



REPUBLIC OF BULGARIA
MINISTRY OF FINANCE

GOVERNMENT DEBT
MANAGEMENT

MONTHLY BULLETIN

JULY 2007

REPUBLIC OF BULGARIA
MINISTRY OF FINANCE

**GOVERNMENT DEBT
MANAGEMENT**

JULY 2007

ISSN 1311 – 0047

This issue includes materials and data received prior to 14 August 2007.

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Published by the Ministry of Finance, Government Debt and Financial Markets Directorate,
tel. 9859 2497, 9859 2452.

Website: www.minfin.bg

Ministry of Finance address in Reuters: MFBG01

Subscriptions: tel. 9145 1351

Computer typeset: Publications Division of the Bulgarian National Bank.
Printed and bound in the BNB Printing Centre.

CONTENTS

1	Government Securities Issues	5
2	Domestic Debt Dynamics	12
3	External Debt Dynamics	20
4	Government Debt Structure	25
5	Municipal Debt and Social Security Funds Debt	32
6	Consolidated Government Debt Amount	34
	Appendix	35

Abbreviations

BGN	–	<i>The abbreviation of the Redenominated Bulgarian Lev</i>
BIR	–	<i>Base Interest Rate</i>
BNB	–	<i>Bulgarian National Bank</i>
CB	–	<i>Commercial Banks</i>
CM	–	<i>Council of Ministers</i>
CMD	–	<i>Council of Ministers Decree</i>
CSB	–	<i>Consolidated State Budget</i>
EBRD	–	<i>European Bank for Reconstruction and Development</i>
EIB	–	<i>Economic and Investment Bank</i>
GDP	–	<i>Gross Domestic Product</i>
GS	–	<i>Government Securities</i>
IMF	–	<i>International Monetary Fund</i>
JBIC	–	<i>Japan Bank for International Cooperation</i>
LBNB	–	<i>Law on the Bulgarian National Bank</i>
LSPDACB	–	<i>Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings</i>
MF	–	<i>Ministry of Finance</i>
SBL of RB	–	<i>State Budget Law of the Republic of Bulgaria</i>
SDR	–	<i>Special Drawing Rights</i>
TFP	–	<i>Transitional and Final Provisions</i>
ZUNK	–	<i>Bulgarian abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)</i>

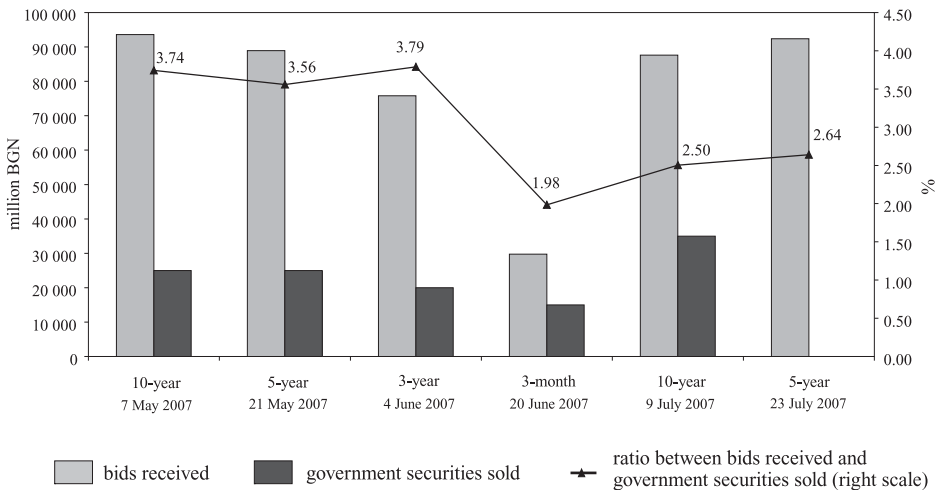
In July the Ministry of Finance issued through auctions organized by the BNB two government securities issues under Ordinance No. 5, including one medium-term tap treasury bonds issue (five-year, No. BG2030007111) and one long-term tap treasury bonds issue (ten-year, No. BG2040007218).

At the auctions primary dealers' bids totaled BGN 180,002.2 thousand; BGN 92,402.2 thousand for five-year government securities and BGN 87,600 thousand for ten-year government securities (Chart 1). Approved bids came to BGN 70,000 thousand nominal value, including five-year of BGN 35,000 thousand and ten-year of BGN 35,000 thousand (Charts 1 and 2). Coverage coefficient of the issues approved for sale in July accounted for 2.57: 2.64 for the five-year government securities and 2.50 for the ten-year government securities.

Government securities issued in July increased by BGN 49.5 million on the same period of 2006 (Chart 2).

Chart 1

Bids Received and Government Securities Sold at Auctions



Note: The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

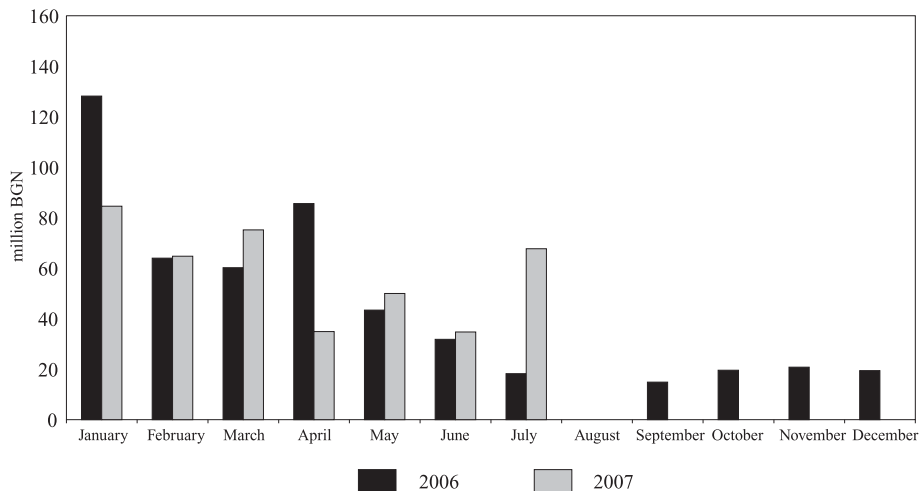
In the review period the yield attained in the primary market as a whole reflected the demand and the preferences in the government securities market for instruments with various maturities. The yield on the five-year treasury bonds increased by 20 basis points compared with the previous issue with the same maturity launched in May, reaching 4.66 per cent. The ten-year tap treasury bonds showed a similar trend. During the period under review they went up by 42 basis points and their yield came to 4.85 per cent (Charts 3, 4 and 5).

One 2002 treasury bonds issue (BG2030202118) matured in July.

In the month under review repaid and reverse repurchased securities earmarked for direct sale to individuals accounted for BGN 9810.8 thousand.

Chart 2

Sales of Government Securities Issues



Prices of Issues Sold per BGN 100 Nominal Value

JUNE 2007

	3-month BG3010207002	3-year BG2030107119
Minimum	98.98	98.15
Average-weighted	98.99	99.27
Maximum	99.02	99.00

JULY 2007

	5-year BG2030007111	10-year BG2040007218
Minimum	97.19	95.40
Average-weighted	97.55	95.95
Maximum	98.00	98.00

Chart 3

Dynamics of the Average Annual Yield of Primary Market Government Securities

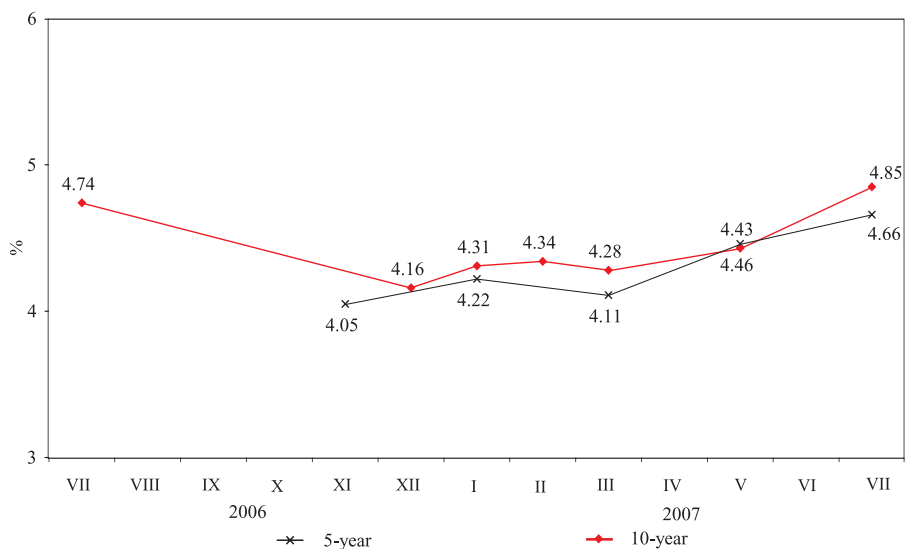
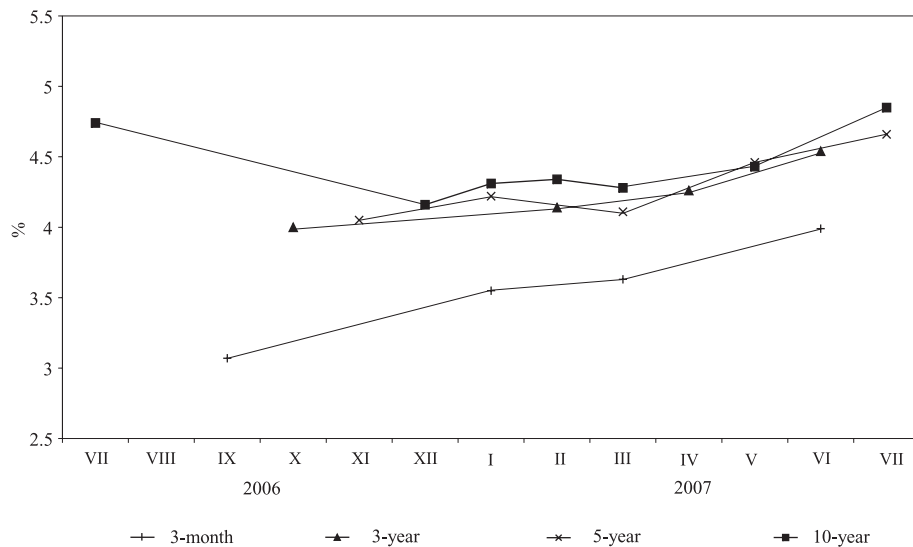


Chart 4

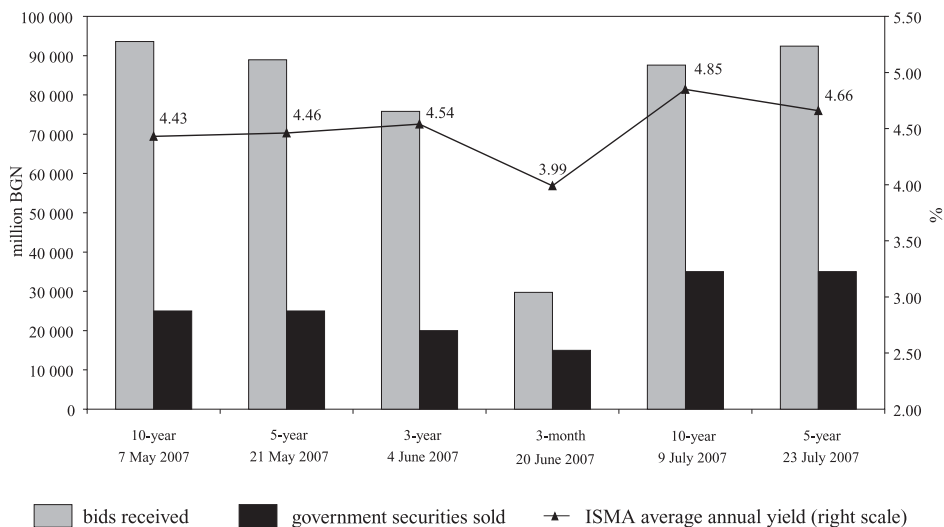
Yield of Primary Market Government Securities by Type



Note: Yield on an effective annual basis.

