

INDIA & NEIGHBOURS

PPG BILATERAL LENDING 2000 - 2020

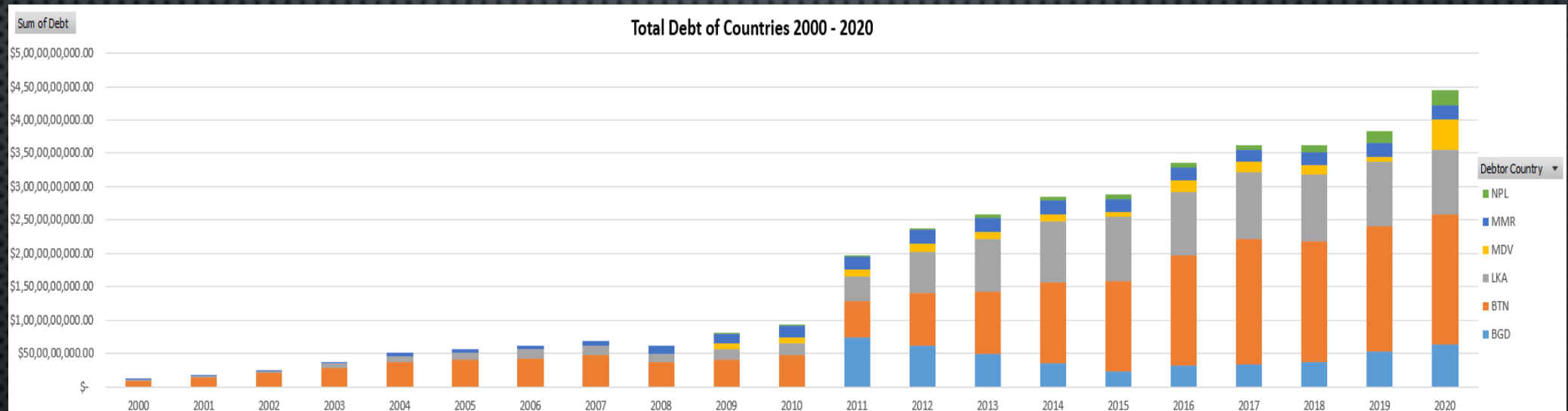
By Umar Shaikh



WHAT IS PPG BILATERAL DEBT?

