



Public Debt Quarterly Report

NO. 11

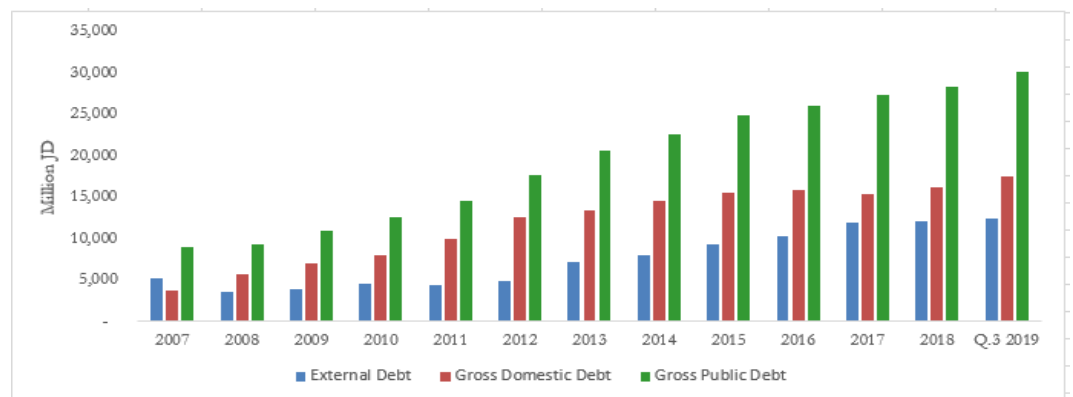
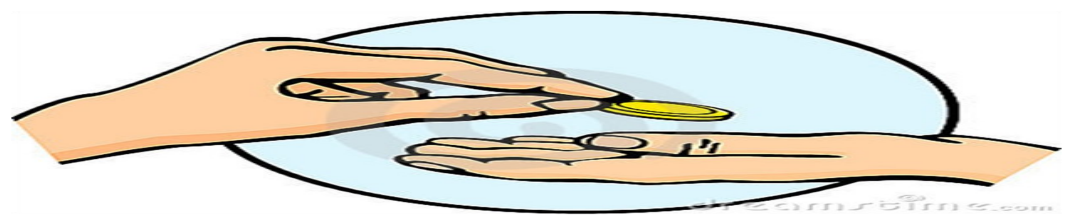
THIRD QUARTER 2019



The Hashemite Kingdom of Jordan
Ministry of Finance
Public Debt Department

INSIDE THIS ISSUE:

Public debt outstanding	2
Debt Growth	3
Average Maturity of Public debt	3
Debt outstanding by remaining maturity.	4-5
• Domestic debt profile	
• External debt profile	
New borrowing	6
Projection debt service	7-8
Average interest rate of domestic bond issued	8
Actual Debt service of Public debt	9



1) Debt outstanding

SPECIAL POINTS OF INTEREST:

- Net Public debt outstanding to GDP was 92.5 % at end of Q.3 2019.(1)
- Gross Public debt to GDP at end of Q.3 2019 was 96.7% .
- External debt end of Q.3 2019 was 40.2% of GDP compared to 40.3% of GDP end of 2018.
- Net Domestic debt increased by 9.7% or JD 1441 million at end of Q.3 2019.
- Net borrowing for National Electric Power Company (NEPCO) and Water Authority of Jordan (WAJ) was JD (246) million at end of Q.3 2019.(3)
- Guaranteed debt by end of Q.3 2019 is about JD 3.3 billion or 10.9% of total debt.
- Majority of guaranteed debt are for (NEPCO) &(WAJ).

• By end of Q.3 of 2019, net public debt outstanding increase by 9.7% from its level at the end of 2018, reaching about JD 28753 million, and representing 92.5% of 2019 estimated Gross Domestic Product (GDP)

• Gross public debt outstanding rose by 6.2% from its level at the end of 2018, reaching about JD 30051 million, and representing 96.7% of 2019 estimated Gross Domestic Product (GDP) (2)

