

QUARTER
02



PUBLIC DEBT **BULLETIN**

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FINANCEGRENADA

Acronyms & Abbreviations

ATM- Average Time to Maturity

ATR- Average Time to Re-fixing

CG – Central Government

CNY - Chinese Yuan Renminbi

EUR- Euro

GBP- Great Britain Pound

GDP- Gross Domestic Product

GG- Government-guaranteed

GoG- Government of Grenada

IDA- International Development Association

IMA- Investment Migration Agency

KWD- Kuwaiti Dinar

MTDS- Medium-Term Debt Management Strategy

PRC- People's Republic of China

RGSM- Regional Governments' Securities Market

SB- Statutory Body

SOE- State-owned Enterprise

USD- United States Dollar

XCD- Eastern Caribbean Dollar

XDR- Special Drawing Rights

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1. Public Debt

At the end of quarter 2 (Q2) of 2025 public debt totaled EC\$2.7 billion. It consisted of 2.2 billion (80.9%) Central Government's (CG's) debt, EC\$1.4 million (0.1%) of Statutory Bodies' debt (SBs) and EC\$523.6 million (19.0%) debt of State-owned enterprises (SOEs) (Chart 1). Total public debt was 69.2% of GDP at the end of Q2 2025.

2. Central Government's Debt

At the end of Q2 2025, Central Government's (CG's) debt was 56.0% of Gross Domestic Product (GDP)¹. It consisted of 82.9% external debt² and 17.1% domestic debt³ (Chart 2). Total CG debt increased over the 1-year period, end-June 2024 to end-June 2025, by 4.5%, primarily due to disbursements on new and existing external facilities. External CG debt increased by 6.9% over the 1-year period whilst domestic CG debt declined by 5.5% (Chart 3).

2.1 Central Government's External Debt

CG's external debt totaled EC\$1.8 billion which was 46.4% of GDP at end-June 2025. It consisted primarily of concessional loans.

2.1.1 External Debt by Creditor Category

Multilateral institutions hold the highest share (66.0%) of GoG's external portfolio. GoG's primary multilateral lender at the end of Q2 2025 and the periods under comparison was the International Development Association (IDA). At end-June 2025, IDA held 58.8% of GoG's multilateral debt.

GoG's second largest creditor group was bilateral non-Paris Club creditors which held 17.1% of its external portfolio at the end of Q2 2025. The chief bilateral creditor was the People's Republic of China (PRC) which held 53.7% of bilateral non-Paris Club debt at end-June 2025 (Appendix 2) (Chart 4).

2.1.2 External Debt by Interest Type

GoG's external loans are predominantly contracted at fixed interest rates. At the end of Q2 2025, these comprised 88.6% of the external portfolio. Loans at variable interest rates and interest-free loans held 6.9% and 4.5% of the external portfolio respectively (Chart 5).

