

State Treasury Debt

September 2024

Monthly newsletter

At the end of September 2024 the State Treasury (ST) debt amounted to **1,516,496.3 million***, i.e.:

- increased by PLN 23,801.6m (+1.6%) in September 2024;
- increased by PLN 170,295.5m (+12.7%) compared to the end of 2023.

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

| | September 2024 | January-September 2024 |
|--|----------------|------------------------|
| Change in the State Treasury debt | 23.8 | 170.3 |
| 1. State budget borrowing requirements: | 22.3 | 99.0 |
| 1.1. State budget deficit | 18.6 | 107.3 |
| 1.2. Funds for financing European Union funds budget deficit | 0.8 | 6.5 |
| 1.3. Balance of liquidity management consolidation | 2.8 | -8.9 |
| 1.4. European funds management | 0.1 | -8.7 |
| 1.5. Granted loans balance | 0.0 | 3.0 |
| 1.6. Other borrowing requirements ¹⁾ | 0.0 | -0.3 |
| 2. Other Changes: | 1.5 | 71.3 |
| 2.1. FX rates movements | -0.8 | -5.9 |
| 2.2. Changes in budget accounts balance | 0.1 | 54.8 |
| 2.3. Transfer of TS | 3.1 | 14.6 |
| 2.4. TS discount and TS indexation | 0.5 | 11.8 |
| 2.5 Change in other State Treasury debt: | -1.5 | -4.0 |
| - Deposits from PFSE ²⁾ | 1.9 | -0.5 |
| - Deposits from GGE ³⁾ | -3.3 | -2.2 |
| - Other deposits ⁴⁾ | 0.0 | -1.2 |
| - Other ST debt | 0.0 | 0.0 |

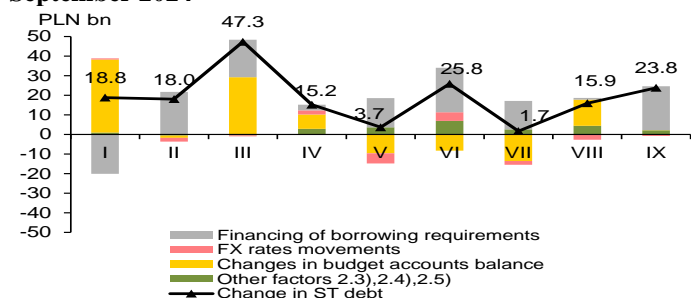
¹⁾ Balance of pre-financing of tasks carried out with utilization of funds from EU budget, shares in international financial institutions and other domestic and foreign settlements.

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

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

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

Factors affecting changes in the ST debt in January-September 2024



The increase in the debt in September 2024 was mainly a result of:

- the State budget net borrowing requirements (PLN +22.3bn), including State budget deficit of PLN 18.6bn, balance of liquidity management consolidation (PLN +2.8bn) and funds for financing European Union funds budget deficit (PLN +0.8bn);
- an increase in budget accounts balance (PLN +0.1bn);
- transfer of TS under other acts than the Public Finance Act (PLN +3.1bn);
- change in other State Treasury debt (PLN -1.5bn), including an increase in deposits from PFSE (PLN +1.9) and a decrease in deposits from GGE (PLN -3.3bn) allocated under the liquidity management consolidation;
- the FX rates movements (PLN -0.8bn) - the appreciation of the zloty against EUR by 0.02%, against USD by 1.2%, against CNY by 0.1% and depreciation of the zloty against JPY by 0.6%.

The increase in the debt since the beginning of 2024 was mainly a result of:

- the State budget net borrowing requirements (PLN +99.0bn), mainly as a result of State budget deficit of PLN 107.3bn, funds for financing European Union funds budget deficit (PLN +6.5bn), granted loans balance (PLN +3.0bn), liquidity management consolidation (PLN -8.9bn) and of European funds management balance (PLN -8.7bn);
- an increase in budget accounts balance (PLN +54.8bn);
- transfer of TS under other acts than the Public Finance Act (PLN +14.6bn);
- change in other State Treasury debt (PLN -4.0bn), including decrease in deposits from PFSE (PLN -0.5) and a decrease in deposits from GGE (PLN -2.2bn) allocated under the liquidity management consolidation;
- the FX rates movements (PLN -5.9bn) - the appreciation of the zloty against EUR by 1.6%, against USD by 2.9%, against JPY by 3.4% and against CNY by 1.6%.

In September 2024 the domestic ST debt (according to the place of issue criterion) increased by PLN 24.9bn, including balance of issuance of marketable Treasury securities (TS; PLN +24.1bn), balance of issuance of saving bonds (PLN +2.2bn) and other ST debt (PLN -1.4bn).

| Instrument | Sale/Transfer of TS (PLN bn) | Repurchase/Redemption (PLN bn) |
|------------|------------------------------|--------------------------------|
| PS1024 | - | -1.2 |
| PS0425 | - | -0.2 |
| WZ0525 | - | -1.0 |
| DS0725 | - | -1.9 |
| OK0426 | 0.5 | - |
| OK0127 | 1.7 | - |
| DS0727 | 1.3 | - |
| PS0729 | 9.5 | - |
| WZ1129 | 0.9 | - |
| WZ0330 | 3.4 | - |
| DS1030 | 1.4 | - |
| DS0432 | 2.7 | - |
| DS1033 | 0.2 | - |
| DS1034 | 3.8 | - |
| IZ0836 | 3.1 | - |

In September 2024 the foreign currency ST debt decreased by PLN 1.1bn which was the result of:

- the negative balance of debt issuance:

| Instrument | Sale/Drawing | Repayment/Redemption |
|------------------|--------------|----------------------|
| Loans from IFIs* | - | EUR 0.05bn |

*) IFIs – international financial institutions

- the FX rates movements (PLN -0.8bn).

Since the beginning of 2024 the domestic ST debt increased by PLN 144.9bn. In the same period the **foreign currency ST debt** increased by PLN 25.4bn, which was the result of:

- an increase in the debt denominated in EUR (EUR +1.9bn), an increase in debt denominated in USD (USD +6.0bn) with no change in debt denominated in CNY and in JPY;
- the appreciation of the zloty (PLN -5.9bn).

According to preliminary data, the **ST debt at the end of October 2024** amounted to **ca. PLN 1,542.5bn**, and increased by PLN 26.0bn (+1.7%) m/m. According to the place of issue criterion debt amounted to:

- **domestic debt:** ca. PLN 1,189.1bn,
- **foreign debt:** ca. PLN 353.4bn (i.e. 22.9% of the total ST debt).

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

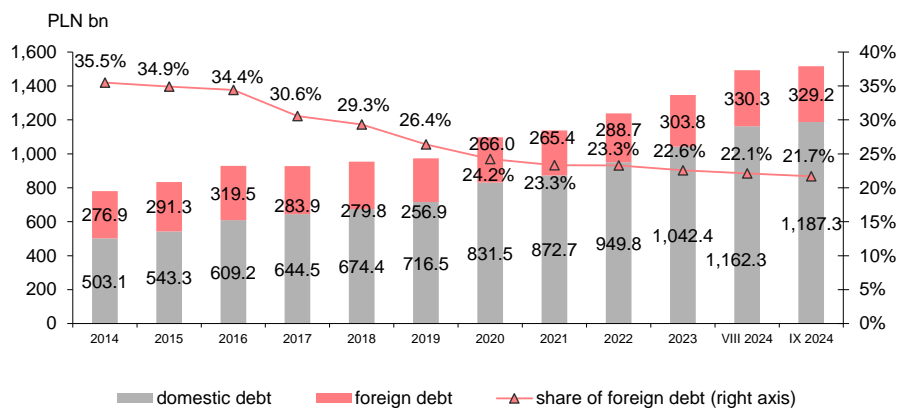
| | December 2023 | structure December 2023 % | August 2024 | structure August 2024 % | September 2024 | structure September 2024 % | change August 2024–September 2024 | | change September 2024 – December 2023 | |
|-----------------------------------|--------------------|---------------------------|--------------------|-------------------------|--------------------|----------------------------|-----------------------------------|-------------|---------------------------------------|-------------|
| | | | | | | | PLN m | % | PLN m | % |
| State Treasury debt | 1,346,200.9 | 100.0 | 1,492,694.7 | 100.0 | 1,516,496.3 | 100.0 | 23,801.6 | 1.6 | 170,295.5 | 12.7 |
| I. Domestic ST debt | 1,042,418.1 | 77.4 | 1,162,349.1 | 77.9 | 1,187,297.6 | 78.3 | 24,948.5 | 2.1 | 144,879.5 | 13.9 |
| 1. Treasury securities (TS) | 972,392.3 | 72.2 | 1,092,915.7 | 73.2 | 1,119,233.8 | 73.8 | 26,318.0 | 2.4 | 146,841.5 | 15.1 |
| 1.1. Marketable TS | 862,295.8 | 64.1 | 957,872.4 | 64.2 | 981,971.2 | 64.8 | 24,098.8 | 2.5 | 119,675.4 | 13.9 |
| - Treasury bills | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| - bonds issued in domestic market | 862,295.8 | 64.1 | 957,872.4 | 64.2 | 981,971.2 | 64.8 | 24,098.8 | 2.5 | 119,675.4 | 13.9 |
| 1.2. Savings bonds | 110,096.5 | 8.2 | 135,043.4 | 9.0 | 137,262.6 | 9.1 | 2,219.2 | 1.6 | 27,166.1 | 24.7 |
| 2. Other ST debt | 70,025.9 | 5.2 | 69,433.4 | 4.7 | 68,063.8 | 4.5 | -1,369.6 | -2.0 | -1,962.0 | -2.8 |
| II. Foreign ST debt | 303,782.7 | 22.6 | 330,345.5 | 22.1 | 329,198.7 | 21.7 | -1,146.8 | -0.3 | 25,416.0 | 8.4 |
| 1. TS issued in foreign markets | 179,897.4 | 13.4 | 196,760.0 | 13.2 | 195,980.3 | 12.9 | -779.7 | -0.4 | 16,082.9 | 8.9 |
| 2. Loans | 121,820.5 | 9.0 | 133,421.0 | 8.9 | 133,188.1 | 8.8 | -232.9 | -0.2 | 11,367.6 | 9.3 |
| 3. Other ST debt | 2,064.8 | 0.2 | 164.6 | 0.0 | 30.3 | 0.0 | -134.3 | -81.6 | -2,034.5 | -98.5 |

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

| | December 2023 | structure December 2023 % | August 2024 | structure August 2024 % | September 2024 | structure September 2024 % | change August 2024–September 2024 | | change September 2024 – December 2023 | |
|--|--------------------|---------------------------|--------------------|-------------------------|--------------------|----------------------------|-----------------------------------|------------|---------------------------------------|-------------|
| | | | | | | | PLN m | % | PLN m | % |
| State Treasury debt | 1,346,200.9 | 100.0 | 1,492,694.7 | 100.0 | 1,516,496.3 | 100.0 | 23,801.6 | 1.6 | 170,295.5 | 12.7 |
| I. State Treasury debt held by residents | 932,593.1 | 69.3 | 1,036,770.7 | 69.5 | 1,056,653.1 | 69.7 | 19,882.5 | 1.9 | 124,060.0 | 13.3 |
| Domestic banking sector | 510,607.9 | 37.9 | 572,158.3 | 38.3 | 586,937.7 | 38.7 | 14,779.5 | 2.6 | 76,329.8 | 14.9 |
| - domestic instruments | 493,831.5 | 36.7 | 559,775.1 | 37.5 | 574,108.1 | 37.9 | 14,333.0 | 2.6 | 80,276.6 | 16.3 |
| - foreign instruments | 16,776.4 | 1.2 | 12,383.2 | 0.8 | 12,829.6 | 0.8 | 446.4 | 3.6 | -3,946.8 | -23.5 |
| Domestic non-banking sector | 421,985.2 | 31.3 | 464,612.4 | 31.1 | 469,715.4 | 31.0 | 5,103.0 | 1.1 | 47,730.2 | 11.3 |
| - domestic instruments | 416,397.2 | 30.9 | 458,753.6 | 30.7 | 463,588.9 | 30.6 | 4,835.3 | 1.1 | 47,191.7 | 11.3 |
| - foreign instruments | 5,588.0 | 0.4 | 5,858.8 | 0.4 | 6,126.5 | 0.4 | 267.7 | 4.6 | 538.6 | 9.6 |
| II. State Treasury debt held by non-residents | 413,607.8 | 30.7 | 455,924.0 | 30.5 | 459,843.2 | 30.3 | 3,919.1 | 0.9 | 46,235.4 | 11.2 |
| - domestic instruments | 132,189.5 | 9.8 | 143,820.5 | 9.6 | 149,600.7 | 9.9 | 5,780.1 | 4.0 | 17,411.2 | 13.2 |
| - foreign instruments | 281,418.3 | 20.9 | 312,103.5 | 20.9 | 310,242.5 | 20.5 | -1,861.0 | -0.6 | 28,824.2 | 10.2 |

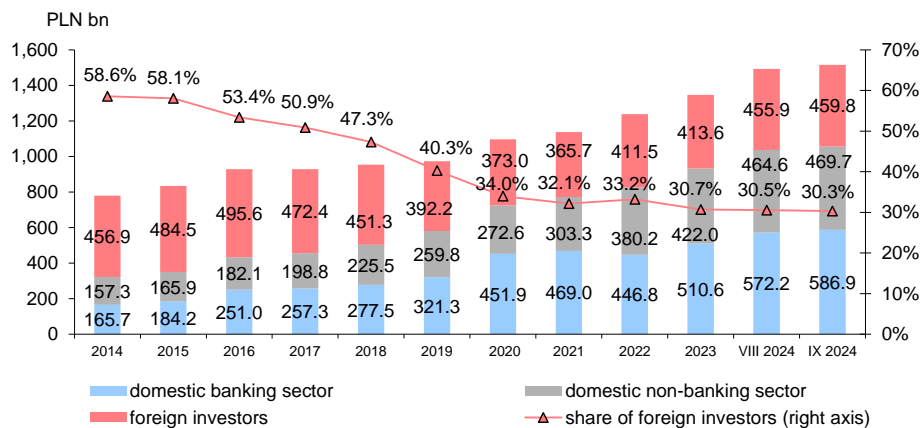
ST debt according to the place of issue criterion

In September 2024 the share of the foreign currency debt in the total ST debt amounted to 21.7%, i.e. it decreased by 0.4 pp compared to the previous month and it decreased by 0.9 pp to compared to the beginning of 2024. A decrease in the share in September was mainly a result of issuance of TS on the domestic market and FX 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 September 2024 the share of foreign investors in the total ST debt amounted to 30.3%, i.e. it decreased by 0.2 pp m/m and decreased by 0.4 pp since the beginning of 2024. A decrease in the share in September was mainly a result of a greater increase in holdings of domestic instruments than non-residents in domestic instruments.

