



Caisse d'Amortissement de la Dette Sociale

n°35 the NEWS LETTER

June 2014



Patrice Ract Madoux
Chairman of the Board

2013 gave CADES (the French Social Security Debt Repayment Fund) the opportunity to reconfirm its efficiency to amortize French social debt, a mission entrusted by the French Parliament.

Financial statements for 2013 were approved by the Board of Directors on 10 April and examined by the Supervisory Board on 28 April which concluded in favour of the CADES annual report for 2013. Resources allocated to CADES reached €15.8 billion in 2013, enabling €3.4 billion in interest to be paid to bearers of CADES' bonds and €12.4 billion of additional social security debt to be amortized.

Since its establishment in 1996, CADES has amortized €84 billion of social debt, the equivalent to 4 percentage points of French GDP in 2013.

Thanks to its amortization mechanism, CADES will have saved interest on the amortized debt, increasing the reduction in French public debt to more than 5 per cent of GDP.

Since the beginning of the year we are benefiting from the same conditions, at the end of April €12.2 billion was successfully raised on the financial markets in France and abroad, equating to three-quarters of our programme planned for 2014. The programme already carried out includes large amounts of benchmark assets constituting of High Quality Liquid Assets (HQLA) issued by CADES under new European regulation terms on Capital Requirement Regulation (CRR).

The outstanding success of our bonds underlines the confidence that international investors have in CADES. They particularly appreciate the solidity of the French social debt amortization mechanism, as well as the quality of the resource that is collected among the population under the supervision of the French Parliament and the Constitutional Council.

Since early 2014, the decline in interest rates observed in the sovereign debt markets has allowed CADES to carry out its new programme under excellent financing conditions. The refinancing rate on CADES' debt portfolio was 2.53% as at 30 April 2014, an historically low rate.

Current conditions will allow CADES to successfully carry out its entire programme this year. We also will remain focused on fulfilling the mission entrusted to us by the French Parliament to amortize social debt in the next few years.

P Ract Madoux

APPOINTMENT - BOARD OF DIRECTOR

By decree of the President of the Republic, dated 15 May 2014, **Mr. Patrice Ract Madoux** was reappointed chairman of the board of directors of the Caisse d'Amortissement de la Dette Sociale (Decree of 15 May 2014, published in the J.O. No. 0114 of 17 May 2014).

BY MINISTERIAL ORDER OF MAY 22ND, 2014, THE COMPOSITION OF COMPOSITION OF CADES' BOARD OF DIRECTORS IS AS FOLLOWS :

- Jean-Eudes TESSON, Chairman of the Board of **ACOSS**⁽¹⁾ (substitute: Jean-Claude Guery) and Pierre-Yves CHANU, Vice-Chairman of the Board (substitute: Serge Cigana)
- Michel REGEREAU, Chairman of the Board of **CNAMTS**⁽¹⁾ (substitute: Jean-Marc Lamère)
- Gérard RIVIERE, Chairman of the Board of **CNAVTS**⁽¹⁾ (substitute: Pierre Burban)
- Jean-Louis DEROUSSEN, Chairman of the Board of **CNAF**⁽¹⁾ (substitute: Jean-Marie Attard)
- Gérard QUEVILLON, Chairman of the Board of **CNRSI**⁽¹⁾ (substitute: Louis Grassi)
- Gérard PELHATE, Chairman of the Board of **CCMSA**⁽¹⁾ (substitute: Jean-François Belliard)
- Representative from the Supervisory Board of the **FRR**⁽¹⁾ : Valérie CORMAN, director of the Business and social environment division of the MEDEF⁽¹⁾, (substitute: Emilie Martinez)
- **Representatives from Ministry of Economy:** Ambroise FAYOLLE, Director of Agence France Trésor (substitute: Maya Atig) and Emmanuel BRETIN, Deputy Director of Agence France Trésor (substitute: Olivier Vazeille)
- **Representatives from Ministry of Budget:** Olivier TOUVENIN, Deputy Director of Public Accountancy Head Office (substitute: Pierre Farouilh)
- **Representatives from Minister in charge of Social Security:** Thomas FATOME, Director of Social Security (substitute: Jean-François Chadelat) and Jonathan BOSREDON, Deputy Director of Social Security (substitute: Arnaud Jullian)

