

QUARTER  
**01**



PUBLIC DEBT  
**BULLETIN**  
**2024** | A PRODUCT OF THE  
DEBT MANAGEMENT UNIT  
MINISTRY OF FINANCE



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## **Acronyms & Abbreviations**

ATM- Average Time to Maturity

ATR- Average Time to Re-fixing

CG - Central Government

CNY - Chinese Yuan Renminbi

EUR- Euro

GBP- Great Britain Pound

GDP- Gross Domestic Product

GG- Government-guaranteed

GoG- Government of Grenada

KWD- Kuwaiti Dinar

MTDS- Medium-Term Debt Management Strategy

RGSM- Regional Governments' Securities Market

SOE- State-owned Enterprise

USD- United States Dollar

XCD- Eastern Caribbean Dollar

XDR- Special Drawing Rights

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## 1.0 Central Government and Government-guaranteed Debt

At the end of Q1 2024, Central Government's (CG's) debt was EC\$ 2,145.6 million, which was 56.6% of Gross Domestic Product (GDP)<sup>1</sup>. It consisted of 81.3% external debt and 18.7% domestic debt (Chart 1). There was no government-guaranteed (GG) debt at the end of Q1 2024 and the previous quarter but at the end of Q1 2023 GG debt stood at EC\$ 0.8 million. Total CG debt decreased when compared to the previous quarter by approximately EC\$10.0 million but grew above Q1 2023 by EC\$53.7 million. The increase was due to disbursements on new and existing external loans. Chart 2 shows the movement in domestic and external CG debt. External CG debt increased whereas domestic CG debt decreased.

Chart 1: Central Government Debt (Q1 2024)

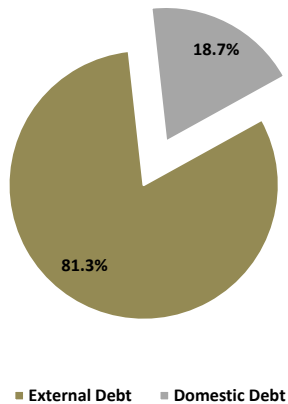
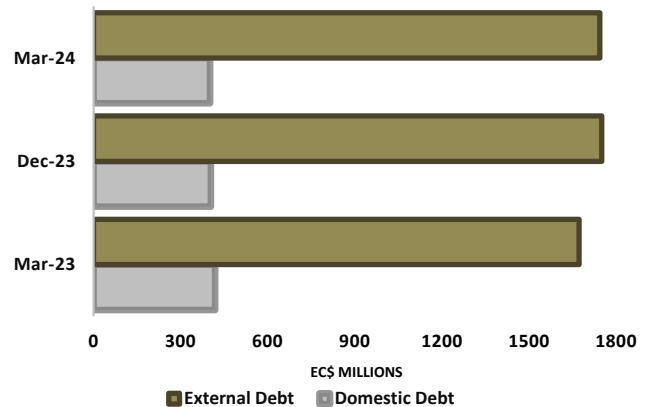


Chart 2: Movement in Central Government Debt



### 1.1 Central Government's External Debt

CG's external debt was EC\$1,744.5 million (46.0% of GDP) at the end of Q1 2024 and comprised of concessional loans chiefly.

#### 1.1.1 External Debt by Creditor Category

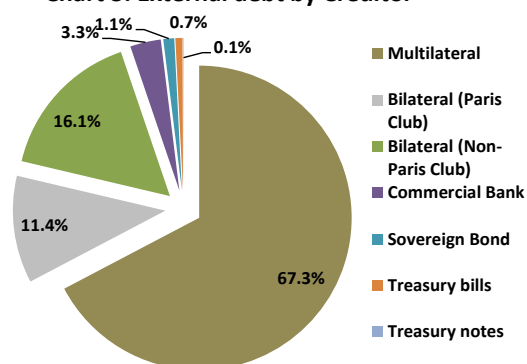
Multilateral creditors are the main holders of external debt. In Q1 2024, CG's external portfolio comprised 67.3% of multilateral debt. This was followed by debt contracted from bilateral non-Paris Club members which was 16.1% of the external portfolio (Appendix 2) (Chart 3). The chief multilateral creditor in GoG's portfolio is the International Development Association (IDA) and the chief bilateral creditor is the People's Republic of China.

