



Government of Saint Lucia

Quarterly Debt Bulletin

Debt and
Investment
Management Unit
(DIU)



Ministry of Finance, Economic
Development, and Youth Economy

December 2023



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GENERAL STATEMENT

The Debt and Investment Management Unit (DIU) in the Ministry of Finance, Economic Development, and Youth Economy is the Government of Saint Lucia's primary agent responsible for managing Saint Lucia's public debt. The dissemination of timely, consistent, comprehensive, and reliable public debt statistics represents a vital element of the government's commitment to promoting accountability and transparency in debt management activities.

The main objective of publishing this bulletin is to provide the public with relevant information and data regarding the country's domestic and external debt position. The Commonwealth Secretariat Meridian Database System (Meridian) records loans, produces aggregate data, reports on public sector debt and generates the data used in this report.

This public debt statistical bulletin issue provides a statistical overview of the public debt portfolio for the fourth quarter (October - December) of 2023, contrasting the current quarter with the previous four quarters. The scope of the public debt bulletin is central government debt and government-guaranteed debt.

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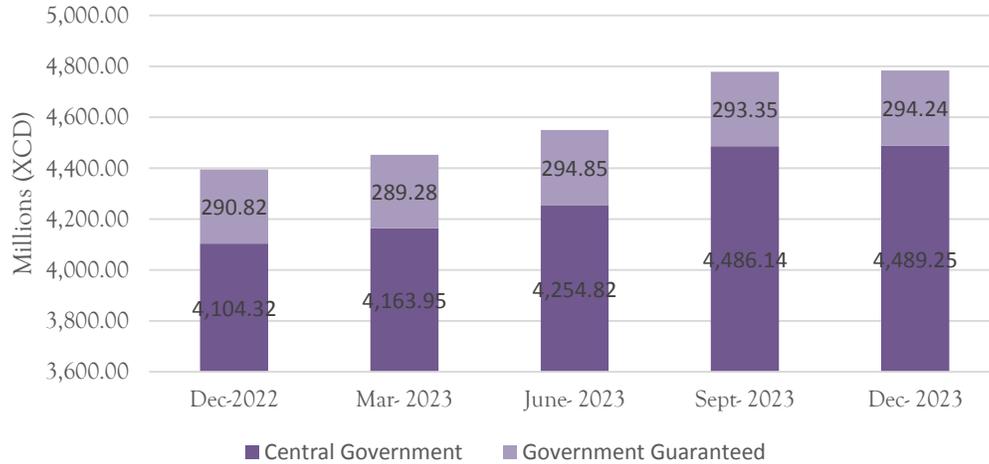


1. TOTAL PUBLIC DEBT

1.1 Total Public Debt Composition

At the end of December 2023, Total Public Debt totaled \$4,783.50 million, a 0.1 percent increase over the last quarter and an 8.8 percent increase over the corresponding quarter in 2022. Central Government Debt accounted for \$4,489.25 million or 93.8 percent of total public debt, and Government-Guaranteed Debt totaled \$294.24 million or 6.2 percent of the public debt stock. (Figure 1)

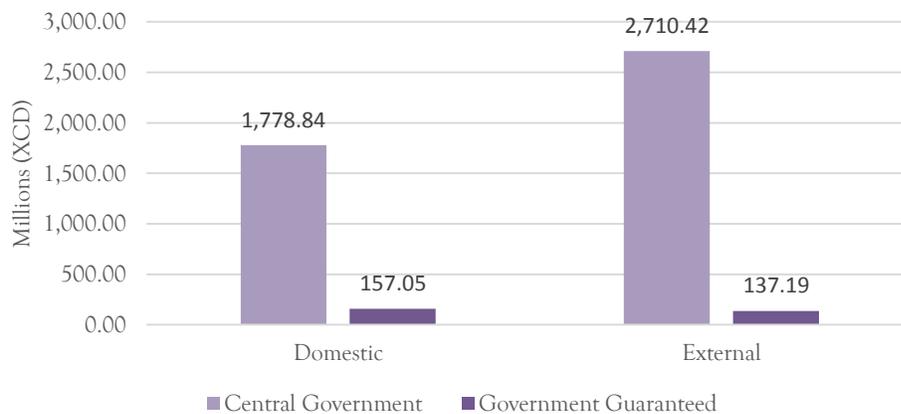
Figure 1: Total Public Sector Debt Composition as at December 2023



1.2 Total Public Debt by Residency

Domestic public debt at the end of December 2023 totaled \$1,935.89 million, representing 40.5 percent of the total public debt portfolio. External public debt totaled \$2,847.61 million or a 59.5 percent share of public debt. (Figure 2)

