



**Ministry of Finance**

**Debt and Financial Assets  
Management Department**

# **The Czech Republic Funding and Debt Management Strategy**

# **2024**



**4 January 2024**



# **Ministry of Finance**

## **The Czech Republic Funding and Debt Management Strategy for 2024**

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Management Strategy for 2024**

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On 21 December 2023 Minister of Finance decided about the structure and methods of covering the financing needs in 2024 and the basic absolute and relative limits for issuance activity on the domestic and foreign markets and for active management of the state debt portfolio, financial assets and liquidity of the treasury single account in the individual currencies were approved (Ref. No. MF-36600/2023/2002-1).

This defined operational framework in the form of the submitted the Czech Republic Funding and Debt Management Strategy for 2024 enables the Ministry of Finance to act flexibly on the domestic and foreign financial markets while actively securing cash resources for covering the financing needs and ensuring the daily solvent position of the state, meaning the creation of initial conditions for smooth implementation of budget and fiscal policy of the

government. The Czech Republic Funding and Debt Management Strategy for 2024 is based on and in accordance with Act No. 433/2023 Coll., on the State Budget of the Czech Republic for 2024, including the medium-term outlook to 2026 and the Macroeconomic Forecast of the Czech Republic from November 2023.

The Czech Republic Funding and Debt Management Strategy for 2024 is submitted via Debt and Financial Assets Management Department, which is responsible for operations related to the funding of the state, active management of the state debt portfolio and financial assets, management of the liquidity of the treasury single accounts, and short-term and long-term investment of available cash resources of state financial assets and the treasury single accounts on financial markets.

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## List of Abbreviations

bn	billion
Budgetary rules	Act No. 218/2000 Coll. on Budget Rules and Amendments of Some Relating Acts (Budgetary Rules)
CaR	Cost-at-Risk
CZK	Czech Koruna currency code
CZSO	Czech Statistical Office
ESA 2010	European System of Account 2010
EUR	Euro currency code
GDP	gross domestic product
MoF	Ministry of Finance
MTS	Mercato Telematico Secondario
T-Bills	state treasury bills
T-Bonds	medium-term and long-term government bonds

Published aggregate data in the tables and in the text may not correspond in the last decimal place to the sum of respective indicators due to rounding in some cases.





## Introduction

The Ministry of Finance (hereinafter the Ministry or MoF) presents to the public the Czech Republic Funding and Debt Management Strategy for 2024 (hereinafter the Strategy), the purpose of which is to present the basic framework for the state funding in 2024 and set monitored limits and targets of state debt risk indicators valid for medium-term horizon of the outlook.

Based on the actual development of financing needs, especially state treasury liquidity management, the development of the available funds of the state treasury and the development of the situation on the domestic and foreign financial markets in the first half of this year, the update of this Strategy will be published in June 2024.

## Key Events in 2024

### Financing Needs of CZK 468.8 billion

- budgeted state deficit of **CZK 252.0 billion**
- redemptions of three CZK-denominated issues of medium-term and long-term government bonds in a total nominal value of **CZK 138.0 billion**
- redemption of the Government EUR-Bond of the Czech Republic, 2022–2024, 0.00% on 24 April 2024 in a total nominal value of **EUR 1.0 billion**
- regular repayments of tranches of loans from the European Investment Bank in a total nominal value of **CZK 0.6 billion**
- strengthening the central liquidity position of the state treasury in connection with the amendment of the Budgetary Rules and the end of the nine-month transition period for state-owned enterprises, which will thus become fully fledged clients of the state treasury

### Primary and Secondary Market of Government Bonds

- gross issue of CZK-denominated medium-term and long-term government bonds on the domestic primary market in a minimum total nominal value of **CZK 300.0 billion to CZK 400.0 billion** depending on the actual amount of the financing needs in 2024 and

It is also possible to introduce quarterly updates of the Strategy within the Czech Republic Debt Management Quarterly Report - 1<sup>st</sup> Quarter of 2024 and the Czech Republic Debt Management Quarterly Report - 1<sup>st</sup> - 3<sup>rd</sup> Quarter of 2024 or in other terms.

