

OVERVIEW OF THE SOVEREIGN DEBT REGIONAL MARKET



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Bâtir un Marché intégré des Titres Publics

www.umoatitres.org

Av, Abdoulaye FADIGA • BP : 4709 Dakar RP-Sénégal
Tél : +221 839 10 10 • Fax : +221 33 839 45 57
E-mail : agenceumoatitres@umoatitres.org



OVERVIEW OF THE SOVEREIGN DEBT REGIONAL MARKET

SUMMARY

- Issued public securities: 2001-2017
- Trends in outstanding debt: 2009-2017
- Breakdown of the outstanding as at end of 2017
- Breakdown of securities issuance in 2017
- Profile of extinguishment of the market debt as at end of 2017
- Yields of Government securities by issuer
- 2017 reforms and innovations
- 2018 major reforms



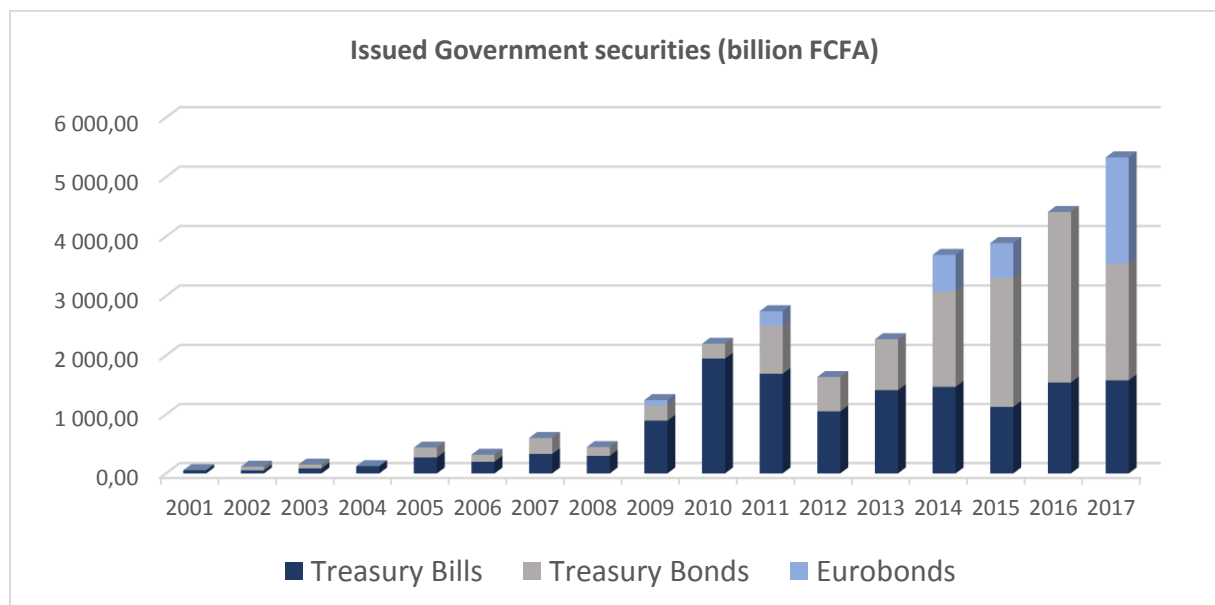
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Issued Government securities: 2001-2017

- Instruments used:
 - a. Fungible Treasury Bill: negotiable debt security issued by States to cover the liquidity needs in the short and medium terms (maximum maturity of 2 years).
 - b. Fungible Treasury Bond: debt security issued either by auction or by syndication, in order to cover the liquidity needs in the long term (beyond 2 years of maturity).
 - c. Eurobond: bond issued in different countries and in one currency other than that of the issuing country.



Data source: Agence UMOA-Titres

Eurobonds are valued at the exchange rate prevailing at the issuance date

- 2001 to 2017: increase in issuance of Government securities.
- December 15, 2009: first international issuance (Eurobond) by a Member State (Senegal).



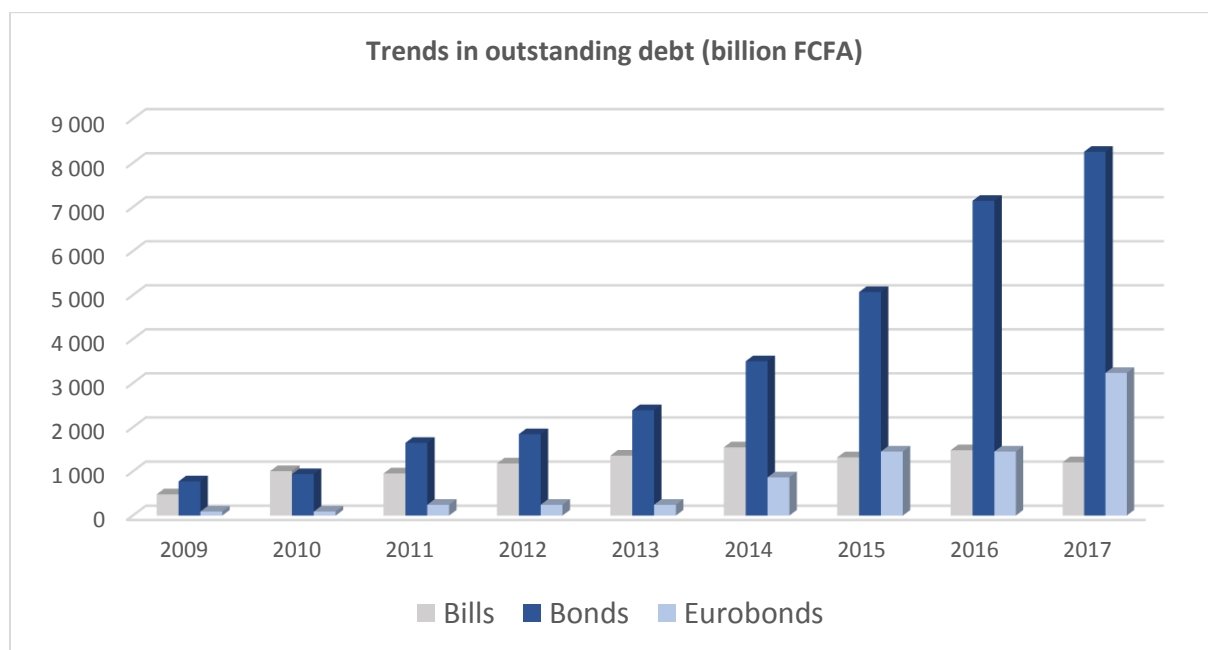
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Trends in outstanding debt: 2009-2017

- Total outstanding of Government securities: from 1 347 to 12 694 billion CFA francs between 2009 and 2017.
- Trends in outstanding debt marked by a rise in bonds in the regional market.



