

# State Treasury Debt

## October 2023

### Monthly newsletter

**At the end of October 2023 the State Treasury (ST) debt** amounted to **PLN 1,297,015.2 million\***, i.e.:

- decreased by PLN 9,112.2 m (-0.7%) in October 2023;
- increased by PLN 58,544.7 m (+4.7%) compared to the end of 2022.

**Table 1. Factors affecting change in the State Treasury debt (PLN billion)**

	October 2023	January-October 2023
<b>Change in the State Treasury debt</b>	<b>-9.1</b>	<b>58.5</b>
<b>1. State budget borrowing requirements:</b>	<b>9.9</b>	<b>74.0</b>
1.1. State budget deficit	1.7	36.4
1.2. Funds for financing European Union funds budget deficit	0.0	0.0
1.3. Balance of liquidity management consolidation	3.4	37.0
1.4. European funds management	5.1	-0.9
1.5. Granted loans balance	-0.5	1.8
1.6. Other borrowing requirements <sup>1)</sup>	0.1	-0.3
<b>2. Other Changes:</b>	<b>-19.0</b>	<b>-15.5</b>
2.1. FX rates movements	-12.4	-16.8
2.2. Changes in budget accounts balance	-3.8	-4.7
2.3. Transfer of TS	0.5	15.0
2.4. TS discount and TS indexation	0.9	5.4
2.5 Change in other State Treasury debt:	-4.2	-14.4
- Deposits from PFSE <sup>2)</sup>	-1.3	-10.9
- Deposits from GGE <sup>3)</sup>	-0.9	-7.8
- Other deposits <sup>4)</sup>	-1.9	-0.6
- ST liabilities under PFS <sup>5)</sup>	0.0	5.0
- Other ST debt	0.0	-0.1

<sup>1)</sup> Balance of pre-financing of tasks carried out with utilization of funds from EU budget, shares in international financial institutions and other domestic and foreign settlements.

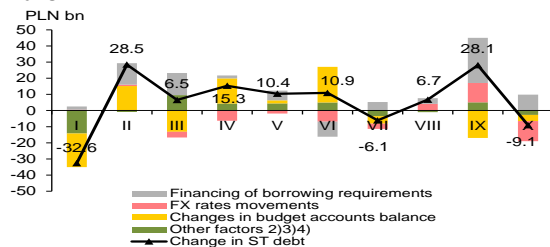
<sup>2)</sup> Deposits from public finance sector entities (PFSE) with legal personality, including court deposits, with no impact on public debt (domestic definition).

<sup>3)</sup> Deposits from non-PFS general government entities (GGE), with no impact on EDP debt (EU definition).

<sup>4)</sup> Court deposits from non-PFS entities and collateral deposits connected with CSA agreements.

<sup>5)</sup> Solidarity Fund (SF) loan from the Demographic Reserve Fund (DRF), with no impact on the public debt due to elimination of mutual liabilities of the public finance sector entities.

### Factors affecting changes in the ST debt in January-October 2023



According to preliminary data, the **ST debt at the end of November 2023** amounted to **ca. PLN 1,309.4bn**, and increased by PLN 12.3bn (+1.0%) m/m. According to the place of issue criterion debt amounted to:

- **domestic debt:** ca. PLN 1026.3bn,
- **foreign currency debt:** ca. PLN 283.1bn (i.e. 21.6% of the total ST debt).

**Decrease in the debt in October 2023** was mainly a result of:

- the State budget net borrowing requirements (PLN +9.9bn), including State budget deficit of PLN 1.7bn, European funds management balance (PLN +5.1bn) and balance of liquidity management consolidation (PLN +3.4bn);
- a decrease in budget accounts balance (PLN -3.8bn);
- transfer of TS under other acts than the Public Finance Act (PLN +0.5bn);
- change in other State Treasury debt (PLN -4.2bn), including decrease in deposits from PFSE (PLN -1.3) and GGE (PLN -0.9bn) allocated under the liquidity management consolidation;
- the FX rates movements (PLN -12.4bn) - the appreciation of the zloty against EUR by 4.1%, against USD by 4.6%, against CNY by 5.3% and against JPY by 5.6%.

**An increase in the debt since the beginning of 2023** was mainly the result of:

- the State budget net borrowing requirements (PLN +74.0bn), mainly as a result of State budget deficit of PLN 36.4bn, liquidity management consolidation (PLN +37.0bn), granted loans balance (PLN +1.8bn) and the reducing impact of European funds management balance (PLN -0.9bn);
- a decrease in budget accounts balance (PLN -4.7bn);
- transfer of TS under other acts than the Public Finance Act (PLN +15.0bn);
- change in other State Treasury debt (PLN -14.4bn), including decrease in deposits from PFSE (PLN -10.9) and GGE (PLN -7.8bn) allocated under the liquidity management consolidation and increase in ST loan (PLN +5.0bn) from the DRF (under the PFS);
- the FX rates movements (PLN -16.8bn) – the appreciation of the zloty against EUR by 5.2%, against USD by 5.3%, against CNY by 10.3% and against JPY by 17.0%.

**In October 2023 the domestic ST debt** (according to the place of issue criterion) increased by PLN 3.9bn, including balance of issuance of marketable Treasury securities (TS; PLN +2.4bn), balance of issuance of saving bonds (PLN +5.4bn) and other ST debt (PLN -3.8bn).

Instrument	Sale/Transfer of TS (PLN bn)	Repurchase/Redemption (PLN bn)
DS1023	-	-17.7
OK1025	4.6	-
WZ1128	3.1	-
WS0429	8.7	-
DS1033	3.6	-
WS0447	0.1	-

**In October 2023 the ST debt in foreign currency** increased by PLN 13.0bn which was the result of:

- the negative balance of debt issuance:

Instrument	Sale/Drawing	Repayment/Redemption
Loans from IFIs*	EUR 0.01bn	EUR 0.1bn

\*) IFIs – international financial institutions

- the FX rates movements (PLN -12.4bn).

**Since the beginning of 2023 the domestic ST debt** increased by PLN 63.5bn. In the same period the **foreign currency ST debt** decreased by PLN 5.0bn, which was the result of:

- a decrease in the debt denominated in EUR (EUR -0.4bn) and an increase in debt denominated in USD (USD +3.0bn), with no change in debt denominated in CNY and JPY;
- the appreciation of the zloty (PLN -16.8bn).

\*State Treasury debt does not include TS transferred to the Reprivatization Fund, which were not sold by the Fund by the end of October 2023, i.e. the amount PLN 3,000.0 m

**Table 2. The State Treasury debt by instrument (PLN million)**

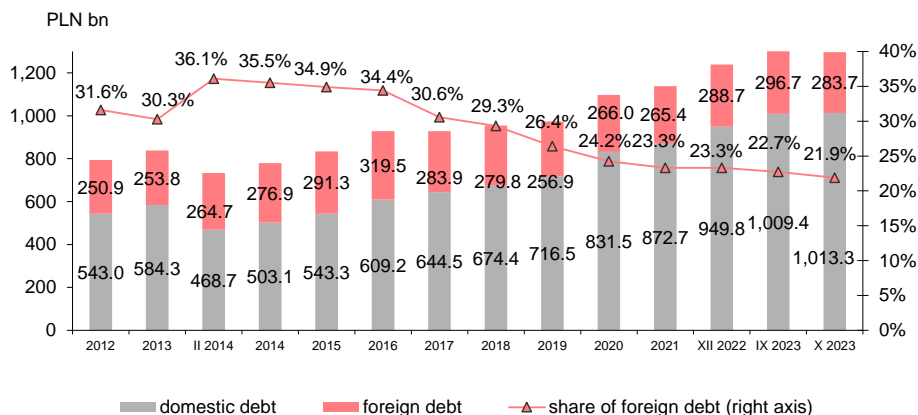
	December 2022	structure December 2022 %	September 2023	structure September 2023 %	October 2023	structure October 2023 %	change October 2023–September 2023		change October 2023 – December 2022	
							PLN m	%	PLN m	%
<b>State Treasury debt</b>	<b>1,238,470.5</b>	<b>100.0</b>	<b>1,306,127.3</b>	<b>100.0</b>	<b>1,297,015.2</b>	<b>100.0</b>	<b>-9,112.2</b>	<b>-0.7</b>	<b>58,544.7</b>	<b>4.7</b>
<b>I. Domestic ST debt</b>	<b>949,785.9</b>	<b>76.7</b>	<b>1,009,415.7</b>	<b>77.3</b>	<b>1,013,333.0</b>	<b>78.1</b>	<b>3,917.3</b>	<b>0.4</b>	<b>63,547.1</b>	<b>6.7</b>
1. Treasury securities (TS)	862,871.3	69.7	933,104.0	71.4	940,836.0	72.5	7,732.0	0.8	77,964.7	9.0
1.1. Marketable TS	778,271.8	62.8	833,770.6	63.8	836,137.3	64.5	2,366.7	0.3	57,865.5	7.4
- Treasury bills	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	778,271.8	62.8	833,770.6	63.8	836,137.3	64.5	2,366.7	0.3	57,865.5	7.4
1.2. Savings bonds	84,599.5	6.8	99,333.5	7.6	104,698.7	8.1	5,365.3	5.4	20,099.2	23.8
2. Other ST debt	86,914.6	7.0	76,311.7	5.8	72,497.0	5.6	-3,814.7	-5.0	-14,417.6	-16.6
<b>II. Foreign ST debt</b>	<b>288,684.6</b>	<b>23.3</b>	<b>296,711.6</b>	<b>22.7</b>	<b>283,682.1</b>	<b>21.9</b>	<b>-13,029.5</b>	<b>-4.4</b>	<b>-5,002.5</b>	<b>-1.7</b>
1. TS issued in foreign markets	175,068.5	14.1	185,529.1	14.2	177,604.5	13.7	-7,924.6	-4.3	2,536.0	1.4
2. Loans	113,616.0	9.2	110,768.1	8.5	106,030.7	8.2	-4,737.4	-4.3	-7,585.3	-6.7
3. Other ST debt	0.0	0.0	414.4	0.0	46.9	0.0	-367.5	-88.7	46.9	295,781.9

**Table 3. The State Treasury debt by holder (PLN million)**

	December 2022	structure December 2022 %	September 2023	structure September 2023 %	October 2023	structure October 2023 %	change October 2023–September 2023		change October 2023 – December 2022	
							PLN m	%	PLN m	%
<b>State Treasury debt</b>	<b>1,238,470.5</b>	<b>100.0</b>	<b>1,306,127.3</b>	<b>100.0</b>	<b>1,297,015.2</b>	<b>100.0</b>	<b>-9,112.2</b>	<b>-0.7</b>	<b>58,544.7</b>	<b>4.7</b>
<b>I. State Treasury debt held by residents</b>	<b>826,999.1</b>	<b>66.8</b>	<b>902,940.2</b>	<b>69.1</b>	<b>905,814.9</b>	<b>69.8</b>	<b>2,874.6</b>	<b>0.3</b>	<b>78,815.8</b>	<b>9.5</b>
<b>Domestic banking sector</b>	<b>446,799.8</b>	<b>36.1</b>	<b>504,950.8</b>	<b>38.7</b>	<b>503,057.4</b>	<b>38.8</b>	<b>-1,893.4</b>	<b>-0.4</b>	<b>56,257.6</b>	<b>12.6</b>
- domestic instruments	428,049.3	34.6	487,270.5	37.3	485,760.8	37.5	-1,509.7	-0.3	57,711.4	13.5
- foreign instruments	18,750.4	1.5	17,680.3	1.4	17,296.6	1.3	-383.7	-2.2	-1,453.9	-7.8
<b>Domestic non-banking sector</b>	<b>380,199.3</b>	<b>30.7</b>	<b>397,989.4</b>	<b>30.5</b>	<b>402,757.5</b>	<b>31.1</b>	<b>4,768.1</b>	<b>1.2</b>	<b>22,558.2</b>	<b>5.9</b>
- domestic instruments	375,548.7	30.3	392,453.6	30.0	397,484.0	30.6	5,030.4	1.3	21,935.3	5.8
- foreign instruments	4,650.6	0.4	5,535.8	0.4	5,273.5	0.4	-262.3	-4.7	622.9	13.4
<b>II. State Treasury debt held by non-residents</b>	<b>411,471.4</b>	<b>33.2</b>	<b>403,187.1</b>	<b>30.9</b>	<b>391,200.3</b>	<b>30.2</b>	<b>-11,986.8</b>	<b>-3.0</b>	<b>-20,271.1</b>	<b>-4.9</b>
- domestic instruments	146,187.9	11.8	129,691.6	9.9	130,088.3	10.0	396.7	0.3	-16,099.6	-11.0
- foreign instruments	265,283.5	21.4	273,495.5	20.9	261,112.0	20.1	-12,383.5	-4.5	-4,171.5	-1.6

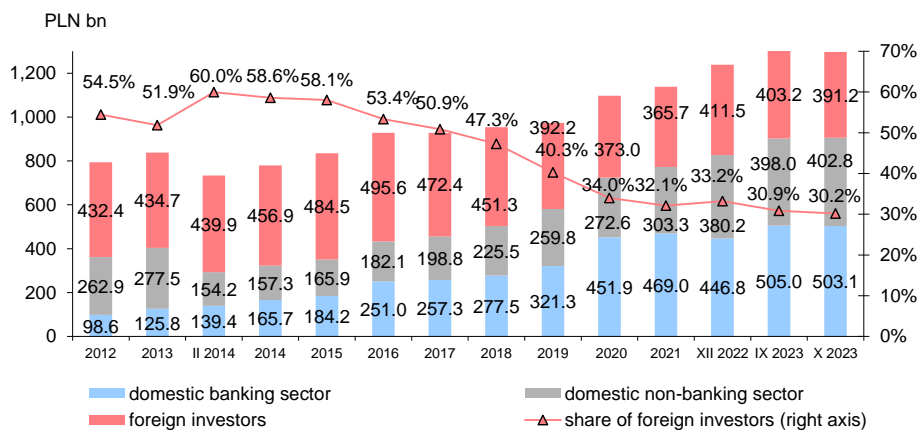
**ST debt according to the place of issue criterion**

In October 2023 the share of the foreign currency debt in the total ST debt amounted to 21.9%, i.e. it decreased by 0.8 pp compared to the previous month and it decreased by 1,4 pp compared to the beginning of 2023. A decrease in the share in October was mainly a result of FX rates movements. The debt management strategy assumes maintaining the share of foreign currency debt in the total ST debt below 25% with possible temporary deviations due to market or budgetary conditions.



