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**Commercial Banks Loans to Private Sector
(In Million USD)**



The Monthly Economic Review is produced by the Bank's Research, Policy & Planning Department. Inquiries concerning this publication should be addressed to:

The Director
Research, Policy & Planning Department
Central Bank of Liberia
P. O. Box 2048

Ashmun & Lynch Streets, Monrovia, Liberia
Contacts: +231-880-649103/886-246587/555-960556
Fax: 00(231)77059642

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

Currency	Jan - 17	Feb - 17	M-on-M Rate of Appr. (-)/Depr. (+)
	Curr. Unit./US\$1	Curr Unit./US\$1	
LRD	104.50	103.50	-1.0
GHC	4.27	4.46	4.4
GMD	43.62	44.97	3.1
GNF	9,305.08	9,230.16	-0.8
NGN	304.75	305.00	0.1
SLL	7,303.48	7,235.74	-0.9

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

LRD—Liberian Dollar

GHC—Ghanaian Cedi

GMD—Gambian Dalasi

GNF—Guinean Franc

NGN—Nigerian Naira

SLL—Sierra Leonean Leone

USD—US Dollar

	Nov-16	Dec-16	Jan-17	Feb-17
External Trade (Volume) – cont'd	(Metric Tons)			
- Petroleum Products	12,215	6,573	10,862	6,995
- Cocoa Beans		2,400	850	350
- Palm Oil		21,950	0.0	21,500
10 Inflation	(In percent)			
Overall (Year-on-year) Rate of Inflation	12.0	12.5	13.6	13.3
a. Food and Non-alcoholic Beverages Inflation	14.4	14.2	11.4	9.9
- Domestic Food Inflation	12.7	8.6	4.4	1.1
- Imported Food Inflation	16.1	19.9	18.7	17.0
b. Transport Inflation	23.1	20.9	23.5	24.5
c. Imported Fuels Inflation	8.0	8.4	9.9	19.5
Overall (Month-on-Month) Rate of Inflation	0.50	0.50	1.0	-1.5
Core Inflation	(In percent)			
Inflation excluding Food & Non-alcoholic Beverages	9.3	10.6	16.3	12.1
Inflation excluding Imported Food	10.6	9.9	11.8	9.1
Inflation excluding Domestic Food	11.8	13.9	17.5	7.4
Inflation excluding Food and Transport	6.9	8.6	14.9	9.8
Production	(Metric Tons)			
Iron Ore	0.0†	120,342	183,656	53,062
Rubber	1,956†	2,291	2,437	1,996
Cement	16,747†	23,722	23,391	27,563
Beverages	(In Litres)			
<i>Alcoholic</i>	994,105†	1,596,932	943,161±	970,152±
<i>Non-Alcoholic</i>	562,968†	956,915	1,019,080±	779,689±
11 Int'l Commodity Prices	US\$/Unit			
Iron Ore (US\$/MT)	72.3	79.8	80.8	88.8
Rubber (US\$/MT)	1,879.9	2,226.8	2555.2	2,711.5
Crude Oil (US\$/Barrel)/1	45.3	52.6	53.6	54.4
Rice (US\$/MT)	360.8	367.6	372.6	368.1
Cocoa Beans (US\$/MT)	2,492.0	2,295.3	2,195.1	2,034.1
Palm Oil	670.0	711.8	726.5	706.8

REAL SECTOR & PRICE DEVELOPMENTS

Production

Production of major commodities in the economy during the month of February 2017 recorded mixed trends. Cement output increased to 27,563 metric tons, from 23,391 metric tons. The 17.8 percent upsurge in output was attributed to the rise in construction activities and the slight reduction in ex-factory price of the commodity. On the other hand, beverage production slumped to an estimated 1.7 million liters, from 2.0 million liters produced during the preceding month, due to the unused stock held from the previous months. Output of iron ore during the review month stood at 53,062 metric tons, down from 130,594 metric tons produced a month ago. Rubber output also declined to 1,996 metric tons, from 2,437 metric tons produced in the preceding month. The drop in rubber production was a result of decline in the small-holder farmers' outputs.

Consumer Prices

Headline inflation during the month surged to 13.3 percent, up from 8.04 percent recorded the same period a year ago. The rise in inflation was generally explained by the increases in the prices of food and non-alcoholic beverages; alcoholic beverages, tobacco and narcotics; transport; communication and recreation and hotels.

On a month-on-month basis, the rate of inflation plummeted to negative 1.5 percent, from 1.0 percent in the preceding month. The monthly decrease in inflation during the month was driven by decreases in the inflation rates of all of the major groups except alcoholic beverages, tobacco and narcotics, and transport.

