



2018 Annual Public Debt Statistical Bulletin

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**SUSTAINABLE
DEVELOPMENT GOALS**

Transforming Ghana Beyond Aid





REPUBLIC OF GHANA

2018 Annual Public Debt Statistical Bulletin



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Disclaimer

The figures presented herein are subject to change based on the availability of new information; all figures presented here are, therefore, provisional.



Abbreviations

ABP	-	Annual Borrowing Plan
ATM	-	Average Time to Maturity
ATR	-	Average Time to Re-fixing
BoG	-	Bank of Ghana
BUA	-	Bank Unit of Account
CDB	-	China Development Bank
CNY	-	Chinese Yuan Renminbi
ECF	-	Extended Credit facility
EUR	-	Euro
FX	-	Foreign Exchange
GBP	-	Great Britain Pound
GDP	-	Gross Domestic Product
GHS	-	Ghana Cedi
ICM	-	International Capital Market
IMF	-	International Monetary Fund
JPY	-	Japanese Yen
MoF	-	Ministry of Finance
MTDS	-	Medium Term Debt Management Strategy
PFM	-	Public Financial Management
SDR	-	Special Drawing Rights
SOE	-	State Owned Enterprise
ST	-	Short-Term
TDMD	-	Treasury and Debt Management Division
USD	-	United States Dollar



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1.0 Total Public Debt

Table 1. Public Debt by Source (USD millions, unless otherwise specified)

	2016				2017				2018			
	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC
GROSS DEBT												
A. External debt	16,002.63	15,396.66	16,351.23	16,460.99	16,812.28	17,099.42	17,255.10	17,160.41	17,261.10	18,265.96	18,146.54	17,868.48
Multilateral Institutions	5,396.05	5,162.34	5,233.19	5,547.96	5,645.47	5,940.71	6,196.26	6,436.84	6,581.39	6,553.77	6,533.90	6,390.46
IMF	753.29	756.70	758.03	726.47	737.21	882.95	980.54	958.26	955.95	1,079.75	1,051.41	1,015.05
IDA	3,280.52	3,300.20	3,370.71	3,435.40	3,499.41	3,630.76	3,674.71	3,921.68	4,043.35	3,924.84	3,911.52	3,880.28
AfDB	978.53	744.46	744.58	1,032.99	1,056.78	1,069.62	1,180.33	1,200.02	1,218.93	1,201.57	1,201.12	1,129.43
IFAD	153.34	141.07	141.32	137.44	141.07	142.59	146.32	144.01	153.66	146.53	147.13	146.20
Other	230.37	219.91	218.54	215.67	211.00	214.79	214.35	212.87	209.50	201.09	222.72	219.51
Official Bilateral	1,102.80	1,094.11	1,199.95	1,136.47	1,183.32	1,212.43	1,213.02	1,210.67	1,211.58	1,197.33	1,212.59	1,204.79
Paris Club	671.55	693.04	691.98	663.57	687.47	720.76	751.24	746.35	812.29	766.80	762.77	754.06
Non-Paris Club	431.25	401.07	507.97	472.90	495.85	491.67	461.78	464.32	399.29	430.54	449.82	450.74
Other Creditors ¹	9,503.78	9,140.22	9,918.09	9,776.57	9,983.49	9,946.27	9,845.83	9,512.90	9,468.13	10,514.86	10,400.05	10,273.23
B. Domestic Debt	10,951.19	12,213.76	12,757.83	12,766.16	12,724.11	14,647.42	14,382.99	15,118.39	16,292.48	16,164.46	17,631.82	18,020.02
Banking System	5,175.75	5,957.76	6,347.51	6,653.86	5,385.79	5,396.24	5,124.78	5,348.09	6,054.07	5,904.05	7,888.99	8,127.09
Non-Bank Sector	3,645.11	3,731.40	3,493.45	3,223.98	4,010.53	4,064.63	3,919.19	3,907.31	3,853.82	4,055.24	4,012.10	4,459.76
Non-Residents	2,020.78	2,417.62	2,811.18	2,771.66	3,215.37	5,074.74	5,284.68	5,811.43	6,346.15	6,168.32	5,695.83	5,407.30
Loans	109.56	106.97	105.68	116.65	112.42	111.82	54.34	51.56	38.44	36.85	34.90	25.86
Gross Public Debt (A+B)	26,953.82	27,610.42	29,109.06	29,227.15	29,536.39	31,746.84	31,638.09	32,278.80	33,553.59	34,430.42	35,778.36	35,888.50
Gross Public Debt-to-GDP, end-Dec (%)				56.85				55.56				57.58
MEMORANDUM ITEMS												
Nominal GDP ² (GHS millions)	215,077.04	215,077.04	215,077.04	215,077.04	203,405.65	203,405.65	256,671.37	256,671.37	298,699.48	298,699.48	298,699.48	298,699.48
End Period Exchange Rates (GHS/USD)	3.8323	3.9249	3.9728	4.1832	4.3406	4.3640	4.4040	4.4164	4.4066	4.5219	4.7750	4.8224
Gross Public Debt (GHS millions)	103,295.13	108,368.14	115,644.48	122,263.01	128,205.65	138,543.21	139,334.16	142,556.08	147,857.23	155,690.93	170,841.67	173,068.70
External Debt	61,326.88	60,430.37	64,960.18	68,859.62	72,975.37	74,621.86	75,991.47	75,787.22	76,062.77	82,596.87	86,649.74	86,168.97
Domestic Debt	41,968.25	47,937.77	50,684.30	53,403.39	55,230.28	63,921.35	63,342.69	66,768.85	71,794.46	73,094.06	84,191.93	86,899.73
NET DEBT												
Financial Assets³ (USD millions)				122.05	122.03	1,737.99	1,723.29	414.51	279.44	642.56	948.00	482.43
DSRA (USD): Collateral Accounts				119.03	119.03	119.03	119.03	210.28	210.28	210.28	210.28	210.28
DSRA (USD)				-	-	-	-	-	45.75	420.53	569.49	10.23
DSRA (GHS); Converted to USD				-	-	1,615.98	1,601.30	201.28	10.94	0.04	157.77	251.56
DDR Account				-	-	-	-	-	0.71	0.70	0.03	0.03
Debt Recovery Account				0.91	0.88	0.87	0.87	0.86	11.44	10.71	10.14	10.04
SOE Escrow Accounts				2.10	2.12	2.11	2.09	2.08	0.32	0.31	0.29	0.29
Net Public Debt (USD millions)				29,105.10	29,414.36	30,008.85	29,914.80	31,864.29	33,274.14	33,787.86	34,830.36	35,406.07
Net Public Debt (GHS millions)				121,752.45	127,675.96	130,958.60	131,744.79	140,725.44	146,625.84	152,785.32	166,314.95	170,742.25

Source: Ministry of Finance and Bank of Ghana.

¹ Includes sovereign bonds, commercial credits, and other semi-concessional credits.