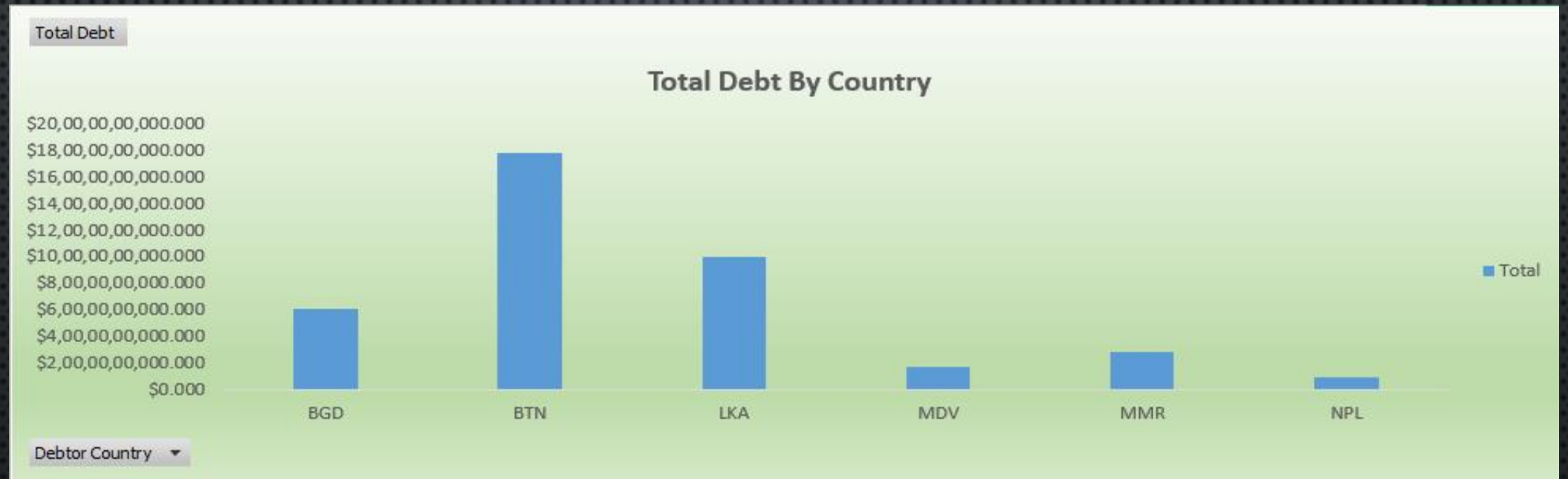
- PUBLIC AND PUBLICLY GUARANTEED DEBT REFERS TO LONG-TERM EXTERNAL COMMITMENTS OF PUBLIC DEBTORS.
- IT INCLUDES DEBT GUARANTEED BY THE NATIONAL GOVERNMENT, PUBLIC CORPORATIONS, STATE-OWNED ENTERPRISES, DEVELOPMENT BANKS AND OTHER MIXED ENTERPRISES, POLITICAL SUBDIVISIONS (OR THEIR AGENCIES), AUTONOMOUS PUBLIC BODIES, AND PRIVATE DEBTORS' EXTERNAL OBLIGATIONS GUARANTEED FOR REPAYMENT BY A PUBLIC ENTITY.
- EXTERNAL DEBT INFLUENCES A COUNTRY'S CREDITWORTHINESS AND INVESTOR PERCEPTIONS.
- TOTAL DEBT SERVICE IS COMPARED TO A COUNTRY'S ABILITY TO GENERATE FOREIGN CASH THROUGH EXPORTS OF PRODUCTS, SERVICES, PRIMARY INCOME, AND WORKER REMITTANCES.

INDIA & NEIGHBOURING COUNTRIES PPG BILATERAL LENDING 2000 - 2020



- BETWEEN THE YEARS 2000 AND 2007, YOY GROWTH HAS BEEN MODERATE AND CONSTANT.
- 2008 INDICATES A DECLINE IN LOANS DUE TO THE ECONOMIC CRISIS OF 2008.
- YOY INCREASE HAS REACHED HIGHEST FROM 2010 ONWARD.

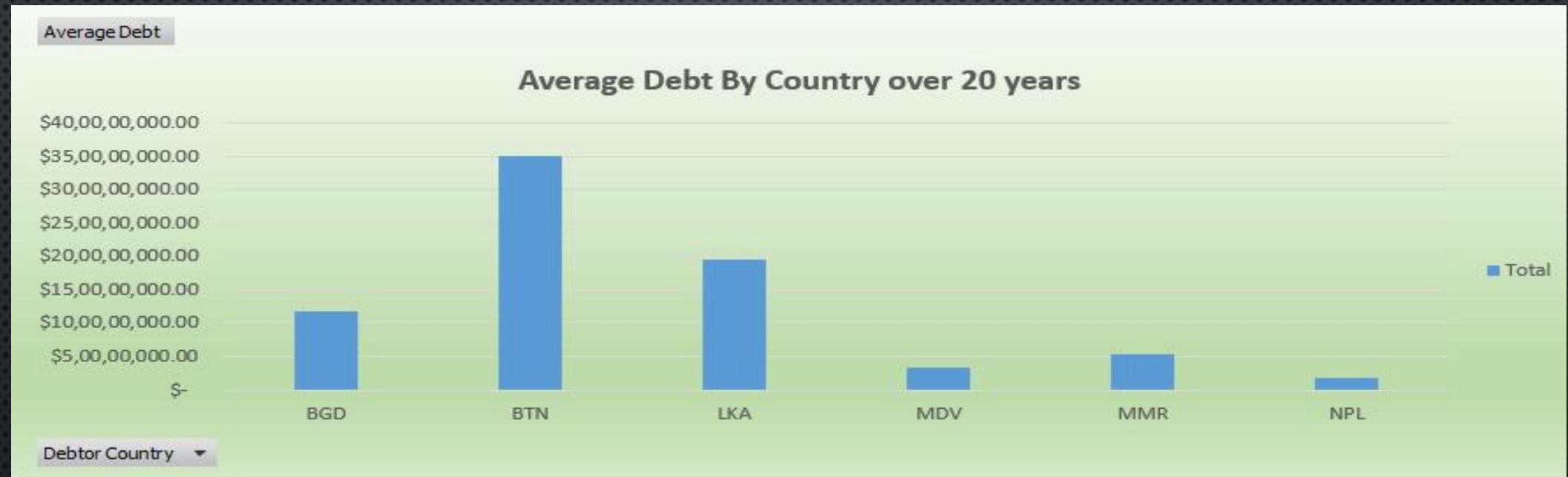
INDIA & NEIGHBOURING COUNTRIES PPG BILATERAL LENDING 2000 – 2020 TOTAL DEBT BY COUNTRY



