

## **State budget borrowing requirements' financing plan and its background**

2nd quarter 2016

April 2016

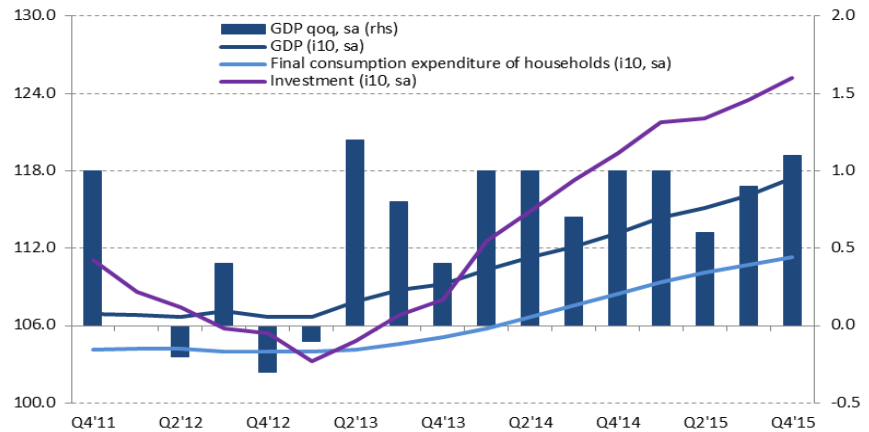
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## Gross domestic product of Poland

constant prices, yoy  
source: GUS

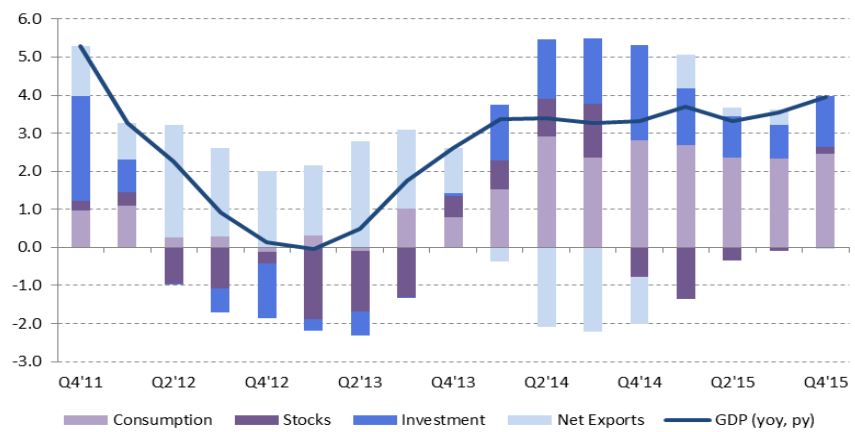
A steady recovery started in the second quarter of 2013. In the fourth quarter of 2015 Polish economy continued its upward trend: GDP increased by 1.1% (qoq, sa), following an increase by 0.9% in the third quarter of 2015.



## Contributions to Poland's GDP growth

percentage points  
source: GUS; py - average prices of the previous year

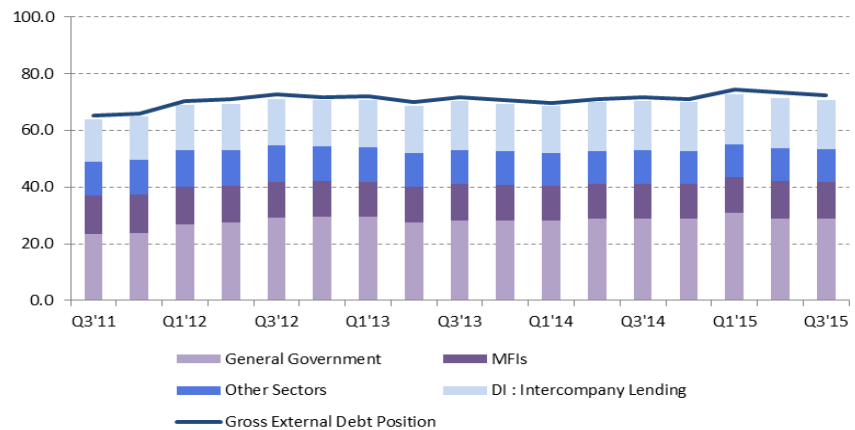
In the fourth quarter of 2015 GDP was 3.9% higher than a year ago, which was the best result in the course of the last four years. Domestic demand was the only source of GDP growth, mainly due to households consumption, investments and public consumption. The pace of investments growth (in yoy terms) was slightly higher than in the third quarter of 2015 and amounted to 4.9% and the pace of households consumption growth remained stable at 3.1%. The net exports contribution was neutral with high exports and imports dynamics (in yoy terms).



## Poland's gross external debt position

percent of GDP  
source: NBP, GUS, MoF own calculation

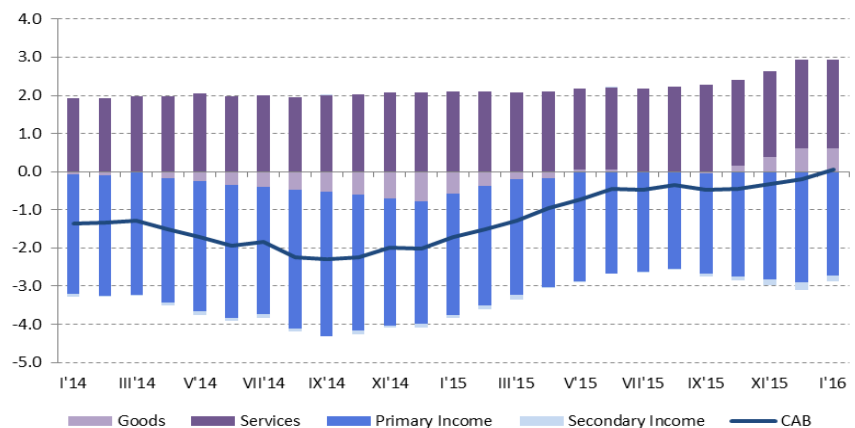
Gross external debt reached EUR 305.8bn (72.4% of GDP) at the end of the third quarter of 2015 and was EUR 2.0bn lower than in the previous quarter. The share of general government sector debt in total debt increased to 40.1%. Official reserve assets reached EUR 86.9bn at the end of December 2015 and remained broadly adequate, covering over 5 months of imports.



## Current account balance

percent of GDP, in 12-month terms  
source: NBP, GUS, MoF own calculation

In January 2016, according to the preliminary data, C/A balance was slightly positive and amounted to 0.1% of GDP (in 12-month terms of GDP) as compared to a deficit of 0.2% of GDP in the previous month. Inflow of long term capital, i.e. EU structural funds classified on capital account and direct investments of non-residents also has been continued.