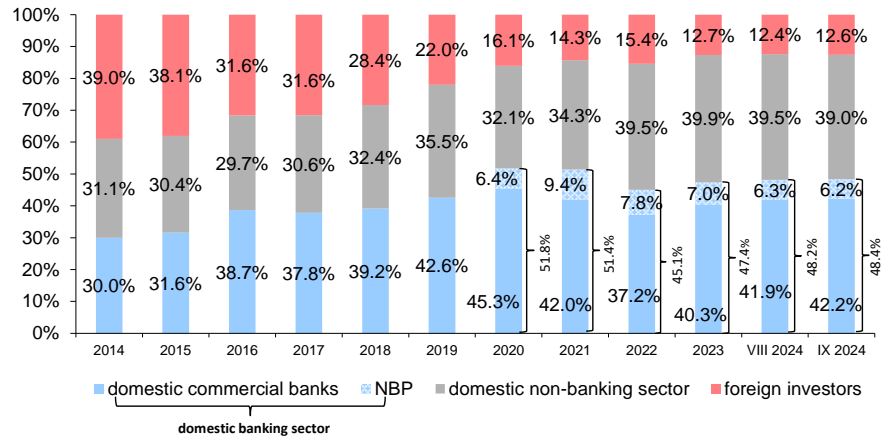
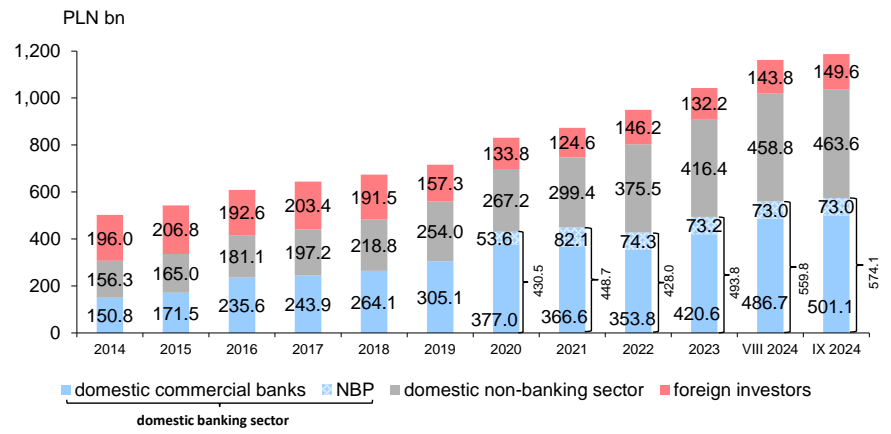


Domestic ST debt by holder in nominal value and structure

In September 2024 an increase in the domestic debt held by residents took place (PLN +19.2bn, i.e. banking sector: PLN +14.3bn, including NBP: PLN no change and non-banking sector: PLN +4.8bn) and an increase in foreign investors holdings (PLN +5.8bn).

Since the beginning of 2024 changes in holdings of the domestic debt by the type of investor amounted to as follows:

- domestic banking sector: PLN +80.3bn (including NBP: PLN -0.2bn),
- domestic non-banking sector: PLN +47.2bn,
- foreign investors: PLN +17.4bn.

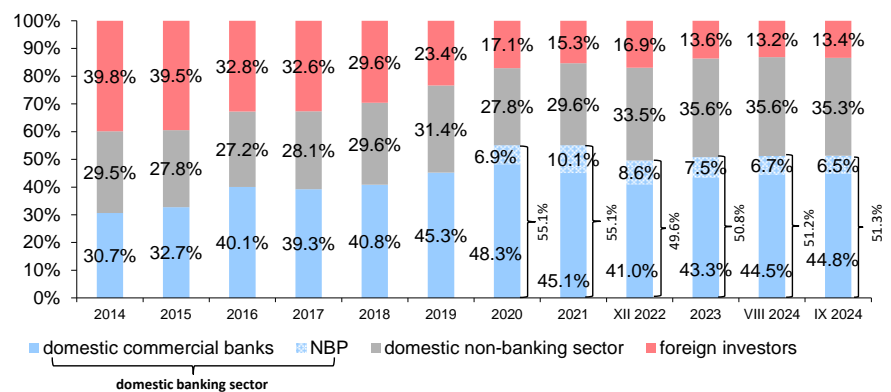
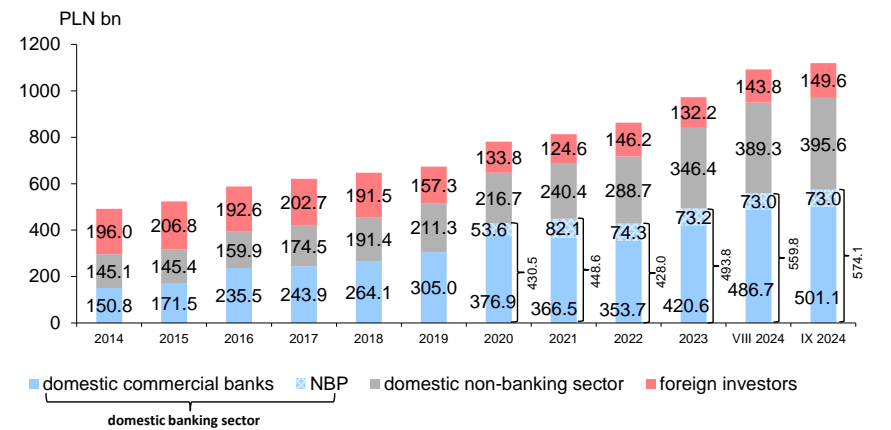


Domestic TS debt by holder in nominal value and structure

In September 2024 residents increased their domestic TS holdings by PLN 20.5bn in total, i.e. banking sector: PLN +14.3bn (including NBP: no change) and non-banking sector: PLN +6.2bn. In the case of foreign investors an increase in holdings of PLN +5.8bn was recorded.

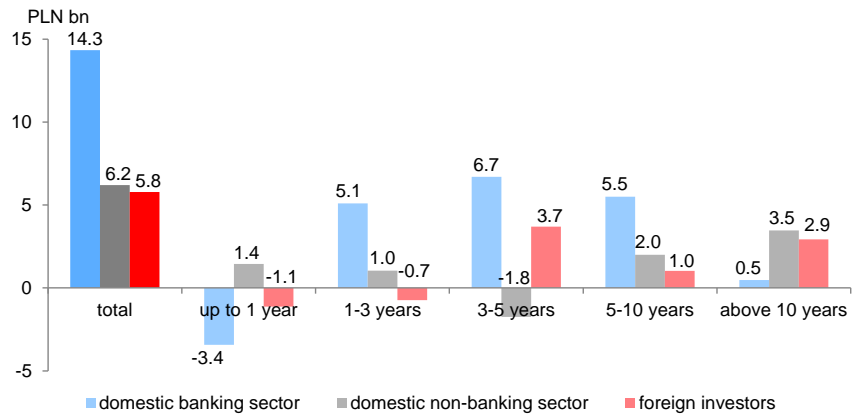
Since the beginning of 2024 changes in holdings of the domestic TS debt by type of investor amounted to as follows:

- domestic banking sector: PLN +80.3bn (including NBP: PLN -0.2bn),
- domestic non-banking sector: PLN +49.2bn,
- foreign investors: PLN +17.4bn.



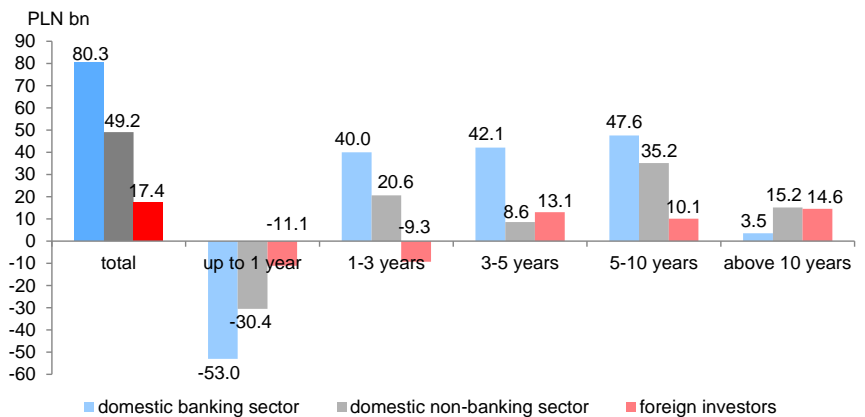
Changes in the domestic TS debt according to residual maturity by the type of investor in September 2024 m/m*

An increase in domestic TS holdings of banking sector observed in September 2024 was the result of an increase in their TS portfolios in the instruments with maturities over 1 year. An increase in domestic TS holdings of non-banking sector was the result of an increase in their TS portfolios in the instruments with maturities up to 3 years and over 5 years. An increase in the TS portfolios held by foreign investors was a result of an increase in their TS holdings in the instruments with maturities over 3 years.



Changes in the domestic TS debt according to residual maturity by the type of investor in 2024*

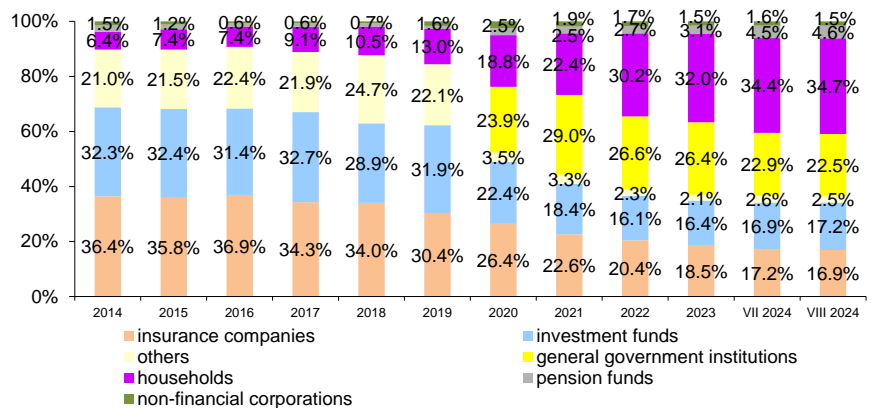
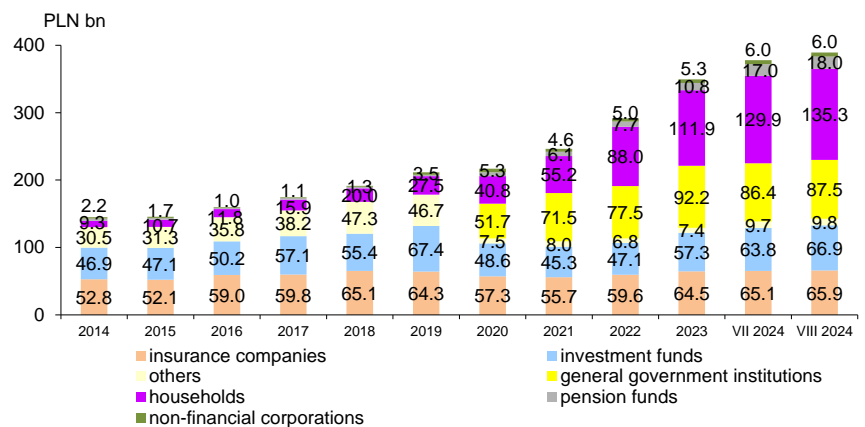
From January to September 2024 the banking sector increased their holdings in the instruments with maturities over 1 year. Increase in the TS portfolios held by non-banking sector was a result of an increase in the instruments with maturities over 1 year. An increase in the TS portfolios held by foreign investors was a result of a decrease in the instruments with maturities up to 3 years with an increase in the instruments with maturity over 3 years.



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

In September among domestic non-banking entities the main holders of the domestic TS were households (34.8%), general government institutions*** (22.9% share in September 2024, this category includes, among others: Bank Guarantee Fund and Demographic Reserve Fund), investment funds (16.9%), and insurance companies (16.9%).