#### 1.1.2 External Debt by Interest Type

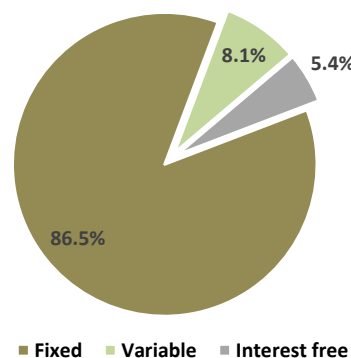
Loans contracted at fixed interest rates dominated the external portfolio (86.5%), at the end of Q1 2024. Loans at variable interest rates and interest-free loans were 8.1% and 5.4% respectively (Chart 4).

<sup>1</sup> GDP: Ministry of Finance Staff estimated Gross Domestic Product (nominal, at Market Prices) for 2024 (EC\$3,789.0 million).

**Chart 3: External debt by Creditor**



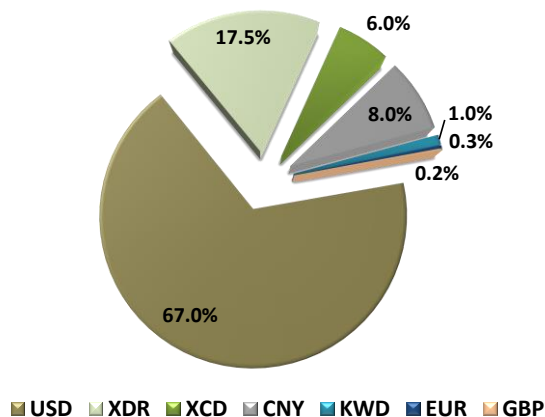
**Chart 4: External Debt by Interest Type**



### 1.1.3 Currency Composition of External Debt<sup>2</sup>

Instruments denominated in United States Dollars (USD) held the highest share of GoG’s external portfolio at the end of Q1 2024 (67.0%) and the periods under comparison. Instruments contracted in Special Drawing Rights (XDR) held the second highest share of 17.5% which was also the case in the periods under comparison. Chart 5 shows external debt by currency composition at the end of Q1 2024.

**Chart 5: Currency Composition of External Debt**



## 1.2 Central Government’s Domestic Debt<sup>3</sup>

At the end of Q1 2024, CG’s domestic debt was EC\$401.1 million (10.6% of GDP).

### 1.2.1 Domestic Debt by Instrument Type

Chart 6 shows domestic debt by instrument type. Bonds held the highest share of GoG’s domestic portfolio in Q1 2024 (56.5). The instrument type holding the second highest share was Treasury Bills (22.3%).

<sup>2</sup> External debt includes all debt contracted by creditors who do not reside in Grenada, a portion of which is denominated in the Eastern Caribbean Dollar (XCD).

<sup>3</sup> Domestic debt includes all debt contracted by creditors who reside in Grenada.

### 1.2.2 Domestic Debt by Holder

At the end of Q1 2024, non-bank financial institutions held 42.3% of the domestic portfolio which was the highest share (Chart 7).

Chart 6: Domestic Debt by Instrument

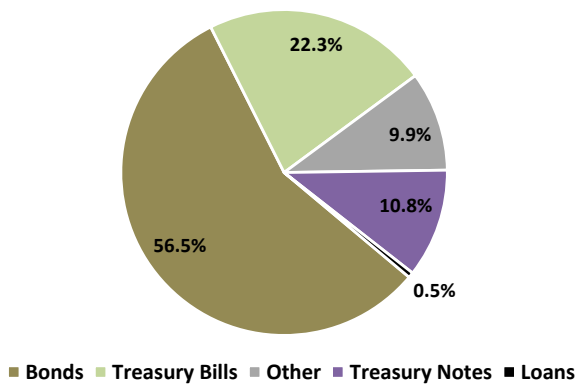
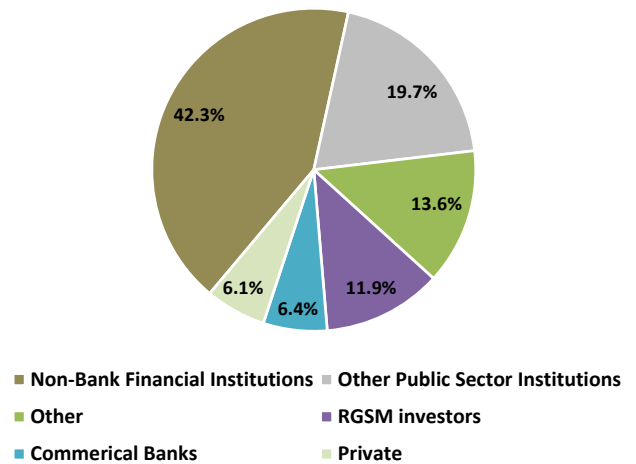


