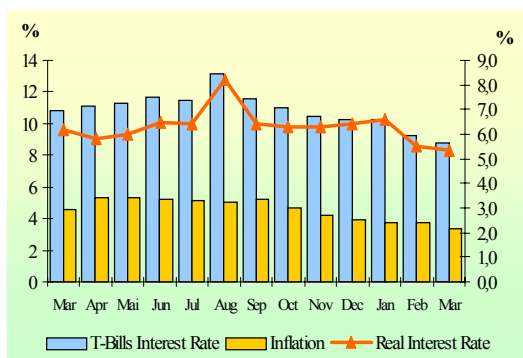


HELLENIC REPUBLIC PUBLIC DEBT BULLETIN

**Inflation and Interest Rates of
12-month T-Bills for the period
March 98 – March 99**



13

March 1999

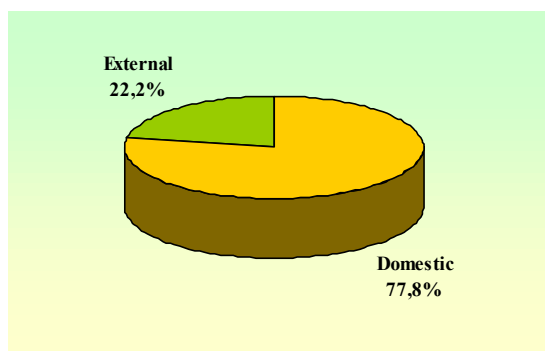
Note:

The monthly real interest rate is defined as the difference between the 12-month T-bill interest rate (prevailing at the end of the month) and the inflation rate (defined as the monthly change of the consumer price index (CPI) expressed on an annual basis) announced by the National Statistical Bureau. CPI = 100 base year 1994. It is assumed that the annual variation of the CPI from 3/99 to 3/00 will be equal to the variation of the previous 12 months (3/98 to 3/99).

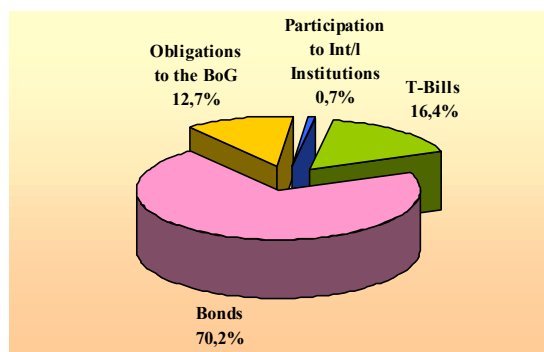
The real interest rate is depicted on the right vertical axis while the inflation and the 12-month interest rate on the left vertical axis.

A. Central Government Debt

**Composition of Central
Government Debt on 31-3-99**



**Composition of Domestic
Central Government Debt on 31-3-99**

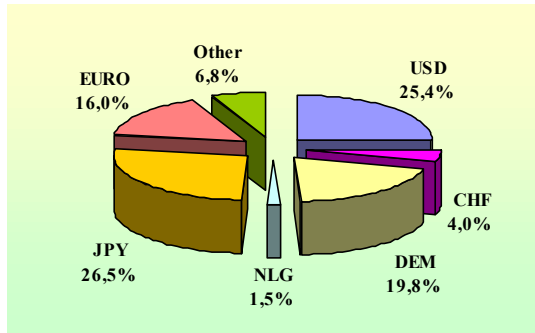


Note:

The above chart includes the Military Debt.

