



MONTHLY REPORT

Analysis of Public Debt
and General
Government Debt

December 2022

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Bloomberg Page <RSMF> <GO>
Belgrade, December 2022
#129

INTRODUCTION

The monthly report of the PDA is the report presenting a comprehensive analysis of the status, structure and dynamics of the public debt of the Republic of Serbia, as well as the risk analysis related to the process of public debt management, aimed at raising the level of transparency and accurate and timely awareness of investors, state institutions and other entities interested in the public debt of the Republic of Serbia. The PDA Monthly Report is published aiming at the improvement of the activities of the Republic of Serbia in the field of public debt through its informative contents, in accordance with internationally acknowledged standards and good business practice, as well as enabling stakeholders to grasp public debt, being the field of the public finance, in an easy and accurate manner, i.e. the activities and goals of the PDA.

The share of central government public debt in GDP (ESA 2010 methodology) at the end of December 2022 was 55.1%, and the share of general government public debt in GDP was 55.6%. The public debt of the central level of government in December 2022, compared to November of the same year, increased by 121.8 billion dinars and amounted to 3,909.9 billion dinars (33.3 billion euros).

During December 2022, dinar government securities with a maturity of ten years in the amount of 3.2 billion dinars were issued, while project and program loans in the amount of 146.8 billion dinars were withdrawn. During the same month, liabilities in the amount of 14.1 billion dinars were repaid.

The share of public debt in foreign currency at the end of November 2022 was 74.8%. The share of public debt in EUR is 55.8%, in USD 14.3%, in SDR 4.0%, in CHF 0.1% and in other foreign currencies 0.7% (GBP, JPY, DKK, SEK, NOK, AED, KWD, CNY), while the share in RSD is 25.2%.

Standard and Poor's credit rating agency has confirmed the credit rating of the Republic of Serbia at BB+ level and maintains stable prospects for its further increase.

It is emphasized that Serbia's rating is supported, first of all, by a credible macroeconomic policy and adequate foreign exchange reserves, which in 2022 increased by more than 800 million euros and at the end of November were at a record high level of 17.3 billion euros. A high level of foreign exchange reserves will help mitigate the negative effects of potential external shock.

S&P assesses that the credit rating of the Republic of Serbia could be further increased if it turns out that the negative consequences caused by the conflict in Ukraine are contained and under control and if the growth of the Serbian economy accelerates beyond expectations.

The share of non-residents in the portfolio of dinar government securities at the end of December 2022 amounted to 14.10%*, or 133.2 billion dinars.

The total turnover of government securities on the secondary market in 2022 amounted to 226.1 billion dinars, of which 78.3% is the turnover of dinar securities.

In December 2022, the total turnover on the secondary market of dinar securities amounted to 11.2 billion dinars, while the turnover of securities denominated in euros had the equivalent of 7.6 billion dinars. Compared to the previous month, in December 2022, there was an increase in the total turnover of dinar securities in the amount of 5.0 billion dinars.

The turnover of benchmark bonds (RSMFRSD89592, RSMFRSD55940 and RSMFRSD86176), which included the JP Morgan GBI-EM Global Diversified Index and GBI-Aggregate (GBI-AGG), accounted for 46.2% of total turnover in December 2022.

Prices and yields of bonds of the Republic of Serbia issued on the international market on December 31, 2022 are:

EUROBOND 2027: 86.312/6.855;

EUROBOND 2029: 71.904/7.050;

EUROBOND 2030: 72.219/6.709;

EUROBOND 2033: 60.993/7.190;

EUROBOND 2028: 72.118/7.097;

EUROBOND 2036: 56.754/7.076.

