

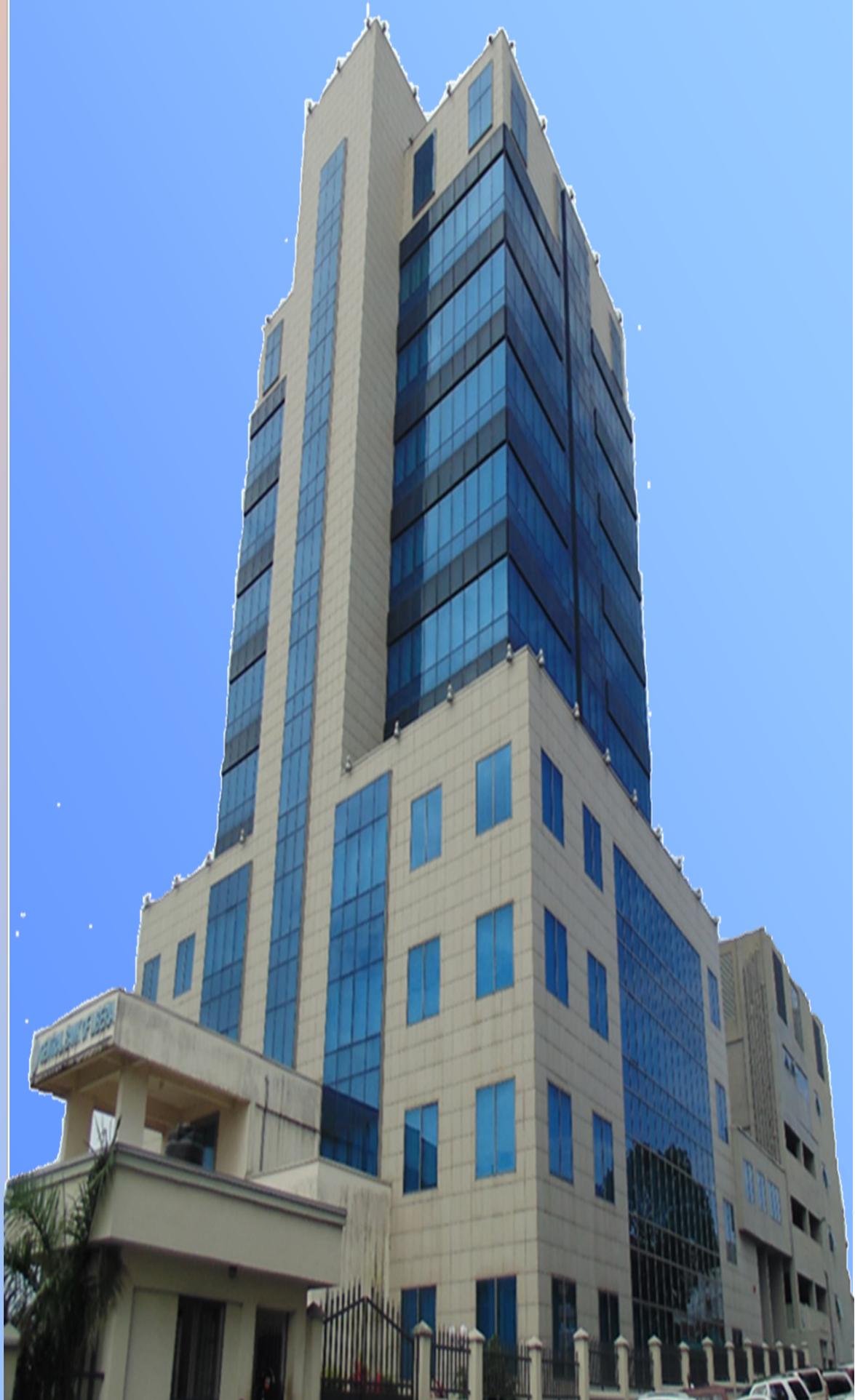


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OVERVIEW

The global economy in the fourth quarter of 2023 recorded a slight expansion by 0.1 percentage point to 3.1 percent, from 3.0 percent in the third quarter amidst diverse uncertainties. Despite supply chain disruptions and inflationary pressures, supportive fiscal and monetary policies contributed to gradual economic recovery worldwide. Notably, the United States and major emerging markets showed robust performance.

Advanced economies recorded modest output growth of 1.6 percent, driven mainly by the United States and Germany, while the Euro Area registered a slight decline. Japan faced challenges with deflationary pressures. The United Kingdom and Canada maintained stable growth, while Spain exhibited resilience, despite minor setbacks.

Emerging markets sustained growth momentum with overall output increasing by 0.1 percentage point driven by development particularly in Asia and Latin America. China and India showed steady expansion, while Brazil and Mexico recorded moderate growth, despite inflationary and political uncertainties. The Sub-Saharan Africa region maintained steady growth at 3.3 percent in both quarters, with Nigeria and South Africa facing relative decline due to various economic challenges.

Global consumer prices moderated slightly largely due to stable commodity prices, improved supply chains, and policy interventions. Advanced economies and emerging markets both recorded a decrease in headline inflation.

The global economic outlook for the first quarter of 2024 reflects cautious optimism about further expansion in economic activity, with continued policy support, and supply chain improvements expected to drive recovery. However, geopolitical tensions, inflation, and pandemic uncertainties would require vigilant monitoring and adaptive policy responses.

On the domestic front, the Liberian economy was on track to meet the projected growth of 4.6 percent in 2023, from estimated growth of 4.8 recorded in 2022, primarily on account of slowdowns in the primary sector. The secondary and tertiary sectors showed optimism of support to achieving the annual growth, with expectations for further improvement in 2024, despite risks of supply chain disruptions and energy price increases.

During the review quarter, various agricultural products indicated mixed growth rates, with rubber, cocoa, and sawn timber registering increases, while crude palm oil production declined. Similarly, mining and manufacturing sectors also exhibited mixed performances, with increases in iron ore and cement production. However, diamond and crude palm oil (CPO) production declined.

Consumption of petroleum product recorded significant increase during the quarter mainly driven strong demand induced by political activity. Statistics showed that intra trading activities improved during the fourth quarter as the number of vessels that docked at Liberian ports increased, particularly at the Port of Harper.

During the review period, domestic price developments improved with a slight moderation in headline inflation attributed to tight monetary policy and decreased global commodity prices. In terms of Inflation by Group, statistics during the quarter showed mixed trends in price movements across different consumer basket groups. Inflation outlook for 2024 shows projected increase in headline inflation for the first quarter, contingent on various domestic and international factors.

The Central Bank of Liberia (CBL) monetary policy stance remained focused on liquidity management throughout the fourth quarter of 2023, aimed at stabilizing domestic price fluctuations by targeting monetary aggregates. Key monetary policy tools used during the quarter included CBL bills and the Required Reserve Ratio (RRR).

In the fourth quarter 2023, the banking industry showed stability and growth, including the increases in total assets, deposits, and capital. Total capital increased by 3.91 percent, from the previous quarter and 24.10 percent year-on-year, with most banks meeting the regulatory requirements. Total assets grew by 8.13 percent quarter-on-quarter and 41.60 percent year-on-year. In contrast, total loans & advances decreased slightly, while non-performing loans (NPLs) increased, mainly in the Extractive and Oil & Gas sectors. However, liquidity ratios remained above regulatory requirements, despite a decrease in total liquid assets.

In terms of profitability, gross operating income increased by 37.70 percent from the previous quarter and 35.06 percent year-on-year, driven by investment income and fees. Total operating expenses rose by 35.70 percent quarter-on-quarter and 17.68 percent year-on-year. Similarly, net operating profit after tax increased by 36.75 percent from the previous quarter and 61.63 percent

compared to the corresponding period in 2022. Also, return on assets (ROA) and return on equity (ROE) increased compared to the corresponding quarter in 2022.

Total loans and advances, during the fourth quarter of 2023 decreased by 2.0 percent from the previous quarter but grew by 19.6 percent year-on-year. Sectoral analysis showed growth in loans to Construction, Agriculture, and Services, while credits to Individuals, Oil & Gas, and Trade decreased. To this end, the US-dollar component of loans declined, while the Liberian dollar component grew. However, interest rates remained unchanged on average compared to the third quarter of 2023 but increased year-on-year. The spread between lending and saving rates remained stable.

The stock of Liberian dollars in circulation increased by 7.6 percent from the previous quarter, mainly driven by currency outside banks. The share of Liberian dollars in circulation relative to broad money declined slightly by 14.1 percent, from 14.4 percent recorded in the third quarter of 2023. Narrow money supply (M1) expanded by 12.7 percent quarter-on-quarter and 50.3 percent year-on-year. Broad money supply (M2) increased by 9.2 percent quarter-on-quarter and 44.4 percent year-on-year, influenced by both domestic and foreign assets.

The Government of Liberia (GOL) fiscal operations during the review quarter showed a widening deficit in the overall balance, attributed to a reduction in total revenue exceeding the decline in total expenditure. Government revenue decreased by 28.2 percent from the previous quarter, mainly due to decreases in tax revenue and other revenues. Government expenditure decreased by 12.5 percent, primarily in recurrent and capital expenditures. Public debt increased substantially, both externally and domestically, constituting 54.0 percent of GDP at the end of December 2023.

The external sector faced significant challenges in the fourth quarter of 2023, with the current account deficit widening substantially. The capital account surplus decreased due to reductions in capital transfers, while net borrowing in the financial account also decreased. Overall, the Balance of Payments (BoP) recorded a deficit, reflecting a decline in gross international reserves (GIR).

The current account deficit, during the quarter, expanded to US\$330.6 million (7.6% of GDP) from US\$87.2 million (2.0% of GDP) in the previous quarter, primarily due to deteriorations in the trade and services deficits. The merchandise trade deficit grew significantly to US\$420.6 million (9.7% of GDP), driven by increased import payments. Total merchandise exports increased slightly, while

import payments rose substantially. The services account deficit increased slightly to US\$62.6 million (1.2% of GDP), mainly due to higher payments for transport and insurance services. The deficit in the primary income balance decreased slightly to US\$28.7 million (0.7% of GDP), primarily driven by a decrease in investment income. Net inflows from the secondary income account grew to US\$181.3 million (4.2% of GDP), largely due to an increase in personal remittances.

The surplus in the capital account decreased, reflecting a decline in capital transfers through investment grants. Financial account inflows decreased significantly, primarily due to a contraction in direct investment inflows and growth in other investment outflows. Direct investment inflows contracted, mainly attributed to election-related uncertainties.

Other investment inflows recorded net lending on account of currency and deposits held abroad. Gross international reserves fell to US\$451.0 million (10.4% of GDP), below the ECOWAS regional benchmark, mainly due to depreciation in foreign liquid assets and growth in net liquid US dollar denominated liabilities.

I. DEVELOPMENTS IN THE GLOBAL ECONOMY

1.1 Introduction

The global economy remained characterized by uncertainty, amidst geopolitical tension in Eastern Euro with divergent performances across regions and economies. Global output slightly expanded by 0.1 percentage point, rising from 3.0 percent in the third quarter to 3.1 percent in the fourth of 2023. This marginal improvement underscores the ongoing recovery from the economic downturn induced by the COVID-19 pandemic and geo-political conflict. Despite persistent challenges such as supply chain disruptions and inflationary pressures, supportive fiscal and monetary policies have contributed to the gradual revival of economic activity worldwide. This development is highly pronounced in the United States, and several major emerging markets and developing economies, as well as fiscal support in China.

1.2 Advanced Economies

Advanced economies exhibited a modest increase in output growth, with the aggregate rising from 1.5 percent to 1.6 percent suggesting a modest acceleration in economic expansion across these economies between the third and fourth quarters of 2023. This growth was primarily driven by the strong performance of key advanced economies including the United States (US) and Germany. Notably, the United States recorded a notable improvement, with output growth expanding by 0.4 percentage point to 2.5 percent. This robust performance was fueled by strong consumer spending, buoyant labor market conditions, and fiscal stimulus measures. Conversely, the Euro Area recorded a slight decline in output growth, contracting by 0.2 percentage point to 0.5 percent in the fourth quarter. Factors contributing to the decline include supply chain disruptions, weakening consumer confidence, subdued industrial activity, and geopolitical uncertainties largely evidenced in Germany and France. Japan recorded a modest decline in growth, contracting from 2.0 percent to 1.9 percent in the fourth quarter of 2023, reflecting challenges in overcoming deflationary pressures and sluggish domestic demand. Both the United Kingdom (UK) and Canada maintained stable output growth, with no significant changes observed during the fourth quarter compared to the third quarter of the same year. UK output growth remained at 0.5 percent, while Canada recorded a slight decrease from 1.3 percent to 1.1 percent during the review period. Spain, despite recording a marginal decrease in output from 2.5 percent to 2.4 percent, continued to exhibit robust economic growth driven by strong exports, resilient domestic demand, and ongoing structural reforms.

1.3 Emerging Market and Developing Economies

Emerging Markets and Developing Economies continued to demonstrate resilience, and sustained their growth momentum, with overall output increasing by 0.1 percentage point from 4.0 percent in the third quarter of 2023 to 4.1 percent in the fourth quarter. This growth was driven by robust performance in the regions such as Asia and Latin America. China, the world's second-largest economy, continued its steady expansion, with output rising by 0.2 percentage point to 5.2 percent in the fourth quarter of 2023. Strong domestic consumption and investment fueled China's growth engine. India recorded significant growth, with its output increasing by 0.4 percentage point to 6.7 percent during the review quarter, driven by strong agricultural output, government infrastructural spending, and a rebound in consumer demand. Latin American countries like Brazil and Mexico also recorded moderate growth, driven by improved external demand and favorable commodity prices. However, economic challenges persisted, including inflationary pressures and political uncertainties, affecting investor sentiment and growth prospects.

1.4 Sub-Saharan Africa

The Sub-Saharan Africa region maintained a steady output growth rate of 3.3 percent in both quarters, reflecting resilience amidst various socio-economic challenges. Nigeria, a key economy in the region, recorded a slight decrease in output growth from 2.9 percent in the third quarter to 2.8 percent in the fourth quarter, driven by factors such as security concerns and fluctuations in oil prices. South Africa, another major economy in the region encountered a more significant decline in output growth, dropping from 0.9 percent in the third quarter to 0.6 percent in the last quarter of 2023, reflecting structural challenges and subdued domestic demand.

1.5 Global Inflation

Global consumer prices marginally moderated, with inflation easing from 6.9 percent in the third quarter to 6.8 percent reported in the fourth quarter of 2023. This slight moderation in inflationary pressures is attributed to various factors, including stable commodity prices, improved supply chain dynamics, and central bank interventions. Advanced economies maintained stable consumer price levels, with no change in headline inflation from 4.6 percent in the third quarter to 4.6 percent in the fourth quarter of 2023. Despite ongoing challenges such as supply chain disruptions and labor shortages, concerted policy measures helped to stabilize price levels. Emerging Markets and developing economies experienced a slight

decrease in headline inflation from 8.5 percent in the third quarter to 8.4 percent reported in the last quarter of 2023. While inflation remained elevated, this marginal decrease of 0.1 percentage point signals efforts because of monetary and fiscal interventions.

The global economic outlook towards the first quarter of 2024 reflects cautious optimism tempered by persistent challenges. Continued vaccination efforts, policy support, and gradual easing of supply chain constraints are expected to be paramount for economic recovery and growth sustainability. However, risks such as geopolitical tensions, inflationary pressures, and uncertainty surrounding pandemic developments require vigilant monitoring and adaptive policy responses. Advanced economies may face pressures to tighten monetary policy to combat inflation while emerging markets need to balance growth objectives with inflation containment measures.

Table 1.1: Selected Global Output and Inflation, 2022-2024

	Estimates		Projections	Difference from January 2023 WEO Update	
	2022	2023	2024	2023	2024
World Output	3.5	3.1	3.1	0.1	0.2
Advanced Economies	2.6	1.6	1.5	0.1	0.1
United States	1.9	2.5	2.1	0.4	0.6
Euro Area	3.4	0.5	0.9	-0.2	-0.3
Germany	1.8	-0.3	0.5	0.2	-0.4
France	2.5	0.8	1.0	-0.2	-0.3
Italy	3.7	0.7	0.7	0.0	0.0
Spain	5.8	2.4	1.5	-0.1	-0.2
Japan	1.0	1.9	0.9	-0.1	-0.1
United Kingdom	4.3	0.5	0.6	0.0	0.0
Canada	3.8	1.1	1.4	-0.2	-0.2
Other Advanced Economies	2.7	1.7	2.1	-0.1	-0.1
Emerging Market and Developing Economies	4.1	4.1	4.1	0.1	0.1
Emerging and Developing Asia	4.5	5.4	5.2	0.2	0.4
China	3.0	5.2	4.6	0.2	0.4
India	7.2	6.7	6.5	0.4	0.2
Latin America and the Caribbean	4.2	2.5	1.9	0.2	-0.4
Brazil	3.0	3.1	1.7	0.0	0.2
Mexico	3.9	3.4	2.7	0.2	0.6
Middle East and Central Asia	5.5	2.0	2.9	0.0	-0.5
Saudi Arabia	8.7	-1.1	2.7	-1.9	-1.3
Sub-Saharan Africa	4.0	3.3	3.8	0.0	-0.2
Nigeria	3.3	2.8	3.0	-0.1	-0.1
South Africa		0.6	1.0	-0.3	-0.8
World Consumer Prices	8.7	6.8	5.8	-0.1	0.0
Advanced Economies	7.3	4.6	2.6	0.0	-0.4
Emerging Market and Developing Economies	9.8	8.4	8.1	-0.1	0.3

Source: "International Monetary Fund. January. 2023. World Economic Outlook: Moderating Inflation and Steady Growth Open Path to Soft Landing. Washington, DC,"

II. DOMESTIC ECONOMY

2.1 Introduction

The Liberia economy was on course to moderate slightly to 4.6 percent in 2023, from 4.8 percent growth estimated in 2022. The moderation in growth was mainly driven by a slowdown in the primary sector (mining & panning, and forestry as well as agriculture & fisheries subsectors).

