

## State Treasury Debt

## December 2015

### Monthly newsletter

**At the end of December 2015 State Treasury (ST) debt** amounted to **PLN 834,541.0 million** which meant:

- decrease by PLN 2,276.3m (-0.3%) in December 2015,
- increase by PLN 54,602.6m (7.0%) in comparison to the end of 2014.

**In December 2015 domestic ST debt** (according to the place of issue criterion) decreased by PLN 1.1bn which was mainly a resultant of:

- positive balance of marketable bonds issuance (PLN +0.2bn):

Series	Sale (PLN bn)	Repurchase/redemption (PLN bn)
OK0717	2.6	
PS0421	3.1	
DS0726	1.0	
OK0116		4.3
PS0416		2.1

- decrease in deposits (PLN -1.4bn).

**In December 2015 ST debt in foreign currency** decreased by PLN 1.1bn which was a resultant of:

- positive balance of debt issuance (PLN +0.7bn):

Instrument	Sale/drawing	Repurchase/redemption/repayment
loans from IFIs*	EUR 0.2bn	EUR 0.04bn

\*) IFIs – international financial institutions

- FX rates movements (PLN -1.8bn).

**Since the beginning of 2015 domestic ST debt** increased by PLN 40.2bn. At the same time **debt in foreign currency** increased by PLN 14.4bn which was a resultant of:

- increase in EUR-denominated debt (EUR +4.7bn);
- decrease in debt denominated in USD (USD -2.2bn), CHF (CHF -1.3bn) and JPY (JPY -25.6bn);
- FX rates movements (PLN +8.8bn).

**Table 1. State Treasury debt by instrument (PLN million)**

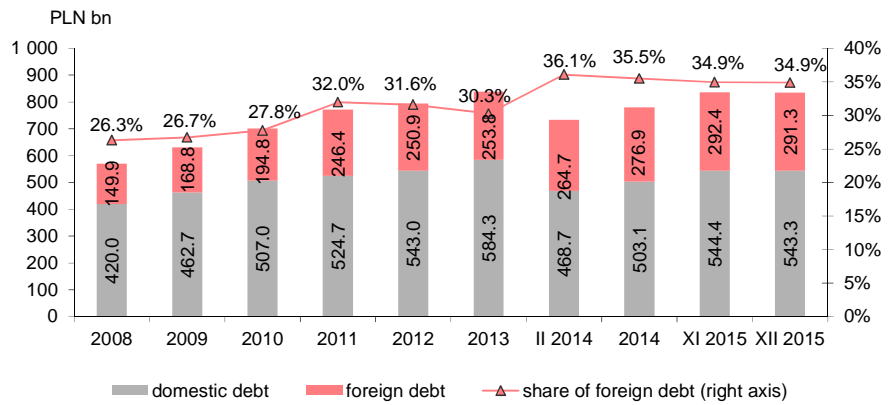
	Dec 2014	structure Dec 2014 %	Nov 2015	structure Nov 2015 %	Dec 2015	structure Dec 2015 %	change Dec 2015 – Nov 2015		change Dec 2015 – Dec 2014	
							PLN m	%	PLN m	%
<b>State Treasury debt</b>	<b>779,938.4</b>	<b>100.0</b>	<b>836,817.3</b>	<b>100.0</b>	<b>834,541.0</b>	<b>100.0</b>	<b>-2,276.3</b>	<b>-0.3</b>	<b>54,602.6</b>	<b>7.0</b>
<b>I. Domestic ST debt</b>	<b>503,079.0</b>	<b>64.5</b>	<b>544,400.1</b>	<b>65.1</b>	<b>543,259.0</b>	<b>65.1</b>	<b>-1,141.1</b>	<b>-0.2</b>	<b>40,180.0</b>	<b>8.0</b>
1. Treasury securities (TS)	491,841.3	63.1	523,452.9	62.6	523,695.5	62.8	242.6	0.0	31,854.2	6.5
1.1. Marketable TS	482,942.8	61.9	513,171.1	61.3	513,385.1	61.5	214.0	0.0	30,442.3	6.3
- Treasury bills	0	0.0	0	0.0	0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	482,942.8	61.9	513,171.1	61.3	513,385.1	61.5	214.0	0.0	30,442.3	6.3
1.2. Savings bonds	8,898.5	1.1	10,281.8	1.2	10,310.4	1.2	28.6	0.3	1,411.9	15.9
2. Other ST debt	11,237.8	1.4	20,947.2	2.5	19,563.6	2.3	-1,383.7	-6.6	8,325.8	74.1
<b>II. Foreign ST debt</b>	<b>276,859.4</b>	<b>35.5</b>	<b>292,417.2</b>	<b>34.9</b>	<b>291,282.0</b>	<b>34.9</b>	<b>-1,135.2</b>	<b>-0.4</b>	<b>14,422.6</b>	<b>5.2</b>
1. TS issued in foreign markets	208,420.1	26.7	217,394.0	26.0	215,629.4	25.8	-1,764.6	-0.8	7,209.3	3.5
2. Loans	68,439.2	8.8	75,023.2	9.0	75,652.5	9.1	629.3	0.8	7,213.3	10.5
3. Other ST debt	0.0	0.0	0.0	0.0	0.1	0.0	0.1	4.118.8	0.1	-

**Table 2. State Treasury debt by holder (PLN million)**

	Dec 2014	structure Dec 2014 %	Nov 2015	structure Nov 2015 %	Dec 2015	structure Dec 2015 %	change Dec 2015 – Nov 2015		change Dec 2015 – Dec 2014	
							PLN m	%	PLN m	%
<b>State Treasury debt</b>	<b>779,938.4</b>	<b>100.0</b>	<b>836,817.3</b>	<b>100.0</b>	<b>834,541.0</b>	<b>100.0</b>	<b>-2,276.3</b>	<b>-0.3</b>	<b>54,602.6</b>	<b>7.0</b>
<b>I. State Treasury debt towards residents</b>	<b>323,045.9</b>	<b>41.4</b>	<b>351,508.9</b>	<b>42.0</b>	<b>350,089.4</b>	<b>41.9</b>	<b>-1,419.5</b>	<b>-0.4</b>	<b>27,043.5</b>	<b>8.4</b>
<b>Domestic banking sector</b>	<b>165,722.6</b>	<b>21.2</b>	<b>180,474.6</b>	<b>21.6</b>	<b>184,177.6</b>	<b>22.1</b>	<b>3,702.9</b>	<b>2.1</b>	<b>18,454.9</b>	<b>11.1</b>
- domestic instruments	150,800.1	19.3	167,822.9	20.1	171,499.8	20.6	3,676.9	2.2	20,699.7	13.7
- foreign instruments	14,922.6	1.9	12,651.7	1.5	12,677.8	1.5	26.1	0.2	-2,244.7	-15.0
<b>Domestic non-banking sector</b>	<b>157,323.2</b>	<b>20.2</b>	<b>171,034.2</b>	<b>20.4</b>	<b>165,911.8</b>	<b>19.9</b>	<b>-5,122.4</b>	<b>-3.0</b>	<b>8,588.6</b>	<b>5.5</b>
- domestic instruments	156,293.0	20.0	170,001.7	20.3	164,987.2	19.8	-5,014.4	-2.9	8,694.2	5.6
- foreign instruments	1,030.2	0.1	1,032.5	0.1	924.6	0.1	-108.0	-10.5	-105.6	-10.3
<b>II. State Treasury debt towards non-residents</b>	<b>456,892.6</b>	<b>58.6</b>	<b>485,308.5</b>	<b>58.0</b>	<b>484,451.7</b>	<b>58.1</b>	<b>-856.8</b>	<b>-0.2</b>	<b>27,559.1</b>	<b>6.0</b>
- domestic instruments	195,986.0	25.1	206,575.6	24.7	206,772.1	24.8	196.5	0.1	10,786.1	5.5
- foreign instruments	260,906.6	33.5	278,732.9	33.3	277,679.6	33.3	-1,053.3	-0.4	16,773.0	6.4

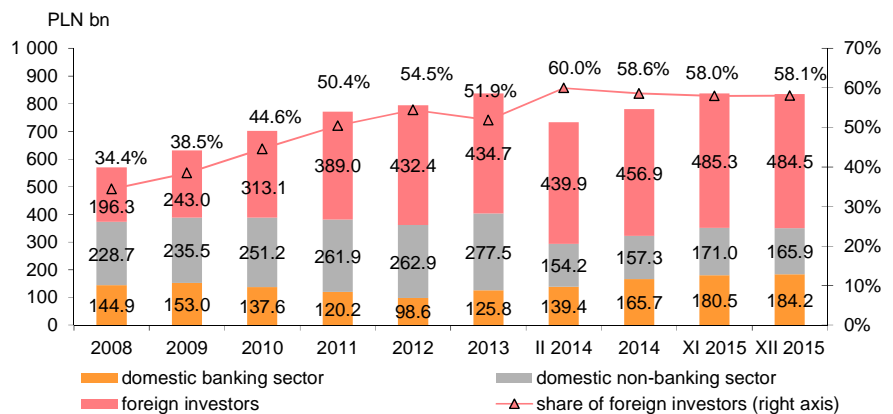
## ST debt according to the place of issue criterion

At the end of December 2015 the share of debt in foreign currencies in total ST amounted to 34.9%, i.e. remained unchanged compared to the previous month and simultaneously decreased by 0.6 pp compared to the end of 2014. The decrease in share in 2015 resulted mainly from incurring debt mostly on domestic market (domestic debt growth rate amounted to 8.0% against 5.2% in foreign currency debt). Domestic debt increased by PLN 40.2bn, including PLN 8.3bn from deposits collected under liquidity management consolidation. The debt management strategy assumes further reduction in share of debt in foreign currencies in total ST debt – ultimately below 30% level.



## ST debt by holder

At the end of December 2015 the share of foreign investors in total ST debt amounted to 58.1%, increasing by 0.1 pp m/m and simultaneously decreasing by 0.5 pp compared to the end of 2014. Decline in the share in 2015 was mainly a result of relatively high growth rate of residents' holdings of ST debt – amounted to 8.4% (PLN +27.0bn) against 6.0% (PLN +27.6bn) of non-residents. Increase in residents' portfolio resulted mainly from increase in banks holdings (PLN +18.5bn), non-banking sector holdings increased by PLN 8.6bn.

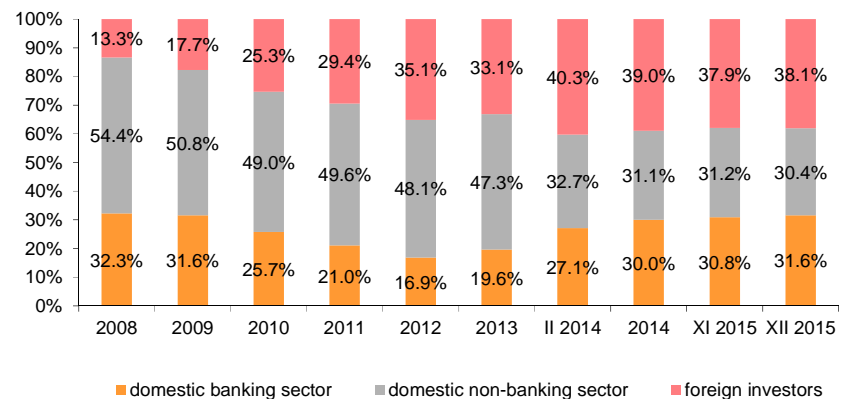
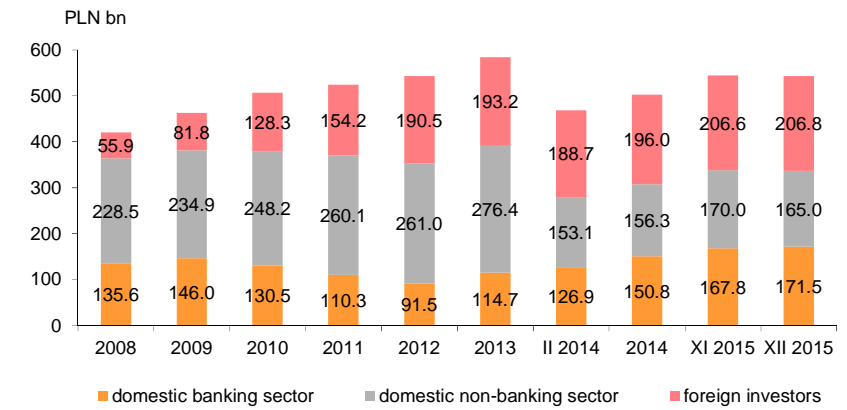


## Domestic ST debt by holder in nominal value and structure

In 2015 domestic investors increased their domestic debt holdings by PLN 29.4bn in total. The leading investors in domestic debt were banks which increased their portfolios by PLN 20.7bn. Growth in non-banking sector holdings amounted to PLN 8.7bn, including PLN 8.3bn from increase in deposits. In 2015 non-residents increased their holdings by PLN 10.8bn.

