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**The Director
Research, Policy and Planning Department
Central Bank of Liberia
P. O. Box 2048/ Cell #: (231) 880-649 103/ 886-246 587
Monrovia, Liberia**

Fax #: 00(231) 77059642

Cell #: 0881 551953

TABLE OF CONTENTS

OVERVIEW.....	i-ii
I. DEVELOPMENT IN THE WORLD ECONOMY	1
1.1 Introduction.....	1
1.2 The United States Economy.....	1
1.3 The Euro Area.....	1
1.4 Emerging Market and Developing Economies	2
1.5 Sub-Saharan Africa.....	2
1.6 Global Inflation	2
II. DOMESTIC PRODUCTION AND CONSUMER PRICES	4
2.1 Introduction.....	4
2.2 Sectorial Review	5
2.2.1 Agriculture and Forestry	5
2.2.2 Industrial Production.....	6
2.2.2.1 Mining (Gold, Diamond and Iron Ore)	6
2.2.2.2 Manufacturing	7
2.3 Consumption of Petroleum Products	10
2.4 Sea Port Developments	11
2.5 Electric Power Developments.....	12
2.6 Price Development.....	13
2.6.1 Domestic Price Development	13
2.6.2 Inflation by Group	14
2.6.2.1 Contributions to Changes in CPI (%).....	14
2.6.3 Administered vs Market Prices	15
2.6.4 Outlook for Inflation	16
III. MONETARY AND FINANCIAL DEVELOPMENT	20
3.1 Monetary Policy Stance	20
3.2 Banking Sector Developments	20
3.2.1 Capital.....	20
3.2.2 Asset and Liquidity	20

3.2.3	Profitability	21
3.2.4	Commercial Bank Credit	21
3.2.5	Interest Rate	23
3.2.6	Liberian Dollar in Circulation	24
3.2.7	Money Supply (M1)	24
3.2.8	Broad Money Supply (M2)	26
3.3	Money Market Development	27
3.3.1	Foreign Exchange Intervention	27
3.3.2	Government Securities	28
3.3.3	Central Bank of Liberia Bills and SDF	28
IV.	MONEY MARKET DEVELOPMENTS	33
4.1	Overview of Government Operations	33
4.2	Government Revenue	33
4.3	Government Expenditure	34
4.4	Public Debt	35
V.	EXTERNAL SECTOR DEVELOPMENT	37
5.1	Overview of the Balance of Payments	37
5.2	Financial Account	40
5.2.1	Direct Investment	40
5.2.2	Other Investment	40
5.2.3	Reserve Assets	40
5.3	Capital Account (KA)	41
5.4	Current Account (CA)	41
5.4.1	Goods Account (net).....	41
5.4.2	Service Account (net)	42
5.4.3	Primary Income (net)	42
5.4.4	Secondary Income (net)	42
5.4.4.1	Personal Remittances	42
5.5	Gross International Reserves Position	43
5.6	Exchange Rate Developments	44
5.7	Direction of Trade	46

Table 1.1: Selected Global Output.....	3
Table 2.1: Key Agricultural Production.....	5
Table 2.2: Key Industrial Output	9
Table 2.3: Consumption of Petroleum Products	10
Table 2.4: Vessel Traffic and Cargo Movements	11
Table 2.5: Electricity Power Development.....	12
Table 2.6: Headline and Quarterly changes in CPI	17
Table 2.7: Inflation by Sub-group: Year-on-Year Changes in CPI	18
Table 2.8: Harmonized Consumer Price Index (HCPI) by Major Groups.....	19
Table 3.1: Commercial Bank’s Loan by Economic Sectors	22
Table 3.2: Commercial Bank’s Interest Rates	23
Table 3.3: Commercial Bank’s Interest Rates	24
Table 3.4: Broad Money Supply and its Sources	25
Table 3.5: CBL Bills	29
Table 3.6: CBL Bills, Q ¹ -2021	30
Table 4.1: Government Revenue	34
Table 4.2: Government Expenditure.....	35
Table 4.3: Liberi’s Public Debt Statistics	36
Table 5.1: Balance of Payments Statistics	37
Table 5.2: Gross International Reserves Position	43
Table 5.3: Market Exchange Rate: Liberia Dollar (LD) per US Dollar	44
Table 5.4: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar	45
Table 5.5: Annual Directions of Trade	46
Chart 2.1: Key Agricultural Production.....	5
Chart 2.2: Consumption of Petroleum Products	11
Chart 2.3: Vessel Traffic	12
Chart 2.4: Electricity Power Generation	13
Chart 2.5: Headline and Core Inflations	14
Chart 2.6: Contribution to CPI	15
Chart 2.7: Food, Non-food and Headline Inflation.....	15
Chart 2.8: Administered and Market Prices	16
Chart 3.1: Percentage Distribution of Commercial Bank Loans by Economic Sectors.....	23
Chart 3.2: Liberian Dollars in Circulation	24
Chart 3.3: Narrow Money Supply (M1)	26
Chart 3.4: Broad Money Supply (M2).....	27
Chart 3.5: Broad Money: Share of US and Liberian Dollars.....	27
Chart 3.6: Average Quarterly Yields (in percent) Government of Liberia 91-Day Treasury-bill Auction.	28
Chart 4.1: Graphical Outlook of GOL’s Fiscal Operations	33
Chart 5.1: Net Personal Inward Remittances	43
Chart 5.2: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar, 2019-2021....	45

OVERVIEW

The prospect for global growth remains firm, despite the resurgence of the COVID-19 pandemic in many countries. Global growth is projected at 6.0 percent in 2021, largely reflecting better outlook in advanced economies relative to the emerging markets and developing economies. However, uneven access to COVID-19 vaccines, particularly in developing economies, as well as the global rise in the delta variant are indicative of the major challenges to the outlook.

Growth in the US is expected to increase by 0.6 percentage point to 7.0 percent according to the July 2021 World Economic Outlook (WEO), from a revised 6.4 percent reported in the April-2021 WEO's report, while the euro area is projected to grow by 4.6 percent. In emerging market and developing economies, growth was revised downward by 0.4 percentage point, mainly on account of downward revisions of growths in China and India growth to 8.1 percent and 9.5 percent, respectively. Growth for Sub-Saharan Africa remains relatively unchanged at 3.4 percent in comparison to the projection in the April WEO's report. Inflation is expected to rise in both advanced economies and emerging market & developing economies at end-2021.

In the domestic economy, growth is projected at 3.6 percent in 2021, mainly on account of anticipated developments in the secondary and tertiary sectors. A semiannual sectorial review shows that projection for the mining & panning sector is on track with the rise in outturns of gold, diamond, and iron ore in the first half of 2021 compared to the corresponding period a year ago. Selected items from the agriculture & fishery, manufacturing, and services subsectors remained on similar trend in support of the growth outlook.

Inflation continued to moderate during the review period due to the relative stability in the exchange rate, tight monetary policy stance of the Bank and relative downward movement in prices of food. Average headline inflation moderated by 2.5 percentage points to 8.6 percent in the second quarter mainly on account of developments in the exchange rate and liquidity management by the Bank. Food prices declined due to decrease in domestic food prices, while non-food prices rose. Official core inflation increased by 4.9 percent. Headline inflation is also expected to moderate in the third quarter.

The Bank's monetary policy stance remained anchored on Liberian dollar (L\$) liquidity management. The stock of broad money supply (M2) grew by 5.9 percent, largely on account of

rise in demand, time & saving, and other deposits. Net foreign asset (NFA) rose, while net domestic asset declined. Compared to the previous quarter, the level of dollarization increased as the share of United States dollars (US\$) component of M2 constituted 71.9 percent, rising by 2.0 percentage points. Relatively, the banking industry remained stable with compliance in most of the regulatory targets (liquidity ratio, capital adequacy ratio), despite the declines in Total assets, total deposits, total liquidity, and total loans & advances fell. However, total capital and profit increased, while nonperforming loans (NPLs) fell.

During the quarter, there was non-issuance and redemption of new government securities. However, coupon payments and partial repayments of principle on outstanding L\$ and US\$ treasury bonds were made by the government.

Provisional statistics showed that the Government fiscal operations resulted to a surplus of US\$72.1 million (2.1 percent of GDP) in the overall balance, mainly on account of strong revenue realization. The country's stock of debt stood at 49.8 percent of GDP, remaining below the ECOWAS' threshold of at least 70.0 percent.

In the external sector, the overall balance of payments revealed a deficit of US\$23.8 million (0.7 percent of GDP), reflecting an increase in reserves accumulation in the reporting quarter. Gross international reserve (GIR) expanded by 3.2 percent, largely due to increase in the Bank's foreign currency holding abroad. However, the month of import covers marginally declined by 0.1 month to 2.3 months. Net inflow of personal remittances rose by 2.0 percent, due mainly to recovery in economic activities from remitting countries.

Developments in the foreign exchange market were largely in favor of the Liberian dollar that remained within the exchange rate variation of plus/minus 10.0 percent. Using the period average and end-period exchange rates, the Liberian dollar slightly depreciated by 0.2 percent to L\$171.88 per US\$1.00 while the end-of-period average exchange rate appreciated by 0.9 percent to L\$171.42 per US\$1.00, the appreciation of the end-of-period exchange rate was largely due to increased foreign exchange inflows. Europe (Switzerland) accounts for 85 percent of the destination of exports (Gold, iron ore and rubber), while Asia (India) tops as the source of Liberia's import with 66.5 percent during the reporting quarter.

I. DEVELOPMENT IN THE GLOBAL ECONOMY

1.1 Introduction

The prospect for global growth remains positive, despite the resurgence of COVID-19 pandemic in many countries. The global economy is projected to grow by 6.0 percent in 2021 and moderate to 4.9 percent in 2022 based on the July-2021 World Economic Outlook (WEO) report. Advanced economies showed a better outlook compared to emerging markets & developing economies, mainly supported by measures of containing the pandemic. In the United States, growth in 2021 is expected to further rise to 7.0 percent, revised from 6.4 percent in the April 2021 WEO, largely on account of anticipated legislation to boost infrastructure investment and social benefits in the second half of 2021. In emerging markets & developing countries, the outlook for growth remains primarily challenged by limited support of measures to contain the increasing rate of COVID-19 infections (mainly the delta variant).

Inflation is expected to rise in both advanced economies and emerging markets & developing countries in 2021 and moderate in 2022. In 2021, consumer prices, on average, are projected at 2.4 percent and 5.4 percent in advanced, and emerging markets & developing economies, respectively.

1.2 The United States (US) Economy

Growth in the United States economy, which was initially projected at 6.4 percent in the April WEO, is revised upward to 7.0 percent in 2021, expectedly underpinned by fiscal support to stimulate economic activity. Consistent with policy support and the optimism about vaccines efficacy, the forecast for 2022 is also revised upward by 1.4 percentage points to 4.9 percent.

1.3 The Euro Area

Similarly, growth projection in the euro area is revised to 4.6 percent in 2021, 0.2 percentage point higher than earlier projected. However, growth in euro area is expected to slightly moderate to 4.3 percent in 2022. Activity in the euro area is expected to be supported by a rise in consumer spending, strong global demand, and accommodative fiscal and monetary policies as well as the lifting of further containment measures across the region.

1.4 Emerging Markets and Developing Economies

The growth forecast for emerging markets & developing countries was revised downward by 0.4 percentage point in 2021 compared to the previous forecast in the April WEO, mainly reflecting activity in emerging Asia economies. Growth for India is revised downward to 9.5 percent following the severe second wave of the COVID-19 pandemic but expected to increase in 2022 in anticipation of

containment of the pandemic. The recent wave of COVID-19 also adversely impacted the economies of the ASEAN-5 (Indonesia, Malaysia, Thailand, The Philippines, and Singapore). Also, growth in China was revised downward by 0.3 percentage point to 8.1 percent due to slowdown in fiscal support and public investment. However, the forecast for Latin America and the Caribbean was revised upward to 5.8 percent, largely due to improvement in trade returns with the United States.

1.5 Sub-Saharan Africa

Sub-Saharan Africa, in the July WEO was projected to grow at 3.4 percent, relatively unchanged compared to the April WEO. The region is also projected to grow at 4.1 percent in 2022, but the worsening pandemic development and upward movement in food prices are expected to slow recovery in the region.

1.6 Global Inflation

Inflation is expected to increase in both advanced economies and emerging markets & developing countries in 2021. On average, consumer prices are projected to rise by 2.4 percent and 5.4 percent in advanced economies, and emerging markets & developing economies, respectively as a result of the expected rise in prices of global food and imported goods.

In 2022, inflation is expected to remain elevated in some emerging markets and developing economies, mainly on account of developments in global prices of food and other imported commodities.

Table 1.1: Selected Global Output, 2020-2022

	2020	Projections		Difference from April 2021 WEO Projections 1/	
		2021	2022	2021	2022
World Output	-3.2	6.0	4.9	0.0	0.5
Advanced Economies	-4.6	5.6	4.4	0.5	0.8
United States	-3.5	7.0	4.9	0.6	1.4
Euro Area	-6.5	4.6	4.3	0.2	0.5
Germany	-4.8	3.6	4.1	0.0	0.7
France	-8.0	5.8	4.2	0.0	0.0
Italy	-8.9	4.9	4.2	0.7	0.6
Spain	-10.8	6.2	5.8	-0.2	1.1
Japan	-4.7	2.8	3.0	-0.5	0.5
United Kingdom	-9.8	7.0	4.8	1.7	-0.3
Canada	-5.3	6.3	4.5	1.3	-0.2
Other Advanced Economies 3/	-2.0	4.9	3.6	0.5	0.2
Emerging Market and Developing Economies	-2.1	6.3	5.2	-0.4	0.2
Emerging and Developing Asia	-0.9	7.5	6.4	-1.1	0.4
China	2.3	8.1	5.7	-0.3	0.1
India 4/	-7.3	9.5	8.5	-3.0	1.6
Latin America and the Caribbean	-7.0	5.8	3.2	1.2	0.1
Brazil	-4.1	5.3	1.9	1.6	-0.7
Middle East and Central Asia	-2.6	4.0	3.7	0.3	-0.1
Saudi Arabia	-4.1	2.4	4.8	-0.5	0.8
Sub-Saharan Africa	-1.8	3.4	4.1	0.0	0.1
Nigeria	-1.8	2.5	2.6	0.0	0.3
South Africa	-7.0	4.0	2.2	0.9	0.2
Commodity Prices (US dollars)					
Oil 7/	-32.7	56.6	-2.6	14.9	3.7
Consumer Prices					
Advanced Economies 8/	0.7	2.4	2.1	0.8	0.4
Emerging Market and Developing Economies 9/	5.1	5.4	4.7	0.5	0.3

Source: "International Monetary Fund. July 2021. World Economic Outlook: Managing Divergent Recoveries. Washington, DC,".

II. DOMESTIC ECONOMY

2.1 Introduction

Growth of real gross domestic product (RGDP) in the Liberian economy was projected at 3.6 percent in 2021 from a contraction of 3.0 percent in 2020 on account of improvements across all sectors.

In the primary sector (agriculture & fisheries, forestry, and mining & panning), growth is projected at 3.7 percent in 2021, down from the 4.8 percent estimated for 2020. The expected moderate growth in the primary sector is attributed to the rising but declining rate of growth in the agriculture & fisheries as well as forestry subsectors. However, the mining & panning subsector is expected to record improvement in growth mainly on account of expected rise in commercial gold production. The agriculture & fisheries subsector is expected to moderate at 3.8 percent in 2021, compared to the 6.4 percent estimated for 2020, reflecting slight decreases in rice, palm oil and cassava production, while the forestry subsector is projected to moderate at 2.1 percent in 2021, from 4.6 percent estimated in 2020 on account of decreases in log and timber production in addition to charcoal & wood production.

The secondary sector (manufacturing) is projected to also grow at 3.5 percent from 0.0 percent recorded in 2020. Increases in cement and beverages outputs are anticipated to be the primary factors for the improvement in the secondary sector. The tertiary sector is projected to expand by 3.4 percent from negative 12.7 percent in 2020 on account of activity in services emanating from the government, transportation & communications, trade & hotels, and construction subsectors.

A semi-annual year-on-year sectoral performance of the mining & panning sector showed that the growth projection of 4.6 percent for 2021 is on track as the major items (iron ore, gold, and diamond) rose during the first half of this year relative to the same period a year ago. Similarly, selected items in the agriculture & fisheries, manufacturing and services subsectors that are reflected on Tables 2.1 and 2.2 are largely reflective of year-on-year improvements during the two periods.

In terms of outlook, RGDP growth for 2022 is projected to increase by 4.7 percent, reflecting developments in the forestry, mining & panning sub-sectors, manufacturing and services related activities. In anticipation of increased economic activity in all parts of the country and the coming into operation of the Liberia-Guinea transborder railways project, growths in all sectors are expected to remain positive with an upward movement except for agriculture & fisheries. Government's commitment to support investment in agriculture through duty exemptions and other social protection program is expected to further accelerate growth in 2022. The key risks to growth include slow recovery in global market prices of the country's key exports (rubber, gold, and iron ore) and gradual coverage

of the vaccine to contain the global COVID-19 pandemic.

2.2 Sectorial Review

2.2.1 Agriculture and Forestry

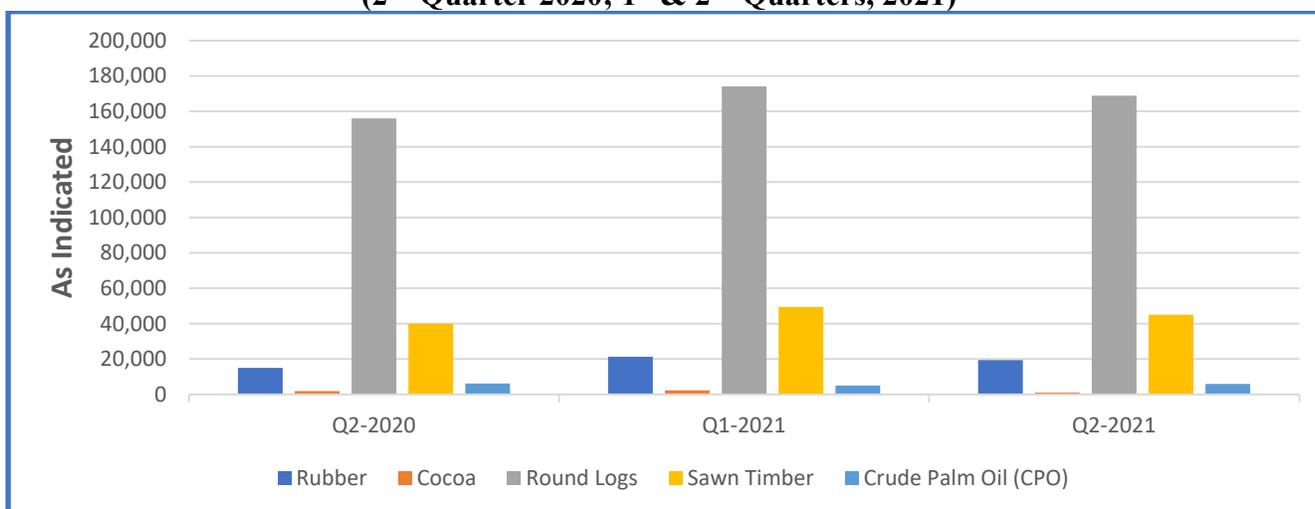
Table 2.1: Key Agricultural Production
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)

Commodity	Unit	Q ² -2020	Q ¹ -2021	Q ² -2021
Rubber	Mt	15,013	21,255	19,337
Cocoa	Mt	1,821	2,276	1,027
Round Logs	M3	156,000*	174,109*	168,886*
Sawn Timber	Pcs	40,000*	49,438*	44,989*
Crude Palm Oil (CPO)	Mt	6,138	4,984	5,909

Source: Ministry of Commerce & Industry (MOCI); Liberia Produce & Marketing Corporation (LPMC); Forestry Development Authority (FDA)

* Projections

Chart 2.1: Key Agricultural Production
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)



Source: Ministry of Commerce & Industry (MOCI); Liberia Agricultural Commodities Regulatory Authority (LACRA); Forestry Development Authority (FDA)

a. Rubber

Output of rubber in the second quarter of 2021 fell by 9.0 percent to 19,337 metric tons, down from 21,255 metric tons produced during the previous quarter largely induced by lower production from one of the largest producers of the commodity. However, production rose by 28.8 percent compared to the corresponding period in 2020.

b. Cocoa

Cocoa output for the quarter decreased by 54.9 percent to 1,027 metric tons, from 2,276 metric

tons produced in the preceding quarter mainly on account of unfavorable harvest arising from the rainy season. Compared with the corresponding period a year ago, output declined by 43.6 percent.

c. Sawn Timber

Sawn timber production during the quarter decreased by 9.0 percent to an estimated 44,989 pieces, down from 49,438 pieces reported for the previous quarter. The estimated decline in output was mainly due to decrease in the demand for the commodity for construction purpose on account of the rainy season. When annualized, output rose by 12.5 percent.

d. Round Logs

Total production of round logs during the quarter decreased by an estimated 3.0 percent, from an estimated 174,109 cubic meters during the previous quarter. The estimated decline in output was attributed to low demand arising from unattractive brand. On an annualized basis, output rose by 8.3 percent.

e. Crude Palm Oil (CPO)

Production of crude palm oil (CPO) for the quarter increased by 18.6 percent to 5,909 metric tons, from 4,984 metric tons produced a quarter ago on account of rise in output from the largest producer of the commodity. Compared with production in the same quarter a year ago, CPO production declined by 3.7 percent.

