



JUNE

**Secondary
Market of
Government
Securities**

2001

Abbreviations

BGN – The Abbreviation of the Redenominated Bulgarian Lev
BIR – Base Interest Rate
BNB – Bulgarian National Bank
BSE – Bulgarian Stock Exchange
CGB – Central Government Budget
CM – Council of Ministers
CMD – Council of Ministers Decree
DISCs – Discount Bonds
FLIRBs – Front-loaded Interest Reduction Bonds
GS – Government Securities
IABs – Interest Arrears Bonds
LRP – Law on Registered Pledges
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
SBL – State Budget Law
SII – State Insurance Institute
ZUNK – Bulgarian Abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)

© Bulgarian National Bank, 2001

ISSN 1311-0055

This issue includes materials and data received up to 6 July 2001.

The contents of the *Secondary Market of Government Securities* Bulletin may be quoted or reproduced without further permission. Due acknowledgment is requested.

1	Government Securities Interbank Market _____	5
2	Investments of Nonbank Financial Institutions, Companies and Individuals in Government Securities _	18
3	Outstanding Government Securities Discount Treasury Bills _____	27
	Treasury Bonds _____	29
	Guaranty Government Securities _____	34
	Government Securities Issued to Settle Nonperforming Credits of State-owned Companies to Banks _____	35
	EUR-denominated Government Securities _	36
	Government Securities Issued in 2001 _____	37
4	Sales of Government Securities for Participation in Privatization Transactions _____	40
5	Government Securities Primary Dealers and Reuters Pages for Government Securities Quotations _	42

As of December 1999 you can find a daily bulletin containing information on government securities primary and secondary markets on BNB Internet website: www.bnb.bg.

For additional information on the bulletin subscription and use please call on telephone (+359 2) 9145 1304.

As of January 2000 information on BNB activity as a government fiscal agent and official state depository is included in BNB Internet website under the heading of Fiscal Services containing the following major sections:

- establishment and maintenance of an electronic system for registration and trade in book-entry government securities;
- automated system for registration, service and management of foreign debt;
- information service of cash reporting of consolidated state budget and fiscal reserves.

As of March 2000 Rules of BNB Activity on Recording Circumstances Related to a Pledge in Book-entry Government Securities under Article 18, Para. 3 of the Law on Registered Pledges and the Attachments to them can be found on BNB Internet website under the heading of Fiscal Services.

For additional information on the Rules please call on telephones: (+359 2) 987 14 11 or 9145 1486.

Interbank Market of Government Securities Issued under Regulation No. 5

In June 2001 financial institutions concluded 277 transactions in government securities (including the number and volume of reverse repurchase agreements) issued for budget deficit financing, totaling BGN 294,160.8 thousand nominal value, a decrease of 51.18% compared with the same period of the previous year (Chart 1).

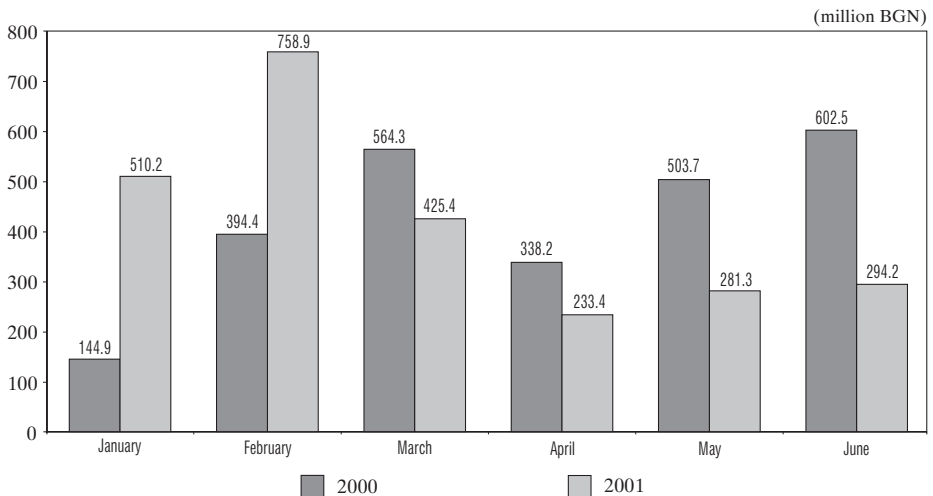
The total volume of secondary market transactions in government securities

issued under Regulation No. 5 (reverse repo agreements volume excluded) amounted to BGN 231,306.2 thousand, a decrease of 35.39% on June 2000. Structurally, government securities transactions included three-month treasury bills of BGN 17,414.4 thousand, twelve-month of BGN 3,937 thousand, two-year of BGN 126,935.6 thousand and up to seven years of BGN 83,019.2 thousand. This suggests that two-year treasury bonds were most preferred (Chart 2).

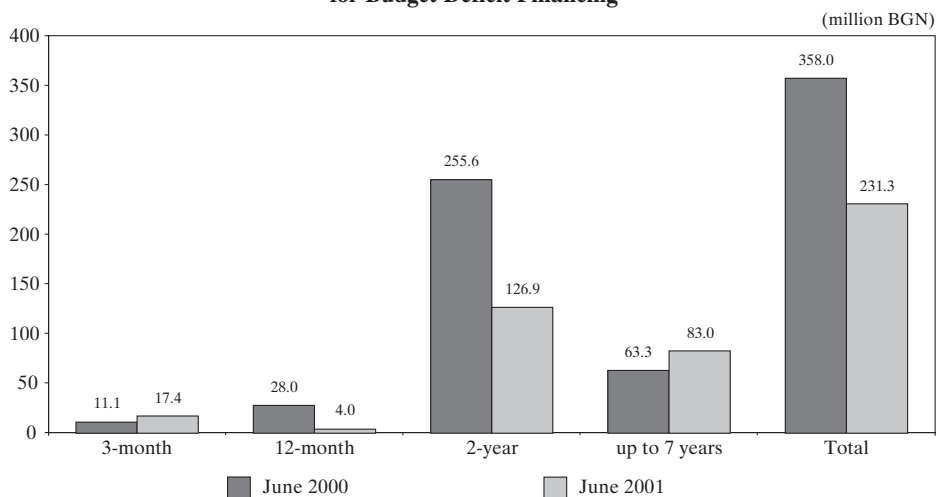
Over the review period the volume of transactions concluded on behalf of clients (under Article 20) totaled

Chart 1

Volume of Transactions in Government Securities Issued for Budget Deficit Financing



Structure of Transactions in Government Securities Issued for Budget Deficit Financing



BGN 10,962.7 thousand, an increase of 80.55% on the previous month. Transactions registered under Article 21 totaled BGN 1,895 thousand, an increase of more than four times on May. The volume of transactions concluded between primary and nonprimary dealers under Article 14 rose to BGN 62,483 thousand (13.99%), including bids of BGN 1,500 thousand approved at government securities auctions on behalf of nonprimary dealers.

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

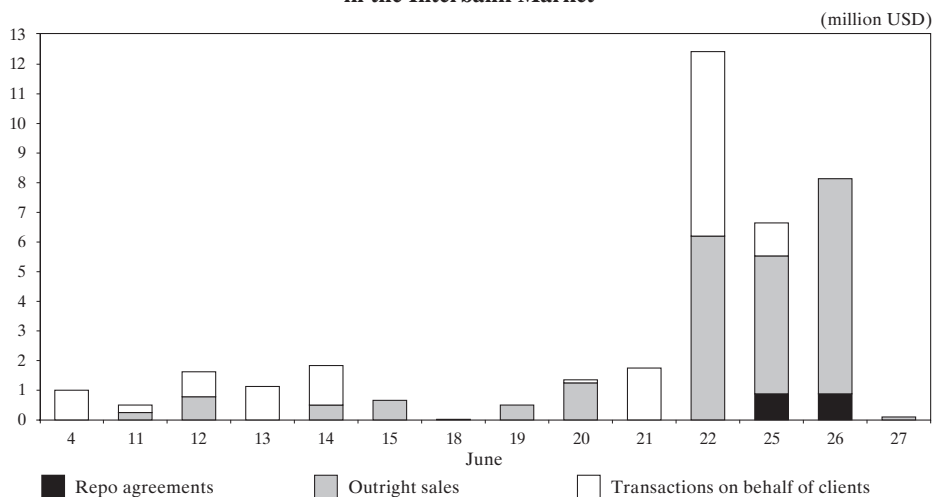
In June financial institutions concluded 50 transactions in USD-denomi-

nated government securities issued as a result of structural reform, totaling USD 37.7 million nominal value. Thirty-two outright transactions of USD 22.2 million, two repo agreements of USD 1.8 million, and 16 transactions on behalf of clients of USD 13.7 million (under Articles 14, 20 and 21) were concluded.

Seven transactions in EUR-denominated government securities of EUR 4.7 million were concluded. Two transactions in lev-denominated government securities, totaling BGN 0.4 million, were registered in June.

Pursuant to Article 14, para. 6 of Regulation No. 5 28 transactions of USD 23 million and one transaction of BGN 0.2 million were concluded.

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



In June the volume of transactions concluded in ZUNK bonds denominated in foreign currency increased by 23.20% on May. The market share of outright transactions was the largest: an increase of USD 4.1 million (22.65%) on May. In June the average daily volume of traded bonds was USD 2.9 million. Prices at which forex ZUNK bonds were traded in the interbank market continued to rise. The average-weighted price was USD 76.22 per USD 100 nominal value.

