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**DEBT STATISTICAL BULLETIN AND PUBLIC DEBT
PORTFOLIO ANALYSIS**

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FOREWORD

Government of Uganda through the Ministry of Finance, Planning and Economic Development every quarter prepares and publishes the Debt Statistical Bulletin (DSB) in compliance with Public Debt and Other Financial Liabilities Management Framework (PDMF) 2018. The December 2019 DSB is the second in a series of four quarterly Debt Statistical Bulletins for FY2019/20 and the nineteenth since inception. This is in line with Government's commitment to reporting accurate public debt statistics, loan guarantees and public debt portfolio analysis.

It is envisaged that publication of the DSB will enhance transparency and accountability for debt management policies and operations by serving as a mechanism for the dissemination of Public Debt Statistics to you the various internal and external Government stakeholders.

We hope you will enjoy your reading and use of the data for the growth and development of our Nation.

For God and My Country



Keith Muhakariizi
PERMANENT SECRETARY/SECRETARY TO THE TREASURY

PREFACE

The December 2019 Debt Statistical Bulletin is the 19th in a series of bulletins since 2014. It has been prepared jointly by the Ministry of Finance, Planning and Economic Development and the Bank of Uganda.

This statistical and analytical report covers selected macroeconomic variables, and statistics on external and domestic debt and contingent liabilities. The report is prepared with the following objectives:

- a) To produce accurate, comprehensive, consistent, reliable, timely and internationally comparable debt statistics.
- b) To provide the debt status of the country, enhance policy-making, transparency, accountability and effective debt management for sustainable economic growth.
- c) To disseminate debt statistics i.e. parameters of external and domestic debt to policymakers, the general public, government officials, international organizations, investors in debt securities and other stakeholders for research and informed decision making.

The Debt Statistical Bulletin is a useful instrument for the dissemination of public debt statistics to investors in the Government debt instruments, development partners and the general public. The publication of this bulletin will enhance transparency and accountability for debt management policy and help improve the quality of public debt data

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



Maris Wanyera
Ag. DIRECTOR, DEBT AND CASH POLICY

LIST OF ACRONYMS

BC	Bilateral Creditor
BOU	Bank of Uganda
EBUs	Extra Budgetary Units
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
SOEs	State Owned Enterprises
UDBL	Uganda Development Bank Ltd
UEGCL	Uganda Electricity Generation Company Ltd

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

Public debt management has significant implications for the Government's budget and balance sheet. Hence to achieve positive outcomes from public debt management, it is important to record debt statistics in a timely and consistent manner with a relatively wide scope as indicated below.

Scope:

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

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

The source of most of all the external debt data specified in this bulletin is the Debt Management and Financial Analysis System (DMFAS). The System is used to record all new Government loans, disbursements, debt service and any loan guarantees and on lent loans. The data is recorded as and when the transactions happen and are reconciled between the Bank of Uganda and MOFPED to ensure accurate recording and therefore credible statistics.

Despite different loans being contracted in different currencies the data is converted into a common currency, usually the US dollar or Ugandan Shillings as follows:

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

Exchange Rates:

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

PART II: MACROECONOMIC OVERVIEW

Table 1: Key Macroeconomic Indicators

Inflation (%)	Mar-19	Jun-19	Sep-19	Dec-19
Headline	3.0	3.1	2.2	3.6
Core	4.6	3.8	2.9	3.0
Exchange rate (Shs/ US \$)				
End of Period	3,715.13	3,694.76	3,691.50	3,665.20
Period Average	3,706.19	3,736.82	3,688.57	3,690.40
Reserves				
Gross foreign exchange reserves (US \$ millions)	3,409.90	3,338.09	3,199.21	3,241.00
Gross foreign exchange reserves (months of imports)	4.4	4.4	4.0	4.2
Fiscal Statistics (Billion Shs)				
Revenue	4,037.7	4,785.0	4,265.0	5,348.6
Expenditure	5,369.5	6,986.2	7,115.1	6,361.9
Deficit	(1,331.8)	(2,201.1)	(2,850.1)	(1,013.3)
Total Debt Stock (Billions US \$)				
	12.0	12.5	12.6	13.3
External Debt Stock (US \$ Billions)	7.9	8.3	8.3	8.6
Domestic Debt Stock (US \$ Billions)	4.1	4.2	4.3	4.7
Total Debt Stock (Shs Billions)				
	44,529.69	46,203.34	46,543.00	48,863.38
External Debt Stock (Shs Billions)	29,188.70	30,691.07	30,663.78	31,487.30
Domestic Debt Stock (Shs Billions)	15,340.99	15,512.28	15,879.22	17,376.08
Quarterly Gross Domestic Product (GDP)				
GDP (Billion Shs)	26,955.6	32,145.6	33,733.5	34,860.2
GDP (Billions US \$)	7.3	8.6	9.1	9.4
Interest Rates (%)				
Central Bank Rate	10.0	9.8	10.0	9.0
Lending Rate	19.6	19.9	19.8	18.8
Time Deposit Rate	10.3	10.1	9.8	9.7
91-Day Treasury Bill (TB)	10.2	9.4	9.2	9.5
182- Day TB	11.4	10.9	10.8	11.4
364- Day TB	12.4	11.5	11.5	13.0
2 Year Treasury Bond	14.4	12.9	13.0	14.1
3 Year	15.2	13.8	13.2	15.0
5 Year	15.4	15.0	15.1	16.5
10 Year	15.8	16.0	14.3	14.9
15 Year	16.9	15.9	14.4	15.5

Source: MoFPED and BOU

Table 2: Public Debt Cost and Risk Indicators

		Quarter ending Mar-19			Quarter ending Jun-19			Quarter ending Sep-19			Quarter ending Dec-19		
Risk Indicators		External	Domestic	Total	External	Domestic	Total	External	Domestic	Total	External	Domestic	Total
Nominal debt as % GDP		27.5	14.5	42.0	27.9	14.1	42.0	23.9	12.4	36.2	24.5	13.5	38.0
PV as % of GDP		17.6	14.5	32.0	18.0	14.1	32.1	16.4	12.4	28.7	16.8	13.5	30.3
Cost of debt	Interest payment as % GDP	0.4	2.0	2.3	0.4	1.9	2.3	0.4	1.6	2.0	0.4	1.7	2.2
	Weighted Av. IR (%)	1.4	13.5	5.6	1.5	13.5	5.6	1.7	13.1	5.6	1.7	12.8	5.7
Refinancing risk	ATM (years)	14.2	3.9	10.7	14.1	4.0	10.7	14.1	3.8	11.2	14.1	3.9	11.0
	Debt maturing in 1yr (% of total)	2.0	38.9	14.8	1.9	36.0	13.3	1.7	39.6	12.5	1.7	37.1	12.3
	Debt maturing in 1yr (% of GDP)	0.6	5.6	6.2	0.5	5.1	5.6	0.5	4.5	5.0	0.5	4.6	5.1
Interest rate risk	ATR (years)	13.7	3.9	10.3	13.5	4.0	10.3	13.7	3.8	10.8	13.5	3.9	10.7
	Debt refixing in 1yr (% of total)	10.7	38.9	20.4	11.1	36.0	19.5	10.1	39.6	18.5	10.3	37.1	18.3
	Fixed rate debt (% of total)	91.2	100.0	94.2	90.6	100.0	93.8	90.0	100.0	93.8	89.9	100.0	93.9
FX risk	FX debt (% of total debt)	65.5			66.4			65.9			64.4		
	ST FX debt (% of reserves)	4.7			4.7			4.9			5.2		

Source: MoFPED, DPID

PART III: EXTERNAL DEBT STATISTICS

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

Creditor Type	Mar-19		Jun-19		Sep-19		Dec-19	
	Stock	%	Stock	%	Stock	%	Stock	%
Bilateral Creditors (BC)	2.69	34.20	2.92	35.15	2.89	34.76	2.91	33.84
Non Paris Club	2.14	27.2	2.32	27.9	2.27	27.2	2.30	26.8
Paris Club	0.55	7.0	0.60	7.2	0.63	7.5	0.61	7.1
Multilateral Creditors (MC)	5.10	64.9	5.34	64.3	5.36	64.3	5.60	65.2
Major Multilaterals 1	4.42	56.3	4.63	55.8	4.59	55.2	4.75	55.4
Other Multilaterals	0.68	8.6	0.71	8.5	0.76	9.2	0.85	9.9
Private Bank (PB)	0.07	0.9	0.05	0.6	0.07	0.9	0.08	1.0
Other Financial Institutions	0.07	0.9	0.05	0.6	0.07	0.9	0.08	1.0
Grand Total	7.86	100.0	8.31	100.0	8.32	100.0	8.59	100.0

Source: MoFPED, DPI

Table 4a¹: External Debt Stock by Currency Composition with SDR undecomposed, Billion USD

