



Public Debt Quarterly Report

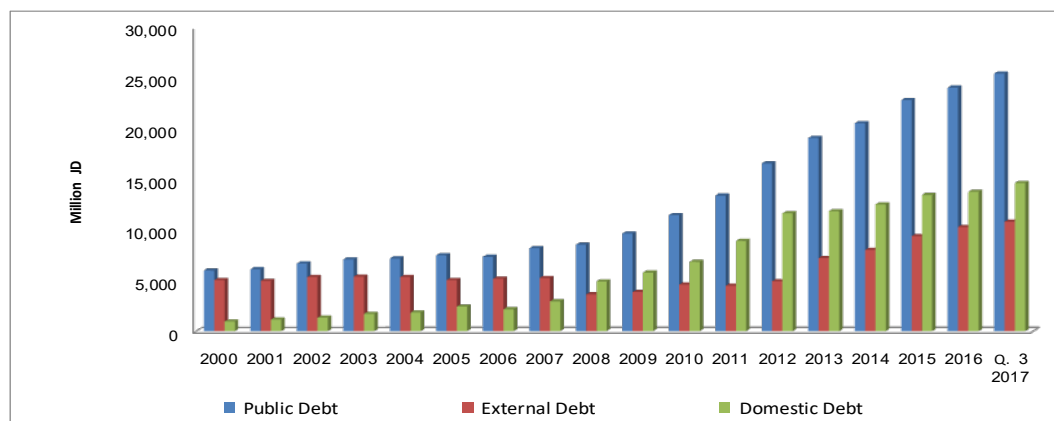
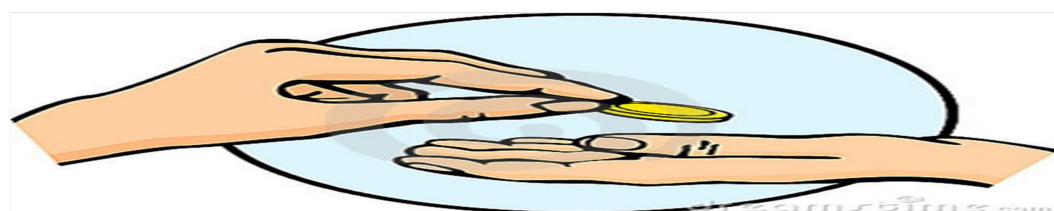
NO. 3

THIRD QUARTER 2017

The Hashemite Kingdom of Jordan Ministry of Finance Public Debt Department

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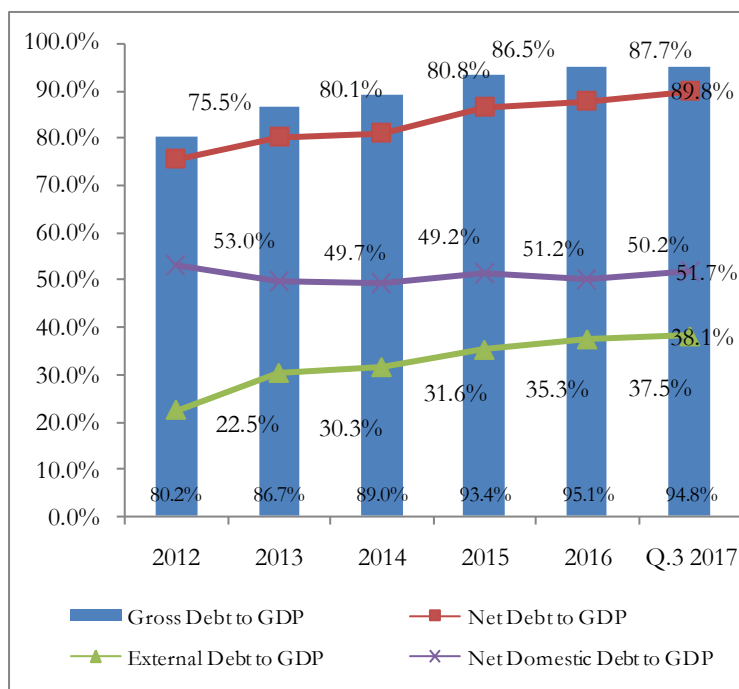
1) Debt outstanding

SPECIAL POINTS OF INTEREST:

- Public debt to GDP at end of third quarter of 2017 was 94.8% compared to 95.1% of GDP end of 2016.
- Net Public debt outstanding to GDP was 89.8% (1).
- External debt end of Q.3 2017 increase by 5.0%.
- The main factor of increasing of public debt by end of Q.3 2017 was borrowing for National Electric Power Company (NEPCO) and Water Authority of Jordan (WAJ).
- Guaranteed debt by end of Q.3 2017 is about JD 3.4 billion or 12.7% of total debt.
- Majority of guaranteed debt are for (NEPCO) & (WAJ).

