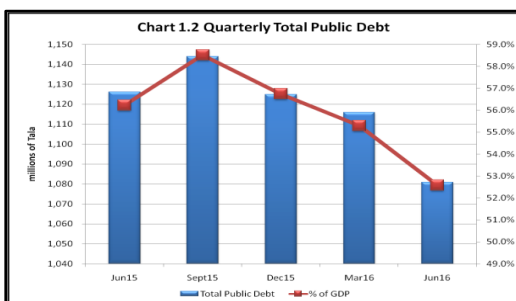
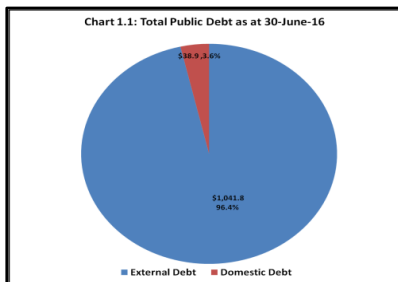


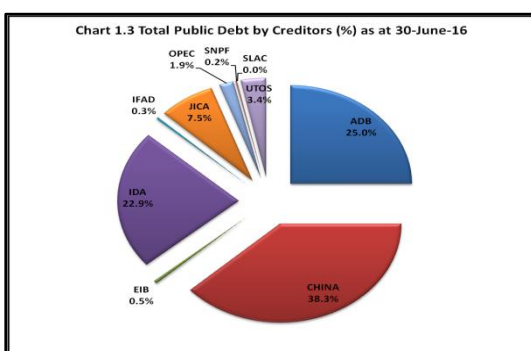


1. TOTAL PUBLIC DEBT

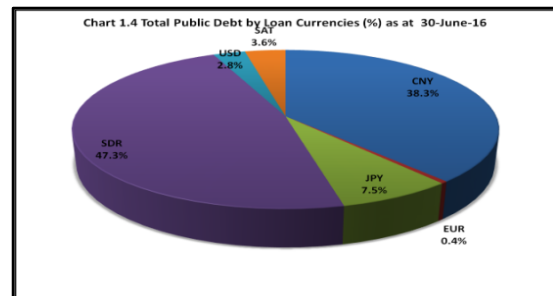
1.1 Total public debt as at end of June 2016 was SAT 1, 080, 8 million, equivalent to 52.6% of GDP, with public external debt of SAT1, 041.8million and public domestic debt of SAT38.9million. Total public debt decreased by 3.2% compared to March 2016 quarter, and by 4% compared to June 2015 quarter.



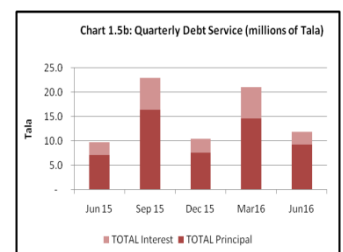
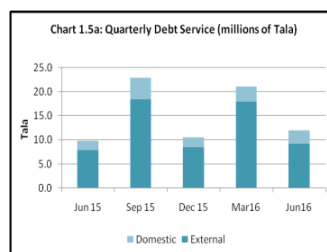
1.3 Creditors Composition of Total Public debt at the end of June 2016 (Chart 1.3) shows that EXIM Bank of PRC has the highest share of the total debt portfolio at 38.3%, ADB with 25%, IDA with 22.9%, JICA with 7.5%, UTOS with 3.4%, OPEC with 1.9% and the other creditors with less than 1%.



1.4 Loan Currency Composition: (Chart 1.4) shows that SDR (47.3%) and CNY (38.3%) are the main loan currencies in the total debt portfolio. The total public debt portfolio at the end of June 2016 was 96.4% denominated in foreign currency and 3.6% denominated in Tala.