	Mar-19		Jun-19		Sep-19		Dec-19	
	Stock	%	Stock	%	Stock	%	Stock	%
USD	2.65	33.76	2.79	33.56	2.91	35.01	2.99	34.78
EUR	0.80	10.17	0.85	10.19	0.83	9.93	0.88	10.21
JPY	0.44	5.58	0.45	5.40	0.45	5.43	0.44	5.07
Others 1	0.35	4.50	0.35	4.23	0.31	3.77	0.33	3.79
SDR	3.37	42.84	3.56	42.90	3.52	42.31	3.66	42.64
CNY	0.25	3.16	0.31	3.72	0.30	3.55	0.30	3.51
Grand Total	7.86	100.00	8.31	100.00	8.32	100.00	8.59	100.00

Source: MoFPED, DPID

Table 4b: External Debt Stock by Currency Composition with SDR decomposed, Billion USD

	Mar-19		Jun-19		Sep-19		Dec-19	
	Stock	%	Stock	%	Stock	%	Stock	%
USD	4.06	51.63	4.27	51.46	4.38	52.67	4.52	52.58
EUR	1.84	23.42	1.95	23.46	1.92	23.02	2.01	23.37
JPY	0.72	9.15	0.75	8.98	0.74	8.95	0.75	8.68
Others 1	0.63	7.97	0.64	7.70	0.60	7.19	0.63	7.29
CNY	0.62	7.84	0.70	8.41	0.68	8.17	0.70	8.16
Total	7.86	100.00	8.31	100.00	8.32	100.00	8.59	100.00

Source: MoFPED, DPI

¹ The major multilaterals include International Development Association (IDA) and the African Development Fund (AfDF).

Table 5: External Debt Portfolio Currencies and end month Exchange Rates

Currency	UGX/Currency				USD/Currency			
	Mar-19	Jun-19	Sep-19	Dec-19	Mar-19	Jun-19	Sep-19	Dec-19
United Arab Emirates Dirham (AED)	1,016.85	1,011.44	1,008.41	1,003.34	3.67	3.67	3.67	3.67
African Unit of Account (AFU)	5,184.63	5,164.70	5,053.36	5,096.02	0.72	0.72	0.73	0.72
Swiss Franc (CHF)	3,754.98	3,805.48	3,731.74	3,776.22	0.99	0.98	0.99	0.98
China Yuan (CNY)	555.84	540.58	519.55	526.80	6.72	6.87	7.13	7.00
Danish Krone (DKK)	562.85	566.13	542.71	550.71	6.64	6.56	6.83	6.69
Euro (EUR)	4,202.39	4,226.24	4,052.22	4,114.34	0.89	0.88	0.91	0.90
Pound Sterling (GBP)	4,927.55	4,709.46	4,568.49	4,825.48	0.76	0.79	0.81	0.76
Islamic Dinar (IDI)	5,184.63	5,164.70	5,053.36	5,096.02	0.72	0.72	0.73	0.72
Japanese Yen (JPY)	33.84	34.51	34.40	33.63	110.39	107.66	107.67	109.59
Korea (South) Won (KRW)	3.29	3.21	3.08	3.17	1,136.45	1,156.00	1,201.89	1,160.91
Kuwait Dinar (KWD)	12,295.18	12,219.14	12,174.63	12,155.99	0.30	0.30	0.30	0.30
Norwegian Krone (NOK)	432.47	437.69	408.40	417.72	8.64	8.49	9.07	8.82
Saudi Arabia Riyal (SAR)	995.88	990.65	987.48	982.20	3.75	3.75	3.75	3.75
Special Drawing Rights (SDR)	5,184.63	5,164.70	5,053.36	5,096.02	0.72	0.72	0.73	0.72
Swedish Krone (SEK)	402.50	401.17	379.83	394.28	9.28	9.26	9.75	9.35
Uganda Shillings (UGX)	1.00	1.00	1.00	1.00	3,735.08	3,715.29	3,704.13	3,685.21

Source: MoFPED, DPID

Table 6²: External Debt Stock by Interest Rate Type, Billion USD

Interest Rate Type	Mar-19		Jun-19		Sep-19		Dec-19	
	Stock	%	Stock	%	Stock	%	Stock	%
Fixed Interest Debt	7.01	89.18	7.36	88.62	7.30	87.75	7.51	87.37
Bilateral	2.09	26.63	2.25	27.14	2.22	26.70	2.22	25.84
Multilateral	4.90	62.33	5.11	61.48	5.08	61.05	5.29	61.53
Private Bank	0.02	0.22	-	-	-	-	-	-
Variable Interest Debt	0.69	8.83	0.78	9.35	0.83	9.97	0.87	10.09
Bilateral	0.59	7.57	0.66	7.98	0.67	8.04	0.69	8.00
Multilateral	0.05	0.61	0.07	0.81	0.09	1.03	0.10	1.14
Private Bank	0.05	0.65	0.05	0.57	0.07	0.89	0.08	0.95
No Interest Rate	0.16	1.99	0.17	2.02	0.19	2.28	0.22	2.54
Bilateral			0.00	0.03	0.00	0.03	-	-
Multilateral	0.16	1.99	0.17	2.00	0.19	2.28	0.22	2.54
Private Bank			-	-	-	-	-	-
Total	7.86	100.00	8.31	100.00	8.32	100.00	8.59	100.00

Source: MoFPED, DPID

Table 7: Actual External Debt Service, Million USD

	July-September 2019					October-December 2019				
	Principal	Interest	Fees	Total	%	Principal	Interest	Fees	Total	%
Bilaterals	24.00	32.88	2.09	58.98	69.75	10.74	2.09	0.25	13.08	25.91
Paris Club	3.86	0.77	0.85	5.48	6.49	9.89	1.89	0.25	12.02	23.82
Non Paris Club	20.14	32.11	1.24	53.49	63.27	0.85	0.20	0.00	1.05	2.08
Multilaterals	15.21	8.79	0.07	24.07	28.46	19.37	11.88	0.98	32.23	63.86
Major	13.47	8.11	0.07	21.64	25.60	9.85	8.72	1.00	19.56	38.76
Other	1.74	0.68	0.00	2.42	2.87	9.52	3.16	0.02	12.67	25.10
Private Banks	0.00	0.10	1.41	1.51	1.78	4.12	0.73	0.32	5.16	10.23
Other financial institutions	0.00	0.10	1.41	1.51	1.78	4.12	0.73	0.32	5.16	10.23
Grand Total	39.21	41.77	3.57	84.55	100.00	34.23	14.69	1.55	50.47	100.00

Source: MoFPED, DPID

Table 8: External Undisbursed Debt, Billion USD

	Mar-19		Jun-19		Sep-19		Dec-19	
	Undisbursed	%	Undisbursed	%	Undisbursed	%	Undisbursed	%
Bilateral	1.43	37.02	1.74	37.54	1.68	37.27	1.76	39.08
Non Paris Club	0.69	17.85	0.72	15.65	0.71	15.70	0.80	17.70
Paris Club	0.74	19.17	1.01	21.88	0.97	21.57	0.96	21.37
Multilateral	2.40	61.98	2.76	59.75	2.73	60.54	2.66	59.04
Major Creditors	1.57	40.50	1.94	42.00	2.09	46.37	2.01	44.61
Other Multilaterals	0.83	21.48	0.82	17.75	0.64	14.17	0.65	14.43
Private Bank	0.04	1.00	0.13	2.71	0.10	2.19	0.08	1.88
	0.04	1.00	0.13	2.71	0.10	2.19	-	0.00
Total	3.88	100.00	4.62	100.00	4.51	100.00	4.50	100.00

Source: MoFPED, DPID

² GoU pays to Islamic Development Bank (IDB) reasonable fees equivalent to interest rate recorded under commitment fees. These fee charges are payable during the disbursement period hence disqualifying IDB loans as no interest rate debt.

