

QUARTERLY DEBT BULLETIN

Prepared by the Debt Unit, Ministry of Finance, Government of Anguilla

The Quarterly Debt Bulletin summarises the public debt position, public debt structure and public debt ratios for Anguilla as at the end of quarter in review. The currency quoted is in millions of Eastern Caribbean Dollars (XCD/EC\$M). The data presented covers total public debt, both external and domestic for central government and guaranteed and non-guaranteed debt of State Owned Enterprises at end of fiscal year 2020 (Q4-2020).

1. **Total Public Debt** as at 30th September 2022 stood at \$419.99m. Total Public External Debt was \$176.93m. This represented a decrease of 2.82% (\$5.14m) and 0.02% (\$0.04m) when compared to Q2-2022 and Q3-2021 respectively. Total Public Domestic Debt accounted for \$243.06m. This amount decreased by 1.63% (\$4.10m) and 7.86% (\$20.73m) in comparison to Q2-2022 and Q3-2021 respectively. Central Government debt accounted for 95.53% of total public debt and the remaining 4.47% related to government guaranteed and non-guaranteed of SOEs.

Figure 1: TOTAL PUBLIC DEBT, Q3-2021 to Q3-2022

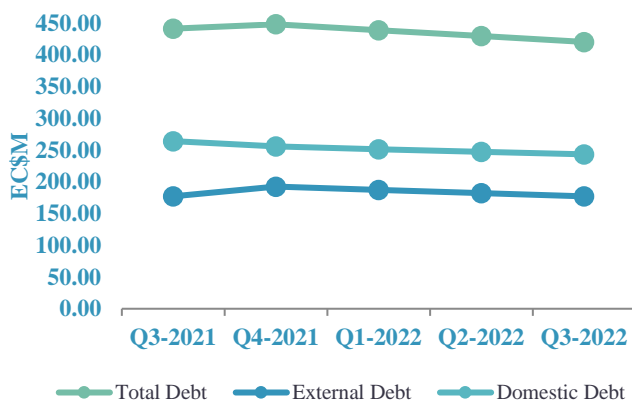


Figure 2: TOTAL PUBLIC DEBT COMPOSITION, Q3-2021 to Q3-2022

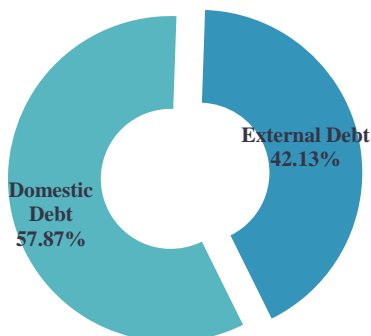
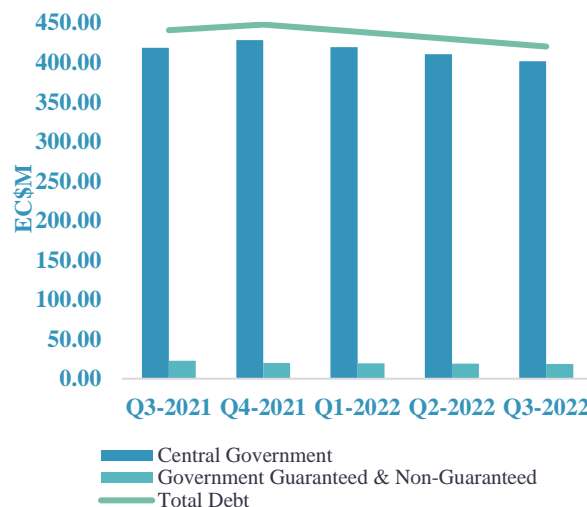
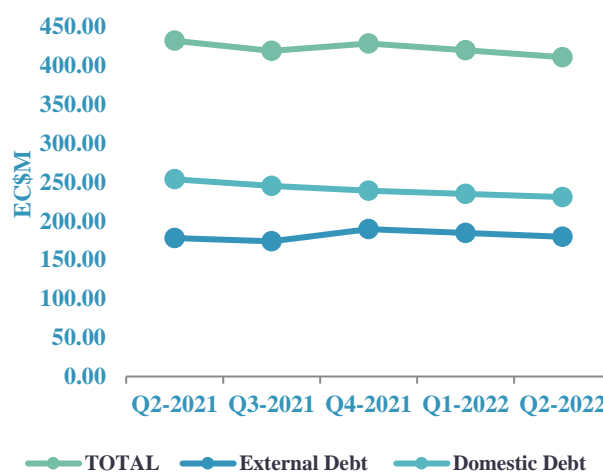


Figure 3: PUBLIC DEBT BY BORROWER, Q3-2021 to Q3-2022



2. **Central Government Debt** totalled \$401.21m at the end of Q3-2022, a decrease of \$8.93m (2.23%) against Q2-2022 and a decrease of \$17.03m (4.24%) when compared to Q3- 2021.

