



Government Debt Market

Quarterly Bulletin N. 71 – October 2016

Last Auction Results 3 rd QUARTER									
BONDS	July-16			August-16			September-16		
	Amount (ml. €)	Yield	Cover ratio	Amount (ml. €)	Yield	Cover ratio	Amount (ml. €)	Yield	Cover ratio
BOTs									
Flexible BOTs	-	-	-	-	-	-	-	-	-
3 Months	-	-	-	-	-	-	-	-	-
6 Months	6,488	-0.185	1.85	6,000	-0.236	1.51	6,000	-0.257	1.73
12 Months	6,500	-0.176	1.55	6,600	-0.190	1.76	6,750	-0.175	1.44
CTZs									
24 Months	2,875	-0.15	1.64	-	-	-	2,500	-0.216	1.80
CCTs-eu									
7 Year off the run	2,013	0.57	1.57	2,300	0.38	1.55	1,847	0.32	1.58
BTPs									
3 Year	2,069	-0.04	1.75	-	-	-	2,000	-0.02	1.68
5 Year	2,875	0.33	1.44	2,300	0.26	1.64	3,231	0.19	1.31
7 Year	2,504	0.63	1.37	-	-	-	4,000	0.69	1.34
10 Year	2,875	1.35	1.50	5,850	1.24	1.28	3,365	1.14	1.36
15 Year	1,251	1.57	1.62	-	-	-	-	-	-
20 Year	1,750	1.88	1.32	-	-	-	1,250	1.91	1.34
30 Year	-	-	-	-	-	-	-	-	-
off the run	-	-	-	-	-	-	750	2.28	1.50
BTP Italia (*)									
8 Year	-	-	-	-	-	-	-	-	-
BTPs €i (*)									
5 Year	1,150	0.08	1.63	-	-	-	-	-	-
10 Year	-	-	-	-	-	-	-	-	-
15 Year	-	-	-	-	-	-	939	0.63	1.35
30 Year	-	-	-	-	-	-	-	-	-
off the run	-	-	-	-	-	-	-	-	-

BOTs: Treasury Bills; **CTZs:** 2 year Zero Coupon bonds; **CCTs:** Floating Rate Notes; **BTPs:** Fixed Rate Bonds;

BTPs €i: BTPs linked to European Inflation, ex tobacco. (*) Real yield.

Other trades (ml.€)							
Exchange transaction via telematic trading system	Trade date	Settlement date	Repurchased bond	Amount bought back	Offered bond	Allotted amount	Outstanding amount
	7-Sep-16	9-Sep-16	BTP 01.06.12/01.06.17	607.730	BTP 22.01.13/01.09.28	2,000.0	21,783.654
	7-Sep-16	9-Sep-16	CTZ 28.08.15/30.08.17	476.555			
	7-Sep-16	9-Sep-16	BTP 01.08.07/01.02.18	734.442			
	7-Sep-16	9-Sep-16	BTP 15.04.15/15.05.18	639.679			
	7-Sep-16	9-Sep-16	CCTeu 01.05.13/01.11.18	227.039			

Quarterly Issuance Programme

The following **new** securities will be issued during the **fourth** quarter of 2016:

Security type	Coupon	Settlement Date	Maturity Date	Minimum issue size (*) ml.€
3 yrs BTP	Coupon to be announced	15-Oct-16	15-Oct-19	9,000
5 yrs BTP	0.35%	03-Oct-16	01-Nov-21	10,000
7 yrs CCTeu	Floating	15-Aug-16	15-Feb-24	9,000
2 yrs CTZ	Zero Coupon	29-Nov-16	28-Dec-18	9,000

(*) The minimum final outstanding refers to the overall issuance of each bond and therefore it relates to the minimum amount the bond shall reach before being replaced by a new benchmark.

N.B. The settlement date of the first auction of a new bond may not coincide with the interest-accrual date.