Data source: Agence UMOA-Titres

Eurobonds are valued at the exchange rate prevailing at the issuance date



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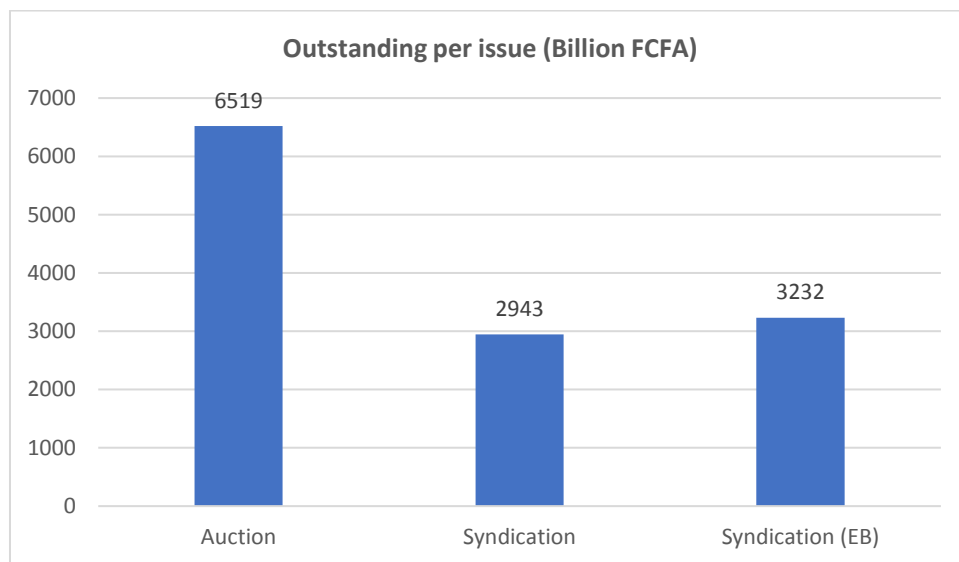


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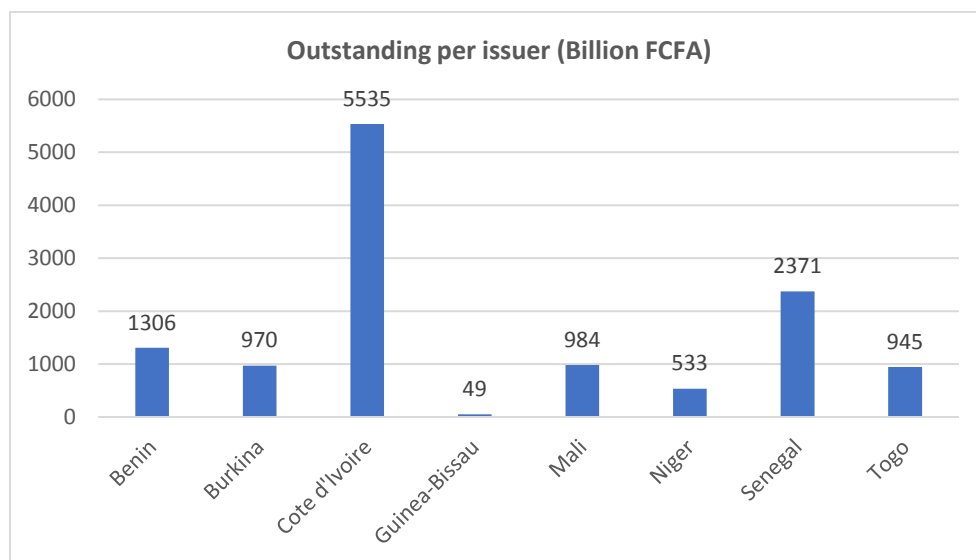


Breakdown of the outstanding at end of 2017

- 12 694.42 billion of outstanding Government securities
- 75% on the regional market
- 25% on the international market



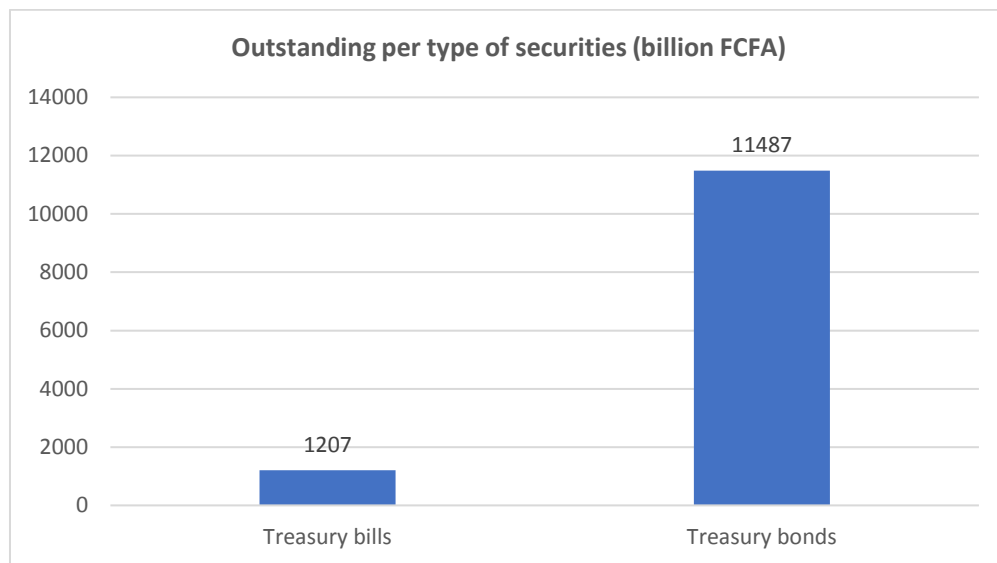
Eurobonds are valued at the exchange rate prevailing at the issuance date



