

OAT 7.5 % 04-2005 OAT 3 % 07-2009 OAT 5.25 % 04-2008 OAT TEC 10 01-2009 OAT 4 % 10-2009 OAT 5 % 10-2016 OAT 8.5 % 04-2023 OAT 5.5 % 04-2029 OAT 4 % 10-2009  
 OAT 5.5 % 04-2010 OAT 3.4 % 07-2029 BTAN 4 % 01-2002 BTAN 4.5 % 07-2002 BTAN 3.5 % 07-2004 BTAN 5 % 07-2005 OAT 4 % 04-2009 BTAN 5 % 01-2006 BTAN 4.5 %  
 07-2003 BTAN 3.5 % 07-2004 OAT 7.5 % 04-2005 BTF 3/05/2001 BTF 21/06/2001 BTF 2/08/ 2001 BTF 29/03/2001 OAT 3 % 07-2009 OAT 5.25 % 04-2008 OAT TEC  
 10 01-2009 OAT 6.5 % 04-2011 OAT 8.5 % 04-2023 OAT 5.5 % 04-2029 BTAN 4 % 01-2002 BTAN 4.5 % 07-2002 BTAN 3.5 % 07-2004 BTAN 5 % 07-2005 OAT 4 % 04-  
 2009 BTAN 5 % 01-2006 BTAN 4.5 % 07-2003 OAT 8.5 % 11-2002 OAT 7.5 % 04-2005 BTF 3/05/2001 BTF 21/06/2001 BTF 2/08/ 2001 BTF 29/03/2001 OAT 3 %  
 07-2009 OAT 5.25 % 04-2008 OAT TEC 10 01-2009 OAT 4 % 10-2009 OAT 5.5 % 04-2010 OAT 3.4 % 07-2029 OAT 6.5 % 04-2011 OAT 8.5 % 04-2023 OAT 5.5 %  
 04-2029 BTAN 4 % 01-2002 BTAN 4.5 % 07-2002 BTAN 3.5 % 07-2004 BTAN 5 % 07-2005 OAT 4 % 04-2009 BTAN 4.5 % OAT 4 % 10-2009 OAT 5.5 % 04-2010  
 OAT 3.4 % 07-2029 OAT 7.5 % 04-2005 OAT 3 % 07-2009 OAT 5.25 % 04-2009 OAT TEC 10 01-2009 OAT 4 % 10-2009 OAT 5 % 10-2016 OAT 8.5 % 04-2023

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# monthly bulletin



# AGENCY FRANCE TRÉSOR

## French government debt news

The minister for Economy, Finances and Industry Laurent Fabius has decided on the financing programme of the State for 2002 (see the attached data sheet). This programme outlines the proceedings for the financing of the State during the year 2002 according to the principles laid out in the programme for debt and cash management presented to the Parliament in the original Finance Bill 2002.

The State borrowing requirements will amount to EUR91.6bn in 2002, a small increase (+7.25%) over the actual 2001 financing needs, as a result of increased repayments of BTANs and OATs, partially offset by a narrower (-7%) budget deficit.

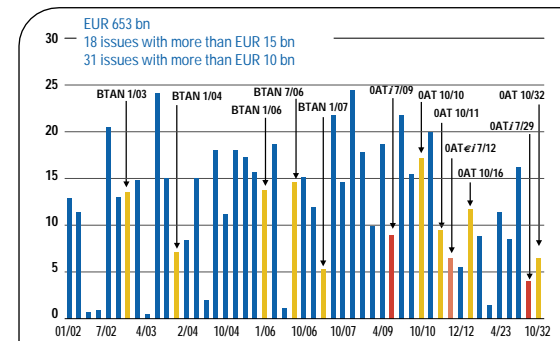
Within this framework, the total amount of medium and long-term (OAT and BTAN) issuance for 2002 is set at EUR85bn. This amount represents a small increase (+6.9%) over the net amount issued in 2001 (EUR79.5bn).

To cover the whole financing needs of the State, the amount of BTF outstanding, EUR52bn at the end of 2001, will be increased and could reach about EUR65bn at the end of 2002. This increase also aims at developing this segment of the market, on which a growing demand is observed, emanating in particular from non-residents. Another consequence of this increase is to help reduce the average maturity on the public debt.

Laurent Fabius has confirmed the objective of bringing back this average maturity to 5 years and 6 months at the end of 2002. It was 6 years and 95 days at the end of October 2001. To achieve this, Agency France Trésor will forward the swaps programme initiated in 2001 and, as in 2000 and 2001, will be in a position to operate buybacks and switches when market conditions make them convenient.

### French government negotiable debt outstanding on December 31, 2001

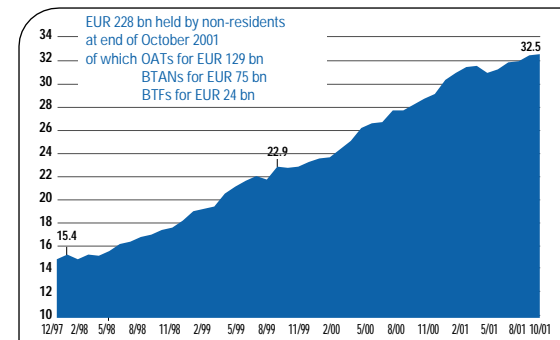
EUR billion



Source: Agency France Trésor

### Non-resident holdings of French government negotiable debt securities

as a % of negotiable debt outstanding



Source: Balance of payments

## ➤ Auction calendar

14/1/2002	Settlement on	21/1/2002	Settlement on	24/1/2002	Settlement on	28/1/2002	Settlement on	4/2/2002	Settlement on	7/2/2002	Settlement on	11/2/2002	Settlement on
<b>BTF</b>		<b>BTF</b>		<b>BTAN</b>		<b>BTF</b>		<b>BTF</b>		<b>OAT</b>		<b>BTF</b>	
13 weeks	17/1/2002	12 weeks	24/1/2002		29/1/2002	13 weeks	31/1/2002	12 weeks	7/2/2002		12/2/2002	13 weeks	14/2/2002
6 months		6 months				6 months		6 months				6 months	
or 1 year		or 1 year				or 1 year		or 1 year				or 1 year	

