



AGENCE
FRANCE
TRÉSOR
is tasked with
handling
government debt
and cash
management
under the most
secure
conditions in the
interest of the
taxpayer.

MONTHLY BULLETIN - N° 232 – September 2009

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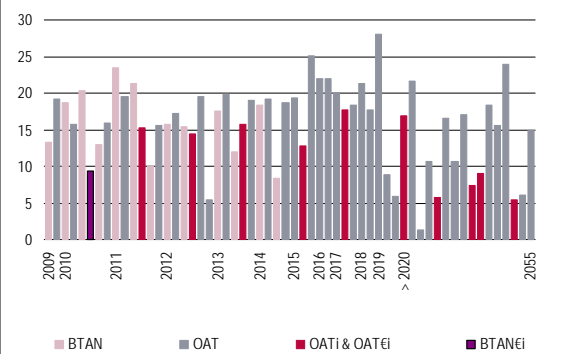
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Editor: Agence France Trésor



DEBT GENERAL DATA

French government long- and medium-term negotiable debt on August 31, 2009

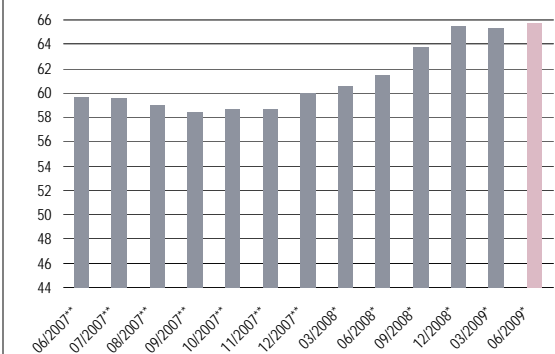
nominal value of each line, €bn



Source: Agence France Trésor

Non-resident holdings of French government negotiable debt securities

as a % of negotiable debt outstanding



Source: balance of payments

Note: following the revised figures of the French securities held by non-residents at the end of 2006, the Banque de France has readjusted the outstanding amount related to the negotiable Government debt securities held by non-residents in 2006 (**).

(* figures revised quarterly (** figures revised annually)

Auction indicative calendar

		BTF				BTAN / index linked OAT	OAT
September 2009	auction date	7	14	21	28	17	3
	settlement date	10	17	24	1 oct.	22	8
October 2009	auction date	5	12	19	26	15	1
	settlement date	8	15	22	29	20	6

■ anticipated or delayed auctions (bank holidays, etc.)

Source: Agence France Trésor

NEWS

A completely revamped information system

The process of overhauling the Agence France Trésor (AFT) information system is scheduled for completion in 2009.

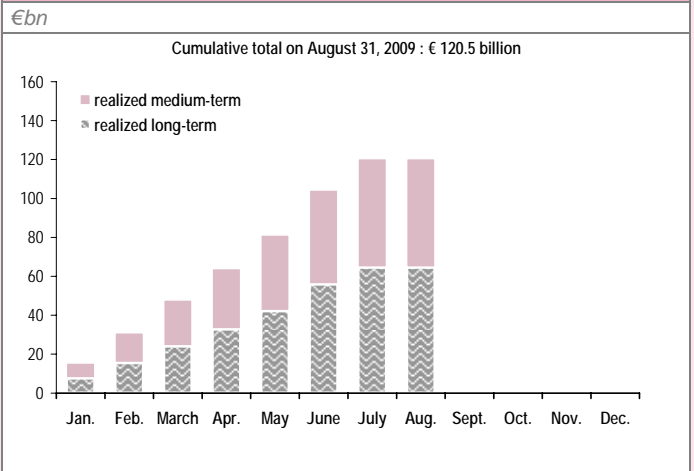
After the release of an initial cash management module in 2008 alongside the deployment of EVCLI (the Banque de France's new account management system), the AFT is currently validating the interface allowing it to track back the cash impact of all of the Agency's trades.

The AFT is also setting up an infocentre dedicated to its information system's cash management site. This will enable the extraction of data from our databases, providing an essential reporting tool for cash managers.

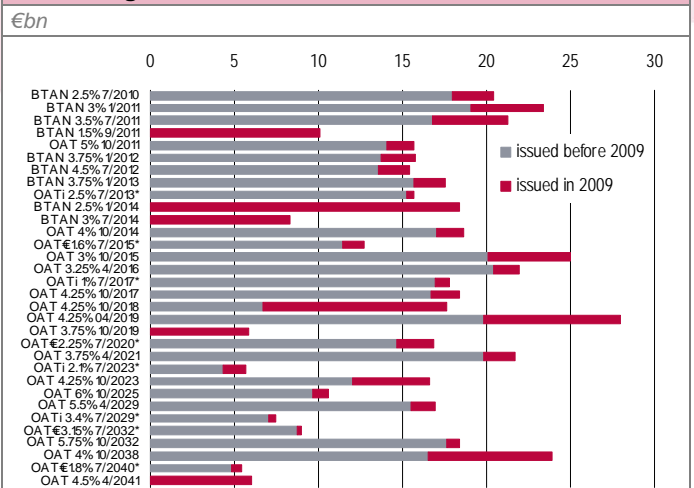
After 8 years of work, the AFT will now have a secure, integrated information system effectively supporting its trading and cash management operations.