New bonds, in addition to the above mentioned ones, could be issued during the fourth quarter, according to market conditions. Further tranches of the following on-the-run securities will be issued too:

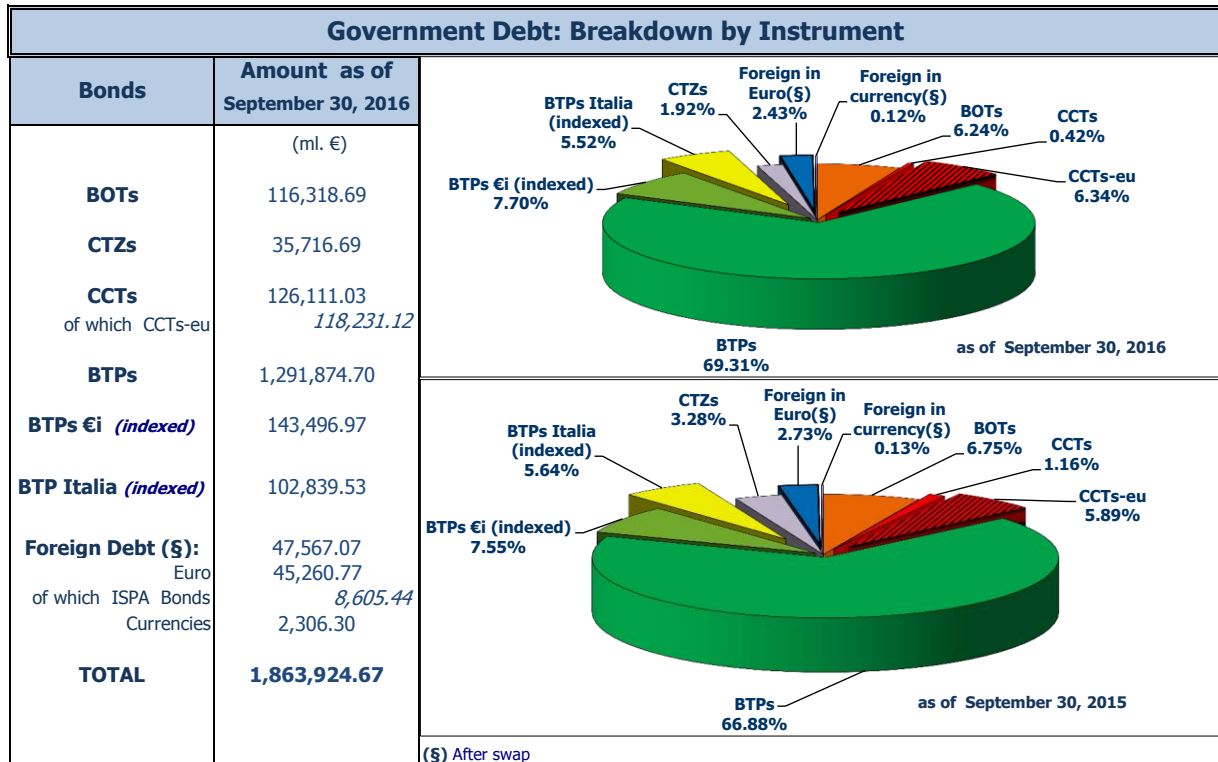
BTP 15/09/2016 – 15/10/2023 coupon 0,65%; BTP 01/08/2016 – 01/12/2026 coupon 1,25%; CCTeu 15/01/2016 – 15/07/2023.

Moreover, according to market conditions, the Ministry of Economy and Finance reserves the right to offer further tranches of on-the-run nominal bonds with maturity above 10 years and inflation-linked bonds, also with the aim to tackle possible secondary market dislocations of these bonds. Finally the Ministry of Economy and Finance could offer further tranches of medium and long-term instruments, nominal – fixed rate and floating (CCTeu) – and inflation linked, in order to ensure secondary market efficiency.

The Treasury will place medium and long term securities, nominal – fixed rate and floating (CCTeu) – and inflation linked (BTP€i), through the usual uniform-price (marginal) auction mechanism and it will discretionally set the price and the issuance amount.

