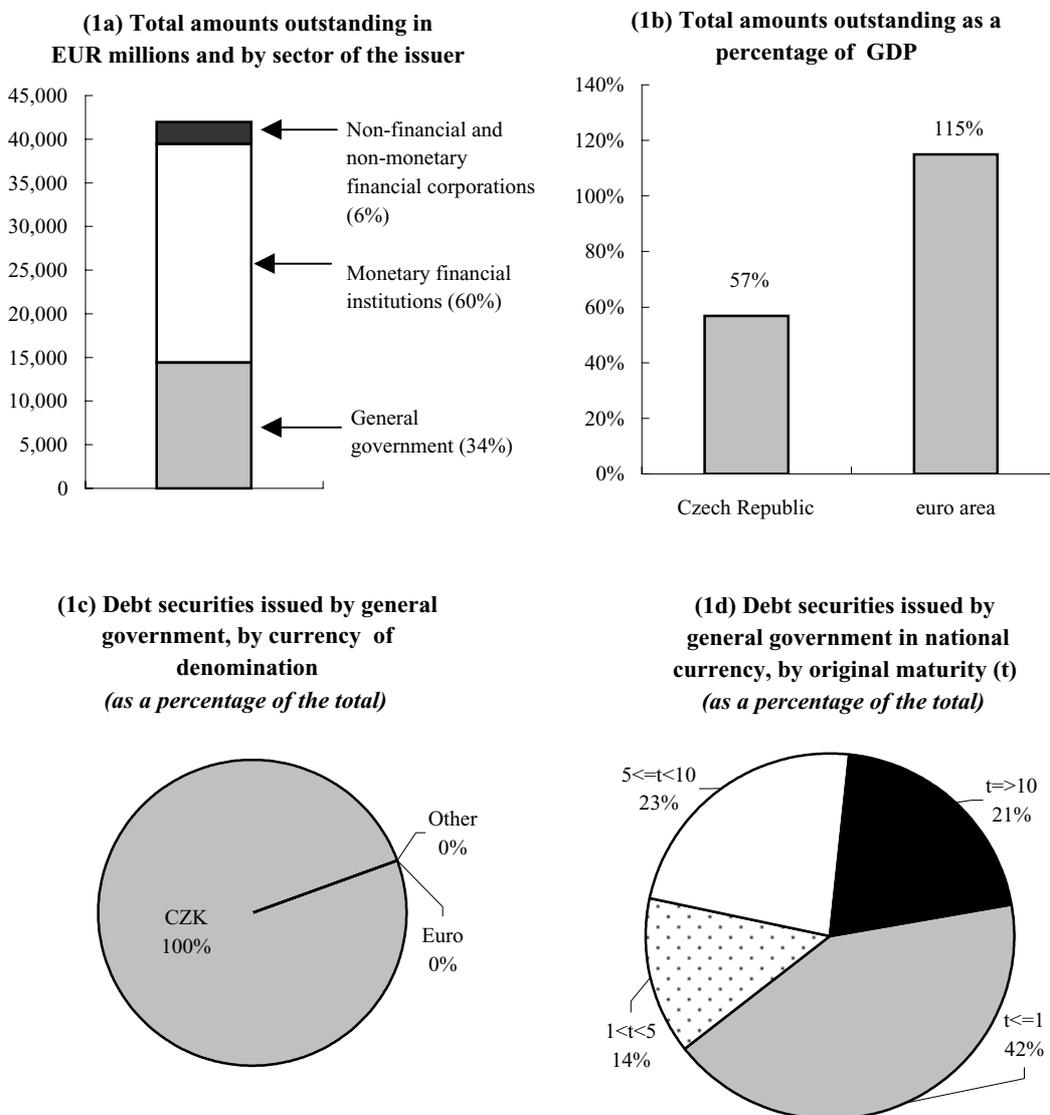
issued by the Czech Government and, as neither the MoF nor the CNB found it necessary to issue in other currencies, they agreed by mutual consent to issue only in korunas.

The maturity distribution of general government debt securities in 2002 was characterised by a large share of Treasury bills (42%). With regard to maturity structure, 14% of debt securities in national currency issued by the general government had an original maturity of between one and five years. Debt securities with a maturity of five years or more but less than ten years constituted 23% of the total, while 21% was represented by debt securities with an original maturity of ten years and more.

I.2 Expected issue volume and maturity distribution for government bonds

An official MoF communication has indicated the mid-term objective of restructuring the maturities of the government debt securities portfolio. The aim is to finance one-third of the market debt by Treasury bills and two-thirds by mid/long-maturity Treasury bonds. Concurrently the MoF will endeavour to increase the average duration of the portfolio to between three and four years. The strategic plans are in line with the aims of developed OECD countries.

The MoF has published an issuance outlook for 2003. Treasury bonds amounting to around CZK 128 billion (EUR 4 billion) will be issued. Approximately CZK 106.48 billion (EUR 3.5 billion) of budgetary deficit will be financed by issues of Treasury debt securities, increasing the total volume of Treasury bonds by CZK 100.27 billion (EUR 3.3 billion) and Treasury bills by CZK 6.21 billion (EUR 0.2 billion).

Chart 1**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets**2.1 The primary market****2.1.1 Activity in the primary market**

Primary market activity¹ increased during the reference period from a total value of gross issues in nominal values of EUR 44,914 million in 2000 to EUR 73,287 million in 2002. This growth originates mainly from an increase in

MFI issues, and in particular issues of CNB bills (i.e. short-term debt securities issued by the CNB for monetary policy operations) whose amount in the primary market more than doubled over the reference period 2000-2002. As the total amount of gross issues of the other two sectors remained

¹ Issues by residents abroad are not included.

Czech Republic

more or less stable, this also increased the relative share of MFI activity in the overall primary market.

Chart 2c illustrates the gradual shift in general government issuance from short-term to long-term debt securities, in line with the MoF's stated intentions mentioned above (see Sub-section 1.2): in 2000 the long-term government issues represented around 9% of the total, while in 2002 this proportion had increased to 20%. Generally the government plays the dominant role in the Czech primary market for long-term debt securities, accounting for more than 80% of the market in 2001 and 2002.

All Czech Treasury bonds are issued by way of American auctions (multiple price). For issues by other government institutions, alternative methods are also possible. As the relative share of these issues is rather small, auction is the dominant method used to sell government bonds (around 90%). Auction is also the sole method used for selling short-term debt securities.

2.1.2 Auctions: regularity, frequency and pre-announcement

In 2000-2002 Treasury bonds were issued regularly every month, reopening existing issues. The original maturity of these bonds is three, five, seven, ten and 15 years. The nominal value of the additional tranches varies from CZK 5 billion (EUR 163 million) to CZK 10 billion (EUR 327 million). Since 2002, the issuance calendar has been published on a quarterly basis (previously it had been published annually) and is complemented by a preview of the whole calendar year.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

The functioning of the primary market of Treasury bills and Treasury bonds is

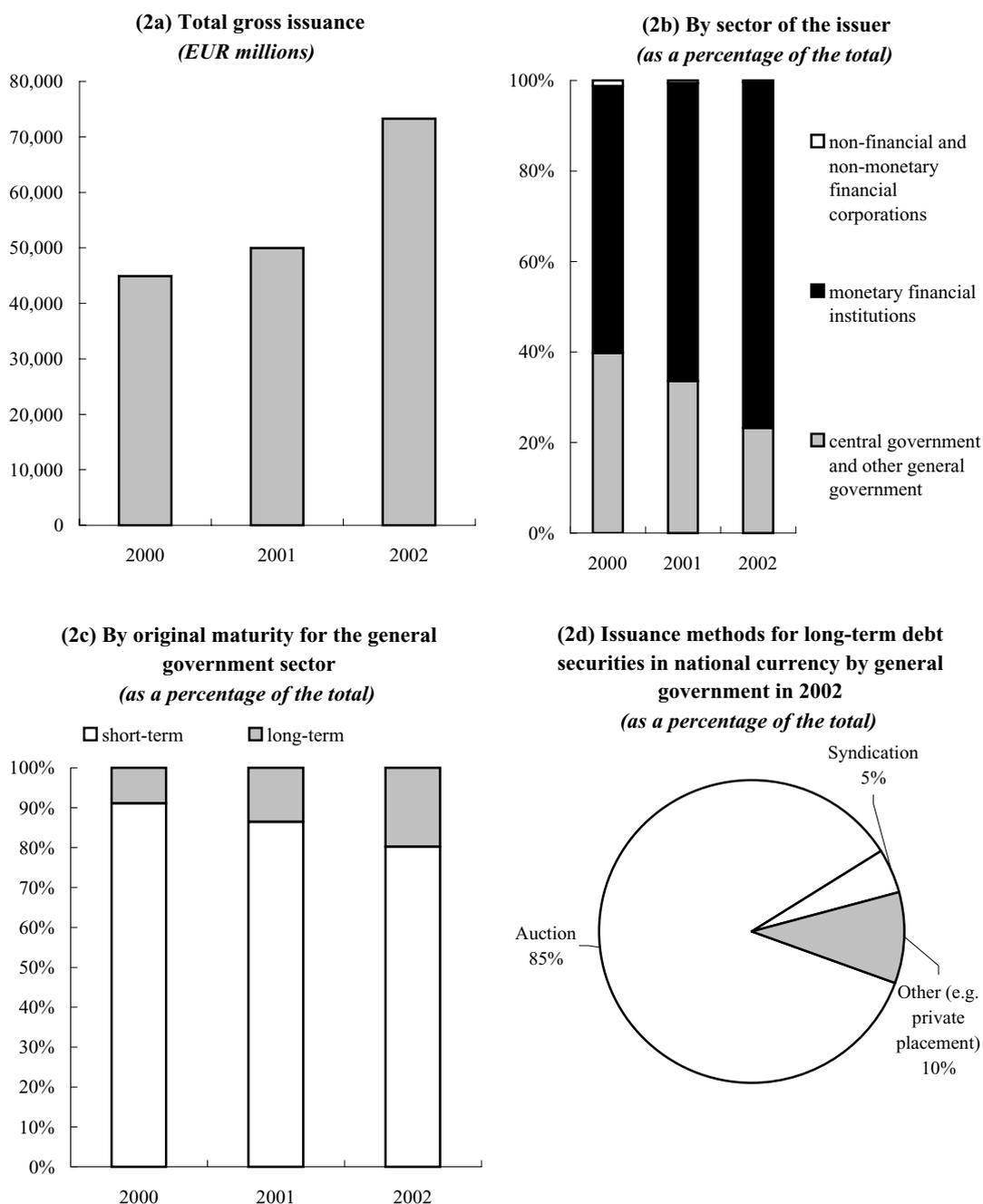
guaranteed by the CNB. It is based on a system of direct participants - banks and securities dealers complying with the CNB's Regulation. In co-operation with the CNB, the MoF disseminates timely and accurate information on all public issues (e.g. issuance calendar, announcement of Treasury bonds and bills auctions, etc.) and ensures in advance that all direct participants are of good repute.

2.2 The secondary market

2.2.1 Activity in the secondary market

Daily average turnover in the secondary market decreased from EUR 922.98 million in 2000 to EUR 871.12 million in 2002 as a result of a significant decline in market activity for short-term debt securities. The average value of transactions of long-term debt securities doubled from 2000 to 2001, before falling slightly in 2002.

Just as it does in the primary market, the government plays the lead role in the secondary market for long-term debt securities. Almost 90% of all transactions (in terms of average daily volume) in 2001 and 2002 involved government bonds. However, in the secondary market for short-term debt securities the daily average value of transactions involving CNB bills (mostly repo operations or sell-and-buy-back operations where the security is used as collateral) was significantly more than the value of Treasury bill transactions. This would suggest that the general government sector and the MFI sector have a more or less equal share of the overall secondary market (with trading in securities of both the sectors fluctuating around 45% of the total turnover). The share in the secondary market trading of bonds and bills issued by the non-financial and non-monetary financial corporations sector was almost negligible (less than 3%) during the whole reference period 2000-2002.

Chart 2**Primary market activity for debt securities***(gross issuance during the period; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

The maturity breakdown of the secondary trading of general government securities shows a progressive increase in the proportion of long-term securities, which accounted for more than 50% of the daily average value of transactions in 2002.

There is one regulated market for securities trading in the Czech Republic, the Prague Stock Exchange (PSE). All long-term government debt securities and the vast majority of the other long-term debt securities are registered at the PSE and can

Czech Republic

be traded via its trading system. However, almost all the transactions involving these debt securities are “block trades”. A block trade is technically an OTC trade, but because at least one party is represented by a PSE member, the trade is registered in the PSE’s trading system.

In addition to the PSE, long-term debt securities are also traded at RM-System (an organiser of off-exchange trading) and can also be transferred directly (by bilateral agreements) via the Securities Centre accounts. There is no regulated market for trading in short-term debt securities.

As only a negligible number of transactions in debt securities are executed in the PSE’s trading system, the relative share of OTC transactions (all transactions in short-term securities, transfers at RM-System and at the Securities Centre, and block trades registered by the PSE) in the secondary market is near to 100%.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

To promote liquidity in the secondary market the MoF has decided to decrease the number

of different Treasury bonds in circulation and instead increase their amounts by reopening existing issues. The standard nominal amount of one Treasury bond issue prior to 2000 was CZK 5,000 million (EUR 163 million), whereas it was around CZK 22,000 million (EUR 686 million) in 2002, and is expected to increase further.

The Czech Fixed Income Traders Association has established a group of market-makers for quoting the prices of debt securities. The daily averages of these prices, together with other trading data, are published by the PSE on a daily basis as an integral part of its official price list.

2.2.3 Liquidity of the secondary market

Treasury bonds are generally the most traded bonds in the Czech Republic. The liquidity of all the benchmark securities is quite high (narrow spread, high turnovers). Treasury bonds with an original maturity of ten and 15 years perform the best, with the highest liquidity ratio and a spread similar to that of other Treasury bonds (see Table 3 of the statistical tables in Part II).

Table I
Methodological notes on the statistical treatment of secondary market statistics
(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Included Repos excluding CNB	Included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	Several sources of data: SKD - trading in short-term debt securities; PSE - trading in long-term debt securities registered in the PSE’s system; Securities Centre - trading in long-term debt securities not registered by the PSE. SKD and PSE - sell and buy instructions are electronically matched as a single transaction. Securities Centre - data are estimated (approx. 10% of the total turnover in long-term debt securities).	

3 Calculation of the yield

The yields to maturity reported in statistical Table 3 (see statistical tables in part II) are averages of daily yields calculated according to formula 6.3 recommended by the International Securities Market Association (ISMA). The yields are based on daily reference prices quoted by the market-makers (average of bid and ask prices). No coupon adjustment is performed in the calculation and the yields are gross of tax.

For example, the yield -to maturity is 4.60% per annum for the ten-year Treasury bond issued by the MoF on 14 April 2000 with a fixed coupon of 6.4% (ISIN CZ0001000731, security number 9 in statistical Table 3 in Part II). The calculation is based on the daily average of quoted bid and ask prices for each day on which the security was quoted on the stock exchange. The yields are averaged over the year 2002 to obtain the final value for each security.

4 Interest rates

Official interest rates

Repo rate - two weeks: the maximum limit rate at which banks' bids can be satisfied in the CNB's repo tenders. The CNB uses two-week repo tenders as one of its main monetary policy instruments for absorbing surplus liquidity from banks.

Discount rate: the interest rate at which banks' overnight deposits with the CNB are remunerated. It provides a floor for short-term interest rates on the money market.

Lombard rate: the interest rate at which banks can obtain overnight liquidity from the CNB in the form of repo operations. It provides a ceiling for short-term interest rates on the money market.

Money market interest rates

PRIBOR (Prague interbank offered rate): reference value of interest rates on the Czech interbank deposits market calculated (fixed) by a calculation agent - Moneyline Telerate, selected by the Financial Markets Association of the Czech Republic (formerly Czech Forex Club) - from the reference banks' offer quotations for the sale of deposits (using an algorithm described in the Rules published by the CNB).

CZEONIA (CZEch Overnight Index Average): the interest rate calculated by the CNB. It is a weighted average interest rate of all overnight unsecured lending transactions performed in the interbank market by the contributing banks. The panel of contributing banks is the same as those used for PRIBOR fixing.

Capital market interest rates

These interest rates are the yields to maturity of Czech Treasury bonds. In each maturity category only one bond is included with the original maturity of the relevant category. The yield calculation is described in Section 3.

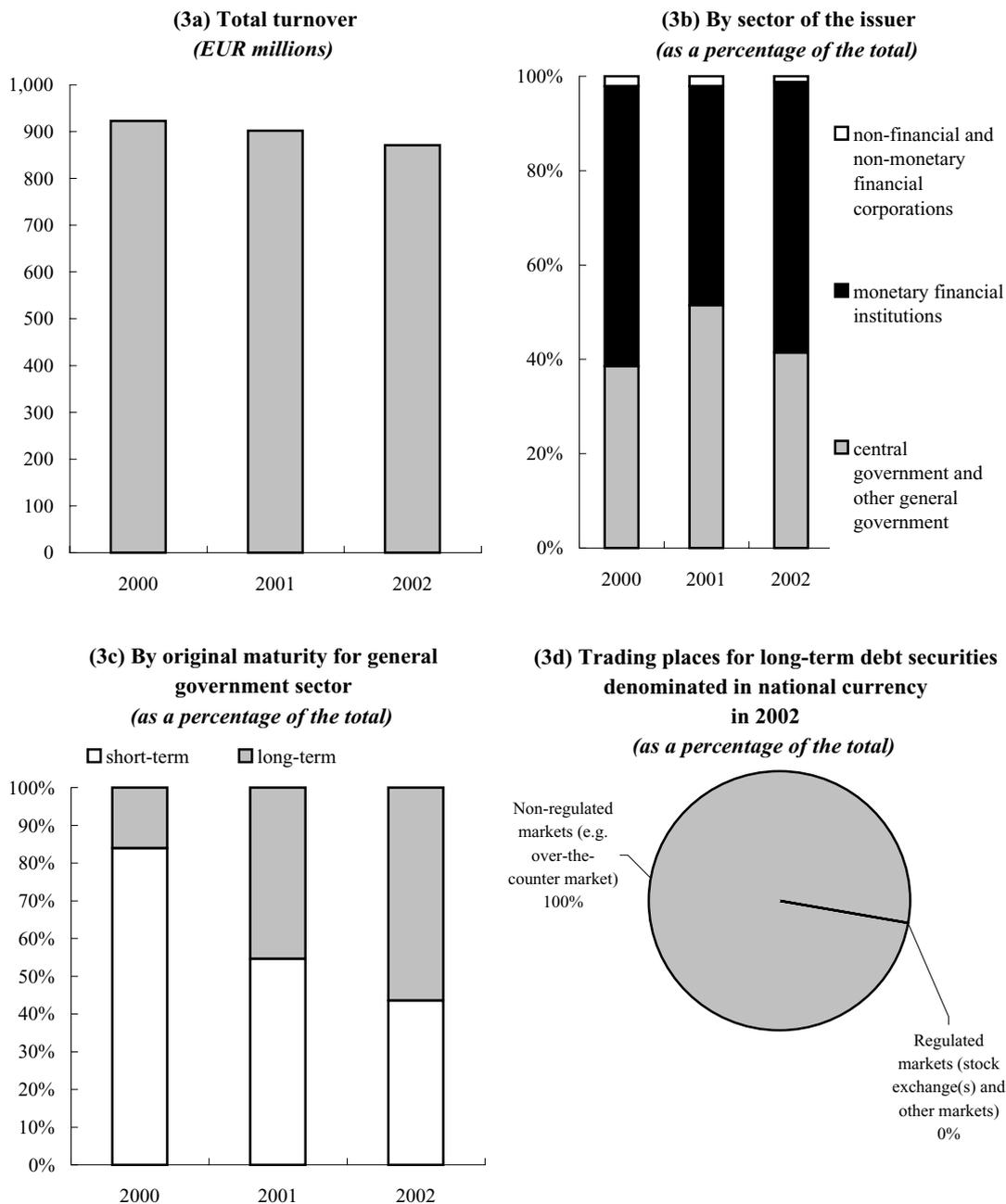
Bank interest rates

The average interest rates on loans and deposits denominated in CZK are collected and produced by the CNB on a monthly basis. The data refer to the whole banking sector (census data). The instrument breakdown follows the ECB's definitions, while the sector breakdown complies with the standard ESA95 definitions. The rates are the weighted averages of interest rates per annum agreed between the reporting agents and their clients. The definition of new business in loans is not consistent with the ECB's

definition, but all “newly taken-out loans” are included (i.e. new agreements as well as tranches of old agreements). The data on new business in deposits are not collected.

Chart 3
Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)

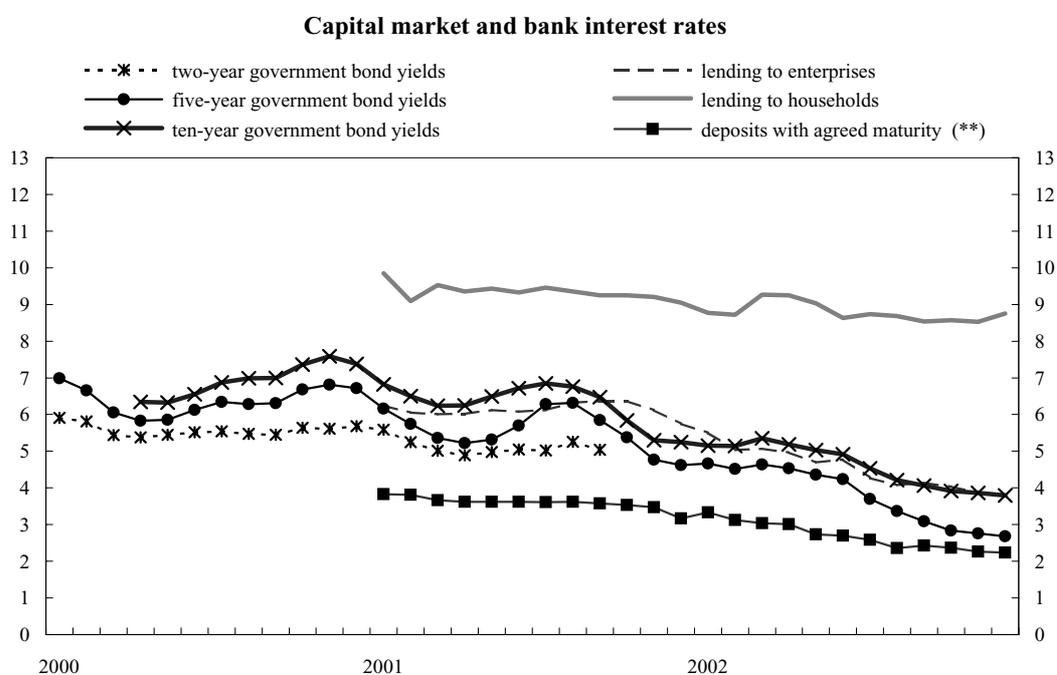
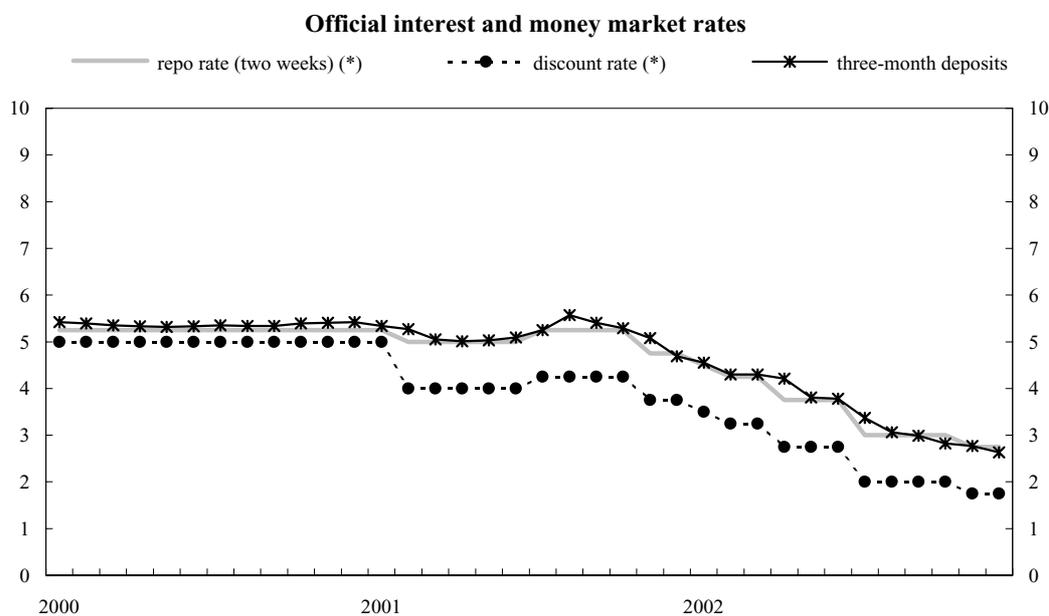


Source: ECB long-term interest rate convergence statistics for EU accession countries.

Chart 4

Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)



Source: ECB long-term interest rate convergence statistics in EU accession countries

(*) End of month.

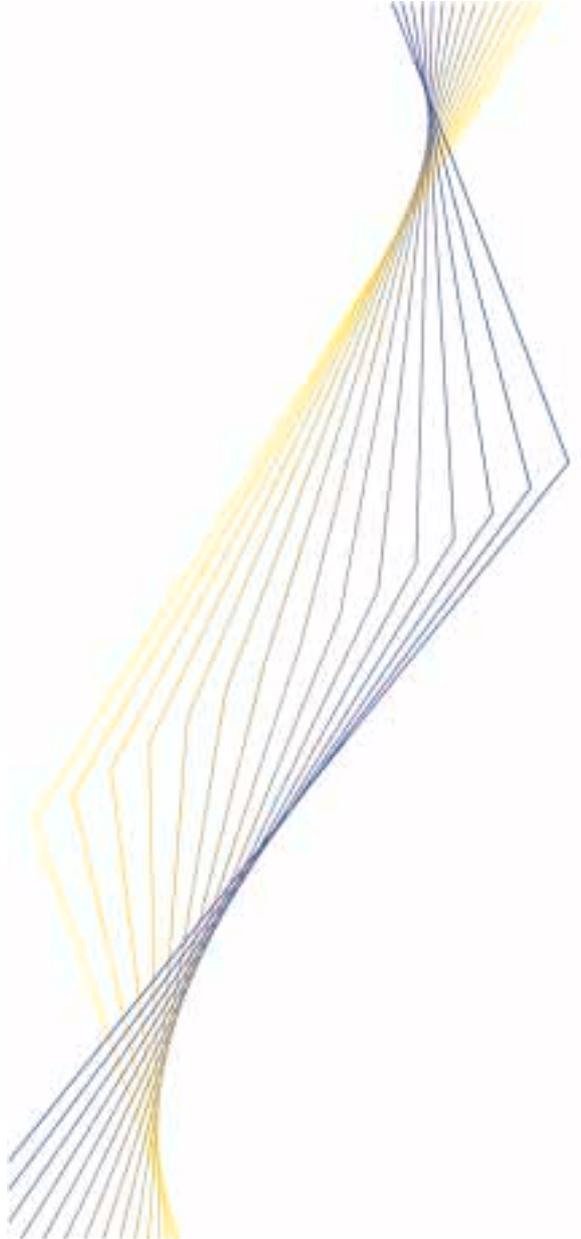
(**) Deposits with agreed maturity are based on amounts outstanding. Up to and including December 2001 all time deposits are included in the category deposits with agreed maturity, i.e. deposits with agreed maturity, deposits redeemable at notice, certificates of deposits, savings deposits, deposits in building saving schemes, purpose-bond deposits.

5 Authorities involved in bond issuance, bond management and securities market supervision

- Czech Securities Commission - regulatory authority for the capital market.
- Securities Centre of the Czech Republic - the central registry of securities in book-entry form.
- System of short-term debt securities (SKD) - the central registry and clearing centre for short-term debt securities.
- Ministry of Finance - represents the Czech Republic as an issuer of Treasury bonds and bills.
- Czech National Bank - issuer of CNB bills; agent of the MoF for issuing Treasury bonds and bills; manager of SKD.
- Prague Stock Exchange - regulated securities market (except short-term debt securities).



EUROPEAN CENTRAL BANK



Estonia

I Market size

I.1 The size of the national debt securities market

The market size, as measured by the total amount of debt securities outstanding, was EUR 235 million at the end of December 2002, which represented 3% of GDP. Of this total, 18% of the debt securities were issued by non-financial and non-monetary financial institutions, while more than 32% were issued by monetary financial institutions and 50% by the general government.

Government securities have not been the driving force behind the development of non-bank financial markets in Estonia, owing to prudent fiscal policies. Therefore, the securities market in Estonia is primarily equity-based, and the debt market has developed according to private sector instruments and needs, consisting mainly of a primary market with private placements and a modest secondary market.

Due to the central government's Eurobond issue of EUR 100 million in 2002, most of the debt securities issued by the general government are denominated in euro (86%).

The remaining 14% of the general government securities were issued in national currency (Estonian kroon - EEK).

At the end of 2002, 93% of debt securities issued by the general government had an original maturity of between five years and (but not including) ten years; 3% had an original maturity equal to or longer than ten years and debt securities with a maturity of between one and five years constituted 4% of the total.

According to the maturity structure of debt securities in national currency issued by the general government, no short-term debt securities with a maturity of up to and including one year were issued. The largest part of general government debt securities in national currency (49%) was accounted for by debt securities with an original maturity of five or more but less than ten years. Debt securities with a maturity of between one and five years constituted 28% of the total. The smallest part (23%) was represented by debt securities with an original maturity of ten or more years.

2 Activity in the primary and secondary markets

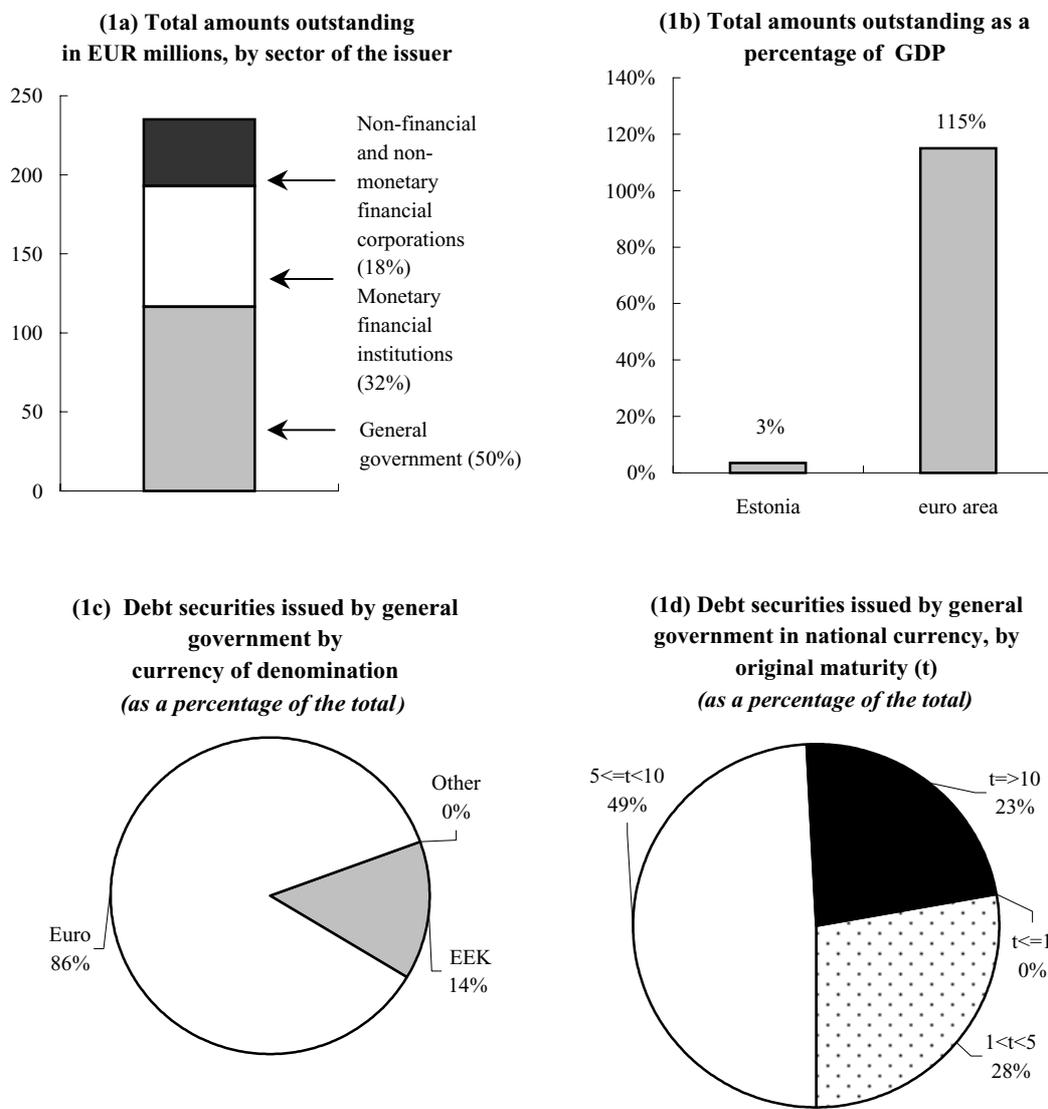
2.1 The primary market

2.1.1 Activity in the primary market

A decrease was shown in primary market activity in 2001. Total gross issues declined from EUR 155 million in 2000 to EUR 74 million in 2001. In 2002, the total gross issuance of debt securities was EUR 309 million, of which EUR 100 million was accounted for by a new issue of central government Eurobonds listed on the Luxembourg Stock Exchange.

Securities issues by non-financial and non-monetary financial corporations accounted for 59% of the primary market in 2000, for 48% in 2001 and for 18% in 2002. Issues by monetary financial institutions accounted for 40% in 2000, for 42% in 2001 and for 49% in 2002.

Issuance by the general government increased from 2% in 2000 to 33% in 2002, mainly due to a new issue of central government Eurobonds with a maturity of over five years.

Chart 1**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

The main issuance method for debt securities in Estonia is private placement.

2.1.2 Auctions: regularity, frequency and pre-announcement

Auctions are not regular, but pre-announced.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

In Estonia, the Government supports the functioning of financial markets mainly through the implementation of an adequate legal and regulative framework and financial supervision. The functioning of the national

debt securities market has been promoted by the enactment of the new Securities Market Act on 1 January 2002.

2.2 The secondary market

2.2.1 Activity in the secondary market

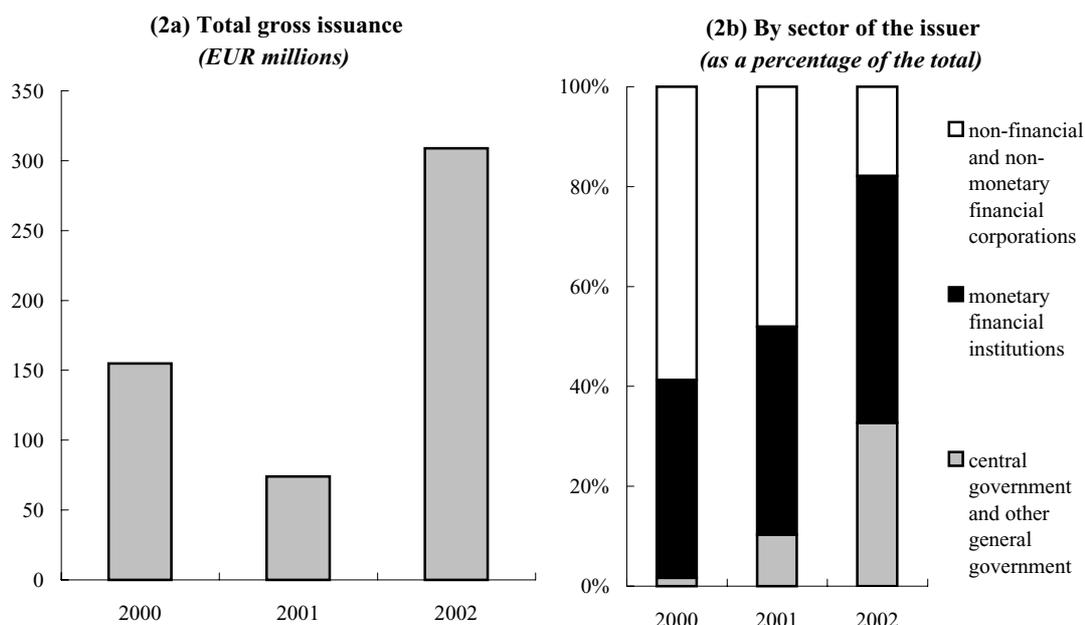
The secondary market for debt securities is quite modest in Estonia. Activity in the secondary market remained modest between 2000 and 2002, with an average daily turnover of EUR 0.6 million in 2000, EUR 0.2 million in 2001 and EUR 0.4 million in 2002.

With regard to the sector breakdown, the highest proportion of debt securities traded in 2000 was issued by monetary financial institutions (55%). This figure decreased to 9% in 2001 and increased again to 58% in 2002. Debt securities issued by the non-

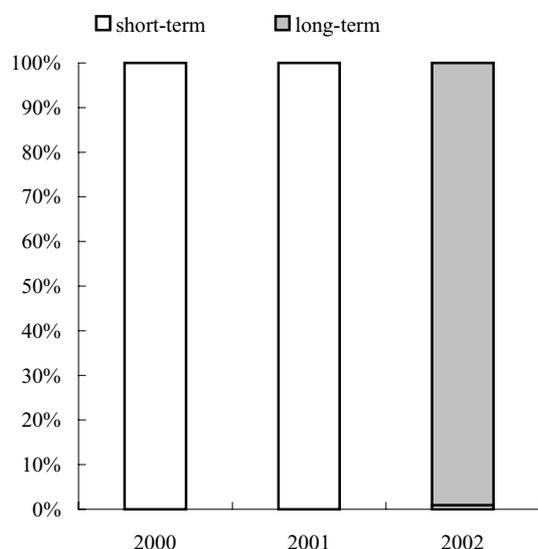
financial and non-monetary financial corporations sector accounted for 44% of total transactions in 2000, for 82% in 2001 and for only 37% in 2002. The share of debt securities issued by the central and other general government in total transactions represented 1% in 2000, 9.1% in 2001 and 4.5% in 2002.

Debt securities issued by general government were long-term securities. In 2002, all debt securities were traded on the non-regulated market (over-the-counter (OTC) market), except for the remaining issues of the Compensation Fund's bonds, which accounted for 2% of the outstanding debt securities traded on the Tallinn Stock Exchange (HEX Tallinn). The central government's Eurobond issue of EUR 100 million is traded on the Luxembourg Stock Exchange.

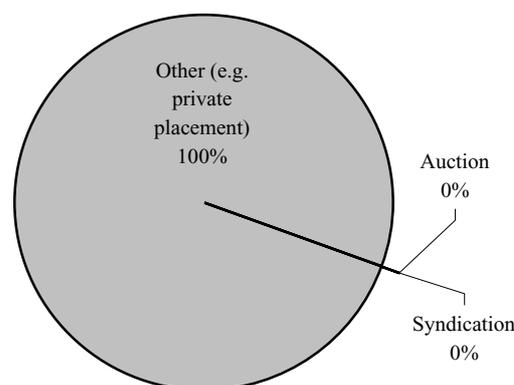
Chart 2
Primary market activity in debt securities
(gross issuance during the period; nominal amounts)



(2c) By original maturity for the general government sector
(as a percentage of the total)



(2d) Issuance methods for long-term debt securities in all currencies by general government in 2002
(as a percentage of the total) (*)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(*) No long-term securities in national currency were issued by general government in 2002. Therefore, the chart illustrates long-term debt securities in all currencies issued by general government in 2002.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

In Estonia, the Government supports the functioning of financial markets mainly

through the implementation of an adequate legal and regulative framework and through financial supervision. The functioning of the national debt securities market has been promoted by the enactment of the new Securities Market Act on 1 January 2002.

Table I

Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, percentage of these transactions in terms of the nominal value of average daily transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	There is a regulation called "Order of labelling transaction notifications" which states that if two or more transactions are related, one or more of them has to be labelled with letter "D" - double. These "D" transactions are later excluded from transaction statistics.	

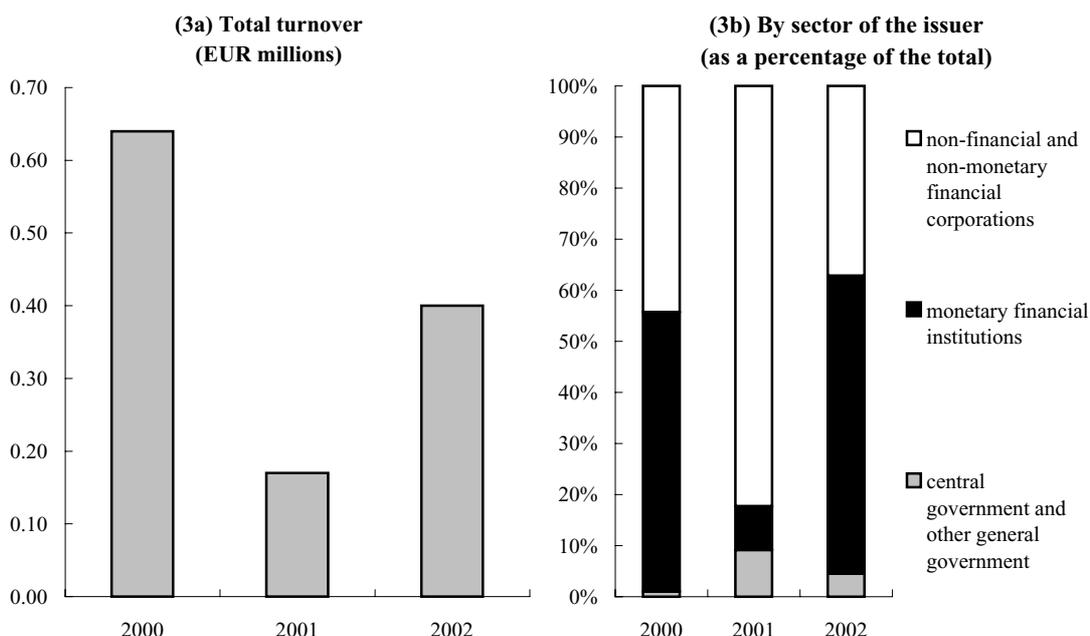
2.2.3 Liquidity of the secondary market

Owing partly to restrictions imposed by the currency board,¹ but even more so to successful economic reforms, Estonian fiscal deficits and government borrowing over the last ten years have remained modest by European standards. Estonia's recent Economic Program Prior to Accession (PEP) also foresees that the government budget remain in balance over the medium term, as exceptional deficits are allowed to emerge only due to pension reform costs. However, there are still debt securities issued by the central government at the end of 1992. The total amount of the one-off issue was EEK 300 million (EUR 19 million), of which EEK 150 million (approximately EUR 9.6 million) is still outstanding at the moment. The purpose of this issue was to finance the resolution of the banking crisis. These

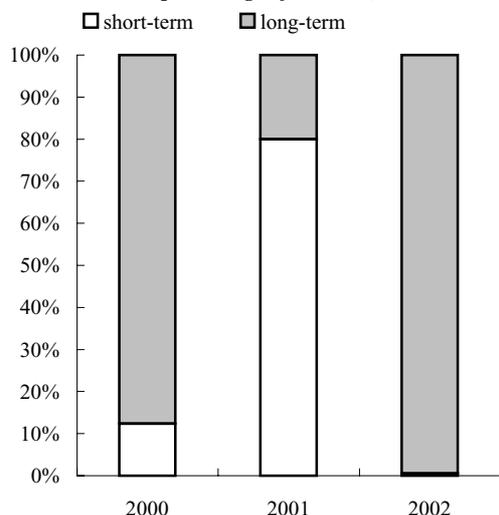
securities were bought by local banks and have never been actively traded on the secondary market. As an other exception, the Government of Estonia recently issued a five-year Eurobond in a total amount of EUR 100 million, which was used for the redemption of earlier loans (loans from the World Bank and other international investment banks in the early 1990s) and aimed to reduce interest costs and currency risk. (see Chart 3.1).

¹ Under the currency board arrangement, the Estonian Kroon is pegged to the euro (EEK/EUR 15.64664). The Bank of Estonia does not set any policy rate. The currency board arrangement is a special kind of fixed exchange rate system where the upper limit of base money (banknotes and coins in circulation and credit institutions' deposits with the central bank) emission depends on the amount of the central bank's foreign reserves. This ensures an automatic cover for the Estonian kroon, as a decrease in the central bank's foreign reserves will not jeopardise the preservation of the exchange rate.

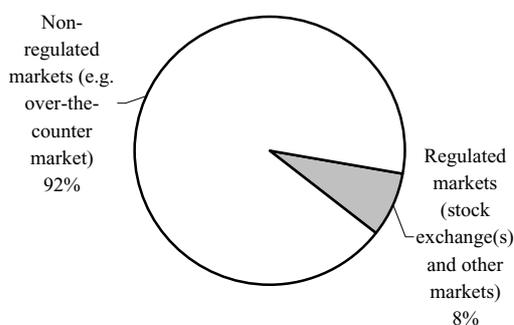
Chart 3
Secondary market activity in debt securities
(value of transactions; daily averages; nominal amounts)



(3c) By original maturity for general government sector
(as a percentage of the total)



(3d) Trading places for long-term debt securities denominated in national currency in 2002
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

Estonia's general economic policy (including the principle of a desirable balanced budget) has supported conservative government borrowing policy. Estonian fiscal deficits and government borrowing have remained modest over the past ten years.

As mentioned above Estonia's Economic Program Prior to Accession (PEP) also foresees that the government budget remain in balance over the medium term, with exceptional deficits being allowed to emerge only due to pension reform costs. For 2003, the government deficit is expected to reach about 0.3 % of GDP, due to the successful launch of the second pillar of the pension system. About one-third of the working-age population joined the second pillar in 2002, thereby exceeding expectations.

Given that the Government does not issue Treasury bills or bonds on account of the balanced budget principle, the investment needs of the country are met predominantly by the private sector (there is no financial crowding-out of the private sector). Given the integration of the real and financial sectors, financing via foreign markets has become a vital component of financing in the economy, in addition to domestic resources.

For the private sector (especially the financial sector), the preferred securities markets for long-term borrowing have been the deep euro markets, while the domestic bond market has been used rather more to cover the needs of the real sector for short-term financing. Given this background on the underlying general economic policy principles and market developments, the government securities market is likely to stay thin in Estonia.

Government and private sector debt markets

The lack of a long-term government securities market in Estonia means that there is no "classic" yield-curve for benchmark government bonds in Estonia.

The total volume of outstanding EEK-denominated general government bonds with maturity over one year stands at 10.1 mln EUR. 76.2 % of this outstanding debt (in a value of 7.7 mln EUR) is related to one time issue of central government bonds at the end of 1992 to finance banking crisis solutions. These securities were bought by local banks and have never been actively traded on the secondary market. Also, as

another exception, in 2002 the government of Estonia issued one 5-year Eurobond in a total amount of EUR 100 million in 2002, which was used for the redemption of earlier loans (loans from the World Bank and other international investment banks in early 1990s) and aimed to reduce interest costs and currency risk.

As regards the domestic private debt market, developments have generally been encouraging, but the intermediated flows in the domestic market obviously are far smaller than the cross-border flow of funds in a small and open economy. The domestic debt securities market is mainly a primary market

and the turnover in the secondary market has been modest. The primary market turnover (volume of debt securities issued by both resident and non-resident issuers) in 2002 was EUR 275 million (EUR 420 million in 2001). The secondary market turnover was EUR 294 million in 2002 (EUR 110 million in 2001).

In recent years, mainly short-term debt securities have been issued on the Estonian market. In many cases, the reason for the short maturities lies in issuers' roll-over financing schemes. In 2002, more than 85% of the debt securities issued had a maturity of less than one year.

3 Calculation of the yield

The yields-to-maturity reported in statistical Table 3 in Part II were calculated according to formula 6.3 recommended by the International Securities Market Association (ISMA).

For example, the yield-to-maturity is 10.3 per annum for the four-year debt security in national currency issued with a fixed coupon

of 4.35% by the local government on 4 June 1999 (ISIN EE2300007741), security number 8 in the statistical Table 3 in Part II). The calculation (using full years instead of months) is based on the average close-of-market value (price gross of tax plus accrued interest) for the reference period July 2002 to December 2002, which is 1007.76.

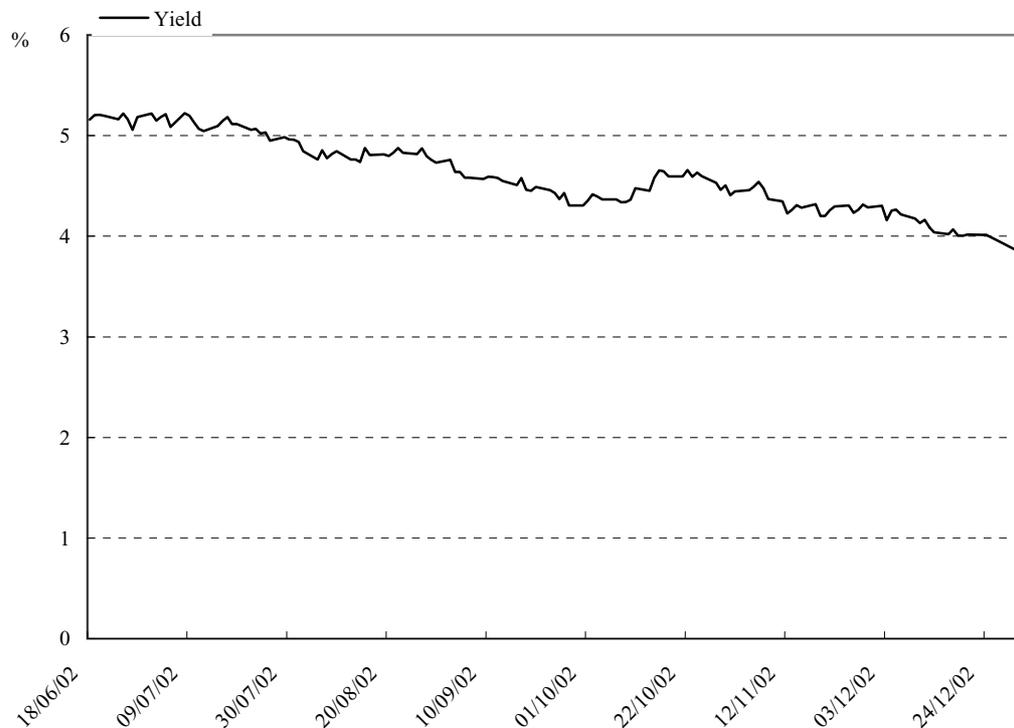
Table 2
Maturity structure of debt securities issued

	1997	1998	1999	2000	2001	2002
Up to one year	89%	83%	92%	96%	97%	87%
One to two years	2%	8%	3%	3%	1%	4%
More than three years	9%	9%	5%	1%	2%	9%

Source: Estonian Central Register of Securities.

Chart 3.1

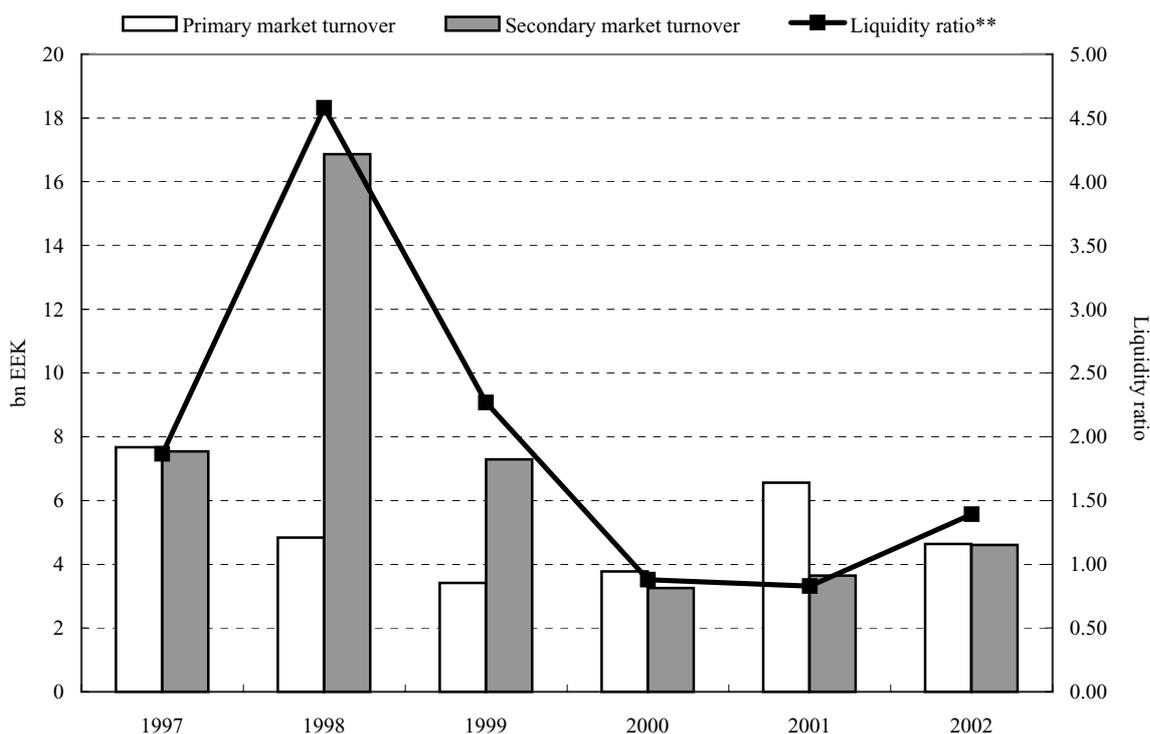
Yield on the Estonian Government's five-year EURO 100 million Eurobond



Source: Reuters

Chart 3.2

Liquidity ratio of the debt securities market



Source: Estonian Central Register of Securities

4 Interest rates

Official rates

Under the currency board system, the Estonian kroon is pegged to the euro (EEK/EUR 15.64664). The Bank of Estonia does not set any policy rate. All interest rates are determined by the market.

Money market rates

The most representative rate is the Tallinn interbank bid rate (TALIBID). This is average interest rate calculated on the basis of the interbank bid rates of reference banks during the reference periods (one, two, three, six, nine and twelve months).

Bank interest rates

The Bank of Estonia collects data on interest rates with regard to new activity (except overnight rates). Until March 2003, no data on interest rates based on amounts outstanding was collected. As from March 2003, data on amounts outstanding have also been collected.

There are various different customer groups, maturity bands and currencies according to

which the Bank of Estonia produces statistics on deposit and lending interest rates.

In the case of deposit interest rates, only deposits in Estonian kroons are included, while Estonian kroons, US dollars and euro are included in the case of loans, as the amount of the loan is often tied to one of these currencies, especially as regards long-term loans. In most cases, the interest rate is also tied to the money market rate for the relevant currency.

There are two types of deposits in Estonia: time deposits and savings deposits. According to the ECB classification, both types are equivalent to “deposits with agreed maturity”.

The most representative maturities for interest rates are the following:

- the money market rate (TALIBID);
- bank lending to enterprises $t < 1$;
- bank lending to households $t \geq 10$; and
- bank deposits with an agreed maturity of $1 < t < 5$.

5 Authorities involved in bond issuance, bond management and securities market supervision

According to the Law of the Estonian Securities Market, participants in the market are stock exchanges and securities brokers.

All public issues must be registered with the Financial Supervision Authority.

The Estonian Central Depository for Securities runs the main register of the State and manages the deposition of dematerialised securities, the registration of security

ownership, loans and pledges, and the processing and clearing of securities transactions.

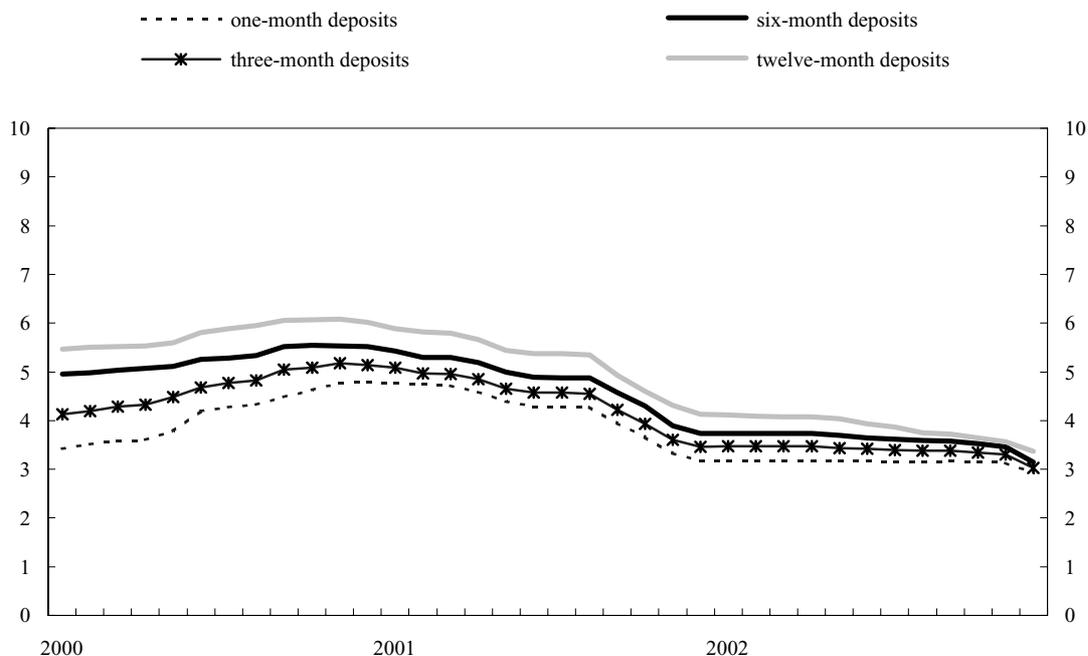
The securities market is supervised by the Financial Supervision Authority.

Chart 4

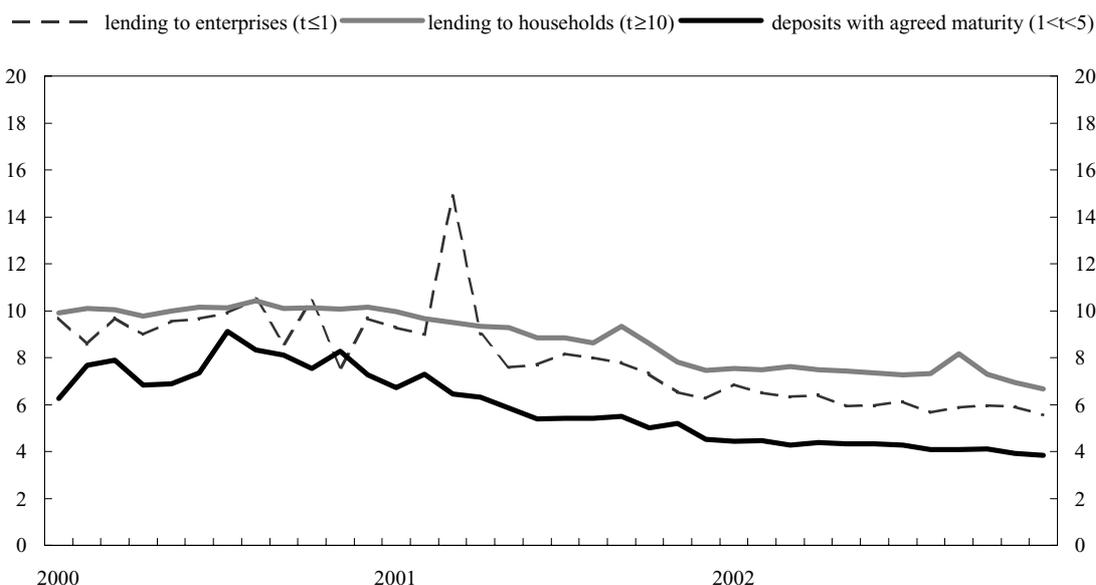
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Money market rates



Bank interest rates

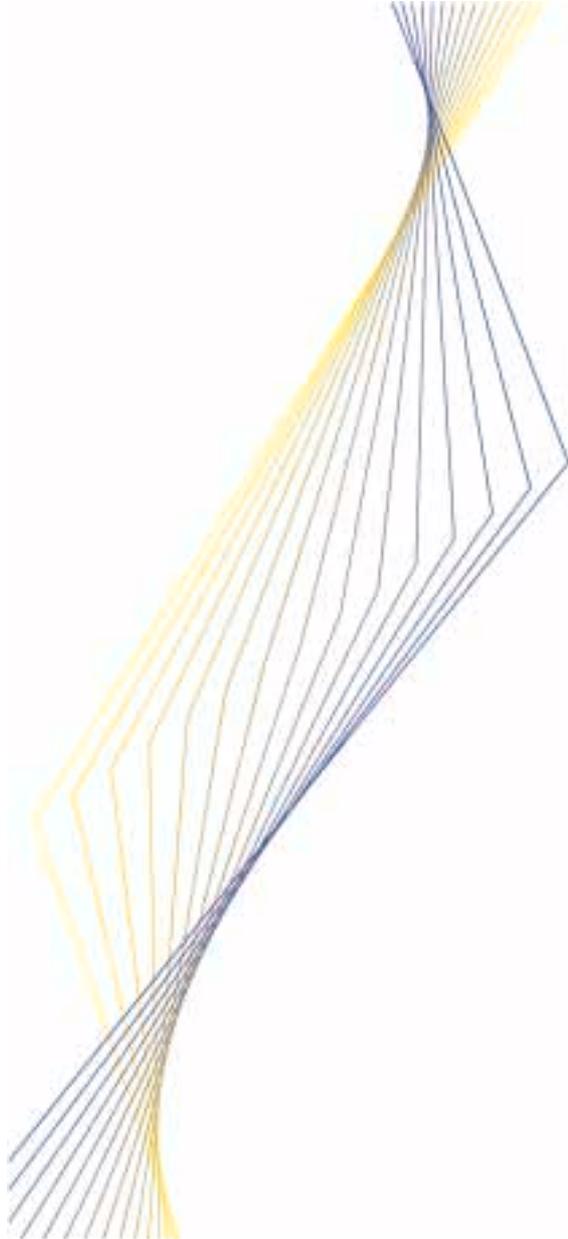


Source: ECB long-term interest rate convergence statistics for EU accession countries.
 The remarkable change in the interest rates on bank loans to enterprises in March 2001 was due to an exceptional contract between one of the banks and its client.

Estonia



EUROPEAN CENTRAL BANK



Hungary

I Market size

I.1 The size of the national debt securities market

The total amount of debt securities outstanding at the end of 2002 was EUR 38,556 million, which represents 55% of GDP. More than 80% of the total amount outstanding was issued by the general government and the remainder of less than 20% of the total was issued by monetary financial institutions (primarily by the National Bank of Hungary). Non-financial and non-monetary financial corporations issued less than 2% of the total.

88% of the debt securities issued by general government were denominated in national currency (HUF) and almost 10% were issued in euro. The remainder of general government issuance was accounted for by other currencies.

27% of all debt securities have an original maturity of between one and five years, 26% have one of between five and ten years and 24,5% have one of ten years or more. The

original maturity breakdown of national currency-denominated debt securities issued by the general government (i.e. 73.5% of the total amount outstanding) is as follows: 30% are short-term and 70% long-term securities. At the end of 2002, 27% of the debt securities in national currency issued by the general government had an original maturity of between one and five years, 22% had an original maturity ranging from five years to (but not including) ten years and 21% had a maturity equal to or higher than ten years.

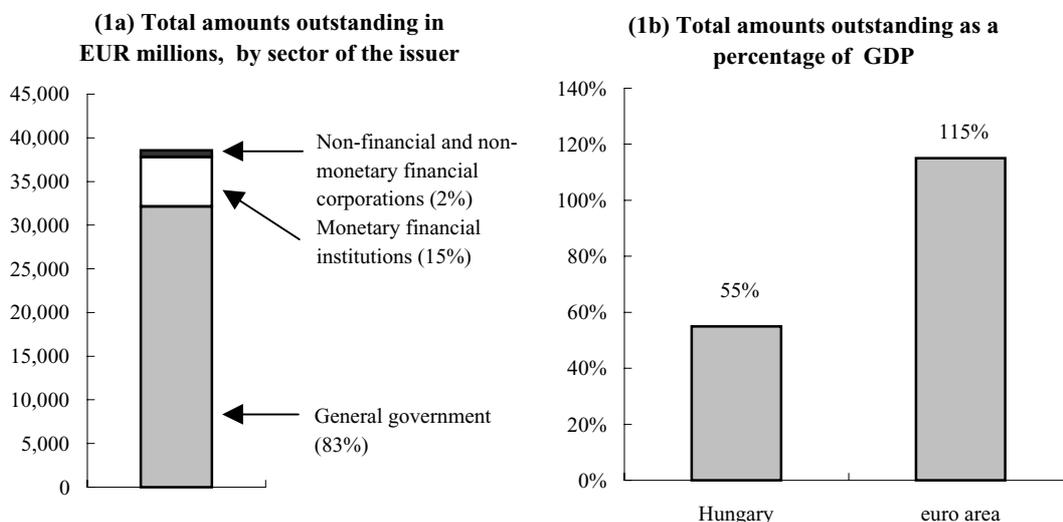
I.2 Expected issue volume and maturity distribution of government bonds

The government regularly issues bonds at pre-announced auctions. It is intended to prolong the maturity of publicly offered bonds. New issues are necessary because of the redemption of previous bonds and loans and because of the general government deficit.