PRIMARY MARKET

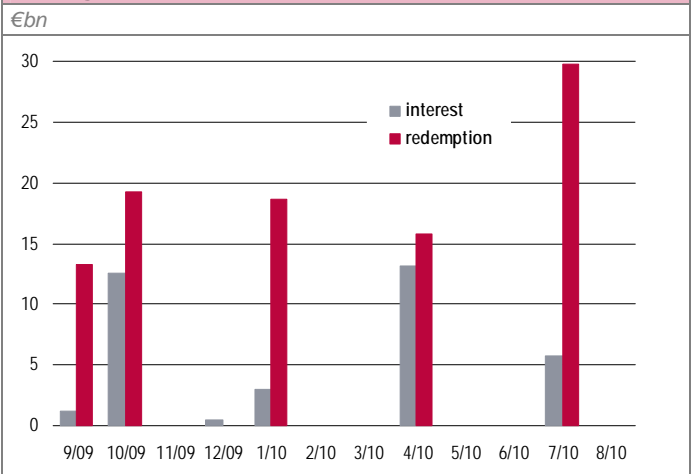
Long- and medium-term financing over the year on August 31, 2009



OATs and BTANs issues and cumulative total on August 31, 2009



OATs and BTANs: indicative repayment schedule on August 31, 2009



▶ OAT and BTAN auctions – August 2009

€m

No auction in August

Source: Agence France Trésor

▶ BTF auctions – August 2009

€m

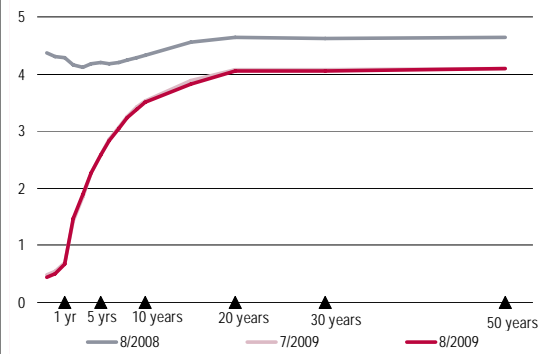
	BTF	BTF	BTF	BTF	BTF	BTF	BTF
	1 month	2 month	3 month	4 month	6 month	9 month	1 year
Auction date		8/3/2009	8/3/2009	8/3/2009			8/3/2009
Settlement date		8/6/2009	8/6/2009	8/6/2009			8/6/2009
Maturity		9/10/2009	10/29/2009	12/17/2009			7/29/2010
Total issued amount		2,006	4,003	2,002			1,505
Weighted average rate		0,352%	0,397%	0,464%			0,736%
Auction date		8/10/2009	8/10/2009		8/10/2009		8/10/2009
Settlement date		8/13/2009	8/13/2009		8/13/2009		8/13/2009
Maturity		10/8/2009	11/12/2009		1/28/2010		7/29/2010
Total issued amount		2,098	4,262		2,261		2,275
Weighted average rate		0,371%	0,409%		0,524%		0,810%
Auction date		8/17/2009	8/17/2009		8/17/2009		8/17/2009
Settlement date		8/20/2009	8/20/2009		8/20/2009		8/20/2009
Maturity		10/8/2009	11/12/2009		1/14/2010		7/29/2010
Total issued amount		2,639	4,414		1,549		2,000
Weighted average rate		0,356%	0,391%		0,453%		0,696%
Auction date		8/24/2009	8/24/2009		8/24/2009		8/24/2009
Settlement date		8/27/2009	8/27/2009		8/27/2009		8/27/2009
Maturity		10/8/2009	11/26/2009		2/25/2010		7/29/2010
Total issued amount		2,721	4,389		2,259		2,156
Weighted average rate		0,347%	0,386%		0,481%		0,710%
Auction date			8/31/2009		8/31/2009		8/31/2009
Settlement date			9/3/2009		9/3/2009		9/3/2009
Maturity			11/26/2009		2/25/2010		8/26/2010
Total issued amount			4,361		2,631		2,237
Weighted average rate			0,347%		0,441%		0,693%