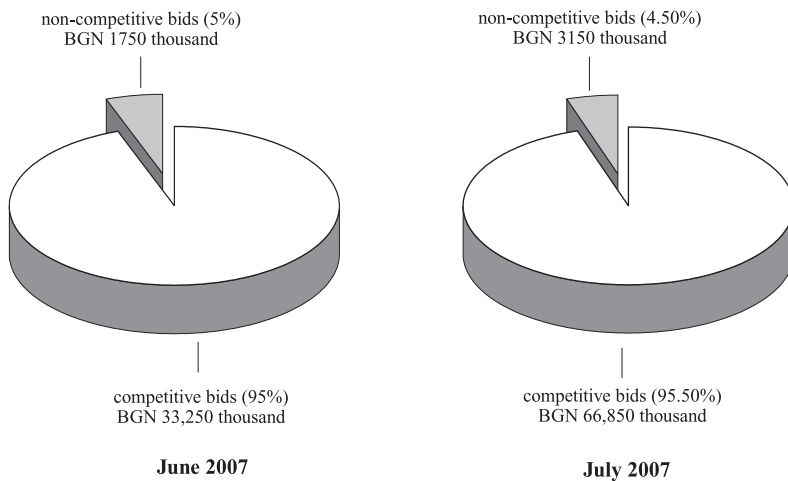
Chart 5

Yield and Sales of Government Securities

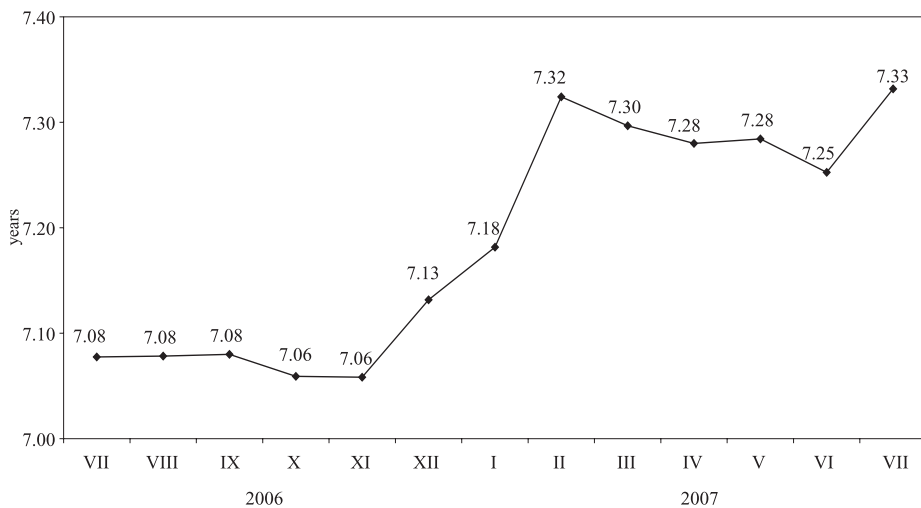


Note: The three-, five- and ten-year government securities issues are tap issues. The above dates indicate the auction dates.

Government Securities Bought in the Primary Market through Competitive and Non-competitive Bids

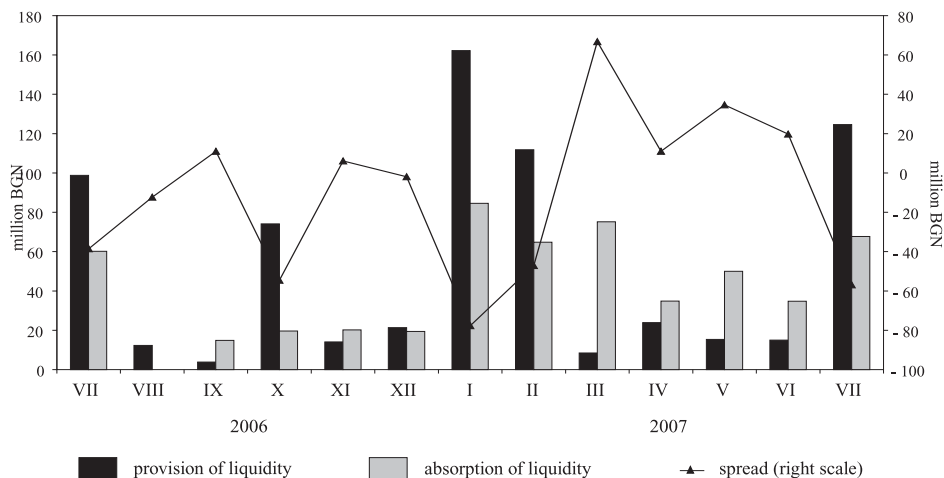


Average Term of Outstanding Government Securities Issues by Year



Note: The average term is calculated on the basis of the maturity structure of government securities issued for budget deficit financing.

Liquidity Provision and Absorption through Government Securities Maturities and Issues



Pending Payments on Government Securities in September 2007

(BGN'000)

Government securities	Monday	Tuesday	Wednesday	Thursday	Friday
	3	4	5	6	7
Bonds Target issues	3.22				
	10	11	12	13	14
Bonds Target issues					
	17	18	19	20	21
Bills Bonds Target issues	2 639.34			15 000.00	
	24	25	26	27	28
Bonds Target issues	620.34				
	1.X.				
Bills Bonds Target issues	6.21				

Note: When the payment day is not a business day, payment is effected on the following business day.

Calendar of Government Securities Issues in September 2007

Auction date	Issue date	Maturity date	Issue term	Scheduled volume (BGN)
10.09.2007	12.09.2007	12.12.2007	3-месечни	15 000 000
17.09.2007*	19.09.2007	10.01.2017	10-годишни	35 000 000
24.09.2007*	26.09.2007	24.01.2012	5-годишни	25 000 000
TOTAL				75 000.00
Bills				15 000.00
Bonds				60 000.00

Note: The Ministry of Finance is entitled to make relevant adjustments in the calendar where necessary.

* Tap issue.

By end-July 2007 domestic debt totaled BGN 3,017,918.8 thousand in nominal terms. The share of government securities issues in total debt was 87.6 per cent (BGN 2,644,452.2 thousand) and that of government securities issued for structural reform 12.4 per cent (BGN 373,466.6 thousand, Chart 9).

Government securities issued since early 2007 amounted to BGN 415,000 thousand. Redeemed government securities accounted for BGN 314,560.8 thousand. In July issued government securities and effected operations led to a change in the maturity structure of the five-year government securities: their share decreased to 25.1 per cent at the expense of the other government securities whose shares increased (Chart 10). The average-weighted maturity of government securities issues was seven years and four months. A payment on a bond loan under CMD 186/93, issue 99/1993, amounting to BGN 127.2 thousand, was effected. Government securities issued for structural reform amounted to BGN 373,466.6 thousand by the end of the review month.

Debt foreign exchange structure experienced slight changes in July (Chart 11). The shares of government securities in levs and US dollars decreased to 74.3 per cent and 5.6 per cent respectively, while the share of government securities in euro increased to 20.1 per cent on the previous month. The maturity structure also changed. Short-term government securities reached 0.5 per cent, while medium-term government securities decreased to 34.3 per cent at the expense of long-term government securities which increased to 65.2 per cent (Chart 12). Government securities with fixed interest coupons comprised 87.6 per cent and government securities with floating interest coupons 12.4 per cent.

Since early-2007 interest and discounts paid on government securities issued on the domestic market have totaled BGN 116,751.4 thousand. Payments on government securities issues amounted to BGN 100,474 thousand or 86.1 per cent of the total repaid interest and discounts (Chart 16). Interest paid on seven-year bonds occupied the largest share, 32.7 per cent, followed by interest payments on five-year bonds, 30.5 per cent (Chart 15).

Domestic Debt

(BGN'000)

Structure	Amount as of 31 Dec. 2006	Change in 2007		Amount as of 31 July 2007
		increase	decrease	
I. DEBT ON GOVERNMENT SECURITIES ISSUES				
1. Government securities issued in 2001	30 000.0	-	-	30 000.0
1.1. Long-term	30 000.0	-	-	30 000.0
7-year	30 000.0	-	-	30 000.0
2. Government securities issued in 2002	499 670.0	-	174 750.0	324 920.0
2.1. Medium-term	174 750.0	-	174 750.0	0.0
5-year	174 750.0	-	174 750.0	-
2.2. Long-term	324 920.0	-	-	324 920.0
7-year	240 000.0	-	-	240 000.0
10-year	84 920.0	-	-	84 920.0
3. Government securities issued in 2003	780 945.1	-	-	780 945.1
3.1. Medium-term	175 000.0	-	-	175 000.0
5-year	175 000.0	-	-	175 000.0
3.2. Long-term	605 945.2	-	-	605 945.2
7-year	310 362.2	-	-	310 362.2
EUR-denominated (lev equivalent)	205 362.2	-	-	205 362.2
10-year	100 000.0	-	-	100 000.0
15-year	195 583.0	-	-	195 583.0
EUR-denominated (lev equivalent)	195 583.0	-	-	195 583.0
4. Government securities issued in 2004	379 353.5	-	109 786.4	269 567.0
4.1. Medium-term	219 353.5	-	109 786.4	109 567.0
3-year	110 834.2	-	109 746.5	1 087.7
5-year	108 519.2	-	39.9	108 479.3
EUR-denominated (lev equivalent)	8 519.2	-	39.9	8 479.3
4.2. Long-term	160 000.0	-	-	160 000.0
7-year	80 000.0	-	-	80 000.0
10-year	80 000.0	-	-	80 000.0
5. Government securities issued in 2005	401 314.3	-	24.3	401 290.0
5.1. Medium-term	251 314.3	-	24.3	251 290.0
3-year	150 491.0	-	18.3	150 472.7
5-year	100 823.3	-	6.0	100 817.3
EUR-denominated (lev equivalent)	823.3	-	6.0	817.3
5.2. Long-term	150 000.0	-	-	150 000.0
10-year	150 000.0	-	-	150 000.0
6. Government securities issued in 2006	452 730.0	-	-	452 730.0
6.1. Medium-term	282 730.0	-	-	282 730.0
3-year	127 730.0	-	-	127 730.0
5-year	155 000.0	-	-	155 000.0
6.2. Long-term	170 000.0	-	-	170 000.0
10-year	170 000.0	-	-	170 000.0
7. Government securities issued in 2007		415 000.0	30 000.0	385 000.0
7.1. Short-term		45 000.0	30 000.0	15 000.0
3-month		45 000.0	30 000.0	15 000.0
7.2. Medium-term		215 000.0	-	215 000.0
3-year		90 000.0	-	90 000.0
5-year		125 000.0	-	125 000.0
7.3. Long-term		155 000.0	-	155 000.0
10-year		155 000.0	-	155 000.0
TOTAL (I)	2 544 012.9	415 000.0	314 560.8	2 644 452.2

