



CYPRUS CENTRAL GOVERNMENT DEBT

QUARTERLY BULLETIN

No.20: 4th QUARTER 2015

Public debt management: review of operations, 4th Quarter 2015

New issues:

In November 2015 the Republic issued a new 10-year €1 billion EMTN at a coupon and yield of 4,25%. The new EMTN issue was done simultaneously with a switch of older bonds maturing in 2019 and 2020 with the newly issued bond.

The weighted average yield in the 13-week Treasury Bill auctions marked a decline to 0,65% at the end of the fourth quarter from 1,22% at the end of the previous quarter. The bid-to-cover ratio in the fourth quarter auctions recorded an increase to about 5,1 from about 2,5 in the previous quarter. Additionally, the 30-day auctions in September yielded 0,25%. In total the outstanding stock of Treasury Bills declined by €15 million when compared with the end of the third quarter reaching to €429 million by the end of December.

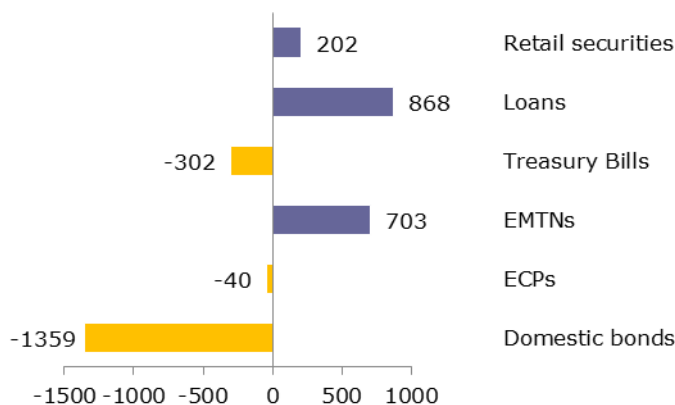
In October the 8th tranche by the European Stability Mechanism of €500 million was disbursed. In December the European Investment Bank issued loans of €62 m. Finally, the issuance of 6-year retail bonds continued with sales of €51 million over the quarter.

Debt redemptions:

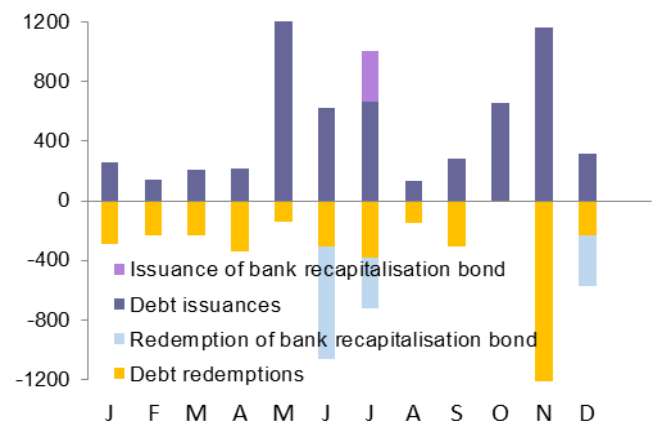
Domestic bonds totaling €176 million matured in December. Redemptions of short term debt reached €473 million. EMTN bonds of €1,297 million matured in November. Additionally loan amortisations amounted to €60 million.

Change in debt Jan-Dec. 2015

By instrument, € mln.

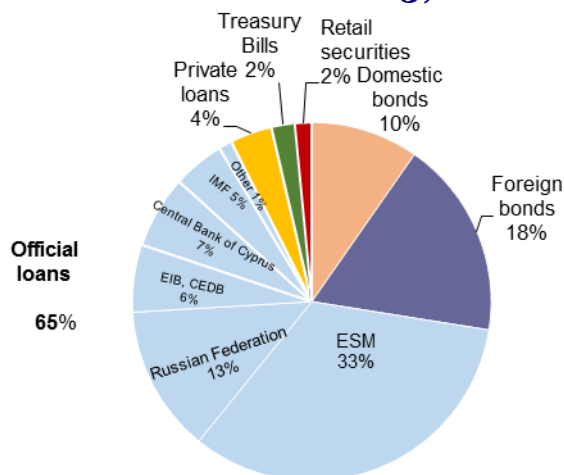


By month, € mln.

