

# DEBT AND DEBT MARKETS

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REPUBLIC OF LEBANON  
MINISTRY OF FINANCE

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## HIGHLIGHTS

- At end of QI 2021, gross public debt stood at LL 146,594 billion (US\$ 97.2 billion), a 1.7 percent increase compared to end-2020.
- Net public debt registered LL 130,754 billion (US\$ 86.7 billion) at end of QI 2021, an increase of 1.4 percent compared to end-2020.
- Domestic currency debt reached LL 91,327 billion at end of QI 2021, an increase of 1.7 percent compared to end-2020.
- Foreign currency debt totaled LL 55,267 billion (US\$ 36.7 billion) at end of QI 2021 a 1.7 percent increase from end-2020 level. This figure includes the LL 7,756 billion (US\$ 5.1 billion) of unpaid Eurobonds, coupons and interest accrued as end of QI 2021.

## KEY COST AND RISK INDICATORS

As end of QI 2021	Debt Data			Debt Portfolio Indicators		
	Total LBP billions	Total USD billions	% Change Mar 2021 - end 2020	Currency Risk	ATM of bills and bonds	Weighted Avg Interest Rate
<b>Gross Government Debt</b>	146,594	97.2	1.7%			
<b>DX</b>	91,327	60.6	1.7%	62.30%	4.47 yr	6.54%
<b>FX</b>	55,267	36.7	1.7%	37.70%	7.70 yr	7.15%
<b>Net Government Debt</b>	130,754	86.7	1.4%			

## SOVEREIGN RATINGS

### Lebanon Sovereign Debt Rating (as of September 27, 2021)

Agency	Long – term tenor rating	Short – term tenor rating	Outlook
Fitch Ratings*	RD	C	n/a
Moody's Investor Services Ltd **	C	-	n/a
Standard and Poor's ***	SD	SD	n/a

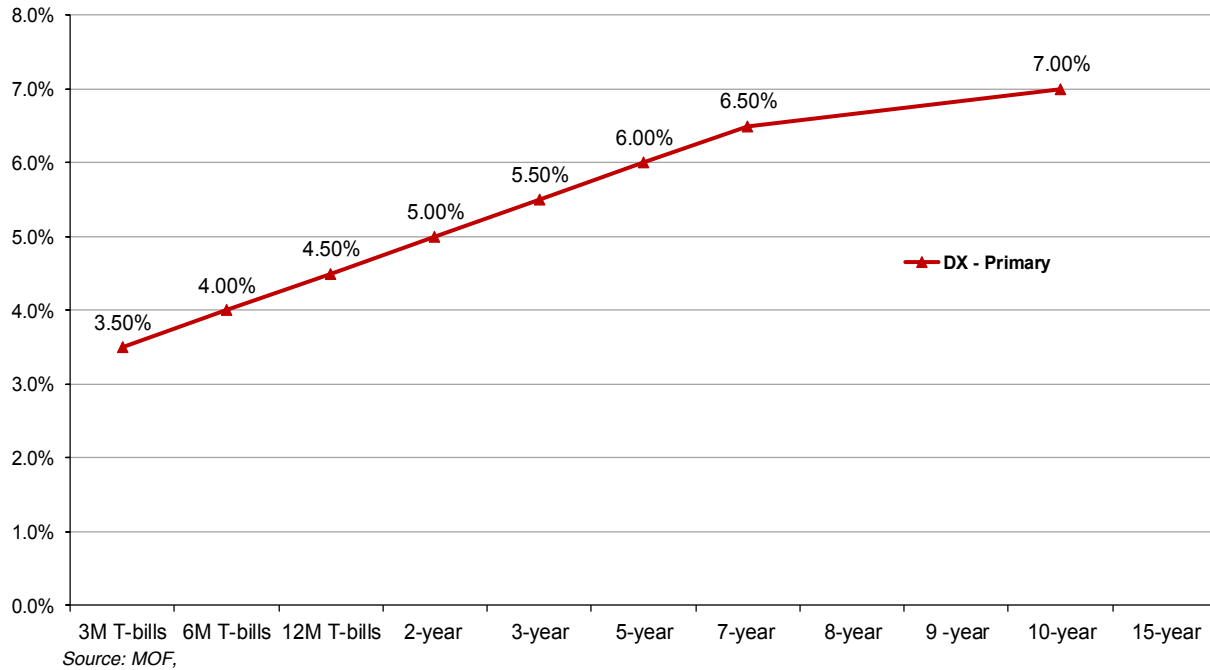
\* On 18 August 2021, Fitch Ratings Investors Services affirmed its rating at RD/C.

