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## PORTUGAL ASKS FOR EXTERNAL AID

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**The finance minister believes Portugal has to ask for help immediately. In written answers to questions raised by 'Negócios', Fernando Teixeira dos Santos stated that "we need to resort to the funding mechanisms available under the European framework".**

Fernando Teixeira dos Santos said that Portugal needs to ask for help, in a series of written questions.

**Negócios: Does Portugal need to ask for help right now, as most bankers and economists are saying? Aren't you concerned about the size of the debt that you are going to have to pay in a year's time?**

**Fernando Teixeira dos Santos:** The country was irresponsibly pushed into a very difficult situation in the financial markets. Faced with this situation, which could have been avoided, I believe we must resort to the funding mechanisms available under the European framework in terms that are adequate given the current political situation. This will also require the involvement and commitment of the main national political forces and institutions.

**JdN: How would you assess the results of today's auction, namely the yields?**

**FTS:** Today's auction clearly shows the deterioration of market conditions following the rejection of the PEC. External demand is much lower and the rates reflect the unprecedented exacerbation seen over the last weeks due to the increased uncertainty that hangs over the country.

**JdN: Who were the buyers (more Portuguese or foreigners) and is the government instructing state companies (insurers and social security fund) to buy government debt?**

**FTS:** The placement was more than 90% domestic, split up among various entities, the social security did not buy debt at this auction.

**JdN: Is Portugal in any condition to find the resources it needs to pay its debts (of the state and state companies) until the next government takes office? And what is the amount of the state's commitments until the summer?**

**FTS:** The finance ministry has been vigilante and diligent in monitoring the financial market situation and its repercussions in the general financing conditions of the country. Despite the visible and highly serious consequences of the political crisis that arose from the rejection of the PEC, Portugal will honour its financial commitments taking any initiatives necessary to ensure the indispensable resources.