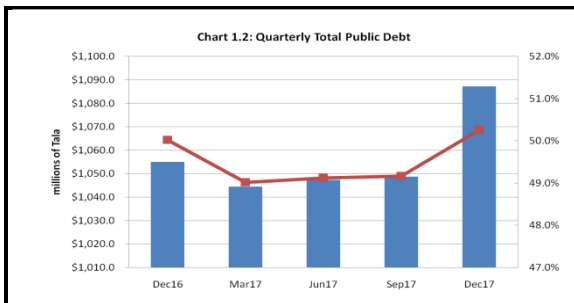
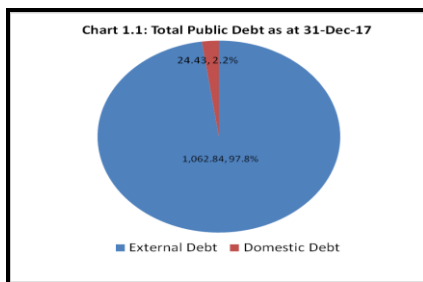


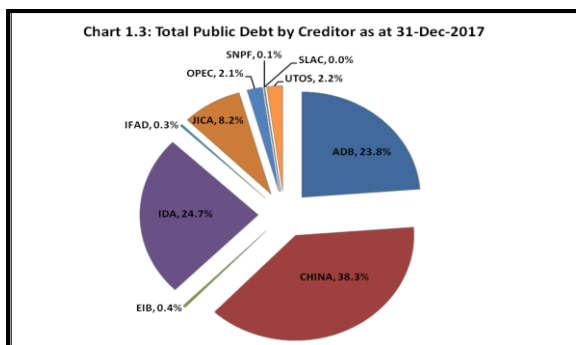


1. TOTAL PUBLIC DEBT

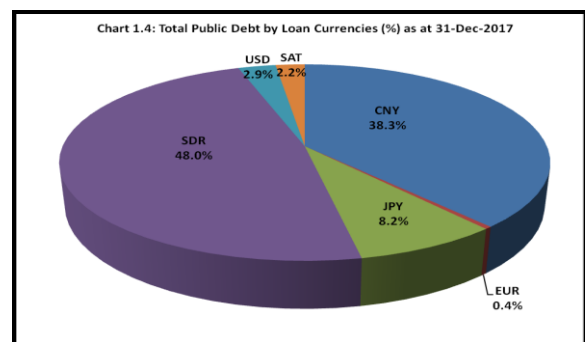
1.1 Total public debt as at end of December 2017 was SAT1.09 billion, equivalent to 50.3% of GDP, with public external debt of SAT 1.06 billion and public domestic debt of SAT 0.02 billion. Total public debt increased by 3.7% and by 3.1% compared to September 2017 and December 2016 quarters respectively. Continuous disbursements of external loan funded programs and depreciation of the Tala against all the loan currencies were the main contributors to the increases.



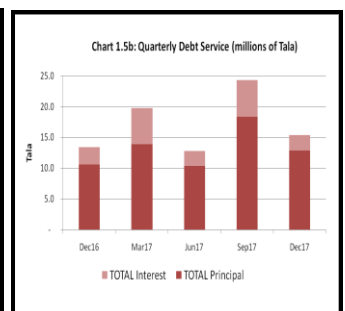
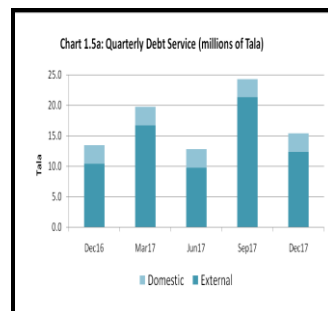
1.2 Creditors Composition of total public debt at the end of December 2017 (Chart 1.3) shows that EXIM Bank of PRC share of the total debt portfolio was 38.3%, IDA- 24.7%, ADB- 23.8%, JICA- 8.2%, UTOS- 2.2%, OPEC- 2.1% and the other creditors with less than 1%.



1.3 Loan Currency Composition: (Chart 1.4) shows that SDR (48.0%) and CNY (38.3%) are the main loan currencies in the portfolio. The total public debt portfolio at the end of the quarter was 97.8% denominated in foreign currency and 2.2% denominated in Tala.



