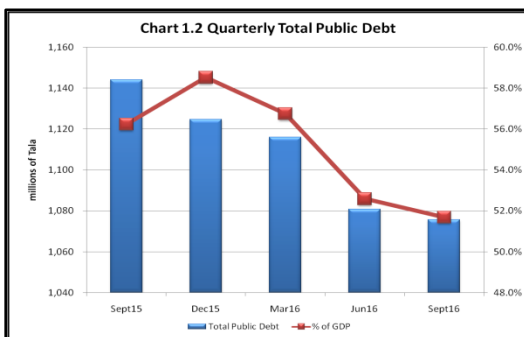
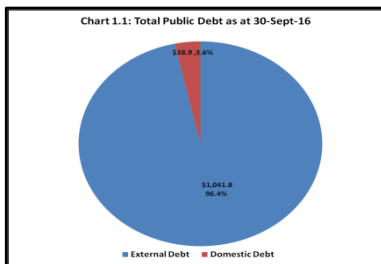


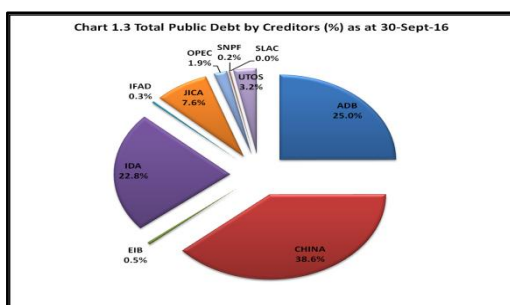


1. TOTAL PUBLIC DEBT

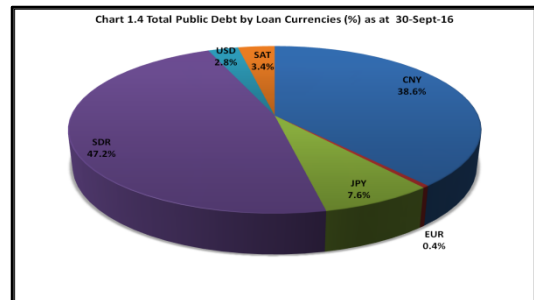
1.1 Total public debt as at end of September 2016 was SAT 1, 075, 7 million, equivalent to 51.7% of GDP, with public external debt of SAT1, 039.3million and public domestic debt of SAT36.4million. Total public debt decreased by 0.5% compared to June 2016 quarter, and by 6% compared to September 2015 quarter.



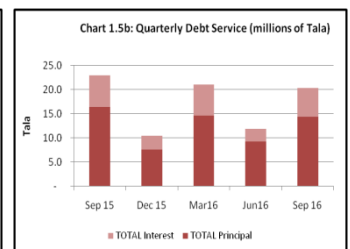
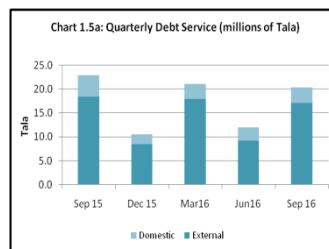
1.2 Creditors Composition of Total Public debt at the end of September 2016 (Chart 1.3) shows that EXIM Bank of PRC has the highest share of the total debt portfolio at 38.6%, ADB with 25%, IDA with 22.8%, JICA with 7.6%, UTOS with 3.2%, OPEC with 1.9% and the other creditors with less than 1%.



1.3 Loan Currency Composition: (Chart 1.4) shows that SDR (47.2%) and CNY (38.6%) are the main loan currencies in the total debt portfolio. The total public debt portfolio at the end of the quarter was 96.6% denominated in foreign currency and 3.4% denominated in Tala.



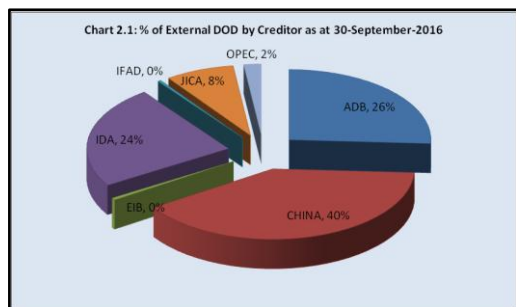
1.4 Total Debt Service for September 2016 quarter was SAT20.4million (external debt service SAT17.1m/domestic debt service SAT3.3m). The total service for the quarter increased by 71.3% compared to June 2016 quarter, but decreased by 11.2% compared to September 2015 quarter.



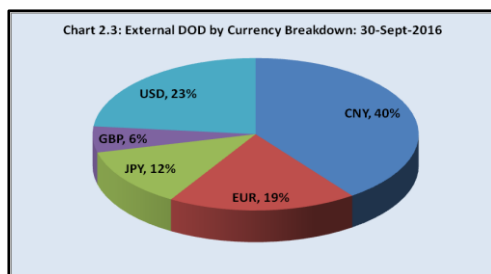
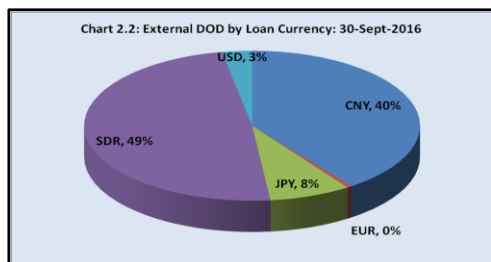
2. PUBLIC EXTERNAL DEBT

2.0 Total public external debt outstanding at the end of September 2016 was SAT 1, 039.3 million (52% multilateral creditors and 48% -bilateral creditors). The outstanding amount decreased by 0.2% and by 5.5% when compared to June 2016 quarter and September 2015 quarter respectively. No new public external borrowing contracted during the quarter.

