



CYPRUS CENTRAL GOVERNMENT DEBT

QUARTERLY BULLETIN

No.10; 2ND QUARTER 2013

Public debt management: review of operations, 2nd Quarter 2013

Due to the significance and volume of transactions of 1st July 2013, this Bulletin exceptionally includes all data as at 1 July 2013 instead as at the quarter end on 30 June 2013.

New issues:

The first disbursements from the ESM for €3 billion and the IMF for SDR 74,2 million or about €86 million were completed over May and June. Furthermore, on 1st July Cyprus proceeded with an exchange of domestic-law bonds maturing between 2013 and Q1 of 2016 with new bonds of equal coupons maturing between 2019-2023. The exchange volume was for €1002 million. The exchange was a condition included in the Economic Adjustment Programme for Cyprus.

Furthermore, on 1st July a domestic-law bond of €1889 million originally issued for the recapitalization of Cyprus Popular Bank was renewed with the same terms, i.e. as a zero coupon bond and a yield rate of 5,15%. With the capitalization of interest, the bond has a nominal amount of €1987 million.

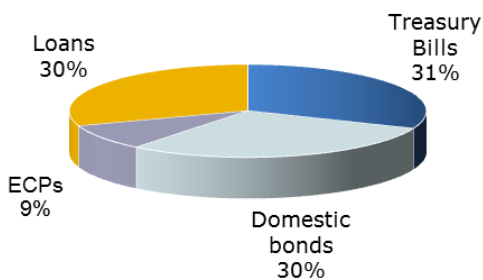
As in previous quarters, the short term securities remained the only new market issuance activity. The total issuance volume including all rollovers was €1985 million. The weighted average cost of borrowing in short term securities remained at very high levels albeit a small reduction from 5,22% in Q1 to 5,15% in Q2. The weighted average cost of borrowing in Treasury Bills narrowed from 5,22% in Q1 to 5,06% in Q2.

Debt redemptions:

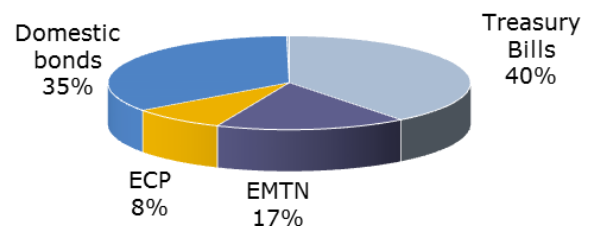
In June a large Euro Medium Term Note of €1415 million was redeemed. The rest of the redemptions were short term Treasury Bills and Euro Commercial Papers which had been issued during the year or during the same quarter. In total €2197 mln were redeemed. Additionally, repayments of loans and Savings Certificates amounted to €15,3 mln.

Changes in debt structure Jan-Jul. 2013

Borrowing 2013

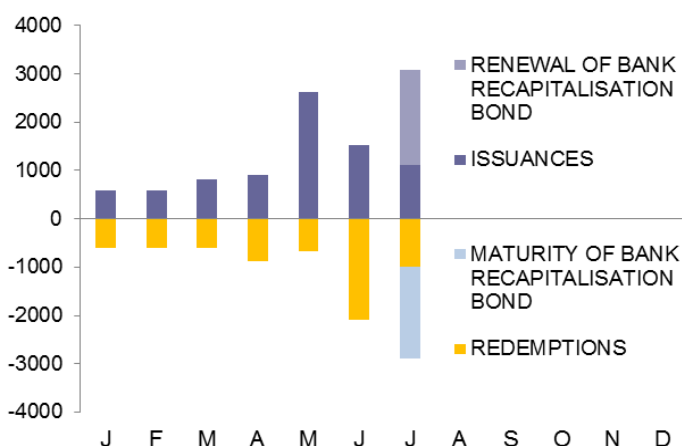


Debt redemptions 2013

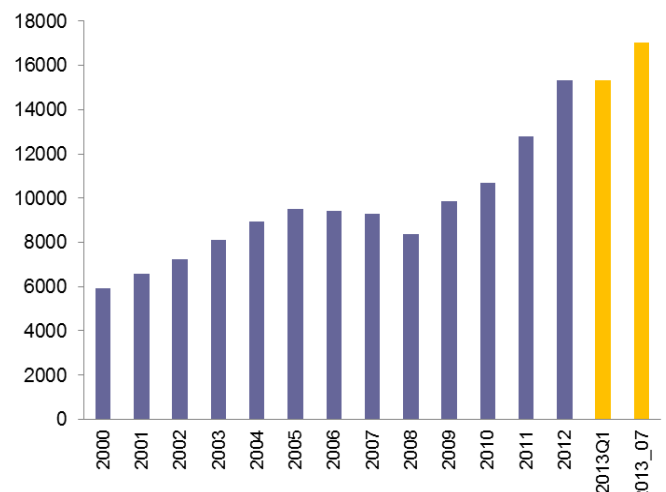


Changes in debt stock Jan-Jul. 2013

Monthly contribution, € mln



Evolution of public debt, € mln



Debt Structure

	01-07-13 €16.701 mln	31-03-13 €15.021 mln
Outstanding Central Government Debt ¹		
Domestic market	42,3%	48,3%
Foreign market	57,7%	51,7%
Short term ²	5,7%	6,4%
Medium and long term	94,3%	93,6%
Fixed interest rate	91,1%	90,1%
Floating interest rate ³	8,9%	9,9%
Local currency	99,5%	99,9%
Foreign currencies ⁴	0,5%	0,1%

