



Ministry of Finance

Debt and Financial Assets
Management Department

Debt Portfolio Management Quarterly Report

1st Half of 2024



19 July 2024

Ministry of Finance

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List of Abbreviations

| | |
|----------|--|
| bn | Billion |
| CDCP | Central Securities Depository Prague |
| CNB | Czech National Bank |
| CPI | Consumer price index |
| CZK | Czech koruna currency code |
| CZSO | Czech Statistical Office |
| ESA 2010 | European System of Accounts 2010 |
| EUR | Euro currency code |
| FIX | Fixed-rate |
| GDP | Gross domestic product |
| ISIN | International Securities Identification Number |
| JPY | Japanese yen currency code |
| mil | Million |
| MTS | Mercato Telematico Secondario |
| p.a. | Per annum |
| p.p. | Percentage point |
| T-Bills | State treasury bills |
| T-Bonds | Medium-term and long-term government bonds |
| VAR | Variable-rate |

Summary and Main Events

The Ministry of Finance (hereinafter the Ministry or MoF) presents, in accordance with the calendar of published information, the Debt Portfolio Management Quarterly Report, which contains the state of fulfilment of the operational funding programme and issuance activity plans in relation to the announced strategic targets and limits specified in the Czech Republic Funding and Debt Management Strategy for 2024 published on 4 January 2024 and updated on 28 June 2024. It also includes regular quarterly evaluations of primary dealers for the period from the third quarter of 2023 to the second quarter of 2024.

During the first half of 2024, the regular issuance activity of the state was carried out in the standard mode, especially for the purpose of covering state debt redemptions in the first half of 2024 and the ongoing coverage of the state budget deficit when the CZK-denominated government bonds with maturities of over one year in a total nominal value of CZK 161.4 billion were issued.

In the second quarter of 2024, CZK-denominated medium-term and long-term government bonds in a total nominal value of CZK 69.9 billion were sold on the primary market through twenty-one auctions on nine auction days. Issuance activity on the primary market was supplemented by operations on the secondary market when the government bonds in a total nominal value of CZK 8.4 billion were sold as part of tap sales and exchange operations. In the second quarter of 2024, CZK-denominated medium-term and long-term government bonds in a total nominal value of CZK 78.3 billion were sold, and CZK 157.0 billion in the first half of the year.

On 27 May 2024, the regular redemption of the Czech Republic Treasury Bond, 2009-2024, 5.70% in a total nominal value of CZK 69.8 billion was carried out. In the second quarter of 2024, the government bonds in a total nominal value of CZK 4.1 billion were further bought-back as part of exchange operations. The total nominal value of the net issue of CZK-denominated medium-term and long-term government bonds amounted to

CZK 4.4 billion in the second quarter of 2024, and CZK 83.2 billion in the first half of the year.

During the second quarter of 2024, the CZK-denominated state treasury bills in a total nominal value of CZK 24.8 billion were sold in seven auctions and, at the same time, the CZK-denominated state treasury bills in a total nominal value of CZK 22.3 billion were redeemed. The total nominal value of net issue of the CZK-denominated state treasury bills amounted to CZK 2.5 billion, and CZK 25.0 billion in the first half of the year.

During the second quarter of 2024, the EUR-denominated state treasury bills in a total nominal value of EUR 1.2 billion were sold in two auctions and, at the same time, the EUR-denominated state treasury bills in a total nominal value of EUR 1.0 billion were redeemed. In addition, state treasury bills in a total nominal value of EUR 0.1 billion were sold on the secondary market. The total nominal value of net issue of EUR-denominated state treasury bills amounted to EUR 0.3 billion, and EUR 0.5 billion in the first half of the year.

As part of the project of direct sale of government bonds intended for citizens, six new tranches of already issued government bonds in the form of reinvested yields in a total nominal value of CZK 0.2 billion were issued during the second quarter of 2024. No regular redemption was carried out, only early redemptions based on the exercise of the right of holders in a total nominal value of CZK 0.4 billion were carried out. The total nominal value of net issue of government bonds intended for citizens reached CZK -0.3 billion, and CZK -1.2 billion in the first half of the year.

In the area of received loans and credits from international institutions, no new tranche was drawn during the second quarter of 2024, only regular repayments of loans from the European Investment Bank amounting to CZK 0.2 billion were carried out, and CZK 0.3 billion in the first half of the year.

Affirmation of the Czech Republic's Rating

During the second quarter of 2024, rating agency R&I confirmed the rating of the Czech Republic at the AA- level for long-term liabilities in local and foreign currencies, while the rating agency improved the outlook for the Czech Republic. According to R&I, the decision to change the outlook from negative to stable is a result of the reduction of risks associated with Russian natural gas supplies and expected economic growth combined with a decline in inflation and a recovery in foreign demand. In April 2024, Scope Ratings also affirmed the Czech Republic's long-term rating at AA- for long-term liabilities in local and

foreign currencies with a stable outlook. Currently, the Czech Republic's rating is assigned a stable outlook by all major global rating agencies. In the first half of 2024, rating agency Fitch Ratings also confirmed the current rating at AA- for long-term liabilities in local and foreign currencies, while the rating agency also improved the outlook for the Czech Republic to stable. According to Fitch Ratings, the Czech economy has navigated the successive pandemic and energy price shocks without lasting effects on the long-term economic growth.

Continuation of the Gradual Stabilized Coverage of Financing Needs

During the first half of 2024, CZK-denominated medium-term and long-term government bonds in a total nominal value of CZK 157.0 billion were sold on the primary and secondary markets, of which CZK 12.7 billion in the form of variable-rate government bonds. The average yield to maturity of newly sold fixed-rate government bonds reached 4.0% p.a. with an average residual time to maturity of 10.1 years. In addition, new tranches of already issued government bonds intended for citizens in the form of reinvested

yields in a total nominal value of CZK 4.4 billion were issued. In total, government bonds with a maturity of more than one year in a total nominal value of CZK 161.4 billion were sold. This covered the total annual amount of the CZK-denominated state debt redemptions, thanks to which sufficient space was created for smooth coverage of the remaining financing needs of this year, which will be mainly represented by the actual performance of the state budget in the second half of 2024.

Successful Refinancing of EUR-Denominated Redemptions of the State Debt

On 24 April 2024, the regular redemption of the Government EUR-Bond of the Czech Republic, 2022–2024, 0.00% in a total nominal value of EUR 1.0 billion was carried out, while the coverage of this redemption was ensured primarily through operations on the euro money market in the form of the sale of EUR-denominated state treasury bills, both on the primary and secondary markets. During the first half of 2024, these state treasury

bills in a total nominal value of EUR 1.9 billion were sold in four auctions. In addition, for the first time in history, EUR-denominated state treasury bills were sold on the secondary market, when treasury bills in a total nominal value of EUR 0.1 billion were sold. The total nominal value of EUR-denominated state treasury bills outstanding at the end of the first half of the year amounted to EUR 2.0 billion.

1 – Borrowing Requirement and Development of State Debt

Table 1: Structure and Balance of the Debt Portfolio

| CZK bn | 2022 | 2023 | 30/6/2024 |
|---|----------------|----------------|----------------|
| Gross state debt | 2,894.8 | 3,110.9 | 3,207.1 |
| T-Bills and other money market instruments | 147.1 | 44.9 | 82.8 |
| Received collateral in cash | 0.0 | 0.0 | 0.0 |
| T-Bonds issued on domestic market | 2,521.3 | 2,821.2 | 2,879.8 |
| T-Bonds issued on foreign markets | 5.1 | 4.7 | 4.4 |
| Savings government bonds | 83.4 | 92.6 | 91.5 |
| Received credits and loans ¹ | 137.8 | 147.4 | 148.6 |
| Promissory notes and unpaid principals of government securities | 0.1 | 0.1 | 0.1 |
| Share of GDP (%)² | 41.1 | 40.8 | 41.3 |

¹ Credits and loans received from international financial institutions and European Commission.

² GDP in the ESA 2010 methodology. The source of data for Q1 2022 – Q1 2024 is CZSO, for Q2 2024 the Macroeconomic Forecast of the Czech Republic – April 2024. Source: MoF, CZSO

Table 2: Financing Needs and Sources

| CZK bn | 2022 | 2023 | H1 2024 |
|--|--------------|--------------|--------------|
| Primary balance of state budget | 310.7 | 220.2 | 135.7 |
| Net expenditure on state debt ¹ | 49.7 | 68.3 | 42.9 |
| T-Bonds redemptions ² | 221.4 | 218.9 | 99.1 |
| Redemptions and early redemptions on savings government bonds | 0.4 | 1.3 | 5.5 |
| T-Bills and other money market instruments redemptions ³ | 49.0 | 145.2 | 44.8 |
| Repayments on credits and loans ⁴ | 4.4 | 6.0 | 0.3 |
| Total financing needs | 635.6 | 660.0 | 328.3 |
| Gross T-Bills issue and other money market instruments ^{3, 5} | 150.5 | 44.5 | 82.3 |
| Received collateral in cash | 0.0 | 0.0 | 0.0 |
| Gross issue of T-Bonds on domestic market ⁵ | 455.9 | 518.0 | 157.0 |
| Gross issue of T-Bonds on domestic market up to 5 years ^{5, 6} | 168.5 | 23.2 | 7.5 |
| Gross issue of T-Bonds on domestic market from 5 to 10 years ^{5, 6} | 185.5 | 330.3 | 79.8 |
| Gross issue of T-Bonds on domestic market over 10 years ^{5, 6} | 101.8 | 164.4 | 69.7 |
| Gross issue of T-Bonds on foreign markets ⁵ | 0.0 | 0.0 | 0.0 |
| Gross issue of savings government bonds ⁷ | 45.0 | 10.5 | 4.4 |
| Received credits and loans ⁴ | 60.7 | 12.5 | 0.0 |
| Financial asset and liquidity management | -76.5 | 74.5 | 84.6 |
| Total financing sources | 635.6 | 660.0 | 328.3 |
| Gross borrowing requirement | 712.0 | 585.5 | 243.7 |

¹ Balance of the budgetary chapter 396 – State Debt.

