



AUGUST

**Secondary
Market of
Government
Securities**

1999

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Abbreviations

BGN – The Abbreviation of the Redenominated Bulgarian Lev

BIR – Base Interest Rate

BNB – Bulgarian National Bank

CGB – Central Government Budget

CM – Council of Ministers

CMD – Council of Ministers Decree

DISCs – Discount Bonds

FLIRBs – Front-loaded Interest Reduction Bonds

IABs – Interest Arrears Bonds

LSPDACB – Law on State Protection of Deposits and Accounts with Commercial Banks in respect whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings

MF – Ministry of Finance

OTC market – over-the-counter market

SII – State Insurance Institute

ZUNK – Bulgarian Abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)

GOVERNMENT SECURITIES INTERBANK MARKET

Interbank Market of Government Securities Issued under Regulation No. 5

In August 1999 financial institutions concluded 656 transactions in government securities (including the number and volume of reverse repurchase agreements) issued for budget deficit financing, totaling BGN 672,434.2 thousand nominal value, an increase of BGN 40,647.6 thousand, or 6.43%, compared with the same period of the previous year (Chart 1).

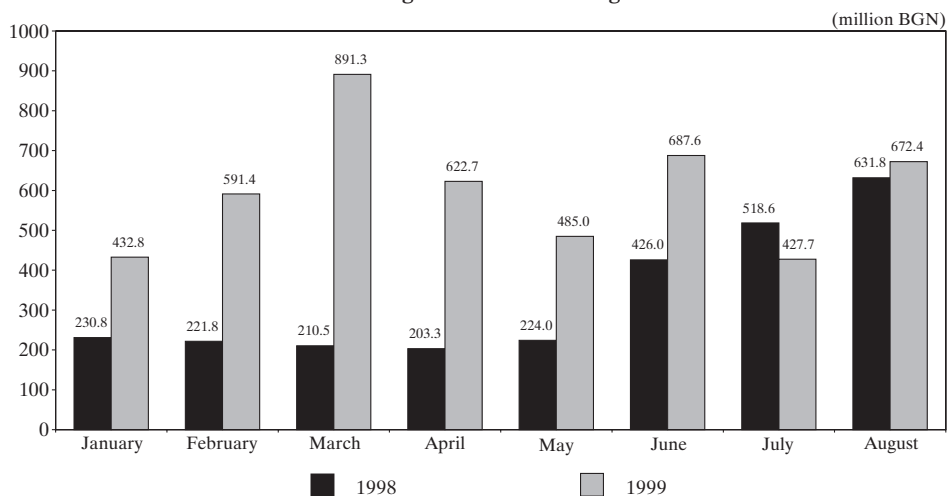
The volume of secondary market transactions in government securities between primary dealers issued under Regulation No. 5 (reverse repo agreements volume excluded) totaled

BGN 339,977.4 thousand, including three-month treasury bills of BGN 9,975.2 thousand, six-month of BGN 1,101 thousand, twelve-month of BGN 167,258.5 thousand, two-year of BGN 144,408.7 thousand and up to five years of BGN 17,234 thousand (Chart 2). In August sales in government securities intensified compared with the previous month, their volume increasing by 37.3%. Structurally, demand for twelve-month treasury bonds occupied the largest share, increasing by 88.7%

In August 1999 secondary market transactions on behalf of clients (i. e. under Article 20 of Regulation No. 5) continued to decrease, accounting for BGN 148 thousand. Transactions be-

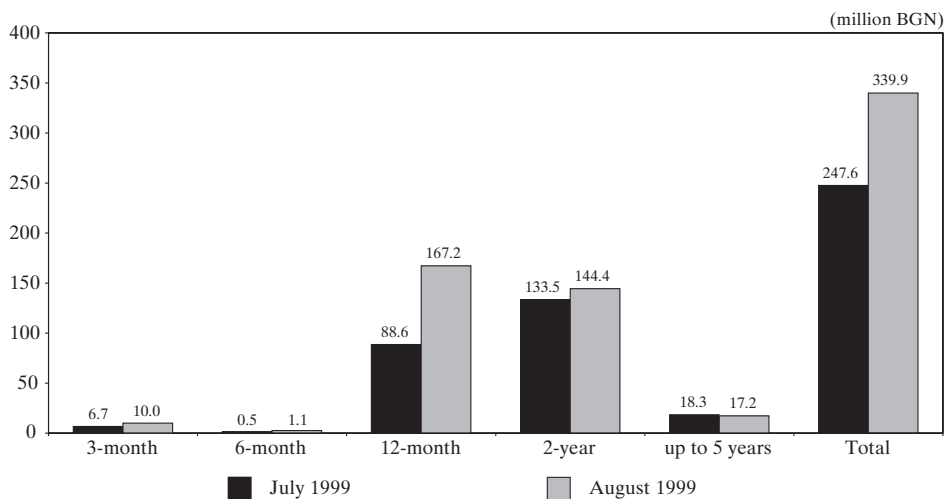
Chart 1

Volume of Transactions in Government Securities Issued for Budget Deficit Financing



Source: BNB.

Structure of Transactions in Government Securities Issued for Budget Deficit Financing



Source: BNB.

tween nonprimary dealers and physical or legal persons (i. e. transactions under Article 21 of Regulation No. 5) dramatically decreased compared with July, amounting to BGN 101.5 thousand. The volume of transactions between primary and nonprimary dealers (under Article 14 of Regulation No. 5) increased from July, reaching BGN 60,768.3 thousand, including bids approved at the government securities auctions on behalf of nonprimary dealers of BGN 1,020 thousand.

Interbank Market of Government Securities Issued as a Result of Structural Reform

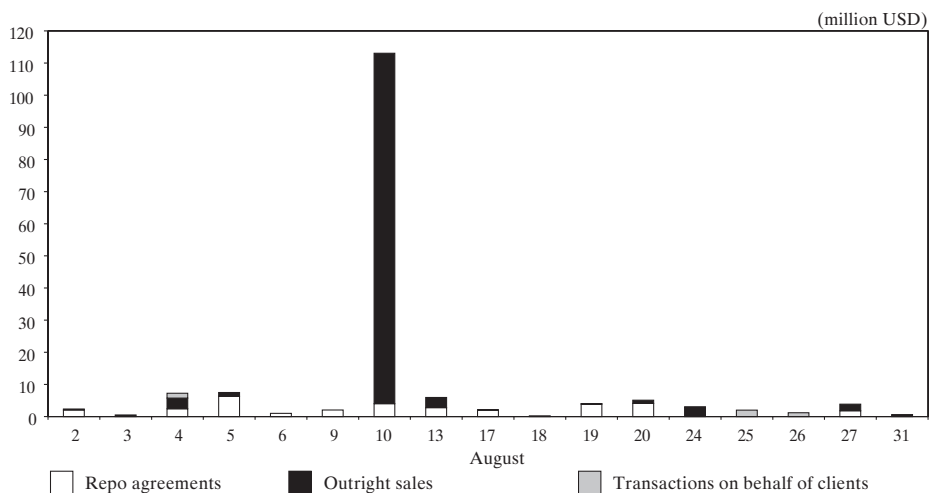
In August financial institutions concluded 58 transactions in USD-denominated government securities issued as a result of structural reform, totaling USD 161.8 million nominal value (in-

cluding the number and volume of reverse repurchase agreements). In August, 22 outright transactions of USD 124.2 million, 27 repo agreements of USD 32.5 million, and 9 transactions on behalf of clients of USD 5.1 million (under Articles 14, 20 and 21 of Regulation No. 5) were concluded. Nineteen transactions of USD 4.8 million were concluded pursuant to Article 14, para. 6 of Regulation No. 5.

In August neither government securities transactions in levs issued as a result of structural reform, nor transactions in forex guaranty government securities were concluded. Seven EUR-denominated repo agreements, totaling EUR 3.5 million were concluded.

In August trade in forex ZUNK bonds intensified: transaction volumes increased by 2.5 times compared with the previous month, with distribution (in terms of

Volume of Transactions in USD-denominated Government Securities in the Interbank Market



Source: BNB.

days) characterized mostly as uneven due to specificity of some transactions (Chart 3).

Interbank market prices decreased on the previous month, ranging between USD 48.83 and USD 60; in general they did not reflect price movements of Bulgarian Brady bonds in the international markets. The dramatic price drop on 4 August was incidental.

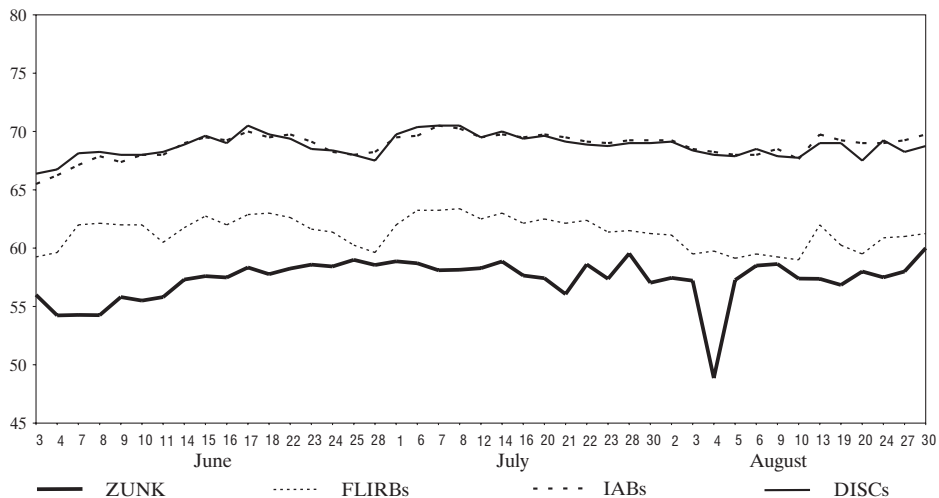
Government Securities Repo Agreements in the Interbank Market

In August the volume of repo agreements traded in the secondary interbank market was uneven (Chart 5). The high was registered on 3 August 1999 due to increased demand for funds by commercial banks, consistent with minimum required reserves regulation. On the same

date interest rates on interbank deposits significantly rose.

