

Annual Debt Review & Public Debt Bulletin FY2019-20



Debt Policy Coordination Office
Ministry of Finance

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Acknowledgements

This Annual Debt Review & Debt Bulletin for FY2019-20 has been prepared to provide detailed information related to Public Debt to the general public. I would like to acknowledge the strategic input and policy guidance provided by Honourable Adviser to PM on Finance and Revenue, Dr. Abdul Hafeez Shaikh.

I would like to acknowledge the input of various Ministries, Departments, Divisions and Agencies especially Ministry of Economic Affairs and State Bank of Pakistan. I would like to recognize the efforts put in by Special Secretary Finance Mr. Mohsin Mushtaq Chandna, Director General Debt, Mr. Abdul Rehman Warraich, Mr. Muhammad Umar Zahid, Director Debt, Mr. Shujaat Malik Awan, Market and Financial Risk Specialist, Syed Haroon Qidwai, Credit Risk Specialist, Mr. Muhammad Abdullah, Research Associate, and Mr. Zaheer Abbasi, Section Officer in the realization of this document.

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1.0 INTRODUCTION

1.1 The dissemination of public debt bulletin serves Government's commitment to transparency, accountability and access to information by the general public. The public debt bulletin contains detailed analysis on (i) developments in public debt and government guarantees portfolio; (ii) debt service payments; (iii) composition and structure of debt; (iv) key debt risk indicators; and (iv) developments in the domestic debt market during FY 2019-20. It also highlights the progress on implementation of Medium-Term Debt Management Strategy (2019/20 - 2022/23).

2.0 OVERVIEW OF TOTAL PUBLIC DEBT

2.1 Fiscal Responsibility and Debt Limitation (FRDL) Act 2005 defines "Total Public Debt" as debt owed by government (including Federal Government and Provincial Governments) serviced out of consolidated fund and debts owed to the International Monetary Fund. The following table depicts composition of Pakistan's Total Public Debt as at 30 June for the periods stated:

Table-1: Pakistan's Public Debt Summary

	Jun-2019	Jun-2020
(PKR Billion)		
Domestic Debt	20,732	23,281
External Debt	11,976	13,116
Total Public Debt	32,708	36,397
Total Debt of the Government*	29,521	33,251
GDP	37,972	41,727
(In Percent of GDP)		
Domestic Debt	54.6	55.8
External Debt	31.5	31.4
Total Public Debt	86.1	87.2
Total Debt of the Government*	77.7	79.7
(In Percent of Total Public Debt)		
Domestic Debt	63.4	64.0
External Debt	36.6	36.0
(US\$ Billion)		
Domestic Debt	127.1	138.4
External Debt	73.4	78.0
Total Public Debt	200.6	216.4
Exchange Rate (PKR/US\$, End of Period)	163.1	168.2

* As per Fiscal Responsibility and Debt Limitation Act, 2005 amended in June 2017, "Total Debt of the Government" means the debt of the government (including the Federal Government and the Provincial Governments) serviced out of the consolidated fund and debts owed to the IMF less accumulated deposits of the Federal and Provincial Governments with the banking system.

Source: State Bank of Pakistan, Ministry of Economic Affairs and Debt Policy Coordination Office, Ministry of Finance

- 2.2 Total Public Debt-to-GDP ratio has increased from 86.1 percent in June 2019 to 87.2 percent in June 2020. It is important to highlight that this figure had actually gone down to around 84 percent in December 2019 which was on the back of strong growth in revenue and strict control on current expenditure. The prudent economic policies had resulted in posting of a consolidated primary surplus during first three quarters of FY 2019-20 which was after a gap of many years. However, the COVID pandemic has adversely affected the economy and slowed down the reforms program of the government.
- 2.3 Pakistan's economy experienced the impact from COVID-19 outbreak through various channels like reduction in revenue and increase in expenditures, declines in domestic & global demand, lower tourism and business travel, trade & production linkages and supply disruptions, etc. Resultantly, Debt-to-GDP ratio has increased due to sharp decline in growth and increase in the budget deficit primarily, owing to Covid-19 related expenditures, during last four months of FY 2019-20. According to the Global Economic Prospects report published by the World Bank Group in June 2020, Pakistan economy has shown greater resilience than its peer in South Asia.
- 2.4 In view of the foregoing, it is expected that the Government will be able to bring back Debt-to-GDP ratio on a clear downward path over the medium term through increase in revenues and fiscal discipline. Pakistan's strategy to reduce its debt burden to a sustainable level includes commitment to run primary surpluses, maintain low and stable inflation, promote measures that support higher long-term economic growth and follow an exchange rate regime based on economic fundamentals.

3.0 REASONS FOR INCREASE IN TOTAL PUBLIC DEBT DURING FY 2019-20

- 3.1 Total Public Debt was recorded at Rs 36,397 billion at end-June 2020, recording an increase of Rs 3,689 billion during FY 2019-20. Component wise break-up of increase in Total Public Debt is provided in the table below:

	Jun-2019	Jun-2020	Change
Total Public Debt	32,708	36,397	3,689
Of Which:			
Financing of Federal Primary Deficit			982
Interest on Debt			2,620
Currency Depreciation			399
Others			(312)

Source: Budget Wing and Debt Policy Coordination Office, Ministry of Finance

4.0 PROGRESS ON MEDIUM-TERM DEBT MANAGEMENT STRATEGY (2019/20 - 2022/23)

4.1 Certain indicative ranges were defined in Medium-Term Debt Management Strategy (MTDS) of Pakistan (2019/20 - 2022/23) to monitor the risks of Total Public Debt portfolio and ensure its sustainability. The progress on MTDS during FY 2019-20 is depicted in the table below:

Table-3: Indicative Benchmarks and Targets for Key Risk Indicators

Risk Exposure	Indicators	Indicative Benchmarks (FY20-FY23)	FY 2019-20	
			Target	Actual
Currency Risk	Share of External Debt in Total Public Debt	40% (Maximum)	-	36
Refinancing Risk	ATM of Domestic Debt (Years)	3.5 (Minimum)	4.0	4.1
	ATM of External Debt (Years)	6.5 (Minimum)	7.0	7.0
	Gross Financing Needs (% of Total)	35% (Maximum)	32	31
	Share of Shariah Compliant Instruments in Government Securities (%)	-	2.0	2.0
	Share of Fixed Rate Debt in Government Securities (%)	25% (Minimum)	30	34

Note: Total Means Total Public Debt at the end of relevant period

Source: Debt Policy Coordination Office, Ministry of Finance

4.2 As evident from the table above, the Government remained within the stated benchmarks of risk indicators during FY 2019-20. In fact, the Government has achieved all the targets set for FY 2019-20 with respect to debt risk indicators.