Figure 4: CENTRAL GOVERNMENT DEBT, Q3-2021 to Q3-2022

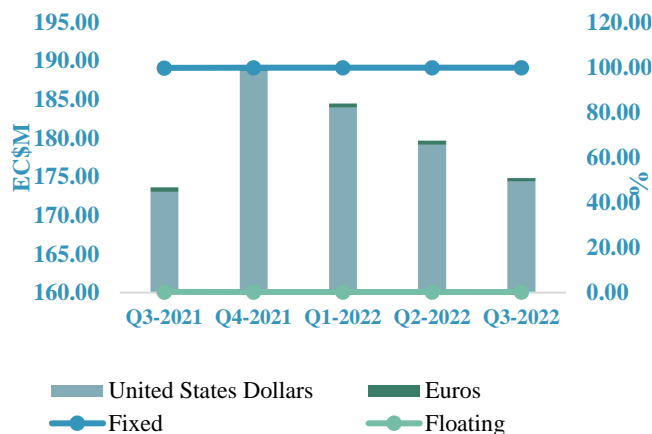


2.1 Central Government External Debt accounted for 43.57% (\$174.82m) of Central Government debt. There was a decrease of \$4.83m (2.69%) when compared to Q2-2022 and an increase of \$1.2m (0.69%) when compared to Q3-2021. The Caribbean Development Bank (CDB) was the main external creditor and the main loan currency was the United States Dollar, both corresponding to \$174.36m of the debt. The remaining portion of external debt amounted to \$0.46m and was denominated in Euro. The variable interest rate debt accounted for 98.79% (\$172.71m), while fixed interest rate debt accounted for 1.21% (\$2.11m). There were no external debt arrears.

Figure 5: CENTRAL GOVERNMENT EXTERNAL DEBT BY INTERES RATE TYPE, Q3-2021 to Q3-2022



Figure 6: CENTRAL GOVERNMENT EXTERNAL DEBT BY CURRENCY AND CURRENCY TYPE, Q3-2021 to Q3-2022



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¹ Fixed- Represents external debt denominated in foreign currencies to which the EC dollar is pegged and thus the exchange rate is fixed. The EC dollar is solely pegged to the US Dollar.
Floating- Represents external debt denominated in currencies to which the EC dollar is not pegged.

2.2 Central Government Domestic Debt was recorded at \$226.39m at the end of Q3-2022. This represented a decrease of \$4.10m (1.77%) and a decrease of \$18.24m (7.46%), when compared to Q2-2022 and Q3-2021 respectively. The Eastern Caribbean Dollar was the main loan currency of Central Government Domestic Debt. The main creditor category was government related institutions, specifically the Anguilla Social Security Board (ASSB) which held 87.44% (\$197.95m) of debt. The remaining 12.56% (\$28.44m) is associated with the Depositors' Protection Trust² (DPT). In regards to domestic instruments, the ASSB Promissory Note accounted for 87.44% of the domestic debt portfolio and the (DPT) accounted for the remaining 12.56%. There was no debt associated with overdrafts. Additionally, there were no arrears related to domestic debt.

Figure 8: CENTRAL GOVERNMENT DOMESTIC DEBT BY INSTRUMENT, Q3-2021 to Q3-2022

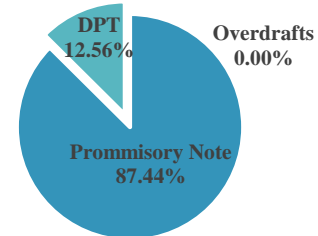
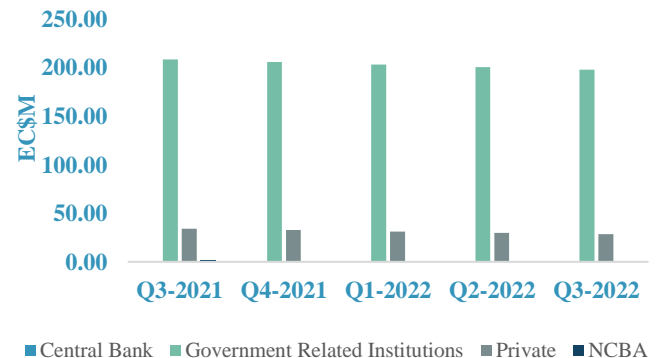