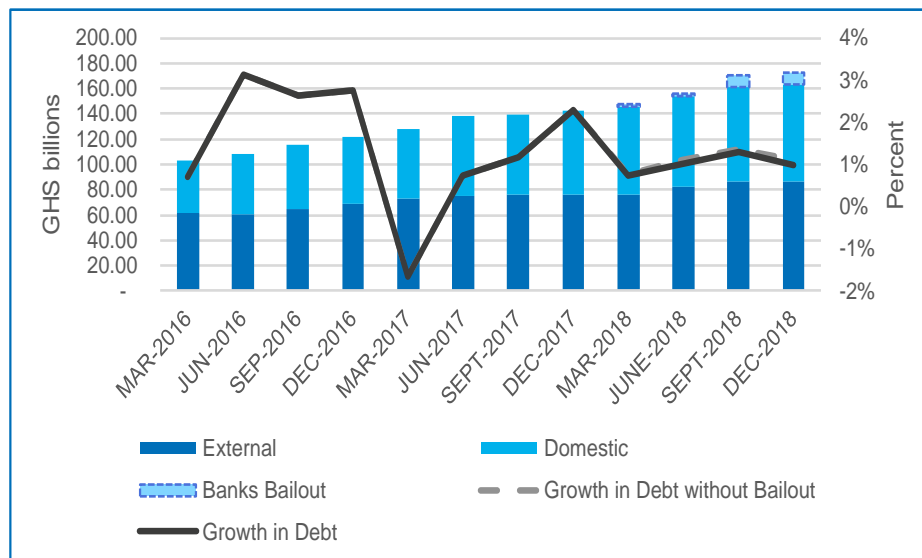
² Rebased GDP series, with 2013 as base year.

³ DSRA: Debt Service Reserve Account, DDR: Domestic Debt Restructuring, SOE: State-Owned Enterprises.

At the end of 2018, total gross public debt came to GH¢173.1 billion (US\$35.9 billion), representing 57.6 percent of GDP. Government's total financial assets at year end summed up to GH¢2.3 billion (US\$482.4 million), resulting in a total net public debt of GH¢170.7 billion (US\$35.4 billion) for the year. In May 2018, Government issued a US\$2.0 billion Eurobond on the ICM, which significantly increased the stock of commercial debt. A total of GH¢9.8 billion was also issued to cover the costs incurred to clean up the financial sector.

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Figure 1. Trends in Public Debt (2016 – 2018)



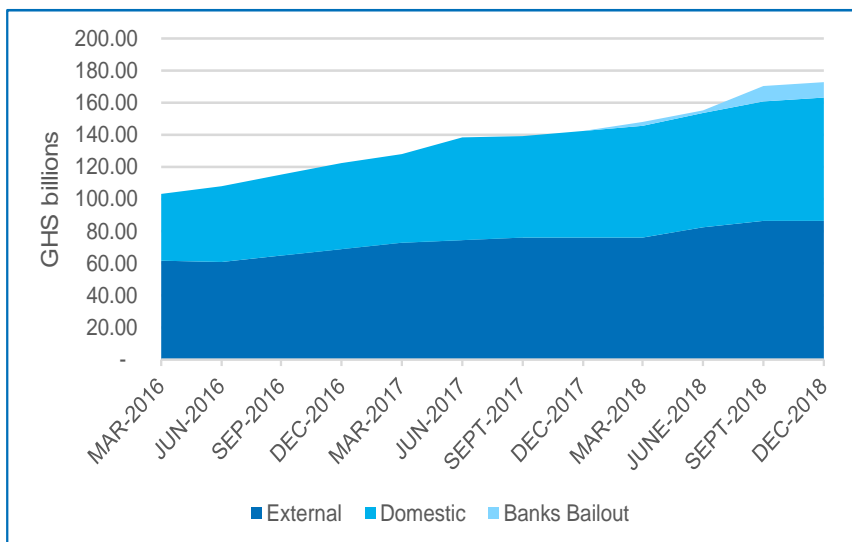
Debt accumulation has been steadily low over the period January 2016 to December 2018, mainly on account of Government's liability management & re-profiling programme.

However, Government's support to clean up the financial sector led to a huge spike in the growth of debt in Quarter 3 of 2018.

Figure 2. Share of Public Debt (2016 – 2018)

Since 2014, external debt has been the largest share of the public debt. Within the period under review, however, domestic debt has been increasing steadily.

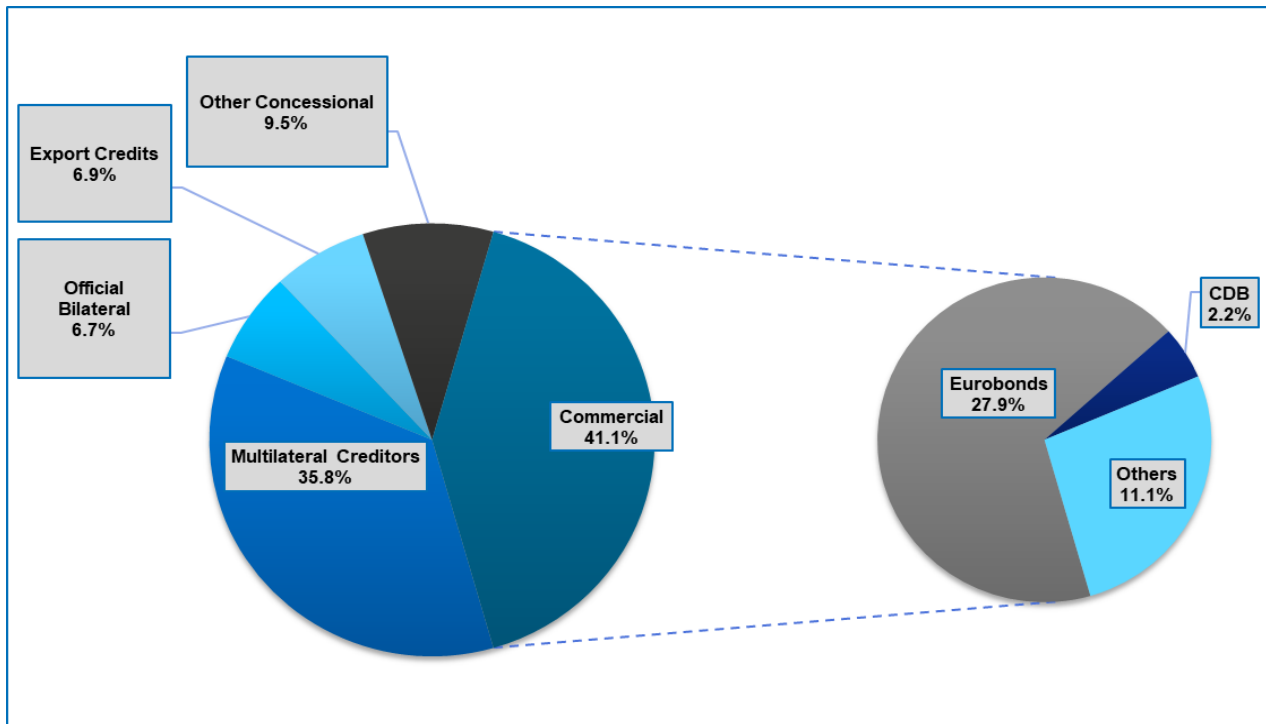
The issuance of Government bonds to support the financial sector bailout led to the share of domestic debt in the public debt exceeding external debt at the end of 2018.