(continued)

(continued)

(BGN'000)

Structure	Amount as of 31 Dec. 2006	Change in 2007		Amount as of 31 July 2007
		increase	decrease	
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM				
1. Long-term government bonds issued pursuant to CM Decree No. 244 of 1991	1 375.9	-	275.2	1 100.7
2. Long-term government bonds issued pursuant to CM Decree No. 234 of 1992	1 399.0	-	127.2	1 271.8
3. Long-term government bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993 in BGN	5 167.5	-		5 167.5
denominated in USD	128 557.3		9 889.0	118 668.3
lev equivalent	190 915.4			169 325.5
denominated in EUR	108 590.1	-	8 353.1	100 237.0
lev equivalent	212 383.8			196 046.6
4. Long-term government bonds issued pursuant to CM Decree No. 3 of 1994	554.5	-		554.5
TOTAL (II)	411 796.1			373 466.6
DOMESTIC DEBT, TOTAL	2 955 809.0			3 017 918.8

- Notes:**
- As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of March 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in the stock of domestic and external debts are reported at nominal value.
 - The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the loans extended by the BNB to the MF are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.
 - Debt recalculation in US dollars and euro is based on BNB exchange rate of the relevant currency against the lev for the last business day of the respective period.

Changes in Domestic Government Debt

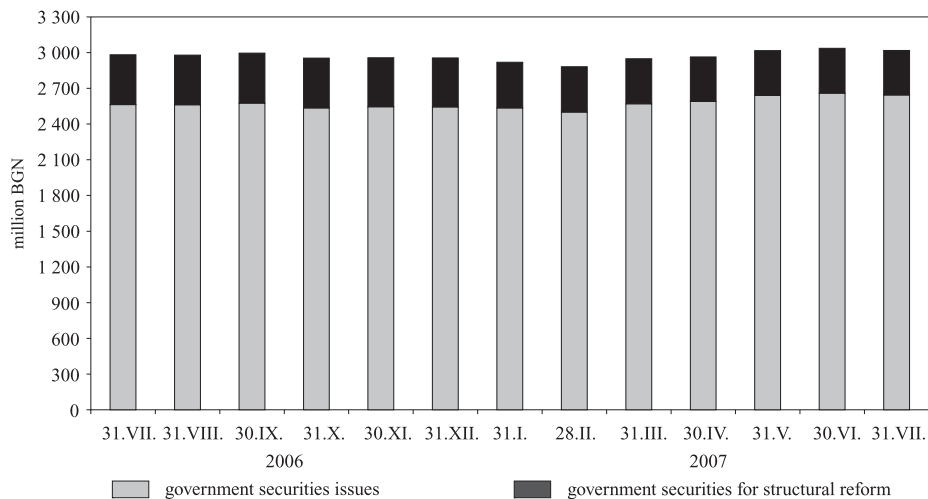
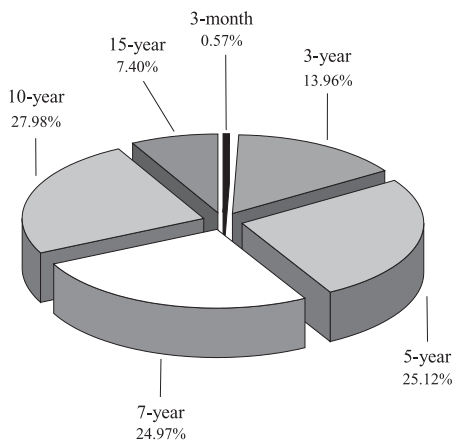


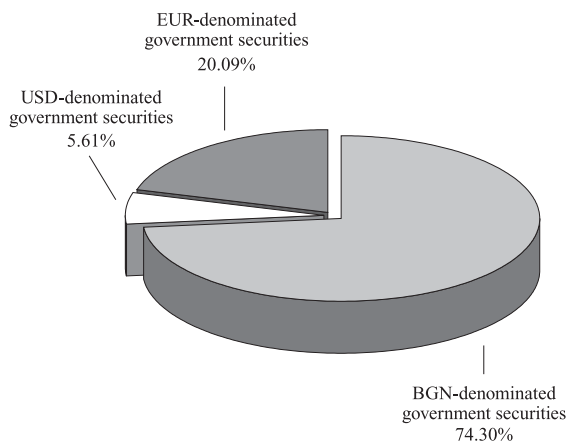
Chart 10

Outstanding Government Securities Issues as of 31 July

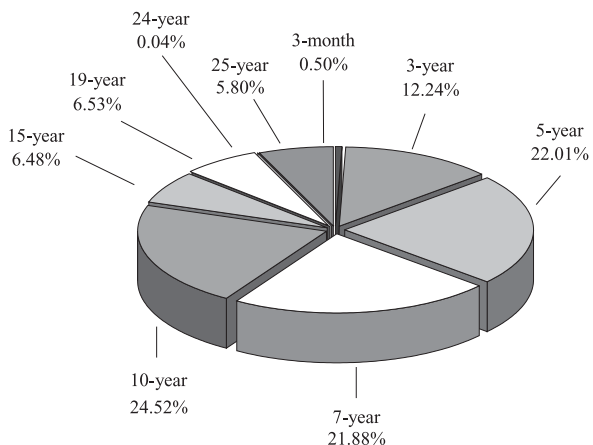


Note: The average-weighted maturity of government securities issues is seven years and four months.

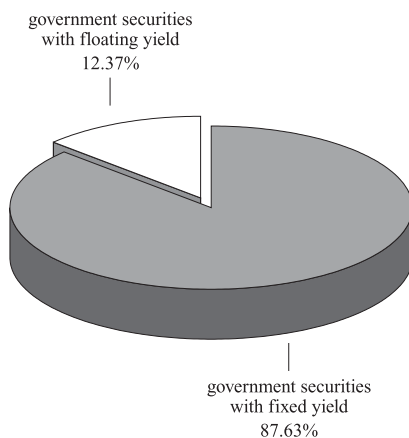
Currency Composition of Outstanding Government Securities as of 31 July



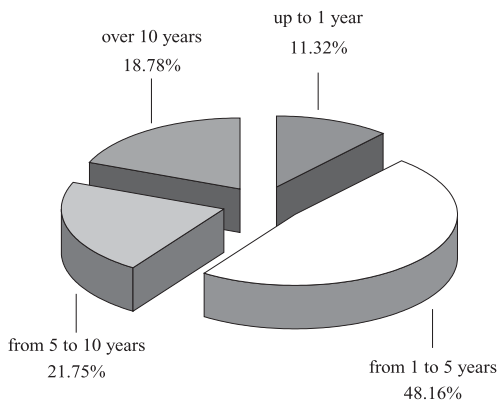
Maturity Structure of Outstanding Government Securities as of 31 July



Shares of Outstanding Government Securities with Fixed and Floating Yield as of 31 July



Residual Maturity of Domestic Debt as of 31 July

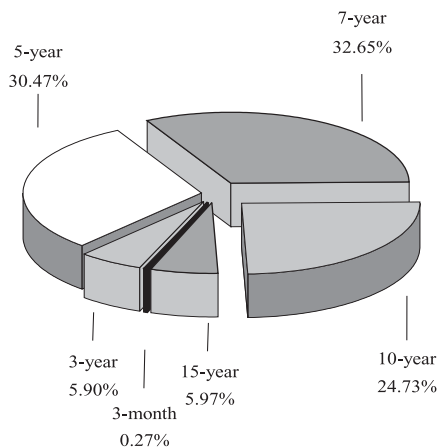


Expenditure on Domestic Debt between 1 January and 31 July 2007

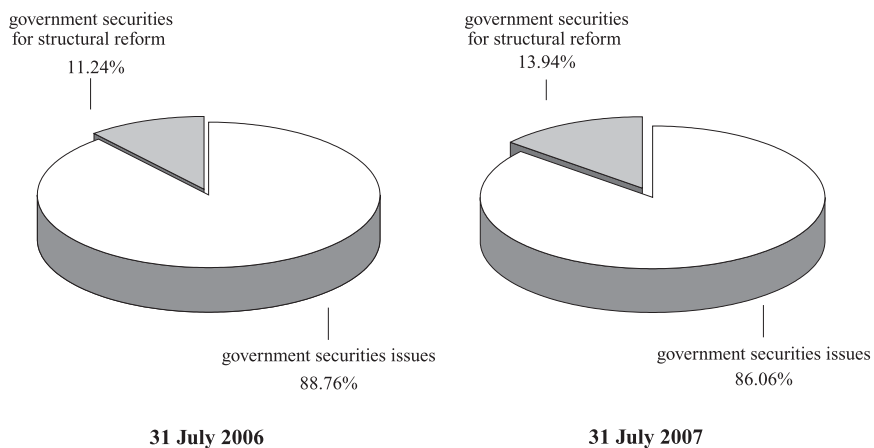
(BGN'000)

Debt structure	Amount of repaid interest (discount)
I. DEBT ON GOVERNMENT SECURITIES ISSUES	
1. Government securities issued in 2001	1 115.8
1.1. Long-term	1 115.8
7-year	1 115.8
2. Government securities issued in 2002	29 710.1
2.1. Medium-term	9 400.5
5-year	9 400.5
2.2. Long-term	20 309.6
7-year	17 133.8
10-year	3 175.8
3. Government securities issued in 2003	33 253.5
3.1. Medium-term	8 968.8
5-year	8 968.8
3.2. Long-term	24 284.7
7-year	11 808.3
10-year	6 625.0
15-year	5 851.4
4. Government securities issued in 2004	10 314.7
4.1. Medium-term	6 302.0
3-year	1 384.0
5-year	4 918.0
4.2. Long-term	4 012.7
7-year	1 915.6
10-year	2 097.1
5. Government securities issued in 2005	10 903.0
5.1. Medium-term	4 528.0
3-year	2 619.1
5-year	1 908.9
5.2. Long-term	6 375.0
10-year	6 375.0
6. Government securities issued in 2006	12 370.7
6.1. Medium-term	6 420.7
3-year	1 770.7
5-year	4 650.0
6.2. Long-term	5 950.0
10-year	5 950.0
7. Government securities issued in 2007	2 806.3
7.1. Short-term	269.2
3-month	269.2
7.2. Medium-term	815.2
3-year	-503.5
5-year	1 318.7
7.3. Long-term	1 721.9
10-year	1 721.9
TOTAL (I)	100 474.0
II. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM	
A. Debt on government securities issued to settle non-performing loans of state-owned companies to banks	
1. Bonds issued pursuant to CM Decree No. 244 of 1991	50.4
2. Bonds issued pursuant to CM Decree No. 234 of 1992	46.2
3. Bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993	16 180.8
lev bonds	69.0
USD-denominated bonds (in BGN at the current exchange rate)	9 538.4
EUR-denominated bonds (in BGN at the fixed exchange rate)	6 573.4
4. Bonds issued pursuant to CM Decree No. 3 of 1994	
Total (A)	16 277.4
TOTAL (II)	16 277.4
EXPENDITURE ON GOVERNMENT DEBT, TOTAL	116 751.4

Structure of Expenditure on Government Securities Issues as of 31 July



Structure of Expenditure on Domestic Debt



By end-July external debt totaled EUR 4214.9 million in nominal terms. Government debt accounted for EUR 3666.6 million and government guaranteed debt amounted to EUR 548.4 million.