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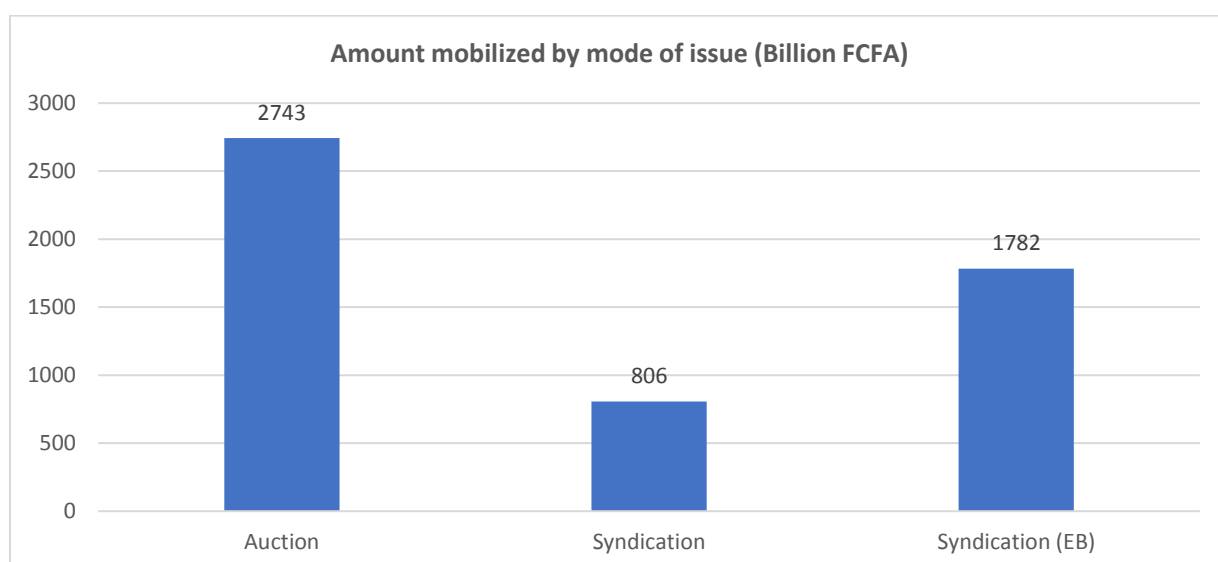
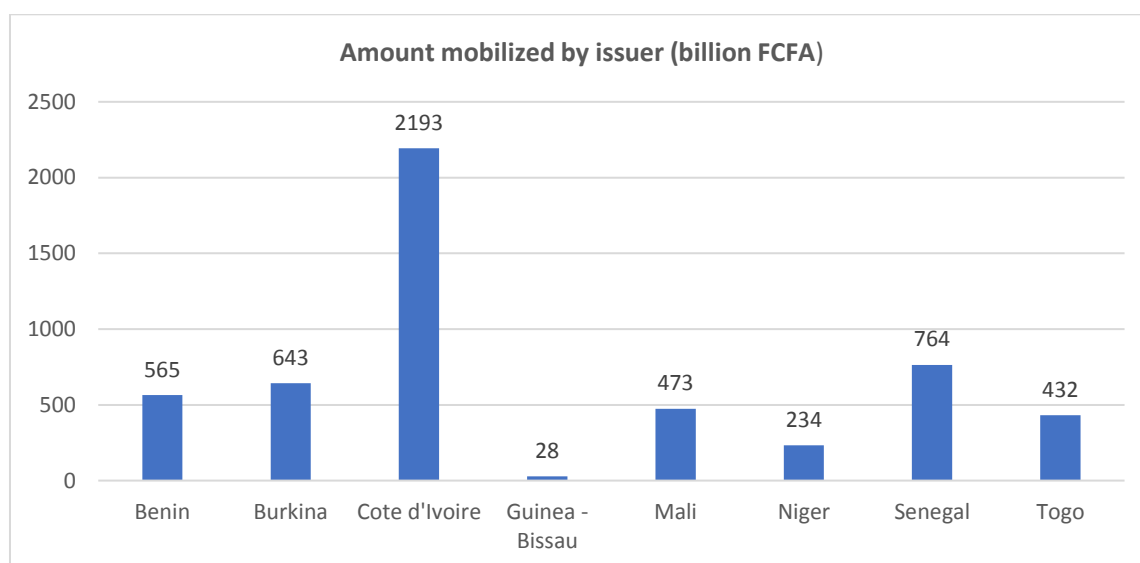
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Breakdown of securities issuance in 2017

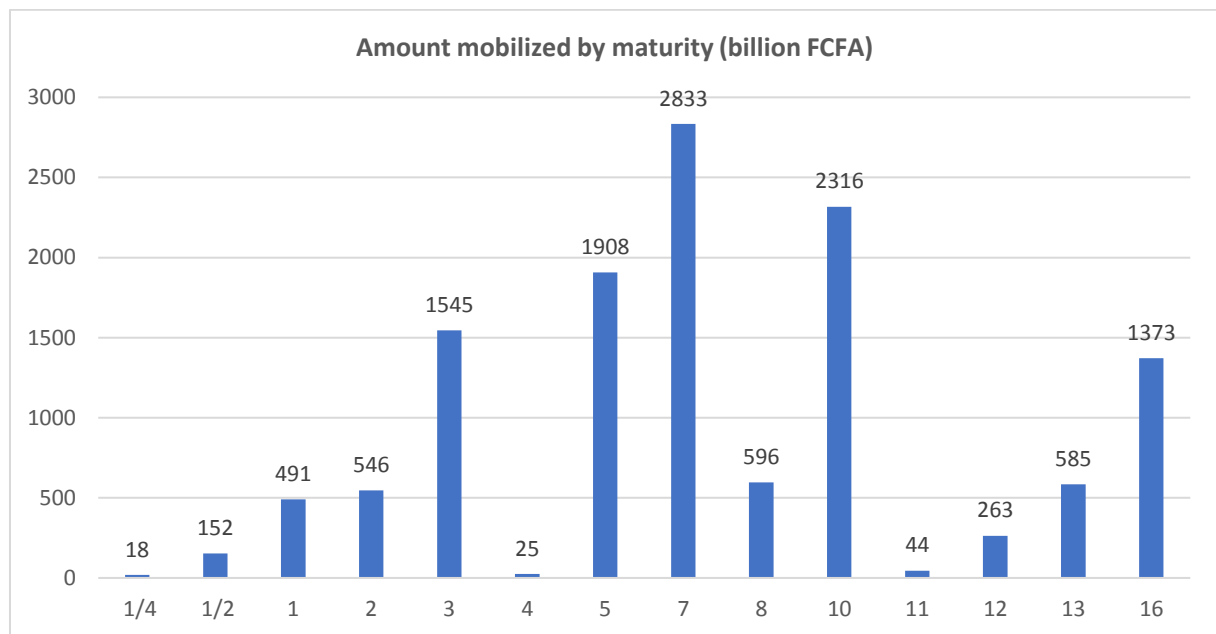
- 5 331 billion raised in 2017 by WAMU Member States
- 51% of the amount raised on the market by tender
- Presence on several points of the curve
- Increase of long term issuance