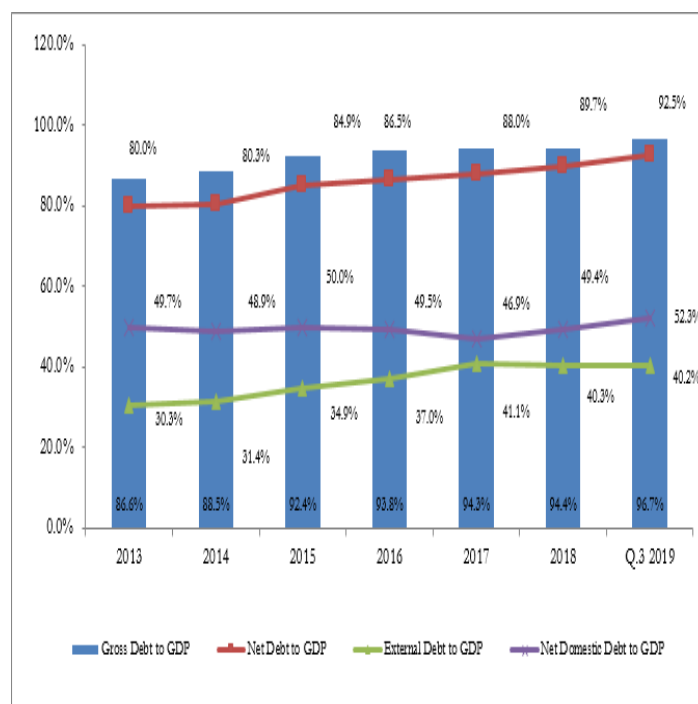
• The external debt outstanding increased by 3.4%, reaching to JD 12500 million at the end of Q.3 2019, which represents decrease in the percentage to GDP from 40.3% at the end of 2018 to 40.2% by the end of Q.3 2019.

In contrast net domestic debt balance increased by 9.7% reaching JD 16254 million at the same period, net domestic debt as percent of GDP was 52.3 % by the end of Q.3 2019 compared to 49.4% of GDP at the end of 2018.

• The increase of net domestic debt was a result of increasing in net outstanding of budgetary debt by JD 1646 million and increase of Net outstanding of NEPCO and WAJ by JD 205 million.

• The guaranteed debt (domestic & external) decreased by JD 82 million at end of Q.3 2019 from its level at end of 2018 reaching about JD 3262 million.

Chart (1.1)

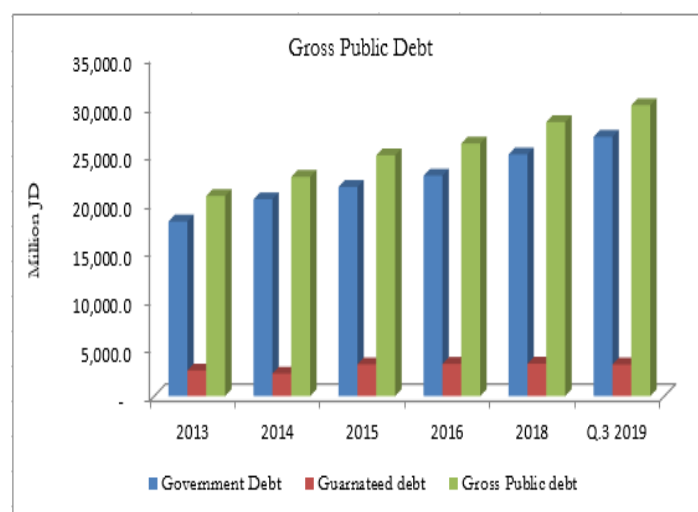


(1) Net debt =Gross debt –All deposits hold by the Central government inclusive of money specified for projects .

(2) GDP for 2019 as of MOF module projection.

(3) () means negative value.

Chart (1.2)