- By end of third quarter 2017, gross public debt outstanding rose by 3.1% from its level at the end of 2016, reaching about JD 26893 million, and representing 94.8% of 2017 estimated Gross Domestic Product (GDP) (2).
 - The net public debt outstanding increase by 5.8% from its level at the end of 2016, reaching about JD 25466 million, and representing 89.8% of 2017 estimated Gross Domestic Product (GDP)
 - The external debt outstanding increased by 5.0%, reaching to JD 10817 million at the end of Q.3 of 2017, which represents increase in the percentage to GDP from 37.5% at the end of 2016 to 38.1% by the end of Q.3 2017.
- In contrast net domestic debt balance increased by 6.3% reaching JD 14649 million at the same period, net domestic debt as percent of GDP was 51.7% by the end of Q.3 2017.
- The increase of domestic debt was mainly due to borrowing for NEPCO and WAJ with total net borrowing amount JD 156 million.
 - The guaranteed debt (domestic & external) increase by JD 80.9 million at end of Q.3 2017 from its level at end of 2016 reaching about JD 3404 million.

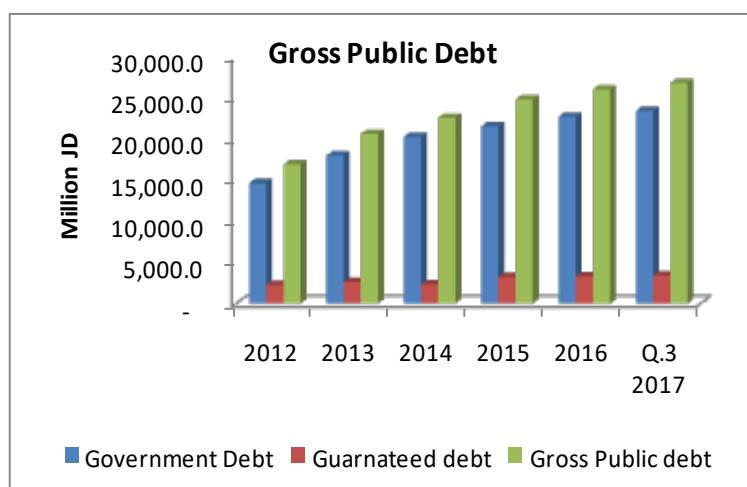
Chart (1.1)



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

(2) GDP for 2017 as of MOF module projection.

Chart (1.2)

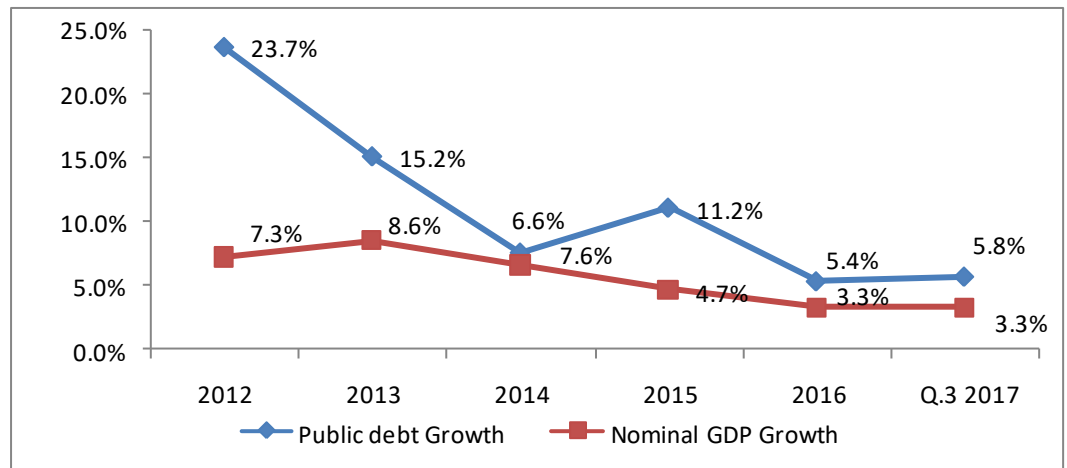


Public debt growth compared to GDP nominal Growth

Net Debt outstanding growth end of Q.3 2017 was 5.8 compared to 3.3% of GDP growth .