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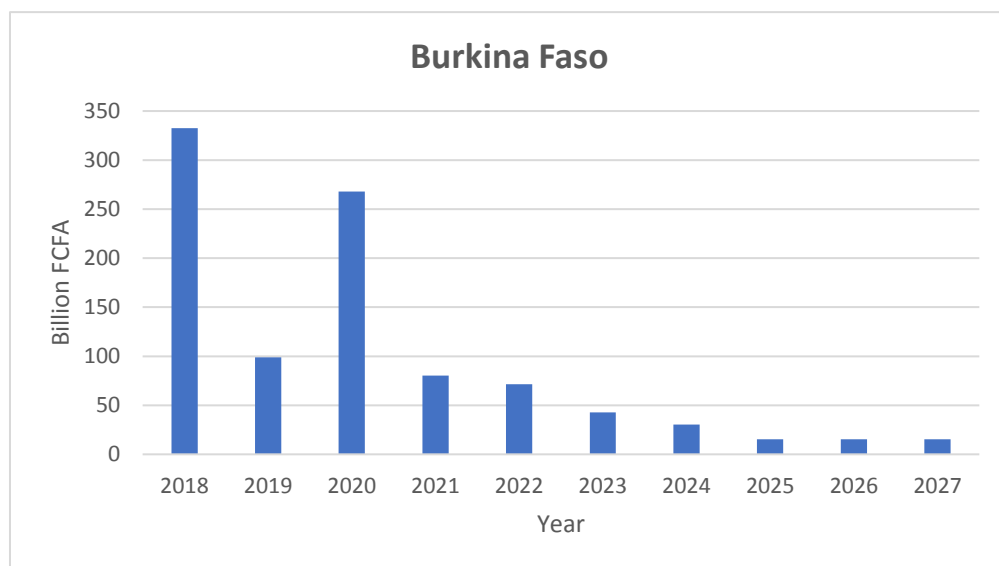
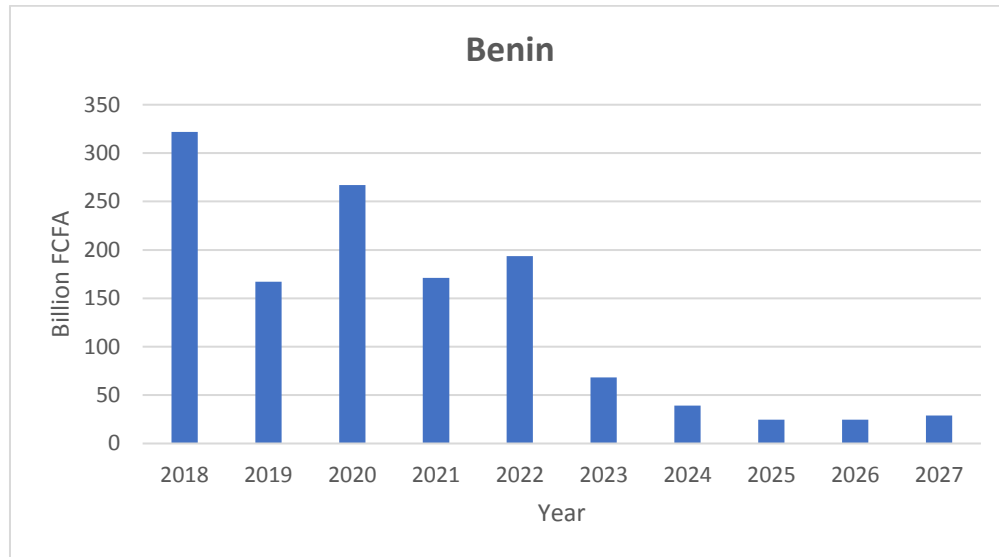
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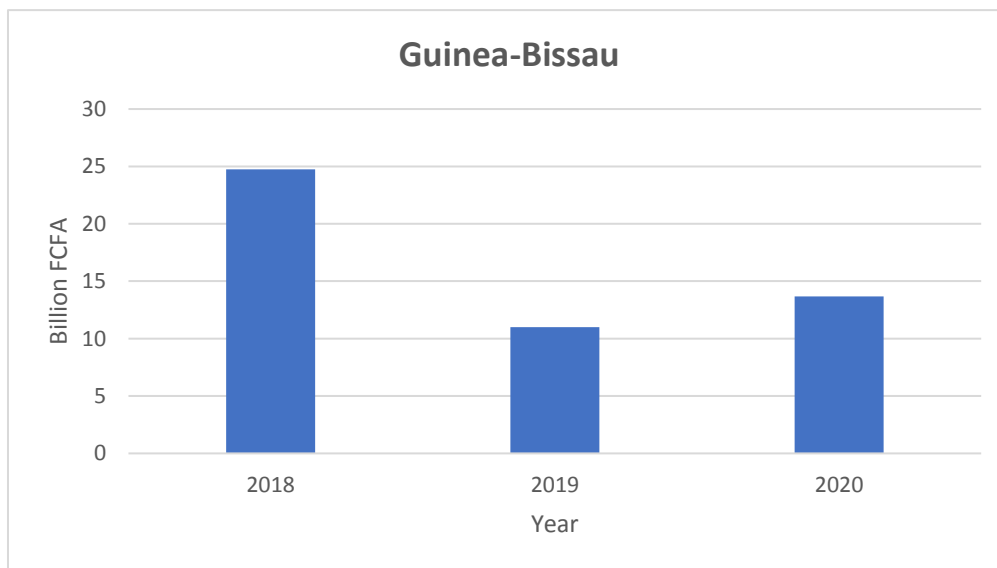
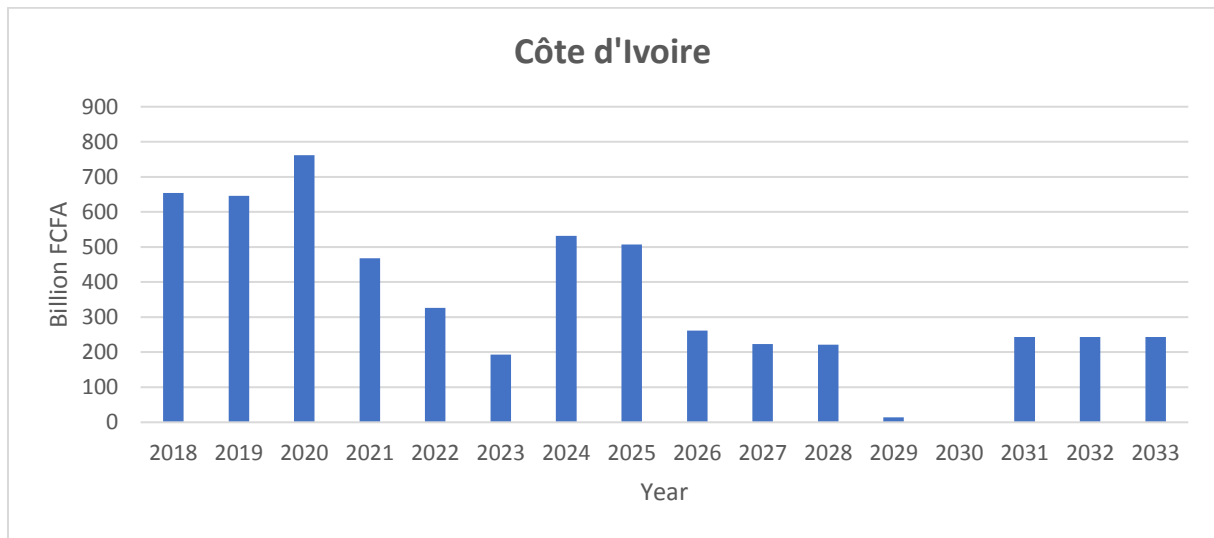
Profile of extinguishment of the market debt as at December 2017



