



SEPTEMBER

**Secondary
Market of
Government
Securities**

1999

Contents

Government Securities Interbank Market	5
Outstanding Government Securities	
Discount Treasury Bills	16
Treasury Bonds	21
Government Securities Issued for Structural Reform	
Guaranty Government Securities	29
Government Securities Issued to Settle	
Nonperforming Credits of State-owned Companies to Bank	31
EUR-denominated Government Securities	32
Sales of Government Securities to Nonbank Financial	
Institutions, Companies and Individuals	33
Sales of Government Securities Issued for Structural Reform	
for Participation in Privatization Transactions	41
Government Securities Primary Dealers and Reuters Pages	
for Government Securities Quotations	43

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 September 1999 financial institutions concluded 442 transactions in government securities (including the number and volume of reverse repurchase agreements) issued for budget deficit financing, totaling BGN 425,490.7 thousand nominal value, an increase of BGN 47,344.8 thousand, or 12.5%, compared with the same period of the previous year (Chart 1).

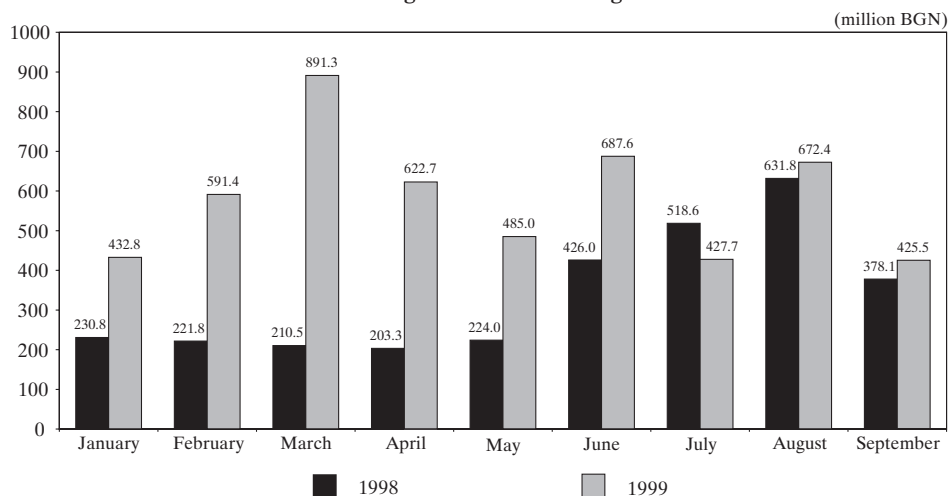
Over the period under review the volume of secondary market transactions in government securities between primary dealers issued under Regulation No. 5

(reverse repo agreements volume excluded) totaled BGN 233,170 thousand, including three-month treasury bills of BGN 11,181.8 thousand, six-month of BGN 4,472.3 thousand, twelve-month of BGN 93,240.1 thousand, two-year of BGN 113,440.8 thousand and up to five years of BGN 10,835 thousand (Chart 2). In September sales in government securities dropped compared with the previous month, their volume decreasing by 31.4%. Structurally, demand for two-year treasury bonds occupied the largest share.

In September 1999 secondary market transactions on behalf of clients (i. e. under Article 20 of Regulation No. 5 of 1998) dramatically increased on the pre-

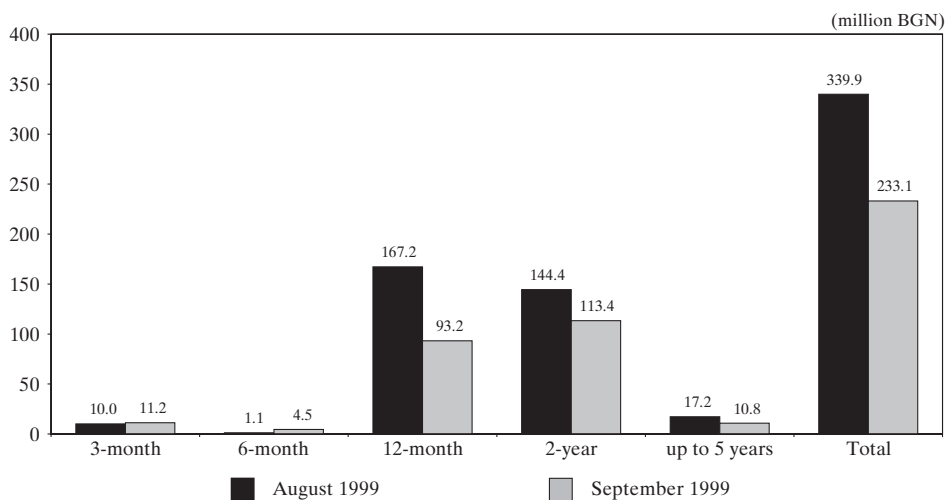
Chart 1

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.

vious month, accounting for BGN 7,977 thousand. Transactions between nonprimary dealers and physical or legal persons (i. e. transactions under Article 21 of Regulation No. 5) also increased compared with August, reaching BGN 298.9 thousand. The volume of transactions between primary and nonprimary dealers (under Article 14 of Regulation No. 5) increased from August, reaching BGN 73,570.1 thousand, including bids approved at the government securities auctions on behalf of nonprimary dealers of BGN 3,500 thousand.

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

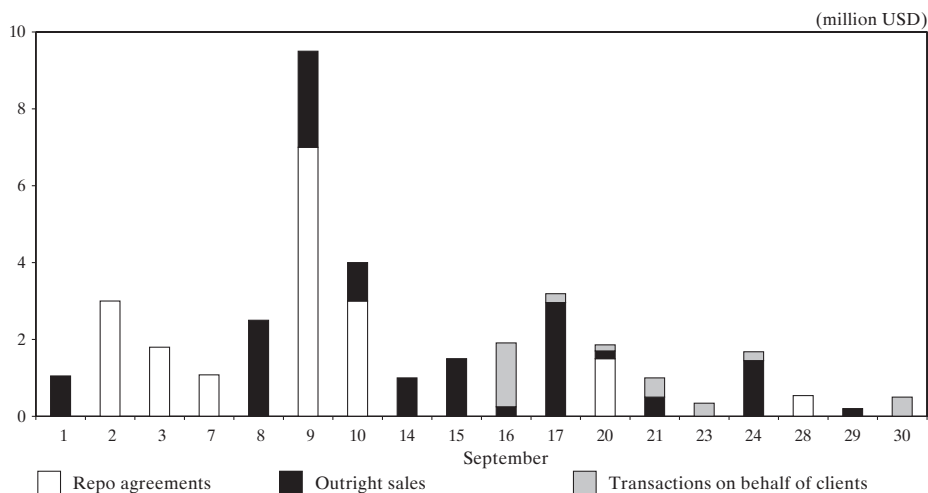
In September financial institutions concluded 41 transactions in USD-de-

nominated government securities issued as a result of structural reform, totaling USD 36.1 million nominal value (including the number and volume of reverse repurchase agreements). In September, 20 outright transactions of USD 15.1 million, 11 repo agreements of USD 17.9 million, and 10 transactions on behalf of clients of USD 3.1 million (under Articles 14, 20 and 21) were concluded.

In September neither government securities transactions in levs issued as a result of structural reform, nor transactions in forex guaranty government securities were concluded. One EUR-denominated transaction, totaling EUR 0.36 million, was concluded.

Eighteen transactions of USD 16.3 million and three transactions of EUR 3.8 million were concluded pursuant to Article 14, para. 6 of Regulation No. 5.

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



Source: BNB.

A downward trend in forex ZUNK bonds sales was reported in September and the average daily volume of registered transactions totaled USD 3.4 million. Despite the wide difference between the minimum (USD 48.5) and the maximum (USD 60) price of forex ZUNK bonds, their actual market price stayed relatively stable, ranging between USD 58 and 59 per USD 100 nominal value.

