



Quarterly Debt Bulletin | Q4 2023

Overview of Current Debt Profile

Table 1 below shows the total debt stock classified by domestic and external debt as at the end of December 2023¹. During the fourth quarter of 2023, there was an overall improvement in the total debt stock with a decrease of SCR 36m, or 0.2% compared to the previous quarter. This stems from the domestic debt stock which declined by SCR 148m, or 1.6% as a result of T-Bills maturing throughout the same period. On the other hand, the external debt stock increased by SCR 112m, or 1.4% following ongoing disbursements under the current Extended Fund Facility (EFF), the IMF Resilience and Sustainability Facility (RSF) and the IBRD SWIOFISH 3 project.

A similar pattern can be identified from the previous quarter whereby the domestic debt stock remains as the main component of the total debt stock at 53% compared to the external debt stock, which stands at 47%.

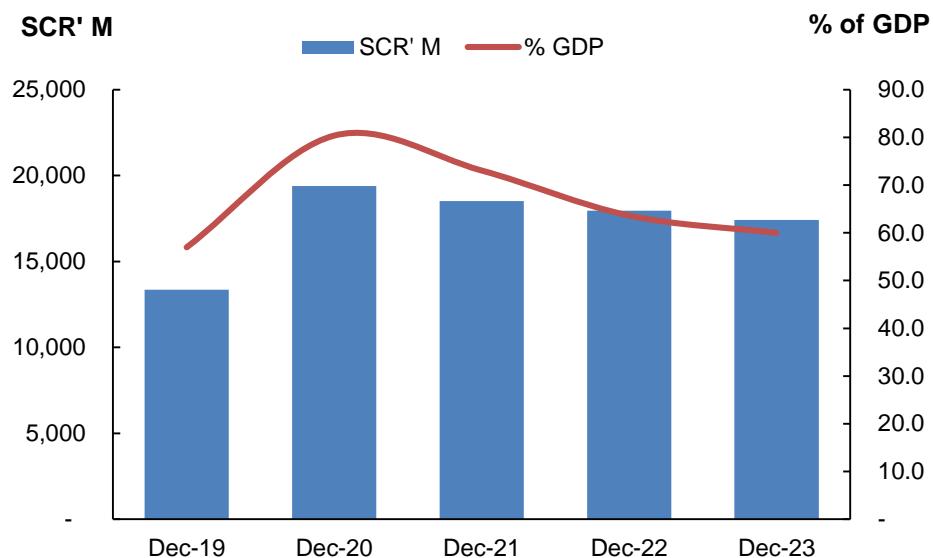
Table 1: Total Debt by residency of creditors

Description	Q3 2023 (SCR' M)	Q4 2023 (SCR' M)	% Diff	Q4 2023 % of GDP
Domestic	9,341	9,193	-1.6	31.7
o.w. Government	8,718	8,569	-1.7	29.7
o.w. Guarantees	624	624	0.0	2.0
External	8,185	8,297	1.4	28.3
o.w. Government	8,063	8,182	1.5	27.9
o.w. Guarantees	122	115	-5.7	0.4
Total Debt	17,526	17,490	-0.2	60.0

Source: Ministry of Finance, National Planning & Trade

Figure 1 overleaf illustrates the trend of the total debt stock from December 2019 to December 2023. As it can be seen, the total debt stock increased by about SCR 6.0bn from December 2019 to December 2020 as a result of COVID-19. For the consecutive years post COVID, the total debt stock has gradually declined to reach SCR 17.4bn as at December 2023.

¹ The figures are subject to changes following audit confirmation and revised GDP figures.

Figure 1: Total Debt Stock 2019-2023

Source: Ministry of Finance, National Planning & Trade

The table below provides a summary of the total Government and Government guaranteed debt as at December 2023, which declined by SCR 29m and SCR 7m respectively compared to the previous quarter. As further illustrated, Government debt continues to represent the largest share of the total debt stock at 96% in comparison to the Government guaranteed debt which accounts for the remaining 4%.