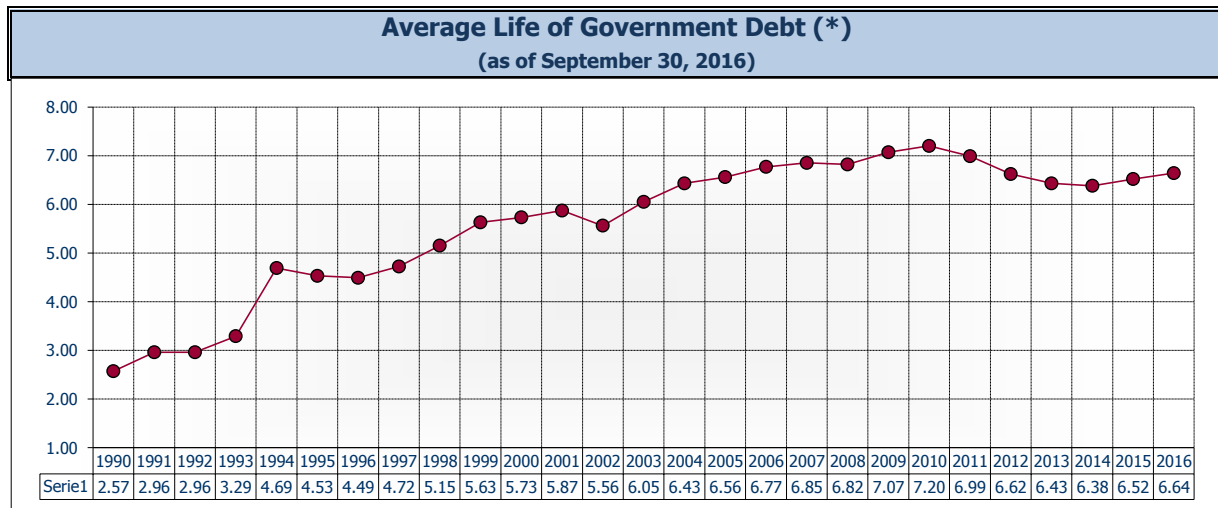


Government Debt Market



BENCHMARKS OUTSTANDING (as of September 30, 2016)						
Type	Maturity (1)	Amount (ml. €)	Maturity	Amount (ml. €)	Maturity	Amount (ml. €)
3-year BTPs	15-Apr-19	12,117.3	15-Oct-18	12,199.2	15-May-18	13,607.7
5-year BTPs	01-Jun-21	17,414.8	01-Nov-20	14,068.7	01-May-20	15,308.2
10-year BTPs	01-Dec-26	9,214.7	01-Jun-26	16,624.5	01-Dec-25	17,829.3
15-year BTPs	01-Mar-32	18,891.8	01-Mar-30	21,956.4	01-Sep-28	21,783.7
30-year BTPs	01-Mar-47	11,632.8	01-Sep-46	13,990.7	01-Sep-44	15,620.3

