



Government of Antigua and Barbuda

**ADDENDUM 2 – 5 APRIL, 2018
Government of Antigua and Barbuda**

Prospectus

2018 RGSM Issuance Programme

for the Period January through December

**180-day and 365-day EC\$ Treasury Bills
10-year EC\$ Bond**

Ministry of Finance and Corporate Governance
Government Office Complex
Parliament Drive
Saint John's
Antigua and Barbuda

Telephone: 1(268) 462-4860/1

Fax: 1 (268) 462-5093/1622

Email: atgdebt@ab.gov.ag

The Prospectus has been drawn up in accordance with the rules of the Regional Government Securities Market (RGSM). The Regional Debt Coordinating Committee and Eastern Caribbean Central Bank accept no responsibility for the content of this Prospectus, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss whatsoever arising from or reliance upon the whole or any part of the contents of this Prospectus.

This prospectus is issued for the purpose of giving information to the public interested in investing in Government of Antigua and Barbuda Bills and Bonds. The Government of Antigua and Barbuda accepts full responsibility for the accuracy of the information given and confirms, having made all reasonable inquiries, that to the best of its knowledge and belief there are no other facts, the omission of which would make any statement in the Prospectus misleading. If you are in doubt about the contents of this document or need financial or investment advice you should consult a person licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government instruments or other securities.



Antigua and Barbuda Prospectus

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Notice to Investors

This Prospectus is issued for the purpose of giving information to the public and investors interested in purchasing Treasury bills, notes and bonds issued by the Government of Antigua and Barbuda through the RGSM. The Government of Antigua and Barbuda accepts full responsibility for the accuracy of the information given and confirms, having made all reasonable inquiries, that to the best of its knowledge and belief there are no other facts, the omission of which would make any statement in this Prospectus misleading.

Statements contained in this Prospectus describing documents are provided in summary form only, and such documents are qualified in their entirety by reference to such documents. The ultimate decision and responsibility to proceed with any transaction or investment with respect to this offering rests solely with you as an investor. Therefore, prior to entering into the proposed investment, you should determine the economic risks and merits, as well as the legal, tax and accounting characteristics and consequences of this Securities offering, and that you are able to assume those risks.

This Prospectus and its content are issued for the specific Securities issues described herein. Investors are strongly encouraged to seek consultation from a person qualified and licensed under the Securities Act or any other duly qualified person who specializes in advising on the acquisition of government securities.

ABSTRACT

The Government of Antigua and Barbuda (hereafter referred to as GoAB) is offering to raise financing through a series of issues on the RGSM between January and December of 2018. The GoAB's 2018 RGSM Issuance Programme is detailed in this Prospectus for consideration of investors and market participants in general.

Purpose of Addendum

The purpose of this addendum is to include a 10 year EC\$10 million bond AGG100428 to be issued on 20 April 2018 with an option to take up to an additional EC\$5 million in the event of an over-subscription. The bond will be used to facilitate local road construction.

ECSE Symbol	Instrument	Amount	Tenor	Auction Date
AGB090319	T-Bill	EC\$20 million	365-day	8-Mar-18
AGG100428	T-Bond	EC\$10 million	10 years	20-Apr-18
AGB010519	T-Bill	EC\$20 million	365-day	30-Apr-18
AGB191118	T-Bill	EC\$20 million	180-day	22-May-18
AGB021218	T-Bill	EC\$20 million	180-day	4-Jun-18
AGB190719	T-Bill	EC\$15 million	365-day	18-Jul-18
AGB261019	T-Bill	EC\$20 million	365-day	25-Oct-18
AGB131119	T-Bill	EC\$15 million	365-day	12-Nov-18
AGB200519	T-Bill	EC\$20 million	180-day	20-Nov-18
AGB020619	T-Bill	EC\$20 million	180-day	3-Dec-18

In the event there is an oversubscription, the GoAB is willing to accept up to an additional five million Eastern Caribbean Dollars (EC\$5m) of the oversubscription amount issued in each of the issues.

The securities are being offered to refinance maturing RGSM securities, assist with the Government's short-term cash flow management requirements and facilitate ongoing liability management operations to lower the public sector's interest burden. The proceeds will also be used to finance government infrastructure programme.