\*\* On 27 July 2020, Moody's Investors Services downgraded Lebanon's bond rating to C from Ca.

\*\*\* On 11 March 2020, Standard and Poor's lowered its long- and short-term foreign currency sovereign credit ratings on Lebanon to 'SD/SD' from 'CC/C'. On 23 August 2020, they published a report not constituting "a rating action" on Lebanon.

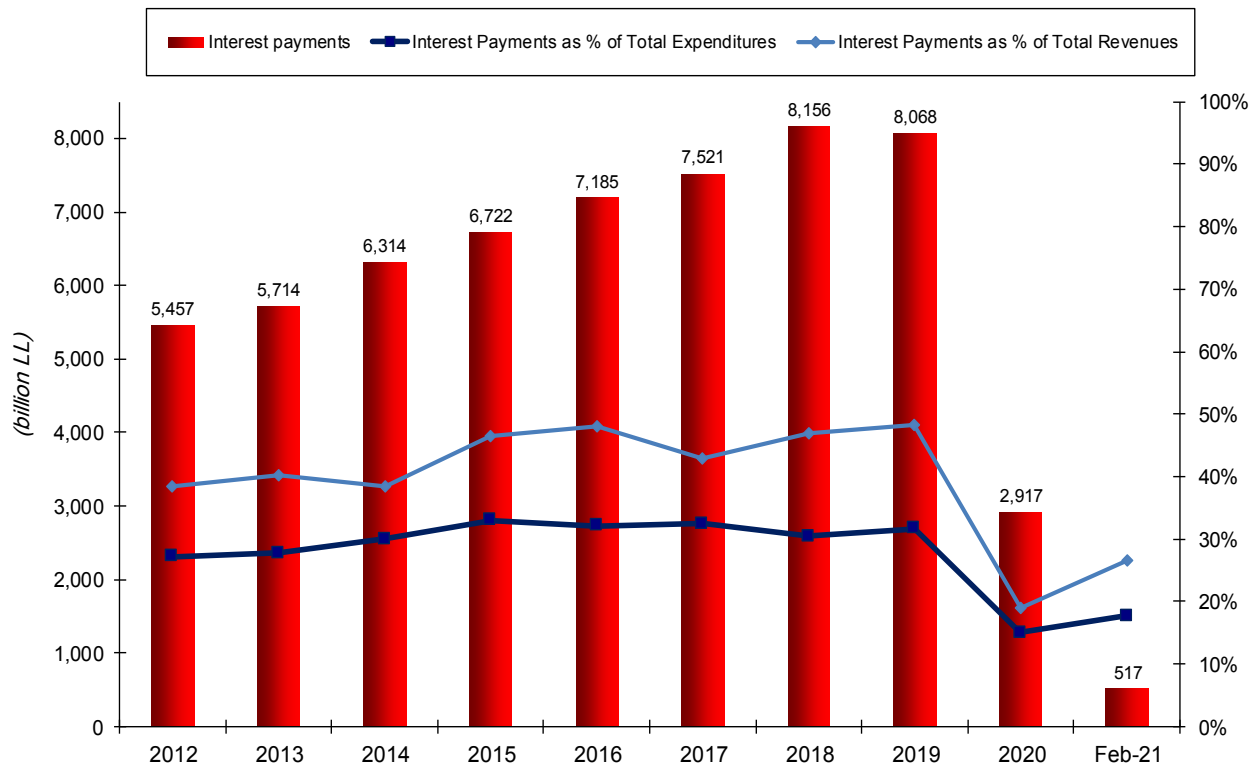
# DX INTEREST RATES & COST

Government DX T-Bills and T-Bonds Yield Curve  
as at 27 September 2021



At end of March 2021, primary market rates on DX Treasury bills and bonds issued remained unchanged compared to end of 2020 levels. No Eurobonds issuance in 2020.