Table 9³: Gross Public and Private External Debt Position (Million USD)

	Mar-19	Jun-19	Sep-19	Dec-19
General Government	8,262.16	8,631.39	8,713.06	9,014.47
Short-term	29.51	2.71	-	-
Currency and deposits	-	-	-	-
Debt securities	29.51	2.71	-	-
Loans	-	-	-	-
Trade credit and advances	-	-	-	-
Other debt liabilities 1	-	-	-	-
Long-term	8,232.65	8,628.68	8,713.06	9,014.47
Special drawing rights (allocations) 2	-	-	-	-
Currency and deposits	-	-	-	-
Debt securities	266.64	228.45	272.76	297.76
Loans	7,966.01	8,400.23	8,440.30	8,716.71
Trade credit and advances	-	-	-	-
Other debt liabilities 1	-	-	-	-
Central Bank	240.22	240.57	236.10	239.31
Short-term	-	-	-	-
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	-	-	-	-
Long-term	240.22	240.57	236.10	239.31
Special drawing rights (allocations)2	240.22	240.57	236.10	239.31
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	-	-	-	-
Deposit-Taking Corporations, except the Central Bank	599.10	611.32	618.05	547.96
Short-term	176.54	204.50	189.01	172.88
Currency and deposits	176.54	204.50	189.01	172.88
Debt securities	-	-	-	-
Long-term	422.56	406.82	429.05	375.08
Currency and deposits	-	-	-	-
Debt securities	-	-	-	-
Loans	422.56	406.82	429.05	375.08
Other Sectors	1,101.64	1,212.31	1,243.34	1,274.36
Short-term	290.68	620.55	686.68	752.81
Loans	178.65	532.20	597.67	663.14
Trade credit and advances	112.03	88.35	89.01	89.67
Other debt liabilities 1	-	-	-	-
Long-term	810.96	591.75	556.65	521.55
Loans	810.96	591.75	556.65	521.55
Direct Investment: Intercompany Lending	2,758.67	3,110.94	3,180.66	3,250.39
Debt liabilities of direct investment enterprises to direct investors	2,758.67	3,110.94	3,180.66	3,250.39
Debt liabilities of direct investors to direct investment enterprises	-	-	-	-
Debt liabilities to fellow enterprises	-	-	-	-
Gross External Debt Position	12,961.79	13,806.53	13,991.21	14,326.50

Source: BOU

³ 1) *Other liabilities comprise of insurance, pension and standardised guarantee scheme and other accounts payable.*

2) *SDR allocation should be reported as long-term external debt liabilities.*

PART IV: CONTINGENT LIABILITIES

Table 10: Guaranteed Debt Stock as at end December 2019

Beneficiary	Project	Creditor	Year of signature	Guaranteed amount of the loan (USD)	Exposure:	Exposure:	Performance
					disbursed & outstanding December 2018 (USD)	disbursed and outstanding December 2019 (USD)	
Islamic University in Uganda	Student's hostel	Islamic Development Bank (IDB)	2004	4,302,676	2,328,135	2,127,064	Draw down complete
Islamic University in Uganda	Student's hostel project additional financing	Islamic Development Bank (IDB)	2010	983,888	727,676	688,518	
Uganda Development Bank Limited	To finance import transactions from Arab countries to UDBL's eligible clients in Uganda	BADEA (Trade Finance)	2017	10,000,000	8,076,000	10,000,000	Full utilization.
Uganda Development Bank Limited	Private sector projects and trade transaction in the Republic of Uganda	BADEA (Private Sector Development)	2017	6,000,000	5,782,000	6,000,000	Full Utilization
Uganda Development Bank Limited	Private sector projects and trade transaction in the Republic of Uganda	Islamic Development Bank (IDB)	2017	10,000,000	3,000,000	450,000	There is a pending request of 679,000 for Kiddawalime and expect full utilization by September
Islamic University in Uganda	Constructing faculty of engineering, upgrade the library and purchase ICT equipment	Islamic Development Bank (IDB)	2018	13,790,000	-	100,000	
Uganda Development Bank Limited	On-lending exclusively to eligible projects in various sectors in Uganda	African Development Bank	2019	15,000,000	N/A	7,430,095	Expect to fully draw down the balance in Q1 2020
Uganda Development Bank Limited	To finance import of goods and services from India.	Exim India	2019	5,000,000	N/A	-	Not yet disbursed. Still waiting for AG's legal opinion as the last condition precedent before draw down.
Total				65,076,564	19,913,811	26,795,677	

Source: MoFPED, DPID

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

All in UGX Millions	Financial Years	
	Jun-19	Jun-18
Domestic Borrowing	2,146,892	1,635,444
External Borrowing	108,974	99,850
Other debt (including, lease contracts and overdrafts)	19,195	18,574
GoU On-Lent	6,825,944	6,255,813
Total outstanding debt including GoU on-lent loans	9,101,004	8,009,681
Total debt excluding GoU on-lent loans	2,275,061	1,753,868
Debt ratio (Total debt/total assets)	26.69%	20.26%
Liabilities from grants and GoU contributions	2,187,877	2,496,609

Source: MoFPED, DPID

PART V: DOMESTIC DEBT STATISTICS

Table 12: Domestic Debt Stock at Original Maturity, Billion Shillings

Instruments Maturity period	Jun-19				Sep-19				Dec-19			
	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost	Cost	Nominal	Face Value	% Cost
91	52.1	52.7	53.3	0.3%	101.7	102.9	104.0	0.6%	59.2	59.9	60.4	0.3%
182	345.7	770.7	364.7	2.2%	704.4	758.6	773.0	4.4%	386.1	396.3	406.3	2.2%
364	3,308.4	3,104.0	3,726.6	21.3%	3,283.3	3,456.9	3,675.9	20.7%	3,827.8	4,058.8	4,279.4	22.0%
Total Bills	3,706.2	3,927.4	4,144.6	23.9%	4,089.5	4,318.4	4,552.9	25.8%	4,273.1	4,515.0	4,746.1	24.6%
2	1,033.0	1,177.7	1,082.0	6.7%	1,231.2	1,281.7	1,282.0	7.8%	148.3	1,281.7	149.0	0.9%
3	1,039.8	1,273.2	1,079.4	6.7%	1,004.3	1,032.7	1,038.0	6.3%	229.9	1,032.7	220.0	1.3%
5	3,767.5	3,896.4	3,668.4	24.3%	3,564.1	3,627.4	3,505.5	22.4%	3,026.6	3,627.4	2,916.4	17.4%
10	3,604.0	3,596.6	3,663.8	23.2%	3,594.4	3,748.2	3,631.1	22.6%	6,069.6	3,748.2	6,227.3	34.9%
15	2,361.8	2,335.5	2,388.4	15.2%	2,395.7	2,470.5	2,417.6	15.1%	3,628.5	2,470.5	3,696.9	20.9%
Total Bonds	11,806.1	12,279.4	11,881.8	76.1%	11,789.7	12,160.5	11,874.2	74.2%	13,103.0	12,160.5	13,209.6	75.4%
Total Stock	15,512.3	16,206.8	16,026.4	100.0%	15,879.2	16,478.8	16,427.1	100.0%	17,376.1	16,675.5	17,955.7	100.0%

Source: MoFPED, DPID

Table 13 a⁴: Stock of Government Securities at Face Value by Holder, Billion Shillings

Holder Category	Jun-19		Sep-19		Dec-19	
	Face Value	%Face Value	Face Value	%Face Value	Face Value	%Face Value
Banks	3,316.9	79.9%	3,683.7	80.9%	3,890.5	82.0%
Pension & Provident Funds	163.6	5.5%	237.5	5.2%	239.9	5.1%
Offshore	10.0	0.0%	-	0.0%	-	0.0%
Bank of Uganda	0.7	0.0%	1.5	0.0%	2.4	0.1%
Insurance companies	127.4	3.4%	139.9	3.1%	144.1	3.0%
Other financial institutions	217.1	3.3%	176.0	3.9%	122.0	2.6%
Retail	96.8	2.3%	96.4	2.1%	108.4	2.3%
Other	212.1	5.6%	217.9	4.8%	238.7	5.0%
Total Bills	4,144.6	100.0%	4,552.9	100.0%	4,746.1	100.0%
Banks	3,363.4	28.3%	3,003.6	25.3%	3,405.7	27.1%
Pension & Provident Funds	6,405.9	53.9%	6,467.7	54.5%	6,723.8	50.9%
Offshore	834.1	7.0%	1,004.9	8.5%	1,091.4	8.3%
Bank of Uganda	160.4	1.4%	135.3	1.1%	479.7	3.6%
Insurance companies	225.7	1.9%	204.6	1.7%	219.1	1.7%
Other financial institutions	672.5	5.7%	835.2	7.0%	1,035.6	6.5%
Retail	178.2	1.5%	182.3	1.5%	208.1	1.6%
Other	41.6	0.4%	40.5	0.3%	46.2	0.3%
Total Bonds	11,881.8	100.0%	11,874.2	100.0%	13,209.6	100.0%
Total Stock	16,026.4		16,427.1		17,955.7	

Source: BOU

⁴ Other financial institutions include: Savings and Credit Co-operatives (SACCOs) and Micro Finance Institutions (MFIs).