² Incl. the effect of buy-backs and exchange operations.

³ Excl. T-Bills issued and redeemed within respective period and roll-over of other money market instruments.

⁴ Credits and loans received from international financial institutions and European Commission.

⁵ Nominal value; premiums and discounts included in the net expenditure on state debt, i.e. they are included in the net borrowing requirement.

⁶ Residual time to maturity at the transaction settlement date.

⁷ Incl. the reinvestment of yields.

Source: MoF

Table 3: Net Borrowing Requirement and Change in State Debt

| CZK bn | 2022 | 2023 | H1 2024 |
|---|----------------|----------------|----------------|
| Gross state debt as at 1 January | 2,465.8 | 2,894.8 | 3,110.9 |
| Primary state budget balance | 310.7 | 220.2 | 135.7 |
| Net expenditure on state debt service ¹ | 49.7 | 68.3 | 42.9 |
| Financial asset and liquidity management operations | 76.5 | -74.5 | -84.6 |
| Net borrowing requirement | 436.9 | 214.0 | 94.0 |
| T-Bills net issue and net change in the balance of other money market instruments | 101.5 | -100.7 | 37.6 |
| T-Bonds net issue on domestic market | 302.4 | 299.0 | 57.9 |
| T-Bonds net issue on foreign markets | -67.8 | 0.0 | 0.0 |
| Savings government bonds net issue | 44.5 | 9.2 | -1.2 |
| Net change in balance of received credits and loans ² | 56.3 | 6.5 | -0.3 |
| Financing of net borrowing requirement | 436.9 | 214.0 | 94.0 |
| Revaluation of state debt ³ | -7.8 | 2.0 | 2.2 |
| Promissory notes and unpaid principals of government securities net change | 0.1 | 0.0 | 0.0 |
| Gross state debt change | 429.1 | 216.1 | 96.2 |
| Gross state debt as at the end of period | 2,894.8 | 3,110.9 | 3,207.1 |

¹ Balance of budgetary chapter 396 – State debt.

² Credits and loans received from international financial institutions and European Commission.

³ Incl. the revaluation of the debt denominated in foreign currencies based on the exchange rate difference and the consolidation of state debt from the bonds, which were at the moment of issuance registered on the asset account maintained by the Ministry in the respective record, for the period they were registered on such account, as well as the bonds acquired by the state as the issuer before their maturity date, and the cash resources received or repaid within the lending facilities provided from the nuclear portfolio.

Source: MoF

The absolute value of state debt reached CZK 3,207.1 billion at the end of the first half of 2024, which represents an increase of CZK 96.2 billion compared to the end of 2023. It is mainly due to the

sale of government bonds with maturities of over one year and state treasury bills during the first half of 2024 to cover the state budget deficit, which reached CZK 178.6 billion at the end of June.

2 – Primary Market of Government Bonds

Table 4a: Medium-Term and Long-Term Government Bonds Issued in H1 2024

| Issue name | Issue/ tranche no. | Auction date | Settlement date | Maturity date | Currency | Max. nominal value offered in the competitive part of auction | Total nominal value sold |
|----------------|--------------------------|-----------------|--------------------|------------------|----------|--|-----------------------------|
| ČR, 4.50 %, 32 | 154 9 | 10/1 | 12/1 | 11/11/2032 | CZK | 4,000,000,000 | 10,432,850,000 |
| ČR, 1.50 %, 40 | 125 26 | 10/1 | 12/1 | 24/4/2040 | CZK | 1,000,000,000 | 2,522,180,000 |
| ČR, VAR %, 43 | 155 6 | 10/1 | 12/1 | 18/8/2043 | CZK | 4,000,000,000 | 4,262,730,000 |
| ČR, 0.25 %, 27 | 100 31 | 24/1 | 26/1 | 10/2/2027 | CZK | 4,000,000,000 | 4,513,000,000 |
| ČR, 3.50 %, 35 | 145 17 | 24/1 | 26/1 | 30/5/2035 | CZK | 3,000,000,000 | 4,302,000,000 |
| ČR, 4.50 %, 32 | 154 10 | 14/2 | 16/2 | 11/11/2032 | CZK | 4,000,000,000 | 6,802,190,000 |
| ČR, 4.90 %, 34 | 151 12 | 14/2 | 16/2 | 14/4/2034 | CZK | 3,000,000,000 | 5,446,260,000 |
| ČR, 1.50 %, 40 | 125 27 | 14/2 | 16/2 | 24/4/2040 | CZK | 2,000,000,000 | 1,084,480,000 |
| ČR, VAR %, 43 | 155 7 | 21/2 | 23/2 | 18/8/2043 | CZK | 4,000,000,000 | 4,732,480,000 |
| ČR, 4.50 %, 32 | 154 11 | 28/2 | 1/3 | 11/11/2032 | CZK | 4,000,000,000 | 4,316,260,000 |
| ČR, 3.50 %, 35 | 145 18 | 28/2 | 1/3 | 30/5/2035 | CZK | 3,000,000,000 | 3,040,000,000 |
| ČR, 1.95 %, 37 | 142 10 | 28/2 | 1/3 | 30/7/2037 | CZK | 2,000,000,000 | 2,046,000,000 |
| ČR, 4.50 %, 32 | 154 12 | 6/3 | 8/3 | 11/11/2032 | CZK | 4,000,000,000 | 5,089,560,000 |
| ČR, 4.90 %, 34 | 151 13 | 6/3 | 8/3 | 14/4/2034 | CZK | 2,000,000,000 | 2,451,660,000 |
| ČR, 1.50 %, 40 | 125 28 | 6/3 | 8/3 | 24/4/2040 | CZK | 1,000,000,000 | 1,086,530,000 |
| ČR, 3.00 %, 33 | 156 1 | 13/3 | 15/3 | 3/3/2033 | CZK | 5,000,000,000 | 6,035,580,000 |
| ČR, VAR %, 43 | 155 8 | 13/3 | 15/3 | 18/8/2043 | CZK | 1,000,000,000 | 1,250,250,000 |
| ČR, 3.50 %, 35 | 145 19 | 20/3 | 22/3 | 30/5/2035 | CZK | 4,000,000,000 | 4,723,300,000 |
| ČR, 1.95 %, 37 | 142 11 | 20/3 | 22/3 | 30/7/2037 | CZK | 2,000,000,000 | 2,276,050,000 |
| ČR, 3.00 %, 33 | 156 2 | 3/4 | 5/4 | 3/3/2033 | CZK | 5,000,000,000 | 5,887,360,000 |
| ČR, 4.90 %, 34 | 151 14 | 3/4 | 5/4 | 14/4/2034 | CZK | 3,000,000,000 | 3,761,460,000 |
| ČR, 5.50 %, 28 | 149 13 | 10/4 | 12/4 | 12/12/2028 | CZK | 3,000,000,000 | 3,000,000,000 |
| ČR, 4.50 %, 32 | 154 13 | 10/4 | 12/4 | 11/11/2032 | CZK | 3,000,000,000 | 5,637,300,000 |
| ČR, 1.50 %, 40 | 125 29 | 10/4 | 12/4 | 24/4/2040 | CZK | 1,000,000,000 | 961,000,000 |
| ČR, 3.00 %, 33 | 156 3 | 24/4 | 26/4 | 3/3/2033 | CZK | 5,000,000,000 | 5,021,000,000 |
| ČR, 3.50 %, 35 | 145 20 | 24/4 | 26/4 | 30/5/2035 | CZK | 3,000,000,000 | 3,011,000,000 |
| ČR, 4.50 %, 32 | 154 14 | 15/5 | 17/5 | 11/11/2032 | CZK | 5,000,000,000 | 5,162,350,000 |
| ČR, 4.90 %, 34 | 151 15 | 15/5 | 17/5 | 14/4/2034 | CZK | 3,000,000,000 | 4,705,320,000 |
| ČR, 1.95 %, 37 | 142 12 | 15/5 | 17/5 | 30/7/2037 | CZK | 1,000,000,000 | 2,114,080,000 |
| ČR, VAR %, 43 | 155 9 | 22/5 | 24/5 | 18/8/2043 | CZK | 1,000,000,000 | 1,103,630,000 |
| ČR, 3.00 %, 33 | 156 4 | 29/5 | 31/5 | 3/3/2033 | CZK | 5,000,000,000 | 5,880,520,000 |
| ČR, 3.50 %, 35 | 145 21 | 29/5 | 31/5 | 30/5/2035 | CZK | 3,000,000,000 | 3,709,570,000 |
| ČR, 1.50 %, 40 | 125 30 | 29/5 | 31/5 | 24/4/2040 | CZK | 1,000,000,000 | 1,158,030,000 |
| ČR, 4.50 %, 32 | 154 15 | 12/6 | 14/6 | 11/11/2032 | CZK | 3,000,000,000 | 3,637,860,000 |
| ČR, 4.90 %, 34 | 151 16 | 12/6 | 14/6 | 14/4/2034 | CZK | 3,000,000,000 | 3,634,020,000 |
| ČR, 1.95 %, 37 | 142 13 | 12/6 | 14/6 | 30/7/2037 | CZK | 1,000,000,000 | 1,197,400,000 |
| ČR, VAR %, 43 | 155 10 | 19/6 | 21/6 | 18/8/2043 | CZK | 1,000,000,000 | 1,350,550,000 |
| ČR, 3.00 %, 33 | 156 5 | 26/6 | 28/6 | 3/3/2033 | CZK | 5,000,000,000 | 5,000,000,000 |
| ČR, 3.50 %, 35 | 145 22 | 26/6 | 28/6 | 30/5/2035 | CZK | 3,000,000,000 | 3,000,000,000 |
| ČR, 1.50 %, 40 | 125 31 | 26/6 | 28/6 | 24/4/2040 | CZK | 1,000,000,000 | 1,000,000,000 |
| Total | | | | | | | 146,345,810,000 |