Figure 2: Total Public Debt by Residency at December 2023



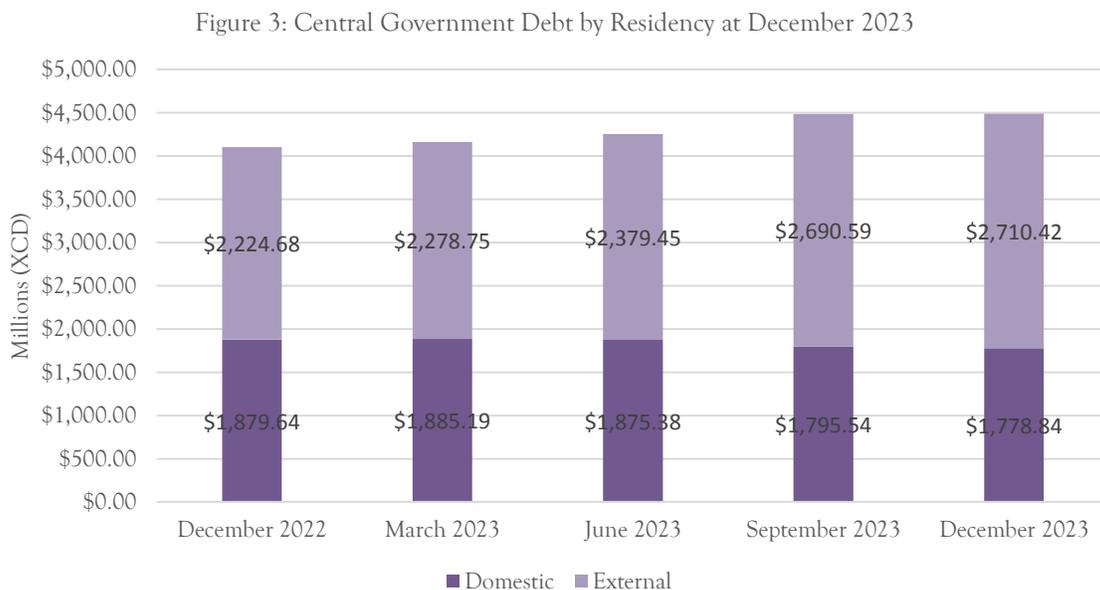


2. CENTRAL GOVERNMENT DEBT

2.1 Central Government Debt Portfolio by Residency

The stock of central government debt accounted for 93.8 percent of the public debt portfolio at the end of December 2023. There was an increase in central government debt by \$3.12 million or 0.1 percent to \$4,489.25 million from \$4,486.14 million at the end of the last quarter, and \$384.93 million or 9.4 percent over the corresponding quarter December 2022. This \$3.12 million increase was mainly due to disbursements on loans from the last quarter.

Central government debt held by domestic creditors represents 39.6 percent of the total central government debt stock and decreased by 0.9 percent to \$1,778.84 million at the end of December 2023. The stock of the central government's external debt increased by 0.7 percent (\$19.8 million) to \$2,710.42 million at the end of December 2023 and represents 60.4 percent of the total central government debt stock. (Figure 3)



2.2 Central Government Debt by Instrument

The stock of Bonds & Notes dominated the central government debt by instrument type with \$2,388.83 million at the end of December 2023, representing a 53.2 percent share. Bonds & Notes increased by 0.4 percent and 7.8 percent over the last quarter and the corresponding quarter of 2022 respectively. Debt owed in loans had the second largest share of the central government debt stock (39.4 percent) and increased by 0.8 percent to \$1,768.09 million at the end of December 2023, and increased by 22.2 percent over the last year. The stock of Treasury Bills decreased by \$21.2 million (6.0 percent) to \$332.34 million from the last quarter, accounting for a 7.4 percent share of central government debt. (Figure 4)



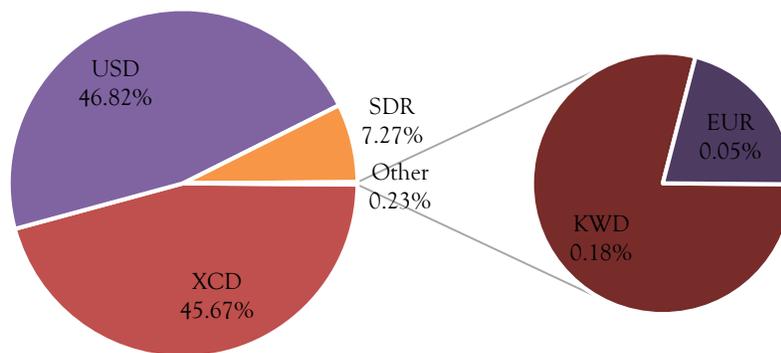
Figure 4: Central Government Debt by Instrument at December 2023