Source: Agence France Trésor

SECONDARY MARKET

French government yield curve

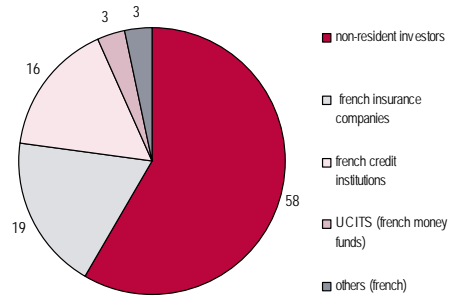
quote at end of the month, in %



Source: Bloomberg

OAT ownership by type of holder second quarter 2009

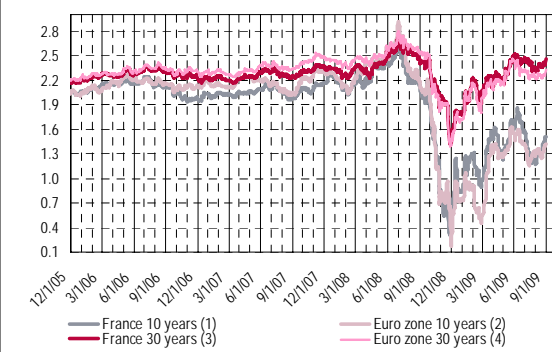
structure in %



Source: Banque de France

Breakeven inflation

daily quotes in %



Source: Bloomberg

- (1) difference between the yield of the OAT 4% April 2013 and the yield of the OATi 2.5% July 2013
 (2) difference between the yield of the OAT 5% April 2012 and the yield of the OAT*€*i 3% July 2012
 (3) difference between the yield of the OAT 5.5% April 2009 and the yield of the OATi 3.4% July 2009
 (4) difference between the yield of the OAT 5.75% October 2002 and the yield of the OAT*€*i 3.15% July 2002

Negotiable government debt and swaps

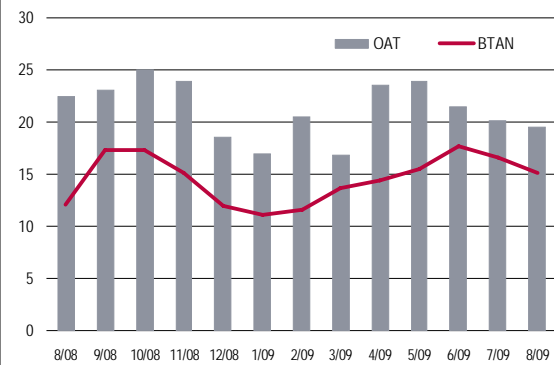
€bn

	end 2002	end 2003	end 2004	end 2005	end 2006	end 2007	end 2008	end of July 2009	end of August 2009
Negotiable government debt outstanding	717	788	833	877	877	921	1,017	1,115	1,125
OAT	478	512	552	593	610	641	681	704	704
BTAN	151	167	184	189	200	202	198	217	217
BTF	88	109	97	95	66	78	138	194	204
Swaps outstanding	61	61	61	52	44	42	28	25	24
Average maturity of the negotiable debt									
before swaps	5 years	5 years	6 years	6 years	7 years	7 years	6 years	6 years	6 years
	343 days	297 days	79 days	267 days	45 days	51 days	292 days	296 days	249 days
after swaps	5 years	5 years	6 years	6 years	7 years	7 years	6 years	6 years	6 years
	266 days	235 days	33 days	228 days	16 days	29 days	276 days	282 days	235 days

Source: Agence France Trésor

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

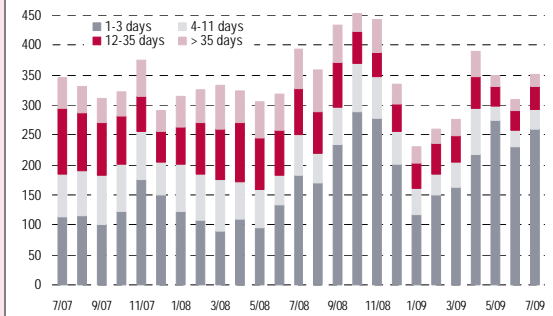
daily average (€bn)