**Including custody and omnibus accounts*

I. GENERAL GOVERNMENT DEBT AND PUBLIC DEBT STOCK AND STRUCTURE AS OF DECEMBER 31, 2022

	EUR	USD	RSD	% GDP
Direct Liabilities (A)				
Internal Debt	11.278.410.981	12.012.639.361	1.323.210.244.523	18,7%
External Debt	20.501.696.808	21.836.364.222	2.405.308.273.574	33,9%
<i>Direct Liabilities in Total</i>	31.780.107.789	33.849.003.582	3.728.518.518.097	52,6%
Contingent Liabilities (B)				
Internal Debt	481.358.097	512.694.672	56.474.087.147	0,8%
External Debt	1.064.584.918	1.133.889.757	124.899.657.597	1,8%
<i>Contingent Liabilities in Total</i>	1.545.943.015	1.646.584.429	181.373.744.744	2,6%
Non-Guaranteed Local Government Debt (C)				
Internal Debt	202.521.653	215.705.881	23.760.326.329	0,3%
External Debt	65.893.018	70.182.676	7.730.727.071	0,1%
<i>Non-Guaranteed Local Government Debt in Total</i>	268.414.671	285.888.557	31.491.053.400	0,4%
Non-Guaranteed Debt of Public Enterprise Putevi Srbije and Koridori (D)				
	37.694.007,01	40.147.900	4.422.351.368,55	0,1%
Central Government Public Debt (A+B)	33.326.050.804	35.495.588.011	3.909.892.262.841	55,1%
General Government Public Debt (A+B+C+D)	33.632.159.482	35.821.624.468	3.945.805.667.609	55,6%

