

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 31st December 2022 stood at \$409.86m. Total Public External Debt was 42.22% (\$173.06m) of total public debt. This represented a decrease of 2.19% (\$3.87m) and 10.00% (\$19.23m) when compared to Q3-2022 and Q4-2021 respectively. Total Public Domestic Debt accounted for 57.78% (\$236.81m) of total public debt. This amount decreased by 2.57% (\$6.25m) and 7.29% (\$18.63m) in comparison to Q3-2022 and Q4-2021 respectively. Central Government debt accounted for 96.02% of total public debt and the remaining 3.98% related to government guaranteed and non-guaranteed debt of SOEs.

Figure 1: TOTAL PUBLIC DEBT, Q4-2021 to Q4-2022



Figure 2: TOTAL PUBLIC DEBT COMPOSITION, Q4-2022

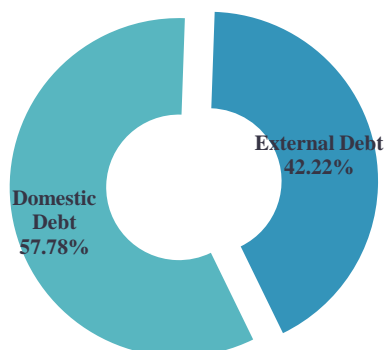
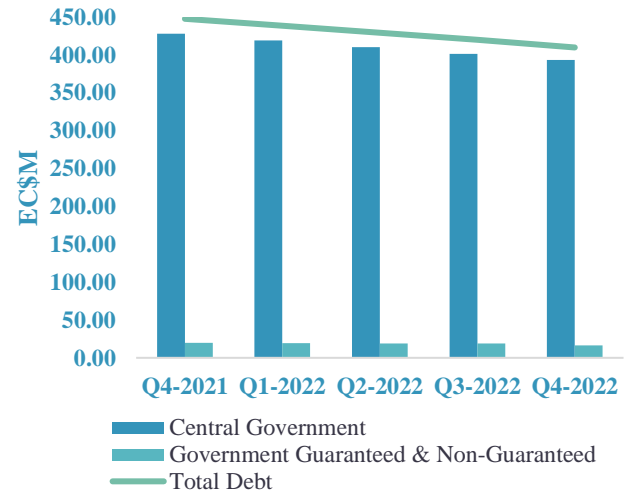
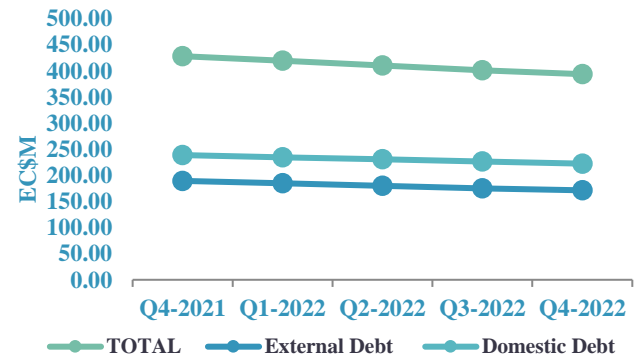


Figure 3: PUBLIC DEBT BY BORROWER, Q4-2021 to Q4-2022



2. **Central Government Debt** totalled \$393.55m at the end of Q4-2022, a decrease of \$7.66m (1.91%) against Q3-2022 and a decrease of \$34.37m (8.03%) when compared to Q4- 2021.

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



2.1 **Central Government External Debt** accounted for 43.52% (\$171.26m) of Central Government debt. There was a decrease of \$3.56m (2.04%) and \$8.39m (4.675) when compared to Q3-2022 and Q4-2021 respectively. The Caribbean Development Bank (CDB) was the main external



creditor and the main loan currency was the United States Dollar, both corresponding to \$170.79m of the debt at the end of Q-4 2022. The remaining portion of external debt amounted to \$0.47m, which was denominated in Euro. The variable interest rate debt accounted for \$169.22m (98.81%), while fixed interest rate debt accounted for \$2.04m (1.19%). There were no external debt arrears.