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

Holder Category	Jun-19		Sep-19		Dec-19	
	Cost	% Cost	Cost	% Cost	Cost	% Cost
Banks	2,966.1	80.0%	3,308.7	80.9%	3,502.8	82.0%
Pension & Provident Funds	146.9	4.0%	214.0	5.2%	216.9	5.1%
Offshore	8.9	0.2%	-	0.0%	-	0.0%
Bank of Uganda	0.7	0.0%	0.1	0.0%	2.2	0.1%
Insurance companies	114.6	3.1%	126.4	3.1%	130.4	3.1%
Other financial institutions	186.9	5.0%	149.7	3.7%	98.3	2.3%
Retail	88.7	2.4%	89.0	2.2%	100.5	2.4%
Other	193.4	5.2%	201.6	4.9%	222.1	5.2%
Total Bills	3,706.2	100.0%	4,089.5	100.0%	4,273.1	100.0%
Banks	3,341.9	28.3%	2,982.2	25.3%	3,378.3	25.8%
Pension & Provident Funds	6,366.8	53.9%	6,421.6	54.5%	6,679.0	51.0%
Offshore	828.7	7.0%	997.8	8.5%	1,082.6	8.3%
Bank of Uganda	160.4	1.4%	135.3	1.1%	479.7	3.7%
Insurance companies	228.0	1.9%	205.8	1.7%	219.9	1.7%
Other financial institutions	655.9	5.6%	819.3	6.9%	1,003.7	7.7%
Retail	182.9	1.5%	187.7	1.6%	214.3	1.6%
Other	41.4	0.4%	40.1	0.3%	45.6	0.3%
Total Bonds	11,806.1	100.0%	11,789.7	100.0%	13,103.0	100.0%
Total Stock	15,512.3		15,879.2		17,376.1	

Source: BOU

Table 14: Domestic Debt Service, Billion Shillings

Instruments Maturity period	Apr-Jun 2019				Jul-Sep 2019				Oct-Dec 2019			
	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total	Discount	Coupon	Redemption	Total
91	2.3	-	92.1	94.4	1.2	-	52.1	53.3	2.3	-	101.7	104.0
182	11.0	-	182.5	193.5	11.8	-	209.9	221.7	7.2	-	135.8	142.9
364	98.1	-	885.1	983.2	99.6	-	734.7	834.3	101.4	-	765.8	867.3
Total Bills	111.4	-	1,159.7	1,271.1	112.6	-	996.8	1,109.4	110.9	-	1,003.4	1,114.2
2	-	8.4	-	8.4	-	4.4	-	4.4	-	21.6	-	21.6
3	-	-	-	-	0.3	41.9	333.6	375.9	-	11.0	-	11.0
5	9.1	116.1	262.8	388.0	-	173.0	332.0	505.0	-	98.8	-	98.8
10	-	122.5	-	122.5	-	214.2	-	214.2	11.4	122.5	48.6	182.5
15	-	13.8	-	13.8	-	142.7	-	142.7	-	68.5	-	68.5
Total Bonds	9.1	260.8	262.8	532.6	0.3	576.2	665.6	1,242.2	11.4	322.3	48.6	382.3
Total	120.5	260.8	1,422.5	1,803.7	112.9	576.2	1,662.4	2,351.5	122.3	322.3	1,051.9	1,496.6

Source: MoFPED, DPID

Table 15: Domestic Debt Gross Issuances, Billion Shillings

Instruments	Jul-Sep 2019				Oct-Dec 2019			
	Cost Value	Face Value	Discount	% Cost	Cost Value	Face Value	Discount	% Cost
91	101.7	104.0	2.3	4.6%	59.2	60.9	1.7	2.7%
182	187.9	197.8	9.9	8.6%	198.2	208.6	10.3	9.0%
364	1,090.4	1,215.9	125.5	49.8%	929.5	1,058.5	128.9	42.3%
Total Bills	1,380.0	1,517.7	137.6	63.0%	1,187.0	1,327.9	141.0	54.0%
2	117.6	120.0	2.4	5.4%	214.7	220.8	6.1	9.8%
3	97.2	100.0	2.8	4.4%	185.2	199.3	14.0	8.4%
5	267.8	269.1	1.3	12.2%	129.0	132.2	3.3	5.9%
10	180.0	170.0	10.0	8.2%	136.8	138.1	1.3	6.2%
15	148.3	149.2	0.9	6.8%	346.1	354.9	8.8	15.7%
Total Bonds	810.8	808.3	2.5	37.0%	1,011.8	1,045.4	33.6	46.0%
Total Issuance	2,190.8	2,326.0	135.1	100.0%	2,198.8	2,373.3	174.6	100.0%

Source: MoFPED, DPID

Table 16: Domestic Debt Net Issuances, Billion Shillings

	Jan-Mar 2019	Apr-Jun 2019	Jul-Sep 2019	Oct-Dec 2019
Fiscal Financing	1068.1	135.9	528.4	1146.9
BoU Recapitalisation				
Redemptions	1,357.1	1,422.5	1,662.4	1,051.9
Total Issuance	2,425.2	1,558.4	2,190.8	2,198.8

Source: MoFPED, DPID

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

	Quarterly Average				End Period				
	Sep-17	Dec-17	Mar-18	Jun-18	Mar-19	Jun-19	Sep-19	Dec-19	
Treasury Bill Rates	91 Days	10.2	9.4	9.2	8.8	9.9	9.5	8.6	9.5
	182 Days	11.4	10.9	10.8	10.8	10.9	10.8	10.7	11.4
	364 Days	12.4	11.5	11.5	11.7	12.5	11.4	11.5	13.0
Treasury Bond Rates	2 Years	14.4	12.9	13.0	13.6	14.0	12.9	13.0	14.1
	3 Years	15.2	13.8	13.2	15.0	15.2	13.8	13.2	15.0
	5 Years	15.4	15.0	15.1	16.5	15.4	15.0	15.1	16.5
	10 Years	15.8	16.0	14.3	14.9	15.8	16.0	14.3	14.9
	15 Years	16.9	15.9	14.4	15.5	16.9	15.9	14.4	15.5

Source: MoFPED, DPID

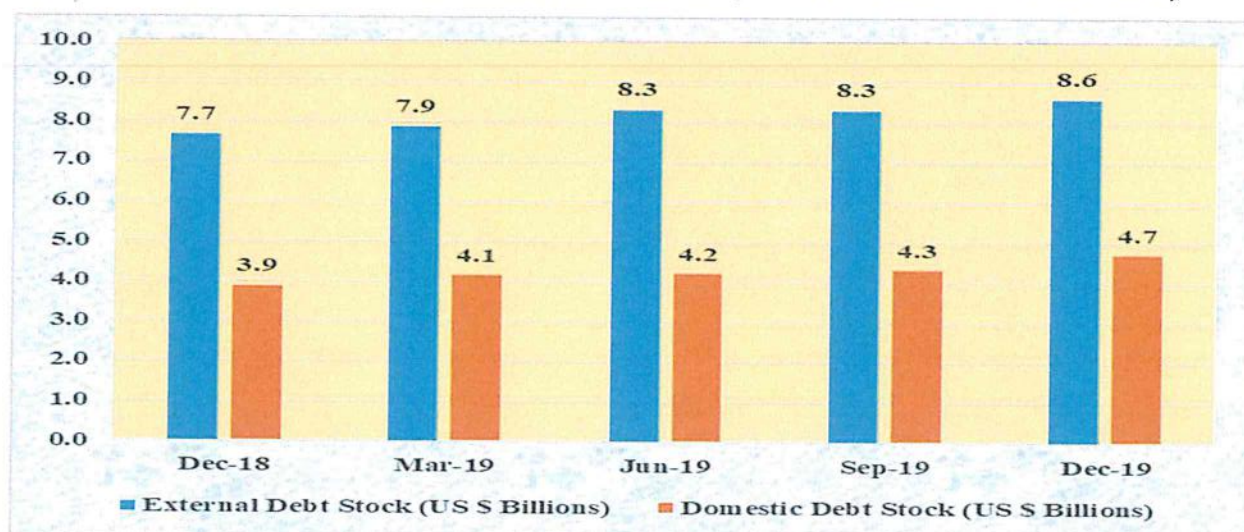
PART VI: PUBLIC DEBT PORTFOLIO ANALYSIS

6.1 TOTAL PUBLIC DEBT

The total public debt stock increased by 5.4% to USD 13.3 Billion as at end December 2019 from USD 12.6 Billion as at end September 2019 out of which domestic and external debt accounted for 35.4% (USD 4.7 Billion) and 64.6% (USD 8.6 Billion) respectively.

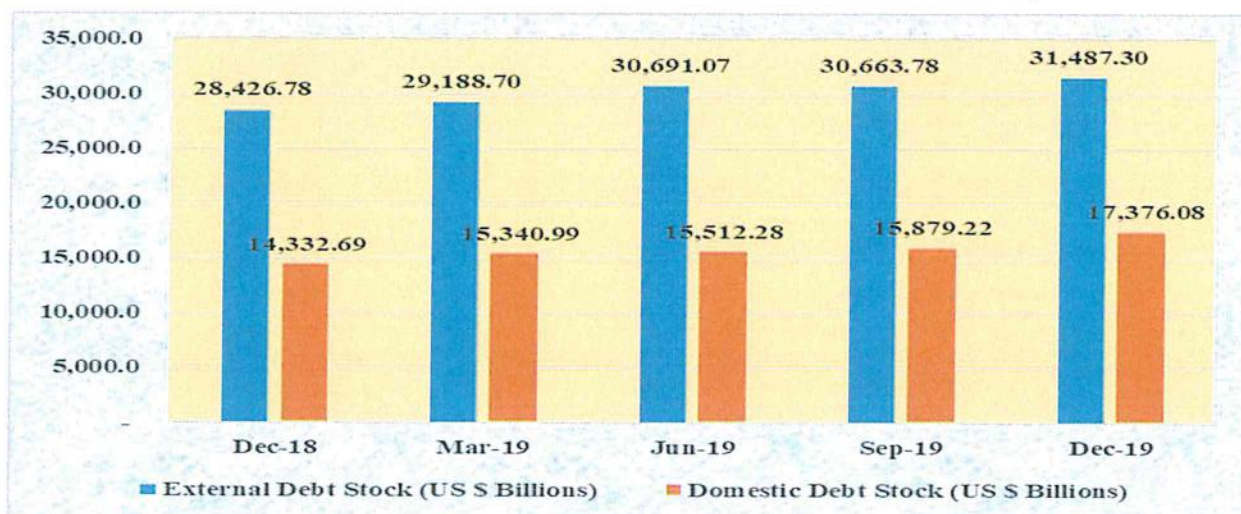
The nominal value of public debt as a percentage of GDP stood at 38.0% as at end December 2019. The increase of 1.8 percentage points from 36.2% as at end September 2019 is attributed to an increase in loan disbursements and domestic debt issuance in quarter two of FY 2019/20 which is greater than the domestic debt redemption and external debt principal payments during the same period.