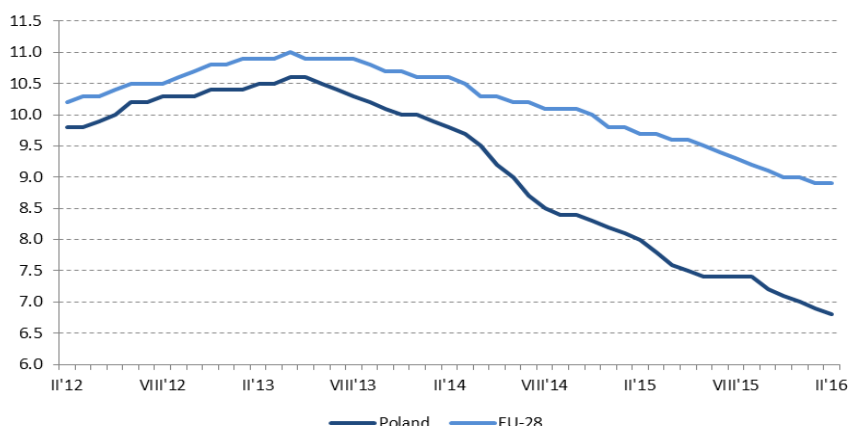




## Harmonised unemployment rate

percent, seasonally adjusted data  
source: Eurostat

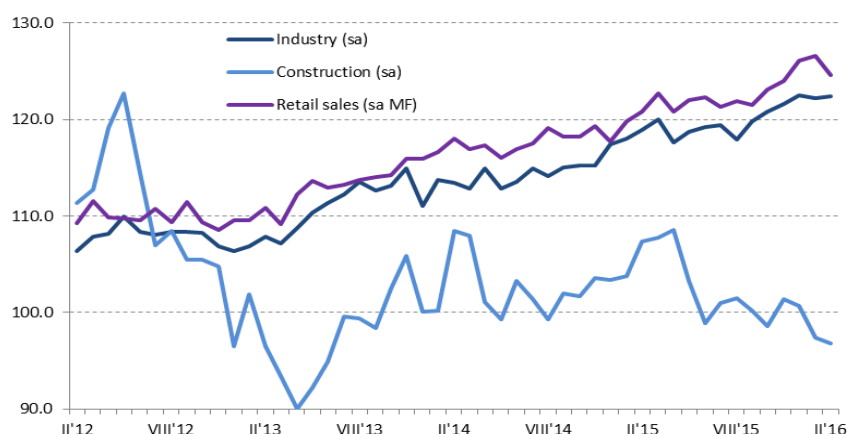
Harmonised unemployment rate (sa) has continued its downward trend since mid-2013. In February 2016 it amounted to 6.8% (versus 8.9% in EU on average) and it was 0.1 pp lower than in previous month and 1.2 pp lower than a year before. Thus, the minimum recorded in September 2008 was reached again.



## Monthly indicators of the real sector

sold production in constant prices, i10, seasonally adjusted data  
source: GUS

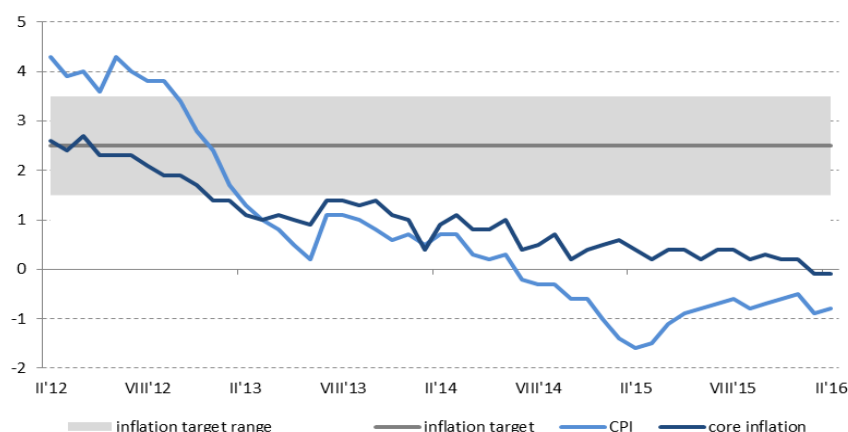
In February 2016 industrial output went up by 0.2% (mom, sa) and production was 6.7% higher than a year ago (nsa). In February 2016 construction production dropped by 0.7%, following decreases in two previous months (mom, sa). As a result its level was 10.5% (nsa) lower than a year before with one more working day. In February 2016 real retail sales went down by 1.6%, following increases in the four previous months (mom, sa MoF). As a result, its level was 6.2% (nsa) higher than in the same month of 2015 with one more working day.



## Inflation

percent, yoy  
source: GUS, NBP

Since July 2014 consumer prices have been lower than a year before, mainly because of drop of commodity prices (energy and food). In February 2016 deflation amounted to 0.8% (yoy). Core inflation (CPI excluding food and energy prices) in the first two months of 2016 dropped below zero to -0.1% (yoy). Deflation in producer prices has been lasting over 3 years (1.4% yoy in February 2016).

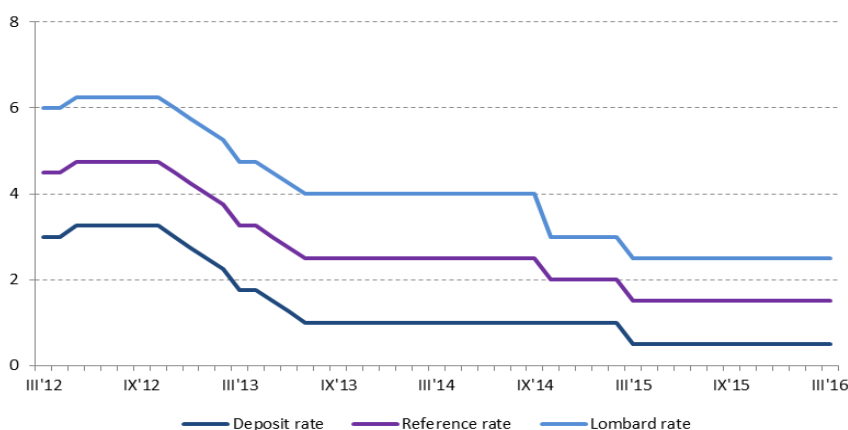


## NBP interest rates

percent, end of period  
source: NBP

In March 2016 the Monetary Policy Council (MPC) left NBP's interest rates unchanged, with the reference rate at 1.50%. In the Council's assessment, the current level of interest rates is conducive to keeping the Polish economy on the sustainable growth path and maintaining macroeconomic balance.

According to the latest Reuters' poll (March, 8th) bank analysts expect the MPC to keep interest rates unchanged in 2016.