1. Provisional data. Excludes intragovernmental obligations of the Central Government.

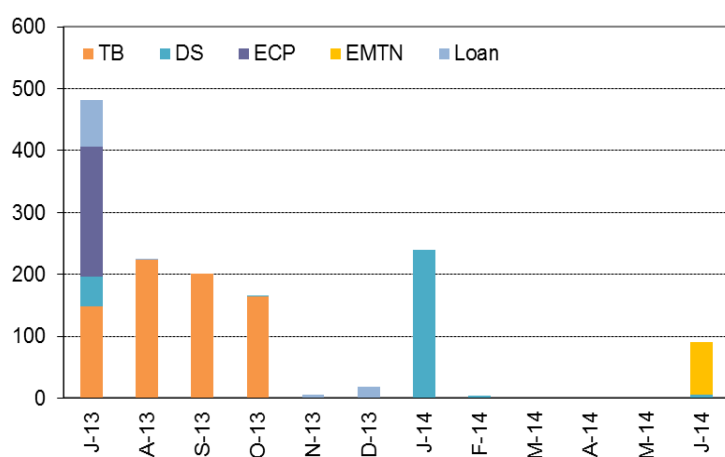
2. By original maturity at issue.

3. Does not include short term debt

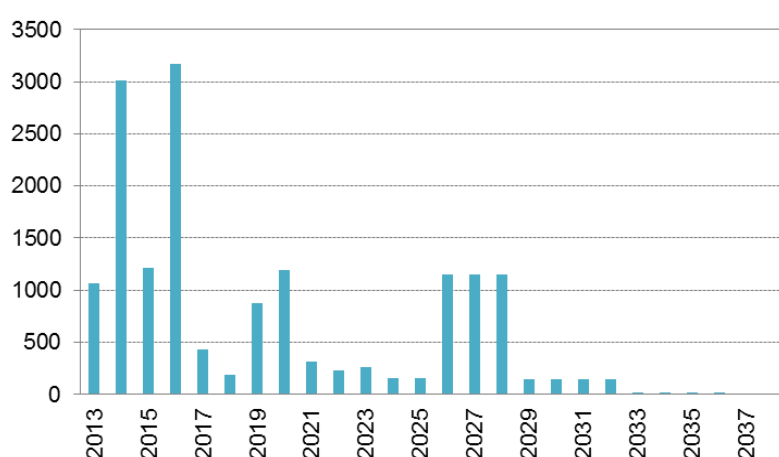
4. After swap transactions

Repayments Schedule

Debt within next 12 months, € mln

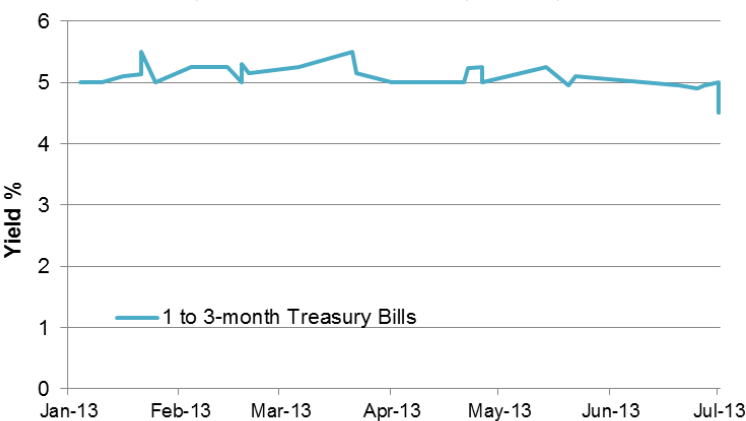


Total debt, € mln

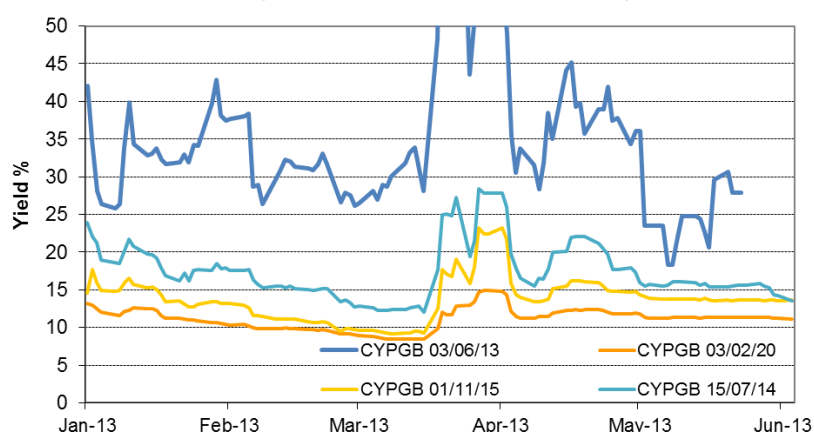


Marketable debt borrowing cost

Primary market Treasury Bill yields



Secondary market bond market yields



Abbreviations: TB: Treasury Bill; GRDS: domestic-law bond; ECP: Euro Commercial Paper; EMTN: Euro Medium Term Note (foreign-law bond); SDR: Special Drawing Rights
 All data as at 01-07-2013 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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