The primary sector grew by 2.8 percent in 2023, down from 5.1 percent in 2022 mainly on account of a declining but positive rate of growth in the mining & panning, forestry, and agriculture & fisheries subsectors. The mining & panning subsector recorded an estimated growth of 7.0 percent, from 14.0 percent in 2022, largely on account of base effect of gold production. In the agriculture & fisheries subsector, growth moderated to 0.7 percent in 2023 compared to 1.2 percent in 2022, reflecting moderation in CPO production. Similarly, the forestry subsector is projected to moderate by 1.2 percent in 2023, from 1.6 percent in 2022 due to decreases in round logs and timber production.

The secondary sector (manufacturing) grew by 6.4 percent in 2023, up from 2.2 percent in 2022 mainly on account of increased production in cement and beverages. Similarly, the tertiary sector growth was estimated at 6.9 percent in 2023, from 4.8 percent recorded in 2022 on account of increased activity in services emanating from government services, trade & hotels, and construction subsectors.

2.1.1 Outlook

Real GDP growth for 2024 is projected at 5.3 percent, reflecting mainly expected growth in the agriculture & fisheries sub-sectors. The government's commitment to increase investment in agriculture through duty exemptions and other social protection programs is expected to further improve growth in 2024. However, key risks to growth, include supply chain constraints and disruption evolving from the ongoing Russia-Ukraine conflict and rise in energy prices.

2.2 Sectorial Review

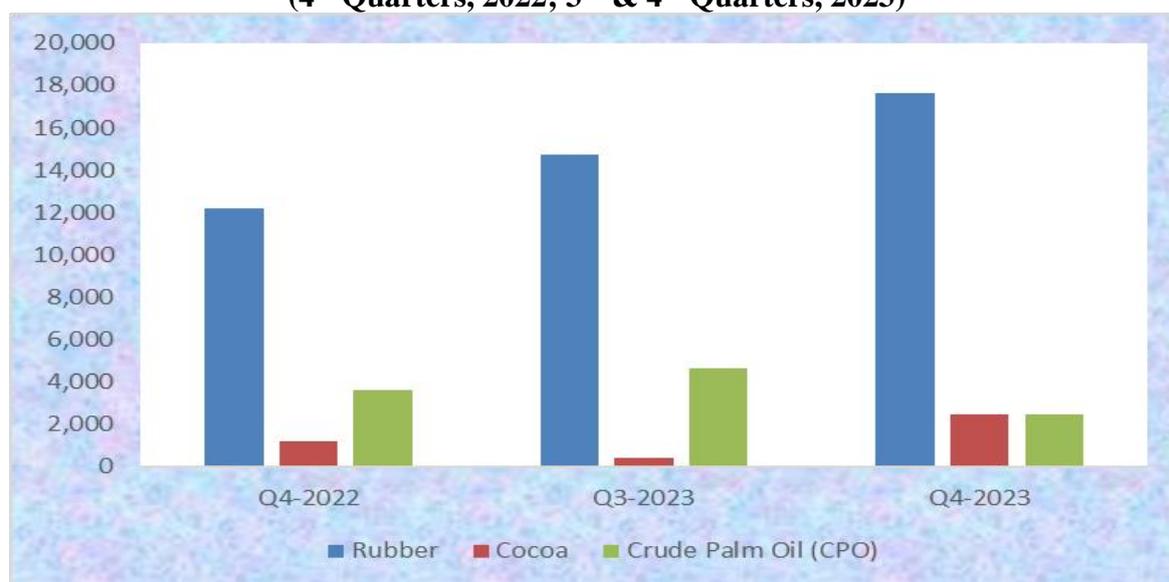
2.2.1 Agriculture and Forestry

Table 2.1: Key Agricultural Production
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Rubber	Mt	12,210	14,741	17,619
Cocoa	Mt	1,214	425	2,468*
Round Logs	M ³	150,202*	160,041*	162,419*
Sawn Timber	Pcs	49,210*	49,969*	52,207*
Crude Palm Oil (CPO)	Mt	3,629	4,646	2,440

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

Chart 2.1: Key Agricultural Production
(4th Quarters, 2022; 3rd & 4th Quarters, 2023)



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

a. Rubber

Rubber output in the fourth quarter increased by 19.5 percent to 17,619 metric tons, from 14,741 metric tons produced in the preceding quarter. The growth in rubber output was largely on account of increased production by smallholder farmers of the commodity. Similarly, on a year-on-year basis, production of rubber in the reporting quarter rose by 44.3 percent compared to the corresponding period in 2022.

b. Cocoa

Cocoa production rose by an estimated 2,043 metric tons at end-December 2023, from 425 metric tons produced in the previous quarter. The rise in cocoa production was attributed to favorable yield. Compared to the same period a year ago, output grew by 101.0 percent.

c. Sawn Timber

Sawn timber production during the quarter increased by 0.5 percent to an estimated 52,207 pieces, from 49,969 pieces reported at end-September 2023. The rise in output was mainly due to the dry season. When annualized, sawn timber output also increased by 6.1 percent.

d. Round Logs

Round logs production increased by an estimated 1.5 percent to 162,419 cubic meters, from 160,041 cubic meters recorded during the previous quarter. The rise in output was attributed to the dry season. When annualized, output of round logs rose by 8.1 percent.

e. Crude Palm Oil (CPO)

Crude palm oil (CPO) production plummeted by 47.5 percent to 2,440 metric tons in the 4th quarter of 2023, from 4,646 metric tons produced in the previous quarter due to the decline in production by small holder farmers. When compared with production in the corresponding quarter a year ago, CPO production fell by 32.8 percent.

2.2.2 Industrial Production

2.2.2.1 Mining (Gold, Diamond, and Iron Ore)

i. Gold

Gold output fell by 8.0 percent to 105,384 ounces in the 4th Quarter, down from 114,547 ounces reported for the quarter ended September 2023 on account of increase in the global price of the commodity. When compared to the same period a year ago, gold output increased by 6.2 percent.

ii. Diamond

Diamond production slumped by 24.3 percent to 7,074 carats in the reporting period, down from 9,347 carats produced in the previous quarter due to stringent government policy on the Kimberly Process. Compared to the corresponding period of 2022, output declined by 16.8 percent.

iii. Iron Ore

Iron ore production rose by 29.1 percent to 1.4 million metric tons at end-December 2023, from 1.1million metric tons produced in the preceding quarter on account of increase in the global price of the commodity. When annualized, output of iron ore rose by 9.2 percent.

2.2.2.2 Manufacturing

i. Cement

Cement output increased during the quarter by 23.1 percent to 117,000 metric tons, up from 95,032 metric tons produced during the previous quarter, reflecting an increase in construction activities due to the dry season. Compared to the corresponding quarter of 2022, cement production rose by 36.7 percent.

ii. Beverages

Beverages' output (alcoholic and non-alcoholic) increased by 27.7 percent to 8.3 million liters produced in the quarter, from 6.5 million liters produced a quarter ago due to an increase in demand due to the festive season. On an annualized basis, beverage output increased by 4.21 million liters. A disaggregation of total beverage produced for the quarter showed that alcoholic beverages constituted 43.8 percent, while non-alcoholic beverages accounted for 56.2 percent.

iii. Soap

Soap production during the review quarter rose by 17.8 percent to 64,712 kilograms, up from 54,920 kilograms reported in the preceding quarter on account of depletion of stock in the warehouse. On a year-on-year basis, soap production declined by 22.4 percent.

iv. Paint (Oil and Water)

Total paint production (oil and water paints) rose by 45.5 percent to 72,163 gallons, from 49,611 gallons produced during the second quarter of 2023. The rise in paint output was due to an increase in construction activities as a result of the dry season. Conversely, compared with the same period a year ago, output fell by 10.3 percent. When disaggregated, oil paint constituted 64.5 percent, while water paint accounted for 35.5 percent of the total paint produced.

v. Varnish

Varnish produced during the fourth quarter, 2023 fell by 25.6 percent to 2,219 gallons, from 2,983 gallons produced a quarter ago largely due to hike in the price as a result of an increase in the prices of raw materials. The volume of varnish produced decreased by 62.3 percent compared to the same period a year ago.

vi. Manoline Hair Grease

Production of manoline hair grease increased in the reporting quarter by 95.7 percent to 10,559 kilograms, up from 5,393 kilograms produced during the previous quarter. The increase in output during the quarter was on account of the availability of more raw materials. On a year-on-year basis, output of the commodity increased by 6,871 kilograms.

vii. Thinner

Production of thinner at the end of the fourth quarter was 6,191 gallons reflecting an increase of 58.9 percent, from 3,895 gallons produced in the preceding quarter. The growth in thinner production was attributed to the increase in construction activities in the dry season. Output increased by 40.2 percent compared to the corresponding quarter of 2022.

viii. Rubbing Alcohol

The volume of rubbing alcohol produced stood at 49,082 liters showing a 38.1 percent decline in production, from 79,286 liters produced in the previous quarter. The decrease in output was occasioned by the availability of stock of the commodity. However, on an annualized basis, output in the quarter under review rose slightly by 0.9 percent.

ix. Chlorox

Chlorox output increased to 248,311 liters during the fourth quarter, from 237,634 liters recorded for the quarter ended September 2023 largely driven by the availability of raw materials. Conversely, output fell by 8.6 percent on a year-on-year basis.

x. Candle

Candle output surged by 59.5 percent to 18,585 kilograms at the end of the fourth quarter, from 12,348 kilograms produced in the previous quarter, mainly due to the depletion of stock. Year-on-year comparison showed that production increased by 70.2 percent.

xi. Mattresses

Mattresses production increased by an estimated 2.5 percent to 30,649 pieces in the reporting quarter, from 29,894 pieces produced during the second quarter of 2023 on account of increased sales of the commodity in the leeward counties. When compared with the same period a year ago, production fell by 11.6 percent.

xii. Finished Water

Total output of finished water rose by an estimated 68.2 percent to 411.8 million gallons, up from 244.7 million gallons reported a quarter ago, due to the resumption of service provision to some communities. Compared to the same period in 2022, output also increased by 2.8 percent.

xiii. Mineral Water

The volume of mineral water produced during the review quarter exceeded the previous quarter by 22.0 percent to 231,199 liters, from 189,456 liters produced at end September 2023. The rise in mineral water production was mainly attributed to the ushering in of the dry season. Compared to the corresponding quarter in 2022, production of mineral water surged by 160,723 liters.

Table 2.2: Key Industrial Output
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Gold	Ounce	99,194	114,547	105,384
Diamond	Carat	8,502	9,347	7,074
Iron Ore	Mt.	1,300,000	1,100,000	1,420,000
Cement	Mt.	85,600	95,032	117,000
Spirits	Litre	40,675	294,906	359,347
Beer	Litre	1,802,001	1,320,934	1,810,937
Stout	Litre	1,817,149	1,502,305	1,465,303
Malta	Litre	189,256	223,336	141,261
Soft Drinks	Litre	244,039	3,162,432	4,529,028
Oil Paint	Gal.	46,353	28,750	46,549
Water Paint	Gal.	34069	20,861	25,614
Varnish	Gal.	5,879	2,983	2,219

Manoline H. Grease	Kg	3,688	5,393	10,559
Thinner	Gal	4,421	3,895	6,191
Rubbing Alcohol	Litre	48,633	79,286	49,082
Soap	Kg	83,407	54,920	64,712
Chlorox	Litre	271,680	237,634	248,311
Candle	Kg	10,920	12,348	18,585
Mattresses	Pcs.	34,685	29,894	30,649*
Finished water	Gal.	400,468,512	244,738,043	411,816,044*
Mineral Water	Liter	70,476	189,456	231,199
Electricity	kW	60,685,004	123,741,000	130,221,000

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

2.3 Consumption of Petroleum Products

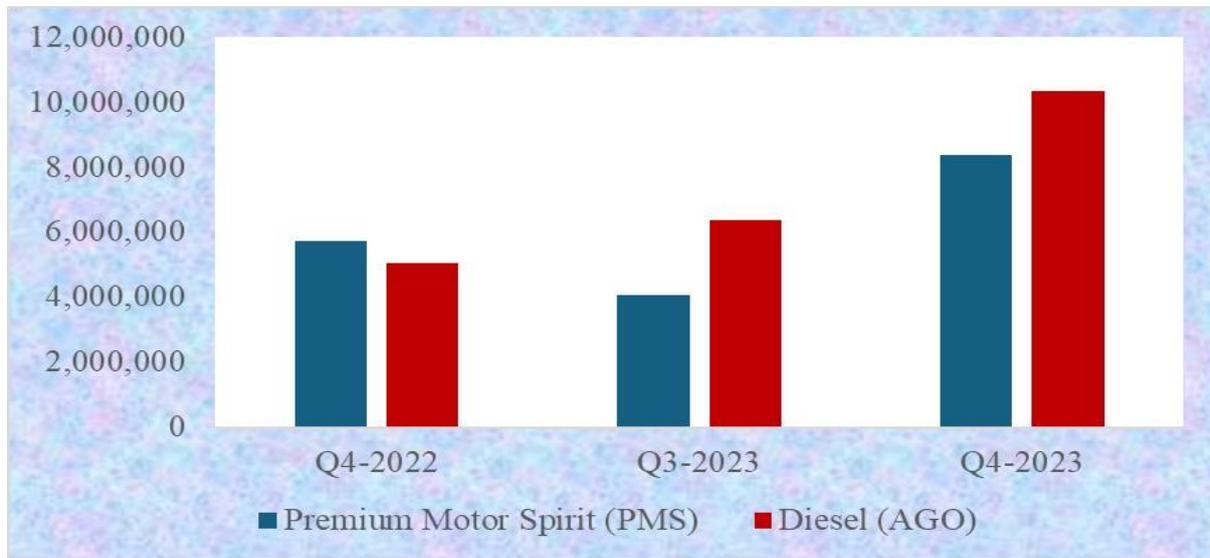
Consumption of petroleum products {Premium Motor Spirit (PMS) and Diesel or Automotive Gas Oil (AGO)}, surged by 79.0 percent to 18.8 million gallons during the quarter ended December 2023, up from 10.5 million gallons consumed during the previous quarter. The increase in petroleum products consumption was largely on account of huge demand for the commodity caused by the rigorous national presidential and legislative campaign activities during the period. When compared to the same period a year ago, petroleum product consumption increased by 74.4 percent. Disaggregation of total consumption of petroleum products showed that PMS constituted 44.8 percent, while AGO accounted for the remaining 55.2 percent.

**Table 2.3: Consumption of Petroleum Products
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Premium Motor Spirit (PMS)	Gal.	5,719,455	4,083,242.17	8,393,979.0
Diesel (AGO)	Gal.	5,045,435	6,390,725.34	10,356,376.3
Total	Gal.	10,746,890	10,473,967.51	18,750,355.3

Source: Liberia Petroleum Refining Company (LPRC)

**Chart 2.2: Consumption of Petroleum Products
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**



Source: Liberian Petroleum Refining Company

2.4 Seaport Developments

Vessels docked at the various ports along the Liberian coast during the fourth quarter of 2023 was 107 with combined Summer Dead Weight Tons (SDWT) of 3.1 million, indicating a 19.1 percent increase when compare with the previous quarter. The increase was largely explained by the rise in activities at the Port of Harper. In terms of percentage distribution, vessels anchored in Monrovia, Buchanan, Greenville, and Harper accounted for 64.5 percent, 18.7 percent, 4.7 percent, and 12.1 percent, respectively. Compared with the corresponding period a year ago, the number of vessels declined by 0.9 percent. Disaggregation of total cargo tonnage showed that imports accounted for 39.3 percent, while exports constituted 70.3 percent (Table 2.4).

