

Financial and Economic Bulletin

October – December, 2011

Central Bank of Liberia

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OVERVIEW

Growth prospects for the global economy dimmed and risks sharply escalated during the fourth quarter of 2011, as the euro area entered a perilous new phase. The Liberian economy has however remained stable despite developments in the global economy. Real GDP is projected grow at 6.9 percent. The principal drivers of growth in the Liberian economy have been the favorable performance of the agriculture sector and the resumption of iron ore exports. Consumer Price Inflation averaged 10.7 percent during the fourth quarter of 2011, from 9.0 at end-September 2011.

Performance of the industrial output was mixed. Increases were recorded in the production of non-alcoholic beverages and building materials, while the production of beer and malta slowed. Total consumption of petroleum products in the economy during the quarter declined by 3.8 million gallons partly due to low volume of diesel imported. Total credits to various sectors of the economy increased by 8.2 percent at end-December, 2011, in support of growing economic activities taking place in the economy.

The banking industry continued to show improved performance in the balance sheet with total assets expanded by 5.7 percent. Capital Adequacy Ratio (CAR) of the industry increased marginally due to a decline in off-balance sheet exposures by 26.1 percent. Non-performing loans (NPLs) slightly rose to 20.8 percent at end-December, from 19.1 percent recorded in the previous quarter and improved by 4.3 percentage points over the same period in 2010.

Total Liberian dollars in circulation grew by 27.0 percent to L\$7,251.6 million solely due to a 30.8 percent growth in currency outside banks. Yearly comparison shows that currency in circulation also grew by 30.6 percent at end-December, 2011. Similarly, Narrow money (M1) rose by 9.1 percent to L\$30,069.0 million mainly on account of increases in both currency outside banks and demand deposits. Growth in broad money was driven by an 11.0 percent rise in Net-Domestic Assets (NDA) at end-December, 2011. The US dollar share of broad money was 74.9 percent, while Liberian dollars accounted for the remaining 25.1 percent.

The Liberian dollar slightly appreciated by 0.2 percent to L\$71.93 per US\$1.00. However, the end-of-period rate marginally depreciated by 0.7 percent. The movements in the exchange rate reflect relative stability around L\$72.00 per US\$1.00 for the quarter under review. The level of stability in the exchange rate can largely be ascribed to the degree of CBL's intervention in the foreign exchange market through the regular foreign exchange auction. The amount offered during the quarter increased by 82.9 percent to US\$15.0 million.

Aggregate remittance inflows grew by 23.6 percent against a 0.1 percent decline in total outflows, representing a net inflow of US\$12.4 million at end-December, 2011. The growth in inflows was largely attributed to a 45.9 percent rise in grant, while the slowdown in outflows was partly due to a 5.8 percent fall in import payments to US\$236.2 million during the quarter.

Government of Liberia's fiscal operations during the quarter reported a difference between expenditure and revenue in the amount of L\$2,836.0 million. Total Government revenue during the period declined by 2.7 percent to L\$5,804.0 million. The slowdown was largely due to a fall in revenue collection emanating from Customs & Excise and Indirect Taxes, even though the former accounted for the larger share (41.5 percent) of total revenue.

On the other hand, total Government expenditure for the quarter ending December, 2011 rose by 42.8 percent due to increases in expenditure on both General Administration and Social & Community Services. An annualized analysis revealed that total expenditure grew by 63.1 percent. A percentage distribution by category showed that General Administration accounted for 46.9 percent, followed by Social & Community Services, 37.5 percent.

Overall trade position during the quarter grew by 12.7 percent relative to the previous quarter; while on a yearly basis, it expanded by 67.7 percent. Total export receipts from rubber plunged by 14.4 percent at end-December, 2011 although the product remains the dominant export earner. On the other hand, earnings from the Other Commodities increased by US\$24.6 million at the end of December, 2011.

I. DEVELOPMENTS IN THE WORLD ECONOMY

1.0 Developments in the World Economy

Global growth prospects dimmed and risks sharply escalated during the fourth quarter of 2011, as the euro area crisis entered a perilous new phase. Activity remained relatively robust throughout the third quarter; with global GDP expanding at an annual rate of 3.25 percent—however, slightly lower than forecast in the September 2011 WEO.

Growth in the advanced economies surprisingly picked up, as consumers in the United States unexpectedly experienced a lower saving rates and business fixed investment stayed strong. The bounce back from the supply-chain disruptions caused by the March 2011 Japanese earthquake was also stronger than anticipated. Additionally, stabilizing oil prices helped support consumption. These developments, however, are not expected to sustain significant momentum going forward. By contrast, growth in emerging and developing economies slowed more than forecast, possibly due to a greater-than-expected effect of macroeconomic policy tightening or weaker underlying growth.

Table 1.1: World Economic Indicators

	(Percent change)			
	2009	2010	2011*	2012**
World Output	-0.7	5.1	4.0	4.0
Advanced Economies	-3.7	3.1	1.6	1.9
Emerging and Developing Economies	2.8	7.3	6.4	6.1
World Trade Volume(goods and services)	10.7	12.8	7.5	5.9
Commodity Prices				
Oil	36.3	27.9	30.6	-3.1
Nonfuel	15.7	26.3	21.2	-4.7
Consumer Prices				
Advanced Economies	0.1	1.6	2.6	1.4
Emerging and Developing Economies	5.2	6.1	7.5	5.9

Sources: IMF

*Estimates,

**Projections

Most advanced economies avoided falling back into a recession, while activity in emerging and developing economies slowed from a high pace. However, this is predicated on the

assumption that in the euro area, policymakers intensify efforts to address the crisis. Also, policies succeeded in limiting deleveraging by euro area banks. Credit and investment in the euro area contracted only modestly, with limited financial and trade spillovers to other regions.

1.1 US Economy

Consumers in the United States unexpectedly experienced lower saving rates and business fixed investment stayed strong. Adverse spillover effects from the Euro area to the United States is expected to be broadly compensated for by stronger underlying domestic demand dynamics in 2012. Forecast for the US growth rate is expected to remain stable at 1.8 percent in 2012, after falling by 1.2 percentage points in 2010.

2.0 European Economies

Most Euro zone economies recorded declines in projected growth rates between 2011 and 2012. Rates in Germany, France, Italy and Spain are projected to fall by 2.7, 1.4, 2.6 and 2.4 percentage points, respectively. The Euro area economy is now expected to go into a mild recession in 2012. With only limited policy room, growth in most other advanced economies is also lower, mainly due to adverse spillovers from the Euro area via trade and financial channels that exacerbate the effects of existing weaknesses.

The adverse spillover effects are expected to be largest for central and eastern Europe, given their strong trade and financial linkages with the Euro area economies. The impact on other regions is expected to be relatively mild, as macroeconomic policy easing is expected to largely offset the effects of slowing demand from advanced economies and rising global risk aversion.

3.0 Asia Economies

Despite a substantial downward revision of 0.75 percentage point, developing Asia is still projected to grow most rapidly at 7.5 percent on average during 2012–13. Specifically, growth in China is expected to expand by 0.6 percentage point to 8.8 in 2012-2013. Growth prospects for India are also encouraging. It is expected to rise by 0.3 percentage point to 7.3 percent for the same period. Other countries that showed increasing growth rates in the region were Indonesia, Malaysia, Philippines, Thailand, and Vietnam.

4.0 MENA Countries

Economic activity in the Middle East and North Africa (MENA) is expected to accelerate from 3.2 to 3.6 percent in 2012-13, driven mainly by the recovery in Libya and the continued strong performance of other OPEC countries. But most oil importing countries in the region face muted growth prospects due to longer-than-expected political transitions and an adverse external environment.

5.0 Africa

The impact of the global slowdown on sub-Saharan Africa has to date been limited to a few countries—most notably, South Africa—and the region's output is expected to expand by around 5.5 percent in 2012. For many emerging and developing economies, the strength of the forecasts also reflects relatively high commodity prices.

6.0 Latin America and the Caribbean

Growth prospect for Latin America and the Caribbean is expected to contract in 2012. But a favorable outlook is projected for 2013. Brazil is forecasted to have an increase in growth rates by 1 percentage point in 2013 after a growth rate of 0.1 percentage point in 2011. Growth in the Mexican economy is expected to remain stable at 3.5 percent between 2012 and 2013, after rising from 2.9 percent in 2011.

7.0 Commodity Prices

Due to weaker global demand, commodity prices generally declined in 2011. Oil prices, however, have increased in recent months, largely on account of supply developments. Unfortunately, geopolitical risks to oil prices have risen again. However, IMF's petroleum price projection for 2012 remained broadly stable since the September 2011 WEO (\$99 a barrel compared with \$100).

For non-oil commodities, improving supply conditions and slowing global demand are expected to cause further price declines. Non-oil commodity prices are projected to fall by 14 percent in 2012. In the near term, the risks to prices are to the downside for most of these commodities.

8.0 Consumer Prices

Global consumer price inflation is projected to ease as demand softens and commodity prices stabilize or recedes. In advanced economies, ample economic slack and well-anchored inflation expectations will keep inflation pressures subdued, as the effects of last year's higher commodity prices wane. Inflation is projected to fall to about 1.5 percent in the course of this year, down from a peak of about 2.8 percent in 2011.

In emerging and developing economies, pressures are also expected to drop, as both growth and food price inflation slow. However, inflation is expected to remain persistent in some regions. Overall, consumer prices in these economies are projected to slowdown, with inflation around 6.25 percent during 2012.

II. DOMESTIC PRODUCTION AND CONSUMER PRICES

2.1 Introduction

The Liberian economy grew at an estimated 6.9 percent, 1.4 percentage points higher than the revised rate of 5.5 percent in 2010. This growth was driven by improved rubber production and the first iron ore exports in the latter half of 2011. The growth outlook for the economy in 2012 is expected to be favourable, with a projected growth rate of 9.5 percent.

Compared with the projections for Sub-Saharan Africa, Liberia's economic performance exceeded that of the region by 1.9 percentage points. Inflation averaged 10.7 percent, 1.7 percentage points higher than the 9.0 percent rate recorded at end of the third quarter, 2011.

2.2 Sectoral Review

2.2.1 Agriculture and Forestry

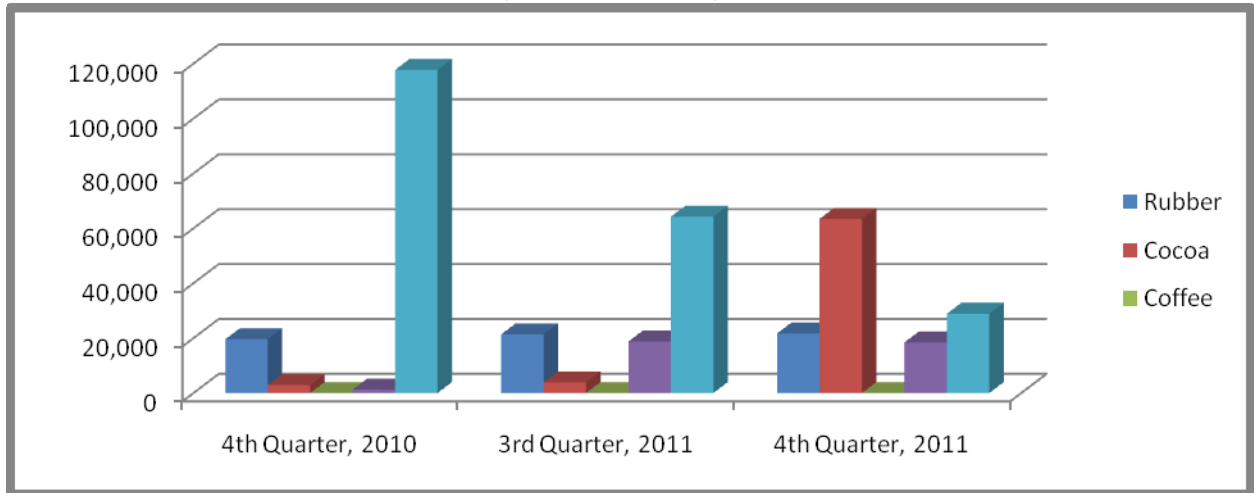
Agricultural production during the reporting period varied. Except for rubber, sawn timber, round logs, and cocoa, recorded decreases (Table 1).

Table 1: Key Agricultural Production
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Commodity	Unit	4 th Quarter, 2010	3 rd Quarter, 2011	4 th Quarter, 2011
Rubber	Mt	19,589	21,386	21,730
Cocoa	Mt	2,868	3,872	3,507
Coffee	Mt	27	27	NA
Round Logs	M3	1,230	18,824	18,450
Sawn Timber	Pcs	117,722	64,277	28,900

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

Chart 1: Key Agricultural Production
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Metric Tons)



a. Rubber

The production of rubber rose to 21,730 metric tons during the quarter compared with 21,386 metric tons in the preceding quarter—an increase of 1.6 percent (Table 1). The moderate rise in production was mainly influenced by global demand. Viewed against the production level of the corresponding quarter of 2010, current production increased by 10.9 percent (Table 1 & Chart 1).

b. Cocoa & Coffee

Cocoa production during the review quarter totaled 3,507 metric tons. This level of production is 9.4 percent lower than the previous quarter. The decline in production was largely attributed to low demand. Current production level is 639 metric tons more than the corresponding quarter of 2010. Yearly and quarterly analyses on coffee production could not be done due to data inavailability.

c. Sawn Timber

The pieces of sawn timber produced during the quarter amounted to 28,900 pieces, compared with 64,277 pieces produced during the preceding quarter. The 55.0 percent reduction in production was mainly due to the regulatory reforms put in place by the Forestry Development Authority (FDA) to discourage illegal pit sawing in the country. Production of Sawn timber stood at 88,822 pieces lower than the level recorded for the corresponding quarter of 2010 (Table 1).

d. Round Logs

Round logs produced during the quarter totaled 18,450 cubic meters, reflecting a decline of 2.0 percent compared with the third quarter of 2011 and 17,220 cubic meters higher compared with the corresponding quarter of 2010..

2.3 Industrial Production

Growth in output in the industrial sector, which consists of mining and manufacturing, continues to be mixed. Except for diamond and gold, production of beverages and building materials increased.

a. Mining (Gold and Diamond)

i. Gold

Gold production totaled 2,849 ounces during the quarter, representing a decline of 464 ounces compared with the production level of the previous quarter. The decrease in production was largely due to low domestic demand. When compared with the production level of the fourth quarter of 2010, gold production of the current quarter declined by 1,463 ounces or 33.9 percent.

ii. Diamond

A total of 6,034 carats of diamond was mined during the quarter, compared with 15,784 carats produced a quarter ago. Matched against the corresponding quarter of 2010, current production declined by 2,233 carats.

The fall in output was mainly due to low demand.

b. Manufacturing

Production in the manufacturing sector increased during the quarter, compared with the third quarter of 2011. The surged in production was partly attributed to seasonality.

i. Cement

Cement output rose during the quarter by 21.9 percent to 28,512 metric tons at end-December, 2011, from 23,399 metric tons recorded at end-September, 2011. Annual comparison showed that production during the reporting quarter exceeded the output of the corresponding quarter of 2010 by 18,568 metric tons.

Increased domestic demand spurred by rising construction of private homes was the main factor responsible for the growth.

i. Beverages

Beverage (alcoholic and non-alcoholic) produced during the quarter totalled 8.0 million liters, 0.8 million or 11.1 percent more than the level recorded for the previous quarter. Year-on-year analysis showed that production in the fourth quarter of 2011 exceeded the corresponding quarter of 2010 by 1.0 million liters or 14.3 percent. Rising demand for spirit, stout and soft drinks was the main contributor to the rise in production of beverages. Of the total beverages produced, alcoholic beverages (spirit, beer and stout) represented 52.5 percent, while non-alcoholic beverages (malta and soft drinks) accounted for 47.5 percent (Table 2).

ii. Soap

During the quarter, soap production decreased to 81,330 kilograms, from 153,784 kilograms, during the previous quarter. The reduction was partly due to short supply of raw materials. Annual comparison showed that current production of soap declined by 96,557 kilograms or 54.3 percent, compared with the corresponding quarter of 2010.

