



## Central Government Budget Debt Management

### Recent development

#### Bank Asset Management Company

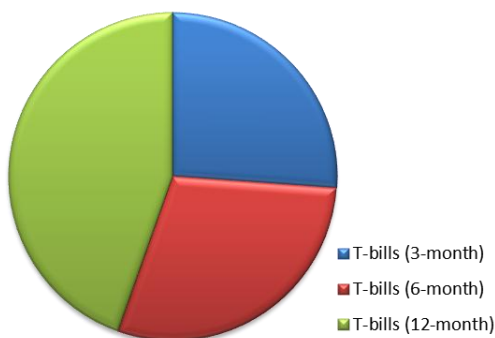
On Wednesday 6<sup>th</sup> February the Government appointed all four non-executive directors to the Board of the Bank Asset Management Company, i. e. Arne Berggren, supported by IMF, Lars Nyberg, supported by EBRD, Ministry of Finance State Secretary Andrej Šircelj and acting Director General of the Public Property and Financial System Directorate Monika Pintar-Mesarič. After their appointment, it was pointed out that there are on-going efforts to bring in additional foreign experts. One of the key assignments of non-executive directors is to appoint executive directors, which should be named in the next few weeks.

#### State Sovereign Holding

On 6<sup>th</sup> of February the Government adopted the Classification of the Assets of the State Sovereign Holding. According to the document, state owned companies are classified as **Strategic**, that is companies in which the State will retain 50% plus one share (*SŽ-Infrastruktura, HSE, INFRA, SID banka, Loterija Slovenije, Elektro Ljubljana ...*), **Portfolio**, that is companies that will be sold taking solely into account the financial criteria (*Adria Airways, DARS, Petrol, Abanka Vipava, SavaRE, Telekom, Krka...*) and **Important**, that is companies in which the State will retain 25% plus one share (*Aerodrom Ljubljana, Luka Koper, Slovenske železnice, NKBM, NLB, Triglav...*).

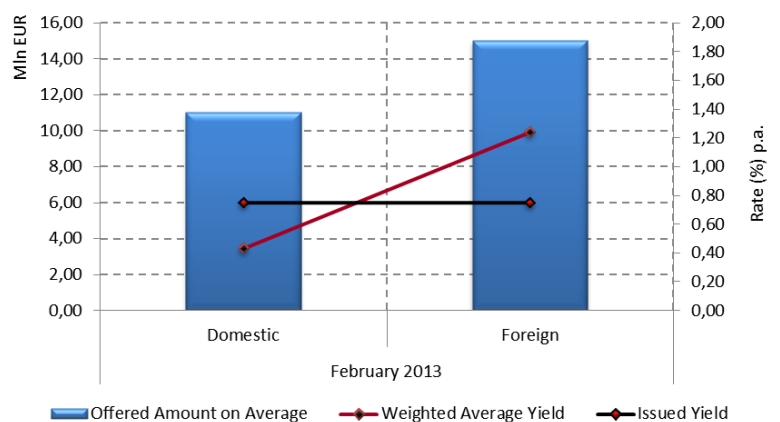
### T-bills Auction Turned Out Highly Successful (Auction Date: 12. 2. 2013)

Issued T-bills Breakdown by Maturity

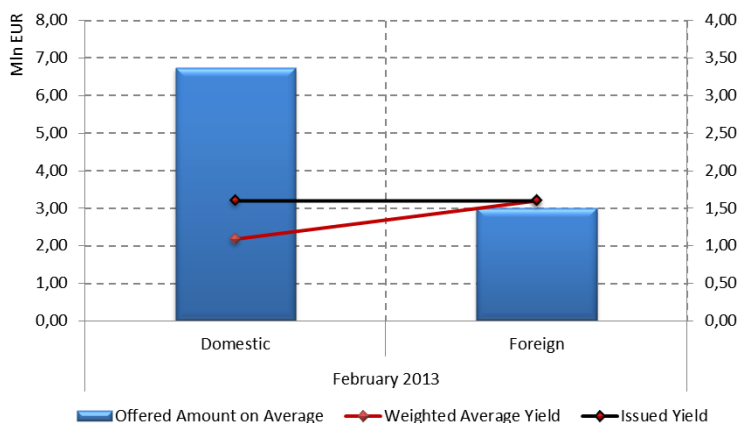


	Issued Yield (% p.a.)	Amount (EUR)
T-bills (3-month)	0,75	66.150.000,00
T-bills (6-month)	1,60	74.100.000,00
T-bills (12-month)	2,02	112.850.000,00
		<b>253.100.000</b>

