



Quarterly Debt Bulletin | Q1 2024

Overview of Current Debt Profile

Table 1 below provides a summary of the total debt stock for the first quarter of 2024 in comparison to the fourth quarter of 2023. As illustrated, there was an increase of 2.4% or SCR 428m in the total debt stock, which was mainly associated with a 6.7% rise in the external debt stock. This resulted from the ongoing disbursements throughout the first three months of 2024, including the SWIOFish 3 project, Seychelles Third Fiscal Sustainability from World Bank and the Governance Economic Reform Support Program (GERSP III) from ADB. As at the end of March 2024, the portfolio is showing an almost equal weighting between domestic and external borrowings, with the former slightly dominating at 50.6% of the total debt stock whereas the latter accounts for the remaining 49.4%.

Table 1: Total Debt by residency of creditors

Description	Q4 2023 (SCR' M)	Q1 2024 (SCR' M)	% Diff	Q1 2024 % of GDP
Domestic	9,193	9,065	-1.4	28.8
o.w. Government	8,569	8,471	-1.1	26.9
o.w. Guarantees	624	594	-4.8	1.9
External	8,297	8,852	6.7	28.1
o.w. Government	8,182	8,735	6.8	27.8
o.w. Guarantees	115	118	2.5	0.3
Total Debt	17,490	17,918	2.4	56.9

Source: Ministry of Finance, National Planning & Trade

Table 2: Comparison of Total Debt by Guarantee Status

Description	Q4 2023 (SCR' M)	Q1 2024 (SCR' M)	% Diff
Government	16,751	17,206	2.7
Guarantees	739	712	-3.7
Total Debt	17,490	17,873	2.4

Source: Ministry of Finance, National Planning & Trade

Table 2 provides a summary in terms of the total Government and Government Guaranteed debt as at the end of March 2024. Government debt increased by SCR 455m, whereas Government Guaranteed debt fell by SCR 27m. Government debt accounts for the largest share of the total debt stock at 96% and Government Guaranteed debt accounts for the remaining 4%.

External Debt Profile

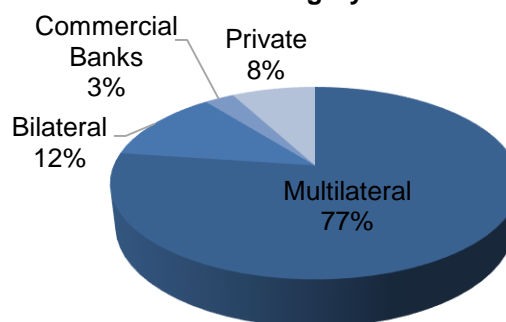
As per Table 3 below, the total external debt stock increased by SCR 555m, totaling to SCR 8.8bn at the end of March 2024. Similarly, to the previous quarter the 6.7% increase was mainly attributed to disbursements from multilateral creditors including funds under the SWIOFish 3 project, Seychelles Third Fiscal Sustainability from IBRD as well as the Governance Economic Reform Support Program (GERSP III) from ADB. In addition to the disbursements, the exchange rate further contributed to the increase of the overall external debt stock. As at the end of the first quarter, the SCR/USD rate was 14.31 in comparison to the end of the fourth quarter of 2023 whereby the rupee was trading at SCR 14.19 to a dollar.

Figure 1 below shows the distribution of creditor categories for the external debt stock. Multilateral creditors continues to remain as the dominant creditor category at 77%, followed by bilateral creditors and private creditors at 12% and 8% respectively. Commercial banks holds the smallest share of the total external debt stock at 8%.

Table 3: Total debt by Creditor Category

Description	Q4 2023 (SCR' M)	Q1 2024(SC R' M)	% Diff
Multilateral	6,061	6,831	12.7
Bilateral o.w.	1,132	1,075	-5.0
Paris Club	561	518	-7.7
Non-Paris Club	570	557	-2.2
Commercial Banks	292	248	-15.1
Private	812	698	-14.0
Total	8,297	8,852	6.7

Figure 1: Percentage distribution by Creditor Category



Source: Ministry of Finance, National Planning & Trade

The table below shows a more detailed view of the external debt stock classified by instrument types. As illustrated, securities fell by 13% or SCR 114m whereas external loans increased by 9% or SCR 669m resulting from the ongoing disbursements aforementioned. External loan remains as the main component of the stock at 91% compared to securities, which accounts for only 9% of the total external debt stock.

Table 4: External Debt by Instrument Type

Description	Q4 2023 (SCR' M)	Q1 2024 (SCR' M)	% Diff
Loans	7,420	8,089	9.0
Securities	878	764	-13.0
Total Debt	8,297	8,852	6.7

Source: Ministry of Finance, National Planning & Trade

Domestic Debt Profile

As at March 2024, the total domestic debt stock fell by 1.4% as illustrated in Table 5 below. The SCR 128m difference is associated with the overall decrease within all of the main components of the domestic debt stock. Domestic loans decreased by SCR 57m, equivalent to 6.7%, whilst Government securities fell by SCR 71m, or 0.9%. The greater variance within Government securities was primarily due to the repayment of SCR 319m on a 7% 3-year fiscal bond. The repayment was partly offset by the issuance of the newly issued 5% 5-year T-Bond in March and an increase of SCR 87m on T-Bills.