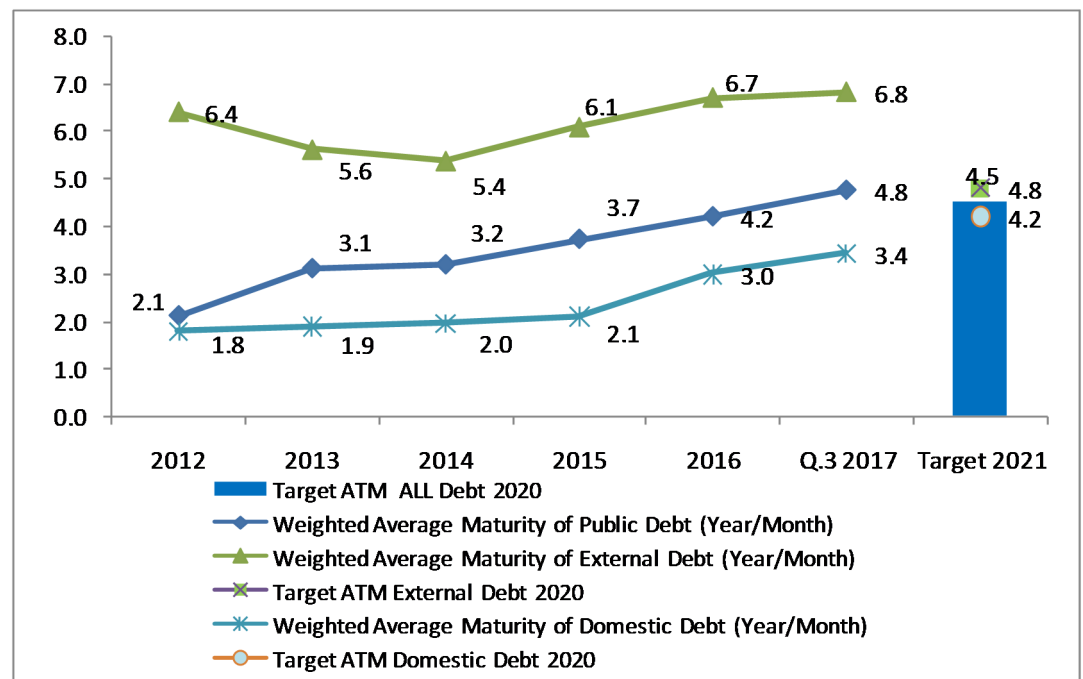
Public Debt growth declined from 11.2% in 2015 to 5.4% end of 2016.

Chart (1.3)



Average Maturity of Public Debt

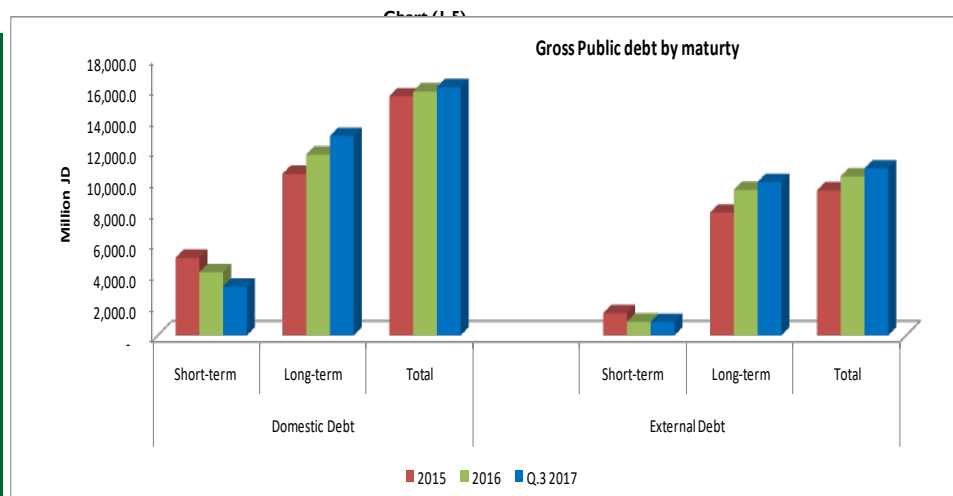
Chart (1.4)