Compared to the previous month changes in holdings of domestic debt by type of investor amounted to:

- domestic banking sector: PLN +3.7bn,
- domestic non-banking sector: PLN -5.0bn (including deposits: PLN -1.4bn),
- non-residents: PLN +0.2bn.

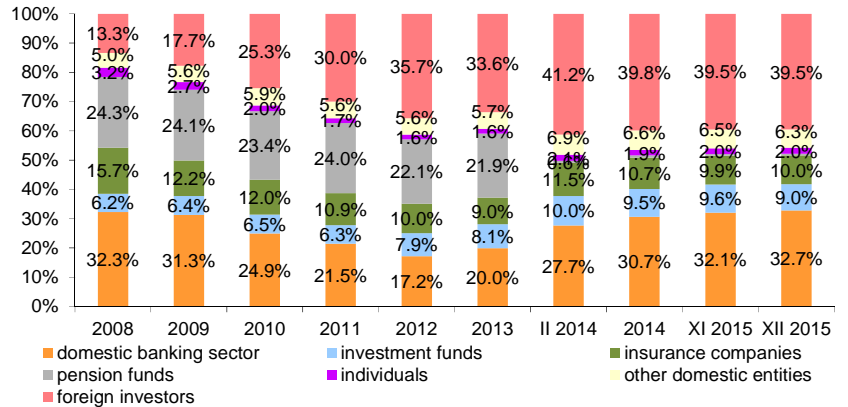
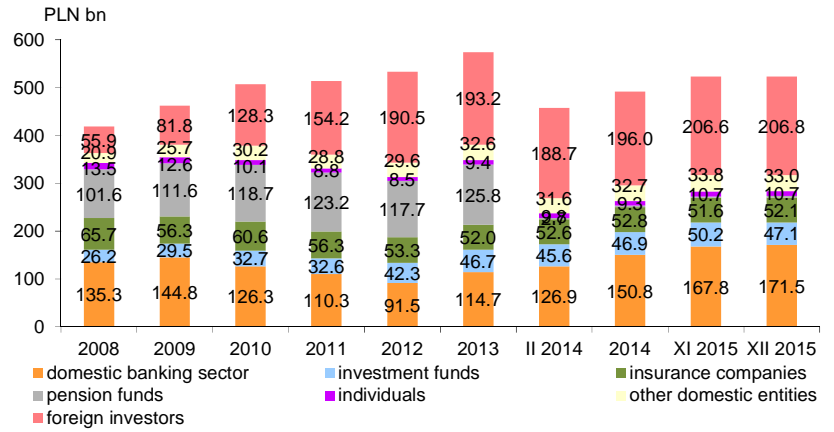


### Domestic TS debt by holder in nominal value and structure

In 2015 the increase in investors holdings of domestic TS debt amounted to:

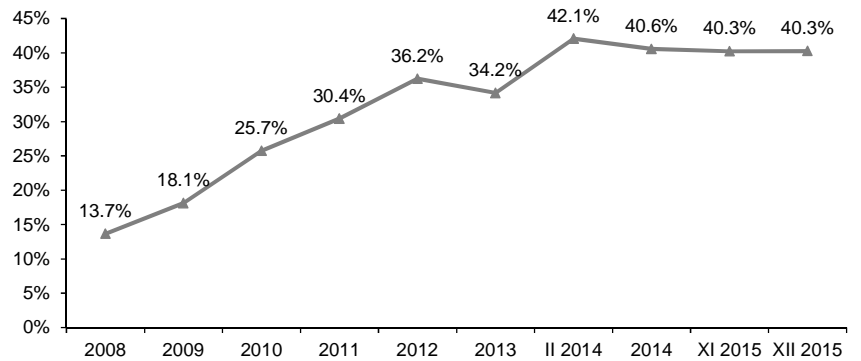
- domestic banking sector: PLN +20.7bn,
- domestic non-banking sector: PLN +0.4bn, including changes in portfolios of investment funds: PLN +0.2bn, insurance companies: PLN -0.7bn, individuals: PLN +1.4bn,
- foreign investors: PLN +10.8bn.

Comparing to the previous month in December 2015 domestic banks and foreign investors increased their domestic TS holdings by PLN 3.7bn and PLN 0.2bn, respectively. Domestic non-banking sector decreased its portfolio by PLN 3.6bn.



### The share of non-residents in domestic marketable TS debt (offered on auctions)

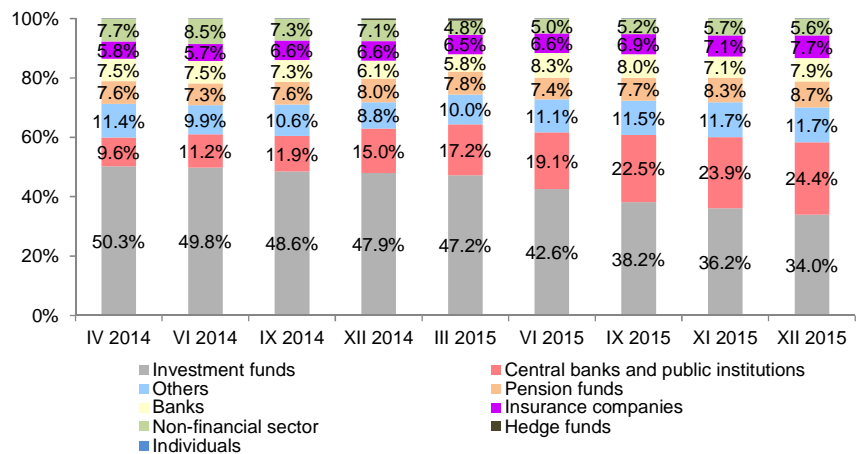
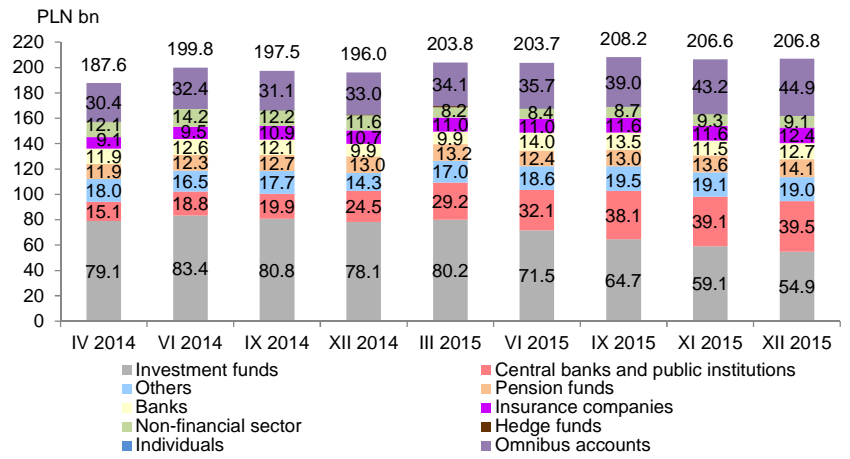
In December 2015 the share of non-residents in domestic marketable TS debt amounted to 40.3%, i.e. remained unchanged m/m and decreased by 0.3 pp compared to the end of 2014.



### Domestic TS debt towards non-residents by holder in nominal value and structure\*

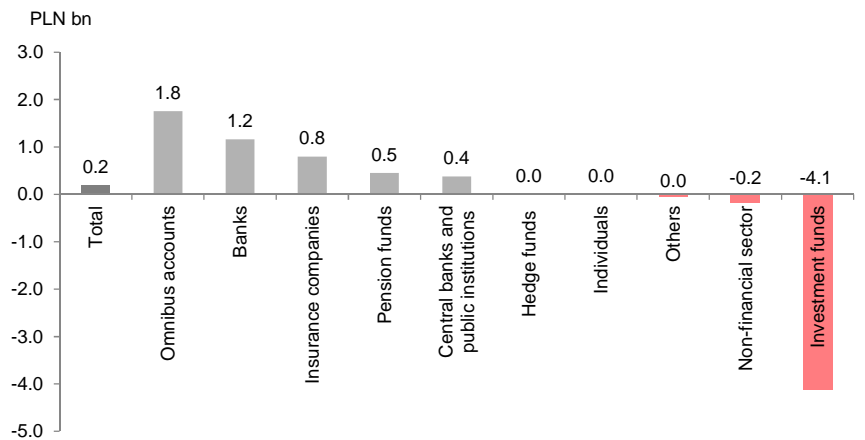
Structure of non-residents holding domestic TS in their portfolios is well-diversified, with dominant role of stable institutional investors, including investment funds (34.0%), pension funds (8.7%) and insurance companies (7.7%). The second largest holder were central banks and public institutions (24.4%), i.e. investors with the most stable, long-term investment policy. In 2015 the highest growth in the share was recorded in case of these entities (by 9.4 pp), whereas the largest decrease applied to investment funds (by 14.0 pp). Significant part of domestic TS debt is registered on omnibus accounts (PLN 44.9bn; increase by PLN 11.9bn in 2015), which enable investors not having separate account in Poland to buy TS.

\* Percentage structure does not include omnibus accounts.



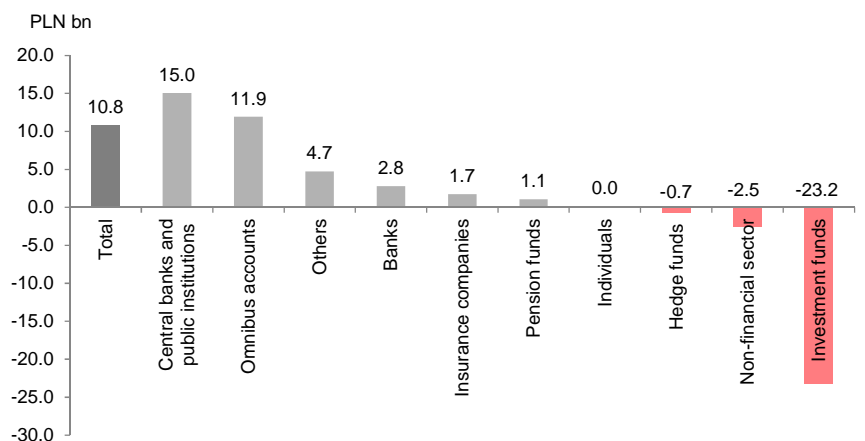
### Changes in domestic TS debt towards non-residents by holder in December 2015 m/m

In December 2015 domestic TS debt held by foreign investors increased by PLN 0.2bn, which resulted mainly from increase in TS portfolios on omnibus accounts (PLN +1.8bn) and in commercial banks (PLN +1.2bn; mainly from the US and Austria) and insurance companies (PLN +0.8bn; exclusively from Japan). Decrease in TS holdings mainly applied to investment funds (PLN -4.1bn, primarily from the US and Luxembourg).



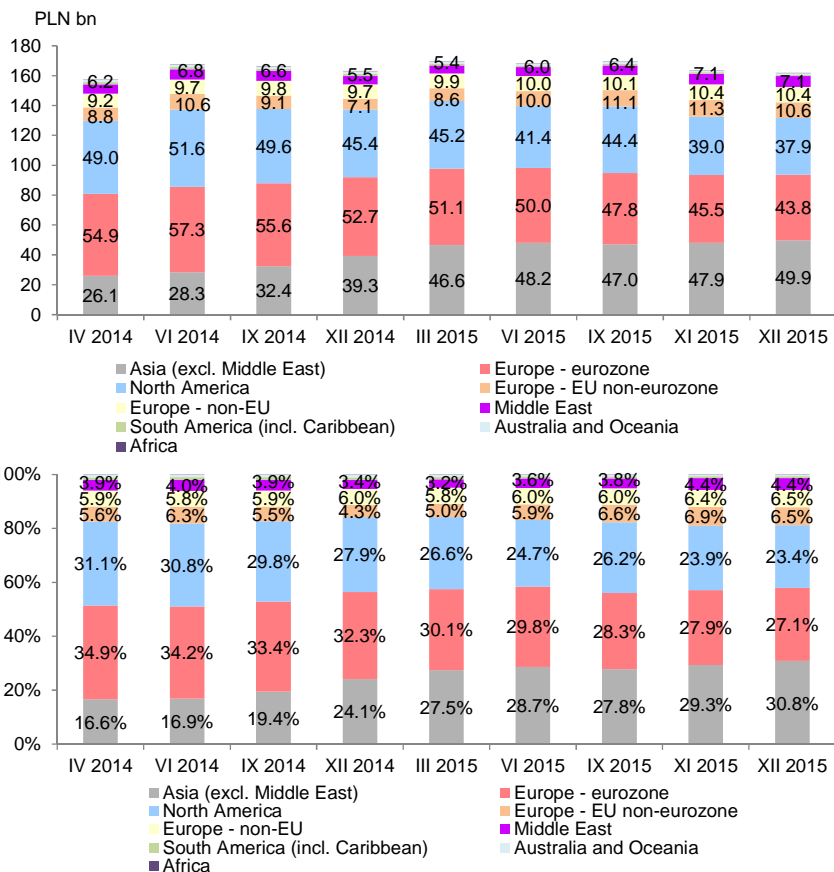
### Changes in domestic TS debt towards non-residents by holder in December 2015 y/y

In 2015 the greatest increase in domestic TS portfolios was recorded in central banks and public institutions (PLN +15.0bn; primarily from Asia) and omnibus accounts (PLN +11.9bn). The largest decline in TS portfolios applied to investment funds (PLN -23.2bn; mainly from the US and Luxembourg).



