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OVERVIEW

Global economic recovery is expected to continue in the second half of 2013; however, with persistent diversities in growth prospects across regions, but probably at a slower pace. Global growth is projected to remain at its 3.1 percent-2012 level, 0.2 percentage points lower than the April 2013 World Economic Outlook (WEO) forecast; to be driven by the expected gradual improvements in advanced economies, and the recent softening of prospects in emerging markets. This slower growth is largely due to the continued recession in the euro area, as the July edition of the WEO forecast shows that growth in the region will remain on the downside throughout 2013. Economic indicators for the US show expansion in growth and recovery, but at a slower pace, as stronger fiscal contraction weighed on increasing private demand.

In Asia, growth projection fell by 0.3 percentage points due to a slowdown in growing external demand, but economic activities in the region are expected to be robust during the remaining of the year. Activities in emerging markets and developing economies are expected to improve at a more modest pace due to falling commodity prices of exports, while growth in sub-Saharan Africa is projected to moderate at 5.1 percent, 0.4 percentage points below the last quarter's projection on account of growing weaker external demand and the increasing domestic struggles in some of the region's economies.

Inflation in advance economies declined moderately to 1.5 percent, from its April 2013 WEO forecast of 1.6 percent, while in emerging market and developing economies, it rose to 6.0 percent, from 5.9 percent (reported in the previous quarter), showing mixed pictures of global inflation.

On the domestic front, a revised growth projection of the Liberian economy puts real GDP growth at 8.1 percent, from 8.3 percent in 2012. This slowdown in growth in the economy is expected to continue and be predominantly driven by rubber and the forestry sector. Similarly, growth in 2014 is projected at 6.8 percent. Major exports commodities such as rubber, diamond, iron ore, and sawn timber, recorded increases in outputs, while gold production shrank during the quarter under review. Domestic inflation marginally rose to 7.4 percent during the second quarter, from 7.3 percent recorded in the preceding quarter. The

slight increase was mainly driven by imported food inflation, bad farm-to-market roads and low domestic food production.

Developments in the banking sector continue to show improved performance. The sector showed steady growth in key balance sheet items during the review quarter. Growth in the industry's key balance sheet items was higher than its first quarter 2013 position, largely on account of strong deposits growth. The banking system continued to be well capitalized and liquid. However, profitability remains a challenge, largely due to poor asset quality, weak credit administration and the relatively high operating expenses occasioned by the high cost of electricity.

As the US dollar strengthens against major currencies of the world, the Liberian-US dollar exchange rate, on average, weakened by 2.7 percent at end-June to L\$76.54/US1.00, from L\$74.50/US1.00 at end-March, 2013. In strengthening liquidity management, the Ministry of Finance, in collaboration with the CBL, on May 2, 2013, issued the Government of Liberia Treasury bills (T-bills) with an initial amount of L\$149.0 million offered.. The month of June brought the number of monthly T-bills issued to two.

Fiscal operations by the Government of Liberia (GoL) recorded a surplus during the quarter under review. Total revenue and grants exceeded Government expenditure by L\$1,179.5 million (9.3 percent) at end-June, 2013. The surplus was driven by strong performance in tax and non-tax revenues collections of L\$13,804.0 million over projected revenue of L\$12,731.1 million.

Liberia's public debt stock at end-June, 2013 stood at US\$577.7 million. Matched against the level recorded at end-March, 2013 and the corresponding period of 2012, it grew by US\$12.2 million (2.2 percent) and US\$25.3 million (4.6 percent), respectively. Of the total debt stock, domestic debt accounted for 49.9 percent while external debt constituted 50.1 percent. The growth in Liberia's public debt stock was largely due to increase in domestic debt to financial institutions.

Provisional balance of payments statistics recorded an overall surplus of 31.0, from a deficit of US\$26.4 million at the end of the preceding quarter. Similarly, compared with the corresponding quarter a year ago, the deficit position improved by US\$42.2 million, from a deficit of US\$11.2 million at end-June, 2012. Compared with the previous quarter, the

current account deficit improved by 13.5 percent to US\$411.3 million; from US\$475.6 million at end-March, 2013, largely on account of a 42.6 percent improvement realized in the trade deficit to US\$90.4 million, from US\$157.5 million at end-March, 2013 mostly on the back of a 26.5 percent quarterly rise in export receipts given an 11.8 percent decline in import payments.

I. DEVELOPMENTS IN THE WORLD ECONOMY

1.0 Introduction

In the wake of downside risks to global growth prospects, recovery is expected to continue, but at a slower pace given persistent diversities in growth prospects across regions. In advanced economies, growth is expected to gradually accelerate, while in emerging markets, prospects have softened recently. Amidst these developments, global growth is projected to remain dampened at its 2012 level, 3.1 percent, 0.2 percentage points lower than the April 2013 World Economic Outlook (WEO) forecast. This development was largely driven by the persistent slowdown in the euro area as well as weaker domestic demand and slower growth in major emerging market economies. In addition to existing challenges relative to high interest rates, deficits and debt, new risks have emerged; including slowing credit and tighter financial conditions due largely to an expected discontinuation of monetary policy stimulus in the advanced economies, especially the USA. In 2014, however, growth forecast for the global economy is projected at 3.8 percent, but still 0.2 percentage points lower than the previous forecast of April, 2013.

In anticipation of stronger global recovery, it is expected that additional policy actions in major advanced economies geared towards maintaining a supportive macroeconomic policy mix, including plans for reaching medium-term debt sustainability and reforms to restore balance sheets and credit channels should be adopted. In emerging market and developing economies, prudential macroeconomic policies and structural reforms to support weak activity and those to contain capital outflows will help make growth bottleneck less severe.

1.1 The US Economy

Economic indicators for the US have been broadly positive with gradual recovery in the housing market and supportive financial conditions. Growth in the US expanded, but at a slower pace as stronger fiscal contraction weighed on improving private demand. The growth of the US economy is put at 1.7 percent, 0.2 percentage points lower than the forecast of the WEO April, 2013 edition. Conditioned on budget tightening that went into effect last quarter, growth will continue to remain moderate in 2013, but will further increase to a forecast of 2.7 percent in 2014, while the pace of fiscal consolidation will still slowdown.

1.2 The Euro Area

Forecast by the WEO July edition showed that growth in the euro area will remain on the downside and is expected to continue throughout 2013, mainly due to low demand, weak consumer confidence, weak balance sheet and tight fiscal and financial conditions as well as the delay in implementing fiscal expansion policies. However, given the growing improvement in other advanced economies, growth in the eurozone is expected to rise, though by less than 1.0 percent in 2014.

1.3 Asia

In developing Asia, growth projection fell by 0.3 percentage points. Amidst the reduction in projection, activities will remain robust during the last half of the year. The April WEO forecast of 7.1 percent was readjusted moderately to 6.9 percent as a result of slowdown in growing external demand. In China, growth is expected to expand at 7.8 percent, 0.3 percentage points lower than last quarter's projection, while in India, forecast for the second quarter is projected at 5.6 percent below the April WEO projection by 0.2 percentage points.

1.4 Emerging Market and Developing Economies

From a more resilient output of 5.3 percent in the first quarter of 2013, activity in emerging market and developing economies is now expected to contract at a modest pace. Growth is expected to decelerate by 0.3 percent as a result of lower commodity prices. Outlook for many commodity exports has also deteriorated due to slowdown in commodity prices.

1.5 Sub-Saharan Africa

Due to the growing weak external demand and the increasing domestic struggles in some of the region economies, growth in sub-Saharan Africa is estimated to moderate at 5.1 percent, 0.4 percentage points below last quarter's projection. However, growth is anticipated to be robust and is estimated to reach 5.9 percent next year, though less than the 6.1 percent forecast of the April 2013 WEO.

1.6 Global Inflation

Downside risk in the global economy precipitated mixed effects in inflation figures in different economies. Inflation in advanced economies declined moderately to 1.5 percent, from 1.6 percent forecast in April 2013 WEO, while in emerging market and developing

economies, it increased by 0.1 percentage point to 6.0 percent, from 5.9 percent reported in the last quarter.

Table 1: Growth of Selected Global Output

	Year-over-Year					
			Projections		<u>Difference from April 2013 WEO</u>	
	2012	2012	2013	2014	2013	2014
World Output	3.9	3.1	3.1	3.8	-0.2	-0.2
Advance Economies	1.7	1.2	1.2	2.1	-0.1	-0.2
United States	1.8	2.2	1.7	2.7	-0.2	-0.2
Euro Area	1.5	-0.6	-0.6	0.9	-0.2	-0.1
Japan	-0.6	1.9	2.0	1.2	0.5	-0.3
United Kingdom	1.0	0.3	0.9	1.5	0.3	0.0
Canada	2.5	1.7	1.7	2.2	0.2	-0.2
Emerging and Developing Economies	6.2	4.9	5.0	5.4	-0.3	-0.3
Central & Eastern Europe	5.4	1.4	2.2	2.8	0.0	0.0
Developing Asia	7.8	6.5	6.9	7.0	-0.3	-0.3
China	9.3	7.8	7.8	7.7	-0.3	-0.6
India	6.3	3.2	5.6	6.3	-0.2	-0.1
Latin America & the Caribbean	4.6	3.0	3.0	3.4	-0.4	-0.5
Middle East & North Africa	3.9	4.4	3.1	3.7	-0.1	0.0
Sub-Sahara Africa	5.4	4.9	5.1	5.9	-0.4	-0.2
Consumer Prices						
Advanced Economies	2.7	2.0	1.5	1.9	-0.1	0.0
Emerging and Developing Economies	7.1	6.1	6.0	5.5	0.1	-0.1

Source: IMF World Economic Outlook: July, 2013 Edition

II. DOMESTIC PRODUCTION AND CONSUMER PRICES

2.0 Introduction

The revised real GDP growth of the Liberian economy is put at 8.1 percent, compared with 8.3 percent in 2012. The slight slowdown in growth will be largely driven by a reduction in contribution to growth coming from rubber in the agriculture sector. For 2014, growth is projected at 6.8 percent.

2.1 Sectoral Review

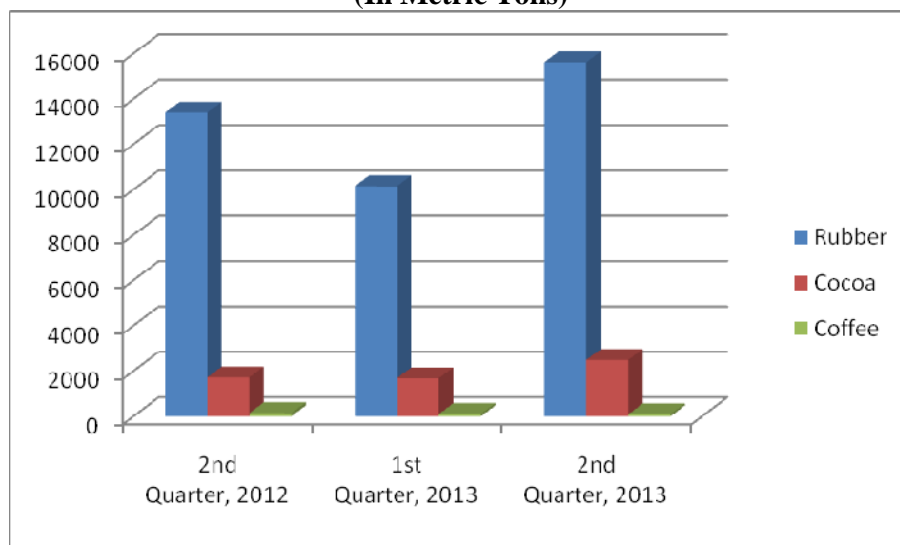
2.1.1 Agriculture and Forestry

Table 2: Key Agricultural Output
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(In Metric Tons)

Commodity	Unit	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Rubber	Mt.	13,387	10,139	15,612
Cocoa Beans	Mt.	1,713	1,670	2,485
Coffee	Mt.	135	96	92
Round Logs	M ³	53,523	-	15,785
Sawn Timber	Pcs.	61,576	100,961	183,447

Source: Ministry of Commerce & Industry; Liberia Produce & Marketing Corporation; Forestry Development Authority
*

Chart 1: Key Agricultural Production
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(In Metric Tons)



a. Rubber

Rubber output, during the quarter, was 15,612 metric tons, from 10,139 metric tons produced at end-March, 2013, representing an increase of 54.0 percent. The rise in output was largely due to an increase in the mid quarter world market price of the commodity. Compared with the corresponding quarter of 2012, rubber production in the review quarter rose by 2,225 metric tons or 16.6 percent.

b. Cocoa & Coffee

At end-June 2013, cocoa production stood at 2,485 metric tons, from 1,670 metric tons produced during the preceding quarter. The 48.8 percent increase in production was mainly attributed to expectation of world market price increase. When matched against the corresponding quarter of 2012, the year-on-year comparison records an increase of 45.1 percent.

Total coffee production at end-June, 2013 was 92 metric tons, down from 96 metric tons recorded during the preceding quarter, accounting for 4.2 percent reduction in output. The continuous decline in the price of the commodity was the major factor that contributed to its low supply. Year-on-year comparison reveals that current output declined by 43.0 metric tons when compared with the same period in 2012.

c. Sawn Timber

A total of 183,447 pieces of sawn timber was produced at end-June, 2013, from 100,961 pieces recorded in the preceding quarter; representing a 81.7 percent rise in production of the commodity. Increased in demand for the product was the major factor contributing to the rise in production. On a year-on-year basis, current output exceeded that of the corresponding period of 2012 by 121,871 pieces.

d. Round Logs

Production of round logs was estimated at 15,785 cubic metres during the review quarter.. However, when matched against the production level of the corresponding period of 2012, output decreased by 37,738 cubic meters, from 53,523 pieces.

2.1.2 Industrial Production

2.1.2.1 Mining (Gold and Diamond)

(i) Gold

Total output of gold declined by 22.2 percent during the quarter to 4,235 ounces at the end of June, 2013, from 5,442 ounces recorded in the previous quarter. The fall was largely a result of consistent declines in the world market price of the commodity. Matched against the corresponding period in 2012, current output fell by 1,269 ounces or 23.1 percent to 4,235 ounces.

(ii) Diamond

Diamond production at end-June, 2013 increased by 3,359 carats or 29.4 percent to 14,765 carats, from 11,406 carats reported a quarter ago. The rise in diamond production was a result of expansion in the number of diamond fields. On an annualized basis, output in the current quarter exceeded the second quarter of 2012 by 7,438 carats.

(iii) Iron Ore

Iron ore production during the review period rose by 2.4 percent to 1,205,375 metric tons, from 1,177,500 metric tons recorded in the previous quarter. Despite the fluctuations in the world price of iron ore, there was an increase in the output of the commodity mainly due to better weather condition during the quarter for ore transshipment and improved domestic production facilities.. On a year-on-year comparison, iron ore production during the quarter exceeded total output recorded during the quarter a year ago by 620,375 metric tons.

2.1.2.2 Manufacturing

(i) Cement

Cement output for the review quarter totaled 53,876 metric tons, from 20,401 metric tons produced in the preceding quarter, accounting for 162.9 percent rise in production. The increased cement production was largely on account of expansion in the local cement producing plant resulting in increased production capacity of the firm. Compared with the quarter ended-June, 2012, cement production at end-June, 2013 was 20,127 metric tons more.

(ii) Beverages

Output of beverages (alcoholic and non-alcoholic) increased by 0.4 million litres or 4.9 percent to 8.2 million litres at end-June, 2013, from 7.8 million litres in the preceding

quarter. The decision by firms to increase stock intended to meet market demand during the July 26 Independence Day festive season was the major driver for the growth. By disaggregating beverage production, alcoholic beverages (spirit, beer and stout) accounted for 51.2 percent while non-alcoholic beverages (malta and soft drink) represent 48.8 percent of total beverages. On an annualized basis, production in the reviewed quarter exceeded the corresponding quarter of 2012 by 12.3 percent.

(iii) Soap

Soap production during the review quarter increased by 38.7 percent to 96,404 kilograms mainly due to the availability of raw materials and the installation of new and functioning equipment. Matched against the same quarter a year ago, the current output increased by 15,437 kilograms.

Table 3: Key Industrial Output
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)

Commodity	Unit	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Gold	Ounces	5,504	5,442	4,235
Diamond	Carat	7,327	11,406	14,765
Iron Ore	Mt.	585,000	1,177,500	1,205,375
Cement	Mt.	33,749	20,491	53,876
Spirit	Litre	188,921	122,328	94,504
Beer	Litre	2,265,281	2,378,638	2,607,009
Stout	Litre	1,246,560	1,475,995	1,466,293
Malta	Litre	136,454	184,829	265,811
Soft Drink	Litre	3,439,541	3,598,402	3,797,798
Oil Paint	Gal.	8,474	32,103	20,833
Water Paint	Gal.	69,995	26,510	26,407
Varnish	Gal.	2,118	5,550	3,002
Wall Putty	Gal.	4,252	3,334	3,329
Manoline Grease	Kg.	10,088	4,830	12,508
Thinner	Gal.	3,980	4,730	3,943
Rubbing Alcohol	Litre	59,150	54,386	58,701
Soap	Kg.	80,967	69,498	96,404
Chlorox	Litre	167,660	199,825	190,870
Candle	Kg.	71,453	41,433	36,425
Mattresses	Pcs.	25,764	28,240	27,366
Finished Water	Gal.	449,294,055	289,269,198	491,191,713

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

(iv) Paint (Oil and Water)

At end-June, 2013, the total output of paint (water and oil) was 47,240 gallons, down from 58,613 gallons produced during the previous quarter; showing a 19.4 percent reduction. The decline was largely due to shortage of raw materials for paint production during the review quarter. A breakdown shows that oil paint accounted for 44.1 percent while water paint contributed 55.9 percent of the period's total paint output. Compared with the corresponding quarter of 2012, paint production during the quarter declined by 39.8 percent.

(v) Varnish

Varnish production declined by 45.9 to 3,002 gallons at end-June, 2013, from 5,550 gallons produced during the previous quarter. The downward trend in varnish production was mainly due to low demand for the commodity caused by seasonal factors such as heavy rain fall which impedes construction activities. On a year-on-year basis, varnish production in the reviewed quarter exceeded the output recorded at end-June, 2012 by 884 gallons largely due to increased activities in the real estate sector.

(vi) Manoline Hair Grease

Manoline Hair Grease produced in the review quarter totaled 12,508 kilograms, reflecting an increase of 7,678 kilograms when matched against the quarter ended March, 2013. The increase was due to the desire to build stock. Corresponding comparison showed that current production was 24.0 percent higher than the amount reported in the same period a year ago.

(vii) Thinner

For the quarter ended June, 2013, thinner output stood at 3,943 gallons, reflecting a decline of 16.6 percent; compared with the 4,730 gallons produced in the preceding quarter. The fall in output was largely on account of decline in demand for the product because of the availability of substitute for the commodity. On an annual basis, thinner output during the quarter fell by 37 gallons.

(viii) Rubbing Alcohol

Total production of rubbing alcohol for the review quarter amounted to 58,701 litres, up from 54,386 litres recorded at end-March, 2013, a 7.9 percent growth in output. The increase in production was attributed to the availability of raw materials. Yearly comparison shows

that current output declined by 0.8 percent against the amount reported for the corresponding quarter in 2012.

(ix) Chlorox

Chorox production declined to 190,870 litres during the quarter ended June, 2013, from 199,825 litres in the preceding quarter, representing 4.5 percent reduction. The reduction was mainly due to low supply of raw materials. Year-on-year analysis reveals that chlorox output at end-June 2013 exceeded the corresponding period's output by 23,210 gallons or 13.8 percent.

(x) Candle

Candle output at end-June, 2013 was 36,425 kilograms, down from 41,433 kilograms produced during the previous quarter. The 12.1 percent fall in output of candle was on account of increased usage of dry cell lamps as major substitute for candles. On an annualized basis, candle production fell by 35,028 kilograms or 49.0 percent, down from 71,453 kilograms at end-June, 2012.

(xi) Mattresses

The output of mattresses for the review period totaled 27,366 pieces compared with the previous quarter production of 28,240 pieces. Considering a year-on-year comparison, 25,764 pieces were produced at end-June, 2012, reflecting an increase of 6.1 percent.

(xii) Finished Water

Total supply of finished water, during the review quarter was 491.2 million gallons, up from 289.3 million gallons produced at the end of March, 2013, representing an increase of 69.8 percent. The rise in water supply was mainly due to the installation of new equipment which has higher output capacity. Yearly comparison shows that estimated supply of water at end-June, 2013 was 41.9 million gallons more than the output recorded in the corresponding quarter of 2012.

2.2 Consumption of Petroleum Products

The consumption of petroleum products during the period declined to 20.5 million gallons, from 22.1 million gallons at end-March, 2013, reflecting a reduction of 7.2 percent. The

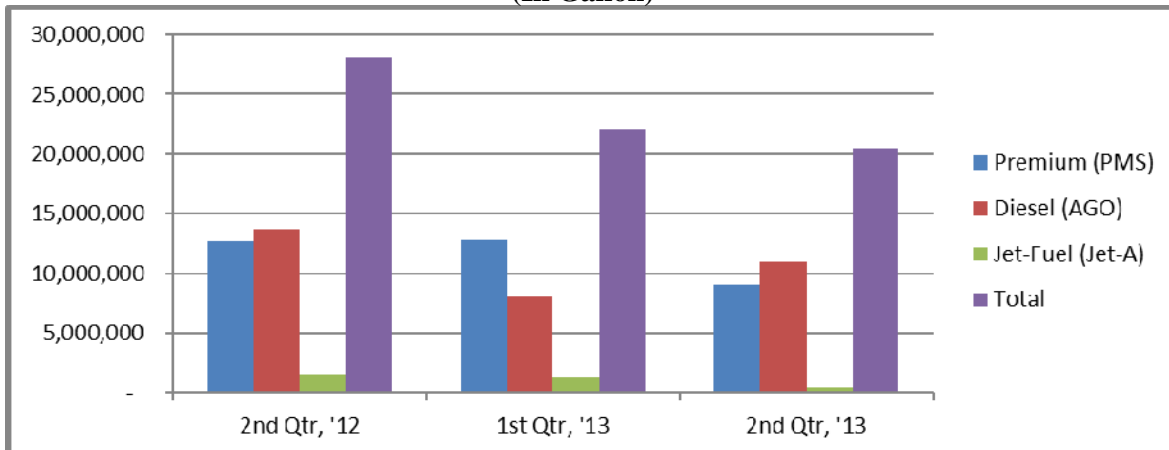
decline was attributed to the low importation of jet fuel and Premium Motor Spirit (PMS). Matched against the corresponding quarter of 2012, consumption of the products decreased by 26.8 percent during the review quarter. On a disaggregated basis, Premium (PMS) accounted for 44.3 percent, Diesel (AGO) constituted 53.6 percent, while Jet fuel was 2.1 percent.