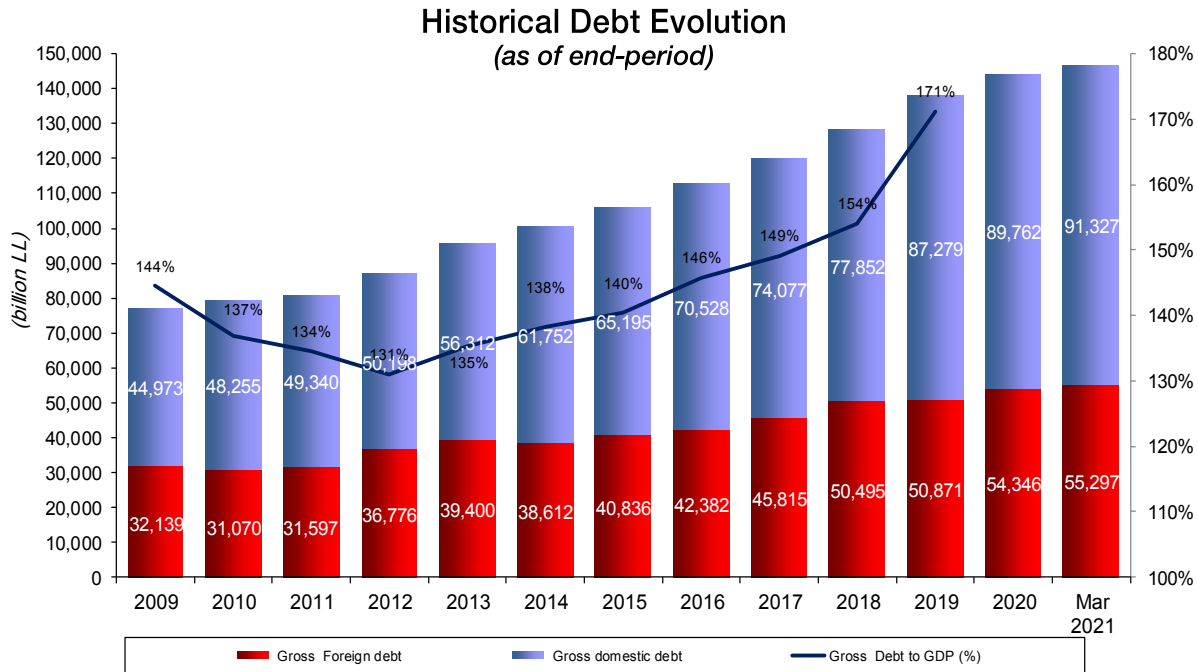
## Interest Payments As end of Period



Interest Payments represent interest paid on DX T-bills and T-bonds Holders plus interest paid on FX Loans and on Eurobonds up to end Feb 2021. No payment of interest on DX T-bills and T-bonds held by BDL was made during 2020 and end of March 2021.

Source: MOF

# OVERALL DEBT DATA



Source: MOF, BDL

Notes:

1- Debt data may be subject to slight modification due to the revision of the Debt Management and Financial Analysis System (DMFAS).

2- GDP 2008-2019: Lebanese National Accounts - CAS revised estimates published in April 2021.

## Public Debt Table <sup>(1)</sup> (as of end-period)

Public Debt (in LL billion)	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20	Mar-21	Change Mar 21 - Dec 20	% Change Mar 21 - Dec 20
<b>Gross Public Debt (A + B)<sup>(1)</sup></b>	100,364	106,031	112,910	119,892	128,347	138,150	144,108	146,594	2,486	2%
<b>A. Local currency debt</b>	61,752	65,195	70,528	74,077	77,852	87,279	89,762	91,327	1,565	2%
1. Central Bank	19,454	23,907	30,150	35,580	39,006	50,717	55,079	56,445	1,366	2%
2. Commercial Banks (including REPOs)	31,869	30,279	29,581	27,756	27,402	25,316	23,157	23,242	85	0%
3. Other local debt (T-bills)	10,429	11,009	10,797	10,741	11,444	11,246	11,526	11,639	113	1%
o/w Public entities	7,701	8,461	8,718	8,941	9,956	9,968	10,393	10,524	131	1%
o/w Contractor bonds	180	180	139	166	166	120	120	120	-	0%
*Accrued interest included in debt	1,029	997	1,098	1,159	1,123	1,294	1,338	1,514	176	13%
<b>B. Foreign currency debt<sup>(2)</sup></b>	38,612	40,836	42,382	45,815	50,495	50,871	54,346	55,267	921	2%
4. Eurobonds	34,850	37,561	39,240	42,339	47,225	47,776	51,204	52,142	938	2%
Of which, Paris II at preferential rates	1,615	1,099	583	68	-	-	-	-	-	#DIV/0!
Of which, Paris III at preferential rates	226	181	136	-	-	-	-	-	-	#DIV/0!
4.1 Market-issued Eurobonds <sup>(3)</sup>	32,584	35,846	38,063	41,791	46,678	47,206	43,437	43,437	-	0%
4.2 Accrued Interest on Eurobonds	425	435	458	480	547	570	587	949	362	62%
4.3 Arrears, of which	-	-	-	-	-	-	7,180	7,756	576	8%
Arrears in Principal <sup>(4)</sup>	-	-	-	-	-	-	3,769	3,769	-	0%
Arrears in Coupons <sup>(5)</sup>	-	-	-	-	-	-	3,142	3,594	452	14%
Accrued interest in Arrears <sup>(5)</sup>	-	-	-	-	-	-	269	393	124	46%
5. Loans	3,648	3,207	3,079	3,443	3,264	3,092	3,142	3,125	(17)	-1%
5.1 Paris II loans	128	83	48	18	-	-	-	-	-	#DIV/0!
5.2 Paris III loans <sup>(4)</sup>	760	629	525	452	344	261	151	148	(4)	-2%
5.3 Bilateral loans (non-Paris II and III)	1,200	1,054	953	935	822	727	751	737	(14)	-2%
5.4 Multilateral loans (non-Paris II and III)	1,506	1,417	1,494	1,954	2,015	2,036	2,180	2,183	3	0%
5.5 Foreign Private Sector Loans	54	24	59	84	83	68	59	57	(2)	-3%
6. Other debt	114	68	63	33	6	3	-	-	-	#DIV/0!
6.1 Special Tbls in Foreign currency <sup>(5)</sup>	114	68	63	33	6	3	-	-	-	#DIV/0!
Public sector deposits	14,246	13,555	14,586	15,659	14,186	15,677	15,133	15,840	707	5%
<b>Net debt</b>	86,118	92,476	98,324	104,233	114,161	122,473	128,975	130,754	1,779	1%
<b>Gross Market debt<sup>(6)</sup></b>	67,774	69,200	70,303	71,944	76,204	74,441	75,553	76,556	1,003	1%
% of total debt	67.5%	65.3%	62.3%	60.0%	59.4%	53.9%	52.4%	52.2%	-0.2%	0%