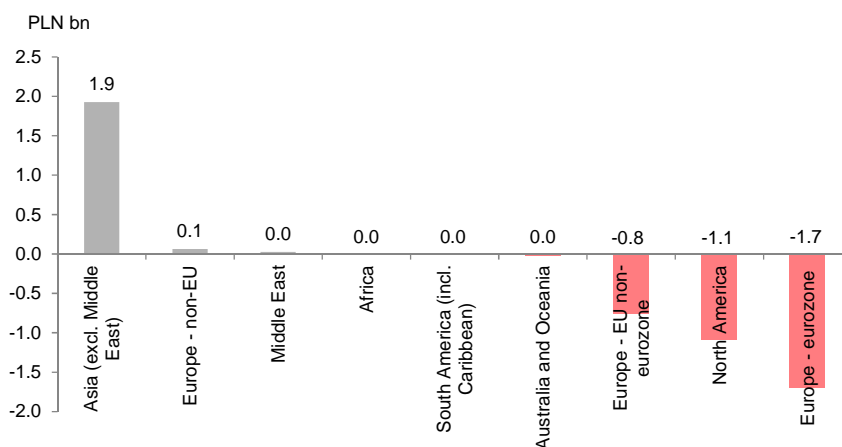
## Domestic TS debt towards non-residents by region\* in nominal value and structure

Geographical structure of domestic TS held by foreign investors is well-diversified. At the end of 2015 the largest TS portfolios were held by entities from Asia – 30.8%, represented debt amounted to PLN 49.9bn (of which PLN 26.0bn were held by Asian central banks and PLN 21.3bn by investors from Japan). The second largest TS holders were investors from Eurozone countries – 27.1% (PLN 43.8bn, including non-residents from Luxembourg: PLN 22.1bn, Germany: PLN 6.8bn, Ireland: PLN 5.4bn). Non-residents from North America held significant TS portfolios as well (23.4%, represented debt amounted to PLN 37.9bn of which PLN 36.8bn were held by investors from the US). Investors from other regions held 18.7% of non-residents' domestic TS debt.



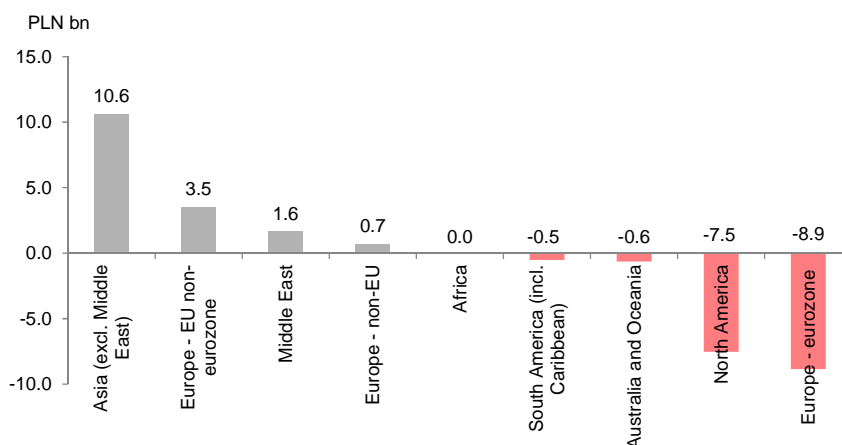
## Changes in domestic TS debt towards non-residents by region\* in December 2015 m/m

In December 2015 an increase in domestic TS portfolios held by non-residents resulted mainly from growth in holdings of investors from Asia (PLN +1.9bn, including from Japan: PLN +1.8bn, Asian central banks and public institutions: PLN +0.4bn). The largest decrease in TS holdings was recorded by non-residents from eurozone (PLN -1.7bn, including from Luxembourg: PLN -1.8bn).



## Changes in domestic ST debt towards non-residents by region\* in December 2015 y/y

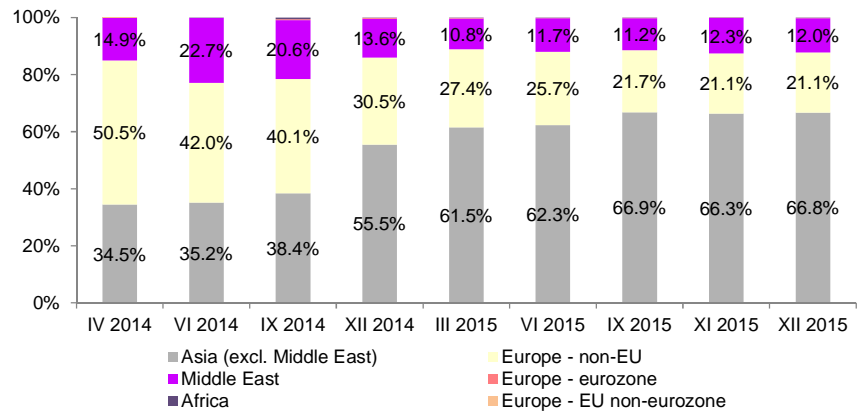
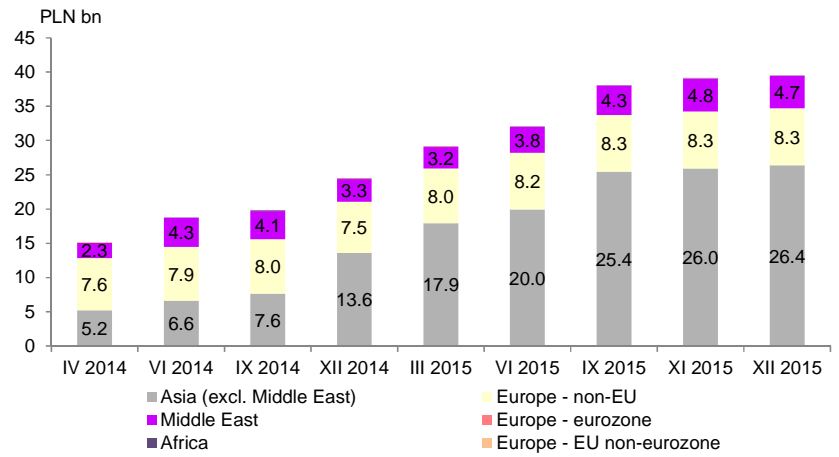
In 2015 Asian investors definitely dominated among TS foreign buyers (growth in holdings by PLN +10.6bn, including central banks from this region: PLN +12.7bn). The greatest decrease in TS holdings applied to non-residents from Eurozone (PLN -8.9bn, including from Luxembourg: PLN -8.4bn) and North America (PLN -7.5bn, almost exclusively from the US).



\*) Excluding omnibus accounts.

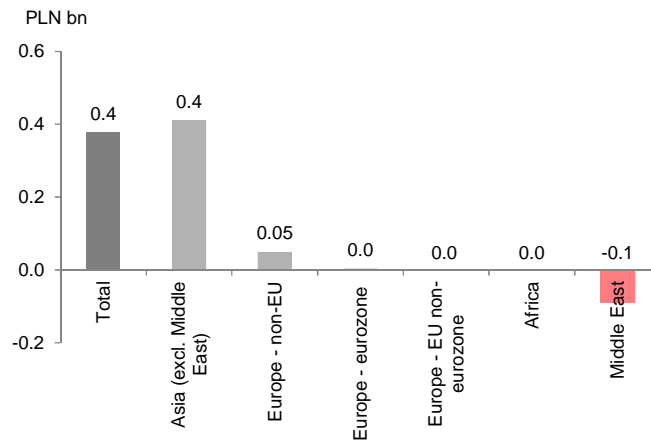
### Domestic TS debt towards foreign central banks and public institutions by region in nominal value and structure

In the structure of domestic TS debt held by foreign central banks and public institutions, entities from Asia are predominant – at the end of 2015 their share amounted to 66.8% (increase by 11.2 pp compared to the end of 2014). Among central banks and public institutions considerable TS portfolios were held by entities from European non-EU countries (21.1% share with stable TS portfolios amounted to ca. PLN 8bn) and Middle East (12.0%) as well.



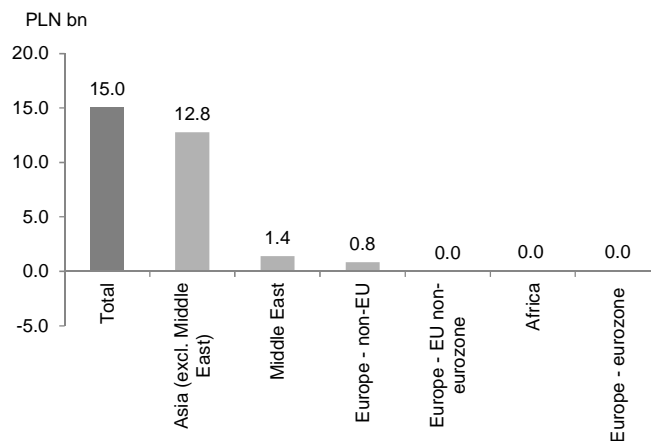
### Changes in domestic TS debt towards foreign central banks and public institutions by region in December 2015 m/m

In December 2015 domestic TS debt held by foreign central banks and public institutions increased by PLN 0.4bn. It was mainly a result of increase in TS holdings of entities from Asia (PLN +0.4bn). Slight decrease in TS portfolios was recorded among investors from Middle East (PLN -0.1bn).



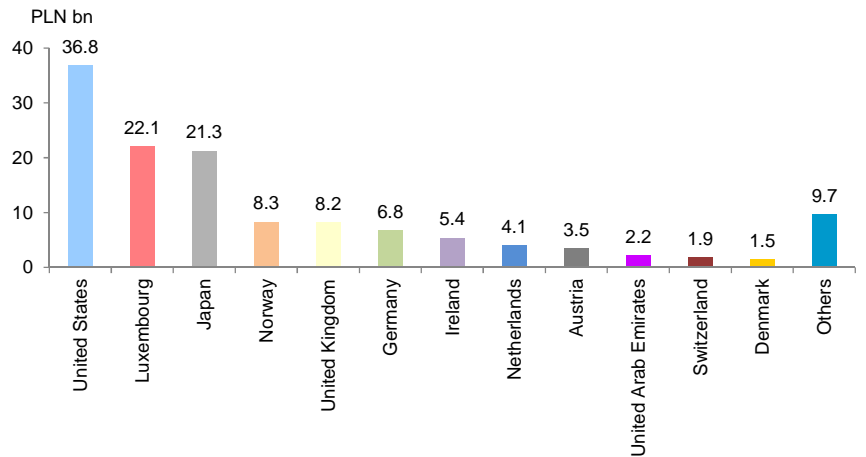
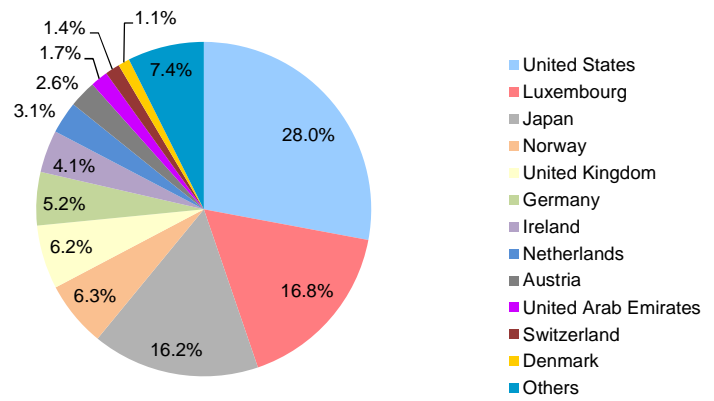
### Changes in domestic TS debt towards foreign central banks and public institutions by region in December 2015 y/y

In 2015 the inflow of foreign central banks and public institutions capital on domestic TS market amounted to PLN 15.0bn in total. Growth in TS holdings was primarily driven by Asian capital (PLN +12.8bn).