MONETARY DEVELOPMENTS

Monetary Policy Stance

The monetary policy stance during the month of February, 2017 was anchored on price stability via broad exchange rate stability. During the review month, foreign exchange auction and the Treasury Bills were the two available tools used to help smoothout volatility in the exchange rate.

Monetary Aggregates and Credit

Broad money supply (M2) at end-February, 2017 declined by 0.9 percent to L\$67,353.5 million from L\$67,960.0 million, recorded at-end January, 2017.

The downward trend was occasioned by 1.3 percent decline in the narrow money supply, M1. Quasi money was flat in the month under review.

Net foreign assets (NFA) recorded at end-February, 2017 stood at US\$36,726.8 million, down from L\$37,780.3 million reported at end-January, 2017. The 2.8 percent decline was triggered by a 5.7 percent decline in assets held abroad by the Central Bank of Liberia. Net domestic assets (NDA) expanded by 1.5 percent to US\$30,626.7 million, from US\$30,179.7 million, mainly on account of a 1.7 percent growth in credit to private sector including credit to Non-Bank Financial Institutions (NBFIs).

Commercial bank loans to the private sector in US dollars rose by 0.8 percent to US\$381.9 million at end-February, 2017 from US\$378.8 million recorded at end-January, 2017. The Liberian dollars share of loans to the private sector also expanded by 1.9 percent to L\$3,036.1 million, from L\$2,979.1 million.

Exchange Rate

At end-February, 2017, the Liberian dollar on average, appreciated against the US dollar by 1.1 percent to L\$102.20/US\$1.00, from L\$103.30/US\$1.00 recorded at end-January, 2017. Similarly, the end-of-period (EOP) exchange rate showed an appreciation of 1.0 percent to L\$103.50/US\$1.00, from L\$104.50/US\$1.00. Yearly comparison showed that the average exchange rate depreciated by 12.9 percent, while the End of Period (EOP) fell by 14.4 percent. The depreciation of the domestic currency continues, on account of the swelling demand for US dollars to facilitate imports.

Analyses of the EOP exchange rate movements in the WAMZ at end-February, indicated that the Liberian Dollar, Sierra Leonean Leone and the Guinean Franc appreciated by 1.0, 0.9 and 0.8 percents, respectively. On the other hand, the Ghanaian Cedis fell by 4.4 percent followed by the Gambian Dalasi and the Nigerian Naira by 3.1 and 0.1 respectively (Table 2).

Annual comparison at end-February, 2017 indicates that all /wamz currencies depreciated with the highest rate recorded by the Naira, 55.2 percent, followed by the Leone, 24.9 percent and the Cedi, 14.9 percent.

	Nov-16	Dec-16	Jan-17	Feb-17
Non-performing Loans to Total Loans	11.8	14.8	13.2	N/A
Non-performing Loans (% change)	13.4	N/A	N/A	N/A
Returns on Assets (ROA)	1.1	0.2	0.3	N/A
Returns on Equity (ROE)	7.8	0.8	1.5	N/A
Liquidity Ratio****	54.1	51.4	53.3	N/A
7 Fiscal Operations				
7a Revenue, Expenditure & Debt	(Millions of US\$)			
Actual Revenue & Grants	38.2	92.6	44.3	34.2±
Projected Revenue & Grants	32.6	73.5	38.7	33.7±
Expenditure	25.4†	44.4†	36.7	31.4±
Public Debt Stock	768.9	771.2	775.0	780.0
Domestic	268.3	268.3	268.3	268.2±
External	500.6†	502.9†	506.7†	511.8±
7b Treasury Securities	(Millions of L\$)			
T- Bills Issued	-49.0	-49.3	-51.3	-45.2
T- Bills Redeemed	46.8	48.8	97.5	49.0
Net GoL Treasury Bills Operations^	-2.2	-0.5	46.3	3.8
Ave. Weighted Discount Rate_T Bills	3.7	3.1	2.8	3.4
Bond Issued (2 yrs.) amount in Billion	0.0	0.0	0.0	0.0
T- Bond Issued	0.0	0.0	0.0	0.0
T- Bond Settled	0.0	0.0	0.0	0.0
Net GoL Treasury Bond Operations^	0.0	0.0	0.0	0.0
Ave. Weighted Discount Rate_T Bond	0.0	0.0	0.0	0.0
8 External Trade (Value)	(Millions of US\$)			
8a Exports/1	6.3†	13.7†	15.0	10.6
- O/w Iron Ore	0.0†	2.6	4.6	1.4
- O/w Rubber	2.9	3.9	4.2	4.4
- O/w Mineral	0.3†	3.6	2.0	4.0
-o/w Cocoa Bean		0.4	0.3	0.2
-o/w Palm Oil		0.1	0.0	0.2
8b Imports (F.O.B)/1	93.9	78.7	85.5	100.2
Minerals, Fuel, Lubricants		19.7	26.9	36.6
-O/w Petroleum Products	26.3	14.1	25.6	33.3
Food and Live Animals		19.7	12.9	21.0
-O/w Commercial Rice	14.4	6.6	0.3	13.1
-O/w Non-commercial Rice	0.2	0.8	0.4	0.4
Machinery & Transport Equipment		17.3	22.4	20.1
Import (C.I.F)	101.2	86.0	92.3	107.6
Trade Balance	-87.6	-65.0†	-70.5	-89.6
9 External Trade (Volume)	(Metric Tons)			
- Rubber	1,956	2,393	2,438	2,216
-Iron Ore	82,250	120,342	183,656	53,062
-Commercial Rice	316,160	143,629±	7,006	286,821
-Non-commercial Rice	843	4,593±	2,209	2,151

