



MONTHLY REPORT

Analysis of Public Debt
and General
Government Debt

September 2023

—

www.ujd.gov.rs
Bloomberg Page <RSMF> <GO>
Belgrade, September 2023
#138

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 September 2023 was 51.3%, and the share of general government public debt in GDP was 51.7%. The public debt of the central level of government in September 2023, compared to the previous month of the same year, increased by 29.4 billion dinars and amounted to 4,156.0 billion dinars (35.5 billion euros).

In September, Moody's credit rating agency confirmed the credit rating of the Republic of Serbia at Ba2 level with stable prospects for its further increase. The Agency's report points out that, despite the crisis and all the challenges from the external environment, Serbia managed to preserve the stability of the economy and the confidence of investors, to achieve a high level of foreign direct investments and to preserve jobs. The prospects for GDP growth in Serbia are positive. Moody's expects growth in 2023 to be 1.8 percent, while for 2024 growth is predicted to be 3.2 percent, and for 2025 even 4 percent, the deficit will be at a level of around 2.8 percent of GDP in 2023, which is lower than in 2022. In the coming period, the gradual reduction of the deficit is expected to continue and it is expected to fall to 1.5 percent of GDP in 2025. Likewise, fiscal stability was preserved and the downward trajectory of the share of public debt in GDP was maintained. The predicted reduction of the deficit in the next two years will enable a further continuous reduction of the share of the general government debt in the gross domestic product.

During September 2023, dinar government securities with a maturity of 12.5 years were issued in the amount of 5.1 billion dinars, while funds were withdrawn based on project and program loans in the amount of 22.7 billion dinars. During the same month, liabilities in the amount of 21.1 billion dinars were repaid.

The share of public debt in foreign currency at the end of September 2023 was 79.4%. The share of public debt in EUR is 58.1%, in USD 13.8%, in SDR 7.0% and in other foreign currencies 0.6% (CHF, GBP, JPY, DKK, SEK, NOK, AED, KWD, CNY), while the share in RSD is 20.6%.

The share of non-residents in the portfolio of dinar government securities at the end of September 2023 amounted to 16.9%*, or 134.7 billion dinars.

The total turnover of government securities on the secondary market in in the first nine months 2023 amounted to 142.7 billion dinars, of which 89.3% is the turnover of dinar securities.

In September 2023, the total turnover on the secondary market of dinar securities amounted to 8.7 billion dinars, while the turnover of securities denominated in euros had the equivalent of 1.1 billion dinars.

Compared to the previous month, in September 2023, there was a decrease in the total turnover of dinar securities in the amount of 9.3 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 98.4% of total turnover in September 2023.

Prices and yields of bonds of the Republic of Serbia issued on the international market on September 30, 2023 are:

EUROBOND 2027/05: 90.568/6.104;

EUROBOND 2028/09: 78.003/6.287;

EUROBOND 2028/05: 98.075/6.737;

EUROBOND 2029/06: 77.114/6.394;

EUROBOND 2030/12: 73.650/6.840;

EUROBOND 2033/03: 65.547/6.699;

EUROBOND 2033/09: 95.350/7.160;

EUROBOND 2036/09: 59.531/6.860.

**Including custody and omnibus accounts*

I. GENERAL GOVERNMENT DEBT AND PUBLIC DEBT STOCK AND STRUCTURE AS OF SEPTEMBER 30, 2023

	EUR	USD	RSD	% GDP
Direct Liabilities (A)				
Internal Debt	9.738.269.239	10.305.039.557	1.141.321.259.546	14,1%
External Debt	23.875.251.858	25.264.798.987	2.798.169.967.616	34,5%
<i>Direct Liabilities in Total</i>	33.613.521.097	35.569.838.544	3.939.491.227.162	48,6%
Contingent Liabilities (B)				
Internal Debt	545.047.941	576.769.902	63.879.400.706	0,8%
External Debt	1.302.502.753	1.378.308.821	152.652.801.668	1,9%
<i>Contingent Liabilities in Total</i>	1.847.550.694	1.955.078.723	216.532.202.374	2,7%
Non-Guaranteed Local Government Debt (C)				
Internal Debt	193.460.941	204.720.428	22.673.544.894	0,3%
External Debt	64.585.591	68.344.492	7.569.405.412	0,1%
<i>Non-Guaranteed Local Government Debt in Total</i>	258.046.532	273.064.921	30.242.950.306	0,4%
Non-Guaranteed Debt of Public Enterprise Putevi Srbije and Koridori (D)				
	20.633.292	21.834.156	2.418.213.547	0,03%
Central Government Public Debt (A+B)	35.461.071.792	37.524.917.267	4.156.023.429.536	51,3%
General Government Public Debt (A+B+C+D)	35.739.751.615	37.819.816.344	4.188.684.593.389	51,7%

