

## Financing Programme of the Republic of Portugal for 2023

### 3rd Quarter Update

#### 1. Funding Program 2023: Update for 3<sup>rd</sup> quarter

On June 29<sup>th</sup> 2023, the Portuguese Government Treasury and Debt Agency (IGCP) announces an update, for the 3<sup>rd</sup> quarter of 2023, of the Financing Programme of the Republic of Portugal:

[Executed financing up to end-May; EUR billion]	2021	2022	2023 P
<b>State borrowing requirements</b>	<b>26.6</b>	<b>24.9</b>	<b>23.8</b>
<b>Net financing needs</b>	<b>13.8</b>	<b>9.5</b>	<b>10.6</b>
Overall deficit (a)	9.5	6.0	4.2
Net acquisitions of financial assets (b)	4.3	3.5	6.4
One-off operations (c)			
<b>MLT Redemptions</b>	<b>12.8</b>	<b>15.4</b>	<b>13.2</b>
Tbonds (PGB + MTN) (d)	9.4	11.4	11.7
FRN/OTRV/Other MLT instruments	3.5	3.5	
Official loans		0.5	1.5
<b>State financing sources</b>	<b>26.6</b>	<b>24.9</b>	<b>23.8</b>
<b>Use of deposits</b>	<b>8.3</b>	<b>2.5</b>	<b>0.3</b>
<b>Financing in the year</b>	<b>18.3</b>	<b>22.5</b>	<b>23.5</b>
<b>Executed</b>	<b>18.3</b>	<b>22.5</b>	<b>15.1</b>
EU		1.4	0.1
Tbonds (PGB + MTN)	14.6	12.0	7.7*
FRN/OTRV			
Retail debt (net)	0.5	4.6	10.2
Tbills (net)	-4.8	1.3	-3.0
Other flows (net) (e)	5.2	3.2	
<b>To be executed</b>			<b>8.4</b>
EU			0.2
Tbonds (PGB + MTN)			6.5
FRN/OTRV			
Retail debt (net)			1.8
Tbills (net)			2.2
Other flows (net) (e)			-2.3
<b>State Treasury cash position at year-end (excluding cash-collateral)</b>	<b>8.8</b>	<b>6.3</b>	<b>6.0</b>

(a) State sub-sector cash deficit (2023-2027 refer to Stability Program estimates).

(b) Includes refinancing of other public entities (namely SOEs).

(c) Includes other operations that impact net financing needs (e.g. privatization revenues).

(d) Includes net impact of exchange offers.

(e) Includes centralization of funds of other public entities in the Single Treasury Account.

\* Including the issuance of a private placement of Portuguese Government Bonds to Caixa Geral de Aposentações (CGA), subject to Decree-Law n<sup>o</sup> 14/2023 [link](#)

In 2023, net financing needs are EUR 10.6 billion, a decrease of EUR 1.8 billion in relation to the initial estimate.

Portuguese Government Bonds (PGB) issuance, excluding exchange transactions, is projected to be EUR 14.2 billion in 2023 (a decrease of EUR 1 billion compared to the 2<sup>nd</sup> quarter estimate).

Net issuance of Treasury Bills will also decrease from the 2nd quarter estimate of EUR 0 to a projected amount of negative net issuance of EUR 0.8 billion in 2023.

Up to the end of May 2023, IGCP has issued a total of EUR 7.7 billion of PGB, which accounts for more than 54% of the current issuance target of PGB for the year.

## **2. Issuance of Government Bonds (PGB)**

During the 3<sup>rd</sup> quarter, IGCP intends to issue PGB using a combination of syndications and auctions, with an expected issuance amount between 1,000 and 1,250 million euro per auction.

IGCP can hold PGB auctions on the 2<sup>nd</sup> or 4<sup>th</sup> Wednesday of each month that will have the participation of Primary Dealers (OEVT) and Other Auction Participants (OMP). Announcement of the indicative amount of the auction and the PGB lines to be tapped will be made up to three days before the respective auction date.

## **3. Issuance of Treasury Bills (TBill)**

The Treasury Bills' issuance calendar in the 3<sup>rd</sup> quarter of 2023 will be the following:

<b>Instrument</b>	<b>Type</b>	<b>Indicative date</b>	<b>Indicative amount EUR million</b>
BT19JAN2024	Reopening (6 months)	19-jul-23	1000-1250
BT19JUL2024	Launch (12 months)		
BT15MAR2024	Reopening (6 months)	20-sep-23	1250-1500
BT20SEP2024	Launch (12 months)		

3. IGCP will continuously monitor market conditions, which may result in a change of the present quarter guidelines.