- Average maturity of domestic debt 3.4 years at end of Q.3 2017 compared to 3.0 years end of 2016.
- Average maturity of External debt 6.8 years end of Q.3 2017 compared to 6.7 years end of 2016.
- Average maturity of Public debt 4.8 years at end of Q.3 2017 compared to 4.2 end of 2016.

Debt outstanding by remaining maturity

- Short term of domestic debt represent 11.8% of Gross public debt as at end of Q.3 2017 compared to 15.7% as end of 2016.
- Short term of external debt represent 3.3% of Gross public debt as at end of Q.3 2017.



*Short term: Debt maturity up to one year.

Domestic debt profile

Table (1.1)

	2012	2013	2014	2015	2016	Q.3 2017	Q.3 2017
Majority of Gross domestic debt (63.2%) held by banking sector. T-bill and T-Bonds account for about 80.6% of Gross domestic debt.							
Gross Debt (By Credit Type)	12,677.6	13,439.9	14,621.5	15,486.3	15,793.7	16,076.6	100.0%
Budgetary Agencies	10,421.7	11,556.4	13,073.7	12,935.1	13,174.8	13,301.9	82.7%
Treasury Bonds	8,461.6	10,353.2	11,821.1	12,259.0	12,248.0	12,598.9	78.4%
Treasury Bills	1,180.0	515.0	650.0	125.0	475.0	350.0	2.2%
Government Bonds	-	-	-	-	-	-	-
CBJ Bonds for overdraft settlement	480.0	400.0	320.0	240.0	160.0	80.0	0.5%
CBJ Advance	271.7	271.7	271.7	271.7	271.7	271.7	1.7%
Loans	0.4	-	-	-	-	-	0.0%
Facilities	28.1	16.5	10.9	39.4	20.2	1.2	0.0%
Own-Budget Agencies	2,255.8	1,883.1	1,547.8	2,551.2	2,618.9	2,774.7	17.3%
Bonds	1,176.9	868.6	608.5	562.5	532.5	607.5	3.8%
Facilities & Loans	1,079.0	1,014.5	939.3	1,988.7	2,086.4	2,167.2	13.5%
Gross Debt (By Holder\Source)	12,677.6	13,439.5	14,621.5	15,486.3	15,793.7	16,076.6	100%
Banks	10,509.4	10,733.1	11,037.6	11,395.2	10,787.8	10,154.8	63.2%
Non Banks	2,168.2	2,706.4	3,583.8	4,091.0	5,005.9	5,921.7	36.8%
Banks Deposits	1,029.1	1,577.3	2,096.1	2,028.9	2,013.3	1,427.3	
Budgetary Agencies; of which	780.3	1,366.4	1,878.1	1,813.6	1,816.4	1,162.1	
Treasury Account 1/	(603.3)	(281.5)	(663.3)	(670.4)	(330.4)		
Own-Budget Agencies	248.8	210.9	217.9	215.2	196.9	265.2	
Net Debt	11,648.5	11,862.6	12,525.4	13,457.4	13,780.4	14,649.3	

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

External Debt profile

External debt at end of Q.3 2017 was about JD 10817 million of which 51.2% loans and 48.8% Bonds compared to JD 10299 million of which 55.6% loans and 44.4% Bonds at end of 2016.

External debt end of 2012 was JD 4932.4 million of which 87.7% loans and 12.3% Bonds.

