

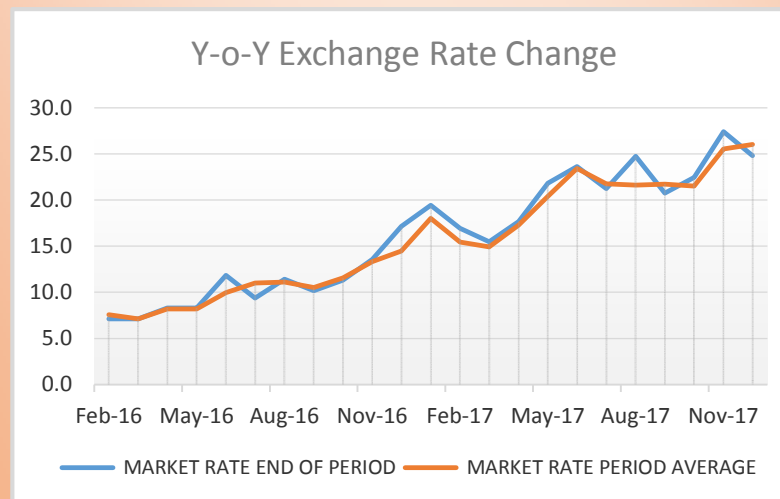


CENTRAL BANK OF LIBERIA (CBL)

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**Table 2: Performances of End-of-Period WAMZ
 Exchange Rates against the US Dollar**

Currency	Nov -16	Oct -17	Nov-17	Appr (-)/Depr (+)	
				MoM	YoY
GHC	3.98	4.37	4.41	0.86	10.85
GMD	43.65	47.61	46.93	-1.43	7.52
GNF	9,079.81	8,998.22	9,005.00	0.08	-0.82
LRD	100.50	119.14	125.53	5.36	24.90
NGN	304.75	305.25	305.25	-	0.16
SLL	7,212.02	7,539.54	7,517.71	-0.29	4.24

Sources: Central Banks of Liberia and WAMA: www.amao-wama.org/

LRD—Liberian Dollar
 GHC—Ghanaian Cedi
 GMD—Gambian Dalasi
 GNF—Guinean Franc
 NGN—Nigerian Naira
 SLL—Sierra Leonean Leone
 USD—US Dollar

	Aug-17	Sep-17	Oct-17	Nov-17
External Trade (Volume) – cont'd	(Metric Tons)			
- Petroleum Products	4,731	4,507	3,962	4,327
- Cocoa Beans	2,145	0.0	1,495	400
- Palm Oil	1,511	2,126	1,100	13,074±
10 Inflation	(In percent)			
Overall (Year-on-year) Rate of Inflation	12.3	13.1	11.9	13.1
a. Food and Non-alcoholic Beverages Inflation	5.4	6.0	4.2	4.6
- Domestic Food Inflation	1.0	2.0	0.2	0.4
- Imported Food Inflation	8.1	7.6	5.9	6.3
b. Transport Inflation	13.6	17.2	22.0	21.0
c. Imported Fuels Inflation	19.5	22.4	26.0	27.2
Overall (Month-on-Month) Rate of Inflation	2.2	1.2	0.5	1.6
Core Inflation	(In percent)			
Inflation excluding Food & Non-alcoholic Beverages	17.2	18.1	17.7	19.5
Inflation excluding Imported Food	13.0	14.3	13.2	14.5
Inflation excluding Domestic Food	6.9	7.2	6.3	7.6
Inflation excluding Food and Transport	17.7	18.2	16.8	19.1
Production	(Metric Tons, Carats and Ounces)			
Iron Ore	0†	513,772	151,553±	154,118
Gold	13,655	15,732	11,320	14,927±
Diamond	5,257	665	3,943	4,274±
Rubber	4,710	3,930	3,737±	5,950
Cement	18,295	13,520	14,659	16,442±
Beverages	(In Litres)			
Alcoholic	957,588	714,936	870,288	1,153,247
Non-Alcoholic	1,043,239	692,626	879,531	732,449
11 Int'l Commodity Prices	US\$/Unit			
Iron Ore (US\$/MT)	76.1†	71.5	61.7	64.2
Rubber (US\$/MT)	1,840.0†	1,860.0	1,640.0	1,570.0
Crude Oil (US\$/Barrel)/1	49.9†	53.0	54.9	59.9
Rice (US\$/MT)	393.0†	402.0	394.0	402.0
Cocoa Beans (US\$/MT)	1,990.0†	2,000.0	2,100.0	2,130.0
Palm Oil	674.0†	724.0	721.0†	716.0

