



ANNUAL DEBT STATISTICAL BULLETIN AND PUBLIC DEBT PORTFOLIO ANALYSIS

**JUNE 2019
ISSUE NO.17**

**Directorate of
Debt and Cash Policy**



MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

ANNUAL

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TABLE OF CONTENT

FOREWORD	4
PREFACE	5
LIST OF ACRONYMS	6
CURRENCIES	6
PART I: GENERAL INFORMATION	7
PART II: MACRO ECONOMIC OVERVIEW	8
Table 1: Annual Key Macroeconomic Indicators	8
Table 2: Annual Public Debt Cost and Risk Indicators	9
PART III: EXTERNAL DEBT STATISTICS	10
Table 3: Annual External Debt Stock by Creditor Type, Billion USD	10
Table 4a: Annual SDR Undecomposed Debt Stock by Currency Composition, Billion USD	10
Table 4b: Annual SDR Decomposed Debt Stock by Currency Composition, Billion USD	10
Table 5: Annual External Debt Portfolio Currencies and Exchange Rates	11
Table 6: Annual External Debt Stock by Interest Rate Type, Billion USD	11
Table 7: Annual Actual External Debt Service, Millions USD	12
Table 8: Annual External Undisbursed Debt, Billion USD	12
Table 9: Annual Gross Public and Private External Debt Position (Million USD)	13
PART IV: CONTINGENT LIABILITIES	14
Table 10: Annual Guaranteed Debt Stock, (Million USD)	14
Table 11: Non-Guaranteed Debt and Other Liabilities of SOEs and EBU, Million UGX	14
PART V: DOMESTIC DEBT STATISTICS	15
Table 11: Annual Domestic Debt Stock as at Original Maturity, Billion Shillings	15
Table 12 a: Annual Stock of Government Securities at Face Value by Holder, Billion Shillings	15
Table 12 b: Annual Stock of Government Securities at Cost by Holder, Billion Shillings	16
Table 13: Annual Domestic Debt Service, Billion Shillings	16
Table 14: Annual Domestic Debt Gross Issuances, Billion Shillings	16

Table 15: Annual Domestic Debt Net Issuances, Billion Shillings	17
Table 16: Central Government Domestic Debt by Interest Rate (End Period/Annual Average Primary Market Yields)	17
PART VI: PUBLIC DEBT PORTFOLIO ANALYSIS	18
6.2. EXTERNAL DEBT	19
6.2a. External debt stock disbursed and outstanding	19
6.2b. Creditor composition	19
6.2c. Currency composition	19
6.2d. Interest rate type	20
6.2e. External Debt Service	20
6.3. DOMESTIC DEBT	21
6.3a. Domestic debt stock outstanding	21
6.3b. Interest payment on domestic debt	21
6.3c. Holders of Government Securities	22
6.4. CONTINGENT LIABILITIES.	22
6.4a. Sovereign Loan Guarantees	22
6.4b. Disbursed and Outstanding debt of SoEs and EBUs.	23
6.5. COST AND RISK OF THE EXISTING DEBT PORTFOLIO	23
6.5a. Refinancing and rollover risks.	23
6.5b. Interests rate risk	24
6.5c. Exchange rate risk	25
PART VII: GLOSSARY OF DEBT AND RELATED TERMS	26

FOREWORD

In fulfilment of chapter 8-section 8.2 (iii) of the Public Debt and Other Financial Liabilities Management Framework 2018, the Ministry of Finance, Planning and Economic Development prepares and publishes Debt Statistical Bulletins (DSBs).

This June 2019 series also doubles as the FY2018/19 annual DSB. It illustrates Governments' commitment to provide accurate and timely reporting on loan guarantees and portfolio analysis, and any other relevant public debt statistics.

Through this bulletin, government aims to disseminate debt statistics to policymakers, development partners, the general public and investors. The information contained in this bulletin demonstrates that public debt is still sustainable over the short to medium term, and that Government has put in place sound and prudent debt management strategies.

Enjoy your reading.

For God and My Country.



Keith Muhakanizi

PERMANENT SECRETARY/SECRETARY TO THE TREASURY.

PREFACE

The Preparation of this June 2019 debt bulletin has been contributed to by a multi-stakeholder team comprised of the Ministry of Finance, Planning and Economic Development, Uganda Bureau of Statistics and the Bank of Uganda. It is the 17th, in series of bulletins since 2014. This statistical report covers selected macroeconomic and debt variables. Its scope covers statistics on external debt, domestic debt and contingent liabilities.

This statistical debt report has the following objectives:

1. To provide accurate, comprehensive, consistent, reliable, timely and internationally comparable debt statistics.
2. To explain the debt status of the country, enhance policy-making, transparency, accountability and effective debt management for the country's sustainable economic growth.
3. To disseminate debt statistics i.e. parameters of external and domestic debt to policy makers, the general public, government officials, international organizations, investors in debt securities and other stakeholders for research and informs their decision making.
4. Publication of this bulletin will enhance transparency and accountability for debt management policy and operations.

Comments on the bulletin should be sent to the Department of Debt Policy and Issuance of the Ministry of Finance, Planning and Economic Development; DPI@finance.go.ug



Maris Wanyera

Ag. Director, Debt and Cash Policy

MINISTRY OF FINANCE, PLANNING AND ECONOMIC DEVELOPMENT

LIST OF ACRONYMS

BC	Bilateral Creditor
BOU	Bank of Uganda
DD	Domestic Debt
DDCP	Directorate of Debt and Cash Policy
DeMPA	Debt Management and Performance Assessment
DMFAS	Debt Management and Financial Analysis System
DOD	Debt Disbursed and Outstanding (Debt Stock)
DPID	Debt Policy and Issuance Department
ED	External Debt
FV	Face Value
GDP	Gross Domestic Product
MC	Multilateral Creditor
MEPD	Macro Economic Policy Department
MoFPED	Ministry of Finance, Planning and Economic Development
PB	Private Banks
PPAs	Power Purchase Agreements
PTA	Preferential Trade Area

CURRENCIES

AED	United Arab Emirates Dirham
AFU	African Unit of Accounting
CHF	Swiss Franc
CNY	Chinese Yuan Renminbi
DKK	Danish Krone
EUR	Euro
GBP	British Pound Sterling
IDI	Islamic Dinar
JPY	Japanese Yen
KRW	Korea (South) Won
KWD	Kuwait Dinar
NOK	Norwegian Krone
SAR	Saudi Arabia Riyal
SDR	Special Drawing Rights
SEK	Swedish Krone
UGX	Uganda Shillings

PART I: GENERAL INFORMATION

Management of public debt has significant implications on the government's budget and balance sheet. Proper recording and reporting is one of the key components of effective debt management. The June 2019 Debt Statistical Bulletin covers a wide range of the public debt developments and it contributes to the Government's transparency and accountability.

a. Scope:

This bulletin covers,

- i. Central Government external debt
- ii. Domestic debt
- iii. Contingent liabilities - Guarantees
- iv. Public debt portfolio analysis

The Central Government external debt refers to all external loans contracted between external creditors and MoFPED. Domestic debt covers Government issuances of Treasury Bonds & Treasury Bills from the domestic market. A Guarantee is a commitment by the government to repay the financial liabilities of another entity in the event of default.

b. Data Source and Conversion of Debt Data to the Functional Currency:

Both MoFPED and BOU use the Debt Management and Financial Analysis System (DMFAS) to record detailed loan information and produce aggregated data and reports for central government debt.