**Table 2.4: Vessel Traffic and Cargo Movements
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
Q4-2022	108	3,449,697	502,619	1,505,095	2,007,714
Q3 ⁺ -2023	98	2,613,988	387,469	816,578	1,195,048
Q4-2023	107	3,113,892	1,683,858	2,602,033	4,285,891

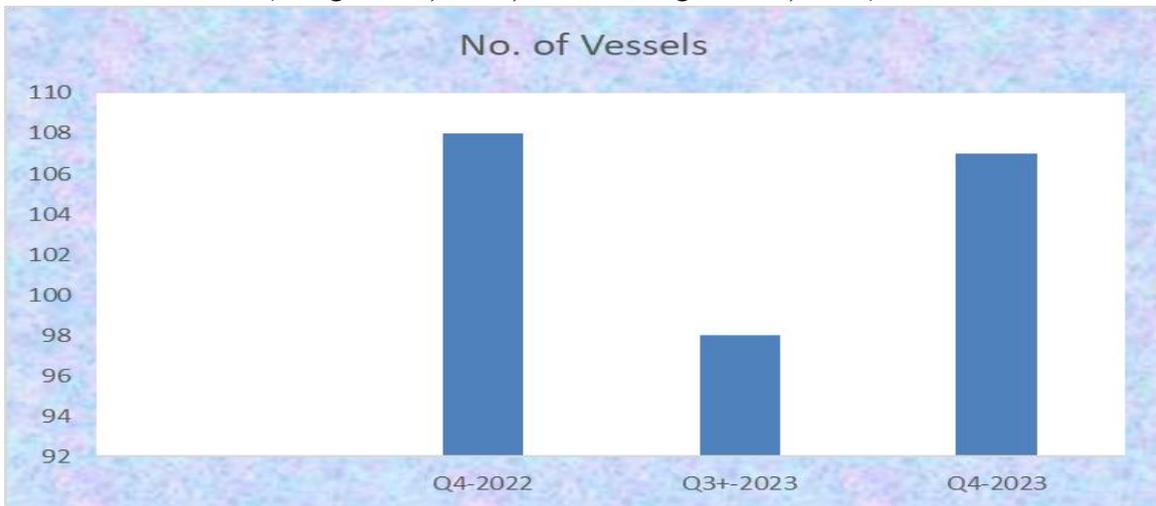
Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons *Estimates +Revised

Chart 2.3: Vessel Traffic
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)



Source: National Port Authority (NPA) SDWL= Summer Dead Weight Tons & Number of Vessels

Chart 2.4: Vessel Traffic
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)



Source: National Port Authority (NPA) SDWL= Summer Dead Weight Tons & Number of Vessels

2.5 Electric Power Developments

Electric power produced by the national power generating facilities¹ during the fourth quarter increased by 5.2 percent to 130.2 million kilowatts, from 123.7 million kilowatts produced in the previous quarter. The rise in electric power generation was on account of higher power generation and the continuous expansion of the CLSG initiative. On a year-on-year basis, electric power generation also rose by 34.8 percent.

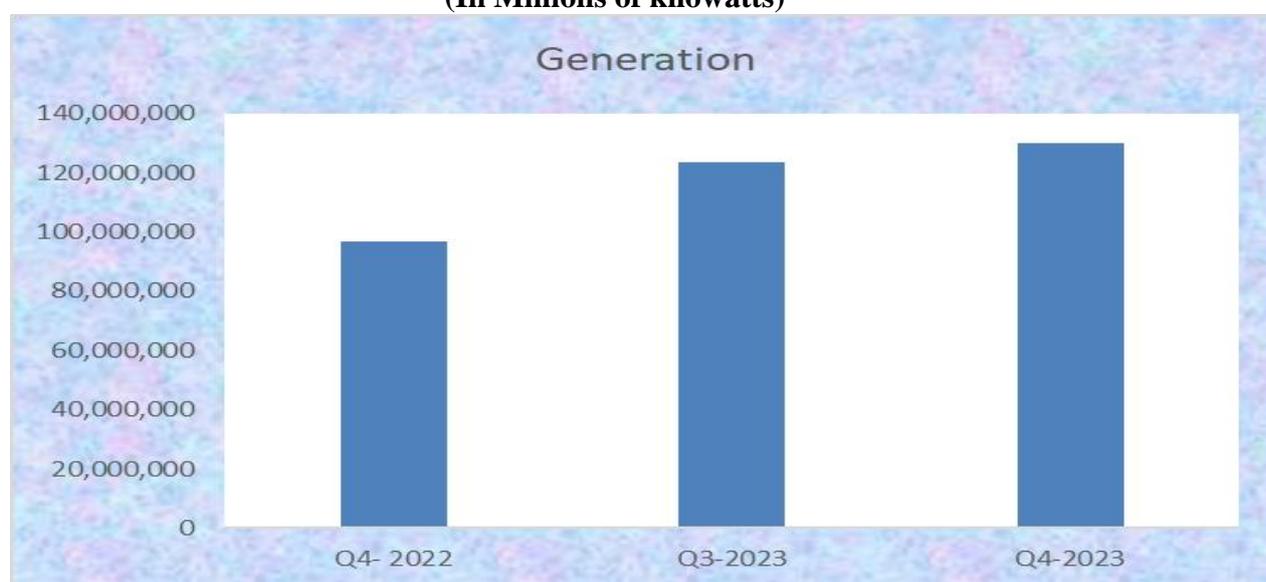
¹ Mount Coffee Hydro, the Heavy Fuel Oil (HFO) Generators, and the High-Speed Diesel (HSD) generators.

Table 2.5: Electric Power Developments
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(in Kilowatts)

	Unit	Service	Generation
Q4- 2022	kW	Electricity	96,609,349
Q3-2023	kW	Electricity	123,741,000
Q4-2023	kW	Electricity	130,221,000

Source: Liberia Electricity Corporation

Chart 2.5: Electricity Generation
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of kilowatts)



Source: Liberia Electricity Corporation

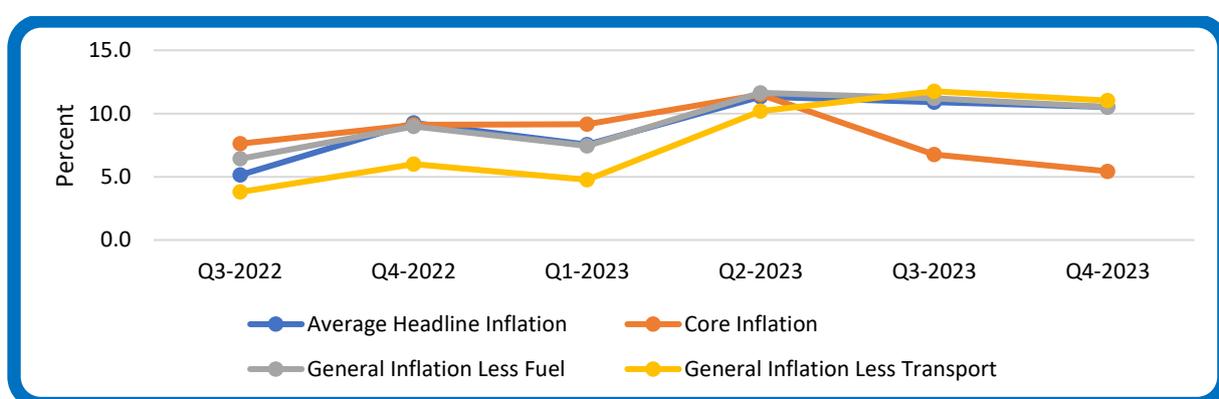
2.6 Price Developments

2.6.1 Domestic Price Developments

The headline inflation in the fourth quarter of 2023 slightly moderated by 0.4 percentage point to 10.5 percent, from 10.9 percent recorded in the preceding quarter. The moderation was mainly due to the tight monetary policy stance of the Bank which helped to broadly stabilize the exchange rate with its pass through into inflation and the moderation recorded in global fuel prices during the quarter compared with the previous quarter. However, compared to the corresponding period in the previous year, inflation in the current quarter increased by 1.3 percentage points.

Official core inflation, on the other hand, further declined to 5.4 percent in the period under review, from 6.8 percent in the preceding quarter indicating a potential slowdown in prices of essential goods and services. This trend reveals several possible drivers as a result of monetary intervention leading to lower production costs and reduced-price pressures among subgroups of the consumer basket. Similarly, a year-on-year comparative analysis reveals that official core inflation during the quarter significantly fell by 3.7 percentage points to 5.4 percent, from the 9.1 percent recorded during the corresponding quarter in 2022 (chart 2.5). This development is largely attributed the tighten monetary stance by the CBL.

Chart 2.6: Headline and Core Inflations



Source: CBL & LISGIS

2.6.2 Inflation by Group

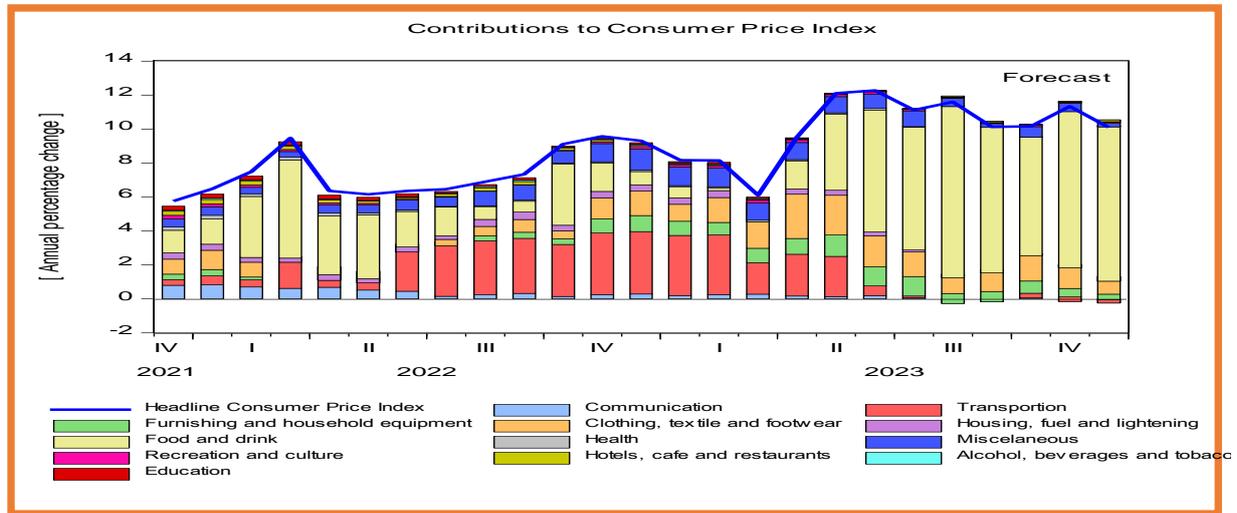
Developments in the major groups of the consumer basket during the fourth quarter of 2023 showed mixed trends in the movements of prices. The major drivers that accounted for the slight downward movement include housing, water, electricity, gas & other fuels, furnishings, household equipment, & routine household maintenance, health, restaurant & hotels, and miscellaneous goods & services. Conversely, food & non-alcoholic beverages, alcoholic beverages, tobacco, & narcotics, clothing & footwear, transportation, communication, recreation & culture, and education rose compared to the previous quarter (Table 2.7 & 2.9).

2.6.2.1 Contributions to Changes in CPI (%)

The disaggregated components of the consumer price index (CPI) basket in the fourth quarter of 2023 showed that the following major groups significantly contributed to the slight downward path of inflation: housing, water, electricity, gas & other fuels, furnishings, household equipment, & routine household maintenance, health, and miscellaneous goods & services. A review of the CPI basket, in terms of food and non-food items, showed that food inflation rose by 0.2 percentage point to 7.5 percent, while non-food inflation decreased by 0.6

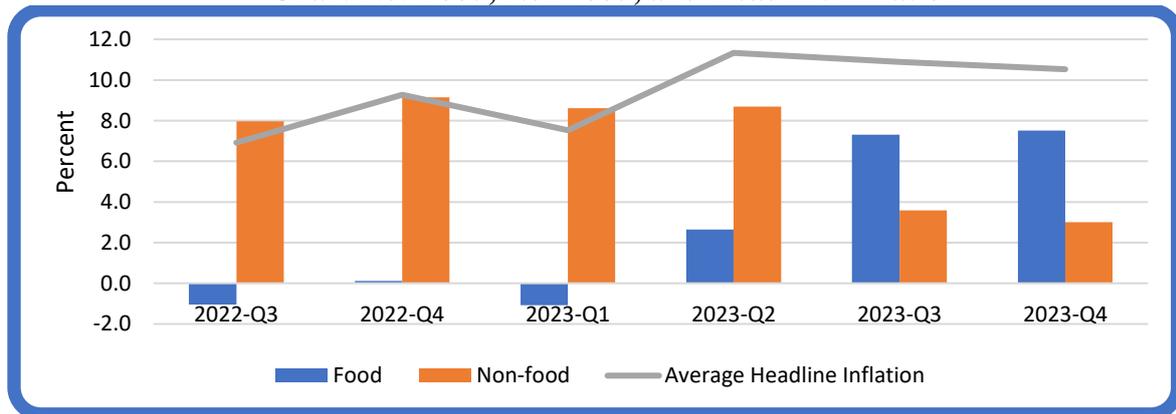
percentage points down to 3.0 percent in the fourth quarter of 2023 compared to the previous quarter (Charts 2.7 & 2.8).

Chart 2.7 Contribution to Changes in CPI



Source: CBL & LISGIS, Monrovia, Liberia

Chart 2.8: Food, Non-food, and Headline Inflation



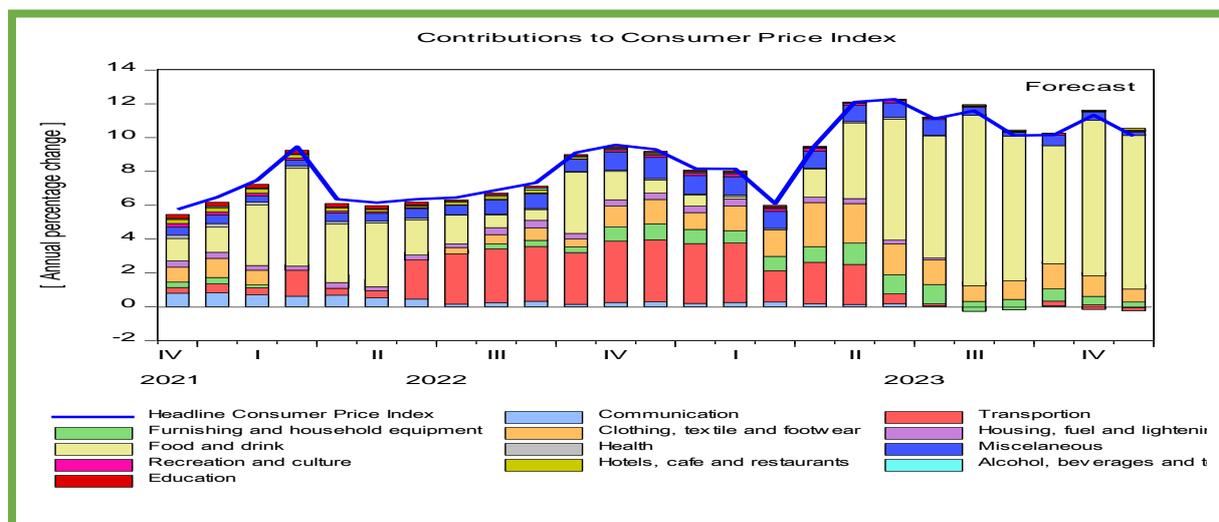
Source: CBL & LISGIS, Monrovia, Liberia

2.6.2.2 Administered, Food & Non-Alcoholic Beverages and Market Prices

An analytical review of the CPI basket showed that market prices contributed 9.9 percentage points to the average rate of inflation, while administered prices accounted for 0.6 percentage point during the review quarter. Market prices slightly decreased from 10.2 in the third quarter of 2023 to 9.9 percent in the fourth quarter of 2023. This indicates a stabilization in prices driven by market forces partly influenced by factors such as changes in demand, supply chain dynamics, and external market conditions. Similarly, administered prices continued to decline marginally from 0.7 percent in the third quarter of 2023, to 0.6 percent in the fourth quarter of the same year, reflecting the level of effectiveness of the CBL’s prudent policy stance to

stabilize the prices of essential goods and services, in response to potential inflationary pressures.

Chart 2.9 Administered versus Market Price



Source: CBL, Monrovia-Liberia

Average headline inflation for the first quarter of 2024 is projected to increase to 10.6 percent with a symmetric bandwidth of +/- 2.0 percent. However, sustaining this single-digit inflation in the short-medium term will depend mainly on the exchange rate movements, 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.