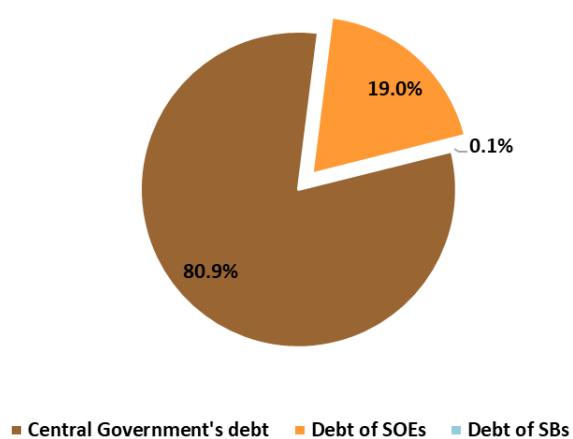
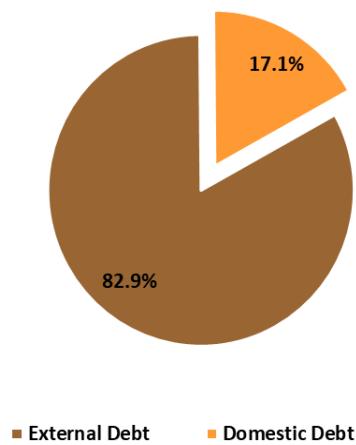
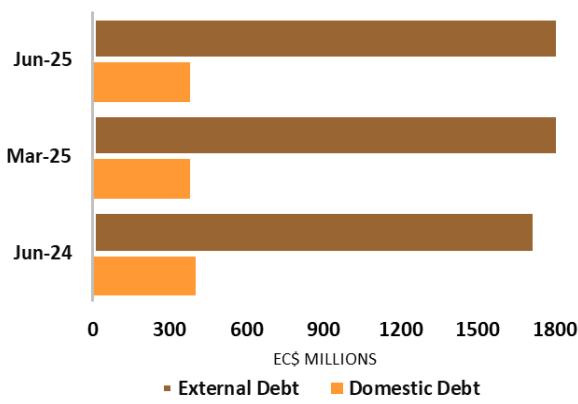
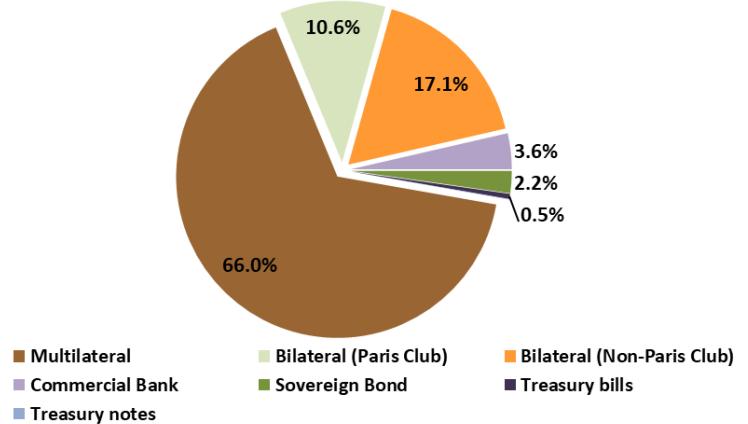
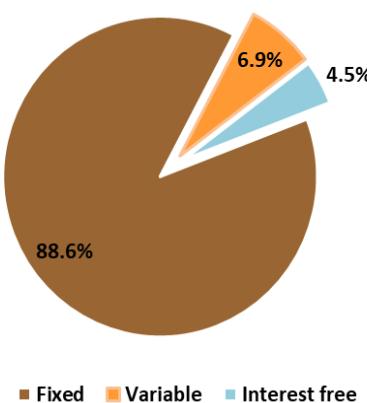
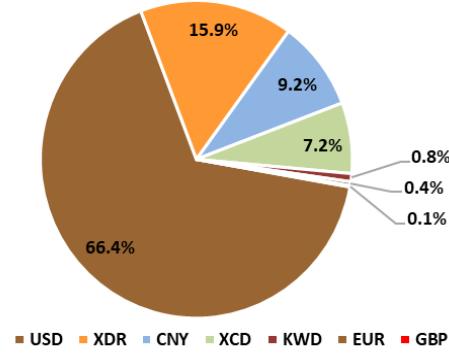
2.1.3 Currency Composition of External Debt

The majority of GoG's external facilities are denominated in the United States Dollar (USD). At the end of Q2 2025, USD debt held 66.4% of GoG's external portfolio. Instruments contracted in Special Drawing Rights (XDR) held the second highest share of 15.9% (Chart 6).

¹ GDP: Ministry of Finance Staff estimated Gross Domestic Product (nominal, at Market Prices) for 2025 (EC\$3,972.7 million).

² External debt includes all debt contracted by creditors who do not reside in Grenada, a portion of which is denominated in the Eastern Caribbean Dollar (XCD).

³ Domestic debt includes all debt contracted by creditors who reside in Grenada.

Chart 1: Public Debt -Q2 2025**Chart 2: Central Government Debt- Q2 2025****Chart 3: Movement in Central Government Debt****Chart 4: External debt by Creditor****Chart 5: External Debt by Interest Type****Chart 6: Currency Composition of External Debt**

2.2 Central Government's Domestic Debt

CG's domestic debt was EC\$379.5 million (9.6% of GDP), at the end of Q2 2025.

2.2.1 Domestic Debt by Instrument Type

GoG's domestic portfolio consisted mainly of bonds (57.7%) followed by T-notes (19.2%) at the end of Q2 2025 (Chart 7) and the previous quarter. At the end of Q2 2024, bonds also held the highest portion of the portfolio, but T-bills held the second highest share. The change in the portfolio's composition by instrument type resulted from the redemption of EC\$40.0 million of over-the-counter T-bills and the introduction of EC\$50.0 million of private placement T-notes during Q4 2024.

