Cote d'Ivoire

Full Rating Report

Ratings

Foreign Currency

Long-Term IDR	B
Short-Term IDR	B

Local Currency

Long-Term IDR	B
Country Ceiling	BBB-

Outlooks

Foreign-Currency Long-Term IDR	Positive
Local-Currency Long-Term IDR	Positive

Financial Data

Cote d'Ivoire

USDbn	2015
GDP	32.6
GDP per head (USD, thousands)	1.5
Population (m)	21.2
International reserves	4.7
Net external debt (% GDP)	-6
Central government total debt (% GDP)	45.4
CG foreign-currency debt	9.3
CG domestically issued debt (XOFtrn)	2.9

Related Research

Global Economic Outlook (July 2015)

SSA Sovereign Credit Overview (December 2014)

Country Ceiling for the Franc Zone (May 2014)

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Key Rating Drivers

Strong Growth Outlook: GDP growth averaged 6.3% in 2010-14 (which includes a period of civil conflict), well above the 'B' median. Rising agricultural production will continue to boost exports, while ongoing reforms to the business environment will encourage investment in secondary and tertiary industries. Fitch expects GDP growth to average 7.7% in 2015-16. Medium-term growth challenges include improving the country's ports and energy facilities, sustaining the reform momentum and achieving greater regional integration

Elections Main Short-term Risk: The October 2015 presidential election will be a key test for the country's revamped institutional framework. Current President Ouattara remains favourite to win a second term and has received the formal backing of all parties in the ruling coalition. The opposition has been able to mend some of its differences and is likely to take part in the election. This has reduced the scope for political violence. However, threats of political instability persist and constitute the biggest risk to short-term economic performance.

Deficit to Widen Modestly: The central government budget deficit remained broadly stable last year, at 2.2% of GDP, despite revenue collection falling short of target, helped by the under-execution of capital expenditure. Fitch expects the deficit to widen in 2015 to 3.4% of GDP, driven by higher wages, ongoing infrastructure spending and election-related costs. The deficit is projected to narrow over the medium term, although a failure to improve tax collection or rationalise wage increases would put consolidation efforts at risk.

Stable Debt Profile: Significant debt relief in 2012 and improved market access has strengthened the sovereign's debt profile. Cote d'Ivoire issued Eurobonds in July 2014 and February 2015 raising a total USD1.75bn. Fitch estimates government debt averaged 44.5% of GDP in 2012-14 and will remain broadly stable in 2015. Public finance management (PFM) is continuing to gradually improve, with the authorities strengthening the institutional framework to avoid off-budget spending and increase procurement transparency.

Positive Export Momentum: The current account deficit (CAD) narrowed to only 0.7% of GDP in 2014 (well below our projection of 3.1% in January), reflecting in part moderate import growth, in line with lower oil and food prices. Rising agricultural exports will help keep the CAD broadly stable in 2015-16, and will be more than financed by rising foreign direct investment inflows. Fitch expects Cote d'Ivoire will remain a net external creditor over the forecast period.

Improved banking sector indicators: the aggregate capital ratio for the system reached 10.1% at end-2014 (from 9.2% at end-2013) and the ratio of non-performing loans fell to the lowest level in over eight years (10.4%). The sector is benefiting from sound macroeconomic policies, rising financial inclusion and strong credit growth (22% in 2014). Restructuring of public sector banks continues but progress has been gradual.

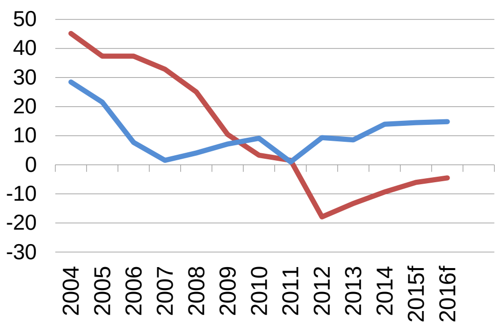
Rating Sensitivities

Enhanced Political Stability: A smooth electoral process with a result acknowledged by all parties would be rating positive. Conversely, a deterioration in the security/political situation would be rating negative.

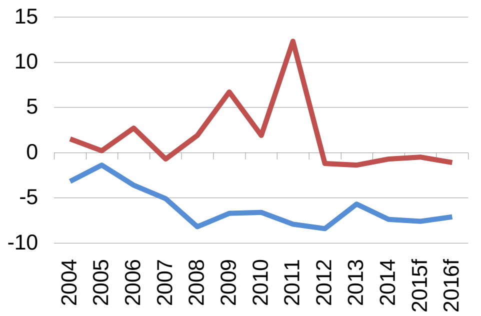
Structural Reforms/Growth Performance: Continued reform dynamics in a context of macro stability that allow an improvement in the business environment and PFM would be rating positive.

