

MINISTRY OF FINANCE

**GOVERNMENT DEBT
MANAGEMENT**

MARCH 2002

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Abbreviations

BGN	–	<i>The Abbreviation of the Redenominated Bulgarian Lev</i>
BIR	–	<i>Base Interest Rate</i>
BNB	–	<i>Bulgarian National Bank</i>
CB	–	<i>Commercial Banks</i>
CGB	–	<i>Central Government Budget</i>
CM	–	<i>Council of Ministers</i>
CMD	–	<i>Council of Ministers Decree</i>
CSB	–	<i>Consolidated State Budget</i>
EAPA	–	<i>Economic Analyses and Projections Agency</i>
EBRD	–	<i>European Bank for Reconstruction and Development</i>
GDP	–	<i>Gross Domestic Product</i>
GGS	–	<i>Guarantee Government Securities</i>
GS	–	<i>Government Securities</i>
IMF	–	<i>International Monetary Fund</i>
JBIC	–	<i>Japan Bank for International Cooperation</i>
LBNB	–	<i>Law on the Bulgarian National Bank</i>
LSPDACB	–	<i>Law on State Protection of Deposits and Accounts with Commercial Banks in Respect Whereof the BNB Has Petitioned the Institution of Bankruptcy Proceedings</i>
MF	–	<i>Ministry of Finance</i>
SBL of RB	–	<i>State Budget Law of the Republic of Bulgaria</i>
SDR	–	<i>Special Drawing Rights</i>
SFRD	–	<i>State Fund for Reconstruction and Development</i>
TFP	–	<i>Transitional and Final Provisions</i>
UBB	–	<i>United Bulgarian Bank</i>
ZUNK	–	<i>Bulgarian Abbreviation of the Law on Settlement of Nonperforming Credits Negotiated prior to 31 December 1990 (LSNC)</i>

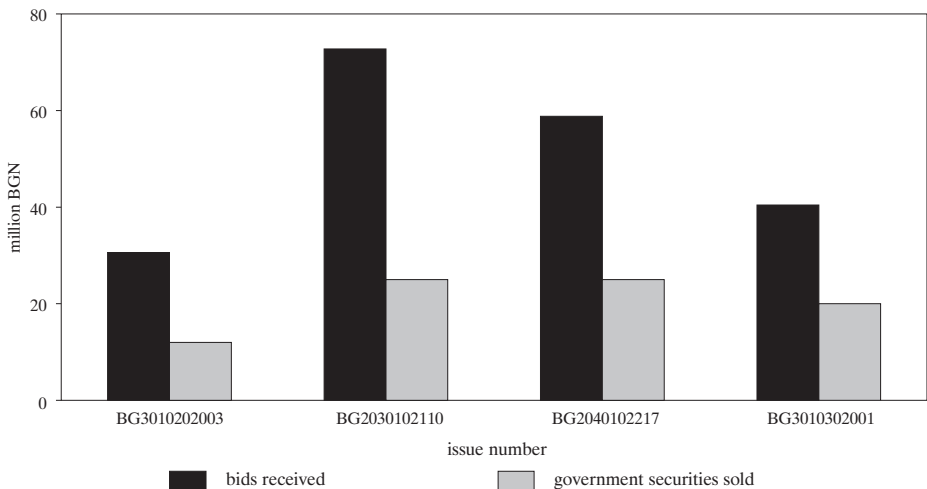
BUDGET DEFICIT FINANCING BY GOVERNMENT SECURITIES ISSUES

In March the Ministry of Finance issued through auctions organized by the BNB four government securities issues under Regulation No. 5, including two discount short-term treasury bills issues (Nos. BG3010202003 and BG3010302001), one tap medium-term (three-year) treasury bonds issue (No. BG2030102110) and one tap long-term (seven-year) treasury bonds issue (No. BG2040102217). In March the seven-year issue was opened again after its issuance in February 2002.

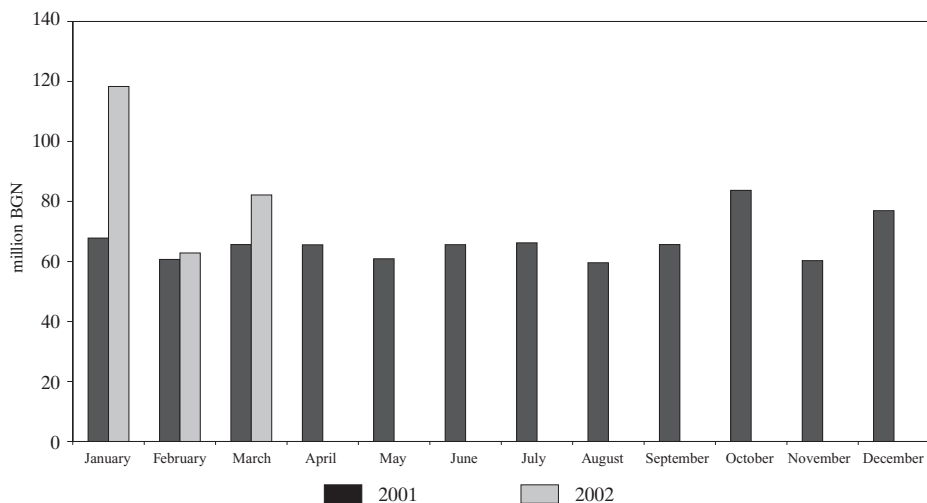
At the auctions primary dealers' bids totaled BGN 202,583.05 thousand: BGN 30,601.05 thousand for three-month government securities, BGN 40,420 thousand for twelve-month, BGN 72,750 thousand for three-year and BGN 58,812 thousand for seven-year government securities (Chart 1). Approved bids totaled BGN 82,000 thousand nominal value, including three-month of BGN 12,000 thousand, twelve-month of BGN 20,000 thousand, three-year of BGN 25,000 thousand, and seven-year of BGN 25,000 thousand (Charts 2 and 3). Coverage coefficient of the issues approved for sale in March accounted for 2.47: 2.55 on three-month, 2.02 on twelve-month, 2.91 on three-year and 2.35 on seven-year (Chart 4). In March the overall coverage coefficient continued to decrease (by 6.44%) from the previous month due to primary dealers' policies reflecting liquidity and free funds investment in government securities.

Chart 1

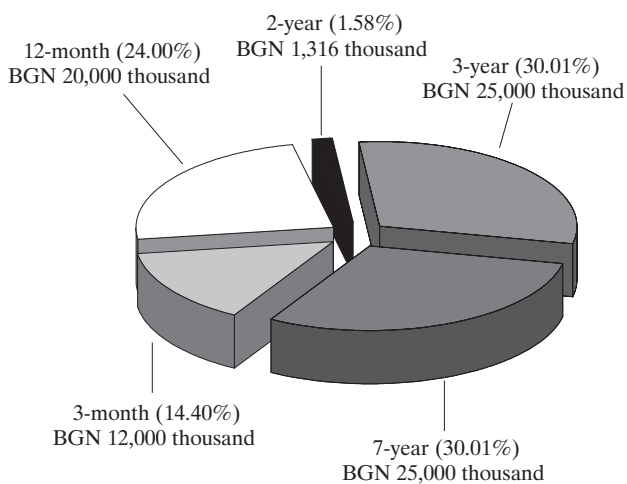
Government Securities Issue in March



Sales of Government Securities Issues

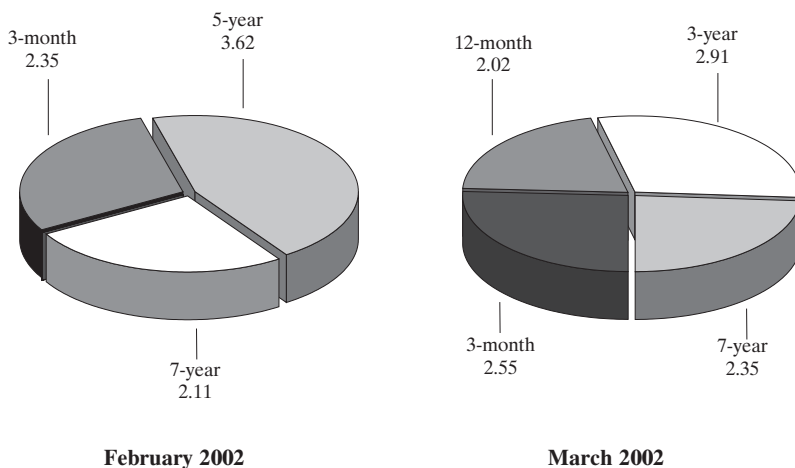


Structure and Volume of Government Securities Issued for Budget Deficit Financing in March



Note: Including target issues of government securities.