In August the yield of repo agreements reflected the insignificant changes in the base interest rate: a decrease in the average term of repo agreements (in terms of days) and an increase in the volume of government securities outright transactions. The yield of repo agreements in government securities was higher than the yield of interbank deposits of up to one-day and seven-day maturities. The yield of transactions of up to three-day and one-month maturities was lower than that of interbank deposits of the same maturities (Chart 6). August was characterized by enhanced activity in the interbank secondary market compared with the previous month, most intensive on the days of minimum required reserves regulation with the BNB.

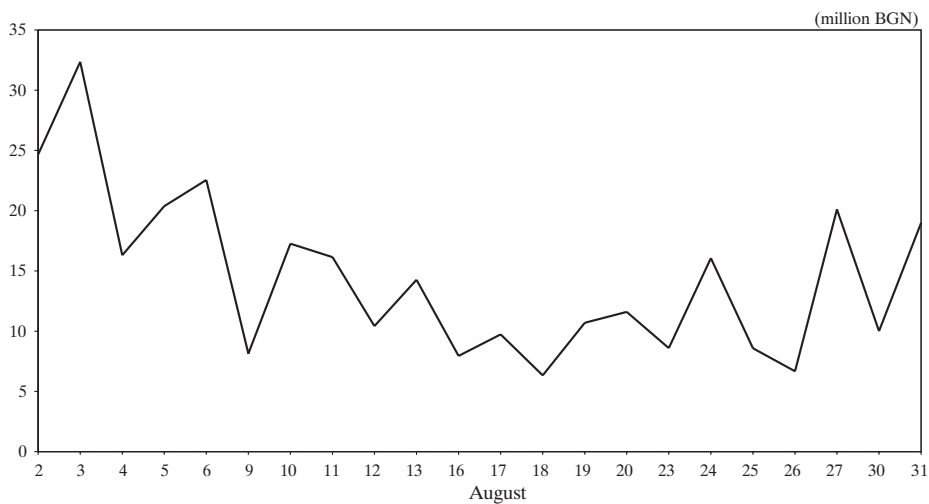
Price Movements of USD-denominated Government Securities (Issued under ZUNK) and Bulgarian Brady Bonds in the Interbank Market*



* Reuters offer quotations for Brady bonds.

Sources: BNB, Reuters.

Volume of Repo Agreements in the Secondary Interbank Market



Source: BNB.

**Prices of Transactions in USD-denominated Government Securities
Issued under Article 5 of ZUNK**

(USD)

Date August	Price		
	Minimum	Maximum	Average weighted
2	57.45	57.45	57.45
3	57.21	57.21	57.21
4	48.83	57.65	48.86
5	56.70	58.00	57.26
6	58.50	58.50	58.50
9	58.64	58.64	58.64
10	56.07	58.00	57.39
13	56.80	58.00	57.37
19	56.73	59.52	56.85
20	58.00	58.00	58.00
24	57.00	59.51	57.50
27	57.10	60.00	58.00
30	60.00	60.00	60.00
31	56.59	56.60	56.60
Monthly	48.83	60.00	57.12

Note: Data is based on privatization and outright transactions registered by the BNB.

Quotations of Bulgarian Brady Bonds*

(USD)

Date August	DISCs		FLIRBs		IABs	
	Offer	Bid	Offer	Bid	Offer	Bid
2	69.13	68.63	61.13	60.00	69.25	68.25
3	68.38	67.50	59.50	59.00	68.50	67.50
4	68.00	67.38	59.75	59.13	68.25	67.38
5	67.88	67.25	59.13	58.63	68.00	67.00
6	68.50	67.00	59.50	58.00	68.00	67.00
9	67.88	67.38	59.25	58.75	68.50	67.00
10	67.75	67.38	59.00	58.63	67.63	66.88
11	67.75	67.25	59.00	58.63	68.00	67.00
12	68.00	67.75	60.00	59.38	68.13	67.50
13	69.00	67.50	62.00	61.50	69.75	68.25
16	69.50	68.50	60.50	60.25	69.50	68.75
17	69.75	69.00	61.13	61.00	70.00	69.00
18	69.25	68.88	60.88	60.75	69.38	68.38
19	69.00	67.75	60.25	59.88	69.25	68.00
20	67.50	67.00	59.50	59.00	69.00	68.00
23	69.00	67.75	60.25	60.00	68.75	67.63
24	69.25	68.75	60.88	60.00	69.00	68.00
25	68.50	68.25	61.13	60.38	70.00	69.00
26	68.25	67.75	60.50	60.00	69.75	69.00
27	68.25	67.63	61.00	60.63	69.25	68.50
30	68.75	68.25	61.25	60.75	69.75	68.75
31	68.00	67.00	61.00	60.50	69.50	68.50

* Reuters quotations.

Volume and Structure of Government Securities Secondary Market Transactions in August

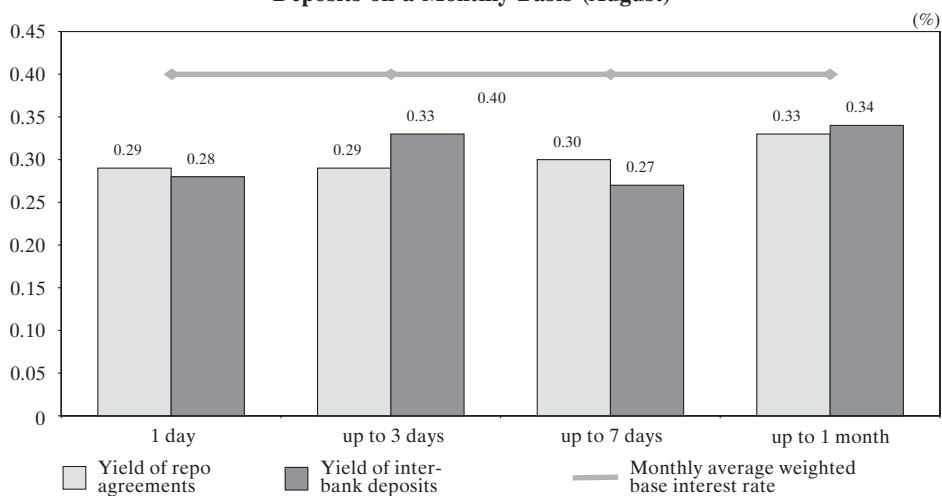
1. Volume of transactions in government securities denominated in levs (million BGN nominal value)	339.98
- repo agreements*	310.16
- outright sales	29.82
- privatization transactions	0.00
2. Volume of transactions in government securities denominated in US dollars and euro (lev equivalent, million BGN)	258.87
- repo agreements*	31.71
- outright sales	227.11
- privatization transactions	0.05
3. Number of secondary market transactions	383
- repo agreements**	307
- outright sales	67
- privatization transactions	9
4. Average term of secondary market repo agreements (days)	5.27
5. Average monthly yield (simple interest) on secondary market repo agreements depending on the term (%)	
1 day	0.29
from 2 to 3 days	0.29
from 4 to 7 days	0.30
up to 1 month	0.33

* Volume of reverse repo agreements excluded.

** Number of reverse repo agreements excluded.

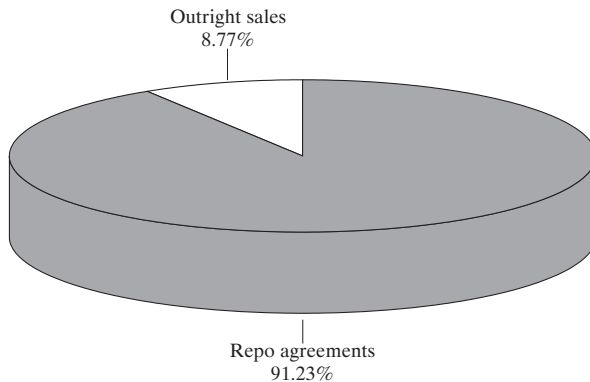
Chart 6

Yield of Repo Agreements in Government Securities and Interest Rate on Interbank Deposits on a Monthly Basis (August)



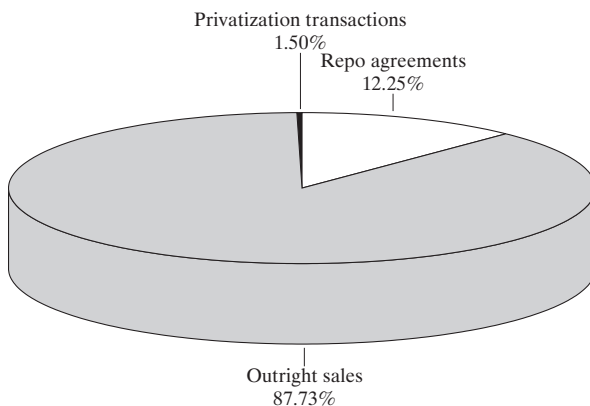
Source: BNB.

Structure of Secondary Market Transactions in Lev-denominated Government Securities in August



Source: BNB.

Structure of Secondary Market Transactions in Government Securities Denominated in US Dollars and Euro in August



Source: BNB.