**Table 4: Consumption of Petroleum Products
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Gallon)**

Commodity	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Premium (PMS)	12,724,896	12,759,272	9,061,551
Diesel (AGO)	13,748,451	8,021,032	10,956,020
Jet-Fuel (Jet-A)	1,565,699	1,327,225	437,941
Total	28,039,046	22,107,529	20,455,512

SOURCE: BIVAC International, Monrovia, Liberia

**Chart 2: Consumption of Petroleum Products
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(In Gallon)**



2.3 Sea Port Developments

Data for the second quarter of 2013 on sea port developments was not available up to the time of publication.

2.4 Price Developments

2.4.1 Domestic Inflation

Inflation continues to remain in single digit but being driven largely by food inflation, bad farm-to-market roads and low domestic food production. Headline inflation increased to 7.4 percent at the end of the second quarter of 2013, from 7.3 percent in the preceding quarter. Food inflation increased to 12.0 percent at the end of the quarter, from 11.6 percent at end-

March, 2013. However, non-food inflation declined, from 2.8 percent during the review quarter to 2.6 percent during the quarter ended March, 2013.

Chart 3: Quarterly Inflationary Trends (%)

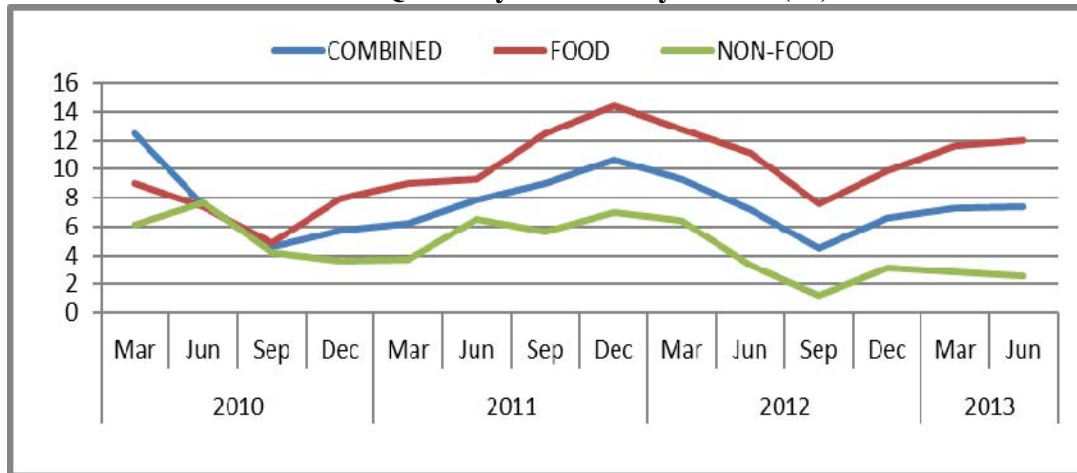
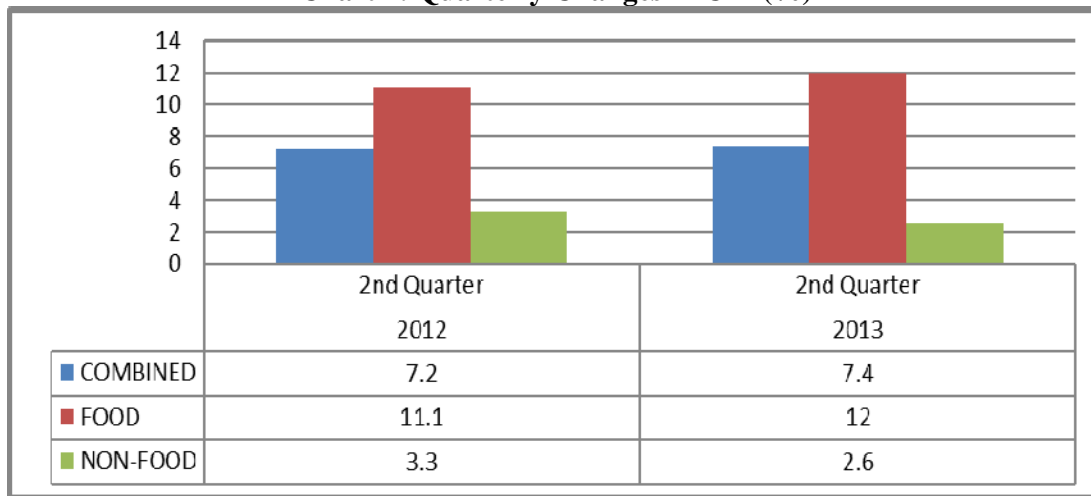


Chart 4: Quarterly Changes in CPI (%)



2.4.2 Inflation by Groups

Developments in the sub-groups of the consumer basket exhibited mixed results. While some components posted increases, others showed declines. The main sub-groups that exerted upward pressures on prices were Food, Alcoholic Beverages & Tobacco, Housing, Furnishing Equipment, Recreation & Culture, and Restaurants & Hotels.

In the food group, pastry-cook products recorded the highest average inflation of 75.0 percent at end-June, 2013, higher than 0.0 percent reported in the same period of 2012. This was

followed by cabbages, 69.2 percent (negative 17.2 percent at end-June 2012); sauces condiments, 58.3 percent (negative 0.52 percent in the same period of 2012); Olive oil, 52.2 percent (0.0 percent in the same period of 2012); Confectionary products, 50.0 percent (from 0.0 percent in the same period of last year). In spite of the rising prices in the above mentioned commodities, Preserved milk recorded the lowest rate of inflation of 4.7 percent in the reviewed period, from 11.2 percent in the same period a year ago.

In the non-food group, recreation & culture recorded the highest average inflation of 8.1 percent in the second quarter of 2013, from 0.1 percent a year ago. This was followed by Transport, 6.2 percent (2.6 percent a year ago); Miscellaneous Goods and Services, 4.5 percent (3.7 percent in the same period of 2012); Restaurants & Hotels, 2.7 percent (from 3.1 percent at end-June, 2012); Furnishing Equipment, 1.0 percent (from 3.6 percent a year ago); Housing, 0.3 percent (from 4.5 percent in the second quarter of 2012). However, Health recorded the least average inflation of negative 1.1 percent (from 0.0 percent reported at end-June, 2012), while the Education sub-group remained flat.

2.4.3 Contributions to Changes in CPI

The assessment of the contributions of the main sub-indices to inflation in the reviewed period showed significant changes on both year-on-year and quarter-on-quarter basis. While Food and Non-Alcoholic Beverages index indicated decreases in its contribution towards the downward movements in prices due to decreases in the prices of domestic and imported food prices. The contribution from the Non-Food component increased mainly on account of the pass through effect from the recent depreciation in the Liberian-US dollar exchange rate.

The Food and Non-Alcoholic Beverages sector accounted for 62.2 percent (70.0 percent in the second quarter of 2012) towards the downward movements in overall inflation during the reviewed quarter, whereas the remaining 37.8 percent (30.0 percent in the second quarter of 2012) was contributed by the Non- Food component.

2.4.4 Outlook for Inflation

Price developments during the first two quarter of 2013 show a gradual build-up in inflationary pressure. The upside risks to inflation include the current depreciation in the Liberian dollar and the poor farm-to-market road infrastructure. However, this impact may be

mitigated by low global food prices in the third quarter of 2013, which could ease Food inflation.

Table 5: Headline and Quarterly Changes in CPI (%)

	Headline Inflation (yr-on-yr changes)			Monthly Changes in HCPI (%)		
	Combined	Food	Non-Food	Combined	Food	Non-Food
Jan-11	4.7	6.3	3.2	3.0	4.5	1.4
Feb	7.5	12.6	2.7	0.6	1.2	-0.1
Mar	6.5	8.1	5.1	0.0	-1.7	1.9
Apr	7.4	9.0	5.8	0.4	-0.2	1.0
May	7.6	7.9	7.2	1.4	1.6	1.3
Jun	8.8	11	6.6	1.7	3.0	0.3
Jul	10.6	15.7	5.6	5.0	9.0	1.1
Aug	10.3	15.2	5.4	0.9	1.8	-0.1
Sep	6.2	6.7	5.7	-2.4	-4.6	0.0
Oct	10.7	14.6	6.7	1.9	3.7	0.0
Nov	9.9	12.5	7.3	-1.5	-2.8	-0.1
Dec	11.5	16.1	7.0	0.1	0.1	0.2
Jan-12	8.93	11.92	5.94	0.63	0.80	0.45
Feb	10.30	13.59	6.59	1.82	3.07	0.50
Mar	8.69	12.79	6.59	-1.41	-2.74	0.00
Apr	7.67	11.71	3.77	-0.53	-1.12	0.13
May	6.69	10.35	3.13	0.51	0.38	0.65
Jun	7.08	11.17	3.01	2.03	3.80	0.20
Jul	3.6	5.6	1.5	1.6	3.5	-0.4
Aug	4.3	7.5	0.7	1.6	3.7	-0.8
Sep	5.7	9.6	1.6	-1.1	-2.8	0.9
Oct	4.8	6.1	3.5	1.1	0.3	1.9
Nov	7.3	11.5	2.9	0.8	2.2	-0.7
Dec	7.7	12.2	3.0	0.5	0.7	0.3
Jan-13	8.0	13.4	2.4	0.9	1.9	-0.2
Feb	5.5	7.7	3.1	-0.6	-2.1	1.1
Mar	8.4	13.7	2.9	1.3	2.6	-0.1
Apr	8.7	15.0	2.1	-0.2	0.0	-0.6
May	6.5	9.9	3.0	-1.5	-4.1	1.5
Jun	7.0	11.1	2.7	2.6	4.9	-0.1

Sources: CBL & LISGIS, Monrovia, Liberia

Table 6: Inflation by sub-groups: Year-on-Year Changes in HCPI (%): 2012 – 2013

Food Group	Weight	Q1-12	Q2-12	Q4-12	Q1-13	Q2-13	Non-Food Group	Weight	Q1-12	Q2-12	Q4-12	Q1-13	Q2-13
Rice	10.3	2.48	11.72	-6.71	28.63	41.53	Alcoholic Beverages, Tobacco	6.11	7.33	1.67	3.68	2.92	5.51
Pastry-cook products	0.35	0.00	0.00	75.00	75.00	75.00	Clothing & Footwear	3.53	3.90	3.63	3.19	1.02	0.93
Other Products	0.69	33.59	54.68	33.18	43.74	28.55	Housing, Water, Elect, Gas & Fuels	12	7.35	4.48	1.60	0.12	0.26
Fresh, chilled or frozen meat	4.12	15.60	3.44	9.59	7.73	8.46	Furnish, H/H Equip, & Rout Maint	7.75	7.65	7.73	2.12	-1.63	0.97
Preserved Milk	0.55	-11.32	11.16	6.54	16.47	4.69	Health	3.03	0.00	0.00	-2.38	-1.08	-1.08
Butter	0.52	0.00	0.00	37.87	27.38	0.00	Transport	5.25	12.84	2.59	7.59	10.78	6.18
Olive oil	0.34	0.00	0.00	0.00	19.83	52.18	Communications	4.64	0.17	0.37	0.05	0.15	0.11
Cabbages	0.28	2.01	-17.24	4.20	6.44	69.15	Recreation & Culture	3.91	3.91	0.07	6.99	6.61	8.08
Confectionary products	0.08	0.00	0.00	0.00	-0.11	50.00	Education	3.85	0.00	0.00	0.00	0.00	0.00
Sauces ,condiments	0.08	-1.49	-0.52	23.55	25.51	58.34	Hotel & Restaurants	3.2	2.61	3.09	1.14	2.43	2.73
Coffee	0.62	3.97	2.72	17.17	9.64	12.67	Miscellaneous gds&serv.	1.53	4.84	3.69	6.53	5.37	4.52

Source: CBL and LISGIS, Monrovia, Liberia

**Table 7: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(December, 2005=100)**

FUNCTION	WEIGHT	11-Apr	11-May	11-Jun	1 st Quarter	12-Jan	12-Feb	12-Mar	1 st Quarter	12-Apr	12-May	12-Jun	2 nd Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	45.2	11.72	10.35	11.16	11.08	13.37	7.74	13.68	11.59	15.01	9.89	11.1	12
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	3.03	2.85	1.86	0.29	1.67	-0.31	2.76	6.32	2.92	4.73	3.98	7.8	5.51
CLOTHING AND FOOTWEAR	7.75	3.26	3.53	4.1	3.63	-0.81	2.41	1.49	1.02	-0.06	0.31	2.53	0.93
ELECTRICITY, GAS AND OTHER FUELS	12	4.36	4.74	4.35	4.48	0.74	-0.21	-0.18	0.12	1.02	-0.18	-0.05	0.26
EQUIPMENT AND ROUTINE MAINTENANCE OF THE	5.25	7.34	7.65	8.21	7.73	-2.55	-1.21	-1.22	-1.63	-5.43	1.37	6.97	0.97
HEALTH	3.91	0	0	0	0	0	0	-3.25	-1.08	-3.25	0	0	-1.08
TRANSPORT	6.11	5.13	1.44	1.19	2.59	10.94	10.89	10.52	10.78	9.62	8.67	0.25	6.18
COMMUNICATION	1.53	0.32	0.36	0.44	0.37	0.15	0.15	0.15	0.15	0.07	0.11	0.15	0.11
RECREATION AND CULTURE	3.85	-0.08	0.03	0.24	0.07	6.7	6.58	6.54	6.61	6.59	9.51	8.15	8.08
EDUCATION	3.2	0	0	0	0	0	0	0	0	0	0	0	0
RESTUARANTS AND HOTELS	4.64	3.23	3.46	2.59	3.09	2.5	2.45	2.35	2.43	2.47	3.49	2.23	2.73
MISCELLANEOUS GOODS AND SERVICES	3.53	6.05	2.12	2.89	3.69	5.38	5.44	5.3	5.37	5.31	4.26	3.99	4.52
GENERAL RATE OF INFLATION	100	7.67	6.69	7.08	7.15	8	5.48	8.38	7.29	8.69	6.48	7.03	7.4

Sources: CBL and LISGIS, Monrovia, Liberia

III. MONETARY AND FINANCIAL DEVELOPMENTS

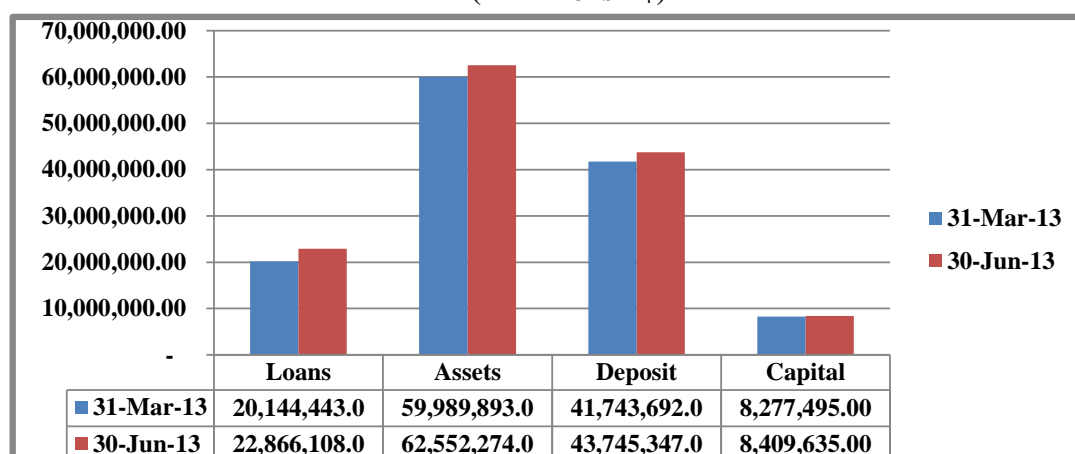
Money and Banking

3.1 Banking Developments

Developments in the banking sector up to June 2013 showed steady growth in key balance sheet items (Chart 5), driven largely by strong deposits growth. Additionally, the banking system continued to be well capitalized and liquid. However, profitability remains a challenge largely due to poor asset quality, weak credit administration and the relatively high operating expenses arising from the high cost of electricity.

Total assets expanded by 4.3 percent to L\$62,552 million over the previous quarter and by 7.2 percent over the corresponding period in 2012. Deposits, being the dominant source of financing of the banks' asset base, recorded an increase of 4.8 percent to L\$43,745 million compared with the previous quarter and 12.8 percent more than the level for the same period in 2012. Also, total capital rose slightly by 1.6 percent to L\$8,409 million, compared with the previous quarter and by 8.3 percent over the same period in 2012. Overall, the steady performance reflects growing public confidence in the banking sector and gradual deepening of the financial system.

**Chart 5: Assets, Capital, Deposits and Loan
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Billions L\$)**



The industry's Capital Adequacy Ratio (CAR) grew by 3.1 percentage points to 25 percent, from 21.9 percent during the preceding quarter; net worth also rose by 1.6 percent. All the banks were in excess of the minimum requirement of 10 percent. Regarding the minimum net worth for each bank, two banks fell below the minimum requirement of US\$10 million.

Non-performing loans (NPLs) as a percentage of total loans at end-June 2013, decreased by 1.5 percentage points, from 20.3 percent in the previous quarter to 18.8 percent. Compared with the corresponding quarter of 2012, non-performing loans ratio declined by same the proportion.. The improvement was due to the ongoing process of restructuring delinquent loans in the industry. On the other hand, in absolute terms, non-performing loans during the quarter increased by 5.3 percent over the last quarter. Compared with the same period in 2012, NPLs increased from L\$3,500 million to L\$4,300 million. The surge in NPLs can largely be attributed to the downgrading of loans and advances initially considered as performing facilities following CBL full scope examinations. Six of the 9 banks reported non-performing loans to total loans being above the 10 percent tolerable limit, while the remaining 4 banks were within the limit.

At end of the quarter, the industry recorded gross earnings of L\$2,700 million and operating profit of L\$400 million (before loan loss provisions and taxes), indicating improvements of 4.4 percent in gross earnings and 6.6 percent in operating profit, compared with the second quarter of 2012. However, due to high operating costs and loan provisioning, the industry recorded net income after tax as a net loss of L\$447.1 million for the review quarter. Profitability in the banking sector remains a challenge largely on account of high operating costs of banks, coupled with high loan loss provisions largely due to poor asset quality.

The banking industry continues to maintain strong liquidity position; recording a liquidity ratio of 40.2 percent as at June 30, 2013. All of the banks were above the minimum required liquidity ratio of 15 percent. The total liquid assets of the industry during the quarter was L\$19,700 million (comprising L\$5,000 million or 25.4 percent as vault cash; L\$8,000 million or 40.6 percent as foreign bank balances; L\$4,700 million or 23.9 percent as current account balances with the CBL; and L\$2,100 million or 10.7 percent as checks for clearing). Three of the 9 banks have loan to deposit ratios above the required limit of 60 percent; moreover, the banking industry has a comfortable liquidity position to meet the liquidity needs of their customers and other contingent liabilities.

3.2 Commercial Bank Credit

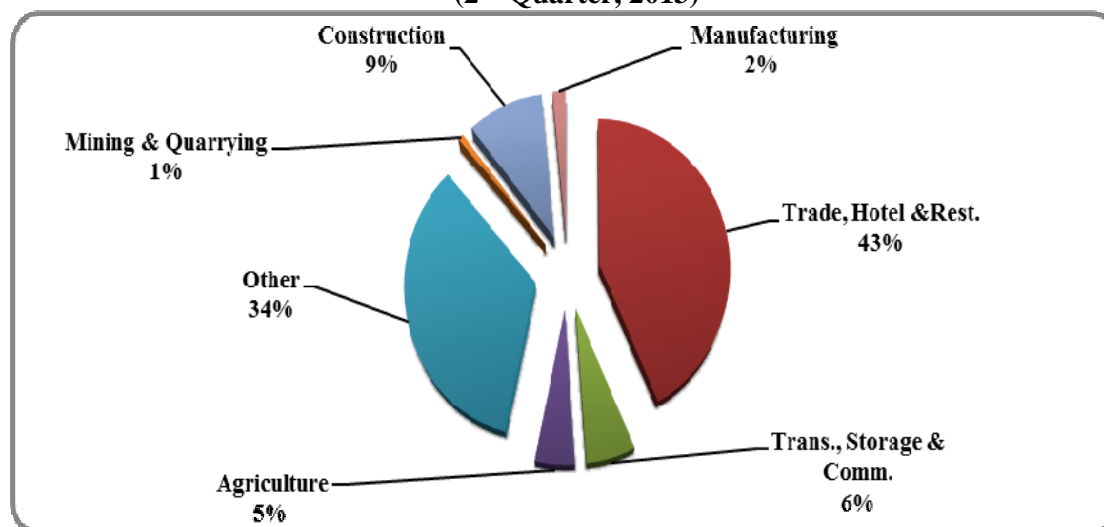
Credits provided to various sectors of the economy at end-June, 2013 rose by 14.6 percent above the previous quarter (Table 8 & Chart 6). Growth in credits for the quarter was mainly influenced by trade, hotel & restaurant, construction, and the “other” categories, growing by 17.7 percent, 19.2 percent and 26.1 percent, respectively, compared with end-March, 2013. Credits to the mining & quarrying sector also grew by 11.9 percent compared with the preceding quarter.