Chart 7: Domestic Debt by Holder



### 1.2.3 Domestic Debt by Interest Type

All domestic instruments were contracted at fixed interest rates.

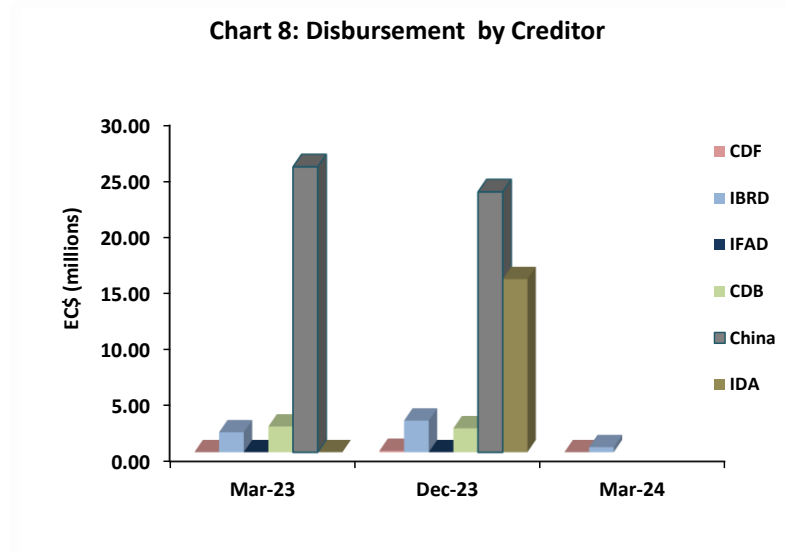
## 2.0 Debt of State-Owned Enterprises (SOEs)

At the end of 2023<sup>4</sup>, the total SOE debt stock (unaudited), with the exclusion of three (3) SOEs, was EC\$525.3 million (13.9% of GDP). It consisted chiefly of the debt obligations of Petro Caribe, which was EC\$372.1 million (9.8% of GDP) and the debt reported by other SOEs amounting to EC\$153.2 million, 24.5% of which was external debt and 75.5% domestic debt. All non-guaranteed instruments contracted by SOEs are long-term loans and the major creditor is a local commercial bank.

<sup>4</sup> SOE debt data as at end 2023 is the latest data available.

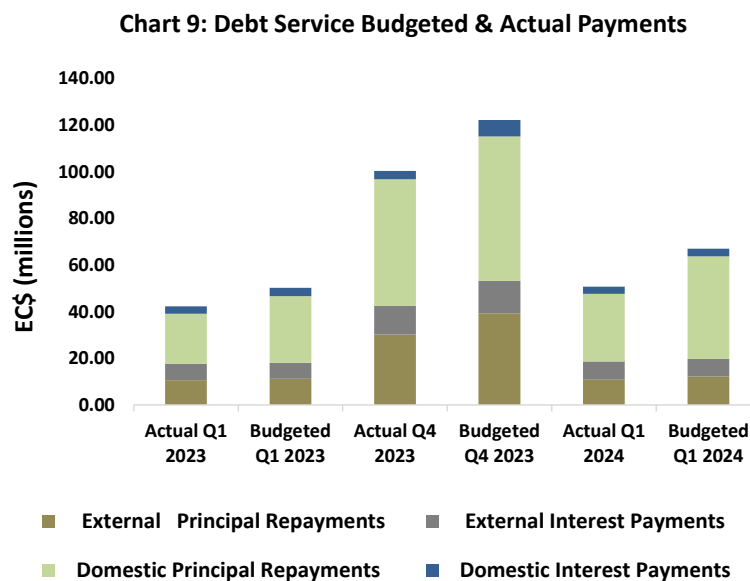
### 3.0 Disbursements & New Borrowing

Total disbursements in the first quarter of 2024 amounted to EC\$12.9 million. Multilateral creditors accounted for 72.6% and the People’s Republic of China accounted for 27.4%. No new loans were contracted. Economic sectors for which funds were disbursed in Q1 2024 include agriculture, education and training, communications, technology, healthcare, tourism, construction and infrastructure. Funds were also disbursed for budget support. Chart 8 shows disbursements by creditor in the periods under comparison.