2.0 External Debt

2.1 External Debt Stock by Creditor Category

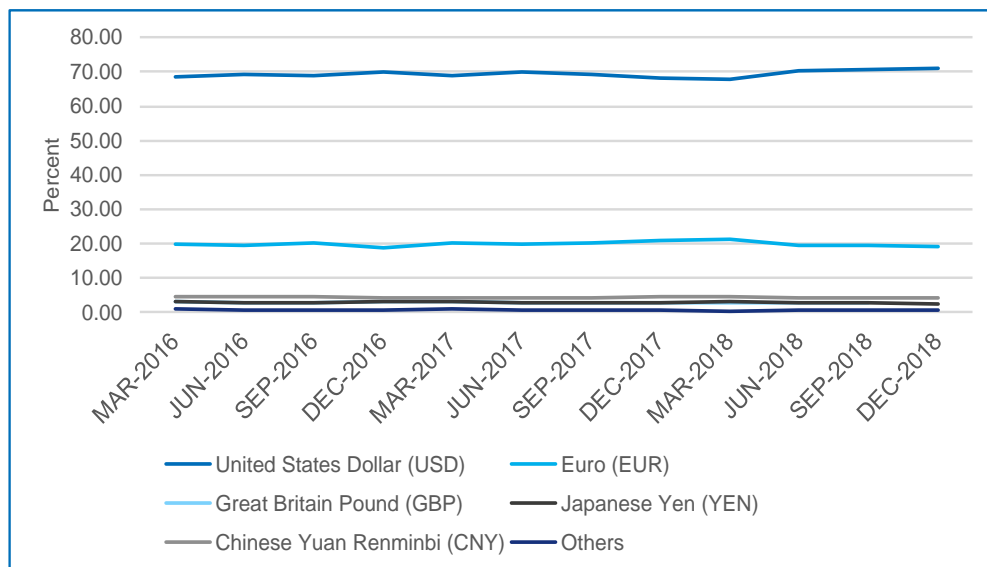
Figure 3. External debt stock composition by creditor category, end 2018



Commercial debt continues to be the largest source of external debt liabilities, due to the significant portfolio of Eurobonds. As of end 2018 the Eurobonds constituted 27.9 percent of external debt outstanding, and approximately 67.8 percent of external commercial debt. Multilateral debt which, until Ghana's international capital market access, was the largest source of external debt, is currently the second largest and still a significantly important source of project and programme financing (especially from the World Bank).



Figure 4. Trends in currency composition of external debt (2016 – 2018)

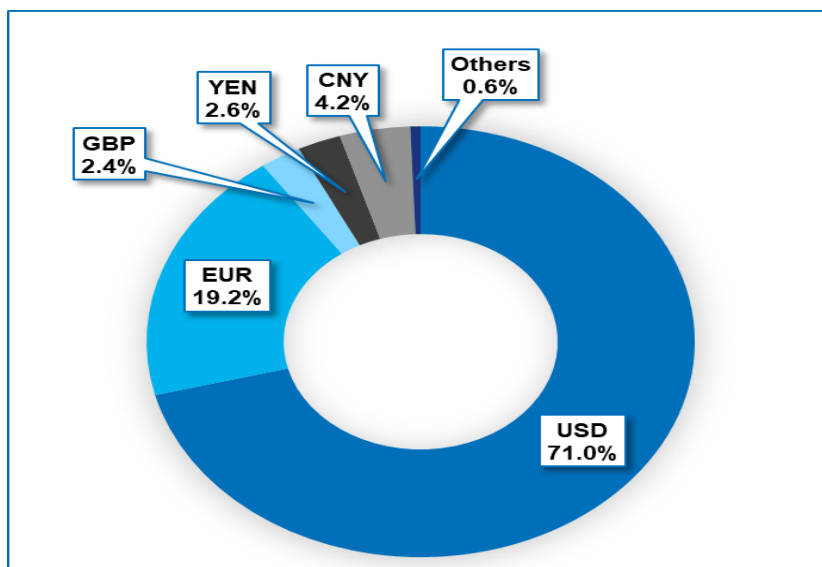


The share of USD-denominated debt remains dominant in the external debt portfolio, with its share increasing over the past years. EUR-denominated debt is the second largest as a share of total external debt.

Figure 5. Currency composition of external debt stock, end 2018

USD-denominated loans accounted for the largest share of external debt in 2018, representing 71 percent of total external debt.

The significant depreciation of the GHS against the USD in 2018, therefore, impacted adversely on the cost of debt service.



Note: SDR and BUA-denominated loans have been decomposed into their various component currencies.



Figure 6. Trends in interest rate composition of external debt (2016 – 2018)

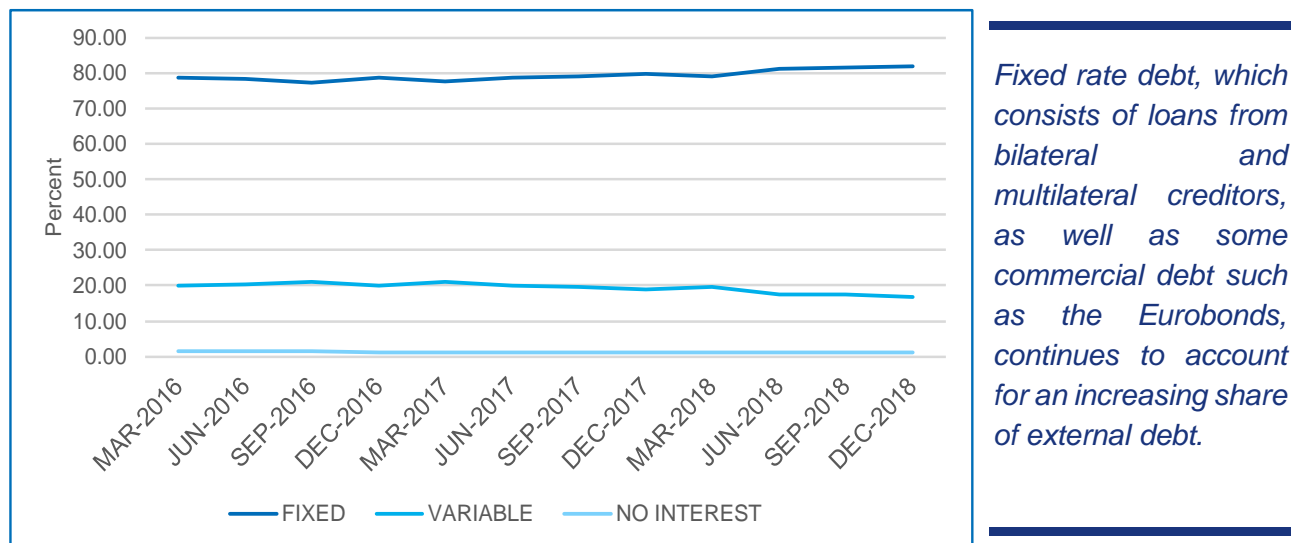
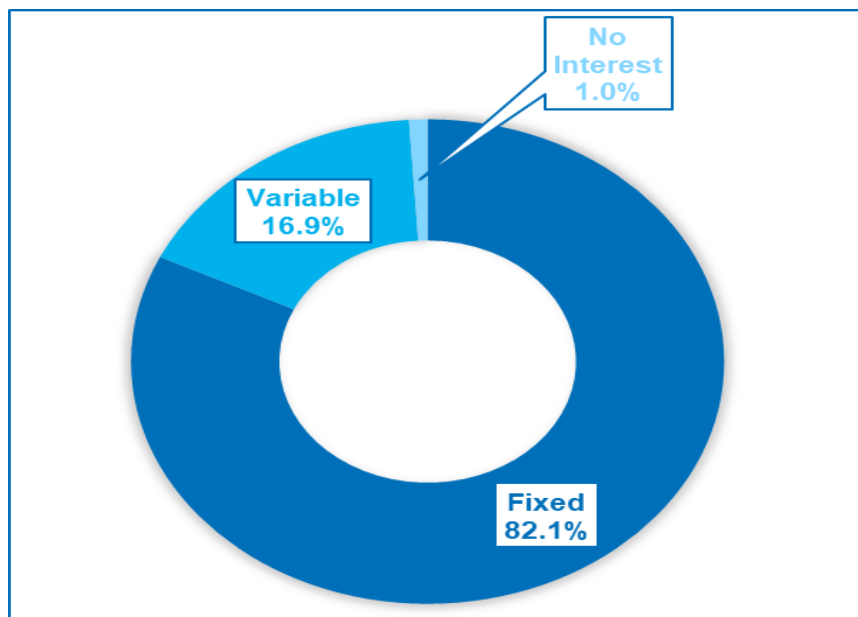


Figure 7. Interest rate composition of external debt stock, end 2018

Interest-free debt largely consists of subsidised loans from a few bilateral creditors and continues to dwindle in the external debt portfolio, accounting for approximately 1 percent of total external debt as at end-December 2018.



