



**SEPTEMBER**

**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)

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**ISSN 1311-0055**

This issue includes materials and data received up to 5 October 2001.

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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](http://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) 9145 1795 or 9145 1551.

As of September 2001 *Computerized Book-entry System for Registration of and Trade in Government Securities* was published in Bulgarian and English on BNB Internet website under the heading of Fiscal Services.

### Interbank Market of Government Securities Issued under Regulation No. 5

In September 2001 financial institutions concluded 238 transactions in government securities (including the number and volume of reverse repurchase agreements) issued for budget deficit financing, totaling BGN 237,344.2 thousand nominal value, a decrease of 25.13% compared with the same period of the previous year (Chart 1).

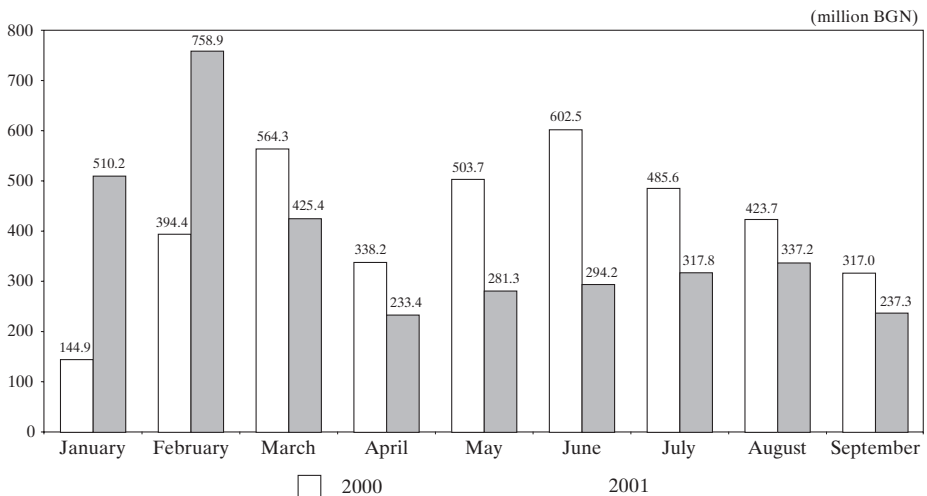
The total volume of secondary market transactions in government securities

issued under Regulation No. 5 (reverse repo agreements volume excluded) amounted to BGN 193,174.9 thousand, a decrease of 6.89% on September 2000. Structurally, government securities transactions included three-month treasury bills of BGN 5,498.3 thousand, twelve-month of BGN 3,879.7 thousand, two-year of BGN 84,445.7 thousand and up to seven years of BGN 99,351.2 thousand. This suggests that treasury bonds of up to seven years term were most preferred in September (Chart 2).

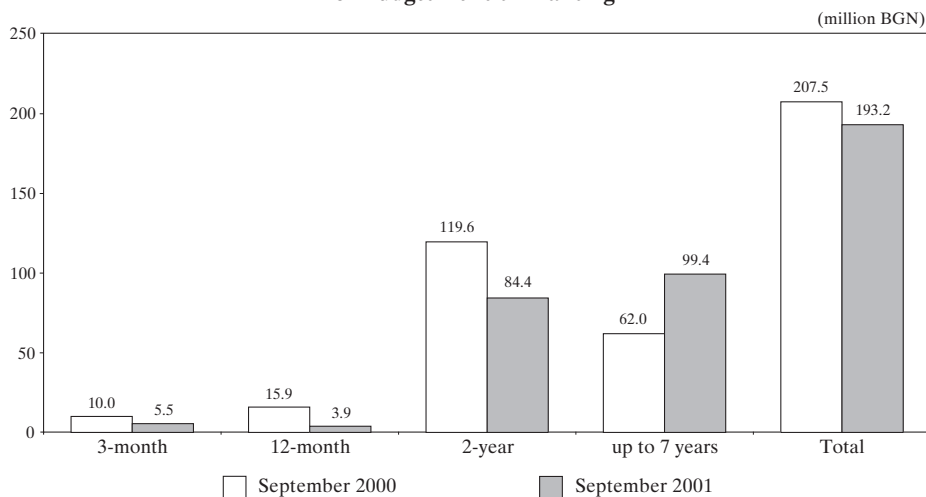
Over the review period the volume of transactions concluded on behalf of cli-

Chart 1

#### Volume of Transactions in Government Securities Issued for Budget Deficit Financing



### Structure of Transactions in Government Securities Issued for Budget Deficit Financing



ents (under Article 20) totaled BGN 14,777.6 thousand, a two-fold increase from August. Transactions registered under Article 21 accounted for BGN 2,300 thousand, a considerable increase on the previous month. The volume of transactions concluded between primary and nonprimary dealers under Article 14 increased to BGN 69,831.9 thousand (28.68%), including bids of BGN 2,650 thousand approved at government securities auctions on behalf of nonprimary dealers.

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

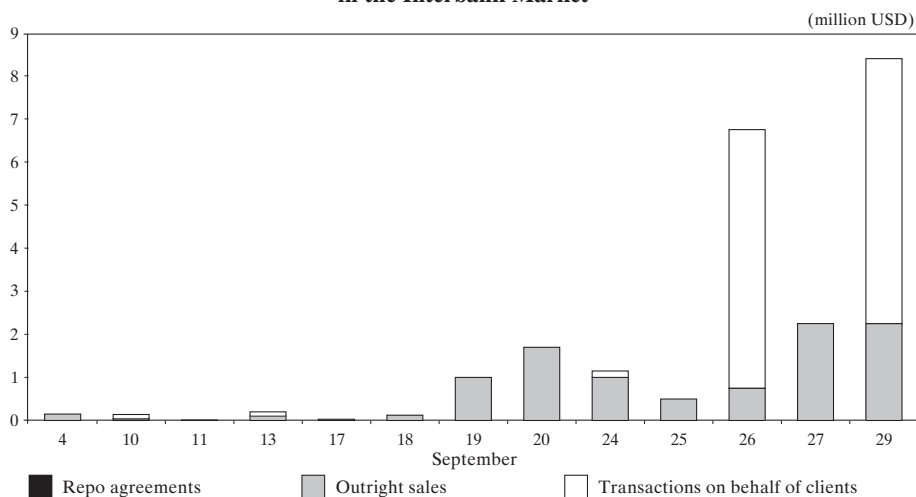
In September financial institutions concluded 40 transactions in USD-denominated government securities issued

as a result of structural reform, totaling USD 22.4 million nominal value. Twenty-seven outright transactions of USD 9.9 million, 13 transactions of USD 12.5 million on behalf of clients (under Articles 14, 20 and 21) were concluded.

Six transactions in EUR-denominated government securities of EUR 3.4 million, including four outright transactions of EUR 1.5 million and one transaction on behalf of clients of EUR 1.1 million, were concluded. One transaction in lev-denominated government securities, totaling BGN 0.02 million, was registered in September.

Pursuant to Article 14, para. 6 of Regulation No. 5 26 transactions of USD 10.39 million, five transactions of EUR 7.2 million and two transactions of BGN 0.24 million were concluded.

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



In September traded volumes in USD-denominated ZUNK bonds increased more than five times from the previous month. Outright transactions rose by USD 9.6 million and transactions on behalf of clients increased by USD 10.7 million. No repo agreements were concluded in September. The trade intensified in the last week of September; transactions on behalf of foreign investors were most preferred. Prices at which foreign currency ZUNK bonds were traded varied between USD 79 and USD 81 per USD 100 nominal value. The average-weighted price was USD 80.25 per USD 100 nominal value.