Source: MOF, BDL

Notes:

<sup>(1)</sup> Due to revisions in the Debt Management and Financial Analysis System (DMFAS):

1- Debt data for December 2012 to December 2018 may be subject to slight modification.

<sup>(2)</sup> Market-issued Eurobonds exclude Eurobonds in arrears that are reported in a separate line (see 4.3).

<sup>(3)</sup> Arrears represent the Unpaid Eurobond Principals, Coupons and their accrued interests calculated based on each Eurobond initial rate.

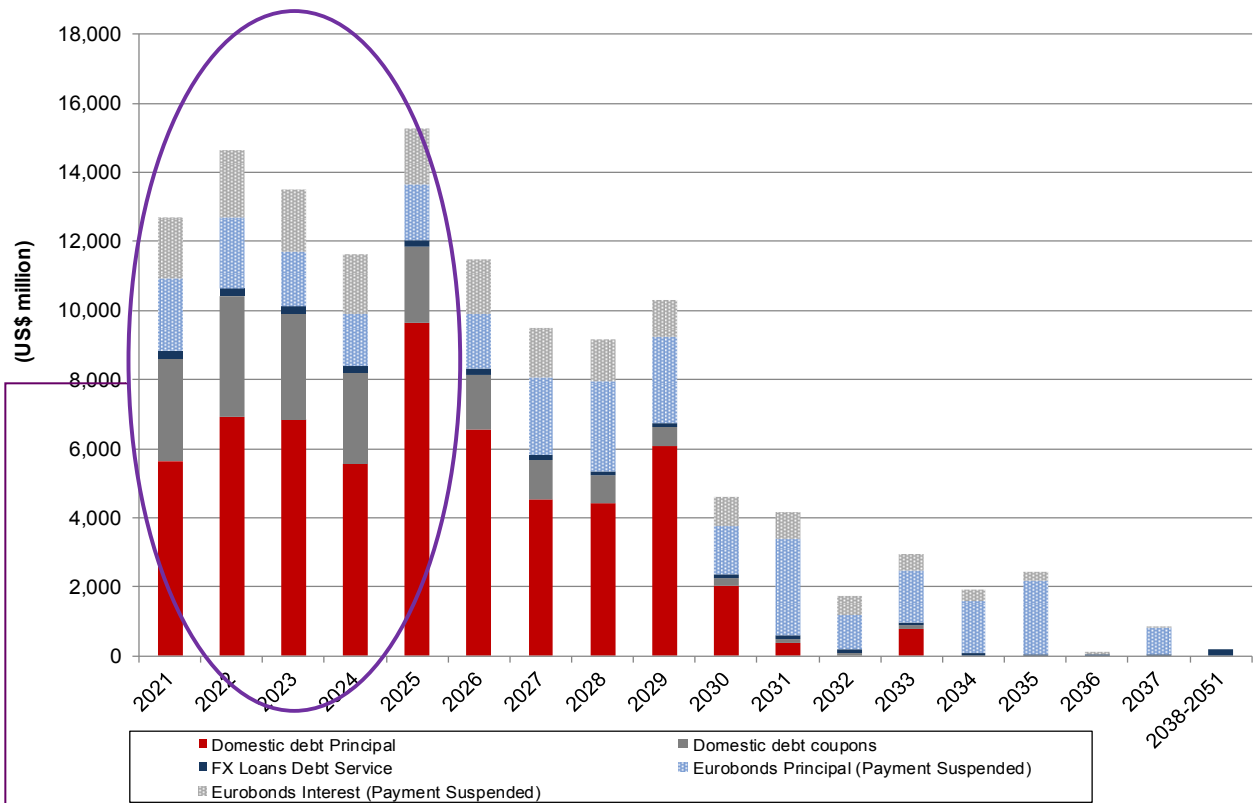
<sup>(4)</sup> IBRD loan, UAE loan and French loan of which the first tranche was received in February 2008 and the second tranche in September 2012