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2.2 New Commitments (New External Loan Financing Agreements) in 2018

Table 2. New commitments, end-December 2018

S/N	Project/Financing Title	Sector	Creditor	Date Signed	Curr	Loan Amount	USD Equivalent
Concessional Loans							126,541,504.1
1	Savannah Zone Agricultural Productivity Improvement Project	Ministry of Agriculture	African Development Bank	15-Mar-18	USD	39,296,700.0	39,296,700.0
2	Implementation of the Photovoltaic based Street Lighting Programme at Hazardous (black spot) Locations in Selected Communities within Ghana	Ministry of Roads and Highways	Bank Austria Ag	11-May-18	EUR	7,500,000.0	9,225,000.0
3	Improving Access to Quality Health Care in the Western Region	Ministry of Health	ING Bank/ Government of Netherlands	7-Jun-18	EUR	17,088,777.0	21,019,195.7
4	Establishment of Deposit Protection Scheme	Ministry of Finance	Government of Republic of Germany	12-Jun-18	EUR	13,000,000.0	15,990,000.0
5	Upper East Water Supply Project	Ministry of Sanitation and Water Resources	Government of the Netherlands	16-Jan-18	EUR	25,341,958.0	31,170,608.3
6	Nationwide Water Network Management Project	Ministry of Sanitation and Water Resources	Unicredit Bank Austria	11-May-18	EUR	8,000,000.0	9,840,000.0
World Bank Loans							527,830,350.6
7	Additional Financing for the Secondary Education Improvement Project	Ministry of Education	WorldBank	8-Jan-18	USD	28,900,000.0	40,000,000.0
8	Ghana Transport Sector Improvement Project	Ministry of Roads and Highways	World Bank	20-Jul-18	SDR	110,600,000.0	154,476,309.9
9	Ghana Commercial Agriculture Project (Additional Financing)	Ministry of Food and Agriculture	World Bank	10-Dec-18	USD	34,800,000.0	50,000,000.0
10	Financial Sector Development Project	Ministry of Finance	World Bank	12-Dec-18	SDR	21,400,000.0	29,960,000.0
11	Tourism Development Project	Ministry of Tourism	World Bank	12-Dec-18	SDR	27,900,000.0	39,060,000.0
12	Ghana Secondary Cities Support Programme	Ministry of Local Government & Rural Dev't	World Bank	12-Dec-18	SDR	71,100,000.0	99,540,000.0
13	Public Sector Reform for Results Project	Ministry of Special Initiatives	World Bank	12-Dec-18	USD	25,000,000.0	35,000,000.0
14	Ghana Energy Sector Transformation Initiative Project	Ministry of Energy	World Bank	12-Dec-18	SDR	14,200,000.0	19,880,000.0
15	Productive Safety Net Project	Ministry of Local Government & Rural Dev't; Ministry of Gender & Social Protection	World Bank	31-Dec-18	SDR	43,100,000.0	59,914,040.7
Non-Concessional Loans							2,317,268,392.3
16	Rehabilitation of Selected Hospitals in the Eastern Region (Mampong, Atibie, Aburi and Kyebi)	Ministry of Health	Deutsche Bank Ag	28-Dec-18	EUR	40,000,000.0	49,200,000.0
17	Bekwai Hospital Rehabilitation	Ministry of Health	Deutsche Bank AG (ECA facility)	28-Dec-18	EUR	20,022,830.6	24,027,396.7
18	Bekwai Hospital Rehabilitation	Ministry of Health	Deutsche Bank AG (Tied Comm Loan)	28-Dec-18	EUR	4,782,541.3	5,739,049.6
19	Upgrading of Polytechnics, Technical and Vocational Training Centres	Ministry of Education	EXIM Bank China	19-Apr-18	USD	119,101,946.0	119,101,946.0
20	Obetsebi Lamptey Drainage Network and Interchange	Ministry of Roads and Highways	HSBC Bank Plc	11-Jun-18	USD	22,000,000.0	22,000,000.0
21	Obetsebi Lamptey Drainage Network and Interchange	Ministry of Roads and Highways	HSBC Bank Plc	11-Jun-18	USD	17,200,000.0	17,200,000.0
22	Development of Tamale Airport- Terminal Building and Related Infrastructure Phase	Ministry of Transport	KFW IpeX Bank	21-Dec-18	USD	24,000,000.0	24,000,000.0
23	Development of Tamale Airport- Terminal Building and Related Infrastructure Phase	Ministry of Transport	KFW IpeX Bank with support from UKEF	21-Dec-18	USD	56,000,000.0	56,000,000.0
24	Eurobond	Ministry of Finance	CITI, SCB, JP Morgan & Bank of America	14-May-18	USD	2,000,000,000.0	2,000,000,000.0
							2,971,640,246.9

Government signed twenty-three (23) new external loan agreements, amounting to a total value of US\$971.64 million, and issued a sovereign bond of US\$2,000.0 million. Of the total value, external financing from non-concessional sources accounted for the largest share of new commitments in 2018.



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Table 3. Average terms of new commitments (2016 – 2018)

	2016	2017	2018
Interest (%)	4.4	1.1	6.6
Maturity (yrs)	11.6	21.5	28.1
Grace Period (yrs)	4.3	4.1	7.8
Grant Element (%)	11.0	20.4	-3.5

In 2016, the issuance of the 6-year tenor Eurobond of US\$750.0 million contributed to the shortening of the average maturity and grace period of new commitments. There was an improvement in the average terms of new commitments in 2017 as compared to 2016, mainly due to the non-issuance of a Eurobond. The 2018 Eurobond issuance contributed significantly to the worsening of the average terms of interest and grant element. The Eurobond issuance, however, improved the average grace period and maturity on account of the tenor of 30 years on the second tranche.

2.3 Disbursements by Creditor Category (New Borrowing)

Table 4. Actual disbursements in 2018

Creditor Category	Jan-18	Feb-18	Mar-18	Q1-2018	Apr-18	May-18	Jun-18	Q2-2018	Jul-18	Aug-18	Sep-18	Q3-2018	Oct-18	Nov-18	Dec-18	Q4-2018	Total
	<i>(in millions of US\$)</i>																
Multilateral	6.29	16.88	13.77	36.95	16.08	11.76	30.06	57.91	1.45	197.58	2.23	201.26	0.14	0.09	21.91	22.14	318.26
Export Credits	3.67	1.42	1.40	6.49	-	-	1.45	1.45	2.32	-	2.34	4.66	8.34	-	2.11	10.46	23.06
Commercial	8.71	4.22	0.03	12.95	10.31	2,000.05	29.07	2,039.43	24.03	5.58	8.21	37.82	3.25	22.86	10.54	36.66	2,126.85
Other Concessional	-	-	-	-	-	5.68	0.54	6.22	22.79	2.45	10.82	36.07	0.22	51.04	11.82	63.07	105.36
Bilateral	4.52	5.13	19.56	29.21	13.01	6.70	4.53	24.24	-	2.98	0.54	3.52	-	0.98	18.51	19.49	76.46
Total	23.19	27.65	34.76	85.60	39.41	2,024.19	65.65	2,129.25	50.59	208.59	24.15	283.33	11.95	74.97	64.89	151.82	2,650.00

Disbursement on external debt in 2018 was primarily from non-concessional sources, particularly the proceeds of the two-tranche Eurobond of US\$2.0 billion in May 2018. Disbursements on multilateral debt constituted the second largest source of funding in 2018.