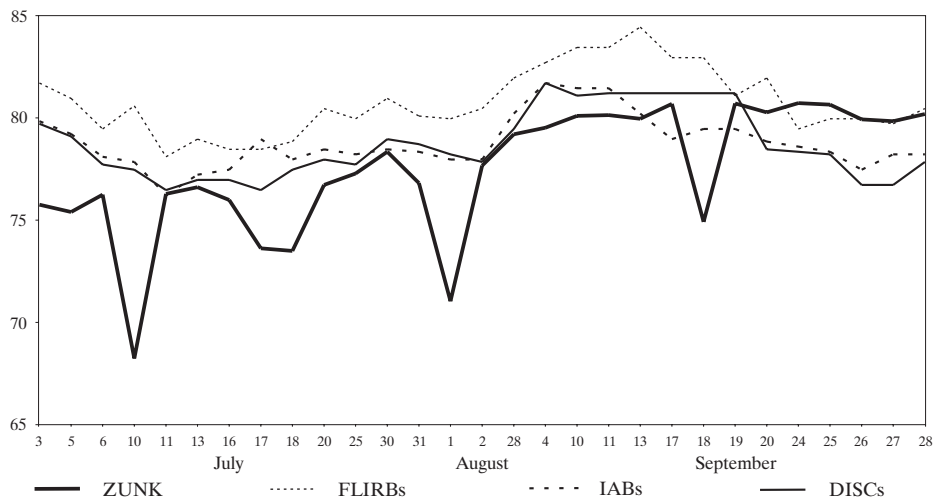
#### Government Securities Repo Agreements in the Interbank Market

In September the volume of repo

agreements traded in the secondary interbank market was uneven (Chart 5). It hit highs on 1 September, coupled with decreased interbank deposit volumes on this date.

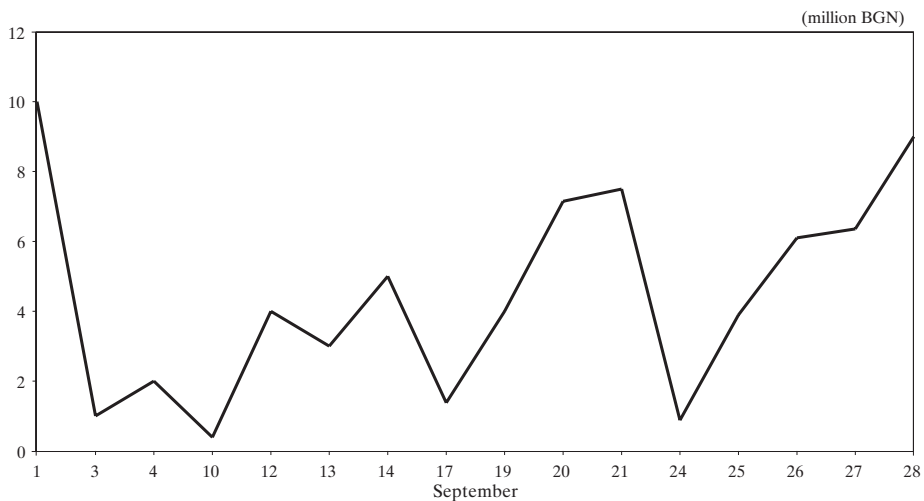
In September the yield on repo agreements in government securities significantly fluctuated. Their average term (in days) increased compared with the previous month. The yield on repo agreements in government securities with one-day, three-day and up to one month terms (0.20%, 0.21%, 0.37% respectively) was lower than the yield on interbank deposits with the same terms and higher for transactions with up to seven days term (0.43%). In the review period the yield on repo agreements with up to seven days term was higher than the average-weighted base interest rate for September (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**





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

(USD)

Date September	Price		
	Minimum	Maximum	Average-weighted
1	-	-	-
3	-	-	-
4	79.56	79.56	79.56
5	-	-	-
10	80.14	80.14	80.14
11	80.15	80.50	80.18
12	-	-	-
13	80.00	80.00	80.00
14	-	-	-
17	80.73	80.73	80.73
18	74.94	74.94	74.94
19	80.11	80.75	80.75
20	79.62	80.82	80.31
21	-	-	-
24	80.77	80.77	80.77
25	80.69	80.69	80.69
26	79.85	80.10	79.97
27	79.61	79.99	79.88
28	79.12	81.05	80.23
за месеца	74.94	81.05	80.25

**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 September	DISCs		FLIRBs		IABs	
	Offer	Bid	Offer	Bid	Offer	Bid
4	81.75	80.50	82.75	82.25	81.75	80.50
5	82.00	81.25	84.50	83.25	82.50	81.50
6	82.25	80.75	84.00	83.00	82.50	80.75
7	81.38	80.75	84.25	82.88	82.50	81.00
10	81.13	80.63	83.50	82.50	81.50	80.50
11	81.25	80.75	83.50	81.50	81.50	80.25
12	81.25	80.75	84.50	81.50	81.50	80.00
13	81.25	80.75	84.50	81.50	80.25	79.25
14	81.25	80.75	81.50	81.00	80.25	79.25
17	81.25	80.75	83.00	81.00	79.00	77.50
18	81.25	80.75	83.00	81.00	79.50	78.00
19	81.25	80.75	81.13	80.38	79.50	78.75
20	78.50	78.00	82.00	80.38	78.88	78.38
21	77.75	77.00	81.00	80.00	77.88	76.75
24	78.38	77.88	79.50	79.00	78.63	78.13
25	78.25	77.25	80.00	79.00	78.38	77.63
26	76.75	76.38	80.00	79.63	77.50	76.75
27	76.75	76.38	79.75	79.00	78.25	77.00
28	77.88	76.75	80.50	79.75	78.25	77.63

\* Reuters quotations.

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

1. Volume of transactions in government securities denominated in levs (million BGN nominal value)	193.17
- repo agreements*	71.65
- outright sales	121.52
- privatization transactions	-
2. Volume of transactions in government securities denominated in US dollars and euro (million BGN nominal value)	24.03
- repo agreements*	-
- outright sales	24.02
- privatization transactions	0.01
3. Number of secondary interbank market transactions	212
- repo agreements**	58
- outright sales	153
- privatization transactions	1
4. Average term of secondary interbank market repo agreements (days)	7.00
5. Average monthly yield (simple interest) on secondary interbank market repo agreements depending on the term (%)	
1 day	0.20
from 2 to 3 days	0.21
from 4 to 7 days	0.43
up to 1 month	0.37

\* 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 (September)

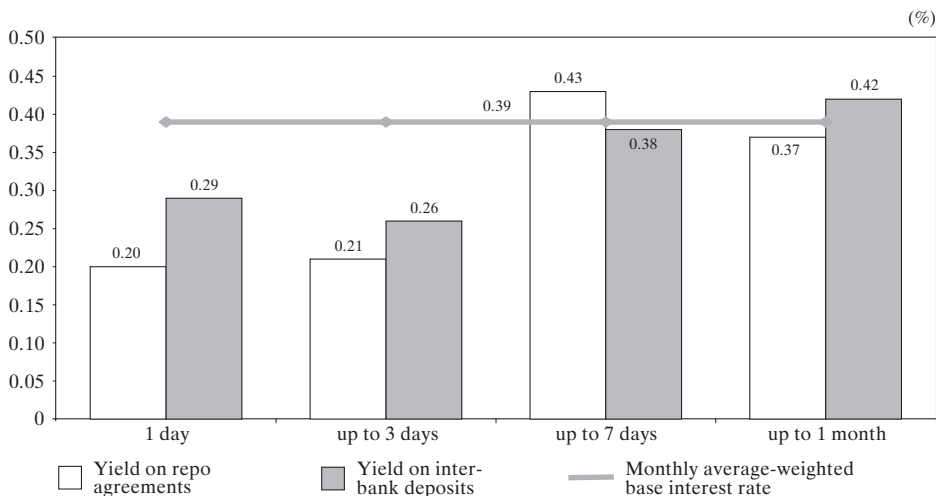


Chart 7

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

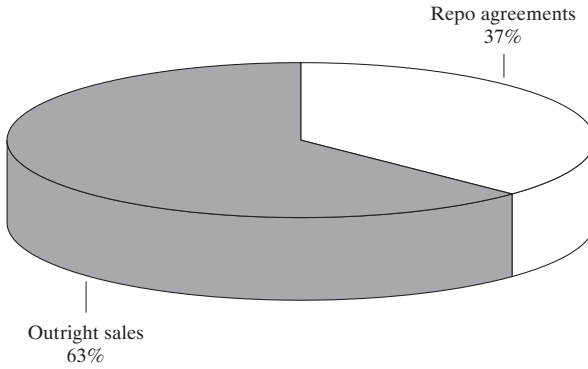
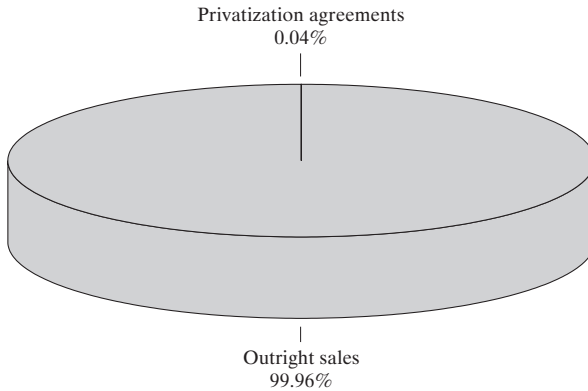