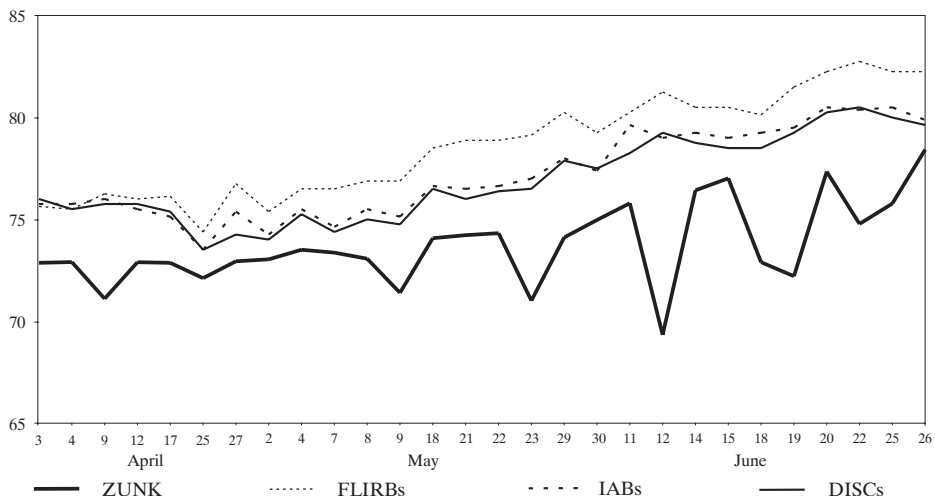
Government Securities Repo Agreements in the Interbank Market

In June the volume of repo agreements traded in the secondary interbank

market was uneven (Chart 5). It hit highs on 8 June, coupled with decreased interbank deposit volumes on this date.

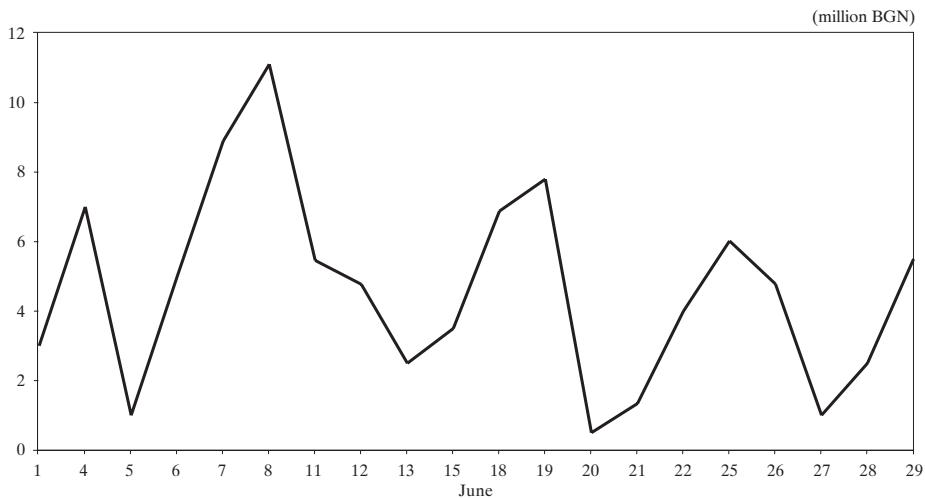
In June the yield of repo agreements significantly fluctuated. Their average term (in days) rose dramatically compared with the previous month. The yield of repo agreements in government securities with one-day, three-day, seven-day and up to one month terms was higher than the yield of interbank deposits with the same terms. The yield of repo agreements with up to seven days and up to one month terms was higher than the average-weighted base interest rate for June (Chart 6).

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



* Reuters offer quotations for Brady bonds.

Volume of Repo Agreements in the Secondary Interbank Market



(million BGN)

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

(USD)

Date June	Price		
	Minimum	Maximum	Average-weighted
1	-	-	-
4	-	-	-
5	-	-	-
6	-	-	-
7	-	-	-
8	-	-	-
11	75.79	75.79	75.79
12	65.80	76.81	69.33
13	-	-	-
14	76.42	77.05	76.43
15	77.01	77.50	77.01
18	68.34	77.44	72.89
19	67.81	76.60	72.21
20	77.26	77.36	77.34
21	-	-	-
22	59.25	78.32	74.77
25	73.64	78.35	75.77
26	78.00	79.17	78.42
27	75.29	75.29	75.29
28	-	-	-
29	-	-	-
Monthly	59.25	79.17	76.22

Note: Information is based on outright transactions registered by the BNB (with and without flows on settlement accounts), as well as transactions in government securities registered during the current month for participation in privatization.

Quotations of Bulgarian Brady Bonds*

(USD)

Date June	DISCs		FLIRBs		IABs	
	Offer	Bid	Offer	Bid	Offer	Bid
1	77.13	76.50	79.63	78.88	77.63	76.63
4	78.50	78.00	79.75	79.25	79.13	78.13
5	78.63	78.00	81.25	80.63	79.13	78.13
6	78.63	77.75	81.50	80.38	79.25	78.25
7	78.25	77.75	80.50	80.00	79.00	78.00
8	78.75	78.00	81.50	80.75	79.50	78.50
11	78.25	77.75	80.25	79.75	79.63	78.75
12	79.25	78.50	81.25	80.25	79.00	78.00
13	78.00	77.50	80.63	80.13	79.00	77.75
14	78.75	78.25	80.50	80.00	79.25	78.25
15	78.50	78.00	80.50	80.00	79.00	78.00
18	78.50	78.00	80.13	79.63	79.25	78.00
19	79.25	78.75	81.50	80.63	79.50	78.50
20	80.25	79.50	82.25	81.50	80.50	79.63
21	80.13	79.63	82.13	81.63	80.75	79.75
22	80.50	79.75	82.75	81.63	80.38	79.38
25	80.00	79.50	82.25	81.75	80.50	79.50
26	79.63	78.25	82.25	80.75	79.88	78.88
27	79.75	79.25	81.63	81.13	80.13	79.13
28	79.88	79.13	81.88	80.88	80.00	79.00
29	79.38	78.38	81.38	80.88	79.50	78.50

* Reuters quotations.

Volume and Structure of Government Securities Transactions in the Secondary Interbank Market in June

1. Volume of transactions in government securities denominated in levs (million BGN nominal value)	231.51
- repo agreements*	92.02
- outright sales	139.49
- privatization transactions	-
2. Volume of transactions in government securities denominated in US dollars and euro (million BGN nominal value)	60.17
- repo agreements*	3.52
- outright sales	56.64
- privatization transactions	0.01
3. Number of secondary interbank market transactions	237
- repo agreements**	63
- outright sales	172
- privatization transactions	2
4. Average term of secondary interbank market repo agreements (days)	10.00
5. Average monthly yield (simple interest) on secondary interbank market repo agreements depending on the term (%)	
1 day	0.33
from 2 to 3 days	0.31
from 4 to 7 days	0.41
up to 1 month	0.40

* Volume of reverse repo agreements excluded.

** Number of reverse repo agreements excluded.

Chart 6

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

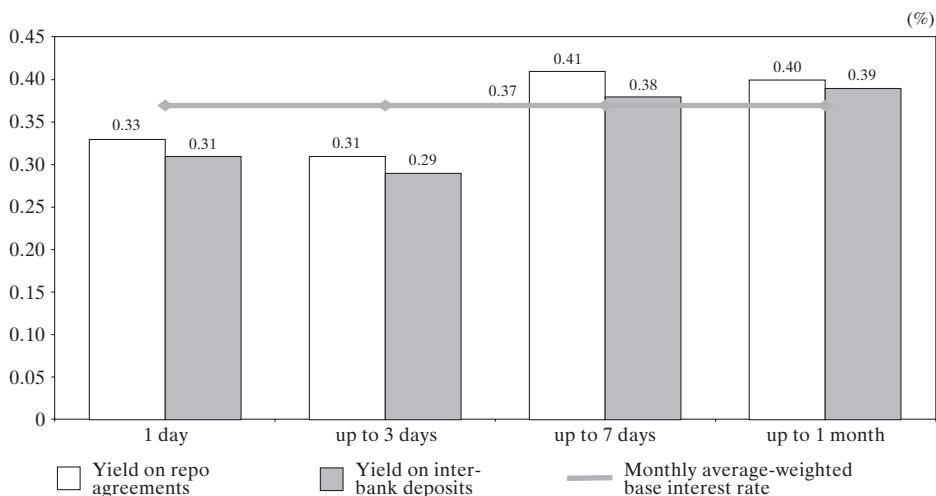


Chart 7

Structure of Secondary Interbank Market Transactions in Lev-denominated Government Securities in June

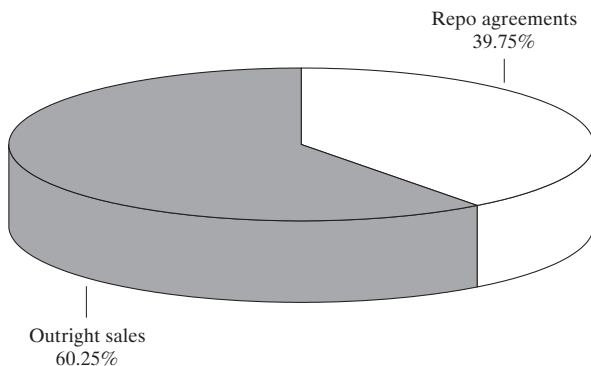
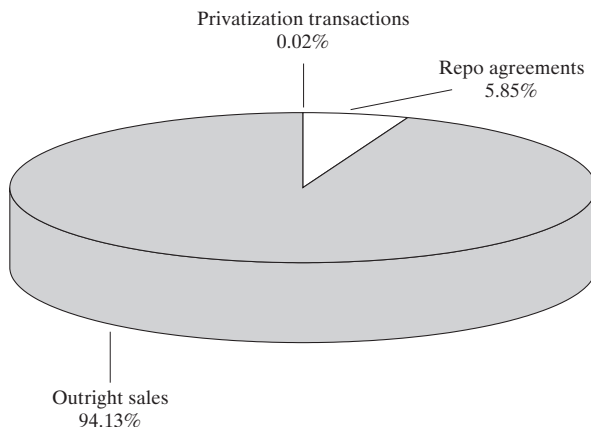