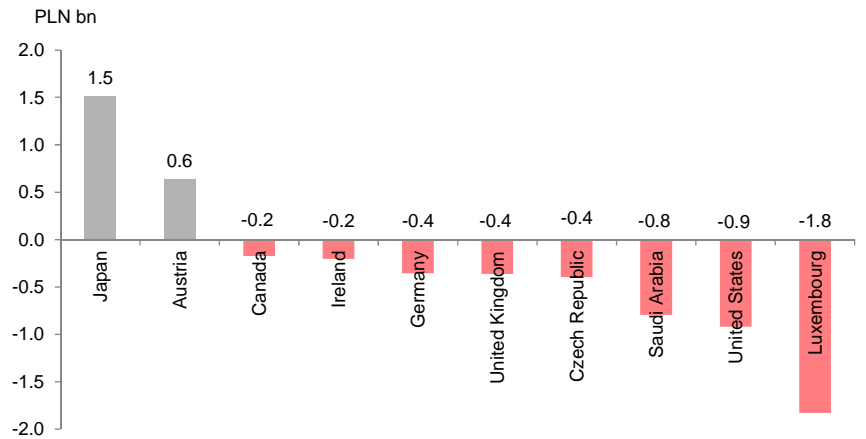
**Domestic TS debt towards non-residents by country\* structure and in nominal value in December 2015**

In December 2015 domestic TS were held by investors from 54 countries, which confirms high diversification of non-residents structure. The largest TS portfolios were held by entities registered in the US (28.0%, including mainly investment funds: 16.5% share in non-residents domestic TS debt holdings), Luxembourg (16.8%, including mainly investment funds: 14.0%), Japan (16.2%, including primarily insurance companies: 8.7%), Norway (6.3% – almost exclusively public institutions), the United Kingdom (6.2%, including commercial banks: 3.0%), Germany (5.2%, including investment funds: 2.4% and other entities: 2.3%) and Ireland (4.1%, including investment funds: 3.6%).



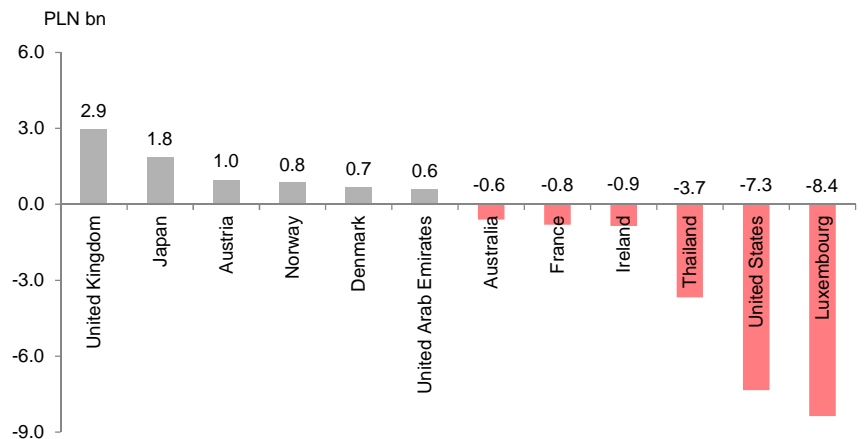
**Changes in domestic TS debt towards non-residents by country\* in December 2015\*\* m/m**

In December 2015 the greatest increase in domestic TS portfolios was recorded by non-residents from Japan (PLN +1.5bn, mainly insurance companies) and Austria (PLN +0.6bn, commercial banks exclusively). The largest decrease in domestic TS holdings applied to investors from Luxembourg (PLN -1.8bn, primarily investment funds), the US (PLN -0.9bn, mainly investment funds) and Saudi Arabia (decrease by PLN 0.8bn to zero, among public institutions exclusively).



**Changes in domestic ST debt towards non-residents by country\* in December 2015\*\*\* y/y**

In 2015 among non-residents (excluding central banks) the greatest increase in TS portfolio was recorded by investors from the United Kingdom (PLN +2.9bn; mainly commercial banks and other entities). Decrease in TS holdings primarily applied to investors from Luxembourg (PLN -8.4bn) and the US (PLN -7.3bn) – in both cases the decrease mainly applied to investment funds.



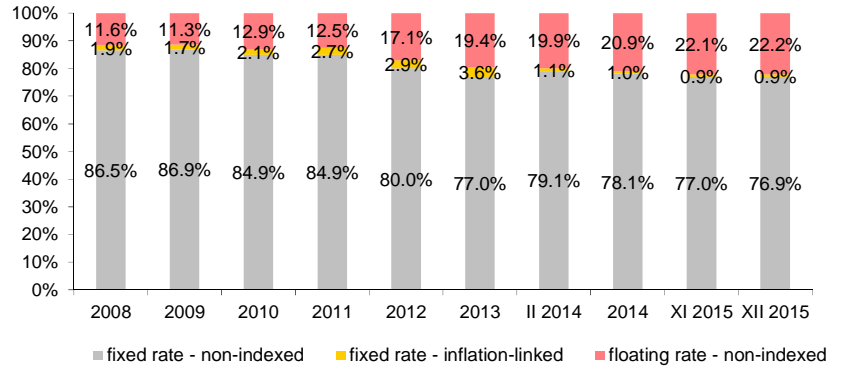
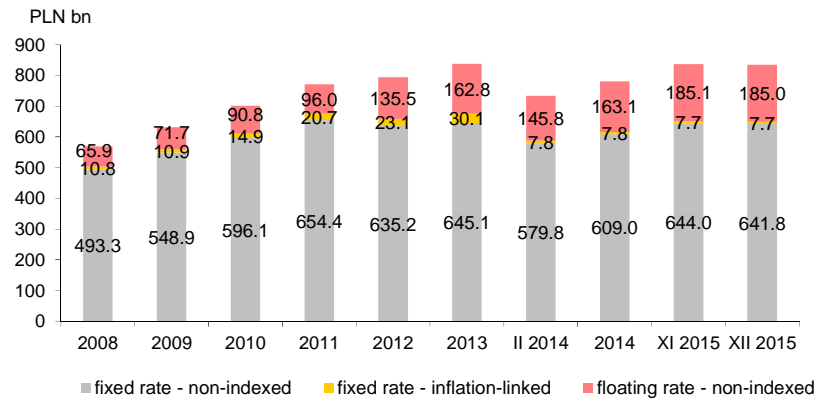
\*) Excluding omnibus accounts.

\*\*) Chart shows countries with change in debt amounted to at least PLN 0.2bn.

\*\*\*) Chart shows countries with change in debt amounted to at least PLN 0.5bn.

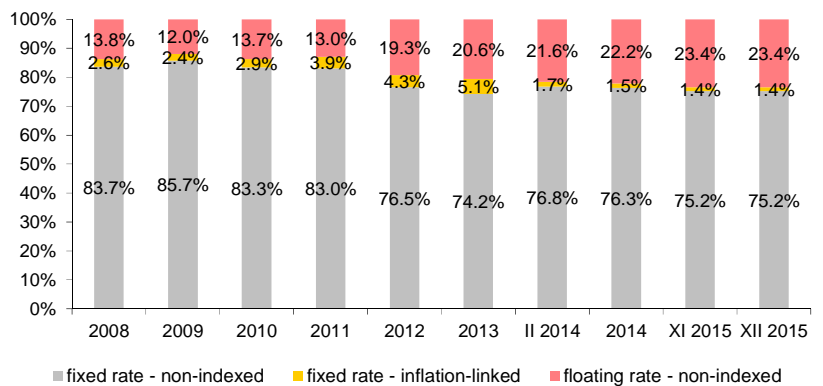
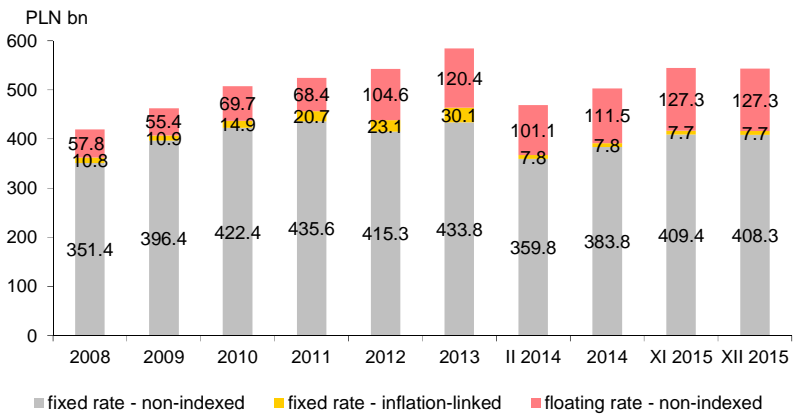
### ST debt by type of interest rate and type of indexation in nominal value and structure

The majority of ST debt comprised fixed rate instruments – their share at the end of December 2015 amounted to 77.8%. The share of floating rate instruments stood at 22.2%, increasing by 0.05 pp m/m and by 1.3 pp compared to the end of 2014. Increase in the share of floating rate instruments from 2010 to 2015 was associated with ceasing of Treasury bills issuance (which implied an increase in average time to maturity of debt) and downward trend of interest rates on financial markets (which facilitated lowering debt servicing costs).



### Domestic ST debt by type of interest rate and type of indexation in nominal value and structure

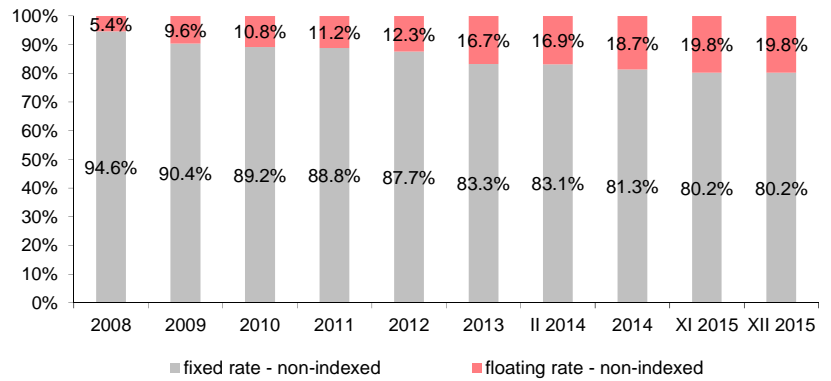
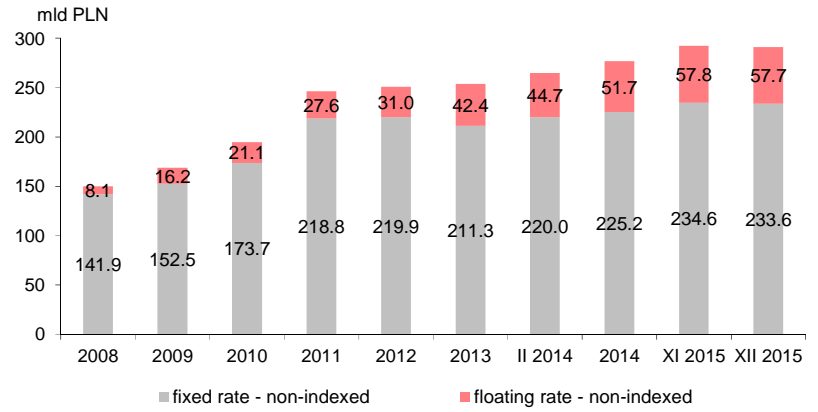
At the end of December 2015 the share of floating rate instruments in domestic ST debt amounted to 23.4%, i.e. remained unchanged compared to the previous month and simultaneously increased by 1.3 pp compared to the end of 2014. The increase in the share in 2015 was associated with record low interest rates and favored lowering debt servicing costs.





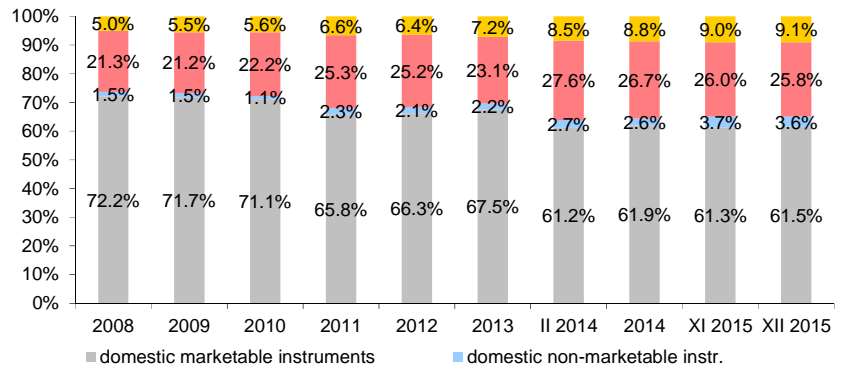
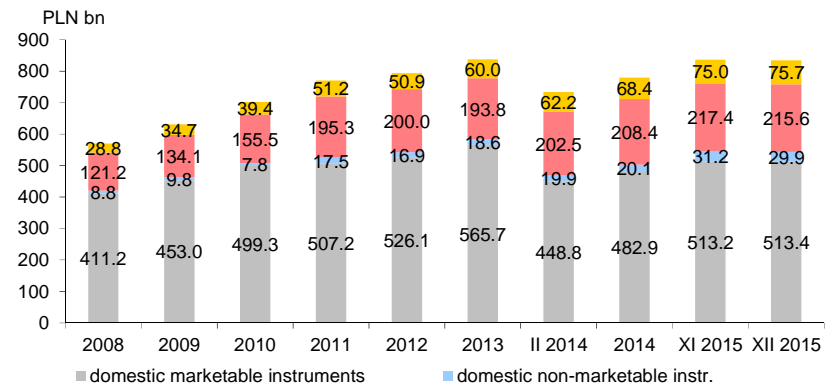
### Foreign ST debt by type of interest rate and type of indexation in nominal value and structure

At the end of 2015 the share of floating rate instruments in foreign ST debt amounted to 19.8%, i.e. remained unchanged compared to the previous month and increased by 1.2 pp compared to the end of 2014. The increase in share in 2015 was mainly a result of drawing loans from IFIs (mostly floating rate), utilized due to attractive financial conditions.