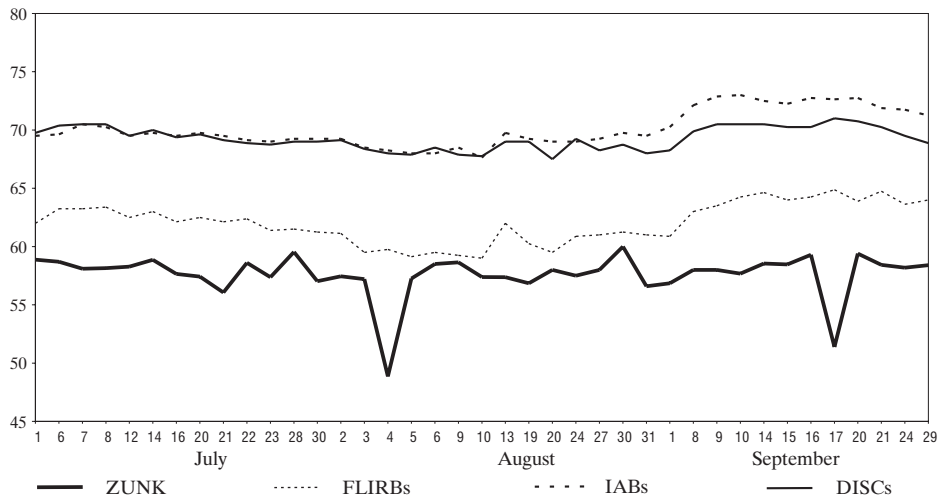
Government Securities Repo Agreements in the Interbank Market

In September the volume of repo agreements traded in the secondary interbank market was uneven (Chart 5). Great volumes of transactions were registered in the beginning and at the end of the period under review due to increased

demand for funds by commercial banks, consistent with regulation of bank' minimum required reserves with the BNB. During the same period a significant increase in the volume of interbank deposits occurred due to increased demand for funds by commercial banks.

In September the yield of repo agreements reflected the insignificant changes in the base interest rate: an increase in the average term of repo agreements (in terms of days) and a significant 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, three-day and seven-day maturities. The yield of transactions of up to one-month maturity was lower than that of interbank deposits of the same maturity (Chart 6).

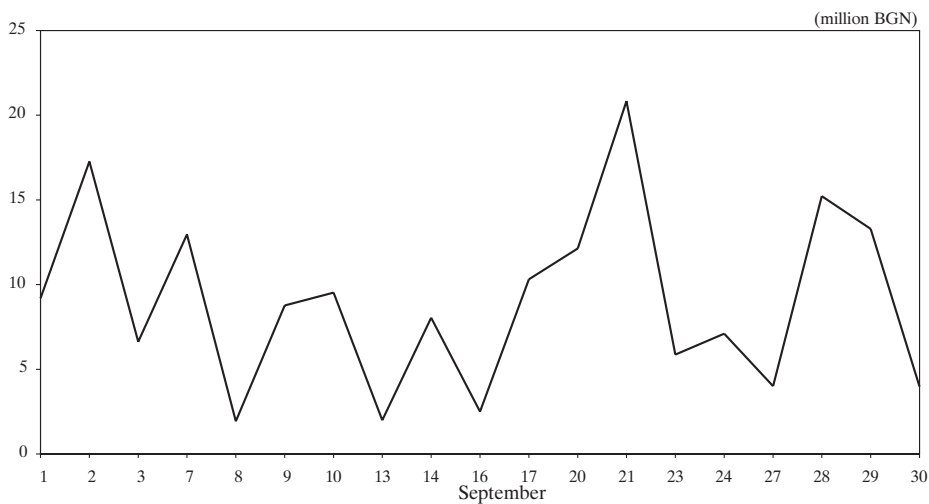
Price Movements of USD-denominated Government Securities (Issued under ZUNK) and Bulgarian Brady Bonds in the Interbank Market*



* 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 September	Price		
	Minimum	Maximum	Average weighted
1	56.40	58.00	56.87
8	58.00	58.00	58.00
9	58.00	58.00	58.00
10	57.35	59.50	57.68
13	59.55	59.73	59.64
14	58.54	58.54	58.54
15	58.00	59.75	58.47
16	59.30	59.30	59.30
17	48.50	58.00	51.38
20	59.00	59.50	59.04
21	58.43	58.43	58.43
24	58.00	58.37	58.19
27	59.75	59.75	59.75
29	58.40	58.40	58.40
30	60.00	60.00	60.00
Monthly	48.50	60.00	58.11

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

Quotations of Bulgarian Brady Bonds*

(USD)

Date September	DISCs		FLIRBs		IABs	
	Offer	Bid	Offer	Bid	Offer	Bid
1	68.25	67.88	60.88	60.75	70.25	69.25
2	67.63	67.13	62.25	61.75	69.88	69.13
3	69.25	68.75	62.38	61.88	71.38	70.63
7	68.25	67.75	63.75	63.25	71.50	70.75
8	69.88	69.38	63.00	62.50	72.13	71.13
9	70.50	69.75	63.50	62.75	72.88	72.00
10	70.50	70.00	64.25	63.00	73.00	72.25
13	70.50	69.75	63.75	62.75	73.00	72.00
14	70.50	69.50	64.63	63.50	72.50	71.50
15	70.25	69.50	64.00	62.88	72.25	71.25
16	70.25	69.50	64.25	63.25	72.75	71.75
17	71.00	69.75	64.88	63.75	72.63	71.75
20	70.75	70.13	63.88	63.63	72.75	71.75
21	70.25	69.75	64.75	63.75	71.88	71.13
22	69.88	69.50	64.25	63.50	72.25	71.25
23	69.75	68.75	64.13	63.63	71.75	70.75
24	69.50	69.13	63.63	63.13	71.75	70.63
27	69.25	68.75	63.75	63.25	71.63	70.63
28	69.00	68.00	63.38	62.75	71.25	70.25
29	68.88	68.38	64.00	62.63	71.25	70.25
30	64.00	63.50	64.00	62.75	71.63	70.75

* Reuters quotations.

Volume and Structure of Government Securities Secondary Market Transactions in September

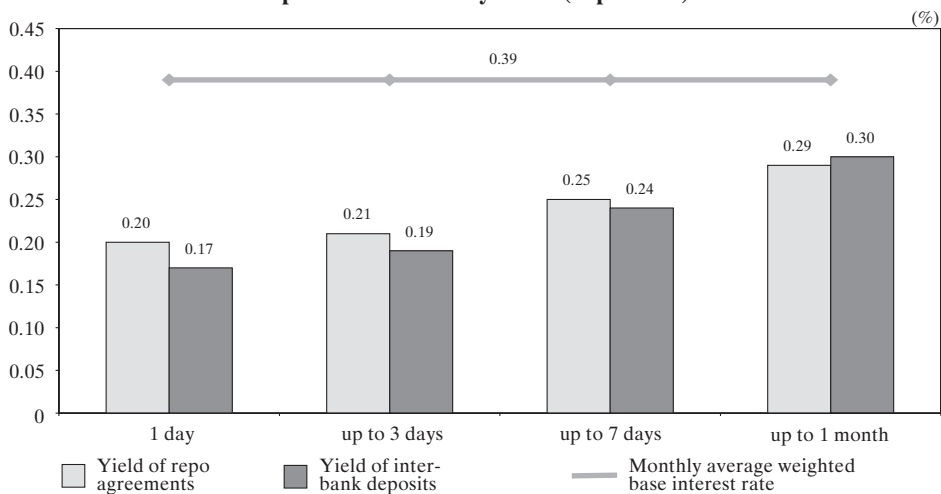
1. Volume of transactions in government securities denominated in levs (million BGN nominal value)	233.17
- repo agreements*	165.75
- outright sales	67.42
- privatization transactions	0.00
2. Volume of transactions in government securities denominated in US dollars and euro (lev equivalent, million BGN)	40.32
- repo agreements*	12.07
- outright sales	28.18
- privatization transactions	0.07
3. Number of secondary market transactions	278
- repo agreements**	137
- outright sales	132
- privatization transactions	9
4. Average term of secondary market repo agreements (days)	6.19
5. Average monthly yield (simple interest) on secondary market repo agreements depending on the term (%)	
1 day	0.20
from 2 to 3 days	0.21
from 4 to 7 days	0.25
up to 1 month	0.29

* Volume of reverse repo agreements excluded.