- BHUTAN HAS THE BIGGEST SHARE OF BILATERAL LOANS, TOTALING TO APPROXIMATELY 18 BILLION US DOLLARS.
- NEPAL HAS THE LEAST SHARE OF BILATERAL LOANS, TOTALING TO APPROXIMATELY 1 BILLION US DOLLARS.
- TOTAL BILATERAL LOAN BY INDIA AMOUNTS TO APPROXIMATELY 45 BILLION US DOLLARS.

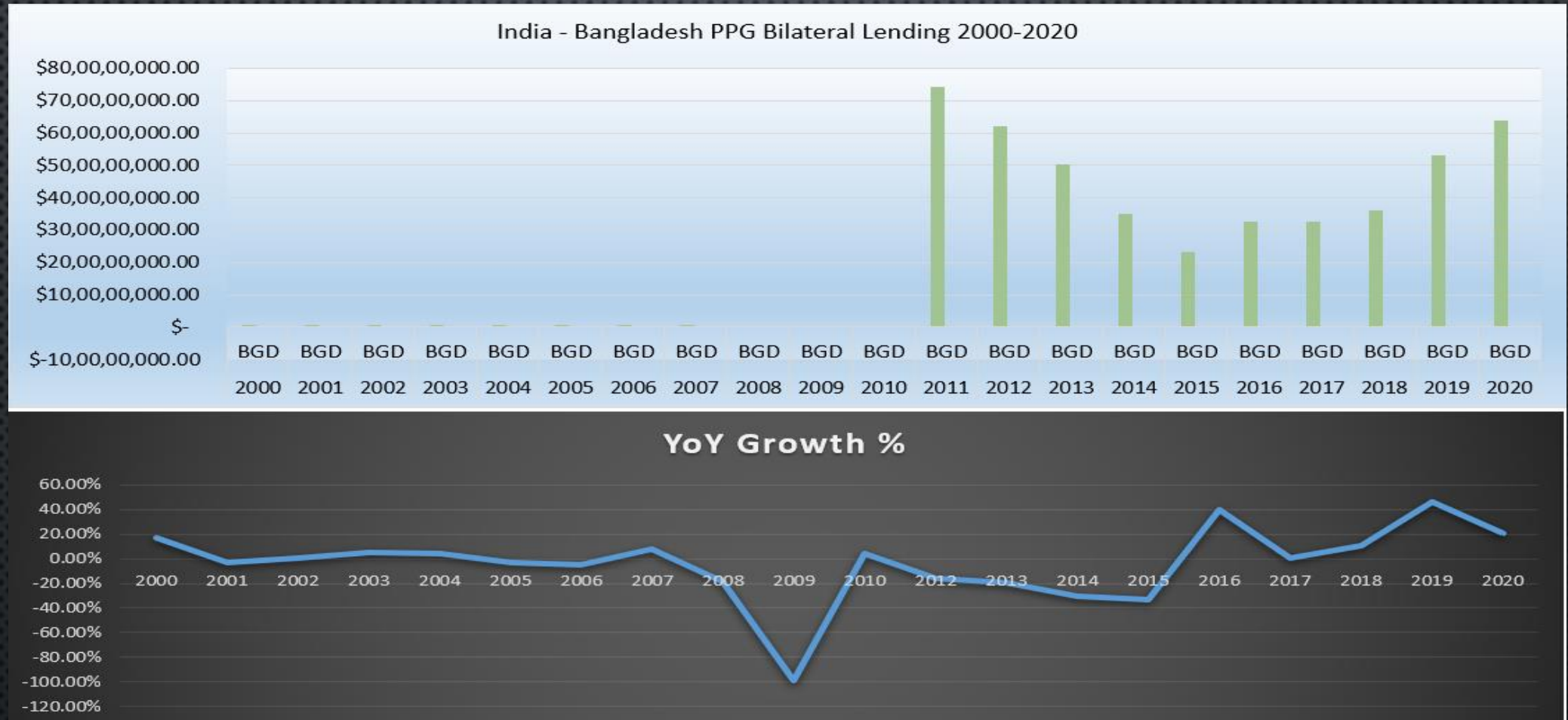
INDIA & NEIGHBOURING COUNTRIES PPG BILATERAL LENDING 2000 – 2020