Table 2: Key Industrial Output
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Commodity	Unit	4th Quarter, 2010	3rd Quarter, 2011	4th Quarter, 2011
Diamond	Carat	8,267	15,784	6,034
Gold	Ounce	4,312	3,313	2,849
Cement	Mt	9,944	23,399	28,512
Spirit	Liter	233,902	159,458	169,844
Beer	Liter	2,203,016	2,548,153	2,487,701
Stout	Liter	1,383,497	1,407,336	1,526,168
Malta	Liter	213,983	267,664	166,431
Soft Drinks	Liter	2,985,286	2,847,758	3,669,667
Oil Paint	Gal.	7,300	6,736	11,595
Water Paint	Gal.	47,605	61,875	80,685
Varnish	Gal.	1,825	1,684	2,319
Manoline Hair Grease	Kg.	11,441	6,208	8,484
Soap	Kg.	177,887	153,784	81,330
Candle	Kg.	164,231	101,651	87,539
Chlorox	Liter	175,344	93,845	121,824
Rubbing Alcohol	Liter	84,410	38,205	49,307
Thinner	Gal.	5,170	2,780	6,922
Mattresses	Pcs.	25,804	27,527	33,715
Finished Water	Gal.	401,551,083	471,479,897*	419,500,859*

Sources: Ministry of Lands, & Energy; Liberia Water and Sewer Corporation, Monrovia Breweries; Liberia Coca Cola Bottling Corporation, MANCO and NICOM, Monrovia, Liberia

**Estimate by the CBL*

iii. Paint (Oil and Water)

Output of paints during the review quarter totaled 92,280 gallons, reflecting an increase of 34.5 percent over the previous quarter. The rise in paint production was largely attributed to seasonal demand. Output of the quarter increased by 37,375 gallons or 68.1 percent compared to the output level of the fourth quarter of 2010. Of the aggregate paint output, oil paint represented 12.6 percent, while water paint accounted for 87.4 percent (Table 2).

iv. Candle

The production of candle reduced by 14,112 kilograms to 87,539 kilograms compared with the production level of the previous quarter. The fall in output was mainly due to the large quantity of dry cell fluorescent lights available on the local market, coupled with the gradual expansion in the supply of electricity by the Liberian Electricity Corporation (LEC). Also, output of the quarter declined by 53.3 percent, compared with the level of the same quarter in 2010.

v. Mattresses

Mattresses produced during the quarter rose to 33,715 pieces, from 27,527 pieces in the third quarter, 2011, reflecting an increase of 22.5 percent. The increase in output was mainly attributed to rising demand for the product. When compared with the corresponding quarter of 2010, the output level for the reporting quarter increased by 7,911 pieces, or 30.7 percent.

vi. Water supply

Water supplied at end-December, 2011 was estimated at 419.5 million gallons, from 471.5 million gallons estimated at end-September, 2011, reflecting a decline of 11.0 percent. Compared with the fourth quarter of 2010, output of the current quarter increased by 4.5 percent.

2.4 Consumption of Petroleum Products

The consumption of petroleum products in the economy slumped during the fourth quarter of 2011 by 3.8 million gallons to 14.8 million gallons, from 18.6 million gallons in the preceding quarter. The reduction was partly due to low volume of Diesel (AGO) imported during the quarter. Of the aggregate petroleum products, premium (gasoline) accounted for 43.5 percent; diesel (AGO), 47.9 percent; and Jet-fuel, 8.6 percent. Compared with the last

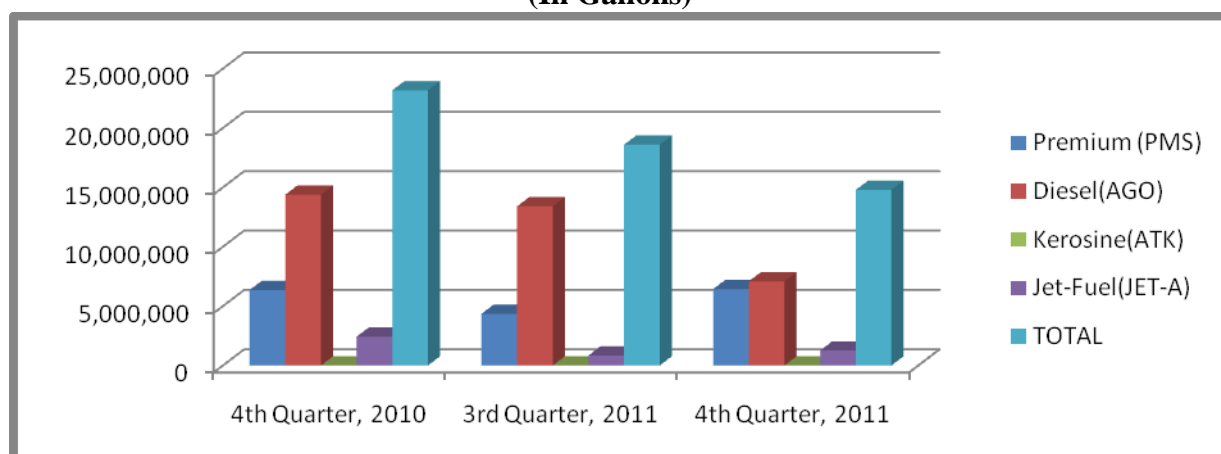
quarter of 2010, present consumption of petroleum products declined by 8,385,029 gallons or 36.2 percent (Table 3 & Chart 2).

**Table 3: Consumption of Petroleum Products
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Gallons)**

Commodity	Unit	4 th Quarter 2010	3 rd quarter 2011	4 th quarter 2011
Premium (PMS)	Gallon	6,361,912	4,350,990	6,441,867
Diesel (AGO)	Gallon	14,389,686	13,404,187	7,091,398
Kerosene (ATK)	Gallon	-	-	-
Jet-Fuel(JET-A)	Gallon	2,427,330	841,447	1,260,635
Total		23,178,928	18,596,624	14,793,900

Source: Ministry of Commerce, Monrovia, Liberia

**Chart 2: Consumption of Petroleum Products
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Gallons)**



2.5 Sea Port Developments

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

2.6 Consumer Price Developments

During the fourth quarter of the year, overall consumer prices increased to 10.7 percent. This was higher than the 9.0 and 5.7 percents reported in the preceding quarter and the quarter a year ago, respectively. Compared with the previous quarter, the developments in the sub-groups in the consumer basket showed subdued inflationary pressures in most of the functions. While Food and Non-Alcoholic Beverages; Housing, Water, Electricity, Gas &

Other Fuels; Furnishings, Household Equipment & Routine maintenance; Health; Communication; Restaurants & Hotels; and Miscellaneous Goods & Services sub-groups collectively led in driving up overall inflation, the remaining sub-groups recorded lower inflation.

In the food sub-group, egg recorded the highest inflation of 100.0 percent at the end of the fourth quarter of 2011, up from the 65.6 percent a quarter earlier. This was followed by yam and sweet potatoes, 29.5 percent (19.5 percent in the previous quarter); rice, 18.0 percent (6.0 percent in the previous quarter) and sugar, 11.3 percent (-5.6 percent in the preceding quarter). Also, in the Furnishings, Household Equipment and Routine Maintenance sub-group, furniture recorded the highest rate of inflation of 42.2 percent at the end of the fourth quarter of 2011, up from 27.3 percent a quarter ago (Table 6).

**Table 5: Year-on-Year Rates of Inflation
(2010 - 2011)
(December 2005 =100)**

Month	2010	2011
January	12.9	4.7
February	11.5	7.5
March	13.2	6.5
April	11.9	7.4
May	8	7.6
June	2.5	8.8
July	4.2	10.6
August	3.3	10.3
September	5.2	6.2
October	4.9	10.7
November	5.7	9.9
December	6.6	11.5
Average Rate of Inflation	7.5	8.5

Source: Central Bank of Liberia

**Chart 3: Year-on-Year Rates of Inflation
(2010 - 2011)
(December 2005 =100)**

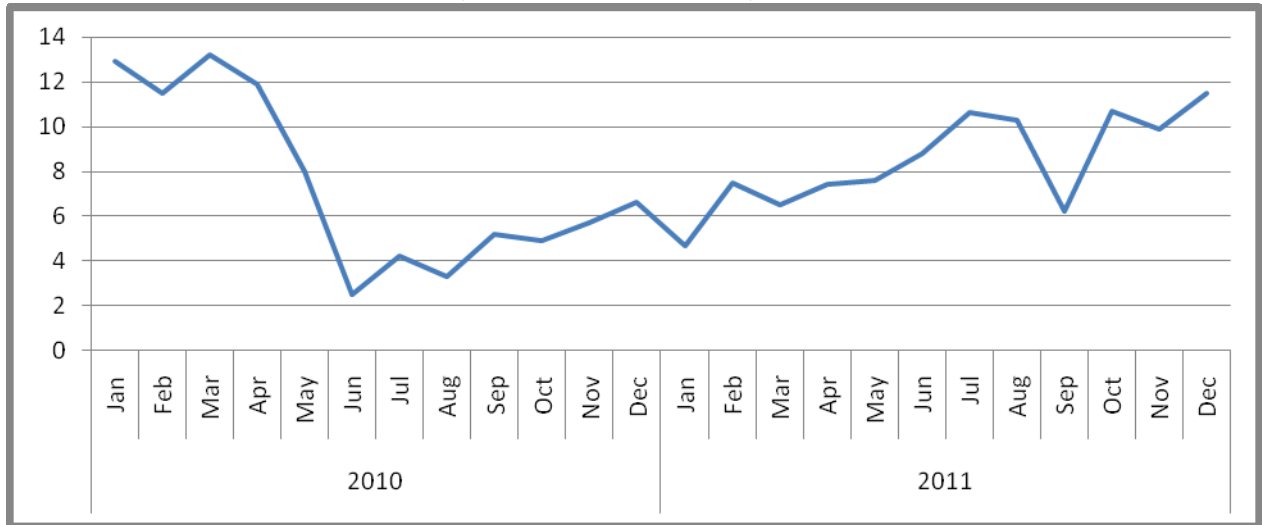


Table 6: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(December, 2005=100)

FUNCTION	WEIGHT	10-Oct	10-Nov	10-Dec	4th Quarter Ave. '10	11-Jul	11-Aug	11-Sep	3rd Quarter Ave. '11	11-Oct	11-Nov	11-Dec	4th Quarter Ave. '11
FOOD AND NON-ALCOHOLIC BEVERAGES	45.2	7.25	7.73	8.89	7.99	15.71	15.21	6.74	12.55	14.6	12.47	16.07	14.38
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	3.03	5.94	11.43	13.9	10.42	9.4	10.81	12.49	10.9	12.26	8.23	8.83	9.77
CLOTHING AND FOOTWEAR	7.75	4.91	8.36	8.85	7.37	5.1	4.51	4.75	4.79	4.8	4.25	4.68	4.58
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	12	3.36	3.74	4.42	3.84	6.34	6.21	6.06	6.2	6.23	7.46	6.5	6.73
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.25	-4.36	-3.12	-1.9	-3.12	-0.32	-0.72	1.36	0.11	11.75	12.8	11.89	12.15
HEALTH	3.91	0.32	0.32	0	0.21	-0.32	-0.32	-0.32	-0.32	-0.32	-0.32	0	-0.21
TRANSPORT	6.11	5.67	4.79	6.31	5.59	20.08	20.02	19.44	19.85	19.37	19.04	17.67	18.69
COMMUNICATION	1.53	5.73	5.92	5.99	5.88	0.08	0	0.03	0.04	0.04	0.26	0.26	0.19
RECREATION AND CULTURE	3.85	1.11	1.55	1.72	1.46	5.05	4.83	4.65	4.84	4.2	4.85	4.83	4.63
EDUCATION	3.2	0	0	0	0	0	0	0	0	0	0	0	0
RESTUARANTS AND HOTELS	4.64	3.92	5.05	5.41	4.79	2.26	1.78	1.98	2.01	1.94	3.3	3.3	2.85
MISCELLANEOUS GOODS AND SERVICES	3.53	0.5	0.13	0.43	0.35	0.94	-0.26	0.18	0.28	-1.72	3.28	3.22	1.59
GENERAL RATE OF INFLATION	100	4.89	5.67	6.61	5.72	10.6	10.27	6.21	9.03	10.68	9.88	11.45	10.67

Sources: Central Bank of Liberia and Liberia Institute for Statistics & Geo-Information Services (LISGIS), Monrovia, Liberia.

III. MONETARY AND FINANCIAL DEVELOPMENTS

Money and Banking

3.1 Banking Developments

During the quarter ended-December 31, 2011, the Liberian banking sector registered improved growth in total assets, loans and deposits. The sector continued to be well capitalized and liquid; however, the issue of profitability remains a challenge due to poor asset quality of a number of banks, weak credit administration and the relatively high amortization of pre-operating expenses for the new banks. The banking industry aggregate balance sheet expanded with growth in loans and advances, balances with the CBL and bank balances, accounting for 31.30 percent, 23.8 percent and 16.37 percent of the total assets, respectively.

Deposits from customers continue to be the primary source of funding for the banking industry, accounting for 81.14 percent of total liabilities. They recorded a growth of 4.4 percent, compared with the preceding quarter and 29.9 percent over the amount recorded during the corresponding quarter in 2010. Total capital declined by 0.63 percent relative to the previous quarter. However, the industry's capital position surged by 14.3 percent above the same quarter of 2011, largely due to the commencement of banking activities by Afriland First Bank. The overall growth in the industry can be attributed primarily to rising public confidence in the banking sector and increased economic activities.

The industry's Capital Adequacy Ratio (CAR) increased during the review quarters mainly due to a decline in off-balance sheet exposures by 26.14 percent to L\$ 2,900.0 million , from L\$ 3,900.0 million reported in the previous quarter, 2011. .

Non-performing loans (NPLs), as a ratio of total loans in the industry, slightly increased to 20.8 percent at end-December, 2011, from 19.1 percent recorded during the preceding quarter and improved by 4.3 percentage points over the same period of 2010. The rise was on account of the re-classification of several loan facilities at a number of banks. Profitability in the banking sector remains a challenge, largely on account of high amortization expenses of

new banks, high loan loss provisions due to poor asset quality and high operating costs, respectively.

As in previous quarters, the banking industry posted strong liquidity position in the quarter ending December 31, 2011, recording a liquidity ratio of 44 percent. All of the banks were above the minimum required liquidity ratio of 15.0 percent. The total liquid assets of the industry at the end of December, 2011 was L\$ 15,780.0 million, comprising L\$2,950.0 million or 18.7 percent as vault cash; L\$8,460.0 million (or 53.6 percent) as foreign bank balances and L\$4,380.0 million or (27.7 percent) as current account balances with the CBL. Regarding CBL's Regulation concerning placement of funds abroad, all of the banks were found to be within regulatory compliance. Loan to deposit ratio for the sector was below 60 percent, indicative of the comfortable liquidity position of the banking industry to meet the liquidity needs of their customers and other contingent liabilities.

