



REPUBLIKA SLOVENIJA
MINISTRSTVO ZA FINANCE

Treasury of the Treasury Single Account

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Ljubljana, 24.11.2009



The role of the Treasury-Cash management objectives and activities

- Daily projections of government/TSA cash inflows, outflows and balances.
- Same-day - fluent monitoring of the government's cash balances and financial position.
- Development of options and strategies for meeting liquidity needs.
- Market operations in short-term financial markets (Placing liquidity surpluses and finding sources for financing liquidity deficits-shortages).
 - One of the most powerful financial institution on national financial market.
 - Partner of national central bank and one of important partners of commercial banks.
- Monitoring and management of short-term financial risks.
- Advice to the MOF on possible cash shortages and other key risks



TSA- field of work

Treasury of the Treasury Single Account has two departments:

- State budget liquidity management department
- TSA liquidity management department



Cash Flow Forecasting Process

1. Preparation

- **Gathering the information**
 - Latest cash position
 - Importing cash flow for 3 main subjects (state budget, ZPIZ and ZZZS)
 - Forecast all in and out flows (for other subject included in TSA)
- **Making Cash Flow & Decisions**
 - Project all inflows and outflows
 - Explore financing options

2. Execution

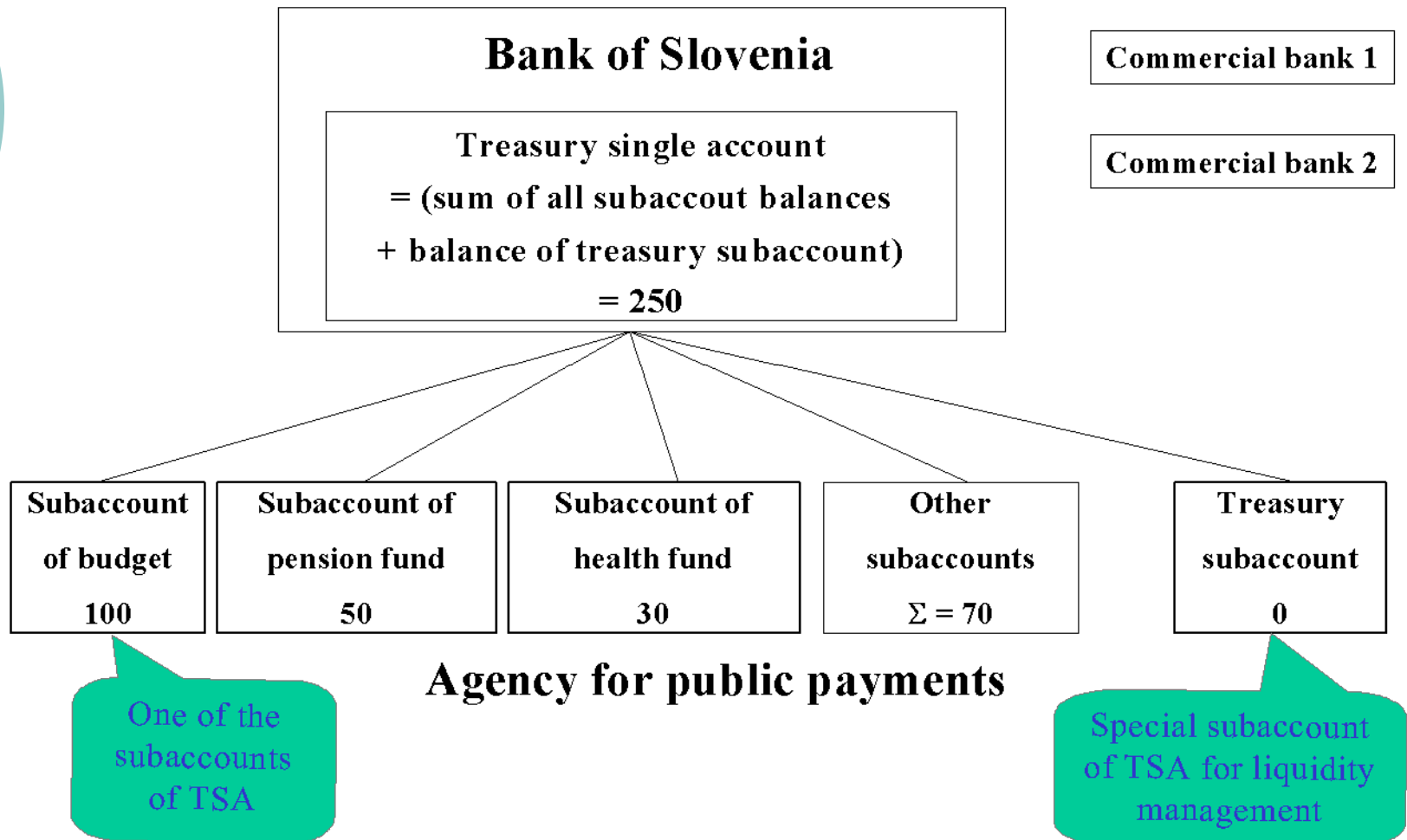
- Monitor the execution of the plan
- Manage day to day financing operations guided by the plan
- Making daily corrections
- Unplanned events occur – need to make adjustments
- Providing information for banks (Weekly operations, max. Limits for deposits...)

