



1. TOTAL PUBLIC DEBT

Total public Disbursed Outstanding Debt (DOD) was SAT1, 124.8millions (m), decreased by 1.7% compared to September 2015 quarter, but increased by 4.4% compared to December 2014 quarter. The strengthening of the Tala against the main loan currencies (CNY, USD, JPY, and SDR) in December 2015 compared to September 2015 exchange rates was the main contributor to the decrease, despite the high level of disbursements recorded during the quarter.

Debt to GDP ratio was 56.7%, with 54.6% to external debt and 2.2% to domestic debt.

Cost of existing debt is average interest rate of 2.1%.

Refinancing risk is lower in the portfolio, longer ATM of 11.7years, due to longer maturity external debt.

Interest rate risk exposure is minimal, 100% of the debt portfolio is on fixed interest rate. Total debt with interest rate re-fix in 1year is about 4.1%.

Foreign currency risk remains high at 96.2%, and no domestic debt is denominated in foreign currency. The foreign currency debt maturing in 1yr is about 16% of foreign reserves available at end of the period.

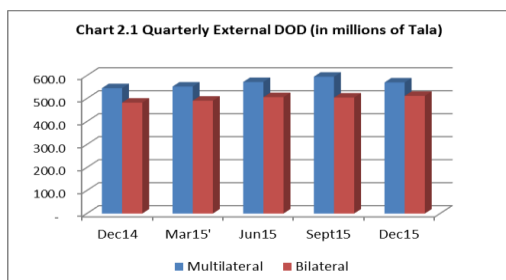
Table 1.1: Cost and Risk Indicators for Total Public Debt 31 December 2015

Risk Indicators		External Debt	Domestic Debt	Total Debt
Amount (in millions of SAT)		1,081.7	43.1	1,124.8
Nominal debt as % GDP		54.6%	2.2%	56.7%
Cost of debt	Av. IR (%)	1.3%	8.2%	2.1%
	ATM (years)	12.0	3.3	11.7
Refinancing risk	Debt maturing in 1yr (% of total)	3.5%	19.3%	4.1%
	ATR (years)	12.0	3.3	11.7
	Debt refixing in 1yr (% of total)	3.5%	19.3%	4.1%
Interest rate risk	Fixed rate debt (% of total)	100%	100%	100%
	FX debt (% of total debt)	100%	-	96.2%
FX risk	ST FX debt (% of reserves)	16%	-	16%

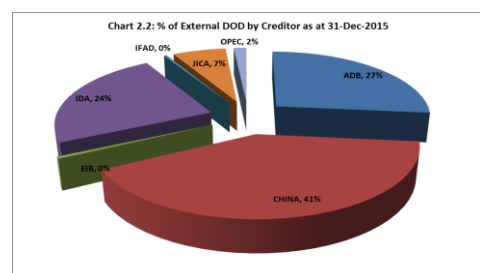
Note: Av. IR - Average Interest Rate, ATM - Average Time To Maturity, ATR - Average Time to Refixing, FX - Foreign Currency, ST - Short Term

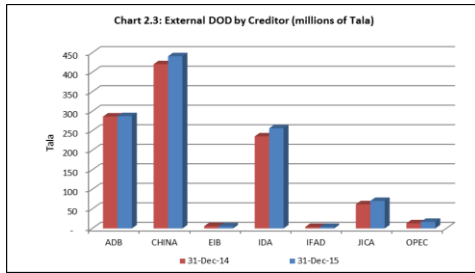
2. PUBLIC EXTERNAL DEBT

Public external debt outstanding was SAT1, 081.7m, approximately 53% (SAT570.1m) from multilateral creditors and 47% (SAT511.5m) from bilateral creditors. The external debt decreased by 1.6% compared to September 2015 quarter, but increased by 5.3% compared to December 2014 quarter. No new external borrowing contracted during the quarter.

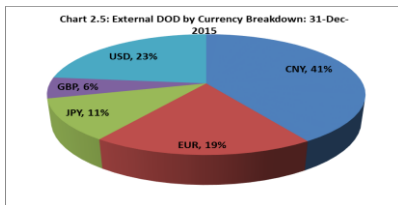
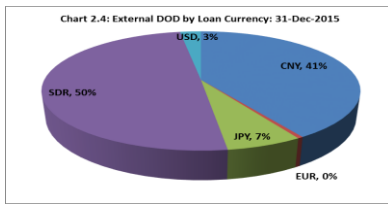


2.1 Creditors Composition (Chart 2.2) shows that the EXIM Bank of China (41%), ADB (27%) and IDA (24%) are the main external debt creditors. The comparative proportion for each creditor to December 2014(Chart 2.3) shows increases in proportions of debt outstanding with EXIM Bank of China, ADB, IDA, JICA and OPEC.