II. OVERVIEW OF CENTRAL GOVERNMENT DEBT OF THE REPUBLIC OF SERBIA AS OF SEPTEMBER 30, 2023.

1. DIRECT LIABILITIES

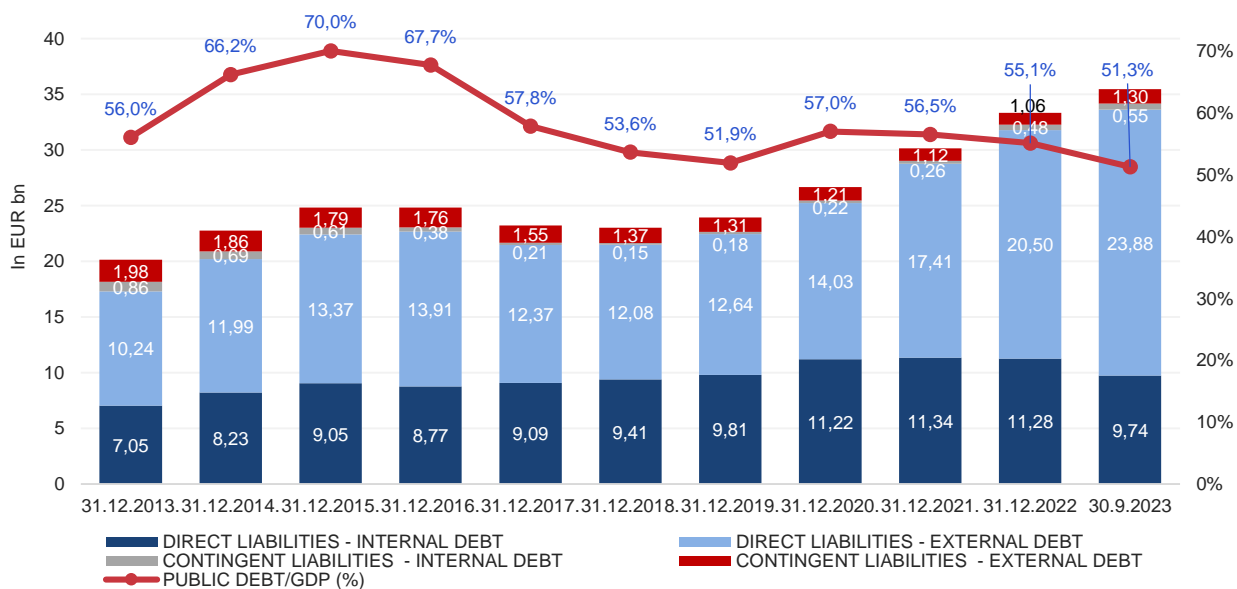
1.1. INTERNAL DEBT			
Debt Description	Debt stock as of September 30, 2023 in EUR (000)	Debt stock as of September 30, 2023 in USD (000)	Debt stock as of September 30, 2023 in RSD (000)
GOVERNMENT SECURITIES ISSUED IN THE DOMESTIC MARKET	8.722.577	9.230.234	1.022.282.592
RETAIL BONDS	10.991	11.631	1.288.125
RESTITUTION BONDS	101.404	107.306	11.884.533
OTHER LIABILITIES	369.816	391.339	43.342.286
FROZEN FOREIGN CURRENCY BONDS	463.083	490.034	54.273.117
COMMERCIAL BANK LOANS	70.398	74.495	8.250.607
INTERNAL DEBT (direct liabilities 1.1.)	9.738.269	10.305.040	1.141.321.260
1.2. EXTERNAL DEBT			
Debt Description	Debt stock as of September 30, 2023 in EUR (000)	Debt stock as of September 30, 2023 in USD (000)	Debt stock as of September 30, 2023 in RSD (000)
EUROBONDS	8.935.026	9.455.047	1.047.181.444
COUNCIL OF EUROPE DEVELOPMENT BANK	571.674	604.946	66.999.982
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	121.516	128.588	14.241.592
EUROPEAN INVESTMENT BANK	1.433.327	1.516.748	167.985.399
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT	2.210.498	2.339.150	259.069.474
INTERNATIONAL MONETARY FUND	2.435.553	2.577.303	285.445.886
INTERNATIONAL DEVELOPMENT ASSOCIATION	27.202	28.785	3.188.040
KfW DEVELOPMENT BANK	65.781	69.610	7.709.548
PARIS CLUB CREDITORS	416.848	441.109	48.854.459
FOREIGN GOVERNMENT LOANS	3.428.946	3.628.512	401.871.138
EXPORT - IMPORT BANK OF CHINA	2.517.744	2.664.278	295.078.615
INTERNATIONAL COMMERCIAL BANK LOANS	1.314.684	1.391.199	154.080.401
OTHER LIABILITIES	396.452	419.525	46.463.990
EXTERNAL DEBT (direct liabilities 1.2.)	23.875.252	25.264.799	2.798.169.968
TOTAL DIRECT LIABILITIES (1.1. + 1.2.)	33.613.521	35.569.839	3.939.491.227