Source: Agency France Trésor

## ➤ Last auctions OATs and BTANs

EUR million

	OAT	OAT 7	OAT 7	OAT 7	BTAN 2 years	BTAN 5 years
	October 2011	July 2009	July 2009	July 2012	January 2004	January 2007
	5.00%	3.00%	3.40%	3.00%	4.00%	3.75%
<b>Auction date</b>	<b>10/01/02</b>	<b>10/01/02</b>	<b>10/01/02</b>	<b>10/01/02</b>	<b>20/12/01</b>	<b>20/12/01</b>
<b>Settlement date</b>	<b>15/01/02</b>	<b>15/01/02</b>	<b>15/01/02</b>	<b>15/01/02</b>	<b>27/12/01</b>	<b>27/12/01</b>
<b>Volume announced</b>	from 3 800 to 4 300		from 700 to 1 200		from 1 500 to 1 900	
<b>Amount bid</b>	11 655	715	617	2 489	4 520	3 360
<b>Amount served</b>	<b>4 268</b>	<b>291</b>	<b>209</b>	<b>694</b>	<b>702</b>	<b>1 049</b>
Of which non competitive offers	0	3	3	0	0	0
<b>Bid-to-cover ratio</b>	2.73	2.46	2.95	3.59	6.44	3.20
<b>Stop price</b>	100.36%	96.75%	96.51%	97.80%	100.87%	97.54%
<b>Weighted average rate</b>	4.95%	3.49%	3.60%	3.25%	3.54%	4.30%
<b>Previous auctions</b>	8/11/01	21/6/01	21/6/01	-	18/10/01	22/11/01
<b>Weighted average rate</b>	4.38%	3.36%	3.54%	2.98%	3.47%	4.22%

Source: Agency France Trésor

## ➤ Last auctions BTF

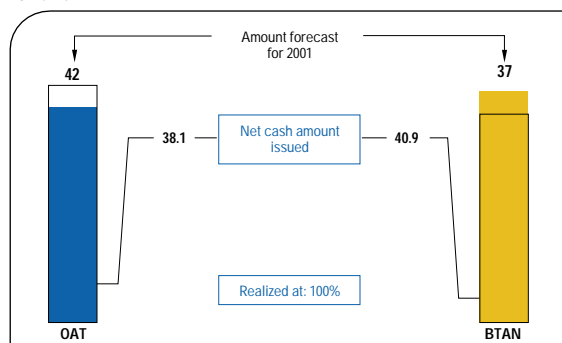
EUR million

	BTF	BTF	BTF	BTF
	5	12/13	24 to 29	40 to 52
	weeks	weeks	weeks	weeks
<b>10/12/2001</b>				
Amount served		1 005	501	
Weighted average rate		3.18%	3.13%	
<b>17/12/2001</b>				
Amount served		1 020	526	
Weighted average rate		3.21%	3.17%	
<b>21/12/2001</b>				
Amount served		1 011	500	
Weighted average rate		3.16%	3.13%	
<b>28/12/2001</b>				
Amount served		1 057	556	
Weighted average rate		3.15%	3.13%	
<b>7/1/2002</b>				
Amount served		2 540		1 515
Weighted average rate		3.22%		3.30%

Source: Agency France Trésor

## ➤ Long- and medium-term financing over the year on December 31, 2001

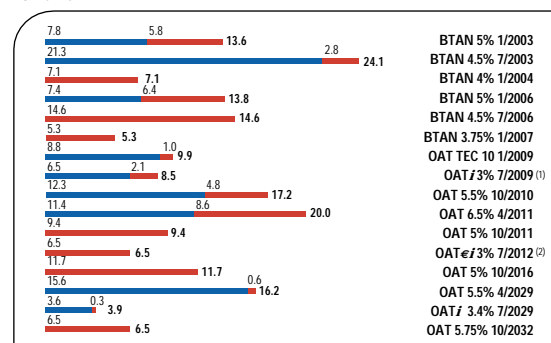
EUR billion



Source: Agency France Trésor

## ➤ BTANs and OATs 2001 issues and cumulative total on December 31, 2001

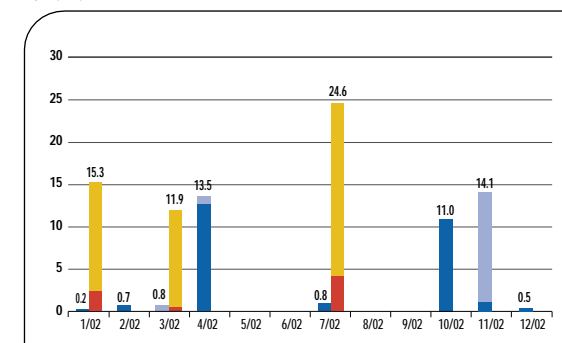
EUR billion



(1) Not including EUR 2.5 bn exchanged for 3% OATe*i* July 2012 (to be taken from end 2000 amount)  
 (2) Including EUR 2.5 bn from the handing in of 3% OAT*i* July 2009  
 Source: Agency France Trésor

## ➤ OATs and BTANs : indicative repayment schedule on December 31, 2001

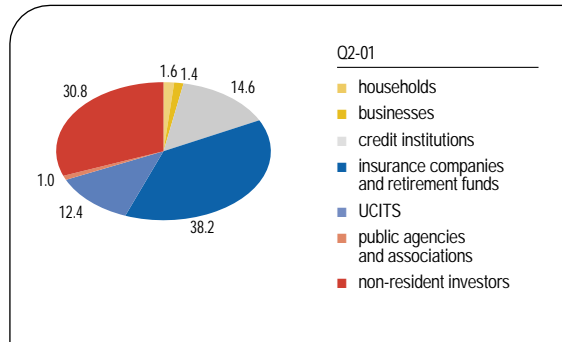
EUR billion



Source: Agency France Trésor

## > OAT ownership by type of holder

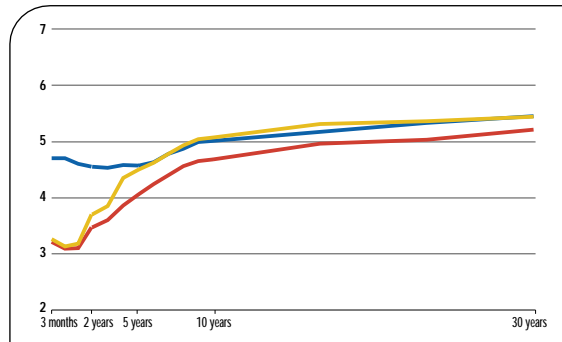
ownership structure in %



Source: These figures come from a Banque de France's survey; the percentage of non-resident holdings is compatible with the more exhaustive figures coming from the balance of payments (see page 1).