The detailed evaluation in the area of development of the state debt, the issuance activity, the secondary market of government bonds, the development of interest expenditure of the state budget, the risk monitoring of debt portfolio, and annual performance evaluation of primary dealers will be contained in the Czech Republic Debt Management Annual Report for 2023, which will be published on 29 February 2024.

the final amount of its coverage through the state treasury bills and other available debt instruments

- issuance of at least two new CZK-denominated issues of fixed-rate government bonds on the domestic market, or also the new variable-rate government bonds
- possibility of a new issue of government EUR-bond issued under Czech law through an auction organised by the Czech National Bank or using a syndicated form of sale in cooperation with primary dealers and the Czech National Bank, possibly also in an ESG format in order to cover the EUR-denominated financing needs
- re-opening of already issued government bonds and government EUR-bonds with maturity from 2026
- continuation in state treasury bills sales in the multiple-price auction format
- issuance of state treasury bills denominated in the euro
- fulfilment of quotation obligations through the MTS Czech Republic platform, which was confirmed for this purpose for 2024 and 2025 at the 27<sup>th</sup> Primary Dealer Committee Meeting held on 22 June 2023

## Rating of the Czech Republic

The Czech Republic is assigned the highest overall rating of all Central and Eastern European countries and has higher rating than many Euro Area member countries for several years. The Czech Republic belongs among the exceptionally reliable issuers, as confirmed by its high credit rating from all the major credit rating agencies with international scope of activity.

In the latest rating agency Moody's rating report from November 2023, the rating of the Czech Republic was confirmed at the Aa3 level for long-term liabilities in local and foreign currencies, while the agency improved the outlook for the Czech Republic. The decision to change the outlook from negative to stable is the result of a significant reduction in risks related to gas supplies from Russia, mainly due to

imports from Norway and the acquisition of LNG terminal in the Netherlands. The confirmation of the rating reflects the strengths of the Czech Republic, among which the agency includes economic growth in 2024 and 2025, a strong institutional framework, low general government debt and a liquid and well-capitalized banking system.

In 2023, other major rating agencies with international scope also confirmed current rating. This includes S&P Global Ratings' affirmation of the ratings at AA for long-term liabilities denominated in local currency and AA- for long-term liabilities denominated in foreign currencies. In addition, the Fitch Ratings agency confirmed the AA- level rating for long-term liabilities denominated in local and foreign currencies.

**Table 1: The Czech Republic's Credit Rating**

Rating agency	Local currency long-term liabilities	Outlook	Foreign currency long-term liabilities	Outlook	Affirmed
Moody's	Aa3	Stable	Aa3	Stable	24/11/2023
S&P Global Ratings	AA	Stable	AA-	Stable	13/10/2023
Fitch Ratings	AA-	Negative	AA-	Negative	25/8/2023
JCR	AA	Stable	AA-	Stable	30/6/2023
R&I	AA-	Negative	AA-	Negative	19/12/2022
Scope Ratings	AA-	Stable	AA-	Stable	26/5/2023
ACRA	AA	Stable	AA	Stable	18/7/2023

Source: Moody's, S&P Global Rating, Fitch Ratings, JCR, R&I, Scope Ratings, ACRA

## Financing Needs and State Debt Development

The financing needs are determined by the standard components that must be covered by cash resources in a given year, i.e. the state budget cash deficit and regular redemptions, redemptions before the maturity date, buy-backs and exchanges of nominal values of state debt, including the related derivatives.

Financing operations on the side of state financial assets and within the treasury single accounts then take place on the side of cash resources that can be involved into the covering of the financing needs simultaneously with the state's realized borrowing operations on the financial markets.

**Table 2: Financing Needs and the Czech Republic's State Debt Redemptions**

CZK bn	2022	2023	2024	2025	2026
State budget deficit <sup>1</sup>	310.7	220.2	252.0	235.0	220.0
Net expenditure on the state debt <sup>1,2</sup>	49.7	68.3			
Other operations of state financial assets	-	3.9	4.4	1.9	2.0
T-Bonds denominated in local currency redemptions <sup>3</sup>	153.5	218.9	138.0	254.0	254.6
T-Bonds denominated in foreign currency redemptions <sup>4</sup>	67.8	0.0	24.4	0.0	0.0
Redemptions and early redemptions on savings government bonds	0.4	1.3	5.0	11.6	18.0
Money market instruments redemptions <sup>4</sup>	49.0	145.2	44.4	0.0	0.0
Repayments on credits and loans <sup>4,5</sup>	4.4	6.0	0.6	0.6	25.8
<b>Total redemptions of the state debt</b>	<b>275.2</b>	<b>371.5</b>	<b>212.4</b>	<b>266.2</b>	<b>298.4</b>
<b>Total redemptions of the state debt (% of GDP)<sup>6</sup></b>	<b>4.1%</b>	<b>5.0%</b>	<b>2.7%</b>	<b>3.3%</b>	<b>3.5%</b>

<b>Total financing needs</b>	<b>635.6</b>	<b>663.8</b>	<b>468.8</b>	<b>503.1</b>	<b>520.4</b>
<b>Total financing needs (% of GDP)<sup>6</sup></b>	<b>9.4%</b>	<b>9.0%</b>	<b>6.1%</b>	<b>6.2%</b>	<b>6.2%</b>

<sup>1</sup> For 2024, the budgeted deficit according to the approved State budget Act for 2024, and for 2025 and 2026 the approved medium-term outlook of the state budget.