Coverage Coefficients of Issues Sold*



* Proportion between bids received and government securities sold.

Government securities issued in March increased by BGN 16.52 million on a year earlier basis (Chart 2). This fact was due both to restructuring and increased volumes of newly issued government debt instruments.

Downward trend in the yield attained in the primary market for all types of government securities continued in March. The yield on three-month treasury bills indicated a new minimum in almost one-year period, decreasing by 11 percentage points on the previous month, and reached 4.43%. The average annual yield of twelve-month government securities amounted to 4.97%, a decrease of 14 percentage points compared with November 2001, the month of their last issue. The most significant decrease in three-year government securities was reported: from 6.98% in December 2000 (the month of their last issue) to 5.90% in March 2002, a decrease of 108 percentage points. The yield on seven-year government bonds fell by 13 percentage points on the previous month, reaching 7.04% (Charts 5, 6 and 8).

Two 2001 issues of treasury bills (Nos. BG3012601004, BG3012701002) and one 2000 treasury bonds issue (No. BG2030300110) matured in March .

In the review period two issues of two-year treasury bonds earmarked for direct sale to individuals were put in circulation: issue No. 705 of 13 March 2002 and issue No. 706 of 27 March 2002. Government securities sold in March totaled BGN 1,315.98 thousand nominal value (Chart 11). Two 2000 issues, amounting to BGN 994.72 thousand, matured in March . During the period under review reverse repurchases accounted for BGN 264.10 thousand (Chart 12).

Prices of Issues Sold per BGN 100 Nominal Value

FEBRUARY 2002

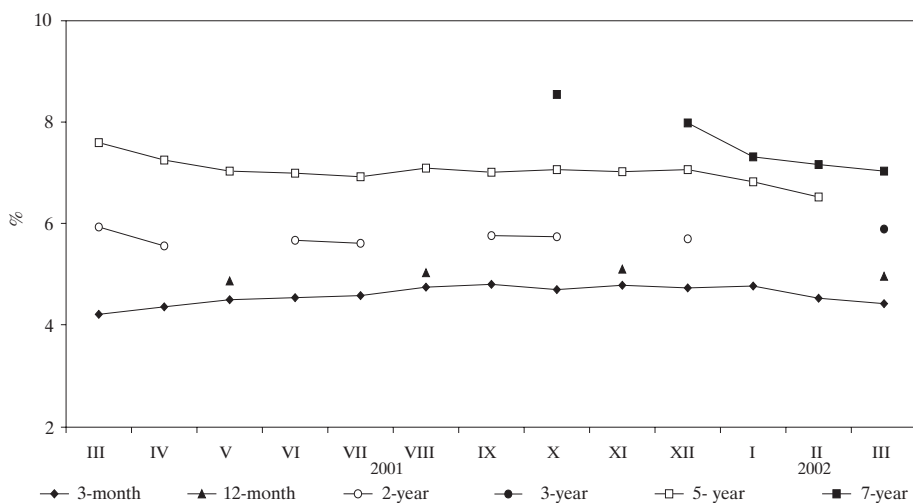
	3-month	5-year	7-year
	BG3010102005	BG2030002112	BG2040102217
Minimum	98.87	101.65	98.85
Average-weighted	98.89	101.98	99.05
Maximum	99.03	102.48	101.12

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	3-month	12-month	3-year	7-year
	BG3010002007	BG2030002112	BG2040002219	BG2040002219
Minimum	98.87	95.13	101.27	99.16
Average-weighted	98.88	95.20	101.62	99.77
Maximum	99.00	95.65	102.45	101.10

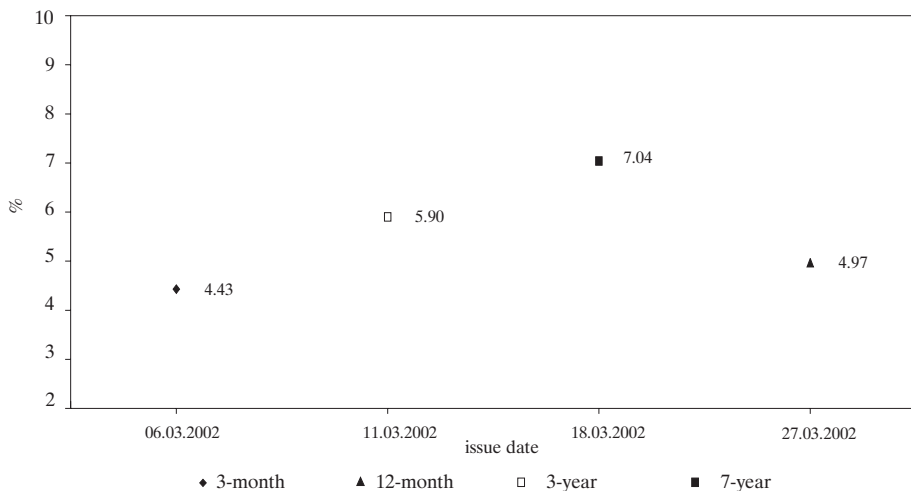
Chart 5

Yield of Primary Market Government Securities



Note: The yield is on an average annual basis.

Dynamics of the Effective Annual Yield of Primary Market Government Securities



Note: Three-year and seven-year tap government securities issues; the above dates indicate the auction dates.

Government Securities Bought in the Primary Market through Competitive and Noncompetitive Bids