Source: Euroclear France

Primary dealers, monthly fixed-rate repo transactions

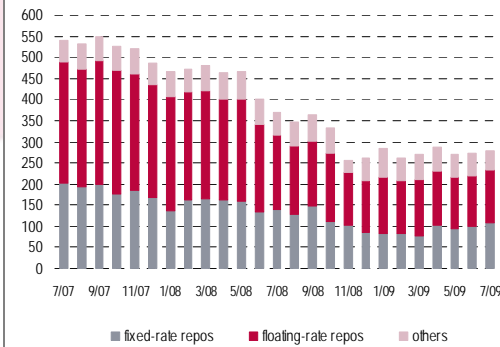
€bn



Source: primary dealers

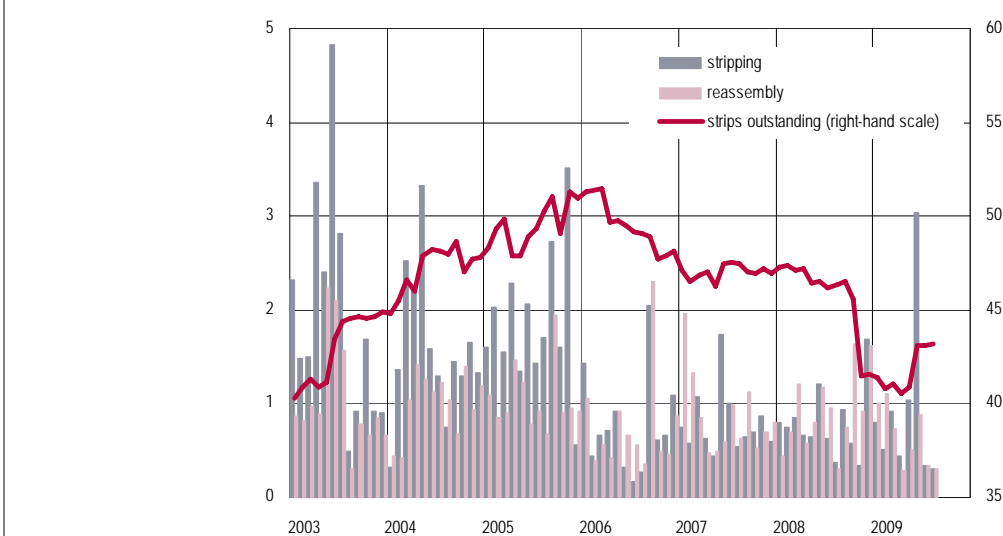
Primary dealers, repo outstanding at end of month

€bn



Source: primary dealers

Stripping and reassembly activity



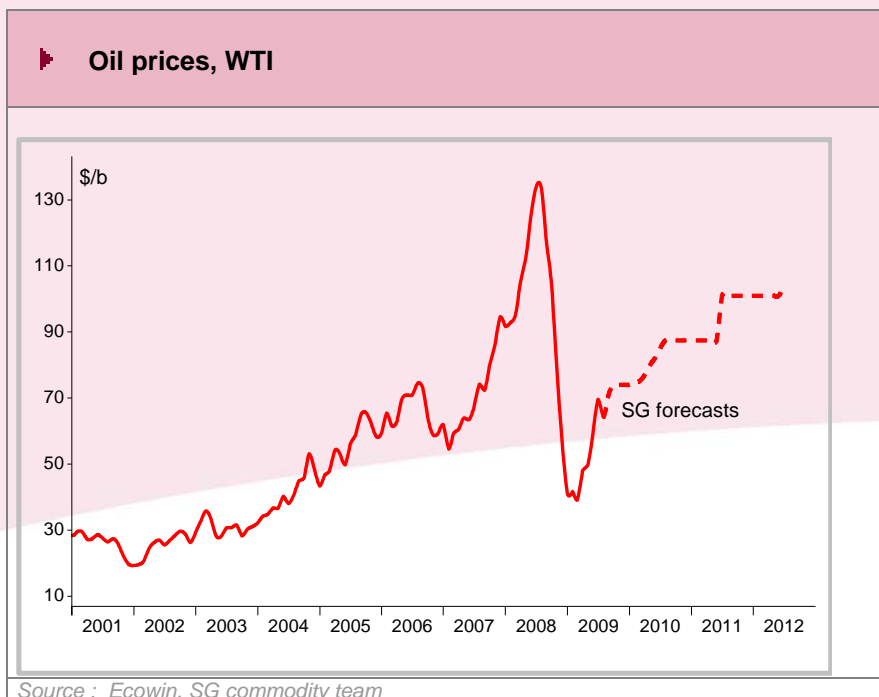
See tab on page 9 for more details on stripped bonds

Source: Euroclear France

The surge of raw material could quickly turn into the biggest threat to the recovery

By Véronique Riches-Flores, Chief Economist, Head of Thematic Research, SGCIB

Investors did not wait to hear the death knell of the recession before massively playing the 'black gold' card. A ruling out of the worst-case scenario, that of a worldwide systemic crisis, was all that was needed to swing open the doors to an exceptional increase in prices from mid-March. The wager was certainly not the most risky, in particular after the implementation of the set of rescue measures by governments and central banks to support the global economy. And even if the recovery will probably be characterized by a lacklustre and fundamentally unbalanced growth, with a dearth of world trade in manufactured goods, but certainly greedy in terms of commodities.



Not only did the structural catch-up of emerging countries avoid being jeopardised by the recession, but the change of tack adopted by many authorities to make up for losses on the export front suggests that the catch-up is actually likely to gather pace. Massive infrastructure development programmes and a surge in the Chinese auto market are guarantees of a genuine return of strong demand for commodities, which will combine with the structural increase in the needs of an economy in the throes of transition.

The surge in commodity prices, which confirms the end of the recession, has taken a breather since mid-August after an upward trend maybe too rapid. The surge in prices could quickly turn into the biggest threat to the recovery, in particular putting a serious dent in household consumption.