** Number of reverse repo agreements excluded.

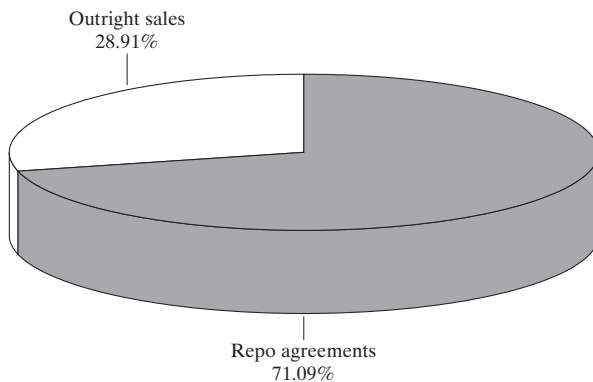
Chart 6

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



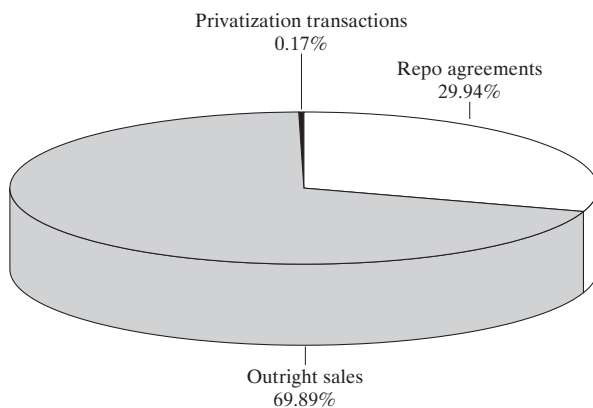
Source: BNB.

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



Source: BNB.

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



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
1.09.1999											
Deposits	8345	2.51	1500	3.03	2200	3.46	4900	3.70			16945
Repo agreements	3000	2.84			4480	3.52	1714	3.45			9194
2.09.1999											
Deposits	6400	2.69			2450	2.87	2770	3.74			11620
Repo agreements	5981	2.92			6505	3.39	4785	3.55			17271
3.09.1999											
Deposits					5696	2.91	6440	3.72			12136
Repo agreements					5106	3.09	1520	3.72			6626
7.09.1999											
Deposits	7732	2.17	800	3.00	1500	3.63	11021	3.89	2000	4.70	23053
Repo agreements			6937	3.25	5039	3.26	989	3.95			12965
8.09.1999											
Deposits	12850	2.28	3500	3.09	2960	3.34	3256	3.86			22566
Repo agreements	1195	2.84			235	3.35	500	4.56			1930
9.09.1999											
Deposits	5667	2.68			1590	3.41	1250	3.70			8507
Repo agreements	405	2.94			6859	2.89	1500	3.65			8764
10.09.1999											
Deposits			5000	2.68	3700	3.21	2936	3.76			11636
Repo agreements					5098	2.88	4432	3.53			9530
13.09.1999											
Deposits	5600	2.20			3440	3.24					9040
Repo agreements					1520	2.80	475	3.95			1995
14.09.1999											
Deposits	14500	1.85	2550	2.90	2300	3.10	5450	4.06	1000	5.25	25800
Repo agreements	1500	2.64	1500	2.74	5039	2.94					8039
15.09.1999											
Deposits	10900	1.91	2000	2.30	1800	2.63	11260	3.48	500	4.00	26460
Repo agreements											-
16.09.1999											
Deposits	6680	1.95			4900	2.29	2620	3.40			14200
Repo agreements	1000	1.83			1000	2.13	500	3.73			2500
17.09.1999											
Deposits			6750	2.12	5888	2.76	4576	3.47			17214
Repo agreements			5132	2.03	4180	2.03	1000	2.74			10312
20.09.1999											
Deposits	10950	1.95	400	2.50	5230	2.58	2250	3.40			18830
Repo agreements	10132	2.03					2000	3.14			12132
21.09.1999											
Deposits			21883	2.09	2300	2.72	2900	3.61			27083
Repo agreements			17190	2.25	3038	2.74	600	4.11			20828
23.09.1999											
Deposits	6250	1.90			10048	2.70	3602	3.30	1000	3.95	20900
Repo agreements	200	2.13			3672	2.67	2000	3.24			5872

(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
24.09.1999											
Deposits	3800	2.26	5618	1.66	2000	2.50	2866	3.37	3100	4.07	17384
Repo agreements			5000	2.27	400	2.64	200	3.70	1500	5.05	7100
27.09.1999											
Deposits	7230	1.77					2236	3.15			9466
Repo agreements			3000	2.53			1005	3.43			4005
28.09.1999											
Deposits	13740	1.87	3300	2.35	770	3.00	1676	2.89	2700	5.50	22186
Repo agreements	7015	2.22	5709	2.42			2500	3.00			15224
29.09.1999											
Deposits	12050	1.97	2800	2.08	188	4.00			1500	1.80	16538
Repo agreements	2515	2.30	8000	2.54	2050	2.63	727	3.32			13292
30.09.1999											
Deposits	19927	1.85			1000	2.98	750	3.30	850	2.76	22527
Repo agreements	3975	2.35									3975

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.

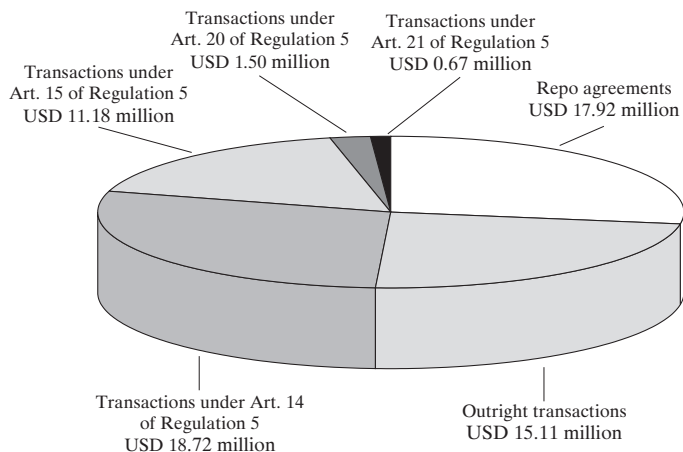
4. Lev equivalent of the transactions in USD-denominated government securities based on the USD exchange rate on the day of transaction.

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

Date September	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
1	20 684 000.00	4 470 311.50	8 481 979.60	5 855 828.03	-	-	39 492 119.13	68 000.00	549 000.00	617 000.00
2	36 169 831.00	7 867 251.00	31 867 596.26	6 114 243.56	-	280 000.00	82 298 921.83	26 000.00	26 000.00	52 000.00
3	23 595 902.00	7 586 405.00	6 214 208.90	224 518.39	-	-	37 621 034.29	1 441 000.00	17 000.00	1 458 000.00
7	26 404 436.80	2 500 000.00	5 466 779.00	13 033 624.38	-	-	47 404 840.18	8 000.00	120 000.00	128 000.00
8	7 410 000.00	9 849 610.00	5 178 621.60	7 058 291.11	-	-	29 496 522.71	5 000.00	20 000.00	25 000.00
9	31 985 520.00	10 319 376.00	4 000 000.00	1 835 577.44	-	-	48 140 473.44	6 000.00	16 000.00	22 000.00
10	18 673 060.00	4 646 520.00	1 224 699.60	2 718 280.94	-	-	27 262 560.54	6 000.00	22 000.00	28 000.00
13	3 798 000.00	-	1 120 000.00	2 300 429.00	-	-	7 218 429.00	142 000.00	47 000.00	189 000.00
14	15 712 098.80	1 891 150.00	600 000.00	30 707.43	-	-	18 233 956.23	2 000.00	62 000.00	64 000.00
15	4 043 366.00	6 945 896.00	8 665 000.00	6 347 196.50	-	-	26 001 458.50	1 000.00	18 000.00	19 000.00
16	9 571 000.00	1 527 537.50	7 353 026.80	9 103 962.43	1 580 849.36	-	29 136 376.10	1 000.00	53 000.00	54 000.00
17	16 130 000.00	7 623 912.16	3 746 021.05	1 646 644.71	-	1 551 559.94	30 698 137.86	14 000.00	47 000.00	61 000.00
20	23 105 725.00	2 622 652.00	28 217.25	1 661 043.23	304 558.19	-	27 722 195.66	2 000.00	118 000.00	120 000.00
21	40 699 000.00	2 603 540.00	6 204 431.00	529 276.00	7 576 950.00	28 192.80	57 641 389.80	11 000.00	59 000.00	70 000.00
23	17 029 746.00	9 483 061.00	12 134 289.34	2 984 379.30	-	18 895.00	41 650 370.64	4 000.00	280 000.00	284 000.00
24	16 247 000.00	4 223 395.00	1 551 487.00	892 809.64	-	511 929.60	23 426 621.24	8 000.00	398 000.00	406 000.00
27	9 523 000.00	-	730 000.00	4 281 347.39	-	522 748.80	15 057 096.19	8 000.00	107 000.00	115 000.00
28	20 776 163.20	927 000.00	14 164 402.42	1 039 164.00	-	-	36 906 729.62	6 000.00	637 000.00	643 000.00
29	23 756 743.00	8 599 906.00	2 050 000.00	3 230 200.00	100 000.00	102 054.88	37 838 903.88	13 000.00	618 000.00	631 000.00
30	9 093 500.00	3 150 000.00	2 111 024.70	4 705 298.06	1 225 795.00	96 282.68	20 381 900.44	4 000.00	37 000.00	41 000.00
TOTAL	374 408 091.80	96 837 523.16	122 891 784.52	75 592 821.55	10 788 152.55	3 111 663.70	683 630 037.29	1 776 000.00	3 251 000.00	5 027 000.00