Chart 8

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



Volume and Yield on 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
01.06.2001											
Deposits			51 140	3.27	5 100	4.60					56 240
Repo agreements			2 000	3.35	1 000	5.27					3 000
04.06.2001											
Deposits	40 200	3.55	7 500	3.67	9 500	4.36	10 500	4.60			67 700
Repo agreements	7 000	3.88									7 000
05.06.2001											
Deposits	53 400	3.74	2 500	4.42	10 192	4.43					66 092
Repo agreements					1 000	4.66					1 000
06.06.2001											
Deposits	53 000	3.83			3 125	4.67	1 500	4.95			57 625
Repo agreements	5 005	4.00									5 005
07.06.2001											
Deposits	69 366	4.05			562	4.90			2 080	5.00	72 008
Repo agreements	4 000	4.06			1 516	4.87	1 379	4.35	2 000	4.77	8 895
08.06.2001											
Deposits			58 200	4.05	6 000	4.17			3 000	5.23	67 200
Repo agreements	10 006	3.95							1 100	4.87	11 106
11.06.2001											
Deposits	52 121	4.22			7 200	4.76	1 500	5.20			60 821
Repo agreements	5 006	4.32			453	5.07					5 459
12.06.2001											
Deposits	67 857	3.93			6 004	4.80	500	5.10			74 361
Repo agreements	4 000	4.10					770	5.17			4 770
13.06.2001											
Deposits	59 006	4.15			3 125	4.97					62 131
Repo agreements					1 500	4.31	1 000	4.87			2 500
14.06.2001											
Deposits	65 636	3.96			2 062	4.73			1 050	4.94	68 748
Repo agreements											-
15.06.2001											
Deposits			66 980	3.87	2 360	4.82					69 340
Repo agreements			3 500	3.95							3 500
18.06.2001											
Deposits	55 230	3.83			7 300	4.89	1 000	5.00			63 530
Repo agreements	4 000	4.05			1 000	4.97	1 880	4.73			6 880
19.06.2001											
Deposits	56 680	3.94			14 992	4.80					71 672
Repo agreements	4 000	4.00			2 000	5.07	1 800	5.07			7 800
20.06.2001											
Deposits	55 200	3.80	1 000	3.80	3 125	4.92					59 325
Repo agreements			500	3.75							500
21.06.2001											
Deposits	44 750	3.70			5 500	4.21			1 500	5.03	51 750
Repo agreements									1 338	5.02	1 338

(continued)

(continued)

	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
22.06.2001											
Deposits			56 400	3.33	4 000	3.52	300	4.70			60 700
Repo agreements			4 000	3.60							4 000
25.06.2001											
Deposits	42 800	3.21	9 500	3.15	12 300	4.75	1 000	4.50			65 600
Repo agreements	2 018	3.24					4 000	4.77			6 018
26.06.2001											
Deposits	70 753	3.08			12 250	4.73	500	4.90	1 000	5.05	84 503
Repo agreements			2 000	4.77	2 000	4.87	780	5.07			4 780
27.06.2001											
Deposits	81 403	3.18	3 500	3.20	7 635	4.58	1 000	4.90	5 000	5.09	98 538
Repo agreements							1 000	5.07			1 000
28.06.2001											
Deposits	58 303	2.90			6 110	4.54			4 450	4.42	68 863
Repo agreements	2 500	3.04									2 500
29.06.2001											
Deposits			77 924	2.88	318	4.50	1 000	4.40	2 000	5.39	81 242
Repo agreements			5 500	3.18							5 500
Monthly, total											
Deposits	925 705		334 644		128 760		18 800		20 080		1 427 989
Repo agreements	47 535		17 500		10 469		12 609		4 438		92 551

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

2. Volumes of repo agreements include 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 BNB exchange rate of the US dollar on the day of transaction.

Outright Sales in the Secondary Interbank Market of Government Securities in June

Date	Issue		Nominal value	Currency	Price 100/1000
	No.	Year			
1	316	1999	1 000 000	BGN	103.44
	317	1999	2 000 000	BGN	102.74
	300	2000	2 000 000	BGN	100.33
	300	2001	4 000 000	BGN	100.14
4	109	2001	1 095 000	BGN	99.26
	320	1999	1 000 000	BGN	96.55
	300	2000	1 000 000	BGN	100.21
	301	2000	1 500 000	BGN	100.21
5	300	2001	2 000 000	BGN	100.18
6	111	2001	250 000	BGN	99.18
	112	2001	1 142 511	BGN	98.90
	139	2000	250 000	BGN	99.02
	316	1999	1 000 000	BGN	104.00
	325	1999	320 000	BGN	103.22
	309	2000	1 200 000	BGN	109.86
	309	2000	299 000	BGN	110.46
	7	316	1999	720 000	BGN
347	1997	2 000 000	BGN	103.26	
301	2001	80 000	BGN	110.90	
303	2001	204 082	BGN	106.07	
8	-	-	-	-	-
11	97	1994	250 000	USD	75.79
	99	1993	198 390	BGN	712.50
	111	2001	200 000	BGN	99.24
12	97	1994	250 000	USD	76.81
	97	1994	530 000	USD	65.80
13	153	2000	112 000	BGN	100.00
	307	2000	500 000	BGN	103.84
	307	2000	500 000	BGN	107.79
	301	2001	1 500 000	BGN	112.05
14	97	1994	1 825	USD	77.05
	97	1994	3 300	USD	77.05
	108	2001	1 100 000	BGN	99.70
	316	1999	1 000 000	BGN	104.09
	302	2001	1 000 000	BGN	102.84
	302	2001	1 000 000	BGN	103.18
	305	2000	1 000 000	BGN	105.68
15	97	1994	613	USD	77.50
18	97	1994	9 474	USD	77.44
	302	2001	1 000 000	BGN	103.16
	309	2000	1 400 000	BGN	108.02
	303	2001	300 000	BGN	106.33
19	97	1994	250 000	USD	76.60
	153	2000	46 000	BGN	100.00
	303	2000	300 000	BGN	103.20
	302	2001	1 000 000	BGN	103.28

(continued)

(continued)

Date	Issue		Nominal value	Currency	Price 100/1000
	No.	Year			
20	97	1994	250 000	USD	77.26
	325	1999	45 000	BGN	111.11
	302	2001	1 000 000	BGN	103.20
	301	2000	570 000	BGN	107.49
	310	2000	400 000	BGN	104.15
	303	2001	90 000	BGN	106.43
21	303	2001	1 000 000	BGN	103.76
22	97	1994	250 000	USD	78.32
	400	1999	1 000 000	EUR	76.89
	108	2001	1 100 000	BGN	99.80
	301	2001	1 000 000	BGN	112.21
25	97	1994	500 000	USD	78.13
	97	1994	450 000	USD	78.35
	113	2001	350 000	BGN	98.97
	300	2000	2 000 000	BGN	100.00
26	300	2000	1 000 000	BGN	100.00
	306	2000	1 000 000	BGN	100.18
27	153	2000	1 032 000	BGN	97.92
	327	1999	320 000	BGN	103.13
	305	2000	500 000	BGN	105.95
	310	2000	1 000 000	BGN	105.60
	309	2000	299 000	BGN	110.37
28	108	2001	1 390 000	BGN	99.82
	108	2001	2 004 200	BGN	99.79
	113	2001	402 381	BGN	99.02
	302	2001	1 260 000	BGN	103.00
	301	2001	1 000 000	BGN	112.77
29	-	-	-	-	-

Note: Information based on outright transactions (with a flow on settlement accounts) registered by the BNB.

Volume of Government Securities Transactions in the Secondary Market and Securities Transactions in the Bulgarian Stock Exchange and OTC Market

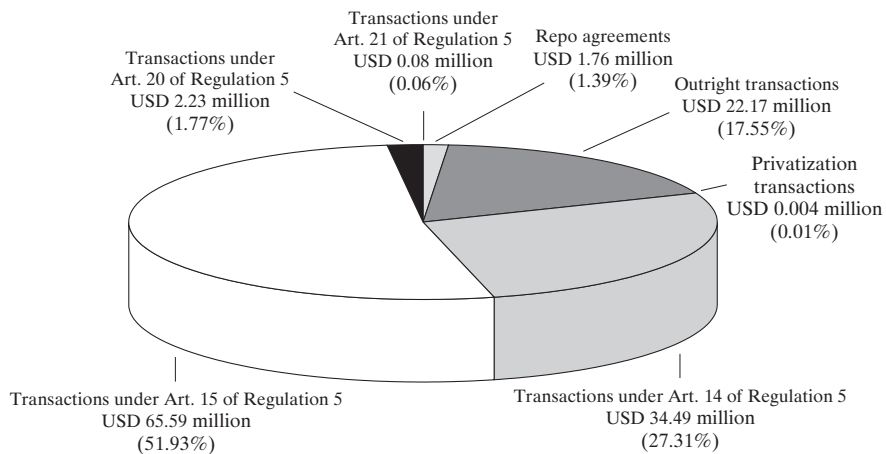
(BGN)