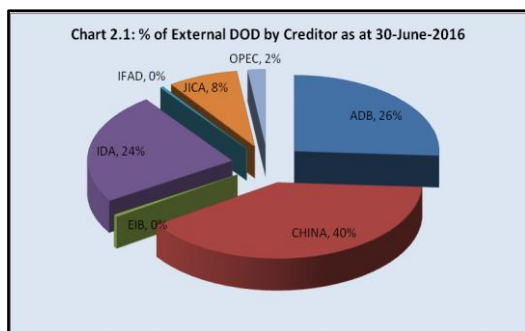
1.5 Total Debt Service for June 2016 quarter was SAT11.9million (external debt service SAT9.1m/domestic debt service SAT2.8m). The total service for the quarter reduced by 43.5% compared to March 2016 quarter, but increased by 21.8% compared to June 2015 quarter.



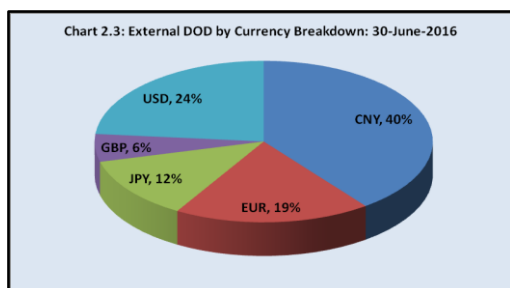
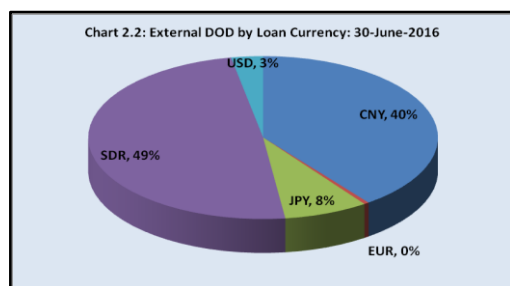
2. PUBLIC EXTERNAL DEBT

2.0 Total public external debt outstanding at the end of June 2016 was SAT 1, 041.8 million (52% multilateral creditors and 48% -bilateral creditors). The outstanding amount decreased by 3.1% and by 3.4% when compared to March 2016 quarter and June 2015 quarter respectively. No new public external borrowing contracted during the quarter.

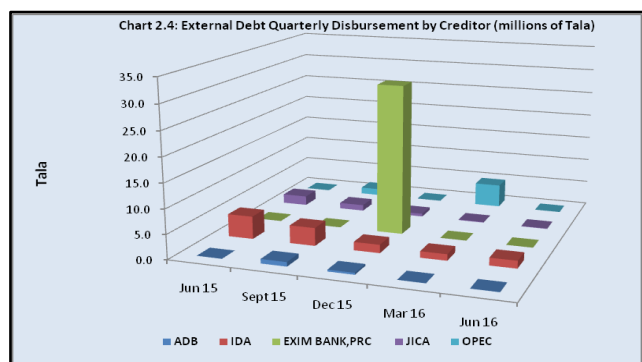
2.1 Creditors Composition of the public external debt portfolio (Chart 2.1) shows that the EXIM Bank of China (40%), ADB (27%) and IDA (24%) were the main creditors in the external debt portfolio at the end of the quarter.



2.2 Currency Composition of the public external debt at the end of June 2016 shows that the SDR¹ (49%) was the main loan currency (Chart 2.2). The breakdown of SDR to its source currencies (Chart 2.5) shows that CNY (40%) was the main foreign currency in the portfolio, then USD (24%) and Euro (19%) at the end of the quarter.



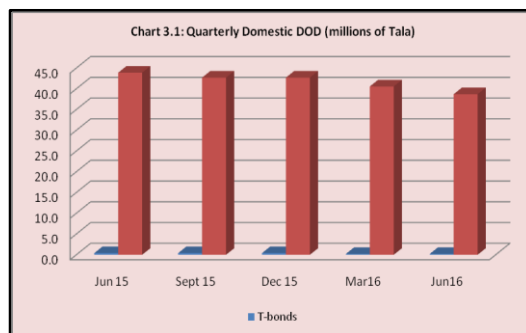
2.3 Total disbursements for public external debt during the quarter was SAT 1.7 million. About SAT 1.5 million disbursed from the IDA for SACEP and the rest from ADB and JICA for the PSEP (Chart 2.6).



