



Quarterly Debt Bulletin | Q2 2024

Overview of Current Debt Profile

As per Table 1 below, the total debt stock increased by SCR 652m as a result of an increase within both the external and domestic debt stock at 1.9% and 5.3% respectively. The external debt stock rose by SCR 172m as a result of ongoing disbursements under ongoing projects such as the SWIOFish3, Mahe Sustainable Water Augmentation as well as the IMF Extended Fund Facility and IMF Resilience and Sustainability Facility. The domestic debt stock increased by SCR 480m, with the main contributor being two newly issued bonds of 3-yr and 5-yr tenors during the month of June 2024.

Table 1: Total Debt by residency of creditors

Description	Q1 2024 (SCR' M)	Q2 2024 (SCR' M)	% Diff	Q2 2024 % of GDP
Domestic	9,065	9,546	5.3	30.3
o.w. Government	8,471	8,892	5.0	28.3
o.w. Guarantees	594	654	10.0	2.0
External	8,852	9,024	1.9	28.7
o.w. Government	8,735	8,904	1.9	28.3
o.w. Guarantees	118	120	1.7	0.4
Total Debt	17,918	18,570	3.6	59.0

Source: Ministry of Finance, National Planning & Trade

Table 2: Comparison of Total Debt by Guarantee Status

Description	Q1 2024 (SCR' M)	Q2 2024 (SCR' M)	% Diff
Government	17,206	17,796	3.4
Guarantees	712	774	8.7
Total Debt	17,918	18,570	3.6

Source: Ministry of Finance, National Planning & Trade

Table 2 above shows the total Government and Government Guaranteed debt as the end of June 2024. As illustrated, Government debt increased by SCR 590m, or 3.4% whereas Government Guaranteed debt augmented by SCR 62m, 8.7%. Similarly to the previous quarter, Government loans accounts for 96% of the total debt stock in comparison to Government Guaranteed debt at 4%.

External Debt Profile

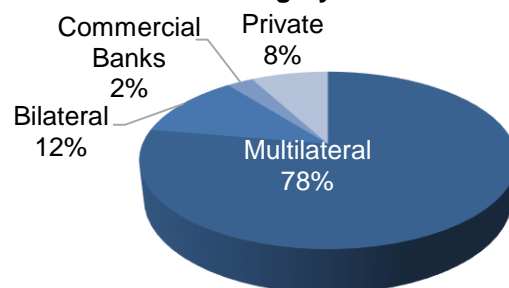
Table 3 below summarizes the total external debt stock as at the end of June 2024. As illustrated, there was an increase of SCR 172m from the first quarter to the second quarter of 2024. This was mainly attributed to funds that were disbursed under ongoing projects including the SWIOFish3, Mahe Sustainable Water Augmentation, Improvement of Electricity Network in South Mahe, IMF Extended Fund Facility as well as the IMF Resilience and Sustainability Facility. The depreciation of the Seychelles Rupees against the USD further contributed to the overall increase in the external debt stock whereby the SCR/USD rate stood at 14.61 at the end of the second quarter in comparison to 14.31 at the end of the first quarter of 2024.

Figure 1 shows the distribution of creditor categories for the total external debt stock. The largest share is represented by multilateral creditors at 78%, followed by bilateral creditors and private creditors at 12% and 8% respectively. Similarly to the previous quarter, commercial banks continues to hold the smallest share at 2%.

Table 3: Total debt by Creditor Category

Description	Q1 2024 (SCR' M)	Q2 2024(SCR' R' M)	% Diff
Multilateral	6,831	7,011	2.6
Bilateral o.w.	1,075	1,057	-1.7
Paris Club	518	485	-6.3
Non-Paris Club	557	572	2.6
Commercial Banks	248	243	-2.1
Private	698	713	2.1
Total	8,852	9,024	1.9

Figure 1: Percentage distribution by Creditor Category



Source: Ministry of Finance, National Planning & Trade

The table below summarizes the total external debt stock categorized by instrument type. Compared to the previous quarter, external loans and securities increased by SCR 155m and SCR 16m respectively. External loan remains as the main component at 91% in comparison to securities which accounts for the remaining 9%.

Table 4: External Debt by Instrument Type

Description	Q1 2024 (SCR' M)	Q2 2024 (SCR' M)	% Diff
Loans	8,089	8,244	1.9
Securities	764	780	2.1
Total Debt	8,852	9,024	1.9

Source: Ministry of Finance, National Planning & Trade

Domestic Debt Profile

As at the end of June 2024, the total domestic debt stock stood at SCR 9.5bn in comparison to SCR 9.0bn at the end of March 2024. The 5.3% increase, equivalent to SCR 480m, resulted from an overall increase within all of the components of the domestic debt stock. Domestic loans increased by SCR 74m as a result of a newly issued guaranteed loan to DBS worth SCR 100m whereas Government securities saw an increase of SCR 424m. This was mainly due to the two newly issued bonds during the second quarter of 2024, a 3-yr and 5-yr T-Bonds, that was fully subscribed at SCR 263m. In addition there was an increase in T-Bills issued during the second quarter.