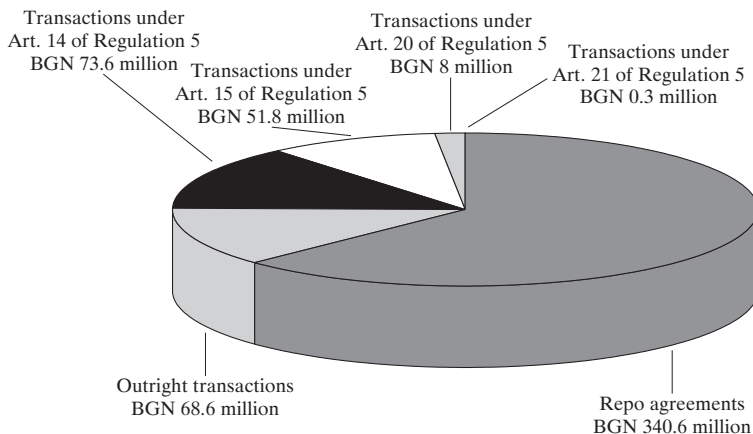
- Notes:**
1. The amount of the bids approved for participation in government securities auctions on behalf of nonprimary dealers of BGN 3,500,000 is included.
 2. The amount of approved competitive and noncompetitive bids on behalf of companies and individuals of BGN 5,139,945 is included.
 3. The volume of repo agreements includes reverse repo agreements and repo agreements concluded during the current day.
 4. Transactions in USD-denominated government securities are in leva 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 September



Source: BNB.

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



Source: BNB.

Outstanding Government Securities

Discount Treasury Bills

Issue No.	BG3018498009	BG3018898000	BG3019298002	BG3019698003	BG3020098003	BG3020498005	BG3010199001	BG3010499005
Issue date	14.10.1998	28.10.1998	11.11.1998	25.11.1998	09.12.1998	23.12.1998	06.01.1999	20.01.1999
Maturity date	13.10.1999	27.10.1999	10.11.1999	24.11.1999	08.12.1999	22.12.1999	05.01.2000	19.01.2000
Nominal value of the offer (thousand BGN)	17 000.00	15 000.00	10 000.00	10 000.00	10 000.00	10 000.00	25 000.00	25 000.00
Total nominal value of the bids received (thousand BGN)	11 865.00	10 250.00	23 395.50	28 175.00	33 914.00	19 850.00	32 577.60	36 670.00
Total nominal value of the bids approved (thousand BGN)	11 865.00	10 250.00	10 000.00	10 000.00	10 000.00	10 000.00	25 000.00	25 000.00
Average price of the bids approved per BGN 100 (%)	93.65	93.21	93.45	93.62	93.93	94.04	93.75	93.68
Average discount per BGN 100 (%)	6.35	6.79	6.55	6.38	6.07	5.96	6.25	6.32
Average annual yield (%)	6.8	7.3	7.03	6.83	6.48	6.36	6.68	6.76
Effective annual yield (%)	6.8	7.31	7.03	6.83	6.48	6.36	6.69	6.77
Coverage coefficient	0.70	0.68	2.34	2.82	3.39	1.99	1.30	1.47

(continued)

(continued)

Issue No.	BG3010799008	BG3011099002	BG3011399006	BG3011699009	BG3012199009	BG3012499003	BG3012799006	BG3013099000
Issue date	03.02.1999	17.02.1999	04.03.1999	17.03.1999	07.04.1999	21.04.1999	05.05.1999	19.05.1999
Maturity date	02.02.2000	16.02.2000	02.03.2000	15.03.2000	05.04.2000	19.04.2000	03.05.2000	17.05.2000
Nominal value of the offer (thousand BGN)	20 000.00	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	10 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	37 350.00	34 036.70	43 240.00	31 790.00	42 960.00	42 660.50	28 000.00	17 250.00
Total nominal value of the bids approved (thousand BGN)	20 000.00	15 000.00	15 000.00	15 000.00	15 000.00	15 000.00	10 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	93.76	93.91	94.03	94.09	94.32	94.54	94.82	94.94
Average discount per BGN 100 (%)	6.24	6.09	5.97	5.91	5.68	5.46	5.18	5.06
Average annual yield (%)	6.66	6.50	6.37	6.30	6.04	5.79	5.48	5.34
Effective annual yield (%)	6.67	6.50	6.37	6.30	6.04	5.79	5.48	5.34
Coverage coefficient	1.87	2.27	2.88	2.12	2.86	2.84	2.80	1.73

(continued)

Issue No.	BG3013399004	BG3013699007	BG3014099009	BG3014199007	BG3014299005	BG3014399003	BG3014499001	BG3014599008
Issue date	02.06.1999	16.06.1999	30.06.1999	07.07.1999	07.07.1999	14.07.1999	21.07.1999	21.07.1999
Maturity date	31.05.2000	14.06.2000	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)	10 000.00	10 000.00	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)	11 125.00	14 120.00	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)	10 000.00	10 000.00	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 (%)	94.85	94.69	97.28	98.82	94.31	98.82	98.82	94.33
Average discount per BGN 100 (%)	5.15	5.31	2.72	1.18	5.69	1.18	1.18	5.67
Average annual yield (%)	5.44	5.62	5.61	4.79	6.05	4.79	4.79	6.03
Effective annual yield (%)	5.44	5.62	5.69	4.88	6.05	4.88	4.88	6.03
Coverage coefficient	1.11	1.41	0.81	1.47	1.92	1.63	1.37	1.57

(continued)

(continued)

Issue No.	BG3014699006	BG3014799004	BG3014899002	BG3014999000	BG3015099008	BG3015199006	BG3015299004	BG3015399002
Issue date	28.07.1999	04.08.1999	04.08.1999	11.08.1999	18.08.1999	18.08.1999	25.08.1999	01.09.1999
Maturity date	27.10.1999	03.11.1999	02.08.2000	10.11.1999	17.11.1999	16.08.2000	24.11.1999	01.12.1999
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	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	7 288.00
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	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	98.83
Average discount per BGN 100 (%)	1.08	1.18	5.82	1.17	1.17	6.11	1.18	1.17
Average annual yield (%)	4.79	4.79	6.20	4.75	4.75	6.53	4.79	4.75
Effective annual yield (%)	4.88	4.88	6.20	4.83	4.83	6.53	4.88	4.83
Coverage coefficient	1.66	1.29	1.37	1.73	1.64	1.00	1.52	1.46

(continued)

Issue No.	BG3015499000	BG3015599007	BG3015699005	BG3015799003	BG3015899001	BG3015999009	BG3016099007
Issue date	01.09.1999	08.09.1999	15.09.1999	15.09.1999	24.09.1999	29.09.1999	29.09.1999
Maturity date	30.08.2000	08.12.1999	15.12.1999	13.09.2000	24.12.1999	29.12.1999	29.03.2000
Nominal value of the offer (thousand BGN)	8 000.00	5 000.00	5 000.00	8 000.00	5 000.00	5 000.00	5 000.00
Total nominal value of the bids received (thousand BGN)	11 420.00	9 950.00	11 030.00	21 661.30	13 827.50	14 950.00	9 900.00
Total nominal value of the bids approved (thousand BGN)	8 000.00	5 000.00	5 000.00	8 000.00	5 000.00	5 000.00	5 000.00
Average price of the bids approved per BGN 100 (%)	92.84	98.83	98.84	93.32	98.86	98.89	97.53
Average discount per BGN 100 (%)	7.16	1.17	1.16	6.68	1.14	1.11	2.47
Average annual yield (%)	7.73	4.75	4.71	7.18	4.63	4.50	5.08
Effective annual yield (%)	7.73	4.83	4.79	7.18	4.71	4.58	5.14
Coverage coefficient	1.43	1.99	2.21	2.71	2.77	2.99	1.98