The collapse in inflation had acted as a very effective shield for consumers during the recession, up to now fully offsetting the loss in revenues linked to falling employment. Paradoxically, at the height of the crisis, this shield gave household confidence a boost. The anticipated pick-up in inflation from this autumn, on the back of a reversal of base effects on energy prices already constitutes a threat for consumer prospects over the coming quarters. If, as our specialists forecast, these trends are to be amplified by a further surge in energy prices as well as by higher agricultural raw material prices, the situation would soon become critical again for purchasing power and therefore consumer spending.

Would such a risk be sufficient to hold back further pressure on prices? Nothing is less certain, as the outlook for household consumption appears to have a reduced influence on the demand outlook for commodities which, above all, seems today driven by increases in government infrastructure programmes, from China in particular.

NB: this Agence France Trésor forum offers economists an opportunity to express their personal opinion. Thus, the above article strictly reflects the author's view, and should not be construed as expressing the viewpoints of Agence France Trésor or the Ministry of the Economy, Industry and Employment.

THE FRENCH ECONOMY

► Macro-economic forecast

Real growth rate as a %

	2008	2009	2010
French GDP	0,4	-3,0	0,5
Household consumption	1,1	0,3	0,7
Business investment	2,6	-9,4	-1,2
Exports	-0,2	-9,8	-0,9
Imports	0,8	-7,5	0,6
Consumer prices (on an annual average basis)	2,8	0,4	1,2

Source: Ministry of the Economy, Industry and Employment

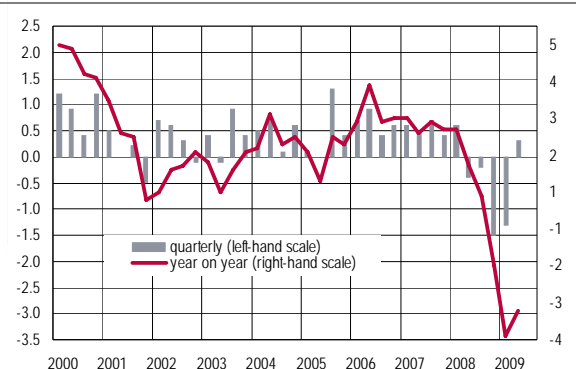
► Recent economic indicators

Industrial output*, year-on-year	-13.0%	7/2009
Household consumption*, year-on-year	1.2%	6/2009
Unemployment rate (ILO)	9.1%	6/2009
Consumer prices, year-on-year		
all items	-0.2%	8/2009
all items excluding tobacco	-0.2%	8/2009
Trade balance, fob-fob, sa	-1.3 EUR bn	7/2009
"	-3.5 EUR bn	6/2009
Current account balance, sa	-1.2 EUR bn	7/2009
"	-3.3 EUR bn	6/2009
10-year constant maturity rate (TEC10)	3.51%	08/31/2009
3-month interest rate (Euribor)	0.821%	08/31/2009
EUR / USD	1.4272	08/31/2009
EUR / JPY	133.10	08/31/2009

*manufactured goods –
Source: Insee; Ministry of the Economy, Industry and Employment; Banque de France

► Gross domestic product at chain-linked previous year prices

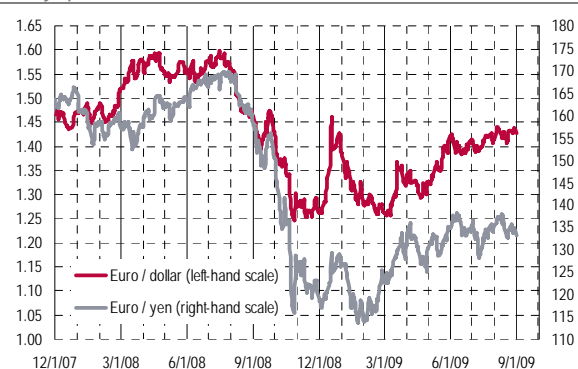
Variation in %



Source: Insee, quarterly national accounts

► Euro exchange rate

Daily quotes



Source: European Central Bank

► Government budget monthly position

€bn

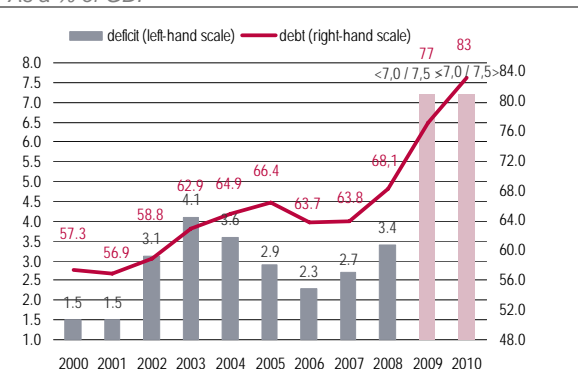
	2007	2008	end of July level		
			2007	2008	2009
General budget					
balance	-38,19	-56,99	-29,66	-29,44	-81,48
revenue	299,22	291,12	172,94	174,95	133,76
expenditure	337,41	348,11	202,60	204,39	215,25
Balance of special Treasury accounts	-0,21	0,40	-18,33	-21,95	-27,54
General budget outturn	-38.40	-56.59	-47.99	-51.39	-109.02