Volume and Yield of Deposits in the Interbank Market and Repo Agreements in Government Securities

	1 day		from 2 to 3 days		from 4 to 7 days		from 8 to 30 days		over 30 days		Total
	Volume	Yield	Volume	Yield	Volume	Yield	Volume	Yield	Volume	Yield	Volume
2.08.1999											
Deposits	7900	2.83	1750	3.39							9650
Repo agreements	13971	3.41	9323	3.90	2867	5.07					26161
3.08.1999											
Deposits	9050	3.55	790	4.00	5640	3.35	3572	4.17	1000	5.00	20052
Repo agreements	17213	3.50	4320	3.19	6555	3.52	5733	3.65			33821
4.08.1999											
Deposits	7000	3.46	2000	3.65	6401	2.99	5390	3.72			20791
Repo agreements	4195	3.04	3042	2.94	4390	3.06	6501	3.58			18128
5.08.1999											
Deposits	8329	3.07			6000	3.27			2980	4.54	17309
Repo agreements	4195	3.04			8212	3.07	13503	3.82			25910
6.08.1999											
Deposits			9900	2.88	6360	3.34			1500	4.00	17760
Repo agreements			2985	3.46	14499	3.16	5475	3.78			22959
9.08.1999											
Deposits	11620	2.39	1200	3.18	2688	3.59	2190	3.50	500	4.00	18198
Repo agreements	60	2.74	2900	3.14	5173	3.20					8133
10.08.1999											
Deposits	10055	2.89	7500	3.17	3140	3.54					20695
Repo agreements	9065	3.11	4743	3.21	3182	3.31	720	4.06			17710
11.08.1999											
Deposits	14281	3.20	4000	3.23	2301	3.47	2490	4.07			23072
Repo agreements	4116	3.08	6885	3.39	5648	3.45					16649
12.08.1999											
Deposits	11200	2.99			1600	3.38	1112	3.80			13912
Repo agreements	1056	3.55			8130	3.37	1674	3.98			10860
13.08.1999											
Deposits			22650	3.38	8270	3.75	300	3.90			31220
Repo agreements			5879	3.62	9816	3.72					15695
16.08.1999											
Deposits	16360	3.15	6400	3.92	2500	3.80	1188	4.60			26448
Repo agreements	300	3.68	3635	3.72	4018	3.89			200	4.26	8153
17.08.1999											
Deposits	12304	4.10	3000	14.43	1920	3.37	3140	4.51			20364
Repo agreements	1828	7.50	5134	3.69	2400	4.36	500	4.06			9862
18.08.1999											
Deposits	12800	6.76	2800	8.75	800	3.64	1901	5.63			18301
Repo agreements	1251	4.99	2205	6.25	3027	5.48					6483
19.08.1999											
Deposits	6726	3.43			4500	4.07	590	4.50			11816
Repo agreements	2195	4.06			5564	4.60	4790	5.20			12549
20.08.1999											
Deposits			11970	3.66	3000	3.87	3360	4.51			18330
Repo agreements			2739	4.20	7027	4.50	3757	4.66			13523

(continued)

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	1 day		from 2 to 3 days		from 4 to 7 days		from 8 to 30 days		over 30 days		Total
	Volume	Yield	Volume	Yield	Volume	Yield	Volume	Yield	Volume	Yield	Volume
23.08.1999											
Deposits	11682	3.28			4300	3.98	1396	4.12			17378
Repo agreements	3404	3.48	1554	3.35	3640	3.73	300	5.07			8898
24.08.1999											
Deposits	9170	3.09	3500	3.47	3200	3.92	2576	4.11			18446
Repo agreements	6235	3.38	4269	3.45	6081	3.66					16585
25.08.1999											
Deposits	7600	3.11	2500	3.42	3400	3.74					13500
Repo agreements			1752	3.49	7000	3.61					8752
26.08.1999											
Deposits	6700	2.62			5000	3.56	500	3.90			12200
Repo agreements	2195	3.55			3342	3.20	1358	4.13			6895
27.08.1999											
Deposits			4084	2.90	4540	3.64					8624
Repo agreements			11459	3.10	7917	3.63	1701	3.87			21077
30.08.1999											
Deposits	9000	2.82					1110	3.97	350	5.00	10460
Repo agreements	7476	2.80					2809	3.69			10285
31.08.1999											
Deposits	6300	3.10			4000	3.54	3690	3.64			13990
Repo agreements	2080	3.04	14009	3.11	1560	3.65	1990	3.81			19639

Notes: 1. Volumes of transactions and deposits in thousand BGN.

2. The volume of repo agreements includes the agreements concluded during the current day.

3. Yield is calculated on an annual basis.

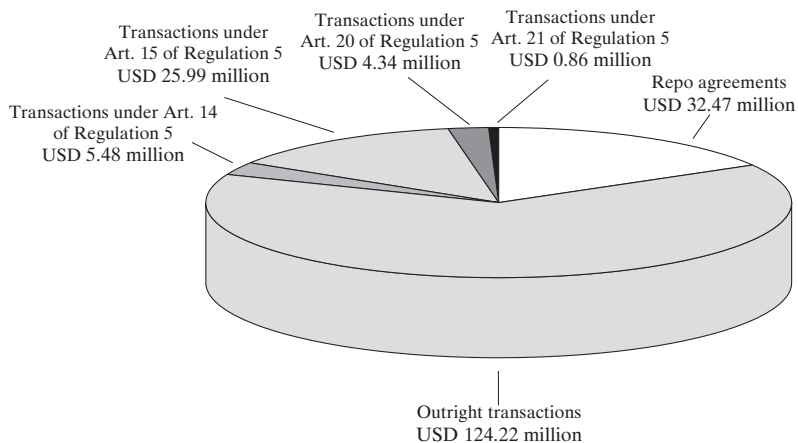
4. Lev equivalent of the transactions in USD-denominated government securities based on the USD exchange rate on the day of transaction.

Volume of Government Securities Transactions in the Secondary Market and Securities Transactions in the Bulgarian Stock Exchange (BGN)

Date August	Repo agreements	Outright transactions	Regulation No. 5 of 1998				Transactions in government securities, total	Transactions in securities in the Bulgarian Stock Exchange		
			Art. 14	Art. 15	Art. 20	Art. 21		Stock exchange market	OTC market	Total
2	51 755 013.80	1 560 970.00	1 219 594.00	30 000.00	-	-	54 565 577.80	3 000.00	54 000.00	57 000.00
3	58 226 838.00	916 940.00	1 200 000.00	900 000.00	-	-	61 243 778.00	4 000.00	117 000.00	121 000.00
4	51 990 678.00	6 781 529.20	7 351 817.20	2 859 854.20	1 837 320.00	557 075.42	71 378 274.02	65 000.00	68 000.00	133 000.00
5	41 159 140.80	2 181 024.00	6 439 781.60	13 495 575.51	-	-	63 275 521.91	53 000.00	51 000.00	104 000.00
6	41 070 151.66	-	2 816 865.80	1 253 449.00	-	-	45 140 466.46	5 000.00	51 000.00	56 000.00
9	21 348 678.80	490 000.00	1 690 000.00	17 542.17	-	5 464.59	23 551 685.55	6 000.00	343 000.00	349 000.00
10	35 824 396.00	199 347 011.69	-	6 453 870.00	-	-	241 625 277.69	24 000.00	29 000.00	53 000.00
11	37 193 482.00	2 127 351.00	3 927 158.00	4 544 848.74	-	-	47 792 839.74	2 000.00	29 000.00	31 000.00
12	26 806 596.00	-	-	2 491 124.00	-	-	29 297 720.00	1 000.00	790 000.00	791 000.00
13	40 973 484.00	5 796 885.09	1 458 361.90	3 762 090.09	-	-	51 990 821.08	120 000.00	47 000.00	167 000.00
16	25 775 115.00	-	3 702 455.50	2 174 324.05	148 000.00	-	31 799 894.55	6 000.00	1 233 000.00	1 239 000.00
17	25 227 407.00	1 123 000.00	2 800 000.00	4 167 361.20	259 467.60	-	33 577 235.80	3 000.00	35 000.00	38 000.00
18	18 713 300.00	3 117 911.00	8 337 815.52	2 637 431.36	-	1 615 433.25	34 421 891.13	7 000.00	62 000.00	69 000.00
19	24 021 252.00	1 793 258.00	4 817 244.96	1 319 819.48	-	-	31 951 574.44	20 000.00	518 000.00	538 000.00
20	32 674 836.00	5 666 955.00	7 777 566.40	7 375 331.00	-	936 609.00	54 431 297.40	10 000.00	32 000.00	42 000.00
23	18 443 596.80	2 400 000.00	1 560 000.00	129 374.10	-	-	22 532 970.90	6 000.00	52 000.00	58 000.00
24	23 187 000.00	7 605 818.79	2 600 000.00	4 468 310.11	-	-	37 861 128.90	175 000.00	44 000.00	219 000.00
25	18 378 644.00	2 630 000.00	2 159 573.80	5 001 216.23	3 721 140.00	-	31 890 574.03	10 000.00	34 000.00	44 000.00
26	12 889 500.00	2 000 000.00	6 000 000.00	6 114 957.00	2 249 592.00	-	29 254 049.00	1 000.00	18 000.00	19 000.00
27	36 347 060.50	6 125 176.00	3 436 188.38	5 331 862.50	-	5 800.88	51 246 088.25	11 000.00	19 000.00	30 000.00
30	27 413 197.60	1 746 602.00	2 475 531.75	8 399 789.51	-	88 000.00	40 123 120.86	1 000.00	47 000.00	48 000.00
31	36 766 000.00	1 122 534.00	787 089.00	16 930 332.05	-	-	55 605 955.05	202 000.00	28 000.00	230 000.00
TOTAL	706 185 367.96	254 532 965.77	72 557 043.81	99 858 462.29	8 215 519.60	3 208 383.14	1 144 557 742.57	735 000.00	3 701 000.00	4 436 000.00

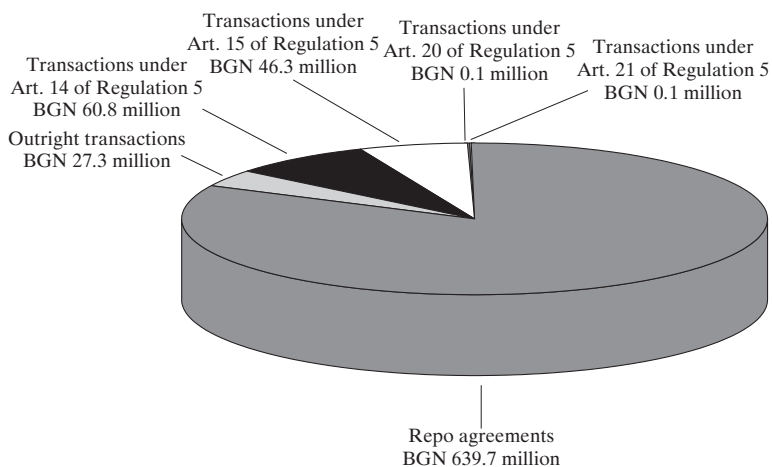
- Notes:**
1. The amount of the bids approved for participation in government securities auctions on behalf of nonprimary dealers of BGN 1,020,208 is included.
 2. The amount of approved competitive and noncompetitive bids on behalf of companies and individuals of BGN 3,473,929 is included.
 3. The volume of repo agreements includes reverse repo agreements and repo agreements concluded during the current day.
 4. Transactions in USD-denominated government securities are in levs at the US dollar exchange rate quoted by the BNB on the day of transaction.
 5. Banking Department data on the volume of transactions in the Bulgarian Stock Exchange.