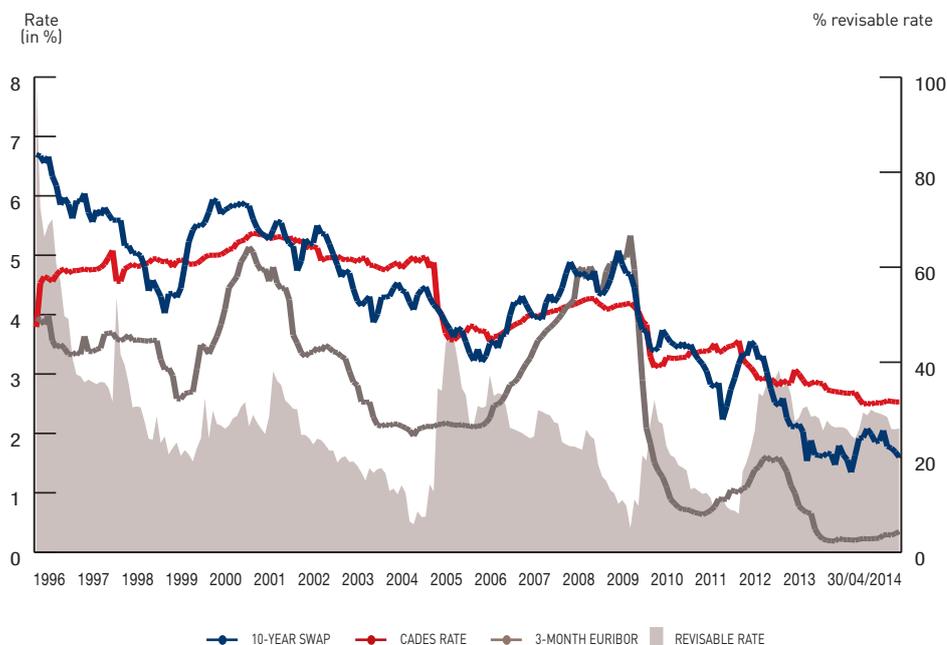
⁽¹⁾ **ACOSS** : Agence centrale des organismes de sécurité sociale, **CNAMTS** : Caisse nationale de l'assurance maladie des travailleurs salariés, **CNAVTS** : Caisse nationale d'assurance vieillesse des travailleurs salariés, **CNAF** : Caisse nationale des allocations familiales, **CNRSI** : Caisse nationale du régime social des indépendants, **CCMSA** : Caisse centrale de la mutualité sociale agricole, **FRR** : Fonds de réserve pour les retraites, **MEDEF** : Mouvement des Entreprises de France

INDICATIVE PROGRAMME OF FUNDING FOR 2014

in € billion

	Realised in 2013	Planned in 2014	Already carried out as at 30 April 2014
Euro-benchmark issue	5 (2)	6	6
Tap of existing issues	3.2 (9)	2-3	0
Inflation-linked issues	0.5 (1)	1	0
USD-benchmark issues	5.5 (3)	4-5	5.8
Other currencies-benchmark issues	0.4 (1)	1-2	0.3
Other bonds and private placements	0.5 (5)	1	0
TOTAL MID- AND LONG-TERM ISSUES	15.1	15-18	12.2
Short term funding outstanding	10.8	9	9.8

(x) Number of operation carried out

EVOLUTION OF REFINANCING RATE


Refinancing rate decreased to 2.53% as at 30 April 2014. This historical low rate was reached due to higher performance showed in all debt compartments. revisable rate shows the highest performance (0,66%) followed by fixed rate (3.25%) and indexed rate (3.10%).

INFORMATION ABOUT CADES

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