### 4.0 Debt Service

Actual debt service payments in Q1 2024 amounted to EC\$50.7 million. Amortization was EC\$39.7 million and interest payments EC\$11.0 million. Actual debt service was lower than the budgeted amount because a portion of GoG’s outstanding bonds budgeted for was not claimed. External and domestic debt service were 36.9% and 63.1% respectively in Q1 2024. Chart 9 compares budgeted and actual debt service payments in the periods under comparison.

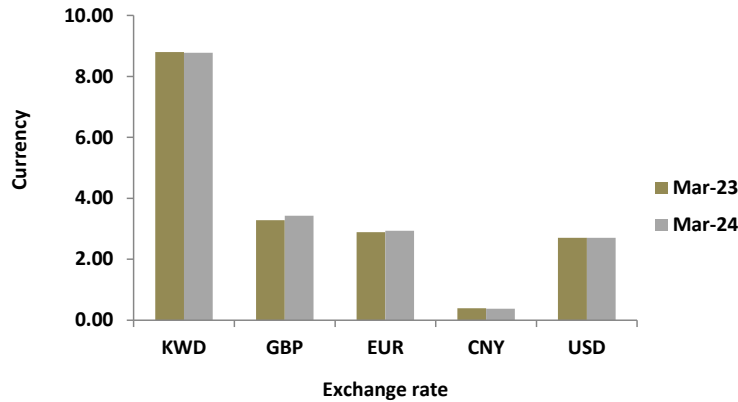


## 5.0 Risk Assessment of the Portfolio

### 5.1 Foreign Currency Risk

During the 1-year period, March 2023 to March 2024, the Eastern Caribbean Dollar (XCD) appreciated against the Chinese Yuan Renminbi (CNY) by 4.2% and the Kuwaiti Dinar (KWD) by 0.2%. However, it depreciated against the Great Britain Pound (GBP) by 4.6% and the Euro (EUR) by 1.5%. Rates of depreciation were negligible as the GBP and EUR collectively held less than 0.5% of the external portfolio at the end of Q1 2024. Chart 10 shows movements in exchange rates.

Chart 10: Movement in Exchange Rates



### 5.2 Average Time to Maturity (ATM<sup>5</sup>) & Average Time to Re-fixing (ATR<sup>6</sup>)

There were minor changes in ATM and ATR in the periods under comparison. The ATM of the external portfolio was 10.9 years in Q1 2024. It decreased by a negligible 0.2 years below the previous quarter but was higher than it was in Q1 2023 by 0.5 years. The ATM remained in line with the Medium-term Debt Management Strategy (MTDS) benchmark of 8.0 years and above. The ATR of the external portfolio decreased marginally when compared to the previous quarter by 0.2 years but increased by 0.7 years when compared to Q1 2023. The ATM and ATR of the domestic portfolio decreased marginally by 0.5 years when compared to the previous year and 0.1 years when compared to the previous quarter (Charts 11 and 12).