<sup>2</sup> Balance of the budgetary chapter 396 – State Debt.

<sup>3</sup> Including the effect of already executed buy-backs and exchange operations in previous years. Excluding future buy-backs and exchange operations of T-Bonds.

<sup>4</sup> State debt redemptions denominated in foreign currency are stated in CZK equivalent.

<sup>5</sup> Credits and loans received from international financial institutions and the European Commission.

<sup>6</sup> Source for GDP in ESA 2010 methodology 2022 is CZSO, for 2023 to 2026 Macroeconomic Forecast of the Czech Republic – November 2023.

Note: Excluding future issuance activity with an impact on state debt redemptions in 2025 and 2026.

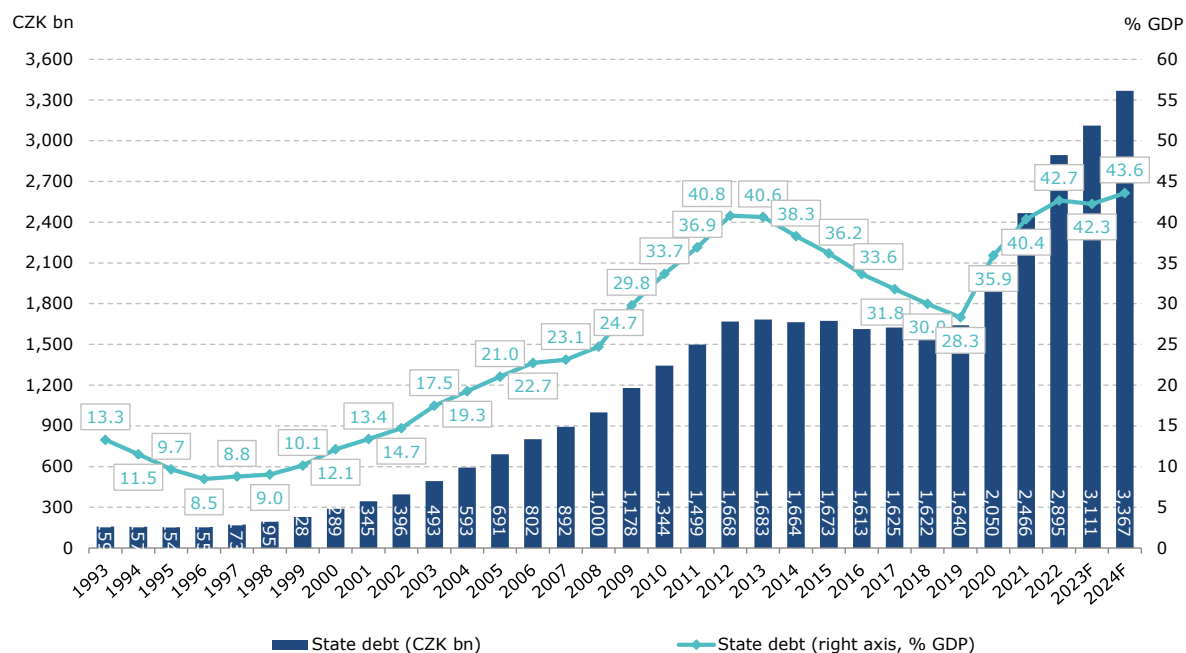
Source: MoF, CZSO

For 2024, the planned financing needs amount to CZK 468.8 billion, i.e. approximately 6.1% of GDP. Compared to 2023, this is a year-on-year decrease of CZK 195.0 billion. This is mainly due to a lower state budget deficit compared to its actual level in 2023 by CZK 36.5 billion, as well as lower state debt redemptions by CZK 159.1 billion, which will be necessary to refinance together with the actual state budget deficit on the financial markets. The actual amount of the financing needs will primarily depend on the actual performance of the state budget and also on the actual amount of exchange operations and buy-backs of government bonds carried out in 2024, in particular for the purpose of refinancing risk management. The planning of the future amount of financing needs, including their coverage, is burdened by persistent uncertainty in domestic and

foreign financial markets, especially with regard to risks associated with the development of the global economy, the energy crisis and geopolitical risks.

