



MONTHLY REPORT

Analysis of Public Debt
and General
Government Debt

January 2022

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Bloomberg Page <RSMF> <GO>
Belgrade, January 2022
#118

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 public debt of the central government in GDP (ESA 2010 methodology) at the end of January 2022 was 51.8%, and the share of general government debt in GDP was 52.3%. The public debt of the central government in January 2022, compared to December of the previous year, increased by 52.3 billion dinars and amounted to 3,595.5 billion dinars (30.6 billion euros).

The slight increase in public debt during January 2022 was due to the issuance of 3Y dinar and euro-denominated government securities in the amount of 87.8 billion dinars and the withdrawal of funds on the basis of project and program loans in the amount of 99.0 billion dinars. Out of the total 99.0 billion dinars withdrawn, 82.7 billion dinars refers to the funds allocated by the IMF.

During the month of January, liabilities in the amount of 94.2 billion dinars were repaid. The largest part of repaid liabilities in January refers to the maturities of 3G dinar and euro-denominated government securities in the amount of 87.8 billion dinars.

The share of public debt in foreign currency at the end of January 2022 was 73.4%. The share of public debt in EUR was 57.3%, in USD 10.9%, in SDR 4.2%, in CHF 0.2% and in other foreign currencies 0.8% (GBP, JPY, DKK, SEK, NOK, AED, KWD, CNY), while the share in RSD was 26.6%.

In January 2022, the Belgrade Stock Exchange passed Decisions on the inclusion of long-term debt securities on the "Prime Listing" of the regulated market, the market segment "Prime Listing-Bonds" and bonds issued to settle liabilities of the Republic of Serbia on compensation for confiscated property in accordance with the Law on Restitution of Confiscated Property and Compensation ("Official Gazette of RS", No. 72/11, 108/13, 142/14, 88/15 - Decision US, 95/18 and 153/20).

Trading in the included government bonds, each individual series, will be organized by the method of continuous trading, starting from the first stock exchange meeting on January 26, 2022. year, with the characteristics of trading determined by the decisions and rules of the Belgrade Stock Exchange.

The share of non-residents in the purchase of dinar government securities at the end of January 2022 amounts to 18.44 percent*, or 172.7 billion dinars.

The total turnover of government securities on the secondary market in January 2022 amounted to 28.8 billion dinars, out of which 87% is the turnover of dinar securities.

In January 2022, the total turnover on the secondary market of dinar securities amounted to 25.1 billion dinars, while the turnover of securities denominated in euros had the equivalent of 3.7 billion dinars. Compared to the previous month, in January 2022, there was a decline in the total turnover of dinar securities in the amount of 2.2 billion dinars.

The turnover of benchmark bonds (RSMFRSD89592, RSMFRSD55940 and RSMFRSD86176), which are included in the JP Morgan GBI-EM Global Diversified Index and GBI-Aggregate (GBI-AGG), accounted for 37.6 percent of total turnover in January 2022.

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

EUROBOND 2027: 106.899/1.745;

EUROBOND 2029: 95.016/2.238;

EUROBOND 2030: 90.224/3.417;

EUROBOND 2033: 90.110/2.694;

EUROBOND 2028: 93.968/1.978;

EUROBOND 2036: 88.436/3.040.

**Including custody and omnibus accounts*

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

	EUR	USD	RSD	% GDP
Direct Liabilities (A)				
Internal Debt	10.953.170.447	12.232.502.836	1.287.929.642.319	18,6%
External Debt	18.229.831.211	20.359.078.960	2.143.556.525.984	30,9%
<i>Direct Liabilities in Total</i>	29.183.001.658	32.591.581.796	3.431.486.168.303	49,4%
Contingent Liabilities (B)				
Internal Debt	281.922.934	314.851.587	33.149.936.433	0,5%
External Debt	1.112.860.472	1.242.842.787	130.855.809.919	1,9%
<i>Contingent Liabilities in Total</i>	1.394.783.407	1.557.694.374	164.005.746.352	2,4%
Non-Guaranteed Local Government Debt (C)				
Internal Debt	181.946.462	203.197.843	21.394.192.885	0,3%
External Debt	80.106.012	89.462.410	9.419.273.480	0,1%
<i>Non-Guaranteed Local Government Debt in Total</i>	262.052.474	292.660.253	30.813.466.365	0,4%
Non-Guaranteed Debt of Public Enterprise Putevi Srbije and Koridori (D)				
	60.716.986	67.808.742	7.139.412.913	0,1%
Central Government Public Debt (A+B)	30.577.785.065	34.149.276.169	3.595.491.914.655	51,8%
General Government Public Debt (A+B+C+D)	30.900.554.525	34.509.745.164	3.633.444.793.932	52,3%