¹ Special Drawing Rights - USD 41.9%, Euro-37.4%, GBP-11.3%, JPY-9.4%

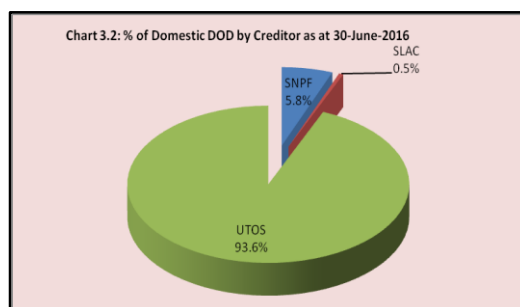
3. PUBLIC DOMESTIC DEBT

3.0 Total public domestic debt outstanding at the end of June 2016 was SAT 38.9 million, decreased by 4.6% and by 18.7% when compared to March 2016 and June 2015 quarters respectively. The composition of public domestic debt by instrument was 99.5% (SAT 38.7 million) Government loans and 0.5% (SAT 0.2 million) T-bonds (Chart 3.1). No new public domestic borrowing contracted during the quarter.



3.1 Creditors Composition of the public domestic debt portfolio at the end of June 2016 (Chart 3.2) shows that UTOS (93.6%) was the main creditor, SNPF (5.8%), and SLAC (0.5%) and also holder of outstanding T-bond.

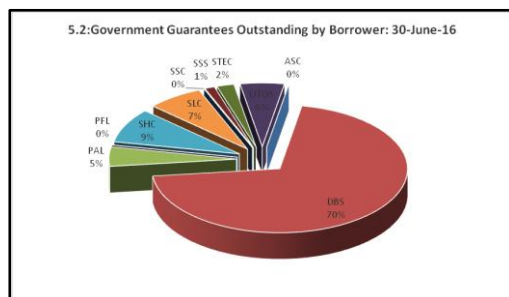
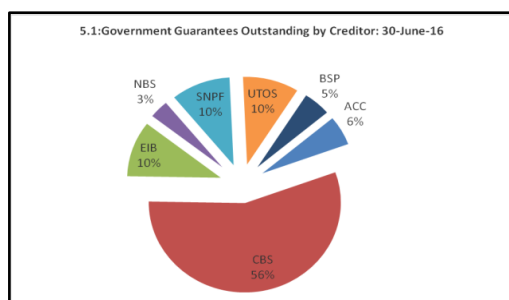
3.2 Currency composition of the domestic debt is 100% denominated in Tala.



4. GOVERNMENT GUARANTEES AND ON-LENDING

The total Government onlending to some of its SOEs outstanding at the end June 2016, was SAT 184.5 million, decreased by 1.2% and by 4% when compared to March 2016 and June 2015 quarters respectively. The Government on-lent to DBS (2%), EPC(94%) and UTOS(4%).

The total Government guarantees outstanding at end of June 2016 was SAT 180.0 million, increased by 1.6% and by 1.7% compared to March 2016 and June 2015 quarters respectively. The composition of outstanding Government guarantees is depicted in Chart 5.1 and Chart 5.2



5. COST AND RISK INDICATORS

Table 5.1: Cost and Risk Indicators for Total Public Debt 30 June 2016			
Risk Indicators	External Debt	Domestic Debt	Total Debt
Amount (in millions of SAT)	1,041.8	38.9	1,080.8
Nominal debt as % GDP	50.7%	1.9%	52.6%
Cost of debt	Av. IR (%)	1.3%	9.0%
Refinancing risk	ATM (years)	11.3	2.5
	Debt maturing in 1yr (% of total)	3.8%	22.0%
Interest rate risk	ATR (years)	11.3	2.5
	Debt refixing in 1yr (% of total)	3.8%	22.0%
FX risk	Fixed rate debt (% of total)	100%	100%
	FX debt (% of total debt)	100%	-
	ST FX debt (% of reserves)	19%	-

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

Cost of existing debt is average interest rate of 2% per annum, mainly driven by highly concessional interest external borrowing from the multilateral banks.