AVERAGE DEBT BY COUNTRY OVER 20 YEARS



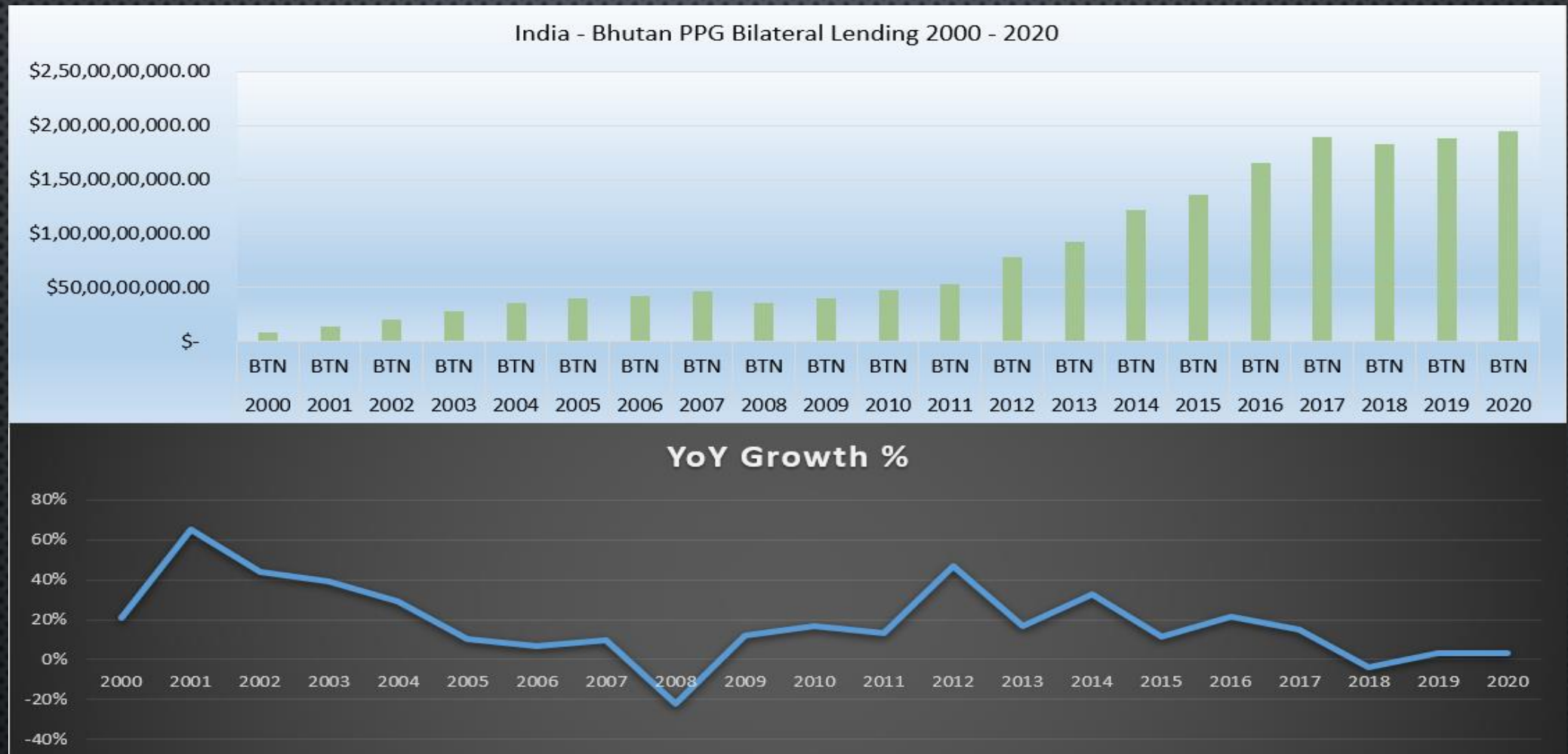
- BHUTAN HAS THE BIGGEST SHARE OF BILATERAL LOANS, AMOUNTING TO ALMOST 3.5 BILLION US DOLLARS EACH YEAR.
- NEPAL HAS THE LEAST SHARE OF BILATERAL LOANS, AMOUNTING TO APPROXIMATELY 250 MILLION US DOLLARS EACH YEAR.
- OVER A 20-YEAR PERIOD, INDIA'S AVERAGE BILATERAL CREDIT AMOUNT IS APPROXIMATELY 13 BILLION US DOLLARS.