Table 8: Commercial Bank Loans by Economic Sector
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In ‘000’ L\$)

SECTORS	2012		2013			
	2 nd Quarter	%Share	1 st Quarter	%Share	2 nd Quarter	%Share
Agriculture	654,066	3.7	1,279,792	6.4	1,105,087	4.8
Mining & Quarrying	118,833	0.7	151,978	0.8	170,136	0.7
Manufacturing	418,079	2.3	419,155	2.1	376,407	1.6
Construction	1,484,294	8.3	1,859,562	9.3	2,216,129	9.6
Trans., Storage & Comm.	1,347,240	7.5	1,714,391	8.5	1,363,423	5.9
Trade, Hotel & Rest.	7,691,398	43.1	8,385,823	41.7	9,867,039	42.8
Other	6,143,449	34.4	6,291,743	31.3	7,933,055	34.4
Total	17,857,358	100.0	20,102,444	100.0	23,031,274	100.0

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 6: Percentage Distribution of Commercial Bank Loans by Economic Sector
(2nd Quarter, 2013)



Compared with the corresponding quarter of 2012, domestic credits grew by 29 percent. Credits to both the agriculture and manufacturing sectors declined by 13.6 percent and 10.2 percent, respectively, when compared with the level recorded at end-March, 2013 (Table 8 & Chart 6). The prospect for credit growth in the short- to- medium-term seems favorable in the wake of increased reconstruction and rehabilitation of damaged infrastructure in the economy.

3.3 Interest Rate

Movements in the interest rates largely show upward trends during the quarter, compared with the preceding quarter; except for the average rate on certificate of deposits (CDs), which fell by 1.0 percentage point to 2.0 percent. The average lending rate, personal loan rate, mortgage rate, and time deposit rate increased by 0.6, 0.8, 2.3, and 0.3 percentage points, respectively, while the average saving rate remained stable. In a related development, the spread between the average lending and saving rates remained high at 11.6 percent, reflective of the shallow nature of the banking sector.

**Table 9: Commercial Bank’s Interest Rates
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Percent)**

Interest Rates	2012	2013	
	2 nd Quarter	1 st Quarter	2 nd Quarter
Lending	13.42	13.02	13.63
Personal Loan	14.02	13.21	13.91
Mortgage	13.86	12.00	14.25
Time Deposit	3.80	3.60	3.86
Savings	2.02	2.00	2.01
CDs	3.00	3.00	2.00

Source: Central Bank of Liberia, Monrovia, Liberia

3.4 Monetary Policy Stance

The monetary policy objective of the CBL remains the maintenance of price stability coupled with ensuring a sound and vibrant financial system that is supportive of sustained inclusive economic growth and development . The introduction of the Government of Liberia (GoL) Treasury bills has added another policy instrument to help manage Liberian-dollar liquidity.

3.5 Liberian Dollars in Circulation¹

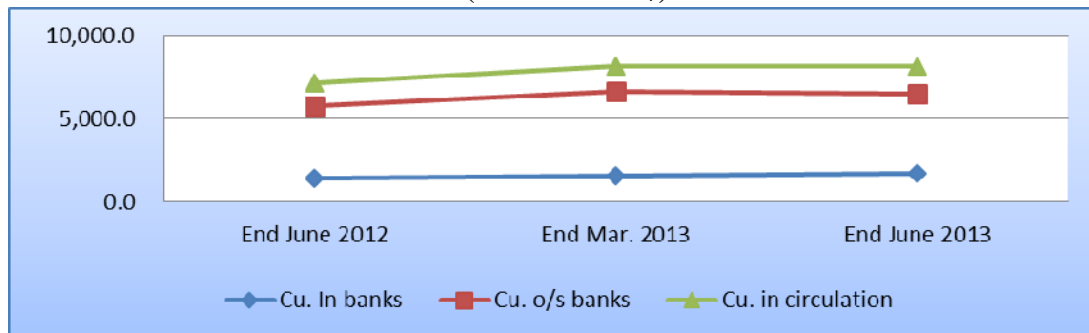
Currency in circulation decreased by 0.62 percent to L\$8,147.2 million at end-June, from L\$8,197.7 million recorded at end-March, 2013. The reduction was on account of a 3.0 percent fall in currency outside banks to L\$6,474.7 million, from L\$6,672.4 million recorded during the preceding quarter. On the other hand, yearly comparison shows that currency in circulation increased by 13.6 percent, compared with the L\$7,173.5 million reported for the same period a year ago (Table 10 & Chart 7).

Table 10: Liberian Dollar in Circulation
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)

	End June 2012	End Mar. 2013	End June 2013	
Currency in Banks	1,395.5	1,525.3	1,672.5	(1)
Currency Outside Banks	5,778.0	6,672.4	6,474.7	(2)
Currency in Circulation	7,173.5	8,197.7	8,147.2	(3)=(1)+(2)

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 7: Liberian Dollar in Circulation
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)



3.6 Money Supply M1²

Narrow money (M1) rose by 4.0 percent to L\$33,117.7 million at end of the quarter, from L\$31,839.3 million for the preceding quarter. The rise was on account of a 5.9 percent increase in demand deposits, from L\$25,166.9 million at end-March to L\$26,643.0 million during the quarter. Year-on-year analysis shows that M1 expanded by 10.9 percent (Table 10: & Chart 8).

¹ Currency in circulation equals currency in banks and currency outside banks.

² M1 is the narrow definition of Money Stock. It equals currency outside banks and demand deposits.

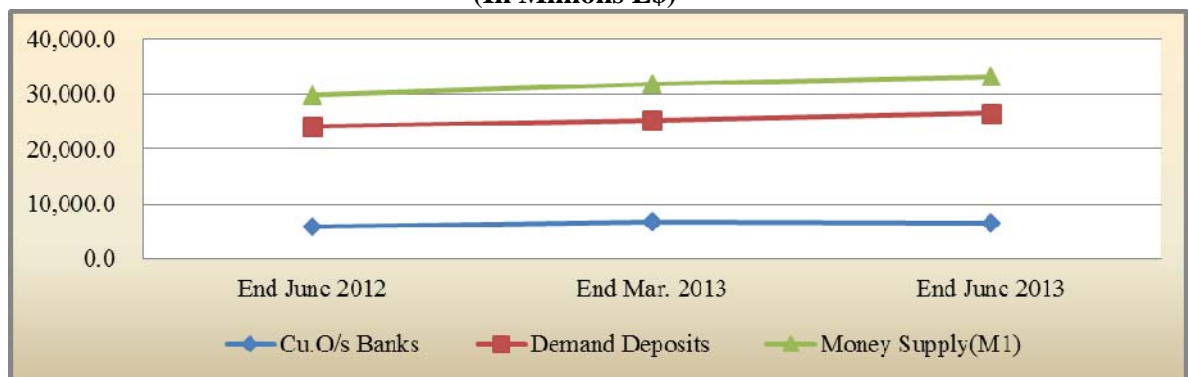
Table 11: Money Supply and its Sources
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million L\$)

Monetary Aggregates		2012	2013		Percentage Change	
		2 nd Quarter	1 st Quarter	2 nd Quarter	Yearly	Quarterly
1	Money Supply M2 (1.1 + 1.2)	42,068.8	46,292.1	48,085.5	14.3	3.9
	1.1 Money Supply M1	29,874.2	31,839.3	33,117.7	10.9	4.0
	<i>1.1.1 Currency outside banks</i>	5,778.0	6,672.4	6,474.7	12.1	-3.0
	<i>1.1.2 Demand deposit ^{1/}</i>	24,096.2	25,166.9	26,643.0	10.6	5.9
	1.2 Quasi Money	12,194.6	14,452.8	14,967.8	22.7	3.6
	<i>1.2.1 Time & Savings deposits</i>	11,885.9	14,094.2	14,902.4	25.4	5.7
	<i>1.2.2 Other deposits ^{2/}</i>	308.7	358.6	65.4	-78.8	-81.8
2	Net Foreign Assets	25,546.0	23,822.0	24,080.7	-5.7	1.1
	2.1 Central Bank	16,430.8	14,191.4	14,788.7	-10.0	4.2
	2.2 Banking Institutions	9,115.2	9,630.6	9,292.0	1.9	-3.5
3	Net Domestic Assets (1 - 2)	16,522.7	22,470.1	24,004.8	45.3	6.8
	3.1 Domestic Credit	35,785.9	39,924.8	40,823.9	14.1	2.3
	3.1.1 Government (net)	14,376.4	17,168.3	15,143.8	5.3	-11.8
	3.1.2 Pvt. Sector & Other Pvt.	21,409.4	22,756.5	25,680.1	19.9	12.8
	3.2 Other assets Net (3 - 3.1)	19,263.1	17,454.7	16,819.2	-12.7	-3.6
	Memorandum Items	68,789.4	76,226.8	76,517.1	11.2	0.4
	1. Overall Liquidity	42,068.8	46,292.1	48,085.5	14.3	3.9
	2. Reserve Money	26,720.6	29,934.7	28,431.6	6.4	-5.0
	<i>Currency outside banks</i>	5,778.0	6,672.4	6,474.7	12.1	-3.0
	<i>Banks Reserves</i>	20,942.6	23,262.3	21,956.9	4.8	-5.6

¹Excludes manager checks from commercial banks

²Includes official and manager checks issued by the central banks of Liberia
Source; Central Bank of Liberia, Monrovia, Liberia

Chart 8: Money Supply M1
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)



3.7 Broad Money (M2)³

Broad Money (M2) or the overall liquidity in the banking system expanded by 3.9 percent to L\$48,085.5 during the quarter, from L\$46,292.1 million recorded at end-March, 2013. The increase emanated from Net Domestic Assets (NDA) which grew by 6.8 percent over the previous quarter. Compared with the corresponding quarter of 2012, broad money grew by 14.3 percent (Table 10 & Chart 9). During the review period, the US dollar component accounted for 73.7 percent of broad money while the Liberian dollar share was 26.3 percent. This shows the highly dollarized nature of the Liberian economy (Table 11 & Chart 10).

Chart 9: Money Supply M2
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)

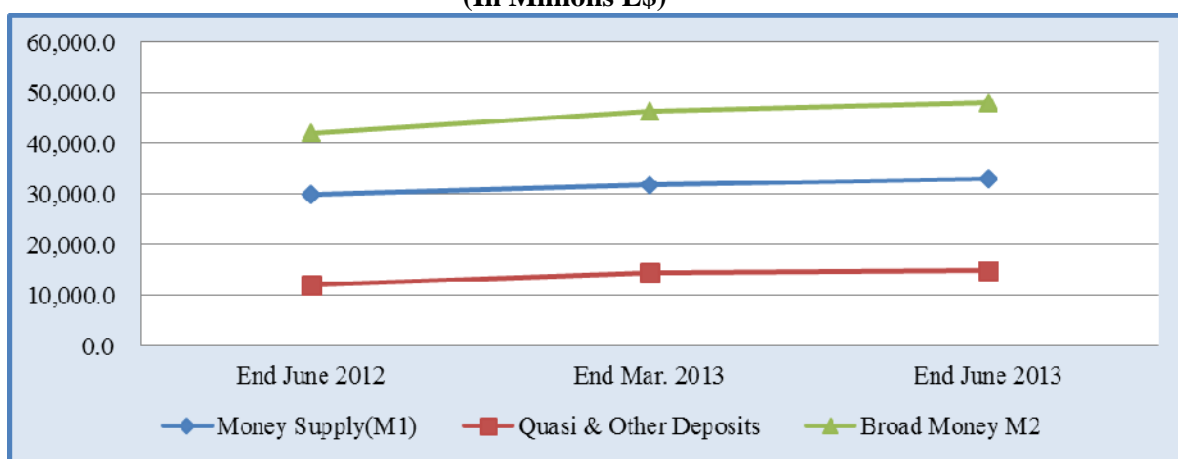


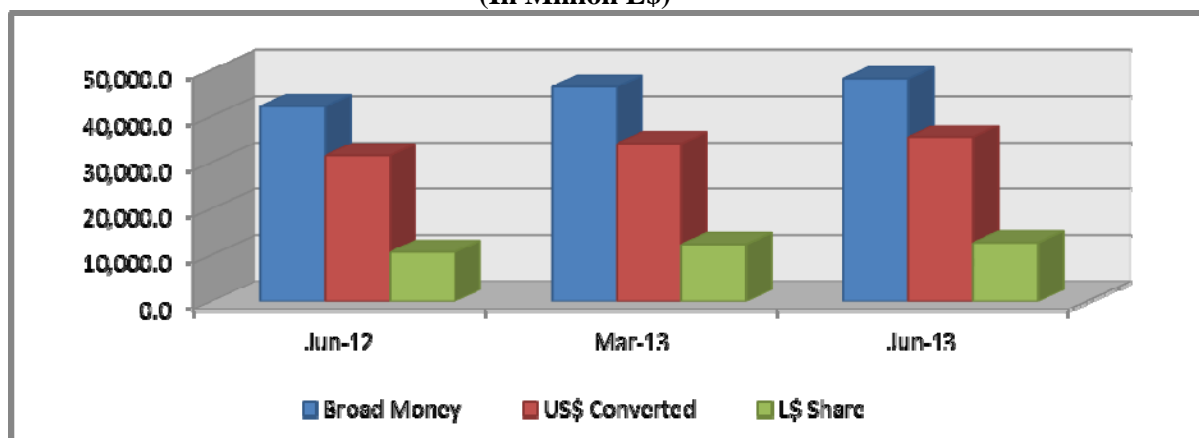
Table 12: Broad Money (M2): Share of US and Liberian Dollars
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million L\$)

	2012		2013			
	2 nd Quarter	Percent Share	1 st Quarter	Percent Share	2 nd Quarter	Percent Share
Broad Money	42,068.8	100	46,292.1	100	48,085.5	100
US\$ Component	31,459.7	74.8	34,014.3	73.5	35,451.6	73.7
L\$ Component	10,609.1	25.2	12,277.8	26.5	12,633.9	26.3

Source: Central Bank of Liberia, Monrovia, Liberia

³ M2 = (M1 plus Quasi Money); alternatively, M2 = (Net Foreign Assets plus Net Domestic Assets)

Chart 10: Broad Money (M2): Share of US and Liberian Dollars
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million L\$)



3.8 Exchange Rate

The Liberian-US dollar average exchange rate depreciated by 2.7 percent to L\$76.54/US\$1.00 at end-June, 2013, from L\$74.50/US\$1.00 at end-March, 2013. Causal factors include terms of trade deterioration and increase in the number of import-oriented businesses contributing to the growing FX demand to facilitate trade and other transactions within the domestic economy, among others. A yearly comparison shows that the average exchange rate weakened by 1.3 percent, from L\$75.54/US\$1.00 at end-June, 2012. The end-of-period exchange rate also depreciated during the quarter, moving to L\$76.50/US\$1.00 at end-June, from L\$74.50/US\$1.00 at end-March, 2013.

Table 13: Market Exchange Rate: Liberia Dollar per US Dollar
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)

	Jun-12 2 st Quarter	Mar-13 1 st Quarter	Jun-13 2 nd Quarter
MARKET RATE END OF PERIOD	74.50	74.50	76.50
MARKET RATE PERIOD AVERAGE	75.54	74.50	76.54

Source; Central Bank of Liberia, Monrovia, Liberia

Table 14: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2012-June, 2013)

	2012		2013	
	Buying	Selling	Buying	Selling
January	72.44	73.40	73.46	74.46
February	73.00	74.00	74.00	75.00
March	73.11	74.11	74.00	75.00
April	73.50	74.50	74.54	75.54
May	74.41	75.37	75.13	76.13
June	75.04	76.04	76.04	77.04
July	73.62	74.58		
August	72.99	73.99		
September	72.84	73.80		
October	71.56	72.56		
November	71.75	72.75		
December	72.00	73.00		
Q1	72.85	73.84	73.82	74.82
Q2	74.32	75.30	75.24	76.24
Q3	73.15	74.12		
Q4	71.77	72.77		
Year	73.02	74.01		

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 11: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2012-June, 2013)

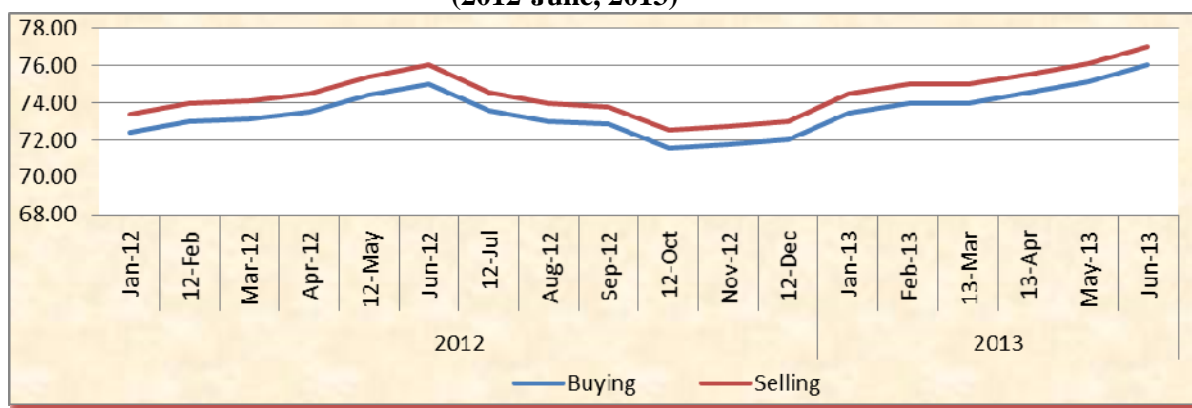


Table 15: Trend in Some International Currencies against the US Dollar (1st and 2nd Quarters 2013)

	EUR/USD	GBP/USD	CFAF/USD	GHC/USD	NGN/USD
End-Jun, 2013	0.7658	0.6511	502.4696	1.9667	157.1638
End-Mar, 2013	0.7573	0.6441	496.7756	1.8986	155.9073

Source: www.oanda.com, OANDA⁴

⁴ Oanda Corporation is a financial services provider of [currency conversion](#), [online Forex trading](#), [online forex transfers](#), and [forex information](#); and it is one of the non-bank [Futures Commission Merchants \(FCMs\)](#) specialized in spot forex trading. OANDA is a registered FCM with the [Commodity Futures Trading Commission \(CFTC\)](#) and a member of the [National Futures Association \(NFA\)](#).

3.9 Foreign Exchange Auction

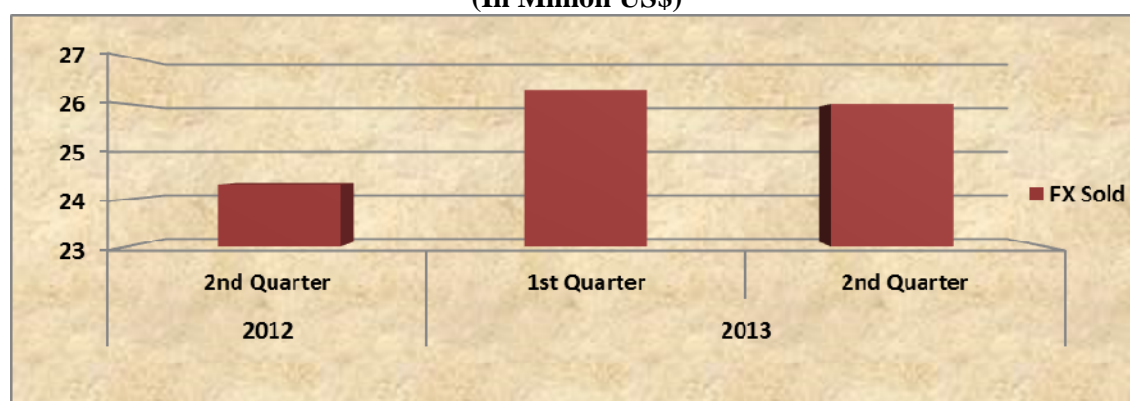
The total amount of foreign exchange sold in the quarter ended June, 2013 was US\$26.0 million, slightly down from US\$26.3 million recorded during the previous quarter, representing 1.1 percent decline. However, an annualized comparison shows that total FX sold during the quarter rose by US\$1.7 million or 7.0 percent, from US\$24.3 million recorded in the corresponding quarter of 2012, (Table 15 & Chart 12).

Table 16: CBL’s Foreign Exchange Sale Auction
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million US\$)

	2012	2013	
	2 nd Quarter	1 st Quarter	2 nd Quarter
FX Sold	24.3	26.3	26

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 12: CBL’s Foreign Exchange Sale Auction
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million US\$)



3.10 Money Market Developments

The CBL, on May 2, 2013, issued the GoL Treasury bills (T-bills) with an initial amount of L\$149.0 million offered. The T-bills auction held in June brought to two, the number of monthly T-bills issued, which is conducted exclusively in Liberian dollars with a view to enhance wider use of Liberian dollars and help improve profitability of banks, given that the commercial banks are the only participants at the moment bidding at the monthly T-bills auction.