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	BG2044097116	BG2044697113	BG2045397127
Issue date	29.02.1996	30.05.1996	09.05.1997	16.05.1997	17.07.1997	16.10.1997	30.10.1997	20.11.1997
Maturity date	22.02.2001	23.05.2001	05.05.2000	10.05.2002	13.07.2000	14.10.1999	28.10.1999	18.11.1999
Nominal value of the offer (thousand BGN)	1 000.00	800.00	35 000.00	20 000.00	35 000.00	3 000.00	5 000.00	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	7 975.00	3 050.00	3 950.00
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	3 050.00	1 350.00
Average price of the bids approved per BGN 100 (%)	91.50	100.00	100.00	100.00	97.75	97.70	96.05	96.66
Average discount per BGN 100 (%)	8.50	-	0.00	0.00	2.25	2.30	3.95	3.34
Interest rate	BIR	BIR+7	BIR+4	BIR+4	BIR	6.50	6.50	(x+1).182/365 ¹
Coverage coefficient	0.20	1.00	0.88	1.00	1.55	2.66	0.61	0.79

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

(continued)

(continued)

Issue No.	BG204597124	BG2046497124	BG2030098128	BG2030198110	BG2030298116	BG2030398114	BG2030498112	BG2030598119
Issue date	04.12.1997	18.12.1997	15.01.1998	29.01.1998	12.02.1998	05.03.1998	19.03.1998	02.04.1998
Maturity date	02.12.1999	16.12.1999	13.01.2000	27.01.2000	10.02.2000	02.03.2000	16.03.2000	30.03.2000
Nominal value of the offer (thousand BGN)	2 500.00	2 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00
Total nominal value of the bids received (thousand BGN)	2 480.00	6 880.00	17 425.00	16 360.00	13 320.00	10 620.00	7 970.00	8 540.00
Total nominal value of the bids approved (thousand BGN)	2 480.00	2 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00	5 000.00
Average price of the bids approved per BGN 100 (%)	94.58	94.16	94.88	95.86	96.11	95.54	95.46	94.97
Average discount per BGN 100 (%)	5.42	5.84	5.12	4.14	3.89	4.46	4.54	5.03
Interest rate	(x+1).182/365 ¹	(x+1).182/365 ¹	(x+1).182/365 ¹	8.00	8.00	7.50	7.50	7.50
Coverage coefficient	0.99	3.44	3.49	3.27	2.66	2.12	1.59	1.71

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

(continued)

(continued)

Issue No.	BG2030698117	BG2030798115	BG2030898113	BG2030998111	BG2031098119	BG2031198117	BG2031298115	BG2031398113
Issue date	16.04.1998	30.04.1998	14.05.1998	28.05.1998	18.06.1998	02.07.1998	16.07.1998	30.07.1998
Maturity date	13.04.2000	24.04.2003	11.05.2000	22.05.2003	15.06.2000	26.06.2003	13.07.2000	26.07.2001
Nominal value of the offer (thousand BGN)	5 000.00	1 000.00	5 000.00	2 000.00	5000.00	2000.00	5 000.00	1 000.00
Total nominal value of the bids received (thousand BGN)	14 565.00	3 605.00	14 041.00	3 440.00	7825.00	2070.00	6 450.00	2 750.00
Total nominal value of the bids approved (thousand BGN)	5 000.00	1 000.00	5 000.00	2 000.00	5000.00	2000.00	5 000.00	1 000.00
Average price of the bids approved per BGN 100 (%)	94.43	87.14	95.47	84.78	93.53	76.20	92.70	89.60
Average discount per BGN 100 (%)	5.57	12.86	4.53	15.22	6.47	23.80	7.30	10.40
Interest rate	7.00	8.00	7.00	8.00	6.00	7.00	6.00	7.00
Coverage coefficient	2.91	3.61	2.81	1.72	1.57	1.04	1.29	2.75

(continued)

(continued)

Issue No.	BG2031498111	BG2031598118	BG2031698116	BG2031798114	BG2031898112	BG2031998110	BG2032098118	BG2032198116
Issue date	20.08.1998	03.09.1998	17.09.1998	01.10.1998	15.10.1998	29.10.1998	19.11.1998	03.12.1998
Maturity date	17.08.2000	30.08.2001	14.09.2000	27.09.2001	12.10.2000	25.10.2001	16.11.2000	29.11.2001
Nominal value of the offer (thousand BGN)	5 000.00	1 000.00	5 000.00	1 500.00	5 000.00	1 500.00	1 000.00	500.00
Total nominal value of the bids received (thousand BGN)	11 450.00	1 400.00	6 640.00	1 155.00	7 900.00	700.00	3 700.00	1 250.00
Total nominal value of the bids approved (thousand BGN)	5 000.00	1 000.00	5 000.00	1 055.00	5 000.00	250.00	1 000.00	500.00
Average price of the bids approved per BGN 100 (%)	92.97	87.85	92.45	86.89	91.71	83.48	93.32	95.55
Average discount per BGN 100 (%)	7.03	12.15	7.55	13.11	8.29	16.52	6.68	4.45
Interest rate	6.00	6.50	6.00	6.50	6.00	6.50	6.50	9.00
Coverage coefficient	2.29	1.40	1.33	0.77	1.58	0.47	3.70	2.50

(continued)

(continued)

Issue No.	BG2032298114	BG2030099118	BG2030199116	BG2030299114	BG2030399112	BG2030499110	BG2030599117	BG2030699115
Issue date	17.12.1998	13.01.1999	27.01.1999	10.02.1999	24.02.1999	10.03.1999	24.03.1999	31.03.1999
Maturity date	14.12.2000	10.01.2001	24.01.2001	07.02.2001	21.02.2001	07.03.2001	21.03.2001	24.03.2004
Nominal value of the offer (thousand BGN)	1 000.00	5 000.00	8 000.00	10 000.00	15 000.00	15 000.00	15 000.00	2 000.00
Total nominal value of the bids received (thousand BGN)	2 647.02	13 053.00	20 849.60	24 021.03	30 397.50	48 340.00	39 280.00	2 795.00
Total nominal value of the bids approved (thousand BGN)	1 000.00	5 000.00	8 000.00	10 000.00	15 000.00	15 000.00	15 000.00	2 000.00
Average price of the bids approved per BGN 100 (%)	99.82	99.60	99.38	99.66	99.74	99.91	100.05	86.35
Average discount per BGN 100 (%)	0.18	0.40	0.62	0.34	0.26	0.09	-0.05	13.65
Interest rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Coverage coefficient	2.65	2.61	2.61	2.40	2.03	3.22	2.62	1.40

(continued)

(continued)

Issue No.	BG2030799113	BG2030899111	BG2030999119	BG2031099117	BG2031299113	BG2031399111	BG2031699114	BG2031799112
Issue date	14.04.1999	28.04.1999	29.04.1999	12.05.1999	26.05.1999	09.06.1999	23.06.1999	14.07.1999
Maturity date	11.04.2001	25.04.2001	22.04.2004	09.05.2001	23.05.2001	06.06.2001	20.06.2001	11.07.2001
Nominal value of the offer (thousand BGN)	15 000.00	20 000.00	1 190.00	20 000.00	20 000.00	20 000.00	15 000.00	12 000.00
Total nominal value of the bids received (thousand BGN)	47 594.30	42 870.00	1 190.00	25 720.00	25 827.40	15 965.00	11 220.00	16 170.00
Total nominal value of the bids approved (thousand BGN)	15 000.00	20 000.00	1 190.00	20 000.00	20 000.00	15 965.00	11 220.00	12 000.00
Average price of the bids approved per BGN 100 (%)	100.84	99.88	78.39	99.98	98.98	97.18	93.55	93.54
Average discount per BGN 100 (%)	-0.84	0.12	21.61	0.02	1.02	2.82	6.45	6.46
Interest rate	9.00	8.00	9.00	8.00	8.00	8.00	8.00	8.00
Coverage coefficient	3.17	2.14	1.00	1.29	1.29	0.80	0.75	1.35

(continued)

(continued)

Issue No.	BG2031899110	BG2031999118	BG2032099116	BG2032199114	BG2032299112
Issue date	28.07.1999	11.08.1999	25.08.1999	08.09.1999	24.09.1999
Maturity date	25.07.2001	08.08.2001	22.08.2001	05.09.2001	21.09.2001
Nominal value of the offer (thousand BGN)	10 000.00	10 000.00	8 000.00	8 000.00	8 000.00
Total nominal value of the bids received (thousand BGN)	13 105.50	11 325.00	9 080.63	16 600.00	34 781.00
Total nominal value of the bids approved (thousand BGN)	10 000.00	10 000.00	8 000.00	8 000.00	8 000.00
Average price of the bids approved per BGN 100 (%)	93.26	92.59	91.92	91.05	94.71
Average discount per BGN 100 (%)	6.74	7.41	8.08	8.95	5.29
Interest rate	8.00	8.00	8.00	8.00	9.00
Coverage coefficient	1.31	1.13	1.14	2.08	4.35

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	21 129.85	2796.63	9111.74	8078.71	12 419.73
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 of lev guaranty government securities are based on actual data as of 30 September 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 semiannual installments
Principal (thousand)	3302.08 (BGN)	2301.90 (BGN)	8785.99 (BGN)	498 040 (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 of the US dollar for the preceding interest period; the amount of interest coupon is announced by the Minister of Finance three days after the beginning of each interest period.