Chart 8

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



## 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
<b>01.09.2001</b>											
Deposits			24 900	1.83	300	3.10	2 000	3.40			27 200
Repo agreements			5 500	2.50			4 500	4.21			10 000
<b>03.09.2001</b>											
Deposits	23 652	1.74	900	3.00	6 950	3.87	900	4.00			32 402
Repo agreements			1 000	3.75							1 000
<b>04.09.2001</b>											
Deposits	44 400	4.07			5 900	4.40	500	4.40	4 000	5.75	54 800
Repo agreements					2 000	4.51					2 000
<b>05.09.2001</b>											
Deposits					59 000	4.02	1 000	5.55	2 500	5.75	62 500
Repo agreements											-
<b>10.09.2001</b>											
Deposits	45 700	3.66			12 150	4.96	2 780	5.40	1 500	5.50	62 130
Repo agreements					390	5.32					390
<b>11.09.2001</b>											
Deposits	57 827	3.46			4 700	4.96	3 000	5.80			65 527
Repo agreements											-
<b>12.09.2001</b>											
Deposits	65 153	3.81	200	4.50	8 000	5.32					73 353
Repo agreements					4 000	5.27					4 000
<b>13.09.2001</b>											
Deposits	81 850	3.84									81 850
Repo agreements					3 000	5.27					3 000
<b>14.09.2001</b>											
Deposits			85 292	4.40	700	5.49			1 200	5.70	87 192
Repo agreements					5 000	5.54					5 000
<b>17.09.2001</b>											
Deposits	81 848	4.10			8 740	5.45			2 300	4.30	92 888
Repo agreements					1 000	5.68	379	5.78			1 379
<b>18.09.2001</b>											
Deposits	63 450	4.30			6 700	5.50					70 150
Repo agreements											-
<b>19.09.2001</b>											
Deposits	52 347	4.10			9 600	5.33	1 400	5.46	500	6.50	63 847
Repo agreements					4 000	5.50					4 000
<b>20.09.2001</b>											
Deposits	56 981	3.85			7 300	4.62	1 000	5.30			65 281
Repo agreements					5 380	5.46			1 770	5.32	7 150
<b>21.09.2001</b>											
Deposits			62 070	3.24	7 650	4.55	1 250	4.90			70 970
Repo agreements					7 500	5.08					7 500
<b>24.09.2001</b>											
Deposits	63 800	3.06	2 754	4.50	9 040	5.17			1 000	5.75	76 594
Repo agreements			880	4.06							880

(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
<b>25.09.2001</b>											
Deposits	63 300	3.25	1 600	3.76	5 500	5.08	1 000	5.30	500	6.10	71 900
Repo agreements					3 500	5.24	393	5.37			3 893
<b>26.09.2001</b>											
Deposits	93 523	3.01	600	4.00	4 000	5.33	1 000	5.20			99 123
Repo agreements	1 100	3.04			5 000	5.25					6 100
<b>27.09.2001</b>											
Deposits	57 261	2.13			5 855	4.27					63 116
Repo agreements	1 400	1.93			4 459	4.86	500	4.26			6 359
<b>28.09.2001</b>											
Deposits			81 600	1.89	10 100	4.28			1 000	5.10	92 700
Repo agreements			6 000	2.05	3 000	4.39					9 000
<b>Monthly, total</b>											
Deposits	851 092		259 916		172 185		15 830		14 500		1 313 523
Repo agreements	2 500		13 380		48 229		5 772		1 770		71 651

*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 September

Date	Issue		Nominal value	Currency	Price 100/1000
	No.	Year			
1	305	2001	260 000	BGN	101.58
3	113	2001	500 000	BGN	100.04
	114	2001	1 100 000	BGN	99.84
	116	2001	715 000	BGN	99.24
4	327	1999	320 000	BGN	103.16
	309	2000	1 000 000	BGN	111.50
	309	2000	300 000	BGN	110.05
	301	2001	350 000	BGN	107.55
	301	2001	350 000	BGN	109.60
	301	2001	500 000	BGN	109.44
	303	2001	500 000	BGN	107.59
5	400	1999	5 150	EUR	79.81
	119	2001	150 707	BGN	98.84
10	-	-	-	-	-
11	-	-	-	-	-
12	310	2000	1 000 000	BGN	100.00
13	117	2001	285 000	BGN	100.00
	301	2001	1 420 000	BGN	109.60
14	-	-	-	-	-
17	97	1994	31 422	USD	80.73
	302	2001	2 000 000	BGN	100.24
	307	2000	650 000	BGN	105.52
	309	2000	1 000 000	BGN	111.60
	301	2001	350 000	BGN	109.76
	301	2001	350 000	BGN	109.76
	303	2001	1 000 000	BGN	104.83
	303	2001	1 000 000	BGN	105.84
	303	2001	1 000 000	BGN	109.60
	303	2001	1 000 000	BGN	109.60
	18	304	2001	1 000 000	BGN
301		2001	150 000	BGN	107.48
301		2001	1 000 000	BGN	107.38
301		2001	580 000	BGN	107.47
301		2001	130 000	BGN	111.90
19	97	1994	1 588	USD	80.11
	120	2001	250 000	BGN	98.85
	120	2001	531 176	BGN	98.80
	300	2000	800 000	BGN	102.44
	301	2001	2 100 000	BGN	100.00
20	97	1994	500 000	USD	79.62
	97	1994	350 000	USD	80.70
	97	1994	500 000	USD	80.52
	120	2001	250 000	BGN	98.88
	327	1999	500 000	BGN	103.53
	301	2001	1 000 000	BGN	109.83
21	303	2001	1 000 000	BGN	107.92
	305	2001	500 000	BGN	101.85

(continued)

(continued)

Date	Issue		Nominal value	Currency	Price 100/1000
	No.	Year			
24	300	2001	2 700 000	BGN	102.00
	301	2001	955 000	BGN	107.88
	301	2001	500 000	BGN	109.84
	301	2001	2 100 000	BGN	100.06
	305	2001	500 000	BGN	101.87
25	116	2001	1 200 000	BGN	99.57
	306	2000	328 067	BGN	103.22
	306	2000	420 000	BGN	103.26
	303	2001	1 000 000	BGN	108.05
26	310	2000	1 000 000	BGN	100.18
	305	2001	1 500 000	BGN	101.86
	305	2001	1 500 000	BGN	101.50
27	325	1999	100 000	BGN	104.00
	327	1999	200 000	BGN	103.00
	308	2000	800 000	BGN	104.57
	300	2001	2 700 000	BGN	102.03
	309	2000	145 000	BGN	110.34
	301	2001	880 000	BGN	112.03
28	400	1999	500 000	EUR	80.35
	308	2000	2 000 000	BGN	100.00
	304	2001	210 000	BGN	102.46
	304	2001	210 000	BGN	102.63
	307	2000	750 000	BGN	105.44