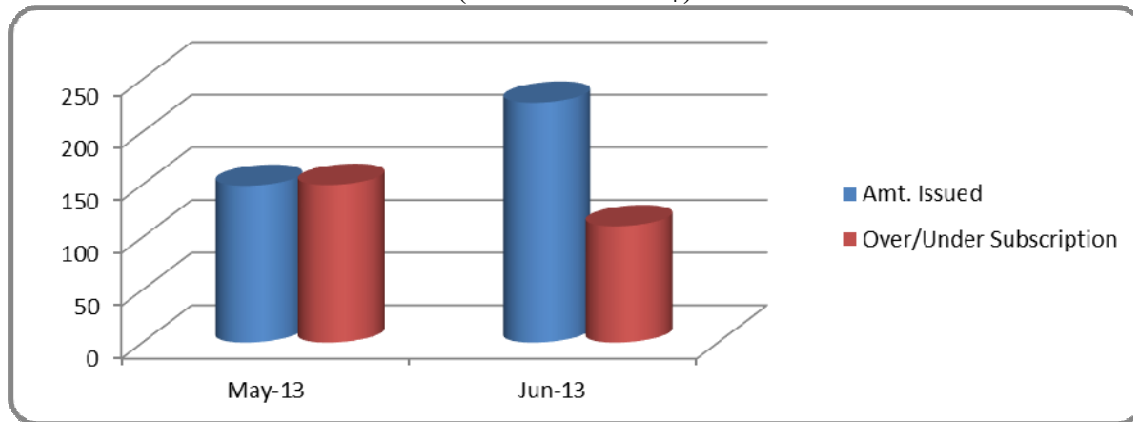
The first T-bills issued matured in August, 2013 and was redeemed. The level of over-subscriptions reported during the May and June auctions (L\$149.8 million and L\$110.6 million) reflect the current high level of excess liquidity in the banking system.

**Table 17: Government of Liberia Treasury Bill Auction
(May-June, 2013)
(In Millions of LS)**

No.	Date	Amt. Issued (In Million LS)	Over/Under Subscription (In Million LS)	No. of Bids Received	No of Winning Bids	No of Bids Prorated	No of Non- Selected Bids	No of Rejected Bids	Lowest Interest Rate Bided	Highest Interest Rate Bided	Cut off Rate	Weighted Ave. Discount Rate
1	2-May-13	149	149.8	28	16	5	12	0	1.09	5	3	2.19
2	6-Jun-13	228	110.6	25	16	1	4	4	1.75	4.5	2.89	2.31

Source: Central Bank of Liberia, Monrovia, Liberia

**Chart 13: Government of Liberia Treasury Bill Auction
(May-June, 2013)
(In Millions of L\$)**



IV. FISCAL DEVELOPMENTS

Fiscal operations for the GoL during the quarter show positive performance. Total revenue and grants exceeded expenditure by L\$1,179.5 million (9.3 percent) at end-June (last quarter of the fiscal year 2012/2013). The surplus was mainly due to strong performance in tax and non-tax revenue collections of L\$13,804.0 million over projected revenue forecast of L\$12,731.1 million.

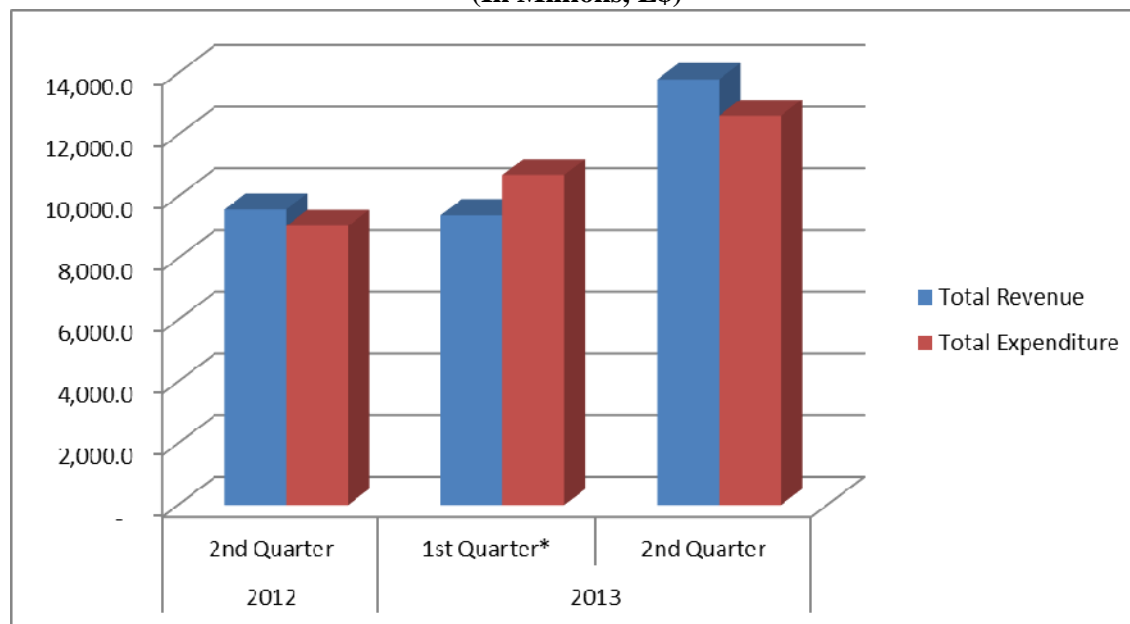
Table 18: Government of Liberia's (GoL) Fiscal Operations
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)

GoL Fiscal Operations	2012	2013	
	2 nd Quarter	1 st Quarter*	2 nd Quarter
Total Revenue & Grants	9,581.8	9,400.2	13,804.0
Total Expenditure	9,052.0	10,702.3	12,624.5

Source: Ministry of Finance, Republic of Liberia

*Revised

Chart 14: GoL's Fiscal Operations
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)



4.1 Total Revenue and Grants

Revenue & grants receipts for the quarter amounted to L\$13,804.0 million, 46.8 percent and 44.1 percent higher than the amount recorded during the preceding and corresponding quarters, respectively. The rise was mainly attributed to the marked increase in non-tax

revenue, specifically contingent revenue which rose, from L\$47.7 million at end-March to L\$3,265.3 million during the review quarter.

4.1.1 Tax Revenue

The total tax revenue generated at end-June, 2013 amounted to L\$7,733.5 million which constituted 56.0 percent of total revenue and grants. Tax revenue grew by 13.0 percent compared to the previous quarter, from L\$6,845.2 million, but shrank by 5.5 percent when matched to the corresponding period of 2012. The growth was mainly on account of increases in taxes on income & profits, and sale taxes on goods & services. Matched against the preceding period, taxes on income & profits rose by L\$798.0 million, while sale taxes on goods & services grew by L\$336.2 million at end-June, 2013.

4.1.2 Non-Tax Revenue and Grants

Non-tax revenue & grants amounted to L\$6,070.5 million, or 44.0 percent of total revenue & grants. Compared with the level recorded at end-March, 2013 and end-June, 2012, non tax revenue & grants grew by L\$3,515.5 million (137.6 percent) and L\$4,675.4 million (335.1 percent), respectively. The growth was largely attributed to a significant increase in contingent revenue during the period.

Table 19: Government of Liberia's Total Revenue by Sources
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)

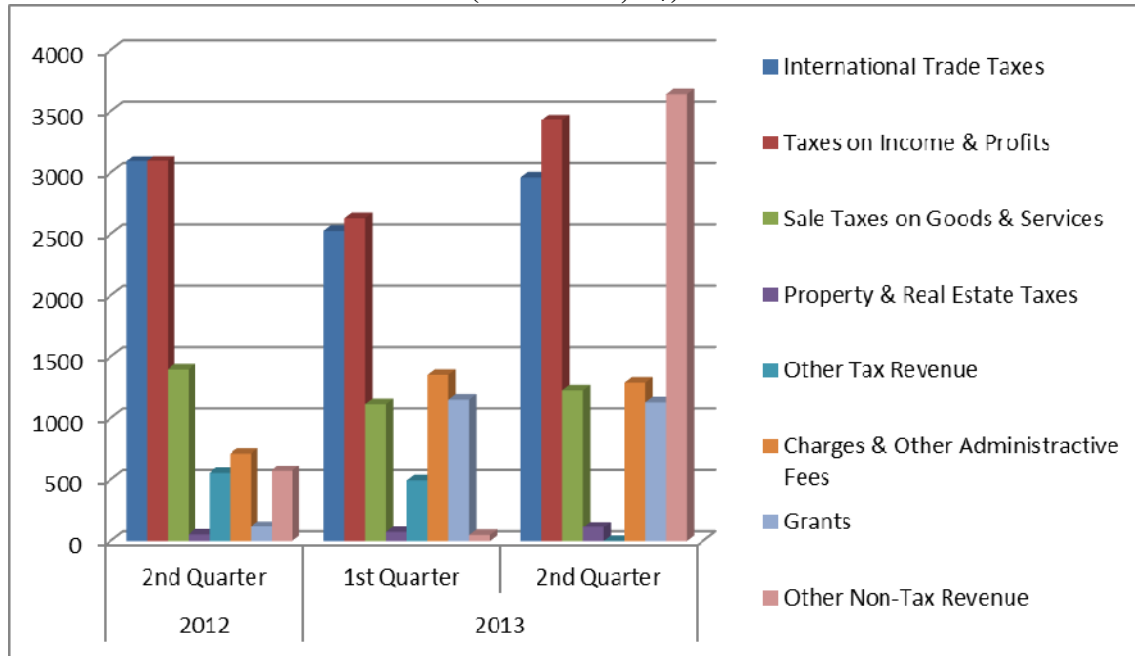
Revenue Sources	2012	2013	
	2 nd Quarter	1 st Quarter	2 nd Quarter
A. Tax Revenue	8,186.7	6,845.2	7,733.5
i. International Trade Taxes	3,093.2	2,526.4	2,965.4
<i>Taxes & Duties on Imports</i>	2,987.0	2,514.6	2,957.6
<i>Taxes on Exports</i>	106.2	11.8	7.8
ii. Taxes on Income & Profits	3,095.0	2,633.2	3,431.2
<i>Individual Taxes on income & profits</i>	1,073.6	2,418.8	2,906.4
<i>Taxes Payable by Corporate Entities</i>	2,000.2	197.7	502.8
<i>Others</i>	21.1	16.7	22.0
iii. Sale Taxes on Goods & Services	1,395.3	1,118.6	1,224.6
<i>Goods & Service Tax</i>	461.6	529.2	490.9
<i>Excise Taxes</i>	217.1	52.1	93.4
<i>Maritime Revenue</i>	325.5	155.4	424.8
<i>Others</i>	391.0	381.9	215.5
iv. Property & Real Estate Taxes	51.2	71.4	111.5
v. Other Tax Revenue ¹	552.1	495.5	0.9
B. Non-Tax Revenue	1,395.1	2,555.0	6,070.5
i. Charges & Other Administrative Fees	709.2	1,353.8	1,294.1
ii. Grants	115.9	1,153.4	1,133.2
iii. Others	570.0	47.7	3,643.2
<i>Contingent Revenue</i>	-	47.7	3,265.3
<i>Borrowing</i>	570.0	-	377.9
<i>Carry Forward</i>	-	-	-
Grand Total (A + B)	9,581.8	9,400.2	13,804.0

Source: Ministry of Finance, Republic of Liberia

¹Tax Revenue not elsewhere mentioned

²In CBL Quarterly Reporting System, Fiscal Year (FY) – 4th Quarter is Annual Year (AY) – 2nd Quarter

**Chart 15: GoL's Total Revenue by Sources
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)**



4.1.3 Projected and Actual Revenues (2012/2013)

Actual revenue (including grants) collected amounted to L\$13,804.0 million during the quarter, 8.4 percent in excess of its projected and approved budgetary forecast of L\$12,731.1 million. The increase was largely accredited to increases in tax revenue from income & profits, and non-tax revenue from grants.

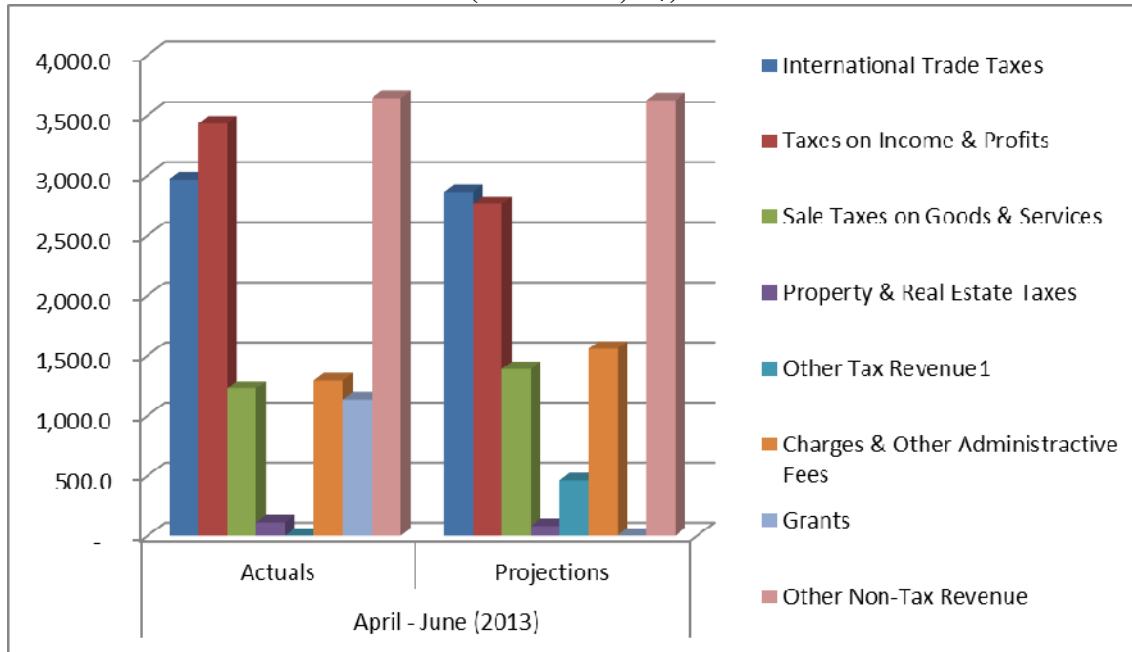
The proceeds from tax revenue exceeded its budgetary projection by L\$184.6 million (2.4 percent) during the period. The main contributor to the excess in tax revenue was taxes on income & profits which was recorded at L\$3,431.2 million over the L\$2,760.2 million forecast for the period. Non-tax revenue & grants also rose by L\$888.3 million (17.1 percent) over its budgetary projection of L\$5,182.2 million during the quarter. Grants (L\$1,133.2 million) contributed largely to the rise in actual non-tax revenue over its budgetary forecast (L\$2.0 million) for the period.

Table 20: Gol's Projected & Actual Revenue by Sources
(4th Quarter, Fiscal Year – 2012/2013)
(In Millions, L\$)

Revenue Sources	April - June	
	Actuals	Projections
A. Tax Revenue	7,733.5	7,548.9
i. International Trade Taxes	2,965.4	2,857.8
<i>Taxes & Duties on Imports</i>	2,957.6	2,784.7
<i>Taxes on Exports</i>	7.8	73.1
ii. Taxes on Income & Profits	3,431.2	2,760.2
<i>Individual Taxes on income & profits</i>	2,906.4	2,437.1
<i>Taxes Payable by Corporate Entities</i>	502.8	272.1
<i>Others</i>	22.0	51.0
iii. Sale Taxes on Goods & Services	1,224.6	1,387.0
<i>Goods & Service Tax</i>	490.9	715.6
<i>Excise Taxes</i>	93.4	79.2
<i>Maritime Revenue</i>	424.8	337.5
<i>Others</i>	215.5	254.7
iv. Property & Real Estate Taxes	111.5	82.0
v. Other Tax Revenue¹	0.9	461.9
B. Non-Tax Revenue	6,070.5	5,182.2
i. Charges & Other Administrative Fees	1,294.1	1,555.3
ii. Grants	1,133.2	2.0
iii. Others	3,643.2	3,624.9
<i>Contingent Revenue</i>	3,265.3	3,262.5
<i>Borrowing</i>	377.9	362.4
<i>Carry Forward</i>	-	-
Grand Total (A + B)	13,804.0	12,731.1

Source: Ministry of Finance, Republic of Liberia

Chart 16: GoL's Projected & Actual Revenue by Sources
(4th Quarter, Fiscal Year – 2012/2013)
(In Millions, L\$)



4.2 Total Expenditure by Codes

Total Government expenditure at end-June, 2013 summed to L\$12,624.5 million. Matched against the preceding and corresponding quarters, public spending grew by L\$1,922.2 million (18.0 percent) and L\$3,572.5 million (39.5 percent), respectively. Recurrent expenditure was the main driver of the increased Government expenditure, constituting 89.6 percent of Government total spending at end-June, 2013 (Table 20 & Chart 17). Interest spending on debt and other charges also contributed to the rise in government expenditure, while payments for capital goods was cut by 43.3 percent during the period compared to the previous quarter.

4.2.1 Recurrent Expenditure

Recurrent expenditure stood at L\$11,310.8 million at end-June, representing 89.6 percent of total expenditure. Matched against the previous quarter and at end-June, 2012, it rose by L\$2,728.4 million (31.8 percent) and L\$3,398.3 million (42.9 percent), respectively. Public spending on salaries & allowances, goods & services, and grants recorded increases during the quarter. Matched against the previous period, expenditure on salaries & allowances, goods & services and grants grew by L\$506.8 million (13.8 percent), L\$949.2 million (29.8 percent) and L\$1,275.7 million (74.9 percent), respectively. Expenditure on social benefits

fell by L\$4.3 million (14.2 percent), from L\$30.2 million at end-March, 2013 to L\$25.9 million of the quarter under review.

4.2.2 Capital Expenditure

Expenditure on capital goods amounted to L\$1,166.1 million, constituting 9.2 percent of total expenditure during the review period. It rose by L\$175.0 million (17.7 percent) when compared to the corresponding quarter in 2012, but contracted by L\$890.1 million (43.3 percent) in a matched-up to the previous period. The decline was explained by Government's plan to reduce payments on depreciation and the acquisition of fixed assets and increased spending on infrastructure and public sector investment.

4.2.3 Interest on Debt and Other Charges

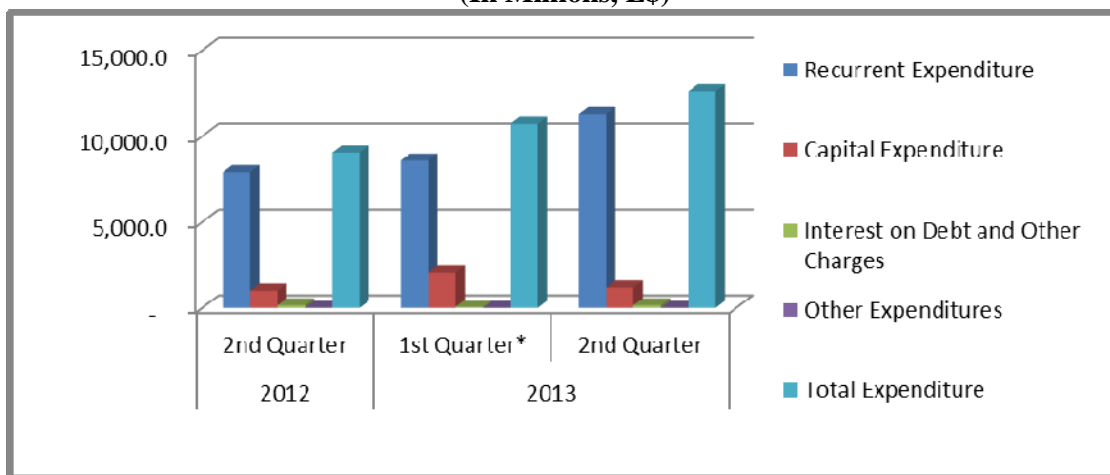
Interest expenditure on debt and other charges amounted to L\$147.6 million, increasing by L\$83.9 million (131.7 percent) when matched against the preceding period. However, a corresponding quarter analysis shows that interest spending on debt and other charges contracted by L\$0.8 million (0.5 percent). Expenditure to non-residents via interest payments on debt and other charges was the only contributor to the category. Compared with the previous and corresponding periods, it rose by L\$83.9 million (131.7 percent) and L\$20.1 million (15.8 percent), respectively.

Table 21: GoL's Expenditure by Code
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)

Expenditure by Codes		2012	2013	
		2 nd Quarter	1 st Quarter*	2 nd Quarter
A.	Recurrent Expenditure	7,912.5	8,582.4	11,310.8
i.	Salaries & Allowances	3,348.7	3,665.4	4,172.2
ii.	Expenditure on Goods & Services	2,924.8	3,182.6	4,131.8
iii.	Subsidies	582.7	-	0.9
iv.	Grants	1,032.2	1,704.2	2,979.9
v.	Social Benefits	24.2	30.2	25.9
vi.	Others	-	-	-
B.	Capital Expenditure	991.1	2,056.2	1,166.1
i.	Depreciation	245.6	-	4.5
ii.	Acquisition of Fixed Assets	738.8	2,039.8	1,161.0
iii.	Others	6.8	16.4	0.5
C.	Interest on Debt and Other Charges	148.4	63.7	147.6
i.	On Domestic & Foreign Debts	19.2	-	-
ii.	To Non-Residents	127.5	63.7	147.6
iii.	Others	1.7	-	-
D.	Other Expenditures¹	-	-	-
Total Expenditures (A+B+C+D)		9,052.0	10,702.3	12,624.5

Source: Ministry of Finance, Monrovia, Liberia

Chart 17: GoL's Expenditure by Codes
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)



4.3 Public Debt

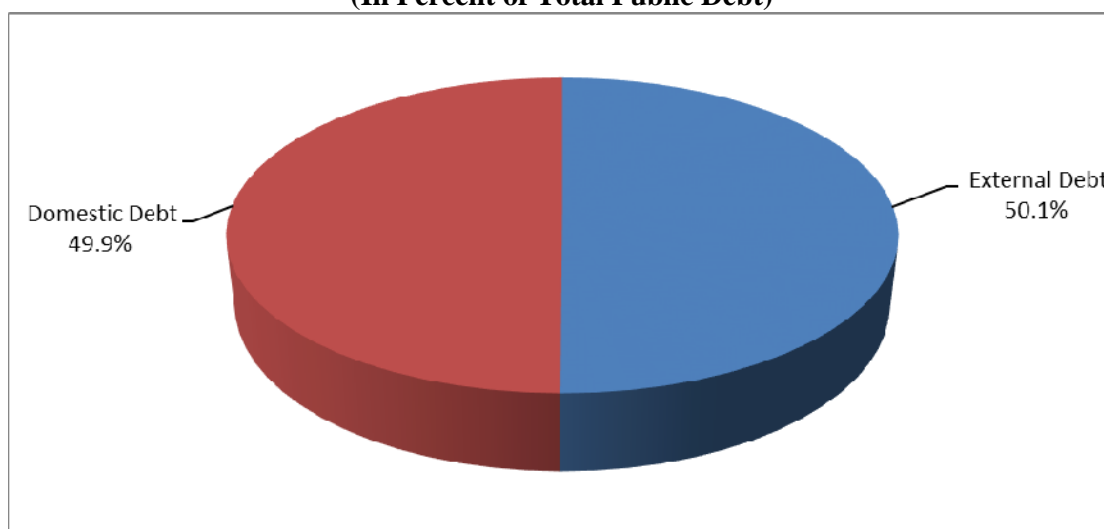
Total public debt stock at end-June stood at US\$577.7 million. Matched against the level recorded at end-March, 2013 and the corresponding period of 2012, it grew by US\$12.2 million (2.2 percent) and US\$25.3 million (4.6 percent), respectively. Of the total debt stock, domestic debt accounted for 49.9 percent while external debt constituted 50.1 percent. The growth was largely attributed to an increase in domestic debt to financial institutions, mainly the CBL arising from legacy debt obligations.