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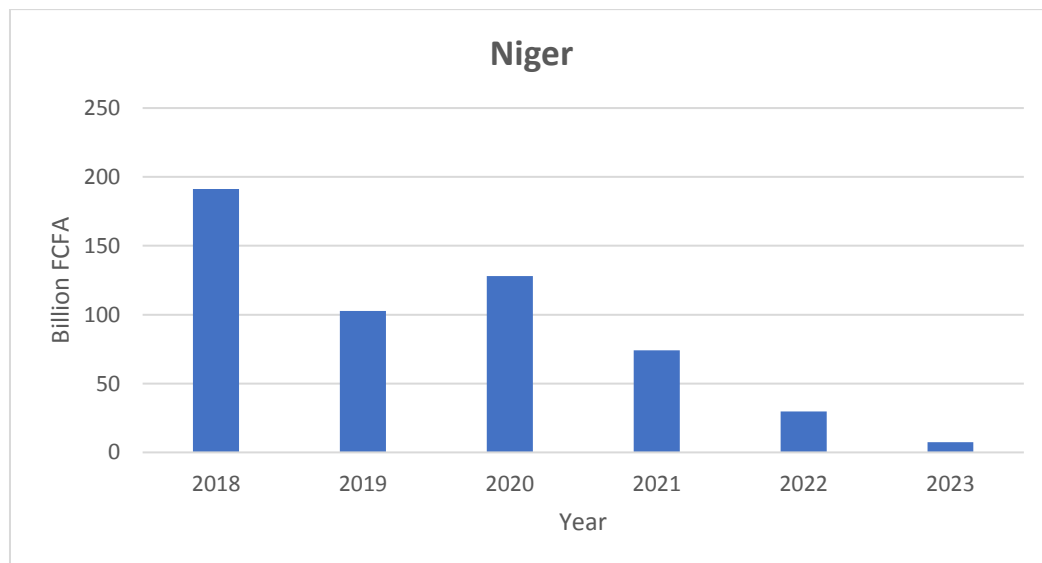
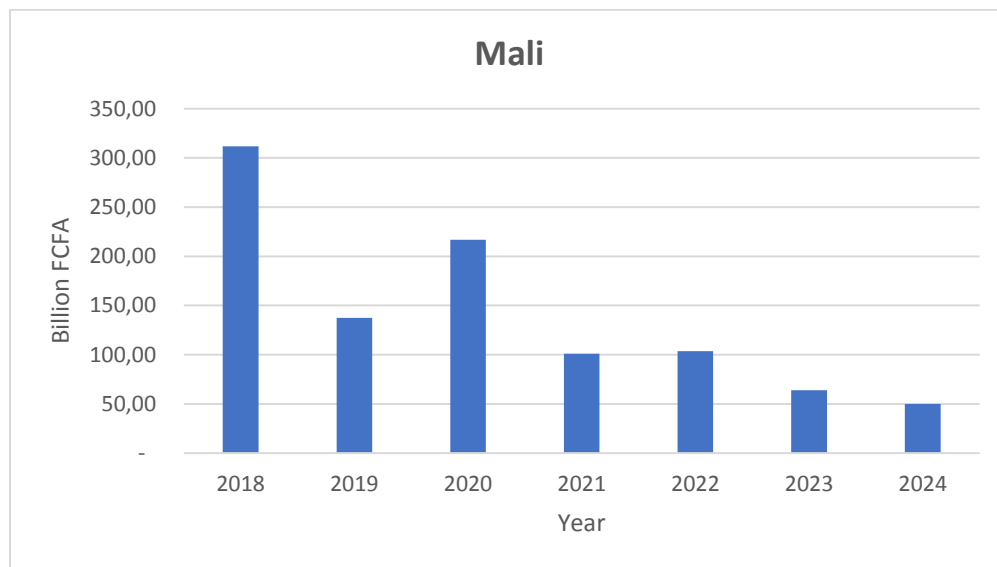
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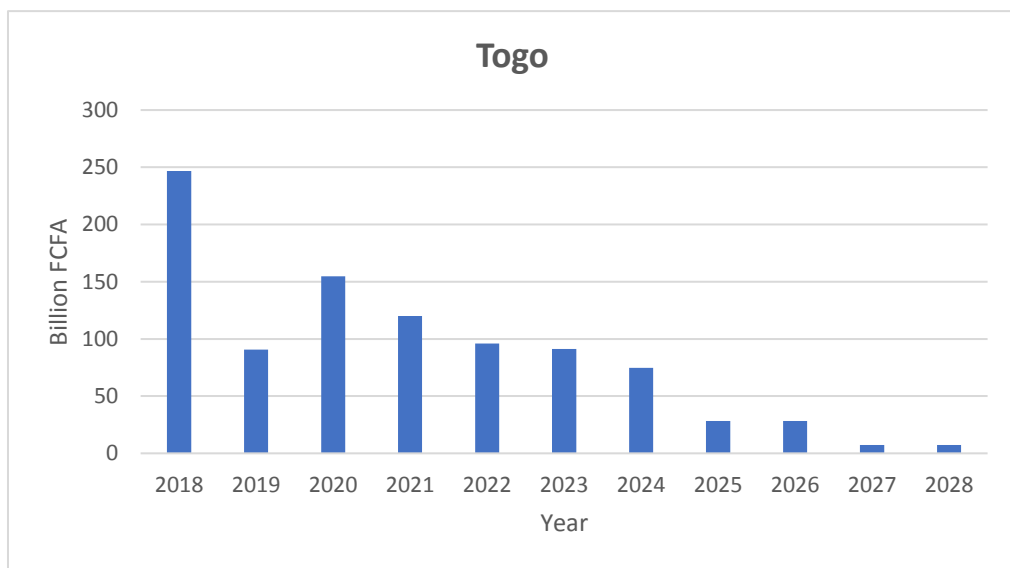