Source: MoF, CNB

Table 4b: Medium-Term and Long-Term Government Bonds Issued in H1 2024

| Issue name | Issue/ tranche no. | Coupon | Average price | Average yield to maturity (% p.a.) ¹ | Bid- to- cover ratio | Sold in the competitive part of the auction/Max. nominal value offered (%) | Sold in the non- competitive part of the auction/ Max. nominal value offered (%) | |
|----------------|--------------------------|--------|------------------|--|-------------------------------|---|--|-------|
| ČR, 4.50 %, 32 | 154 | 9 | 4.50% | 104.588 | 3.870 | 2.26 | 233.94 | 26.88 |
| ČR, 1.50 %, 40 | 125 | 26 | 1.50% | 71.009 | 3.947 | 2.24 | 230.00 | 22.22 |
| ČR, VAR %, 43 | 155 | 6 | VAR% | 99.373 | 6.140 | 1.67 | 100.00 | 6.57 |
| ČR, 0.25 %, 27 | 100 | 31 | 0.25% | 89.753 | 3.888 | 3.38 | 112.83 | 0.00 |
| ČR, 3.50 %, 35 | 145 | 17 | 3.50% | 96.088 | 3.932 | 2.15 | 143.40 | 0.00 |
| ČR, 4.50 %, 32 | 154 | 10 | 4.50% | 105.917 | 3.689 | 1.53 | 155.08 | 14.98 |
| ČR, 4.90 %, 34 | 151 | 12 | 4.90% | 109.558 | 3.750 | 1.72 | 165.00 | 16.54 |
| ČR, 1.50 %, 40 | 125 | 27 | 1.50% | 71.637 | 3.895 | 2.95 | 51.34 | 2.88 |
| ČR, VAR %, 43 | 155 | 7 | VAR% | 99.208 | 7.399 | 1.65 | 116.88 | 1.44 |
| ČR, 4.50 %, 32 | 154 | 11 | 4.50% | 105.278 | 3.771 | 2.08 | 100.00 | 7.91 |
| ČR, 3.50 %, 35 | 145 | 18 | 3.50% | 96.688 | 3.867 | 2.17 | 100.00 | 1.33 |
| ČR, 1.95 %, 37 | 142 | 10 | 1.95% | 79.501 | 3.947 | 2.23 | 102.30 | 0.00 |
| ČR, 4.50 %, 32 | 154 | 12 | 4.50% | 105.806 | 3.699 | 2.64 | 106.38 | 20.86 |
| ČR, 4.90 %, 34 | 151 | 13 | 4.90% | 109.286 | 3.776 | 3.90 | 102.50 | 20.08 |
| ČR, 1.50 %, 40 | 125 | 28 | 1.50% | 71.574 | 3.909 | 3.41 | 92.48 | 16.17 |
| ČR, 3.00 %, 33 | 156 | 1 | 3.00% | 94.747 | 3.699 | 2.61 | 119.60 | 1.11 |
| ČR, VAR %, 43 | 155 | 8 | VAR% | 99.111 | 8.487 | 2.14 | 123.00 | 2.03 |
| ČR, 3.50 %, 35 | 145 | 19 | 3.50% | 95.758 | 3.976 | 1.72 | 100.00 | 18.08 |
| ČR, 1.95 %, 37 | 142 | 11 | 1.95% | 78.866 | 4.026 | 2.15 | 100.05 | 13.75 |
| ČR, 3.00 %, 33 | 156 | 2 | 3.00% | 92.482 | 4.020 | 1.94 | 101.38 | 16.37 |
| ČR, 4.90 %, 34 | 151 | 14 | 4.90% | 106.786 | 4.063 | 3.02 | 106.89 | 18.50 |
| ČR, 5.50 %, 28 | 149 | 13 | 5.50% | 106.939 | 3.842 | 2.11 | 100.00 | 0.00 |
| ČR, 4.50 %, 32 | 154 | 13 | 4.50% | 103.127 | 4.055 | 1.98 | 187.91 | 0.00 |
| ČR, 1.50 %, 40 | 125 | 29 | 1.50% | 69.055 | 4.189 | 1.99 | 96.10 | 0.00 |
| ČR, 3.00 %, 33 | 156 | 3 | 3.00% | 90.821 | 4.266 | 2.17 | 100.42 | 0.00 |
| ČR, 3.50 %, 35 | 145 | 20 | 3.50% | 93.136 | 4.290 | 1.66 | 100.37 | 0.00 |
| ČR, 4.50 %, 32 | 154 | 14 | 4.50% | 103.334 | 4.022 | 1.29 | 100.00 | 3.25 |
| ČR, 4.90 %, 34 | 151 | 15 | 4.90% | 106.816 | 4.050 | 1.74 | 154.94 | 1.90 |
| ČR, 1.95 %, 37 | 142 | 12 | 1.95% | 78.248 | 4.118 | 1.73 | 203.50 | 7.91 |
| ČR, VAR %, 43 | 155 | 9 | VAR% | 99.041 | 9.330 | 5.43 | 100.00 | 10.36 |
| ČR, 3.00 %, 33 | 156 | 4 | 3.00% | 90.291 | 4.356 | 1.82 | 100.00 | 17.61 |
| ČR, 3.50 %, 35 | 145 | 21 | 3.50% | 92.302 | 4.398 | 2.13 | 105.14 | 18.51 |
| ČR, 1.50 %, 40 | 125 | 30 | 1.50% | 66.920 | 4.446 | 3.29 | 100.00 | 15.80 |
| ČR, 4.50 %, 32 | 154 | 15 | 4.50% | 101.428 | 4.288 | 1.91 | 103.14 | 18.12 |
| ČR, 4.90 %, 34 | 151 | 16 | 4.90% | 104.669 | 4.306 | 2.19 | 101.29 | 19.85 |
| ČR, 1.95 %, 37 | 142 | 13 | 1.95% | 76.355 | 4.352 | 3.40 | 100.10 | 19.64 |
| ČR, VAR %, 43 | 155 | 10 | VAR% | 98.995 | 9.260 | 2.76 | 123.70 | 11.36 |
| ČR, 3.00 %, 33 | 156 | 5 | 3.00% | 91.601 | 4.172 | 1.18 | 100.00 | 0.00 |
| ČR, 3.50 %, 35 | 145 | 22 | 3.50% | 93.845 | 4.214 | 1.79 | 100.00 | 0.00 |
| ČR, 1.50 %, 40 | 125 | 31 | 1.50% | 68.200 | 4.314 | 1.95 | 100.00 | 0.00 |
| Average | | | | | 2.30 | 118.49 | 9.30 | |

¹ In case of variable-rate T-Bonds, average spread to PRIBOR in basis points (discount margin) is stated.
Source: MoF, CNB