2.2.2 Industrial Production

2.2.2.1 Mining (Gold, Diamond, and Iron Ore)

i. Gold

Gold production during the quarter decreased by 35.0 percent to 43,059 ounces, from 66,263 ounces recorded in the previous quarter, on account of decreased mining activities, especially industrial gold miners, largely explained by unfavorable weather conditions due to the raining season coupled with the reduction in staff at the mines to curb the spread of the new wave of the corona virus. However, compared with the corresponding period of 2020, output rose by 22.7 percent.

ii. Diamond

The output of diamond during the quarter fell by 30.0 percent to 13,389 carats, from 19,118 carats reported in the previous quarter. Compared with the corresponding period of 2020, output rose by 12,150 carats.

iii. Iron Ore

Iron ore output decreased by 3.5 percent to 1,235,000.0 metric tons, from 1,280,000.0 metric tons produced in the previous quarter. Compared with the corresponding period in 2020, output increased by 0.8 percent. The slowdown in mining operations relating to diamond, iron ore and gold outputs was largely due to unfavorable weather conditions (raining season) and COVID-19 measures.

2.2.2.2 Manufacturing

i. Cement

Cement production during the quarter was 133,576 metric tons, from 139,400 metric tons reported during the previous quarter, reflecting a decrease of 4.2 percent on account of slowdown in construction activity induced by unfavorable weather conditions. When annualized, production rose by 36.3 percent.

ii. Beverages

Output of beverages (alcoholic and non-alcoholic) rose by 5.4 percent to about 4.5 million liters, up from 4.3 million liters produced during the previous quarter largely due to enhancement of machinery following completion of routine maintenance work on production plant of one of the largest producers. On an annualized basis, beverage output rose by 45.2 percent. A disaggregation of total beverage produced at end-June 2021 showed that the contribution of alcoholic beverages was 90.5 percent, while non-alcoholic beverages constituted 9.5 percent during the review quarter.

iii. Soap

Soap production for the quarter declined by 44.1 percent to 48,961 kilograms, from 87,625 kilograms reported in the preceding quarter. This downward movement was on account of slowing demand for the commodity. Similarly, on a year-on-year basis, soap production also declined by 66.1 percent.

iv. Paint (Oil and Water)

Paint production, including oil and water paints, during the quarter declined to 43,893 gallons, compared to 67,579 gallons produced during the first quarter of 2021. The decline in output

was on account of slowdown in construction activity during the rainy season. On a disaggregated basis, oil paint constituted 58.3 percent, while water paint accounted for the remaining 41.7 percent of total production. However, compared with the same period a year ago, output rose by 24.3 percent.

v. Varnish

The volume of varnish produced during the quarter was 8,388 gallons, down by 22.7 percent a quarter ago. The decrease in output was mainly due to slowdown in construction activity induced by the rainy season. Compared to the same period in 2020, output increased by 42.6 percent.

vi. Manoline Hair Grease

Production of manoline hair grease fell by 1,705 kilograms during the quarter to 4,091 kilograms, from 5,796 kilograms produced during the preceding quarter. The decline in output during the quarter was on account of lower demand for the commodity. On an annualized basis, output decrease by 1,722 kilograms.

vii. Thinner

Total production of thinner at the end of the second quarter stood at 6,799 gallons, reflecting a decrease of 13.8 percent from the previous quarter on account of slowdown in construction activities induced by the rainy season. On an annualized basis, output increased by 81.5 percent.

viii. Rubbing Alcohol

The quantity of rubbing alcohol produced in the reporting quarter stood at 130,571 liters, 52,094 liters more than the output of the previous quarter. The increase in output was occasioned by rise in demand for the commodity. On a year-on-year basis, output declined by 109,895 liters.

ix. Chlorox

Chlorox output declined to 221,472 litres for the quarter ended June 2021, from 261,188 litres produced a quarter ago, representing 15.2 percent fall in chlorox production driven by lower demand. On a year-on-year basis, output fell by 56,699 litres.

x. Candle

Total candle output during the quarter was 12,999 kilograms, from 13,377 kilograms produced in the preceding quarter, reflecting reduction in the demand for the commodity on account of improvement in connections of many residents to the national electricity grid. Year-on-year

comparisons showed that production rose by 20.8 percent.

xi. Mattresses

Output of mattresses declined to 33,235 pieces, from 35,305 pieces produced at the end of the first quarter of 2021 on account of decreased sales during the rainy season. Compared with the same period a year ago, production rose by 50.9 percent.

xii. Finished Water

Total output of finished water during the quarter stood at a revised 198.4 million gallons, indicating a decline in output by 27.3 percent compared to the preceding quarter. This development was due to decrease in running hours of pumps. Compared to the same period in 2020, output fell by 45.6 percent.

xiii. Mineral Water

The total volume of mineral water produced during the review quarter stood at 108,560 litres, from 104,482 litres produced during the previous quarter, indicating a rise of 3.9 percent. The high performance was mainly attributed to increase in the plastic sachet water production relative to the preceding quarter. Compared to the corresponding period in 2020, production rose by 14.8 percent.

**Table 2.2: Key Industrial Output
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**

Commodity	Unit	Q ² -2020	Q ¹ -2021	Q ² -2021
Gold	Ounce	35,088	66,263	43,059
Diamond	Carat	1,239	19,118	13,389
Iron Ore	Mt.	1,225,000	1,280,000	1,235,000
Cement	Mt.	97,995	139,400	133,576
Spirits	Litre	35,771	20,314	39,593
Beer	Litre	1,543,274	2,061,654	2,178,606
Stout	Litre	1,250,814	1,874,989	1,886,877
Malta	Litre	204,207	193,866	221,760
Soft Drinks	Litre	91,872	154,036	210,981
Oil Paint	Gal.	18,178	36,222	25,588
Water Paint	Gal.	17,142	31,357	18,305
Varnish	Gal.	5,884	10,848	8,388
Manoline Hair Grease	Kg	5,813	5,796	4,091
Thinner	Gal	3,745	7,890	6,799
Rubbing Alcohol	Litre	117,401	78,477	130,571
Soap	Kg	144,449	87,625	48,961

Chlorox	Litre	278,171	261,188	221,472
Candle	Kg	10,763	13,377	12,999
Mattresses	Pcs.	22,027	35,305	33,235
Finished water	Gal.	364,747,444+	272,836,889+	198,424,691+
Mineral Water	Litre	94,606	104,482	108,560
Electricity	kW	61,228,330	62,994,590	64,360,140

Source: Ministry of Commerce & Industry (MOCI); Ministry of Lands, Mines & Energy; Liberia Water and Sewer Corporation

*Projections

+revised

2.3 Consumption of Petroleum Product

Total consumption of petroleum products, Premium Motor Spirit (PMS) and Diesel Automotive Gas Oil (AGO), increased to 11.7 million gallons, from 9.0 million gallons consumed during the previous quarter. The rise in petroleum consumption was mainly attributed to the increased supply from the international market. World oil supply rose to 93.4 million and 95.6 million barrels per day in April and June respectively as OPEC+¹ relaxed its decision to reduce output. Compared to the corresponding period in 2020, total petroleum consumption rose by 24.6 percent. Disaggregation of total consumption of petroleum product showed that PMS constituted 57.3 percent, while AGO accounted for the remaining 42.7 percent.

**Table 2.3: Consumption of Petroleum Products
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**

Commodity	Unit	Q ² -2020+	Q ¹ -2021	Q ² -2021
Premium Motor Spirit (PMS)	Gal.	4,683,955	5,438,760	6,696,669
Diesel (AGO)	Gal.	4,693,939	3,532,353	4,985,881
Total		9,377,894	8,971,113	11,682,550

Source: Liberia Petroleum Refining Company (LPRC)

+ = revised

¹ Organization of the Petroleum Exporting Countries and its allies

**Chart 2.2: Consumption of Petroleum Products
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**



Source: *Liberian Petroleum Refining Company*

2.4 Seaport Developments

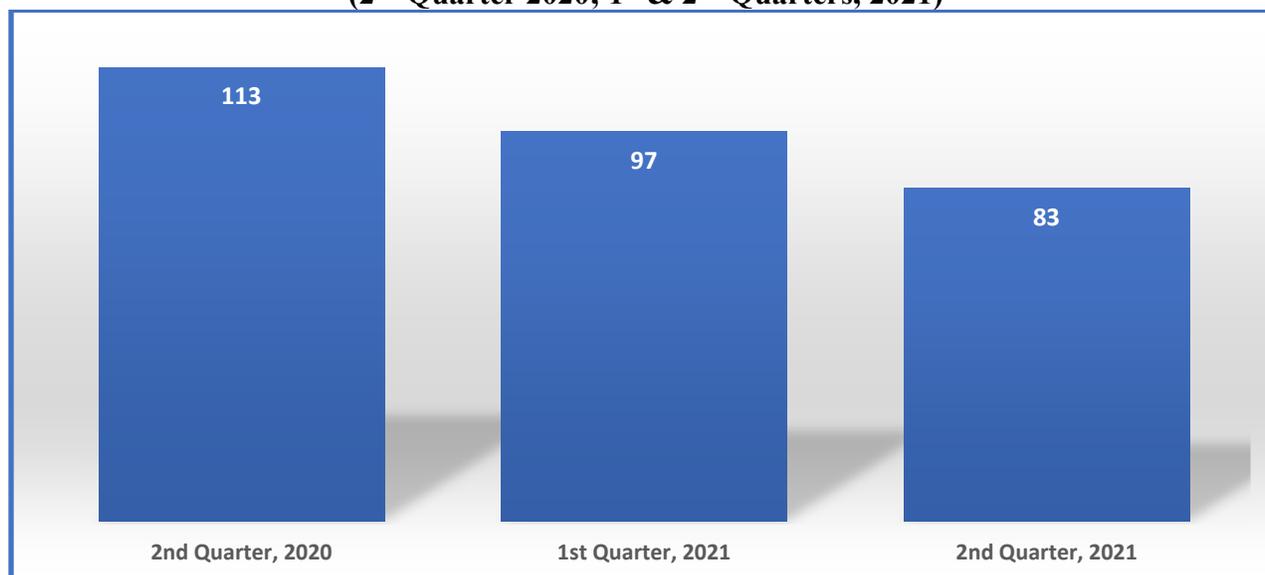
Statistics on vessels traffic at the various ports of Liberia for the second quarter of 2021 showed that 83 vessels with combined Summer Dead Weight Tons (SDWT) of about 3.1 million docked at various ports along the Liberian coast, representing 14.4 percent decrease in the number of vessels anchored compared with the previous quarter. This decrease was largely explained by the decline in activity at all Ports of Liberia. In terms of percentage distribution, vessels anchored in Monrovia, Buchanan and Greenville accounted for 68.7 percent, 26.5 percent, and 4.8 percent, respectively. Compared with the corresponding period a year ago, the number of vessels decreased by 30. Disaggregation of total cargo tonnage showed that imports accounted for 37.1 percent, while exports constituted 62.9 percent.

**Table 2.4: Vessel Traffic and Cargo Movements
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
Q ² - 2020	113	4,343,211	525,149	1,438,224	1,963,373
Q ¹ -2021	97	3,198,472	864,186	1,324,461	2,188,647
Q ² -2021	83	3,059,981	578,275	980,258	1,558,533

Source: *National Port Authority (NPA) SDWT=Summer Dead Weight Tons*

Chart 2.3: Vessel Traffic
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)



Source: National Port Authority (NPA) SDWL= Summer Dead Weight Tons

2.5 Electric Power Developments

Electric power produced by the national power generating facilities² during the quarter increased to 64.36 million kilowatts, from 62.99 million kilowatts produced in the previous quarter, representing a rise by 2.2 percent. The rise in electric power generation was on account of continued investment in higher energy generation. On a year- on-year basis, electric power generation rose by 5.1 percent.

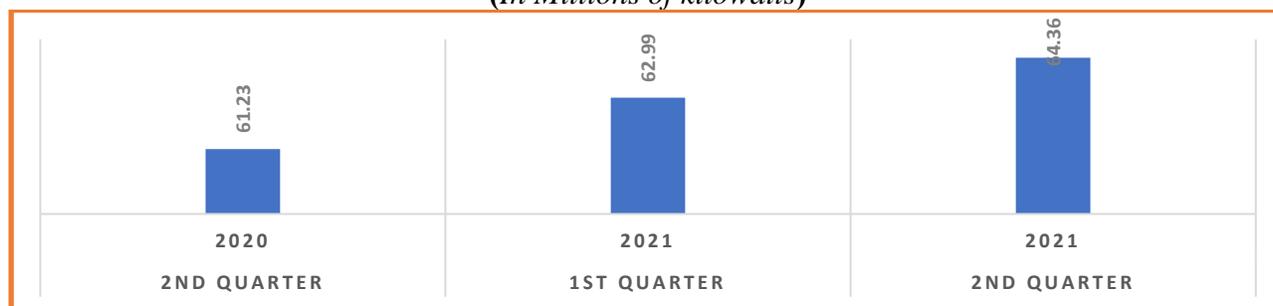
Table 2.5: Electric Power Developments
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(in Kilowatts)

	Unit	Service	Generation
Q ² - 2020	kW	Electricity	61,228,330.0
Q ¹ -2021	kW	Electricity	62,994,590.0
Q ² -2021	kW	Electricity	64,360,140.0

Source: Liberia Electricity Corporation

² Mount Coffee Hydro, the Heavy Fuel Oil (HFO) Generators, and the High-Speed Diesel (HSD) generators.

Chart 2.4: Electricity Power Generation
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(In Millions of kilowatts)



Source: Liberia Electricity Corporation

2.6 Price Developments

2.6.1 Domestic Price Developments

Average headline inflation³ during the second quarter was 8.6 percent, moderating from 11.1 percent reported during the previous quarter. The moderation in headline inflation was largely due to continuity in the tight monetary policy stance, relative exchange rate stability and constrained demand. Compared with the corresponding quarter in 2020, inflation moderated by 9.5 percentage points (Chart 2.6).

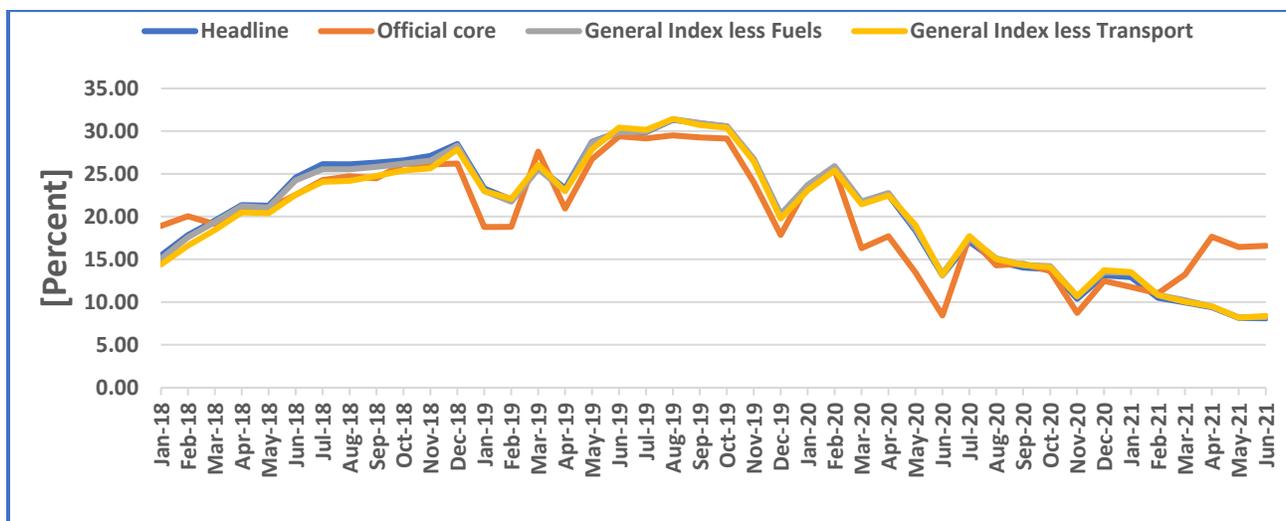
Food inflation for the quarter was -3.5 percent, representing a moderation of 14.1 percentage points and 30.0 percentage points over a quarter ago and the same period a year ago, respectively. The moderation in food inflation for the quarter was mainly reflective of the decline in the prices of domestic food items (Chart 2.7, Table 2.7). Non-food inflation recorded an average of 15.7 percent, from 11.4 and 13.5 percent recorded during the previous quarter of 2021 and corresponding quarter of 2020, respectively. The rise in non-food inflation was largely due to upward movement in prices related to the restaurant & hotels sub-group (Table 2.7).

Official core inflation⁴ increased by 4.9 percent from the preceding quarter and 3.7 percent from the corresponding quarter a year ago. The rise in official core inflation was mainly explained by increase in the prices of restaurant & hotels and furnishings, household equipment & routine household maintenance sub-groups (chart 2.6).

³ The results from the 2016 Household Income Expenditure Survey (HIES) were used to update the weights in the CPI basket in December 2018 which reflect the current consumption pattern of the average Liberians.

⁴ Headline inflation less food and transport

Chart 2.5: Headline and Core Inflations



Source: CBL & LISGIS

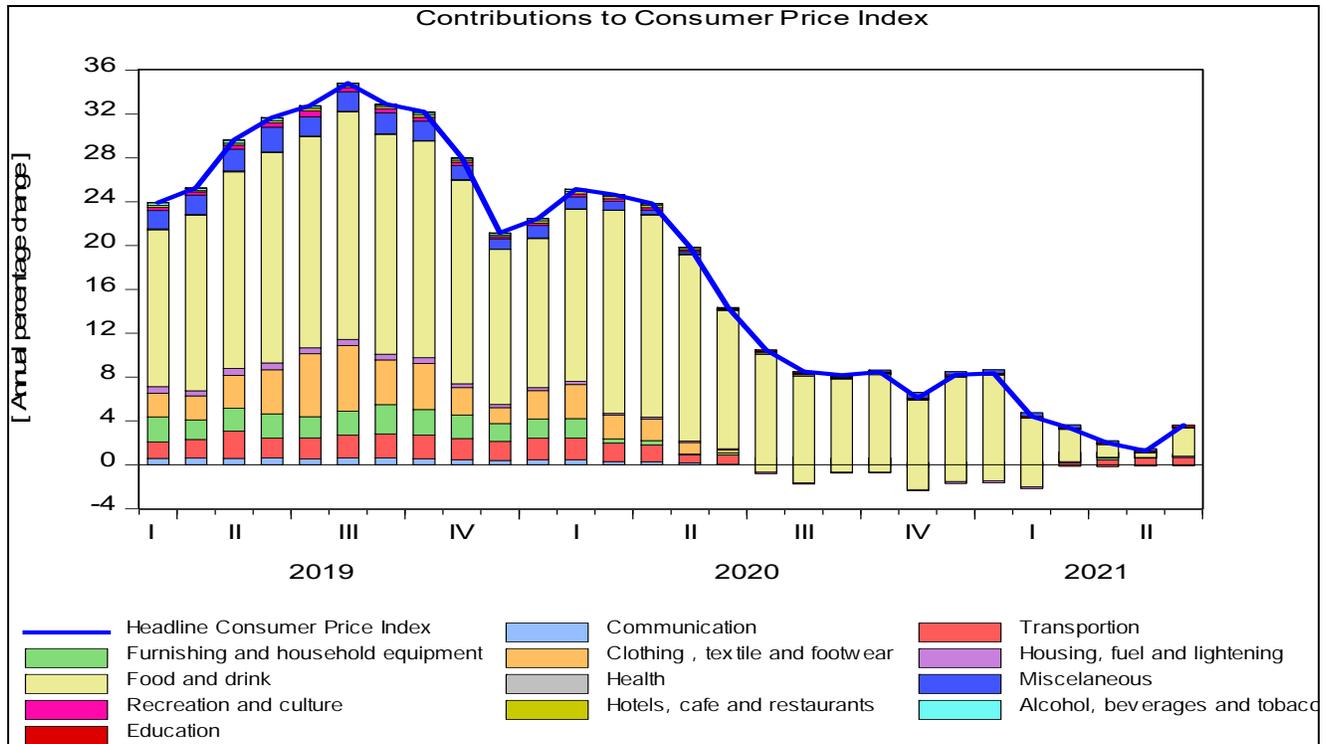
2.6.2 Inflation by Group

Developments in the sub-groups of the consumer basket during the second quarter of 2021 were mixed. The sub-groups that recorded decreases were food & non-alcoholic beverages; alcoholic beverages, tobacco & narcotics; housing, water, electricity, gas & other fuels; health, transport, communication, education, and miscellaneous goods & services. Those that showed increases were clothing & footwear; furnishings, household equipment & routine household maintenance; recreation & culture, and restaurants & hotels (Table 2.7 & 2.9).

