



MONTHLY REPORT

Analysis of Public Debt
and General
Government Debt

January 2023

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Bloomberg Page <RSMF> <GO>
Belgrade, January 2023
#130

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 January 2023 was 50.2%, and the share of general government public debt in GDP was 50.7%. The public debt of the central level of government in January 2023, compared to December 2022 of the same year, increased by 122.0 billion dinars and amounted to 4,031.9 billion dinars (34.4 billion euros).

In January 2023, Eurobonds with maturities of five and ten years were issued in the total amount of 1.75 billion dollars (750 million dollars for five years and 1 billion dollars for ten years). The Eurobond with a maturity of five years was issued with a coupon rate of 6.25%, while the Eurobond with a maturity of ten years was issued with a coupon rate of 6.50%.

In order to efficiently manage the public debt, hedging transactions were concluded at the same time, i.e. obligations based on the issue of dollar Eurobonds were immediately converted into obligations in euros, which reduced the exposure to the foreign exchange risk of the movement of the dollar against the euro.

More than 500 interested investors participated in the auction. The total demand of investors for these securities on the trading day exceeded the amount of 11 billion dollars.

During January 2023, on the domestic market, dinar government securities with a maturity of twelve and a half years and two years were issued in the amount of 37.3 billion dinars and euro-denominated securities with a maturity of two years in the amount of 37.5 million euros, while funds based on project and program loans in the amount of 15.0 billion dinars were withdrawn.

During the same month, liabilities in the amount of RSD 120.6 billion were repaid. The largest part of repaid obligations in January refers to the maturity of five-year dinar and euro-denominated government bonds in the amount of 111.8 billion dinars.

The share of public debt in foreign currency at the end of January 2023 was 77.2%. The share of public debt in EUR is 59.0%, in USD 13.6%, in SDR 3.9% and in other foreign currencies 0.8% (CHF, GBP, JPY, DKK, SEK, NOK, AED, KWD, CNY), while the share in RSD is 22.8%.

The share of non-residents in the portfolio of dinar government securities at the end of January 2023 amounted to 15.10%*, or 133.8 billion dinars.

The total turnover of government securities on the secondary market in January 2023 amounted to 12.4 billion dinars, of which 89.2% is the turnover of dinar securities.

In January 2023, the total turnover on the secondary market of dinar securities amounted to 11.1 billion dinars, while the turnover of securities denominated in euros had the equivalent of 1.3 billion dinars. Compared to the previous month, in January 2023, there was a decrease in the total turnover of dinar securities in the amount of 0.1 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 51.2% of total turnover in January 2023.

Prices and yields of bonds of the Republic of Serbia issued on the international market on January 31, 2023 are:

EUROBOND 2027/05: 89.681/5.920;

EUROBOND 2028/09: 77.114/5.885;

EUROBOND 2028/05: 100.100/6.228;

EUROBOND 2029/06: 76.055/6.138;

EUROBOND 2030/12: 76.482/5.921;

EUROBOND 2033/03: 66.219/6.272;

EUROBOND 2033/09: 97.500/6.837;

EUROBOND 2036/09: 61.299/6.382.

*Including custody and omnibus accounts

I. GENERAL GOVERNMENT DEBT AND PUBLIC DEBT STOCK AND STRUCTURE AS OF JANUARY 31, 2023

	EUR	USD	RSD	% GDP
Direct Liabilities (A)				
Internal Debt	10.709.184.680	11.607.682.276	1.256.981.984.470	15,7%
External Debt	22.079.194.487	23.931.632.722	2.591.527.789.507	32,3%
<i>Direct Liabilities in Total</i>	32.788.379.167	35.539.314.998	3.848.509.773.978	48,0%
Contingent Liabilities (B)				
Internal Debt	479.963.950	520.232.791	56.335.384.624	0,7%
External Debt	1.082.250.111	1.173.050.592	127.028.240.989	1,6%
<i>Contingent Liabilities in Total</i>	1.562.214.061	1.693.283.383	183.363.625.613	2,3%
Non-Guaranteed Local Government Debt (C)				
Internal Debt	200.643.692	217.477.642	23.550.392.833	0,3%
External Debt	65.904.938	71.434.344	7.735.539.430	0,1%
<i>Non-Guaranteed Local Government Debt in Total</i>	266.548.630	288.911.986	31.285.932.263	0,4%
Non-Guaranteed Debt of Public Enterprise Putevi Srbije and Koridori (D)				
	36.625.859	39.698.758	4.298.930.863	0,1%
Central Government Public Debt (A+B)	34.350.593.227	37.232.598.381	4.031.873.399.591	50,2%
General Government Public Debt (A+B+C+D)	34.653.767.717	37.561.209.125	4.067.458.262.716	50,7%

