



Caisse d'Amortissement de la Dette Sociale

# n°36 the NEWS LETTER December 2014



**Patrice Ract Madoux**  
Chairman of the Board

Bonds issued by CADES (Caisse d'Amortissement de la Dette Sociale) are consistently sought after in today's Eurozone environment. Thanks to the confidence entrusted to us by international investors, we have been able to raise €17.5 billion of mid and long term debt since 1 January, enabling us to successfully achieve our funding programme planned for this year.

These achievements have helped us to reduce French public debt this year, through our mission to amortise French social debt, entrusted to us by French Parliament.

In 2014 CADES plans to amortise €12.7 billion of additional social debt, in accordance with the objective fixed in the Social Security Financing Act for 2014.

In total, as at 31 December 2014, CADES will have amortised €96.7 billion of social debt since its creation in 1996. This reduction in French public debt is equivalent to 4 per cent of GDP. When the interest saving on the amortised debt is taken into account, the reduction equates to more than 5 per cent of GDP.

In 2015, CADES will assume € 10 billion of new social debt, which will include deficits from CNAV<sup>(1)</sup> and FSV<sup>(1)</sup> as well as deficits from CNAF<sup>(1)</sup> and CNAM<sup>(1)</sup>, health and family agencies respectively. This transfer of debt, for which financing terms were already voted in the SSFA for 2011, will not change the lifespan of CADES in accordance with its organic law.

Next year, we will continue to pursue our mission and be closely involved in reducing French public debt.

## Key figures (estimation)

Debt assumed since inception  
**€226.7 bn**

Income collected since 1996  
**€141.1 bn**  
*(of which €16.0 bn in 2014)*

Interest paid since 1996  
**€44.4 bn**  
*(of which €3.3 bn in 2014)*

Amortized debt as  
at 31 December 2014  
**€96.7 bn**  
*(of which 12.7 bn in 2014)*

Debt still to amortize as  
at 31 December 2014  
**€130.0 bn**

## INFORMATION

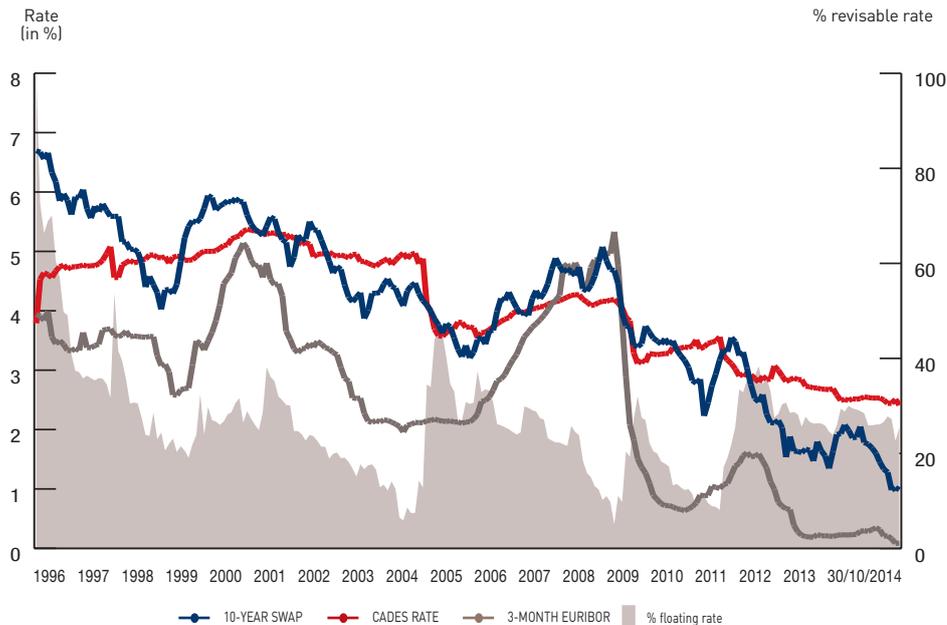
The Board of Directors, chaired by Mr Patrice Ract Madoux, agreed CADES' budget for 2015 on November 27, 2014.