Table 22: Debt Composition
(As At June 30, 2013)
(In Millions, US\$)

Debt Composition	2012	2013	
	2 nd Quarter	1 st Quarter	2 nd Quarter
Total External Debt	269.3	290.5	289.3
Total Domestic Debt	283.1	275.0	288.5
Total Public Debt	552.4	565.5	577.7

Source: Ministry of Finance, Republic of Liberia
**Revised*

Chart18: Debt Composition
(As At June 30, 2013)
(In Percent of Total Public Debt)



4.3.1 Total External Debt

Total external debt stock for the quarter amounted to US\$289.3 million. Matched against the level recorded at end-March, total external debt stock declined by US\$1.2 million (0.4 percent), but grew by US\$20.0 million (7.4 percent), compared with the corresponding period of 2012.

Of the total external debt stock, multilateral and bilateral debt constituted US\$156.1 million (54.0 percent) and US\$133.2 million (46.0 percent), respectively. Compared with the preceding quarter, multilateral debt decreased by US\$1.1 million (0.7 percent), while bilateral debt remained the same (at US\$133.2 million) at end-June, 2013.

4.3.2 Total Domestic Debt

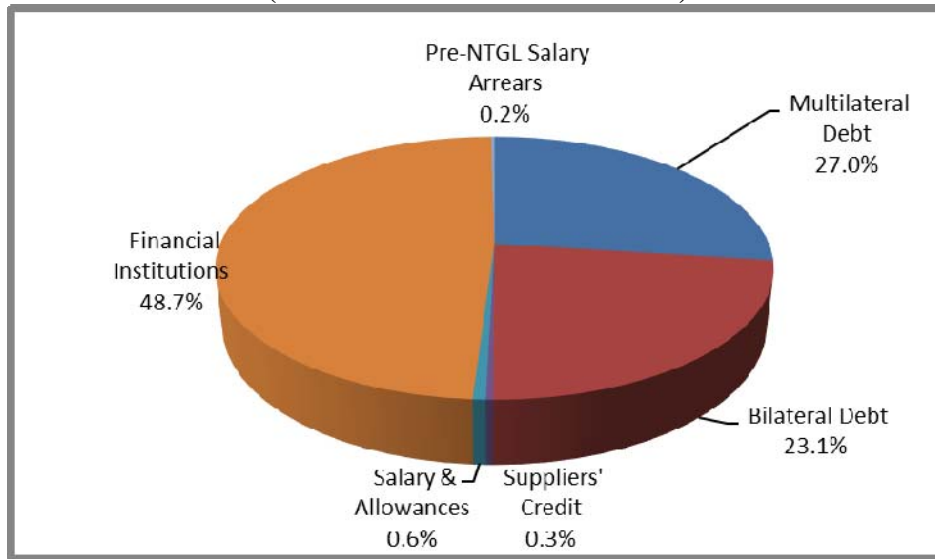
The total domestic debt stock at end-June was US\$288.5 million. Matched against the level recorded at end-March, 2013 and the corresponding period of 2012, total domestic debt stock rose by US\$13.5 million (4.9 percent) and US\$5.4 million (1.9 percent), respectively. Debt to financial institutions grew by US\$14.3 million (5.4 percent) at end-June, 2013 compared with the previous quarter; constituted US\$281.5 million (97.6 percent) of the total domestic debt stock. While debt to suppliers' credit, salary & allowances, and pre-NTGL salary arrears remained unchanged during the period under review.

Table 23: Overall Debt Position
(As At June 30, 2013)
(In Millions, US\$)

Creditors	2012	2013	
	2 nd Quarter	1 st Quarter*	2 nd Quarter
Multilateral	136.2	157.2	156.1
Bilateral	133.1	133.2	133.2
Commercial Creditors	-	-	-
Total External Debt	269.3	290.5	289.3
Suppliers' Credit (Valid Claims)	1.9	1.9	1.9
Salary & Allowances	3.7	3.7	3.7
Financial Institutions	275.0	267.2	281.5
Pre- NTGL Salary Arrears	1.3	1.3	1.3
Others	1.1	0.9	-
Total Domestic Debt	283.1	275.0	288.5
Total Public Debt	552.4	565.5	577.7

Source: Ministry of Finance, Republic of Liberia
**Revised*

**Chart 18: Overall Debt Position
(As At June 30, 2013)
(In Percent of Total Public Debt)**



V. EXTERNAL SECTOR DEVELOPMENTS

5.1 Introduction

The CBL has for the first time in the history of Liberia commenced the compilation of quarterly balance of payments statistics, which is being reported in this 2013 Second Edition of the Financial & Economic Bulletin.

5.2 Balance of Payments

For the quarter ended June, 2013, provisional balance of payments statistics recorded an overall surplus of US\$31.0 million , from a deficit of US\$26.4 million at end-March, 2013. Similarly, compared with the corresponding quarter a year ago, the deficit position improved by US\$42.2 from a deficit of US\$11.2 million at end-June, 2012 (Table 23).

The quarterly improvement in the balance of payments was largely on account of a 13.5 percent decline in the current account deficit largely occasioned by a 42.6 percent slump in the trade deficit and a 14.9 percent rise in the financial account balance compared with the levels at the end of the preceding quarter, outweighing the 40.0 percent decline in the capital account balance.

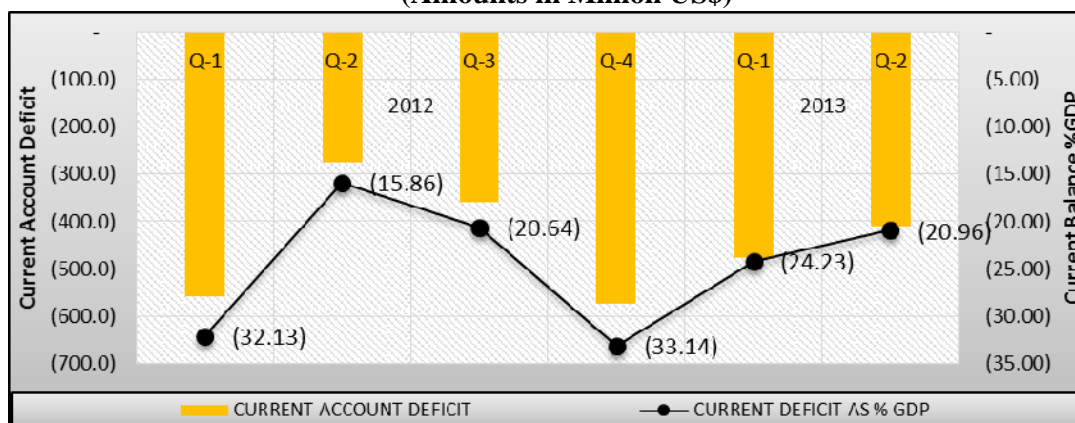
On a yearly basis, the improved balance of payments level was mainly driven by 80.1 percent surge in the financial account balance largely on account of a 73.8 percent growth in foreign direct investment in the domestic economy during the quarter under review compared with the corresponding quarter in 2012, outweighing the 49.5 percent deterioration in the current account.

5.3 Current Account

Compared with the first quarter of 2013, the current account deficit improved by 13.5 percent to US\$411.3 million from US\$475.6 million at end-March, 2013, largely on account of a 42.6 percent improvement realized in the trade deficit to US\$90.4 million from US\$157.5 million at end-March, 2013 mostly on the back of a 26.5 percent quarterly rise in export receipts against an 11.8 percent decline in import payments. A 47.8 percent growth in net current transfers also contributed to the decline in the current account deficit. The rise in net current transfers was driven by increases in net public and private transfers during the quarter.

Yearly comparison shows that the current account deficit grew by 49.5 percent to US\$411.3 million at end-June, 2013, from US\$275.2 million at end-June, 2012, largely on account of a 92.9 percent decline in the net services sub-account and the growing deficit in the income category. The growing current account deficit is financed largely by net inflows of current transfer and trade credit. As a percentage of annual GDP estimate, Liberia's current account deficit averaged 25.4 percent in 2012 and 22.6 percent in the first half of 2013 (Chart 19).

Chart 19: Trends of Current Account Deficit as % of GDP
(1st - 4th Quarter, 2012; 1st - 2nd Quarter, 2013)
(Amounts in Million US\$)



5.3.1 Merchandise Trade

At end-June, 2013, total merchandise trade position stood at US\$ 411.5 million, from US\$ 411.3 million at end of the previous quarter, recording a 0.05 percent increase (Table 23). Merchandise export receipts increased from US\$126.9 million at end-March, 2013 to US\$160.5 million at the end of the quarter under review, representing a 26.6 percent rise and accounted for 39.0 percent of total trade. On a yearly basis, export receipts surged by 49.5 percent, largely on account of a US\$56.4 million increase in iron ore export receipts.

Merchandise import payments (on FOB basis) declined by 11.8 percent compared with the preceding quarter, largely driven by 41.8 percent and 39.4 percent declines in import payments towards Machinery & Transport Equipment and Manufactured Goods Chiefly Classified by Materials respectively over levels recorded in the previous quarter. Compared with the level at end-June, 2012, import payments declined by 10.7 percent.

Table 24: Liberia's Quarterly Balance of Payments⁵
(1st- 4th Quarter, 2012; 1st - 2nd Quarter, 2013)
(In Million US\$)

Years	2012 ₂				2013*		Q-o-Q Change		Y-o-Y Change	
	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	1 st Quarter	2 nd Quarter	Absolute Amt	% Change	Absolute Amt	% Change
CURRENT ACCOUNT										
Current Account Balance	(557.5)	(275.2)	(358.1)	(575.0)	(475.6)	(411.3)	64.3	(13.5)	(136.1)	49.5
Current Account Balance, excluding grants	(507.4)	(252.8)	(334.0)	(555.7)	(460.9)	(392.6)	68.3	(14.8)	(139.8)	55.3
Trade Balance	(431.5)	(173.5)	(118.2)	(186.8)	(157.5)	(90.4)	67.2	(42.6)	83.1	(47.9)
Merchandise Exports (FOB)	147.5	107.4	112.0	77.4	126.9	160.6	33.7	26.6	53.2	49.5
Iron ore	49.0	32.3	31.9	3.8	69.5	88.7	19.2	27.7	56.4	174.7
Rubber	60.6	39.8	27.1	27.1	27.7	36.6	9.0	32.4	(3.2)	(7.9)
Non-Iron Ore & Rubber Exports	37.9	35.2	53.1	46.5	29.7	35.2	5.5	18.5	-	-
Merchandise Imports (FOB)	(579.0)	(280.9)	(230.2)	(264.2)	(284.4)	(250.9)	33.4	(11.8)	29.9	(10.7)
Oil (Petroleum)	169.2	81.8	39.2	63.2	61.1	57.3	(3.8)	(6.2)	(24.5)	(29.9)
Rice	13.2	10.7	9.5	28.0	12.0	30.3	18.2	151.6	19.6	183.3
Machinery & Transport Equipment	64.7	74.2	84.4	65.7	87.5	50.9	(36.6)	(41.8)	(23.3)	(31.4)
Others	331.9	114.2	97.1	107.3	123.7	112.4	(11.3)	(9.1)	(1.8)	(1.5)
Services (Net)	15.7	66.9	37.5	11.2	9.3	4.8	(4.6)	(48.9)	(62.2)	(92.9)
Receipts	129.6	185.7	179.9	240.2	93.9	100.3	6.4	6.8	(85.4)	(46.0)
Payments	113.9	118.8	142.4	229.0	84.6	95.5	10.9	12.9	(23.2)	(19.6)
Income (Net)	(248.8)	(186.6)	(373.2)	(435.4)	(331.7)	(391.4)	(59.7)	18.0	(204.8)	109.8
Investment income (net)	(248.8)	(186.6)	(373.2)	(435.4)	(331.7)	(391.4)	(59.7)	18.0	(204.8)	109.8
Other Income	-	-	-	-	-	-	-	-	-	-
Current transfers (Net)	107.2	18.0	95.8	36.0	4.3	65.8	61.4	1412.8	47.8	266.2
Public transfers (net)	50.3	22.6	24.3	19.5	14.7	18.7	4.0	26.9	(3.9)	(17.4)
Grants (net)	50.0	22.4	24.1	19.3	14.7	18.7	4.0	26.9	(3.7)	(16.6)
Private transfers (net)	56.9	(4.6)	71.6	16.5	(10.4)	47.1	57.5	(553.9)	51.7	(1112.9)
Workers' Remittances (net)	56.9	(4.6)	71.6	16.5	(10.4)	47.1	57.5	(553.9)	51.7	(1112.9)
CAPITAL ACCOUNT	57.2	53.6	66.2	135.2	81.5	48.9	(32.6)	(40.0)	(4.7)	(8.8)
Capital Transfers (Net)	57.2	53.6	66.2	135.2	81.5	48.9	(32.6)	(40.0)	(4.7)	(8.8)
FINANCIAL ACCOUNT	816.3	293.1	503.9	569.6	459.4	528.0	68.6	14.9	234.9	80.2
Direct investment in reporting economy	415.6	239.2	420.2	473.9	377.8	415.5	37.8	10.0	176.4	73.8
Portfolio Investment (Net)	(0.8)	(9.5)	(2.2)	(5.9)	(5.9)	(6.9)	(1.1)	18.0	2.6	(26.9)
Other Investment (Net)	396.6	56.5	106.4	65.5	87.6	101.3	13.7	15.6	44.8	79.3
Trade Credit	345.8	53.4	91.2	61.1	77.0	97.8	20.9	27.1	44.5	83.3
Reserve Assets	4.9	6.9	(20.5)	36.1	(0.1)	18.1	18.2	(27712.6)	11.2	161.8
ERRORS & OMISSIONS	(400.8)	(82.7)	(135.7)	(116.5)	(91.8)	(134.6)	0.0	0.0	0.0	0.0
OVERALL BALANCE⁺	(84.8)	(11.2)	76.3	13.3	(26.4)	31.0	57.4	(217.4)	42.2	(377.1)
Financing	84.8	11.2	(76.3)	(13.3)	26.4	(31.0)				
Changes in Foreign Reserves (millions US\$)	4.4	(27.4)	(17.6)	9.3	(32.1)	5.0				
MEMORANDUM ITEMS										
Annual Nominal GDP (millions US\$) Estimate	1,735.3	1,735.3	1,735.3	1,735.3	1,962.7	1,962.7				
Average Quarterly Merchandise Imports(CIF)	214.2	103.9	85.2	97.8	105.2	92.9				
Current Account balance as % of GDP	(32.1)	(15.9)	(20.6)	(33.1)	(24.2)	(21.0)				
Gross External Reserves Stock (millions US\$) at end of Quarter	294.1	266.8	249.2	258.5	226.4	231.4				
Gross External Reserves in months of import(CIF) Cover	1.37	2.57	2.93	2.64	2.15	2.49				

/2 Revised

**Provisional Staff Estimates*

+ The Overall Balance is the sum of the current, capital and financial accounts less the sum of the exceptional financing items (Reserve Assets, Trade Credit and Grants-receipts)

⁵ Provisional balances are measured on IMF Balance of Payments Manual (BPM5) Standards

Table 25: Balance of Trade
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(in Millions US\$)

Periods	2 nd Quarter, 2012	1 st Quarter, 2013*	2 nd Quarter, 2013**
Exports	107,384.86	126,888.80	160,542.47
Imports (FOB)⁺	280,870.82	284,388.17	250,947.94
Total Trade	388,255.68	411,276.97	411,490.41
Trade Balance-Surplus(Deficit)	(173,485.96)	(157,499.37)	(90,405.47)

Sources: Ministry of Commerce & Industry, BIVAC, Firestone Liberia, Ministry of Lands, Mines & Energy, Forestry Development Authority

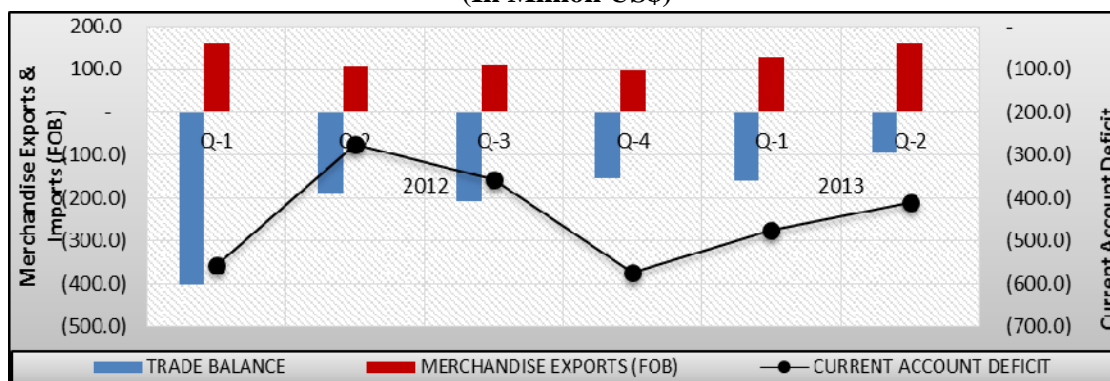
+Imports are measured on FOB basis consistent with applications in the Balance of Payments compilation,

**Revised*

***Provisional*

On a quarterly basis, the trade deficit narrowed by 42.6 percent to US\$90.4 million at end-June, 2013, from US\$157.5 at end-March, 2013. On a year-on-year comparison, the trade deficit improved by 47.9 percent mainly on account of a 26.6 percent and 49.5 percent rise in export receipts compared with the quarter ended March, 2013 and the corresponding quarter in 2012, respectively. However, increased net outflows in current transfers, services and income sub-accounts outweighed the positive impact of the improved trade balance on the current account (Chart 20).

Chart 20: Trade Balance & Current Account Deficit
(1st - 4th Quarter, 2012 & 1st & 2nd Quarters, 2013)
(In Million US\$)



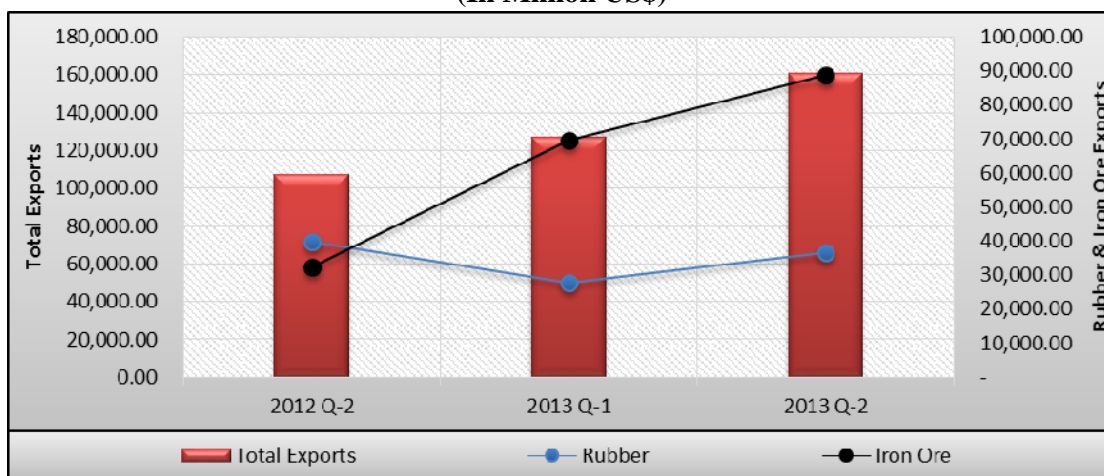
5.3.1.1 Exports

During the quarter, total export receipts surged by 26.6 percent (US\$33.7 million) to US\$160.6 million, from US\$126.9 million recorded at end-March, 2013, mainly led by iron ore and rubber. Despite the ongoing decline in the price of the commodity on the global market, iron ore export receipts rose by 27.7 percent (US\$19.2 million) over the preceding quarter, accounting for 55.3 percent of total export receipts (Chart 21).

Compared with the corresponding quarter a year ago, iron ore export receipts increased by US\$54.6 million. The rise was largely on account of increased production and export volume mainly triggered by improving local production facilities and relatively better weather condition.

Rubber export receipts rose to US\$36.6 million during the quarter from US\$27.7 million at end-March, 2013, representing 32.4 percent increase and accounting for 22.8 percent of total export receipts. Like iron ore, the rise in rubber exports was largely driven by increased export volume, mainly from inventory, largely occasioned by expectations of future price decline on the global market . However, a year-on-year comparison shows that rubber export receipts declined by 8.0 percent during the quarter.

Chart 21: Trends in Iron Ore & Rubber Compositions of Total Export Receipts (2nd Quarter, 2012; 1st & 2nd Quarters, 2013) (In Million US\$)



Liberia’s dependence on traditional commodity exports, mainly rubber and iron ore, continues to make the country vulnerable to external shocks. At end-June, 2013, rubber and iron ore exports recorded a combined 78.1 percent of total export receipts (Chart 21). Policies and programs aimed at widening the export base towards non-traditional export sectors must be pursued to reverse the trend.