## > French government yield curve

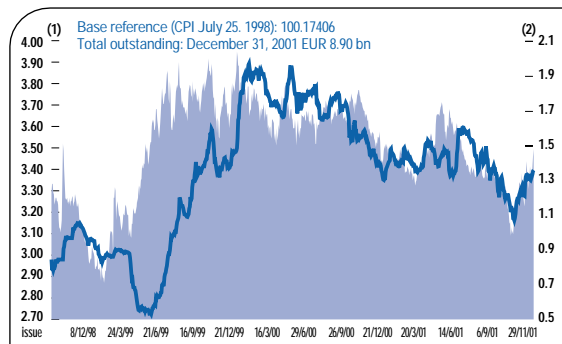
monthly average in %



Source: Bloomberg

## > Real yield of the OAT / 3% 07/2009

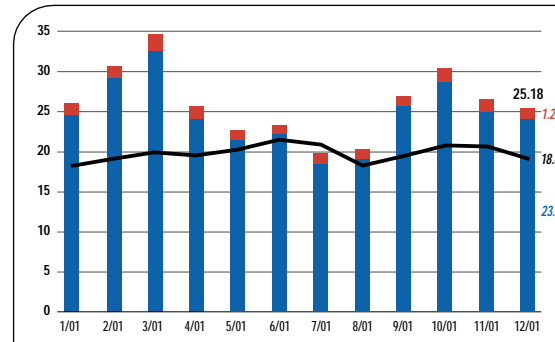
in % indicative daily quote on the secondary market



Source: Agency France Trésor

## > Turnover on the 5 most liquid OATs and the 4 most liquid BTANs

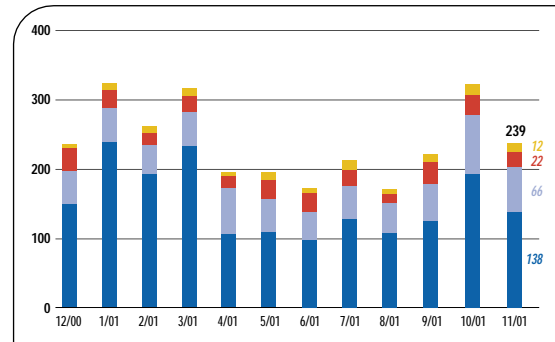
daily average (EUR billion)



Source: Primary dealers

## > Primary dealers, monthly fixed-rate repo transactions

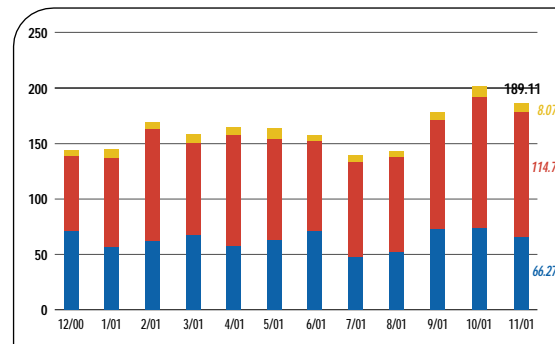
EUR billion



Source: Primary dealers

## > Primary dealers, repo outstanding at end of month

EUR billion



Source: Primary dealers

## > French government debt

EUR billion

	1996	1997	1998	1999	2000	2001 december
<b>Negotiable debt</b>	474	515	560	583	616	653
<b>Long-term debt</b>	308	331	363	395	419	443
of which OAT	293	329	363	395	419	443
<b>Short &amp; medium-term</b>						
<b>Treasury notes</b>	166	184	197	188	197	210
of which BTF	41	41	47	34	43	52
of which BTAN	125	143	150	154	154	158
<b>Non-negotiable debt</b>	66	63	53	71	67	nc
<b>Total government debt</b>	540	577	613	654	683	nc
% of GDP	44.5%	46.1%	47.0%	48.4%	48.6%	nc
Average life	6 years	6 years	6 years	6 years	6 years	6 years
of negotiable debt	47 days	57 days	93 days	99 days	64 days	47 days

Source: SROT on 31/12/96, 97, 98, 99 and 00

## focus

## 2003-2005 french stability programme - keys figures

as a % of GDP

	2000	2001	2002	2003	2004	2005
General government deficit	-1.4	-1.4	-1.4	-1.0	0.0	0.3 <sup>(1)</sup>
General government expenditure	52.8	52.5	52.3	51.4	50.5	49.7 <sup>(1)</sup>
General government debt	57.6	57.1	56.3	55.3	53.6	51.8 <sup>(1)</sup>

(1) scenario for growth at 3%  
(2) scenario for growth at 2.5%

Source: Ministry of the Economy, Finance and Industry

### **Sovereign debt: reactivity to budget shocks varies within the eurozone**

As in 2001, eurozone governments are displaying some optimism in their 2002 budget projections. They are betting on a swift economic recovery but such a pick up could be delayed. Indeed, we are expecting a growth rate of just 1% in 2002 for the eurozone, whereas government projections amount to an average 1.9%. With similar causes bringing similar effects, once more this year budget slippage is to be expected, which in turn might bear on sovereign debt issuance. According to our estimates, eurozone member financing requirements are under-estimated by EUR46bn, which is equivalent to 10% of the total volume of bonds they have planned to issue.

However, budget slippage should not be evenly spread within the eurozone. This is because there are wide disparities between the elasticity of the various deficits in relation to GDP and interest rates. On the one hand, in the Netherlands, Finland and Spain, deficits are responsive to variations in the rate of growth; a growth pace slower than expected should therefore aggravate them. On the other hand, budget balance in Belgium, Italy and Ireland is more exposed to rate fluctuations than to growth. As a result, the current favourable rate environment should turn out to be profitable. France and Germany are in between, however, with forthcoming elections in these two countries, they may find it more difficult to adjust their tax and budget policy.

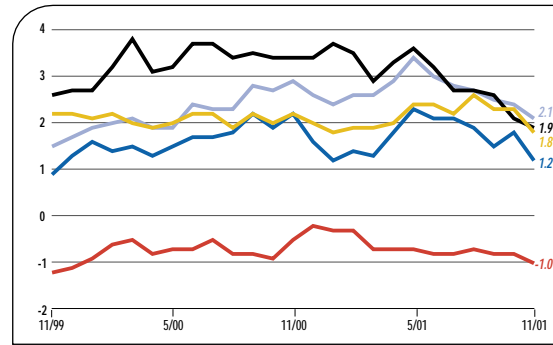
The impact of these expected budget shocks on the financing costs of sovereign debt should vary in magnitude when they are felt by the various eurozone countries. This is because all issuers are not as sophisticated when it comes to managing their debt. Some, and Agency France Tresor is one of them, have availed themselves of tools to more actively manage their debt, and have broadened their product line and ultimately widened their investor base. These are major advantages when it comes to absorbing budget shocks. This is firstly, because complementary budget needs may be distributed between different products, so as to better suit more specific demands.