In July new external financing came to BGN 56,703.3 thousand. Payments on the debt totaled BGN 90,022.2 thousand, including principal payments of BGN 9813.1 thousand and interest payments of BGN 80,209.1 thousand. The bulk of payments was made on government investment loans (BGN 8346.2 thousand) and on government guaranteed loans (BGN 1466.9 thousand). Interest payments were made mainly on bonds (BGN 74,343.9 thousand) and on government investment loans (BGN 3676.5 thousand). In July net external financing was positive and totaled BGN 46,890.2 thousand.

Since early-2007 received loans have totaled BGN 400,220.5 thousand, of which BGN 49,878.7 thousand receipts from tranches on government guaranteed loans. Payments on the debt have amounted to BGN 1,626,671.2 thousand, including BGN 1,197,513.6 thousand principal repayments. The largest amounts were repaid to the IMF (BGN 498,328.5 thousand), on bonds (BGN 483,358.9 thousand), on government investment loans (BGN 62,483.2 thousand) and to the European Union (BGN 61,119.7 thousand).

Changes occurred in foreign exchange debt structure as a result of payment. Debt denominated in US dollars decreased on the previous month reaching 27 per cent by the close of July. The shares of debt denominated in euro and in other currencies went up to 66.6 per cent and 6.4 per cent respectively. Debt interest structure also changed. Debt with floating interest rates reached 38.6 per cent against 61.4 per cent of debt with fixed interest rates. The average-weighted residual term to maturity of the external debt was nine years and six months.

The structure of external debt by type of creditor was as follows: debt on other bonds (global bonds and eurobonds) comprising 41.9 per cent, to the World Bank 21.1 per cent, on government investment loans 14.6 per cent and on government guaranteed loans 13 per cent. Obligations to the European Union accounted for 4.4 per cent and to the Paris Club 3.4 per cent.

External Debt

(million EUR)

Structure	as of 31.XII.2006	as of 31.III.2007	as of 30.VI.2007	as of 31.VII.2007
Government debt	4 134.3	3 799.2	3 662.2	3 666.6
I. Bonds	2 050.2	1 789.5	1 776.3	1 762.4
1. Bonds	2 050.2	1 789.5	1 776.3	1 762.4
II. Loans	2 084.1	2 009.7	1 885.9	1 904.2
1. Paris Club	151.1	144.8	144.8	144.8
2. World Bank	787.0	786.8	884.3	885.2
2.1. World Bank	726.7	726.5	829.5*	829.4
2.2. JBIC (JEXIM)	60.4	60.2	54.8	55.8
3. G24	14.3	14.3	14.3	14.3
4. European Union	215.0	183.8	183.8	183.8
5. IMF	258.9	237.2	-	-
6. Other	44.2	44.2	37.9	37.9
7. Government investment loans	588.6	575.4	597.7	615.2
7.1. World Bank	168.2	170.2	171.4	174.4
7.2. European Investment Bank	282.8	272.0	295.4	309.7
7.3. EBRD	8.1	4.6	4.1	2.7
7.4. Other	129.6	128.6	126.8*	128.3
8. Called government guarantees	25.0	23.2	23.1	23.1
8.1. World Bank	25.0	23.2	23.1	23.1
Government guaranteed debt	551.2	550.4	541.1	548.4
1. World Bank	91.6	89.3	87.7*	87.3
2. European Investment Bank	7.0	7.0	6.5	6.5
3. EBRD	49.0	45.9	44.0	47.9
4. Other	403.6	408.1	403.0*	406.6
EXTERNAL DEBT, TOTAL	4 685.5	4 349.6	4 203.3	4 214.9
EXTERNAL DEBT, TOTAL (million USD)	6 170.8	5 792.8	5 518.2	5 777.4

Notes: 1. Debt based on cash flows. External debt based on cash flows as of 1 January 2003.

2. Loans in the *Government investment loans* and *Government guaranteed debt* items have been rearranged according to the provisions of the Law on the Government Debt (published in the Darjaven Vestnik, issue 93 of 1 October 2002).

3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the loans extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. In the *Government Debt Management* bulletin, debt to the IMF is included in the external debt structure and excluded from domestic debt structure in order to avoid any mistakes in using debt information.

4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

5. Preliminary data for the last month.

* Revised data.

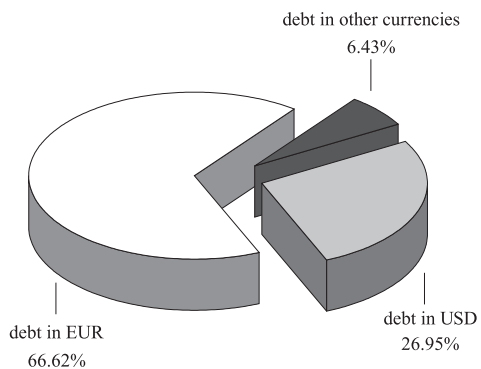
New External Financing and External Debt Payments as of 31 July

(BGN'000)

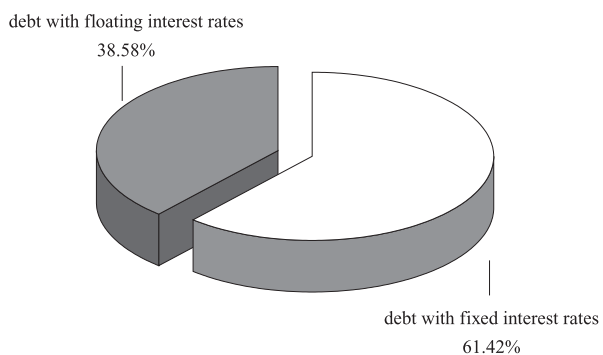
Structure	Received loans (tranches)	Payments, incl.	
		installments	interest
Government debt	350 341.8	1 158 856.0	401 609.8
I. Bonds	-	483 358.9	316 891.6
1. Bonds	-	483 358.9	316 891.6
II. Loans	350 341.8	675 497.0	84 718.2
1. Paris Club	-	12 314.3	5 023.1
2. World Bank	222 964.6	25 464.2	28 962.9
2.1. World Bank	222 964.6	21 289.8	27 723.2
2.2. JBIC (JEXIM)	-	4 174.4	1 239.8
3. G24	-	-	524.1
4. European Union	-	61 119.7	7 493.2
5. IMF	-	498 328.5	12 896.5
6. Other	-	12 355.7	1 895.5
7. Government investment loans	127 377.2	62 483.2	27 052.1
7.1. World Bank	23 777.0	11 303.5	6 558.8
7.2. European Investment Bank	93 879.8	36 859.0	14 168.6
7.3. EBRD	-	10 154.1	630.9
7.4. Other	9 720.4	4 166.6	5 693.8
8. Called government guarantees	-	3 431.5	870.8
8.1. World Bank	-	3 431.5	870.8
8.2. European Investment Bank	-	-	-
8.3. Other	-	-	-
Government guaranteed debt	49 878.7	38 657.6	27 547.8
1. World Bank	4 561.8	9 754.6	3 880.2
2. European Investment Bank	-	1 068.0	269.4
3. EBRD	9 379.7	10 381.5	2 366.6
4. Other	35 937.1	17 453.5	21 031.6
TOTAL	400 220.5	1 197 513.6	429 157.6

Notes: 1. Lev equivalence of the new external financing received and payments effected is calculated on the basis of BNB central exchange rates of the respective foreign currencies against the Bulgarian lev valid until 4.00 p.m. on the day of corresponding payment.
2. Preliminary data.

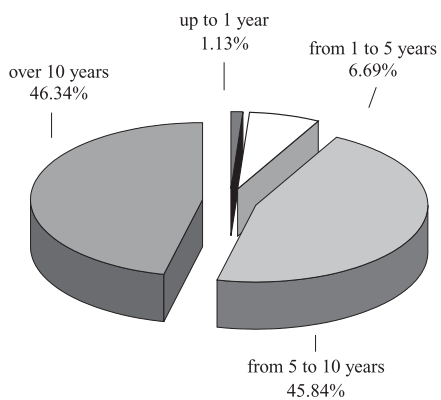
Currency Composition of the External Debt as of 31 July



Interest Rate Structure of the External Debt as of 31 July



Residual Maturity of the External Debt as of 31 July



Note: The average-weighted residual maturity of the external debt is nine years and six month.

By end-July government and government guaranteed debt totaled EUR 5758 million nominal value, including domestic debt of EUR 1543 million and external debt of EUR 4214.9 million. The increase in nominal terms came to some EUR 2.4 million on the previous month due mainly to positive financing.

By end-July the *debt to GDP* ratio retained its previous month level of 22 per cent. The value of this indicator for domestic debt and external debt accounted for 5.9 per cent and 16.1 per cent respectively (Chart 20).

Domestic debt occupied 26.8 per cent and external debt 73.2 per cent in the debt structure (Chart 21).

The foreign exchange debt structure experienced certain changes due to effected operations. By end-July debt in US dollars reached 21.2 per cent, in euro 54.2 per cent, in levs 19.9 per cent and in other currencies 4.7 per cent (Chart 22).

In the structure of external debt by type of creditor bonds (global bonds and eurobonds) occupied the largest share, totaling 30.6 per cent, followed by domestic debt (government securities) 26.8 per cent, obligations to the World Bank 15.4 per cent, government investment loans 10.7 per cent and government guaranteed debt 9.5 per cent (Chart 23).

By end-July debt interest structure also experienced changes: debt with fixed interest rates reached 68.4 per cent and debt with floating interest rates comprised 31.6 per cent (Chart 24).

Since early-2007 payments on government and government guaranteed debt have totaled BGN 2074.9 million including domestic debt payments of BGN 461.4 million and external debt payments of BGN 1613.5 million (Chart 25). In July payments on government investment loans occupied the largest share. Domestic debt payments were effected mainly on government securities issues.

Payments in euro (recalculated in levs: BGN 1230.7 million) dominated the foreign exchange composition of debt payments, followed by payments in levs (BGN 461.4 million) and in US dollars (BGN 351.1 million) (Chart 26).