Data is reconciled & converted into a common currency, usually the US dollar or UGX as follows:

- i. To convert stock figures into US dollars or UGX, the end period exchange rate is used.
- ii. To convert flow figures into US dollars or UGX, the day's exchange rate as at the day of transaction is used.

c. Exchange Rates:

The exchange rates used for compiling debt data are obtained from the BoU (Daily Transaction Exchange Rates)

PART II: MACRO ECONOMIC OVERVIEW

Table 1: Annual Key Macroeconomic Indicators

Inflation (%)	Jun-16	Jun-17	Jun-18	Jun-19
Headline	5.9	6.4	3.4	3.1
Core	6.9	5.0	2.7	3.8
Exchange rate (Shs/ US \$)				
End of Period	3 404.86	3 590.90	3 879.54	3 694.76
Period Average	3 367.99	3 591.10	3 840.48	3 736.82
Reserves				
Gross foreign exchange reserves (US \$ millions)	2 962.1	3 385.60	3 220.70	3 338.09
Gross foreign exchange reserves (months of imports)	4.5	5.3	4.6	4.4
Fiscal Statistics (Billion Shs)				
Revenue	11 500.0	12 946.8	14 506.9	16 637.8
Expenditure	16 726.9	17 437.5	20 183.4	24 267.6
Deficit	(5 226.9)	(4 490.7)	(5 676.5)	(7 629.8)
Total Debt Stock (Billions US \$)				
	8.5	9.4	10.7	12.51
External Debt Stock (US \$ Billions)	5.3	6.1	7.3	8.3
Domestic Debt Stock (US \$ Billions)	3.2	3.2	3.5	4.2
Total Debt Stock (Shs Billions)				
	28 960.53	33 589.78	41 675.72	46 203.34
External Debt Stock (Shs Billions)	18 076.41	21 994.46	28 289.52	30 691.07
Domestic Debt Stock (Shs Billions)	10 884.12	11 595.32	13 386.20	15 512.28
Annual Gross Domestic Product (GDP)				
GDP (Billion Shs)	83 091.2	91 718.3	100 530.5	109 944.9
GDP (Billions US \$)	21.4	23.6	25.9	29.4
Interest Rates (%)				
Central Bank Rate	15.0	10.0	9.0	9.8
Lending Rate	23.5	21.1	17.7	19.9
Time Deposit Rate	12.2	8.9	9.3	10.1
91-Day Treasury Bill (TB)	17.8	13.4	9.1	9.4
182- Day TB	19.6	14.3	9.4	10.9
364- Day TB	20.0	15.2	10.1	11.5
2 Year Treasury Bond	19.1	15.7	11.8	12.9
3 Year	18.8	16.2	11.8	13.8
5 Year	19.0	16.4	13.3	15.0
10 Year	17.8	16.6	14.5	16.0
15 Year	18.1	16.9	14.7	15.9

Source: MoFPED and BOU

Table 2: Annual Public Debt Cost and Risk Indicators

	Jun-17			Jun-18			Jun-19		
	External	Domestic	Total	External	Domestic	Total	External	Domestic	Total
Nominal debt as % GDP	24.7	12.6	37.3	28.1	13.3	41.5	27.9	14.1	42.0
PV as % of GDP	14.8	12.6	27.4	17.5	13.3	30.8	18.0	14.1	32.1
Interest payment as % GDP	0.35	1.97	2.32	0.47	1.81	2.3	0.42	1.91	2.3
Weighted Av. IR (%)	1.4	15.6	6.2	1.7	13.6	5.5	1.5	13.5	5.6
ATM (years)	16.0	3.7	11.8	15.0	3.8	11.4	14.1	4.0	10.7
Debt maturing in 1yr (% of total)	2.7	38.4	14.7	2.9	36.2	13.6	1.9	36.0	13.3
Debt maturing in 1yr (% of GDP)	0.7	4.8	5.5	0.8	4.8	5.6	0.5	5.1	5.6
ATR (years)	15.7	3.7	11.6	14.6	3.8	11.1	13.5	4.0	10.3
Debt refixing in 1yr (% of total)	6.0	38.4	16.9	8.9	36.2	17.7	11.1	36.0	19.5
Fixed rate debt (% of total)	96.7	100.0	97.8	93.9	100.0	95.8	90.6	100.0	93.8
FX debt (% of total debt)			66.2			67.9			66.4
ST FX debt (% of reserves)			5.2			6.5			4.7

Source: MoFPED

PART III: EXTERNAL DEBT STATISTICS

Table 3: Annual External Debt Stock by Creditor Type, Billion USD

Creditor Type	Jun-15		Jun-16		Jun-17		Jun-18		Jun-19	
	Stock	%	Stock	%	Stock	%	Stock	%	Stock	%
Bilateral Creditors (BC)	0.63	14.49	1.24	23.41	1.60	26.07	2.31	31.70	2.92	35.15
Non Paris Club	0.53	12.24	1.08	20.40	1.36	22.3	1.87	25.6	2.32	27.9
Paris Club	0.10	2.26	0.16	3.01	0.23	3.8	0.44	6.1	0.60	7.2
Multilateral Creditors (MC)	3.73	85.51	4.07	76.59	4.38	71.6	4.93	67.6	5.34	64.3
Major Multilaterals	3.36	77.12	3.63	68.33	3.90	63.7	4.25	58.3	4.63	55.8
Other Multilaterals	0.37	8.39	0.44	8.26	0.49	7.9	0.68	9.4	0.71	8.5
Private Bank (PB)	-	-	-	0.00	0.14	2.3	0.05	0.7	0.05	0.6
Other Financial Institutions	-	-	-	0.00	0.14	2.3	0.05	0.7	0.05	0.6
Grand Total	4.36	100.00	5.31	100.00	6.13	100.0	7.29	100.0	8.31	100.0

Source: MoFPED

Table 4a: Annual SDR Undecomposed Debt Stock by Currency Composition, Billion USD

Currency	Jun-15		Jun-16		Jun-17		Jun-18		Jun-19	
	Stock	%	Stock	%	Stock	%	Stock	%	Stock	%
USD	0.61	13.90	1.30	24.48	1.76	28.73	2.30	31.59	2.79	33.56
EUR	0.29	6.57	0.40	7.56	0.49	7.94	0.66	9.04	0.85	10.19
JPY	0.42	9.71	0.27	5.12	0.31	5.06	0.42	5.78	0.45	5.40
Others	0.19	4.27	0.22	4.14	0.30	4.91	0.34	4.67	0.35	4.23
SDR	2.66	60.96	2.87	54.12	3.01	49.08	3.30	45.28	3.56	42.90
CNY	0.20	4.60	0.24	4.58	0.26	4.28	0.27	3.64	0.31	3.72
Grand Total	4.36	100.00	5.31	100.00	6.13	100.00	7.29	100.00	8.31	100.00

Source: MoFPED

Table 4b: Annual SDR Decomposed Debt Stock by Currency Composition, Billion USD

	Jun-15		Jun-16		Jun-17		Jun-18		Jun-19	
	Stock	%	Stock	%	Stock	%	Stock	%	Stock	%
USD	1.72	39.34	2.50	0.47	3.01	49.21	3.60	49.97	4.27	51.46
EUR	1.11	25.42	1.29	0.24	1.42	23.12	1.69	23.50	1.95	23.46
JPY	0.64	14.79	0.51	0.10	0.56	9.15	0.69	9.64	0.75	8.98
Others	0.40	9.20	0.45	0.09	0.54	8.88	0.59	8.24	0.64	7.70
CNY	0.49	11.26	0.56	0.10	0.59	9.64	0.62	8.65	0.70	8.41
Total	4.36	100.00	5.31	1.00	6.13	100.00	7.20	100.00	8.31	100.00

Source: MoFPED

Note: The major multilaterals include International Development Association (IDA) and African Development Fund (AfDF).

Table 5: Annual External Debt Portfolio Currencies and Exchange Rates

Currency	UGX/ Currency				Currency/USD			
	Jun-16	Jun-17	Jun-18	Jun-19	Jun-16	Jun-17	Jun-18	Jun-19
United Arab Emirates Dirham (AED)	932.34	982.63	1061.67	1011.44	3.67	3.67	3.67	3.67
African Unit of Account (AFU)	4779.99	5019.31	5478.84	5164.70	0.72	0.72	0.71	0.72
Swiss Franc (CHF)	3495.69	3771.16	3918.95	3805.48	0.98	0.96	1.00	0.98
China Yuan (CNY)	515.28	532.16	589.49	540.58	6.65	6.78	6.62	6.87
Danish Krone (DKK)	511.25	554.55	606.80	566.13	6.70	6.51	6.43	6.56
Euro (EUR)	3802.77	4123.72	4521.45	4226.24	0.90	0.88	0.86	0.88
Pound Sterling (GBP)	4630.79	4690.39	5127.20	4709.46	0.74	0.77	0.76	0.79
Islamic Dinar (IDI)	4779.99	5019.31	5478.84	5164.70	0.72	0.72	0.71	0.72
Japanese Yen (JPY)	33.37	32.05	35.30	34.51	102.62	112.62	110.47	107.66
Korea (South) Won (KRW)	2.96	3.15	3.49	3.21	1155.65	1144.39	1117.41	1156.00
Kuwait Dinar (KWD)	11347.91	11909.98	12901.59	12219.14	0.30	0.30	0.30	0.30
Norwegian Krone (NOK)	408.11	430.23	478.15	437.69	8.39	8.39	8.16	8.49
Saudi Arabia Riyal (SAR)	912.98	962.39	1039.80	990.65	3.75	3.75	3.75	3.75
Special Drawing Rights (SDR)	4779.99	5019.31	5478.84	5164.70	0.72	0.72	0.71	0.72
Swedish Krone (SEK)	403.11	425.64	436.79	401.17	8.49	8.48	8.93	9.26
Uganda Shillings (UGX)	1.00	1.00	1.00	1.00	3424.38	3 609.38	3899.75	3 715.29

