



CYPRUS CENTRAL GOVERNMENT DEBT

QUARTERLY BULLETIN

No.23: 3rd QUARTER 2016

Public debt management: Review of operations for the 3rd Quarter of 2016

New issues:

In July a €1 billion benchmark 7-year Euro Medium Term Note of 3,75% coupon rate (3,80% yield rate) was issued. The issuance attracted in particular interest by Fund Managers (62% share) and Banks (22% share). A broad geographical distribution was achieved consisting mainly of investors from the UK (28%), US offshore (24%) and the rest of Europe (28%). The orderbook reached €2,5 billion.

The weighted average yield in the 13-week Treasury Bill auction in September decreased to 0,61% from 0,89% in the corresponding auction in June. Moreover, the bid-to-cover ratio in the September auction increased to 1,7 from 1,1 recorded in the June auction. Compared to the end of the second quarter the total outstanding stock of Treasury Bills at the end of the third quarter was reduced by €16 million reaching €326 million.

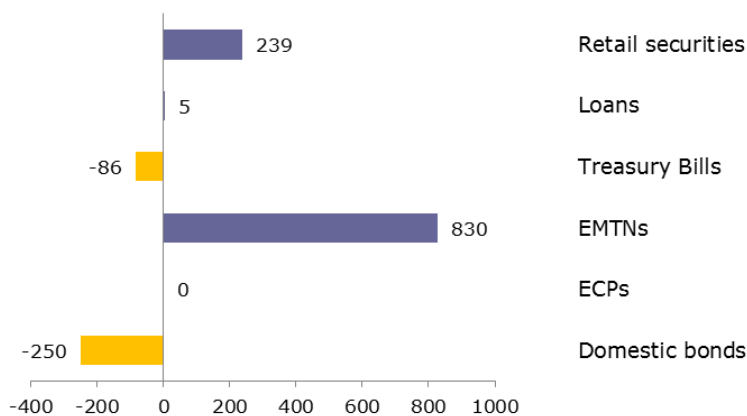
The issuance of 6-year retail bonds continued with sales of €101 million during the third quarter.

Debt redemptions:

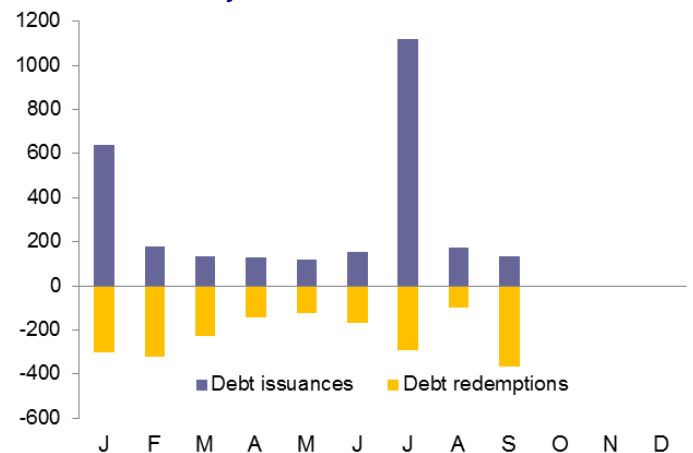
In September the Public Debt Management Office conducted buybacks of domestic bonds due in 2020-21 amounting to €236 million. Redemptions of short term debt during the quarter reached €342 million. Additionally loan amortisations amounted to €81 million.

Change in debt Jan-September 2016

By instrument, € mln.

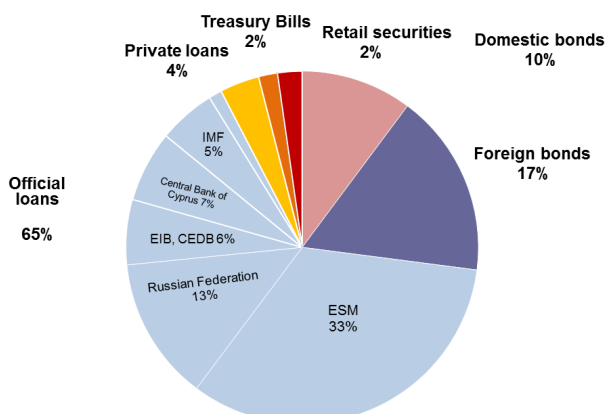


By month, € mln.