Table 2: Comparison of Total Debt by Guarantee Status

Description	Q3 2023 (SCR' M)	Q4 2023 (SCR' M)	% Diff
Government	16,780	16,751	-0.2
Guarantees	746	739	-0.9
Total Debt	17,526	17,490	-0.2

Source: Ministry of Finance, National Planning & Trade

External Debt Profile

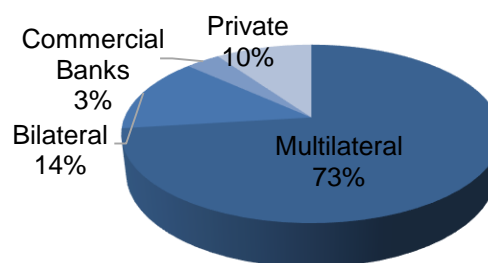
As illustrated in Table 3 below, the total external debt stock increased by SCR 112m from September to December 2023. This was mainly attributed to disbursements from multilateral creditors which include funds under the IMF Resilience and Sustainability Facility (RSF), Extended Fund Facility and IBRD SWIOFish3 project. Overall, debt from multilateral creditors increased by SCR 129m, or 2.2%. Part of the increase was offset by ongoing repayments on the existing facilities.

Figure 2 shows the distribution of the external debt stock by creditor category as at the end of the December 2023. Multilateral creditors holds the largest share at 73% followed by bilateral and private creditors representing 14% and 10% respectively. The smallest share of 3% is associated to Commercial Banks.

Table 3: Total debt by Creditor Category

Description	Q3 2023 (SCR' M)	Q4 2023 (SCR' M)	% Diff
Multilateral	5,932	6,061	2.2
Bilateral o.w.	1,135	1,132	-0.3
Paris Club	548	561	2.4
Non-Paris Club	587	570	-2.9
Commercial Banks	307	292	-4.9
Private	811	812	0.1
Total	8,185	8,297	1.4

Figure 2: Percentage distribution by Creditor Category



Source: Ministry of Finance, National Planning & Trade

Table 4 below provides a comparison of the total external debt stock between the fourth quarter and third quarter of 2023 classified by instrument type. Similarly to the previous quarter, external loans remains the main component of the external debt stock at 89% whereas securities accounts for only 11%. Both components of the external debt stock observed an increase. However, securities increased by only SCR 1m compared to external loans which increased by SCR 112m, resulting from the ongoing disbursements mentioned above.

Table 4: External Debt by Instrument Type

Description	Q3 2023 (SCR' M)	Q4 2023 (SCR' M)	% Diff
Loans	7,308	7,420	1.5
Securities	877	878	0.1
Total Debt	8,185	8,297	1.4

Source: Ministry of Finance, National Planning & Trade

Domestic Debt Profile

At the end of December 2023, the total domestic debt stock fell by SCR 148m, or 1.6%. Similarly to the previous quarter, the difference is mainly associated to a decline in Government securities, whereby a total of SCR 241m worth of T-bills matured during the fourth quarter of 2023. Domestic loans decreased by SCR 58m, or 6.4% during the period. On the other hand, T-bonds increased by SCR 86m, or 1.4% following the new issuance during the month of November.

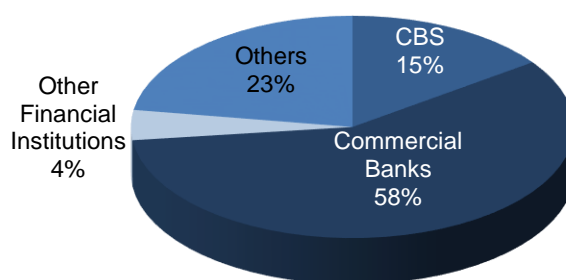
Table 5: Domestic Debt by Instrument Type

Description	Q3 2023 (SCR' M)	Q4 2023 (SCR' M)	% Diff
Loans	908	850	-6.4
Securities of which;	8,341	8,202	-0.8
<i>T-bills</i>	2,050	1,825	-11.0
<i>T-bonds</i>	5,946	6,032	1.4
<i>Deposits</i>	45.0	45.0	0.0
Others	300	375	25.0
Other Debt Liabilities	92	66	-28.3
Total Debt	9,341	9,193	-1.6

Source: Ministry of Finance, National Planning & Trade

Figure 3 below represents the distribution of Government securities at the end of December 2023. As illustrated, Commercial Banks are the main holders of Government securities at 58% followed by the 'Others' category at 23%. CBS and Other Financial Institutions makes up for the remaining 15% and 4% respectively.