Volume of Secondary Market Transactions in Government Securities Issued for Structural Reform in August



Source: BNB.

Volume of Secondary Market Transactions in Government Securities Issued for Budget Deficit Financing in August



Source: BNB.

Outstanding Government Securities

Discount Treasury Bills

Issue No.	BG3017498000	BG3017898001	BG3018498009	BG3018898000	BG3019298002	BG3019698003	BG3020098003	BG3020498005
Issue date	09.09.1998	23.09.1998	14.10.1998	28.10.1998	11.11.1998	25.11.1998	09.12.1998	23.12.1998
Maturity date	08.09.1999	22.09.1999	13.10.1999	27.10.1999	10.11.1999	24.11.1999	08.12.1999	22.12.1999
Nominal value of the offer (thousand BGN)	15 000.00	15 000.00	17 000.00	15 000.00	10 000.00	10 000.00	10 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	18 365.00	16 055.00	11 865.00	10 250.00	23 395.50	28 175.00	33 914.00	19 850.00
Total nominal value of the bids approved (thousand BGN)	15 000.00	15 000.00	11 865.00	10 250.00	10 000.00	10 000.00	10 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	93.67	93.66	93.65	93.21	93.45	93.62	93.93	94.04
Average discount per BGN 100 (%)	6.33	6.34	6.35	6.79	6.55	6.38	6.07	5.96
Average annual yield (%)	6.78	6.79	6.80	7.30	7.03	6.83	6.48	6.36
Effective annual yield (%)	6.78	6.79	6.8	7.31	7.03	6.83	6.48	6.36
Coverage coefficient	1.22	1.07	0.70	0.68	2.34	2.82	3.39	1.99

(continued)

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Issue No.	BG3010199001	BG3010499005	BG3010799008	BG3011099002	BG3011399006	BG3011699009	BG3011999003	BG3012199009
Issue date	06.01.1999	20.01.1999	03.02.1999	17.02.1999	04.03.1999	17.03.1999	31.03.1999	07.04.1999
Maturity date	05.01.2000	19.01.2000	02.02.2000	16.02.2000	02.03.2000	15.03.2000	29.09.1999	05.04.2000
Nominal value of the offer (thousand BGN)	25 000.00	25 000.00	20 000.00	15 000.00	15 000.00	15 000.00	10 000.00	15 000.00
Total nominal value of the bids received (thousand BGN)	32 577.60	36 670.00	37 350.00	34 036.70	43 240.00	31 790.00	27 830.00	42 960.00
Total nominal value of the bids approved (thousand BGN)	25 000.00	25 000.00	20 000.00	15 000.00	15 000.00	15 000.00	10 000.00	15 000.00
Average price of the bids approved per BGN 100 (%)	93.75	93.68	93.76	93.91	94.03	94.09	97.54	94.32
Average discount per BGN 100 (%)	6.25	6.32	6.24	6.09	5.97	5.91	2.46	5.68
Average annual yield (%)	6.68	6.76	6.66	6.50	6.37	6.30	5.06	6.04
Effective annual yield (%)	6.69	6.77	6.67	6.50	6.37	6.30	5.12	6.04
Coverage coefficient	1.30	1.47	1.87	2.27	2.88	2.12	2.78	2.86

(continued)

(continued)

	BG3012499003	BG3012799006	BG3013099000	BG3013299006	BG3013399004	BG3013499002	BG3013599009	BG3013699007
Issue No.								
Issue date	21.04.1999	05.05.1999	19.05.1999	02.06.1999	02.06.1999	09.06.1999	16.06.1999	16.06.1999
Maturity date	19.04.2000	03.05.2000	17.05.2000	01.09.1999	31.05.2000	08.09.1999	15.09.1999	14.06.2000
Nominal value of the offer (thousand BGN)	15 000.00	10 000.00	10 000.00	5 000.00	10 000.00	5 000.00	5 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	42 660.50	28 000.00	17 250.00	8 943.30	11 125.00	8 791.00	6 750.00	14 120.00
Total nominal value of the bids approved (thousand BGN)	15 000.00	10 000.00	10 000.00	5 000.00	10 000.00	5 000.00	5 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	94.54	94.82	94.94	98.91	94.85	98.91	98.91	94.69
Average discount per BGN 100 (%)	5.46	5.18	5.06	1.09	5.15	1.09	1.09	5.31
Average annual yield (%)	5.79	5.48	5.34	4.42	5.44	4.42	4.42	5.62
Effective annual yield (%)	5.79	5.48	5.34	4.49	5.44	4.49	4.49	5.62
Coverage coefficient	2.84	2.80	1.73	1.79	1.11	1.76	1.35	1.41

(continued)

(continued)

Issue No.	BG3013899003	BG3013999001	BG3014099009	BG3014199007	BG3014299005	BG3014399003	BG3014499001	BG3014599008
Issue date	23.06.1999	30.06.1999	30.06.1999	07.07.1999	07.07.1999	14.07.1999	21.07.1999	21.07.1999
Maturity date	22.09.1999	29.09.1999	29.12.1999	06.10.1999	05.07.2000	13.10.1999	20.10.1999	19.07.2000
Nominal value of the offer (thousand BGN)	5 000.00	4 000.00	10 000.00	3 500.00	7 500.00	5 000.00	5 000.00	7 500.00
Total nominal value of the bids received (thousand BGN)	4 050.00	3 365.00	8 070.00	5 137.75	14 376.00	8 141.01	6 850.36	11 800.00
Total nominal value of the bids approved (thousand BGN)	4 050.00	3 250.00	8 070.00	3 500.00	7 500.00	5 000.00	5 000.00	7 500.00
Average price of the bids approved per BGN 100 (%)	98.89	98.83	97.28	98.82	94.31	98.82	98.82	94.33
Average discount per BGN 100 (%)	1.11	1.17	2.72	1.18	5.69	1.18	1.18	5.67
Average annual yield (%)	4.50	4.75	5.61	4.79	6.05	4.79	4.79	6.03
Effective annual yield (%)	4.58	4.83	5.69	4.88	6.05	4.88	4.88	6.03
Coverage coefficient	0.81	0.84	0.81	1.47	1.92	1.63	1.37	1.57

(continued)

Issue No.	BG3014699006	BG3014799004	BG3014899002	BG3014999000	BG3015099008	BG3015199006	BG3015299004
Issue date	28.07.1999	04.08.1999	04.08.1999	11.08.1999	18.08.1999	18.08.1999	25.08.1999
Maturity date	27.10.1999	03.11.1999	02.08.2000	10.11.1999	17.11.1999	16.08.2000	24.11.1999
Nominal value of the offer (thousand BGN)	5 000.00	5 000.00	9 000.00	5 000.00	5 000.00	9 000.00	5 000.00
Total nominal value of the bids received (thousand BGN)	8 300.00	6 431.00	12 333.69	8 625.00	8 200.00	9 012.00	7 586.98
Total nominal value of the bids approved (thousand BGN)	5 000.00	5 000.00	9 000.00	5 000.00	5 000.00	9 000.00	5 000.00
Average price of the bids approved per BGN 100 (%)	98.92	98.82	94.18	98.83	98.83	93.89	98.82
Average discount per BGN 100 (%)	1.08	1.18	5.82	1.17	1.17	6.11	1.18
Average annual yield (%)	4.79	4.79	6.20	4.75	4.75	6.53	4.79
Effective annual yield (%)	4.88	4.88	6.20	4.83	4.83	6.53	4.88
Coverage coefficient	1.66	1.29	1.37	1.73	1.64	1.00	1.52

Source: MF.

Outstanding Government Securities

Treasury Bonds

Issue No./Date	11/30.01.95	23.02.03.95	49/04.05.95	200/31.05.95	72/20.07.95	85/14.09.95	106/30.11.95	113/28.12.95
Maturity date	30.01.2004	02.03.2000	27.04.2000	21.05.2002	13.07.2000	07.09.2000	23.11.2000	21.12.2000
Nominal value of the offer (thousand BGN)	25.00	500.00	1 000.00	9 320.25	2 982.00	2 000.00	800.00	1 016.80
Total nominal value of the bids received (thousand BGN)	25.00	400.00	1 000.00	9 320.25	2 982.00	960.00	220.00	1 016.80
Total nominal value of the bids approved (thousand BGN)	25.00	400.00	1 000.00	9 320.25	2 982.00	960.00	220.00	1 016.80
Average price of the bids approved per BGN 100 (%)	100.00	100.00	98.00	100.00	96.43	93.81	92.86	92.34
Average discount per BGN 100 (%)	-	-	2.00	-	3.57	6.19	7.14	7.66
Interest rate	BIR	BIR	BIR	BIR	BIR	BIR	BIR	BIR
Coverage coefficient	1.00	0.80	1.00	1.00	1.00	0.48	0.28	1.00

(continued)

(continued)

Issue No.	BG2030396126	BG2031096121	BG2033297123	BG2034797121	BG2041097028	BG2043397111	BG2044097116	BG2044697113
Issue date	29.02.1996	30.05.1996	09.05.1997	16.05.1997	17.07.1997	25.09.1997	16.10.1997	30.10.1997
Maturity date	28.02.2001	23.05.2001	05.05.2000	10.05.2002	13.07.2000	23.09.1999	14.10.1999	28.10.1999
Nominal value of the offer (thousand BGN)	1 000.00	800.00	35 000.00	20 000.00	35 000.00	3 000.00	3 000.00	5 000.00
Total nominal value of the bids received (thousand BGN)	200.00	800.00	30 910.00	20 000.00	54 150.00	5 150.00	7 975.00	3 050.00
Total nominal value of the bids approved (thousand BGN)	50.00	800.00	30 000.00	20 000.00	35 000.00	3 000.00	3 000.00	3 050.00
Average price of the bids approved per BGN 100 (%)	91.50	100.00	100.00	100.00	97.75	97.10	97.70	96.05
Average discount per BGN 100 (%)	8.50	-	0.00	0.00	2.25	2.90	2.30	3.95
Interest rate	BIR	BIR+7	BIR+4	BIR+4	BIR	7.50	6.50	6.50
Coverage coefficient	0.20	1.00	0.88	1.00	1.55	1.72	2.66	0.61