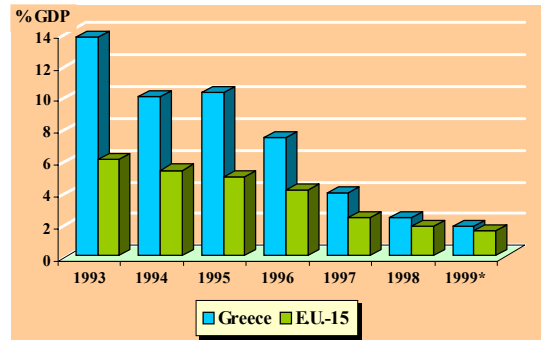
**MINISTRY OF FINANCE
GENERAL DIRECTORATE
OF THE TREASURY AND THE BUDGET
PUBLIC DEBT DIVISION
TEL. 301/33 38 451- 301/33 38 360 - FAX: 301/32 34 967
Internet address: <http://www.mof-glk.gr>
e-mail address: mpapadon@mof-glk.gr
REUTERS : GR/FINMIN01**

Composition of External Government Debt, by Currency on 31-3-99



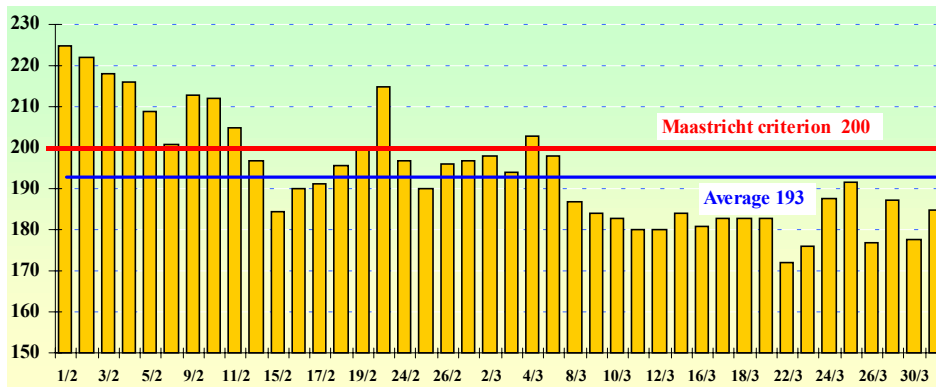
Note: The above chart includes the Military Debt.

Net Borrowing Requirements of General Government compared to the EU-15 average mean



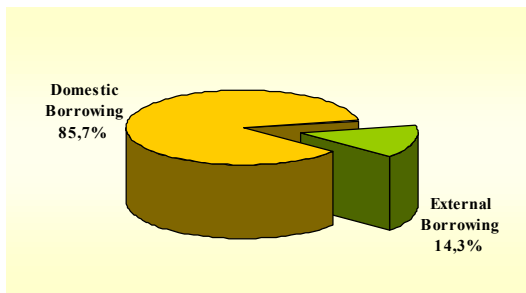
* Source: Eurostat

10 Year Spread Greece – Euro (Germany –France -Austria) (1st February –31st March 1999)

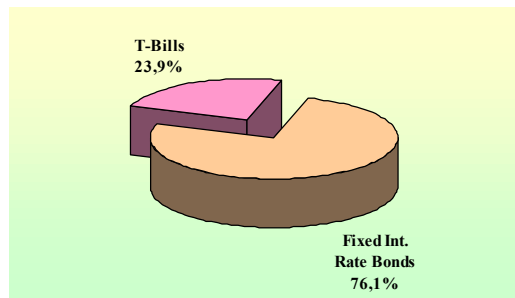


B. New Borrowing (Jan. – March 99)

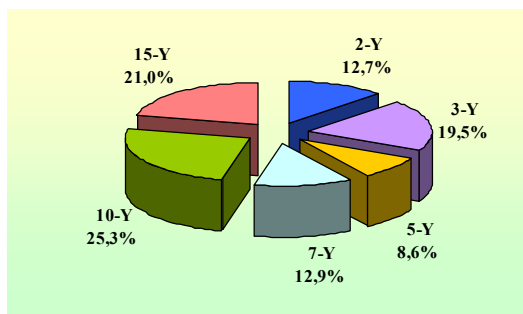
Composition of New Borrowing (Jan. – March 99)