Government and Government Guaranteed Debt

(million EUR)

Structure	as of 31.XII.2006	as of 31.III.2007	as of 30.VI.2007	as of 31.VII.2007
Domestic debt	1 511.3	1 507.6	1 552.2	1 543.0
I. Government debt	1 511.3	1 507.6	1 552.2	1 543.0
1. Debt on government securities issues	1 300.7	1 314.0	1 359.9	1 352.1
2. Government securities issued for structural reform	210.5	193.5	192.3	191.0
II. Government guaranteed debt	-	-	-	-
External debt	4 685.5	4 349.6	4 203.3	4 214.9
I. Government debt	4 134.3	3 799.2	3 662.2	3 666.6
1. Bonds	2 050.2	1 789.5	1 776.3	1 762.4
2. Loans	2 084.1	2 009.7	1 885.9*	1 904.2
Government investment loans	588.6	575.5	597.7*	615.2
Called government guarantees	25.0	23.2	23.1	23.1
II. Government guaranteed debt	551.2	550.4	541.1*	548.4
Debt, total	6 196.8	5 857.2	5 755.5	5 758.0
Debt/GDP (%)	24.7	22.4	22.0	22.0
Domestic debt/GDP (%)	6.0	5.8	6.0	5.9
External debt/GDP (%)	18.7	16.6	16.0	16.1

Notes: 1. Debt based on cash flows.

2. GDP projection for 2007: BGN 51,141 million. Revised GDP projection for 2006: BGN 49,090.6 million.

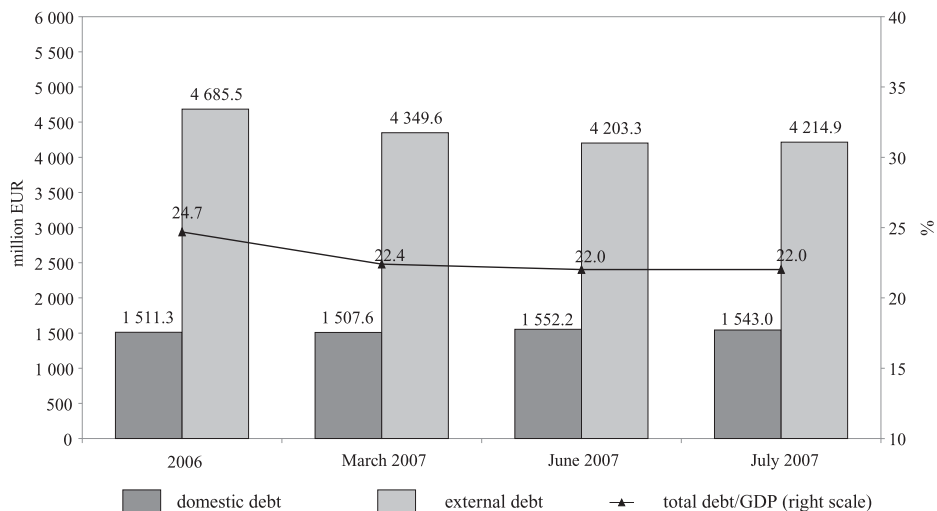
3. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the loans extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.

4. Debt recalculation in US dollars and in euro is based on BNB exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

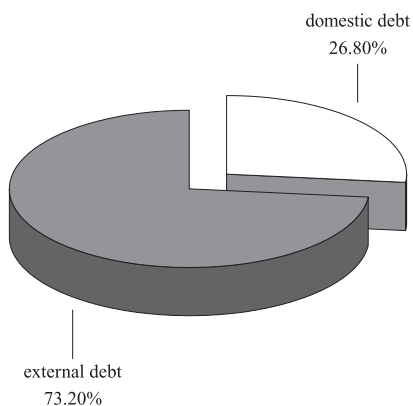
5. Preliminary data for the last month.

* Revised data.

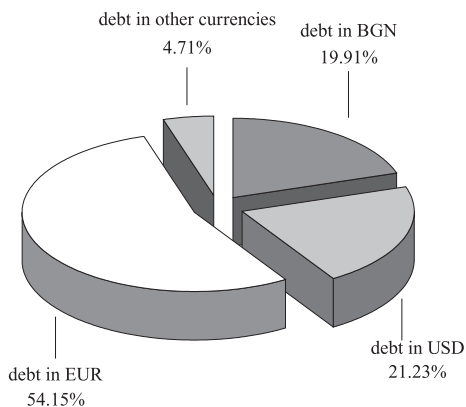
Dynamics of Domestic and External Government and Government Guaranteed Debt



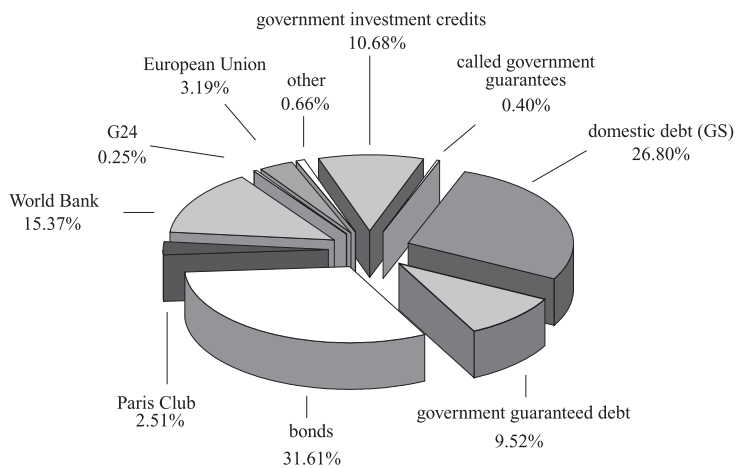
Debt Structure as of 31 July



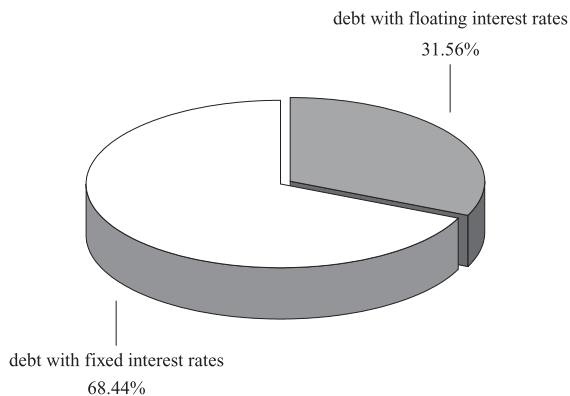
Debt Currency Structure as of 31 July



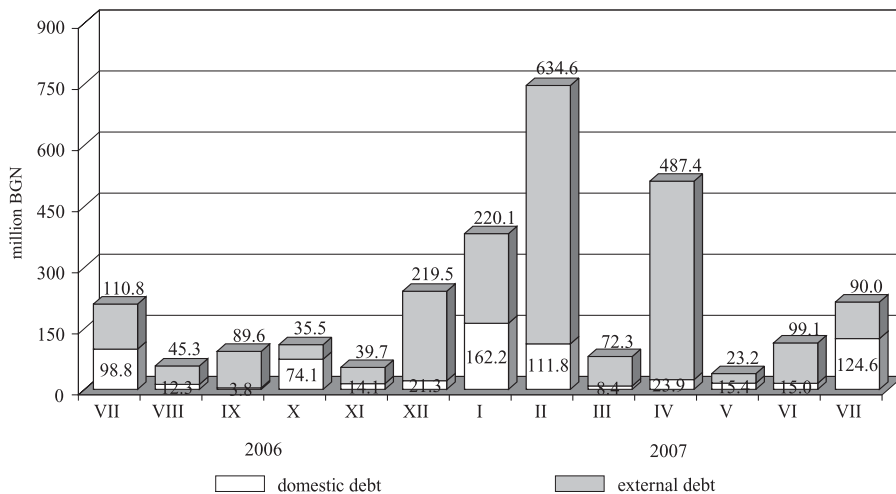
Debt Structure by Creditor as of 31 July



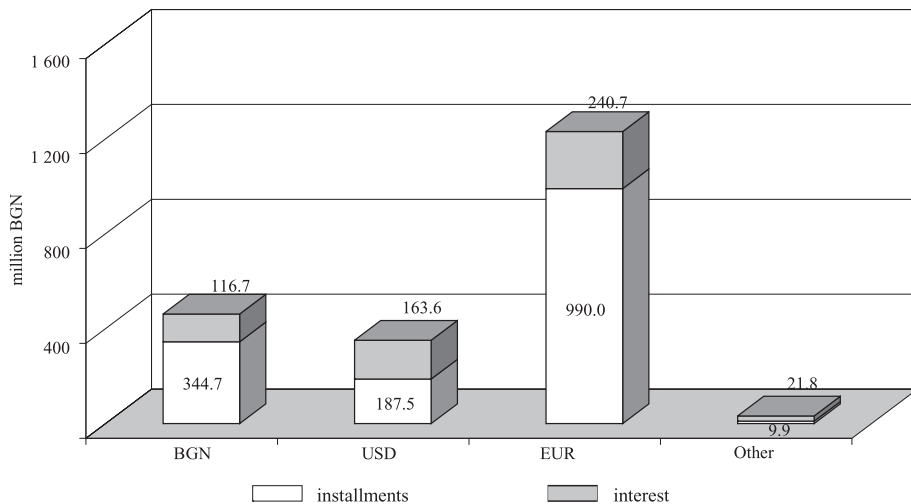
Debt Interest Rate Structure as of 31 July



Government Debt Payments



Currency Structure of Government Debt Payments as of 31 July



Government Securities Issued in Domestic Market and Held by Non-residents

(BGN'000)

Government securities type	31.XII. 2006	31.III. 2007	30.IV. 2007	31.V. 2007	30.VI. 2007
Government securities issues	17 113.6	17 113.6	17 113.6	17 133.1	17 133.1
– in BGN	-	-	-	-	-
– in EUR	17 113.6	17 113.6	17 113.6	17 133.1	17 133.1
Government securities issued for structural reform	1 503.1	41.5	41.0	41.3	41.2
– in EUR	1 426.9	19.0	19.0	19.0	19.0
– in USD	76.2	22.6	22.0	22.3	22.2
Total	18 616.7	17 155.1	17 154.5	17 174.4	17 174.3

Government Securities Issued in International Markets and Held by Residents

(million EUR)

Government securities type	31.XII. 2006	31.III. 2007	30.IV. 2007	31.V. 2007	30.VI. 2007
Eurobonds	123.7	0.0	0.0	0.0	0.0
Global bonds	331.6	429.7	438.7	451.1	463.7
– in EUR	188.0	288.2	296.1	296.7	307.8
– in USD	143.6	141.5	142.6	154.3	156.0
Total	455.3	429.7	438.7	451.1	463.7

MUNICIPAL DEBT AND SOCIAL SECURITY FUNDS DEBT

Municipal Debt and Municipal Guarantees

(BGN'000)