The resulting gross borrowing requirement, which is derived from the financing needs and represents the part of financing needs, which must be covered through borrowing operations, is dependent on the involvement of financial assets into covering the financial needs, i.e. in particular the available state treasury resources. In case of involvement of these liquid assets into covering the financing needs, the resulting gross borrowing requirement is lower than the total financing needs in the respective period. In the opposite case, when there is an accumulation of financial assets, the gross borrowing requirement is higher than the financing needs.

**Figure 1: Czech Republic's State Debt Development**



Note: Source for GDP in ESA 2010 methodology for 1993 to 2022 is CZSO, for 2023 and 2024 Macroeconomic Forecast of the Czech Republic – November 2023. Source: MoF, CZSO

The amount of the state debt depends entirely on issuance activity that will be flexibly adjusted to the state budget performance, the situation on domestic and foreign financial markets and the involvement of the funds on state treasury single accounts in

order to smoothly cover the financing needs while maintaining a prudent approach to financial and credit risk management and minimizing costs in the long term.

# Funding Programme and Issuance Activity

## Medium-Term and Long-Term Government Bonds

In 2024, gross issue of CZK-denominated medium-term and long-term government bonds on the domestic primary market will be carried out in a total minimum nominal value of CZK 300.0 to 400.0 billion. Medium-term and long-term government bonds will be issued with maturities along the whole yield curve in order to achieve the objectives and limits set in the Strategy for the medium-term horizon. In dependence on the development on financial markets and the monetary policy situation, new issues of CZK-denominated medium-term and long-term government bonds will be issued, with an emphasis on longer-term maturities.

When choosing particular maturities and type of instrument, it will be necessary to respond flexibly to the development of market conditions and the demand from the primary dealers and recognized dealers. The issuance activity including the inclusion of variable-rate medium-term and long-term government bonds will be carried out with the respect to the riskiness of the debt portfolio and maintaining strategic targets and limits for risk parameters in medium-term horizon.

**Table 3: Framework Issuance Plan of CZK-denominated T-Bonds on the Domestic Primary Market in 2024**

CZK bn	Framework scope of sale
<b>Fixed-rate and variable-rate T-Bonds</b>	<b>Min. 300 to 400</b>
Maturity segment of up to 10 years	Max. 300
Maturity segment of over to 10 years	Max. 150

Source: MoF

If there is an unexpected change of the government bond market conditions or unplanned economic development, new bonds may not be issued. The issuance of medium-term and long-term government bonds on the primary market will also be supplemented with tap sales of government bonds from its own asset account on the secondary market in case that the primary dealers' and recognized dealers' interest especially when the usage of these government bonds within medium-term and long-term government bonds lending facilities drops or as a more flexible alternative to the sale of government bonds, which are included in primary auctions to a lesser extent. Furthermore, tap sales of government bonds with a long time to maturity may be used to manage the average time to maturity of the debt portfolio. Tap sales will continue to be available through MTS Czech Republic.

The competitive part of the primary auction of medium-term and long-term government bonds on domestic market will be held on the traditional auction day of Wednesday, while the non-competitive part of primary auctions will be held traditionally on Thursday. The settlement will take place within two business days after the auction date, i.e. according to the international standard on the primary market, usually on Friday. The possibility to bid within the competitive part of the auction is made possible for

primary dealers and recognized dealers, but access to the non-competitive part of the auction remains exclusively to a group of primary dealers.

The issuance calendars of medium-term and long-term government bonds together with indicative maximum total nominal value sold in auctions for respective quarter of the year will be published monthly, usually the fourth Monday of the month preceding the respective month, unless otherwise announced. For the relevant auction, there is an option to announce one or more alternative medium-term and long-term government bonds that may be included in the auction or to change the offered government bond for another one with the similar time to maturity. The choice of specific maturities and type of instrument will take into account the development of market conditions and the demand from primary dealers and recognized dealers.

The choice of particular medium-term and long-term government bonds for the relevant auction will be announced at least one business day before the date of the competitive part of the auction. The nominal value of medium-term and long-term government bonds offered in the competitive part of the auction will be published in indicative maximum amount or in indicative range within the issuance calendars.