Source: MoFPED

Table 6: Annual External Debt Stock by Interest Rate Type, Billion USD

Interest Rate Type	Jun-16		Jun-17		Jun-18		Jun-19	
	Stock	%	Stock	%	Stock	%	Stock	%
Fixed Interest Debt	5.14	96.80	5.86	95.61	6.69	91.70	7.36	88.62
Bilateral	1.11	20.90	1.39	22.72	1.88	25.73	2.25	27.14
Multilateral	4.02	75.71	4.32	70.55	4.71	64.59	5.11	61.48
Private Bank	-	-	0.14	2.34	0.10	1.38	0.00	0.00
Variable Interest Debt	0.13	2.45	0.21	3.39	0.51	6.93	0.78	9.35
Bilateral	0.13	2.45	0.21	3.35	0.44	5.98	0.66	7.98
Multilateral	-	-	0.00	0.04	0.02	0.27	0.07	0.81
Private Bank	-	-	-	-	0.05	0.68	0.05	0.57
No Interest Rate	0.04	0.75	0.06	1.00	0.10	1.38	0.17	2.02
Bilateral	-	-	-	-	-	-	0.00	0.03
Multilateral	0.04	0.75	0.06	1.00	0.10	1.38	0.17	2.00
Private Bank	-	-	-	-	-	-	0.00	0.00
Total	5.31	100.00	6.13	100.00	7.29	100.00	8.31	100.00

Source: MoFPED

Table 7: Annual Actual External Debt Service, Millions USD

	FY2017/18				FY2018/19					
	Principal	Interest	Fees	Total	%	Principal	Interest	Fees	Total	%
Bilaterals	33.79 ¹	37.77 ¹	6.03 ¹	77.59 ¹	28.08	42.76 ¹	55.64 ¹	18.45 ¹	116.86 ¹	35.85
Paris Club	18.89 ¹	3.14 ¹	0.76 ¹	22.79 ¹	8.25	26.84 ¹	5.08 ¹	0.95 ¹	32.88 ¹	10.09
Non Paris Club	14.90 ¹	34.63 ¹	5.27 ¹	54.80 ¹	19.83	15.92 ¹	50.56 ¹	17.51 ¹	83.98 ¹	25.77
Multilaterals	150.11 ¹	42.58 ¹	5.40 ¹	198.09 ¹	71.70	54.24 ¹	39.71 ¹	2.93 ¹	96.88 ¹	29.72
Major	32.70 ¹	29.61 ¹	2.22 ¹	64.52 ¹	23.35	36.85 ¹	33.24 ¹	2.20 ¹	72.28 ¹	22.18
Other	117.42 ¹	12.98 ¹	3.18 ¹	133.57 ¹	48.34	17.39 ¹	6.48 ¹	0.73 ¹	24.60 ¹	7.55
Private Banks	-	0.12 ¹	0.48 ¹	0.61 ¹	0.22	104.84 ¹	4.96 ¹	2.42 ¹	112.22 ¹	34.43
Other financial institutions	-	0.12 ¹	0.48 ¹	0.61 ¹	0.22	104.84 ¹	4.96 ¹	2.42 ¹	112.22 ¹	34.43
Grand Total	183.90 ¹	80.47 ¹	11.91 ¹	276.29 ¹	100.00	201.84 ¹	100.31 ¹	23.80 ¹	325.96 ¹	100.00

Source: MoFPED

Table 8: Annual External Undisbursed Debt, Billion USD

	Jun-17		Jun-18		Jun-19	
	Undisbursed	%	Undisbursed	%	Undisbursed	%
Bilateral	2.08	42.23	1.71	37.12	1.74	37.54
Non Paris Club	1.52	30.92	1.07	23.26	0.72	15.65
Paris Club	0.56	11.31	0.64	13.87	1.01	21.88
Multilateral	2.79	56.62	2.87	62.06	2.76	59.75
Major Creditors	1.71	34.64	1.70	36.79	1.94	42.00
Other Multilaterals	1.08	21.98	1.17	25.27	0.82	17.75
Private Bank	0.06	1.15	0.04	0.82	0.13	2.71
Private Bank	-	-	0.04	0.82	0.13	2.71
Total	4.93	100.00	4.62	100.00	4.62	100.00

Source: MoFPED

Table 9: Annual Gross Public and Private External Debt Position (Million USD)

	Jun-16	Jun-17	Jun-18	Mar-19
General Government	5 672.84	6 573.84	7 614.35	8 262.16
Short-term	40.76	51.78	23.84	29.51
Currency and deposits	-	-	-	-
Debt securities	40.76	51.78	23.84	29.51
Loans	-	-	-	-
Trade credit and advances	-	-	-	-
Other debt liabilities 1	-	-	-	-
Long-term	5 632.08	6 522.06	7 590.51	8 232.65
Special drawing rights (allocations) 2	-	-	-	-
Currency and deposits	-	-	-	-
Debt securities	322.85	294.99	258.67	266.64
Loans	5 309.23	6 227.07	7 331.84	7 966.01
Trade credit and advances	-	-	-	-
Other debt liabilities 1	-	-	-	-
Central Bank	241.99	240.66	243.14	240.22
Short-term	-	-	-	-
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	-	-	-	-
Long-term	241.99	240.66	243.14	240.22
Special drawing rights (allocations)2	241.99	240.66	243.14	240.22
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	-	-	-	-
Deposit-Taking Corporations, except the Central Bank	686.42	573.19	472.33	599.10
Short-term	185.20	122.04	127.34	176.54
Currency and deposits	185.20	122.04	127.34	176.54
Debt securities	-	-	-	-
Long-term	501.22	451.15	345.00	422.56
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	501.22	451.15	345.00	422.56
Other Sectors	1 237.40	1 303.70	1 130.34	1 101.64
Short-term	197.73	267.41	252.27	290.68
Loans	125.57	165.33	180.59	178.65
Trade credit and advances	72.17	102.08	71.68	112.03
Other debt liabilities 1	-	-	-	-
Long-term	1 039.67	1 036.29	878.06	810.96
Loans	1 039.67	1 036.29	878.06	810.96
Direct Investment: Intercompany Lending	2 371.01	2 309.18	2 821.49	2 758.67
Debt liabilities of direct investment enterprises to direct investors	2 371.01	2 309.18	2 821.49	2 758.67
Debt liabilities of direct investors to direct investment enterprises	-	-	-	-
Debt liabilities to fellow enterprises	-	-	-	-
Gross External Debt Position	10 209.67	11 000.57	12 281.64	12 961.79

Source: BOU

1. *Other liabilities comprise of insurance, pension and the standardised guarantee scheme and other accounts payable.*
2. *SDR allocation should be reported as long-term external debt liabilities.*
3. *The Annual Gross Public and Private External Debt Position for end June 2019 shall be provided in the September 2019 quarterly bulletin.*

PART IV: CONTINGENT LIABILITIES
Table 10: Annual Guaranteed Debt Stock, (Million USD)

Creditor	Project	Beneficiary	Year of Signature	Guaranteed Loan Amount	Exposure as at June 2016	Exposure as at June 2017	Exposure as at June 2018
IDB	Student Hostel Project	Islamic University in Uganda (IUJU)	2004	4.30	2.97	2.75	2.34
IDB	Student Hostel Project-Additional Financing	Islamic University in Uganda (IUJU)	2010	0.98	0.87	0.82	0.72
IDA	E.A Trade & Transport Facilitation	Rift Valley Railways	2006	10.00	10.00	10.00	10.00
BADEA	Private Sector Projects & Trade Transactions in the Republic of Uganda	Uganda Development Bank (UDBL)	2017	16.00	16.00	16.00	16.00
IDB	Private Sector Projects & Trade Transactions in the Republic of Uganda	Uganda Development Bank (UDBL)	2017	10.00	10.00	10.00	10.00
IDB	Construct a Faculty of Engineering, upgrade library & purchase ICT equipt	Islamic University in Uganda (IUJU)	2018	13.79	0.00	0.00	13.79
Total				55.08	39.84	39.58	52.85

Source: MoFPED

Table 11: Non-Guaranteed Debt and Other Liabilities of SOEs and EBUs, Million UGX

	Jun-17	Jun-18
Domestic borrowing	2,170,195	1,635,444
External borrowing	80,515	99,850
Other debt (including lease contracts and overdrafts)	13,944	18,574
GoU on-lent	3,685,256	6,255,813
Total outstanding debt including GoU on-lent loans	5,949,910	8,009,681
Total debt excluding GoU on-lent loans	2,264,654	1,753,868
Debt ratio (Total debt/total assets)	25.02%	20.26%
Liabilities from grants and GoU contributions	1,362,214	2,496,609

Source: MoFPED

Note.