In September 2024 the domestic TS holdings of the non-banking sector increased by PLN 6.2bn m/m and by PLN 46.2bn since the beginning of 2024. An increase in holdings m/m was mainly a result of an increase in the TS portfolios of general government institutions (PLN +3.2bn) and households (PLN +2.3bn).



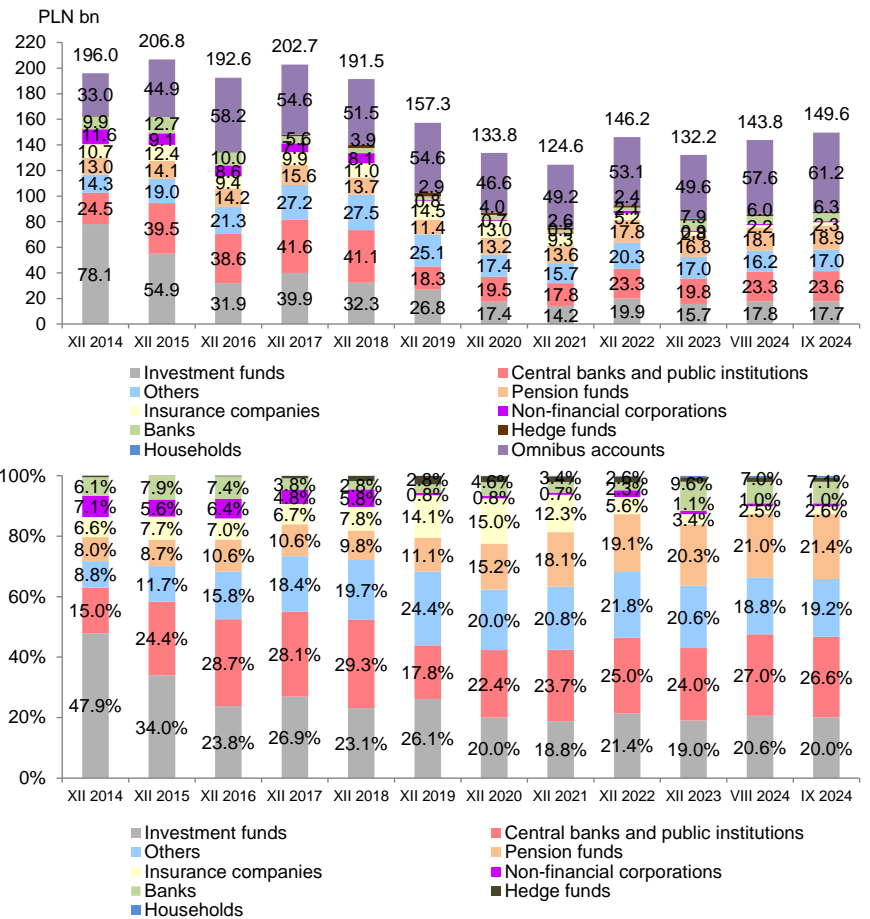
*) Changes resulting only from cash flows, i.e. excluding statistical changes from the shift in classification of the security to next segment of residual maturity.

**) 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 September 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.

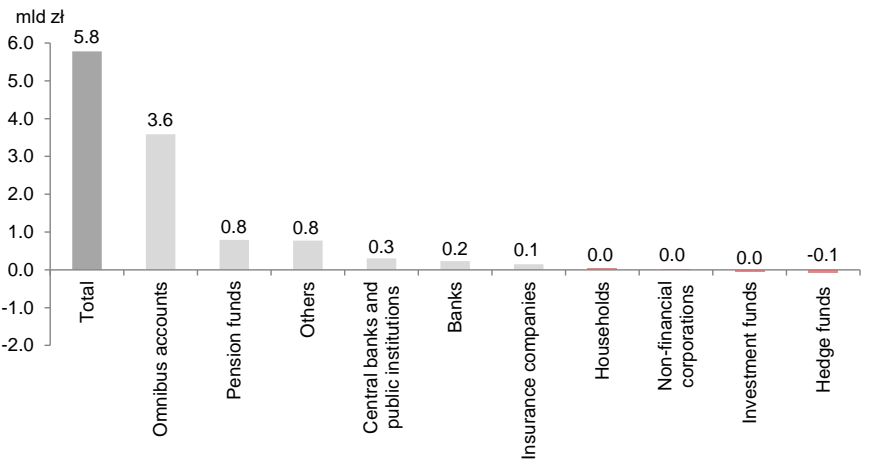
The domestic TS debt towards non-residents* by holder in nominal value and structure**

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 (26.6% share in September 2024), pension funds (21.4%), investment funds (20.0%), banks (7.1%) and insurance companies (2.6%). A significant part of the domestic TS debt to foreign investors is registered on omnibus accounts (PLN 61.2bn), which allow investors to buy the TS without the need to have a separate account in Poland.



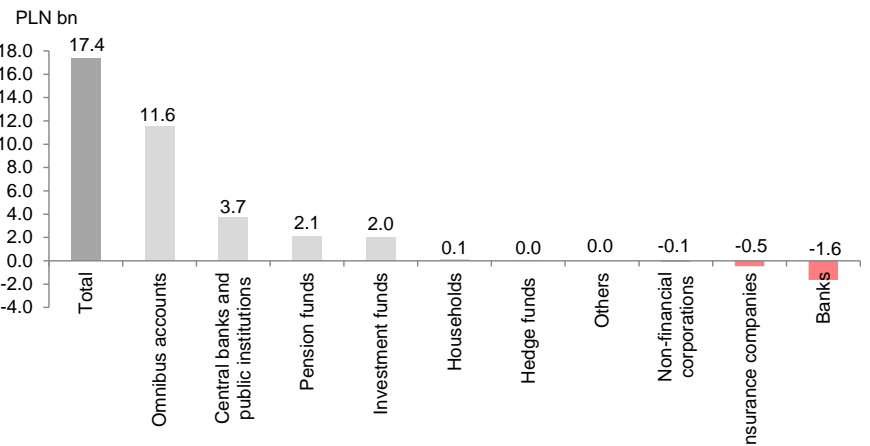
Changes in the domestic TS debt towards non-residents by holder in September 2024 m/m

In September 2024 foreign investors increased their holdings in the domestic TS debt by PLN 5.8bn. The highest increase was recorded in the case of omnibus accounts (PLN +3.6bn), pension funds (PLN +0.8bn) and other entities (PLN +0.8bn). On the other hand, a decrease in exposure was recorded mainly in case of hedge funds (PLN -0.1bn).



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

From January to September 2024 non-residents increased their holdings in the domestic TS debt by PLN 17.4bn. The biggest increase in the portfolio concerned omnibus accounts (PLN +11.6bn), central banks and public institutions (PLN +3.7bn), pension funds (PLN +2.1bn) and investment funds (PLN +2.0bn). On the other hand, a decrease in exposure was recorded mainly in case of banks (PLN -1.6bn) and insurance companies (PLN -0.5bn).



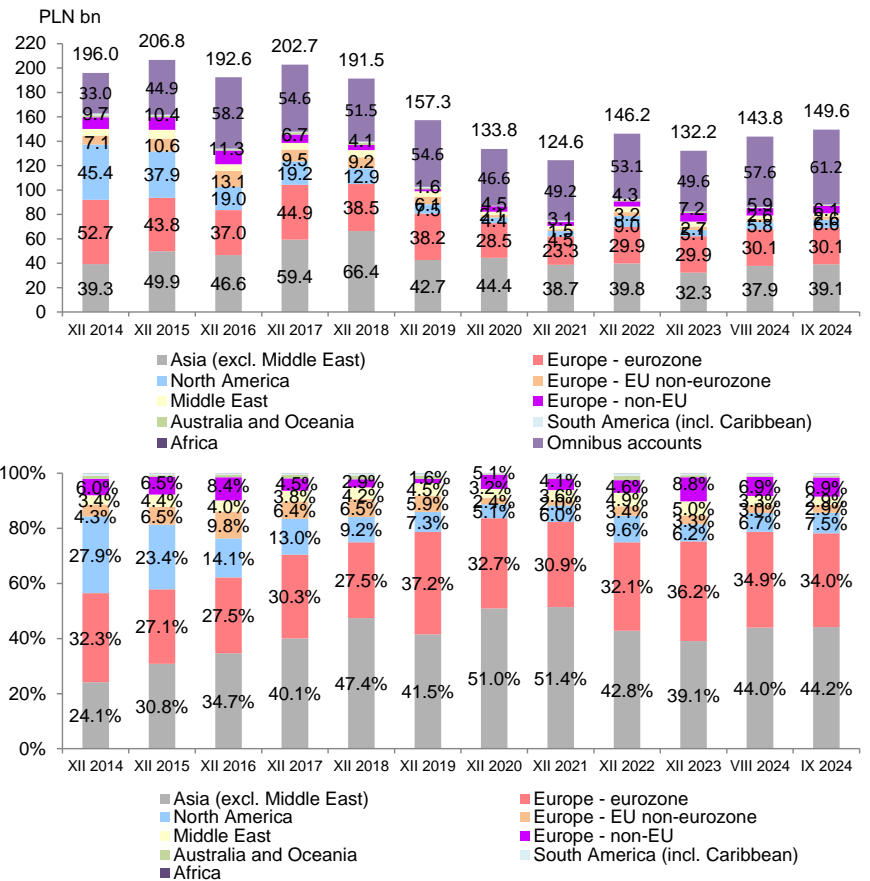
*) Data on the TS held by foreign investors include conditional transactions.

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

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

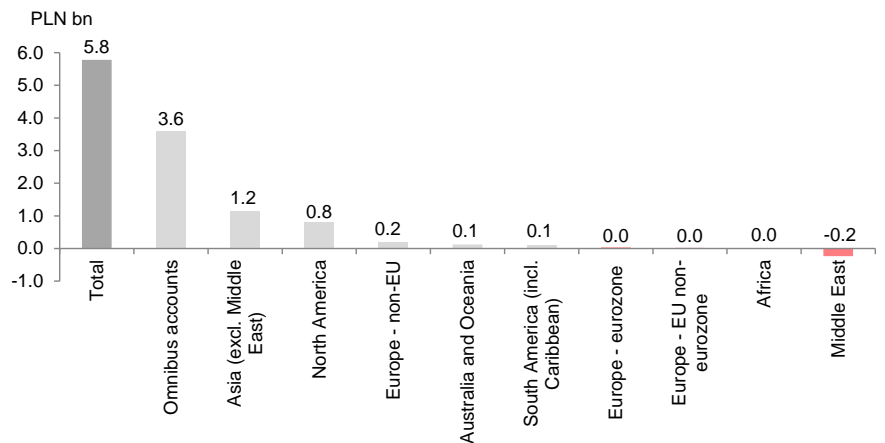
The geographical structure of the domestic TS held by foreign investors is well-diversified. In September 2024 the largest TS portfolios were held by entities from Asia: 44.2%, representing debt in the amount of PLN 39.1bn, of which PLN 15.4bn was held by investors from Japan and PLN 20.5bn by Asian central banks. The second largest group of holders of the TS were investors from eurozone countries: 34.0% (PLN 30.1bn, including non-residents from Luxembourg: PLN 10.2bn, the Netherlands: PLN 8.9bn, Germany: PLN 3.6bn and Ireland: PLN 2.9bn). Non-residents from Europe non-EU countries (6.9%, representing debt in the amount of PLN 6.1bn, of which PLN 4.0bn was held by investors from the UK) and North America: 7.5% (PLN 6.6bn including non-residents from the United States: PLN 6.0bn) also held significant TS portfolios. The share of investors from other regions amounted to 7.4%.

*) Percentage structure does not include omnibus accounts.



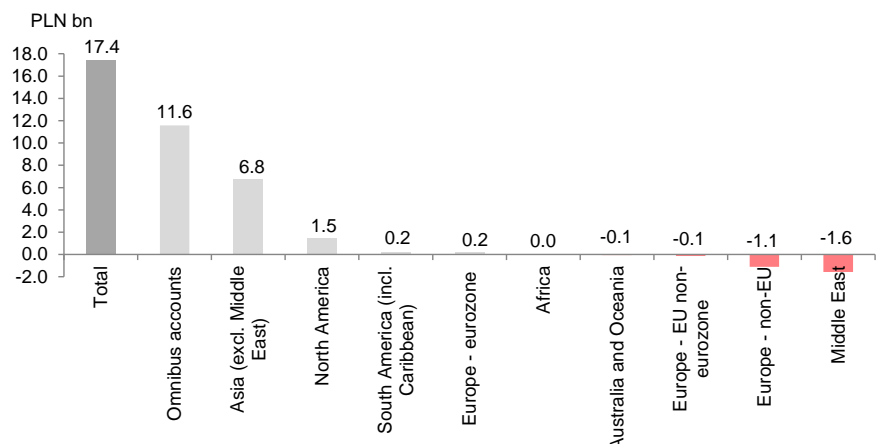
Changes in the domestic TS debt towards non-residents by region in September 2024 m/m

In September 2024 an increase in the domestic TS held by non-residents resulted mainly from an increase in the TS held by investors at omnibus accounts (PLN +3.6bn), investors from Asia (PLN +1.2bn) and from North America (PLN +0.8bn). A decrease in TS holdings was recorded in case of investors from Middle East (PLN -0.2bn).