Principals are based on actual data as of 30 September 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.

EUR-denominated Government Securities

Issue No.	BG2040099223	BG3013799021	BG2031499127	BG2031599124
Issue date	01.07.1999	16.06.1999	16.06.1999	16.06.1999
Maturity date	01.01.2019	15.03.2000	13.09.2000	11.04.2001
Principal (million EUR)	25.73	6.00	10.80	7.00
Interest rate	EURIBOR ¹	EURO LIBOR ² + 3	EURO LIBOR ³ + 3	EURO LIBOR ³ + 3
Interest payments date	semiannual	15.03.2000	14.06.2000; 13.09.2000	14.06.2000; 11.04.2001
Repayments	20 equal annual	one-off at maturity	one-off at maturity	one-off at maturity

EUR-denominated government securities are issued pursuant to § 10 of the Transitional and Final Provisions of 1999 State Budget Law of the Republic of Bulgaria.

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

² 6-month EURO LIBOR quoted on 15 June 1999 at 11.00 am London time.

³ 6-month EURO LIBOR quoted on 15 June 1999 and respectively on 13 June 2000 at 11.00 am London time.

EUR-denominated issue BG 2040099223 has the same status as USD-denominated issue BG 2009794228 (issued under Article 5 of ZUNK).

The principal of issue BG 2040099223 is based on actual data as of 30 September 1999.

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

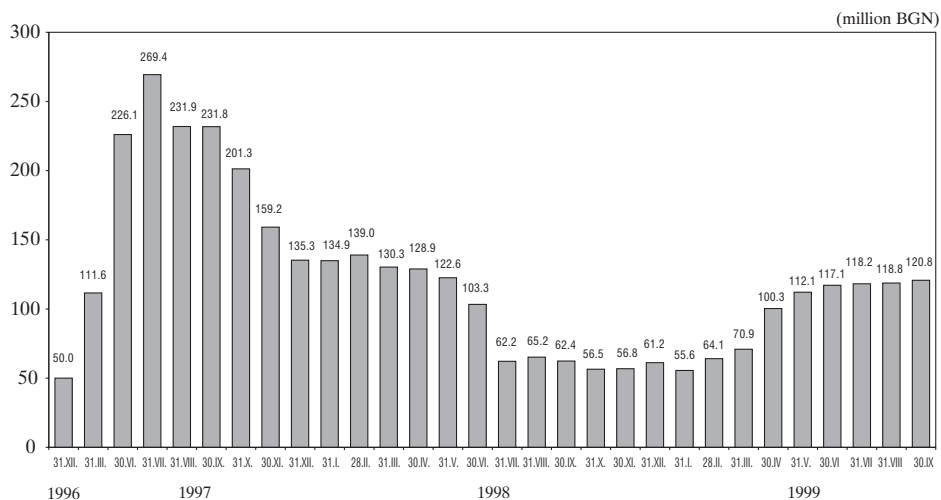
The volume of government securities sales for budget deficit financing increased in September. As of 30 September 1999 government securities (issued under Regulation No. 5) held by individuals, companies and nonbank financial institutions totaled BGN 120,764 thousand (Chart 11), an increase of BGN 1,971 thousand, or 1.66%, on the previous month. Target government securities

earmarked for sale to physical persons accounted for BGN 18,605 thousand (Chart 12), an increase of BGN 1,399 thousand, or 8.13%, on August.

In September sales of government securities issued under Regulation No. 5 included three-month treasury bills of BGN 3,846.3 thousand, six-month of BGN 250,000 thousand, one-year of BGN 1,130 thousand, and two-year treasury bonds of BGN 1,775.7 thousand. Three-month treasury bills occupied the largest share in total government securities sales in September, 54.93%.

Chart 11

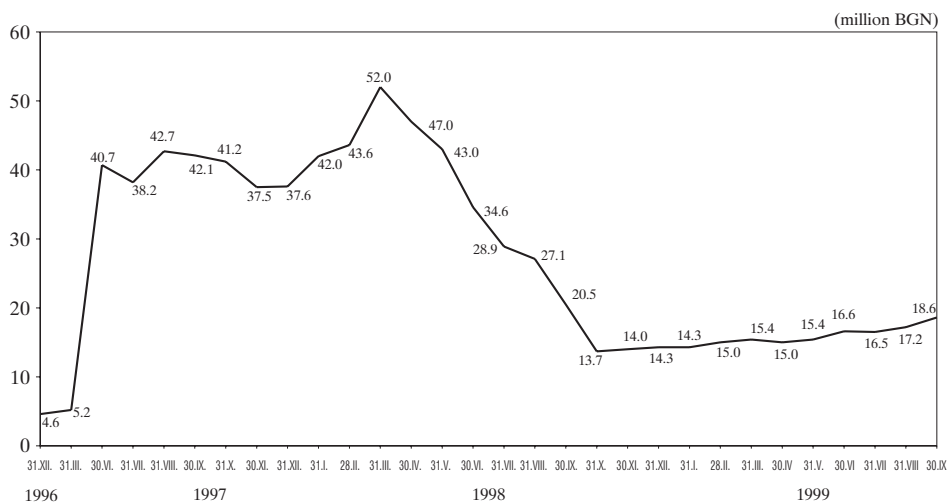
Net Sales of Government Securities Issued under Regulation No. 5 to Nonbank Financial Institutions, Companies and Individuals



Note: Preliminary data for September 1999.

Source: BNB.

Net Sales of Government Securities from Target Issues to Individuals



Notes: 1. Preliminary data for September 1999.
2. Target issues dated 15 September 1999 excluded.

Source: BNB.

Target Issues of Government Securities Earmarked for Physical Persons

Between 18 August and 28 September 1999¹ the MF offered for sale nine issues of government securities earmarked for physical persons under the following conditions:

- Three issues of six-month target discount government treasury bills yielding 5.9% annually. Their average weighted monthly yield is 0.49% (Chart 13). No repurchases are effected by the clients

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 three issue periods or six weeks.

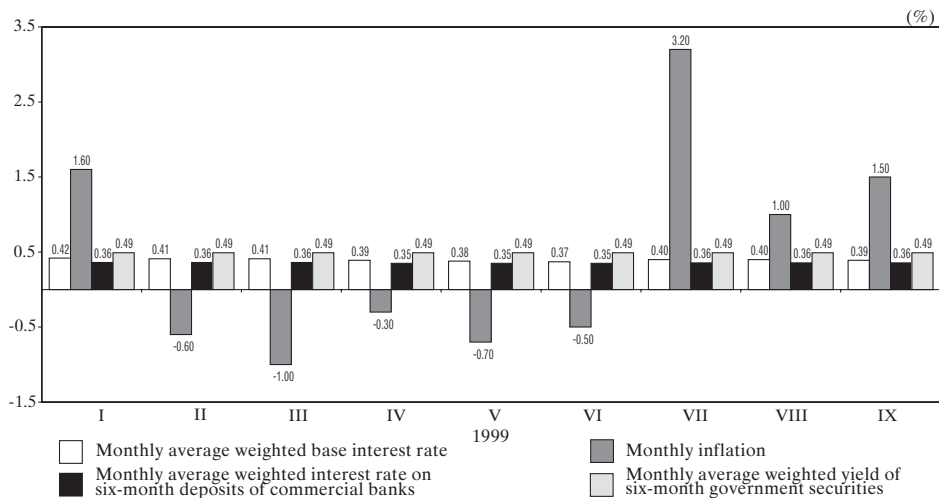
prior to maturity of these government securities.