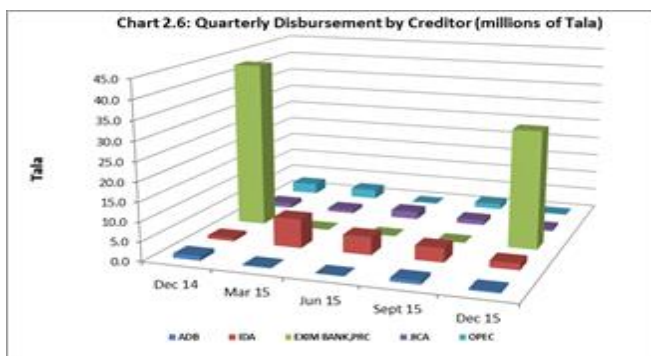




2.2 Currency Composition of the external debt shows that SDR¹ (50%) is the main loan currency (Chart 2.4), whereas the currency breakdown shows that CNY (41%), USD (23%) and EUR (19%) are the main foreign currencies in the portfolio (Chart 2.5).

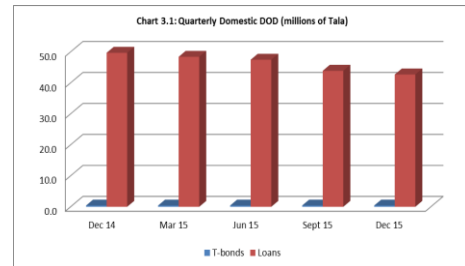


2.3 Disbursements total of SAT33.1m was recorded for the quarter, increased by 363% compared to previous quarter, mainly due to the implementation of the International Airport Terminal Upgrade project funded by the EXIM Bank of China (SAT30.4m). Approximately SAT1.7m was disbursed from IDA for the Agriculture Competitive Enhancement Project, and SAT1.0m from ADB and JICA for the Power Sector Expansion Program. (Chart 2.6).

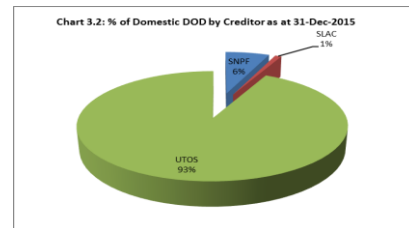


3. PUBLIC DOMESTIC DEBT

Public domestic debt outstanding at the end of the quarter was SAT43.1m, decreased by 2.7% and 14.0% when compared to September 2015 and December 2014 quarters respectively. Composition of domestic debt by instrument is about 99% (SAT42.7m) Government loans and 1% (0.4m) Government bonds (Chart 3.1). No new domestic borrowing contracted during the quarter.



3.1 Creditors Composition of the domestic debt portfolio (Chart 3.2) shows that UTOS (93%) is the main creditor, SNPF (6%), and SLAC (1%) and also holder of outstanding Government bonds.

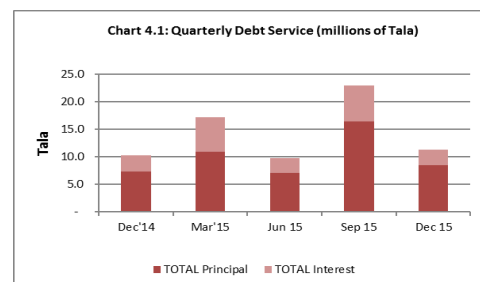


3.2 Currency composition of the domestic debt is 100% denominated in Samoa Tala.

3.3 No disbursements in the domestic debt portfolio during the quarter.

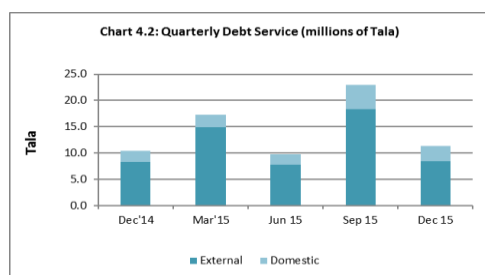
4. TOTAL DEBT SERVICE

Total debt service for the quarter was SAT11.4m- (principal: SAT8.5m and interest: SAT2.9m) decreased by 50.4% compared to September 2015 quarter but increased by 9.9% when compared to December 2014 quarter. External debt service was SAT8.4m and domestic debt service was SAT3.0m recorded for the quarter. The debt service payments are concentrated in the March and September quarters every year.



¹ Special Drawing Rights - USD 41.9%, Euro-37.4%, GBP-11.3%, JPY-9.4%

6. DEBT STATISTICS



5. GOVERNMENT GUARANTEES AND ON-LENDING

The outstanding Government onlending was SAT190.6m, decreased by 0.2% and 6.7% compared to the respective quarters September 2015 and December 2014. The outstanding onlending was about 17% of total public debt and 10% of GDP at end of the quarter.

The four Government on-lending arrangements are with two of its SOEs- EPC and DBS.