Date June	Repo agreements	Outright sales	Regulation No. 5				Privatization transactions	Transactions in GS, total	Transactions in securities		
			Article 14	Article 15	Article 20	Article 21			BSE	OTC market	Total
1	8 000 000.00	12 386 000.00	1 514 000.00	6 691 233.52	-	-	-	28 591 233.52	1 925 096.99	10.00	1 925 106.99
4	12 500 000.00	5 321 000.00	9 128 765.00	5 325 341.34	2 306 950.00	-	-	34 582 056.34	30 129.07	-	30 129.07
5	8 000 000.00	2 495 000.00	1 762 514.76	3 830 200.00	-	-	-	16 087 714.76	58 811.30	-	58 811.30
6	5 005 000.00	10 958 413.00	2 648 531.75	10 285 365.33	2 125 000.00	-	-	31 022 310.08	256 955.01	3 500.00	260 455.01
7	17 380 010.25	3 004 082.00	3 791 829.80	4 383 539.37	-	-	-	28 559 461.42	560 346.45	-	560 346.45
8	17 206 000.00	522 000.00	2 314 000.00	1 762 736.92	1 345 000.00	-	-	23 149 736.92	715 557.57	-	715 557.57
11	15 923 000.00	3 223 807.91	13 088 093.50	3 830 076.60	577 417.50	-	-	36 642 395.51	122 234.39	-	122 234.39
12	10 776 000.00	1 796 028.00	2 080 827.20	6 094 836.76	1 937 496.11	-	-	22 685 188.07	860 783.25	-	860 783.25
13	6 900 000.00	6 269 000.00	9 543 203.00	14 262 209.00	1 924 037.16	-	-	38 898 449.16	8 890.10	-	8 890.10
14	1 515 768.25	9 649 009.25	10 662 426.50	15 343 323.60	1 252 941.00	-	7 555.88	38 431 024.48	14 204.75	-	14 204.75
15	3 500 000.00	2 420 072.40	1 550 000.00	4 970 598.96	-	-	1 411.82	12 442 083.18	1 686 125.71	-	1 686 125.71
18	12 333 000.00	5 742 782.00	6 778 777.00	8 061 830.00	-	-	-	32 916 389.00	32 480.55	-	32 480.55
19	11 800 000.00	2 531 630.00	3 361 884.72	4 104 219.14	150 000.00	-	-	21 947 733.86	1 838 152.90	1 621.20	1 839 774.10
20	4 500 000.00	8 836 320.50	7 393 543.75	16 696 675.50	166 667.00	-	-	37 593 206.75	641 499.61	-	641 499.61
21	3 338 000.00	2 338 000.00	7 122 777.02	10 943 409.00	1 000 000.00	-	-	24 742 186.02	4 151.55	-	4 151.55
22	5 500 000.00	20 190 998.00	30 323 025.50	7 700 658.65	-	171 524.25	-	63 886 206.40	2 758 930.50	-	2 758 930.50
25	11 018 209.60	16 844 809.00	11 267 693.00	127 795 464.35	22 934.20	-	-	166 949 110.15	1 465 924.83	-	1 465 924.83
26	14 549 685.60	18 623 581.72	4 645 321.64	16 943 398.10	721 213.00	-	-	55 483 200.06	113 025.70	-	113 025.70
27	2 000 000.00	6 113 715.00	3 500 000.00	11 215 898.00	333 334.00	-	-	23 162 947.00	242 010.20	-	242 010.20
28	2 500 000.00	11 716 581.00	5 750 000.00	8 998 922.00	2 046 417.00	-	-	31 011 920.00	142 772.31	-	142 772.31
29	11 200 000.00	205 000.00	3 720 000.00	3 433 150.00	391 406.00	1 895 000.00	-	20 844 556.00	39 132.11	-	39 132.11
Total	185 444 673.70	151 187 829.78	141 947 214.14	292 673 086.15	16 300 812.97	2 066 524.25	8 967.70	789 629 108.68	13 517 214.85	5 131.20	13 522 346.05
Average volume of government securities transactions*								39 481 455.43			

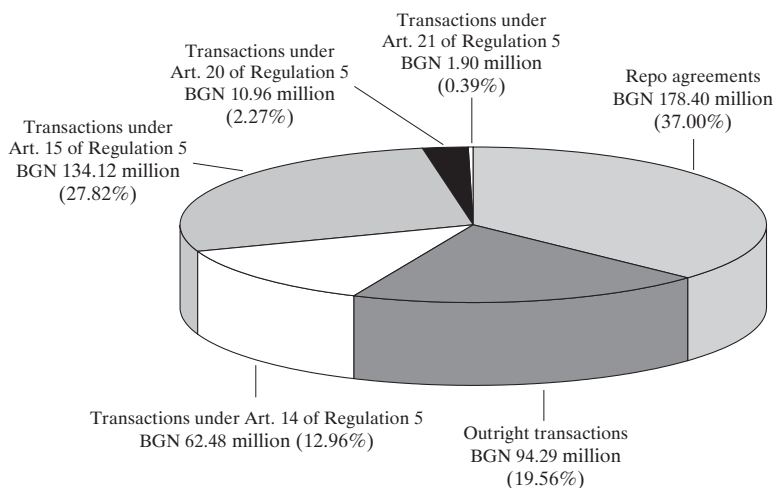
* Volume calculated on the basis of 20 operating primary dealers.

- Notes:
1. The amount of approved competitive and noncompetitive bids on behalf of companies and individuals of BGN 7,735,294 is included.
 2. The amount of approved bids for participation in government securities auctions on behalf of nonprimary dealers of BGN 1,500,000 is included.
 3. The volume of repo agreements includes reverse repo agreements and repo agreements concluded during the current day.
 4. Transfer transactions of government securities to the MF account used as legal tender in privatization are considered to be privatization transactions.
 5. Transactions in USD-denominated government securities are in levs at the US dollar exchange rate quoted by the BNB on the day of transaction.
 6. Banking Department data on the volume of transactions (at market value) in the Bulgarian Stock Exchange and OTC market.

Volume of June Secondary Market Transactions in USD-denominated Government Securities Issued for Structural Reform



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



2 INVESTMENTS OF NONBANK FINANCIAL INSTITUTIONS, COMPANIES AND INDIVIDUALS IN GOVERNMENT SECURITIES

Sales of Government Securities Issued under Regulation No. 5 of the MF and BNB, Including Target Issues

The volume of government securities issued for budget deficit financing and sold to nonbank financial institutions, companies and individuals increased during the period under review. As of 30 June 2001 they accounted for BGN 207,603 thousand (Chart 11), an increase of BGN 5,217 thousand, or 2.57% on the previous month. Sales of target government securities earmarked

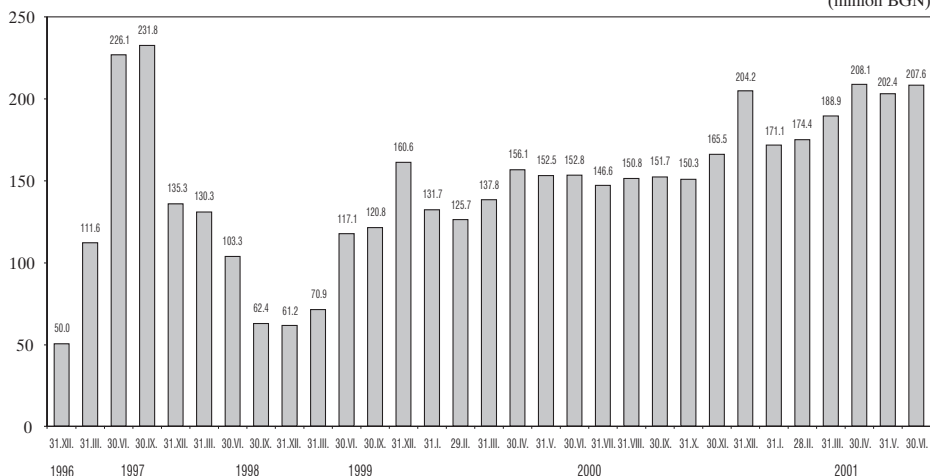
for physical persons accounted for BGN 32,725 thousand (Chart 12), a decrease of BGN 126 thousand, or 0.38% on May.

In June sales of government securities issued under Regulation No. 5 included three-month treasury bills of BGN 9,162.9 thousand, two-year treasury bonds of BGN 7,620.5 thousand, and five-year treasury bonds of BGN 11,953.4 thousand. Five-year treasury bonds occupied the largest share in total government securities sales in June: 56.61%.

Chart 11

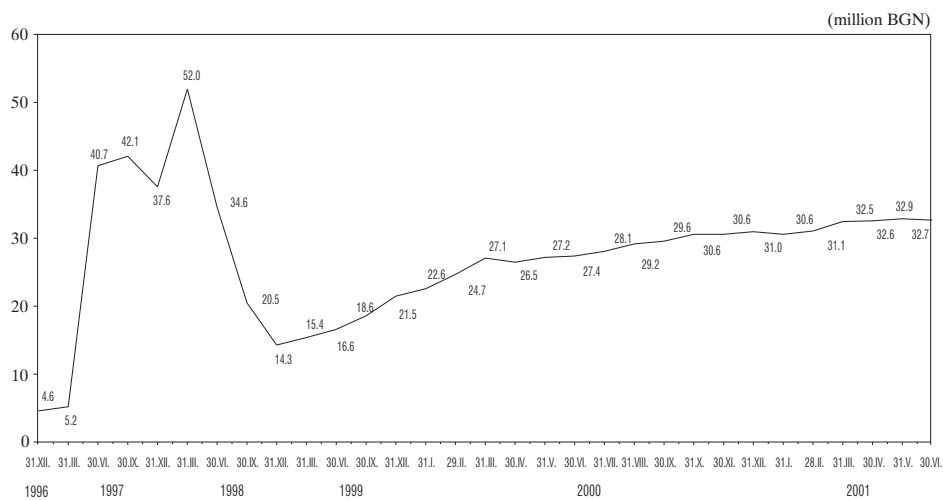
Investments of Nonbank Financial Institutions, Companies and Individuals in Government Securities Issued under Regulation No. 5

(million BGN)



Note: Preliminary data for June 2001.

Investments in Target Government Securities Earmarked for Individuals



Note: Preliminary data for June 2001.

Target Issues of Government Securities Earmarked for Physical Persons

Between 23 May and 19 June 2001¹ the Ministry of Finance offered for sale two issues of savings bonds earmarked for direct sale to physical persons under the following conditions:

- 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 to

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.

gether with the nominal value of government securities. The annual interest rates of the four interest coupons are 6%, 6.5%, 7%, and 7.5% respectively. 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.

The total amount of target government securities sales registered in June was BGN 1,184.1 thousand nominal value, including BGN 363.6 thousand sold by the BNB (Chart 13). The decreased share of target government securities sold by the BNB was due to discontinued (since 1 March 2001) government

securities sales at the BNB regional cash centers (branches): Varna, Pleven, Plovdiv, Ruse, and Haskovo. The change reflected BNB branch network reorganization.

Services to individuals were restored on 12 March 2001 at the branches of the United Bulgarian Bank, which took over sales of target government securities to individuals, name registration of certificate holders and their subsequent service.

Investments in Government Securities Issued for Structural Reform

The volume of government securities acquired by individuals, companies and nonbank financial institutions and issued

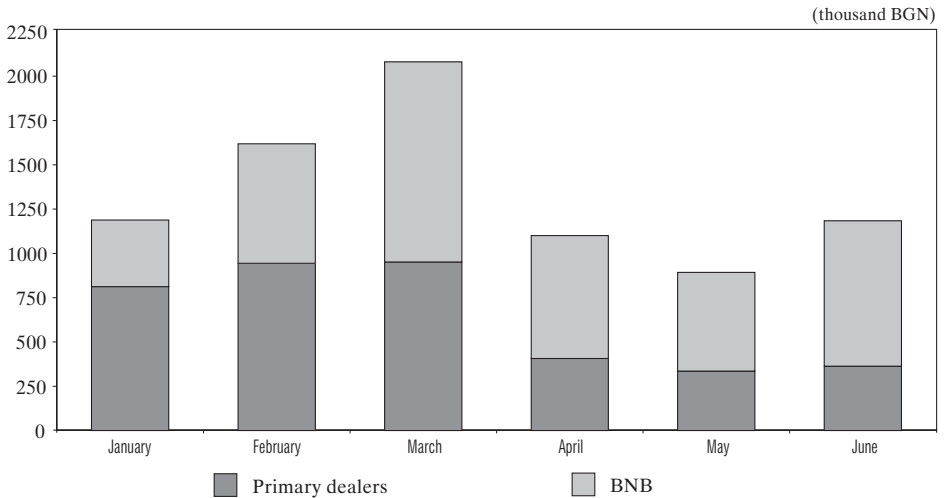
for structural reform increased in June. As of 30 June 2001 total sales of government securities accounted for BGN 392,243.1 thousand (including sales to foreign investors), an increase of BGN 7,194.5 thousand, or 1.87% on May (Chart 15).