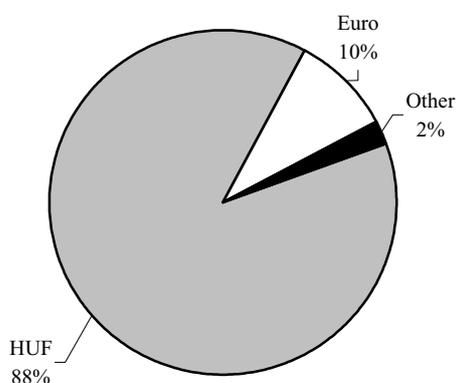
Chart I

Debt securities by original maturity, sector of the issuer and currency of denomination

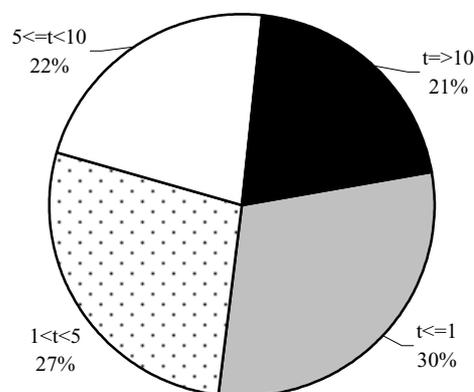
(amounts outstanding at the end of December 2002; nominal amounts)



(1c) Debt securities issued by general government, by currency of denomination
(as a percentage of the total)



(1d) Debt securities issued by general government in national currency, by original maturity (t)
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets

2.1 The primary market

2.1.1 Activity in the primary market

Primary market activity rose by 37% in 2001, and fell by 5% in 2002. Gross issuance in the primary market totalled EUR 21,520 million in 2002.

The slight decrease in 2002 was attributable to the bills issued by the National Bank of Hungary, which accounted for only 13% of total issuance in 2002. The remaining 87% was issued by the general government.

The breakdown into short-term and long-term maturities remained stable over the period from 2000 to 2002. In 2002, approximately 35% of the general government's gross issuance was accounted for by long-term securities and 65% by short-term securities.

99% of the total amount of long-term securities denominated in national currency and issued by the general government was issued through auctions.

2.1.2 Auctions: regularity, frequency and pre-announcement

There are pre-announced and regular auctions in Hungary. Auctions of National Bank of Hungary bills and three-month Treasury bills are held every week. Treasury bond auctions are held monthly, while six and twelve-month Treasury bill auctions are held every two weeks for each benchmark maturity. The issuing calendar of the Government Debt Management Agency is available on the Agency's website.¹

2.1.3 Measures (either public or private) to promote the functioning of the primary market

There is a system of primary dealers. A primary dealer may be any security dealer or credit institution registered in Hungary that provides securities investment services under the Securities Act. The company or its controlling shareholder is required to

¹ www.allampapir.hu

Hungary

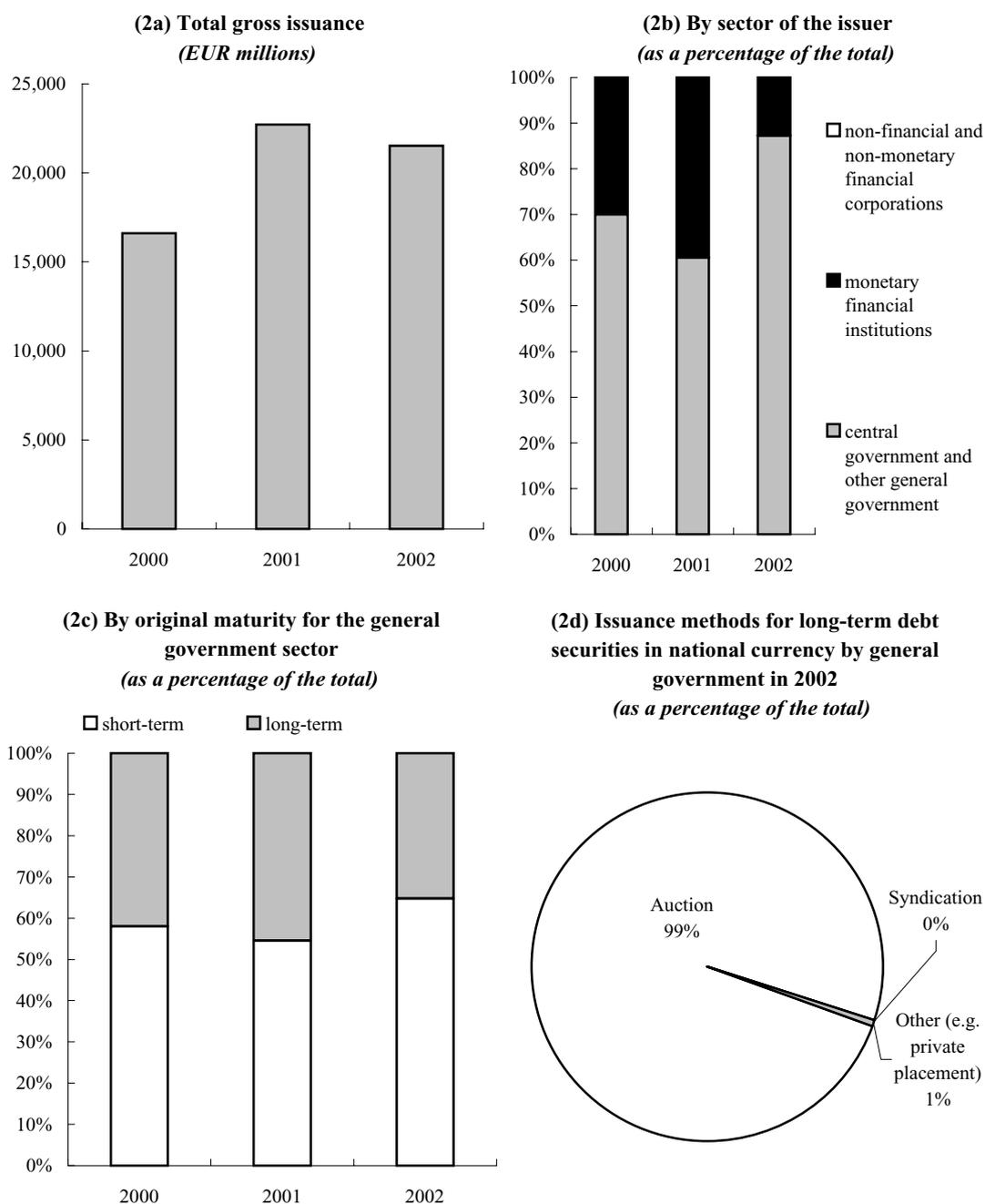
operate for at least two years on the money and capital markets of one of the OECD countries. In addition, the company must undertake to fulfil the obligations laid down in the primary dealer contract and meet all other requirements stipulated by the Government Debt Management Agency,

including the maintenance of a good reputation.

One of the basic responsibilities, and the exclusive right, of primary dealers is to support the issuance of Hungarian government bonds and discount Treasury

Chart 2
Primary market activity for debt securities

(gross issuance during the period; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

bills, as have been publicly offered since 3 January 1996, by regularly bidding at auctions. In every half-year period, all dealers are required to buy at least 3% of both Hungarian governments bonds and discount Treasury bills in the primary market either on their own or their clients' account.

More information on the system of primary dealers is available on the internet.²

2.2 The secondary market

2.2.1 Activity in the secondary market

Between 2000 and 2002, average daily turnover was in the range of EUR 159 million to EUR 270 million. From EUR 159 million in 2000, average daily turnover rose by EUR 22 million in 2001. In 2002, the total turnover reached a peak of EUR 270 million.

Debt securities issued by the general government represent, on average, more than 90% of the value of transactions. The proportion of long-term securities issued by the general government increased continuously, representing 85% of the transaction value by the end of the year 2002.

Almost all transactions (more than 99,9%) took place on the over-the counter (OTC) market, while only 0,01% took place on the stock exchange. While average daily turnover in the OTC market grew sharply between 2000 and 2002, average daily turnover on the stock exchange fell to zero last year. Data reported in Tables 2B.1 and 2B.2 only include delivery repos. The proportion of such transactions is negligible, i.e. less than 1% of the total.

In Hungary, delivery and hold-in-custody repos are distinguished according to the ownership of the collateral. If the ownership of the collateral is transferred to the buyer, the deal is called a "delivery repo". The buyer has the right to use the securities during the term of the repo, but is obliged to return

them to the seller on maturity. If the securities are pledged to the benefit of the buyer, but the ownership remains with the seller, the deal is called a "hold-in-custody repo". If the seller defaults on repaying the cash loan at the end of the deal, the ownership of the securities is automatically transferred to the buyer. The proportion of hold-in-custody repo transactions in total transactions approximately 10% to 15%, but hold-in-custody repos are excluded in Table 2B in the statistical tables in Part II.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

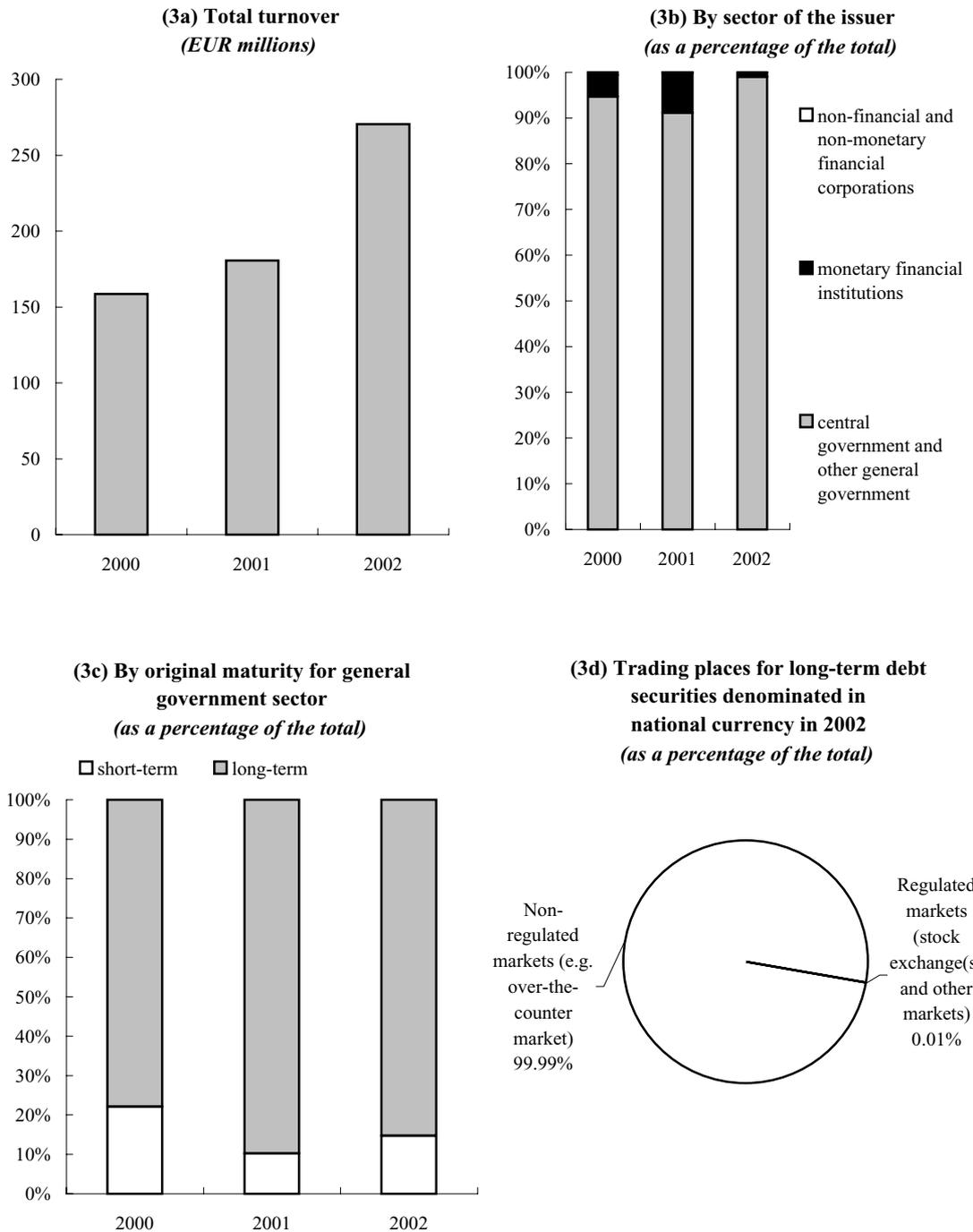
The most important measures taken to promote liquidity in the secondary market are:

- the calculation and publication of benchmark yields by the Government Debt Management Agency;
- the daily price quotations of primary dealers; and
- reducing the number of outstanding bonds and increasing the amount issued of each individual security (e.g. increasing the number of tranches).

² www.allampapir.hu/forg/51e.htm

Chart 3
Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

Table I**Methodological notes on the statistical treatment of secondary market statistics***(cf. Table 2B in the statistical tables in Part II)*

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Includes delivery repos, which account for less than 1% of the total, but excludes hold-in-custody repos, which account for around 10-15% of total transactions	Includes delivery repos, which account for less than 1% of the total, but excludes hold-in-custody repos, which account for around 10-15% of total transactions
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	The KELER Rt. (Central Clearing House and Depository (Budapest) Ltd.) reports to the National Bank of Hungary on secondary market turnover in detail by transactions. The KELER reports single-counted transactions to the National Bank of Hungary.	

2.2.3 Liquidity in the secondary market

In terms of liquidity, the examination refers only to government bonds issued by the Hungarian State, denominated in national currency.

The data only include transactions in publicly issued bonds. Private placements were mainly held in the early 1990s. Nowadays there is no significant turnover in these privately placed long-term bonds.

Until the end of 2001, the maximum period of time between the issuance and maturity of bonds was ten years, but this period has risen to fifteen years since the beginning of 2002.

There are also pre-announced and regular (with a set frequency) auctions in Hungary. Treasury bond auctions are usually held monthly, except in the case of three-year government bonds, for which auctions are held twice in a month, although the issuing frequency of the new fifteen-years bond is three months. The issuing calendar of the Government Debt Management Agency is available on its website³.

There is one specific bond in every maturity range, except in that of fifteen years, which is regarded as a benchmark. The basis for calculating the two, three, five and ten-year benchmark yields is described in Section 3.

Since the turnover of ten-year bonds is not as significant as that of bonds with shorter maturities, the liquidity of the market for all government bonds is described below.

In Hungary, the secondary market is liquid enough and significant transactions are carried out day-by-day, mainly between members of the primary dealer system.

One of the most important objectives of establishing the primary dealer system was to ensure the functioning of a liquid and transparent secondary market for investors through primary dealers' active market participation and their obligation to quote two-way prices. Accordingly, the dealers' basic obligation is to quote continuous two-way (bid and offer) prices for the government securities included in the system.

These dealers quote bid and offer prices on a continuous basis for the amount stated in their tenders: for fixed rate government bonds and discount Treasury bills; the maximum bid and offer spread for nominal amounts of at least HUF 100 million is 0.5 percentage point in yield terms. For floating rate government bonds in nominal amounts of at least HUF 50 million, the maximum bid and offer spread is 1 percentage point in price terms.

³ www.allampapir.hu

Hungary

The following table shows the weighted and unweighted monthly average of the bid/offer spread. The weighted average is based on the amount of the transactions.

Government securities are traded on the stock exchange and on the OTC market. As mentioned in Sub-section 2.2.1 and shown in Chart 3d, more than 99 % of the turnover in government bonds was carried out on the OTC market. The reason for the low volume of trade in government bonds on the stock exchange is their high transaction costs. The

monthly number of transactions on the two types of secondary market are presented in Table 3.

Table 4 shows the monthly turnover in publicly-issued government bonds on the secondary market, with a breakdown by turnover on stock exchange and on the OTC market. This table also contains the liquidity rate calculated monthly for these bonds. All data were calculated on the basis of nominal values.

Table 2		
Monthly average bid/offer spread on the secondary market for publicly issued government bonds (percentage points)		
Bid/offer spread	Unweighted average	Weighted average
December 2001	0.94	0.87
January 2002	1.11	1.07
February 2002	1.14	1.28
March 2002	1.11	1.36
April 2002	1.24	1.37
May 2002	1.15	1.41
June 2002	1.17	1.39
July 2002	1.12	1.44
August 2002	1.10	1.31
September 2002	1.19	1.35
October 2002	1.17	1.40
November 2002	1.15	1.23
December 2002	1.20	1.31

Table 3		
Number of transactions per month on the regulated and non-regulated markets		
Number of transactions	On the stock exchange	On the OTC market
December 2001	55	1,683
January 2002	127	2,677
February 2002	88	1,960
March 2002	28	2,086
April 2002	37	2,033
May 2002	67	3,307
June 2002	61	3,072
July 2002	82	2,860
August 2002	11	1,941
September 2002	37	2,463
October 2002	30	3,481
November 2002	149	4,801
December 2002	87	2,806

Table 4
Monthly turnover in publicly issued government bonds on the secondary market

	Monthly turnover on the OTC market (HUF millions)	Monthly turnover on the stock exchange (HUF millions)	Total monthly turnover on the secondary market (HUF millions)	Total amount outstanding at the end of the month (HUF millions)	Liquidity rates
December 2001	732,197	27,986	760,183	2,748,924	0.28
January 2002	1,152,606	23,790	1,176,396	2,847,334	0.41
February 2002	809,891	20,176	830,067	2,962,960	0.28
March 2002	908,326	5,023	913,348	3,076,360	0.30
April 2002	918,866	7,518	926,384	3,110,338	0.30
May 2002	1,469,005	9,139	1,478,144	3,187,313	0.46
June 2002	1,310,470	8,600	1,319,070	3,179,840	0.41
July 2002	1,188,370	15,778	1,204,149	3,246,629	0.37
August 2002	868,489	1,400	869,889	3,409,231	0.26
September 2002	1,151,703	3,621	1,155,323	3,463,243	0.33
October 2002	1,411,741	17,835	1,429,576	3,571,296	0.40
November 2002	2,225,609	26,659	2,252,267	3,612,390	0.62
December 2002	1,078,452	29,139	1,107,591	3,800,454	0.29

3 Calculation of the yield

3.1 Basis and stipulations of benchmark yield calculations made by the General Debt Management Agency

The benchmark maturities are two, three, five and ten years, and the criteria for selecting the government bond issues to calculate the benchmark yields are as follows. Government bonds with remaining maturities of more than 90 days, publicly issued and sold by the Hungarian State in the primary dealer system, provide the basis for calculating the yields, taking into account the date of maturity. The bases for calculating the two, three, five and ten-year benchmark yields are the two, three, five and ten-year government bond series whose dates of issue are closest to the date of calculation of the benchmark yield, with the stipulation that, in the case of two, three and five-year fixed rate bonds, the benchmark yields for the series should be calculated from the date of first sale following the date of issue of the series. This applies only to two, three and five-year fixed rate bonds. In practice, this stipulation means that the two, three and five-year fixed rate bonds become a

benchmark only when the second tranches have been issued, but the ten-year fixed rate bonds become a benchmark after they have been issued (i.e. after the first tranches have been issued).

This means that the benchmark bonds are replaced in order to restrict maturity drift. The Government Debt Management Agency publishes benchmark yields for different maturities. The benchmark bonds represent these maturities by their original maturity.

The calculation of government securities market yields and prices in Hungary is based on the following methods:

- For discount Treasury bills (short-term debt securities issued by central government), the yields and prices can be calculated using the following formulae:

$$\text{price (\%)} = \frac{100\%}{1 + \text{yield} * \text{days to maturity}/365}$$

Hungary

$$\text{yield (\%)} = \frac{100 \% - \text{price (\%)}}{\text{price (\%)}} \times \frac{365}{\text{days to maturity}} \times 100$$

- For government bonds (long-term debt securities issued by the central government): in accordance with Hungarian conventions, for bonds paying interest several times a year, the price calculation method depends on the residual maturity of the security. If the residual maturity is 365 days or longer, all interest and redemption payments must be discounted exponentially, while - if the residual maturity is shorter than 365 days - linear discounting is to be used.

dirty price (within one year)

$$= \sum \frac{\text{interest payment}}{1 + \text{yield} * \text{days to maturity} / 365} + \frac{1 + \text{yield} * \text{days to maturity} / 365}{\text{redemption}}$$

dirty price (over one year)

$$= \sum \frac{\text{interest payment}}{(1 + \text{yield})^{\text{days to maturity} / 365}} + \frac{\text{redemption}}{(1 + \text{yield})^{\text{days to maturity} / 365}}$$

dirty price = clean price + accrued interest

$$\text{accrued interest} = \frac{\text{coupon rate} * (\text{days elapsed from previous interest payment date} - \text{leap day})}{365}$$

For bonds which have the interest rate reset twice during one interest payment period, the proportional part of the nominal interest set for the second period is to be added to the interest accrued until the interest is reset. In accordance with Hungarian day-count conventions, no interest is paid for intercalary days in leap years, i.e. the accrued interest on 29 February is the same as on the previous day.

3.2 Example of the yield calculation in Table 3 (cf. statistical tables in Part II)

The benchmark yields are calculated on the basis of bid and offer prices for benchmark bonds provided by primary dealers. In stock exchange trading, the transactions are based on clean prices, and it is also clean prices that are quoted on the OTC market. Nevertheless, trades made by telephone are usually based on yields, but it is always advisable to agree with the partner on the price as well.

ISMA formula 6.3 was applied to the yield calculations in statistical Table 3 in Part II, using the value date (i.e. trade date + two business days). For the calculation of average period yields and market prices, all business days were taken into account regardless of whether or not the securities were traded. If the security was not traded, the market closing price (clean price) was carried forward. To obtain the gross price, the interest accrued for all business days was calculated. Then the arithmetic averages of calculated yields and gross market prices were taken. For example, the yield to maturity is 7.21% per annum for the 11-year benchmark bond with a fixed coupon of 6.75% (ISIN HU0000402045), which is based on the average of close-of-market values (price gross of tax plus accrued interest) for the reference period July 2002 to December 2002.

4 Interest rates

Official rates

- Central bank deposits, one-day rate: under the overnight deposit facility, credit institutions can place deposits with the central bank without any restrictions.
- Central bank reference rate, two-week rate: the two-week central bank deposit facility is the Bank of Hungary's benchmark instrument.
- Central bank secured loan rate, one-day rate: under the overnight secured loan rate facility, credit institutions can borrow from the central bank without any restrictions.

Money market rates

Average interbank interest rates include those charged for unsecured lending among banks and specialised credit institutions in the money market.

The monthly average interest rate is the arithmetic average of interest rates on new or rolled-over unsecured interbank lending transactions in any given month, weighted by the total interbank lending volume.

Bank interest rates

Non-financial corporations (S.11): average interest rates for the various maturities are determined by the interest rates indicated in lending and deposit contracts with banks and specialised credit institutions, as negotiated under market conditions. The monthly average interest rate is the arithmetic average of interest rates on new or rolled-over contracts with the non-financial corporations in any given month, weighted by the amounts deposited and lent.

Statistical data collected for the non-financial corporations sector interest rates refer only

to interest rates under market conditions. In the case of the data observed, only the interest rate agreed in the contract is indicated. Therefore, penalty interest, default interest and other extra costs are not shown.

Households (S.14): the household sector includes individuals and sole proprietors. The average interest rate includes actual interest rates of banks, specialised credit institutions and 19 co-operative credit institutions, weighted by the total amount of deposits placed and loans granted in a given month. Deposit rates also include those on current accounts. Consumer credit and other loan facilities comprise all loans except loans for house purchase. From May 2001 to December 2002, consumer credits include personal, hire-purchase and car purchase loans, (i.e. loans for other than housing purposes), but exclude overdrafts and loans for other purposes. Loans for house purchase comprise all secured and non-secured loans under market conditions. The interest rates on housing loans include only loans under market conditions. From May 2001 to December 2002, other loans include loans for other purposes, as well as lombard and mortgage loans.

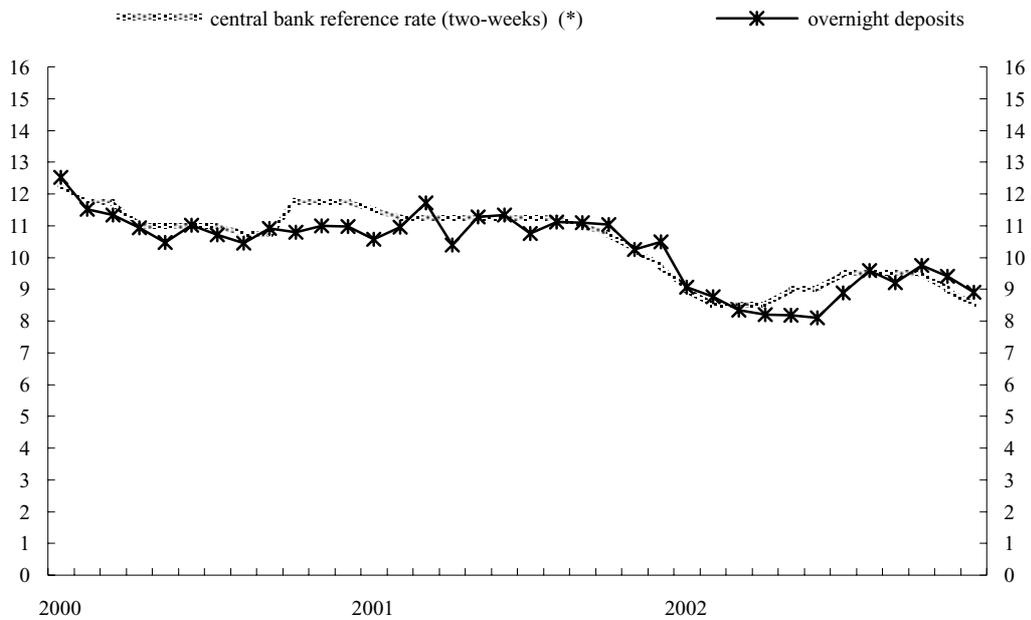
The most representative maturity for official rates is the two-week maturity. For the money market rate, the most representative is the overnight maturity and for bank loan and deposit rates to enterprises and to households it is the short-term maturity (up to one year).

Chart 4

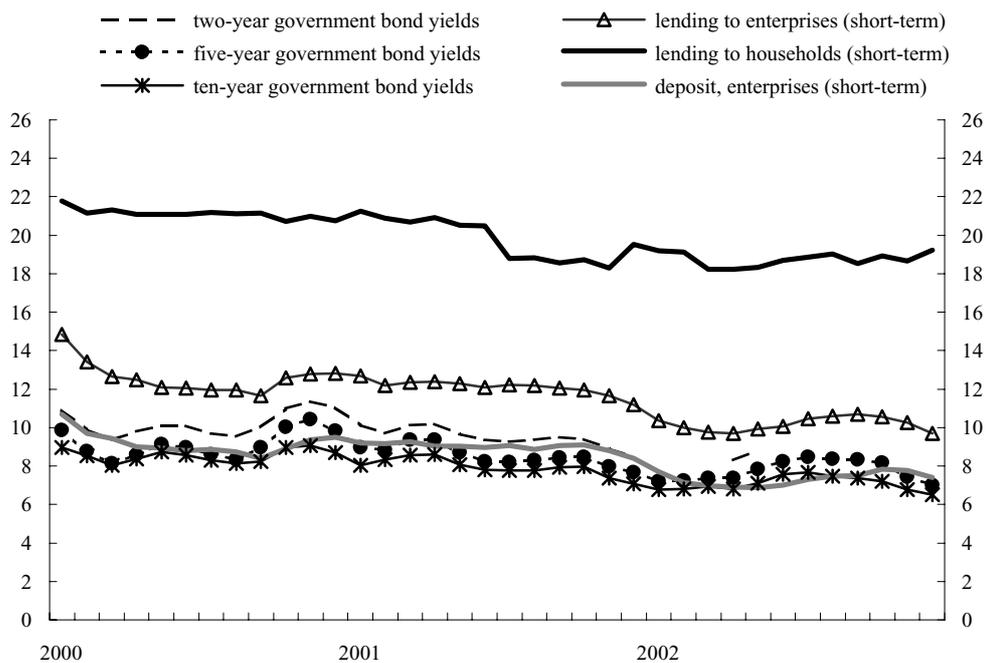
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.
 (*) End of month.

5 Authorities involved in bond issuance, bond management and securities market supervision

The main authorities involved are:

- the Government Debt Management Agency Ltd., which issues government securities and manages the domestic and foreign debt of the government;
- the Hungarian Financial Supervisory Authority, the aims of which are:
 - to facilitate the smooth operation of the financial markets and promote the protection of clients of financial organisations;
 - to maintain and strengthen confidence in the financial markets; and
 - to contribute to the transparency of the markets, raise the awareness of consumers and support the regulation of fair competition in the market.

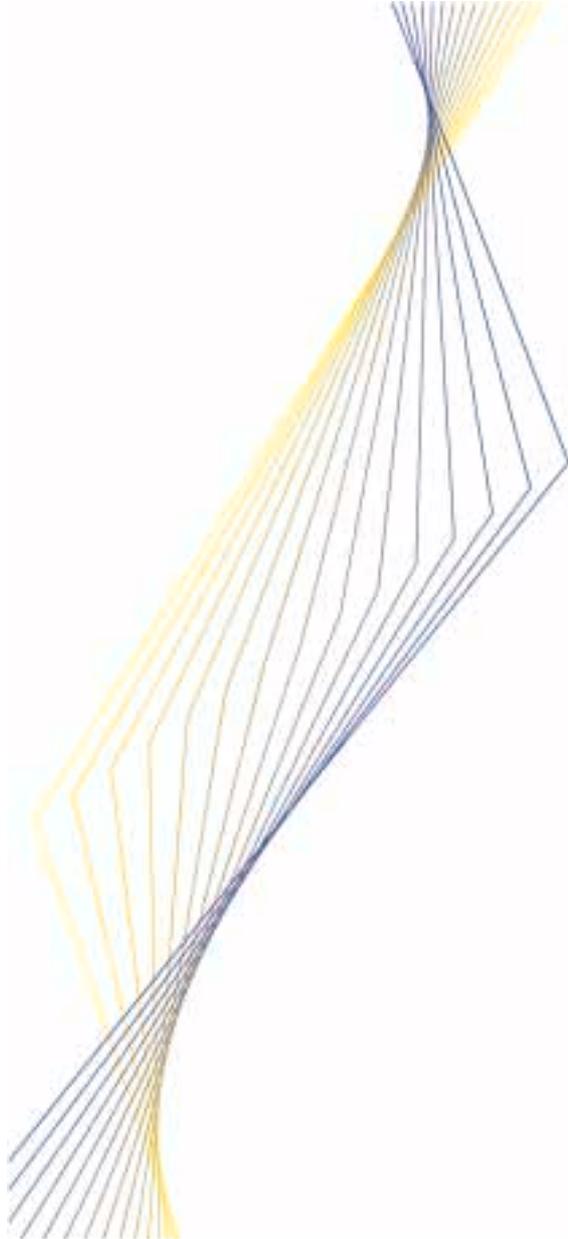
The Mission Statement and the Basic Principles of Operation of the Hungarian Financial Supervisory Authority are available on its website.⁵

⁵ www.pszaf.hu/english/intro/mission.htm

Hungary



EUROPEAN CENTRAL BANK



Latvia

I Market size

I.1 The size of the national debt securities market

The amount of debt securities outstanding, as at the end of December 2002, totalled EUR 1,010 million or 12% of GDP. The market for Latvian debt securities is rather new; it was in late 1993 that the first auction of one-month Treasury bills was organised. The government gradually introduced securities with longer maturities, and five-year bonds were issued in 2000.

The central government is the major issuer of debt securities, accounting for 90% of all debt securities outstanding at the end of December 2002. The remainder was issued by monetary financial institutions (10%).

53% of all government debt securities were denominated in national currency (LVL) and 47% in euro (Eurobonds). At the end of 2002, the breakdown by original maturity of debt securities issued by the central government in national currency was as follows: 13% were securities with a maturity of up to one year, 24% were securities with a maturity of one to five years and 63% were securities with a maturity of five to ten years.

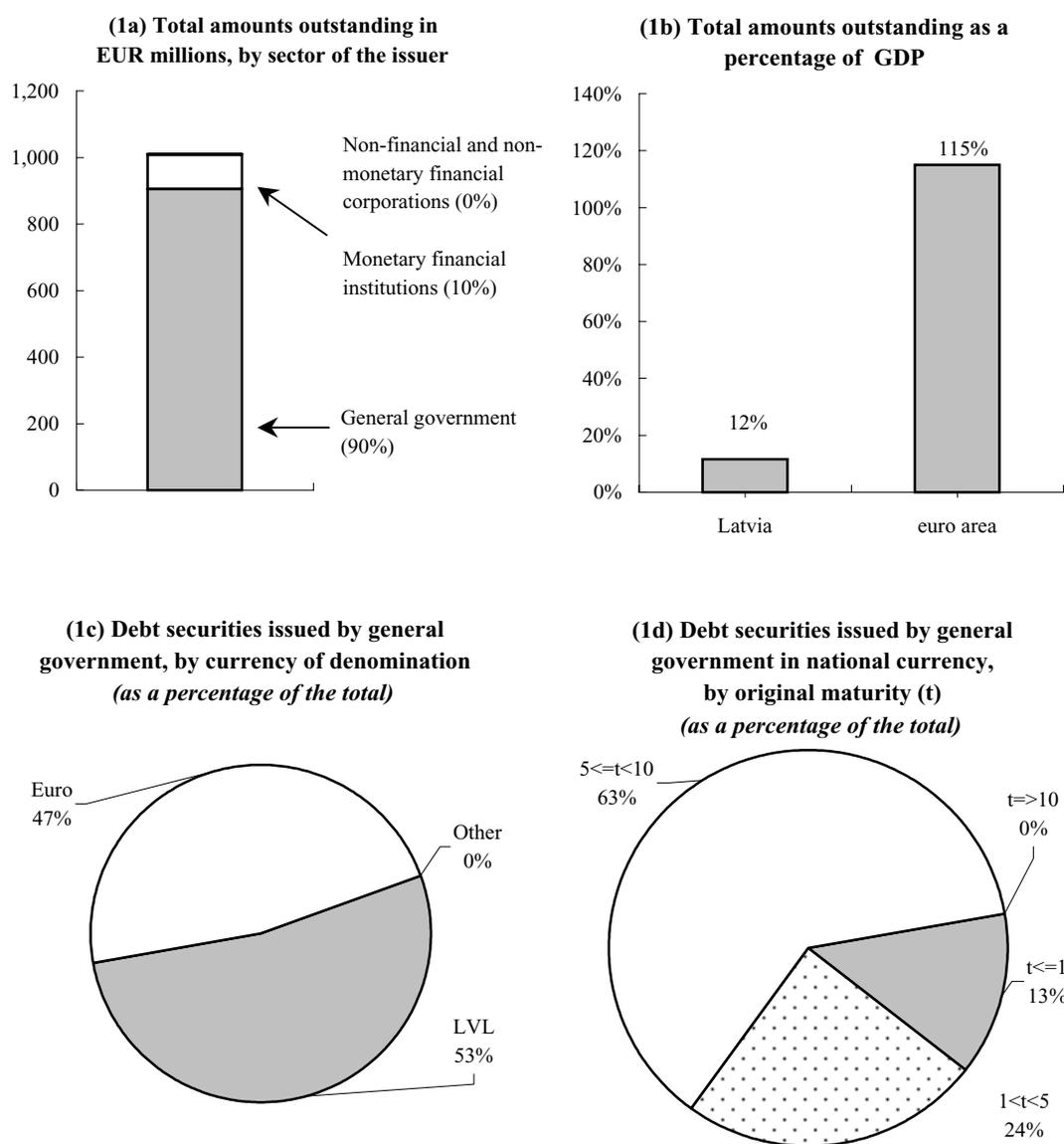
In general, the Latvian market is characterised by the following features: (i) the central government is the largest issuer of debt securities; (ii) the central government tends to issue more long-term bonds than short-term ones; (iii) Eurobond issues have become an important source of government funding; and (iv) the fact that the financial system is centred on banking makes corporate bond issues less important for the market because the main source of funding is bank loans.

I.2 Expected issue volume and maturity distribution for government and corporate bonds

In the domestic market, Treasury bills and bonds are issued in accordance with an annual schedule, and issue volumes depend on projected government money flows and the issuance of bonds in foreign markets. According to the preliminary schedule for 2003, the Treasury will issue government securities in the amount of EUR 396.3 million on the domestic market and in the amount of EUR 328 million on foreign markets (Eurobonds). The new issue of Eurobonds (planned for the first quarter of 2004) is expected to fund the redemption of the first Eurobond issue, which matures in May 2004.

In 2003, domestic issue volumes are expected to be as follows: EUR 102.9 million for Treasury bills, EUR 110.6 million for three- and five-year bonds, EUR 182.8 million for ten-year bonds. The total issue volume expected is EUR 396.3 million.

The first issue of ten-year bonds denominated in the national currency took place in February 2003. The average yield was 5.19%, and the coupon rate was 5.125%. It is planned to issue ten-year bonds in the total amount of EUR 182.8 million in six tranches in 2003.

Chart I**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets**2.1 The primary market****2.1.1 Activity in the primary market**

In 2002, activity in the primary market decreased somewhat because of a lower

supply. Total gross issuance in the primary market was 58% lower than in 2001, reaching EUR 188 million.

The central government's share in the total value of primary market transactions has

gradually been decreasing, from 98% in 2000 to 57% in 2002. Since 1999, the value of transactions in long-term debt securities issued by the central government has exceeded that of transactions in short-term debt securities.

Owing to limited market capacity, government bonds are issued in several tranches. In 2003, the central government will issue bonds denominated in the national currency in the amount of between EUR 16 million and EUR 45 million per tranche. To mitigate the impact on money market rates, the amounts offered in one auction are lower than in previous years.

The number of central government bond issues outstanding, as at the end of 2002, was seven (five domestic issues and two Eurobond issues). Domestic debt securities were issued at auctions held by the Bank of Latvia and the Latvian Central Depository.

2.1.2 Auctions: regularity, frequency and pre-announcement

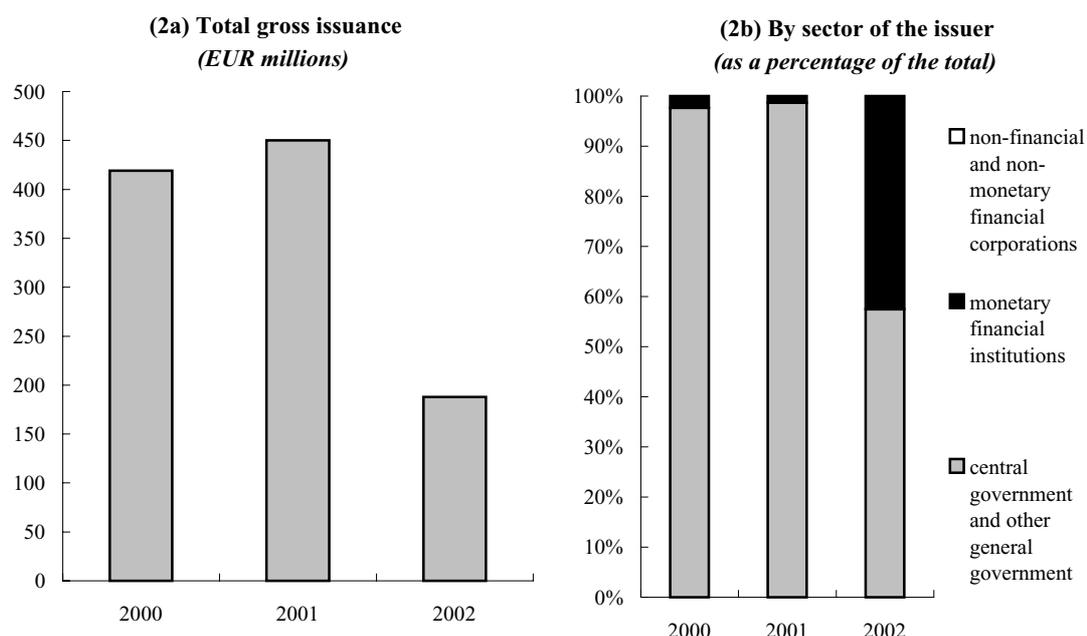
The annual schedule for issuing government securities is published at the beginning of the year. The auction date, the amount, the securities' original maturity and other relevant details are announced five days before the day of the auction.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

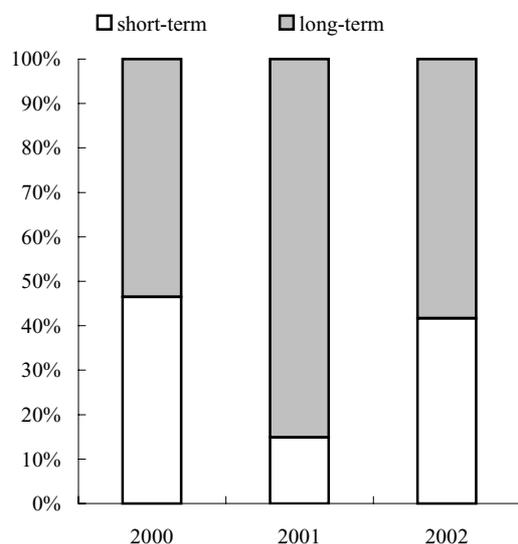
At the Bank of Latvia, domestic banks and foreign financial institutions may take part in multiple-rate primary market auctions of government debt securities. In addition, since 2002, fixed-rate primary market auctions have been organised at the Latvian Central Depository, where the procedure has been simplified to encourage non-banks (brokerage companies, investment funds, etc.) to participate in auctions.

Chart 2
Primary market activity for debt securities

(gross issuance during the period; nominal amounts)

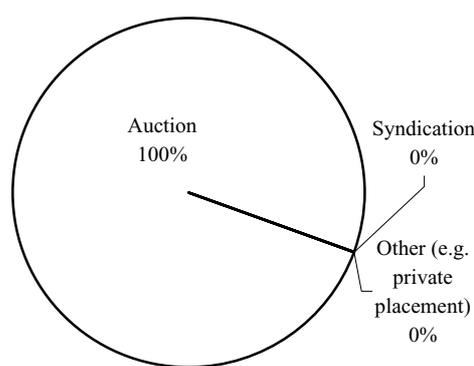


(2c) By original maturity for the general government sector
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(2d) Issuance methods for long-term debt securities in national currency by general government in 2002
(as a percentage of the total)



2.2 The secondary market

2.2.1 Activity in the secondary market

Daily average secondary market turnover decreased to EUR 1.41 million in 2002, from EUR 2.85 million in 2001. In 2001, debt securities were vigorously used in money market operations, as activity in the interbank market was very brisk. In 2002, the importance of debt securities in the money market decreased, owing to the strong liquidity position of banks: the price of securities increased, raising the cost of buying or borrowing. In addition, the liquidity was affected by a low supply in the primary market in 2002. As regards the breakdown by sector, the share of bonds issued by monetary financial institutions in the value of transactions increased from 9% in 2000 to 18% in 2002. The maturity breakdown shows that the share of long-term government debt securities in the secondary market increased from 88% in 2000 to 96% in 2002. Government long-term debt securities are mostly traded in the over-the-counter (OTC) market and reported to the Riga Stock Exchange. The Riga Stock Exchange started

to trade government debt securities in the third quarter of 1999.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

The Riga Stock Exchange attempts to follow all major developments in international trading system technologies. The major stages in the development of the Riga Stock Exchange's trading system are as follows.

- In November 1997, less than two-and-a-half years after the Riga Stock Exchange's first trading session, continuous trading at variable prices was introduced.
- In July 1998, a T+0 settlement day, which allows immediate block-trade settlement, was introduced in co-operation with the Latvian Central Depository.
- In August 1999, the ACCEPT trading system, developed primarily for debt securities, was introduced. The system also supports trading in shares. The

Latvia

ACCEPT trading system is an advanced block-trading platform (including limits, lots, offers to particular members, etc.).

- In May 2000, the E-broker project was launched. This gives clients of banks and brokerage companies access to the Riga Stock Exchange's trading system via the internet. Clients may carry out securities trading by themselves (within the limits set by the relevant bank or brokerage company). The security of the system is assured by top-level data encryption software.
- In January 2002, new listing rules were introduced for debt security issuers with the aim of encouraging public companies to borrow in the capital market. The new rules also specify the disclosure obligations for debt issuers.

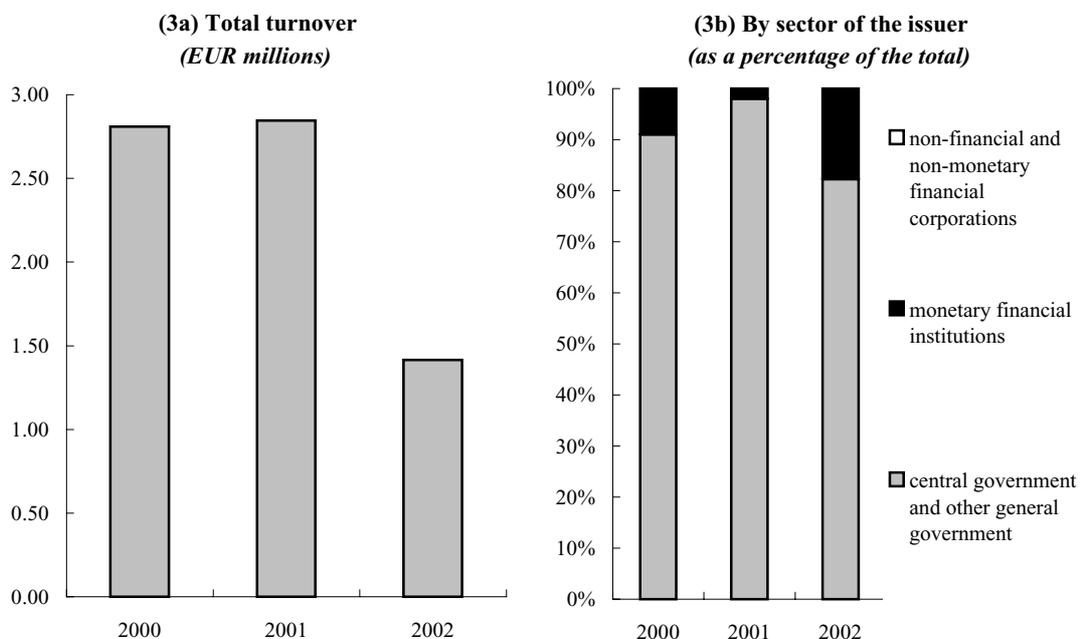
In 2002, the Finnish HEX Group, which owns the Helsinki Stock Exchange and the Finnish Central Securities Depository, acquired both the Riga Stock Exchange and the Latvian Central Depository.

HEX Group merged with OM AB (the operator of the Stockholm Stock Exchange) in September 2003 in order to create both an integrated Nordic and Baltic market for the listing, trading, clearing and settlement of securities and an integrated depository for securities. This will change the market infrastructure and attract more foreign capital in secondary market trading. In 2002, the Latvian Central Depository was given the status of a participant in Euroclear, so that Latvian investors can operate with securities held within the Euroclear system.

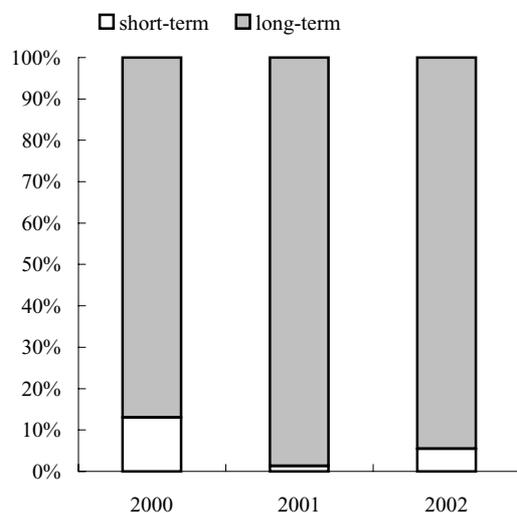
Chart 3

Secondary market activity for debt securities

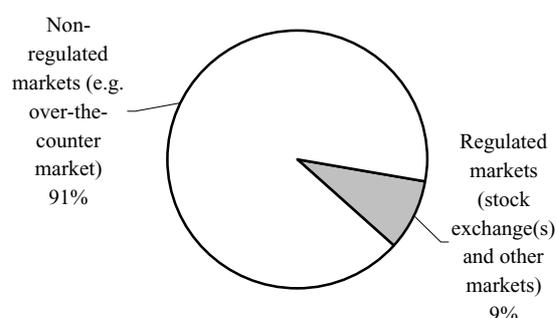
(value of transactions; daily averages; nominal amounts)



(3c) By original maturity for general government sector
(as a percentage of the total)



(3d) Trading places for long-term debt securities denominated in national currency in 2002
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.2.3 Liquidity of the secondary market (the most liquid government bonds)

Currently, five-year bonds are the most liquid central government securities denominated in the national currency, mainly due to the size of the amount outstanding and, hence, availability. At the end of 2002, the amount outstanding of five-year bonds was 2.6 times higher than that of three-year bonds and 7.3 times higher than that of all private bonds

with a maturity of five to ten years. Usually there is overbidding of 2 to 3 times in the primary market for bonds. In 2002, the Treasury kept yields low, which affected the amount of bonds sold on the primary market. The demand for five-year bonds was about equal in 2001 and 2002, despite decreasing yields on five-year bonds in 2002.

Transactions in five-year bonds of the central government dominate total turnover on the

Table I

Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	At the Riga Stock Exchange, buyers' and sellers' orders are matched directly without mediation by the Riga Stock Exchange ¹ .	

¹ In the trading system, the Riga Stock Exchange is not treated as a counterparty to trades, meaning that trading on the Riga Stock Exchange is not managed in the same way as in many other exchanges where the seller sells securities to the stock exchange and the stock exchange subsequently sells these securities to the buyer. The software of the Latvian Central Depository (where the OTC market is located) is integrated in the Riga Stock Exchange's trading system. Therefore, OTC market transactions are counted in the same manner as transactions conducted on the Riga Stock Exchange, i.e. the Latvian Central Depository is not treated as the counterparty to a transaction in the trading system, and both parties to a transaction are matched automatically without the interposition of the Latvian Central Depository.

secondary market (Chart 4). Five-year government bonds are the most liquid fixed income securities in the Latvian market, in spite of Latvian banks' preference for the buy-and-hold strategy. In 2002, five-year government bonds accounted for 68.1% of fixed income securities trading on the Riga Stock Exchange (compared to 61.0% in 2000).

The most appropriate indicators for measuring the liquidity of bonds are the liquidity ratio and the bid-offer spread (market efficiency) (see Table 2).

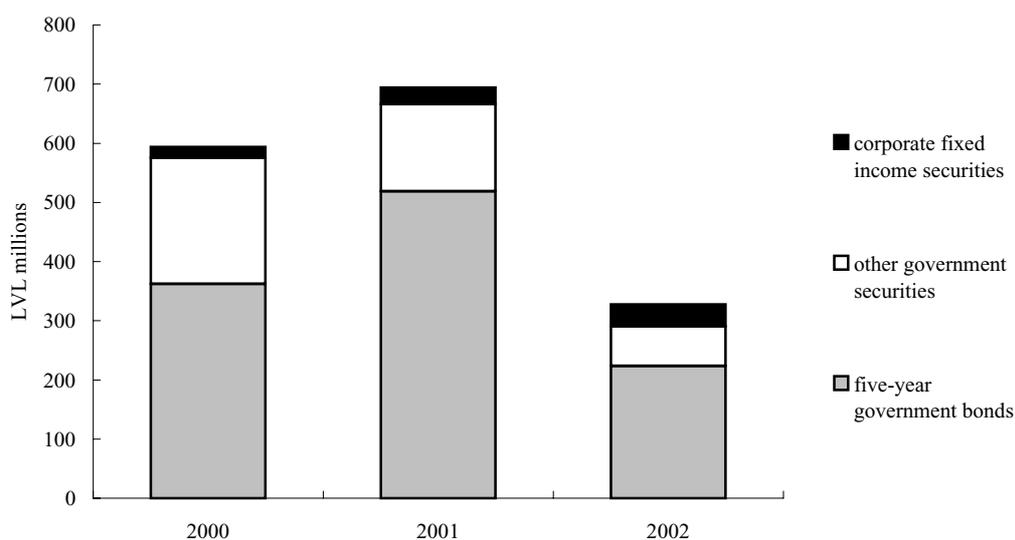
Table 2 proves that longer maturity government bonds generally have higher liquidity ratios and lower spreads than shorter maturity government bonds.

2.2.4 Benchmark bonds versus sample

The Latvian securities market is small, so that the use of the sample approach is undermined as it would increase maturity drift. All five-year bond issues are approximately equal in size, and liquidity differentials, therefore, depend on the residual maturity (the most liquid are newly issued bonds) and on the structure of investors, which can change. The best solution is to use one security that has the longest redemption maturity, which would result in the smallest maturity drift and higher liquidity.

As the Latvian securities market is at an early stage of development, there are no conventions about the benchmark bonds. The Bank of Latvia uses issues with the smallest maturity drifts as benchmark bonds.

Chart 4
Turnover in fixed income securities on the Riga Stock Exchange's Official List
(in EUR millions)



Source: Riga Stock Exchange.

Table 2
Statistics on the secondary market for five-year bonds of the central government

Year	Issue number	Turnover (in EUR millions)	Listing period (in months)	Amount outstanding (in EUR millions)	Liquidity ratio (on annual basis)	Average bid rate (%)	Average offer rate (%)	Average bid-offer spread (in basis points)
2000	LV0000570018	362.3	9	100.0	4.83	7.96	7.53	43
2001	LV0000570018	143.4	12	100.0	1.43	7.54	7.35	19
2001	LV0000570026	375.4	9	132.8	3.77	7.65	7.49	16
2002	LV0000570018	47.9	12	100.0	0.48	5.51	5.00	51
2002	LV0000570026	139.2	12	132.8	1.05	5.55	5.02	53
2002	LV0000570034*	36.2	8	67.3	0.81	5.32	4.87	45

Source: Riga Stock Exchange data.

* Listed since 13 May 2002.

3 Calculation of the yield

The yields to maturity reported in statistical Table 3 in Part II were calculated in accordance with Formula 6.3 recommended by the International Securities Market Association (ISMA). For example, the yield to maturity is 5.01% per annum for the five-year national currency debt security issued

by the central government with a fixed coupon of 5.625% on 8 May 2002 (ISIN LV0000570034, security number 5 in statistical Table 3 in Part II). The calculation is based on the 2002 average of the close-of-market value (price gross of tax plus accrued interest), which was 102.49.

4 Interest rates

Official rates

The Bank of Latvia sets its refinancing rate as the reference rate for the banking system; however, the reference rate serves rather as a general guide for the money market, and is not used in monetary operations. The repo rate set by the Bank of Latvia is the minimum bid rate for the repurchase agreement between banks and the Bank of Latvia. The repo rate is set in between the Lombard rate and the deposit rate. The marginal lending facility (lombard loans) and the deposit facility are the standing facilities the Bank of Latvia offers its counterparties.

In September 2002, the Bank of Latvia lowered the refinancing rate from 3.5% to 3.0%, recognising positive developments in the real sector and the low inflation rate. The central bank's deposit and lombard rates

were cut accordingly. The maturity of lombard loans varies from overnight to 30 days. The interest rate depends on the length of use of the facility over the past 30 days. Currently, it is 5.0% for the first ten days, 6.0% from the 11th to the 20th day and 7.0% as from the 21st day. The lombard rates normally provide a ceiling for the money market rates. Under its deposit facility, the Bank of Latvia accepts seven and 14-day deposits. The current interest rates are 2.00% and 2.25% respectively. Interest rates on the deposit facility normally provide a floor for the money market rates.

Money market rates

The money market rate is the average of the weighted interest rates on newly granted loans in the interbank market. The overnight

money market rate is the most representative rate as it accounts for between 70% and 80% of all interbank loans. In 2002, the decrease in short-term money market rates was driven by several factors, namely capital inflows in late 2001, a decrease in the reserve requirements, a very low fiscal deficit nearly throughout the year and a slow growth of currency in circulation in the first half of 2002. The global economic and financial environment facilitated the decline in money market rates.

The generalised indices of the money market rates are the Riga interbank bid rate (RIGIBID) and the Riga interbank offered rate (RIGIBOR). The RIGIBID is the index of Latvian interbank deposit rates and the RIGIBOR is the index of Latvian interbank lending rates.

Bank interest rates

The lending and deposit rates for domestic enterprises and households are weighted

average rates on new loans or deposits. The stock of deposits redeemable at notice has been insignificant since the late 1990s and is included under "Deposits with agreed maturity", depending on the period of notice. For example, deposits with a period of notice of three months are given as time deposits with a maturity of up to three months. The Bank of Latvia plans to start the collection of data on deposits redeemable at notice in 2004.

Loans with a maturity of one to five years are the most representative, as such loans accounted for 81% of total long-term loans to enterprises and for 62% of total long-term loans to households in 2002. Interest rates on long-term loans granted by monetary financial institutions have been following a downward trend (in particular, those on loans to households). Interest rates on long-term deposits held with monetary financial institutions have been rather stable, showing a slight downward trend.

5 Authorities involved in bond issuance, bond management and securities market supervision

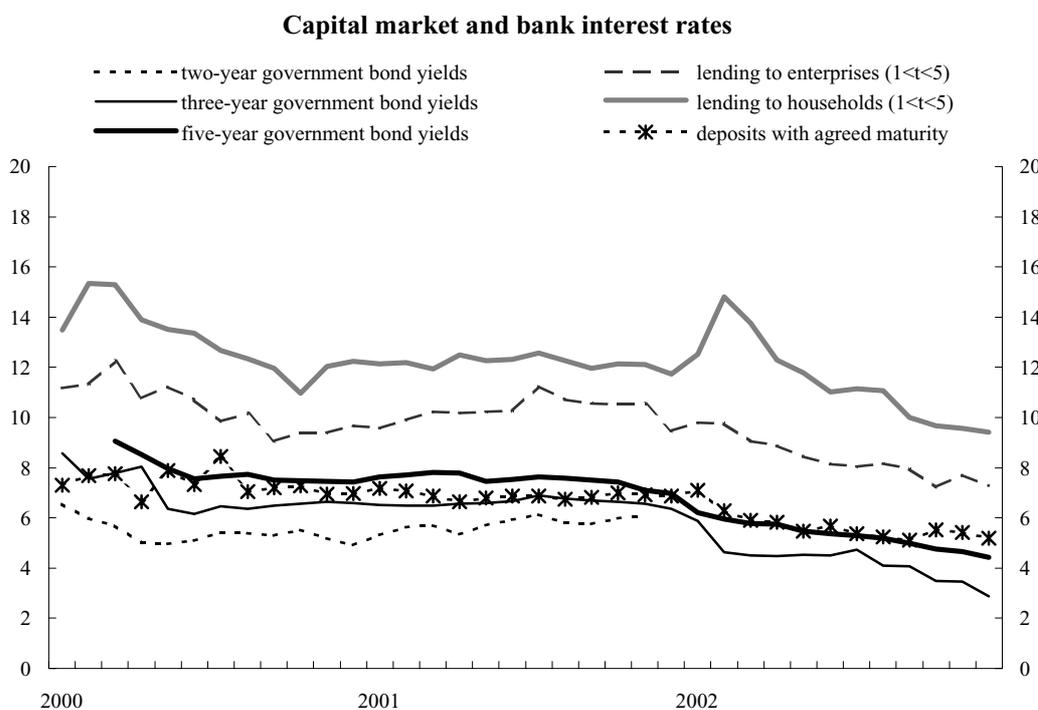
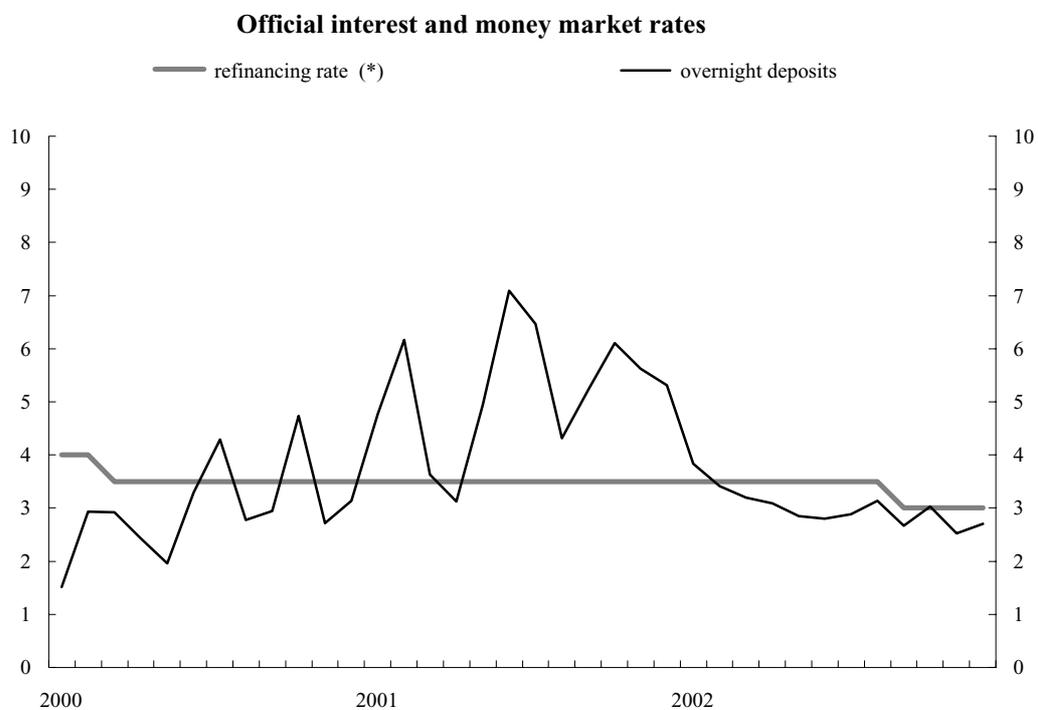
The main authorities involved are:

- the Financial and Capital Market Commission, which grants institutions permission to issue public bonds and which also registers all public bond issues and supervises the securities market;
- the Latvian Central Depository, which maintains the register of all public bonds and all transactions in bonds and which organises fixed rate auctions of government securities denominated in the national currency;
- the Riga Stock Exchange, on which publicly issued government bonds, corporate bonds and mortgage bonds are listed and traded subject to its disclosure and trading regulations; and
- the Bank of Latvia, which - as the government's fiscal agent - holds multiple-rate auctions of government securities denominated in the national currency.

Chart 5

Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)



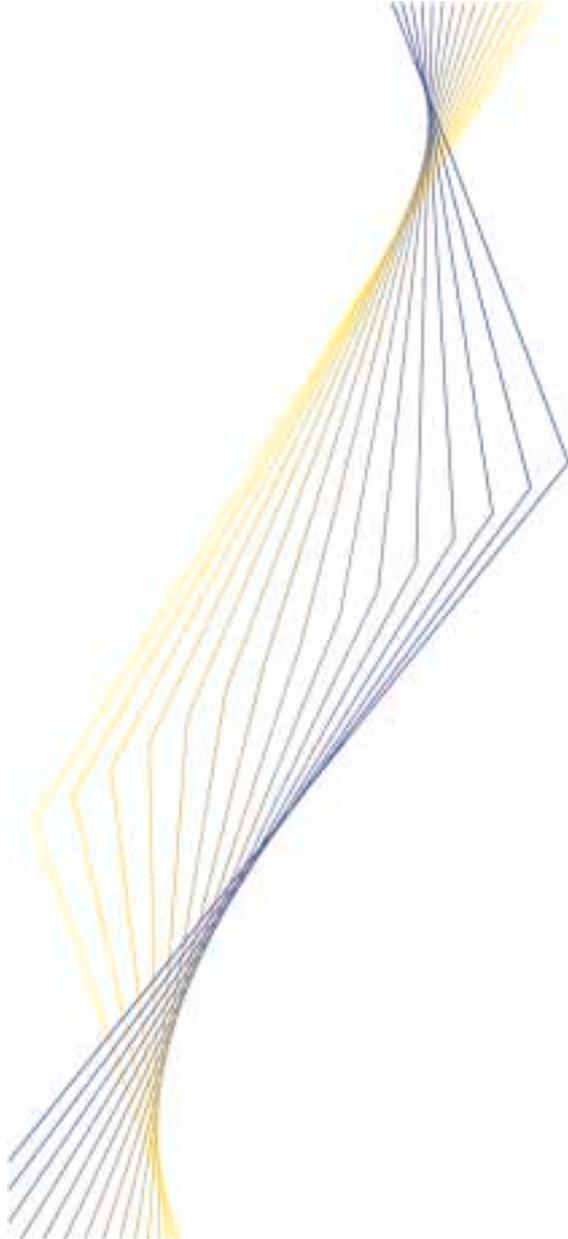
Source: ECB long-term interest rate convergence statistics for EU accession countries.

(*) End of month.

Latvia



EUROPEAN CENTRAL BANK



Lithuania

I Market size

I.1 The size of the national debt securities market

The total amount outstanding of debt securities was EUR 2,344 million at the end of 2002, representing 16% of GDP. At the end of 2002, debt securities issued by the general government accounted for the largest share of the debt securities, i.e. EUR 2,241 million. The majority of them were issued in foreign markets. There were no monetary financial institutions' debt securities outstanding at that time. Debt securities issued by the non-financial and non-monetary financial corporations were insignificant, accounting for just 4% of total debt securities outstanding at the end of 2002.