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2.4 External Debt Service Payments

Table 5. External debt service payments

	Jan-18	Feb-18	Mar-18	Q1-2018	Apr-18	May-18	Jun-18	Q2-2018	Jul-18	Aug-18	Sep-18	Q3-2018	Oct-18	Nov-18	Dec-18	Q4-2018	Total
	(in millions of US\$)																
Principal	62.84	38.47	46.25	147.55	68.56	881.94	108.05	1,058.54	89.45	44.93	66.31	200.69	56.81	115.02	133.55	305.39	1,712.17
Interest	68.91	49.72	44.33	162.96	70.02	167.53	26.46	264.00	69.34	51.54	21.29	142.17	68.60	62.15	81.78	212.53	781.67
Total	131.75	88.19	90.57	310.51	138.57	1,049.47	134.50	1,322.54	158.79	96.47	87.60	342.86	125.42	177.17	215.34	517.92	2,493.83
	(in millions of GHS)																
Principal	277.99	170.09	204.33	652.41	302.21	3,850.84	483.10	4,636.15	412.75	211.85	314.88	939.49	272.24	551.35	643.32	1,466.91	7,694.95
Interest	304.78	219.92	195.91	720.62	308.59	732.72	118.23	1,159.53	304.41	242.30	101.07	647.78	329.22	297.85	393.89	1,020.96	3,548.88
Total	582.77	390.01	400.24	1,373.02	610.79	4,583.56	601.33	5,795.68	717.16	454.16	415.95	1,587.26	601.46	849.20	1,037.21	2,487.87	11,243.83

The huge principal payment in May 2018 was as a result of Government's liability management operation carried out to buyback part of the 2022 Eurobond, which recorded the highest principal payment for the year.

Table 6. Currency composition of debt service payments, end 2018

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
USD	94.17%	75.89%	83.19%	72.23%	97.09%	92.84%	81.88%	85.69%	61.09%	82.96%	86.50%	88.56%
EUR	5.36%	19.76%	16.80%	15.31%	2.53%	4.55%	17.62%	8.55%	20.81%	16.61%	13.09%	10.60%
GBP	0.34%	4.05%	0.00%	0.01%	0.01%	0.00%	0.42%	3.32%	0.00%	0.01%	0.06%	0.00%
JPY	0.07%	0.02%	0.01%	0.03%	0.01%	0.00%	0.09%	0.00%	0.01%	0.04%	0.03%	0.00%
CNY	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
OTHERS	0.06%	0.28%	0.00%	12.41%	0.36%	2.61%	0.00%	2.45%	18.09%	0.37%	0.32%	0.84%

A breakdown of the currency composition of external debt service payments in 2018 shows that USD-denominated payments, which consist of debt service payments due commercial creditors, including the Eurobonds, accounted for the largest proportion of debt service payments.



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3.0 Domestic Debt

3.1 Domestic Debt Stock by Instruments

Table 7. Maturity structure of domestic debt (GHS millions)

	2016				2017				2018			
	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC
A. Short-Term Instruments	18,553.78	18,817.39	19,624.89	20,105.22	19,142.82	18,249.37	15,999.74	11,996.82	10,824.29	10,690.74	10,639.22	11,031.93
91-Day Treasury Bill	8,756.07	9,037.68	9,900.95	10,477.59	9,644.63	9,020.92	8,530.30	5,444.68	4,986.34	4,959.41	5,037.03	5,576.65
182-Day Treasury Bill	8,882.51	8,899.62	8,713.50	7,112.37	5,862.97	4,675.05	2,969.77	2,866.95	2,907.44	3,163.34	3,107.68	3,049.80
1-Year Treasury Note	915.19	880.09	1,010.44	2,515.26	3,635.22	4,553.40	4,499.67	3,685.19	2,930.51	2,568.00	2,494.51	2,405.49
B. Medium-Term Instruments	13,269.49	15,786.93	17,725.96	19,699.27	22,488.55	28,651.91	30,628.77	36,697.84	40,810.20	42,356.14	45,962.74	48,429.82
2-Year Fixed Treasury Note	2,349.17	2,572.93	2,756.72	4,227.02	5,225.90	5,985.35	6,072.70	6,400.61	7,534.28	7,755.68	8,999.93	13,049.78
2-Year USD Domestic Bond	-	-	-	395.90	410.79	413.01	416.79	417.97	417.04	427.95	451.89	-
3-Year USD Domestic Bond	-	-	-	-	-	-	-	977.79	975.62	1,001.15	1,057.19	1,067.68
3-Year Fixed Rate Bond	4,617.97	6,100.60	6,961.82	6,658.62	7,267.22	6,790.63	7,255.54	7,255.54	8,361.43	8,437.26	11,996.46	10,930.29
3-Year Stock (SSNIT)	1,251.27	1,251.27	1,136.98	1,136.98	1,022.69	1,022.69	908.40	881.85	767.55	692.35	578.06	502.85
5-Year GOG Bond	4,849.37	5,660.42	6,668.73	6,479.99	7,655.19	8,496.76	9,597.32	11,204.01	13,194.20	13,194.20	12,160.66	12,160.66
7-Year GoG Bond	201.72	201.72	201.72	201.72	201.72	1,653.80	1,653.80	2,150.50	2,150.50	2,960.39	2,857.39	2,857.39
10-Year GOG Bond	-	-	-	599.04	705.04	4,289.68	4,724.22	7,409.57	7,409.57	7,887.17	7,861.17	7,861.17
C. Long-Term Instruments	9,725.13	12,913.60	12,913.60	13,110.92	13,110.93	16,532.08	16,474.88	17,846.51	19,990.60	19,880.53	27,423.33	27,313.27
15-Year GoG Bond	-	-	-	-	-	3,422.15	3,422.15	4,793.78	4,793.78	4,793.78	4,793.78	4,793.78
Long-Term Govt Stock	8,491.61	11,790.08	11,790.08	11,987.40	11,987.40	11,987.40	11,987.40	11,987.40	11,987.40	11,987.40	11,987.40	11,987.40
Long-Term Govt Stock (Bank Bailout)	-	-	-	-	-	-	-	-	2,201.28	2,091.22	9,691.22	9,581.15
GoG Petroleum Financed Bonds	80.02	80.02	80.02	80.02	80.02	80.02	80.02	80.02	457.60	80.02	80.02	80.02
TOR Bonds	682.00	572.00	572.00	572.00	572.00	572.00	514.80	514.80	80.02	457.60	400.40	400.40
Revaluation Stock	361.06	361.06	361.06	361.06	361.06	361.06	361.06	361.06	361.06	361.06	361.06	361.06
Other Government Stock	0.98	0.98	0.98	0.98	1.00	-	-	-	-	-	-	-
Telekom Malaysia Stocks	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.46	109.46
D. Standard Loans	419.85	419.85	419.85	487.98	487.98	487.98	239.30	227.69	169.38	166.64	166.64	124.71
TOTAL (A+B+C)	41,968.25	47,937.77	50,684.30	53,403.39	55,230.28	63,921.35	63,342.69	66,768.85	71,794.46	73,094.06	84,191.93	86,899.73

The proportion of short-term debt to the total domestic debt stock declined in favour of medium-term debt from 2016 to 2017, due to Government's successful debt re-profiling programme. The increase in long-term domestic debt stock in 2018 is due to the issuance of the Long-Term Government Stock (Bank Bailout).