- Three 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.

- Three 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 nominal value of government securities.

Chart 13

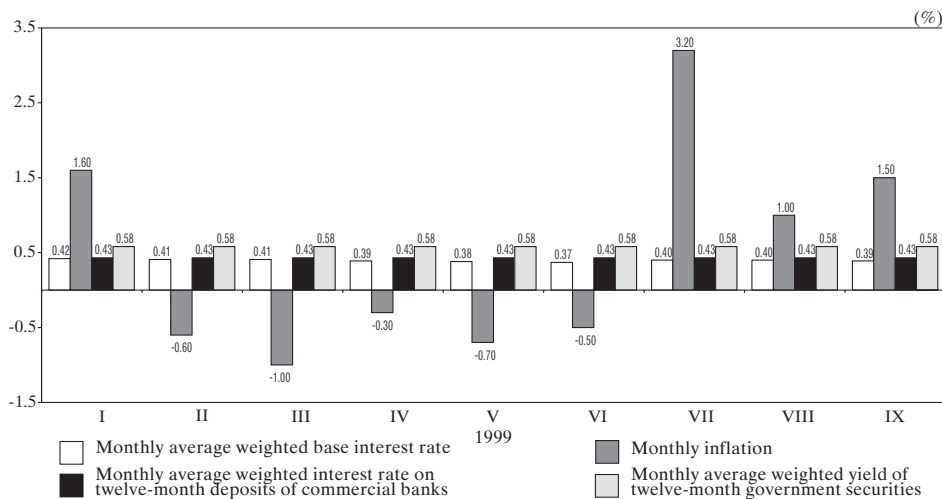
Yield of Six-month Government Securities from Target Issues



Source: BNB.

Chart 14

Yield of Twelve-month Government Securities from Target Issues



Source: BNB.

The annual interest rate of the first interest coupon is 9%, the second 10%, the third 11%, and fourth 12%. 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 1,698.6 thousand nominal value: six-month treasury bills of BGN 98.1 thousand (5.77%), twelve-month treasury bills of BGN 176.3 thousand (10.38%) and two-year savings treasury bonds of BGN 1,424.2 thousand (83.85%), including BGN 0.2 thousand to foreign physical persons. Data shows

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

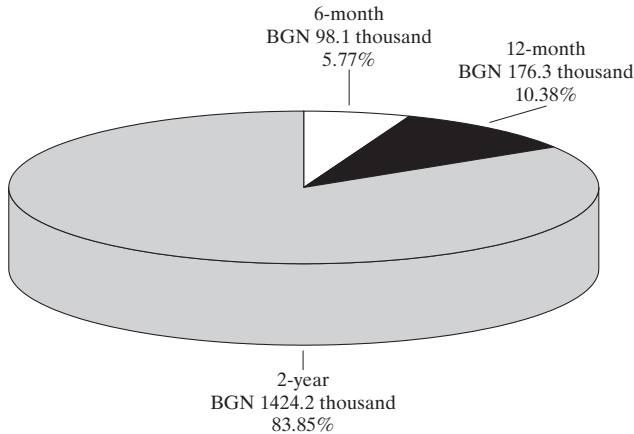
Sales of Government Securities Issued for Structural Reform

The volume of government securities acquired by individuals, companies and nonbank financial institutions and issued for structural reform slightly increased in September. As of 30 September total sales of government securities accounted for BGN 306,292.1 thousand (including sales to foreign investors), an increase of BGN 374.5 thousand from August (Chart 17).

The bulk of government securities issued for structural reform was sold by commercial banks (75.7%) and other financial institutions (24.3%).

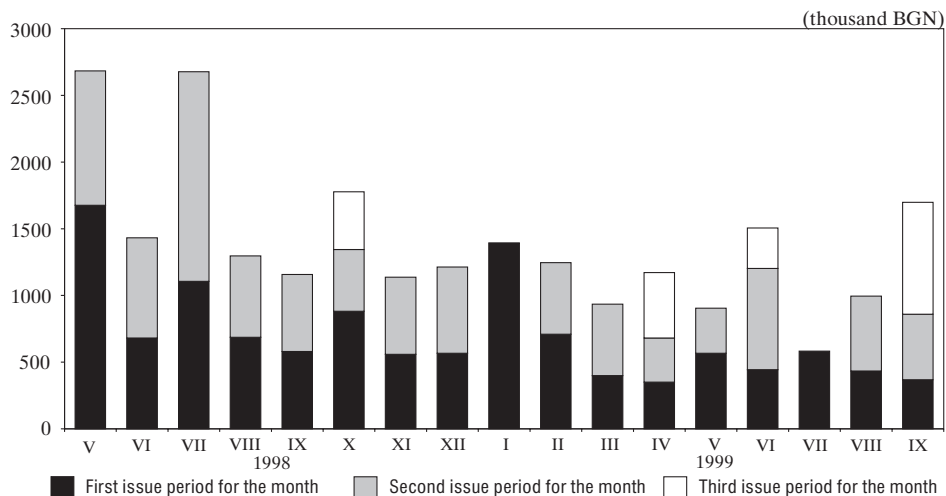
Chart 15

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



Source: BNB.

Volume of Target Government Securities Sales to Physical Persons



Source: BNB.

Lev-denominated government securities held by individuals, companies and nonbank financial institutions totaled BGN 8,110.6 thousand (2.72% of total sales), while USD-denominated government securities issued under ZUNK accounted for BGN 298,181.6 thousand.

Sales of Government Securities to Foreign Investors

The volume of government securities held by foreign investors increased in September. As of 30 September 1999 government securities acquired by foreign investors totaled BGN 172,743.7 thousand (Chart 18), an increase of BGN 29,529.9 thousand (20.6%) on August.

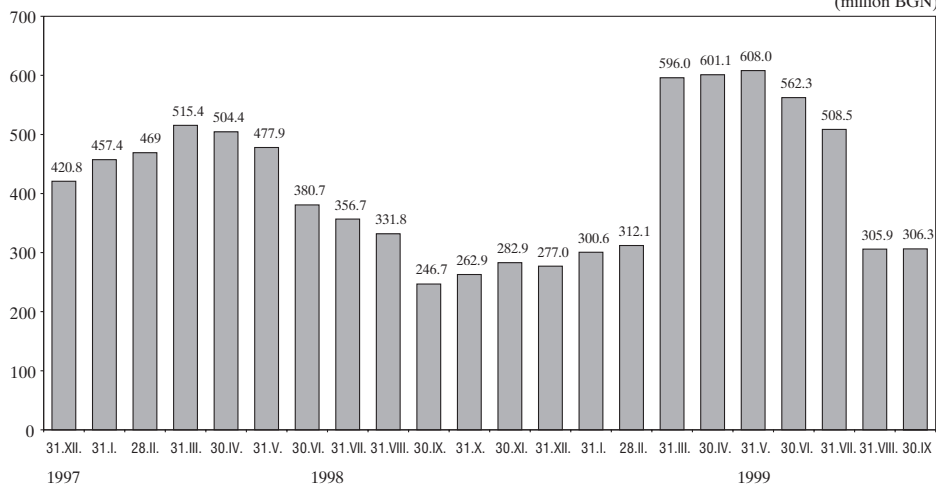
By 30 September government securities issued under Regulation No. 5 and

acquired by foreign investors accounted for 30,429.1 thousand. By end-September the volume of target government securities (earmarked for direct sale to physical persons) held by nonresidents remained the same: BGN 7.5 thousand.

As of 30 September USD-denominated long-term government bonds held by foreign investors increased by USD 0.11 million, reaching USD 69.37 million, equivalent to BGN 127,210 thousand, a decrease of BGN 899.2 thousand, or 0.7%, on the previous month, due to the increase in the US dollar exchange rate on 30 September compared with August. The relative share of these government securities on domestic debt totaled 73.6% in foreign investors' portfolios. The volume of EUR-denominated government securities remained unchanged: EUR 7.7 million (8.74%).