**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)

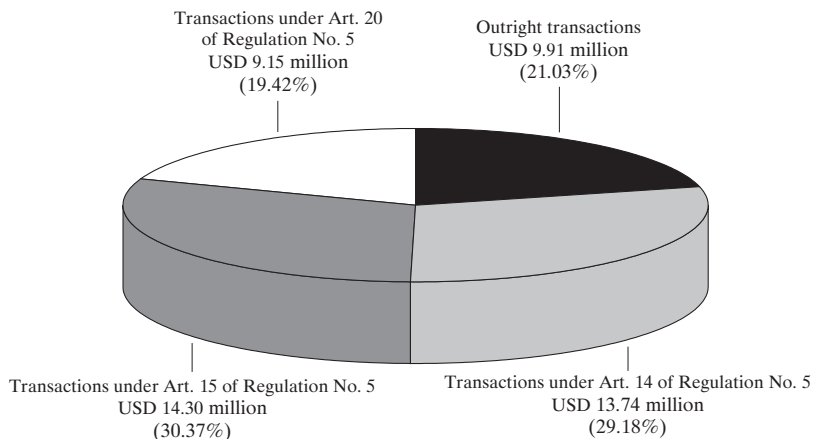
Date September	Repo agreements	Outright sales	Regulation No. 5				Privatization transactions	Transactions in GS, total	Transactions in securities		
			Article 14	Article 15	Article 20	Article 21			BSE	OTC market	Total
1	14 000 000	260 000	2 000 000	857 500	-	-	-	17 117 500	7 120	-	7 120
3	11 500 000	2 826 000	747 478	4 360 252	-	-	-	19 433 730	445 618	-	445 618
4	6 000 000	6 643 385	6 384 096	983 000	11 343 520	-	-	31 354 001	27 151	-	27 151
5	1 055 000	1 517 193	2 876 752	15 225 842	121 622	-	-	20 796 408	1 533 783	130	1 533 913
10	4 268 742	87 992	5 023 324	4 093 649	-	-	-	13 473 706	27 846	-	27 846
11	3 000 000	23 780	1 786 416	489 929	-	-	-	5 300 125	410	-	410
12	4 000 000	4 630 000	2 407 292	7 877 035	500 000	-	-	19 414 327	1 141 335	936	1 142 271
13	3 000 000	3 366 066	2 603 096	4 776 024	-	526 704	-	14 271 891	34 984	-	34 984
14	5 000 000	450 000	900 000	5 883 044	60 000	-	-	12 293 044	6 395 662	599 816	6 995 478
17	1 768 742	8 416 662	22 027 512	2 892 068	-	-	-	35 104 985	40 991	-	40 991
18	-	10 104 650	6 934 768	712 971	20 700	-	-	17 773 089	28 566	-	28 566
19	8 000 000	6 394 216	4 781 825	1 821 356	800 000	-	3 356	21 800 752	14 331	-	14 331
20	12 150 000	11 577 301	5 040 001	9 953 383	2 478 751	-	-	41 199 436	455 809	-	455 809
21	11 838 000	5 509 695	5 300 000	3 360 495	-	-	-	26 008 190	71 618	-	71 618
24	2 760 000	8 880 900	5 781 835	2 280 647	-	-	-	19 703 382	25 003	-	25 003
25	4 893 100	4 015 192	3 080 206	4 159 530	-	-	-	16 148 028	133 698	-	133 698
26	11 600 000	12 598 595	23 448 750	7 091 763	8 922 627	-	-	63 661 736	51 135	-	51 135
27	12 839 000	10 089 420	5 543 266	3 449 587	300 000	-	-	32 221 273	14 649	10	14 659
28	15 400 000	9 906 518	6 874 250	28 278 917	11 901 613	2 000 000	-	74 361 297	457 351	9 360	466 711
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	133 072 584	107 297 564	113 540 866	108 546 991	36 448 833	2 526 704	3 356	501 436 899	10 907 061	610 252	11 517 313
Average volume of government securities transactions*								21 801 604.28			

\* Volume calculated on the basis of 23 operating primary dealers.

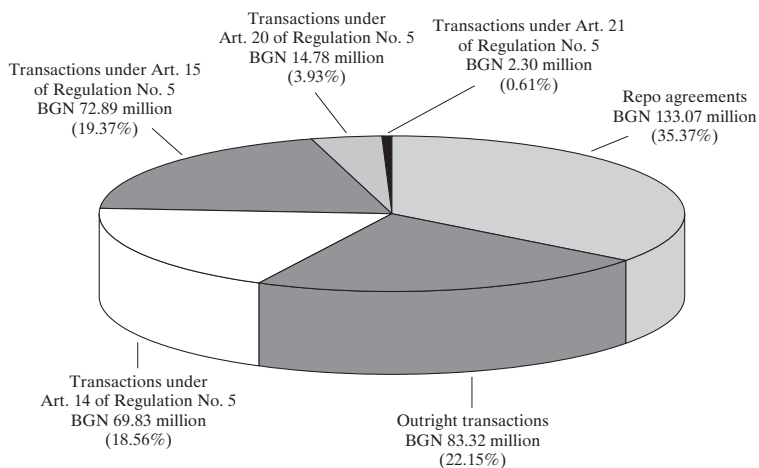
- Notes:**
1. The amount of approved competitive and noncompetitive bids on behalf of companies and individuals of BGN 2,650,000 is included.
  2. The amount of approved bids for participation in government securities auctions on behalf of nonprimary dealers of BGN 5,272,235 is included.
  3. The volume 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 and EUR-denominated government securities are in levs at the fixed exchange rate.



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



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





# 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

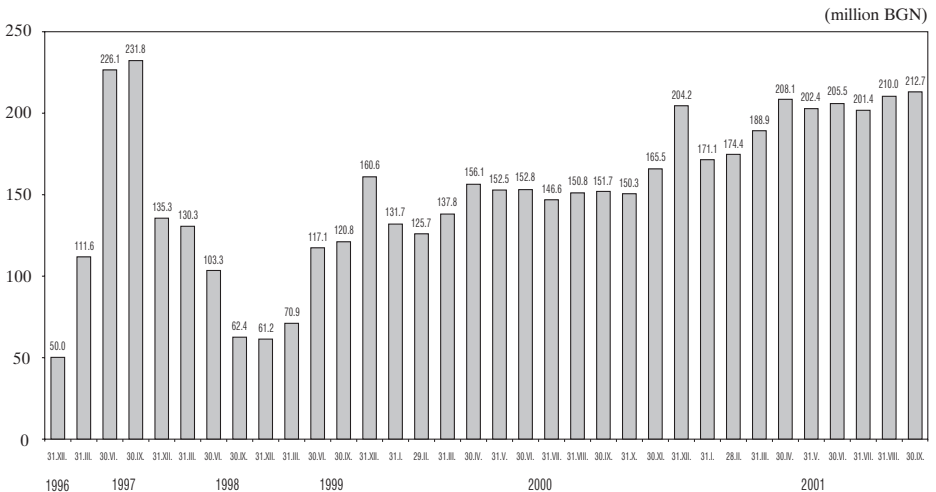
The volume of government securities issued for budget deficit financing and sold to nonbank financial institutions, companies and individuals increased during the period under review. As of 30 September 2001 these government securities accounted for BGN 212,744 thousand (Chart 11), an increase of BGN 2,743 thousand, or 1.31% on the previous month. Sales of target govern-

ment securities earmarked for physical persons accounted for BGN 32,693 thousand (Chart 12), a decrease of BGN 131 thousand, or 0.4% on August.

In September sales of government securities issued under Regulation No. 5 included three-month treasury bills of BGN 2,468.2 thousand, two-year treasury bonds of BGN 13,709 thousand and five-year treasury bonds of BGN 12,054 thousand. Two-year treasury bonds occupied the largest share in total government securities sales in September: 48.56%.

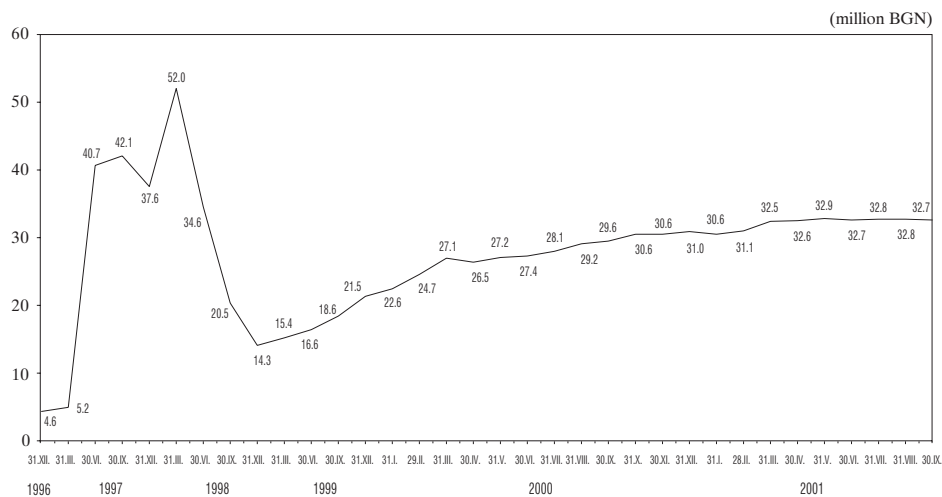
Chart 11

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



Note: Preliminary data for September 2001.

### Investments in Target Government Securities Earmarked for Individuals



Note: Preliminary data for September 2001.