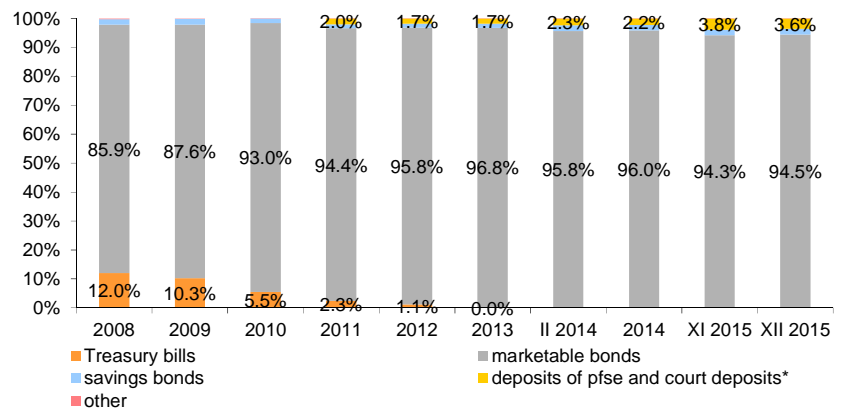
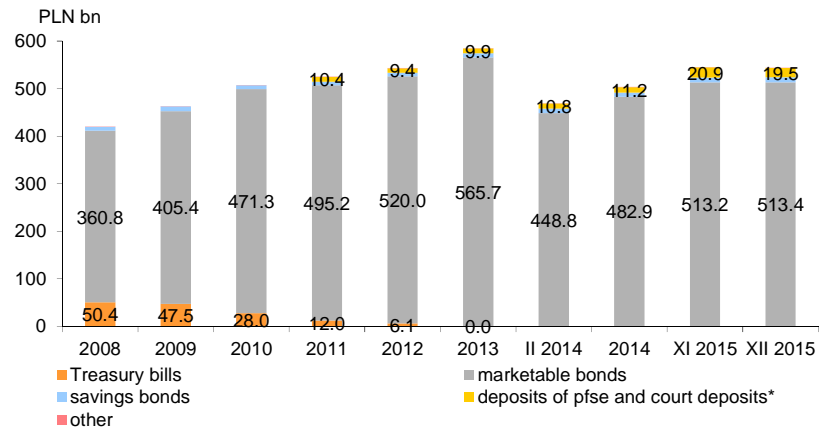
### ST debt by type of instrument in nominal value and structure

Dominant share in ST debt comprised marketable TS (87.4% at the end of 2015), including mostly instruments issued on domestic TS market (61.5%). Supplementary sources of financing the State budget borrowing requirements were non-marketable instruments, i.e. loans from IFIs, domestic saving bonds, deposits from public finance sector entities (pfse) with legal personality and court deposits (from pfse with legal personality and entities from outside pfs).



### Domestic ST debt by type of instrument in nominal value and structure

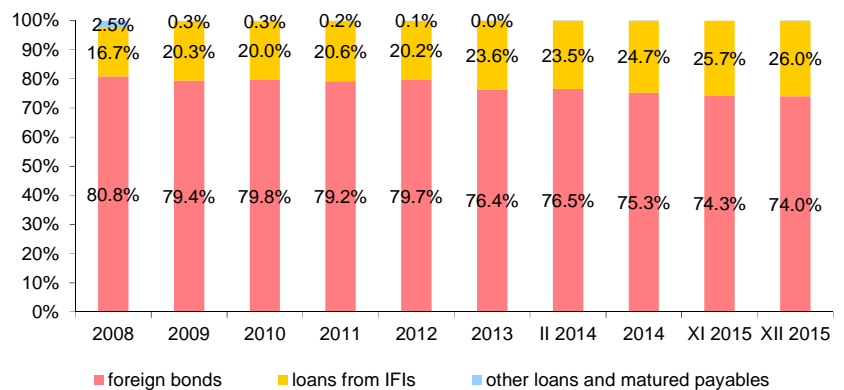
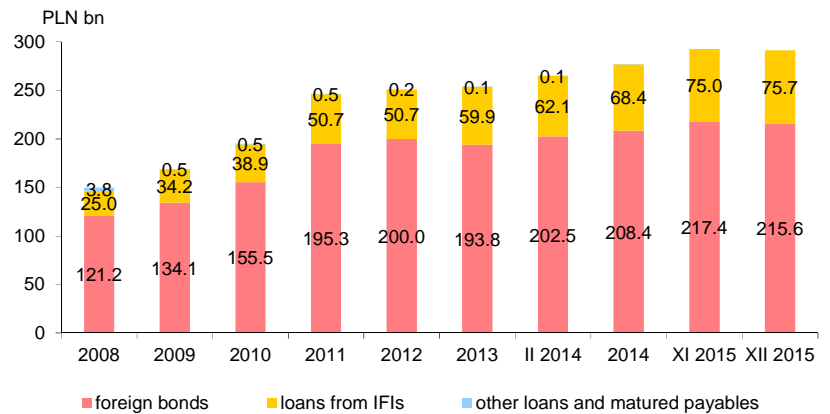
The vast majority of domestic ST debt constituted marketable bonds (94.5% at the end of 2015). Supplementary and stable sources of financing are saving bonds, and deposits from pfse and courts deposits\* as well, which total share amounted to 3.6% at the end of 2015, i.e. increased by 1.4 pp compared to the end of 2014, mainly as a result of implementation of the 2nd stage of liquidity management consolidation. Since the end of August 2013 there were no T-bills outstanding.



\*) Deposits received from pfse with legal personality and court deposits from pfse with legal personality and entities from outside pfs

### Foreign ST debt by type of instrument in nominal value and structure

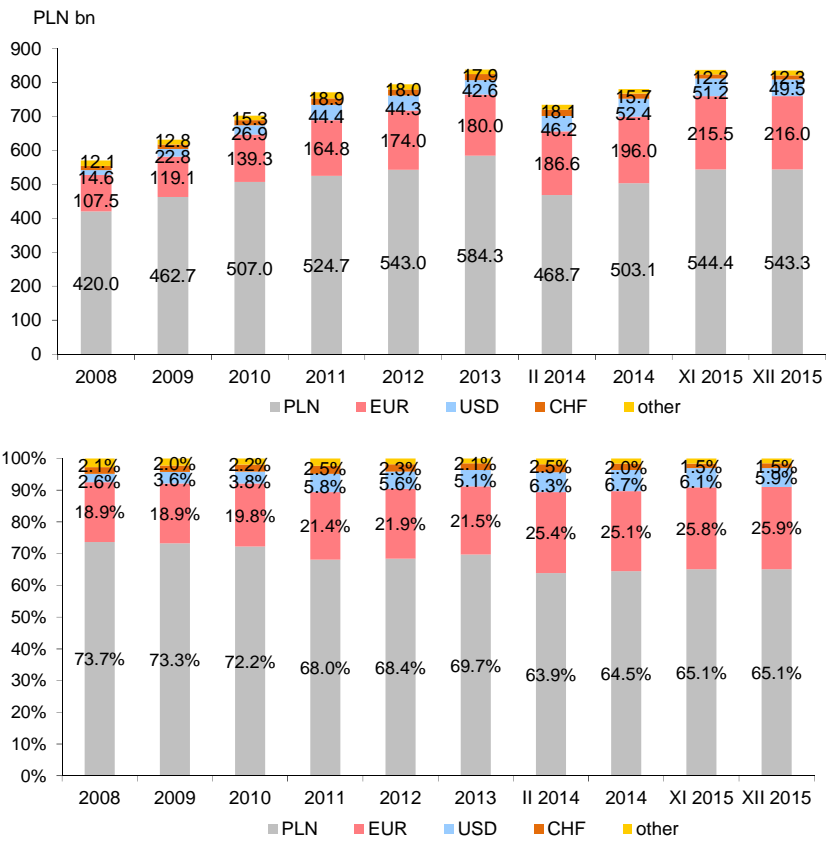
In ST debt denominated in foreign currencies dominant share accounted for international bonds (74.0% at the end of 2015). The share of low interest loans from IFIs is significant as well (26.0%). In 2015 the share of bonds decreased in favor of loans from IFIs (by 1.3 pp). It was mainly a result of relatively large scale of incurring debt in form of loans (growth rate of debt due to loans amounted to 10.5%, whereas due to bonds: 3.5%), due to attractive financial conditions. Comparing to the previous month, in December 2015 the share of loans increased by 0.3 pp which resulted mainly from drawing loan from European Investment Bank (EIB) and depreciation of USD against EUR (total USD-denominated debt comprised international bonds).



## ST debt by currency in nominal value and structure

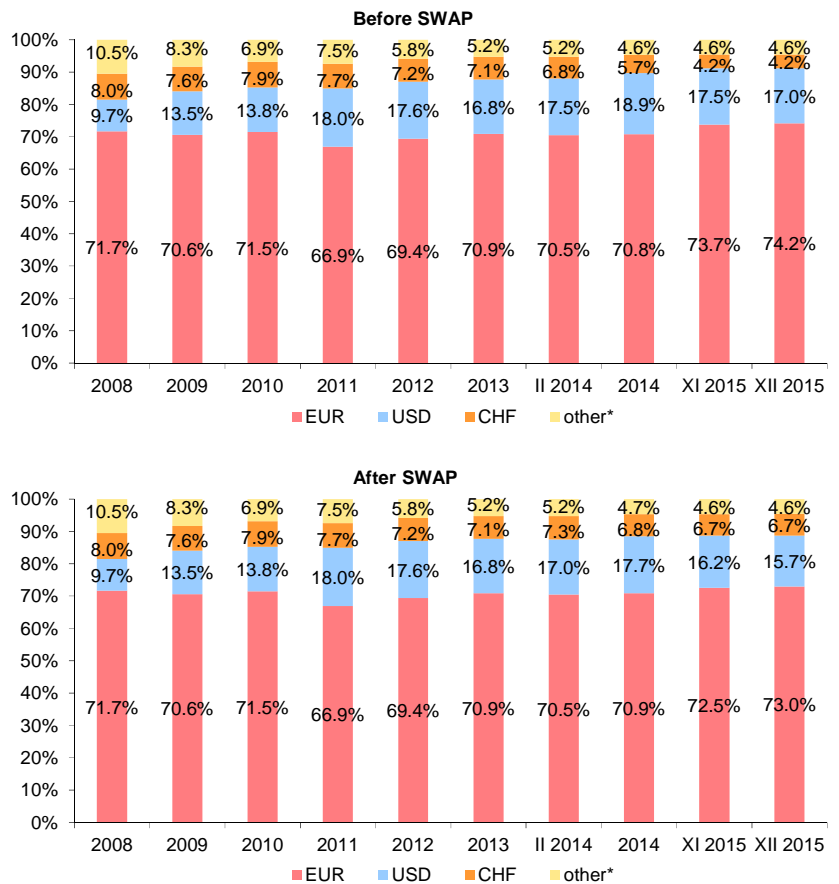
In accordance with the debt management strategy, State budget borrowing requirements are mostly financed on domestic market. The share of debt denominated in PLN increased from 64.5% at the end of 2014 to 65.1% at the end of 2015. The share of debt denominated in other currencies changed as follows:

- EUR – increase from 25.1% to 25.9%,
- USD – decrease from 6.7% to 5.9%,
- CHF – decrease from 2.0% to 1.5%,
- JPY – stabilization at the level of 1.6%.



## Structure of foreign ST debt by currency – excluding and including SWAP transactions

In 2015 the share of EUR-denominated debt in foreign ST debt, including derivative transactions, increased from 70.9% to 73.0%, i.e. above minimum level of 70% assumed in debt management strategy. In 2015 the share of debt denominated in EUR increased by 2.1 pp, mainly as a result of positive balance of issuance of debt in this currency and simultaneously negative balance of issuance of debt in other currencies. Compared to the previous month, in December 2015 the share of EUR increased by 0.4 pp mainly as a result of issuance of EUR-denominated debt and depreciation of USD against EUR.



\*) JPY (until 2008 inclusive – CAD and NOK as well, and until 2009 inclusive – GBP).