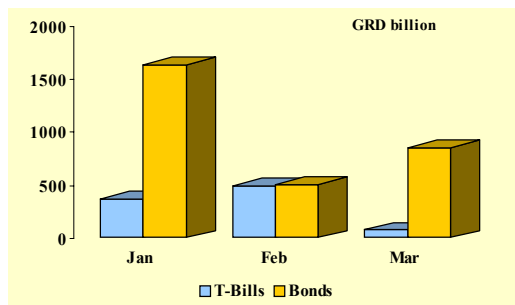
Composition of Domestic Borrowing Jan. – March 99



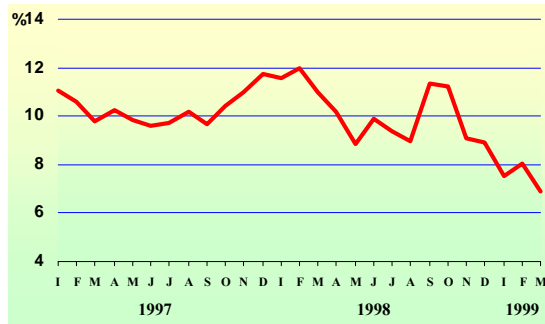
Composition of Fixed Interest Rate Bonds issued in 1999, by maturity



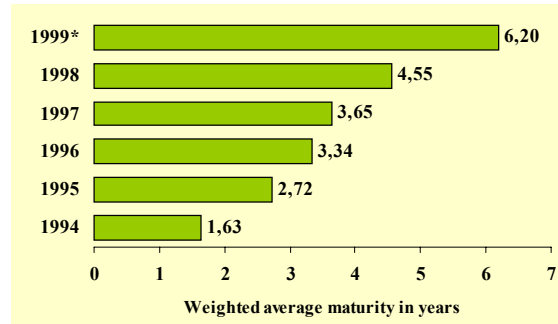
New Issues of T-Bills and Bonds from 1-1-99 to 31-3-99



Weighted Average Interest rate of Domestic Borrowing (Jan. 97 – March 99)



Weighted Average Maturity of Domestic Borrowing



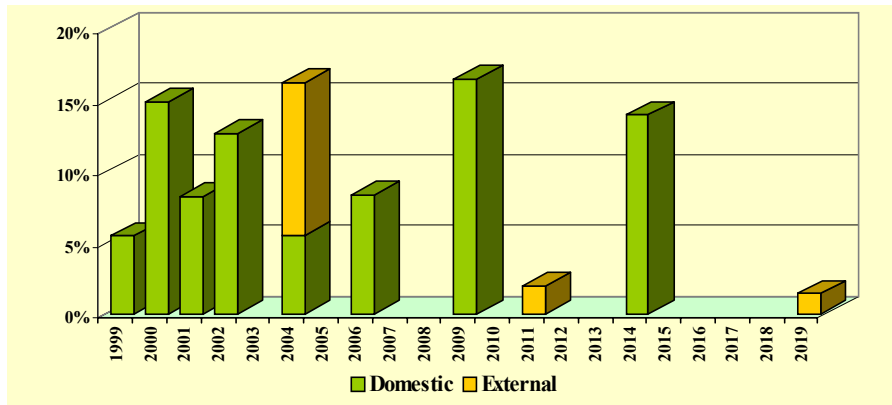
Note:

The weighted average interest rate of domestic borrowing (and hence the cost of domestic borrowing), is steadily falling except for the periods of the Asian crisis and the Russian default.

*Until 31/3/1999

Due to the fact that, the weighted average maturity of the external borrowing in the current year was 7.52 years, the weighted average maturity of the total new borrowing in 1999 increased to 6.35 years.

Composition of New Borrowing in 1999, by maturity



Note:

It is assumed that the 3-month and 6-month T-Bills issued in 1999 mature in the same year.

Saving Certificate Issues (Jan. - March 1999)

Issue	Maturity	Coupon	Amount (GRD bn)
4/1/99	2Y	10,00%	158
5/2/99	2Y	9,20%	115
2/3/99	2Y	9,00%	105
Total			378

Note: Saving Certificates are issued in the beginning of every month and they are tax-free.