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

		Headline Inflation (yr-on-yr changes)			Monthly Changes in HCPI (%)		
		Combined	Food	Non-Food	Combined	Food	Non-Food
2020	January	23.56	22.18	24.33	0.93	2.73	0.0
	February	25.76	25.26	26.02	-1.10	0.34	-1.9
	March	21.72	30.48	17.31	1.88	4.59	0.4
	April	22.51	30.24	18.33	0.93	2.73	0.0
	May	18.36	28.24	13.17	2.01	2.01	2.0
	June	13.14	21.08	8.96	2.00	0.75	2.74
	July	17.06	17.83	16.66	0.05	4.05	-2.2
	August	14.77	16.25	13.99	1.27	3.16	0.3
	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
2021	January	12.92	16.31	11.06	0.75	3.23	-0.6
	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
	July	7.12	0.21	10.73	6.13	3.94	7.20
	August	7.00	0.10	10.71	1.16	3.04	0.28
	September	6.69	0.18	10.14	0.10	-0.37	0.33
	October	4.42	-2.39	8.00	-1.85	-2.87	-1.35
	November	5.44	-6.58	12.12	-3.17	-4.71	-2.44
	December	5.46	-7.05	12.40	-0.33	-1.10	0.02
2022	January	6.55	-6.79	14.24	1.80	3.51	1.01
	February	7.64	-1.57	12.60	0.13	0.15	0.12
	March	9.51	2.58	13.13	3.14	3.59	2.92
	April	6.26	-2.39	10.57	-3.41	-8.10	-1.19
	May	6.23	1.17	8.74	0.83	4.14	-0.62
	June	6.32	-1.99	10.37	2.02	-2.31	4.02
	July	6.48	-0.98	10.01	6.28	5.00	6.84
	August	1.71	0.06	12.36	1.71	0.06	2.42
	September	7.23	-5.12	13.19	0.25	-1.74	1.07
	October	9.12	3.08	11.99	-0.12	5.53	-2.40
	November	9.49	-0.52	14.13	-2.85	-8.03	-0.58
	December	9.19	-2.47	14.53	-0.61	-3.04	0.38
2023	January	8.22	-1.88	12.97	0.90	4.14	-0.36
	February	8.27	-3.27	13.70	0.18	-1.26	0.77
	March	6.10	-5.38	11.54	1.07	1.33	0.96
	April	9.43	1.38	12.97	-0.39	-1.53	0.07
	May	12.22	8.08	14.12	3.40	11.01	0.40
	June	12.36	13.30	11.95	2.16	2.41	2.04
	July	11.01	16.51	8.66	5.01	7.97	3.70
	August	11.70	26.66	5.48	2.35	8.78	-0.59
	September	9.96	23.49	4.49	-1.32	-4.21	0.12
	October	10.14	16.86	7.20	0.05	-0.13	0.14
	November	11.43	25.13	5.89	-1.70	-1.53	-1.79
	December	10.01	26.94	3.40	-1.87	-1.64	-1.98

Source: CBL & LISGIS, Monrovia, Liberia

Table 2.7: Inflation by Sub-group Year-on-Year Changes in CPI (2022-2023)

Food	Weights	Inflation Rates			
		2022Q³	2022Q⁴	2023Q³	2023Q⁴
Bread and cereals	10.06	5.4	15.04	19.31	4.35
Milk, cheese, and eggs	0.68	6.6	-1.03	7.53	4.89
Meat	4.82	2.7	-4.43	11.43	-2.85
Non-Food					
Alcoholic Beverages, Tobacco, and Narcotics	0.65	6.87	6.86	3.32	8.29
Clothing and footwear	5.21	-0.42	6.65	20.49	21.7
Housing, Water, Electricity, Gas, and other fuels	7.22	9.92	16.62	6.39	1.73
Furnishing, H/Hold Equip., Routine Maintenance of House	5.21	0.61	10.11	21.56	16.26
Health	9.28	-2.71	4.53	7.79	4.79
Transport	7.53	32.22	53.1	2.82	5.9
Communication	3.86	-6.49	-1.43	20.14	22.14
Recreation and Culture	1.03	-2.67	2.93	16.81	17.11
Education	4.83	4.06	6.08	13.48	13.48
Restaurant and Hotels	17.12	14.19	10.52	-4.18	-4.93
Miscellaneous Goods and Services	3.98	9.19	22.55	23.51	21.39

Source: CBL & LISGIS, Monrovia, Liberia

**Table 2.8: Harmonized Consumer Price Index (HCPI) By Major Groups Year-on-Year Rates of Inflation
(4th Quarters, 2022; 3rd & 4th Quarters, 2023) (December, 2005=100)**

MAJOR GROUP	WEIGHT	22-Oct	22-Nov	22-Dec	Q4-22	23-Jul	23-Aug	23-Sep	Q3-23	23-Oct	23-Nov	23-Dec	Q4-23
FOOD AND NON-ALCOHOLIC BEVERAGES	34.08	3.08	-0.52	-2.47	0.03	16.51	26.66	23.49	22.22	16.86	25.13	26.94	22.98
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	5.48	7.01	8.1	6.86	5.57	1.83	2.57	3.32	8.41	11.51	4.95	8.29
CLOTHING AND FOOTWEAR	5.21	0.37	8.99	10.58	6.65	19.06	20.79	21.61	20.49	21.86	22.86	20.38	21.70
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	14.72	17.69	17.44	16.62	14.81	1.74	2.61	6.39	2.68	2.57	-0.08	1.73
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	2.68	12.83	14.83	10.11	26.9	18.99	18.78	21.56	18.39	16.2	14.18	16.26
HEALTH	9.28	0.56	5.98	7.06	4.53	13.11	6.13	4.12	7.79	4.62	4.88	4.88	4.79
TRANSPORT	7.53	46.28	56.45	56.56	53.10	2.72	2.78	2.96	2.82	5.27	6.3	6.12	5.90
COMMUNICATION	3.86	-6.7	0.76	1.64	-1.43	17.51	21.78	21.15	20.14	22.09	22.19	22.15	22.14
RECREATION AND CULTURE	1.03	-2.77	4.49	7.07	2.93	16.78	17.32	16.34	16.81	17.2	18.75	15.37	17.11
EDUCATION	4.83	6.08	6.08	6.08	6.08	13.48	13.48	13.48	13.48	13.48	13.48	13.48	13.48
RESTAURANTS AND HOTELS	17.12	15.15	8.6	7.81	10.52	-2.64	-4.31	-5.61	-4.18	0.3	-4.68	-10.4	-4.93
MISCELLANEOUS GOODS AND SERVICES	3.98	13.7	24.37	29.58	22.55	29.15	24.89	16.48	23.51	21.56	22.37	20.22	21.39
GENERAL RATES OF INFLATION	100	9.12	9.49	9.19	9.26	11.01	11.7	9.96	10.89	10.14	11.43	10.01	10.53

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 4th quarter of 2023 remained mainly concentrated on liquidity management with the objective of smoothing out domestic price volatility through monetary aggregate targeting. In this regard, the CBL Monetary Policy Stance was anchored on the CBL bills and the Required Reserve Ratio (RRR) as the main available tools to influence the domestic monetary condition.

3.2 Banking Sector Development

The banking industry remained relatively sound and stable in the fourth quarter of 2023. The sector recorded increases in total assets, deposits, and capital while total loans decreased compared with the preceding quarter of 2023. The sector also reported a cumulative quarterly profit of L\$ 6.77 billion. On a year-on-year basis, the sector recorded increases in all the key balance sheet indicators compared to the corresponding quarter in 2022.

3.2.1 Capital

As at the end of the fourth quarter of 2023, the industry's total capital stood at L\$ 39.01 billion, reflecting a 3.91 percent increase compared with L\$37.54 billion in the preceding quarter. The increase in capital was mainly due to the 28.96 percent growth in current-year net income. When compared with the corresponding quarter of 2022, total capital increased by 24.10 percent from L\$31.43 billion mainly on account of the increase in current-year net Income of 56.90 percent.

At end-December 2023, eight of the nine commercial banks in the sector reported total capital above the minimum regulatory requirement of US\$10.0 million. In terms of the Capital Adequacy Ratio (CAR), eight banks similarly reported CAR above the minimum regulatory requirement of 10.0 percent. The industry CAR reported in the review quarter stood at 27.31 percent, representing an increase of 9.15 percentage points compared with 18.16 percent recorded in quarter three of 2023. On a year-on-year basis, the CAR also increased by 2.01 percentage points compared to the corresponding quarter in 2022.

3.2.2 Asset and Liquidity

The banking sector recorded total assets of L\$293.71 billion at end-December (fourth quarter) 2023, reflecting an increase of 8.13 percent compared with L\$271.62 billion recorded at end-September (quarter three) 2023. The growth in total assets was due to the increases in balances at both the Central Bank of Liberia and the commercial banks.

At end-December 2023, total loans and advances of the industry declined by 1.09 percent to L\$92.84 billion compared to the amount recorded at the end of the preceding quarter. The decrease in the volume of loans was due to the decline in the extension of new credit facilities to the public sector. On the other hand, the banking sector recorded a L\$1.82 billion or 12.19 percent increase in the volume of Non-Performing Loans (NPLs) to L\$16.76 billion in the review quarter from L\$14.94 billion at the end of the previous quarter. The increase in non-performing loans was largely attributed to the increase in the rate of defaults in the Extractive sector and the Oil and Gas sector.

In terms of sectoral credit concentration, 31.54 percent of the total industry credit was concentrated in the trade sector and reflects a 0.45 percentage point decrease compared to 31.99 percent during the previous quarter. Moreover, 20.38 percent, 23.45 percent, and 17.11 percent of the total NPLs are reported within the Trade, personal, and Construction sectors, respectively.

The industry's non-performing loans remain a major challenge despite efforts to ensure gradual reduction from period to period. Except for three banks, the rest of the commercial banks reported NPLs ratios above the regulatory minimum of 10.0 percent. The industry NPLs ratio recorded at end-December 2023 was 18.06 percent, representing an increase of 2.14 percentage points compared to 15.92 percent recorded at end quarter three 2023. Similarly, the NPLs ratio in the sector recorded an increase of 1.49 percentage points in comparison with 16.57 percent recorded for the corresponding quarter in 2022.

With respect to liquidity, all the commercial banks recorded liquidity ratios above the regulatory requirement of 15.0 percent. At the end of quarter four, 2023, the industry reported total liquid assets of L\$90.36 billion, indicating a decrease of 12.69 percent compared to L\$103.50 billion at the end of quarter three, 2023. The decline in liquid assets was largely due to a dip in Cash-Till, Placement in other Financial Institutions and Other GoL/CBL securities. Comparing the review quarter with the corresponding quarter in 2022, liquid assets in the current quarter increased by 19.87 percent from L\$75.38 billion. In terms of liquidity ratio, the banking system recorded an increase of 3.09 percentage points to 44.10 percent compared with quarter three of 2023 which was 41.01 percent. Compared with the corresponding quarter in 2022, the industry's liquidity ratio increased by 4.05 percentage points from 40.05 percent.

3.2.3 Profitability

The banking industry's gross operating income for the quarter ended December 2023 stood at L\$24.01 billion, a growth of 37.70 percent, from L\$17.43 billion reported at end-September 2023. The increase in gross operating income was largely due to income from investments security (54.27%) and other commissions & fees (35.99%). Compared with the corresponding quarter in 2022, gross operating income rose by 35.06 percent from L\$17.77 billion on account of increases in income from investment security and other income. Net interest income constituted 51.99 percent of total operating income, while non-interest income accounted for 48.01 percent.

Total operating expenses at end-December 2023 stood at L\$ 14.33 billion, an increase of 35.70 percent compared to the preceding quarter. The increase in total operating expenses was largely attributed to increases in salaries, Administrative & General Expenses, and Pensions Benefits. Total operating expenses grew by 17.68 percent relative to the corresponding quarter in 2022. The annual increase in total operating expenses was due to increases in directors' allowance, bonuses, and other expenses.

At end-December 2023, the net operating profit of the banking industry, after tax, was L\$6.77 billion reflecting an increase of 36.75 percent, from L\$4.98 billion recorded in the previous quarter. Compared to the corresponding quarter in 2022, net operating profit after tax grew by 61.63 percent, from L\$4.19 billion.

Return on assets (ROA) and return on equity (ROE) stood at 2.35 percent and 17.69 percent, respectively, at end- December 2023. On a year-on-year basis, ROA increased by 0.50 percentage point from 1.85 percent and ROE increased by 4.28 percentage points during the review period, from 13.41 percent compared to the corresponding quarter in 2022.

3.2.4 Commercial Bank Credit

At the end of the 4th quarter of 2023, the stock of commercial banks' loans & advances to all sectors of the economy stood at L\$92,841.0 million (12.3% of GDP), from L\$94,758.9 million (12.5% of GDP), recorded in the previous quarter. The quarterly decline in loans & advances was largely on account of reductions in credits extended to individuals (or households), oil & gas and trade which in turn were partly the result of election uncertainty. Year-on-year analysis showed that credits and advances to all sectors of the economy at end-December 2023 grew by 19.6 percent compared to L\$77,620.5 million (12.8% of GDP) at end-December 2022, largely

induced by growths in loans extended to the trade, construction, agriculture, services, and extractive subsectors (Table 3.1).

Sectoral contribution to total credit growth were as follows: Construction, 1.4 percentage points; Agriculture, 1.1 percentage points; manufacturing, 0.6 percentage point; personal (households) loans, -3.6 percentage points; oil & gas, -1.5 percentage points; trade, -0.7 percentage point amongst others as shown on chart 3.1 below.

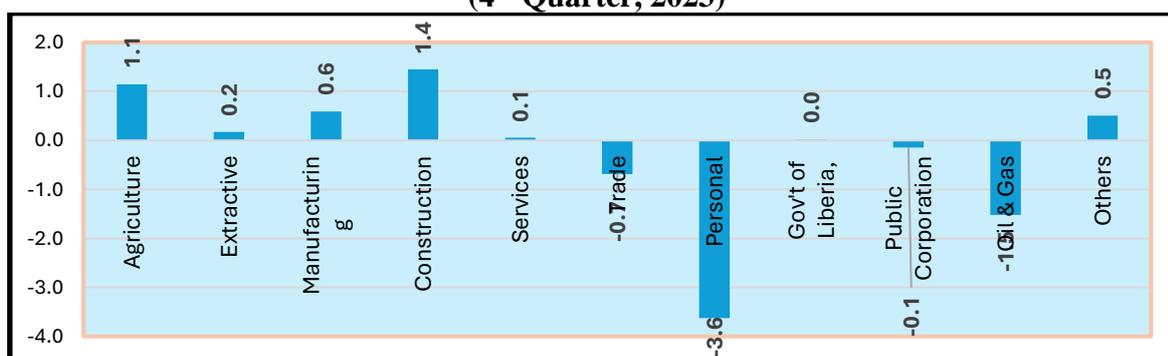
Analyses of the components of loans and advances showed that the US-dollar (USD) component declined by 3.7 percent at the end of the review quarter to US\$460.58 million, from US\$478.15 in the preceding quarter. The USD component also declined year-on-year by 1.3 percent. However, the Liberian dollar (LD) component grew by 3.1 percent to L\$5.63 billion from L\$5.46 billion in the previous quarter. Annually, the LD component rose by 9.3 percent in the review period.

**Table 3.1: Commercial Bank Loans by Economic Sectors
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of L\$)**

Sector	2022		2023				Percent	
	4 th Quarter	Share of Total	3 rd Quarter	Share of Total	4 th Quarter	Share of Total	Q-o-Q	Y-o-Y
Agriculture	2,322.7	4.6	3,532.4	3.8	4,619.1	5.0	30.8	98.9
Extractive	237.9	0.5	2,135.0	2.3	2,301.2	2.5	7.8	867.2
Manufacturing	4,395.7	4.4	3,169.7	3.4	3,733.1	4.0	17.8	-15.1
Construction	5,228.8	10.5	7,951.7	8.5	9,325.7	10.0	17.3	78.4
Services	10,488.6	15.2	12,658.8	13.5	12,710.2	13.7	0.4	21.2
Trade	24,121.0	31.4	29,932.0	31.9	29,282.0	31.5	-2.2	21.4
Personal	14,666.9	19.1	17,169.4	18.3	13,736.4	14.8	-20.0	-6.3
Government of Liberia,	121.5	0.0	148.4	0.2	167.2	0.2	12.7	37.7
Public Corporation	1,279.1	1.0	852.8	0.9	713.6	0.8	-16.3	-44.2
Oil & Gas	5,604.3	5.4	7,364.5	7.9	5,924.6	6.4	-19.6	5.7
Others	9,153.7	7.8	9,844.3	10.5	10,327.5	11.1	4.9	12.8
Total Credit to Private	76,219.6	98.9	93,757.8	98.9	91,959.7	99.1	-1.9	20.7
Total Credit to the Economy	77,620.5	100.0	94,758.9	100.0	92,840.6	100.0	-2.0	19.6

Source: Central Bank of Liberia

**Chart 3.1: Percentage Distribution of Commercial Bank Loans by Economic Sectors
(4th Quarter, 2023)**



Source: Central Bank of Liberia

3.2.5 Interest Rate

Interest rates during the quarter ended December 2023, on average, remained unchanged compared with the third quarter of 2023. A year-on-year comparison showed that except for lending and saving rates which recorded increases, all other rates also remained flat during the reporting quarter compared with the corresponding quarter in 2022. In the fourth quarter of 2023, the average interest rate on lending stood at 13.44 percent, personal loan rate at 12.78 percent, mortgage rate at 13.38 percent, time deposit rate at 3.53 percent, saving rate at 3.10 percent, and the rate on certificate of deposits at 3.25 percent, the same as in quarter three of 2023. The spread between the average lending and saving rates during the quarter also remained flat at 10.34 percentage points compared to the previous quarter. However, when compared with the corresponding quarter of 2022, the interest rates on lending and savings rose by 33.0 basis points each from 13.11 percent and 2.77 percent, respectively.