### Target Issues of Government Securities Earmarked for Physical Persons

Between 29 August and 25 September 2001<sup>1</sup> 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 inter-

<sup>1</sup> 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.

est payment is effected at maturity together with the nominal value of government securities. The annual interest rate of the first interest coupon is 5.5%, the second 6.0%, the third 6.5%, and the fourth 7.0%. 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 September was BGN 900.7 thousand nominal value, including BGN 470.9 thousand sold by the BNB (Chart 13).

## 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 decreased in September. As of 30 September 2001 total sales of government securities accounted for BGN 351,579.8 thousand (including sales to foreign investors), a decrease of BGN 9,932.4 thousand, or 2.75%, on August (Chart 15).

The bulk of government securities issued for structural reform was sold by commercial banks (82.26%) and other financial institutions (17.74%).

Lev-denominated government securities held by individuals, companies and nonbank financial institutions totaled

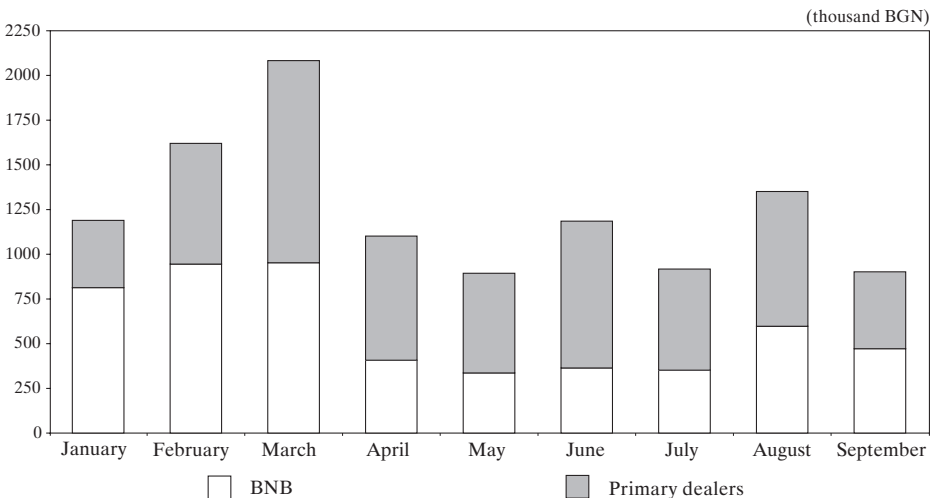
BGN 7,457.77 thousand, while USD-denominated government securities issued under ZUNK accounted for BGN 268,060.89 thousand (USD 125.15 million), and EUR-denominated government securities issued for structural reform amounted to BGN 76,061.10 thousand (EUR 38.89 million).

## Foreign Investments in Government Securities

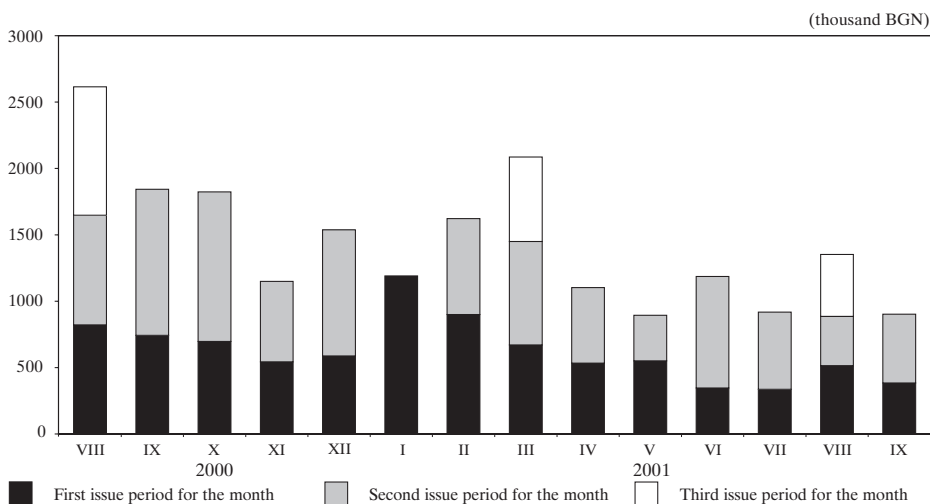
In September the volume of government securities held by foreign investors decreased by BGN 28,810.85 thousand, or 16.35% on August. As of 30 September foreign investments in government securities totaled BGN 147,450.82 thousand (Chart 16).

Chart 13

### Share of Government Securities (Earmarked for Physical Persons) Sold by the BNB in Total Volume of Target Government Securities Issued in 2001



### Volume of Target Government Securities Sales to Physical Persons



Sales of government securities issued under Regulation No. 5 for budget deficit financing accounted for BGN 0.1 thousand. By end-September the volume of target government securities (earmarked for direct sale to physical persons) totaled BGN 0.1 thousand.

As of 30 September 2001 USD-denominated long-term government bonds held by foreign investors decreased on August by BGN 13,499.60 thousand, accounting for USD 66.39 million

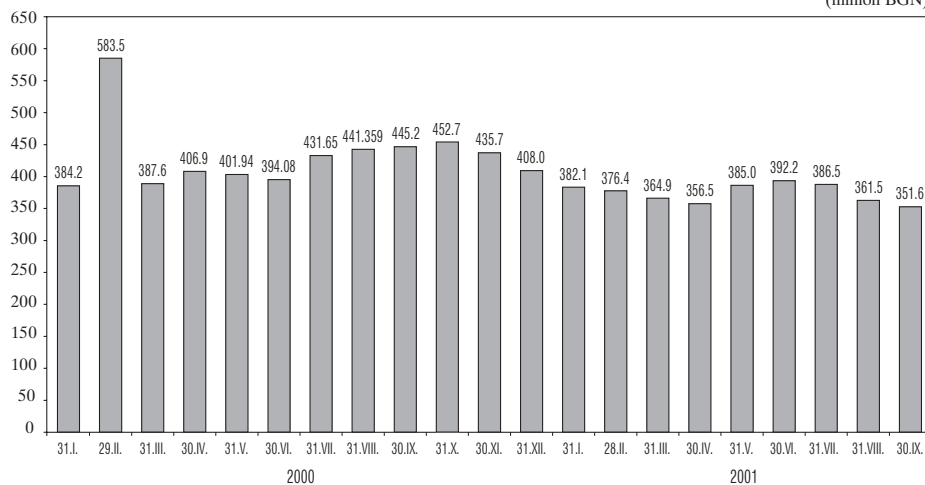
(BGN 142.20 million lev equivalent, Chart 17), a decrease of BGN 28.41 million (16.65%) on the previous month.

The relative share of these government securities in foreign investors' portfolios remained high: 96.44% (Chart 18).

In September the volume of EUR-denominated government securities held by foreign investors remained unchanged, accounting for EUR 2.68 million (3.56%) as of 30 September 2001.

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

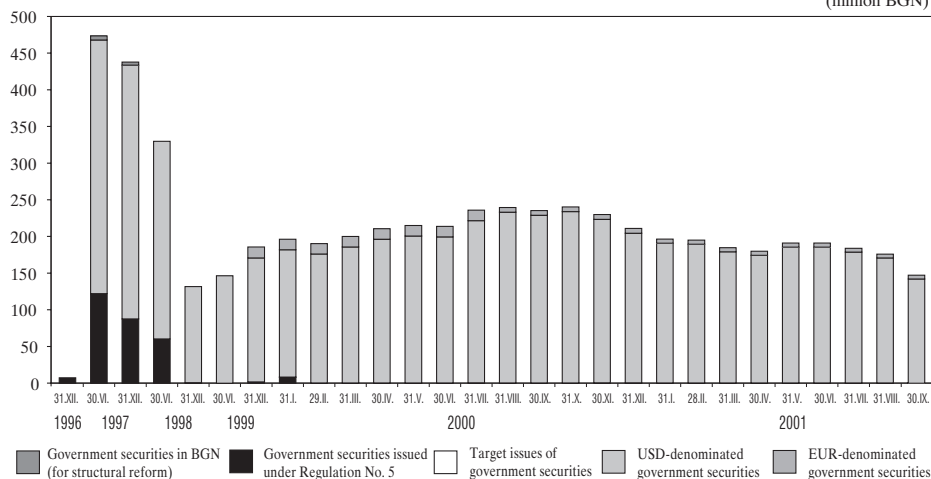
(million BGN)



- 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 September 2001.