3.2 Commercial Bank Credit

Total commercial banks' loan to various sectors of the economy amounted to L\$16,170.3 million, an 8.2 percent increase over L\$14,949.1 million at end-September, 2011. Yearly analysis indicates that, total loan grew by 28.1 percent, compared with L\$12,623.5 million recorded for the same period of 2010 (Table 7). The expansion was in support of the growing level of economic activities unfolding in the economy.

**Table 7: Commercial Banks Loans by Economic Sectors
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In 000 L\$)**

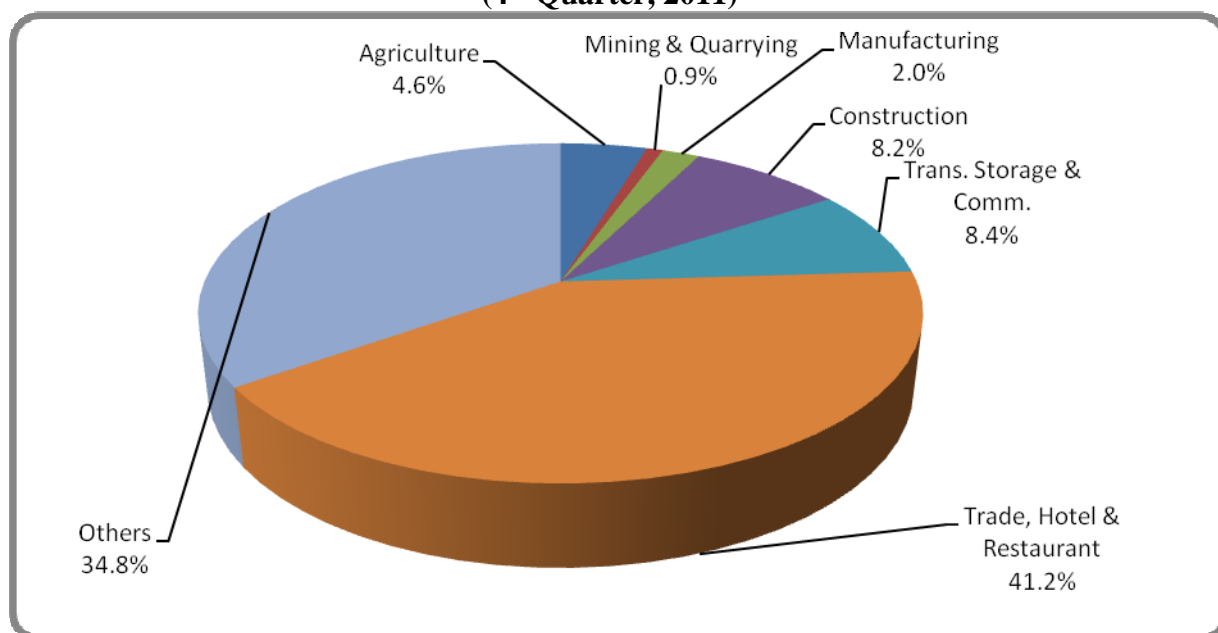
Sector	2010		2011			
	4 th Quarter	% Share	3 rd Quarter	% Share	4 th Quarter	% Share
Agriculture	398,250	3.2	514,759	3.4	748,330	4.6
Mining & Quarrying	2,085	0.0	66,965	0.4	139,568	0.9
Manufacturing	162,694	1.3	259,416	1.7	324,053	2.0
Construction	1,215,416	9.6	1,312,594	8.8	1,319,039	8.2
Trans. Storage & Comm.	2,823,580	22.4	1,322,107	8.8	1,351,589	8.4
Trade, Hotel & Restaurant	3,977,725	31.5	5,918,395	39.6	6,662,164	41.2
Others ¹	4,043,743	32.0	5,554,867	37.2	5,625,575	34.8
TOTAL	12,623,491	100.0	14,949,103	100.0	16,170,318	100.0

Source: Central Bank of Liberia, Monrovia, Liberia

¹ The "others" sector includes loans extended mainly to individuals and service-related institutions

A distribution of aggregate loans by sectors for the review quarter shows that, as usual, Trade, Hotel & Restaurant received the highest share of 41.2 percent, followed by Transportation, Storage & Communication, 8.4 percent; Construction, 8.2 percent; Agriculture, 4.6 percent; Manufacturing, 2.0 percent and Mining & Quarrying, 0.9 percent. The “Others” Sector, comprising individual and service-related institutions accounted for 34.8 percent (Chart 4).

Chart _ : Percentage Distribution of Commercial Banks’ Loans by Economic Sectors (4th Quarter, 2011)



3.3 Interest Rate

For the quarter under review, average lending, time deposits and savings rates recorded increases. Lending rate grew by 0.05 percentage points to 13.85 percent, from 13.80 percent reported at end-September, 2011. Likewise, average savings rate recorded a marginal increase of 0.01 percentage point to 2.02 percent in the fourth quarter, 2011, from 2.01 percent and time deposit rate surged by 1.00 percentage point to 3.70 percent, from 2.70 percent at end-September, 2011.

On the other hand, average personal loan and mortgage rates reported reductions. Personal loan rate recorded a sharp drop of 3.42 percentage points to 11.02 percent at end-December, 2011 from 14.44 percent reported at the end of the third quarter of 2011. Also, average mortgage rate declined by 0.97 percentage point to 14.03 percent from, 15.00 percent at end-

September, 2011, while average certificate of deposits rate remained stable at 3.00 percent, compared with the preceding quarter (Table 8).

**Table 8: Commercial Banks' Interest Rates
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)**

COMMERCIAL BANKS RATES	4th Quarter, 2010	3rd Quarter, 2011	4th Quarter, 2011
Avg Lending Rate	14.17	13.80	13.85
Avg Personal Loan Rate	14.15	14.44	11.02
Avg Mortgage Rate	14.19	15.00	14.03
Avg Time Deposit Rate	2.90	2.70	3.70
Avg Savings Rate	2.01	2.01	2.02
Other Market Rates			
Avg Rate on CDs	3.00	3.00	3.00

Source: Central Bank of Liberia, Monrovia, Liberia

3.4 Monetary Policy Stance

The monetary policy stance of the CBL has mainly been geared toward the achievement of broad exchange-rate stability with price-level stability as its ultimate goal. To achieve this objective, the CBL has been using the foreign exchange auction as the readily available policy tool to influence monetary conditions in the economy. At the moment, efforts are being exerted to introduce a Treasury-bill market which will widen the scope of policy instruments available to the CBL.

3.5 Liberian Dollars in Circulation¹

For the quarter under review, Liberian dollars in circulation summed up to L\$7,251.6 million, reflecting a 27.0 percent growth compared with L\$5,710.5 million recorded for the preceding quarter. The growth was solely on account of a 30.8 percent rise in currency outside banks. Currency in banks contracted by 6.6 percent to L\$547.3 million from, L\$586.2 million at end-September, 2011. Yearly comparison showed that Liberian dollars in circulation rose by 30.6 percent, from L\$5,550.5 million at end-December, 2010 (Table 9: Chart 5).

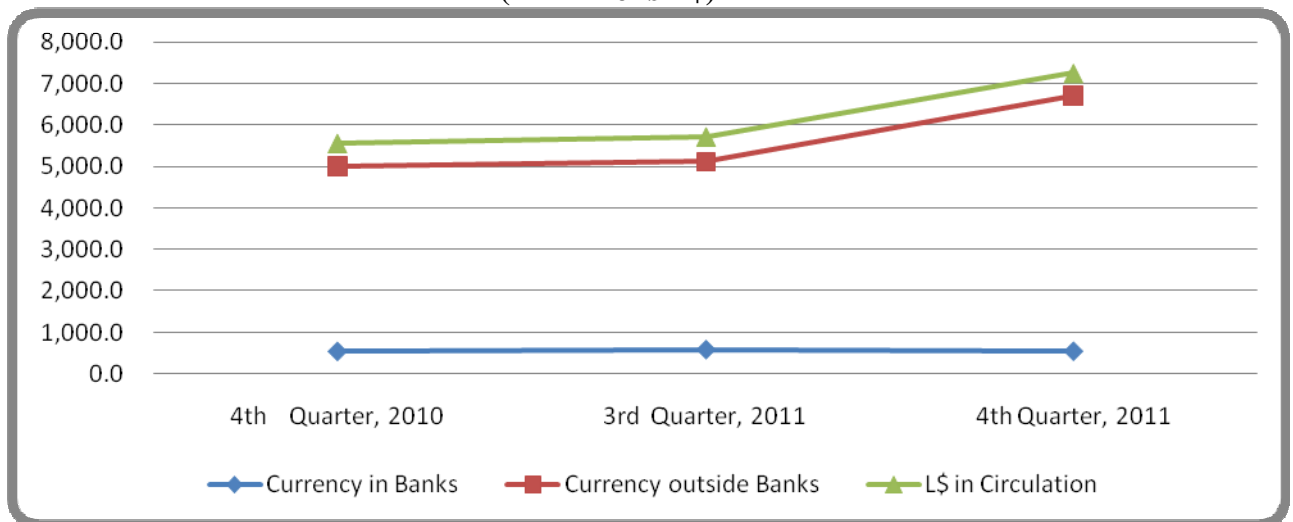
¹ Currency in circulation equals currency in banks and currency outside banks

Table 9: Liberian Dollars in Circulation
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

End of Period	Currency in Banks	Currency outside Banks	Currency in Circulation
	(1)	(2)	(3)=(1)+(2)
4 th Quarter, 2010	542.6	5,007.9	5,550.5
3 rd Quarter, 2011	586.2	5,124.3	5,710.5
4 th Quarter, 2011	547.3	6,704.3	7,251.6

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 5: Liberian Dollars in Circulation
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)



3.6 Money Supply (M1)²

Money supply (M1) for the quarter amounted to L\$30,069.0 million, showing a 9.1 percent increase over the L\$27,563.6 million the quarter ending September 30, 2011. The growth was largely explained by a 30.8 percent increase in currency outside banks to L\$6,704.3 million at end-December, 2011, from L\$5,124.3 million for the last quarter; growth in M1 was also driven by an increase of L\$925.4 million or 4.1 percent in demand deposits. Compared with the corresponding quarter of 2010, M1 rose by 29.5 percent, from L\$23,212.7 million at end-December, 2010, (Table 10 & chart 6).

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

Table 10: Money Supply and its Sources
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

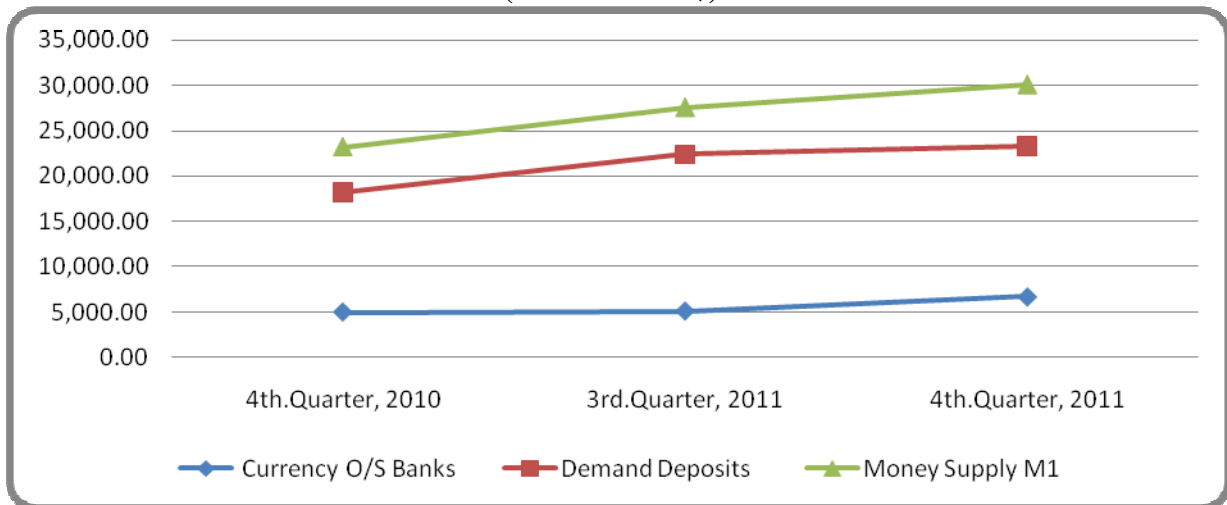
	Monetary Aggregates	2010	2011		Percent Change	
		4 th Qtr.	3 rd Qtr.	4 th Qtr.	Yearly	Quarterly
1	Money Supply M2 (1.1 + 1.2)	31,103.9	39,649.0	43,398.2	39.5	9.5
	1.1 Money Supply M1	23,212.7	27,563.6	30,069.0	29.5	9.1
	1.1.1 Currency outside banks	5,007.9	5,124.3	6,704.3	33.9	30.8
	1.1.2 Demand deposit ^{1/}	18,204.7	22,439.3	23,364.7	28.3	4.1
	1.2 Quasi Money	7,891.2	12,085.4	13,329.2	68.9	10.3
	1.2.1 Time & Savings deposits	7,572.7	11,023.0	11,355.8	50.0	3.0
	1.2.2 Other deposits ^{2/}	318.5	1,062.4	1,973.4	519.6	85.7
2	Net Foreign Assets	23,629.5	24,705.0	26,814.5	13.5	8.5
	2.1 Central Bank	13,681.7	15,212.0	17,130.3	25.2	12.6
	2.2 Banking Institutions	9,947.8	9,493.0	9,684.2	-2.7	2.0
3	Net Domestic Assets (1 - 2)	7,474.3	14,944.0	16,583.8	121.9	11.0
	3.1 Domestic Credit	26,284.9	31,834.9	34,458.6	31.1	8.2
	3.1.1 Government (net)	12,013.4	14,412.1	15,283.3	27.2	6.0
	3.1.2 Pvt. Sector & Other Pvt. Sector	14,271.5	17,422.9	19,175.3	34.4	10.1
	3.2 Other assets Net (3 - 3.1)	18,810.6	16,891.0	17,874.9	-5.0	5.8
4	Memorandum Items	50,379.3	63,777.4	72,472.7	43.9	13.6
	4.1 Overall Liquidity	31,103.9	39,649.0	43,398.2	39.5	9.5
	4.2 Reserve Money	19,275.4	24,128.4	29,074.4	50.8	20.5
	4.2.1 Currency outside banks	5,007.9	5,124.3	6,704.3	33.9	30.8
	4.2.2 Banks Reserves	14,267.5	19,004.1	22,370.2	56.8	17.7

^{1/}Excludes managers checks from commercial banks.

