

Example Public Sector Debt Sustainability Analysis (DSA) - Baseline Scenario

(in percent of GDP unless otherwise indicated)

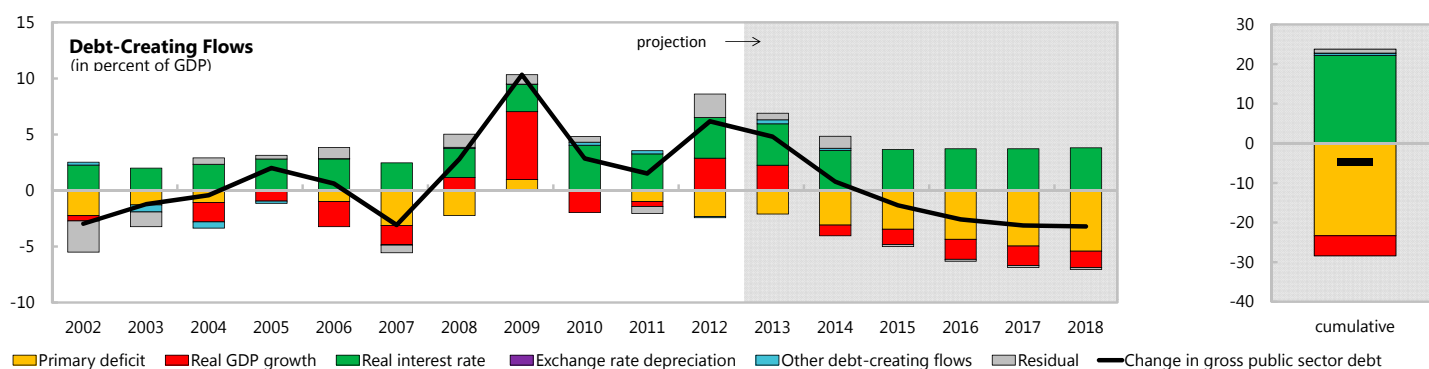
Debt, Economic and Market Indicators ^{1/}

	Actual			Projections					
	2002-2010 ^{2/}	2011	2012	2013	2014	2015	2016	2017	2018
Nominal gross public debt	107.8	120.8	127.0	131.8	132.6	131.3	128.7	125.6	122.4
Public gross financing needs	24.5	23.6	26.1	23.1	22.6	23.9	21.8	22.0	20.6
Public debt (in percent of potential GDP)	108.3	118.6	122.7	125.5	127.3	127.1	126.0	124.2	121.9
Real GDP growth (in percent)	0.2	0.4	-2.4	-1.8	0.7	1.1	1.4	1.4	1.2
Inflation (GDP deflator, in percent)	2.2	1.3	1.6	1.4	1.3	1.3	1.4	1.5	1.5
Nominal GDP growth (in percent)	2.4	1.7	-0.8	-0.4	2.1	2.4	2.8	2.9	2.7
Effective interest rate (in percent) ^{4/}	4.7	4.1	4.5	4.3	4.1	4.1	4.3	4.5	4.6

As of August 30, 2013		
Sovereign Spreads		
Bond Spread (bp) ^{3/}	276	
5Y CDS (bp)		
	258	
Ratings		
	Foreign	Local
Moody's	Baa2	Baa2
S&Ps	BBB	BBB
Fitch	BBB+	BBB+

Contribution to Changes in Public Debt

	Actual			Projections						cumulative	debt-stabilizing primary balance ^{9/}
	2002-2010	2011	2012	2013	2014	2015	2016	2017	2018		
Change in gross public sector debt	1.2	1.5	6.2	4.8	0.8	-1.3	-2.6	-3.1	-3.2	-4.6	
Identified debt-creating flows	1.3	2.1	4.1	4.2	-0.3	-1.2	-2.4	-3.0	-3.1	-5.6	
Primary deficit	-1.1	-1.0	-2.3	-2.1	-3.1	-3.4	-4.4	-4.9	-5.4	-23.3	2.4
Primary (noninterest) revenue and grants	44.8	46.0	47.5	47.8	47.9	48.0	48.1	48.2	48.3	288.3	
Primary (noninterest) expenditure	43.7	45.0	45.2	45.7	44.8	44.6	43.7	43.2	42.9	265.0	
Automatic debt dynamics ^{5/}	2.4	2.8	6.5	6.0	2.6	2.3	1.9	2.0	2.4	17.1	
Interest rate/growth differential ^{6/}	2.4	2.8	6.5	6.0	2.6	2.3	1.9	2.0	2.4	17.1	
Of which: real interest rate	2.6	3.3	3.6	3.7	3.6	3.7	3.7	3.7	3.8	22.2	
Of which: real GDP growth	-0.2	-0.4	2.9	2.3	-1.0	-1.4	-1.8	-1.8	-1.5	-5.1	
Exchange rate depreciation ^{7/}	0.0	0.0	0.0	
Other identified debt-creating flows	-0.1	0.3	-0.1	0.4	0.2	0.0	0.0	0.0	0.0	0.5	
Please specify (1) (e.g., privatization receipts) (+ red)	-0.3	-0.1	-0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Contingent liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Please specify (2) (e.g., other debt flows) (+ increase)	0.2	0.4	0.4	0.4	0.2	0.0	0.0	0.0	0.0	0.5	
Residual, including asset changes ^{8/}	0.0	-0.6	2.1	0.6	1.1	-0.2	-0.2	-0.2	-0.2	1.0	



Source: IMF staff.