2.3 Central Government Debt by Currency Composition

At the end of December 2023, the United States Dollar (USD) dominated the Central Government Debt portfolio with \$2,102.19 million or 46.82 percent share. Eastern Caribbean Dollar (XCD) debt denominated had the second-largest share with \$2,050.07 million or 45.67 percent. Debt denominated in Special Drawing Rights (SDR) totaled \$326.60 million or 7.27 percent, Kuwaiti Dinars (KWD) \$8.20 million or 0.18 percent and Euros (EUR) \$2.19 million. (Figure 5)

Figure 5: Central Government Debt by Currency Composition at December 2023

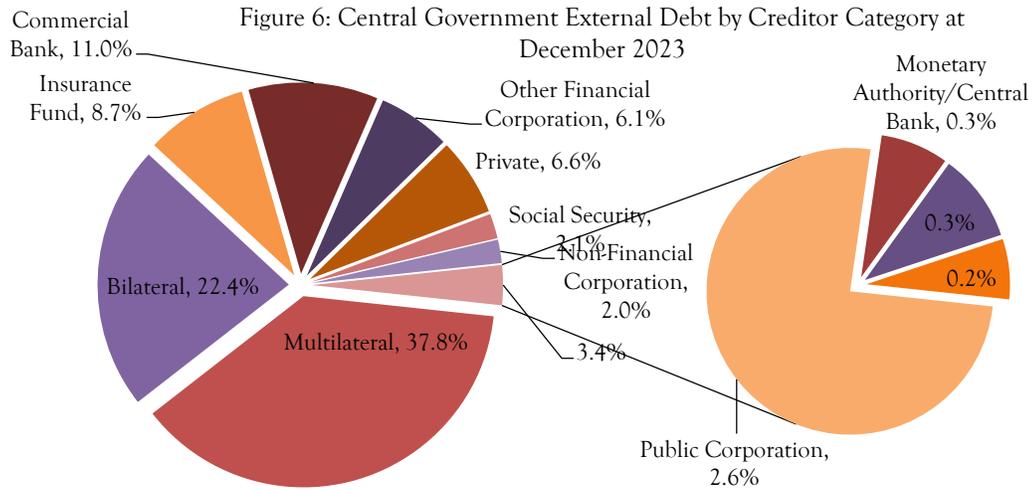




3. CENTRAL GOVERNMENT EXTERNAL DEBT

3.1 External Debt by Creditor Category

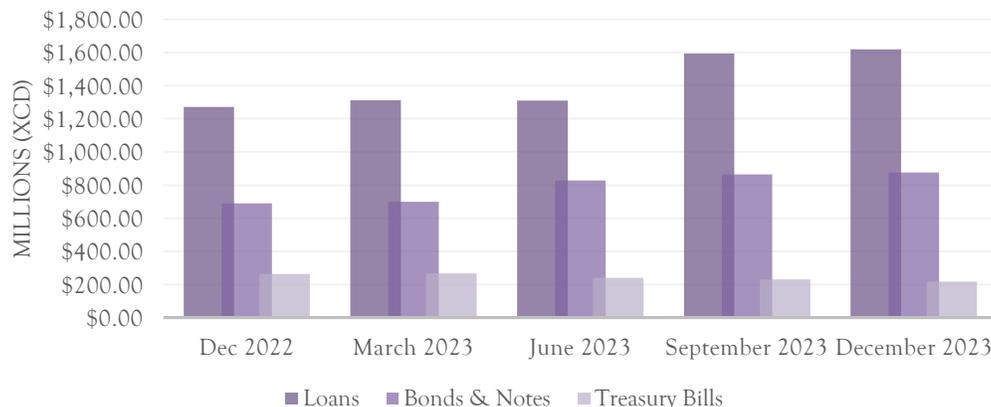
The leading creditor categories of the external Central Government debt portfolio are multilateral creditors, accounting for 37.8 percent, bilateral creditors at 22.4 percent, followed by Commercial Banks at 11.0 percent, Insurance Funds at 8.7 percent and private individuals at 6.6 percent. (Figure 6)



3.2 External Debt by Instrument

The largest share of the Central Government's external debt by instrument type was in the stock of loans (59.7 percent) which increased by 1.5 percent to \$1,617.90 million at the end of December 2023 from the last quarter and increased by 27.2 percent from the previous year. Bonds & Notes totaled \$875.51 million (32.3 percent) of the external debt stock, increasing by 1.3 percent from the last quarter and 27.1 percent over December 2022. Treasury bills accounted for a minuscule \$217.0 million (8.0 percent) of the external debt stock, a 6.4 percent decrease over September 2023 and a decrease of 17.6 percent over December 2022. (Figure 7)