Secondly because, despite the shocks, the use of derivatives enables the pursuit of the best possible issuance policy, meaning one that will stick to what is in demand, while bringing the impact of the modified financing costs to a minimum. In particular, this last feature could well dampen the effects of a less favourable budget situation in 2002.

Brice Benaben, Senior Fixed Income Strategist  
Frédéric Prétet, Senior Euro Economist  
CRÉDIT AGRICOLE INDOSUEZ

## Consumer prices

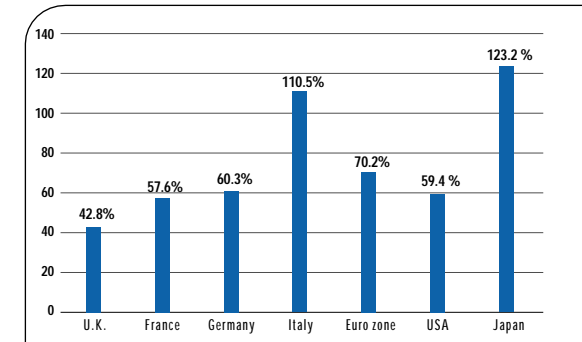
year on year % change



— Euro zone — France — USA — Japan — U.K.\*  
 Source: Agency France Trésor \* Excluding mortgage lending

## General government debt in 2000

as a % of GDP



Source: Eurostat & OECD: Maastricht definition for European countries (new ESA 95)

## Timetable for the release of French economic indicators

### January 2002

- 4 Household confidence survey: December survey
- 7 Central government budget: statement at end of November
- 8 Gross foreign exchange reserves in December
- 10 Consumer prices: provisional index for December
- 11 National quarterly accounts: final results Q3-2001
- 11 Cost-of-construction: index Q3-2001
- 15 Foreign trade in November
- 15 Industrial output in November
- 17 Balance of payments in October
- 22 Household consumption of manufactured goods in December
- 22 Consumer prices: final index for December
- 28 Industrial producer prices: December index
- 29 New building starts in December
- 30 Industrial trends: January survey
- 31 Job seekers in December
- 31 Central government budget: statement at end of December
- 31 Net foreign exchange reserves in December

### February 2002

- 1 Household confidence survey: January survey
- 5 Industrial trends: quarterly survey for January
- 7 Gross foreign exchange reserves in January
- 15 Foreign trade in December
- 15 Payroll employment: provisional results Q4-2001
- 15 Wages: provisional statistics Q4-2001
- 15 Industrial output in December
- 15 Industrial Investments: January survey
- 19 Balance of payments in November
- 21 Household consumption of manufactured goods in January
- 22 National quarterly accounts: first results Q4-2001
- 26 Consumer prices: final index for January
- 26 New building starts in January
- 26 Sales of new dwelling units: Q4-2001
- 27 Industrial trends: February survey
- 27 Industrial producer prices: January index
- 28 Job seekers in January
- 28 Net foreign exchange reserves in January

## ➤ Macro-economic forecast

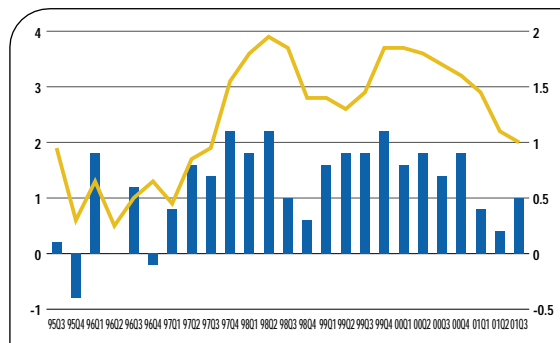
Real growth rate, n-1 prices

	2000	2001	2002
GDP growth in France	3.1	2.3	2.5
GDP growth in the euro zone	3.4	1.9	2.3
Household consumption	2.5	2.6	2.7
Investment	6.1	3.3	2.3
of which: business investment	7.2	4.9	3.8
of which: household housing investment	4.5	0.5	0.1
Exports	12.6	3.5	4.1
Imports	14.2	2.7	4.1
Consumer prices	1.7	1.7	1.6
Public deficit (as a % of GDP)*	-1.4	-1.4	-1.4
Public debt (as a % of GDP)*	57.6	57.1	56.3

Source: "Economic, Social and Financial Report" - Budget Bill for 2002  
\* excl UMTS receipts

## ➤ Gross Domestic Product

in %



— Year-on-year basis (left-hand scale)    ■ Quarterly growth rate (right-hand scale)

Source: INSEE, Quarterly National Accounts (95 prices)

## ➤ Government budget monthly position

FRF billion

	end-of-November level				
	1999	2000	1999	2000	2001
<b>General budget</b>					
balance	-215.3	-192.5	-193.6	-184.2	-218.7
- expenditure	1 709.8	1 700.9	1 523.4	1 531.5	1 590.0
- revenue	1 494.5	1 508.4	1 329.8	1 347.3	1 371.3
<b>Balance of special</b>					
Treasury accounts	9.3	1.3	-32.5	-48.5	-25.3
<b>General budget</b>					
outturn	-206.0	-191.2	-226.1	-232.7	-244.0

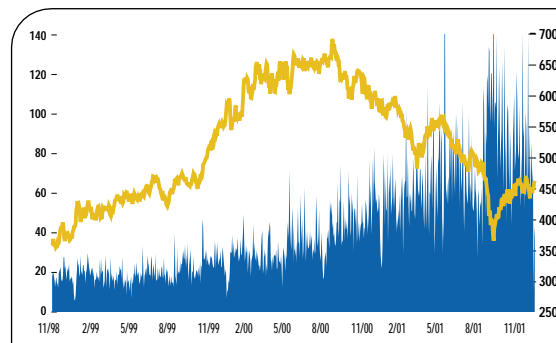
Source: Ministry of the Economy, Finance and Industry, Budget Directorate  
For more information: [http://www.minefi.gouv.fr/minefi/chiffres/budget\\_eta/](http://www.minefi.gouv.fr/minefi/chiffres/budget_eta/)

## ➤ Recent economic indicators

Industrial output*, year-on-year	0.2 %	10/2001
Household consumption*, year-on-year	2.8 %	11/2001
Unemployment rate (ILO), in %	9.0 %	11/2001
Inflation, year-on-year	1.2 %	11/2001
Inflation, excl. tobacco, year-on-year	1.2 %	11/2001
<i>Seasonally-adj. FOB/FOB data (EUR bn)</i>		
Trade balance, 2000	-1.41	10/2001
Trade balance, cumulative, 2001	3.03	10/2001
Current account balance, 2000	15.50	09/2001
Current account balance, cumulative, 2001	20.92	09/2001
10-year interest rate (TEC10)	5.00 %	at 31/12/2001
3-month interest rate (Euribor)	3.294 %	at 31/12/2001
EUR/\$	0.8813	at 31/12/2001
EUR/Yen	115.33	at 31/12/2001