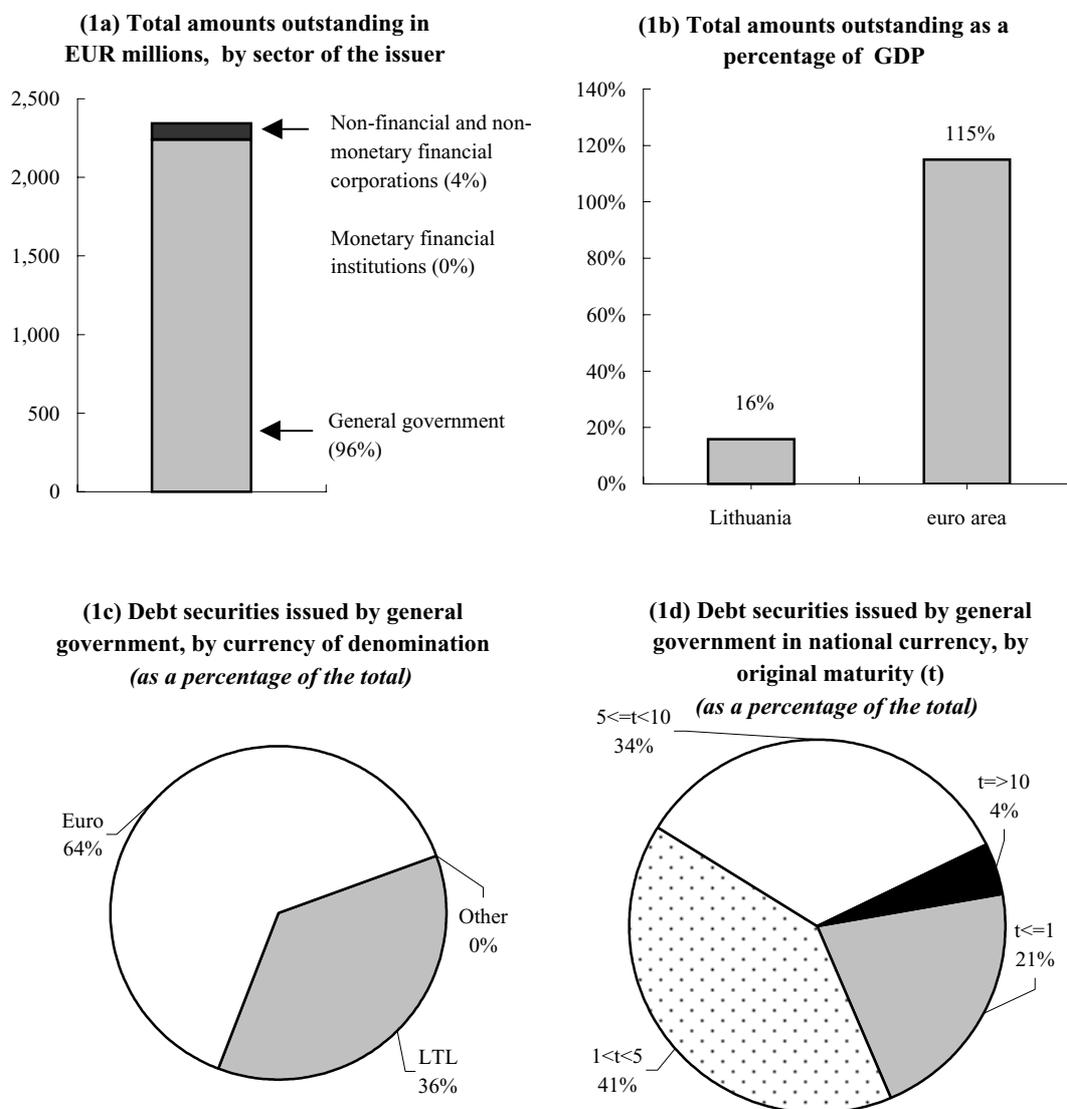
Almost two-thirds of the total general government debt securities were denominated in euro, and about one-third in national currency. All short-term general government debt securities were denominated in national currency. Long-term general government debt securities denominated in national currency accounted for 29% of the total amount outstanding of general government securities at the end of 2002. Debt securities with an original maturity of one to five years made up 41% of total general government securities denominated in national currency.

Debt securities with an original maturity of ten years issued by the general government and denominated in national currency accounted for 4% of all general government securities denominated in national currency at the end of 2002.

I.2 Expected issue volume and maturity distribution for government bonds

The issue of government securities is directly dependent on a few related indicators, i.e. the total borrowing limit and debt refinancing (redemption of government securities), as well as on strategic aspects, i.e. the restructuring of the currency composition of the debt (adjusting the amounts of foreign and domestic currency-denominated debt).

The Government currently issues securities with maturities of six months and one, three, five, seven and ten years in the domestic market. No securities are issued with maturities of one month or three months, and nor are there any two-year bonds. The plans are to continuously increase the average maturity of government securities. Bonds with a ten-year maturity were issued for the first time in the domestic market in 2002; there are also plans to issue 15-year maturity bonds in the future.

Chart I**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets**2.1 The primary market****2.1.1 Activity in the primary market**

Because of the relatively small size of tradable debt issued by other sectors, the evolution of primary market activity in 2002 was determined mainly by the borrowing needs

of general government. The growth of primary market issues in 2002 resulted from increased general government borrowing in the domestic market through the issuance of government securities at auctions, and in foreign markets by the issuance of euro bonds. The decrease in the yields of government securities denominated in

national currency and sold in the primary market in 2002 combined with improving borrowing conditions in the domestic primary market prompted the general government to issue more debt securities with longer maturities. This will reduce debt securities' refinancing needs in the future. The share of long-term government debt securities issued in the domestic market increased from 47% in 2001 to 58% in 2002.

All general government debt securities denominated in national currency were issued by way of auctions in 2002.

Debt securities issued by non-financial and non-monetary financial sectors accounted for 1.4% of the total primary market. All of them were private issues.

2.1.2 Auctions: regularity, frequency and pre-announcement

Auctions of government securities are held weekly (usually on Mondays) according to a quarterly schedule of government securities

issue, with the pre-announcements at least one week before the auction.

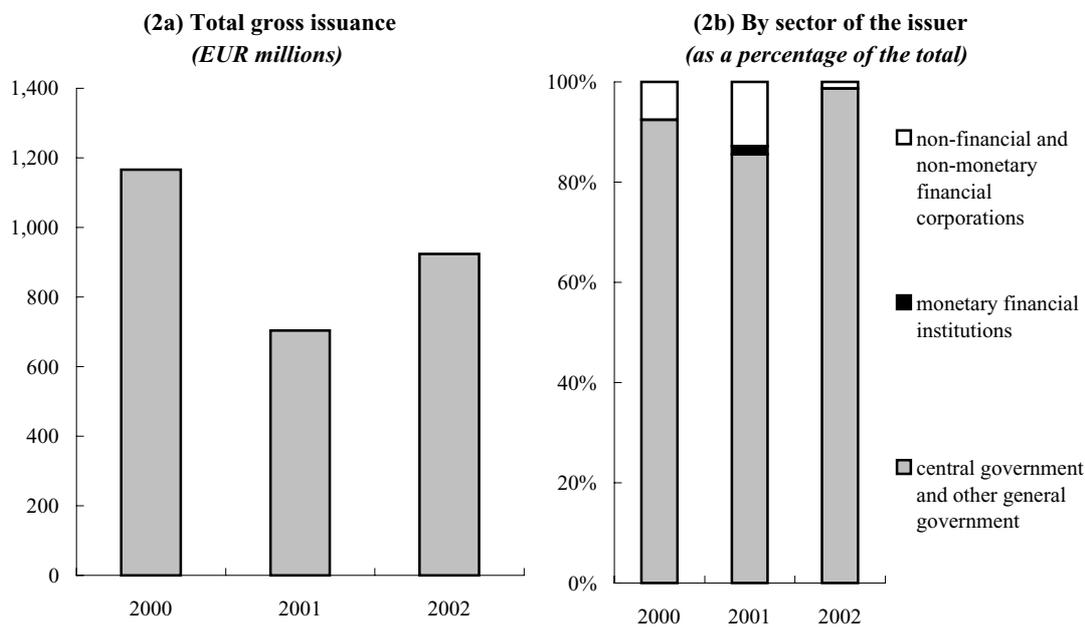
2.1.3 Measures (either public or private) to promote the functioning of the primary market

On 1 October 1999 the primary dealers' system was introduced in the government securities market of Lithuania. Auctions are open only to those Lithuanian and foreign commercial banks and brokerage companies that have entered into an Auction Participant's Agreement with the Bank of Lithuania and which meet the requirements imposed by the Bank of Lithuania on auction participants. Namely, auction participants must bid at each auction, acquire at least 1% of the total government securities sold at auction during a quarter and quote two-way prices (on the yield basis) of "on-the-run"¹ benchmark issues of government securities.

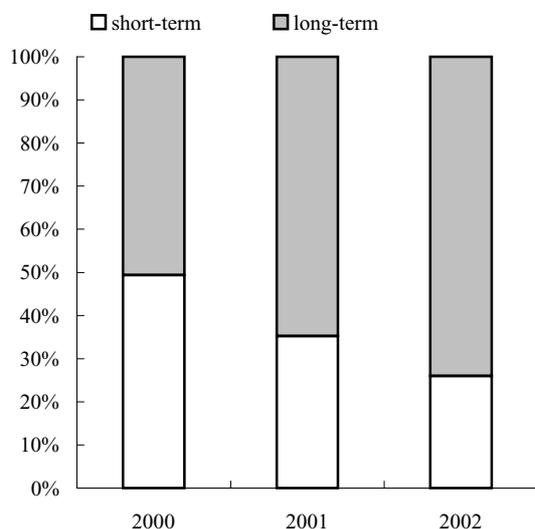
¹ "On-the-run" issues are the last government securities issues of "typical" maturities with significant amounts outstanding. All currently issued government securities typically have maturities of six months (about 182 days), one year (about 364 days), and three, five, seven and ten years from the first issue date.

Chart 2

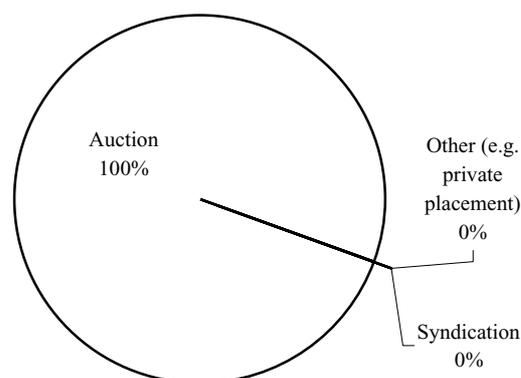
Primary market activity for debt securities
(gross issuance during the period; nominal amounts)



(2c) By original maturity for the general government sector
(as a percentage of the total)



(2d) Issuance methods for long-term debt securities in national currency by general government in 2002
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.2 The secondary market

2.2.1 Activity in the secondary market

The secondary market for debt securities was not very active in 2002. Secondary market turnover consisted mainly of debt securities issued by the general government. No issues of other sectors' debt securities were traded on the stock exchange in 2002.

Secondary market trading of long-term general government debt securities denominated in national currency increased in 2002, accounting for about 69% of total secondary market turnover. Most of the general government debt securities transactions (94%) were registered as block trades, and only 6% were traded on the central market of the stock exchange.

Off-exchange trading in debt securities accounted for about 8% of the total secondary market turnover.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

Primary dealers are obliged to quote two-way yields for "on-the-run" issues. Another measure used to promote liquidity in the secondary market is to reduce the number of different issues of outstanding government bonds and instead increase the amount of single issues by reopening previously issued government securities.

2.2.3 Liquidity of the secondary market

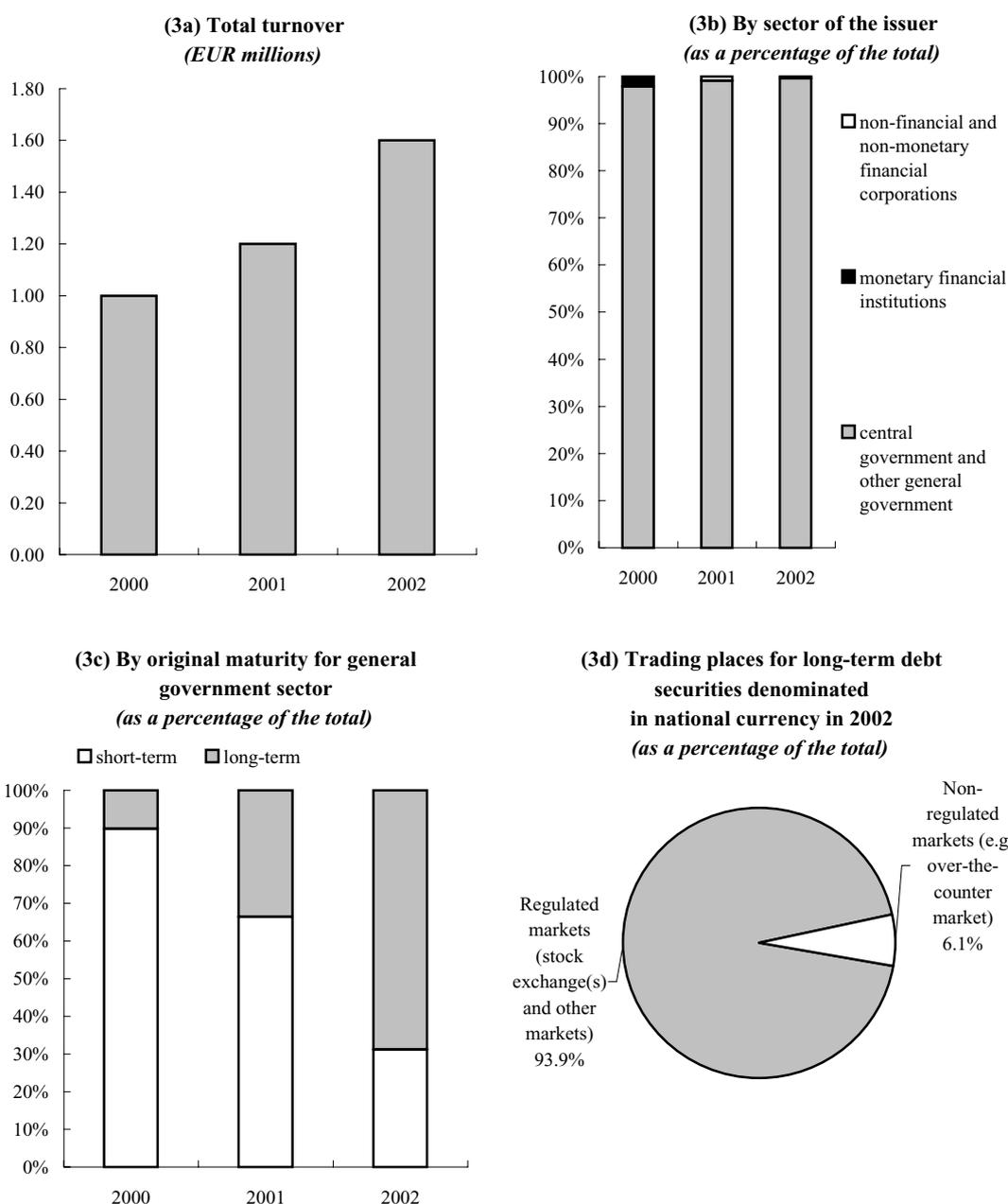
The liquidity of the secondary market for general government debt securities denominated in national currency and issued in the domestic market is reflected by the overall secondary market liquidity ratio (the total turnover divided by the total amount outstanding), which was about 58% in 2002, and by the spreads between bid and ask prices, which are usually around 50 basis points.

The bulk of trades in 2002, or about 38% of total turnover, was conducted in long-term government securities with an original maturity of one to five years. The turnover of long-term government securities with an original maturity of five to ten years

accounted for 27% of the total, while the turnover of long-term securities with a maturity of ten years or more amounted to 4% of the total turnover of government debt securities in the secondary market.

Chart 3
Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

Table I**Methodological notes on the statistical treatment of secondary market statistics***(cf. Table 2B in the statistical tables in Part II)*

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Included	Included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	In order to ensure single counting of transactions in the secondary market, only the actual turnover (i.e. one side of the agreement) of shares and debt securities turnover is counted in the NSEL.	

3 Calculation of the yield

The yield-to maturity for all domestic long-term government securities issued at auctions and denominated in national currency is calculated using the ISMA formula 6.3, the

only difference being that every coupon payment is rounded to two decimal places for each individual security.

4 Interest rates

Official rates

The Bank of Lithuania calculates interest rates for overnight and liquidity loans every business day. The interest rate for overnight loans equals the maximum value of the overnight VILIBOR during the last 15 calendar days, increased by 2 percentage points. The interest rate for liquidity loans equals the average value of the overnight VILIBOR over the last 30 calendar days, increased by 4 percentage points. In 2002, the commercial banks did not have any liquidity problems that they could not resolve in the market. Therefore, the Bank of Lithuania did not grant overnight or liquidity loans.

Money market rates

Short-term transactions prevailed in the Lithuanian money market. One-day transactions accounted for 76.3% of the interbank deposits market in 2002, while one-month

or longer-term transactions made up only 1.4%. The overnight VILIBOR fluctuated between 0.9% and 3.8% throughout the reference period, depending on the liquidity situation and in compliance with reserve requirements.

Bank interest rates

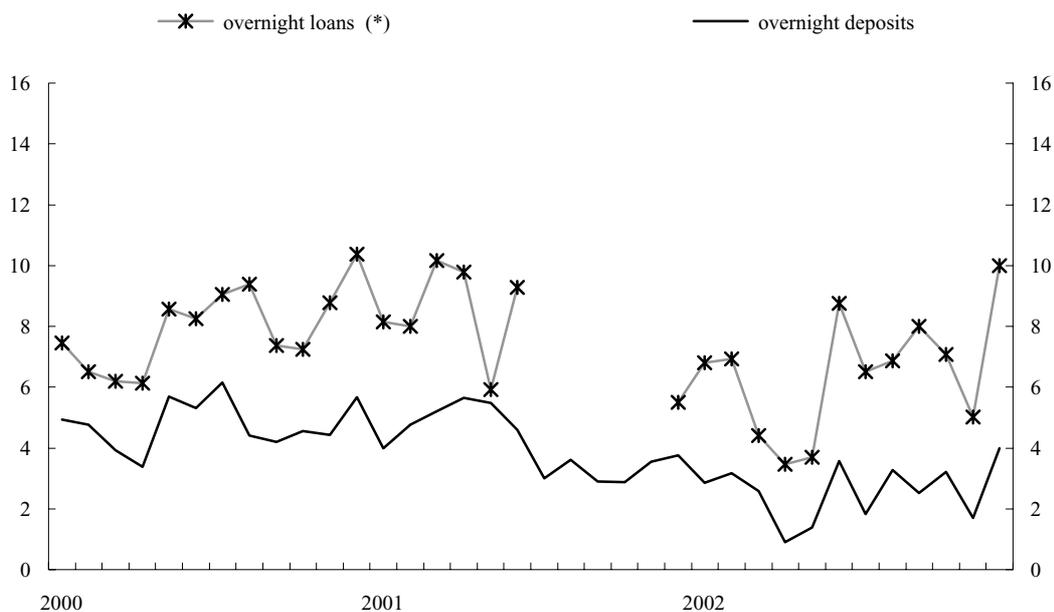
The lending and deposit rates for enterprises and households are weighted average rates on new loans or deposits. The largest share (approximately 53%) of new loans to enterprises consisted of short-term loans. The average annual interest rate on the said loans declined from 7.6% (in January 2002) to 6.1% (in December 2002). Long-term loans are the most representative for households given that they accounted for 84% of total loans to this sector. The interest rate on long-term loans to households declined from 8.1% (in January 2002) to 6.3% (in December 2002).

The largest share of new deposits consisted of short-term deposits for which the average annual interest rate declined from 4.0% (in January 2002) to 2.6% (in December 2002).

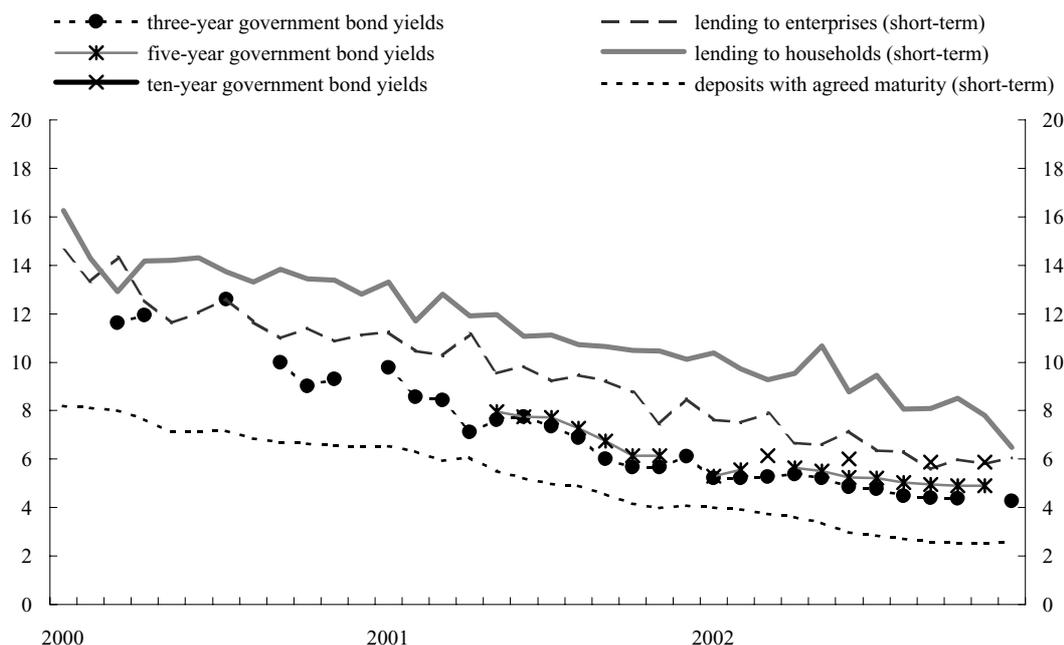
Chart 4
Interest rates statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.
 (*) end of month

5 Authorities involved in bond issuance, bond management and securities market supervision

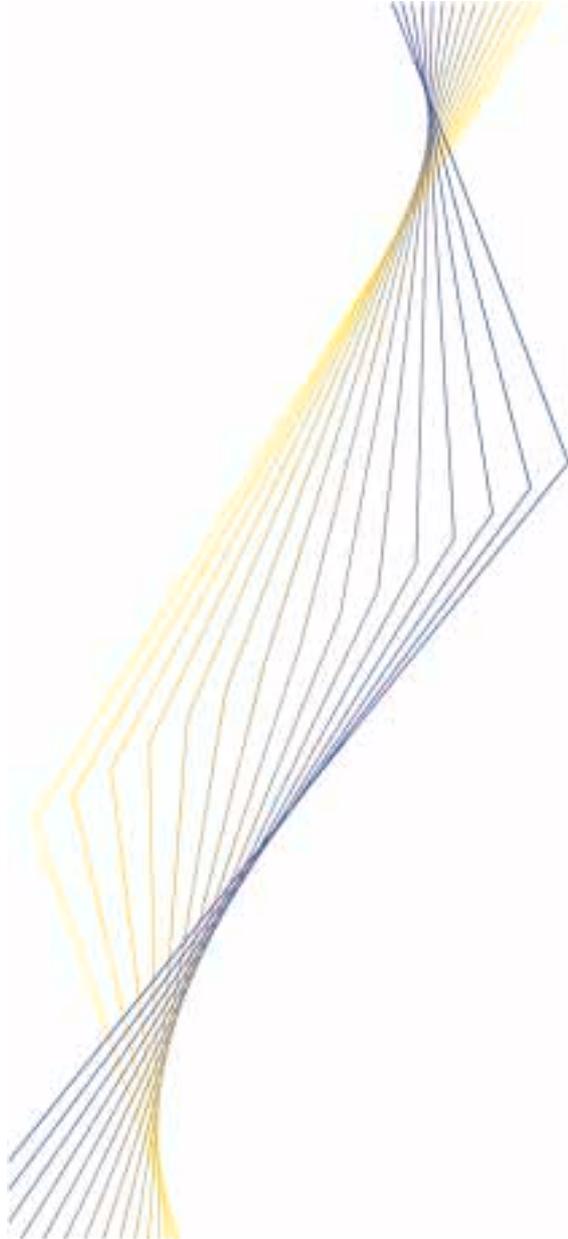
The Seimas (Parliament) confirms the total borrowing limit for the Government. The Ministry of Finance plans and announces the domestic issuance of government securities and the Bank of Lithuania arranges and carries out the auctions. The Central Securities Depository of Lithuania conducts the general accounting of securities. The secondary market can be arranged either by the National Stock Exchange of Lithuania (NSEL) or over the counter (OTC). The

Bank of Lithuania organises the issue and redemption of government securities and the associated interest payments. The Bank of Lithuania also monitors auction participants in terms of adequacy and makes sure that all obligations have been fulfilled. Public trading in securities is regulated and supervised by the Securities Commission of the Republic of Lithuania. Government debt security issues in foreign markets are organised and carried out by the Ministry of Finance.

Lithuania



EUROPEAN CENTRAL BANK



Malta

I Market size

I.1 The size of the national debt securities market

The total amount of debt securities outstanding in December 2002 was EUR 2,836 million (see Chart 1a). This amounts to 68% of Malta's GDP (see Chart 1b). Three main sectors contributed to the issuance of these securities. Securities issued by the central government amounted to 87% of the market. The remaining bonds were issued by non-financial and non-monetary financial corporations (8%) and by monetary financial institutions (5%). As highlighted in Chart 1c below, all central government securities issued were denominated in Maltese lira (MTL). On the primary market, more than half of all government securities (62%) were issued with a maturity equal to or higher than ten years, while 17% had an original maturity ranging from five years to (but not including) ten years. A significant proportion, 21% of the total, was accounted for by issues of Treasury bills with various maturities of up to and including one year.

I.2 Expected issue volume and maturity distribution for government bonds

The Government intends to issue more bonds with different maturities. The indications are that all securities issued by the central government next year will be denominated in Maltese lira. As was the practice in 2001, at the beginning of 2002, the Treasury released a calendar of issues for the year. It is expected that this approach will also be adopted in future years, with issue terms probably in the medium and long-term range. It is currently projected that Malta government securities issues will amount to almost MTL 149 million in 2003. Of this total, just under MTL 49 million represent conversion issues to refinance the two issues that will mature during the year. As regards Treasury Bills, the maximum ceiling for Treasury Bill issuance was raised from MTL 200 million to MTL 300 million.

2 Activity in the primary and secondary market

2.1 The primary market

2.1.1 Activity in the primary market

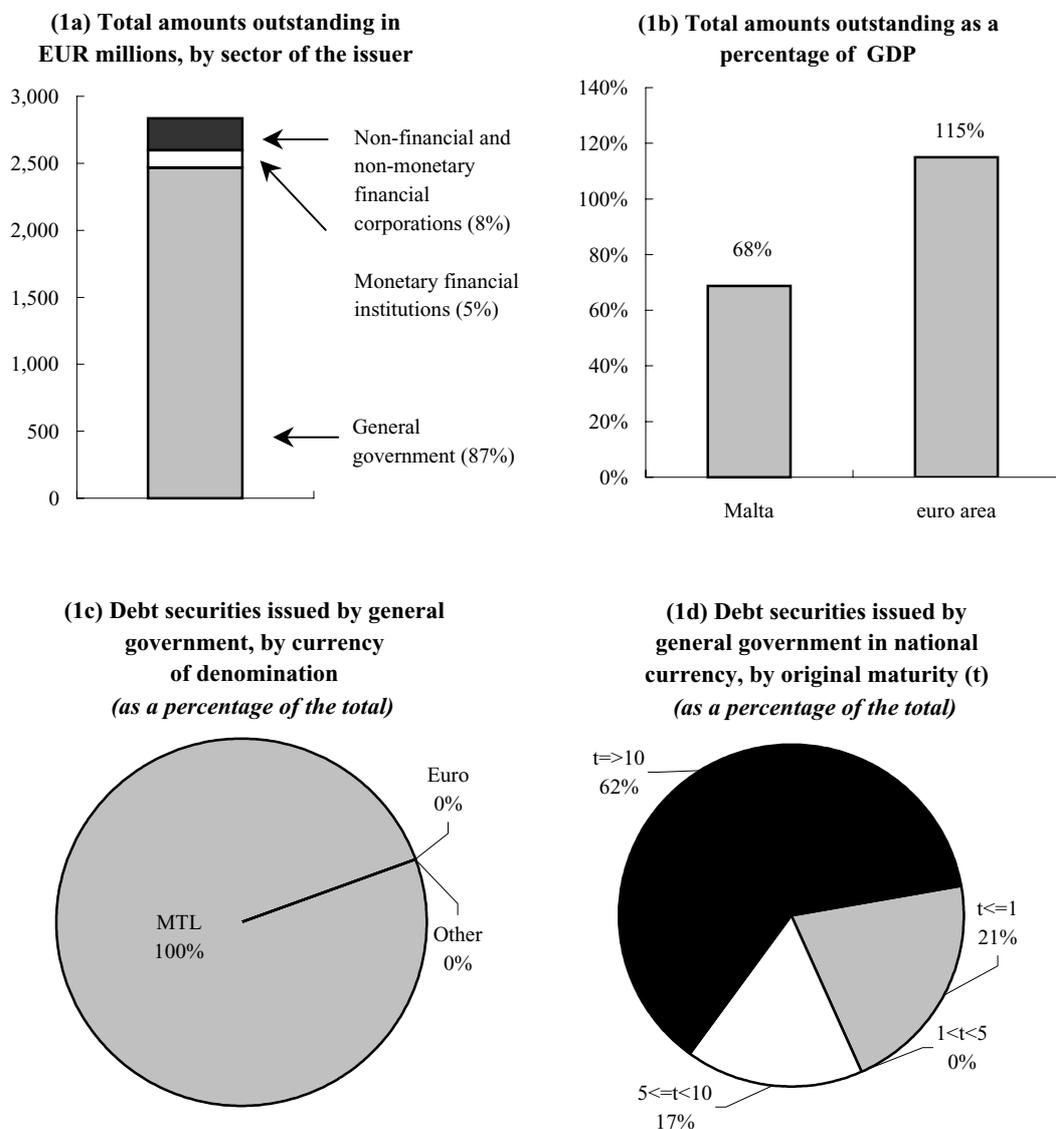
Primary market activity in debt securities during the period, as referred to in Chart 2a, has experienced a consistent increase. In fact, the amounts outstanding in 2000, 2001 and 2002 were EUR 1,420 million, EUR 1,582 million and EUR 2,008 million respectively. The boost was attributable to two factors. The first factor was a sharp rise in the issue of Treasury bills on the primary market as the central government continued to resort to the primary Treasury bill market to raise short-term funds, even though this was partially dampened by a substantial drop in the issuance of longer-term securities. The second element determining the growth in the overall market size was the participation

of other players in the market as issuers of securities. In 2000, both the non-financial and non-monetary financial corporations sector and the monetary financial institutions sector each issued slightly more than 5% of total securities, with the remainder being issued by the central government. In 2001, however, almost all securities were issued by the central government, as illustrated in Chart 2b. Moreover, in the following year, the non-financial and non-monetary financial corporations sector issued 6% of the total, with the central government participating heavily in the primary market for Treasury bills. There was no borrowing by the monetary financial institutions sector on the primary market in 2001 and 2002.

Chart 1

Debt securities by original maturity, sector of the issuer and currency of denomination

(amounts outstanding at the end of December 2002; nominal amounts)



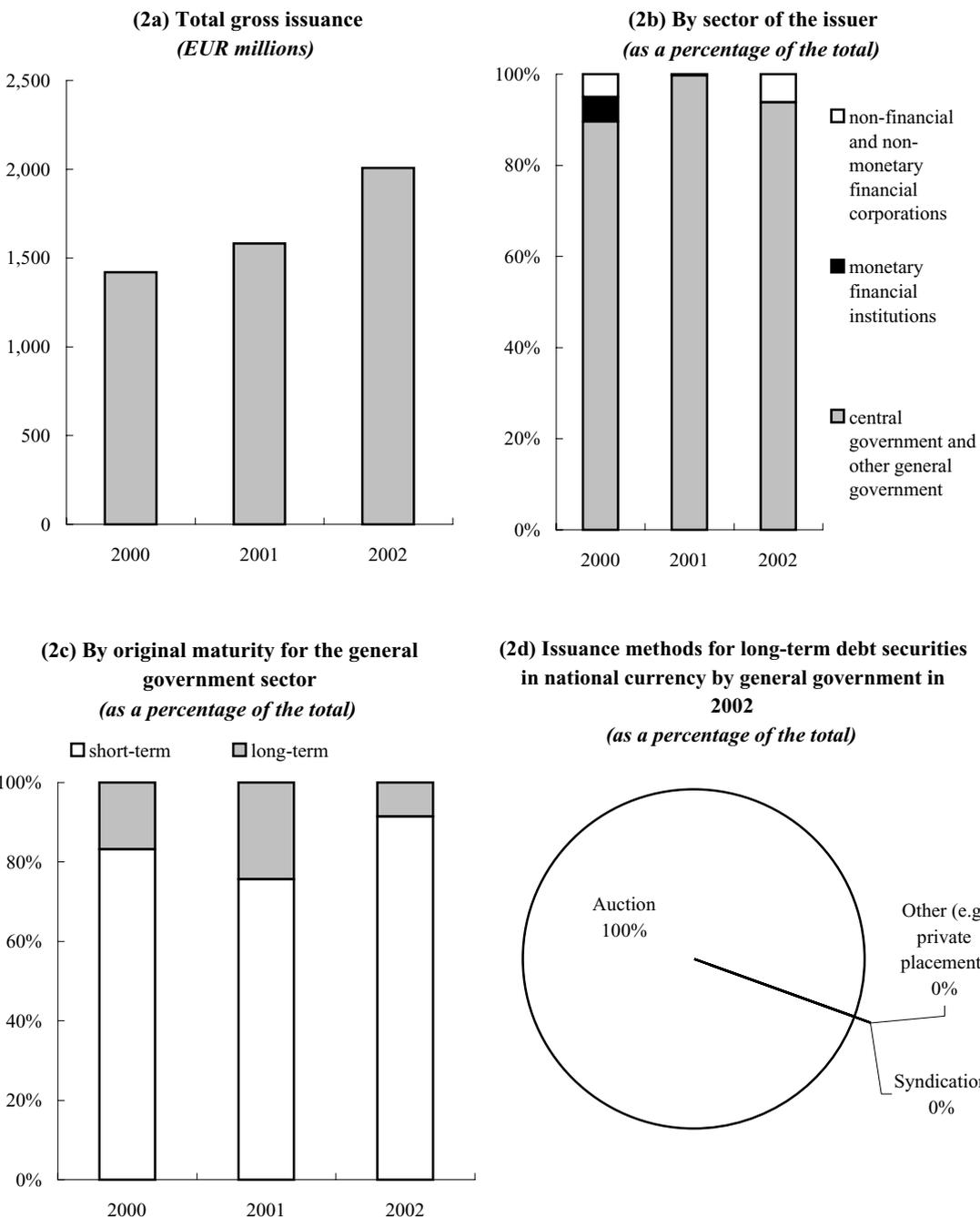
Source: ECB long-term interest rate convergence statistics for EU accession countries.

Chart 2c highlights the fact that there was a continued shift in securities issuance from long-term to short-term securities between 2000 and 2002. In fact, while short-term securities issued made up slightly more than 83% of total in 2000, this percentage went up to slightly more than 90% in 2002. This reflects the marked increase, as already mentioned above, in the issuance of Treasury

bills and the simultaneous decrease in the issuance of bonds with longer maturities. Long-term national currency debt securities of the central government are issued by auction (see Chart 2d).

Chart 2
Primary market activity for debt securities

(gross issuance during the period; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.1.2 Auctions: regularity, frequency and pre-announcement

Long-term debt securities in national currency are issued by the central government at auctions, normally three times a year on pre-

announced dates. In these auctions, sales are made to the highest bidders. Treasury bills in national currency are issued on a regular weekly basis through auctions held on Tuesdays, for settlement on Fridays.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

In order to promote the functioning of the primary market, the Government is planning to dematerialise the Treasury bill in the near future. Consultations in this regard between the Treasury and the Malta Stock Exchange have reached an advanced stage. Moreover, in October 2002, a Primary Dealer System Working Group was set up with a view to presenting recommendations for the introduction of a primary dealer system for Malta government securities. The Working Group is composed of representatives of the Central Bank of Malta, the Malta Stock Exchange, the Malta Financial Services Authority, the Treasury and local credit institutions. Consultations are underway with the other major market players in this respect. Promotion of the primary market takes place mainly through issuers advertising in the media.

2.2 The secondary market

2.2.1 Activity in the secondary market

In Malta, there is only one regulated market for debt securities. In 2002, legislation was passed whereby the regulatory responsibility for listed securities was transferred from the Malta Stock Exchange to the Malta Financial Services Authority. On the other hand, the market for Treasury bills is non-regulated as such securities are still traded on an over-the-counter basis. It is expected that this matter will be addressed once the Treasury bill market has been dematerialised. It is important to highlight the fact that the Treasury bill issuance is governed by the Treasury Bills Act of 1952, while government stock issues are governed by the Local Loans (Registered Stocks and Securities) Ordinance of 1959. The Central Bank of Malta quotes two-way prices of Treasury bills and government stocks for all investors. In terms of deals, there were more transactions in government stocks than in Treasury Bills. In

terms of volume, the secondary market trading in Treasury bills amounted to MTL 123.7 million in 2002, compared with MTL 40.9 million in government stocks.

In contrast to the strong performance of the secondary market for debt securities in 2001, activity declined steadily in 2002. Chart 3a, which shows the daily average of the value of transactions in nominal amounts, clearly indicates the downturn in activity in 2002 when activity related to debt securities was almost half that of the previous year, at EUR 1.7 million. With regard to the sector breakdown of the secondary market for debt securities, the market consisted almost entirely of transactions in securities issued by the central government in all three years.

All government securities with the exception of Treasury bills are traded on the Malta Stock Exchange in accordance with the Malta Stock Exchange Act. In 2002, legislation was passed whereby the exclusivity role of the Malta Stock Exchange was repealed and trading may be conducted on any recognised investment exchange approved by the Malta Financial Services Authority.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

The Central Bank of Malta provides market-making facilities, including two-way prices on a daily basis, and is ready to buy any amount on the market.

2.2.3 Liquidity in the secondary market (liquidity of Malta Government Stock)

In terms of the extent to which holders of Malta Government Stock (MGS) can readily sell MGS in the secondary market on demand, the MGS market in Malta is quite liquid. This is due to the fact that, since its inception in 1968, the Central Bank of Malta has published prices at which it was prepared to buy Malta government securities in order to guarantee

Malta

the liquidity of such instruments, thereby fostering the development of the local secondary market for MGS. However, given that the Central Bank of Malta is precluded under its statutes from replenishing its trading balances on the primary market, its market-making role has effectively become very constrained because it has no stock available for sale. Accordingly, the Central Bank of Malta has constantly been encouraging local banks to participate in the market, with a view to ensuring that, once other market makers - mainly the private sector - take over the market-making role, the availability of ready sellers and buyers would enhance the liquidity of the MGS market.

The spreads quoted daily by the Central Bank of Malta for secondary market dealing range from 5 basis points for MGS maturing within one year to 50 basis points for bonds with a maturity exceeding ten years (up to sixteen years). These spreads are applicable to reasonable amounts and the Central Bank Broker reserves the right to review his price for amounts considered to be in excess of what can be smoothly accommodated by the market.

In terms of the extent to which the investing

public can readily buy MGS on demand in the secondary market, the market in Malta has tended to be characterised by a very low level of liquidity. This is explained by the fact that the majority of both institutional and personal investors in MGS normally prefer to hold their investments until maturity and are generally unwilling to put them on offer in the secondary market. In recent years, this pattern has been accentuated by the collapse of equity prices, which has led to a market preference for fixed income securities. Moreover, whereas the Central Bank of Malta used to participate in the MGS primary market in order to replenish its trading balances for market-making purposes until the late 1990s, it has refrained from any primary market involvement since late 1999. As a result, while the Central Bank Broker, as already indicated, is readily available to buy MGS in the secondary market, it has virtually no balances to sell.

For the reasons outlined in the paragraph above, the MGS secondary market is highlighted by very thin trading. In fact, the ratio of MGS secondary market turnover to market capitalisation has fluctuated between only 7% and 17% in recent years.

Table I
Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	The Malta Stock Exchange Automated Trading System ensures that there is single-counting of transactions in the secondary market; e.g. a deal between two parties that involves the buying and selling of a particular security is considered as one transaction.	

3 Calculation of the yield

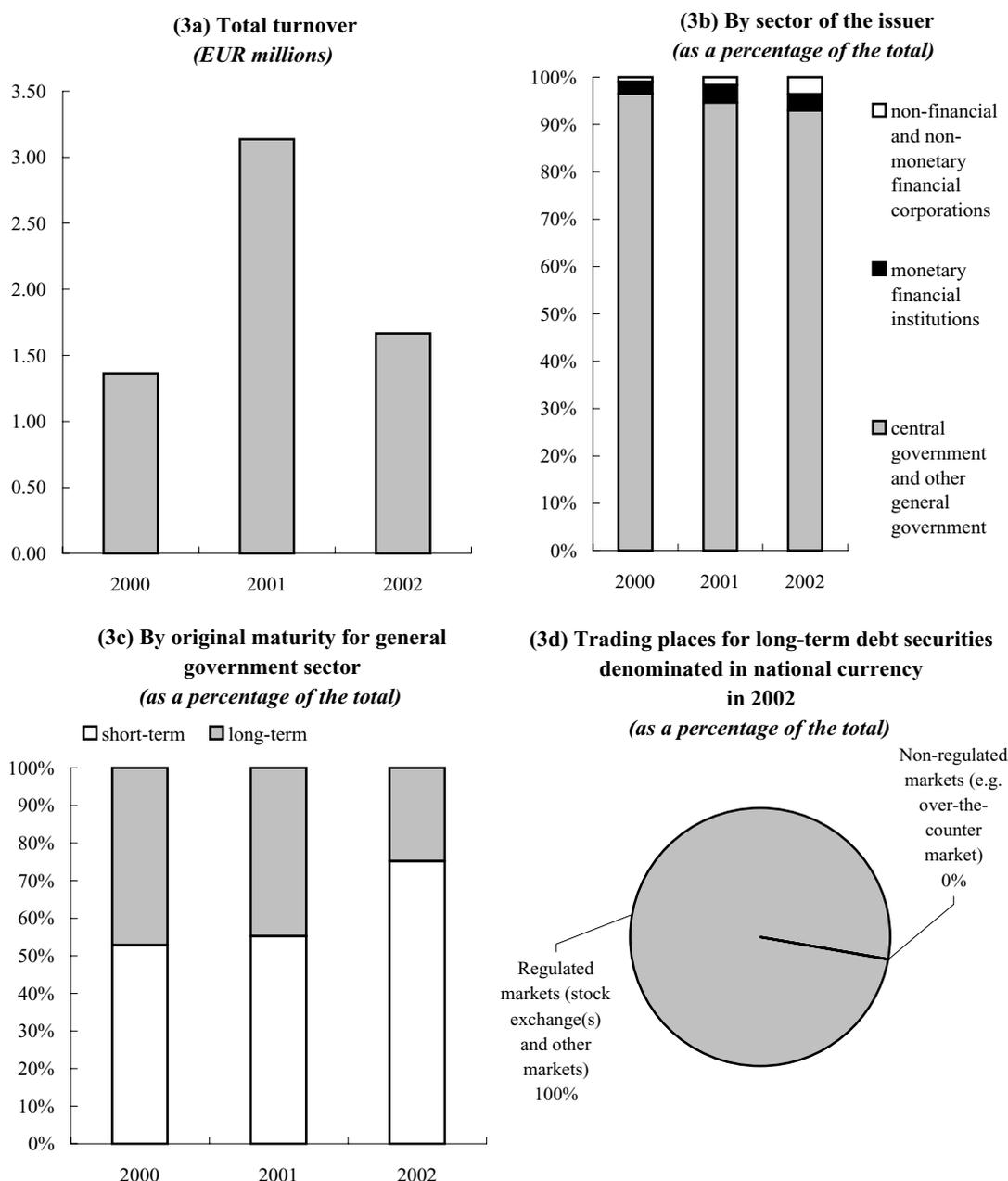
The figures relating to the yield-to-maturity in the statistical Table 3 in Part II are the gross redemption yields of each debt security, as quoted on the Malta Stock Exchange (MSE). To calculate the gross redemption yield for a given bond, the process used is

iteration, using a formula based on ISMA formula 6.3.

For example, the yield to maturity is 5.53% per annum for the ten-year debt security in national currency issued with a fixed coupon of 5.70%

Chart 3
Secondary market activity in debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(ISIN MT0000011081, security number 28 in the statistical Table 3 in Part II) by central government on 30 September 2002. The scheduled maturity date is 30 September

2012. The calculation is based on the offer prices quoted by the Central Bank Broker.

4 Interest rates

Official interest rates

The official rates in the statistical Table 4 in Part II are quoted by the Central Bank of Malta. Following the introduction of the Bank's open market operations in the second half of the 1990's, the most indicative rate became the Central Intervention Rate, which can only be adjusted by the Central Bank Governor after consultation with the Monetary Policy Advisory Council, which meets on a monthly basis. Following the introduction of the Central Intervention Rate, the discount rate retained only symbolic importance and, accordingly, the Central Bank of Malta ceased publishing the discount rate in late 2002. The Central Bank of Malta conducts weekly auctions of 14-day term deposits, absorbing excess funds at up to 5 basis points below the Central Intervention Rate and injecting funds at up to 5 basis points above the rate. Moreover, the Central Bank of Malta provides a standby marginal lending facility (which is very rarely used) and a standby overnight deposit facility (which is normally availed of by banks at the end of the reserve deposit maintenance period in order to adjust their overnight positions in their reserve deposit accounts). The rates on these standby lending and deposit facilities act as the ceiling and floor for the money market rates.

Money market interest rates

The most significant money market rates quoted are Treasury bill rates, which range from one month to one year. The three-month Treasury bill rate is the most representative of all the Treasury bill rates

shown in the table. Moreover, interbank bid and offered rates from overnight to one year are quoted. These rates represent the cost for credit institutions to obtain additional liquid funds. Interbank dealing is conducted almost exclusively in the overnight and seven-day tenors. Turnover is very thin because most banks tend to be on the same side in terms of their liquidity position. In September 2002, the Central Bank of Malta introduced interbank fixing sessions for interbank rates. These rates are used as a basis for the pricing of other money market and foreign exchange products such as swaps.

Bank interest rates

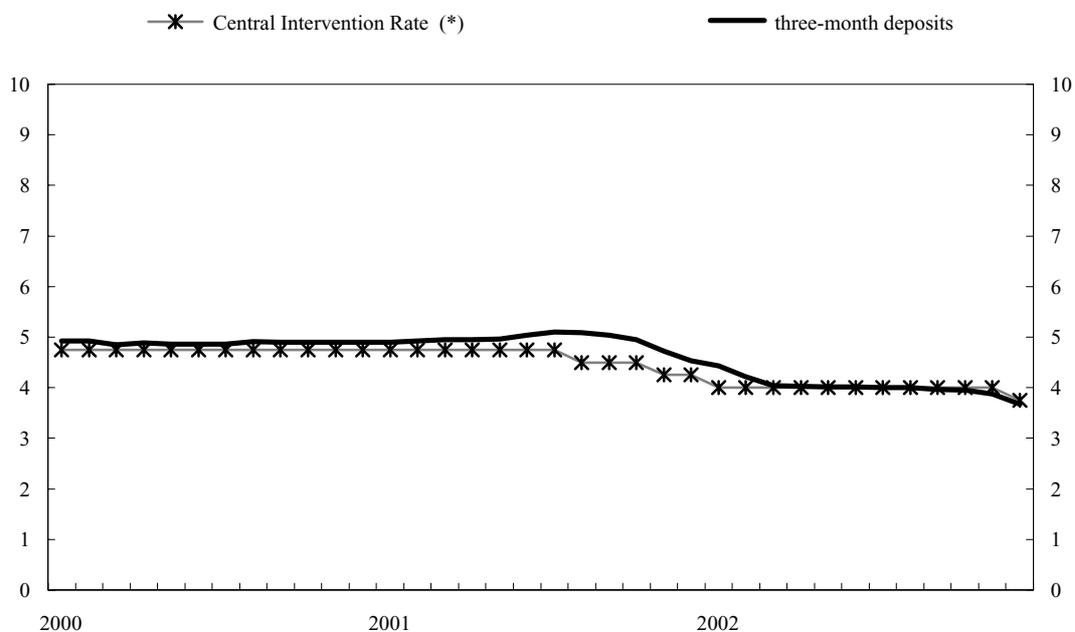
The bank interest rates in Chart 4 represent the average weighted commercial lending and deposit rates offered by banks in Malta. The rate on loans and advances extended to enterprises is the most representative, as the personal sector is much smaller than the rest of the economy. On the other hand, the rate on deposits with agreed maturity is the most representative of all bank deposit rates.

Chart 4

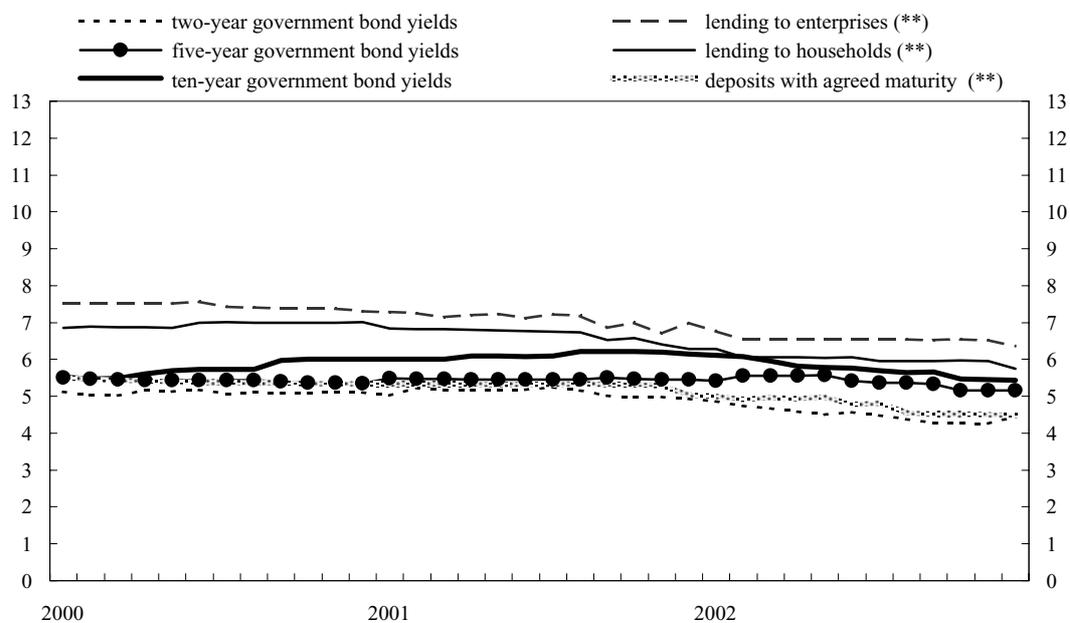
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(*) End of month.

(**) Bank interest rates are based on amounts outstanding.

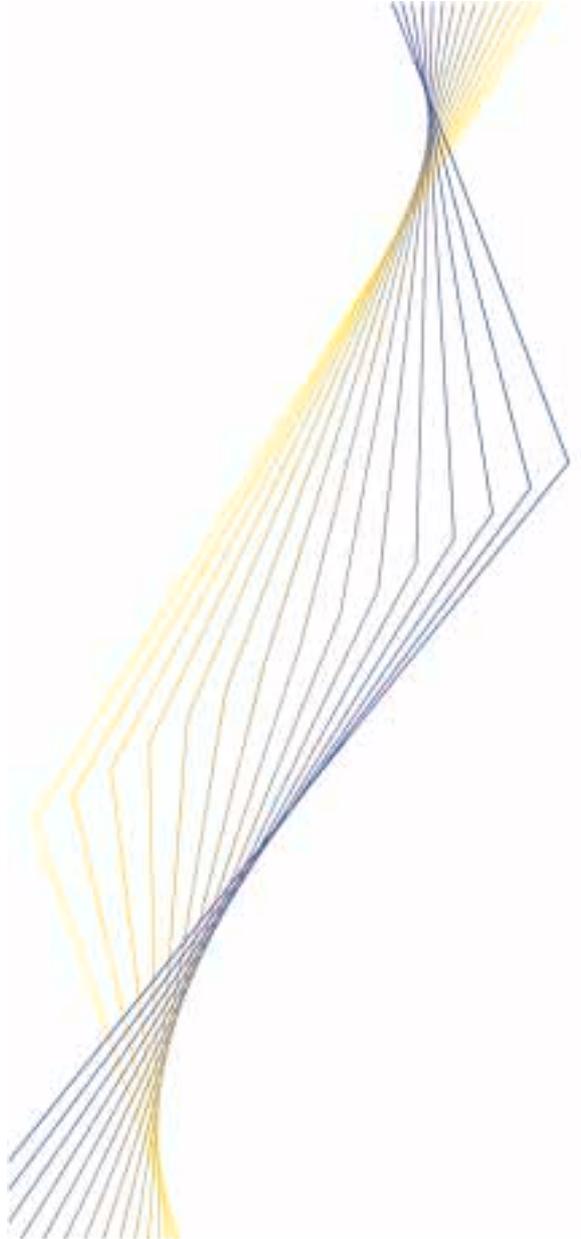
5 Authorities involved in bond issuance, bond management and securities market supervision

Sector of the issuer	Bond issuance	Bond management	Securities market supervision
Central government and other general government	Treasury	Not applicable	Malta Financial Services Authority
Monetary financial institutions ¹⁾	Malta Stock Exchange	Not applicable	Malta Financial Services Authority
Non-financial and non-monetary financial institutions	Malta Stock Exchange	Malta Stock Exchange	Malta Financial Services Authority

1) Currently applies to credit institutions.



EUROPEAN CENTRAL BANK



Poland

I Market size

I.1 The size of the national debt securities market

The total amount outstanding of debt securities issued by residents amounted to EUR 65,899 million at the end of December 2002 and represented 33% of GDP. The general government sector was the dominant issuer with a share of almost 82%. The shares of monetary financial institutions and of non-financial and non-monetary financial corporations amounted to 7% and 11% respectively.

The general government's issues were predominantly (87%) denominated in national currency (Polish zloty - PLN). The shares of issues denominated in euro and other currencies (US dollars and pound sterling) amounted to 4% and 9% respectively.

According to the maturity structure, 38% of outstanding debt securities issued by the general government in national currency had an original maturity of five or more but less than ten years. Debt securities with a maturity of between one and five years constituted 26% of the total. Short-term debt

securities with a maturity of up to and including one year represented 22% of the total. The share of general government debt securities with an original maturity of ten years was the smallest and amounted to 14%.

I.2 Expected issue volume and maturity distribution for government bonds

In April 2002, the Ministry of Finance launched a 20-year fixed rate Treasury bond. This bond is aimed at long-term investors, such as open pension funds.

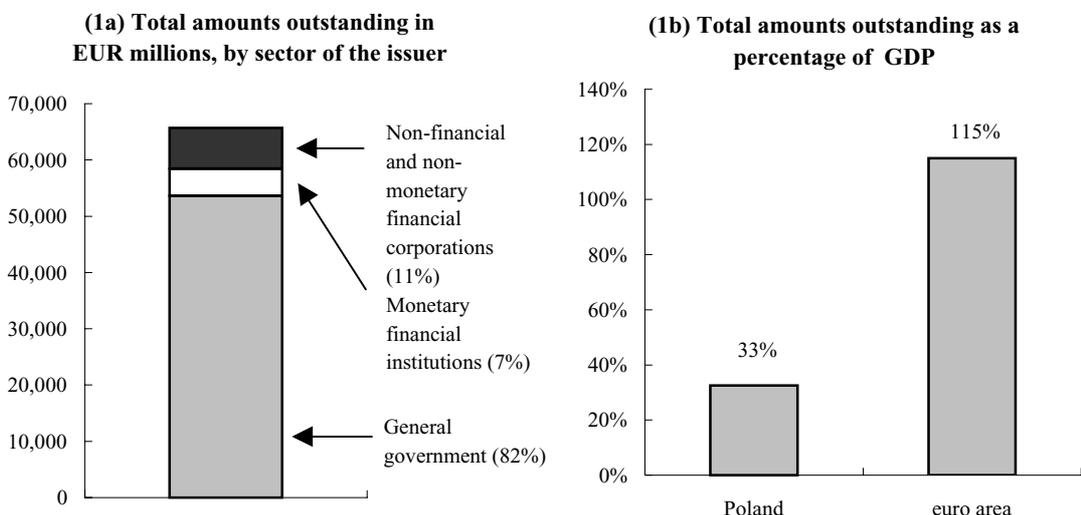
Since December 2001, the Ministry of Finance has issued five-year Treasury bonds, which are offered through the retail network only to individuals on the primary market.

It is planned to create a liquid market for issues of at least EUR 5,000 million each (face value) and simultaneously to reduce the number of redemption dates for each type of bond, i.e. bonds with a particular original maturity.

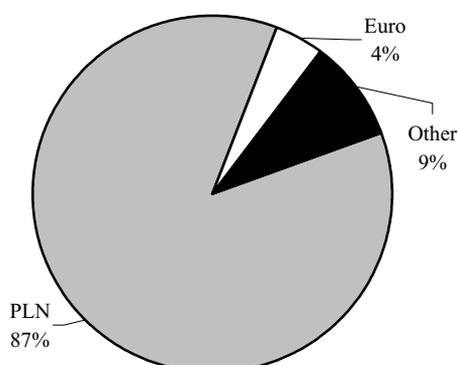
Chart I

Debt securities by original maturity, sector of the issuer and currency of denomination

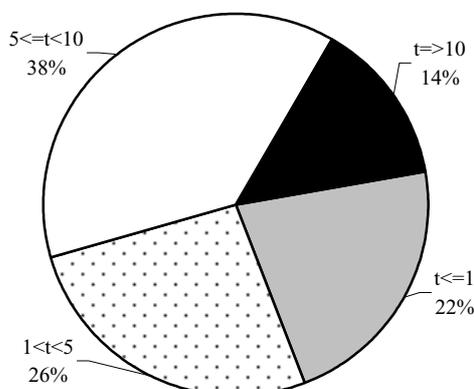
(amounts outstanding at the end of December 2002; nominal amounts)



(1c) Debt securities issued by general government, by currency of denomination
(as a percentage of the total)



(1d) Debt securities issued by general government in national currency, by original maturity (t)
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2 Activity in the primary and secondary markets

2.1 The primary market

2.1.1 Activity in the primary market

In the period from 2000 to 2002,¹ gross issuance of debt securities by residents on the primary market decreased by 23%, to EUR 78,660 million in 2002. According to the sector breakdown, the role of issues of monetary financial institutions on the primary market, predominantly National Bank of Poland (NBP) bills,² decreased significantly from 70% in 2000 to 47% in 2002. This change was compensated for by the increase in the share of central government issues by 22 percentage points to 39% in 2002. The share of non-financial and non-monetary financial corporations amounted to 14%.

The structure of debt securities issued by the central government changed significantly between 2000 and 2002, as the share of short-term securities decreased from 62% in 2000 to 36% in 2002 and, consequently, the share of long-term securities increased to 64% in 2002.

Auctions were the predominant issuance method for long-term debt securities in national currency issued by the central

government; in 2002, they accounted for almost 91% of all issues; the rest (9%) was issued through the retail network.³

2.1.2 Auctions: regularity, frequency and pre-announcement

Auctions for Treasury securities are organised as follows:

- Treasury bills - on a weekly basis (on the first business day, usually Monday);
- zero coupon bonds - on a monthly basis;
- five-year bonds with a fixed coupon rate - in nine months during the year; in 2003: on a monthly basis, except for July, August and December;

¹ Data for non-financial and non-monetary financial corporations in 2001 only cover issuance on foreign markets. For additional notes, see Table 2A in the statistical Part II.

² NBP bills are debt securities with a maturity of less than one year that are issued by the central bank to absorb liquidity in the banking sector. Issuance of 28-day NBP bills was the main type of open market operation conducted by the National Bank of Poland until December 2002; since January 2003 14-day NBP bills are mainly issued.

³ Marketable and savings bonds are offered on the primary market through the Customer Service Outlets of the Issue Agent to individuals only. For savings bonds, there is no secondary market.

Poland

- ten-year bonds with a fixed coupon rate - in four months during the year; in 2003: in January, March, July and October;
- ten-year bonds with a floating coupon rate - the issuance of these bonds has been suspended (the last auction took place in February 2002); and
- 20-year bonds with a fixed coupon rate - twice a year.

The calendar of planned annual issues of Treasury bonds is disseminated to the public at the beginning of the year, or at the end of the preceding year, via the Ministry of Finance's website and in the Reuters information service. The issue plan for Treasury bills and switching auctions is announced on a monthly basis.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

To promote the functioning of the primary market for Treasury securities in Poland, the system of Treasury Securities Dealers was introduced in 2003. This system was created to ensure the safe financing of the State budget's borrowing needs.

Twelve banks were selected on the basis of uniform qualifying criteria. They are granted special rights, namely:

- exclusive access to the primary market;
- the possibility to purchase Treasury securities at non-competitive auctions;
- access to the electronic Treasury securities market; and
- the possibility to carry out individual operations with the Ministry of Finance.

The Treasury Securities Dealers are obliged to purchase at least 2% of Treasury bonds and Treasury bills sold in each quarter.

In 2001, the Ministry of Finance introduced switching auctions as a supplementary issuing instrument. In the switching operation, a bond (source bond) is bought back before maturity and the settlement is made through the issuance of another bond (destination bond) to the holder of the source bond. Thus, the switching operation is a non-cash operation. The bond that has been bought back (source bond) is written off. The destination bond given to investor is a benchmark bond. The frequency of switching auctions depends on the interest expressed by market participants (in 2002, 26 switching auctions were organised).

2.2 The secondary market

2.2.1 Activity in the secondary market

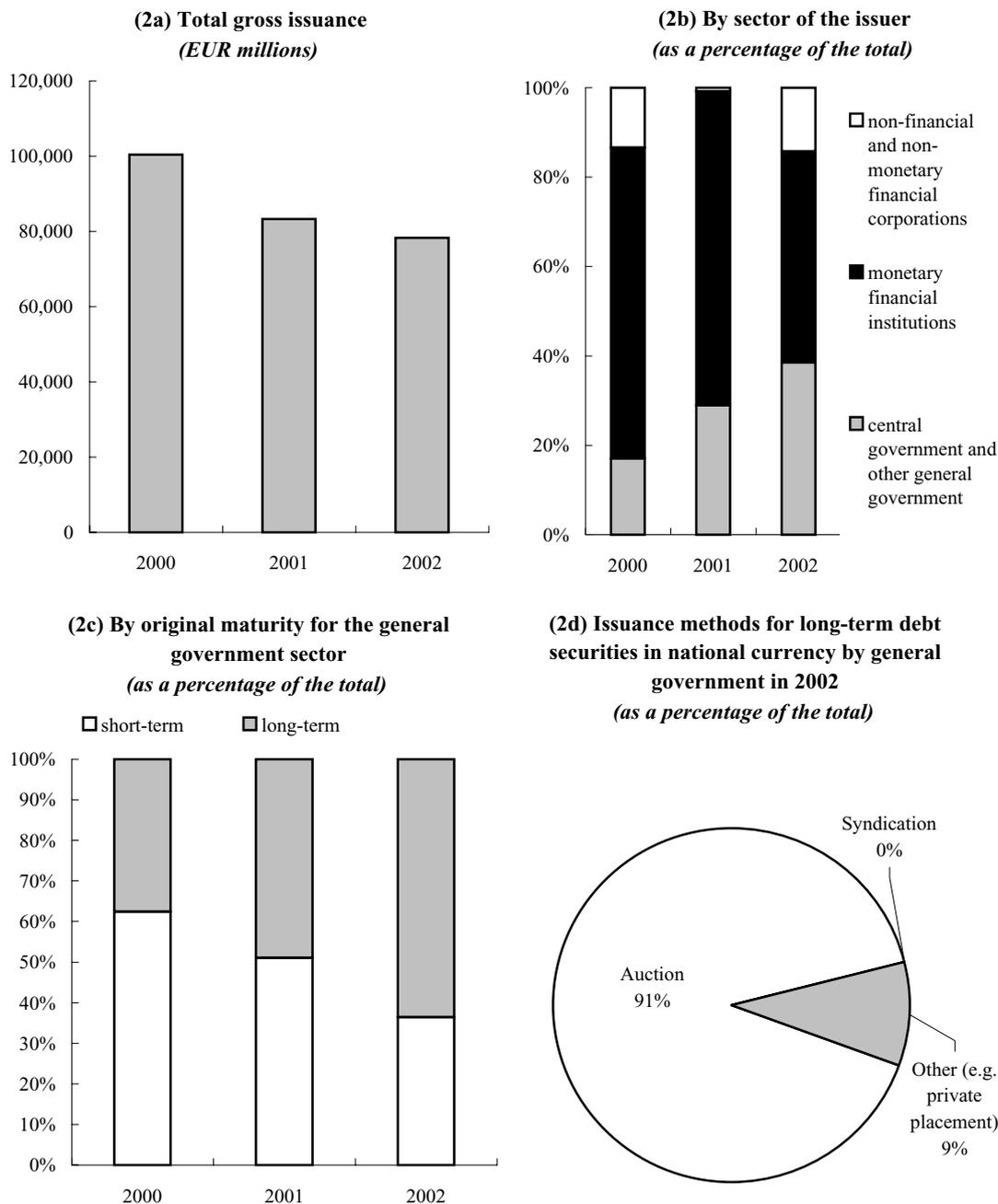
In the period from 2000 to 2002, the total turnover - in terms of the daily average transaction value in nominal amounts - on the secondary domestic market for debt securities issued by the central government and the National Bank of Poland increased significantly, from EUR 983 million to EUR 2,382 million, i.e. by 142%.