Figure 7: Central Government External Debt by Instrument at December 2023

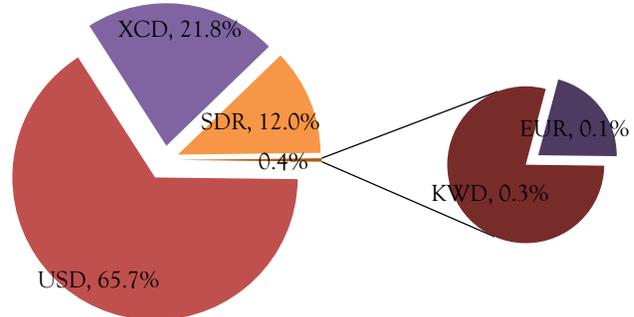




3.3 External Debt by Currency Composition

United States Dollar (USD) dominated the Central Government’s External Debt portfolio debt with \$1,781.69 million or 65.7 percent. Debt denominated in Eastern Caribbean Dollar (XCD) amounted to \$591.73 million (21.8 per cent) and Special Drawing Rights (SDR) 326.60 million (12.0 percent). The other currencies in the portfolio are Kuwaiti Dinars (KWD) with 8.20 million (0.3 percent) and Euros (EUR) with 2.19 million (0.1 percent).

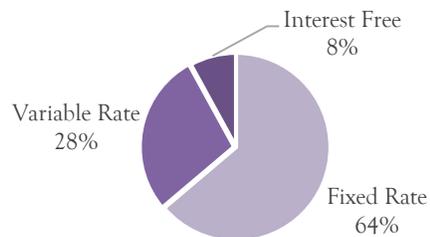
Figure 8: Central Government External Debt by Currency Composition at December 2023



3.4 External Debt by Interest Rate Basis

Fixed-rate external debt totaled \$1,729.89 million or 63.8 percent share of the central government's external debt. Variable-rate loans amounted to \$764.44 million (28.2%) and interest-free instruments which include CIP bonds and IMF loans amounted to \$216.09 million (8.0%). (Figure 9)

Figure 9: External Debt by Interest Rate Composition at December 2023

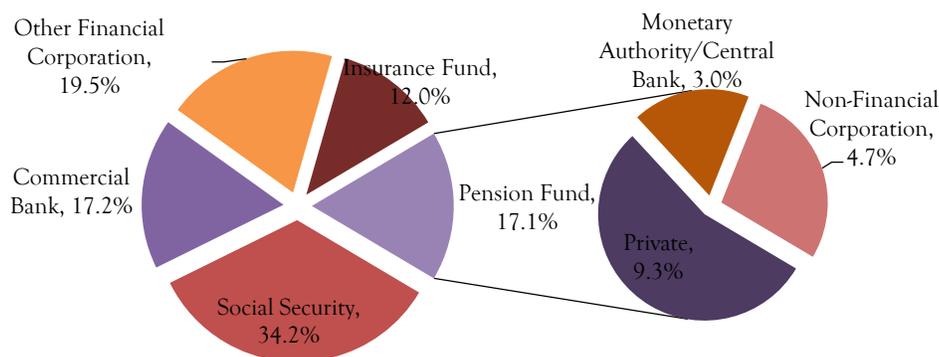


4. CENTRAL GOVERNMENT DOMESTIC DEBT

4.1 Domestic Debt by Creditor Category

Social Security, Other Financial Corporations, Commercial Banks, and Insurance Funds were the dominant creditor categories in the Central Government domestic debt portfolio at the end of December 2023. (Figure 10)

Figure 10: Central Government Domestic Debt by Creditor Category at December 2023

