

Quarterly Debt Report

2nd Quarter of FY 2081/82 (FY 2024/25)

As on 29 Poush, 2081 (Jan 13, 2025)



Government of Nepal
Ministry of Finance
Public Debt Management Office
Tripureshwor, Kathmandu

Table of Contents

Abbreviations.....	2
1. Highlights	3
2. Debt Position	3
3. External Debt.....	4
4. Domestic Debt.....	6
5. Debt to GDP Ratio.....	6
6. Disbursement of Debt	7
7. Debt Service.....	9
8. Government Guarantees.....	10
Annexes	11

Abbreviations

ADB	:	Asian Development Bank
AIIB	:	Asian Infrastructure Investment Bank
CCY	:	Commitment Currency
CNY	:	Chinese Yuan Renminbi
DKK	:	Danish Kroner
EBK	:	EXIM Bank Korea
EBLCI	:	EXIM Bank Line of Credit INDIA
EEC	:	European Economic Council
EIB	:	European Investment Bank
EIBC	:	Export-Import Bank of CHINA
EUR	:	Euro
EXIM Bank	:	Export Import Bank
GBP	:	Pound sterling (Great Britain Pound)
GDP	:	Gross Domestic Product
GoN	:	Government of Nepal
IDA	:	International Development Association
IFAD	:	International Fund for Agricultural Development
IMF	:	International Monetary Fund
JICA	:	Japan International Cooperation Agency
JPY	:	Japanese Yen
KRW	:	South Korean won
KWD	:	Kuwaiti dinar
NBF	:	Natixis Bank France
NDF	:	Nordic Development Fund
NPR	:	Nepalese Rupees
OFID	:	OPEC Fund For International Development
OPEC	:	Organization of the Petroleum Exporting Countries
SAR	:	Saudi Arabian Riyal
SDR	:	Special Drawing Rights
USD	:	US Dollar
FY	:	Fiscal Year
GDP	:	Gross Domestic Product

**Quarterly Debt Position of
Government of Nepal (GoN)
[2nd Quarter of FY 2081/82 (FY 2024/25)]
As on 2081 Poush 29 (Jan 13, 2025)**

1. Highlights

- After the approval of Public Debt Management Regulations on March 14, 2024, all the functions related to domestic debt management have been transferred to PDMO from Nepal Rastra Bank. Accordingly, domestic debt data has been successfully migrated to the DOMS live server, and the Investor Portal has been upgraded to support the issuance of Citizen Saving Bonds and Foreign Employment Saving Bonds with live data.
- Government securities have been dematerialized and PDMO has started to issue the international securities identification number for the new issue through DoMS.

2. Debt Position

The total outstanding debt of Government of Nepal has reached to NPR 2,536.13 billion at the end of the 2nd quarter of F/Y 2081/82 (Jan 13, 2025). Out of total outstanding amount, external debt was NPR 1,301.41 billion (50.41%) and domestic debt was NPR 1,234.71 billion (49.59%).

Total outstanding debt has increased by NPR 102.03 billion (4.19%) consisting of an increase in external debt by NPR 48.21 billion (3.85%) & in domestic debt by NPR 53.81 (4.56%) in comparison of end of previous year as shown in the Table 1 and Figure 1.

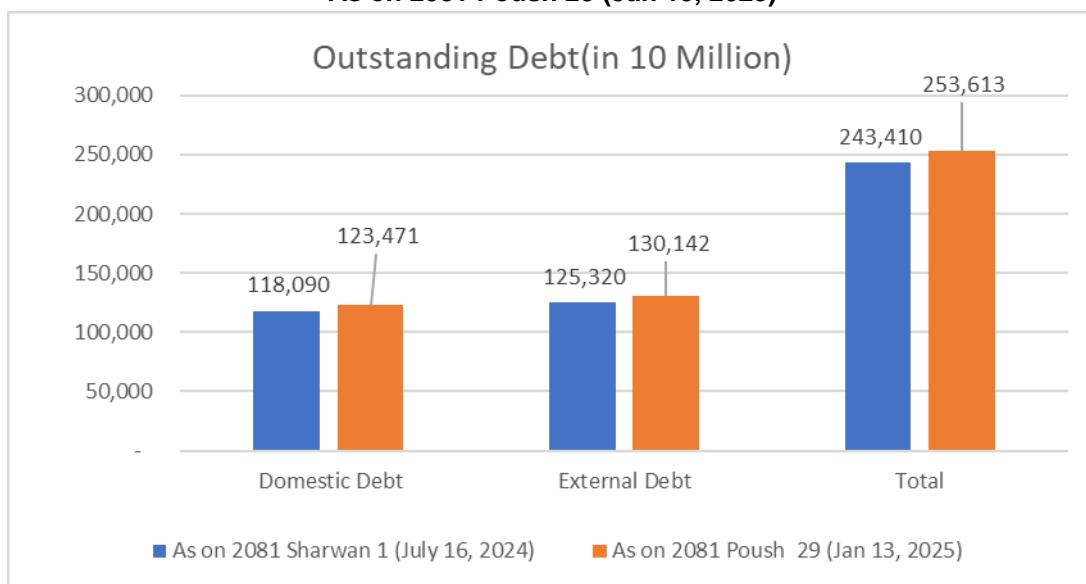
Table 1
Debt Position: Total Outstanding Debt
As on 2081 Poush 29 (Jan 13, 2025)