Ongoing reforms in the logging sector after the suspension of the Private User Permit (PUP) regime led to increased round logs exports during the quarter, rising by US\$3.7 million to US\$5.9 million at end-June, 2013, from US\$2.2 million at end-March, 2013, accounting for

3.7 percent of total export receipts. However, on a year-on-year comparison, round log exports receipts declined by 62.6 percent.

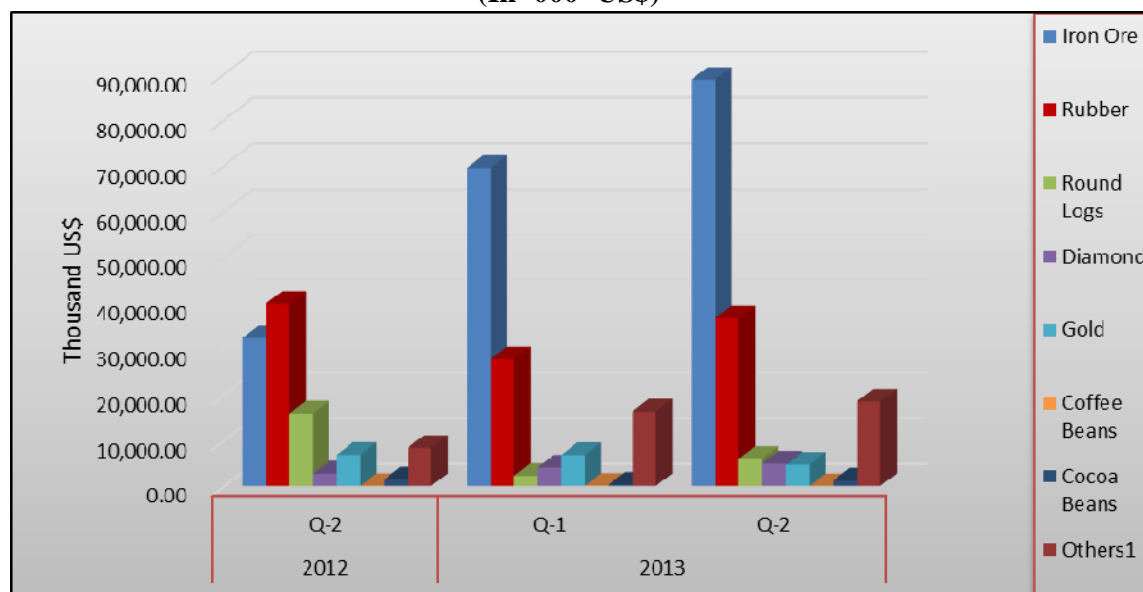
Diamond and other commodities in the “Others” category also recorded increases during the quarter (Table 25 & Chart 22). Gold recorded 30.9 percent and 31.3 percent declines on quarterly and year-on-year comparisons, respectively, largely on account of decreased export volume and declining global market price of the commodity.

**Table 26: Commodity Composition of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In ‘000’ US\$)**

Commodity Composition of Exports	Unit	2 nd Quarter, 2012		1 st Quarter, 2013		2 nd Quarter, 2013	
		Volume In ‘000’	Value In ‘000’ US\$	Volume In ‘000’	Value In ‘000’ US\$	Volume In ‘000’	Value In ‘000’ US\$
Rubber	Mt.	14.18	39,818.21	10.14	27,675.77	15.61	36,637.69
Cocoa Beans	Mt.	1.91	1,442.37	0.47	314.50	3.73	1,209.00
Coffee Beans	Mt.	0.10	30.00	0.20	65.00	-	-
Iron Ore	Mt.	1,047.00	32,330.26	1,177.50	69,481.42	1,205.38	88,730.92
Diamond	Carat	7.30	2,748.40	11.41	4,063.37	14.76	4,918.34
Gold	Ounce	5.50	6,825.80	5.44	6,790.01	4.23	4,687.48
Round Logs	m ³	87.82	15,845.57	13.84	2,243.26	22.82	5,923.96
Others ¹		-	8,344.25		16,255.47		18,435.08
Total			107,384.86		126,888.80		160,542.47

Sources: BIVAC, Ministry of Lands, Mines & Energy, Forestry Development Authority, Ministry of Commerce & Industry

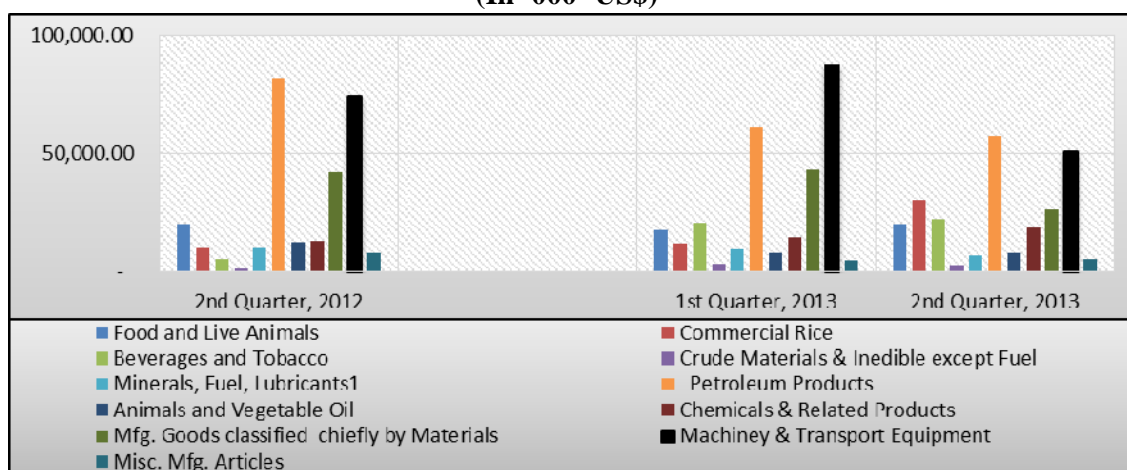
**Chart 22: Commodity Composition of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In ‘000’ US\$)**



5.3.1.2 Imports

Total import payments declined by 11.8 percent to US\$250.9 million at end-June, 2013, from US\$284.4 million at end-March, 2013, largely driven by declines in import payments in key categories, including Machinery & Transport Equipment, Manufactured Goods Chiefly Classified by Materials, Petroleum Products and Crude Materials & Inedible Except Fuel. On a year-on-year basis, total import payments declined by 10.7 percent (US\$29.9 million) during the quarter.

Chart 23: Commodity Composition of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In '000' US\$)



Import payments towards Machinery & Transport Equipment declined by 41.8 percent (US\$ 36.6 million) to US\$50.9 million at the end of the quarter, from US\$87.5 million at end-March, 2013, largely on account of the ensuing rainy season that reduces activities in key sectors, particularly mining and construction, for which these equipment are mainly imported. On a Year-on-year basis, import payments for Machinery & Transport Equipment also declined by 31.4 percent (US\$23.3 million).

Import outlays on Manufactured Goods Classified Chiefly by Materials declined by 39.4 percent (US\$17.1 million) on a quarterly comparison and 37.4 percent (US\$15.7 million) on an annualized basis mainly on account of declines in input prices, particularly rubber manufactures and iron and steel products.

Petroleum products recorded a 6.2 percent (US\$3.8 million) decline at end-June, 2013 over the previous quarter. Compared with the level at end-June, 2012, petroleum imports payments declined by 29.9 percent (US\$24.5 million).

The fall in petroleum import payments during the quarter was largely on account of the persistent decline in global market price of the commodity, falling from US\$105 per barrel at end-March, 2013 to US\$ 103 per barrel at end-June, 2013. IMF global commodity price forecast for 2013 points to further declines in the price per barrel of the commodity for the remainder of the year.

There has been a move away from petroleum dominance in the country's import payments, with the product's share of total import outlays declining to 22.8 percent, from 29.1 percent at end-March, 2013. This is largely indicative of the relatively rising import costs on other products, especially Machinery & Transport Equipment, Chemicals & Related Products and Tobacco & Beverages (Table 27). Crude Materials & Inedible, Except Fuel also recorded a 14.6 percent decline during the review quarter compared with the previous quarter.

Food & Live Animals import bills rose by US\$20.7 million over the previous quarter, representing a 69.1 percent increase. On a yearly comparison, import payments on Food & Live Animals surged by 62.5 percent (US\$19.5 million).

The rise in import payments in this category, despite the ongoing decline in global food prices, was largely on account of increased volume of rice imports. Rice import bills rose by US\$18.3 million to US\$30.3 million, from US\$12.0 million at end-March, 2013. On an annualized basis, rice imports rose by \$US19.6 million. However, rice import payments as a percentage of total import outlays was just 12.1 percent during the quarter.

Chemicals & Related Products also recorded a 31.9 percent (US\$4.7 million) to US\$19.5 million at end-June, from US\$14.8 million at end-March, 2013. Compared with the corresponding quarter in 2012, import payments in this category also rose by 46.6 percent.

Table 27: Commodity Composition of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In '000' US\$)

Commodity	2nd Quarter, 2012		1st Quarter, 2013		2nd Quarter, 2013	
	Amount	% Share	Amount	% Share	Amount	% Share
Food and Live Animals	31,148.77	11.1	29,939.04	10.5	50,625.91	20.2
O/w Commercial Rice	10,687.07	3.8	12,020.31	4.2	30,270.86	12.1
O/w Non-commercial Rice	-	-	12.98	0.0	6.08	0.0
Beverages and Tobacco	5,746.73	2.0	20,608.41	7.2	22,268.55	8.9
Crude Materials & Inedible except Fuel	1,354.77	0.5	3,689.50	1.3	3,150.21	1.3
Minerals, Fuel, Lubricants	91,968.43	32.7	70,986.12	25.0	64,315.29	25.6
O/w Petroleum Products	81,822.84	29.1	61,122.09	21.5	57,335.75	22.8
Animals and Vegetable Oil	12,928.58	4.6	8,160.25	2.9	8,281.86	3.3
Chemicals & Related Products	13,304.68	4.7	14,782.46	5.2	19,503.50	7.8
Mfg. Goods classified chiefly by Materials	42,048.49	15.0	43,435.33	15.3	26,314.91	10.5
Machinery & Transport Equipment	74,155.26	26.4	87,485.06	30.8	50,890.35	20.3
Misc. Mfg. Articles	8,215.12	2.9	5,302.01	1.9	5,597.38	2.2
TOTAL	280,870.8		284,388.2		250,947.9	

Sources: BIVAC, Ministry of Commerce & Industry, Customs-Ministry of Finance

5.3.1.3 Direction of Trade

Liberia's growing current account deficit largely points to the import-dependent nature of the economy, with import trade still accounting for the larger share of total trade. The dependence on commodity exports, mainly iron ore and rubber, continues to expose the country to external shocks.

5.3.1.3.1 Destination of Exports

Asia, Europe and North America were the leading export destinations during the quarter. Export receipts from Asia amounted to US\$61.0 million, accounting for 38.0 percent of total export receipts, from 29.4 percent (US\$37.3 million) for the preceding quarter. Europe's share of total exports amounted to US\$29.7 million (18.5 percent) from US\$45.0 million (35.5 percent) at end-March, 2013 (Table 28 & Chart 24).

Similarly, exports towards North America fell by 4.5 percentage points to US\$22.5 million, from US\$23.5 million at the end of the preceding quarter. There was improvement in intra-regional export trade during the quarter, with export receipts from the ECOWAS region accounting for 12.0 percent (US\$19.3 million) of total exports compared with 4.3 percent (US\$5.5 million) at end-March, 2013. South America (6.4 percent) and Middle East (9.3 percent) also recorded growths in their shares of total exports relative to the preceding quarter.

During the review quarter, Europe, Asia and North America were the leading export destinations as experienced in the previous quarter. Exports towards Europe increased from US\$16.8 million at end-December, 2013 to US\$45.0 million at the end of the quarter under review, representing 35.5 percent of total export receipts.

Table 28: Destination of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)

REGIONS	2 nd Quarter, 2012		2013			
			1st Quarter		2nd Quarter**	
	Exports	% Share	Exports	% Share	Exports	% Share
EUROPE	32.4	30.2%	45.0	35.5%	29.7	18.5%
NORTH AMERICA	35.4	33.0%	23.5	18.5%	22.5	14.0%
SOUTH AMERICA	-	0.0%	0.0	0.0%	10.3	6.4%
MIDDLE EAST	32.6	30.4%	0.5	0.4%	14.9	9.3%
ASIA	1.3	1.2%	37.3	29.4%	61.0	38.0%
ECOWAS	0.5	0.5%	5.5	4.3%	19.3	12.0%
Others – Africa	-	0.0%	0.1	0.1%	2.1	1.3%
Others	5.2	4.8%	15.0	11.8%	0.8	0.5%
Total	107.4	100.0%	126.9	100.0%	160.5	100.0%

Sources: BIVAC, Ministry of Lands, Mines & Energy, Forestry Development Authority, Ministry of Commerce & Industry

Chart 24: Destination of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)

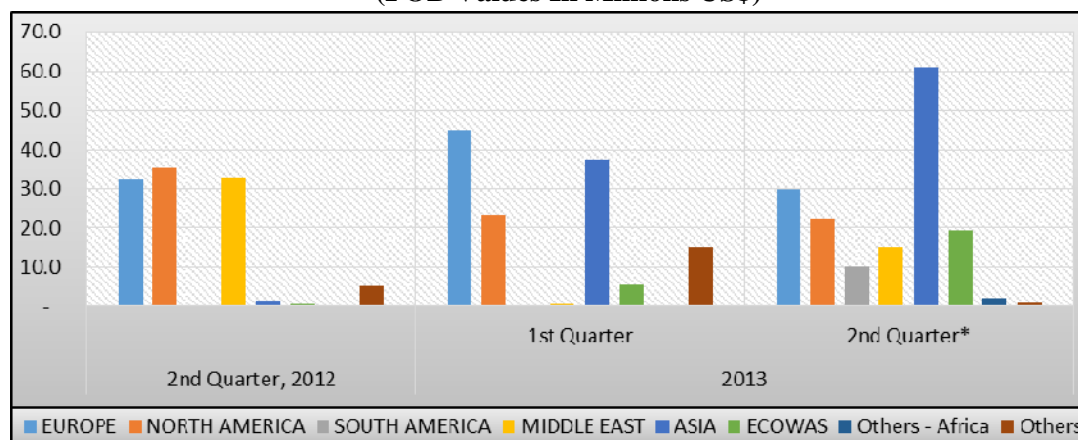
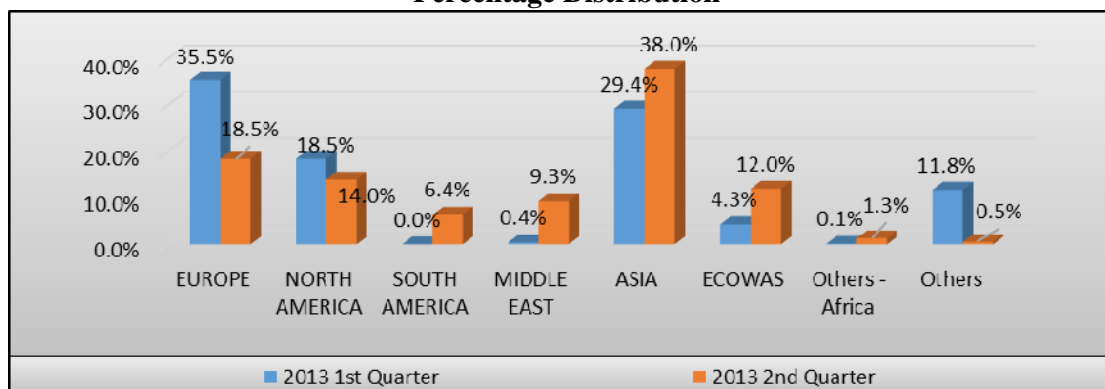


Chart 25: Destination of Exports
2nd Quarter, 2012; 1st & 2nd Quarters, 2013
Percentage Distribution



5.3.1.3.2 Sources of Imports

Asia continues to dominate on the import front, with its total share of import payments increasing to 48.5 percent (US\$121.7 million) for the quarter, from 45.3 percent (US\$128.8 million) at end-March, 2013. Europe’s share of imports rose to 24.5 percent (US\$61.5 million) compared with 20.5 percent (US\$58.4 million) at the end of the preceding quarter.

Compared with the corresponding period a year ago, import payments towards both Asia and Europe experienced a significant growth at end-June, 2013.

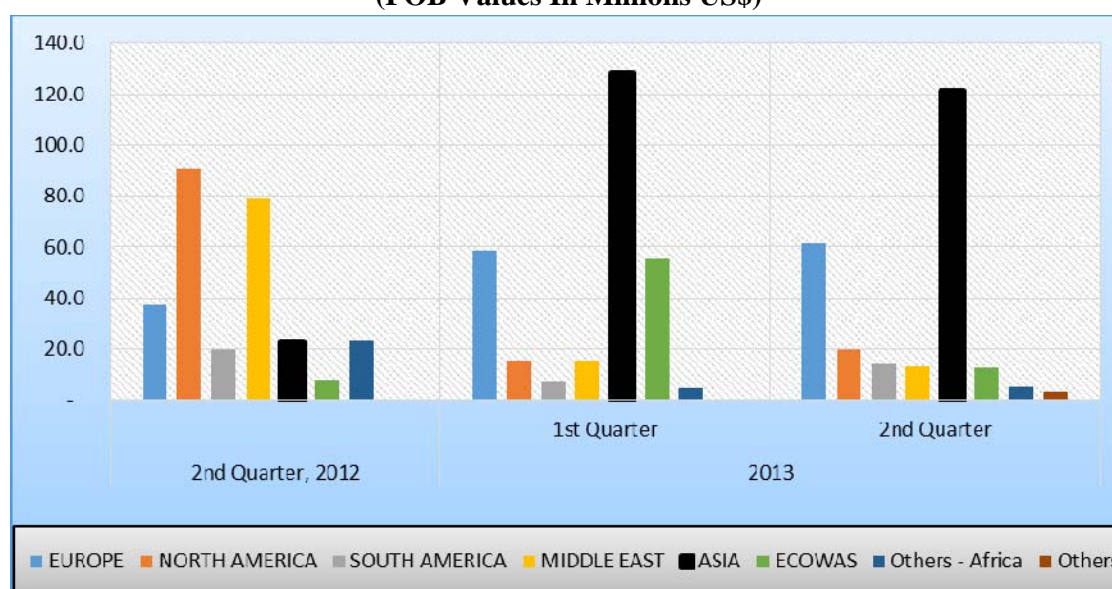
The share of imports from the ECOWAS region declined to 5.0 percent (US\$12.6 million) at end-June, 2013 from 19.5 percent (US\$55.4 million) at the end of the preceding quarter, reflecting a noticeable decline in intra-regional import trade during the quarter.

Middle East (5.3 percent), non-ECOWAS African countries (2.0 percent), South America (5.6 percent) and North America (7.9 percent) all recorded the indicated percentages at the end of the quarter, all declining over their respective end-March, 2013 levels.

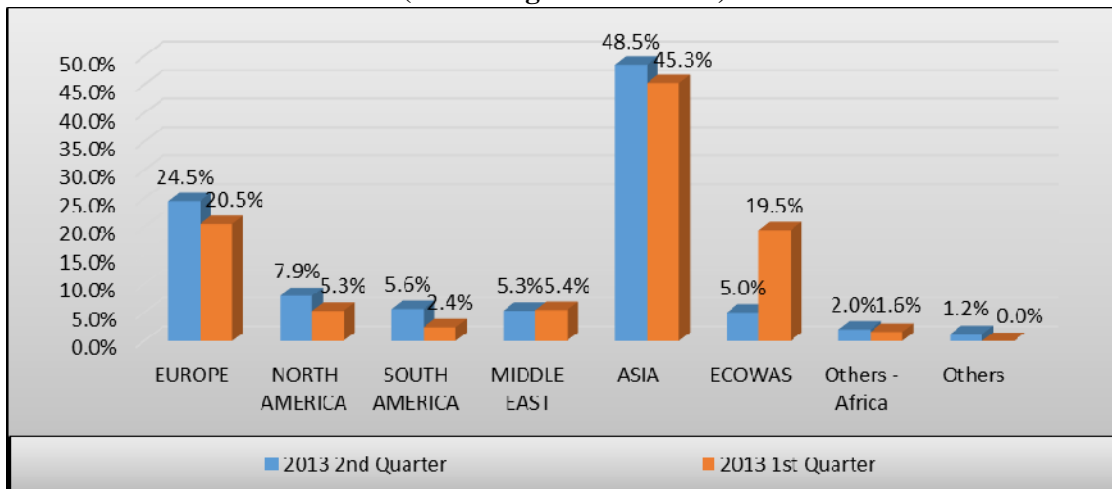
Table 29: Sources of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)

REGION	2012 2 nd Quarter,		2013			
	Imports	% Share	1 st Quarter*		2 nd Quarter**	
			Imports	% Share	Imports	% Share
EUROPE	37.4	13.3%	58.42	20.5	61.48	24.5%
NORTH AMERICA	90.5	32.2%	15.01	5.3	19.82	7.9%
SOUTH AMERICA	19.8	7.0%	6.80	2.4	14.05	5.6%
MIDDLE EAST	78.8	28.0%	15.41	5.4	13.30	5.3%
ASIA	23.1	8.2%	128.79	45.3	121.71	48.5%
ECOWAS	8.0	2.9%	55.40	19.5	12.55	5.0%
Others - Africa	23.5	8.4%	4.48	1.6	5.02	2.0%
Others	-	-	0.07	0.0	3.01	1.2%
Total	280.9	100%	284.4	100.0%	250.95	100%

Chart 25: Sources of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)



**Chart 26: Sources of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(Percentage Distribution)**



5.3.1.4 Commodity Price Outlook

From the IMF global commodity price forecast and analysis of the individual and group price indices and medium term price baselines, there are mixed trends in the prices of Liberia’s key exports and imports for the quarter ending September, 2013, pointing towards a net downward trend in import payments, largely on account of projected declines in petroleum and food prices.