In 2002, the long-term Treasury debt securities denominated in the national currency were predominantly traded on non-regulated markets (OTC market). The turnover on regulated markets was marginal; it constituted less than 0,2 % of the total turnover. The share of short-term Treasury securities in total turnover during the period 2000-2002 amounted to 58%, 44% and 49%, respectively.

Chart 2

Primary market activity for debt securities

(gross issuance during the period; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

For purposes of improving the transparency, liquidity and efficiency of the over-the-counter (OTC) market for government securities, the Electronic Treasury Securities

Market (ETSM) was introduced in April 2002. ETSM is an organised off-exchange electronic Treasury securities market supervised by the Ministry of Finance. ETSM is operated by Centralna Tabela Ofert S.A. (CeTO).⁴

⁴ CeTO is the Polish company authorised by the Ministry of Finance to act as administrator of the electronic trading platform.

Liquidity in the Treasury securities market is also promoted by the system of Treasury Securities Dealers as they are obliged to quote prices (bid and ask) for Treasury securities⁵ between 9 a.m. and 4 p.m., participate in everyday fixing sessions of the Treasury securities and submit reports on their activity on the financial markets.

The National Bank of Poland promotes liquidity in the secondary market for Treasury securities and NBP bills through the system of money market dealers (banks with this status have, inter alia, direct access to open market operations). Money market dealers are selected (on a yearly basis) on the basis of uniform qualifying criteria, contained in the Dealer Activity Index. The criteria relate, inter alia, to the level of activity on the non-regulated secondary market for Treasury bills, Treasury bonds and NBP bills.

2.2.3 Liquidity of the secondary market of Treasury securities

Over the past few years, the liquidity of the secondary market for Treasury securities has increased considerably. In December 2002,

the liquidity ratio (defined as total market turnover divided by the amounts outstanding, calculated for fixed-income securities) reached the level of almost 82%. This was mainly due to larger volume of issues, to increasing activity of foreign investors and open pension funds on the market and to the improved settlement and clearing system. The most liquid segment of the market is created by the benchmark five-year (original maturity) bonds with a fixed coupon rate. These securities are frequently bought by foreign investors - at end-December 2002, 26% of all five-year bonds were held by non-residents.

The benchmark issues are characterised by the highest liquidity, which decreases as the redemption day approaches. In most cases, these bonds are securities with a residual maturity of at least one year and they are still offered in the primary market (bonds on the run). The choice of benchmark bond depends on market analysis and market participants' acceptance.⁶

⁵ Especially for all benchmark Treasury bonds.

⁶ In particular, on that of Treasury Securities Dealers.

Table I
Methodological notes on the statistical treatment of secondary market statistics

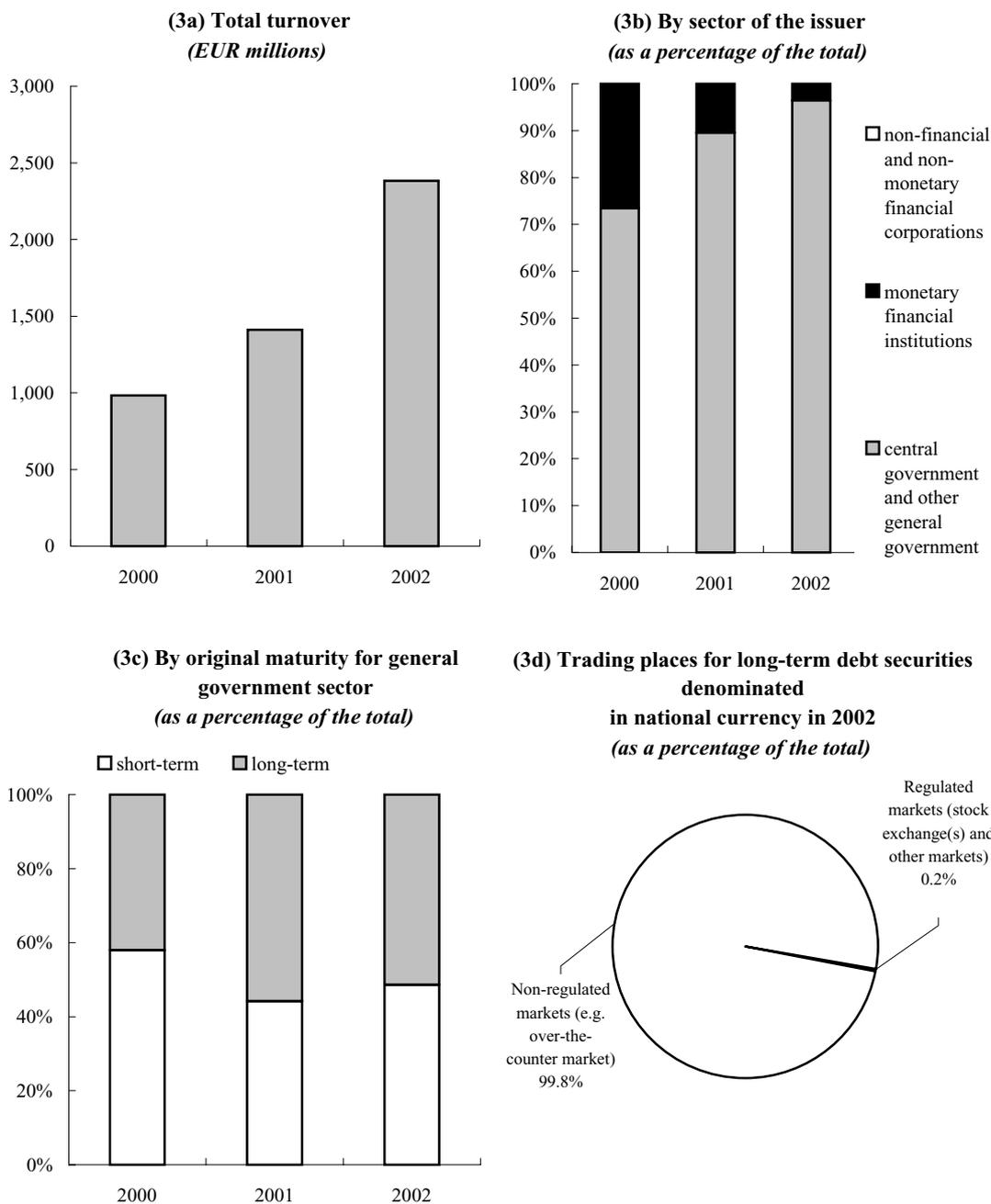
(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of daily average transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	Data on secondary regulated markets are provided by the National Depository for Securities, which acts as a clearing house for tradable Treasury bonds. Data on NBP bills are provided by the National Bank of Poland, where the register of these securities is located. The National Bank of Poland acts as a clearing house for Treasury bills and NBP bills.	

Chart 3

Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

3 Calculation of the yield

The yields-to-maturity reported in the statistical Table 3 in Part II were calculated according to the International Securities Market Association (ISMA) formula 6.3.

For example, the yield-to-maturity is 5.92% per annum for the ten-year debt security in

national currency with a fixed coupon of 5.0% issued by the central government on 24 October 2002 (ISIN PL0000102836, security number 64 in the statistical Table 3 in Part II).⁷ The calculation is based on the average close-of-market value (price gross of tax plus accrued interest) for the reference period July to December 2002.

4 Interest rates

Official interest rates

The discount rate refers to the interest rate offered by the central bank on purchases from commercial banks of bills which the latter have already discounted. The use of discount loans is marginal at present.

The deposit rate refers to the interest rate offered by the central bank on short-term deposits placed by commercial banks.

The repo rate refers to the minimum yield on 28-day⁸ NBP bills, used by the central bank to absorb liquidity in the banking sector through open market operations. It is the official reference rate which signals the current monetary policy direction.

The lombard rate refers to the interest rate offered on loans made by the central bank to commercial banks for very short maturities (several days) against collateral in the form of securities (Treasury bills, Treasury bonds and bills of exchange). The use of Lombard loans by commercial banks is immaterial at present.

Money market interest rates

Money market rates refer to interbank offered rates (WIBOR). Having analysed actually realised deposit transactions on the interbank market (whose maturity bands in collected statistics differ to some extent from those quoted for WIBOR rates), it was noted

that overnight deposits are predominant and can be deemed to be most representative.

Bank interest rates

Bank rates on loans to enterprises refer to the weighted average interest rates on national currency loans offered by major banks, with rates on loans with a maturity of up to one year (approximately 50% of total loans to enterprises) being most representative. Bank rates on loans to households refer to the weighted average interest rates on national currency loans offered by major banks, with rates on loans with a maturity of up to one year (35% of total loans to households) being most representative.

Bank rates on deposits with an agreed maturity refer to the weighted average interest rates offered to households by major banks on national currency deposits with agreed maturity. Deposits with an original maturity of three months are most representative, accounting for about 40% of total deposits of households.

⁷ This is the benchmark bond with a scheduled maturity date of 24 October 2013.

⁸ Since January 2003: minimum yield on 14-day NBP bills.

5 Authorities involved in bond issuance, bond management and securities market supervision

The National Bank of Poland, under an agreement with the Ministry of Finance, acts as the issue agent for Treasury securities sold to institutional investors; it organises sales of these securities at auctions. The Minister of Finance is the issuer of the Treasury securities and is also responsible for the State Treasury debt management.

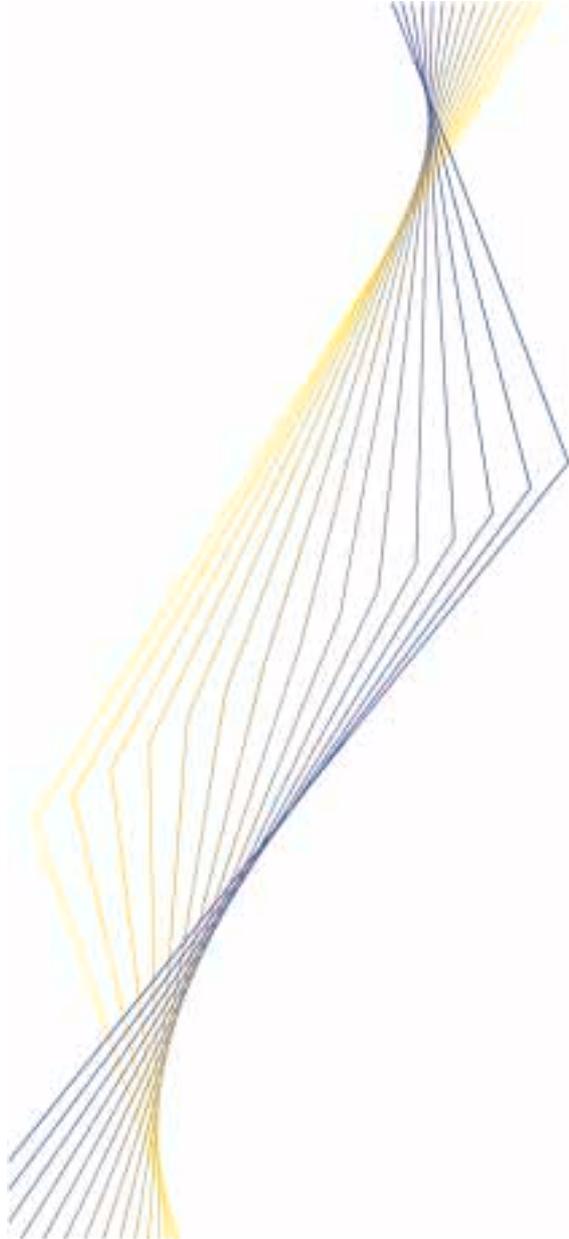
The OTC market is the dominant market for Treasury securities. Since April 2002, part of the OTC market has been shifted to the Electronic Treasury Securities Market which is organised by Centralna Tabela Ofert S.A. (CeTO) and authorised by the Ministry of Finance.

Debt securities can be quoted on the Warsaw Stock Exchange (WSE), with the permission of the Polish Securities and Exchange Commission (at present, debt securities constitute a marginal proportion of quoted securities). No permission is required for Treasury securities to be traded on the WSE.

Non-financial entities issue debt securities predominantly in the form of private placements which are organised by banks; they are not subject to any specialised supervision.



EUROPEAN CENTRAL BANK



Romania

I Market size

I.1 The size of the national debt securities market

The total amount outstanding of debt securities issued by the general government was EUR 4,118.2 million at the end of December 2002, which represented 9% of GDP.¹ Government debt securities issued on the domestic market are classified, according to the purpose of issuance, as marketable or non-marketable state securities.

The general government's issues were predominately (70%) denominated in national currency (Romanian leu - ROL). The share of issues denominated in euro amounted to 17% and that of issues denominated in a foreign currency other than the euro was 13%.

The maturity distribution of general government debt securities in 2002 was characterised by a large share (72%) of short-

term debt securities with a maturity of up to and including one year. The maturity structure of long-term debt securities showed that almost 11% of debt securities issued by the general government had an original maturity of between one and five years. Debt securities with a maturity of ten and more years constituted 17% of the total. The smallest part of the general government's debt securities (0.1%) was made up of debt securities with an original maturity of five or more but less than ten years.

I.2 Expected issue volume and maturity distribution for government bonds

The intention for 2003 is to increase the number and the volume of bond issues. It is also foreseen to have longer maturities than three-year bonds available.

2 Activity in the primary and secondary markets

2.1 The primary market

2.1.1 Activity in the primary market

The period from 2000 to 2002 was characterised by decreasing activity in the primary market. In 2000, issues of debt securities by the central government and other general government sector amounted to EUR 6,185 million. In 2001, the general government issues decreased by 48%, to EUR 3,246 million, and by 23% to EUR 2,511 million in 2002.

Within the central government and other general government sectors, short-term debt securities had the highest primary market activity. In particular, these securities represented about 97% of total gross issues in 2001, while the share decreased to 79% in 2002.

Government securities are issued in accordance with the provisions of the Law No. 81/1991 on public debt and the agreements signed between the Ministry of Public Finance, as issuer, and the assigned agents.

The Ministry of Public Finance issues government securities through:

- its own Treasury - short-term securities denominated in Romanian lei and issued in physical form that are non-tradable, addressed only to residents and sold by public subscription; and
- the National Bank of Romania - short-term and medium-term securities denominated in Romanian lei, US dollars or euro and issued in dematerialised form that are tradable on the secondary

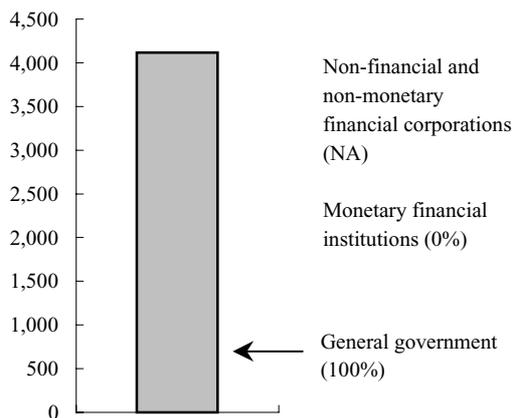
¹ Total amounts outstanding refer only to the general government sector.

Chart I

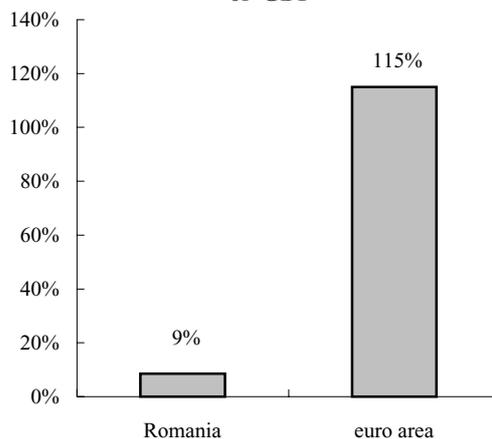
Debt securities by original maturity, sector of the issuer and currency of denomination

(amounts outstanding at the end of December 2002; nominal amounts)

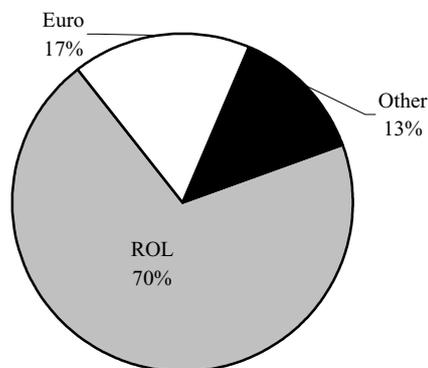
(1a) Total amounts outstanding in EUR millions, by sector of the issuer



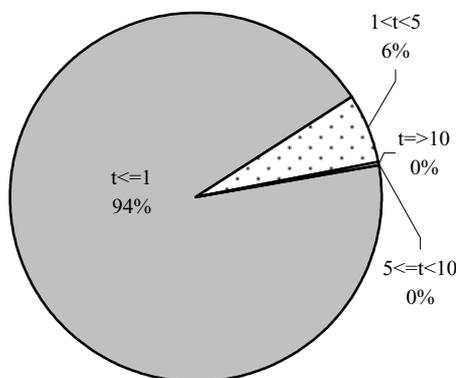
(1b) Amounts outstanding of general government sector as a percentage of GDP



(1c) Debt securities issued by general government, by currency of denomination (as a percentage of the total)



(1d) Debt securities issued by general government in national currency, by original maturity (t) (as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries. Data for non-financial and non-monetary financial corporations are not applicable. Chart (1b) shows the amount outstanding of the general government sector as a percentage of GDP.

market, addressed to residents and non-residents and sold by auction or by public subscription.

The primary and secondary markets for government securities were regulated by the Regulation No. 2/1997 until 1 December

2002. A new Regulation on government securities operations, which regulates both the primary and the secondary market, has been in force since 1 December, 2002.

The regulation is based on the following principles:

Romania

- *Primary dealer system* - banks and securities companies authorised to operate in Romania can be licensed as primary dealers if they fulfil the terms and conditions in force.
- *Secondary market intermediaries authorisation* - banks and securities companies other than primary dealers authorised to operate in Romania can be licensed as intermediaries on the secondary market if they fulfil the terms and conditions in force.
- *Government Securities Register* - the register has two tiers, namely (i) a Primary Register, maintained by the National Bank of Romania, where operations are recorded that were concluded by primary and secondary dealers as well as banks and (ii) Secondary Registers, maintained by primary and secondary dealers, where operations are recorded that were performed by the owners, i.e. primary and secondary dealers' clients.
- *Placement methods* - the sale of government securities is performed under one of, but not restricted to, the following procedures: public subscription and auction. The methods used for auction are the multiple-price method and the uniform-price method. The types of auction bids are competitive bids and non-competitive bids.
- *Penalties* - the regulation provides for penalties for any non-compliance with legal provisions.
- *Professional associations* - authorised participants may set up professional associations aiming to improve professional standards and to enforce a code of conduct for trading in government securities.

It should be noted that, under current legislation, the National Bank of Romania is not entitled to engage in purchasing

operations on the primary market for government securities.

2.1.2 Auctions: regularity, frequency and pre-announcement

At present, the National Bank of Romania is empowered to act as the state agent for the sale, registration, transfer and settlement of government securities.² The Ministry of Public Finance is in charge of issuing³ government securities⁴ in dematerialised form according to a pre-announced yearly, half-yearly, quarterly or monthly schedule.

Government securities may be issued in either Romanian lei or foreign currency, with maturities of 91, 182, 364 days, two years, three years and five years for special issues. Government securities issues are sold by public subscription or by auction.⁵

2.1.3 Measures (either public or private) to promote the functioning of the primary market

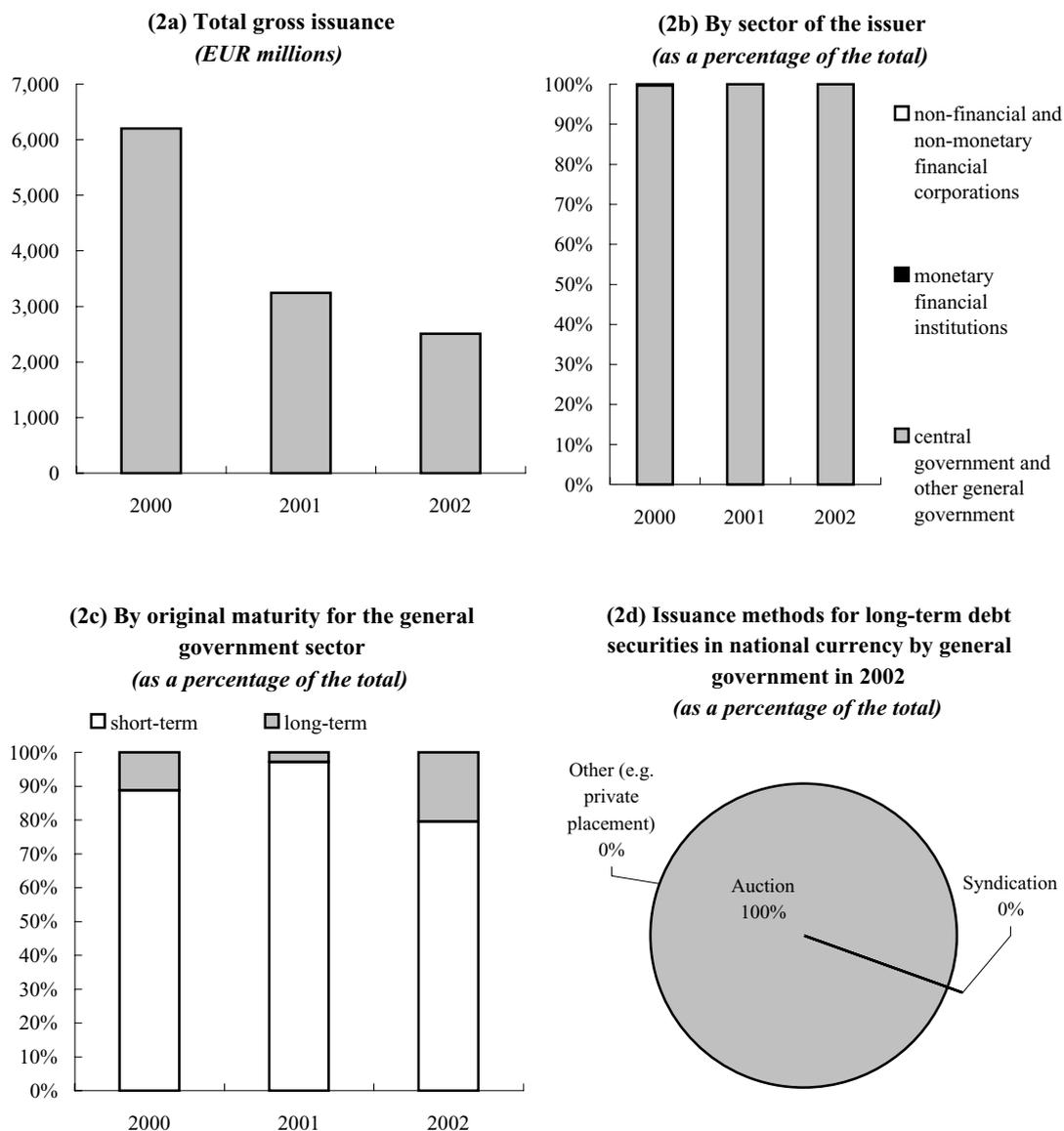
A new Regulation on government securities operations was published in 2001 and has been in force since 1 December 2002. In accordance with the provisions of this regulation, the primary dealer system was introduced. Primary dealers may act in their own name or in the name of their clients and have the obligation to submit bids for a minimum amount established by the Ministry of Public Finance.

² The legal framework is provided by Convention No.16813/1998, concluded between the Ministry of Public Finance and the National Bank of Romania, and Regulation No.875/2001 on government securities issued in dematerialised form.

³ Issues of government securities are encoded at the national level, as Romania does not use the international ISIN coding system.

⁴ Law No.81/1999 on public debt governs the issuance of government securities for budget deficit financing.

⁵ In addition, there are special issues aimed at the taking over into public debt of losses in the economy, known as private placings. Such government securities were issued to take over the losses incurred by Bancorex. Usually, these issues have a maturity of more than 12 months and different interest rate conditions.

Chart 2**Primary market activity for debt securities***(gross issuance during the period; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

Charts (2a) and (2b): Data for non-financial and non-monetary financial corporations are not available for 2001 and 2002.

2.2 The secondary market

2.2.1 Activity in the secondary market

Secondary market operations must be concluded on the basis of (i) direct negotiations between the owners through, but not restricted to, primary and secondary dealers (for all government securities,

irrespective of the maturity) or (ii) through the Bucharest Stock Exchange (for specific issues of government securities with a maturity of more than one year, which have specific approval of the Ministry of Public Finance).

Government securities operations are performed in accordance with the delivery-versus-payment principle.

After confirmation, each transaction must be notified to the Primary or Secondary Register. For transactions between banks, the buyer makes the payment via payment order. The payment system sends the confirmation of payment to the respective register, after which the transfer of the ownership rights takes place.

Banks may also participate in repo/reverse repo auctions involving government securities as collateral, which are organised by the National Bank of Romania for monetary policy purposes. Auction results are automatically recorded in the Primary Register and payment is effected automatically (directly via the bank account - no payment order is required).

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

Under the provisions of the new regulation, primary and secondary dealers are required, inter alia, to organise a secondary register for their clients and to quote a certain number of issues on a daily basis. They must give informative sale-purchase quotations and must, on request of other dealers/clients, offer firm sale-purchase quotations as well as informative quotations for any other outstanding issue of government securities.

2.2.3 Liquidity in the secondary market

The Romanian securities markets are governed by Law No. 52/1994 on securities and the stock exchange (Securities Law). It governs the overall activities of the securities markets and financial institutions dealing with securities. The law focuses on investor protection and defines the statute of the National Securities Commission (CNVM), which is responsible for any regulation and the supervision of the capital markets, including activities of self-regulated licensed entities.

At present, there are two capital markets in Romania, namely that operated by the Bucharest Stock Exchange (BSE) and the over-the-counter (OTC) market (RASDAQ), both of which trade only in equities (shares) issued by private and/or state-owned companies. Those trades that take place on the BSE are settled within this institution. Those trades, which take place on the OTC market, are settled by the National Securities Clearing, Settlement and Depository Company (NSCSDC). The shares of companies listed and traded on the BSE cannot be traded on the RASDAQ market (i.e. the OTC market); the shares of companies listed on the RASDAQ cannot be traded on the BSE. Each of the responsible institutions (BSE and NSCSDC) acts as custodian.

At present, the National Bank of Romania is empowered to act as the state agent for the sale, registration, transfer and settlement of government securities.

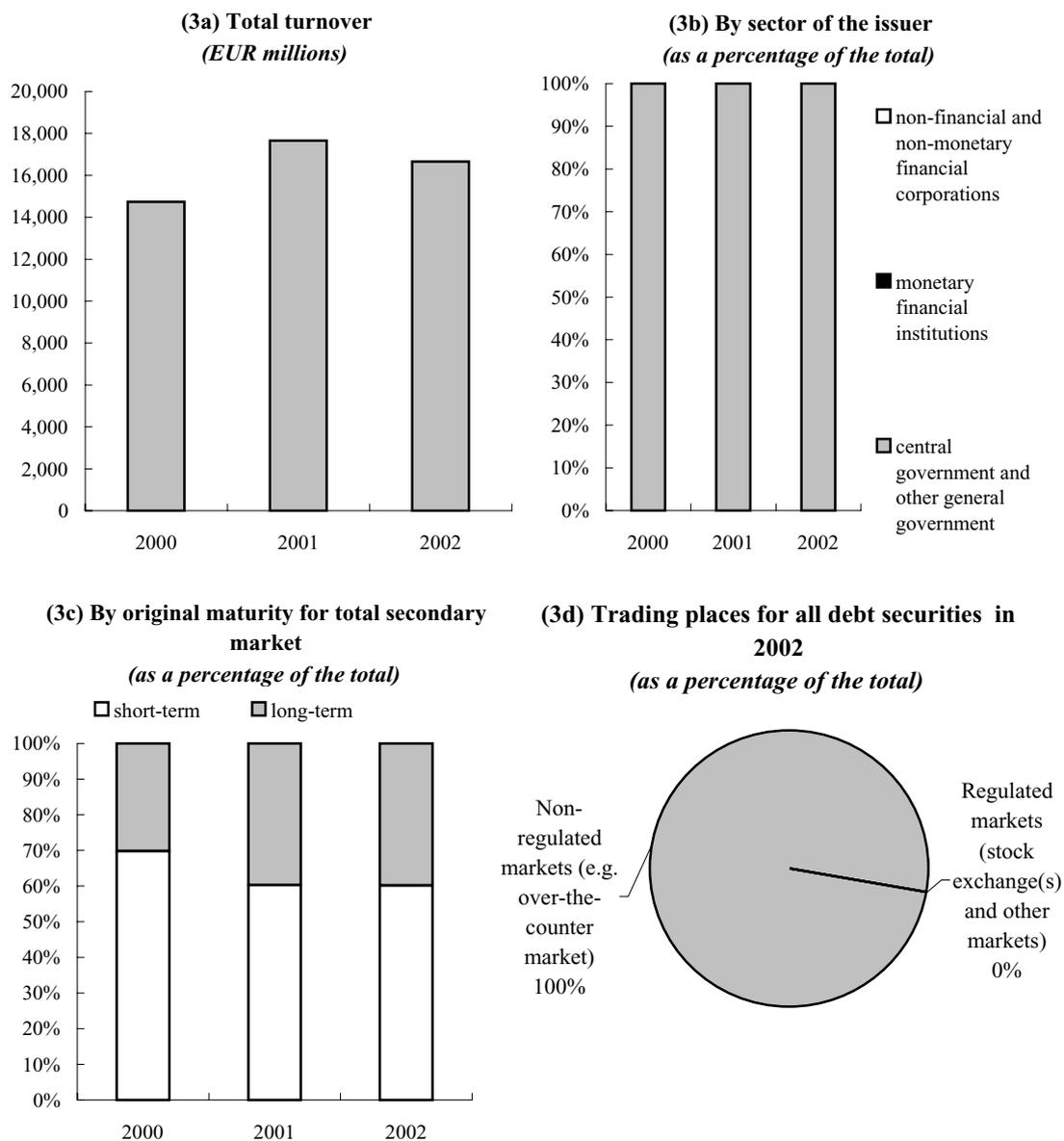
Government securities are issued by the Ministry of Public Finance, according to the provisions of Law No. 81/1991 on public debt, pursuant an annual, semi-annual, quarterly or monthly provisional schedule. The government securities may be issued in national or in foreign currency. The features of issues of government securities announced by an issue prospectus are available both for the operations performed on the primary market and for those performed on the secondary market.

Starting with the new regulations mentioned above, the National Bank of Romania intends to create benchmarks for representative maturities (one, three, six, nine, 12, 18 and 24 months) through the interpolation of daily dealers' quotations on a yield curve.

Chart 3

Secondary market activity for debt securities

(value of transactions; daily averages; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

Chart (3c): Data refer to the total secondary market. A maturity breakdown for the general government sector is not available.

Chart (3d): Information on trading places for debt securities denominated in national currency are not available. Therefore, data refer to trading places for all debt securities.

Regarding long-terms bonds issued by the central government, it is important to note that, for the time being, there are no issues of any kind, mainly because of the high inflation rate, although there are special issues aimed at the taking-over into public debt of losses in the economy, known as private placements. Such government securities

were issued to take over the losses incurred by Bancorex and Banca Agricola. Usually, these issues have maturities of more than 12 months (two, five or 15 years), different interest-rate conditions (for example, average lending rate) and are denominated in Romanian lei or US dollars.

3 Calculation of the yield

No data are available for the time being. Transactions on the secondary market are concluded only through the OTC market.

Until the end of 2002, only banks were licensed to operate on the primary market.

4 Interest rates

Official interest rates

The interest rates applied by the National Bank of Romania are the reference rate and the rates on its standing facilities (the lombard lending facility and the deposit facility). In addition, the National Bank of Romania disseminates the rates on commercial banks' national currency and foreign exchange reserves with the central bank.

Lending rates for non-bank customers:

- a) loans in national currency to the non-government sector, broken down by maturity (short-term, medium-term and long-term) for the sub-sectors "companies", "households", and "other customers" (i.e. insurance companies and private non-profit institutions); and
- b) loans in national currency to the government sector, which comprise, inter alia, Treasury bills purchased by the reporting banks and placements with the State Treasury.

Money market rates

Money market rates are rates on overnight deposits, as well as one-month, three-month, six-month and 12-month interbank interest rates.

Deposit rates for non-bank customers:

- a) demand and time deposits in national currency from companies, households and other customers, as well as rates on restricted deposits and certificates of deposit; and
- b) government deposits in national currency from public institutions.

Bank interest rates

The banks are required to calculate the following lending and deposit rates for "non-bank customers":

5 Authorities involved in bond issuance, bond management and securities market supervision

In Romania, the authorities involved in bond issuance, bond management and securities market supervision are the Ministry of Public Finance, the National Bank of Romania and the National Securities Commission. The Ministry of Public Finance is in charge of bond issuance and bond management. These bonds are issued for budget deficit financing purposes. The National Bank of Romania licenses dealers on the government securities market and supervises the banks licensed to

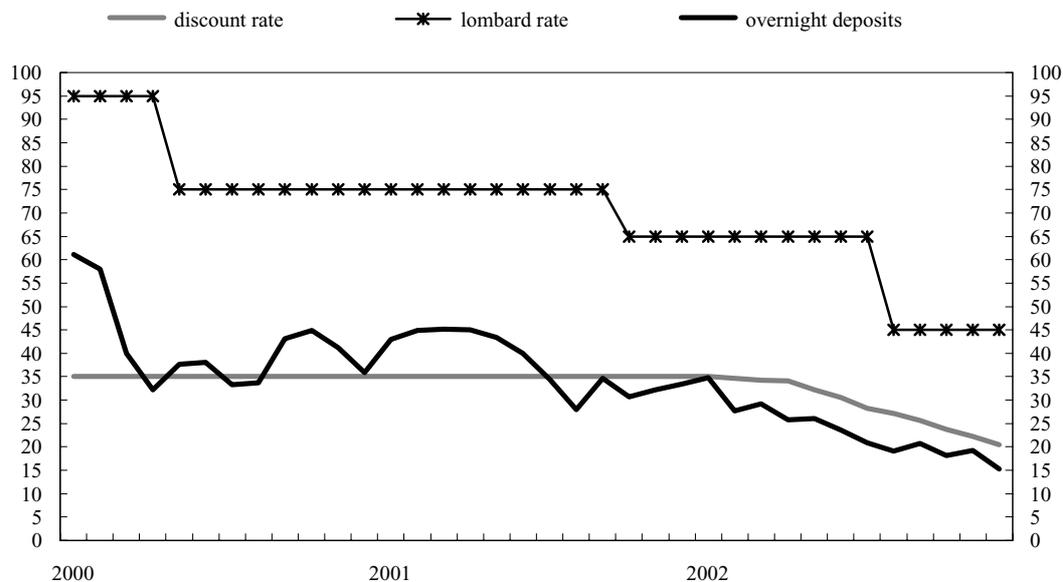
act as dealers and the secondary market for government securities, other than the Bucharest Stock Exchange. The National Securities Commission supervises the activity of securities companies licensed as dealers and the Bucharest Stock Exchange as the secondary market for government securities. For the time being, Romania has only banks licensed to operate on the primary market, and the transactions on the secondary market are concluded only through the OTC market.

Chart 4

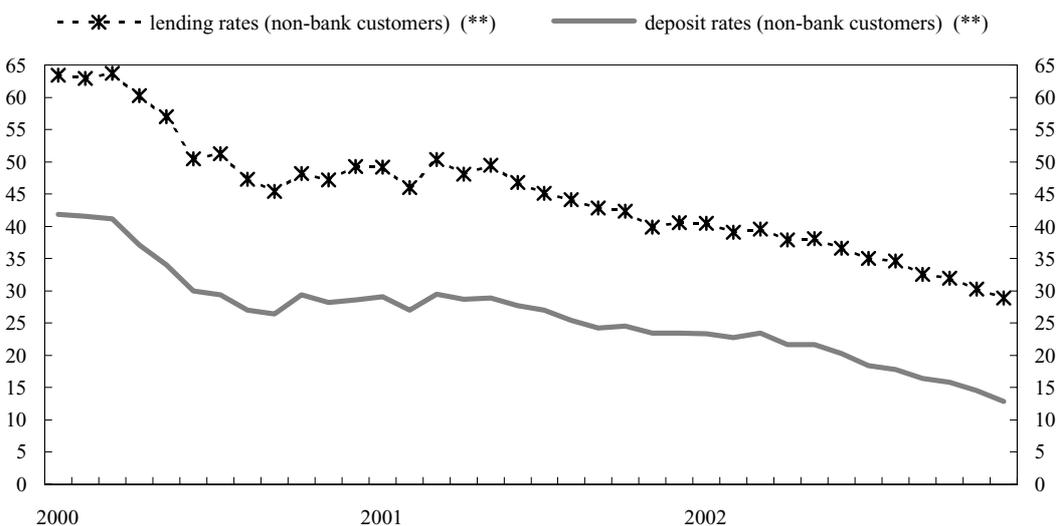
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Bank interest rates

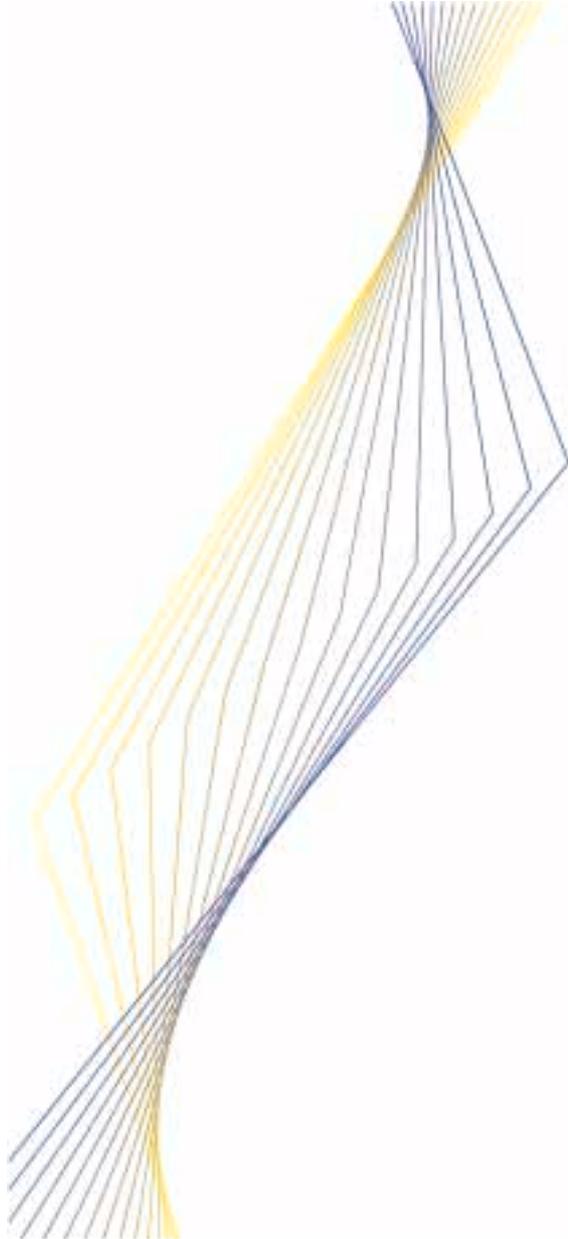


Source: ECB long-term interest rate convergence statistics for EU accession countries.
 (**) Bank interest rates are based on amounts outstanding.

Romania



EUROPEAN CENTRAL BANK



Slovakia

I Market size

I.1 The size of the national debt securities market

The size of the Slovakian debt securities market, as measured by the total amount outstanding at the end of December 2002, was EUR 8,538 million, which represented 34% of GDP. Of this amount, the largest share consisted of debt securities issued by the general government (98% or EUR 8,369 million), followed by those issued by non-financial and non-monetary financial corporations (1.6% or EUR 133 million). Debt securities issued by monetary financial institutions represented the smallest portion (0.4% or EUR 36 million).

Of the debt securities issued by the general government, the largest share (78%) was made up of debt securities denominated in the national currency (Slovakian koruna - SKK). Debt securities denominated in euro represented 18%.

The share of debt securities issued by the general government in national currency (25 %) had an original maturity of up to and including one year. Debt securities with a maturity of more than one year and less than five years constituted 21% of the total. The largest part of general government's debt in national currency (36%) was made up of debt securities with an original maturity of more than five and less than ten years. Debt securities with a maturity equal to or higher than ten years constituted 18% of the total.

I.2 Expected issue volume and maturity distribution for government bonds

Maturity targets are usually set. For example, the target in 2002 was to issue government bonds on the domestic market with original maturities of more than one year. This was achieved by issuing mainly seven and ten-year government bonds.

2 Activity in the primary and secondary markets

2.1 The primary market

2.1.1 Activity in the primary market

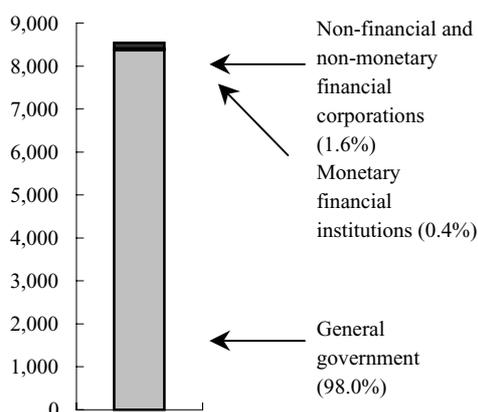
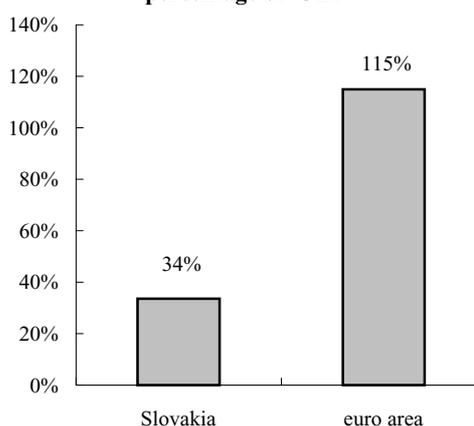
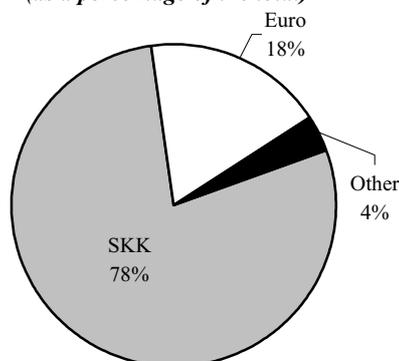
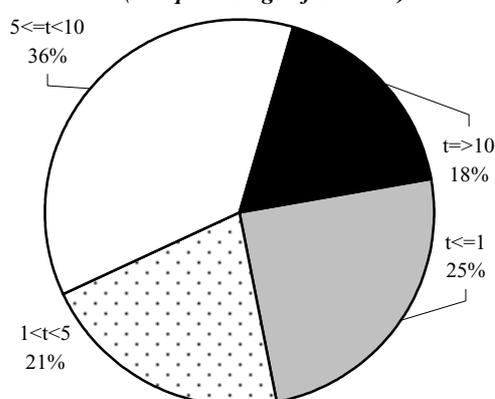
In 2000, the total amount issued was EUR 3,342 million. This was followed in 2001 by an increase to EUR 4,963 million and by a moderate decrease to EUR 3,749 million in 2002, i.e. a decrease of 24% in comparison with the previous year.

The development of primary market activity by the sector of the issuer showed that the general government's share increased from 78% (EUR 2,601 million) in 2000 to 98% (EUR 4,871 million) in 2001. The share of government issues in 2002 constituted about 96% (EUR 3,616 million) of the total primary market. A reverse trend was recorded in the development of the non-financial and non-monetary financial corporations sector

between 2000 and 2001. The share of this sector declined from 20% (EUR 662 million) in 2000 to 1.3% (EUR 62 million) in 2001. The share of non-financial and non-monetary financial corporations sector increased gradually to 1.2% (EUR 97 million) in 2002.

The significant changes on the primary market of the general government sector can also be seen in the original maturity split. In 2000, long-term debt securities accounted for 70% (EUR 1,828 million) of the total (EUR 2,601 million) when only government bonds with maturities of one and three years were issued on the domestic market.

In 2001, this proportion amounted to 66% (EUR 3,219 million of the total of EUR 4,871 million), including the additional three-year government bond issues. In 2002, long-term

Chart I**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)***(1a) Total amounts outstanding in EUR millions, by sector of the issuer****(1b) Total amounts outstanding as a percentage of GDP****(1c) Debt securities issued by general government, by currency of denomination (as a percentage of the total)****(1d) Debt securities issued by general government in national currency, by original maturity (t) (as a percentage of the total)**

Source: ECB long-term interest rate convergence statistics for EU accession countries.

debt securities accounted for 22% (EUR 792 million of the total of EUR 3,616 million). Six issues took place in 2001 for the restructuring of banks (EUR 2,456 million), with maturities of five, seven and ten years (floating yield - six-month BRIBOR).

The year 2002 was important for the primary market in government bonds. In 2001, a new type of primary sale of government bonds (re-opening) was introduced. All long-term

debt securities in national currency issued by the general government in 2002 were issued via an American auction.

2.1.2 Auctions: regularity, frequency and pre-announcement

Government debt securities are sold by auction. The frequency of auctions varies from weekly to monthly.

The quarterly timetable for issues of government securities is published approximately one week before the beginning of each quarter. It includes the maturity structure, but the amount is not included in the published version.

The final terms of the government bonds are published seven days before the date of issue, which usually means five days before an auction date (the issue date is usually two days after the auction date). The issuing conditions of Treasury bills are usually published three working days before the auction.

The final terms for both government bonds and Treasury bills are published on the Reuters pages "NBSK06" (Slovak version) and "NBSK18" (English version), and "NBSK05" (Slovak version) and "NBSK17" (English version), respectively, one day before they are mentioned in the newspapers and, on the same day, the terms are sent to the information vendors (such as Telerate and Bloomberg).

2.1.3 Measures (either public or private) to promote the functioning of the primary market

In Slovakia, there is not yet a primary dealer system for government securities. The primary market for government securities, which is organised by the National Bank of Slovakia, is open to a wide circle of participants (legal entities).

The interest of investors had increased, prompting the passing of a new rule book since 2000, which made certain activities more efficient. For example, communications with investors were simplified, orders were made more efficient and the direct participation of foreign legal entities in the primary market for government bonds was allowed.

2.2 The secondary market

2.2.1 Activity in the secondary market

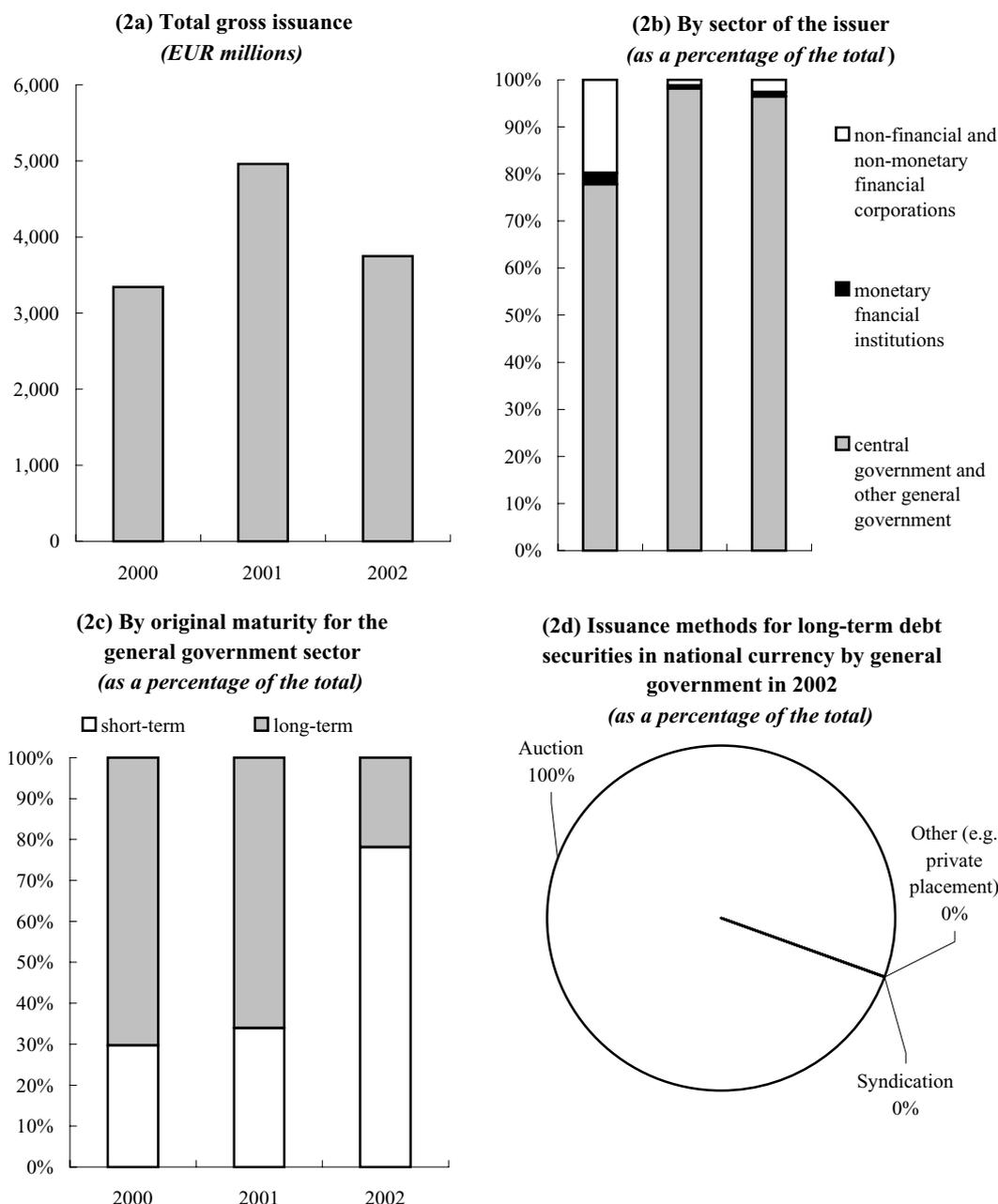
Activity in the secondary market in debt securities, as measured by total turnover, showed an increase of 56% between 2000 (EUR 22 million) and 2001 (EUR 34.3 million) and an increase of 75% (EUR 60 million) between 2001 and 2002.

All long-term debt securities denominated in national currency were traded on the Bratislava Stock Exchange in 2002.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

Since 1999, the Bratislava Stock Exchange has been running a "module" for market makers of government bonds. The idea is to increase the price-making transactions; the participants are obliged daily to provide two-way prices for certain issues of government bonds, and these bonds are the benchmark bonds in the domestic market of Slovakia.

Thus, the benchmark bonds are bonds traded in the module of market makers on the Bratislava Stock Exchange (which ensures prices every day). These bonds are used in constructing the yield curve.

Chart 2**Primary market activity for debt securities**

Source: ECB long-term interest rate convergence statistics for EU accession countries.

Table I**Methodological notes on the statistical treatment of secondary market statistics**

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of average daily transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included abroad
Measures to ensure single counting	In official statistical reports (weekly, monthly statistics, fact books), the Bratislava Stock Exchange takes into account either the purchase or the sale, but not both sides of the transaction.	

2.2.3 Liquidity in the secondary market

The most appropriate indicator used by the Bratislava Stock Exchange to measure the liquidity of a bond issue is the number of transactions. The number of transactions is calculated as sum of transactions effected as both electronic order book trades and negotiated deals.

The criteria for a benchmark bond issue

A bond issue has to fulfil the following requirements in order to be considered a benchmark:

- it has to be traded in module of market makers;

- it has to be one of the components for the calculation of the yield curve;
- it has to be a long-term issue; and
- it has to be liquid on the Bratislava Stock Exchange.

Slovakian benchmark bonds (components of the yield curve) are used for portfolio pricing (depositories, asset management companies, etc.) and also for coupon construction of future government bond issues (National Bank of Slovakia).

The liquidity of the Slovakian secondary bond market is shown in Table 3.

Table 2
Features of a government bond issue in Slovakia

(ISIN code: SK4120002601)

Period of calculation (2000, 2001 and 2002)	2000	2001	2002
Nominal amount in EUR (millions)	161.83	166.51	170.65
Yield-to-maturity; in percentages (%) (annual average of close-of-market values)	8.26	8.12	6.96
Ask price (annual average of close-of-market values)	101.76	103.27	109.55
Bid price (annual average of close-of-market values)	101.12	102.28	109.01
Market price (annual average of close-of-market values)	101.56	102.34	109.03
Value of transactions (annual average of the daily total value; nominal value in EUR millions)***	0.794	1.544	2.197
Value of transactions (annual average of the daily total value; market value in EUR millions)***	0.809	1.643	2.414
Liquidity ratio; in percentages (%) (turnover/amount outstanding)**	9.14	3.47	23.46
Number of transactions (annual average of the daily total number of transactions)*	0.331	0.547	0.593

Source: Bratislava Stock Exchange.

The exchange rate of the euro vis-à-vis the Slovakian koruna is as follows: SKK 43.996 as of 31 December 2000, SKK 42.760 as of 31 December 2001 and SKK 41.722 as of December 2002.

* The number of transactions is used by the Bratislava Stock Exchange as the most appropriate indicator to measure the liquidity of a bond issue. The number of transactions is calculated as the sum of transactions effected as both electronic order book trades and negotiated deals.

** The bond issue took place in August 2000, so that the liquidity ratio for that year is low.

The turnover is calculated as the sum of trading volumes achieved in both electronic order book trades and negotiated deals.

*** The value of transactions is calculated as the sum of trading volumes achieved in both electronic order book trades and negotiated deals.

The liquidity ratio is calculated as follows:
$$LR = \frac{\sum P_i \times Q_i}{P \times G} \times 100$$

where $\sum P_i \times Q_i$ is sum of all electronic order book trades and $P \times G$ is the capitalisation of the issue at the end of the year of calculation.

Table 3
Trading volumes of Government bond issues (single counted)

Period	Electronic order book trades			Negotiated deals			Total volume in SKK billions
	Volume in SKK billions	Volume in pieces	No. of transactions	Volume in SKK billions	Volume in pieces	No. of transactions	
2001	20.49	74,612	150	301.65	471,563	939	322.14
2000	24.44	57,694	338	158.47	856,890	21	182.91
1999	20.18	279,620	269	104.39	1,628,012	1 096	124.57
1998	16.28	98,076	427	178.66	5,487,325	1 384	194.94
1997	1.77	49,212	93	26.58	1,204,176	392	28.35
1996	3.72	324,769	122	6.63	520,093	96	10.35
1995	0.06	9,257	74	11.09	1,085,802	118	11.15

Source: Bratislava Stock Exchange.

3 Calculation of the yield

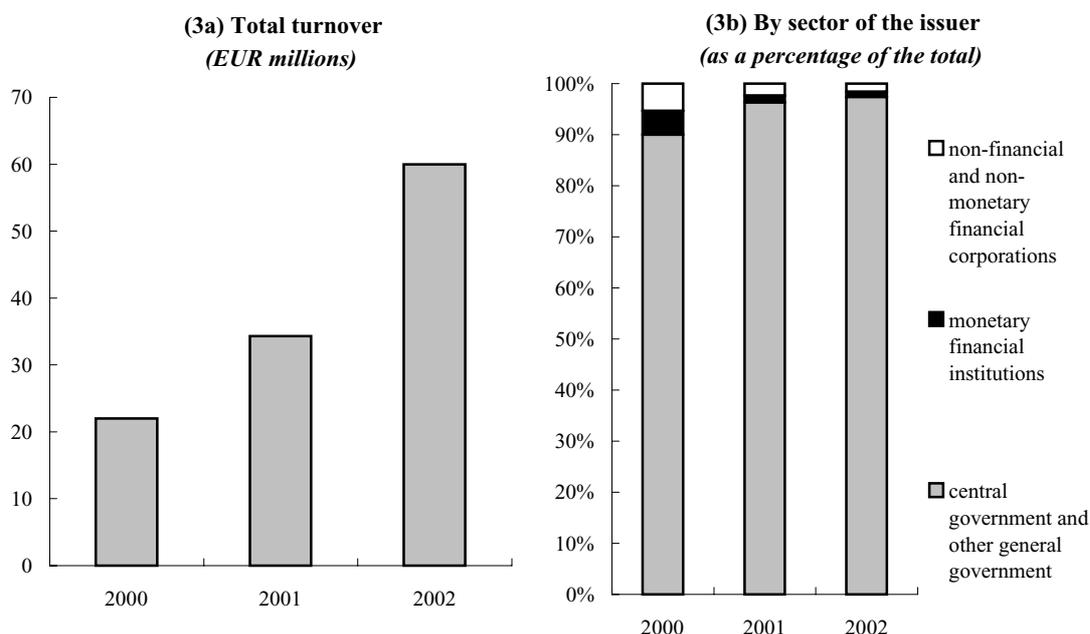
The yield-to-maturity in the statistical Table 3 in Part II is calculated as the sum of all yields-to-maturity based on the closing price divided by the number of days during which electronic order book trades were realised. ISMA formula 6.3 is used. For example, the yield-to-maturity is 6.88% per annum for the ten-year debt security in national currency issued with a fixed coupon of 7.50% by the

central government on 13 March 2002 (ISIN SK4120003229, security number 8 in the statistical Table 3 in Part II)¹. The calculation is based on the year 2002 average of close-of-market value (price gross of tax plus accrued interest), which amounted to 104.26.

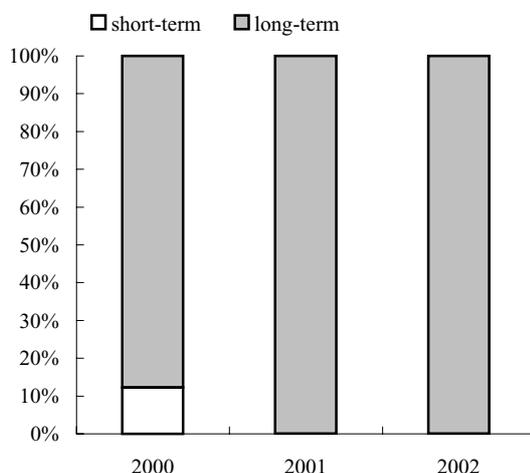
¹ Benchmark bond with a scheduled maturity date of 13 March 2012.

Chart 3
Secondary market activity in debt securities

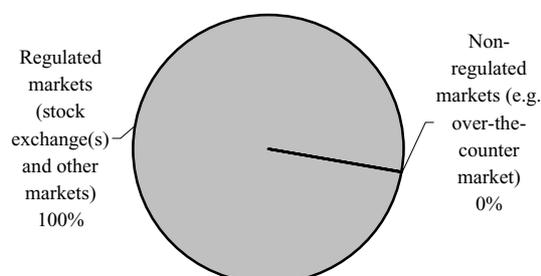
(value of transactions; daily averages; nominal amounts)



(3c) By original maturity for general government sector
(as a percentage of the total)



(3d) Trading places for long-term debt securities denominated in national currency in 2002
(as a percentage of the total)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

4 Interest rates

Official interest rates

The official rates, determined by a decision of the Bank Board of the National Bank of Slovakia, are as follows:

1. The basic interest rate of the National Bank of Slovakia, which is its two-week repo tender limit rate, i.e. the rate for standard two-week repo tenders either for sterilisation or for refinancing. This rate is used as either the lower or the upper limit rate for relevant two-week repo operations. This is the policy variable rate. The term "basic interest rate" was introduced with effect from 1 January 2003.
2. The overnight refinancing and sterilisation rates of the National Bank of Slovakia's standing facilities for refinancing and sterilisation, which commercial banks may use without any volume restrictions. This is a policy variable rate.

Money market interest rates

The interest rates on the interbank deposit market (BRIBOR) are calculated as the

average quotations of eight commercial banks (overnight, one-week, two-week, one-month, two-month, three-month, six-month, nine-month and 12-month deposits). Since 11 October 2000, the interest rates on the interbank market have been calculated and released by Telerate.

Bank interest rates

The average lending rates are calculated as the weighted arithmetical average of monthly interest rates on loans, broken down by sector (in line with the European System of Accounts 1995 - ESA 95) and by type of loan (purpose). The National Bank of Slovakia collects lending rates on new activities and on outstanding amounts. The most representative features are loans with a maturity of up to one year and loans to the private sector.

The average deposit rates are calculated as the weighted arithmetical average of monthly interest rates on deposits based on new activity (since January 2003) and outstanding amounts, broken down by sector (in line with the ESA 95) and by maturity

(redeemable at notice, overnight, one day, up to seven days, up to one month, up to three months, up to six months, up to one year, up to two years, up to five years and

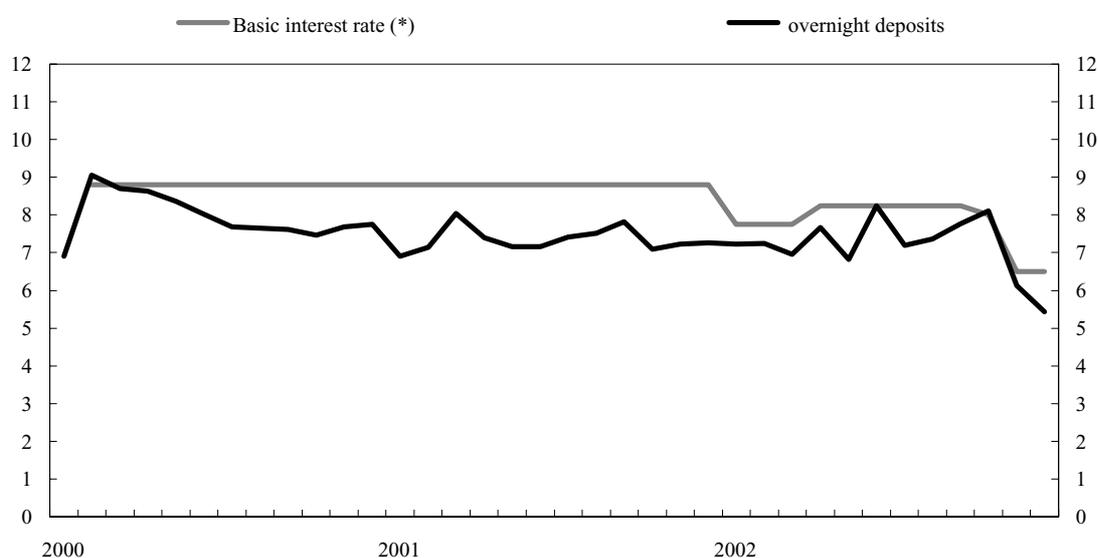
more than five years). The most representative types of maturity are those up to one year (i.e. up to one month, up to three months and up to one year).

Chart 4

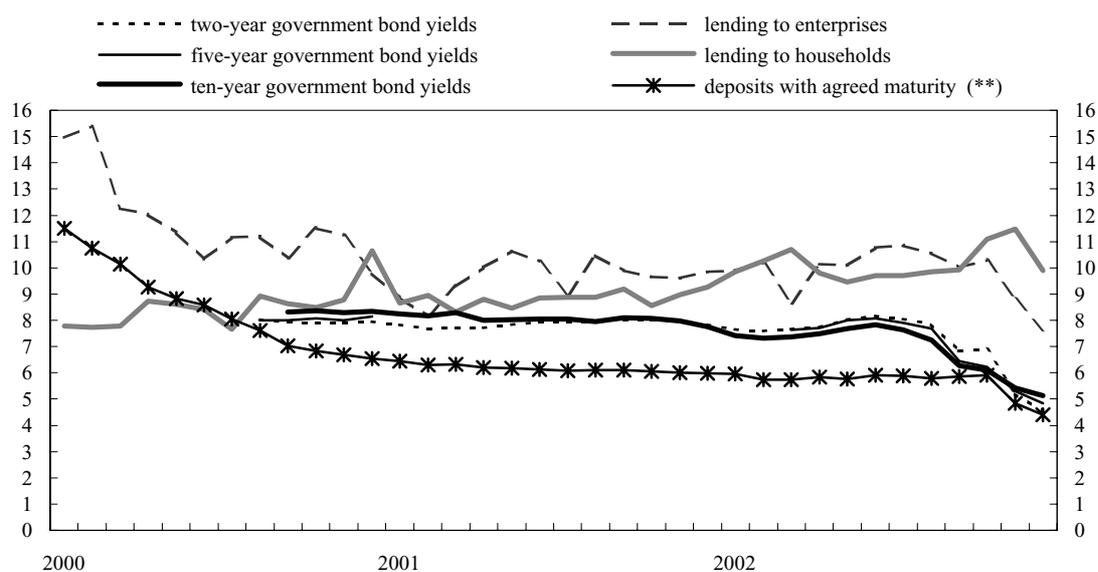
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)

Official interest and money market rates



Capital market and bank interest rates



Source: ECB long-term interest rate convergence statistics for EU accession countries.

(*) End of month.

(**) Deposits with agreed maturity are based on amounts outstanding.

5 Authorities involved in bond issuance, bond management and securities market supervision

With regard to debt securities issued by the general government, only the Ministry of Finance is authorised to borrow. The Ministry of Finance is the principal debt agency. Within the Ministry of Finance, the “Section of state final account, debt and accounting” is responsible for cash and debt management.

The National Bank of Slovakia acts as an agent for the Ministry of Finance (issuer). In this connection, the National Bank of Slovakia is responsible for the technical aspects of the primary sale both of government bonds issued in national currency and of Treasury bills, the settlement of transactions in financial and material terms and the keeping of a central register of Treasury bills.

The National Bank of Slovakia is also involved, as an advisor, in the process of setting the issuing conditions and the method of sale. The primary market for securities, which is organised by the National Bank of Slovakia, is open to a wide circle of participants from

among legal entities. At present, all government securities are sold by auction.