INDIA – BANGLADESH PPG BILATERAL LENDING 2000 - 2020



- BANGLADESH'S TOTAL DEBT AMOUNTS TO APPROXIMATELY 6 BILLION US DOLLARS.
- BILATERAL FINANCING HAS SUBSTANTIALLY INCREASED AFTER 2010, REDUCING AGAIN UNTIL 2015.

INDIA – BHUTAN PPG BILATERAL LENDING 2000 - 2020



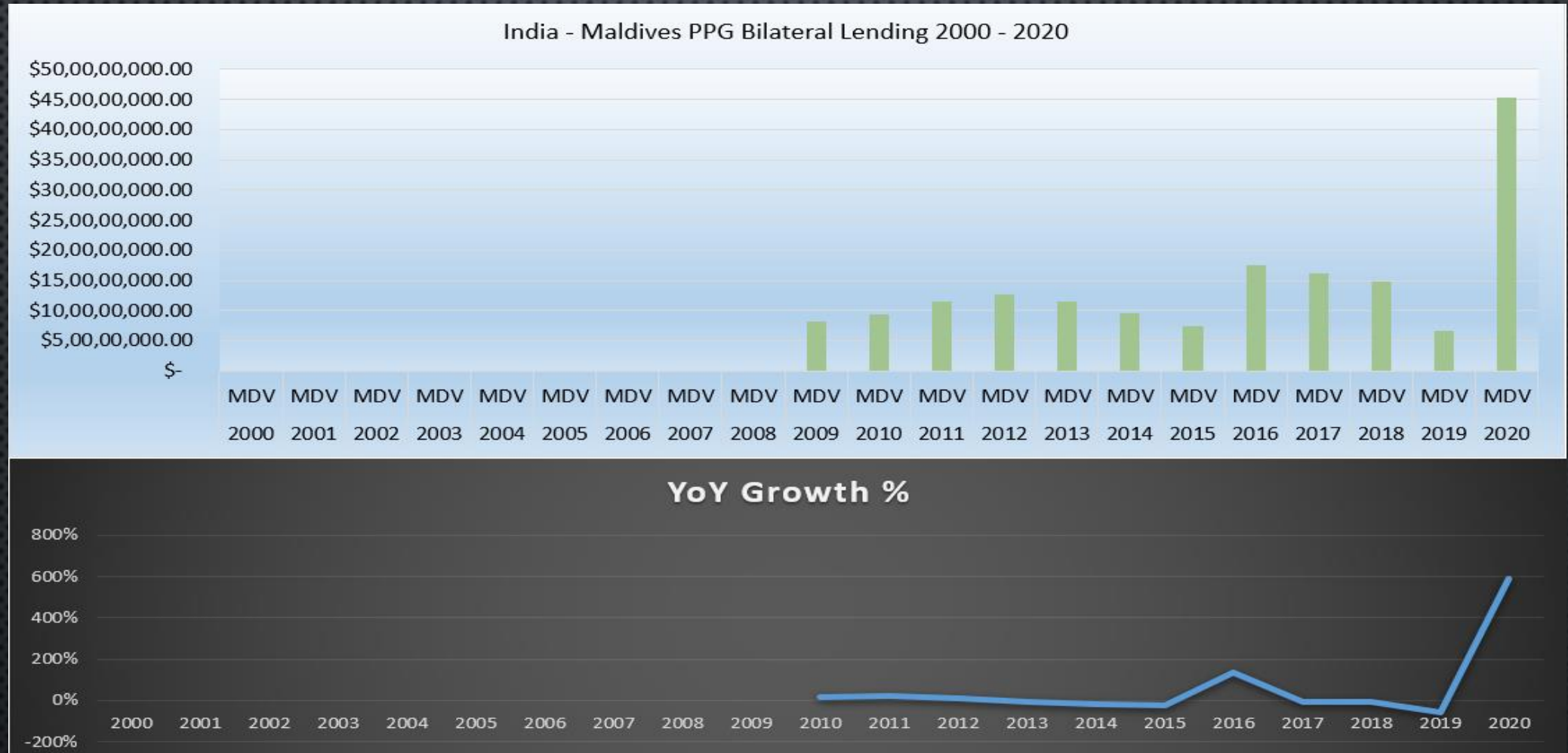
- BHUTAN'S TOTAL DEBT AMOUNTS TO APPROXIMATELY 18 BILLION US DOLLARS.
- BILATERAL LENDING HAS GRADUALLY INCREASED THROUGHOUT THE YEARS.