Table 5: State Treasury Bills Issued in H1 2024

| Issue/ tranche no. | Maturity (weeks) | Auction date | Issue date | Maturity date | Currency | Max. nominal value offered | Total nominal value sold | Yield to maturity (% p.a.) | |
|--------------------------|---------------------|-----------------|---------------|------------------|------------|-------------------------------|-----------------------------|----------------------------------|-------|
| 907 | 1 | 13 | 11/1 | 12/1 | 12/4/2024 | CZK | 10,000,000,000 | 5,167,000,000 | 5.157 |
| 909 | 1 | 13 | 25/1 | 26/1 | 26/4/2024 | CZK | 10,000,000,000 | 3,875,000,000 | 5.072 |
| 910 | 1 | 13 | 15/2 | 16/2 | 17/5/2024 | CZK | 10,000,000,000 | 6,549,000,000 | 4.878 |
| 911 | 1 | 39 | 29/2 | 1/3 | 29/11/2024 | CZK | 10,000,000,000 | 6,301,000,000 | 4.205 |
| 912 | 1 | 13 | 7/3 | 8/3 | 7/6/2024 | CZK | 5,000,000,000 | 4,237,000,000 | 4.834 |
| 911 | 2 | 36 | 21/3 | 22/3 | 29/11/2024 | CZK | 5,000,000,000 | 4,108,000,000 | 4.302 |
| 912 | 2 | 8 | 11/4 | 12/4 | 7/6/2024 | CZK | 5,000,000,000 | 2,450,000,000 | 4.674 |
| 911 | 3 | 32 | 18/4 | 19/4 | 29/11/2024 | CZK | 5,000,000,000 | 3,000,000,000 | 4.266 |
| 913 | 1 | 26 | 25/4 | 26/4 | 25/10/2024 | CZK | 5,000,000,000 | 2,523,000,000 | 4.416 |
| 914 | 1 | 13 | 16/5 | 17/5 | 16/8/2024 | CZK | 5,000,000,000 | 4,647,000,000 | 4.434 |
| 911 | 4 | 26 | 30/5 | 31/5 | 29/11/2024 | CZK | 5,000,000,000 | 2,004,000,000 | 4.269 |
| 913 | 2 | 19 | 13/6 | 14/6 | 25/10/2024 | CZK | 5,000,000,000 | 5,671,000,000 | 4.277 |
| 916 | 1 | 25 | 27/6 | 28/6 | 20/12/2024 | CZK | 5,000,000,000 | 4,502,000,000 | 4.167 |
| Total CZK | | | | | | | 55,034,000,000 | 4.551¹ | |
| 908 | 1 | 26 | 17/1 | 19/1 | 19/7/2024 | EUR | 500,000,000 | 500,000,000 | 3.809 |
| 908 | 2 | 21 | 21/2 | 23/2 | 19/7/2024 | EUR | 200,000,000 | 210,000,000 | 3.811 |
| 908 | 3 | 15 | 3/4 | 5/4 | 19/7/2024 | EUR | 200,000,000 | 150,000,000 | 3.910 |
| 915 | 1 | 26 | 5/6 | 7/6 | 6/12/2024 | EUR | 500,000,000 | 1,000,000,000 | 3.765 |
| Total EUR | | | | | | | 1,860,000,000 | 3.793¹ | |

¹ Average weighted yield to maturity.
Source: MoF, CNB

Table 6: Savings Government Bonds Issued in H1 2024

| Issue name | Issue no. | Settlement date | Maturity date | Original maturity (years) | Total nominal value sold |
|-------------------------------------|-----------|-------------------------|------------------|------------------------------|-----------------------------|
| SD-R ČR, FIX %, 26 V ¹ | 131 | 31/12/2023 ² | 31/12/2026 | 6.0 | 299,309 |
| SD-I ČR, CPI %, 26 V ¹ | 132 | 31/12/2023 ² | 31/12/2026 | 6.0 | 418,306,437 |
| SD-R ČR, FIX %, 26 ¹ | 114 | 2/1/2024 | 2/1/2026 | 6.0 | 594,525 |
| SD-I ČR, CPI %, 26 ¹ | 115 | 2/1/2024 | 2/1/2026 | 6.0 | 137,244,068 |
| SD-F ČR, 1.25 %, 26 ¹ | 116 | 2/1/2024 | 2/1/2026 | 6.0 | 147,103 |
| SD-R ČR, FIX %, 28 ¹ | 143 | 3/1/2024 | 3/1/2028 | 6.0 | 1,059,483 |
| SD-I ČR, CPI %, 28 ¹ | 144 | 3/1/2024 | 3/1/2028 | 6.0 | 3,593,120,247 |
| SD-R ČR, FIX %, 25 ¹ | 106 | 1/2/2024 | 1/2/2025 | 6.0 | 66,787,485 |
| SD-R ČR, FIX %, 25 II ¹ | 107 | 1/4/2024 ² | 1/4/2025 | 6.0 | 16,906,094 |
| SD-R ČR, FIX %, 26 II ¹ | 117 | 1/4/2024 ² | 1/4/2026 | 6.0 | 483,352 |
| SD-I ČR, CPI %, 26 II ¹ | 118 | 1/4/2024 ² | 1/4/2026 | 6.0 | 56,551,338 |
| SD-F ČR, 1.50 %, 26 II ¹ | 119 | 1/4/2024 ² | 1/4/2026 | 6.0 | 164,308 |
| SD-R ČR, FIX %, 27 ¹ | 133 | 1/4/2024 ² | 1/4/2027 | 6.0 | 314,995 |
| SD-I ČR, CPI %, 27 ¹ | 134 | 1/4/2024 ² | 1/4/2027 | 6.0 | 88,612,778 |
| Total | | | | | 4,380,591,522 |

¹ Incl. tranches issued in the form of reinvestment of yields.

² If the reinvestment date of yields falls on a day, which is not a business day, the relevant government bonds are reinvested to the bondholder's asset account in the Ministry's register on the first following business day.

Source: MoF

Table 7: Medium-Term and Long-Term Government Bonds Issued on Domestic Market as at 30/6/2024

| Issue name | Issue no. | ISIN | Maturity date | Nominal value outstanding | Nominal value booked on MoF's asset accounts |
|------------------|-----------|--------------|---------------|---------------------------|--|
| ČR, VAR %, 24 | 147 | CZ0001006498 | 22/10/2024 | 27,740,620,000 | 1,000,000,000 |
| ČR, 0.00 %, 24 | 135 | CZ0001006167 | 12/12/2024 | 40,390,380,000 | 1,000,000,000 |
| ČR, 1.25 %, 25 | 120 | CZ0001005870 | 14/2/2025 | 114,950,000,000 | 1,000,000,000 |
| ČR, 2.40 %, 25 | 89 | CZ0001004253 | 17/9/2025 | 135,000,000,000 | 1,000,000,000 |
| ČR, 6.00 %, 26 | 148 | CZ0001006506 | 26/2/2026 | 105,604,160,000 | 1,395,840,000 |
| ČR, 1.00 %, 26 | 95 | CZ0001004469 | 26/6/2026 | 149,000,000,000 | 1,000,000,000 |
| ČR, 0.25 %, 27 | 100 | CZ0001005037 | 10/2/2027 | 146,909,820,000 | 3,090,180,000 |
| ČR, VAR %, 27 | 90 | CZ0001004105 | 19/11/2027 | 119,000,000,000 | 1,000,000,000 |
| ČR, 2.50 %, 28 | 78 | CZ0001003859 | 25/8/2028 | 149,000,000,000 | 1,000,000,000 |
| ČR, 5.50 %, 28 | 149 | CZ0001006696 | 12/12/2028 | 103,000,000,000 | 3,000,000,000 |
| ČR, 5.75 %, 29 | 153 | CZ0001007025 | 29/3/2029 | 66,368,750,000 | 3,631,250,000 |
| ČR, 2.75 %, 29 | 105 | CZ0001005375 | 23/7/2029 | 149,000,000,000 | 1,000,000,000 |
| ČR, 0.05 %, 29 | 130 | CZ0001006076 | 29/11/2029 | 84,000,000,000 | 1,000,000,000 |
| ČR, 0.95 %, 30 | 94 | CZ0001004477 | 15/5/2030 | 149,000,000,000 | 1,000,000,000 |
| ČR, 5.00 %, 30 | 150 | CZ0001006688 | 30/9/2030 | 142,501,690,000 | 7,498,310,000 |
| ČR, 1.20 %, 31 | 121 | CZ0001005888 | 13/3/2031 | 149,000,000,000 | 1,000,000,000 |
| ČR, 6.20 %, 31 | 152 | CZ0001006969 | 16/6/2031 | 35,795,400,000 | 4,204,600,000 |
| ČR, VAR %, 31 | 139 | CZ0001006241 | 31/10/2031 | 115,475,430,000 | 5,524,570,000 |
| ČR, 1.75 %, 32 | 138 | CZ0001006233 | 23/6/2032 | 149,000,000,000 | 1,000,000,000 |
| ČR, 4.50 %, 32 | 154 | CZ0001007033 | 11/11/2032 | 91,740,030,000 | 8,259,970,000 |
| ČR, 3.00 %, 33 | 156 | CZ0001007256 | 3/3/2033 | 30,374,460,000 | 20,625,540,000 |
| ČR, 2.00 %, 33 | 103 | CZ0001005243 | 13/10/2033 | 149,000,000,000 | 1,000,000,000 |
| ČR, 4.90 %, 34 | 151 | CZ0001006894 | 14/4/2034 | 93,296,500,000 | 1,408,820,000 |
| ČR, 3.50 %, 35 | 145 | CZ0001006431 | 30/5/2035 | 91,967,540,000 | 19,032,460,000 |
| ČR, 4.20 %, 36 | 49 | CZ0001001796 | 4/12/2036 | 79,000,000,000 | 1,000,000,000 |
| ČR, 1.95 %, 37 | 142 | CZ0001006316 | 30/7/2037 | 55,691,310,000 | 4,308,690,000 |
| ČR, 1.50 %, 40 | 125 | CZ0001005920 | 24/4/2040 | 75,460,600,000 | 5,539,400,000 |
| ČR, VAR %, 43 | 155 | CZ0001007041 | 18/8/2043 | 45,693,860,000 | 5,306,140,000 |
| ČR, 4.85 %, 57 | 53 | CZ0001002059 | 26/11/2057 | 24,335,960,000 | 664,040,000 |
| Total CZK | | | | 2,867,296,510,000 | 107,489,810,000 |
| ČR, 0.00 %, 27 | 129 | CZ0001006043 | 27/7/2027 | 500,000,000 | 0 |
| Total EUR | | | | 500,000,000 | 0 |