2.6.2.1 Contributions to Changes in CPI (%)

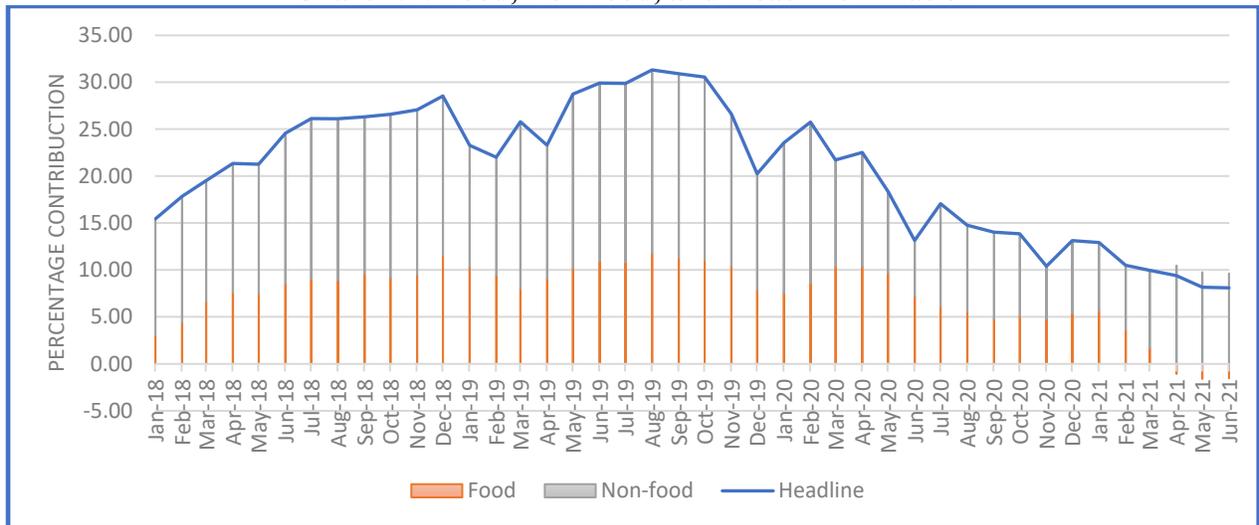
Disaggregation of the consumer price index (CPI) basket at the end of June 2021, the following subgroups contributed to the moderation in inflation: food & non-alcoholic beverages; housing, water, electricity, gas & other fuels; and miscellaneous goods & services sub-groups. Similarly, the disaggregated CPI basket in terms of food and non-food items showed that food inflation contributed -1.4 percentage points, while non-food inflation contributed 10.0 percentage points to the 8.6 percent general rate of inflation recorded at the end of the second quarter 2021 (Charts 2.7 & 2.8).

Chart 2.6: Contributions to CPI



Source: CBL & LISGIS, Monrovia, Liberia

Chart 2.7: Food, Non-food, and Headline Inflation



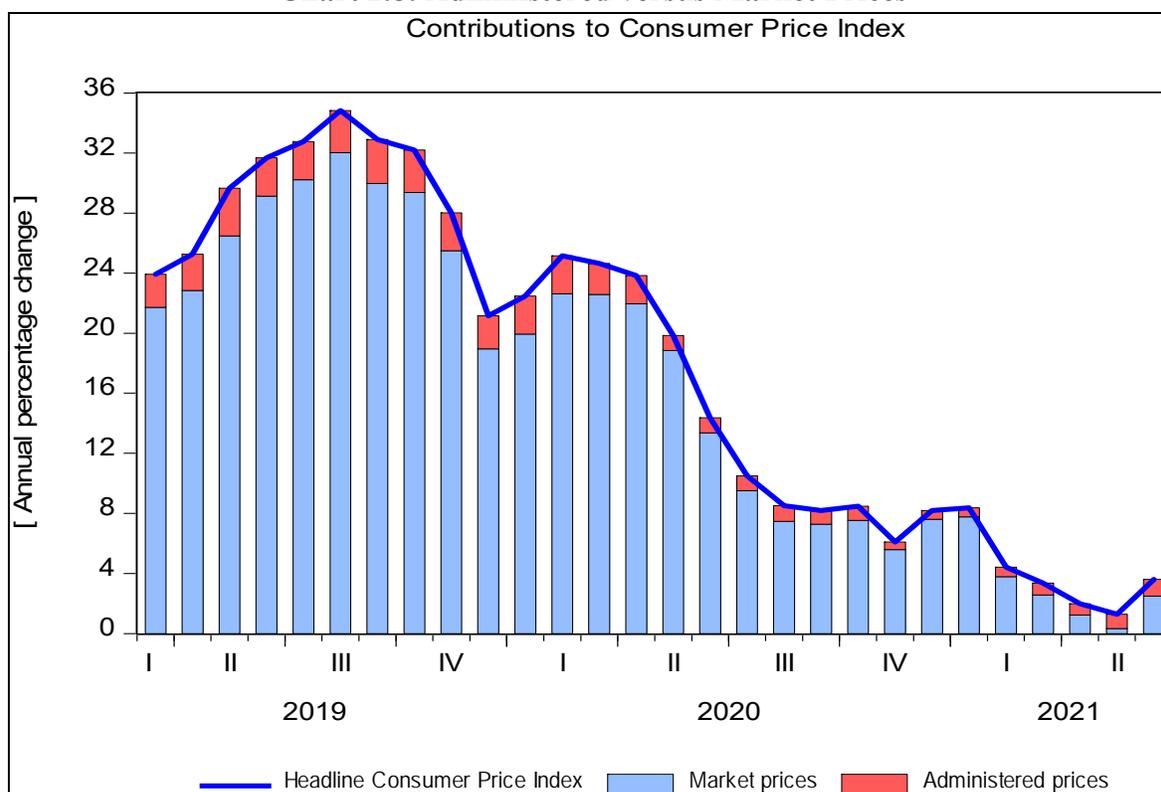
Source: CBL & LISGIS, Monrovia, Liberia

2.6.3 Administered vs Market Prices

The analytical review of the CPI basket showed that market prices contributed 7.8 percentage points to the general rate of inflation, while administered⁵ prices accounted for the remaining 0.8 percentage point. It is important to note that market prices constituted about 83.9 percent of the CPI basket (Chart 2.9).

⁵ Administered prices refer to the prices that do not vary in response to short-run fluctuations in demand and supply conditions. Rather, they are set either directly or indirectly by government.

Chart 2.8: Administered versus Market Prices



Source: CBL, Monrovia-Liberia

2.6.4 Inflation Outlook

Headline inflation for the third quarter of 2021 is projected to moderate to 7.56 percent with a symmetric bandwidth of +/- 2 percent. The easing of inflationary pressure in the third quarter is expected to hinge on the dynamics in the exchange rate, which is forecast to remain stable within the variation bandwidth of plus/minus 10 percent. Sustaining a single-digit inflation in the medium-to-long run will mainly depend on maintaining the level of policy coordination between the monetary and fiscal authorities, the effectiveness of the monetary policy instruments as well as the dynamics of international and domestic prices of commodities, especially food and fuel. Government tax policies on key commodities (especially food inputs and petroleum products) are also critical to the direction of inflation.

Table 2.6: Headline and Quarterly changes in CPI (%)

	Headline Inflation (Y-on-Y changes)			Monthly Changes in HCPI (%)			
	Combined	Food	Non-Food	Combined	Food	Non-Food	
2017	January	13.60	11.40	16.30	1.00	0.40	1.80
	February	13.30	9.90	12.10	-1.50	-3.80	-0.10
	March	11.90	4.70	14.10	0.60	-1.30	1.80
	April	11.50	6.80	14.10	-0.10	-0.60	0.20
	May	13.20	8.90	15.40	1.20	1.40	1.10
	June	10.80	7.10	20.10	3.00	2.40	3.30
	July	10.50	3.80	14.80	2.30	1.60	2.60
	August	12.30	5.40	17.20	2.20	2.70	1.90
	September	13.10	6.00	18.10	1.20	1.00	1.30
	October	11.90	4.20	25.80	0.50	0.40	0.50
	November	13.10	4.60	19.50	1.60	1.10	1.80
	December	13.90	4.60	20.10	1.20	-0.60	2.20
2018	January	15.50	8.00	20.00	2.40	3.70	1.70
	February	17.80	11.60	21.50	0.60	-0.70	1.20
	March	19.40	17.40	20.70	2.10	3.80	1.10
	April	21.40	20.10	22.10	1.40	1.70	1.30
	May	21.30	19.60	22.20	1.10	0.90	1.20
	June	24.50	22.40	25.80	5.80	4.90	6.30
	July	26.10	23.70	27.50	3.50	2.70	4.00
	August	26.10	23.30	27.70	2.20	2.40	2.00
	September	26.30	25.20	26.90	1.40	2.50	0.70
	October	26.60	24.20	27.90	0.70	-0.40	1.30
	November	27.10	24.90	28.30	2.00	1.80	2.10
	December	28.50	30.50	27.50	2.40	3.80	1.60
2019	January	23.30	30.20	19.72	-1.80	3.40	-4.50
	February	22.00	27.60	19.09	-0.50	-2.60	0.90
	March	25.80	23.40	27.03	5.30	0.40	7.90
	April	23.29	26.50	21.63	-0.59	4.25	-3.03
	May	28.74	29.86	28.17	5.58	3.60	6.66
	June	29.91	32.20	28.71	6.72	6.74	6.71
	July	29.87	31.76	28.85	3.51	2.36	4.11
	August	31.32	34.59	29.60	3.30	4.57	2.64
	September	30.90	33.18	29.72	1.05	1.43	0.84
	October	30.55	32.38	29.56	0.43	-1.02	1.20
	November	26.62	30.51	24.59	-1.10	0.34	-1.85
	December	20.25	23.04	18.81	-2.76	-2.13	-3.09
2020	January	23.56	22.18	24.33	0.93	2.73	-0.03
	February	25.76	25.26	26.02	1.28	-0.17	2.08
	March	21.72	30.48	17.31	1.88	4.59	0.42
	April	22.51	30.24	18.33	0.05	4.05	-2.19
	May	18.36	28.24	13.17	2.01	2.01	2.00
	June	13.14	21.08	8.96	2.00	0.75	2.74

2021	July	17.06	17.84	16.66	7.10	-0.38	11.47
	August	14.77	16.25	13.99	1.27	3.16	0.29
	September	14.03	14.09	14.00	0.39	-0.46	0.85
	October	13.85	14.85	13.33	0.27	-0.36	0.61
	November	10.39	13.96	8.50	-4.10	-0.44	-6.03
	December	13.12	15.74	11.72	-0.36	-0.60	-0.22
	January	12.92	16.31	11.06	0.75	3.23	-0.62
	February	10.50	10.48	10.51	-0.88	-5.16	1.58
	March	9.96	5.01	12.73	1.38	-0.59	2.43
	April	9.41	-2.53	16.52	-0.45	-3.42	1.10
	May	8.16	-4.04	15.43	0.86	0.47	1.05
	June	8.10	-3.95	15.15	1.94	0.84	2.49

Source: CBL & LISGIS, Monrovia, Liberia

**Table 2.7: Inflation by Sub-group
Year-on-Year Changes in CPI
(2020-2021)**

	Food	Weights	Inflation Rates			
			2020 Q ¹	2020Q ²	2021Q ¹	2021Q ²
	Bread and cereals	10.06	24.72	17.16	-6.95	-12.32
	Vegetables	4.38	52.69	20.30	12.03	3.08
	Meat	4.82	21.23	24.30	10.21	-0.39
	Non-Food					
	Alcoholic Beverages, Tobacco and Narcotics	0.65	26.27	15.40	-7.35	-8.99
	Clothing and footwear	5.21	19.13	8.14	-10.50	-7.61
	Housing, Water, Electricity, Gas and other fuels	7.22	13.59	8.25	9.69	0.44
	Furnishing, H/Hold Equip., Routine Maintenance of House	5.21	19.34	3.26	-2.59	7.92
	Health	9.28	13.01	17.51	50.19	40.59
	Transport	7.53	28.59	15.67	7.23	7.07
	Communication	3.86	2.00	7.99	-6.70	-8.00
	Recreation and Culture	1.03	18.35	10.96	-1.41	2.43
	Education	4.83	7.56	3.73	33.84	33.06
	Restaurant and Hotels	17.12	37.75	26.09	11.25	32.03
	Miscellaneous Goods and Services	3.98	19.59	3.89	-9.03	-12.60

Source: CBL & LISGIS, Monrovia, Liberia

Table 2.8: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(December, 2005=100)

FUNCTIONS	WEIGHTS	20-Jan	20-Feb	20-Mar	Q ¹ -2020	21-Jan	21-Feb	21-Mar	Q ¹ -2021	21-Apr	21-May	21-Jun	Q ² -2021
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	27.46	28.51	22.84	26.27	-6.49	-7.49	-8.05	-7.35	-6.89	-9.85	-10.24	-8.99
CLOTHING AND FOOTWEAR	5.21	18.64	22.85	15.9	19.13	-9.98	-9.46	-14.17	-7.87	-6.53	-8.13	-8.17	-7.61
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	16.42	17.05	7.3	13.59	6.82	10.28	9.61	9.19	2.83	-0.36	-1.13	0.44
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	26.4	26.2	5.42	19.34	-10.65	-8.71	11.58	-2.59	14.39	8.26	1.1	7.92
HEALTH	9.28	17.82	13.37	7.83	13.01	46.37	52.59	51.62	50.19	51.54	39.75	30.48	40.59
TRANSPORT	7.53	29.78	30.55	25.43	28.59	5.85	6.73	9.11	7.23	8.4	7.97	4.85	7.07
COMMUNICATION	3.86	22.48	23.88	13.64	20	-6.36	-6.86	-6.87	-6.7	-6.57	-9.81	-7.63	-8
RECREATION AND CULTURE	1.03	16.6	18.93	19.52	18.35	-1.6	-1.79	-0.83	-1.41	1.85	2.09	3.35	2.43
EDUCATION	4.83	7.18	7.78	7.72	7.56	34.75	33.52	33.24	33.84	33.17	33.08	32.92	33.06
RESTAURANTS AND HOTELS	17.12	37.29	44.65	31.32	37.75	13.66	10.41	9.69	11.25	25.67	31.6	38.82	32.03
MISCELLANEOUS GOODS AND SERVICES	3.89	21.93	21.9	14.93	19.59	-9.51	-9.12	-8.46	-9.03	-10.94	-12.86	-14.02	-12.6
GENERAL RATE OF INFLATION	100	23.56	25.76	21.72	23.68	12.92	10.5	9.96	11.13	9.41	8.16	8.1	8.55

Source: CBL & LISGIS, Monrovia, Liberia

III. MONETARY DEVELOPMENTS

3.1 Monetary Policy Stance (MPS)

The Monetary Policy stance of the Central Bank of Liberia (CBL) during the quarter remained firmly focused on Liberian dollar liquidity management with the objective of achieving price stability via broad exchange rate stability. Consequently, the CBL's monetary policy interventions were based on the use of several policy instruments, including Required Reserve Ratio (RRR) and the CBL bills with the aim of controlling inflation.

3.2 Banking Sector Development

The banking industry remained relatively stable, but slightly weak as evidenced by performance of key balance sheet indicators for the review quarter. This was largely fueled by the challenging business environment heightened by the lingering effects of the global health crisis. Total assets, total deposits, liquidity, and loans & advances fell compared with the previous quarter, while total capital and profitability rose. Compared with the corresponding period a year ago, total capital and loans & advances reduced, but deposits, total assets, and liquidity grew. Profitability in the banking industry recorded a growth in comparison to the first quarter and the corresponding quarter of 2020.

3.2.1 Capital

At end-June 2021, the banking industry's total capital stock stood at L\$31.70 billion, representing a growth of 3.9 percent (0.1 percentage point above the growth recorded for the first quarter of 2021), from L\$30.50 billion. This quarterly increase was mainly induced by the relative stability of the domestic currency coupled with the gradual pick up of business activity in the banking industry. All the nine (9) banks reported Capital Adequacy Ratio (CAR) above the minimum regulatory CAR of 10.0 percent. The industry's CAR during the quarter was 30.7 percent, indicating 60 basis points above the CAR recorded in the preceding quarter. Compared with the corresponding quarter a year ago, the industry's CAR recorded in the current quarter was 2.2 percentage points higher.

3.2.2 Asset and Liquidity

Total assets reported at end-June 2021 stood at L\$194.59 billion, representing a decline of 0.3 percent from the L\$195.26 billion reported in the first quarter of 2021. Similarly, total liquid assets of the industry decreased by 1.9 percent to L\$61.94 billion from L\$63.15 billion recorded at end-March 2021. This trend in liquid assets induced a decline of 0.1 percentage point in the liquidity ratio to 47.5 percent at end-June 2021 compared with the previous quarter. In comparison to the corresponding quarter of 2020, total assets expanded by 2.1 percent, while liquid assets grew by 21.9 percent.

At end-June 2021, the banking industry reported a decline in loans & advances by 3.5 percent to L\$74.57 billion, from L\$77.30 billion recorded for the quarter ended March 31, 2021. When matched against the amount recorded in the corresponding quarter a year ago, total loans & advances for the quarter ended June 2021 fell by 12.8 percent, from L\$85.52 billion.

Of the total stock of loans & advances in the reporting quarter, non-performing loans (NPLs) declined to 22.5 percent (L\$16.79 billion) from 27.3 percent recorded at end-March 2021 but remained above the tolerable limit of 10 percent. The decline in NPLs is reflective of gradual recovery in economic activity that is enabling businesses to be current with loans repayment. In respect to the corresponding period a year ago, the NPLs ratio was 19.8 percent.

3.2.3 Profitability

The banking industry's gross operational income⁶, at end-June 2021, stood at L\$9.89 billion, with interest income constituting 52.3 percent and non-interest income representing 47.7 percent. The gross operational income rose by 39.8 percent compared with the amount reported in the previous quarter of 2021 and over hundred percent compared with the amount recorded in the corresponding quarter of 2020. Operating expenses for the quarter ended June 2021 amounted to L\$5.88 billion, reflecting an increase of 97.3 percent compared with the amount recorded in the previous quarter and hundred percent growth compared with the same period a year ago.

Both return on assets (ROA) and return on equity (ROE) expanded in the reporting quarter. ROA stood at 1.6 percent, from 0.7 percent recorded in the previous quarter, while ROE amounted to 9.7 percent, rising by 5.0 percentage points compared with the amount recorded a quarter ago. On an annualized basis, both ROA and ROE grew by 0.9 and 5.7 percentage points, respectively. The industry's net operating profit for the quarter ended June 2021 expanded by over hundred percent to L\$2.99 billion, from L\$1.43 billion reported a quarter ago primarily on account of the gradual recovery in the economy. Similarly, on a year-on-year basis, net operating profit significantly expanded from L\$591.5 million compared with the corresponding quarter of 2020, reflecting development in the economy during the reporting quarter.

3.2.4 Commercial Bank Credit

At end-June 2021, the stock of commercial Banks' loans & advances to various subsectors of the economy stood at L\$74.57 billion, contracting by 3.5 percent, from L\$77.30 billion recorded at end-March 2021. The slowdown in loans & advances was largely attributed to precautionary stance of the industry to advance loans to sectors slowly recovering from the adverse effect of the pandemic.