Figure 1a: Quarterly Public debt stock, USD Billion (December 2018-December 2019).



Source: MoFPED, DPID

Figure 1b: Public debt stock, UGX Billion (December 2018-December 2019).



Source: MoFPED, DPID

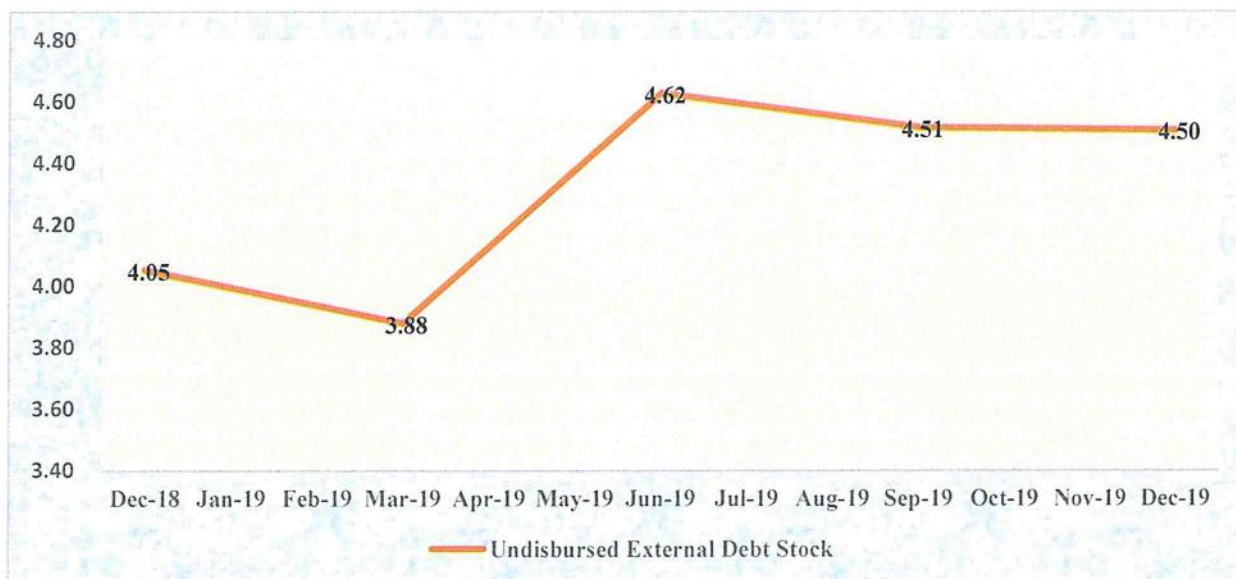
6.2 EXTERNAL DEBT

6.2a. External debt stock disbursed and outstanding

The external debt stock increased to USD 8.6 Billion by end December 2019 from USD 8.3 Billion in September 2019. In December 2019, the nominal value and the present value of external debt stock to GDP stood at 24.5% and 16.8% respectively. This is due to an increase in loan disbursements by USD 196 million which is greater than the principal payments of USD 34 million in October to December 2019. The disbursement were majorly for projects funded by World Bank worth USD 98.7 million, USD 26.8 million from European Investment Bank for Lake Victoria Watsan project, and USD 14.9 million for National CCTV Network.

The undisbursed amount slightly declined from USD 4.51 Billion as at September 2019 to USD 4.50 Billion as at December 2019 indicating that there were no new commitments during the period while at the same time the disbursements from formerly committed loans were low. The undisbursed debt from multilateral creditors decreased from USD 2.73 billion in September 2019 to USD 2.67 billion in December 2019 while undisbursed debt from bilateral creditors increased from USD 1.68 billion to USD 1.76 billion during the same period.

Figure 2: Trend of Undisbursed External Debt in USD Billion (December 2018 - December 2019)



Source: MoFPED, DPI

6.2b. Creditor composition

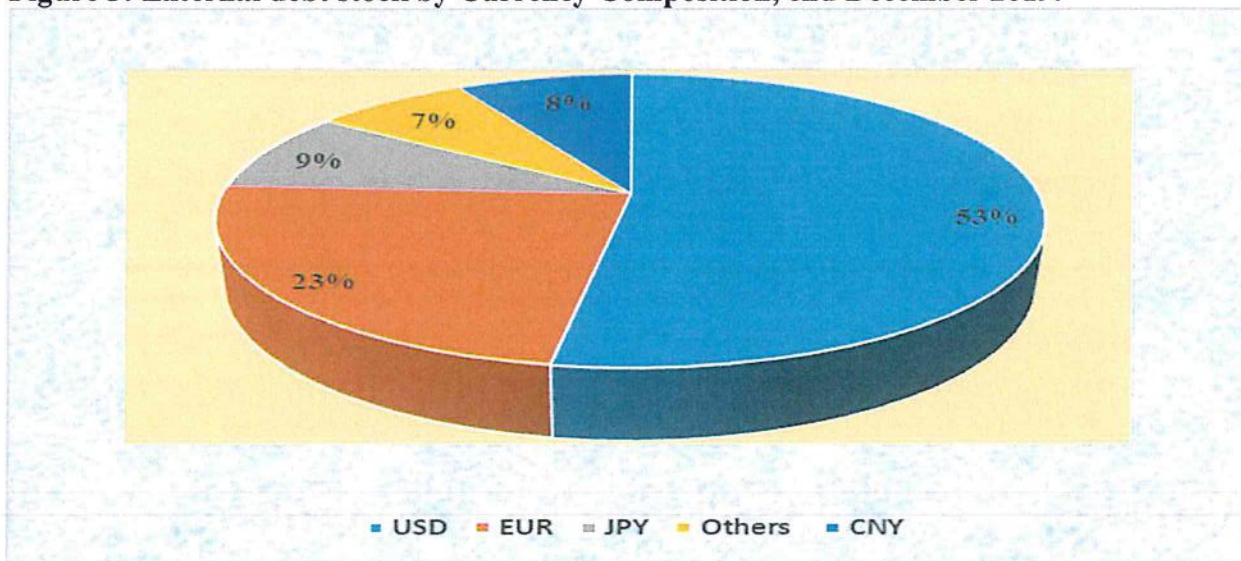
A greater share of Uganda’s debt stock is dominated by multilateral creditors which accounted for 65.2% (USD 5.6 Bn) whereas bilateral creditors accounted for 33.8% (USD 2.9 Bn), and Private Banks contributed 1.0% (USD 0.08 Bn) of the total external debt portfolio at the end of December 2019. Multilateral debt is dominated by International Development Association (61.3%/USD 3.4 Bn) and African Development Fund (23.8%/USD 1.3 Bn), bilateral debt is dominated by the Exim Bank of China (75.3%/USD 2.2 Bn) and Japan (10.7%/USD 0.3 Bn) while the debt from private banks is dominated by Standard Chartered Bank (87.5%/USD 0.07 Bn).

The share of bilateral debt decreased to 33.8% (USD 2.9 Bn) in December 2019 while the share of multilateral debt increased to 65.2% (USD 5.6 Bn) during the same period. This is attributed to higher disbursement from multilateral creditors amounting to USD 163.07 million compared USD 18.28 million from bilateral creditors. The share of debt from private creditors also increased from 0.90% (USD 0.07 Bn) in September 2019 to 1.0% (USD 0.08 Bn) in December 2019 following the disbursement of USD 14.87 million from Standard Chartered Bank for the National CCTV Network during the same period.

6.2c. Currency composition.

The currency composition of central government external debt is dominated by four currencies; USD, EUR, JPY and CNY. This is illustrated in the figure below.

Figure 3: External debt stock by Currency Composition, end December 2019.