Structure	31.XII. 2006	31.III. 2007	30.IV. 2007	31.V. 2007	30.VI. 2007
I. Municipal debt	233 494.7	251 063.9	244 847.8	261 288.4	265 298.7
<i>1. Domestic municipal debt</i>	<i>159 103.7</i>	<i>163 574.3</i>	<i>158 973.4</i>	<i>178 822.7</i>	<i>175 841.3</i>
1.1. Government securities issues (at nominal value as of corresponding period)	40 208.7	40 142.2	39 812.2	46 100.2*	45 850.2
1.2. Loans from banks and other financial institutions	95 786.8	99 461.1	95 716.9	109 943.1*	109 771.1
1.3. Loans from the republican budget	7 432.9	11 348.9	11 346.4	10 170.1*	8 561.8
1.4. Loans from extrabudgetary accounts and funds	7 246.7	406.5	320.0	-	-
1.5. Loans from other municipalities	-	-	-	-	-
1.6. Called municipal guarantees	-	-	-	-	-
1.7. Other	8 428.6	12 215.6	11 777.9	12 609.3*	11 658.2
2. External municipal debt	74 391.0	87 489.7	85 874.4	82 465.7	89 457.4
2.1. Loans from banks and other financial institutions	26 062.5	38 104.6	38 104.6	33 271.1	33 271.1
2.2. Government guaranteed municipal debt	48 328.5	49 385.1	47 769.8	49 194.5*	56 186.2
II. Municipal guarantees	61 429.8	61 537.1	61 537.1	61 442.7	61 509.5
<i>1. Domestic municipal guarantees</i>	<i>799.0</i>	<i>906.3</i>	<i>906.3</i>	<i>812.0</i>	<i>878.8</i>
<i>2. External municipal guarantees</i>	<i>60 630.7</i>	<i>60 630.7</i>	<i>60 630.7</i>	<i>60 630.7</i>	<i>60 630.7</i>
Municipal debt and municipal guarantees, total (I+II)	294 924.5	312 601.0	306 384.8	322 731.1	326 808.2

- Notes:**
- The loan extended by the Council of Europe Development Bank (CEB) to the Republic of Bulgaria under the *Building and Rehabilitation of Houses for Rom Families* project (utilized by the Sofia Municipality) represents external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. This loan has been guaranteed by the government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
 - The loan extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Loan Agreement is an external municipal debt and is reported under 2.2. *Government guaranteed municipal debt*. Pursuant to the Guarantee Agreement concluded between the Government of Bulgaria and the Government of Japan under the Loan Agreement, this loan is guaranteed by the Bulgarian Government and is reported in the *Government and Government Guaranteed Debt* table, *External Debt, II. Government guaranteed debt*.
 - Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

* Revised data.

Social Security Funds Debt

(BGN'000)

Structure	31.XII. 2006	31.III. 2007	30.IV. 2007	31.V. 2007	30.VI. 2007
Domestic debt	29 367.0	29 352.4	29 321.6	29 339.5	28 216.8
I. National Insurance Institute	29 367.0	29 352.4	29 321.6	29 339.5	28 216.8
1. Other*	29 367.0	29 352.4	29 321.6	29 339.5	28 216.8
2. Loans from the republican budget	-	-	-	-	-
II. National Health Insurance Fund	-	-	-	-	-
III. Teachers' Pension Fund	-	-	-	-	-
External debt	-	-	-	-	-

Note: Debt recalculation in US dollars and in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.

*This loan was extended by the Ministry of Finance to the National Insurance Institute under a subloan agreement concluded on the basis of the loan agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project.

(million EUR)

Structure	31.XII. 2006	31.III. 2007	30.IV. 2007	31.V. 2007	30.VI. 2007
I. Consolidated government debt	5 764.7	5 435.2	5 171.7	5 222.9	5 350.1
1. Central government debt	5 645.6	5 306.8	5 046.5	5 089.3	5 214.4
2. Social security funds debt	0.0	0.0	0.0	0.0	0.0
3. Municipal debt	119.1	128.4	125.2	133.6*	135.6
Consolidated government debt/GDP, total (%)	23.0	20.8	19.8	20.0	20.5

- Notes:** 1. As of 1 April 2004 statistical reporting of total government, government guaranteed and consolidated debts has changed. The practice adopted as of January 2003 of reporting bond obligations at acquisition value has been discontinued. After the change, securities included in domestic and external debt are reported at nominal value.
2. Revised GDP projection for 2007: BGN 51,141 million. GDP projection for 2006: BGN 49,090.6 million.
3. Debt recalculation in euro is based on the BNB central exchange rates of the relevant currencies against the Bulgarian lev valid for the last business day of each period.
4. The IMF extends its tranches to the central bank which then on-lends them to the government under Article 45 of the Law on the BNB. So far, the loans extended to the MF by the BNB are reported as domestic government debt to the BNB, on the one hand, and external debt of the BNB to the IMF, on the other hand. Debt to the IMF is included in the external debt structure and excluded from domestic debt structure in the *Government Debt Management* bulletin.
5. The loan extended by the Ministry of Finance to the National Insurance Institute under a subloan agreement concluded on the basis of the loan agreement between the Republic of Bulgaria and the International Bank for Reconstruction and Development (the World Bank) under the *Social Insurance Administration* project is excluded from 2. *Social security funds debt* and is reported under 1. *Central government debt*.
6. The loan extended by the Japan Bank for International Cooperation (JBIC) to the Sofia Municipality under the Loan Agreement represents an external municipal debt and is reported under *Consolidated government debt, 3. Municipal debt*. Pursuant to the Guarantee Agreement concluded between the governments of Bulgaria and Japan under the Loan Agreement, this loan is guaranteed by the Bulgarian Government.

* Revised data.

APPENDIX

Outstanding Government Securities

Discount Treasury Bills

3-month government securities

Issue No. **BG3010207002**

Issue date 20.06.2007

Maturity date 20.09.2007

Nominal value of the offer (BGN'000) 15 000.00

Total nominal value of the bids received (BGN'000) 29 750.00

Total nominal value of the bids approved (BGN'000) 15 000.00

Average price of the bids approved per BGN 100 (%) 98.99

Average discount per BGN 100 (%) 1.01

Average annual yield (%) 3.99

Effective annual yield (%) 4.05

Bid-to-cover ratio 1.98

Note: Since 22 November 2004 government securities yield has been calculated according to ISMA-International Yield.

Treasury Bonds

3-year government securities

Issue No.	BG2030106111 ⁴				BG2030107119 ²				
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening	Total for the issue
Auction date	06.02.2006	10.04.2006	19.06.2006	23.10.2006		05.02.2007	16.04.2007	04.06.2007	
Issue date	08.02.2006	08.02.2006	08.02.2006	08.02.2006	08.02.2006	07.02.2007	07.02.2007	07.02.2007	07.02.2007
Maturity date	08.02.2009	08.02.2009	08.02.2009	08.02.2009	08.02.2009	07.02.2010	07.02.2010	07.02.2010	07.02.2010
Nominal value of the offer (BGN'000)	35 000.00	40 000.00	45 000.00	20 000.00	140 000.00	35 000.00	35 000.00	20 000.00	90 000.00
Total nominal value of the bids received (BGN'000)	87 800.00	48 950.00	32 730.00	64 720.00	234 200.00	112 250.00	82 500.00	75 800.00	270 550.00
Total nominal value of the bids approved (BGN'000)	35 000.00	40 000.00	32 730.00	20 000.00	127 730.00	35 000.00	35 000.00	20 000.00	90 000.00
Average price of the bids approved per BGN 100 (%)	98.74	97.20	96.19	97.38	97.39	99.16	98.91	98.27	98.87
Interest rate	2.75	2.75	2.75	2.75	2.75	3.80	3.80	3.80	3.80
Bid-to-cover ratio	2.51	1.22	0.73	3.24	1.67	3.21	2.36	3.79	3.01
Average annual yield (%)	3.23	3.85	4.35	4.00	3.83	4.14	4.26	4.54	4.28

(continued)

5-year government securities

Issue No.	BG2030003110 ³			Total for the issue
	First opening	Second opening	Third opening	
Auction date	13.01.2003	10.02.2003	02.06.2003	
Issue date	15.01.2003	15.01.2003	15.01.2003	15.01.2003
Maturity date	15.01.2008	15.01.2008	15.01.2008	15.01.2008
Nominal value of the offer (BGN'000)	30 000.00	25 000.00	20 000.00	75 000.00
Total nominal value of the bids received (BGN'000)	87 720.00	50 900.00	49 450.00	188 070.00
Total nominal value of the bids approved (BGN'000)	30 000.00	25 000.00	20 000.00	75 000.00
Average price of the bids approved per BGN 100 (%)	100.42	100.55	100.40	100.46
Interest rate	5.625	5.625	5.625	5.625
Bid-to-cover ratio	2.92	2.04	2.47	2.51
Average annual yield (%)	5.53	5.50	5.53	5.52

5-year government securities

Issue No.	BG2030203116 ⁵					Total for the issue
	First opening	Second opening	Third opening	Fourth opening	Fifth opening	
Auction date	07.07.2003	04.08.2003	08.09.2003	12.11.2003	01.12.2003	
Issue date	09.07.2003	09.07.2003	09.07.2003	09.07.2003	09.07.2003	09.07.2003
Maturity date	09.07.2008	09.07.2008	09.07.2008	09.07.2008	09.07.2008	09.07.2008
Nominal value of the offer (BGN'000)	25 000.00	15 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	47 300.00	37 150.00	43 600.00	56 500.00	60 750.00	245 300.00
Total nominal value of the bids approved (BGN'000)	25 000.00	15 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	99.12	98.33	98.25	99.22	99.48	98.92
Interest rate	4.75	4.75	4.75	4.75	4.75	4.75
Bid-to-cover ratio	1.89	2.48	2.18	2.83	3.04	2.45
Average annual yield (%)	4.95	5.13	5.15	4.93	4.87	5.00

5-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
			BG2030004118 ⁵			
Auction date	05.01.2004	01.03.2004	07.06.2004	13.09.2004	20.12.2004	
Issue date	07.01.2004	07.01.2004	07.01.2004	07.01.2004	07.01.2004	07.01.2004
Maturity date	07.01.2009	07.01.2009	07.01.2009	07.01.2009	07.01.2009	07.01.2009
Nominal value of the offer (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	84 450.00	60 120.00	35 850.00	76 600.00	92 285.00	284 855.00
Total nominal value of the bids approved (BGN'000)	20 000.00	20 000.00	20 000.00	20 000.00	20 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	99.79	100.72	96.88	99.94	103.98	100.26
Interest rate	4.70	4.70	4.70	4.70	4.70	4.70
Bid-to-cover ratio	4.22	3.01	1.79	3.83	4.61	2.85
Average annual yield (%)	4.75	4.54	5.42	4.71	3.67	4.62

(continued)

5-year government securities

(continued)

Issue No.	BG2030105113 ⁴				BG2030006113 ⁴				Total for the issue
	First opening	Second opening	Third opening	Fourth opening	First opening	Second opening	Third opening	Fourth opening	
Auction date	14.02.2005	09.05.2005	15.08.2005	10.10.2005	23.01.2006	20.03.2006	29.05.2006	13.11.2006	
Issue date	16.02.2005	16.02.2005	16.02.2005	16.02.2005	25.01.2006	25.01.2006	25.01.2006	25.01.2006	25.01.2006
Maturity date	16.02.2010	16.02.2010	16.02.2010	16.02.2005	25.01.2011	25.01.2011	25.01.2011	25.01.2011	25.01.2011
Nominal value of the offer (BGN'000)	25 000.00	25 000.00	25 000.00	25 000.00	45 000.00	45 000.00	45 000.00	20 000.00	155 000.00
Total nominal value of the bids received (BGN'000)	108 300.00	98 810.00	105 900.00	71 100.00	125 710.00	75 100.00	72 870.00	77 450.00	351 130.00
Total nominal value of the bids approved (BGN'000)	25 000.00	25 000.00	25 000.00	25 000.00	45 000.00	45 000.00	45 000.00	20 000.00	155 000.00
Average price of the bids approved per BGN 100 (%)	101.43	102.36	103.17	103.09	98.37	96.82	95.47	96.12	96.79
Interest rate	3.75	3.75	3.75	3.75	3.00	3.00	3.00	3.00	3.00
Bid-to-cover ratio	4.33	3.95	4.24	2.84	2.79	1.67	1.62	3.87	2.27
Average annual yield (%)	3.46	3.24	3.01	3.01	3.38	3.76	4.12	4.05	3.79