4.3 Around 36 percent of total public debt was denominated in foreign currencies at end-June 2020, exposing government to exchange rate risk. Currency-wise composition of total public debt portfolio at end-June 2020 is as follow:

Table-4: Currency Composition of Total Public Debt

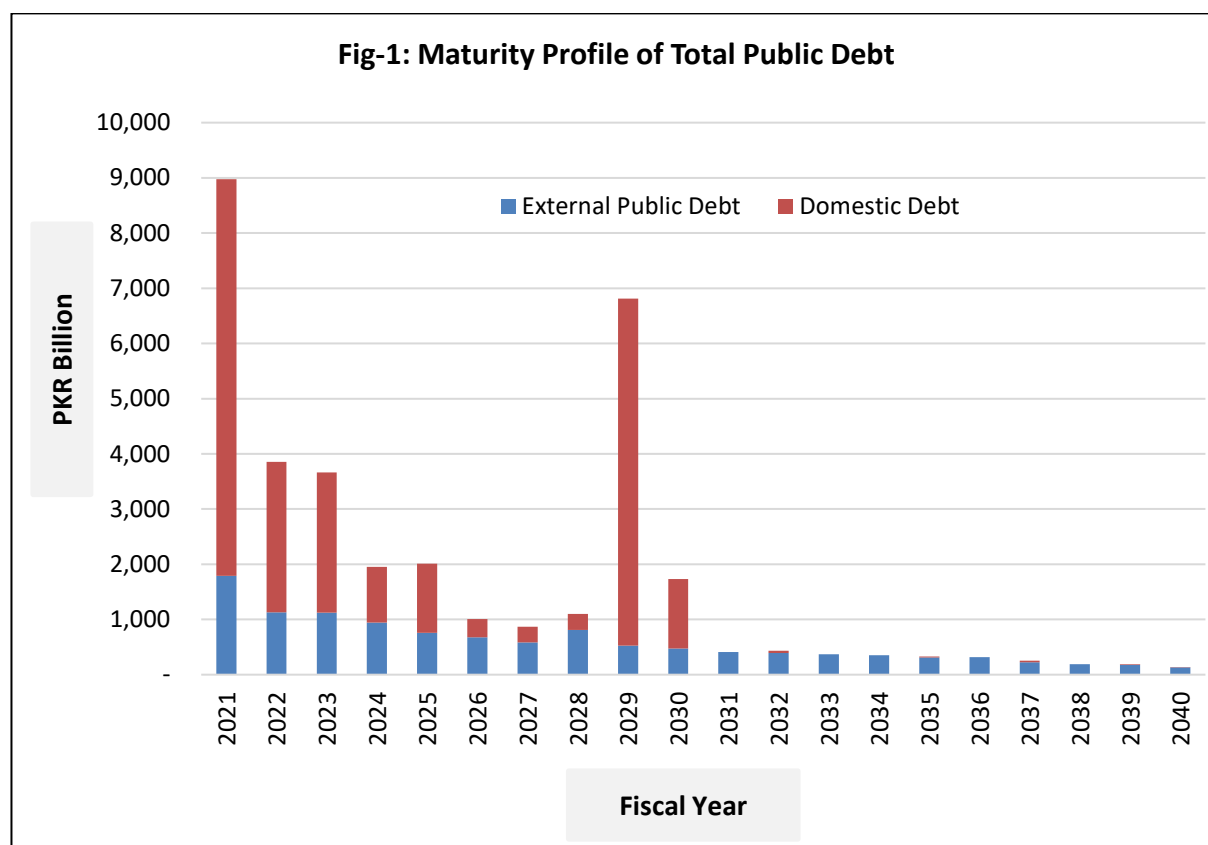
Currencies	Percentage of Total Public Debt
Pak Rupee	64
US Dollar	19
Special Drawing Right	13
Japanese Yen	3
Euro	1
Total	100

Source: Debt Policy Coordination Office, Ministry of Finance

Table-5: Maturity Profile (In Percent of Total Public Debt)

	1 year	2-3 years	4-5 years	6-7 years	8-10 years	>10 years	Total
Public Debt	25	21	11	5	27	10	100
- Domestic Debt	20	14	6	2	22	0	64
- External Debt	6	7	5	4	5	10	36

Source: State Bank of Pakistan, Ministry of Economic Affairs and Debt Policy Coordination Office, Ministry of Finance



5.0 KEY FEATURES AND OUTCOMES OF DEBT MANAGEMENT STRATEGY

- Domestic borrowing was made entirely from the financial markets. No borrowing was made from State Bank of Pakistan (SBP). In fact, an amount of Rs 569 billion has been repaid to SBP During FY 2019-20. This policy reflects the government's commitment to greater fiscal discipline, macroeconomic stability and development of domestic financial markets.
- More than 90 percent of the borrowing needed to finance the fiscal deficit for FY 2019-20 was made through longer-term loans/bonds;
- Ministry of Finance largely adhered to the targets announced for the auctions of government's debt securities. The enhanced transparency and credibility of the auctions encouraged greater participation and competition in the auctions and also

led to lower borrowing costs. Government was consistently able to borrow at very reasonable rates relative to the prevailing inflation rates and the SBP's Policy Rate;

- At higher interest rates, relatively larger amounts were borrowed through floating-rate instruments. Whereas, the borrowing targets for fixed rate bonds were revised upward after decline in interest rates;
- After a gap of many years, shariah-compliant Sukuks have been introduced. These are contributing to development of shariah-compliant debt markets and also towards lowering the borrowing costs of the government;
- 15-year fixed-rate PIB has been reintroduced (April 2020) after many years in order to issue more long-term debt and to provide more options to long-term investors;
- 3 and 5-year floating-rate PIBs have been introduced (June 2020) to provide the investors with suitable substitutes to T-bills and to lengthen the average maturity of domestic debt;
- With effect from 1 Jul 2020, all institutional investors have been barred from investing in Saving Schemes. In future, all institutions will invest in government debt securities through the competitive primary (auction) and secondary markets. This will help in deepening of financial markets and lower the government's long-term borrowing costs by create more competition for long-term government debt;
- Pakistan is availing the G-20 Debt Service Suspension Initiative (DSSI) for a period of 8-months (May 2020 - December 2020) which will help to reduce the debt servicing impact to the tune of US\$ 2.0 billion during this period;
- A number of additional functions have been assigned to the Debt Office in order to consolidate and integrate the debt management functions in a single office.

6.0 FEDERAL DEFICIT FINANCING

6.1 Federal Government relied mainly on domestic debt market to finance its deficit i.e. 68 percent of Federal Fiscal Deficit was financed through domestic debt in FY 2019-20. Within domestic sources, major portion (96 percent) was mobilized through long-term government securities. Whereas in external sources, multilateral borrowing (low cost and longer tenor) remained the main contributor. Details of financing of Federal Fiscal Deficit during FY 2019-20 is provided at Annex-I.