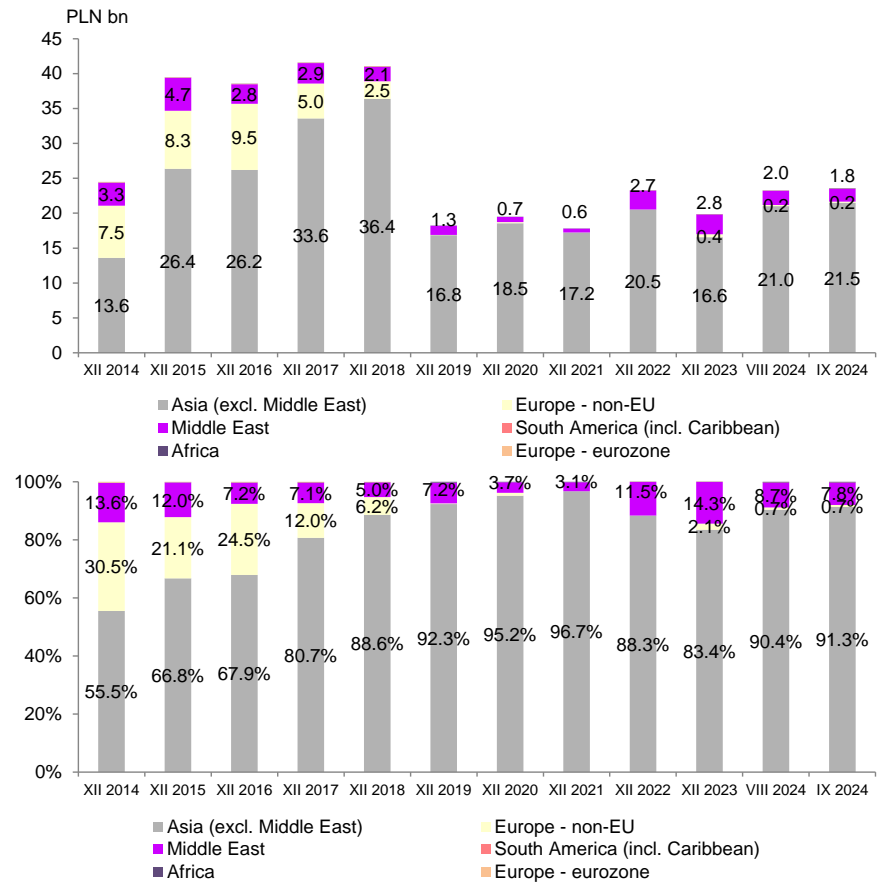
Changes in the domestic ST debt towards non-residents by region in 2023

From January to September 2024 non-residents increased their holdings in the domestic TS debt by PLN 17.4bn. The biggest increase in the portfolio concerned investors at omnibus accounts (PLN +11.6bn), investors from Asia (PLN +6.8bn) and investors from North America (PLN +1.5bn). A decrease in TS holdings was recorded in case of investors from Middle East (PLN -1.6bn) and investors from Europe non-EU countries (PLN -1.1bn).



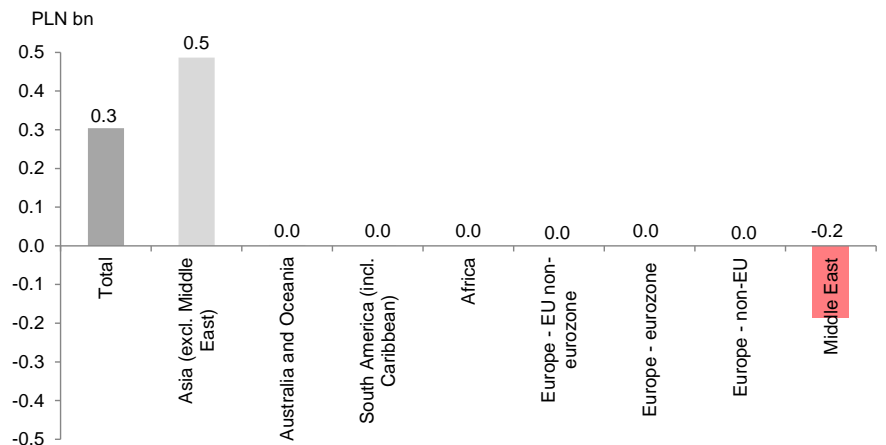
The domestic TS debt towards foreign central banks and public institutions by region in nominal value and structure

In the structure of the domestic TS held by foreign central banks and public institutions entities from Asia were predominant – in September 2024 their share amounted to 91.3%. Domestic TS were held also by central banks and public institutions from Middle East countries (7.8%) and Europe non-EU countries (0.7%).



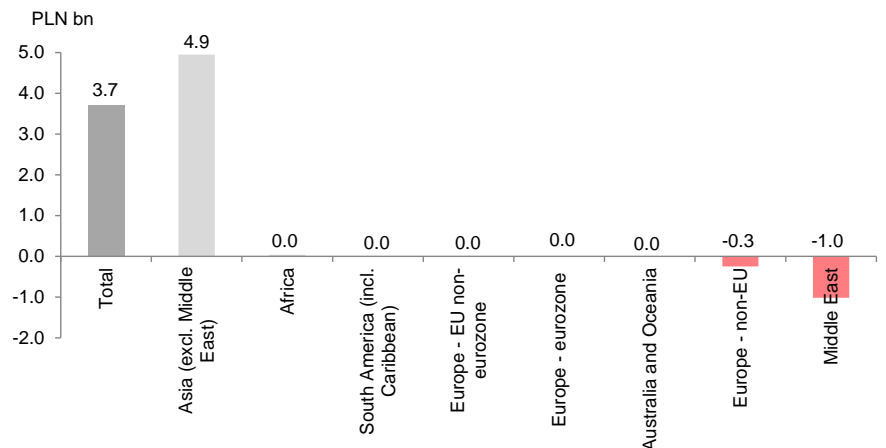
Changes in the domestic TS debt towards foreign central banks and public institutions by region in September 2024 m/m

In September 2024 the domestic TS held by foreign central banks and public institutions increased by PLN 0.3bn m/m. It resulted mainly from an increase in holdings of investors from Asia (PLN +0.5bn) with a decrease in holdings of investors from Middle East (PLN -0.2bn).



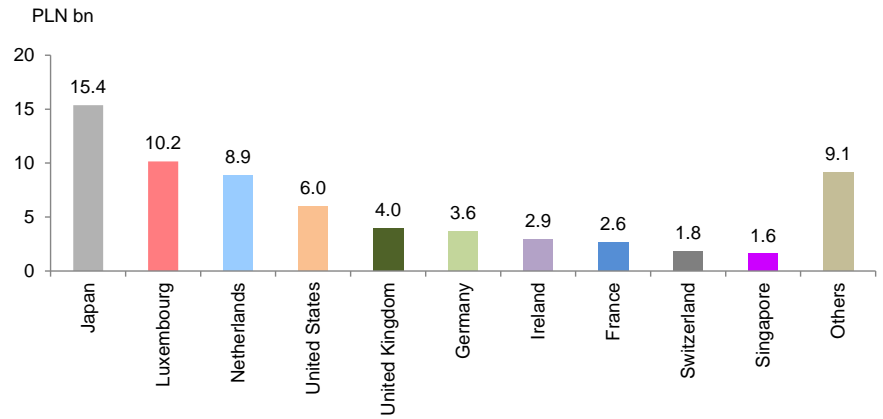
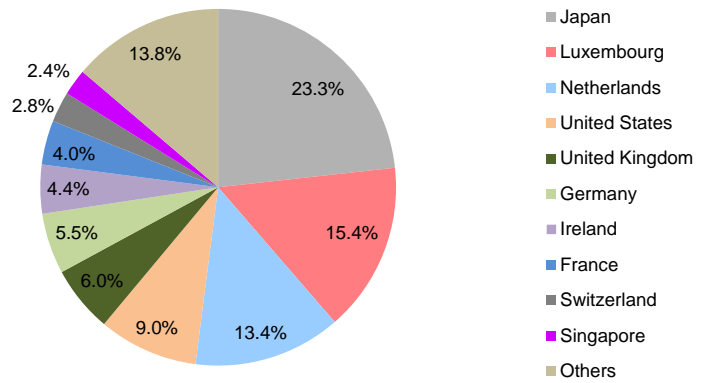
Changes in the domestic TS debt towards foreign central banks and public institutions by region in 2023

From January to September 2024 an increase in the domestic TS holdings of central banks and public institutions was recorded (PLN +3.7bn), which was mainly the result of an increase in holdings of investors from Asia (PLN +4.9bn) with a decrease in holdings of investors from Middle East (PLN -1.0bn) and investors from Europe – non EU countries (PLN -0.3bn).



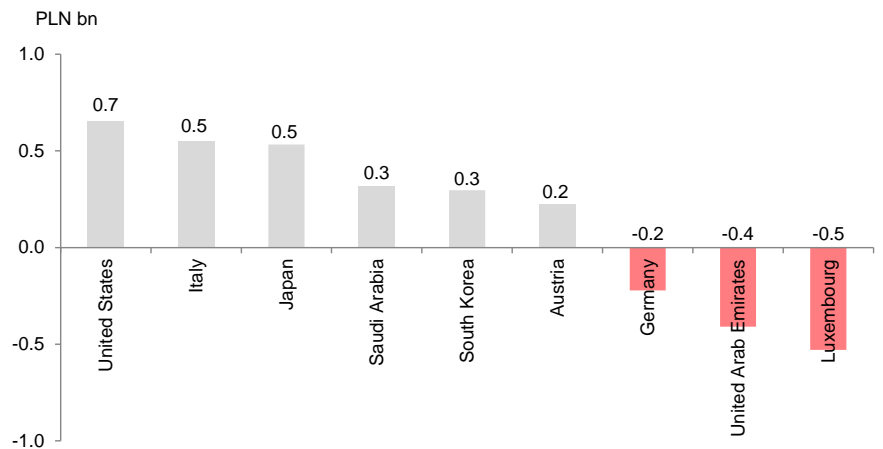
The domestic TS debt towards non-residents by country* in September 2024 – structure and nominal value

In September 2024 the domestic TS were held by investors from 69 countries, which confirm high diversification of non-residents structure. The largest TS portfolios were held by entities from Japan (23.3%, including mainly pension funds: 16.7% share in non-resident debt in domestic TS and other entities: 2.9%), Luxembourg (15.4%, including mainly investment funds: 10.3% and other entities: 4.9%), the Netherlands (13.4%, including mainly pension funds: 6.6% and other entities: 6.3%), the United States (9.0%, including mainly investment funds: 4.9% and other entities: 3.1%), the UK (6.0%, including mainly banks: 3.6% and other entities: 1.6%), Germany (5.5%, including mainly: investment funds: 1.9% and hedge funds 1.8%) and Ireland (4.4%, including mainly investment funds: 3.9% and non-financial entities: 0.5%).



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

In September 2024 the most notable changes in the non-residents' domestic TS holdings were observed among investors from the US (PLN +0.7bn), Italy (PLN +0.5bn), Japan (PLN -0.6 bn), Saudi Arabia (PLN +0.3bn), North Korea (PLN +0.3bn), Austria (PLN +0.2bn), Germany (PLN -0.2bn), the United Arab Emirates (-0.4bn) and Luxembourg (PLN -0.5bn).



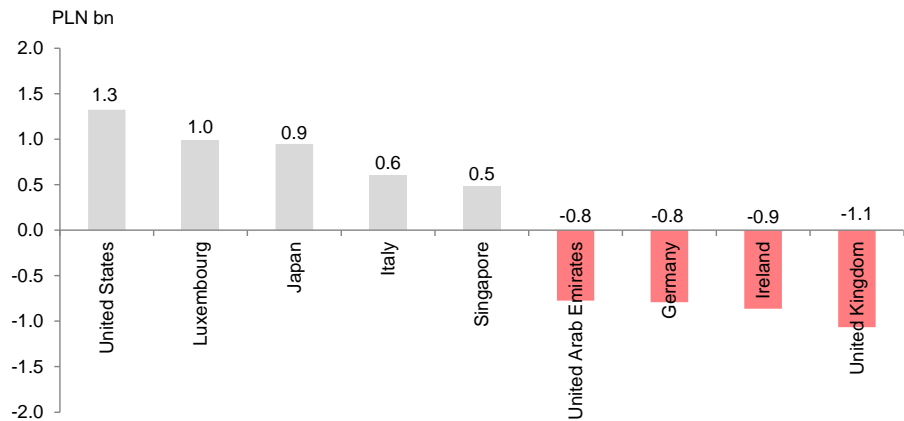
Changes in the domestic ST debt towards non-residents by country* in 2023***

From January to September 2024 an increase in the TS portfolios mainly concerned non-residents from the US (PLN +1.3bn), Luxembourg (PLN +1.0bn), Japan (PLN +0.9bn), Italy (PLN +0.6bn) and Singapore (PLN +0.5bn). The decrease concerned investors from the UK (PLN -1.1), Ireland (PLN -0.9bn), Germany (PLN -0.8bn) and the United Arab Emirates (PLN -0.8bn).

*) Excluding omnibus accounts.