The bulk of government securities issued for structural reform was sold by commercial banks (82.83%) and other financial institutions (17.17%).

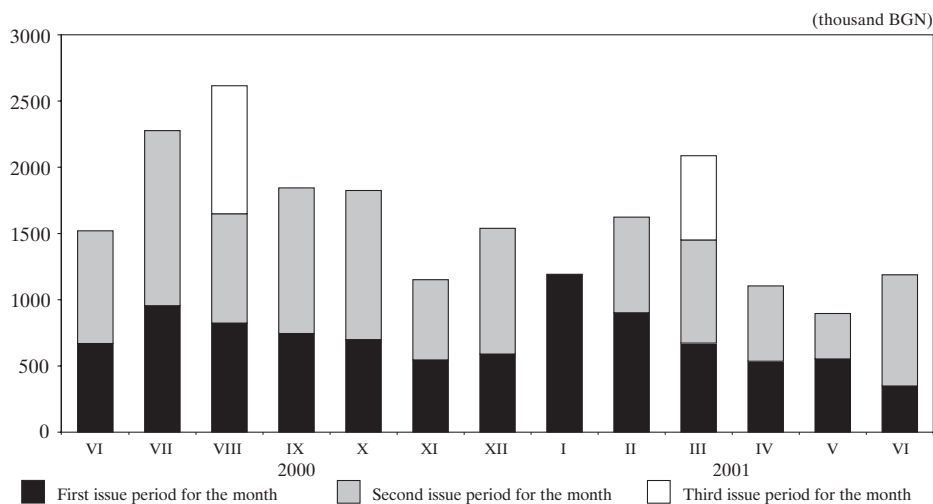
Lev-denominated government securities held by individuals, companies and nonbank financial institutions totaled BGN 7,260.17 thousand, while USD-denominated government securities issued under ZUNK accounted for BGN 350,695.43 thousand (USD 152.05 million), and EUR-denominated govern-

Chart 13

Share of Government Securities (Earmarked for Physical Persons) Sold by the BNB in May in Total Volume of Target Government Securities Issued



Volume of Target Government Securities Sales to Physical Persons



ment securities issued for structural reform amounted to BGN 34,287.51 thousand (EUR 17.53 million).

Foreign Investments in Government Securities

The volume of government securities held by foreign investors remained unchanged in June. As of 30 June foreign investments in government securities totaled BGN 191,380.5 thousand (Chart 16).

Sales of government securities issued under Regulation No. 5 for budget deficit financing accounted for BGN 438 thousand. By end-June the volume of

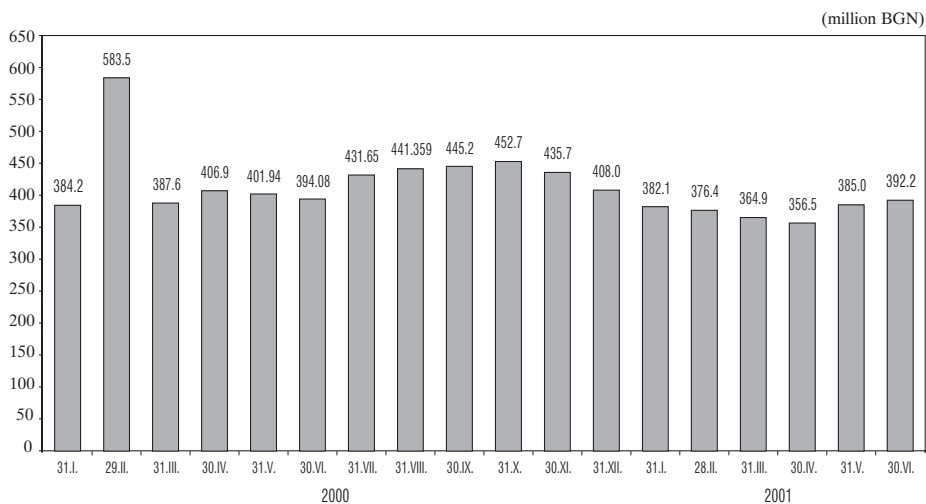
target government securities (earmarked for direct sale to physical persons) totaled BGN 0.9 thousand.

As of 30 June 2001 USD-denominated long-term government bonds held by foreign investors remained unchanged from their May level: USD 80.38 million (BGN 185.40 million lev equivalent, Chart 17).

The relative share of these government securities in foreign investors' portfolios stayed high: 96.88% (Chart 18).

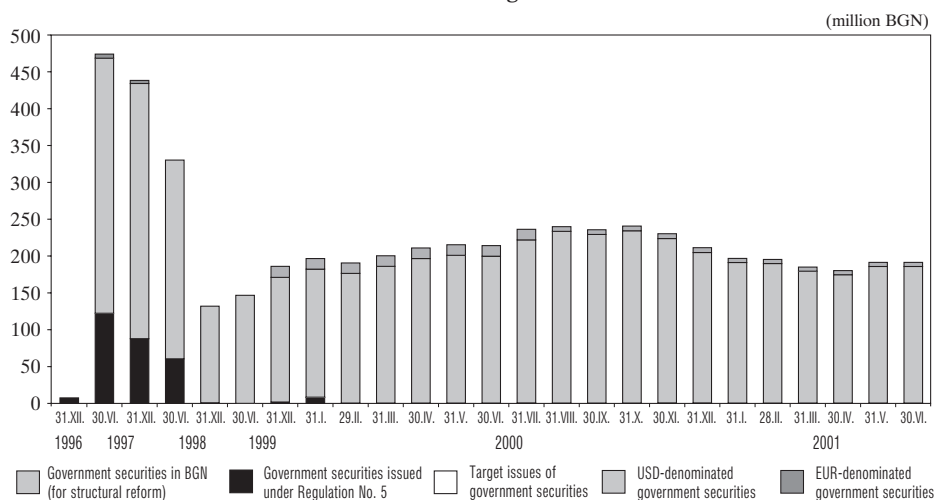
In May the volume of EUR-denominated government securities held by foreign investors remained unchanged, accounting for EUR 2.83 million (2.89%) as of 30 June 2001.

Investments of Nonbank Financial Institutions, Companies and Individuals in Government Securities Issued for Structural Reform



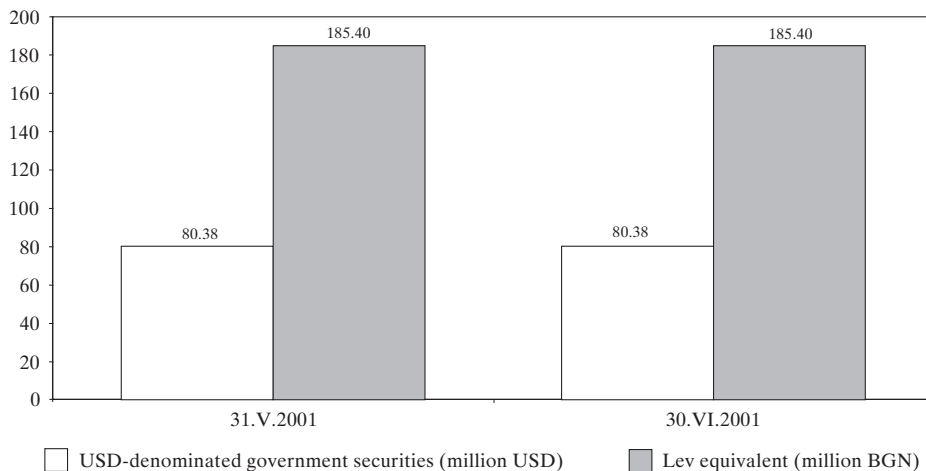
- Notes:**
1. The lev equivalent of government securities denominated in foreign currency is based on BNB exchange rate at the end of month.
 2. From January 2000 EUR-denominated government securities from issue No. 400 of 1999 are included.
 3. Preliminary data for June 2001.

Government Securities in Foreign Investors' Portfolios



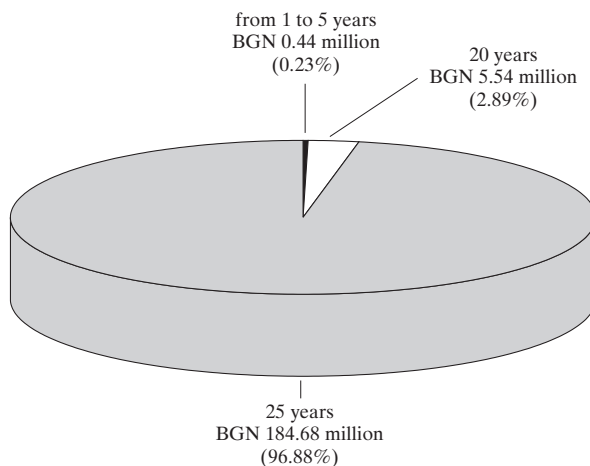
Note: Preliminary data for June 2001.

