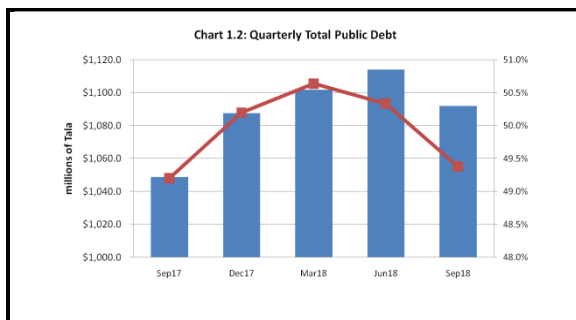
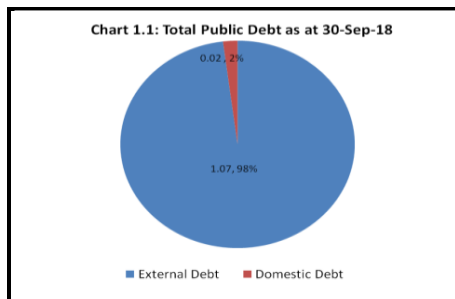


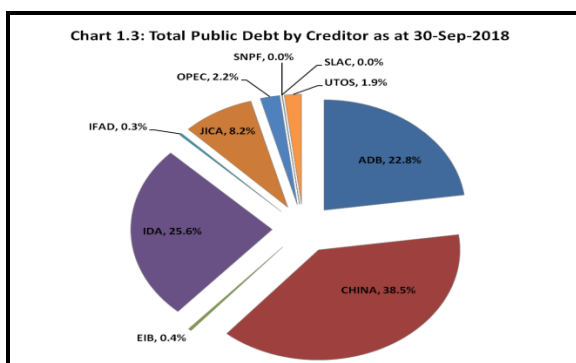


## 1. TOTAL PUBLIC DEBT

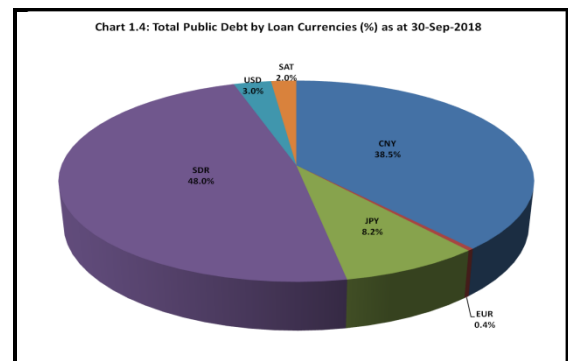
**1.1 Total public debt** as at end of September 2018 was SAT1.09 billion, equivalent to 49.4% of GDP<sup>1</sup>. The total amount outstanding comprised of public external debt of SAT 1.07 billion and public domestic debt of SAT 0.02 billion. Total public debt decreased by 2.0% when compared to June 2018 and increased by 4.1% when compared to September 2017 quarter.



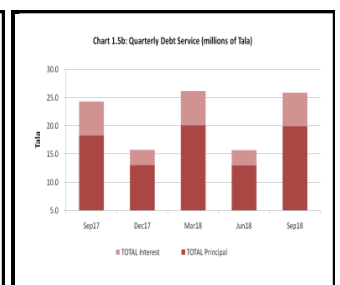
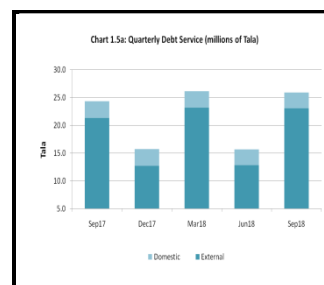
**1.2 Creditors Composition** (Chart 1.3): The three main creditors in the portfolio are EXIM Bank of PRC (38.5%), IDA (25.6%) and ADB (22.8%). The other creditors are JICA (8.2%), OPEC (2.2%), and UTOS (1.9%) with IFAD, EIB, SLAC and SNPF with less than 1%.



**1.3 Loan Currency Composition** (Chart 1.4): The SDR (48.0%) and CNY (38.5%) are the main loan currencies. The total public debt is 98.0% denominated in foreign currency and 2.0% denominated in Tala.



**1.4 Total Debt Service** for September 2018 quarter was SAT 25.9million (external debt service SAT23.1m/domestic debt service SAT2.8m). The amount for the quarter increased by 65.4% and by 6.5% when compared to June 2018 and September 2017 quarters respectively.