## II. STATISTICAL DATA

	Unit	2014 Q03	Q04	2015 Q01	Q02	Q03	Q04
<b>GDP</b>							
Gross domestic product	YoY	3.3	3.3	3.7	3.3	3.5	3.9
	QoQ SA	0.7	1.0	1.0	0.6	0.9	1.1
Final consumption expenditure of the households sector	YoY	2.4	2.8	3.1	3.1	3.1	3.1
	QoQ SA	0.8	0.9	0.8	0.7	0.6	0.5
Final consumption expenditure of the general government sector	YoY	5.3	7.4	3.7	2.5	2.7	4.8
	QoQ SA	0.8	1.1	0.5	0.9	0.8	1.3
Gross fixed capital formation	YoY	9.5	9.5	11.5	6.1	4.6	4.9
	QoQ SA	2.1	1.8	2.0	0.3	1.2	1.3
Exports of goods and services	YoY	4.7	6.9	8.4	4.8	3.9	9.1
	QoQ SA	1.9	1.1	1.9	0.5	1.6	4.3
Imports of goods and services	YoY	9.7	10.0	6.8	4.5	3.1	9.4
	QoQ SA	2.9	0.1	1.4	0.6	0.9	5.6
Gross value added	YoY	3.5	3.3	3.3	3.2	3.4	3.8
	QoQ SA	1.0	0.6	0.8	0.8	0.8	1.1
<b>Contribution to GDP growth</b>							
Final consumption expenditure of the households sector	pp.	1.5	1.5	2.0	1.9	1.8	1.5
Final consumption expenditure of the general government sector	pp.	0.9	1.3	0.7	0.5	0.5	0.9
Gross fixed capital formation	pp.	1.7	2.5	1.5	1.1	0.9	1.3
Changes in inventories	pp.	1.4	-0.8	-1.4	-0.4	-0.1	0.2
Balance of trade turnover	pp.	-2.2	-1.2	0.9	0.2	0.4	0.0
Gross value added	pp.	3.1	2.9	2.9	2.8	3.0	3.3
Taxes less subsidies	pp.	0.2	0.4	0.8	0.5	0.5	0.6
<b>GDP structure</b>							
Final consumption expenditure of the households sector	% of GDP	60.4	51.3	64.4	59.7	60.0	49.4
Final consumption expenditure of the general government sector	% of GDP	17.8	19.1	17.7	18.1	17.6	18.8
Gross fixed capital formation	% of GDP	18.9	27.7	13.9	18.1	19.3	27.7
Changes in inventories	% of GDP	0.6	0.5	-0.7	0.3	0.5	0.6
Exports of goods and services	% of GDP	48.3	44.8	51.6	49.7	49.1	46.8
Imports of goods and services	% of GDP	46.9	44.0	47.7	46.8	47.4	44.0
	Unit	2015 M09	M10	M11	M12	2016 M01	M02
<b>Balance of payments</b>							
Goods: exports (EUR)	YoY	3.0	3.0	12.3	12.1	-0.4	-
Goods: imports (EUR)	YoY	5.2	-2.9	5.3	3.8	0.1	-
Current account balance <sup>1)</sup>	% of GDP	-0.5	-0.4	-0.3	-0.2	0.1	-
Balance on goods <sup>1)</sup>	% of GDP	-0.1	0.2	0.4	0.6	0.6	-
Official Reserve Assets	EUR mln	90 381.2	91 557.1	92 675.4	86 893.5	91 474.1	90 605.5
<b>Inflation</b>							
Consumer Price Index (CPI)	YoY	-0.8	-0.7	-0.6	-0.5	-0.9	-0.8
Core inflation (CPI excluding food and energy prices)	YoY	0.2	0.3	0.2	0.2	-0.1	-0.1
Producer Price Index (PPI)	YoY	-2.8	-2.3	-1.8	-0.8	-1.2	-1.4
<b>Production</b>							
Sold production of industry <sup>2)</sup>	YoY	4.0	2.4	7.8	6.7	1.3	6.7
	MoM SA	1.5	0.8	0.7	0.7	-0.2	0.2
Construction and assembly production <sup>2)</sup>	YoY	-2.5	-5.2	1.2	-0.4	-8.6	-10.5
	MoM SA	-1.3	-1.6	2.8	-0.7	-3.2	-0.7
Manufacturing PMI	SA	50.9	52.2	52.1	52.1	50.9	52.8
<b>Households and labour market</b>							
Retail sales <sup>2)</sup>	YoY	2.9	3.6	5.7	7.0	3.2	6.2
Average paid employment in enterprise sector	YoY	1.0	1.1	1.2	1.4	2.3	2.5
	MoM	0.1	0.3	0.2	0.2	1.4	0.1
Average monthly gross wages and salaries in enterprise sector (real)	YoY	4.9	4.0	4.6	3.6	5.0	4.8
	MoM	1.2	1.2	1.4	8.7	-8.7	1.0
Harmonised unemployment rate (Eurostat)	%, SA	7.4	7.2	7.1	7.0	6.9	6.8
<small>1) Data in 12-month terms 2) Constant prices. Data for units in which the number of employed persons exceeds 9 persons Source: GUS, NBP, Eurostat, MoF calculation based on NBP, GUS data, HSBC, Markit</small>							
	Unit	2015 M08	M09	M10	M11	M12	2016 M01
<b>State Treasury debt</b>							
State Treasury debt (acc. to the place of issue criterion)	nominal, PLN mio	819 163.1	837 652.5	827 082.6	836 817.3	834 541.0	847 865.7
Domestic debt	nominal, PLN mio	544 992.3	555 441.4	535 234.1	544 400.1	543 259.0	537 121.2
	%	66.5	66.3	64.7	65.1	65.1	63.3
Foreign debt	nominal, PLN mio	274 170.9	282 211.1	291 848.5	292 417.2	291 282.0	310 744.5
	%	33.5	33.7	35.3	34.9	34.9	36.7
	Unit	2014 Q03	Q04	2015 Q01	Q02	Q03	Q04 <sup>1)</sup>
<b>Public debt (domestic definition)</b>							
Public debt (acc. to the place of issue criterion)	nominal, PLN mio	802 133.0	826 772.2	848 180.4	858 207.1	876 402.8	877 275.5
Domestic debt	nominal, PLN mio	522 068.5	534 790.1	559 039.5	564 478.8	579 089.4	570 482.5
	%	65.1	64.7	65.9	65.8	66.1	65.0
Foreign debt	nominal, PLN mio	280 064.5	291 982.1	289 140.9	293 728.2	297 313.3	306 793.0
	%	34.9	35.3	34.1	34.2	33.9	35.0
<b>General Government debt (EU definition)</b>							
General Government debt	nominal, PLN mio	839 991.1	867 920.7	886 944.9	896 357.6	915 689.2	921 405.1
<small>1) initial data Source: MoF</small>							

### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING



#### Gross borrowing requirements in 2016

Financing of the State budget borrowing requirements of ca. 52% was a result of:

- T-bond sale on domestic market: PLN 37.1bn,
- switch auctions: 8.4bn,
- T-bond sale on foreign markets: PLN 14.1bn (EUR 1.7bn, USD 1.7bn),
- switch auctions in 2015: PLN 16.4bn,
- T-bonds buyback on foreign markets: EUR 0.7bn,
- and higher than planned financial resources at the end of 2015: PLN 16.5bn (initial data, the final amount will be announced after the final settlement of the budget outcome for 2015).

#### Flows of funds into the market related to domestic T-securities transfers in April

as of March 31, 2016

Value of funds transferred from the State budget to the market in April shall amount to PLN 16.4bn, of which:

- TS redemptions: PLN 12.6bn,
- interest payments: PLN 3.7bn.

#### Flows of funds between the market and the budget\*

as of March 31, 2016, PLN bn

As of March 31, 2016, to the end of the year the funds to be transferred to the market shall amount to PLN 71.6bn.

\* figures include sale, redemptions and interest payments on wholesale bonds and T-bills; monthly financing plans will depend on market situation and feedback from investors thus the detailed schedule of monthly flows to budget in the following months is not presented.