(continued)

(continued)

Issue No.	BG2045397127	BG2045997124	BG2046497124	BG2030098128	BG2030198110	BG2030298116	BG2030398114	BG2030498112
Issue date	20.11.1997	04.12.1997	18.12.1997	15.01.1998	29.01.1998	12.02.1998	05.03.1998	19.03.1998
Maturity date	18.11.1999	02.12.1999	16.12.1999	13.01.2000	27.01.2000	10.02.2000	02.03.2000	16.03.2000
Nominal value of the offer (thousand BGN)	5 000.00	2 500.00	2 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00
Total nominal value of the bids received (thousand BGN)	3 950.00	2 480.00	6 880.00	17 425.00	16 360.00	13 320.00	10 620.00	7 970.00
Total nominal value of the bids approved (thousand BGN)	1 350.00	2 480.00	2 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00
Average price of the bids approved per BGN 100 (%)	96.66	94.58	94.16	94.88	95.86	96.11	95.54	95.46
Average discount per BGN 100 (%)	3.34	5.42	5.84	5.12	4.14	3.89	4.46	4.54
Interest rate	(x+1).182/365 ¹	(x+1).182/365 ¹	(x+1).182/365 ¹	(x+1).182/365 ¹	8.00	8.00	7.50	7.50
Coverage coefficient	0.79	0.99	3.44	3.49	3.27	2.66	2.12	1.59

(continued)

¹ x – annual yield of 6-month government securities at the auction preceding the interest period.

(continued)

	BG2030598119	BG2030698117	BG2030798115	BG2030898113	BG2030998111	BG2031098119	BG2031198117	BG2031298115
Issue No.	02.04.1998	16.04.1998	30.04.1998	14.05.1998	28.05.1998	18.06.1998	02.07.1998	16.07.1998
Issue date	30.03.2000	13.04.2000	24.04.2003	11.05.2000	22.05.2003	15.06.2000	26.06.2003	13.07.2000
Maturity date	5 000.00	5 000.00	1 000.00	5 000.00	2 000.00	5000.00	2000.00	5 000.00
Nominal value of the offer (thousand BGN)	8540.00	14 565.00	3 605.00	14 041.00	3 440.00	7825.00	2070.00	6 450.00
Total nominal value of the bids received (thousand BGN)	5 000.00	5 000.00	1 000.00	5 000.00	2 000.00	5000.00	2000.00	5 000.00
Total nominal value of the bids approved (thousand BGN)	94.97	94.43	87.14	95.47	84.78	93.53	76.20	92.70
Average price of the bids approved per BGN 100 (%)	5.03	5.57	12.86	4.53	15.22	6.47	23.80	7.30
Average discount per BGN 100 (%)	7.50	7.00	8.00	7.00	8.00	6.00	7.00	6.00
Interest rate	1.71	2.91	3.61	2.81	1.72	1.57	1.04	1.29
Coverage coefficient								

(continued)

(continued)

Issue No.	BG2031398113	BG2031498111	BG2031598118	BG2031698116	BG2031798114	BG2031898112	BG2031998110	BG2032098118
Issue date	30.07.1998	20.08.1998	03.09.1998	17.09.1998	01.10.1998	15.10.1998	29.10.1998	19.11.1998
Maturity date	26.07.2001	17.08.2000	30.08.2000	14.09.2000	27.09.2001	12.10.2000	25.10.2001	16.11.2000
Nominal value of the offer (thousand BGN)	1 000.00	5 000.00	1 000.00	5 000.00	1 500.00	5 000.00	1 500.00	1 000.00
Total nominal value of the bids received (thousand BGN)	2 750.00	11 450.00	1 400.00	6 640.00	1 155.00	7 900.00	700.00	3 700.00
Total nominal value of the bids approved (thousand BGN)	1 000.00	5 000.00	1 000.00	5 000.00	1 055.00	5 000.00	250.00	1 000.00
Average price of the bids approved per BGN 100 (%)	89.60	92.97	87.85	92.45	86.89	91.71	83.48	93.32
Average discount per BGN 100 (%)	10.40	7.03	12.15	7.55	13.11	8.29	16.52	6.68
Interest rate	7.00	6.00	6.50	6.00	6.50	6.00	6.50	6.50
Coverage coefficient	2.75	2.29	1.40	1.33	0.77	1.58	0.47	3.70

(continued)

(continued)

Issue No.	BG2032198116	BG2032298114	BG2030099118	BG2030199116	BG2030299114	BG2030399112	BG2030499110	BG2030599117
Issue date	03.12.1998	17.12.1998	13.01.1999	27.01.1999	10.02.1999	24.02.1999	10.03.1999	24.03.1999
Maturity date	29.11.2001	14.12.2000	10.01.2001	24.01.2001	07.02.2001	21.02.2001	07.03.2001	21.03.2001
Nominal value of the offer (thousand BGN)	500.00	1 000.00	5 000.00	8 000.00	10 000.00	15 000.00	15 000.00	15 000.00
Total nominal value of the bids received (thousand BGN)	1 250.00	2 647.02	13 053.00	20 849.60	24 021.03	30 397.50	48 340.00	39 280.00
Total nominal value of the bids approved (thousand BGN)	500.00	1 000.00	5 000.00	8 000.00	10 000.00	15 000.00	15 000.00	15 000.00
Average price of the bids approved per BGN 100 (%)	95.55	99.82	99.60	99.38	99.66	99.74	99.91	100.05
Average discount per BGN 100 (%)	4.45	0.18	0.40	0.62	0.34	0.26	0.09	-0.05
Interest rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Coverage coefficient	2.50	2.65	2.61	2.61	2.40	2.03	3.22	2.62

(continued)

(continued)

Issue No.	BG2030699115	BG2030799113	BG2030899111	BG2030999119	BG2031099117	BG2031299113	BG2031399111	BG2031699114
Issue date	31.03.1999	14.04.1999	28.04.1999	29.04.1999	12.05.1999	26.05.1999	09.06.1999	23.06.1999
Maturity date	24.03.2004	11.04.2001	25.04.2001	22.04.2004	09.05.2001	23.05.2001	06.06.2001	20.06.2001
Nominal value of the offer (thousand BGN)	2 000.00	15 000.00	20 000.00	1 190.00	20 000.00	20 000.00	20 000.00	15 000.00
Total nominal value of the bids received (thousand BGN)	2 795.00	47 594.30	42 870.00	1 190.00	25 720.00	25 827.40	15 965.00	11 220.00
Total nominal value of the bids approved (thousand BGN)	2 000.00	15 000.00	20 000.00	1 190.00	20 000.00	20 000.00	15 965.00	11 220.00
Average price of the bids approved per BGN 100 (%)	86.35	100.84	99.88	78.39	99.98	98.98	97.18	93.55
Average discount per BGN 100 (%)	13.65	-0.84	0.12	21.61	0.02	1.02	2.82	6.45
Interest rate	9.00	9.00	8.00	9.00	8.00	8.00	8.00	8.00
Coverage coefficient	1.40	3.17	2.14	1.00	1.29	1.29	0.80	0.75

(continued)

Issue No.	BG2031799112	BG2031899110	BG2031999118	BG2032099116
Issue date	14.07.1999	28.07.1999	11.08.1999	25.08.1999
Maturity date	11.07.2001	25.07.2001	08.08.2001	22.08.2001
Nominal value of the offer (thousand BGN)	12 000.00	10 000.00	10 000.00	8 000.00
Total nominal value of the bids received (thousand BGN)	16 170.00	13 105.50	11 325.00	9 080.63
Total nominal value of the bids approved (thousand BGN)	12 000.00	10 000.00	10 000.00	8 000.00
Average price of the bids approved per BGN 100 (%)	93.54	93.26	92.59	91.92
Average discount per BGN 100 (%)	6.46	6.74	7.41	8.08
Interest rate	8.00	8.00	8.00	8.00
Coverage coefficient	1.35	1.31	1.13	1.14

Source: MF.

Government Securities Issued for Structural Reform

Guaranty Government Securities

Lev Guaranty Government Securities

Issue No.	BG2040296225	BG2040396223	BG2040596228	BG2044397227	BG2047397224	BG2047597229	BG2047497222	BG2047697227
Issue date	05.06.1996	12.06.1996	27.06.1996	18.08.1997	22.10.1997	22.10.1997	27.10.1997	05.11.1997
Maturity date	28.05.2003	04.06.2003	19.06.2003	09.08.2004	13.10.2004	13.10.2004	18.10.2004	27.10.2004
Principal (thousand BGN)	3428.57	3622.12	453.18	21129.85	2796.63	9111.74	8078.71	12419.73
Interest rate	BIR	BIR	BIR	BIR	BIR	BIR	BIR	BIR
Interest payments	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual
Repayments	equal annual	equal annual	equal annual	equal annual	equal annual	equal annual	equal annual	equal annual
Maturity (in years)	7	7	7	7	7	7	7	7

Issue No.	BG2040098225	BG2040298221	BG2040398229
Issue date	29.01.1998	12.02.1998	10.03.1998
Maturity date	20.01.2005	03.02.2005	01.03.2005
Principal (thousand BGN)	2936.32	2741.11	116.06
Interest rate	BIR	BIR	BIR
Interest payments	semiannual	semiannual	semiannual
Repayments	equal annual	equal annual	equal annual
Maturity (in years)	7	7	7

(continued)

(continued)

Foreign Currency Guaranty Government Securities

Issue No.	BG2040097110	BG2040198116	BG2040297116	BG2040397114	BG2045697112	BG2047297119	BG2047797118	BG2047897116
Issue date	02.05.1997	29.01.1998	21.10.1997	21.10.1997	15.08.1997	18.08.1997	24.10.1997	05.11.1997
Maturity date	28.04.2000	25.01.2001	17.10.2000	17.10.2000	11.08.2000	14.08.2000	20.10.2000	01.11.2000
Principal (million USD)	8.86	0.51	1.44	0.66	2.04	36.51	23.33	5.34
Interest rate	LIBOR+2	LIBOR+2	LIBOR+2	LIBOR+2	LIBOR+2	LIBOR+2	LIBOR+2	LIBOR+2
Interest payments	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual
Repayments	one-off at maturity	one-off at maturity	one-off at maturity	one-off at maturity	one-off at maturity	one-off at maturity	one-off at maturity	one-off at maturity
Maturity (in years)	3	3	3	3	3	3	3	3

Issue No.	BG2040498110	BG2040598117	BG2040698115
Issue date	13.02.1998	13.03.1998	11.05.1998
Maturity date	09.02.2001	06.03.2001	07.05.2001
Principal (million USD)	3.13	0.05	1.01
Interest rate	LIBOR+2	LIBOR+2	LIBOR+2
Interest payments	semiannual	semiannual	semiannual
Repayments	one-off at maturity	one-off at maturity	one-off at maturity
Maturity (in years)	3	3	3

LIBOR – average six-month LIBOR (London Interbank Offered Rate) quoted by the Reuters for the preceding interest period.
STRIPS – Separate Trading of Registered Interest and Principal of Securities.