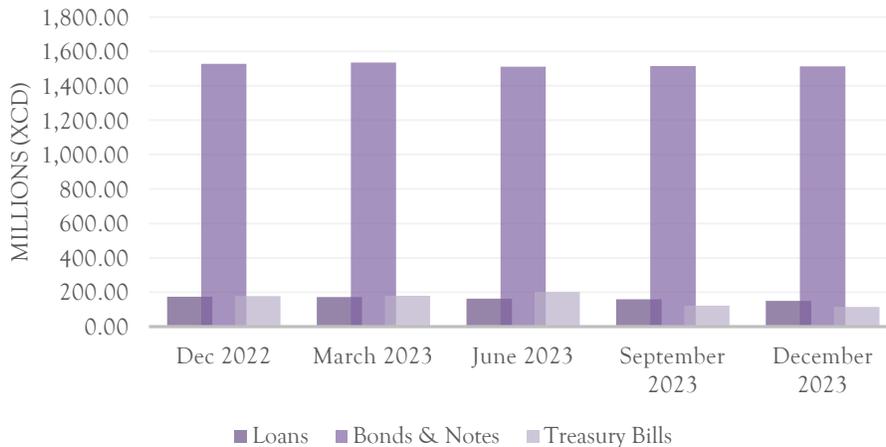




4.2 Domestic Debt by Instrument

The stock of Bonds & Notes (85.1 percent) which is the dominant instrument type in the domestic Central Government debt portfolio, decreased by 0.1 percent to \$1,513.31 million at the end of December 2023 and decreased by 0.9 percent over December 2022. Loans contributed \$150.19 million (8.4 percent) to the Central Government's domestic portfolio, decreasing by 5.7 percent from September 2023 and 14.0 percent over December 2022. Treasury bills decreased by 5.3 percent to \$115.33 million at the end of December 2023, contributing 6.5 percent to the central government's domestic debt portfolio. (Figure 11)

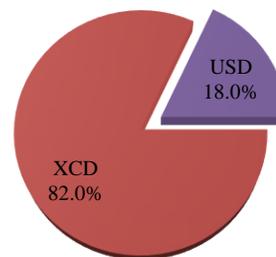
Figure 11: Central Government Domestic Debt by Instrument at December 2023



4.3 Domestic Debt by Currency Composition

The Eastern Caribbean Dollar (XCD) dominated the Central Government domestic debt portfolio with \$1,458.34 million (82.0 percent) and the United States Dollar (USD) debt amounted to \$320.50 million (18.0 percent). The foreign exchange risk inherent in the domestic debt portfolio is non-existent due to the peg between the USD and XCD. (Figure 12)

Figure 12: Central Government Domestic Debt by Currency Composition at December 2023



4.4 Domestic Debt by Interest Rate Basis

All domestic debt instruments carry a fixed interest rate averaging 5.73%.

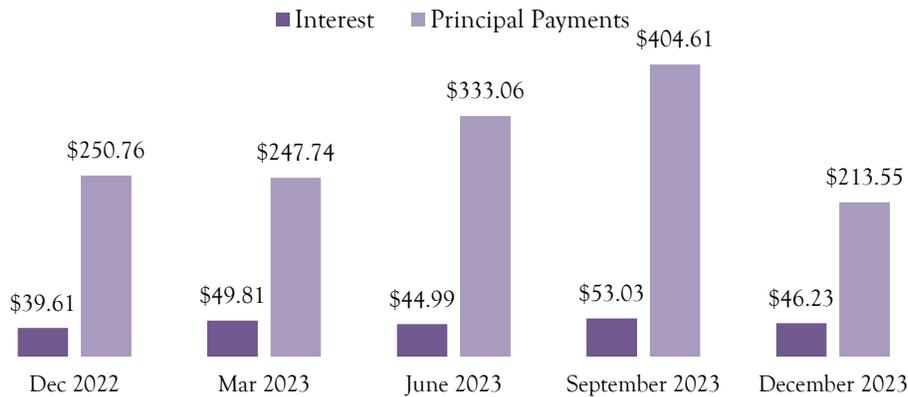


5. CENTRAL GOVERNMENT DEBT FLOWS

5.1 Central Government Debt Service

For the quarter ending December 2023, total debt service payments decreased by 43.2 percent to \$259.78 million. Principal repayments amounted to \$213.55 million, of which \$130.75 million was external amortization and \$82.80 million was domestic amortization. Interest payments totaled \$46.23 million, of which external interest payments amounted to \$23.05 million and domestic interest payments \$23.18 million. (Figure 13)

Figure 13: Central Government Debt Service for 4th Quarter Oct - Dec 2023



5.2 Central Government External Loan Disbursements

External loan disbursements for the quarter ending December 2023 amounted to \$30.52 million. (Figure 14)

The World Bank - International Development Association (IDA) disbursed a total of \$20.44 million (6.7 percent) to the following loans:

- Disaster Vulnerability Reduction Project
- SLU Human Capital Resilience Project
- OECS Regional Health Project
- Renewal Energy Sector Development Project
- Health System Strengthening Project
- OECS Data for Decision Making
- Unleashing the Blue Economy of the Caribbean
- SLU Air Transport Connectivity Project

The Caribbean Development Bank (CDB) disbursed a total of \$10.08 million (33.0 percent) to the following loans:

- Sixth Water - Vieux-Fort Water Supply Redevelopment Project
- Saint Lucia Education Quality Improvement Project
- Settlement Upgrading Project
- Millennium Highway & West Coast Road Reconstruction Project



- Saint Lucia Youth Economy Project
- Youth Empowerment Project
- Building Capacity & Resilience in the Health Sector Project

Figure 14: Central Government External Loan Disbursements for 4th Quarter
Oct - Dec 2023



6. CENTRAL GOVERNMENT PORTFOLIO RISK INDICATORS

6.1 Average Time to Maturity

The Average Time to Maturity (ATM) measures the timing of principal repayment. It shows the share of debt falling due within a specific period. The current debt management strategy of the GOSL is to lengthen the ATM, which will ease the cash flow pressure, thereby allowing the timely payments of short-term obligations. The weighted ATM of the portfolio at the end of December 2023 was 5.78 years, a 7.5 percent decrease over the last quarter. This decrease is due to a considerable increase in the percentage of debt maturing in one year from the previous quarter.

6.2 Average Time to Re-Fixing

The Average Time to Re-Fixing (ATR) measures the weighted average time until all principal payments in the debt portfolio become subject to a new interest rate. Interest rate risk is low given that 82.9 percent of the portfolio are of a fixed rate. There was a decrease in the ATR for the quarter ending December 2023 to 4.35 years, from 6.04 years, and approximately 37.6 percent of the total debt will be re-fix within one year.

6.3 Percentage of Debt Maturing in One Year

The percentage of debt maturing in one year as a percentage of the total debt stock measures the refinancing risk of the portfolio. At the end of December 2023, the percentage of debt maturing in one year increased from 14.24 percent to 21.71 percent. This increase is mainly due to an increase in maturing bonds & notes. Notwithstanding, the government plans to reissue instruments towards the medium to long term to lengthen its maturity profile.



6.4 Weighted Average Cost of Debt (WACD)

The Weighted Average Cost of Debt (WACD) is the average interest rate for government borrowings. At the end of December 2023, it was 4.22 percent a 7.6 percent decrease from December 2022. This is in keeping with the government’s strategy of lowering the average interest of the portfolio.

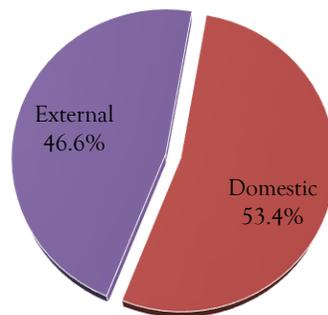
Table 1: Cost and Risk Indicators					
	Dec-22	March-23	June-23	Sept-23	Dec-23
ATM	6.07	5.54	5.69	6.25	5.78
% Maturing in 1 year	15.33%	21.68%	19.67%	14.24%	21.71%
ATR	4.89	5.42	5.49	6.04	4.35
% of Debt Re-fixing in 1 year	15.12%	21.56%	19.44%	14.03%	37.64%
WACD	4.57%	4.87%	4.91%	5.03%	4.22%

7. GOVERNMENT-GUARANTEED DEBT

7.1 Government-Guaranteed Debt by Residency

At the end of December 2023, the government's guaranteed debt stock amounted to \$294.24 million, representing a minuscule 6.2 percent of the public debt portfolio. Domestic contingent liabilities amounted to \$157.05 million (53.4 percent of the guaranteed debt portfolio) while external contingent liabilities totaled \$137.19 million (46.6 percent). (Figure 15)

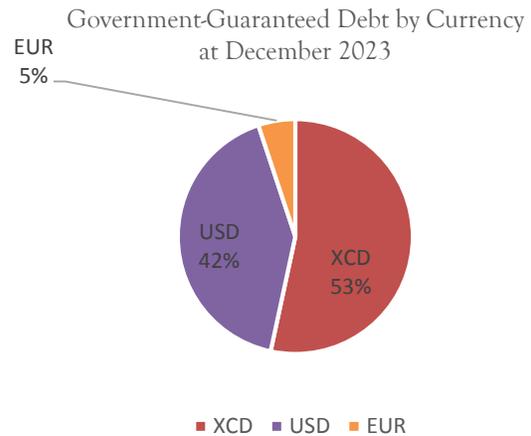
Figure 15: Government Guaranteed Debt by Residency at December 2023





