



Public Debt Quarterly Report

NO. 5

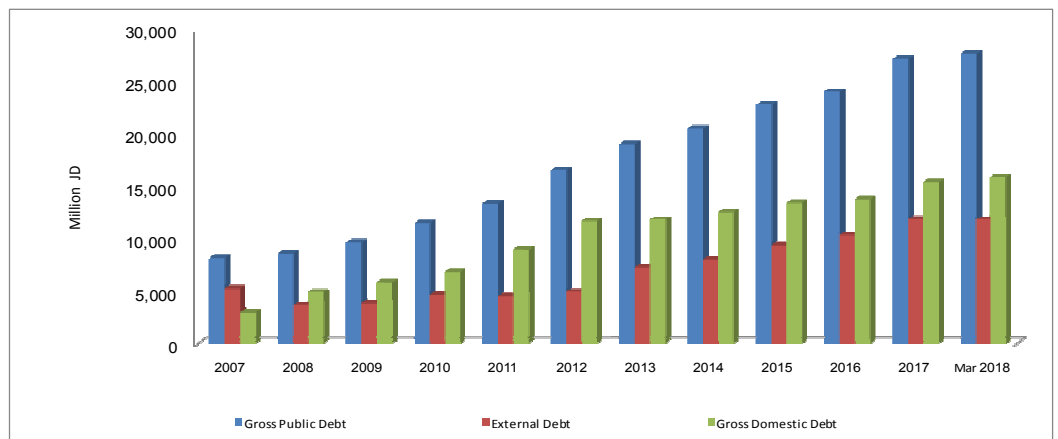
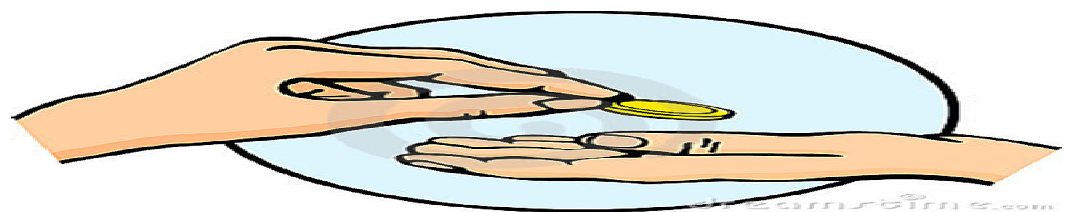
FIRST QUARTER 2018



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:

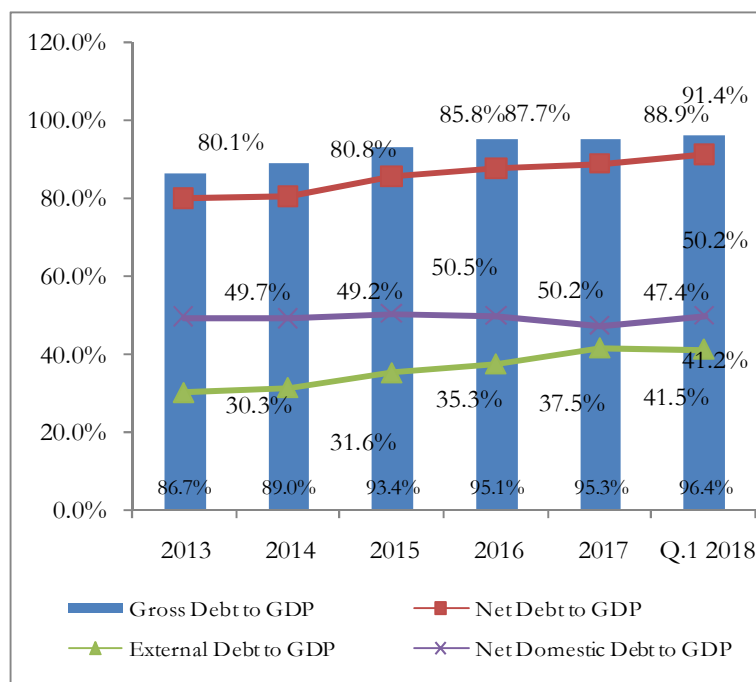
- Public debt to GDP at end of Q.1 2018 was 96.4% compared to 95.3% of GDP end of 2017.
- Net Public debt outstanding to GDP was 91.4% (1).
- External debt end of Q.1 2018 was 41.2% of GDP compared to 41.5% of GDP end of 2017.
- Net Domestic debt increased by 6.4% or JD 867 million at end of Q.1 2018.
- Net borrowing for National Electric Power Company (NEPCO) was JD 68 million in Q.1 2018.
- Guaranteed debt by end of Q.1 2018 is about JD 3.4 billion or 12.4 of total debt.
- Majority of guaranteed debt are for (NEPCO) & (WAJ).