Chart (1.6)

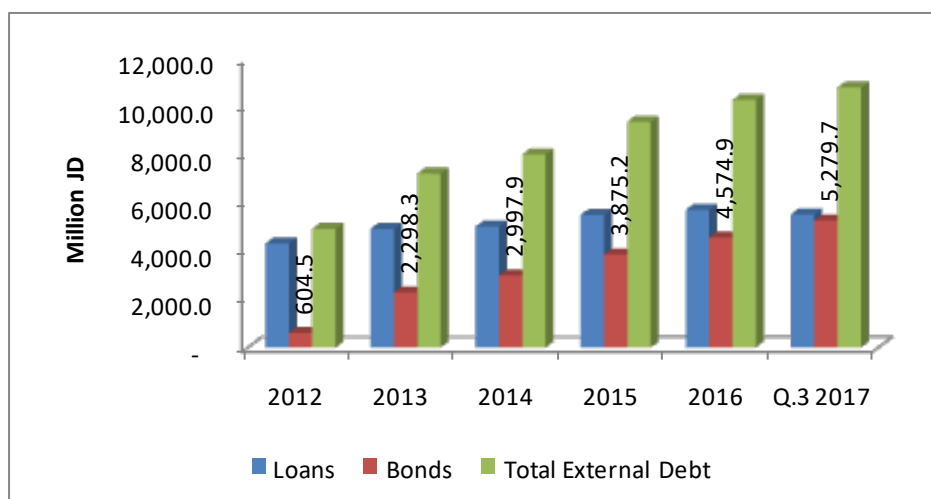


Chart (1.7)

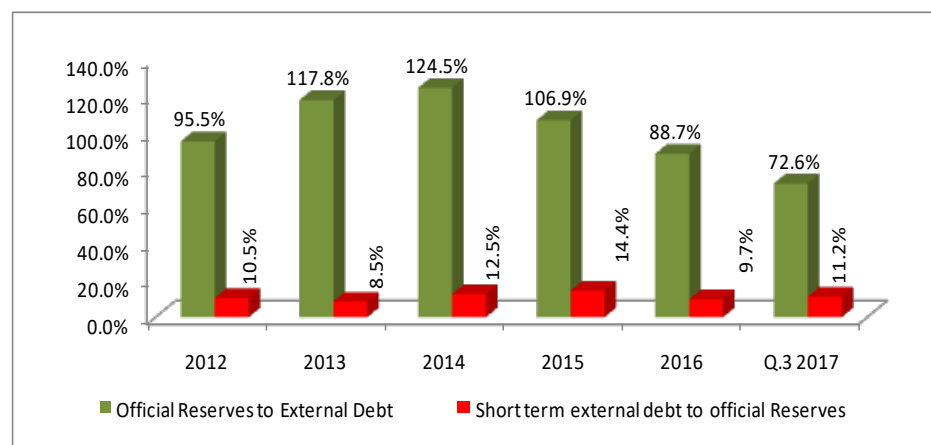
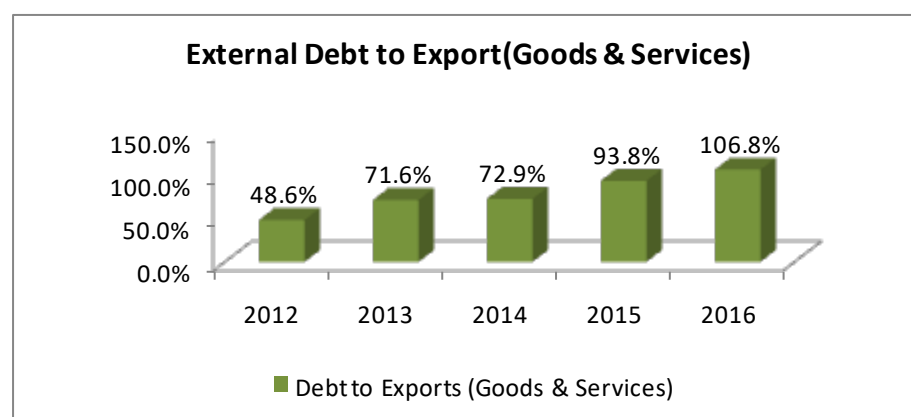


Chart (1.8)

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



2) New Borrowing (For Budget Support)

1) Domestic Net borrowing at end of Q.3 2017 was JD 146 million compared to 1116 million end of Q.3 2016 .