2.2.2 Domestic Debt by Holder

At the end of Q2 2025, non-bank financial institutions, including insurance companies and credit unions, were the leading holders of CG's domestic debt (34.2%) (Chart 8). This was also the case in Q2 2024 and the previous quarter.

2.2.3 Domestic Debt by Interest Type

All domestic instruments have been contracted at fixed interest rates.

3. Regional Governments' Securities Market (RGSM) Activities

In Q2 2025, one (1) RGSM T-bill of EC\$15.0 million was reissued which allowed for oversubscription in the amount of EC\$5.0 million. Details are in Table 1 below.

Table 1: RGSM Auction Results (Q2 2025)

Instrument type	Total units offered	Oversubscription amount allowed	Total Competitive Bids received	Total units accepted	Total Payment Due	Total Discount	Discount Rate (%)	Bid to Cover Ratio
<i>In millions of EC\$ unless otherwise stated</i>								
91-day T-bill	15.00	5.00	20.00	20.00	19.83	0.17	3.50	1.00
TOTAL	15.00	5.00	20.00	20.00	19.83	0.17		

3.1 Yields on RGSM Treasury bills

Yields on RGSM T-bills during the period end-June 2024 to end-June 2025 are depicted in chart 9. GoG's 91-day T/bill was reissued twice in the first half of 2025. The rate was lower on the first reissuance than the second, on which the oversubscription of EC\$5.0 million was accepted. Taking up the oversubscription made bidding less competitive and as a result the discount rate was higher with the second issuance. There were no reissuances of 365-day T-bills during the first half of the year but in 2024 rates showed an upward trend likewise.

4. Debt of SOEs & SBs

The total debt stock of all SOEs and SBs at the end of Q2 2025, with the exclusion of two (2) SOEs, was EC\$525.0 million (13.2% of GDP). It consisted of mainly of Petro Caribe's outstanding debt, which was EC\$372.1 million (9.4% of GDP) and all other debt of SOEs and SBs which amounted to EC\$152.9 million, 28.3% of which was external debt and 71.7% domestic debt. All non-guaranteed instruments contracted by SOEs and SBs are long-term loans and the major creditor is a local commercial bank, followed by the GoG.

Chart 7: Domestic Debt by Instrument Type

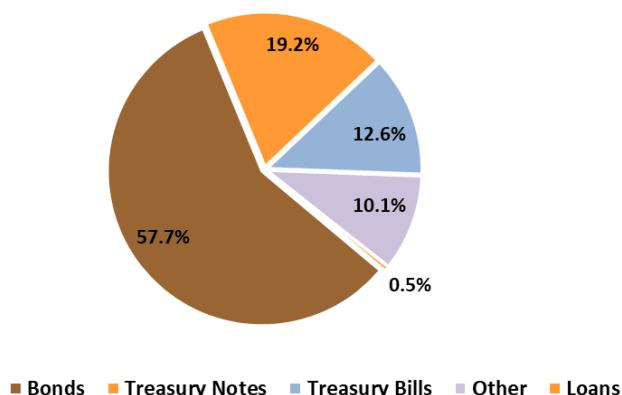


Chart 8: Domestic Debt by Holder

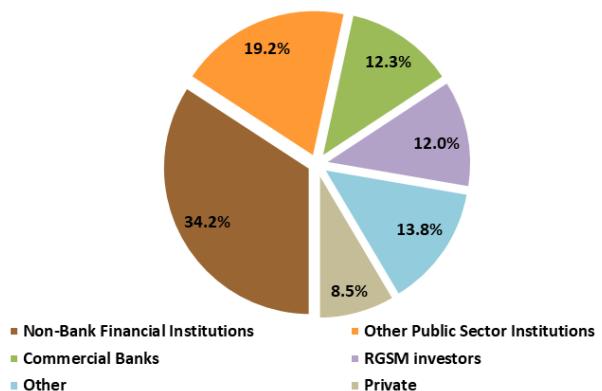


Chart 9: Interest Rate Fluctuations on Treasury Bills (Q2 2024-Q2 2025)