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

1. DIRECT LIABILITIES

1.1. INTERNAL DEBT

Debt Description	Debt stock as of January 31, 2022 in EUR (in 000)	Debt stock as of January 31, 2022 in USD (in 000)	Debt stock as of January 31, 2022 in RSD (in 000)
GOVERNMENT SECURITIES ISSUED IN THE DOMESTIC MARKET	10.281.090	11.481.923	1.208.902.995
RETAIL BONDS	15.182	16.955	1.785.198
OTHER LIABILITIES	489.375	546.534	57.543.174
COMMERCIAL BANK LOANS	98.071	109.526	11.531.702
RESTITUTION BONDS	69.452	77.565	8.166.574
INTERNAL DEBT (direct liabilities 1.1.)	10.953.170	12.232.503	1.287.929.642

1.2. EXTERNAL DEBT

Debt Description	Debt stock as of January 31, 2022 in EUR (in 000)	Debt stock as of January 31, 2022 in USD (in 000)	Debt stock as of January 31, 2022 in RSD (in 000)
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	2.240.056	2.501.695	263.397.245
INTERNATIONAL DEVELOPMENT ASSOCIATION	102.113	114.040	12.007.015
EUROPEAN INVESTMENT BANK	1.266.060	1.413.936	148.869.767
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	113.781	127.071	13.378.975
COUNCIL OF EUROPE DEVELOPMENT BANK	407.028	454.569	47.860.477
EXPORT - IMPORT BANK OF CHINA	1.640.159	1.831.730	192.858.255
FOREIGN GOVERNMENT LOANS	2.725.841	3.044.220	320.518.304
EUROBONDS	7.316.432	8.170.993	860.303.426
KfW DEVELOPMENT BANK	70.991	79.283	8.347.483
PARIS CLUB CREDITORS	747.174	834.445	87.856.587
INTERNATIONAL MONETARY FUND	1.186.966	1.325.604	139.569.486
OTHER LIABILITIES	413.228	461.494	48.589.504
EXTERNAL DEBT (direct liabilities 1.2.)	18.229.831	20.359.079	2.143.556.526
TOTAL DIRECT LIABILITIES (1.1. + 1.2.)	29.183.002	32.591.582	3.431.486.168