II. OVERVIEW OF CENTRAL GOVERNMENT DEBT OF THE REPUBLIC OF SERBIA AS OF DECEMBER 31, 2022.

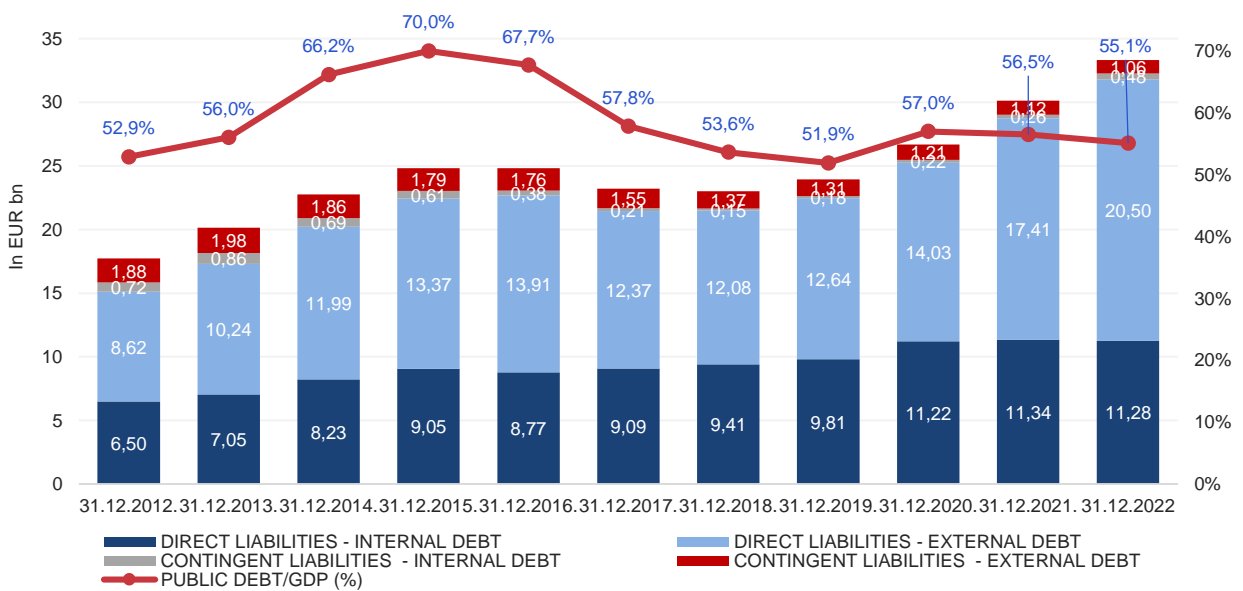
1. DIRECT LIABILITIES

1.1. INTERNAL DEBT			
Debt Description	Debt stock as of December 31, 2022 in EUR (000)	Debt stock as of December 31, 2022 in USD (000)	Debt stock as of December 31, 2022 in RSD (000)
GOVERNMENT SECURITIES ISSUED IN THE DOMESTIC MARKET	10.449.624	11.129.898	1.225.974.958
RETAIL BONDS	11.301	12.037	1.325.918
RESTITUTION BONDS	69.445	73.966	8.147.493
OTHER LIABILITIES	394.959	420.671	46.337.490
FROZEN FOREIGN CURRENCY BONDS	283.493	301.949	33.260.104
COMMERCIAL BANK LOANS	69.588	74.119	8.164.282
INTERNAL DEBT (direct liabilities 1.1.)	11.278.411	12.012.639	1.323.210.245
1.2. EXTERNAL DEBT			
Debt Description	Debt stock as of December 31, 2022 in EUR (000)	Debt stock as of December 31, 2022 in USD (000)	Debt stock as of December 31, 2022 in RSD (000)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	2.224.194	2.368.990	260.947.776
INTERNATIONAL DEVELOPMENT ASSOCIATION	56.975	60.684	6.684.401
EUROPEAN INVESTMENT BANK	1.398.742	1.489.801	164.103.791
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	127.899,36	136.225,65	15.005.459,59
COUNCIL OF EUROPE DEVELOPMENT BANK	518.687	552.453	60.853.570
EXPORT - IMPORT BANK OF CHINA	2.211.171	2.355.119	259.419.857
FOREIGN GOVERNMENT LOANS	3.599.358	3.833.677	422.285.315
EUROBONDS	7.316.432	7.792.735	858.381.400
KfW DEVELOPMENT BANK	61.417	65.415	7.205.545
PARIS CLUB CREDITORS	600.439	639.528	70.444.920
INTERNATIONAL MONETARY FUND	1.269.448	1.352.090	148.934.711
INTERNATIONAL COMMERCIAL BANK LOANS	723.756	770.873	84.912.824
OTHER LIABILITIES	393.179	418.775	46.128.706
EXTERNAL DEBT (direct liabilities 1.2.)	20.501.697	21.836.364	2.405.308.274
TOTAL DIRECT LIABILITIES (1.1. + 1.2.)	31.780.108	33.849.004	3.728.518.518