<sup>(5)</sup> Special Tbls in Foreign currency (expropriation and contractor bonds).

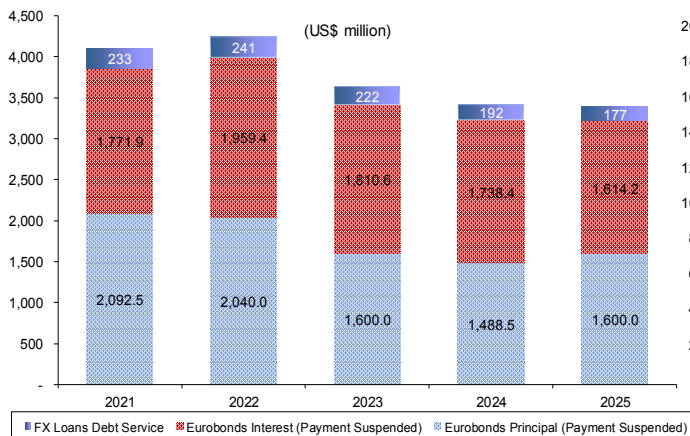
<sup>(6)</sup> Gross market debt equals gross debt less the portfolios of the BDL, Public Entities, bilateral and multilateral loans, Paris II and Paris III related debt.

# AMORTIZATION PROFILE

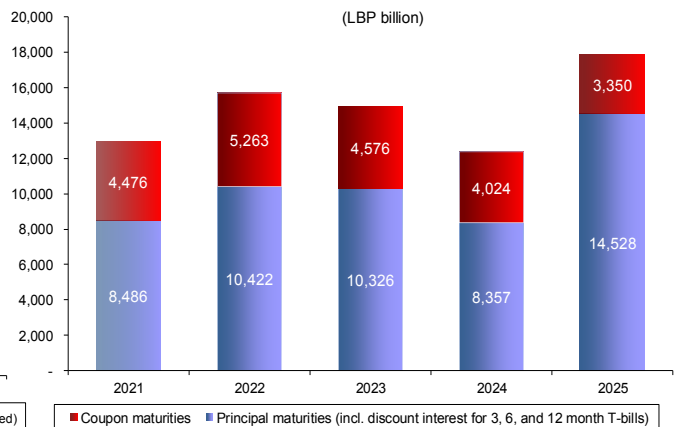
## Aggregate Debt Amortization (as of end-March 2021)