7.0 GOVERNMENT GUARANTEES PORTFOLIO

7.1 Government guarantees are generally extended to Public Sector Enterprises (PSEs) to improve financial viability of projects or activities undertaken by the government entities with significant social and economic benefits. It allows public sector companies to borrow money at lower costs or on more favorable terms and in some cases allows to fulfil the requirement where sovereign guarantee is a precondition for concessional loans from bilateral/multilateral agencies to sub sovereign borrowers. The following table contains details of government guarantees stock at 30 June for the periods stated:

Table-6: Government Guarantees Stock (PKR Billion)

	Jun-2019	Jun-2020
Outstanding guarantees extended to PSEs	1,969	2,339
-Domestic Currency	1,464	1,625
-Foreign Currency	505	713
Memo:		
Foreign Currency (US\$ Billion)	3.2	4.2

Source: Debt Policy Coordination Office, Ministry of Finance

7.2 The volume of new government guarantees issued during a financial year is limited under Fiscal Responsibility and Debt Limitation Act which stipulates that the government shall not give guarantees aggregating to an amount exceeding 2 percent of the GDP in any financial year. The limit of 2 percent of the GDP is applicable on guarantees issued both in local and foreign currencies. During FY 2019-20, the government issued fresh/rollover guarantees aggregating to Rs 342 billion or 0.8% percent of GDP as per the following details:

Table-7: Entity Wise New/Rolled-Over Guarantees (FY 2019-20) (PKR Billion)

Name of Organization	Amount
PHPL	271
PIACL	33
PAEC	20
WAPDA	18
Total	342
In percent of GDP	0.8%

Source: Debt Policy Coordination Office, Ministry of Finance

7.3 The second issue of Energy Sukuk for settlement of circular debt was issued through a competitive bidding process managed by the Pakistan Stock Exchange (PSX) and

overseen by Securities and Exchange Commission of Pakistan (SECP). Despite its large size of Rs 200 billion, the issue was oversubscribed and the cost of borrowing was also reduced to 6-month KIBOR – 0.10% p.a. compared to the cost of 6-month KIBOR + 0.80% p.a. paid on a similar transaction executed last year. This has resulted in expanding the investor base and cost savings of Rs 18 billion over the 10-year life of the Sukuk. This is the first ever debt transaction conducted through the stock exchange and has set the stage for future debt issuance by public and private sector entities in a similar manner;

8.0 DOMESTIC DEBT

8.1 Domestic debt is primarily obtained to finance fiscal deficit while lending support to Public Sector Development Programme (PSDP). Government presently issues following marketable government securities in order to raise domestic debt:

(i) Treasury Bills (T-bills)

T-bills are considered short-term securities and have maturities of 12 months or less at the time of issuance.

(ii) Pakistan Investment Bonds (PIBs)

PIBs are considered longer-term securities and have maturities of more than 12 months at the time of issuance.

- Government currently issues fixed-rate PIBs with 3-year, 5-year, 10-year, 15-year and 20-year maturities;
- Government also issues floating-rate PIBs with 3-year, 5-year and 10-year maturities;
- All of these PIBs presently pay profit on semi-annual basis.

(iii) Government Ijara Sukuk

Shariah-compliant securities program has also been in place since FY 2008-09, however, it still constitutes a small proportion of the government domestic securities portfolio. Government is committed to increase the share of Shariah-compliant instruments in government securities portfolio from 2 percent at end-June 2020 to 10 percent at end-June 2023.

8.2 In addition to above, number of different schemes are offered under National Savings Schemes (NSS) in the investment horizon of 3 months to 10 years.

8.3 Domestic debt was recorded at Rs 23,281 billion at end-June 2020. Domestic borrowing operations remained quite successful during ongoing fiscal year despite a challenging macroeconomic situation. Main instrument-wise composition of domestic debt is depicted in the following table while **Annex-II** contains more details on composition of domestic debt.

Table-8: Instrument-Wise Composition of Domestic Debt

		Jun-2019		Jun-2020	
		PKR Billion	\$ Billion	PKR Billion	\$ Billion
I+II+III	Total Domestic Debt	20,732	127	23,281	138
I	Permanent Debt	12,087	74	14,031	83
	- PIBs	10,933	67	12,886	77
	- Prize Bonds	894	5	734	4
	- Sukuk / Bai-Muajjal	249	2	399	2
	- Others	11	0	11	0
II	Floating Debt	5,501	34	5,578	33
	- T-Bills	5,501	34	5,578	33
III	Unfunded Debt	3,144	19	3,672	22
	- NSS	2,992	18	3,523	21
	- Others	152	1	149	1

Note: Excluding Domestic Government Securities held by Non-Residents

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Table-9: Creditor-Wise Composition of Domestic Debt

(PKR Billion)

		Jun-2019	% of Total	Jun-2020	% of Total
		I+II	Total Domestic Debt	20,732	100
I	Government Securities	16,683	80	18,863	81
	- Held by Scheduled Banks	6,931	33	9,398	40
	- Held by SBP	7,760	37	7,191	31
	- Held by Non-Banks	1,992	10	2,274	10
II	Non-Bank Debt	4,049	20	4,418	19
	- NSS (including Prize Bonds)	3,886	19	4,257	18
	- Other (GP Fund, PLI)	163	1	161	1

Note: Total Means Total Domestic Debt at the end of relevant period

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Table-10: Domestic Debt Held by Banking System (Secondary Market Position) (PKR Billion)

	Jun-2019	% of Govt Sec	Jun-2020	% of Govt Sec
I+II Debt Held by Banking System	14,691	88	16,589	88
I Bonds	9,758	58	11,632	62
- Held by Scheduled Banks	2,568	15	4,442	24
- Held by SBP	7,190	43	7,190	38
II Treasury Bills	4,933	30	4,958	26
- Held by Scheduled Banks	4,363	26	4,957	26
- Held by SBP	570	4	1	0

Note: Government Securities means securities held by banking and non-banking sectors at the end of relevant period

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Table-11: Maturity Profile of Domestic Debt (PKR Billion)

	Jun-2019	% of Total	Jun-2020	% of Total
I+II Total Domestic Debt	20,732	100	23,281	100
I Short-Term Debt (< 1 Year)	7,565	36	7,182	31
- T-Bills	5,501	26	5,578	24
- Long-Term Debt (Remaining Maturity < 1)	2,064	10	1,604	7
II Long-Term Debt (> 1 Year)	13,167	64	16,099	69