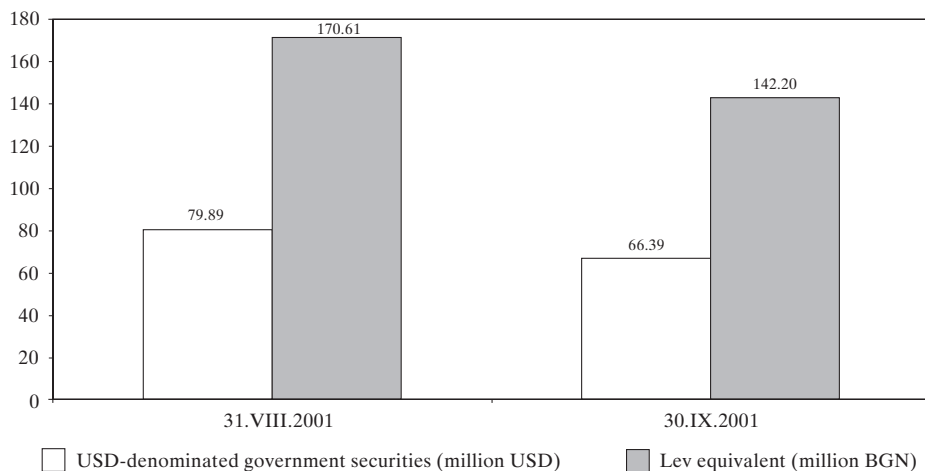
### Government Securities in Foreign Investors' Portfolios

(million BGN)



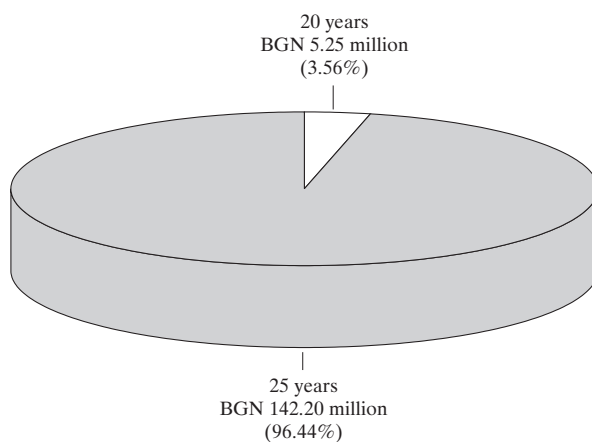
**Note:** Preliminary data for September 2001.

### USD-denominated Government Securities Held by Foreign Investors



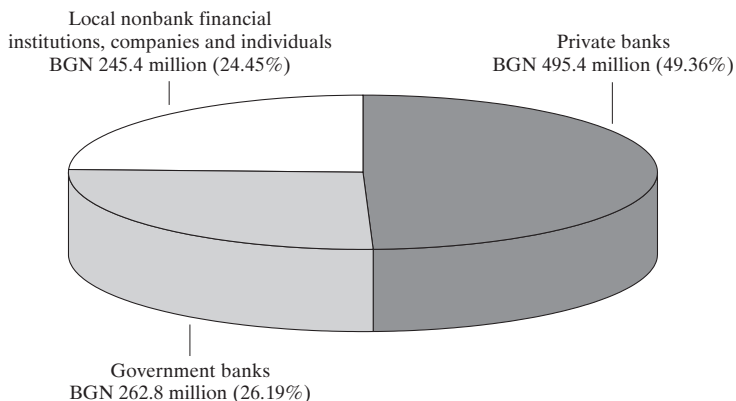
- Notes:** 1. The lev equivalent of USD-denominated government securities is based on BNB exchange rate at the end of month.  
2. Preliminary data for September 2001.

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



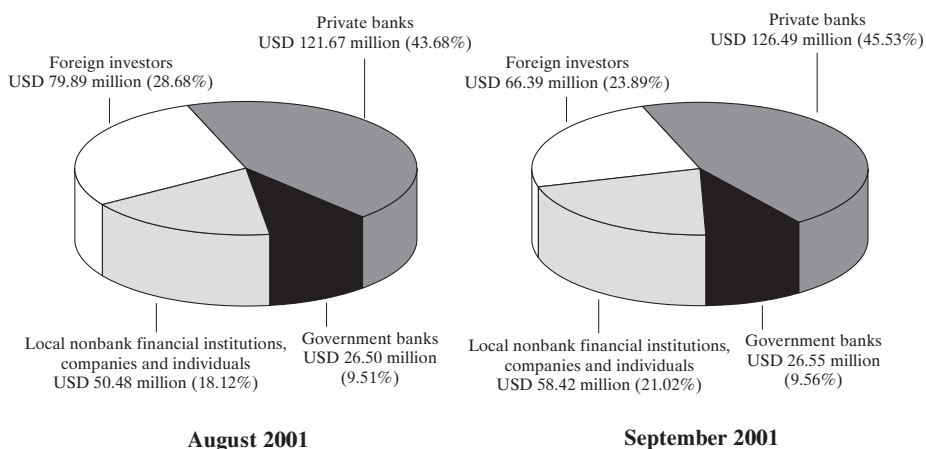
**Note:** Preliminary data.

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



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

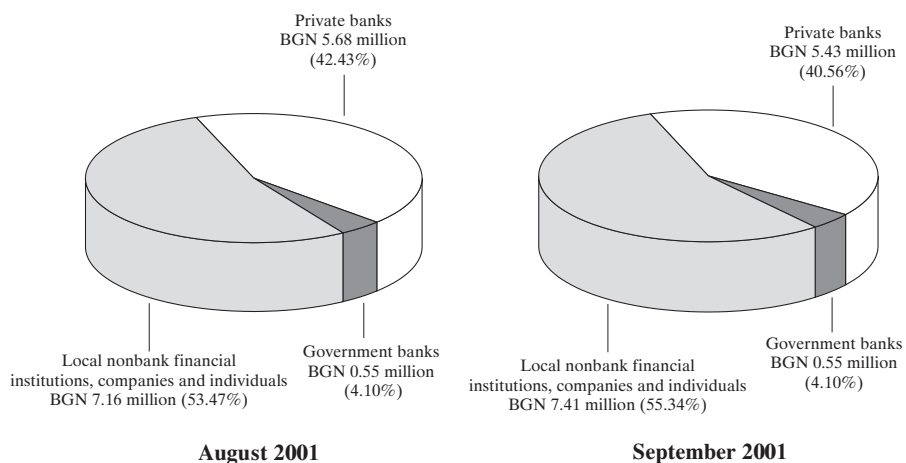
### Holders of USD-denominated Government Securities Issued under ZUNK



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



## Holders of Lev-denominated Government Securities Issued for Structural Reform



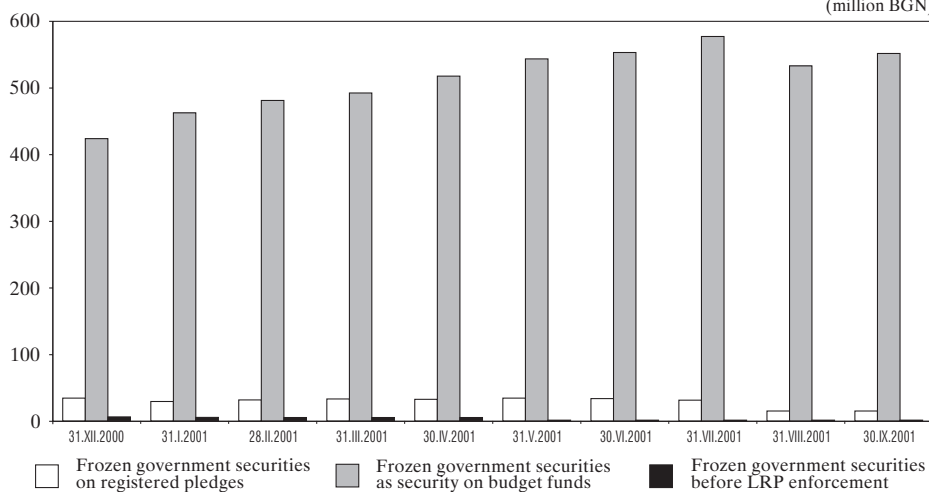
**Notes:** 1. Including frozen government securities by financial institutions.  
2. Preliminary data for September 2001.