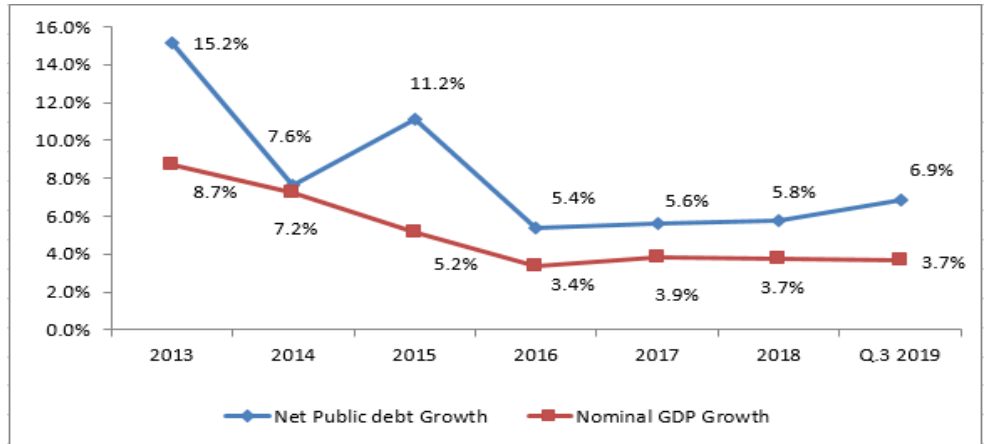


Public debt growth compared to GDP nominal Growth

Net Debt outstanding growth end of Q.3 2019 was 6.9% compared to 3.7% of Nominal GDP growth.

Net Public Debt growth declined from 11.2% in 2015 to 5.8% end of 2018.

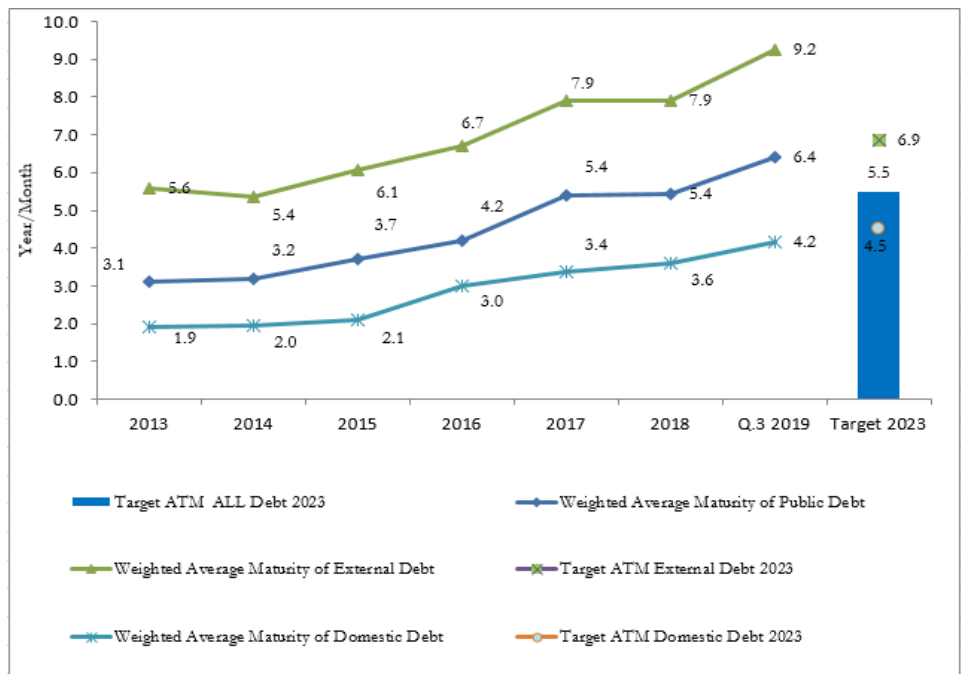
Chart (1.3)



- Average maturity of domestic debt 4.2 years at end of Q. 3 2019 compared to 3.6 years end of 2018.
- Average maturity of External debt 9.2 years end of Q.3 2019 compared to 7.9 years end of 2018.
- Average maturity of Public debt 6.4 years at end of Q.3 2019.

Average Maturity of Public Debt

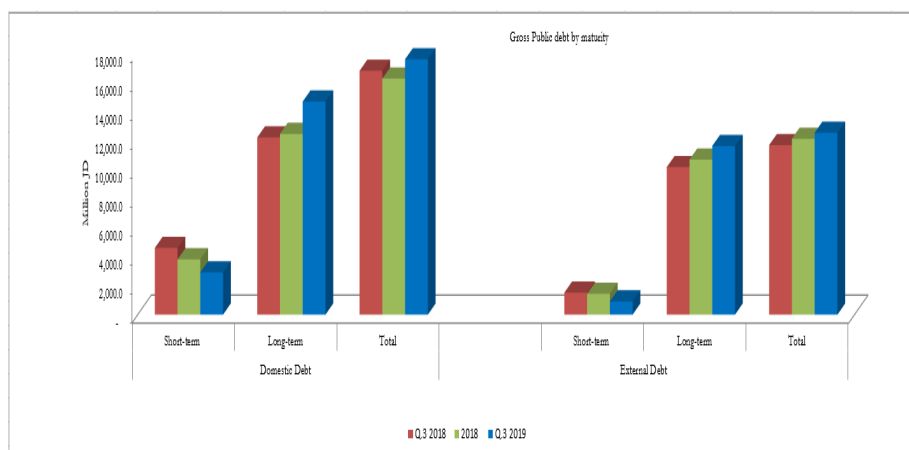
Chart (1.4)