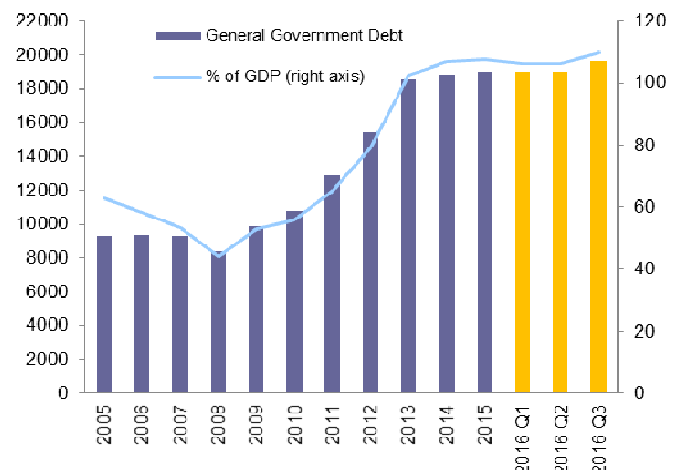


Size and structure of debt

By instrument, September 2016



Evolution of public debt, € mln ⁽¹⁾



(1) Includes the liquidity buffer

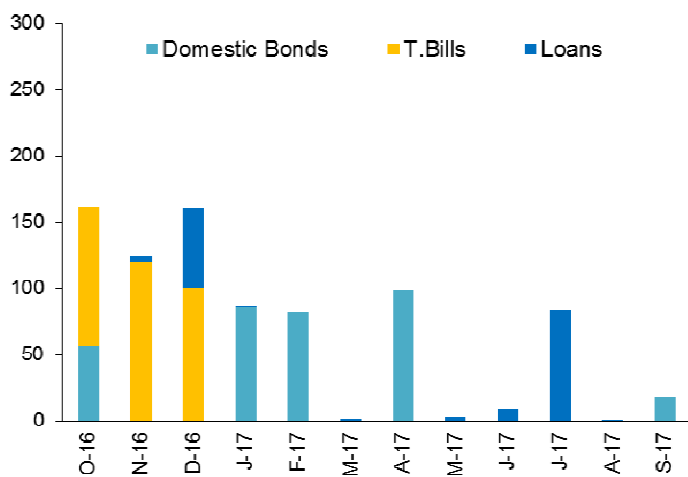
Debt Structure

Outstanding Central Government Debt ¹	30-09-16 € 19.387 mln.	30-06-16 € 18.717 mln.	30-09-15 €18.825mln.
Domestic market	21%	23%	24%
Foreign market	79%	77%	76%
Short term ²	2%	2%	2%
Medium and long term	98%	98%	98%
Securities	34%	31%	35%
Loans	66%	69%	65%
Fixed interest rate	55%	54%	57%
Floating interest rate ³	45%	46%	43%
Local currency	95%	95%	96%
Foreign currencies ⁴	5%	5%	4%