Note: Excl. nominal values of government bonds provided and/or received by the Ministry as collateral when realizing repo operations under treasury single accounts liquidity management and/or within lending facilities.
Source: MoF

Table 8: Medium-Term and Long-Term Government Bonds Issued on Foreign Markets as at 30/6/2024

| ISIN | Currency | Maturity date | Nominal value outstanding | Nominal value booked on MoF's asset accounts |
|------------------|----------|---------------|---------------------------|--|
| XS0240954361 | JPY | 16/1/2036 | 30,000,000,000 | 0 |
| Total JPY | | | 30,000,000,000 | 0 |

Note: Excl. nominal values of government bonds provided and/or received by the Ministry as collateral when realizing repo operations under treasury single accounts liquidity management and/or within lending facilities.
Source: MoF

Table 9: Issued State Treasury Bills as at 30/6/2024

| Issue no. | ISIN | Maturity date | Nominal value outstanding | Nominal value booked on MoF's asset accounts |
|------------------|--------------|---------------|---------------------------|--|
| 914 | CZ0001007322 | 16/8/2024 | 4,647,000,000 | 0 |
| 913 | CZ0001007314 | 25/10/2024 | 8,194,000,000 | 0 |
| 902 | CZ0001007173 | 29/11/2024 | 0 | 100,000,000,000 |
| 911 | CZ0001007272 | 29/11/2024 | 15,413,000,000 | 0 |
| 916 | CZ0001007348 | 20/12/2024 | 4,502,000,000 | 0 |
| Total CZK | | | 32,756,000,000 | 100,000,000,000 |
| 908 | CZ0001007231 | 19/7/2024 | 1,000,000,000 | 0 |
| 915 | CZ0001007330 | 6/12/2024 | 1,000,000,000 | 0 |
| Total EUR | | | 2,000,000,000 | 0 |

Note: Excl. nominal values of government bonds provided and/or received by the Ministry as collateral when realizing repo operations under treasury single accounts liquidity management and/or within lending facilities.
Source: MoF

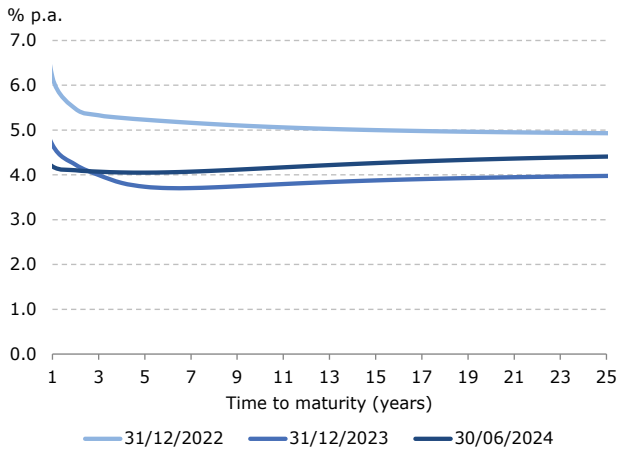
Table 10: Issued Savings Government Bonds as at 30/6/2024

| Issue name | Issue no. | ISIN | Maturity date | Nominal value outstanding | Nominal value booked on MoF's asset accounts |
|-------------------------|-----------|--------------|---------------|---------------------------|--|
| SD-R ČR, FIX %, 25 | 106 | CZ0001005623 | 1/2/2025 | 2,685,597,166 | 0 |
| SD-R ČR, FIX %, 25 II | 107 | CZ0001005631 | 1/4/2025 | 812,441,219 | 0 |
| SD-R ČR, FIX %, 25 III | 108 | CZ0001005649 | 1/7/2025 | 349,935,055 | 0 |
| SD-I ČR, CPI %, 25 | 110 | CZ0001005714 | 1/7/2025 | 6,254,194,062 | 0 |
| SD-R ČR, FIX %, 25 IV | 111 | CZ0001005730 | 1/10/2025 | 51,757,704 | 0 |
| SD-I ČR, CPI %, 25 II | 112 | CZ0001005722 | 1/10/2025 | 1,392,503,177 | 0 |
| SD-F ČR, 1.50 %, 25 | 113 | CZ0001005748 | 1/10/2025 | 13,475,540 | 0 |
| SD-R ČR, FIX %, 26 | 114 | CZ0001005763 | 2/1/2026 | 47,204,553 | 0 |
| SD-I ČR, CPI %, 26 | 115 | CZ0001005771 | 2/1/2026 | 1,930,892,121 | 0 |
| SD-F ČR, 1.25 %, 26 | 116 | CZ0001005789 | 2/1/2026 | 13,990,707 | 0 |
| SD-R ČR, FIX %, 26 II | 117 | CZ0001005813 | 1/4/2026 | 38,380,009 | 0 |
| SD-I ČR, CPI %, 26 II | 118 | CZ0001005821 | 1/4/2026 | 2,411,545,981 | 0 |
| SD-F ČR, 1.50 %, 26 II | 119 | CZ0001005805 | 1/4/2026 | 13,048,922 | 0 |
| SD-R ČR, FIX %, 26 III | 122 | CZ0001005896 | 1/7/2026 | 82,264,449 | 0 |
| SD-I ČR, CPI %, 26 III | 123 | CZ0001005904 | 1/7/2026 | 2,489,041,583 | 0 |
| SD-F ČR, 1.30 %, 26 III | 124 | CZ0001005912 | 1/7/2026 | 36,552,642 | 0 |
| SD-R ČR, FIX %, 26 IV | 127 | CZ0001006019 | 1/10/2026 | 32,450,746 | 0 |
| SD-I ČR, CPI %, 26 IV | 128 | CZ0001006001 | 1/10/2026 | 4,843,421,163 | 0 |
| SD-R ČR, FIX %, 26 V | 131 | CZ0001006092 | 31/12/2026 | 35,505,007 | 0 |
| SD-I ČR, CPI %, 26 V | 132 | CZ0001006100 | 31/12/2026 | 5,886,391,293 | 0 |
| SD-R ČR, FIX %, 27 | 133 | CZ0001006134 | 1/4/2027 | 31,809,372 | 0 |
| SD-I ČR, CPI %, 27 | 134 | CZ0001006142 | 1/4/2027 | 3,904,081,891 | 0 |
| SD-R ČR, FIX %, 27 II | 136 | CZ0001006209 | 1/7/2027 | 45,729,280 | 0 |
| SD-I ČR, CPI %, 27 II | 137 | CZ0001006217 | 1/7/2027 | 5,422,392,203 | 0 |
| SD-R ČR, FIX %, 27 III | 140 | CZ0001006282 | 1/10/2027 | 44,767,449 | 0 |
| SD-I ČR, CPI %, 27 III | 141 | CZ0001006290 | 1/10/2027 | 6,623,955,385 | 0 |
| SD-R ČR, FIX %, 28 | 143 | CZ0001006324 | 3/1/2028 | 85,804,498 | 0 |
| SD-I ČR, CPI %, 28 | 144 | CZ0001006332 | 3/1/2028 | 45,873,986,880 | 0 |
| Total | | | | 91,453,120,057 | 0 |

Source: MoF

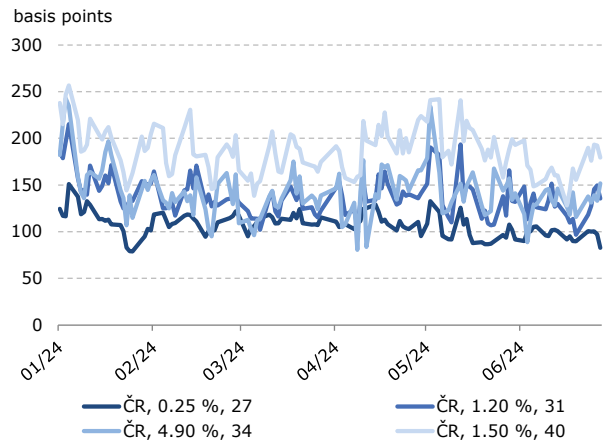
3 – Secondary Market of Government Bonds