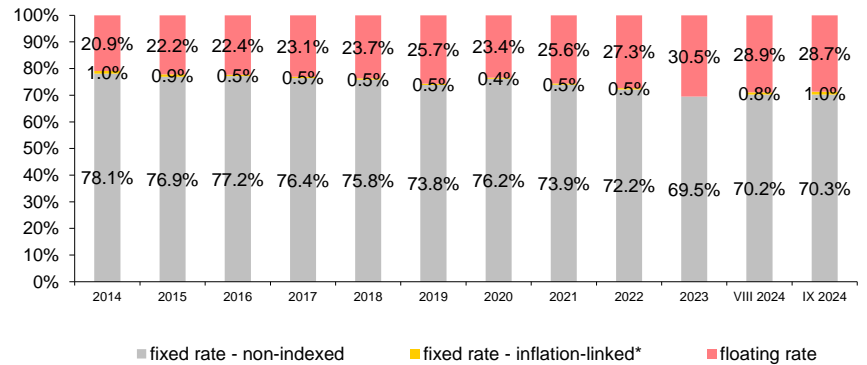
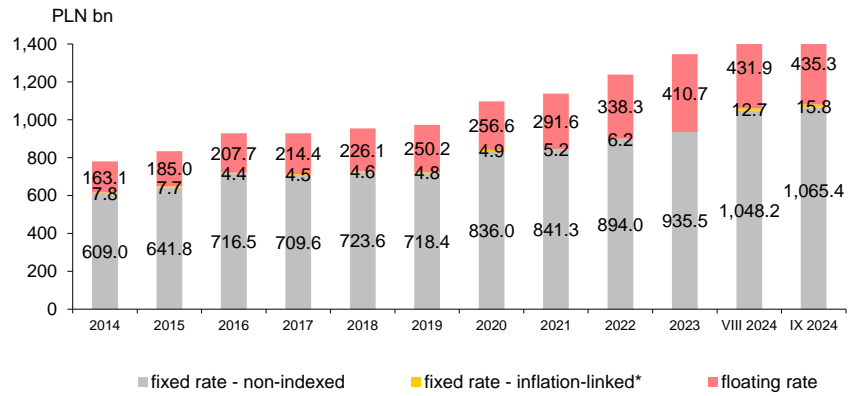
**) Chart shows countries with change in debt amounted to at least PLN 0.2bn.

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



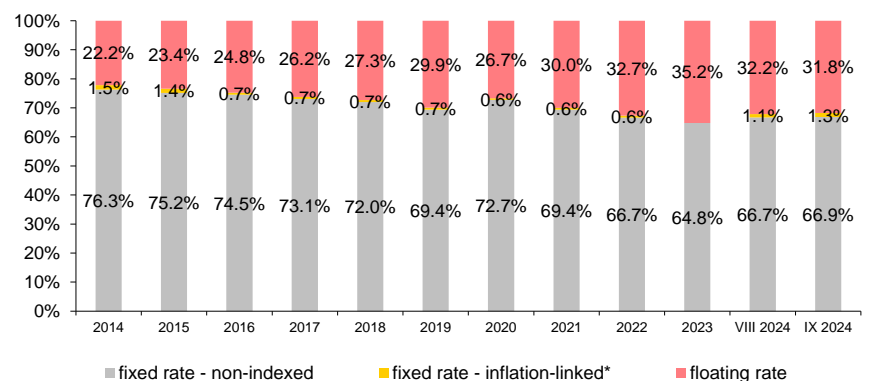
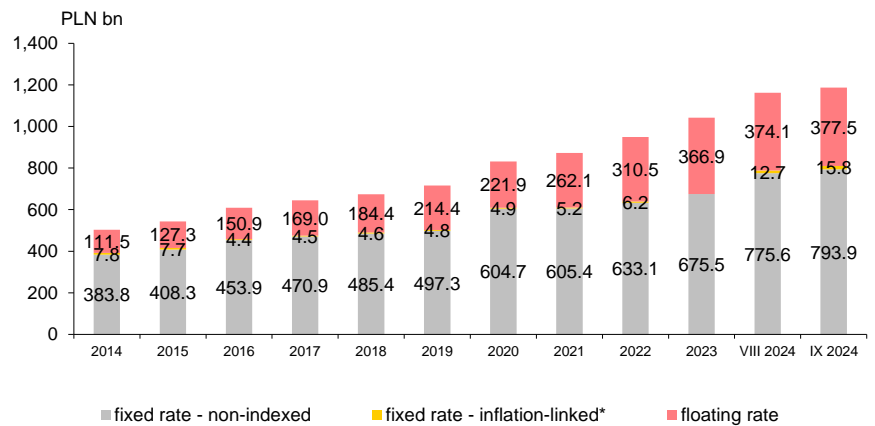
The ST debt by a type of an interest rate and an indexation in nominal value and structure

The majority of the ST debt comprised the fixed rate instruments – their share in September 2024 amounted to 71.3% (of which 1.0% were CPI indexed instruments). The share of the floating rate instruments amounted to 28.7%, of which inflation-linked instruments amounted to 5.1%, and instruments indexed with reference rates from individual markets amounted to 23.6%. The share of the floating rate instruments fell by 0.2 pp m/m and fell by 1.8 pp compared to the end of 2023.



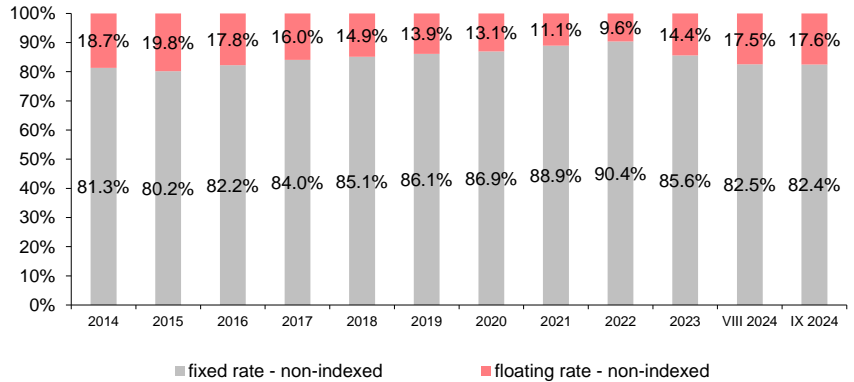
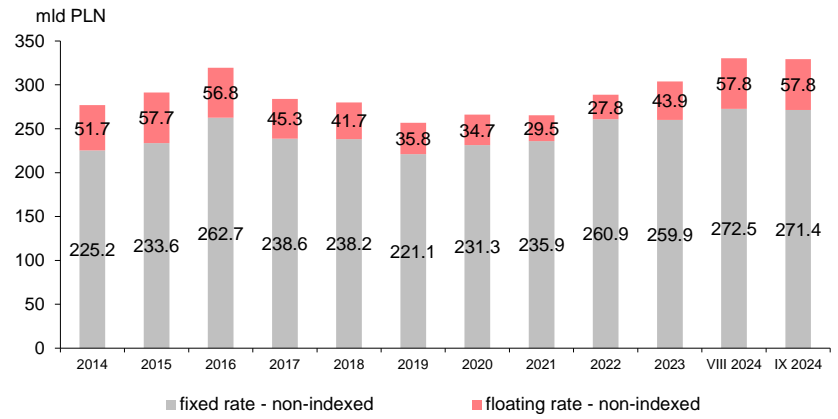
The domestic ST debt by a type of an interest rate and a type of an indexation in nominal value and structure

In September 2024 the share of the floating rate instruments in the domestic ST debt amounted to 31.8% of which 6.5% were inflation-linked bonds and 25.3% WIBOR-linked. The share of the floating rate instruments fell by 0.4 pp m/m and fell by 3.4 pp compared to the end of 2023. According to the debt management strategy, the dominant share of fixed-rate instruments in domestic debt was maintained.



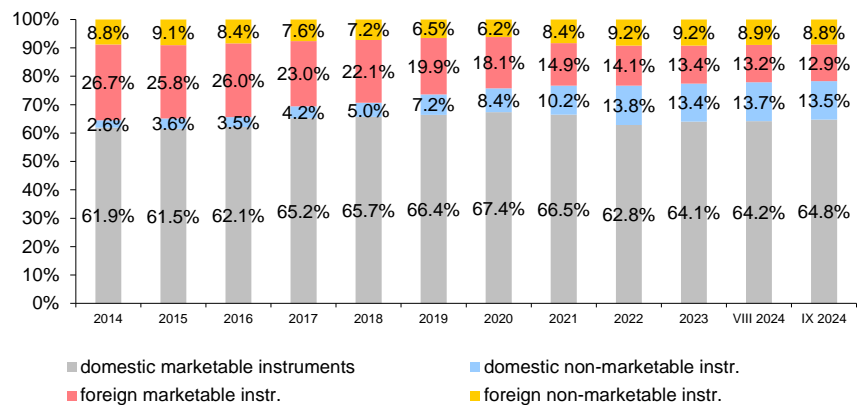
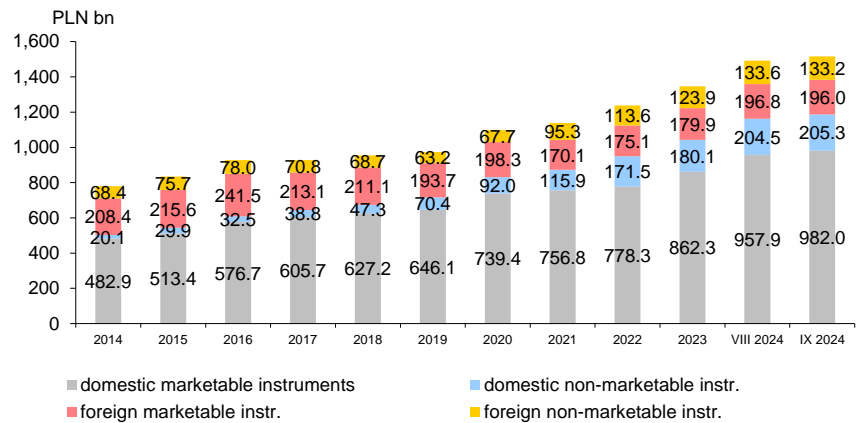
The foreign ST debt by a type of an interest rate and a type of an indexation in nominal value and structure

In September 2024 the share of the floating rate instruments in the foreign ST debt amounted to 17.6%, i.e. it increased by 0.1 pp m/m and increased by 3.1 pp since the beginning of 2024. According to the debt management strategy, the dominant share of fixed rate instruments in debt denominated in foreign currencies was maintained.



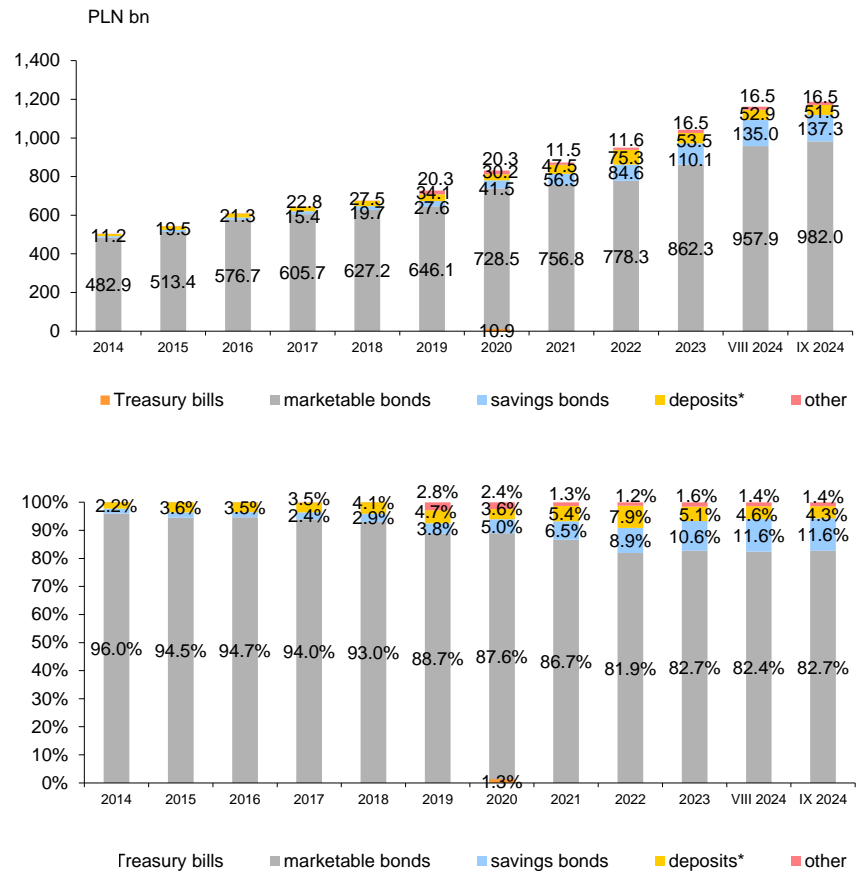
The ST debt by a type of instrument in nominal value and structure

The structure of the ST debt is dominated by the marketable TS (77.7% in September 2024), including primarily the instruments issued on the domestic TS market (64.8%). The non-marketable instruments, including loans from international financial institutions, loans from EU, 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

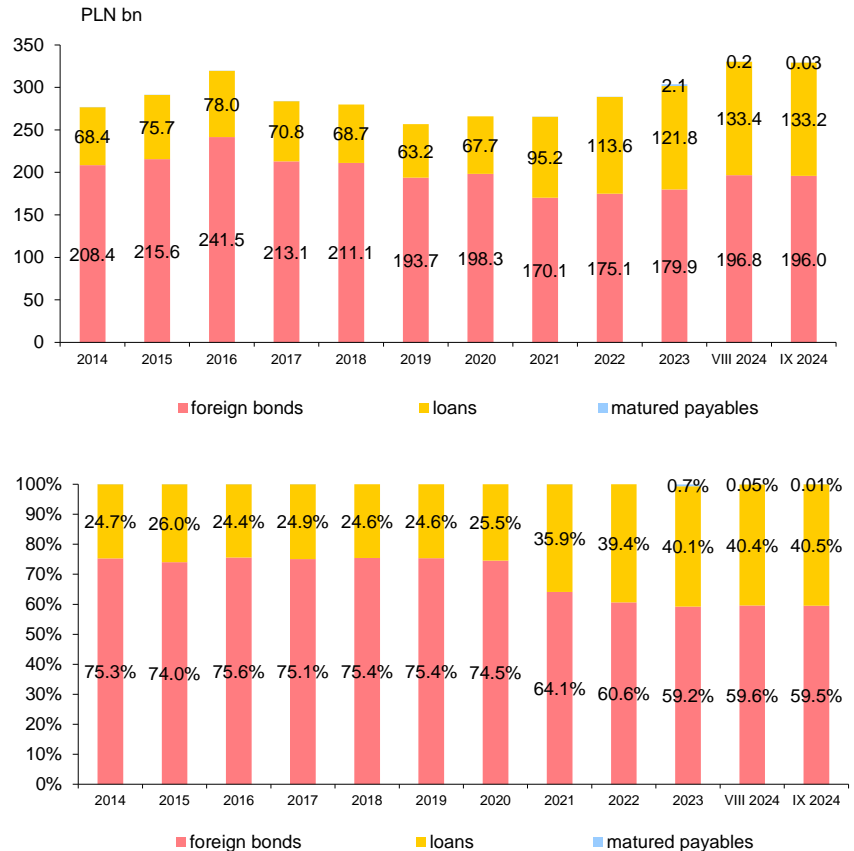
The vast majority of the domestic ST debt constituted the marketable bonds (82.7% in September 2024). The saving bonds (11.6%), as well as the deposits (4.3%) are complementary and stable sources of financing.