1. The status of exposure as at end June 2019 shall be provided in the September 2019 quarterly bulletin.
2. The guarantee to Bujagali Energy Limited that was reported previously has been erased and instead added to the stock of Power Purchase Agreements (PPAs), for it's not considered to be a loan guarantee.

PART V: DOMESTIC DEBT STATISTICS
Table 12: Annual Domestic Debt Stock as at Original Maturity, Billion Shillings

Instruments Maturity period	Jun-17			Jun-18			Jun-19		
	Cost	Nominal	Face Value % Cost	Cost	Nominal	Face Value % Cost	Cost	Nominal	Face Value % Cost
91	39.0	39.6	40.0	57.4	58.0	58.7	52.1	52.7	53.3
182	258.8	268.6	275.0	352.0	358.0	368.9	345.7	770.7	364.7
364	2,850.9	3,103.3	3,285.0	3,113.6	3,265.8	3,433.2	3,308.4	3,104.0	3,726.6
Total Bills	3,148.7	3,411.5	3,600.0	3,523.0	3,681.8	3,860.7	3,706.2	3,927.4	4,144.6
2	832.1	858.2	828.0	270.5	363.7	269.0	1,033.0	1,177.7	1,082.0
3	695.8	727.8	668.5	925.7	1,057.8	888.5	1,039.8	1,273.2	1,079.4
5	3,565.9	3,719.3	3,589.9	3,949.2	3,959.6	3,849.6	3,767.5	3,896.4	3,668.4
10	2,148.0	2,293.7	2,181.9	3,043.4	3,136.9	3,054.8	3,604.0	3,596.6	3,663.8
15	1,204.9	1,232.6	1,196.6	1,674.5	1,720.5	1,633.4	2,361.8	2,335.5	2,388.4
Total Bonds	8,446.6	8,831.6	8,464.9	9,863.2	10,238.5	9,695.3	11,806.1	12,279.4	11,881.8
Total Stock	11,595.3	12,243.1	12,064.9	13,386.2	13,920.3	13,556.0	15,512.3	16,206.8	16,026.4
			100.0%			100.0%			100.0%

Source: MoFPED

Table 13 a: Annual Stock of Government Securities at Face Value by Holder, Billion Shillings

Holder Category	Jun-16		Jun-17		Jun-18		Jun-19	
	Face Value	% Face Value	Face Value	% Face Value	Face Value	% Face Value	Face Value	% Face Value
Banks	3,286.6	83.0%	2,990.2	83.1%	3,070.0	79.5%	3,316.9	79.9%
Pension & Provident Funds	222.5	5.6%	165.3	4.6%	207.7	5.4%	163.6	5.5%
Offshore	103.9	2.6%	91.7	2.5%	0.2	0.0%	10.0	0.0%
Bank of Uganda	-	0.0%	-	0.0%	-	0.0%	0.7	0.0%
Insurance companies	92.4	2.3%	112.8	3.1%	107.3	2.8%	127.4	3.4%
Other financial institutions	162.7	4.1%	95.1	2.6%	221.0	5.7%	217.1	3.3%
Retail	66.0	1.7%	82.5	2.3%	79.7	2.1%	96.8	2.3%
Other	24.4	0.6%	62.4	1.7%	174.9	4.5%	212.1	5.6%
Total Bills	3,958.6	100.0%	3,600.0	100.0%	3,860.7	100.0%	4,144.6	100.0%
Banks	1,894.4	24.7%	2,216.0	26.2%	2,693.9	27.8%	3,363.4	28.3%
Pension & Provident Funds	3,870.0	50.6%	4,594.6	54.3%	5,296.4	54.6%	6,405.9	53.9%
Offshore	1,014.6	13.3%	1,020.2	12.1%	921.7	9.5%	834.1	7.0%
Bank of Uganda	394.6	5.2%	19.0	0.2%	-	0.0%	160.4	1.4%
Insurance companies	84.1	1.1%	127.4	1.5%	186.6	1.9%	225.7	1.9%
Other financial institutions	330.3	4.3%	388.9	4.6%	451.4	4.7%	672.5	5.7%
Retail	49.4	0.6%	71.0	0.8%	122.0	1.3%	178.2	1.5%
Other	16.7	0.2%	27.8	0.3%	23.2	0.2%	41.6	0.4%
Total Bonds	7,654.1	100.0%	8,464.9	100.0%	9,695.3	100.0%	11,881.8	100.0%
Total Stock	11,612.7		12,064.9		13,556.0		16,026.4	

Source: BOU

Table 13 b: Annual Stock of Government Securities at Cost by Holder, Billion Shillings

Holder Category	Jun-16		Jun-17		Jun-18		Jun-19	
	Cost	% Cost	Cost	% Cost	Cost	% Cost	Cost	% Cost
Banks	2,788.2	83.0%	2,636.9	83.7%	2,801.4	79.5%	2,966.1	80.0%
Pension & Provident Funds	186.7	5.6%	145.5	4.6%	191.5	5.4%	146.9	4.0%
Offshore	88.7	2.6%	80.2	2.5%	0.2	0.0%	8.9	0.2%
Bank of Uganda	-	0.0%	-	0.0%	-	0.0%	0.7	0.0%
Insurance companies	78.9	2.3%	99.5	3.2%	98.8	2.8%	114.6	3.1%
Other financial institutions	136.3	4.1%	56.0	1.8%	188.9	5.4%	186.9	5.0%
Retail	57.6	1.7%	74.3	2.4%	74.6	2.1%	88.7	2.4%
Other	21.9	0.7%	56.4	1.8%	167.6	4.8%	193.4	5.2%
Total Bills	3,358.3	100.0%	3,148.7	100.0%	3,523.0	100.0%	3,706.2	100.0%
Banks	1,862.6	24.7%	2,211.1	26.2%	2,740.5	27.8%	3,341.9	28.3%
Pension & Provident Funds	3,778.7	50.2%	4,586.8	54.3%	5,386.3	54.6%	6,366.8	53.9%
Offshore	1,043.9	13.9%	1,017.9	12.1%	937.7	9.5%	828.7	7.0%
Bank of Uganda	394.7	5.2%	19.0	0.2%	-	0.0%	160.4	1.4%
Insurance companies	84.0	1.1%	130.8	1.5%	195.2	2.0%	228.0	1.9%
Other financial institutions	294.5	3.9%	382.4	4.5%	448.7	4.5%	655.9	5.6%
Retail	51.0	0.7%	74.7	0.9%	130.8	1.3%	182.9	1.5%
Other	16.2	0.2%	23.8	0.3%	24.1	0.2%	41.4	0.4%
Total Bonds	7,525.8	100.0%	8,446.6	100.0%	9,863.2	100.0%	11,806.1	100.0%
Total Stock	10,884.1		11,595.3		13,386.2		15,512.3	

Source: BOU

Table 14: Annual Domestic Debt Service, Billion Shillings

Instruments Maturity period	FY 2016/17			FY 2017/18			FY 2018/19		
	Discount	Coupon Redemption	Total	Discount	Coupon Redemption	Total	Discount	Coupon Redemption	Total
91	10.3	-	314.8	5.2	-	230.0	7.4	-	297.6
182	58.0	-	780.0	26.5	-	478.5	37.5	-	699.9
364	563.0	-	3,435.2	434.1	-	2,850.9	319.6	-	3,113.6
Total Bills	631.4	-	4,530.0	465.8	-	3,559.4	364.5	-	4,111.1
2	0.0	211.7	730.7	2.2	104.3	705.8	0.0	35.5	120.0
3	15.0	112.2	516.3	-	131.6	-	-	170.6	334.6
5	41.8	482.0	228.2	59.9	576.2	523.5	29.8	570.1	671.4
10	-	294.4	-	-	375.2	-	-	505.5	-
15	-	168.5	-	-	221.2	-	-	199.4	-
Total Bonds	56.9	1,268.8	1,475.1	62.0	1,408.5	1,229.3	29.8	1,481.0	1,126.0
Total	688.3	1,268.8	5,373.7	527.9	1,408.5	4,788.7	394.3	1,481.0	5,237.1