Debt outstanding by remaining maturity

- Short term of domestic debt represent 9.7% of Gross public debt as at end of Q.3 2019 compared to 13.4% as end of 2018.
- Short term of external debt represent 3.0% of Gross public debt as at end of Q.3 2019.

Chart (1.5)



*Short term: Debt maturity up to one year.

Domestic debt profile

Table (1.1)

Majority of Gross domestic debt (58.0%) held by banking sector. T-bill and T-Bonds account for about 83.4% of Gross domestic debt.

	2013	2014	2015	2016	2017	2018	Q.3 2019	JD million	%
Gross Debt (By Credit Type)	13,439.5	14,621.5	15,486.3	15,793.7	15,402.1	16,220.7	17,551.4		100.0%
Budgetary Agencies	11,556.4	13,073.7	12,935.1	13,174.8	12,546.8	13,352.3	14,916.7		85.0%
Treasury Bonds	10,353.2	11,821.1	12,259.0	12,248.0	12,048.9	12,790.3	14,040.3		80.0%
Treasury Bills	515.0	650.0	125.0	475.0	145.0	285.0	600.0		3.4%
Government Bonds	-	-	-	-	-	-	-		-
CBJ Bonds for overdraft settlement	400.0	320.0	240.0	160.0	80.0	-	-		-
CBJ Advance	271.7	271.7	271.7	271.7	271.7	271.7	271.7		1.5%
Loans	-	-	-	-	-	-	-		0.0%
Facilities	16.5	10.9	39.4	20.2	1.1	5.2	4.7		0.0%
Own-Budget Agencies	1,883.1	1,547.8	2,551.2	2,618.9	2,855.3	2,868.5	2,634.8		15.0%
Bonds	868.6	608.5	562.5	532.5	657.5	910.5	858.0		4.9%
Facilities & Loans	1,014.5	939.3	1,988.7	2,086.4	2,197.8	1,958.0	1,776.8		10.1%
Gross Debt (By Holder\Source)	13,439.5	14,621.5	15,486.3	15,793.7	15,402.1	16,220.7	17,551.4		100%
Banks	10,733.1	11,037.6	11,395.2	10,787.8	9,505.1	9,824.1	10,173.4		58.0%
Non Banks	2,706.4	3,583.8	4,091.0	5,005.9	5,896.9	6,396.7	7,378.0		42.0%
Banks Deposits	1,577.3	2,096.1	2,028.9	2,013.3	1,833.5	1,407.7	1,297.7		
Budgetary Agencies; of which	1,366.4	1,878.1	1,813.6	1,816.4	1,506.0	1,134.9	1,053.6		
Treasury Account 1/	(281.5)	(663.3)	(670.4)	(330.4)	(447.9)	(875.9)	(990.1)		
Own-Budget Agencies	210.9	217.9	215.2	196.9	327.5	272.8	244.1		
Net Debt	11,862.2	12,525.4	13,457.4	13,780.4	13,568.6	14,813.1	16,253.7		

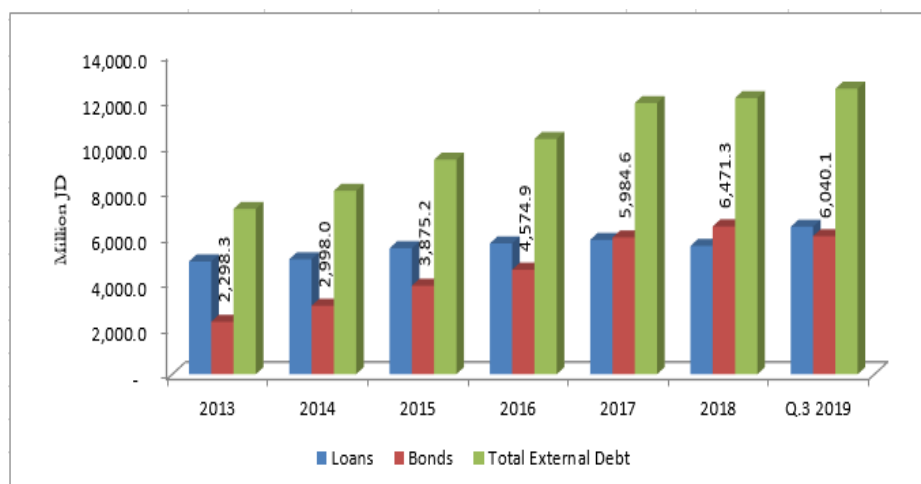
1/ Exclude government deposits within Treasury Single Account (TSA).