- By end of first quarter of 2018, gross public debt outstanding rose by 1.7% from its level at the end of 2017, reaching about JD 27720 million, and representing 96.4% of 2018 estimated Gross Domestic Product (GDP) (2).
- The net public debt outstanding increase by 3.3% from its level at the end of 2017, reaching about JD 26283 million, and representing 91.4% of 2018 estimated Gross Domestic Product (GDP)
- The external debt outstanding decreased by 0.2%, reaching to JD 11847 million at the end of Q.1 2018, which represents decrease in the percentage to GDP from 41.5% at the end of 2017 to 41.2% by the end of Q.1 2018.

In contrast net domestic debt balance increased by 6.4% reaching JD 14436 million at the same period, net domestic debt as percent of GDP was 50.2% by the end of Q.1 2018 compared to 47.4% of GDP at the end of 2017.

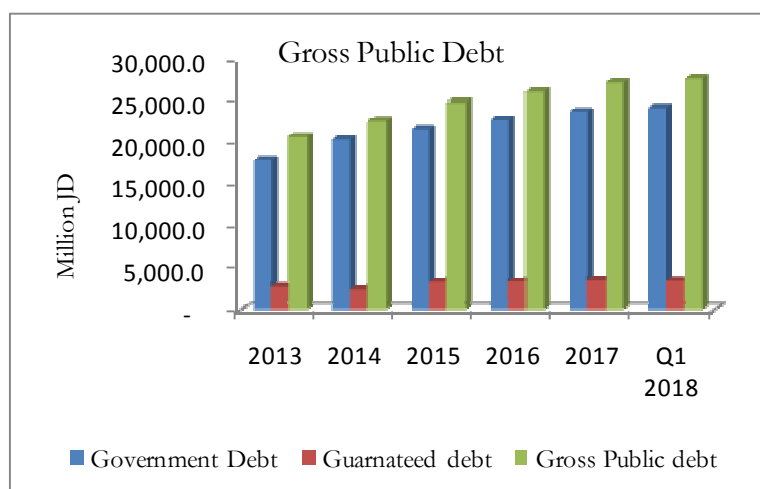
- The increase of net domestic debt was a result of increasing in net outstanding of budgetary debt by JD 894 million and a decrease of Net outstanding of NEPCO and WAJ by JD 27 million.
- The guaranteed debt (domestic & external) decrease by JD 57 million at end of Q.1 2018 from its level at end of 2017 reaching about JD 3437 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 2018 as of MOF module projection.

Chart (1.2)