(NPR in 10 millions)

Debt	As on 2081 Sharwan 1 (July 16, 2024)	Transactions during the Quarter (Net)	As on 2081 Poush 29 (Jan 13, 2025)	Change Percentage
Domestic Debt	118,090.184	5,381.230	123,471.414	4.56%
External Debt	125,319.794	4,821.936	130,141.730	3.85%
Total	243,409.977	10,203.166	253,613.144	4.19%

*Domestic Debt also includes IMF Bond.

Figure 1
Debt Position: Total Outstanding Debt
As on 2081 Poush 29 (Jan 13, 2025)



Up to this quarter, disbursement and amortization of debt amounts to NPR.240.08 billion and NPR 149.67 billion respectively. Others include fluctuation in exchange rate resulting in exchange loss of NPR 11.651billion up to this quarter.

Table 1.1
Transactions upto the Quarter
As on 2081 Poush 29 (Jan 13, 2025)

(NPR in 10 millions)

Debt	Disbursement (A)	Amortization (B)	Others (Exchange gain/(loss)) (C)	Net transaction D =A-B-C
External Debt	5,903.303	2,242.888	(1,161.521)	4,821.936
Domestic Debt	18,105.422	12,724.192	-	5,381.230
Total	24,008.725	14,967.080	(1,161.521)	10,203.166