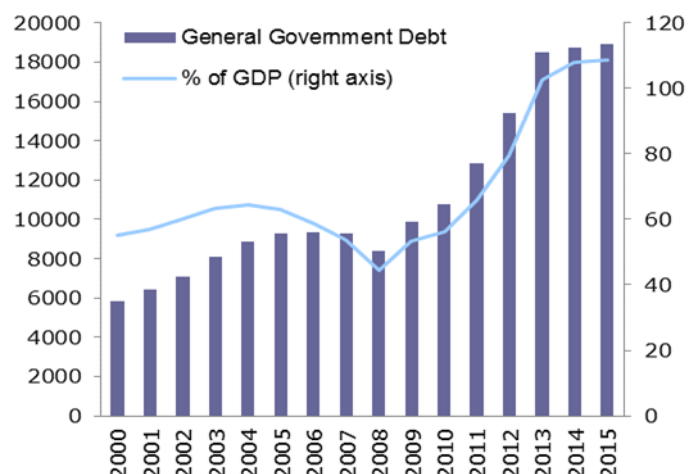


Size and structure of debt

By instrument Dec.2015, € mln



Evolution of public debt, € mln



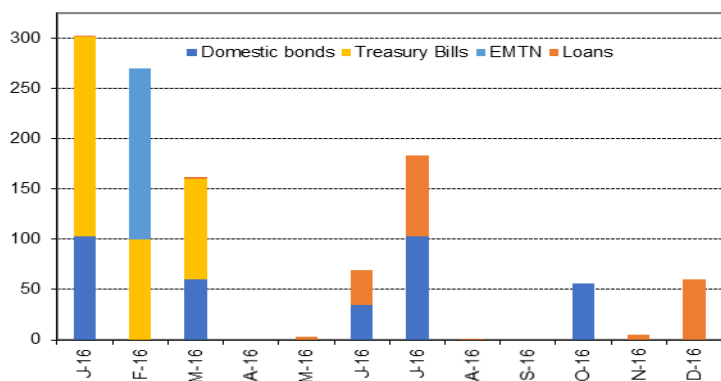
Debt Structure

| | 31-12-15 | 30-09-15 | 31-12-14 |
|--|---------------|---------------|---------------|
| Outstanding Central Government Debt ¹ | € 18.642 mln. | € 18.825 mln. | € 18.528 mln. |
| Domestic market | 22% | 24% | 31% |
| Foreign market | 78% | 76% | 69% |
| Short term ² | 2% | 2% | 4% |
| Medium and long term | 98% | 98% | 96% |
| Securities | 32% | 35% | 38% |
| Loans | 68% | 65% | 62% |
| Fixed interest rate | 56% | 57% | 59% |
| Floating interest rate ³ | 44% | 43% | 41% |
| Local currency | 95% | 96% | 98% |
| Foreign currencies ⁴ | 5% | 4% | 2% |

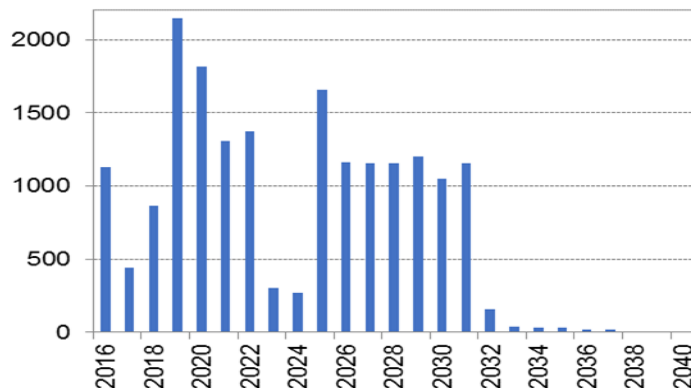
1. Provisional data. Excludes intragovernmental obligations of the central government and debt of central government state-owned enterprises.
2. By original maturity at issue.
3. Does not include short term debt
4. After swap transactions.

Repayments Schedule

Debt within next 12 months, € mln

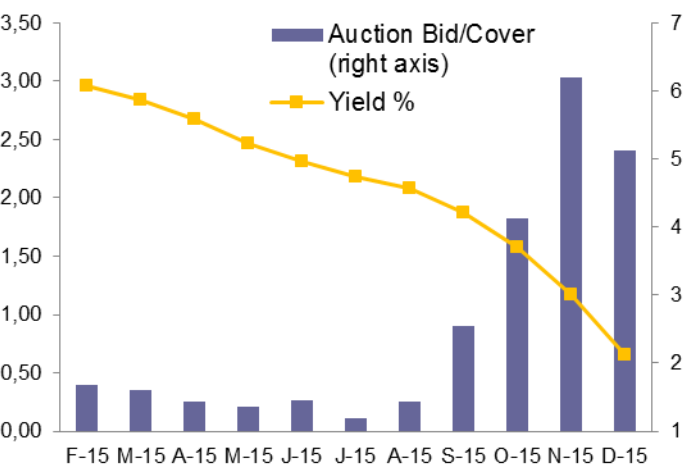


Total debt, € mln

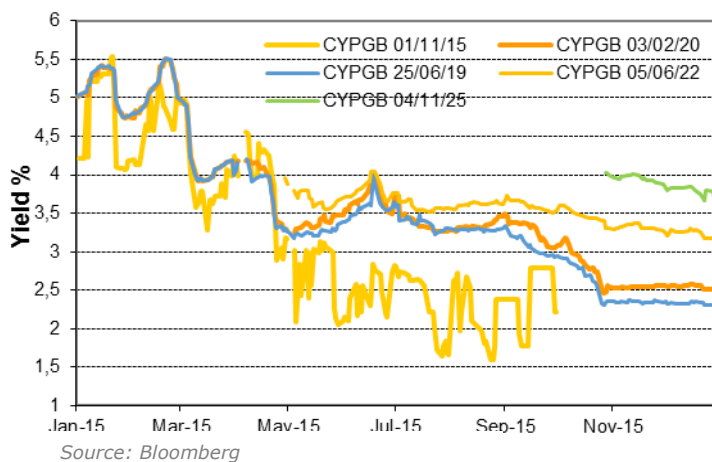


Marketable debt borrowing cost

Primary market Treasury Bill yields



Secondary market bond market yields



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 31/12/2015 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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