Chart (2.1)

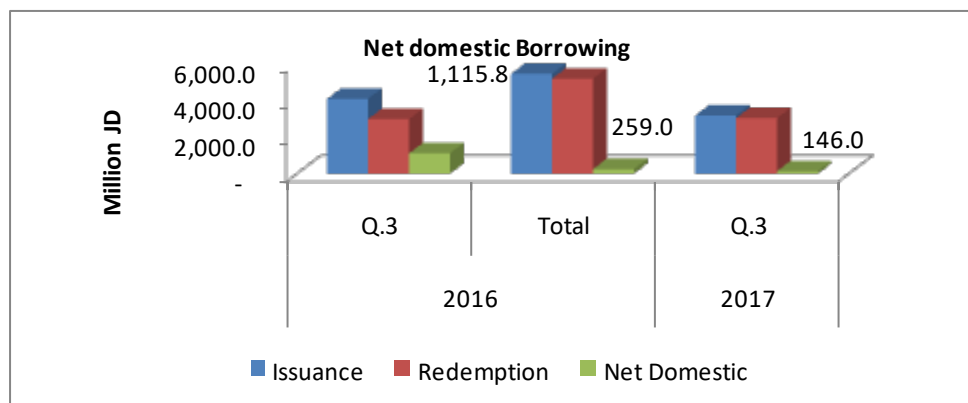
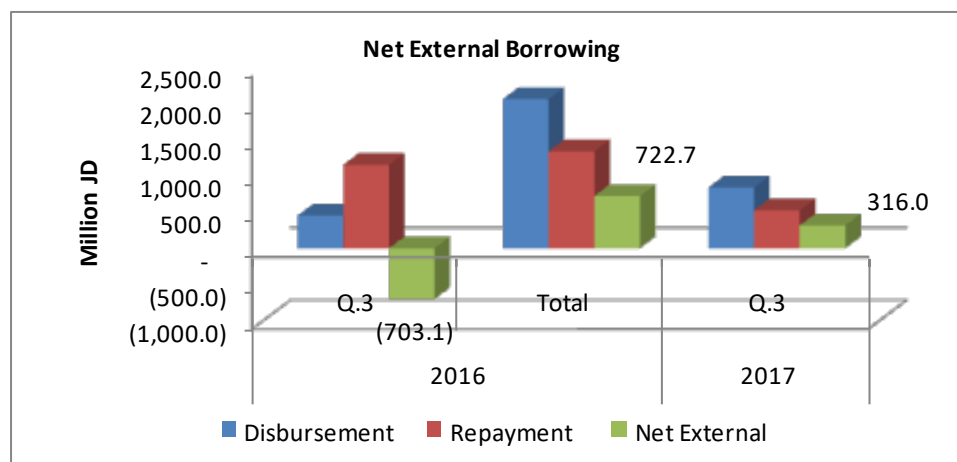
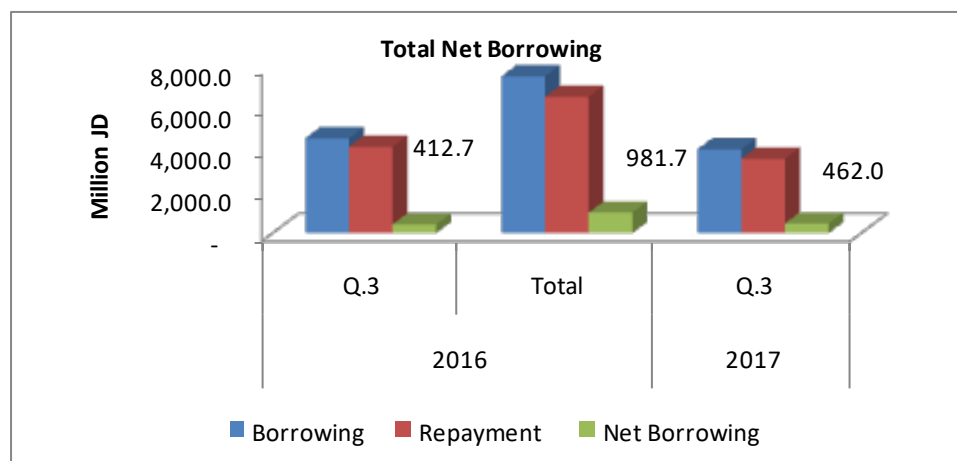


Chart (2.2)



*(): means negative amount

Chart (2.3)



Net of Borrowing (Domestic & External) end of Q.3 2017 was JD 462 million compared to JD 413 million in Q.3 2016.