Recent Developments

1. As of 1/1/99 (Law 2682/99, article 31), the withholding tax on interest for all bonds issued by the Hellenic Republic is abolished for non-resident investors. The abolition applies also to the coupons of the existing bond issues, which are yet to be paid. This resulted in the taxation alignment of Greece to that of the other member states of the EU, since Greece was the only country imposing a withholding tax on interest for domestic bonds held by non-residents.

2. In February 1999, the Primary Dealer Operation Regulation was amended and further improved, whereas the number of Primary Dealers was increased. The new Primary Dealers participating in bond auctions as of 19/2/1999 are the following: a) Bank of Piraeus, b) San Paolo Imi Bank, c) Ergobank, d) ABN-AMRO Bank and e)Banque Nationale de Paris.

C. Auction Results of Greek Government Securities (Oct.- Dec. 98)

Auction	Tenor	Auctioned Amount (bn)	Offered Amount (bn)	Amount Issued (bn)	Highest Int. Rate	Lowest Int. Rate	Weighted Av. Int. Rate
1. T-Bills							
29-12-98	12M	220,0	408,0	264,0	10,42%	10,15%	10,32%
2-2-99	12M	160,0	548,0	192,0	9,59%	9,35%	9,48%
9-2-99	3M	40,0	228,0	48,0	9,58%	9,46%	9,50%
9-2-99	6M	40,0	206,0	48,0	9,60%	9,50%	9,54%
23-2-99	12M	120,0	406,3	144,0	9,29%	9,00%	9,21%
23-3-99	3M	30,0	142,0	36,0	8,95%	8,80%	8,90%
23-3-99	6M	30,0	192,3	36,0	8,74%	8,60%	8,72%
2. Bonds							
5-1-99	15ETH	280,0	1.303,1	336,0	6,33%	6,29%	6,32%
12-1-99	5ETH	200,0	384,4	240,0	6,79%	6,69%	6,75%
19-1-99	3ETH	180,0	563,3	214,0	7,58%	7,52%	7,56%
26-1-99	10ETH	370,0	2.301,4	444,0	6,12%	6,08%	6,10%
16-2-99	7ETH	320,0	930,2	384,0	5,96%	5,89%	5,94%
2-3-99	15ETH	220,0	385,0	264,0	6,29%	6,16%	6,27%
9-3-99	10ETH	180,0	596,0	216,0	5,99%	5,97%	5,98%
16-3-99	3ETH	170,0	604,7	193,0	7,12%	7,08%	7,10%

D. Replacement of previous bond issues with fixed interest rate bond issues

A. Replacement of the 3Y fixed interest rate bond issue of 20/11/98

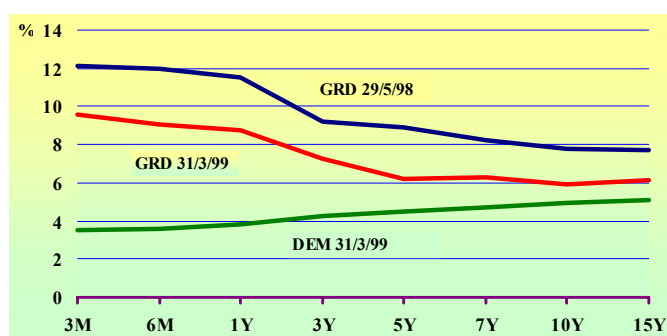
		Maturity	Amount (GRD bn)	Coupon
Previous issue	20/11/98	3Y	144,0	9,30%
Replacement issue	22/01/99	3Y	140,4	7,60%

B. Replacement of FRN bonds held by Insurance Companies

		Maturity	Amount (GRD bn)	Coupon
1. Previous Issues (FRN's)		7Y	41,0	
Replacement issue	29/01/99	10Y	41,0	6,30%
2. Previous Issues (FRN's)		7Y	20,3	
Replacement issue	12/03/99	10Y	20,3	6,30%
(re-opening of issue on 29/01/99)				

E. Comparison of Yield Curves of Greece and Germany

The downward shift of the Greek yield curve in the period 29/5/98 -31/3/99, indicates the further convergence of the Greek bond yields to the German yields.



Source: Reuters