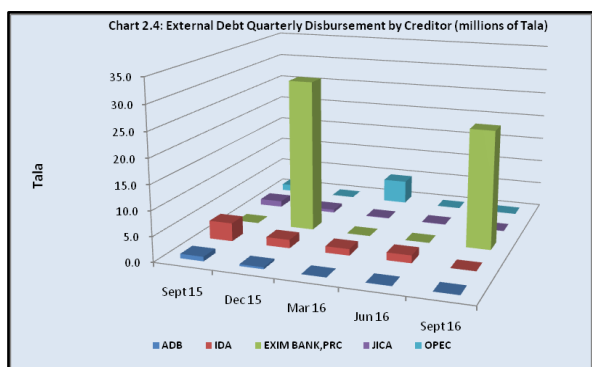
2.1 Creditors Composition of the public external debt portfolio (Chart 2.1) shows that the EXIM Bank of China (40%), ADB (26%) and IDA (24%) were the main creditors in the external debt portfolio.



2.2 Currency Composition of the public external debt at the end of September 2016 shows that the SDR¹ (49%) was the main loan currency (Chart 2.2). The breakdown of SDR (Chart 2.5) shows that CNY (40%) was the main foreign currency in the portfolio, then USD (23%) and Euro (19%) at the end of the quarter.



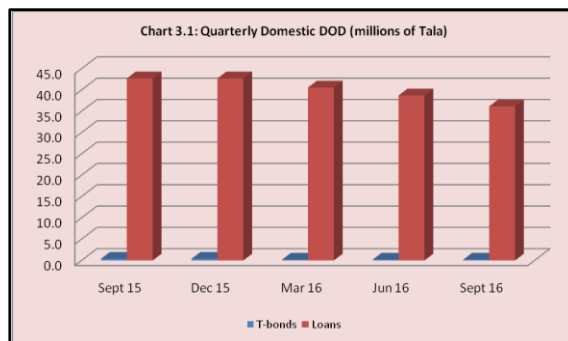
2.3 Total disbursements for public external debt during the quarter was SAT 23.6 million, of which all pertained to the Upgrade of Airport terminal project funded by EXIM Bank of PRC (Chart 2.6).



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

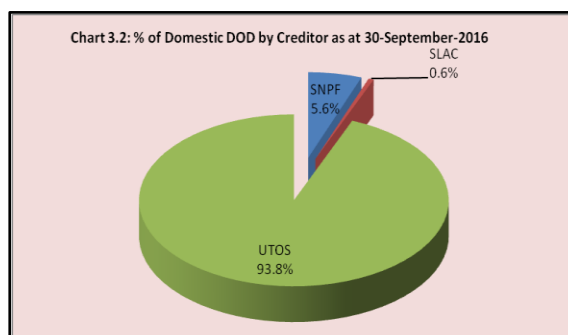
3. PUBLIC DOMESTIC DEBT

3.0 Total public domestic debt outstanding at the end of September 2016 was SAT 36.4 million, decreased by 6.6% and by 17.9% when compared to June 2016 and September 2015 quarters respectively. The composition of public domestic debt by instrument was 99.5% (SAT 36.2 million) Government loans and 0.5% (SAT 0.2 million) T-bonds (Chart 3.1). No new public domestic borrowing contracted during the quarter.



3.1 Creditors Composition of the public domestic debt portfolio at the end of September 2016 (Chart 3.2) shows that UTOS (93.8%) was the main creditor, SNPF (5.6%), and SLAC (0.6%) and also holder of outstanding T-bond.

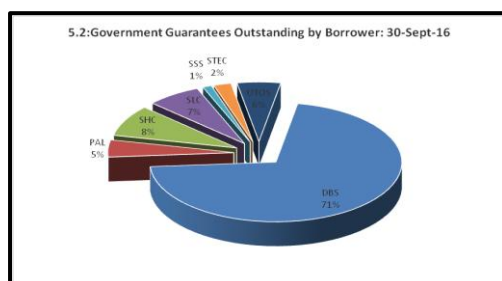
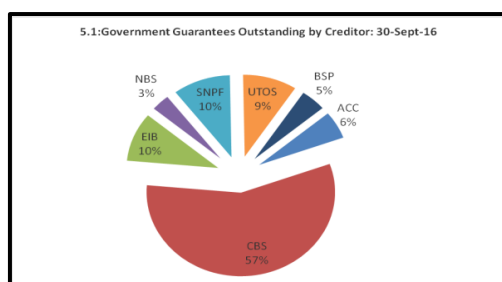
3.2 Currency composition of the domestic debt is 100% denominated in Tala.