Chart 11: ATM of Domestic & External Portfolios

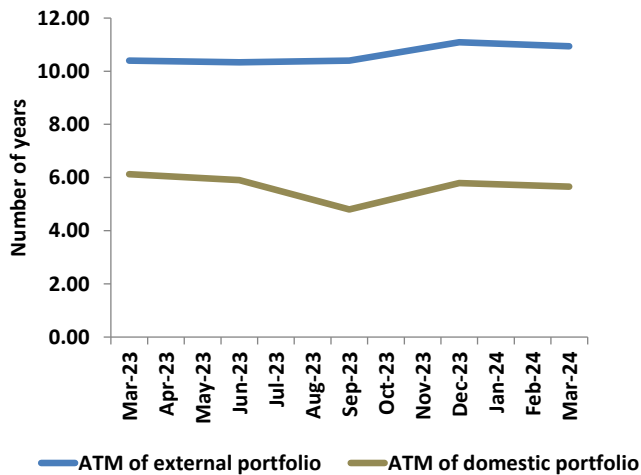
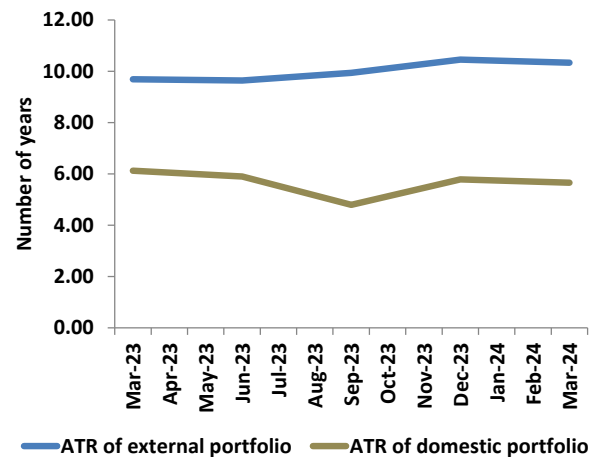


Chart 12: ATR of Domestic & External Portfolios



<sup>5</sup> ATM shows how long it takes on average to roll over or refinance the debt portfolio.

<sup>6</sup> ATR indicates the average time required to reset the interest rate in the debt portfolio.



## 6.0 Regional Governments' Securities Market (RGSM) Activities

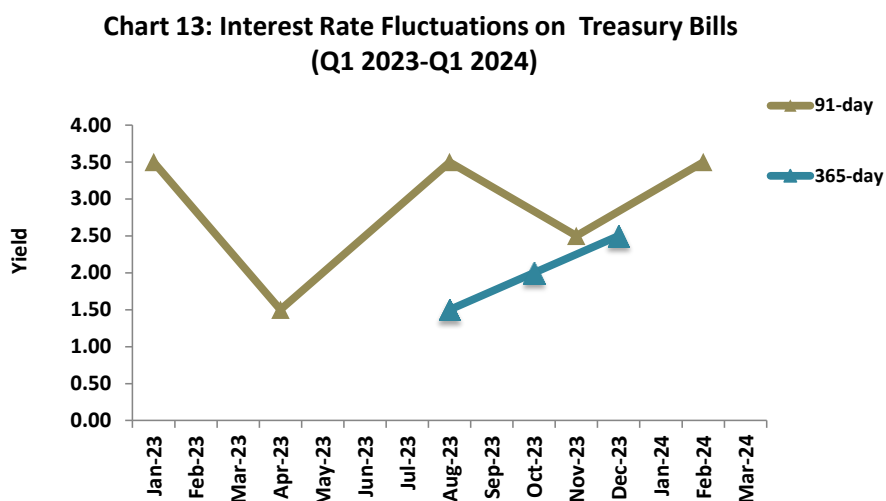
Two (2) instruments were reissued on the RGSM in Q1 2024. These include one (1) 91-day Treasury bill in the amount of EC\$15.0 million and one (1) 2-year Treasury note of EC\$10.0 million (Table 1). Both instruments were oversubscribed.

**Table 1: RGSM Auction Results (Q1 2024)**

Instrument type	Total units offered	Total Competitive Bids received	Total Payment Due	Total Discount	Interest Rate (%)	Discount Rate (%)	Bid to Cover Ratio
<i>In millions of EC\$ unless otherwise stated</i>							
91-day T-bill	15.00	17.83	14.87	0.13	0.00	3.50	1.19
2-year note	10.00	19.39	10.00	0.00	3.25	0.00	1.94
<b>TOTAL</b>	<b>25.00</b>	<b>37.22</b>	<b>24.87</b>	<b>0.13</b>	<b>3.25</b>		

## 6.1 Yields on RGSM Instruments

Charts 13 shows Treasury bills' auction yields over the 1-year period Q1 2023 to Q1 2024. Rates on 91-day Treasury bills fluctuated throughout the period, whereas rates on 365-day Treasury bills showed an upward trend. These rates are based on the competitiveness of investors during the auctions. The lowest rate received on both 91-day and 365-day Treasury bills during the 1-year period was 1.5%. The interest rate of GoG's sole 2-year RGSM Treasury note was 0.8% lower than it was in its prior issue.