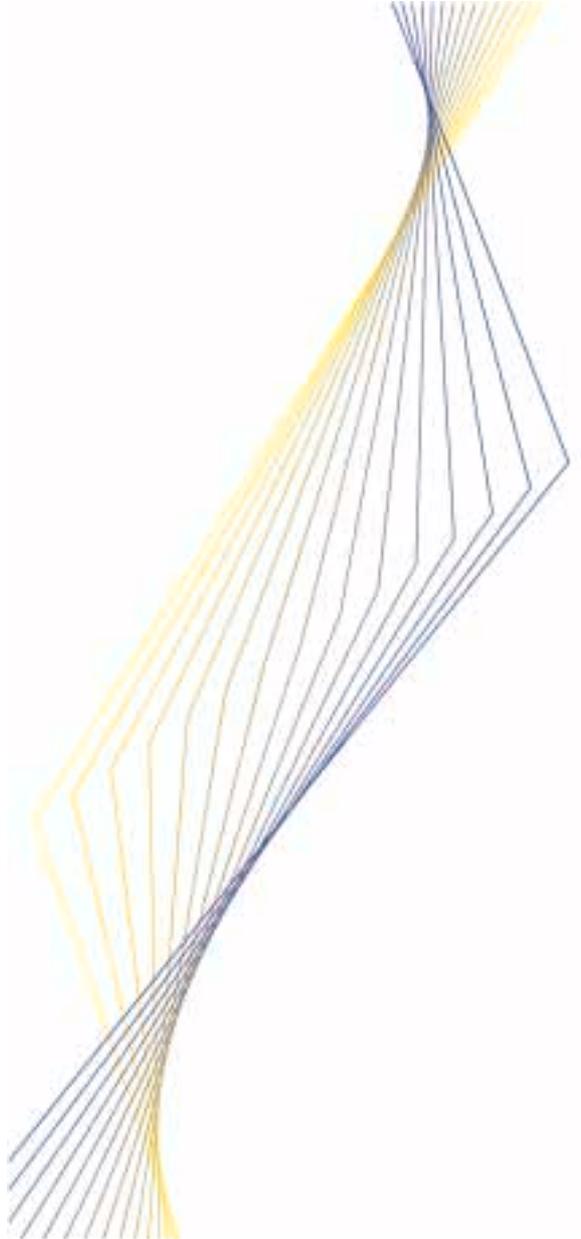
The private market for Treasury bills is also organised by the National Bank of Slovakia. These securities are registered at the Central Register of Short-Term Securities, which is kept by the National Bank of Slovakia.

In connection with foreign currency borrowing, the National Bank of Slovakia is only involved in advisory activities and debt service payments.

The Financial Market Authority was set up on 1 November 2000 as a nation-wide state administration body responsible for the capital markets and the insurance sector. Through its departments, the Financial Market Authority supervises the individual capital market and insurance sector entities. Before 1 November 2000, responsibility for capital market supervision was with the Ministry of Finance.



EUROPEAN CENTRAL BANK



Slovenia

I Market size

I.1 The size of the national debt securities market

At the end of December 2002 the total amount outstanding of debt securities was EUR 11,058 million, which represented 47% of GDP. The majority (59%) of these securities were issued by the general government, followed by the monetary financial institutions sector (40%), with the remaining 1% being issued by non-financial and non-monetary financial corporations.

The total amount outstanding of debt securities issued by the general government was EUR 6,494 million at the end of December 2002. Of these, 54% were issued in euro, 43% in national currency (Slovenian tolar - SIT) and 3% in other currencies.

The amount outstanding of debt securities in national currency issued by the general government was EUR 2,763 million at the end of December 2002. Of these, 14% had an original maturity of up to and including one year, 13% had a maturity of between one and five years, 47% had an original maturity ranging from five years to (but not

including) ten years, and 26% had a maturity of ten years or more.

The total amount outstanding of debt securities issued by the monetary financial institution was EUR 4,404 million at the end of December 2002. The majority (92%) of these securities represented Bank of Slovenia bills, which are short-term instruments used for the purposes of monetary policy and thus available to domestic banks only. The amount outstanding of Bank of Slovenia bills at the end of December 2002 was EUR 4,033 million. 54% of these bills were issued in euro, 40% in national currency (Slovenian tolar - SIT) and 6% in other currencies.

I.2 Expected issue volume and maturity distribution for government and corporate bonds

The Government intends to issue more bonds. New issues are announced via the advance release calendar (for the next six months). This advance release calendar is published by the Ministry of Finance on its internet website.

2 Activity in the primary and secondary markets

2.1 The primary market

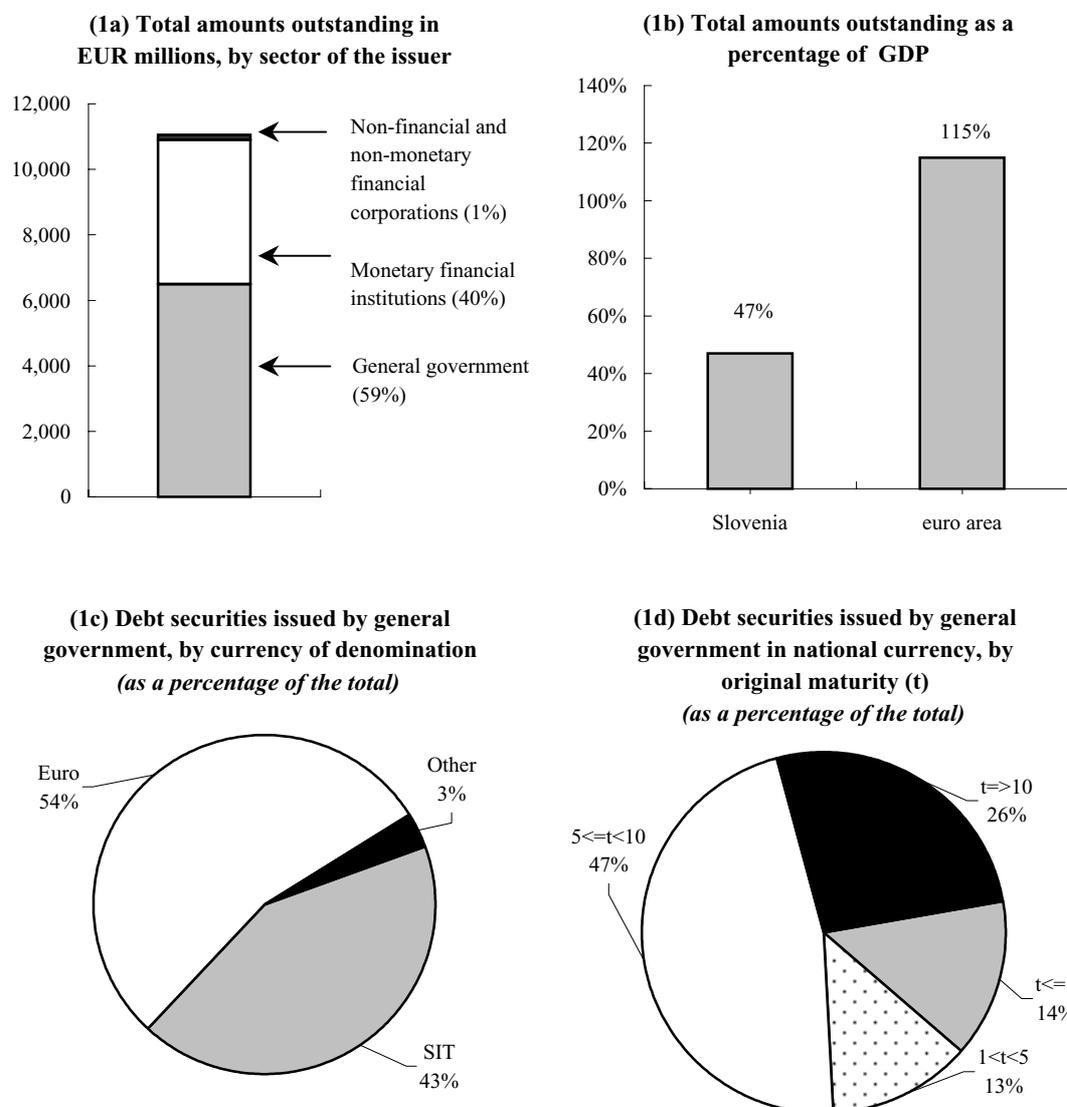
2.1.1 Activity in the primary market

From 2000 to 2002 the value of all debt securities issued in the primary market rose from EUR 8,437 million (in 2000), to EUR 13,306 million (in 2001) and then to EUR 17,793 million (in 2002), the majority of them were Bank of Slovenia bills that are issued with short maturities.

According to the sector breakdown, the majority of debt securities were issued by monetary financial institutions, although the share of debt securities issued by the general government has increased. MFI issues

constituted about 88% of total primary market issuance in 2000. This share decreased to 87% in 2001 and to 81% in 2002. The share of debt securities issued by general government increased gradually over the period 2000-2002 from 12% to 19%. The share of debt securities issued by non-financial and non-monetary financial corporations was insignificant.

The general government has issued long and short-term debt securities in similar amounts in terms of nominal values. In 2000, 68% of all debt securities issued by the general government were long-term debt securities. In 2001 that percentage decreased to 42%, but it rose again to 49% in 2002. All debt

Chart I**Debt securities by original maturity, sector of the issuer and currency of denomination***(amounts outstanding at the end of December 2002; nominal amounts)*

Source: ECB long-term interest rate convergence statistics for EU accession countries.

securities issued by the general government in 2002 were issued by auction.

2.1.2 Auctions: regularity, frequency and pre-announcement

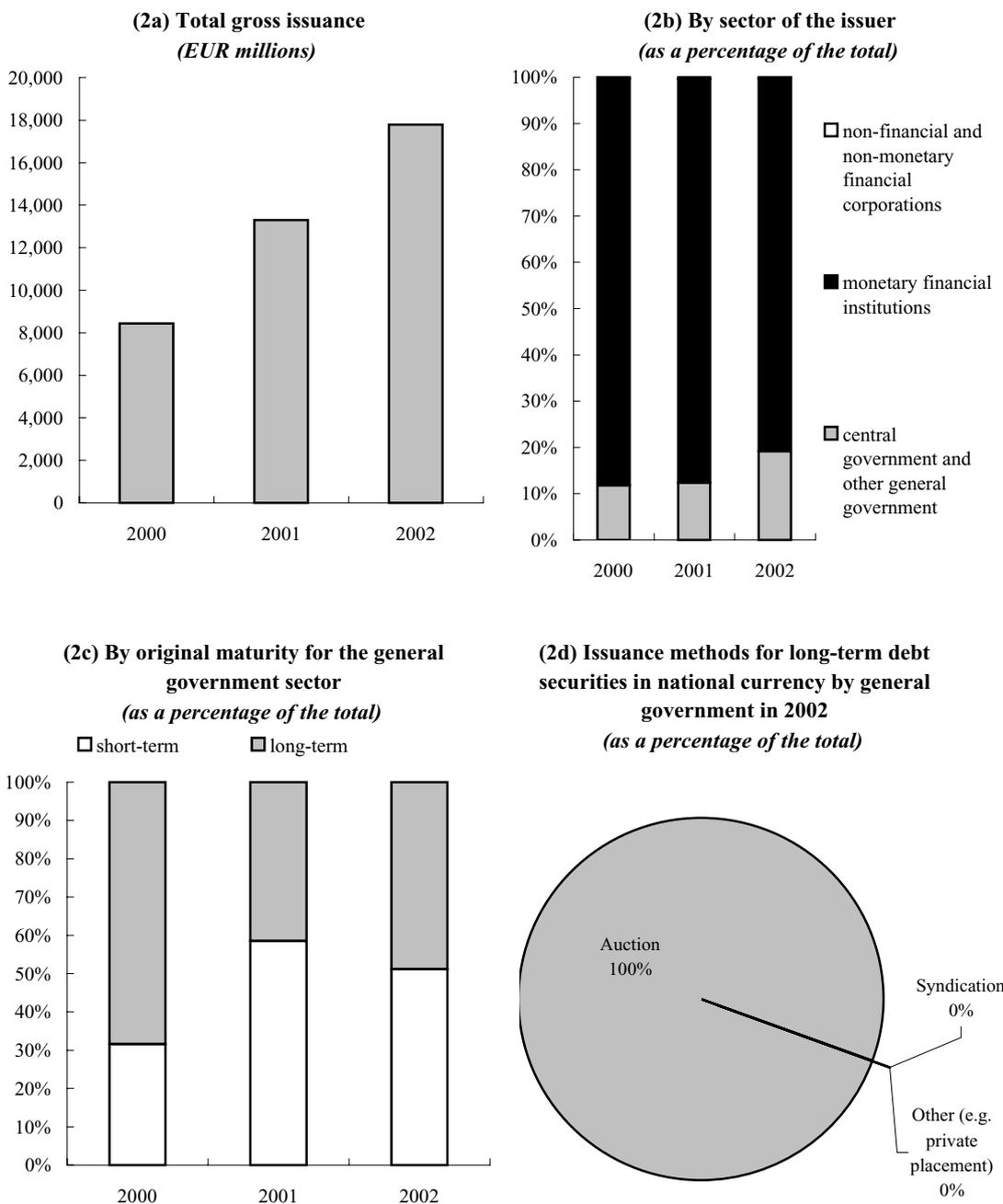
Government short-term paper is issued at regular auctions, with a set frequency and pre-announced:

- one-month Treasury bills - weekly;
- three-month Treasury bills - monthly;
- six and 12-month Treasury bills - monthly in turn.

Government long-term paper is also issued by auction, but the auctions, although pre-announced, are not regular.

Chart 2
Primary market activity for debt securities

(gross issuance during the period; nominal amounts)



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.1.3 Measures (either public or private) to promote the functioning of the primary market

There are no specific measures being taken to promote the functioning of the primary market.

2.2 The secondary market

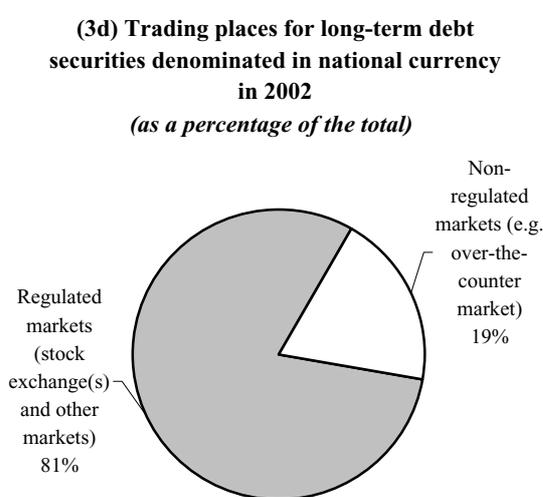
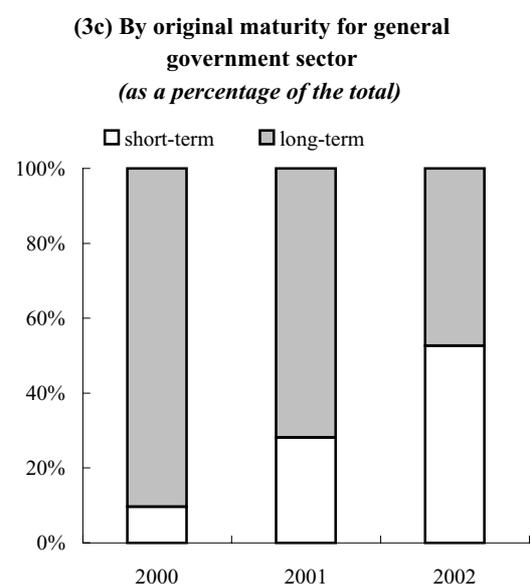
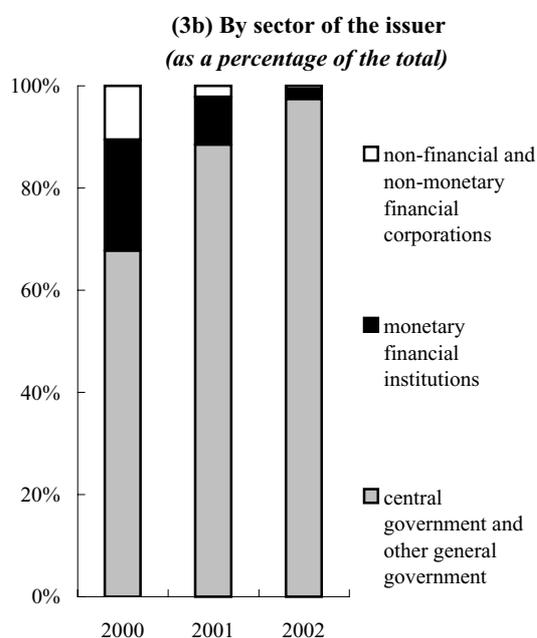
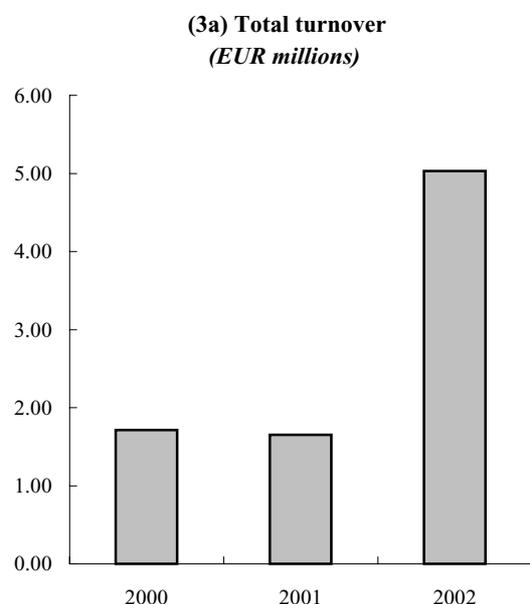
2.2.1 Activity in the secondary market

The average daily turnover on the secondary debt securities market rose from EUR 1.7 million in 2000 to EUR 5.0 million in 2002.

Activity in the secondary market is very low in comparison with primary market activity. The majority of all secondary market activity involved general government debt securities. In 2000, this represented 68% of all secondary market activity, in 2001 89% and in 2002 97%. Trade in debt securities issued by monetary financial institutions represented 22% of all secondary market activity in 2000, 9% in 2001 and 2% in 2002.

Most of the trading in general government debt securities concerned long-term instruments. In 2000, long-term debt securities represented 91% of all debt securities issued by the general government, in 2001 this figure was 72% and in 2002, 47%.

Trading in regulated markets in 2002 accounted for 81% of long-term debt securities denominated in national currency. The rest were traded on the non-regulated market.



Source: ECB long-term interest rate convergence statistics for EU accession countries.

2.2.2 Measures (either public or private) to promote liquidity in the secondary market

All publicly issued bonds are automatically listed on the Ljubljana Stock Exchange.

Table 1
Methodological notes on the statistical treatment of secondary market statistics

(cf. Table 2B in the statistical tables in Part II)

Methodological item	All debt securities	Long-term debt securities
Repos and reverse repos (if available, the percentage of these transactions in terms of the nominal value of the daily averages of transactions)	Not included	Not included
Trading in secondary markets abroad	Not included	Not included
Measures to ensure single counting	In the organised market, all transactions are carried out by the Ljubljana Stock Exchange, which reports on a single transaction only once. In the unorganised market, only one party to the transaction is obliged to make the book entry and report it to the Securities Market Agency.	

2.2.3 Liquidity of the secondary market

The total turnover of bonds on the organised market was EUR 95 million in December 2002, while the turnover ratio (published in the Monthly Bulletin of the Bank of Slovenia), which expresses the proportion between the turnover in the period and the market

capitalisation at the end of the period, was 0.032.

The data on market liquidity that is published in the Bulletin refers to those securities that are listed on the Ljubljana Stock Exchange. Data on bond market liquidity is shown in Table 3, and data on the liquidity of individual central government bonds is shown in Table 2.

Table 2
Overview of central government bonds denominated in national currency

ISIN code	Issue date	Original maturity date	Coupon rate (in percentages)	Nominal amount (in SIT millions)	Turnover (in SIT millions)	Market capitalisation (in SIT millions)	Turnover ratio
SI0002101630	18/03/2002	18/03/2005	9.00	12,000.00	200,000	12,000,000	0.017
SI0002101721	15/07/2002	15/07/2005	9.00	12,000.00	27,633	12,060,000	0.002
SI0002101820	08/11/2002	08/11/2012	6.65	2,964.93	370	2,964,930	0.000
SI0002101812	08/11/2002	08/11/2005	8.20	12,112.49	0	12,112,490	0.000

Source: Ljubljana Stock Exchange, Bank of Slovenia.

Table 3
Liquidity of the organised bond market (monthly values)

Date	Turnover (in SIT millions)	Market capitalisation (in SIT millions)	Turnover ratio
Jan. 2001	3,715.96	252,670.96	0.015
Feb. 2001	5,629.52	254,568.21	0.022
Mar. 2001	3,296.71	279,570.25	0.012
Apr. 2001	4,084.53	292,971.70	0.014
May 2001	3,594.03	300,260.59	0.012
June 2001	2,905.38	307,342.86	0.009
July 2001	4,202.83	309,177.22	0.014
Aug 2001	3,120.78	310,199.42	0.010
Sep. 2001	2,091.34	315,125.78	0.007
Oct. 2001	4,269.61	341,564.87	0.013
Nov. 2001	4,337.62	350,971.10	0.012
Dec. 2001	10,371.38	360,918.87	0.029
2001 monthly average	4,301.64	306,278.49	0.014
2001 yearly values	51,619.71	306,918.87	0.143
Jan. 2002	6,933.57	396,657.61	0.017
Feb. 2002	8,533.47	421,763.06	0.020
Mar. 2002	8,517.12	442,638.50	0.019
Apr. 2002	5,306.56	491,596.66	0.011
May 2002	9,662.39	476,605.87	0.020
June 2002	10,635.89	523,735.85	0.020
July 2002	10,200.28	544,550.31	0.019
Aug 2002	6,489.72	545,563.90	0.012
Sep. 2002	5,574.02	552,924.70	0.010
Oct. 2002	6,633.79	604,994.17	0.011
Nov. 2002	10,242.68	670,741.59	0.015
Dec. 2002	21,841.75	690,738.65	0.032
2002 monthly average	9,214.27	530,209.24	0.017
2002 yearly values	110,571.22	609,738.65	0.160

Source: Ljubljana Stock Exchange, Bank of Slovenia.

3 Calculation of the yield

The yields to maturity reported in the statistical Table 3 in Part II were calculated according to the International Securities Market Association (ISMA) formula 6.3.

For example, the yield to maturity is 8.92% per annum for the three-year debt security in national currency issued by the central

government on 15 July 2002 with a fixed coupon of 9.0% (ISIN SI0002101721, security number 33 in the statistical Table 3 in Part II). The calculation is based on the average of close-of-market value (price gross of tax plus accrued interest) for the reference period July to December 2002, which is 99.93.

4 Interest rates

Official rates

Lombard loan: Within the framework of the standing lombard facility, the Bank of Slovenia provides one-day lombard loans to banks and savings banks, with Bank of Slovenia bills or Government securities being used as collateral.

The pledged securities should amount to 110% of the amount of the lombard loan.

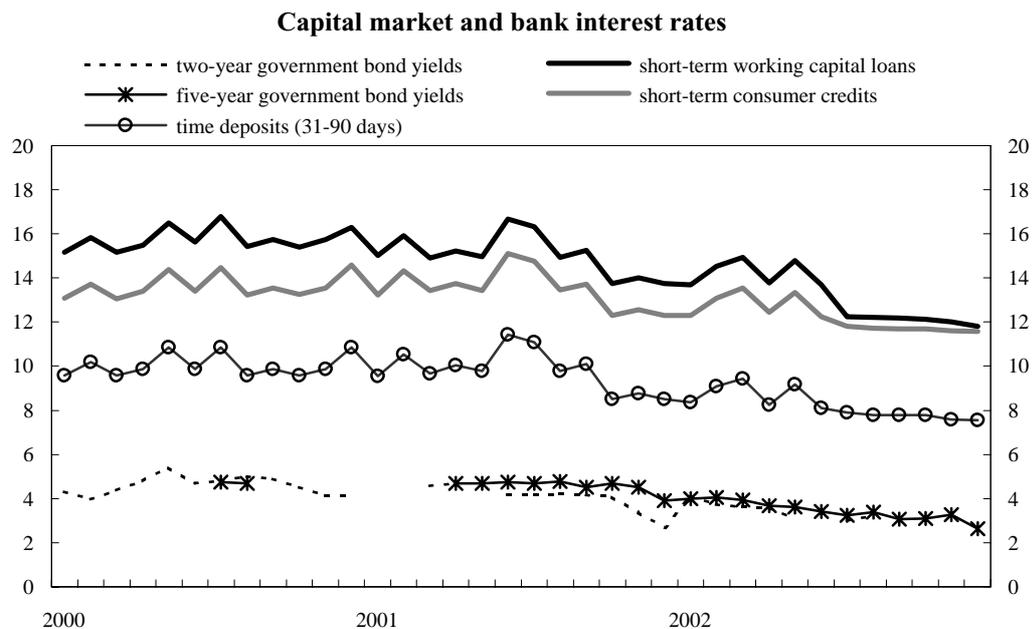
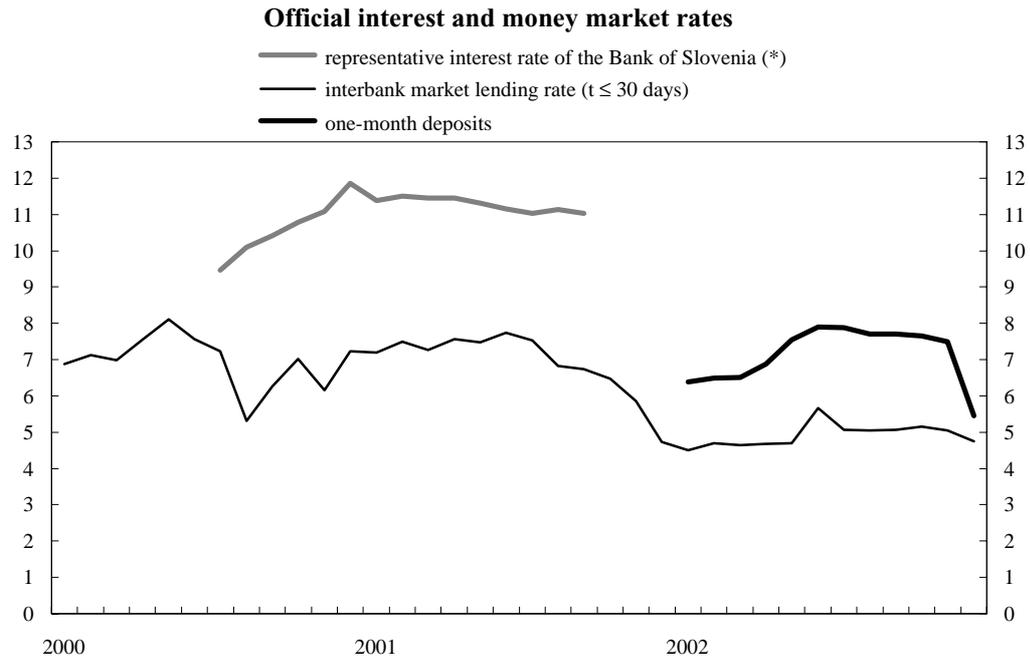
The overnight deposit interest rate is an interest rate applied to the deposits placed by banks and savings banks with the Bank of Slovenia for an overnight term.

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The lombard rate and the overnight deposit interest rate are the Bank of Slovenia interest rates representing the ceiling and the floor for money market interest rates.

Chart 4
Interest rate statistics

(percentages per annum; monthly averages unless otherwise indicated; based on new business)



Source: ECB long-term interest rate convergence statistics for EU accession countries.
(*) end of month

Money market rates

The Bank of Slovenia publishes data on the interbank market deposit rates for overnight deposits and deposits with a maturity of up to and including 30 days. Data on quoted bank interest rates for deposits from other banks have also been available since January 2002.

Bank interest rates

All bank interest rates are nominal interest rates. Except for short-term interest rates, they are given in real terms and then computed to overall nominal rates using the SIT indexation clause. Short-term interest rates are given in nominal terms.

The most representative maturity for deposit interest rates is up to 90 days. That makes deposit interest rates comparable with interest rates of three-month Treasury bills.

5 Authorities involved in bond issuance, bond management and securities market supervision

The main authorities involved are the following:

The Securities Markets Agency

One of the responsibilities of the Agency is to issue operating licences to financial institutions (the Stock Exchange, the Central Securities Clearing Corporation (KDD), brokerage firms, fund management companies and investment funds).

It issues approvals and oversees public offerings on the primary market. It is in charge of the surveillance of activities of authorised participants in the secondary market, of the Exchange and of the KDD with regard to insider trading.

One further responsibility is the preparation of regulations, which represent the legal basis for regulation, control and development of the securities market. The Agency also prepares and maintains public registers and other data related to the securities market.

The Ljubljana Stock Exchange

The Ljubljana Stock Exchange represents the organised part of the secondary securities market. Securities may be traded on the official market segment or on the free market

segment. Shares and bonds are traded on both market segments, while shares of investment companies and short-term securities are traded on the free market segment only. Trades on each of the market segments are conducted only through the electronic trading system.

Central Securities Clearing Corporation (KDD)

The KDD offers services relating to the issuance, transfer, payment and recording of securities. Most of the existing securities are already in book-entry form. The system is compatible with that of the electronic trading system used at the Ljubljana Stock Exchange.

Ministry of Finance

The issuing of foreign debt securities in the Republic of Slovenia is only allowed after permission has been granted by the Ministry of Finance.

Bank of Slovenia

According to the Foreign Exchange Law, authorised participants in the securities markets, insurance companies and banks

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must report to the Bank of Slovenia on all residents' operations in securities abroad and all non-residents' operations in securities in the Republic of Slovenia. Resident issuers of debt securities must report their issues of

securities abroad. The Bank of Slovenia may stipulate the conditions and methods governing operations in securities by non-residents.

Part II

Statistics

Conventions used in the tables

“-”	data do not exist/data are not applicable
“.”	data are not yet available
“...”	nil or negligible

Table 1**Market Size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Sector of the issuer	Instrument type/currency of denomination	Total amount outstanding				
		Money market Short-term	Bond market Long-term			
			t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions						
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)		5,799.4	59.3	282.0	634.4	4,823.7
Monetary financial institutions (S.121+S.122)		29.2	0.0	29.2	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)		3.1	0.3	2.6	0.2	0.0
Total		5,831.7	59.6	313.8	634.6	4,823.7

*Sources: BNB, Ministry of Finance, Central Depository.**Exchange rate used (end-of-period): EUR/BGN 1.95583; USD/BGN 1.88496.*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	99.0	1.0	0.0	60.6	39.4	0.0	1.0	20.0	79.0
0.0	0.0	0.0	53.2	46.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	100.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0

Table 2A

Primary market activity

(yearly total)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	429.90	680.00	2,557.40	101.00	68.00	64.00
– auction (% of total)	94.40	96.20	98.80	68.30	55.90	45.30
– syndication (% of total)	0.50	0.00	0.00	2.00	0.00	0.00
– other (e.g. private placement) (% of total)	5.10	3.80	1.20	29.70	44.10	54.70
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	417.40	661.60	2,532.00	94.00	63.00	54.00
– auction (% of total)	97.30	98.90	99.60	73.40	60.30	51.90
– syndication (% of total)	0.00	0.00	0.00	0.00	0.00	0.00
– other (e.g. private placement) (% of total)	2.70	1.10	0.40	26.60	39.70	48.10
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	0.00	8.20	21.00	0.00	2.00	5.00
– auction (% of total)	0.00	0.00	28.60	0.00	0.00	20.00
– syndication (% of total)	0.00	0.00	0.00	0.00	0.00	0.00
– other (e.g. private placement) (% of total)	0.00	100.00	71.40	0.00	100.00	80.00
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	12.50	10.20	4.40	7.00	3.00	5.00
– auction (% of total)	0.00	0.00	0.00	0.00	0.00	0.00
– syndication (% of total)	15.70	0.00	0.00	28.60	0.00	0.00
– other (e.g. private placement) (% of total)	84.30	100.00	100.00	71.40	100.00	100.00

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	228.90	506.20	2,439.80	15.20	40.00	37.00	46.00
– auction (% of total)	92.50	96.90	98.90	94.90	27.50	27.00	28.30
– syndication (% of total)	0.90	0.00	0.00	0.00	5.00	0.00	0.00
– other (e.g. private placement) (% of total)	6.60	3.10	1.10	5.10	67.50	73.00	71.70
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	223.10	498.00	2,417.70	14.70	36.00	35.00	38.00
– auction (% of total)	94.90	98.50	99.60	97.70	30.60	28.60	31.60
– syndication (% of total)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
– other (e.g. private placement) (% of total)	5.10	1.50	0.40	2.30	69.40	71.40	68.40
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.00	8.20	21.00	73.80	0.00	2.00	5.00
– auction (% of total)	0.00	0.00	28.60	38.70	0.00	0.00	20.00
– syndication (% of total)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
– other (e.g. private placement) (% of total)	0.00	100.00	71.40	61.30	0.00	100.00	80.00
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	5.80	0.00	1.10	100.00	4.00	0.00	3.00
– auction (% of total)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
– syndication (% of total)	34.50	0.00	0.00	0.00	50.00	0.00	0.00
– other (e.g. private placement) (% of total)	65.50	0.00	100.00	100.00	50.00	0.00	100.00

Sources: BNB, Ministry of Finance, Central Depository.

Data refer to debt securities issued by residents entities irrespective of the currency denomination and irrespective of where the issuance takes place.

Issues of additional tranches of the same security (e.g. fungible securities with the same ISIN code) are treated as one transaction.

(e) Estimates for value of transactions (Nominal value in EUR millions): 6.4 in 2000; 10.2 in 2001; 3.0 in 2002.

Estimates for number of transactions (Number of issues): 2 in 2000; 3 in 2001; 1 in 2002.

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	19.30	16.50	14.40	36.90	34.20	32.60
– regulated markets (stock exchange(s) and other regulated markets), % of total	...	...	0.30	0.50	0.30	2.50
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	100.00	100.00	99.70	99.50	99.70	97.50
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	99.80	99.40	99.70	99.10	99.40	97.50
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	0.00	...	0.30	0.00	...	2.50
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy (e)	0.20	0.60	...	0.90	0.60	...

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total secondary market, of which:	17.10	14.70	13.60	80.90	29.80	29.30	30.00
– regulated markets (stock exchange(s) and other regulated markets), % of total	...	...	0.30	...	0.50	0.30	2.70
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	100.00	100.00	99.70	100.00	99.50	99.70	97.30
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	100.00	100.00	99.70	80.90	99.10	99.70	97.30
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	0.00	...	0.30	12.00	0.00	0.00	2.70
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	...	...	...	100.00	0.90	0.30	...

Sources: Fiscal Services Department, Bank Policy Directorate – BNB, Central Depository.

Number of business days: 252 in 2000; 253 in 2001; 253 in 2002.

(e) Estimates for value of transactions (Nominal value in EUR millions): 0.02 in 2000; 0.1 in 2001; 0.01 in 2002.

Estimates for number of transactions (Number of issues): 0.1 in 2000; 0.1 in 2001; ... in 2002.

Table 3
Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	BG2030798115	Bulgaria	Central gov.	**	30/04/98	24/04/03	BGN	0.51	1.00
2	BG2030998111	Bulgaria	Central gov.	**	28/05/98	22/05/03	BGN	1.02	2.00
3	BG2031198117	Bulgaria	Central gov.	**	02/07/98	26/06/03	BGN	1.02	2.00
4	BG2030699115	Bulgaria	Central gov.	**	31/03/99	24/03/04	BGN	1.02	2.00
5	BG2030999119	Bulgaria	Central gov.	**	29/04/99	22/04/04	BGN	0.61	1.19
6	BG2030100114	Bulgaria	Central gov.	**	09/02/00	05/02/03	BGN	25.56	50.00
7	BG2030500115	Bulgaria	Central gov.	**	19/04/00	16/04/03	BGN	15.34	30.00
8	BG2030700111	Bulgaria	Central gov.	**	19/07/00	16/07/03	BGN	15.34	30.00
9	BG2030900117	Bulgaria	Central gov.	**	11/10/00	05/10/05	BGN	20.45	40.00
10	BG2031000115	Bulgaria	Central gov.	**	18/10/00	15/10/03	BGN	15.34	30.00
11	BG2030001114	Bulgaria	Central gov.	**	10/01/01	10/01/03	BGN	25.56	50.00
12	BG2030101112	Bulgaria	Central gov.	**	24/01/01	24/01/06	BGN	30.68	60.00
13	BG2030201110	Bulgaria	Central gov.	**	11/04/01	11/04/03	BGN	25.56	50.00
14	BG2030301118	Bulgaria	Central gov.	**	25/04/01	25/04/06	BGN	30.68	60.00
15	BG2030401116	Bulgaria	Central gov.	**	11/07/01	11/07/03	BGN	25.56	50.00
16	BG2030501113	Bulgaria	Central gov.	**	25/07/01	25/07/06	BGN	30.68	60.00
17	BG2030601111	Bulgaria	Central gov.	**	10/10/01	10/10/03	BGN	25.56	50.00
18	BG2030701119	Bulgaria	Central gov.	**	24/10/01	24/10/06	BGN	30.68	60.00
19	BG2040001211	Bulgaria	Central gov.	**	31/10/01	31/10/08	BGN	15.34	30.00
20	BG2030002112	Bulgaria	Central gov.	**	09/01/02	09/01/07	BGN	46.02	90.00
21	BG2040002219	Bulgaria	Central gov.	**	16/01/02	16/01/09	BGN	40.90	80.00
22	BG2040102217	Bulgaria	Central gov.	**	20/02/02	20/05/09	BGN	46.02	90.00
23	BG2030102110	Bulgaria	Central gov.	**	13/03/02	13/03/05	BGN	25.56	50.00
24	BG2040202215	Bulgaria	Central gov.	**	17/04/02	17/04/12	BGN	43.42	84.92
25	BG2030202118	Bulgaria	Central gov.	**	10/07/02	10/07/07	BGN	43.33	84.75
26	BG2040302213	Bulgaria	Central gov.	**	17/07/02	17/07/09	BGN	35.79	70.00
27	BG2030302116	Bulgaria	Central gov.	**	31/07/02	31/07/05	BGN	38.35	75.00
28	BG2030402114	Bulgaria	Central gov.	**	11/09/02	11/09/05	BGN	25.56	50.00
29	BG2290001119	Bulgaria	Central gov.	**	03/01/01	03/01/03	BGN	0.52	1.02
30	BG2290101117	Bulgaria	Central gov.	**	17/01/01	17/01/03	BGN	0.34	0.66
31	BG2290201115	Bulgaria	Central gov.	**	31/01/01	31/01/03	BGN	0.28	0.55
32	BG2290301113	Bulgaria	Central gov.	**	14/02/01	14/02/03	BGN	0.26	0.50
33	BG2290401111	Bulgaria	Central gov.	**	28/02/01	28/02/03	BGN	0.35	0.69
34	BG2290501118	Bulgaria	Central gov.	**	14/03/01	14/03/03	BGN	0.28	0.56
35	BG2290601116	Bulgaria	Central gov.	**	28/03/01	28/03/03	BGN	0.25	0.49
36	BG2290701114	Bulgaria	Central gov.	**	11/04/01	11/04/03	BGN	0.22	0.43
37	BG2290801112	Bulgaria	Central gov.	**	25/04/01	25/04/03	BGN	0.20	0.40
38	BG2290901110	Bulgaria	Central gov.	**	09/05/01	09/05/03	BGN	0.15	0.29
39	BG2291001118	Bulgaria	Central gov.	**	23/05/01	23/05/03	BGN	0.15	0.30
40	BG2291101116	Bulgaria	Central gov.	**	06/06/01	06/06/03	BGN	0.18	0.35
41	BG2291201114	Bulgaria	Central gov.	**	20/06/01	20/06/03	BGN	0.12	0.23
42	BG2291301112	Bulgaria	Central gov.	**	04/07/01	04/07/03	BGN	0.25	0.49
43	BG2291401110	Bulgaria	Central gov.	**	18/07/01	18/07/03	BGN	0.24	0.47
44	BG2291501117	Bulgaria	Central gov.	**	01/08/01	01/08/03	BGN	0.16	0.32
45	BG2291601115	Bulgaria	Central gov.	**	15/08/01	15/08/03	BGN	0.20	0.38
46	BG2291701113	Bulgaria	Central gov.	**	29/08/01	29/08/03	BGN	0.14	0.27
47	BG2291801111	Bulgaria	Central gov.	**	12/09/01	12/09/03	BGN	0.21	0.42
48	BG2291901119	Bulgaria	Central gov.	**	26/09/01	26/09/03	BGN	0.11	0.21
49	BG2292001117	Bulgaria	Central gov.	**	10/10/01	10/10/03	BGN	0.25	0.49
50	BG2292101115	Bulgaria	Central gov.	**	24/10/01	24/10/03	BGN	0.17	0.34
51	BG2292201113	Bulgaria	Central gov.	**	07/11/01	07/11/03	BGN	0.47	0.92
52	BG2292301111	Bulgaria	Central gov.	**	21/11/01	21/11/03	BGN	0.25	0.49
53	BG2292401119	Bulgaria	Central gov.	**	05/12/01	05/12/03	BGN	0.35	0.68
54	BG2270002111	Bulgaria	Central gov.	**	02/01/02	02/01/04	BGN	0.45	0.88
55	BG2270102119	Bulgaria	Central gov.	**	16/01/02	16/01/04	BGN	0.41	0.80
56	BG2270202117	Bulgaria	Central gov.	**	30/01/02	30/01/04	BGN	0.33	0.65
57	BG2270302115	Bulgaria	Central gov.	**	13/02/02	13/02/04	BGN	0.27	0.52
58	BG2270402113	Bulgaria	Central gov.	**	27/02/02	27/02/04	BGN	0.23	0.46
59	BG2270502110	Bulgaria	Central gov.	**	13/03/02	13/03/04	BGN	0.40	0.79
60	BG2270602118	Bulgaria	Central gov.	**	27/03/02	27/03/04	BGN	0.19	0.37
61	BG2270702116	Bulgaria	Central gov.	**	10/04/02	10/04/04	BGN	0.23	0.44
62	BG2270802114	Bulgaria	Central gov.	**	24/04/02	24/04/04	BGN	0.28	0.55
63	BG2270902112	Bulgaria	Central gov.	**	08/05/02	08/05/04	BGN	0.29	0.56
64	BG2271002110	Bulgaria	Central gov.	**	22/05/02	22/05/04	BGN	0.34	0.66
65	BG2271102118	Bulgaria	Central gov.	**	05/06/02	05/06/04	BGN	0.32	0.62

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price	Bid price	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
8.00	11.46	-	-	-	CBSRTGS	0.00	0.00	0.00	-	-	Fixed	1
8.00	12.16	-	-	-	CBSRTGS	0.00	0.00	0.00	-	-	Fixed	2
7.00	13.75	-	-	-	CBSRTGS	0.00	0.00	0.00	-	-	Fixed	3
9.00	12.79	-	-	-	CBSRTGS	0.00	0.00	0.00	-	-	Fixed	4
9.00	15.37	-	-	-	CBSRTGS	0.00	0.00	0.00	-	-	Fixed	5
9.00	8.68	-	-	103.15	CBSRTGS	0.10	0.10	0.20	W	R ¹⁶⁾	Fixed	6
8.00	8.02	-	-	104.76	CBSRTGS	0.10	0.10	0.10	M	R ¹⁶⁾	Fixed	7
8.00	7.46	-	-	103.36	CBSRTGS	...	...	0.10	M	R ¹⁶⁾	Fixed	8
9.00	9.12	-	-	110.26	CBSRTGS	0.10	0.20	0.20	W	R ¹⁶⁾	Fixed	9
7.50	6.92	-	-	102.56	CBSRTGS	...	...	...	Q	R ¹⁶⁾	Fixed	10
6.50	5.94	-	-	101.55	CBSRTGS	...	...	0.10	M	R ¹⁶⁾	Fixed	11
9.00	7.97	-	-	110.72	CBSRTGS	0.20	0.20	0.40	W	R ¹⁶⁾	Fixed	12
6.50	5.55	-	-	101.43	CBSRTGS	...	...	0.20	W	R ¹⁶⁾	Fixed	13
8.00	6.98	-	-	107.53	CBSRTGS	0.20	0.20	0.30	W	R ¹⁶⁾	Fixed	14
6.00	5.62	-	-	100.57	CBSRTGS	0.20	0.20	0.30	W	R ¹⁶⁾	Fixed	15
7.00	6.90	-	-	102.68	CBSRTGS	0.30	0.30	0.50	W	R ¹⁶⁾	Fixed	16
6.00	5.65	-	-	102.40	CBSRTGS	0.10	0.10	0.20	W	R ¹⁶⁾	Fixed	17
7.00	6.94	-	-	103.25	CBSRTGS	0.30	0.30	0.40	W	R ¹⁶⁾	Fixed	18
7.50	8.17	-	-	104.51	CBSRTGS	...	...	0.10	M	R ¹⁶⁾	Fixed	19
7.00	6.61	-	-	103.03	CBSRTGS	0.60	0.60	1.20	D	R ¹⁶⁾	Fixed	20
7.50	7.30	-	-	105.63	CBSRTGS	0.20	0.20	0.40	W	R ¹⁶⁾	Fixed	21
7.00	7.11	-	-	101.34	CBSRTGS	0.60	0.60	1.00	D	R ¹⁶⁾	Fixed	22
6.50	5.89	-	-	103.09	CBSRTGS	0.20	0.20	0.50	W	R ¹⁶⁾	Fixed	23
7.50	8.08	-	-	97.19	CBSRTGS	0.40	0.30	1.10	D	R ¹⁶⁾	Fixed	24
6.50	6.69	-	-	100.69	CBSRTGS	0.40	0.40	0.70	W	R ¹⁶⁾	Fixed	25
7.00	7.45	-	-	99.65	CBSRTGS	0.40	0.40	0.70	W	R ¹⁶⁾	Fixed	26
5.75	6.08	-	-	100.84	CBSRTGS	0.40	0.40	0.60	W	R ¹⁶⁾	Fixed	27
6.00	6.02	-	-	101.58	CBSRTGS	0.20	0.20	0.40	W	R ¹⁶⁾	Fixed	28
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	29
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	30
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	31
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	32
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	33
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	34
7.50	7.50	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	35
7.00	7.00	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	36
7.00	7.00	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	37
7.00	7.00	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	38
6.75	6.75	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	39
6.75	6.75	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	40
6.75	6.75	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	41
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	42
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	43
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	44
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	45
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	46
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	47
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	48
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	49
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	50
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	51
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	52
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	53
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	54
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	55
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	56
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	57
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	58
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	59
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	60
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	61
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	62
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	63
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	64
6.25	6.25	***	***	***	***	***	***	***	***	-	Fixed ²⁰⁾	65

Table 3 (cont'd)
Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
66	BG2271202116	Bulgaria	Central gov.	**	19/06/02	19/06/04	BGN	0.37	0.73
67	BG2271302114	Bulgaria	Central gov.	**	03/07/02	03/07/04	BGN	0.43	0.83
68	BG2271402112	Bulgaria	Central gov.	**	17/07/02	17/07/04	BGN	0.28	0.55
69	BG2271502119	Bulgaria	Central gov.	**	31/07/02	31/07/04	BGN	0.31	0.60
70	BG2271602117	Bulgaria	Central gov.	**	14/08/02	14/08/04	BGN	0.36	0.70
71	BG2271702115	Bulgaria	Central gov.	**	28/08/02	28/08/04	BGN	0.30	0.58
72	BG2271802113	Bulgaria	Central gov.	**	11/09/02	11/09/04	BGN	0.43	0.85
73	BG2271902111	Bulgaria	Central gov.	**	25/09/02	25/09/04	BGN	0.34	0.67
74	BG2272002119	Bulgaria	Central gov.	**	09/10/02	09/10/04	BGN	0.29	0.56
75	BG2272102117	Bulgaria	Central gov.	**	23/10/02	23/10/04	BGN	0.32	0.62
76	BG2272202115	Bulgaria	Central gov.	**	06/11/02	06/11/04	BGN	0.25	0.48
77	BG2272302113	Bulgaria	Central gov.	**	20/11/02	20/11/04	BGN	0.27	0.54
78	BG2272402111	Bulgaria	Central gov.	**	04/12/02	04/12/04	BGN	0.36	0.71
79	BG2040296225 ⁹⁾	Bulgaria	Central gov.	**	05/06/96	25/05/03	BGN	0.44	0.86
80	BG2040396223 ⁹⁾	Bulgaria	Central gov.	**	12/06/96	01/06/03	BGN	0.46	0.91
81	BG2040596228 ⁹⁾	Bulgaria	Central gov.	**	27/06/96	19/06/03	BGN	0.06	0.11
82	BG2044397227 ⁹⁾	Bulgaria	Central gov.	**	18/08/97	09/08/04	BGN	4.32	8.45
83	BG2047397224 ⁹⁾	Bulgaria	Central gov.	**	22/10/97	13/10/04	BGN	0.48	0.93
84	BG2047597229 ⁹⁾	Bulgaria	Central gov.	**	22/10/97	13/10/04	BGN	1.55	3.04
85	BG2047697227 ⁹⁾	Bulgaria	Central gov.	**	05/11/97	27/10/04	BGN	2.12	4.14
86	BG2000192224 ¹⁰⁾	Bulgaria	Central gov.	**	01/01/92	01/01/11	BGN	1.27	2.48
87	BG2009993226 ¹⁰⁾	Bulgaria	Central gov.	**	01/07/93	01/07/17	BGN	0.98	1.91
88	BG2009893228 ¹⁰⁾	Bulgaria	Central gov.	**	01/10/93	01/10/18	BGN	3.52	6.89
89	BG2009693222 ¹⁰⁾	Bulgaria	Central gov.	**	01/12/93	01/12/18	BGN	0.38	0.74
90	BG2009794228 ¹⁰⁾	Bulgaria	Central gov.	**	01/01/94	01/01/19	USD	188.74	195.84
91	BG2040099223 ¹⁰⁾	Bulgaria	Central gov.	**	01/07/99	01/01/19	EUR	126.80	126.80
92	XS0138976385	Bulgaria	Central gov.	**	19/11/01	01/03/07	EUR	250.00	250.00
93	XS0051468873 ¹¹⁾	Bulgaria	Central gov.	**	28/07/94	28/07/24	USD	630.57	654.27
94	XS0051469848 ¹²⁾	Bulgaria	Central gov.	**	28/07/94	28/07/24	USD	24.15	25.06
95	XS0051466588 ¹³⁾	Bulgaria	Central gov.	**	28/07/94	28/07/12	USD	778.55	807.82
96	XS0053876396 ¹⁴⁾	Bulgaria	Central gov.	**	28/07/94	28/07/12	USD	2.29	2.37
97	XS0051472719 ¹⁵⁾	Bulgaria	Central gov.	**	28/07/94	28/07/11	USD	963.11	999.32
98	XS0145624432	Bulgaria	Central gov.	**	10/04/02	15/01/13	EUR	835.47	835.47
99	XS0145623624	Bulgaria	Central gov.	**	10/04/02	15/01/15	USD	1,224.51	1,270.55
100	BG2200100225	Munic. of Svishtov	Local gov.	BSE-Sofia	23/11/99	23/11/06	BGN	0.20	0.30
101	BG2100007025	Munic. of Varna	Local gov.	**	24/10/02	24/10/05	EUR	3.00	3.00
102	BG2100005029	Munic. of Sliven	Local gov.	BSE-Sofia	04/12/02	04/12/06	BGN	1.50	3.00

Sources: BNB – Fiscal Services Department; Bank Policy Directorate; Ministry of Finance – Government and Guaranteed Debt Directorate. BSE-Sofia – Bulgarian Stock Exchange; CDAD – Central Depository.

CBSRTGS – Computerized Book-Entry System for Registration of and Trade in Government Securities at the Bulgarian National Bank.

BIR – Basic interest rate for the respective period.

For the calculation of the nominal amount in EUR the following exchange rates have been applied: EUR/USD 1.037598; EUR/BGN 1.95583.

** The debt securities are traded by direct negotiation between the primary dealers after which they are registered in the CBSRTGS.

*** Government securities are for individuals, and are not tradable (nonmarketable debt). They have no market prices.

- 1) Yield-to-maturity is calculated on the issue date by the MoF according to the agreed methodology and yield conventions adopted as of 1 January 2001: ACT/ACT, except for issue ISIN code XS0145623624, for which the yield convention 30/360 is used.
- 2) Market prices are based on outright transactions registered by the CBSRTGS and include accrued interest.
- 3) Data for the number and volume of transactions is based on transactions in which there is simultaneous transfer of government securities and funds. Number of business days in the period: 128.
- 4) six-month LIBOR of the US dollar for the preceding interest period; the amount of interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.
- 5) six-month EURIBOR for the preceding interest period; the amount of interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.
- 6) LIBOR-six-month LIBOR of the US dollar.
- 7) Different coupon: 1st-2nd year – 2%; 3rd-4th year – 2.25%; 5th year – 2.5%; 6th year – 2.75%; 7th year – 3%; from the 8th on to maturity – six-month LIBOR of the US dollar + 13/16.
- 8) Different coupon: 1st-2nd year – 2%; 3rd-4th year – 2.25%; 5th year – 2.5%; 6th year – 2.75%; 7th year – 3%; from the 8th on to maturity – six-month LIBOR of the US dollar + 21/16.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price	Bid price	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	66
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	67
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	68
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	69
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	70
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	71
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	72
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	73
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	74
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	75
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	76
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	77
6.25	6.25	***	***	***	***	***	***	***	***	–	Fixed ²⁰⁾	78
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	79
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	80
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	81
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	82
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	83
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	84
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	85
BIR+1	–	–	–	88.59	CBSRTGS	...	...	...	Q	–	Variable	86
BIR	–	–	–	–	CBSRTGS	0.00	0.00	0.00	–	–	Variable	87
BIR	–	–	–	80.22	CBSRTGS	...	...	...	Q	–	Variable	88
BIR	–	–	–	79.50	CBSRTGS	...	...	...	Q	–	Variable	89
LIBOR ⁴⁾	–	–	–	81.38	CBSRTGS	0.60	0.50	1.40	D	–	Variable	90
EURIBOR ⁵⁾	–	–	–	81.05	CBSRTGS	0.10	0.10	0.10	M	–	Variable	91
7.25	7.51	.	.	.	.	.	.	.	.	–	Fixed	92
LIBOR ⁶⁾ +13/16	.	.	.	.	.	.	.	.	D	B	Brady bond ¹⁷⁾	93
LIBOR ⁶⁾ +21/16	.	.	.	.	.	.	.	.	D	B	Brady bond ¹⁷⁾	94
different coupon ⁷⁾	D	B	Brady bond ¹⁸⁾	95
different coupon ⁸⁾	D	B	Brady bond ¹⁸⁾	96
LIBOR ⁶⁾ +13/16	.	.	.	.	.	.	.	.	D	B	Brady bond ¹⁹⁾	97
7.50	7.97	.	.	.	.	.	.	.	.	B	Fixed	98
8.25	8.38	.	.	.	.	.	.	.	.	B	Fixed	99
BIR+3	–	–	–	–	CDAD	0.00	0.00	0.00	–	–	Variable ²¹⁾	100
9.00	–	–	–	–	CDAD	0.00	0.00	0.00	–	–	Fixed	101
9.00	–	–	–	–	CDAD	0.00	0.00	0.00	–	–	Fixed	102

9) Securities number 79 to 85 are issued in compliance with Law on State Protection of Deposits and Accounts with Commercial Banks in respect whereof the BNB has petitioned the Institution of Bankruptcy Proceedings.

10) Securities number 86 to 91 are issued in compliance with ZUNK (The Law of the Settlement of Nonperforming Credits Negotiated to 31 December 1990); CM Decrees No 244 of 1991, No 186 of 1993, No 3 of 1994. §10 of the Transitional and Final Provisions of 1999 State Budget Law of the Republic of Bulgaria.

11) Security number 93 (ISIN XS0051468873) = DISCs-A-Discount Bonds tranche A.

12) Security number 94 (ISIN XS0051469848) = DISCs-B-Discount Bonds tranche B.

13) Security number 95 (ISIN XS0051466588) = FLIRBs-A-Front-Loaded Interest Reduction Bonds tranche A.

14) Security number 96 (ISIN XS0053876396) = FLIRBs-B-Front-Loaded Interest Reduction Bonds tranche B.

15) Security number 97 (ISIN XS0051472719) = IABs-Interest Arrears Bonds.

16) "Reopening issues" – These government securities are issued in tranches but with the same issue date.

17) Debt restructuring bonds – principal collateralized by US zero coupon government bonds, bullet repayment participate in the process of privatization with 100% of their nominal value.

18) Debt restructuring bonds – partly paid on 21 semiannual payments, with eight years grace period; participate in the process of privatization with 50% of their nominal value.

19) Debt restructuring bonds – partly paid on 21 semiannual payments, with seven years grace period.

20) Repurchase option prior to maturity.

21) Yearly party paid on the base of "pro-rata" method (23/11/2002-23/11/2006).

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Basic interest rate	4.65	4.78	4.54	4.43	3.92
II. Money market rates					
Overnight deposits	4.96	0.81	1.45	1.09	1.57
one-month deposits	5.75	4.03	4.00	3.69	3.34
three-month deposits	5.50	5.58	-	5.00	-
six-month deposits	-	6.00	5.92	-	-
twelve-month deposits	-	-	-	-	-
III. Capital market interest rates					
Government bond yield as at the auction day ¹⁾					
two-year government bond yields	5.71	-	-	-	-
five-year government bond yields	7.07	6.95	6.64	-	6.63
seven-year government bond yields	8.00	7.43	-	-	-
ten-year government bond yields ²⁾	-	-	-	-	8.06
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises (short-term)	12.40	9.56	9.26	9.14	9.52
- To households (long-term)	15.47	15.36	15.48	15.38	15.12
<i>Deposit interest rates</i>					
- Overnight (enterprises)	0.28	0.32	0.32	0.28	0.39
- With agreed maturity (up to one month)	3.18	2.47	2.45	2.03	2.72
- Redeemable at notice	.	.	.	.	.

Source: Bulgaria National Bank (BNB).

1) Average-weighted on an annual effective basis.

2) The first issue of a ten-year government bond took place in April 2002.

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises (short-term)	.	.	.	.	.
- To households (long-term)	.	.	.	.	.
<i>Deposit interest rates</i>					
- Overnight (enterprises)	0.29	0.28	0.32	0.28	0.38
- With agreed maturity (up to one month)	3.53	3.34	3.25	3.01	3.22
- Redeemable at notice	.	.	.	.	.

Source: Bulgaria National Bank (BNB).

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
3.92	3.71	3.67	3.79	3.75	3.71	3.71	3.31
1.58	7.07	4.55	2.93	2.68	3.18	0.73	1.05
3.51	4.55	5.84	5.75	4.29	4.85	4.09	3.80
4.25	5.40	-	5.56	5.75	4.63	4.34	3.71
3.35	-	-	6.25	-	-	4.92	-
-	-	-	6.50	-	6.00	-	-
-	-	-	-	-	-	-	-
6.61	-	6.55	6.87	-	6.79	6.61	-
-	-	7.30	7.68	-	7.63	7.17	-
-	8.27	8.44	-	-	-	-	-
9.00	9.05	9.51	9.31	9.46	8.12	8.41	9.54
14.59	14.96	14.91	14.89	14.62	14.52	14.60	14.55
0.34	0.36	0.28	0.39	0.34	0.28	0.32	0.35
2.70	3.07	3.22	2.74	2.76	2.95	2.71	2.73
.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
.
.
0.38	0.37	0.36	0.37	0.37	0.34	0.42	0.37
3.19	3.28	3.38	3.28	3.26	3.31	3.21	3.07
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Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	4,528.0	608.1	976.0	1,668.3	1,275.6
Monetary financial institutions (S.121+S.122)	738.7	0.0	2.2	35.7	700.8
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	58.7	0.0	16.8	41.9	0.0
Total	5,325.4	608.1	995.0	1,745.9	1,976.4

Source: Central Bank of Cyprus, Cyprus Stock Exchange, General Government and Non Financial Corporations.
Exchange rate used: Mid market exchange rate of EUR/CYP prevailing at the end of the reporting period: 1.7447.

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
94.5	5.5	0.0	100.0	0.0	0.0	83.2	16.8	0.0	29.5	70.5	0.0
0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	17.4	82.6	0.0
0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	1,800.1	3,508.5	2,851.7	92.0	118.0	73.0
– auction (% of total)	43.9	54.2	55.4	23.9	49.2	56.1
– syndication (% of total)	0.0	0.0	19.3	0.0	0.0	1.4
– other (e.g. private placement) (% of total)	56.1	45.8	25.3	76.1	50.8	42.5
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	1,727.8	2,933.5	2,818.9	86.0	107.0	70.0
– auction (% of total)	45.7	64.8	56.1	25.6	54.2	58.6
– syndication (% of total)	0.0	0.0	19.5	0.0	0.0	1.4
– other (e.g. private placement) (% of total)	54.3	35.2	24.4	74.4	45.8	40.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	0.0	568.8	25.0	0.0	7.0	1.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	100.0	100.0	0.0	100.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	72.3	6.1	7.9	6.0	4.0	2.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	463.0	1,309.2	1,486.2		61.3	34.0	51.0
– auction (% of total)	59.8	54.5	59.6		97.2	8.8	47.0
– syndication (% of total)	0.0	0.0	37.0		0.0	0.0	3.2
– other (e.g. private placement) (% of total)	40.2	45.5	3.4		2.8	91.2	53.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	390.7	735.1	1,453.3		62.2	28.0	41.0
– auction (% of total)	70.9	97.1	60.9		98.0	10.7	58.5
– syndication (% of total)	0.0	0.0	37.9		0.0	0.0	3.6
– other (e.g. private placement) (% of total)	29.1	2.9	1.2		2.0	89.3	41.5
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.0	568.8	25.0		0.0	0.0	7.0
– auction (% of total)	0.0	0.0	0.0		0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0		0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	100.0	100.0		0.0	0.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	72.3	5.2	7.9		100.0	6.0	3.0
– auction (% of total)	0.0	0.0	0.0		0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0		0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0		100.0	100.0	100.0

Sources: Central Bank of Cyprus, General government and non-financial corporations.

Table 2B
Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	0.0	0.0	0.0	654.0	355.0	392.0
– regulated markets (stock exchange(s) and other regulated markets), % of total	100.0	100.0	100.0	100.0	100.0	100.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	–	–	–	–	–	–
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	60.7	70.0	36.7	8.7	21.7	9.7
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	19.1	15.5	30.6	47.6	28.2	52.5
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	20.2	14.5	32.7	43.7	50.1	37.8

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	0.0	0.0	0.0	100.0	654.0	355.0	392.0
– regulated markets (stock exchange(s) and other regulated markets), % of total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	–	–	–	–	–	–	–
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	60.7	70.0	36.7	36.7	8.7	21.7	9.7
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	19.1	15.5	30.6	30.6	47.6	28.2	52.5
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	20.2	14.5	32.7	32.7	43.7	50.1	37.8

Source: Cyprus Stock Exchange.

Number of business days: 247 in 2000; 249 in 2001; 246 in 2002.