## Foreign Currency Medium-Term and Long-Term Government Bonds

The refinancing of foreign currency debt by issuing the new issue of government bonds denominated in a foreign currency on the domestic market under Czech law is still preferred in the case of cost-effective conditions. In case of deteriorating conditions on the domestic financial market and high volatility, there is a possibility of a flexible reaction in the form of issuance on the foreign markets under Czech or foreign law, or in the form of a private placement to selected investors. The implementation of the syndicated issue of medium-term and long-term government bonds under Czech or foreign law will depend primarily on the current

market situation. The condition is lower interest costs associated with the issue of government bonds on the foreign market compared to a similar issue of government bonds on the domestic market after taking into account all other additional costs in the form of fees for lead managers of the issue, creation of necessary documentation and other related activities. The specific method will be decided in such a way as to minimize the costs and financial risks associated with borrowing operations in accordance with the set targets, limits and risk parameters of the debt portfolio.

## Money Market Instruments and Other Debt Instruments

**State treasury bills** could be issued in the form of single-price or multiple-price auction format organized by the Czech National Bank in all available maturities, traditionally in Czech koruna, but also in the euro, both for the purpose of short-term coverage of CZK-denominated or EUR-denominated financing needs or preventively strengthen available liquidity of the Czech koruna and euro state treasury single accounts, as well as to utilize the current market situation regarding the effective liquidity management of the treasury single accounts.

State treasury bills denominated in Czech koruna will be issued on the traditional auction day Thursday with a settlement on the following business day, usually on Friday. The central records of state treasury bills denominated in Czech koruna will continue to be kept in the Short-Term Bond System operated by the Czech National Bank. State treasury bills denominated in the euro will be issued on the auction day Wednesday with a settlement within two business days, usually on Friday. The central records of state treasury bills denominated in the euro will be kept in the central register by the Central Securities Depository Prague.

The issuance calendars of state treasury bills with particular maturities offered in individual auctions will be published monthly, usually the fourth Monday of the month preceding the respective month unless announced otherwise. The nominal value of state treasury bills offered in auction will be published in predetermined indicative range or an indicative maximum value will be announced. However, the range or maximum value can be changed according to the actual development of market conditions or the demand from primary dealers and recognized dealers. Together with the issuance calendars, the indicative maximum total nominal value of state treasury bills issues for respective quarter will also be published.

If necessary and with regard to the situation on the domestic financial market, the stabilization

repo operations can be carried out, in which it obtains funds against government bonds provided as a collateral, when the time to maturity of these operations ranging from two weeks up to three months. These operations can be carried out in order to strengthen the liquidity reserves of the state treasury or for the purpose of short-term financing and stabilization of fluctuations on the domestic bond market caused by unexpected factors, especially of foreign origin.

During 2024, the medium-term and long-term government bonds **lending facilities** will be used in the form of repo operations and also in the form of collateralized loans, under which government bonds of the Czech Republic are provided for a fee on a short-term basis from its own asset account against another government bond or Czech National Bank bill. These facilities may be used for the period up to 90 days. The aim of these operations is to increase the liquidity of government bonds on the secondary market particularly in case of short-term excess of demand over supply regarding the particular government bond. The scope of realized medium-term and long-term government bonds lending facilities will primarily depend on the demand for particular government bonds from the investors with the fact, that it will be flexibly satisfied accordingly to the availability of government bonds on its asset account.

Holders of accounts subordinated to the state treasury pursuant to paragraph 3 letter h) points 11 to 13 and 15 to 17 of budgetary rules will still be allowed to use **term deposits**.

Funds may also be obtained from the **international institutions** through the new or already signed loan contracts, if cost-favourable conditions are achieved than in case of the issuance of government bonds on domestic market with a similar residual time to maturity.

## Programme for Buy-Backs and Exchange Operations on Secondary Market

Government bonds with a maturity mainly in 2025 may be included in buy-backs and exchange operations depending on the market condition in the particular segment of the yield curve and their execution will primarily depend on the demand from primary dealers and recognized dealers. The exchange operations and buy-backs of medium-

term and long-term government bonds will be available through the MTS Czech Republic. The impacts of these operations will affect the financing needs and borrowing requirement accordingly and will have positive effect on refinancing risk of the state debt portfolio.

## Strategic Targets, Limits and Risk Parameters of the Debt Portfolio

In connection with the sufficient liquidity of treasury single accounts and relatively stable balances of the accounts owners mandatorily included into treasury single accounts, improvement of the efficiency and modernization of the state treasury liquidity management, strategic targets and limits of refinancing and interest risk in the medium-term horizon are announced. This concept allows to flexibly react on short-term market conditions and interest of investors for instruments in particular segment of time to maturity or re-fixing.