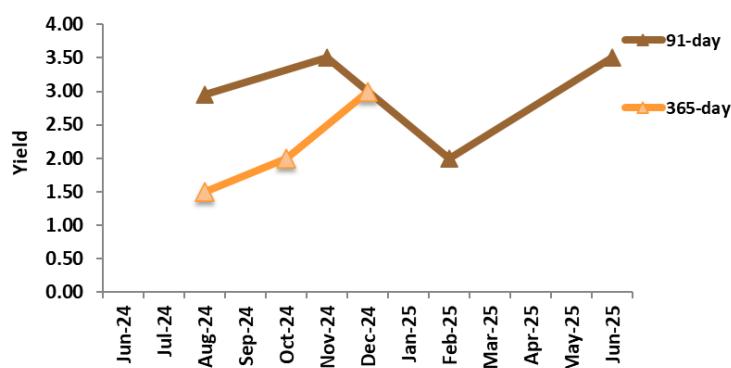


Chart 10: Disbursements by Creditor

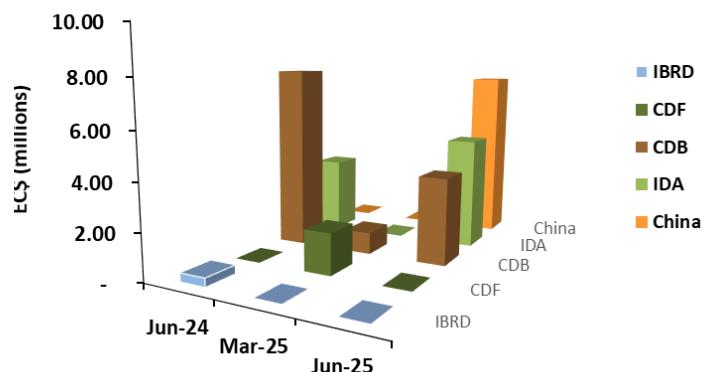


Chart 11: Debt Service Budgeted & Actual Payments

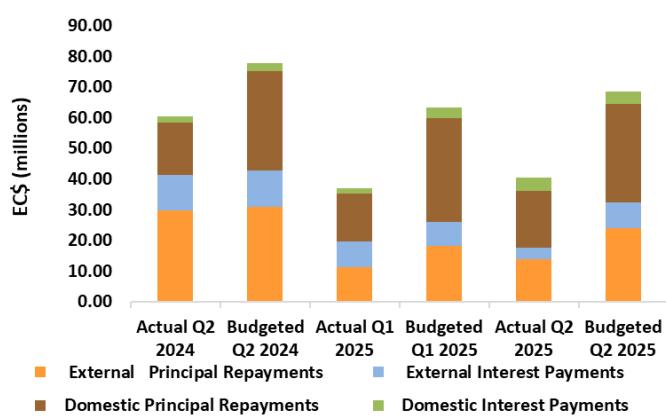
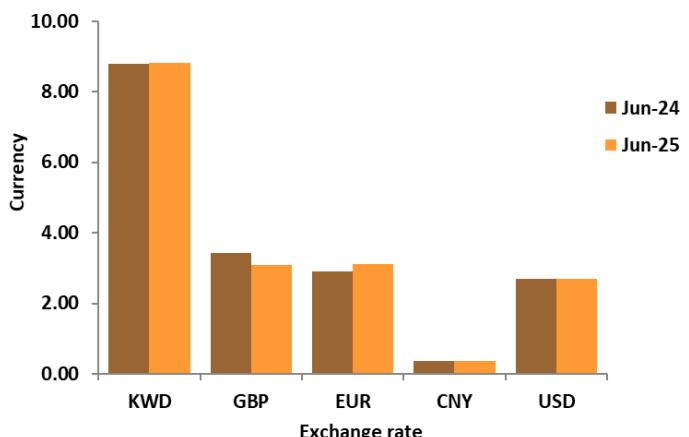


Chart 12: Movement in Exchange Rates



5. Government Guarantees

At end-June 2025, there were no Government-guaranteed instruments in GoG's portfolio.

6. Disbursements & New Borrowing

A total of EC\$16.3 million was disbursed by multilateral and bilateral creditors during Q2 2025 and there was no new borrowing.

Economic sectors for which disbursements were received:

- Agriculture,
- Education and training,
- Construction and infrastructure
- Health
- Energy

Chart 10 shows disbursements by creditors in the periods under comparison.

7. Debt Service

Debt service payments were EC\$40.5 million during Q2 2025, with amortization of EC\$32.2 million and interest payments of EC\$8.3 million. Budgeted debt service was higher than actual debt service by EC\$28.0 million during the period mainly because a portion of GoG's outstanding domestic bonds that was budgeted for was not claimed. There were also exchange rate and interest rate fluctuations. External and domestic debt service were 43.2% and 56.8% respectively. Chart 11 depicts budgeted and actual debt service payments in the periods under comparison.