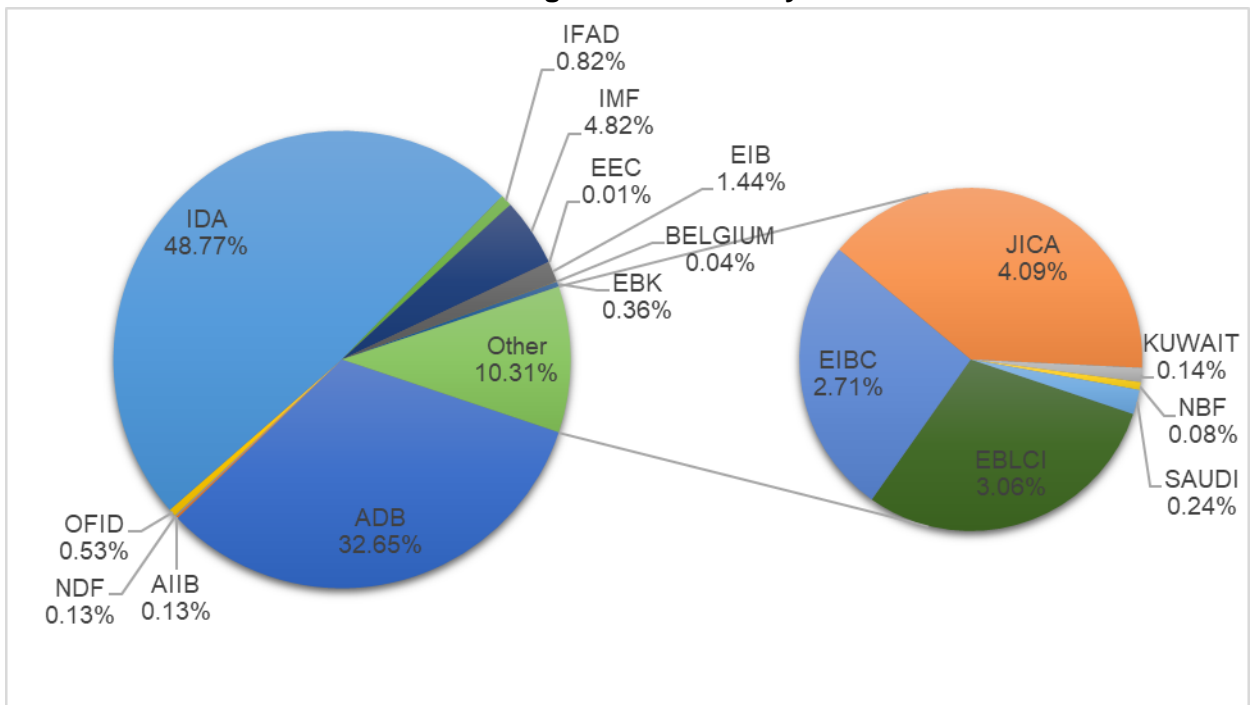
3. External Debt

The total external debt outstanding amounts to NPR 1,301.41 billion as on 13 Jan, 2025, out of which 10.21% belongs to bilateral creditors and 89.29% to multilateral creditors. EXIM loans are also accounted under bilateral category.

I. External Debt Stock by Creditors

Figure 2 shows the external debt outstanding by the creditor as on Jan 13, 2025:

Figure 2
Outstanding External Debt by Creditors

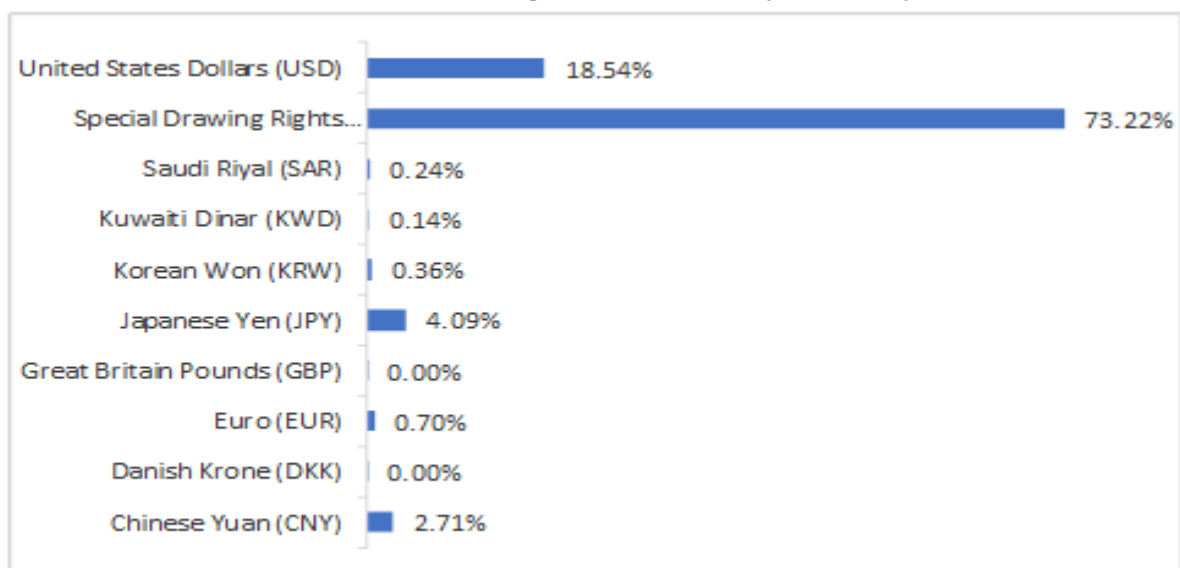


The International Development Association (IDA) has the largest share of outstanding external debt (48.77%), followed by the Asian Development Bank (ADB) (32.65%), IMF (4.82%), JICA (4.09%), Exim Bank of India (3.05%), Exim Bank of China (2.71%) .

II. External Debt Stock by Currency

Figure 3 depicts the details of the outstanding external debt by currency:

Figure 3
Outstanding External Debt by Currency



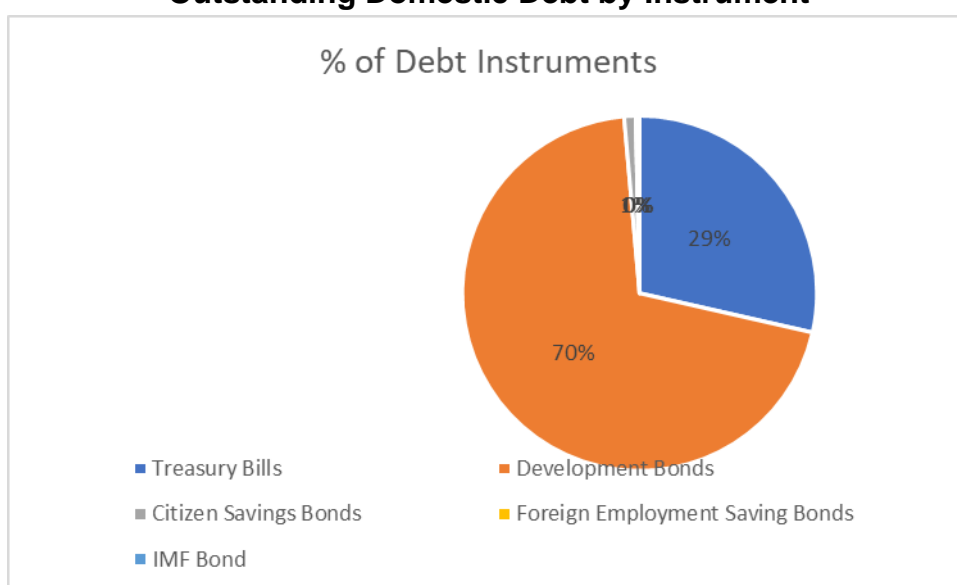
As on Jan 13, 2025, 73.22% of the total external debt outstanding was held in SDR (Special Drawing Rights) followed by 18.54% USD (United States Dollar), 4.09% JPY (Japanese Yen) and 2.71% CNY (Chinese Yuan). The remaining other currencies (KRW, DKK, EUR, SAR, KWD, GBP) hold 1.44% of the total external debt outstanding.

4. Domestic Debt

Total outstanding domestic debt amounts to NPR 1,234.71 billion, which comprises of treasury bills, treasury bond (development bonds, citizen saving bonds and foreign employment saving bond) and IMF bond.

Figure 4 depicts the composition of existing outstanding domestic debt of the GoN as on Jan 13, 2025.

Figure 4
Outstanding Domestic Debt by Instrument



T-bills accounts for 28.56% of the total outstanding domestic debt. Development bonds, Citizen saving bonds & Foreign Employment Saving bond and IMF bond represent 70.04%, 1.08% and 0.32% of total outstanding domestic debt respectively.

5. Debt to GDP Ratio

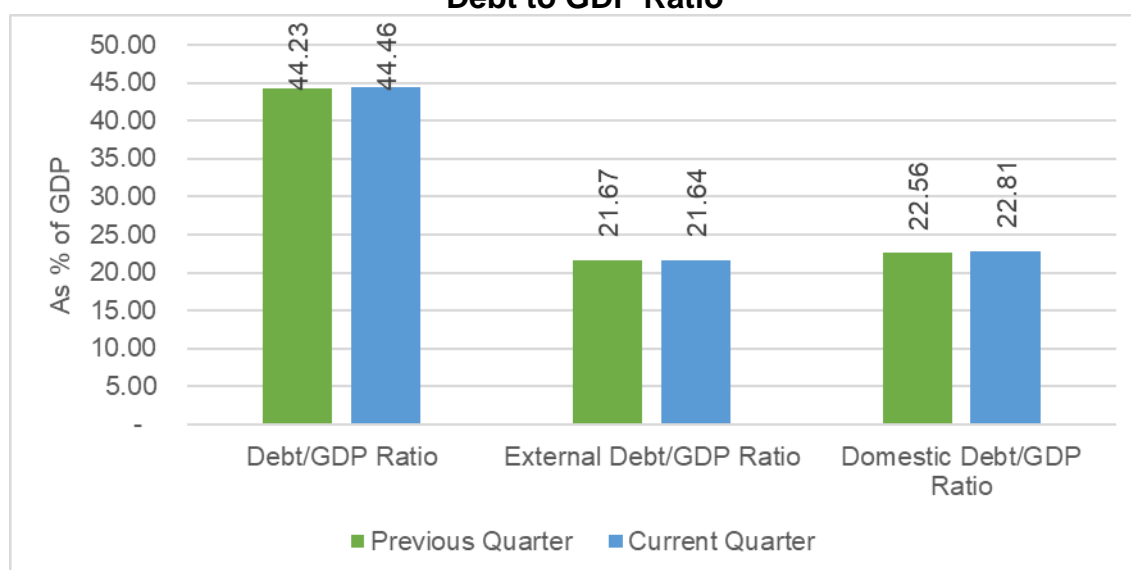
At the end of 2nd quarter of FY 2081/82, the total debt to GDP ratio was 44.46% with external debt accounting for 22.81% and domestic debt for 21.64%. Comparatively, the debt to GDP ratio was 44.23% consisting of 22.56% on external debt and 21.67% on domestic debt at the end of previous quarter, 2080/81.

Table 2 and Figure 5 show comparative details of Debt to GDP ratio of this quarter and end of previous year.