Figure 1: Yield Curve of Government Bonds



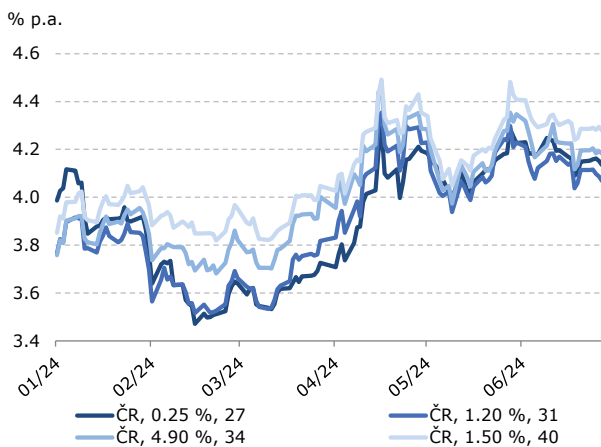
Note: "Par" yield curve of CZK-denominated fixed-rate government bonds is constructed on the basis the extended Nelson-Siegel model, called Svensson model.
Source: MoF, MTS

Figure 2: Bid-Offer Spreads of Selected Government Bonds



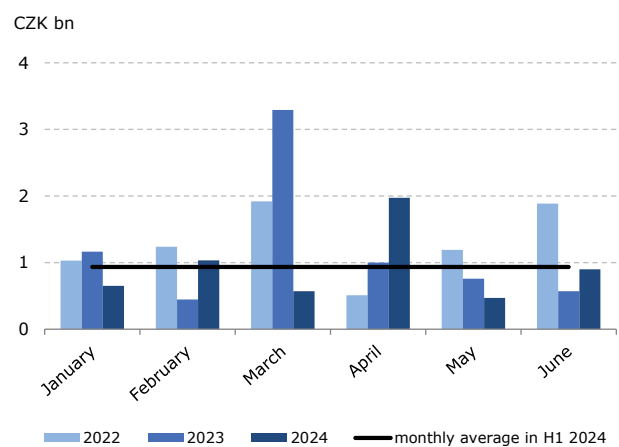
Source: MoF, MTS

Figure 3: Yields of Selected Government Bonds



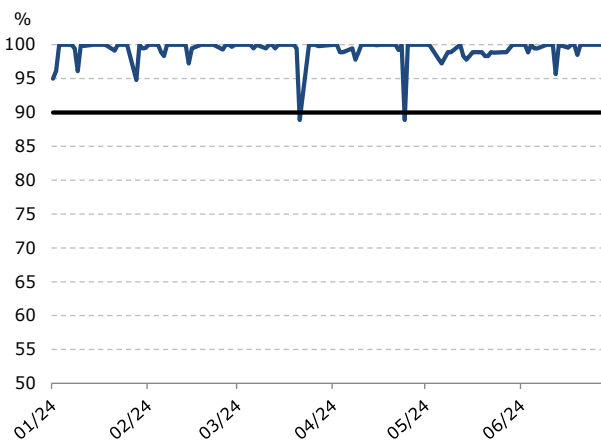
Source: MoF, MTS

Figure 4: Traded Nominal Value on MTS Czech Republic



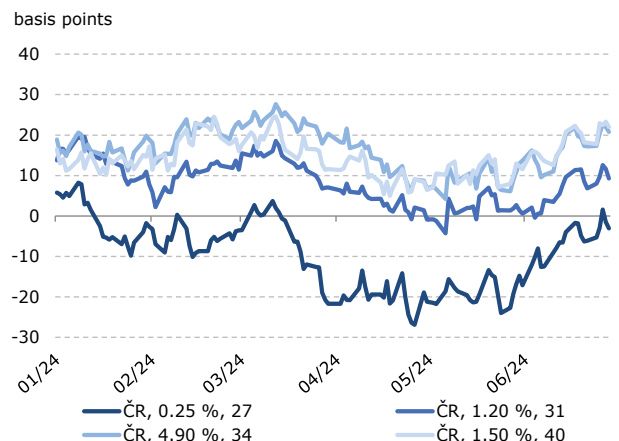
Source: MoF, MTS

Figure 5: Average Daily Compliance Ratio of Primary Dealers on MTS Czech Republic



Source: MoF, MTS

Figure 6: "Asset Swap Spread" Risk Premium of Selected Government Bonds



Source: Bloomberg

Table 11a: Realized Lending Facilities of Government Bonds in the Form of Repo Operations in H1 2024

| Issue name | ISIN | Collateral nominal value | Financial resources received | Financial resources paid ¹ |
|--------------|------|--------------------------|------------------------------|---------------------------------------|
| - | - | - | - | - |
| Total | | 0 | 0 | 0 |

¹ Incl. financial resources from this lending facilities realized in H1 2024, which has not been paid during this period.
Source: MoF

Table 11b: Realized Lending Facilities of Government Bonds in the Form of Collateralized Loans of Securities in H1 2024

| Issue name | ISIN | Nominal value | Revenue ¹ |
|----------------|--------------|----------------------|----------------------|
| ČR, 6.20 %, 31 | CZ0001006969 | 1,076,000,000 | 251,427 |
| ČR, VAR %, 31 | CZ0001006241 | 404,000,000 | 74,282 |
| ČR, 1.50 %, 40 | CZ0001005920 | 1,000,000,000 | 123,774 |
| ČR, 4.85 %, 57 | CZ0001002059 | 117,000,000 | 43,625 |
| Total | | 2,597,000,000 | 493,109 |

¹ Incl. financial revenue from this lending facilities realized in H1 2024, which has not been terminated during this period.
Source: MoF

Table 12: Buy-Backs of Government Bonds in H1 2024

| Issue name | Issue no. | Settlement date | Maturity date | Average price | Currency | Nominal value |
|--------------|-----------|-----------------|---------------|---------------|----------|---------------|
| - | - | - | - | - | - | - |
| Total | | | | | | 0 |

Source: MoF

Table 13: Tap Sales of Government Bonds in H1 2024

| Issue name | Issue no. | Settlement date | Maturity date | Average price | Currency | Nominal value |
|------------------|-----------|-----------------|---------------|---------------|----------|----------------------|
| ČR, 4.90 %, 34 | 151 | 31/1/2024 | 14/4/2034 | 108.020 | CZK | 1,850,000,000 |
| ČR, 4.85 %, 57 | 53 | 31/1/2024 | 26/11/2057 | 111.000 | CZK | 450,000,000 |
| ČR, 1.50 %, 40 | 125 | 10/6/2024 | 24/4/2040 | 68.370 | CZK | 1,610,000,000 |
| ČR, 4.85 %, 57 | 53 | 10/6/2024 | 26/11/2057 | 106.120 | CZK | 610,000,000 |
| ČR, 4.85 %, 57 | 53 | 18/6/2024 | 26/11/2057 | 106.175 | CZK | 107,000,000 |
| ČR, 3.50 %, 35 | 145 | 19/6/2024 | 30/5/2035 | 93.650 | CZK | 1,100,000,000 |
| ČR, 1.50 %, 40 | 125 | 19/6/2024 | 24/4/2040 | 68.275 | CZK | 900,000,000 |
| Total CZK | | | | | | 6,627,000,000 |
| T-Bill 26W 19/01 | 908 | 25/4/2024 | 19/7/2024 | 99.088 | EUR | 65,000,000 |
| T-Bill 26W 19/01 | 908 | 23/5/2024 | 19/7/2024 | 99.389 | EUR | 75,000,000 |
| Total EUR | | | | | | 140,000,000 |

Source: MoF

Table 14: Realized Exchange Operations of Government Bonds in H1 2024

| Settlement date | Issue name | Tap sale | | Issue name | Buy-back | |
|-----------------|----------------|----------------------|---------------|----------------------|---------------|---------------|
| | | Nominal value | Average price | | Nominal value | Average price |
| 2/5/2024 | ČR, 3.00 %, 33 | 950,000,000 | 90.720 | ČR, 1.25 %, 25 | 950,000,000 | 97.550 |
| 9/5/2024 | ČR, 3.00 %, 33 | 1,050,000,000 | 92.085 | ČR, 1.25 %, 25 | 1,050,000,000 | 97.580 |
| 9/5/2024 | ČR, 3.50 %, 35 | 700,000,000 | 94.780 | ČR, 1.25 %, 25 | 700,000,000 | 97.580 |
| 22/5/2024 | ČR, 3.00 %, 33 | 450,000,000 | 91.700 | ČR, 1.25 %, 25 | 450,000,000 | 97.710 |
| 27/5/2024 | ČR, 3.00 %, 33 | 100,000,000 | 91.605 | ČR, 1.25 %, 25 | 100,000,000 | 97.780 |
| 27/5/2024 | ČR, 1.95 %, 37 | 800,000,000 | 77.295 | ČR, 1.25 %, 25 | 800,000,000 | 97.780 |
| Total | | 4,050,000,000 | | 4,050,000,000 | | |

Source: MoF

4 – Risk Management and Portfolio Strategy

Table 15: Targets, Limits and Risk Parameters of the Debt Portfolio

| INDICATOR | Announced target for medium-term horizon | As at 30/6/2024 |
|---|--|---|
| Short-term state debt | 20.0% and less | 8.4% |
| Medium-term state debt | 70.0% and less | 42.8% |
| Average time to maturity | 6.5 years | 6.2 / 6.4 ¹ / 7.1 ² years |
| Interest re-fixing up to 1 year | 40.0% and less | 20.2% |
| Average time to re-fixing | 5.0 to 6.0 years | 5.5 years |
| Net foreign-currency exposure with the impact on the state debt level | 10.0% and less ³ | 5.4% |
| Net short-term foreign-currency exposure with the impact on the level of interest expenditure on state debt service | 10.0% and less ³ | 4.0% |

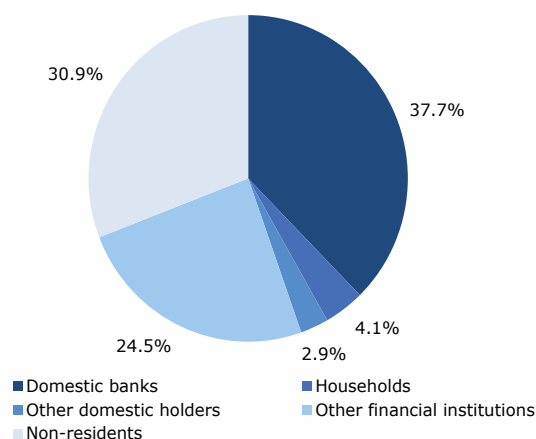
¹ After offsetting nearest state debt redemptions against cash resources from short-term reserve operations on money market.