**ST debt by holder**

In October 2023 the share of foreign investors in the total ST debt amounted to 30.2%, i.e. it decreased by 0.7 pp m/m and decreased by 3.1 pp since the beginning of 2023. A decrease in the share in October was mainly a result of an increase in holdings of domestic non-banking sector with the decrease in holdings of banking sector at the domestic market and FX rates movements.

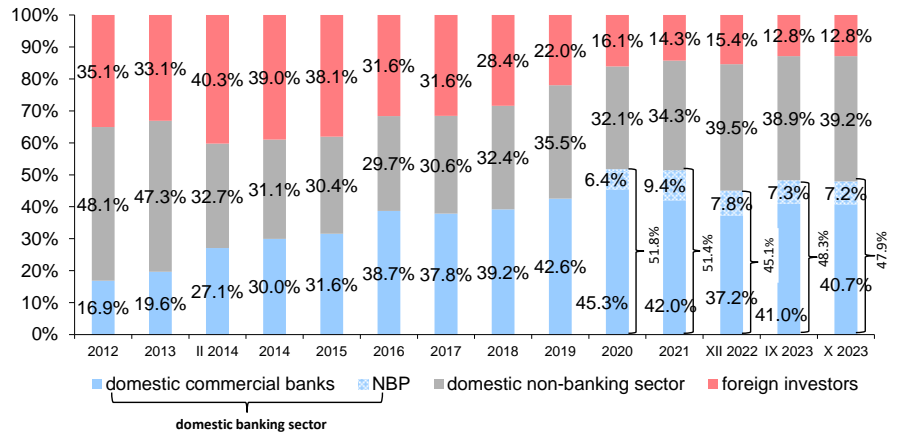
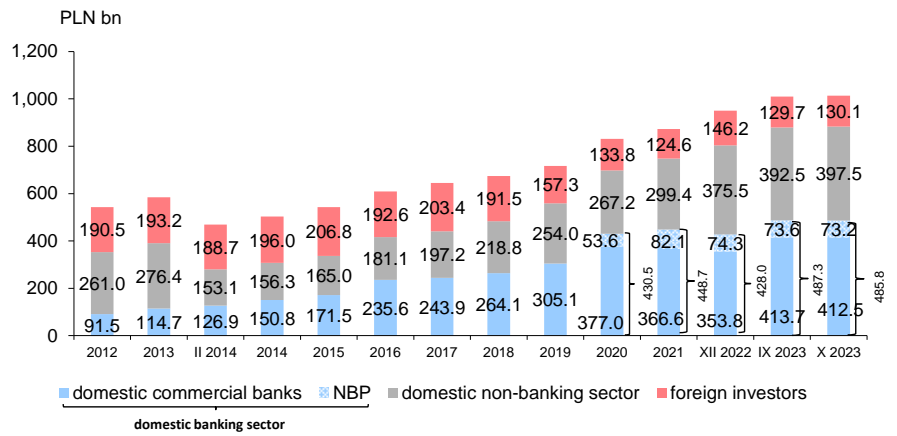


### Domestic ST debt by holder in nominal value and structure

In October 2023 an increase in the domestic debt held by residents took place (PLN +3.5bn, i.e. banking sector: PLN -1.5bn, including NBP: PLN -0.3bn and non-banking sector: PLN +5.0bn) and an increase in foreign investors holdings (PLN +0.4bn).

Since the beginning of 2022 changes in holdings of the domestic debt by the type of investor amounted to as follows:

- domestic banking sector: PLN +57.7bn (including NBP: -1.0bn),
- domestic non-banking sector: PLN +21.9bn,
- foreign investors: PLN -16.1bn.

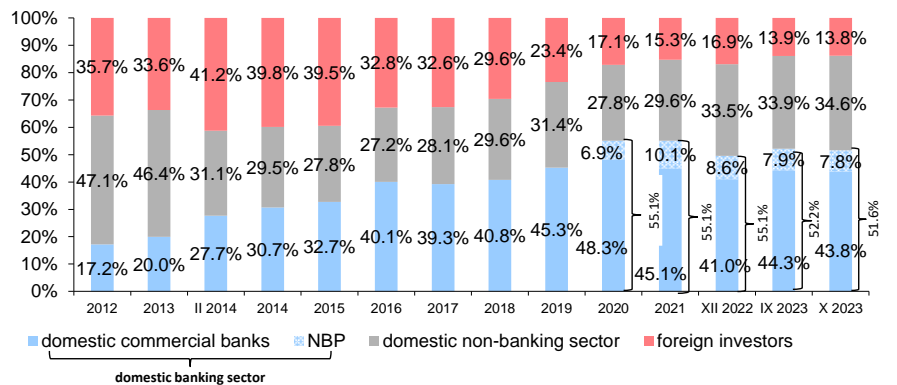
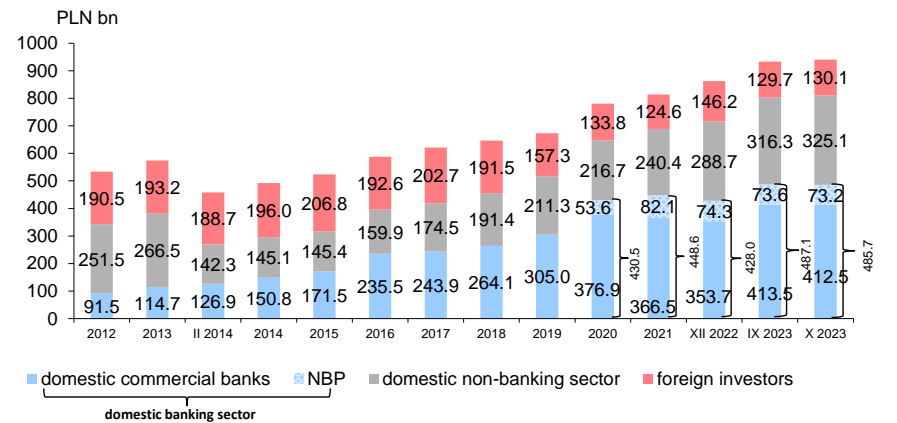


### Domestic TS debt by holder in nominal value and structure

In October 2023 residents increased their domestic TS holdings by PLN 7.3bn in total, i.e. banking sector: PLN -1.4bn (including NBP: PLN -0.3bn) and non-banking sector: PLN +8.7bn. In the case of foreign investors an increase in holdings of PLN 0.4bn was recorded.

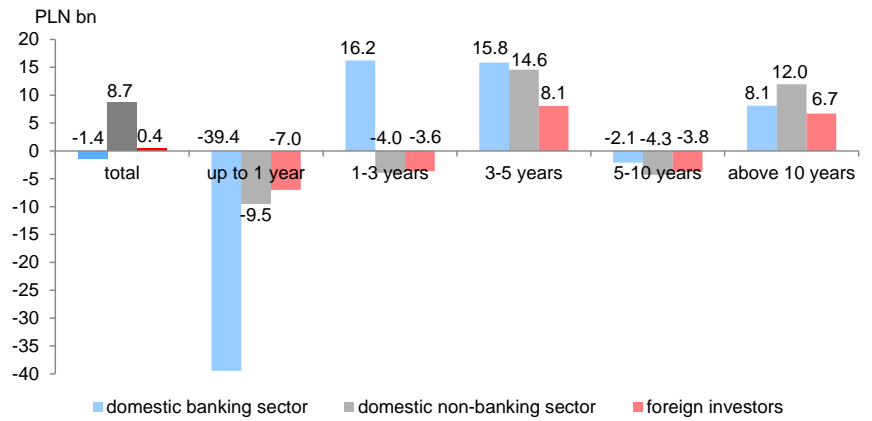
Since the beginning of 2023 changes in holdings of the domestic TS debt by type of investor amounted to as follows:

- domestic banking sector: PLN +57.7bn (including NBP: PLN -1.0bn),
- domestic non-banking sector: PLN +36.4bn,
- foreign investors: PLN -16.1bn.



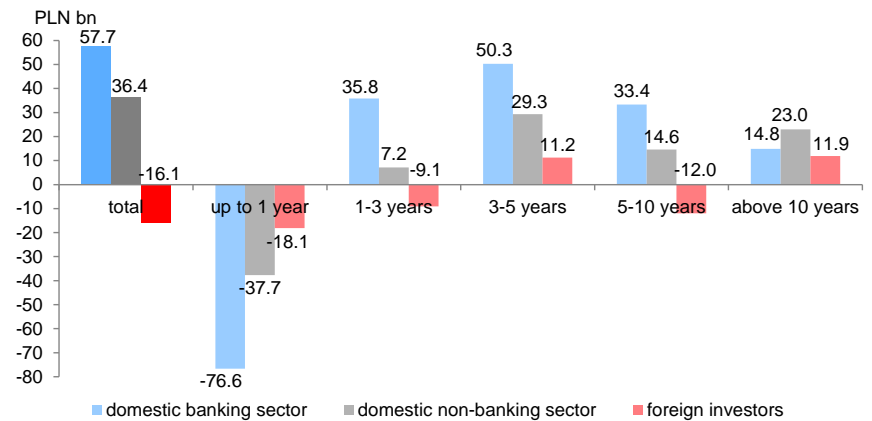
### Changes in the domestic TS debt according to residual maturity by the type of investor in October 2023 m/m\*

A decrease in domestic TS holdings of banking sector observed in October 2023 was the result of a decrease in their TS portfolios in the instruments with maturities up to 1 year and between 5 and 10 years. An increase in domestic TS holdings of non-banking sector observed in October 2023 was the result of an increase in their TS portfolios in the instruments with maturities from 3 to 5 years and over 10 years. Increase in the TS portfolios held by foreign investors was a result of an increase in their TS holdings in the instruments with maturities from 3 to 5 years and over 10 years.



### Changes in the domestic TS debt according to residual maturity by the type of investor in 2023\*

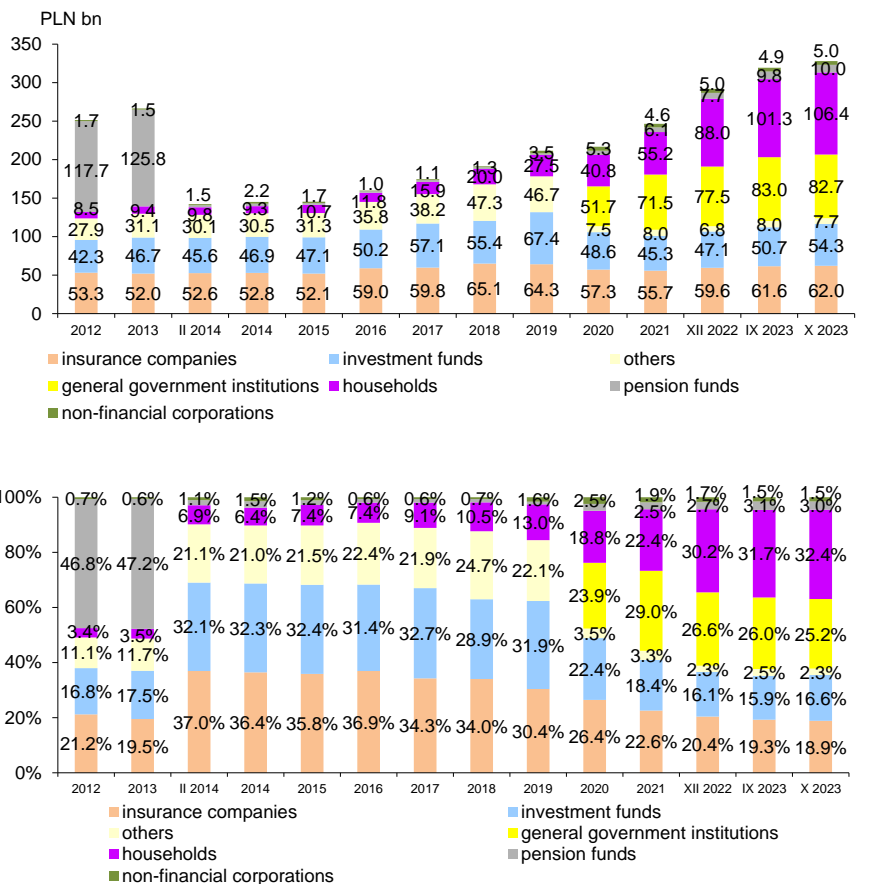
From January to October 2023 the banking sector and non-banking sector increased their holdings in the instruments with maturities over 1 year. Decrease in the TS portfolios held by foreign investors was a result of a decrease in the instruments with maturities up to 3 years and between 5 and 10 years with an increase in the instruments with maturity between 3 and 5 years and over 10 years.



### The domestic TS debt towards domestic non-banking sector by holder – in nominal value and structure\*\*

In October among domestic non-banking entities the main holders of the domestic TS were households (32.4%), general government institutions\*\*\* (25.2% share in October 2023, this category includes, among others: Bank Guarantee Fund and Demographic Reserve Fund), insurance companies (18.9%), and investment funds (16.6%).