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

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 6: Money Supply (M1)
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

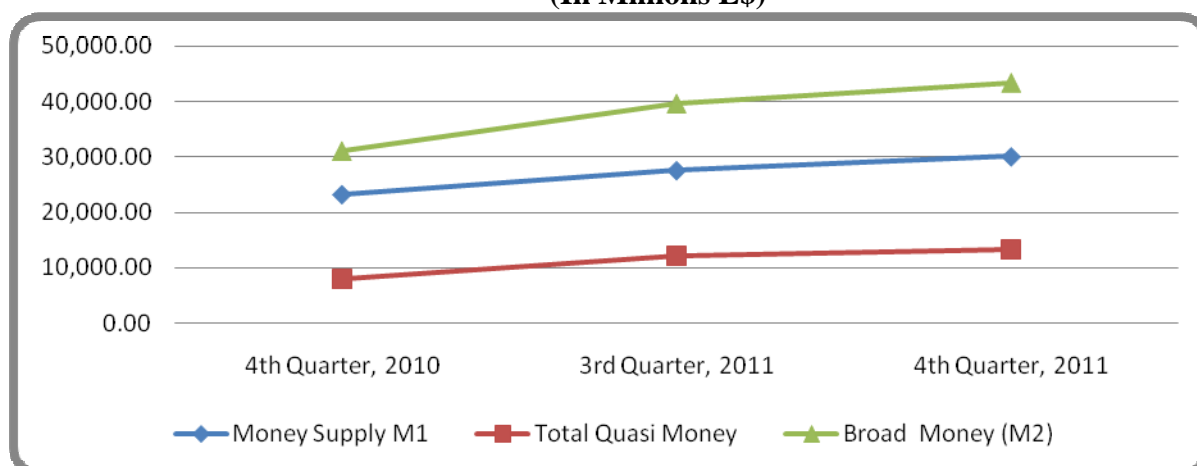


3.7 Broad Money (M2)³

Broad money, for the review quarter, rose by 9.5 percent to L\$43,398.2 million, from L\$39,649.0 million at end-September, 2011. The expansion was driven by increases in both M1 and quasi money. Quasi Money grew by 10.3 percent to L\$13, 329.2 million, from L\$12,085.8 million for the previous quarter. In terms of sources of growth in broad money, the rise was largely on account of an 11.0 percent increase in Net Domestic Assets (NDA), to L\$16,583.8 million at end-December, 2011, rising from L\$14,944.0 million at end-September, 2011. Broad money expanded by 39.5 percent when viewed against the level at end-December 2010.

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

Chart 7: Broad Money (M2)
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)



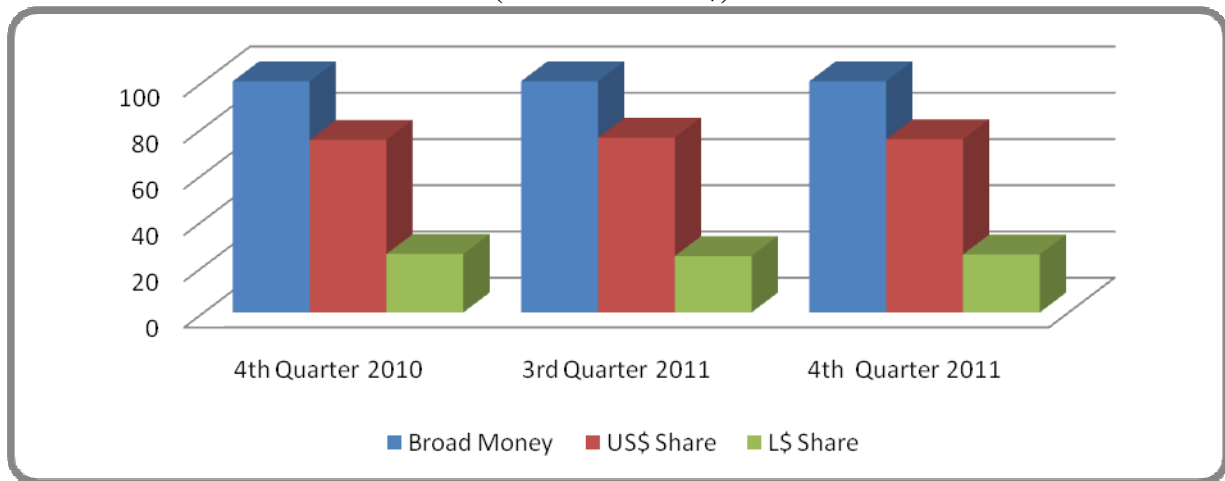
Of the total broad money stock, US dollars constituted 74.9 percent, while the Liberian-dollar share accounted for 25.1 percent. The high US-dollar share of broad money is indicative of the highly dollarized nature of the Liberian economy, (Table 11 & Chart 8).

Table 11: US and Liberian Dollars Shares of Broad Money
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Million of L\$)

	4 th Quarter 2010	Percent Share	3 rd Quarter 2011	Percent Share	4 th Quarter 2011	Percent Share
Broad Money	31,103.9	100	39,649.0	100	43,398.2	100
US\$ Share	23,233.2	74.7	29,955.1	75.6	32,493.1	74.9
L\$ Share	7,870.6	25.3	9,693.9	24.4	10,905.1	25.1

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 8: US and Liberian Dollars Shares of Broad Money
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Million of L\$)



3.8 Exchange Rate

The Liberian dollar marginally appreciated during the quarter under review, averaging L\$71.93/US\$1.00, from L\$72.08/US\$1.00 at end-September, 2011, indicating a 0.2 percent firming of the Liberian dollar against the US dollar. However, the end-of-period rate slightly depreciated by 0.7 percent to L\$72.50/US\$1.00, from L\$72.00/US\$1.00 at end-September, 2011, (Table 12 & Chart 9). The Liberian dollar-US dollar exchange rate remained relatively stable, hovering around L\$72.00/US\$1.00 for the quarter.

Table 12: Market Exchange Rates: Liberian Dollars per US Dollar
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Market Rate	4 th Quarter, 2010	3 rd Quarter, 2011	4 th Quarter, 2011
End of Period	71.50	72.00	72.50
Period Average	70.19	72.08	71.93

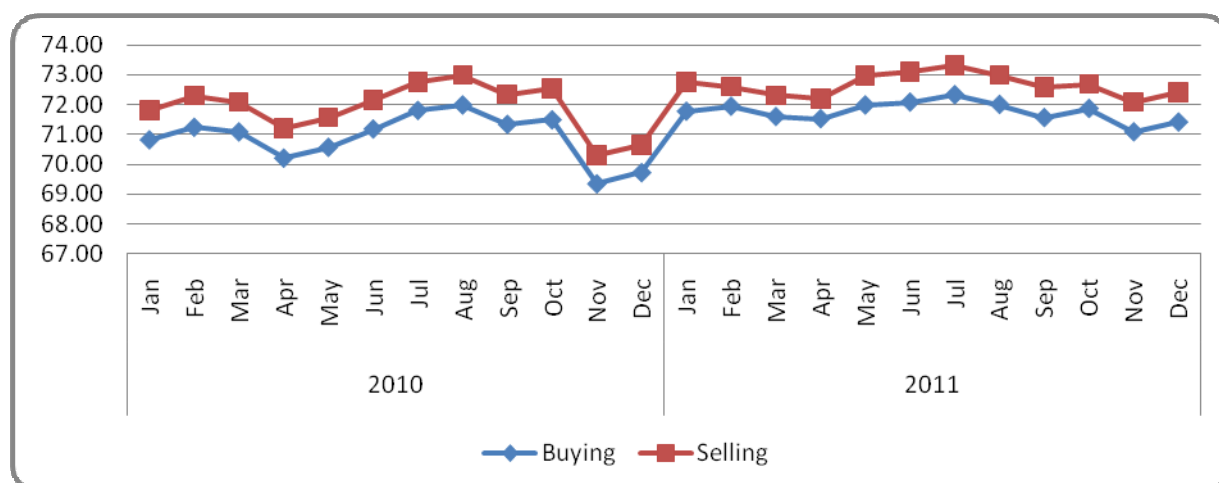
Source: Central Bank of Liberia, Monrovia, Liberia

Table 13: Monthly Averages of Buying and Selling Rates of Liberian Dollar per one US Dollar (2010 - 2011)

Period	2010		2011	
	Buying	Selling	Buying	Selling
January	70.83	71.83	71.79	72.75
February	71.25	72.31	71.96	72.60
March	71.09	72.09	71.61	72.31
April	70.21	71.21	71.54	72.21
May	70.58	71.58	72.00	72.98
June	71.19	72.15	72.10	73.10
July	71.81	72.76	72.35	73.33
August	72.00	73.00	72.02	73.00
September	71.35	72.35	71.58	72.58
October	71.50	72.54	71.88	72.69
November	69.35	70.31	71.10	72.10
December	69.72	70.67	71.43	72.43
Q1	71.06	72.08	71.79	72.56
Q2	70.66	71.65	71.88	72.76
Q3	71.72	72.70	71.98	72.97
Q4	70.19	71.17	71.47	72.40
Year	70.91	71.90	71.78	72.67

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 9: Monthly Averages of Buying and Selling Rates of Liberian Dollar per one US Dollar (2010 - 2011)



3.9 Foreign Exchange Auction

The amount of US dollars offered for sale through CBL's foreign exchange auction for the quarter amounted to US\$15.0 million, an increase of 82.9 percent over the 8.2 million reported at end-September, 2011. Annual comparison shows that the amount of US dollar

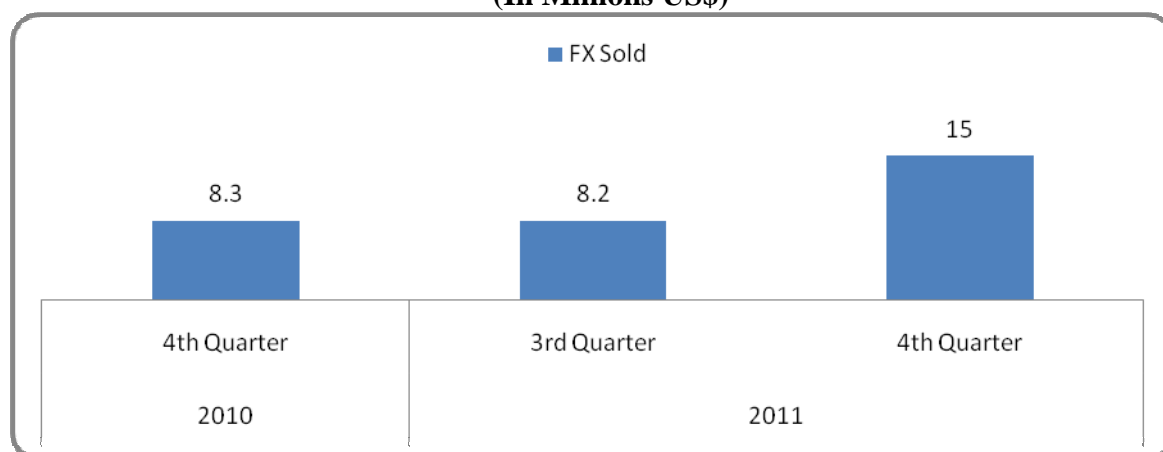
sold during the review quarter rose by 80.7 percent, from US\$8.3 million at end-December, 2010 (Table 14 & Chart 10). The sharp growth was mainly on account of the effort by the CBL to maintain the relative stability in the exchange rate due to high demand for Liberian dollars arising largely from the Presidential and Legislative and the run-off elections.

**Table 14: CBL’s Foreign Exchange Auction
(4th Quarter, 2010; 3rd & 4th Quarters, 2011
(In Millions US\$)**

	2010	2011	
	4 th Quarter	3 rd Quarter	4 th Quarter
FX Sold	8.3	8.2	15.0

Source: Central Bank of Liberia, Monrovia, Liberia

**Chart 10: CBL’s Foreign Exchange Auction
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions US\$)**



3.10 Remittances

Aggregate inward remittances for the quarter summed up to US\$352.4 million, reflecting a 23.6 percent growth over the previous quarter; compared with the level recorded at end-December 2010, total remittance inflow grew by 23.7 percent. The expansion was mainly due to a 45.9 percent increase in grant. A disaggregation revealed that inward workers’ remittances accounted for 34.4 percent; followed by grants, 26.1 percent; exports, 22.0 percent; service payments, 16.3 percent and official transfers, 1.1 percent. Total remittance outflows for the quarter amounted to US\$339.9 million, resulting into a marginal decline of 0.1 percent compared with US\$340.4 million reported at end-September, 2011. The reduction in total outflow was mainly on account of a 5.8 percent fall in import payments to US\$236.2 million for the quarter, from 250.8 million at end-September, 2011. A corresponding quarter comparison indicated that total outflows expanded by 38.9 percent. A distribution of total

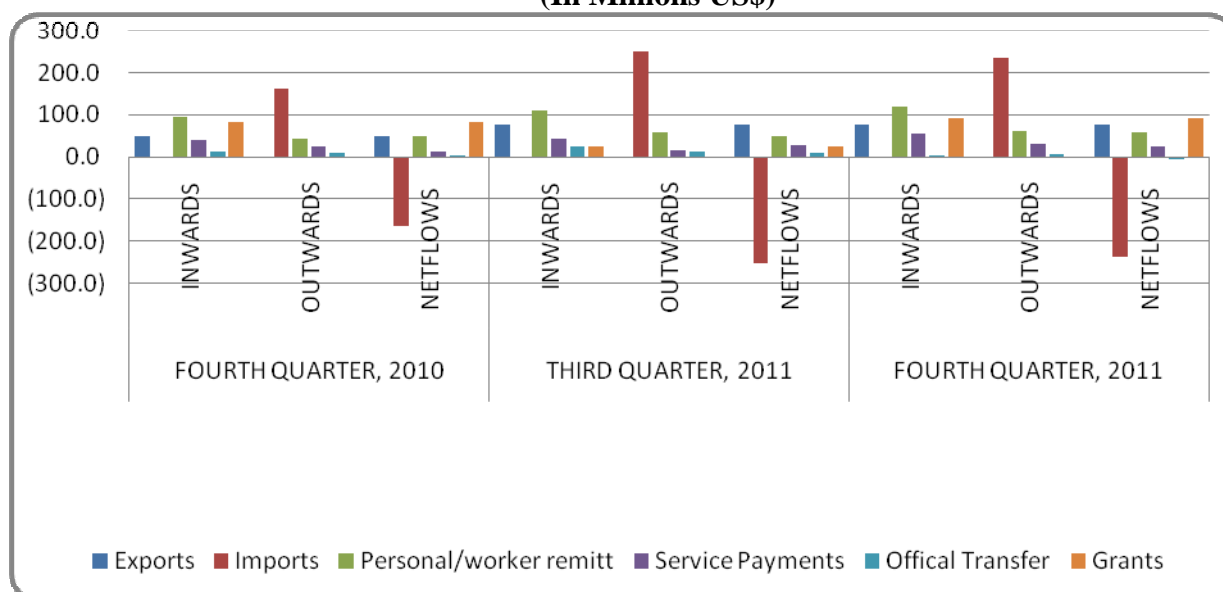
outflows showed that import payments received the highest share of 69.5 percent followed by workers' outward remittance, 18.6 percent; service payment outflow, 9.7 percent and official transfers outside of the economy, 2.2 percent (Table 15 & Chart 11). Comparison of inflows and outflows for the quarter shows a net inflow of US\$12.5 million.