In compliance with Article 8 and Article 9, para. 1, items 1 and 2 of the LSPDACB, the Ministry of Finance issues lev and foreign currency guaranty government securities. These are issued under the following conditions:

- (a) in leva – 7-year redemption term; interest – BIR for the respective period, payable semiannually; redemption schedule – equal annual installments.
 (b) in US dollars – 3-year redemption term; interest – six-month LIBOR plus 2 percent, payable semiannually; redemption schedule – one-off at end-period; transferable only between commercial banks based in this country. Interest coupons are separated from the principal and are freely transferable, provided that the MF and the BNB approve a STRIPS program for the banks applying to trade in interest coupon derivative financial instruments, to be registered in BNB Government Securities Depository.
 The Law on Bank Deposit Guaranty (published in the State Gazette, issue 49 of 29 April of 1998) repeals the Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings. The repealed law is applicable to deposits and accounts with banks which had been declared insolvent before the enforcement of the Law on Bank Deposit Guaranty, as well as to the special fund for state protection of deposits and accounts and guaranty government securities service.
 Principals are based on actual data as of 31 August 1999.

Source: MF.

Government Securities Issued to Settle Nonperforming Credits 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	CMD 89/95
Issue No./Date	95/01.01.1992	99/01.07.1993	98/01.10.1993	97/01.01.1994	96/01.12.1993	200/31.05.1995
Maturity date	01.01.2011	01.07.2017	01.10.2018	01.01.2019	01.12.2018	21.05.2002
Maturity (years)	19	24	25	25	25	7
Grace period (years)	4	4	5	5	5	4
Redemption term (years)	15	20	20	20	20	3
Repayments	15 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	20 equal annual installments	6 equal annual installments
Principal (thousand)	3302.08 (BGN)	2301.90 (BGN)	8785.99 (BGN)	605220 (USD)	931.34 (BGN)	9320.28 (BGN)
Interest payments	semiannual	semiannual	semiannual	semiannual	annual	semiannual
1999 interest	BIR+1	2/3 BIR	2/3 BIR	LIBOR*	2/3 BIR	BIR

* Six-month LIBOR for the US dollar in the respective period.

Principals are based on actual data as of 31 August 1999.

Long-term government bonds transferred on the MF account with the BNB are included in the debt amount under 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, No. 3 of 1994 may be used as legal tender in privatization transactions.

Pursuant to CM Decree No. 22 of 1995, long-term government bonds issued under ZUNK may be used to repay obligations of state-owned enterprises, firms and commercial companies to the government, transferred 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.

Source: MF.

SALES OF GOVERNMENT SECURITIES TO NONBANK FINANCIAL INSTITUTIONS, COMPANIES AND INDIVIDUALS

Sales of Government Securities Issued under Regulation No. 5 and Target Issues

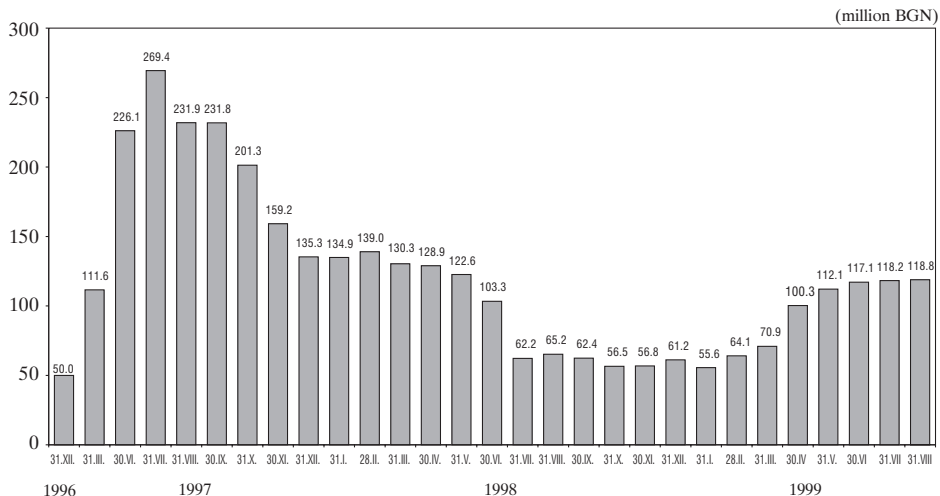
The volume of government securities sales for budget deficit financing increased in August. As of 31 August 1999 government securities (issued under Regulation No. 5) held by individuals, companies and nonbank financial institutions totaled BGN 118,793 thousand (Chart 11), an increase of BGN 625 thousand, or 0.53%, on the previous month. Target government securities

earmarked for sale to physical persons accounted for BGN 17,206 thousand (Chart 12), an increase of BGN 742 thousand, or 4.5%, on July.

In August sales of government securities issued under Regulation No. 5 included three-month treasury bills of BGN 5,255.6 thousand, one-year of BGN 145.7 thousand, and two-year treasury bonds of BGN 406.3 thousand. Three-month treasury bills occupied the largest share in total government securities sales in August, 90.5%.

Chart 11

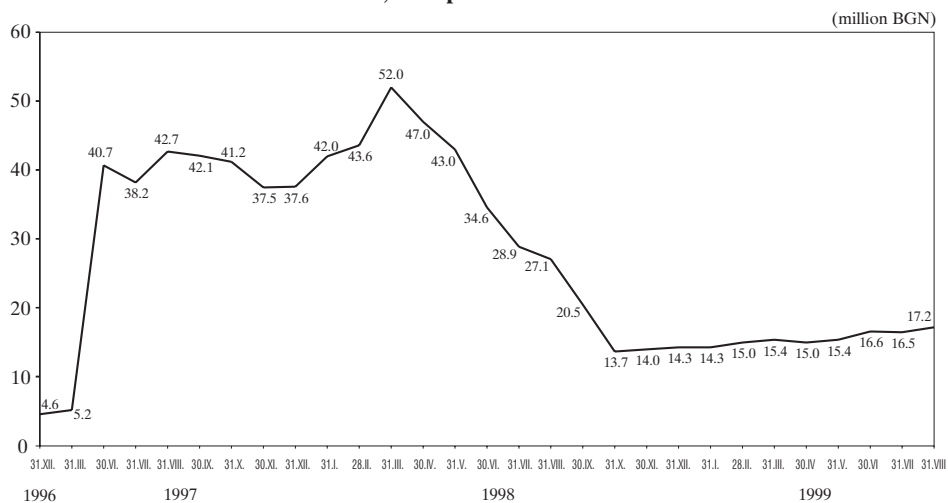
Net Sales of Government Securities Issued under Regulation No. 5 to Nonbank Financial Institutions, Companies and Individuals



Note: Preliminary data for August 1999.

Source: BNB.

Net Sales of Government Securities from Target Issues to Nonbank Financial Institutions, Companies and Individuals



- Notes:**
1. Preliminary data for August 1999.
 2. Target issues dated 18 August 1999 excluded.

Source: BNB.

Target Issues of Government Securities Earmarked for Physical Persons

Between 21 July and 17 August 1999¹ the MF offered for sale six issues of government securities earmarked for physical persons under the following conditions:

- Two issues of six-month target discount government treasury bills yielding 5.9% annually. Their average weighted monthly yield is 0.49% (Chart 13). No

¹ The period under review starts from the issue date and finishes at the end of issue periods, since data is obtained and registered after the sale of a particular issue has been finished. Therefore, this period does not correspond to the calendar month and includes two issue periods or four weeks.

repurchases are effected by the clients prior to maturity of these government securities.

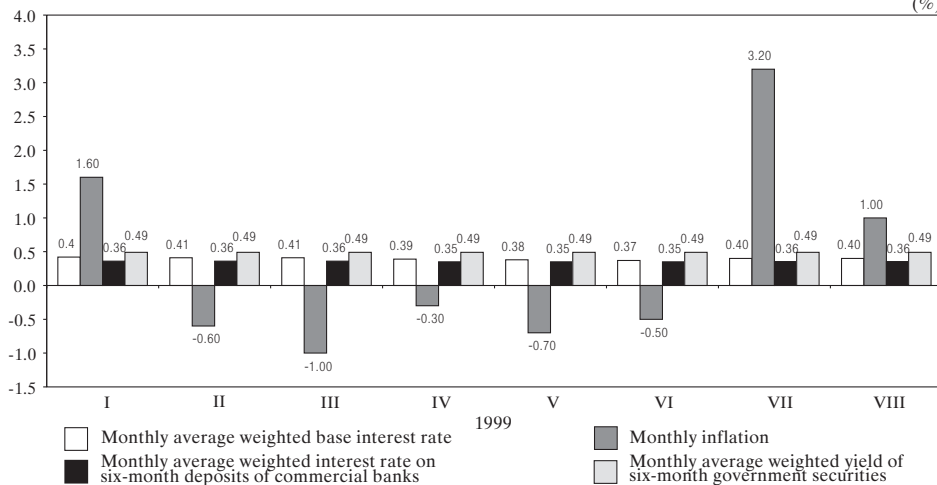
- Two issues of twelve-month target discount government treasury bills ensuring 6.99% annual yield. Their average weighted monthly yield is 0.58% (Chart 14). Reverse repurchase of these government securities starts six months after their issue at prices set by the issuer, with their effective annual yield increasing proportionally from beginning to end of the reverse repurchase period.