* US\$ converted to L\$ ^With liquidity Effect

** Other Deposits Include Official and Manager Checks

***The Minimum Capital Adequacy Ratio is 10%

****The Required Minimum Liquidity Ratio is 15%

†Reserves exclude ECF borrowing from the IMF

± Provisional, Preliminary, Estimate

‡Revised

‡Not Available (NA)

REAL SECTOR & PRICE DEVELOPMENTS

Production of Key Commodities

Statistics on real sector activities in November, 2017, indicate increases in the production of major commodities in the economy. Rubber output rose sharply by 1,981 metric tons (49.9 percent) to 5,950 metric tons, from 3,969 metric tons during the previous month, mainly due to increased production from small farm holders. Similarly, beverage output rose by 7.8 percent to 1.9 million liters, from 1.7 million liters in the previous month on account of increased production to meet the demand for the Christmas and New Year seasons. Cement output also increased to an estimated 16,442 metric tons (12 percent), from 14,659 produced during the preceding month as a result of increased demand induced by construction activities in the dry season. Iron ore output in November, 2017 stood at 154,118 metric tons. There was no information on iron ore production in October, 2017. Gold output rose to an estimated 14,927 ounces from 11,320 ounces produced a month ago. The 31.9 percent rise in production was related to a slight increase in the global price of the commodity. The production of diamond during the review period was estimated to increase to 4,274 carats, from 3,943 carats during the preceding month.

Consumer Prices

Inflation on a yearly basis increased by 1.2 percentage points to 13.1 percent at end-November, up from 11.9 percent reported at end-November 2016. The rise in inflation was explained by increases in all major subgroups except food and education.

On a monthly basis, the rate of inflation increased by 1.1 percentage points to 1.6 percent, from 0.5 percent reported a month ago. The rise in monthly inflation rate was a result of increases in the prices of some items in the major sub-groups, which include: food and non-alcoholic beverages; clothing and footwear; housing, water, electricity, gas and other fuels; health; and restaurant and hotels.

MONETARY DEVELOPMENTS

Monetary Policy Stance

The monetary policy stance of the CBL in November, 2017 remained focused on price stability via broad exchange rate stability. The foreign exchange auction and the Treasury-bills were the readily available policy instruments used

to implement domestic monetary policy operations.

Monetary Aggregates and Credit

Broad money supply (M2) at end-November, 2017 expanded by 2.8 percent to L\$78,431.8 million, from L\$76,279.3 million recorded at end-October, 2017. The growth in M2 was largely on account of a 5.1 percent expansion in time and savings deposits as well as a 2.0 percent increase in demand deposits. On a year-on-year basis, broad money grew by 26.5 percent on account of a 28.7 percent and 22.6 percent expansions in narrow and quasi money supplies, respectively.

On the assets side, monthly comparison showed that Net foreign assets (NFA) and net domestic assets (NDA) at end-November, 2017 trended in opposite directions. NDA fell by 4.3 percent but grew by 35.0 percent on monthly and annual bases, respectively. The annual growth in NDA was mainly underpinned by expansion in credit to private sector including NBFIs. On the other hand, NFA expanded month-on-month by 13.2 percent and Y-o-Y by 16.3 percent on account of growth in CBL assets held despite the decline in commercial banks foreign assets.

The US dollar contribution to commercial bank loans to private sector at end-November, 2017 declined by 2.5 percent to US\$383.1 million, from US\$392.9 million at end-October, 2017, while the Liberian dollars component fell marginally by 0.1 percent to L\$4,073.2 million, from L\$4,078.4 million recorded a month ago. On a year-on-year basis, the US dollar component grew by 4.0 percent and the Liberian dollar component, by 47.4 percent, both driven by increases in loans to extractive, services, personal loans, oil & gas and the manufacturing sectors.