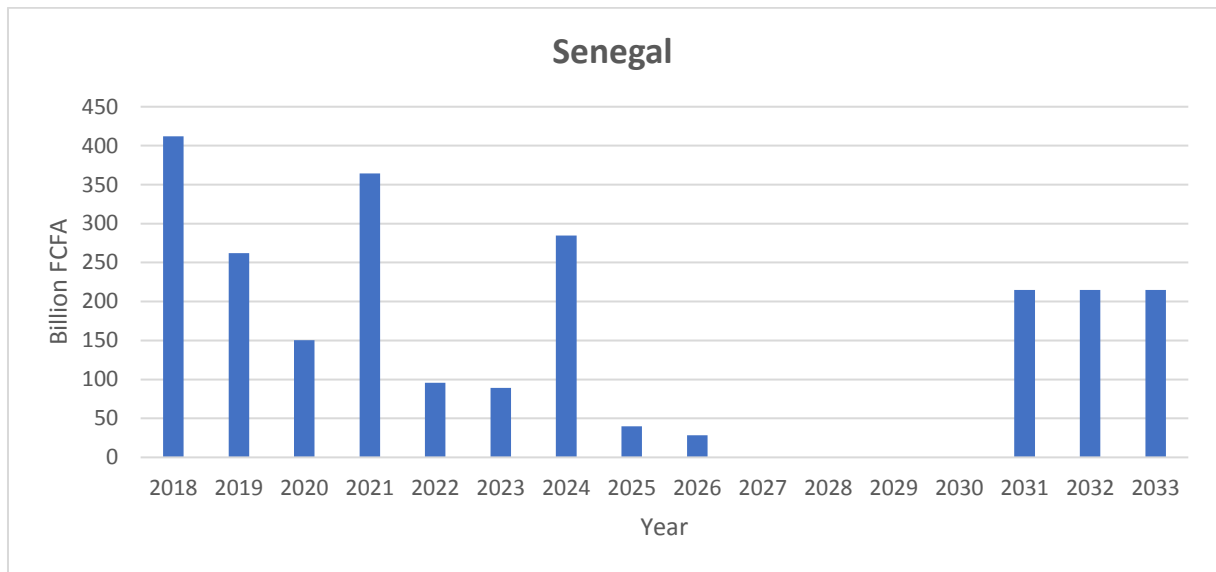
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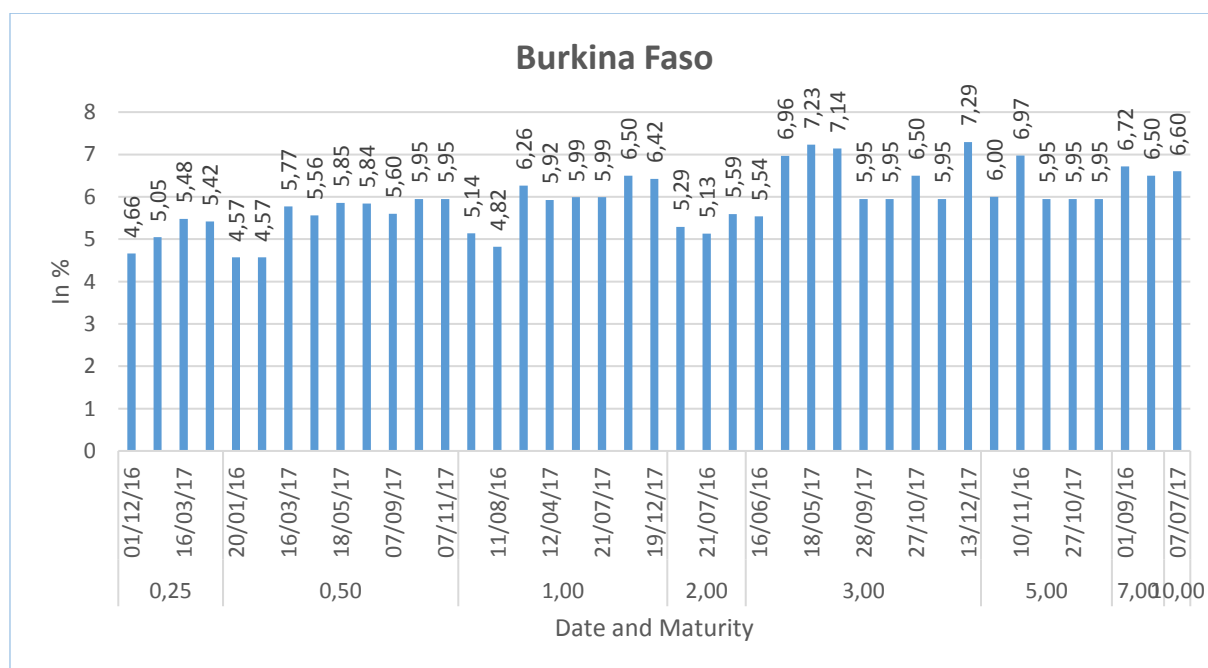
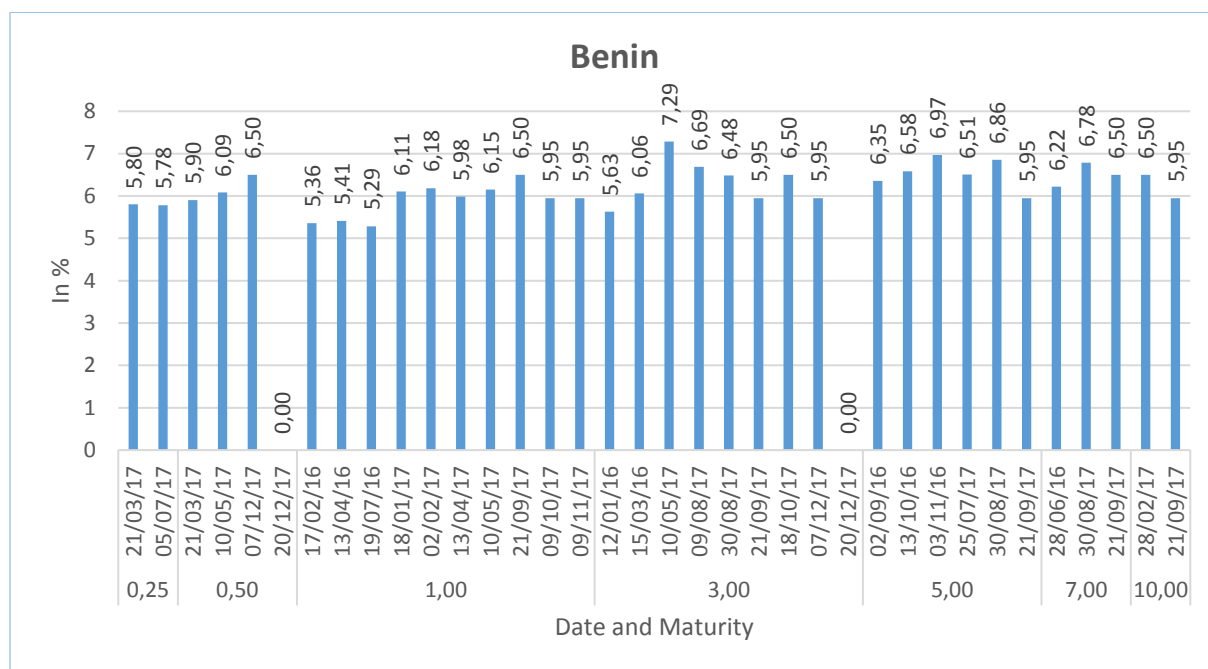