1.4 Total Debt Service for December 2017 quarter was SAT 15.4million (external debt service SAT12.4m/domestic debt service SAT3.0m). The total debt service for the quarter decreased by 36.7% compared to September 2017 quarter and increased by 14.6% compared to December 2016 quarter.

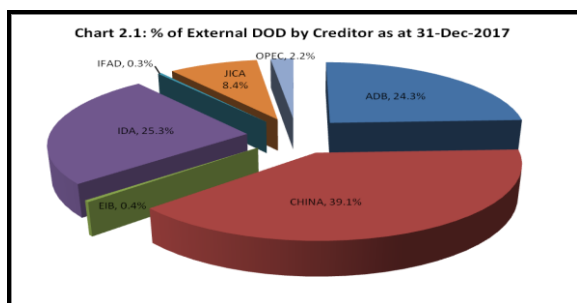


2. PUBLIC EXTERNAL DEBT

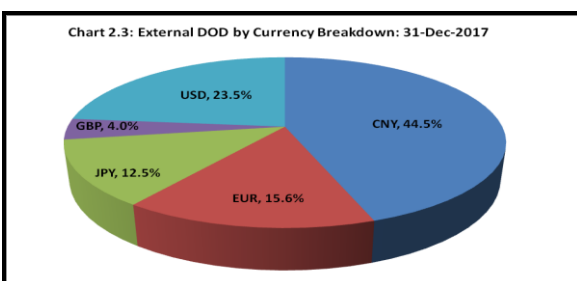
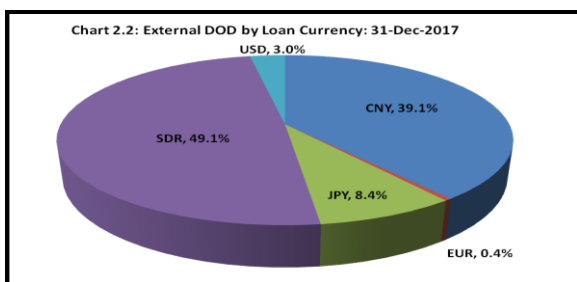
2.0 Total public external debt outstanding at the end of December 2017 was SAT 1.06 billion (52% multilateral creditors and 48% bilateral creditors). The outstanding amount increased by 4.0% and by 4.1% when compared to September 2017 and December 2016 quarters respectively.

There was no new external borrowing contracted during the period, and one ADB loan matured within the quarter.

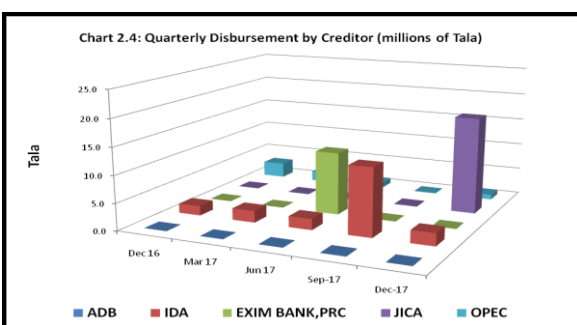
2.1 Creditors Composition of the public external debt portfolio (Chart 2.1) shows that the EXIM Bank of China (39.1%), IDA (25.3%) and ADB (24.3%) were the main creditors in the external debt portfolio.



2.2 Currency Composition of the public external debt at the end of December 2017 shows that SDR¹ (49.1%) remained the main loan currency (Chart 2.2). The breakdown of the SDR (Chart 2.3) shows that CNY (44.5%) was the main foreign currency in the portfolio, then USD (23.5%) and EUR (15.6%) at the end of the quarter.



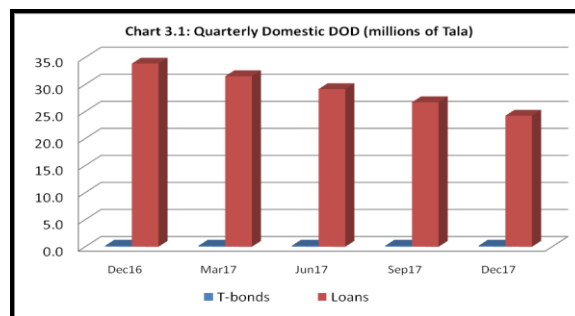
2.3 Total Disbursements for public external debt during the quarter was SAT21.1 million, of which pertained to JICA-EPC PSEP, IDA SACEP, OPEC Petroleum and ADB-EPC PSEP (Chart 2.4).