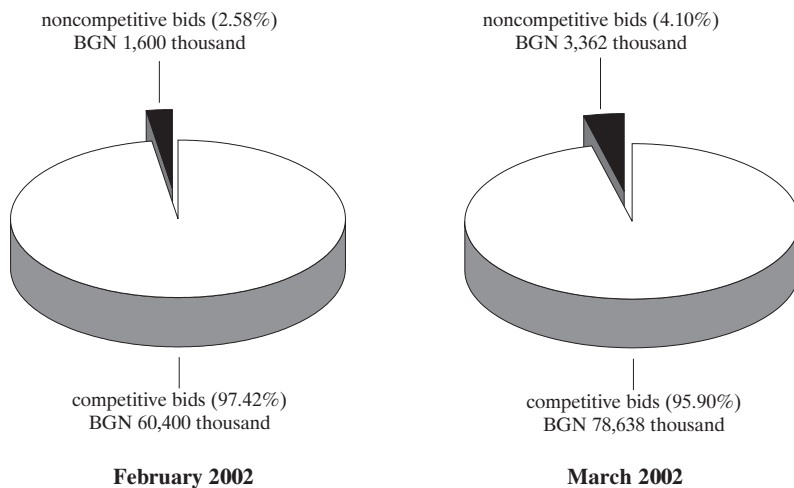
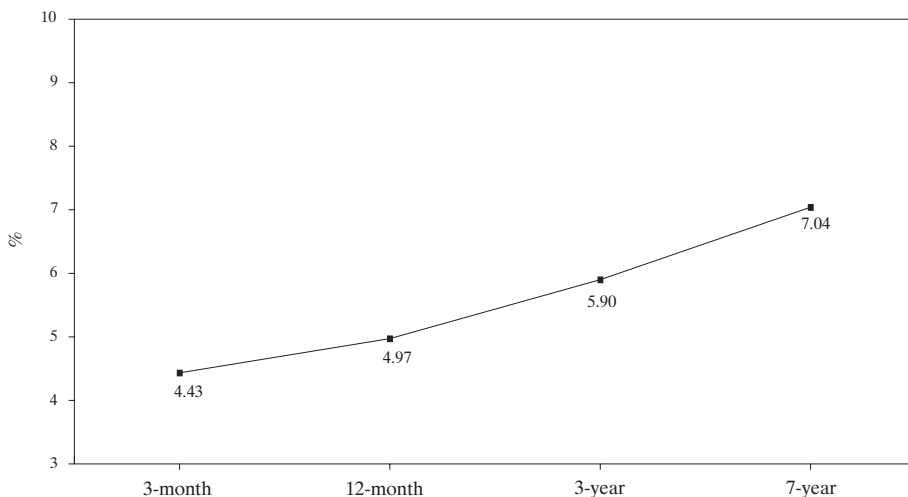


Chart 8

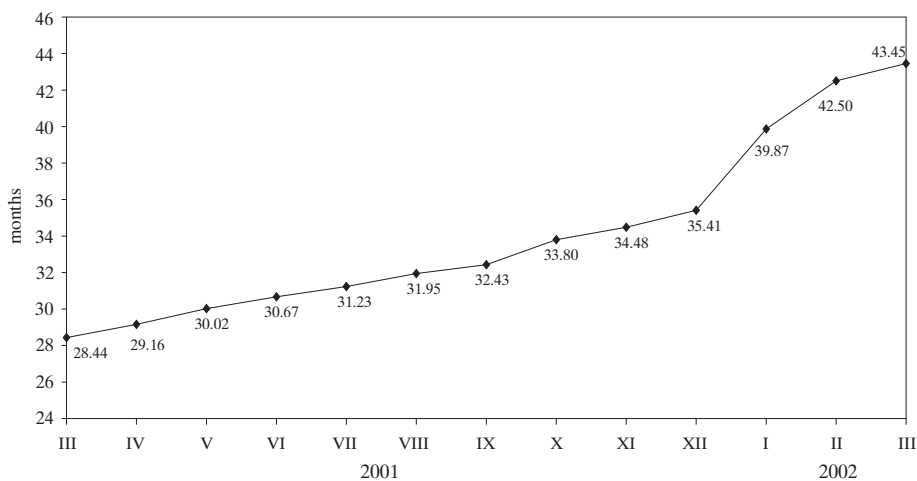
Yield Curve of Primary Market Government Securities in March



Note: Average-weighted yield on an average annual basis.

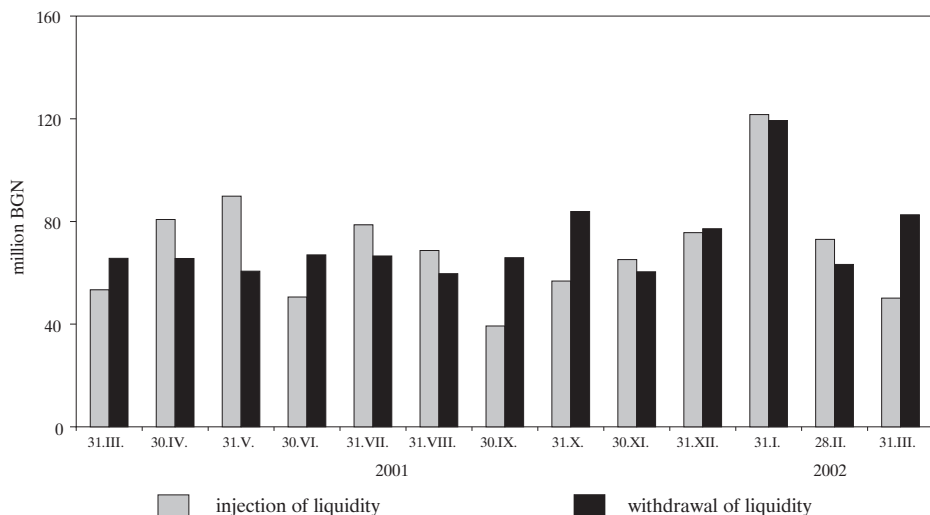
Chart 9

Average Term of Outstanding Government Securities Issues by Month

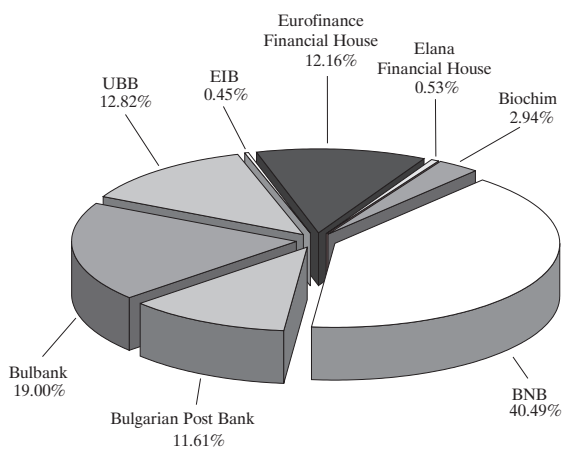


Note: The average term is calculated on the basis of the maturity structure of government securities issued for budget deficit financing.

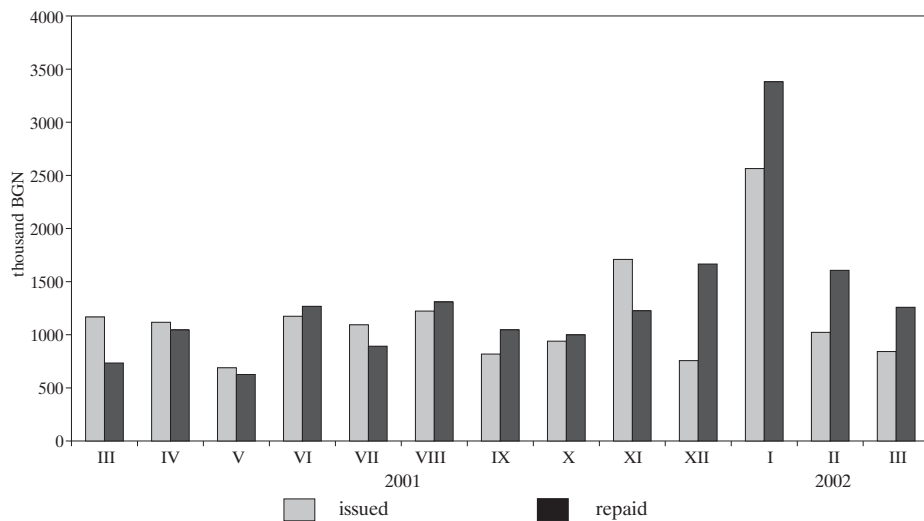
Monthly Liquidity Regulation through Government Securities Issues and Maturities



Primary Dealers' Direct Sales of Government Securities from Target Issues in March