2. CONTINGENT LIABILITIES

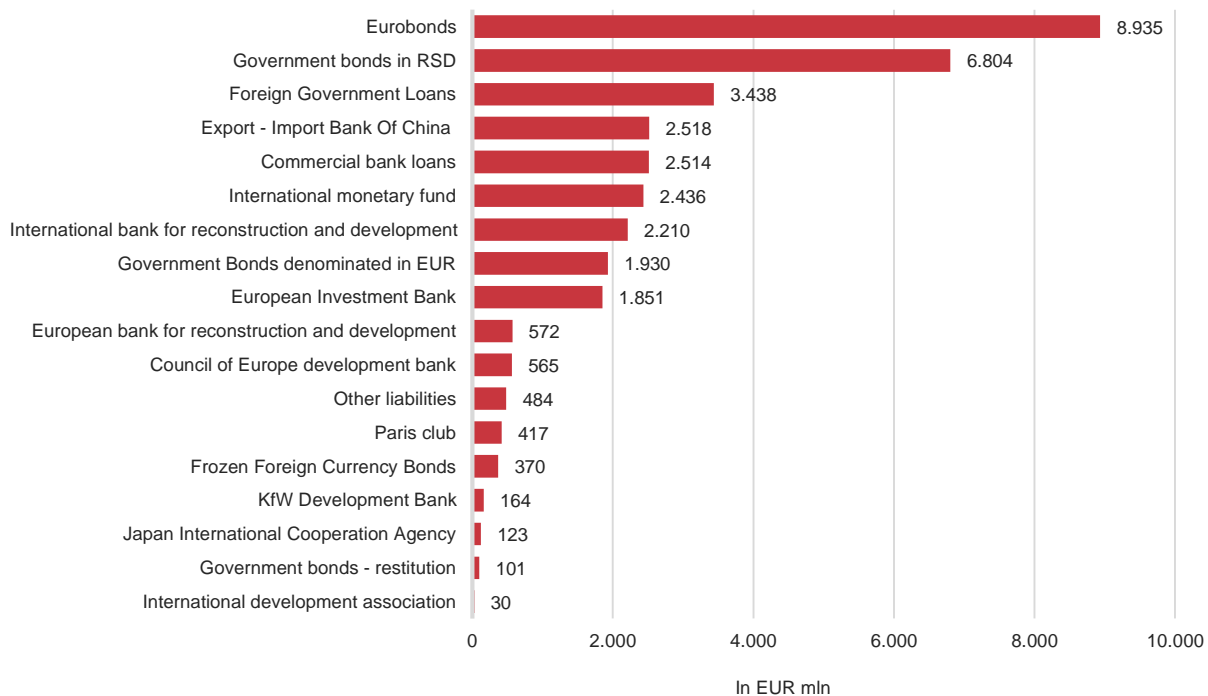
2.1. INTERNAL DEBT			
Debt Description	Debt stock as of September 30, 2023 in EUR (000)	Debt stock as of September 30, 2023 in USD (000)	Debt stock as of September 30, 2023 in RSD (000)
COMMERCIAL BANK LOANS	545.048	576.770	63.879.401
INTERNAL DEBT (indirect liabilities 2.1.)	545.048	576.770	63.879.401
2.2. EXTERNAL DEBT			
Debt Description	Debt stock as of September 30, 2023 in EUR (000)	Debt stock as of September 30, 2023 in USD (000)	Debt stock as of September 30, 2023 in RSD (000)
EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT	443.222	469.018	51.945.466
EUROPEAN INVESTMENT BANK	417.963	442.289	48.985.141
INTERNATIONAL COMMERCIAL BANK LOANS	190.714	201.814	22.351.638
INTERNATIONAL DEVELOPMENT ASSOCIATION	2.468	2.611	289.203
KfW DEVELOPMENT BANK	98.543	104.279	11.549.231
FOREIGN GOVERNMENT LOANS	9.293	9.834	1.089.162
JAPAN INTERNATIONAL COOPERATION AGENCY - JICA	123.052	130.214	14.421.684
OTHER LIABILITIES	17.246	18.250	2.021.277
EXTERNAL DEBT (indirect liabilities 2.2.)	1.302.503	1.378.309	152.652.802
TOTAL CONTINGENT LIABILITIES (2.1. + 2.2.)	1.847.551	1.955.079	216.532.202