Short-term deviation from established strategic medium-term targets and limits for risk parameters of debt portfolio for refinancing and interest risk is possible. However, the issuance in medium-term horizon will be planned so that the targets and limits defined in this Strategy will be fulfilled in medium-term horizon.

For 2024, the concept of refinancing risk management through the average time to maturity of state debt indicator and interest risk management through the average time to re-fixing of the state debt indicators using medium-term target values of these indicators is maintained.

Despite the uncertainty about the economic development in the following year and ultimately in the medium-term horizon, it is not proposed for the time being to adjust these risk targets and limits valid for the medium-term horizon, as none of these risk indicators significantly deviates from the set target or comes close to the limit.

The currency risk is specified by the net foreign-currency exposure of state debt indicator taking into account also the foreign-currency exposure of the state financial assets. In this context, the net foreign-currency exposure of the state debt with the impact on state debt level and the net short-term foreign-currency exposure with the impact of the level of interest expenditure on the state debt service are distinguished. The limit is stipulated for both indicators and is valid for each year of medium-term horizon without the possibility to exceed it. However, its value is subjected to the condition that there will be no sharp depreciation of the Czech Koruna exchange rate. Compared to the refinancing and the interest risk, the currency risk is relatively small, which is also regularly noted by the rating agencies in the evaluation of the Czech Republic.

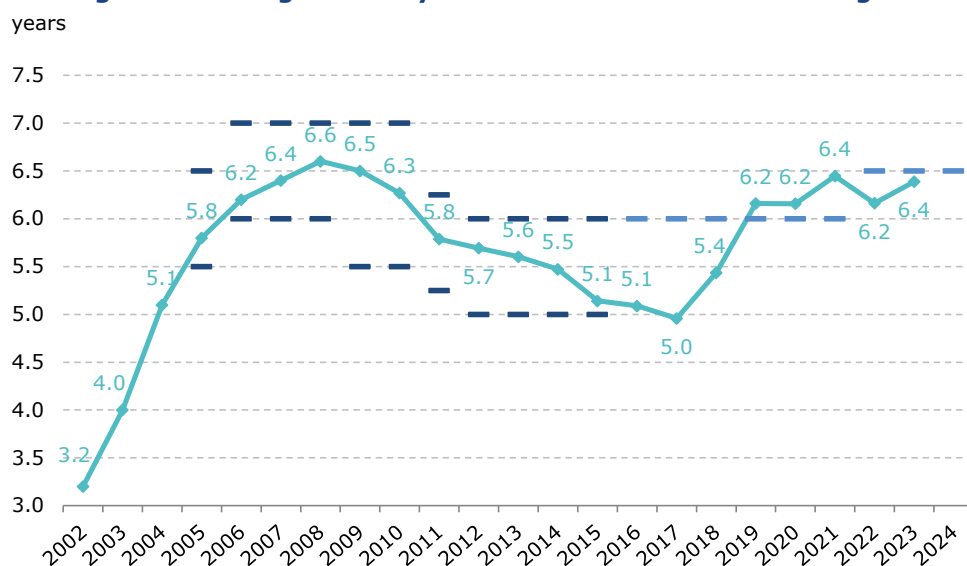
### Refinancing Risk

The limit for the share of the short-term debt (debt due within 1 year) is stipulated at 20.0% of the total state debt for the medium-term horizon. The limit for the share of the medium-term debt (debt due within 5 year) is stipulated at 70.0% of the

total state debt for the medium-term horizon. For the average time to maturity of the state debt, the target value of 6.5 years remains for the medium-term horizon.



**Figure 2: Average Maturity of State Debt and Declared Targets**



Note: At the end of each year.  
Source: MoF

As a part of refinancing risk management, the indicator of the average time to maturity after offsetting reserve funds obtained from short-term operations on the money market and after taking into account the total available liquidity of the treasury single accounts is also important. There

are not set medium-term target values for these indicators of the average time to maturity. However, by the end of 2023, the levels of these indicators amounted to 6.5 years and 7.5 years, respectively, which confirms stable refinancing and liquidity position of the Czech Republic.

## Interest Risk

For the interest re-fixing of the debt portfolio within 1 year, the limit is retained at 40.0% of the total state debt for the medium-term horizon. For the

average time to re-fixing of the state debt, the target band of 5.0 years to 6.0 years remains for the medium-term horizon.