⁶ The main revenue sources are classified as interest and non-interest income, which include income from loans & advances, service charges on deposits, commissions, and fees on money transfer as well as foreign exchange transactions.

The sectoral contributions of loans to total credit were as follow: personal loans (households) accounted for 1.5 percentage point; services, 0.9 percentage point; agriculture, 0.2 percentage point; manufacturing 0.2 percentage point; loans to general government, negative 0.1 percentage point; extractive, negative 0.3 percentage point; public corporation, negative 0.3 percentage point; construction, negative 0.9 percentage point; oil & gas, negative 1.8 percentage point; trade, negative 4.0 percentage points and loans to other subsectors, 1.0 percentage point. Compared with the credit extension in the corresponding quarter of 2020, total commercial banks' credit to the economy fell by 11.5 percent, primarily induced by declines in loans to Trade, Oil & Gas, and General Government subsectors (Table 3.1).

At end-June 2021, the United States dollar (USD) denominated loans declined, while the Liberian dollar (L\$) component expanded. During the quarter, the USD credits to the economy accounted for 92.4 percent of total credits and fell by 3.0 percent to US\$400.3 million compared with US\$412.6 million recorded a quarter ago. Annualized comparison indicated that USD credits grew by 2.8 percent, from US\$389.5 million reported in the corresponding quarter of 2020. The total stock of credit at the end of the reporting quarter (L\$74.57 billion), converted to USD rose by 2.8 percent at end-June 2021 compared with June 2020, primarily induced by exchange rate developments in the domestic currency coupled with gradual economic recovery. During the reporting quarter, total credit advanced to the private sector accounted for 92.0 percent of the credit portfolio in the economy.

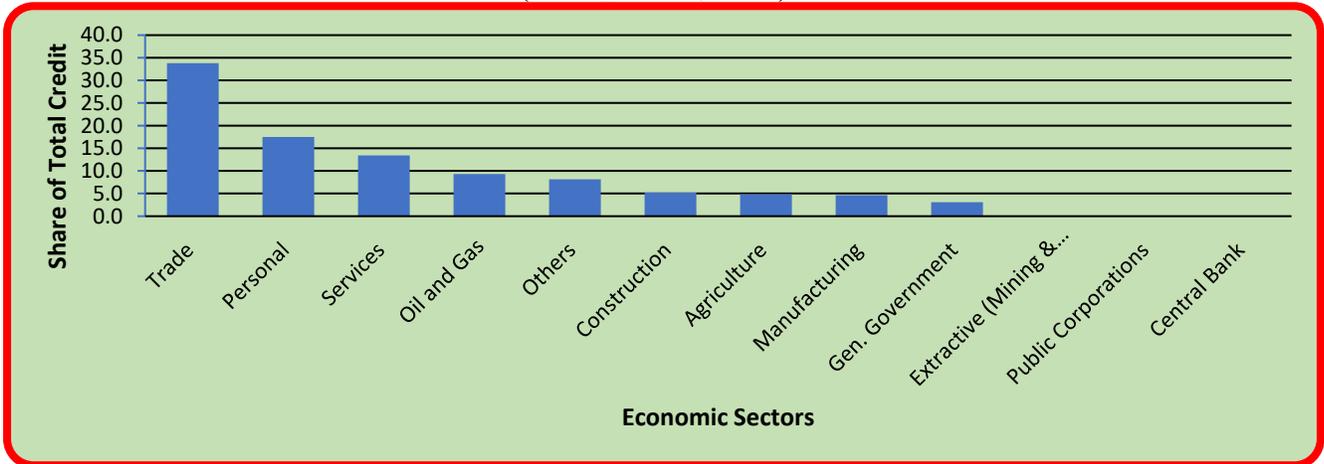
**Table 3.1: Commercial Bank Loans by Economic Sectors
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of L\$)**

	2020		2021				Contribution to Credit Growth	
	Q ²	Share	Q ¹	Share	Q ²	Share	Q-o-Q	Y-o-Y
Agriculture	3,524.20	4.18	3,254.21	4.21	3,439.64	4.61	0.24	(0.10)
Extractive (Mining & Quarrying)	241.14	0.29	255.91	0.33	47.36	0.06	(0.27)	(0.23)
Manufacturing	1,693.92	2.01	2,188.03	2.83	2,302.49	3.09	0.15	0.72
Construction	7,545.25	8.95	7,657.65	9.91	6,937.56	9.30	(0.93)	(0.72)
Services	10,225.77	12.13	9,275.05	12.00	10,001.05	13.41	0.94	(0.27)
Trade	30,661.01	36.38	28,264.39	36.56	25,196.57	33.79	(3.97)	(6.48)
Personal	13,543.14	16.07	11,897.32	15.39	13,046.51	17.50	1.49	(0.59)
Gen. Government	882.37	1.05	68.22	0.09	16.63	0.02	(0.07)	(1.03)
Central Bank	-	-	-	-	-	-	-	-
Public Corporations	2,725.63	3.23	3,882.05	5.02	3,641.39	4.88	(0.31)	1.09
Oil and Gas	7,416.04	8.80	5,254.60	6.80	3,862.69	5.18	(1.80)	(4.22)
Others	5,820.32	6.91	5,306.98	6.87	6,078.48	8.15	1.00	0.31

Total Loan All Sectors (LD & USD)	84,278.79	100.00	77,304.41	100.00	74,570.37	100.00	(3.54)	(11.52)
O/W TOTAL Private Sector (LD & USD)	80,670.79	95.72	73,354.13	94.89	70,912.35	95.09	(3.16)	(11.58)

Source: Central Bank of Liberia

Chart 3.1: Percentage Distribution of Commercial Bank Loans by Economic Sectors (2nd Quarter, 2021)



Source: Central Bank of Liberia

3.2.5 Interest Rate

Interest rates were broadly stable for the second quarter of 2021 compared with the rates recorded at end-March 2021 and the corresponding quarter of 2020. The average interest rate on lending was maintained at 12.4 percent, personal loan rate at 12.8 percent, mortgage rate at 13.2 percent, time deposit rate at 3.5 percent, saving rate at 2.1 percent and the rate on certificate of deposits at 3.3 percent (Table 3.2). The spread between the average lending and saving rates was also maintained at 10.3 percent, relative to the preceding quarter and same quarter a year ago. Similarly, annual comparison showed that all interest rates were stable compared with the corresponding period of 2020.

Table 3.2: Commercial Bank's Interest Rates (2nd Quarter, 2020; 1st & 2nd Quarters, 2021)

	2020	2021	
	Q ²	Q ¹	Q ²
Avg. Lending Rate	12.44	12.44	12.44
Avg. Personal Loan Rate	12.78	12.78	12.78
Avg. Mortgage Rate	13.22	13.22	13.22
Avg. Time Deposit Rate	3.53	3.53	3.53
Avg. Savings Rate	2.10	2.10	2.10
Avg. Rate on CDs	3.25	3.25	3.25

Source: Central Bank of Liberia, Monrovia, Liberia

3.2.6 Liberian Dollar in Circulation

The provisional stock of Liberian dollar in circulation at end-June 2021 reduced by 1.8 percent to L\$22,414.36 million, from L\$22,825.33 million recorded at end-March 2021. The contraction was primarily induced by 12.7 percent decline in currency in banks coupled with the 0.8 percent contraction in currency outside the banking system.

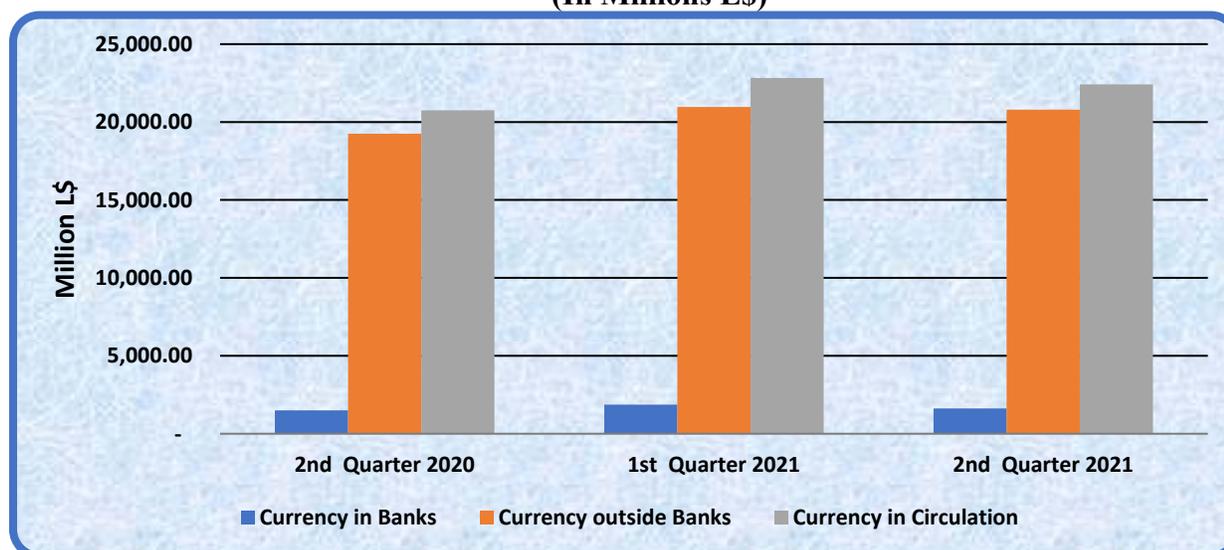
**Table 3.3: Commercial Bank's Interest Rates
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions L\$)**

	2020	2021	
	2 nd Quarter	1 st Quarter	2 nd Quarter
Currency in Banks	1,499.48	1,860.71	1,624.91
Currency outside Banks	19,254.40	20,964.62	20,789.45
Currency in Circulation	20,753.88	22,825.33	22,414.36

Source: Central Bank of Liberia, Monrovia, Liberia

In reference to the stock of currency reported for the corresponding quarter of 2020, Liberian dollar in circulation grew by 8.0 percent (Chart 3.2). At end-June 2021, currency in banks constituted only 7.2 percent of total currency in circulation, demonstrating a highly cash-driven economy.

**Chart 3.2: Liberian Dollars in Circulation
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions L\$)**



Source: Central Bank of Liberia, Monrovia, Liberia

3.2.7 Money Supply

At end-June 2021, the provisional stock of narrow money supply (M1) grew slightly by 0.4 percent to L\$95,946.45 million, compared with the L\$95,587.68 million recorded at end-March 2021. The rise was prompted by 0.7 percent growth in demand deposits, despite the 0.8 percent contraction in currency

outside the banking system. Compared with the corresponding quarter a year ago, M1 expanded by 16.4 percent (Table 3.4 and Chart 3.3).

Table 3.4: Broad Money Supply and its Sources
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of L\$)

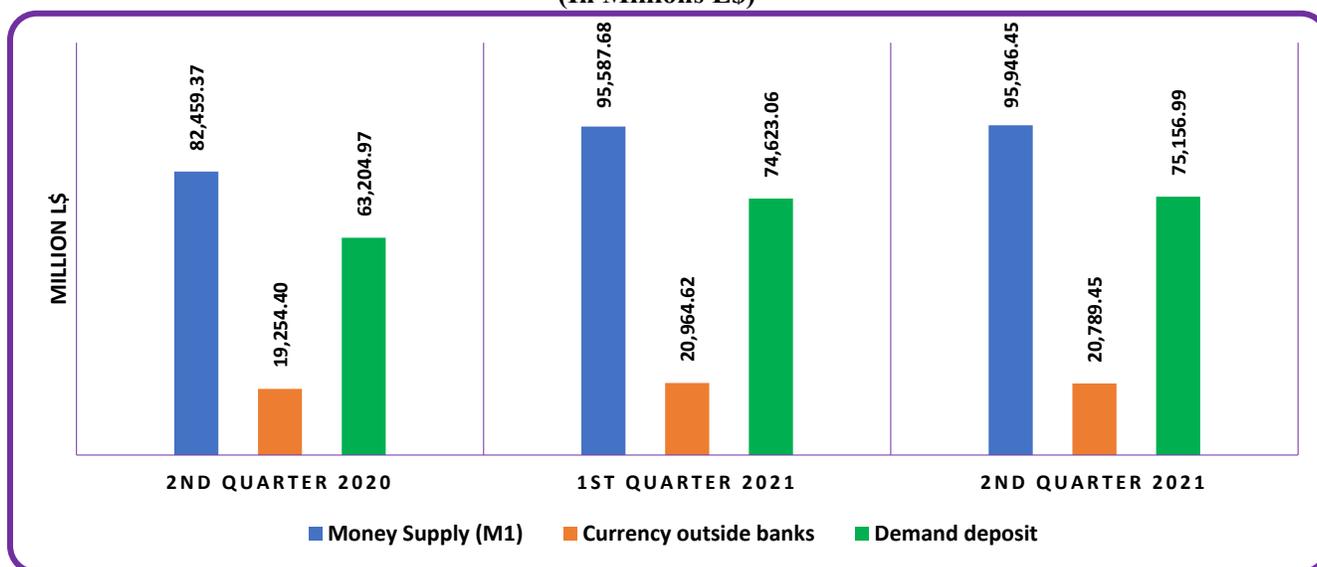
Monetary Aggregates	2020		2021		Percentage Change	
	2nd Quarter	1st Quarter	2nd Quarter	Q-o-Q	Y-o-Y	
1.0 Money Supply M2 (1.1 + 1.2)	128,400.28	135,512.02	143,516.16	5.91	11.77	
1.1 Money Supply M1	82,459.37	95,587.68	95,946.45	0.38	16.36	
1.1.1 Currency outside banks	19,254.40	20,964.62	20,789.45	-0.84	7.97	
1.1.2 Demand deposit ^{1/}	63,204.97	74,623.06	75,156.99	0.72	18.91	
1.2 Quasi Money	45,940.91	39,924.33	47,569.71	19.15	3.55	
1.2.1 Time & Savings deposits	45,457.36	39,527.97	45,629.89	15.44	0.38	
1.2.2 Other deposits ^{2/}	483.55	396.37	1,939.82	389.40	301.17	
2.0 Net Foreign Assets	16,637.30	14,602.56	28,737.52	96.80	72.73	
2.1 Central Bank	(5,022.26)	(7,401.02)	(1,440.02)	-80.54	-71.33	
2.2 Banking Institutions	21,659.57	22,003.58	30,177.55	37.15	39.33	
3.0 Net Domestic Assets (1 - 2)	111,762.98	120,909.46	114,778.63	-5.07	2.70	
3.1 Domestic Credit	187,840.83	183,665.77	179,614.18	-2.21	-4.38	
3.1.1 Government (net)	92,178.88	92,921.39	90,493.61	-2.61	-1.83	
3.1.2 Pvt. Sector & Other Pvt.	95,661.95	90,744.38	89,120.57	-1.79	-6.84	
3.2 Other assets Net (3 - 3.1)	76,077.84	62,756.31	64,835.55	3.31	-14.78	
Memorandum Items						
1. Overall Liquidity	128,400.28	135,512.02	143,516.16	5.91	11.77	
2. Reserve Money	41,907.26	43,196.13	44,748.42	3.59	6.78	
Currency outside banks	19,254.40	20,964.62	20,789.45	-0.84	7.97	
Banks Reserves	22,169.31	21,835.15	22,019.14	0.84	-0.68	
Other Deposits at CBL	483.55	396.37	1,939.82	389.40	301.17	

Source: Central Bank of Liberia

^{1/}Excludes managers cheques from commercial banks

^{2/} Includes official and managers checks issued by the Central Bank

Chart 3.3: Narrow Money Supply (M1)
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions L\$)



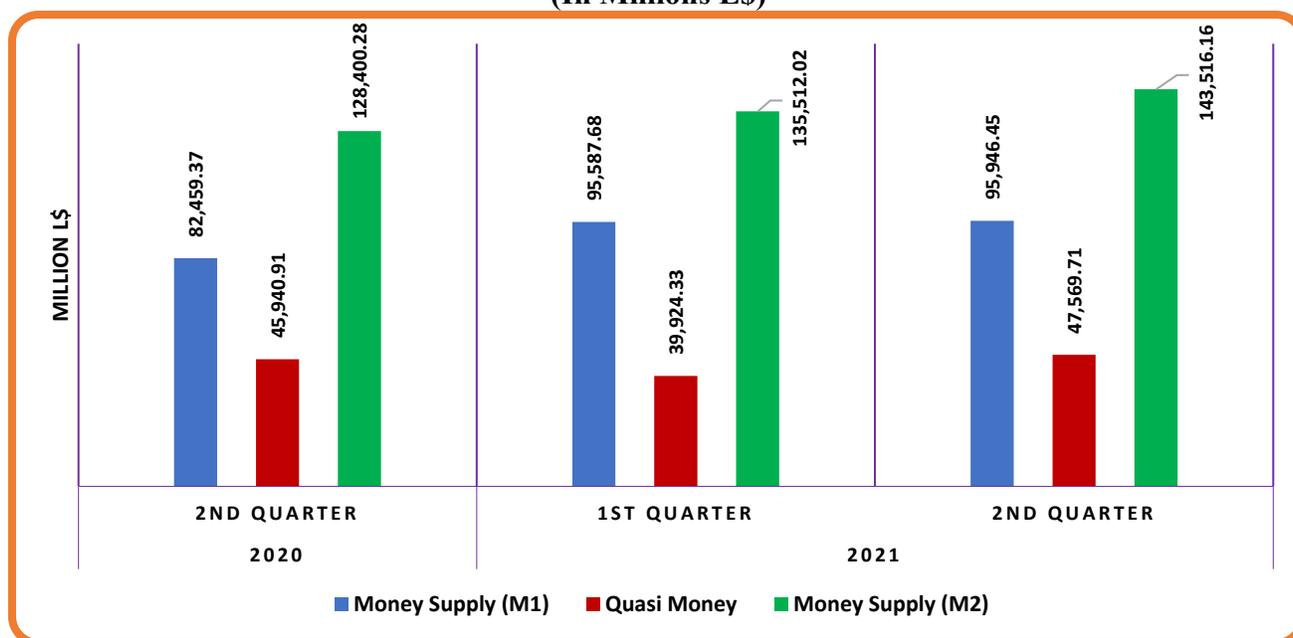
Source: Central Bank of Liberia

3.2.8 Broad Money Supply

Preliminary statistics show that the stock of broad money supply (M2) at end-June 2021 expanded by 5.9 percent to L\$143,516.16 million, from L\$135,512.02 million recorded at end-March 2021. The growth in M2 was largely induced by the increases in demand, time & saving, and other deposits. Based on the assets side, the rise in M2 was on account of 96.8 percent growth in Net Foreign Assets (NFA), despite the 5.1 percent slowdown in Net Domestic Assets (NDA). In comparison with the amount recorded at end-June 2020, broad money grew by 11.8 percent, occasioned by 72.7 percent growth in NFA (Table 3.4). The increase in NFA at end-June 2021 was mainly prompted by the improvements in NFA position of the banking institutions.

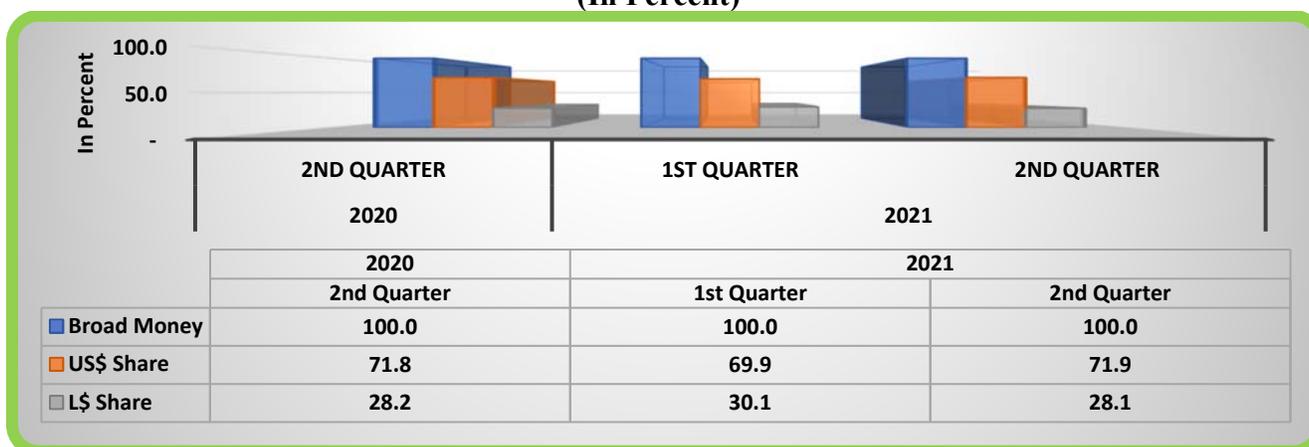
At end-June 2021, the stock of Liberian dollar as a share of broad money (M2) was 28.1 percent (2.0 percentage points down) compared with the share recorded in the previous quarter. The US\$ component of M2 for the review quarter stood at 71.9 percent, 2.0 percentage points higher compared with the figure recorded a quarter ago and 0.1 percentage point higher when matched with the share in the corresponding period in 2020. This implies the increasing dollarized nature of the economy (Chart 3.5).