Exchange Rate

At end-November, 2017, the Liberian dollar vis-à-vis the US dollar, on average, depreciated by 4.0 percent to L\$123.60/US\$1.00, from L\$118.84/US\$1.00. The end-of-period (EOP) exchange rate also depreciated by 5.1 percent to L\$125.50/US\$1.00, from L\$119.38/US\$1.00. Year-on-year comparison revealed that the average exchange rate depreciated by 24.1 percent and the EOP, by 24.9 percent. The weakness of the Liberian dollar was primarily motivated by the high demand for US dollar to facilitate import payments.

	Aug-17	Sep-17	Oct-17	Nov-17
Non-performing Loans (% change)	3.7	8.5	-3.3	13.8
Returns on Assets (ROA)	0.24	0.30	0.17	0.22
Returns on Equity (ROE)	1.49	1.82	1.02	1.32
Liquidity Ratio****	49.5	47.2	47.6	49.4
7 Fiscal Operations				
7a Revenue, Expenditure & Debt	(Millions of US\$)			
Actual Revenue & Grants	38.8	36.8±	35.1	26.7
Projected Revenue & Grants	45.0	51.6±	36.3	30.8
Expenditure	48.0	43.7±	41.5	43.6
Public Debt Stock	851.1	868.9	873.8	874.2
Domestic	267.1	266.7	266.6	266.2
External	584.0	602.2	607.2	608.0
7b Treasury Securities	(Millions of L\$)			
T- Bills Issued	-32.2	-32.5	-97.5	-30.0
T- Bills Redeemed	53.3	53.7	47.3	32.2
Net GoL Treasury Bills Operations^	21.1	21.2	-50.2	2.2
Ave. Weighted Discount Rate_T Bills	3.74	4.35	2.94	5.00
Bond Issued (2 yrs.) amount in Billion				
T- Bond Issued	0.0	-2.4	0.0	0.0
T- Bond Settled	0.0	0.0	0.0	0.0
Net GoL Treasury Bond Operations^	0.0	0.0	0.0	0.0
Ave. Weighted Discount Rate_T Bond	0.0	14.5	0.0	0.0
8 External Trade (Value)	(Millions of US\$)			
8a Exports/1	25.4	46.4	20.0	23.9
- O/w Iron Ore	n/a	15.8	n/a	3.7
- O/w Rubber	5.0	9.5	6.0	4.5
- O/w Mineral	19.0	16.3	13.7	13.7
-o/w Cocoa Bean	0.7	0.0	0.4	0.3
-o/w Palm Oil	0.8	0.9	0.1	0.8
8b Imports (F.O.B)/1	74.3	70.4	89.2	82.6
Minerals, Fuel, Lubricants	10.9	10.3	9.2	9.8
-O/w Petroleum Products	9.7	9.4	8.4	8.9
Food and Live Animals	15.7	21.0	30.0	33.8
-O/w Commercial Rice	5.8	7.0	4.3	23.6
-O/w Non-commercial Rice	0.2	0.5	0.3	0.5
Machinery & Transport Equipment	20.0	18.4	24.0	14.5
Import (C.I.F)	81.7	77.4	98.2	91.0
Trade Balance	-48.9	-24.0	-69.2	-58.7
9 External Trade (Volume)	(Metric Tons)			
- Rubber	4,710	3,929	3,969	3,545.7
-Iron Ore	n/a	513,772	n/a	154,118.2
-Commercial Rice	282,446±	177,789±	165,129±	177,187
-Non-commercial Rice	1,865±	1,710±	1,439±	1,504

/1 Trade data now sourced from Customs (LRA) with larger coverage than BIVAC.