2. CONTINGENT LIABILITIES

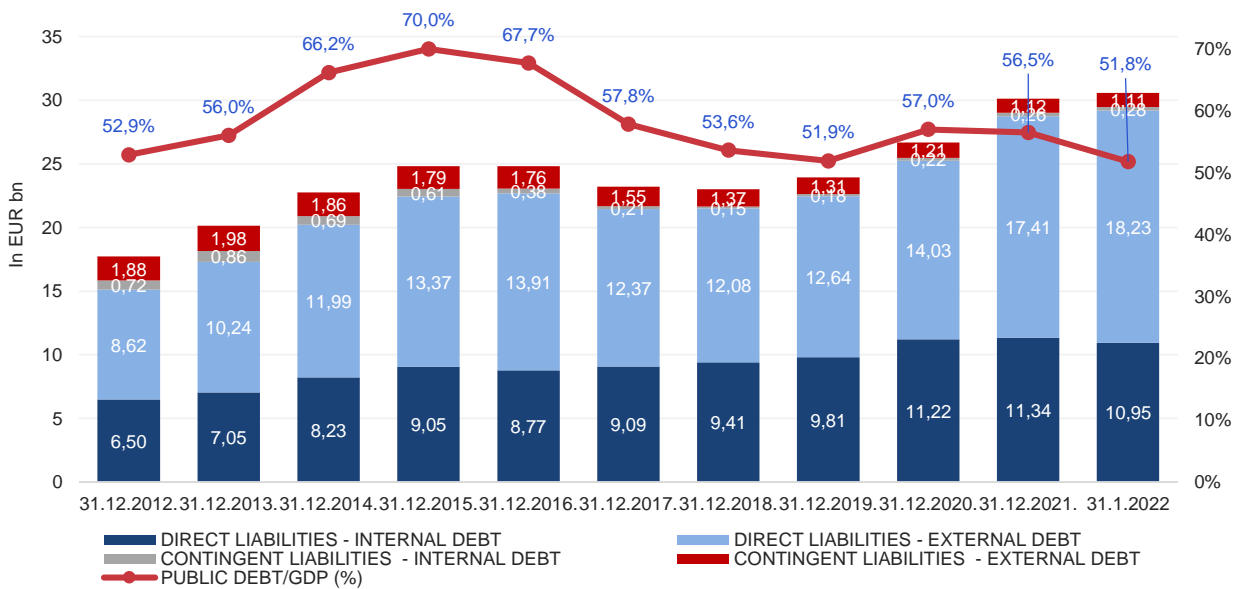
2.1. INTERNAL DEBT

Debt Description	Debt stock as of January 31, 2022 in EUR (in 000)	Debt stock as of January 31, 2022 in USD (in 000)	Debt stock as of January 31, 2022 in RSD (in 000)
COMMERCIAL BANK LOANS	281.923	314.852	33.149.936
INTERNAL DEBT (indirect liabilities 2.1.)	281.923	314.852	33.149.936