Refinancing risk is lower in the portfolio, with longer ATM at 11 years and 4.5% of total debt to mature in 1 year.

Interest rate risk exposures is minimal as the total debt portfolio is on fixed interest rate. Total debt with interest rate re-fix in 1 year is about 4.5% and longer ATR at 11 years.

Foreign currency risk is the main risk in the portfolio, with 96.4% of the total public debt portfolio is denominated in foreign currency. Short term foreign currency denominated debt-matured in 1 year is about 19% of foreign reserves available at end of the period.

6. DEBT STATISTICS

Table 6.1: Summary of Debt Ratio					
Particulars	30-Jun-15	31-Mar-16	30-Jun-16	Qtrly change	YTD change
Total Public Debt (SAT)	1,126.1	1,115.9	1,080.8	-3.2%	-4.0%
External Debt	1,078.2	1,075.2	1,041.8	-3.1%	-3.4%
Domestic Debt	47.9	40.8	38.9	-4.6%	-18.7%
Total Public Debt to GDP (%)	57.6%	55.3%	52.6%	-4.9%	-8.7%
External Debt to GDP	55.2%	53.3%	50.7%	-4.8%	-8.1%
Domestic Debt to GDP	2.4%	2.0%	1.9%	-6.3%	-22.7%
Total Debt Service (SAT)	9.8	21.1	11.9	-43.5%	21.8%
External	7.7	17.9	9.1	-49.2%	17.6%
Domestic	2.0	3.1	2.8	-10.5%	37.6%
Principal	7.1	14.7	9.3	-36.5%	30.4%
Interest	2.6	6.4	2.6	-59.4%	-1.5%
External Debt by Creditor (SAT)					
Multilateral	572.1	570.2	546.9	-21.6%	0.8%
ADB	292.5	285.9	270.2	-5.5%	-7.6%
EIB	5.7	5.5	5.1	-7.5%	-11.7%
IDA	254.1	253.8	247.3	-2.6%	-2.7%
IFAD	4.0	3.8	3.6	-3.6%	-7.9%
OPEC	15.8	21.2	20.7	-2.5%	30.7%
Bilateral	506.1	505.0	495.0	5.2%	16.0%
EXIM Bank (China)	439.4	430.5	413.7	-3.9%	-5.8%
JICA	66.7	74.5	81.3	9.2%	21.8%
Domestic Debt by Creditor (SAT)					
SLAC	0.4	0.2	0.2	0.0%	-50.0%
SNPF	3.3	2.5	2.3	-9.3%	-30.4%
UTOS	44.2	38.1	36.4	-4.3%	-17.6%
External Debt by Loan Currency (SAT)					
% in CNY	41%	40%	40%	-0.8%	-2.6%
% in SDR	50%	50%	49%	-1.1%	-2.0%
% in USD	2%	3%	3%	1.3%	18.6%
% EURO	1%	0%	0%	-4.5%	-8.6%
% JPY	6%	7%	8%	12.6%	26.1%
Government Guarantees (SAT)					
Government On-lending (SAT)	177.1	177.2	180.0	1.6%	1.7%
Government On-lending (SAT)	192.3	186.7	184.5	-1.2%	-4.0%

Table 6.2: Terms of Government Borrowings				
Creditor	Interest rate %	Commitment fees (c)/ service fees (s)/	Grace Period (GP)	Maturity (including GP)
ADB	1% during GP & 1.5% thereafter p.a /fixed	-	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	3.6% 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% p.a./fixed	-	14yrs	15yrs
SNPF	11.3% average p.a./fixed	-	1yr	20yrs
UTOS	8.2% average p.a./fixed	-	0	7.7yrs

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