**Table 3.2: Commercial Bank's Interest Rates
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

	2022	2023	
	4 th Quarter	3 rd Quarter	4 th Quarter
Avg Lending Rate	13.11	13.44	13.44
Avg Personal Loan Rate	12.78	12.78	12.78
Avg Mortgage Rate	13.38	13.38	13.38
Avg Time Deposit Rate	3.53	3.53	3.53
Avg Savings Rate	2.77	3.10	3.10
Avg Rate on Cd's	3.25	3.25	3.25
Avg Lending Rate	10.34	10.34	10.34

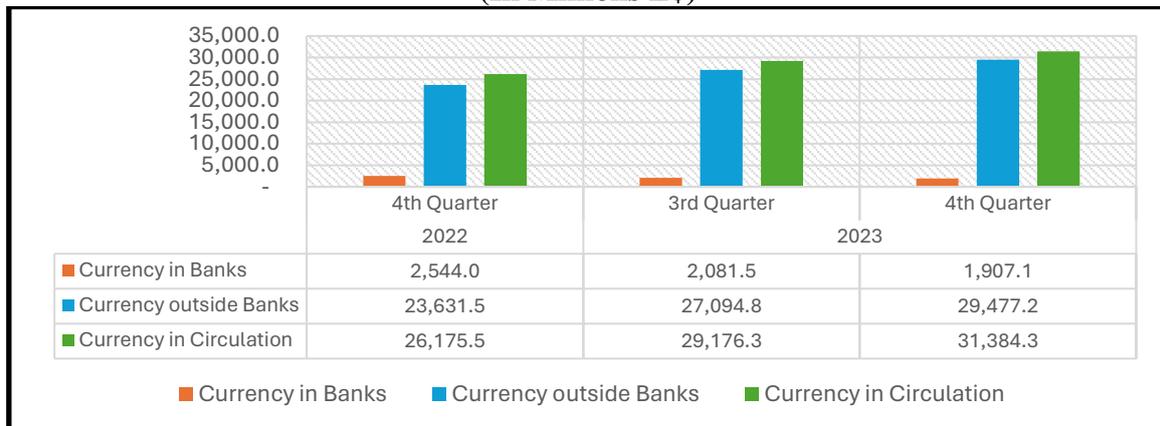
Source: Central Bank of Liberia

3.2.6 Liberian Dollar in Circulation

The stock of Liberian dollar in circulation at end- December 2023 expanded by 7.6 percent to L\$31,384.3 million, from L\$29,176.28 million reported at the end of the preceding quarter. The growth was solely driven by an 8.8 percent expansion in currency outside banks. Compared with the stock reported at the of the corresponding quarter of 2022, Liberian dollar in circulation rose by 19.9 percent.

The stock of currency in banks contracted at the end of the review quarter by 8.4 percent. Similarly, Liberian dollar in circulation as a share of broad money for the reporting quarter slightly declined to 14.1 percent, from 14.4 percent, recorded at end-September 2023, and declined from 17.0 percent recorded at the end of the fourth quarter of 2022.

Chart 3.2: Liberian Dollars in Circulation
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions L\$)

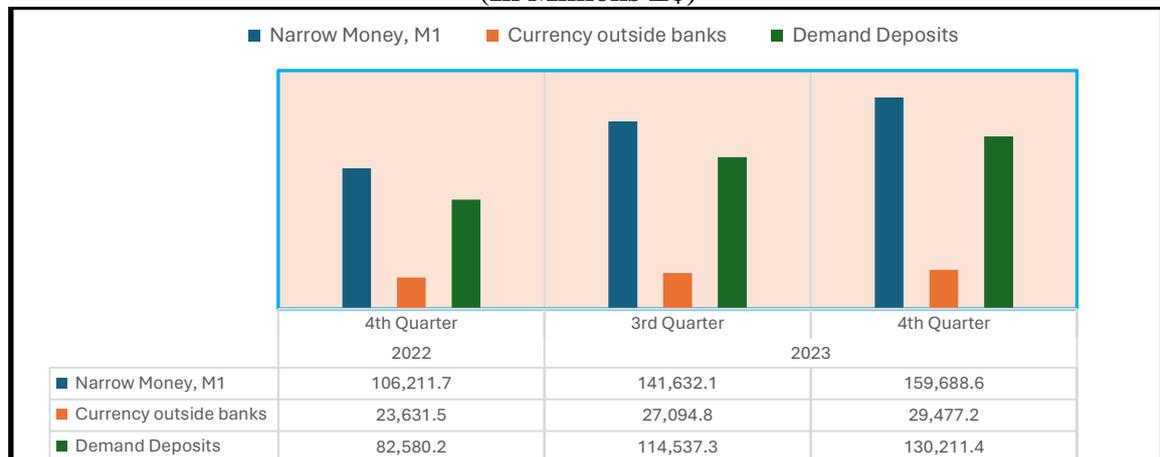


Source: Central Bank of Liberia

3.2.7 Money Supply

Narrow money supply (M1) expanded by 12.7 percent to L\$159,688.6 million, from L\$141,632.13 million recorded at end-September 2023. The expansion in M1 was induced by 8.8 percent and 13.7 percent growth in currency outside banks and demand deposits, respectively. Compared with the corresponding period of 2022, M1 also grew by 50.3 percent.

Chart 3.3: Narrow Money Supply (M1)
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions L\$)



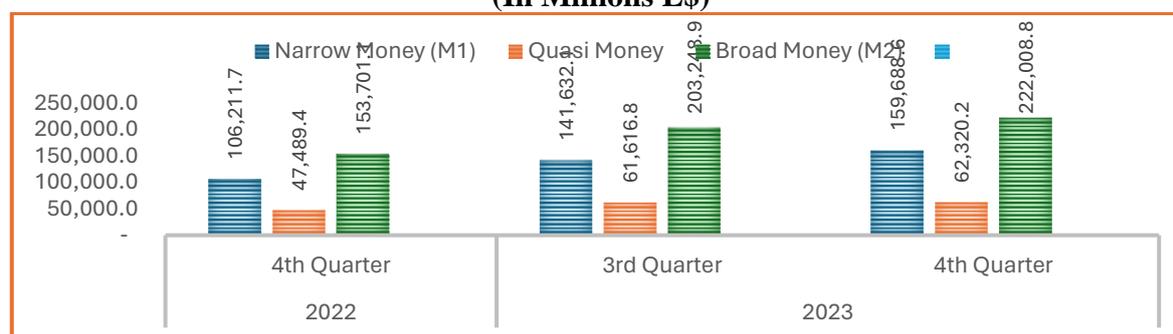
Source: Central Bank of Liberia

3.2.8 Broad Money Supply

The stock of broad money supply (M2) at the end of the quarter ended December 2023 rose by 9.2 percent to L\$222,008.8 million, from L\$203,248.93 million recorded at the end of the third quarter. Year-on-year comparison showed a growth of 44.4 percent compared to L\$153,701.1 million recorded at end-December 2022. The growth in broad money supply can be traced to

net domestic assets (NDA) which expanded (Q-o-Q) by 12.3 percent and (Y-o-Y) by 51.1 percent. However, net foreign assets (NFA) declined (Q-o-Q) and (Y-o-Y) on the back of declines in the foreign assets of the Central Bank. On the liability side, the annual growth in M2 was reflected in 57.7 percent, 31.2 percent and 24.7 percent annual growths in demand deposits, term deposits and currency outside banks, respectively. The development particularly in broad money supply is indicative of the increase public expenditure during the electioneering period.

Chart 3.4: Broad Money Supply (M2) and its Uses
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions L\$)



Source: Central Bank of Liberia

Table 3.3: Broad Money Supply and its Sources
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of L\$)

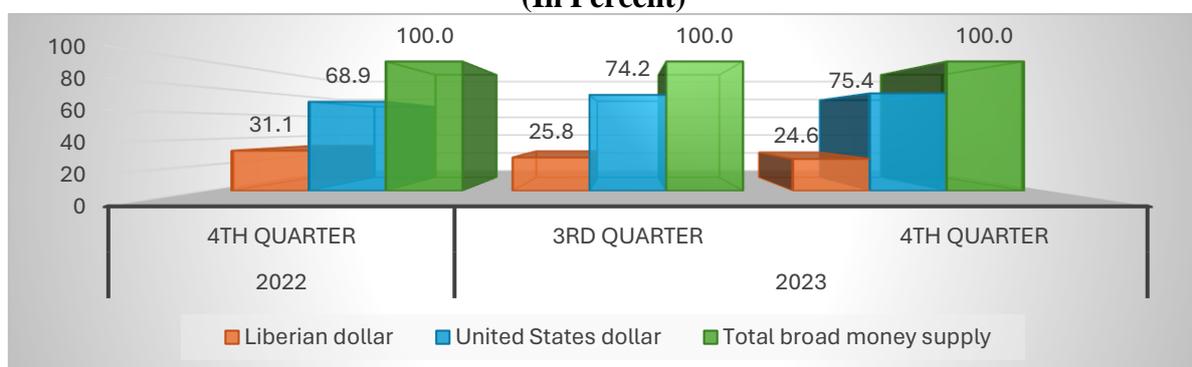
	2022	2023		Percentage	
	4 th	3 rd	4 th	Q-o-Q	Y-o-Y
1.0 Money Supply M2 (1.1 + 1.2)	153,701.1	203,248.9	222,008.8	9.2	44.4
1.1 Money Supply M1	106,211.7	141,632.1	159,688.6	12.7	50.3
1.1.1 Currency outside banks	23,631.5	27,094.8	29,477.2	8.8	24.7
1.1.2 Demand deposit	82,580.2	114,537.3	130,211.4	13.7	57.7
1.2 Quasi Money	47,489.4	61,616.8	62,320.2	1.1	31.2
1.2.1 Time & Savings deposits	46,878.7	61,545.4	61,790.7	0.4	31.8
1.2.2 Other deposits ^{1/}	610.7	71.4	529.5	641.2	-13.3
2.0 Net Foreign Assets	16,548.9	18,674.2	14,823.4	-20.6	-10.4
2.1 Central Bank	-2,937.7	-11,361.4	-19,514.4	-71.8	-564.3
2.2 Banking Institutions	19,486.5	30,035.6	34,337.8	14.3	76.2
3.0 Net Domestic Assets (1-2)	137,152.2	184,574.7	207,185.4	12.3	51.1
3.1 Domestic Credit	195,191.6	253,597.6	303,341.2	19.6	55.4
3.1.1 Government (net)	102,981.8	142,028.3	152,365.5	7.3	48.0
3.1.2 Pvt. Sector & Other Pvt.	92,209.8	111,569.3	150,975.7	35.3	63.7
3.2 Other assets Net (3 - 3.1)	-58,039.4	-69,022.9	-96,155.8	39.3	65.7
MEMORANDUM ITEMS					
1. Overall Liquidity	153,701.1	203,248.9	222,008.8	9.2	44.4
2. Reserve Money	49,453.8	60,760.3	67,546.1	11.2	36.6
<i>Currency in Circulation</i>	26,175.5	29,176.3	31,384.3	7.6	19.9
<i>Banks Reserves</i>	22,667.6	31,512.6	35,632.3	13.1	57.2
<i>Other Deposits at CBL</i>	610.7	71.4	529.5	641.2	-13.3
3. Currency in Banks	2,544.0	2,081.5	1,907.1	-8.4	-25.0

Source: Central Bank of Liberia

^{1/} Includes official and managers checks issued by the Central Bank

The Liberian dollar component of broad money (M2) stood at 24.6 percent at the end of the quarter ended December 2023 compared to 25.8 percent recorded in the previous quarter. Consequently, the US dollar component of M2 for the review quarter rose slightly to 75.4 percent, from 74.2 percent a quarter ago. The shares of both the domestic currency and US dollar at end-December 2022 stood at 31.1 percent and 68.9 percent, respectively. The increase in the USD share of broad money signifies the highly dollarized nature of the Liberian economy.

**Chart 3.5: Broad Money: Share of US and Liberian Dollars
(3rd Quarter, 2022; 2nd & 3rd Quarters, 2023)
(In Percent)**



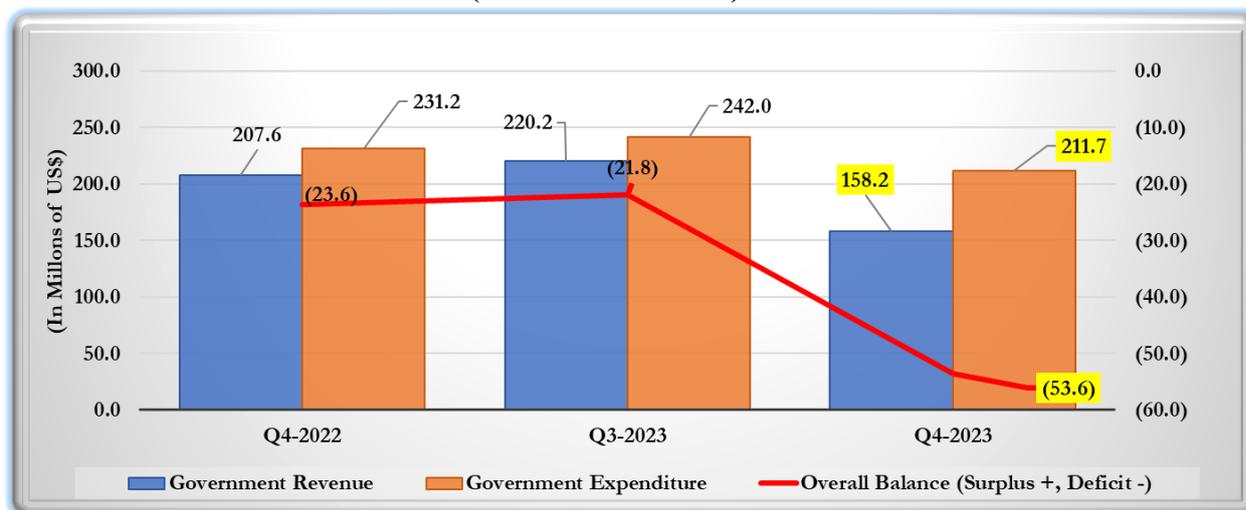
Source: Central Bank of Liberia

IV. FISCAL DEVELOPMENTS

4.1 GOL Fiscal Operations

The GOL fiscal operations during the fourth quarter 2023 showed a widening deficit in the overall balance (OB) relative to the preceding quarter, on account of reduction in total revenue exceeding the decline in total expenditure. Consequently, the deficit in the OB totalled US\$53.6 million (1.2 percent of GDP) at end-December 2023, from the deficit of US\$21.8 million (0.5 percent of GDP) recorded in the third quarter. Hence, total revenue and expenditure for the period under review amounted to US\$158.2 million (3.7 percent of GDP) and US\$211.7 million (4.9 percent of GDP), respectively.

**Chart 4.1: Graphical Outlook of GOL's Fiscal Operations
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)**



Source: CBL's Construction Using MFDP's Data

4.2 Government Revenue

Revenue mobilization during the fourth quarter was weaker compared to the preceding quarter. consequently, the GOL's revenue decreased by 28.2 percent to US\$158.2 million (3.7 percent of GDP) from the US\$220.2 million (5.1 percent of GDP) mobilized in the third quarter. The reduction was attributed to large decreases in both tax revenue and other revenues (including grants). Tax revenue for the quarter decreased by 15.5 percent to US\$107.4 million (2.5 percent of GDP), primarily due to a reduction in taxes generated from international trade. In the same vein, other revenues (including grants) decreased significantly by more than half to US\$34.8 million (0.8 percent of GDP).

Despite the decrease in int'l trade tax, taxes generated from income & profits expanded during the quarter by 9.5 percent to US\$45.2 million (1.0 percent of GDP). Similarly, non-tax revenue also increased during the quarter by 13.4 percent to US\$16.0 million (0.4 percent of GDP), mainly driven by a substantial rise in property income. A year-on-year comparative analysis of revenue performance, the GOL revenue in the reporting quarter decreased relative to the corresponding period a year ago.

Table 4.1: Government Revenue
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -22	Q ³ -23	Q ⁴ -23	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Government Revenue	207.60	220.18	158.17	(28.16)	(23.81)
o/w Tax Revenue	106.53	127.11	107.38	(15.52)	0.80
o/w Taxes on Income & Profits	46.75	41.32	45.24	9.49	(3.23)
o/w Taxes on Int'l Trade	46.17	48.97	47.07	(3.89)	1.94
o/w non-Tax Revenue	16.87	14.10	15.99	13.37	(5.21)
o/w Property Income	12.30	8.75	11.84	35.36	(3.73)
o/w Administrative Fee & Penalties	4.57	5.36	4.15	(22.56)	(9.22)
Other Revenue (Grants, Borrowings & etc.)	84.20	78.96	34.80	(55.93)	(58.67)
Memorandum Items					
Total Revenue (% of GDP)	5.22	5.08	3.65	-	-
Tax Revenue (% of GDP)	2.68	2.93	2.48	-	-
Non-tax Revenue (% of GDP)	0.42	0.33	0.37	-	-
Other Revenues (% of GDP)	2.12	1.82	0.80	-	-
<i>GDP (In Millions of USD)</i>	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

4.2 Government Expenditure

In the same vein, there was reduction in the GOL's expenditure during the fourth quarter by 12.5 percent to US\$211.7 million (4.9 percent of GDP). The reduction was largely ascribed to decreases in both recurrent and capital expenditures. Recurrent expenditure for the quarter declined by 11.1 percent to US\$208.3 (4.8 percent of GDP) relative to the US\$234.1 million (6.6 percent of GDP) in the preceding quarter. The reduction in the GOL's recurrent expenditure was attributed to declines in payments on loans, interest & other charges, and goods & services spendings by 60.4 percent and 22.1 percent to US\$17.2 million (0.4 percent of GDP) and US\$65.6 million (1.5 percent of GDP), respectively.