Source: Ministry of the Budget, Public Accounts and the Civil Service

for more information: <http://www.budget.gouv.fr/>

► Public finance: general government deficit and debt

As a % of GDP



Source: according to Maastricht Treaty, Insee and Ministry of the Economy, Industry and Employment

▶ Timetable for the release of French economic indicators

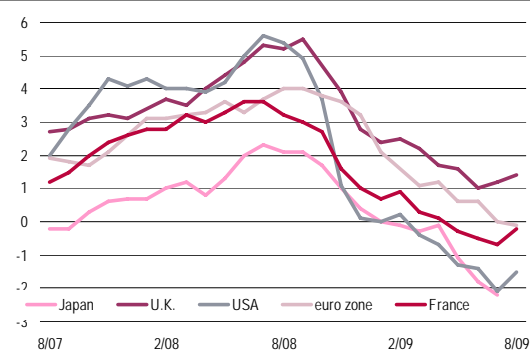
September 2009	October 2009
4 Central government budget: statement at end of July	8 Foreign trade in August
10 Industrial output in July	8 Central government budget: statement at end of August
10 Payroll employment: final results Q2-2009	9 Industrial output in August
15 Consumer prices: index for August	13 Balance of payments in August
15 Balance of payments in July	13 Consumer prices: index for September
18 Wages: final statistics Q2-2009	22 Industrial trends: monthly survey for October
23 Household consumption of manufactured goods in July/August	23 Household consumption of manufactured goods in September
23 Industrial trends: monthly survey for September	26 Job seekers in September
25 Quarterly national accounts: final results Q2-2009	27 New building starts in September
24 Job seekers in August	27 Household confidence survey: September survey
30 Industrial producer prices: July/August index	30 Industrial producer prices: September index

Harmonized index of consumer prices – Eurozone (Eurostat)
Index for August: September 16
Index for September: October 15