## Currency Risk

For 2024, the limit for both net foreign-currency exposure of the state debt indicators, i.e. the net foreign-currency exposure of state debt with the impact on the state debt level and the net short-term foreign-currency exposure with the impact of

the level of interest expenditure on the state debt service, is newly set at the level of 10.0% (up to 12.0% in the short-term) of total state debt, while foreign exchange swaps are also included in the net foreign-currency exposure.



## State Debt Service Expenditure and Cost-at-Risk

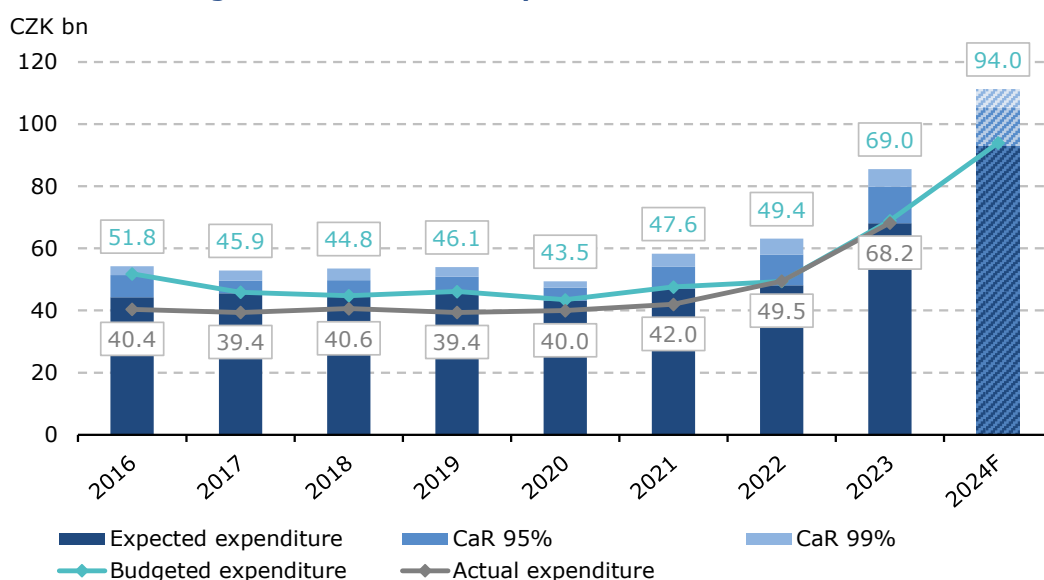
The model framework known as Cost-at-Risk (furthermore CaR) for measuring and managing interest rate risk has been applied since 2005. This framework is based on the Value-at-Risk methodology and simulates future expected and maximum interest expenditure for a particular degree of risk, which is derived from the volatility of the time structure of interest rates. The stochastic element of the CaR model is the yield curve, and the deterministic element is the dynamic structure of the portfolio of state debt, which is based on the base case scenario of the funding programme while respecting the set strategic goals for managing financial risks.

The primary goal of the model is to determine the maximum interest expenditure on state debt, which with

95% or 99% probability will not be exceeded (furthermore CaR 95% and CaR 99%). The secondary goal of the model is to estimate the actual interest expenditure on state debt. The simulation framework operates separately with the interest expenditure and interest revenue. The outcome of aggregation of interest expenditure and interest revenue is the net interest expenditure on state debt. Interest expenditure on state debt service in the model framework does not include fees related to state debt service, which are of a deterministic nature.

Over all the years the CaR methodology has been applied, the model has fulfilled the primary goal, since the simulated maximum interest expenditures were not exceeded in any of those years.

**Figure 3: Net Interest Expenditure and Cost-at-Risk**



Note: In 2016 to 2024, the figures represent the originally approved budget. Excluding fees associated with the expenditure on state debt service.  
Source: MoF

**Table 4: Net Interest Expenditure and Cost-at-Risk**

CZK bn	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Budgeted expenditure<sup>1</sup></b>	51.8	45.9	44.8	46.1	43.5	47.6	49.4	69.0	94.0
<b>Actual expenditure</b>	40.4	39.4	40.6	39.4	40.0	42.0	49.5	68.2	-
<b>Expected expenditure</b>	44.3	45.6	45.5	45.8	43.1	47.0	48.1	68.1	93.0
<b>CaR 95%</b>	51.4	49.6	49.7	50.9	47.4	54.1	58.0	79.8	105.3
<b>CaR 99%</b>	54.3	52.9	53.5	54.0	49.4	58.3	63.1	85.5	111.3