Source: MoFPED,

Table 15: Annual Domestic Debt Gross Issuances, Billion Shillings

Instruments Maturity period	FY 2016/17			FY 2017/18			FY 2018/19		
	Cost Value	Face Value	% Cost	Cost Value	Face Value	% Cost	Cost Value	Face Value	% Cost
91	257.4	265.7	8.3	248.4	253.9	5.5	292.3	302.6	10.3
182	580.7	598.9	18.2	571.6	598.9	27.2	693.6	740.3	46.6
364	2850.9	3,285.0	434.1	3113.6	3,433.2	319.6	3308.4	3,726.6	418.2
Total Bills	3,689.0	4,149.6	460.6	3,933.6	4,286.0	352.3	4,294.3	4,769.4	475.1
2	186.4	180.0	-	228.9	229.0	0.1	299.0	320.0	21.0
3	461.1	444.3	-	304.2	286.6	-	279.7	320.4	40.7
5	1041.0	1,018.8	-	992.7	949.3	-	244.7	260.0	15.3
10	346.2	336.1	-	654.7	620.0	-	1456.9	1,660.6	203.7
15	376.6	363.6	-	469.6	436.8	-	825.8	885.0	59.2
Total Bonds	2,411.3	2,342.8	-	2,650.1	2,521.8	-	3,106.2	3,446.1	339.9
Total Issuance	6,100.3	6,492.4	392.1	6,583.8	6,807.7	223.9	7,400.5	8,215.5	815.0

Source: MoFPED

Table 16: Annual Domestic Debt Net Issuances, Billion Shillings

	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
Fiscal Financing	1350.5	626.6	1795.0	2163.4
BoU Recapitalisation	200.0	100.0	-	-
Redemptions	4785.2	5,373.7	4,788.8	5,237.1
Total Issuance	6,335.7	6,100.3	6,583.8	7,400.5

Source: MoFPED,

Table 17: Central Government Domestic Debt by Interest Rate (End Period/Annual Average Primary Market Yields)

	End Period			Annual Average		
	Jun-17	Jun-18	Jun-19	Jun-17	Jun-18	Jun-19
Treasury Bill Rates						
91 Days	10.8	10.5	9.5	13.4	9.1	9.4
182 Days	11.8	12.0	10.8	14.3	9.4	10.9
364 Days	13.8	14.5	11.4	15.2	10.1	11.5
Treasury Bond Rates						
2 Years	14.7	13.2	12.9	15.7	11.8	12.9
3 Years	15.0	11.9	13.8	16.2	11.8	13.8
5 Years	15.6	14.7	15.0	16.4	13.3	15.0
10 Years	16.0	14.4	16.0	16.6	14.5	16.0
15 Years	16.4	15.0	15.9	16.9	14.7	15.9

Source: MoFPED

PART VI: PUBLIC DEBT PORTFOLIO ANALYSIS

TOTAL PUBLIC DEBT

As at June 2019, total public debt stock increased from USD 10.7billion in June 2018 to USD 12.5billion in June 2019, reflecting a 16.8% growth. Out of current total public debt of USD 12.5 billion, domestic and external debt account for USD 4.2billion (33.6%) and USD 8.3billion (66.4%) respectively.

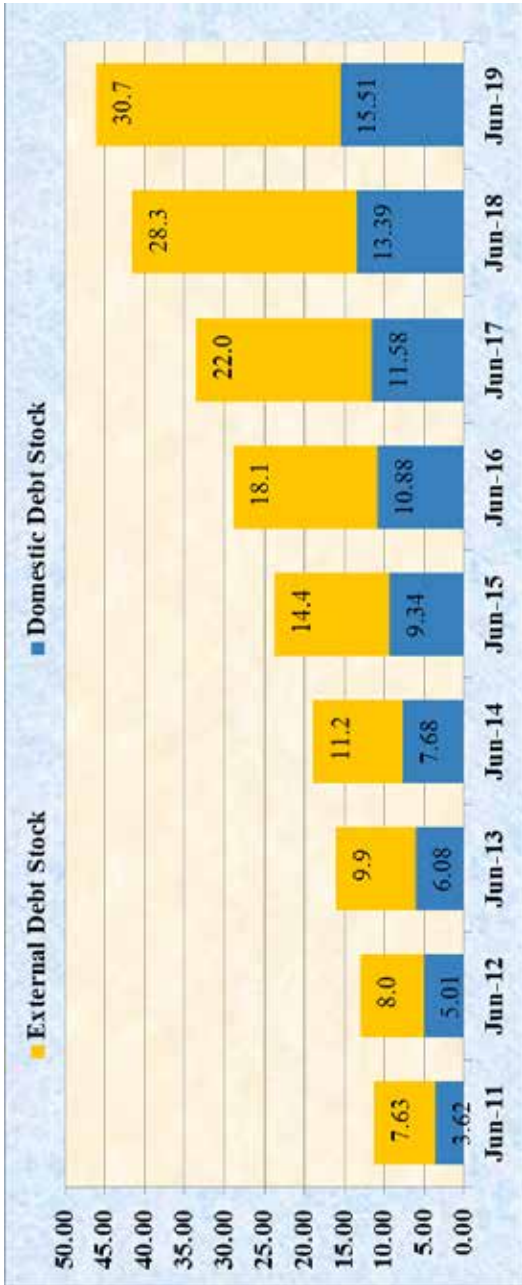
The nominal value of public debt as a percentage of GDP stood at 42.0% as at end June 2019. The Present Value (PV) of external debt to GDP reduced from 17.5% as at end June 2018 to 27.9% in June 2019. A visual impression of the above movements is as illustrated in Fig 1a below.

Figure 1a: Annual public debt stock, USD Million



Source: MoFPED

Figure 1b: Annual public debt stock in UGX



Source: MoFPED

EXTERNAL DEBT

6.2a. External debt stock Disbursed and Outstanding

The external debt stock increased by USD 1.01 billion, from USD 7.3billion in June 2018 to USD 8.31billion by end June 2019. The increase was attributed to loans from World Bank (40%) and China (26.6%).

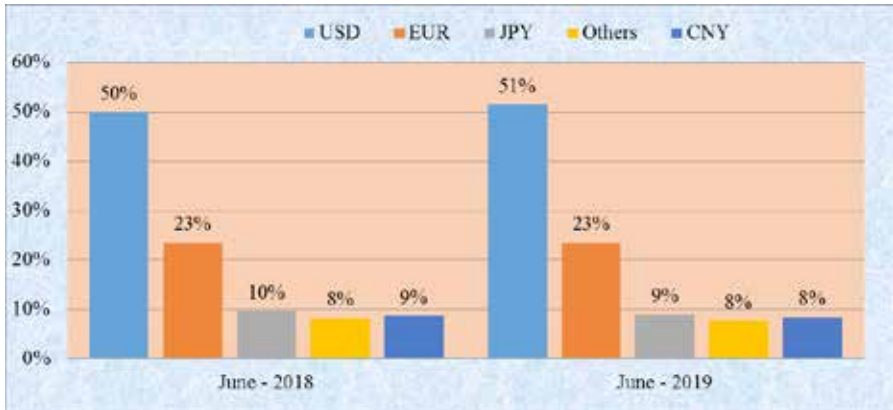
The present value of external debt to GDP increased from 17.5% in June 2018 to 18.0% in June 2019 due to increase in the stock of debt. The undisbursed amount remained unchanged at USD 4.62 billion between June 2018 and June 2019.

6.2b. Creditor composition

A greater share of Uganda's debt stock is dominated by multilateral creditors which accounted for 64.3% whereas bilateral creditors accounted for 35.2%. Private Banks contributed 0.6% of the total external debt portfolio as at the end of June 2019. The multilateral debt is dominated by International Development Association (62.4%) and African Development Fund (24.3%), while bilateral debt is distantly dominated by the Exim Bank of China (75.8%) and Japan (10.8%).