8. Risk Assessment of the Portfolio

8.1 Foreign Currency Risk

Chart 12 depicts changes in exchange rates. During the period end-June 2024 to end-June 2025 the Eastern Caribbean Dollar (XCD) appreciated against the Great Britain Pound (GBP) by 9.7% but depreciated against all other currencies in GoG's external portfolio. It depreciated against the Chinese Yuan Renminbi (CNY) by 1.0%, the Kuwaiti Dinar (KWD) by 0.2% and the Euro (EUR) by 7.1%. Though the rate of depreciation against the EUR is high, it only holds 0.4% of the external portfolio which renders the rate of depreciation insignificant.

8.2 Average Time to Maturity (ATM⁴) & Average Time to Re-fixing (ATR⁵)

Changes in ATM and ATR were negligible (Table 2). The portfolio's exposure to interest rate risk and refinancing risk therefore remained manageable. Due to their short life span domestic instruments usually have a shorter ATM and ATR than external instruments. The ATM of the external portfolio remained in line with the Medium-term Debt Management Strategy (MTDS) target of 8.0 years and above. The ATR also remained in line at 10.0 years and above.

⁴ ATM shows how long it takes on average to roll over or refinance the debt portfolio.

⁵ ATR indicates the average time required to reset the interest rate in the debt portfolio.

Table 2: Risk Indicators

Risk Indicators (years)	Jun-24	Mar-25	Jun-25
ATM of external portfolio	10.92	10.90	10.68
ATR of external portfolio	10.29	10.36	10.16
ATM of domestic portfolio	5.42	5.28	5.47
ATR of domestic portfolio	5.42	5.28	5.47

9. Appendices

Appendix 1: Central Government Debt

Debt Category	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
External Debt	1,725.02	1,817.97	1,843.14
Domestic Debt	401.59	378.29	379.49
Total	2,126.61	2,196.25	2,222.63

Appendix 2: External Debt by Creditor

Creditor Category	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
Multilateral	1,167.55	1,209.48	1,216.06
Sovereign Bond	184.67	189.77	195.04
Bilateral (Non-Paris Club)	286.26	303.07	314.56
Treasury bills	54.42	63.43	66.42
Treasury notes	20.13	40.83	40.83
Bilateral (Paris Club)	11.07	10.47	9.32
Commercial Bank	0.91	0.91	0.91
Total	1,725.02	1,817.97	1,843.14

Appendix 3: External Debt by Currency Composition

Currency Composition	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
United States Dollar	1,164.20	1,217.98	1,224.27
Special Drawing Rights	295.81	287.20	292.40
Kuwaiti Dinar	17.80	15.06	15.18
Great Britain Pound	2.43	2.34	2.07
Chinese Yuan	139.53	159.08	168.84
Euro	5.14	6.49	7.56
Eastern Caribbean Dollar	100.11	129.82	132.82
Total	1,725.02	1,817.97	1,843.14

Appendix 4: Disbursements by Creditor

Creditor	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
Caribbean Development Bank	8.08	0.95	3.74
International Development Association	3.39	0.00	4.89
International Bank for Reconstruction & Development	0.37	0.00	0.00
International Fund for Agricultural Development	0.00	0.00	0.00
CARICOM Development Fund	-	1.78	0.00
Exim Bank of the Republic of China	-	0.00	7.63
Total	11.84	2.73	16.26

Appendix 5: Domestic Debt by Instrument Type

Domestic Debt by Instrument	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
Bonds	225.68	219.65	218.85
Treasury Notes	43.37	72.71	72.71
Treasury Bills	91.78	45.98	47.99
Other	38.67	38.18	38.18
Loans	2.10	1.76	1.76
Total	401.59	378.29	379.49

Appendix 6: Domestic Debt by Holder

Domestic Debt by Holder	Jun-24	Mar-25	Jun-25
<i>In millions of EC\$</i>			
Non-Bank Financial Institutions	169.77	129.77	129.77
Other Public Sector Institutions	78.48	73.36	72.94
Commercial Banks	25.58	46.75	46.75
RGSM investors	50.21	43.45	45.45
Other	53.34	52.52	52.24
Private	24.21	32.44	32.34
Total	401.59	378.29	379.49