Table 15: Remittances: Inflows and Outflows
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions US\$)

	2010			2011					
	4 th Quarter			3 rd Quarter			4 th Quarter		
	Inwards	Outwards	Netflow	Inwards	Outwards	Netflow	Inwards	Outwards	Netflow
Exports	50.1	0.0	50.1	76.5	0.0	76.5	77.7	0.0	77.7
Imports		162.6	-162.6	0.0	250.8	-250.8	0.0	236.2	-236.2
Personal/worker Remittance	96.3	44.9	51.4	112.1	60.7	51.4	121.3	63.3	58.0
Service Payments	40.0	26.1	13.9	45.2	15.4	29.8	57.6	32.9	24.7
Official Transfer	14.3	11.1	3.2	24.8	13.5	11.3	3.8	7.6	-3.8
Grants	84.2	0.0	84.2	26.6	0.0	26.6	92.0	0.0	92.0
Loan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	284.9	244.7	40.2	285.2	340.4	-55.2	352.4	339.9	12.5

Source: Central Bank of Liberia, Monrovia, Liberia

Chart 11: Remittances: Inflows and Outflows
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions US\$)



IV. Fiscal Developments

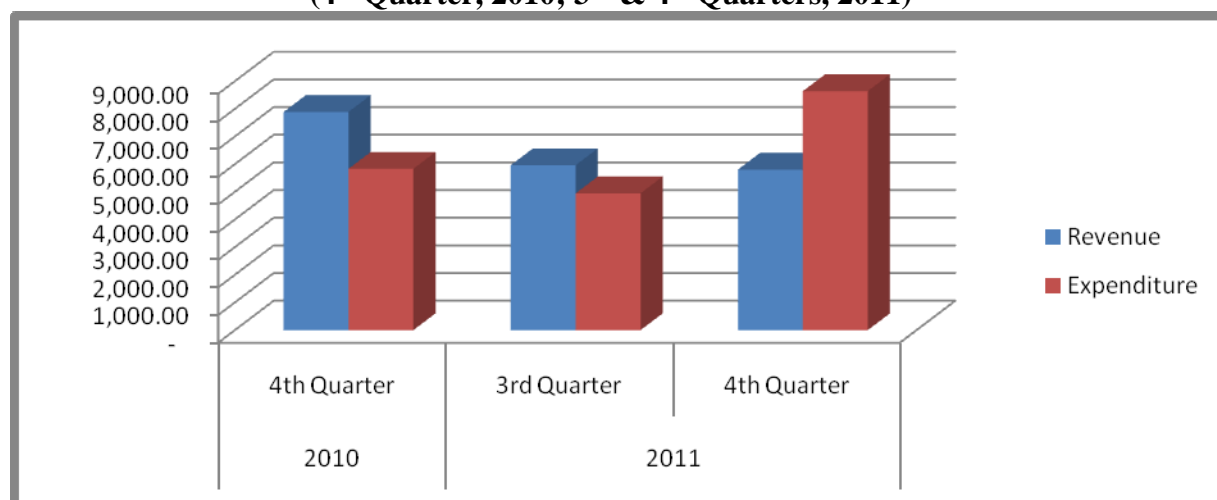
An analysis of the Government of Liberia’s fiscal operations for the quarter under review showed that total government expenditures exceeded revenues by L\$2,836.04 million or 32.8 percent.

**Table 16: Total Revenue & Expenditure
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)**

Fiscal Operations	2010	2011	
	4 th Quarter	3 rd Quarter	4 th Quarter
Revenue	7,886.13	5,962.18	5,804.02
Expenditure	5,831.00	4,946.82	8,640.06

Source: Ministry of Finance, Republic of Liberia

**Chart 12: Total Revenue & Expenditure
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)**



4.1 Revenue

Total revenue generated during the quarter amounted to L\$ 5,804.02 million. This amount was 2.73 percent lower than the L\$ 5,962.18 million recorded for the preceding quarter, and 26.4 percent lower than the amount generated during the corresponding quarter in 2010. The contraction in revenue during the quarter was mainly driven by a fall in revenue collected from Customs & Excise, Indirect Taxes and the absence of revenue generated through FDA (stumpage).

An analysis of total revenue by category (Table 17 & Chart13) revealed that Customs & Excise amounted to L\$2,406.71 million (41.5 percent); Direct taxes, L\$2,015.78 million

(34.7 percent); Indirect Taxes, L\$ 684.73 million (11.8 percent); Petroleum Sales Levy, L\$226.42 million (3.9 percent); and Maritime Revenue, L\$470.38 million (8.1 percent), respectively.

Table 17: Government of Liberia Revenue by Sources
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

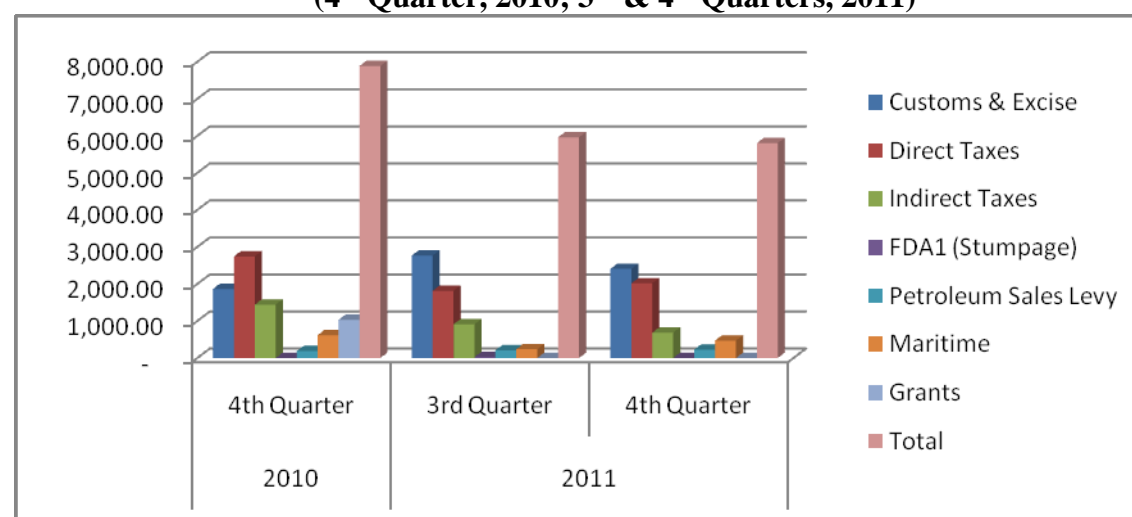
Revenue Sources	2010	2011	
	4 th Quarter	3 rd Quarter*	4 th Quarter
Customs & Excise	1,866.83	2,766.5	2,406.71
Direct Taxes	2,743.67	1,814.9	2,015.78
Indirect Taxes	1,441.86	911.5	684.73
FDA ¹ (Stumpage)	-	22.9	-
Petroleum Sales Levy	185.97	209.1	226.42
Maritime	616.34	237.2	470.38
Grants	1,031.46	-	-
Total	7,886.13	5,962.18	5,804.02

Source: Ministry of Finance, Republic of Liberia.

¹Forestry Development Authority

* Revised

Chart 13: Government of Liberia Revenue by Sources
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)



4.2 Expenditure

Aggregate Government expenditure for the fourth quarter summed up to L\$8,640.06 million, against L\$ 4,946.82 million in the previous quarter, an increase of about 75.0 percent. The huge rise in total expenditure relative to the previous quarter can be partly ascribed to the

normal delayed passage experienced during the first two months of the Government new fiscal year (i.e. July and August).

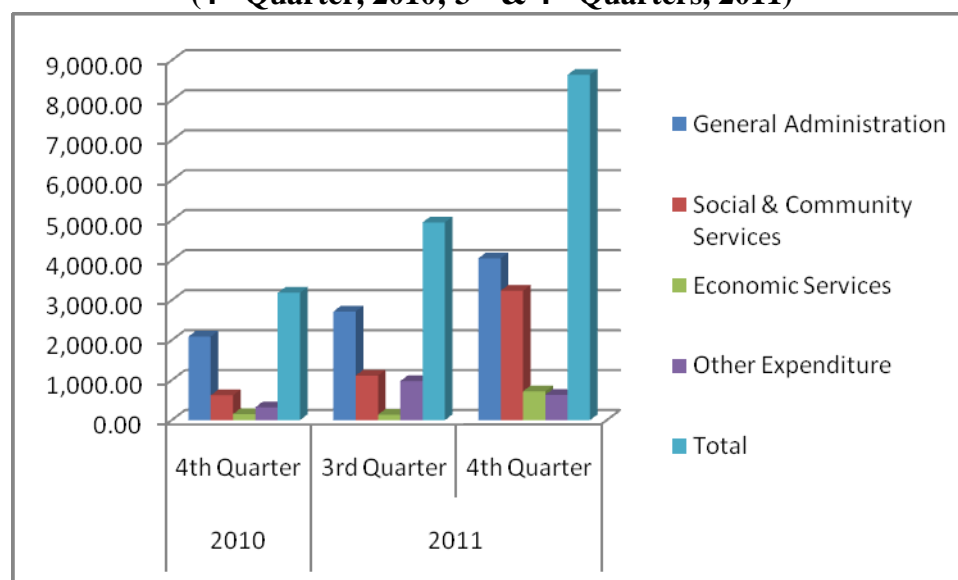
A percentage distribution of total Government expenditures by category (Table 18 & Chart 14) showed that outlays on General Administration accounted for 46.86 percent; Social & Community Services, 37.47 percent; Economic Services, 8.34 percent; and Other Expenditures, 7.33 percent.

**Table 18: Government of Liberia Expenditure by Category
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)**

Expenditure Category	2010	2011	
	4 th Quarter	3 rd Quarter	4 th Quarter
General Administration	2,090.36	2,717.83	4,048.68
Social & Community Services	619.81	1,114.83	3,237.32
Economic Services	152.04	137.70	720.68
Other Expenditure	322.61	976.46	633.39
Total	3,184.82	4,946.82	8,640.07

Source: Ministry of Finance, Republic of Liberia

**Chart 14: Government of Liberia Expenditure by Category
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)**



4.3 Liberia's Total Public Debt

Liberia's total public debt stock at end-December, 2011 stood at US\$530.8 million, from US\$518.5 million at end-September, 2011 indicating a growth of 2.4 percent. Total domestic

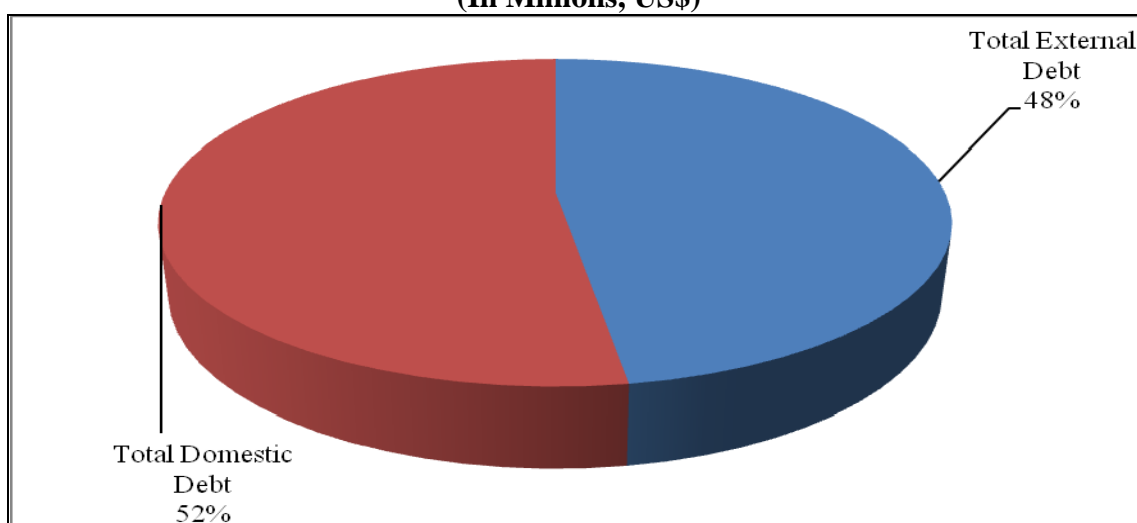
debt at end-December, 2011 amounted to US\$ 278.4 million, showing a shrink of 0.7 percent from US\$280.3 million during the previous quarter, while the external debt stock rose by 5.9 percent to US\$252.4 million at end-December, 2011 from US\$238.2 million over the level recorded at end- September, 2011 (See Table_ & Chart_).

**Table __: Liberia’s Total Debt Composition
As At December 31, 2011
(In Millions, US\$)**

Debt Composition	2010	2011	
	4 th Quarter	3 rd * Quarter	4 th Quarter
Total External Debt	222.75	238.24	252.35
Total Domestic Debt	280.90	280.30	278.4
Total Public Debt	503.65	518.54	530.75

**Revised*

**Chart __: Liberia’s Total Debt Composition
As At December 31, 2011
(In Millions, US\$)**



4.4 Total External Debt

Total external debt stock during the quarter under review amounted to US\$252.4 million, from US\$238.2 million at end-December, 2011 indicating an increase of 5.9 percent. The increase in external debt stock was driven by disbursement of new loan by the IMF to Liberia: an increase credit of US\$58.2 million at end-December, 2011 from US\$45.4 million at end-September, 2011, as well as increase credit from the World Bank of US\$18.9 million during the reviewed quarter from US\$13.4 million of the previous quarter. A disaggregation of external debt during the period under review shows that multilateral debt amounted to

US\$121.7 million (48.2 percent); bilateral debt, US\$130.4 million (51.7 percent); and commercial creditors, US\$0.3 million (0.1 percent).

4.5 Total Domestic debt

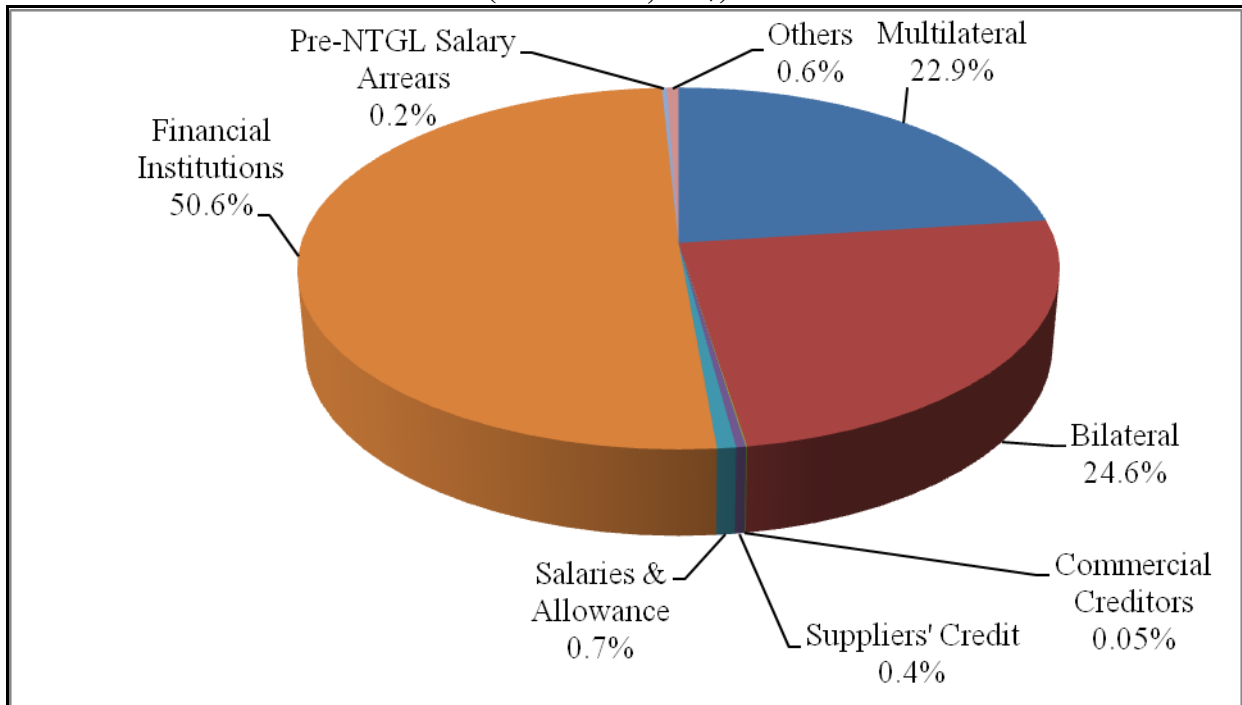
Liberia's total domestic debt stock was recorded at US\$278.4 million at end- December, 2011 from US\$280.3 million during the previous period, indicating a cutback in the country's domestic debt stock of 0.7 percent. Domestic debt to financial institutions fell to US\$268.5 million at end-December, 2011 from US\$269.0 million at end-September, 2011. Suppliers' credit decreased from US\$3.3 million at end- September, 2011 to US\$1.9 million at end-December, 2011. The slouch in domestic debt was on account of debt service of about US\$1.9 million to financial institutions and suppliers' credit such as, the Liberia Bank for Development & Investment, etc. (See Table _ & Chart_).