### Foreign Currency Debt (Eurobonds –Loans)



### Domestic T-bills and T-Bonds

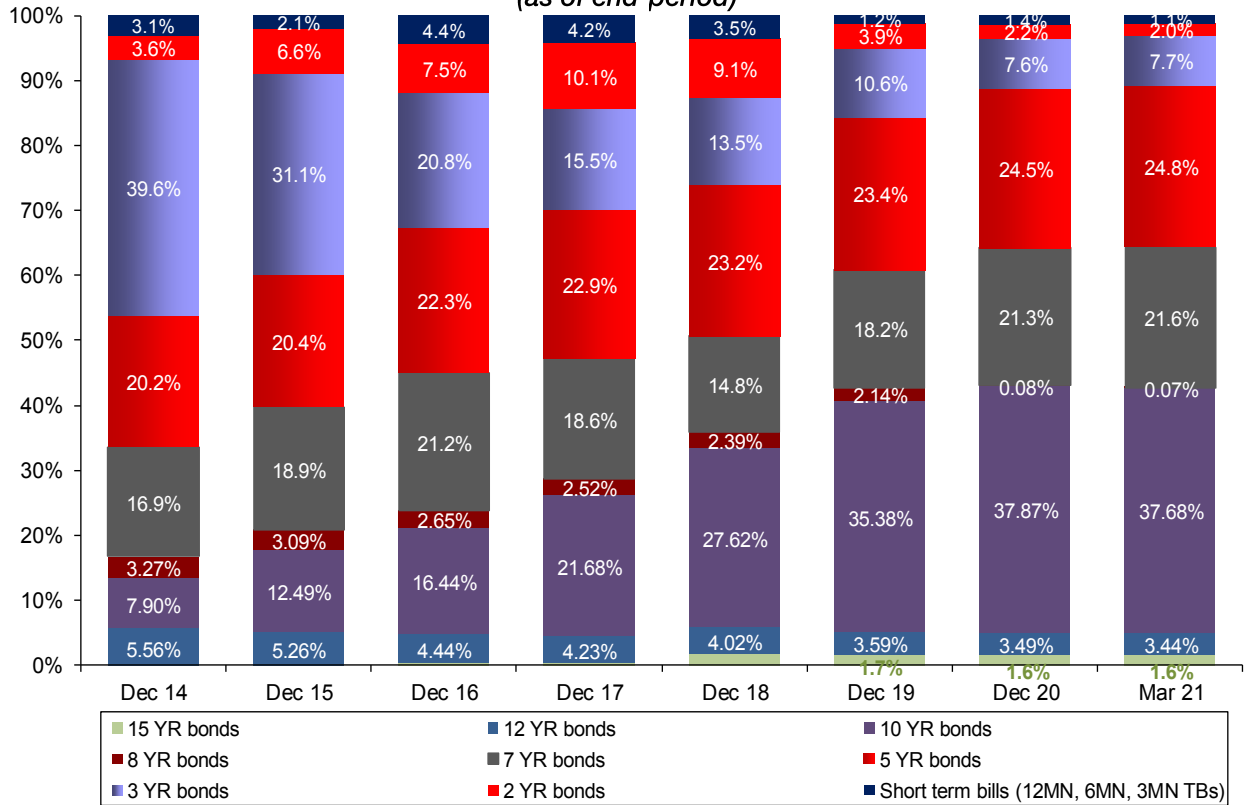


Source: MOF, BDL

Note : The data used for the amortization schedule is based on outstanding and not on committed amounts.