<sup>1</sup> From 2016 to 2024 the figures represent the originally approved budget.  
Note: Excluding fees associated with the expenditure on state debt service.  
Source: MoF

Net interest expenditure expected by the model in 2024 amounts to CZK 93.0 billion. Net interest expenditure at risk, i.e. CaR 99% amounts to CZK 111.3 billion (CaR 95% amounts to CZK 105.3 billion). Thus, the actual net interest expenditure in 2024 will not be higher by about CZK 18.3 billion compared to the expected expenditure with 99% probability. The budgeted interest expenditure on state debt service in 2024 amounts to CZK 94.0

billion, i.e. by CZK 1.0 billion above expected net interest expenditure and by CZK 11.3 billion below the 95% percentile of the CaR indicator.

A more detailed quantification of interest expenditure on state debt service in 2024 through application of CaR methodology will be a part of the Czech Republic Government Debt Management Annual Report for 2023.

## Primary Dealers and Recognized Dealers in Czech Republic Government Securities

For the year 2024, the number of primary dealers with whom the Primary Dealer Agreement for Czech Government Securities was concluded on the basis of the evaluation of the fulfillment of their obligations in 2023 remains 9. Their list is the content of the following table. In justified cases, these agreements are concluded as tripartite, thus ensuring a wider formalized coverage of all business relationships and activities, implemented through

multiple entities within the respective financial groups. This setting applies to 6 primary dealers for the year 2024. Goldman Sachs Bank Europe SE was also granted the status of recognized dealer of Czech government securities for 2024. The contractual status of a so-called recognized dealer of Czech government securities denominated in the euro may also be granted.

**Table 5: List of Primary Dealers and Recognized Dealers in Czech Republic Government Securities for 2024**

Primary Dealers and Recognized Dealers	
Citibank Europe plc	Société Générale / Komerční banka, a.s.
Erste Group Bank AG / Česká spořitelna, a.s.	PPF banka a.s.
KBC Bank NV / Československá obchodní banka, a. s.	Raiffeisen Bank International AG / Raiffeisenbank a.s.
ING Bank Śląski S.A. / ING Bank N.V.	UniCredit Bank AG / UniCredit Bank Czech Republic and Slovakia, a.s.
J.P. Morgan SE	Goldman Sachs Bank Europe SE (Recognized Dealer)

Source: MoF

# Calendar of Information Published in the First Half of 2024

## January

Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## February

Mo	Tu	We	Th	Fr	Sa	Su
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29			

## March

Mo	Tu	We	Th	Fr	Sa	Su
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

## April

Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

## May

Mo	Tu	We	Th	Fr	Sa	Su
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

## June

Mo	Tu	We	Th	Fr	Sa	Su
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

-  Publication of The Czech Republic Debt Management Annual Report for 2023  
- on the last business day in February
-  Publication of The Czech Republic Funding and Debt Management Strategy for 2024  
- on 4 January 2024
-  Expected publication of The Czech Republic Funding and Debt Management Strategy for 2024 - Second Half Update  
- on the last business day of the first half of 2024
-  Publication of The Czech Republic Debt Management Quarterly Report  
- on the third Friday in April
-  Publication of statistics of the Central Government Debt and Fiscal Data for the Czech Republic (SDDS Plus standard)  
- on the last business day in February and on the third Friday in April
-  Publication of the annual statistics on Development and Structure of the State Debt, Financing Needs and Sources of the Central Government and Interest Expenditure on the State Debt  
- on the last business day in February
-  Publication of the Statistics on Government Bonds by Type of Instrument, Statistics on Government Bonds by Type of Holder and Statistics on Government Bonds by Maturity  
- on the last business day of the month
-  Publication of the issuance calendars of T-Bills and T-Bonds for following month  
- usually the fourth Monday in the month prior to the month of the respective auctions, except June, when issuance calendar will be published together with The Czech Republic Funding and Debt Management Strategy for 2024 - Second Half Update

Ministry reserves the right to change the date of publication due to flexible response to financial markets situation. Any change will be communicated to the public in time through Ministry's website.

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The publication was prepared based on the information and data available on 4 January 2024. The Ministry reserves the right to promptly respond to the actual development of financing needs using its tools in the course of 2024. The fulfilment of the funding programme and announced strategic goals will depend of the development of the situation on domestic and foreign financial markets in terms of the minimization of expenditure on state debt service and financial risk management.

This publication is also available on the following website:

**[www.mfcr.cz/statedebt](http://www.mfcr.cz/statedebt)**

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