**Table __: Liberia's Overall Debt Position
As At December 31, 2011
(In Millions, US\$)**

Creditors	2010	2011	
	4 th Quarter	3 rd * Quarter	4 th Quarter
Multilateral	98.9	107.54	121.7
Bilateral	123.4	130.4	130.4
Commercial Creditors	0.45	0.3	0.25
Total External Debt	222.75	238.24	252.35
Suppliers' Credit	5.6	3.3	1.9
Salary & Allowances	3.9	3.6	3.7
Financial Institutions	269	269	268.5
Pre- NTGL Salary Arrears	2.2	1.3	1.3
Others	0.2	3.1	3
Total Domestic Debt	280.90	280.30	278.40
Total Public Debt	503.65	518.54	530.75

**Revised*

**Chart __: Liberia's Overall Debt Position
As At December 31, 2011
(In Millions, US\$)**



V. FOREIGN TRADE

5.1 Merchandise Trade

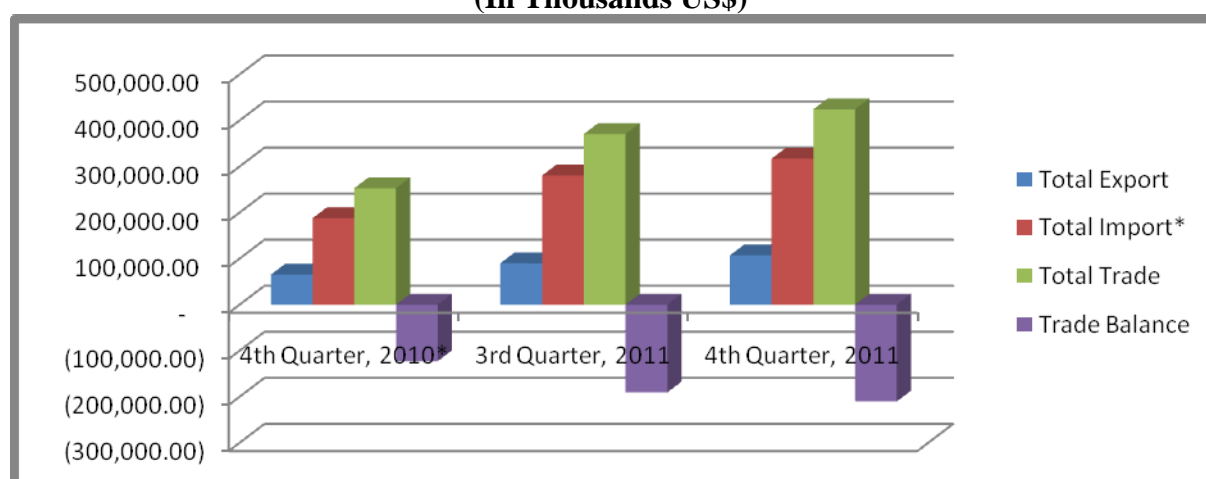
Overall trade position at end-December, 2011 stood at US\$424.3 million, from US\$370.6 million at end-September, 2011, showing a rise of 12.7 percent. Yearly comparison shows that total trade significantly grew by 67.7 percent. However, the trade deficit remained further deteriorated to US\$210.1 million at end-December, 2011, from US\$190.5 million reported at the end of the preceding quarter. The 10.3 percent trade deficit recorded during the review quarter was largely attributed to continued growth in imports.

Table 20: Import, Export and Balance of Trade
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands US\$)

Periods	4 th Quarter, 2010*	3 rd Quarter, 2011	4 th Quarter, 2011
Total Export	65,210.12	90,039.62	107,068.97
Total Import*	187,789.66	280,586.99	317,202.59
Total Trade	252,999.78	370,626.61	424,271.56
Trade Balance	(122,579.54)	(190,547.36)	(210,133.63)

Sources: Ministries of Commerce & Industry; Lands, Mines and Energy; Forestry Development Authority, & BIVAC
*Revised

Chart 16: Balance of Trade
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands US\$)



5.2 Merchandise Exports

Earnings from exports rose to US\$107.1 million during the fourth quarter, up from US\$90.0 million in the previous quarter, reflecting an increase of 19.0 percent. Receipts from Iron Ore

and the Others category were the primary contributors to this expansion. Total Proceeds from iron ore exports amounted to US\$16.7 million at end-December, 2011. During the third quarter, there was no export of iron ore. The expansion in receipts during the current period is on account of the inaugural exportation of iron ore by Arcelor Mittal. Receipts from the other commodities also expanded three-fold to US\$24.6 million in the present quarter, from US\$8.5 million of the third quarter, 2011.

Export earnings from rubber dropped by 14.4 percent to US\$55.8 million during the review quarter, from US\$65.2 million at end-September, 2011 (Table 21 & Chart 17). The contraction was attributed to the fall in export price, although quantities exported remained relatively stable. Notwithstanding, the product still remains the dominant export earner, accounting for 52.1 percent during the quarter.

Receipts from minerals (i.e. gold and diamond) also declined during the quarter. Gold exports contracted by 14.0 percent to US\$3.7 million at end-December, 2011, from US\$4.3 million during the previous quarter. Similarly, diamond exports also fell. The reduction in earnings from minerals was basically due to fall in external demand as local entities were the major players during the quarter.

5.3 Merchandise Imports

The value of merchandise imports for the quarter under review was US\$317.2 million, up from US\$280.6 million recorded at end-September, 2011, reflecting a growth of 13.0 percent. The level of expansion in import payments during the quarter was influenced by increases of 18.2 percent in Food and Live Animals category, 43.0 percent in Machinery & Transport Equipment and 17.9 percent in Petroleum Products, respectively. Other category contributing to the growth in imports payments were Miscellaneous Manufactured Articles, 10.1 percent, and Animal & Vegetable Oil, 148.1 percent or by US\$4.0 million. Yearly comparison shows that total import bills significantly increased by 68.9 percent, from US\$187.8 million at end-December, 2010 (Table 21 & Chart 17).

Table 21: Commodity Composition of Imports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands US\$)

Commodity Composition of Imports	4th Quarter, 2010*	3rd Quarter, 2011*	4th Quarter, 2011
Food and Live Animals	43,504.26	83,451.75	98,682.97
O/w Commercial Rice	6,619.83	27,518.48	45,180.30
O/w Non-commercial Rice	218.39	5.23	487.87
Beverages and Tobacco	2,917.17	7,328.60	5,187.22
Crude Materials & Inedible except Fuel	1,533.55	1,849.47	1,136.45
Minerals, Fuel & Lubricants l	6,392.39	16,634.04	9,666.77
Animals and Vegetable Oil	4,880.03	2,663.60	6,702.30
Chemicals & Related Products	7,679.90	10,375.40	7,193.72
Mfg. Goods classified chiefly by Materials	17,583.65	30,069.23	21,095.87
Machinery & Transport Equipment	32,258.37	67,740.80	96,785.55
Petroleum Products	55,249.11	52,565.66	62,007.45
Misc. Mfg. Articles	15,791.25	7,908.44	8,744.29
GRAND TOTAL	187,789.66	280,586.99	317,202.59

Sources: Ministry of Commerce & Industry and BIVAC

**Revised*

However, import bills for Beverages and Tobacco; Crude Material & Inedible, except Fuel Minerals, Fuel, & Lubricants, and Manufactured Goods chiefly classified by Materials contracted during the fourth quarter 2011. Import expenditures for Minerals, Fuel & Lubricants declined by 41.6 percent to US\$9.7 million at end-December, 2011, from US\$16.6 million recorded during the preceding quarter. Similarly, import payments for Crude Materials & Inedible except Fuel recorded a reduction of 38.9 percent to US\$1.1 million at the end of December, 2011, from US\$1.8 million during the previous quarter. Manufactured Goods chiefly classified by Materials also registered decline in import bills by 29.9 percent to US\$21.1 million at end-December, 2011, from US\$30.1 million at the end of the preceding quarter. The other category of imports that recorded slowdown was Beverages and Tobacco to US\$5.2 million at the end of the current quarter, from US\$7.3 million at end-September, 2011, representing a contraction of 28.8 percent.

Chart 17: Commodity Composition of Imports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands US\$)

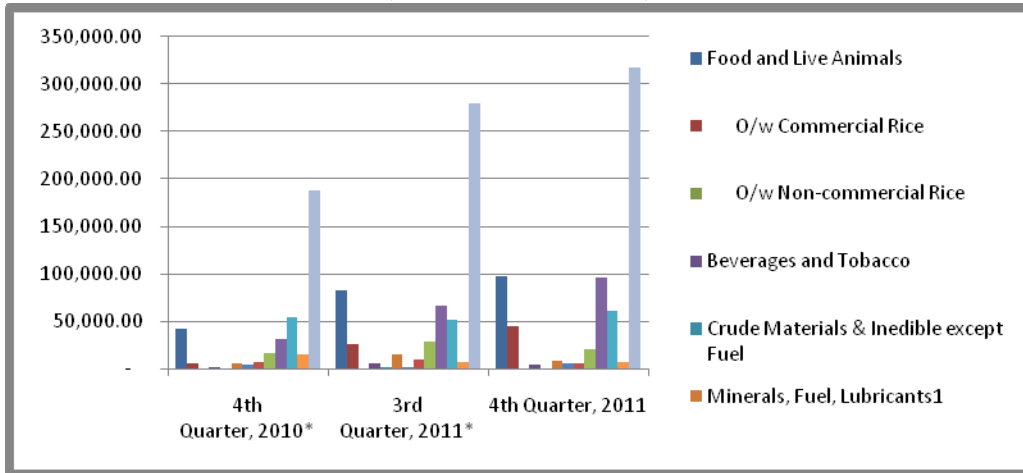


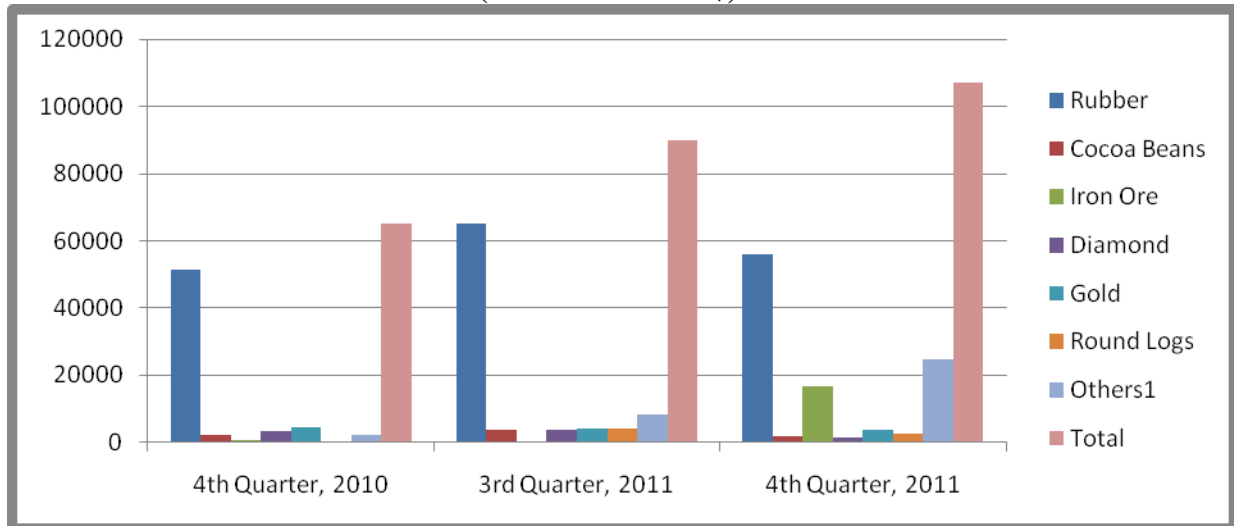
Table 22: Commodity Composition of Exports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands US\$)

Commodity Composition of Exports	Volume	4 th Quarter, 2010*			3 rd Quarter, 2011			4 th Quarter, 2011		
	Units	Volume In '000'	Value In '000' US\$	FOB Prices	Volume In '000'	Value In '000' US\$	FOB Prices	volume In '000'	Value In '000' US\$	FOB Prices
Rubber	Mt.	19.59	51,582.01	2,633.28	21.39	65,192.99	3,048.44	21.73	55,836.84	2,569.54
Cocoa Beans	Mt.	2.89	2,215.20	765.66	5.41	3,990.25	737.98	2.71	1,947.70	717.83
Coffee Beans	Mt.	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00
Iron Ore	Mt.	30.00	900.00	30.00	-	0.00	0.00	304.80	16,677.73	0.00
Diamond	Carat	8.27	3,372.27	407.93	21.28	3,882.63	182.45	6.03	1,623.78	269.12
Gold	Ounce	4.31	4,518.59	1,047.84	3.31	4,297.71	1,296.82	2.85	3,710.07	1,302.26
Round Logs	m ³	1.77	441.85	250.00	19.61	4,178.46	213.04	14.24	2,659.32	186.77
Others¹	-	-	2,180.21	0.00	-	8,497.59	0.00	-	24,613.52	0.00
Total	-	-	65,210.12	-	-	90,039.62	-	-	107,068.97	-

Sources: Ministries of Commerce & Industry, Lands, Mines & Energy, Forestry Development Authority and Firestone Company

Proceeds from round logs also declined during the fourth quarter, 2011. They were down by 35.7 percent to US\$2.7 million, from US\$4.2 million at the end of the preceding period. This was ascribed to the lag effect during the previous quarter. The third quarter coincides with the rainy season when logging activities are usually on the decline.

