



REPUBLIC OF THE PHILIPPINES
BUREAU OF THE TREASURY
INTRAMUROS, MANILA 2801

Funding the Republic

Press Release

National Government Debt to GDP Slid to 71% As of End March 2006

NG Debt Recorded at Php 3.96 Trillion

15 June 2006, Manila, Philippines: As of March 2006, the National Government debt to GDP further declined to 71% from the end 2005 level of 72%. "This development is coherent to the aim of the government to bring the debt down to 56% of GDP by 2008 when it achieves a balanced budget," according to National Treasurer Omar Cruz.

National Government debt declined further by 0.04% from the February 2006 level. Total outstanding debt stood at P3.96 trillion of which, P1.77 trillion or 45% is owed to foreign creditors and P2.19 trillion or 55% to domestic creditors.

The domestic debt increased by 1% or P22.5 billion from the recorded end February 2006 level arising from net issuance of government securities made by the NG.

On the other hand, the decrease in the NG's foreign debt of P24 billion or 1.4% from the level as of February 2006 was due to the P26 billion appreciation of the peso against the US dollar. However, the fluctuation of the third currencies against the US dollar increased the foreign debt by P2 billion.

On the other hand the contingent debt of the National Government, composed mainly of guarantees issued by the National Government, declined further to P570 billion from end February level of P575 billion. This is a decline of P5 billion resulting from combined effects of net availments and net appreciation of the peso against the US dollar.

**National Government Outstanding Debt
As of the Period Indicated
(In Billion Pesos)**

	End Feb 2006	End Mar 2006	Difference	
			Amount	% Change
Total	3,964.4	3,962.5	(1.9)	(0.04)
Domestic	2,167.9	2,190.4	22.5	1.0
Direct Loans	2,165.6	2,188.1	22.5	1.0
Government Securities	2,137.8	2,160.2	22.4	1.0
Availed by Agencies	27.9	27.8	(0.1)	0.0
Assumed Loans	2.3	2.3	0.0	0.0
Foreign	1,796.5	1,772.1	(24.4)	(1.4)
Direct Loans	690.7	679.8	(10.9)	(1.6)
Availed by Agencies	590.4	582.2	(8.2)	(1.4)
Relent to GOCCs	100.3	97.5	(2.7)	(2.7)
Assumed Loans	2.2	2.1	(0.1)	(1.4)
Foreign Denom. Securities	1,103.6	1,090.2	(13.4)	(1.2)
US Dollar Bonds/Notes	979.6	965.4	(14.2)	(1.4)
Japanese Yen Bonds	22.4	21.8	(0.6)	(2.6)
Euro Bonds	101.7	102.9	1.2	1.2

**National Government Contingent Debt
As of the Period Indicated
(In Billion Pesos)**

	End Feb 2006	End Mar 2006	Difference	
			Amount	% Change
Total	575.2	570.5	(4.7)	(0.8)
Domestic	48.2	48.1	(0.1)	0.0
NG Direct Guarantee	48.0	48.0	0.0	0.0
Assumed GFI Guarantee	0.2	0.2	0.0	0.0
Foreign	527.1	522.4	(4.7)	(0.9)
NG Direct Guarantee	519.9	515.2	(4.7)	(0.9)
Assumed GFI Guarantee	7.2	7.1	(0.1)	(1.4)

**National Government Outstanding Debt
As of the Period Indicated
(In Billion Pesos)**

	End Mar 2005	End Mar 2006	Difference	
			Amount	% Change
Total	3,869.0	3,962.5	93.5	2.4
Domestic	2,059.5	2,190.4	130.9	6.4
Direct Loans	2,057.2	2,188.1	130.9	6.4
Government Securities	2,028.9	2,160.2	131.3	6.5
Availed by Agencies	28.3	27.8	(0.5)	0.0
Assumed Loans	2.3	2.3	0.0	0.0
Foreign	1,809.5	1,772.1	(37.4)	(2.1)
Direct Loans	801.9	679.8	(122.1)	(15.2)
Availed by Agencies	685.8	582.2	(103.6)	(15.1)
Relent to GOCCs	116.1	97.5	(18.5)	(16.0)
Assumed Loans	4.5	2.1	(2.4)	(53.0)
Foreign Denom. Securities	1,003.1	1,090.2	87.1	8.7
US Dollar Bonds/Notes	868.3	965.4	97.1	11.2
Japanese Yen Bonds	43.3	21.8	(21.5)	(49.6)
Euro Bonds	91.5	102.9	11.4	12.5

**National Government Contingent Debt
As of the Period Indicated
(In Billion Pesos)**

	End Mar 2005	End Mar 2006	Difference	
			Amount	% Change
Total	603.9	570.5	(33.4)	(5.5)
Domestic	30.9	48.1	17.2	55.7
NG Direct Guarantee	30.7	48.0	17.3	56.1
Assumed GFI Guarantee	0.2	0.2	0.0	0.0
Foreign	573.0	522.4	(50.6)	(8.8)
NG Direct Guarantee	562.3	515.2	(47.1)	(8.4)
Assumed GFI Guarantee	10.7	7.1	(3.6)	(33.6)