External Debt profile

External debt at end of Q.3 2019 was about JD 12500 million of which 51.7% loans and 48.3% Bonds compared to JD 12088 million of which 46.5% loans and 53.5% Bonds at end of 2018.

External debt end of 2013 was JD7235 million of which 68.2% loans and 31.8% Bonds.

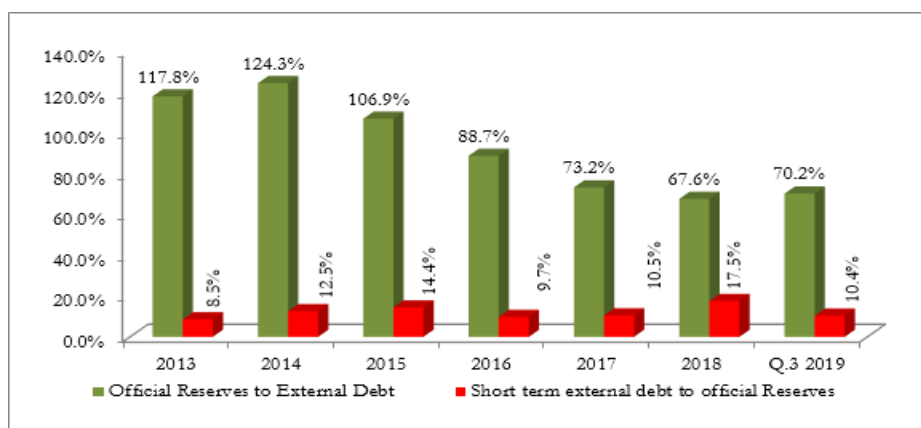
Chart (1.6)



Official reserves to external debt reached to 70.2 % at end of Q.3 2019 compared to 67.6% end of 2018.

Short term of external debt to official reserves was 10.4% end of Q.3 2019 compared to 17.5% at the end of 2018.

Chart (1.7)



External debt to export reached to 113.1% at end of 2018 compared to 71.6% end of 2013.

Chart (1.8)



2) New Borrowing (For Budget Support)

1) Domestic Net borrowing at end of Q.3 2019 was JD 1565 million compared to JD 1291 million at end of Q.3 2018.

Chart (2.1)

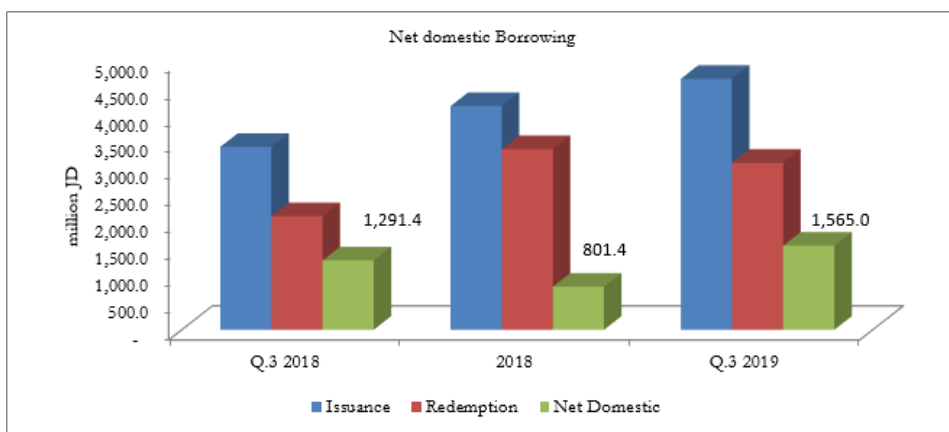
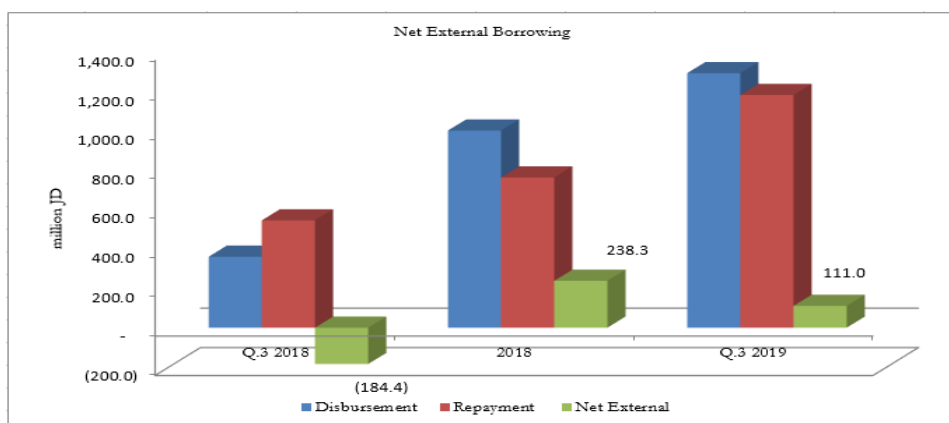