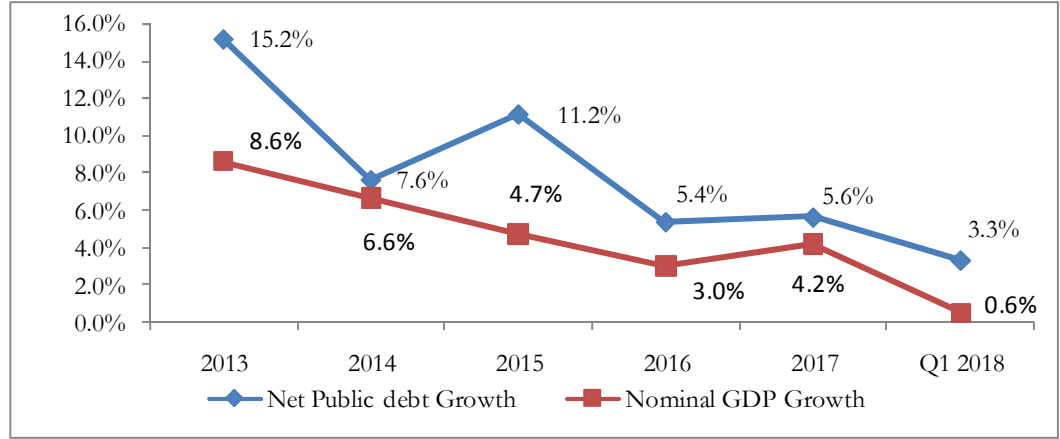


Public debt growth compared to GDP nominal Growth

Net Debt outstanding growth end of Q.1 2018 was 3.3% compared to 0.6% of Nominal GDP growth.

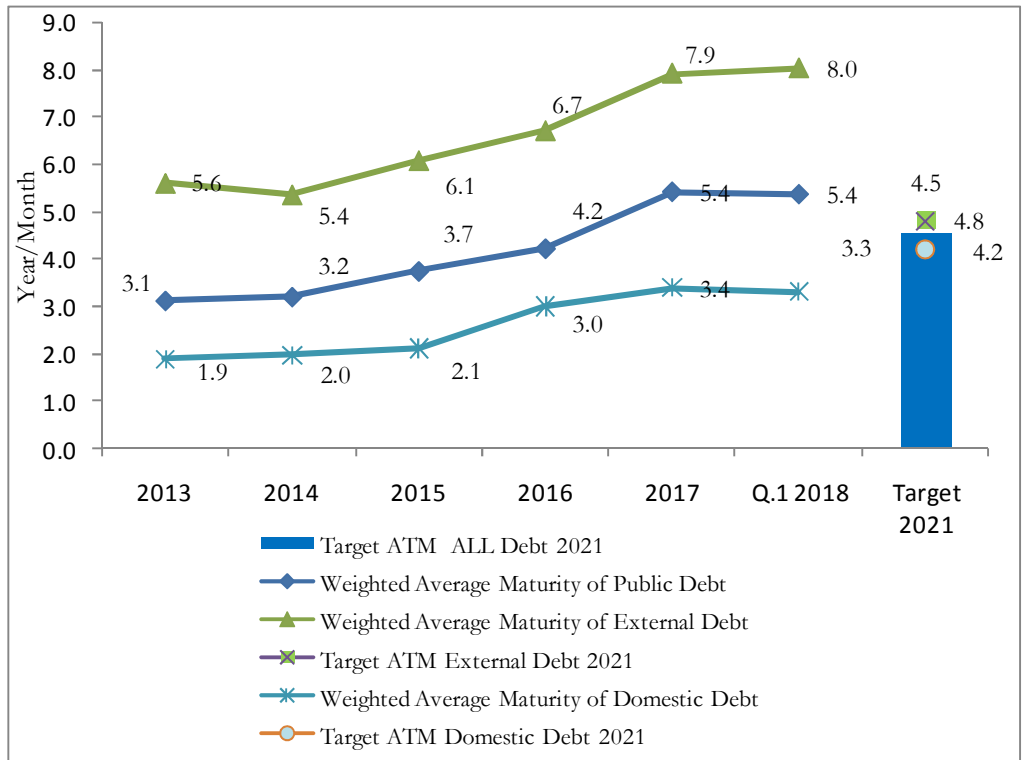
Public Debt growth declined from 11.2% in 2015 to 5.6% end of 2017.