II. OVERVIEW OF CENTRAL GOVERNMENT DEBT OF THE REPUBLIC OF SERBIA AS OF JANUARY 31, 2023.

1. DIRECT LIABILITIES

1.1. INTERNAL DEBT

Debt Description	Debt stock as of January 31, 2023 in EUR (000)	Debt stock as of January 31, 2023 in USD (000)	Debt stock as of January 31, 2023 in RSD (000)
GOVERNMENT SECURITIES ISSUED IN THE DOMESTIC MARKET	9.848.837	10.675.151	1.155.999.333
RETAIL BONDS	11.271	12.217	1.322.912
RESTITUTION BONDS	101.250	109.745	11.884.120
OTHER LIABILITIES	394.787	427.909	46.337.781
FROZEN FOREIGN CURRENCY BONDS	283.399	307.176	33.263.730
COMMERCIAL BANK LOANS	69.641	75.484	8.174.108
INTERNAL DEBT (direct liabilities 1.1.)	10.709.185	11.607.682	1.256.981.984

1.2. EXTERNAL DEBT

Debt Description	Debt stock as of January 31, 2023 in EUR (000)	Debt stock as of January 31, 2023 in USD (000)	Debt stock as of January 31, 2023 in RSD (000)
EUROBONDS	8.935.026	9.684.672	1.048.741.499
COUNCIL OF EUROPE DEVELOPMENT BANK	518.475	561.975	60.855.570
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	131.596	142.636	15.445.926
EUROPEAN INVESTMENT BANK	1.403.835	1.521.617	164.774.061
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	2.228.138	2.415.078	261.525.861
INTERNATIONAL MONETARY FUND	1.266.984	1.373.283	148.711.198
INTERNATIONAL DEVELOPMENT ASSOCIATION	56.864	61.635	6.674.369
KfW DEVELOPMENT BANK	63.809	69.163	7.489.535
PARIS CLUB CREDITORS	596.728	646.793	70.040.425
FOREIGN GOVERNMENT LOANS	3.544.750	3.842.154	416.062.202
EXPORT - IMPORT BANK OF CHINA	2.162.045	2.343.440	253.768.317
INTERNATIONAL COMMERCIAL BANK LOANS	777.767	843.021	91.289.752
OTHER LIABILITIES	393.179	426.167	46.149.072
EXTERNAL DEBT (direct liabilities 1.2.)	22.079.194	23.931.633	2.591.527.790
TOTAL DIRECT LIABILITIES (1.1. + 1.2.)	32.788.379	35.539.315	3.848.509.774

2. CONTINGENT LIABILITIES

2.1. INTERNAL DEBT

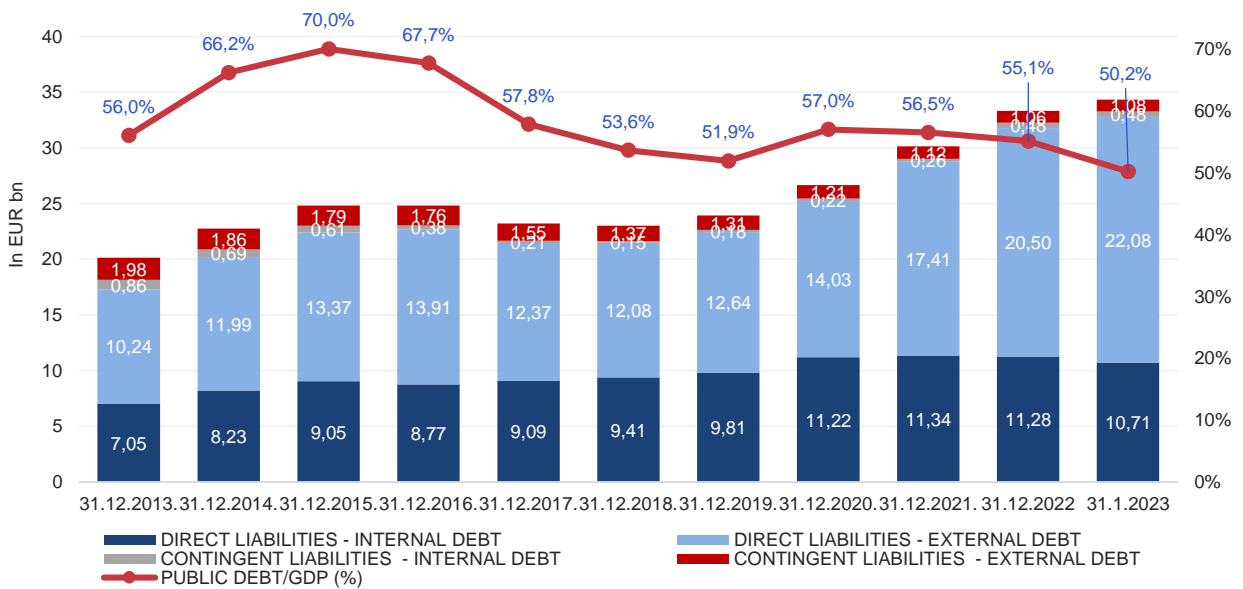
Debt Description	Debt stock as of January 31, 2023 in EUR (000)	Debt stock as of January 31, 2023 in USD (000)	Debt stock as of January 31, 2023 in RSD (000)
COMMERCIAL BANK LOANS	479.964	520.233	56.335.385
INTERNAL DEBT (indirect liabilities 2.1.)	479.964	520.233	56.335.385