#### Funds in PLN and in foreign currency on budgetary accounts at the end of month

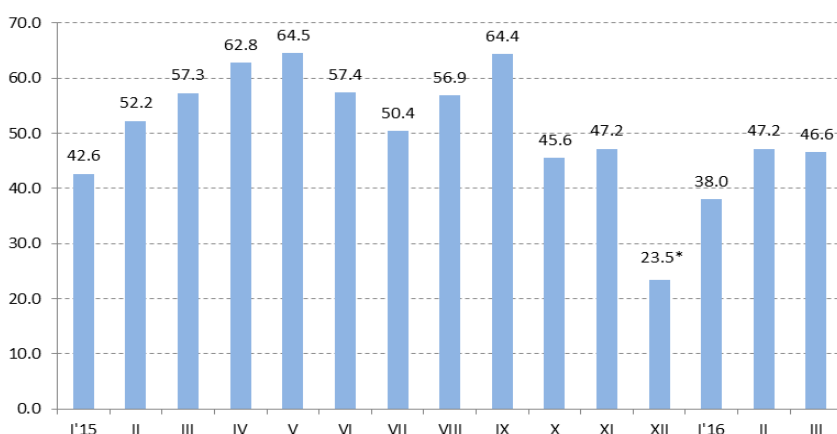
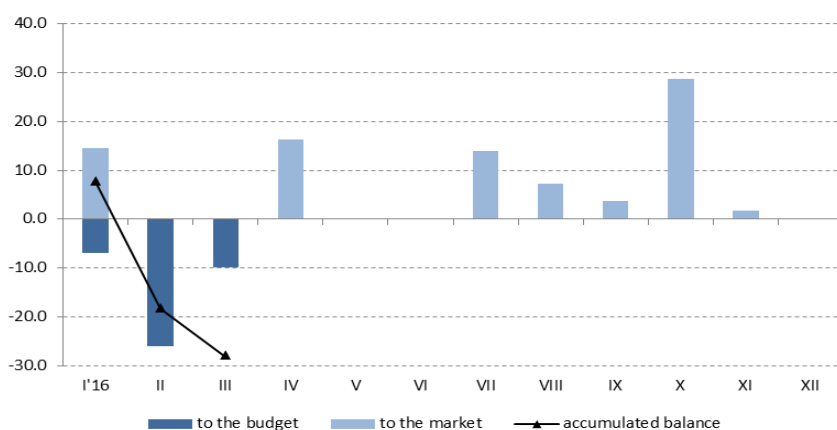
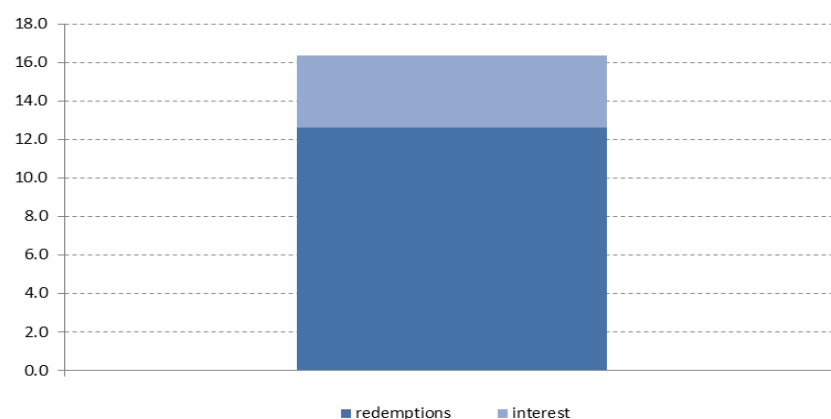
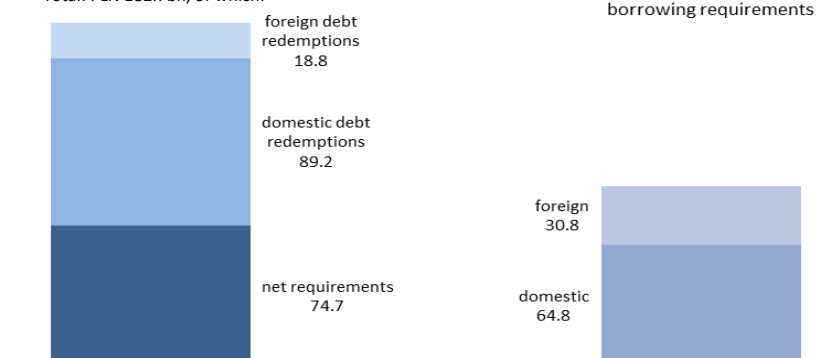
funds financing the borrowing needs, PLN bn

The funds ensure liquidity in borrowing needs financing.

\* initial data, the final amount will be announced after the final settlement of the budget outcome for 2015.

#### Gross borrowing requirements in 2016 (acc. to the Budget Act)

Total: PLN 182.7bn, of which:



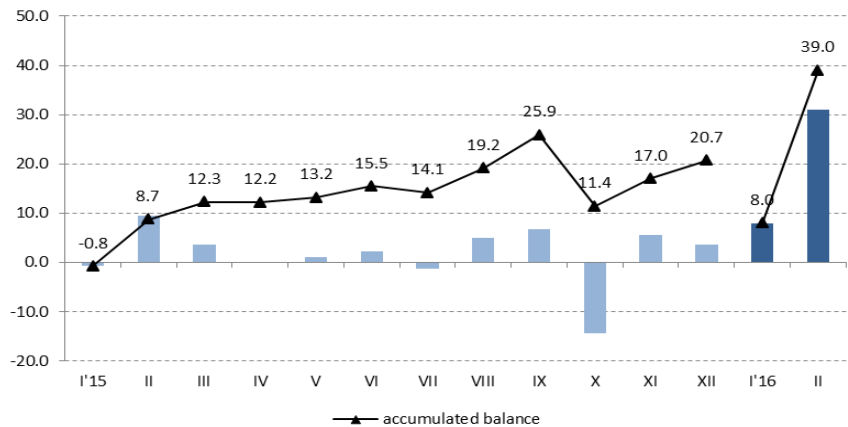


### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

#### Change of debt in domestic Treasury securities held by banks

without buy-sell-back transactions with MoF, PLN bn

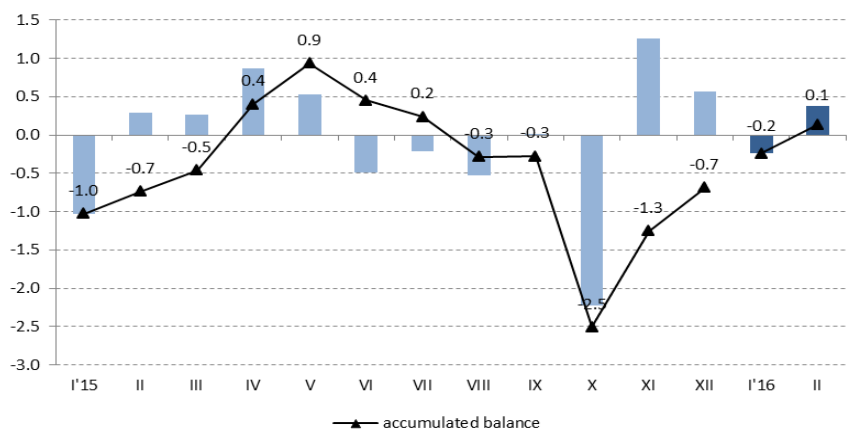
In the period of I-II 2016 debt held by domestic banks increased by PLN 39.0bn comparing to PLN 8.7bn increase during the same period of 2015.



#### Change of debt in domestic Treasury securities held by insurance companies

PLN bn

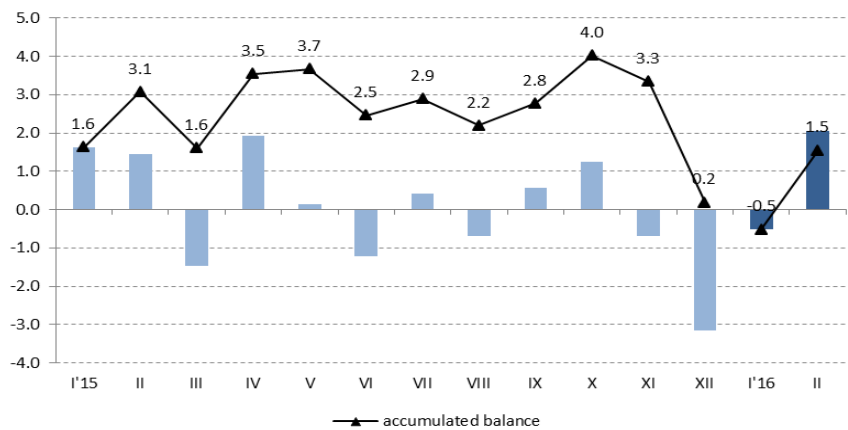
In the period of I-II 2016 there was an increase of PLN 0.1bn in debt held by insurance companies. During the same period of 2015 there was a decrease of PLN 0.7bn.



#### Change of debt in domestic Treasury securities held by investment funds

PLN bn

In the period of I-II 2016 there was an increase of PLN 1.5bn in debt held by investment funds. During the same period of 2015 there was an increase of PLN 3.1bn.