Source: INSEE, Ministry of the Economy, Finance and Industry    \* manufactured goods and Banque de France

## ➤ The French financial market: change in the CAC 40 index

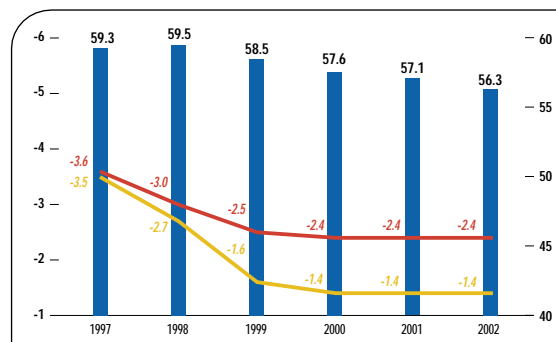


— Index (index value) (right-hand scale)    ■ Traded volume (millions of securities traded per day) (left-hand scale)

Source: Bloomberg

## ➤ Public finance

as a % of GDP



— General government deficit (left-hand scale)    — Central government deficit (left-hand scale)    ■ General government debt (right-hand scale)

Source: "Economic, Social and Financial Report" - Budget Bill for 2002  
1997: excluding "soule France Télécom"; 2001-2002: excluding UMTS receipts

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## dette négociable de l'État

French government negotiable debt outstanding

### OAT au 31 décembre 2001 / OAT at December 31, 2001

en euros

CODE ISIN Euroclear France	Libellé de l'emprunt/ Bond	Encours/ Outstanding	dont encours démembrés/ Stripped bonds	CODE ISIN Euroclear France	Libellé de l'emprunt/ Bond	Encours/ Outstanding	dont encours démembrés/ Stripped bonds	CODE ISIN Euroclear France	Libellé de l'emprunt/ Bond	Encours/ Outstanding	dont encours démembrés/ Stripped bonds
<b>Échéance / Maturity 2002</b>				<b>Échéance / Maturity 2009</b>				<b>Échéance / Maturity 2012</b>			
FR000057019 4	OAT 8,50% 15 mars 2002	14 609 861 326		FR000057067 3 V	OAT TEC 10 25 janvier 2009	59 121 273 804		FR000018801 3 I	OAT € 3% 25 juillet 2012	12 004 547 339	
FR000057022 8	OAT 6,75% 25 avril 2002	742 606 500		FR000057143 2	OAT 4% 25 avril 2009	9 853 044 498			(valeur nominale/face value)	6 518 850 000 (2)	
FR000057024 4	OAT 8,50% 25 novembre 2002	875 928 000	52 910 000	FR000057142 4 I	OAT 3% 25 juillet 2009	18 640 258 390	62 880 000	FR000057078 0	OAT 8,50% 26 décembre 2012	(6 500 000 000)	
<b>Échéance / Maturity 2003</b>				<b>Échéance / Maturity 2010</b>				<b>Échéance / Maturity 2016</b>			
FR000057027 7	OAT 8,50% 25 avril 2003	30 300 797 652		FR000018781 7 I	OAT 3% 25 juillet 2009 août 2001	8 892 882 918 (1)		FR000018736 1	OAT 5% 25 octobre 2016	11 742 000 000	339 980 000
FR000057028 5	OAT 8% 25 avril 2003	14 814 026 287	2 241 760 000		(valeur nominale/face value)	588 255 (1)					
FR000057030 1	OAT 6,75% 25 octobre 2003	498 616 500	204 630 000	FR000018790 8 I	OAT 3% 25 juillet 2009 septembre 2001	1 506 707 (1)		FR000057092 1	OAT 8,50% 25 octobre 2019	8 853 256 495	
<b>Échéance / Maturity 2004</b>				<b>Échéance / Maturity 2011</b>				<b>Échéance / Maturity 2019</b>			
FR000057032 7	OAT 8,25% 27 février 2004	36 528 606 841		FR000018753 6 I	OAT 3% 25 juillet 2009 octobre 2001	1 380 549 (1)		FR000057095 4	ÉTAT 9,82% 31 décembre 2019	8 844 392 893	4 386 810 000
FR000057036 8	OAT 5,50% 25 avril 2004	8 380 671 358	493 060 000		(valeur nominale/face value)	1 325 972 (1)			(valeur nominale/face value)	8 863 602 (3)	
FR000057034 3	OAT 6% 25 avril 2004	15 005 796 930	532 300 000	FR000018808 8 I	OAT 3% 25 juillet 2009 novembre 2001	1 177 770 (1)				(6 692 154)	
FR000057040 0	OAT 6,75% 25 octobre 2004	1 953 143 000	1 452 890 000	FR000018817 9 I	OAT 3% 25 juillet 2009 décembre 2001	(1 131 209)		FR000057104 4	OAT 8,25% 25 avril 2022	1 408 940 490	1 037 300 000
<b>Échéance / Maturity 2005</b>				<b>Échéance / Maturity 2012</b>				<b>Échéance / Maturity 2022</b>			
FR000057043 4	OAT 7,50% 25 avril 2005	33 774 246 330		FR000018619 9	OAT 4% 25 octobre 2009	1 297 679 (1)		FR000057108 5	OAT 8,50% 25 avril 2023	1 408 940 490	1 408 940 490
FR000057046 7	OAT 7,75% 25 octobre 2005	18 072 406 569	1 740 700 000			(1 246 378)				11 431 195 903	8 668 110 000
<b>Échéance / Maturity 2006</b>				<b>Échéance / Maturity 2010</b>				<b>Échéance / Maturity 2023</b>			
FR000057049 1	OAT 7,25% 25 avril 2006	46 753 093 816		FR000018660 3	OAT 5,50% 25 avril 2010	21 729 137 038	186 000 000	FR000057118 0	OAT 6% 25 octobre 2025	11 431 195 903	8 511 928 118
FR000057050 9	OAT 7% 25 avril 2006	18 672 039 415	679 710 000	FR000018702 3	OAT 5,50% 25 octobre 2010	15 491 719 352	203 000 000			8 511 928 118	2 669 610 000
FR000057053 3	OAT 6,50% 25 octobre 2006	1 091 244 000	415 650 000	<b>Échéance / Maturity 2011</b>				<b>Échéance / Maturity 2025</b>			
FR000057054 1 V	OAT TEC 10 25 octobre 2006	15 102 140 991	465 110 000	FR000057073 1	OAT 6,50% 25 avril 2011	29 387 414 897		FR000057122 6	OAT zéro coupon 28 mars 2028	10 840 174	
<b>Échéance / Maturity 2007</b>				<b>Échéance / Maturity 2012</b>				<b>Échéance / Maturity 2028</b>			
FR000057057 4	OAT 5,50% 25 avril 2007	11 887 669 410		FR000018755 1	OAT 6,50% 25 avril 2011 mai 2001	19 694 829 917	228 470 000		(valeur nominale/face value)	10 840 174 (4)	
FR000057059 0	OAT 5,50% 25 octobre 2007	21 771 775 424	232 850 000	FR000018765 0	OAT 6,50% 25 avril 2011 juin 2001	82 998 997		FR000057128 8	OAT 5,50% 25 avril 2029	20 247 140 012	1 426 140 000
<b>Échéance / Maturity 2008</b>				<b>Échéance / Maturity 2010</b>				<b>Échéance / Maturity 2029</b>			
FR000057063 2	OAT 5,25% 25 avril 2008	14 637 051 484	268 350 000	FR000018777 5	OAT 6,50% 25 avril 2011 juillet 2001	90 800 298		FR000018641 3 I	OAT 3,40% 25 juillet 2029	16 233 880 762	
FR000057066 5	OAT 8,50% 25 octobre 2008	24 403 932 367	109 230 000	FR000018780 9	OAT 6,50% 25 avril 2011 août 2001	57 322 911			(valeur nominale/face value)	4 013 259 250 (5)	
<b>Échéance / Maturity 2009</b>				<b>Échéance / Maturity 2011</b>				<b>Échéance / Maturity 2032</b>			
		17 784 161 127	3 157 580 000	FR000018787 4	OAT 5% 25 octobre 2011	46 493 587	10 000 000	FR000018763 5	OAT 5,75% 25 octobre 2032	6 518 000 000	229 800 000
				FR000018807 0	OAT 5% 25 octobre 2011 novembre 2001	9 325 329 195				6 518 000 000	
				FR000018816 1	OAT 5% 25 octobre 2011 décembre 2001	48 053 735					