2.2. EXTERNAL DEBT

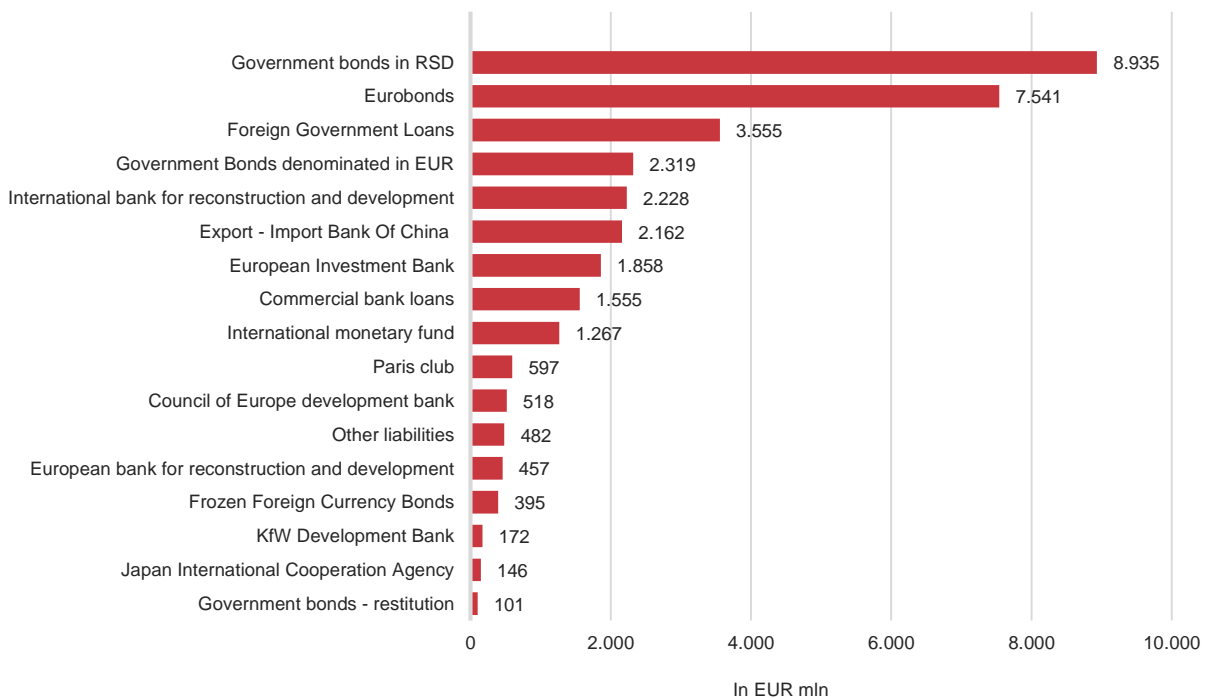
Debt Description	Debt stock as of January 31, 2023 in EUR (000)	Debt stock as of January 31, 2023 in USD (000)	Debt stock as of January 31, 2023 in RSD (000)
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	325.834	353.172	38.244.531
EUROPEAN INVESTMENT BANK	453.969	492.057	53.284.273
INTERNATIONAL COMMERCIAL BANK LOANS	14.286	15.484	1.676.774
INTERNATIONAL DEVELOPMENT ASSOCIATION	4.139	4.486	485.790
KfW DEVELOPMENT BANK	108.491	117.593	12.734.013
FOREIGN GOVERNMENT LOANS	10.168	11.021	1.193.464
JAPAN INTERNATIONAL COOPERATION AGENCY - JICA	146.169	158.432	17.156.452
OTHER LIABILITIES	19.195	20.805	2.252.944
EXTERNAL DEBT (indirect liabilities 2.2.)	1.082.250	1.173.051	127.028.241
TOTAL CONTINGENT LIABILITIES (2.1. + 2.2.)	1.562.214	1.693.283	183.363.626