Chart (1.3)



Average Maturity of Public Debt

Chart (1.4)

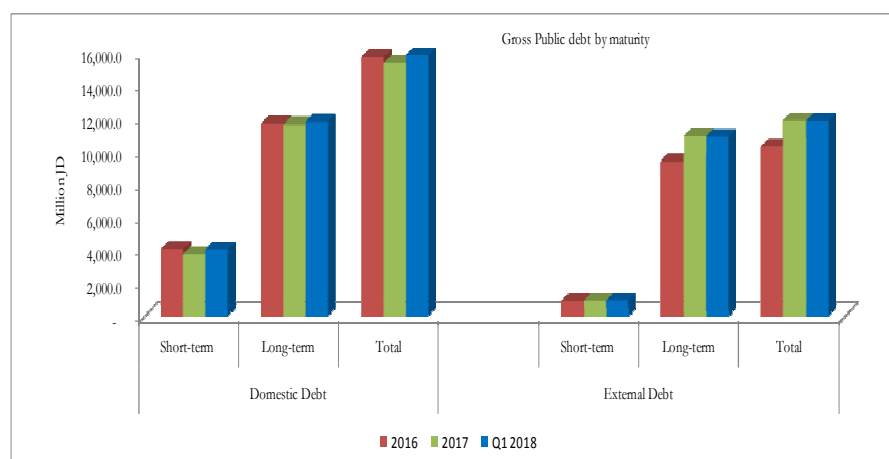


- Average maturity of domestic debt 3.3 years at end of Q.1 2018 compared to 3.4 years end of 2017.
- Average maturity of External debt 8.0 years end of Q.1 2018 compared to 7.9 years end of 2017.
- Average maturity of Public debt 5.4 years at end of Q.1 2018.

Debt outstanding by remaining maturity

- Short term of domestic debt represent 14.7% of Gross public debt as at end of Q.1 2018 compared to 13.8% as end of 2017.
- Short term of external debt represent 3.3% of Gross public debt as at end of Q.1 2018.

Chart (1.5)



*Short term: Debt maturity up to one year.

Domestic debt profile

Table (1.1)

Majority of Gross domestic debt (61.2%) held by banking sector. T-bill and T-Bonds account for about 80.2% of Gross domestic debt.

	2013	2014	2015	2016	2017	Q1 2018	Q1 2018
	Million JD						
Gross Debt							
(By Credit Type)	13,439.5	14,621.5	15,486.3	15,793.7	15,402.1	15,873.2	100.0%
Budgetary Agencies	11,556.4	13,073.7	12,935.1	13,174.8	12,546.8	13,051.8	82.2%
Treasury Bonds	10,353.2	11,821.1	12,259.0	12,248.0	12,048.9	12,498.9	78.7%
Treasury Bills	515.0	650.0	125.0	475.0	145.0	235.0	1.5%
Government Bonds	-	-	-	-	-	-	-
CBJ Bonds for overdraft settlement	400.0	320.0	240.0	160.0	80.0	40.0	0.3%
CBJ Advance	271.7	271.7	271.7	271.7	271.7	271.7	1.7%
Loans	-	-	-	-	-	-	0.0%
Facilities	16.5	10.9	39.4	20.2	1.1	6.1	0.0%
Own-Budget Agencies	1,883.1	1,547.8	2,551.2	2,618.9	2,855.3	2,821.4	17.8%
Bonds	868.6	608.5	562.5	532.5	657.5	657.5	4.1%
Facilities & Loans	1,014.5	939.3	1,988.7	2,086.4	2,197.8	2,163.9	13.6%
Gross Debt (By Holder\Source)	13,439.5	14,621.5	15,486.3	15,793.7	15,402.1	15,873.2	100%
Banks	10,733.1	11,037.6	11,395.2	10,787.8	9,505.1	9,717.3	61.2%
Non Banks	2,706.4	3,583.8	4,091.0	5,005.9	5,896.9	6,155.9	38.8%
Banks Deposits	1,577.3	2,096.1	2,028.9	2,013.3	1,833.5	1,437.4	
Budgetary Agencies; of which							
Treasury Account 1/	(281.5)	(663.3)	(670.4)	(330.4)	(447.9)	(967.8)	
Own-Budget Agencies	210.9	217.9	215.2	196.9	327.5	320.8	
Net Debt	11,862.2	12,525.4	13,457.4	13,780.4	13,568.6	14,435.8	