3) Debt service based on outstanding debt as at end of Sep. 2017

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	366.0	289.2	263.2	264.2	515.6	1,169.0	10,000.6	12,867.8
Principal	295.7	204.6	198.4	181.3	371.2	1,029.7	8,535.7	10,816.6
Interest	70.3	84.6	64.8	82.9	144.3	139.4	1,464.9	2,051.2
By Currency	366.0	289.2	263.2	264.2	515.6	1,169.0	10,000.6	12,867.8
U.S. Dollar	209.3	138.7	98.3	126.5	169.3	881.4	7,326.4	8,949.9
Principal	156.4	71.3	48.2	59.1	53.9	766.8	6,137.5	7,293.2
Interest	52.8	67.3	50.2	67.4	115.4	114.7	1,188.9	1,656.7
Special Drawing Right	82.3	106.2	93.9	90.9	232.0	181.6	436.5	1,223.5
Principal	78.2	100.4	90.5	86.3	225.7	176.7	412.5	1,170.3
Interest	4.2	5.8	3.4	4.6	6.3	4.8	24.0	53.2
Kuwaiti Dinar	21.8	22.4	21.6	21.8	39.6	36.2	660.1	823.5
Principal	17.7	15.8	17.7	15.4	29.9	27.0	561.3	684.7
Interest	4.1	6.6	4.0	6.4	9.7	9.2	98.9	138.8
Japanese Yen	29.3	7.0	29.2	9.6	37.0	33.6	607.2	752.9
Principal	25.7	5.3	25.8	7.9	32.2	29.1	544.9	670.9
Interest	3.6	1.8	3.3	1.7	4.8	4.4	62.3	81.9
Euro	16.7	7.6	14.3	7.5	24.3	22.9	743.0	836.2
Principal	12.0	5.4	11.4	5.4	17.8	18.3	667.5	737.7
Interest	4.6	2.2	2.9	2.1	6.4	4.6	75.5	98.4
Others	6.6	7.3	5.9	8.0	13.4	13.3	227.4	281.9
Principal	5.6	6.5	4.9	7.1	11.7	11.7	212.1	259.7
Interest	1.0	0.9	0.9	0.8	1.7	1.6	15.3	22.2

Yearly Basis

Table (3.2)

JD million

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total	365.9	1,125.7	1,655.0	1,628.6	1,361.3	1,564.4	459.4	421.8	758.8	1,066.4	992.2	247.0	303.9	190.4
Principal	295.7	812.8	1,356.9	1,345.8	1,115.7	1,353.9	282.3	253.9	605.0	948.1	923.5	204.9	267.2	159.6
Interest	70.3	312.9	298.1	282.7	245.6	210.5	177.1	168.0	153.8	118.4	68.7	42.1	36.7	30.8

3) Debt service (Central Government) based on outstanding debt as at end of Sep. 2017