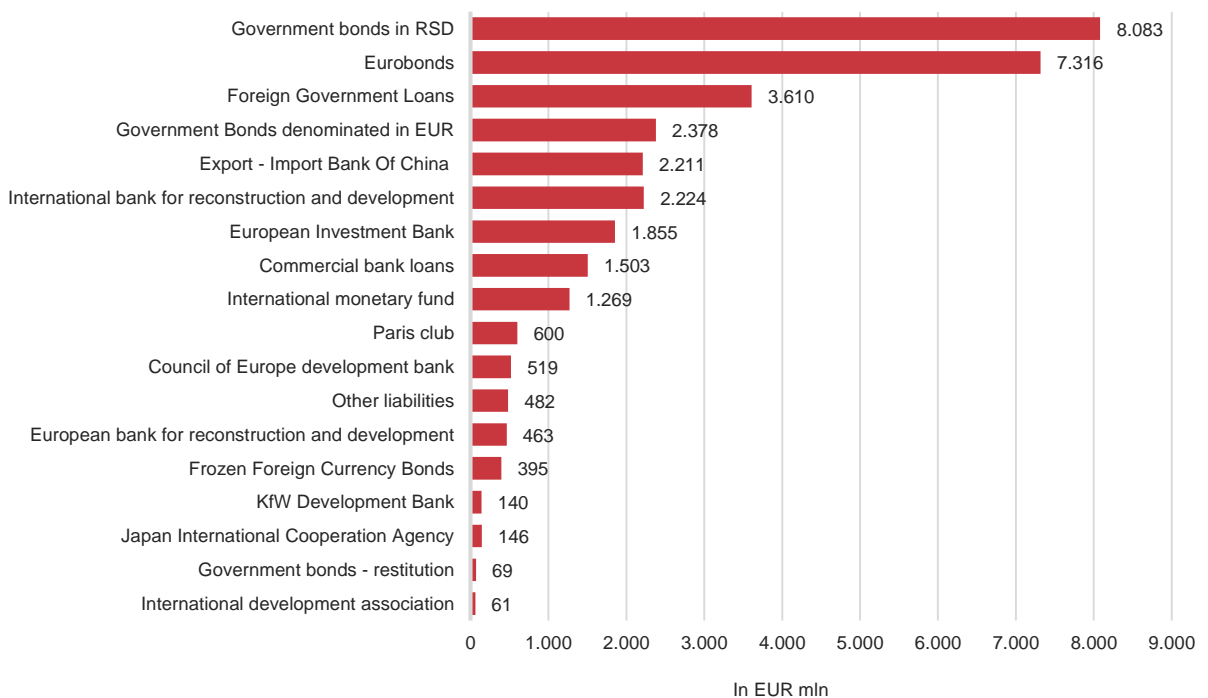
2. CONTINGENT LIABILITIES

2.1. INTERNAL DEBT			
Debt Description	Debt stock as of December 31, 2022 in EUR (000)	Debt stock as of December 31, 2022 in USD (000)	Debt stock as of December 31, 2022 in RSD (000)
COMMERCIAL BANK LOANS	481.358	512.695	56.474.087
INTERNAL DEBT (indirect liabilities 2.1.)	481.358	512.695	56.474.087
2.2. EXTERNAL DEBT			
Debt Description	Debt stock as of December 31, 2022 in EUR (000)	Debt stock as of December 31, 2022 in USD (000)	Debt stock as of December 31, 2022 in RSD (000)
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	335.526	357.369	39.364.767
EUROPEAN INVESTMENT BANK	455.868	485.545	53.483.484
KfW DEVELOPMENT BANK	78.926	84.064	9.259.729
EUROPEAN COMPANY FOR THE FINANCING OF RAILROAD ROLLING STOCK - EUOFIMA	00	00	00
INTERNATIONAL COMMERCIAL BANK LOANS	14.286	15.216	1.676.034
INTERNATIONAL DEVELOPMENT ASSOCIATION	4.147	4.417	486.520
JAPAN INTERNATIONAL COOPERATION AGENCY - JICA	146.073	155.583	17.137.692
FOREIGN GOVERNMENT LOANS	10.270	10.939	1.204.953
OTHER LIABILITIES	19.489	20.758	2.286.478
EXTERNAL DEBT (indirect liabilities 2.2.)	1.064.585	1.133.890	124.899.658
TOTAL CONTINGENT LIABILITIES (2.1. + 2.2.)	1.545.943	1.646.584	181.373.745
TOTAL INTERNAL DEBT (1.1.+ 2.1.)	11.759.769	12.525.334	1.379.684.332
TOTAL EXTERNAL DEBT (1.2.+ 2.2.)	21.566.282	22.970.254	2.530.207.931
TOTAL CENTRAL GOVERNMENT DEBT (1 + 2)	33.326.051	35.495.588	3.909.892.263

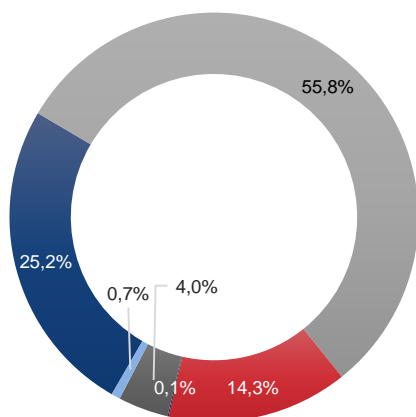
CENTRAL GOVERNMENT PUBLIC DEBT STOCK, STRUCTURE AND PUBLIC DEBT TO GDP RATIO, 31.12.2012. - 31.12.2022.



CREDITORS OVERVIEW AS OF DECEMBER 31, 2022

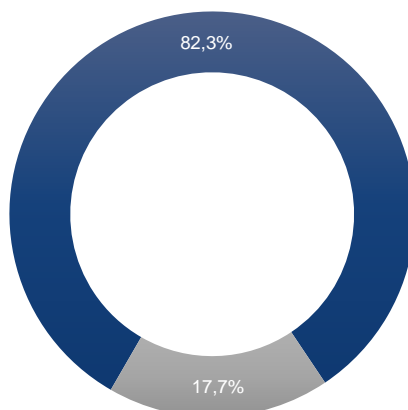


CENTRAL GOVERNMENT
PUBLIC DEBT CURRENCY
STRUCTURE AS OF
DECEMBER 31, 2022



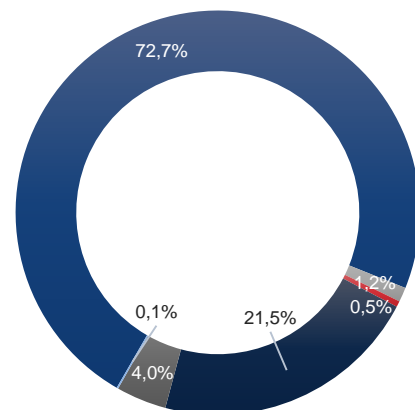
■ RSD ■ EUR ■ USD ■ CHF ■ SDR ■ Other

INTEREST RATE STRUCTURE
AS OF DECEMBER 31, 2022



■ Fixed Rates ■ Variable Rates

VARIABLE INTEREST RATES
STRUCTURE
AS OF DECEMBER 31, 2022



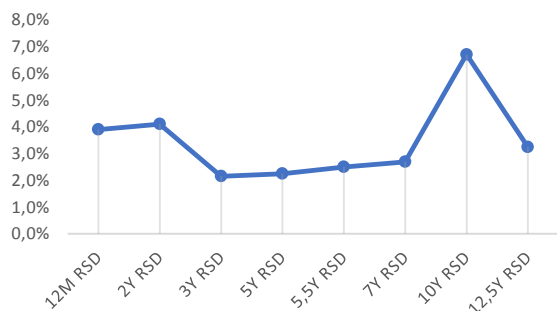
■ EURIBOR ■ LIBOR USD
■ Saron ■ SDR Interest rate
■ BELIBOR ■ Other