The securities will be issued under the authority of the Treasury Bills Act (2005) and the Finance Administration Act (2006). The securities will be governed under the laws of Antigua and Barbuda.

Bidding for the securities will open at 9:00 a.m. and will close at 12:00 noon. Settlement for successful bids will take place on the following business day after each auction.

ISSUER INFORMATION

Issuer.....	The Government of Antigua and Barbuda (GoAB)
Address.....	Ministry of Finance and Corporate Governance Government Office Complex Parliament Drive St. John's Antigua and Barbuda
Email.....	atgdebt@ab.gov.ag
Telephone No.....	1 (268) 462-2469 or 1 (268) 462-5002
Facsimile No.....	1 (268) 462-5093/1622
	Contact Officials:
	Mr. Whitfield Harris, Financial Secretary – whitfield.harris@ab.gov.ag
	Mrs. Rasona Davis-Crump, Deputy Financial Secretary – rasona.davis@ab.gov.ag
	Mrs. Claudia Steele-Henry, Debt Manager (Ag) – claudia.steele_henry@ab.gov.ag
	Dr. Cleopatra Gittens, Accountant General – cleopatra.gittens@ab.gov.ag
Arrangers.....	First Citizens Investment Services Ltd.
Address.....	First Citizens Investment Services Ltd. John Compton Highway Sans Souci Castries St Lucia
Telephone No.....	1-758-450-2662/ 1-758-458-6375
Facsimile No.....	1-758-451-7894
Contact Persons.....	Mrs. Arletta Huntley-Wells (Country Manager)
Date of Publication.....	April 2018
Purpose of the Issues.....	GoAB intends to use the net cash proceeds of the offerings to refinance maturing RGSM securities, assist in the management of the Government's short-term cash flow requirements and facilitate ongoing proactive liability management operations to lower the Government's interest burden. The proceeds will also be used to finance government's infrastructure programme.
Legislative Authority.....	Finance Administration Act (2006) and the

	Treasury Bills Act (2005), copies of which are available on the Government of Antigua and Barbuda's official website (www.ab.gov.ag)
Intermediaries.....	A complete list of Licensed Intermediaries who are members of the Eastern Caribbean Securities Exchange (ECSE) is available in Appendix I
Taxation.....	Yields will not be subject to any tax, duty or levy by the Participating Governments of the Eastern Caribbean Currency Union (ECCU). The countries are Anguilla, Antigua and Barbuda, Dominica, Grenada, Montserrat, Saint Lucia, St Kitts and Nevis and St Vincent and the Grenadines.
Reference Currency.....	Eastern Caribbean Dollars (EC\$) for the T-bills
Listing and Admission to Trading...	The securities will be listed on the ECSE and will be available for trading on the secondary market using the platform of the ECSE.
Fiscal and Paying Agent.....	Eastern Caribbean Central Securities Registry (ECCSR)
Governing Law.....	The Regional Securities will be governed by the laws of Antigua and Barbuda

INFORMATION ABOUT THE SECURITIES

1. GoAB proposes to auction the securities on the RGSM to be traded on the ECSE.
2. The auction dates are listed in the table below
3. The instruments' will settle as listed in the table below
4. The instruments' maturity dates are listed in the table below
5. The securities will be identified by the trading symbols listed below

ECSE Symbol	Issue	Amount	Interest Rate	Tenor	Auction Date	Settlement Date	Maturity Date
AGB090319	T-Bill	EC\$20 million	5.5%	365-day	8-Mar-18	9-Mar-18	9-Mar-19
AGG100428	T-Bond	EC\$10 million	7.5%	10-year	20-Apr-18	23-Apr-18	23-Apr-28
AGB010519	T-Bill	EC\$20 million	5.5%	365-day	30-Apr-18	1-May-18	1-May-19
AGB191118	T-Bill	EC\$20 million	5%	180-day	22-May-18	23-May-18	19-Nov-18
AGB021218	T-Bill	EC\$20 million	5%	180-day	4-Jun-18	5-Jun-18	2-Dec-18
AGB190719	T-Bill	EC\$15 million	5.5%	365-day	18-Jul-18	19-Jul-18	19-Jul-19
AGB261019	T-Bill	EC\$20 million	5.5%	365-day	25-Oct-18	26-Oct-18	26-Oct-19
AGB131119	T-Bill	EC\$15 million	5.5%	365-day	12-Nov-18	13-Nov-18	13-Nov-19
AGB200519	T-Bill	EC\$20 million	5%	180-day	20-Nov-18	21-Nov-18	20-May-19
AGB020619	T-Bill	EC\$20 million	5%	180-day	3-Dec-18	4-Dec-18	2-Jun-19