² After offsetting nearest state debt redemptions against total available state treasury liquidity.

³ Possible short-term excess by 2 p.p. in case of an unexpected depreciation of domestic currency. The limit stipulated by the Ministry 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 more pronounced depreciation of Czech koruna exchange rate.

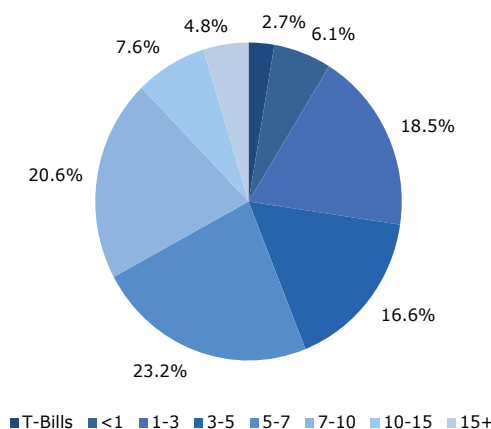
Source: MoF

Figure 7: Structure of Government Bonds by Type of Holder



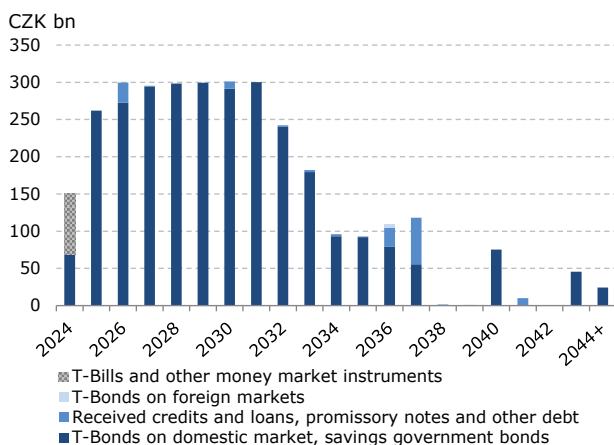
Note: Incl. T-Bonds issued on domestic market, savings government bonds and T-Bills. As at 30/6/2024.
Source: MoF, CDCP, CNB

Figure 8: Structure of Government Bonds by Residual Time to Maturity



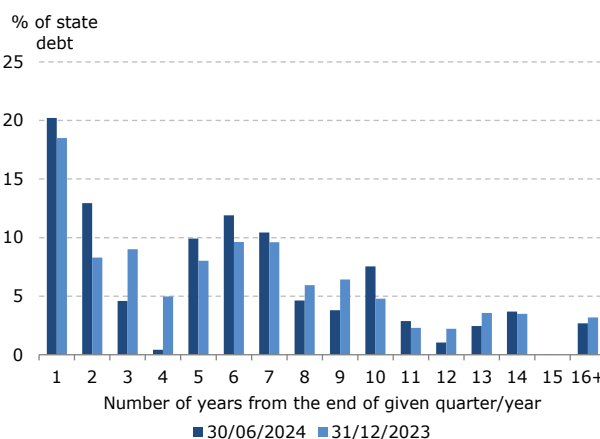
Note: Incl. T-Bonds issued on domestic and foreign markets, savings government bonds and T-Bills. As at 30/6/2024.
Source: MoF

Figure 9: Maturity Profile of State Debt



Note: Received credits and loans include credits and loans received from international financial institutions and European Commission. Other debt includes unpaid principals of government securities. As at 30/6/2024.
Source: MoF

Figure 10: Re-fixing Profile of State Debt



Source: MoF

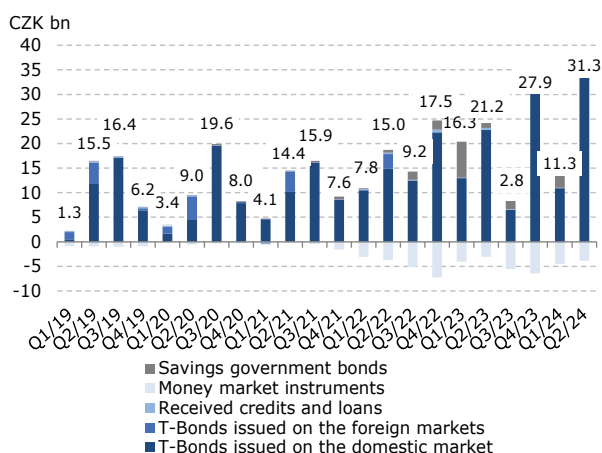
Table 16: State Debt Parameters

| | 30/6/ 2023 | 30/9/ 2023 | 31/12/ 2023 | 31/3/ 2024 | 30/6/ 2024 |
|--|----------------|----------------|----------------|----------------|----------------|
| Total state debt (CZK bn) | 3,044.4 | 3,115.0 | 3,110.9 | 3,220.8 | 3,207.1 |
| Market value of state debt (CZK bn) | 2,828.0 | 2,881.8 | 3,006.9 | 3,121.2 | 3,070.2 |
| Short-term state debt (%) | 10.8 | 8.6 | 6.7 | 11.1 | 8.4 |
| Medium-term state debt (%) | 42.2 | 44.1 | 43.8 | 45.4 | 42.8 |
| T-Bills and other money market instruments (%) | 5.0 | 3.2 | 1.4 | 2.3 | 2.6 |
| Average time to maturity (years) | 6.2 | 6.2 | 6.4 | 6.2 | 6.2 |
| Interest re-fixing up to 1 year (%) | 22.6 | 20.8 | 18.5 | 22.8 | 20.2 |
| Average time to re-fixing (years) | 5.6 | 5.5 | 5.6 | 5.5 | 5.5 |
| Variable-rate state debt (%) | 11.9 | 12.3 | 12.7 | 12.6 | 12.7 |
| Modified duration (years) | 4.6 | 4.4 | 4.8 | 4.5 | 4.6 |
| Net foreign-currency exposure with the impact on the state debt level (%) | 5.4 | 5.4 | 5.5 | 5.5 | 5.4 |
| Net short-term foreign-currency exposure with the impact on the level of interest expenditure on state debt service (%) | 4.1 | 4.1 | 4.2 | 4.1 | 4.0 |
| Foreign currency state debt (%) | 7.7 | 6.7 | 6.4 | 6.5 | 5.9 |
| Share of EUR in state debt level net foreign currency exposure (%) | 90.4 | 90.3 | 90.1 | 90.6 | 90.7 |
| Share of EUR in interest expenditure on state debt net short-term foreign currency exposure (%) | 90.9 | 90.9 | 90.6 | 91.1 | 90.7 |
| Non-marketable state debt (%) ¹ | 5.8 | 5.5 | 4.7 | 4.7 | 4.6 |
| Share of savings government bonds on state debt (%) | 3.0 | 3.0 | 3.0 | 2.8 | 2.9 |
| Marketable state debt (CZK bn) | 2,777.2 | 2,850.6 | 2,870.9 | 2,979.0 | 2,967.0 |
| Market value of marketable state debt (CZK bn) | 2,572.3 | 2,632.5 | 2,773.0 | 2,886.0 | 2,838.9 |
| Short-term marketable state debt (%) | 10.3 | 8.1 | 7.2 | 11.9 | 9.0 |
| Medium-term marketable state debt (%) | 40.4 | 42.6 | 43.2 | 45.0 | 42.2 |
| T-Bills and other money market instruments (%) | 4.0 | 2.2 | 1.6 | 2.5 | 2.8 |
| Average time to maturity (years) | 6.1 | 6.2 | 6.3 | 6.1 | 6.1 |
| Interest re-fixing up to 1 year (%) | 19.7 | 17.9 | 16.5 | 21.3 | 18.4 |
| Average time to re-fixing (years) | 5.6 | 5.5 | 5.6 | 5.4 | 5.5 |
| Variable-rate marketable state debt (%) | 9.4 | 9.9 | 10.3 | 10.3 | 10.4 |
| Modified duration (years) | 4.6 | 4.4 | 4.7 | 4.5 | 4.5 |
| Net foreign-currency exposure with the impact on the marketable state debt level (%) | 0.2 | 0.4 | 1.8 | 1.7 | 1.7 |
| Net short-term foreign-currency exposure with the impact on the level of interest expenditure on marketable state debt service (%) | 0.2 | 0.2 | 1.5 | 1.5 | 1.3 |
| Foreign-currency marketable state debt (%) | 2.7 | 1.9 | 2.7 | 2.9 | 2.3 |
| Share of EUR in marketable state debt level net foreign currency exposure (%) | 14.4 | 64.0 | 90.6 | 91.0 | 91.3 |
| Share of EUR in interest expenditure on marketable state debt net short-term foreign currency exposure (%) | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