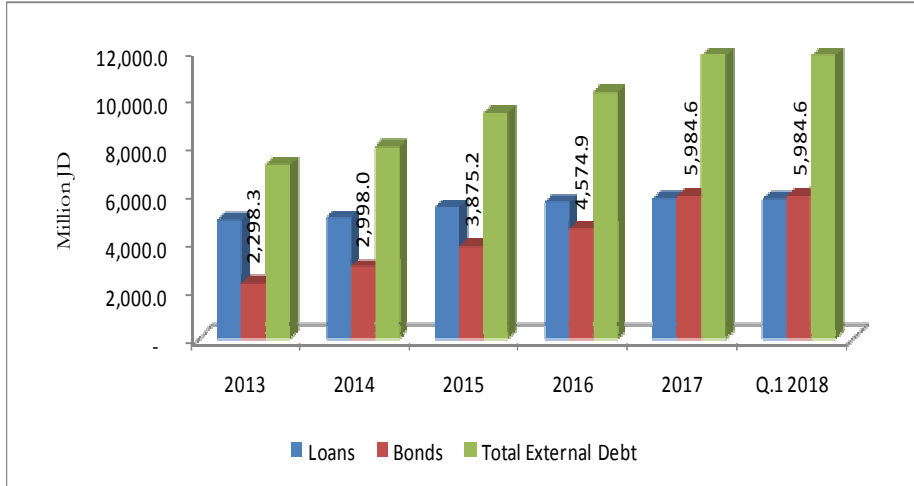
1/ Exclude government deposits within Treasury Single Account (TSA).

External Debt profile

External debt at end of Q.1 2018 was about JD 11847 million of which 49.5% loans and 50.5% Bonds compared to t JD 11867 million of which 49.6% loans and 50.4% Bonds at end of 2017.

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

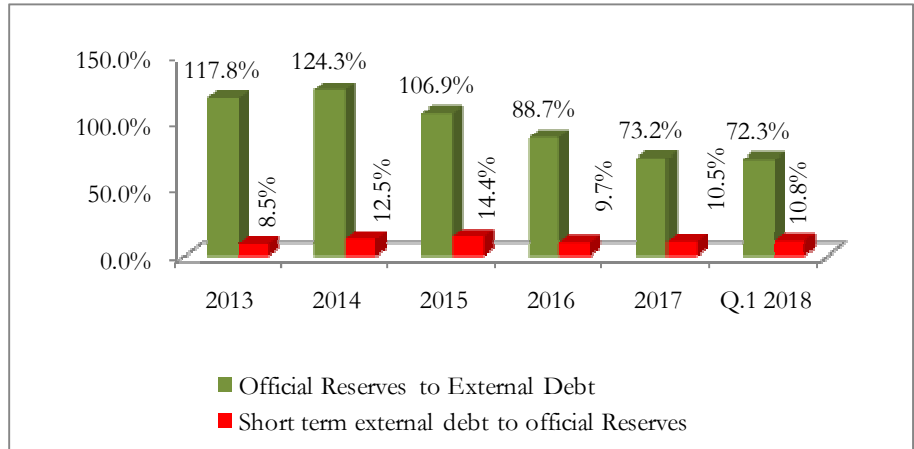
Chart (1.6)



Official reserves to external debt reached to 72.3% at end of Q.1 2018 compared to 73.2% end of 2017.

Short term of external debt to official reserves was 10.8% end of Q.1 2018 compared to 10.5% at the end of 2017.

Chart (1.7)



External debt to export reached to 106.8% at end of 2016 compared to 48.6% end of 2012.

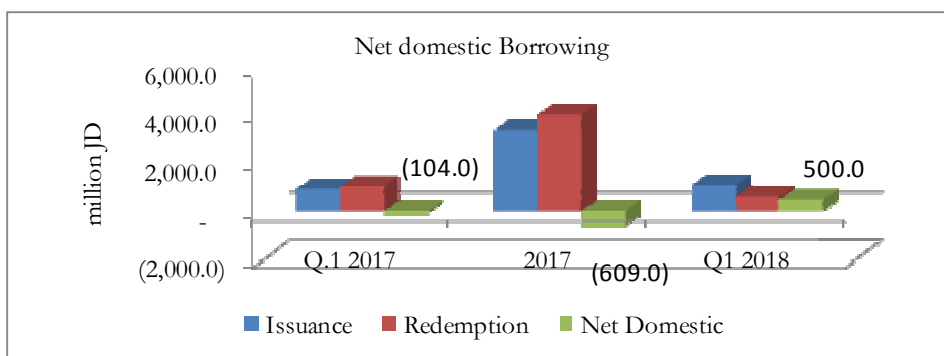
Chart (1.8)