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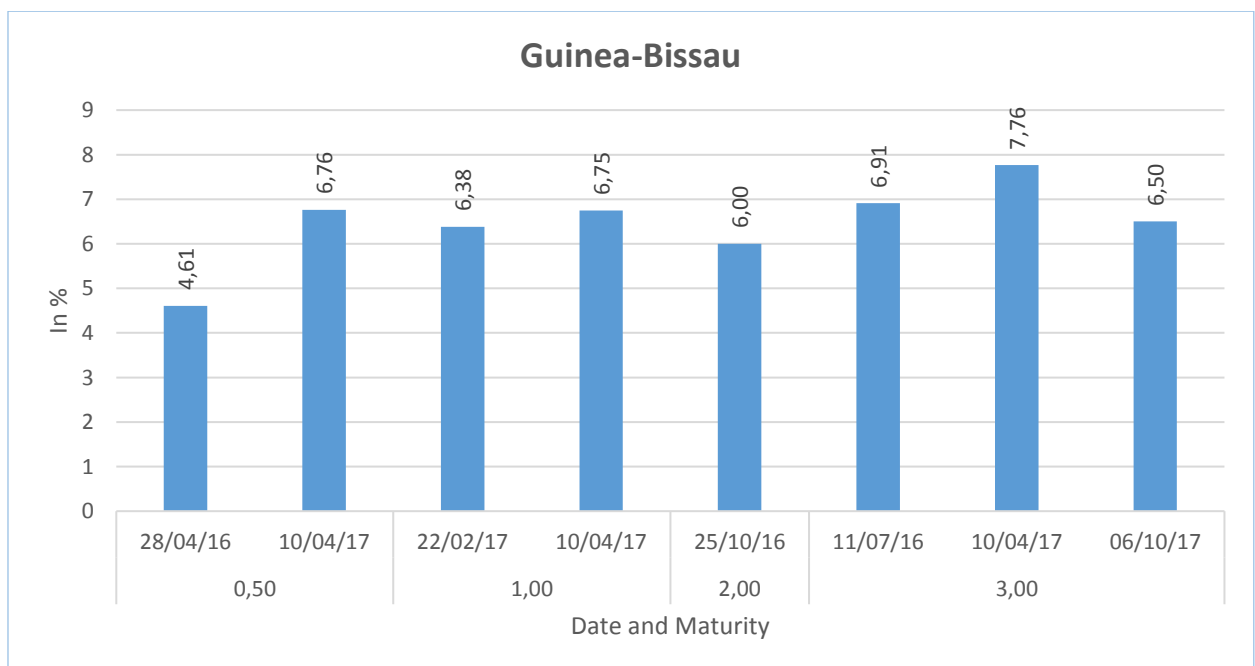
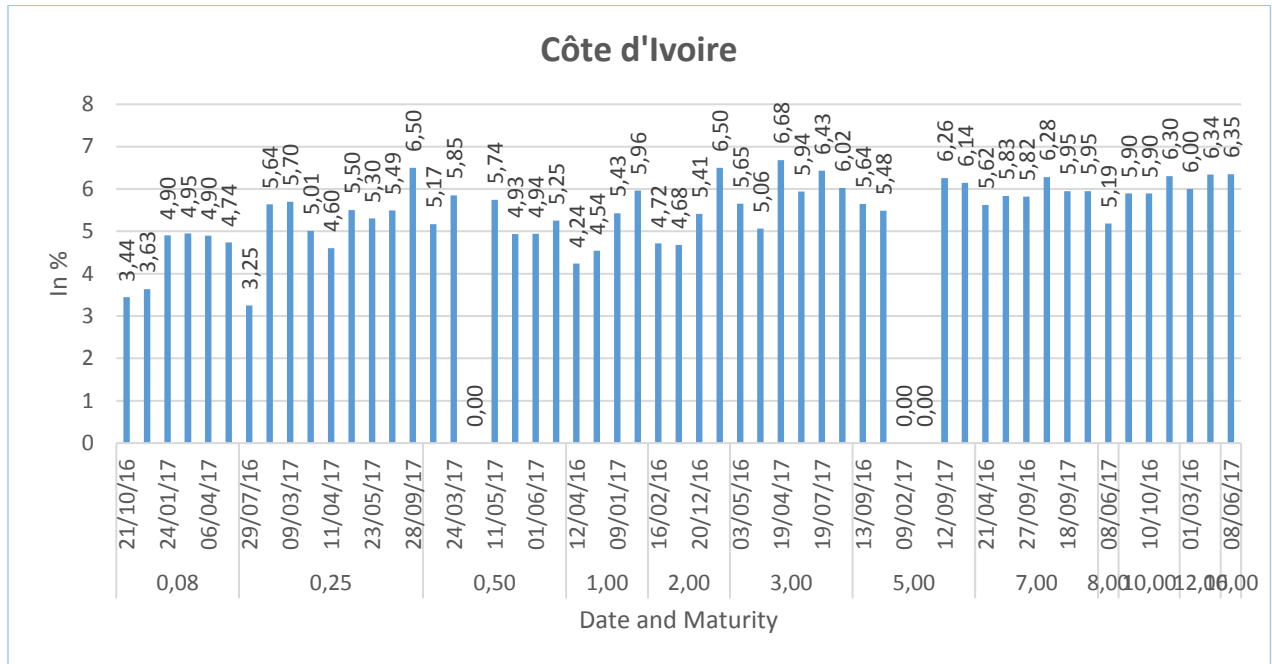
Yields of Government securities