TOTAL INTERNAL DEBT (1.1.+ 2.1.)	10.283.317	10.881.809	1.205.200.660
TOTAL EXTERNAL DEBT (1.2.+ 2.2.)	25.177.755	26.643.108	2.950.822.769
TOTAL CENTRAL GOVERNMENT DEBT (1 + 2)	35.461.072	37.524.917	4.156.023.430

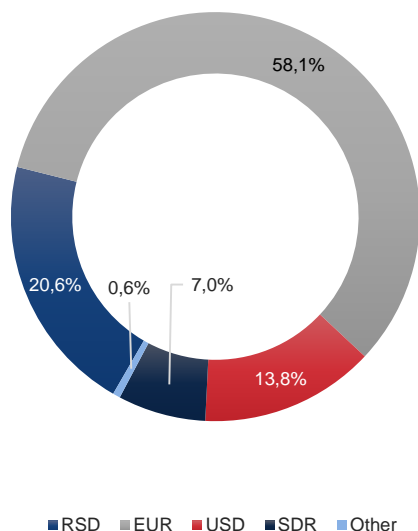
CENTRAL GOVERNMENT PUBLIC DEBT STOCK, STRUCTURE AND PUBLIC DEBT TO GDP RATIO, 31.12.2013. - 30.09.2023.



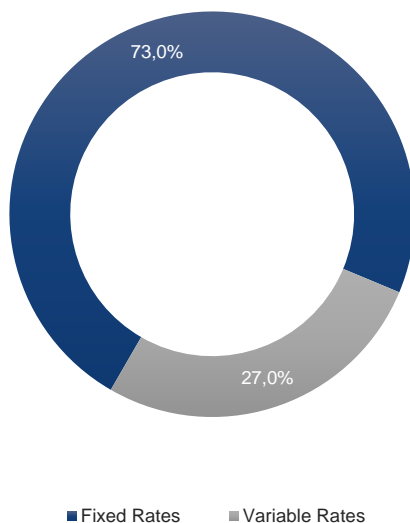
CREDITORS OVERVIEW AS OF SEPTEMBER 30, 2023



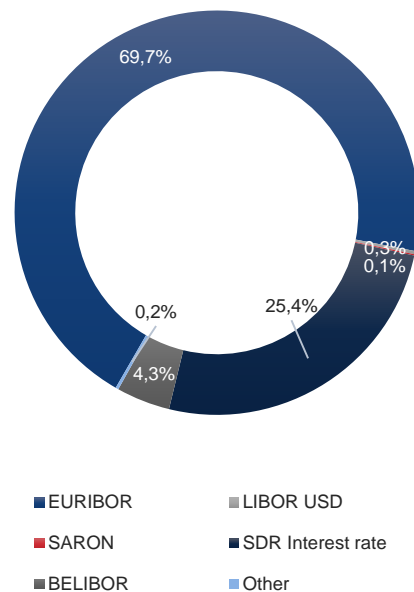
CENTRAL GOVERNMENT
PUBLIC DEBT CURRENCY
STRUCTURE AS OF
SEPTEMBER 30, 2023



INTEREST RATE STRUCTURE
AS OF SEPTEMBER 30, 2023



VARIABLE INTEREST RATES
STRUCTURE
AS OF SEPTEMBER 30, 2023

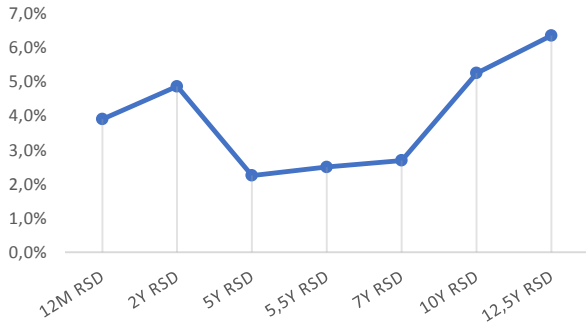


III. OVERVIEW OF NON-MATURED GOVERNMENT SECURITIES ISSUED ON DOMESTIC MARKET

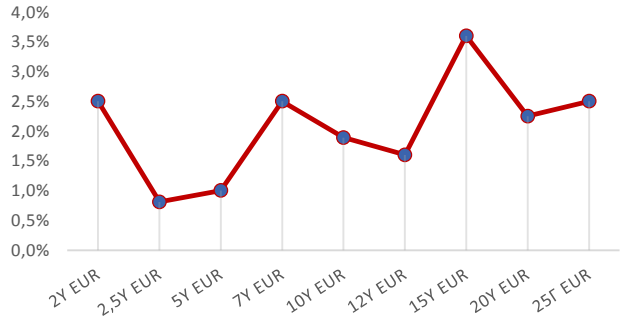
GOVERNMENT SECURITIES STOCK AS OF SEPTEMBER 30, 2023