Peer Comparison

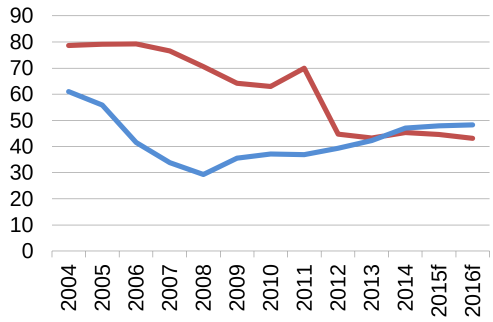
Net External Debt
% of GDP



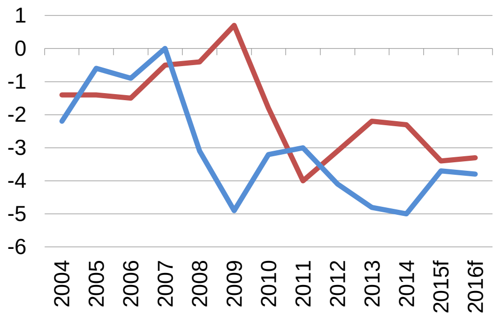
Current Account Balance
% of GDP



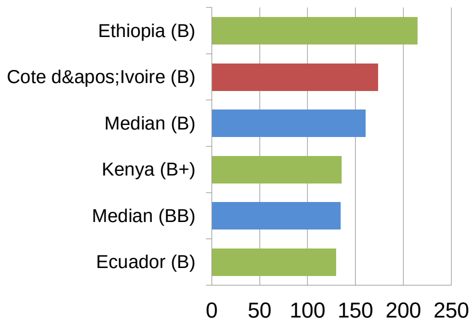
General Government Debt
% of GDP



General Government Balance
% of GDP

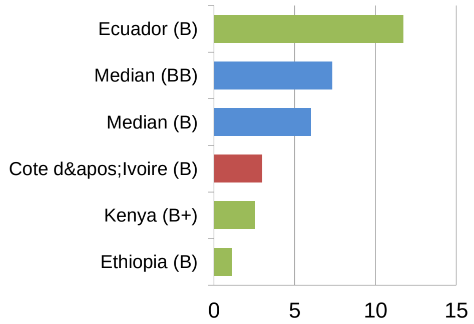


International Liquidity Ratio, 2016
%



GDP per capita Income, 2015e

At market exchange rates, USA=100



Cote d'Ivoire
Medians

Related Criteria

Sovereign Rating Criteria (August 2014)
Country Ceiling Criteria (August 2014)

Peer Group

Rating	Country
B+	Armenia
	Republic of Congo
	Dominican Republic
	Gabon
	Kenya
	Mongolia
	Mozambique
	Rwanda
	Serbia
	Seychelles
	Uganda
B	**Cote d'Ivoire**
	Cabo Verde
	Cameroon
	Ecuador
	Egypt
	Ethiopia
	Ghana
	Lebanon
	Zambia
B-	Cyprus
	Jamaica

Rating History

Date	Long-Term Foreign Currency	Long-Term Local Currency
July 14	B	B

Rating Factors

Summary: Strengths and Weaknesses

Rating Factor	Macroeconomic	Public Finances	External Finances	Structural Issues
Status	Strength	Neutral	Neutral	Weakness
Trend	Stable	Stable	Stable	Positive

Note: relative to 'B' category

Strengths

Cote D'Ivoire is the third-largest economy and the second-largest industrial power in the Economic Community of West African States (ECOWAS). Combined with a wealth of natural resources in agriculture and mining, this creates a large investment potential.

Franc zone membership has ensured a stable currency and low inflation. The arrangement is backed by high foreign reserves pooled at the regional central bank (BCEAO) and the French guarantee on currency convertibility. This rules out the risk of a balance-of-payment crisis.

GDP growth has been among the fastest in Sub-Saharan Africa and the World, well above the 'B' and 'BB' medians. This performance has taken place amid macroeconomic stability.

Cote D'Ivoire has a structural trade surplus (around 10% of GDP) and its export base is diversified, helping to reduce external vulnerabilities.

Good relations with the international community have locked-in substantial amounts of concessional loans and grants to fund reconstruction and development efforts.

Weaknesses

Entrenched divisions between various groups have led to recurrent conflicts since 1999 and sustained political instability. That said, threats of violence have diminished since 2012.

Public Finance Management (PFM) is weak. Cote D'Ivoire restructured its external and domestic debt after the 2011 conflict. Wages account for a third of revenue while government receipts are lower than peer's median. Authorities are making some progress in improving PFM, in-line with current IMF programme.

Public debt, at 45% of GDP, is relatively high compared to African peers despite recent external debt cancellation. However, part of the debt (10% of GDP) is owed to France under a special contract, in which debt repayments are transferred back to Cote D'Ivoire in the forms of grants. Excluding this debt, total public debt is only around 36% of GDP at end-2014.