Chart (2.2)

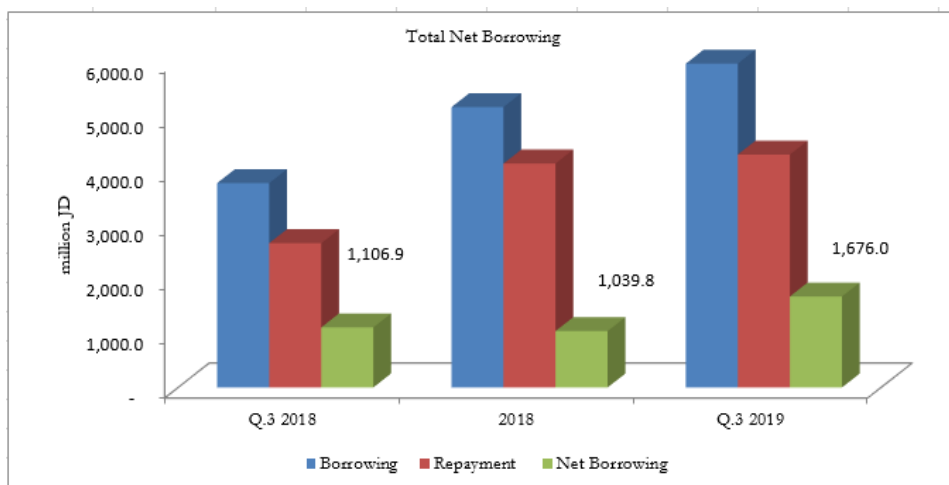
2) External Net borrowing at end of Q.3 2019 was JD 111 million compared to JD (184) million at end of Q.3 2018. *



*(): means negative amount

3) Net of Borrowing (Domestic & External) end of Q.3 2019 was JD 1676 million compared to JD 1107 million at end of Q.3 2018.

Chart (2.3)



3) Debt service based on outstanding debt as at end of Q.3 2019

External Debt

Table (3.1)