Table 3

Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	GRDS110 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	10/04/01	10/04/03	CYP	26.17	15.00
2	GRDS111 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	09/05/01	09/05/03	CYP	52.34	30.00
3	GRDS113 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	06/06/01	06/06/03	CYP	34.89	20.00
4	GRDS115 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	27/06/01	27/06/03	CYP	34.89	20.00
5	GRDS116 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	11/07/01	11/07/03	CYP	61.06	35.00
6	GRDS122 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	26/10/01	26/10/03	CYP	20.94	12.00
7	GRDS127 ⁽⁴⁾	Republic of Cyprus	Central gov.	–	11/12/01	11/12/03	CYP	17.45	10.00
8	CY0047900812	Republic of Cyprus	Central gov.	CSE	04/01/02	04/01/04	CYP	40.13	23.00
9	CY0047920810	Republic of Cyprus	Central gov.	CSE	25/01/02	25/01/04	CYP	80.61	46.20
10	CY0047980814	Republic of Cyprus	Central gov.	CSE	25/02/02	25/02/04	CYP	33.15	19.00
11	CY0049000819	Republic of Cyprus	Central gov.	CSE	15/04/02	15/04/04	CYP	5.23	3.00
12	CY0048030817	Republic of Cyprus	Central gov.	CSE	16/07/02	16/07/04	CYP	52.34	30.00
13	CY0048060814	Republic of Cyprus	Central gov.	CSE	24/07/02	24/07/04	CYP	26.17	15.00
14	CY0048210815	Republic of Cyprus	Central gov.	CSE	08/08/02	08/08/04	CYP	34.89	20.00
15	CY0048240812	Republic of Cyprus	Central gov.	CSE	05/09/02	05/09/04	CYP	22.68	13.00
16	CY0048280818	Republic of Cyprus	Central gov.	CSE	24/09/02	24/09/04	CYP	32.02	18.35
17	CY0048320812	Republic of Cyprus	Central gov.	CSE	15/10/02	15/10/04	CYP	34.89	20.00
18	GRDS90 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	28/02/00	28/02/03	CYP	17.45	10.00
19	GRDS94 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	14/04/00	14/04/03	CYP	8.72	5.00
20	GRDS95 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	12/06/00	12/06/03	CYP	6.98	4.00
21	GRDS96 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	17/07/00	17/07/03	CYP	12.21	7.00
22	GRDS97 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	18/09/00	18/09/03	CYP	6.98	4.00
23	GRDS98 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	25/09/00	25/09/03	CYP	5.23	3.00
24	GRDS99 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	16/10/00	16/10/03	CYP	8.72	5.00
25	GRDS101 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	17/11/00	17/11/03	CYP	13.96	8.00
26	GRDS102 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	08/12/00	08/12/03	CYP	10.47	6.00
27	GRDS103 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	19/01/01	19/01/04	CYP	10.47	6.00
28	GRDS104 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	29/01/01	29/01/04	CYP	17.45	10.00
29	GRDS107 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	23/02/01	23/02/04	CYP	5.23	3.00
30	GRDS108 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	20/03/01	20/03/04	CYP	6.98	4.00
31	GRDS109 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	23/04/01	23/04/04	CYP	8.72	5.00
32	GRDS112 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	25/05/01	25/05/04	CYP	8.72	5.00
33	GRDS114 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	25/06/01	25/06/04	CYP	12.21	7.00
34	GRDS117 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	27/07/01	27/07/04	CYP	12.21	7.00
35	GRDS118 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	28/09/01	28/09/04	CYP	12.21	7.00
36	GRDS121 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	26/10/01	26/10/04	CYP	10.47	6.00
37	GRDS124 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	13/11/01	13/11/04	CYP	10.47	6.00
38	GRDS126 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	11/12/01	11/12/04	CYP	5.23	3.00
39	GRDS129 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	04/01/02	04/01/05	CYP	12.21	7.00
40	GRDS132 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	25/01/02	25/01/05	CYP	12.21	7.00
41	GRDS134 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	25/02/02	25/02/05	CYP	12.21	7.00
42	GRDS137 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	01/03/02	01/03/05	CYP	12.21	7.00
43	GRDS141 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	23/04/02	23/04/05	CYP	34.89	20.00
44	GRDS142 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	20/05/02	20/05/05	CYP	5.23	3.00
45	GRDS143 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	21/06/02	21/06/05	CYP	8.72	5.00
46	GRDS145 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	26/07/02	26/07/05	CYP	7.66	4.39
47	GRDS150 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	24/09/02	24/09/05	CYP	12.13	6.95
48	GRDS152 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	18/10/02	18/10/05	CYP	6.70	3.84
49	GRDS153 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	11/10/02	11/10/05	CYP	9.94	5.70
50	GRDS154 ⁽⁴⁾	Republic of Cyprus	Central gov.	CBC	24/12/02	24/12/05	CYP	20.94	12.00
51	CY0044310817	Republic of Cyprus	Central gov.	CSE	29/01/98	29/01/03	CYP	255.72	146.57
52	CY0044430813	Republic of Cyprus	Central gov.	CSE	04/01/99	04/01/04	CYP	313.81	179.87
53	CY0045130818	Republic of Cyprus	Central gov.	CSE	28/02/00	28/02/05	CYP	132.09	75.71
54	CY0046410813	Republic of Cyprus	Central gov.	CSE	29/01/01	29/01/06	CYP	224.16	128.48
55	CY0047870817	Republic of Cyprus	Central gov.	CSE	28/09/01	28/09/06	CYP	26.17	15.00
56	CY0047890815	Republic of Cyprus	Central gov.	CSE	11/12/01	11/12/06	CYP	26.17	15.00
57	CY0047910811	Republic of Cyprus	Central gov.	CSE	04/01/02	04/01/07	CYP	348.12	199.53
58	CY0044270813	Republic of Cyprus	Central gov.	CSE	17/11/97	17/11/07	CYP	25.65	14.70
59	CY0044330815	Republic of Cyprus	Central gov.	CSE	03/03/98	03/03/08	CYP	86.31	49.47
60	CY0044440812	Republic of Cyprus	Central gov.	CSE	25/01/99	25/01/09	CYP	109.09	62.53
61	CY0045140817	Republic of Cyprus	Central gov.	CSE	28/02/00	28/02/10	CYP	52.61	30.15
62	CY0046400814	Republic of Cyprus	Central gov.	CSE	29/01/01	29/01/11	CYP	64.55	37.00
63	CY0047970815	Republic of Cyprus	Central gov.	CSE	25/02/02	25/02/12	CYP	6.42	3.68
64	CY0047860818	Republic of Cyprus	Central gov.	CSE	26/10/01	26/10/16	CYP	7.08	4.06
65	CY0048900811	Republic of Cyprus	Central gov.	CSE	15/04/02	15/04/17	CYP	13.54	7.76

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ¹⁰⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
6.25	-	-	-	-	-	-	-	-	-	-	-	1
6.25	-	-	-	-	-	-	-	-	-	-	-	2
6.25	-	-	-	-	-	-	-	-	-	-	-	3
6.25	-	-	-	-	-	-	-	-	-	-	-	4
6.25	-	-	-	-	-	-	-	-	-	-	-	5
5.75	-	-	-	-	-	-	-	-	-	-	-	6
4.75	-	-	-	-	-	-	-	-	-	-	-	7
4.75	-	1.02 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	8
4.75	-	1.03 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	9
4.75	-	1.03 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	10
4.75	-	1.03 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	11
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	12
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	13
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	14
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	15
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	16
4.75	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	17
6.50	5.50	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	18
6.50	5.75	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	19
6.50	5.75	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	20
6.50	6.00	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	21
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	22
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	23
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	24
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	25
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	26
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	27
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	28
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	29
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	30
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	31
6.50	6.25	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	32
6.50	6.30	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	33
6.50	6.30	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	34
6.00	5.80	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	35
6.00	5.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	36
6.00	5.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	37
5.00	4.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	38
5.00	4.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	39
5.00	4.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	40
5.00	4.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	41
5.00	4.85	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	42
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	43
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	44
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	45
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	46
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	47
5.00	4.90	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	48
5.00	4.95	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	49
5.00	4.95	-	-	-	CBC	⁻¹¹⁾	⁻¹¹⁾	⁻¹¹⁾	D	-	-	50
6.75	4.69	1.02 ¹⁶⁾	⁻¹⁵⁾	1.01 ¹⁴⁾	CSE	0.00038	0.00039	2	D	F	-	51
6.75	-	1.05 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	52
6.75	5.33	1.07 ¹⁶⁾	⁻¹⁵⁾	1.06 ¹⁴⁾	CSE	0.00014	0.00015	2	D	F	-	53
6.75	-	1.10 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	54
6.25	-	1.09 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	55
5.25	-	-	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	56
5.25	-	1.06 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	57
7.00	-	1.13 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	58
7.00	4.37	1.14 ¹⁶⁾	⁻¹⁵⁾	1.16 ¹⁴⁾	CSE	0.000067	0.000078	2	D	F	-	59
7.00	-	1.16 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	60
7.00	-	1.18 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	61
7.00	-	1.20 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	62
5.50	-	1.10 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	63
6.60	-	1.22 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	-	-	64
5.60	-	1.12 ¹⁶⁾	⁻¹⁵⁾	⁻¹⁴⁾	CSE	0.00	0.00	0	D	F	-	65

Table 3 (cont'd)**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
66	SB(5)164-167 ⁵⁾	Republic of Cyprus	Central gov.	–	01/03/96	21/03/03	CYP	1.74	1.00
67	SB(5)168-171 ⁵⁾	Republic of Cyprus	Central gov.	–	04/06/96	24/06/03	CYP	1.74	1.00
68	SB(5)172-174 ⁵⁾	Republic of Cyprus	Central gov.	–	03/03/97	23/03/04	CYP	1.31	0.75
69	SB(5)175-179 ⁵⁾	Republic of Cyprus	Central gov.	–	01/08/97	21/08/04	CYP	2.18	1.25
70	SB(5)180-183 ⁵⁾	Republic of Cyprus	Central gov.	–	01/12/97	21/12/04	CYP	1.74	1.00
71	SB(5)184-186 ⁵⁾	Republic of Cyprus	Central gov.	–	01/06/98	21/06/05	CYP	1.31	0.75
72	SB(5)187-190 ⁵⁾	Republic of Cyprus	Central gov.	–	02/10/98	22/10/05	CYP	1.74	1.00
73	SB(5)191-195 ⁵⁾	Republic of Cyprus	Central gov.	–	01/12/98	21/12/05	CYP	2.18	1.25
74	SB(5)196-200 ⁵⁾	Republic of Cyprus	Central gov.	–	01/03/00	21/03/07	CYP	2.18	1.25
75	SB(5)201-203 ⁵⁾	Republic of Cyprus	Central gov.	–	03/05/00	23/05/07	CYP	1.31	0.75
76	SB(5)204-206 ⁵⁾	Republic of Cyprus	Central gov.	–	02/10/00	22/10/07	CYP	1.31	0.75
77	SB(5)207-210 ⁵⁾	Republic of Cyprus	Central gov.	–	01/12/00	21/12/07	CYP	1.74	1.00
78	SB(5)211-215 ⁵⁾	Republic of Cyprus	Central gov.	–	02/04/01	22/04/08	CYP	2.18	1.25
79	SB(5)216-220 ⁵⁾	Republic of Cyprus	Central gov.	–	03/09/01	23/09/08	CYP	2.18	1.25
80	SB(5)221-225 ⁵⁾	Republic of Cyprus	Central gov.	–	03/12/01	23/12/08	CYP	2.18	1.25
81	SB(10)7-8 ⁶⁾	Republic of Cyprus	Central gov.	–	02/12/96	22/12/03	CYP	1.74	1.00
82	SC3 ⁷⁾	Republic of Cyprus	Central gov.	CBC	21/09/01	See ⁸⁾	CYP	12.25	6.92
83	SC4 ⁷⁾	Republic of Cyprus	Central gov.	CBC	16/11/01	See ⁸⁾	CYP	18.70	10.72
84	SC5 ⁷⁾	Republic of Cyprus	Central gov.	CBC	27/12/02	See ⁸⁾	CYP	1.55	0.94
85	GG5-1 ¹²⁾	Cyprus Land Development Organisation	Non-fi–ncial corporation	–	21/12/00	21/12/08	CYP	5.17	2.96
86	GG5-2 ¹²⁾	Cyprus Sports Organisation	Central gov.	–	15/12/00	15/12/08	CYP	17.25	9.89
87	GG5-3 ¹²⁾	Limassol Municipality	Local gov.	–	13/07/99	12/07/09	CYP	8.62	4.94
88	GG5-4 ¹²⁾	Nicosia Municipality	Local gov.	–	26/06/87	26/6/2007	CYP	1.64	0.94
89	GG5-5 ¹²⁾	Central Slaughtering House	Non-fi–ncial corporation	–	17/12/99	17/12/06	CYP	3.45	1.98
90	XS0089349590	Republic of Cyprus	Central gov.	Eurobond	28/07/98	28/07/08	EUR	350.00	350.00
91	XS0098787855	Republic of Cyprus	Central gov.	Eurobond	23/06/99	23/06/06	EUR	280.00	280.00
92	XS0143546207	Republic of Cyprus	Central gov.	Eurobond	27/02/02	27/02/12	EUR	550.00	550.00

Source: Central Bank of Cyprus

CSE – Cyprus Stock Exchange. CBC – Central Bank of Cyprus.

Exchange rates used: Mid market exchange rate of EUR/CYP prevailing as at end December, 2002: 1.7447.

- 1) The Yield to maturity was calculated using the ISMA formula 6.3 and the Actual/365 count basis except for that of 3-year GRDS (GRDS 90 -154). Yield to Maturity for the 3-year GRDS (security number 18 to 50) is administratively pre-defined by the CBC upon the issuance of each stock. These stocks are exclusively marketed to natural persons.
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002. Ask and bid prices regarding 3-yr GRDS quotes (security number 18 to 50) are administratively pre-defined by the CBC upon the issuance of each stock.
- 3) The calculation of the value of transactions is based on the average of the daily total value for the reference period July 2002 to December 2002.
- 4) GRDS denotes Government Registered Development Stock. This is followed by the unique serial number assigned internally by the Central Bank of Cyprus to each new issue of GRDS.
- 5) SB(5) denotes Savings Bonds of CYP5 nominal value, followed by a unique serial number assigned to each new series by the Central Bank of Cyprus.
- 6) SB(10) denotes Savings Bonds of CYP10 nominal value, followed by a unique serial number assigned to each new series by the Central Bank of Cyprus.
- 7) SC denotes Savings Certificates, followed by a unique serial number assigned to each new series by the Central Bank of Cyprus.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ¹⁰⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	66
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	67
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	68
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	69
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	70
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	71
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	72
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	73
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	74
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	75
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	76
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	77
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	78
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	79
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	80
-	-	-	-	-	-	-	-	-	-	-	Lottery bond	81
-	6.50 ⁹⁾	-	-	-	-	-	-	-	D	-	Savings certificate	82
-	5.15 ⁹⁾	-	-	-	-	-	-	-	D	-	Savings certificate	83
-	4.65 ⁹⁾	-	-	-	-	-	-	-	D	-	Savings certificate	84
6.75	-	-	-	-	-	-	-	-	-	-	-	85
6.85	-	-	-	-	-	-	-	-	-	-	-	86
7.30 ¹³⁾	-	-	-	-	-	-	-	-	-	-	Variable coupon	87
8.50	-	-	-	-	-	-	-	-	-	-	-	88
7.75	-	-	-	-	-	-	-	-	-	-	-	89
5.38	4.76	103.13	102.93	103.03	ABN AMRO	.	.	.	.	-	-	90
5.00	4.35	102.66	102.14	102.14	UBS Warburg/ Merrill Lynch	.	.	.	.	-	-	91
5.50	5.18	101.92	101.40	101.92	CSFB	.	.	.	.	-	-	92

8) Savings Certificates are issued in Series, for a specified maturity and a specified compound interest rate. Please note that the issuance date appearing in Variable 7 refers to the date of the announcement of each series. The maturity date is calculated as from the date of sale and therefore no unique maturity date for the whole series can be reported.

9) Represents compound interest rate.

10) The secondary market on these stocks is very illiquid and very few transactions take place during the year. Therefore, the total number of transactions is reported for each stock.

11) Trading in the 3-yr GDS market is very thin and infrequent; thus, the corresponding average values computed as instructed are extremely small to be reported.

12) GGS denotes Government Guaranteed Securities.

13) From July 2004 until July 2009 the rate used will be a floating rate.

14) The secondary market on these stocks is very illiquid and very few transactions take place during the year. Therefore, the market price was calculated taking the market price at the close of market of each transaction day, adding them up and dividing by the number of transaction days of each stock.

15) Trading in the market of these stocks is very thin and illiquid. Therefore, the values for the average bid price are extremely small to be recorded.

16) The ask price was calculated taking the ask price at the close of market for each business day, adding them up and dividing by the number of business days during the reference period.

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Overnight deposit facility rate	2.50	2.50	2.50	2.50	2.50
Minimum bid rate on repos ¹⁾	-	-	-	-	-
Marginal lending facility rate	5.50	5.50	5.50	5.50	5.50
Maximum bid rate on Reserve repos/Deposit Acceptances (Depos) ¹⁾	4.00	4.00	4.00	4.00	4.00
II. Money market rates					
NIBOR					
Overnight deposits	4.02	3.45	3.39	3.29	3.42
one-month deposits	4.26	4.14	4.11	4.07	4.04
three-month deposits	4.47	4.38	4.28	4.24	4.29
six-month deposits	4.70	4.58	4.47	4.44	4.50
twelve-month deposits	4.86	4.68	4.59	4.56	4.65
III. Capital market interest rates ²⁾					
two-year government bond auction yields	4.70	4.55	4.58	-	4.65
five-year government bond auction yields	5.04	5.00	5.02	5.06	5.08
ten-year government bond auction yields	-	-	5.37	-	-
IV. Bank interest rates ³⁾					
<i>Lending interest rates</i>					
- To enterprises – overdrafts	7.95	7.95	7.95	7.67	7.67
- To enterprises – loans	7.12	7.12	7.12	7.13	7.13
- To households – consumer credit ⁴⁾	8.40	8.79	9.01	8.94	8.94
- To households – housing loans	7.13	7.13	7.18	7.21	7.21
<i>Deposit interest rates</i>					
- Overnight deposits	0.90	0.92	0.93	0.93	0.93
- With agreed maturity – one year	4.65	4.66	4.66	4.53	4.53
- Redeemable at notice – up to three months	3.52	3.51	3.53	3.53	3.53

Source: Central Bank of Cyprus.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) The sign “-” denotes that no such operations were announced during the relevant month.

2) The sign “-” denotes that no bids were accepted or no auctions took place during the month.

3) Data refer to the average of the representative nominal interest rates as defined by the three largest banks for each category.

4) Data refer to the average of the representative nominal interest rates charged to individuals on overdrafts within limits, personal secured loans and credit cards, as defined by the three largest banks.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
-	-	-	-	-	-	-	-
5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.00
4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.75
3.52	3.65	3.61	3.36	3.76	3.49	3.77	3.64
4.19	4.23	4.24	4.20	4.17	4.18	4.23	4.18
4.43	4.47	4.48	4.47	4.48	4.50	4.49	4.32
4.66	4.75	4.72	4.68	4.67	4.69	4.69	4.46
4.90	4.96	4.94	4.89	4.88	4.88	4.85	4.69
-	-	4.57	4.54	4.54	4.49	-	-
-	-	5.11	5.11	5.10	5.09	-	-
-	-	-	-	-	5.36	-	-
7.67	7.92	7.92	8.11	8.11	8.07	8.11	7.86
7.13	7.16	7.16	7.16	7.16	7.33	7.33	6.88
8.94	8.95	8.95	8.95	8.95	8.95	8.95	8.61
7.21	7.21	7.21	7.24	7.24	7.24	7.24	6.78
0.93	0.93	0.93	0.83	0.84	0.84	0.83	0.66
4.53	4.68	4.68	4.68	4.63	4.63	4.59	4.20
3.53	3.74	3.74	3.74	3.71	3.71	3.72	3.14

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	14,397.8	6,077.5	2,017.1	3,333.5	2,969.8
Monetary financial institutions (S.121+S.122)	25,034.3	22,875.8	16.3	1,766.3	375.8
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	2,523.7	0.0	121.6	1,825.7	576.5
Total	41,955.9	28,953.3	2,155.0	6,925.5	3,922.1

Sources: Short-term debt securities system (SKD), Securities Centre of the Czech Republic, Czech Securities Commission.
Exchange rate used (end-of-period): CZK/EUR 30.6.

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0
100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0
0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	44,914.1	49,937.2	73,287.2	78.0	61.0	54.0
– auction (% of total)	98.1	98.7	98.4	81.5	85.8	80.1
– syndication (% of total)	0.1	0.3	0.2	0.7	0.5	0.5
– other (e.g. private placement) (% of total)	1.8	0.9	1.4	17.8	13.7	19.4
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	17,872.6	16,758.9	17,024.1	52.0	46.0	39.0
– auction (% of total)	100.0	99.1	97.1	100.0	100.0	100.0
– syndication (% of total)	0.0	0.9	1.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	1.9	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	26,467.2	32,847.0	55,959.2	9.0	8.0	11.0
– auction (% of total)	98.8	99.5	99.3	45.0	62.9	37.0
– syndication (% of total)	0.0	0.0	0.0	0.6	0.4	0.6
– other (e.g. private placement) (% of total)	1.2	0.5	0.7	54.4	36.8	62.4
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	574.2	331.2	303.9	17.0	7.0	4.0
– auction (% of total)	7.1	5.5	5.0	44.1	18.6	5.0
– syndication (% of total)	4.9	5.0	5.0	2.9	4.3	5.0
– other (e.g. private placement) (% of total)	88.0	89.6	90.0	52.9	77.1	90.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	2,481.0	2,769.6	4,073.5	100.0	20.0	19.0	17.0
– auction (% of total)	65.6	77.1	71.1	71.1	27.8	54.4	36.9
– syndication (% of total)	1.3	6.3	4.5	4.5	2.8	1.7	1.6
– other (e.g. private placement) (% of total)	33.2	16.6	24.4	24.4	69.5	43.9	61.5
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	1,595.9	2,272.7	3,366.0	100.0	5.0	10.0	6.0
– auction (% of total)	100.0	93.1	85.4	85.4	100.0	100.0	100.0
– syndication (% of total)	0.0	6.9	4.9	4.9	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	9.7	9.7	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	323.5	167.3	403.6	100.0	5.0	3.0	7.0
– auction (% of total)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
– syndication (% of total)	1.0	1.0	1.0	1.0	1.0	1.0	1.0
– other (e.g. private placement) (% of total)	98.0	98.0	98.0	98.0	98.0	98.0	98.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	561.7	329.6	303.9	100.0	10.0	6.0	4.0
– auction (% of total)	5.0	5.0	5.0	5.0	5.0	5.0	5.0
– syndication (% of total)	5.0	5.0	5.0	5.0	5.0	5.0	5.0
– other (e.g. private placement) (% of total)	90.0	90.0	90.0	90.0	90.0	90.0	90.0

Sources: Securities Centre of the Czech Republic, Czech Securities Commission, Short-term debt securities system (SKD).
 Estimates "e" – Relative share of auctions, syndications and other methods of primary sale.

Table 2B
Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000 ¹⁾	2001 ¹⁾	2002
Total economy						
Total secondary market, of which:	923.0	902.2	871.1	72.8	55.5	170.2
– regulated markets (stock exchange(s) and other regulated markets). % of total	0.0	0.0	0.0	0.0	0.0	0.0
– non-regulated markets (e.g. over-the-counter (OTC) market). % of total	100.0	100.0	100.0	100.0	100.0	100.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	38.5	51.4	41.4	52.2	48.0	72.7
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	59.3	46.4	57.4	47.7	52.0	15.4
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	2.2	2.1	1.2	0.1	0.0	11.8

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total secondary market, of which:	111.0	239.6	231.9	100.0	–	–	143.3
– regulated markets (stock exchange(s) and other regulated markets). % of total	0.0	0.0	0.0	0.0	–	–	0.2
– non-regulated markets (e.g. over-the-counter (OTC) market). % of total	100.0	100.0	100.0	100.0	–	–	99.8
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	51.5	87.9	87.8	87.8	–	–	75.9
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	30.6	4.1	7.5	7.5	–	–	10.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	17.9	8.0	4.7	4.7	–	–	14.0

Sources: Prague Stock Exchange, Securities Centre of the Czech Republic, Short-term debt securities system (SKD).

Number of business days: Prague Stock Exchange – 249 in 2000; 250 in 2001; 250 in 2002; SKD – 250 in 2000; 252 in 2001; 252 in 2002

Estimates "e" – Value of transactions in long-term debt securities 2000, 2001, 2002; number of transactions in long-term debt securities 2002. Nominal value used for short-term debt securities. For long-term debt securities nominal value is not available, thus market value has been used. For long-term debt securities the value of transaction as well as the number of transactions is based on data from the Prague Stock Exchange. The total amount of secondary trading of long-term debt securities not registered by the PSE is estimated (as 10% of the total, based on the information from the Securities Centre) and is expected to have the same sector breakdown as the PSE trading. In 2000 and 2001 also the values and numbers of transactions at the Prague Stock Exchange had to be estimated from the incomplete PSE's data.

1) Data refer to short-term debt securities only.

Table 3
Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	CZ0001000558	Ministry of Finance	Central gov.	Prague Stock Exchange	06/02/98	06/02/03	CZK	163.40	5,000
2	CZ0001000574	Ministry of Finance	Central gov.	Prague Stock Exchange	07/08/98	07/08/03	CZK	163.40	5,000
3	CZ0001000590	Ministry of Finance	Central gov.	Prague Stock Exchange	05/02/99	05/02/04	CZK	0.16	5
4	CZ0001000632	Ministry of Finance	Central gov.	Prague Stock Exchange	06/08/99	06/08/04	CZK	163.40	5,000
5	CZ0001000681	Ministry of Finance	Central gov.	Prague Stock Exchange	21/01/00	21/01/03	CZK	579.35	17,728
	1 st tranche			Stock	21/01/00			130.72	4,000
	2 nd tranche			Exchange	12/05/00			163.40	5,000
	3 rd tranche				15/09/00			43.07	1,318
	4 th tranche				12/01/01			144.12	4,410
	5 th tranche				18/05/01			98.04	3,000
6	CZ0001000707	Ministry of Finance	Central gov.	Prague Stock Exchange	18/02/00	18/02/05	CZK	718.95	22,000
	1 st tranche			Stock	18/02/00			130.72	4,000
	2 nd tranche			Exchange	09/06/00			163.40	5,000
	3 rd tranche				13/10/00			130.72	4,000
	4 th tranche				23/02/01			163.40	5,000
	5 th tranche				22/06/01			130.72	4,000
7	CZ0001000715	Ministry of Finance	Central gov.	Prague Stock Exchange	05/02/00	05/02/04	CZK	163.24	4,995
8	CZ0001000723	Ministry of Finance	Central gov.	Prague Stock Exchange	17/03/00	17/03/07	CZK	653.59	20,000
	1 st tranche			Stock	17/03/00			130.72	4,000
	2 nd tranche			Exchange	21/07/00			130.72	4,000
	3 rd tranche				10/11/00			130.72	4,000
	4 th tranche				23/03/01			130.72	4,000
	5 th tranche				20/07/01			130.72	4,000
9	CZ0001000731	Ministry of Finance	Central gov.	Prague Stock Exchange	14/04/00	14/04/10	CZK	686.27	21,000
	1 st tranche			Stock	14/04/00			130.72	4,000
	2 nd tranche			Exchange	18/08/00			130.72	4,000
	3 rd tranche				08/12/00			130.72	4,000
	4 th tranche				27/04/01			163.40	5,000
	5 th tranche				24/08/01			130.72	4,000
10	CZ0001000749	Ministry of Finance	Central gov.	Prague Stock Exchange	26/01/01	26/01/16	CZK	934.74	28,603
	1 st tranche			Stock	26/01/01			163.40	5,000
	2 nd tranche			Exchange	01/06/01			117.75	3,603
	3 rd tranche				16/11/01			163.40	5,000
	4 th tranche				22/04/02			130.72	4,000
	5 th tranche				02/09/02			261.44	8,000
	6 th tranche				16/12/02			98.04	3,000

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
14.85	2.49	104.17	103.90	120.33	Prague Stock Exchange	0.59	0.67	0.18	D			1
10.90	3.24	106.68	106.41	109.16	Prague Stock Exchange	0.62	0.66	0.48	D			2
					Prague Stock Exchange						*)	3
7.30	3.17	107.62	107.32	100.00	Prague Stock Exchange	0.37	0.40	0.52	D			4
6.90	2.69	101.28	101.10	102.00	Prague Stock Exchange	2.24	2.38	0.75	D	F, B		5
6.75	3.08	108.29	108.01	100.00	Prague Stock Exchange	3.77	4.22	1.94	D	F, B		6
7.95	2.93	106.53	106.23	100.00	Prague Stock Exchange	0.37	0.41	0.33	D		*)	7
6.30	3.51	111.39	111.09	100.55	Prague Stock Exchange	7.48	8.52	4.45	D	F, B		8
6.40	4.07	114.89	114.59	100.00	Prague Stock Exchange	15.57	18.26	8.34	D	F, B		9
6.95	4.68	122.19	121.88	100.00	Prague Stock Exchange	40.68	51.21	33.75	D	F, B		10

Table 3 (cont'd)**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
11	CZ0001000756	Ministry of Finance	Central gov.	Prague	14/09/01	14/09/04	CZK	947.71	29,000
				Stock	14/09/01			163.40	5,000
				Exchange	21/01/02			261.44	8,000
					20/05/02			261.44	8,000
					16/09/02			261.44	8,000
12	CZ0001000764	Ministry of Finance	Central gov.	Prague	05/10/01	05/10/11	CZK	1,185.36	36,272
				Stock	05/10/01			163.40	5,000
				Exchange	14/12/01			172.29	5,272
					18/02/02			261.44	8,000
					17/06/02			261.44	8,000
13	CZ0001000772	Ministry of Finance	Central gov.	Prague	26/10/01	26/10/06	CZK	915.03	28,000
				Stock	26/10/01			163.40	5,000
				Exchange	18/03/02			228.76	7,000
					22/07/02			228.76	7,000
					18/11/02			294.12	9,000
14	CZ0001500086	City of Prague	OGG	Prague Stock Exchange	15/05/01	15/05/11	CZK	65.36	2,000
15	CZ0001500094	City of Prague	OGG	Prague Stock Exchange	15/05/01	15/05/11	CZK	98.04	3,000
16	CZ0003700445	Czech Consolidation Agency	Central gov.	Prague Stock Exchange	15/04/97	15/04/04	CZK	228.76	7,000
17	CZ0003700478	Czech Consolidation Agency	Central gov.	Prague Stock Exchange	17/03/98	17/03/05	CZK	163.40	5,000
18	CZ0003700627	Czech Consolidation Agency	Central gov.	Prague Stock Exchange	10/06/02	10/06/07	CZK	163.40	5,000
19	CZ0003700635	Czech Consolidation Agency	Central gov.	Prague Stock Exchange	28/06/02	28/06/05	CZK	326.80	10,000

Sources: Czech Securities Commission, Prague Stock Exchange

Exchange rate at the end of December 2002: CZK/EUR 30.60

1) Yield-to-maturity is calculated from the mid price (average of bid and ask quotations). These quotations give the best picture of the prices in the Czech bond market.

2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.

3) The calculation of the value (number) of transactions is based on the average of the daily total value (number of transactions) for the reference period July 2002 to December 2002.

*) Security number 7 (ISIN CZ0001000715): successor of security number 3 (ISIN CZ0001000590); The debt security issued by the MoF on 5 February 1999 with a fixed coupon of 7.95% (ISIN CZ0001000590) raised some doubts about its legal background. After a legislation change the MoF decided to issue new securities on 5 February 2000 with the same characteristics as the above issue (ISIN CZ0001000715) and it proposed to the holders of the "590" debt securities to exchange them for the new securities. This solution was supposed to have absolutely no financial effect on the holders and it should have solved the legal debates. Most of the holders have swapped the securities as proposed by the MoF, however some have not (less than 1%). Therefore the "590" issue cannot be cancelled but is not traded in the Prague Stock Exchange anymore.

**) Average in July – December 2002

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
6.05	3.06	105.59	105.35	100.00	Prague Stock Exchange	9.83	10.50	4.31	D	F, B		11
6.55	4.42	115.57	115.27	100.00	Prague Stock Exchange	58.85	69.13	30.37	D	F, B		12
5.70	3.52	108.16	107.88	100.00	Prague Stock Exchange	17.70	19.54	8.45	D	F, B		13
6.85	4.79	114.40	113.94	99.60	Prague Stock Exchange	0.69	0.81	1.71	D			14
4.02**)	4.09	100.00	99.66	100.05	Prague Stock Exchange	0.50	0.50	0.81	D		variable coupon = 6M PRIBOR	15
10.88	2.79	112.09	111.80	117.89	Prague Stock Exchange	1.72	2.01	0.61	D			16
3.70**)	3.46	100.69	100.40	99.40	Prague Stock Exchange	0.25	0.25	0.35	D		variable coupon = 6M PRIBOR + 0.125 p.p.	17
5.05	3.62	106.11	105.80	99.50	Prague Stock Exchange	3.20	3.42	3.85	D			18
3.79 **)	3.62	100.59	100.32	100.00	Prague Stock Exchange	1.23	0.67	0.49	D		variable coupon = 6M PRIBOR + 0.09 p.p.	19

Table 4**Official, money market, capital market and bank interest rates***(percentages per annum; monthly averages unless otherwise indicated)***1. Interest rates based on new business**

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Discount rate	3.75	3.50	3.25	3.25	2.75
Repo rate (two weeks)	4.75	4.50	4.25	4.25	3.75
Lombard rate	5.75	5.50	5.25	5.25	4.75
II. Money market rates					
PRIBOR (Prague Interbank Offered Rate)					
Overnight deposits	4.63	4.52	4.25	4.26	4.18
one-month deposits	4.77	4.66	4.30	4.29	4.21
three-month deposits	4.69	4.55	4.30	4.30	4.21
six-month deposits	4.62	4.48	4.33	4.34	4.24
twelve-month deposits	4.62	4.49	4.38	4.51	4.36
III. Capital market interest rates					
two-year government bond yields	-	-	-	-	-
five-year government bond yields	4.62	4.66	4.52	4.64	4.53
ten-year government bond yields	5.25	5.15	5.14	5.35	5.19
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises	5.75	5.51	5.04	5.07	4.97
- To households	9.05	8.77	8.72	9.27	9.25
<i>Deposit interest rates</i>					
- Overnight	.	.	.	.	.
- With agreed maturity	.	.	.	.	.
- Redeemable at notice	.	.	.	.	.

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises	6.84	6.55	6.33	6.32	6.26
- To households	8.75	8.72	8.78	9.09	8.90
<i>Deposit interest rates</i>					
- Overnight ¹⁾	1.26	1.39	1.22	1.24	1.23
- With agreed maturity ²⁾	3.17	3.33	3.12	3.04	3.01
- Redeemable at notice ³⁾	.	2.73	2.55	2.53	2.55

Sources: CNB, Interest Rates Statistics Survey, Prague Stock Exchange.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

- 1) Up to and including December 2001 overnight deposits are defined as demand deposits (deposits in a current account), i.e. the clients' deposited funds with respect to which the clients have free disposal without any notice period.
- 2) Up to and including December 2001 all time deposits are included in the category deposits with agreed maturity, i.e. deposits with agreed maturity, deposits redeemable at notice, certificates of deposits, savings deposits, deposits in building saving schemes, purpose-bond deposits.
- 3) Up to and including December 2001 deposits redeemable at notice are included in deposits with agreed maturity.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
2.75	2.75	2.00	2.00	2.00	2.00	1.75	1.75
3.75	3.75	3.00	3.00	3.00	3.00	2.75	2.75
4.75	4.75	4.00	4.00	4.00	4.00	3.75	3.75
3.75	3.75	3.62	3.01	3.02	3.01	2.75	2.75
3.80	3.78	3.44	3.05	3.01	2.94	2.78	2.73
3.81	3.78	3.37	3.06	2.99	2.82	2.77	2.63
3.88	3.80	3.37	3.08	2.96	2.77	2.76	2.60
4.05	3.94	3.41	3.12	2.96	2.77	2.76	2.60
-	-	-	-	-	-	-	-
4.36	4.24	3.70	3.37	3.09	2.84	2.76	2.68
5.03	4.92	4.53	4.21	4.06	3.92	3.86	3.79
4.70	4.78	4.27	4.08	4.14	4.04	3.87	3.82
9.03	8.63	8.74	8.68	8.54	8.57	8.53	8.75
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2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
6.12	5.92	5.71	5.58	5.48	5.28	5.15	5.18
8.91	8.82	8.86	8.81	8.83	8.82	8.78	8.80
1.18	1.20	1.13	1.07	1.05	1.02	0.96	0.93
2.73	2.70	2.58	2.36	2.43	2.37	2.26	2.24
2.46	2.67	2.65	2.31	2.01	1.98	1.74	1.80

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	116.5	0.0	4.6	108.1	3.8
Monetary financial institutions (S.121+S.122)	76.4	57.3	19.1	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	42.1	12.4	26.8	0.0	2.9
Total	235.0	69.7	50.5	108.1	6.7

*Source: Tallinn Central Depository for Securities**Exchange rate used (end-of-period): EEK/EUR 15.64664*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
0.0	0.0	0.0	100.0	0.0	0.0	7.5	92.5	0.0	100.0	0.0	0.0
100.0	0.0	0.0	79.0	21.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
100.0	0.0	0.0	93.0	7.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	154.9	74.0	308.8	39.0	35.0	58.0
– auction (% of total)	4.7	0.0	0.0	5.1	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	95.3	100	100	94.9	100	100
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	2.6	7.6	100.9	2.0	6.0	2.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	61.2	30.8	152.6	10.0	7.0	28.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	91.0	35.6	55.3	27.0	22.0	28.0
– auction (% of total)	7.9	0.0	0.0	7.4	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	92.1	100.0	100.0	92.6	100.0	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	11.6	5.8	136.8	32.8	7.0	5.0	13.0
– auction (% of total)	7.2	0.0	0.0	0.0	14.3	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	92.8	100.0	100.0	100.0	85.7	100.0	100.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	0.0	0.0	100	0.0	0.0	0.0	1.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	100.0	0.0	100.0	0.0	100.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.0	0.0	19.1	15.1	0.0	0.0	4.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	100.0	100.0	100.0	0.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	11.6	5.8	17.7	17.7	7.0	5.0	8.0
– auction (% of total)	7.2	0.0	0.0	0.0	14.3	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	92.8	100.0	100.0	100.0	85.7	100.0	100.0

Source: Tallinn Central Depository for Securities

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	0.6	0.2	0.4	11.3	5.4	2.5
– regulated markets (stock exchange(s) and other regulated markets), % of total	3.2	8.5	1.7	46.9	56.8	18.4
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	96.8	91.5	98.3	53.1	43.2	81.6
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	1.0	9.1	4.5	15.5	3.9	4.1
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	54.7	8.6	58.3	5.4	1.2	21.1
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	44.3	82.3	37.2	79.1	94.9	74.8

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	0.2	0.1	0.1	97.2	7.7	4.3	1.4
– regulated markets (stock exchange(s) and other regulated markets), % of total	6.9	16.7	7.8	7.9	80.3	70.0	34.4
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	93.1	83.3	92.2	92.1	19.7	30.0	65.6
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	3.3	3.1	17.9	18.2	1.3	0.2	5.6
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	18.0	0.0	18.2	16.9	0.1	0.0	11.8
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	78.7	96.9	63.9	64.97	98.7	99.8	82.6

Source: Tallinn Central Depository for Securities
Number of business days: 254 in 2000; 255 in 2001; 251 in 2002

Table 3**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	Sec. Id	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	EE1300001340	Republic of Estonia	Central gov.	–	02/06/95	01/01/03	EEK	1.90	30.00
2	EE1300001357	Republic of Estonia	Central gov.	–	02/06/95	01/01/04	EEK	1.90	30.00
3	EE1300001365	Republic of Estonia	Central gov.	–	02/06/95	01/01/05	EEK	1.90	30.00
4	EE1300001373	Republic of Estonia	Central gov.	–	02/06/95	01/01/06	EEK	1.90	30.00
5	EE1300001381	Republic of Estonia	Central gov.	–	02/06/95	01/01/07	EEK	1.90	30.00
6	EE2300006958	City of Maardu	Local gov.	–	13/11/98	22/11/07	EEK	2.40	37.50
7	EE2300002569	City of Püssi	Local gov.	–	28/08/96	15/08/02	EEK	0.40	6.00
8	EE2300007741	City of Tartu	Local gov.	–	04/06/99	05/06/03	EEK	3.80	58.60
9	EE2300015553	City of Keila commercial paper	Local gov.	–	04/01/02	07/07/03	EEK	0.86	13.50
10	XS0150123312	Republic of Estonia	Central gov.	Luxemburg SE	26/06/02	26/07/07	EUR	100.00	100.00

*Source: Tallinn Central Depository for Securities (ECSD)**Security number 7 (ISIN EE2300002569) has not been redeemed by the city of Püssi due to severe financial problems.**Security number 8 (ISIN EE2300007741): only 6 transactions were registered on the secondary market, therefore the value and number of transactions are reported as "NA".**ECSD= Estonian Central Depository for Securities*

- 1) *Yield to maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002.*
- 2) *The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.*
- 3) *The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.*

Coupon rate (if applicable)	YTM ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions ³⁾	Value of transactions ³⁾	Number of transactions ³⁾	Trading frequency in the reference period	F and/or B	Special features	Nr
10.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	1
10.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	2
10.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	3
10.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	4
10.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	5
9.50	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	6
14.00	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	7
4.35	–	–	–	–	ECSD	–	–	–	–	–	–	8
4.08	–	–	–	–	–	0.00	0.00	0.00	0.00	–	–	9
5.00	–	–	–	10

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new Business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end) ¹⁾	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
II. Money market rates					
Overnight deposits	3.06	2.96	2.98	3.04	3.07
one-month deposits	3.17	3.17	3.17	3.17	3.17
three-month deposits	3.46	3.47	3.47	3.47	3.47
six-month deposits	3.73	3.73	3.73	3.73	3.73
twelve-month deposits	4.13	4.12	4.09	4.08	4.08
III. Capital market interest rates ²⁾					
two-year government bond yields	-	-	-	-	-
five-year government bond yields	-	-	-	-	-
ten-year government bond yields	-	-	-	-	-
IV. Bank interest rates					
<i>Lending interest rates ³⁾</i>					
– To enterprises (t ≤ 1)	6.26	6.86	6.49	6.34	6.40
– To households (t ≥ 10)	7.46	7.55	7.47	7.62	7.48
<i>Deposit interest rates</i>					
– Overnight	.	.	.	.	.
– With agreed maturity (1 < t < 5)	4.51	4.43	4.45	4.28	4.37
– Redeemable at notice	-	-	-	-	-

Source: Bank of Estonia.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) According to the currency board system the Estonian Kroon is pegged to the Euro (EEK/EUR 15.64664). The Bank of Estonia does not set any policy rate.

2) No yields are indicated as there are only few irregular transactions.

3) Bank loans to enterprises and households are denominated mainly in Euro, but also in USD and EEK.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3.06	3.08	3.08	3.05	3.11	3.07	3.08	2.86
3.17	3.17	3.16	3.15	3.17	3.16	3.13	2.92
3.44	3.42	3.39	3.38	3.38	3.34	3.30	3.03
3.70	3.64	3.62	3.59	3.58	3.53	3.46	3.15
4.04	3.93	3.87	3.75	3.72	3.65	3.56	3.37
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
5.93	5.97	6.12	5.65	5.88	5.96	5.90	5.54
7.44	7.35	7.26	7.31	8.17	7.30	6.95	6.66
.
4.33	4.34	4.28	4.09	4.07	4.11	3.91	3.84
-	-	-	-	-	-	-	-

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Sector of the issuer	Instrument type/currency of denomination	Total amount outstanding				
		Money market Short-term	Bond market Long-term			
			t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions						
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)		32,138.1	8,426.0	10,073.3	7,791.2	5,847.5
Monetary financial institutions (S.121+S.122)		5,652.8	28.9	189.3	2,040.3	3,394.3
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)		765.3	197.5	157.7	200.7	209.4
Total		38,556.2	8,652.4	10,420.3	10,032.3	9,451.2

*Source: National Bank of Hungary.**Exchange rate used (end-of-period): HUF/EUR 235.9.*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	77.2	15.7	7.1	80.7	19.3	0.0	100.0	0.0	0.0
100.0	0.0	0.0	100.0	0.0	0.0	18.2	39.4	42.4	0.0	28.2	71.8
100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity**

(yearly total)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	16,607.5	22,712.1	21,519.8	98.0	130.0	106.0
– auction (% of total)	96.4	95.6	99.8	99.0	99.2	99.1
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	3.6	4.4	0.2	1.0	0.8	0.9
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	11,624.7	13,743.4	18,782.9	57.0	78.0	76.0
– auction (% of total)	94.8	92.7	99.8	98.2	98.7	98.7
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	5.2	7.3	0.2	1.8	1.3	1.3
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	4,982.9	8,968.7	2,736.9	41.0	52.0	30.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	.	.	.	.	.	.
– auction (% of total)	.	.	.	.	.	.
– syndication (% of total)	.	.	.	.	.	.
– other (e.g. private placement) (% of total)	.	.	.	.	.	.

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	4,879.7	6,247.7	6,622.0	100.0	9.0	11.0	9.0
– auction (% of total)	87.7	84.0	99.4	99.4	88.9	90.9	88.9
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	12.3	16.0	0.6	0.6	11.1	9.1	11.1
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	4,879.7	6,247.7	6,622.0	100.0	9.0	11.0	9.0
– auction (% of total)	87.7	84.0	99.4	99.4	88.9	90.9	88.9
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	12.3	16.0	0.6	0.6	11.1	9.1	11.1
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	.	.	.	.	.	.	.
– auction (% of total)	.	.	.	.	.	.	.
– syndication (% of total)	.	.	.	.	.	.	.
– other (e.g. private placement) (% of total)	.	.	.	.	.	.	.

Sources: Government Debt management Agency; National Bank of Hungary.

Table 2B
Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	158.6	180.5	270.5	136.5	137.9	177.4
– regulated markets (stock exchange(s) and other regulated markets). % of total	8.3	0.0	0.0	11.0	5.8	5.6
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	91.7	100.0	100.0	89.0	94.2	94.4
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	94.7	91.1	99.0	93.4	91.2	99.4
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	4.8	8.7	0.9	4.3	8.6	0.4
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	0.5	0.1	0.1	2.3	0.2	0.1

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	117.8	148.0	228.8	100.0	90.6	106.7	139.9
– regulated markets (stock exchange(s) and other regulated markets). % of total	9.1	0.0	0.0	0.0	14.3	7.5	7.1
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	90.9	100.0	100.0	100.0	85.7	92.5	92.9
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	99.3	99.8	99.8	99.8	96.5	99.6	99.7
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	0.0	0.0	0.1	0.1	0.0	0.1	0.1
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	0.7	0.2	0.1	0.1	3.5	0.3	0.2

Sources: Budapest Stock Exchange Annual Reports 2000, 2001, 2002; daily reports of Central Clearing House and Depository (Budapest) Ltd. to the National Bank of Hungary (report code: E06).
Number of business days: 245 in 2000; 245 in 2001; 244 in 2002.

Table 3

Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	HU0000400858	Hungarian State Treasury	Central gov.	OTC	17/10/96	24/09/03	HUF	208.7	49,233.5
2	HU0000401104	Hungarian State Treasury	Central gov.	OTC	19/03/98	12/03/03	HUF	450.4	106,250.0
3	HU0000401161	Hungarian State Treasury	Central gov.	OTC	23/07/98	24/07/03	HUF	210.5	49,655.0
4	HU0000401674	Hungarian State Treasury	Central gov.	OTC	20/01/00	12/04/03	HUF	498.3	117,551.5
5	HU0000401906	Hungarian State Treasury	Central gov.	OTC	06/07/00	24/09/03	HUF	739.2	174,374.4
6	HU0000401971	Hungarian State Treasury	Central gov.	OTC	01/02/01	12/06/03	HUF	472.3	111,424.7
7	HU0000402011	Hungarian State Treasury	Central gov.	OTC	19/07/01	24/11/03	HUF	647.9	152,829.5
8	HU0000400932	Hungarian State Treasury	Central gov.	OTC	18/03/97	12/03/04	HUF	108.7	25,648.9
9	HU0000401021	Hungarian State Treasury	Central gov.	OTC	07/07/97	24/03/04	HUF	178.9	42,197.6
10	HU0000401310	Hungarian State Treasury	Central gov.	OTC	04/02/99	12/05/04	HUF	634.6	149,712.0
11	HU0000401989	Hungarian State Treasury	Central gov.	OTC	18/01/01	12/04/04	HUF	755.9	178,323.0
12	HU0000402029	Hungarian State Treasury	Central gov.	OTC	05/07/01	12/10/04	HUF	940.1	221,772.6
13	HU0000400635	Hungarian State Treasury	Central gov.	OTC	11/08/95	11/08/05	HUF	4.8	1,136.5
14	HU0000401138	Hungarian State Treasury	Central gov.	OTC	14/05/98	12/03/05	HUF	78.3	18,472.7
15	HU0000401682	Hungarian State Treasury	Central gov.	OTC	03/02/00	12/05/05	HUF	903.4	213,123.3
16	HU0000401708	Hungarian State Treasury	Central gov.	OTC	17/02/00	24/08/05	HUF	182.7	43,095.6
17	HU0000402060	Hungarian State Treasury	Central gov.	OTC	17/01/02	12/04/05	HUF	1,196.3	282,206.7
18	HU0000400932	Hungarian State Treasury	Central gov.	OTC	2002/05/09	12/08/05	HUF	1,075.3	253,666.5
19	HU0000402086	Hungarian State Treasury	Central gov.	OTC	12/09/02	12/10/05	HUF	1,195.8	282,087.8
20	HU0000401963	Hungarian State Treasury	Central gov.	OTC	01/02/01	12/05/06	HUF	1,392.2	328,431.0
21	HU0000402052	Hungarian State Treasury	Central gov.	OTC	31/01/02	12/06/07	HUF	1,591.3	375,396.6
22	HU0000401294	Hungarian State Treasury	Central gov.	OTC	21/01/99	12/02/09	HUF	399.3	94,193.1
23	HU0000401922	Hungarian State Treasury	Central gov.	OTC	31/08/00	12/02/11	HUF	877.2	206,928.8
24	HU0000402045	Hungarian State Treasury	Central gov.	OTC	17/01/02	12/02/13	HUF	977.6	230,607.1
25	HU0000402037	Hungarian State Treasury	Central gov.	OTC	15/11/01	24/11/17	HUF	390.6	92,136.3
26	HU0000401542	Hungarian State Treasury	Central gov.	-	01/07/93	01/07/03	HUF	4.2	1,000.0
27	HU0000401500	Hungarian State Treasury	Central gov.	-	01/07/93	01/07/03	HUF	17.0	4,000.0
28	HU0000401518	Hungarian State Treasury	Central gov.	-	29/10/93	29/10/03	HUF	4.2	1,000.0
29	HU0000401575	Hungarian State Treasury	Central gov.	-	22/12/93	22/12/03	HUF	8.5	2,000.0
30	HU0000401757	Hungarian State Treasury	Central gov.	-	30/12/93	30/12/03	HUF	33.9	8,000.0
31	HU0000401583	Hungarian State Treasury	Central gov.	-	15/12/96	15/12/03	HUF	12.7	3,000.0
32	HU0000401765	Hungarian State Treasury	Central gov.	-	01/07/89	01/07/04	HUF	16.1	3,790.8
33	HU0000401773	Hungarian State Treasury	Central gov.	-	28/03/94	28/03/04	HUF	2.1	500.0
34	HU0000401658	Hungarian State Treasury	Central gov.	-	17/08/94	17/08/04	HUF	2.1	500.0
35	HU0000401781	Hungarian State Treasury	Central gov.	-	26/10/94	26/10/04	HUF	3.4	800.0
36	HU0000400643	Hungarian State Treasury	Central gov.	-	29/12/93	20/12/05	HUF	2.4	557.1
37	HU0000401450	Hungarian State Treasury	Central gov.	OTC	28/02/96	28/02/06	HUF	163.5	38,572.6
38	HU0000401468	Hungarian State Treasury	Central gov.	OTC	24/05/96	24/01/06	HUF	330.5	77,968.2
39	HU0000401476	Hungarian State Treasury	Central gov.	-	24/05/96	24/07/06	HUF	330.5	77,968.2
40	HU0000401591	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/08/06	HUF	16.8	3,958.1
41	HU0000401641	Hungarian State Treasury	Central gov.	-	31/12/92	31/12/07	HUF	84.8	20,000.0
42	HU0000401799	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/12/07	HUF	101.7	24,000.0
43	HU0000401609	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/08/07	HUF	17.0	4,002.6
44	HU0000402110	Hungarian State Treasury	Central gov.	OTC	31/12/02	12/08/07	HUF	43.0	10,148.6
45	HU0000401807	Hungarian State Treasury	Central gov.	OTC	30/12/98	24/10/08	HUF	233.2	55,022.3
46	HU0000401526	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/08/08	HUF	17.6	4,152.8
47	HU0000401625	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/08/09	HUF	17.7	4,174.6
48	HU0000401633	Hungarian State Treasury	Central gov.	OTC	30/12/98	12/08/10	HUF	18.4	4,342.1
49	HU0000401559	Hungarian State Treasury	Central gov.	-	31/12/92	31/12/12	HUF	30.2	7,132.2
50	HU0000401831	Hungarian State Treasury	Central gov.	OTC	20/03/93	20/03/13	HUF	325.0	76,667.0
51	HU0000401823	Hungarian State Treasury	Central gov.	OTC	20/12/93	20/12/13	HUF	542.3	127,928.0
52	HU0000401849	Hungarian State Treasury	Central gov.	OTC	02/05/94	02/05/14	HUF	125.4	29,576.1
53	HU0000401856	Hungarian State Treasury	Central gov.	OTC	20/12/94	20/12/14	HUF	70.4	16,612.0
54	HU0000401864	Hungarian State Treasury	Central gov.	OTC	02/01/96	02/01/16	HUF	38.2	9,000.0
55	HU0000401567	Hungarian State Treasury	Central gov.	-	28/02/96	28/02/26	HUF	216.9	51,165.0
56	HU0000401534	Hungarian State Treasury	Central gov.	-	24/05/96	24/04/26	HUF	339.1	80,000.0
57	HU0000401484	Hungarian State Treasury	Central gov.	-	24/05/96	24/10/26	HUF	16.9	3,975.0
58	HU0000641642	Hungarian State Treasury	Central gov.	-	01/01/92	31/12/16	HUF	15.2	3,595.0
59	HU0000641659	Hungarian State Treasury	Central gov.	-	01/01/92	31/12/16	HUF	15.2	3,595.0
60	HU0000641667	Hungarian State Treasury	Central gov.	-	01/01/92	31/12/16	HUF	14.2	3,340.0

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
-	9.020	-	-	103.7	**	0.177	0.181	0.333	W	F	CPI linked	1
-	11.018	-	-	101.7	**	0.625	0.655	0.333	DW	F	Variable coupon	2
13.00	9.539	106.4	106.1	106.0	**	1.179	1.245	0.813	DW	F	Fix	3
10.00	9.673	103.1	102.9	102.8	**	4.473	4.902	2.805	D	F	Fix	4
9.25	9.454	102.7	102.3	102.3	**	4.810	5.334	3.000	D	F	Fix	5
9.50	9.651	102.7	102.4	102.5	**	5.940	6.299	3.163	D	F	Fix	6
8.50	9.330	101.7	101.2	101.4	**	7.506	7.627	5.309	D	F	Fix	7
-	8.532	-	-	103.9	**	0.161	0.167	0.057	M	F	CPI linked	8
-	8.467	-	-	103.4	**	0.470	0.646	0.390	M	F	CPI linked	9
10.50	9.335	105.0	104.4	104.6	**	5.026	6.281	3.520	DW	F	Fix	10
9.00	9.052	102.7	102.2	102.2	**	5.479	5.693	3.407	D	F	Fix	11
8.50	9.086	102.0	101.2	101.4	**	12.483	13.258	7.146	D	F	Fix	12
-	10.240	-	-	104.1	**	-	-	-	-	F	Variable coupon	13
-	6.327	-	-	148.0	**	0.043	0.000	0.049	M	F	Capital indexation	14
9.25	8.970	103.9	102.9	103.3	**	5.166	14.582	3.065	D	F	Fix	15
-	9.868	-	-	101.6	**	0.008	13.601	0.057	M	F	Variable coupon	16
7.75	8.894	101.5	100.5	100.9	**	17.127	4.666	9.325	D	FB	Fix	17
7.00	8.850	97.3	96.3	96.8	**	33.663	22.869	14.333	D	FB	Fix	18
8.50	8.425	102.1	101.1	101.3	**	38.162	46.288	18.252	D	F	Fix	19
8.50	8.397	103.5	102.2	102.9	**	14.288	14.812	8.634	D	F	Fix	20
6.25	7.992	95.7	94.4	95.2	**	56.739	57.748	26.740	D	FB	Fix	21
9.50	7.653	113.3	111.0	112.3	**	7.822	8.867	5.374	D	F	Fix	22
7.50	7.407	104.6	101.9	103.2	**	14.920	15.858	9.488	D	F	Fix	23
6.75	7.210	102.6	100.1	101.3	**	33.301	35.958	19.813	D	FB	Fix	24
6.75	6.926	104.6	101.1	102.9	**	3.540	4.256	4.772	D	FB	Fix	25
16.50	-	-	-	-	-	-	-	-	-	-	Fix	26
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	27
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	28
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	29
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	30
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	31
-	-	-	-	-	-	-	-	-	-	-	Variable coupon partly paid	32
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	33
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	34
23.00	-	-	-	-	-	-	-	-	-	-	Fix	35
19.00	-	-	-	-	-	-	-	-	-	-	Fix	36
-	9.447	-	-	104.9	**	0.468	0.981	0.268	W	-	Variable coupon	37
-	8.156	-	-	106.1	**	0.325	1.355	0.260	M	-	Variable coupon	38
-	9.220	-	-	102.4	**	0.311	1.172	0.195	W	-	Variable coupon	39
-	10.314	-	-	100.4	**	0.040	0.042	0.081	M	-	Variable coupon	40
8.40	-	-	-	-	-	-	-	-	-	-	Fix	41
-	-	-	-	-	**	0.032	1.138	0.033	WM	-	Variable coupon	42
-	10.258	-	-	100.2	**	0.040	0.041	0.081	M	-	Variable coupon	43
-	-	-	-	-	**	-	-	-	-	-	Variable coupon	44
-	9.896	-	-	102.2	**	2.700	5.839	0.390	M	-	Variable coupon	45
-	10.224	-	-	100.0	**	0.039	0.040	0.073	D	-	Variable coupon	46
-	10.192	-	-	99.9	**	0.038	0.039	0.073	M	-	Variable coupon	47
-	10.183	-	-	99.7	**	0.027	0.028	0.073	M	-	Variable coupon	48
8.40	-	-	-	-	-	-	-	-	-	-	Fix	49
-	8.994	-	-	104.8	**	0.861	2.865	0.366	W	-	Variable coupon	50
-	9.435	-	-	102.1	**	2.732	11.370	1.163	DW	-	Variable coupon	51
-	-	-	-	-	**	0.494	1.195	0.114	-	-	Variable coupon	52
-	-	-	-	-	**	0.907	1.835	0.195	M	-	Variable coupon	53
-	8.964	-	-	101.3	**	1.895	3.222	0.431	M	-	Variable coupon	54
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	55
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	56
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	57
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	58
-	-	-	-	-	-	-	-	-	-	-	Partly paid	59
-	-	-	-	-	-	-	-	-	-	-	Variable coupon Partly paid	59
-	-	-	-	-	-	-	-	-	-	-	Variable coupon	60

Table 3 (cont'd)**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
61	HU0000641675	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
62	HU0000641683	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
63	HU0000641691	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
64	HU0000641709	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
65	HU0000641717	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
66	HU0000641725	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
67	HU0000641733	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
68	HU0000641741	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
69	HU0000641758	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
70	HU0000641766	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
71	HU0000641774	Hungarian State Treasury	Central gov.	–	01/01/92	31/12/16	HUF	14.2	3,340.0
72	DE0002918232	Hungarian State Treasury	Central gov.	–	16/02/99	16/02/09	EUR	500.0	500.0
73	US445545AA49	Hungarian State Treasury	Central gov.	–	08/04/99	19/04/06	USD	715.9	750.0
74	DE0003088258	Hungarian State Treasury	Central gov.	–	21/06/99	21/06/04	EUR	500.0	500.0
75	DE0003536801	Hungarian State Treasury	Central gov.	–	10/11/99	10/11/05	EUR	1,000.0	1,000.0
76	XS0131593864	Hungarian State Treasury	Central gov.	–	27/06/01	27/06/11	EUR	1,000.0	1,000.0

*Source: Central Clearing House and Depository (Budapest)**Securities number 1 to 25: publicly issued bonds; securities number 26 to 71: privately placed bonds; securities number 72 to 76: bonds denominated in currencies other than HUF.**Pricing source: ** Central Clearing House and Depository (Budapest).*

- 1) Please refer to Section 3 in Part I for the calculation of the yield.
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.
- 3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, <u>nominal</u> value, EUR millions ³⁾	Value of transactions, <u>market</u> value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	61
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	62
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	63
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	64
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	65
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	66
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	67
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	68
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	69
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	70
-	-	-	-	-	-	-	-	-	-	-	Partly paid - Variable coupon	71
4.38	-	-	-	-	-	-	-	-	-	-	Partly paid Fix	72
6.50	-	-	-	-	-	-	-	-	-	-	Fix	73
4.25	-	-	-	-	-	-	-	-	-	-	Fix	74
-	-	-	-	-	-	-	-	-	-	-	- Variable coupon	75
6.63	-	-	-	-	-	-	-	-	-	-	Fix	76

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Central bank deposits (one-day)	8.25	7.50	7.00	7.00	7.00
Central bank reference rate (two-weeks)	9.75	9.00	8.50	8.50	8.50
Overnight collateralised loan ¹⁾	-	10.50	10.00	10.00	10.00
II. Money market rates ²⁾					
Overnight deposits	10.49	9.07	8.76	8.34	8.20
one-month deposits	10.02	9.32	8.80	8.54	8.50
three-month deposits	9.80	8.93	8.59	8.58	8.40
six-month deposits	9.76	9.26	8.41	-	8.48
twelve-month deposits	9.51	8.71	8.25	8.25	8.78
III. Capital market interest rates ³⁾					
two-year government bond yields	8.51	-	-	-	8.31
three-year government bond yields	7.67	7.22	7.23	7.37	7.37
five-year government bond yields	7.07	6.77	6.82	6.95	6.82
IV. Bank interest rates ^{4), 5)}					
<i>Lending interest rates</i>					
- To enterprises (short-term)	11.18	10.35	9.98	9.76	9.68
- To households (short-term) ⁶⁾	19.54	19.20	19.12	18.23	18.22
<i>Deposit interest rates</i>					
- Sight deposits	2.92	2.87	2.48	2.25	2.15
- Deposit, enterprises (short-term)	8.40	7.69	7.14	6.96	6.90
- Deposit, householdes (short-term)	8.09	7.75	7.53	6.67	6.66

Source: National Bank of Hungary.

Interest rates refer to trades at daily close of market values in the case of government bond yields.

1) With effect from 18 December 2001, the Bank ceased to be available on a standing basis through the overnight hold-in-custody repo instrument. Also from 18 December, the Bank has been using the secured loan facility, instead of the hold-in-custody repo, as an overnight standing facility.

2) Arithmetical monthly average of the individual interest rates of loans without collateral, weighted by transaction amounts.

3) Benchmark yields. Arithmetic average of daily data.

4) Bank interest rates to enterprises do not include interest rates for sole proprietors from May 2001. Data for sole proprietors account for an insignificant role within average rates, therefore, the time series are homogenous from a statistical perspective. As of January 2003 the reported data is a weighted average (weighted by the amount of new contracts) of the interest rates of loans with floating rate or initial rate fixation up to one year.

5) Bank interest rates to households do include interest rates of household sector without sole proprietors.

6) Loans to households – For consumer and other credits, includes overdrafts, personal loans, lombard loans, instalment credit, car purchase loans, mortgage loans etc. (Loans for house-purchase are excluded).

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
7.50	7.50	8.00	8.00	8.50	8.50	8.00	7.50
9.00	9.00	9.50	9.50	9.50	9.50	9.00	8.50
10.50	10.50	11.00	11.00	10.50	10.50	10.00	9.50
8.18	8.10	8.88	9.58	9.20	9.75	9.40	8.91
8.91	8.68	9.31	9.68	9.58	9.61	9.49	8.94
8.85	9.42	9.60	10.03	9.88	9.85	9.60	8.77
9.22	9.66	9.83	9.91	9.90	9.75	8.23	-
8.41	9.51	9.36	-	-	-	8.25	-
8.79	-	-	-	-	-	-	-
7.84	8.25	8.47	8.36	8.32	8.18	7.45	7.00
7.11	7.56	7.68	7.47	7.38	7.21	6.76	6.50
9.93	10.06	10.45	10.60	10.69	10.57	10.27	9.69
18.32	18.71	18.87	19.03	18.53	18.94	18.66	19.22
2.17	2.20	2.44	2.42	2.43	2.38	2.37	2.38
6.89	7.01	7.30	7.47	7.50	7.84	7.76	7.41
6.67	6.73	6.90	6.93	7.02	7.07	7.06	6.97

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Sector of the issuer	Instrument type/currency of denomination	Total amount outstanding				
		Money market Short-term	Bond market Long-term			
			t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions						
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)		905.0	64.0	116.0	725.0	0.0
Monetary financial institutions (S.121+S.122)		103.0	9.0	50.0	44.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11) ¹⁾		2.0	0.0	0.0	0.0	2.0
Total		1,010.0	73.0	166.0	769.0	2.0

Source: Bank of Latvia

Exchange rate used (end-of-period): LVL/EUR 0.61

1) Includes issues which are registered at the Latvian Central Depository (both issues of public and closed companies).