2) New Borrowing (For Budget Support)

1) Domestic Net borrowing at end of Q.1 2018 was JD500 million compared to (104) million at Q.1 2017.*

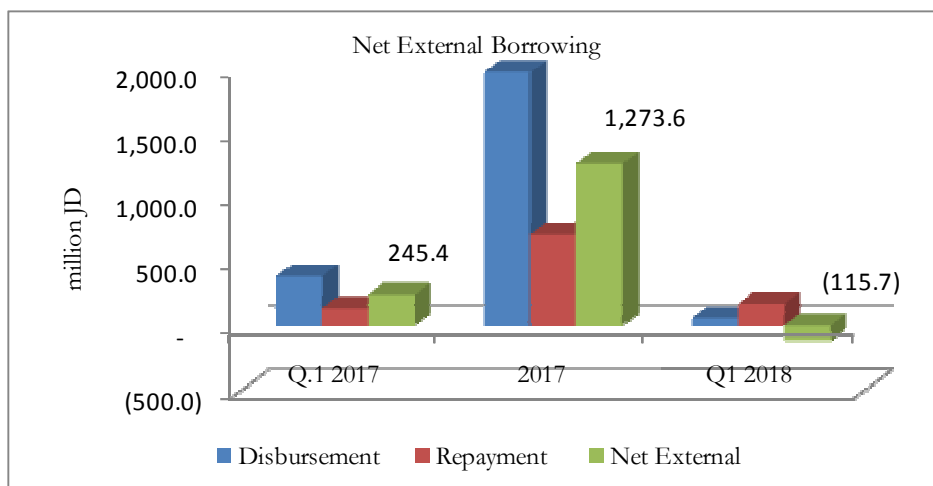
Chart (2.1)



*(): means negative amount

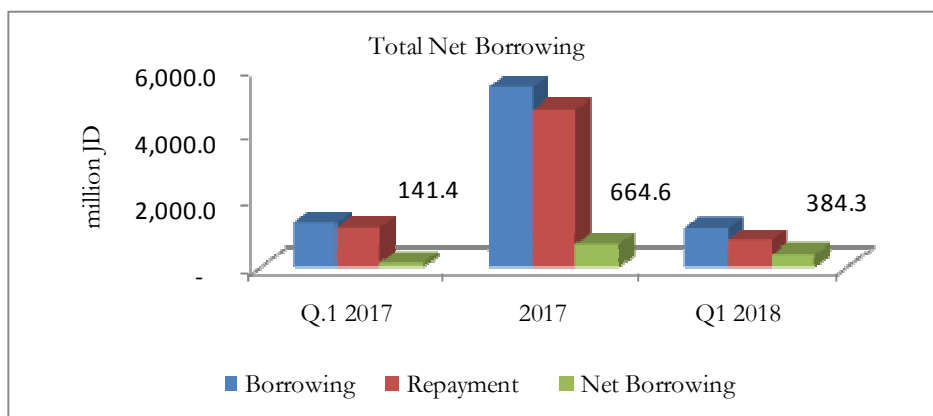
2) External Net borrowing at end of Q.1 2018 was JD (116) million compared to JD 245 million in at end of Q.1 2017.

Chart (2.2)



Net of Borrowing (Domestic & External) end of Q.1 2018 was JD 384 million compared to JD 141 million in Q.1 2017.