3. Updating

- Revise the plan
- Analyze deviations between actual and forecast situation

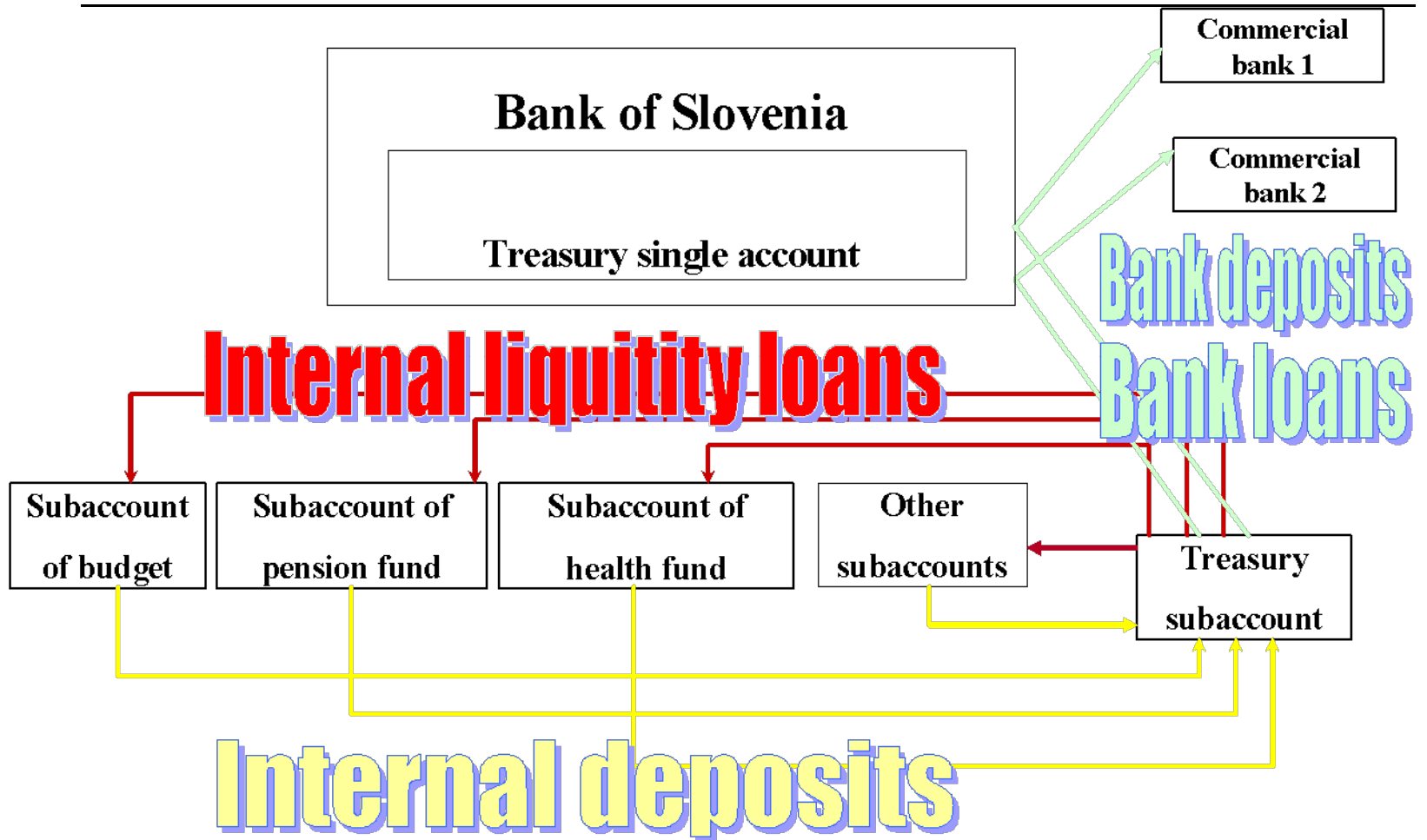


State's Treasury Single Account (TSA)





Liquidity management of TSA





Liquidity management on money market

- Placing liquidity surpluses:

- Commercial banks
 - O/N deposits (SLO),
 - time deposits (SLO and banks in EU)
 - call deposits (SLO)
- Central Bank (time deposits)

- Financing liquidity deficits:

- Commercial banks (time and call liquidity loans – SLO banks)



Balance sheet of treasury sub account

(average in 2008)

Assets	Source of assets
O/N deposits less than 1 %	Balances on sub accounts 26 %
Internal liquidity loans (within TSA) less than 1 %	
Time and call deposits in commercial banks and Central Bank 99 %	Internal deposits (within TSA) 74 %
	Liquidity loans from commercial banks less than 1 %



Financial effects of TSA

- + Interests from internal liquidity loans (within TSA) and deposits (by banks and central bank)
- Interest payment for balances on sub accounts, internal deposits (within TSA) and liquidity loans (by banks)
- = Surplus transferred into state budget