Million JD

	One year or less (months)				Over one year to two years (months)		Over two years	Total
	0-3	4-6	7-9	10-12	13-18	19-24		
Total	659.6	181.5	324.8	166.3	1,609.8	821.4	12,916.5	16,694.5
Principal	526.6	101.4	194.6	87.0	1,402.9	633.5	9,563.5	12,499.5
Interest	147.6	80.1	130.2	79.3	206.9	187.9	3,363.0	4,195.0
By Currency	658.8	181.5	324.8	166.3	1,609.8	821.4	12,916.5	16,679.9
U.S. Dollar	521.0	87.2	182.5	89.3	1,474.9	695.9	6,827.7	12,878.5
Principal	393.2	20.5	69.4	22.7	1,296.4	533.9	6,818.5	9,154.6
Interest	127.8	66.7	113.1	66.6	178.5	162.0	3,009.2	3,723.9
Special Drawing Right	84.1	58.9	72.0	41.8	27.2	22.0	302.9	608.9
Principal	80.9	55.2	70.2	38.6	23.5	18.7	280.3	567.4
Interest	3.2	3.7	1.8	3.1	3.7	3.3	22.6	41.5
Kuwaiti Dinar	12.0	17.6	12.9	17.6	28.8	28.8	679.8	797.5
Principal	7.4	12.0	8.4	12.0	19.3	19.8	548.4	627.4
Interest	4.6	5.6	4.5	5.6	9.5	9.0	131.4	170.1
Japanese Yen	27.9	7.3	27.8	7.2	37.0	31.4	637.9	776.5
Principal	24.7	5.8	27.7	5.8	32.7	27.5	578.8	700.0
Interest	3.2	1.5	3.1	1.5	4.3	3.9	59.1	76.5
Euro	22.2	6.9	23.1	6.8	31.2	32.9	1,203.7	1,326.8
Principal	14.6	5.2	16.5	5.1	21.9	25.1	1,097.2	1,185.6
Interest	7.6	1.7	6.6	1.7	9.3	7.7	106.5	141.2
Others	7.1	3.6	6.4	3.6	10.8	10.3	264.6	306.3
Principal	5.9	2.8	5.3	2.9	9.0	8.5	230.2	264.5
Interest	1.2	0.8	1.2	0.7	1.8	1.8	34.4	41.8

Table (3.2)

Yearly Basis

Million JD

	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total	674.2	1,799.8	1,532.4	1,751.7	1,191.3	672.4	984.0	1,295.8	1,223.1	469.4	489.8	365.8	423.4	319.4
Principal	526.6	1,381.0	1,149.4	1,414.9	880.3	397.9	728.6	1,078.1	1,057.7	333.7	363.4	248.3	313.1	216.3
Interest	147.6	418.8	383.0	336.8	311.0	274.5	255.4	217.7	165.4	135.7	126.4	117.5	110.3	103.1

3) Debt service (Central Government) based on outstanding debt as at end of Q.3 2019

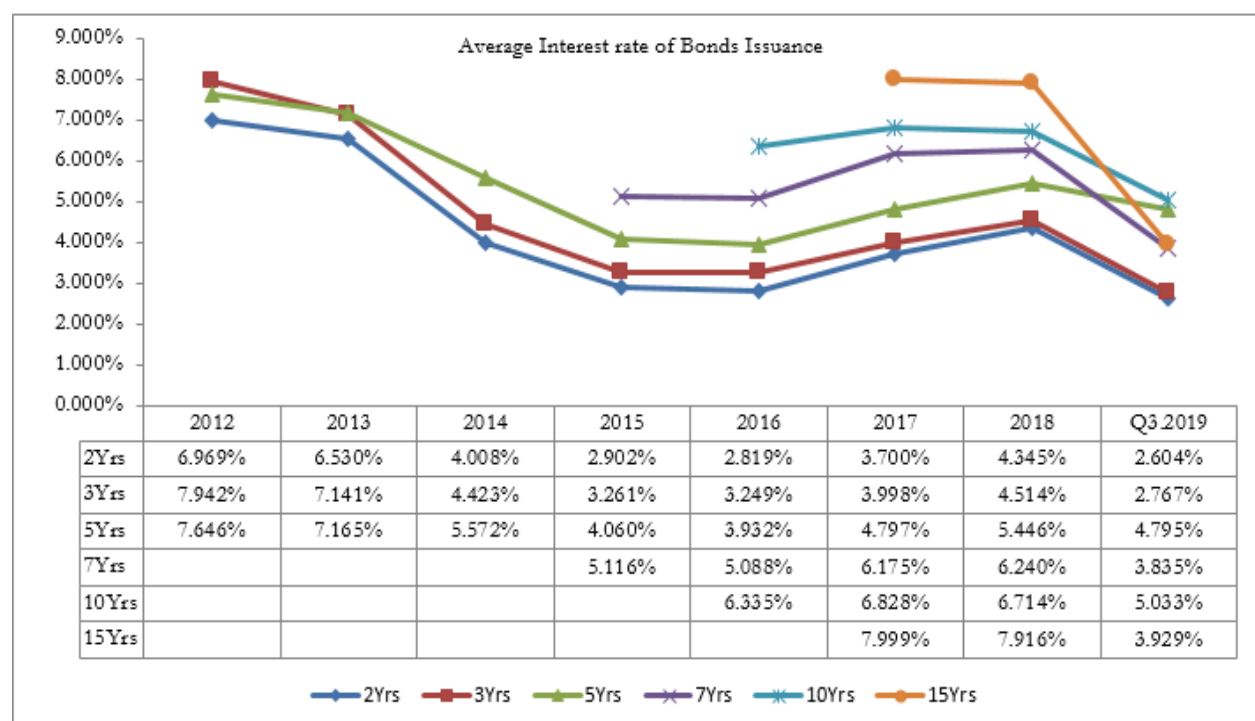
Domestic Debt

Table (3.3)