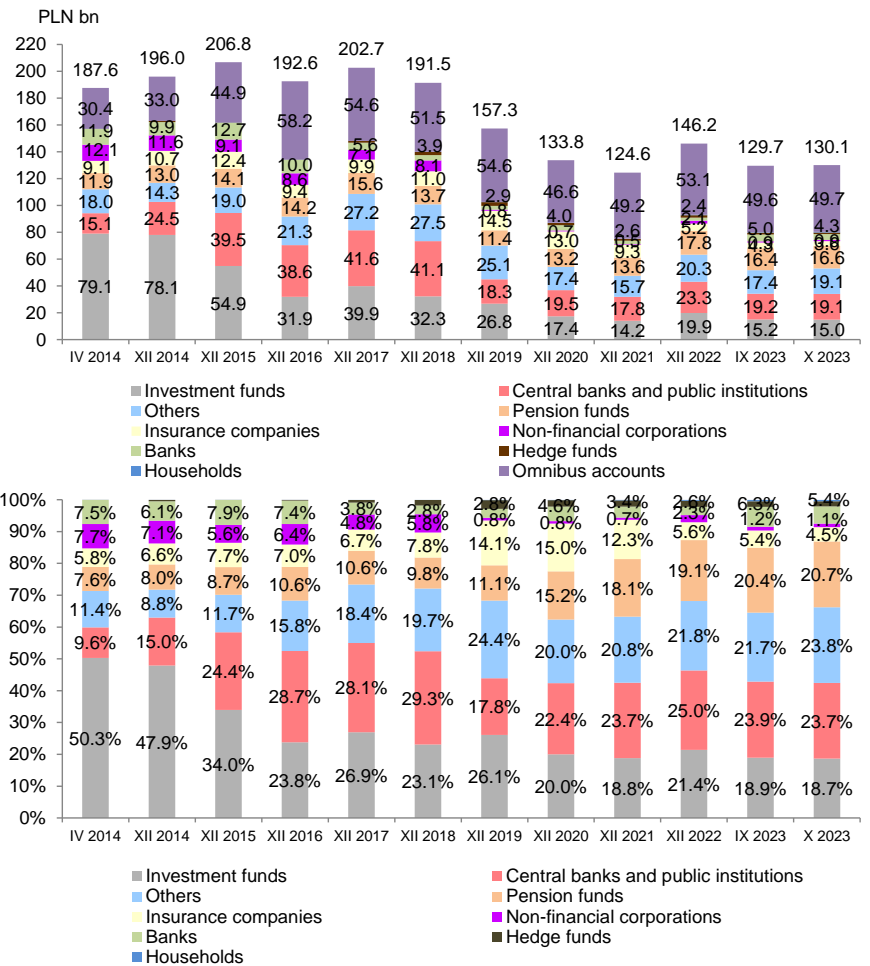
In October 2023 the domestic TS holdings of the non-banking sector increased by PLN 8.7bn m/m and increased by PLN 36.4bn since the beginning of 2023. An increase in holdings m/m was mainly a result of an increase in the TS portfolios of households (PLN +5.0bn) and investment funds (PLN +3.6bn).



\*) Changes resulting only from cash flows, i.e. excluding statistical changes from the shift in classification of the security to next segment of residual maturity.  
 \*\*) TS data include all traded securities, including those held by the Reprivatisation Fund, and conditional transactions..  
 \*\*\*) Pursuant to the Ordinance of the Minister of Finance, amending the ordinance on reporting obligations in the scope of trading in TS issued by the State Treasury, from December 2020 domestic investors have been extended by category "General government institutions", and the definitions of certain categories of investors, including pension funds, investment funds and insurance companies, have also changed.

### The domestic TS debt towards non-residents\* by holder in nominal value and structure\*\*

The structure of non-residents holding the domestic TS in their portfolios is well-diversified, with a dominant role of stable institutional investors: central banks and public institutions (23.7% share in October 2023), pension funds (20.7%), investment funds (18.7%) and insurance companies (4.5%). A significant part of the domestic TS debt to foreign investors is registered on omnibus accounts (PLN 49.7bn), which allow investors to buy the TS without the need to have a separate account in Poland.

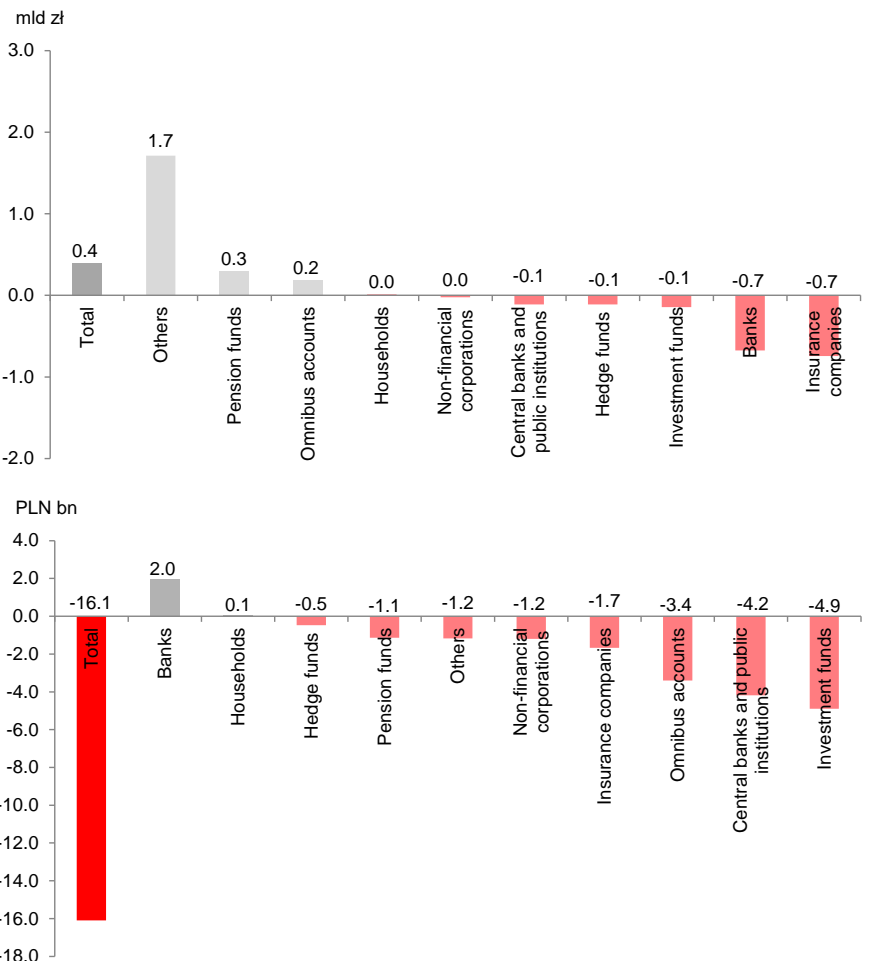


### Changes in the domestic TS debt towards non-residents by holder in October 2023 m/m

In October 2023 foreign investors increased their holdings in the domestic TS debt by PLN 0.4bn. The highest increase was recorded in the case of other entities (PLN +1.7bn), pension funds (PLN +0.3bn) and omnibus accounts (PLN +0.2bn). On the other hand, a decrease in exposure was recorded mainly in case of insurance companies (PLN -0.7bn) and banks (PLN -0.7bn).

### Changes in the domestic TS debt towards non-residents by holder in 2023

From January to October 2023 non-residents decreased their domestic TS portfolios by PLN 16.1bn. The biggest decrease in the portfolio concerned investment funds (-4.9bn), central banks and public institutions (PLN -4.2bn) and omnibus accounts (PLN -3.4bn). On the other hand, an increase in exposure was recorded mainly in case of banks (PLN +2.0bn).



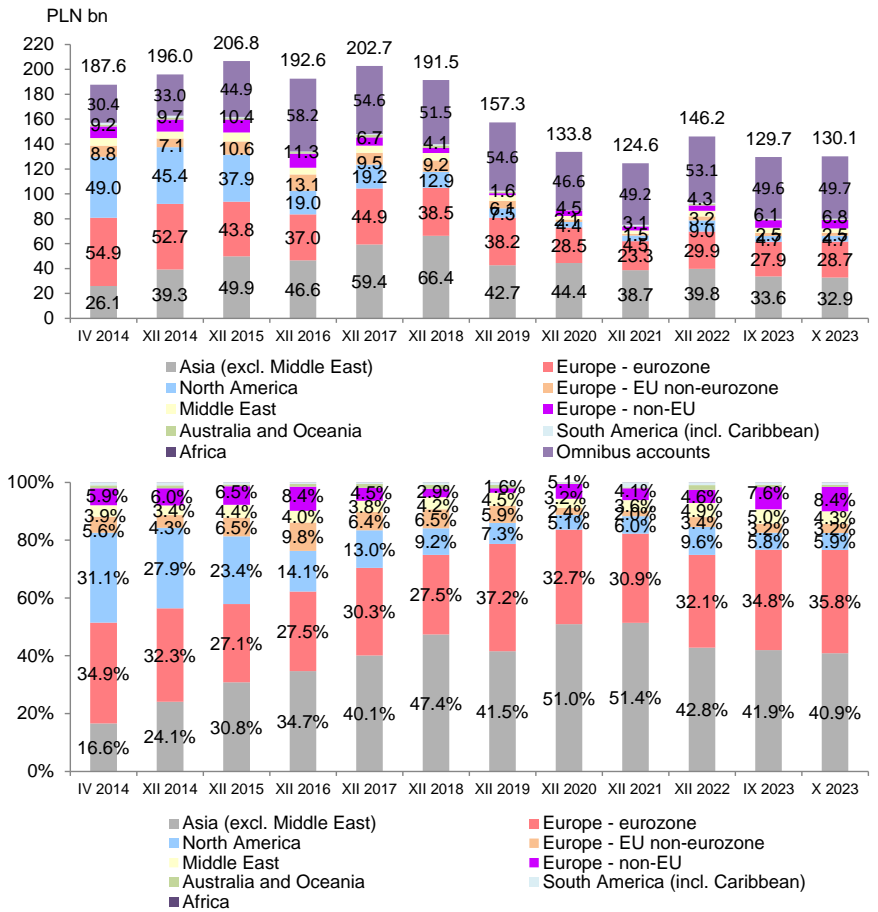
\*) Data on the TS held by foreign investors include conditional transactions.

\*\*) The percentage structure does not include omnibus accounts.

### The domestic TS debt towards non-residents by region in nominal value and structure\*

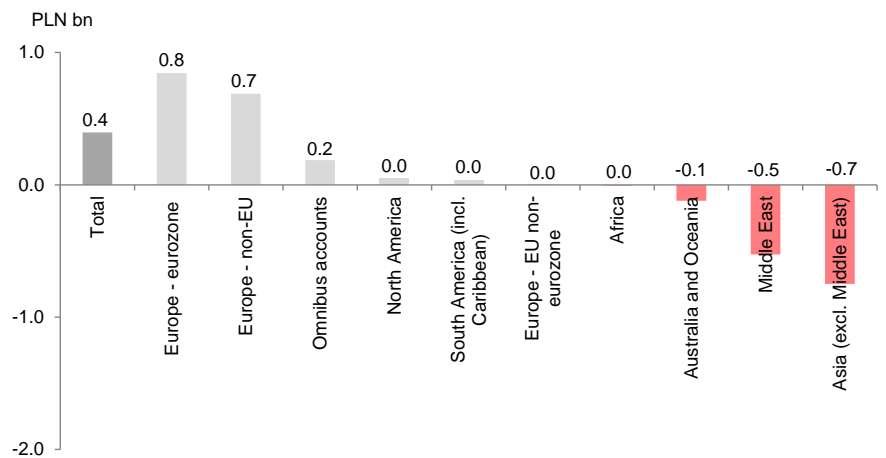
The geographical structure of the domestic TS held by foreign investors is well-diversified. In October 2023 the largest TS portfolios were held by entities from Asia: 40.9%, representing debt in the amount of PLN 32.9bn, of which PLN 15.0bn was held by investors from Japan and PLN 15.2bn by Asian central banks. The second largest group of holders of the TS were investors from eurozone countries: 35.8% (PLN 28.7bn, including non-residents from Luxembourg: PLN 9.6bn, the Netherlands: PLN 9.5bn, Ireland: PLN 3.5bn and Germany: PLN 4.1bn). Non-residents from Europe non-EU countries (8.4%, representing debt in the amount of PLN 6.8bn, of which PLN 4.7bn was held by investors from the UK) and North America: 5.9% (PLN 4.7bn including non-residents from the United States: PLN 4.2bn) also held significant TS portfolios. The share of investors from other regions amounted to 10.4%.

\*) Percentage structure does not include omnibus accounts.



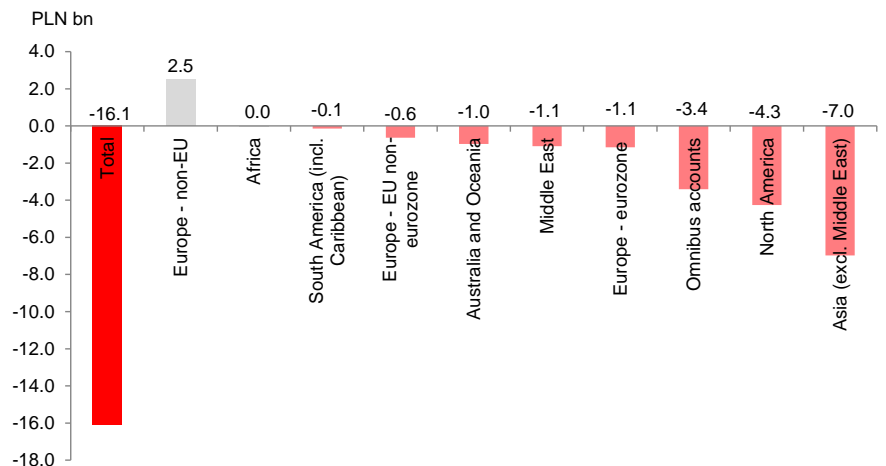
### Changes in the domestic TS debt towards non-residents by region in October 2023 m/m

In October 2023 an increase in the domestic TS held by non-residents resulted mainly from an increase in the TS held by investors from eurozone (PLN +0.8bn) and from EU-non eurozone (PLN +0.7bn). A decrease in TS holdings was recorded in case of investors from Asia (PLN -0.7bn) and investors from Middle East (PLN -0.5bn).