World Bank governance indicators, GDP per capita and UN development data are much weaker than peers', reflecting to a large degree the impact of recent conflicts in institutional development.

Local Currency Rating

Consistent with Fitch's sovereign methodology for countries in a currency union, the Long-Term Local-Currency IDR is 'B', the same as the Foreign-Currency IDR. Cote D'Ivoire is a member of the Union Economique et Monetaire Ouest Africaine (UEMOA), a monetary zone linking eight African countries with France. The sovereign has access to a regional capital market.

Country Ceiling

Fitch assigns all UEMOA countries a Country Ceiling of 'BBB-', based predominantly on the support provided by France to the zone. The French Treasury guarantees full convertibility of the currency; however, all members states must pool their foreign reserves at the BCEAO. There is no restriction on current transactions, but there are controls on capital transactions outside the zone. Capital flows are free within the UEMOA.

Strengths and Weaknesses: Comparative Analysis

2015

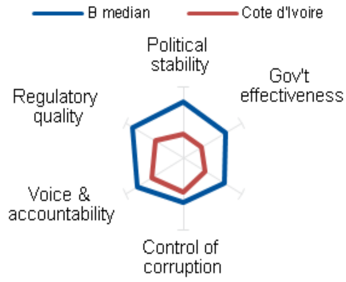
	Cote d'Ivoire B	B Median[a]	BB Median[a]	Kenya B+	Ecuador B	Ethiopia B
Macroeconomic Performance and Policies						
Real GDP (5yr average % change)	6.3	4.6	4.0	5.4	4.6	9.8
Volatility of GDP (10yr rolling SD)	4.7	2.7	2.1	2.0	2.2	1.1
Consumer prices (5yr average)	2.1	4.7	4.7	8.5	3.8	16.3
Volatility of CPI (10yr rolling SD)	1.8	3.0	2.7	4.1	1.8	11.2
Unemployment rate (%)	8.5	12.5	9.5	n.a.	5.0	16.0
Type of exchange rate regime	Peg	n.a.	n.a.	Managed Float	Dollarised	Crawl
Dollarisation ratio (% of bank deposits)	0.0	34.0	41.8	16.0	100.0	2.7
REER volatility (10yr rolling SD)	3.4	5.4	4.8	5.0	3.5	11.1
Structural Features						
GDP per capita (USD, mkt exchange rates)	1,533	3,556	4,368	1,418	6,493	625
GNI per capita (PPP, USD, latest)	2,900	8,140	7,640	2,250	10,310	1,350
GDP (USDbn)	32.6	n.a.	n.a.	64.3	105.5	61.8
Human Development Index (percentile, latest)	8.6	34.4	46.2	21.5	47.3	7.5
Governance Indicator (percentile, latest) [b]	21.1	32.5	46.5	28.6	31.1	23.3
Broad money (% GDP)	41.1	43.6	51.1	49.3	46.4	29.5
Default record (year cured) [c]	2012	n.a.	n.a.	2004	2009	2004
Ease of Doing Business (percentile, latest)	22.4	41.0	51.6	28.2	39.4	30.4
Trade openness (CXR and CXP % GDP)	52.3	51.1	49.6	28.2	28.4	24.3
Gross domestic savings (% GDP)	24.1	13.8	19.1	20.3	26.5	11.1
Gross domestic investment (% GDP)	21.5	24.6	21.5	19.1	26.9	29.1
Private credit (% GDP)	22.8	29.0	49.2	41.3	28.5	27.1
Bank Systemic Risk Indicators[d]	- /2*	n.a.	n.a.	-/2	b/2	-/3
Bank system capital ratio (% assets)	10.5	14.8	14.0	22.0	12.7	17.2
Foreign bank ownership (% assets)	60.0	51.0	26.3	20.0	1.8	0.0
Public bank ownership (% assets)	20.0	18.9	22.2	5.0	12.3	78.9
External Finances						
Current account balance + net FDI (% GDP)	1.7	-3.2	0.0	-6.1	-2.7	-4.7
Current account balance (% GDP)	-0.5	-7.6	-3.0	-7.9	-3.3	-7.6
Net external debt (% GDP)	-6.0	16.9	7.1	13.7	5.6	23.8
Gross external debt (% CXR)	76.8	118.6	107.6	109.3	117.5	152.0
Gross sovereign external debt (% GXD)	83.7	62.9	53.1	74.2	64.2	60.2
Sovereign net foreign assets (% GDP)	-19.1	-12.9	0.4	-8.2	-13.3	-13.6
Ext. interest service ratio (% CXR)	3.1	2.4	2.8	2.2	5.0	1.5
Ext. debt service ratio (% CXR)	7.9	9.3	9.2	14.5	24.0	6.2
Foreign exchange reserves (months of CXP)	3.3	3.3	4.1	4.0	1.3	2.2
Liquidity ratio (latest) [e]	168.6	174.0	154.0	135.6	129.4	214.7
Reserve Currency Flexibility	0	n.a.	n.a.	0	0	0
Commodity export dependence (% CXR, latest)	75.4	29.0	17.0	26.6	75.6	25.4
Sovereign net foreign currency debt (% GDP)	19.1	11.9	1.4	7.7	31.3	11.9
Public Finances[f]						
Budget balance (% GDP)	-3.4	-3.9	-3.8	-10.1	-5.9	-2.8
Primary balance (% GDP)	-1.9	-2.0	-1.7	-7.5	-4.5	-2.4
Gross debt (% revenue)	211.6	210.7	182.3	219.1	99.8	177.4
Gross debt (% GDP)	44.6	50.9	41.6	47.2	34.5	27.1
Net debt (% GDP)	41.6	44.8	35.5	44.8	32.8	23.1
Foreign currency debt (% total debt)	75.1	66.0	48.8	38.9	100.0	62.9
Interest payments (% revenue)	6.9	7.6	8.0	11.7	4.2	3.0
Revenues and grants (% GDP)	21.1	25.7	25.1	21.5	34.6	15.3
Volatility of revenues/GDP ratio	9.6	7.5	5.5	5.0	5.7	6.8
Central Govt. debt maturities (% GDP)	5.0	5.1	3.6	6.8	3.4	9.1