Figure 5: CENTRAL GOVERNMENT DEBT COMPOSITION, Q4-2022

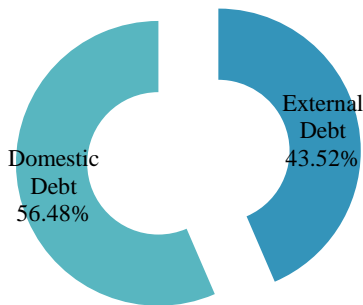


Figure 6: CENTRAL GOVERNMENT EXTERNAL DEBT BY INTERES RATE TYPE, Q4-2021 to Q4-2022

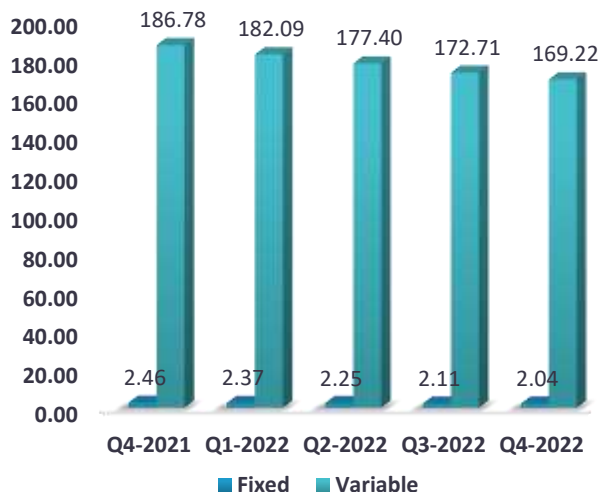
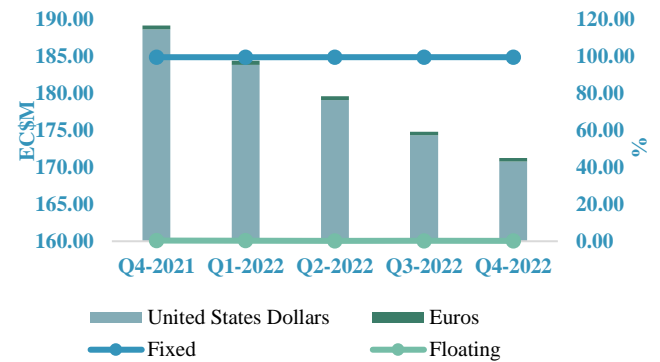


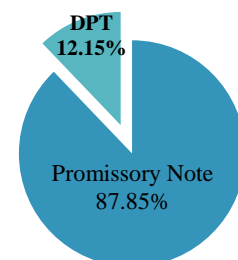
Figure 7: CENTRAL GOVERNMENT EXTERNAL DEBT BY CURRENCY AND CURRENCY TYPE, Q4-2021 to Q4-2022



¹

2.2 Central Government Domestic Debt was recorded at \$222.30m at the end of Q4-2022. This represented a decrease of \$4.09m (1.81%) and \$16.39m (6.87%), when compared to Q3-2022 and Q4-2021 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 87.85% (\$195.28m) of debt. The remaining 12.15% (\$27.02m) is associated with the Depositors' Protection Trust² (DPT). In regards to domestic instruments, the ASSB Promissory Note accounted for 87.85% of the domestic debt portfolio and the (DPT) accounted for the remaining 12.15%. There was no debt associated with overdrafts. Additionally, there were no arrears related to domestic debt.

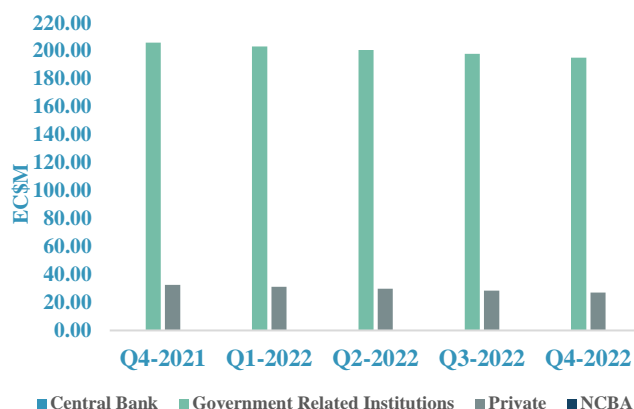
Figure 8: CENTRAL GOVERNMENT DOMESTIC DEBT BY INSTRUMENT, Q4-2022



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 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.