III. OVERVIEW OF NON-MATURED GOVERNMENT SECURITIES ISSUED ON DOMESTIC MARKET

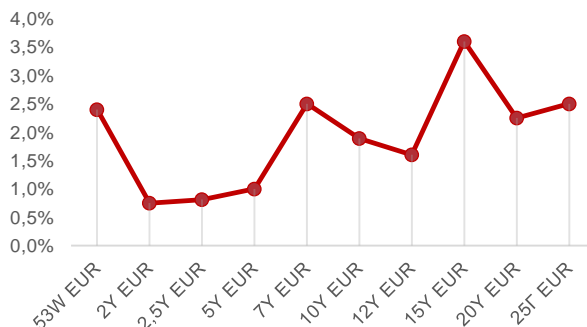
GOVERNMENT SECURITIES STOCK AS OF DECEMBER 31, 2022

Maturity	Nominal value of debt stock	Last coupon rate	Last accepted rate
Government Bonds Denominated in RSD			
12M Government Notes	33.000.000.000,00	-	3,90%
2Y Government Bond with fixed coupon rate	88.084.870.000,00	2,75%	4,35%
3Y Government Bond with fixed coupon rate	54.202.370.000,00	2,00%	2,15%
5Y Government Bond with fixed coupon rate	123.813.688.250,00	4,00%	2,25%
5.5Y Government Bond with fixed coupon rate	106.423.790.000,00	3,00%	2,50%
7Y Government Bond with fixed coupon rate	251.550.000.000,00	4,50%	2,69%
10Y Government Bond with fixed coupon rate	145.958.762.000,00	5,88%	6,75%
12,5Y Government Bond with fixed coupon rate	145.272.300.000,00	4,50%	3,24%
Total in RSD	948.305.780.250 RSD		
Government Bonds Denominated in EUR			
53W Government Bond with fixed coupon rate	350.000.000,00	2,40%	2,40%
2Y Government Bond with fixed coupon rate	200.000.000,00	0,75%	0,75%
2,5Y Government Bond with fixed coupon rate	115.532.000,00	0,85%	0,81%
5Y Government Bond with fixed coupon rate	291.346.000,00	1,00%	1,00%
7Y Government Bond with fixed coupon rate	65.129.000,00	2,50%	2,50%
10Y Government Bond with fixed coupon rate	643.021.700,00	3,25%	1,89%
12Y Government Bond with fixed coupon rate	148.606.000,00	1,50%	1,60%
15Y Government Bond with fixed coupon rate	321.882.000,00	3,50%	3,60%
20Y Government Bond with fixed coupon rate	235.596.000,00	2,25%	2,25%
25Y Government Bond with fixed coupon rate	6.908.000,00	2,30%	2,50%
Total in EUR	2.378.020.700 EUR		

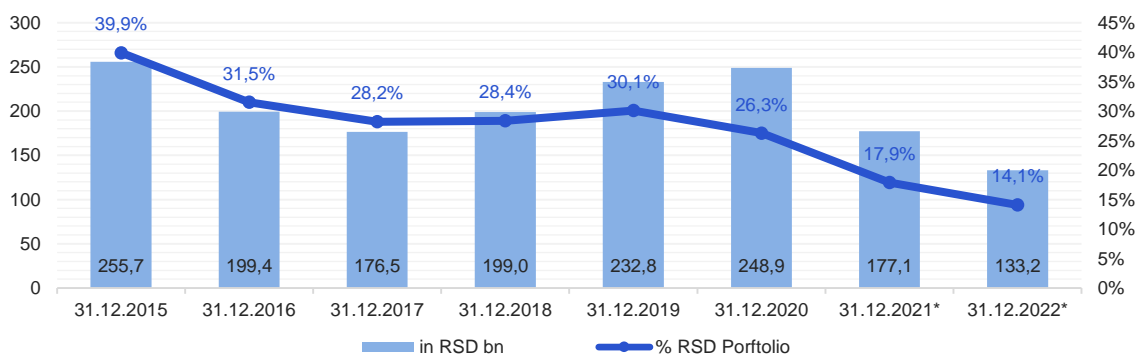
ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN RSD AS OF DECEMBER 31, 2022



ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN EUR AS OF DECEMBER 31, 2022