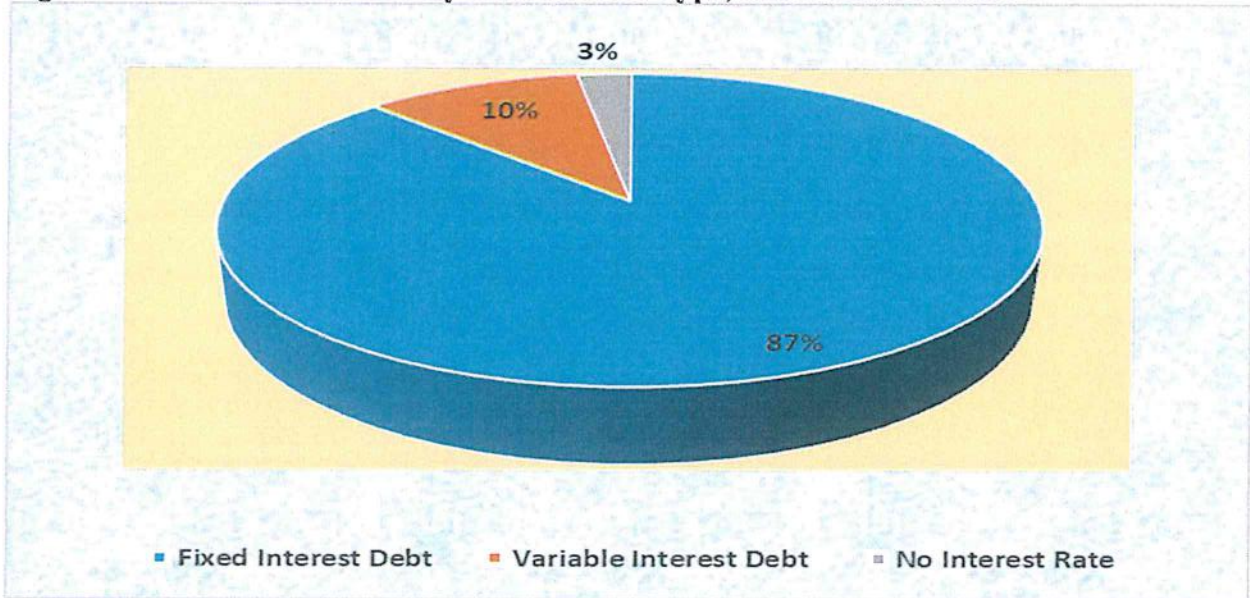
Source: MoFPED, DPID

The share of external debt stock denominated in USD decreased by 0.9 percentage points from 52.67% (USD 4.4 Bn) in September 2019 to 52.58% (USD 4.5 Bn) in December 2019. On the other hand, the share of debt denominated in Euros increased from 23.02% (USD 1.9 Bn) in September 2019 to 23.37% (USD 2.0 Bn) in December 2019. This is due to disbursement of more EUR denominated loans such as Kabaale International Airport and Lake Victoria Watsan project.

6.2d. Interest rate type

Approximately 87.37% (USD 7.5 Bn) of Uganda's debt stock as at end December 2019 had been contracted at fixed interest rates while variable interest rates and no-interest rates constituted 10.09% (USD 0.9 Bn) and 2.54% (USD 0.2 Bn) respectively. The largest stock of the variable-rate debt from Bilateral creditors is from China (USD 537.3 Million) and UKEF (USD 150.1 Million) while the variable-rate debt from Multilateral creditors is from AfDB (USD 97.7 Million). The stock of variable rate debt has been increasing and the trend is expected to continue following a gradual shift from concessional to non-concessional and commercial loans for both project and budget support. This is demonstrated in figure 4 below.

Figure 4: External Debt Stock by Interest Rate Type, end December 2019.

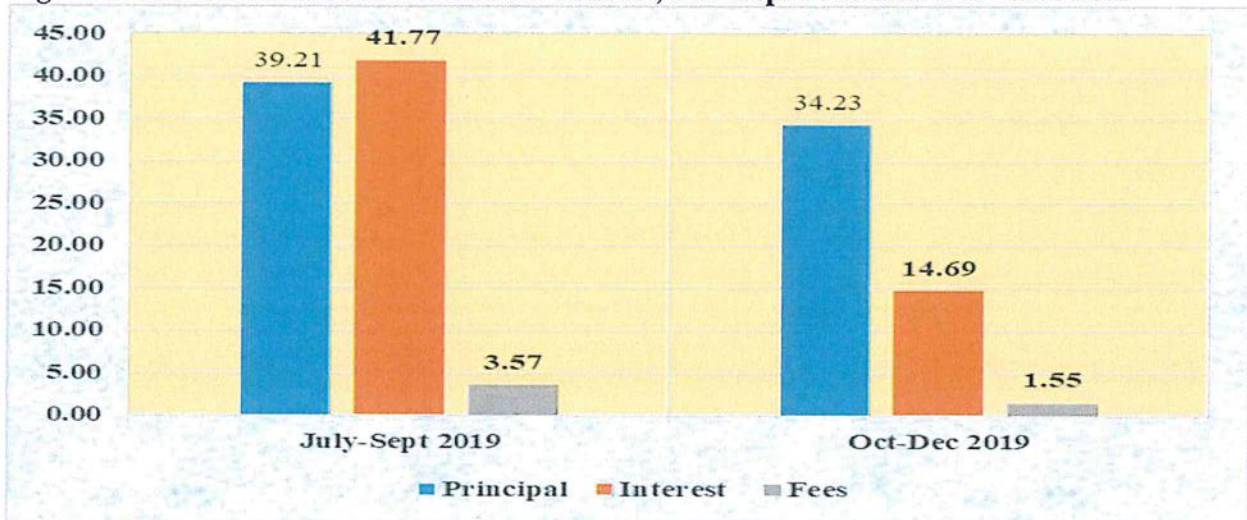


Source: MoFPED, DPID

6.2e. External debt service.

The external debt service reduced from USD 84.6 Million in July - Sept 2019 to USD 50.5 Million in Oct- December 2019. Cumulatively from July to December the Government of Uganda has serviced external debt to a tune of USD 135.1 million

Figure 5: External Debt Service in USD Million, Jul- Sept 2018 and Oct – Dec 2019



Source: MoFPED, DPID

Principal payments amounting to USD 34.23 million made between October to December 2019 were lower than the amounts made in July to September 2019 at USD 39.21 Million. Interest payments reduced from USD 41.77 Million in July – September 2019 to USD 14.69 Million in the period October – December 2019. The Lower debt service in Q2 is attributed

to the number of loans due for payment and or the terms attributed to them during the payment period.

DOMESTIC DEBT

6.3a. Domestic debt stock outstanding

The total domestic debt stock increased from UGX 15,879.2 Billion in September 2019 to UGX 17,376.1 Billion in December 2019 with T-Bills amounting to UGX 4,273.1 Billion and T-Bonds amounting to UGX 13,103.0 Billion. This indicates that domestic debt issuance in Oct- December 2019 was greater than the domestic debt refinancing within the same period. The issuance was in line with the issuance calendar for FY 2019/20.

T-Bills reduced from 25.8% of the total domestic debt stock in September 2019 to 24.6% in December 2019 while T-Bonds increased from 74.2% of the total domestic debt in September 2019 to 75.4% in December 2019. This was in line with the issuance calendar and follows a deliberate effort by the Government to reduce the refinancing risk by issuing longer dated securities. The figure below indicates the reduction in issuance of T-Bills during quarter two of FY 2019/20

Figure 6: Domestic Debt stock trends from December 2018 to December 2019, UGX Billion

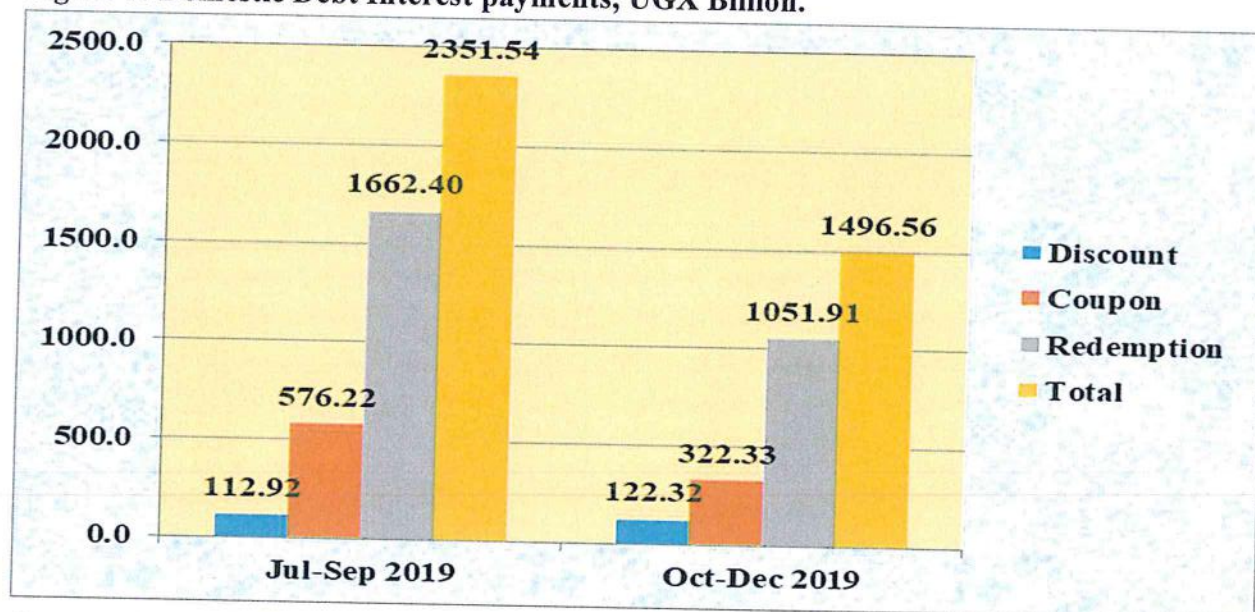


Source: MoFPED, DPID

6.3b. Interest payment on domestic debt

Domestic debt interest payment reduced from UGX 689.1 Billion in quarter one of FY 2019/20 to UGX 444.6 Billion in quarter two of FY 2019/20.