Similarly, the GOL's capital expenditure for the fourth quarter also decreased by more than half to US\$3.5 million (0.1 percent of GDP) compared to the US\$7.9 million (0.2 percent of

GDP) expended in the preceding quarter. Also, in terms of annual comparison, further analysis showed that the GOL's total expenditure decreased compared to the corresponding quarter in 2022.

Table 4.2: Government Expenditure
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -2022	Q ³ -2023	Q ⁴ -2023	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Expenditure	258.79	285.49	228.95	(19.80)	(11.53)
Recurrent Expenditure	224.63	234.14	208.28	(11.05)	(7.28)
o/w Employee Compensation	81.97	79.84	101.12	26.66	23.37
o/w Goods & Services	78.35	84.14	65.59	(22.05)	(16.28)
o/w Payments Loans, Interest & other					
Charges	27.60	43.46	17.22	(60.38)	(37.61)
Capital Expenditure	6.56	7.89	3.45	(56.20)	(47.36)
Memorandum Items					
Total Expenditure (% of GDP)	6.51	6.59	5.29	-	-
Recurrent Expenditure (% of GDP)	5.65	5.41	4.81	-	-
Capital Expenditure (% of GDP)	0.17	0.18	0.08	-	-
Payments Loan, Interest & other Charges (% of GDP)	0.69	1.00	0.40	-	-
GDP (In Millions of USD)	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

4.3 Public Debt

A review of the Liberia's public debt portfolio at end-December 2023 revealed a substantial increase in the public debt stock, expanding by 0.3 percent to US\$2,209.8 million constituting 51.0 percent of GDP relative to the US\$2,203.9 million stock at end-September 2023. The rise in the public debt reflects increases in both external and domestic debts. Domestic debt totalled US\$1,021.7 million constituting 23.6 percent of GDP, increasing by 7.4 percent, largely on account of increases in borrowing from domestic financial institutions and others. Similarly, the external debt stock stood at US\$1,308.4 million amounting to 30.2 percent of GDP, increasing by 3.8 percent. In the same vein, the public debt stock expanded significantly by 15.4 percent compared to the stock of public debt reported at end-December 2022.

Table 4.3: Public Debt
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -2022	Q ³ -2023	Q ⁴ -2023	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Debt Stock	2018.69	2203.90	2209.76	0.27	9.47
External	1134.27	1252.15	1286.31	2.73	13.40
o/w Multilateral	1022.56	1140.35	1174.52	3.00	14.86
o/w Bilateral	111.72	111.80	111.80	0.00	0.07
Domestic	884.41	951.75	923.45	(2.97)	4.41
o/w Financial Institutions	829.96	824.06	786.64	(4.54)	(5.22)
o/w CBL	605.48	630.48	593.06	(5.94)	(2.05)
o/w Commercial Banks	224.48	193.58	193.58	0.00	(13.76)
o/w Other Debts	54.45	127.69	136.81	7.14	151.25
Memorandum Items					
Total Debt Stock (% of GDP)	50.79	50.88	51.02	-	-
External (% of GDP)	28.54	28.91	29.70	-	-
Domestic Debt (% of GDP)	22.25	21.97	21.32	-	-
Debt Service (% of GDP)	0.39	0.11	0.39	-	-
GDP (In Millions of USD)	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

V. EXTERNAL SECTOR DEVELOPMENTS

5.1 Overview

Provisional statistics showed that performance in the external sector in the fourth quarter of 2023 was largely challenged. The current account deficit widened significantly to 7.6 percent of GDP, from 2.0 percent of GDP in the preceding quarter, mainly on account of widened trade deficit. The capital account (net) surplus declined to 2.1 percent of GDP, from 2.3 percent of GDP in quarter three of 2023, primarily driven by reduction in capital transfers. Net borrowing in the financial account reduced significantly to 1.1 percent of GDP in quarter four of 2023 against the 3.6 percent of GDP reported in the previous quarter. This development was caused by decreased in direct investment inflows coupled with growth in other investment outflows. Accordingly, the overall Balance of Payments (BoP) recorded a deficit of approximately 0.0 percent of GDP in the 4th quarter of 2023 compared to the deficit of 0.2 percent of GDP reported in the preceding quarter.

The gross international reserves (GIR) declined to US\$451.0 million (10.4 percent of GDP) at end-December 2023, from US\$482.2 million (12.1 percent of GDP) in the previous quarter, reflecting depreciation in foreign liquid assets including Special Drawing Rights (SDRs) Holdings & Reserves coupled with growth in the CBL's net liquid US dollar denominated liabilities. Consequently, the GIR in months of imports cover fell below the ECOWAS regional benchmark of 3.0 months to 1.7 months during the quarter under review, from 2.8 months in quarter three of 2023.

5.2 Current Account (CA)

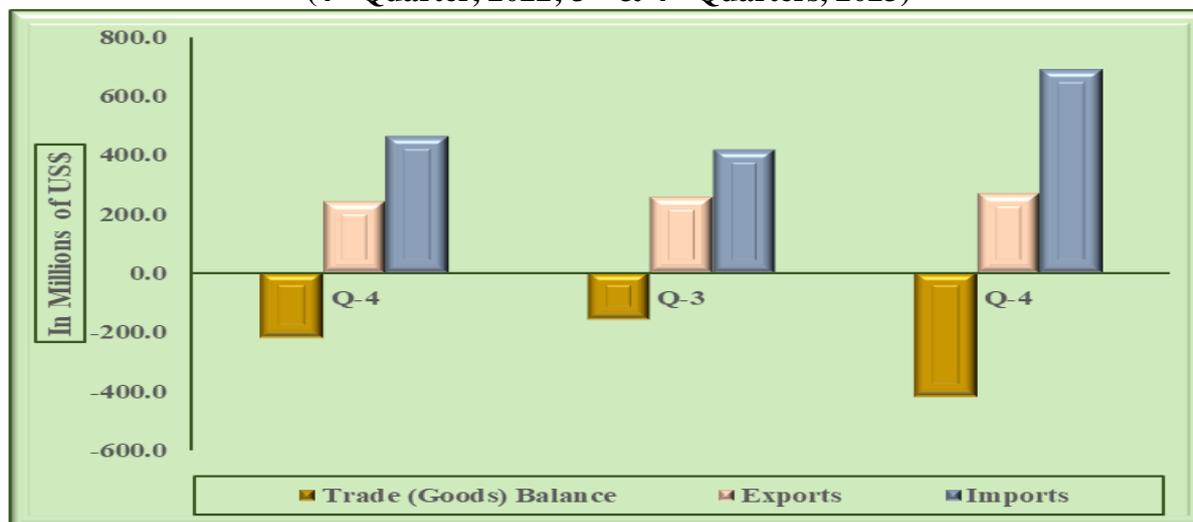
The current account deficit widened significantly to US\$330.6 million (7.6 percent of GDP) in the 4th quarter of 2023, from the US\$87.2 million (2.0 percent of GDP) recorded in quarter three. This development was on account of deteriorations in the trade and services deficits during the quarter.

5.2.1 Goods Account (net)

During the quarter under review, the merchandise trade deficit grew by over one hundred percent to US\$420.6 million (9.7 percent of GDP), from US\$161.5 million (3.7 percent of GDP) in the previous quarter. This development was mainly occasioned by growth in import payments. Similarly, total merchandise trade (with imports on fob basis) increased by 42.8

percent to US\$957.7 million (22.1 percent of GDP), from US\$670.4 million (16.9 percent of GDP) in quarter three of 2023, due largely to growth in payments for imports.

**Chart 5.1: Merchandise Trade Balance
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**



Source: Central Bank of Liberia

5.2.1.1 Exports

Total merchandise exports surged by 5.5 percent to US\$268.5 million (6.2 percent of GDP) in quarter four of 2023, from the US\$254.5 million (5.9 percent of GDP) reported in the previous quarter. The increase was explained by growths in earnings from iron ore amounting to US\$48.7 million during the review quarter, from US\$23.2 million; raw palm oil to US\$8.9 million, from US\$5.6 million; and cocoa beans to US\$1.5 million, from US\$1.2 million in quarter three of 2023. Export commodities that recorded declines in earnings included rubber (by 5.4 percent); gold (by 5.0 percent); diamond (by 58.2 percent); and other exports (by 23.6 percent).

5.2.1.2 Imports (FOB & CIF)

Import payments (on fob basis) increased by 65.7 percent to US\$689.2 million (15.9 percent of GDP) in the 4th quarter of 2023, from US\$416.0 million (9.6 percent of GDP) in the previous quarter. This development was mainly due to growths in payments for food & live animals (including vegetable oils), and minerals, fuel & lubricants (mainly petroleum & road construction-related products) to US\$128.7 million and US\$361.2 million, from US\$83.3 million and US\$104.4 million in the preceding quarter, respectively. Conversely, import categories that recorded decreases were machinery & transport equipment to US\$107.9 million in quarter four of 2023, from US\$117.6 million in the previous quarter; chemicals & related products to US\$30.1 million, from US\$33.4 million; manufactured goods chiefly classified by

materials to US\$44.8 million, from US\$51.9 million; and other imports to US\$16.5 million, from US\$25.4 million in the preceding quarter.

Similarly, payments for imports (on cif basis) rose by 62.5 percent to US\$736.5 million (17.0 percent of GDP) in the 4th quarter of 2023, from the US\$453.4 million (11.4 percent of GDP) reported in the preceding quarter.

5.2.2 Services Account (net)

The deficit in the services account (net) grew by 1.4 percent to US\$62.6 million (1.2 percent of GDP) in the fourth quarter of 2023 relative to the US\$55.5 million (1.3 percent of GDP) recorded in the preceding quarter. The increase was occasioned largely by growths in payments for transport, insurance & pension-related services.

5.2.3 Primary Income (net)

In terms of the primary income balance, the deficit slightly declined by 0.7 percent to US\$28.7 million (0.7 percent of GDP) in quarter four of 2023, from the US\$28.9 million (0.7 percent of GDP) recorded in the preceding quarter, primarily driven by decrease in investment income (net).

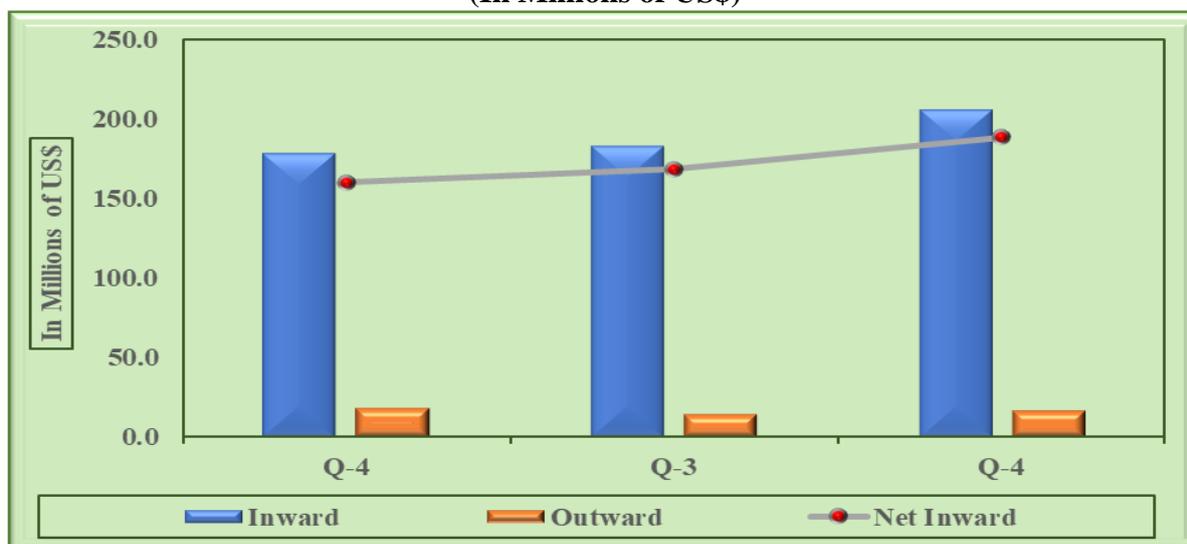
5.2.4 Secondary Income (net)

Net inflows from the secondary income account grew by 14.2 percent to US\$181.3 million (4.2 percent of GDP) during the quarter under review, from US\$158.7 million (3.7 percent of GDP) in the previous quarter, mainly due to an increase in personal remittances.

5.2.4.1 Personal Remittances

Net inflow of personal/worker remittances (including remittances terminated to mobile wallet) in the 4th quarter of 2023 increased by 12.0 percent to US\$188.5 million (4.4 percent of GDP) compared to the US\$168.4 million (3.9 percent of GDP) reported in the previous quarter. This development was induced by 12.4 percent growth in inward remittances as outward remittances similarly increased by 18.2 percent during the review period. Inward and outward remittances amounted to US\$205.5 million (4.7 percent of GDP) and US\$17.0 million (0.4 percent of GDP) in the 4th quarter of 2023, from US\$182.7 million (4.2 percent of GDP) and US\$14.3 million (0.3 percent of GDP), respectively, in the previous quarter.

Chart 5.2: Net Personal Inward Remittances
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)



Source: Central Bank of Liberia

3.5.3 Capital Account (KA)

The surplus in the capital account (net) reduced by US\$90.0 million (2.1 percent of GDP) during the review quarter, from US\$100.9 million (2.3 percent of GDP) in the preceding quarter, mainly reflecting decline in capital transfers through investment grants from development partners.

Table 5.1: Balance of Payments Statistics
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)

Balance of Payments (BoP) Statement	2022		2023		In Percent of GDP		
	Q-4	Q-3	Q-4	Q-4, 2022	Q-3, 2023	Q-4, 2023	
Current Account Balance	-172.8	-87.2	-330.6	-4.3	-2.0	-7.6	
<i>Credit</i>	428.5	450.1	491.5	10.8	10.4	11.3	
<i>Debit</i>	601.2	537.3	822.1	15.1	12.4	19.0	
Goods and Services (net)	-295.3	-217.0	-483.2	-7.4	-5.0	-11.2	
<i>Credit</i>	244.2	258.6	273.6	6.1	6.0	6.3	
<i>Debit</i>	539.4	475.7	756.8	13.6	11.0	17.5	
Trade Balance (Goods)	-221.5	-161.5	-420.6	-5.6	-3.7	-9.7	
Credit (Exports)	240.9	254.5	268.5	6.1	5.9	6.2	
<i>Iron Ore</i>	69.5	23.2	48.7	1.7	0.5	1.1	
<i>Rubber</i>	21.0	29.3	27.7	0.5	0.7	0.6	
<i>Minerals</i>	139.9	187.4	175.7	3.5	4.3	4.1	
<i>Gold</i>	135.7	183.0	173.8	3.4	4.2	4.0	
<i>Diamond</i>	4.3	4.5	1.9	0.1	0.1	0.0	
<i>Cocoa Beans</i>	0.0	1.2	1.5	0.0	0.0	0.0	
<i>Raw Palm Oil</i>	4.8	5.6	8.9	0.1	0.1	0.2	

<i>Other Exports</i>	5.6	7.9	6.0	0.1	0.2	0.1
Debit (Imports)	462.4	416.0	689.2	11.6	9.6	15.9
<i>Food & Live Animals (Inc. Animals & Vegetable Oil)</i>	172.1	83.3	128.7	4.3	1.9	3.0
<i>Minerals, Fuel, Lubricants</i>	123.3	104.4	361.2	3.1	2.4	8.3
<i>Chemicals & Related Products</i>	26.6	33.4	30.1	0.7	0.8	0.7
<i>Mfg. Goods classified chiefly by Materials</i>	37.6	51.9	44.8	0.9	1.2	1.0
<i>Machinery & Transport Equipment</i>	85.9	117.6	107.9	2.2	2.7	2.5
<i>Other Imports</i>	16.9	25.4	16.5	0.4	0.6	0.4
General merchandise on a balance of payments basis	-357.2	-344.5	-594.5	-9.0	-8.0	-13.7
Credit	105.2	71.5	94.7	2.6	1.7	2.2
Debit	462.4	416.0	689.2	11.6	9.6	15.9
Nonmonetary gold	135.7	183.0	173.8	3.4	4.2	4.0
Credit	135.7	183.0	173.8	3.4	4.2	4.0
Debit	0.0	0.0	0.0	0.0	0.0	0.0
Services (net)	-73.7	-55.5	-62.6	-1.9	-1.3	-1.4
Credit	3.3	4.2	5.1	0.1	0.1	0.1
Debit	77.0	59.7	67.7	1.9	1.4	1.6
Primary Income (net)	-28.6	-28.9	-28.7	-0.7	-0.7	-0.7
Credit	4.9	5.2	5.1	0.1	0.1	0.1
Debit	33.5	34.1	33.8	0.8	0.8	0.8
Secondary Income (net)	151.1	158.7	181.3	3.8	3.7	4.2
Credit	179.4	186.3	212.8	4.5	4.3	4.9
Debit	28.3	27.6	31.5	0.7	0.6	0.7
<i>Workers' remittances (net)</i>	160.1	168.4	188.5	4.0	3.9	4.4
<i>Credit (Inward)</i>	178.3	182.7	205.5	4.5	4.2	4.7
<i>Debit (Outward)</i>	18.2	14.3	17.0	0.5	0.3	0.4
Capital Account (net)	79.1	100.9	90.0	2.0	2.3	2.1
Credit	79.1	100.9	90.0	2.0	2.3	2.1
Debit	0.0	0.0	0.0	0.0	0.0	0.0
Net Borrowing (-) (CA & KA)	-93.7	13.7	-240.6	-2.4	0.3	-5.6
Net Borrowing (-): Financial Account (FA)	-99.8	-156.5	-49.4	-2.5	-3.6	-1.1
Direct Investment (net)	-158.1	-83.0	-57.7	-4.0	-1.9	-1.3
Net acquisition of financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Net incurrence of liabilities	158.1	83.0	57.7	4.0	1.9	1.3
Other Investment (net)	37.6	-71.5	16.0	0.9	-1.7	0.4
Net acquisition of financial assets	71.5	53.5	36.8	1.8	1.2	0.8
Net incurrence of liabilities	33.9	125.0	20.8	0.9	2.9	0.5
<i>Special drawing rights (Net incurrence of liabilities)</i>	18.9	-5.6	9.9	0.5	-0.1	0.2
Reserve Assets	20.7	-2.0	-7.7	0.5	0.0	-0.2