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	100.0	0.0	0.0	41.0	59.0	0.0	0.0	0.0	0.0
69.0	4.0	27.0	100.0	0.0	0.0	44.0	23.0	33.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity**

(yearly total)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	419.0	450.0	188.0	81.0	41.0	31.0
– auction (% of total)	99.0	100.0	67.0	99.0	100.0	81.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	1.0	0.0	33.0	1.0	0.0	19.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	409.0	444.0	108.0	77.0	36.0	17.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	10.0	6.0	80.0	4.0	5.0	14.0
– auction (% of total)	41.0	100.0	22.4	75.0	100.0	57.1
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	59.0	0.0	77.6	25.0	0.0	42.9
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	229.0	384.0	81.0	100.0	9.0	10.0	16.0
– auction (% of total)	97.0	100.0	100.0	100.0	89.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	3.0	0.0	0.0	0.0	11.0	0.0	0.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	219.0	378.0	63.0	100.0	5.0	5.0	8.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	10.0	6.0	18.0	100.0	4.0	5.0	8.0
– auction (% of total)	41.0	100.0	100.0	100.0	75.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	59.0	0.0	0.0	0.0	25.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Sources: Bank of Latvia, Financial and Capital Market Commission

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	2.8	2.8	1.4	3.6	4.2	4.1
– regulated markets (stock exchange(s) and other regulated markets), % of total	8.0	5.1	8.7	24.0	26.9	19.6
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	92.0	94.9	91.3	76.0	73.1	80.4
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	91.0	98.0	82.2	76.0	81.1	70.9
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	9.0	2.0	17.8	24.0	18.9	29.1
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	0.0	0.0	0.0	0.0	0.0	0.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	2.5	2.8	1.4	100.0	2.8	3.9	3.9
– regulated markets (stock exchange(s) and other regulated markets), % of total	5.0	4.9	9.0	100.0	23.0	27.8	20.3
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	95.0	95.1	91.0	100.0	77.0	72.2	79.7
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	90.0	98.0	81.4	100.0	71.0	79.9	69.4
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	10.0	2.0	18.6	100.0	29.0	20.1	30.6
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Riga Stock Exchange

Number of business days: 254 in 2000; 254 in 2001; 252 in 2002

Table 3
Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	LV0000560019	Latvia	Central gov.	RSE	28/01/00	28/01/03	LVL	40.98	25.00
2	LV0000560027	Latvia	Central gov.	RSE	06/11/00	06/11/03	LVL	75.08	45.80
3	LV0000570018	Latvia	Central gov.	RSE	24/03/00	24/03/05	LVL	100.00	61.00
4	LV0000570026	Latvia	Central gov.	RSE	26/01/01	26/01/06	LVL	132.79	81.00
5	LV0000570034	Latvia	Central gov.	RSE	08/05/02	08/05/07	LVL	67.34	41.08
6	XS0097199201	Latvia	Central gov.	–	04/05/99	14/05/04	EUR	225.00	225.00
7	XS0138888689	Latvia	Central gov.	–	09/11/01	27/11/08	EUR	200.00	200.00

Source: Bank of Latvia

RSE – Riga Stock Exchange

- 1) Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002.
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.
- 3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.
- 4) There are no conventions about benchmark status.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Guarantor name	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
9.250	3.05	101.15	101.77	101.09	RSE	–	3.59	3.59	0.10	D	⁴⁾	–	1
6.750	3.78	103.33	102.72	103.02	RSE	–	6.81	6.52	0.26	D	⁴⁾	–	2
9.125	4.80	110.51	109.34	109.93	RSE	–	15.51	14.24	0.57	D	⁴⁾	–	3
8.125	4.86	110.69	108.95	109.83	RSE	–	19.01	17.54	0.69	D	⁴⁾	–	4
5.625	5.01	103.40	101.53	102.49	RSE	–	20.99	20.54	0.70	D	⁴⁾	–	5
6.250	–	–	–	–	Reuters	–	–	–	–	D	–	–	6
5.375	–	–	–	–	Reuters	–	–	–	–	D	–	–	7

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates					
Deposit rate ¹⁾	3.00	3.00	3.00	3.00	3.00
Refinancing rate ¹⁾	3.50	3.50	3.50	3.50	3.50
Lombard rate (for up to 10 days' credit in last 30 days) ¹⁾	5.50	5.50	5.50	5.50	5.50
Repo loans with a maturity of seven days	5.50	4.56	3.97	3.52	3.41
II. Money market rates					
Overnight deposits	5.31	3.83	3.41	3.20	3.09
one-month deposits	5.54	4.26	3.53	3.35	3.29
three-month deposits	5.90	4.53	3.54	3.78	3.43
six-month deposits	5.75	-	-	-	-
twelve-month deposits	-	-	-	-	-
III. Capital market interest rates ²⁾					
two-year government bond yields	-	-	4.03	-	-
three-year government bond yields	6.37	5.88	4.62	4.51	4.47
five-year government bond yields	6.97	6.20	5.96	5.78	5.76
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises (1 < t < 5)	9.47	9.79	9.78	9.06	8.89
- To households (1 < t < 5)	11.74	12.52	14.80	13.76	12.28
<i>Deposit interest rates</i>					
- Overnight	0.71	1.10	1.06	0.98	1.00
- With agreed maturity ³⁾	6.86	7.10	6.28	5.90	5.83
- Redeemable at notice	-	-	4.03	-	-

Sources: Bank of Latvia, Riga Stock Exchange.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) End of month.

2) Ten-year central government bonds were issued in February 2003.

3) Deposits redeemable at notice have been included in the category "Deposits with agreed maturity".

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00
3.50	3.50	3.50	3.50	3.00	3.00	3.00	3.00
5.50	5.50	5.50	5.50	5.00	5.00	5.00	5.00
3.00	3.00	3.00	3.05	2.83	2.96	2.80	2.95
2.85	2.80	2.89	3.14	2.67	3.03	2.53	2.70
3.10	2.95	3.06	3.15	2.88	2.90	2.77	2.87
3.34	3.00	-	3.05	2.99	-	2.57	3.02
-	4.05	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4.53	4.51	4.73	4.10	4.08	3.48	3.47	2.88
5.48	5.37	5.30	5.20	4.98	4.77	4.65	4.44
8.46	8.14	8.03	8.18	7.96	7.22	7.70	7.29
11.78	11.02	11.15	11.08	9.99	9.67	9.56	9.42
0.83	0.97	1.01	1.03	0.92	1.00	0.94	0.95
5.46	5.67	5.36	5.24	5.11	5.52	5.41	5.18
-	-	-	-	-	-	-	-

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	2,240.6	173.9	580.0	1,050.7	436.0
Monetary financial institutions (S.121+S.122)	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	103.3	0.0	99.8	0.0	3.5
Total	2,343.9	173.9	679.8	1,050.7	439.5

*Sources: Bank of Lithuania, Lithuanian Securities Commission.**Exchange rate used (end-of-period): LTL/EUR 3.4528; USD/EUR 1.0427.*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	56.9	43.1	0.0	26.2	73.8	0.0	8.3	91.7	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.0	0.0	0.0	56.1	40.1	3.8	0.0	0.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	1,165.7	703.5	923.5	70.0	35.0	24.0
– auction (% of total)	56.9	57.1	51.0	77.1	71.4	79.2
– syndication (% of total)	30.2	34.4	47.6	2.9	5.7	8.3
– other (e.g. private placement) (% of total)	12.9	8.5	1.4	20.0	22.9	12.5
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	1,077.0	601.8	910.9	61.0	26.0	21.0
– auction (% of total)	61.6	66.8	51.7	88.5	96.2	90.5
– syndication (% of total)	32.7	33.2	48.3	3.3	3.8	9.5
– other (e.g. private placement) (% of total)	5.7	0.0	0.0	8.2	0.0	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	0.0	11.2	0.0	0.0	1.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	100.0	0.0	0.0	100.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	88.7	90.5	12.6	9.0	8.0	3.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	46.2	0.0	0.0	12.5	0.0
– other (e.g. private placement) (% of total)	100.0	53.8	100.0	100.0	87.5	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	627.1	467.1	681.1	41.3	22.0	14.0	13.0
– auction (% of total)	21.0	40.6	40.3	97.6	40.9	71.4	76.9
– syndication (% of total)	56.1	51.8	58.7	0.0	9.1	14.3	7.7
– other (e.g. private placement) (% of total)	22.9	7.6	1.0	2.4	50.0	14.3	15.4
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	545.4	389.7	674.3	40.7	16.0	11.0	11.0
– auction (% of total)	24.1	48.7	40.7	100.0	56.3	90.9	90.9
– syndication (% of total)	64.6	51.3	59.3	0.0	12.5	9.1	9.1
– other (e.g. private placement) (% of total)	11.3	0.0	0.0	0.0	31.2	0.0	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	81.7	77.4	6.8	100.0	6.0	3.0	2.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	54.1	0.0	0.0	0.0	33.3	0.0
– other (e.g. private placement) (% of total)	100.0	45.9	100.0	100.0	100.0	66.7	100.0

Sources: Bank of Lithuania, Lithuanian Securities Commission.

Exchange rate used (annual average): LTL/EUR 3.6990 for 2000; LTL/EUR 3.5849 for 2001; LTL/EUR 3.4605 for 2002.

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	1.0	1.2	1.6	4.9	7.9	7.6
– regulated markets (stock exchange(s) and other regulated markets), % of total	99.5	94.6	92.3	99.2	69.7	77.9
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	0.5	5.4	7.7	0.8	30.3	22.1
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	97.9	99.1	99.6	97.3	98.4	96.7
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	2.1	0.0	0.0	2.7	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	0.0	0.9	0.4	0.0	1.6	3.3

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total secondary market, of which:	0.1	0.4	1.1	100.0	0.2	5.4	6.0
– regulated markets (stock exchange(s) and other regulated markets), % of total	100.0	91.1	93.9	93.9	100.0	59.0	76.3
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	0.0	8.9	6.1	6.1	0.0	41.0	23.7
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	100.0	100.0	99.7	99.7	100.0	100.0	98.8
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	0.0	0.0	0.3	0.3	0.0	0.0	1.2

Source: National Stock Exchange of Lithuania.

Number of business days: 252 in 2000; 253 in 2001; 253 in 2002. Exchange rate used (annual average): LTL/EUR 3.6990 for 2000; LTL/EUR 3.5849 for 2001, LTL/EUR 3.4605 for 2002. Data refer to the debt securities listed on the National Stock Exchange of Lithuania.

Table 3
Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	LT0000603011	Rep. of Lithuania	Central gov.	NSEL	31/03/00	28/03/03	LTL	10.9	37.6
2	LT0000603029	Rep. of Lithuania	Central gov.	NSEL	10/07/00	10/07/03	LTL	29.0	100.0
3	LT0000603037	Rep. of Lithuania	Central gov.	NSEL	17/11/00	25/04/03	LTL	13.4	46.2
4	LT0000603045	Rep. of Lithuania	Central gov.	NSEL	15/09/00	11/09/03	LTL	17.4	60.0
5	LT0000603052	Rep. of Lithuania	Central gov.	NSEL	06/10/00	02/10/03	LTL	17.4	60.0
6	LT0000604019	Rep. of Lithuania	Central gov.	NSEL	17/11/00	25/04/04	LTL	13.2	45.7
7	LT0000605024	Rep. of Lithuania	Central gov.	NSEL	17/11/00	25/04/05	LTL	13.2	45.7
8	LT0000606014	Rep. of Lithuania	Central gov.	NSEL	17/11/00	25/04/06	LTL	13.2	45.7
9	LT0000607012	Rep. of Lithuania	Central gov.	NSEL	17/11/00	25/04/07	LTL	13.2	45.7
10	LT0000602112	Rep. of Lithuania	Central gov.	NSEL	18/01/01	16/01/03	LTL	20.3	70.0
11	LT0000603060	Rep. of Lithuania	Central gov.	NSEL	01/02/01	29/01/04	LTL	29.0	100.0
12	LT0000607020	Rep. of Lithuania	Central gov.	NSEL	15/03/01	13/03/08	LTL	24.6	85.0
13	LT0000602120	Rep. of Lithuania	Central gov.	NSEL	11/05/01	08/05/03	LTL	11.6	40.0
14	LT0000603078	Rep. of Lithuania	Central gov.	NSEL	24/05/01	20/05/04	LTL	29.0	100.0
15	LT0000605032	Rep. of Lithuania	Central gov.	NSEL	31/05/01	01/06/06	LTL	31.9	110.0
16	LT0000603086	Rep. of Lithuania	Central gov.	NSEL	27/09/01	23/09/04	LTL	24.6	85.0
17	LT0000605040	Rep. of Lithuania	Central gov.	NSEL	18/10/01	19/10/06	LTL	31.9	110.0
18	LT0000603094	Rep. of Lithuania	Central gov.	NSEL	06/12/01	02/12/04	LTL	36.6	126.4
19	LT0000607038	Rep. of Lithuania	Central gov.	NSEL	20/12/01	18/12/08	LTL	29.8	102.9
20	LT0000603102	Rep. of Lithuania	Central gov.	NSEL	11/04/02	07/04/05	LTL	29.4	101.4
21	LT0000605057	Rep. of Lithuania	Central gov.	NSEL	18/04/02	19/04/07	LTL	30.4	105.0
22	LT0000610032	Rep. of Lithuania	Central gov.	NSEL	21/03/02	15/03/12	LTL	36.0	124.4
23	LT0000603110	Rep. of Lithuania	Central gov.	NSEL	01/08/02	30/06/05	LTL	30.4	105.0
24	LT0000603128	Rep. of Lithuania	Central gov.	NSEL	24/10/02	20/10/05	LTL	19.0	65.7
25	LT0000605065	Rep. of Lithuania	Central gov.	NSEL	08/08/02	09/08/07	LTL	19.9	68.6
26	LT0000605073	Rep. of Lithuania	Central gov.	NSEL	03/10/02	04/10/07	LTL	37.7	130.0
27	XS0119751864	Rep. of Lithuania	Central gov.	LSE	31/10/00	31/10/05	LTL	29.0	100.0
28	DE0003528857	Rep. of Lithuania	Central gov.	LSE	14/10/99	14/04/03	EUR	250.0	250.0
29	XS0095395496	Rep. of Lithuania	Central gov.	LSE	29/03/99	29/03/04	EUR	250.0	250.0
30	DE0004525209	Rep. of Lithuania	Central gov.	LSE; FSE	22/02/00	22/02/05	EUR	325.0	325.0
31	XS0124828418	Rep. of Lithuania	Central gov.	LSE	20/02/01	20/02/08	EUR	200.0	200.0
32	XS0147459803	Rep. of Lithuania	Central gov.	LSE	10/05/02	10/05/12	EUR	400.0	400.0

Source: Bank of Lithuania, National Stock Exchange of Lithuania.

NSEL – National Stock Exchange of Lithuania; LSE – Luxembourg Stock Exchange; FSE – Frankfurt Stock Exchange. Exchange rate used (end-of-period): LTL/EUR 3.4528. Issues of additional tranches of the same security are treated as one transaction with the issuance date of first tranche.

1) Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002. Because of low degree of liquidity of the secondary market the close-of-market values are not announced and the yield-to-maturity for securities number 1 to 26 is calculated as weighted average of all transactions of government securities in the secondary market. Market prices for securities number 1 to 26 are calculated as average of all transactions.

2) The calculation for ask price and bid price is based on average close-of-market values for the reference period July to December 2002.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark sta- tus (B) ⁴⁾	Special features	Nr
11.60	3.13	.	.	109.35	NSEL	0.01	0.01	0.05	D	–	–	1
12.60	3.25	.	.	109.95	NSEL	0.04	0.04	0.11	D	–	–	2
0.00	3.14	.	.	0.98	NSEL	0.00	0.00	0.16	D	–	restructuring bonds ⁵⁾	3
9.90	3.28	.	.	113.48	NSEL	0.04	0.04	0.13	D	–	–	4
9.00	3.19	.	.	108.97	NSEL	0.03	0.03	0.13	D	–	–	5
0.00	3.90	.	.	0.94	NSEL	0.00	0.00	0.13	D	–	restructuring bonds ⁵⁾	6
0.00	4.26	.	.	0.90	NSEL	0.00	0.00	0.15	D	–	restructuring bonds ⁵⁾	7
0.00	4.73	.	.	0.85	NSEL	0.00	0.00	0.13	D	–	restructuring bonds ⁵⁾	8
0.00	4.71	.	.	0.81	NSEL	0.00	0.00	0.16	D	–	restructuring bonds ⁵⁾	9
9.70	2.68	.	.	109.16	NSEL	0.10	0.11	0.32	D	–	–	10
9.70	3.44	.	.	114.82	NSEL	0.03	0.03	0.09	D	–	–	11
8.60	5.12	.	.	120.36	NSEL	0.04	0.05	0.16	D	–	–	12
6.60	2.84	.	.	105.36	NSEL	0.05	0.05	0.12	D	–	–	13
7.40	3.87	.	.	108.22	NSEL	0.07	0.07	0.16	D	–	–	14
7.90	4.64	.	.	113.55	NSEL	0.07	0.08	0.27	D	–	–	15
5.80	4.42	.	.	106.13	NSEL	0.04	0.05	0.10	D	–	–	16
6.10	4.57	.	.	106.76	NSEL	0.08	0.09	0.19	D	–	–	17
6.10	4.00	.	.	106.86	NSEL	0.05	0.05	0.13	D	–	–	18
6.40	5.21	.	.	110.73	NSEL	0.06	0.06	0.17	D	–	–	19
5.30	4.19	.	.	105.33	NSEL	0.09	0.10	0.13	D	–	–	20
5.60	4.91	.	.	105.50	NSEL	0.11	0.12	0.27	D	–	–	21
6.10	5.61	.	.	107.25	NSEL	0.10	0.11	0.38	D	–	–	22
4.70	4.31	.	.	101.92	NSEL	0.04	0.04	0.14	D	–	–	23
4.30	4.20	.	.	100.42	NSEL	0.01	0.01	0.04	D	–	–	24
5.00	4.85	.	.	101.00	NSEL	0.00	0.00	0.03	D	–	–	25
4.90	4.77	.	.	101.18	NSEL	0.08	0.08	0.23	D	–	–	26
10.50	.	.	.	.	.	.	.	.	D	–	–	27
7.88	3.66	102.00	102.14	102.07	Bloomberg (Generic)	.	.	.	D	–	–	28
8.00	3.97	105.76	105.43	105.59	Bloomberg (Generic)	.	.	.	D	–	–	29
7.75	4.31	107.38	107.76	107.57	Bloomberg (Generic)	.	.	.	D	–	–	30
6.63	5.04	107.06	107.45	107.26	Bloomberg (Generic)	.	.	.	D	–	–	31
5.88	5.63	101.59	101.96	101.78	Bloomberg (Generic)	.	.	.	D	–	–	32

3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.

4) In terms of reopening the same bond all securities issued in domestic market are fungible because there are no restrictions (except borrowing requirements) for the Finance Ministry to issue an additional amount of previously issued bond, but sometimes it is not reasonable (then maturity date gets closer and etc.). Because of the illiquid secondary market it is difficult to set some bond issues as benchmark, so they may be identified only "on-the-run" issues.

5) In 2000, a part of the debt for government securities (GS) issued for the purpose of execution of certain state property liabilities, was restructured: GS for settlement of accounts with creditors (legal persons) of bank in bankruptcy were converted into GS of five new issues. Secondary market restrictions applied to other GS issued for special purposes are not applied to the said issues.

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Overnight loans	5.50	6.80	6.92	4.40	3.47
Liquidity loans	7.82	6.85	7.31	6.69	4.91
II. Money market rates (VILIBOR)					
Overnight deposits	3.75	2.85	3.17	2.58	0.91
one-month deposits	4.85	4.09	4.22	3.62	2.29
three-month deposits	5.30	4.84	4.55	4.29	3.50
six-month deposits	5.55	5.21	4.68	4.64	4.39
twelve-month deposits	5.73	5.57	5.04	5.01	4.86
III. Capital market interest rates¹⁾					
three-year government bond yields	6.11	5.21	5.21	5.28	5.39
five-year government bond yields	-	5.31	5.55	-	5.64
ten-year government bond yields	-	-	-	6.15	-
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises (short-term)	8.52	7.61	7.52	7.88	6.66
- To households (short-term)	10.12	10.39	9.72	9.28	9.55
<i>Deposit interest rates</i>					
- Overnight	.	.	.	.	.
- With agreed maturity (short-term) ²⁾	4.09	4.01	3.93	3.73	3.61
- Redeemable at notice ³⁾

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises	.	.	.	.	.
- To households	.	.	.	.	.
<i>Deposit interest rates</i>					
- Overnight	0.78	0.73	0.88	0.63	0.69
- With agreed maturity	.	.	.	.	.
- Redeemable at notice ³⁾	4.95	4.41	3.54	3.88	3.84

Source: Bank of Lithuania.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) Primary market yields.

2) Interest rates on deposits with maturity over one month and up to one year.

3) Interest rates on deposits redeemable with notice period up to three months.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
3.70	8.75	6.50	6.87	8.00	7.08	5.02	10.00
5.38	7.39	5.73	7.27	6.52	7.09	5.76	7.99
1.38	3.56	1.82	3.27	2.52	3.22	1.71	3.99
2.56	3.22	3.12	3.14	3.11	3.32	3.21	3.20
3.36	3.53	3.48	3.50	3.49	3.53	3.49	3.41
4.10	3.77	3.67	3.64	3.65	3.65	3.60	3.55
4.64	4.39	4.11	3.99	3.95	3.95	3.89	3.70
5.22	4.84	4.77	4.49	4.41	4.39	-	4.28
5.51	5.24	5.21	5.04	4.95	4.90	4.91	-
-	6.00	-	-	5.87	-	5.87	-
6.60	7.17	6.35	6.33	5.58	5.98	5.81	6.05
10.66	8.78	9.45	8.06	8.10	8.51	7.81	6.48
.
3.36	2.97	2.84	2.72	2.59	2.52	2.52	2.56
.
2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
.
.
0.46	0.51	0.35	0.34	0.42	0.30	0.37	0.26
.
3.88	2.82	3.83	2.83	2.83	2.82	2.84	2.85

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer	t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10	
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	2,467.1	523.2	0.0	410.1	1,533.8
Monetary financial institutions (S.121+S.122)	130.6	0.0	0.0	0.0	130.6
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	238.6	0.0	10.0	67.0	161.6
Total	2,836.3	523.2	10.0	477.1	1,826.0

*Sources: Malta Stock Exchange, The Treasury.**Exchange rate used (end-of-period): MTL/EUR 2.3910.*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	73.2	0.0	26.8
0.0	0.0	0.0	100.0	0.0	0.0	79.0	21.0	0.0	100.0	0.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	1,420.2	1,581.7	2,008.0	542.0	641.0	641.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	.	.	.	.	.	.
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	1,273.0	1,578.0	1,883.6	536.0	640.0	630.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	76.0	0.0	0.0	2.0	0.0	0.0
– auction (% of total)	100.0	0.0	0.0	100.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	71.2	3.7	124.4	4.0	1.0	11.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	.	.	.	.	.	.

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	361.2	387.7	285.4	95.0	13.0	6.0	16.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	214.0	384.0	161.0	100.0	8.0	5.0	5.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	76.0	0.0	0.0	0.0	2.0	0.0	0.0
– auction (% of total)	100.0	0.0	0.0	0.0	100.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	71.2	3.7	124.4	88.5	3.0	1.0	11.0
– auction (% of total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	.	.	.	.	.	.	.

Sources: Malta Stock Exchange, Central Bank of Malta.

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	1.4	3.1	1.7	17.9	18.5	17.2
– regulated markets (stock exchange(s) and other regulated markets), % of total	45.3	47.8	31.1	86.7	79.9	81.9
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	54.7	52.2	68.9	13.3	20.1	18.1
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	96.5	94.5	93.0	77.8	76.0	60.6
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	2.5	3.7	3.5	13.5	14.4	13.8
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	1.0	1.7	3.6	8.7	9.6	25.5

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total secondary market, of which:	0.7	1.5	0.5	86.2	15.5	14.7	14.1
– regulated markets (stock exchange(s) and other regulated markets), % of total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	92.6	88.6	76.5	88.8	74.4	70.0	51.9
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	5.3	7.9	11.5	2.8	15.6	18.0	16.9
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	2.1	3.6	11.9	8.4	10.0	12.0	31.1

Sources: Malta Stock Exchange, Central Bank of Malta.
Number of business days: 248 in 2000; 235 in 2001; 254 in 2002.

Table 3**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	MT0000010448	Malta gov.	Central gov.	MSE	18/02/93	21/02/03	MTL	0.000	28.07
2	MT0000010463	Malta gov.	Central gov.	MSE	05/06/93	04/07/03	MTL	0.000	20.83
3	MT0000010489	Malta gov.	Central gov.	MSE	23/04/94	23/04/04	MTL	0.000	18.70
4	MT0000010802	Malta gov.	Central gov.	MSE	01/07/98	15/07/04	MTL	0.000	25.85
5	MT0000010737	Malta gov.	Central gov.	MSE	12/05/97	24/05/05	MTL	0.000	23.50
6	MT0000010877	Malta gov.	Central gov.	MSE	03/08/99	01/08/05	MTL	0.000	31.50
7	MT0000010562	Malta gov.	Central gov.	MSE	31/10/94	19/11/06	MTL	0.000	10.00
8	MT0000010653	Malta gov.	Central gov.	MSE	15/04/96	01/08/06	MTL	0.000	19.25
9	MT0000010687	Malta gov.	Central gov.	MSE	28/06/96	01/08/06	MTL	0.000	15.00
10	MT0000010695	Malta gov.	Central gov.	MSE	30/06/96	30/06/06	MTL	0.000	0.17
11	MT0000010778	Malta gov.	Central gov.	MSE	18.10/97	18/10/07	MTL	0.000	24.75
12	MT0000010851	Malta gov.	Central gov.	MSE	23/04/99	23/04/07	MTL	0.000	10.00
13	MT0000010935	Malta gov.	Central gov.	MSE	31/05/00	10/06/07	MTL	0.000	20.00
14	MT0000011073	Malta gov.	Central gov.	MSE	30/09/2002 ⁵⁾	10/06/07	MTL	0.000	15.25
15	MT0000010794	Malta gov.	Central gov.	MSE	10/06/98	10/06/08	MTL	0.000	10.00
16	MT0000010810	Malta gov.	Central gov.	MSE	01/07/98	28/08/08	MTL	0.000	30.00
17	MT0000010869	Malta gov.	Central gov.	MSE	30/06/99	31/03/09	MTL	0.000	0.06
18	MT0000010893	Malta gov.	Central gov.	MSE	03/08/99	01/09/09	MTL	0.000	25.00
19	MT0000010968	Malta gov.	Central gov.	MSE	15/09/00	27/03/09	MTL	0.000	45.30
20	MT0000010919	Malta gov.	Central gov.	MSE	22/11/99	19/11/10	MTL	0.000	15.00
21	MT0000010927	Malta gov.	Central gov.	MSE	31/05/00	10/06/10	MTL	0.000	18.50
22	MT0000010950	Malta gov.	Central gov.	MSE	30/06/00	02/07/10	MTL	0.000	0.54
23	MT0000010711	Malta gov.	Central gov.	MSE	23/09/96	28/09/11	MTL	0.000	15.00
24	MT0000011008	Malta gov.	Central gov.	MSE	01/08/01	01/02/11	MTL	0.000	40.00
25	MT0000011032	Malta gov.	Central gov.	MSE	30/06/2001 ⁶⁾	31/12/11	MTL	0.000	0.13
26	MT0000010745	Malta gov.	Central gov.	MSE	12/05/97	24/05/12	MTL	0.000	34.50
27	MT0000011065	Malta gov.	Central gov.	MSE	30/06/02	31/12/12	MTL	0.000	0.18
28	MT0000011081	Malta gov.	Central gov.	MSE	30/09/02	30/09/12	MTL	0.000	21.00
29	MT0000010786	Malta gov.	Central gov.	MSE	18/10/97	18/10/13	MTL	0.000	34.25
30	MT0000011016	Malta gov.	Central gov.	MSE	19/11/01	19/05/13	MTL	0.000	26.00
31	MT0000010976	Malta gov.	Central gov.	MSE	15/09/00	28/03/14	MTL	0.000	10.50
32	MT0000010992	Malta gov.	Central gov.	MSE	24/05/01	21/11/14	MTL	0.000	30.00
33	MT0000010943	Malta gov.	Central gov.	MSE	31/05/00	10/06/15	MTL	0.000	30.00
34	MT0000011040	Malta gov.	Central gov.	MSE	09/04/02	09/10/15	MTL	0.000	20.20
35	MT0000010984	Malta gov.	Central gov.	MSE	28/03/01	25/03/16	MTL	0.000	30.00
36	MT0000010828	Malta gov.	Central gov.	MSE	01/07/98	15/07/18	MTL	0.000	70.00
37	MT0000010901	Malta gov.	Central gov.	MSE	01/08/99	01/09/19	MTL	0.000	44.00

Sources: Central Bank of Malta - Money and Capital Markets, Malta Stock Exchange.

Exchange rate at the end of period: MTL/EUR 2.3910

MSE – Malta Stock Exchange

- 1) Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002.
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.
- 3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of trans- actions nominal value, EUR millions ³⁾	Value of trans- actions market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
7.00	6.409	110.000	109.497	110.679	MSE	0.000	0.000	0.040	D		Variable Coupon	1
7.00	4.213	102.053	101.967	102.026	MSE	0.000	0.000	0.333	D		–	2
6.70	4.364	103.534	103.372	103.536	MSE	0.000	0.000	0.167	D		–	3
6.80	4.363	104.202	103.998	104.090	MSE	0.000	0.000	0.095	D		–	4
7.25	4.644	106.527	106.270	106.402	MSE	0.000	0.000	0.103	D		–	5
5.60	4.745	102.365	102.102	102.077	MSE	0.000	0.000	0.056	D		–	6
7.00	5.124	107.130	106.751	106.749	MSE	0.000	0.000	0.103	D		–	7
7.25	5.025	107.869	107.552	107.728	MSE	0.000	0.000	0.111	D		–	8
7.25	5.025	107.868	107.551	107.878	MSE	0.000	0.000	0.056	D		–	9
7.00	5.344	114.002	113.698	not traded	MSE	not traded	not traded	not traded	D		Variable Coupon	10
7.35	5.336	109.109	108.709	108.719	MSE	0.000	0.000	0.079	D		–	11
5.90	5.371	102.780	102.380	103.242	MSE	0.000	0.000	0.040	D		–	12
5.60	5.300	101.496	101.096	101.522	MSE	0.000	0.000	0.545	D	(F)	–	13
5.60	5.178	101.966	101.566	not traded	MSE	not traded	not traded	not traded	D		–	14
7.20	5.409	109.018	108.618	109.000	MSE	0.000	0.000	0.008	D		–	15
7.20	5.434	109.183	108.755	108.575	MSE	0.000	0.000	0.056	D		–	16
7.00	5.696	114.544	114.049	not traded	MSE	not traded	not traded	not traded	D		Variable Coupon	17
5.90	5.539	102.471	101.976	102.678	MSE	0.000	0.000	0.103	D		–	18
5.90	5.511	102.485	101.990	102.434	MSE	0.000	0.000	0.079	D	(F)	–	19
5.90	5.622	102.284	101.789	102.309	MSE	0.000	0.000	0.111	D		–	20
5.75	5.593	101.427	100.932	101.990	MSE	0.000	0.000	0.032	D	(F)	–	21
7.00	5.736	114.823	114.328	not traded	MSE	not traded	not traded	not traded	D		Variable Coupon	22
7.50	5.631	113.614	113.119	112.787	MSE	0.000	0.000	0.056	D		–	23
6.25	5.627	104.606	104.110	104.359	MSE	0.000	0.000	0.254	D	(F)	–	24
7.00	5.754	115.381	114.886	not traded	MSE	not traded	not traded	not traded	D		Variable Coupon	25
7.80	5.642	116.493	115.998	117.421	MSE	0.000	0.000	0.151	D		–	26
7.00	5.737	115.956	115.456	not traded	MSE	not traded	not traded	not traded	D		Variable Coupon	27
5.70	5.530	101.837	101.337	101.615	MSE	0.000	0.000	1.456	D	(F)	–	28
7.80	5.702	117.731	117.231	117.821	MSE	0.000	0.000	0.151	D		–	29
6.35	5.683	105.902	105.402	105.932	MSE	0.000	0.000	0.310	D	(F)	–	30
6.60	5.725	107.970	107.470	108.148	MSE	0.000	0.000	0.190	D	(F)	–	31
6.45	5.759	106.700	106.200	106.299	MSE	0.000	0.000	0.246	D	(F)	–	32
6.10	5.783	103.557	103.057	103.691	MSE	0.000	0.000	0.619	D	(F)	–	33
5.90	5.784	101.802	101.307	102.297	MSE	0.000	0.000	0.579	D	(F)	–	34
6.65	5.907	107.644	107.144	107.434	MSE	0.000	0.000	0.365	D	(F)	–	35
7.80	6.011	119.060	118.537	119.390	MSE	0.000	0.000	0.421	D		–	36
6.60	6.090	106.320	105.820	106.673	MSE	0.000	0.000	0.437	D		–	37

4) Fungibility and/or benchmark status: The accounting general reserves the right to issue in future additional amounts of the present stock in further tranches. In the event of such further issues these will be integrated with the existing stock.

5) Security number 14 amalgamated on 10/12/02.

6) Security number 25 with existing stock no 49.12.

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Overnight deposit	1.30	1.05	1.05	1.05	1.05
Discount rate	4.25	4.00	4.00	4.00	4.00
Central Intervention Rate	4.25	4.00	4.00	4.00	4.00
Standby (Collateralised Loan) rate	4.80	4.55	4.55	4.55	4.55
II. Money market rates¹⁾					
Overnight deposits	3.65	3.94	3.94	3.50	4.00
one-month deposits	4.80	4.80	4.10	4.10	4.10
three-month deposits	4.53	4.43	4.22	4.04	4.03
six-month deposits	5.04	4.75	4.75	4.75	4.29
twelve-month deposits	5.08	5.08	5.08	4.40	4.40
III. Capital market interest rates					
two-year government bond yields	4.93	4.86	4.74	4.67	4.59
five-year government bond yields	5.46	5.41	5.56	5.56	5.56
ten-year government bond yields	6.15	6.11	6.07	5.96	5.81
IV. Bank interest rates²⁾					
<i>Lending interest rates</i>					
– To enterprises	-	-	-	-	-
– To households	-	-	-	-	-
<i>Deposit interest rates</i>					
– Overnight	-	-	-	-	-
– With agreed maturity	-	-	-	-	-
– Redeemable at notice	-	-	-	-	-

Sources: Central Bank of Malta, Banking System.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

- 1) In the section money market rates, overnight and one-month deposit rates were quoted from the interbank market, while the primary market Treasury bill rates were used for the other three fields.
- 2) Bank interest rates based on new business are not collected from banks and thus are not available.

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
IV. Bank interest rates					
<i>Lending interest rates</i>					
– To enterprises	7.00	6.77	6.54	6.54	6.55
– To households	6.29	6.28	6.06	6.05	6.05
<i>Deposit interest rates</i>					
– Overnight	1.48	1.46	1.12	1.05	1.04
– With agreed maturity	5.04	5.00	4.91	4.96	4.94
– Redeemable at notice	2.22	2.22	2.19	1.98	1.98

Sources: Central Bank of Malta, Banking System.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
1.05	1.05	1.05	1.05	1.05	1.05	1.05	0.80
4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.75
4.00	4.00	4.00	4.00	4.00	4.00	4.00	3.75
4.55	4.55	4.55	4.55	4.55	4.55	4.55	4.30
4.00	3.98	4.00	4.00	3.97	3.99	3.90	3.90
4.10	4.10	4.00	4.00	4.00	4.00	4.00	3.99
4.01	4.01	4.00	4.00	3.96	3.95	3.87	3.67
4.29	4.14	4.10	4.10	4.10	4.00	4.00	3.80
4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
4.50	4.57	4.49	4.38	4.28	4.28	4.26	4.45
5.57	5.42	5.36	5.36	5.33	5.16	5.16	5.16
5.78	5.76	5.69	5.65	5.66	5.47	5.46	5.44
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
6.54	6.55	6.54	6.54	6.52	6.54	6.52	6.36
6.04	6.05	5.96	5.96	5.96	5.97	5.96	5.74
1.10	1.10	1.16	1.20	1.27	1.31	1.22	1.12
4.98	4.78	4.82	4.55	4.52	4.51	4.50	4.49
1.98	1.97	1.99	2.00	2.00	1.98	1.98	1.80

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination Sector of the issuer	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
	t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10	
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	53,713.6	10,143.7	12,358.3	18,459.7	12,751.9
Monetary financial institutions (S.121+S.122)	4,791.7	2,492.6	69.9	204.9	2,024.3
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	7,393.4	1,988.0	841.3	3,522.6	1,041.5
Total	65,898.7	14,624.3	13,269.5	22,187.2	15,817.7

*Sources: Ministry of Finance; National Bank of Poland.**Exchange rate used (end-of-period): PLN/EUR 4.0202.**General government: data refer to central government (State Treasury) and local government.**Monetary Financial Institutions and non-financial and non-monetary financial corporations: all debt securities at face value.**Monetary Financial Institutions and non-financial and non-monetary financial corporations: issues on foreign markets covered by the International Investment Position (IIP).**Monetary Financial Institutions: debt securities with original maturity of five year are included in the band marked as 1<t<5.**Non-financial and non-monetary financial corporations: data do not cover debt securities admitted to public trading on domestic market.**Data estimated for debt securities issued by non-financial and non-monetary financial corporations.*

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	100.0	0.0	0.0	95.1	0.0	4.9	50.1	18.4	31.5
100.0	0.0	0.0	49.8	22.9	27.3	0.6	78.4	21.0	96.0	4.0	0.0
100.0	0.0	0.0	18.4	81.6	0.0	45.0	48.2	6.8	0.4	26.1	73.5

Table 2A**Primary market activity**

(yearly total)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	100,368.6	83,260.8	77,659.5	5,688	200	2,655
– auction (% of total)	83.8	85.9	78.1	3.1	68.0	4.3
– syndication (% of total)	0.6	1.2	3.7	0.0	0.5	0.1
– other (e.g. private placement) (% of total)	15.6	12.9	18.2	96.9	31.5	95.6
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	17,111.6	24,085.0	30,170.1	94	87	90
– auction (% of total)	91.5	87.3	85.4	69.1	65.5	61.1
– syndication (% of total)	3.5	4.2	9.5	1.1	1.1	3.3
– other (e.g. private placement) (% of total)	5.0	8.5	5.1	29.8	33.3	35.6
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	69,818.1	58,521.4	36,916.5	584	96	61
– auction (% of total)	98.1	86.3	94.5	19.0	82.3	98.4
– syndication (% of total)	.	.	.	.	.	.
– other (e.g. private placement) (% of total)	1.9	13.7	5.5	81.0	17.7	1.6
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	13,438.9	654.4	10,572.9	5,010	17	2,504
– auction (% of total)	.	.	.	.	.	.
– syndication (% of total)	.	.	.	.	.	.
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions			
	Nominal value in EUR millions				Number of issues			
	2000	2001	2002		2000	2001	2002	
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency				
Total economy								
Total primary market, of which:	7,455.9	12,563.9	21,679.0		86.5	60	58	88
– auction (% of total)	66.7	69.5	68.2		78.8	13.3	12.1	6.5
– syndication (% of total)	8.0	8.0	13.2		0.0	1.7	1.7	3.3
– other (e.g. private placement) (% of total)	25.3	22.6	18.6		21.2	85.0	86.2	90.2
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)								
Total primary market, of which:	6,427.5	11,785.4	19,176.6		85.0	37	37	41
– auction (% of total)	77.3	74.0	77.0		90.6	21.6	18.9	14.6
– syndication (% of total)	9.3	8.5	15.0		0.0	2.7	2.7	7.3
– other (e.g. private placement) (% of total)	13.3	17.5	8.0		9.4	75.7	78.4	78.0
Monetary financial institutions (S.121+S.122)								
Total primary market, of which:	125.0	150.0	2,027.2		100.0	1	5	1
– auction (% of total)	.	.	.		.	.	.	.
– syndication (% of total)	.	.	.		.	.	.	.
– other (e.g. private placement) (% of total)	100.0	100.0	100.0		100.0	100.0	100.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)								
Total primary market, of which:	903.4	628.5	475.2		87.6	22	16	46
– auction (% of total)	.	.	.		.	.	.	.
– syndication (% of total)	.	.	.		.	.	.	.
– other (e.g. private placement) (% of total)	100.0	100.0	100.0		100.0	100.0	100.0	100.0

Sources: Ministry of Finance; National Bank of Poland and Fitch Polska S.A.

General government: data refer to the central government (State Treasury) only.

Monetary Financial Institutions: for commercial banks data cover only issues on foreign markets, included in IIP.

Non-financial and non-monetary financial corporations: all debt securities at face value.

Non-financial and non-monetary financial corporations: for 2001 data cover only issues on foreign markets, included in IIP; for 2002 data cover domestic issues which took place in period March-December.

Monetary Financial Institutions and non-financial and non-monetary financial corporations: data do not cover debt securities admitted to public trading on domestic market as were are not significant.

Data estimated for debt securities issued by non-financial and non-monetary financial corporations.

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	983.0	1,410.7	2,382.1	1,019.1	1,051.9	1,151.2
– regulated markets (stock exchange(s) and other regulated markets), % of total	0.2	0.2	0.1	50.4	49.7	28.4
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	99.8	99.8	99.9	49.6	50.3	71.6
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	73.5	89.6	96.4	97.4	98.8	99.5
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	26.5	10.4	3.6	2.6	1.2	0.5
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	.	.	.	.	.	.

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	303.5	704.9	1,180.2	100.0	635.3	743.6	822.0
– regulated markets (stock exchange(s) and other regulated markets), % of total	0.7	0.4	0.2	0.2	80.9	70.4	39.8
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	99.3	99.6	99.8	99.8	19.1	29.6	60.2
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	.	.	.	.	.	.	.
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	.	.	.	.	.	.	.

Sources: Ministry of Finance; National Bank of Poland.

General government: issues of central government (State Treasury) on domestic market only.

Monetary financial institutions: the NBP's bills at face value.

Number of business days: 252 in 2000; 252 in 2001; 251 in 2002.

Table 3

Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	PL0000101515	Rep. of Poland	Central gov.	WSE	07/02/00	05/02/03	PLN	124.0	498.4
2	PL0000100863	Rep. of Poland	Central gov.	WSE / OTC	12/10/97	12/02/03	PLN	317.2	1,275.3
3	PL0000102083	Rep. of Poland	Central gov.	WSE / OTC	12/04/01	21/04/03	PLN	957.7	3,850.0
4	PL0000101424	Rep. of Poland	Central gov.	WSE / OTC	01/10/99	22/04/03	PLN	679.4	2,731.1
5	PL0000101671	Rep. of Poland	Central gov.	WSE	05/05/00	05/05/03	PLN	124.4	500.0
6	PL0000100996	Rep. of Poland	Central gov.	WSE / OTC	12/02/98	12/06/03	PLN	658.7	2,648.1
7	PL0000101762	Rep. of Poland	Central gov.	WSE	04/08/00	05/08/03	PLN	91.5	368.0
8	PL0000102216	Rep. of Poland	Central gov.	WSE / OTC	12/08/01	21/08/03	PLN	1,512.6	6,081.0
9	PL0000101051	Rep. of Poland	Central gov.	WSE / OTC	12/06/98	12/10/03	PLN	352.5	1,417.2
10	PL0000101895	Rep. of Poland	Central gov.	WSE	02/11/00	05/11/03	PLN	99.5	400.0
11	PL0000102398	Rep. of Poland	Central gov.	WSE / OTC	12/12/01	21/12/03	PLN	1,831.3	7,362.3
12	PL0000101994	Rep. of Poland	Central gov.	WSE	01/02/01	05/02/04	PLN	99.5	400.0
13	PL0000101200	Rep. of Poland	Central gov.	WSE / OTC	12/10/98	12/02/04	PLN	636.1	2,557.1
14	PL0000102604	Rep. of Poland	Central gov.	WSE / OTC	12/04/02	21/04/04	PLN	1,452.0	5,837.3
15	PL0000102091	Rep. of Poland	Central gov.	WSE	04/05/01	05/05/04	PLN	99.5	400.0
16	PL0000101218	Rep. of Poland	Central gov.	WSE / OTC	12/02/99	12/06/04	PLN	780.6	3,138.1
17	US731011AK86	Rep. of Poland	Central gov.	OTC	03/07/97	01/07/04	USD	286.5	300.0
18	PL0000101432	Rep. of Poland	Central gov.	WSE / OTC	01/10/99	22/07/04	PLN	794.1	3,192.3
19	PL0000102182	Rep. of Poland	Central gov.	WSE	01/08/01	05/08/04	PLN	215.2	865.3
20	PL0000102760	Rep. of Poland	Central gov.	WSE / OTC	12/08/02	21/08/04	PLN	2,153.1	8,655.9
21	PL0000101226	Rep. of Poland	Central gov.	WSE / OTC	12/06/99	12/10/04	PLN	174.8	702.7
22	PL0000101374	Rep. of Poland	Central gov.	WSE / OTC	12/10/99	12/10/04	PLN	836.1	3,361.2
23	PL0000102281	Rep. of Poland	Central gov.	WSE	02/11/01	05/11/04	PLN	248.7	1,000.0
24	PL0000102877	Rep. of Poland	Central gov.	WSE / OTC	12/12/02	12/12/04	PLN	668.1	2,686.0
25	PL0000102406	Rep. of Poland	Central gov.	WSE	01/02/02	05/02/05	PLN	115.1	462.6
26	PL0000101564	Rep. of Poland	Central gov.	WSE / OTC	12/02/00	12/02/05	PLN	1,559.0	6,267.6
27	PL0000102596	Rep. of Poland	Central gov.	WSE	06/05/02	05/05/05	PLN	122.7	493.4
28	PL0000101721	Rep. of Poland	Central gov.	WSE / OTC	12/06/00	12/06/05	PLN	898.3	3,611.1
29	PL0000102711	Rep. of Poland	Central gov.	WSE	01/08/02	05/08/05	PLN	118.9	478.0
30	PL0000101887	Rep. of Poland	Central gov.	WSE / OTC	12/10/00	12/10/05	PLN	991.0	3,984.1
31	PL0000102802	Rep. of Poland	Central gov.	WSE	04/11/02	05/11/05	PLN	66.8	268.4
32	PL0000100467	Rep. of Poland	Central gov.	WSE / OTC	13/12/95	14/12/05	PLN	124.9	502.0
33	PL0000102026	Rep. of Poland	Central gov.	WSE / OTC	12/02/01	12/02/06	PLN	1,351.2	5,432.2
34	PL0000100517	Rep. of Poland	Central gov.	WSE / OTC	20/03/96	18/04/06	PLN	205.5	826.4
35	PL0000102125	Rep. of Poland	Central gov.	WSE / OTC	12/05/01	12/05/06	PLN	1,392.7	5,599.1
36	PL0000100558	Rep. of Poland	Central gov.	WSE / OTC	19/06/96	18/07/06	PLN	243.4	978.5
37	PL0000100616	Rep. of Poland	Central gov.	WSE / OTC	18/09/96	18/10/06	PLN	79.3	318.7
38	PL0000102331	Rep. of Poland	Central gov.	WSE / OTC	12/11/01	12/11/06	PLN	3,289.2	13,223.1
39	PL0000102380	Rep. of Poland	Central gov.	WSE	03/12/01	03/12/06	PLN	124.4	500.0
40	PL0000100673	Rep. of Poland	Central gov.	WSE / OTC	18/12/96	18/01/07	PLN	53.5	215.2
41	PL0000102588	Rep. of Poland	Central gov.	WSE	01/03/02	01/03/07	PLN	46.6	187.5
42	PL0000100731	Rep. of Poland	Central gov.	WSE / OTC	19/03/97	18/04/07	PLN	0.9	3.8
43	PL0000102679	Rep. of Poland	Central gov.	WSE / OTC	12/05/02	12/05/07	PLN	2,711.7	10,901.7
44	PL0000102703	Rep. of Poland	Central gov.	WSE	03/06/02	03/06/07	PLN	124.0	498.6
45	PL0000100806	Rep. of Poland	Central gov.	WSE / OTC	17/07/97	18/07/07	PLN	19.4	77.9
46	PL0000102794	Rep. of Poland	Central gov.	WSE	02/09/02	02/09/07	PLN	124.4	500.0
47	PL0000102901	Rep. of Poland	Central gov.	WSE	02/12/02	02/12/07	PLN	19.0	76.5
48	PL0000100913	Rep. of Poland	Central gov.	WSE / OTC	17/01/98	18/01/08	PLN	77.3	310.8
49	PL0000102869	Rep. of Poland	Central gov.	WSE / OTC	24/11/02	24/06/08	PLN	945.5	3,801.1
50	PL0000100921	Rep. of Poland	Central gov.	WSE / OTC	17/07/98	18/07/08	PLN	267.7	1,076.1
51	PL0000101234	Rep. of Poland	Central gov.	WSE / OTC	17/01/99	18/01/09	PLN	533.6	2,145.3
52	PL0000101259	Rep. of Poland	Central gov.	WSE / OTC	24/05/99	24/05/09	PLN	286.7	1,152.5
53	PL0000101242	Rep. of Poland	Central gov.	WSE / OTC	17/07/99	18/07/09	PLN	178.0	715.8
54	PL0000101440	Rep. of Poland	Central gov.	WSE / OTC	01/10/99	22/08/09	PLN	781.7	3,142.5
55	PL0000101473	Rep. of Poland	Central gov.	WSE / OTC	24/11/99	24/11/09	PLN	658.4	2,646.7
56	PL0000101598	Rep. of Poland	Central gov.	WSE / OTC	18/01/00	18/01/10	PLN	512.0	2,058.2
57	XS0109070986	Rep. of Poland	Central gov.	LSE	22/03/00	23/03/10	EUR	600.0	600.0
58	XS0157642793	Rep. of Poland	Central gov.	LSE	18/11/02	18/11/10	GBP	614.9	400.0
59	PL0000101937	Rep. of Poland	Central gov.	WSE / OTC	24/11/00	24/11/10	PLN	2,155.7	8,666.2
60	DE0006101652	Rep. of Poland	Central gov.	LSE / FSE	12/02/01	14/02/11	EUR	1,000.0	1,000.0

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
variable coupon	–	.	.	100.06	WSE	0.05	0.05	.	D	–	variable coupon	1
12.00	8.41	101.69	101.61	106.33	OTC	5.40	5.84	3	D	–	–	2
–	8.33	93.59	93.53	93.77	OTC	23.30	22.10	6	D	–	zero-coupon bond	3
10.00	.	.	.	100.78	OTC	15.48	16.07	2	D	–	debt restructuring bonds	4
variable coupon	–	.	.	100.14	WSE	0.04	0.04	.	D	–	variable coupon	5
12.00	8.26	102.85	102.80	102.83	OTC	9.76	10.46	3	D	–	–	6
variable coupon	–	.	.	100.11	WSE	0.03	0.03	.	D	–	variable coupon	7
–	8.18	91.34	91.26	91.36	OTC	14.75	13.58	6	D	–	zero-coupon bond	8
12.00	8.15	104.12	104.07	104.05	OTC	10.20	10.93	3	D	–	–	9
variable coupon	–	.	.	100.15	WSE	0.03	0.03	.	D	–	variable coupon	10
–	8.05	89.12	89.08	88.96	OTC	43.22	38.14	13	D	B	zero-coupon bond	11
variable coupon	–	.	.	100.19	WSE	0.04	0.04	.	D	–	variable coupon	12
10.00	8.04	102.54	102.50	– ⁴⁾	OTC	0.00	0.00	0	D	–	–	13
–	7.46	88.67	88.60	88.46	OTC	66.87	58.32	17	D	B	zero-coupon bond	14
variable coupon	–	.	.	100.35	WSE	0.04	0.04	.	D	–	variable coupon	15
10.00	8.03	103.13	103.07	102.70	OTC	10.82	11.61	5	D	B	–	16
7.125	4.34	.	104.95	.	Reuters	.	.	.	.	B	–	17
8.50	.	.	.	102.32	OTC	22.16	23.36	3	D	–	debt restructuring bonds	18
variable coupon	–	.	.	99.95	WSE	0.07	0.07	.	D	–	variable coupon	19
–	6.55	89.07	89.01	88.89	OTC	111.97	99.98	24	D	B	zero-coupon bond	20
10.00	8.24	103.63	103.24	102.97	OTC	7.81	8.39	2	D	–	–	21
8.50	7.99	100.77	100.71	100.88	OTC	16.95	17.75	6	D	B	–	22
variable coupon	–	.	.	99.95	WSE	0.09	0.09	.	D	–	variable coupon	23
–	5.72	89.63	89.59	89.53	OTC	129.78	116.05	25	D	B	zero-coupon bond	24
variable coupon	–	.	.	99.90	WSE	0.12	0.12	.	D	–	variable coupon	25
8.50	7.96	100.99	100.92	104.67	OTC	20.46	21.72	8	D	B	–	26
variable coupon	–	.	.	100.03	WSE	0.09	0.09	.	D	–	variable coupon	27
8.50	7.96	101.17	101.12	101.03	OTC	17.18	18.19	7	D	B	–	28
variable coupon	–	.	.	99.12	WSE	0.06	0.06	.	D	–	variable coupon	29
8.50	7.94	101.36	101.31	101.53	OTC	18.33	19.42	7	D	B	–	30
variable coupon	–	.	.	99.16	WSE	0.02	0.02	.	D	–	variable coupon	31
variable coupon	–	– ⁴⁾	– ⁴⁾	103.53	OTC	4.12	4.47	2	D	–	variable coupon	32
8.50	7.92	101.60	101.54	104.43	OTC	26.30	27.81	9	D	B	–	33
variable coupon	–	– ⁴⁾	– ⁴⁾	103.45	OTC	4.17	4.64	2	D	–	variable coupon	34
8.50	7.92	101.70	101.66	101.38	OTC	37.16	39.08	15	D	B	–	35
variable coupon	–	– ⁴⁾	– ⁴⁾	103.78	OTC	9.02	9.97	2	D	–	variable coupon	36
variable coupon	–	– ⁴⁾	– ⁴⁾	103.82	OTC	6.23	6.87	1	D	–	variable coupon	37
8.50	7.88	102.08	102.03	101.74	OTC	182.77	192.21	58	D	B	–	38
9.00	.	.	.	104.32	WSE	0.05	0.06	.	D	–	–	39
variable coupon	–	– ⁴⁾	– ⁴⁾	103.68	OTC	2.27	2.63	2	D	–	variable coupon	40
8.00	.	.	.	102.66	WSE	0.04	0.04	.	D	–	–	41
variable coupon	–	– ⁴⁾	– ⁴⁾	– ⁴⁾	OTC	0.00	0.00	0	D	–	variable coupon	42
8.50	7.20	104.96	104.92	104.69	OTC	360.24	387.62	93	D	B	–	43
8.00	.	.	.	105.81	WSE	0.15	0.15	.	D	–	–	44
variable coupon	–	– ⁴⁾	– ⁴⁾	– ⁴⁾	OTC	0.00	0.00	0	D	–	variable coupon	45
6.50	.	.	.	101.93	WSE	0.40	0.41	.	D	–	–	46
5.50	.	.	.	100.06	WSE	0.02	0.02	.	D	–	–	47
variable coupon	–	– ⁴⁾	– ⁴⁾	105.47	OTC	1.15	1.33	1	D	–	variable coupon	48
5.75	5.72	100.16	100.11	100.02	OTC	192.09	196.98	44	D	B	–	49
variable coupon	–	– ⁴⁾	– ⁴⁾	104.05	OTC	13.60	15.37	3	D	–	variable coupon	50
variable coupon	–	– ⁴⁾	– ⁴⁾	104.25	OTC	13.39	14.98	3	D	–	variable coupon	51
6.00	6.82	93.83	93.73	93.68	OTC	6.78	6.47	2	D	–	–	52
variable coupon	–	– ⁴⁾	– ⁴⁾	104.21	OTC	3.71	4.07	2	D	–	variable coupon	53
6.00	.	.	.	94.42	OTC	52.61	50.75	5	D	–	debt restructuring	54
6.00	7.49	91.89	91.81	92.23	OTC	26.60	26.27	9	D	B	–	55
variable coupon	–	– ⁴⁾	– ⁴⁾	92.89	OTC	5.32	5.91	2	D	–	variable coupon	56
6.00	5.40	.	103.65	.	Reuters	.	.	.	.	B	–	57
5.625	5.49	.	100.81	.	Reuters	.	.	.	.	B	–	58
6.00	7.35	91.89	91.83	91.55	OTC	77.18	74.49	24	D	B	–	59
5.50	5.51	.	99.87	.	Reuters	.	.	.	.	B, F	–	60

Table 3 (cont'd)**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
61	PL0000102224	Rep. of Poland	Central gov.	WSE / OTC	18/08/01	18/08/11	PLN	329.5	1,324.8
62	XS0144238002	Rep. of Poland	Central gov.	LSE	12/03/02	12/03/12	EUR	750.0	750.0
63	US731011AM43	Rep. of Poland	Central gov.	LSE	02/07/02	03/07/12	USD	1,336.8	1,400.0
64	PL0000102836	Rep. of Poland	Central gov.	WSE / OTC	24/10/02	24/10/13	PLN	341.5	1,372.7
65	XS0053613112	Rep. of Poland	Central gov.	LSE	27/10/94	27/10/14	USD	1,061.9	1,112.1
66	US731011AL69	Rep. of Poland	Central gov.	OTC	03/07/97	01/07/17	USD	95.5	100.0
67	XS0053606090	Rep. of Poland	Central gov.	LSE	27/10/94	27/10/19	USD	375.3	393.0
68	PL0000102646	Rep. of Poland	Central gov.	WSE / OTC	23/04/02	23/09/22	PLN	325.7	1,309.3
69	XS0053632765	Rep. of Poland	Central gov.	LSE	27/10/94	27/10/24	USD	428.4	448.6
70	XS0053583299	Rep. of Poland	Central gov.	LSE	27/10/94	27/10/24	USD	711.1	744.7

*Sources: Ministry of Finance, Public Debt Department.**WSE – Warsaw Stock Exchange; LSE – Luxembourg Stock Exchange; FSE – Frankfurt Stock Exchange.**Data on long-term government bonds refers to State Treasury issues only.**Nominal amount in EUR (millions): Exchange rate used (as at end-December 2002): PLN/EUR 4.0202.**Value of transactions: Exchange rate used (average for period July 2002-December 2002): PLN/EUR 4.0401.*

- 1) *Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002.*
- 2) *The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.*
- 3) *The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.*
- 4) *During the reference period no quotes and/or no transactions took place.*

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
variable coupon	–	– ⁴⁾	– ⁴⁾	100.19	OTC	14.77	16.17	3	D	–	variable coupon	61
5.50	5.63	.	99.03	.	Reuters	.	.	.	.	B	–	62
6.25	5.40	.	106.42	.	Reuters	.	.	.	.	B, F	–	63
5.00	5.92	93.05	92.72	92.79	OTC	22.86	20.78	2	D	B	–	64
3.25...7.00	.	.	.	.	.	.	.	.	.	.	step-up coupon	65
7.75	6.37	.	113.16	.	Reuters	.	.	.	.	B	–	66
4.50...7.50	.	.	.	.	.	.	.	.	.	.	step-up coupon	67
5.75	6.51	92.39	91.74	94.05	OTC	10.74	13.85	4	D	–	–	68
2.75...5.00	.	.	.	.	.	.	.	.	.	.	step-up coupon	69
2.75...5.00	.	.	.	.	.	.	.	.	.	.	step-up coupon	70

Table 4
Official, money market, capital market and bank interest rates

(percentages per annum; monthly averages unless otherwise indicated)

1. Interest rates based on new business

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Deposit rate	-	6.50	6.50	6.50	6.50
Repo rate	11.50	11.50	10.00	10.00	9.50
Discount rate	14.00	14.00	12.00	12.00	11.00
Lombard rate	15.50	15.50	13.50	13.50	12.50
II. Money market rates					
Overnight deposits	11.92	12.85	11.05	11.08	10.84
one-month deposits	12.48	11.87	10.84	10.61	10.44
three-month deposits	12.29	10.99	10.60	10.32	10.20
six-month deposits	11.75	10.49	10.40	10.16	10.06
twelve-month deposits	11.00	9.99	10.02	9.93	9.89
III. Capital market interest rates					
two-year government bond yields	10.08	9.12	9.35	9.33	9.23
five-year government bond yields	9.79	8.91	9.24	9.12	9.02
ten-year government bond yields	8.88	8.26	8.33	8.29	8.21
IV. Bank interest rates ¹⁾					
<i>Lending interest rates</i>					
- To enterprises	15.63	15.02	14.51	14.09	14.64
- To households	20.84	20.76	19.19	17.99	18.06
<i>Deposit interest rates</i>					
- Overnight	2.43	2.43	2.39	2.48	2.40
- With agreed maturity	7.99	7.90	6.80	6.79	6.58
- Redeemable at notice ²⁾	-	-	-	-	-

Sources: National Bank of Poland, Ministry of Finance.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

Data based on Reuters' information (daily averages).

Data do not cover floating rate issues.

1) Weighted average interest rates are calculated on the basis of the rates reported by major banks as of end of each month. The weights applied represent the proportion of outstanding loans/deposits attributable to particular banks in relation to the end-month loans/deposits stock of all banks within the reference group.

2) Information on interest rates on deposits redeemable at notice are not collected under the existing interest rates statistics.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
6.00	5.50	5.50	5.50	5.00	5.00	4.75	4.75
9.00	8.50	8.50	8.00	7.50	7.00	6.75	6.75
10.50	10.00	10.00	9.00	8.50	7.75	7.50	7.50
12.00	11.50	11.50	10.50	10.00	9.00	8.75	8.75
9.60	10.58	8.91	8.74	8.16	7.45	7.20	7.36
9.93	9.54	8.97	8.78	8.13	7.59	7.03	7.06
9.88	9.30	8.89	8.55	8.05	7.45	6.79	6.83
9.83	9.11	8.78	8.30	7.83	7.21	6.50	6.57
9.70	8.88	8.54	8.07	7.59	6.97	6.19	6.17
8.94	8.27	8.07	7.61	6.96	6.62	5.78	5.86
8.90	8.24	8.06	7.60	6.79	6.55	5.89	5.70
8.03	7.55	7.59	7.26	6.47	6.26	5.95	5.73
14.49	14.23	13.35	13.00	12.95	12.14	12.03	11.74
18.00	17.70	17.55	17.54	17.45	17.85	17.68	17.60
2.18	1.92	1.77	1.76	1.55	1.19	1.20	1.20
6.24	5.55	5.24	5.20	4.74	4.29	4.01	3.86
-	-	-	-	-	-	-	-

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	4,118.2	2,964.0	446.7	4.4	703.1
Monetary financial institutions (S.121+S.122)	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	.	.	.	.	.
Total	4,118.2	2,964.0	446.7	4.4	703.1

Sources: National Bank of Romania, Ministry of Public Finance
Exchange rate used (end-of-period): ROL/EUR 34,919

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
91.0	0.0	9.0	38.8	0.0	61.2	100.0	0.0	0.0	0.4	99.6	0.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	6,205.0	3,246.06	2,511.52	154.0	119.0	114.0
– auction (% of total)	71.9	86.80	84.65	68.0	85.71	89.47
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	28.1	13.2	15.35	32.0	14.29	10.53
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	6,185.2	3,246.1	2,511.5	154.0	119.0	114.0
– auction (% of total)	69.2	86.8	84.7	68.0	85.7	89.5
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	30.8	13.2	15.4	32.0	14.3	10.5
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	19.7	.	.	.	.	.
– auction (% of total)	0.0	.	.	.	.	.
– syndication (% of total)	0.0	.	.	.	.	.
– other (e.g. private placement) (% of total)	100.0	.	.	.	.	.

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	696.9	93.5	513.0	34.2	16.0	17.0	29.0
– auction (% of total)	21.5	0.0	33.9	0.0	0.0	0.0	51.7
– syndication (% of total)	0.0	0.0	0.0	0.0	6.3	0.0	0.0
– other (e.g. private placement) (% of total)	78.5	100.0	66.1	100.0	93.8	100.0	48.3
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	696.9	93.5	513.0	32.3	16.0	17.0	29.0
– auction (% of total)	21.5	0.0	33.9	0.0	0.0	0.0	51.7
– syndication (% of total)	0.0	0.0	0.0	0.0	6.3	0.0	0.0
– other (e.g. private placement) (% of total)	78.5	100.0	66.1	100.0	93.8	100.0	48.3
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	.	.	.	.	.	.	.
– auction (% of total)	.	.	.	.	.	.	.
– syndication (% of total)	.	.	.	.	.	.	.
– other (e.g. private placement) (% of total)	.	.	.	.	.	.	.

Sources: National Bank of Romania, Ministry of Public Finance

Exchange rate used (average-of-period): ROL/EUR 19,955.75 in 2000; ROL/EUR 26,026.89 in 2001; ROL/EUR 31,255.25 in 2002

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	14,741.8	17,661.2	16,662.8	19,761.0	28,525.0	33,581.0
– regulated markets (stock exchange(s) and other regulated markets), % of total	0.0	0.0	0.0	0.0	0.0	0.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	100.0	100.0	100.0	100.0	100.0	100.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	100.0	100.0	100.0	100.0	100.0	100.0
Monetary financial institutions (S.121+S.122)						
Exchange rate used (end-of-period): ROL/EUR 34,919	.	.	.	.	.	.
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	.	.	.	.	.	.

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	4,443.8	7,026.1	6,629.4	77.6	3,551.0	1,865.0	
– regulated markets (stock exchange(s) and other regulated markets), % of total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	.	.	.	.	.	.	.
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	.	.	.	.	.	.	.
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	.	.	.	.	.	.	.