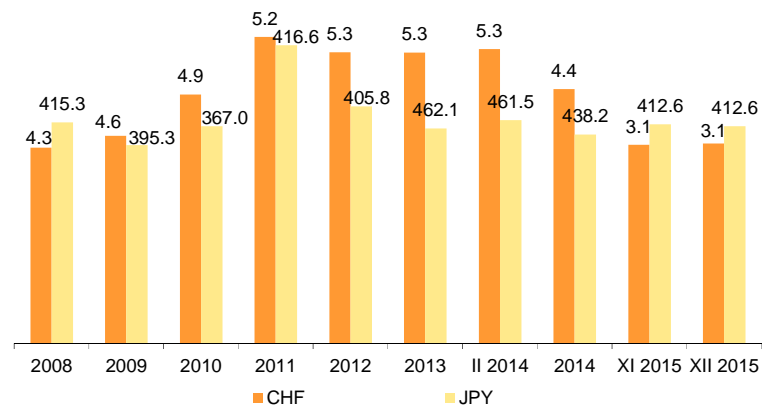
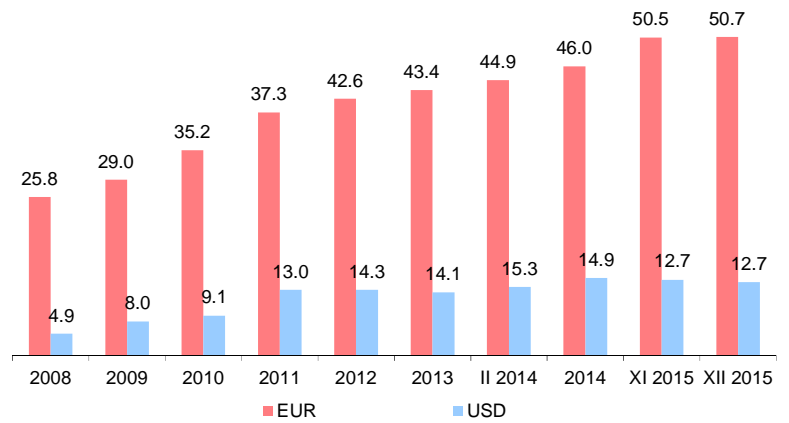
## Foreign ST debt in original currency (billion)

\*)\*\*)

At the end of 2015 nominal value of ST debt denominated in EUR amounted to EUR 50.7bn, increasing by EUR 0.2bn m/m (drawing loan from EIB). Compared to the previous month nominal value of debt denominated in USD, CHF and JPY remained unchanged, i.e. amounted to USD 12.7bn, CHF 3.1bn and JPY 412.6bn, respectively.

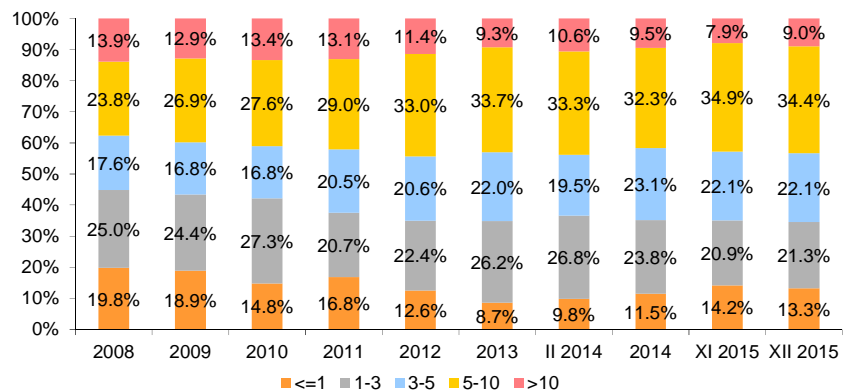
\*) Charts present debt excluding SWAP transactions and do not include debt in CAD and NOK repaid in March 2009 and debt in GBP repaid in November 2010 as well.

\*\*) Charts present level of debt in original currencies, whereas proportions of columns reflects the level of debt converted to PLN which allows to make debt comparable.



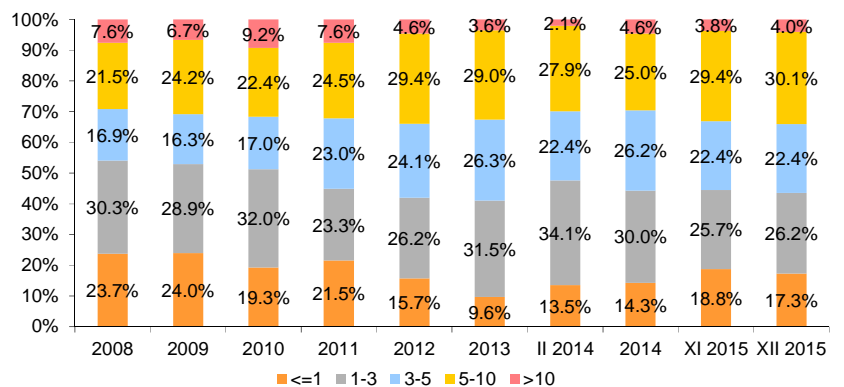
## ST debt by residual maturity (in years)

At the end of December 2015 debt with the longest residual maturity (i.e. above 5 years) comprised 43.4% of total ST debt, i.e. increased by 0.5 pp m/m (mainly as a result of changes in domestic debt structure and drawing loan from EIB) and by 1.7 pp compared to the end of 2014 (mainly as an effect of dominant share of long-term instruments in newly issued debt). Debt with residual maturity of up to 1 year constituted 13.3% of ST debt and decreased by 0.9 pp m/m (mainly as a result of changes in domestic debt structure) and increased by 1.8 pp compared to the end of 2014 (as a consequence of debt aging and increase in deposits).



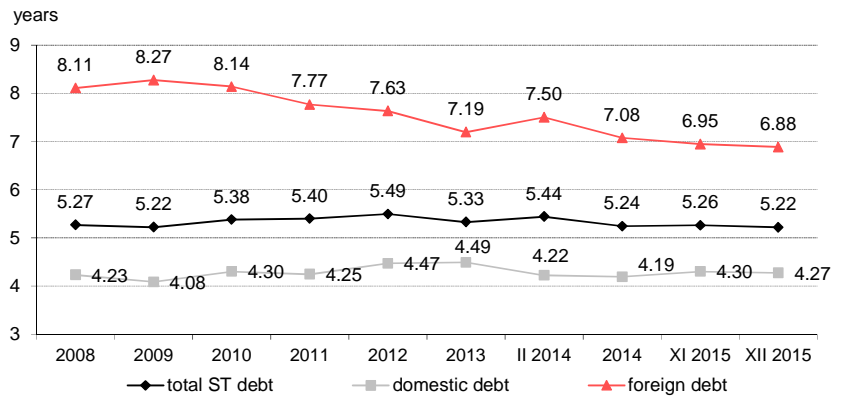
## Domestic ST debt by residual maturity (in years)

At the end of December 2015 domestic debt with residual maturity above 5 years accounted for 34.0%, i.e. increased by 0.9 pp m/m (mainly as a result of issuance of PS0421 and DS0726 bonds) and by 4.5 pp compared to the end of 2014 (resulted mainly from dominant share of long-term instruments in newly issued debt). The share of debt with residual maturity of up to 1 year amounted to 17.3%, decreasing by 1.4 pp m/m (primarily as a result of partial repurchase of OK0116 and PS0416 bonds) and simultaneously increasing by 3.1 pp compared to the end of 2014 (as a result of debt aging and increase in deposits by PLN 8.3bn).



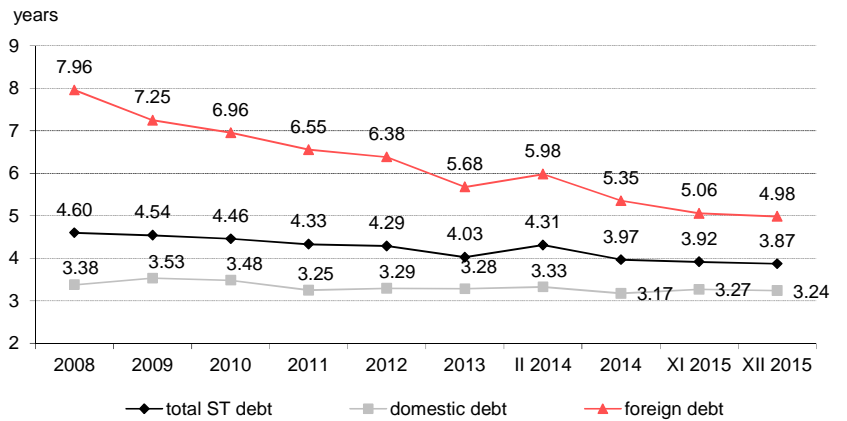
### ATM of ST debt

At the end of December 2015 average time to maturity (ATM) of ST debt amounted to 5.22 years (decrease by 0.04 years m/m and by 0.02 years compared to the end of 2014), remaining in line with debt management strategy, i.e. close to 5 years. ATM of domestic debt amounted to 4.27 years, i.e. shortened by 0.03 years m/m and simultaneously lengthened by 0.08 years compared to the end of 2014. Increase in ATM in 2015 resulted mainly from dominant share of instruments with maturity above 5 years in newly issued debt. According to debt management strategy, it is assumed to maintained ATM of domestic debt at the level of at least 4 years and ultimately lengthening it to 4.5 years. At the end of December 2015 ATM of foreign debt amounted to 6.88 years (decrease by 0.06 years m/m and by 0.19 years compared to the end of 2014 – primarily as a result of debt aging), remaining at the safe level.



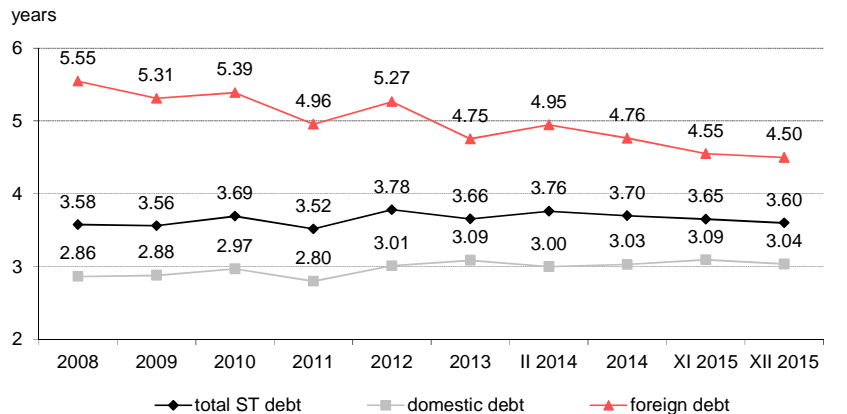
### ATR of ST debt

At the end of December 2015 average time to refixing (ATR) of ST debt amounted to 3.87 years, i.e. decreased by 0.04 years m/m and by 0.09 years compared to the end of 2014. ATR of domestic and foreign debt amounted to 3.24 years (decline by 0.03 years m/m and increase by 0.07 years compared to the end of 2014) and 4.98 years (decrease by 0.07 years m/m and by 0.37 years compared to the end of 2014), respectively. Changes in ATR of both debt categories in 2015 resulted mainly from changes in ATM and increase in the share of floating rate instruments. In 2015 ATR of domestic ST debt remained in line with debt management strategy, i.e. in the range 2.8-3.8 years.



### Duration of ST debt\*

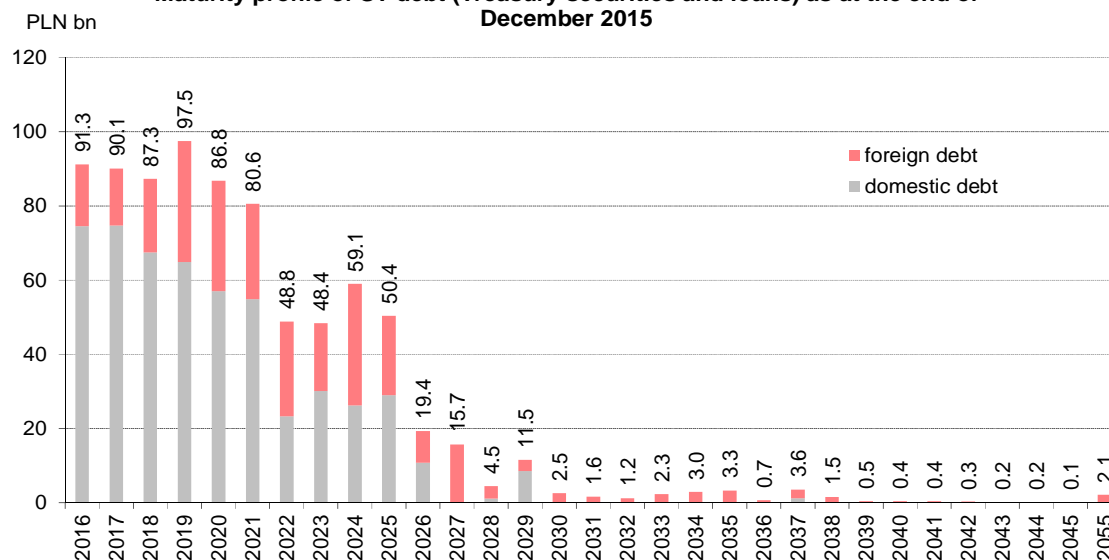
At the end of December 2015 duration of ST debt amounted to 3.60 years, i.e. decreased by 0.05 years m/m and by 0.10 pp compared to the end of 2014. Duration of domestic and foreign debt amounted to 3.04 years (decrease by 0.06 years m/m and increase by 0.01 years compared to the end of 2014) and 4.50 years (decrease by 0.05 years m/m and by 0.26 years compared to the end of 2014), respectively. Changes in duration of both debt categories in 2015 resulted primarily from changes in ATR, and in case of foreign debt from decline in yield of EUR-denominated bonds as well.