# DOMESTIC CURRENCY DEBT DATA

## Outstanding Domestic T-bills and Bonds by Tenor Type (as of end-period)



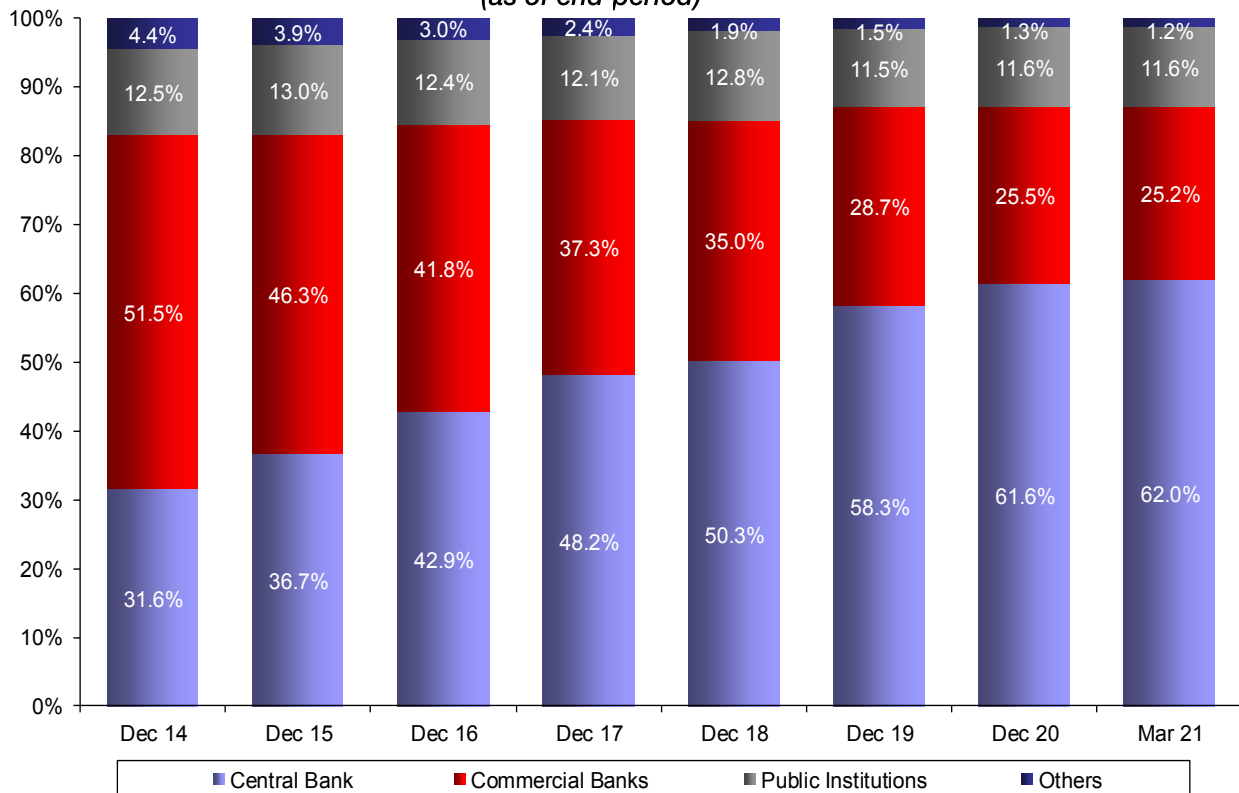
Source: MOF

Notes:

1- Only treasury bills with maturities less than 24 months are issued at a discount to their face value.

2- The 5 YR bonds figure includes LL 120 billion contractor bonds issued in Jul 2016 and Jun 2017.

## Outstanding Domestic T-bills and Bonds by Investor Type (as of end-period)



Source: MOF, BDL

Notes: Commercial Banks figures include the amounts of repurchase agreements.

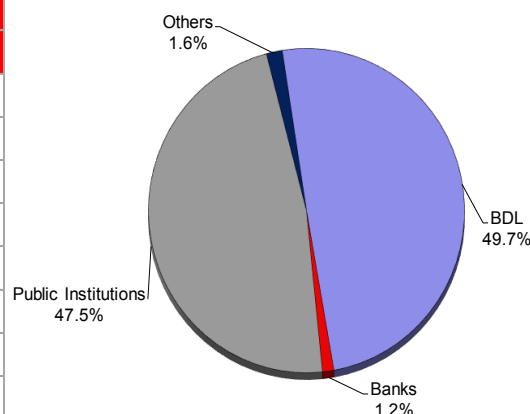
# DOMESTIC CURRENCY DEBT DATA

## T-Bills and Bonds Subscription Results— QI 2021

### Weekly Issued Amounts

Date	Categories								
	Nominal Value - LBP Billions								
	3 Mn	6 Mn	12 Mn	2 Yr	3 Yr	5 Yr	7 Yr	10 Yr	Total
07-01-21	20	-	26	-	-	84	-	-	129
14-01-21	-	6	-	20	-	-	-	116	142
21-01-21	-	-	180	-	-	40	-	-	220
28-01-21	-	0	-	-	200	-	346	-	546
04-02-21	5	-	0	-	200	526	-	-	732
11-02-21	-	0	-	1	-	-	-	110	111
18-02-21	17	-	26	-	-	86	-	-	128
25-02-21	-	17	-	-	130	-	118	-	265
04-03-21	18	-	18	-	-	73	-	-	109
11-03-21	-	1	-	100	-	-	-	123	224
18-03-21	14	-	20	-	-	129	-	-	164
25-03-21	-	11	-	-	218	-	122	-	351
Total QI-2020	74	36	270	121	749	938	586	349	3122
Grand Total	74	36	270	121	749	938	586	349	3122

### QI 2021 Subscription Results by Holder



In 2020 the largest subscriber in DX Treasury bills and bonds was BDL reaching 49.7 percent of the total subscriptions. Public Institutions share stood at 47.5 percent and the Banks share at 1.2 percent of total yearly subscriptions.