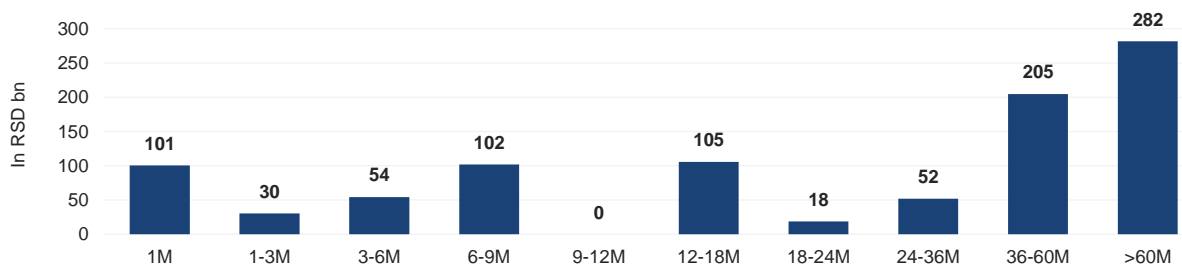


THE SHARE OF FOREIGN LEGAL ENTITIES IN RSD GOVERNMENT SECURITIES PORTFOLIO AS OF DECEMBER 31, 2022

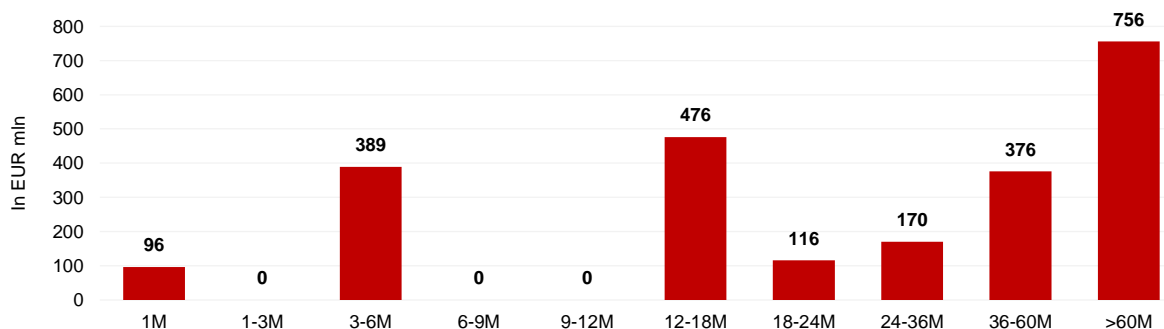


*Including custody and omnibus accounts

RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN RSD AS OF DECEMBER 31, 2022



RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN EUR AS OF DECEMBER 31, 2022



OVERVIEW OF THE ISSUED EUROBONDS OF THE REPUBLIC OF SERBIA

Security name	Year	Currency	Issued Amount	Amount Outstanding	Issue Date	Maturity Date	Coupon (%)	Re-Offer Yield (%)	Issuance Price
SERBIA 1 1/2 06/26/29*	2019	EUR	1.550.000.000	1.550.000.000	26.06.2019	26.06.2029	1,500	1,619/1,250	98,909/102,251
SERBIA 3 1/8 05/15/27	2020	EUR	2.000.000.000	2.000.000.000	15.05.2020	15.05.2027	3,125	3,375	98,464
SERBIA 1 1/8 12/01/30	2020	USD	1.200.000.000	1.200.000.000	01.12.2020	01.12.2030	2,125	2,350	98,005
SERBIA 1,65 03/03/33	2021	EUR	1.000.000.000	1.000.000.000	03.03.2021	03.03.2033	1,650	1,920	97,131
SERBIA 1.00 09/23/28	2021	EUR	1.000.000.000	1.000.000.000	23.09.2021	23.09.2028	1,000	1,262	98,255
SERBIA 2.05 09/23/36	2021	EUR	750.000.000	750.000.000	23.09.2021	23.09.2036	2,050	2,305	96,797

*The data presented includes primary issue data and data from the reopening for the Eurobond 2029 (reopened on November 12, 2019)