7.2 Government-Guaranteed Debt by Currency

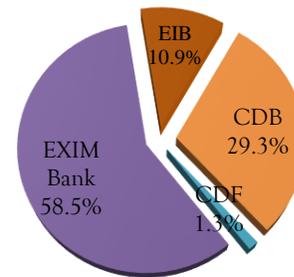
All domestic guaranteed debt is in Eastern Caribbean Dollars (XCD), representing 53.4 percent share of the Government-guaranteed debt portfolio. External guaranteed debt is United States Dollar (USD) and Euro denominated with 41.5 percent and 5.1 percent share respectively, thus buffering the guaranteed debt portfolio against foreign exchange risk. (Figure 16)



7.3 External Government-Guaranteed Debt by Creditor

At the end of December 2023, the Export-Import Bank of the Republic of China (EXIM Bank) was the leading creditor category of the external government-guaranteed debt portfolio with \$80.21 million (58.5 percent share). The Caribbean Development Bank (CDB) had the second largest share of \$40.2 million (29.3 percent). The European Investment Bank (EIB) contributed \$15.01 million (10.9 percent) and the CARICOM Development Fund (CDF) contributed \$1.78 million (1.3 percent) to the external guaranteed portfolio. (Figure 17)

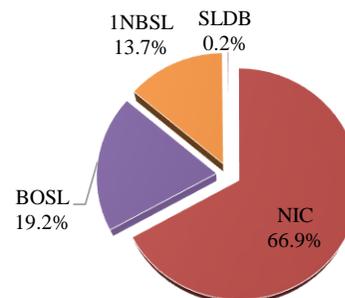
Figure 17: External Government-Guaranteed Debt by Creditor at December 2023



7.4 Domestic Government-Guaranteed Debt by Creditor

The National Insurance Corporation (NIC) dominated the domestic government-guaranteed portfolio at the end of December 2023 with \$105.39 million (67.1 percent). The Bank of Saint Lucia (BoSL) and the 1st National Bank of Saint Lucia (INBSL) contributed \$30.22 million (19.2 percent) and \$21.15 million (13.5 percent) respectively. The Saint Lucia Development Bank (SLDB) also contributed \$0.29 million (0.2 percent). (Chart 18)

Figure 18: Domestic Government-Guaranteed Debt by Creditor at December 2023





8. GOVERNMENT SECURITIES

8.1 RGSM Securities

The Government of Saint Lucia issued four (4) instruments on the RGSM platform for the fourth quarter, October - December 2023. (Table 2)

Table 2: October - December 2023 RGSM Auctions

Auction Date	Issue	Tenor	Issue Amount (XCD)	Value of Bids (XCD)	Amount Accepted (XCD)	Over/Under Subscription	Closing Rate (%)
October 16, 2023	LCB140424	180 day	20,000,000.00	23,328,000.00	20,000,000.00	3,328,000.00	4.00
November 14, 2023	LCB140224	91 day	16,000,000.00	26,456,000.00	16,000,000.00	10,456,000.00	1.80
November 20, 2023	LCB200224	91 day	16,000,000.00	30,207,000.00	16,000,000.00	14,207,000.00	2.00
December 27, 2023	LCB250624	180 day	25,000,000.00	20,007,000.00	20,007,000.00	(4,993,000.00)	4.00

8.2 Private Placement Securities

The Government of Saint Lucia issued four (4) new private bonds for the quarter October - December 2023. One (1) Treasury note and six (6) Treasury bills were also rolled over via private placement for the quarter. (Table 3)

Table 3: October - December 2023 Private Placement Issuances

Auction Date	Issuance	Issue Amount	Coupon Rate
BONDS (New)			
13-Oct-23	5-year CIP Bond	US\$0.250M	0.00%
30-Oct-23	6-year CIP Bond	US\$0.250M	0.00%
13-Oct-23	5-year CIP Bond	US\$0.250M	0.00%
2-Nov-23	5-year CIP Bond	US\$0.30M	0.00%
Notes (Rollovers)			
30-Dec-23	GOSLPP301228 - 5-year Note	US\$3.931M	6.00%
TREASURY BILLS (Rollovers)			
27-Oct-23	GOSLPP260124 - 91-day T-bill	EC\$2.50M	2.50%
20-Nov-23	GOSLPP180524 - 180-day T-bill	EC\$8.139M	3.00%
3-Dec-23	GOSLPP030324 - 91-day T-bill	EC\$5.0M	3.00%
10-Dec-23	GOSLPP091224 - 1-year T-bill	US\$4.044M	4.00%
22-Dec-23	FCIS 91-day T-bill	EC\$25.0M	3.00%
31-Dec-23	Special Issues Treasury Bill	EC\$11.760M	4.00% & 5.0%