6. The interest payment for each T-bill will be made at maturity.
7. Principal repayments for each T-bill will be made at maturity.
8. The interest payment for the Bond will be made semi-annually.
9. Principal will be paid by a bullet payment at maturity for the Bond.
10. Each investor is allowed one (1) bid in each respective series with the option of increasing the amount being tendered until the close of the bidding period.
11. The minimum bid amount is EC\$5,000 for EC\$ T-bills.
12. The minimum bid amount is EC\$5,000 for EC\$ Bonds.
13. The Bid Multiplier will be set at EC\$1,000 for EC\$T-Bills
14. The Bid Multiplier will be set at EC\$1,000 for EC\$ Bonds.
15. The bidding period will be opened from 9 a.m. to 12 noon for EC\$ instruments on auction dates.

16. The price of the issue will be determined by Competitive Uniform Price Auction.

17. The Investors may participate in the auction through the services of a licensed intermediary. The current list of licensed intermediaries that are members of the ECSE, is as follows:

St. Kitts Nevis Anguilla National Bank Limited

The Bank of Nevis Limited

Bank of St. Vincent and the Grenadines Limited

First Citizens Investment Services Limited – St. Lucia

Bank of St Lucia Limited

Grenada Co-operative Bank Limited

Budget Statement 2018 was presented to the House of Representatives on 25th January 2018; it was entitled “Rebuilding Together: Securing a Prosperous Nation”.

The Government’s fiscal strategy for 2018 continues to be underpinned by policies that will restrict the rate of increase in the debt stock and bring about fiscal stability while providing incentives for investment in private projects. The Government’s strategy will focus on controlling expenditure and boosting revenue performance through a number of interventions supported by a Public Financial Management (PFM) project. This PFM project will be funded by the European Union through a grant of 2.3 million Euros from the eleventh European Development Fund (EDF).

CURRENT ISSUES OF GOVERNMENT SECURITIES

Trading Symbol	Issue Date	Original Amount Issued	Outstanding Amount	Coupon (p.a.)	Tenor	Maturity Date
EC\$ RGSM Treasury Bonds						
AGG100721	29-Jul-11	EC\$5,530,000	EC\$4,424,000	7.75%	10-year	29-Jul-21
AGG051218	17-Dec-13	EC\$15,040,000 ¹	EC\$3,660,000	7.25%	5-year	17-Dec-18
AGN140919	14-Sep-16	EC\$20,000,000	EC\$20,000,000	6.5%	3-year	14-Sep-19
AGN031019	3-Oct-17	EC\$11,186,000	EC\$11,186,000	6.5%	2-year	3-Oct-19
US\$ RGSM Treasury Bond						
FAG070720	31-Jul-13	US\$13,100,000 EC\$35,370,000	US\$7,860,000 EC\$21,222,000	7.5%	7-year	31-Jul-20
FAG100923	26-Sep-13	US\$5,050,000 EC\$13,635,000	US\$5,050,000 EC\$13,635,000	7.75%	10-year	26-Sep-23
FAG070121	23-Jan-14	US\$7,500,000 EC\$20,250,000	US\$5,250,000 EC\$14,175,000	7.5%	7-year	23-Jan-21
FAN030822	2-Aug-17	US\$7,885,000 EC\$21,289,500	US\$7,885,000 EC\$21,289,500	7%	5-year	3-Aug-22
EC\$ RGSM Treasury Bills						
AGB030919	8-Mar-18	EC\$25,000,000	EC\$25,000,000	4.167%	365-day	9-Mar-19
AGB280418	28-Apr-17	EC\$25,000,000	EC\$25,000,000	5%	365-day	28-Apr-18
AGB130718	13-Jul-17	EC\$20,000,000	EC\$20,000,000	4%	365-day	13-Jul-18
AGB241018	24-Oct-17	EC\$25,000,000	EC\$25,000,000	5.5%	365-day	24-Oct-18
AGB101118	10-Nov-17	EC\$2,759,000	EC\$2,759,000	5.5%	365-day	10-Nov-18
AGB200518	21-Nov-17	EC\$23,065,000	EC\$23,065,000	5%	180-day	20-May-18
AGB030618	5-Dec-17	EC\$18,657,000	EC\$18,657,000	5%	180-day	3-Jun-18
US\$ Non-RGSM Treasury Bonds						
FAG150626	30-Jun-11	US\$13,729,680 EC\$37,070,136	US\$12,356,712 EC\$33,363,122	8%	15-year	30-Jun-26
FAG100724	29-Jul-14	US\$5,000,000 EC\$13,500,000	US\$5,000,000 EC\$13,500,000	8%	10-year	29-Jul-24
FAG071221	1-Dec-14	US\$2,500,000 EC\$6,750,000	US\$2,500,000 EC\$6,750,000	7.25%	7-year	1-Dec-21
Trading Symbol	Issue Date	Original Amount Issued	Outstanding Amount	Coupon (p.a.)	Tenor	Maturity Date
FAG100325	11-Mar-15	US\$5,000,000	US\$5,000,000	5%	10-year	11-Mar-25