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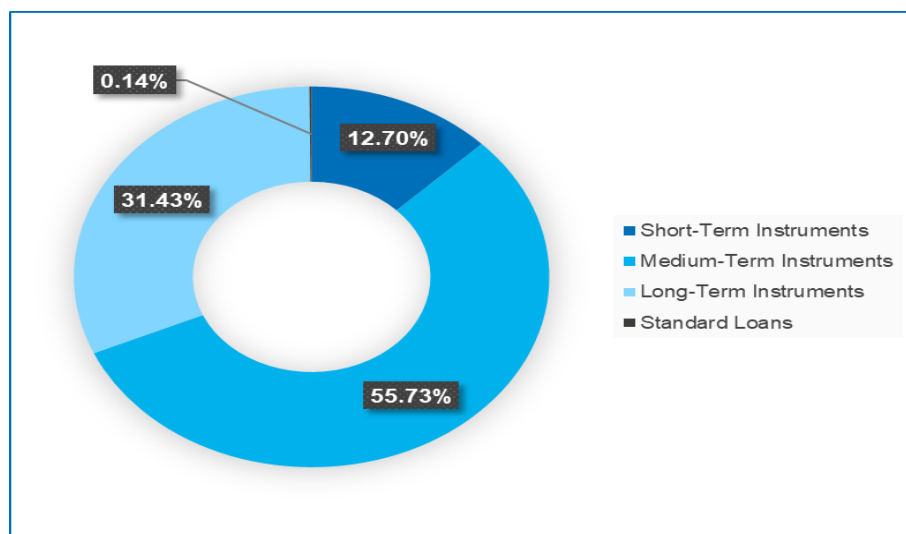
3.2 Domestic Debt Stock by Holders

Table 8. Holding structure of domestic debt (GHS millions)

	2016				2017				2018			
	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC
A. BANKING SYSTEM	19,835.03	23,383.60	25,217.38	27,834.44	23,377.57	23,549.18	22,569.53	23,619.32	26,677.88	26,697.52	37,669.92	39,192.07
BANK OF GHANA	9,821.37	13,334.09	12,805.01	13,056.22	13,003.76	13,042.10	13,003.09	13,002.64	13,002.58	13,000.26	13,826.59	13,933.31
DEPOSIT MONEY BANKS	10,013.66	10,049.51	12,412.36	14,778.22	10,373.81	10,507.08	9,566.44	10,616.68	13,675.31	13,697.27	23,843.33	25,258.75
B. NON-BANK SECTOR	13,969.15	14,645.38	13,878.80	13,486.56	17,408.09	17,738.02	17,260.12	17,256.23	16,991.06	18,337.37	19,157.77	21,506.77
SSNIT	1,646.67	1,779.99	1,755.80	1,463.43	1,315.12	1,288.48	1,176.94	1,402.56	1,183.35	1,170.07	891.12	795.56
INSURANCE CO.S	79.58	75.43	154.39	179.00	305.33	289.14	331.76	340.48	347.05	383.89	415.80	462.37
NPRA	-	-	-	-	-	-	-	-	8.81	-	-	-
OTHER HOLDERS	12,242.90	12,789.95	11,968.60	11,844.13	15,787.63	16,160.40	15,751.43	15,513.19	15,451.85	16,783.41	17,850.85	20,248.84
C. FOREIGN SECTOR	7,744.22	9,488.93	11,168.27	11,594.41	13,956.64	22,146.16	23,273.74	25,665.61	27,964.95	27,892.52	27,197.60	26,076.18
D. OTHER STANDARD LOANS	419.85	419.85	419.85	487.98	487.98	487.98	239.30	227.69	169.38	166.64	166.64	124.71
TOTAL (A+B+C+D)	41,968.25	47,937.77	50,684.30	53,403.39	55,230.28	63,921.35	63,342.69	66,768.85	71,803.28	73,094.06	84,191.93	86,899.73

Banking sector holdings of domestic debt totalled GH¢39,192.07 million (US\$8,127.09 million) by end year 2018, largely reflecting the issuance of GCB and CBG stocks to support the bailout of the financial sector. Domestic debt holdings by non-resident investors fell considerably on account of foreign investor pull-outs from the domestic debt market amidst emerging market challenges in 2018. The stock of domestic debt attributable to standard loans continues to decline as other funding sources are explored.

Figure 8. Share of instruments in domestic debt, end 2018



The proportion of medium-term debt is dominant in the portfolio of domestic debt, primarily on account of Government's on-going liability management and debt re-profiling programme to restructure the portfolio and reduce the stock of short-term debt.

Note: This classification of domestic debt by tenor includes the stock of non-marketable debt and domestic standard loans.



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3.3 Net Issuance of Domestic Debt

Table 9. Issuance and Redemption of Domestic Debt (GHS millions)