INDIA – SRI LANKA PPG BILATERAL LENDING 2000 - 2020



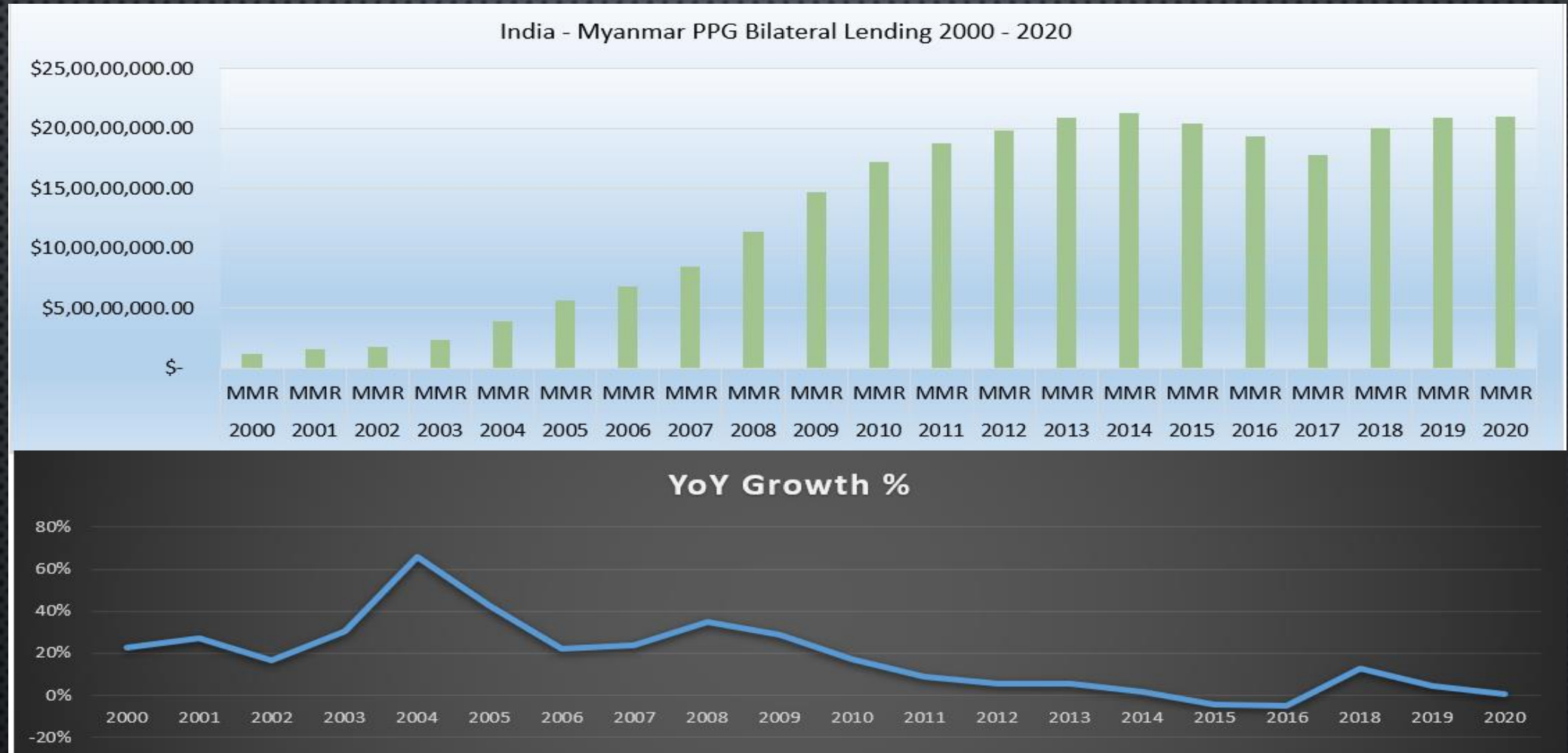
- SRI LANKA'S TOTAL DEBT AMOUNTS TO APPROXIMATELY 9.5 BILLION US DOLLARS.
- BILATERAL LENDING HAS SIGNIFICANTLY EXPANDED THROUGHOUT 2010 - 2015 AND REMAINED STABLE UNTIL 2020.