TOTAL INTERNAL DEBT (1.1.+ 2.1.)	11.189.149	12.127.915	1.313.317.369
TOTAL EXTERNAL DEBT (1.2.+ 2.2.)	23.161.445	25.104.683	2.718.556.030
TOTAL CENTRAL GOVERNMENT DEBT (1 + 2)	34.350.593	37.232.598	4.031.873.400

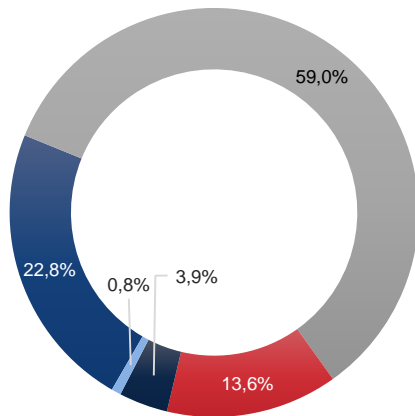
CENTRAL GOVERNMENT PUBLIC DEBT STOCK, STRUCTURE AND PUBLIC DEBT TO GDP RATIO, 31.12.2012. - 31.01.2023.



CREDITORS OVERVIEW AS OF JANUARY 31, 2023

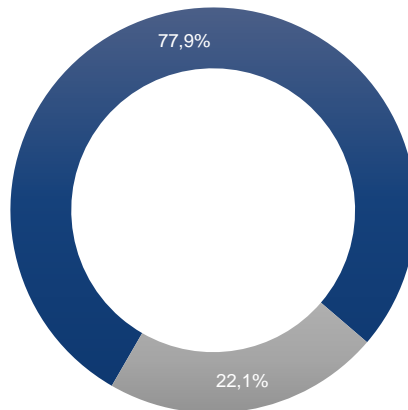


CENTRAL GOVERNMENT
PUBLIC DEBT CURRENCY
STRUCTURE AS OF JANUARY
31, 2023



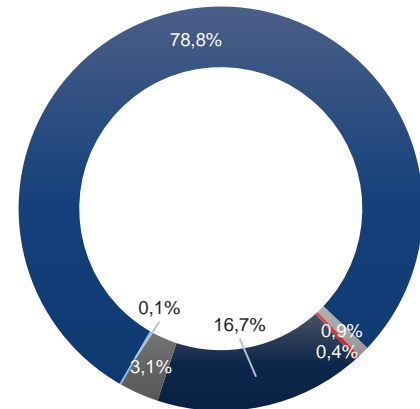
■ RSD ■ EUR ■ USD ■ SDR ■ Other

INTEREST RATE STRUCTURE
AS OF JANUARY 31, 2023



■ Fixed Rates ■ Variable Rates

VARIABLE INTEREST RATES
STRUCTURE
AS OF JANUARY 31, 2023



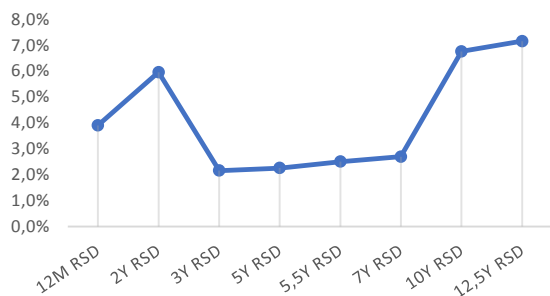
■ EURIBOR ■ LIBOR USD
■ Saron ■ SDR Interest rate
■ BELIBOR ■ Other

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

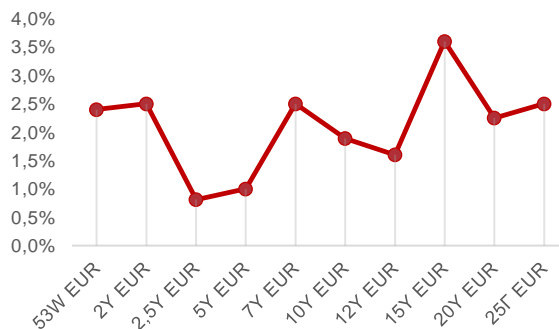
GOVERNMENT SECURITIES STOCK AS OF JANUARY 31, 2023