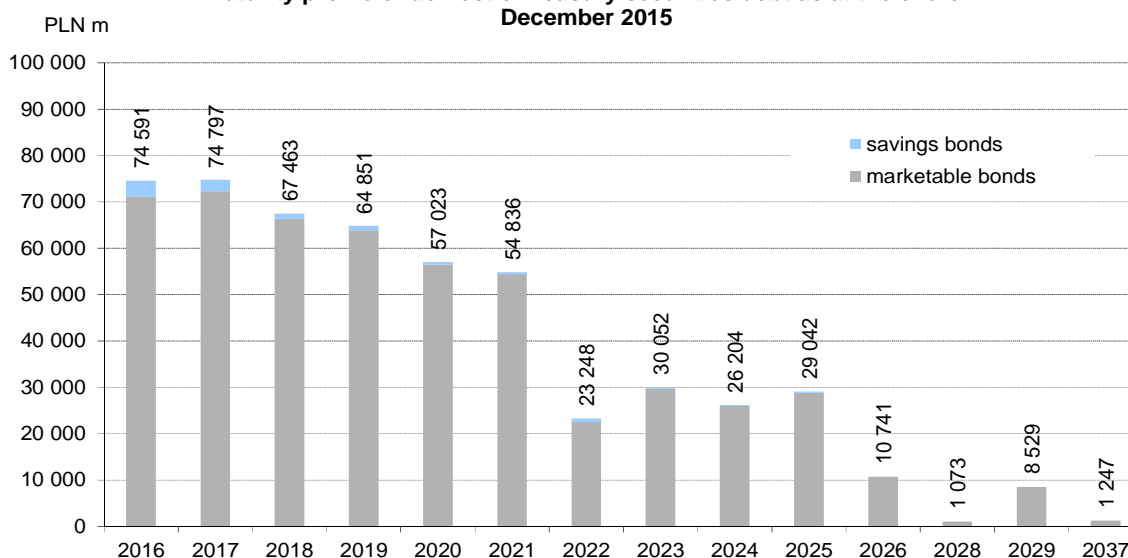
\*) Excluding inflation-linked bonds

ATR as well as duration, indicated that in 2015 interest rate risk of ST debt remained stable.

**Maturity profile of ST debt (Treasury securities and loans) as at the end of December 2015**

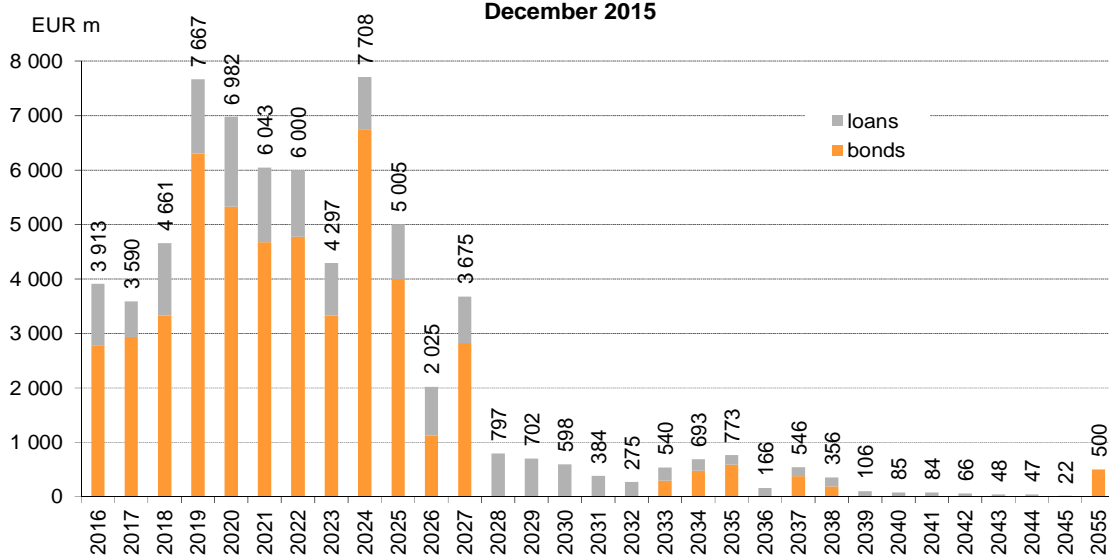


**Maturity profile of domestic Treasury securities debt as at the end of December 2015**



\*) Data do not include a part of short-term domestic debt (mainly deposits and matured payables) maturing in 2016 and amounted to PLN 19.564m.

**Maturity profile of foreign debt (Treasury securities and loans) as at the end of December 2015**



\*) Data do not include a part of short-term foreign debt maturing in 2016 – matured payables (PLN 0.1m)

**Table 3. State Treasury debt by instrument according to the place of issue criterion (PLN million)**

	Dec 2014	structure Dec 2014 %	Nov 2015	structure Nov 2015 %	Dec 2015	structure Dec 2015 %	change		change	
							Dec 2015 – Nov 2015		Dec 2015 – Dec 2014	
							PLN m	%	PLN m	%
<b>State Treasury Debt</b>	<b>779,938.4</b>	<b>100.0</b>	<b>836,817.3</b>	<b>100.0</b>	<b>834,541.0</b>	<b>100.0</b>	<b>-2,276.3</b>	<b>-0.3</b>	<b>54,602.6</b>	<b>7.0</b>
<b>I. Domestic debt</b>	<b>503,079.0</b>	<b>64.5</b>	<b>544,400.1</b>	<b>65.1</b>	<b>543,259.0</b>	<b>65.1</b>	<b>-1,141.1</b>	<b>-0.2</b>	<b>40,180.0</b>	<b>8.0</b>
1. Treasury securities issued in domestic market	491,841.3	63.1	523,452.9	62.6	523,695.5	62.8	242.6	0.0	31,854.2	6.5
1.1. Marketable securities	482,942.8	61.9	513,171.1	61.3	513,385.1	61.5	214.0	0.0	30,442.3	6.3
fixed rate	369,850.0	47.4	384,360.1	45.9	384,567.5	46.1	207.4	0.1	14,717.5	4.0
OK bonds	47,075.7	6.0	41,030.8	4.9	38,928.4	4.7	-2,102.5	-5.1	-8,147.3	-17.3
PS bonds	149,302.1	19.1	171,953.7	20.5	172,868.0	20.7	914.4	0.5	23,565.9	15.8
DS bonds	140,568.2	18.0	137,998.0	16.5	139,393.4	16.7	1,395.4	1.0	-1,174.8	-0.8
WS bonds	32,904.0	4.2	33,377.6	4.0	33,377.6	4.0	0.0	0.0	473.7	1.4
fixed rate - inflation-linked	7,779.0	1.0	7,670.5	0.9	7,677.1	0.9	6.7	0.1	-101.8	-1.3
IZ bonds	7,779.0	1.0	7,670.5	0.9	7,677.1	0.9	6.7	0.1	-101.8	-1.3
floating rate	105,313.8	13.5	121,140.5	14.5	121,140.5	14.5	0.0	0.0	15,826.7	15.0
TZ bonds	70.6	0.0	0.0	0.0	0.0	0.0	0.0	-	-70.6	-100.0
WZ bonds	105,243.1	13.5	121,140.5	14.5	121,140.5	14.5	0.0	0.0	15,897.3	15.1
1.2. Savings bonds	8,898.5	1.1	10,281.8	1.2	10,310.4	1.2	28.6	0.3	1,411.9	15.9
fixed rate	2,719.6	0.3	4,112.2	0.5	4,147.5	0.5	35.2	0.9	1,427.8	52.5
KOS bonds	485.4	0.1	1,357.5	0.2	1,355.7	0.2	-1.8	-0.1	870.3	179.3
DOS bonds	2,234.2	0.3	2,754.7	0.3	2,791.8	0.3	37.1	1.3	557.6	25.0
floating rate	6,178.9	0.8	6,169.6	0.7	6,162.9	0.7	-6.7	-0.1	-15.9	-0.3
TOZ bonds	456.4	0.1	532.3	0.1	534.4	0.1	2.1	0.4	78.0	17.1
COI bonds	1,807.4	0.2	1,670.5	0.2	1,656.2	0.2	-14.4	-0.9	-151.2	-8.4
EDO bonds	3,915.0	0.5	3,966.8	0.5	3,972.3	0.5	5.6	0.1	57.3	1.5
2. Other domestic debt	11,237.8	1.4	20,947.2	2.5	19,563.6	2.3	-1,383.7	-6.6	8,325.8	74.1
deposits of pfse*	11,218.6	1.4	16,951.6	2.0	15,444.9	1.9	-1,506.7	-8.9	4,226.3	37.7
court deposits**	0.0	0.0	3,980.1	0.5	4,096.4	0.5	116.2	2.9	4,096.4	-
matured payables	15.7	0.0	12.0	0.0	18.8	0.0	6.8	56.2	3.1	20.0
other	3.5	0.0	3.5	0.0	3.5	0.0	0.0	0.1	-0.1	-1.6
<b>II. Foreign debt</b>	<b>276,859.4</b>	<b>35.5</b>	<b>292,417.2</b>	<b>34.9</b>	<b>291,282.0</b>	<b>34.9</b>	<b>-1,135.2</b>	<b>-0.4</b>	<b>14,422.6</b>	<b>5.2</b>
1. Treasury securities issued in international markets	208,420.1	26.7	217,394.0	26.0	215,629.4	25.8	-1,764.6	-0.8	7,209.3	3.5
1.1. Marketable securities	208,420.1	26.7	217,394.0	26.0	215,629.4	25.8	-1,764.6	-0.8	7,209.3	3.5
fixed rate	206,803.9	26.5	217,394.0	26.0	215,629.4	25.8	-1,764.6	-0.8	8,825.5	4.3
EUR	127,536.5	16.4	140,461.4	16.8	140,382.3	16.8	-79.1	-0.1	12,845.8	10.1
USD	52,066.5	6.7	51,186.1	6.1	49,544.0	5.9	-1,642.1	-3.2	-2,522.5	-4.8
CHF	14,356.0	1.8	12,238.0	1.5	12,330.3	1.5	92.3	0.8	-2,025.7	-14.1
JPY	12,844.9	1.6	13,508.5	1.6	13,372.8	1.6	-135.7	-1.0	527.9	4.1
floating rate	1,616.2	0.2	0.0	0.0	0.0	0.0	0.0	-	-1,616.2	-100.0
USD	286.9	0.0	0.0	0.0	0.0	0.0	0.0	-	-286.9	-100.0
CHF	1,329.3	0.2	0.0	0.0	0.0	0.0	0.0	-	-1,329.3	-100.0
2. Loans	68,439.2	8.8	75,023.2	9.0	75,652.5	9.1	629.3	0.8	7,213.3	10.5
fixed rate	18,400.6	2.4	17,184.0	2.1	17,931.1	2.1	747.1	4.3	-469.5	-2.6
EUR	18,383.6	2.4	17,184.0	2.1	17,931.1	2.1	747.1	4.3	-452.5	-2.5
JPY	17.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-17.0	-100.0
floating rate	50,038.7	6.4	57,839.2	6.9	57,721.4	6.9	-117.8	-0.2	7,682.7	15.4
EUR	50,038.7	6.4	57,839.2	6.9	57,721.4	6.9	-117.8	-0.2	7,682.7	15.4
3. Other foreign debt	0.0	0.0	0.0	0.0	0.1	0.0	0.1	4.118.8	0.1	-

\*) Deposits received from pfse with legal personality

\*\*) Court deposits from pfse with legal personality and entities from outside pfs.