6.2c. Currency composition

Uganda's stock of external debt is dominated by four major currencies which include USD, Chinese Yuan, Japanese Yen, and Euros, as illustrated in the figure below:

Figure 2: External debt stock by Currency Composition

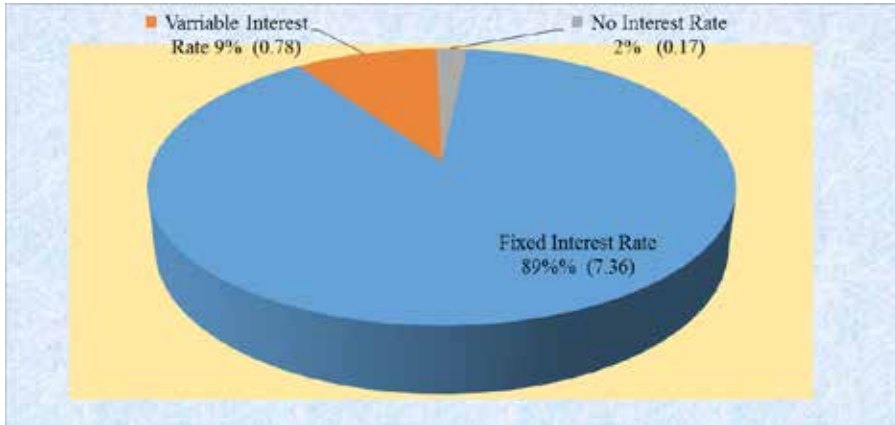
Source: MoFPED

Note: Other currencies include GBP, SAR, KWD, IQD and KRW

6.2d. Interest Rate Type

As at end June 2019 89% of Uganda's debt stock was contracted at fixed interest rates while variable interest rates and no interest rates constituted 9% and 2% respectively. The stock of the variable-rate debt from bilateral creditors is mainly from China (USD 484.5million) and UKEF (USD 125.7 million). Variable-rate debt from multilateral creditors is from ADB (USD 67 Million), as demonstrated in figure 3 below.

Figure 3: External Debt Stock in Billion USD by Interest Rate Type

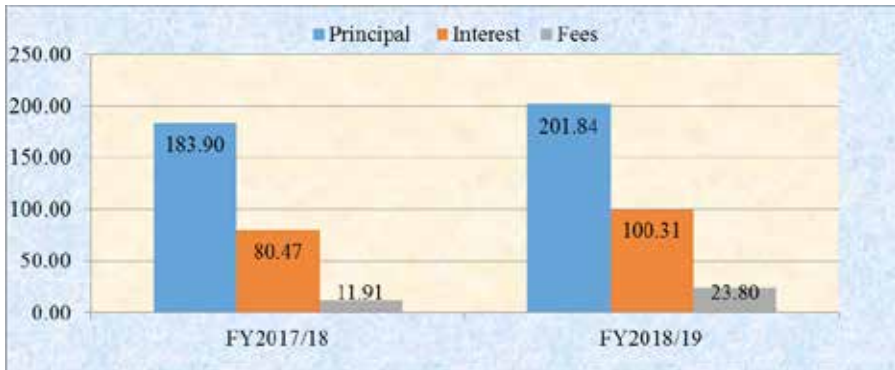


Source: MoFPED

6.2e. External Debt Service

The external debt service increased from USD 276.28 Million in FY 2017/18 to USD 325.95 Million in FY 2018/19 as illustrated in the table below:

Figure 4: External Debt Service in Million USD for FY 2017/18 and FY 2018/19.



Source: MoFPED

Principal payments increased from USD 183.9 Million in FY 2017/18 to USD 201.84 in FY 2018/19 while interest payments increased from USD 80.47 Million in FY 2017/18 to USD 100.31 in FY2018/19.

DOMESTIC DEBT

6.3a. Domestic debt stock outstanding

The total stock outstanding of government domestic debt has increased from UGX 13,386.2 billion in June 2018 to UG 15512.3 billion as at end June 2019. By composition, T-Bills amount to UGX 3,706.2 billion while T-Bonds amount to UGX 11,806.1 billion.

For the period under review, T-Bills reduced from 26.3% of the total domestic debt (3,523.0 billion) to 23.9% of the total domestic debt (3,706.2 billion). Over the June 2018 to June 2019, T-Bonds increased from 73.7% (UGX 9,863.2 billion) of the total domestic debt to 76.1% (UGX 11,806.1 billion).

Figure 5: Trend of Domestic Debt from June 2016 to June 2019, Billion UGX

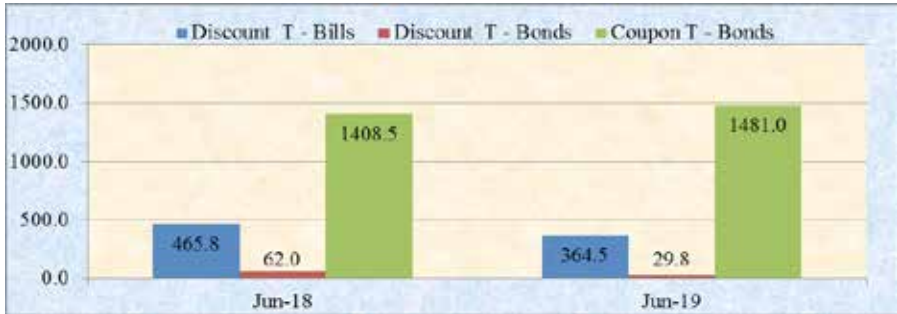


Source: MoFPED

6.3b. Interest payment on domestic debt

Over last couple of years domestic debt interest payment has been increasing. For instance, it increased from UGX 1,155 billion in FY 2014/15 to UGX 1,875 billion in FY 2018/19.

Figure 6: Domestic debt interest (discount and coupon payments) for FY2017/18 and FY2018/19, Billion UGX



Source: MoFPED

Interest payment in T-bills reduced from UGX 465.8 billion in FY2017/18 to 364.5 billion in FY2018/19. Interest payment on T-bonds increased from UGX 1,470.5 billion in FY 2017/18 to UGX 1,510.8 billion in FY2018/19. This is on the account of a deliberate Government progressive expansion of the T-bond portfolio and a reduced share of the T-bills.

6.3c. Holders of Government Securities

Commercial banks, Pension and Provident Fund continues to be the biggest overall investors in Government Securities. As at end June 2019, Commercial banks were the dominant T-bill holders at 80%, followed by other financial institutions at 5%, and Pension and Provident Fund hold 4% of the T-bills. Additionally, Pension and Provident Fund remains the biggest investor in T- bonds accounting for 54% of T-bonds as at end June 2019, followed by Commercial banks (28%) and other financial institutions at 6%.

CONTINGENT LIABILITIES.

6.4a. Sovereign Loan Guarantees

Sovereign loan guarantees are a type of contingent liability. A contingent liability refers to a possible obligation in case a certain event occurs. The exposure¹ from sovereign loan guarantees stood at USD 53 million as at end June 2018, representing 0.19% of GDP, representing 33.5% increment in exposure from the USD 39.6 million as at end June 2017. This increase is attributed to the recently guarantee issued to Islamic University in Uganda of USD 13.79 million. State-Owned Enterprises (SOEs) constituted the larger share of the guarantee exposure, amounting to 68% or USD 36 million in absolute terms of the total exposure. Private institutions constituted the remaining 32% equivalent to USD 16.85 million.).

6.4b. Disbursed and outstanding debt of SoEs and EBUs.

As at June 2018, the stock of debt (direct domestic and external borrowing plus on-lent) of public entities amounted to UGX 8,009 billion (USD 2.06 billion), indicating a 35% increase from UGX 5,950 billion (USD 1.66 billion) as at June 2017. The increase was mainly a result of the disbursements for the GoU on-lent loans to SoEs in the energy sector. It should be noted that 78% of the total borrowing in June 2018 was on account of GoU on lending, followed by 20.7% from direct domestic creditors (including overdrafts & lease facilities) and 1.2% from external creditors. However, the total debt to assets ratio decreased from 25 % to 20.3%, as total assets increased significantly.

COST AND RISK OF THE EXISTING DEBT PORTFOLIO

External debt consists largely of concessional loans which still dominate the Government of Uganda's existing debt portfolio as at end June 2019. Most of these loans are characterized by long repayment periods and fixed interest rates that are low. Interest rates, repayment periods and currency denomination have a significant influence on the overall cost and risk exposure of the country's existing debt portfolio (external and domestic debt).

