



ශ්‍රී ලංකා මහ බැංකුව
இலங்கை மத்திய வங்கி
CENTRAL BANK OF SRI LANKA

Communications Department

30, Janadhipathi Mawatha, Colombo 01, Sri Lanka.

Tel : 2477424, 2477423, 2477311

Fax: 2346257, 2477739

E-mail: dcommunications@cbsl.lk, communications@cbsl.lk

Web: www.cbsl.gov.lk

Press Release

Issued By

Public Debt Department

Date

31.05.2013

Public Debt Management in Sri Lanka Performance in 2012 and Strategies for 2013 and beyond

The Central Bank of Sri Lanka released its 7th annual publication on “Public Debt Management in Sri Lanka, Performance in 2012 and Strategies for 2013 and beyond” today. This publication provides a comprehensive analysis covering the environment in which the public debt was managed, the government borrowings in 2012, the status of public debt as at end 2012, composition and changes of the debt stock and the government borrowing strategy for 2013 and beyond.

As detailed in the Publication, total debt stock of the Government increased by Rs. 866.7 billion in 2012 and stood at Rs. 6.0 trillion at the year end, consisting of domestic debt of Rs. 3.2 trillion and foreign debt of Rs. 2.8 trillion. The rupee value of the foreign debt stock increased by Rs. 438 billion in 2012 mainly due to the increase in rupee value of the foreign currency denominated debt by Rs. 127.2 billion on account of the depreciation of the rupee against foreign currencies. The Debt to GDP ratio increased to 79.1 at the end of 2012 from 78.5 at the previous year end. Total interest cost of the Government in 2012 increased to Rs. 408.5 billion from Rs. 356.7 billion in 2011. The primary market yield rates of T-bills and T-bonds

increased during 2012. The benchmark yield curve was extended to 20 years with the issue of 20-year government T-bonds in 2012 at a yield of 11.0 per cent. The Central Bank of Sri Lanka (CBSL), on behalf of the Democratic Socialist Republic of Sri Lanka, successfully launched and priced a US\$ 1.0 billion 10-year International Sovereign Bond at a yield of 5.875% per annum in 2012. With this transaction Sri Lanka succeeded in reducing the cost of funds which is progressively lower compared to the previous issuances.

This publication is available in Sinhala, Tamil and English. The electronic copy of the publication can be viewed on

http://www.cbsl.gov.lk/pics_n_docs/10_pub/docs/efr/Public_Debt/Public_Debt_2012e.pdf