Issued and Repaid Government Securities from Target Issues



Outstanding Government Securities

Discount Treasury Bills

Issue No.	BG3011001008	BG3011701003	BG3012401009	BG3010002007	BG3010102005	BG3010202003	BG3010302001
Issue date	09.05.2001	08.08.2001	14.11.2001	02.01.2002	06.02.2002	06.03.2002	27.03.2002
Maturity date	09.05.2002	08.08.2002	14.11.2002	02.04.2002	06.05.2002	06.06.2002	27.03.2003
Nominal value of the offer (thousand BGN)	20 000.00	20 000.00	20 000.00	12 000.00	12 000.00	12 000.00	20 000.00
Total nominal value of the bids received (thousand BGN)	52 400.00	39 000.00	30 300.00	11 530.00	28 164.50	30 601.05	40 420.00
Total nominal value of the bids approved (thousand BGN)	20 000.00	20 000.00	20 000.00	11 530.00	12 000.00	12 000.00	20 000.00
Average price of the bids approved per BGN 100 (%)	95.28	95.14	95.07	98.82	98.89	98.88	95.20
Average discount per BGN 100 (%)	4.72	4.86	4.93	1.18	1.11	1.12	4.80
Average annual yield (%)	4.89	5.04	5.11	4.78	4.54	4.43	4.97
Effective annual yield (%)	4.88	5.04	5.11	4.86	4.62	4.51	4.97
Coverage coefficient	2.62	1.95	1.52	0.96	2.35	2.55	2.02

Treasury Bonds

Issue No.	BG2034797121	BG2030798115	BG2030998111	BG2031198117	BG2030699115	BG2030999119	BG2030100114 ¹	BG2030400118 ²
Issue date	16.05.1997	30.04.1998	28.05.1998	02.07.1998	31.03.1999	29.04.1999	09.02.2000	05.04.2000
Maturity date	10.05.2002	24.04.2003	22.05.2003	26.06.2003	24.03.2004	22.04.2004	05.02.2003	03.04.2002
Nominal value of the offer (thousand BGN)	20 000.00	1 000.00	2 000.00	2000.00	2 000.00	3 000.00	50 000.00	50 000.00
Total nominal value of the bids received (thousand BGN)	20 000.00	3 605.00	3 440.00	2070.00	2 795.00	1 190.00	192 244.60	151 083.50
Total nominal value of the bids approved (thousand BGN)	20 000.00	1 000.00	2 000.00	2000.00	2 000.00	1 190.00	50 000.00	50 000.00
Average price of the bids approved per BGN 100 (%)	100.00	87.14	84.78	76.20	86.35	78.37	101.20	100.83
Average discount per BGN 100 (%)		12.86	15.22	23.80	13.65	21.63		
Interest rate	BIR+4	8.00	8.00	7.00	9.00	9.00	9.00	7.00
Coverage coefficient	1.00	3.61	1.72	1.04	1.40	0.40	3.84	3.02

(continued)

(continued)

Issue No.	BG2030500115²	BG2030600113²	BG2030700111²	BG2030800119²	BG2030900117²	BG2031000115²	BG2030001114³	BG2030101112²
Issue date	19.04.2000	05.07.2000	19.07.2000	04.10.2000	11.10.2000	18.10.2000	10.01.2001	24.01.2001
Maturity date	16.04.2003	03.07.2002	16.07.2003	02.10.2002	05.10.2005	15.10.2003	10.01.2003	24.01.2006
Nominal value of the offer (thousand BGN)	30 000.00	50 000.00	30 000.00	50 000.00	40 000.00	30 000.00	50 000.00	60 000.00
Total nominal value of the bids received (thousand BGN)	120 312.85	135 755.00	131 450.00	126 512.50	113 365.10	110 383.00	121 965.00	253 630.14
Total nominal value of the bids approved (thousand BGN)	30 000.00	50 000.00	30 000.00	50 000.00	40 000.00	30 000.00	50 000.00	60 000.00
Average price of the bids approved per BGN 100 (%)	100.61	101.16	102.09	101.88	100.35	102.15	101.61	105.02
Average discount per BGN 100 (%)								
Interest rate	8.00	7.00	8.00	7.00	9.00	7.50	6.50	9.00
Coverage coefficient	4.01	2.72	4.38	2.53	2.83	3.68	2.44	4.23

(continued)

(continued)

Issue No.	BG2030201110³	BG2030301118²	BG2030401116³	BG2030501113²	BG2030601111³	BG2030701119²	BG2040001211³	BG2030002112^{3,4}
Issue date	11.04.2001	25.04.2001	11.07.2001	25.07.2001	10.10.2001	24.10.2001	31.10.2001	09.01.2002
Maturity date	11.04.2003	25.04.2006	11.07.2003	25.07.2006	10.10.2003	24.10.2006	31.10.2008	09.01.2007
Nominal value of the offer (thousand BGN)	50 000.00	60 000.00	50 000.00	60 000.00	50 000.00	60 000.00	30 000.00	45 000.00
Total nominal value of the bids received (thousand BGN)	95 565.00	165 396.00	87 163.00	140 070.00	77 900.00	127 550.00	108 287.00	135 320.00
Total nominal value of the bids approved (thousand BGN)	50 000.00	60 000.00	50 000.00	60 000.00	50 000.00	60 000.00	30 000.00	45 000.00
Average price of the bids approved per BGN 100 (%)	102.34	104.91	101.24	101.01	101.18	100.89	96.72	101.57
Average discount per BGN 100 (%)							3.28	
Interest rate	6.50	8.00	6.00	7.00	6.00	7.00	7.50	7.00
Coverage coefficient	1.91	2.76	1.74	2.33	1.56	2.13	3.61	3.01

(continued)

(continued)

Issue No.	BG2040002219³	BG2040102217^{3,4}	BG2030102110⁵
Issue date	16.01.2002	20.02.2002	13.03.2002
Maturity date	16.01.2009	20.05.2009	13.03.2005
Nominal value of the offer (thousand BGN)	60 000.00	55 000.00	25 000.00
Total nominal value of the bids received (thousand BGN)	205 626.00	122 162.00	72 750.00
Total nominal value of the bids approved (thousand BGN)	80 000.00*	55 000.00	25 000.00
Average price of the bids approved per BGN 100 (%)	101.17	99.37	101.62
Average discount per BGN 100 (%)			
Interest rate	7.50	7.00	6.50
Coverage coefficient	3.43	2.22	2.91

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.

⁴ The total volume of the issue is BGN 90,000,000; the MF will sell the remaining portion on an auction principle.

⁵ The total volume of the issue is BGN 50,000,000; the MF will sell the remaining portion on an auction principle.

* According to the resolution adopted by the MF on 21 January 2002, the total volume of the issue was increased to BGN 80,000,000.

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	1398.31	4555.87	6209.87
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 guaranty government securities are based on actual data as of 31 March 2002.

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)	2476.56 (BGN)	2034.93 (BGN)	7335.87 (BGN)	218 821.02 (USD)	785.48 (BGN)	1553.38 (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 31 March 2002.

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 use them 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 leva.

EUR-denominated Government Securities

Issue No.	BG2040099223
Issue date	01.07.1999
Maturity date	01.01.2019
Principal (thousand EUR)	57 239.26
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 31 March 2002.

Pending Payments on Government Securities in May 2002

(thousand BGN)

	Monday	Tuesday	Wednesday	Thursday	Friday
			1	2	3
GGS			142.4		
	6	7	8	9	10
bills bonds target issues	12 000.0	31.2	834.9	20 000.0 9.9	20 859.0
	13	14	15	16	17
bonds					
	20	21	22	23	24
bonds target issues CMD 89	938.8	15.4 1 588.8	584.0	79.8 10.2	
	27	28	29	30	31
GGS			896.1		

Note: When the payment day is not a business day, payment is effected on the following business day.