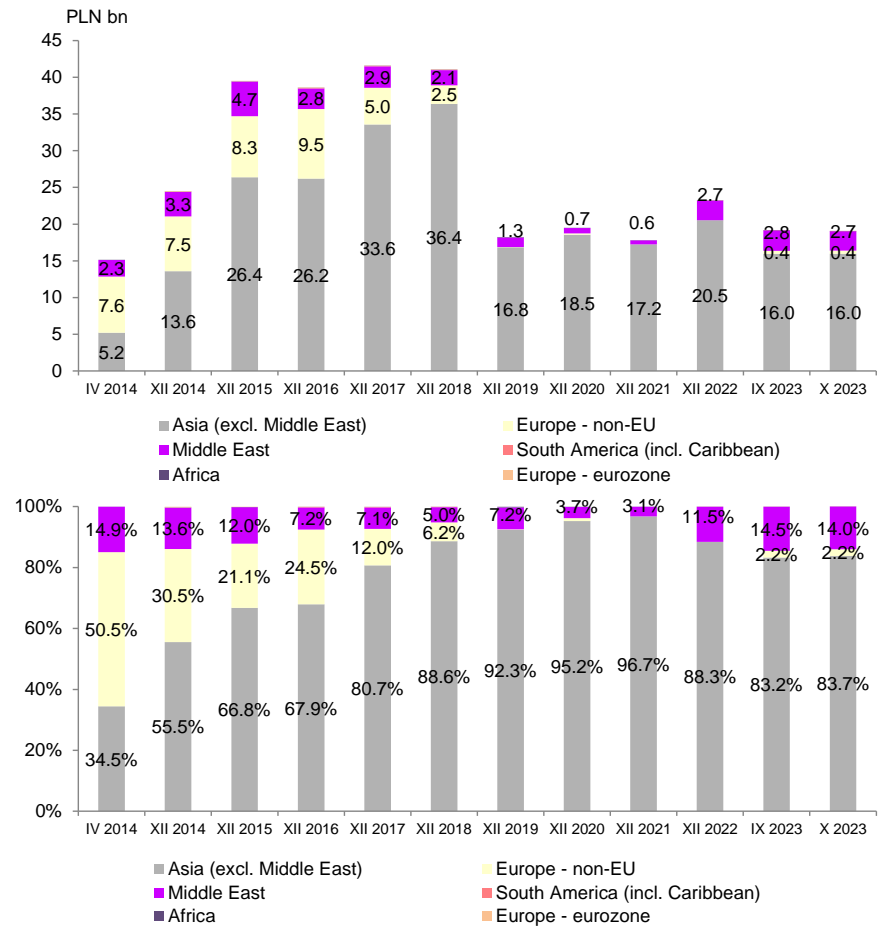
### Changes in the domestic ST debt towards non-residents by region in 2023

From January to October 2023 a decrease in non-residents holdings of the domestic TS was mainly a result of a decrease in the TS held by investors from Asia (PLN -7.0bn), investors from North America (PLN -4.3bn) and investors at omnibus accounts (PLN -3.4bn). An increase in TS holdings was recorded in case of investors from Europe non-EU countries (PLN +2.5bn).



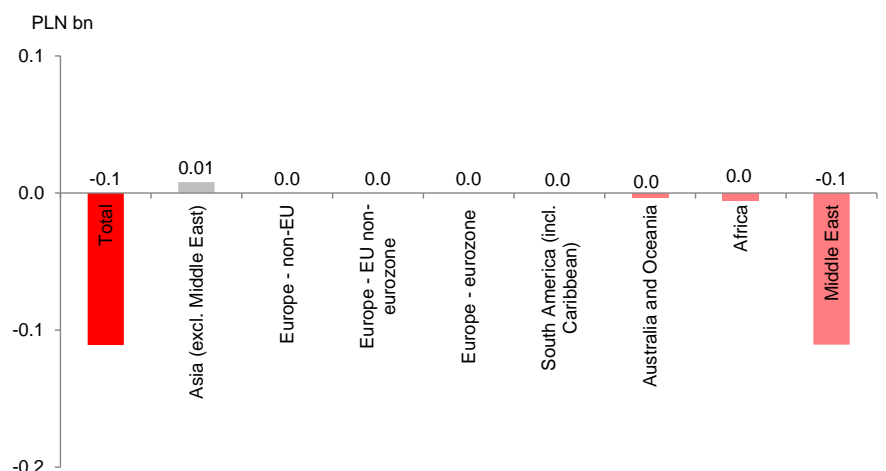
**The domestic TS debt towards foreign central banks and public institutions by region in nominal value and structure**

In the structure of the domestic TS held by foreign central banks and public institutions entities from Asia were predominant – in October 2023 their share amounted to 83.7%. Domestic TS were held also by central banks and public institutions from Middle East countries (14.0%) and Europe non-EU countries (2.2%).



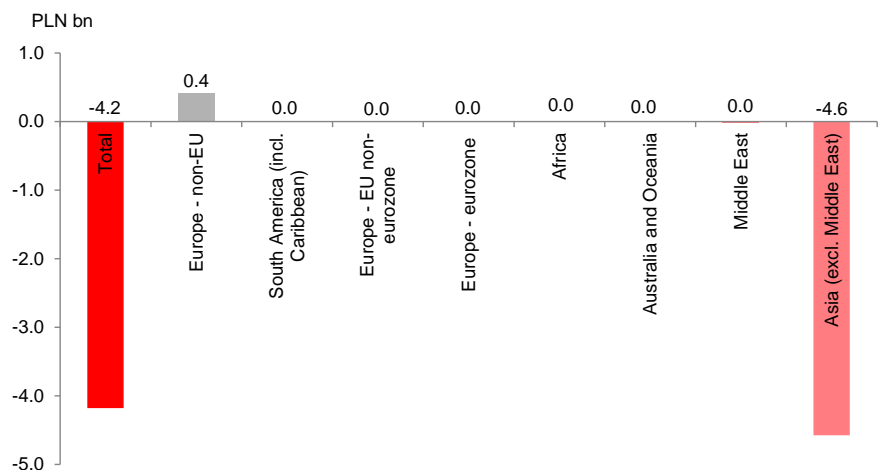
**Changes in the domestic TS debt towards foreign central banks and public institutions by region in October 2023 m/m**

In October 2023 the domestic TS held by foreign central banks and public institutions decreased by PLN 0.1bn m/m. It resulted mainly from a decrease in holdings of investors from Middle East (PLN -0.1bn).



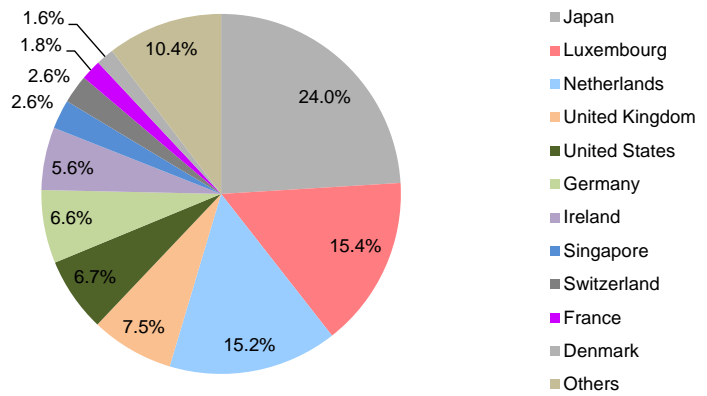
**Changes in the domestic TS debt towards foreign central banks and public institutions by region in 2023**

From January to October 2023 a decrease in the domestic TS holdings of central banks and public institutions was recorded (PLN -4.2bn), which was mainly the result of a decrease in holdings of investors from Asia (PLN -4.6bn) with an increase in holdings of investors from Europe non-EU countries (PLN +0.4bn).



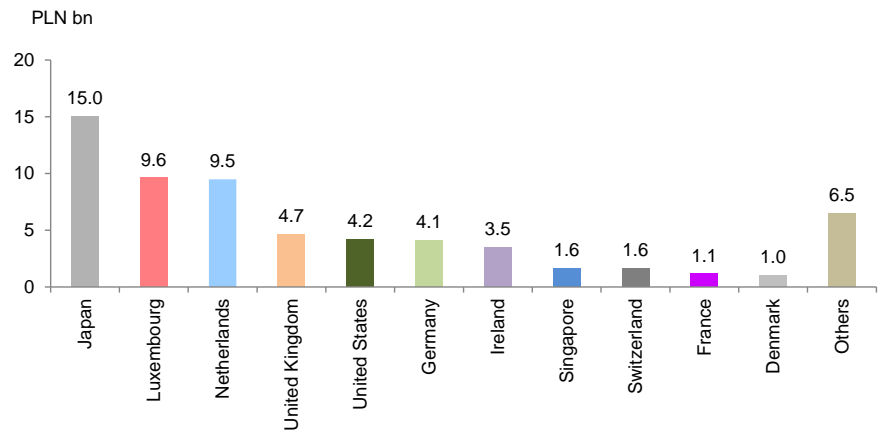
**The domestic TS debt towards non-residents by country\* in October 2023 – structure and nominal value**

In October 2023 the domestic TS were held by investors from 67 countries, which confirm high diversification of non-residents structure. The largest TS portfolios were held by entities from Japan (24.0%, including mainly pension funds: 15.6% share in non-resident debt in domestic TS and insurance companies: 5.1%), Luxembourg (15.4%, including mainly investment funds: 7.8% and other entities: 7.3%), the Netherlands (15.2%, including mainly other entities: 8.1% and pension funds: 6.9%), the UK (7.5% including mainly: other entities: 3.3% and banks 3.0%), the United States (6.7%, including mainly investment funds: 3.8% and other entities: 2.2%), Germany (6.6%, including mainly hedge funds: 1.9% and banks: 1.7%) and Ireland (5.6%, including mainly investment funds: 4.9% and non-financial entities: 0.4%).



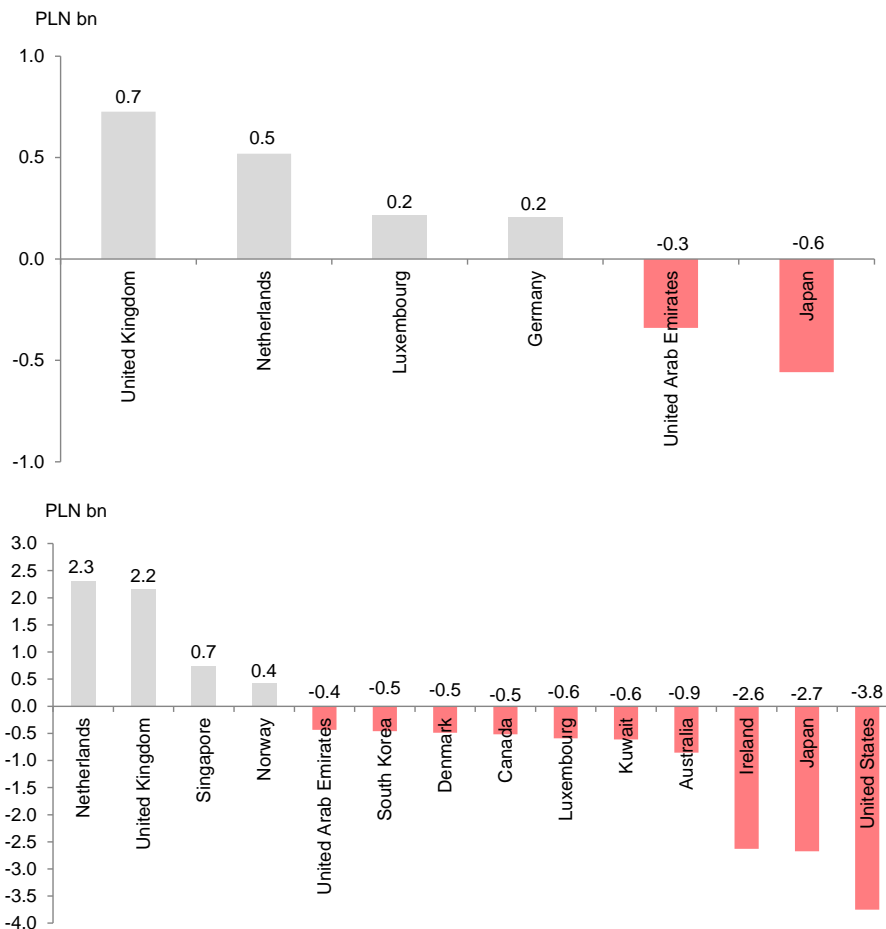
**Changes in the domestic TS debt towards non-residents by country\* in October 2023\*\* m/m**

In October 2023 the most notable changes in the non-residents’ domestic TS holdings were observed among investors from the UK (PLN +0.7bn), the Netherlands (PLN +0.5bn), Luxembourg (PLN +0.2bn), Germany (PLN +0.2bn), the United Arab Emirates (PLN -0.3bn) and Japan (PLN -0.6bn).



**Changes in the domestic ST debt towards non-residents by country\* in 2023\*\*\***

From January to October 2023 an increase in the TS portfolios mainly concerned non-residents from the Netherlands (PLN +2.3bn) and the UK (PLN +2.2) with a decrease in the domestic TS held by investors from the US (PLN -3.8bn), Japan (PLN -2.7bn) and Ireland (PLN -2.6bn).



\*) Excluding omnibus accounts.