Maturity	Nominal value of debt stock	Last coupon rate	Last accepted rate
Government Bonds Denominated in RSD			
12M Government Notes	0,00	-	3,90%
2Y Government Bond with fixed coupon rate	158.084.870.000,00	5,00%	4,86%
5Y Government Bond with fixed coupon rate	23.300.238.250,00	4,00%	2,25%
5.5Y Government Bond with fixed coupon rate	150.000.000.000,00	3,00%	2,50%
7Y Government Bond with fixed coupon rate	164.308.976.000,00	4,50%	2,69%
10Y Government Bond with fixed coupon rate	106.423.790.000,00	5,88%	5,25%
12.5Y Government Bond with fixed coupon rate	195.272.300.000,00	4,50%	6,20%
Total in RSD	797.390.174.250 RSD		
Government Bonds Denominated in EUR			
2Y Government Bond with fixed coupon rate	237.530.000,00	2,50%	2,50%
2,5Y Government Bond with fixed coupon rate	155.981.000,00	0,85%	0,81%
5Y Government Bond with fixed coupon rate	65.129.000,00	1,00%	1,00%
7Y Government Bond with fixed coupon rate	642.710.700,00	2,50%	2,50%
10Y Government Bond with fixed coupon rate	321.882.000,00	3,25%	1,89%
12Y Government Bond with fixed coupon rate	235.596.000,00	1,50%	1,60%
15Y Government Bond with fixed coupon rate	148.606.000,00	3,50%	3,60%
20Y Government Bond with fixed coupon rate	115.532.000,00	2,25%	2,25%
25Y Government Bond with fixed coupon rate	6.908.000,00	2,30%	2,50%
Total in EUR	1.929.874.700 EUR		

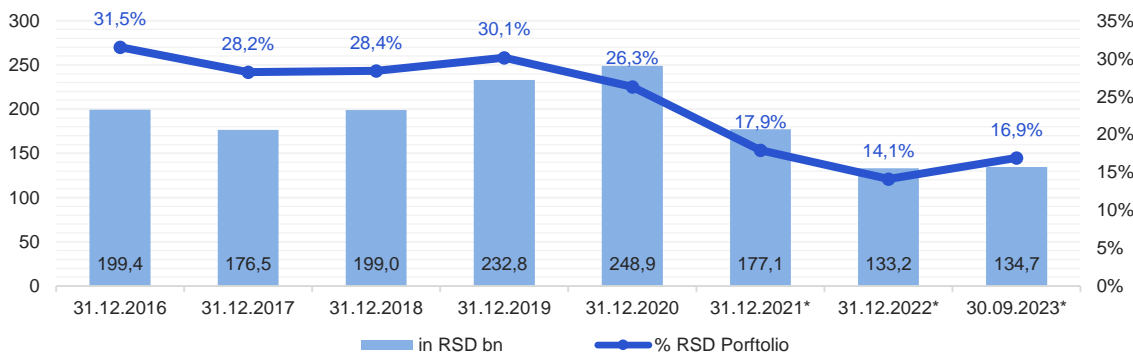
ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN RSD AS OF SEPTEMBER 30, 2023