Chart 3.4: Broad Money Supply (M2)
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions L\$)



Source: Central Bank of Liberia

Chart 3.5: Broad Money: Share of US and Liberian Dollars
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Percent)



Source: Central Bank of Liberia

3.3 Money Market Development

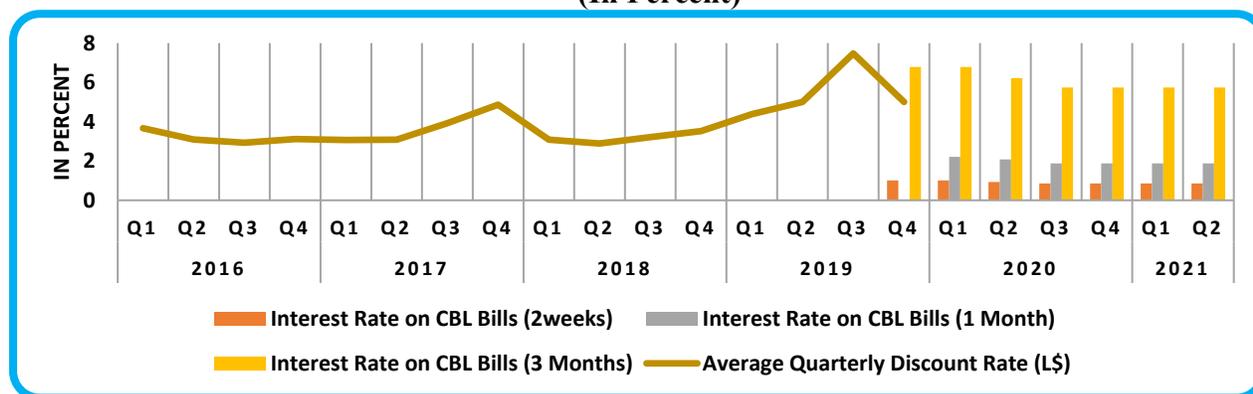
3.3.1 Foreign Exchange Intervention

Similar to the previous quarter of 2021 and corresponding period of 2020, no direct intervention was made by the CBL in the foreign exchange (FX) market through the auction. This was largely attributed to the increasing inflows of FX in the market, which supported stability in the exchange rate and availability of FX for imports.

3.3.2 Government Securities

During the quarter ended June-2021, there was no new issuance and redemption of government securities. However, coupon and partial principal repayment for outstanding L\$ and US\$ Treasury bonds were made. The amount of L\$264.08 million was paid as coupon against the L\$ T-bond. Additionally, the Government of Liberia paid US\$0.37 million and US\$3.08 million against the US\$ T-Bond as outstanding coupon and partial principal repayment, respectively.

**Chart 3.6: Average Quarterly Yields
Government of Liberia 91-Day Treasury-bill Auctions (2016-2021q1)
(In Percent)**



Source: Central Bank of Liberia

3.3.3 Central Bank of Liberia Bills and SDF

At end-June 2021, the stock of CBL bills offered during the quarter stood at the aggregate amount of L\$22.65 billion of which the subscribed bills amounted to L\$11.35 billion. The offered amount represented 21.1 percent rise and 59.8 percent growth compared with the amount offered during the previous quarter and the corresponding quarter of 2020, respectively. Subscriptions for CBL bills grew by 4.2 percent compared with the previous quarter but declined by 12.4 percent when matched against the corresponding quarter of 2020. The rise in subscriptions during the quarter was largely explained by the relative expansion in public confidence due to regular and prompt redemption of the instruments. The preventive health measures, especially those implemented by banking institutions, associated with the third wave of COVID-19 partly explained the annual decline in subscriptions.

Table 3.5: CBL Bills
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of L\$)

2nd Quarter, 2021			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
02-Apr-21	25-Jun-21	1.11	0.86
1 MONTH			
02-Apr-21	25-Jun-21	6,390.32	1.88
3 MONTHS			
02-Apr-21	25-Jun-21	4,962.66	5.74
Total Amount Issued		11,354.09	
1st Quarter, 2021			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
15-Jan-21	21-Mar-21	5.75	0.86
1 MONTH			
08-Jan-21	23-Apr-21	7,406.62	1.88
3 MONTHS			
08-Jan-21	25-Jun-21	3,489.52	5.74
Total Amount Issued		10,901.89	
2nd Quarter, 2020			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
03-Apr-20	10-Jul-20	7,095.88	0.93
1 MONTH			
03-Apr-20	24-Jul-20	4,416.08	2.08
3 MONTHS			
03-Apr-20	25-Sep-20	1,444.51	6.21
Total Amount Issued		12,956.47	

Source: Central Bank of Liberia

**Table 3.6: CBL Bills, Q²-2021
(In Millions of LS)**

2nd Quarter, 2021					
COMMERCIAL BANK ISSUANCE: 2 WEEKS					
Issuance Date	Maturity Date	Unsubscribed Amount	Amount Issued	Interest Rate (%)	
COMMERCIAL BANK ISSUANCE: 3 MONTHS					
02-Apr-21	02-Jul-21	364.00	336.00	5.74	
08-Apr-21	09-Jul-21	477.60	322.40	5.74	
16-Apr-21	16-Jul-21	292.22	407.78	5.74	
23-Apr-21	23-Jul-21	380.00	100.00	5.74	
30-Apr-21	30-Jul-21	498.00	152.00	5.74	
07-May-21	06-Aug-21	468.90	201.10	5.74	
13-May-21	13-Aug-21	41.00	409.00	5.74	
21-May-21	20-Aug-21	100.00	200.00	5.74	
28-May-21	27-Aug-21	350.00	150.00	5.74	
04-Jun-21	03-Sep-21	486.45	113.55	5.74	
11-Jun-21	10-Sep-21	10.00	1,750.00	5.74	
18-Jun-21	17-Sep-21	260.00	400.00	5.74	
25-Jun-21	24-Sep-21	500.00	300.00	5.74	
			4,841.83	5.74	
COMMERCIAL BANK ISSUANCE: 1 MONTH					
02-Apr-21	30-Apr-21	300.00	700.00	1.88	
08-Apr-21	07-May-21	125.00	875.00	1.88	
16-Apr-21	13-May-21	45.00	455.00	1.88	
23-Apr-21	21-May-21	58.50	341.50	1.88	
30-Apr-21	28-May-21	50.00	700.00	1.88	
07-May-21	04-Jun-21	28.00	952.00	1.88	
13-May-21	11-Jun-21	450.00	150.00	1.88	
21-May-21	18-Jun-21	320.00	80.00	1.88	
28-May-21	25-Jun-21	150.00	650.00	1.88	
04-Jun-21	02-Jul-21	455.00	345.00	1.88	
11-Jun-21	09-Jul-21	615.00	85.00	1.88	

18-Jun-21	16-Jul-21	400.00	200.00	1.88
25-Jun-21	23-Jul-21	25.00	825.00	1.88
			6,358.50	1.88
RETAIL INVESTORS VIA COMMERCIAL BANKS: 3 MONTHS				
02-Apr-21	02-Jul-21	85.16	14.84	5.74
08-Apr-21	09-Jul-21	198.66	1.34	5.74
16-Apr-21	16-Jul-21	81.38	18.62	5.74
23-Apr-21	23-Jul-21	96.37	3.63	5.74
30-Apr-21	30-Jul-21	92.22	7.78	5.74
07-May-21	06-Aug-21	92.20	7.80	5.74
13-May-21	13-Aug-21	47.55	2.45	5.74
21-May-21	20-Aug-21	99.20	0.80	5.74
28-May-21	27-Aug-21	89.17	10.83	5.74
04-Jun-21	03-Sep-21	89.67	10.33	5.74
11-Jun-21	10-Sep-21	23.44	16.56	5.74
18-Jun-21	17-Sep-21	89.27	10.73	5.74
25-Jun-21	24-Sep-21	84.86	15.14	5.74
			120.83	5.74
RETAIL INVESTORS VIA COMMERCIAL BANKS: 1 MONTH				
02-Apr-21	30-Apr-21	297.55	2.45	1.88
08-Apr-21	07-May-21	399.00	1.00	1.88
16-Apr-21	13-May-21	499.09	0.91	1.88
23-Apr-21	21-May-21	399.34	0.67	1.88
30-Apr-21	28-May-21	249.65	0.35	1.88
07-May-21	04-Jun-21	16.37	3.63	1.88
13-May-21	11-Jun-21	200.00	-	1.88
21-May-21	18-Jun-21	88.00	12.00	1.88
28-May-21	25-Jun-21	93.99	6.01	1.88
04-Jun-21	02-Jul-21	96.96	3.04	1.88
11-Jun-21	09-Jul-21	98.52	1.48	1.88
18-Jun-21	16-Jul-21	100.00	-	1.88
25-Jun-21	23-Jul-21	109.73	0.27	1.88

			31.82	1.88
RETAIL INVESTORS VIA COMMERCIAL BANKS: 2 WEEKS				
02-Apr-21	16-Apr-21	6.06	0.40	0.09
08-Apr-21	23-Apr-21	18.53	-	0.09
16-Apr-21	30-Apr-21	35.71	-	0.09
23-Apr-21	07-May-21	2.74	-	0.09
30-Apr-21	13-May-21	5.96	-	0.09
07-May-21	21-May-21	8.54	-	0.09
13-May-21	28-May-21	32.26	-	0.09
21-May-21	04-Jun-21	33.19	-	0.09
28-May-21	11-Jun-21	41.36	0.58	0.09
04-Jun-21	18-Jun-21	4.18	-	0.09
11-Jun-21	25-Jun-21	21.33	-	0.09
18-Jun-21	02-Jul-21	4.22	-	0.09
25-Jun-21	09-Jul-21	7.83	0.13	0.09
			1.11	0.09
Total Amount Issued			11,354.09	

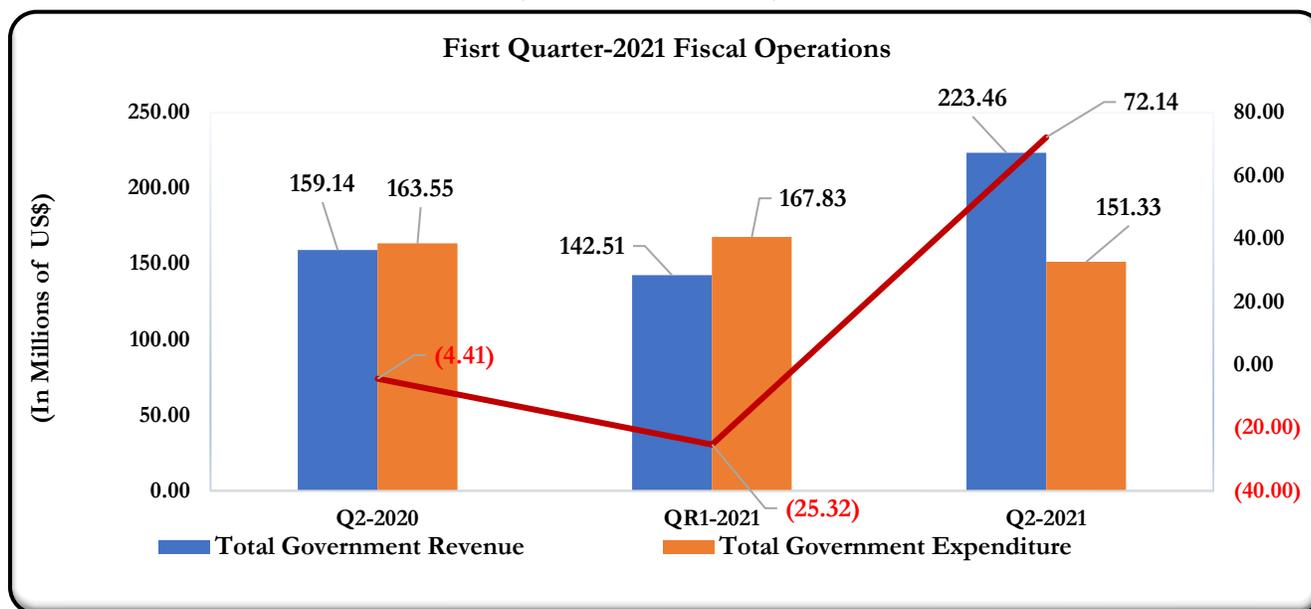
Source: Central Bank of Liberia

IV. FISCAL DEVELOPMENTS

4.1 Overview of Government Operations

Preliminary statistics on GOL’s fiscal operations for the second quarter of 2021 revealed an estimated surplus of US\$72.1 million (2.1 percent of GDP), firmly outperforming the previous quarter due to strong revenue realization. Total revenue amounted to US\$223.5 million (6.6 percent of GDP), while total expenditure amounted to US\$151.3 million (4.5 percent of GDP).

**Chart 4.1: Graphical Outlook of GOL’s Fiscal Operations
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(In Millions of US\$)**



Source: CBL’s construction using MFDP data

4.2 Government Revenue

Total government revenue generated, inclusive of grants, expanded by 56.8 percent, totaling US\$223.5 million (6.6 percent of GDP), compared to the first quarter of 2021. The strong revenue performance was mostly bolstered by a significant rise in tax revenue, non-tax revenue, and other revenues. Tax revenue totaled US\$128.2 million (3.8 percent of GDP), rising by 21.2 percent. The rise in tax revenue was mainly induced by 19.8 percent and 9.1 percent increases in taxes generated from income & profits and international trade, respectively. Income & profit tax amounted to US\$52.7 million (1.6 percent of GDP), while international trade tax summed to US\$53.6 million (1.6 percent of GDP). Similarly, non-tax revenue rose by 97.4 percent to US\$36.4 million (1.1 percent of GDP), mainly on account of increases in income and property tax (by more than one hundred percent) and administrative fees & penalties (by 4.5 percent). Other revenues, inclusive of grants, improved by more than one hundred

percent to US\$58.9 million (1.8 percent of GDP). Further analysis revealed that total revenue rose by 40.4 percent, compared to the corresponding period in 2020.

**Table 4.2: Government Revenue
(1st Quarter 2020; 1st & 2nd Quarters, 2021)**

Fiscal Operations	Q ² -20	Q ¹ -21	Q ² -21	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Government Revenue	159.14	142.51	223.46	56.80	40.41
Tax Revenue	88.41	105.81	128.20	21.16	45.01
o/w Taxes on Income & Profits	35.23	43.97	52.68	19.79	49.52
o/w Taxes on International Trade	36.02	49.12	53.58	9.06	48.76
Non-tax Revenue	14.86	18.41	36.35	97.44	144.57
o/w Property Income	13.08	14.18	31.93	125.20	144.04
o/w Administrative Fees & Penalties	1.78	4.23	4.42	4.46	148.35
Other Revenue (Grants, Borrowings & etc.)	55.88	18.29	58.92	222.08	5.44
Memorandum Items					
Total Revenue (% of GDP)	5.24	4.69	6.64		
Tax Revenue (% of GDP)	2.91	3.48	3.81		
Non-tax Revenue (% of GDP)	0.49	0.61	1.08		
Other Revenue (% of GDP)	1.84	0.60	1.75		
<i>GDP (In Millions of USD)</i>	3,037.00	3,037.00	3,363.00		

Source: CBL's computation using MFDP data

r: revised

4.3 Government Expenditure

Total government expenditure declined by 9.8 percent, totaling US\$151.3 million (4.5 percent of GDP), compared to the preceding quarter which was largely induced by reductions in current and capital expenditure. Current expenditure contracted by 10.9 percent to US\$119.4 million (3.6 percent of GDP), mainly due to declines in employees' compensation as well as spending on goods and services. Employees' compensation totaled US\$53.7 million (1.6 percent of GDP), contracting by 5.6 percent, while spending on goods & services decreased by 1.2 percent totaling US\$50.4 million (1.5 percent of GDP). Capital expenditure totaled US\$ 0.8 million, declining by 14.6 percent. Spending on loans, interest and other charges reduced by 5.3 percent to US\$31.1 million (0.9 percent of GDP). Further analysis showed that total expenditure contracted on a year-on-year basis by 7.5 percent.

Table 4.2: Government Expenditure
(1st Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of USD)

Fiscal Operations	Q ² -2020 ^r	Q ¹ -2020 ^r	Q ² -2021	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Expenditure	163.55	167.83	151.33	(9.84)	(7.48)
Current Expenditure	153.37	134.04	119.42	(10.90)	(22.14)
o/w Employee Compensation	79.61	56.80	53.70	(5.45)	(32.54)
o/w Goods & Services	57.45	50.98	50.38	(1.19)	(12.31)
Capital Expenditure	0.20	0.93	0.80	(14.60)	292.96
Payments Loan & Interest & other Charges	9.98	32.86	31.11	(5.34)	211.80
Memorandum Items					
Total Expenditure (% of GDP)	5.39	4.99	4.50		
Current Expenditure (% of GDP)	5.05	3.99	3.55		
Capital Expenditure (% of GDP)	0.01	0.03	0.02		
Payments Loan, Interest & other Charges (% of GDP)	0.33	0.98	0.93		
GDP (In Millions of USD)	3,037.00	3,363.00	3,363.00		

Source: CBL's computation using MFDP data

r: revised

4.4 Public Debt

At end-June-2021, the stock of public debt summed up to 49.8 percent of GDP, marginally increasing by 2.1 percent, but however remaining in compliance with the ECOWAS debt criterion of at least 70 percent of GDP. The marginal growth in the stock of public debt was largely due to slight increases in both domestic and external debts. Domestic debt amounted to 20.5 percent of GDP, rising by 2.3 percent, mainly due to borrowing from nonfinancial institutions. External debt slightly grew by 1.9 percent and totaled 29.2 percent of GDP. The slight increase in external debt was due to marginal increases in both multilateral and bilateral debts by 2.1 percent and 0.7 percent, respectively.

Further analysis showed that the stock of public debt grew by 10.9 percent on a year-on-year basis. Similarly, the stock of external and domestic debts expanded by 7.5 percent and 16.3 percent, respectively, on year-on-year basis.

Table 4.3: Liberia's Public Debt Statistics
(1st Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of USD)

Fiscal Operations	Q1-2020	Q4-2020	Q1-2021	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Debt Stock	1508.45	1639.61	1673.51	2.07	10.94
External	914.32	964.22	982.75	1.92	7.48
o/w Multilateral	800.37	851.54	869.34	2.09	8.62
o/w Bilateral	113.95	112.68	113.41	0.65	(0.47)
Domestic	594.13	675.39	690.76	2.27	16.26
o/w Financial Institutions	543.39	622.96	620.22	(0.44)	14.14
o/w CBL	487.48	525.48	525.48	0.00	7.80
o/w Commercial Banks	55.90	97.47	94.73	(2.81)	69.46
o/w Other Debts	50.75	52.44	70.54	34.52	39.01
Debt Service	23.58	14.14	19.82	40.19	(15.96)
o/w Interest	9.41	6.06	0.74	(87.75)	(92.11)
o/w Principal Repayment	14.17	8.08	19.08	136.23	34.61
Memorandum Items					
Total Debt Stock (% of GDP)	49.67	48.75	49.76		
External (% of GDP)	30.11	28.67	29.22		
Domestic Debt (% of GDP)	19.56	20.08	20.54		
Debt Service (% of GDP)	0.78	0.42	0.59		
GDP (In Millions of USD)	3,037.00	3,363.00	3,363.00		

Source: CBL's computation using MFDP data

V. EXTERNAL SECTOR DEVELOPMENTS

5.1 Overview of the Balance of Payments (BOP)

External sector performance in the second quarter of 2021 was mixed. Preliminary statistics showed that the net balance on the current and capital accounts declined to a net borrowing of US\$61.01 million (1.8 percent of GDP), from a revised net lending of US\$47.55 million (1.4 percent of GDP) in the preceding quarter. The deterioration on the balance of the current and capital accounts was due largely to increase in import payments as well as payments for incomes that offset the estimated rise in the capital account.