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

(million BGN)

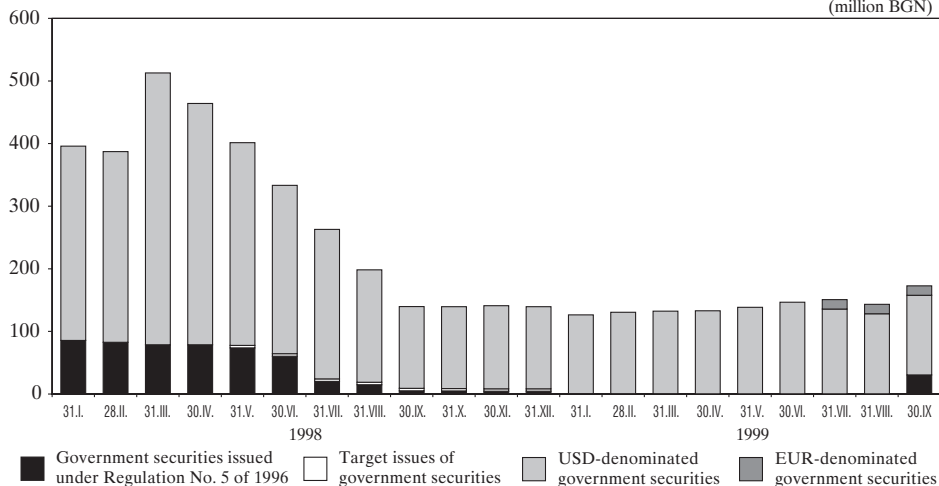


Note: Data on USD-denominated government securities shows the lev equivalent based on the USD exchange rate at the end of month. Preliminary data for September 1999.

Source: BNB.

Government Securities in Foreign Investors' Portfolios

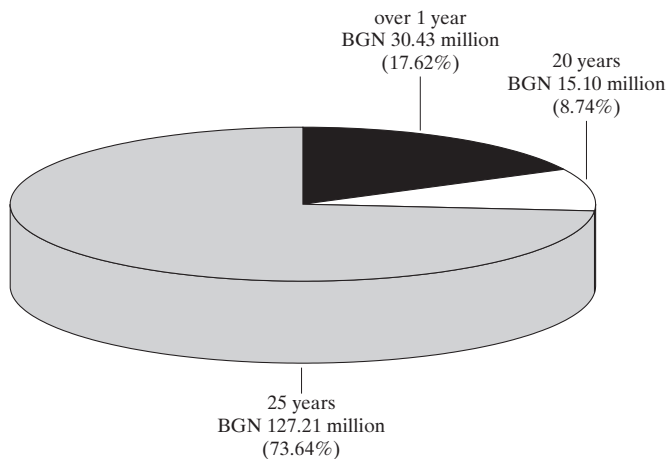
(million BGN)



Note: Preliminary data for September 1999.

Source: BNB.

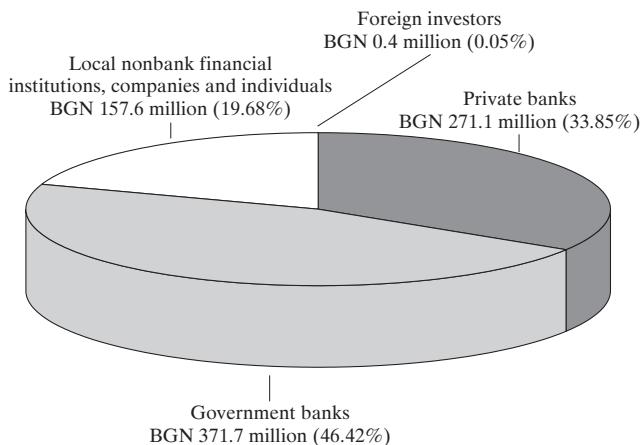
Volume and Maturity Structure of Government Securities held by Foreign Investors by 30 September



Note: Preliminary data.

Source: BNB.

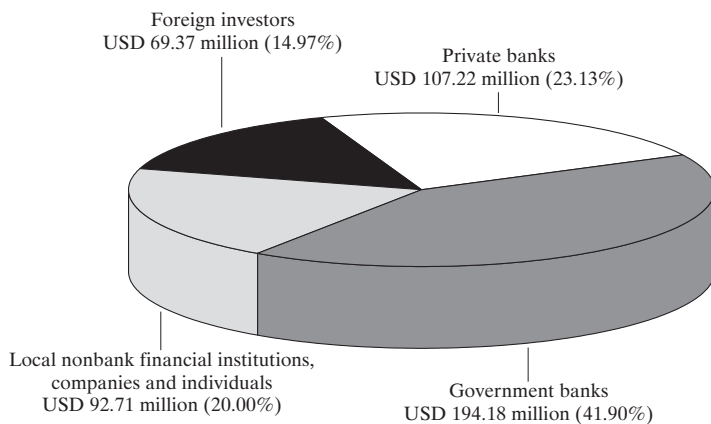
Holders of Government Securities Issued under Regulation No. 5 and of Target Issues by 30 September



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

Source: BNB.

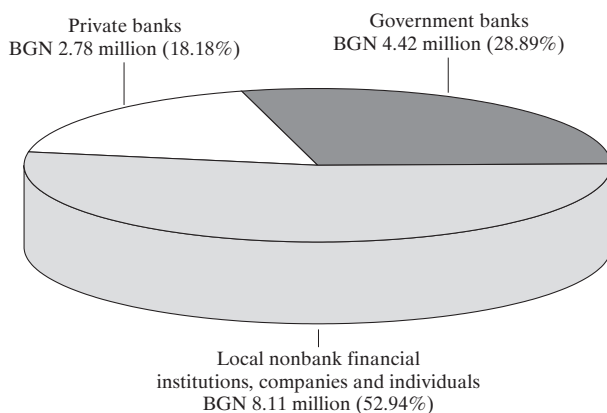
Holders of USD-denominated Government Securities Issued under ZUNK by 30 September



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 30 September



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

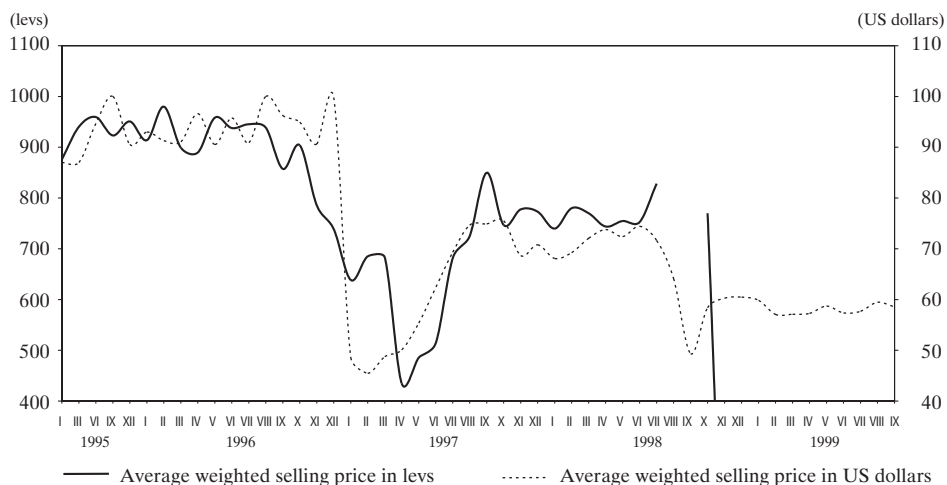
In September long-term government bonds issued under Article 5 of ZUNK, totaling USD 0.04 million, were sold for participation in privatization. Pursuant to Article 5 of the Regulation on participation in privatization of holders of long-term government bonds issued under the terms of ZUNK, CM Decrees Nos. 244 of 1991, 186 of 1993 and 3 of 1994, these government securities were transferred to the MF account for participation in 9 privatization

transactions as legal tender; they were canceled at the end of September.

The average weighted price of the bonds issued under Article 5 of ZUNK and sold for participation in privatization was USD 58.55 per USD 100 nominal value (Chart 23). In September no transfer transactions in government securities from issue No. 98 of 1993 (to be used as legal tender in privatization transactions) were registered.

Chart 23

**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.

In September pursuant to Article 1 of the Regulation on the procedure for utilization of long-term government bonds issued 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 0.67 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				0.00
II. Government securities in USD (million USD)	1994													
	1995						0.80	0.10	0.10	0.90	1.70		3.90	7.50
	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	0.04				18.67
II. Government securities in EUR (thousand EUR)	1999								2.79	0.00				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 denominated in euro and issued pursuant to § 10 of Transitional and Final Provisions of 1999 SBL (issue No. 400 of 1999).

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
EVROBANK	EBSF 01-03
EXPRESSBANK	EBVB 01
NEFTINVESTBANK	OBGB 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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