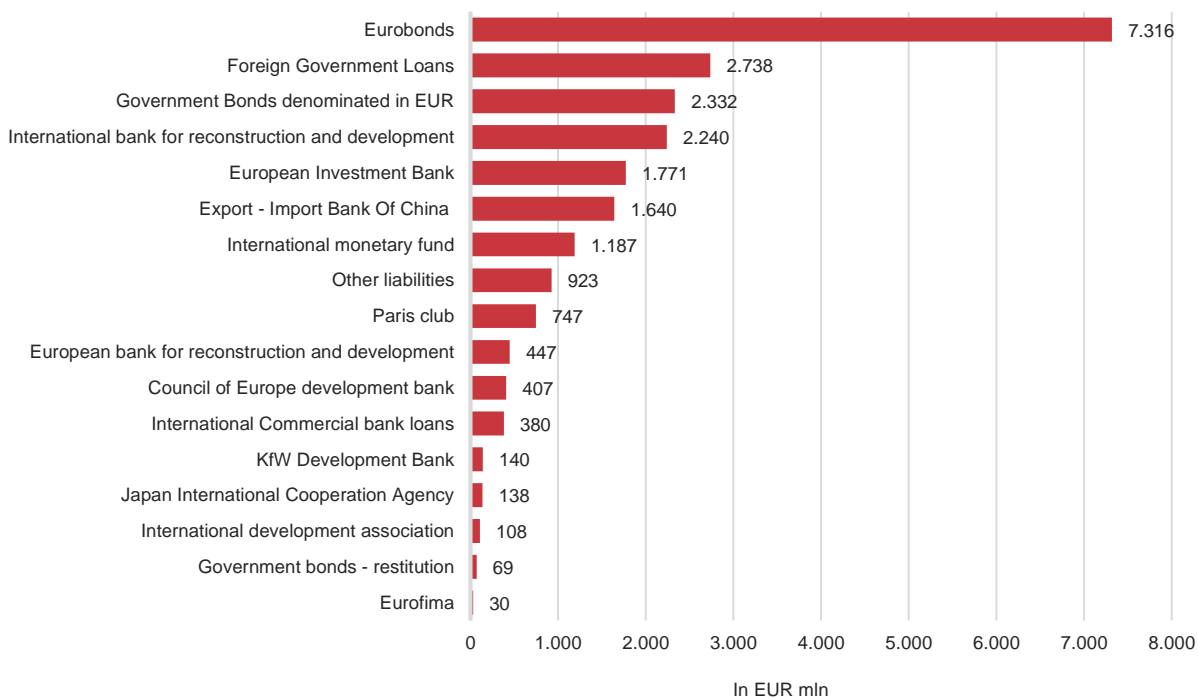
2.2. EXTERNAL DEBT

Debt Description	Debt stock as of January 31, 2022 in EUR (in 000)	Debt stock as of January 31, 2022 in USD (in 000)	Debt stock as of January 31, 2022 in RSD (in 000)
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	333.453	372.400	39.209.058
EUROPEAN INVESTMENT BANK	504.826	563.790	59.360.048
KfW DEVELOPMENT BANK	68.633	76.649	8.070.182
TOTAL EUROPEAN COMPANY FOR THE FINANCING OF RAILROAD ROLLING STOCK - EUROFIMA	29.946	33.444	3.521.248
INTERNATIONAL DEVELOPMENT ASSOCIATION	5.786	6.462	680.350
JAPAN INTERNATIONAL COOPERATION AGENCY - JICA	137.605	153.678	16.180.336
FOREIGN GOVERNMENT LOANS	11.745	13.117	1.381.088
INTERNATIONAL COMMERCIAL BANK LOANS	20.866	23.303	2.453.500
EXTERNAL DEBT (indirect liabilities 2.2.)	1.112.860	1.242.843	130.855.810
TOTAL CONTINGENT LIABILITIES (2.1. + 2.2.)	1.394.783	1.557.694	164.005.746
TOTAL INTERNAL DEBT (1.1.+ 2.1.)	11.235.093	12.547.354	1.321.079.579
TOTAL EXTERNAL DEBT (1.2.+ 2.2.)	19.342.692	21.601.922	2.274.412.336
TOTAL CENTRAL GOVERNMENT DEBT (1 + 2)	30.577.785	34.149.276	3.595.491.915

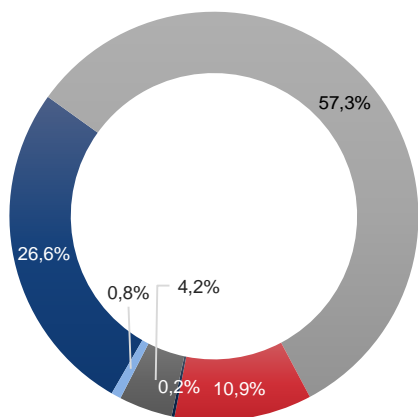
CENTRAL GOVERNMENT PUBLIC DEBT STOCK, STRUCTURE AND PUBLIC DEBT TO GDP RATIO, 31.12.2012. - 31.01.2022.