¹ Exposure in this context is used to describe commitments of the government to repay financial liabilities in case the guarantee beneficiary defaults

Figure 7: Cost and Risk indicators for the existing debt as at end June 2019.

Risk Indicators		External debt	Domestic debt	Total debt
Amount (in millions of UGX)		30691062.15	15512275.84	46203337.99
Amount (in millions of USD)		8306.645668	4198.452901	12505.09857
Nominal debt as % GDP		27.9	14.1	42.0
PV as % of GDP		18.0	14.1	32.1
Cost of debt	Interest payment as % GDP	0.4	1.9	2.3
	Weighted Av. IR (%)	1.5	13.5	5.6
Refinancing risk	ATM (years)	14.1	4.0	10.7
	Debt maturing in 1yr (% of total)	1.9	36.0	13.3
	Debt maturing in 1yr (% of GDP)	0.5	5.1	5.6
Interest rate risk	ATR (years)	13.5	4.0	10.3
	Debt refixing in 1yr (% of total)	11.1	36.0	19.5
	Fixed rate debt (% of total)	90.6	100.0	93.8
FX risk	FX debt (% of total debt)			66.4
	ST FX debt (% of reserves)			4.7

Source: MoFPED

6.5a. Refinancing and Rollover risks

The weighted average time to maturity of all the principal payments in the external debt portfolio (ATM) is 14.1 years and 4.0 years for domestic debt. The overall weighted time to maturity of all principals of the existing debt portfolio (external and domestic debt) is 10.7 years. This is explained by the low maturity profile of the domestic debt. The average time to maturity for domestic debt has increased from 3.8 years in June 2018 to 4.0 years in June 2019. This has been occasioned by an increase in the issuance of long-term government securities. The average time to maturity of the external debt stock has been decreasing over time due to contraction of external loans with shorter maturities.

Domestic debt maturing in one year is 36.0% of the total domestic debt. External debt maturing in one year as percentage of the total decreased from 2.9 % in June 2018 to 1.9% in June 2019 due to completion of repayment of PTA loan. This can further be explained by the redemption profile as shown below.

Figure 8: Redemption profile as at end June 2019, Trillion UGX



Source: MoFPED

Considering all the above, Uganda is exposed to refinancing risk as UGX. 5.6 Trillion of domestic debt is to be rolled over in the next one year. This high exposure to refinancing risk in the domestic debt portfolio is being overcome by issuing T-bonds with higher maturity.

6.5b. Interests rate risk

A bigger proportion of the Uganda's external debt stock (89%) by end June 2019 was contracted at fixed interest rates. It will take on average 10.3 years for all the principal payments in the total debt portfolio to be subjected

to a new interest rate. For external debt, it will take on average 13.5 years for all the principal payments to be subjected to a new interest rate while for domestic debt is 4.0 years. This shows that the total average time to refixing has deteriorated as it reduced from 11.1 years in June 2018 to 10.3 years in June 2019.

However, Uganda has a low exposure to risk associated with interest rates for the entire public debt portfolio given the time it takes on average to refix the interest rates for the aggregate public debt (domestic and external). This is majorly attributed to the greater share of concessional loans in the external debt portfolio. As it has been before, the exposure to the interest rate risk of the domestic debt portfolio still remains high following the short maturity of the domestic debt especially T-bills. However, the interest rate risk in the domestic debt portfolio has reduced as shown by a reduction in the share of the T-bills to T-bonds.

6.5c. Exchange rate risk

A greater share of Uganda's public debt (66%) is denominated in foreign currency. As at end June 2019, USD denominated debt stock accounted for 34% of the total public debt which is equal to the local currency denominated debt (34%) in the total debt. The remaining 32% are denominated in other foreign currencies like Chinese Yuan, Japanese Yen, Euros, British Pound, and others. This clearly indicates that Uganda is highly exposed to risks associated with exchange rate shocks.

PART VII: GLOSSARY OF DEBT AND RELATED TERMS

Agency

An agency in a creditor economy that provides insurance, guarantees, or loans for the export of goods and services

Amortization

The repayment of the principal amount of a loan spread out over a period of time.

Amortization Schedule

The schedule for the repayment of principal and payment of interest on an on going basis.

Arrears

Amounts that are both unpaid and past the due date for payment

Average time to Maturity

This is a measurement of the weighted time to maturity of all the principal payments in the portfolio. (See maturity)

Average time to Refixing

This is a measure of the average time until all the principal payments in the debt portfolio become subject to a new interest rate.

Bills

These are securities (usually short term) that give holders the unconditional rights to receive stated fixed sums on a specified date.

Bilateral Creditor

A type of creditor in the context of external debt. Official Bilateral creditors include governments and their agencies, autonomous public bodies or official export credit agencies.

Borrower (debtor)

The organization or the entity defined as such in the loan contract which usually is responsible for servicing the debt.

Bullet Repayment

The repayment of principal in a single payment at the maturity of the debt.

Commercial Interest Reference Rates (CIRR)

A set of currency-specific interest rates for major OECD countries.

Commitment:

An obligation to furnish resource of a given amount under specified financial terms and conditions.

Commitment Charge (fee)

Charge or fee made for holding available the undisbursed balance of a loan commitment.

Concessional Loans

These are loans extended on terms substantially more generous than market loans. Concessionalism is achieved either through interest rates below those available on the market or by longer grace periods, or a combination of these. Concessional loans typically have long grace periods.

Credit

An amount for which there is a specific obligation of repayment.

Creditor

The organization or entity that provides money or resources and to whom payment is owed under the terms of a loan agreement. It's an entity with a financial claim on another entity.

Creditor Country

The country in which the creditor resides.

Currency of denomination

The unit of account in which amounts of indebtedness are expressed in the general/loan agreement.

Currency of Reporting

The unit of account in which amounts are reported either to the compiling agency and/or to an international agency compiling debt statistics.

Currency of Settlement

The currency of settlement is determined by the currency in which the values of the flows and positions are settled. It is important for international liquidity and measurement of potential foreign exchange drains. The currency of settlement

may be different from the currency of denomination. Using a currency of settlement that is different from the currency of denomination simply means that acurrency conversion is involved each time a settlement occurs.

Debt

All Liabilities that are debt instruments

Debt Conversion

The exchange of debt for a non debt liability, such as equity, or for counterpart funds can be used to finance a particular project or policy.

Debt Default

Failure to meet a debt obligation payment, either principal or interest.

Debt Disbursed and outstanding

The amount that has been disbursed from a loan commitment but has not yet been repaid or forgiven.

Debt Instrument(s)

These are financial claims that require payments of interest and or/principal by the debtor to the creditor at a date or dates in the future.

Debt Prepayment

This consist of a repurchase, or early payment, of debt at conditions that are agreed between the debtor and the creditor

Debt Refinancing

Debt refinancing involves the replacement of an existing debt instrument or instruments including any arrears with a new debt instrument or instruments.

Debt Service

Refers to payments in respect of both principal and interest. Actual debt service is the set of payments actually made to satisfy a debt obligation, including principal, interest, and any late payment fees. Scheduled debt service is the set of payments, including principal and interest, which is required be made through the life of the debt.

Debt-Service (-to-Exports) Ratio

The ratio of debt service (interest and principal payments due) during a year, expressed as a percentage of exports (typically of goods and services) for that

year. Forward-looking debt-service ratios require some forecast of export. This ratio is considered to be a key indicator of an economy's debt burden.

Debtor Economy

The economy in which the debtor resides.

Deep Discount Bond

These are long term securities that require periodic coupon payments during the life of the instrument but the amount is substantially below the market rate of interest at issuance.

Disbursed Loans

The amount that has been disbursed from a loan but has not yet been repaid or forgiven.

Domestic Currency

Domestic currency is that which is legal tender in the economy and issued by the monetary authority for that economy, i.e., either that of an individual economy or, in a currency union, to which the economy belongs. All other currencies are foreign currencies.

Domestic Debt

Debt liabilities owed by residents to residents of the same economy

Export Credit

A loan extended to finance a specific purchase of goods services from within the creditor economy. Export credits extended by the supplier of goods— such as when the importer of goods and services is allowed to defer payment—are known as supplier's credits; export credits extended by a financial institution, or an export credit agency in the exporting economy are known as buyer's credits

External Debt

At any given time, is the outstanding amount of those actual current, and not contingent, liabilities that require payment(s) of interest and/or principal by the debtor at some point(s) in the future and that are owed to non-residents by residents of an economy.