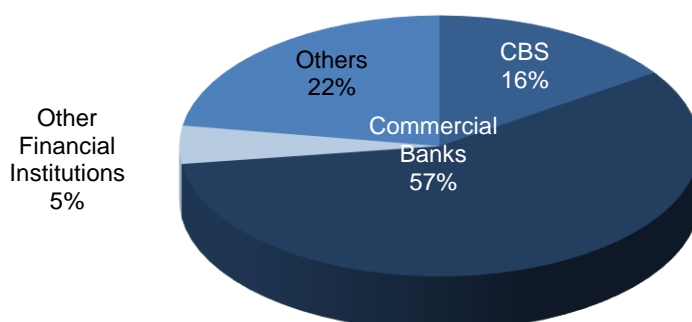
Table 5: Domestic Debt by Instrument Type

Description	Q4 2023 (SCR' M)	Q1 2024 (SCR' M)	% Diff
Loans	850	793	-6.7
Securities of which;	8,277	8,206	-0.9
<i>T-bills</i>	1,825	1,912	4.8
<i>T-bonds</i>	6,032	5,874	-2.6
<i>Deposits</i>	45.0	45.0	0.0
<i>Others</i>	375	375	0.0
Other Debt Liabilities	66	66	-0.3
Total Debt	9,193	9,065	-1.4

Source: Ministry of Finance, National Planning & Trade

Figure 3 below shows the distribution of Government Securities across investors as at the end of March 2024. Commercial Banks holds the largest share at 57%, followed by 'Others' category and CBS at 22% and 16% respectively, while Other Financial Institutions represents the remaining 5%.

Figure 2: Percentage distribution of Government Securities



Source: Ministry of Finance, National Planning & Trade

Interest Rates on T-bills

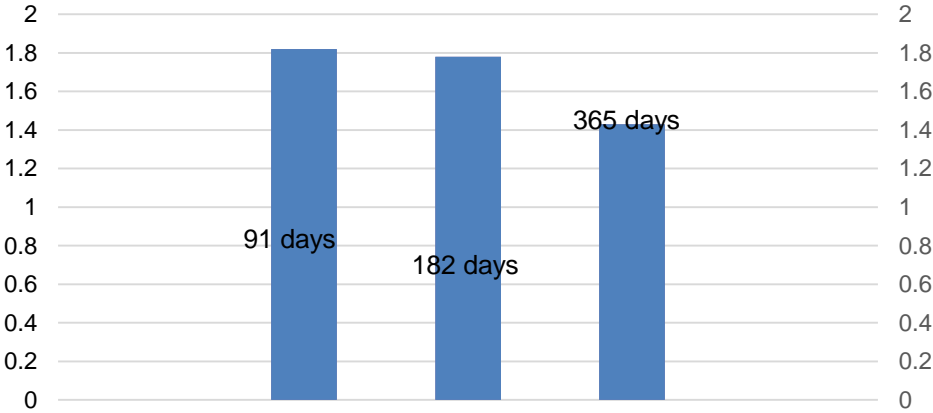
Table 6 below summarizes the change within the interest rates of T-Bills. In general, there was a moderate increase within all three tenors, whereby there was an average increment of approximately 1.7 percentage point. This resulted from the competitive bidders bidding at a lower tender price, thus pushing the interest rates higher.

Table 6: Interest Rates on T-bills

T-bills	Interest Rates (%)		Diff
	Q4 2023	Q1 2024	
91 Days	1.33	3.15	1.82
182 Days	1.46	3.24	1.78
365 Days	1.91	3.34	1.43

Source: Ministry of Finance, National Planning & Trade

Figure 3: % change in average T-bills Rate (Q4 2023 vs Q1 2024)



Source: Ministry of Finance, National Planning & Trade

Debt in Q1

Within the first quarter of 2024, the Government issued a 5-year T-Bond worth SCR 85m. The Bond was over-subscribed for a value SCR 150m as illustrated below.

Table 7: T-bond issued in Q1

Description	Amount (SCR' M)	Coupon Rate (%)
5-yr T-bond	150.1	5.0
Total	150.1	

Source: Ministry of Finance, National Planning & Trade

As per Table 8 below, a total of USD 58.6m had been disbursed by the end of the first quarter of 2024 compared to only USD 13m during the last quarter of 2023. This include funds under existing facilities including BADEA-Improvement of Electricity Network in South Mahe, IBRD-SWIOFish 3 project, IBRD-Seychelles Third Fiscal Sustainability and Climate Resilience Development Policy Financing and ADB-Governance Economic Reforms Support Programme.

Table 8: External borrowings as at March 2024

Description	Loan Amount (USD' M)	Amount Disbursed (USD' M)	Amount Disbursed (% of GDP)
BADEA-Improvement of Electricity Network in South Mahe	11.00	0.46	0.02
IBRD-Seychelles Third Fiscal Sustainability and Climate Resilience Development Policy Financing	25.00	25.00	1.1
ADB-GERSP 3	33.00	33.00	1.5
IBRD-SWIOFish 3	5.00	0.13	0.01
Total		58.59	2.7

Source: Ministry of Finance, National Planning & Trade