¹ Excl. savings government bonds.
Source: MoF

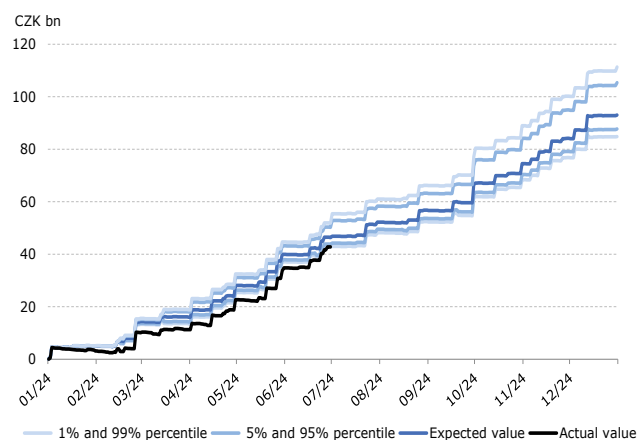
5 – State Debt Service Expenditure and Cost-at-Risk

Figure 11: Net Interest Expenditure on State Debt



Note: Received credits and loans include credits and loans received from international financial institutions and European Commission.
Source: MoF

Figure 12: Actual vs. Simulated Net Interest Expenditure on State Debt



Note: Interest expenditure are calculated using the cash principle according to the current state budget methodology.
Source: MoF

Table 17: Budget Expenditure and Revenue of the Chapter State Debt

| CZK mil | Budget 2024 | | | | % Execution | 2024/2023 (%) |
|---|----------------|---------------|---------------|----------------|-------------|---------------|
| | Actual H1 2023 | Approved | After changes | Actual H1 2024 | | |
| 1. Total interest expenditure and revenue | 37,490 | 93,967 | 93,718 | 42,555 | 45.4 | 113.5 |
| Internal debt | 36,740 | 88,717 | 88,468 | 41,614 | 47.0 | 113.3 |
| Money market instruments | (-) 7,279 | (-) 6,750 | (-) 6,750 | (-) 8,845 | 131.0 | 121.5 |
| Savings government bonds | 8,341 | 7,000 | 7,000 | 4,946 | 70.7 | 59.3 |
| T-Bonds on domestic market | 35,679 | 88,467 | 88,218 | 45,514 | 51.6 | 127.6 |
| External debt | 574 | 4,500 | 4,500 | 440 | 9.8 | 76.7 |
| T-Bonds on foreign markets | 0 | 1,000 | 1,000 | 0 | - | - |
| Received credits and loans ¹ | 574 | 3,500 | 3,500 | 440 | 12.6 | 76.7 |
| Payment accounts | 176 | 750 | 750 | 501 | 66.8 | 284.9 |
| 2. Fees | 56 | 1,000 | 500 | 65 | 12.9 | 116.1 |
| 3. Partially totalled and netted revenue and expenditure | - | - | 249 | 249 | - | - |
| Total chapter balance | 37,545 | 94,967 | 94,467 | 42,869 | - | 114.2 |

¹ Credits and loans received from international financial institutions and European Commission.
Note: (-) means revenue (gains).
Source: MoF

Table 18: Overview of Budgetary Transfers from the Chapter State Debt Realized in H1 2024

| Chapter number | Chapter | Funds allocation | Amount (CZK) |
|----------------|---|--|--------------------|
| 313 | The Ministry of Labour and Social Affairs | Increase in expenditure related to the implementation of Act No 118/2000 Coll., on the protection of employees in the event of employer insolvency and on amendments to certain acts | 500,000,000 |
| Total | | | 500,000,000 |

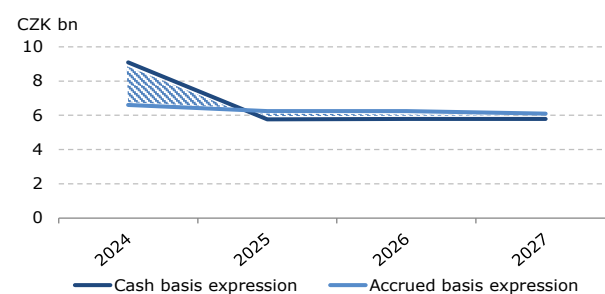
Source: MoF

Table 19: Expected vs. Actual Net Interest Expenditure

| CZK bn | H1 2023 | H1 2024 |
|---|---------|---------|
| Actual expenditure | 37.5 | 42.8 |
| Expected expenditure | 39.5 | 46.3 |
| Cost-at-Risk 95% | 44.9 | 50.2 |
| Cost-at-Risk 99% | 46.7 | 51.8 |
| Difference between expectation and reality | 2.1 | 3.5 |

Source: MoF

Figure 13: Net Cash Interest Expenditure and Accrued Interest Costs of Newly Issued Debt



Note: Incl. T-Bonds issued on domestic market, savings government bonds and T-Bills.
Source: MoF

Table 20: Interest Expenditure and Accrued Costs of the Newly Issued Government Bonds

| CZK bn | Nominal value | Net interest expenditure/accrued costs | | | |
|---|---------------|--|-------|-------|-------|
| | | 2024F | 2025F | 2026F | 2027F |
| Cash basis expression | 261.6 | 9.1 | 5.8 | 5.8 | 5.8 |
| Accrued basis expression | 261.6 | 6.6 | 6.2 | 6.2 | 6.1 |
| Gross issuance of T-Bonds | 157.0 | 4.8 | 6.2 | 6.2 | 6.1 |
| Gross issuance of T-Bills | 104.6 | 1.8 | - | - | - |
| Gross issuance of savings government bonds | 0.0 | - | - | - | - |

Note: Gross issuance of savings government bonds exclude reinvestment of yields of already issued savings government bonds.
Source: MoF

6 – Evaluation of the Primary Dealers in Q3 2023 to Q2 2024

The methodology for primary dealer evaluation is based only on quantitative criteria for performance on the primary and the secondary market of government bonds.

The maximum evaluation that can be achieved by any primary dealer is 100 points, whereas this score is counted on a relative basis. The activity of primary dealers is thus evaluated every quarter

based on the Aggregate Performance Evaluation Index (APEI) defined in Annex I to the Primary Dealer Agreement for Czech Government Securities, always for four consecutive evaluation periods. According to Article 1, every calendar quarter is the evaluation period.

All 9 primary dealers were evaluated.

Table 21: Overall Evaluation in Q3 2023 to Q2 2024

| Ranking | Primary Dealer | Points |
|-----------------|--|-------------|
| 1 st | PPF banka a.s. | 79.4 |
| 2 nd | KBC Bank NV / Československá obchodní banka, a. s. | 59.4 |
| 3 rd | Société Générale / Komerční banka, a.s. | 51.2 |
| 4 th | Raiffeisen Bank International AG / Raiffeisenbank a.s. | 46.4 |
| 5 th | Erste Group Bank AG / Česká spořitelna, a.s. | 40.3 |

*Note: Maximum possible number of points in overall evaluation is 100.
Source: MoF*

Table 22: Evaluation on Primary Market in Q3 2023 to Q2 2024

| Ranking | Primary Dealer | Points |
|-----------------|--|-------------|
| 1 st | PPF banka a.s. | 49.2 |
| 2 nd | Raiffeisen Bank International AG / Raiffeisenbank a.s. | 30.7 |
| 3 rd | KBC Bank NV / Československá obchodní banka, a. s. | 28.8 |
| 4 th | Erste Group Bank AG / Česká spořitelna, a.s. | 22.0 |
| 5 th | Société Générale / Komerční banka, a.s. | 21.5 |

*Note: Maximum possible number of points in this criterion is 55.
Source: MoF*

Table 23: Evaluation on Secondary Market in Q3 2023 to Q2 2024

| Ranking | Primary Dealer | Points |
|-----------------|--|-------------|
| 1 st | KBC Bank NV / Československá obchodní banka, a. s. | 30.6 |
| 2 nd | PPF banka a.s. | 30.2 |
| 3 rd | Société Générale / Komerční banka, a.s. | 29.7 |
| 4 th | J. P. Morgan SE | 29.5 |
| 5 th | UniCredit Bank AG / UniCredit Bank Czech Republic and Slovakia, a.s. | 18.9 |

*Note: Maximum possible number of points in this criterion is 45.
Source: MoF*

This publication was prepared based on the information available on 19 July 2024
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www.mfcr.cz/statedebt

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