Total Government guarantees issued and outstanding was SAT171.1million, decreased by 1.8% compared to December 2014 quarter. The CBS (55%), EIB (12%), SNPF (11%) are the main creditors of Government guarantees (Chart 5.1). The DBS (71%) is the SOE with most of the Government guarantees issued and outstanding at end of the period (Chart 5.2).

The guarantees outstanding was 15% of total public debt and 9% of GDP at end of the quarter.

There were no new guarantees issued and no new on-lending arrangement during the quarter.

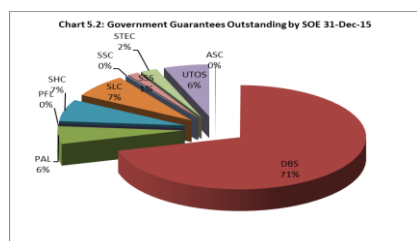
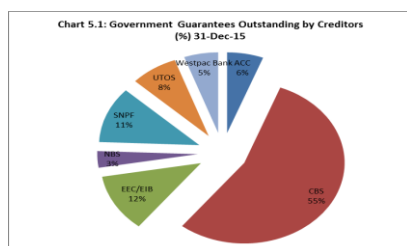


Table 6.1: Summary of Debt Ratio

Particulars	31-Dec-14	30-Sep-15	31-Dec-15	Qtrly change	YTD change
Total Public Debt (SAT)	1,077.7	1,144.0	1,124.8	-1.7%	4.4%
External Debt	1,027.6	1,099.7	1,081.7	-1.6%	5.3%
Domestic Debt	50.1	44.3	43.1	-2.7%	-14.0%
Total Public Debt to GDP (%)	57.1%	58.1%	56.7%	-2.3%	-0.7%
External Debt to GDP	54.5%	55.9%	54.6%	-2.3%	0.2%
Domestic Debt to GDP	2.7%	2.3%	2.2%	-3.4%	-18.1%
Total Debt Service (SAT)	10.4	22.9	11.4	-50.4%	9.9%
External	8.3	18.4	8.4	-54.5%	0.2%
Domestic	2.0	4.6	3.0	-33.8%	49.7%
Principal	7.3	16.4	8.5	-48.4%	16.1%
Interest	3.0	6.5	2.9	-55.6%	-5.1%
External Debt by Creditor(SAT)					
Multilateral	545.2	595.2	570.1	13.8%	28.9%
ADB	286.6	303.0	287.5	-5.1%	0.3%
EIB	5.9	6.0	5.4	-10.4%	-8.6%
IDA	235.8	265.6	256.5	-3.4%	8.8%
IFAD	3.9	2.8	3.9	38.4%	-0.8%
OPEC	13.1	17.9	16.9	-5.7%	29.2%
Bilateral	482.5	504.5	511.5	-0.7%	18.7%
EXIM Bank (China)	420.6	432.0	441.1	2.1%	4.9%
JICA	61.9	72.5	70.4	-2.8%	13.8%
Domestic Debt by Creditor(SAT)					
SLAC	0.4	0.4	0.4	0.0%	0.0%
SNPF	3.6	3.0	2.7	-7.5%	-23.6%
UTOS	46.1	40.9	40.0	-2.4%	-13.3%
External Debt by Loan Currency (SAT)					
% in CNY	41%	39%	41%	4%	-4%
% in SDR	50%	51%	50%	-3%	2%
% in USD	2%	3%	3%	-3%	13%
% EURO	1%	1%	0%	-9%	-9%
% JPY	6%	7%	7%	-1%	9%
Government Guarantees (SAT)	174.2	171.1	171.1*	0.0%	-1.8%
Government On-lending (SAT)	204.4	190.9	190.6	-0.2%	-6.7%

* provisional

Table 6.2: Terms of Government Borrowings

Creditor	Interest rate %	Commitment fees (c)/ service fees (s)/	Grace Period (GP)	Maturity (including GP)
ADB	1% during GP & 1.5% thereafter p.a./fixed	-	8yrs	32yrs
EIB	0.75% average p.a./fixed	-	10yrs	40yrs
IDA	0.75% p.a./fixed	-	10yrs	40yrs
IFAD	1% p.a./fixed	-	10yrs	50yrs
JICA	0.45% p.a./fixed	0.1% (c) p.a.	10yrs	30yrs
OPEC	3.6% average p.a./fixed	1% (s) p.a.	5yrs	20yrs
PRC EximBank	2% p.a./fixed	0.67% av.(c)/0.67% av. (m)	5yrs	20yrs
SLAC	6.5% average p.a./fixed	-	12.5yrs	12.5yrs
SNPF	11.3% average p.a./fixed	-	1yr	20yrs
UTOS	8.2% average p.a./fixed	-	1yr	7.7yrs

Sources: Ministry of Finance, Ministry of Public Enterprises, Samoa Bureau of Statistics, Central Bank of Samoa
Prepared by Aid Coordination & Debt Management Division