(continued)

5-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Total for the issue
			BG203000711114		
Auction date	22.01.2007	05.03.2007	21.05.2007	23.07.2007	
Issue date	24.01.2007	24.01.2007	24.01.2007	24.01.2007	24.01.2007
Maturity date	24.01.2012	24.01.2012	24.01.2012	24.01.2012	24.01.2012
Nominal value of the offer (BGN'000)	35 000.00	30 000.00	25 000.00	35 000.00	125 000.00
Total nominal value of the bids received (BGN'000)	101 600.00	94 000.00	88 950.00	92 402.20	376 952.20
Total nominal value of the bids approved (BGN'000)	35 000.00	30 000.00	25 000.00	35 000.00	125 000.00
Average price of the bids approved per BGN 100 (%)	99.22	99.71	98.29	97.55	98.68
Interest rate	4.00	4.00	4.00	4.00	4.00
Bid-to-cover ratio	2.90	3.13	3.56	2.64	3.02
Average annual yield (%)	4.22	4.11	4.46	4.66	4.36

(continued)

7-year government securities

(continued)

Issue No.	BG2040001211 ²			BG2040002219 ²			BG2040102217 ³			
	First opening	Second opening	Total for the issue	First opening	Second opening	Total for the issue	First opening	Second opening	Third opening	Total for the issue
Auction date	29.10.2001	30.11.2001		14.01.2002	21.01.2002		18.02.2002	18.03.2002	13.05.2002	
Issue date	31.10.2001	31.10.2001	31.10.2001	16.01.2002	16.01.2002	16.01.2002	20.02.2002	20.02.2002	20.02.2002	20.02.2002
Maturity date	31.10.2008	31.10.2008	31.10.2008	16.01.2009	16.01.2009	16.01.2009	20.05.2009	20.05.2009	20.05.2009	20.05.2009
Nominal value of the offer (BGN'000)	30 000.00	11 070.00	41 070.00	30 000.00	30 000.00	60 000.00	30 000.00	25 000.00	35 000.00	90 000.00
Total nominal value of the bids received (BGN'000)	53 672.00	54 615.00	108 287.00	106 295.00	99 331.00	205 626.00	63 350.00	58 812.00	58 300.00	180 462.00
Total nominal value of the bids approved (BGN'000)	18 930.00	11 070.00	30 000.00	30 000.00	50 000.00	80 000.00	30 000.00	25 000.00	35 000.00	90 000.00
Average price of the bids approved per BGN 100 (%)	95.45	98.19	96.46	100.47	101.46	101.09	99.05	99.77	99.44	99.40
Interest rate	7.50	7.50	7.50	7.50	7.50	7.50	7.00	7.00	7.00	7.00
Bid-to-cover ratio	1.79	4.93	2.64	3.54	3.31	3.43	2.11	2.35	1.67	2.01
Average annual yield (%)	8.37	7.84	8.17	7.41	7.23	7.30	7.17	7.04	7.10	7.10

(continued)

7-year government securities

(continued)

Issue No.	BG2040302213 ⁴				BG2040103215 ⁵				Total for the issue	
	First opening	Second opening	Third opening	Fourth opening	Total for the issue	First opening	Second opening	Third opening		Fourth opening
Auction date	15.07.2002	19.08.2002	14.10.2002	18.11.2002		03.02.2003	14.04.2003	07.05.2003	21.07.2003	20.10.2003
Issue date	17.07.2002	17.07.2002	17.07.2002	17.07.2002	17.07.2002	05.02.2003	05.02.2003	05.02.2003	05.02.2003	05.02.2003
Maturity date	17.07.2009	17.07.2009	17.07.2009	17.07.2009	17.07.2009	05.02.2010	05.02.2010	05.02.2010	05.02.2010	05.02.2010
Nominal value of the offer (BGN'000)	20 000.00	15 000.00	20 000.00	15 000.00	70 000.00	20 000.00	20 000.00	20 000.00	15 000.00	30 000.00
Total nominal value of the bids received (BGN'000)	29 863.50	24 239.00	48 880.30	86 964.00	189 946.80	77 850.00	49 650.00	34 800.00	46 260.00	68 030.00
Total nominal value of the bids approved (BGN'000)	20 000.00	15 000.00	20 000.00	15 000.00	70 000.00	20 000.00	20 000.00	20 000.00	15 000.00	30 000.00
Average price of the bids approved per BGN 100 (%)	98.39	96.38	96.63	99.09	97.61	100.42	98.90	98.06	101.92	102.27
Interest rate	7.00	7.00	7.00	7.00	7.00	5.875	5.875	5.875	5.875	5.875
Bid-to-cover ratio	1.49	1.62	2.44	5.80	2.71	3.89	2.48	1.74	3.08	2.27
Average annual yield (%)	7.30	7.68	7.63	7.17	7.44	5.80	6.07	6.22	5.54	5.48

(continued)

7-year government securities

(continued)

Issue No.	BG2040203213 ^{2*}			BG2040104213 ⁴			Total for the issue
	First opening	Second opening	Total for the issue	First opening	Second opening	Third opening	
Auction date	18.02.2003	10.03.2003		09.02.2004	03.05.2004	01.11.2004	07.12.2004
Issue date	24.02.2003	24.02.2003	24.02.2003	11.02.2004	11.02.2004	11.02.2004	11.02.2004
Maturity date	24.05.2010	24.05.2010	24.05.2010	11.02.2011	11.02.2011	11.02.2011	11.02.2011
Nominal value of the offer (BGN'000)	50 000.00	25 000.00	75 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Total nominal value of the bids received (BGN'000)	139 990.00	76 475.00	216 465.00	76 850.00	39 060.00	90 400.00	303 310.00
Total nominal value of the bids approved (BGN'000)	50 000.00	55 000.00	105 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Average price of the bids approved per BGN 100 (%)	100.99	100.55	100.76	98.42	96.77	99.61	101.69
Interest rate	5.75	5.75	5.75	4.75	4.75	4.75	4.75
Bid-to-cover ratio	2.80	3.06	2.89	3.84	1.95	4.52	4.85
Average annual yield (%)	5.58	5.65	5.62	5.02	5.31	4.82	4.48

(continued)

10-year government securities

(continued)

Issue No.	BG2040202215 ⁴				BG204003217 ²		Total for the issue
	First opening	Second opening	Third opening	Fourth opening	First opening	Second opening	
Auction date	15.04.2002	22.04.2002	17.06.2002	22.07.2002	06.01.2003	31.03.2003	
Issue date	17.04.2002	17.04.2002	17.04.2002	17.04.2002	08.01.2003	08.01.2003	08.01.2003
Maturity date	17.04.2012	17.04.2012	17.04.2012	17.04.2012	08.01.2013	08.01.2013	08.01.2013
Nominal value of the offer (BGN'000)	15 000.00	25 000.00	25 000.00	25 000.00	30 000.00	20 000.00	50 000.00
Total nominal value of the bids received (BGN'000)	72 080.00	59 589.60	42 338.50	28 859.30	94 289.80	56 355.00	150 644.80
Total nominal value of the bids approved (BGN'000)	15 000.00	25 000.00	25 000.00	19 920.00	30 000.00	20 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	98.14	96.77	95.92	93.76	104.08	105.18	104.52
Interest rate	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Bid-to-cover ratio	4.81	2.38	1.69	1.15	3.14	2.82	3.01
Average annual yield (%)	7.77	7.97	8.10	8.44	6.93	6.78	6.87

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	Total for the issue	First opening	Second opening	Third opening	Fourth opening	Total for the issue
						BG2040004215⁴		
Auction date	30.06.2003	29.09.2003		02.02.2004	13.04.2004	04.10.2004	15.11.2004	
Issue date	02.07.2003	02.07.2003	02.07.2003	04.02.2004	04.02.2004	04.02.2004	04.02.2004	04.02.2004
Maturity date	02.07.2013	02.07.2013	02.07.2013	04.02.2014	04.02.2014	04.02.2014	04.02.2014	04.02.2014
Nominal value of the offer (BGN'000)	20 000.00	30 000.00	50 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Total nominal value of the bids received (BGN'000)	69 350.00	78 753.00	148 103.00	85 300.00	82 680.00	86 010.00	78 128.00	332 118.00
Total nominal value of the bids approved (BGN'000)	20 000.00	30 000.00	50 000.00	20 000.00	20 000.00	20 000.00	20 000.00	80 000.00
Average price of the bids approved per BGN 100 (%)	98.82	97.71	98.15	97.85	99.20	99.75	101.47	99.57
Interest rate	5.75	5.75	5.75	5.20	5.20	5.20	5.20	5.20
Bid-to-cover ratio	3.47	2.63	2.96	4.27	4.13	4.30	3.91	4.15
Average annual yield (%)	5.91	6.06	6.00	5.48	5.30	5.23	5.01	5.26

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	BG2040005212 ⁶ Fourth opening	Fifth opening	Sixth opening	Total for the issue
Auction date	10.01.2005	07.03.2005	06.06.2005	04.07.2005	19.09.2005	03.10.2005	
Issue date	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005	12.01.2005
Maturity date	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015	12.01.2015
Nominal value of the offer (BGN'000)	25 000.00	25 000.00	15 000.00	35 000.00	25 000.00	25 000.00	150 000.00
Total nominal value of the bids received (BGN'000)	130 600.00	102 150.00	86 325.00	158 625.00	79 707.00	80 350.00	637 757.00
Total nominal value of the bids approved (BGN'000)	25 000.00	25 000.00	15 000.00	35 000.00	25 000.00	25 000.00	150 000.00
Average price of the bids approved per BGN 100 (%)	100.68	101.09	103.74	105.00	106.40	106.20	103.94
Interest rate	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Bid-to-cover ratio	5.22	4.09	5.76	4.53	3.19	3.21	4.25
Average annual yield (%)	4.21	4.16	3.82	3.66	3.47	3.49	3.79

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Fifth opening	Total for the issue
			BG2040006210^s			
Auction date	03.01.2006	20.02.2006	25.04.2006	24.07.2006	18.12.2006	
Issue date	04.01.2006	04.01.2006	04.01.2006	04.01.2006	04.01.2006	04.01.2006
Maturity date	04.01.2016	04.01.2016	04.01.2016	04.01.2016	04.01.2016	04.01.2016
Nominal value of the offer (BGN'000)	50 000.00	30 000.00	50 000.00	20 000.00	20 000.00	170 000.00
Total nominal value of the bids received (BGN'000)	96 350.00	107 905.00	97 410.00	67 765.00	87 500.00	456 930.00
Total nominal value of the bids approved (BGN'000)	50 000.00	30 000.00	50 000.00	20 000.00	20 000.00	170 000.00
Average price of the bids approved per BGN 100 (%)	98.26	97.61	92.02	91.00	95.36	95.11
Interest rate	3.50	3.50	3.50	3.50	3.50	3.50
Bid-to-cover ratio	1.93	3.60	1.95	3.39	4.38	2.69
Average annual yield (%)	3.74	3.83	4.58	4.74	4.16	4.17