#### Change of debt in domestic Treasury securities held by foreign investors

PLN bn

In the period of I-II 2016 outflow of foreign capital from the domestic TS market amounted to PLN 20.2bn comparing to inflow of PLN 6.2bn in the same period of 2015. Foreign investors' holdings reached the level of PLN 186.6bn.



### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

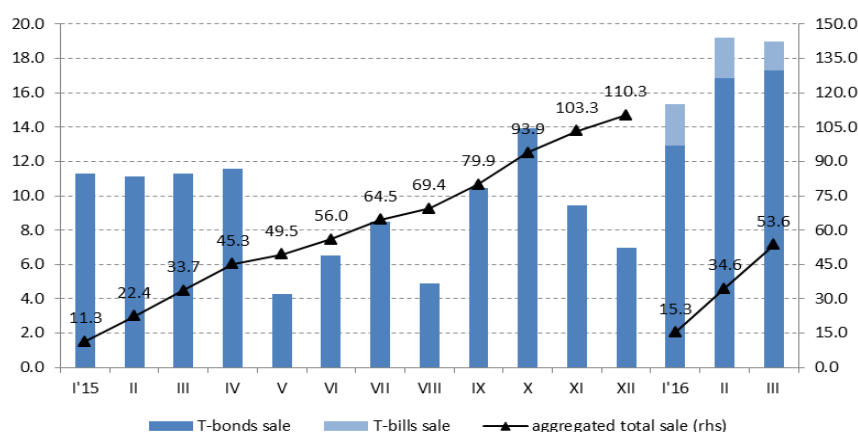


#### Sale of T-bonds and T-bills in the period of I-III 2016 and 2015

*auction date, nominal amount, PLN bn*

In the period of I-III 2016 aggregated total sale of:

- T-bonds amounted to PLN 47.1bn versus PLN 33.7bn as compared to the corresponding period of the previous year,
- T-bills amounted to PLN 6.5bn (since April 2013 to December 2015 T-bills were not offered).

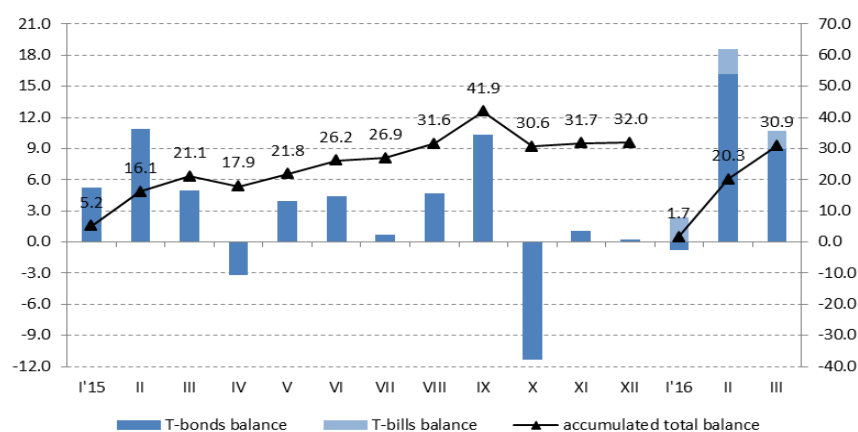


#### Balance of T-bonds and T-bills in the period of I-III 2016 and 2015

*auction date, nominal amount, PLN bn*

In the period of I-III 2016 indebtedness in:

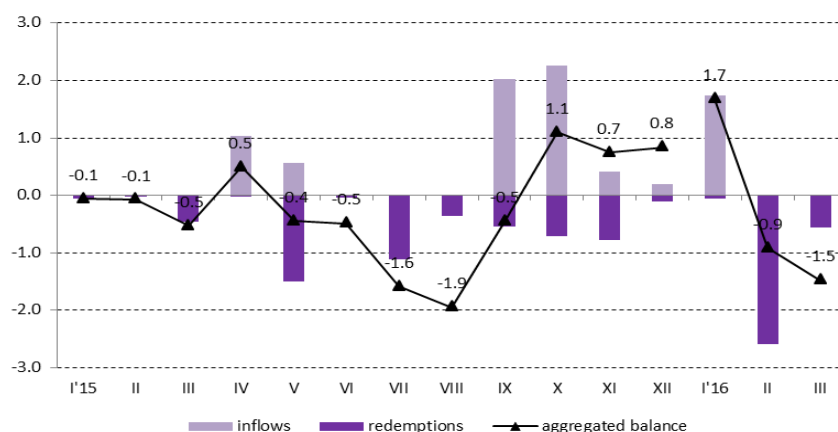
- T-bonds increased by PLN 24.4bn,
- T-bills increased by PLN 6.5bn.



#### External financing in the period of I-III 2016 and 2015

*bonds issued on foreign markets and loans received from IFIs, settlement date, EUR bn*

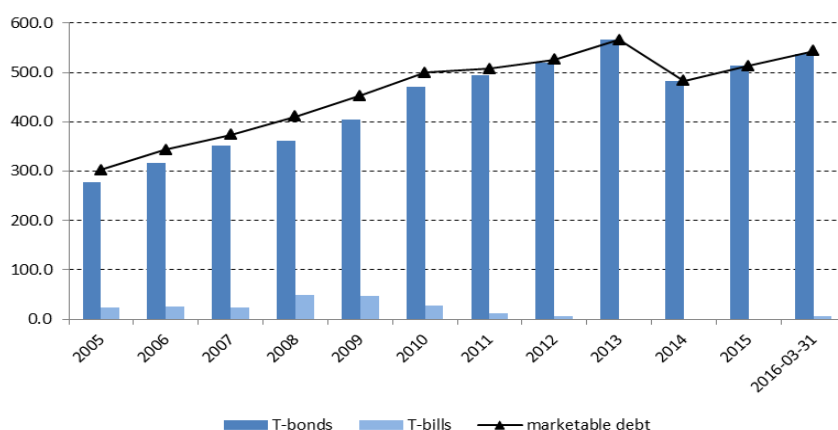
Net financing on foreign markets in the period of I-III 2016 was negative and amounted to EUR 1.5bn, which was a result of negative T-bonds balance of EUR 0.8bn and negative balance of loans incurred from IFIs at the level of EUR 0.6bn.



#### Structure of marketable debt

*PLN bn*

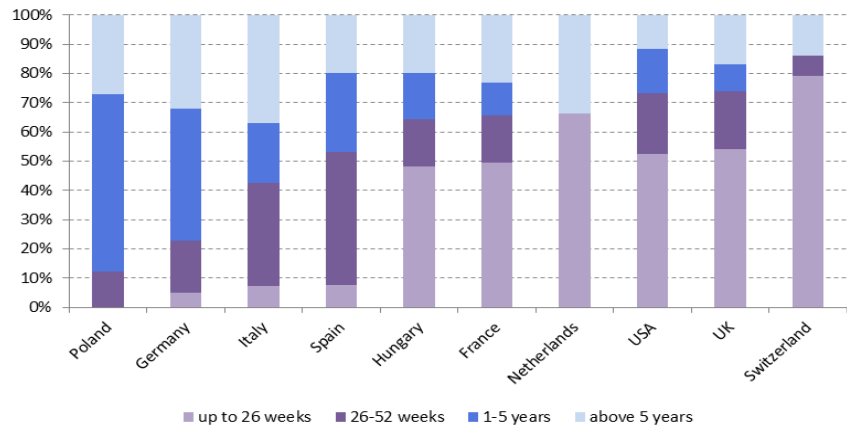
At the end of March 2016 the marketable domestic debt amounted to PLN 544.0bn comparing to PLN 513.4bn at the end of 2015.