Table 1: Fact Sheet

	Aug-17	Sep-17	Oct-17	Nov-17
1 Monetary	<i>(Millions of US\$)</i>			
CBL Net Foreign Exchange Reserves Position (Including SDRs) [†]	156.7 [†]	155.5	164.4	150.7
CBL Gross Foreign Reserves (excluding SDRs)	195.5 [†]	195.9	205.8	222.8
Liberian Dollars in Circulation	12,527.1	13,386.1	13,639.1	13,792.2
Money Supply (M1) in L\$ only	16,946.3 [†]	19,196.7	19,740.6	19,103.0
Broad money (M2) in L\$ only	23,109.9 [†]	26,299.0	26,593.6	26,008.6
Broad money (M2) in both L\$ and US\$*	72,819.8	75,107.9	76,279.3	78,431.8
	<i>(In percent)</i>			
Liberian Dollar share of Broad Money	31.7	35.0	34.9	33.2
Interest Rates				
- Lending rate	13.28	13.28	13.2	13.3
-Average Deposit rates				
-Savings	2.23	2.23	2.23	2.23
-Time	3.53	3.53	3.75	3.75
	<i>(In Millions of Currencies)</i>			
Commercial banks loans to private sector - US\$	388.0	388.8	392.9	383.1
Commercial banks loans to private sector - L\$	3,907.6	4,044.1	4,078.4	4,073.2
- Demand Deposits of commercial banks				
Demand deposits - US\$	272.5	264.0	264.0	263.8
Demand deposits - L\$	5,946.4	6,786.0	6,853.8	6,040.0
- Time & Savings Deposits of commercial banks				
Time & savings deposits - US\$	153.4	150.6	150.0	152.2
Time & savings deposits - L\$	6,119.4	7,063.5	6,788.9	6,855.2
- Other Deposits**				
Actual US\$ component of other deposits	0.34	0.02	2.2	1.7
Liberian \$ component of other deposits	44.2	38.8	64.2	50.4
2 CBL's Foreign Exchange Auction	<i>(Millions of US\$)</i>			
US Dollar Amount Sold	4.0	3.0	4.3	10.0
Total Subscription	4.6	4.0	4.3	10.0
Over(+)- / Under(-) Subscription	0.62	1.0	0.0	0.0
3 CBL Bills Auction	<i>(Millions of L\$)</i>			
Bill Issued	0.0	0.0	0.0	0.0
Bill Redeemed	0.0	0.0	0.0	0.0
4 Personal Remittances	<i>(Millions of US\$)</i>			
Inflows	30.5	53.4	42.9	38.2
Outflows	25.1	73.8	33.4	39.8
Net flows	5.4	-20.4	9.5	-1.6
5 Exchange Rate	<i>(USD/LD)</i>			
End of Period	116.65	117.72	119.4	125.5
Period Average	115.12	117.24	119.4	123.6
6 Financial Soundness Indicators (FSI)	<i>(In percent)</i>			
Capital Adequacy Ratio (CAR)***	17.8 [±]	17.7 [±]	17.8 [±]	17.8.0 [±]
Non-performing Loans to Total Loans	14.36	14.96	13.4	14.7

In the WAMZ, the Dalasi and the Leone appreciated by 1.4 percent and 0.3 percent, respectively; while the Liberian dollar, the Ghana Cedis and the Guinean Franc depreciated by 5.4, 0.9 percent and 0.1 percent, respectively when match against the rates recorded a month ago. Meanwhile, the Nigerian Naira remained stable for the period. Y-o-Y analysis revealed that, with the exception of the Guinean Franc that appreciated by 0.8 percent, all currencies in the zone suffered depreciation (see Table 2).

Financial Market Developments

For the month under review, net Government of Liberia (GoL) T-bill operations amounted to a net Liberian dollar injection of L\$2.1 million; implying that the CBL on behalf of the government issued L\$30.0 million and redeemed L\$32.2 million. The discount rate in the month on GoL T-bill issued was 5.0 percent, 42 basis points higher than the yield recorded in October, 2017.

Banking Sector Developments

The banking industry in November 2017 remained strong, evidenced by its capital adequacy and liquidity ratios which were well beyond the minimum requirements of 10.0 percent and 15.0 percent, respectively. Provisional banking sector data at end-November 2017 indicated a liquidity ratio of 49.4 percent, 1.8 percentage points higher than the ratio recorded at end-October, 2017. The industry capital adequacy ratio (CAR) remained unchanged at 17.8 percent, compared with previous month. However, non-performing loans ratio inched up to 14.7 percent from 13.4 percent at end-October, 2017.