Note: Total Means Total Domestic Debt at the end of relevant period

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

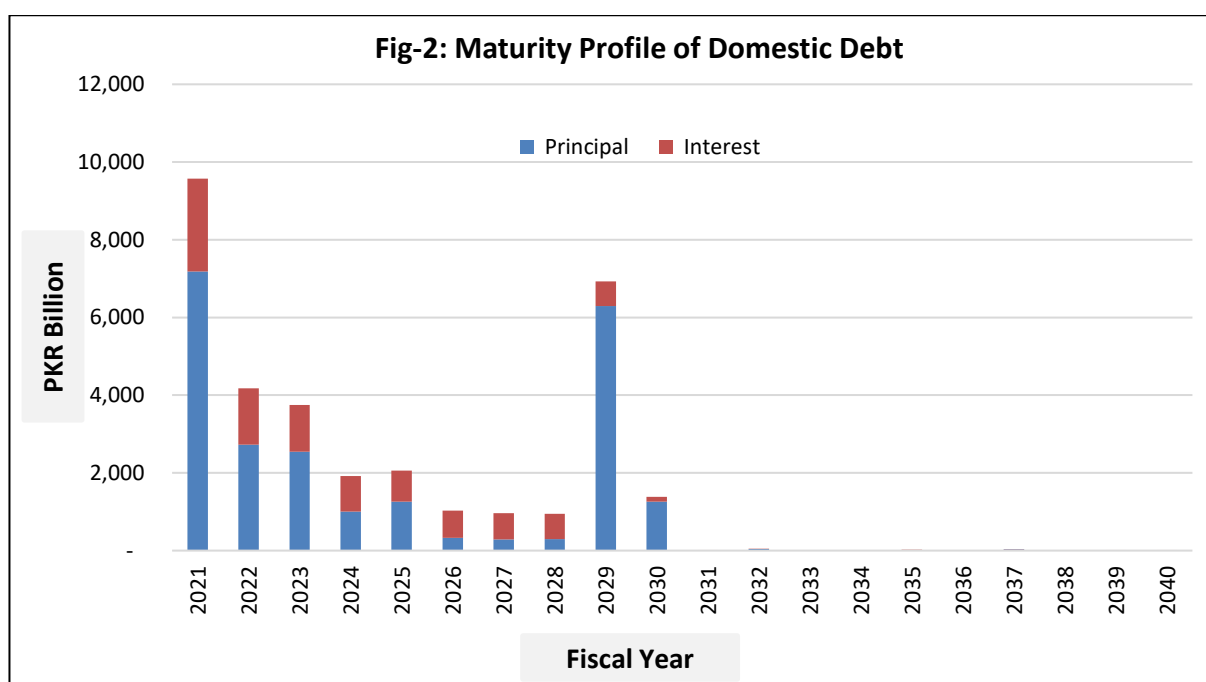


Table-12: Interest Rate Type of Domestic Debt

(PKR Billion)

		Jun-2019	% of Total	Jun-2020	% of Total
I+II	Total Domestic Debt	20,732	100	23,281	100
I	Floating Rate	11,285	55	12,379	53
	- T-Bills	5,501	27	5,578	24
	- Floating Rate Bonds	5,784	28	6,801	29
II	Fixed Rate	9,447	45	10,902	47

Note: Total Means Total Domestic Debt at the end of relevant period

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Fig-3: Composition of Domestic Debt - June 2020

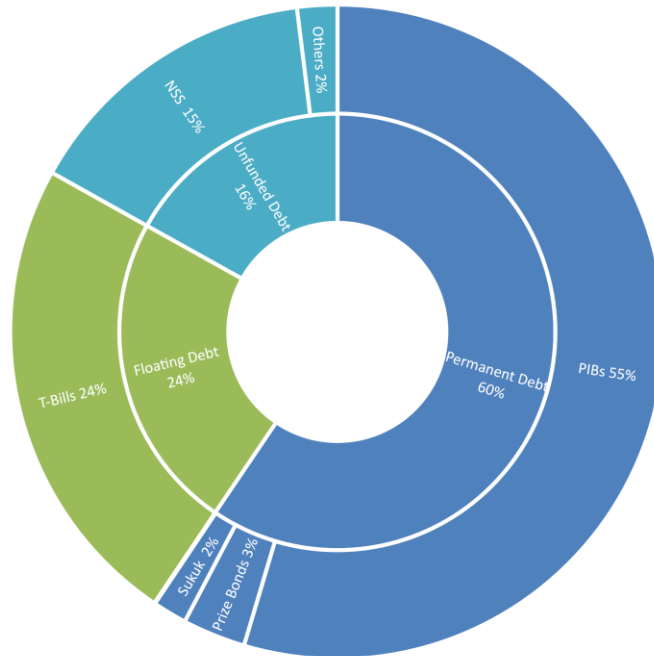
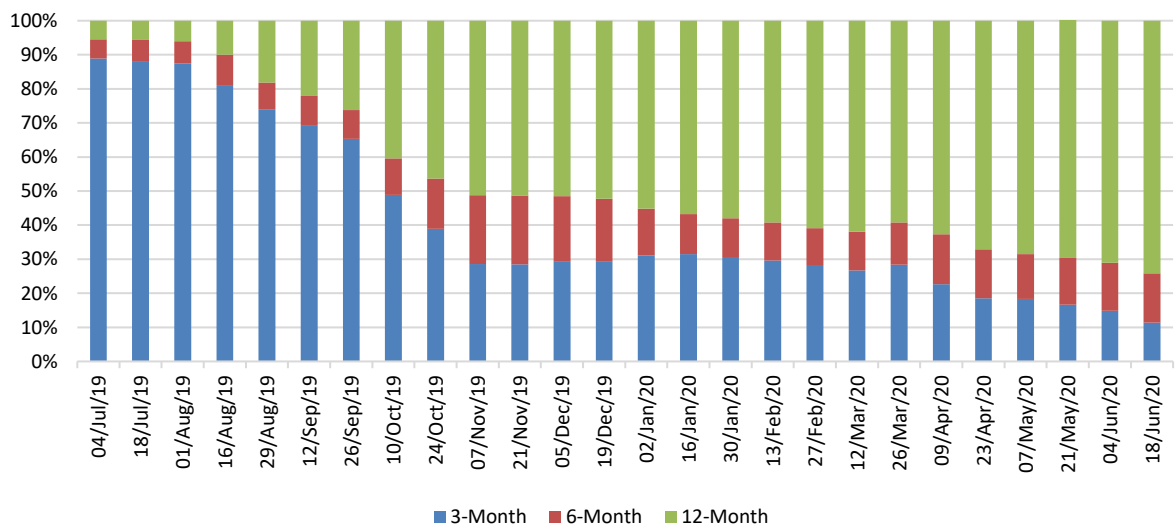


Fig-4: Tenor-Wise Share in Outstanding Treasury Bills (FY 2019-20)



Quarterly Auction Pattern of Government Domestic Securities

Fig-5: Quarter-Wise Auction Profile of T-Bills (PKR Billion)