INDIA – MALDIVES PPG BILATERAL LENDING 2000 - 2020



- THE TOTAL DEBT OF THE MALDIVES AMOUNTS TO APPROXIMATELY 1.8 BILLION US DOLLARS.
- BILATERAL LENDING HAS QUICKLY EXPANDED SINCE 2008, WITH A BIG SPIKE IN 2020.

INDIA – MYANMAR PPG BILATERAL LENDING 2000 - 2020



- MYANMAR'S TOTAL DEBT AMOUNTS TO APPROXIMATELY 2.8 BILLION US DOLLARS.
- BILATERAL LOAN HAS CONSISTENTLY INCREASED SINCE 2000, WITH A MODEST FALL DURING 2015–2017.

INDIA – NEPAL PPG BILATERAL LENDING 2000 - 2020



- NEPAL'S TOTAL DEBT AMOUNTS TO APPROXIMATELY 90 MILLION US DOLLARS.
- BILATERAL FINANCING HAS DRAMATICALLY EXPANDED SINCE 2008.

CONCLUSION

- TOTAL PPG BILATERAL LENDING HAS CLIMBED FROM LESS THAN 500 MILLION DOLLARS IN 2000 TO AROUND 45 BILLION DOLLARS BY 2020.
- BHUTAN HAS BEEN THE LARGEST INDEBTED COUNTRY, RECEIVING ABOUT 18 BILLION DOLLARS OVER A PERIOD OF 20 YEARS.
- NEPAL HAS GOTTEN THE LEAST BILATERAL LENDING, AMOUNTING TO LESS THAN ONE BILLION DOLLARS.
- TOTAL BILATERAL LOAN HAS SHOWN A POSITIVE GROWTH RATE OVER THE LAST 20 YEARS.
- TOTAL BILATERAL LOAN TO SURROUNDING COUNTRIES IS AROUND 1.2% OF THE OVERALL GDP OF INDIA.
- THE IMPACT OF ANY FUTURE DEFAULT BY A NEIGHBOURING COUNTRY ON INDIA'S BANKING SYSTEM WILL BE NEGLIGIBLE.