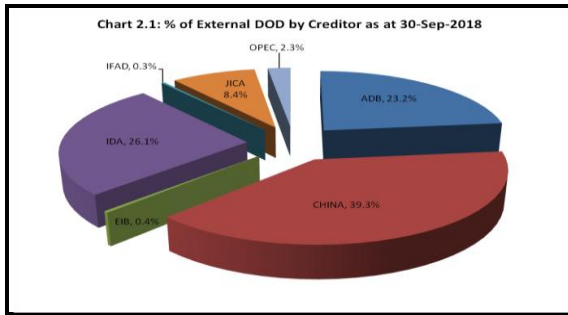


## 2. PUBLIC EXTERNAL DEBT

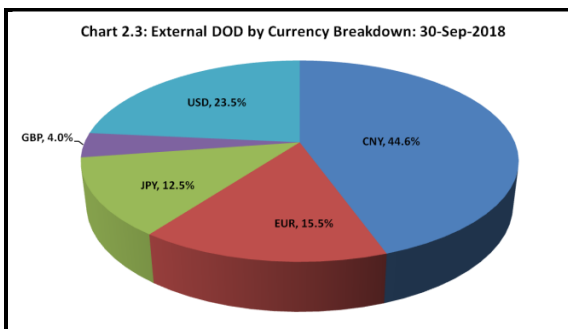
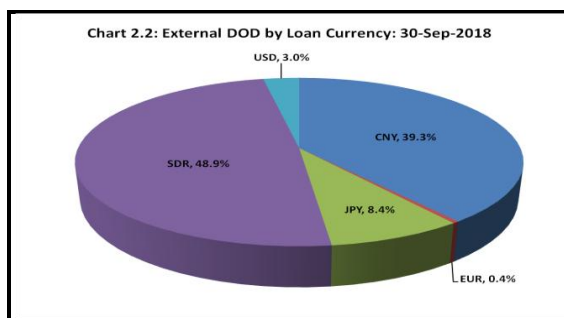
**2.1 Total public external debt** outstanding at the end of September 2018 was SAT 1.07 billion (52% multilateral creditors and 48% bilateral creditors). The outstanding amount decreased by 2.2% when compared to June 2018 and increased by 4.7% when compared to September 2017 quarter. There was one loan with ADB that was fully repaid during the quarter.

**2.2 Creditors Composition** (Chart 2.1): EXIM Bank of PRC (39.3%), IDA (26.1%) and ADB (23.2%) are the main creditors in the external debt portfolio.

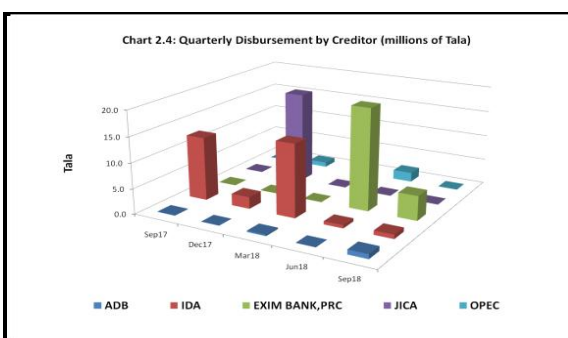
<sup>1</sup> Provisional: SBS GDP figures June 2018



**2.3 Currency Composition** (Chart 2.2): SDR<sup>2</sup> (48.9%) remains the main loan currency in the external debt portfolio. The currency composition including the breakdown of the SDR to its currencies (Chart 2.3) shows that CNY (44.6%), USD (23.5%) and EUR (15.5%) are the main foreign currencies in the external debt portfolio. Other currencies are JPY (12.5%) and GBP (4.0%).



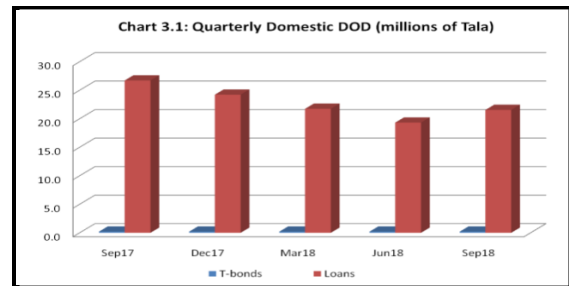
**2.4 Total Disbursements** for external debt during the quarter was SAT6.6 million. Disbursements were for ongoing projects funded by the EXIM Bank of China-Faleolo Airport Upgrade, ADB-PSEP and IDA-SACEP (Chart 2.4).