#### Maturity breakdown of T-securities in Poland and other countries

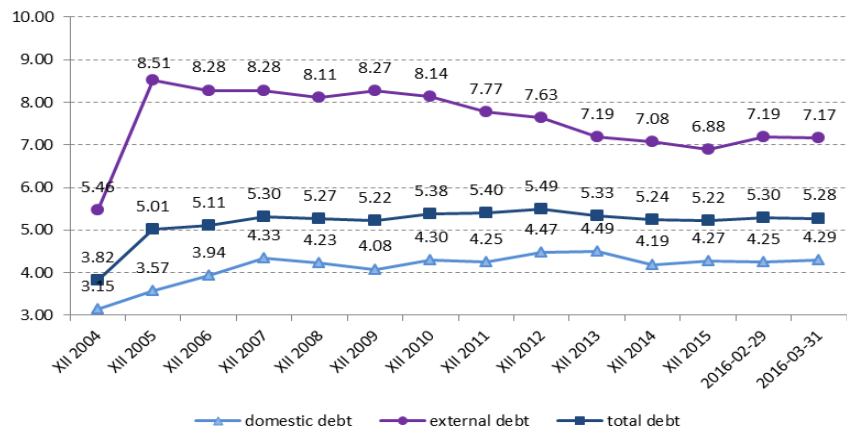
auctions and syndicates, local currency, ytd in the period of 1 January - 31 March 2016

The sale of TS in Poland in 2016 is dominated by securities maturing up to 5 years.



#### Average maturity

At the end of March 2016 the average maturity of domestic debt increased to 4.29 (while at the end of 2015 it was 4.27). The average of total debt increased to 5.28 (5.22 at the end of 2015).

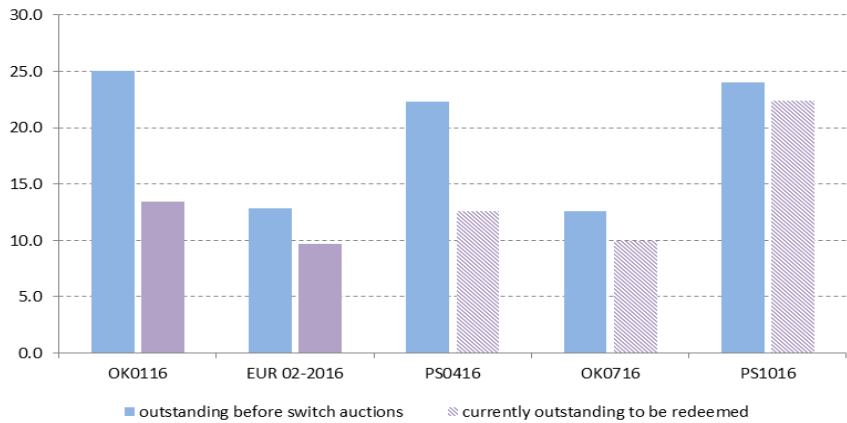


#### Reducing refinancing risk connected with T-bonds' redemptions maturing in 2016

nominal amount, as of March 31, 2016, PLN bn

Buy-back of T-bonds maturing in 2016 (by switch or cash settlement):

- OK0116: PLN 11.6bn (46%),
- EUR 02-2016: PLN 3.1bn (24%),
- PS0416: PLN 9.7bn (43%),
- OK0716: PLN 2.7bn (21%),
- PS1016: PLN 1.6bn (7%).

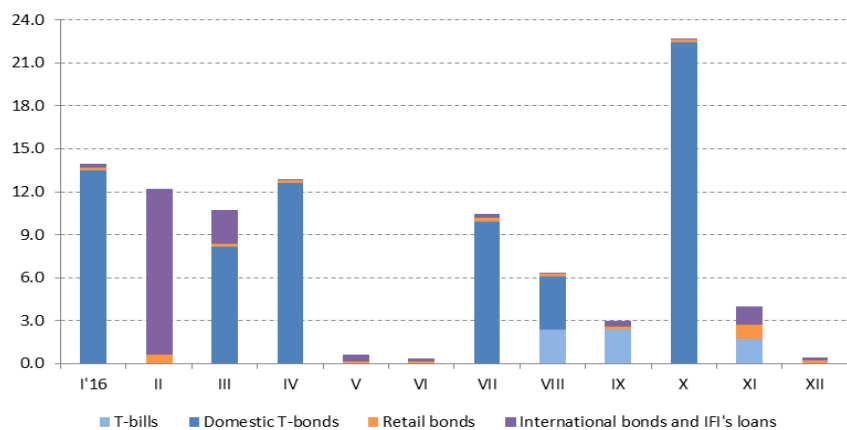


#### State Treasury debt redemptions in 2016

nominal amount, as of March 31, 2016; PLN bn

The nominal amount of debt to be redeemed in 2016 is equal to PLN 60.7bn, including:

- T-bonds: PLN 48.7bn,
- T-retail bonds: PLN 2.6bn,
- T-bills: PLN 6.5bn,
- bonds and loans incurred on foreign markets: PLN 2.9bn.





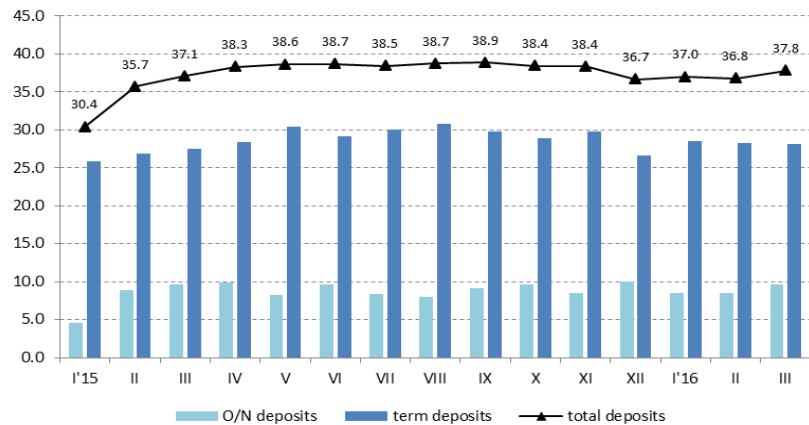
### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING



#### Consolidation of public finances liquidity management

PLN bn

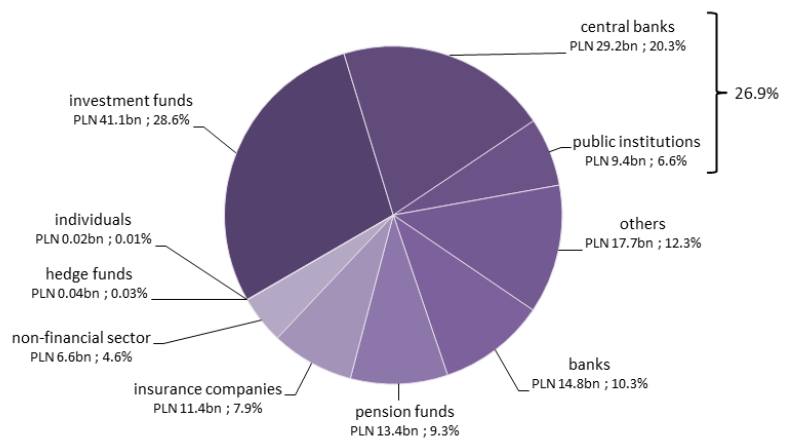
As a result of consolidation of public finances liquidity management there were PLN 37.8bn funds accumulated at the end of March, of which PLN 28.1bn was as term deposits and PLN 9.7bn on O/N deposits.