Figure 9: CENTRAL GOVERNMENT DOMESTIC DEBT BY CREDITOR, Q3-2021 to Q3-2022



² DPT- an arrangement established under the Bank Resolution Obligations Act and executed to protect and repay persons holding large deposits at the former National Bank of Anguilla Ltd. & the Caribbean Commercial Bank (Anguilla) Ltd.



2.3 Central Government Debt Service amounted to \$12.18m during Q3-2022, a decrease of 0.08% (\$0.01m) when compared to Q2-2022. However, when compared to Q3-2021, there was an increase of 3.13% (\$0.37m). Interest payments accounted for \$3.28m and amortization accounted for \$8.90m, which is 26.93% and 73.07% of total debt service respectively. Domestic debt service represented 47.21% (\$5.75m) of the actual debt service for Q3-2022 and external debt service, the remaining 52.79% (\$6.43m).

Note that the table below does not present the repayment currency and all monies were converted to Eastern Caribbean Dollars.

TABLE 1: CENTRAL GOVERNMENT DEBT SERVICE PAYMENTS, Q3-2021 to Q3-2022

Debt Service Payments	Q3-2021	Q4-2021	Q1-2022	Q2-2022	Q3-2022
Total Debt Service	11.81	12.10	12.00	12.19	12.18
Total Principal Repayments	8.53	8.91	8.87	8.87	8.90
Total Interest Payments	3.28	3.19	3.13	3.32	3.28
External Debt Service	5.94	6.25	6.19	6.30	6.43
Principal Repayments	4.43	4.81	4.77	4.77	4.80
Interest Payments	1.51	1.44	1.41	1.53	1.62
Domestic Debt Service	5.87	5.85	5.81	5.89	5.75
Principal Repayments	4.10	4.10	4.10	4.10	4.10
Interest Payments	1.78	1.75	1.72	1.79	1.65

2.4 Central Government Disbursements

There were no disbursements made during Q2-2022.

TABLE 2: NEW FINANCING, Q3-2021 to Q3-2022

New Financing (EC\$M)	Q3-2021	Q4-2021	Q1-2022	Q2-2022	Q3-2022
External	0.19	20.45	0.00	0.00	0.00
Multilateral	0.19	20.45	0.00	0.00	0.00
Domestic	-	-	-	-	-

3. Guaranteed and Non-Guaranteed Debt stood at \$18.78m at the end of Q3-2022. There was a decrease of \$0.31m (1.62%) and \$3.74m (16.61%) when compared to Q2-2022 and Q3-2021 respectively. External debt accounted for \$2.11m (11.24%) and domestic debt accounted for the remaining \$16.67m (88.76%). The main creditor of external debt was the CDB. In regards to domestic debt, Public-Private Partnership was the main type of creditor arrangement. There were no disbursements made during Q2-2022.

Figure 10: TOTAL GUARANTEED AND NON-GUARANTEED DEBT, Q3-2021 to Q3-2022

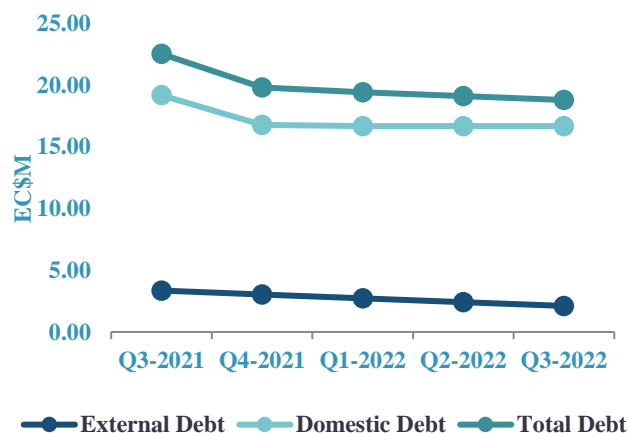
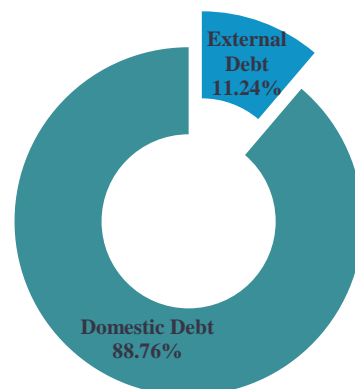