* 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

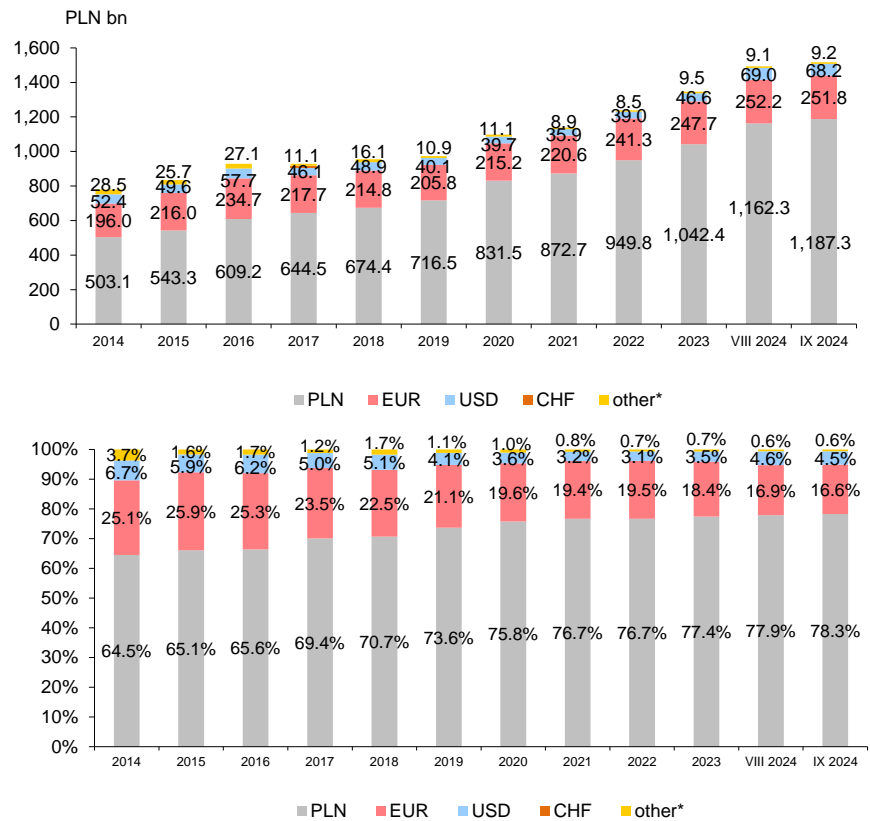
In the ST debt denominated in foreign currencies dominant share accounted for the international bonds (59.5% in September 2024). The share of loans from international financial institutions and EU is significant as well (40.5% in total).



The ST debt by currency in nominal value and structure

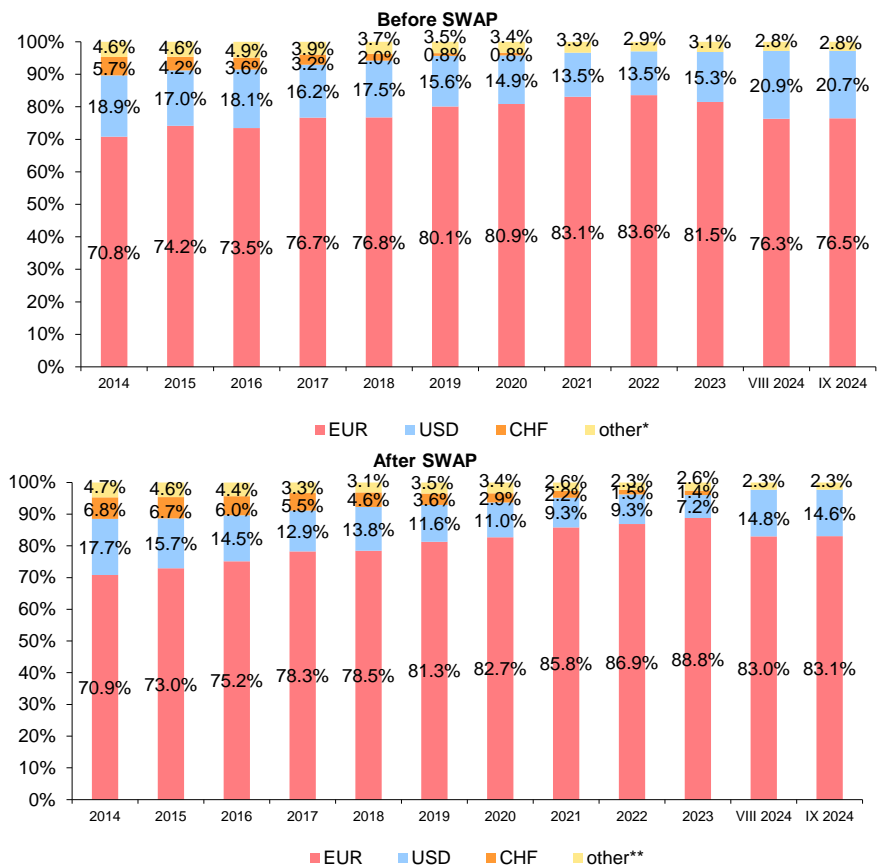
In accordance with the debt management strategy the State budget borrowing requirements are mostly financed on the domestic market. In September 2024 the debt denominated in PLN comprised 78.3% of the total ST debt, as compared to 77.9% in the previous month and 77.4% as compared to the end of 2023. The share of the foreign currency denominated debt changed as follows:

- EUR – fell by 0.3 pp m/m and fell by 1.8 pp compared to the end of 2023;
- USD – fell by 0.1 pp m/m and rose by 1.0 pp compared to the end of 2023;
- JPY – no change m/m and compared to the end of 2023;
- CNY – no change m/m and compared to the end of 2023.



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

In September 2024 the share of the EUR-denominated debt in the foreign ST debt, including derivative transactions, amounted to 83.1%, remaining 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 5.7 pp compared to the end of 2023.



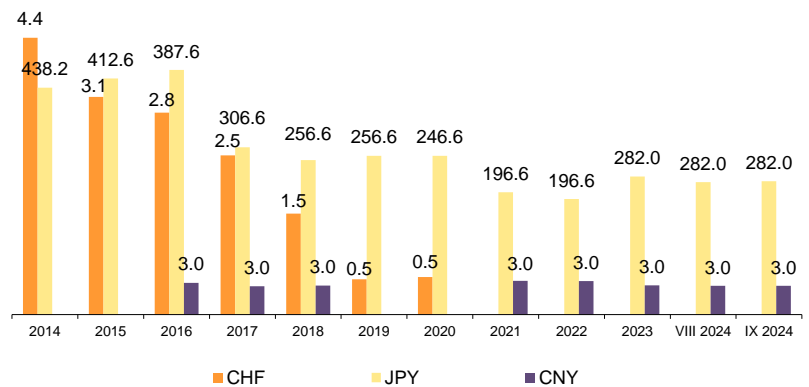
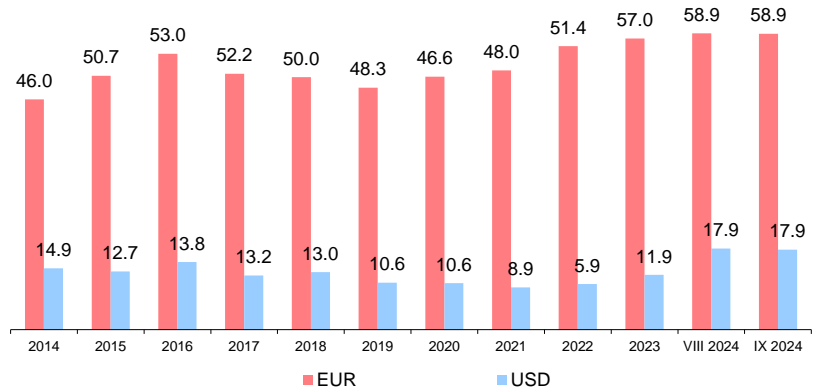
*) JPY and CNY (since September 2016 to September 2019 and since September 2021)
 **) JPY

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

In September 2024 the nominal value of the debt denominated in USD remained unchanged as compared to the previous month, and amounted to USD 17.9bn, the debt denominated in EUR remained unchanged as compared to the previous month, and amounted EUR 58.9bn, the debt denominated in JPY remained unchanged as compared to the previous month, and amounted JPY 282.0bn. The debt denominated in CNY remained unchanged as compared to the previous month, and amounted to CNY 3.0bn.

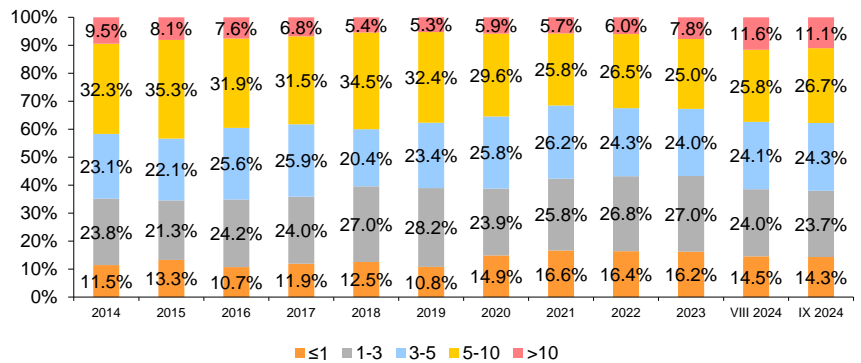
*) Charts present the amount of debt excluding swap transactions.

**) 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.



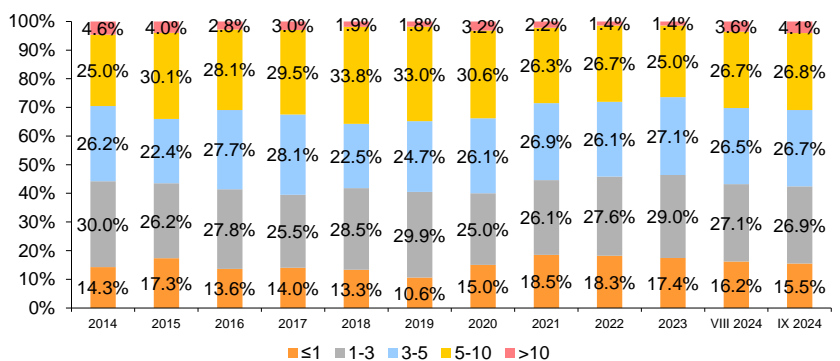
The ST debt by a residual maturity (in years)

In September 2024 the debt with the longest residual maturity (over 5 years) comprised 37.8% of the total ST debt, i.e. increased by 0.4 pp m/m and increased by 5.0 pp as compared to the beginning of 2024. The debt with residual maturity up to 1 year constituted 14.3% of the ST debt, i.e. it decreased by 0.3 pp m/m and decreased by 2.0 pp since the beginning of 2024.



The domestic ST debt by residual maturity (in years)

In September 2024 the domestic debt with residual maturity over 5 years accounted for 30.9%, i.e. it rose by 0.7 pp m/m and rose by 4.4 pp since the beginning of 2024. The share of the debt with residual maturity up to 1 year amounted to 15.5%, i.e. it fell by 0.7 pp m/m and fell by 1.9 pp since the beginning of 2024.



ATM of ST debt*

In September 2024 the average time to maturity (ATM) of the ST debt amounted to 5.80 years (i.e. it fell by 0.05 years m/m and rose by 0.54 years as compared to the end of 2023). 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 4.27 years, i.e. it did not change m/m (mainly as a result of sale and switch auctions, bonds transferred and debt aging). 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 September 2024 the ATM of the foreign debt decreased by 0.09 years m/m (mainly as a result of debt aging) reaching 10.34 years.