[a] Medians based on three-year centred averages
[b] Composite of six World Bank Governance Indicators used in the Sovereign Rating Model; Government Effectiveness; Rule of Law; Control of Corruption; Voice and Accountability; Regulatory Quality; and Political Stability and Absence of Violence.
[c] HIPC completion point reached in June 2012, restructuring of the 2032 Eurobond the same year.
[d] Bank systemic indicator, which equates to a weighted average Viability Rating; and macro prudential indicator, with 1 'low' systemic risk through to 3 'high'
[e] Ratio of liquid external assets, defined as the stock of official FX reserves including gold at the end of the previous calendar year plus banks' liquid external assets, to liquid external liabilities, defined as scheduled external debt service in the current year, plus the stock of short-term external debt and all non-resident holdings of marketable medium- and long-term local-currency debt at the end of the previous calendar year
[f] General government unless stated.
Note: Acronyms used: consumer price inflation (CPI), gross domestic product (GDP), current external receipts (CXR), current external payments (CXP), gross national income (GNI), purchasing power parity (PPP), standard deviation (SD), foreign direct investment (FDI).
Source: Fitch

Key Credit Developments

Elections to Serve as Key Institutional Test

Governance Indicators
Cote d'Ivoire vs. B median



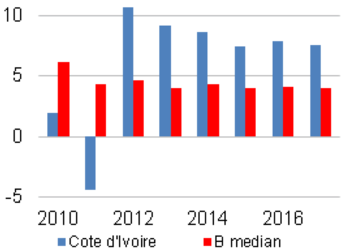
Source: World Bank

Given recent history of political violence, the October 2015 presidential election will be a major test for the country's revamped institutional framework and efforts by the authorities to achieve conciliation. Current President Alassane Ouattara remains the favourite to win a new five-year term, helped by a positive economic track record. His position has been bolstered by the decision of all parties of the ruling coalition to support his candidacy, including the PDCI (the second largest after Mr Ouattara's RDC).

The opposition has also made some strides to amend its differences, with disenchanted PDCI members joining forces with the main opposition party, FDI, to form the National Coalition for Change (CNC). Importantly, the CNC has decided to participate in the elections, with the current FDI leader Pascal N'Guessan as its candidate[1]. Although the opposition is still very critical of the electoral process and guarantees, their decision not to boycott the vote reduces the risk of political violence. That said, risks to the security situation will remain a concern until the results of the general elections are accepted by the main parties.

Upbeat Growth Outlook

Real GDP growth
y/y % change

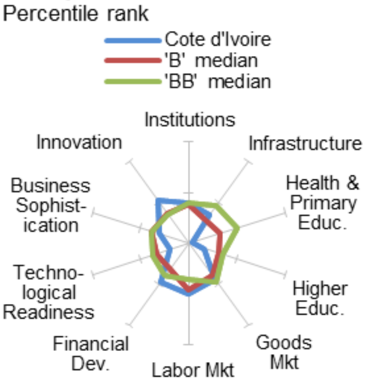


Source: Fitch , National authorites

Cote d'Ivoire's strong economic performance in 2014 (GDP growth reached 8.5%) is attributed to a broad-based recovery across all sectors, underpinned by macroeconomic and policy stability. Secondary and tertiary industries have benefited from strong credit growth (+22% in 2014) and rising living standards, with GDP per head rising by 20% in 2010-14. At the sectoral level, agriculture and processed agro-products are enjoying strong momentum from rising private investment and output, while construction growth (+16 in 2014) is being driven by ambitious investment projects under the current National Development Plan (NDP).