**Chart 18: Commodity Composition of Exports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousand US\$)**



STATISTICAL APPENDIX

PART A: REAL SECTOR

- Table A-1: Key Agricultural Production (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table A-2: Key Industrial Output (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table A-3: Consumption of Petroleum Products (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table A-4: Year-on-Year Rate of Inflation (January 2010 – December, 2011)
- Table A-5: Harmonized Consumer Price Index (HCPI) By Major Groups (4th Quarter, 2010; 3rd & 4th Quarters, 2011)

PART B: FINANCIAL SECTOR

- Table B-1: Monetary Survey (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
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- Table B-6: Sectoral Balance Sheet of Central Bank of Liberia (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
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- Table B-8: Monthly Averages of Buying and Selling Rates of Liberian Dollars per US Dollar (January, 2010 – September, 2011)

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- Table C-1: Government of Liberia Revenue by Sources (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table C-2: Government of Liberia Expenditure by Category (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table C-3: Total Revenue & Expenditure (4th Quarter, 2010; 3rd & 4th Quarters, 2011)
- Table C-4: Liberia's Overall Debt Position (3rd Quarter, 2011)

Table C-5: Functional Classification of Government Expenditure (4th Quarter, 2010; 3rd & 4th Quarters, 2011)

PART D: EXTERNAL SECTOR

Table D-1: Balance of Trade (4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Table D-2: Commodity Composition of Exports (4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Table D-3: Commodity Composition of Imports (4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Table A - 1: Key Agricultural Production
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Commodity	Unit	4 th Quarter, 2010	3 rd Quarter, 2011	4 th Quarter, 2011
Rubber	Mt	19,589	21,386	21,730
Cocoa	Mt	2,868	3,872	3,507
Coffee	Mt	27	27	NA
Round Logs	M3	1,230	18,824	18,450
Sawn Timber	Pcs	117,722	64,277	28,900

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

Table A- 2: Key Industrial Output
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)

Commodity	Unit	4 th Quarter, 2010	3 rd Quarter, 2011	4 th Quarter, 2011
Diamond	Carat	8,267	15,784	6,034
Gold	Ounce	4,312	3,313	2,849
Cement	Mt	9,944	23,399	28,512
Spirit	Liter	233,902	159,458	169,844
Beer	Liter	2,203,016	2,548,153	2,487,701
Stout	Liter	1,383,497	1,407,336	1,526,168
Malta	Liter	213,983	267,664	166,431
Soft Drinks	Liter	2,985,286	2,847,758	3,669,667
Oil Paint	Gal.	7,300	6,736	11,595
Water Paint	Gal.	47,605	61,875	80,685
Varnish	Gal.	1,825	1,684	2,319
Manoline Hair Grease	Kg.	11,441	6,208	8,484
Soap	Kg.	177,887	153,784	81,330
Candle	Kg.	164,231	101,651	87,539
Chlorox	Liter	175,344	93,845	121,824
Rubbing Alcohol	Liter	84,410	38,205	49,307
Thinner	Gal.	5,170	2,780	6,922
Mattresses	Pcs.	25,804	27,527	33,715
Finished Water	Gal.	401,551,083	471,479,897*	419,500,859*

Sources: Ministry of Lands, & Energy; Liberia Water and Sewer Corporation, Monrovia Breweries; Liberia Coca Cola Bottling Corporation, MANCO and NICOM, Monrovia, Liberia

**Estimate by the CBL*

Table A – 3: Consumption of Petroleum Products
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Gallons)

Commodity	Unit	4 th Quarter 2010	3 rd quarter 2011	4 th quarter 2011
Premium (PMS)	Gallon	6,361,912	4,350,990	6,441,867
Diesel (AGO)	Gallon	14,389,686	13,404,187	7,091,398
Kerosene (ATK)	Gallon	-	-	-
Jet-Fuel(JET-A)	Gallon	2,427,330	841,447	1,260,635
Total		23,178,928	18,596,624	14,793,900

Source: Ministry of Commerce, Monrovia, Liberia

**Table A - 4: Year-on-Year Rates of Inflation
(2010 - 2011)
(December 2005 =100)**

Month	2010	2011
January	12.9	4.7
February	11.5	7.5
March	13.2	6.5
April	11.9	7.4
May	8	7.6
June	2.5	8.8
July	4.2	10.6
August	3.3	10.3
September	5.2	6.2
October	4.9	10.7
November	5.7	9.9
December	6.6	11.5
Average Rate of Inflation	7.5	8.5

Source: Central Bank of Liberia

**Table A - 5: Harmonized Consumer Price Index (HCPI) By Major Groups
Year-on-Year Rates of Inflation
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(December, 2005=100)**

FUNCTION	WEIGHT	10-Oct	10-Nov	10-Dec	4th Quarter Ave. '10	11-Jul	11-Aug	11-Sep	3rd Quarter Ave. '11	11-Oct	11-Nov	11-Dec	4th Quarter Ave. '11
FOOD AND NON-ALCOHOLIC BEVERAGES	45.2	7.25	7.73	8.89	7.99	15.71	15.21	6.74	12.55	14.6	12.47	16.07	14.38
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	3.03	5.94	11.43	13.9	10.42	9.4	10.81	12.49	10.9	12.26	8.23	8.83	9.77
CLOTHING AND FOOTWEAR	7.75	4.91	8.36	8.85	7.37	5.1	4.51	4.75	4.79	4.8	4.25	4.68	4.58
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	12	3.36	3.74	4.42	3.84	6.34	6.21	6.06	6.2	6.23	7.46	6.5	6.73
FURNISHINGS, HOUSEHOLD EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.25	-4.36	-3.12	-1.9	-3.12	-0.32	-0.72	1.36	0.11	11.75	12.8	11.89	12.15
HEALTH	3.91	0.32	0.32	0	0.21	-0.32	-0.32	-0.32	-0.32	-0.32	-0.32	0	-0.21
TRANSPORT	6.11	5.67	4.79	6.31	5.59	20.08	20.02	19.44	19.85	19.37	19.04	17.67	18.69
COMMUNICATION	1.53	5.73	5.92	5.99	5.88	0.08	0	0.03	0.04	0.04	0.26	0.26	0.19
RECREATION AND CULTURE	3.85	1.11	1.55	1.72	1.46	5.05	4.83	4.65	4.84	4.2	4.85	4.83	4.63
EDUCATION	3.2	0	0	0	0	0	0	0	0	0	0	0	0
RESTUARANTS AND HOTELS	4.64	3.92	5.05	5.41	4.79	2.26	1.78	1.98	2.01	1.94	3.3	3.3	2.85
MISCELLANEOUS GOODS AND SERVICES	3.53	0.5	0.13	0.43	0.35	0.94	-0.26	0.18	0.28	-1.72	3.28	3.22	1.59
GENERAL RATE OF INFLATION	100	4.89	5.67	6.61	5.72	10.6	10.27	6.21	9.03	10.68	9.88	11.45	10.67

Sources: Central Bank of Liberia and Liberia Institute for Statistics & Geo-Information Services (LISGIS), Monrovia, Liberia.

Table B-1: Monetary Survey
(4th Quarter 2010; 3rd & 4th Quarters, 2011)
(In Million L\$)

	Dec-10	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
<i>End of Period Rate</i>	71.5	72.50	72.50	72.00	72.00	71.50	72.50
<i>Period Average Rate</i>	70.19	73.60	72.51	72.08	72.29	71.60	72.60
FOREIGN ASSETS (NET)	23,629.5	24,209.4	24,288.7	24,705.0	23,287.9	22,546.8	26,814.5
FOREIGN ASSETS (MA)	33,388.0	35,704.5	36,292.2	35,876.0	35,589.4	35,391.8	37,963.0
(-) FOREIGN LIABILITIES (MA)	19,706.3	20,681.6	20,807.8	20,664.1	20,664.3	20,545.7	20,832.7
FOREIGN ASSETS (CoB)	10,957.1	10,379.9	10,012.7	10,200.7	9,146.8	8,521.3	10,723.2
(-) FOREIGN LIABILITIES (CoB)	1,009.2	1,193.4	1,208.3	707.7	784.0	820.7	1,039.0
DOMESTIC CREDIT	26,284.9	30,187.4	30,212.8	31,834.9	32,321.2	33,252.2	34,458.6
CLAIMS ON GENERAL GOVERNMENT (NET)	12,013.4	13,936.3	13,204.8	14,412.1	14,153.5	14,964.8	15,283.3
CLAIMS ON GENERAL GOVERNMENT (MA)	18,720.2	18,969.7	18,969.3	18,845.4	18,852.3	18,727.7	18,976.7
(-) GENERAL GOVERNMENT DEPOSITS (MA)	6,519.8	4,526.3	5,371.7	4,134.9	4,278.5	3,299.1	3,100.9
CLAIMS ON GENERAL GOVERNMENT (CoB)	461.2	445.9	445.9	500.3	442.8	439.7	424.2
(-) GENERAL GOVERNMENT DEPOSITS (CoB)	648.2	953.0	838.6	798.7	863.0	903.6	1,016.7
CLAIMS ON PUBLIC CORPORATIONS (MA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CLAIMS ON PUBLIC CORPORATIONS (CoB)	500.5	780.9	958.3	1,080.2	719.3	692.3	719.2
CLAIMS ON PRIVATE SECTOR (MA)	350.7	357.7	361.4	360.2	346.4	214.0	421.6
CLAIMS ON PRIVATE SECTOR (CoB)	13,325.7	14,977.5	15,542.9	15,880.6	16,985.8	17,289.3	17,934.2
CLAIMS ON NBFIS (MA)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CLAIMS ON NBFIS (CoB)	94.7	135.0	145.4	101.9	116.1	91.8	100.4
MONEY	32,071.2	36,214.7	36,583.8	40,737.4	41,022.0	41,038.2	44,634.6
CURRENCY OUTSIDE BANKS (MA)	5,007.9	5,071.8	5,026.5	5,124.3	5,463.4	6,022.4	6,704.3
LIBERIAN CURRENCY IN CIRCULATION (MA)	5,550.6	5,660.9	5,696.2	5,710.5	5,958.0	6,534.8	7,251.6
(-) CURRENCY HOLDINGS (CoB)	542.6	589.1	669.7	586.2	494.5	512.4	547.3
DEMAND DEPOSITS	19,172.1	20,967.5	21,765.3	23,527.7	23,938.0	23,341.4	24,601.1
DEMAND DEPOSITS (MA)	967.4	1,062.8	1,112.4	1,088.4	1,178.5	1,215.1	1,236.4
DEMAND DEPOSITS (CoB)	18,204.7	19,904.6	20,652.8	22,439.3	22,759.5	22,126.3	23,364.7
OTHER DEPOSITS	7,891.2	10,175.4	9,792.1	12,085.4	11,620.5	11,674.3	13,329.2
OTHER DEPOSITS (MA)	318.5	80.9	(411.9)	1,062.4	136.9	114.9	1,973.4
TIME AND SAVINGS DEPOSITS (CoB)	7,572.7	10,094.5	10,204.0	11,023.0	11,483.7	11,559.5	11,355.8
BONDS AND SECURITIES (CoB)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
RESTRICTED DEPOSIT	53.2	52.8	51.7	51.7	54.1	54.1	54.1
CAPITAL ACCOUNTS	26,567.0	26,790.3	27,447.1	27,252.1	27,191.9	27,110.5	26,913.6
CAPITAL ACCOUNTS (MA)	17,406.5	17,546.6	17,489.5	17,260.9	17,170.8	17,102.0	16,732.6
CAPITAL ACCOUNTS (CoB)	9,160.5	9,243.7	9,957.6	9,991.1	10,021.1	10,008.4	10,181.0
OTHER ITEMS (NET)	(8,458.5)	(8,580.1)	(9,993.0)	(10,438.8)	(12,522.1)	(12,288.8)	(8,355.8)
UNCLASSIFIED LIABILITIES (MA)	9,772.2	10,782.3	10,851.4	10,789.4	10,820.8	10,572.0	11,453.5
(-) UNCLASSIFIED ASSETS (MA)	14,616.6	15,579.3	15,676.5	16,100.9	16,084.2	16,041.8	16,216.7
(-) UNCLASSIFIED ASSETS (CoB)	5,773.4	6,400.9	6,843.2	8,890.3	10,885.3	10,999.3	8,824.9
UNCLASSIFIED LIABILITIES (CoB)	3,534.4	4,252.0	4,174.6	4,668.9	5,237.1	5,902.5	5,311.0
COMMERCIAL BANKS DEPOSITS (MA)	7,437.2	10,904.1	11,071.4	11,149.2	11,304.8	11,654.6	11,914.6
(-) RESERVES (CoB)	8,209.6	11,757.4	12,323.2	12,215.7	12,095.9	12,536.2	12,780.4
CURRENCY HOLDINGS (CoB)	542.6	589.1	669.7	586.2	494.5	512.4	547.3
LIABILITIES TO CENTRAL BANK (CoB)	53.6	108.8	108.8	108.0	108.0	107.3	108.8
(-) CLAIMS ON DOMESTIC BANKS (MA)	615.6	647.0	701.9	689.7	653.0	675.4	930.6
(-) CLAIMS ON CENTRAL BANK OF LIBERIA (CoB)	895.6	906.5	906.0	899.8	899.8	893.6	906.0
(-) UNBALANCED ITEMS	312.4	74.7	(418.0)	1,056.1	130.8	108.6	1,967.6
VERTICAL CHECK	(0.0)	(0.0)	(0.0)	0.0	(0.0)	0.0	(0.0)

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-2: Table B-2: Commercial Banks' Loans by Economic Sectors
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousand L\$)

SECTORS	Dec-10		Sept-11		Dec-11	
	4th Quarter 2010	%Share	3 rd Quarter 2011	%Share	4th Quarter 2011	%Share
1. Agriculture	398,250	3.2	514,759	3.4	748,330	4.6
1.1 Rubber	105,244	0.8	97,401	0.7	132,458	0.8
1.2 Forestry	78,749	0.6	141,152	0.9	125,826	0.8
1.3 Fishing	145,360	1.2	200,736	1.3	192,425	1.2
1.4 other	68,897	0.5	75,470	0.5	297,622	1.8
				-		
2. Mining & Quarrying	2,085	0.0	66,965	0.4	139,568	0.9
2.1 Iron Ore	-	0.0	-	-	8,990	0.1
2.2 Quarrying	2,085	0.0	66,965	0.4	130,578	0.8
		0.0		-		
3. Manufacturing	162,694	1.3	259,416	1.7	324,053	2.0
				-		
4. Construction	1,215,416	9.6	1,312,594	8.8	1,319,039	8.2
4.1 Mortgage Loans	117,975	0.9	96,408	0.6	98,238	0.6
4.2 Home Improvement	387,730	3.1	99,576	0.7	81,466	0.5
4.3 Other	709,711	5.6	1,116,610	7.5	1,139,335	7.0
				-		
5. Trans., Storage & Comm.	2,823,580	22.4	1,322,107	8.8	1,351,589	8.4
5.1 Transportation	2,079,639	16.5	654,054	4.4	676,770	4.2
5.2 Storage	-	0.0	-	-	-	0.0
5.3 Communication	743,941	5.9	668,053	4.5	674,819	4.2
				-		
6. Trade, Hotel & Rest.	3,977,725	31.5	5,918,395	39.6	6,662,164	41.2
6.1 Diamond trade	13,800	0.1	22,176	0.1	3,536,392	21.9
6.2 Other trade	3,653,619	28.9	5,559,882	37.2	2,802,802	17.3
6.3 Hotels	292,743	2.3	314,928	2.1	289,238	1.8
6.4 Restaurants	17,564	0.1	21,409	0.1	33,732	0.2
				-		
7. Other	4,043,743	32.0	5,554,867	37.2	5,625,575	34.8
7.1 Services	1,321,596	10.5	2,507,723	16.8	2,609,549	16.1
7.2 Personal	2,478,783	19.6	2,326,209	15.6	2,414,699	14.9
7.3 GOL	67,210	0.5	57,528	0.4	57,928	0.4
7.4 Central Bank of Liberia	-	0.0	-	-	-	
7.5 Public Corporations	72	0.0	346,634	2.3	322,988	2.0
7.5 Other	176,083	1.4	316,773	2.1	220,412	1.4
Total	12,623,491	100	14,949,103	100	16,170,317	100.0

Source: Central Bank of Liberia

¹ The "others" sector includes loans extended mainly to individuals and service-related institutions

Table B - 3: Liberian Dollars in Circulation
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

End of Period	Currency in Banks	Currency outside Banks	Currency in Circulation
	(1)	(2)	(3)=(1)+(2)
4 th Quarter, 2010	542.6	5,007.9	5,550.5
3 rd Quarter, 2011	586.2	5,124.3	5,710.5
4 th Quarter, 2011	547.3	6,704.3	7,251.6

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-4: Money Supply and Broad Money
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Million L\$)