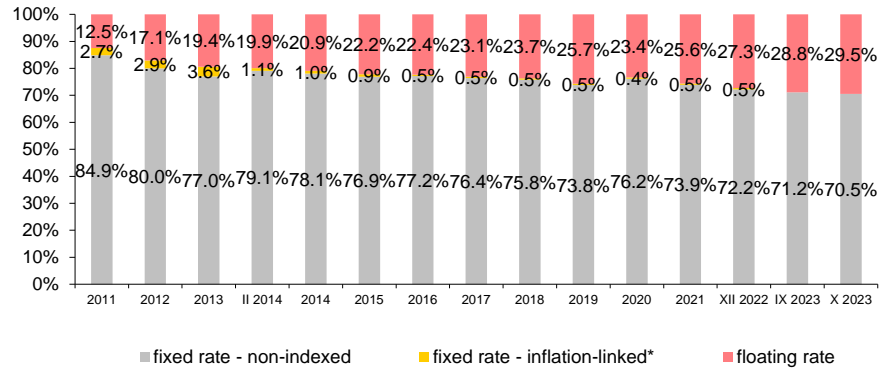
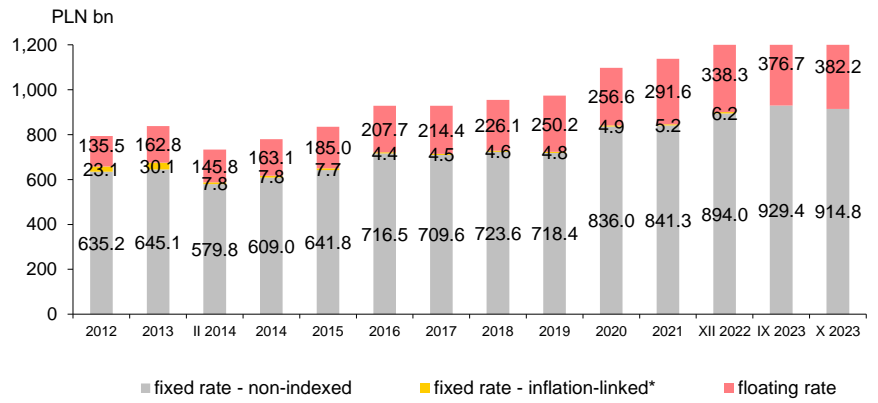
\*\*) Chart shows countries with change in debt amounted to at least PLN 0.2bn.

\*\*\*) Chart shows countries with change in debt amounted to at least PLN 0.4bn.



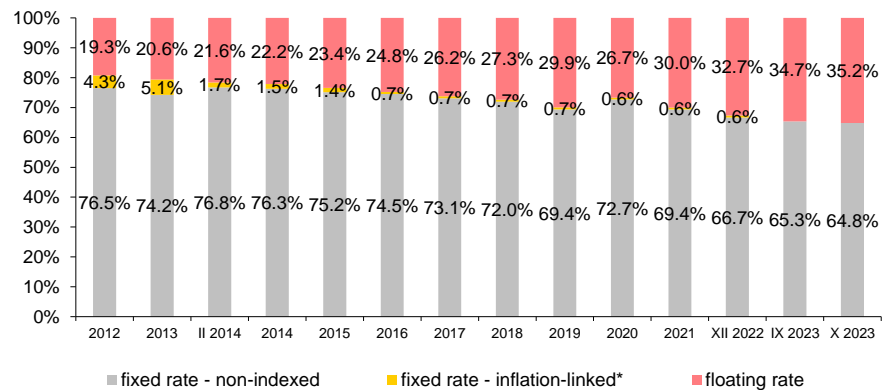
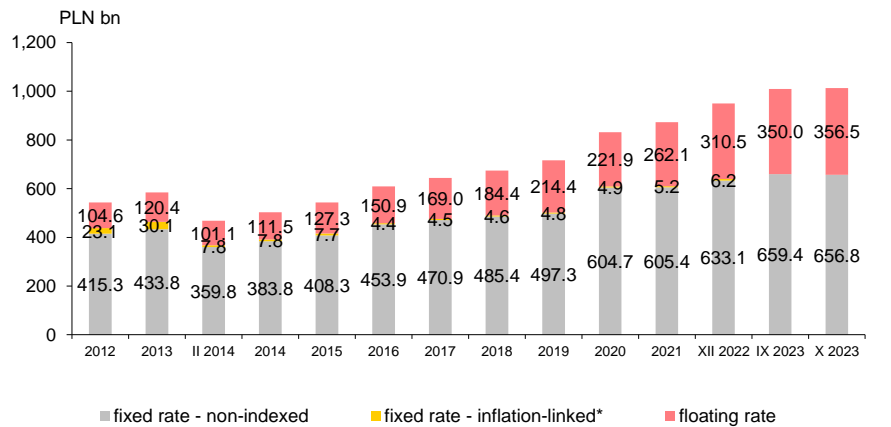
### The ST debt by a type of an interest rate and an indexation in nominal value and structure

The majority of the ST debt comprised the fixed rate instruments – their share in October 2023 amounted to 70.5%. The share of the floating rate instruments amounted to 29.5%, of which inflation-linked instruments amounted to 6.4%, and instruments indexed with reference rates from individual markets amounted to 23.1%. The share of the floating rate instruments rose by 0.6 pp m/m and rose by 2.1 pp compared to the end of 2022.



### The domestic ST debt by a type of an interest rate and a type of an indexation in nominal value and structure

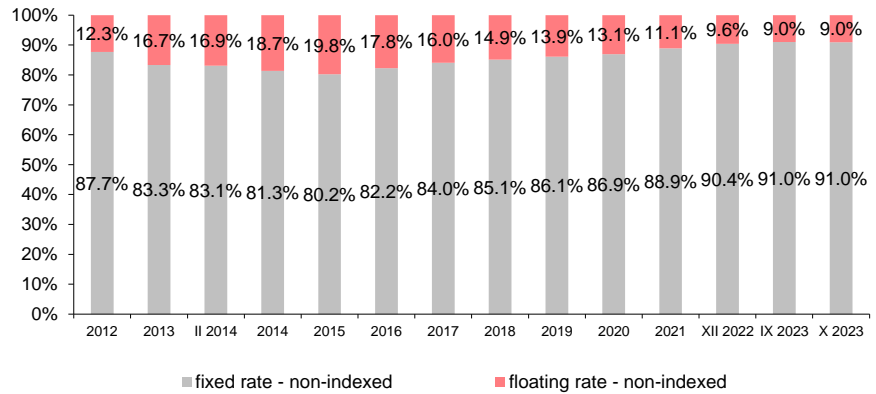
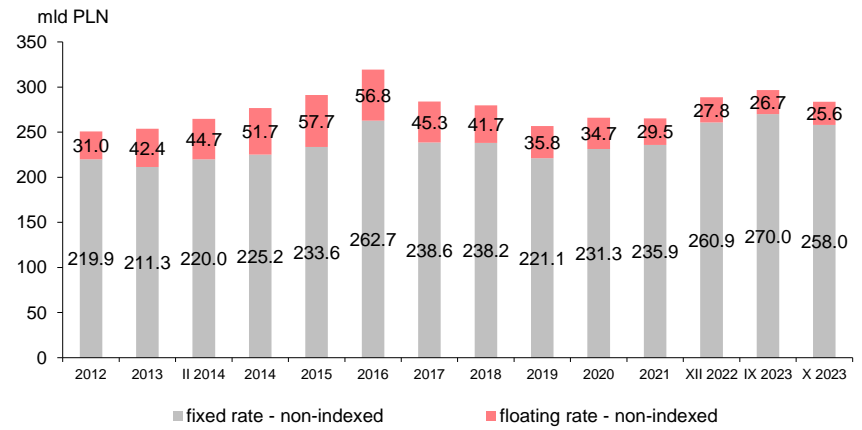
In October 2023 the share of the floating rate instruments in the domestic ST debt amounted to 35.2% of which 8.2% were inflation-linked bonds and 27.0% WIBOR-linked. The share of the floating rate instruments rose by 0.5 pp m/m and rose by 2.5 pp compared to the end of 2022.



\*) Bonds with nominal value indexed to inflation matured in August 2023.

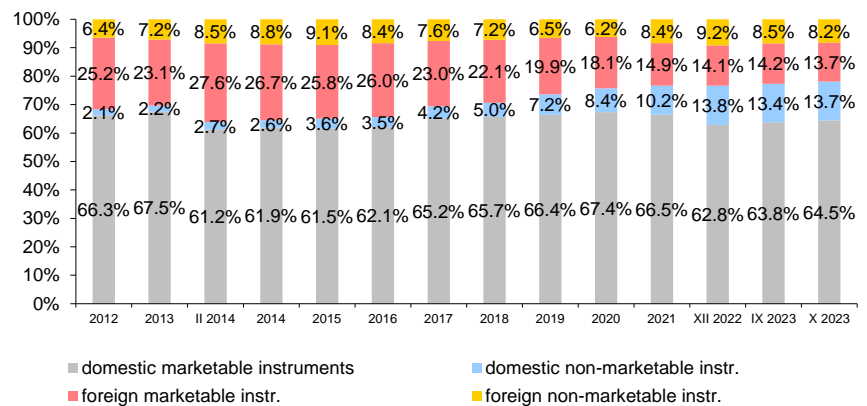
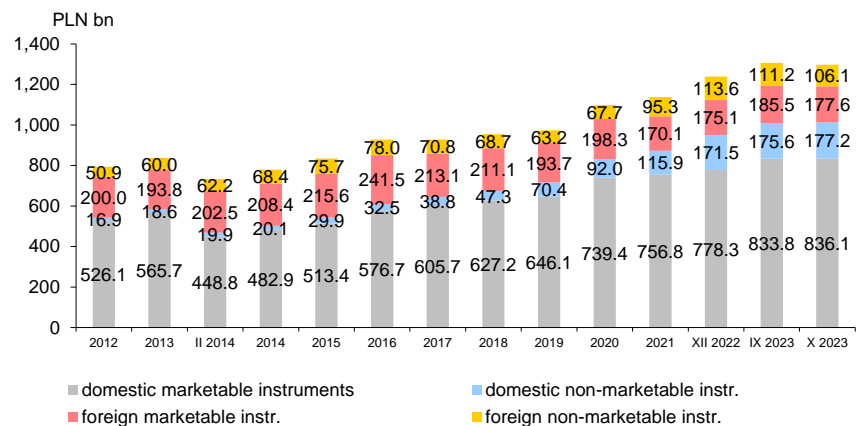
### The foreign ST debt by a type of an interest rate and a type of an indexation in nominal value and structure

In October 2023 the share of the floating rate instruments in the foreign ST debt amounted to 9.0%, i.e. it rose by 0.05 pp m/m and fell by 0.6 pp since the beginning of 2023. According to the debt management strategy, the dominant share of fixed rate instruments in debt denominated in foreign currencies was maintained.



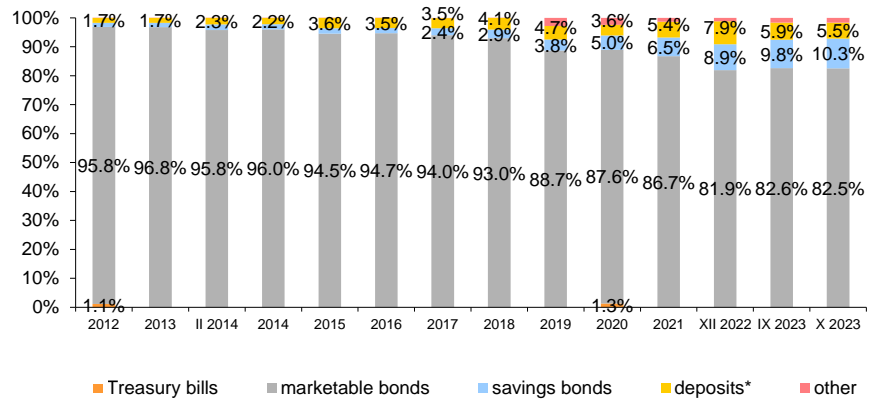
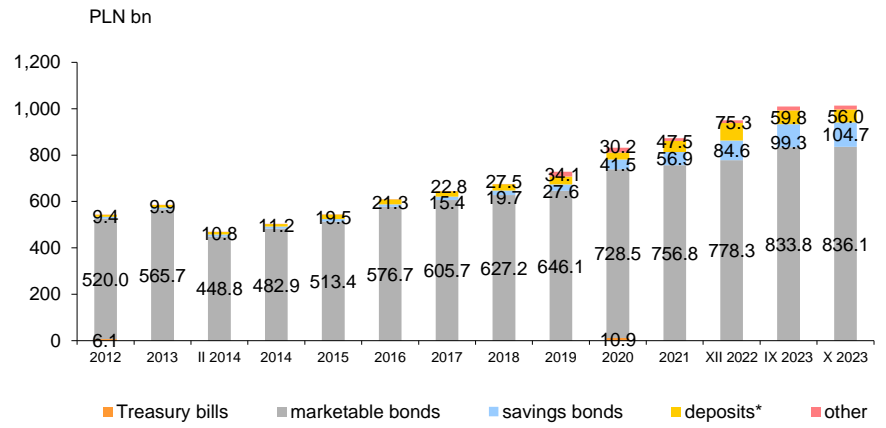
### The ST debt by a type of instrument in nominal value and structure

The structure of the ST debt is dominated by the marketable TS (78.2% in October 2023), including primarily the instruments issued on the domestic TS market (64.5%). The non-marketable instruments, including loans from international financial institutions, loans from EU (under SURE facility), domestic saving bonds, as well as deposits collected under liquidity management consolidation are complementary sources of financing of the State budget borrowing requirements.



### The domestic ST debt by a type of instrument in nominal value and structure

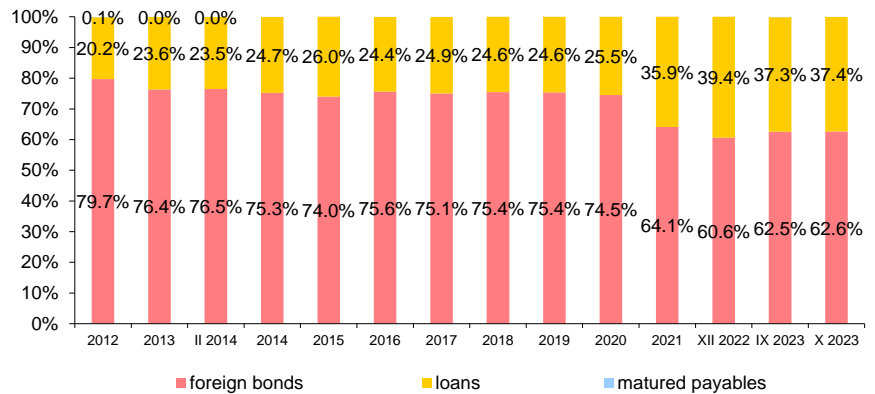
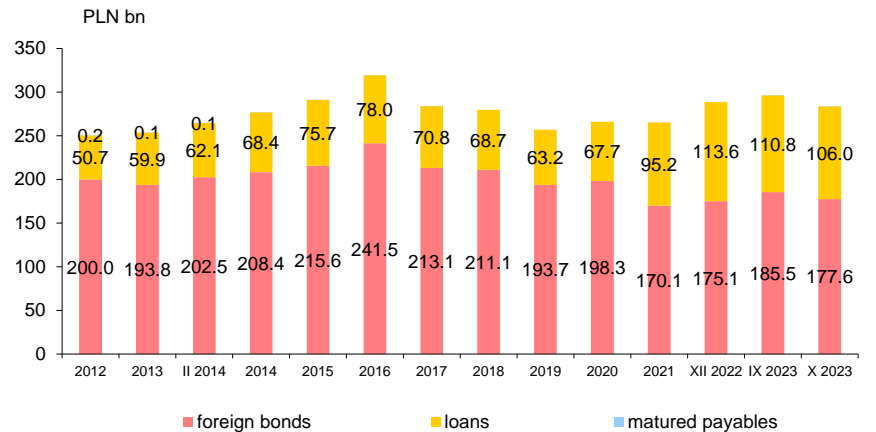
The vast majority of the domestic ST debt constituted the marketable bonds (82.5% in October 2023). The saving bonds (10.3%), as well as the deposits (5.5%) are complementary and stable sources of financing.