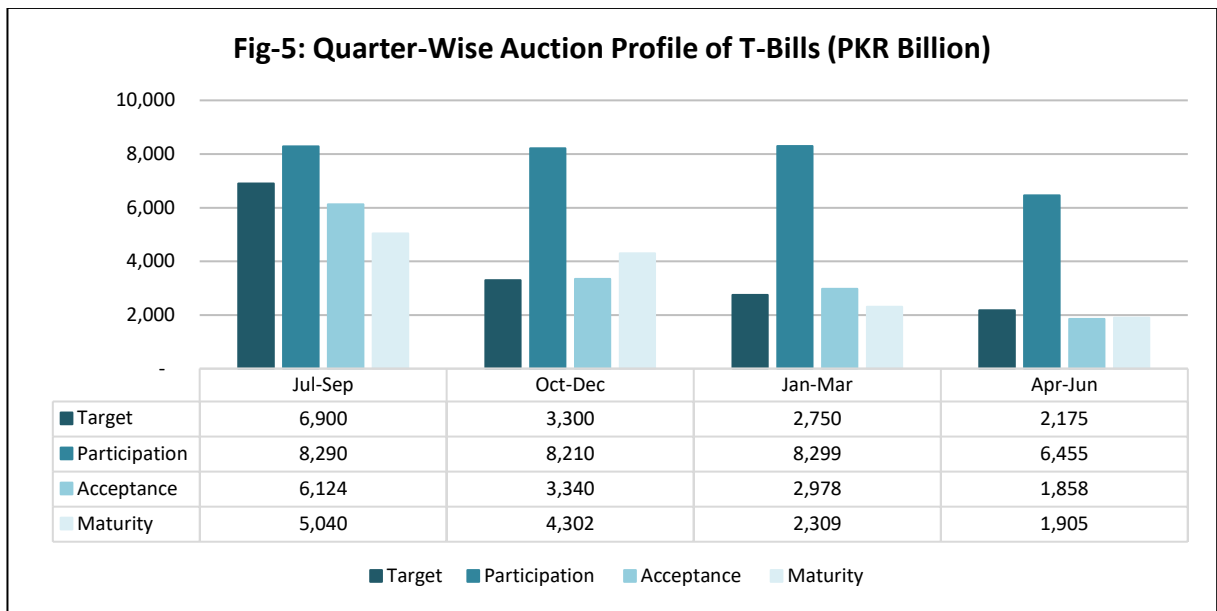


Fig-6: Quarter-Wise Auction Profile of Fixed Rate PIBs (PKR Billion)

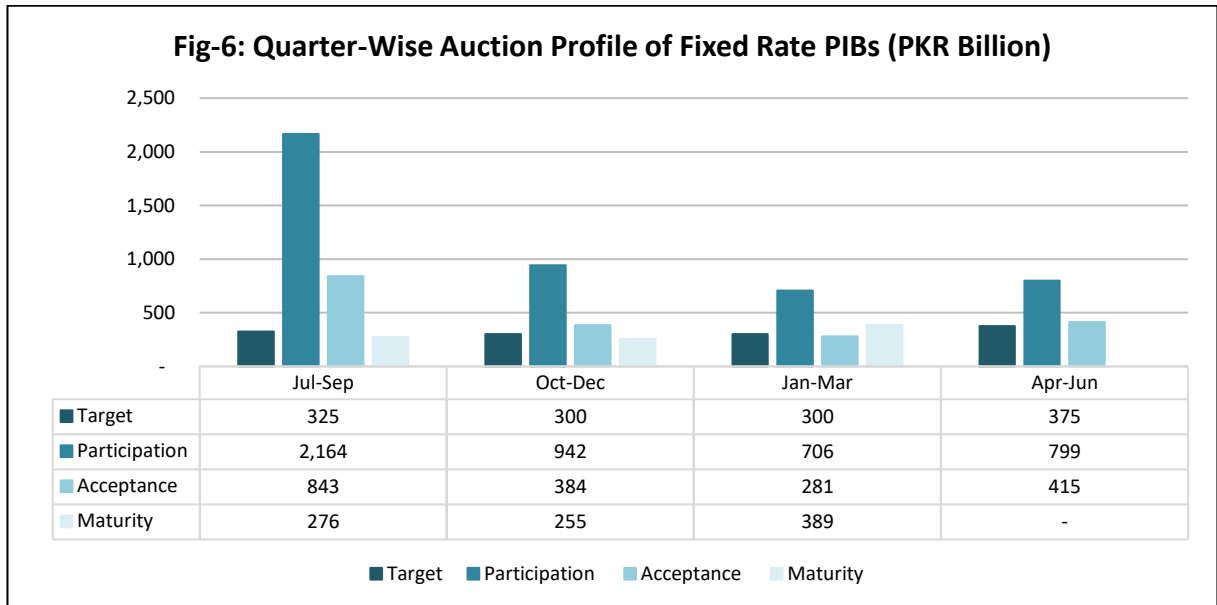
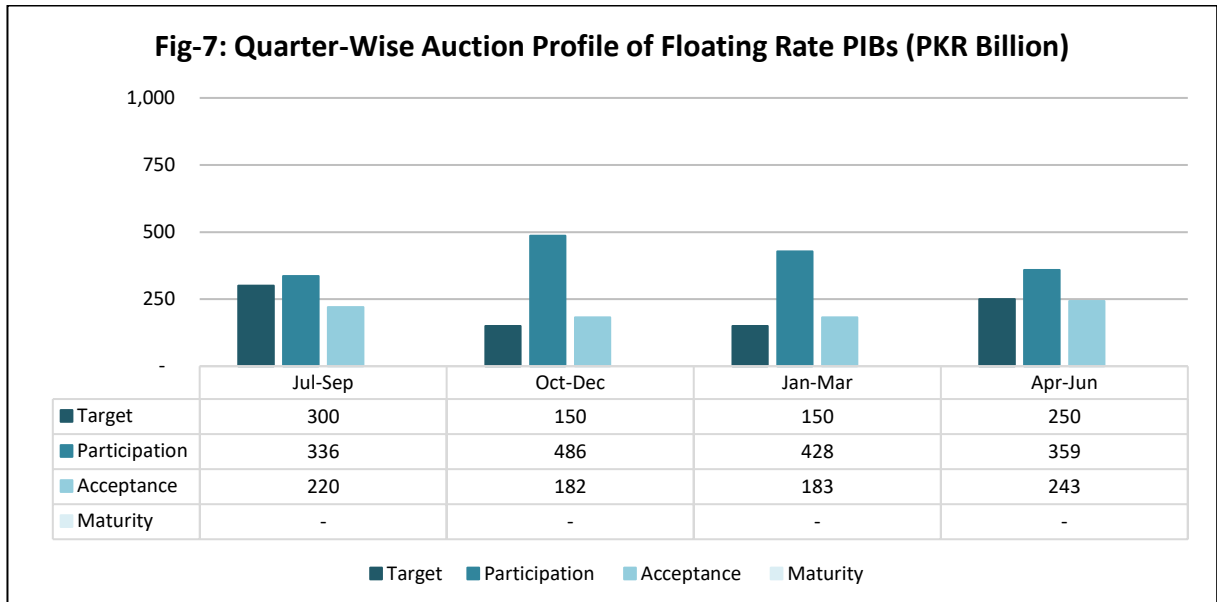
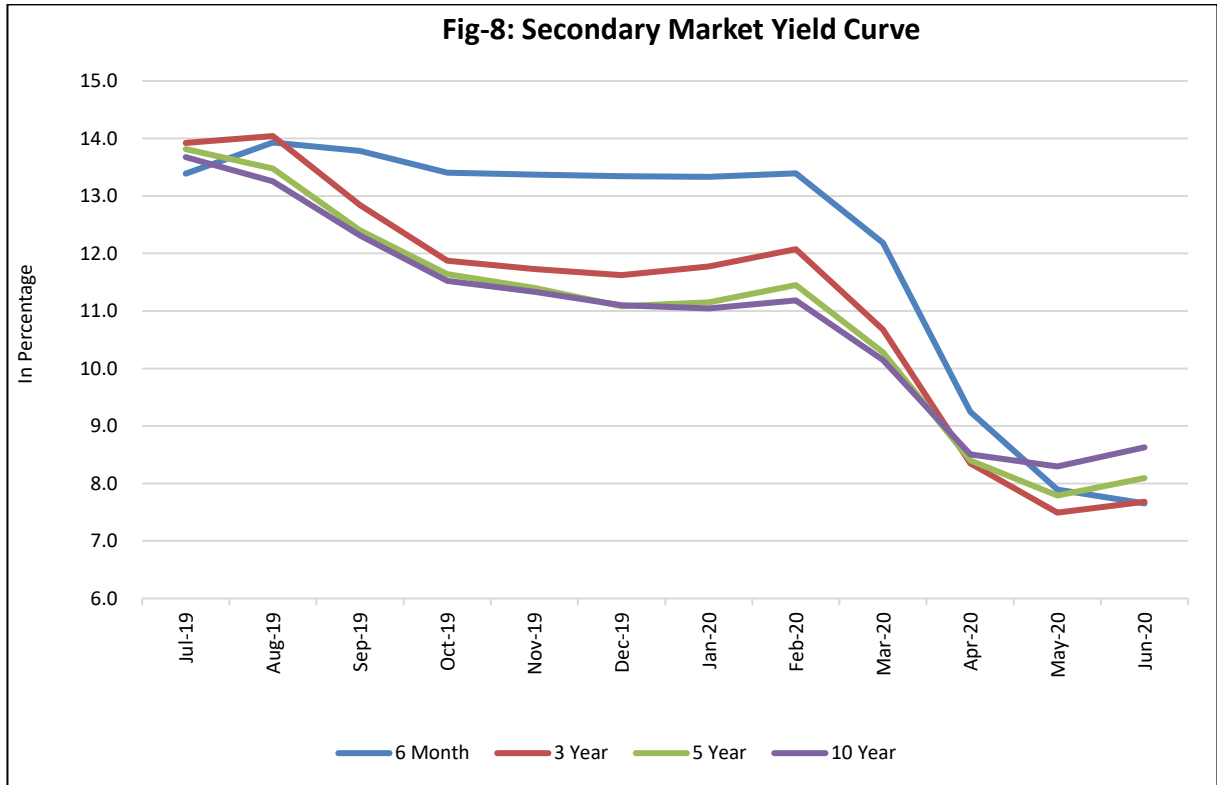