The financial account net balance showed a significant improvement in net lending to the rest of the world during the quarter. Net lending of the financial account was US\$38.4 million (approximately 1.1 percent of GDP), from a net borrowing of US\$34.1 million (1.1 percent of GDP) in the first quarter of 2021. Also, year-on-year comparison showed an improvement of net lending by 1.6 percent, from a net borrowing of US\$65.5 million (1.3 percent of GDP) in the same quarter of 2020.

The overall balance of the external sector recorded a deficit of US\$23.8 million (0.7 percent of GDP), from a surplus of US\$7.2 million (0.2 percent of GDP) recorded in the previous quarter. The deficit in the overall balance was reflective of an accumulation in reserves during the review quarter.

During the quarter, the month of imports cover marginally declined by 0.1 month to 2.3 months, due mainly to increase in payments for imports that offset the gain in the accumulation of international reserves; thus, remaining below the ECOWAS regional threshold of at least 3.0 months.

Table 5.1: Balance of Payments Statistics
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Million USD)

Account Description	2020	2021	
	Q – 2a	Q – 1r	Q – 2p
Current account (CA)	(133.36)	(55.31)	(172.44)
Credit	227.12	352.37	306.65
Debit	360.48	407.68	479.09
Goods and services	(159.11)	(109.56)	(230.44)
Credit	140.28	259.08	186.55
Debit	299.39	368.64	416.99

Goods (net): surplus (+)/ deficit (-)	(86.67)	(23.27)	(154.84)
Credit (Exports)	137.24	258.86	186.35
Iron ore	71.26	121.33	84.98
Rubber	14.98	24.71	22.19
Mineral (Gold & Diamond)	46.33	103.06	68.20
Palm oil	0.37	2.40	1.69
Other exports (excluding gold)	4.30	7.36	9.29
Debit (Imports)	223.91	282.13	341.19
Food and Live Animals (including Animals & Vegetable Oil)	50.12	89.77	100.10
<i>O/w Rice</i>	3.65	43.51	44.74
Minerals, Fuel, Lubricants	61.19	40.13	31.98
<i>O/w Petroleum Products</i>	55.29	30.12	16.77
Machinery & Transport Equipment	42.63	79.59	101.90
Manufactured goods classified by materials	21.71	29.28	46.23
Other Imports	48.26	43.36	60.99
General merchandise on a balance of payments basis	(131.60)	(122.46)	(219.34)
Credit	92.31	159.67	121.85
Debit	223.91	282.13	341.19
Of which Re-exports (credit)	0.00	0.00	0.00
Nonmonetary Gold (credit)	44.93	99.18	64.49
Services	(72.44)	(86.29)	(75.60)
Credit	3.04	0.22	0.20
Debit	75.48	86.51	75.80
Primary Income	(27.11)	(12.39)	(21.75)

Credit	5.74	5.74	5.59
Debit	32.85	18.14	27.34
Secondary Income	52.86	66.65	85.89
Credit	81.10	87.55	114.51
Debit	28.24	20.90	28.62
Capital Account (KA)	93.33	102.86	111.43
Credit	93.00	102.86	111.43
Debit	0.00	0.00	0.00
Net Lending (+)/Net Borrowing (-) balance from CA & KA	(40.03)	47.55	(61.01)
Financial Account (FA)			
Net Lending (+)/Net Borrowing (-) balance from FA	(65.48)	(34.10)	38.41
Direct investment	(26.39)	(26.44)	(27.56)
Net acquisition of financial assets	0.00	0.00	0.00
Net incurrence of liabilities	26.39	26.44	27.56
Other investment	(38.10)	(0.46)	42.15
Net acquisition of financial assets	13.03	14.69	50.55
Net incurrence of liabilities	51.13	15.15	8.39
Reserve assets	(0.99)	(7.20)	23.82
NET ERRORS & OMISSIONS	(25.44)	(81.66)	99.43
Overall Balance	0.99	7.20	(23.82)
MEMORANDUM ITEMS			
Gross Foreign Reserves Position	255.38	299.26	302.50
Import Payments (cif)	245.51	312.51	378.62
Months of Imports Cover^{††}	2.5	2.4	2.3
Current Account Bal. (% of GDP)	(4.39)	(1.64)	(5.13)
Current Account Bal. excluding Grants (% of GDP)	(4.63)	(1.71)	(5.54)
Trade (in goods) Deficit % of GDP	(2.85)	(0.69)	(4.60)
Capital Account Bal. (% of GDP)	3.07	3.06	3.31
Financial Account Bal. (% of GDP)	2.16	1.12	1.14
Nominal GDP[†]	3,037.00	3,363.00	3,363.00

Source: Central Bank of Liberia staff

5.2 Financial Account (FA)

At the end of the second quarter of 2021, net borrowing in the financial account improved to a net lending of US\$38.4 million (1.1 percent of GDP), from a net borrowing US\$34.1 million (1.1 percent of GDP) reported in the first quarter. The improvement in net lending was due to improvement of Other Investments category by 92.6 to net acquisition of financial asset. Compared with the corresponding quarter in 2020, net lending of the financial account balance improved by 1.6 percent, from a net borrowing of US\$65.5 million (2.2 percent of GDP) in the first quarter of 2020.

5.2.1 Direct Investment

Direct investment (DI) rose marginally to US\$27.6 million (0.8 percent of GDP), from US\$26.4 million (0.9 percent of GDP) recorded in the previous quarter. The rise in DI was mainly driven by increase in estimated reinvestment earnings from equity and shares of commercial banks. On a year-on-year basis, DI increased marginally by 0.04 percent during the quarter, from US\$26.4 million reported in June 2020.

5.2.2 Other Investment (OI)

During the period under review, Other Investment (OI) net recorded a net acquisition of financial assets of US\$42.2 million (0.7 percent of GDP), from net incurrence of financial liabilities of US\$0.5 million (approximately 0.02 percent of GDP) recorded in the preceding quarter. The improvement in OI net was occasioned by decline in net incurrence of financial liabilities coupled with increase in net acquisition of financial assets. At end-June 2021, the other investment (net) improved to US\$42.2 million on account of increase in net acquisition of financial assets. The performance of the net acquisition of financial assets was mainly due to improvement in commercial banks balances holdings of foreign currency, which stood at 50 percent.

5.2.3 Reserve Assets (RA)

Changes in reserve assets showed US\$23.8 million surplus, from a reduction of US\$7.2 million reported in the preceding quarter due to a rise in claims on the monetary authorities abroad. Year-on-year comparison showed that change in reserves assets increased significantly from a reduction of about US\$1.0 million at end-June 2020.

5.3 Capital Account (KA)

During the second quarter of 2021, official transfers were the key drivers of the change in the capital account. Along with disposal of non-produced assets, the net balance of the capital account increased to US\$111.43 million (3.3 percent of GDP), from revised US\$102.86 million (3.1 percent of GDP) reported in the preceding quarter due to an estimated increase in investment grants from development partners to the government.

5.4 Current Account (CA)

During the quarter, the deficit in the current account balance widened compared to the improvement in the preceding quarter. The current account deficit expanded to US\$172.5 million (5.1 percent of GDP), from an estimated US\$103.3 million (1.6 percent of GDP) in the previous quarter, due to increase in trade deficit coupled with expansion in payments for primary and secondary incomes. Year-on-year comparison showed that the current account deficit worsened to 0.7 percent of GDP, compared to the deficit recorded in the second quarter of 2020.

5.4.1 Goods Account (net)

Total merchandise trade (with imports on CIF basis) declined during the quarter by 1.1 percent to US\$564.97 million (16.8 percent of GDP), from US\$571.37 million (17.0 percent of GDP) in the previous quarter. The reduction was largely due to rise in payments for imports. Consequently, the balance of trade deficit widened during the quarter to US\$154.84 million (4.6 percent of GDP), from the amount recorded in the preceding quarter, largely due to increase in payments for imports.

Earnings from exports fell by 28.0 percent to US\$186.35 million (5.5 percent of GDP), from US\$258.86 million (7.7 percent of GDP) reported in the previous quarter. The reduction in earnings during the quarter was mainly induced by fall in receipts from all major export commodities (mainly iron ore, gold, rubber, and diamond). Receipts from iron ore exports fell by 30.0 percent to US\$84.98 million due to decrease in the volume exported. In the same vein, exports of gold and rubber declined by 35.0 percent and 10.2 percent, respectively occasioned by slowdown in the volumes of commodities exported. On the contrary, payments for imports rose by 20.9 percent to US\$341.19 million (10.1 percent of GDP) due to a substantial increase in payments for food and live animals (including animal and vegetable oil), machinery and transport equipment as well as manufactured products classified by materials, which rose by 11.5 percent to US\$100.10 million, 28.0 percent to US\$101.90 million and 57.9 percent to US\$46.23 million, respectively.

5.4.2 Services Account (net)

The deficit in services account (net) improved during the quarter to US\$75.60 million (2.2 percent of GDP), from a revised net payment of US\$86.29 million (2.6 percent of GDP) reported in the preceding quarter. The lowering of net services payment was driven by an estimated decrease in payments for services related to insurance services on imports and goods provided to Government by other nonresidents.

5.4.3 Primary Income (net)

During the second quarter of the year, receipt from primary income declined, while payments increased resulting to a net payment of US\$27.90 million (0.8 percent of GDP). Compared to the preceding quarter, the net payment during the quarter expanded by 0.4 percent of GDP from US\$12.39 million (0.4 percent of GDP) due to an increase in payment of investment income, mainly through reinvested earnings.

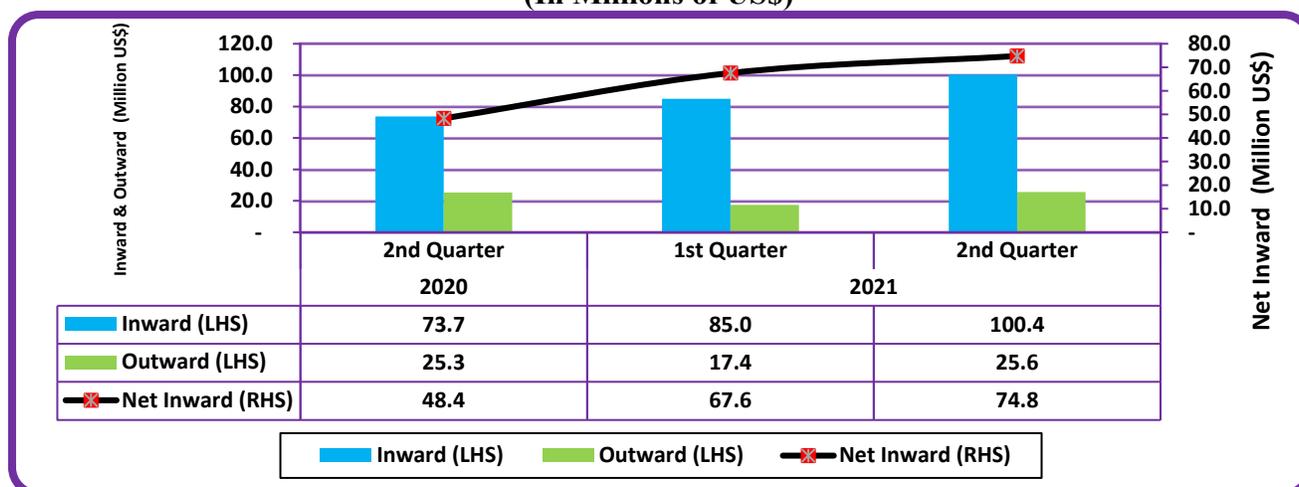
5.4.4 Secondary Income (net)

Both receipts and payments of secondary income increased during the quarter, but the rise in receipts exceeded the increase in payments, resulting to a surplus secondary income balance that rose by 28.9 percent to US\$85.89 million (2.6 percent of GDP), compared to the preceding quarter. This performance was driven mainly by inflows of remittances.

5.4.4.1 Personal Remittances

Net inflow of personal/worker remittances at end-June 2021 expanded by 10.6 percent to US\$74.8 million (2.2 percent of GDP), compared to US\$67.6 million (2.0 percent of GDP) reported for the first quarter of 2021. The rise was induced by the decline of 47.4 percent in outward remittances coupled with the US\$15.4 million expansion in inward remittances. During the quarter, inward remittances grew by 18.1 percent to US\$100.4 million, while outward personal remittances rose to US\$25.6 million, from US\$17.4 million recorded in the previous quarter. In comparison to the corresponding quarter of 2020, net inward personal remittances grew significantly by US\$26.4 million, from US\$48.4 million reported in June 2020. The growth (excluding remittances in kind) was on account of the 36.2 percent expansion in personal inward remittances coupled with the 1.1 percent rise in personal outward remittances.

**Chart 5.1: Net Personal Inward Remittances
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of US\$)**



Source: Central Bank of Liberia

Note: LHS – Left hand side & RHS – Right hand side

5.5 Gross International Reserves Position

The gross international reserves (GIR) position in the review quarter showed a total stock of US\$302.50 million, rising by 1.1 percent, from the stock of US\$299.26 million recorded in the preceding quarter. The increase in the stock of reserves was mainly on account of build-up in foreign currency holdings of the Central Bank. Compared with the stock of reserves in the same quarter a year ago, GIR increased by 3.2 percent, explained largely by increase in foreign currency of the Central Bank. The rise in import payments reduced the months of import cover to 2.3 months in the second quarter, from 2.4 months in the first quarter of 2021. Compared with the ECOWAS regional benchmark, the months of import cover recorded a shortfall of 0.7 month in relation to the regional threshold of at least 3 months.

**Table 5.2: Gross International Reserves Position
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Million USD, except otherwise stated)**

International Reserves ^{/1}	2020	2021 ^p		2021Q-2/2021Q-1	
	Q – 2a	Q – 1r	Q – 2p	% Change	Val. Change
Gross	255.38	299.26	302.50	1.08	3.23
Net	5.61	9.63	27.35	184.10	17.73
Month of Imports cover	2.5	2.4	2.3		

Source: Central Bank of Liberia

a – actual value

p – preliminary, value is at end-November 2019

r – revised

^{/1} Gross International Reserve = CBL liquid foreign assets less net liquid liabilities to government and commercial banks plus SDR including Reserve Tranche. GIR was revised based on ECF Program but is not based on the flat exchange rate.

5.6 Exchange Rate Developments

The variation in the exchange rate movement in Liberia remained within favorable bound of plus/minus 10 percent of the ECOWAS convergence target. With respect to the period average exchange rate, the Liberian dollar (L\$) slightly depreciated against the United States dollar by 0.2 percent to L\$171.88/US\$1.00 at end-June 2021, from L\$171.53/US\$1.00 recorded at end-March 2021, while the end of period exchange rate showed an appreciation in the Liberian dollar by 0.9 percent to L\$171.42/US\$1.00, from L\$173.01/US\$1.00 reported a quarter ago. Compared with the corresponding quarter of 2020, the Liberian dollar appreciated by 15.5 percent on average, from L\$198.56/US\$1.00 and by 13.3 percent, from L\$199.40/US\$1.00 on end-of-period exchange rate basis. The quarterly and yearly appreciations were mainly triggered by the relative effectiveness of CBL's monetary policy instruments, increased net inflows of personal/worker remittances and constrained domestic demand.

Table 5.3: Market Exchange Rate: Liberia Dollar (LD) per US Dollar
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(Value In L\$)

	2020		2021		% Change: Depreciation (-) & Appreciation (+)	
	2 nd Quarter	1 st Quarter	2 nd Quarter	Q-o-Q	Y-o-Y	
Market Rate End of Period	199.40	173.01	171.42	0.93	16.32	
Market Rate Period Average	198.56	171.53	171.88	-0.21	15.52	
<i>Buying</i>	197.92	170.79	171.17	-0.22	15.63	
<i>Selling</i>	199.20	172.26	172.58	-0.18	15.43	

Source: Central Bank of Liberia

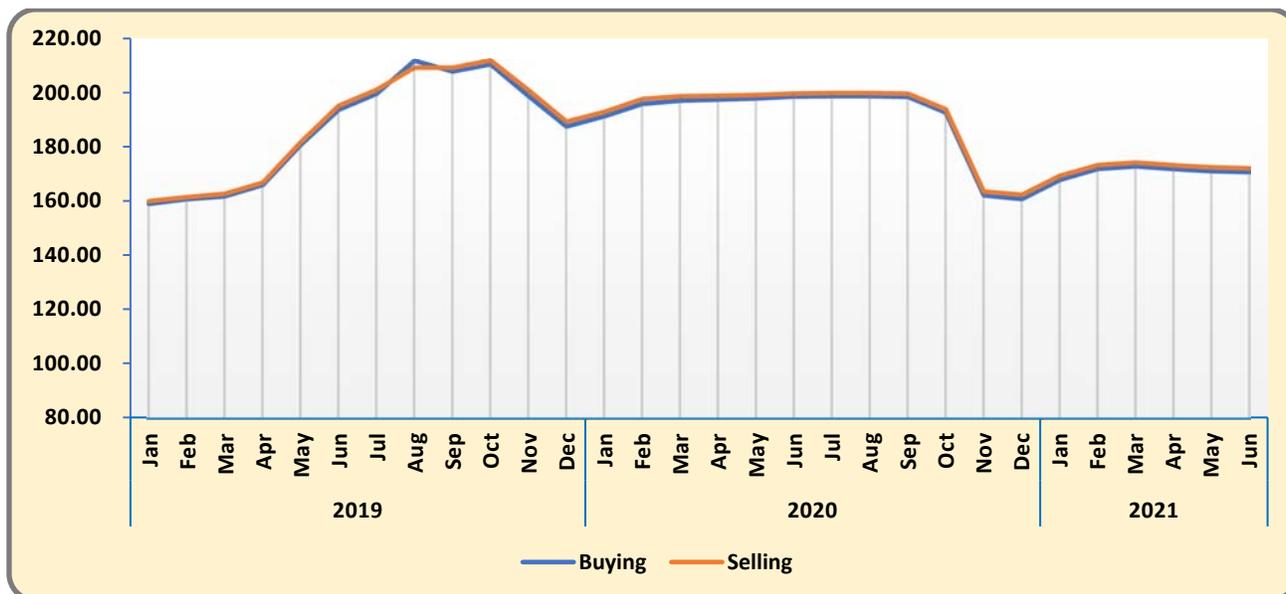
/1 – Period Average Exchange Rate is the average of both the buying & selling rates of the Liberian Dollar relative to the US\$

Table 5.4: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2019-2021)

Period Average	2019		2020		2021	
	Buying	Selling	Buying	Selling	Buying	Selling
January	158.97	159.97	191.24	192.89	167.79	169.32
February	160.65	161.44	195.85	197.67	171.82	173.29
March	161.74	162.69	197.02	198.64	172.76	174.18
April	165.91	166.82	197.41	198.83	171.79	173.22
May	180.72	181.75	197.84	199.10	171.03	172.42
June	193.65	195.10	198.52	199.67	170.69	172.09
July	199.51	201.08	198.64	199.81		
August	211.74	209.18	198.65	199.84		
September	207.74	209.18	198.39	199.62		
October	210.40	211.88	192.59	193.85		
November	198.69	200.91	162.10	163.47		
December	187.51	189.28	160.76	162.34		
Q1	160.45	161.37	194.70	196.40	170.79	172.26
Q2	180.09	181.22	197.92	199.20	171.17	172.58
Q3	206.33	206.48	198.56	199.76		
Q4	198.87	200.69	171.82	173.22		
Yearly Ave	186.44	187.44	190.75	192.14	170.98	172.42

Source: Central Bank of Liberia

Chart 5.2: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar, 2019-2021



Source: Central Bank of Liberia

5.7 Direction of Trade (DOT)

During the quarter, preliminary statistics showed that Europe was the leading destination of Liberia's exports, constituting 85.8 percent of total export earnings, while North America and Asia accounted for 6.5 percent and 5.3 percent, respectively. In the three regions, Switzerland, France, The United States of America, and United Arab Emirates were the top four destinations of exports. The main commodity exported to Switzerland was gold; commodity exported to France and the United Arab Emirates was predominantly iron ore, while rubber was largely exported to the United States of America.