Chart (2.3)



3) Debt service based on outstanding debt as at end of Q.1 2018

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	324.3	298.2	403.4	258.4	1,211.3	450.1	12,487.9	15,433.5
Principal	226.9	213.5	304.2	177.3	1,039.0	287.0	9,599.0	11,846.8
Interest	97.4	84.7	99.2	81.1	172.3	163.2	2,888.9	3,586.7
By Currency	324.3	298.2	403.4	258.4	1,211.3	450.1	12,487.9	15,433.6
U.S. Dollar	148.8	156.5	194.6	105.6	910.0	187.1	9,453.0	11,155.6
Principal	70.0	88.0	114.5	39.3	767.1	51.9	6,871.0	8,001.9
Interest	78.8	68.5	80.1	66.3	142.8	135.1	2,582.0	3,153.7
Special Drawing Right	98.3	93.5	132.5	107.2	187.6	148.0	299.8	1,067.0
Principal	93.2	88.8	128.5	103.5	181.8	143.6	278.3	1,017.8
Interest	5.1	4.7	4.0	3.8	5.8	4.4	21.5	49.2
Kuwaiti Dinar	21.8	21.8	20.0	20.5	36.8	36.6	664.7	822.2
Principal	17.8	15.4	15.7	14.3	27.1	27.3	568.8	686.3
Interest	4.0	6.4	4.3	6.2	9.7	9.3	96.0	135.9
Japanese Yen	30.9	10.4	29.1	10.3	35.7	35.6	747.3	899.3
Principal	27.4	8.4	25.8	8.4	30.9	31.0	680.9	812.7
Interest	3.5	2.0	3.3	1.9	4.9	4.7	66.4	86.6
Euro	17.5	7.8	20.3	7.8	27.3	29.2	1,070.9	1,180.8
Principal	12.7	5.6	14.0	5.6	20.1	21.2	965.0	1,044.2
Interest	4.9	2.2	6.3	2.1	7.2	8.0	105.9	136.6
Others	6.9	8.2	6.8	7.1	13.8	13.6	252.2	308.7
Principal	5.7	7.3	5.7	6.3	12.0	11.9	235.0	284.0
Interest	1.2	0.8	1.2	0.8	1.8	1.7	17.1	24.6

Yearly Basis

Table (3.2)

Million JD

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Total	1,025.8	1,745.5	1,685.8	1,417.3	1,614.4	528.6	492.4	832.3	1,139.7	1,071.4	326.2	386.7	266.5	330.3
Principal	744.6	1,406.8	1,367.9	1,136.6	1,378.2	316.0	286.9	638.7	979.2	959.2	240.1	305.4	190.8	258.3
Interest	281.2	338.7	317.8	280.7	236.2	212.5	205.5	193.6	160.5	112.2	86.1	81.3	75.8	71.9

3) Debt service (Central Government) based on outstanding debt as at end of Q.1 2018