Export receipts for the third quarter are projected to rise over the quarter ended-June, 2013 mostly on account of expected increase in iron ore production and export volumes mainly driven by improving production facilities and projected price rise. The major downside to exports will be the projected fall in rubber prices on the world market which could be outweighed by increased iron ore exports.

a. Iron Ore

Falling by an average of 11.5 percent between the first and second quarters this year, global iron ore prices are expected to rise in the short term as reflected by a 10.8 percent increase in the commodity’s price to US\$127.2 per metric ton at end-July, 2013 from US\$114.8 per metric ton at end-June, 2013 and a 1.2 percent rise in the IMF Metal Price Index over the same period. On the back of improving demand from emerging markets, mainly China, the upward trend is likely to continue beyond the third quarter.

b. Rubber

At the end of the second quarter, rubber price fell by 3.1 percent over its previous quarter average, declining further by 8.8 percent at end-July, 2013. The IMF Agricultural Raw Material Price Index, of which rubber is a component, fell by 4.4 percent at end-July, 2013 over its June level. The downward trend is projected to continue into the short-term due to low global demand, particularly in the automobile industry, on account of weak economic prospects for industrialized economies, mainly in the Eurozone. However, latest improved growth figures, showing Germany and France coming out of recession, may reverse the current trend.

c. Petroleum

The IMF Crude Oil Price Index recorded a 5.6 percent decline in crude oil prices between the first and second quarters this year, with a projected 3.0 percent decline in the short-term mainly on account of recovering oil supply largely driven by strong growth in non-OPEC supply regions, particularly North America. Though petroleum prices rose by 5.7 percent at end-July, 2013 over the previous month level, prices are projected to fall for the remainder of the quarter. However, the growing uncertainties in the Middle East, especially from Iran and Syria, continue to make oil prices more volatile.

d. Rice

The downward trend in global food prices, mainly rice, as experienced during the first half of 2013, is projected to persist for the rest of the year largely driven by expectations of further improved weather conditions and better harvests in major rice-producing countries. The IMF Food Price Index fell by 1.4 percent at end-July, 2013 over the level recorded in previous month.

5.3.2 Services

The surplus on the services sub-account declined by 48.9 percent (US\$ 4.6 million) to US\$4.8 million at the end of the quarter, from US\$9.3 million at end-March, 2013 largely driven by a 12.9 percent increase in service payments that outweighed the 6.8 percent improvement in service receipts during the quarter (Table 23).

On an annualized basis, net inflows from services declined by 92.9 percent (US\$62.2 million) to US\$4.8 million during the quarter from US\$ 66.9 million at the end of the corresponding quarter in 2012. The annual decline in net service receipts was largely due to a 46.0 percent fall in gross service receipts, from US\$185.7 million at end-March, 2012 to US\$100.3 million at end-June, 2013, overshadowing the 19.6 percent (US\$23.2 million) annualized decline recorded in gross service payments. The draw-down on the operations of UNMIL, a key source of service receipts, partly explains the decline in service receipts.

5.3.3 Income

The deficit on the income sub-account further deteriorated by 18.0 percent (US\$59.7 million) to US\$391.4 million at the end of the quarter, from US\$331.7 million at end-March, 2013. On a yearly basis, the deficit position more than doubled, increasing by US\$204.8 million. The deterioration in the income sub-account deficit is largely driven by similar trends in net investment income, reflective of the high cost of doing business in Liberia, particularly the high cost of energy that continues to affect the profitability of the domestic private sector.

5.3.4 Current Transfers

Net current transfers grew by US\$61.4 million to US\$65.8 million at the end of the quarter, from US\$4.3 million at end-March, 2013 largely on the back of a 26.9 percent (US\$4.0 million) gain realized in net public transfers and a US\$57.5 million growth in net private transfers as result of similar trend in workers' remittances.

On a year-on-year basis, the net current transfer level more than doubled, improving by US\$47.8 million during the quarter, largely indicative of a US\$51.7 million rise in annual workers' remittances that outweighed the 17.4 percent decline recorded in net public transfers. The improved annualized net inflows from workers' remittances is largely reflective of the relatively improving personal income conditions in the developed economies, particularly the United States—Liberia's major source of personal/workers' remittance inflows.

Table 30: Inward & Outward Workers' Remittances
(1st-4th Quarter, 2012; 1st-2nd Quarter, 2013)
(In '000' US\$)

Workers' Remittances	2012				2013	
	Q-1	Q-2	Q-3	Q-4	Q-1	Q-2
Inward	113,203.5	94,916.1	179,743.6	121,100.1	67,253.6	101,009.9
Outward	56,297.9	99,566.0	108,177.3	104,581.2	77,630.6	53,875.1
Net Inflows	56,905.7	(4,649.9)	71,566.3	16,519.0	(10,377.0)	47,134.8

Source: Central Bank of Liberia

5.4.3.1 Workers' Remittances

Net workers' remittance inflows for the quarter amounted to US\$47.1 million from a net outflow of US\$10.4 million at end-March, 2013. On a year-on-year basis, net workers' remittances surged by US\$51.8 million at end-June, 2013 from a net outflow of US\$4.6 million at end-March, 2012. The improvement in net workers' remittance inflows during the quarter was mainly driven by growth in inward workers' remittances against decline in outward remittances.

Inward remittances grew by 50.2 percent to US\$101.0 million at end-June, 2013 from US\$67.3 million at end-March, 2013. On annualized comparison, inward remittances grew by 6.4 percent. The growth in inward workers' remittances is largely explained by the improving personal income conditions in the developed world, especially the United States—Liberia's major source of workers' remittances.

Outward workers' remittances fell by 30.6 percent to US\$53.9 million at end-June, 2013 from US\$77.6 million at end-March, 2013. Compared with the corresponding quarter in 2012, outward workers' remittances declined by 45.9 percent at end-June, 2013 from US\$99.6 million at end-June, 2012. The decline in outward workers' remittances is largely on account of the ongoing drawdown in UNMIL operations and personnel.

5.4 Capital and Financial Accounts

5.4.1 Capital Account

The capital account netted a surplus of US\$48.9 million at end-June, 2013 representing a 40.0 percent (US\$32.6 million) decline over the previous quarter. On an annualized basis, the

capital account balance recorded an 8.8 percent (US\$4.7 million) decline, largely by explained by annual decline in net capital transfers.

5.4.2 Financial Account

The financial account recorded a surplus of US\$528.0 million at end-June, 2013 from US\$459.5 million at end-March, 2013, representing a 14.9 percent increase. Compared with the corresponding quarter in 2012, the financial account balance surged by 80.1. The improved financial account balance is mainly on account of increases in net Foreign Direct Investment (FDI) inflows, other investments and reserve assets during the quarter.

Net FDI inflows rose by 10.0 percent (US\$37.8 million) to US\$415.5 million at end-June, 2013 from US\$377.8 million at end-March, 2013. On an annualized basis, net FDI inflows surged by 73.8 percent (US\$176.4 million) at the end of the quarter from US\$239.2 million at end-June, 2012. The rise in net FDI inflows is reflective of the improving business confidence induced by the restoration of relative peace and macroeconomic stability, triggering the need for reinvestment of earnings.

The “Other Investments” category, particularly trade credit, recorded significant increases on both quarterly and annualized comparisons. Liberia’s net external liability on trade credit increased by 27.1 percent (US\$20.9 million) at end-June, 2013 compared with the level recorded in the previous quarter. On a yearly comparison, trade credit recorded an 83.3 percent (US\$44.5 million) rise to US\$ 97.8 million at end-June, 2013, from US\$53.4 million at end-June, 2012.

The surge in trade credit is indicative of the shadow nature of the domestic banking sector, unable to service the financial needs (particularly import payments) of large companies, especially the foreign concession companies that largely meet their import needs through established lines of credit with corresponding, parent or partner entities abroad.

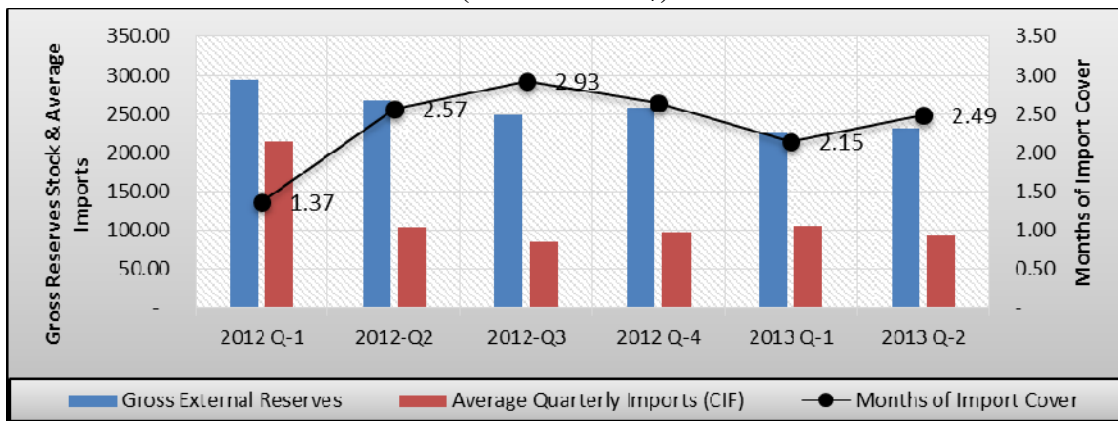
5.4 International Reserves

At end-June, 2013, the gross international reserves stock stood at US\$231.4 million, representing a 2.2 percent (US\$5.0 million) rise over the level of US\$226.4 million recorded

at end-March, 2013. On a yearly comparison, gross external reserves declined by 15.1 percent at the end of the quarter.

When expressed in months of import cover, the 2.2 percent increase in gross external reserves at end-June, 2013 over the level for the previous quarter led to an improvement in foreign reserves in terms of months of import cover, from 2.2 months to 2.5 months. However, Liberia still remains below the West African Monetary Zone (WAMZ) criterion and the rule-of-thumb position of a minimum of 3.0 months of import cover (Chart 5).

Chart 27: Gross External Reserves in Months of Import Cover
(1st - 4th Quarter, 2012; 1st - 2nd Quarter, 2013)
(In Million US\$)



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- Table D-3: Balance of Trade (2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
- Table D-4: Direction of Exports (2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
- Table D-5: Sources of Imports (2nd Quarter, 2012; 1st & 2nd Quarters, 2013)

Table A-1: Key Agricultural Output
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(In Metric Tons)

Commodity	Unit	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Rubber	Mt.	13,387	10,139	15,612
Cocoa Beans	Mt.	1,713	1,670	2,485
Coffee	Mt.	135	96	92
Round Logs	M ³	53,523	-	15,785
Sawn Timber	Pcs.	61,576	100,961	183,447

Source: Ministry of Commerce & Industry; Liberia Produce & Marketing Corporation; Forestry Development Authority

Table A-2: Key Industrial Output
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)

Commodity	Unit	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Gold	Ounces	5,504	5,442	4,235
Diamond	Carat	7,327	11,406	14,765
Iron Ore	Mt.	585,000	1,177,500	1,205,375
Cement	Mt.	33,749	20,491	53,876
Spirit	Litre	188,921	122,328	94,504
Beer	Litre	2,265,281	2,378,638	2,607,009
Stout	Litre	1,246,560	1,475,995	1,466,293
Malta	Litre	136,454	184,829	265,811
Soft Drink	Litre	3,439,541	3,598,402	3,797,798
Oil Paint	Gal.	8,474	32,103	20,833
Water Paint	Gal.	69,995	26,510	26,407
Varnish	Gal.	2,118	5,550	3,002
Wall Putty	Gal.	4,252	3,334	3,329
Manoline Grease	Kg.	10,088	4,830	12,508
Thinner	Gal.	3,980	4,730	3,943
Rubbing Alcohol	Litre	59,150	54,386	58,701
Soap	Kg.	80,967	69,498	96,404
Chlorox	Litre	167,660	199,825	190,870
Candle	Kg.	71,453	41,433	36,425
Mattresses	Pcs.	25,764	28,240	27,366
Finished Water	Gal.	449,294,055	289,269,198	491,191,713

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

Table A-3: Consumption of Petroleum Products
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Gallon)

Commodity	2 nd Quarter, 2012	1 st Quarter, 2013	2 nd Quarter, 2013
Premium (PMS)	12,724,896	12,759,272	9,061,551
Diesel (AGO)	13,748,451	8,021,032	10,956,020
Jet-Fuel (Jet-A)	1,565,699	1,327,225	437,941
Total	28,039,046	22,107,529	20,455,512

SOURCE: BIVAC International, Monrovia, Liberia

**Table A-4: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(2nd Quarter 2012; 1st & 2nd Quarters, 2013)
(December, 2005=100)**

FUNCTION	WEIGHT	11-Apr	11-May	11-Jun	1 st Quarter	12-Jan	12-Feb	12-Mar	1 st Quarter	12-Apr	12-May	12-Jun	2 nd Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	45.2	11.72	10.35	11.16	11.08	13.37	7.74	13.68	11.59	15.01	9.89	11.1	12
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	3.03	2.85	1.86	0.29	1.67	-0.31	2.76	6.32	2.92	4.73	3.98	7.8	5.51
CLOTHING AND FOOTWEAR	7.75	3.26	3.53	4.1	3.63	-0.81	2.41	1.49	1.02	-0.06	0.31	2.53	0.93
ELECTRICITY, GAS AND OTHER FUELS	12	4.36	4.74	4.35	4.48	0.74	-0.21	-0.18	0.12	1.02	-0.18	-0.05	0.26
EQUIPMENT AND ROUTINE MAINTENANCE OF THE	5.25	7.34	7.65	8.21	7.73	-2.55	-1.21	-1.22	-1.63	-5.43	1.37	6.97	0.97
HEALTH	3.91	0	0	0	0	0	0	-3.25	-1.08	-3.25	0	0	-1.08
TRANSPORT	6.11	5.13	1.44	1.19	2.59	10.94	10.89	10.52	10.78	9.62	8.67	0.25	6.18
COMMUNICATION	1.53	0.32	0.36	0.44	0.37	0.15	0.15	0.15	0.15	0.07	0.11	0.15	0.11
RECREATION AND CULTURE	3.85	-0.08	0.03	0.24	0.07	6.7	6.58	6.54	6.61	6.59	9.51	8.15	8.08
EDUCATION	3.2	0	0	0	0	0	0	0	0	0	0	0	0
RESTUARANTS AND HOTELS	4.64	3.23	3.46	2.59	3.09	2.5	2.45	2.35	2.43	2.47	3.49	2.23	2.73
MISCELLANEOUS GOODS AND SERVICES	3.53	6.05	2.12	2.89	3.69	5.38	5.44	5.3	5.37	5.31	4.26	3.99	4.52
GENERAL RATE OF INFLATION	100	7.67	6.69	7.08	7.15	8	5.48	8.38	7.29	8.69	6.48	7.03	7.4

Sources: CBL and LISGIS, Monrovia, Liberia

Table B-1: Monetary Survey
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million L\$)

	Jun-12	Mar-13	Jun-13
<i>End of Period Rate</i>	74.50	74.50	76.50
<i>Period Average Rate</i>	74.89	74.50	76.54
FOREIGN ASSETS (NET)	25,546.0	23,822.0	24,080.7
FOREIGN ASSETS (MA)	37,821.8	34,705.8	35,842.8
(-) FOREIGN LIABILITIES (MA)	21,391.0	20,514.4	21,054.1
FOREIGN ASSETS (CoB)	11,609.9	11,870.5	11,103.2
(-) FOREIGN LIABILITIES (CoB)	2,494.7	2,240.0	1,811.2
DOMESTIC CREDIT	35,785.9	39,924.8	40,823.9
CLAIMS ON GENERAL GOVERNMENT (NET)	14,376.4	17,168.3	15,143.8
CLAIMS ON GENERAL GOVERNMENT (MA)	20,964.7	20,195.2	20,313.6
(-) GENERAL GOVERNMENT DEPOSITS (MA)	5,679.7	2,121.1	4,448.4
CLAIMS ON GENERAL GOVERNMENT (CoB)	413.5	431.3	619.8
(-) GENERAL GOVERNMENT DEPOSITS (CoB)	1,322.1	1,337.2	1,341.1
CLAIMS ON PUBLIC CORPORATIONS (MA)	0.0	0.0	0.0
CLAIMS ON PUBLIC CORPORATIONS (CoB)	1,457.0	2,199.0	2,288.3
CLAIMS ON PRIVATE SECTOR (MA)	354.9	159.3	177.0
CLAIMS ON PRIVATE SECTOR (CoB)	19,484.5	20,302.8	23,143.2
CLAIMS ON NBFIS (MA)	0.0	0.0	0.0
CLAIMS ON NBFIS (CoB)	113.0	95.5	71.5
MONEY	42,424.3	46,745.2	48,287.7
CURRENCY OUTSIDE BANKS (MA)	5,778.0	6,672.4	6,474.7
LIBERIAN CURRENCY IN CIRCULATION (MA)	7,173.5	8,197.7	8,147.2
(-) CURRENCY HOLDINGS (CoB)	1,395.5	1,525.3	1,672.5
DEMAND DEPOSITS	24,451.7	25,620.0	26,845.2
DEMAND DEPOSITS (MA)	355.6	453.1	202.2
DEMAND DEPOSITS (CoB)	24,096.2	25,166.9	26,643.0
OTHER DEPOSITS	12,194.6	14,452.8	14,967.8
OTHER DEPOSITS (MA)	308.7	358.6	65.4
TIME AND SAVINGS DEPOSITS (CoB)	11,885.9	14,094.2	14,902.4
BONDS AND SECURITIES (CoB)	0.0	0.0	0.0
RESTRICTED DEPOSIT	45.7	43.7	43.7
CAPITAL ACCOUNTS	27,054.8	27,636.7	28,225.4
CAPITAL ACCOUNTS (MA)	16,961.8	15,836.0	16,101.7
CAPITAL ACCOUNTS (CoB)	10,093.1	11,800.7	12,123.8
OTHER ITEMS (NET)	(7,884.3)	(10,320.1)	(11,586.8)
UNCLASSIFIED LIABILITIES (MA)	12,342.4	12,810.5	13,176.0
(-) UNCLASSIFIED ASSETS (MA)	17,239.2	17,190.1	17,887.4
(-) UNCLASSIFIED ASSETS (CoB)	10,083.3	9,329.4	10,530.4
UNCLASSIFIED LIABILITIES (CoB)	8,222.4	5,079.4	5,491.5
COMMERCIAL BANKS DEPOSITS (MA)	13,125.4	14,297.5	13,551.9
(-) RESERVES (CoB)	15,185.5	15,995.9	15,789.7
CURRENCY HOLDINGS (CoB)	1,395.5	1,525.3	1,672.5
LIABILITIES TO CENTRAL BANK (CoB)	216.5	1,412.8	2,164.8
(-) CLAIMS ON DOMESTIC BANKS (MA)	955.5	2,312.7	2,535.1
(-) CLAIMS ON CENTRAL BANK OF LIBERIA (CoB)	11.1	931.7	956.4
(-) UNBALANCED ITEMS	288.2	314.1	55.7
VERTICAL CHECK	0.0	0.0	0.0

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-2: Liberian Dollars in Circulation
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)

End of Period	Currency in banks	Currency outside banks	Currency in circulation
	(1)	(2)	(3)
End June 2012	1,395.5	5,778.0	7,173.5
End Mar. 2013	1,525.3	6,672.4	8,197.7
End June 2013	1,672.5	6,474.7	8,147.2

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-3: Money Supply and Broad Money
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Million L\$)

Monetary Aggregates	Jun-12	Mar-13	Jun-13
Money Supply M2 (1.1 + 1.2.1)	42,069	46,292	48,085
1.1 Money Supply M1	29,874	31,839	33,118
1.2 <i>Currency outside banks</i>	5,778	6,672	6,475
1.3 <i>Damand deposit</i> ^{1/}	24,096	25,167	26,643
1.2.1 Quasi Money	12,195	14,453	14,968
<i>Time & Savings deposits</i>	11,886	14,094	14,902
<i>Other deposits</i> ^{2/}	309	359	65
Net Foreign Assets	25,546	23,822	24,081
Central Bank	16,431	14,191	14,789
Banking Institutions	9,115	9,631	9,292
Net Domestic Assets (1 - 2)	16,523	22,470	24,005
3.1 Domestic Credit	35,786	39,925	40,824
3.1.1 Government (net)	14,376	17,168	15,144
3.1.2 Pvt. Sector & Other Pvt. Sector	21,409	22,757	25,680
3.2 Other assets Net (3 - 3.1)	19,263	17,455	16,819
Memorandum Items	68,789	76,227	76,517
1. Overall Liquidity	42,069	46,292	48,085
2. Reserve Money	26,721	29,935	28,432
<i>Currency outside banks</i>	5,778	6,672	6,475
<i>Banks Reserves</i>	20,943	23,262	21,957

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-4: Other Depository Corporations' Balance Sheet
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Thousand L\$)