CREDITORS OVERVIEW AS OF JANUARY 31, 2022

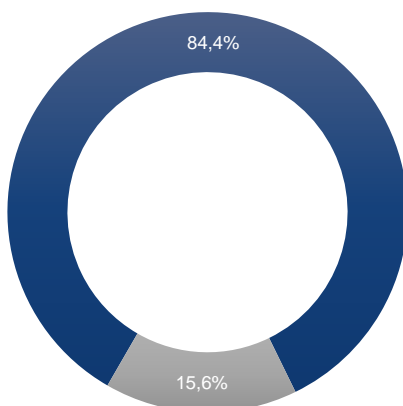


CENTRAL GOVERNMENT
PUBLIC DEBT CURRENCY
STRUCTURE AS OF JANUARY
31, 2022



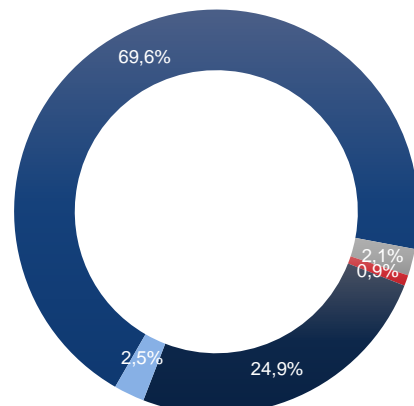
■ RSD ■ EUR ■ USD ■ CHF ■ SDR ■ Other

INTEREST RATE STRUCTURE
AS OF JANUARY 31, 2022



■ Fixed Rates ■ Variable Rates

VARIABLE INTEREST RATES
STRUCTURE
AS OF JANUARY 31, 2022



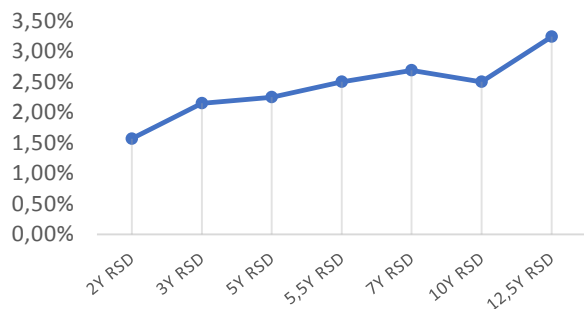
■ EURIBOR and LIBOR on EUR
■ LIBOR USD
■ LIBOR CHF
■ SDR Interest rate
■ Other

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

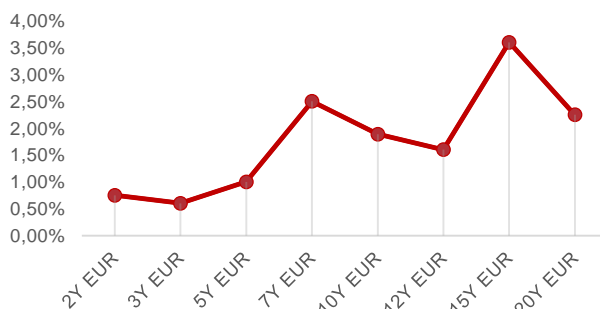
GOVERNMENT SECURITIES STOCK AS OF JANUARY 31, 2022

Maturity	Nominal value of debt stock	Last coupon rate	Last accepted rate
Government Bonds Denominated in RSD			
2Y Government Bond with fixed coupon rate	89.155.020.000,00	2,75%	2,75%
3Y Government Bond with fixed coupon rate	54.202.370.000,00	2,00%	2,15%
5Y Government Bond with fixed coupon rate	123.893.910.250,00	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	296.550.000.000,00	4,50%	2,69%
10Y Government Bond with fixed coupon rate	120.958.762.000,00	5,88%	2,50%
12,5Y Government Bond with fixed coupon rate	145.272.300.000,00	4,50%	3,24%
Total in RSD	936.456.152.250 RSD		
Government Bonds Denominated in EUR			
2Y Government Bond with fixed coupon rate	300.000.000,00	0,75%	0,75%
3Y Government Bond with fixed coupon rate	0,00	1,25%	0,60%
5Y Government Bond with fixed coupon rate	617.965.900,00	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%
Total in EUR	2.332.200.600 EUR		

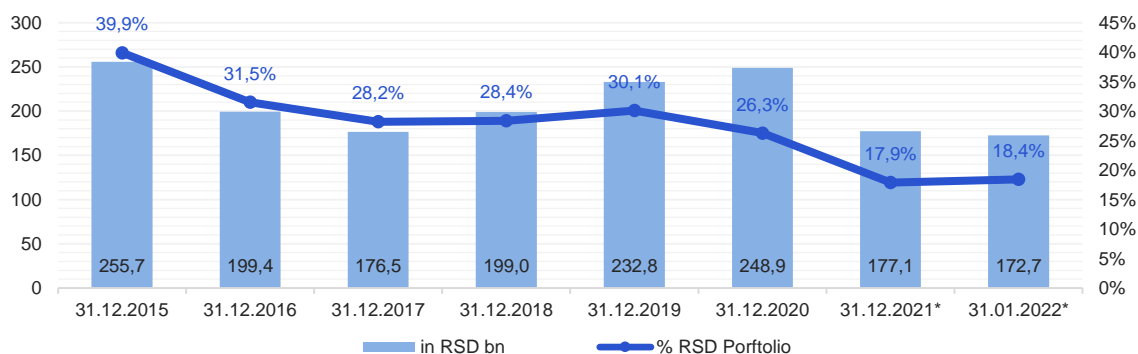
ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN RSD AS OF JANUARY 31, 2022