	Dec-10	Sep-11	Dec-11
BROAD MONEY	31,103.9	39,649.0	43,398.2
M1	23,212.7	27,563.6	30,069.0
CURRENCY OUTSIDE BANKS - L\$	5,007.9	5,124.3	6,704.3
DEMAND DEPOSITS	18,204.7	22,439.3	23,364.7
<i>United States Dollars component of demand deposits denominated to Liberian Dollars</i>	17,096.5	20,879.9	22,011.1
<i>Liberian Dollars component of demand deposits</i>	1,108.2	1,559.4	1,353.6
TIME AND SAVINGS	7,572.7	11,023.0	11,355.8
<i>United States Dollars component of savings deposits denominated to Liberian Dollars</i>	5,824.3	8,019.2	8,514.4
<i>Liberian Dollars component of time & savings deposits</i>	1,748.4	3,003.8	2,841.4
OTHER DEPOSITS	318.5	1,062.4	1,973.4
<i>United States Dollars component of savings deposits denominated to Liberian Dollars</i>	312.4	1,056.1	1,967.6
<i>Liberian Dollars component of time & savings deposits</i>	6.1	6.4	5.8
United States Dollars component of Broad Money denominated to Broad Money	23,233.2	29,955.1	32,493.1
Percentage share of US dollars to Liberian dollars.	74.7%	75.6%	74.9%
Exchange Rate	71.50	72.00	72.50

Source: Central Bank of Liberia, Monrovia, Liberia

Table B-5: Other Depository Corporations' Balance Sheet
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousand L\$)

ASSETS	Dec-10	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
RESERVES	8,209,588	11,757,383	12,323,153	12,215,703	12,095,888	12,536,166	12,780,443
O/w: CASH ON HAND: COINS/LD NOTES	542,617	589,080	669,717	586,191	494,536	512,400	547,305
FOREIGN ASSETS	10,957,067	10,379,895	10,012,656	10,200,699	9,146,767	8,521,327	10,723,187
CLAIMS ON GENERAL GOVERNMENT	461,179	445,868	445,868	500,348	442,818	439,743	424,154
CLAIMS ON PUBLIC CORPORATIONS	500,477	780,927	958,317	1,080,184	719,280	692,313	719,226
CLAIMS ON PRIVATE SECTOR	13,325,657	14,977,487	15,542,879	15,880,600	16,985,835	17,289,277	17,934,205
CLAIMS ON CENTRAL BANK OF LIBERIA	895,611	906,533	905,956	899,777	899,777	893,598	905,956
CLAIMS ON NBFIS	94,698	134,987	145,432	101,875	116,122	91,821	100,355
UNCLASSIFIED ASSETS	5,773,423	6,400,898	6,843,227	8,890,325	10,885,251	10,999,307	8,824,880
TOTAL ASSETS	40,217,700	45,783,979	47,177,489	49,769,512	51,291,738	51,463,552	52,412,405
LIABILITIES	Dec-10	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
DEMAND DEPOSITS	18,204,714	19,904,640	20,652,822	22,439,300	22,759,476	22,126,282	23,364,708
TIME AND SAVINGS DEPOSITS	7,572,695	10,094,496	10,203,974	11,022,976	11,483,681	11,559,461	11,355,848
RESTRICTED DEPOSITS	34,412	34,011	32,900	32,900	35,330	35,330	35,330
BONDS AND SECURITIES	0	0	0	0	0	0	0
FOREIGN LIABILITIES	1,009,242	1,193,357	1,208,337	707,665	784,004	820,686	1,039,036
GOVERNMENT DEPOSITS	648,156	953,032	838,572	798,687	863,046	903,591	1,016,679
LIABILITIES TO CENTRAL BANK	53,625	108,750	108,750	108,000	108,000	107,250	108,750
CAPITAL ACCOUNTS	9,160,492	9,243,710	9,957,570	9,991,132	10,021,097	10,008,405	10,181,041
UNCLASSIFIED LIABILITIES	3,534,364	4,251,983	4,174,563	4,668,853	5,237,104	5,902,547	5,311,013
TOTAL LIABILITIES	40,217,700	45,783,979	47,177,489	49,769,512	51,291,738	51,463,552	52,412,405
VERTICAL CHECK (ASSETS/LIABILITIES)	0	0	0	0	0	0	0

Source: Central Bank of Liberia, Monrovia, Liberia

Table B – 6: Sectoral Balance Sheet of Central Bank of Liberia
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Thousands L\$)

ASSETS	Dec-10	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
FOREIGN ASSETS	33,388,024	35,704,476	36,292,165	35,876,040	35,589,415	35,391,833	37,963,032
CLAIMS ON GENERAL GOVERNMENT	18,720,198	18,969,705	18,969,271	18,845,357	18,852,285	18,727,666	18,976,710
CLAIMS ON PUBLIC CORPORATIONS	0	0	0	0	0	0	0
CLAIMS ON PRIVATE SECTOR	350,667	357,683	361,357	360,206	346,400	214,033	421,552
CLAIMS ON DOMESTIC BANKS	615,641	646,978	701,859	689,713	653,013	675,362	930,600
CLAIMS ON NBFIS	0	0	0	0	0	0	0
UNCLASSIFIED ASSETS	14,616,567	15,579,258	15,676,525	16,100,947	16,084,177	16,041,755	16,216,701
TOTAL ASSETS	67,691,098	71,258,100	72,001,178	71,872,264	71,525,290	71,050,647	74,508,595
LIABILITIES	Dec-10	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
RESERVE MONEY	14,267,497	17,702,527	17,461,963	19,004,123	18,572,058	19,513,076	22,370,194
OTHER DEPOSITS	0	0	0	0	0	0	0
RESTRICTED RESERVES	18,781	18,781	18,781	18,781	18,781	18,781	18,781
FOREIGN LIABILITIES	19,706,304	20,681,580	20,807,811	20,664,063	20,664,283	20,545,670	20,832,726
LIABILITIES TO GENERAL GOVERNMENT	6,519,838	4,526,263	5,371,718	4,134,950	4,278,534	3,299,061	3,100,881
CAPITAL ACCOUNTS	17,406,510	17,546,639	17,489,523	17,260,920	17,170,808	17,102,049	16,732,551
UNCLASSIFIED LIABILITIES	9,772,168	10,782,309	10,851,383	10,789,427	10,820,826	10,572,010	11,453,462
TOTAL LIABILITIES	67,691,098	71,258,100	72,001,178	71,872,264	71,525,290	71,050,647	74,508,595
VERTICAL CHECK (ASSETS-LIABILITIES)	0	0	0	0	0	0	0

Source: Central Bank of Liberia, Monrovia, Liberia

**Table B-7: Central Bank of Liberia Foreign Exchange Auction
(October, 2011 – December, 2011)**

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\$)
291	28-Dec-11	500,000.00	71.9889	500,000.00	14	4	50,000.00	242,360.00	742,360.00
Special Window	22-Dec-11	8,000,000.00	71.0000	8,000,000.00					
290	21-Dec-11	500,000.00	71.8500	500,000.00	14	1	50,000.00	122,000.00	622,000.00
289	14-Dec-11	500,000.00	71.8000	500,000.00	13	3	0.00	165,425.00	665,425.00
288	7-Dec-11	500,000.00	71.8500	500,000.00	14	6	0.00	318,540.00	818,540.00
287	30-Nov-11	500,000.00	71.9000	500,000.00	13	7	0.00	322,900.00	822,900.00
286	23-Nov-11	500,000.00	71.6999	500,000.00	14	2	0.00	145,000.00	645,000.00
285	16-Nov-11	500,000.00	71.6500	500,000.00	13	6	0.00	183,000.00	683,000.00
284	9-Nov-11	500,000.00	71.2500	500,000.00	14	1	0.00	67,270.00	567,270.00
283	2-Nov-11	500,000.00	71.9000	500,000.00	14	2	0.00	160,000.00	660,000.00
282	26-Oct-11	500,000.00	72.2500	500,000.00	12	4	20,000.00	92,150.00	592,150.00
281	19-Oct-11	500,000.00	72.3000	500,000.00	10	6	0.00	167,500.00	667,500.00
280	12-Oct-11	1,000,000.00	72.0765	1,000,000.00	17	0	100,000.00	55,000.00	1,055,000.00
279	5-Oct-11	500,000.00	72.3500	500,000.00	17	0	500,000.00	433,300.00	933,300.00
Total		15,000,000.00		15,000,000.00	179	42	720,000.00	2,474,445.00	9,474,445.00

Source: Central Bank of Liberia, Monrovia, Liberia

Table B - 8: Monthly Averages of Buying and Selling Rates of Liberian Dollar per one US Dollar (2010 - 2011)

Period	2010		2011	
	Buying	Selling	Buying	Selling
January	70.83	71.83	71.79	72.75
February	71.25	72.31	71.96	72.60
March	71.09	72.09	71.61	72.31
April	70.21	71.21	71.54	72.21
May	70.58	71.58	72.00	72.98
June	71.19	72.15	72.10	73.10
July	71.81	72.76	72.35	73.33
August	72.00	73.00	72.02	73.00
September	71.35	72.35	71.58	72.58
October	71.50	72.54	71.88	72.69
November	69.35	70.31	71.10	72.10
December	69.72	70.67	71.43	72.43
Q1	71.06	72.08	71.79	72.56
Q2	70.66	71.65	71.88	72.76
Q3	71.72	72.70	71.98	72.97
Q4	70.19	71.17	71.47	72.40
Year	70.91	71.90	71.78	72.67

Source: Central Bank of Liberia, Monrovia, Liberia

Table C – 1: Government of Liberia Revenue by Sources (4th Quarter, 2010; 3rd & 4th Quarters, 2011) (In Millions L\$)

Revenue Sources	2010	2011	
	4 th Quarter	3 rd Quarter*	4 th Quarter
Customs & Excise	1,866.83	2,766.5	2,406.71
Direct Taxes	2,743.67	1,814.9	2,015.78
Indirect Taxes	1,441.86	911.5	684.73
FDA ¹ (Stumpage)	-	22.9	-
Petroleum Sales Levy	185.97	209.1	226.42
Maritime	616.34	237.2	470.38
Grants	1,031.46	-	-
Total	7,886.13	5,962.18	5,804.02

Source: Ministry of Finance, Republic of Liberia.

¹Forestry Development Authority

* Revised

Table C - 2: Government of Liberia Expenditure by Category
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

Expenditure Category	2010	2011	
	4 th Quarter	3 rd Quarter	4 th Quarter
General Administration	2,090.36	2,717.83	4,048.68
Social & Community Services	619.81	1,114.83	3,237.32
Economic Services	152.04	137.70	720.68
Other Expenditure	322.61	976.46	633.39
Total	3,184.82	4,946.82	8,640.07

Source: Ministry of Finance, Republic of Liberia

Table C - 3: Total Revenue & Expenditure
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(In Millions L\$)

Fiscal Operations	2010	2011	
	4 th Quarter	3 rd Quarter	4 th Quarter
Revenue	7,886.13	5,962.18	5,804.02
Expenditure	5,831.00	4,946.82	8,640.06

Source: Ministry of Finance, Republic of Liberia

Table C-4: Liberia's Overall Debt Position
As at September 30, 2011
(In Millions US\$)

Creditor	2010	2011	
	3rd Quarter	2nd Quarter	3rd Quarter
Multilateral	138.94	110.5	107.8
Bilateral	123.18	122.1	130.4
Commercial	20.5	0.5	0.3
Total External Debt	282.62	233.1	238.5
Suppliers' Credit	5.07	3.9	3.3
Salary & Allowances	3.8	3.7	5
Financial Institutions	270	269.1	269.1
Pre-NTGL Salary Arrears	3.06	1.4	0
Others	0	0	3.1
Total Domestic Debt	281.93	278.1	280.5
Total Public Debt	564.55	511.2	519

**Table C – 5 Functional Classification of Government Expenditure
(4th Quarter, 2011; 3rd & 4th Quarters, 2011)**

Functional Classification	2010	2011	
	4th Quarter	3rd Quarter	4th Quarter
General Administration	3,152.68	2,717.83	4,048.68
National Legislature	486.84	482.81	500.49
Executive Policy	1,363.74	941.49	1,797.07
Internal Management Services	186.37	196.39	358.94
Protection of Person & Property	693.65	794.44	842.79
Foreign Affairs	206.55	56.38	277.54
Defense	215.53	246.32	271.85
Social & Community Services	1,632.53	1,114.83	3,237.32
Social Services	1,277.79	823.09	2,426.58
Community Services	354.74	291.73	810.74
		-	
Economic Services	309.32	137.70	720.68
Primary	90.07	43.69	240.08
Secondary	219.25	94.01	480.60
Other Expenditure	736.46	976.46	633.39
Total	5,831.00	4,946.82	8,640.06

Source: Ministry of Finance, Monrovia, Liberia

**Table D - 1: Balance of Trade
4th Quarter, 2010; 3rd & 4th Quarters, 2011
(Values In '000' US\$)**

Periods	4 th Quarter, 2010*	3 rd Quarter, 2011	4 th Quarter, 2011
Total Export	65,210.12	90,039.62	107,068.97
Total Import*	187,789.66	280,586.99	317,202.59
Total Trade	252,999.78	370,626.61	424,271.56
Trade Balance	(122,579.54)	(190,547.36)	(210,133.63)

Sources: Ministries of Commerce & Industry; Lands, Mines and Energy; Forestry Development Authority, & BIVAC

**Revised*

Table D - 2: Commodity Composition of Exports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(Values In '000', US\$)

Commodity Composition of Exports	Volume	4 th Quarter, 2010*			3 rd Quarter, 2011			4 th Quarter, 2011		
	Units	Volume In '000'	Value In '000' US\$	FOB Prices	Volume In '000'	Value In '000' US\$	FOB Prices	volume In '000'	Value In '000' US\$	FOB Prices
Rubber	Mt.	19.59	51,582.01	2,633.28	21.39	65,192.99	3,048.44	21.73	55,836.84	2,569.54
Cocoa Beans	Mt.	2.89	2,215.20	765.66	5.41	3,990.25	737.98	2.71	1,947.70	717.83
Coffee Beans	Mt.	-	0.00	0.00	-	0.00	0.00	-	0.00	0.00
Iron Ore	Mt.	30.00	900.00	30.00	-	0.00	0.00	304.80	16,677.73	0.00
Diamond	Carat	8.27	3,372.27	407.93	21.28	3,882.63	182.45	6.03	1,623.78	269.12
Gold	Ounce	4.31	4,518.59	1,047.84	3.31	4,297.71	1,296.82	2.85	3,710.07	1,302.26
Round Logs	m ³	1.77	441.85	250.00	19.61	4,178.46	213.04	14.24	2,659.32	186.77
Others¹	-	-	2,180.21	0.00	-	8,497.59	0.00	-	24,613.52	0.00
Total	-	-	65,210.12	-	-	90,039.62	-	-	107,068.97	-

Sources: Ministries of Commerce & Industry, Lands, Mines & Energy, Forestry Development Authority and Firestone Company

Table D - 3: Commodity Composition of Imports
(4th Quarter, 2010; 3rd & 4th Quarters, 2011)
(Values In '000' US\$)

Commodity Composition of Imports	4th Quarter, 2010*	3rd Quarter, 2011*	4th Quarter, 2011
Food and Live Animals	43,504.26	83,451.75	98,682.97
O/w Commercial Rice	6,619.83	27,518.48	45,180.30
O/w Non-commercial Rice	218.39	5.23	487.87
Beverages and Tobacco	2,917.17	7,328.60	5,187.22
Crude Materials & Inedible except Fuel	1,533.55	1,849.47	1,136.45
Minerals, Fuel & Lubricants ¹	6,392.39	16,634.04	9,666.77
Animals and Vegetable Oil	4,880.03	2,663.60	6,702.30
Chemicals & Related Products	7,679.90	10,375.40	7,193.72
Mfg. Goods classified chiefly by Materials	17,583.65	30,069.23	21,095.87
Machinery & Transport Equipment	32,258.37	67,740.80	96,785.55
Petroleum Products	55,249.11	52,565.66	62,007.45
Misc. Mfg. Articles	15,791.25	7,908.44	8,744.29
GRAND TOTAL	187,789.66	280,586.99	317,202.59

Sources: Ministry of Commerce & Industry and BIVAC

**Revised*