(1) valeur nominale x coefficient d'indexation au 31/12/2001 (1,04116) / face value x indexation coefficient at 31/12/2001 (1,04116)  
 (2) valeur nominale x coefficient d'indexation au 31/12/2001 (1,00290) / face value x indexation coefficient at 31/12/2001 (1,00290)  
 (3) y compris intérêts capitalisés au 31/12/2001 / including coupons capitalized at 31/12/2001 ; non offerte à la souscription / not open to the subscription  
 (4) valeur actualisée au 31/12/2001 / actualized value at 31/12/2001 ; non offerte à la souscription / not open to the subscription  
 (5) valeur nominale x coefficient d'indexation au 31/12/2001 (1,03675) / face value x indexation coefficient at 31/12/2001 (1,03675)

OAT: OAT indexée sur l'indice français des prix à la consommation (hors tabac) / OAT indexed on the French consumer prices index (excluding tobacco)  
 OAT€: OAT indexée sur l'indice des prix à la consommation harmonisé de la zone euro (hors tabac) / OAT indexed on the eurozone harmonized index of consumer prices (excluding tobacco)  
 TEC10 : taux de l'échéance constante à 10 ans / yield of 10-year constant maturity Treasury

### Total général

442 471 806 569	EUR
35 168 850 000	EUR

encours démembrés / stripped bonds  
 en % des lignes démembrables  
 as a % of strippable bonds

9,42 %

Durée de vie moyenne des obligations :  
**8 ans et 95 jours**

Average maturity of OATs: 8 years and 95 days

## BTAN au 31 décembre 2001 / Treasury notes at December 31, 2001

CODE ISIN	Libellé de l'emprunt / Bond	Euros
	<b>Échéance / Maturity 2002</b>	<b>44 748 815 874</b>
FR0101465831	BTAN 4% 12 janvier 2002	12 890 000 000
FR0100059585	BTAN 4,75% 12 mars 2002	11 380 471 532
FR0100059593	BTAN 4,50% 12 juillet 2002	20 478 344 342
	<b>Échéance / Maturity 2003</b>	<b>37 644 156 556</b>
FR0102325695	BTAN 5% 12 janvier 2003	13 552 000 000
FR0100059601	BTAN 4,50% 12 juillet 2003	24 092 156 556
	<b>Échéance / Maturity 2004</b>	<b>25 080 000 000</b>
FR0103536092	BTAN 4% 12 janvier 2004	7 105 000 000
FR0100802273	BTAN 3,50% 12 juillet 2004	17 975 000 000
	<b>Échéance / Maturity 2005</b>	<b>17 225 000 000</b>
FR0101659813	BTAN 5% 12 juillet 2005	17 225 000 000
	<b>Échéance / Maturity 2006</b>	<b>28 409 000 000</b>
FR0102626779	BTAN 5% 12 janvier 2006	13 791 000 000
FR0103230423	BTAN 4,50% 12 juillet 2006	14 618 000 000
	<b>Échéance / Maturity 2007</b>	<b>5 267 000 000</b>
FR0103840098	BTAN 3,75% 12 janvier 2007	5 267 000 000

**Total général 158 373 972 430 EUR**

**Durée de vie moyenne des BTAN : 2 ans et 39 jours**

Average maturity of BTANs: 2 years and 39 days

## BTF au 31 décembre 2001 / Treasury bills at December 31, 2001

	Échéance / Maturity	Euros
BTF	3/1/2002	1 117 000 000
BTF	10/1/2002	1 004 000 000
BTF	17/1/2002	1 002 000 000
BTF	24/1/2002	1 503 000 000
BTF	31/1/2002	7 953 000 000
BTF	7/2/2002	2 243 000 000
BTF	14/2/2002	6 006 000 000
BTF	21/2/2002	2 242 000 000
BTF	28/2/2002	1 015 000 000
BTF	7/3/2002	1 048 000 000
BTF	14/3/2002	1 005 000 000
BTF	21/3/2002	1 020 000 000
BTF	28/3/2002	1 011 000 000
BTF	11/4/2002	5 881 000 000
BTF	6/6/2002	4 566 000 000
BTF	18/7/2002	5 670 000 000
BTF	5/9/2002	3 351 000 000
BTF	31/10/2002	4 803 000 000

**Total général 52 440 000 000 EUR**

**Durée de vie moyenne des BTF : 112 jours**

Average maturity of BTFs: 112 days

**Durée de vie moyenne totale de la dette  
au 31/12/2001 : 6 ans et 47 jours**  
Average maturity of debt at 31/12/2001:  
6 years and 47 days