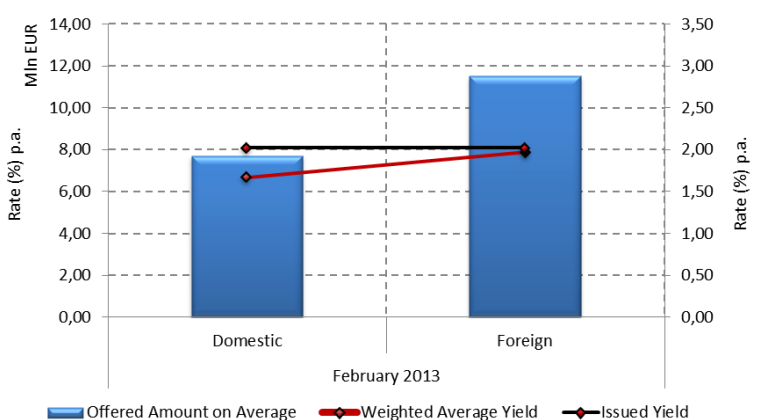
3-month T-bills Characteristics Breakdown by Investors Residential Status

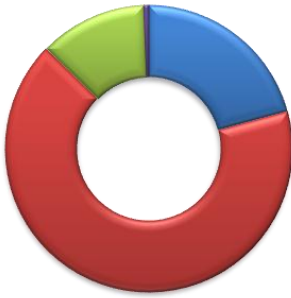


6-month T-bills Characteristics Breakdown by Investors Residential Status

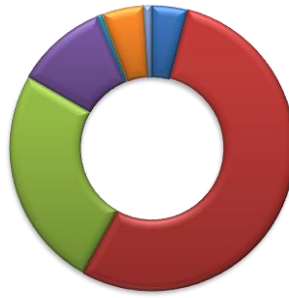


12-month T-bills Characteristics Breakdown by Investors Residential Status

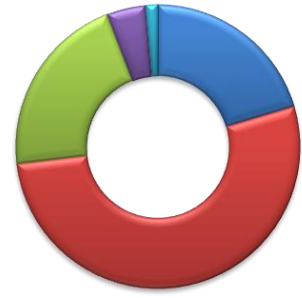




- S.12202 Other monetary FI - national private; 20.79%
- S.12201 Other monetary FI - public; 66.52%
- S.12203 Other monetary FI - foreign controlled; 12.09%
- S.13113 Other units on the state level; 0.61%



- S.21100 The member states of the EU; 4.04 %
- S.12201 Other monetary FI - public; 53.98.4%
- S.12202 Other monetary FI - national private; 25.30%
- S.12203 Other monetary FI - foreign controlled; 10.40%
- S.13113 Other units on the state level; 0.61%
- S.12501 Insurance corporations and pension funds; 4.72%
- Other; 0.95%



- S.21100 The member states of the EU; 20.38 %
- S.12201 Other monetary FI - public; 52.73%
- S.12202 Other monetary FI - national private; 21.05%
- S.12203 Other monetary FI - foreign controlled; 4.43%
- Other; 1.41%

## Credit Rating Updates

Agency	Credit Rating	Outlook	Last Change
S&P	A-	Stable	13.2.2013
Fitch	A-	Negative	8.8.2012
Moody's	Baa2	Negative	2.8.2012

On 12<sup>th</sup> of February Standard & Poor's lowered long- and short-term foreign and local currency sovereign credit ratings of the Republic of Slovenia to 'A-/A-2' from 'A/A-1'. At the same time CreditWatch with negative implications from 6<sup>th</sup> of November 2012 was removed and the rating was placed on stable outlook.

In rating agency's view a weak growth outlook, Slovenian banks' constrained access to external funding and rising public indebtedness are the main factors which constrain Slovenia's creditworthiness. Moreover, fiscal consolidation, private-sector deleveraging and weak investment, labour and property markets are expected to weigh on Slovenia's growth prospects.

However, the stable outlook is supported by government's overall commitment to fiscal consolidation, as well as the relatively strong external position and the financial system's access to European Central Bank funds.

The efforts of the Slovenian government are since the beginning of its mandate aimed at comprehensive consolidation of public finances by reducing public spending and gradual balancing of the budget. Moreover, a series of measures have already been introduced to spur economic growth – one of the key ones is adopted Law on measures of the Republic of Slovenia to strengthen the stability of banks at aiming to ease the credit crunch and to restore economic growth. To increase the competitiveness of the Slovenian economy many of administrative barriers have been reduced. Furthermore, by providing a more business-friendly tax environment a faster economic recovery is expected to be achieved.

**CONTACT:** The Treasury of the Republic of Slovenia, Župančičeva 3, 1000 Ljubljana, [http://www.mf.gov.si/en/investor\\_relations/](http://www.mf.gov.si/en/investor_relations/)

**OTHER USEFUL LINKS:** Institute of Macroeconomic Analysis and Development: [http://www.umar.gov.si/en/o\\_umar/](http://www.umar.gov.si/en/o_umar/), Bank of Slovenia: <http://www.bsi.si/en/>, Statistical Office of The Republic of Slovenia: [http://www.stat.si/eng/tema\\_ekonomsko\\_nacionalni.asp](http://www.stat.si/eng/tema_ekonomsko_nacionalni.asp)

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