**LAST UPDATE:** CADES has signed on December 3 a Memorandum of Understanding with Bank of China to develop active cooperation on capital markets. Read the full version of the release on CADES' website : [www.cades.fr](http://www.cades.fr)

## DETAILS OF FUNDING PROGRAMME CARRIED OUT IN 2014

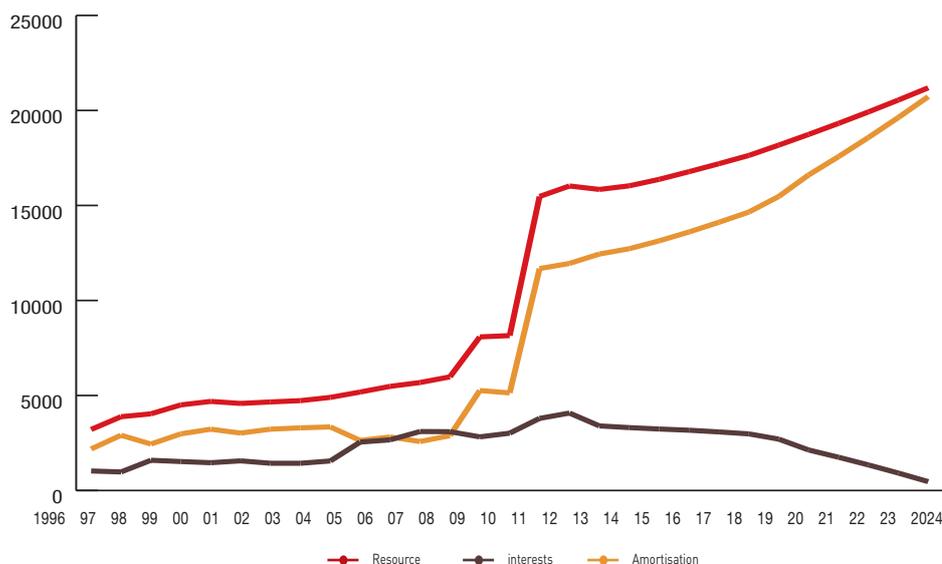
In € billion	2013	2014
Euro-benchmark issue	5.0	10.0
Tap of existing issues	3.2	1.0
Inflation-linked issues	0.5	0.0
USD-benchmark issues	5.5	5.8
Other currencies-benchmark issues	0.6	0.8
Other bonds and private placements	0.3	0,1
<b>SUB-TOTAL MID- AND LONG-TERM ISSUES</b>	<b>15.1</b>	<b>17.7</b>
Short term funding outstanding	12.2	6.2
<b>TOTAL VOLUMES OF ISSUES</b>	<b>27.3</b>	<b>23.9</b>

## EVOLUTION OF REFINANCING RATE



Refinancing rate decreased to 2.41% as at 31 October 2014. This historically low rate was reached due to higher performance showed in all debt compartments: fixed rate (3.16%), revisable rate (0.47%) and indexed rate (2.91%).

## BREAKDOWN OF RESOURCES BETWEEN AMORTISATION AND INTEREST



It should be noted that resource increase leading to enhancing amortization capacity from 2009 and 2011 resulted from the organic law application, which had been voted for in 2005.

## INFORMATION ABOUT CADES

**Geneviève GAUTHEY**  
Budget and Media Manager  
Tel: +33(0)1 55 78 58 07  
genevieve.gauthey@ccades.fr

**Magali CLAVIER**  
Assistant to the Chairman and webmaster  
Tel: +33(0)1 55 78 58 00

[www.cades.fr](http://www.cades.fr)  
Reuters CADES/T/U/V

**CADES information letter**  
15 rue Marsollier - 75002 Paris  
Website: <http://www.cades.fr>  
Director of Publication  
Patrice Ract Madoux  
Text contribution: CADES  
Design: Actifin  
ISSN 1633-1915



Caisse d'Amortissement de la Dette Sociale