Million JD		One year or less (months)				Over one year to two years (months)		Over two years	Total
		0-3	4-6	7-9	10-12	13-18	19-24		
Total		708.6	985.0	470.4	822.1	1,890.7	1,756.2	12,503.7	19,136.7
	Principal	550.0	750.0	329.6	600.0	1,546.7	1,438.0	9,702.4	14,916.7
	Interest	158.6	235.0	140.8	222.1	343.9	318.2	2,801.3	4,220.0

Average interest rate of Domestic Debt Bonds

Chart (3.1)



4) Actual Debt service

Table (4.1)

Million JD

	2013	2014	2015	2016	2017	2018	Q.3 2019
Public Debt Service domestic & External (Budget)							
Cash Basis							
Interest of External Debt (million JD)	101.8	175.7	204.5	213.3	268.8	356.9	263.3
Interest of Domestic Debt (million JD)	634.7	750.3	710.1	622.0	587.3	647.6	574.6
Total interest (million JD)	736.5	926.0	914.6	835.3	856.2	1,004.4	837.9
Principal of External Debt (million JD)	373.5	601.4	1,081.5	1,342.9	709.2	762.8	1,181.6
Total Public debt service (Budget) (million JD)	1,110.0	1,527.4	1,996.1	2,178.2	1,565.4	1,767.2	2,019.5
Total Debt Service to GDP	4.7%	6.0%	7.4%	7.8%	5.4%	5.9%	6.5%
Total interest to Total Revenues	12.8%	12.7%	13.5%	11.8%	11.5%	12.8%	17.2%
Total interest to Domestic Revenues	14.4%	15.4%	15.5%	13.4%	12.7%	14.5%	17.7%
Total Public debt service to Total Revenues	19.3%	21.0%	29.4%	30.8%	21.1%	22.5%	41.4%
Total Public debt service to Domestic Revenues	21.7%	25.3%	33.8%	34.9%	23.3%	25.4%	42.8%
External Debt Service (Budget and Guaranteed)							
Cash Basis (million JD)	598.9	906.4	1,462.5	1,670.5	1,179.7	1,300.1	1,485.1
Debt Service to GDP	2.5%	3.6%	5.4%	6.0%	4.1%	4.3%	4.8%
Debt Service to Exports (Goods & Services)	5.9%	8.2%	14.6%	17.3%	11.7%	12.2%	
Official Reserves to Debt Service	1423.3%	1101.3%	686.1%	546.8%	736.4%	628.4%	
Implicit Interest Rate	2.6%	2.8%	2.9%	2.5%	2.8%	3.2%	



Ministry of Finance Public debt Department

P.O. Box 85
Amman 11118

Phone: + 962 6 4643642
Fax: + 962 6 4650724

For further information or comment please contact:

Mr. Ahmad Hmaidat
Director of Public Debt Department
Phone: + 962 6 4643642
Fax: + 962 6 4650724
E-mail: ahmad.h@mof.gov.jo

Vision of MOF

Distinguished financial management at the regional level that contributes to enhancing financial and economic stability in the Kingdom and well-being of citizens

Mission of MOF

Improving public finance management mechanisms and the quality of rendered services through modernization of financial legislations and implementation of international best practices building on the accumulated knowledge and highly qualified human resources

We are in the web
<http://www.mof.gov.jo/en-us/datacenter/financialbulletin/publicdebtbulletin/publicdebtbulletin2017.aspx>

Core Values of MOF

Loyalty: Feeling responsible and committed to the ministry, employees, and clients.

Sustainable Development: Continuous capacity building and improvement of manpower.

Transparency and Disclosure: Exchange and simplifying information with the highest professional means and transparency
Robust Planning: Realistic planning based on result-oriented and measurable indicators .

Excellence: Excellence in providing services according to international standards.

Teamwork: Work and participate at all levels to ensure the achievement of national goals

NO. 11



THIRD QUARTER 2019