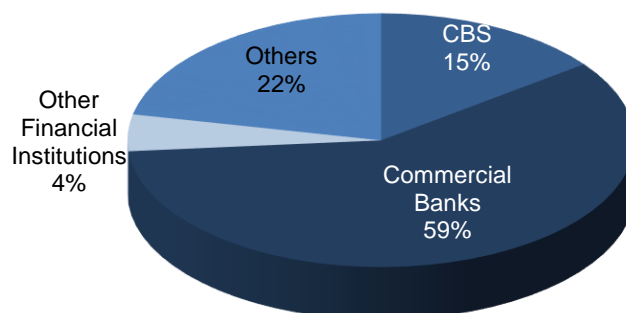
Table 5: Domestic Debt by Instrument Type

Description	Q1 2024 (SCR' M)	Q2 2024 (SCR' M)	% Diff
Loans	793	867	9.3
Securities of which;	8,206	8,630	5.2
<i>T-bills</i>	1,912	2,074	8.5
<i>T-bonds</i>	5,874	6,136	4.5
<i>Deposits</i>	45	45	-0.0
<i>Others</i>	375	375	0.0
Other Debt Liabilities	66	48	-26.6
Total Debt	9,065	9,546	5.3

Source: Ministry of Finance, National Planning & Trade

Figure 3 below provides a representation of the distribution of Government securities across the domestic debt stock as at the end of June 2024. The largest share is represented by Commercial Banks followed by Others category and CBS at 59%, 22% and 15% respectively. Other Financial Institutions accounts for the remaining 4%.

Figure 2: Percentage distribution of Government Securities



Source: Ministry of Finance, National Planning & Trade

Interest Rates on T-bills

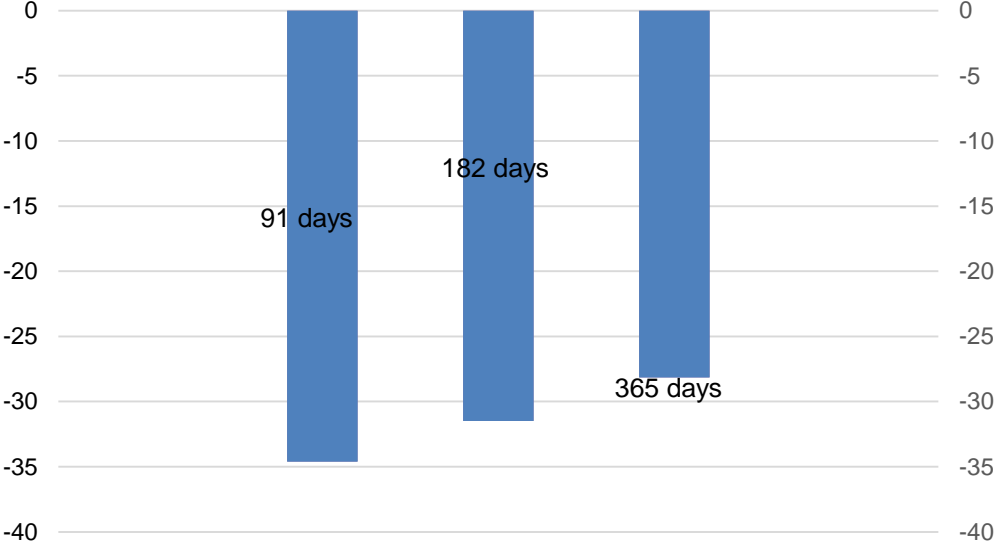
Table 6 below provides a summary of the fluctuations within interest rates at the end of the second quarter of 2024. As illustrated, all three tenors declined by an average of 100 basis points, reflecting active competition in the T-Bills market.

Table 6: Interest Rates on T-bills

T-bills	Interest Rates (%)		Diff
	Q1 2024	Q2 2024	
91 Days	3.15	2.06	-1.09
182 Days	3.24	2.22	-1.02
365 Days	3.34	2.40	-0.94

Source: Ministry of Finance, National Planning & Trade

Figure 3: % change in average T-bills Rate (Q1 2024 vs Q2 2024)



Source: Ministry of Finance, National Planning & Trade

Debt in Q2

During the second quarter of 2024, the Government issued two new bonds with 3 year and 5 year tenors, valued at SCR 200m. As per Table 7 below, both bonds were successfully subscribed at SCR 263.3m.

Table 7: T-bond issued in Q2

Description	Amount (SCR' M)	Coupon Rate (%)
3-yr T-bond	128.4	3.5
5-yr T-bond	134.9	4.7
Total	263.3	

Source: Ministry of Finance, National Planning & Trade

A newly guaranteed DBS loan was also issued during the second quarter of 2024 worth SCR 100m, as previously mentioned.

External Borrowings

Table 8 below shows the total external loans disbursed during the second quarter of 2024. The disbursements took place under existing facilities including Exim bank of India (Tranche 1 of USD 10m), Mahe Sustainable Water Augmentation, Improvement of Electricity Network in South Mahe, SWIOFish3 project as well as the IMF Extended Fund Facility and Resilience and Sustainability Facility.

Table 8: External borrowings as at June 2024

Description	Loan Amount (USD' M)	Amount Disbursed (USD' M)	Amount Disbursed (% of GDP)
IMF-Extended Fund Facility II	56.00	8.08	0.03
IMF-Resilience and Sustainability Facility (RSF)	46.00	4.13	0.01
Exim bank of India-Line of Credit(Tranche 1 USD 10m)	10.00	1.25	0.00
ADB-Mahe Sustainable Water Augmentation	20.60	0.43	0.00
BADEA-Improvement of Electricity Network in South	11.00	0.02	0.00
IBRD-SWIOFish 3	5.00	0.23	0.00
		14.14	0.04

Source: Ministry of Finance, National Planning & Trade