In relation to imports, Asia was the top source of imports to Liberia, accounting for 66.5 percent of total payment, followed by Europe, 15.0 percent and Africa, 10.0 percent. From Asia, India was the main source of imports, with especially food and live animals, while the Netherland was the leading source of imports from Europe, mainly intermediate or manufactured commodities classified by materials. In Africa, Cote d'Ivoire was the leading source of imports with petroleum products being the main commodity imported.

**Table 5.5: Annual Directions of Trade
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Million USD, except otherwise stated)**

Direction of Trade by Region	Q – 2a		Q – 1r		Q – 2p	
	Export	Import	Export	Import	Export	Import
Africa	0.98	67.35	3.40	49.25	1.33	34.00
o/w ECOWAS	0.93	62.30	2.51	38.67	0.68	27.62
o/w NC ¹	0.10	57.00	0.47	33.48	0.00	22.07
o/w Sierra Leone	0.10	0.81	0.29	1.13	0.00	0.81
o/w Cote D'Ivoire	0.00	55.92	0.18	30.62	0.00	20.38
Asia	42.42	102.36	8.55	173.93	9.90	226.95
o/w India	0.00	15.58	0.40	70.39	0.00	104.51
o/w China	32.85	31.74	0.10	40.82	1.63	49.17
o/w ME ² Countries	6.13	11.57	3.14	10.24	3.58	20.24
o/w UAE	4.73	3.77	2.18	3.78	3.03	8.62
Europe	83.13	31.69	226.83	33.99	159.84	51.33
o/w Switzerland	40.20	0.45	98.27	0.68	62.60	0.66
o/w Netherland	2.08	4.16	1.43	4.13	0.90	10.59
o/w Eurozone	42.52	19.51	12.52	25.54	13.74	35.31

o/w France	13.56	1.46	44.03	2.69	36.10	2.40
N. America & The Caribbean	5.93	15.54	16.92	16.38	12.18	15.79
o/w USA	5.93	14.46	16.92	14.72	12.16	14.02
South & Central America	0.18	6.65	0.52	7.80	0.18	9.62
o/w Mexico	0.18	0.64	0.52	0.65	0.18	0.77
o/w Brazil	0.00	4.78	0.00	4.40	0.00	7.27
Oceania	0.00	0.32		0.78	0.02	3.50
o/w Australia	0.00	0.18	0.00	0.52	0.01	3.03
Other Countries (n.i.e)	4.60	0.00	2.64	0.00	2.90	0.00
Total of DOT	137.24	223.91	258.86	282.13	186.35	341.19

Source: Central Bank of Liberia

STATISTICAL APPENDIX

CHAPTER I

Table 1.1: Selected Global Output, 2020-2022

CHAPTER II

Table 2.1: Key Agricultural Production (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 2.2: Key Industrial Output (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 2.3: Consumption of Petroleum Products (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 2.4: Vessel Traffic and Cargo Movements (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 2.5: Electric Power Developments (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 2.6: Headline and Quarterly changes in CPI (%)

Table 2.7: Inflation by Group: Year-on-Year Changes in CPI (2020-2021)

Table 2.8: Harmonized Consumer Price Index (HCPI) by Major Groups Developments (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

CHAPTER III

Table 3.1: Commercial Bank Loans by Economic Sectors (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 3.2: Commercial Bank's Interest Rates (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 3.3: Commercial Bank's Interest Rates (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 3.4: Broad Money Supply and its Sources (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 3.5: CBL Bills (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 3.6: CBL Bills Q²-2021

CHAPTER IV

Table 4.1: Government Revenue (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 4.2: Government Expenditure (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 4.3: Liberia's Public Debt Statistics (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

CHAPTER V

Table 5.1: Balance of Payments Statistics (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 5.2: Gross International Reserves Position (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 5.3: Market Exchange Rate: Liberia Dollar (LD) per US Dollar (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 5.4: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2019-2021)

Table 5.5: Annual Directions of Trade (2nd Quarters, 2020; 1st & 2nd Quarters, 2021)

Table 1.1: Selected Global Output, 2020-2022

	2020	Projections		Difference from April 2021 WEO Projections 1/	
		2021	2022	2021	2022
World Output	-3.2	6.0	4.9	0.0	0.5
Advanced Economies	-4.6	5.6	4.4	0.5	0.8
United States	-3.5	7.0	4.9	0.6	1.4
Euro Area	-6.5	4.6	4.3	0.2	0.5
Germany	-4.8	3.6	4.1	0.0	0.7
France	-8.0	5.8	4.2	0.0	0.0
Italy	-8.9	4.9	4.2	0.7	0.6
Spain	-10.8	6.2	5.8	-0.2	1.1
Japan	-4.7	2.8	3.0	-0.5	0.5
United Kingdom	-9.8	7.0	4.8	1.7	-0.3
Canada	-5.3	6.3	4.5	1.3	-0.2
Other Advanced Economies 3/	-2.0	4.9	3.6	0.5	0.2
Emerging Market and Developing Economies	-2.1	6.3	5.2	-0.4	0.2
Emerging and Developing Asia	-0.9	7.5	6.4	-1.1	0.4
China	2.3	8.1	5.7	-0.3	0.1
India 4/	-7.3	9.5	8.5	-3.0	1.6
Latin America and the Caribbean	-7.0	5.8	3.2	1.2	0.1
Brazil	-4.1	5.3	1.9	1.6	-0.7
Middle East and Central Asia	-2.6	4.0	3.7	0.3	-0.1
Saudi Arabia	-4.1	2.4	4.8	-0.5	0.8
Sub-Saharan Africa	-1.8	3.4	4.1	0.0	0.1
Nigeria	-1.8	2.5	2.6	0.0	0.3
South Africa	-7.0	4.0	2.2	0.9	0.2
Commodity Prices (US dollars)					
Oil 7/	-32.7	56.6	-2.6	14.9	3.7
Consumer Prices					
Advanced Economies 8/	0.7	2.4	2.1	0.8	0.4
Emerging Market and Developing Economies 9/	5.1	5.4	4.7	0.5	0.3

Source: "International Monetary Fund. July 2021. World Economic Outlook: Managing Divergent Recoveries. Washington, DC,".

**Table 2.1: Key Agricultural Production
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**

Commodity	Unit	Q ² -2020	Q ¹ -2021	Q ² -2021
Rubber	Mt	15,013	21,255	19,337
Cocoa	Mt	1,821	2,276	1,027
Round Logs	M3	156,000*	174,109*	168,886*
Sawn Timber	Pcs	40,000*	49,438*	44,989*
Crude Palm Oil (CPO)	Mt	6,138	4,984	5,909

Source: Ministry of Commerce & Industry (MOCI); Liberia Produce & Marketing Corporation (LPMC); Forestry Development Authority (FDA)

* Projections

Table 2.2: Key Industrial Output
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)

Commodity	Unit	Q ² -2020	Q ¹ -2021	Q ² -2021
Gold	Ounce	35,088	66,263	43,059
Diamond	Carat	1,239	19,118	13,389
Iron Ore	Mt.	1,225,000	1,280,000	1,235,000
Cement	Mt.	97,995	139,400	133,576
Spirits	Litre	35,771	20,314	39,593
Beer	Litre	1,543,274	2,061,654	2,178,606
Stout	Litre	1,250,814	1,874,989	1,886,877
Malta	Litre	204,207	193,866	221,760
Soft Drinks	Litre	91,872	154,036	210,981
Oil Paint	Gal.	18,178	36,222	25,588
Water Paint	Gal.	17,142	31,357	18,305
Varnish	Gal.	5,884	10,848	8,388
Manoline Hair Grease	Kg	5,813	5,796	4,091
Thinner	Gal	3,745	7,890	6,799
Rubbing Alcohol	Litre	117,401	78,477	130,571
Soap	Kg	144,449	87,625	48,961
Chlorox	Litre	278,171	261,188	221,472
Candle	Kg	10,763	13,377	12,999
Mattresses	Pes.	22,027	35,305	33,235
Finished water	Gal.	364,747,444+	272,836,889+	198,424,691+
Mineral Water	Litre	94,606	104,482	108,560
Electricity	kW	61,228,330	62,994,590	64,360,140

Source: Ministry of Commerce & Industry (MOCI); Ministry of Lands, Mines & Energy; Liberia Water and Sewer Corporation

*Projections

+revised

Table 2.3: Consumption of Petroleum Products
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)

Commodity	Unit	Q ² -2020+	Q ¹ -2021	Q ² -2021
Premium Motor Spirit (PMS)	Gal.	4,683,955	5,438,760	6,696,669
Diesel (AGO)	Gal.	4,693,939	3,532,353	4,985,881
Total		9,377,894	8,971,113	11,682,550

Source: Liberia Petroleum Refining Company (LPRC)

+ = revised

**Table 2.4: Vessel Traffic and Cargo Movements
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
Q ² - 2020	113	4,343,211	525,149	1,438,224	1,963,373
Q ¹ -2021	97	3,198,472	864,186	1,324,461	2,188,647
Q ² -2021	83	3,059,981	578,275	980,258	1,558,533

Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons

**Table 2.5: Electric Power Developments
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(in Kilowatts)**

	Unit	Service	Generation
Q ² - 2020	kW	Electricity	61,228,330.0
Q ¹ -2021	kW	Electricity	62,994,590.0
Q ² -2021	kW	Electricity	64,360,140.0

Source: Liberia Electricity Corporation

Table 2.6: Headline and Quarterly changes in CPI (%)

		Headline Inflation (Y-on-Y changes)			Monthly Changes in HCPI (%)		
		Combined	Food	Non-Food	Combined	Food	Non-Food
2017	January	13.60	11.40	16.30	1.00	0.40	1.80
	February	13.30	9.90	12.10	-1.50	-3.80	-0.10
	March	11.90	4.70	14.10	0.60	-1.30	1.80
	April	11.50	6.80	14.10	-0.10	-0.60	0.20
	May	13.20	8.90	15.40	1.20	1.40	1.10
	June	10.80	7.10	20.10	3.00	2.40	3.30
	July	10.50	3.80	14.80	2.30	1.60	2.60
	August	12.30	5.40	17.20	2.20	2.70	1.90
	September	13.10	6.00	18.10	1.20	1.00	1.30
	October	11.90	4.20	25.80	0.50	0.40	0.50
	November	13.10	4.60	19.50	1.60	1.10	1.80
	December	13.90	4.60	20.10	1.20	-0.60	2.20
2018	January	15.50	8.00	20.00	2.40	3.70	1.70
	February	17.80	11.60	21.50	0.60	-0.70	1.20
	March	19.40	17.40	20.70	2.10	3.80	1.10
	April	21.40	20.10	22.10	1.40	1.70	1.30
	May	21.30	19.60	22.20	1.10	0.90	1.20
	June	24.50	22.40	25.80	5.80	4.90	6.30
	July	26.10	23.70	27.50	3.50	2.70	4.00
	August	26.10	23.30	27.70	2.20	2.40	2.00
	September	26.30	25.20	26.90	1.40	2.50	0.70
	October	26.60	24.20	27.90	0.70	-0.40	1.30
	November	27.10	24.90	28.30	2.00	1.80	2.10
	December	28.50	30.50	27.50	2.40	3.80	1.60
2019	January	23.30	30.20	19.72	-1.80	3.40	-4.50
	February	22.00	27.60	19.09	-0.50	-2.60	0.90
	March	25.80	23.40	27.03	5.30	0.40	7.90
	April	23.29	26.50	21.63	-0.59	4.25	-3.03
	May	28.74	29.86	28.17	5.58	3.60	6.66
	June	29.91	32.20	28.71	6.72	6.74	6.71
	July	29.87	31.76	28.85	3.51	2.36	4.11
	August	31.32	34.59	29.60	3.30	4.57	2.64
	September	30.90	33.18	29.72	1.05	1.43	0.84
	October	30.55	32.38	29.56	0.43	-1.02	1.20
	November	26.62	30.51	24.59	-1.10	0.34	-1.85
	December	20.25	23.04	18.81	-2.76	-2.13	-3.09
2020	January	23.56	22.18	24.33	0.93	2.73	-0.03
	February	25.76	25.26	26.02	1.28	-0.17	2.08
	March	21.72	30.48	17.31	1.88	4.59	0.42
	April	22.51	30.24	18.33	0.05	4.05	-2.19
	May	18.36	28.24	13.17	2.01	2.01	2.00
	June	13.14	21.08	8.96	2.00	0.75	2.74

2021	July	17.06	17.84	16.66	7.10	-0.38	11.47
	August	14.77	16.25	13.99	1.27	3.16	0.29
	September	14.03	14.09	14.00	0.39	-0.46	0.85
	October	13.85	14.85	13.33	0.27	-0.36	0.61
	November	10.39	13.96	8.50	-4.10	-0.44	-6.03
	December	13.12	15.74	11.72	-0.36	-0.60	-0.22
	January	12.92	16.31	11.06	0.75	3.23	-0.62
	February	10.50	10.48	10.51	-0.88	-5.16	1.58
	March	9.96	5.01	12.73	1.38	-0.59	2.43
	April	9.41	-2.53	16.52	-0.45	-3.42	1.10
	May	8.16	-4.04	15.43	0.86	0.47	1.05
	June	8.10	-3.95	15.15	1.94	0.84	2.49

Source: CBL & LISGIS, Monrovia, Liberia

**Table 2.7: Inflation by Sub-group
Year-on-Year Changes in CPI
(2020-2021)**

	Food	Weights	Inflation Rates			
			2020 Q ¹	2020Q ²	2021Q ¹	2021Q ²
	Bread and cereals	10.06	24.72	17.16	-6.95	-12.32
	Vegetables	4.38	52.69	20.30	12.03	3.08
	Meat	4.82	21.23	24.30	10.21	-0.39
	Non-Food					
	Alcoholic Beverages, Tobacco and Narcotics	0.65	26.27	15.40	-7.35	-8.99
	Clothing and footwear	5.21	19.13	8.14	-10.50	-7.61
	Housing, Water, Electricity, Gas and other fuels	7.22	13.59	8.25	9.69	0.44
	Furnishing, H/Hold Equip., Routine Maintenance of House	5.21	19.34	3.26	-2.59	7.92
	Health	9.28	13.01	17.51	50.19	40.59
	Transport	7.53	28.59	15.67	7.23	7.07
	Communication	3.86	2.00	7.99	-6.70	-8.00
	Recreation and Culture	1.03	18.35	10.96	-1.41	2.43
	Education	4.83	7.56	3.73	33.84	33.06
	Restaurant and Hotels	17.12	37.75	26.09	11.25	32.03
	Miscellaneous Goods and Services	3.98	19.59	3.89	-9.03	-12.60

Source: CBL & LISGIS, Monrovia, Liberia

Table 2.8: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(2nd Quarter 2020; 1st & 2nd Quarters, 2021)
(December, 2005=100)

FUNCTIONS	WEIGHTS	20-Jan	20-Feb	20-Mar	Q ¹ -2020	21-Jan	21-Feb	21-Mar	Q ¹ -2021	21-Apr	21-May	21-Jun	Q ² -2021
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	27.46	28.51	22.84	26.27	-6.49	-7.49	-8.05	-7.35	-6.89	-9.85	-10.24	-8.99
CLOTHING AND FOOTWEAR	5.21	18.64	22.85	15.9	19.13	-9.98	-9.46	-14.17	-7.87	-6.53	-8.13	-8.17	-7.61
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	16.42	17.05	7.3	13.59	6.82	10.28	9.61	9.19	2.83	-0.36	-1.13	0.44
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	26.4	26.2	5.42	19.34	-10.65	-8.71	11.58	-2.59	14.39	8.26	1.1	7.92
HEALTH	9.28	17.82	13.37	7.83	13.01	46.37	52.59	51.62	50.19	51.54	39.75	30.48	40.59
TRANSPORT	7.53	29.78	30.55	25.43	28.59	5.85	6.73	9.11	7.23	8.4	7.97	4.85	7.07
COMMUNICATION	3.86	22.48	23.88	13.64	20	-6.36	-6.86	-6.87	-6.7	-6.57	-9.81	-7.63	-8
RECREATION AND CULTURE	1.03	16.6	18.93	19.52	18.35	-1.6	-1.79	-0.83	-1.41	1.85	2.09	3.35	2.43
EDUCATION	4.83	7.18	7.78	7.72	7.56	34.75	33.52	33.24	33.84	33.17	33.08	32.92	33.06
RESTAURANTS AND HOTELS	17.12	37.29	44.65	31.32	37.75	13.66	10.41	9.69	11.25	25.67	31.6	38.82	32.03
MISCELLANEOUS GOODS AND SERVICES	3.89	21.93	21.9	14.93	19.59	-9.51	-9.12	-8.46	-9.03	-10.94	-12.86	-14.02	-12.6
GENERAL RATE OF INFLATION	100	23.56	25.76	21.72	23.68	12.92	10.5	9.96	11.13	9.41	8.16	8.1	8.55

Source: CBL & LISGIS, Monrovia, Liberia

**Table 3.1: Commercial Bank Loans by Economic Sectors
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of L\$)**

	2020		2021				Contribution to Credit Growth	
	Q ²	Share	Q ¹	Share	Q ²	Share	Q-o-Q	Y-o-Y
Agriculture	3,524.20	4.18	3,254.21	4.21	3,439.64	4.61	0.24	(0.10)
Extractive (Mining & Quarrying)	241.14	0.29	255.91	0.33	47.36	0.06	(0.27)	(0.23)
Manufacturing	1,693.92	2.01	2,188.03	2.83	2,302.49	3.09	0.15	0.72
Construction	7,545.25	8.95	7,657.65	9.91	6,937.56	9.30	(0.93)	(0.72)
Services	10,225.77	12.13	9,275.05	12.00	10,001.05	13.41	0.94	(0.27)
Trade	30,661.01	36.38	28,264.39	36.56	25,196.57	33.79	(3.97)	(6.48)
Personal	13,543.14	16.07	11,897.32	15.39	13,046.51	17.50	1.49	(0.59)
Gen. Government	882.37	1.05	68.22	0.09	16.63	0.02	(0.07)	(1.03)
Central Bank	-	-	-	-	-	-	-	-
Public Corporations	2,725.63	3.23	3,882.05	5.02	3,641.39	4.88	(0.31)	1.09
Oil and Gas	7,416.04	8.80	5,254.60	6.80	3,862.69	5.18	(1.80)	(4.22)
Others	5,820.32	6.91	5,306.98	6.87	6,078.48	8.15	1.00	0.31
Total Loan All Sectors (LD & USD)	84,278.79	100.00	77,304.41	100.00	74,570.37	100.00	(3.54)	(11.52)
<i>O/W TOTAL Private Sector (LD & USD)</i>	<i>80,670.79</i>	<i>95.72</i>	<i>73,354.13</i>	<i>94.89</i>	<i>70,912.35</i>	<i>95.09</i>	<i>(3.16)</i>	<i>(11.58)</i>

Source: Central Bank of Liberia

**Table 3.2: Commercial Bank's Interest Rates
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)**

	2020	2021	
	Q ²	Q ¹	Q ²
Avg. Lending Rate	12.44	12.44	12.44
Avg. Personal Loan Rate	12.78	12.78	12.78
Avg. Mortgage Rate	13.22	13.22	13.22
Avg. Time Deposit Rate	3.53	3.53	3.53
Avg. Savings Rate	2.10	2.10	2.10
Avg. Rate on CDs	3.25	3.25	3.25

Source: Central Bank of Liberia, Monrovia, Liberia

**Table 3.3: Commercial Bank's Interest Rates
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions LS)**

	2020	2021	
	2 nd Quarter	1 st Quarter	2 nd Quarter
Currency in Banks	1,499.48	1,860.71	1,624.91
Currency outside Banks	19,254.40	20,964.62	20,789.45
Currency in Circulation	20,753.88	22,825.33	22,414.36