**Total général 653 285 778 999 EUR**

1 euro = 6,55957 FRF

Source : Agence France Trésor



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RÉPUBLIQUE FRANÇAISE



AT 7.5 % 04-2005 OAT 3 % 07-2009 OAT  
 25 % 04-2008 OAT TEC 10 01-2009 OAT 4  
 10-2009 OAT 5 % 10-2016 OAT 8.5 % 04-  
 2023 OAT 5.5 % 04-2029 OAT 4 % 10-2009  
 AT 5.5 % 04-2010 OAT 3.4 % 07-2029  
 AT 4 % 01-2002 BTAN 4.5 % 07-2002



OAT 7.5 % 04-2005 OAT 3 % 07-2009 OAT 5.25 % 04-2008 OAT TEC 10 01-2009 OAT 4 % 10-2009 OAT 5 % 10-  
 2016 OAT 8.5 % 04-2023 OAT 5.5 % 04-2029 OAT 4 % 10-2009 OAT 5.5 % 04-2010 OAT 3.4 % 07-2029 BTAN  
 4 % 01-2002 BTAN 4.5 % 07-2002 BTAN 3.5 % 07-2004 BTAN 5 % 07-2005 OAT 4 % 04-2009 BTAN 5 %  
 01-2006 BTAN 4.5 % 07-2003 BTAN 3.5 % 07-2004 OAT 7.5 % 04-2005 BTF 3/05/2001 BTF 21/06/2001  
 BTF 2/08/2001 BTF 29/03/2001 OAT 3 % 07-2009 OAT 5.25 % 04-2008 OAT TEC 10 01-2009 OAT 6.5  
 % 04-2008 OAT 5.5 % 04-2009 OAT 5.5 % 04-2010 OAT 3.4 % 07-2029 BTAN

# 2002 indicative calendar



## AGENCY FRANCE TRÉSOR

Auction dates (A) and settlement dates (S)

	BTF												BTAN		OAT	
	A	S	A	S	A	S	A	S	A	S	A	S	A	S	A	S
January	7	10	14	17	21	24	28	31	24	29	10	15				
February	4	7	11	14	18	21	25	28	21	26	7	12				
March	4	7	11	14	18	21	25	28	21	26	7	12				
April	2	4	8	11	15	18	22	25	no auction		no auction					
May	6	10	13	16	21	23	27	30	16	21	2	7				
June	3	6	10	13	17	20	24	27	20	25	6	11				
July	1	4	8	11	15	18	22	25	18	23	4	9				
August	5	8	12	16	19	22	26	29	no auction		no auction					
September	2	5	9	12	16	19	23	26	19	24	5	10				
October	7	10	14	17	21	24	28	31	17	22	3	8				
November	4	7	12	14	18	21	25	28	21	26	7	12				
December	2	5	9	12	16	19	23	27	no auction		no auction					

■ anticipated or delayed auctions (bank holidays etc.)

Auction	Settlement
 Each Monday *	 Following Thursday *
 3 <sup>rd</sup> working Thursday of the month	 Following Tuesday *
 1 <sup>st</sup> working Thursday of the month **	 Following Tuesday *

\* or the previous or following working day  
 \*\* or the 3<sup>rd</sup> working Thursday for linkers (OAT€/and OAT)

## 2002 indicative auction calendar

**BTF**  
each Monday

- BTF 13 or 12 weeks (one week out of two)
- BTF half yearly or yearly (one week out of two)

**BTAN**  
3<sup>rd</sup> Thursday of the month \*

- One 2-year and/or one 5-year line
- opening of one new 2-year line
- opening of two new 5-year lines

**OAT**  
1<sup>st</sup> Thursday of the month \*

- One or more fixed-rate (10-, 15- or 30-year) line plus possibly one variable rate line
- opening of two new 10-year lines

**OAT linkers**  
1<sup>st</sup> or 3<sup>rd</sup> Thursday of the month \*

- tapping of the July 2012 OAT€i
- tapping of the July 2009 OAT*i* or July 2029 OAT*i*
- possible opening of new lines

\* *except in April, August and December*

The Agency France Trésor reserves the right to cancel an auction listed on the calendar if exceptional market conditions warrant it, or to hold an extra auction according to its borrowing needs and market trends.

Furthermore, the State reserves the right to create new, long- or medium-term, lines during the year, or to issue further tranches of previous issues in accordance with market conditions. The State also reserves the right to use banking syndicate issue procedures.

The exact nature of the State issues will be communicated to the market in the days preceding each auction with information on the volume of the issues.

## ➤ Reuters pages on Agency France Trésor <

INDEX TRESOR	MENU : TRESORMENU					
SVT	BTF	BTAN	OAT	OAT <i>i</i>	STRIPS	PENSIONS
<b>ABN-AMRO FIXED INCOME FRANCE</b>	AAFIBTF	AABOAT	AABOAT/01/02	AABILB	AAFISTRIP	AAFIREPO
<b>BANQUE LEHMAN BROTHERS S.A.</b>	LBIBTF1	LBIBTAN2	LBOAT1	LBOAT2	-	LBWE
<b>BARCLAYS CAPITAL FRANCE S.A.</b>	BARCAPPL	BARCAPPL	BARCAPOAT1/2	BARCAPIND	BARCAPSTRIPS1-2	BZWPL
<b>BNP PARIBAS</b>	BNPPBTF	BNPPBTAN	BNPPOAT01-02	BNPPOAT02	BNPPSTRIP01-02-03	BNPPREPO
<b>CDC IXIS CAPITAL MARKETS</b>	CDCBILLS	CDCBTAN	CDCOAT1/2	CDCOAT3	CDCSTRIP1-2	CDCBILLS
<b>CREDIT AGRICOLE INDOSUEZ</b>	CAIEUCT01	CAIBTAN01	CAIOAT01/02/CAIVAR01	CAIVAR01	CAISTRIP01	CAIREPO
<b>CREDIT LYONNAIS</b>	CLBTF	CLBTAN	CLOAT01-04	CLOAT03	CLSTRIP01	CLREPO
<b>DEUTSCHE BANK FRANCE S.A.</b>	DBBTF	DBBTAN1	DBOAT1-2/DBILB	DBILB	0#FRSTRIP-DEBP	DBPPL
<b>DRESDNER KLEINWORT BENSON</b>	DRBBTF	DRBBTAN	DRBOAT1-2/DRBTEC10	DRBTEC10	DRBSTRIP1-2	DRBREPO1
<b>GOLDMAN SACHS PARIS INC. &amp; Cie</b>	GSPK	GSPC	GSPD-F	GSPG	GSPH-J	GSFRREPO
<b>HSBC CCF</b>	HSBCCFBTF	HSBCCFBTAN	HSBCCFOAT/CCFVAR	HSBCCCFVAR	HSBCCCFSTRIP	HSBCCCFREPO
<b>J.P. MORGAN &amp; Cie S.A.</b>	MGPK	JPMFR01	JPMFR01-02	MGTEC	JPMSTRIPFR	MMOU
<b>MERRILL LYNCH FINANCE S.A.</b>	MLFRONT	MLFBTAN	MLFOAT1-2/MLFTEC	MLFOAT1	MLFSTRIP	MLFRONT
<b>MORGAN STANLEY S.A.</b>	MSFRD	MSFRB/D	MSFRB-C	MSFRC	MSFRE	MSFRR
<b>NATEXIS BANQUES POPULAIRES</b>	NBPGVT01	NBPGVT02	NBPGVT02-04	NBPVAR	-	NBPREPO
<b>SALOMON BROTHERS INTERNATIONAL LTD</b>	-	-	-	-	-	-
<b>SOCIETE GENERALE</b>	SGREP001	SGOAT01	SGOAT01-02	SGOATVAR01	SGSTRIP01	SGREP001
<b>CIC</b>	CICBTF	CICBTAN	CICOAT1-2/CICTEC	CICOAT1	CICSTRIP	CICREPO