\*) Deposits received from PFSE with legal personality, court deposits from PFSE with legal personality and entities from outside PFS and collateral under CSA agreements.

### The foreign ST debt by a type of instrument in nominal value and structure

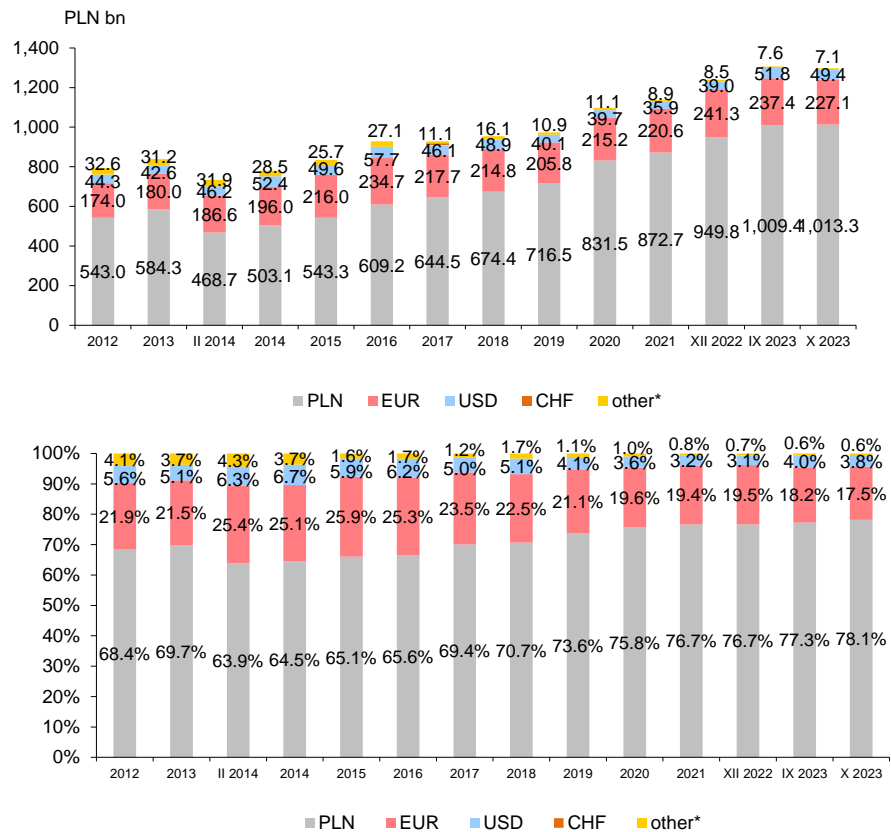
In the ST debt denominated in foreign currencies dominant share accounted for the international bonds (62.6% in October 2023). The share of loans from international financial institutions and EU (SURE facility) is significant as well (37.4% in total).



## The ST debt by currency in nominal value and structure

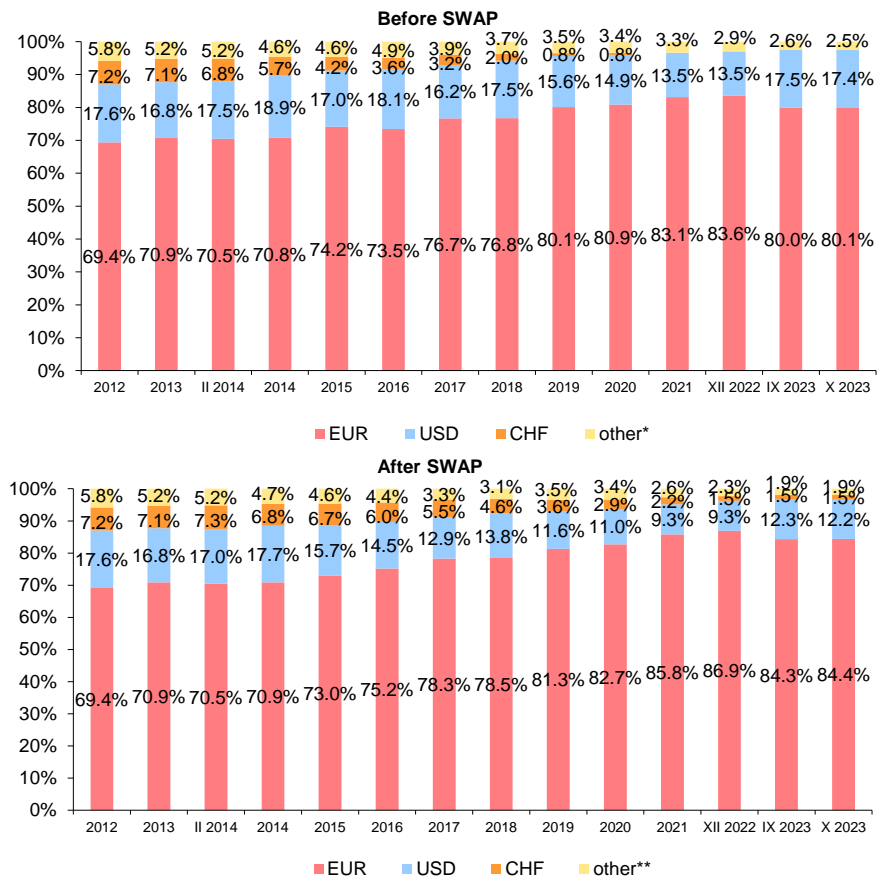
In accordance with the debt management strategy the State budget borrowing requirements are mostly financed on the domestic market. In October 2023 the debt denominated in PLN comprised 78.1% of the total ST debt, as compared to 77.3% in the previous month and 76.7% as compared to the end of 2022. The share of the foreign currency denominated debt changed as follows:

- EUR – fall by 0.7 pp m/m and fall by 2.0 pp compared to the end of 2022;
- USD – fall by 0.2 pp m/m and rose by 0.7 pp compared to the end of 2022;
- JPY – no change m/m and fall by 0.1 pp compared to the end of 2022;
- CNY – no change m/m and compared to the end of 2022.



## The structure of the foreign ST debt by a currency – before and after swap transactions

In October 2023 the share of the EUR-denominated debt in the foreign ST debt, including derivative transactions, amounted to 84.4%, i.e. remained above the minimum level of 70% assumed in the debt management strategy. The share of EUR rose by 0.1 pp m/m and fell by 2.5 pp compared to the end of 2022.



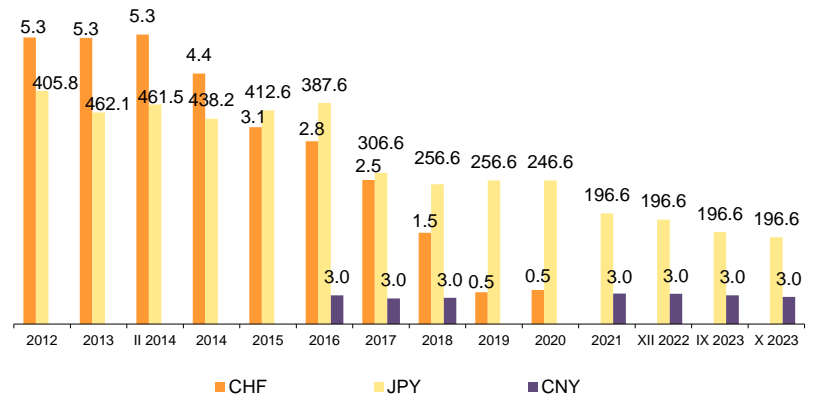
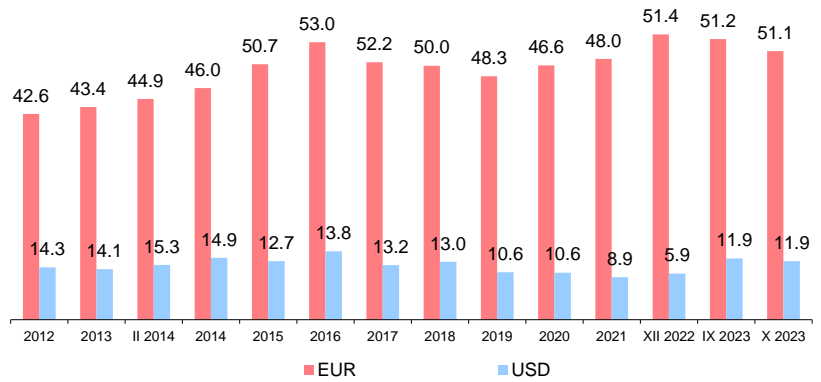
\*) JPY and CNY (since October 2016 to October 2019 and since December 2021)  
 \*\*) JPY

## The foreign ST debt in original currency (billion \*)\*\*)

In October 2023 the nominal value of the debt denominated in USD remained unchanged as compared to the previous month, and amounted to USD 11.9bn, the debt denominated in EUR fell by 0.1 pp compared to the previous month, and amounted EUR 51.1bn, the debt denominated in JPY remained unchanged as compared to the previous month, and amounted JPY 196.6bn. The debt denominated in CNY remained unchanged as compared to the previous month, and amounted to CNY 3.0bn.

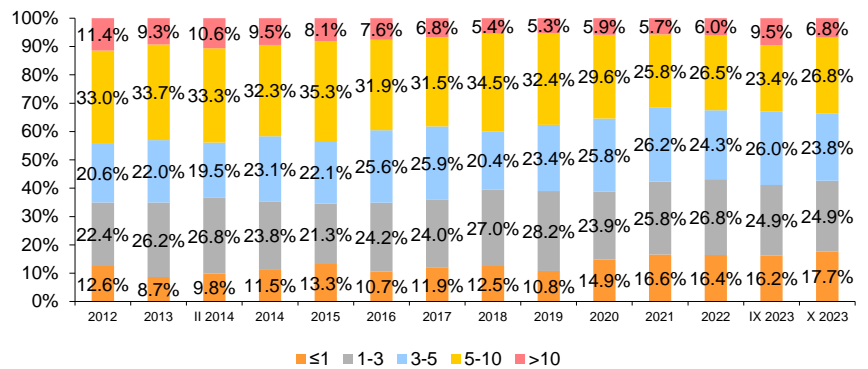
\*) Charts present the amount of debt excluding swap transactions.

\*\*) Charts present the amount of debt in original currencies, whereas proportions of columns on respective charts reflect the level of debt converted to PLN which allows to make it comparable.



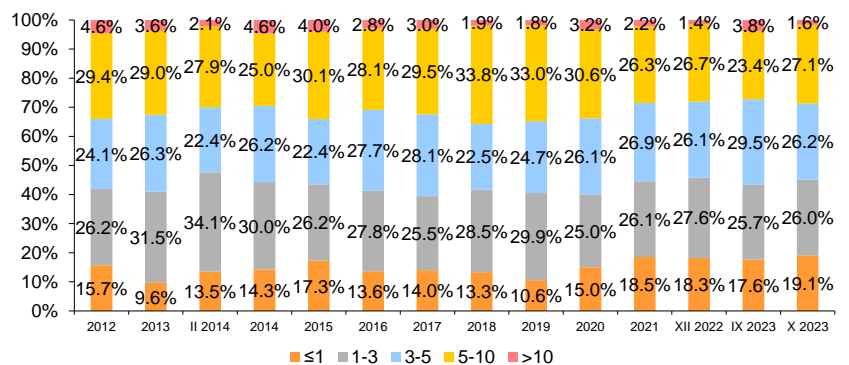
## The ST debt by a residual maturity (in years)

In October 2023 the debt with the longest residual maturity (over 5 years) comprised 33.6% of the total ST debt, i.e. increased by 0.7 pp m/m and rose by 1.1 pp as compared to the beginning of 2023. The debt with residual maturity up to 1 year constituted 17.7% of the ST debt, i.e. it increased by 1.4 pp m/m and increased by 1.3 pp since the beginning of 2023.



## The domestic ST debt by residual maturity (in years)

In October 2023 the domestic debt with residual maturity over 5 years accounted for 28.7%, i.e. it rose by 1.5 pp m/m and rose by 0.6 pp since the beginning of 2023. The share of the debt with residual maturity up to 1 year amounted to 19.1%, i.e. it rose by 1.5 pp m/m and rose by 0.8 pp since the beginning of 2023.



### ATM of ST debt\*

In October 2023 the average time to maturity (ATM) of the ST debt amounted to 5.10 years (i.e. it decreased by 0.03 years m/m and rose by 0.27 years as compared to the end of 2022). The debt management strategy assumes maintaining the ATM at the level of at least 5 years, taking into account the possibility of temporary deviations resulting from market or budget conditions. The ATM of the domestic debt amounted to 4.13 years, i.e. it rose by 0.04 years m/m (mainly as a result of sale auctions, bond redemption, transfer of TS and debt aging) and rose by 0.02 pp compared to the end of 2022. The debt management strategy assumes striving to maintain the ATM of domestic debt at a level close to 4.5 years, taking into account temporary deviations resulting from market or budget conditions. In October 2023 the ATM of the foreign debt decreased by 0.08 years m/m (mainly as a result of debt aging) and rose by 1.18 years compared to the end of 2022, reaching 7.99 years.