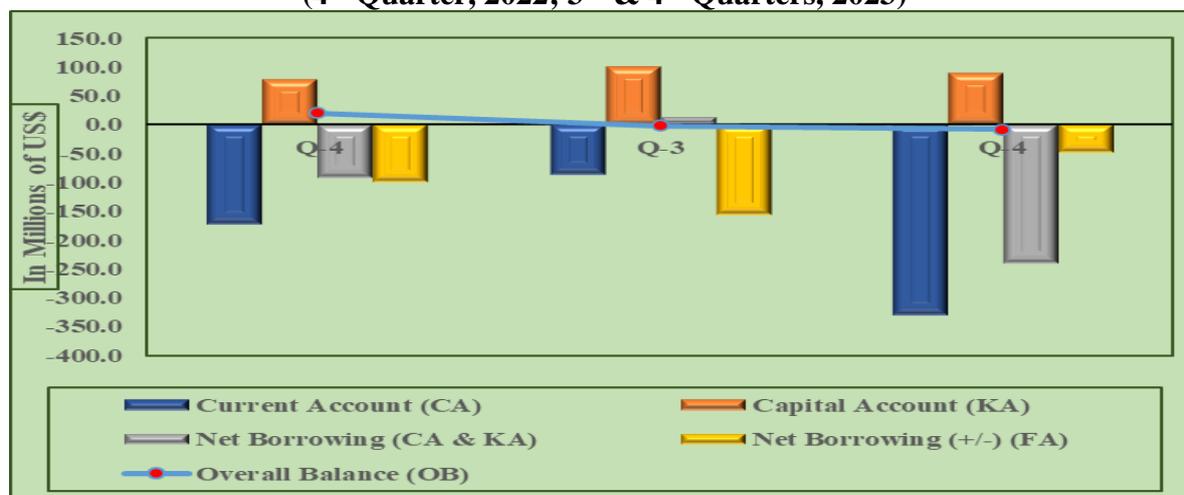
<i>Net Errors & Omissions (NEO)</i>	-6.1	-170.2	191.2	-0.2	-3.9	4.4
				0.0	0.0	0.0
Overall Balance (OB)	20.7	-2.0	-7.7	0.5	0.0	-0.2
<i>Financing</i>	-20.7	2.0	7.7	-0.5	0.0	0.2
<i>Changes in Reserve Assets (-increase; +decrease)</i>	-20.7	2.0	7.7	-0.5	0.0	0.2
<i>Memorandum Items</i>						
<i>Gross International Reserves</i>	598.5	482.2	451.0	17.1	12.1	10.4
<i>Import cover (In Months)</i>	3.0	2.8	1.7	0.1	0.1	0.0
<i>Imports (cif)</i>	515.5	453.4	736.5	14.7	11.4	17.0
<i>Service Payments</i>	77.0	59.7	67.7	2.2	1.5	1.6
<i>Total Imports of Goods/Services</i>	592.5	513.1	804.2	16.9	12.9	18.6
<i>Total Trade (FoB)</i>	703.3	670.4	957.7	20.0	16.9	22.1
<i>Total Trade (CiF)</i>	756.4	707.8	1005.0	21.6	17.8	23.2
<i>Current Account Bal. Excl. Grants</i>	-173.2	-87.5	-332.3	-4.9	-2.2	-7.7
<i>Annual Nominal GDP market prices</i>	3974.4	4331.6	4331.6			

Source: Central Bank of Liberia staff
r - revised; p – provisional

5.4 Financial Account (FA)

From provisional statistics, the financial account inflows (net) declined significantly by 68.4 percent to US\$49.4 million (1.1 percent of GDP), from the US\$156.5 million (3.6 percent of GDP) recorded in the previous quarter. The decrease was explained by contraction in direct investment inflows coupled with growth in other investment outflows.

Chart 5.3: Main Balances of the BoP
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)



Source: Central Bank of Liberia

5.4.1 Direct Investment (net)

Direct investment inflows (net) contracted by 30.5 percent to US\$57.7 million (1.3 percent of GDP) in quarter four of 2023, from US\$83.0 million (1.9 percent of GDP) in the preceding quarter. The decrease was largely underpinned by a decline in inflows from direct investors to direct investment enterprises due to election-related uncertainties.

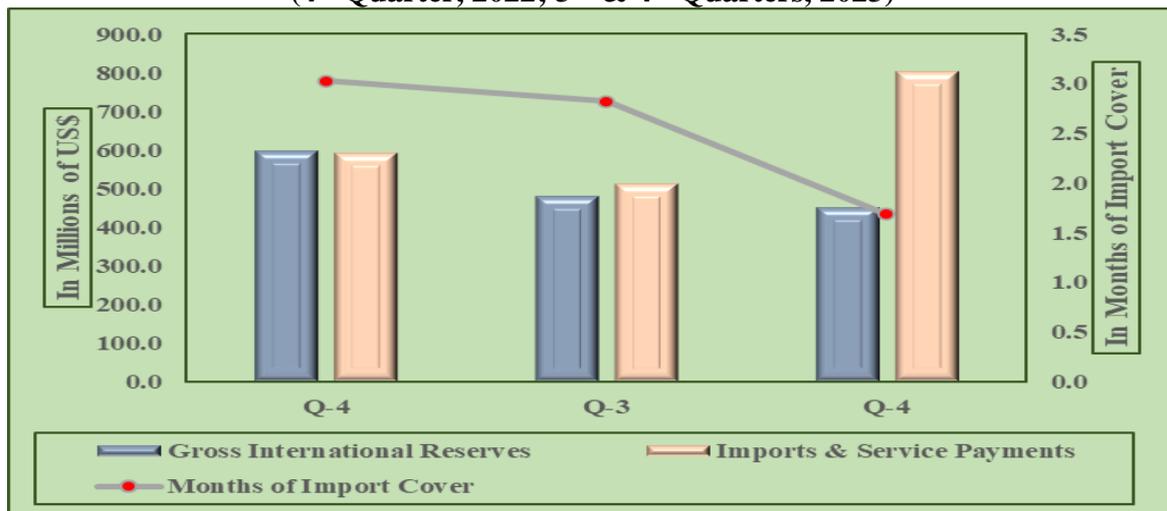
5.4.2 Other Investment (net)

Other investment inflows recorded net lending of US\$16.0 million (0.4 percent of GDP) compared to the net borrowing of US\$71.5 million (1.7 percent of GDP) reported in quarter three of 2023. This development largely reflected currency & deposits (net) of deposit taking corporations' (except the central bank) balances held abroad.

5.5 Gross International Reserves

From provisional data, the country's gross international reserves (GIR) at end-December 2023 fell by 6.5 percent to US\$451.0 million (10.4 percent of GDP), from US\$482.2 million (12.1 percent of GDP) at end-September 2023. This development was mainly explained by depreciation in foreign liquid assets including Special Drawing Rights (SDRs) Holdings & Reserves coupled with growth in the CBL's net liquid US dollar denominated liabilities. Similarly, the months of import cover relative to the GIR reduced to 1.7 months, from 2.8 months in the preceding quarter, and fell below the ECOWAS regional 3 months benchmark.

**Chart 5.4: Gross International Reserves, Imports & Months of Import Cover
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**



Source: Central Bank of Liberia

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Table 1.1: Selected Global Output and Inflation, 2022-2024

	Estimates		Projections 2024	Difference from January 2023 WEO Update	
	2022	2023		2023	2024
World Output	3.5	3.1	3.1	0.1	0.2
Advanced Economies	2.6	1.6	1.5	0.1	0.1
United States	1.9	2.5	2.1	0.4	0.6
Euro Area	3.4	0.5	0.9	-0.2	-0.3
Germany	1.8	-0.3	0.5	0.2	-0.4
France	2.5	0.8	1.0	-0.2	-0.3
Italy	3.7	0.7	0.7	0.0	0.0
Spain	5.8	2.4	1.5	-0.1	-0.2
Japan	1.0	1.9	0.9	-0.1	-0.1
United Kingdom	4.3	0.5	0.6	0.0	0.0
Canada	3.8	1.1	1.4	-0.2	-0.2
Other Advanced Economies	2.7	1.7	2.1	-0.1	-0.1
Emerging Market and Developing Economies	4.1	4.1	4.1	0.1	0.1
Emerging and Developing Asia	4.5	5.4	5.2	0.2	0.4
China	3.0	5.2	4.6	0.2	0.4
India	7.2	6.7	6.5	0.4	0.2
Latin America and the Caribbean	4.2	2.5	1.9	0.2	-0.4
Brazil	3.0	3.1	1.7	0.0	0.2
Mexico	3.9	3.4	2.7	0.2	0.6
Middle East and Central Asia	5.5	2.0	2.9	0.0	-0.5
Saudi Arabia	8.7	-1.1	2.7	-1.9	-1.3
Sub-Saharan Africa	4.0	3.3	3.8	0.0	-0.2
Nigeria	3.3	2.8	3.0	-0.1	-0.1
South Africa		0.6	1.0	-0.3	-0.8
World Consumer Prices	8.7	6.8	5.8	-0.1	0.0
Advanced Economies	7.3	4.6	2.6	0.0	-0.4
Emerging Market and Developing Economies	9.8	8.4	8.1	-0.1	0.3

Table 2.1: Key Agricultural Production
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Rubber	Mt	12,210	14,741	17,619
Cocoa	Mt	1,214	425	2,468*
Round Logs	M ³	150,202*	160,041*	162,419*
Sawn Timber	Pcs	49,210*	49,969*	52,207*
Crude Palm Oil (CPO)	Mt	3,629	4,646	2,440

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

**Table 2.2: Key Industrial Output
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Gold	Ounce	99,194	114,547	105,384
Diamond	Carat	8,502	9,347	7,074
Iron Ore	Mt.	1,300,000	1,100,000	1,420,000
Cement	Mt.	85,600	95,032	117,000
Spirits	Litre	40,675	294,906	359,347
Beer	Litre	1,802,001	1,320,934	1,810,937
Stout	Litre	1,817,149	1,502,305	1,465,303
Malta	Litre	189,256	223,336	141,261
Soft Drinks	Litre	244,039	3,162,432	4,529,028
Oil Paint	Gal.	46,353	28,750	46,549
Water Paint	Gal.	34069	20,861	25,614
Varnish	Gal.	5,879	2,983	2,219
Manoline H. Grease	Kg	3,688	5,393	10,559
Thinner	Gal	4,421	3,895	6,191
Rubbing Alcohol	Litre	48,633	79,286	49,082
Soap	Kg	83,407	54,920	64,712
Chlorox	Litre	271,680	237,634	248,311
Candle	Kg	10,920	12,348	18,585
Mattresses	Pcs.	34,685	29,894	30,649*
Finished water	Gal.	400,468,512	244,738,043	411,816,044*
Mineral Water	Liter	70,476	189,456	231,199
Electricity	kW	60,685,004	123,741,000	130,221,000

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

**Table 2.3: Consumption of Petroleum Products
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

Commodity	Unit	Q4-2022	Q3-2023	Q4-2023
Premium Motor Spirit (PMS)	Gal.	5,719,455	4,083,242.17	8,393,979.0
Diesel (AGO)	Gal.	5,045,435	6,390,725.34	10,356,376.3
Total	Gal.	10,746,890	10,473,967.51	18,750,355.3

Source: Liberia Petroleum Refining Company (LPRC)

**Table 2.4: Vessel Traffic and Cargo Movements
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

Quarter	No. of Vessels	Vessel Weight (SDWT)	Cargo Tonnage (In Metric Tons)		
			Imports	Exports	Total
Q4-2022	108	3,449,697	502,619	1,505,095	2,007,714
Q3⁺-2023	98	2,613,988	387,469	816,578	1,195,048
Q4-2023	107	3,113,892	1,683,858	2,602,033	4,285,891

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

**Table 2.5: Electric Power Developments
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(in Kilowatts)**

	Unit	Service	Generation
Q4- 2022	kW	Electricity	96,609,349
Q3-2023	kW	Electricity	123,741,000
Q4-2023	kW	Electricity	130,221,000

Source: Liberia Electricity Corporation

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

		Headline Inflation (yr-on-yr changes)			Monthly Changes in HCPI (%)		
		Combined	Food	Non-Food	Combined	Food	Non-Food
2020	January	23.56	22.18	24.33	0.93	2.73	0.0
	February	25.76	25.26	26.02	-1.10	0.34	-1.9
	March	21.72	30.48	17.31	1.88	4.59	0.4
	April	22.51	30.24	18.33	0.93	2.73	0.0
	May	18.36	28.24	13.17	2.01	2.01	2.0
	June	13.14	21.08	8.96	2.00	0.75	2.74
	July	17.06	17.83	16.66	0.05	4.05	-2.2
	August	14.77	16.25	13.99	1.27	3.16	0.3
	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
2021	January	12.92	16.31	11.06	0.75	3.23	-0.6
	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
	July	7.12	0.21	10.73	6.13	3.94	7.20
	August	7.00	0.10	10.71	1.16	3.04	0.28
	September	6.69	0.18	10.14	0.10	-0.37	0.33
	October	4.42	-2.39	8.00	-1.85	-2.87	-1.35
	November	5.44	-6.58	12.12	-3.17	-4.71	-2.44
	December	5.46	-7.05	12.40	-0.33	-1.10	0.02
2022	January	6.55	-6.79	14.24	1.80	3.51	1.01
	February	7.64	-1.57	12.60	0.13	0.15	0.12
	March	9.51	2.58	13.13	3.14	3.59	2.92
	April	6.26	-2.39	10.57	-3.41	-8.10	-1.19
	May	6.23	1.17	8.74	0.83	4.14	-0.62
	June	6.32	-1.99	10.37	2.02	-2.31	4.02
	July	6.48	-0.98	10.01	6.28	5.00	6.84
	August	1.71	0.06	12.36	1.71	0.06	2.42
	September	7.23	-5.12	13.19	0.25	-1.74	1.07
	October	9.12	3.08	11.99	-0.12	5.53	-2.40
	November	9.49	-0.52	14.13	-2.85	-8.03	-0.58
	December	9.19	-2.47	14.53	-0.61	-3.04	0.38
2023	January	8.22	-1.88	12.97	0.90	4.14	-0.36
	February	8.27	-3.27	13.70	0.18	-1.26	0.77
	March	6.10	-5.38	11.54	1.07	1.33	0.96
	April	9.43	1.38	12.97	-0.39	-1.53	0.07
	May	12.22	8.08	14.12	3.40	11.01	0.40
	June	12.36	13.30	11.95	2.16	2.41	2.04
	July	11.01	16.51	8.66	5.01	7.97	3.70
	August	11.70	26.66	5.48	2.35	8.78	-0.59
	September	9.96	23.49	4.49	-1.32	-4.21	0.12

October	10.14	16.86	7.20	0.05	-0.13	0.14
November	11.43	25.13	5.89	-1.70	-1.53	-1.79
December	10.01	26.94	3.40	-1.87	-1.64	-1.98

Source: CBL & LISGIS, Monrovia, Liberia

Table 2.7: Inflation by Sub-group Year-on-Year Changes in CPI (2022-2023)

Food	Weights	Inflation Rates			
		2022Q³	2022Q⁴	2023Q³	2023Q⁴
Bread and cereals	10.06	5.4	15.04	19.31	4.35
Milk, cheese, and eggs	0.68	6.6	-1.03	7.53	4.89
Meat	4.82	2.7	-4.43	11.43	-2.85
Non-Food					
Alcoholic Beverages, Tobacco, and Narcotics	0.65	6.87	6.86	3.32	8.29
Clothing and footwear	5.21	-0.42	6.65	20.49	21.7
Housing, Water, Electricity, Gas, and other fuels	7.22	9.92	16.62	6.39	1.73
Furnishing, H/Hold Equip., Routine Maintenance of House	5.21	0.61	10.11	21.56	16.26
Health	9.28	-2.71	4.53	7.79	4.79
Transport	7.53	32.22	53.1	2.82	5.9
Communication	3.86	-6.49	-1.43	20.14	22.14
Recreation and Culture	1.03	-2.67	2.93	16.81	17.11
Education	4.83	4.06	6.08	13.48	13.48
Restaurant and Hotels	17.12	14.19	10.52	-4.18	-4.93
Miscellaneous Goods and Services	3.98	9.19	22.55	23.51	21.39