USD-denominated Government Securities Held by Foreign Investors



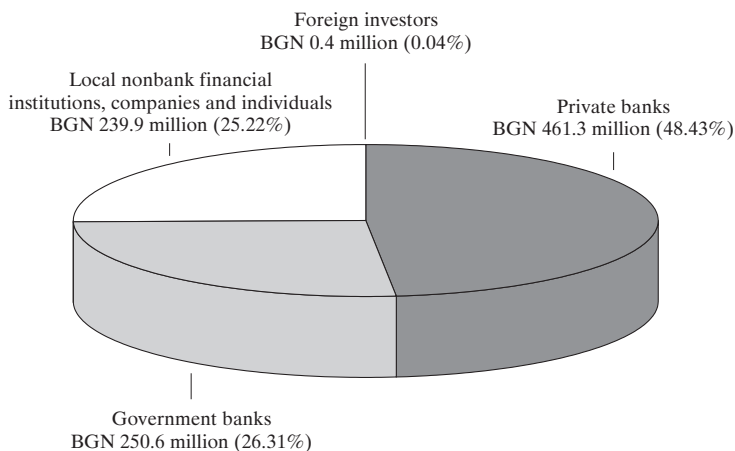
- Notes:**
1. The lev equivalent of USD-denominated government securities is based on BNB exchange rate at the end of month.
 2. Preliminary data for June 2001.

Volume and Maturity Structure of Government Securities Held by Foreign Investors as of 30 June



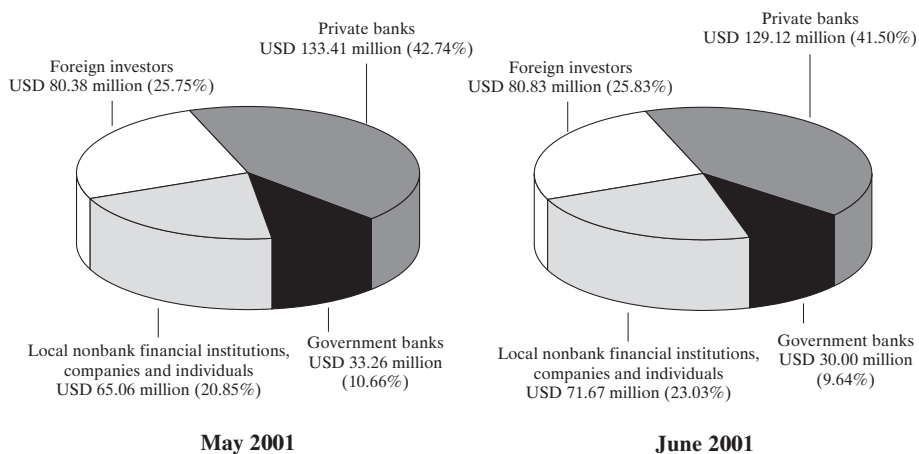
Note: Preliminary data.

Holders of Government Securities Issued under Regulation No. 5 as of 30 June



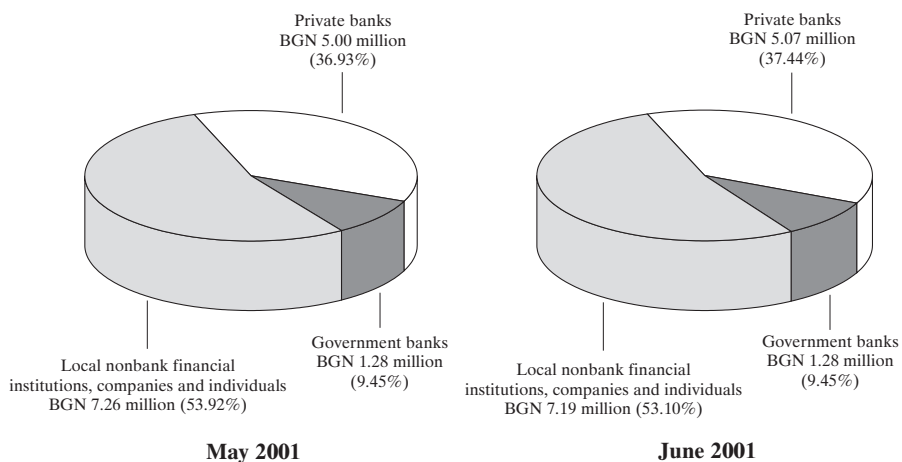
Notes: 1. Including frozen government securities by financial institutions.
 2. Including target issues earmarked for individuals.
 3. Preliminary data.

Holders of USD-denominated Government Securities Issued under ZUNK



Notes: 1. Including frozen government securities by financial institutions.
 2. Preliminary data for June 2001.

Holders of Lev-denominated Government Securities Issued for Structural Reform

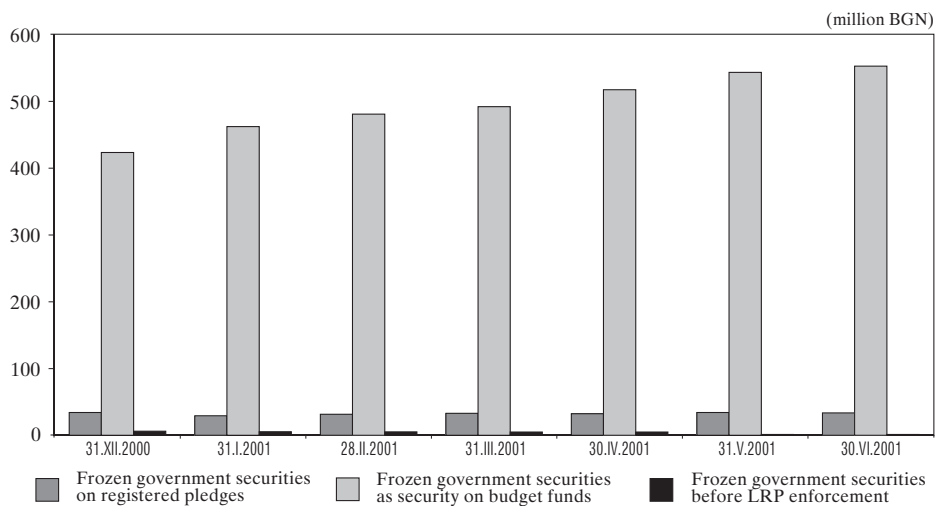


Notes: 1. Including frozen government securities by financial institutions.
2. Preliminary data for June 2001.

Volume of Frozen and Pledged Government Securities as of 30 June 2001

Transaction	Government securities issued under Regulation No. 5		Government securities issued for structural reform	
	BGN	USD	BGN	EUR
Government securities pledges under the Law on Registered Pledges	5 348 348	8 729 158		4 011 545
Frozen government securities as security on budget funds	409 876 273	60 106 285	1 030 066	1 000 000
Frozen government securities under contracts concluded before enforcement of the Law on Registered Pledges	1 026 000		130 400	
TOTAL	416 250 621	68 835 443	1 160 466	5 011 545

Volume and Structure of Frozen Government Securities



Note: Government securities denominated in foreign currency are recalculated in BGN at end-of-month exchange rate for the respective currency.

Outstanding Government Securities

Discount Treasury Bills

Issue No.	BG3013900009	BG3015300000	BG3010301003	BG3010701004	BG3010801002	BG3010901000	BG3011001008	BG3011101006
Issue date	30.08.2000	29.11.2000	14.02.2001	04.04.2001	18.04.2001	02.05.2001	09.05.2001	16.05.2001
Maturity date	29.08.2001	28.11.2001	14.02.2002	04.07.2001	18.07.2001	02.08.2001	09.05.2002	16.08.2001
Nominal value of the offer (thousand BGN)	20 000.00	20 000.00	20 000.00	10 000.00	10 000.00	10 000.00	20 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	41 530.00	32 755.00	61 610.00	17 440.05	15 835.00	18 400.00	52 400.00	17 087.81
Total nominal value of the bids approved (thousand BGN)	20 000.00	20 000.00	20 000.00	10 000.00	10 000.00	10 000.00	20 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	95.07	94.89	95.29	98.94	98.91	98.89	95.28	98.87
Average discount per BGN 100 (%)	4.93	5.11	4.71	1.06	1.09	1.11	4.72	1.13
Average annual yield (%)	5.20	5.40	4.88	4.24	4.36	4.39	4.89	4.47
Effective annual yield (%)	5.20	5.40	4.87	4.31	4.43	4.46	4.88	4.55
Coverage coefficient	2.08	1.64	3.08	1.74	1.58	1.84	2.62	1.71

(continued)

(continued)

Issue No.	BG3011201004	BG3011301002
Issue date	06.06.2001	20.06.2001
Maturity date	06.09.2001	20.09.2001
Nominal value of the offer (thousand BGN)	10 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	18 650.00	15 025.00
Total nominal value of the bids approved (thousand BGN)	10 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	98.87	98.87
Average discount per BGN 100 (%)	1.13	1.13
Average annual yield (%)	4.47	4.47
Effective annual yield (%)	4.55	4.55
Coverage coefficient	1.87	1.50

Source: BNB and MF.

Treasury Bonds

Issue No.	BG2034797121	BG2030798115	BG2030998111	BG2031198117	BG2031398113	BG2031598118	BG2031798114	BG2031981110
Issue date	16.05.1997	30.04.1998	28.05.1998	02.07.1998	30.07.1998	03.09.1998	01.10.1998	29.10.1998
Maturity date	10.05.2002	24.04.2003	22.05.2003	26.06.2003	26.07.2001	30.08.2001	27.09.2001	25.10.2001
Nominal value of the offer (thousand BGN)	20 000.00	1 000.00	2 000.00	2 000.00	1 000.00	1 000.00	1 500.00	1 500.00
Total nominal value of the bids received (thousand BGN)	20 000.00	3 605.00	3 440.00	2 070.00	2 750.00	1 400.00	1 155.00	700.00
Total nominal value of the bids approved (thousand BGN)	20 000.00	1 000.00	2 000.00	2 000.00	1 000.00	1 000.00	1 055.00	250.00
Average price of the bids approved per BGN 100 (%)	100.00	87.14	84.78	76.20	89.60	87.85	86.89	83.48
Average discount per BGN 100 (%)		12.86	15.22	23.80	10.40	12.15	13.11	16.52
Interest rate	BIR+4	8.00	8.00	7.00	7.00	6.50	6.50	6.50
Coverage coefficient	1.00	3.61	1.72	1.04	2.75	1.40	0.77	0.47

(continued)

(continued)