Figure 7: Domestic Debt Interest payments, UGX Billion.



Source: MoFPED, DPID

Interest payments on account of Treasury bills decreased from UGX. 112.6 Billion in quarter one of FY 2019/20 to UGX 110.9 Billion in quarter two of FY 2019/20 and it reduced from UGX 576.5 Billion to UGX 333.7 Billion on Treasury Bonds in the same period.

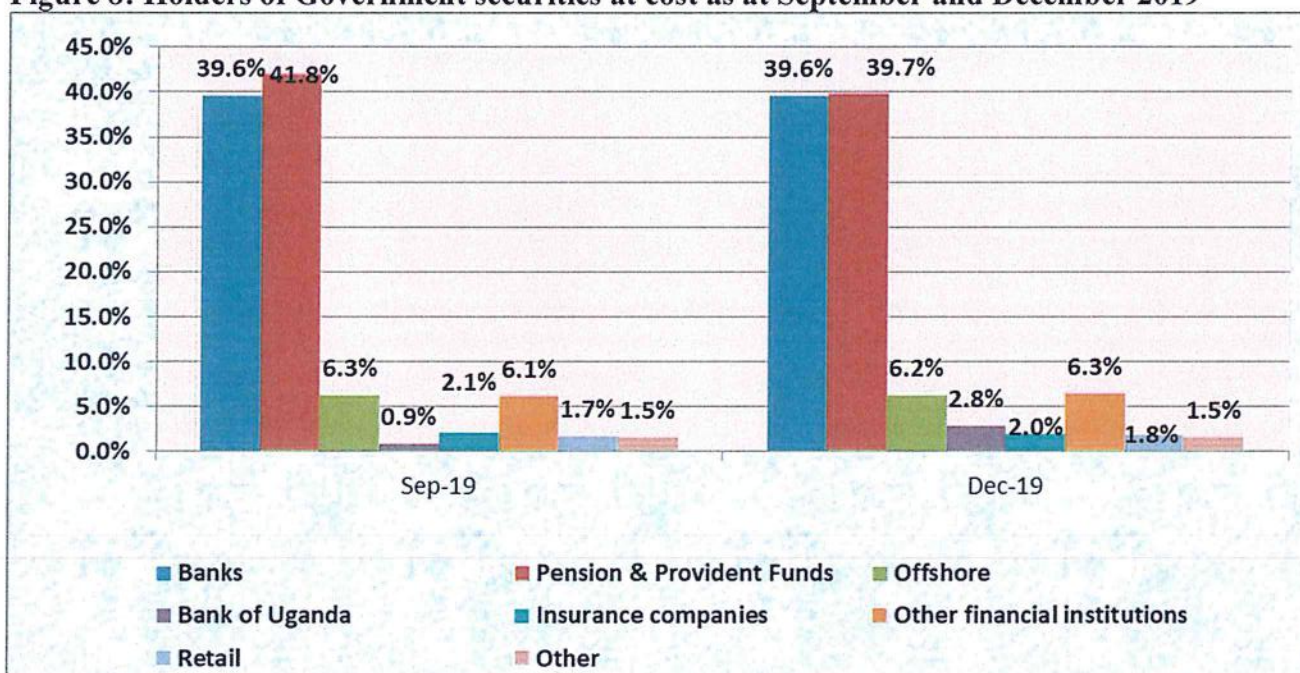
6.3c. Holders of Government securities

Commercial banks, Pension and Provident Funds continue to be the biggest investors in Government Securities. As at end December 2019, Commercial banks were holding 82.0% (UGX 3,502.8 Bn) of the T-bills, followed by other financial institutions at 5.2% (UGX 222.1 Bn), Pension and Provident Funds held 5.1% (UGX 216.9 Bn) and the remaining 7.7% (UGX 331.3 Bn) are held by other investors. On the other hand, Pension and Provident Funds remain the biggest investor in Treasury bonds accounting for 50.9% (UGX 6,679.0 Bn) of T-bonds as at end December 2019, followed by Commercial banks at 27.1% (UGX 3,378.3 Bn) and other financial institutions (Microfinance Institutions and SACCOs) at 6.5% (UGX 1,003.7 Bn), and the remaining 15.5% (UGX 1,963.1 Bn) from other investors.

For the entire Government securities, the holding of Pension and Provident Funds decreased from 41.8% in September 2019 to 39.9% in December 2019 while the holding of commercial

banks remains stable at 39.6% of the total domestic debt during the same period as illustrated in the figure 8 below.

Figure 8: Holders of Government securities at cost as at September and December 2019



6.3 CONTINGENT LIABILITIES

6.4a. GoU Loan Guarantees

In total there are 8 active loan guarantees as at December 2019. Two new guarantees were issued by GoU in the financial year 2018/19. These are a loan from EXIM Bank of India amounting to USD 5 million and a loan from African Development Bank amounting to USD 15 million all to Uganda Development Bank Limited (UDBL), which is the beneficiary with the most guarantees, followed by Islamic University in Uganda (IUIU).

This brings the total amount guaranteed to USD 65.1 million. The exposure to disbursed and outstanding guaranteed debt as at December 2019 amounted to USD 26.8 million (UGX 99 billion), indicating a 34.6% increase compared to USD 19.9 million (UGX 75 billion) as at December 2018. This is mostly due to disbursement of USD 7.4 million for UDBL's new loan guarantee.

6.4b. Disbursed and outstanding debt of SoEs and EBUs

As at June 2019, the stock of debt (direct domestic and external, plus on-lent) of public corporations (State-Owned Enterprises (SOEs) and Extra Budgetary Units (EBUs)) amounted to UGX 9,101 billion (USD 2.49 billion), which is a 13.7% increase from UGX 8,009 billion as at end June 2018. The increase was attributed to an increase in domestic borrowing from UGX 1,635.4 billion to UGX 2,146.9 billion, increased disbursement of on-lent loans from UGX 6,255.8 billion to UGX 6,825.9 and external borrowing from UGX 98 billion to 109 billion. GoU on-lending constituted 75% of the total debt stock, followed by domestic borrowing (including lease and overdraft) which constituted 23.8% while external borrowing only constituted 1.2%. The total debt to asset ratio increased from 20.3% to 26.7%, this is attributed to an increase in the debt stock alongside a reduction in total assets.

6.5. COST AND RISK OF THE EXISTING DEBT PORTFOLIO.

Interest rates, repayment periods and currency denominations have a significant influence on the overall cost and risk exposure of the country's existing public debt portfolio (external and domestic debt).

Table 1: Cost and Risk indicators of Existing Debt as at end December 2019.

		Dec-19		
Risk Indicators		External	Domestic	Total
Nominal debt as % GDP		24.5	13.5	38.0
PV as % of GDP		16.8	13.5	30.3
Cost of debt	<i>Interest payment as % GDP</i>	0.4	1.7	2.2
	<i>Weighted Av. IR (%)</i>	1.7	12.8	5.7
Refinancing risk	<i>ATM (years)</i>	14.1	3.9	11.0
	<i>Debt maturing in 1yr (% of total)</i>	1.7	37.1	12.3
	<i>Debt maturing in 1yr (% of GDP)</i>	0.5	4.6	5.1
Interest rate risk	<i>ATR (years)</i>	13.5	3.9	10.7
	<i>Debt refixing in 1yr (% of total)</i>	10.3	37.1	18.3
	<i>Fixed rate debt (% of total)</i>	89.9	100.0	93.9
FX risk	<i>FX debt (% of total debt)</i>			64.4
	<i>ST FX debt (% of reserves)</i>			5.2