Source: CBL & LISGIS, Monrovia, Liberia

**Table 2.8: Harmonized Consumer Price Index (HCPI) By Major Groups Year-on-Year Rates of Inflation
(4th Quarters, 2022; 3rd & 4th Quarter, 2023) (December, 2005=100)**

MAJOR GROUP	WEIGHT	22-Oct	22-Nov	22-Dec	Q4-22	23-Jul	23-Aug	23-Sep	Q3-23	23-Oct	23-Nov	23-Dec	Q4-23
FOOD AND NON-ALCOHOLIC BEVERAGES	34.08	3.08	-0.52	-2.47	0.03	16.51	26.66	23.49	22.22	16.86	25.13	26.94	22.98
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	0.65	5.48	7.01	8.1	6.86	5.57	1.83	2.57	3.32	8.41	11.51	4.95	8.29
CLOTHING AND FOOTWEAR	5.21	0.37	8.99	10.58	6.65	19.06	20.79	21.61	20.49	21.86	22.86	20.38	21.70
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.22	14.72	17.69	17.44	16.62	14.81	1.74	2.61	6.39	2.68	2.57	-0.08	1.73
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.21	2.68	12.83	14.83	10.11	26.9	18.99	18.78	21.56	18.39	16.2	14.18	16.26
HEALTH	9.28	0.56	5.98	7.06	4.53	13.11	6.13	4.12	7.79	4.62	4.88	4.88	4.79
TRANSPORT	7.53	46.28	56.45	56.56	53.10	2.72	2.78	2.96	2.82	5.27	6.3	6.12	5.90
COMMUNICATION	3.86	-6.7	0.76	1.64	-1.43	17.51	21.78	21.15	20.14	22.09	22.19	22.15	22.14
RECREATION AND CULTURE	1.03	-2.77	4.49	7.07	2.93	16.78	17.32	16.34	16.81	17.2	18.75	15.37	17.11
EDUCATION	4.83	6.08	6.08	6.08	6.08	13.48	13.48	13.48	13.48	13.48	13.48	13.48	13.48
RESTAURANTS AND HOTELS	17.12	15.15	8.6	7.81	10.52	-2.64	-4.31	-5.61	-4.18	0.3	-4.68	-10.4	-4.93
MISCELLANEOUS GOODS AND SERVICES	3.98	13.7	24.37	29.58	22.55	29.15	24.89	16.48	23.51	21.56	22.37	20.22	21.39
GENERAL RATES OF INFLATION	100	9.12	9.49	9.19	9.26	11.01	11.7	9.96	10.89	10.14	11.43	10.01	10.53

Source: CBL & LISGIS, Monrovia, Liberia

**Table 3.1: Commercial Bank Loans by Economic Sectors
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of L\$)**

Sector	2022		2023				Percent	
	4 th Quarter	Share of Total	3 rd Quarter	Share of Total	4 th Quarter	Share of Total	Q-o-Q	Y-o-Y
Agriculture	2,322.7	4.6	3,532.4	3.8	4,619.1	5.0	30.8	98.9
Extractive	237.9	0.5	2,135.0	2.3	2,301.2	2.5	7.8	867.2
Manufacturing	4,395.7	4.4	3,169.7	3.4	3,733.1	4.0	17.8	-15.1
Construction	5,228.8	10.5	7,951.7	8.5	9,325.7	10.0	17.3	78.4
Services	10,488.6	15.2	12,658.8	13.5	12,710.2	13.7	0.4	21.2
Trade	24,121.0	31.4	29,932.0	31.9	29,282.0	31.5	-2.2	21.4
Personal	14,666.9	19.1	17,169.4	18.3	13,736.4	14.8	-20.0	-6.3
Government of Liberia,	121.5	0.0	148.4	0.2	167.2	0.2	12.7	37.7
Public Corporation	1,279.1	1.0	852.8	0.9	713.6	0.8	-16.3	-44.2
Oil & Gas	5,604.3	5.4	7,364.5	7.9	5,924.6	6.4	-19.6	5.7
Others	9,153.7	7.8	9,844.3	10.5	10,327.5	11.1	4.9	12.8
Total Credit to Private	76,219.6	98.9	93,757.8	98.9	91,959.7	99.1	-1.9	20.7
Total Credit to the Economy	77,620.5	100.0	94,758.9	100.0	92,840.6	100.0	-2.0	19.6

Source: Central Bank of Liberia

**Table 3.2: Commercial Bank's Interest Rates
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)**

	2022	2023	
	4 th Quarter	3 rd Quarter	4 th Quarter
Avg Lending Rate	13.11	13.44	13.44
Avg Personal Loan Rate	12.78	12.78	12.78
Avg Mortgage Rate	13.38	13.38	13.38
Avg Time Deposit Rate	3.53	3.53	3.53
Avg Savings Rate	2.77	3.10	3.10
Avg Rate on Cd's	3.25	3.25	3.25
Avg Lending Rate	10.34	10.34	10.34

Source: Central Bank of Liberia

Table 3.3: Broad Money Supply and its Sources
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of L\$)

	2022	2023		Percentage	
	4 th	3 rd	4 th	Q-o-Q	Y-o-Y
1.0 Money Supply M2 (1.1 + 1.2)	153,701.1	203,248.9	222,008.8	9.2	44.4
1.1 Money Supply M1	106,211.7	141,632.1	159,688.6	12.7	50.3
1.1.1 Currency outside banks	23,631.5	27,094.8	29,477.2	8.8	24.7
1.1.2 Demand deposit	82,580.2	114,537.3	130,211.4	13.7	57.7
1.2 Quasi Money	47,489.4	61,616.8	62,320.2	1.1	31.2
1.2.1 Time & Savings deposits	46,878.7	61,545.4	61,790.7	0.4	31.8
1.2.2 Other deposits ^{1/}	610.7	71.4	529.5	641.2	-13.3
2.0 Net Foreign Assets	16,548.9	18,674.2	14,823.4	-20.6	-10.4
2.1 Central Bank	-2,937.7	-11,361.4	-19,514.4	-71.8	-564.3
2.2 Banking Institutions	19,486.5	30,035.6	34,337.8	14.3	76.2
3.0 Net Domestic Assets (1-2)	137,152.2	184,574.7	207,185.4	12.3	51.1
3.1 Domestic Credit	195,191.6	253,597.6	303,341.2	19.6	55.4
3.1.1 Government (net)	102,981.8	142,028.3	152,365.5	7.3	48.0
3.1.2 Pvt. Sector & Other Pvt.	92,209.8	111,569.3	150,975.7	35.3	63.7
3.2 Other assets Net (3 - 3.1)	-58,039.4	-69,022.9	-96,155.8	39.3	65.7
MEMORANDUM ITEMS					
1. Overall Liquidity	153,701.1	203,248.9	222,008.8	9.2	44.4
2. Reserve Money	49,453.8	60,760.3	67,546.1	11.2	36.6
<i>Currency in Circulation</i>	26,175.5	29,176.3	31,384.3	7.6	19.9
<i>Banks Reserves</i>	22,667.6	31,512.6	35,632.3	13.1	57.2
<i>Other Deposits at CBL</i>	610.7	71.4	529.5	641.2	-13.3
3. Currency in Banks	2,544.0	2,081.5	1,907.1	-8.4	-25.0

Source: Central Bank of Liberia

^{1/} Includes official and managers checks issued by the Central Bank

Table 4.1: Government Revenue
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -22	Q ³ -23	Q ⁴ -23	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Government Revenue	207.60	220.18	158.17	(28.16)	(23.81)
o/w Tax Revenue	106.53	127.11	107.38	(15.52)	0.80
o/w Taxes on Income & Profits	46.75	41.32	45.24	9.49	(3.23)
o/w Taxes on Int'l Trade	46.17	48.97	47.07	(3.89)	1.94
o/w non-Tax Revenue	16.87	14.10	15.99	13.37	(5.21)
o/w Property Income	12.30	8.75	11.84	35.36	(3.73)
o/w Administrative Fee & Penalties	4.57	5.36	4.15	(22.56)	(9.22)
Other Revenue (Grants, Borrowings & etc.)	84.20	78.96	34.80	(55.93)	(58.67)
Memorandum Items					
Total Revenue (% of GDP)	5.22	5.08	3.65	-	-
Tax Revenue (% of GDP)	2.68	2.93	2.48	-	-
Non-tax Revenue (% of GDP)	0.42	0.33	0.37	-	-
Other Revenues (% of GDP)	2.12	1.82	0.80	-	-
<i>GDP (In Millions of USD)</i>	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

Table 4.2: Government Expenditure
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -2022	Q ³ -2023	Q ⁴ -2023	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Expenditure	258.79	285.49	228.95	(19.80)	(11.53)
Recurrent Expenditure	224.63	234.14	208.28	(11.05)	(7.28)
o/w Employee Compensation	81.97	79.84	101.12	26.66	23.37
o/w Goods & Services	78.35	84.14	65.59	(22.05)	(16.28)
o/w Payments Loans, Interest & other					
Charges	27.60	43.46	17.22	(60.38)	(37.61)
Capital Expenditure	6.56	7.89	3.45	(56.20)	(47.36)
Memorandum Items					
Total Expenditure (% of GDP)	6.51	6.59	5.29	-	-
Recurrent Expenditure (% of GDP)	5.65	5.41	4.81	-	-
Capital Expenditure (% of GDP)	0.17	0.18	0.08	-	-
Payments Loan, Interest & other Charges (% of GDP)	0.69	1.00	0.40	-	-
GDP (In Millions of USD)	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

Table 4.3: Public Debt
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)
(In Millions of US\$)

Fiscal Operations	Q ⁴ -2022	Q ³ -2023	Q ⁴ -2023	Q-O-Q	Y-O-Y
	(Millions of USD)			(% Change)	
Total Debt Stock	2018.69	2203.90	2209.76	0.27	9.47
External	1134.27	1252.15	1286.31	2.73	13.40
o/w Multilateral	1022.56	1140.35	1174.52	3.00	14.86
o/w Bilateral	111.72	111.80	111.80	0.00	0.07
Domestic	884.41	951.75	923.45	(2.97)	4.41
o/w Financial Institutions	829.96	824.06	786.64	(4.54)	(5.22)
o/w CBL	605.48	630.48	593.06	(5.94)	(2.05)
o/w Commercial Banks	224.48	193.58	193.58	0.00	(13.76)
o/w Other Debts	54.45	127.69	136.81	7.14	151.25
Memorandum Items					
Total Debt Stock (% of GDP)	50.79	50.88	51.02	-	-
External (% of GDP)	28.54	28.91	29.70	-	-
Domestic Debt (% of GDP)	22.25	21.97	21.32	-	-
Debt Service (% of GDP)	0.39	0.11	0.39	-	-
GDP (In Millions of USD)	3,974.44	4,331.56	4,331.56	-	-

Source: CBL's Construction Using MFDP's Data

Table 5.1: Balance of Payments Statistics
(4th Quarter, 2022; 3rd & 4th Quarters, 2023)

Balance of Payments (BoP) Statement	2022	2023		In Percent of GDP		
	Q-4	Q-3	Q-4	Q-4, 2022	Q-3, 2023	Q-4, 2023
Current Account Balance	-172.8	-87.2	-330.6	-4.3	-2.0	-7.6
<i>Credit</i>	428.5	450.1	491.5	10.8	10.4	11.3
<i>Debit</i>	601.2	537.3	822.1	15.1	12.4	19.0
Goods and Services (net)	-295.3	-217.0	-483.2	-7.4	-5.0	-11.2
<i>Credit</i>	244.2	258.6	273.6	6.1	6.0	6.3
<i>Debit</i>	539.4	475.7	756.8	13.6	11.0	17.5
Trade Balance (Goods)	-221.5	-161.5	-420.6	-5.6	-3.7	-9.7
Credit (Exports)	240.9	254.5	268.5	6.1	5.9	6.2
<i>Iron Ore</i>	69.5	23.2	48.7	1.7	0.5	1.1
<i>Rubber</i>	21.0	29.3	27.7	0.5	0.7	0.6
<i>Minerals</i>	139.9	187.4	175.7	3.5	4.3	4.1
<i>Gold</i>	135.7	183.0	173.8	3.4	4.2	4.0
<i>Diamond</i>	4.3	4.5	1.9	0.1	0.1	0.0
<i>Cocoa Beans</i>	0.0	1.2	1.5	0.0	0.0	0.0
<i>Raw Palm Oil</i>	4.8	5.6	8.9	0.1	0.1	0.2
<i>Other Exports</i>	5.6	7.9	6.0	0.1	0.2	0.1
Debit (Imports)	462.4	416.0	689.2	11.6	9.6	15.9
<i>Food & Live Animals (Inc. Animals & Vegetable Oil)</i>	172.1	83.3	128.7	4.3	1.9	3.0
<i>Minerals, Fuel, Lubricants</i>	123.3	104.4	361.2	3.1	2.4	8.3
<i>Chemicals & Related Products</i>	26.6	33.4	30.1	0.7	0.8	0.7
<i>Mfg. Goods classified chiefly by Materials</i>	37.6	51.9	44.8	0.9	1.2	1.0
<i>Machinery & Transport Equipment</i>	85.9	117.6	107.9	2.2	2.7	2.5
<i>Other Imports</i>	16.9	25.4	16.5	0.4	0.6	0.4
General merchandise on a balance of payments basis	-357.2	-344.5	-594.5	-9.0	-8.0	-13.7
Credit	105.2	71.5	94.7	2.6	1.7	2.2
Debit	462.4	416.0	689.2	11.6	9.6	15.9
Nonmonetary gold	135.7	183.0	173.8	3.4	4.2	4.0
Credit	135.7	183.0	173.8	3.4	4.2	4.0
Debit	0.0	0.0	0.0	0.0	0.0	0.0
Services (net)	-73.7	-55.5	-62.6	-1.9	-1.3	-1.4
Credit	3.3	4.2	5.1	0.1	0.1	0.1
Debit	77.0	59.7	67.7	1.9	1.4	1.6
Primary Income (net)	-28.6	-28.9	-28.7	-0.7	-0.7	-0.7
Credit	4.9	5.2	5.1	0.1	0.1	0.1
Debit	33.5	34.1	33.8	0.8	0.8	0.8
Secondary Income (net)	151.1	158.7	181.3	3.8	3.7	4.2
Credit	179.4	186.3	212.8	4.5	4.3	4.9
Debit	28.3	27.6	31.5	0.7	0.6	0.7
<i>Workers' remittances (net)</i>	160.1	168.4	188.5	4.0	3.9	4.4

<i>Credit (Inward)</i>	178.3	182.7	205.5	4.5	4.2	4.7
<i>Debit (Outward)</i>	18.2	14.3	17.0	0.5	0.3	0.4
Capital Account (net)	79.1	100.9	90.0	2.0	2.3	2.1
Credit	79.1	100.9	90.0	2.0	2.3	2.1
Debit	0.0	0.0	0.0	0.0	0.0	0.0
Net Borrowing (-) (CA & KA)	-93.7	13.7	-240.6	-2.4	0.3	-5.6
Net Borrowing (-): Financial Account (FA)	-99.8	-156.5	-49.4	-2.5	-3.6	-1.1
Direct Investment (net)	-158.1	-83.0	-57.7	-4.0	-1.9	-1.3
Net acquisition of financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Net incurrence of liabilities	158.1	83.0	57.7	4.0	1.9	1.3
Other Investment (net)	37.6	-71.5	16.0	0.9	-1.7	0.4
Net acquisition of financial assets	71.5	53.5	36.8	1.8	1.2	0.8
Net incurrence of liabilities	33.9	125.0	20.8	0.9	2.9	0.5
<i>Special drawing rights (Net incurrence of liabilities)</i>	18.9	-5.6	9.9	0.5	-0.1	0.2
Reserve Assets	20.7	-2.0	-7.7	0.5	0.0	-0.2
<i>Net Errors & Omissions (NEO)</i>	-6.1	-170.2	191.2	-0.2	-3.9	4.4
				0.0	0.0	0.0
Overall Balance (OB)	20.7	-2.0	-7.7	0.5	0.0	-0.2
<i>Financing</i>	-20.7	2.0	7.7	-0.5	0.0	0.2
<i>Changes in Reserve Assets (-increase; +decrease)</i>	-20.7	2.0	7.7	-0.5	0.0	0.2
<i>Memorandum Items</i>						
<i>Gross International Reserves</i>	598.5	482.2	451.0	17.1	12.1	10.4
<i>Import cover (In Months)</i>	3.0	2.8	1.7	0.1	0.1	0.0
<i>Imports (cif)</i>	515.5	453.4	736.5	14.7	11.4	17.0
<i>Service Payments</i>	77.0	59.7	67.7	2.2	1.5	1.6
<i>Total Imports of Goods/Services</i>	592.5	513.1	804.2	16.9	12.9	18.6
<i>Total Trade (FoB)</i>	703.3	670.4	957.7	20.0	16.9	22.1
<i>Total Trade (CiF)</i>	756.4	707.8	1005.0	21.6	17.8	23.2
<i>Current Account Bal. Excl. Grants</i>	-173.2	-87.5	-332.3	-4.9	-2.2	-7.7
<i>Annual Nominal GDP market prices</i>	3974.4	4331.6	4331.6			

Source: Central Bank of Liberia staff
r - revised; p – provisional