Schedule of Government Securities Issues for May 2002

Auction date	Issue date	Maturity date	Issue term	Scheduled volume (BGN)	Total volume (BGN)
29.04.2002	02.05.2002	02.08.2002	3-month	12 000 000	
07.05.2002*	09.01.2002	09.01.2007	5-year	20 000 000	90 000 000
TOTAL, incl.:				32 000 000	
bills				12 000 000	
bonds				20 000 000	

* Tap issue.

The Ministry of Finance is entitled to make relevant adjustments in the schedule where necessary.

By end-March 2002 domestic debt totaled BGN 1,917,158.5 thousand and domestic government debt accounted for BGN 1,911,560.5 thousand. Domestic debt increased by BGN 27,221.4 thousand compared with the previous month. Share of the debt on government securities issued for structural reform dropped to 38.6% at the expense of increased government securities issued for budget deficit financing, 61.1%. Government guaranteed debt remained unchanged: 0.3% (Chart 13).

In March government securities issued for budget deficit financing indicated an increase of BGN 33,142.7 thousand, reaching BGN 1,171,976.3 thousand. Issued government securities totaled BGN 82,158.4 thousand, including BGN 1,316 thousand sold directly to physical persons. Newly issued bonds amounted to BGN 51,253.4 thousand and bills BGN 30,905 thousand. Securities repaid in March accounted for BGN 49,015.7 thousand, including short-term securities of BGN 19,770.4 thousand. As a result of operations effected, the share of three-year and seven-year government securities in the maturity structure of government securities issued for budget deficit financing increased by 1.78 percentage points to 14.1% and 13.9% respectively. Twelve-month securities rose by 1.49 percentage points and reached 6.5%. Government securities with other terms decreased, two-year bonds decreasing most significantly: by 3.4 percentage points to 32.5% (Chart 14). The average-weighted maturity of government securities issued for budget deficit financing reached three years and eight months.

Government securities issued for structural reform decreased by BGN 5,496.6 thousand, reaching BGN 739,584.2 thousand. The decrease was a result of canceled ZUNK bonds denominated in US dollars (issue No. 97 of 1994) in the amount of BGN 42,302.4 thousand. Cancellation was carried out in two ways. In March the Ministry of Finance announced an exceptional subscription for replacement of USD-denominated ZUNK bonds by EUR-denominated long-term bonds (issue No. 400 of 1999). As a result of this subscription, USD-denominated ZUNK bonds of USD 42,017 thousand were replaced by long-term bonds denominated in euro in the amount of EUR 48,204.1 thousand nominal value. Furthermore, in March ZUNK bonds of USD 285.4 thousand were canceled under CM Decree No. 22 of 1995; they were used for repayment of obligations to the government under ZUNK.

Foreign currency denomination of domestic debt changed significantly reflecting debt structure movements (Chart 15). The share of government securities in euro rose by 4.8 percentage points and reached 10.8% and the share of government securities denominated in US dollars dropped to 25.7%. Government securities in US dollars decreased to 62.8%. Debt maturity structure also changed. Short-term securities occupied 5.8%, medium-term securities 46.9% and long-

term 47.3% (Chart 16). Government securities with fixed interest coupon comprised 60.3% and government securities with floating interest coupon, 39.7% (Chart 17).

Repaid interest and discounts totaled BGN 35,679.9 thousand in March. Interest and discounts on government securities for budget deficit financing of BGN 18,547 thousand, or 52% of the total repaid interest and discounts, were repaid (Chart 19). Expenditures on two-year bonds occupied the largest share: 47%.

Domestic Debt

(thousand BGN/thousand EUR/thousand USD)

Structure	Amount as of 31 Dec. 2001	Change in 2002		Amount as of 31 March 2002
		increase	decrease	
I. DEBT ON GOVERNMENT SECURITIES ISSUED FOR BUDGET DEFICIT FINANCING				
1. Government securities issued in 1997	20 000.0	-	-	20 000.0
5-year	20 000.0	-	-	20 000.0
2. Government securities issued in 1998	4 090.9	-	-	4 090.9
5-year	4 090.9	-	-	4 090.9
3. Government securities issued in 1999	2 659.7	-	-	2 659.7
5-year	2 659.7	-	-	2 659.7
4. Government securities issued in 2000	432 328.0	89 665.5	-	342 662.5
2-year	252 608.6	89 665.5	-	162 943.1
3-year	139 929.7	-	-	139 929.7
5-year	39 789.7	-	-	39 789.7
5. Government securities issued in 2001	618 167.9	78 852.0	-	539 315.9
5.1. Short-term	135 454.2	78 357.1	-	57 097.1
3-month	59 298.5	59 298.5	-	-
12-month	76 155.7	19 058.6	-	57 097.1
5.2. Medium-term	482 713.7	494.8	-	453 281.2
2-year	213 819.2	494.8	-	213 324.3
5-year	239 956.9	-	-	239 956.9
5.3. Long-term	28 937.6	-	-	28 937.6
7-year	28 937.6	-	-	28 937.6
6. Government securities issued in 2002		263 247.2	-	263 247.2
6.1. Short-term		54 165.9	-	54 165.9
3-month		35 126.6	-	35 126.6
12-month		19 039.3	-	19 039.3
6.2. Medium-term		74 428.2	-	74 428.2
2-year		4 428.2	-	4 428.2
3-year		25 000.0	-	25 000.0
5-year		45 000.0	-	45 000.0
6.3. Long-term		134 653.1	-	134 653.1
7-year		134 653.1	-	134 653.1
TOTAL (I)	1 077 246.6	263 247.2	168 517.5	1 171 976.3

I. DEBT ON GOVERNMENT SECURITIES ISSUED FOR STRUCTURAL REFORM

A1. Long-term government bonds issued pursuant to CM Decree No. 244 of 1991	2 751.7	275.2	-	2 476.6
A2. Long-term government bonds issued pursuant to CM Decree No. 234 of 1992	2 034.9	-	-	2 034.9
A3. Long-term government bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993				
in BGN	7 335.9	-	-	7 335.9
denominated in USD	277 123.8	58 302.8	-	218 821.0
lev equivalent	615 009.9	-	-	490 574.8

(continued)

(continued)

denominated in EUR	60 606.3	48 204.1	3 367.0	105 443.4
lev equivalent	118 535.6			206 229.3
A4. Long-term government bonds issued pursuant to CM Decree No. 3 of 1994	785.5		-	785.5
A5. Government bonds issued pursuant to Article 2 of CM Decree No. 89 of 1995	1 553.4		-	1 553.4
TOTAL (A)	748 006.8			710 990.3
B1. Government securities in BGN issued pursuant to Articles 8 and 9 of LSPDACB of 1996	28 593.9			28 593.9
Government securities issued in 1996	3 751.9			3 751.9
Government securities issued in 1997	24 842.0			24 842.0
TOTAL (B)	28 593.9			28 593.9
TOTAL (II)	776 600.7			739 584.2
GOVERNMENT DEBT, TOTAL	1 853 847.3			1 911 560.5
III. DOMESTIC GOVERNMENT GUARANTEES	6 653.3			5 598.0
DOMESTIC DEBT, TOTAL	1 860 500.6			1 917 158.5

Notes:

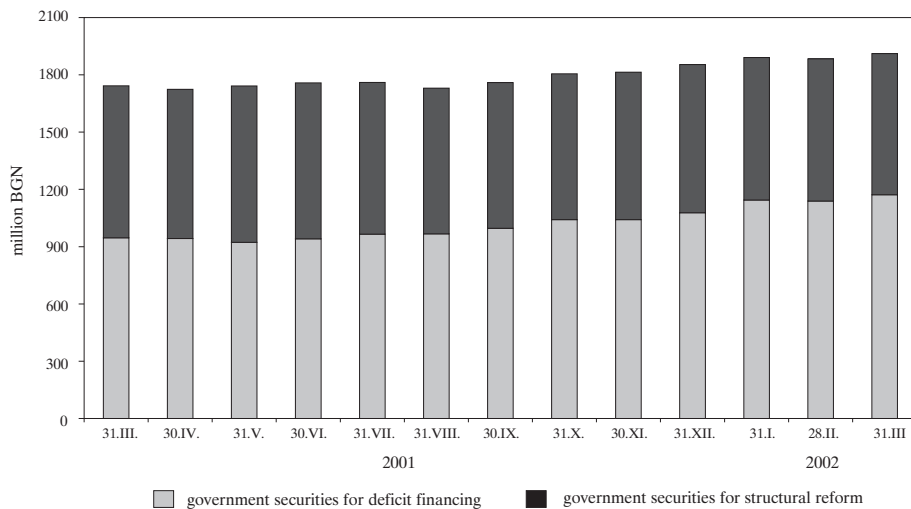
Actual amount of the debt on government securities issued for budget deficit financing.

The lev equivalent of the debt denominated in foreign currency is calculated on the basis of the exchange rate of the relevant currency against the lev at the end of month:

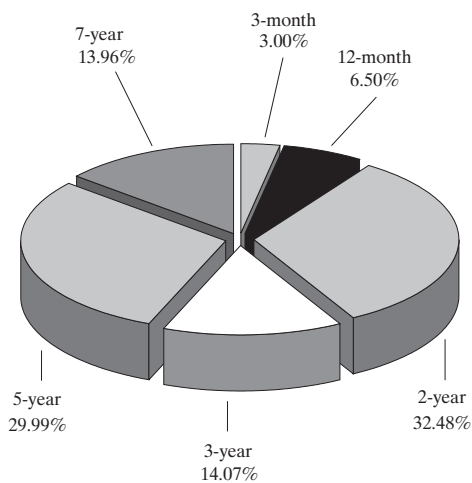
on 28 December 2001: USD 1/BGN 2.21926, EUR 1/BGN 1.95583.

on 31 March 2002: USD 1/BGN 2.24190, EUR 1/BGN 1.95583.

Changes in Domestic Government Debt

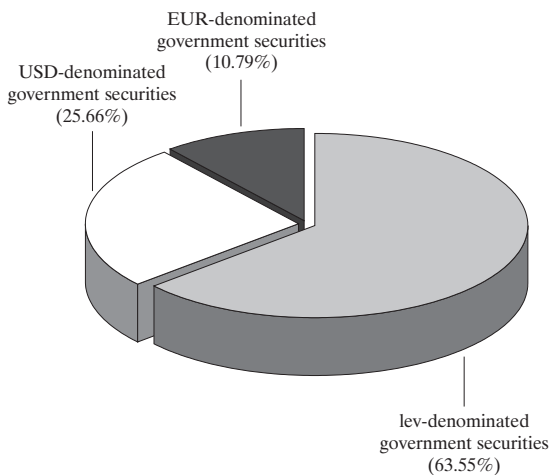


Outstanding Government Securities Issued for Budget Deficit Financing as of 31 March

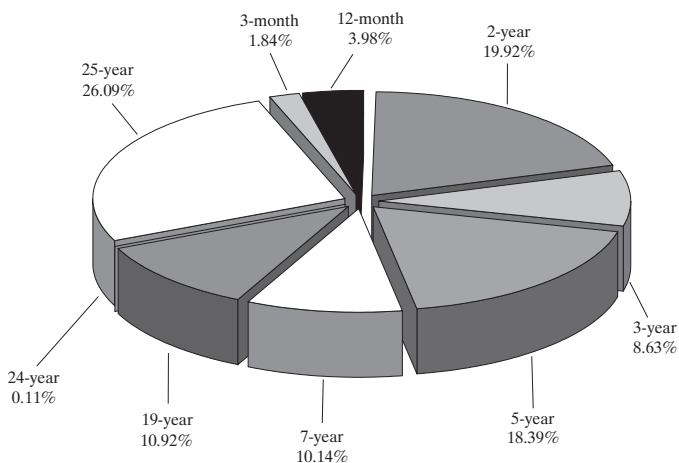


Note: The average-weighted maturity of government securities issued for budget deficit financing is three years and eight months.

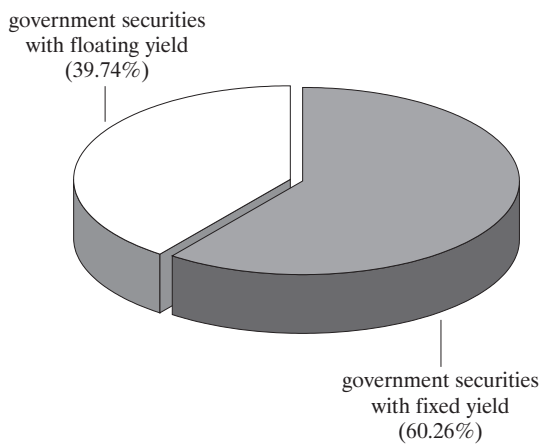
Forex Composition of Outstanding Government Securities as of 31 March



Maturity Structure of Outstanding Government Securities as of 31 March



Shares of Outstanding Government Securities with Fixed and Floating Yield as of 31 March



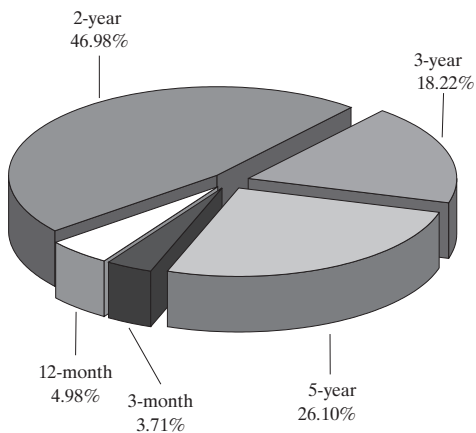
Expenditure on Domestic Debt between 1 January and 31 March 2002

(thousand BGN)