INTERNATIONAL COMPARISONS

▶ Consumer price index

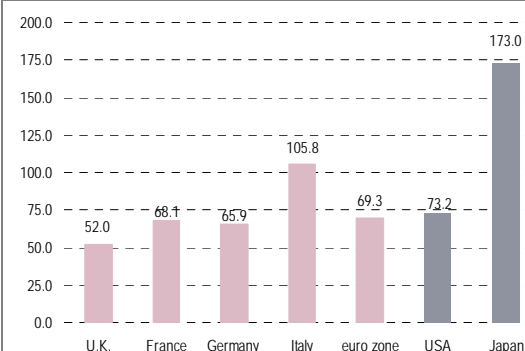
Year-on-year % change



Source: statistical institutes

▶ General government debt in 2008

As a % of GDP



Source: Eurostat, OECD

FRENCH GOVERNMENT NEGOTIABLE DEBT OUTSTANDING - DETTE NEGOCIABLE DE L'ETAT

OAT au 31 août 2009 / fungible Treasury bonds at August 31, 2009

En euros

CODE ISIN Euroclear France	Libellé de l'emprunt / Bond	Encours / Outstanding	Coefficient d'indexation / indexation coefficient	Valeur nominale / face value	démembré / stripped	CODE ISIN Euroclear France	Libellé de l'emprunt / Bond	Encours / Outstanding	Coefficient d'indexation / indexation coefficient	Valeur nominale / face value	démembré / stripped
	Echéance 2009	19 224 137 038					Echéance 2019	42 751 468 664			
FR0000186199	OAT 4,25% 25 octobre 2009	19 224 137 038			435 533 000	FR0000189151	OAT 4,25% 25 avril 2019	28 002 000 000			202 790 000
	Echéance 2010	31 642 742 970				FR0000570921	OAT 8,5% 25 octobre 2019	8 844 392 893			3 921 286 000
FR0000186603	OAT 5,5% 25 avril 2010	15 791 719 352			495 720 000	FR0010776161	OAT 3,75% 25 octobre 2019	5 888 000 000			0
FR0000187023	OAT 5,5% 25 octobre 2010	15 851 023 618			881 783 000	FR0000570954 C	ETAT 9,82% 31 décembre 2019	17 075 771 (2)		(6 692 154)	-
	Echéance 2011	52 122 318 072					Echéance 2020	19 017 286 500			
FR0000570731	OAT 6,5% 25 avril 2011	19 572 445 710			771 930 000	FR0010050559 I	OATÉi 2,25% 25 juillet 2020	19 017 286 500 (1)	1,12675	(16 878 000 000)	0
FR0010094375 I	OATI 1,6% 25 juillet 2011	16 894 986 030 (1)	1,10331	(15 313 000 000)	0		Echéance 2021	21 677 000 000			
FR0000187874	OAT 5% 25 octobre 2011	15 654 886 332			309 091 000	FR0010192997	OAT 3,75% 25 avril 2021	21 677 000 000			370 618 000
	Echéance 2012	59 084 874 803					Echéance 2022	1 243 939 990			
FR0000188328	OAT 5% 25 avril 2012	17 169 110 580			494 450 000	FR0000571044	OAT 8,25% 25 avril 2022	1 243 939 990			807 750 000
FR0000188013 I	OATÉi 3% 25 juillet 2012	16 875 943 960 (1)	1,16434	(14 494 000 000)	0		Echéance 2023	33 117 653 483			
FR0000188690	OAT 4,75% 25 octobre 2012	19 554 122 924			387 296 000	FR0000571085	OAT 8,5% 25 avril 2023	10 606 195 903			6 873 325 000
FR0000570780	OAT 8,5% 26 décembre 2012	5 485 697 339			-	FR0010585901 I	OATI 2,1% 25 juillet 2023	5 898 457 580 (1)	1,03174	(5 717 000 000)	0
	Echéance 2013	56 421 373 450				FR0010466938	OAT 4,25% 25 octobre 2023	16 613 000 000			293 902 000
FR0000188989	OAT 4% 25 avril 2013	19 827 183 879			139 150 000		Echéance 2025	10 610 928 118			
FR0000188955 I	OATI 2,5% 25 juillet 2013	17 619 431 892 (1)	1,12098	(15 717 882 471)	0	FR0000571150	OAT 6% 25 octobre 2025	10 610 928 118			2 927 177 000
FR0010011130	OAT 4% 25 octobre 2013	18 974 757 679			238 620 000		Echéance 2028	16 173 709			
	Echéance 2014	37 908 724 224				FR0000571226 C	OAT zéro coupon 28 mars 2028	16 173 709 (3)		(46 232 603)	-
FR0010061242	OAT 4% 25 avril 2014	19 254 752 234			119 375 000		Echéance 2029	25 754 841 519			
FR0010112052	OAT 4% 25 octobre 2014	18 653 971 990			132 550 000	FR0000571218	OAT 5,5% 25 avril 2029	16 990 880 458			2 667 516 000
	Echéance 2015	58 470 384 873				FR0000186413 I	OATI 3,4% 25 juillet 2029	8 763 961 061 (1)	1,17619	(7 451 144 000)	0
FR0010163543	OAT 3,5% 25 avril 2015	19 388 313 893			149 650 000		Echéance 2032	28 682 850 970			
FR0010135525 I	OATÉi 1,6% 25 juillet 2015	14 042 070 980 (1)	1,10411	(12 718 000 000)	0	FR0000188799 I	OATÉi 3,15% 25 juillet 2032	10 273 528 370 (1)	1,14163	(8 999 000 000)	0
FR0010216481	OAT 3% 25 octobre 2015	25 040 000 000			267 394 000	FR0000187635	OAT 5,75% 25 octobre 2032	18 409 322 600			6 778 299 000
	Echéance 2016	44 002 000 000					Echéance 2035	15 614 000 000			
FR0010288357	OAT 3,25% 25 avril 2016	21 980 000 000			32 550 000	FR0010070060	OAT 4,75% 25 avril 2035	15 614 000 000			3 380 786 000
FR0000187361	OAT 5% 25 octobre 2016	22 022 000 000			1 175 730 000		Echéance 2038	23 889 000 000			
	Echéance 2017	57 331 461 940				FR0010371401	OAT 4% 25 octobre 2038	23 889 000 000			3 473 800 000
FR0010415331	OAT 3,75% 25 avril 2017	19 990 000 000			212 000 000		Echéance 2040	5 743 336 810			
FR0010235176 I	OATI 1% 25 juillet 2017	18 929 461 940 (1)	1,06429	(17 786 000 000)	0	FR0010447367 I	OATÉi 1,8% 25 juillet 2040	5 743 336 810 (1)	1,05751	(5 431 000 000)	0
FR0010517417	OAT 4,25% 25 octobre 2017	18 412 000 000			221 700 000		Echéance 2041	6 000 000 000			
	Echéance 2018	38 963 000 000				FR0010773192	OAT 4,5% 25 avril 2041	6 000 000 000			1 320 000 000
FR0010604983	OAT 4% 25 avril 2018	21 294 000 000			122 250 000		Echéance 2055	14 926 000 000			
FR0010670737	OAT 4,25% 25 octobre 2018	17 669 000 000			3 200 000	FR0010171975	OAT 4% 25 avril 2055	14 926 000 000			3 547 567 000