1/ Public sector is defined as general government.

2/ Based on available data.

3/ Long-term bond spread over German bonds (bp).

4/ Defined as interest payments divided by debt stock (excluding guarantees) at the end of previous year.

5/ Derived as $[r - \pi(1+g) - g + ae(1+r)] / (1+g + \pi + gr)$ times previous period debt ratio, with r = effective nominal interest rate; π = growth rate of GDP deflator; g = real GDP growth rate; a = share of foreign-currency denominated debt; and e = nominal exchange rate depreciation (measured by increase in local currency value of U.S. dollar).

6/ The real interest rate contribution is derived from the numerator in footnote 5 as $r - \pi(1+g)$ and the real growth contribution as $-g$.

7/ The exchange rate contribution is derived from the numerator in footnote 5 as $ae(1+r)$.

8/ Includes asset changes and interest revenues (if any). For projections, includes exchange rate changes during the projection period.

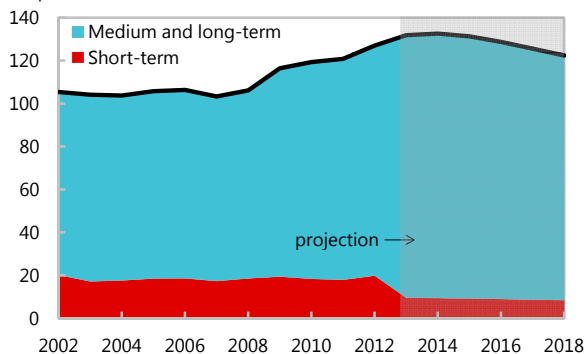
9/ Assumes that key variables (real GDP growth, real interest rate, and other identified debt-creating flows) remain at the level of the last projection year.

Example Public DSA - Composition of Public Debt and Alternative Scenarios

Composition of Public Debt

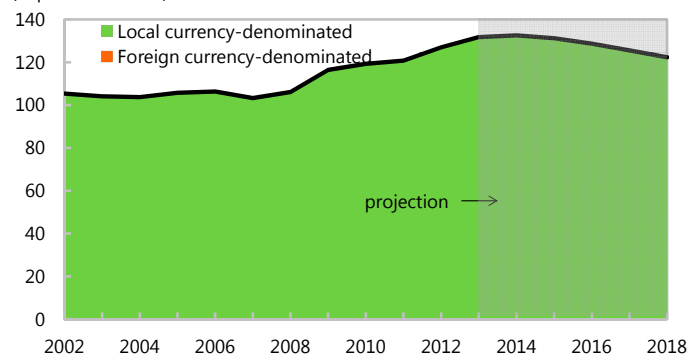
By Maturity

(in percent of GDP)



By Currency

(in percent of GDP)



Alternative Scenarios

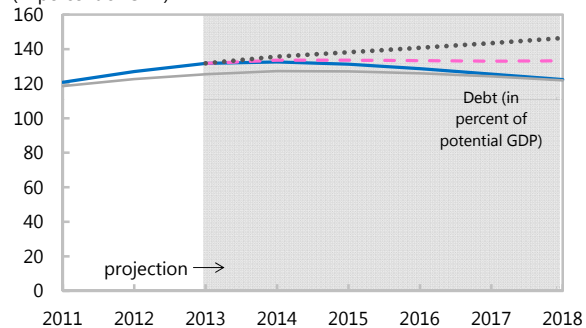
Baseline

Historical

Constant Primary Balance

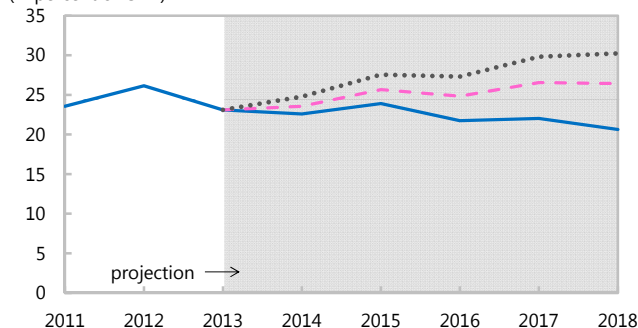
Gross Nominal Public Debt ^{1/}

(in percent of GDP)



Public Gross Financing Needs

(in percent of GDP)



Underlying Assumptions

(in percent)

Baseline Scenario	2013	2014	2015	2016	2017	2018
Real GDP growth	-1.8	0.7	1.1	1.4	1.4	1.2
Inflation	1.4	1.3	1.3	1.4	1.5	1.5
Primary Balance	2.1	3.1	3.4	4.4	4.9	5.4
Effective interest rate	4.3	4.1	4.1	4.3	4.5	4.6

Historical Scenario	2013	2014	2015	2016	2017	2018
Real GDP growth	-1.8	0.0	0.0	0.0	0.0	0.0
Inflation	1.4	1.3	1.3	1.4	1.5	1.5
Primary Balance	2.1	1.1	1.1	1.1	1.1	1.1
Effective interest rate	4.3	4.1	4.1	4.2	4.3	4.4

Constant Primary Balance Scenario	2013	2014	2015	2016	2017	2018
Real GDP growth	-1.8	0.7	1.1	1.4	1.4	1.2
Inflation	1.4	1.3	1.3	1.4	1.5	1.5
Primary Balance	2.1	2.1	2.1	2.1	2.1	2.1
Effective interest rate	4.3	4.1	4.1	4.3	4.4	4.6