ASSETS	Jun-12	Mar-13	Jun-13
RESERVES	15,185,457	15,995,900	15,789,743
O/w: CASH ON HAND: COINS/LD NOTES	1,395,454	1,525,267	1,672,474
FOREIGN ASSETS	11,609,922	11,870,534	11,103,211
CLAIMS ON GENERAL GOVERNMENT	413,501	431,312	619,754
CLAIMS ON PUBLIC CORPORATIONS	1,456,990	2,198,984	2,288,324
CLAIMS ON PRIVATE SECTOR	19,484,480	20,302,813	23,143,238
CLAIMS ON CENTRAL BANK OF LIBERIA	11,065	931,678	956,393
CLAIMS ON NBFIS	113,028	95,454	71,544
UNCLASSIFIED ASSETS	10,083,288	9,329,387	10,530,376
TOTAL ASSETS	58,357,730	61,156,063	64,502,581
LIABILITIES	Jun-12	Mar-13	Jun-13
DEMAND DEPOSITS	24,096,153	25,166,896	26,643,021
TIME AND SAVINGS DEPOSITS	11,885,860	14,094,179	14,902,384
RESTRICTED DEPOSITS	26,906	24,896	24,896
BONDS AND SECURITIES	0	0	0
FOREIGN LIABILITIES	2,494,737	2,239,982	1,811,200
GOVERNMENT DEPOSITS	1,322,119	1,337,161	1,341,090
LIABILITIES TO CENTRAL BANK	216,512	1,412,807	2,164,769
CAPITAL ACCOUNTS	10,093,067	11,800,705	12,123,754
UNCLASSIFIED LIABILITIES	8,222,377	5,079,436	5,491,468
TOTAL LIABILITIES	58,357,730	61,156,063	64,502,581
VERTICAL CHECK (ASSETS/LIABILITIES)	0	0	0

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-5: Sectoral Balance Sheet of Central Bank of Liberia
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Thousand L\$)

ASSETS	Jun-12	Mar-13	Jun-13
FOREIGN ASSETS	37,821,837	34,705,817	35,842,775
CLAIMS ON GENERAL GOVERNMENT	20,964,717	20,195,247	20,313,574
CLAIMS ON PUBLIC CORPORATIONS	0	0	0
CLAIMS ON PRIVATE SECTOR	354,938	159,281	177,024
CLAIMS ON DOMESTIC BANKS	955,528	2,312,673	2,535,104
CLAIMS ON NBFIS	0	0	0
UNCLASSIFIED ASSETS	17,239,208	17,190,052	17,887,370
TOTAL ASSETS	77,336,229	74,563,071	76,755,848
LIABILITIES	Jun-12	Mar-13	Jun-13
RESERVE MONEY	20,942,566	23,262,309	21,956,907
OTHER DEPOSITS	0	0	0
RESTRICTED RESERVES	18,781	18,781	18,781
FOREIGN LIABILITIES	21,391,007	20,514,369	21,054,077
LIABILITIES TO GENERAL GOVERNMENT	5,679,670	2,121,131	4,448,428
CAPITAL ACCOUNTS	16,961,766	15,836,029	16,101,695
UNCLASSIFIED LIABILITIES	12,342,439	12,810,450	13,175,960
TOTAL LIABILITIES	77,336,229	74,563,071	76,755,848
VERTICAL CHECK (ASSETS-LIABILITIES)	0	0	0

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-6: Commercial Banks' Loans by Economic Sectors
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Thousand L\$)

SECTORS	12-Jun		13-Mar		13-Jun	
	2nd Quarter 2012	%Share	1st Quarter 2013	%Share	2nd Quarter 2013	%Share
1. Agriculture	654,066	3.7	1,279,792	6.4	1,105,087	4.8
1.1 Rubber	125,122	0.7	211,329	1.1	211,553	0.9
1.2 Forestry	143,264	0.8	349,287	1.7	207,329	0.9
1.3 Fishing	167,700	0.9	171,127	0.9	227,205	1
1.4 other	217,981	1.2	548,050	2.7	459,000	2
2. Mining & Quarrying	118,833	0.7	151,978	0.8	170,136	0.7
2.1 Iron Ore	3,800	0	43,359	0.2	44,753	0.2
2.2 Quarrying	115,033	0.6	108,619	0.5	125,384	0.5
3. Manufacturing	418,079	2.3	419,155	2.1	376,407	1.6
4. Construction	1,484,294	8.3	1,859,562	9.3	2,216,129	9.6
4.1 Mortgage Loans	218,434	1.2	152,129	0.8	82,391	0.4
4.2 Home Improvement	15,943	0.1	68,913	0.3	11,169	0
4.3 Other	1,249,917	7	1,638,521	8.2	2,122,569	9.2
5. Trans., Storage & Comm.	1,347,240	7.5	1,714,391	8.5	1,363,423	5.9
5.1 Transportation	784,198	4.4	1,204,255	6	678,988	2.9
5.2 Storage	-	0	-	0	0	0
5.3 Communication	563,042	3.2	510,136	2.5	684,435	3
6. Trade, Hotel & Rest.	7,691,398	43.1	8,385,823	41.7	9,867,039	42.8
6.1 Diamond trade	24,734	0.1	47,382	0.2	61,124	0.3
6.2 Other trade	7,379,021	41.3	8,093,156	40.3	9,442,427	41
6.3 Hotels	252,916	1.4	212,873	1.1	285,153	1.2
6.4 Restaurants	34,728	0.2	32,413	0.2	78,336	0.3
7. Other	6,143,449	34.4	6,291,743	31.3	7,933,055	34.4
7.1 Services	1,793,111	10	1,776,205	8.8	2,242,637	9.7
7.2 Personal	2,614,985	14.6	2,759,427	13.7	2,771,960	12
7.3 GOL	64,832	0.4	85,788	0.4	81,441	0.4
7.4 Central Bank of Liberia	-	0	-	0	0	0
7.5 Public Corporations	298,178	1.7	363,210	1.8	390,736	1.7
7.5 Other	1,372,344	7.7	1,307,114	6.5	2,446,282	10.6
Total	17,857,358	100	20,102,444	100	23,031,274	100

Source: Central Bank of Liberia

**Table B-7: Central Bank of Liberia Foreign Exchange Auction
(January – June, 2013)**

Auction No.	Date	FX Offered for sale by CBL(US\$)	Auction Rate L\$/US\$	Total Purchased US\$	No. of Selected Bids	No. of Non-Selected Bids	Value of Rejected Bids (US\$)	Over/(Under) Subscription (US\$)	Total Value of Bids Submitted by Participating Banks/FX Bureaux (US\$)
SPECIAL WINDOW	26-Jun-13	750,000.00	75.5000	750,000.00					
369	26-Jun-13	1,250,000.00	75.5000	1,250,000.00	105	3	189,500.00	6,901,300.00	8,151,300.00
SPECIAL WINDOW	19-Jun-13	750,000.00	75.5000	750,000.00					
368	19-Jun-13	1,250,000.00	75.5000	1,250,000.00	85	9	180,000.00	6,255,800.00	7,505,800.00
SPECIAL WINDOW	12-Jun-13	750,000.00	72.2500	750,000.00					
367	12-Jun-13	1,250,000.00	75.2500	1,250,000.00	89	0	410,100.00	6,447,385.00	7,697,385.00
SPECIAL WINDOW	5-Jun-13	750,000.00	75.0000	750,000.00					
366	5-Jun-13	1,250,000.00	75.0000	1,250,000.00	80	0	450,000.00	5,970,425.00	7,220,425.00
SPECIAL WINDOW	29-May-13	750,000.00	74.9000	750,000.00					
365	29-May-13	1,250,000.00	74.9000	1,250,000.00	81	2	280,870.00	6,527,780.00	7,777,780.00
SPECIAL WINDOW	22-May-13	750,000.00	74.7500	750,000.00					
364	22-May-13	1,250,000.00	74.7500	1,250,000.00	76	8	50,400.00	5,959,140.00	7,209,140.00
SPECIAL WINDOW	15-May-13	750,000.00	74.5000	750,000.00					
363	15-May-13	1,250,000.00	74.5000	1,250,000.00	78	1	0.00	6,093,300.00	7,343,300.00
SPECIAL WINDOW	8-May-13	750,000.00	74.5000	750,000.00					
362	8-May-13	1,250,000.00	74.5000	1,250,000.00	65	19	0.00	6,164,674.00	7,414,674.00
SPECIAL WINDOW	1-May-13	750,000.00	74.0000	750,000.00					
361	1-May-13	1,250,000.00	74.0000	1,250,000.00	81	0	358,760.10	5,988,300.00	7,238,300.10
SPECIAL WINDOW	24-Apr-13	750,000.00	74.0000	750,000.00					
360	24-Apr-13	1,250,000.00	74.0000	1,250,000.00	72	0	164,000.00	5,632,397.50	6,882,397.50
SPECIAL WINDOW	17-Apr-13	750,000.00	73.9500	750,000.00					
359	17-Apr-13	1,250,000.00	73.9500	1,250,000.00	74	0	811,711.45	6,045,873.45	7,295,873.45
SPECIAL WINDOW	10-Apr-13	750,000.00	73.9000	750,000.00					
358	10-Apr-13	1,250,000.00	73.9000	1,250,000.00	72	7	150,000.00	5,625,500.00	6,875,500.00
SPECIAL WINDOW	3-Apr-13	750,000.00	73.7500	750,000.00					
357	3-Apr-13	1,250,000.00	73.7500	1,250,000.00	55	12	485,000.00	5,481,465.00	6,731,465.00
SPECIAL WINDOW	27-Mar-13	750,000.00	73.6000	750,000.00					
356	27-Mar-13	1,250,000.00	73.6000	1,250,000.00	52	21	55,000.00	5,633,400.00	6,883,400.00
SPECIAL WINDOW	20-Mar-13	750,000.00	73.2500	750,000.00					
355	20-Mar-13	1,250,000.00	73.2500	1,250,000.00	70	0	50,000.00	5,335,070.00	6,585,070.00
SPECIAL WINDOW	14-Mar-13	750,000.00	73.2500	750,000.00					
354	14-Mar-13	1,250,000.00	73.2500	1,250,000.00	58	0	137,000.00	4,723,700.00	5,973,700.00
SPECIAL WINDOW	6-Mar-13	1,000,000.00	73.1000	1,000,000.00					
353	6-Mar-13	1,500,000.00	73.1000	1,500,000.00	65	0	380,000.00	3,690,200.00	5,190,200.00
SPECIAL WINDOW	27-Feb-13	750,000.00	73.1000	750,000.00					
352	27-Feb-13	1,250,000.00	73.1000	1,250,000.00	68	0	380,000.00	4,779,750.00	6,029,750.00
SPECIAL WINDOW	20-Feb-13	1,000,000.00	73.2000	1,000,000.00					
351	20-Feb-13	1,250,000.00	73.2000	1,250,000.00	74	0	118,957.35	4,863,167.35	6,113,167.35
SPECIAL WINDOW	13-Feb-13	1,000,000.00	73.3500	1,000,000.00					
350	13-Feb-13	1,000,000.00	73.3500	1,000,000.00	43	15	575,000.00	3,903,500.00	4,903,500.00
SPECIAL WINDOW	6-Feb-13	1,000,000.00	73.0000	1,000,000.00					
349	6-Feb-13	1,500,000.00	73.0000	1,500,000.00	79	0	92,322.63	4,451,947.80	5,951,947.80
SPECIAL WINDOW	30-Jan-13	1,000,000.00	73.0000	1,000,000.00					
348	30-Jan-13	1,500,000.00	73.0000	1,500,000.00	75	0	0.00	3,868,420.00	5,368,420.00
SPECIAL WINDOW	24-Jan-13	270,100.00	73.0000	270,100.00					
347	24-Jan-13	1,500,000.00	73.0000	1,500,000.00	65	3	0.00	4,085,420.00	5,585,420.00
SPECIAL WINDOW	17-Jan-13	87,500.00	72.8500	87,500.00					
346	17-Jan-13	1,000,000.00	72.8500	1,000,000.00	48	19	39,137.00	4,431,317.00	5,431,317.00
SPECIAL WINDOW	9-Jan-13	500,000.00	72.0000	500,000.00					
345	9-Jan-13	500,000.00	72.5000	500,000.00	40	23	185,768.00	4,448,668.00	4,948,668.00
SPECIAL WINDOW	3-Jan-13	500,000.00	72.0000	500,000.00					
344	2-Jan-13	500,000.00	72.0000	500,000.00	51	0	25,000.00	3,160,600.00	3,660,600.00
GRAND TOTAL		52,250,000.00		52,250,000.00	1,801.00	142.00	5,568,526.53	136,468,500.10	167,968,500.20

Source: Central Bank of Liberia, Monrovia, Liberia

**Table B-8: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar
(2012-June, 2013)**

	2012		2013	
	Buying	Selling	Buying	Selling
January	72.44	73.40	73.46	74.46
February	73.00	74.00	74.00	75.00
March	73.11	74.11	74.00	75.00
April	73.50	74.50	74.54	75.54
May	74.41	75.37	75.13	76.13
June	75.04	76.04	76.04	77.04
July	73.62	74.58		
August	72.99	73.99		
September	72.84	73.80		
October	71.56	72.56		
November	71.75	72.75		
December	72.00	73.00		
Q1	72.85	73.84	73.82	74.82
Q2	74.32	75.30	75.24	76.24
Q3	73.15	74.12		
Q4	71.77	72.77		
Year	73.02	74.01		

Source: Central Bank of Liberia, Monrovia, Liberia

Table C-1: Government of Liberia's Total Revenue by Sources
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions L\$)

Revenue Sources	2012	2013	
	2 nd Quarter	1 st Quarter	2 nd Quarter
A. Tax Revenue	8,186.7	6,845.2	7,733.5
i. International Trade Taxes	3,093.2	2,526.4	2,965.4
<i>Taxes & Duties on Imports</i>	2,987.0	2,514.6	2,957.6
<i>Taxes on Exports</i>	106.2	11.8	7.8
ii. Taxes on Income & Profits	3,095.0	2,633.2	3,431.2
<i>Individual Taxes on income & profits</i>	1,073.6	2,418.8	2,906.4
<i>Taxes Payable by Corporate Entities</i>	2,000.2	197.7	502.8
<i>Others</i>	21.1	16.7	22.0
iii. Sale Taxes on Goods & Services	1,395.3	1,118.6	1,224.6
<i>Goods & Service Tax</i>	461.6	529.2	490.9
<i>Excise Taxes</i>	217.1	52.1	93.4
<i>Maritime Revenue</i>	325.5	155.4	424.8
<i>Others</i>	391.0	381.9	215.5
iv. Property & Real Estate Taxes	51.2	71.4	111.5
v. Other Tax Revenue ¹	552.1	495.5	0.9
B. Non-Tax Revenue	1,395.1	2,555.0	6,070.5
i. Charges & Other Administrative Fees	709.2	1,353.8	1,294.1
ii. Grants	115.9	1,153.4	1,133.2
iii. Others	570.0	47.7	3,643.2
<i>Contingent Revenue</i>	-	47.7	3,265.3
<i>Borrowing</i>	570.0	-	377.9
<i>Carry Forward</i>	-	-	-
Grand Total (A + B)	9,581.8	9,400.2	13,804.0

Source: Ministry of Finance, Republic of Liberia

¹Tax Revenue not elsewhere mentioned

²In CBL Quarterly Reporting System, Fiscal Year (FY) – 4th Quarter is Annual Year (AY) – 2nd Quarter

Table C-2: GoL's Expenditure by Code
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)

Expenditure by Codes		2012	2013	
		2 nd Quarter	1 st Quarter*	2 nd Quarter
A.	Recurrent Expenditure	7,912.5	8,582.4	11,310.8
i.	Salaries & Allowances	3,348.7	3,665.4	4,172.2
ii.	Expenditure on Goods & Services	2,924.8	3,182.6	4,131.8
iii.	Subsidies	582.7	-	0.9
iv.	Grants	1,032.2	1,704.2	2,979.9
v.	Social Benefits	24.2	30.2	25.9
vi.	Others	-	-	-
B.	Capital Expenditure	991.1	2,056.2	1,166.1
i.	Depreciation	245.6	-	4.5
ii.	Acquisition of Fixed Assets	738.8	2,039.8	1,161.0
iii.	Others	6.8	16.4	0.5
C.	Interest on Debt and Other Charges	148.4	63.7	147.6
i.	On Domestic & Foreign Debts	19.2	-	-
ii.	To Non-Residents	127.5	63.7	147.6
iii.	Others	1.7	-	-
D.	Other Expenditures¹	-	-	-
Total Expenditures (A+B+C+D)		9,052.0	10,702.3	12,624.5

Source: Ministry of Finance, Monrovia, Liberia

Table C-3: Government of Liberia's (GoL) Fiscal Operations
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In Millions, L\$)

GoL Fiscal Operations	2012	2013	
	2 nd Quarter	1 st Quarter*	2 nd Quarter
Total Revenue & Grants	9,581.8	9,400.2	13,804.0
Total Expenditure	9,052.0	10,702.3	12,624.5

Source: Ministry of Finance, Republic of Liberia

**Revised*

Table D - 1: Commodity Composition of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In '000' US\$)

Commodity Composition of Exports	Unit	2 nd Quarter, 2012		1 st Quarter, 2013		2 nd Quarter, 2013	
		Volume In '000'	Value In '000' US\$	Volume In '000'	Value In '000' US\$	Volume In '000'	Value In '000' US\$
Rubber	Mt.	14.18	39,818.21	10.14	27,675.77	15.61	36,637.69
Cocoa Beans	Mt.	1.91	1,442.37	0.47	314.50	3.73	1,209.00
Coffee Beans	Mt.	0.10	30.00	0.20	65.00	-	-
Iron Ore	Mt.	1,047.00	32,330.26	1,177.50	69,481.42	1,205.38	88,730.92
Diamond	Carat	7.30	2,748.40	11.41	4,063.37	14.76	4,918.34
Gold	Ounce	5.50	6,825.80	5.44	6,790.01	4.23	4,687.48
Round Logs	m ³	87.82	15,845.57	13.84	2,243.26	22.82	5,923.96
Others ¹		-	8,344.25		16,255.47		18,435.08
Total			107,384.86		126,888.80		160,542.47

Sources: BIVAC, Ministry of Lands, Mines & Energy, Forestry Development Authority, Ministry of Commerce & Industry

Table D - 2: Commodity Composition of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(In '000' US\$)

Commodity	2nd Quarter, 2012		1st Quarter, 2013		2nd Quarter, 2013	
	Amount	% Share	Amount	% Share	Amount	% Share
Food and Live Animals	31,148.77	11.1	29,939.04	10.5	50,625.91	20.2
O/w Commercial Rice	10,687.07	3.8	12,020.31	4.2	30,270.86	12.1
O/w Non-commercial Rice	-	-	12.98	0.0	6.08	0.0
Beverages and Tobacco	5,746.73	2.0	20,608.41	7.2	22,268.55	8.9
Crude Materials & Inedible except Fuel	1,354.77	0.5	3,689.50	1.3	3,150.21	1.3
Minerals, Fuel, Lubricants	91,968.43	32.7	70,986.12	25.0	64,315.29	25.6
O/w Petroleum Products	81,822.84	29.1	61,122.09	21.5	57,335.75	22.8
Animals and Vegetable Oil	12,928.58	4.6	8,160.25	2.9	8,281.86	3.3
Chemicals & Related Products	13,304.68	4.7	14,782.46	5.2	19,503.50	7.8
Mfg. Goods classified chiefly by Materials	42,048.49	15.0	43,435.33	15.3	26,314.91	10.5
Machinery & Transport Equipment	74,155.26	26.4	87,485.06	30.8	50,890.35	20.3
Misc. Mfg. Articles	8,215.12	2.9	5,302.01	1.9	5,597.38	2.2
TOTAL	280,870.8		284,388.2		250,947.9	

Sources: BIVAC, Ministry of Commerce & Industry, Customs-Ministry of Finance

Table D-3: Balance of Trade
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(in Millions US\$)

Periods	2 nd Quarter, 2012	1 st Quarter, 2013*	2 nd Quarter, 2013**
Exports	107,384.86	126,888.80	160,542.47
Imports (FOB) ⁺	280,870.82	284,388.17	250,947.94
Total Trade	388,255.68	411,276.97	411,490.41
Trade Balance-Surplus(Deficit)	(173,485.96)	(157,499.37)	(90,405.47)

Sources: Ministry of Commerce & Industry, BIVAC, Firestone Liberia, Ministry of Lands, Mines & Energy, Forestry Development Authority

+Imports are measured on FOB basis consistent with applications in the Balance of Payments compilation,

*Revised

**Provisional

Table D-4: Destination of Exports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)

REGIONS	2 nd Quarter, 2012		2013			
			1 st Quarter		2 nd Quarter**	
	Exports	% Share	Exports	% Share	Exports	% Share
EUROPE	32.4	30.2%	45.0	35.5%	29.7	18.5%
NORTH AMERICA	35.4	33.0%	23.5	18.5%	22.5	14.0%
SOUTH AMERICA	-	0.0%	0.0	0.0%	10.3	6.4%
MIDDLE EAST	32.6	30.4%	0.5	0.4%	14.9	9.3%
ASIA	1.3	1.2%	37.3	29.4%	61.0	38.0%
ECOWAS	0.5	0.5%	5.5	4.3%	19.3	12.0%
Others – Africa	-	0.0%	0.1	0.1%	2.1	1.3%
Others	5.2	4.8%	15.0	11.8%	0.8	0.5%
Total	107.4	100.0%	126.9	100.0%	160.5	100.0%

Sources: BIVAC, Ministry of Lands, Mines & Energy, Forestry Development Authority, Ministry of Commerce & Industry

Table D-5: Sources of Imports
(2nd Quarter, 2012; 1st & 2nd Quarters, 2013)
(FOB Values In Millions US\$)

REGION	2012 2 nd Quarter,		2013			
			1 st Quarter*		2 nd Quarter**	
	Imports	% Share	Imports	% Share	Imports	% Share
EUROPE	37.4	13.3%	58.42	20.5	61.48	24.5%
NORTH AMERICA	90.5	32.2%	15.01	5.3	19.82	7.9%
SOUTH AMERICA	19.8	7.0%	6.80	2.4	14.05	5.6%
MIDDLE EAST	78.8	28.0%	15.41	5.4	13.30	5.3%
ASIA	23.1	8.2%	128.79	45.3	121.71	48.5%
ECOWAS	8.0	2.9%	55.40	19.5	12.55	5.0%
Others - Africa	23.5	8.4%	4.48	1.6	5.02	2.0%
Others	-	-	0.07	0.0	3.01	1.2%
Total	280.9	100%	284.4	100.0%	250.95	100%