¹ Special Drawing Rights - USD 41.73%, Euro-30.93%, CNY 10.92%, JPY-8.33% and GBP-8.09%

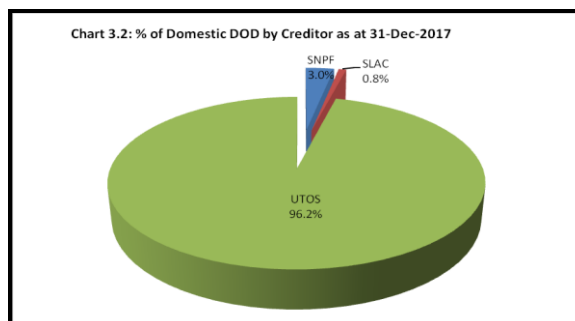
3. PUBLIC DOMESTIC DEBT

3.0 Public domestic debt outstanding at the end of December 2017 quarter was SAT0.02 billion, decreased by 9.3% and 28.3% when compared to September 2017 and December 2016 quarters respectively. The composition of public domestic debt by instrument was 99.2% (SAT24.2 million) Government loans and 0.8% (SAT0.2 million) Government bonds (Chart 3.1). There was no new domestic borrowing during the quarter.



3.1 Creditors Composition of the public domestic debt portfolio at the end of December 2017 (Chart 3.2) shows that UTOS (96.2%) was the main creditor, SNPF (3.0%), and SLAC (0.8%), also the holder of the outstanding Government T-bond.

3.2 Currency composition of the domestic debt is 100% denominated in Samoa Tala.



5. GOVERNMENT GUARANTEES AND ON-LENDING

The total Government onlending outstanding at the end of December 2017 was SAT137.4 million, increased by 0.2% and decreased by 6.9% when compared to September 2017 and December 2016 quarters respectively. The Government on-lent to DBS (1.7%), UTOS (3.8%) SSCC (22.7%), and EPC (71.8%).

The total Government guarantees outstanding at end of December 2017 was SAT 148.9 million, decreased by 2.5% and 16.8% when compared to September 2017 and December 2016 quarters respectively. The composition of outstanding Government guarantees is depicted in Chart 5.1 and Chart 5.2.

Chart 5.1: Government Guarantees Outstanding by Creditors (%) 31-Dec-17

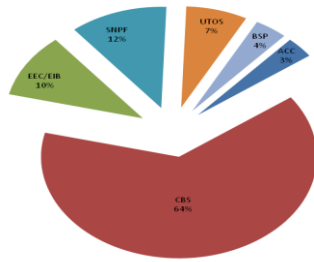
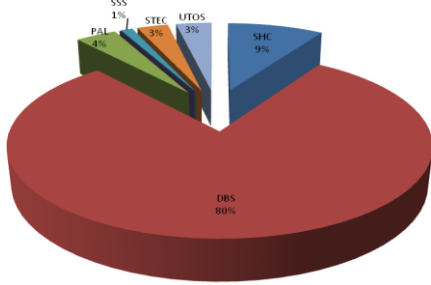


Chart 5.2: Government Guarantees Outstanding by SOE (%) 31-Dec-17



5. COST AND RISK INDICATORS

Table 1.1: Cost and Risk Indicators for Total Public Debt 31 December 2017

Risk Indicators	External Debt	Domestic Debt	Total Debt
Amount (in millions of SAT)	1,062.8	24.4	1,087.3
Nominal debt as % GDP	49.8%	1.1%	51.0%
Cost of debt			
Av. IR (%)	1.3%	9.0%	2.0%
Refinancing risk			
ATM (years)	10.7	3.2	10.6
Debt maturing in 1yr (% of total)	5.2%	29.8%	5.7%
ATR (years)	10.7	3.2	10.6
Interest rate risk			
Debt refixing in 1yr (% of total)	5.2%	29.8%	5.7%
Fixed rate debt (% of total)	100%	100%	100%
FX risk			
FX debt (% of total debt)	100%	-	97.8%
ST FX debt (% of reserves)	19.9%	-	19.9%

Note: Av. IR - Average Interest Rate, ATM - Average Time To Maturity, ATR - Average Time to Refixing, FX - Foreign Currency, ST - Short Term

Cost of the existing debt is the average interest rate of 2.0% per annum, mainly driven by highly concessional interest external borrowing from multilateral banks.