Table 1: Fact Sheet

	Nov-16	Dec-16	Jan-17	Feb-17
1 Monetary	<i>(Millions of US\$)</i>			
CBL Net Foreign Exchange Reserves Position (Including SDRs) [†]	168.8	183.1	185.0	170.3
CBL Gross Foreign Reserves (excluding SDRs)	250.8	292.8	276.6	261.6
Liberian Dollars in Circulation	10,830.9	12,755.1	12,224.8	12,239.6
Money Supply (M1) in L\$ only	14,042.7	16,494.8	16,043.1	16,032.0
Broad money (M2) in L\$ only	19,551.7	22,043.2	21,640.2	21,276.9
Broad money (M2) in both L\$ and US\$*	62,507.7	66,711.9	67,960.0	67,353.5
	<i>(In percent)</i>			
Liberian Dollar share of Broad Money	31.3	33.0	31.8	31.6
Interest Rates				
- Lending rate	13.3	13.6	13.4	13.0
-Average Deposit rates				
-Savings	2.2	2.0	2.0	3.9
-Time	3.4	4.7	5.0	5.1
	<i>(In Millions of Currencies)</i>			
Commercial banks loans to private sector - US\$	368.2	368.3	357.7	381.9
Commercial banks loans to private sector - L\$	2,763.5	2,934.1	3,213.8	3,036.1
- Demand Deposits of commercial banks				
Demand deposits - US\$	269.0	288.0	290.2	287.5
Demand deposits - L\$	4,110.9	4,643.2	5,373.1	5,269.2
- Time & Savings Deposits of commercial banks				
Time & savings deposits - US\$	162.32	153.7	155.0	162.0
Time & savings deposits - L\$	5,497.0	5,333.4	5,383.9	5,231.4
- Other Deposits**				
Actual US\$ component of other deposits	0.1	3.1	3.3	1.4
Liberian \$ component of other deposits	12.0	215.0	213.2	13.4
2 CBL's Foreign Exchange Auction	<i>(Millions of US\$)</i>			
US Dollar Amount Sold	0.0	0.0	7.0	3.0
Total Subscription	0.0	0.0	15.2	4.4
Over(+)- / Under(-) Subscription	0.0	0.0	8.2	1.4
3 CBL Bills Auction	<i>(Millions of L\$)</i>			
Bill Issued	0.0	0.0	0.0	0.0
Bill Redeemed	0.0	0.0	0.0	0.0
4 Personal Remittances	<i>(Millions of US\$)</i>			
Inflows	32.3	33.3	31.6	47.4
Outflows	52.3	37.5	16.7	36.9
Net flows	-20.0	-4.2	14.9	10.5
5 Exchange Rate	<i>(USD/LD)</i>			
End of Period	100.5	102.5	104.5	103.5
Period Average	99.6	100.4	103.3	102.2
6 Financial Soundness Indicators (FSI)	<i>(In percent)</i>			
Capital Adequacy Ratio (CAR)***	21.4	21.5	21.8	N/A

Money Market Developments

Money market operations for the reporting period led to a net injection of L\$3.8 million compared with a net withdrawal of L\$46.3 million in January, 2017. The weighted average yield was 3.4 percent, 55 basis points higher than the yield in January, 2017.

Banking Sector Developments

At end-February, 2017, the banking industry remained viable. Though liquidity position of the industry fell by 2.6 percentage point to 50.7 percent below the 53.3 percent recorded for January, 2017, the current position is still comfortably above the minimum required liquidity ratio of 15.0 percent. Non-performing loans ratio deteriorated by 4.7 percentage points to 17.6 percent on weak credit administration. The industry capital adequacy ratio (CAR) at end-February, 2017 was estimated at 28.9 percent.

