



CYPRUS CENTRAL GOVERNMENT DEBT

QUARTERLY BULLETIN

No.39: 3rd QUARTER 2020

Review of operations for the 3rd Quarter of 2020

New issues:

In July 2020 the Republic of Cyprus proceeded with the re-openings of two Eurobonds maturing in 2024 and 2040 for a total amount of €1 bn. The bonds carry a coupon of 0,625% with a yield of 0,349% and a coupon of 1,25% with a yield of 1,493% respectively.

The 13-week Treasury Bills auctions for the aforementioned quarter amounted to a total of €207 mn. The weighted average yield of the September 2020 auction remained the same as that of the June 2020 auction which was 0,14%. The bid-to-cover ratio in September 2020 increased to 1,6 compared to the auction in June 2020 which was 0,9. The issuance of 6-year retail bonds continued with sales of €19 million over the quarter.

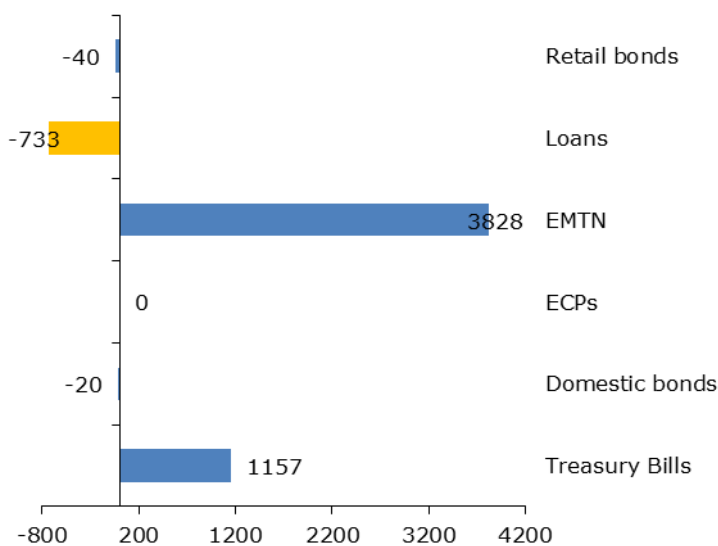
Debt redemptions:

Most debt redemptions related to short term issued in the previous quarter, these being Treasury Bills for a total amount of €205 million. Loan amortisations amounted to €17 million. Repayments of retail bond securities amounted to €39 million.

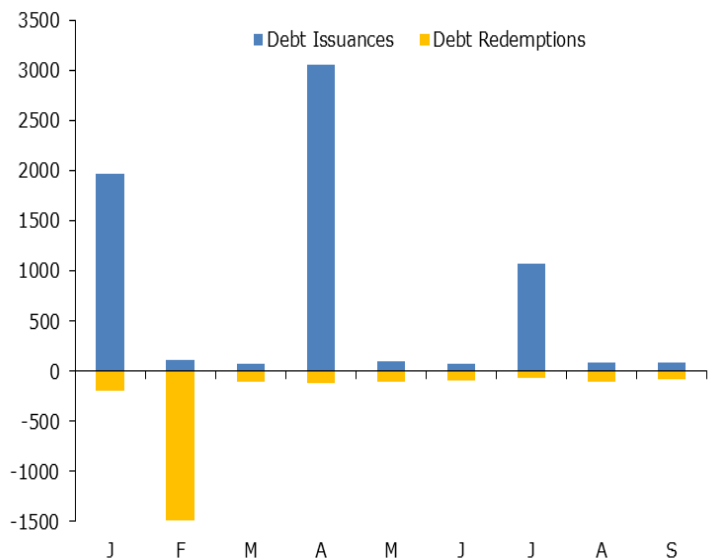
Important note: The yield fluctuations as illustrated under the Secondary market bond yields diagram were due to the Covid-19 pandemic. However following changes in the economic policy decision making within the European Union level and the enhancement of the quantitative easing programme, yields started to converge towards pre-crisis levels.

Change in debt January – September 2020

By instrument, € mln.

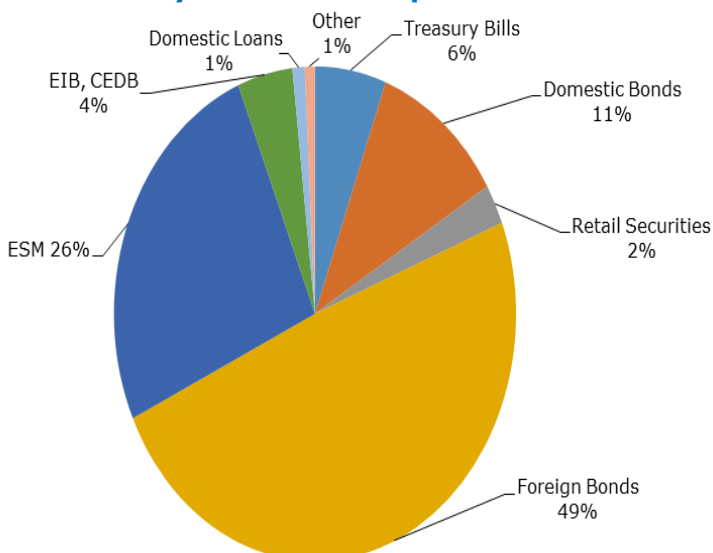


By month, € mln.