¹ The value of the bond has been reduced to \$14,640,000.

		EC\$13,500,000	EC\$13,500,000			
TBD	16-Apr-15	US\$10,000,000 EC\$27,000,000	US\$10,000,000 EC\$27,000,000	5%	5-year	16-Apr-20
FAG100926	5-Sep-16	US\$7,566,000 EC\$20,428,000	US\$7,566,000 EC\$20,428,000	6.5%	10-year	5-Sep-26
FAG071023	31-Oct-16	US\$9,000,000 EC\$24,300,000	US\$9,000,000 EC\$24,300,000	6%	7-year	31-Oct-23
TBD	15-Dec-17	US\$600,000 EC\$1,620,000	US\$600,000 EC\$1,620,000	5%	5-year	15-Dec-22
TBD	29-Dec-17	US\$14,000,000 EC\$37,800,000	US\$14,000,000 EC\$37,800,000	7.5%	5-year	29-Dec-22
EC\$ Non-RGSM Treasury Bonds						
AGG151228	1-Jan-14	EC\$8,500,000	EC\$9,432,371 ²	7%	15-year	31-Dec-28
AGG050319	21-Mar-14	EC\$13,000,000	EC\$6,500,000	7.5%	5-year	21-Mar-19
AGG050619	26-Jun-14	EC\$25,000,000	EC\$25,000,000	7%	5-year	26-Jun-19
AGG151029	29-Oct-14	EC\$5,000,000	EC\$5,000,000	8%	15-year	29-Oct-29
AGN271119	27-Nov-14	EC\$10,000,000	EC\$10,000,000	7%	5-year	27-Nov-29
AGG151229	17-Dec-14	EC\$10,000,000	EC\$10,000,000	8%	15-year	17-Dec-29
AGG300740	28-Sep-10	EC\$330,000,000	EC\$223,530,000	1.0% (Step up) ³	30-year	1-Jul-40
AGN220320	22-Mar-15	EC\$10,000,000	EC\$10,000,000	7.0%	7-year	22-Mar-22
AGG100525	26-May-15	EC\$10,000,000	EC\$10,000,000	8.0%	10-year	26-May-25
AGG101225	11-Dec-15	EC\$10,000,000	EC\$10,000,000	3.0% (Step up) ⁴	10-year	11-Dec-25
TBD	16-Apr-16	EC\$157,000,000	EC\$141,000,000	2.0%	10-year	16-Apr-26
AGG0327AA	13-Mar-17	EC\$20,000,000	EC\$2,000,000	6.5%	10-year	13-Mar-27

² Interest of \$617,071 for year 1 has been capitalized.