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	115.240.980.000,00	5,00%	5,95%
3Y Government Bond with fixed coupon rate	54.202.370.000,00	2,00%	2,15%
5Y Government Bond with fixed coupon rate	23.300.238.250,00	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	145.958.726.000,00	5,88%	6,75%
12,5Y Government Bond with fixed coupon rate	155.400.710.000,00	4,50%	7,15%
Total in RSD	885.076.814.250 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	237.530.000,00	2,50%	2,50%
2,5Y Government Bond with fixed coupon rate	115.532.000,00	0,85%	0,81%
5Y Government Bond with fixed coupon rate	195.291.000,00	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	642.991.700,00	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	2.319.465.700 EUR		

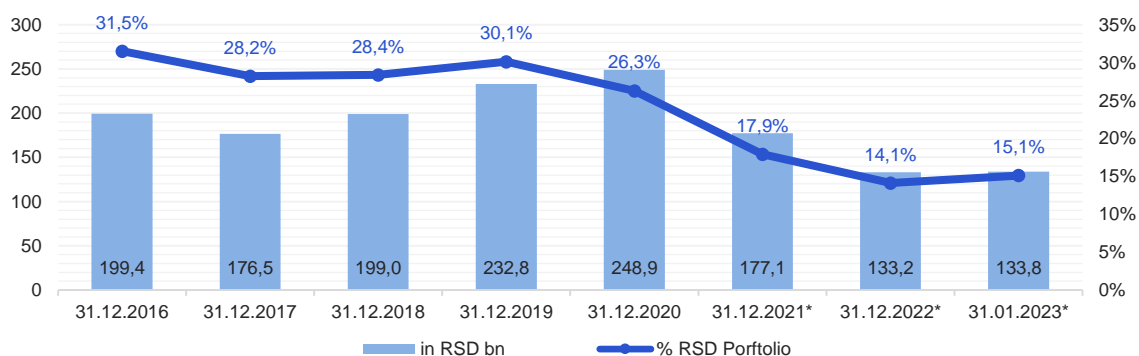
ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN RSD AS OF JANUARY 31, 2023



ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN EUR AS OF JANUARY 31, 2023

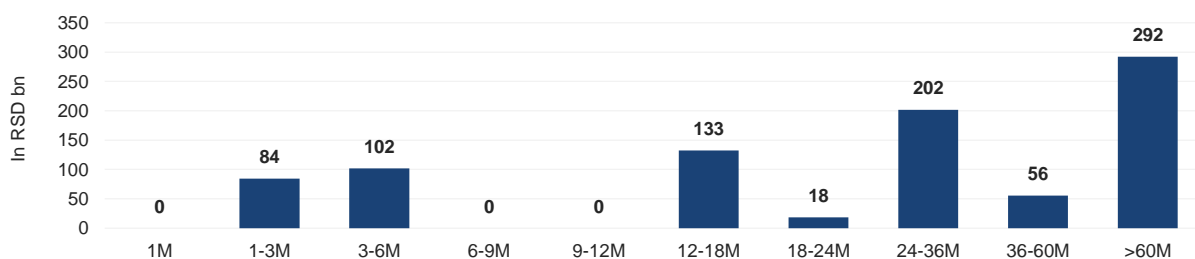


THE SHARE OF FOREIGN LEGAL ENTITIES IN RSD GOVERNMENT SECURITIES PORTFOLIO AS OF JANUARY 31, 2023

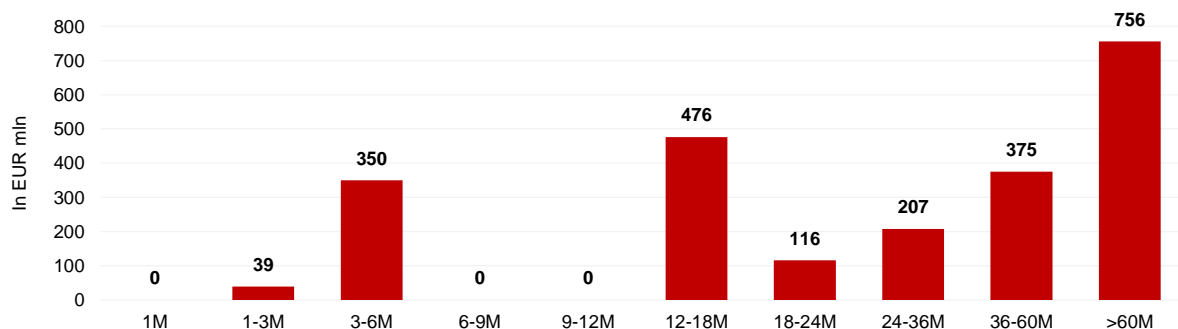


*Including custody and omnibus accounts

RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN RSD AS OF JANUARY 31, 2023



RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN EUR AS OF JANUARY 31, 2023



OVERVIEW OF THE ISSUED EUROBONDS OF THE REPUBLIC OF SERBIA

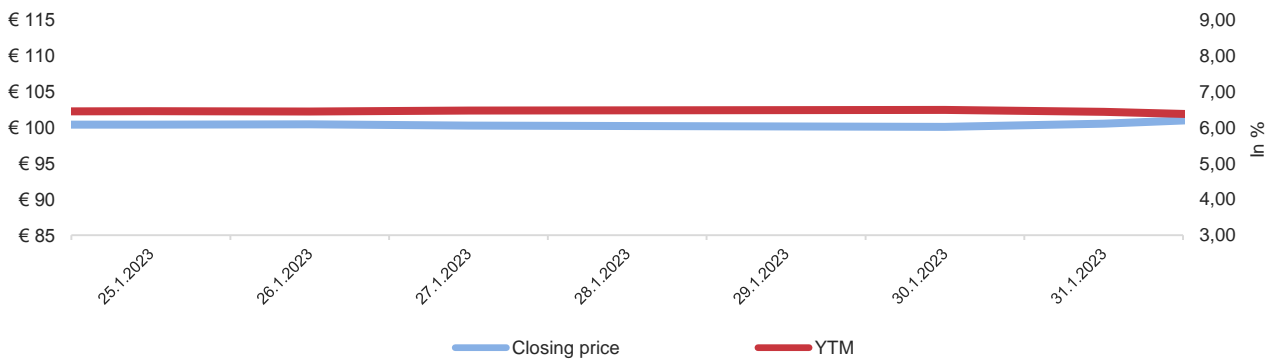
Security name	Year	Currency	Issued Amount	Amount Outstanding	Issue Date	Maturity Date	Coupon (%)	Re-Offer Yield (%)	Issuance Price
SERBIA 1 1/2 06/26/29*	2019	EUR	1.550.000.000	1.550.000.000	26.06.2019	26.06.2029	1,500	1,619/1,250	98,909/102,251
SERBIA 3 1/8 05/15/27	2020	EUR	2.000.000.000	2.000.000.000	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
SERBIA 6.25 05/26/28	2023	USD	750.000.000	750.000.000	26.01.2023	26.05.2028	6,250	6,336	99,627
SERBIA 6.50 09/26/33	2023	USD	1.000.000.000	1.000.000.000	26.01.2023	26.09.2033	6,500	6,808	97,703