(1) Encours OAT indexées = valeur nominale x coefficient d'indexation / indexed bonds outstanding = face value x indexation coefficient
 (2) y compris intérêts capitalisés au 31/12/2008 / including coupons capitalized at 12/31/2008 ; non offerte à la souscription / not open to subscription
 (3) valeur actualisée au 28/03/2009 / actualized value at 03/28/2009 ; non offerte à la souscription / not open to subscription
 OATI : OAT indexée sur l'indice français des prix à la consommation (hors tabac) / OAT indexed on the French consumer price index (excluding tobacco)
 OATÉi : 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 price (excluding tobacco)

Total OAT / total fungible Treasury bonds	704 215 497 133
Encours démembré / stripped outstanding	43 154 788 000
En % des lignes démembrables	6,18 %
Durée de vie moyenne	9 ans et 346 jours
Average maturity	9 years and 346 days

BTAN au 31 août 2009

Treasury notes at August 31, 2009

En euros

CODE ISIN	Emprunt / Bond	Encours / Outstanding	Coefficient d'indexation / indexation coefficient	Valeur nominale / face value
Échéance 2009				
FR0110979178	BTAN 4% 12 septembre 2009	13 252 000 000		
Échéance 2010				
FR0107369672	BTAN 3% 12 janvier 2010	62 033 425 250		
FR0107674006	BTAN 2,5% 12 juillet 2010	20 387 000 000		
FR0108664055.1	BTANGI 1,25% 25 juillet 2010	10 102 425 250	(1) 1,08337	9 325 000 000
FR0113872776	BTAN 3,75% 12 septembre 2010	12 918 000 000		
Échéance 2011				
FR0108354806	BTAN 3% 12 janvier 2011	54 665 000 000		
FR0108847049	BTAN 3,5% 12 juillet 2011	23 363 000 000		
FR0116843519	BTAN 1,5% 12 septembre 2011	21 231 000 000		
Échéance 2012				
FR0109970386	BTAN 3,75% 12 janvier 2012	10 071 000 000		
FR0110979186	BTAN 4,5% 12 juillet 2012	31 204 000 000		
Échéance 2013				
FR0113087466	BTAN 3,75% 12 janvier 2013	15 753 000 000		
FR0114683842	BTAN 4,5% 12 juillet 2013	29 530 000 000		
Échéance 2014				
FR0116114978	BTAN 2,5% 12 janvier 2014	17 553 000 000		
FR0116843535	BTAN 3% 12 juillet 2014	18 410 000 000		
		8 343 000 000		

(1) Encours BTAN indexés = valeur nominale x coefficient d'indexation / indexed bonds outstanding = face value x indexation coefficient

Total BTAN / total Treasury notes **217 437 425 250**

Durée de vie moyenne des BTAN **2 ans et 21 jours**
Average maturity of BTANs 2 years and 21 days

Dette négociable de l'Etat au 31 août 2009 /

French government negotiable debt at August 31, 2009

Encours total / total outstanding **1 125 264 922 383**

Durée de vie moyenne **6 ans et 249 jours**
Average maturity 6 years and 249 days

BTF au 31 août 2009

Treasury bills at August 31, 2009

En euros

	Échéance / Maturity	Encours / Outstanding
BTF	3 septembre 2009	7 598 000 000
BTF	10 septembre 2009	6 359 000 000
BTF	17 septembre 2009	9 509 000 000
BTF	24 septembre 2009	8 984 000 000
BTF	1 octobre 2009	7 822 000 000
BTF	8 octobre 2009	7 458 000 000
BTF	15 octobre 2009	8 233 000 000
BTF	22 octobre 2009	7 803 000 000
BTF	29 octobre 2009	8 432 000 000
BTF	5 novembre 2009	8 854 000 000
BTF	12 novembre 2009	8 676 000 000
BTF	19 novembre 2009	8 597 000 000
BTF	26 novembre 2009	4 389 000 000
BTF	3 décembre 2009	8 495 000 000
BTF	17 décembre 2009	9 768 000 000
BTF	31 décembre 2009	5 730 000 000
BTF	14 janvier 2010	9 177 000 000
BTF	28 janvier 2010	7 272 000 000
BTF	11 février 2010	6 974 000 000
BTF	25 février 2010	2 259 000 000
BTF	11 mars 2010	8 567 000 000
BTF	8 avril 2010	8 205 000 000
BTF	6 mai 2010	7 914 000 000
BTF	3 juin 2010	7 729 000 000
BTF	1 juillet 2010	10 872 000 000
BTF	29 juillet 2010	7 936 000 000

Total BTF / total Treasury bills **203 612 000 000**

Durée de vie moyenne des BTF **120 jours**
Average maturity of BTFs 120 days

Réserve de titres de la Caisse de la dette publique au

31 août 2009 /

Securities held in reserve by Caisse de la dette publique at August 31, 2009

néant / void