Fig-7: Quarter-Wise Auction Profile of Floating Rate PIBs (PKR Billion)



8.4 In addition to above, Government mobilized Rs 198 billion through the auction of 5-years Government Ijara Sukuk (GIS) during April -June 2020. Government also mobilized Rs 23 billion in June 2020 from the auction of outright purchase of GIS on deferred payment (Bai Muajjal) basis. The instrument-wise auction calendar for FY 2019-20 is available at **Annex-III**.



9.0 EXTERNAL PUBLIC DEBT

9.1 External loans are obtained to diversify the borrowing resources, lower cost of borrowing, build foreign exchange reserves, finance large development expenditures (e.g. dams, canals, motorways, transportation projects, power generation projects, etc.), finance social expenditures and to provide general budgetary support. Concessional long-term development loans from bilateral sources and multilateral institutions are particularly attractive because of long repayment periods which are in-line with the long-term economic benefits reaped from the underlying development projects. International borrowing through Eurobond & Commercial banks is also important to establish the credit worthiness of the country in the international markets and to reduce excessive reliance on a few bilateral and multilateral lenders. External borrowing also reduces Government's reliance on domestic market and prevent crowding-out of the private sector in domestic market.

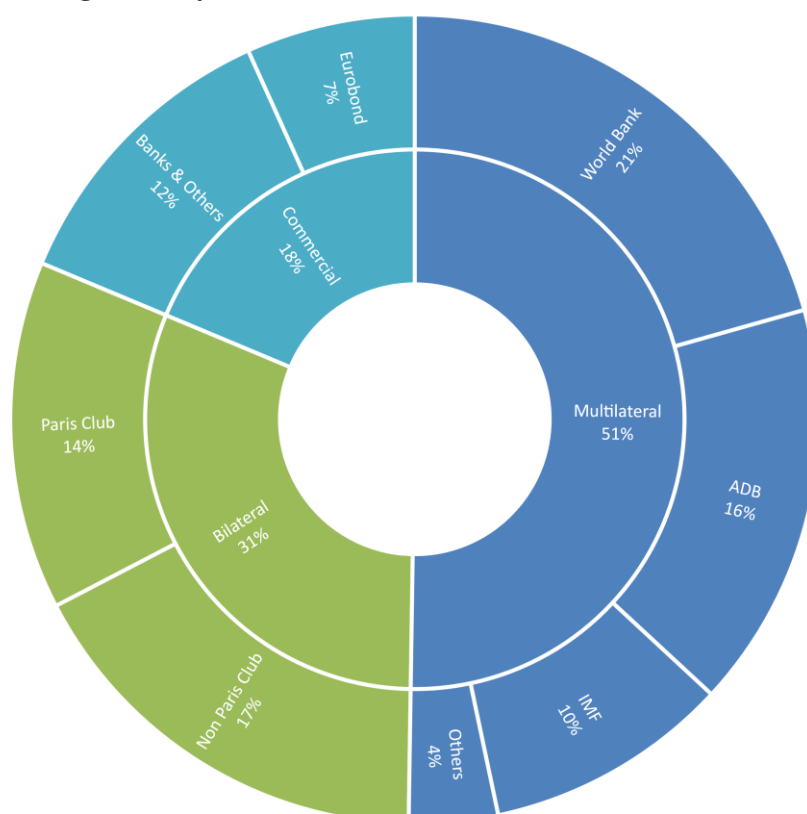
9.2 External debt was recorded at US\$ 78 billion at end-June 2020, registering an increase of US\$ 4.5 billion during FY 2019-20. The source-wise composition of external debt is depicted in the following table:

Table-13: Composition of External Public Debt

I+II	External Public Debt	Jun-2019		Jun-2020	
		PKR Billion	\$ Million	PKR Billion	\$ Million
	External Public Debt	11,976	73,449	13,116	77,987
I	Government External Debt (a+b)	11,055	67,800	11,825	70,307
	a- Long term (>1 year)	10,849	66,536	11,589	68,907
	- Paris Club	1,832	11,235	1,837	10,924
	- Multilateral	4,531	27,788	5,196	30,898
	- Other Bilateral	2,074	12,717	2,258	13,428
	- Euro/Sukuk Global Bonds	1,027	6,300	891	5,300
	- Commercial Loans/Credits	1,381	8,470	1,381	8,210
	- Others	4	26	26	148
	b- Short term (<1 year)	206	1,264	236	1,400
	- Multilateral	127	778	138	814
	- Local Currency Securities (T-bills)	-	0	99	586
	- Commercial Loans/Credits	79	486	-	-
II	From IMF	921	5,648	1,291	7,680
	- Federal Government	-	-	476	2,833
	- Central Bank	921	5,648	815	4,847

Source: Ministry of Economic Affairs, State Bank of Pakistan & Debt Policy Coordination Office, Ministry of Finance

Fig-9: Composition of External Public Debt - June 2020



9.3 Pakistan's external debt is derived from four key sources, with around 51 percent coming from multilateral loans, 31 percent from bilateral loans, 11 percent from commercial loans and 7 percent from Eurobonds/Sukuk. Although borrowing from commercial sources has relatively increased during the last few years, multilateral and bilateral sources still cumulatively constitute 82 percent of external public debt portfolio as of end June 2020.