Sources: National Bank of Romania, Ministry of Public Finance

Table 3**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	2002/CL-BIR	MPF	Central gov.	OTC	15/01/98	15/01/03	ROL	0.04	1,245.68
2	2003/CL-BANKCOOP	MPF	Central gov.	OTC	16/01/98	16/01/03	ROL	0.15	5,255.89
3	2003/CL-BCR	MPF	Central gov.	OTC	20/01/98	20/01/03	ROL	0.34	11,832.72
4	2003/CL-BRD	MPF	Central gov.	OTC	27/01/98	27/01/03	ROL	0.05	1,911.76
5	2003/VAL BCR	MPF	Central gov.	OTC	29/01/01	29/01/03	USD	2.03	2.09
6	2003/ANPA-BA	MPF	Central gov.	OTC	06/02/98	06/02/03	ROL	3.69	128,769.45
7	2003/VAL1 BCR	MPF	Central gov.	OTC	26/02/01	26/02/03	USD	6.64	6.84
8	2003/ANPA-BRD	MPF	Central gov.	OTC	13/03/98	13/03/03	ROL	0.18	6,277.58
9	2003/VAL2 BCR	MPF	Central gov.	OTC	26/03/01	26/03/03	USD	3.81	3.92
10	VAL 6 USD 2003	MPF	Central gov.	OTC	17/10/01	17/04/03	USD	96.50	99.39
11	2003/VAL3 BCR	MPF	Central gov.	OTC	23/04/01	23/04/03	USD	1.31	1.35
12	2003/MCS-BA	MPF	Central gov.	OTC	23/11/00	23/05/03	ROL	112.95	3,944,000.00
13	2003/VAL4 BCR	MPF	Central gov.	OTC	28/05/01	28/05/03	USD	2.49	2.56
14	2003/VAL5 BCR	MPF	Central gov.	OTC	25/06/01	25/06/03	USD	3.75	3.86
15	2003/AF-BA	MPF	Central gov.	OTC	03/01/01	03/07/03	ROL	20.90	729,999.76
16	2003/VAL6 BCR	MPF	Central gov.	OTC	30/07/01	30/07/03	USD	0.94	0.97
17	2003/VAL7 BCR	MPF	Central gov.	OTC	27/08/01	27/08/03	USD	7.90	8.14
18	2003/VAL8 BCR	MPF	Central gov.	OTC	24/09/01	24/09/03	USD	2.38	2.45
19	2003/VAL-SIDEX	MPF	Central gov.	OTC	15/10/01	15/10/03	USD	18.40	18.95
20	2003/VAL9 BCR	MPF	Central gov.	OTC	29/10/01	29/10/03	USD	1.36	1.40
21	2003/VAL10 BCR	MPF	Central gov.	OTC	26/11/01	26/11/03	USD	1.97	2.03
22	2003/VAL11 BCR	MPF	Central gov.	OTC	17/12/01	17/12/03	USD	2.69	2.77
23	2004/VAL BCR	MPF	Central gov.	OTC	28/01/02	28/01/04	USD	1.02	1.05
24	2004/VAL1 BCR	MPF	Central gov.	OTC	25/02/02	25/02/04	USD	3.06	3.15
25	2004/VAL2 BCR	MPF	Central gov.	OTC	25/03/02	25/03/04	USD	1.44	1.48
26	2004/VAL3 BCR	MPF	Central gov.	OTC	29/04/02	29/04/04	USD	0.75	0.77
27	O.S. 16.05.2004	MPF	Central gov.	OTC	16/05/02	16/05/04	ROL	8.59	300,000.00
28	O.S. 23.05.2004	MPF	Central gov.	OTC	23/05/02	23/05/04	ROL	8.59	300,000.00
29	2004/VAL4 BCR	MPF	Central gov.	OTC	27/05/02	27/05/04	USD	1.78	1.84
30	2004/1-RB	MPF	Central gov.	OTC	15/12/01	15/06/04	ROL	0.13	4,528.10
31	O.S. 20.06.2004	MPF	Central gov.	OTC	20/06/02	20/06/04	ROL	5.87	205,110.00
32	2004/VAL5 BCR	MPF	Central gov.	OTC	24/06/02	24/06/04	USD	0.31	0.32
33	2004/2-RB	MPF	Central gov.	OTC	15/06/02	15/12/04	ROL	0.14	5,047.67
34	2009/A	MPF	Central gov.	OTC	01/09/94	01/09/08	ROL	3.13	109,176.97
35	O.S. 04.07.2004	MPF	Central gov.	OTC	04/07/02	04/07/04	ROL	8.59	300,000.00
36	O.S. 11.07.2004	MPF	Central gov.	OTC	11/07/02	11/07/04	ROL	8.59	300,000.00
37	O.S. 25.07.2004	MPF	Central gov.	OTC	25/07/02	25/07/04	ROL	4.68	163,500.00
38	2004/VAL6 BCR	MPF	Central gov.	OTC	29/07/02	29/07/04	USD	0.79	0.82
39	O.S. 08.08.2004	MPF	Central gov.	OTC	08/08/02	08/08/04	ROL	11.74	409,830.00
40	2004/VAL7 BCR	MPF	Central gov.	OTC	26/08/02	26/08/04	USD	2.85	2.94
41	O.S. 05.09.2004	MPF	Central gov.	OTC	05/09/02	05/09/04	ROL	8.59	300,000.00
42	O.S. 12.09.2004	MPF	Central gov.	OTC	12/09/02	12/09/04	ROL	11.45	400,000.00
43	O.S. 26.09.2004	MPF	Central gov.	OTC	26/09/02	26/09/04	ROL	8.59	300,000.00
44	2004/VAL8 BCR	MPF	Central gov.	OTC	30/09/02	30/09/04	USD	1.38	1.42
45	O.S. 10.10.2004	MPF	Central gov.	OTC	10/10/02	10/10/04	ROL	14.32	500,000.00
46	O.S. 17.10.2004	MPF	Central gov.	OTC	17/10/02	17/10/04	ROL	14.32	500,000.00
47	2004/VAL9 BCR	MPF	Central gov.	OTC	28/10/02	28/10/04	USD	0.28	0.29
48	O.S. 21.11.2004	MPF	Central gov.	OTC	21/11/02	21/11/04	ROL	14.32	500,000.00
49	2004/VAL10 BCR	MPF	Central gov.	OTC	25/11/02	25/11/04	USD	2.21	2.28
50	O.S. 28.11.2004	MPF	Central gov.	OTC	28/11/02	28/11/04	ROL	14.32	500,000.00
51	O.S. 12.12.2004	MPF	Central gov.	OTC	12/12/02	12/12/04	ROL	14.32	500,000.00
52	2004/VAL11 BCR	MPF	Central gov.	OTC	23/12/02	23/12/04	USD	0.00	0.00
53	JPMorgan/Deutsche Bank	MPF	Central gov.		05/07/02	05/07/12	EUR	700.00	700.00

Sources: Ministry of Public Finance, National Bank of Romania

Exchange rate used (end-of-period): ROL/EUR 34,919

Coupon rates refer to the end of December 2002.

MPF – Ministry of Public Finance

- 1) Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002.
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002.
- 3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002.
- 4) The coupon rate is variable and is calculated quarterly on the basis of the interest rate of the last auction for 91 days T-bills.
- 5) The coupon rate is variable and is calculated monthly on the basis of the discount rate.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of trans- actions nominal value, EUR millions ³⁾	Value of trans- actions market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr	
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	1
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	2
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	3
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	4
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	5
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	6
5.00	.	—	—	—	OTC	0.01	0.01	4.00	Q	—	—	6)	7
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	8
5.00	.	—	—	—	OTC	0.10	0.1	2.00	Q	—	—	6)	9
5.50	.	—	—	—	OTC	1.28	1.41	167.00	D	—	—	7)	10
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	11
23.72 ⁴⁾	.	—	—	—	OTC	3.28	3.37	177.00	D	—	—	6)	12
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	13
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	14
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	15
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	16
5.00	.	—	—	—	OTC	0.05	0.05	5.00	M	—	—	6)	17
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	18
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	19
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	20
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	21
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	22
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	23
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	24
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	25
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	26
25.97	.	—	—	—	OTC	0.34	0.39	32.00	W	—	—	7)	27
25.97	.	—	—	—	OTC	0.10	0.12	16.00	M	—	—	7)	28
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	29
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	30
25.95	.	—	—	—	OTC	—	—	—	—	—	—	7)	31
5.00	.	—	—	—	OTC	—	—	—	—	—	—	6)	32
23.72 ⁴⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	33
20.40 ⁵⁾	.	—	—	—	OTC	—	—	—	—	—	—	6)	34
25.95	.	—	—	—	OTC	0.02	0.02	1.00	M	—	—	7)	35
25.40	.	—	—	—	OTC	0.02	0.02	1.00	M	—	—	7)	36
25.00	.	—	—	—	OTC	0.05	0.05	1.00	W	—	—	7)	37
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	38
24.80	.	—	—	—	OTC	0.14	0.15	1.00	W	—	—	7)	39
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	40
24.25	.	—	—	—	OTC	0.00	0.00	1.00	Q	—	—	7)	41
24.00	.	—	—	—	OTC	0.10	0.10	1.00	W	—	—	7)	42
23.50	.	—	—	—	OTC	—	—	—	—	—	—	7)	43
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	44
22.47	.	—	—	—	OTC	—	—	—	—	—	—	7)	45
21.43	.	—	—	—	OTC	—	—	—	—	—	—	7)	46
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	47
16.40	.	—	—	—	OTC	—	—	—	—	—	—	7)	48
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	49
15.00	.	—	—	—	OTC	—	—	—	—	—	—	7)	50
14.20	.	—	—	—	OTC	0.02	0.02	1.00	Q	—	—	7)	51
5.00	.	—	—	—	OTC	—	—	—	—	—	—	8)	52
8.50	.	—	—	—	—	—	—	—	—	—	—	9)	53

6) debt restructuring bonds

7) fix interest rate

8) restructuring bonds

9) Deficit financing

Table 4**Official, money market, capital market and bank interest rates***(percentages per annum; monthly averages unless otherwise indicated)***1. Interest rates based on new business**

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates					
Deposit rate	6.00	6.00	6.00	6.00	6.00
Discount rate	35.00	35.00	34.60	34.20	34.10
Lombard rate	65.00	65.00	65.00	65.00	65.00
II. Money market rates					
Overnight deposits (BUBID/BUBOR)	33.44	34.73	27.71	29.20	25.84
one-month deposits	34.32	34.06	33.04	32.88	32.02
three-month deposits	34.22	34.22	33.54	33.08	32.51
six-month deposits	34.89	34.75	34.17	33.65	32.98
twelve-month deposits	35.93	35.48	34.88	34.29	33.39
III. Capital market interest rates¹⁾					
two-year government bond yields	-	-	-	-	-
five-year government bond yields	-	-	-	-	-
ten-year government bond yields	-	-	-	-	-
IV. Bank interest rates					
<i>Lending interest rates</i>					
- To enterprises	.	.	.	.	.
- To households	.	.	.	.	.
<i>Deposit interest rates</i>					
- Overnight	.	.	.	.	.
- With agreed maturity	.	.	.	.	.
- Redeemable at notice	.	.	.	.	.

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
III. Bank interest rates					
<i>Lending interest rates (average)</i>					
- To enterprises	40.57	40.42	39.12	39.55	37.86
<i>Deposit interest rates (average)</i>					
- To non-bank customers	23.40	23.31	22.75	23.48	21.70

Source: National Bank of Romania

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) Information refers to primary market yields.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00
32.20	30.60	28.30	27.20	25.60	23.80	22.20	20.40
65.00	65.00	65.00	45.00	45.00	45.00	45.00	45.00
26.01	23.64	20.83	19.04	20.77	18.14	19.28	15.25
30.11	27.96	25.99	24.24	23.30	21.40	20.00	18.81
30.86	28.40	26.18	24.57	23.58	21.90	20.40	18.93
31.08	28.43	26.19	24.46	23.58	21.98	20.38	18.58
31.08	28.58	26.30	24.35	23.33	21.89	20.29	18.25
25.97	25.95	25.53	24.80	23.92	21.95	15.70	14.20
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
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2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
38.11	36.65	35.03	34.59	32.53	31.95	30.26	28.92
21.69	20.26	18.44	17.83	16.38	15.86	14.50	12.83

Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	8,369.2	1,615.1	1,392.2	3,688.8	1,673.1
Monetary financial institutions (S.121+S.122)	36.0	0.0	0.0	12.0	24.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	132.8	0.0	92.2	39.1	1.5
Total	8,538.0	1,615.1	1,484.4	3,739.9	1,698.6

Sources: Ministry of Finance SR, National Bank of Slovakia.
Exchange rate used (end-of-period): SKK/EUR 41.722.

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	100.0	0.0	0.0	64.5	27.4	8.1	70.1	29.9	0.0
0.0	0.0	0.0	0.0	0.0	0.0	100.0	0.0	0.0	100.0	0.0	0.0
0.0	0.0	0.0	57.8	42.2	0.0	100.0	0.0	0.0	0.0	100.0	0.0

Table 2A**Primary market activity***(yearly total)***1. All debt securities**

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	3,342.4	4,962.5	3,748.9	81.0	106.0	121.0
– auction (% of total)	59.8	48.7	96.4	39.5	50.0	47.1
– syndication (% of total)	34.2	0.0	0.0	6.2	0.0	0.0
– other (e.g. private placement) (% of total)	6.0	51.3	3.6	54.3	50.0	52.9
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	2,600.9	4,870.6	3,615.6	34.0	59.0	57.0
– auction (% of total)	76.8	49.6	100.0	94.1	89.8	100.0
– syndication (% of total)	23.2	0.0	0.0	5.9	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	50.4	0.0	0.0	10.2	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	79.5	30.4	36.0	5.0	2.0	2.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	662.0	61.5	97.3	42.0	45.0	62.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	81.6	0.0	0.0	7.1	0.0	0.0
– other (e.g. private placement) (% of total)	18.4	100.0	100.0	92.9	100.0	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	2,569.6	3,310.6	925.1	100.0	63.0	70.0	75.0
– auction (% of total)	47.7	23.0	85.6	85.6	22.2	24.3	14.7
– syndication (% of total)	44.5	0.0	0.0	0.0	7.9	0.0	0.0
– other (e.g. private placement) (% of total)	7.8	77.0	14.4	14.4	69.8	75.7	85.3
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	1,828.1	3,218.7	791.8	100.0	16.0	23.0	11.0
– auction (% of total)	67.0	23.7	100.0	100.0	87.5	73.9	100.0
– syndication (% of total)	33.0	0.0	0.0	0.0	12.5	0.0	0.0
– other (e.g. private placement) (% of total)	0.0	76.3	0.0	0.0	0.0	26.1	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	79.5	30.4	36.0	100.0	5.0	2.0	2.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– other (e.g. private placement) (% of total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	662.0	61.5	97.3	100.0	42.0	45.0	62.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	81.6	0.0	0.0	0.0	7.1	0.0	0.0
– other (e.g. private placement) (% of total)	18.4	100.0	100.0	100.0	92.9	100.0	100.0

Sources: Ministry of Finance SR, National Bank of Slovakia.

Data for methods used to sell long-term debt securities in primary market are not completely available for the general government sector in year 2001. Therefore sum does not add up to 100 per cent.

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	22.0	34.3	60.0	12.8	7.2	9.8
– regulated markets (stock exchange(s) and other regulated markets), % of total	87.5	100.0	100.0	99.2	100.0	100.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	12.5	0.0	0.0	0.8	0.0	0.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	90.0	96.3	97.4	87.5	96.3	97.4
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	4.6	1.3	1.0	4.4	2.5	0.8
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	5.4	2.4	1.6	8.1	1.2	1.8

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total secondary market, of which:	19.3	34.3	60.0	100.0	12.8	7.2	9.8
– regulated markets (stock exchange(s) and other regulated markets), % of total	100.0	100.0	100.0	100.0	100.0	100.0	100.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	90.0	96.3	97.4	100.0	87.5	62.3	73.9
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	4.6	1.3	1.0	100.0	4.4	4.8	7.2
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	5.4	2.4	1.6	100.0	8.1	33.0	18.9

Source: Bratislava Stock Exchange.

Number of business days: 242 in 2000; 243 in 2001; 243 in 2002. Value of transactions calculated by nominal values are not available, market values were used. Corporate and Municipal bonds were considered as bonds of non-financial and non-monetary financial corporations.

Table 3**Information on individual long-term government bonds outstanding at the end of December 2002***(Method used: All long-term debt securities issued by the general government)*

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	SK4120002601	Slovak Republic	Central gov.	BSE	17/08/00	17/08/10	SKK	170.65	7.120
2	SK4120002742	Slovak Republic	Central gov.	BSE	30/01/01	30/01/08	SKK	666.22	27.796
3	SK4120002759	Slovak Republic	Central gov.	BSE	30/01/01	30/01/11	SKK	491.52	20.507
4	SK4120002833	Slovak Republic	Central gov.	BSE	29/03/01	29/03/08	SKK	112.65	4.700
5	SK4120002841	Slovak Republic	Central gov.	BSE	29/03/01	29/03/11	SKK	179.69	7.497
6	SK4120002932	Slovak Republic	Central gov.	BSE	11/07/01	11/07/11	SKK	71.90	3.000
7	SK4120002965	Slovak Republic	Central gov.	BSE	19/09/01	19/09/11	SKK	51.77	2.160
8	SK4120003229	Slovak Republic	Central gov.	BSE	13/03/02	13/03/12	SKK	199.18	8.310
9	SK4120003336	Slovak Republic	Central gov.	BSE	12/06/02	12/06/12	SKK	8.39	350

*Source: National Bank of Slovakia, Bratislava Stock Exchange.**All government bonds denominated in national currency (SKK) with residual maturity $t > 5$ outstanding at the end of December 2002 are included. Exchange rate used (end-of-period): SKK/EUR 41.722. BSE – Bratislava Stock Exchange.*

- 1) *Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the annual average of close-of-market values.*
- 2) *The calculation for ask price, bid price and market price is based on the annual average of close-of-market values. (Ask price – average highest daily ask prices; bid price – average lowest daily bid prices).*
- 3) *The calculation of the value (number) of transactions is based on the annual average of the daily total value (number) of transactions.*

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ²⁾	Market price ²⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
8.5	6.96	109.55	109.01	109.03	BSE	2.20	2.41	0.59	D	B		1
6M BRIBOR	–	–	–	–	BSE	2.84	2.94	0.03	D	–	debt restructuring bond	2
6M BRIBOR	7.87	100.56	100.56	100.52	BSE	1.67	1.73	0.03	D	–	debt restructuring bond	3
6M BRIBOR	–	–	–	–	BSE	0.00	0.00	0.00	D	–	debt restructuring bond	4
6M BRIBOR	–	–	–	–	BSE	1.78	1.81	0.03	D	–	debt restructuring bond	5
12M BRIBOR	–	–	–	–	BSE	1.45	1.55	0.06	D	–		6
+0.32	8.29	101.22	101.22	101.13	BSE	0.62	0.70	0.25	D	–		7
8.3	5.89	112.30	115.38	107.66	BSE	1.58	1.77	0.96	D	B, F		8
7.5	6.88	104.75	104.27	104.26	BSE	0.03	0.03	0.01	D	–		9
8.0	–	100.50	101.30	–	BSE							

Table 4**Official, money market, capital market and bank interest rates***(percentages per annum; monthly averages unless otherwise indicated)***1. Interest rates based on new business**

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)¹⁾					
O/N sterilization repo rate	6.00	6.00	6.00	6.00	6.50
Discount rate	8.80	7.75	7.75	7.75	8.25
O/N refinancing repo rate	9.00	9.00	9.00	9.00	9.50
II. Money market rates					
Overnight deposits	7.26	7.22	7.25	6.95	7.67
one-month deposits	7.76	7.70	7.71	7.72	7.80
three-month deposits	7.76	7.70	7.73	7.74	7.81
six-month deposits	7.75	7.70	7.71	7.74	7.80
twelve-month deposits	7.74	7.71	7.72	7.74	7.79
III. Capital market interest rates²⁾					
two-year government bond yields	7.83	7.66	7.58	7.66	7.74
five-year government bond yields	-	-	-	7.63	7.70
ten-year government bond yields	7.75	7.41	7.32	7.37	7.48
IV. Bank interest rates³⁾					
<i>Lending interest rates</i>					
- To enterprises	9.84	9.90	10.18	8.66	10.14
- To households	9.27	9.84	10.26	10.71	9.79
<i>Deposit interest rates⁴⁾</i>					
- Overnight deposits	-	-	-	-	-
- With agreed maturity	-	-	-	-	-
- Redeemable at notice	-	-	-	-	-

Sources: National Bank of Slovakia (NBS), Bratislava Stock Exchange.

Interest rates refer to trades at daily close-of-market values in the case of government bond yields.

1) NBS Repo rate: Interest rate of the National Bank of Slovakia (NBS) which is related to Standard 2W Repo tenders either for sterilization or for refinancing of commercial banks. Since January 2002 this rate is equal to the discount rate.

2) The only government bond with ten years of maturity, issued on 17 August 2000 is traded in the module of market makers.

3) Weighted average.

4) As of January 2003 data exit and are collected.

2. Interest rates based on amounts outstanding

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
IV. Bank interest rates¹⁾					
<i>Lending interest rates</i>					
- To enterprises	8.43	8.38	9.74	9.54	9.55
- To households	8.07	8.17	8.13	8.17	8.22
<i>Deposit interest rates</i>					
- Overnight	2.47	2.54	2.30	2.30	2.28
- With agreed maturity	5.98	5.96	5.75	5.75	5.83
- Redeemable at notice ²⁾

Source: National Bank of Slovakia (NBS).

1) Weighted averages.

2) Data are collected as of January 2003.

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
6.50	6.50	6.50	6.50	6.50	6.50	5.00	5.00
8.25	8.25	8.25	8.25	8.25	8.00	6.50	6.50
9.50	9.50	9.50	9.50	9.50	9.50	8.00	8.00
6.82	8.25	7.20	7.37	7.77	8.10	6.13	5.44
8.22	8.31	8.24	8.20	8.21	8.19	7.05	6.33
8.29	8.44	8.35	8.24	8.16	8.03	6.77	5.99
8.32	8.51	8.39	8.20	8.05	7.84	6.57	5.78
8.36	8.61	8.46	8.16	7.95	7.68	6.44	5.55
8.03	8.16	8.04	7.85	6.84	6.88	5.21	4.54
7.99	8.07	7.90	7.68	6.44	6.22	5.31	4.84
7.68	7.83	7.64	7.24	6.28	6.11	5.43	5.12
10.10	10.76	10.85	10.55	10.01	10.29	8.81	7.64
9.47	9.71	9.71	9.86	9.92	11.08	11.47	9.90
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
9.65	9.61	9.81	9.71	9.83	9.88	9.50	8.83
8.14	8.15	8.17	8.13	8.21	8.02	8.11	8.03
2.11	2.29	2.21	2.22	2.13	2.14	1.69	1.64
5.77	5.92	5.88	5.79	5.87	5.90	4.84	4.39
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Table 1**Market size****Debt securities by original maturity, sector of the issuer and currency of denomination***(December 2002; end-of-period stocks; nominal values)*

Instrument type/currency of denomination	Total amount outstanding				
		Money market	Bond market		
		Short-term	Long-term		
Sector of the issuer		t ≤ 1	1 < t < 5	5 ≤ t < 10	t ≥ 10
EUR millions					
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)	6,494.3	391.0	355.7	2,036.5	3,711.1
Monetary financial institutions (S.121+S.122)	4,403.9	4,032.7	172.2	199.0	0.0
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)	159.9	0.0	11.8	130.7	17.4
Total	11,058.1	4,423.6	539.8	2,366.2	3,728.5

Sources: Bank of Slovenia, Central Securities Clearing Corporation
Exchange rate used (end-of-period): 230.2673 SIT/EUR

Currency of denomination											
Short-term ($t \leq 1$)			Long-term ($1 < t < 5$)			Long-term ($5 \leq t < 10$)			Long-term ($t \geq 10$)		
National	Euro	Other	National	Euro	Other	National	Euro	Other	National	Euro	Other
in percentages (%)											
100.0	0.0	0.0	100.0	0.0	0.0	63.3	36.7	0.0	19.6	74.5	5.9
40.5	53.9	5.7	53.2	46.8	0.0	25.1	74.9	0.0	0.0	0.0	0.0
0.0	0.0	0.0	31.6	68.4	0.0	19.3	80.7	0.0	0.0	100.0	0.0

Table 2A**Primary market activity**

(yearly total)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total primary market, of which:	8,437.3	13,306.0	17,792.7	2,398.0	3,777.0	2,555.0
– auction (% of total)	5.9	9.7	24.7	1.5	2.0	5.6
– syndication (% of total)	6.6	3.5	0.1	0.3	0.1	0.0
– other (e.g. private placement) (% of total)	87.5	86.9	75.2	98.2	98.0	94.4
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
Total primary market, of which:	995.0	1,646.0	3,410.0	37.0	71.0	103.0
– auction (% of total)	49.7	72.7	100.0	97.3	98.6	100.0
– syndication (% of total)	50.3	27.3	0.0	2.7	1.4	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)						
Total primary market, of which:	7,413.3	11,608.0	14,331.7	2,353.0	3,686.0	2,428.0
– auction (% of total)	0.0	0.8	6.9	0.0	0.1	1.6
– syndication (% of total)	0.6	0.1	0.1	0.2	0.0	0.0
– other (e.g. private placement) (% of total)	99.4	99.1	93.0	99.8	99.9	98.4
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
Total primary market, of which:	29.0	52.0	51.0	8.0	20.0	24.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	31.0	0.0	0.0	12.5	0.0	0.0
– other (e.g. private placement) (% of total)	69.0	100.0	100.0	87.5	100.0	100.0

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions				Number of issues		
	2000	2001	2002		2000	2001	2002
	All long-term debt securities	All long-term debt securities	All long-term debt securities	of which: % denominated in national currency			
Total economy							
Total primary market, of which:	787.0	800.0	1,789.0	77.1	30.0	27.0	42.0
– auction (% of total)	23.0	29.1	93.1	94.1	40.0	44.4	64.3
– syndication (% of total)	70.5	57.5	0.8	1.0	20.0	7.4	2.4
– other (e.g. private placement) (% of total)	6.5	13.4	6.1	4.9	40.0	48.1	33.3
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
Total primary market, of which:	681.0	683.0	1,666.0	78.0	13.0	13.0	27.0
– auction (% of total)	26.6	34.1	100.0	100.0	92.3	92.3	100.0
– syndication (% of total)	73.4	65.9	0.0	0.0	7.7	7.7	0.0
– other (e.g. private placement) (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Monetary financial institutions (S.121+S.122)							
Total primary market, of which:	77.0	69.0	93.0	66.7	9.0	7.0	8.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	59.7	14.5	15.1	22.6	44.4	14.3	12.5
– other (e.g. private placement) (% of total)	40.3	85.5	84.9	77.4	55.6	85.7	87.5
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
Total primary market, of which:	29.0	48.0	30.0	63.3	8.0	7.0	7.0
– auction (% of total)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
– syndication (% of total)	31.0	0.0	0.0	0.0	12.5	0.0	0.0
– other (e.g. private placement) (% of total)	69.0	100.0	100.0	100.0	87.5	100.0	100.0

Sources: Bank of Slovenia, Securities Market Agency

Table 2B

Secondary market activity

(daily averages)

1. All debt securities

	Value of transactions			Number of transactions		
	Nominal value in EUR millions ²⁾			Number of issues		
	2000	2001	2002	2000	2001	2002
Total economy						
Total secondary market, of which:	1.7	1.7	5.0	32.6	43.6	70.2
– regulated markets (stock exchange(s) and other regulated markets), % of total	68.1	61.4	39.6	90.9	92.1	89.7
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	31.9	38.6	60.4	9.1	7.9	10.3
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)						
% of secondary market for total economy	67.7	88.5	97.5	73.4	87.0	94.6
Monetary financial institutions (S.121+S.122)						
% of secondary market for total economy	21.7	9.3	1.9	19.1	9.4	4.1
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)						
% of secondary market for total economy	10.6	2.2	0.6	7.5	3.6	1.3

2. Long-term debt securities

	Value of transactions				Number of transactions		
	Nominal value in EUR millions ²⁾				Number of issues		
	2000	2001	2002	of which: % denominated in national currency	2000	2001	2002
Total economy							
Total secondary market, of which:	1.5	1.2	2.5	43.9	32.2	43.0	67.6
– regulated markets (stock exchange(s) and other regulated markets), % of total	73.2	77.5	80.7	80.7	91.1	93.2	93.0
– non-regulated markets (e.g. over-the-counter (OTC) market), % of total	26.8	22.5	19.3	19.3	8.9	6.8	7.0
Central government (S.1311) and other general government (S.1312+S.1313+S.1314)							
% of secondary market for total economy	69.5	84.7	94.8	97.0	74.1	86.8	94.4
Monetary financial institutions (S.121+S.122)							
% of secondary market for total economy	19.2	12.4	4.0	0.6	18.5	9.6	4.2
Non-financial and non-monetary financial corporations (S.123+S.124+S.125+S.11)							
% of secondary market for total economy	11.3	3.0	1.2	2.4	7.5	3.7	1.3

Sources: Ljubljana Stock Exchange, Securities Market Agency, Bank of Slovenia

Number of business days: 249 in 2000; 247 in 2001; 247 in 2002

1) Eurobonds issued by the Republic of Slovenia are excluded.

2) Market values are used.

Table 3

Information on individual long-term government bonds outstanding at the end of December 2002

(Method used: All long-term debt securities issued by the general government)

Reference period: July 2002 to December 2002

Nr	ISIN code or alternative code	Name of issuer	Sector of issuer	Reference market(s)	Issue date	Original maturity date	Currency of issue (ISO code)	Nominal amount in EUR (millions)	Nominal amount in issue currency (millions)
1	SI0002100657	Rep. of Slovenia	Central gov.	Ljubljana SE	04/04/97	30/06/22	EUR	101.71	101.71
2	SI0002100673	Rep. of Slovenia	Central gov.	Ljubljana SE	29/05/97	15/02/15	SIT	189.83	43,711.90
3	SI0002100368	Rep. of Slovenia	Central gov.	Ljubljana SE	30/06/93	31/05/03	EUR	49.36	49.36
4	SI0002100731	Rep. of Slovenia	Central gov.	Ljubljana SE	15/10/97	31/05/07	SIT	226.65	52,189.61
5	SI0002100814	Rep. of Slovenia	Central gov.	Ljubljana SE	29/06/98	29/06/08	EUR	54.56	54.56
6	SI0002100939	Rep. of Slovenia	Central gov.	Ljubljana SE	01/06/99	01/06/03	SIT	27.38	6,304.00
7	SI0002101143	Rep. of Slovenia	Central gov.	Ljubljana SE	24/02/00	24/02/03	SIT	26.06	6,000.00
8	SI0002101150	Rep. of Slovenia	Central gov.	Ljubljana SE	24/02/00	24/02/05	SIT	39.09	9,000.00
9	SI0002101168	Rep. of Slovenia	Central gov.	Ljubljana SE	26/04/00	26/04/10	EUR	50.00	50.00
10	SI0002101200	Rep. of Slovenia	Central gov.	Ljubljana SE	24/07/00	24/07/03	SIT	26.06	6,000.00
11	SI0002101325	Rep. of Slovenia	Central gov.	Ljubljana SE	01/12/00	01/12/03	SIT	26.06	6,000.00
12	SI0002101341	Rep. of Slovenia	Central gov.	Ljubljana SE	01/02/01	01/03/15	SIT	86.86	20,000.00
13	SI0002101374	Rep. of Slovenia	Central gov.	Ljubljana SE	13/02/01	13/02/06	SIT	34.74	8,000.00
14	SI0002101382	Rep. of Slovenia	Central gov.	Ljubljana SE	13/02/01	13/02/11	EUR	40.00	40.00
15	SI0002101390	Rep. of Slovenia	Central gov.	Ljubljana SE	13/03/01	13/03/04	SIT	47.77	11,000.00
16	SI0002101408	Rep. of Slovenia	Central gov.	Ljubljana SE	18/04/01	18/04/06	SIT	34.74	8,000.00
17	SI0002101432	Rep. of Slovenia	Central gov.	Ljubljana SE	01/06/01	01/06/11	EUR	50.00	50.00
18	SI0002101549	Rep. of Slovenia	Central gov.	Ljubljana SE	04/12/01	04/12/06	SIT	73.83	17,000.00
19	SI0002101564	Rep. of Slovenia	Central gov.	Ljubljana SE	15/01/02	15/01/05	SIT	45.60	10,500.00
20	SI0002101572	Rep. of Slovenia	Central gov.	Ljubljana SE	15/01/02	15/01/12	EUR	55.00	55.00
21	SI0002101556	Rep. of Slovenia	Central gov.	Ljubljana SE	01/01/02	15/09/08	SIT	130.28	30,000.00
22	SI0002101580	Rep. of Slovenia	Central gov.	Ljubljana SE	15/01/02	15/01/07	SIT	12.80	2,947.68
23	SI0002101598	Rep. of Slovenia	Central gov.	Ljubljana SE	15/01/02	15/01/12	EUR	23.87	23.87
24	SI0002101648	Rep. of Slovenia	Central gov.	Ljubljana SE	31/12/01	31/12/22	EUR	127.17	127.17
25	SI0002101614	Rep. of Slovenia	Central gov.	Ljubljana SE	18/02/02	18/02/07	SIT	73.44	16,910.00
26	SI0002101622	Rep. of Slovenia	Central gov.	Ljubljana SE	18/03/02	18/03/07	SIT	60.80	14,000.00
27	SI0002101630	Rep. of Slovenia	Central gov.	Ljubljana SE	18/03/02	18/03/05	SIT	52.11	12,000.00
28	SI0002101663	Rep. of Slovenia	Central gov.	Ljubljana SE	19/04/02	19/04/07	SIT	73.83	17,000.00
29	SI0002101671	Rep. of Slovenia	Central gov.	Ljubljana SE	19/04/02	19/04/17	EUR	100.00	100.00
30	SI0002101655	Rep. of Slovenia	Central gov.	Ljubljana SE	01/01/02	01/01/08	SIT	130.28	30,000.00
31	SI0002101697	Rep. of Slovenia	Central gov.	Ljubljana SE	31/05/02	31/05/07	SIT	65.14	15,000.00
32	SI0002101705	Rep. of Slovenia	Central gov.	Ljubljana SE	17/06/02	17/06/07	SIT	52.11	12,000.00
33	SI0002101721	Rep. of Slovenia	Central gov.	Ljubljana SE	15/07/02	15/07/05	SIT	52.11	12,000.00
34	SI0002101796	Rep. of Slovenia	Central gov.	Ljubljana SE	15/10/02	15/10/07	SIT	67.75	15,600.00
35	SI0002101820	Rep. of Slovenia	Central gov.	Ljubljana SE	08/11/02	08/11/12	SIT	12.88	2,964.93
36	SI0002101812	Rep. of Slovenia	Central gov.	Ljubljana SE	08/11/02	08/11/05	SIT	52.60	12,112.49
37	SI0002101838	Rep. of Slovenia	Central gov.	Ljubljana SE	08/11/02	08/11/07	SIT	210.57	48,488.50
38	SI0002101846	Rep. of Slovenia	Central gov.	Ljubljana SE	08/11/02	08/11/12	SIT	262.84	60,524.47
39	SI0002101853	Rep. of Slovenia	Central gov.	Ljubljana SE	02/12/02	02/12/12	EUR	60.00	60.00
40	SI0002100061	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/03	SIT	39.00	8,981.30
41	SI0002100079	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/10/04	SIT	39.00	8,981.30
42	SI0002100087	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/10/05	SIT	20.80	4,790.20
43	SI0002100095	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/10/06	SIT	39.00	8,981.30
44	SI0002100103	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/10/07	SIT	37.54	8,645.20
45	SI0002100111	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/10/08	SIT	39.00	8,981.30
46	SI0002100129	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/09	SIT	39.00	8,981.30
47	SI0002100145	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/05	SIT	17.37	4,000.00
48	SI0002100152	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/06	SIT	17.37	4,000.00
49	SI0002100160	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/07	SIT	17.37	4,000.00
50	SI0002100178	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/08	SIT	17.37	4,000.00
51	SI0002100186	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/09	SIT	17.37	4,000.00
52	SI0002100194	Rep. of Slovenia	Central gov.	Ljubljana SE	16/11/95	15/07/10	SIT	17.37	4,000.00
53	DE0001919504	Rep. of Slovenia	Central gov.	Luxembourg SE	16/06/97	16/06/04	EUR	204.52	204.52
54	XS0087437207	Rep. of Slovenia	Central gov.	Luxembourg SE	27/05/98	27/05/05	EUR	500.00	500.00
55	XS0095561683	Rep. of Slovenia	Central gov.	Luxembourg SE	18/03/99	18/03/09	EUR	400.00	400.00
56	XS0109256734	Rep. of Slovenia	Central gov.	Luxembourg SE	24/03/00	24/03/10	EUR	500.00	500.00
57	XS0127672938	Rep. of Slovenia	Central gov.	Luxembourg SE	11/04/01	11/04/11	EUR	450.00	450.00

Source: Ljubljana Stock Exchange

- 1) Yield-to-maturity is calculated in accordance with ISMA formula 6.3. The calculation is based on the average close-of-market values for the reference period July 2002 to December 2002
- 2) The calculation for ask price, bid price and market price is based on average close-of-market values for the reference period July to December 2002
- 3) The calculation of the value (number) of transactions is based on the average of the daily total value (number) for the reference period July 2002 to December 2002
- 4) Tolar indexation clause (TOM) is an annual interest rate calculated by the Bank of Slovenia and used for preserving the value of financial liabilities and assets in domestic currency. TOM (monthly): since May 1997 – average of previous 12 months' inflation. TOM p.a. (December 2002): 7.30%
- 5) Indexation of the principal.

Coupon rate (if applicable)	Yield-to- maturity ¹⁾	Ask price ²⁾	Bid price ³⁾	Market price ³⁾	Pricing source	Value of transactions, nominal value, EUR millions ³⁾	Value of transactions, market value, EUR millions ³⁾	Number of trans- actions ³⁾	Trading frequency	Fungi- bility (F) and/or bench- mark status (B)	Special features	Nr
8	7.91	102.40	101.43	102.08	Ljubljana- SE	0.03	0.03	2.63	D	F	-	1
3	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	2
5	11.21	-	98.10	98.05	Ljubljana- SE	0.00	0.00	0.02	D	F	-	3
4.5	3.40	103.24	101.28	102.46	Ljubljana- SE	0.01	0.01	0.52	D	F	⁵⁾	4
5.55	5.51	-	-	100.45	Ljubljana- SE	0.00	0.00	0.10	D	F	-	5
TOM p.a. ⁴⁾ + 4	TOM p.a. ⁴⁾ + 2.04	101.04	100.12	100.82	Ljubljana- SE	0.09	0.09	0.82	D	F	-	6
TOM p.a. ⁴⁾ + 4.2	-	-	-	-	Ljubljana- SE	0.01	0.01	0.03	D	F	-	7
TOM p.a. ⁴⁾ + 4.7	TOM p.a. ⁴⁾ + 3.58	-	102.01	102.51	Ljubljana- SE	0.00	0.00	0.03	D	F	-	8
6	5.53	-	101.00	102.67	Ljubljana- SE	0.02	0.02	0.16	D	F	-	9
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 2.71	101.75	100.19	100.89	Ljubljana- SE	0.00	0.00	0.29	D	F	-	10
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 2.34	102.59	101.43	101.74	Ljubljana- SE	0.00	0.00	0.63	D	F	-	11
TOM p.a. ⁴⁾ + 1	TOM p.a. ⁴⁾ + 3.55	86.50	82.91	83.89	Ljubljana- SE	0.01	0.01	0.17	D	F	-	12
TOM p.a. ⁴⁾ + 4.7	TOM p.a. ⁴⁾ + 3.87	-	-	102.50	Ljubljana- SE	0.01	0.01	0.19	D	F	-	13
6	5.21	105.00	-	105.00	Ljubljana- SE	0.00	0.00	0.09	D	F	-	14
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 2.61	102.75	101.37	101.95	Ljubljana- SE	0.02	0.02	1.00	D	F	-	15
TOM p.a. ⁴⁾ + 4.7	TOM p.a. ⁴⁾ + 4.02	-	102.01	103.00	Ljubljana- SE	0.02	0.02	0.37	D	F	-	16
5.375	5.01	103.06	101.67	102.37	Ljubljana- SE	0.05	0.05	1.78	D	F	-	17
TOM p.a. ⁴⁾ + 4.7	TOM p.a. ⁴⁾ + 2.34	109.11	107.04	109.06	Ljubljana- SE	0.09	0.09	1.09	D	F	-	18
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 2.97	102.85	102.33	102.85	Ljubljana- SE	0.03	0.03	0.29	D	F	-	19
5.375	5.13	102.06	100.99	101.57	Ljubljana- SE	0.07	0.07	3.93	D	F	-	20
TOM p.a. ⁴⁾ + 1	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	21
TOM p.a. ⁴⁾ + 4.7	TOM p.a. ⁴⁾ + 3.28	-	105.40	105.80	Ljubljana- SE	0.00	0.00	0.05	D	F	-	22
5.375	5.11	101.99	100.32	101.85	Ljubljana- SE	0.10	0.10	1.73	D	F	-	23
8	5.41	133.33	126.17	133.40	Ljubljana- SE	0.02	0.02	0.13	D	F	-	24
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 3.23	-	102.30	104.00	Ljubljana- SE	0.03	0.03	0.06	D	F	-	25
TOM p.a. ⁴⁾ + 4.2	TOM p.a. ⁴⁾ + 3.24	104.00	102.30	104.00	Ljubljana- SE	0.03	0.04	0.09	D	F	-	26
9	9.01	99.73	98.50	99.73	Ljubljana- SE	0.01	0.01	0.05	D	F	-	27
TOM p.a. ⁴⁾ + 4	-	-	-	-	Ljubljana- SE	0.04	0.04	0.27	D	F	-	28
5.625	5.34	102.97	101.87	102.65	Ljubljana- SE	0.35	0.36	4.41	D	F	-	29
TOM p.a. ⁴⁾ + 1	TOM p.a. ⁴⁾ + 2.73	94.46	93.53	93.88	Ljubljana- SE	0.06	0.05	22.63	D	F	-	30
TOM p.a. ⁴⁾ + 3.9	TOM p.a. ⁴⁾ + 3.12	103.34	102.45	103.09	Ljubljana- SE	0.06	0.06	0.38	D	F	-	31
TOM p.a. ⁴⁾ + 3.9	TOM p.a. ⁴⁾ + 3.07	103.65	101.78	103.55	Ljubljana- SE	0.12	0.13	0.49	D	F	-	32
9	8.92	-	99.20	99.93	Ljubljana- SE	0.04	0.04	0.45	D	F	-	33
TOM p.a. ⁴⁾ + 3	TOM p.a. ⁴⁾ + 2.49	102.82	100.72	101.84	Ljubljana- SE	0.06	0.06	0.94	D	F	-	34
6.65	-	-	-	-	Ljubljana- SE	0.00	0.00	0.01	D	F	-	35
8.2	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	36
3	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	⁵⁾	37
3.25	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	⁵⁾	38
4.75	4.88	99.00	96.57	98.95	Ljubljana- SE	0.12	0.12	1.08	D	F	-	39
5.2	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	40
5.35	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	41
5.55	-	-	-	-	Ljubljana- SE	0.00	0.00	0.05	D	F	-	42
5.7	5.51	102.58	99.81	100.54	Ljubljana- SE	0.01	0.01	0.29	D	F	-	43
5.9	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	44
6.1	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	45
6.25	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	46
5.55	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	47
5.7	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	48
5.9	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	49
6.1	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	50
6.25	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	51
6.5	-	-	-	-	Ljubljana- SE	0.00	0.00	0.00	D	F	-	52
5.75	3.31	103.76	103.38	103.38	Deutsche Bank	.	.	.	D	F	-	53
5.375	4.39	102.50	102.18	102.34	Deutsche Bank	.	.	.	D	F	-	54
4.875	4.74	100.87	100.49	100.68	Deutsche Bank	.	.	.	D	F	-	55
6.00	4.87	107.07	106.76	106.92	Deutsche Bank	.	.	.	D	F	-	56
5.375	5.00	102.68	102.37	102.53	Deutsche Bank	.	.	.	D	F	-	57

Table 4**Official, money market, capital market and bank interest rates***(percentages per annum; monthly averages unless otherwise indicated)***1. Interest rates based on new business**

Period	2001	2002			
	Dec.	Jan.	Feb.	Mar.	Apr.
I. Official rates (month-end)					
Overnight deposit rate ¹⁾	4.00	4.00	4.00	4.00	4.00
Lombard rate	12.00	11.00	11.00	11.00	11.00
II. Money market rates					
Interbank market lending rate ($t \leq 30$ days) ²⁾	4.74	4.50	4.70	4.64	4.67
Overnight deposits (SIONIA)	-	-	-	4.50	4.56
one-month deposits ³⁾	-	6.38	6.50	6.51	6.88
three-month deposits ³⁾	-	7.70	7.83	7.88	8.06
six-month deposits ³⁾	-	8.01	8.02	8.08	8.50
twelve-month deposits ³⁾	-	-	-	8.72	9.07
III. Capital market interest rates ⁴⁾					
two-year government bond yields	2.70	4.11	3.72	3.61	3.59
three-year government bond yields	3.92	3.98	4.04	3.94	3.68
five-year government bond yields	-	-	-	-	-
IV. Bank interest rates					
<i>Lending interest rates</i>					
- Short-term working capital loans	13.74	13.69	14.53	14.95	13.78
- Short-term consumer credits	12.30	12.30	13.08	13.54	12.44
<i>Deposit interest rates</i>					
- Overnight deposits	1.05	1.10	1.10	1.06	1.06
- Time deposits (31-90 days)	8.51	8.37	9.08	9.44	8.24
- Redeemable at notice	.	.	.	.	.

Source: Bank of Slovenia

Interest rates refer to trades at daily close-of-market values in the case of government bond yields

1) Data are available as of July 2001, when overnight deposit was first introduced

2) Interbank market lending rate ($t \leq 30$ days) is reported as it can be considered as one of the most representative rates

3) SMOM (Slovenian Interbank Interest Rate) are based on quotes for taken deposits/loans. Data on interest rates for offered deposits are not collected for the time being

4) Data are bond yields over tolar indexation clause (TOM)

Tolar indexation clause is an annual interest rate determined by the Bank of Slovenia and used for indexation of financial liabilities and assets

TOM (monthly): since May 1997 – average of previous 12 months' inflation

TOM p.a. (December 2000): 9.86%

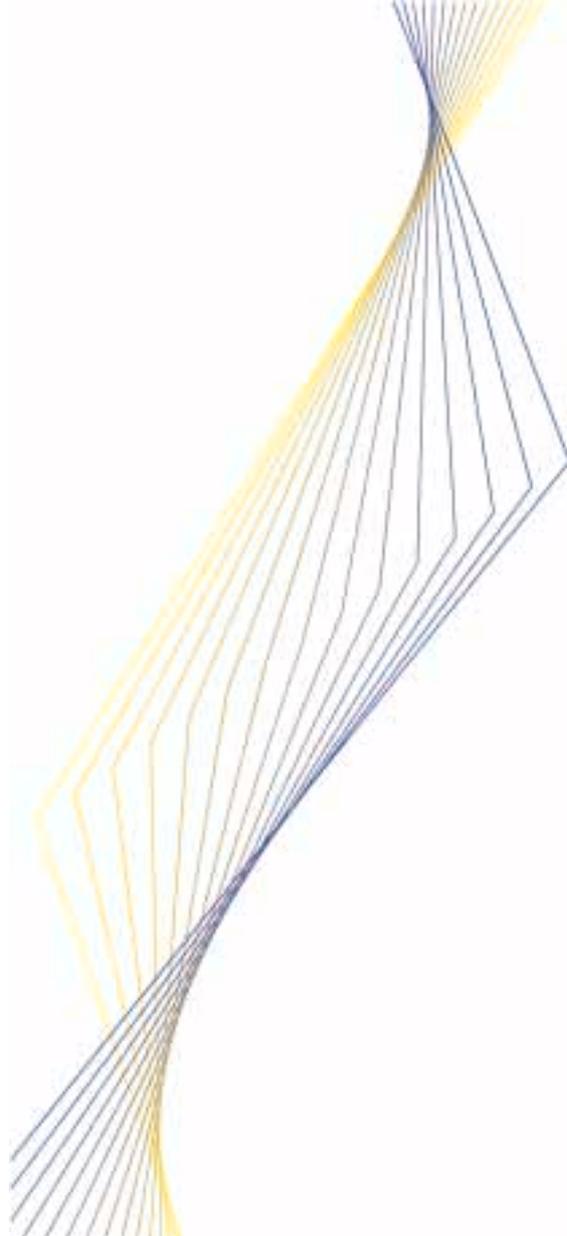
2002							
May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.
4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
11.00	11.00	11.00	11.00	11.00	11.00	11.00	10.50
4.70	5.67	5.06	5.06	5.07	5.15	5.05	4.75
4.59	5.84	4.96	4.94	5.00	5.07	4.90	4.49
7.55	7.90	7.88	7.70	7.70	7.65	7.50	5.46
8.52	8.82	8.75	8.59	8.56	7.75	6.98	6.87
8.78	8.96	8.64	8.22	8.12	8.00	7.99	7.99
9.30	9.39	8.97	8.48	8.42	8.31	8.44	8.68
3.06	-	2.99	3.25	-	3.76	-	-
3.62	3.42	3.23	3.39	3.06	3.11	3.26	2.64
-	-	-	-	-	-	-	-
14.79	13.70	12.24	12.20	12.18	12.13	12.01	11.81
13.34	12.24	11.82	11.71	11.70	11.70	11.61	11.58
1.07	1.07	1.01	1.03	1.03	1.03	1.01	1.00
9.17	8.11	7.92	7.79	7.77	7.77	7.60	7.56
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Part III

Annexes



EUROPEAN CENTRAL BANK



Annex I

Concepts and definitions

Concepts and definitions

The definitions used in this report on bond market and long-term interest rates are divided

into four categories, which are: 1) Instruments, 2) Markets, 3) Prices and 4) Sector classification.

I Instruments

Debt securities (ESA95 classification in brackets)

maturity over one year (or with optional maturity dates).

Debt securities refer to securities other than shares excluding financial derivatives (F.33). They give the holder the unconditional right to a fixed or contractually determined variable money income in the form of coupon payments (interest) and/or a stated fixed sum on a specified date or dates or starting from a date fixed at the time of issue.

Resident (follows ESA 95, paragraph I.30.)

An issuing unit is defined as a resident of the reporting country when it has a centre of economic interest on the economic territory of the reporting country - that is, when it engages for an extended period (one year or more) in economic activities on this territory. Non-resident issuers comprise units that are either: (a) located in the economic territory of the reporting country but which do not, or do not intend to, engage in economic activities or transactions for a period of one year or more on the territory of the reporting country; or (b) located outside the economic territory of the reporting country.

The debt securities should cover issues by **resident** entities (defined in a separate entry below), irrespective of the currency denomination and the market of issuance. Issues by foreign-owned entities located in the resident country are classified as issues by residents. Issues by entities located outside the resident country but owned by residents of resident country are treated as issues by non-residents of the resident country. The table below illustrates the two main parameters, residency and currency denomination, that characterise debt securities :

Issues by subsidiaries owned by non-residents of the reporting country but which operate in the reporting country's economic territory, are classified as issues by resident units of the reporting country. Issues by head offices located in the reporting country's economic territory which operate internationally are also considered as issues by resident units. Issues by head offices or subsidiaries located outside the reporting country's economic territory but owned by residents of the reporting country are considered as issues by non-residents.

	National currency	Other currencies
Residents	Included	Included
Non-residents	Excluded	Excluded

Debt securities can either be short-term or long-term. Short-term debt securities refer to short-term securities other than shares, excluding financial derivatives (F.331) with an original maturity of one year or less (in accordance with the ESA 95). Long-term debt securities (also known as bonds) refer to long-term securities other than shares, excluding financial derivatives (F.332) with an original

Brady bonds

Brady bonds are debt securities issued by a government and for which principal repayment and interest servicing (for usually 12 to 18 months) are guaranteed by international organisations and/or other governments. They are usually issued in a currency other than the national currency of the issuing government. Brady bonds are credit-enhanced debt

securities issued by a sovereign government following the Brady Plan Agreement concluded in March 1989. Issuance involves an exchange of loans granted by monetary financial institutions (for example commercial banks), which may or may not be in default, into collateralised bonds as part of an effort to restructure and reduce the debt of the issuing countries. Brady bonds should be included as government bonds.

Government-guaranteed bonds

Government-guaranteed bonds are debt securities issued by corporations or other units outside of the general government sector and guaranteed by the government. Government-guaranteed bonds should not be included as government bonds.

Original maturity

Interval between the issue date and the scheduled maturity date of a bond.

Benchmark

A benchmark bond is considered to act as key indicator of market conditions. A bond, frequently the most recent, sizeable issue, whose terms set a standard for the market. The benchmark bond usually has the greatest liquidity and the highest turnover, and is the most frequently quoted.

2 Markets

Primary market

The primary market is that part of the securities market in which new securities are sold to the investor. Methods used to sell securities in the primary market include auctions, syndications and other methods such as private placements:

- Auction :A method of selling in public by letting intending buyers gather and compete with each other by making bids
- Syndication :A temporary association of investment banks (MFIs) formed to sell new or existing securities. Syndicates can

Fungible bonds

Fungible bonds are mutually interchangeable bonds. They have the same characteristics (issuer, maturity date, ISIN code, coupon, currency etc.); only the date of issuance is different because they are issued in tranches.

Embedded options

A feature of the security that is inserted in a bond and can be separable from the instrument. Examples are bonds that are convertible into shares and securities with options for repayment of principal in currencies that differ from those in which the securities were issued.

Nominal value

The nominal value is the main principle for reporting statistics on long-term debt securities and therefore Stocks and flows of debt securities are reported at nominal value. An exception to this rule is made in respect of deep-discounted and zero-coupon bonds (or discount bonds), where the issues are recorded at the effective amount paid, i.e. the discounted price at the time of purchase, and the redemptions at maturity at nominal value. The outstanding amount of deep-discounted and zero-coupon bonds are the effective amount paid plus accrued interest.

(offers of money). A common type of auction is where the sale is made to the person (or entity) who makes the highest bid. The seller (i.e. the issuer) may state a price below which he or she will not sell. There are however other forms of auctions.

- be divided or undivided. In the former, the liability of each member of the syndicate is restricted to its extent of participation. After the member has sold its share of the securities, the investment bank is no longer liable even if the other syndicate members have not sold their allocated shares. In the undivided syndicate, the investment bank is responsible for unsold securities up to its participation percentage regardless of how many securities that investment bank has sold.
- Private placements are offerings which are not public placements. Privately issued bonds are restricted by bilateral agreement to certain investors. They can be at least potentially transferable.
 - functions regularly,
 - is characterized by the fact that regulations issued or approved by the competent authorities define the conditions for the operation of the market, the conditions for access to the market and,
 - where Directive 79/279/EEC is applicable, the conditions governing admission to listing imposed in that Directive and, where that Directive is not applicable, the conditions that must be satisfied by a financial instrument before it can effectively be dealt in on the market,
 - requires compliance with all the reporting and transparency requirements laid down pursuant to Articles 20 and 21.

Secondary market

A market in which previously issued securities are traded between investors without the original issuer being concerned. Secondary markets can either be regulated or non-regulated. A regulated market is a market where the activity is controlled by rules set by the body to whom all principal buyers and sellers belong and/or other competent authorities. An example of a regulated market is the stock exchange. The degree of regulation will usually distinguish stock exchange(s) from other regulated markets. An example of a non-regulated market can be the over-the-counter (OTC) market.

In order to distinguish a regulated market from a non-regulated market for the purposes of completing the statistical tables 2B.1 and 2B.2 in part II, Article 16 of the Council Directive 93/22/EEC of 10 May 1993 on investment services in the securities field (ISD) sets out the following provisions for a regulated market for transferable securities and other instruments:

- appears on the list provided for in Article 16 drawn up by the Member State which is the home Member State as defined in Article 1 (6) (c),

Reference market

The reference market is the market in which the security is mainly traded. If equally traded in more than one, the resident reference market should be reported.

Turnover

The volume of securities traded in a specific period (e.g. a day) for a market or a specific issuer or bond. Volume traded can be measured by the number and/or value of transactions.

Repurchase agreement (repo) and reverse repo

A repurchase agreement (repo) is an arrangement whereby an asset is sold while the seller simultaneously obtains the right and obligation to repurchase it at a specific price on a future date or on demand. Such an agreement is similar to collateralised borrowing of cash. A reverse repo is similar to the repo but is equivalent to a collateralised borrowing of securities.

Repos and reverse repos are in principle included in the data for secondary market activity as long as the underlying asset is a debt security, with the exception of transactions with the central bank. They are valued at the nominal value of the underlying debt security.

Liquidity

The ease with which a security can be traded on the market, usually defined by turnover. The liquidity of a bond can also be measured by a bid-offer spread usually expressed in basis points. The higher the liquidity, the lower the bid-offer spread. The factors influencing liquidity are numerous of which the trading frequency is an example.

3 Pricing

Pricing source

The source(s) from which the reported market price of the security is taken.

Bid-offer spread

The difference between the bid price (the price at which the holder can sell securities) and the offer price (the price at which the purchaser can buy securities).

Yield-to-maturity

The yield-to-maturity (also known as redemption yields) is the total internal rate of return on a bond or other fixed income security calculated by factoring in the purchase price, coupon, reinvestment of coupons at the same rate as the original coupon, and maturity date. The formulas used assume in general annual compounding throughout a security's life.

A common yields-to-maturity used is formula 6.3 recommended by the International Securities Market Association (ISMA). This formula is considered to have several advantages, amongst other its flexibility and versatility.

$$P = \sum_{i=1}^n CF_i * V^{L_i}$$

where

- P = gross price (i.e. clean price plus accrued interest)
- n = number of future cash flows
- CF_i = i-th cash flow (can be variable)
- L_i = time in years to the i-th cash flow
- V = annualised discounting factor = 1/(1+y) where y is the annualised yield.

Example: Government X issues a 10-year bond on 1 December 2002, which is scheduled to redeem on 1 December 2012. The bond has a nominal value of 100 and pays an annual fixed coupon of 8%. The bond is initially purchased by investor A. After two years (1 December 2004), investor A sells the bond to investor B at a price of 98. The yield calculation at the time of purchase for investor B is shown here below:

- Coupon: 8% (annual cash flow)
- Price: 98% of nominal amount (initial investment)
- Original maturity = 10 years
- Residual maturity = 8 years

Year	1	2	3	4	5	6	7	8	9	10
98 =			$\frac{8}{(1+y)^1}$	$\frac{8}{(1+y)^2}$	$\frac{8}{(1+y)^3}$	$\frac{8}{(1+y)^4}$	$\frac{8}{(1+y)^5}$	$\frac{8}{(1+y)^6}$	$\frac{8}{(1+y)^7}$	$\frac{108}{(1+y)^8}$
0 =			$-98 + \frac{8}{(1+y)^1}$	$\frac{8}{(1+y)^2}$	$\frac{8}{(1+y)^3}$	$\frac{8}{(1+y)^4}$	$\frac{8}{(1+y)^5}$	$\frac{8}{(1+y)^6}$	$\frac{8}{(1+y)^7}$	$\frac{108}{(1+y)^8}$

Y = 8.35%

4 Sector Classification (ESA95)

Government sector (ESA95 classification in brackets)

The government sector refers to the “general government” (S.13) as defined in ESA95. It refers to all institutional units which are other non-market producers whose output is intended for individual and collective consumption, and mainly financed by compulsory payments made by units belonging to other sectors, and/or all institutional units principally engaged in the redistribution of national income and wealth.

The institutional units included in sector S.13 are the following:

- a) general government entities (excluding public producers organised as public corporations or, by virtue of special legislation, recognised as independent legal entities, or quasi-corporations, when any of these are classified in the non-financial or financial sectors) which administer and finance a group of activities, principally providing non-market goods and services, intended for the benefit of the community ;
- b) non-profit institutions recognised as independent legal entities which are other non-market producers and which are controlled and mainly financed by general government;

- c) autonomous pension funds if the two requirements of paragraph 2.74. of ESA95 are met.

The general government sector is divided into four sub-sectors:

- a) Central government (S.1311) refers to all administrative departments of the State and other central agencies whose competence extends normally over the whole economic territory, except for the administration of social security funds. Included in sub-sector S.1311 are those non-profit institutions which are controlled and mainly financed by central government and whose competence extends over the whole economic territory.
- b) State government (S.1312) refers to separate institutional units exercising some of the functions of government at a level below that of central government and above that of the governmental institutional units existing at local level, except for the administration of social security funds. Included in State government are those non-profit institutions which are controlled and mainly financed by state governments and whose competence is restricted to the economic territories of the states.

- c) Local government (S.1313) refers to those types of public administration whose competence extends to only a local part of the economic territory, apart from local agencies of social security funds. Included in sub-sector S.1313 are those non-profit institutions which are controlled and mainly financed by local governments and whose competence is restricted to the economic territories of the local governments.
- d) Social security funds (S.1314) refer to all central, state and local institutional units whose principal activity is to provide social benefits and which fulfil each of the following two criteria:
 1. by law or by regulation certain groups of the population are obliged to participate in the scheme or to pay contributions;
 2. general government is responsible for the management of the institution in respect of the settlement or approval of the contributions and benefits independently from its role as supervisory body or employer.

There is usually no direct link between the amount of the contribution paid by an individual and the risk to which that individual is exposed.

Monetary financial institutions (ESA95 codes in brackets)

Monetary Financial Institutions (MFIs) refer to central banks (S.121) and other monetary financial institutions (OMFIs, S.122).

- Central Banks (S.121) are financial corporations and quasi-corporations whose principal function is to issue currency, to maintain the internal and external value of the currency and to hold all or part of the international reserves of the country. The sector central banks includes also the European Central Bank.
- Other monetary financial institutions (OMFIs) (S.122) comprise resident credit institutions as defined in Community Law, and all other resident financial institutions whose business is to receive deposits/or close substitutes for deposits from entities other than MFIs, and, for their own account (at least in economic terms), to grant credits and/or to make investment in securities. This definition is taken from the Regulation ECB/1998/16 of 1 December 1998 concerning the consolidated balance sheet of the monetary financial institutions sector as amended by Regulation ECB/2000/8.
- Other financial intermediaries (OFIs) (S.123) comprise non-monetary financial corporations and quasi-corporations (excluding insurance corporations and pension funds) principally engaged in financial intermediation by incurring liabilities in forms other than currency, deposits and/or close substitutes for deposits from institutional units other than MFIs. Financial auxiliaries (S.124), which are engaged in activities closely related to financial intermediation but not financial intermediation themselves, are also included.
- Insurance corporations and pension funds (IPFs) (S.125) comprise non-monetary financial corporations and quasi-corporations principally engaged in financial intermediation as the consequence of pooling risks.

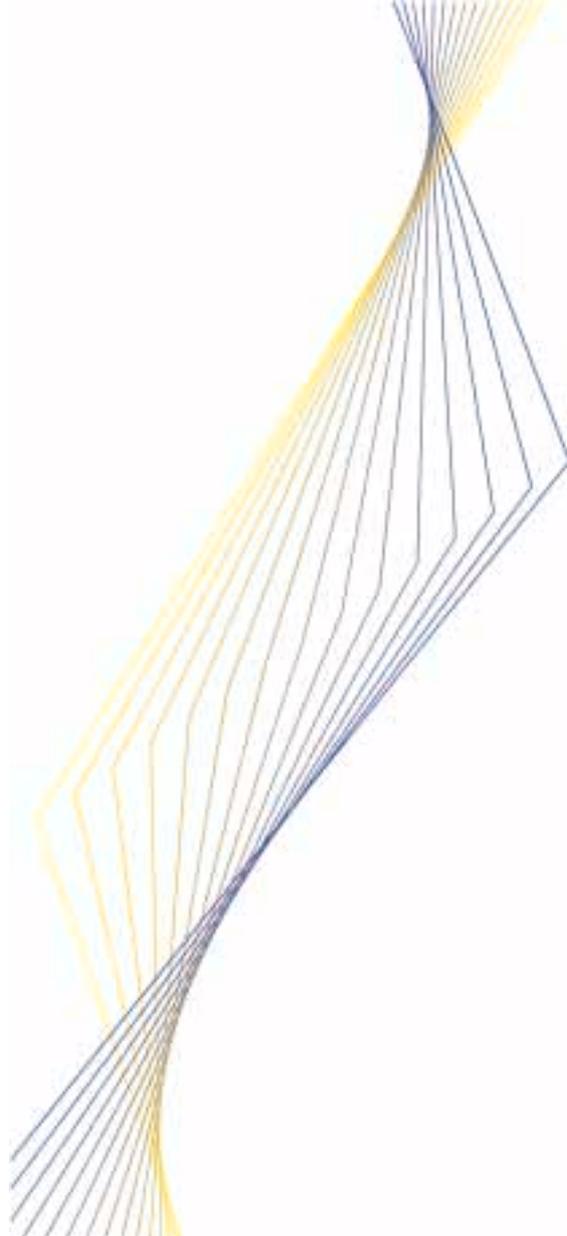
Non-monetary financial and non-financial corporations (ESA95 codes in brackets)

Non-monetary financial and non-financial corporations groups together a number of sectors other than MFIs, General Government, households and non-profit institutions servicing households :

- Non-financial corporations (NFC) (S.11) comprise corporations and quasi-corporations not engaged in financial intermediation but principally in the production of market goods and non-financial services.



EUROPEAN CENTRAL BANK



Annex 2

**Macroeconomic indicators for
the EU accession countries**

Table 1**Gross Domestic Product in EU accession countries**

Year 2002 (EUR millions; total GDP at current prices and exchange rates)

Country	2002
Bulgaria	16,583
Cyprus	10,762
Czech Republic	73,875
Estonia	6,806
Hungary	69,889
Latvia	8,940
Lithuania	14,649
Malta	4,119
Poland	199,739
Romania	48,362
Slovakia	25,147
Slovenia	23,385

Source: Eurostat

Table 2**Interim HICP in EU accession countries**

Year 2002 (annual average in percentages)

Country	2002
Bulgaria	5.8
Cyprus	2.8
Czech Republic	1.4
Estonia	3.6
Hungary	5.2
Latvia	2
Lithuania	0.4
Malta	-
Poland	1.9
Romania	22.5
Slovakia	3.3
Slovenia	7.5

Source: Eurostat

Table 3**Government deficit on surplus in EU accession countries**

Year 2002 (General government net borrowing (-) / net lending (+); as percentage of GDP; end-of period)

Country	2002
Bulgaria	-0.6
Cyprus	-3.5
Czech Republic	-3.9
Estonia	1.3
Hungary	-9.2
Latvia	-3
Lithuania	-2
Malta	-6.2
Poland	-4.1
Romania	-2.2
Slovakia	-7.2
Slovenia	-2.6

Source: Eurostat

Table 4**General government consolidated gross debt in EU accession countries**

Year 2002 (as a percentage of GDP; end-of period; nominal value)

Country	2002
Bulgaria	53
Cyprus	58.6
Czech Republic	27.1
Estonia	5.8
Hungary	56.3
Latvia	15.2
Lithuania	22.7
Malta	66.4
Poland	41.8
Romania	22.7
Slovakia	42.6
Slovenia	28.3

Source: Eurostat

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