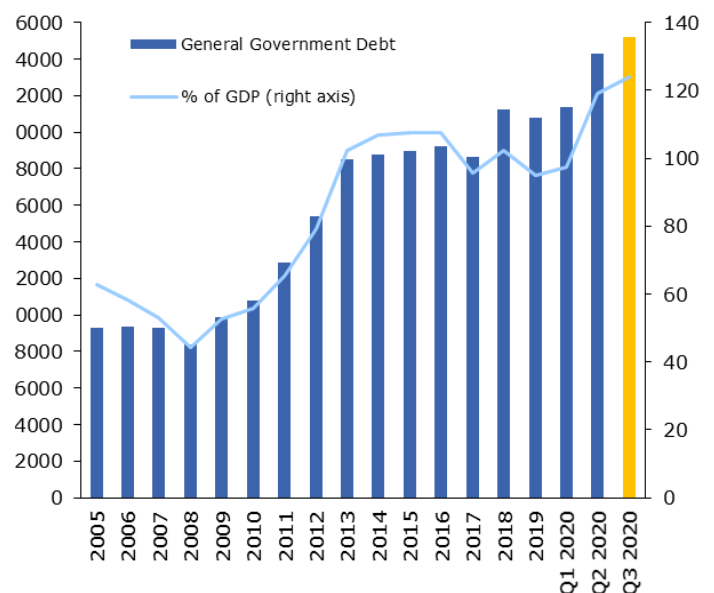


Size and structure of debt

By instrument September 2020



Evolution of public debt, € mln



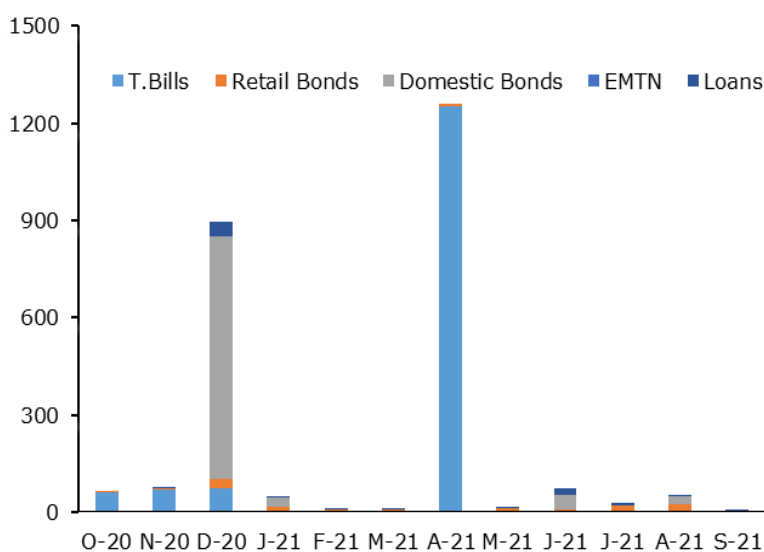
Debt Structure

	30-09-20 € 25.165 mln. ⁴	30-06-20 € 24.201 mln.	31-03-20 €21.295 mln.
Outstanding Central Government Debt ¹			
Domestic market	21%	22%	19%
Foreign market	79%	78%	81%
Short term ²	6%	6%	1%
Medium and long term	94%	94%	99%
Securities	69%	67%	63%
Loans	31%	33%	37%
Fixed interest rate	72%	71%	68%
Floating interest rate ³	28%	29%	32%
Local currency	100%	100%	100%
Foreign currencies	0%	0%	0%