Source: Central Bank of Liberia, Monrovia, Liberia

**Table 3.4: Broad Money Supply and its Sources
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of LS)**

Monetary Aggregates	2020		2021		Percentage Change	
	2 nd Quarter	1 st Quarter	2 nd Quarter	Q-o-Q	Y-o-Y	
1.0 Money Supply M2 (1.1 + 1.2)	128,400.28	135,512.02	143,516.16	5.91	11.77	
1.1 Money Supply M1	82,459.37	95,587.68	95,946.45	0.38	16.36	
1.1.1 Currency outside banks	19,254.40	20,964.62	20,789.45	-0.84	7.97	
1.1.2 Demand deposit <i>1/</i>	63,204.97	74,623.06	75,156.99	0.72	18.91	
1.2 Quasi Money	45,940.91	39,924.33	47,569.71	19.15	3.55	
1.2.1 Time & Savings deposits	45,457.36	39,527.97	45,629.89	15.44	0.38	
1.2.2 Other deposits <i>2/</i>	483.55	396.37	1,939.82	389.40	301.17	
2.0 Net Foreign Assets	16,637.30	14,602.56	28,737.52	96.80	72.73	
2.1 Central Bank	(5,022.26)	(7,401.02)	(1,440.02)	-80.54	-71.33	
2.2 Banking Institutions	21,659.57	22,003.58	30,177.55	37.15	39.33	
3.0 Net Domestic Assets (1 - 2)	111,762.98	120,909.46	114,778.63	-5.07	2.70	
3.1 Domestic Credit	187,840.83	183,665.77	179,614.18	-2.21	-4.38	
3.1.1 Government (net)	92,178.88	92,921.39	90,493.61	-2.61	-1.83	
3.1.2 Pvt. Sector & Other Pvt.	95,661.95	90,744.38	89,120.57	-1.79	-6.84	
3.2 Other assets Net (3 - 3.1)	76,077.84	62,756.31	64,835.55	3.31	-14.78	
Memorandum Items						
1. Overall Liquidity	128,400.28	135,512.02	143,516.16	5.91	11.77	
2. Reserve Money	41,907.26	43,196.13	44,748.42	3.59	6.78	
Currency outside banks	19,254.40	20,964.62	20,789.45	-0.84	7.97	
Banks Reserves	22,169.31	21,835.15	22,019.14	0.84	-0.68	
Other Deposits at CBL	483.55	396.37	1,939.82	389.40	301.17	

Source: Central Bank of Liberia

1/Excludes managers cheques from commercial banks

2/ Includes official and managers checks issued by the Central Bank

Table 3.5: CBL Bills
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of L\$)

2nd Quarter, 2021			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
02-Apr-21	25-Jun-21	1.11	0.86
1 MONTH			
02-Apr-21	25-Jun-21	6,390.32	1.88
3 MONTHS			
02-Apr-21	25-Jun-21	4,962.66	5.74
Total Amount Issued		11,354.09	
1st Quarter, 2021			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
15-Jan-21	21-Mar-21	5.75	0.86
1 MONTH			
08-Jan-21	23-Apr-21	7,406.62	1.88
3 MONTHS			
08-Jan-21	25-Jun-21	3,489.52	5.74
Total Amount Issued		10,901.89	
2nd Quarter, 2020			
First Issuance Date	Last Maturity Date	Amount Issued	Average Interest Rate (%)
2 WEEKS			
03-Apr-20	10-Jul-20	7,095.88	0.93
1 MONTH			
03-Apr-20	24-Jul-20	4,416.08	2.08
3 MONTHS			
03-Apr-20	25-Sep-20	1,444.51	6.21
Total Amount Issued		12,956.47	

Source: Central Bank of Liberia

**Table 3.6: CBL Bills, Q²-2021
(In Millions of LS)**

2nd Quarter, 2021				
COMMERCIAL BANK ISSUANCE: 2 WEEKS				
Issuance Date	Maturity Date	Unsubscribed Amount	Amount Issued	Interest Rate (%)
COMMERCIAL BANK ISSUANCE: 3 MONTHS				
02-Apr-21	02-Jul-21	364.00	336.00	5.74
08-Apr-21	09-Jul-21	477.60	322.40	5.74
16-Apr-21	16-Jul-21	292.22	407.78	5.74
23-Apr-21	23-Jul-21	380.00	100.00	5.74
30-Apr-21	30-Jul-21	498.00	152.00	5.74
07-May-21	06-Aug-21	468.90	201.10	5.74
13-May-21	13-Aug-21	41.00	409.00	5.74
21-May-21	20-Aug-21	100.00	200.00	5.74
28-May-21	27-Aug-21	350.00	150.00	5.74
04-Jun-21	03-Sep-21	486.45	113.55	5.74
11-Jun-21	10-Sep-21	10.00	1,750.00	5.74
18-Jun-21	17-Sep-21	260.00	400.00	5.74
25-Jun-21	24-Sep-21	500.00	300.00	5.74
			4,841.83	5.74
COMMERCIAL BANK ISSUANCE: 1 MONTH				
02-Apr-21	30-Apr-21	300.00	700.00	1.88
08-Apr-21	07-May-21	125.00	875.00	1.88
16-Apr-21	13-May-21	45.00	455.00	1.88
23-Apr-21	21-May-21	58.50	341.50	1.88
30-Apr-21	28-May-21	50.00	700.00	1.88
07-May-21	04-Jun-21	28.00	952.00	1.88
13-May-21	11-Jun-21	450.00	150.00	1.88
21-May-21	18-Jun-21	320.00	80.00	1.88
28-May-21	25-Jun-21	150.00	650.00	1.88
04-Jun-21	02-Jul-21	455.00	345.00	1.88
11-Jun-21	09-Jul-21	615.00	85.00	1.88

18-Jun-21	16-Jul-21	400.00	200.00	1.88
25-Jun-21	23-Jul-21	25.00	825.00	1.88
			6,358.50	1.88
RETAIL INVESTORS VIA COMMERCIAL BANKS: 3 MONTHS				
02-Apr-21	02-Jul-21	85.16	14.84	5.74
08-Apr-21	09-Jul-21	198.66	1.34	5.74
16-Apr-21	16-Jul-21	81.38	18.62	5.74
23-Apr-21	23-Jul-21	96.37	3.63	5.74
30-Apr-21	30-Jul-21	92.22	7.78	5.74
07-May-21	06-Aug-21	92.20	7.80	5.74
13-May-21	13-Aug-21	47.55	2.45	5.74
21-May-21	20-Aug-21	99.20	0.80	5.74
28-May-21	27-Aug-21	89.17	10.83	5.74
04-Jun-21	03-Sep-21	89.67	10.33	5.74
11-Jun-21	10-Sep-21	23.44	16.56	5.74
18-Jun-21	17-Sep-21	89.27	10.73	5.74
25-Jun-21	24-Sep-21	84.86	15.14	5.74
			120.83	5.74
RETAIL INVESTORS VIA COMMERCIAL BANKS: 1 MONTH				
02-Apr-21	30-Apr-21	297.55	2.45	1.88
08-Apr-21	07-May-21	399.00	1.00	1.88
16-Apr-21	13-May-21	499.09	0.91	1.88
23-Apr-21	21-May-21	399.34	0.67	1.88
30-Apr-21	28-May-21	249.65	0.35	1.88
07-May-21	04-Jun-21	16.37	3.63	1.88
13-May-21	11-Jun-21	200.00	-	1.88
21-May-21	18-Jun-21	88.00	12.00	1.88
28-May-21	25-Jun-21	93.99	6.01	1.88
04-Jun-21	02-Jul-21	96.96	3.04	1.88
11-Jun-21	09-Jul-21	98.52	1.48	1.88
18-Jun-21	16-Jul-21	100.00	-	1.88
25-Jun-21	23-Jul-21	109.73	0.27	1.88

			31.82	1.88
RETAIL INVESTORS VIA COMMERCIAL BANKS: 2 WEEKS				
02-Apr-21	16-Apr-21	6.06	0.40	0.09
08-Apr-21	23-Apr-21	18.53	-	0.09
16-Apr-21	30-Apr-21	35.71	-	0.09
23-Apr-21	07-May-21	2.74	-	0.09
30-Apr-21	13-May-21	5.96	-	0.09
07-May-21	21-May-21	8.54	-	0.09
13-May-21	28-May-21	32.26	-	0.09
21-May-21	04-Jun-21	33.19	-	0.09
28-May-21	11-Jun-21	41.36	0.58	0.09
04-Jun-21	18-Jun-21	4.18	-	0.09
11-Jun-21	25-Jun-21	21.33	-	0.09
18-Jun-21	02-Jul-21	4.22	-	0.09
25-Jun-21	09-Jul-21	7.83	0.13	0.09
			1.11	0.09
Total Amount Issued			11,354.09	

Source: Central Bank of Liberia

Table 4.1: Government Revenue
(1st Quarter 2020; 1st & 2nd Quarters, 2021)

Fiscal Operations	Q ² -20	Q ¹ -21	Q ² -21	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Government Revenue	159.14	142.51	223.46	56.80	40.41
Tax Revenue	88.41	105.81	128.20	21.16	45.01
o/w Taxes on Income & Profits	35.23	43.97	52.68	19.79	49.52
o/w Taxes on International Trade	36.02	49.12	53.58	9.06	48.76
Non-tax Revenue	14.86	18.41	36.35	97.44	144.57
o/w Property Income	13.08	14.18	31.93	125.20	144.04
o/w Administrative Fees & Penalties	1.78	4.23	4.42	4.46	148.35
Other Revenue (Grants, Borrowings & etc.)	55.88	18.29	58.92	222.08	5.44
Memorandum Items					
Total Revenue (% of GDP)	5.24	4.69	6.64		
Tax Revenue (% of GDP)	2.91	3.48	3.81		
Non-tax Revenue (% of GDP)	0.49	0.61	1.08		
Other Revenue (% of GDP)	1.84	0.60	1.75		
<i>GDP (In Millions of USD)</i>	3,037.00	3,037.00	3,363.00		

Source: CBL's computation using MFDP data

r: revised

Table 4.2: Government Expenditure
(1st Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of USD)

Fiscal Operations	Q ² -2020 ^r	Q ¹ -2020 ^r	Q ² -2021	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Expenditure	163.55	167.83	151.33	(9.84)	(7.48)
Current Expenditure	153.37	134.04	119.42	(10.90)	(22.14)
o/w Employee Compensation	79.61	56.80	53.70	(5.45)	(32.54)
o/w Goods & Services	57.45	50.98	50.38	(1.19)	(12.31)
Capital Expenditure	0.20	0.93	0.80	(14.60)	292.96
Payments Loan & Interest & other Charges	9.98	32.86	31.11	(5.34)	211.80
Memorandum Items					
Total Expenditure (% of GDP)	5.39	4.99	4.50		
Current Expenditure (% of GDP)	5.05	3.99	3.55		
Capital Expenditure (% of GDP)	0.01	0.03	0.02		
Payments Loan, Interest & other Charges (% of GDP)	0.33	0.98	0.93		
<i>GDP (In Millions of USD)</i>	3,037.00	3,363.00	3,363.00		

Source: CBL's computation using MFDP data

r: revised

Table 4.3: Liberia's Public Debt Statistics
(1st Quarter, 2020; 1st & 2nd Quarters, 2021)
(In Millions of USD)

Fiscal Operations	Q1-2020	Q4-2020	Q1-2021	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Debt Stock	1508.45	1639.61	1673.51	2.07	10.94
External	914.32	964.22	982.75	1.92	7.48
o/w Multilateral	800.37	851.54	869.34	2.09	8.62
o/w Bilateral	113.95	112.68	113.41	0.65	(0.47)
Domestic	594.13	675.39	690.76	2.27	16.26
o/w Financial Institutions	543.39	622.96	620.22	(0.44)	14.14
o/w CBL	487.48	525.48	525.48	0.00	7.80
o/w Commercial Banks	55.90	97.47	94.73	(2.81)	69.46
o/w Other Debts	50.75	52.44	70.54	34.52	39.01
Debt Service	23.58	14.14	19.82	40.19	(15.96)
o/w Interest	9.41	6.06	0.74	(87.75)	(92.11)
o/w Principal Repayment	14.17	8.08	19.08	136.23	34.61
Memorandum Items					
Total Debt Stock (% of GDP)	49.67	48.75	49.76		
External (% of GDP)	30.11	28.67	29.22		
Domestic Debt (% of GDP)	19.56	20.08	20.54		
Debt Service (% of GDP)	0.78	0.42	0.59		
GDP (In Millions of USD)	3,037.00	3,363.00	3,363.00		

Source: CBL's computation using MFDP data

Table 5.1: Balance of Payments Statistics
2nd Quarter, 2020; 1st & 2nd Quarters, 2021
(In Million USD)

Account Description	2020	2021	
	Q – 2a	Q – 1r	Q – 2p
Current account (CA)	(133.36)	(55.31)	(172.44)
Credit	227.12	352.37	306.65
Debit	360.48	407.68	479.09
Goods and services	(159.11)	(109.56)	(230.44)
Credit	140.28	259.08	186.55
Debit	299.39	368.64	416.99
Goods (net): surplus (+)/ deficit (-)	(86.67)	(23.27)	(154.84)

Credit (Exports)	137.24	258.86	186.35
Iron ore	71.26	121.33	84.98
Rubber	14.98	24.71	22.19
Mineral (Gold & Diamond)	46.33	103.06	68.20
Palm oil	0.37	2.40	1.69
Other exports (excluding gold)	4.30	7.36	9.29
Debit (Imports)	223.91	282.13	341.19
Food and Live Animals (including Animals & Vegetable Oil)	50.12	89.77	100.10
<i>O/w Rice</i>	3.65	43.51	44.74
Minerals, Fuel, Lubricants	61.19	40.13	31.98
<i>O/w Petroleum Products</i>	55.29	30.12	16.77
Machinery & Transport Equipment	42.63	79.59	101.90
Manufactured goods classified by materials	21.71	29.28	46.23
Other Imports	48.26	43.36	60.99
General merchandise on a balance of payments basis	(131.60)	(122.46)	(219.34)
Credit	92.31	159.67	121.85
Debit	223.91	282.13	341.19
Of which Re-exports (credit)	0.00	0.00	0.00
Nonmonetary Gold (credit)	44.93	99.18	64.49
Services	(72.44)	(86.29)	(75.60)
Credit	3.04	0.22	0.20
Debit	75.48	86.51	75.80
Primary Income	(27.11)	(12.39)	(21.75)
Credit	5.74	5.74	5.59

Debit	32.85	18.14	27.34
Secondary Income	52.86	66.65	85.89
Credit	81.10	87.55	114.51
Debit	28.24	20.90	28.62
Capital Account (KA)	93.33	102.86	111.43
Credit	93.00	102.86	111.43
Debit	0.00	0.00	0.00
Net Lending (+)/Net Borrowing (-) balance from CA & KA	(40.03)	47.55	(61.01)
Financial Account (FA)			
Net Lending (+)/Net Borrowing (-) balance from FA	(65.48)	(34.10)	38.41
Direct investment	(26.39)	(26.44)	(27.56)
Net acquisition of financial assets	0.00	0.00	0.00
Net incurrence of liabilities	26.39	26.44	27.56
Other investment	(38.10)	(0.46)	42.15
Net acquisition of financial assets	13.03	14.69	50.55
Net incurrence of liabilities	51.13	15.15	8.39
Reserve assets	(0.99)	(7.20)	23.82
NET ERRORS & OMISSIONS	(25.44)	(81.66)	99.43
Overall Balance	0.99	7.20	(23.82)
MEMORANDUM ITEMS			
Gross Foreign Reserves Position	255.38	299.26	302.50
Import Payments (cif)	245.51	312.51	378.62
<i>Months of Imports Cover††</i>	2.5	2.4	2.3
Current Account Bal. (% of GDP)	(4.39)	(1.64)	(5.13)
Current Account Bal. excluding Grants (% of GDP)	(4.63)	(1.71)	(5.54)
Trade (in goods) Deficit % of GDP	(2.85)	(0.69)	(4.60)
Capital Account Bal. (% of GDP)	3.07	3.06	3.31
Financial Account Bal. (% of GDP)	2.16	1.12	1.14
Nominal GDP†	3,037.00	3,363.00	3,363.00

Source: Central Bank of Liberia staff

Table 5.2: Gross International Reserves Position
2nd Quarter, 2020; 1st & 2nd Quarters, 2021
(In Million USD, except otherwise stated)

International Reserves ^{/1}	2020	2021 ^p		2021Q-2/2021Q-1	
	Q – 2a	Q – 1r	Q – 2p	% Change	Val. Change
Gross	255.38	299.26	302.50	1.08	3.23
Net	5.61	9.63	27.35	184.10	17.73
Month of Imports cover	2.5	2.4	2.3		

Source: Central Bank of Liberia

a – actual value

p – preliminary, value is at end-November 2019

r - revised

/1 Gross International Reserve = CBL liquid foreign assets less net liquid liabilities to government and commercial banks plus SDR including Reserve Tranche. GIR was revised based on ECF Program but is not based on the flat exchange rate.

Table 5.3: Market Exchange Rate: Liberia Dollar (LD) per US Dollar
(2nd Quarter, 2020; 1st & 2nd Quarters, 2021)
(Value In LS)

	2020		2021		% Change: Depreciation (-) & Appreciation (+)	
	2 nd Quarter	1 st Quarter	2 nd Quarter	Q-o-Q	Y-o-Y	
Market Rate End of Period	199.40	173.01	171.42	0.93	16.32	
Market Rate Period Average	198.56	171.53	171.88	-0.21	15.52	
<i>Buying</i>	<i>197.92</i>	<i>170.79</i>	<i>171.17</i>	<i>-0.22</i>	<i>15.63</i>	
<i>Selling</i>	<i>199.20</i>	<i>172.26</i>	<i>172.58</i>	<i>-0.18</i>	<i>15.43</i>	

Source: Central Bank of Liberia

/1 – Period Average Exchange Rate is the average of both the buying & selling rates of the Liberian Dollar relative to the US\$

Table 5.4: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2019-2021)

Period Average	2019		2020		2021	
	Buying	Selling	Buying	Selling	Buying	Selling
January	158.97	159.97	191.24	192.89	167.79	169.32
February	160.65	161.44	195.85	197.67	171.82	173.29
March	161.74	162.69	197.02	198.64	172.76	174.18
April	165.91	166.82	197.41	198.83	171.79	173.22
May	180.72	181.75	197.84	199.10	171.03	172.42
June	193.65	195.10	198.52	199.67	170.69	172.09
July	199.51	201.08	198.64	199.81		
August	211.74	209.18	198.65	199.84		
September	207.74	209.18	198.39	199.62		
October	210.40	211.88	192.59	193.85		
November	198.69	200.91	162.10	163.47		
December	187.51	189.28	160.76	162.34		
Q1	160.45	161.37	194.70	196.40	170.79	172.26
Q2	180.09	181.22	197.92	199.20	171.17	172.58
Q3	206.33	206.48	198.56	199.76		
Q4	198.87	200.69	171.82	173.22		
Yearly Ave	186.44	187.44	190.75	192.14	170.98	172.42

Source: Central Bank of Liberia

**Table 5.5: Annual Directions of Trade
2nd Quarter, 2020; 1st & 2nd Quarters, 2021
(In Million USD, except otherwise stated)**

Direction of Trade by Region	Q – 2a		Q – 1r		Q – 2p	
	Export	Import	Export	Import	Export	Import
Africa	0.98	67.35	3.40	49.25	1.33	34.00
o/w ECOWAS	0.93	62.30	2.51	38.67	0.68	27.62
o/w NC ¹	0.10	57.00	0.47	33.48	0.00	22.07
o/w Sierra Leone	0.10	0.81	0.29	1.13	0.00	0.81
o/w Cote D'Ivoire	0.00	55.92	0.18	30.62	0.00	20.38
Asia	42.42	102.36	8.55	173.93	9.90	226.95
o/w India	0.00	15.58	0.40	70.39	0.00	104.51
o/w China	32.85	31.74	0.10	40.82	1.63	49.17

o/w ME ² Countries	6.13	11.57	3.14	10.24	3.58	20.24
o/w UAE	4.73	3.77	2.18	3.78	3.03	8.62
Europe	83.13	31.69	226.83	33.99	159.84	51.33
o/w Switzerland	40.20	0.45	98.27	0.68	62.60	0.66
o/w Netherland	2.08	4.16	1.43	4.13	0.90	10.59
o/w Eurozone	42.52	19.51	12.52	25.54	13.74	35.31
o/w France	13.56	1.46	44.03	2.69	36.10	2.40
N. America & The Caribbean	5.93	15.54	16.92	16.38	12.18	15.79
o/w USA	5.93	14.46	16.92	14.72	12.16	14.02
South & Central America	0.18	6.65	0.52	7.80	0.18	9.62
o/w Mexico	0.18	0.64	0.52	0.65	0.18	0.77
o/w Brazil	0.00	4.78	0.00	4.40	0.00	7.27
Oceania	0.00	0.32		0.78	0.02	3.50
o/w Australia	0.00	0.18	0.00	0.52	0.01	3.03
Other Countries (n.i.e)	4.60	0.00	2.64	0.00	2.90	0.00
Total of DOT	137.24	223.91	258.86	282.13	186.35	341.19

Source: Central Bank of Liberia