**Table 4. State Treasury debt by holder (PLN million)**

	Dec 2014	structure Dec 2014 %	Nov 2015	structure Nov 2015 %	Dec 2015	structure Dec 2015 %	change Dec 2015 – Nov 2015		change Dec 2015 – Dec 2014	
							PLN m	%	PLN m	%
<b>State Treasury debt</b>	<b>779,938.4</b>	<b>100.0</b>	<b>836,817.3</b>	<b>100.0</b>	<b>834,541.0</b>	<b>100.0</b>	<b>-2,276.3</b>	<b>-0.3</b>	<b>54,602.6</b>	<b>7.0</b>
<b>I. State Treasury debt towards residents</b>	<b>323,045.9</b>	<b>41.4</b>	<b>351,508.9</b>	<b>42.0</b>	<b>350,089.4</b>	<b>41.9</b>	<b>-1,419.5</b>	<b>-0.4</b>	<b>27,043.5</b>	<b>8.4</b>
<b>Domestic banking sector</b>	<b>165,722.6</b>	<b>21.2</b>	<b>180,474.6</b>	<b>21.6</b>	<b>184,177.6</b>	<b>22.1</b>	<b>3,702.9</b>	<b>2.1</b>	<b>18,454.9</b>	<b>11.1</b>
1. TS issued in domestic market	150,800.1	19.3	167,822.9	20.1	171,499.8	20.6	3,676.9	2.2	20,699.7	13.7
1.1. Marketable TS	150,800.1	19.3	167,822.9	20.1	171,499.8	20.6	3,676.9	2.2	20,699.7	13.7
OK bonds	15,410.6	2.0	16,147.9	1.9	13,945.9	1.7	-2,201.9	-13.6	-1,464.7	-9.5
PS bonds	41,460.0	5.3	53,589.4	6.4	57,422.7	6.9	3,833.3	7.2	15,962.7	38.5
DS bonds	23,821.7	3.1	20,699.1	2.5	20,736.7	2.5	37.6	0.2	-3,085.0	-13.0
WS bonds	2,976.4	0.4	2,931.0	0.4	2,879.1	0.3	-52.0	-1.8	-97.3	-3.3
IZ bonds	838.9	0.1	1,547.1	0.2	1,500.9	0.2	-46.3	-3.0	662.0	78.9
TZ bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
WZ bonds	66,292.5	8.5	72,908.4	8.7	75,014.5	9.0	2,106.2	2.9	8,722.0	13.2
1.2. Savings bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
KOS bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
DOS bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
TOZ bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
COI bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
EDO bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
2. Other ST debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
deposits of pfse*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
court deposits**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
matured payables	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
3. TS issued in foreign markets	14,922.6	1.9	12,651.7	1.5	12,677.8	1.5	26.1	0.2	-2,244.7	-15.0
<b>Domestic non-banking sector</b>	<b>157,323.2</b>	<b>20.2</b>	<b>171,034.2</b>	<b>20.4</b>	<b>165,911.8</b>	<b>19.9</b>	<b>-5,122.4</b>	<b>-3.0</b>	<b>8,588.6</b>	<b>5.5</b>
1. TS issued in domestic market	145,055.2	18.6	149,064.5	17.8	145,436.2	17.4	-3,628.3	-2.4	381.0	0.3
1.1. Marketable TS	136,172.0	17.5	138,795.9	16.6	135,140.1	16.2	-3,655.7	-2.6	-1,031.8	-0.8
OK bonds	14,848.5	1.9	10,732.2	1.3	10,750.6	1.3	18.5	0.2	-4,097.9	-27.6
PS bonds	39,477.9	5.1	44,572.5	5.3	43,653.2	5.2	-919.2	-2.1	4,175.4	10.6
DS bonds	37,296.5	4.8	30,490.4	3.6	30,865.1	3.7	374.7	1.2	-6,431.5	-17.2
WS bonds	15,456.8	2.0	16,382.8	2.0	16,384.7	2.0	1.9	0.0	927.8	6.0
IZ bonds	2,478.3	0.3	2,773.8	0.3	2,898.5	0.3	124.7	4.5	420.2	17.0
TZ bonds	70.6	0.0	0.0	0.0	0.0	0.0	0.0	-	-70.6	-100.0
WZ bonds	26,543.2	3.4	33,844.3	4.0	30,588.0	3.7	-3,256.2	-9.6	4,044.8	15.2
1.2. Savings bonds	8,883.3	1.1	10,268.6	1.2	10,296.0	1.2	27.4	0.3	1,412.8	15.9
KOS bonds	485.3	0.1	1,357.0	0.2	1,354.9	0.2	-2.1	-0.2	869.5	179.2
DOS bonds	2,232.4	0.3	2,752.6	0.3	2,788.8	0.3	36.1	1.3	556.3	24.9
TOZ bonds	456.1	0.1	531.9	0.1	534.1	0.1	2.1	0.4	78.0	17.1
COI bonds	1,802.0	0.2	1,667.9	0.2	1,653.5	0.2	-14.4	-0.9	-148.4	-8.2
EDO bonds	3,907.4	0.5	3,959.2	0.5	3,964.8	0.5	5.6	0.1	57.4	1.5
2. Other ST debt	11,237.8	1.4	20,937.2	2.5	19,551.0	2.3	-1,386.1	-6.6	8,313.2	74.0
deposits of pfse*	11,218.6	1.4	16,951.6	2.0	15,444.9	1.9	-1,506.7	-8.9	4,226.3	37.7
court deposits**	0.0	0.0	3,970.1	0.5	4,083.9	0.5	113.8	2.9	4,083.9	-
matured payables	15.7	0.0	12.0	0.0	18.8	0.0	6.8	56.2	3.1	20.0
other	3.5	0.0	3.5	0.0	3.5	0.0	0.0	0.1	-0.1	-1.6
3. TS issued in foreign markets	1,030.2	0.1	1,032.5	0.1	924.6	0.1	-108.0	-10.5	-105.6	-10.3
<b>II. State Treasury debt towards non-residents</b>	<b>456,892.6</b>	<b>58.6</b>	<b>485,308.5</b>	<b>58.0</b>	<b>484,451.7</b>	<b>58.1</b>	<b>-856.8</b>	<b>-0.2</b>	<b>27,559.1</b>	<b>6.0</b>
1. TS issued in domestic market	195,986.0	25.1	206,565.5	24.7	206,759.5	24.8	194.1	0.1	10,773.6	5.5
1.1. Marketable TS	195,970.7	25.1	206,552.3	24.7	206,745.2	24.8	192.9	0.1	10,774.5	5.5
OK bonds	16,816.6	2.2	14,150.8	1.7	14,231.8	1.7	81.0	0.6	-2,584.7	-15.4
PS bonds	68,364.2	8.8	73,791.9	8.8	71,792.1	8.6	-1,999.7	-2.7	3,427.9	5.0
DS bonds	79,450.0	10.2	86,808.5	10.4	87,791.6	10.5	983.2	1.1	8,341.7	10.5
WS bonds	14,470.8	1.9	14,063.8	1.7	14,113.9	1.7	50.1	0.4	-356.9	-2.5
IZ bonds	4,461.8	0.6	3,349.5	0.4	3,277.8	0.4	-71.7	-2.1	-1,184.0	-26.5
TZ bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
WZ bonds	12,407.4	1.6	14,387.9	1.7	15,537.9	1.9	1,150.1	8.0	3,130.5	25.2
1.2. Savings bonds	15.2	0.0	13.2	0.0	14.3	0.0	1.2	8.9	-0.9	-5.9
KOS bonds	0.1	0.0	0.6	0.0	0.8	0.0	0.3	48.4	0.7	655.4
DOS bonds	1.8	0.0	2.1	0.0	3.0	0.0	0.9	45.3	1.2	69.6
TOZ bonds	0.3	0.0	0.3	0.0	0.3	0.0	0.0	0.0	0.0	0.5
COI bonds	5.4	0.0	2.6	0.0	2.6	0.0	0.0	-0.3	-2.8	-51.5
EDO bonds	7.6	0.0	7.6	0.0	7.5	0.0	0.0	-0.5	-0.1	-0.8
2. TS issued in foreign markets	192,467.3	24.7	203,709.7	24.3	202,027.0	24.2	-1,682.7	-0.8	9,559.7	5.0
3. Foreign loans	68,439.2	8.8	75,023.2	9.0	75,652.5	9.1	629.3	0.8	7,213.3	10.5
European Investment Bank	40,344.2	5.2	43,263.7	5.2	43,996.0	5.3	732.4	1.7	3,651.9	9.1
The World Bank	27,276.2	3.5	30,865.7	3.7	30,763.1	3.7	-102.6	-0.3	3,486.9	12.8
Council of Europe Development Bank	802.0	0.1	893.9	0.1	893.4	0.1	-0.5	-0.1	91.4	11.4
other loans	17.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-17.0	-100.0
4. Other ST debt	0.0	0.0	10.1	0.0	12.6	0.0	2.6	25.4	12.6	-

\*) Deposits received from pfse with legal personality

\*\*) Court deposits from pfse with legal personality and entities from outside pfs.





**Table 6. State Treasury debt by instrument according to the place of issue criterion in EUR million**

	Dec 2014	Nov 2015	Dec 2015	change		change	
				Dec 2015 – Nov 2015		Dec 2015 – Dec 2014	
				EUR m	%	EUR m	%
<b>State Treasury debt</b>	<b>182,985.3</b>	<b>196,256.3</b>	<b>195,832.7</b>	<b>-423.6</b>	<b>-0.2</b>	<b>12,847.4</b>	<b>7.0</b>
<b>I. Domestic debt</b>	<b>118,029.9</b>	<b>127,676.6</b>	<b>127,480.7</b>	<b>-195.9</b>	<b>-0.2</b>	<b>9,450.8</b>	<b>8.0</b>
1. Treasury securities issued in domestic market	115,393.4	122,763.9	122,889.9	126.1	0.1	7,496.5	6.5
1.1. Marketable TS	113,305.7	120,352.5	120,470.5	118.0	0.1	7,164.8	6.3
- Treasury bills	0.0	0.0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	113,305.7	120,352.5	120,470.5	118.0	0.1	7,164.8	6.3
1.2. Savings bonds	2,087.7	2,411.4	2,419.4	8.1	0.3	331.7	15.9
2. Other ST debt	2,636.6	4,912.7	4,590.8	-321.9	-6.6	1,954.2	74.1
<b>II. Foreign debt</b>	<b>64,955.4</b>	<b>68,579.8</b>	<b>68,352.0</b>	<b>-227.8</b>	<b>-0.3</b>	<b>3,396.6</b>	<b>5.2</b>
1. Treasury securities issued in foreign markets	48,898.5	50,984.8	50,599.4	-385.4	-0.8	1,700.9	3.5
2. Loans	16,056.9	17,595.0	17,752.6	157.6	0.9	1,695.7	10.6
1.1. International financial institutions	16,052.9	17,595.0	17,752.6	157.6	0.9	1,699.7	10.6
- World Bank	6,399.4	7,238.8	7,218.8	-20.0	-0.3	819.4	12.8
- European Investment Bank	9,465.4	10,146.5	10,324.1	177.6	1.8	858.7	9.1
- Council of Europe Development Bank	188.2	209.6	209.6	0.0	0.0	21.5	11.4
1.2. other loans	4.0	0.0	0.0	0.0	-	-4.0	-100.0
3. Other ST debt	0.0	0.0	0.0	0.0	4.121.1	0.0	-
<i>FX rate (EUR/PLN)</i>	4.2623	4.2639	4.2615	0.0	-0.1	0.0	0.0

**Table 7. State Treasury debt by instrument according to the place of issue criterion in USD million**

	Dec 2014	Nov 2015	Dec 2015	change		change	
				Dec 2015 – Nov 2015		Dec 2015 – Dec 2014	
				USD m	%	USD m	%
<b>State Treasury debt</b>	<b>222,382.1</b>	<b>207,626.4</b>	<b>213,924.5</b>	<b>6,298.2</b>	<b>3.0</b>	<b>-8,457.5</b>	<b>-3.8</b>
<b>I. Domestic debt</b>	<b>143,441.8</b>	<b>135,073.5</b>	<b>139,257.9</b>	<b>4,184.4</b>	<b>3.1</b>	<b>-4,183.9</b>	<b>-2.9</b>
1. Treasury securities issued in domestic market	140,237.6	129,876.2	134,243.0	4,366.9	3.4	-5,994.6	-4.3
1.1. Marketable TS	137,700.4	127,325.1	131,600.1	4,275.0	3.4	-6,100.3	-4.4
- Treasury bills	0.0	0.0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	137,700.4	127,325.1	131,600.1	4,275.0	3.4	-6,100.3	-4.4
1.2. Savings bonds	2,537.2	2,551.1	2,642.9	91.9	3.6	105.7	4.2
2. Other ST debt	3,204.2	5,197.3	5,014.9	-182.4	-3.5	1,810.7	56.5
<b>II. Foreign debt</b>	<b>78,940.3</b>	<b>72,552.9</b>	<b>74,666.6</b>	<b>2,113.7</b>	<b>2.9</b>	<b>-4,273.6</b>	<b>-5.4</b>
1. Treasury securities issued in foreign markets	59,426.4	53,938.6	55,274.0	1,335.4	2.5	-4,152.4	-7.0
2. Loans	19,513.9	18,614.3	19,392.6	778.3	4.2	-121.3	-0.6
1.1. International financial institutions	19,509.1	18,614.3	19,392.6	778.3	4.2	-116.5	-0.6
- World Bank	7,777.2	7,658.2	7,885.7	227.5	3.0	108.6	1.4
- European Investment Bank	11,503.2	10,734.3	11,277.9	543.5	5.1	-225.4	-2.0
- Council of Europe Development Bank	228.7	221.8	229.0	7.2	3.3	0.3	0.2
1.2. other loans	4.8	0.0	0.0	0.0	-	-4.8	-100.0
3. Other ST debt	0.0	0.0	0.0	0.0	4.258.6	0.0	-
<i>FX rate (USD/PLN)</i>	3.5072	4.0304	3.9011	-0.1	-3.2	0.4	11.2

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