*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 2028



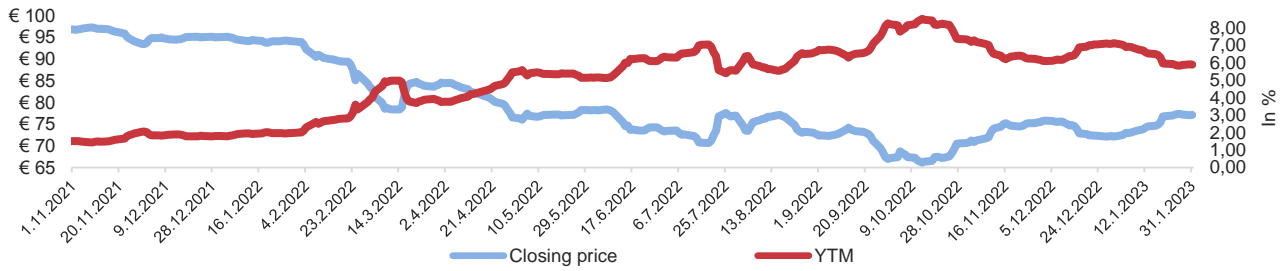
YIELD/PRICE CURVE – EUROBOND 2033



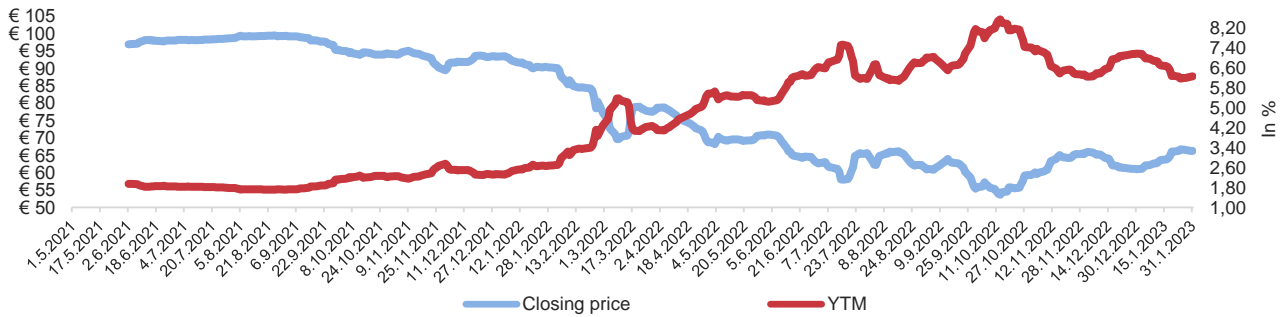
YIELD/PRICE CURVE – EUROBOND 2036



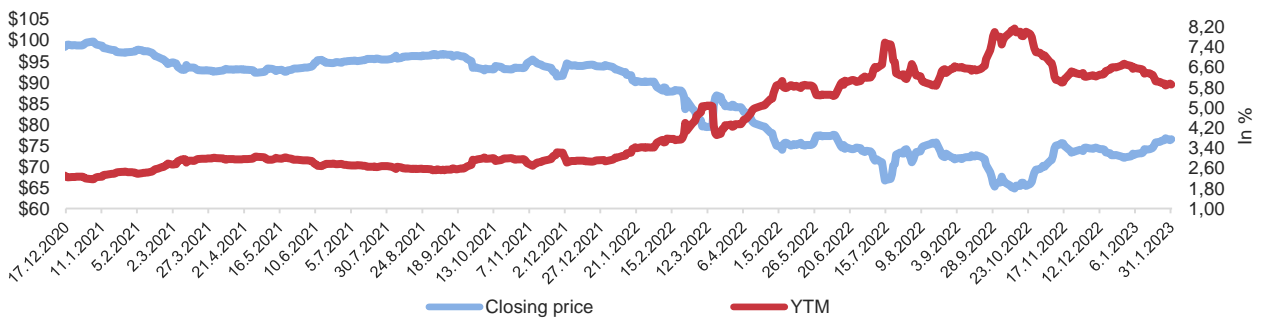
YIELD/PRICE CURVE – EUROBOND 2028



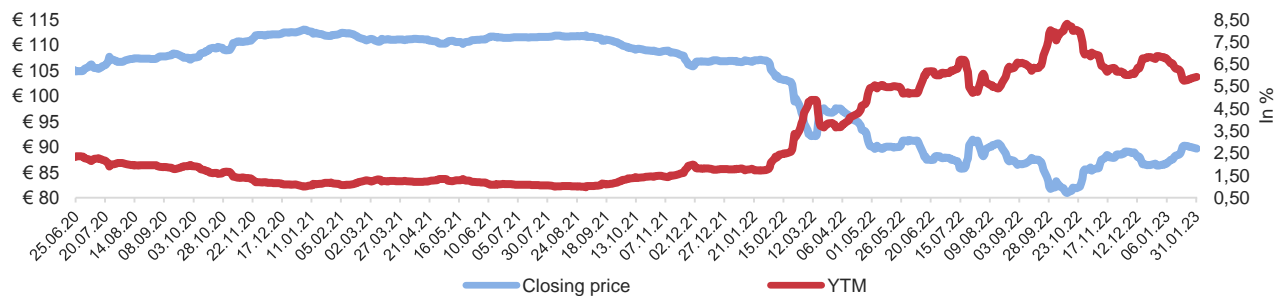
YIELD/PRICE CURVE – EUROBOND 2033



YIELD/PRICE CURVE – EUROBOND 2030



YIELD/PRICE CURVE – EUROBOND 2027

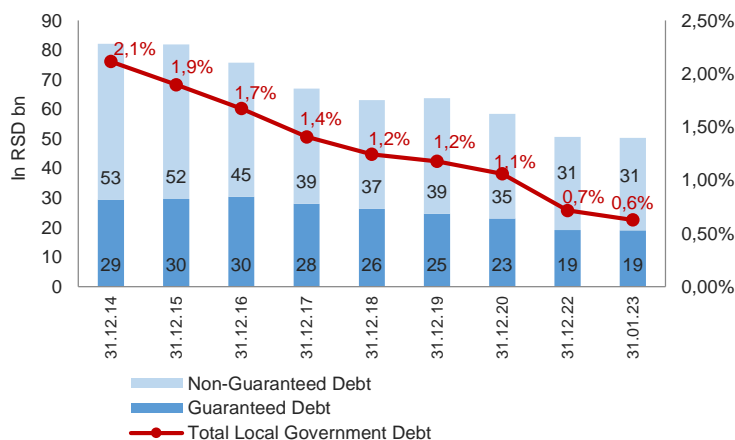


YIELD/PRICE CURVE – EUROBOND 2029

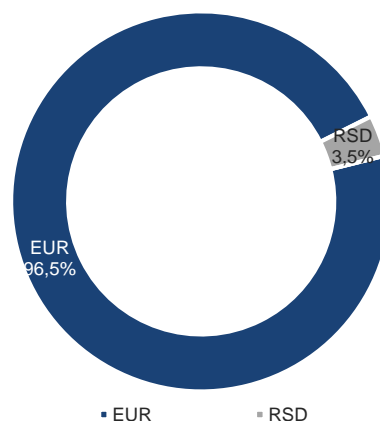


IV. LOCAL GOVERNMENT DEBT ANALYSIS

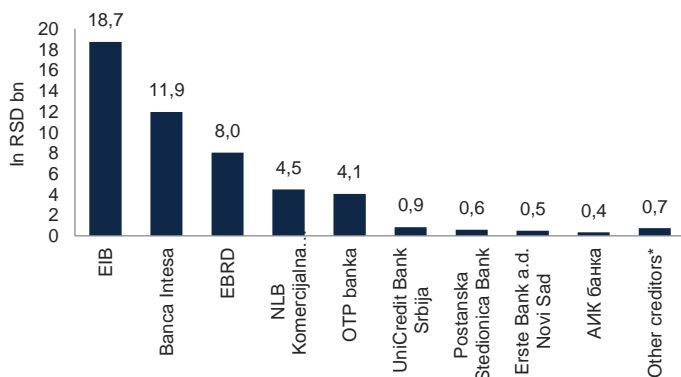
LOCAL GOVERNMENT DEBT DYNAMICS AS OF JANUARY 31, 2023



CURRENCY COMPOSITION AS OF JANUARY 31, 2023

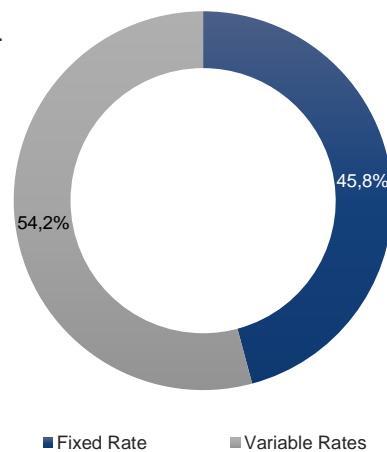


CREDITORS OVERVIEW AS OF JANUARY 31, 2023



*Including municipal bonds

INTEREST RATE STRUCTURE AS OF JANUARY 31, 2023



Share of the top 5 Local Governments in total debt	83,9%
O/W Belgrade	65,1%
Debt maturing till the end of 2022	7.553.429.506
Debt maturing in 2024	8.582.950.162
Debt maturing in 2025	8.264.589.290
Maximum level of debt based on contracted amount	61.416.282.488
Interest Rate Risk	54,2%
FX Risk	96,5%
Local Government Debt to GDP	0,6%
O/W Non-Guaranteed Debt	0,4%
Maximum Debt Level to GDP	0,8%
Share of the top 10 Creditors in total Local Government Debt	98,5%
Share of Foreign Creditors in Total Local Government Debt	61,0%
Total Available Credit Potential	106.169.549.475
Share of the top 10 Local Governments with the highest available credit potential	53,8%
Share of Investment Project Loans in total Local Government Debt	99,6%

Local Government	Debt Stock as of January 31, 2023
Beograd	32.747.186.998
AP Vojvodina	4.198.286.604
Novi Sad	2.612.187.424
Kragujevac	1.923.911.044
Vranje	718.347.542
Nis	534.013.643
Pancevo	450.272.847
Sabac	414.057.138
Kula	392.545.130
Novi Pazar	324.875.190
% of total	88,1%