Table-14: Source Wise External Public Debt Composition

		Jun-2019		Jun-2020	
		\$ Million	% of Total	\$ Million	% of Total
I+II+III	External Public Debt	73,449	100	77,987	100
I	Multilateral	34,214	47	39,392	51
	- World Bank	15,547	21	16,184	21
	- Asian Development Bank	10,770	15	12,741	16
	- IMF	5,648	8	7,680	10
	- Others	2,249	3	2,787	4
II	Bilateral	23,952	33	24,352	31
	- Paris Club	11,235	15	10,924	14
	- Non-Paris Club	12,717	17	13,428	17
III	Commercial	15,282	21	14,244	18
	- Eurobonds / Pakistan International Sukuk	6,300	9	5,300	7
	- Loans from Foreign Commercial Banks/Others	8,982	12	8,944	11

Note: Total Means Total External Public Debt at the end of relevant period

Source: Ministry of Economic Affairs, State Bank of Pakistan & Debt Policy Coordination Office, Ministry of Finance

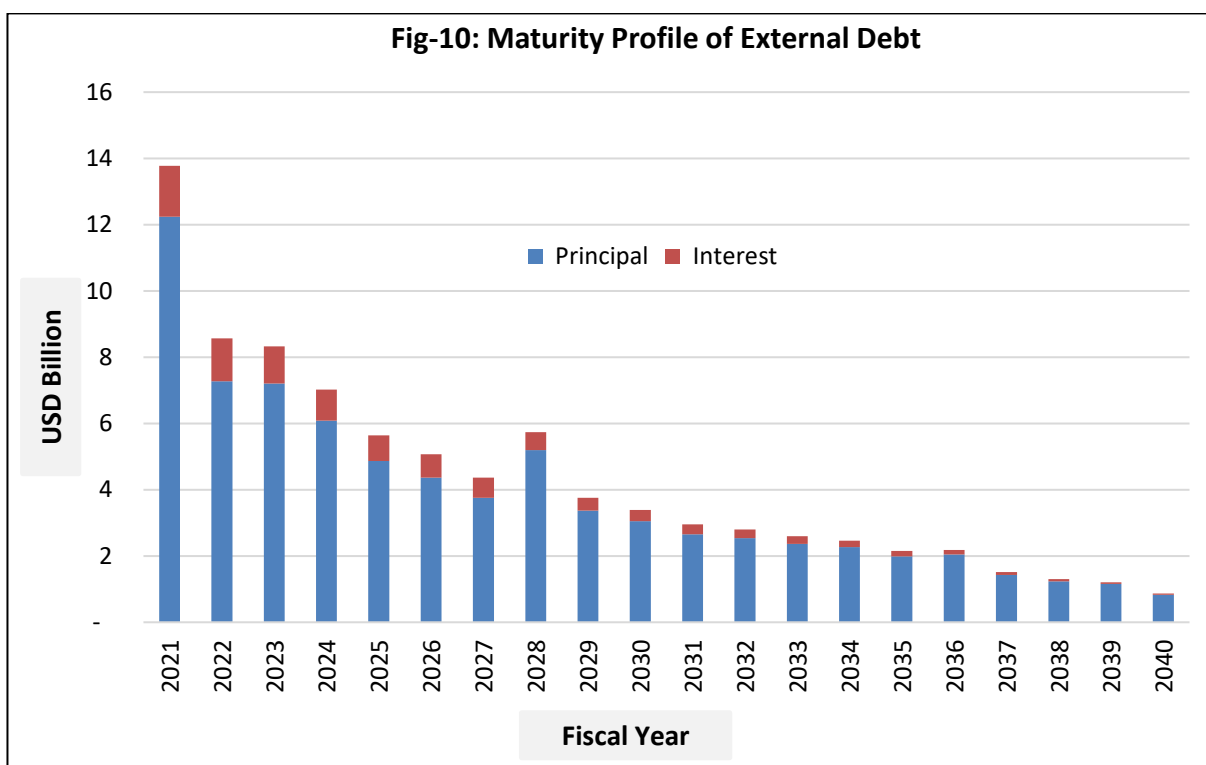
Table-15: Maturity Profile of External Public Debt

(\$ Million)

		Jun-2019		Jun-2020	
		\$ Million	% of Total	\$ Million	% of Total
I+II	Total External Domestic Debt	73,449	100	77,987	100
I	Short-Term Debt (< 1 Year)	11,910	16	12,241	16
	- Safe China Deposit	3,000	4	3,000	4
	- Loans from Foreign Commercial Loans	486	1	-	-
	- IDB Short-Term	778	1	814	1
	- Local Currency Securities (T-Bills)	-	-	586	1
	- Long-Term Debt (Remaining Maturity < 1)	7,646	10	7,841	10
II	Long-Term Debt (> 1 Year)	61,539	84	65,746	84

Note: Total Means Total External Public Debt at the end of relevant period

Source: Ministry of Economic Affairs, State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

**Table-16: Interest Rate Type of External Public Debt**

(\$ Million)

	Jun-2019	% of Total	Jun-2020	% of Total
I+II Total External Public Debt	73,449	100	77,987	100
I Floating Rate	21,875	30	23,348	30
II Fixed Rate	51,574	70	54,639	70

Note: Total Means Total External Public Debt at the end of relevant period

Source: State Bank of Pakistan and Debt Policy Coordination Office, Ministry of Finance

Table-17: External Public Debt Servicing (FY 2019-20)

(\$ Million)

	Principal	Interest	Total
Total Debt Servicing	9,043	2,032	11,075
- Multilateral	2,199	685	2,885
- Bilateral	783	484	1,267
- Eurobond	1,000	396	1,396
- Loans from Foreign Commercial Banks/Short-Term	5,061	467	5,528

Source: State Bank of Pakistan

Table-18: Pakistan Sovereign Bonds - Secondary Trading Levels:

#	Issuer Name	Issue Date	Maturity Date	Face Value	Coupon	Yield to Maturity	Maturity (Years)	
				USD Million	% p.a.	% p.a.	Original	Remaining
I	International Sukuk	13-Oct-16	13-Oct-21	1,000	5.500	4.61	5.00	1.04
II	International Sukuk	5-Dec-17	5-Dec-22	1,000	5.625	5.30	5.00	2.18
III	International Bond	15-Apr-14	15-Apr-24	1,000	8.250	6.07	10.00	3.54
IV	International Bond	30-Sep-15	30-Sep-25	500	8.250	6.38	10.00	5.00
V	International Bond	5-Dec-17	5-Dec-27	1,500	6.875	6.82	10.00	7.18
VI	International Bond	30-Mar-06	31-Mar-36	300	7.875	7.78	30.00	15.50