FISCAL DEVELOPMENTS

Revenue (including Grants) & Expenditures

From preliminary data, fiscal operations in November, 2017 resulted in a deficit of US\$16.9 million, up from a deficit of US\$6.4 million recorded in the previous month, mainly explained by a 23.9 percent decrease in total revenue and grants, coupled with 5.1 percent increase in total public expenditure during the review period.

Tax revenue constituted 81.0 percent of total revenue and grants, while non-tax revenue & grants constituted the remaining 19.0 percent during the period under review. Actual revenue and grants were below budgetary projections for the month by US\$ 4.1 million or 13.3 percent. For the same period, recurrent and capital expenditure accounted for 94.0 percent and 6.0 percent of total public expenditure, respectively.

Preliminary statistics showed that Liberia's public debt stock at end-November, 2017, stood at US\$874.1 million, indicating only a marginal change compared with the stock of US\$873.8 million recorded at end-October, 2017. Domestic and external debt stocks constituted 30.4 percent and 69.6 percent of Liberia's total public debt stock at end-November, 2017, respectively, Table 1.

EXTERNAL SECTOR DEVELOPMENTS

Merchandise Trade

Merchandise trade balance at end-November, 2017 recorded a deficit of US\$58.7 million, down from a deficit of US\$69.2 million at end-October, 2017, owing to an improvement in export receipts, Table 1.

Exports

Preliminary statistics on exports earnings during the month ended-November, 2017 showed 19.5 percent increase to US\$23.9 million, from US\$20.0 million recorded at end-October, 2017. The rise in exports earnings was mainly attributed to receipts of US\$3.7 million from iron ore and palm oil. Earnings from palm oil grew by 0.7 million, from US\$0.1 million to US\$0.8 million, and earnings from iron ore stood at US\$3.7 million. There was no export of iron ore in the preceding month.

Imports (FOB)

Payments for imports at end-November 2017, decreased by 7.4 percent to US\$82.6 million, from US\$89.2 million in October, 2017. The decrease in import payments was attributed mainly to a 39.4 percent decline in payments for Machinery & Transport Equipment.

Global Commodity Price Review

Overall global commodity price index was estimated to increase to 111.4 at end-November, 2017, from 110.0 reported in the previous month. The rise in average global commodity price index was largely a result of improvements in the prices of metal (especially iron ore) and crude oil (petroleum).

Iron ore

After two months of consecutive falls in international price of iron ore, the price rose at end-November 2017 to US\$64.2 per metric ton, from US\$61.7 per metric ton in October 2017. The 4.1 percent rise in the price of the commodity

was a result of a sudden increased in demand resulting from favorable price of steel, mainly in China.

Rubber (natural)

At end-November 2017, the global price of rubber fell to US\$1,570.0 per metric ton, from US\$1,640.0 per metric ton reported during the preceding month. The 4.3 percent decline in the global price of rubber was mainly on account of excess supply of the commodity.

Petroleum (Crude Oil)

The average global price of petroleum stood at US\$59.9 per barrel at end-November, 2017, from US\$54.9 per barrel recorded in the previous month. The 9.2 percent rise in price was occasioned, largely, by the effect of expectations that supply of the commodity could be cut down.

Food (Rice)

Food price index for the second time declined to 175.8 percent at end-November 2017, from 176.6 percent in October 2017. The 0.8 percentage point decline was due, mainly, to decrease in the prices of dairy products. The price of rice, a sub-group of cereal, inched up again by 2.0 percent to US\$402.0 per metric ton, from US\$394.0 per metric ton in the preceding month due to growing demand for the commodity.

Palm Oil

The global price of crude palm oil fell to US\$716.0 per metric ton in November, 2017, from US\$721.0 per metric ton at end-October, 2017 on account of build-up stock of the commodity during the harvest season.

Gross Foreign Reserves

Gross foreign reserves position (excluding SDR holdings) of the CBL at end-November, 2017 grew by 8.3 percent to US\$222.8 million, from US\$205.8 million reported during the previous month, due mainly to a 28.2 percent expansion in CBL balances with banks abroad.

Crude oil price is the average of the three global oil price benchmarks: Dated Brent, West Texas Intermediate and Dubai Fateh.