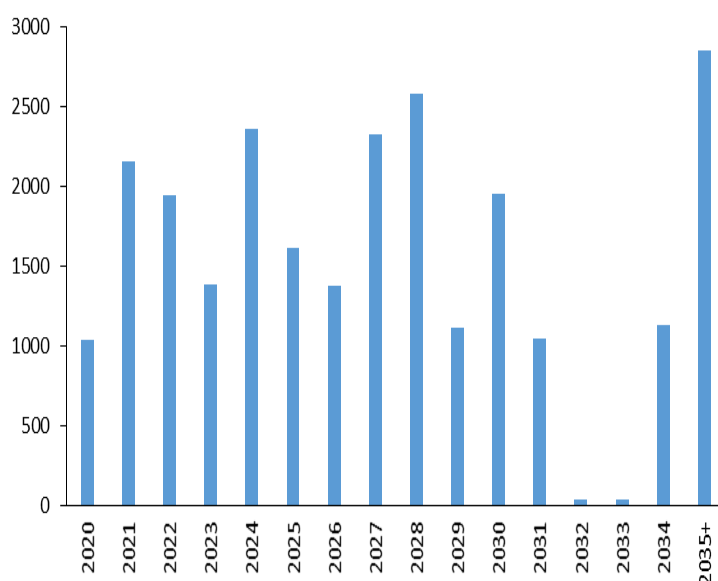
1. Provisional data. Excludes intragovernmental obligations of the central government and debt of central government state-owned enterprises. Also excluding the nominal value of euro coins in circulation.
2. By original maturity at issue.
3. After swap transactions.
4. In the 4th Quarter of 2020 an amount of €1.032 mln will mature.

Repayments Schedule

Debt within next 12 months

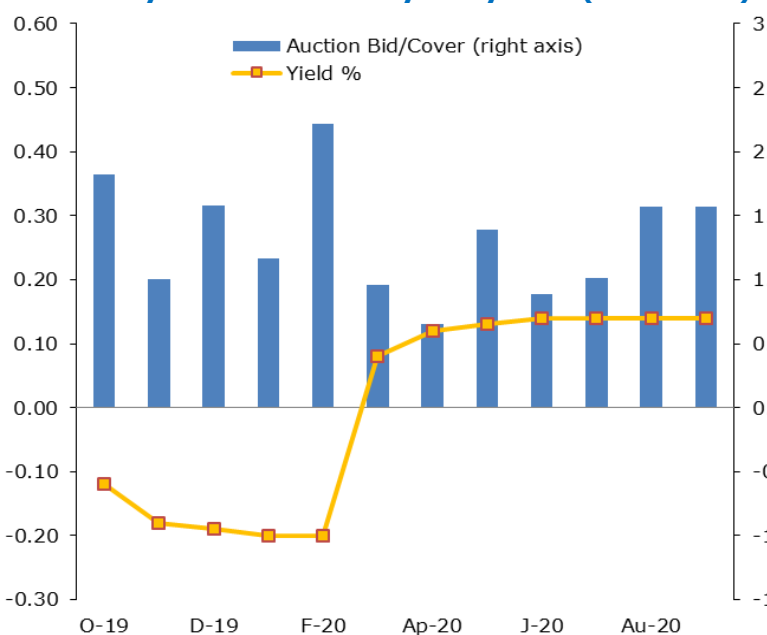


Total debt, € mln

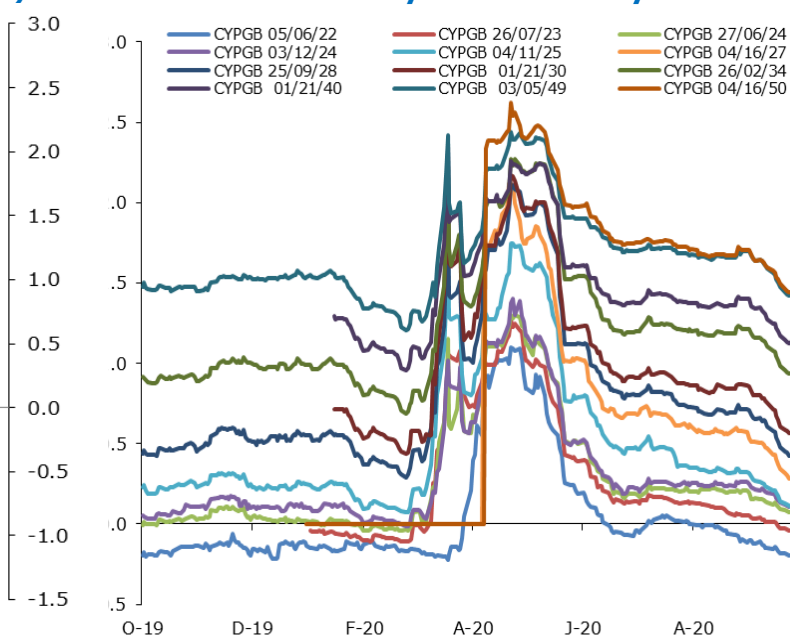


Marketable debt borrowing cost

Primary market Treasury Bill yields (13 weeks)



Secondary market bond 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. All data as at 30/09/20 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 cannot, however, be excluded.



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