4. GOVERNMENT GUARANTEES AND ON-LENDING

The total Government onlending to some of its SOEs outstanding at the end September 2016, was SAT 155.4 million, decreased by 15.8% and by 18.6% when compared to June 2016 and September 2015 quarters respectively. The Government on-lent to DBS (3%), EPC(92%) and UTOS(5%).

The total Government guarantees outstanding at end of September 2016 was SAT 179.8 million, decreased by 0.1% compared to June 2016 quarter but increased by 5.1% when compared to September 2015 quarter. The composition of outstanding Government guarantees is depicted in Chart 5.1 and Chart 5.2



5. COST AND RISK INDICATORS

Table 5.1: Cost and Risk Indicators for Total Public Debt 30 June September 2016			
Risk Indicators	External Debt	Domestic Debt	Total Debt
Amount (in millions of SAT)	1,039.3	36.4	1,075.7
Nominal debt as % GDP	49.9%	1.7%	51.7%
Cost of debt			
Av. IR (%)	1.3%	9.0%	2.0%
Refinancing risk			
ATM (years)	11.4	2.7	11.1
Debt maturing in 1yr (% of total)	4.5%	22.5%	5.1%
Interest rate risk			
ATR (years)	11.4	2.7	11.1
Debt refixing in 1yr (% of total)	4.5%	22.5%	5.1%
Fixed rate debt (% of total)	100%	100%	100%
FX debt (% of total debt)	100%	-	96.6%
FX risk			
ST FX debt (% of reserves)	25%	-	25%

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

Cost of existing debt is average interest rate of 2% per annum, mainly driven by highly concessional interest external borrowing from the multilateral banks.

Refinancing risk is lower in the portfolio, with longer ATM at 11years and 5.1% of total debt to mature in 1year.

Interest rate risk exposures is minimal as the total debt portfolio is on fixed interest rate. Total debt with interest rate re-fix in 1years is about 5.1% and longer ATR of 11years.

Foreign currency risk is the main risk in the portfolio, with 96.6% of the total public debt portfolio is denominated in foreign currency. Short term foreign currency denominated debt-matured in 1year is about 25% of foreign reserves available at end of the period.

6. DEBT STATISTICS

Table 6.1: Summary of Debt Ratio

Particulars	30-Sep-15	30-Jun-16	30-Sep-16	Qtrly change	YTD change
Total Public Debt (SAT)	1,144.0	1,080.8	1,075.7	-0.5%	-6.0%
External Debt	1,099.7	1,041.8	1,039.3	-0.2%	-5.5%
Domestic Debt	44.3	38.9	36.4	-6.6%	-17.9%
Total Public Debt to GDP (%)	58.1%	52.6%	51.7%	-1.7%	-11.1%
External Debt to GDP	55.9%	50.7%	49.9%	-1.5%	-10.6%
Domestic Debt to GDP	2.3%	1.9%	1.7%	-7.7%	-22.4%
Total Debt Service (SAT)	23.0	11.9	20.4	71.3%	-11.2%
External	18.4	9.1	17.1	87.2%	-7.4%
Domestic	4.6	2.8	3.3	19.4%	-26.6%
Principal	16.4	9.3	14.4	54.9%	-12.3%
Interest	6.5	2.6	6.0	130.1%	-8.6%
External Debt by Creditor (SAT)					
Multilateral	595.2	546.9	542.7	-5.4%	6.9%
ADB	303.0	270.2	268.7	-0.6%	-11.3%
EIB	6.0	5.1	5.0	-0.3%	-15.6%
IDA	265.6	247.3	245.0	-0.9%	-7.7%
IFAD	2.8	3.6	3.6	-2.3%	27.3%
OPEC	17.9	20.7	20.4	-1.3%	14.2%
Bilateral	504.5	495.0	496.6	0.7%	8.7%
EXIM Bank (China)	432.0	413.7	415.0	0.3%	-3.9%
JICA	72.5	81.3	81.6	0.4%	12.6%
Domestic Debt by Creditor (SAT)					
SLAC	0.4	0.2	0.2	0.0%	-50.0%
SNPF	3.0	2.3	2.0	-10.5%	-31.1%
UTOS	40.9	36.4	34.1	-6.4%	-16.7%
External Debt by Loan Currency (SAT)					
% in CNY	39%	40%	40%	0.6%	1.6%
% in SDR	51%	49%	49%	-0.4%	-4.1%
% in USD	3%	3%	3%	-2.4%	9.6%
% EURO	1%	0%	0%	0.0%	-10.7%
% JPY	7%	8%	8%	0.7%	19.2%
Government Guarantees (SAT)	171.1	180.0	179.8	-0.1%	5.1%
Government On-lending (SAT)	190.9	184.6	155.4	-15.8%	-18.6%

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% p.a./fixed	average	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	7% p.a./fixed	-	14yrs	15yrs
SNPF	11.3% p.a./fixed	average	1yr	20yrs
UTOS	8.2% average p.a./fixed	-	0	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