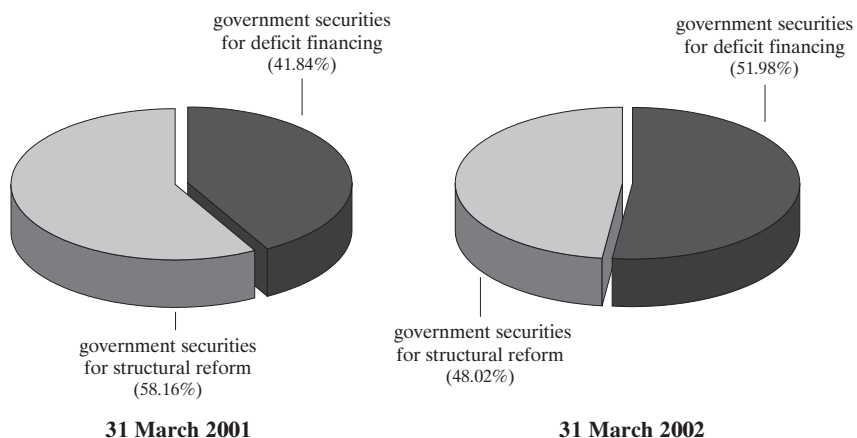
Structure	Amount of repaid interest (discount)
I. DEBT ON GOVERNMENT SECURITIES ISSUED FOR BUDGET DEFICIT FINANCING	
1. Government securities issued in 1999	89.8
5-year	89.8
2. Government securities issued in 2000	8 901.7
2-year	5 461.1
3-year	3 440.5
3. Government securities issued in 2001	9 894.5
3.1. Short-term	1 642.9
3-month	701.5
12-month	941.4
3.2. Medium-term*	8 251.7
2-year	3 412.2
5-year	4 839.5
4. Government securities issued in 2002	-339.0
5-year	-134.0
7-year	-205.0
TOTAL (I)	18 547.0
II. DEBT ON GOVERNMENT SECURITIES ISSUED AS A RESULT OF STRUCTURAL REFORM	
A. Debt on government securities issued to settle nonperforming credits of state-owned companies to banks	
1. Bonds issued pursuant to CM Decree No. 244 of 1991	77.7
2. Bonds issued pursuant to CM Decree No. 186 of 1992	47.3
3. Bonds issued pursuant to Articles 4 and 5 of ZUNK of 1993	17 008.0
lev bonds	0.0
USD-denominated (in BGN at the current exchange rate)	14 301.8
EUR-denominated (in BGN at the fixed exchange rate)	2 706.2
Total (A)	17 133.0
B. Debt on government securities issued pursuant to Articles 8 and 9 of LSPDACB of 1996	0.0
Total (B)	0.0
TOTAL (II)	17 133.0
EXPENDITURE ON GOVERNMENT DEBT, TOTAL	35 679.9
III. GOVERNMENT GUARANTEED DEBT	
EXPENDITURE, TOTAL	0.0
EXPENDITURE, TOTAL	35 679.9

* Including interest revenues from tap medium-term government securities issues.

Structure of Expenditure on Government Securities Issued for Budget Deficit Financing in March



Structure of Expenditure on Domestic Debt



By the end of March foreign debt totaled USD 8,449 million, an increase of USD 33.2 million from the previous month. Government debt accounted for USD 7,920.3 million and government guaranteed debt amounted to USD 528.7 million.

In March new foreign financing totaled USD 100 million, of which USD 49.4 million receipts from tranches on government guaranteed loans. Payments on the debt totaled USD 281.6 million, of which USD 140.6 million principal repayments and USD 141 million interest. Repayments included mainly payments to the Paris Club (USD 9.7 million), the World Bank (USD 0.3 million), the IMF (USD 9.8 million), and government guaranteed credits. Interest was repaid to the Paris Club, World Bank and the European Union.

The increased foreign debt in March was due both to received foreign financing on government guaranteed credits and US dollar exchange rate fluctuations against the European currencies. Following these factors debt in US dollars rose by 0.11 percentage points and comprised 66.8% at the expense of the other two forex components. Fixed interest coupons increased by approximately 0.05 percentage points and reached 11.2%. The average residual term of the debt was 12 years and two months.

Government securities occupied 58.7% and credits 35% in debt total structure. Government guaranteed debt increased to 6.3%. The share of Brady bonds decreased on the previous month and reached 56.1%. Other groups slightly changed. Debt to the IMF occupied 12.1%. Obligations to the World Bank were 9.6%, the Paris Club 4.2% and the European Union 4%. Government investment credits occupied 2.4%.

Foreign Debt

(million USD)

Structure	As of 31.XII.2001	As of 31.I.2002	As of 28.II.2002	As of 31.III.2002
Government debt	8 016.8	7 925.1	7 920.3	7 920.3
I. Bonds	4 979.3	4 958.8	4 959.2	4 961.0
1. Brady bonds	4 759.0	4 742.9	4 742.9	4 742.9
2. Eurobonds	220.3	215.9	216.3	218.1
II. Credits	3 037.5	2 966.3	2 961.2	2 959.3
1. Paris Club	382.0	375.3	358.2	351.9
2. World Bank	829.4	823.5	810.8	813.9
2.1. World Bank	708.8	704.7	696.8	698.3
2.2. JBIC (JEXIM)	120.6	118.8	114.1	115.6
3. G – 24	47.5	47.2	47.1	47.3
4. European Union	343.7	336.8	337.4	340.2
5. IMF	1 042.9	1 006.2	1 026.3	1 021.0
6. Other	120.4	118.0	118.2	119.2
7. Government investment loans	211.8	199.9	205.1	206.9
7.1. World Bank	49.4	49.5	50.4	52.0
7.2. European Investment Bank	112.3	108.2	112.5	112.6
7.3. EBRD	30.7	28.8	28.8	28.8
7.4. Other	19.3	13.4	13.5	13.5
8. Called government guarantees	59.8	59.3	58.0	58.9
8.1. World Bank	43.9	43.7	42.4	43.3
8.2. European Investment Bank	3.2	2.9	2.9	2.9
8.3. Other	12.7	12.7	12.6	12.7
Government guaranteed debt	507.9	508.1	495.5	528.7
1. World Bank	147.8	147.2	144.0	144.2
2. European Investment Bank	122.6	118.4	118.5	115.2
3. EBRD	68.9	66.4	66.5	66.7
4. Other	168.6	176.1	166.5	202.7
FOREIGN DEBT, TOTAL	8 524.7	8 433.2	8 415.8	8 449.0

Notes:

1. Debt recalculation in US dollars is based on BNB central exchange rate of the relevant currencies against the Bulgarian lev valid for the last working day of the period.

2. Preliminary data for March 2002.

New Foreign Financing and Foreign Debt Payments as of 31 March

Structure	Received credits (tranches)		Payments, incl.			
			Installments		Interest	
	million USD	thousand BGN	million USD	thousand BGN	million USD	thousand BGN
Government debt	50.6	114 010.0	115.9	259 514.5	135.1	301 321.4
I. Bonds	0.0	0.0	16.1	35 917.7	110.9	247 386.5
1. Brady bonds	0.0	0.0	16.1	35 917.7	110.9	247 386.5
2. Eurobonds	0.0	0.0	0.0	0.0	0.0	0.0
II. Credits	50.6	114 010.0	99.8	223 596.8	24.2	53 934.9
1. Paris Club	0.0	0.0	26.5	59 565.5	1.6	3 649.1
2. World Bank	1.5	3 255.7	10.6	23 787.6	5.3	12 027.4
2.1. World Bank	1.5	3 255.7	7.0	15 720.6	4.6	10 352.0
2.2. JBIC (JEXIM)	0.0	0.0	3.6	8 067.1	0.7	1 675.3
3. G - 24	0.0	0.0	0.0	0.0	0.2	391.3
4. European Union	0.0	0.0	0.0	0.0	4.0	8 966.6
5. IMF	39.7	89 826.9	54.7	122 535.8	7.3	16 261.4
6. Other	0.0	0.0	0.0	0.0	0.0	0.0
7. Government investment loans	7.9	17 728.1	6.1	13 374.9	4.6	10 201.4
7.1. World Bank	3.4	7 593.0	0.4	915.6	0.5	1 028.7
7.2. European Investment Bank	4.3	9 658.3	3.8	8 311.0	3.4	7 444.4
7.3. EBRD	0.0	0.0	1.9	4 148.2	0.7	1 632.8
7.4. Other	0.2	476.8	0.0	0.0	0.0	95.5
8. Called government guarantees	1.4	3 199.3	1.9	4 333.0	1.1	2 437.6
8.1. World Bank	1.4	3 199.3	1.7	3 837.3	1.0	2 193.6
8.2. European Investment Bank	0.0	0.0	0.2	495.6	0.1	244.0
8.3. Other	0.0	0.0	0.0	0.0	0.0	0.0
Government guaranteed debt	49.4	109 989.4	24.8	55 226.1	5.9	13 110.6
1. World Bank	0.0	0.0	2.9	6 553.2	1.9	4 264.3
2. European Investment Bank	0.0	0.0	6.5	14 403.2	2.5	5 634.5
3. EBRD	0.0	0.0	2.0	4 335.9	0.9	1 879.9
4. Other	49.4	109 989.4	13.4	29 933.8	0.6	1 331.9
TOTAL	100.0	223 999.5	140.6	314 740.6	141.0	314 431.9

