



Caisse d'Amortissement de la Dette Sociale

n°33 the NEWSLETTER

May 2013



Patrice Ract Madoux
Chairman of the Board

The Board of Directors approved the financial statements for 2012 on 30 April.

In this financial year, resources allocated to the French Social Security Debt Repayment Fund (CADES) reached €16.0 billion in 2012, enabling €4.1 billion in interest to be paid to bearers of CADES' bonds and €11.9 billion of social security debt to be amortised.

The sovereign debt crisis and the tightening of long rates throughout the year led investors to look for bonds that offered the best yield with the highest quality and liquidity. This economic situation benefited CADES, which offers issues with a yield spread over other main European agencies and supra national issuers. However, the average refinancing rate of CADES at the end of 2012 was 2.70%, the lowest rate that CADES has showed since inception in 1996.

We were able to successfully raise a total of €30.2 billion on financial markets in France and abroad, placing ourselves amongst the first top sovereign and quasi-sovereign European issuers. To reach that amount, we issued 41 new mid- and long-term bonds, of which 14 were denominated in euros for a total of €17.5 billion and 27 were denominated in foreign currencies for an additional total of €12.7 billion.

Since early January, 2013 has been characterized by the comeback of peripheral issuers on the sovereign debt market: Ireland, Italy and Spain have seen significant interest from investors. Furthermore, the central bank of Japan recently announced that it has launched a new phase of monetary easing. A combination of these factors has led to a decline in interest rates on the sovereign debt market.

Nevertheless, the unstable economic and political environment that characterises some countries at the present moment encourages us to remain cautious in carrying out the 2013 funding programme. This comes to a total of €20 billion mid- and long-term issues.

However, we are delighted to announce that by the end of April we had already carried out a third of our programme. €7 billion was successfully raised on financial markets in excellent financing conditions. As at 30 April 2013, CADES' refinancing rate was 2.67%.

We are confident that despite market conditions, we will be able to reach the amortisation objective on French social debt that is defined each year by the French Parliament. We execute our mission with the same involvement since our inception in 1996, with €71.6 billion already amortised at the end of 2012 and we intend to carry on this success in the coming years.

Key figures

Debt assumed since inception
€209.0 bn

Income collected since 1996
€109.2 bn
(of which €16 bn in 2012)

Interests paid since 1996
€37.7 bn
(of which €4.1 bn in 2012)

Amortised debt as
at 31 December 2012
€71.6 bn
(of which €11.9 bn in 2012)

Debt stil to amortise as
at 31 December 2012
€137,5 bn

CHANGE IN THE GOVERNANCE

At the Supervisory Board

- Valérie RABAULT, Deputy of Tarn-et-Garonne, elected Chairman of the Supervisory Board on 20 March 2013 ;
- Bernard ACCOYER, Deputy of Haute-Savoie, member ;
- Mr Yves DAUDIGNY, Senator of Aisne, member ;
- Mr Jean-Pierre CAFFET, Senator of Paris, member.

At the Board of Directors

- Emmanuel Bretin, Deputy Director at General Head Office for Treasury, replaces Maya Atig ;
- Olivier Vazeille, Office Manager at General Head Office for Treasury, replaces Sébastien Raspiller ;
- Ambroise Fayolle, Director of Agence France Trésor, replaces Philippe Mills ;
- Maya Atig, Deputy Director of Agence France Trésor, replaces Anthony Requin ;
- Thomas Fatome, Director of Social Security, replaces Dominique Libault ;
- Arnaud Jullian, Deputy Director, Head Office of Social Security, replaces Jonathan Bosredon ;
- Nicolas Agnoux, Assistant to the Deputy Director, Head Office of Social Security, replaces Damien Vergé.

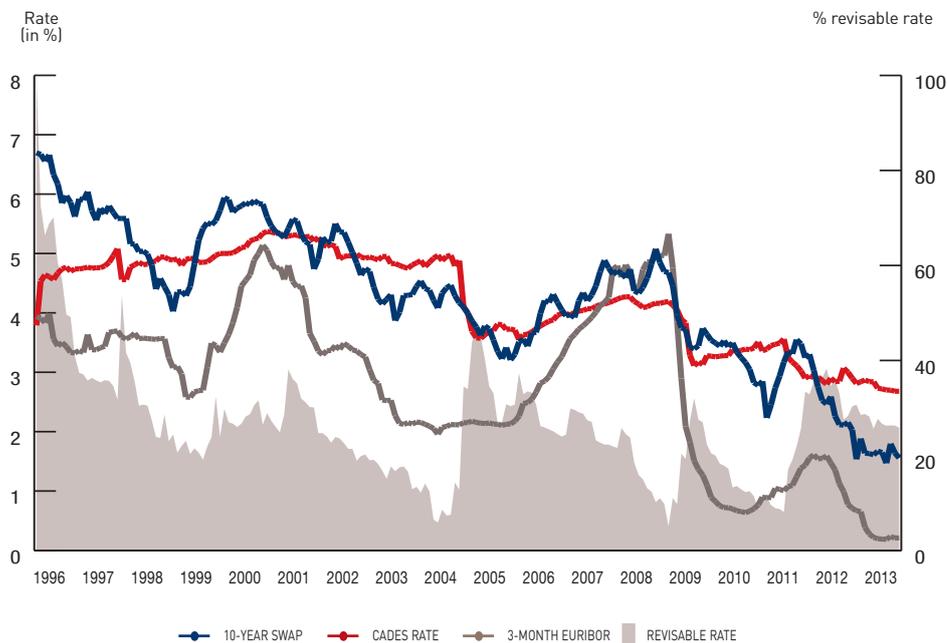
INDICATIVE PROGRAMME OF FUNDING FOR 2013

in € billion

	Realised in 2012		Planned in 2013		Already carried out as at 30 April 2013	
Euro benchmarks	11.0	(3)	6-9	(2-3)	2.5	(1)
Tap of existing issues	3.75	(7)	2-3		0.75	(3)
Inflation-linked bonds	2.75	(4)	1-2	(1-2)	0	(0)
US Dollar benchmarks	6.2	(3)	4-6	(3-4)	3.4	(2)
Other currency benchmarks	3.2	(7)	1-2	(4-5)	0.1	(1)
Other bonds and private placements	3.3	(17)	1-2	(10-12)	0.45	(3)
TOTAL MEDIUM- AND LONG-TERM DEBTS	30.2		20		7.2	
Outstanding short-term securities (as at 12/31)	10.0		10		9.0	

(x): indicative number of carried-out or planned operation

EVOLUTION OF REFINANCING RATE



Refinancing rate decreased to 2.67% as at 30 April 2013. This is the lowest rate recorded since CADES' inception in 1996. This historical low rate was reached due to higher performance showed in all debt compartments: fixed rate, revisable rate and indexed rate.

INFORMATION ABOUT CADES

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