<sup>2</sup> Special Drawing Rights - USD 41.73%, Euro-30.93%, CNY 10.92%, JPY-8.33% and GBP-8.09%

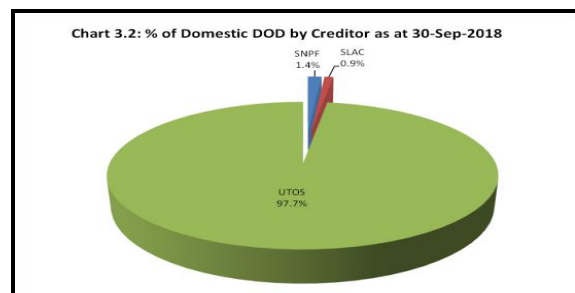
### 3. PUBLIC DOMESTIC DEBT

**3.1 Public domestic debt** outstanding at the end of September 2018 quarter was SAT21.8million, increased by 11.4% when compared to June 2018, and decreased by 19.2% when compared to September 2017. The increase was a result of a default Government guaranteed loan of \$4.6m, with interest rate of 8.5% per annum and a 5 year term. The composition of public domestic debt by instrument was 99.1% (SAT21.6 million) Government loans and 0.9% (SAT0.2 million) Government bonds (Chart 3.1).



**3.2 Creditors Composition** (Chart 3.2): UTOS (97.7%), SNPF (1.4%), and SLAC (0.9%) are the creditors in the public domestic debt portfolio. SLAC is also the holder of the outstanding Government T-bond.

**3.3 Currency composition** of the domestic debt portfolio is 100% denominated in Tala.

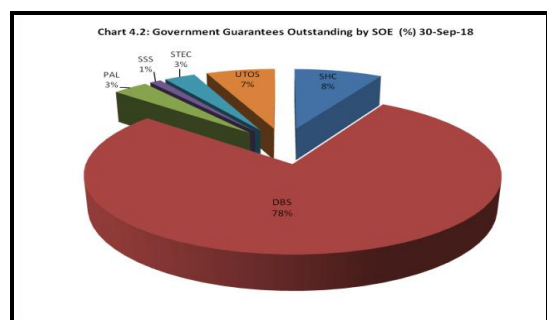
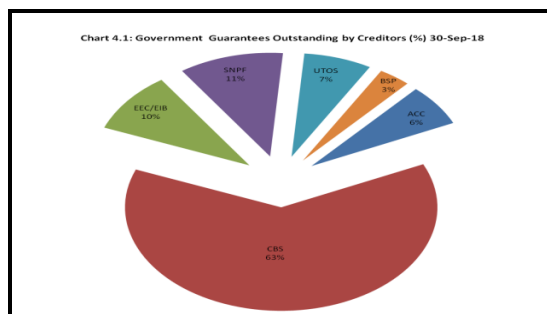


### 4. GOVERNMENT GUARANTEES AND ON-LENDING

**Total Government onlending outstanding** at the end of September 2018 was SAT 208.4 million. The amount increased by 2.1% and 22.6% when compared to June 2018 and September 2017 quarters respectively. The increases were due to disbursements for ongoing EPC PSEP and SSCC submarine cable project. There was one on-lending to DBS that was fully repaid during the quarter. The Government on-lent to DBS (1.3%), UTOS (2.9%) SSCC (28.4%), and EPC (67.4%).

**Total Government guarantees outstanding** at end of September 2018 was SAT 153.9 million<sup>3</sup>. The amount decreased by 6% when compared to September 2017 quarter. The composition of outstanding Government guarantees is depicted in Chart 4.1 and Chart 4.2.

<sup>3</sup> Provisional: Government guarantee figures June 2018



## 5. COST AND RISK INDICATORS

Table 5.1: Cost and Risk Indicators for Total Public Debt 30 September 2018

Risk Indicators	External Debt	Domestic Debt	Total Debt
Amount (in billions of SAT)	1.07	0.02	1.09
Nominal debt as % GDP	48.4%	1.0%	49.4%
Cost of debt			
Av. IR (%)	1.5%	8.4%	1.6%
Refinancing risk			
ATM (years)	10.3	2.4	10.2
Debt maturing in 1yr (% of total)	4.9%	38.9%	5.6%
Interest rate risk			
ATR (years)	10.3	2.4	10.2
Debt refixing in 1yr (% of total)	4.9%	38.9%	5.6%
Fixed rate debt (% of total)	100%	100%	100%
FX risk			
FX debt (% of total debt)	100%	-	98.0%
ST FX debt (% of reserves)	14.7%	-	14.7%

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

**Cost** of the existing debt is the average interest rate of 1.6% per annum, mainly driven by highly concessional interest external borrowing from multilateral banks.