Table 2
Debt to GDP Ratio (Percent)

Source of Debt	Previous Quarter As on 2081 Aswin 30 (Oct 16, 2024)	Current Quarter As on 2081 Poush 29 (Jan 13, 2025)
Total Debt	44.23	44.46
Domestic Debt	21.67	21.64
External Debt	22.56	22.81
GDP (in billions)	5,704.844	5,704.844
<i>*GDP as per Annual National Statistics 2080/81</i>		

Figure 5
Debt to GDP Ratio

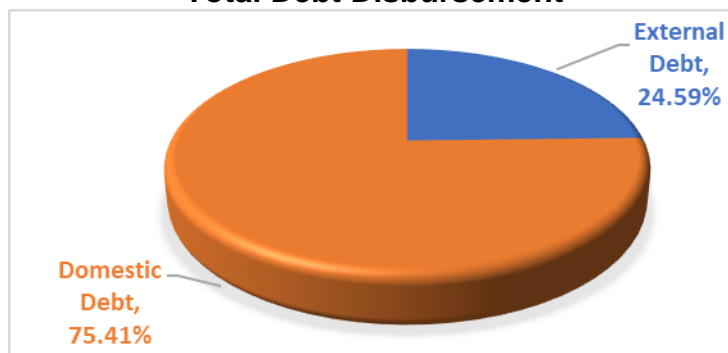


6. Disbursement of Debt

The total disbursement of debt for the 2nd quarter of Fiscal Year 2081/82 was NPR 240.08 billion. Out of which NPR 59.03 billion was received from external creditors and NPR 181.05 billion from domestic market. Out of receipt of external debt, 95.19 % i.e. NPR 56.19 billion was received from multilateral creditors and rest 4.81% i.e. NPR 2.84 billion was from bilateral creditors. During this quarter, NPR 60 billion was received from treasury bills & NPR 121.05 billion from treasury bonds. The rollover of treasury bills (domestic borrowings) has not been considered as new issuance.

Total debt disbursement is presented in Figure 6, while Figure 7 shows domestic debt disbursement by debt instruments, and Figure 8 details external debt disbursement by creditors.

Figure 6
Total Debt Disbursement



Up to the second quarter of the fiscal year, 75.41% of total debt disbursement was received from domestic market and remaining 24.59% from external creditors.

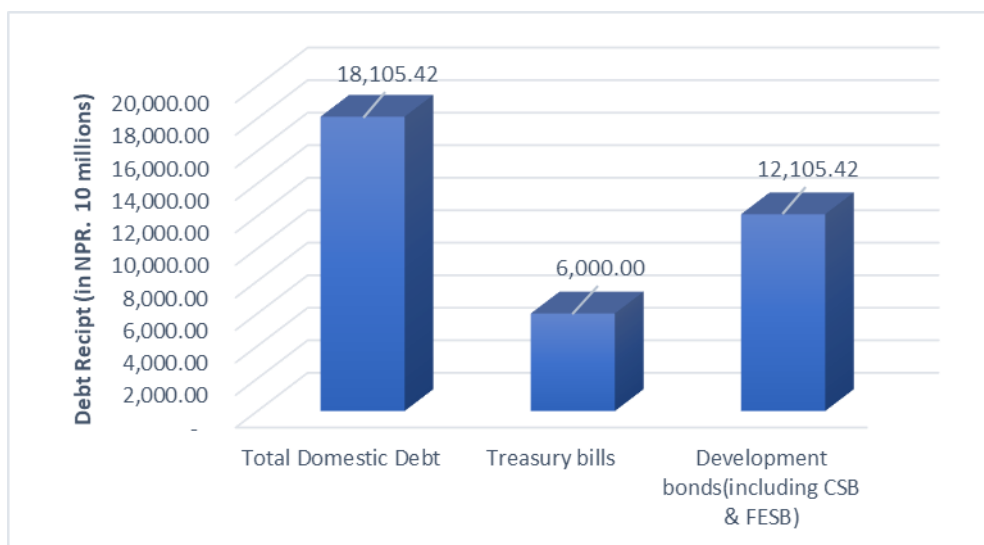
Table 3
Disbursement of debt upto the quarter

As on 2081 Poush 29 (Jan 13, 2025)

(NPR in 10 millions)