The short to medium term outlook remains positive, reflecting ongoing structural reforms to improve the business environment[2], favourable external conditions for Cote d'Ivoire's main exports and high public spending. However, Fitch expects GDP growth to moderate slightly, to an average of 7.7% in 2015-16, below the authorities' forecast of 9-10%. This is due to some investor uncertainty related to the upcoming elections, as well as a high base of comparison and constraints on raising investment and saving rates. Indeed, performance indicators for the 1Q 2015 show a relative mixed picture.[3]

Competitiveness Indicators
Percentile rank



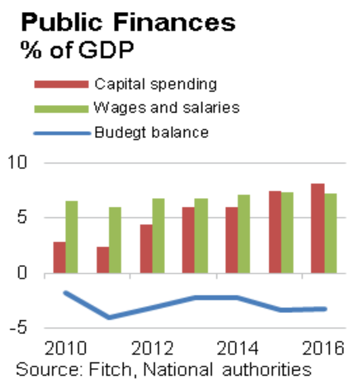
Source: World Economic Forum (2015).

The main risk to short-term economic performance is the potential for renewed political instability ahead of upcoming presidential elections. A return to violence would most likely have a severe effect on investor and consumer confidence, derailing progress made in recent years. Medium term growth challenges include improving the competitiveness of the country's ports and energy facilities, both of which require substantial investment in order to support both consumption and export growth. Assuring the long-term viability of capital expenditure and involvement of the private sector into national development plans is also key, as a failure to do so could result in low productivity, weaker growth and large fiscal costs.

[1] The FDI boycotted the previous two elections in 2013 (local) and 2011 (parliamentary) and had been split in whether to support Mr N'Guessan's conciliatory efforts or maintain a hard-line stance until its traditional leader, ex-president Laurent Gbagbo, be absolved from charges he is currently facing at the International Criminal Court.

[2] Over the last two years Cote D'Ivoire has been climbing up positions in both the World Bank's Doing Business Report and the World Economic Forum's Global Competitiveness index, thanks in part to the streamlining of business procedures, a new investment code and commercial courts. That said, Cote d'Ivoire still remains well behind peers in terms of competitiveness.

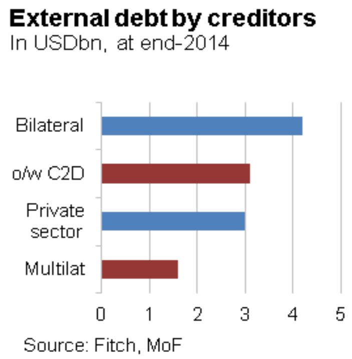
[3] According to data from the BCEAO, real GDP growth averaged 7.7% in the 1Q (vs 8.5% in 1Q14), while the index of industrial production fell by 3.6% year on year. On the upside, both capacity utilisation and retail confidence are still showing strong growth.



Deficit to Widen Modestly

As in previous years, the authorities maintained a cautious fiscal stance in 2014, with the general government deficit unchanged (at 2.2% of GDP) from the previous year. However, revenue collection targets were missed, reflecting both one-off effects and ongoing issues with tax enhancement. Tax revenue as a percentage of GDP fell to an estimated 15.4%, 0.5 percentage points below target and well below the 17% medium-term goal set by the authorities. Cuts across all spending categories (but mainly CAPEX), as well as higher grant inflows, helped to prevent a widening of the fiscal deficit.

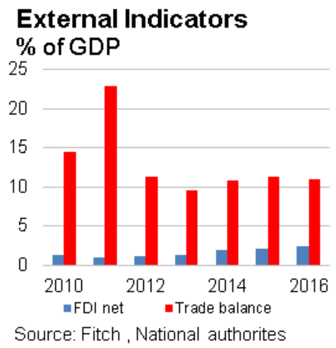
Fitch expects the deficit to widen moderately in 2015, to 3.4% of GDP, in-line with government plans to increase capital and current expenditure. In addition to a renewed focus on Capex (including investment in key electricity projects), the 2015 budget also foresees a 13% annual increase in wages, reflecting new hires in social sectors and significant wage rises. Wages will account for almost 50% of tax income in 2015, raising some concerns about heightened fiscal rigidities, in particular if revenue trends continue to disappoint.



Although our medium-term fiscal projections are relatively favourable, a number of challenges persist, in particular in terms of public finance management. Cote d'Ivoire has made significant improvements under the ongoing External Credit Facility with the IMF, including in reducing the scope for off-budget spending, creating better liquidity management, strengthening procurement rules and gradually restructuring state banks. However, there have been delays in dealing with domestic arrears clearance[4] and enhancing the powers of the tax authority. More importantly, there is still substantial uncertainty about the state of some public sector entities and associated contingent liabilities.