Notes:

1. Values in USD of the new foreign financing and payments effected is calculated on the basis of BNB central exchange rates of the lev against respective foreign currencies valid until 4.00 p.m. on the day of corresponding payment.
2. Values in BGN of the new foreign financing and payments effected is calculated on the basis of BNB central exchange rates of the lev against respective foreign currencies valid until 4.00 p.m. on the day of corresponding payment.
3. Preliminary data.

Foreign Currency Composition of the Foreign Debt as of 31 March

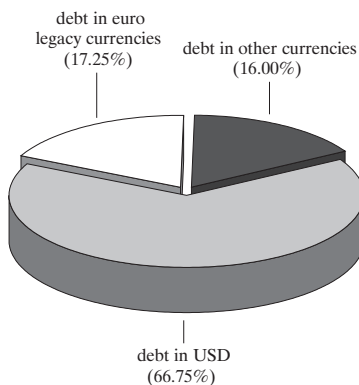


Chart 21

Interest Structure of the Foreign Debt as of 31 March

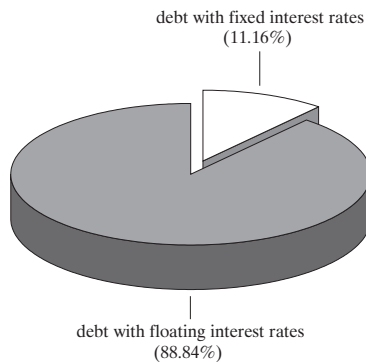
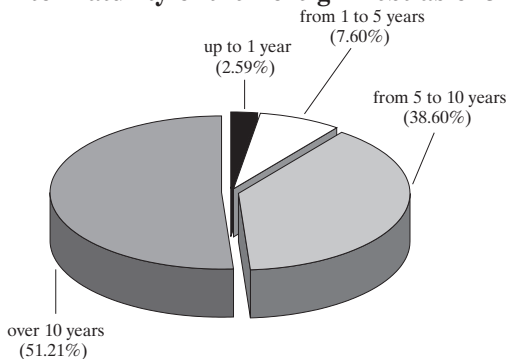


Chart 22

Residual Term to Maturity of the Foreign Debt as of 31 March



Note: The average-weighted residual term to maturity of the foreign debt is 12 years and two months.

Government and Government Guaranteed Debt

Structure	Amount as of 31 March 2002 (thousand BGN)	Government debt/GDP (%)
Domestic debt	1 917 158.5	6.2
Foreign debt	18 941 837.4	61.5
DEBT, TOTAL	20 858 995.9	67.8

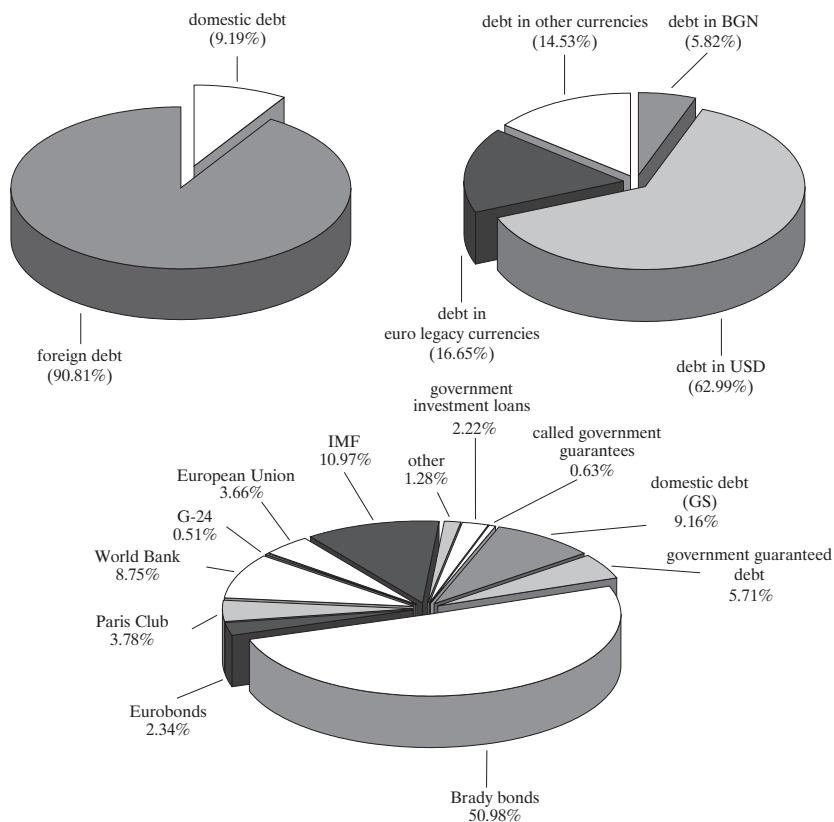
Notes:

1. Revised GDP projection for 2002: BGN 30,783 million.

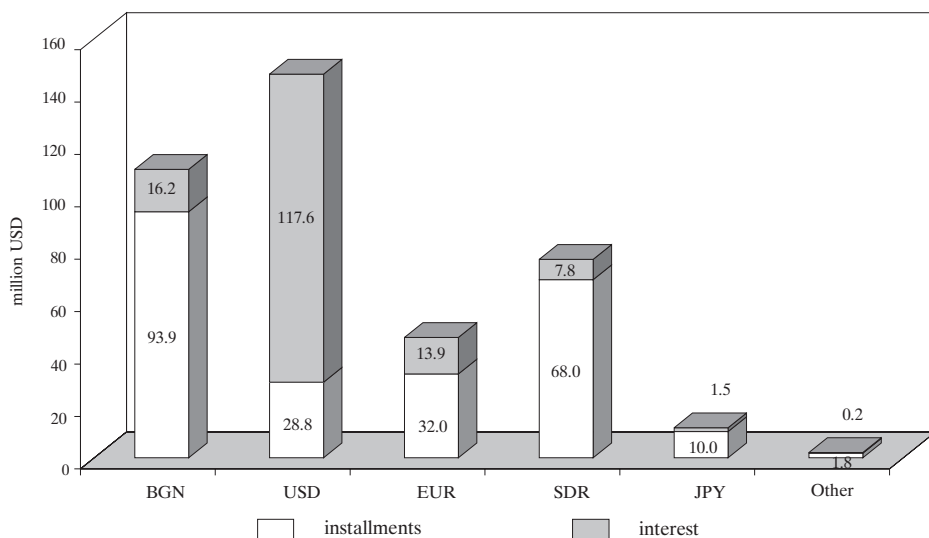
2. The lev equivalent of the foreign debt is calculated on the basis of the BGN/USD central exchange rate quoted by the BNB on 31 March 2002.

Chart 23

Debt Structure as of 31 March



Currency Structure of Government Debt Payments as of 31 March



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