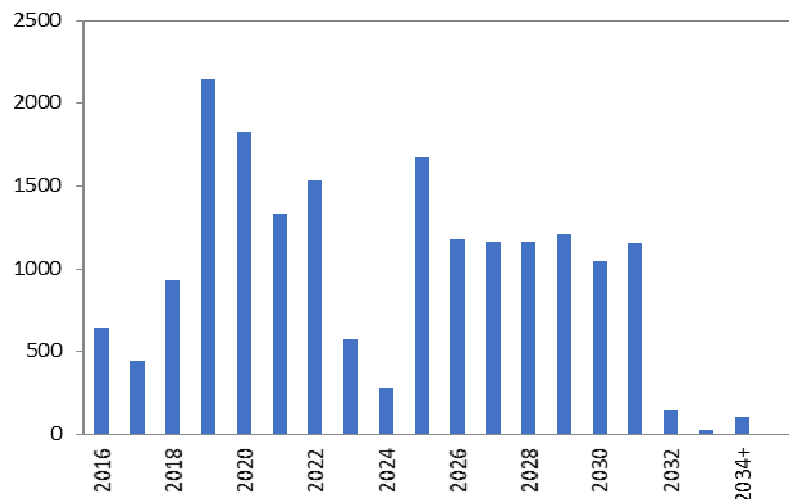
1. Provisional data. Excludes intragovernmental obligations of the central government and debt of central government state-owned enterprises.
2. By original maturity at issue.
3. Does not include short term debt
4. After swap transactions.

Repayments Schedule

Debt within next 12 months

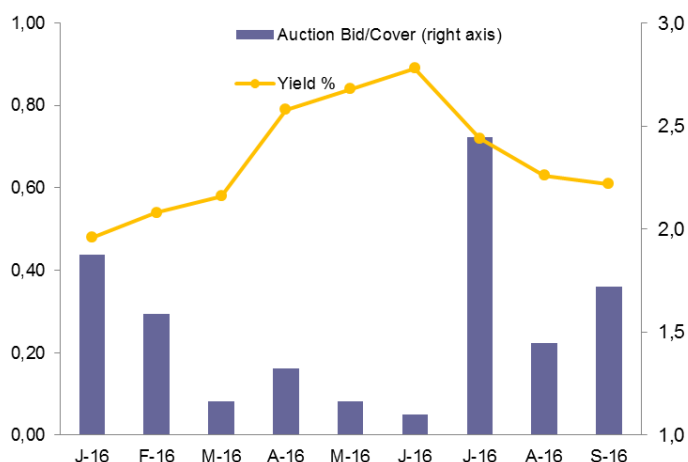


Total debt, € mln

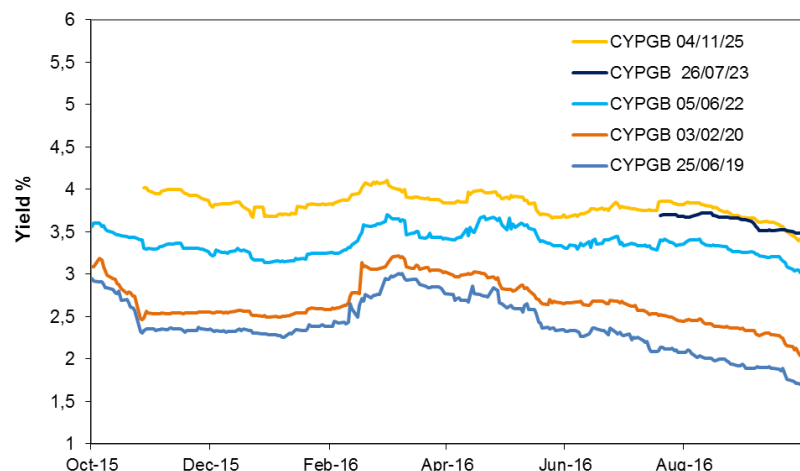


Marketable debt borrowing cost

Primary market Treasury Bill yields



Secondary market bond market yields



Source: Bloomberg

Abbreviations: TB: Treasury Bill; CEDB: Council of Europe Development Bank; DB: domestic-law bond; ECP: Euro Commercial Paper; EIB: European Investment Bank; EMTN: Euro Medium Term Note (foreign-law bond); ESM: European Stability Mechanism; IMF: International Monetary Fund; PDMO: Public Debt Management Office; SDR: Special Drawing Rights.

All data as at 30/09/2016 unless otherwise specified. Replication is permitted, provided that the source is stated.

The information has been compiled and verified to the best of our knowledge. The possibility of a factual mistake can not, however, be excluded.



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