Figure 9: CENTRAL GOVERNMENT DOMESTIC DEBT BY CREDITOR, Q4-2021 to Q4-2022



2.3 Central Government Debt Service amounted to \$13.00m during Q4-2022, an increase of 6.73% (\$0.82m) and 7.44% (\$0.90m) when compared to Q3-2022 and Q4-2021 respectively. Interest payments accounted for \$4.10m and amortization accounted for \$8.90m, which is 31.54% and 68.46% of total debt service respectively. Domestic debt service represented 49.23% (\$6.40m) of the actual debt service for Q4-2022 and external debt service, the remaining 50.76% (\$6.60m).

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, Q4-2021 to Q4-2022

Debt Service Payments	Q4-2021	Q1-2022	Q2-2022	Q3-2022	Q4-2022
Total Debt Service	12.10	12.00	12.19	12.18	13.00
Total Principal Repayment:	8.91	8.87	8.87	8.90	8.90
Total Interest Payments	3.19	3.13	3.32	3.28	4.10
External Debt Service	6.25	6.19	6.30	6.43	6.60
Principal Repayments	4.81	4.77	4.77	4.80	4.80
Interest Payments	1.44	1.41	1.53	1.62	1.80
Domestic Debt Service	5.85	5.81	5.89	5.75	6.40
Principal Repayments	4.10	4.10	4.10	4.10	4.10
Interest Payments	1.75	1.72	1.79	1.65	2.30

2.4 Central Government Disbursements

Disbursements totaled \$1.20m at the end of Q4-2022. They been continuous disbursements on the Anguilla Community College Project Loan contracted from the Caribbean Development Bank in 2014

TABLE 2: NEW FINANCING, Q4-2021 to Q4-2022

New Financing (EC\$M)	Q4-2021	Q1-2022	Q2-2022	Q3-2022	Q4-2022
External	20.45	0.00	0.00	0.00	1.20
Multilateral	20.45	0.00	0.00	0.00	1.20
Domestic	-	-	-	-	-

3. Guaranteed and Non-Guaranteed Debt stood at \$16.31m at the end of Q4-2022. There was a decrease of \$2.47m (13.15%) and \$3.49m (17.63%) when compared to Q3-2022 and Q4-2021 respectively. External debt accounted for \$1.80m (11.04%) and domestic debt accounted for the remaining \$14.52m (88.96%). 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 Q4-2022.

Figure 10: TOTAL GUARANTEED AND NON-GUARANTEED DEBT, Q4-2021 to Q4-2022

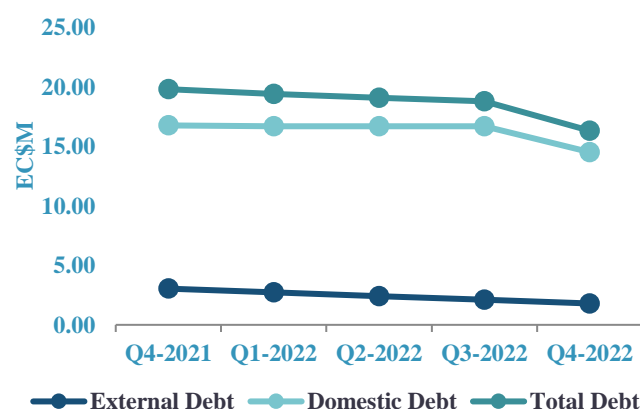


Figure 11: TOTAL GUARANTEED AND NON-GUARANTEED DEBT COMPOSITION, Q4-2022



4. Debt Ratios and Sustainability Indicators

The sustainability indicator, Debt/GDP for Q4-2022 reflects a decrease in nominal debt stock of 6.41 percentage points and 26.59 percentage points when compared to Q3-2022 and Q4-2021 respectively. At the end of Q4-2022, Anguilla remained in compliance with the ECCB Debt target of 60% by 23.97 percentage points. The Average Time to Maturity (ATM) stood at 6.58 years and the Average Time to Refixing stood at 4.84 years. The share of interest to be refixed in one year was 83.10%.