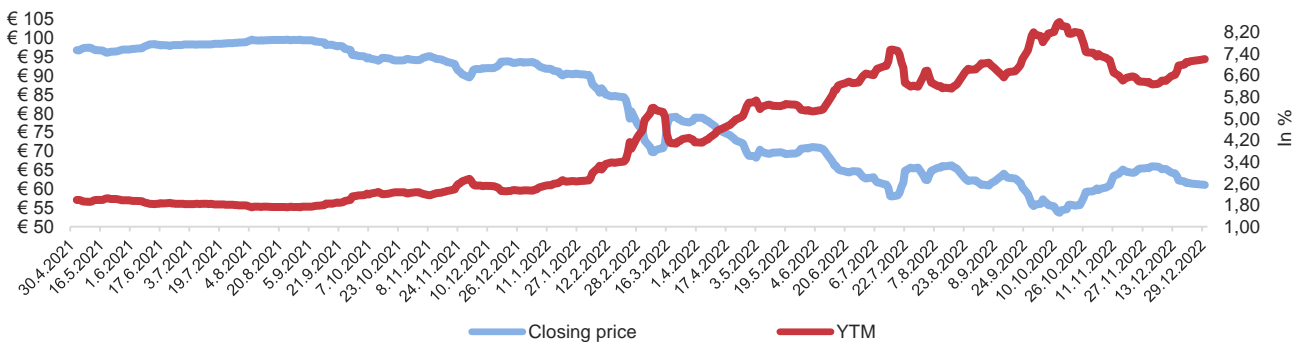
YIELD/PRICE CURVE – EUROBOND 2036



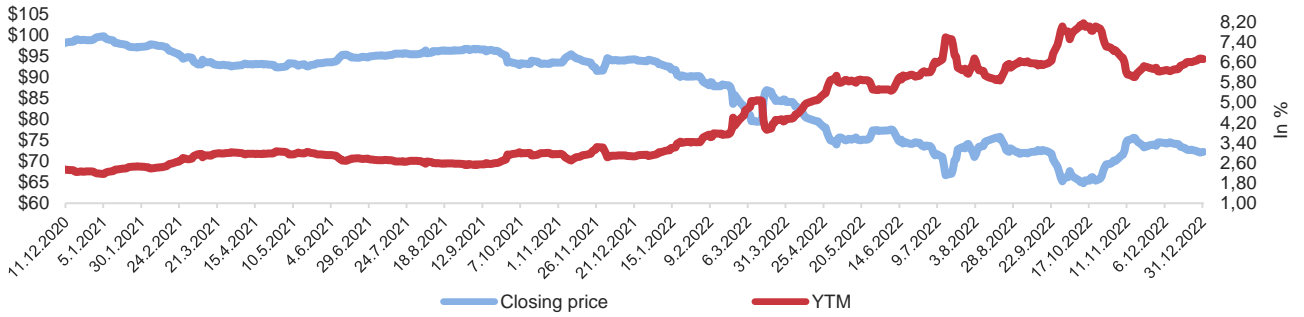
YIELD/PRICE CURVE – EUROBOND 2028



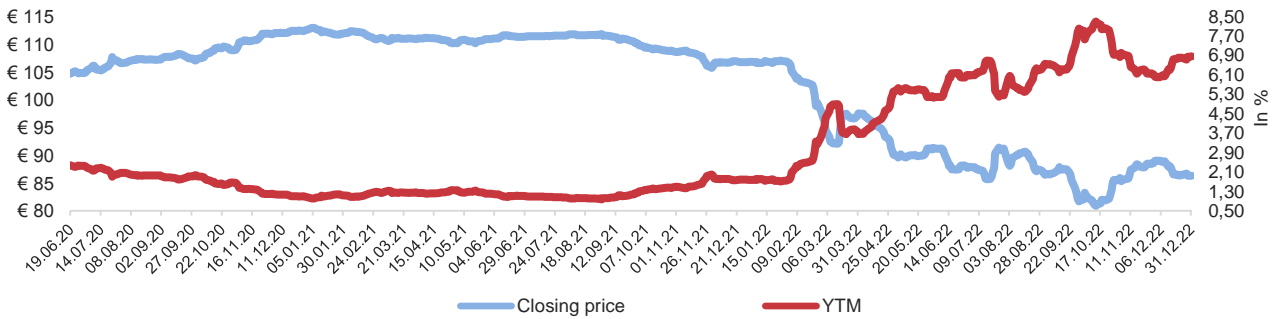
YIELD/PRICE CURVE – EUROBOND 2033



YIELD/PRICE CURVE – EUROBOND 2030



YIELD/PRICE CURVE – EUROBOND 2027

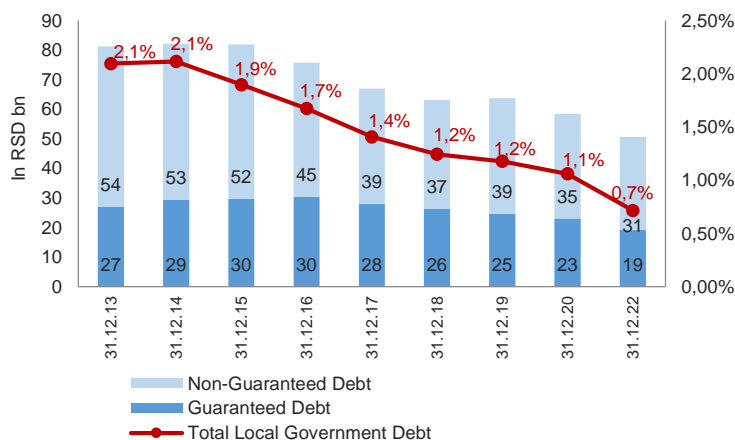


YIELD/PRICE CURVE – EUROBOND 2029

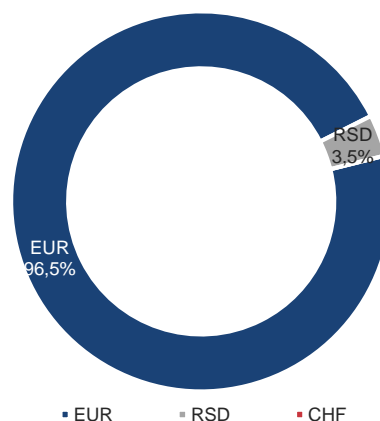


IV. LOCAL GOVERNMENT DEBT ANALYSIS

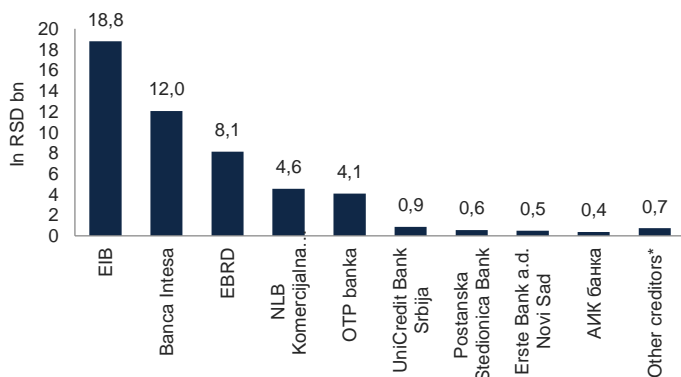
LOCAL GOVERNMENT DEBT DYNAMICS AS OF DECEMBER 31, 2022



CURRENCY COMPOSITION AS OF DECEMBER 31, 2022

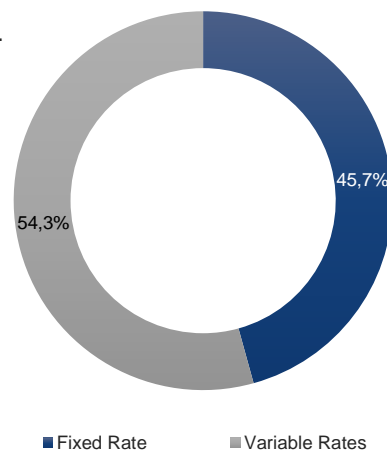


CREDITORS OVERVIEW AS OF DECEMBER 31, 2022



*Including municipal bonds

INTEREST RATE STRUCTURE AS OF DECEMBER 31, 2022



Share of the top 5 Local Governments in total debt	83,5%
O/W Belgrade	64,7%
Debt maturing till the end of 2022	804.827.742
Debt maturing in 2023	8.201.481.043
Debt maturing in 2024	8.576.719.002
Maximum level of debt based on contracted amount	61.770.000.682
Interest Rate Risk	54,3%
FX Risk	96,5%
Local Government Debt to GDP	0,7%
O/W Non-Guaranteed Debt	0,4%
Maximum Debt Level to GDP	0,9%
Share of the top 10 Creditors in total Local Government Debt	98,5%
Share of Foreign Creditors in Total Local Government Debt	60,8%
Total Available Credit Potential	108.721.766.374
Share of the top 10 Local Governments with the highest available credit potential	52,5%
Share of Investment Project Loans in total Local Government Debt	99,6%

Local Government	Debt Stock as of December 31, 2022
Beograd	32.791.396.093
AP Vojvodina	4.227.227.057
Novi Sad	2.611.034.604
Kragujevac	1.949.849.126
Vranje	728.981.185
Nis	547.553.907
Pancevo	462.892.256
Sabac	427.671.269
Kula	396.987.707
Subotica	395.466.799
% of total	87,9%