- Two issues of two-year savings government treasury bonds with fixed annual yield in the form of semiannual interest payment, effective as of the issue date. The last interest payment is effected at maturity together with the

Chart 13

Yield of Six-month Government Securities from Target Issues

(%)

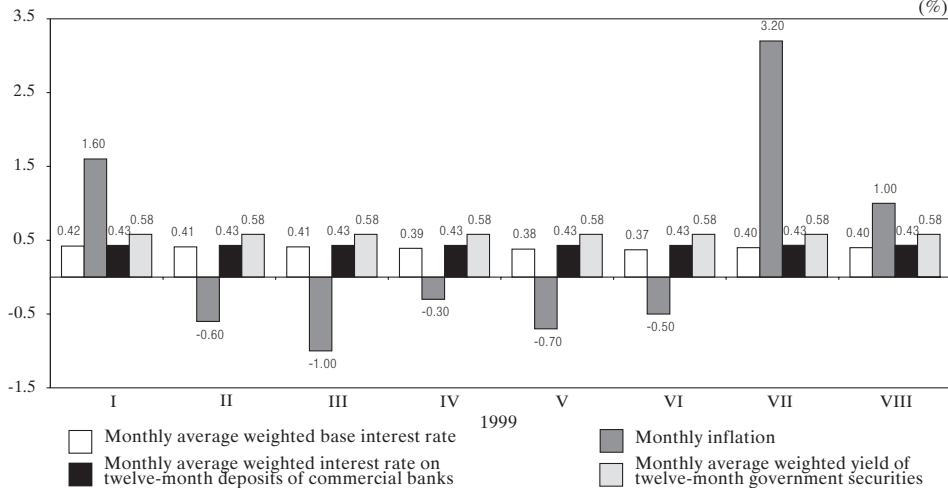


Source: BNB.

Chart 14

Yield of Twelve-month Government Securities from Target Issues

(%)



Source: BNB.

nominal value of government securities. The annual interest rate of the first interest coupon is 8%, the second 9%, the third 10%, and fourth 11%. Reverse repurchases of these bonds start six months after their issue at prices set by the issuer. Reverse repurchase price of two-year savings government securities issues is set by accruing the previous coupon annual rate of interest to the nominal value for the period since the latest interest payment until the reverse repurchase date.

Sales of these government securities totaled BGN 995.3 thousand nominal value: six-month treasury bills of BGN 126.6 thousand (12.72%), twelve-month treasury bills of BGN 75.1 thousand (7.55%) and two-year savings treasury bonds of BGN 793.6 thousand

(79.73%). Data shows that during the reporting period investors opted for two-year savings treasury bonds (Chart 15) generating higher yield.

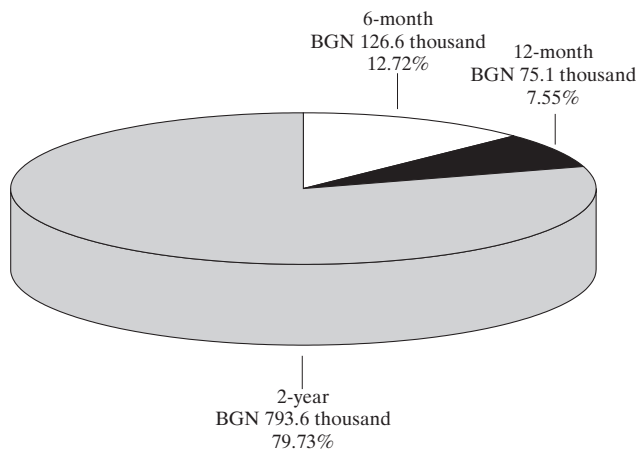
Sales of Government Securities Issued for Structural Reform

The volume of government securities acquired by individuals, companies and nonbank financial institutions and issued for structural reform decreased significantly in August. As of 31 August total sales of government securities accounted for BGN 305,917 thousand (including sales to foreign investors), a decrease of BGN 202,582.4 thousand (39.8%) from July (Chart 17).

The bulk of government securities issued for structural reform was sold by

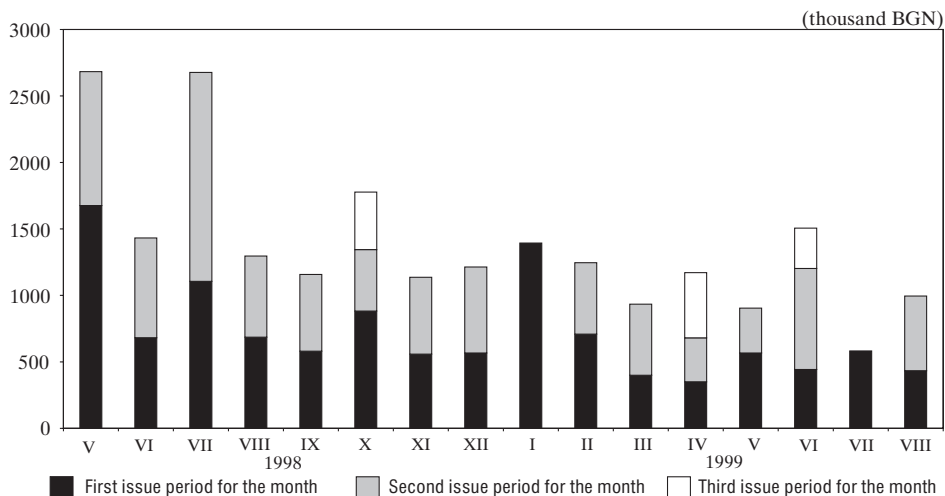
Chart 15

Maturity Structure of Target Government Securities Sold through the BNB and Primary Dealers in August



Source: BNB.

Volume of Target Government Securities Sales to Physical Persons



Source: BNB.

commercial banks (75.6%) and other financial institutions (24.4%).

Lev-denominated government securities held by individuals, companies and nonbank financial institutions totaled BGN 8,110.5 thousand (2.72% of total sales), while USD-denominated government securities issued under ZUNK accounted for BGN 305,917.6 thousand.

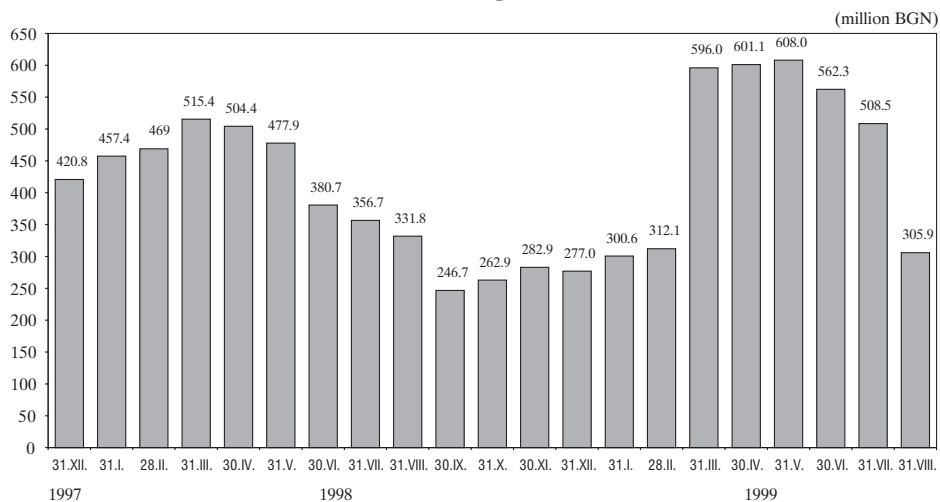
Sales of Government Securities to Foreign Investors

The volume of government securities held by foreign investors slightly decreased in August. As of 31 August 1999 government securities acquired by foreign investors totaled BGN 143,213.8 thousand (Chart 18), a decrease of BGN 7,629.3 thousand (5.1%) on July.

No sales of government securities issued under Regulation No. 5 were registered in August. Target government securities (earmarked for direct sale to physical persons) sold to nonresidents totaled BGN 7.5 thousand, an increase of BGN 0.8 thousand on July.

As of 31 August the volume of USD-denominated long-term government bonds held by foreign investors decreased by USD 5 million, totaling USD 69.3 million (equivalent to BGN 128,109.2 thousand), a decrease of BGN 7,630.1 thousand (5.6%) on the previous month. The share of these domestic debt government securities accounted for 89.4% in foreign investors' portfolios. The volume of EUR-denominated government securities remained unchanged: EUR 7.7 million (10.5%).

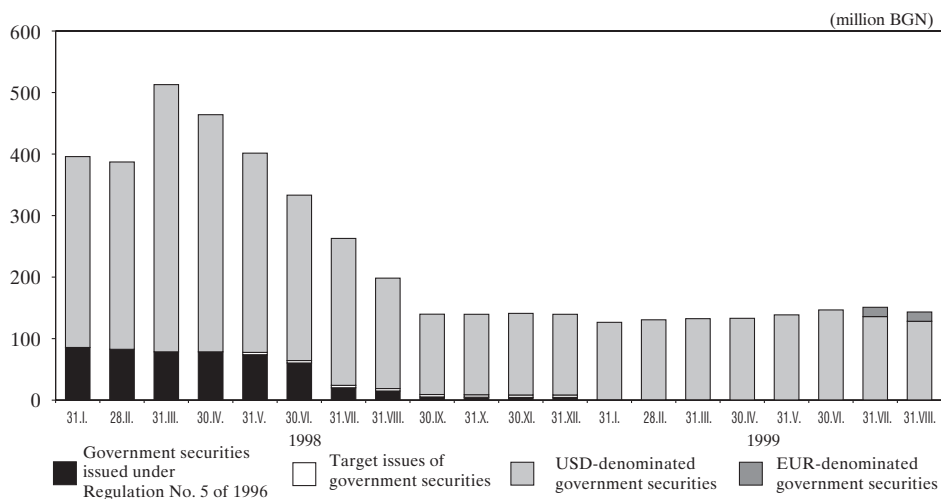
Net Sales of Government Securities Issued for Structural Reform to Nonbank Financial Institutions, Companies and Individuals



Note: Data on USD-denominated government securities shows the lev equivalent based on the USD exchange rate at the end of month. Preliminary data for July.

Source: BNB.