Public sector debt rose moderately in 2014, to 46.6% of GDP, reflecting fiscal needs and the issuance of a USD750m Eurobond in July 2014. Cote d'Ivoire tapped the Eurobond markets again in February 2015 (USD1bn) and the authorities have expressed interest in accessing other sources of non-concessional loans. These developments have improved market access and also helped debt management, as some of the funds are used to restructure debt and increase maturities. Although Fitch expects debt levels to remain broadly stable over the forecast period, there are some downside risks related to excessive external borrowing.

Positive Momentum in External Sector



The current account deficit (CAD) narrowed to only 0.7% of GDP in 2014 (well below projection of 3.1% in our January report), reflecting moderate import growth and strong export momentum. Although Cote d'Ivoire is a small oil producer, it remains a net importer (particularly of distilled products), thus lower oil prices have had a net positive impact on the trade balance. The country has also benefited from sustained high growth in agricultural exports[5] and a moderate rise in services exports.

The CAD is set to remain broadly stable in 2015, before widening slightly in 2016, reflecting easing export momentum. These deficits will be more than financed by rising foreign investment inflows [6] and external loans, helping to maintain a comfortable foreign-reserve position over the medium term. Fitch expects Cote d'Ivoire will remain a net external creditor over the forecast period. Downside risks to the external sector are limited at present, with the recent weakening of the exchange rate in fact helping drive external competitiveness.

[4] Around 10%, or XOF15.5bn, in arrears to domestic suppliers is still outstanding, as well as XOF43bn in past securitised debt (a third of the total).

[5] Most agricultural exports have benefited from rising volumes and prices, with the exception of cocoa (the largest export), which saw output increase by only 1% in 2014.

[6] Net FDI inflows totalled 1.9% of GDP in 2014, compared to 1.3% in 2013, although this was slightly below initial expectations.

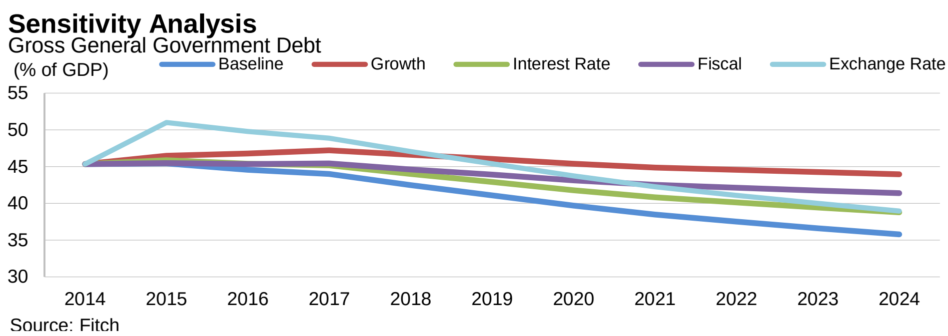
Fitch uses stylised projections for a sovereign's gross general government debt/GDP ratio to illustrate the sustainability of its debt burden and its sensitivity to economic growth, the cost of borrowing, fiscal policy and the exchange rate.

Public Debt Dynamics

According to Fitch's baseline projections, gross general government debt will peak at 46.6% of GDP in 2015, before falling gradually over the forecast period. The main risks to debt sustainability would be lower growth and a wider-than-projected primary fiscal deficit, in-line with limited progress in implementing medium-term fiscal consolidation.

Debt Dynamics – Fitch's Baseline Assumptions

	2013	2014	2015	2016	2017	2018	2022
Gross general government debt (% GDP)	43.3	46.6	46.6	45.6	45.1	43.5	37.5
Primary balance (% of GDP)	-0.8	-1.0	-1.9	-1.3	-1.3	-1.2	-1.2
Real GDP Growth (%)	9.2	8.5	7.5	7.9	7.6	7.6	7.5
Avg. Nominal Effective Interest Rate (%)	3.5	3.1	3.1	3.1	3.4	3.5	4.5
Local Currency/USD (Annual Avg)	494.0	494.4	564.1	587.8	587.8	587.8	587.8
GDP Deflator (%)	2.6	-0.2	2.0	2.0	2.5	2.5	2.5



Debt Sensitivity Analysis: Fitch's Scenario Assumptions

Growth	GDP growth averages 5% versus 7.6% in the baseline
Interest rate	Marginal interest rate 100bp higher
Fiscal	Primary balance deficit averages 2% of GDP over the forecast period
Exchange rate	30% devaluation at end-2015.