ATR of ST debt*

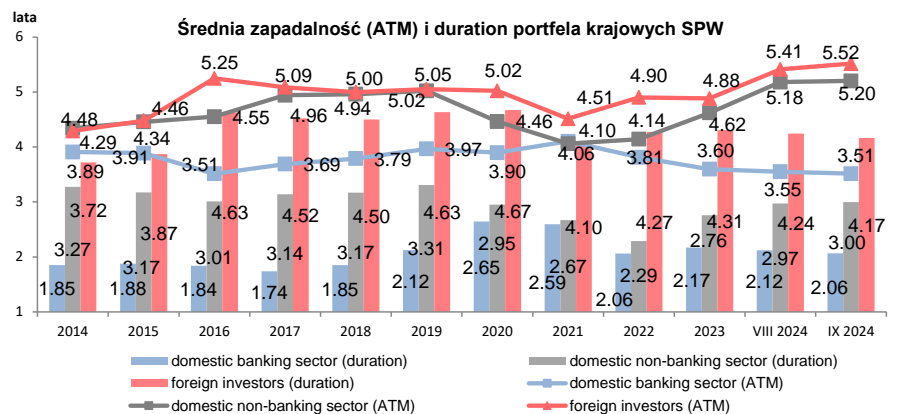
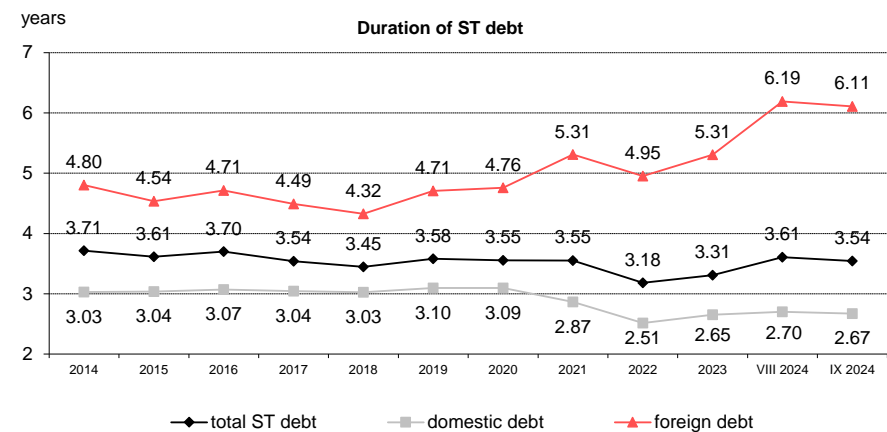
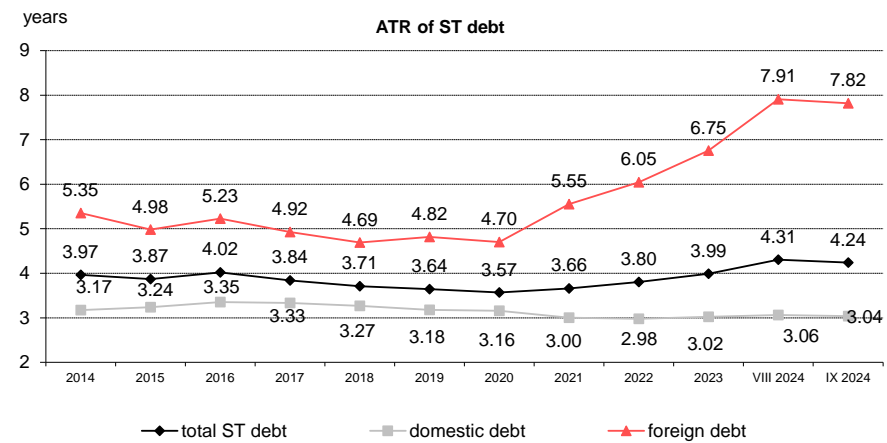
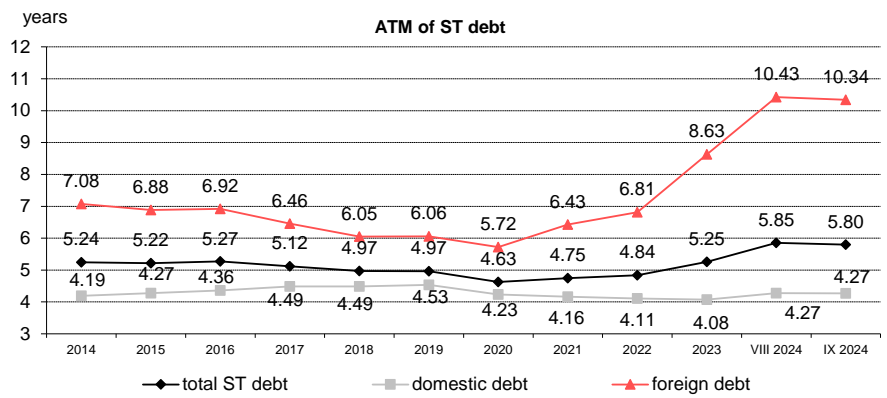
In September 2024 the average time to re-fixing (ATR) of the ST debt amounted to 4.24 years (i.e. it decreased by 0,07 years m/m and increased by 0.25 years as compared to the end of 2023). The ATR level in September was a result of the ATR of the domestic debt, which amounted to 3.04 years (decrease by 0.03 years m/m) and the ATR of the foreign debt, which amounted to 7.82 years (decreased by 0.09 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 September 2024 the duration of the ST debt amounted to 3.54 years (i.e. it decreased by 0.06 years m/m and increased by 0.24 years as compared to the end of 2023). The level of duration was a result of decrease in the domestic debt duration (by 0,03 years m/m) to 2.67 years and decrease in the foreign debt duration (by 0.08 years m/m) to 6.11 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

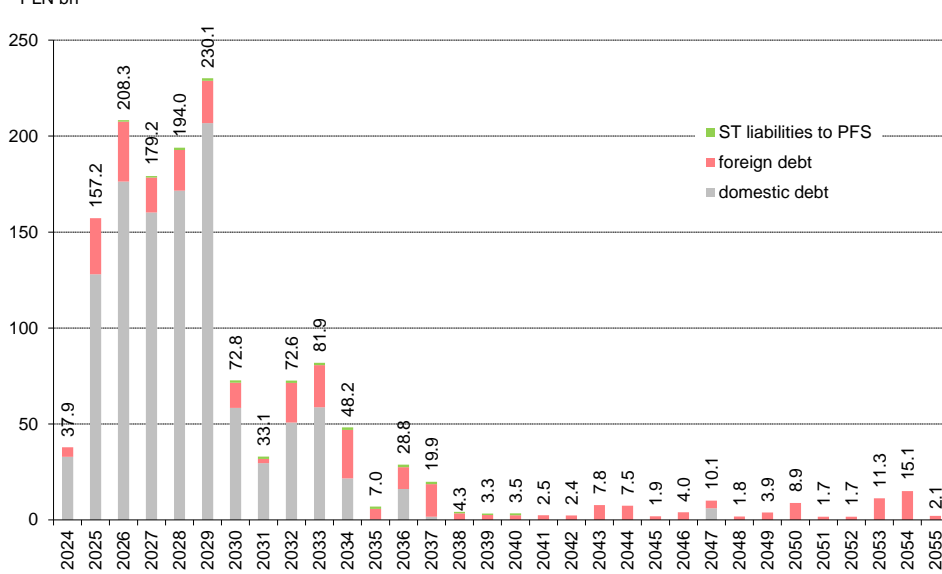
At the end of September 2024 the ATM and the duration of the portfolio of the domestic TS held by foreign investors amounted to 5.52 years (+0.10 years m/m) and 4.17 years (-0.08 years m/m) respectively. The ATM and the duration of the domestic non-banking sector TS portfolio amounted to 5.20 years (+0.02 m/m) and 3.00 years (+0.03 years m/m), respectively. The ATM and the duration of the TS portfolio held by the domestic banking sector amounted to 3.51 years (-0.04 years m/m) and 2.06 years (-0.06 years m/m), respectively.



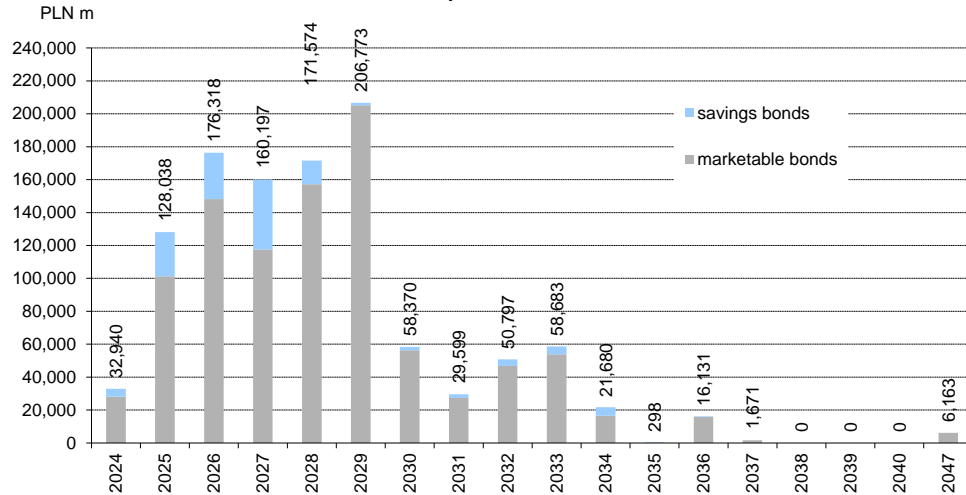
*)The risk parameters are calculated for the marketable debt and foreign loans

**) Excluding inflation-linked bonds

Maturity profile of the ST debt (Treasury securities and loans) as at the end of September 2024



Maturity profile of the domestic Treasury securities debt as at the end of September 2024*



*) Data do not include a part of short-term domestic debt: (a) maturing in 2024 – deposits (PLN 51,004 m), (b) maturing in 2025 – deposits (PLN 555,0 m) and (c) matured payables.

Maturity profile of the foreign debt (Treasury securities and loans) as at the end of September 2024

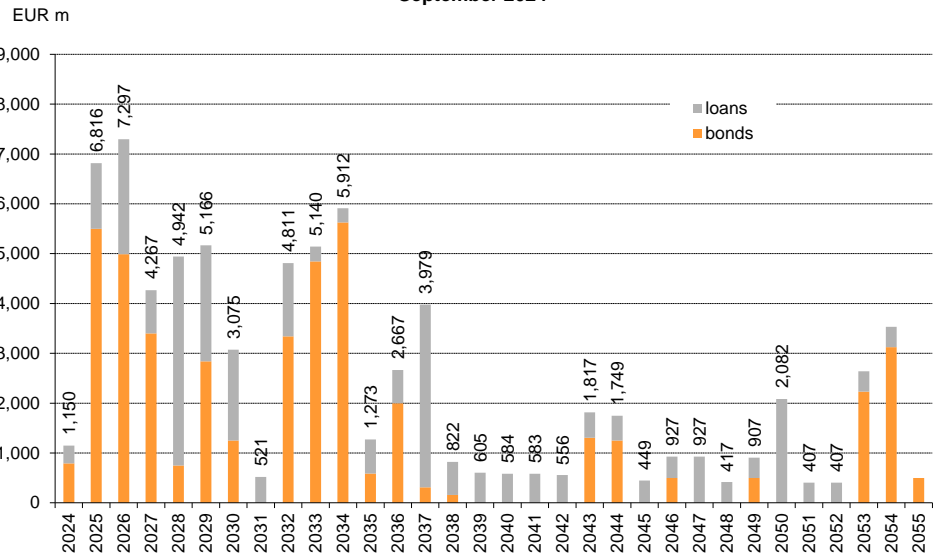


Table 4. State Treasury debt by instrument according to the place of issue criterion (PLN million)