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

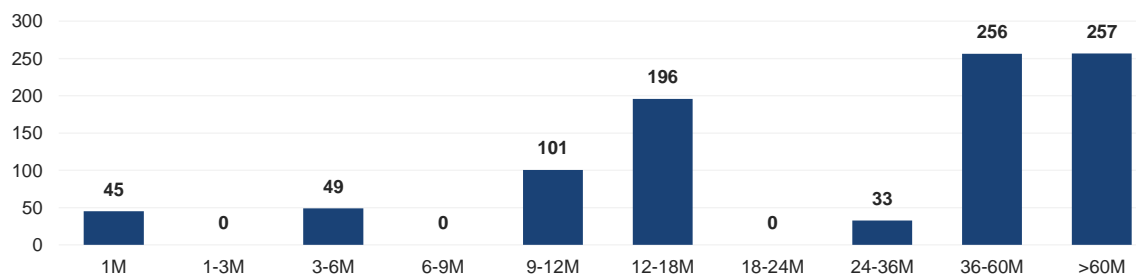


THE SHARE OF FOREIGN LEGAL ENTITIES IN RSD GOVERNMENT SECURITIES PORTFOLIO AS OF JANUARY 31, 2022

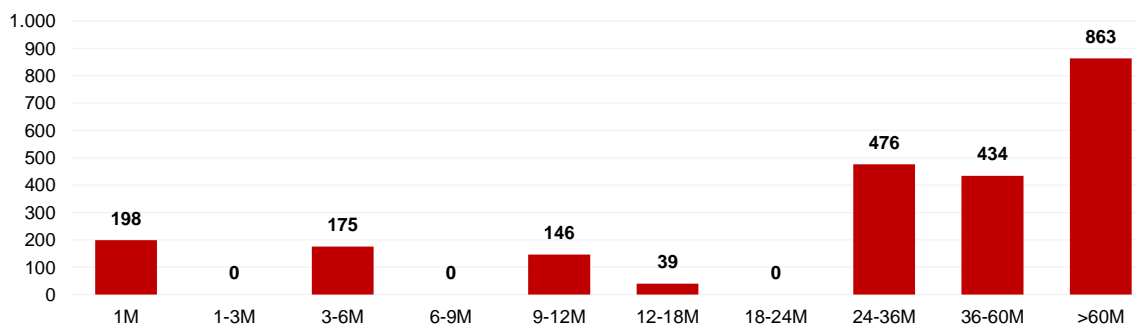


*Including custody and omnibus accounts

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



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

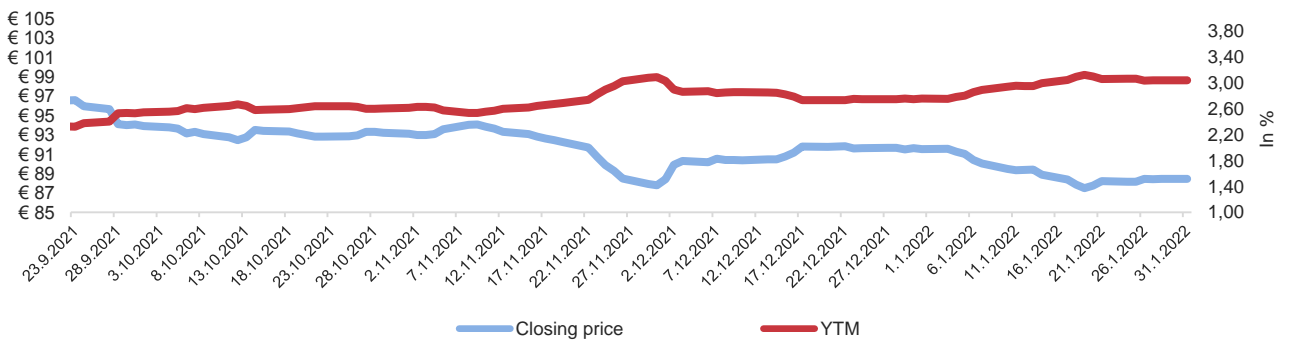