Appendix 7: Debt Service

	Actual Q2 2024	Budgeted Q2 2024	Actual Q1 2025	Budgeted Q1 2025	Actual Q2 2025	Budgeted Q2 2025
<i>In millions of EC\$</i>						
External Debt Service	41.43	42.78	19.62	26.02	17.52	32.22
External Principal Repayments	29.69	30.82	11.09	18.28	13.73	24.01
External Interest Payments	11.74	11.96	8.53	7.74	3.79	8.21
Domestic Debt Service	19.06	34.82	17.39	37.39	23.00	36.34
Domestic Principal Repayments	16.97	32.39	15.52	33.93	18.48	32.33
Domestic Interest Payments	2.09	2.44	1.87	3.46	4.52	4.01
Total Debt Service	60.49	77.60	37.02	63.41	40.52	68.56

Debt Statistics Summary (in millions EC\$ unless otherwise stated)

Particulars	Jun-24	Mar-25	Jun-25	Qtrly change	YTD change
				(%)	(%)
Public Debt					
External Debt	1,725.02	1,817.97	1,843.14	0.05	4.21
Domestic Debt	401.59	378.29	379.49	-2.19	-5.68
SOE & SB non-guaranteed debt	163.00	155.58	152.92	-0.58	-4.71
Other Debt*	372.14	372.14	372.14	0.00	0.00
Central Government's Debt to GDP (%)					
External Debt	45.04	45.76	46.40	-4.56	-0.58
Domestic Debt	10.49	9.52	9.55	-6.69	-10.02
Other Debt to GDP (%)	9.72	9.37	9.37	-4.60	-4.60
Government Guarantees					
External	0.00	0.00	0.00	0.00	0.00
Domestic	0.00	0.00	0.00	0.00	0.00
External debt by Creditor (XCD)					
Multilateral	1,167.55	1,209.48	1,216.06	-0.41	3.04
Bilateral	297.34	313.55	323.88	-0.06	6.69
Regional investors	74.55	104.26	107.26	6.17	35.51
Commercial creditors	185.58	190.68	195.95	0.00	-4.59
External Debt by Instrument (XCD)					
T-bills/ T-notes	74.55	104.26	107.26	6.17	35.51
Loans	1,465.80	1,523.94	1,540.85	-0.34	3.76
Bonds	184.67	189.77	195.04	0.00	-4.61
Domestic Debt by instrument (XCD)					
T-bills	91.78	45.98	47.99	-5.84	-48.56
T-Notes	43.37	72.71	72.71	-4.18	67.67
Bonds	225.68	219.65	218.85	-1.10	-3.01
Loans	2.10	1.76	1.76	0.00	-17.10
Other	38.67	38.18	38.18	0.00	-3.90
Foreign Currency Risk (%)					
% of debt in USD	67.49	67.00	66.42	-0.67	-0.03
% of debt in XDR	17.15	15.80	15.86	0.75	-9.48
% of debt in Kuwaiti Dinars	1.03	0.83	0.82	-8.16	-18.58
% of debt in GBP	0.14	0.13	0.16	2.58	-23.88
% of debt in Chinese Yuan	8.09	8.75	0.11	0.60	8.77
% of debt in EUR	0.30	0.36	0.41	7.40	17.51
% of debt in XCD	5.80	7.14	7.21	4.81	19.06
% of foreign debt	81.12	82.78	82.93	0.39	1.81
Total Debt Service (XCD)					
External	41.43	19.62	17.52	-79.35	4.71
Domestic	19.06	17.39	23.00	-78.06	-45.64
Principal	46.66	26.61	32.21	-69.32	-33.06
Interest	13.83	10.41	8.31	-88.11	-5.30
Disbursements	11.84	2.73	16.26	-88.25	-84.11
Fiscal indicators (%)					
Total Debt Service to Revenue	16.25	11.55	13.09	-76.15	-15.41
Total Debt Service to GDP	1.58	0.93	1.02	-79.74	-30.40
Interest to Revenue	3.72	3.25	2.68	-86.65	9.80
Interest to Expenditure	4.97	3.41	2.33	-79.16	-17.20
Total Public Sector Debt (% of GDP)	69.50	68.57	69.16	-4.90	-3.07

* Includes the debt obligations of Petro Caribe

NB. FIGURES ARE SUBJECT TO CHANGE