ACCEPTED RATES ON GOVERNMENT SECURITIES ISSUED IN EUR AS OF SEPTEMBER 30, 2023

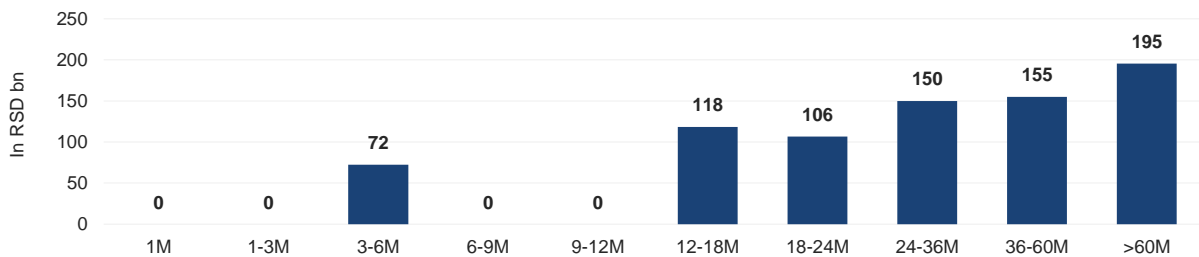


THE SHARE OF FOREIGN LEGAL ENTITIES IN RSD GOVERNMENT SECURITIES PORTFOLIO AS OF SEPTEMBER 30, 2023

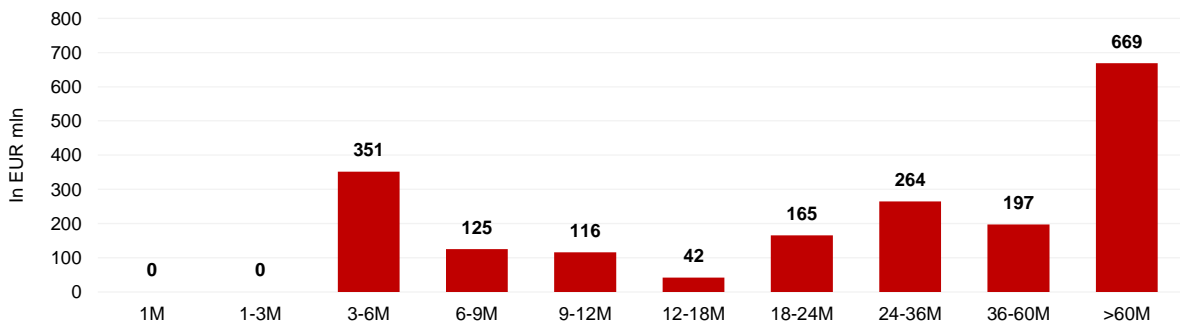


*Including custody and omnibus accounts

RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN RSD AS OF SEPTEMBER 30, 2023



RESIDUAL MATURITY OF GOVERNMENT SECURITIES DENOMINATED IN EUR AS OF SEPTEMBER 30, 2023



OVERVIEW OF THE ISSUED EUROBONDS OF THE REPUBLIC OF SERBIA

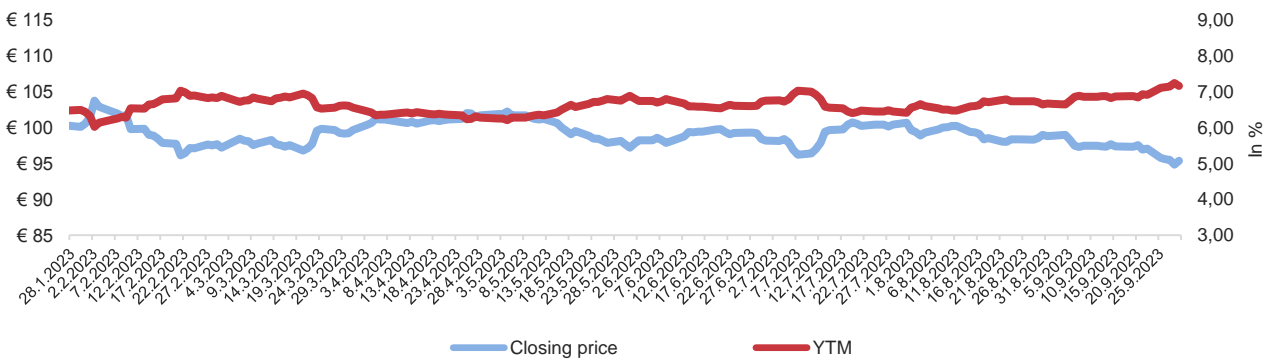
Security name	Year	Currency	Issued Amount	Amount Outstanding	Issue Date	Maturity Date	Coupon (%)	Re-Offer Yield (%)	Issuance Price
SERBIA 1 1/2 06/26/29*	2019	EUR	1.550.000.000	1.550.000.000	26.06.2019	26.06.2029	1,500	1,619/1,250	98,909/102,251
SERBIA 3 1/8 05/15/27	2020	EUR	2.000.000.000	2.000.000.000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