OVERVIEW OF THE ISSUED EUROBONDS OF THE REPUBLIC OF SERBIA

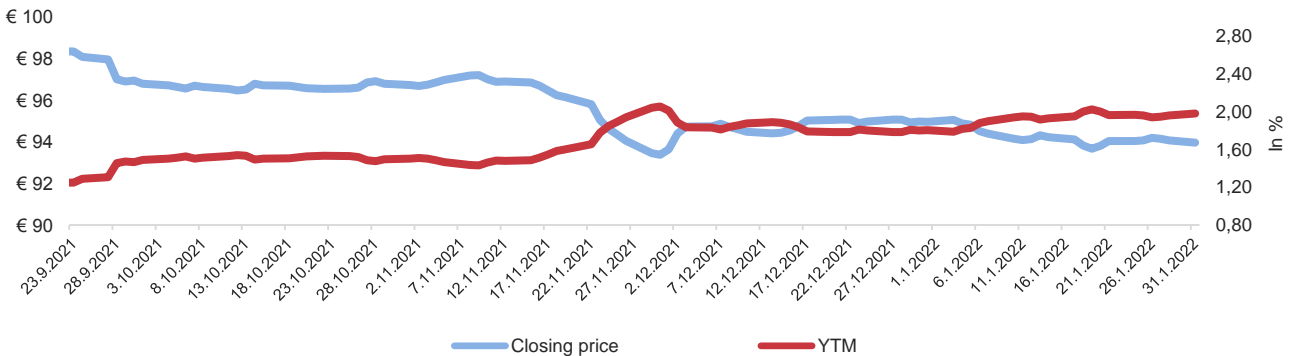
Security name	Year	Currency	Issued Amount	Amount Outstanding	Issue Date	Maturity Date	Coupon (%)	Re-Offer Yield (%)	Issuance Price
SERBIA 1 1/2 06/26/29*	2019	EUR	1.550.000.000	1.550.000.000	26.06.2019	26.06.2029	1,500	1,619/1,250	98,909/102,251
SERBIA 3 1/8 05/15/27	2020	EUR	2.000.000.000	2.000.000.000	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