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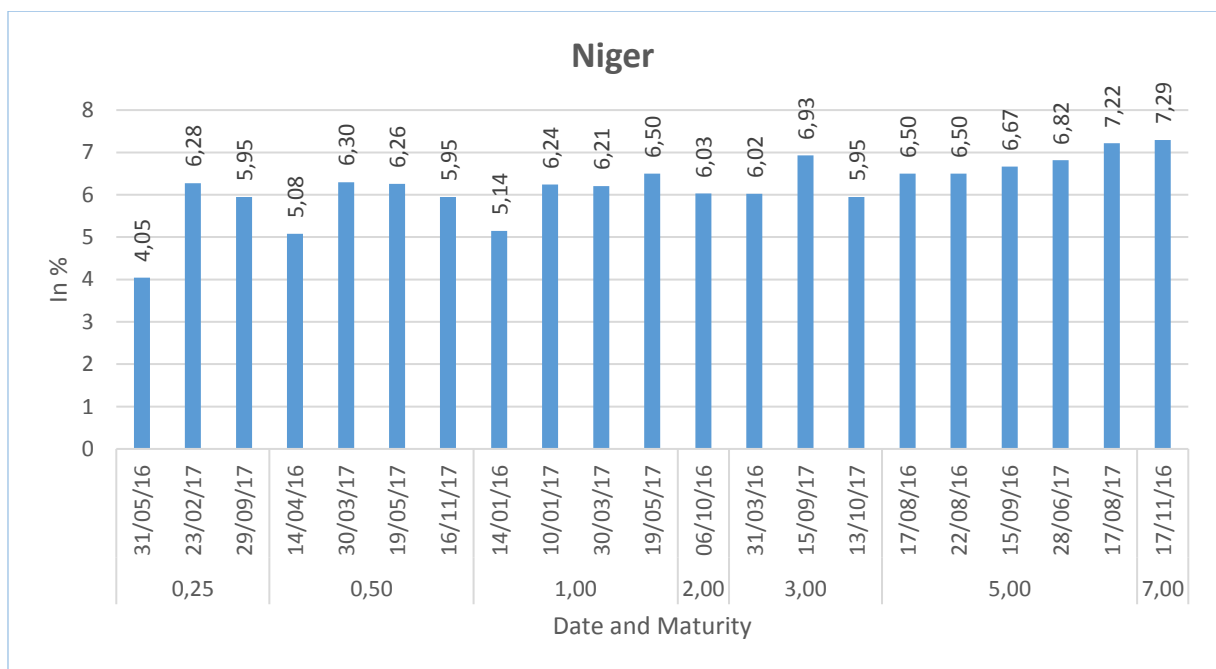
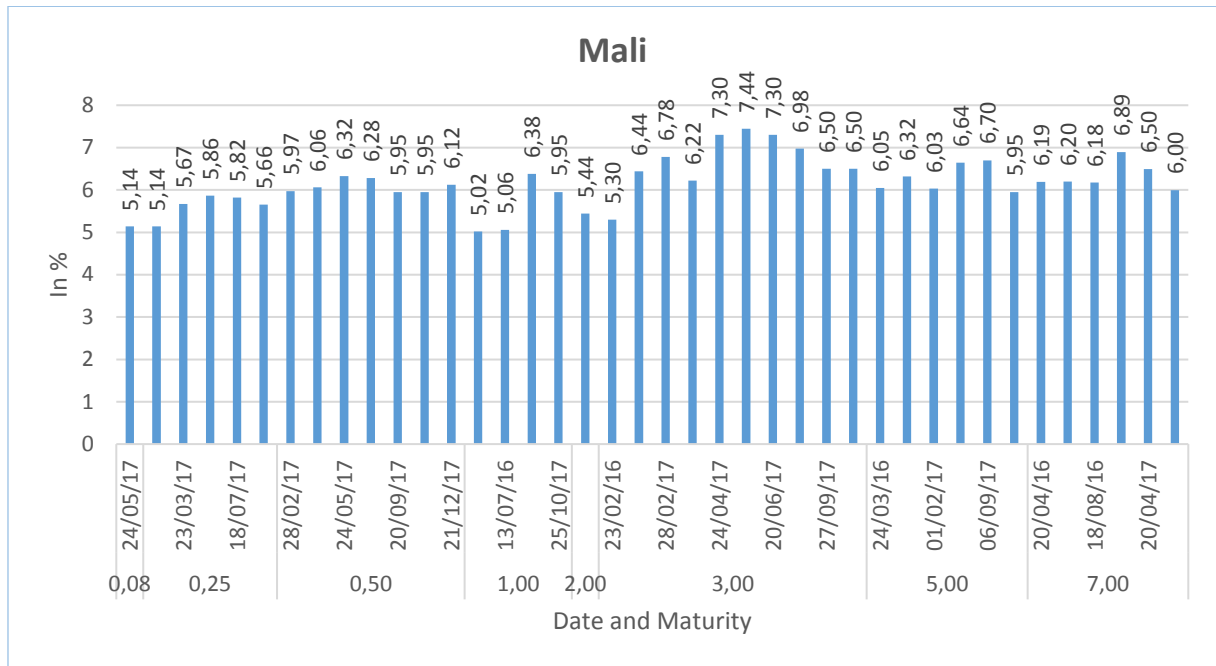
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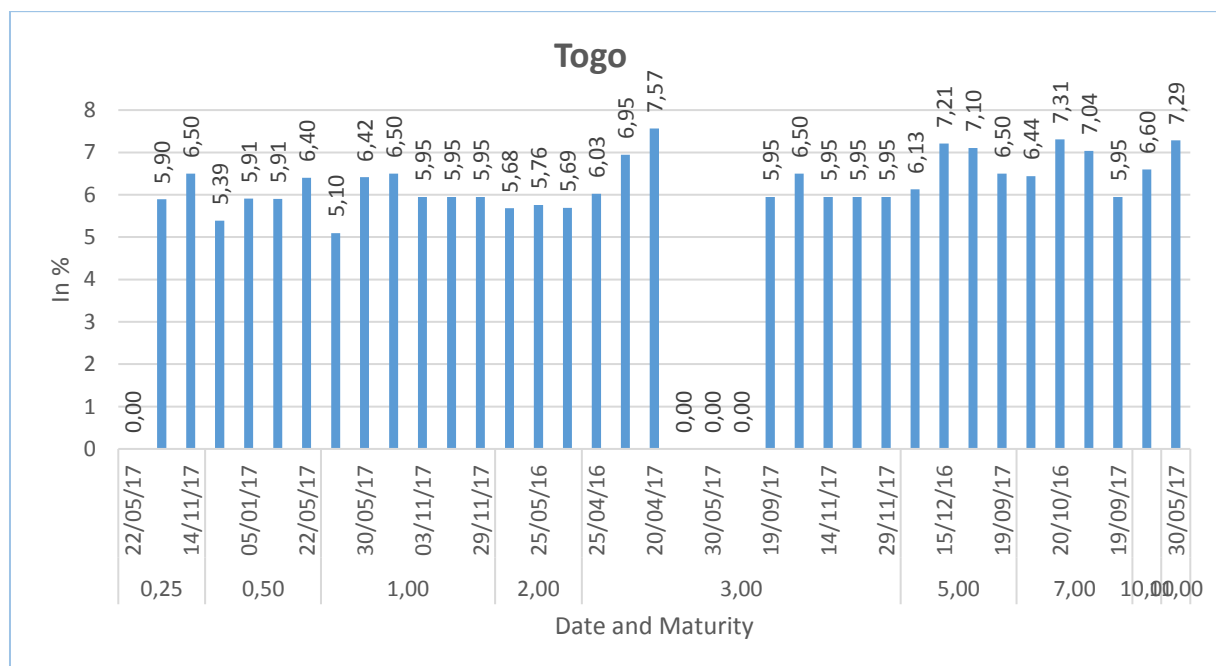
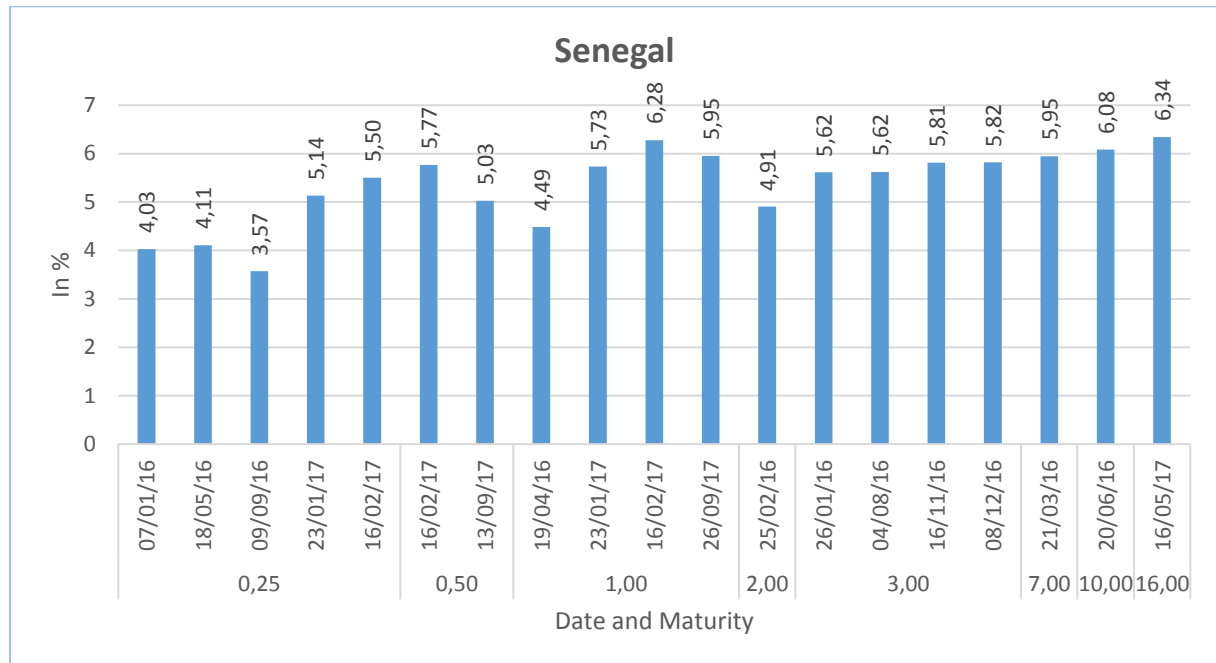
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Reforms and innovations of 2017

- Standardization of Government securities:
 - Adoption of depreciation In Fine for 3-year maturity Treasury bonds
- Issuance and matching of fungible securities
- Development and provision of new economic and financial fact sheets on WAMU States.

Major reforms in 2018

- Broadening of the investor base
- Development of rate curves
- Contribution to the development of the secondary and interbank market
- Financial rating of WAEMU Member States on a regional scale
- Structuring of specific securities



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