Forecast Summary

	2010	2011	2012	2013	2014	2015[f]	2016[f]
Macroeconomic Indicators and Policy							
Real GDP growth (%)	2.0	-4.4	10.7	9.2	8.5	7.5	7.9
Unemployment (%)	-	-	9.4	9.0	8.5	8.5	8.0
Consumer prices (annual average % change)	1.8	4.9	1.3	2.6	0.4	1.5	1.8
Short-term interest rate (bank policy annual avg) (%)	3.3	3.3	3.0	2.5	2.5	2.5	3.0
Central government balance (% of GDP)	-1.8	-4.0	-3.1	-2.2	-2.2	-3.4	-3.3
Central government debt (% of GDP)	63.0	69.9	44.7	43.3	46.6	46.6	45.6
XOF per USD (annual average)	495.2	471.8	510.5	494.0	494.4	564.0	587.8
Real effective exchange rate (2000=100)	115.2	117.5	112.7	117.8	119.0	117.8	117.8
Real private sector credit growth (%)	6.7	-4.2	10.8	19.8	21.2	20.2	17.9
External Finance							
Current account balance (% of GDP)	1.9	12.3	-1.2	-1.4	-0.7	-0.5	-1.1
Current account balance plus net FDI (% of GDP)	3.1	13.3	-0.1	-0.1	1.3	1.7	1.3
Net external debt (% of GDP)	3.3	1.5	-17.9	-13.3	-9.3	-6.0	-4.5
Net external debt (% of CXR)	6.2	2.7	-35.5	-29.3	-19.9	-11.6	-8.4
Official international reserves including gold (USDbn)	3.6	4.3	3.9	4.2	4.5	4.7	5.0
Official international reserves (months of CXP cover)	3.4	4.6	3.4	3.5	3.3	3.3	3.2
External interest service (% of CXR)	4.6	3.9	2.6	2.8	2.9	3.1	3.0
Gross external financing requirement (% int. reserves)	-32.8	-63.3	27.9	25.8	24.5	21.7	26.4
Real GDP growth (%)							
US	2.5	1.6	2.3	2.2	2.4	2.2	2.5
China	10.4	9.3	7.7	7.7	7.4	6.8	6.5
Eurozone	2.0	1.7	-0.8	-0.5	0.8	1.4	1.7
World	4.0	3.3	2.5	2.5	2.5	2.7	3.0
Oil (USD/barrel)	79.6	111.0	112.0	108.8	98.9	65.0	75.0

Source: Fitch

Fiscal Accounts Summary

% of GDP	2011	2012	2013	2014	2015f	2016f
Central government						
Revenue	**14.4**	**19.0**	**19.7**	**19.7**	**21.1**	**21.9**
o/w tax revenue	12.5	16.0	15.6	15.4	15.7	16.4
o/w grants	0.3	0.6	1.3	18	2.0	2.0
Expenditure	**18.4**	**22.1**	**21.9**	**21.9**	**24.5**	**25.2**
o/w interest payments	1.8	1.7	1.4	1.2	1.5	2.0
o/w wages	6.0	6.8	6.7	7.1	7.3	7.3
o/w capital expenditure	2.4	4.5	6.0	5.9	7.5	8.1
Primary balance	-2.2	-1.4	-0.8	-1.0	-1.9	-1.3
Overall balance	**-4.0**	**-3.1**	**-2.2**	**-2.3**	**-3.4**	**-3.3**
Central government debt	**69.9**	**44.7**	**43.3**	**46.6**	**46.6**	**45.6**
% of central government revenue	485.4	235.4	220.3	237.2	221.0	208.3
o/w C2D debt	12.5	10.8	9.3	8.2	6.2	5.0
Central government deposits	3.9	2.8	2.6	3.4	3.0	2.0
Net general government debt	66.1	41.9	40.7	41.9	41.6	41.1
Central government debt (XOF bn)	**8,377.1**	**6,1716**	**6,697.2**	**7,812.6**	**8,566.4**	**9,229.8**
By currency denomination						
Local currency	2,112.9	2,286.6	2,651.8	3,129.8	3,069.8	3,137.2
Foreign currency	6,264.2	3,885.0	4,045.4	4,682.4	5,496.2	6,092.6
in USD equivalent (eop exchange rate)	12.4	7.8	8.5	8.6	9.3	10.1
Memo:						
Nominal GDP (XOF bn)	11,976.7	13,804.9	15,459.8	16,755.0	18,371.9	20,219.7