## Volume of Frozen Government Securities as of 30 September 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	3 248 348	2 097 579		3 618 545
Frozen government securities as security on budget funds	414 289 109	60 501 409	305 000	3 000 000
Frozen government securities under contracts concluded before enforcement of the Law on Registered Pledges	1 026 000		130 400	
<b>TOTAL</b>	<b>418 563 457</b>	<b>62 598 988</b>	<b>435 400</b>	<b>6 618 545</b>

### Volume and Structure of Frozen Government Securities

(million BGN)



**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.	BG3015300000	BG3010301003	BG3011001008	BG3011401000	BG3011501007	BG3011601005	BG3011701003	BG3011801001
Issue date	29.11.2000	14.02.2001	09.05.2001	04.07.2001	18.07.2001	01.08.2001	08.08.2001	15.08.2001
Maturity date	28.11.2001	14.02.2002	09.05.2002	04.10.2001	18.10.2001	01.11.2001	08.08.2002	15.11.2001
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)	32 755.00	61 610.00	52 400.00	20 175.00	18 400.00	16 175.05	39 000.00	15 355.00
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 (%)	94.89	95.29	95.28	98.87	98.85	98.84	95.14	98.80
Average discount per BGN 100 (%)	5.11	4.71	4.72	1.13	1.15	1.16	4.86	1.20
Average annual yield (%)	5.40	4.88	4.89	4.47	4.55	4.59	5.04	4.75
Effective annual yield (%)	5.40	4.87	4.88	4.55	4.63	4.67	5.04	4.84
Coverage coefficient	1.64	3.08	2.62	2.02	1.84	1.62	1.95	1.54

(continued)

(continued)

Issue No.	BG3011901009	BG3012001007
Issue date	05.09.2001	19.09.2001
Maturity date	05.12.2001	19.12.2001
Nominal value of the offer (thousand BGN)	10 000.00	10 000.00
Total nominal value of the bids received (thousand BGN)	18 600.00	13 898.00
Total nominal value of the bids approved (thousand BGN)	10 000.00	10 000.00
Average price of the bids approved per BGN 100 (%)	98.83	98.81
Average discount per BGN 100 (%)	1.17	1.19
Average annual yield (%)	4.68	4.76
Effective annual yield (%)	4.77	4.85
Coverage coefficient	1.86	1.39

Source: BNB and MF.

## Treasury Bonds

Issue No.	BG2034797121	BG2030798115	BG2030998111	BG2031198117	BG2031998110	BG2032198116	BG2030699115	BG2030999119
Issue date	16.05.1997	30.04.1998	28.05.1998	02.07.1998	29.10.1998	03.12.1998	31.03.1999	29.04.1999
Maturity date	10.05.2002	24.04.2003	22.05.2003	26.06.2003	25.10.2001	29.11.2001	24.03.2004	22.04.2004
Nominal value of the offer (thousand BGN)	20 000.00	1 000.00	2 000.00	2 000.00	1 500.00	500.00	2 000.00	1 190.00
Total nominal value of the bids received (thousand BGN)	20 000.00	3 605.00	3 440.00	2 070.00	700.00	1 250.00	2 795.00	1 190.00
Total nominal value of the bids approved (thousand BGN)	20 000.00	1 000.00	2 000.00	2 000.00	250.00	500.00	2 000.00	1 190.00
Average price of the bids approved per BGN 100 (%)	100.00	87.14	84.78	76.20	83.48	95.55	86.35	78.39
Average discount per BGN 100 (%)		12.86	15.22	23.80	16.52	4.45	13.65	21.61
Interest rate	BIR+4	8.00	8.00	7.00	6.50	9.00	9.00	9.00
Coverage coefficient	1.00	3.61	1.72	1.04	0.47	2.50	1.40	1.00

(continued)

(continued)

Issue No.	BG2032399110	BG2032499118	BG2032599115	BG2032699113	BG2032799111	BG2032899119	BG2030000116	BG2030100114 <sup>1</sup>
Issue date	13.10.1999	27.10.1999	10.11.1999	24.11.1999	08.12.1999	22.12.1999	19.01.2000	09.02.2000
Maturity date	10.10.2001	24.10.2001	07.11.2001	21.11.2001	05.12.2001	19.12.2001	16.01.2002	05.02.2003
Nominal value of the offer (thousand BGN)	8 000.00	10 000.00	10 000.00	10 000.00	10 000.00	10 000.00	28 000.00	50 000.00
Total nominal value of the bids received (thousand BGN)	39 093,50	28 485,05	24 059,00	29 786,00	40 252,00	37 050,00	87 580,00	192 244,60
Total nominal value of the bids approved (thousand BGN)	8 000.00	10 000.00	10 000.00	10 000.00	10 000.00	10 000.00	28 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	98.02	98.53	98.80	99.04	99.60	100.12	99.74	101.20
Average discount per BGN 100 (%)	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	8.00	9.00
Coverage coefficient	4.89	2.85	2.41	2.98	4.03	3.71	3.13	3.84

(continued)

(continued)

Issue No.	BG20302000112	BG20303000110	BG2030400118 <sup>2</sup>	BG2030500115 <sup>2</sup>	BG2030600113 <sup>2</sup>	BG2030700111 <sup>2</sup>	BG2030800119 <sup>2</sup>	BG2030900117 <sup>2</sup>
Issue date	16.02.2000	15.03.2000	05.04.2000	19.04.2000	05.07.2000	19.07.2000	04.10.2000	11.10.2000
Maturity date	13.02.2002	13.03.2002	03.04.2002	16.04.2003	03.07.2002	16.07.2003	02.10.2002	05.10.2005
Nominal value of the offer (thousand BGN)	28 000.00	28 000.00	50 000.00	30 000.00	50 000.00	30 000.00	50 000.00	40 000.00
Total nominal value of the bids received (thousand BGN)	84 094.00	61 368.00	151 083.50	120 312.85	135 755.00	131 450.00	126 512.50	113 365.10
Total nominal value of the bids approved (thousand BGN)	28 000.00	28 000.00	50 000.00	30 000.00	50 000.00	30 000.00	50 000.00	40 000.00
Average price of the bids approved per BGN 100 (%)	100.34	100.10	100.83	100.61	101.16	102.09	101.88	100.35
Average discount per BGN 100 (%)								
Interest rate	7.00	7.00	7.00	8.00	7.00	8.00	7.00	9.00
Coverage coefficient	3.00	2.19	3.02	4.01	2.72	4.38	2.53	2.83

(continued)

Issue No.	BG2031000115 <sup>2</sup>	BG2030001114 <sup>3</sup>	BG2030101112 <sup>2</sup>	BG2030201110 <sup>3</sup>	BG2030301118 <sup>2</sup>	BG2030401116 <sup>3</sup>	BG2030501113 <sup>2</sup>
Issue date	18.10.2000	10.01.2001	24.01.2001	11.04.2001	25.04.2001	11.07.2001	25.07.2001
Maturity date	15.10.2003	10.01.2003	24.01.2006	11.04.2003	25.04.2006	11.07.2003	25.07.2006
Nominal value of the offer (thousand BGN)	30 000.00	50 000.00	60 000.00	50 000.00	60 000.00	50 000.00	60 000.00
Total nominal value of the bids received (thousand BGN)	110 383.00	121 965.00	253 630.14	95 565.00	165 396.00	87 163.00	140 070.00
Total nominal value of the bids approved (thousand BGN)	30 000.00	50 000.00	60 000.00	50 000.00	60 000.00	50 000.00	60 000.00
Average price of the bids approved per BGN 100 (%)	102.15	101.61	105.02	102.34	104.91	101.24	101.01
Average discount per BGN 100 (%)							
Interest rate	7.50	6.50	9.00	6.50	8.00	6.00	7.00
Coverage coefficient	3.68	2.44	4.23	1.91	2.76	1.74	2.33

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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	12 677.91	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, item 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 September 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)	2034.93 (BGN)	7771.49 (BGN)	277 847.56 (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 September 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

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Issue No.	BG2040099223
Issue date	01.07.1999
Maturity date	01.01.2019
Principal (thousand EUR)	60 606.27
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 September 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)