### ATR of ST debt\*

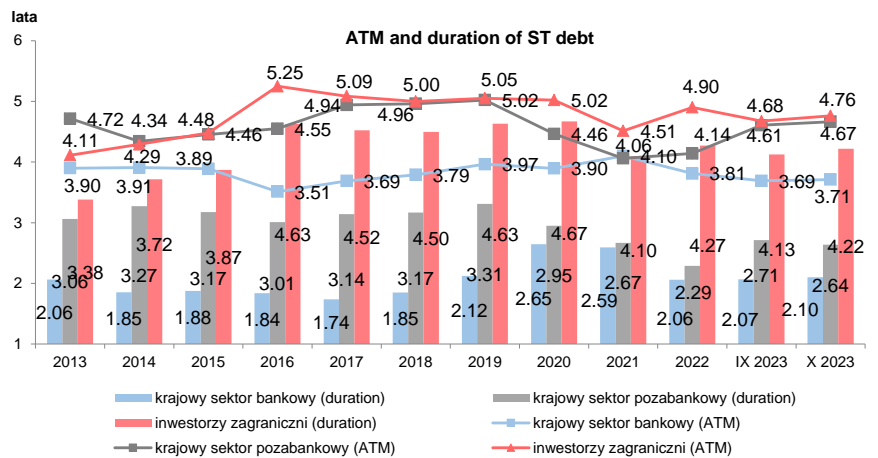
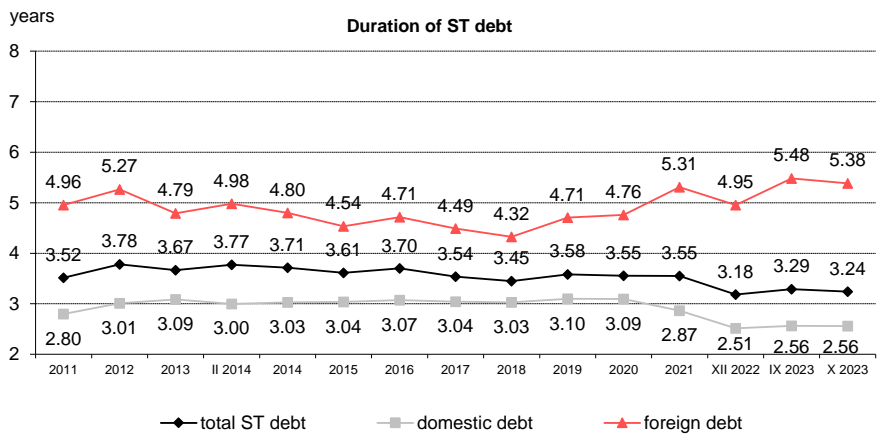
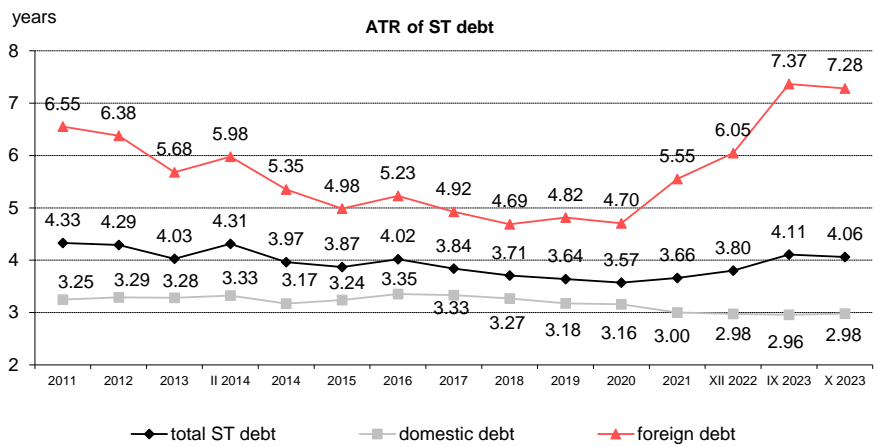
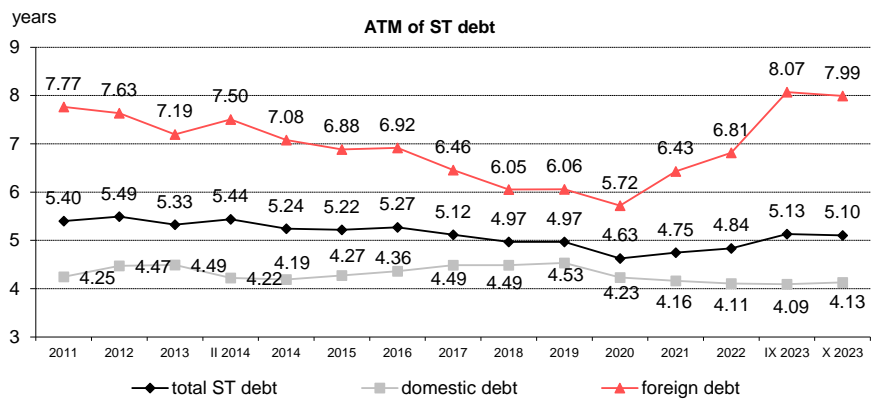
In October 2023 the average time to re-fixing (ATR) of the ST debt amounted to 4.06 years (i.e. it decreased by 0.05 years m/m and rose by 0.26 years as compared to the end of 2022). The ATR level in October was a result of the ATR of the domestic debt, which amounted to 2.98 years (increase by 0.02 years m/m) and the ATR of the foreign debt, which amounted to 7.28 years (decreased by 0.08 years m/m). The levels of the ATR resulted from changes in the ATM and the share of floating rate instruments. The ATR of the domestic debt remained within range of 2.6-3.6 years assumed in the public debt management strategy.

### Duration of ST debt\*\*\*)

In October 2023 the duration of the ST debt amounted to 3.24 years (i.e. it decreased by 0.05 years m/m and rose by 0.06 years as compared to the end of 2022). The level of duration was a result of no change in the domestic debt duration which amounted to 2.56 years and decrease in the foreign debt duration (by 0.10 years m/m) which amounted to 5.38 years. The changes in the duration resulted mainly from changes in interest rates level and the ATR.

### ATM and duration\*\* of domestic marketable ST debt by group of investors

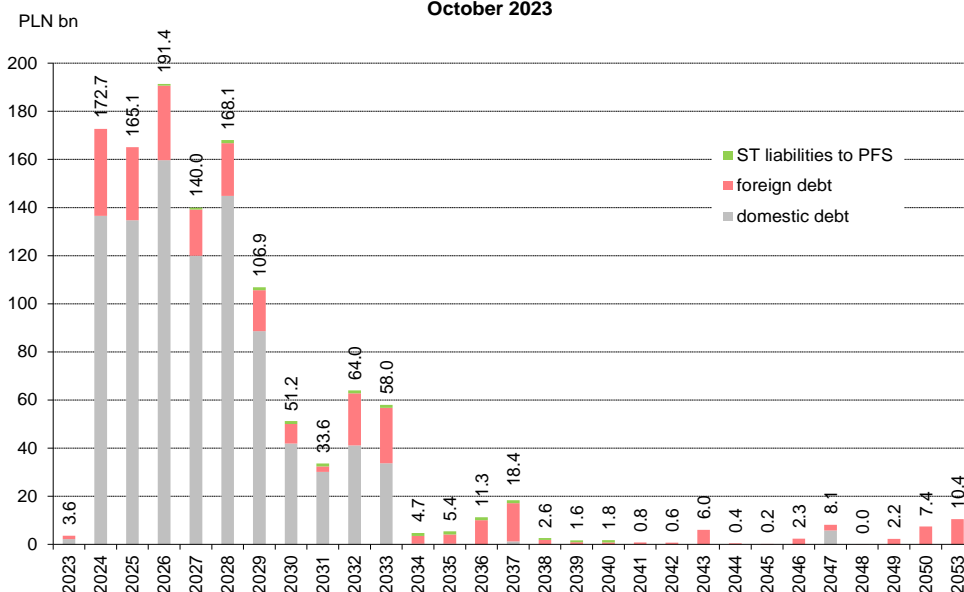
At the end of October 2023 the ATM and the duration of the portfolio of the domestic TS held by foreign investors amounted to 4.76 years (+0.09 years m/m) and 4.22 years (+0.09 years m/m) respectively. The ATM and the duration of the domestic non-banking sector TS portfolio amounted to 4.67 years (+0.06 m/m) and 2.64 years (-0.07 years m/m), respectively. The ATM and the duration of the TS portfolio held by the domestic banking sector amounted to 3.71 years (+0.02 years m/m) and 2.10 years (+0.03 years m/m), respectively.



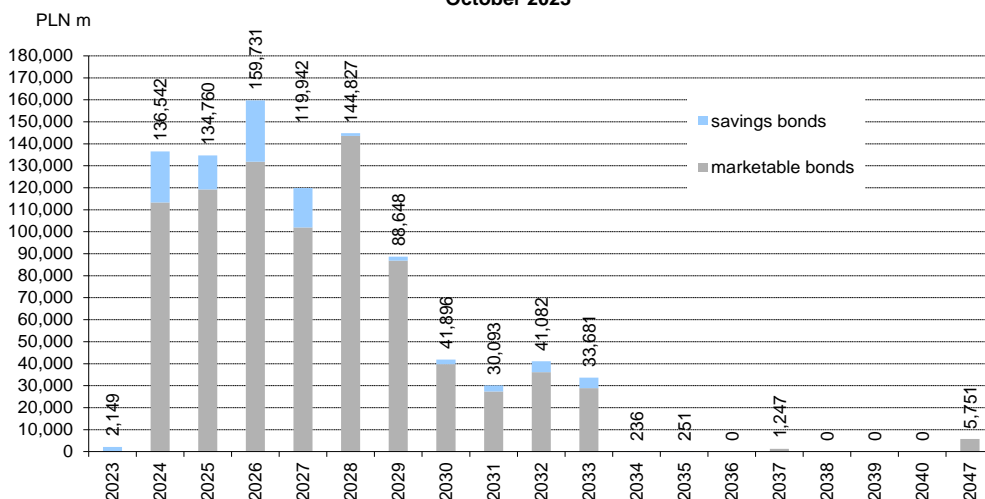
\*) The risk parameters are calculated for the marketable debt and foreign loans

\*\*) Excluding inflation-linked bonds

**Maturity profile of the ST debt (Treasury securities and loans) as at the end of October 2023**

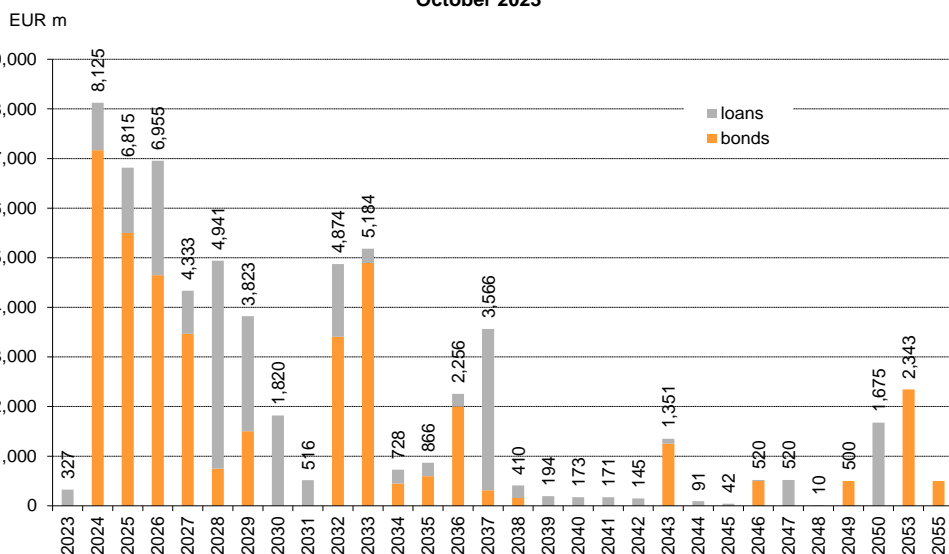


**Maturity profile of the domestic Treasury securities debt as at the end of October 2023\***



\*) Data do not include a part of short-term domestic debt: (a) maturing in 2023 – deposits (PLN 69,747 m), (b) maturing in 2024 – deposits (PLN 2,750 m) and (c) matured payables.