	Jan-18	Feb-18	Mar-18	Q1-2018	Apr-18	May-18	Jun-18	Q2-2018	Jul-18	Aug-18	Sep-18	Q3-2018	Oct-18	Nov-18	Dec-18	Q4, 2018	Total
Issuance																	
91-Day	1,775.89	1,493.44	1,717.01	4,986.34	1,683.60	1,524.92	1,750.88	4,959.41	1,679.60	1,459.18	1,898.24	5,037.03	1,785.56	1,740.72	2,351.44	5,877.73	20,860.50
182-Day	679.16	297.36	277.78	1,254.31	708.77	405.69	794.57	1,909.03	642.76	310.82	245.07	1,198.64	579.94	405.50	903.40	1,888.84	6,250.83
1-Yr	270.67	250.27	79.50	600.44	239.91	52.71	394.41	687.03	299.22	33.07	41.41	373.70	193.33	37.65	784.02	1,014.99	2,676.16
2-Yr Fixed	514.93	485.92	446.94	1,447.78	-	626.98	-	626.98	-	176.22	1,302.02	1,478.25	2,808.85	1,709.47	1,158.14	5,676.46	9,229.47
2-Yr Fixed (USD)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3-Yr Fixed	-	-	1,575.97	1,575.97	-	749.90	-	749.90	766.01	1,060.00	1,733.19	3,559.21	988.69	-	-	988.69	6,873.77
5-Yr Bond	-	1,990.19	-	1,990.19	-	-	-	-	-	-	-	-	-	-	-	-	1,990.19
7-Yr Bond	-	-	-	-	809.89	-	-	809.89	-	-	-	-	-	-	-	-	809.89
10-Yr Bond	-	-	-	-	-	-	477.60	477.60	-	-	-	-	-	-	-	-	477.60
15-Yr Bond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Issuance	3,240.65	4,517.18	4,097.20	11,855.03	3,442.18	3,360.20	3,417.46	10,219.84	3,387.59	3,039.30	5,219.93	11,646.82	6,356.37	3,893.34	5,197.00	15,446.72	49,168.40
Maturities																	
91-Day	1,819.61	1,794.05	1,831.02	5,444.68	1,775.89	1,493.44	1,717.01	4,986.34	1,683.60	1,524.92	1,750.88	4,959.41	1,679.60	1,459.18	2,199.32	5,338.10	20,728.53
182-Day	701.12	276.65	236.06	1,213.83	712.49	433.33	507.30	1,653.12	679.16	297.36	277.78	1,254.31	708.77	405.69	832.26	1,946.72	6,067.98
1-Yr	559.69	488.68	306.74	1,355.12	550.73	313.73	185.08	1,049.54	306.65	57.62	82.90	447.18	394.43	140.11	569.49	1,104.02	3,955.86
2-Yr Fixed	21.41	224.19	68.51	314.11	7.98	44.22	353.39	405.58	24.72	104.69	104.59	233.99	273.86	312.04	1,040.72	1,626.62	2,580.30
2-Yr Fixed (USD)	-	-	-	-	-	-	-	-	-	-	-	-	451.56	-	-	451.56	451.56
3-Yr Fixed	-	470.08	-	470.08	103.37	570.71	-	674.08	-	-	-	-	2,054.86	-	-	2,054.86	3,199.02
5-Yr Bond	-	-	-	-	-	-	-	-	-	1,033.54	1,033.54	-	-	-	-	-	1,033.54
7-Yr Bond	-	-	-	-	-	-	-	-	-	103.00	103.00	-	-	-	-	-	103.00
10-Yr Bond	-	-	-	-	-	-	-	-	-	-	26.00	26.00	-	-	-	-	26.00
15-Yr Bond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Maturities	3,101.83	3,253.65	2,442.32	8,797.81	3,150.46	2,855.42	2,762.78	8,768.67	2,694.14	1,984.59	3,378.70	8,057.43	5,563.07	2,317.02	4,641.79	12,521.88	38,145.79
Net issuance																	
91-Day	(43.72)	(300.61)	(114.00)	(458.33)	(92.29)	31.48	33.87	(26.94)	(4.00)	(65.74)	147.36	77.62	105.96	281.54	152.12	539.62	131.97
182-Day	(21.95)	20.71	41.73	40.49	(3.72)	(27.64)	287.27	255.91	(36.41)	13.46	(32.72)	(55.67)	(128.83)	(0.19)	71.15	(57.88)	182.85
1-Yr	(289.02)	(238.41)	(227.24)	(754.68)	(310.82)	(261.02)	209.32	(362.52)	(7.44)	(24.55)	(41.49)	(73.48)	(201.10)	(102.46)	214.53	(89.03)	(1,279.70)
2-Yr Fixed	493.51	261.73	378.43	1,133.67	(7.98)	582.77	(353.39)	221.40	(24.72)	71.54	1,197.43	1,244.25	2,535.00	1,397.42	117.42	4,049.84	6,649.17
2-Yr Fixed (USD)	-	-	-	-	-	-	-	-	-	-	-	-	(451.56)	-	-	(451.56)	(451.56)
3-Yr Fixed	-	(470.08)	1,575.97	1,105.89	(103.37)	179.19	-	75.82	766.01	1,060.00	1,733.19	3,559.21	(1,066.17)	-	-	(1,066.17)	3,674.75
5-Yr Bond	-	1,990.19	-	1,990.19	-	-	-	-	-	(1,033.54)	(1,033.54)	-	-	-	-	-	956.65
7-Yr Bond	-	-	-	-	809.89	-	-	809.89	-	-	(103.00)	(103.00)	-	-	-	-	706.89
10-Yr Bond	-	-	-	-	-	-	477.60	477.60	-	-	(26.00)	(26.00)	-	-	-	-	451.60
15-Yr Bond	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Net Issuance	138.82	1,263.53	1,654.87	3,057.22	291.71	504.78	654.67	1,451.17	693.45	1,054.71	1,841.23	3,589.39	793.30	1,576.32	555.22	2,924.84	11,022.62

Gross domestic issuance (face value) totalled GH¢49.2 billion, which was mainly from short-term issuances. Due to market pressures at the time, a number of uncovered primary auctions were recorded in the course of the year, the effect of which was offset through re-opens/tap-ins in the 2-year and 3-year bonds using the book building process.



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3.4 Interest Rates on Domestic Debt

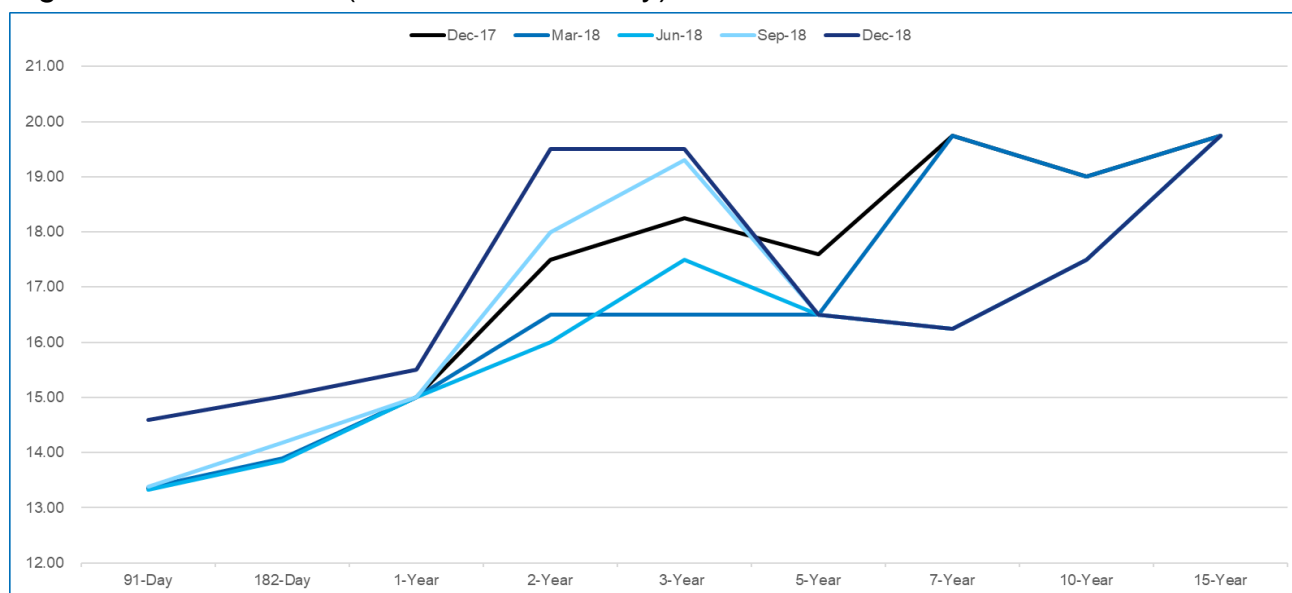
Table 10. Interest rates on Government of Ghana money market instruments

	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
91-Day	13.35	13.35	13.35	13.36	13.36	13.34	13.33	13.31	13.33	13.39	13.92	14.39	14.59
182-Day	13.88	13.91	13.90	13.90	13.86	13.87	13.86	13.83	13.87	14.18	14.44	14.81	15.03
1-Year	15.00	15.00	15.00	15.00	15.00	15.00	15.00	14.50	14.50	15.00	15.00	15.00	15.50
2-Year	17.50	17.18	16.50	16.50	16.50	16.00	16.00	16.00	18.00	18.00	19.50	19.50	19.50
3-Year	18.25	18.25	18.25	16.50	16.50	16.25	17.50	18.00	18.00	19.31	19.31	19.50	19.50
5-Year	17.60	17.60	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50	16.50
7-Year	19.75	19.75	19.75	19.75	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25	16.25
10-Year	19.00	19.00	19.00	19.00	19.00	19.00	17.50	17.50	17.50	17.50	17.50	17.50	17.50
15-Year	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75	19.75

Source: Bank of Ghana and Ministry of Finance

Rates on most treasury securities inched up on both the short-term and medium-term segments of the market in 2018. Rates on the 91-day and 182-day treasury bills rose to 14.59 percent and 15.03 percent, respectively, at the end of 2018. The rates on the 1-year note, 2-year note and 3-year bond also increased by 50, 200 and 100 basis points to 15.50 percent, 19.50 percent, and 19.50 percent, respectively. Yields on the 5-year, 7-year and 10-year bonds, however, declined by 110, 350, and 150 basis points to 16.50 percent, 16.25 percent, and 17.50 percent, respectively, during the same period, while that of the 15-year bond remained unchanged at 19.75 percent.