FISCAL DEVELOPMENTS**Revenue (including Grants) & Expenditures**

Fiscal operations in February, 2017, resulted in a surplus of US\$2.8 million, down from a surplus of US\$7.2 million recorded in the previous month. The surplus was mainly on account of 14.4 percent decline total public spending during the review period. Tax and non-tax revenue & grants constituted 86.0 percent and 14.0 percent of total revenue and grants during the period under review, respectively. Actual revenue and grants rose above budgetary projections during the month by US\$0.5 million or 1.5 percent, while recurrent expenditure accounted for nearly 100.0 percent (or 99.97 percent) of total public expenditure for the review month. Liberia's public debt stock at end-February, 2017, stood at US\$780.0 million, slightly increased by 0.6 percent against the stock of US\$775.0 million recorded at end-January, 2016, mainly explained by 1.0 percent rise in external debt stock during the review period. Domestic and external debt stocks constituted 34.4 percent and 65.6 percent of Liberia's total public debt stock at end-February, 2017, respectively (See Table 1).

EXTERNAL SECTOR DEVELOPMENTS**Merchandise Trade**

During the Month ended February, 2017, merchandise trade deficit deteriorated by 27.1 percent to US\$89.6 million, from US\$70.5 million; occasioned by the decline in export receipt for the month, while payments for imports (fob) rose by 17.2 percent during the month under review (Table 1).

Exports

Merchandise export receipts recorded decline at end-February, 2017 by 29.2 percent to US\$10.6 million when compared with export earnings during the previous month. The reduction in export receipts was largely on the back of US\$3.2 million slump in earnings from iron ore (Table 1).

Imports

Import payments (f.o.b) in February 2017 rose to US\$100.2 million, from US\$85.5 million reported in the preceding month. The 17.2 percent rise in payments was on account of increases in payments for mineral, fuel, Lubricant by 36.0 percent and Food and Live Animals by US\$8.7 million (Table 1).

Global Commodity Price Review

At end-February 2017, average global commodity price rose by 1.5 percent, from the revised 2.1 percent reported in January, 2017. The slight increase in average global price during February, 2017 was mainly on the back of metal prices (especially Uranium, Iron ore, silver and gold) and energy (mainly crude oil).

Iron ore

The international price of iron ore during February, 2017 rose by 9.9 percent to US\$88.8 per metric ton, from US\$80.8 per metric ton recorded at end-January, 2017 on account of continuous favourable demand for steel from China (Table 1). However, in the wake of restriction imposed by the Chinese Government on steel production, the demand for the commodity is expected to slow down thereby possibly pushing price downward.

Rubber (natural)

Global price of rubber rose for the fifth consecutive month to US\$2,711.5 per metric ton during February, 2017, from US\$2,555.2 per metric ton reported during the previous month. The 6.1 percent surge in the price of the commodity was mainly on account of reduction in supply.

Petroleum (Crude Oil)

In February, 2017, the international price of petroleum went up by 1.4 percent to US\$54.4 per barrel, from US\$53.6 per barrel in January, 2017.

The marginal rise in the price of the commodity was occasioned by OPEC decision to keep production low. With rising inventories in the US, crude oil price is expected to be under pressure and to fall in the medium term.

Gold

The global price of Gold for the second time in 2017 rose to US\$1,234.2 per ounce in February, from US\$1,192.1 per ounce recorded at end-January 2017. The 3.5 percent surge in the price of gold was a result of the use of the precious stone as a haven or store of value.

Food (Rice)

In spite of the slight increase in the average international price of food at end-February, 2017, the global price of rice fell by 1.1 percent to US\$368.5 per metric ton during the reviewed month, from US\$372.6 per metric ton in January, due, in part, to what the FAO refers to as stronger quotation of the Basmati (rice) sales.

Palm Oil

Crude palm oil price declined at end-February, 2017 to US\$706.8 per metric ton after experiencing a rise of US\$726.5 per metric ton at end-January, 2017. The 2.7 percent fall in the price of the commodity was on account of output glut.

Gross Foreign Reserves

The CBL foreign reserves position (excluding SDR holdings) at end-February, 2017 stood at US\$261.6, down from US\$276.6 million during the preceding month. The 5.4 percent slump in gross foreign reserves position of the Bank was on account of a 1.6 percent decline in cash balances with Banks abroad (Table 1).

Month-of-Import Covers³

On account of the 5.4 percent decline in gross foreign reserve (excluding SDR holdings) during the month of February, 2017, month of import cover stood at approximately 2.4 months, down from 3.0 months that was recorded in January, 2017.

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

³Calculated by dividing the stock of gross foreign reserve in the month by total import payments (on cif basis) in the same month