**Maturity profile of the foreign debt (Treasury securities and loans) as at the end of October 2023**



**Table 4. State Treasury debt by instrument according to the place of issue criterion (PLN million)**

	December 2022	structure December 2022 %	September 2023	structure September 2023 %	October 2023	structure October 2023 %	change		change	
							October 2023–September 2023		October 2023 – December 2022	
							PLN m	%	PLN m	%
<b>State Treasury Debt</b>	<b>1,238,470.5</b>	<b>100.0</b>	<b>1,306,127.3</b>	<b>100.0</b>	<b>1,297,015.2</b>	<b>100.0</b>	<b>-9,112.2</b>	<b>-0.7</b>	<b>58,544.7</b>	<b>4.7</b>
<b>I. Domestic debt</b>	<b>949,785.9</b>	<b>76.7</b>	<b>1,009,415.7</b>	<b>77.3</b>	<b>1,013,333.0</b>	<b>78.1</b>	<b>3,917.3</b>	<b>0.4</b>	<b>63,547.1</b>	<b>6.7</b>
<b>1. Treasury securities issued in domestic market</b>	<b>862,871.3</b>	<b>69.7</b>	<b>933,104.0</b>	<b>71.4</b>	<b>940,836.0</b>	<b>72.5</b>	<b>7,732.0</b>	<b>0.8</b>	<b>77,964.7</b>	<b>9.0</b>
<b>1.1. Marketable securities</b>	<b>778,271.8</b>	<b>62.8</b>	<b>833,770.6</b>	<b>63.8</b>	<b>836,137.3</b>	<b>64.5</b>	<b>2,366.7</b>	<b>0.3</b>	<b>57,865.5</b>	<b>7.4</b>
fixed rate	542,970.2	43.8	577,362.3	44.2	576,613.0	44.5	-749.3	-0.1	33,642.8	6.2
Treasury bills	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
OK bonds	37,793.4	3.1	29,459.5	2.3	34,071.3	2.6	4,611.8	15.7	-3,722.2	-9.8
PS bonds	192,511.7	15.5	207,713.6	15.9	207,713.6	16.0	0.0	0.0	15,201.9	7.9
DS bonds	261,380.6	21.1	279,559.6	21.4	265,389.5	20.5	-14,170.1	-5.1	4,008.9	1.5
WS bonds	51,284.5	4.1	60,629.6	4.6	69,438.7	5.4	8,809.1	14.5	18,154.2	35.4
fixed rate - inflation-linked	6,167.1	0.5	0.0	0.0	0.0	0.0	0.0	-	-6,167.1	-100.0
IZ bonds	6,167.1	0.5	0.0	0.0	0.0	0.0	0.0	-	-6,167.1	-100.0
floating rate	229,134.5	18.5	256,408.3	19.6	259,524.3	20.0	3,116.0	1.2	30,389.8	13.3
WZ bonds	226,134.5	18.3	253,408.3	19.4	256,524.3	19.8	3,116.0	1.2	30,389.8	13.4
PP bonds	3,000.0	0.2	3,000.0	0.2	3,000.0	0.2	0.0	0.0	0.0	0.0
<b>1.2. Savings bonds</b>	<b>84,599.5</b>	<b>6.8</b>	<b>99,333.5</b>	<b>7.6</b>	<b>104,698.7</b>	<b>8.1</b>	<b>5,365.3</b>	<b>5.4</b>	<b>20,099.2</b>	<b>23.8</b>
fixed rate	3,190.0	0.3	5,732.8	0.4	7,679.5	0.6	1,946.6	34.0	4,489.5	140.7
OTS bonds	243.6	0.0	168.4	0.0	172.8	0.0	4.3	2.6	-70.8	-29.1
POS bonds	307.1	0.0	0.0	0.0	0.0	0.0	0.0	-	-307.1	-100.0
DOS bonds	2,187.4	0.2	685.6	0.1	598.0	0.0	-87.7	-12.8	-1,589.5	-72.7
TOS bonds	451.9	0.0	4,878.8	0.4	6,908.8	0.5	2,030.0	41.6	6,456.9	1,428.8
floating rate	81,409.5	6.6	93,600.6	7.2	97,019.2	7.5	3,418.6	3.7	15,609.7	19.2
ROR bonds	12,008.8	1.0	9,422.0	0.7	9,689.6	0.7	267.5	2.8	-2,319.2	-19.3
DOR bonds	2,962.3	0.2	3,775.2	0.3	3,900.9	0.3	125.7	3.3	938.7	31.7
TOZ bonds	879.4	0.1	709.0	0.1	690.3	0.1	-18.7	-2.6	-189.1	-21.5
COI bonds	50,914.8	4.1	61,408.0	4.7	63,356.8	4.9	1,948.9	3.2	12,442.1	24.4
ROS bonds	540.3	0.0	702.9	0.1	753.5	0.1	50.7	7.2	213.2	39.5
EDO bonds	13,546.3	1.1	16,847.2	1.3	17,825.7	1.4	978.5	5.8	4,279.4	31.6
ROD bonds	557.7	0.0	736.3	0.1	802.4	0.1	66.1	9.0	244.7	43.9
<b>2. Other domestic debt</b>	<b>86,914.6</b>	<b>7.0</b>	<b>76,311.7</b>	<b>5.8</b>	<b>72,497.0</b>	<b>5.6</b>	<b>-3,814.7</b>	<b>-5.0</b>	<b>-14,417.6</b>	<b>-16.6</b>
deposits of PFSE*	52,757.4	4.3	43,237.8	3.3	41,896.3	3.2	-1,341.5	-3.1	-10,861.1	-20.6
deposits from GGE **	12,801.1	1.0	5,887.5	0.5	4,983.00	0.4	-904.5	-15.4	-7,818.1	-61.1
other deposits***	9,738.9	0.8	10,663.2	0.8	9,094.48	0.7	-1,568.7	-14.7	-644.4	-6.6
matured payables	105.9	0.0	13.3	0.0	13.3	0.0	0.0	0.0	-92.6	-87.4
ST liabilities under PFS****	11,504.3	0.9	16,504.3	1.3	16,504.3	1.3	0.0	0.0	5,000.0	43.5
other	6.9	0.0	5.6	0.0	5.6	0.0	0.0	0.0	-1.3	-18.5
<b>II. Foreign debt</b>	<b>288,684.6</b>	<b>23.3</b>	<b>296,711.6</b>	<b>22.7</b>	<b>283,682.1</b>	<b>21.9</b>	<b>-13,029.5</b>	<b>-4.4</b>	<b>-5,002.5</b>	<b>-1.7</b>
<b>1. Treasury securities issued in international markets</b>	<b>175,068.5</b>	<b>14.1</b>	<b>185,529.1</b>	<b>14.2</b>	<b>177,604.5</b>	<b>13.7</b>	<b>-7,924.6</b>	<b>-4.3</b>	<b>2,536.0</b>	<b>1.4</b>
<b>1.1. Marketable securities</b>	<b>175,068.5</b>	<b>14.1</b>	<b>185,529.1</b>	<b>14.2</b>	<b>177,604.5</b>	<b>13.7</b>	<b>-7,924.6</b>	<b>-4.3</b>	<b>2,536.0</b>	<b>1.4</b>
fixed rate	175,068.5	14.1	185,529.1	14.2	177,604.5	13.7	-7,924.6	-4.3	2,536.0	1.4
EUR	127,659.1	10.3	126,181.0	9.7	121,061.0	9.3	-5,120.1	-4.1	-6,598.1	-5.2
USD	38,955.9	3.1	51,780.9	4.0	49,395.5	3.8	-2,385.4	-4.6	10,439.6	26.8
CHF	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	0.0	-
JPY	6,549.1	0.5	5,762.3	0.4	5,438.9	0.4	-323.4	-5.6	-1,110.2	-17.0
CNY	1,904.4	0.2	1,804.8	0.1	1,709.1	0.1	-95.7	-5.3	-195.3	-10.3
<b>2. Loans</b>	<b>113,616.0</b>	<b>9.2</b>	<b>110,768.1</b>	<b>8.5</b>	<b>106,030.7</b>	<b>8.2</b>	<b>-4,737.4</b>	<b>-4.3</b>	<b>-7,585.3</b>	<b>-6.7</b>
fixed rate	85,816.5	6.9	84,079.6	6.4	80,385.1	6.2	-3,694.5	-4.4	-5,431.4	-6.3
EUR	85,816.5	6.9	84,079.6	6.4	80,385.1	6.2	-3,694.5	-4.4	-5,431.4	-6.3
floating rate	27,799.5	2.2	26,688.6	2.0	25,645.6	2.0	-1,042.9	-3.9	-2,153.9	-7.7
EUR	27,799.5	2.2	26,688.6	2.0	25,645.6	2.0	-1,042.9	-3.9	-2,153.9	-7.7
<b>3. Other foreign debt</b>	<b>0.0</b>	<b>0.0</b>	<b>414.4</b>	<b>0.0</b>	<b>46.9</b>	<b>0.0</b>	<b>-367.5</b>	<b>-88.7</b>	<b>46.9</b>	<b>295,781.9</b>

\*) Deposits received from public finance sector entities (PFSE) with legal personality, including court deposits.

\*\*) Deposits from non-PFS general government entities.

\*\*\*) Court deposits from non-PFS entities and collateral deposits connected with CSA agreements.

\*\*\*\*) Solidarity Fund (SF) loan from the Demographic Reserve Fund (DRF), with no impact on the public debt due to elimination of mutual liabilities of the public finance sector entities.

**Fixed and floating rate indexed bonds:**

IZ - market bonds with a fixed interest rate and a nominal value linked to inflation

WZ - marketable bonds with a floating interest rate indexed with the WIBOR rate

PP - bonds issued in the *private placement* formula, with a floating interest rate indexed with the WIBOR rate

ROR - 1-year savings bonds with a floating interest rate indexed with the reference rate

DOR - 2-year savings bonds with a floating interest rate indexed with the reference rate

TOZ - 3-year savings bonds with a variable interest rate indexed with the WIBOR rate

TOS - 3-year saving bonds with a fixed interest rate

COI - 4-year savings bonds with a floating interest rate linked to inflation

ROS - 6-year bonds with floating interest rate linked to inflation, intended for the beneficiaries of the 500+ program

EDO - 10-year savings bonds with floating interest rate linked to inflation

ROD - 12-year bonds with floating interest rate linked to inflation, intended for the beneficiaries of the 500+ program







**Table 7. State Treasury debt by instrument according to the place of issue criterion in EUR million**

	December 2022	September 2023	October 2023	change		change	
				October 2023 – September 2023		October 2023 – December 2022	
				EUR m	%	EUR m	%
<b>State Treasury debt</b>	<b>264,071.8</b>	<b>281,760.1</b>	<b>291,627.9</b>	<b>9,867.8</b>	<b>3.5</b>	<b>27,556.1</b>	<b>10.4</b>
<b>I. Domestic debt</b>	<b>202,517.3</b>	<b>217,753.0</b>	<b>227,843.3</b>	<b>10,090.3</b>	<b>4.6</b>	<b>25,326.0</b>	<b>12.5</b>
1. Treasury securities issued in domestic market	183,985.0	201,290.9	211,542.7	10,251.8	5.1	27,557.7	15.0
1.1. Marketable TS	165,946.4	179,862.5	188,001.6	8,139.1	4.5	22,055.3	13.3
- Treasury bills	0.0	0.0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	165,946.4	179,862.5	188,001.6	8,139.1	4.5	22,055.3	13.3
1.2. Savings bonds	18,038.7	21,428.4	23,541.0	2,112.6	9.9	5,502.4	30.5
2. Other ST debt	18,532.3	16,462.1	16,300.6	-161.5	-1.0	-2,231.7	-12.0
<b>II. Foreign debt</b>	<b>61,554.5</b>	<b>64,007.2</b>	<b>63,784.6</b>	<b>-222.5</b>	<b>-0.3</b>	<b>2,230.1</b>	<b>3.6</b>
1. Treasury securities issued in foreign markets	37,328.8	40,022.7	39,933.6	-89.1	-0.2	2,604.7	7.0
2. Loans	24,225.7	23,895.1	23,840.5	-54.6	-0.2	-385.2	-1.6
2.1. World Bank	5,708.7	5,552.2	5,561.2	9.0	0.2	-147.5	-2.6
2.2. European Investment Bank	6,631.3	6,319.1	6,255.5	-63.6	-1.0	-375.8	-5.7
2.3. Council of Europe Development Bank	649.7	787.8	787.8	0.0	0.0	138.1	21.3
2.4. European Union	11,236.0	11,236.0	11,236	0.0	0.0	0.0	0.0
3. Other ST debt	0.0	89.4	10.5	-78.8	-88.2	10.5	311,908.2
<i>FX rate (EUR/PLN)</i>	4.6899	4.6356	4.4475	-0.2	-4.1	-0.2	-5.2

**Table 8. State Treasury debt by instrument according to the place of issue criterion in USD million**

	December 2022	September 2023	October 2023	change		change	
				October 2023 – September 2023		October 2023 – December 2022	
				USD m	%	USD m	%
<b>State Treasury debt</b>	<b>281,355.5</b>	<b>298,905.5</b>	<b>311,154.2</b>	<b>12,248.7</b>	<b>4.1</b>	<b>29,798.7</b>	<b>10.6</b>
<b>I. Domestic debt</b>	<b>215,772.2</b>	<b>231,003.4</b>	<b>243,098.8</b>	<b>12,095.4</b>	<b>5.2</b>	<b>27,326.6</b>	<b>12.7</b>
1. Treasury securities issued in domestic market	196,026.9	213,539.6	225,706.8	12,167.1	5.7	29,679.8	15.1
1.1. Marketable TS	176,807.6	190,807.3	200,589.5	9,782.2	5.1	23,781.9	13.5
- Treasury bills	0.0	0.0	0.0	0.0	-	0.0	-
- bonds issued in domestic market	176,807.6	190,807.3	200,589.5	9,782.2	5.1	23,781.9	13.5
1.2. Savings bonds	19,219.3	22,732.3	25,117.2	2,384.9	10.5	5,897.9	30.7
2. Other ST debt	19,745.2	17,463.8	17,392.0	-71.8	-0.4	-2,353.2	-11.9
<b>II. Foreign debt</b>	<b>65,583.3</b>	<b>67,902.1</b>	<b>68,055.4</b>	<b>153.3</b>	<b>0.2</b>	<b>2,472.1</b>	<b>3.8</b>
1. Treasury securities issued in foreign markets	39,772.0	42,458.1	42,607.4	149.3	0.4	2,835.3	7.1
2. Loans	25,811.3	25,349.1	25,436.8	87.7	0.3	-374.5	-1.5
2.1. World Bank	6,082.4	5,890.0	5,933.5	43.5	0.7	-148.8	-2.4
2.2. European Investment Bank	7,065.3	6,703.6	6,674.4	-29.3	-0.4	-391.0	-5.5
2.3. Council of Europe Development Bank	692.2	835.7	840.6	4.8	0.6	148.4	21.4
2.4. European Union	11,971.4	11,919.7	11,988.3	68.6	0.6	16.9	0.1
3. Other ST debt	0.0	94.8	11.2	-83.6	-88.1	11.2	312,349.1
<i>FX rate (USD/PLN)</i>	4.4018	4.3697	4.1684	-0.2	-4.6	-0.2	-5.3

Ministry of Finance  
Public Debt Department  
tel. +48 22 694 50 00  
sekretariat.dp@mf.gov.pl