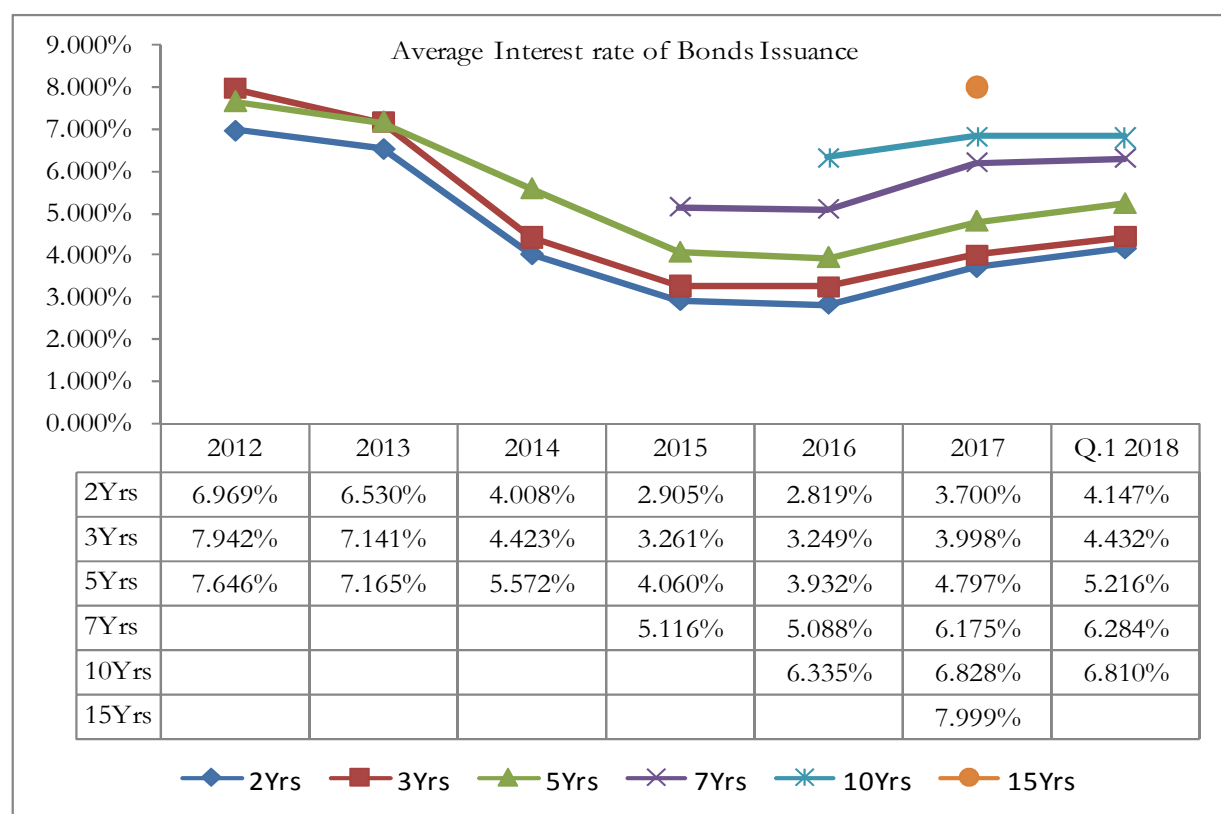
Domestic Debt

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		643.9	1,037.4	1,362.2	990.4	2,092.5	947.6	8,495.2	15,569.2
	Principal	515.5	855.0	1,246.7	825.0	1,850.6	750.0	7,008.9	13,051.8
	Interest	128.4	182.4	115.5	165.4	241.8	197.6	1,486.3	2,517.4

Average interest rate of Domestic Debt Bonds

Chart (3.1)



4) Actual Debt service

Table (4.1)

Million JD

	2013	2014	2015	2016	2017	Q.1 2018
Public Debt Service domestic & external (Budget)						
Cash Basis						
Interest of External Debt (JD million)	101.8	175.7	204.5	213.3	268.8	79.2
Interest of Domestic Debt (JD million)	634.7	750.3	710.1	622.0	587.3	169.1
Total interest (JD million)	736.5	926.0	914.6	835.3	856.2	248.4
Principal of External Debt (JD million)	373.5	601.4	1,081.5	1,342.9	709.2	173.2
Total Public debt service (Budget) (JD million)	1,110.0	1,527.4	1,996.1	2,178.2	1,565.4	421.5
Total Debt Service to GDP	4.7%	6.0%	7.5%	7.9%	5.5%	1.5%
Total interest to Total Revenues	12.8%	12.7%	13.5%	11.8%	11.5%	22.0%
Total interest to Domestic Revenues	14.4%	15.4%	15.5%	13.4%	12.7%	23.4%
Total Public debt service to Total Revenues	19.3%	21.0%	29.4%	30.8%	21.1%	37.4%
Total Public debt service to Domestic Revenues	21.7%	25.3%	33.8%	34.9%	23.3%	39.7%
External Debt Service						
(Budget and Guaranteed)						
Cash Basis (JD million)	598.9	906.4	1,462.5	1,670.5	1,179.7	295.4
Debt Service to GDP	2.5%	3.6%	5.5%	6.1%	4.1%	1.0%
Debt Service to Exports (Goods & Services)	5.9%	8.2%	14.6%	17.3%	-	-
Official Reserves to Debt Service	1423.3%	1101.3%	686.1%	546.8%	736.4%	-
Implicit Interest Rate 2/	2.6%	2.8%	2.9%	2.5%	2.8%	-



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/financialbulletins/publicdebtbulletins/publicdebtbulletins9017.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 . 5



FIRST QUARTER 2018