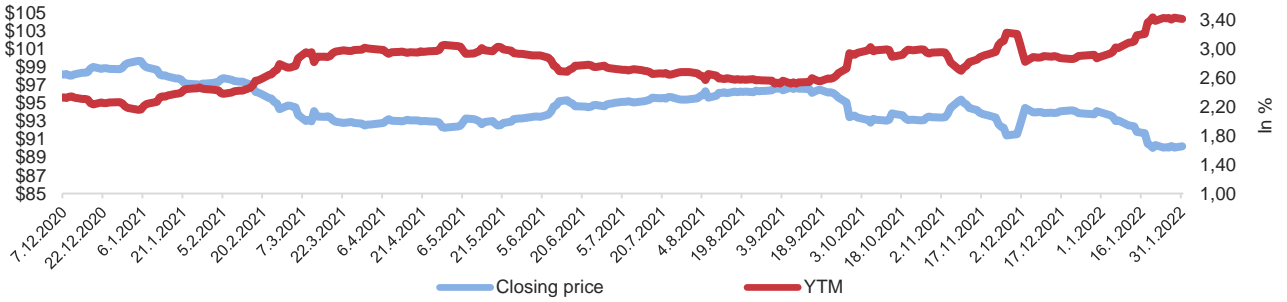
YIELD/PRICE CURVE – EUROBOND 2028



YIELD/PRICE CURVE – EUROBOND 2033



YIELD/PRICE CURVE – EUROBOND 2030



YIELD/PRICE CURVE – EUROBOND 2027

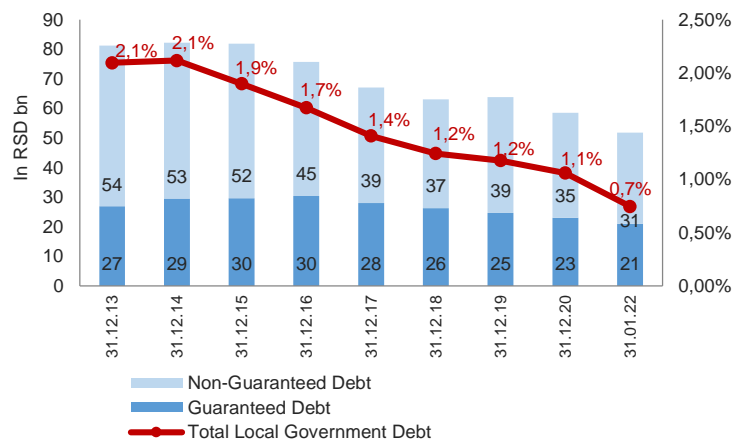


YIELD/PRICE CURVE – EUROBOND 2029

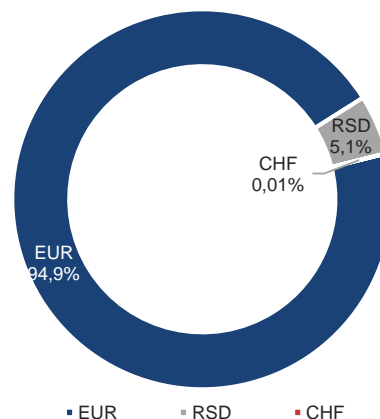


IV. LOCAL GOVERNMENT DEBT ANALYSIS

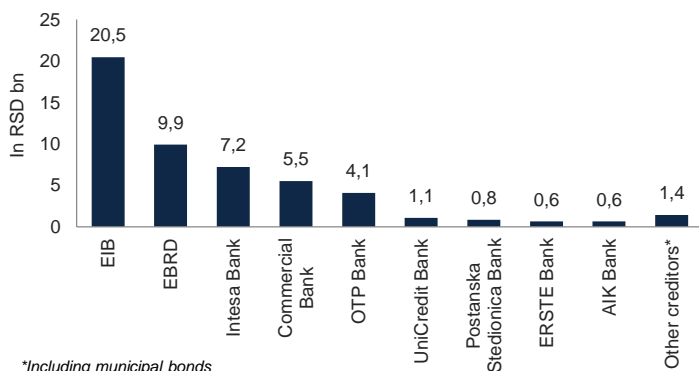
LOCAL GOVERNMENT DEBT DYNAMICS AS OF JANUARY 31, 2022



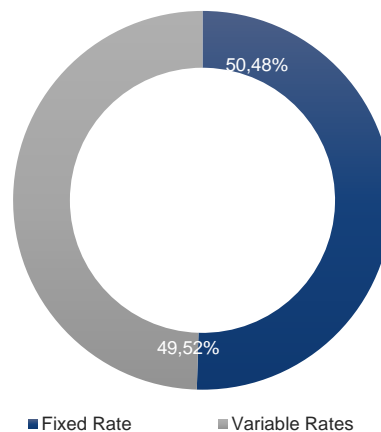
CURRENCY COMPOSITION AS OF JANUARY 31, 2022



CREDITORS OVERVIEW AS OF JANUARY 31, 2022



INTEREST RATE STRUCTURE AS OF JANUARY 31, 2022



Share of the top 5 Local Governments in total debt	80,7%
O/W Belgrade	61,1%
Debt maturing till the end of 2022	8.024.053.524
Debt maturing in 2023	8.209.226.148
Debt maturing in 2024	7.961.512.665
Maximum level of debt based on contracted amount	61.531.560.936
Interest Rate Risk	49,5%
FX Risk	94,9%
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	97,3%
Share of Foreign Creditors in Total Local Government Debt	58,7%
Total Available Credit Potential	110.480.670.557
Share of the top 10 Local Governments with the highest available credit potential	52,8%
Share of Investment Project Loans in total Local Government Debt	99,5%

Local Government	Debt Stock as of January 31, 2022
Beograd	31.623.752.504
AP Vojvodina	5.011.357.136
Kragujevac	2.403.325.831
Novi Sad	2.006.025.524
Nis	757.916.365
Vranje	710.232.011
Sabac	579.419.083
Subotica	495.440.406
Zrenjanin	491.712.453
Jagodina	455.532.826
% of total	86,0%