Figure 11: TOTAL GUARANTEED AND NON-GUARANTEED DEBT COMPOSITION, Q3-2021 to Q3-2022



4. Debt Ratios and Sustainability Indicators

The sustainability indicator, Debt/GDP for Q3-2022 reflects a decrease in nominal debt stock of 0.87 percentage points and a decrease of 19.10 percentage points when compared to Q2-2022 and Q3-2021 respectively. At the end of Q2-2022, Anguilla remained in compliance with the ECCB Debt target of 60% by 17.56 percentage points. The Average Time to Maturity (ATM) stood at 6.43 years and the Average Time to Refixing stood at 4.73 years. The share of interest to be refixed in one year was 82.88%.

TABLE 3: SUSTAINABILITY INDICATORS

Sustainability Indicators	Q3-2021	Q4-2021	Q1-2022	Q2-2022	Q3-2022
Public Sector Debt to GDP (%)	61.54	56.21	44.24	43.31	42.44
External Debt to GDP	24.71	24.14	18.89	18.37	17.88
Domestic Debt to GDP	36.83	32.07	25.35	24.94	24.56
Average Time to Maturity (ATM)(Yrs)	6.85	6.98	6.18	6.30	6.43
External Debt	4.95	5.54	5.14	4.46	4.57
Domestic Debt	8.51	8.35	7.55	7.66	7.78
Average Time to Refixing (ATR)(Yrs)	5.20	5.00	4.55	4.64	4.73
External Debt	0.54	0.55	0.53	0.53	0.53
Domestic Debt	8.51	8.35	7.55	7.66	7.78
Share of Interest Rate to be refixed within one year	78.69	84.39	83.92	83.41	82.88

Figure 12: TOTAL PUBLIC DEBT- MATURITY PROFILE

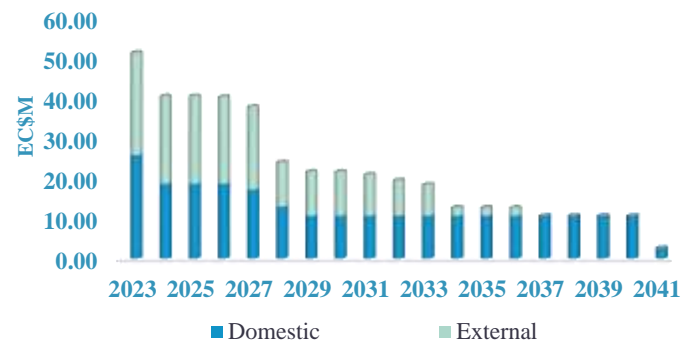


Figure 12 portrays the maturity structure of Anguilla's public debt stock at the end of Q3-2022. The maturity profile is the amount of debt falling due in a given period. Anguilla's existing debt is due to fully mature in 2041. The graph illustrates that \$51.29m will mature in less than one year, \$182.95m within 5 years and \$185.75m over 5 years.

TABLE 4: FISCAL SUSTAINABILITY AND DEVELOPMENT BENCHMARKS

Debt Indicators(%)	Targets	2017	2018	2019	2020	2021
Net Debt/Recurrent Revenue	≤80	257.60	259.38	208.54	201.95	165.41
Variance		177.60	179.38	128.54	121.95	85.41
Debt Service/Recurrent Revenue	≤10	20.63	23.57	20.42	21.12	18.49
Variance		10.63	13.57	10.42	11.12	8.49
Liquid Assets/Recurrent Expenditure	≥25	0.90	0.85	0.17	0.23	0.26
Variance		-24.10	-24.15	-24.83	-24.77	-24.74

At the end of 2021 (Q4-2021) the GoA remained in breach of the benchmarks as agreed with the United Kingdom Government and established under the Fiscal Responsibility Act.