Face Value

Face value is the undiscounted amount of principal to be paid to the holder at

maturity (e.g., the redemption amount of a bond).

Foreign Currency

Foreign currency is a currency other than the domestic currency (See domestic currency)

Foreign Debt

Same as External Debt

Fixed Interest Rate

A rate of interest that is defined in absolute terms at the time of the loan agreement.

Grace Period

The grace period for principal is the period from the date of signature of the loan or the issue of the financial instrument to the first repayment of principal.

Grant Element

The measure of concessionality of a loan, calculated as the difference between the face value of the loan and the sum of the discounted future debt service payments to be made by the borrower expressed as percentage of the face value of the loan.

Gross Domestic Product (GDP)

Essentially, the sum of the gross value added of all resident producer units plus that part (possibly the total) of taxes on products, less subsidies products, that is not included in the valuation of output.

Institutional Unit

An institutional unit is defined in the 2008 SNA as “an economic entity that is capable, in its own right, of owning assets, incurring liabilities and engaging in economic activities and in transactions with other entities”

Interest

This is a form of investment income that is receivable by the owner of financial assets for putting such assets and other resources at the disposal of another institutional unit.

International Bank for Reconstruction and Development (IBRD)

The International Bank for Reconstruction and Development (IBRD) was set

up as an intergovernmental financial institution in 1946 as a result of the Bretton Woods Accord. It is the original agency of the World Bank Group and is commonly referred to as the World Bank (see also World Bank Group).

International Development Association (IDA)

IDA, established in 1960, is the concessional lending arm of the World Bank Group. IDA provides low- income developing countries (economies) with long- term loans on highly concessional terms: typically a ten-year grace period, a 40-year repayment period, and only a small servicing charge.

International Monetary Fund (IMF)

Following the Bretton Woods Accords and established in 1945, the IMF is a cooperative intergovernmental monetary and financial institution with 187 member countries. Its main purpose is to promote international monetary cooperation so to facilitate the growth of international trade and economic activity more generally. The IMF provides financial resources to enable its members to correct payments imbalances without resorting to trade and payments restrictions.

Issue Price

It is the price at which the investors buy the debt securities when first issued.

Line of Credit

An agreement that creates a facility under which one unit can borrow credit from another up to a specified ceiling usually over a specified period of time. Lines of credit provide a guarantee that funds will be available, but no financial asset/liability exists until funds are actually advanced.

Loan

A financial instrument that is created when a creditor lends funds directly to a debtor and receives a non-negotiable document as evidence of the asset

London Interbank Offered Rate (LIBOR)

LIBOR is a reference rate for the international banking markets and is commonly the basis on which lending margins is fixed. Thus, an original loan agreement or a rescheduling agreement may set the interest rate to the borrower at six-month dollar LIBOR plus 1.5 percent, with semi-annual adjustments for changes in the LIBOR rate.

Maturity (Defined and Undefined)

Defined maturity refers to a finite time (fixed) period at the end of which the financial instrument will cease to exist and the principal is repaid with interest. Undefined maturity refers to the absence of a contractual maturity. Undefined maturity deposits include demand deposits, checking interest accounts, savings accounts, and money market accounts. Other examples of undefined maturity debt instruments are perpetual bonds.

Multilateral Creditors

These creditors are multilateral financial institutions such as the IMF and the World Bank, as well as other multilateral development banks.

Net Present Value (NPV) of Debt

The nominal amount outstanding minus the sum of all future debt-service obligations (interest and principal) on existing debt discounted at an interest rate different from the contracted rate.

Nominal Value

The nominal value of a debt instrument is the amount that at any moment in time the debtor owes to the creditor at that moment; this value is typically established by reference to the terms of a contract the debtor and creditor. The nominal value of a debt instrument the value of the debt at creation, and any subsequent economic flows, such as transactions (e.g., repayment of principal), valuation changes

Official Creditor

Official creditors are international organizations, governments and government agencies including official monetary institutions.

Official Development Assistance (ODA):

Flows of official financing administered with the promotion of the economic development and welfare of developing countries as the main objective, and which are concessional in character with a grant element of at least 25 percent (using a fixed 10 percent rate of discount).

Official Development Assistance (ODA) Loans

Loans with a maturity of over one year meeting criteria set out in the definition of ODA, provided by governments or official agencies and for which repayment is required in convertible currencies or in kind.

Original Maturity

The period of time from when the financial asset/liability was created to its final maturity date.

Paris Club Paris Club

An informal group of creditor governments that has met regularly in Paris since 1956 to provide debt treatment to countries experiencing payment difficulties; the French treasury provides the secretariat. Creditors reschedule a debtor country's public debts as part of the international support provided to an economy that is experiencing debt-servicing difficulties and is pursuing an

Present Value (PV)

The present value (PV) is the discounted sum of all future debt service at a given rate of interest. If the rate of interest is the contractual rate of the debt, by construction, the present value equals the nominal value, whereas if the rate of interest is the market interest rate, then the present value equals the market value of the debt.

Present Value of Debt-to-Exports Ratio (PV/X)

Present value (PV) of debt as a percentage of exports (usually of goods and services) (X). In the context of the Paris Club and HIPC Initiative, sometimes present value is mis described as net present value (NPV).

Principal the provision of economic value by the creditor, or the creation of debt creation of debt liabilities through other means, establishes a principal liability for the debtor, which, until extinguished, may change in value over time. For debt instruments alone, for the use of the principal, interest can, and usually does, accrue on the principal amount, increasing its value.

Principal Outstanding

The amount of principal disbursed and not repaid.

Principal Repayment

The payments which are made against the drawn and outstanding amount of the loan

Private Creditors

These are neither governments nor public sector agencies. Private financial institutions, and manufacturers, exporters and other suppliers of goods that have a financial claim.

Public Sector:

The public sector includes the general government, monetary authorities, and those entities in the banking and other sectors that are public corporations.

Public Sector Debt

Total public sector debt consists of all debt liabilities of resident public sector units to other residents and non residents.

Public Sector External Debt

Total public sector external debt consists of all debt liabilities of resident public sector units to non residents.

Public Debt

The debt obligation of the public sector.

Public External Debt

The external debt obligation of the public sector.

Publicly Guaranteed Debt

The external obligation of a private debtor that is guaranteed for repayment by a public entity.

Quarterly External Debt Statistics (QEDS)

The Quarterly External Debt Statistics (QEDS) database, jointly developed by the World Bank and the International Monetary Fund brings together detailed external debt data of Countries that Subscribe to the IMF's Special Data Dissemination Standard (SDDS) and of countries that participate in the IMF's General Data Dissemination System (GDDS).

Redemption Price

It is the amount to be paid by the issuer to the holder at maturity.

Remaining (Residual) Maturity

The period of time until debt payments fall due. In the Guide, it is recommended that short-term remaining maturity of outstanding external debt be measured by adding the value of outstanding short-term external debt (original maturity) to the value of outstanding long-term external debt (original maturity) due to be paid in one year or less. These data include all arrears.

Short-Term Debt

Debt that has maturity of one year or less. Maturity can be defined either on an original or remaining basis (see also Original Maturity and Remaining Maturity).

Spread (Margin):

A percentage to be added to some defined base interest rate, such as LIBOR, to determine the rate of interest to be used for a loan.

Sovereign Debt

Sovereign debt is often used by financial markets and fiscal analysts as debt that has been contracted by the national government. Unlike grouping of the public sector, which is based on institutional units, "sovereign" is defined on a functional basis. Normally "sovereign issuer" of debt is the government (usually national or federal) that de facto exercises primary authority over a recognized jurisdiction whose debt are being considered. Consequently, sovereign debt is debt that has been legally contracted by the national government.

Stock of Debt

The amount outstanding as of a moment of time.

Stock Figures

The value of financial assets and liabilities outstanding at a particular point in time.

Supplier's Credit

A financing arrangement under which an exporter extends credit to the buyer.

Treasury Bills

Negotiable securities issued by the government. In general these are short term obligations issued with maturity of one year or less. They are traded on a discount bases.

Treasury Bonds

Longer Term Securities compared to Treasury Bills. Usually more than a year

Undisbursed

Funds committed by the creditor but not yet drawn by the borrower.

Yield-to-Maturity

The yield-to-maturity rate is the rate at which the present value of future interest and principal payments, i.e., all future cash flows from the bond, equals the price of the bond.



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