## 7.0 Government Guarantees

As of Q4 2023, there are no Government-guaranteed instruments in GoG's portfolio.

## Appendices

### Appendix 1: Central Government & Government-guaranteed Debt

Debt Category	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
External Debt	1,672.45	1,750.97	1,744.52
Domestic Debt (including government guaranteed debt)	419.41	404.58	401.08
<b>Total</b>	<b>2,091.86</b>	<b>2,155.55</b>	<b>2,145.60</b>

### Appendix 2: External Debt by Creditor

Creditor Category	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
Multilateral	1,107.74	1,179.76	1,173.84
Sovereign Bond	227.44	198.93	198.93
Bilateral (Non-Paris Club)	245.95	280.81	280.82
Treasury bills	52.97	54.82	56.81
Treasury notes	22.60	22.60	20.13
Bilateral (Paris Club)	14.84	13.14	13.08
Commercial Bank	0.91	0.91	0.91
<b>Total</b>	<b>1,672.45</b>	<b>1,750.97</b>	<b>1,744.52</b>

### Appendix 3: External Debt by Currency Composition

Currency Composition	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
United States Dollar	1,117.89	1,169.43	1,169.08
Special Drawing Rights	324.81	310.19	304.47
Kuwaiti Dinar	20.47	19.09	17.75
Great Britain Pound	3.16	2.97	2.95
Chinese Yuan	93.15	138.98	140.34
Euro	5.45	5.41	5.30
Eastern Caribbean Dollar	107.52	104.90	104.63
<b>Total</b>	<b>1,672.45</b>	<b>1,750.97</b>	<b>1,744.52</b>

### Appendix 4: Disbursement by Creditor

Creditor	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
Caribbean Development Bank	2.30	2.13	1.13
International Development Association	0.00	15.45	7.77
International Bank for Reconstruction & Development	1.78	2.82	0.45
International Fund for Agricultural Development	0.00	0.00	0.00
CARICOM Development Fund	0.00	0.12	0.00
Exim Bank of the Republic of China	25.48	23.24	3.53
<b>Total</b>	<b>29.55</b>	<b>43.76</b>	<b>12.88</b>

APPENDICES 2 TO 7 DO NOT REFLECT GOVERNMENT-GUARANTEED DEBT

### Appendix 5: Domestic Debt by Instrument Type

Domestic Debt by Instrument	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
Bonds	236.15	228.93	226.48
Treasury Bills	93.02	91.38	89.39
Other	46.20	41.24	39.73
Treasury Notes	40.90	40.90	43.37
Loans	2.35	2.14	2.12
<b>Total</b>	<b>418.61</b>	<b>404.58</b>	<b>401.08</b>

### Appendix 6: Domestic Debt by Holder

Domestic Debt by Holder	Mar-23	Dec-23	Mar-24
<i>In millions of EC\$</i>			
Non-Bank Financial Institutions	174.54	169.77	169.77
Other Public Sector Institutions	86.79	81.25	78.90
Other	53.28	54.63	54.70
RGSM investors	48.98	47.34	47.82
Commerical Banks	28.30	25.58	25.58
Private	26.72	26.01	24.31
<b>Total</b>	<b>418.61</b>	<b>404.58</b>	<b>401.08</b>

### Appendix 7: Debt Service

Debt service	Actual Q1 2023	Budgeted Q1 2023	Actual Q4 2023	Budgeted Q4 2023	Actual Q1 2024	Budgeted Q1 2024
<i>In millions of EC\$</i>						
<b>Total Debt Service</b>	<b>42.36</b>	<b>50.30</b>	<b>100.41</b>	<b>122.24</b>	<b>50.74</b>	<b>67.07</b>
<b>External Debt Service</b>	<b>17.73</b>	<b>18.11</b>	<b>42.53</b>	<b>53.21</b>	<b>18.74</b>	<b>19.83</b>
<i>External Principal Repayments</i>	10.68	11.28	30.19	39.31	10.81	12.27
<i>External Interest Payments</i>	7.06	6.83	12.33	13.90	7.93	7.57
<b>Domestic Debt Service</b>	<b>24.63</b>	<b>32.20</b>	<b>57.88</b>	<b>69.02</b>	<b>32.00</b>	<b>47.24</b>
<i>Domestic Principal Repayments</i>	21.44	28.57	54.30	62.02	28.94	43.95
<i>Domestic Interest Payments</i>	3.18	3.63	3.58	7.00	3.06	3.29