Issue No.	BG2032198116	BG2030699115	BG2030999119	BG2031799112	BG2031899110	BG2031999118	BG2032099116	BG2032199114
Issue date	03.12.1998	31.03.1999	29.04.1999	14.07.1999	28.07.1999	11.08.1999	25.08.1999	08.09.1999
Maturity date	29.11.2001	24.03.2004	22.04.2004	11.07.2001	25.07.2001	08.08.2001	22.08.2001	05.09.2001
Nominal value of the offer (thousand BGN)	500.00	2 000.00	1 190.00	12 000.00	10 000.00	10 000.00	8 000.00	8 000.00
Total nominal value of the bids received (thousand BGN)	1 250.00	2 795.00	1 190.00	16 170.00	13 105.50	11 325.00	9 080.63	16 600.00
Total nominal value of the bids approved (thousand BGN)	500.00	2 000.00	1 190.00	12 000.00	10 000.00	10 000.00	8 000.00	8 000.00
Average price of the bids approved per BGN 100 (%)	95.55	86.35	78.39	93.54	93.26	92.59	91.92	91.05
Average discount per BGN 100 (%)	4.45	13.65	21.61	6.46	6.74	7.41	8.08	8.95
Interest rate	9.00	9.00	9.00	8.00	8.00	8.00	8.00	8.00
Coverage coefficient	2.50	1.40	1.00	1.35	1.31	1.13	1.14	2.08

(continued)

(continued)

Issue No.	BG2032299112	BG2032399110	BG2032499118	BG2032599115	BG2032699113	BG2032799111	BG2032899119	BG2030000116
Issue date	24.09.1999	13.10.1999	27.10.1999	10.11.1999	24.11.1999	08.12.1999	22.12.1999	19.01.2000
Maturity date	21.09.2001	10.10.2001	24.10.2001	07.11.2001	21.11.2001	05.12.2001	19.12.2001	16.01.2002
Nominal value of the offer (thousand BGN)	8 000.00	8 000.00	10 000.00	10 000.00	10 000.00	10 000.00	10 000.00	28 000.00
Total nominal value of the bids received (thousand BGN)	34 781.00	39 093.50	28 485.05	24 059.00	29 786.00	40 252.00	37 050.00	87 580.00
Total nominal value of the bids approved (thousand BGN)	8 000.00	8 000.00	10 000.00	10 000.00	10 000.00	10 000.00	10 000.00	28 000.00
Average price of the bids approved per BGN 100 (%)	94.71	98.02	98.53	98.80	99.04	99.60	100.12	99.74
Average discount per BGN 100 (%)	5.29	1.98	1.47	1.20	0.96	0.40		0.26
Interest rate	9.00	9.00	9.00	9.00	9.00	9.00	9.00	8.00
Coverage coefficient	4.35	4.89	2.85	2.41	2.98	4.03	3.71	3.13

(continued)

(continued)

Issue No.	BG2030100114 ¹	BG2030200112	BG20303000110	BG2030400118 ²	BG2030500115 ²	BG2030600113 ²	BG2030700111 ²	BG2030800119 ²
Issue date	09.02.2000	16.02.2000	15.03.2000	05.04.2000	19.04.2000	05.07.2000	19.07.2000	04.10.2000
Maturity date	05.02.2003	13.02.2002	13.03.2002	03.04.2002	16.04.2003	03.07.2002	16.07.2003	02.10.2002
Nominal value of the offer (thousand BGN)	50 000.00	28 000.00	28 000.00	50 000.00	30 000.00	50 000.00	30 000.00	50 000.00
Total nominal value of the bids received (thousand BGN)	192 244.60	84 094.00	61 368.00	151 083.50	120 312.85	135 755.00	131 450.00	126 512.50
Total nominal value of the bids approved (thousand BGN)	50 000.00	28 000.00	28 000.00	50 000.00	30 000.00	50 000.00	30 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	101.20	100.34	100.10	100.83	100.61	101.16	102.09	101.88
Average discount per BGN 100 (%)								
Interest rate	9.00	7.00	7.00	7.00	8.00	7.00	8.00	7.00
Coverage coefficient	3.84	3.00	2.19	3.02	4.01	2.72	4.38	2.53

(continued)

(continued)

Issue No.	BG2030900117 ¹	BG2031000115 ²	BG2030000114 ³	BG2030101112 ²	BG2030201110 ³	BG2030301118 ²
Issue date	11.10.2000	18.10.2000	10.01.2001	24.01.2001	11.04.2001	25.04.2001
Maturity date	05.10.2005	15.10.2003	10.01.2003	24.01.2006	11.04.2003	25.04.2006
Nominal value of the offer (thousand BGN)	40 000.00	30 000.00	50 000.00	60 000.00	50 000.00	60 000.00
Total nominal value of the bids received (thousand BGN)	113 365.10	110 383.00	121 965.00	253 630.14	95 565.00	165 396.00
Total nominal value of the bids approved (thousand BGN)	40 000.00	30 000.00	50 000.00	60 000.00	50 000.00	60 000.00
Average price of the bids approved per BGN 100 (%)	100.35	102.15	101.61	105.02	102.34	104.91
Average discount per BGN 100 (%)						
Interest rate	9.00	7.50	6.50	9.00	6.50	8.00
Coverage coefficient	2.83	3.68	2.44	4.23	1.91	2.76

¹ The above price is a result of the four auctions organized for sale of this issue and includes the interest accrued as of the dates of the auctions.

² The above price is a result of the three auctions organized for sale of this issue and includes the interest accrued as of the dates of the auctions.

³ The above price is a result of the two auctions organized for sale of this issue and includes the interest accrued as of the dates of the auctions.

Source: BNB and MF.

Guaranty Government Securities

Issue No.	BG2040296225	BG2040396223	BG2040596228	BG2044397227	BG2047397224	BG2047597229	BG2047697227
Issue date	05.06.1996	12.06.1996	27.06.1996	18.08.1997	22.10.1997	22.10.1997	05.11.1997
Maturity date	28.05.2003	04.06.2003	19.06.2003	09.08.2004	13.10.2004	13.10.2004	27.10.2004
Principal (thousand BGN)	1714.29	1811.06	226.59	16 903.88	1864.42	6074.50	8279.82
Interest rate	BIR	BIR	BIR	BIR	BIR	BIR	BIR
Interest payments	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual	semiannual
Repayments	equal annual	equal annual	equal annual	equal annual	equal annual	equal annual	equal annual
Maturity (in years)	7	7	7	7	7	7	7

In compliance with Article 8 and Article 9, para. 1, items 1 of the Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings (State Gazette, issue 46 of 29 May 1996; amended, issue 90 of 24 October 1996, effective as of 24 October 1996), the Ministry of Finance issues lev guaranty government securities. These are issued under the following conditions:

- 7-year redemption term;
- interest – BIR for the respective period, payable semiannually;
- redemption schedule – equal annual installments.

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 June 2001.

Source: BNB and 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.	BG 2000192224	BG 2009993226	BG 2009893228	BG 2009794228	BG 2009693222	200/1995
Issue date	01.01.1992	01.07.1993	01.10.1993	01.01.1994	01.12.1993	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)	2751.73 (BGN)	2162.12 (BGN)	7791.60 (BGN)	311 169.55 (USD)	831.68 (BGN)	3106.76 (BGN)
Interest payments	semiannual	semiannual	semiannual	semiannual	annual	semiannual
Interest	BIR+1	BIR	BIR	LIBOR*	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 June 2001.

Pursuant to CM Decree No. 221 of 1995 holders of long-term government bonds issued under ZUNK, negotiated until 31 December 1990, 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, transformed under Article 10 of ZUNK. In meeting these obligations, long-term government bonds are valued at their nominal for the bonds denominated in US dollars, and 80% for those denominated in levs.

Source: BNB and MF.

EUR-denominated Government Securities

Issue No.	BG2040099223
Issue date	01.07.1999
Maturity date	01.01.2019
Principal (thousand EUR)	23 127.74
Interest rate	EURIBOR*
Interest payments dates	semiannual
Repayments	20 equal annual installments

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.

* 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.

EUR-denominated issue BG 2040099223 has the same status as the 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 June 2001.

Source: BNB and MF.

Government Securities Issued in 2001

Discount Government Securities Issued under Regulation No. 5 of the MF and BNB (Treasury Bills)

ISSUES				Amount offered by the MF (thousand BGN)	BIDS RECEIVED					BIDS APPROVED						
No.	Auction date	Issue date	Maturity date		Nominal value (thousand BGN)	Average price per BGN 100 nominal value	Average yield			Nominal value (thousand BGN)	Price per BGN 100 nominal value			Average yield		
							Up to maturity %	Annual %	Effective annual %		Mini- mum	Maxi- mum	Average	Up to maturity %	Annual %	Effective annual %
BG 30 100 01009	02.01.2001	03.01.2001	03.04.2001	10 000.00	21 375.00	98.87	1.14	4.57	4.65	10 000.00	98.87	98.93	98.88	1.13	4.53	4.61
BG 30 101 01007	15.01.2001	17.01.2001	17.04.2001	10 000.00	19 500.00	98.92	1.09	4.37	4.44	10 000.00	98.90	98.99	98.94	1.07	4.29	4.35
BG 30 102 01005	05.02.2001	07.02.2001	07.05.2001	10 000.00	22 292.67	99.00	1.01	4.09	4.15	10 000.00	99.02	99.07	99.03	0.98	3.96	4.02
BG 30 104 01001	19.02.2001	21.02.2001	21.05.2001	10 000.00	13 304.20	98.95	1.06	4.29	4.36	10 000.00	98.90	99.02	98.97	1.04	4.21	4.28
BG 30 105 01008	05.03.2001	07.03.2001	07.06.2001	10 000.00	19 575.06	98.94	1.07	4.19	4.26	10 000.00	98.94	99.04	98.95	1.06	4.15	4.22
BG 30 106 01006	19.03.2001	21.03.2001	21.06.2001	10 000.00	22 600.00	98.94	1.07	4.19	4.26	10 000.00	98.94	98.99	98.95	1.06	4.15	4.22
BG 30 107 01004	02.04.2001	04.04.2001	04.07.2001	10 000.00	17 440.05	98.92	1.09	4.32	4.39	10 000.00	98.91	98.98	98.94	1.07	4.24	4.31
BG 30 108 01002	17.04.2001	18.04.2001	18.07.2001	10 000.00	15 835.00	98.87	1.14	4.52	4.60	10 000.00	98.87	98.95	98.91	1.10	4.36	4.43
BG 30 109 01000	27.04.2001	02.05.2001	02.08.2001	10 000.00	18 400.00	98.87	1.14	4.47	4.55	10 000.00	98.86	98.96	98.89	1.12	4.39	4.46
BG 30 111 01006	14.05.2001	16.05.2001	16.08.2001	10 000.00	17 087.81	98.85	1.16	4.55	4.63	10 000.00	98.86	98.94	98.87	1.14	4.47	4.55
BG 30 112 01004	04.06.2001	06.06.2001	06.09.2001	10 000.00	18 650.00	98.86	1.15	4.51	4.59	10 000.00	98.86	98.92	98.87	1.14	4.47	4.55
BG 30 113 01002	18.06.2001	20.06.2001	20.09.2001	10 000.00	15 025.00	98.86	1.15	4.51	4.59	10 000.00	98.85	98.90	98.87	1.14	4.47	4.55
Three-month issues, total				120 000.00	221 084.79					120 000.00						
BG 30 103 01003	12.02.2001	14.02.2001	14.02.2002	20 000.00	61 610.00	95.16	5.09	5.02	5.01	20 000.00	95.23	95.38	95.29	4.94	4.88	4.87
BG 30 110 01008	07.05.2001	09.05.2001	09.05.2002	20 000.00	52 400.00	95.13	5.12	5.05	5.05	20 000.00	95.19	95.40	95.28	4.95	4.89	4.88
One-year issues, total				40 000.00	114 010.00					40 000.00						
Total				160 000.00	335 094.79					160 000.00						