#### Institutional distribution of domestic T-bonds held by non-residents

as of February 29, 2016, the chart presents data excluding omnibus accounts

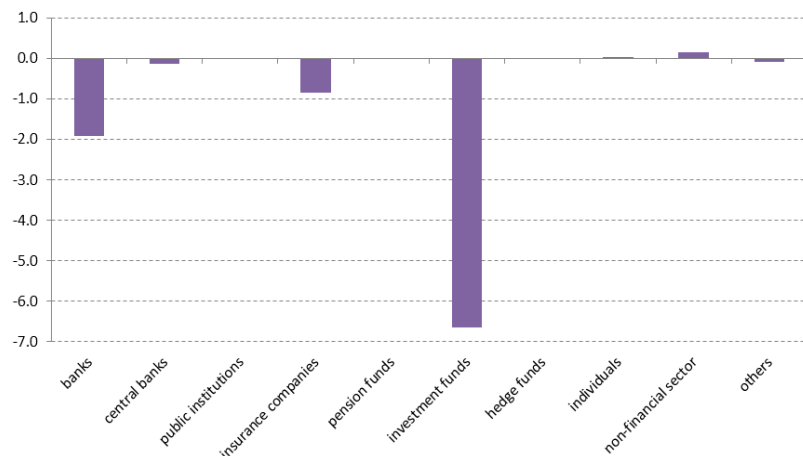
In February 2016 the share of non-residents in the domestic Treasury securities market decreased by PLN 7.2bn. The foreign investors' portfolio amounted to PLN 186.5bn which constituted 35.3% share in total debt in marketable T-bonds (38.4% in the previous month). As of the end of February 2016 central banks and public institutions' share in holdings amounted to 26.9%.



#### Change of debt in domestic T-bonds held by non-residents by institutions

change in February 2016, mom, PLN bn

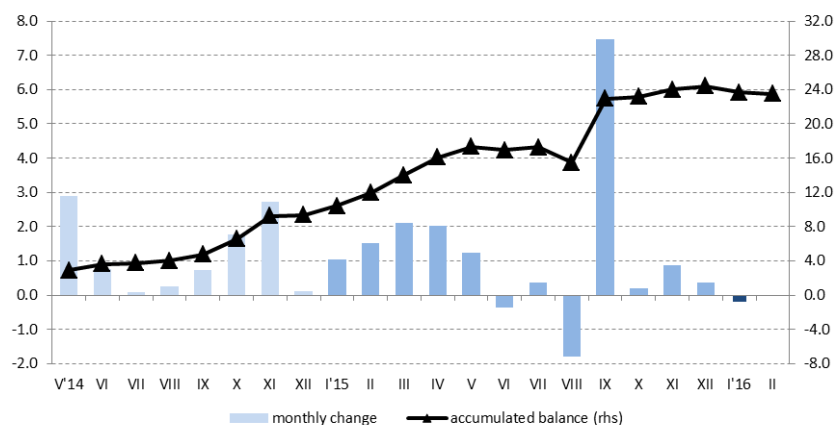
In February 2016 a slight increase of PLN 0.2bn in TS portfolio was noted by non-financial sector. The highest decrease was recorded by investment funds which reduced their involvement in Polish TS market by PLN 6.6bn.



#### Change of debt in domestic T-bonds held by central banks and public institutions

as of February 29, 2016, PLN bn

In February 2016 central banks and public institutions' involvement in the Polish debt market decreased by PLN 0.1bn. Since April 2014 to the end of February 2016, when the detailed information is available, portfolios of those entities increased by PLN 23.5bn.



#### Geographical distribution of domestic T-bonds held by non-residents

as of February 29, 2016, excluding omnibus accounts

Geographical structure of domestic T-bonds held by non-residents, as well as institutional distribution, is well-diversified.

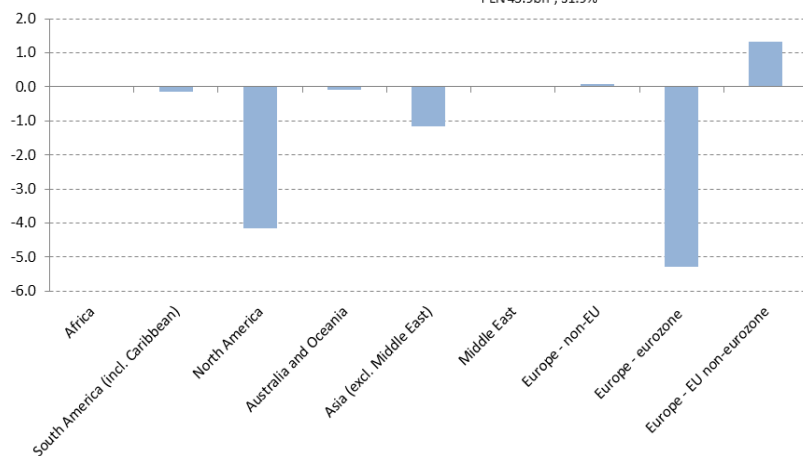
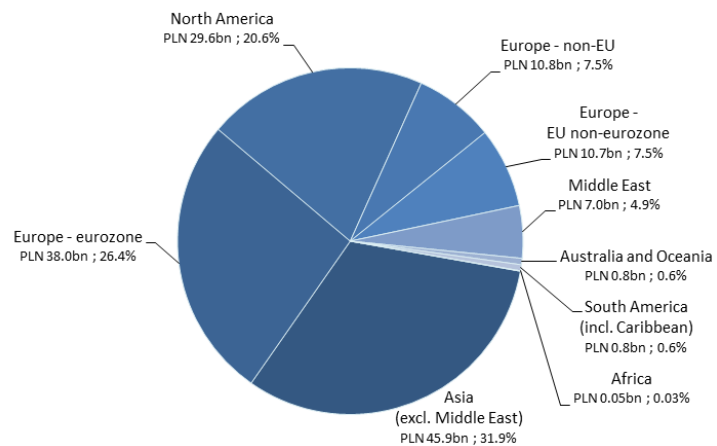
#### Change of debt in domestic T-bonds held by non-residents by regions

change in February 2016, mom, PLN bn

In February 2016 EU investors from outside the eurozone increased their involvement in the domestic T-securities market (PLN 1.3bn). The highest decreases were recorded by investors from the eurozone and North America (PLN 5.3bn and PLN 4.2bn, respectively).

#### Structure of non-residents' holdings in Treasury securities by countries

as of February 29, 2016, excluding omnibus accounts and central banks, countries with more than 1% share, PLN m



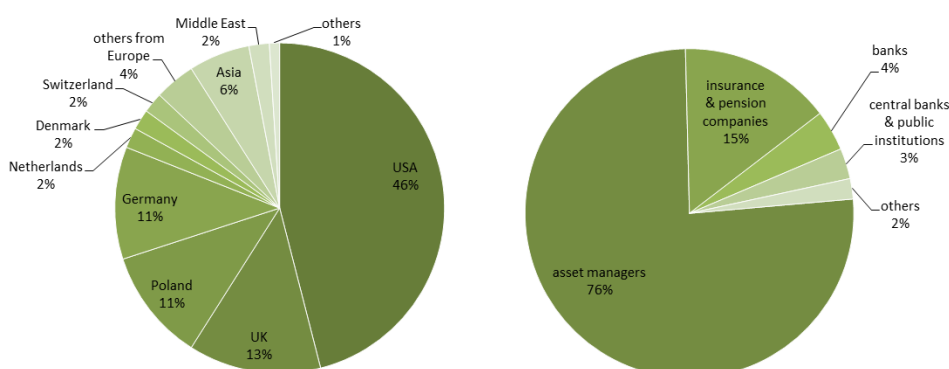
Countries	Outstanding in nominal value (PLN mio)	Share in non-residents holdings (%)
United States	28 691.5	25.1%
Japan	18 756.4	16.4%
Luxembourg	15 132.0	13.2%
Norway	8 461.2	7.4%
United Kingdom	8 165.6	7.1%
Germany	6 698.9	5.9%
Ireland	5 669.5	5.0%
Austria	4 442.2	3.9%
Netherlands	3 691.6	3.2%
United Arab Emirates	2 118.0	1.9%
Switzerland	2 072.6	1.8%
France	1 491.6	1.3%
Denmark	1 340.8	1.2%
Others	7 749.0	6.8%
<b>Total</b>	<b>114 480.9</b>	<b>100.0%</b>

### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING



#### USD denominated bond issue

Amount:	USD 1.75bn
Maturity date:	April 6th, 2026
Coupon:	3.250%
Spread:	150 bp over US Treasury Notes due February 15th, 2026
Yield:	3.339%
Launch date:	March 30th, 2016
Bookrunners:	Barclays, BNP Paribas, Deutsche Bank, J.P. Morgan



#### MoF comments

##### **Piotr Nowak, Undersecretary of State, MoF**

01-04-2016, Interview for the Polish Press Agency (fragments)

We decided to tap the USD market with the offer of 10-year bonds to benefit from long-term T-bonds' yields close to the historical lows. The purpose of the issuance was to collect funds to finance the borrowing requirements for the current year and to diversify the investor base. For the last time we issued on the USD market more than 2 years ago. At the beginning of the year we had a number of meetings with investors whose appetite for the Polish bonds was one of the reasons to enter the market.

This huge demand allowed to reduce the spread vs. US T-bonds to the level of 150bp. Polish bonds denominated in USD, which maturity date was 2024, were quoted on the secondary market at the level of about 133bp which, taking into account the yield curve extension, meant that the new issue premium was minimal.

Revenues from the issuance may be swapped into euros. At current market conditions this would allow us to achieve lower cost of financing than in case of a similar new issuance denominated in euro.

##### **Piotr Nowak, Undersecretary of State, MoF**

31-03-2016, Interview for the Polish Press Agency (fragments)

After yesterday's issuance on the USD market we have financed about 52% of the borrowing requirements for 2016.

Foreign investors' huge demand for medium- and long-term bonds and, from domestic banks, mainly for short-term bonds and floaters let us flexibly adjust the supply of T-bonds denominated in PLN.

Accumulated reserve funds in PLN and hard currencies allow us to suspend T-bills sale in April. In terms of liquidity there is no reason to collect too big amount of the reserves, despite the fact that the servicing cost of T-bills is lower than interest on deposits we can make on cash surplus. Decision whether to issue T-bills next months will depend on the situation on the bond markets.



### III. BACKGROUND OF BORROWING REQUIREMENTS' FINANCING

#### JCR comment

In February foreign investors decreased their portfolios of PLN-denominated T-bonds by PLN 7.1bn. It was mainly because some investors were reducing their positions in short-term bonds. They benefited from domestic banks' huge demand and increase in prices of short-term bonds to take profits. As a result, foreign investors decreased their portfolios of T-bonds maturing in the next 3 years by PLN 11.8bn. Simultaneously they were buying substantial pools of T-bonds with medium- and long-term maturities – the portfolio of which increased by PLN 4.6bn in February.

In March foreign investors reduced their holdings of short-term bonds to only a slight extent, simultaneously they continued to increase the purchases of medium- and long-term bonds.

#### **JCR Affirms Poland at 'A'; Outlook Stable**

23-03-2016

The ratings are primarily supported by the country's diversified and stable economy, containment of the fiscal deficit and government debt, and improved external liquidity on the substantial inflow of EU funds and a diminishing current account deficit.

The outlook of the ratings is Stable. Following the government change in the October 2015 election, the conservative Law and Justice (PiS) party with its stable political base has been promoting a policy to enhance social security and foster the domestic industry with an aim to raise the economic growth rate amid the country's advancing aging population and falling birth rate. The new government in principle has pledged any new spending programs to be backed by required revenues and is committed to keep a fiscal deficit below 3% of GDP. Its 2016 budget plan is in line with this principle.

Financing risks posed by the country's relatively heavy foreign debt remain mitigated by its ample foreign exchange reserves and continued availability of a precautionary IMF Flexible Credit Line (FCL).

Despite the deteriorated external environment, the economy has been stable and growing uninterruptedly over the past years supported by the prudent economic and fiscal policies and solid domestic demand. It grew 3.6% (preliminary) in real GDP terms in 2015 led by domestic demand, close to the country's potential growth rate. Consumer spending kept expanding on improved employment and wages, and investment continued to rise on increased capacity utilization, solid profitability and lower interest rates. Exports also grew amid the economic recovery of the EU, its major trading partners, and the zloty's depreciation amid minimizing the region's geopolitical risks.

The economy is expected to sustain a solid growth rate of around 3% in 2016 and 2017 amid a gradual acceleration of inflation, barring a marked slowdown of the EU economy.

The country's financial system has been stable. The banks have been gradually expanding their lending mainly with their domestic deposits.

The general government fiscal deficit (ESA 2010) in 2015 was estimated at slightly below 3% of GDP, a further improvement from 3.3% in 2014. The general government debt (ESA 2010) at the end of 2015 was estimated at around 51% of GDP, which is slightly lower than those of other sovereign governments rated in the A range by JCR.



### General assumptions

- In the second quarter of 2016 T-bond auctions are planned according to the announced yearly issuance calendar, taking into account modifications in April and May (auction dates change: from April 28th to April 21st and from May 12th to May 5th),
- Offer of T-bonds on the domestic market will depend on the market situation and consultations with investors,
- Auctions of T-bills will be held within the confines of the level of State budget liquidity funds management,
- Foreign financing will be determined by the situation on the international financial markets and the domestic market,
- The announced plan may be modified depending on the market situation.

### Offer of T-bonds on the domestic market

#### Sale auctions

- Five or six auctions with total supply of PLN 20.0-30.0bn, the structure of the sold T-bonds will be subject to the market situation,

#### Switch auctions

- In April and May auctions are not planned, possible auction in June (holding subject to the market situation) – securities offered to be repurchased would be T-bonds maturing in 2016.

### Offer of T-bills

- Detailed information on the offer of T-bills will be presented in the monthly issuance plans.

### Foreign financing

- Possible issuance of bonds on the international markets (depending on the market situation),
- Possibility of additional financing through private placements.



## IV. SUPPLY PLAN OF TREASURY SECURITIES IN APRIL 2016

### Treasury bond auction

Auction date	Settlement date	Series	Planned offer (PLN m)
7 APR 2016	11 APR 2016	OK1018 / DS0726	3,000-6,000
21 APR 2016	25 APR 2016	Choice will depend on the market conditions, excluding bonds offered at the 1st auction	4,000-9,000

*The final offer and the supply will be announced 2 days before the auction and will result from the market situation and consultations with investors.*

*The Minister of Finance is entitled to organize non-competitive auctions where bonds will be sold at a minimum clean price.*

### T-bill auctions

Sale auctions of T-bills are not planned.

### Offer on the retail market

T-bond	Issue price	Coupon
DOS0418	PLN 100.00 (99.90 PLN for rolling-over)	Fixed, 2.00%
TOZ0419	PLN 100.00 (99.90 PLN for rolling-over)	Floating (1.00 * WIBOR 6M) 2.10% in the first coupon period
COI0420	PLN 100.00 (99.90 PLN for rolling-over)	Floating (inflation rate + 1.25%) 2.30% in the first coupon period
EDO0426	PLN 100.00 (99.90 PLN for rolling-over)	Floating (inflation rate + 1.50%) 2.50% in the first coupon period