ANNEX Summary

Table 4 December 2022 - December 2023 Summary							
	Dec 2022	Mar 2023	June 2023	Sept 2023	Dec 2023	Qrt. Change %	Yrly. Change %
Total Public Debt (XCD millions)	4,395.14	4,453.23	4,549.67	4,779.48	4,783.50	✗ 0.08	✗ 8.84
Debt/GDP Ratio	69.1%	70.8%	72.3%	76.0%	69.6%	✓ -8.36	✗ 0.72
Central Government Debt	4,104.32	4,163.95	4,254.82	4,486.14	4,489.25	✗ 0.07	✗ 9.38
Government Guaranteed Debt	290.82	289.28	294.85	293.35	294.24	✗ 0.30	✗ 1.18
Central Government Debt (XCD million)	4,104.32	4,163.95	4,254.82	4,486.14	4,489.25	✗ 0.07	✗ 9.38
External Debt	2,224.68	2,278.75	2,379.45	2,690.59	2,710.42	✗ 0.74	✗ 21.83
Domestic Debt	1,879.64	1,885.19	1,875.38	1,795.54	1,778.84	✓ -0.93	✓ -5.36
Central Government Debt by Instrument (XCD millions)	4,104.32	4,163.95	4,254.82	4,486.14	4,489.25	✗ 0.07	✗ 9.38
Loans	1,446.89	1,483.13	1,471.71	1,753.58	1,768.09	✗ 0.83	✗ 22.20
Treasury Bills	441.17	445.68	442.17	353.53	332.34	✓ -6.00	✓ -24.67
Bonds & Notes	2,216.26	2,235.14	2,340.95	2,379.03	2,388.83	✗ 0.41	✗ 7.79
External Debt by Instrument (XCD)							
Loans	1,272.34	1,311.92	1,309.11	1,594.36	1,617.90	✗ 1.48	✗ 27.16
Bonds & Notes	689.08	699.74	828.89	864.48	875.51	✗ 1.28	✗ 27.06
Treasury Bills	263.26	267.10	241.45	231.76	217.00	✓ -6.37	✓ -17.57
Domestic Debt by Instrument (XCD)							
Loans	174.55	171.20	162.59	159.22	150.19	✓ -5.67	✓ -13.96
Bonds & Notes	1,527.18	1,535.40	1,512.06	1,514.55	1,513.31	✓ -0.08	✓ -0.91
Treasury Bills	177.91	178.59	200.72	121.78	115.33	✓ -5.29	✓ -35.17
Government Guarantees (XCD)	290.82	289.28	294.85	293.35	294.24	✗ 0.30	✗ 1.18
External Debt	134.53	134.46	134.38	133.58	137.19	✗ 2.70	✗ 1.98
Domestic Debt	156.29	154.82	160.47	159.76	157.05	✓ -1.70	✗ 0.49
Foreign Currency Risk (%)							
% of debt in Local Currency XCD	52.19	50.08	48.02	45.97	45.67	✗ -0.65	✗ -12.49
% of debt in USD	39.70	41.69	44.07	46.60	46.82	✓ 0.47	✓ 17.93
% of debt in EUR	0.08	0.07	0.06	0.06	0.05	✓ -16.67	✓ -37.50
% of debt in KWD	0.29	0.25	0.22	0.21	0.18	✓ -14.29	✓ -37.93
% of debt in SDR	7.73	7.91	7.63	7.17	7.27	✗ 1.39	✓ -5.95
Total Debt Service (XCD)							
External	193.66	199.41	172.91	220.73	153.80	✓ -30.32	✓ -20.58
Domestic	96.71	98.14	205.14	236.91	105.98	✓ -55.27	✗ 9.59
Interest	39.61	49.81	44.99	53.03	46.23	✓ -12.82	✗ 16.71
Principal	250.76	247.74	333.06	404.61	213.55	✓ -47.22	✓ -14.84
Interest Rate Structure (%)							
Fixed Rate	83.79	83.50	83.55	78.15	78.16	✓ 0.01	✗ -6.72
Variable Rate	12.43	12.20	11.81	17.13	17.03	✓ -0.58	✗ 37.01
Interest Free	3.78	4.50	4.64	4.71	4.81	✓ 2.12	✓ 27.17
Risk Indicators							
Weighted ATM (Years)	6.07	5.54	5.69	6.25	5.78	✗ -7.52	✗ -4.78
Maturing in 1 year (%)	15.33	21.68	19.67	14.24	21.71	✓ 52.46	✓ 41.62
Weighted ATR (Years)	4.89	5.42	5.49	6.04	4.35	✗ -27.98	✗ -11.04
WACD (%)	4.57	4.87	4.91	5.03	4.22	✗ -16.10	✗ -7.66
* Debt/GDP Ratio is tentative to change							