### Domestic Treasury Bills & Bonds Auction Calendar QIII 2021

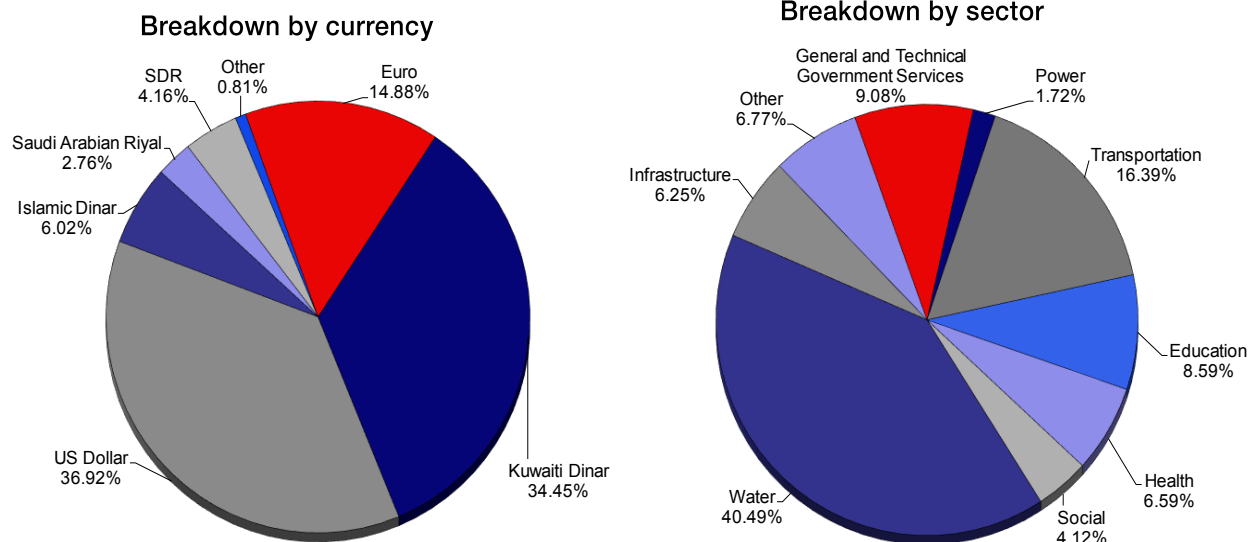
	July				August					September				Frequency
	Auction Date	5	12	19	26	2	9	16	23	30	6	13	20	
Issue Date	8	15	22	29	5	12	19	26	2-Sept	9	16	23	30	
3 M	x		x		x		x		x		x		x	7
6 M		x		x		x		x		x		x		6
12 M	x		x		x		x		x		x		x	7
2 Y				x				x					x	3
3 Y		x					x			x				3
5 Y	x		x		x		x		x		x		x	7
7 Y		x					x			x				3
10 Y				x				x					x	3

\*Auctions falling on holidays will be rescheduled accordingly.

Source: MOF

# FOREIGN CURRENCY DEBT DATA

## Bilateral and Multilateral Loans (as of end- March 2021)



Source: MOF

The gross outstanding debt comprises less than 2.1% of loans in foreign currency amounting to LBP 3,124 billion, which is mostly for project financing.

## Marketable Eurobonds end March 2021

Lebanon Outstanding Eurobonds			
	Mat. Date dd/mm/yy	Outstanding Amount (in original cur)	Notes
US DOLLARS			
LEB 6.375	09/03/2020	1,200,000,000	Repayment suspended
LEB 5.8	14/04/2020	700,000,000	Repayment suspended
LEB 6.15	19/06/2020	600,000,000	Repayment suspended
LEB 8.25	12/04/2021	2,092,469,000	Repayment suspended
LEB 6.25	27/05/2022	500,000,000	
LEB 6.1	04/10/2022	1,540,000,000	
LEB 6	27/01/2023	1,100,000,000	
LEB 6.4	26/05/2023	500,000,000	
LEB 6.65	22/04/2024	700,000,000	
LEB 6.25	04/11/2024	538,467,000	
LEB 7	03/12/2024	250,000,000	
LEB 6.2	26/02/2025	800,000,000	
LEB 6.25	12/06/2025	800,000,000	
LEB 6.6	27/11/2026	1,600,000,000	
LEB 6.85	23/03/2027	1,250,000,000	
LEB 6.75	29/11/2027	1,000,000,000	
LEB 7	20/03/2028	1,700,000,000	
LEB 6.65	03/11/2028	893,197,000	
LEB 6.85	25/05/2029	1,000,000,000	
LEB 11.5	27/11/2029	1,500,000,000	
LEB 6.65	26/02/2030	1,400,000,000	
LEB 7	22/04/2031	300,000,000	
LEB 7.15	20/11/2031	2,500,000,000	
LEB 7	23/03/2032	1,000,000,000	
LEB 8.2	17/05/2033	1,500,000,000	
LEB 8.25	17/05/2034	1,500,000,000	
LEB 12	27/07/2035	1,500,000,000	
LEB 7.05	02/11/2035	600,000,000	
LEB 7.25	23/03/2037	750,000,000	

Source: MOF