| | December 2023 | structure December 2023 % | August 2024 | structure August 2024 % | September 2024 | structure September 2024 % | change | | change | |
|---|--------------------|---------------------------|--------------------|-------------------------|--------------------|----------------------------|----------------------------|--------------|--------------------------------|--------------|
| | | | | | | | August 2024–September 2024 | % | September 2024 – December 2023 | % |
| | | | | | | | PLN m | % | PLN m | % |
| State Treasury Debt | 1,346,200.9 | 100.0 | 1,492,694.7 | 100.0 | 1,516,496.3 | 100.0 | 23,801.6 | 1.6 | 170,295.5 | 12.7 |
| I. Domestic debt | 1,042,418.1 | 77.4 | 1,162,349.1 | 77.9 | 1,187,297.6 | 78.3 | 24,948.5 | 2.1 | 144,879.5 | 13.9 |
| 1. Treasury securities issued in domestic market | 972,392.3 | 72.2 | 1,092,915.7 | 73.2 | 1,119,233.8 | 73.8 | 26,318.0 | 2.4 | 146,841.5 | 15.1 |
| 1.1. Marketable securities | 862,295.8 | 64.1 | 957,872.4 | 64.2 | 981,971.2 | 64.8 | 24,098.8 | 2.5 | 119,675.4 | 13.9 |
| fixed rate | 595,633.6 | 44.2 | 670,890.8 | 44.9 | 688,535.6 | 45.4 | 17,644.8 | 2.6 | 92,902.0 | 15.6 |
| Treasury bills | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| OK bonds | 37,695.1 | 2.8 | 40,917.4 | 2.7 | 43,084.2 | 2.8 | 2,166.8 | 5.3 | 5,389.2 | 14.3 |
| PS bonds | 204,093.8 | 15.2 | 203,397.5 | 13.6 | 211,502.2 | 13.9 | 8,104.7 | 4.0 | 7,408.4 | 3.6 |
| DS bonds | 273,469.5 | 20.3 | 331,660.2 | 22.2 | 339,033.5 | 22.4 | 7,373.3 | 2.2 | 65,564.1 | 24.0 |
| WS bonds | 80,375.3 | 6.0 | 94,915.7 | 6.4 | 94,915.7 | 6.3 | 0.0 | 0.0 | 14,540.5 | 18.1 |
| fixed rate - inflation-linked | 0.0 | 0.0 | 12,679.2 | 0.8 | 15,803.1 | 1.0 | 3,123.9 | 24.6 | 15,803.1 | - |
| IZ bonds | 0.0 | 0.0 | 12,679.2 | 0.8 | 15,803.1 | 1.0 | 3,123.9 | 24.6 | 15,803.1 | - |
| floating rate | 266,662.2 | 19.8 | 274,302.3 | 18.4 | 277,632.5 | 18.3 | 3,330.2 | 1.2 | 10,970.2 | 4.1 |
| WZ bonds | 263,662.2 | 19.6 | 271,302.3 | 18.2 | 274,632.5 | 18.1 | 3,330.2 | 1.2 | 10,970.2 | 4.2 |
| 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 |
| 1.2. Savings bonds | 110,096.5 | 8.2 | 135,043.4 | 9.0 | 137,262.6 | 9.1 | 2,219.2 | 1.6 | 27,166.1 | 24.7 |
| fixed rate | 9,868.8 | 0.7 | 35,292.6 | 2.4 | 37,347.8 | 2.5 | 2,055.2 | 5.8 | 27,479.0 | 278.4 |
| OTS bonds | 214.1 | 0.0 | 358.0 | 0.0 | 381.9 | 0.0 | 23.9 | 6.7 | 167.8 | 78.4 |
| POS bonds | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| DOS bonds | 358.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | -358.0 | -100.0 |
| TOS bonds | 9,296.7 | 0.7 | 34,934.6 | 2.3 | 36,965.9 | 2.4 | 2,031.3 | 5.8 | 27,669.2 | 297.6 |
| floating rate | 100,227.7 | 7.4 | 99,750.8 | 6.7 | 99,914.8 | 6.6 | 164.0 | 0.2 | -312.9 | -0.3 |
| ROR bonds | 10,549.4 | 0.8 | 15,388.4 | 1.0 | 16,449.8 | 1.1 | 1,061.3 | 6.9 | 5,900.3 | 55.9 |
| DOR bonds | 4,189.8 | 0.3 | 5,692.3 | 0.4 | 5,922.6 | 0.4 | 230.2 | 4.0 | 1,732.8 | 41.4 |
| TOZ bonds | 665.2 | 0.0 | 558.6 | 0.0 | 547.8 | 0.0 | -10.8 | -1.9 | -117.4 | -17.6 |
| COI bonds | 64,488.0 | 4.8 | 55,543.2 | 3.7 | 54,339.2 | 3.6 | -1,204.0 | -2.2 | -10,148.7 | -15.7 |
| ROS bonds | 792.1 | 0.1 | 913.1 | 0.1 | 920.6 | 0.1 | 7.5 | 0.8 | 128.5 | 16.2 |
| EDO bonds | 18,683.1 | 1.4 | 20,522.9 | 1.4 | 20,584.7 | 1.4 | 61.8 | 0.3 | 1,901.5 | 10.2 |
| ROD bonds | 860.1 | 0.1 | 1,132.2 | 0.1 | 1,150.2 | 0.1 | 17.9 | 1.6 | 290.0 | 33.7 |
| 2. Other domestic debt | 70,025.9 | 5.2 | 69,433.4 | 4.7 | 68,063.8 | 4.5 | -1,369.6 | -2.0 | -1,962.0 | -2.8 |
| deposits of PFSE* | 38,464.3 | 2.9 | 36,063.7 | 2.4 | 37,914.7 | 2.5 | 1,851.0 | 5.1 | -549.6 | -1.4 |
| deposits from GGE ** | 6,136.7 | 0.5 | 7,190.0 | 0.5 | 3,906.57 | 0.3 | -3,283.4 | -45.7 | -2,230.2 | -36.3 |
| other deposits*** | 8,897.6 | 0.7 | 9,662.0 | 0.6 | 9,721.90 | 0.6 | 59.9 | 0.6 | 824.3 | 9.3 |
| matured payables | 17.4 | 0.0 | 8.3 | 0.0 | 11.4 | 0.0 | 3.2 | 38.5 | -6.0 | -34.4 |
| ST liabilities under PFS**** | 16,504.3 | 1.2 | 16,504.3 | 1.1 | 16,504.3 | 1.1 | 0.0 | 0.0 | 0.0 | 0.0 |
| other | 5.5 | 0.0 | 5.2 | 0.0 | 5.0 | 0.0 | -0.2 | -3.0 | -0.5 | -9.7 |
| II. Foreign debt | 303,782.7 | 22.6 | 330,345.5 | 22.1 | 329,198.7 | 21.7 | -1,146.8 | -0.3 | 25,416.0 | 8.4 |
| 1. Treasury securities issued in international markets | 179,897.4 | 13.4 | 196,760.0 | 13.2 | 195,980.3 | 12.9 | -779.7 | -0.4 | 16,082.9 | 8.9 |
| 1.1. Marketable securities | 179,897.4 | 13.4 | 196,760.0 | 13.2 | 195,980.3 | 12.9 | -779.7 | -0.4 | 16,082.9 | 8.9 |
| fixed rate | 179,897.4 | 13.4 | 196,760.0 | 13.2 | 195,980.3 | 12.9 | -779.7 | -0.4 | 16,082.9 | 8.9 |
| EUR | 123,787.6 | 9.2 | 118,636.1 | 7.9 | 118,616.7 | 7.8 | -19.4 | 0.0 | -5,170.9 | -4.2 |
| USD | 46,629.8 | 3.5 | 68,979.5 | 4.6 | 68,174.5 | 4.5 | -805.0 | -1.2 | 21,544.8 | 46.2 |
| CHF | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| JPY | 7,819.9 | 0.6 | 7,509.7 | 0.5 | 7,555.3 | 0.5 | 45.7 | 0.6 | -264.5 | -3.4 |
| CNY | 1,660.2 | 0.1 | 1,634.7 | 0.1 | 1,633.8 | 0.1 | -0.9 | -0.1 | -26.4 | -1.6 |
| 2. Loans | 121,820.5 | 9.0 | 133,421.0 | 8.9 | 133,188.1 | 8.8 | -232.9 | -0.2 | 11,367.6 | 9.3 |
| fixed rate | 77,968.8 | 5.8 | 75,617.7 | 5.1 | 75,401.3 | 5.0 | -216.5 | -0.3 | -2,567.5 | -3.3 |
| EUR | 77,968.8 | 5.8 | 75,617.7 | 5.1 | 75,401.3 | 5.0 | -216.5 | -0.3 | -2,567.5 | -3.3 |
| floating rate | 43,851.8 | 3.3 | 57,803.3 | 3.9 | 57,786.8 | 3.8 | -16.4 | 0.0 | 13,935.1 | 31.8 |
| EUR | 43,851.8 | 3.3 | 57,803.3 | 3.9 | 57,786.8 | 3.8 | -16.4 | 0.0 | 13,935.1 | 31.8 |
| 3. Other foreign debt | 2,064.8 | 0.2 | 164.6 | 0.0 | 30.3 | 0.0 | -134.3 | -81.6 | -2,034.5 | -98.5 |

*) 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 2023 | August 2024 | September 2024 | change | | change | |
|--|------------------|------------------|-------------------|---------------------------------|-------------|-----------------------------------|-------------|
| | | | | September 2024 – August 2024 | | September 2024 – December 2023 | |
| | | | | EUR m | % | EUR m | % |
| State Treasury debt | 309,613.8 | 348,776.7 | 354,396.1 | 5,619.4 | 1.6 | 44,782.3 | 14.5 |
| I. Domestic debt | 239,746.6 | 271,589.6 | 277,464.3 | 5,874.7 | 2.2 | 37,717.7 | 15.7 |
| 1. Treasury securities issued in domestic market | 223,641.3 | 255,366.1 | 261,558.2 | 6,192.1 | 2.4 | 37,916.9 | 17.0 |
| 1.1. Marketable TS | 198,320.1 | 223,812.4 | 229,480.8 | 5,668.4 | 2.5 | 31,160.7 | 15.7 |
| - Treasury bills | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| - bonds issued in domestic market | 198,320.1 | 223,812.4 | 229,480.8 | 5,668.4 | 2.5 | 31,160.7 | 15.7 |
| 1.2. Savings bonds | 25,321.2 | 31,553.7 | 32,077.4 | 523.8 | 1.7 | 6,756.3 | 26.7 |
| 2. Other ST debt | 16,105.3 | 16,223.5 | 15,906.1 | -317.4 | -2.0 | -199.2 | -1.2 |
| II. Foreign debt | 69,867.2 | 77,187.1 | 76,931.8 | -255.4 | -0.3 | 7,064.5 | 10.1 |
| 1. Treasury securities issued in foreign markets | 41,374.7 | 45,974.1 | 45,799.4 | -174.7 | -0.4 | 4,424.7 | 10.7 |
| 2. Loans | 28,017.6 | 31,174.6 | 31,125.3 | -49.3 | -0.2 | 3,107.7 | 11.1 |
| 2.1. World Bank | 5,377.4 | 5,176.5 | 5,176.6 | 0.0 | 0.0 | -200.8 | -3.7 |
| 2.2. European Investment Bank | 6,113.4 | 5,802.9 | 5,755.2 | -47.7 | -0.8 | -358.2 | -5.9 |
| 2.3. Council of Europe Development Bank | 786.9 | 821.7 | 820.1 | -1.6 | -0.2 | 33.2 | 4.2 |
| 2.4. European Union (SURE, RRF) | 15,740.0 | 19,373.4 | 19,373 | 0.0 | 0.0 | 3,633.4 | 23.1 |
| 3. Other ST debt | 474.9 | 38.5 | 7.1 | -31.4 | -81.6 | -467.8 | -98.5 |
| <i>FX rate (EUR/PLN)</i> | 4.3480 | 4.2798 | 4.2791 | 0.0 | 0.0 | -0.1 | -1.6 |

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

| | December 2023 | August 2024 | September 2024 | change | | change | |
|--|------------------|------------------|-------------------|---------------------------------|------------|-----------------------------------|-------------|
| | | | | September 2024 – August 2024 | | September 2024 – December 2023 | |
| | | | | USD m | % | USD m | % |
| State Treasury debt | 342,109.5 | 386,268.2 | 397,061.3 | 10,793.2 | 2.8 | 54,951.8 | 16.1 |
| I. Domestic debt | 264,909.3 | 300,783.9 | 310,867.9 | 10,084.0 | 3.4 | 45,958.6 | 17.3 |
| 1. Treasury securities issued in domestic market | 247,113.7 | 282,816.4 | 293,046.8 | 10,230.4 | 3.6 | 45,933.2 | 18.6 |
| 1.1. Marketable TS | 219,134.9 | 247,870.9 | 257,107.6 | 9,236.7 | 3.7 | 37,972.7 | 17.3 |
| - Treasury bills | 0.0 | 0.0 | 0.0 | 0.0 | - | 0.0 | - |
| - bonds issued in domestic market | 219,134.9 | 247,870.9 | 257,107.6 | 9,236.7 | 3.7 | 37,972.7 | 17.3 |
| 1.2. Savings bonds | 27,978.8 | 34,945.5 | 35,939.2 | 993.7 | 2.8 | 7,960.4 | 28.5 |
| 2. Other ST debt | 17,795.6 | 17,967.4 | 17,821.0 | -146.4 | -0.8 | 25.4 | 0.1 |
| II. Foreign debt | 77,200.2 | 85,484.3 | 86,193.5 | 709.2 | 0.8 | 8,993.3 | 11.6 |
| 1. Treasury securities issued in foreign markets | 45,717.2 | 50,916.0 | 51,313.1 | 397.1 | 0.8 | 5,595.9 | 12.2 |
| 2. Loans | 30,958.2 | 34,525.7 | 34,872.4 | 346.7 | 1.0 | 3,914.2 | 12.6 |
| 2.1. World Bank | 5,941.7 | 5,733.0 | 5,799.7 | 66.7 | 1.2 | -142.0 | -2.4 |
| 2.2. European Investment Bank | 6,755.0 | 6,426.7 | 6,448.1 | 21.4 | 0.3 | -307.0 | -4.5 |
| 2.3. Council of Europe Development Bank | 869.5 | 910.0 | 918.8 | 8.8 | 1.0 | 49.4 | 5.7 |
| 2.4. European Union (SURE, RRF) | 17,392.0 | 21,455.9 | 21,705.7 | 249.8 | 1.2 | 4,313.8 | 24.8 |
| 3. Other ST debt | 524.7 | 42.6 | 7.9 | -34.7 | -81.4 | -516.8 | -98.5 |
| <i>FX rate (USD/PLN)</i> | 3.9350 | 3.8644 | 3.8193 | 0.0 | -1.2 | -0.1 | -2.9 |

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