TABLE 3: SUSTAINABILITY INDICATORS

Sustainability Indicators	Q4-2021	Q1-2022	Q2-2022	Q3-2022	Q4-2022
Public Sector Debt to GDP (%)	56.21	44.24	43.31	42.44	36.03
External Debt to GDP	24.14	18.89	18.37	17.88	15.21
Domestic Debt to GDP	32.07	25.35	24.94	24.56	20.82
Average Time to Maturity (ATM)(Yrs)	6.98	6.18	6.30	6.43	6.58
External Debt	5.54	5.14	4.46	4.57	4.66
Domestic Debt	8.35	7.55	7.66	7.78	7.99
Average Time to Refixing (ATR)(Yrs)	5.00	4.55	4.64	4.73	4.84
External Debt	0.55	0.53	0.53	0.53	0.54
Domestic Debt	8.35	7.55	7.66	7.78	7.99
Share of Interest Rate to be refixed within one year	84.39	83.92	83.41	82.88	83.10

Figure 12 portrays the maturity structure of Anguilla's public debt stock at the end of Q4-2022. 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 \$39.94m will mature in less than one year, \$184.45m within 5 years and \$185.50m over 5 years. Figure 12 indicates that external debt is due to fully mature in 2036 and domestic debt is due to fully mature in 2041.

Figure 12: TOTAL PUBLIC DEBT- MATURITY PROFILE

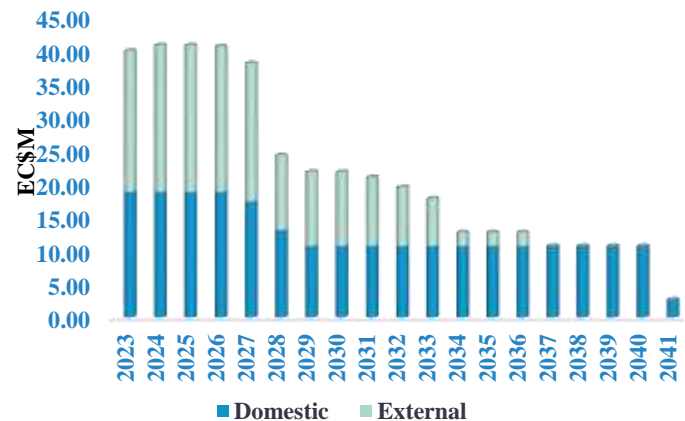


TABLE 4: FISCAL SUSTAINABILITY AND DEVELOPMENT BENCHMARKS (FFSD BENCHMARKS)

Debt Indicators(%)	Targets	2018	2019	2020	2021	2022
Net Debt/Recurrent Revenue	≤ 80	259.38	208.54	201.95	165.41	100.30
Variance		179.38	128.54	121.95	85.41	20.30
Debt Service/Recurrent Revenue	≤ 10	23.57	20.42	21.87	18.49	14.95
Variance		13.57	10.42	11.87	8.49	4.95
Liquid Assets/Recurrent Expenditure	≥ 25	0.85	0.17	0.23	0.26	26.65
Variance		-24.15	-24.83	-24.77	-24.74	1.65

At the end of 2022 (Q4-2022) preliminary estimates indicated that the GoA remained in breach of two of the three FFSD targets/benchmarks as agreed with the United Kingdom Government and established under the Fiscal Responsibility Act. The net debt/recurrent revenue ratio and the debt service/recurrent revenue ratio breached their targets (80% & 10%) by 20.30 and 4.95 percentage points respectively. The other being the liquid assets/recurrent expenditure ratio that is in compliance by 1.65 percentage points above the benchmark of 25%.