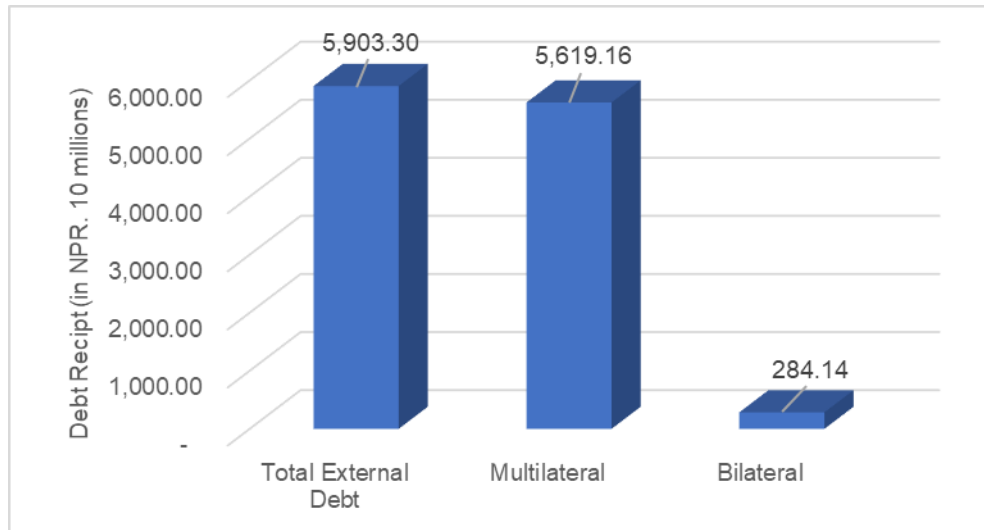
S.N.	Description	Amount	Percentage
1	External Debt	5,903.297	100.00
1.1	Multilateral	5619.16	95.19
1.2	Bilateral	284.140	4.81
2	Domestic Debt	18,105.420	100.00
2.1	Treasury bills	6,000.000	33.14
2.2	Development bonds(including CSB & FESB)	12,105.420	66.86
	Total	24,008.717	100.00

Figure 7
Issuance of Domestic Debt



Out of total domestic issuance of NPR 115 billion of the quarter, treasury bill represents 35 billion and treasury bonds represent 80 billion disbursements for the quarter.

Figure 8
Disbursement of External Debt



Disbursement of external debt comprises NPR 56.19 billion from multilateral creditors and NPR 2.84 billion from bilateral creditors up to the second quarter of the fiscal year 2080/81.

7. Debt Service

Total debt servicing during the 2nd quarter of Fiscal Year 2081/82 was NPR 182.40 billion. Out of which NPR 27.20.62 billion i.e., 14.92% was for external debt and remaining NPR 155.19 billion i.e. 85.08% was for domestic debt. Status of debt servicing in this 2nd quarter is depicted in Table 4.

Table 4
Debt Servicing Upto the Quarter

As on 2081 Poush 29 (Jan 13, 2025)

(NPR in 10 millions)

S.N.	Description	Amortization	Interest Payment*	Total	Percent
1	External Debt	2,242.888	477.820	2,720.708	14.92
2	Domestic Debt	12,724.192	2,795.295	15,519.487	85.08
	Total	14,967.080	3,273.116	18,240.196	100.00

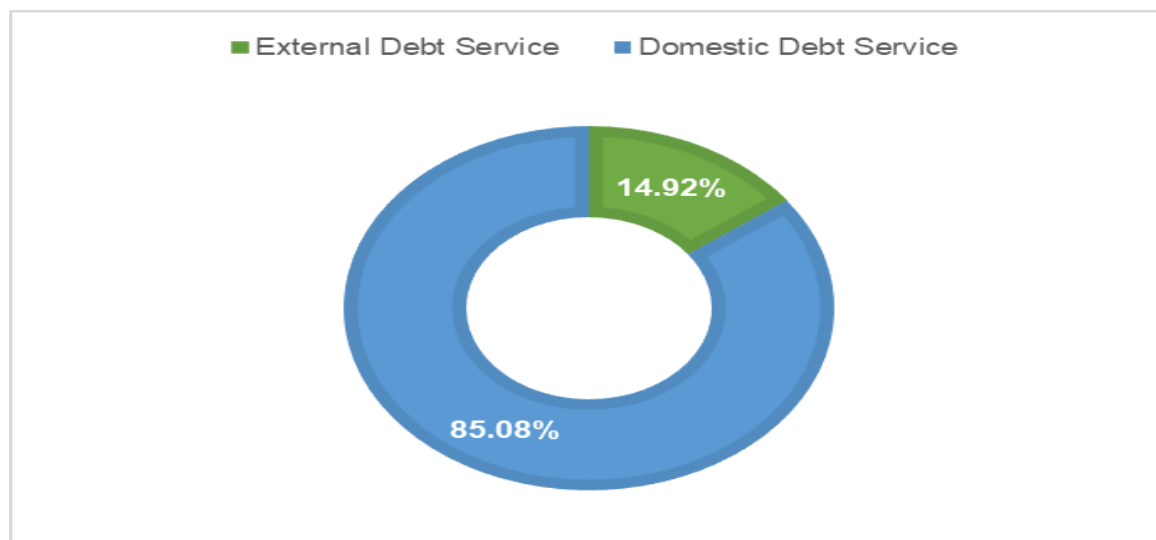
* 1) Interest payment of external debt includes grace period interest payment and commitment charges payment.