Refinancing risk is lower in the portfolio, with longer ATM at 10.6 years and 5.7% of the total debt to mature in 1 year.

Interest rate risk exposure is minimal as the total debt portfolio is on fixed interest rate. Total debt with interest rate to re-fix in 1 year is about 5.7% and longer ATR is 10.6 years.

Foreign currency risk is the main risk in the portfolio, with 97.8% of the total public debt portfolio denominated in foreign currency. Short term foreign currency denominated debt-matured in 1 year is about 19.9% of foreign reserves at the end of the period.

6. Debt Statistics

Table 6.1: Summary of Debt Ratio

Particulars	31-Dec-16	30-Sep-17	31-Dec-17	Qtrly change	YTD change
Total Public Debt (SAT)	1.05	1.05	1.09	3.7%	3.1%
External Debt	1.02	1.02	1.06	4.0%	4.1%
Domestic Debt	0.03	0.03	0.02	-9.3%	-28.3%
Total Public Debt to GDP (%)	50.0%	49.2%	50.3%	2.2%	0.5%
External Debt to GDP	48.4%	47.9%	49.1%	2.6%	1.5%
Domestic Debt to GDP	1.6%	1.3%	1.1%	-10.5%	-30.1%
Total Debt Service (SAT)	13.4	24.3	15.4	-36.7%	14.6%
External	10.4	21.3	12.4	-41.9%	18.7%
Domestic	3.0	3.0	3.0	0.0%	0.2%
Principal	10.6	18.3	12.8	-29.8%	20.9%
Interest	2.8	6.0	2.6	-57.4%	-9.3%
External Debt by Creditor(SAT)					
Multilateral	539.7	543.8	557.8	3.9%	6.6%
ADB	263.1	254.6	258.4	1.5%	-1.8%
EIB	4.4	4.5	4.3	-4.2%	-1.8%
IDA	246.4	258.2	268.8	4.1%	9.1%
IFAD	3.6	3.4	3.5	3.7%	-1.3%
OPEC	22.3	23.1	22.9	-1.2%	2.3%
Bilateral	481.2	477.9	505.0	24.5%	24.3%
EXIM Bank (China)	408.4	404.8	416.0	2.8%	1.8%
JICA	72.7	73.2	89.1	21.7%	22.4%
Domestic Debt by Creditor(SAT)					
SLAC	0.2	0.2	0.2	0.0%	0.0%
SNPF	1.8	1.0	0.7	-27.2%	-58.8%
UTOS	32.1	25.7	23.5	-8.6%	-26.8%
External Debt by Loan Currency (SAT)					
% in CNY	40.0%	39.6%	39.1%	-1.2%	-2.2%
% in SDR	49.3%	49.7%	49.1%	-1.1%	-0.4%
% in USD	3.1%	3.1%	3.0%	-4.5%	-5.5%
% EURO	0.4%	0.4%	0.4%	-7.9%	-5.7%
% JPY	7.1%	7.2%	8.4%	17.0%	17.6%
Government Guarantees (SAT)	179.1	152.8	148.9	-2.5%	-16.8%
Government On-lending (SAT)	147.6	137.1	137.4	0.2%	-6.9%

Table 6.2: Terms of Government Borrowings

Creditor	Interest rate %	Commitment fees (c)/ service fees (s)/ management fee (m)	Grace Period (GP)	Maturity (including GP)
ADB	1% during GP & 1.5%	-	8yrs	32yrs
EIB	0.75% average. p.a./fixed	-	10yrs	40yrs
IDA	0.75% p.a./fixed	-	10yrs	40yrs
IFAD	1% p.a./fixed	-	10yrs	50yrs
JICA	0.45% p.a./fixed	0.1% (c) p.a.	10yrs	30yrs
OPEC	3.2% average p.a./fixed	1% (s) p.a.	5yrs	20yrs
PRC EximBank	2% p.a./fixed	0.67% av.(c)/0.67% av. (m)	5yrs	20yrs
SLAC	7.25% average p.a./fixed	-	14yrs	15yrs
SNPF	10% average p.a./fixed	-	1yr	20yrs
UTOS	8.2% average p.a./fixed	-	1yr	7.7yrs

Sources: Ministry of Finance, Samoa Bureau of Statistics, Central Bank of Samoa
Prepared by Aid Coordination & Debt Management Division