



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

Funding the Republic

Press Release

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National Government Debt Declined to P3.924 Trillion As of End July 2006

9 October 2006, Manila, Philippines: As of July 2006, the National Government debt declined by 1.9% or P75 billion from the June 2006 level. "The appreciation of the peso against the US dollar and the net repayments of foreign and domestic obligations in July attributed to the decline in debt," stated National Treasurer Omar Cruz. The decline in domestic and foreign debt amounts to P10 billion and P65 billion, respectively. Total outstanding debt stood at P3.924 trillion of which, P1.773 trillion or 45% is owed to foreign creditors and P2.151 trillion or 55% to domestic creditors.

The domestic debt decreased by P10 billion from the recorded end June 2006 level due to net redemption incurred.

The decrease in the NG's foreign debt of P65 billion or 3.5% from the level as of June 2006 was due to the P67 billion appreciation of the peso against the US dollar and P2 billion net repayments. This was partially offset by the P4 billion net depreciation of the third currencies against the US dollar.

The contingent debt of the National Government, composed mainly of guarantees issued by the National Government, declined to P576 billion, lower by P17 billion from end June level of P593 billion. The decrease was brought about by the P20 billion net appreciation of the peso against the US dollar and P1 B net repayments, which was partially offset by the P2 billion net depreciation of the third currencies against the US dollar and P2 billion additional issues of government securities.

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

	End June 2006	End July 2006	Difference	
			Amount	% Change
Total	3,998.5	3,923.7	(74.8)	(1.9)
Domestic	2,161.4	2,151.2	(10.2)	(0.5)
Direct Loans	2,159.1	2,148.9	(10.2)	(0.5)
Government Securities	2,138.9	2,128.8	(10.1)	(0.5)
Availed by Agencies	20.2	20.1	(0.1)	0.0
Assumed Loans	2.3	2.3	0.0	0.0
Foreign	1,837.1	1,772.5	(64.6)	(3.5)
Direct Loans	715.1	691.2	(23.9)	(3.3)
Availed by Agencies	612.2	591.8	(20.4)	(3.3)
Relent to GOCCs	102.9	99.4	(3.5)	(3.4)
Assumed Loans	2.2	1.1	(1.1)	(50.0)
Foreign Denom. Securities	1,119.8	1,080.1	(39.7)	(3.5)
US Dollar Bonds/Notes	984.8	949.0	(35.8)	(3.6)
Japanese Yen Bonds	23.2	22.5	(0.7)	(3.0)
Euro Bonds	111.8	108.7	(3.1)	(2.8)

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

	End June 2006	End July 2006	Difference	
			Amount	% Change
Total	593.4	575.9	(17.5)	(2.9)
Domestic	48.1	50.1	2.0	4.2
NG Direct Guarantee	48.0	50.0	2.0	4.2
Assumed GFI Guarantee	0.2	0.2	0.0	0.0
Foreign	545.3	525.8	(19.5)	(3.6)
NG Direct Guarantee	537.8	519.9	(17.9)	(3.3)
Assumed GFI Guarantee	7.5	5.9	(1.6)	(21.3)

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

	End July 2005	End July 2006	Difference	
			Amount	% Change
Total	3,931.9	3,923.7	(8.2)	(0.2)
Domestic	2,080.8	2,151.2	70.4	3.4
Direct Loans	2,078.5	2,148.9	70.4	3.4
Government Securities	2,050.2	2,128.8	78.6	3.8
Availed by Agencies	28.2	20.1	(8.1)	(28.7)
Assumed Loans	2.3	2.3	0.0	0.0
Foreign	1,851.1	1,772.5	(78.6)	(4.2)
Direct Loans	790.7	691.2	(99.5)	(12.6)
Availed by Agencies	676.6	591.8	(84.8)	(12.5)
Relent to GOCCs	114.0	99.4	(14.6)	(12.8)
Assumed Loans	3.5	1.1	(2.4)	(68.6)
Foreign Denom. Securities	1,057.0	1,080.1	23.1	2.2
US Dollar Bonds/Notes	929.8	949.0	19.2	2.1
Japanese Yen Bonds	42.5	22.5	(20.0)	(47.1)
Euro Bonds	84.6	108.7	24.1	28.4

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

	End July 2005	End July 2006	Difference	
			Amount	% Change
Total	606.0	575.9	(30.1)	(5.0)
Domestic	39.0	50.1	11.1	28.5
NG Direct Guarantee	38.8	50.0	11.2	28.8
Assumed GFI Guarantee	0.2	0.2	0.0	0.0
Foreign	567.1	525.8	(41.3)	(7.3)
NG Direct Guarantee	557.8	519.9	(37.9)	(6.8)
Assumed GFI Guarantee	9.3	5.9	(3.4)	(36.6)