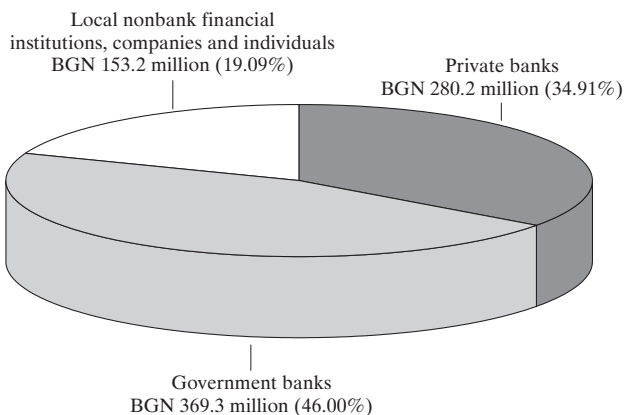
Government Securities in Foreign Investors' Portfolios



Note: Preliminary data for July 1999.

Source: BNB.

Holders of Government Securities Issued under Regulation No. 5 and of Target Issues by 31 August

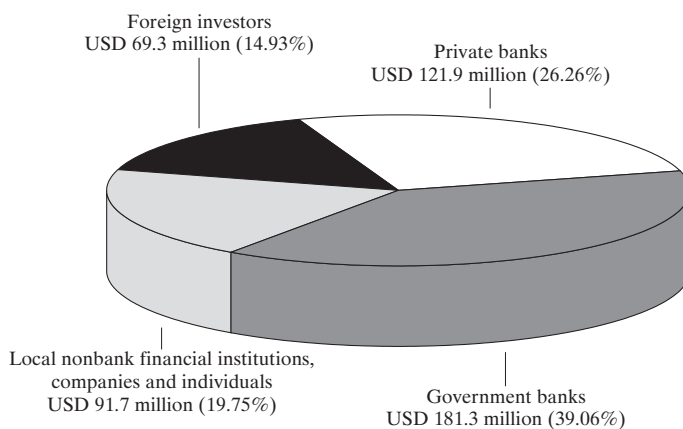


- Notes:**
1. Including frozen government securities by financial institutions.
 2. Excluding guaranty government securities issued under the LSPDACB.
 3. Preliminary data.

Source: BNB.

Chart 20

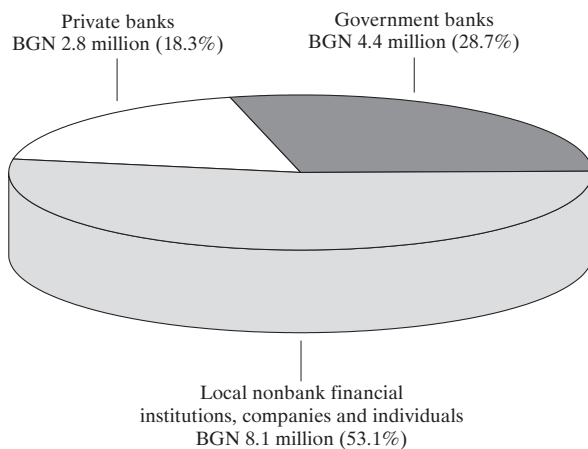
Holders of USD-denominated Government Securities Issued under ZUNK by 31 August



- Notes:**
1. Including frozen government securities by financial institutions.
 2. Preliminary data.

Source: BNB.

Holders of Lev-denominated Government Securities Issued for Structural Reform by 31 August



Notes: 1. Including frozen government securities by financial institutions.
2. Preliminary data.

Source: BNB.

SALES OF GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM FOR PARTICIPATION IN PRIVATIZATION TRANSACTIONS

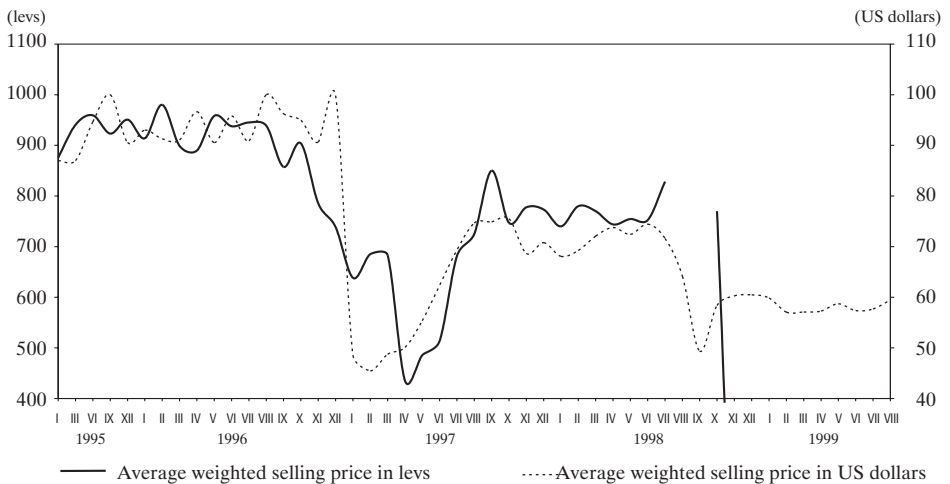
In August long-term government bonds of USD 0.03 million issued under Article 5 of ZUNK, and long-term government bonds of EUR 2.79 thousand issued under § 10 of the Transitional and Final Provisions of the 1999 SBL were sold for participation in privatization. Pursuant to Article 5 of the Regulation on participation in privatization of holders of long-term government bonds issued under the terms of ZUNK, CM De-

crees Nos. 244 of 1991, 186 of 1993 and 3 of 1994 (government securities for structural reform), these government securities were transferred to the MF account for participation in 10 privatization transactions as legal tender.

The average weighted price of the bonds issued under Article 5 of ZUNK and sold for participation in privatization was USD 59.47 per USD 100 nominal value (Chart 22). In August no transfer

Chart 22

Price Dynamics of Government Securities Issued under Articles 4 and 5 of ZUNK and Sold to Companies and Individuals for Participation in Privatization



Source: BNB.

transactions in government securities from issue No. 98 of 1993 (to be used as legal tender in privatization transactions) were registered.

In August pursuant to Article 1 of the Regulation on the procedure for utilization of long-term government bonds is-

sued under ZUNK for repayment of debts to the government arising under the same law (published in the State Gazette, issue 12 of 3 February 1995), maturing long-term government bonds of USD 0.1 million (issued under Article 5 of ZUNK) were used.

Sales of Long-term Government Bonds Issued for Structural Reform for Participation in Privatization Transactions

	Year	Jan.	Feb.	March	April	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Total
I. Government securities in BGN (thousand BGN)	1994					19.20	0.10	501.40	110.70	177.00	76.70	609.80	28.30	1523.20
	1995	88.20	257.20	65.00	35.50	143.60	132.40	262.90	148.90	59.80	54.90	242.50	354.90	1845.80
	1996	5.70	53.90	16.50	113.90	16.60	147.80	19.90	46.00	121.30	309.60	541.20	1151.20	2543.60
	1997	210.70	1374.90	114.90	1259.35	4354.90	744.30	500.80	175.00	209.10	184.50	135.60	144.70	9408.75
	1998	3916.30	17.18	238.60	13.70	60.00	90.72	27.30	3.96	0.00	11.47	0.00	0.00	4379.23
	1999	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					0.00
II. Government securities in USD (million USD)	1994						0.80	0.10	0.10	0.90	1.70		3.90	7.50
	1995					0.04	2.47	0.20	2.21	0.22	4.29	1.22	0.76	14.37
	1996	0.18	0.23	0.32	2.22	0.04	2.47	0.20	2.21	0.22	4.29	1.22	0.76	14.37
	1997	4.96	0.68	4.10	0.11	1.54	1.41	6.22	1.73	3.86	2.63	2.15	10.26	39.64
	1998	31.50	4.79	11.00	13.00	13.15	10.59	5.18	13.78	4.77	3.60	4.55	2.81	118.72
	1999	9.50	1.61	5.34	0.67	0.61	0.21	0.66	0.03					18.63
II. Government securities in EUR (thousand EUR)	1999								2.79					2.79

- Notes:**
1. Government securities in BGN include long-term government bonds issued under Article 4 of ZUNK, CM Decrees No. 186 of 1993, and No. 3 of 1994.
 2. Government securities in USD include long-term government bonds issued under Article 5 of ZUNK and denominated in US dollars.
 3. Government securities in EUR include long-term government bonds from issue No. 400 of 1999 issued pursuant to § 10 of Transitional and Final Provisions of 1999 SBL and denominated in EUR.

GOVERNMENT SECURITIES PRIMARY DEALERS AND REUTERS PAGES FOR GOVERNMENT SECURITIES QUOTATIONS

Pursuant to Article 4, para. 1 of Regulation No. 5 of 1998, by resolution of BNB Managing Board and letter of the Minister of Finance, the following are approved as government securities primary dealers:

FOR THE PERIOD 1 JULY – 31 DECEMBER 1999

BIOCHIM	CBBB 01-03
BNP – DRESDNERBANK	BSBD 01-03
BULBANK	BGTB 01-03
BULGARIAN POST BANK	BPBB 01-03
BULGARIA-INVEST	BGIN 01-03
BRIBANK	RIBB 01-03
DSK BANK	SSBG 01-03
SII INVEST LTD.	SIIB 01
EUROBANK	EBSF 01-03
EXPRESSBANK	EBVB 01
NEFTINVESTBANK	OBBG 01-03
ING BANK	INBS 01-03
UNITED BULGARIAN BANK	UBBB 01-03
MUNICIPAL BANK	SMBK 01-03
FIRST INVESTMENT BANK	BFIB 01-03
RAIFFEISENBANK	RBBS 01-03
ROSSEXIMBANK	REBS 01
SOCIETE GENERALE	SGBG 01
HEBROS	AGBG 01-03
UNIONBANK	UNBS 01-03
EUROFINANCE FINANCIAL HOUSE	EUFI 01-03
ELANA FINANCIAL BROKERAGE HOUSE	ELAN 01-03

SUMMARIZED QUOTATION PAGES

BGTSY=
BGZUNK=

BNB pages containing information on the government securities interbank market

BGBNB 5
BGBNB 7
BGBNB 9

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