DAILY BENCHMARKS ON TREASURY BILLS published by Banque de France SVTF-G-H

## ➤ Bridge pages on Agency France Trésor <

INDEX TRESOR	MENU : 20010 - 20078			
SVT	BTF	BTAN	OAT	STRIPS
<b>BNP PARIBAS</b>	20 106/107	20 106	20 105	-
<b>CDC IXIS CAPITAL MARKETS</b>	2 521	2 520	-	-
<b>CREDIT AGRICOLE INDOSUEZ</b>	2 528	2 532	2533/34/35	2 511
<b>CREDIT LYONNAIS</b>	21 891	21 888	21 885/86/87	21913/15
<b>DRESDNER KLEINWORT BENSON</b>	47 401	47 402	47 403/4	-
<b>HSBC-CCF</b>	20 082	20 081/82	20 080	20 086
<b>J.P. MORGAN &amp; Cie S.A.</b>	-	21 482	21483/5	21 486
<b>SOCIETE GENERALE</b>	42 161	42 162	42163/4	-
<b>CIC</b>	20 121	-	20 124/25/26	-

DAILY BENCHMARKS ON TREASURY BILLS  
published by Banque de France 20018-19

## Information on Agency France Trésor

INTERNET <http://www.aft.gouv.fr>  
 BLOOMBERG TRESOR<GO>  
 REUTERS <TRESOR>  
 REUTERS WEB <http://tresor.session.rservices.com>



Last, the AFT will investigate in 2002, what changes could be brought to the strips market in order to increase its liquidity.

### Auctioning methods

In order to adapt the auctions to the large increase in secondary volumes and to take the market seasonal variations into account, a reduction of the number of OAT and BTAN auctions has been determined for 2002, cutting their number to 18 from a previous 24. As a result, the average amount allotted at each auction will reach EUR4.75bn (notwithstanding the possible effects of buybacks). Practically, the AFT will auction no OATs nor BTANs in April, August and December three months during which the market is less buoyant. OATs will be auctioned every first Thursday of every remaining month, and BTANs every third Thursday. Exceptionally however, the OAT auction normally to take place on Thursday, January 3rd will be postponed to January 10th, while the following BTAN auction will be delayed until Thursday, January 24.

As regards the lines to be auctioned, the AFT retains capacity to adjust the lines issued to the final demand as forwarded by SVTs by tapping non-benchmark lines or by auctioning one single line at any given OAT or BTAN auction. In order to bring a more adapted response to a possibly volatile demand, no quarterly BTAN auction schedule will be published any longer.

The AFT will auction OAT€*i*s at least once per quarter. As in 2001, such auctions can take place together with any auction of OATs or BTANs. The two existing OAT $\mathcal{F}$ s may also be tapped on such auction days, according to demand.

### Short-term financing in 2002

During the years 2000 and 2001, demand for the short term French debt securities experienced a remarkable growth. The part held by non-residents has grown from 10% in 1998 to 45% at the end of 2001.

The AFT wishes to take advantage of this new development to assert the benchmark status of the BTF market, second market in Europe for short term bills. The changes brought to the issuing policy, as described below, are aiming at improving both liquidity and reknown as well as to deepen this market.

From now on, the issuing policy will embody the three following guidelines:

- the outstanding amount of BTFs shall be increased from EUR52bn at the end of 2001 to around EUR65bn at the end of 2002;
- the debt profile and the auctions are modified in order to give a broader liquidity to these bills, the expected average outstanding volume of each line being EUR4bn;

- the contacts with SVTs are made closer: a meeting (physical or through conference call) will take place every Wednesday before the auction is announced, in order to collect the SVTs' suggestions as regards volumes and lines to be auctioned.

Auctions will take place every Monday and will include the issuance of 3-month BTFs, along with either 6-month or 12-month BTFs, as well as a possible complementary line according to demand.

Every 3-month BTF will be tapped twice to reach an outstanding amount of EUR4bn. Every 6-month or 12-month BTF line will be tapped three to five times, also to reach an outstanding amount of about EUR4bn. The 3-month, 6-month and 12-month issues will be distributed in order to give investors the largest choice in less than 3-month maturing paper.

### Managing the average maturity of debt

The minister has confirmed the objective of reducing the average maturity of the debt to 5 years and 6 months at the end of 2002. At the end of October 2001, this average maturity was 6 months and 95 days.

Along these lines, the AFT will forward the swaps programme initiated in 2001 and will be in a position to operate buybacks and switches.

To put things more precisely, notwithstanding possible buybacks of long term securities and under unchanged issuing policy conditions, the notional amount of 10-year receiver swaps needed to reach the objective would be about EUR30bn in 2002.

### 2001 Summary

The gross medium and long-term borrowings for 2001 amounted to EUR94.5bn, including EUR43.7bn of fixed-rate OATs, EUR8.8bn of linkers (OAT*i* and OAT€*i*) and EUR42bn of BTANs. Moreover, EUR15bn of various securities have been bought back through four reverse auctions, several over the counter deals and the handing in of OAT*i* for the newly-issued OAT€*i*.

The global reduction of interest rates in 2001 compared to 2000 and the substitution of newer lines have resulted in a reduction in the average burden of the debt: the average rate paid on BTANs fell to 4.46% at the end of 2001 (from 4.51% at the end of 2000), and on 10-year OATs to 6.17% from 6.37%.

The internationalisation of French debt holders also grew: the proportion of non-resident holders was 27.8% at the end of 2000 and reached 32% at the end of August, 2001.