**Refinancing risk** is lower in the portfolio, with ATM of 10.2 years and 5.6% of the total debt to mature in 1 year.

**Interest rate risk exposure** is minimal as the total debt portfolio is on fixed interest rate. Total debt with interest rate to re-fix in 1 year is about 5.6% and ATR of 10.2 years.

**Foreign currency risk** is the main risk in the portfolio, with 98.0% of the total public debt portfolio denominated in foreign currency. Short term foreign currency denominated debt to mature in 1 year is about 14.7% of foreign reserves at the end of the period.

## 6. Debt Statistics

Table 6.1: Summary of Debt Ratio

Particulars	30-Sep-17	30-Jun-18	30-Sep-18	Qtrly change	YTD change
<b>Total Public Debt (SAT)</b>	1.05	1.11	1.09	-2.0%	4.1%
External Debt	1.02	1.09	1.07	-2.2%	4.7%
Domestic Debt	0.03	0.02	0.02	11.4%	-19.2%
<b>Total Public Debt to GDP (%)</b>	49.2%	50.3%	49.4%	-1.9%	0.4%
External Debt to GDP	47.9%	49.5%	48.4%	-2.1%	1.0%
Domestic Debt to GDP	1.3%	0.9%	1.0%	11.5%	-22.1%
<b>Total Debt Service (SAT)</b>	24.3	15.7	25.9	65.4%	6.5%
External	21.3	12.8	23.1	79.8%	8.2%
Domestic	3.0	2.8	2.8	0.2%	-5.9%
Principal	18.3	13.0	19.9	53.3%	8.8%
Interest	6.0	2.7	6.0	123.9%	-0.5%
<b>External Debt by Creditor(SAT)</b>					
<b>Multilateral</b>	<b>543.8</b>	<b>563.0</b>	<b>560.1</b>	<b>-0.9%</b>	<b>-0.1%</b>
ADB	254.6	250.6	248.7	-0.8%	-2.3%
EIB	4.5	4.0	4.0	1.9%	-9.5%
IDA	258.2	281.0	279.8	-0.4%	8.4%
IFAD	3.4	3.4	3.3	-2.6%	-1.5%
OPEC	23.1	24.0	24.3	1.0%	4.9%
<b>Bilateral</b>	<b>477.9</b>	<b>531.3</b>	<b>509.9</b>	<b>-6.0%</b>	<b>26.5%</b>
EXIM Bank (China)	404.8	440.1	420.0	-4.6%	3.8%
JICA	73.2	91.2	89.8	-1.5%	22.8%
<b>Domestic Debt by Creditor(SAT)</b>					
SLAC	0.2	0.2	0.2	0.0%	0.0%
SNPF	1.0	0.4	0.3	-26.7%	-70.2%
UTOS	25.7	18.9	21.2	12.3%	-17.3%
<b>External Debt by Loan Currency (SAT)</b>					
% in CNY	39.6%	40.2%	39.3%	-2.4%	-0.9%
% in SDR	49.7%	48.1%	48.9%	1.7%	-1.5%
% in USD	3.1%	3.0%	3.0%	2.0%	-2.5%
% EURO	0.4%	0.4%	0.4%	4.0%	-13.6%
% JPY	7.2%	8.3%	8.4%	0.8%	17.2%
<b>Government Guarantees (SAT)</b>	<b>163.8*</b>	<b>153.9</b>	<b>153.9</b>	<b>0.0%</b>	<b>-6.0%</b>
<b>Government On-lending (SAT)</b>	<b>170.0*</b>	<b>204.0</b>	<b>208.4</b>	<b>2.1%</b>	<b>22.6%</b>

Table 6.2: Terms of Government Borrowings

Creditor	Interest rate %	Commitment fees (c)/ service fees (s)/ management fee	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	3.98% 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	7% p.a./fixed	-	14yrs	15yrs
SNPF	11% p.a./fixed	-	1yr	20yrs
UTOS	8.2% average p.a./fixed	-	1yr	7.7yrs

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