Source: Bloomberg, 28th September 2020

Annex-I: Financing of Federal Fiscal Deficit

		FY 2019-20 (P)	
		PKR Billion	\$ Million
Federal Fiscal Deficit (including grants)		3,568	-
FINANCING SUMMARY			
I-II	Net Financing	3,292	5,482
	- External Debt	862	5,482
	- Domestic Debt	2,430	-
I	Gross Financing - Inflows	21,214	13,781
	- External Debt	2,224	13,781
	- Domestic Debt	18,990	-
II	Repayments - (Outflows)	(17,922)	(8,299)
	- External Debt	(1,362)	(8,299)
	- Domestic Debt	(16,560)	-
Note: The difference between fiscal deficit and financing is attributable to changes in cash balances of the Federal Government			
FINANCING DETAILS			
I + II	Net Financing - Inflow/(Outflows)	3,292	5,482
I	External Debt	862	5,482
	- Multilateral	1,105	6,874
	- Bilateral	97	615
	- Eurobonds	(164)	(1,000)
	- Loans from Foreign Commercial Banks	(291)	(1,714)
	- Others (Govt Sec held by Non-Resident)	114	707
II	Domestic Debt	2,430	-
	Government Securities	2,059	-
	- Treasury Bills (< 1 Year)	78	-
	- Bonds (> 1 Year)	1,981	-
	- Fixed Rate	955	-
	- Floating Rate	1,026	-
	National Savings Schemes	371	-
I + II	Gross Summary - Inflows	21,214	13,781
I	External Debt	2,224	13,781
	- Multilateral	1,344	8,329
	- Bilateral	226	1,398
	- Eurobonds	-	-
	- Loans from Foreign Commercial Banks	540	3,347
	- Others (Govt Sec held by Non-Resident)	114	707

II	Domestic Debt	18,990	-
	Government Securities	17,152	-
	- Treasury Bills (< 1 Year)	14,203	-
	- Bonds (> 1 Year)	2,949	-
	- Fixed Rate	1,923	-
	- Floating Rate	1,026	-
	National Savings Schemes	1,838	-
I + II	Repayments - (Outflows)	(17,922)	(8,299)
I	External Debt	(1,362)	(8,299)
	- Multilateral	(239)	(1,455)
	- Bilateral	(129)	(783)
	- Eurobonds	(164)	(1,000)
	- Loans from Foreign Commercial Banks	(831)	(5,061)
	- Others (Govt Sec held by Non-Resident)	-	-
II	Domestic Debt	(16,560)	-
	Government Securities	(15,093)	-
	- Treasury Bills (< 1 Year)	(14,125)	-
	- Bonds (> 1 Year)	(968)	-
	- Fixed Rate	(968)	-
	- Floating Rate	-	-
	National Savings Schemes	(1,467)	-

P: Provisional

Note: It is important to highlight that IMF BoP loan obtained in 2013 was for balance of payments support, added to foreign currency reserves and do not came as an extra resource in the budget at that time. Therefore, principal payments of said loan are not included in the above analysis.

Source: State Bank of Pakistan, Budget Wing, Debt Policy Coordination Office, Ministry of Finance

Annex-II: Domestic Debt

	Jun-2019	Jun-2020
Permanent Debt	12,087.0	14,030.7
Market Loans	2.8	2.8
Government Bonds*	1.3	1.3
Prize Bonds**	893.9	734.1
Foreign Exchange Bearer Certificates	0.1	0.1
Bearer National Fund Bonds	0.0	0.0
Federal Investment Bonds	0.0	0.0
Foreign Currency Bearer Certificates	0.1	0.1
U.S. Dollar Bearer Certificates	0.1	0.1
Special U.S. Dollar Bonds	6.7	6.9
Pakistan Investment Bonds (PIB)***	10,933.2	12,886.0
GOP Ijara Sukuk	71.0	198.2
Bai-Muajjal of Sukuk	177.8	201.0
Floating Debt	5,500.6	5,578.3
Market Treasury Bills***	4,929.6	5,577.1
MTBs for Replenishment	571.0	1.2
Bai Muajjal	0.0	0.0
Unfunded Debt	3,144.1	3,672.1
Defense Saving Certificates	393.6	486.2
National Deposit Certificates	0.0	0.0
Khass Deposit Certificates	0.2	0.2
Special Savings Certificates (Registered)	413.7	427.7
Special Savings Certificates (Bearer)	0.3	0.3
Regular Income Certificates	489.6	572.9
Premium Saving Certificates	0.0	0.0
Behbood Savings Certificates	914.5	997.8
Short Term Savings Certificates	5.1	24.3
Khass Deposit Accounts	0.3	0.3
Savings Accounts	38.2	41.8
Special Savings Accounts	416.6	617.3
Mahana Amdani Accounts	1.6	1.5
Pensioners' Benefit Account	318.3	352.2
Shuhadas Family Welfare Account	0.0	0.1
National Savings Bonds	0.1	-
Postal Life Insurance Schemes	47.9	47.9
GP Fund	104.3	101.5
Total Domestic Debt	20,731.8	23,281.0

*Special Government Bond for SLIC have been added into Government Bonds.

**Includes Premium Prize Bonds (Registered).

***Govt. Securities held by non-residents deducted from PIB's and T-bills.

Annex-III: Auction Targets of Government Domestic Securities

(PKR Billion)	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
T-Bills	1,200	4,100	1,600	1,600	1,100	600	1,300	600	850	1,000	725	475
3-Month	-	-	-	500	400	200	450	200	350	400	250	150
6-Month	-	-	-	500	400	200	300	200	250	300	250	150
12-Month	-	-	-	600	300	200	550	200	250	300	225	175
PIB (Fixed)	100	100	125	100	100	100	100	100	100	110	125	140
3-Year	50	50	60	40	40	40	40	40	40	35	35	50
5-Year	30	30	40	30	30	30	30	30	30	35	40	40
10-Year	15	15	20	20	20	20	20	20	20	25	35	35
15-Year	-	-	-	-	-	-	-	-	-	10	10	10
20-Year	5	5	5	10	10	10	10	10	10	5	5	5
PIB (Floater)	100	100	100	50	50	50	50	50	50	50	50	150
3-Year	-	-	-	-	-	-	-	-	-	-	-	50
5-Year	-	-	-	-	-	-	-	-	-	-	-	50
10-Year	100	100	100	50	50	50	50	50	50	50	50	50
GIS	-	-	-	-	-	-	-	-	-	75	75	75
5-Year Fixed	-	-	-	-	-	-	-	-	-	-	-	-
5-Year Floater	-	-	-	-	-	-	-	-	-	75	75	75
Total	1,400	4,300	1,825	1,750	1,250	750	1,450	750	1,000	1,235	975	840

Source: Bloomberg and State Bank of Pakistan

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