(continued)

10-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	BG2040007218 ^s Fourth opening	Five opening	Total for the issue
Auction date	08.01.2007	19.02.2007	12.03.2007	07.05.2007	09.07.2007	
Issue date	10.01.2007	10.01.2007	10.01.2007	10.01.2007	10.01.2007	10.01.2007
Maturity date	10.01.2017	10.01.2017	10.01.2017	10.01.2017	10.01.2017	10.01.2017
Nominal value of the offer (BGN'000)	35 000.00	30 000.00	30 000.00	25 000.00	35 000.00	155 000.00
Total nominal value of the bids received (BGN'000)	133 640.00	120 700.00	98 700.00	93 600.00	87 600.00	534 240.00
Total nominal value of the bids approved (BGN'000)	35 000.00	30 000.00	30 000.00	25 000.00	35 000.00	155 000.00
Average price of the bids approved per BGN 100 (%)	99.94	99.72	100.18	99.05	95.95	98.90
Interest rate	4.25	4.25	4.25	4.25	4.25	4.25
Bid-to-cover ratio	3.82	4.02	3.29	3.74	2.50	3.45
Average annual yield (%)	4.31	4.34	4.28	4.43	4.85	4.45

(continued)

15-year government securities

(continued)

Issue No.	First opening	Second opening	Third opening	Fourth opening	Total for the issue
			BG2040403219**		
Auction date	03.11.2003	19.01.2004	02.08.2004	03.01.2005	
Issue date	12.11.2003	12.11.2003	12.11.2003	12.11.2003	12.11.2003
Maturity date	11.10.2018	11.10.2018	11.10.2018	11.10.2018	11.10.2018
Nominal value of the offer (BGN'000)	20 000.00	50 000.00	15 000.00	15 000.00	100 000.00
Total nominal value of the bids received (BGN'000)	73 628.54	124 820.00	62 878.00	89 545.00	350 871.54
Total nominal value of the bids approved (BGN'000)	20 000.00	50 000.00	15 000.00	15 000.00	100 000.00
Average price of the bids approved per BGN 100 (%)	94.81	99.43	100.59	110.58	100.35
Interest rate	6.00	6.00	6.00	6.00	6.00
Bid-to-cover ratio	3.68	2.50	4.19	5.97	3.51
Average annual yield (%)	6.55	6.06	5.94	4.99	5.96

¹The price indicated in the *Total for the issue* column is a result of the one auction organized for sale of this issue.

²The price indicated in the *Total for the issue* column is a result of the two auctions organized for sale of this issue.

³The price indicated in the *Total for the issue* column is a result of the three auctions organized for sale of this issue.

⁴The price indicated in the *Total for the issue* column is a result of the four auctions organized for sale of this issue.

⁵The price indicated in the *Total for the issue* column is a result of the five auctions organized for sale of this issue.

⁶The price indicated in the *Total for the issue* column is a result of the six auctions organized for sale of this issue.

* Issues Nos. BG2040203213 and BG2040403219 are denominated in euro and all related values are also in euro.

Note: Since 22 November 2004 government securities yield has been calculated according to ISMA-International Yield.

Government Securities Issued to Settle Non-performing Loans of State-owned Companies to Banks

Legal regulation	CMD 244/91	CMD 186/93	Art. 4 ZUNK/93	Art. 5 ZUNK/93	CMD 3/94	§10 of TFP of SBL/99
Issue No.	BG 2000192224	BG 2009993226	BG 2009893228	BG 2009794228	BG 2009693222	BG 2040009223
Issue date	01.01.1992	01.07.1993	01.10.1993	01.01.1994	01.12.1993	01.07.1999
Maturity date	01.01.2011	01.07.2017	01.10.2018	01.01.2019	01.12.2018	01.01.2019
Maturity (years)	19	24	25	25	25	19,5
Grace period (years)	4	4	5	5	5	
Redemption term (years)	15	20	20	20	20	19,5
Repayments	15 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments
Principal (thousand)	BGN 1100,69	BGN 1271,83	BGN 5167,51	USD 118,668,32	BGN 554,46	EUR 100,237,05
Interest payments	semiannual	semiannual	semiannual	semiannual	annual	semiannual
Interest	BIR + 1	BIR	BIR	LIBOR*	BIR	EURIBOR**

* Six-month LIBOR of the US dollar for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

** Six-month EURIBOR for the preceding interest period; the amount of the interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

EUR-denominated issue BG 2040009223 has the same status as the USD-denominated issue BG 2009794228 (issued under Article 5 of ZUNK).

Pursuant to CM Decree No. 221 of 1995 holders of long-term government bonds issued under ZUNK, CM Decrees No. 244 of 1991, No. 186 of 1993 and No. 3 of 1994 June use them as legal tender in privatisation transactions.

Pursuant to CM Decree No. 22 of 1995, long-term government bonds issued under ZUNK June be used to repay obligations of state-owned enterprises, firms and commercial companies to the government, transformed under Article 10 of ZUNK. In meeting these obligations, long-term government bonds are valued at their nominal for the bonds denominated in US dollars, and 80% for those denominated in levs.

Principals are based on actual data as of 31 July 2007.

LIST

of Financial Institutions Approved by the Ministry of Finance and the Governor of the Bulgarian National Bank to Act as Government Securities Primary Dealers between 1 July and 31 October 2007

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
1	DSK BANK 19 Moskovska Str., 1036 Sofia tel. (+359 2) 9391220	SSBG 01-03	DSKB	www.dskbank.bg
2	BNP PARIBAS (BULGARIA) 2 Tsar Osvoboditel Blvd., 1000 Sofia, PB 11 tel. (+359 2) 9218640	BSBD 01-03		www.bulgaria.bnpparibas.com
3	PURAEUS BANK BULGARIA 3 Vitosha Blvd., 1000 Sofia tel. (+359 2) 9805654	EBSF 01-03		www.eurobank.bg
4	BULGARIAN POST BANK 14 Tsar Osvoboditel Blvd., 1048 Sofia tel. (+359 2) 8166000	BPBB 01-03		www.postbank.bg
5	ING BANK N. V. – SOFIA BRANCH 12 Emil Bersinski Str., 1408 Sofia tel. (+359 2) 9176400	INBS 01-03		www.ing.bg
6	INVESTBANK 83A Bulgaria Blvd., 1404 Sofia tel. (+359 2) 8186119	OBBG 01-03		www.ibank.bg
7	INTERNATIONAL ASSET BANK 81–83 Todor Alexandrov Blvd., 1303 Sofia tel. (+359 2) 8120111	EIBG 01-03		www.iabank.bg
8	CORPORATE COMMERCIAL BANK 10 Graf Ignatiev Str., 1000 Sofia tel. (+359 2) 9809362	BGIB 01-03		www.corpbank.bg
9	MKB UNIONBANK 30–32 Gen. E. I. Totleben Blvd., 1606 Sofia tel. (+359 2) 9153333	UNBS 01-03		www.unionbank.bg
10	UNITED BULGARIAN BANK 5 Sveta Sofia Str., 1040 Sofia tel. (+359 2) 2811+extension	UBBB 01-03		www.ubb.bg
11	MUNICIPAL BANK 6 Vrabcha Str., 1000 Sofia tel. (+359 2) 9300111	SMBK 01-03		www.municipalbank.bg
12	FIRST INVESTMENT BANK 37 Dragan Tsankov Blvd., 1797 Sofia tel.: (+359 2) 8171100	BFIB 01-03		www.fibank.bg

(continued)

(continued)

No.	Financial institution	Reuters page of government securities quotations	Bloomberg page of government securities quotations	Website
13	RAIFFEISENBANK (BULGARIA) 18-20 Nikolay Gogol Str., 1504 Sofia tel. (+359 2) 91985101	RBBS 01-03		www.raiffeisen.bg
14	SOCIETE GENERALE EXPRESSBANK 92 Vladislav Varnenchik Blvd., 9000 Varna tel. (+359 52) 686100	EBVB 01-03		www.sgexpressbank.bg
15	ECONOMIC AND INVESTMENT BANK 2 Slavjanska Str., 1000 Sofia тел: (+359 2) 9399240	RIBB 01-03		www.eibank.bg
16	TOKUDA BANK 3 Graf Ignatiev Str., 1000 Sofia tel. (+359 2) 9801294	CRED 01		www.tcebank.com
17	ALLIANZ BULGARIA COMMERCIAL BANK 79 Knyaginya Maria-Louisa Blvd., 1202 Sofia tel. (+359 2) 9215404	BGIN 01-03		www.bank.allianz.bg
18	D COMMERCE BANK 8 Tsar Osvoboditel Blvd., 1000 Sofia tel.: (+359 2) 9357171	DBBG 01-03		www.dbank.bg
19	UNICREDIT BULBANK 7 Sveta Nedelya Sq., 1000 Sofia tel. (+359 2) 9232111	BGTB 01-03		www.bulbank.bg
20	CENTRAL COOPERATIVE BANK 103 Rakovski Str., 1000 Sofia tel. (+359 2) 9266107	SCCB 01-03		www.ccbank.bg
21	BULBROKERS 30 Ivan Vazov Str., 1000 Sofia tel. (+359 2) 9376200	BULB 01-03		www.bulbrokers.com
22	EUROFINANCE 84 Patriarh Evtimii Blvd., 1463 Sofia tel. (+359 2) 9805657	EUFI 01-03		www.euro-fin.com
23	ELANA TRADING INVESTMENT INTERMEDIARY 49 Bulgaria Blvd., 1404 Sofia tel. (+359 2) 8100000	ELAN 01-03		www.elana.net
24	CITIBANK N. A. - SOFIA BRANCH 2 Knyaginya Maria-Louisa Blvd., TSUM, fifth floor, 1000 Sofia tel. (+359 2) 9175100; 9175101	CSOF 01-03		www.citibank.com/bulgaria/

Credit Ratings Range for Bulgaria

	Moody's	S&P	Fitch	JCRA		
	Aaa	AAA	AAA	AAA		
	Aa1	AA+	AA+	AA+		
	Aa2	AA	AA	AA		
	Aa3	AA-	AA-	AA-		
	A1	A+	A+	A+		
	A2	A	A	A	26 July 2007	
	A3	A-	A-	A-	26 Oct. 2006	
Investment grade	Baa1	↑ BBB+	↑ BBB+	↑ BBB+	23 Feb. 2007	
	Baa2	↑ BBB	↑ BBB	↑ BBB	27 June 2007	
	Baa3	↑ BBB-	↑ BBB-	↑ BBB-		
Subinvestment grade	Ba1	↑ BB+	↑ BB+	↑ BB+		
	Ba2	↑ BB	↑ BB	↑ BB		
	Ba3	↑ BB-	↑ BB-	↑ BB-		
	B1	↑ B+	↑ B+	↑ B+		
	B2	↑ B	↑ B	↑ B		
	27 Sept. 1996	B3	↑ B-	↑ B-	↑ B-	
		Caa	↑ CCC+	↑ CCC	↑ CCC	
		
	C	D	D	D		

Long-term government securities: foreign currency



Long-term government securities: local currency