Figure 3: Percentage distribution of Government Securities



Source: Ministry of Finance, National Planning & Trade

Interest Rates on T-bills

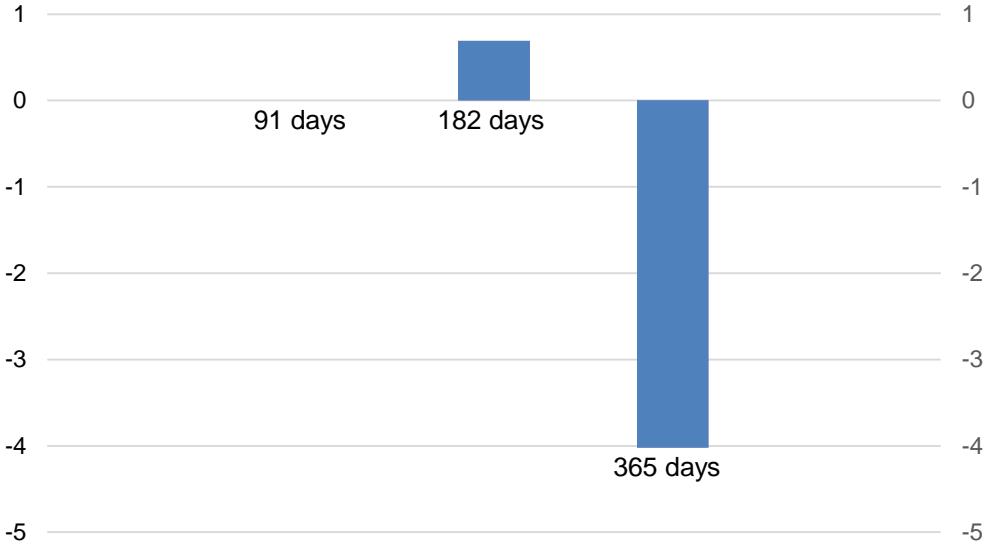
Table 6 below shows the interest rates in relation to T-bills as at the end of December 2023. For the 91 days T-bills, the interest rate remained the same, whereas the 182 days increased slightly by 1 basis points. On the other hand, 365 Days T-bills decreased by 8 basis points.

Table 6: Interest Rates on T-bills

T-bills	Interest Rates (%)		% Change
	Q3 2023	Q4 2023	
91 Days	1.33	1.33	0.0
182 Days	1.45	1.46	0.69
365 Days	1.99	1.91	-4.02

Source: Ministry of Finance, National Planning & Trade

Figure 4: % change in average T-bills Rate (Q3 2023 vs Q4 2023)



Source: Ministry of Finance, National Planning & Trade

Debt in Q4

During the fourth quarter of 2023, the Government issued an additional 10 year T-bond worth SCR 75m. The bond was oversubscribed at SCR 85.7m.

Table 7: T-bond issued in Q4

Description	Amount (SCR' M)	Coupon Rate (%)
10-yr T-bond	85.7	7.4
Total	85.7	

Source: Ministry of Finance, National Planning & Trade

Table 8 below provides an overview of the total funds disbursed on the external side. A total of USD 13m were disbursed under three existing facilities. This includes the IMF Resilience and Sustainability Facility, the Extended Fund Facility and under the IBRD SWIOFish 3 project.

Table 8: External borrowings as at December 2023

Description	Loan Amount (USD' M)	Amount Disbursed (USD' M)	Amount Disbursed (% of GDP)
IMF- Resilience and Sustainability Facility	46.0	4.16	14.59
IMF-Extended Fund Facility	56.0	8.14	28.54
IBRD-SWIOFish 3	5.0	0.35	1.26
Total		12.65	44.39

Source: Ministry of Finance, National Planning & Trade