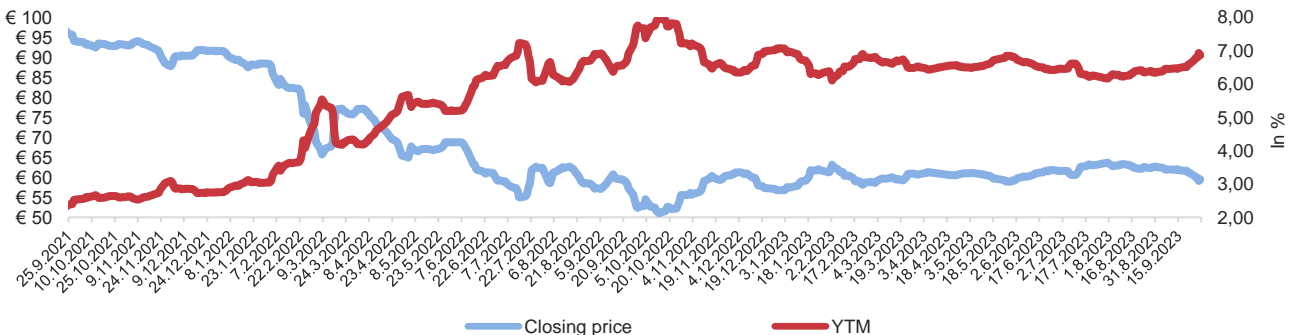
YIELD/PRICE CURVE – EUROBOND 2028/05



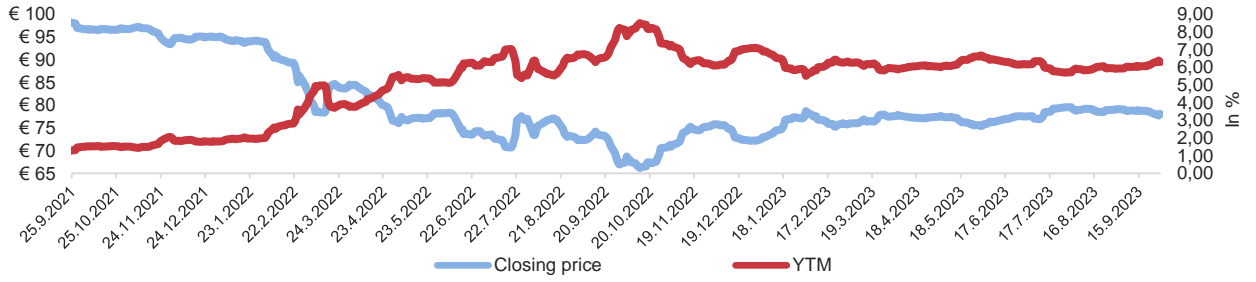
YIELD/PRICE CURVE – EUROBOND 2033/09



YIELD/PRICE CURVE – EUROBOND 2036/09



YIELD/PRICE CURVE – EUROBOND 2028/09



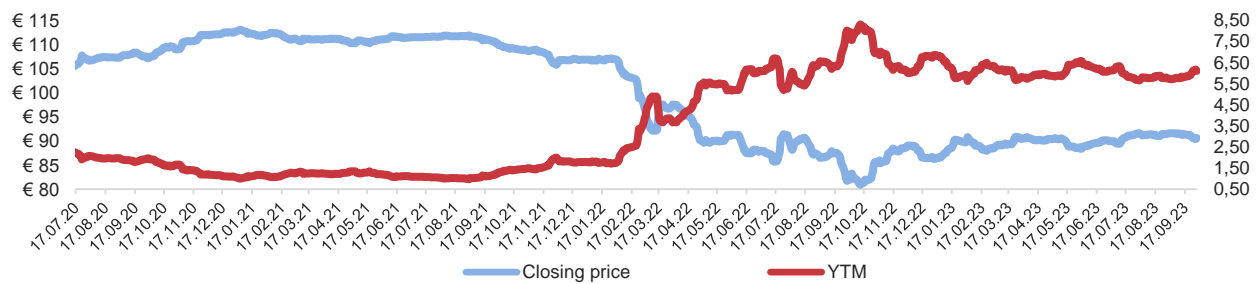
YIELD/PRICE CURVE – EUROBOND 2033/03



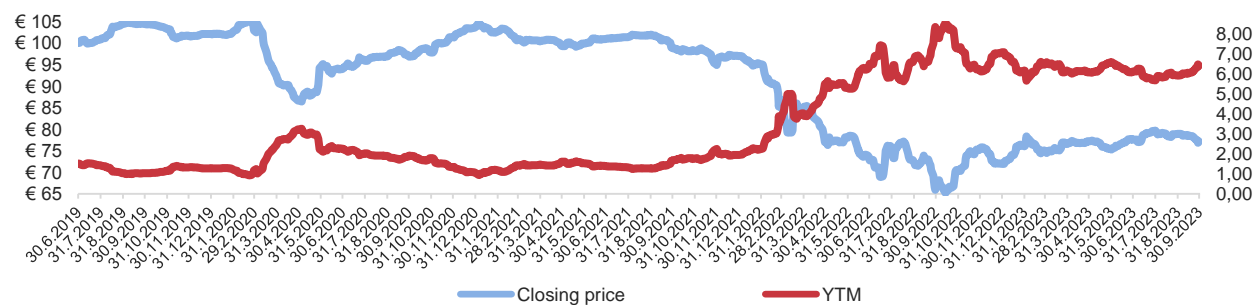
YIELD/PRICE CURVE – EUROBOND 2030/12



YIELD/PRICE CURVE – EUROBOND 2027/05

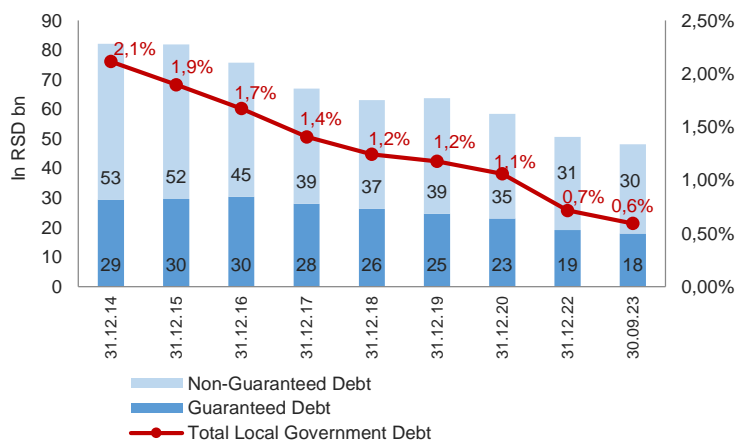


YIELD/PRICE CURVE – EUROBOND 2029/06



IV. LOCAL GOVERNMENT DEBT ANALYSIS

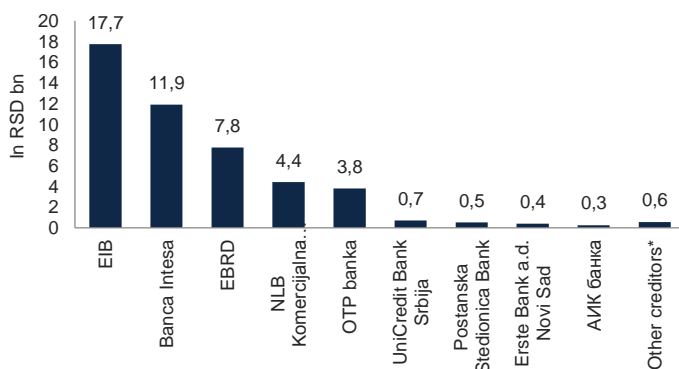
LOCAL GOVERNMENT DEBT DYNAMICS AS OF SEPTEMBER 30, 2023



CURRENCY COMPOSITION AS OF SEPTEMBER 30, 2023

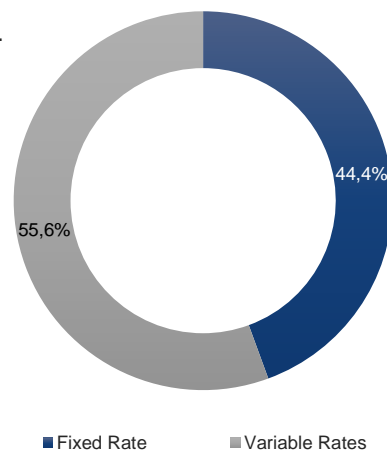


CREDITORS OVERVIEW AS OF SEPTEMBER 30, 2023



*Including municipal bonds

INTEREST RATE STRUCTURE AS OF SEPTEMBER 30, 2023



Share of the top 5 Local Governments in total debt	84,2%
O/W Belgrade	64,4%
Debt maturing till the end of 2022	3.241.233.120
Debt maturing in 2024	8.586.662.832
Debt maturing in 2025	8.563.501.326
Maximum level of debt based on contracted amount	57.611.291.009
Interest Rate Risk	55,6%
FX Risk	95,9%
Local Government Debt to GDP	0,6%
O/W Non-Guaranteed Debt	0,4%
Maximum Debt Level to GDP	0,7%
Share of the top 10 Creditors in total Local Government Debt	98,5%
Share of Foreign Creditors in Total Local Government Debt	61,5%
Total Available Credit Potential	108.277.370.549
Share of the top 10 Local Governments with the highest available credit potential	53,6%
Share of Investment Project Loans in total Local Government Debt	99,8%

Local Government	Debt Stock as of September 30, 2023
Beograd	31.014.760.302
AP Vojvodina	3.613.488.310
Novi Sad	3.493.249.585
Kragujevac	1.621.425.641
Vranje	805.684.081
Novi Pazar	504.497.927
Nis	451.773.898
Pancevo	430.883.573
Kula	357.035.934
Backa Palanka	356.000.000
% of total	88,5%