³ Step up Interest Rate: July 2010 – June 2013 @ 1%; July 2013 – June 2016 @ 2%; July 2016 – June 2017 @ 3%; July 2017 – June 2019 @ 4%; July 2019 – June 2021 @ 5%; July 2021 – June 2040

⁴ Step up Interest Rate: 2016 – 2018 @ 3%; 2019 – 2021 @ 6%; 2022 – 2025 @ 8%

SUMMARY OF CENTRAL GOVERNMENT FISCAL OPERATIONS (EC\$M)

Antigua and Barbuda: Operations of the Central Government - 2017						
	Budget 2017	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Total revenue and grants	981,615,420	228,280,333	200,562,811	164,625,677	211,608,549	805,077,369
Current revenue	935,418,015	220,143,739	200,271,412	161,730,672	210,081,293	792,227,116
Of which: tax revenue	742,182,054	186,826,900	165,094,662	134,485,710	155,387,386	641,794,659
Capital revenue	4,000,000	8,136,594	291,399	1,760,005	576,456	10,764,453
Capital grants	42,197,405	-	-	1,135,000	950,800	2,085,800
Total expenditure	875,372,844	224,063,175	208,875,553	207,935,965	260,982,318	901,857,010
Current expenditure	769,509,939	223,646,189	190,246,120	192,170,396	235,127,929	841,190,634
Wages and salaries	331,335,073	79,238,392	81,517,188	80,356,146	86,057,790	327,169,516
Contrib. to soc. security, MBS,BOE	26,135,539	6,463,009	7,344,009	7,379,997	6,666,979	27,853,995
Goods and services	139,495,682	25,930,623	33,957,322	32,019,703	39,808,404	131,716,051
Interest payments	95,336,430	37,295,461	19,588,103	26,007,391	18,325,035	101,215,990
Pensions, other transfers	177,182,215	74,718,704	47,839,498	46,407,160	84,269,721	253,235,083
Capital expenditure & net lending	105,862,905	416,985	18,629,433	15,765,568	25,854,389	60,666,376
Current account balance	165,908,076	(3,502,450)	10,025,292	(30,439,724)	(25,046,636)	(48,963,518)
Primary Balance	201,579,006	41,512,620	11,275,361	(17,302,898)	(31,048,734)	4,436,349
Overall balance	106,242,576	4,217,159	(8,312,742)	(43,310,288)	(49,373,769)	(96,779,641)

*Source: Ministry of Finance and Corporate Governance
Data as at February 28, 2018 (Preliminary)*

PUBLIC SECTOR DEBT STOCK AND DEBT SERVICE (2017-2018)

*All figures in millions of Eastern Caribbean Dollars
As of 28 February 2018*

	Dec- 17	Jan-18	Feb - 18
Total Public Sector Debt	2,993.41	2,984.44	2,976.73
of which: Central Government	2,516.65	2,508.39	2,502.44
of which: Public Sector Corporations	476.77	476.05	474.29
EXTERNAL	1,391.34	1,396.39	1,393.35
Central Government	1,270.04	1,276.59	1,274.13
Multilateral	319.56	314.27	314.13
Bilateral	856.62	868.46	866.15
of which: Bilateral Paris Club	329.08	329.83	329.49
of which: Bilateral non-Paris Club	527.54	538.63	536.66
Securities	93.86	93.86	93.86
Public Sector Corporations	121.30	119.80	119.22
Multilateral	49.38	48.23	48.22
Bilateral	27.79	27.96	27.93
of which: Bilateral Paris Club	0.00	0.00	0.00
of which: Bilateral non-Paris Club	27.79	27.96	27.93
Commercial	44.12	43.61	43.06
DOMESTIC	1,602.07	1,588.05	1,583.38
Central Government	1,246.61	1,231.80	1,228.31
Monetary Authority/Central Bank	65.47	65.47	65.47
Commercial Loans	359.72	351.81	348.72
Private	49.10	49.10	49.10
Securities	539.56	533.44	533.44
Overdraft	9.23	8.44	8.04
Obligations to Statutory Body	223.53	223.53	223.53
Public Sector Corporations	355.47	356.25	355.07
Commercial Loans	348.00	345.91	344.85
Overdraft	7.46	10.34	10.22

Source: Debt Management Unit, Ministry of Finance

ALL OTHER INFORMATION IN THIS PROSPECTUS REMAINS THE SAME