Source: Ministry of Finance and Fitch estimates and forecasts

External Debt and Assets

(USDbn)	2010	2011	2012	2013	2014	2015f
Gross external debt	**13.7**	**14.1**	**9.0**	**10.1**	**11.4**	**13.0**
% of GDP	55.1	55.7	33.2	32.1	33.6	40.0
% of CXR	103.5	98.1	65.7	71.0	71.8	76.8
By maturity						
Medium- and long-term	11.1	11.4	7.3	8.1	9.2	10.5
Short -term	2.6	2.7	1.7	1.9	2.2	2.5
% of total debt	19.1	19.1	19.1	19.1	19.1	19.1
By debtor						
Sovereign	**11.7**	**12.4**	**7.8**	**8.5**	**9.5**	**10.9**
Monetary authorities	1.0	1.0	1.0	1.0	1.0	1.0
General government	10.7	11.4	6.8	7.5	8.5	9.9
Banks	**0.6**	**0.5**	**0.8**	**0.8**	**1.0**	**1.2**
Other sectors	**1.4**	**1.3**	**0.4**	**0.7**	**0.9**	**0.9**
Gross external assets (non-equity)	**12.9**	**13.8**	**13.8**	**14.2**	**14.5**	**15.0**
International reserves, incl. gold	3.6	4.3	3.9	4.2	4.5	4.7
Other sovereign assets	0.0	0.0	0.0	0.0	0.0	0.0
Deposit money banks' foreign assets	0.7	0.8	1.3	1.4	1.4	1.7
Other sector foreign assets	8.6	8.6	8.6	8.6	8.6	8.6
Net external debt	**0.8**	**0.4**	**-4.8**	**-4.1**	**-3.1**	**-2.0**
% of GDP	3.3	1.5	-17.9	-13.3	-9.3	-6.0
Net sovereign external debt	8.1	8.0	3.9	4.3	5.0	6.2
Net bank external debt	-0.1	-0.3	-0.5	-0.5	-0.4	-0.5
Net other external debt	-7.2	-7.3	-8.2	-7.9	-7.7	-7.7
Net international investment position	**-8.2**	**-**	**-**	**-**	**-**	**-**
% of GDP	-33.1	-	-	-	-	-
Sovereign net foreign assets	**-8.1**	**-8.0**	**-3.9**	**-4.3**	**-5.0**	**-6.2**
% of GDP	-32.5	-31.7	-14.4	-13.6	-14.7	-19.1
Debt service (principal & interest)	**-**	**1.4**	**1.2**	**1.0**	**1.3**	**1.3**
Debt service (% of CXR)	0.0	9.6	9.0	6.9	8.0	7.9
Interest (% of CXR)	4.6	3.9	2.6	2.8	2.9	3.1
Liquidity ratio (%)	232.2	107.3	131.2	193.9	175.7	168.6
Net sovereign FX debt (% of GDP)	32.5	31.7	14.4	13.6	14.7	19.1
Memo:						
Nominal GDP	24.9	25.4	27.0	31.3	33.9	32.6

Sources: Central Bank, IMF, World Bank and Fitch estimates and forecasts

External Debt Service Schedule on Medium- and Long-Term Debt at DATE

(USDm)	2014	2015	2016	2017	2018	2019	2020+
Sovereign: total debt service	**634**	**738**	**794**	**867**	**902**	**929**	**958**
Amortisation	446	517	585	667	713	752	693
Official bilateral	407	429	443	431	424	428	390
Multilateral	62	105	107	163	202	209	182
Interest	188	221	209	200	189	177	165

Sources: Ministry of Finance and Fitch

Balance of Payments

(USDbn)	2011	2012	2013	2014	2015f	2016f
Current account balance	**3.1**	**-0.3**	**-0.4**	**-0.2**	**-0.1**	**-0.4**
% of GDP	12.3	-1.2	-1.4	-0.7	-0.5	-1.1
% of CXR	21.6	-2.5	-3.1	-1.4	-0.9	-2.1
Trade balance	**5.8**	**3.1**	**3.0**	**3.7**	**3.7**	**3.8**
Exports, fob	12.3	12.1	12.0	13.2	14.2	15.5
Imports, fob	6.5	9.1	9.1	9.6	10.5	11.7
Services, net	**-1.1**	**-2.0**	**-2.1**	**-2.7**	**-2.7**	**-2.9**
Services, credit	1.6	1.1	1.5	1.6	1.8	2.0
Services, debit	2.6	3.0	3.6	4.3	4.5	4.9
Income, net	**-1.1**	**-0.9**	**-0.9**	**-1.1**	**-1.2**	**-1.3**
Income, credit	0.2	0.2	0.3	0.3	0.3	0.3
Income, debit	1.3	1.2	1.2	1.4	1.4	1.6
O/w: interest payments	0.6	0.4	0.4	0.5	0.5	0.6
Current transfers, net	**-0.6**	**-0.5**	**-0.5**	**-0.1**	**0.0**	**0.0**
Capital and Financial Accounts:						
Non-debt-creating inflows (net)	0.3	0.3	0.4	0.7	0.7	0.9
o/w equity FDI	0.3	0.3	0.4	0.7	0.7	0.9
o/w portfolio equity	0.0	0.0	0.0	0.0	0.0	0.0
o/w other flows	0.0	0.0	0.0	0.0	0.0	0.0
Change in reserves	0.3	0.1	0.4	0.5	0.2	0.3
Gross external financing requirement	-2.3	1.2	1.0	1.0	1.0	1.2
Stock of international reserves, incl. gold	4.3	3.9	4.2	4.5	4.7	5.0

Sources: IMF and Fitch estimates and forecasts

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