2) Interest payment of domestic debt includes commission payment.

In regard to amortization, NPR 22.42 billion has been repaid to the external creditors and NPR 127.24 billion to the domestic creditors during the 2nd quarter. Similarly, payment of interest amounting to NPR 4.77 billion and NPR 27.95 billion have been paid to external and domestic creditors respectively.

Percentage of debt servicing is presented in Figure 9.

Figure 9
Debt Servicing



A detailed monthly payment of interest and principal is presented in Table 5.

Table 5
Interest and Principal Payments Up to the Quarter

As on 2081 Poush 29 (Jan 13, 2025)

(NPR in 10 millions)

Fiscal Year	Sharwan	Bhadra	Asoj	Kartik	Mangsir	Poush	Total
Domestic Debt	2061	2142	2943	2028	5793	553	15519
Principal	1700	1800	2460	1314	5450	0	12724
Interest	361	342	483	714	343	553	2795
External Debt	258	310	593	479	452	628	2721
Principal	227	240	476	415	374	511	2243
Interest	31	70	118	64	78	117	478
Total Debt Service	2318.99	2452.52	3536.30	2506.71	6245.29	1180.38	18240.19

8. Government Guarantees

At present, there are two government-guaranteed debt in Nepal provided to the Nepal Airlines Corporation for the purchase of aircrafts. The guarantee amount was NPR 34 billion. At the end of 2nd quarter, The total outstanding reached NPR 50.85 billion (including debt servicing).

Table 5
Total Outstanding of Gurantee

Entity	Lender	Gurantee Amount	Opening Stock (2081/04/01)	Transaction		Outstanding (2081/09/29)
				NRs(10 Million)		
				Repayment	Interest Capitalize	
Nepal Airlines	Employment Provident Fund	1200	1415.72		612.18	2,027.90
Nepal Airlines	Employment Provident Fund	1000	940.03		95.16	1,035.19
Nepal Airlines	Citizen Investment Trust	1200	1,939.09		82.95	2,022.04
जम्मा		3400	4294.84		790.29	5085.13

This report is based on the data received up to Poush 29, 2081 (Jan13, 2025) considering the value dates & reconciliation as required.

Annexes 1: Donor wise Outstanding External Debt (in commitment currency, NPR)

External Debt Composition by Creditor					
For the month of Poush 2081 (Mid-Jan, 2025)					
(Amount in NPR Crore)					
S.N.	Particulars	Currency	Outstanding Balance Upto Current Month(NPR)	In USD	Share (in %)
A.	Bilateral				
1	BELGIUM	EUR	476,138,859.09	3,454,035.97	0.04
2	EBK	KRW	4,711,783,835.94	34,180,513.86	0.36
3	EBLCI	USD	39,768,741,291.37	288,492,863.92	3.06
4	EIBC	CNY	35,257,839,655.84	255,769,602.15	2.71
5	JICA	JPY	53,267,835,213.37	386,418,826.36	4.09
6	KUWAIT	KWD	1,791,420,341.87	12,995,432.30	0.14
7	NBF	EUR	983,319,671.08	7,133,258.40	0.08
8	SAUDI	SAR	3,093,096,914.22	22,438,135.03	
	Total Bilateral		139,350,175,782.77	1,010,882,667.99	10.71
B.	Multilateral				
1	ADB	SDR	250,546,772,195.34	1,817,531,898.41	19.25
2	ADB	USD	174,320,081,085.88	1,264,563,518.94	13.39
3	AIIB	USD	1,685,811,074.13	12,229,315.01	0.13
4	NDF	EUR	1,638,914,456.32	11,889,114.66	0.13
5	OFID	USD	6,863,679,956.90	49,790,931.86	0.53
6	IDA	EUR	48,724,350.00	353,459.19	0.00
7	IDA	SDR	629,980,710,609.22	4,570,045,053.39	48.41
8	IDA	USD	4,645,440,799.19	33,699,244.10	0.36
9	IFAD	SDR	9,576,117,483.90	69,467,664.01	0.74
10	IFAD	USD	1,061,687,857.24	7,701,761.75	0.08
11	IMF	SDR	62,755,117,018.00	455,242,053.09	4.82
12	EEC	DKK	4,278,790.49	31,039.47	0.00
13	EEC	EUR	112,750,154.19	817,919.15	0.01
14	EEC	GBP	37,214,955.56	269,967.03	0.00
15	EIB	EUR	5,791,688,138.98	42,014,422.48	0.45
16	EIB	USD	12,998,146,771.47	94,291,960.62	1.00
	Total Multilateral		1,162,067,135,696.80	8,429,939,323.15	89.29
	Total		1,301,417,311,479.57	9,440,821,991.15	100.00