No.	ISSUES			Amount offered by the MF (thousand BGN)	BIDS RECEIVED						BIDS APPROVED					
	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 %		Minimum	Maximum	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
BG 30 114 01000	02.07.2001	04.07.2001	04.10.2001	10 000.00	20 175.00	98.86	1.15	4.51	4.59	10 000.00	98.86	98.90	98.87	1.14	4.47	4.55
BG 30 115 01007	16.07.2001	18.07.2001	18.10.2001	10 000.00	18 400.00	98.81	1.20	4.71	4.80	10 000.00	98.80	98.88	98.85	1.16	4.55	4.63
BG 30 116 01005	30.07.2001	01.08.2001	01.11.2001	10 000.00	16 175.05	98.81	1.20	4.71	4.80	10 000.00	98.79	98.88	98.84	1.17	4.59	4.67
BG 30 118 01001	13.08.2001	15.08.2001	15.11.2001	10 000.00	15 355.00	98.79	1.22	4.79	4.88	10 000.00	98.79	98.84	98.80	1.21	4.75	4.84
BG 30 119 01009	03.09.2001	05.09.2001	05.12.2001	10 000.00	18 600.00	98.81	1.20	4.76	4.85	10 000.00	98.79	98.88	98.83	1.18	4.68	4.77
BG 30 120 01007	17.09.2001	19.09.2001	19.12.2001	10 000.00	13 898.00	98.76	1.26	4.97	5.06	10 000.00	98.75	98.85	98.81	1.20	4.76	4.85
<b>Three-month issues, total</b>				<b>180 000.00</b>	<b>323 687.84</b>					<b>180 000.00</b>						

(continued)

(continued)

No.	ISSUES			Amount offered by the MF (thousand BGN)	BIDS RECEIVED					BIDS APPROVED						
	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 30 103 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
BG 30 117 01003	06.08.2001	08.08.2001	08.08.2002	20 000.00	39 000.00	94.94	5.33	5.26	5.25	20 000.00	94.97	95.32	95.14	5.11	5.04	5.04
<b>One-year issues, total</b>				<b>60 000.00</b>	<b>153 010.00</b>					<b>60 000.00</b>						
<b>Total</b>				<b>240 000.00</b>	<b>476 697.84</b>					<b>240 000.00</b>						

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

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

$$AY = YM \times n$$

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.

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

September 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		
BG 20 304 01116	09.07.2001	11.07.2001	11.07.2001	11.07.2003	11.01.2002 11.07.2002 11.01.2003 11.07.2003	6.0	50 000.00	25 000.00	54 800.00	100.64	25 000.00	100.66	101.31	100.85	5.55
BG 20 304 01116*	10.09.2001	11.07.2001	12.09.2001	11.07.2003			25 000.00	32 363.00	101.51	25 000.00	101.37	101.94	101.62		
<b>Two-year issues, total</b>							<b>150 000.00</b>	<b>150 000.00</b>	<b>304 693.00</b>		<b>150 000.00</b>				
<b>Three-year issues, total</b>							<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>				
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)

No.	ISSUES					Interest rate offered by the MF	Amount offered by the MF			BIDS RECEIVED			BIDS APPROVED		
	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 20 301 01112*	26.02.2001	24.01.2001	28.02.2001	24.01.2006			20 000.00	87 276.00	104.50	20 000.00	105.17	106.50	105.46		
BG 20 301 01112*	26.03.2001	24.01.2001	28.03.2001	24.01.2006			20 000.00	70 430.00	106.81	20 000.00	107.28	109.62	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	55 846.00	102.16	20 000.00	102.55	104.37	103.61		
					25.04.2002								7.13		
					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	60 050.00	104.54	20 000.00	104.83	105.91	105.09		
BG 20 303 01118*	25.06.2001	25.04.2001	27.06.2001	25.04.2006			20 000.00	49 500.00	105.60	20 000.00	105.77	106.51	106.02		
BG 20 305 01113	23.07.2001	25.07.2001	25.07.2001	25.07.2006	25.01.2002	7.0	60 000.00	51 650.00	100.24	20 000.00	100.38	102.20	100.79		
					25.07.2002								6.81		
					25.01.2003										
					25.07.2003										
					25.01.2004										
					25.07.2004										
					25.01.2005										
					25.07.2005										
					25.01.2006										
					25.07.2006										
BG 20 305 01113*	20.08.2001	25.07.2001	22.08.2001	25.07.2006			20 000.00	41 950.00	99.42	20 000.00	99.78	101.36	100.64		
BG 20 305 01113*	24.09.2001	25.07.2001	26.09.2001	25.07.2006			20 000.00	46 470.00	100.98	20 000.00	101.08	102.83	101.61		
<b>Five-year issues, total</b>							<b>180 000.00</b>	<b>559 096.14</b>		<b>180 000.00</b>			<b>180 000.00</b>		
<b>Total</b>							<b>330 000.00</b>	<b>863 789.14</b>		<b>330 000.00</b>			<b>330 000.00</b>		

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

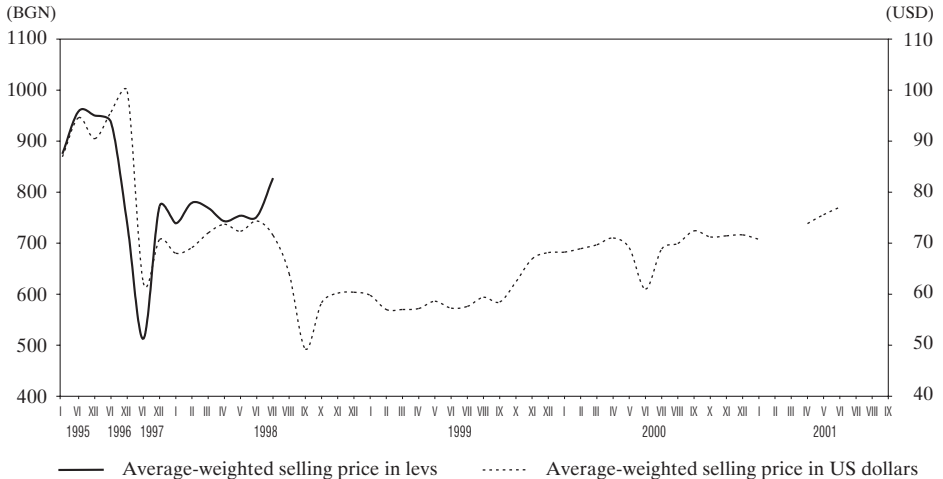
In September one transfer transaction in government securities to the MF account, issued for structural reform, totaling USD 1,588, to be used as legal tender in privatization transactions, was registered.

Long-term government bonds issued under Articles 4 and 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 3,900 and USD 691 thousand, were sold and matured in September.

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	-	11.47	-	-	4379.23
	1999	-	-	-	-	-	-	-	-	-	-	-	-	-
	2000	-	-	6.90	-	-	-	-	-	-	-	-	-	6.90
	2001	2.79	-	-	-	-	-	-	-	-	-	-	-	2.79
II. Government securities in USD (million USD)	1994						0.80	0.10	0.10	0.90	1.70	-	3.90	7.50
	1995				2.22	0.04	2.47	0.20	2.21	0.22	4.29	1.22	0.76	14.37
	1996	0.18	0.23	0.32	0.11	1.54	1.41	6.22	1.73	3.86	2.63	2.15	10.26	39.64
	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	0.02	0.01	0.01	0.01	0.03	0.01	0.04	0.01	-	0.01	-	0.003	0.14
	2001	0.003	-	0.02	0.04	0.01	0.004	-	-	0.002	-	-	-	0.08
III. Government securities in EUR (thousand EUR)	1999							-	2.79	-	-	-	-	2.79
	2000	-	4.05	-	-	-	-	-	-	-	-	-	-	4.05
	2001	-	-	-	-	-	-	-	-	-	-	-	-	-

- 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.



# GOVERNMENT SECURITIES PRIMARY DEALERS AND REUTERS PAGES FOR GOVERNMENT SECURITIES QUOTATIONS

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## LIST

of government securities primary dealers approved by the Minister of Finance  
and the Governor of the Bulgarian National Bank pursuant to  
Article 4, para. 1 of Regulation No. 5 of the MF and BNB  
until 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
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ROSEXIMBANK	REBS 01
SG EXPRESSBANK	EBVB 01
SII INVEST	SIIB 01
UNIONBANK	UNBS 01-03
UNITED BULGARIAN BANK	UBBB 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 ENCOURAGEMENT 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