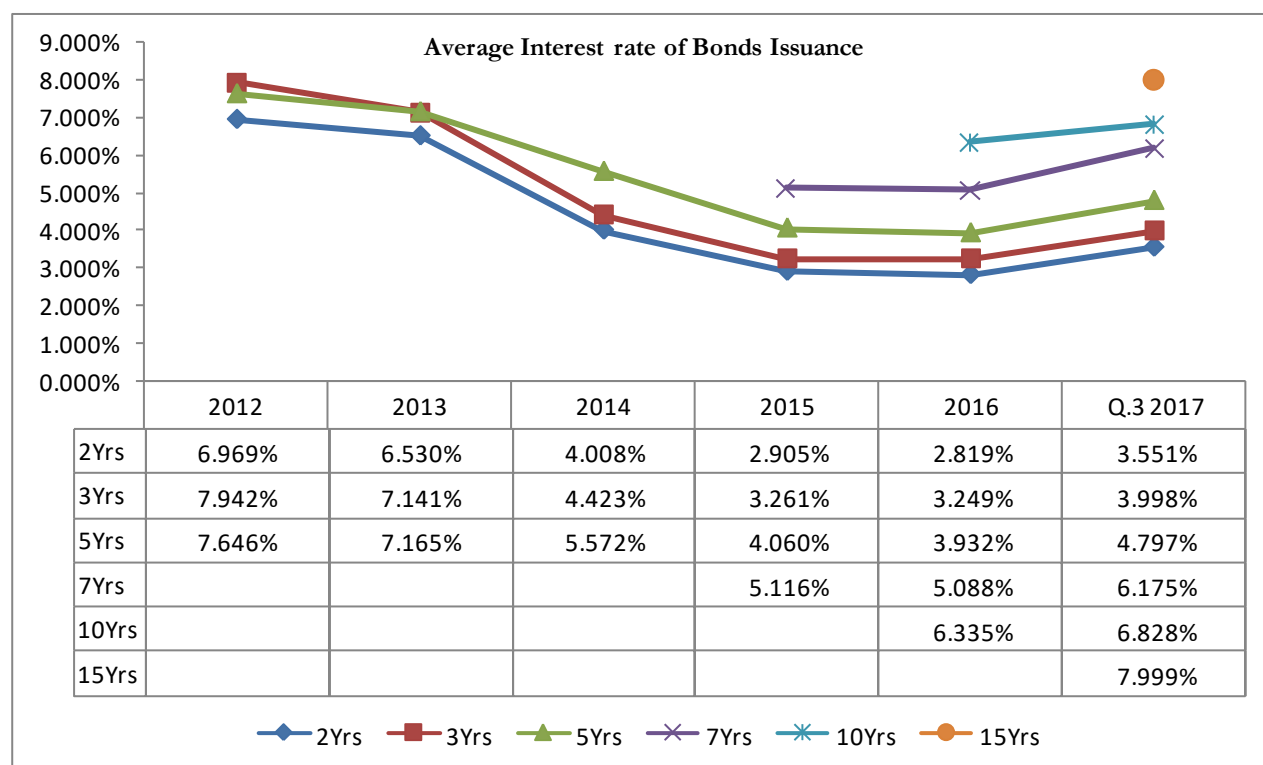
Domestic Debt

Table (3.3)

JD Million		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		962.0	757.1	501.2	914.3	2,329.5	2,068.8	8,364.2	15,897.2
	Principal	826.2	590.0	375.0	755.0	2,071.7	1,850.0	6,833.9	13,301.8
	Interest	135.8	167.1	126.2	159.3	257.8	218.8	1,530.3	2,595.4

Average interest rate of Domestic Debt Bonds

Chart (3.1)



4) Actual Debt service

Table (4.1)

Million JD

	2012	2013	2014	2015	2016	Q.3 2017
Public Debt Service domestic & External (Budget)						
Cash Basis						
Interest of External Debt (JD million)	99.9	101.8	175.7	204.5	213.3	188.1
Interest of Domestic Debt (JD million)	483.1	634.7	750.3	710.1	622.0	446.9
Total interest (JD million)	583.0	736.5	926.0	914.6	835.3	635.0
Principal of External Debt (JD million)	413.5	373.5	601.4	1,081.5	1,342.9	525.4
Total Public debt service (Budget) (JD million)	996.5	1,110.0	1,527.4	1,996.1	2,178.2	1,160.4
Total Debt Service to GDP	4.5%	4.7%	6.0%	7.5%	7.9%	4.1%
Total interest to Total Revenues	11.5%	12.8%	12.7%	13.5%	11.0%	7.8%
Total interest to Domestic Revenues	12.3%	14.4%	15.4%	15.5%	12.3%	8.6%
Total Public debt service to Total Revenues	19.7%	19.3%	21.0%	29.4%	28.7%	14.3%
Total Public debt service to Domestic Revenues	21.1%	21.7%	25.3%	33.8%	32.2%	15.8%
External Debt Service (Budget and Guaranteed)						
Cash Basis (JD million)	558.1	598.9	906.4	1,462.5	1,670.5	824.5
Debt Service to GDP	2.5%	2.5%	3.6%	5.5%	6.1%	2.9%
Debt Service to Exports (Goods & Services)	5.5%	5.9%	8.2%	14.6%	-	-
Official Reserves to Debt Service	843.8%	1423.4%	1102.9%	686.1%	546.8%	952.3%
Implicit Interest Rate 2/	2.7%	2.6%	2.8%	2.9%	2.5%	



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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

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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

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