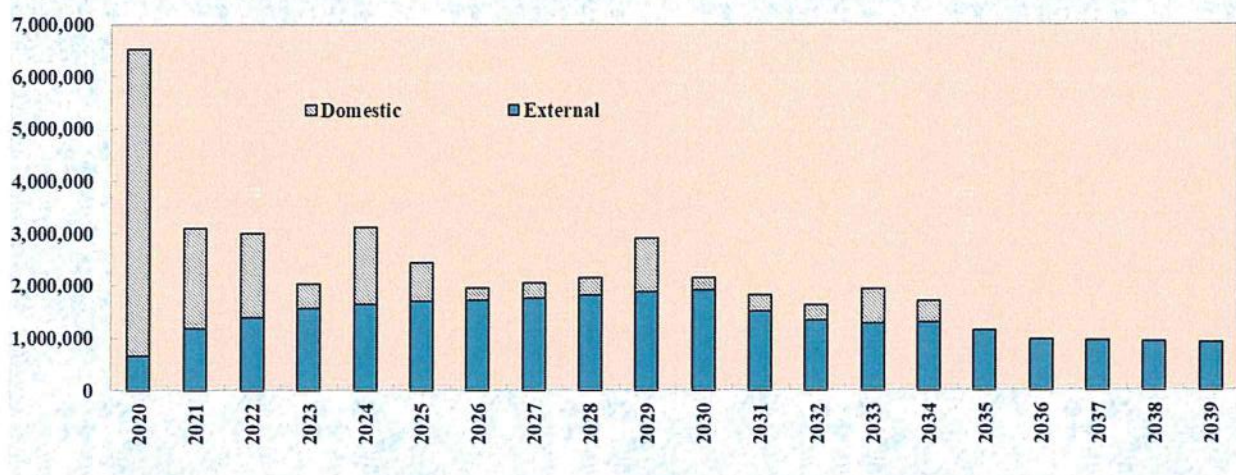
Source: MoFPED, DPID

6.5a. Refinancing and Rollover Risks

As at end December 2019, the average time to maturity (ATM) of all the external debt disbursed and outstanding is 14.1 years and 3.9 years for local currency debt. The weighted time to maturity of all principal payments of the overall existing debt portfolio (external and domestic debt) is 11.0 years and is attributed to the domestic debt maturity profile dominated by instruments of between 3 months and 5 years. The average time to maturity for external debt stock has been decreasing over time due to the contraction of external loans with shorter maturities.

Domestic debt maturing in one year is 37.1% of the total domestic debt. External debt maturing in one year as a percentage of the total as at end September 2019 and by end December 2019 has remained constant at 1.7%. Refinancing risk is further explained by the redemption profile as shown in figure 7.

Figure 9: Redemption Profile as at end December 2019, Trillion UGX.



Source: MoFPED

The Government of Uganda was exposed to refinancing risk of UGX. 5.87 trillion on account of rolling over of domestic debt. This high exposure to refinancing risk in the domestic debt portfolio is being overcome by issuing T-bonds with longer-dated maturity.

6.5b. Interest rate risk

A bigger proportion of Uganda's external debt stock (89.9%) by end December 2019 was at fixed interest rates. It will take on average 10.7 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

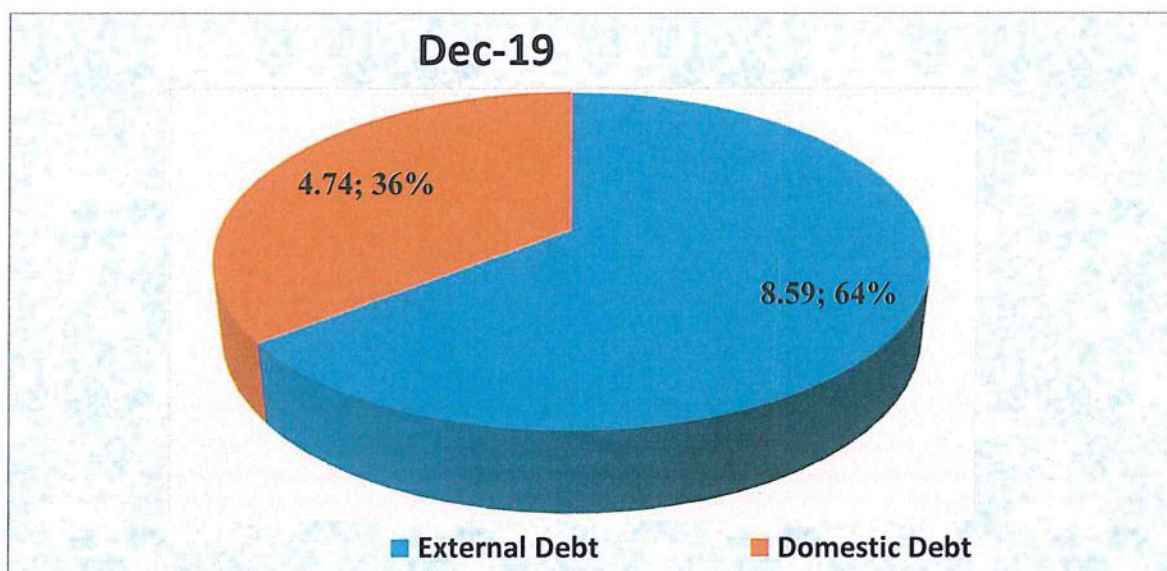
for domestic debt 3.9 years. As a result, the total average time to refixing of interest rates has reduced from 10.8 years in September 2019 to 10.7 years in December 2019.

However, Uganda has 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 stock (domestic and external). This is majorly attributed to the greater share of concessional loans in the external debt portfolio. As has been before, the exposure to interest rate risk of the domestic debt portfolio remains high due to the short maturity of domestic debt especially T-bills that range from 3 months to one year.

6.5c. Exchange rate risk

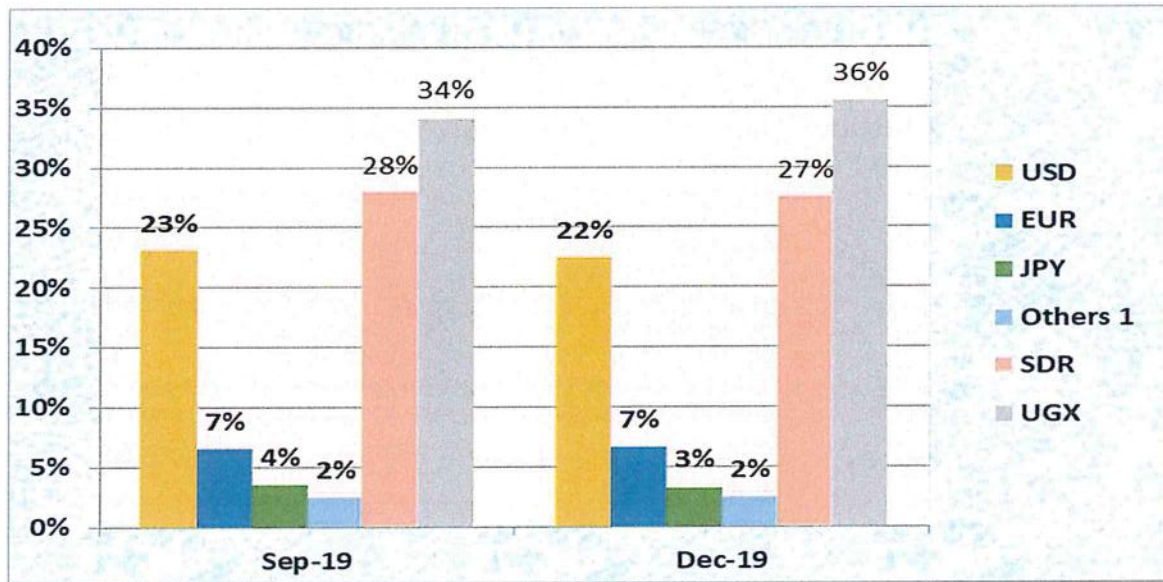
Uganda's exposure to foreign exchange rate risk has reduced as shown by reduction in share of foreign currency debt from 66% in September 2019 to 64% in December 2019. This is further explained in the figure below.

Figure 10: Stock and share of domestic and foreign currency debt as at December 2019.



The foreign exchange risk exposure is majorly attributed to USD denominated debt stock which accounted for 34.8% (USD 4.5 Bn) of the total public debt as at end December 2019. The remaining 35.6% (USD 4.1 Bn) is denominated in other foreign currencies like Chinese Yuan, Japanese Yen, Euros, British Pound, and others. This indicates that Uganda is highly exposed to risks associated with exchange rate shocks.

Figure 11: Share of debt stock by currency composition as at September and December 2019



PART VII: GLOSSARY OF DEBT AND RELATED TERMS

Agency	An agency in a <i>creditor economy</i> 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 (the 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: specified financial	An obligation to furnish the resource of a given amount under 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. Concessionality is achieved either through interest rates below those available on the market or by longer <i>grace periods</i> , 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 the 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 a currency 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 <i>principal</i> or <i>interest</i> .
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 <i>principal</i> and <i>interest</i> . 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 to 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 that 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 nonresidents 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 a 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 payment 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

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 <i>drawn</i> 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 <i>Guide</i> , it is recommended that short-term remaining maturity of outstanding <i>external debt</i> 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 <i>Original Maturity</i> and <i>Remaining Maturity</i>).
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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