(1) On the run issues

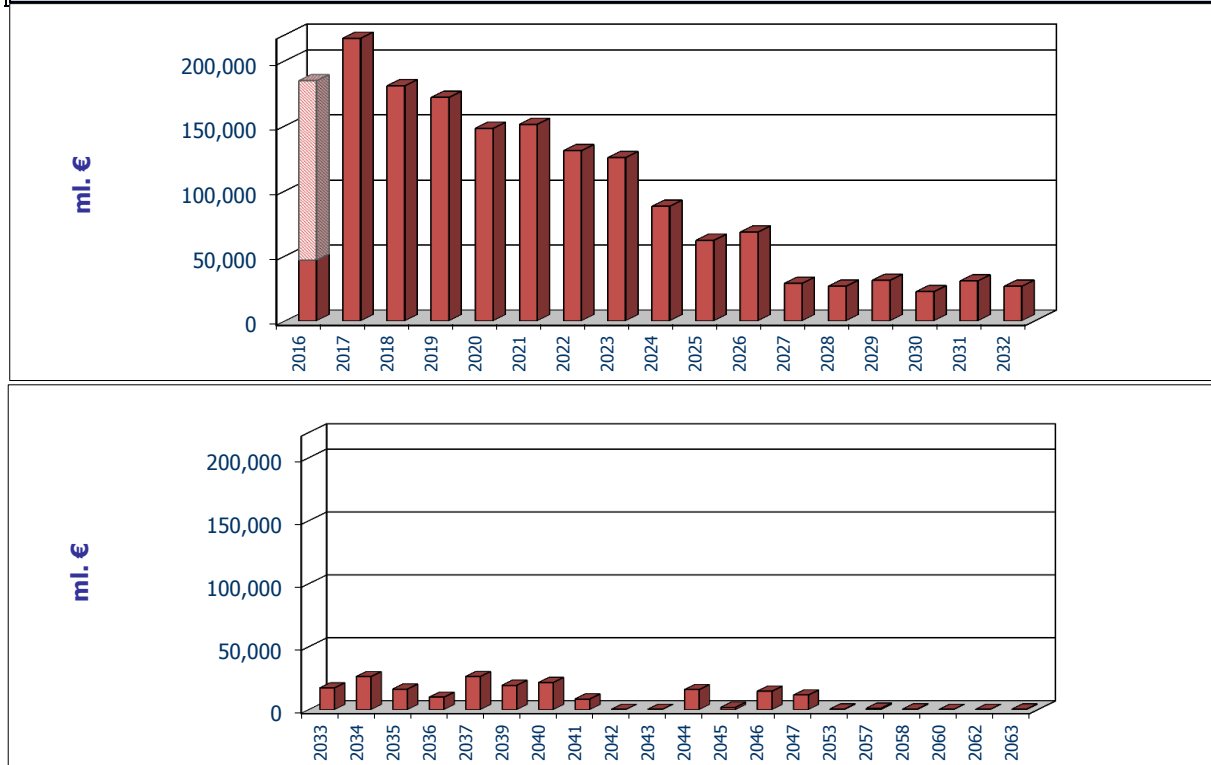


(*) At the end of 2002 the average life of the debt would have been 6.02 without the exceptional exchange auction, in which the Treasury has bought back very long term BTPs with annual coupon of 1% and issued relatively shorter term BTPs for less nominal amount. Bank of Italy has been the counterparty. On a parallel side it's worth noticing that the average life has increased in 1994, when the issuance of these very long term 1% BTPs occurred.



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(*) Redemptions of Bonds (as of September 30, 2016)



(*) It includes all Treasury securities except bills and commercial papers.

Redemptions in the next 12 Months (ml. €) as of September 30, 2016

	BOTs	BTPs	BTPs€i	BTP Italia	CCTs	CTZs	Foreign Debt (\$)	Total Amount
Oct-16	13,700	-	-	18,018	-	-	-	31,718
Nov-16	12,600	12,402	-	-	-	-	719	25,721
Dec-16	11,906	15,564	-	-	15	-	112	27,597
Jan-17	13,488	-	-	-	-	-	150	13,638
Feb-17	12,500	24,397	-	-	-	12,043	-	48,940
Mar-17	13,200	-	-	-	7,865	-	719	21,785
Apr-17	6,075	-	-	17,056	-	-	-	23,131
May-17	6,500	26,392	-	-	-	-	-	32,892
Jun-17	6,500	14,979	-	-	8,867	-	1,820	32,166
Jul-17	6,500	-	-	-	-	-	-	6,500
Aug-17	6,600	22,249	-	-	-	12,370	-	41,220
Sep-17	6,750	-	15,778	-	-	-	250	22,778

(§) After currency swap.



Government Debt Market

Volumes on Cash Secondary Market (M.T.S.) (ml. €) as of September 30, 2016								
Security type	July-16		August-16		September-16		Average - 15	
	Daily Average	Monthly Total	Daily Average	Monthly Total	Daily Average	Monthly Total	Daily Average	Monthly Average
BOTs	1,857	38,991	1,535	35,308	2,491	54,812	1,803	38,153
BTP€is	83	1,734	54	1,245	90	1,983	141	2,977
BTPs	1,819	38,201	2,196	50,501	3,127	68,786	2,111	44,672
CCTs	272	5,706	356	8,181	448	9,866	424	8,965
CTZs	300	6,297	364	8,365	546	12,016	348	7,336
TOTAL	4,330	90,929	4,504	103,598	6,703	147,463	4,826	102,104

Monthly Weighted Average Bid/Offer Spreads on M.T.S. + Euro M.T.S.							
	Total BTPs				Benchmark BTPs		
	5 yrs	10 yrs	30 yrs		5 yrs	10 yrs	30 yrs
Jul-16	0.0645	0.1780	0.5774		0.0503	0.1120	0.5594
Aug-16	0.0397	0.0797	0.3817		0.0309	0.0716	0.3713
Sep-16	0.0444	0.0854	0.4278		0.0348	0.0789	0.4192

REPO TRANSACTIONS 3 rd QUARTER 2016 * (ml.€)									
Security type	Overnight	Tom next, Spot next, Corporate	1 Week	2 Weeks	1 Month	2 Months	3 Months	6 Months	Total
BOTs	4,566	300,692	2,574	300	1,890	125	670	20	310,837
BTP €is	3,914	243,487	835	357	2,879				251,472
BTPs	27,338	2,617,873	19,558	7,039	22,496	555	6,205	2,140	2,703,202
CCTs	2,487	161,621	820	435	737	407	320		166,827
CTZs	1,247	103,423	600	500	670		790	411	107,641
General Collateral	221,702	1,277,971	80,131	35,926	17,285	1,105	5,203	1,585	1,640,907
Total	261,253	4,705,066	104,518	44,557	45,957	2,192	13,188	4,156	5,180,885

(*) Single counted nominal amounts negotiated during the quarter.



Public Debt

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