Figure 9. Yield Curve (at constant maturity)

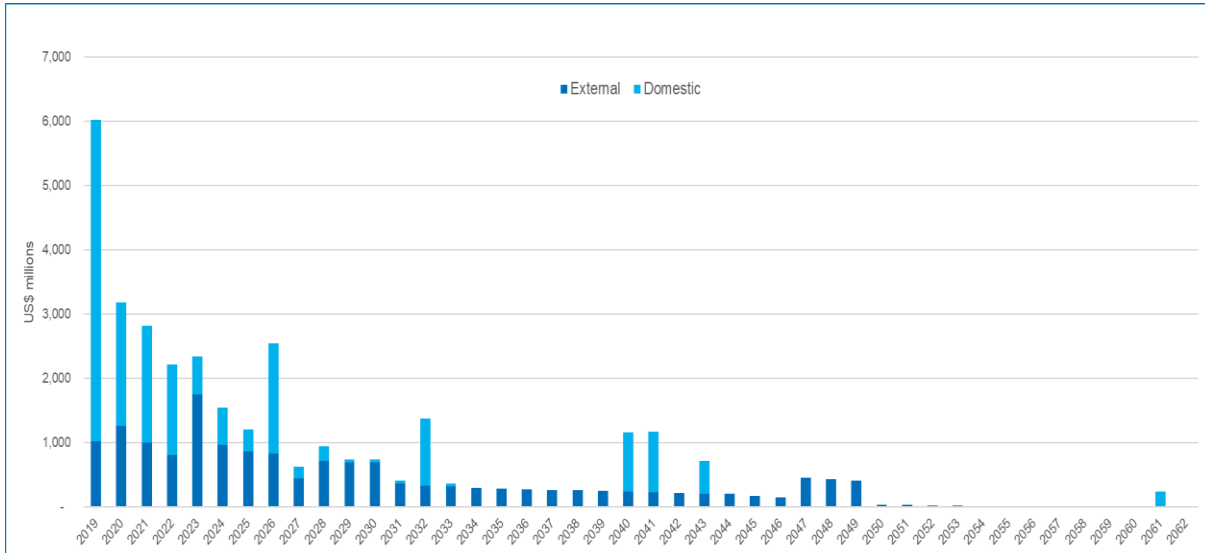


In 2018, yields of short-term and medium-term instruments increased marginally from 2017, largely due to global developments, whereas yields for the longer-dated instruments declined. This resulted in a humped yield curve for securities in the domestic primary market.



4.0 Redemption profile of public debt, end 2018

Figure 10. Redemption profile of public debt



The successful implementation of Government's liability management and debt re-profiling programme has resulted in a lengthening of the maturity profile and a smoothing of the amortisation of huge outstanding Eurobonds, which are now mainly back amortising.



Glossary

Amortization	Schedule for payments of principal on an on-going basis on a loan
Average Time to Maturity	The average time to maturity measures the weighted average time to maturity of all the principal payments in the portfolio
Bonds	Debt securities that give holders unconditional right to fixed income or contractually determined payments on a specified date or dates.
Buy-back	The repurchase by a debtor government of all or a portion of its external debt at a discount from face value
Bilateral Debt	Debt contracted from sovereign countries.
Commercial Debt	Short-term borrowing from banking institutions other than Official Development Assistance (ODA).
Concessional loans	These are loans that are extended on terms substantially generous than loans contracted on the market.
Contingent Liability	Obligations that do not arise unless a particular, discrete event(s) occurs in the future.
Coupon	The annual interest rate paid on a bond, expressed as a percentage of the face value
Debt Service	Debt payments in respect of both principal and interest.
Debt-to-GDP Ratio	Ratio of a country's gross public debt to a country's Gross Domestic Product.
Debt Relief	Any form of debt reorganization that relieves the overall burden of debt.
Disbursed Outstanding Debt	The amount, at any given time, of disbursed and outstanding contractual liabilities of a country denominated in hard currency.
Disbursement	The transfer of the committed loan amount from the lender to the borrower, once contractual conditions are fulfilled.
Domestic Debt	Debt liabilities owed by residents to residents of the same country.
Escrow Account	Accounts mobilized in which proceeds are paid into to pay off future debt service payments.
Eurobonds	Bond issued by a borrower in a foreign country, denominated in a Eurocurrency (e.g. US dollar, Canadian dollar, yen, euro), under-written and sold by an international syndicate of financial institutions.
External Debt	Debt liabilities owed by residents to non-residents.
Gross Domestic Product	The market value of all final goods and services produced within a country in a given period. The GDP is determined using data for production, expenditures, or income and is presented in current or constant prices.



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HIPCs	Heavily Indebted Poor Countries (HIPCs) comprise a group of 41 developing countries classified as being heavily indebted and poor.
Interest Payment	The amount paid periodically over a period to a lender as compensation for use of his capital.
Interest Rate	An interest rate is the cost or price of borrowing, or the gain from lending, normally expressed as an annual percentage.
Letter of Credit	A financial instrument that specifies a letter from a bank guaranteeing that a buyer's payment to a seller will be received on time and for the correct amount. In the event that the buyer is unable to make payment on the purchase, the bank will be required to cover the full or remaining amount of the purchase.
Maturity	The maturity of a bond refers to the date that the debt would cease to exist, at which time the issuer will redeem the bond by paying the principal.
MTDS	A Debt Management Strategy planned to be implemented over the medium-term (three to five years) in order to achieve a composition of a desired debt portfolio with regards to the cost-risk trade-off.
Multilateral Debt	Debt contracted from multilateral institutions such as World Bank, IMF and development banks such as the African Development Bank (AfDB).
Net Domestic Financing	New debt issuance required to partly fund the budget deficit from domestic sources.
On-Lending	Government borrowed funds which are lent to State-Owned Enterprises (SOEs) and small businesses. Government would generally do this as a measure to promote strategic policy objective.
Principal Repayment	The act of paying back money previously borrowed from a lender.
Promissory Note	An unconditional promise to pay a certain sum on demand on a specified due date.
Public Debt	The total public (external and domestic) debt obligations of a country.
Public-Guaranteed Debt	Debt liabilities of public and private sector units, the servicing of which is contractually guaranteed by public sector units.
Public-Private Partnership	Long-term contracts between two units (one in the public sector and the other in the private sector), whereby one unit acquires or builds an asset or set of assets, operates it for a period, and then hands the asset over to a second unit.
Refinancing Risk	The risk associated with debt that is rolled over into new debt
Rollover	The extension or transfer of debt from one period to the next.
Short-Term Debt	Outstanding debt with a maturity of one year or less.



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Sinking Fund	A fund created by a borrower for the purpose of redeeming bonds. The borrower is obliged to redeem specified amounts of the bond within specified periods.
State-Owned Enterprise	A legal entity partially or wholly owned by government in order to conduct business on or on behalf of government.
Yield	The return on an investment or interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and current market value or face value.
Yield curve	A graph that shows the mathematical relationship, computed across all government securities (or other securities), between yield and maturity.





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