



# CYPRUS CENTRAL GOVERNMENT DEBT

QUARTERLY BULLETIN

No.6: 2<sup>ND</sup> QUARTER 2012

## Public debt management: review of operations, 2<sup>nd</sup> Quarter 2012

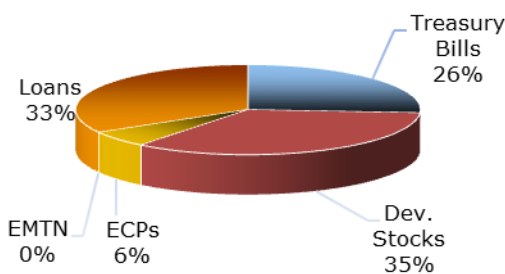
*New issues:* Much of the market activity of the second quarter was related to issuance of short term debt, with the rolling over of outstanding debt obligations. The largest issuance was in May for a 3-month Treasury Bill of €258 million yielding 4,38%. A one-month Treasury Bill of €209 million and yield rate 4,15% was issued in May, later renewed for €183 million at 4,50 %. Finally, in June a one-month Treasury Bill of €200 million was issued at a 5,00% yield rate. Other short term issuances of the quarter were a 2-month Euro Commercial Paper of €140 million and a one-month Paper of US\$ 85 million, at yield rates of 4,555% and 4,505% respectively.

According to the Decree by the Minister of Finance a zero-coupon domestic government bond of €1888 million was issued in late June to Cyprus Popular Bank at a yield rate of 5,15% with a one-year maturity. The issue proceeds are €1796 million in the form of ordinary bank shares. The bonds are automatically renewed for a period of up to 5 years unless exchanged with cash.

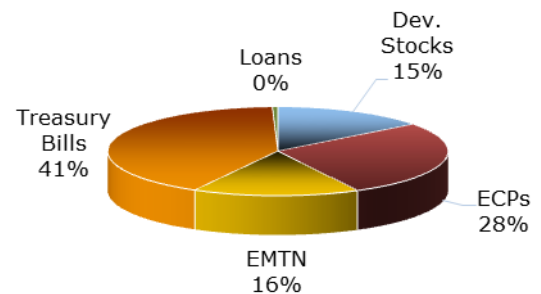
*Debt redemptions:* in conjunction with the quarter debt issuances, most debt redemptions related to short term instruments. More concretely, Treasury Bills of €769 million, Euro Commercial Papers of €680 million and a one-year EMTN of €45 million were redeemed. Additionally, loan amortisations amounted to €20 million. In total, debt repayments were €1514 million or nearly 12 % of the outstanding central government debt at the end of the 1<sup>st</sup> quarter of the current year.

## Changes in debt structure Jan-Jun 2012

### New borrowing 2012

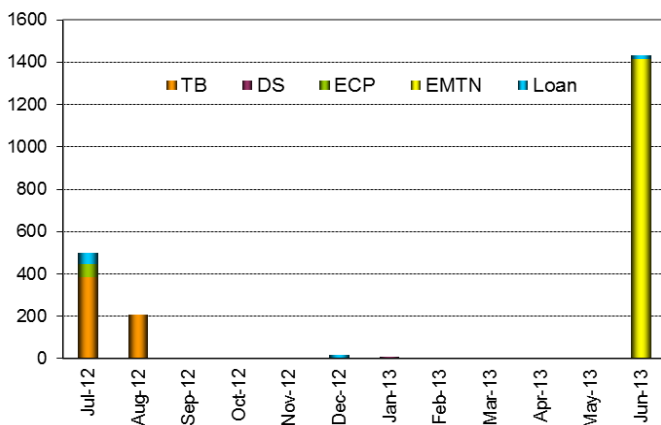


### Debt redemptions 2012

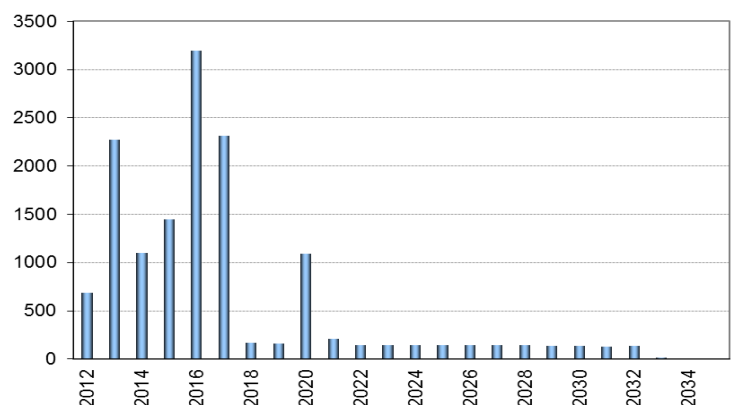


## Repayments Schedule

### Debt within next 12 months, € mln



### Total debt, € mln



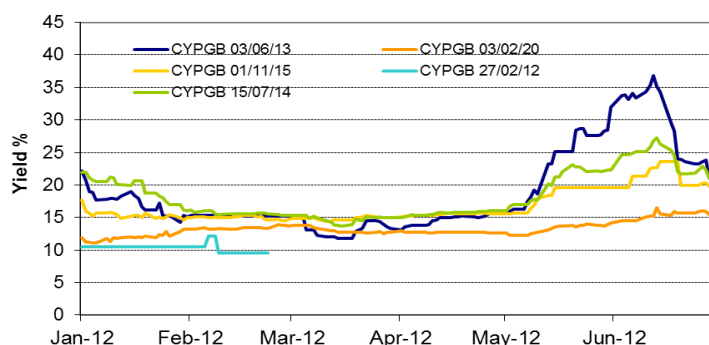
## Debt Structure

	30-06-2012	31-03-2012
Outstanding Central Government Debt <sup>1</sup>	€14.584 mln	€12.923 mln
Domestic market	52,3%	38,9%
Foreign market	47,7%	61,1%
Short term <sup>2</sup>	4,2%	8,9%
Medium and long term	95,8%	91,1%
Fixed interest rate	91,1%	90,0%
Floating interest rate <sup>3</sup>	8,9%	10,0%
Local currency	99,9%	99,8%
Foreign currencies <sup>4</sup>	0,1%	0,2%

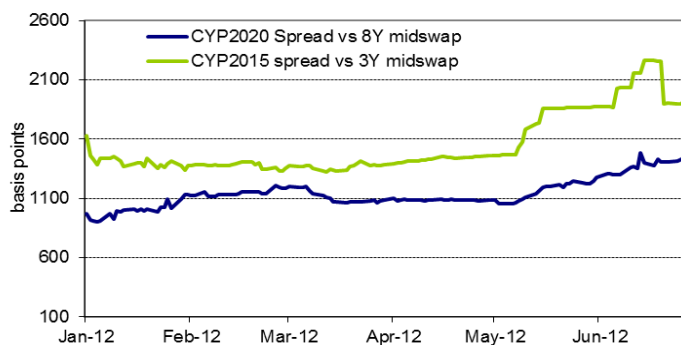
1. Excludes intragovernmental obligations of the Central Government.
2. By original maturity at issue. Short term debt shown at nominal value.
3. Does not include short term debt
4. After swap transactions

## Cyprus benchmark bonds

### Yield development



### Yield spreads



All data as at 30-06-2012 unless otherwise stated. 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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