APPENDICES 2 TO 7 DO NOT REFLECT GOVERNMENT-GUARANTEED DEBT

## Debt Statistics Summary ( In millions \$ unless otherwise stated)

Particulars	Mar-23	Dec-23	Mar-24	Qtrly change (%)	YTD change (%)
<b>Central Government &amp; Government-Guaranteed Debt (XCD)</b>					
External Debt	1,672.45	1,750.97	1,744.52	-0.37	4.31
Domestic Debt (including Government Guarantees (March 2023))	419.41	404.58	401.08	-0.86	-4.37
SOE non-guaranteed debt	154.20	154.20	153.20	-0.65	-0.65
Other Debt*	372.14	372.14	372.14	0.00	0.00
<b>Central Government's Debt (XCD)</b>					
External Debt	1,672.45	1,750.97	1,744.52	-0.37	4.31
Domestic Debt	418.61	404.58	401.08	-0.86	-4.19
<b>Central Government's Debt to GDP (%)</b>					
External Debt	46.77	48.96	46.04	-5.97	-1.55
Domestic Debt	11.71	11.31	10.59	-6.44	-9.57
<b>Other Debt to GDP (%)</b>	10.41	10.41	9.82	-5.62	-5.62
<b>Government Guarantees</b>					
External	0.00	0.00	0.00	0.00	0.00
Domestic	0.80	0.00	0.00	0.00	-100.00
<b>External debt by Creditor (XCD)</b>					
Multilateral	1,107.74	1,179.76	1,173.84	-0.50	5.97
Bilateral	260.79	293.95	293.90	-0.02	12.70
Regional investors	75.57	77.42	76.94	-0.62	1.82
Commercial creditors	228.36	199.84	199.84	0.00	-12.49
<b>External Debt by Instrument (XCD)</b>					
T-bills/ T-notes	75.57	77.42	76.94	-0.62	1.82
Loans	1,369.44	1,474.62	1,468.65	-0.41	7.24
Bonds	227.44	198.93	198.93	0.00	-12.54
<b>Domestic Debt by instrument (XCD)</b>					
T-bills	93.02	91.38	89.39	-2.18	-3.90
T-Notes	40.90	40.90	43.37	6.03	6.03
Bonds	236.15	228.93	226.48	-1.07	-4.10
Loans	2.35	2.14	2.12	-0.64	-9.53
Other	46.20	41.24	39.73	-3.67	-14.00
<b>Foreign Currency Risk (%)</b>					
% of debt in USD	66.84	66.78	67.01	0.35	0.26
% of debt in XDR	19.42	17.72	17.45	-1.51	-10.13
% of debt in Kuwaiti Dinars	1.22	1.09	1.02	-6.70	-16.87
% of debt in GBP	0.19	0.17	0.17	-0.33	-10.50
% of debt in Chinese Yuan	5.57	7.94	8.04	1.33	44.44
% of debt in EUR	0.33	0.31	0.30	-1.70	-6.77
% of debt in XCD	6.43	5.99	6.00	0.09	-6.71
% of foreign debt	79.98	81.23	81.31	0.09	1.66
<b>Total Debt Service (XCD)</b>					
External	17.73	42.53	18.74	-55.93	5.68
Domestic	24.63	57.88	32.00	-44.72	29.94
Principal	32.12	84.49	39.75	-52.96	23.74
Interest	10.24	15.91	10.99	-30.93	7.37
<b>Disbursements</b>	29.55	43.76	10.99	-74.88	-62.80
<b>Fiscal indicators (%)</b>					
Total Debt Service to Revenue	14.24	28.28	13.66	-51.70	-4.08
Total Debt Service to GDP	1.18	2.81	1.34	-52.31	13.05
Interest to Revenue	3.44	4.48	2.96	-33.98	-14.02
Interest to Expenditure	4.47	5.59	4.11	-26.36	-8.02
<b>Total Public Sector Debt (% of GDP)</b>	<b>73.22</b>	<b>75.00</b>	<b>70.49</b>	<b>-6.01</b>	<b>-3.72</b>

\* Includes the debt obligations of Petro Caribe

NB. FIGURES ARE SUBJECT TO CHANGE