Note: According to the methodology applied by the MF, the yield on treasury bills is calculated using the following formulae:

$$YM = D/P \times 100$$

where

YM – yield to maturity;

D – discount;

P – price per BGN 100 nominal value;

AY – annual yield;

n – number of periods in one year;

EAY – effective annual yield.

It is assumed that one year has 360 days.

$$AY = YM \times n$$

$$EAY = [(1 + YM/100)^n - 1] \times 100$$

Interest-bearing Government Securities Issued under Regulation No. 5 of the MF and BNB (Treasury Bonds)

June 2001

ISSUES						Interest rate offered by the MF	Amount offered by the MF		BIDS RECEIVED		BIDS APPROVED				
No.	Auction date	Issue date	Open date of payment	Maturity date	Interest payments date		Total volume (thousand BGN)	Auction volume (thousand BGN)	Nominal value (thousand BGN)	Average price per BGN 100 nominal value	Nominal value (thousand BGN)	Price per BGN 100 nominal value			Average effective annual yield (%)
											Mini-mum	Maxi-mum	Average		
BG 20 300 01114	08.01.2001	10.01.2001	10.01.2001	10.01.2003	10.07.2001 10.01.2002 10.07.2002 10.01.2003	6.5	50 000.00	25 000.00	57 800.00	100.56	25 000.00	100.71	101.17	100.86	6.04
BG 20 300 01114*	12.03.2001	10.01.2001	14.03.2001	10.01.2003			25 000.00	64 165.00	102.15	25 000.00	102.23	102.65	102.36		
BG 20 302 01110	09.04.2001	11.04.2001	11.04.2001	11.04.2003	11.10.2001 11.04.2002 11.10.2002 11.04.2003	6.5	50 000.00	25 000.00	54 800.00	101.54	25 000.00	101.51	102.63	101.88	5.49
BG 20 302 01110*	11.06.2001	11.04.2001	13.06.2001	11.04.2003			25 000.00	40 765.00	102.53	25 000.00	102.48	103.35	102.79		
Two-year issues, total							100 000.00	100 000.00	217 530.00		100 000.00				
Three-year issues, total							0.00	0.00	0.00		0.00				
BG 20 301 01112	22.01.2001	24.01.2001	24.01.2001	24.01.2006	24.07.2001 24.01.2002 24.07.2002 24.01.2003 24.07.2003 24.01.2004 24.07.2004 24.01.2005 24.07.2005 24.01.2006	9.0	60 000.00	20 000.00	95 924.14	100.78	20 000.00	101.24	103.23	101.65	8.59

(continued)

(continued)

ISSUES							BIDS RECEIVED				BIDS APPROVED			
No.	Auction date	Issue date	Open date of payment	Maturity date	Interest payments date	Interest rate offered by the MF	Amount offered by the MF		Nominal value (thousand BGN)	Average price per BGN 100 nominal value	Price per BGN 100 nominal value		Nominal value (thousand BGN)	Average annual effective yield (%)
							Total volume (thousand BGN)	Auction volume (thousand BGN)			Mini-mum	Maxi-mum		
BG 20 301 01112*	26.02.2001	24.01.2001	28.02.2001	24.01.2006			20 000.00	20 000.00	87 276.00	104.50	105.17	106.50	20 000.00	105.46
BG 20 301 01112*	26.03.2001	24.01.2001	28.03.2001	24.01.2006			20 000.00	20 000.00	70 430.00	106.81	107.28	109.62	20 000.00	107.95
BG 20 303 01118	23.04.2001	25.04.2001	25.04.2001	25.04.2006	25.10.2001	8.0	60 000.00	20 000.00	55 846.00	102.16	102.55	104.37	20 000.00	103.61
					25.04.2002									
					25.10.2002									
					25.04.2003									
					25.10.2003									
					25.04.2004									
					25.10.2004									
					25.04.2005									
					25.10.2005									
					25.04.2006									
BG 20 303 01118*	21.05.2001	25.04.2001	23.05.2001	25.04.2006			20 000.00	20 000.00	60 050.00	104.54	104.83	105.91	20 000.00	105.09
BG 20 303 01118*	25.06.2001	25.04.2001	27.06.2001	25.04.2006			20 000.00	20 000.00	49 500.00	105.60	105.77	106.51	20 000.00	106.02
Five-year issues, total							120 000.00	120 000.00	419 026.14				120 000.00	
Total							220 000.00	220 000.00	636 556.14				220 000.00	

Note: According to the methodology applied by the MF, the calculation of the effective annual yield is based on yield function built in MICROSOFT EXCEL.

* Above prices include interest accrued as of the open date of the issue. Therefore, no average effective annual yield is published.



SALES OF GOVERNMENT SECURITIES FOR PARTICIPATION IN PRIVATIZATION TRANSACTIONS

In June long-term government bonds issued under Article 5 of ZUNK, totaling USD 3,913, were sold for participation in privatization. Government securities of USD 3,913 were transferred to the MF account for participation in two privatization transactions as legal tender.

No transfer transactions in government securities on the MF account, issued under Article 4 of ZUNK (issue No. 98 of 1993) and CM Decree No. 186 of 1993 (issue No. 99 of 1993) were concluded in June.

Long-term government bonds issued under Article 5 of ZUNK 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), totaling BGN 924 thousand were sold and matured in June.

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



Volume of Long-term Government Bonds Used as Legal Tender 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	0.00	0.00	0.00
	2000	0.00	0.00	6.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6.90
	2001	2.79	0.00	0.00	0.00	0.00	0.00							2.79
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	2.00	0.03	0.04	20.74
	2000	0.016	0.010	0.010	0.010	0.030	0.010	0.040	0.005	0.002	0.005	0.003	0.003	0.144
	2001	0.003	0.000	0.015	0.044	0.009	0.004							0.075
III. Government securities in EUR (thousand EUR)	1999							0.00	2.79	0.00	0.00	0.00	0.00	2.79
	2000	0.00	4.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.05
	2001	0.00	0.00	0.00	0.00	0.00	0.00							0.00

- 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 denominated in euro and issued pursuant to § 10 of the Transitional and Final Provisions of 1999 SBL of the Republic of Bulgaria.

5

GOVERNMENT SECURITIES PRIMARY DEALERS AND REUTERS PAGES FOR GOVERNMENT SECURITIES QUOTATIONS

Pursuant to Article 4, para. 1 of Regulation No. 5 of the MF and BNB, the Minister of Finance and the Governor of the Bulgarian National Bank approved the government securities primary dealers, as follows:

FOR THE PERIOD 1 JULY – 31 DECEMBER 2001

BIOCHIM COMMERCIAL BANK	CBBB 01-03
BNP – PARIBAS (BULGARIA)	BSBD 01-03
BULBANK	BGTB 01-03
BULBROKERS	BULB 01-03
BULGARIA-INVEST COMMERCIAL BANK	BGIN 01-03
BULGARIAN POST BANK	BPBB 01-03
CENTRAL COOPERATIVE BANK	SCCB 01-03
CITIBANK N. A.	CSOF
DSK BANK	SSBG 01-03
ELANA	ELAN 01-03
EUROFINANCE	EUFI 01-03
FIRST INVESTMENT BANK	BFIB 01-03
ING BANK	INBS 01-03
MUNICIPAL BANK	SMBK 01-03
NEFTINVESTBANK	OBBS 01-03
RAIFFEISENBANK (BULGARIA)	RBBS 01-03
ROSEXIMBANK	REBS 01
SG EXPRESSBANK	EBVB 01
SII INVEST	SIIB 01
UNIONBANK	UNBS 01-03
UNITED BULGARIAN BANK	UBBB 01-03

FOR THE PERIOD 1 JULY – 30 SEPTEMBER 2001

ECONOMIC AND INVESTMENT BANK	RIBB 01-03
EVROBANK	EBSF 01-03

**NONPRIMARY DEALERS OF GOVERNMENT SECURITIES WITH REGISTERS
AT THE BNB UNDER § 6 OF THE ADDITIONAL PROVISIONS OF
REGULATION No. 5 OF THE MF AND BNB**

HEBROS COMMERCIAL BANK	AGBG 01-03
SUMMARIZED QUOTATION PAGES	BGTSY= BGZUNK= BGTSYM=
BNB pages containing information on the government securities interbank market	BGBNB 5 BGBNB 6 BGBNB 9
BNB pages containing information on average-weighted prices of traded government securities issues	BGBNB 10 BGBNB 11 BGBNB 12 BGBNB 13

Published by the Bulgarian National Bank
Fiscal Services Department, tel. 9145 1486
1000 Sofia, 1 Alexander Battenberg Square
Telephone: 91459
Telex: 24090, 24091
Fax: 980 2425, 980 6493
Computer Typeset: Publications Division of the BNB
Printed by BNB Printing Center