Annex 2: Currency wise Outstanding External Debt (in commitment currency, NPR)

External Debt Composition by Currency				
For the month of Poush 2081 (Mid-Jan, 2025)				
(Amount in NPR Crore)				
S.N.	Particulars	Commitment Currency	Outstanding Balance Upto Current Month	Share (in %)
1	CNY	1,875,417,002.97	35,257,839,655.84	2.71
2	DKK	226,032.25	4,278,790.49	0.00
3	EUR	64,090,742.97	9,051,535,629.65	0.70
4	GBP	221,135.87	37,214,955.56	0.00
5	JPY	60,947,179,878.00	53,267,835,213.37	4.09
6	KRW	50,393,410,010.00	4,711,783,835.94	0.36
7	KWD	4,011,690.39	1,791,420,341.87	0.14
8	SAR	84,234,665.42	3,093,096,914.22	0.24
9	SDR	5,349,694,619.68	952,858,717,306.46	73.22
10	USD	1,750,769,596.20	241,343,588,836.17	18.54
Total			1,301,417,311,479.57	100.00

Annex 3 : Government Securities Issued in Second Quarter of FY 2080/81

Government Securities New Issued in FY 2080/81

For the month of Poush 2081 (Mid-Jan, 2025)

(Amount in NPR Crore)

S.No.	Securities	Issue Date	Payment Date	Interest/Discount Rate	Issued Amount
1. Treasury Bills					
1	91 Days(NPTB09101734)	4/15/2081	7/20/2081	2.9500	500.00
2	364 Days (NPTB36411732)	4/29/2081	4/28/2082	3.0423	500.00
3	182 Days (NPTB18210442)	5/18/2081	11/20/2081	2.9923	500.00
4	28 Days (NPTB02800387)	5/25/2081	6/22/2081	2.9590	500.00
5	NPTB09101740- 91 Days	6/8/2081	9/9/2081	2.9524	500.00
6	NPTB18210444- 182 Days	6/15/2081	12/19/2081	2.996	500.00
7	NPTB02800389- 28 Days	6/21/2081	7/20/2081	2.996	500.00
8	NPTB02800390-28 Days	7/6/2081	8/4/2081	2.4904	500.00
9	NPTB36411739	7/27/2081	7/25/2082	2.9815	500.00
10	NPTB18210449	8/4/2081	2/6/2082	2.8856	500.00
11	NPTB36411740	8/18/2081	8/16/2082	2.9913	500.00
12	NPTB09101749	9/2/2081	12/5/2081	2.8246	500.00
Total:					6,000.00
2. Development Bonds					
1	NPDB11002092	4/17/2081	4/16/2092	5.28%	1,000.00
2	NPDB09012090	4/24/2081	4/23/2090	5.22%	1,000.00
3	NPDB06072087	4/31/2081	4/30/2087	5.04%	1,000.00
4	NPDB05142086	5/6/2081	5/5/2086	4.91%	1,000.00
5	NPDB03122084	5/13/2081	5/12/2084	4.39%	1,000.00
6	NPDB06082087	5/20/2081	5/19/2087	4.63%	1,000.00
7	NPDB03132084	5/27/2081	5/27/2084	3.95%	1,000.00
8	NPDB06092087	6/10/2081	6/9/2087	4.27%	1,000.00
9	NPDB09022090	7/8/2081	7/7/2090	4.34	900.00
10	NPDB06102087	7/29/2081	7/28/2087	4.18	1,000.00
11	NPDB03142084	8/13/2081	8/12/2084	3.79	1,000.00
12	NPDB06112087	9/4/2081	9/3/2087	4.00	1,000.00
Total:					11,900.00
3. Citizen Saving Bonds					
1	NPCB05012086	2081-09-16	2086-09-16	7.50	200.00
Total:					200.00
4. Foreign Employment Saving Bonds					
1	NPFB05012086	2081-09-16	2086-09-16	8.50	5.42
Total:					5.42
Grand Total:					18,105.42

