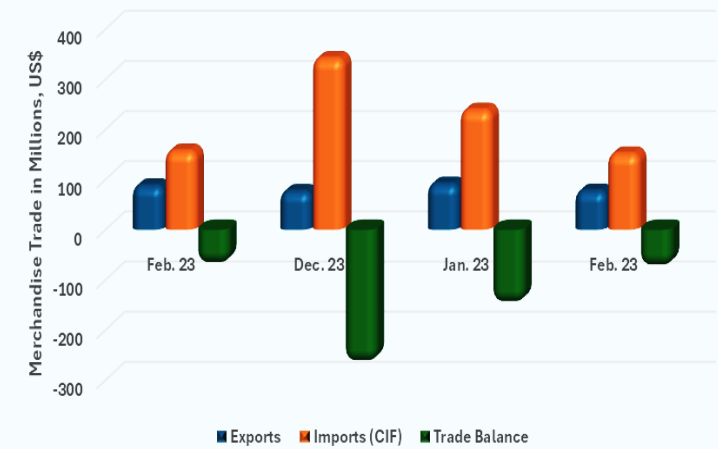


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GLOBAL PRICE	Feb- 23	Dec-23	Jan-24	Feb-24		
	(Commodity price per Unit of Measure)				MoM	YoY
Iron ore (US\$/MT)	127.60	137.05	135.82	124.39	(8.4)	(2.52)
Gold (US\$/Oz)	1,854.54	2,026.18	2,034.04	2,023.24	(0.5)	9.10
Rubber (US\$/MT)	1,620.00	1,661.90	1,800.00	2,024.50	12.5	24.97
Cocoa Beans (US\$/MT)	2,650.00	4,208.89	4,400.00	5,556.26	26.3	109.67
Palm oil (US\$/MT)	949.98	813.51	844.90	856.93	1.4	(9.79)
Crude oil (US\$/BBL)	80.25	75.72	77.67	80.55	3.7	0.37
Food Price Index (FAO) ¹	131.10	119.20	118.20	117.30	(0.8)	(10.53)
Rice_5% broken (US\$/MT)	492.00	610.00	620.00	594.00	(4.2)	20.73
Sugar (US\$/MT)	450.00	478.18	480.00	502.43	4.7	11.65
Commodity Price Index No ²	44985	45291	45322	45351	0.1	0.81

¹/Commodity Food Price Index includes Cereal, Vegetable Oils, Meat, Seafood, Sugar, Bananas, and Oranges Price Indices²/ Commodity Price Index includes both Fuel and Non-Fuel Price Indices

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1.0 INTRODUCTION

The Monthly Economic Review (MER) is published by the Research, Policy, and Planning Department (RPPD) of the Central Bank of Liberia (CBL). It is a regular publication that provides a snapshot of economic developments in key sectors (Real, Monetary, Fiscal and External) of the Liberian economy. The MER also highlights the Monetary Policy Stance of the CBL and provides a synopsis of exchange rate developments in the West African Monetary Zone (WAMZ).

This Edition represents Volume 10 Number 02.

2.0 OVERVIEW

Production statistics of key commodities, iron ore, gold, cement, and rubber recorded decreases in outputs, while diamond and beverages outputs increased in February 2024 relative to the previous month.

Headline inflation rose to 10.74 percent, from the 10.52 percent reported in January 2024, reflecting increase in the prices of domestic food items and food & non-alcoholic beverages components of the CPI basket.

The Central Bank of Liberia's (CBL) monetary policy stance continues to be anchored on price stability with emphasis on the management of Liberian dollar liquidity. As part of the CBL's monetary policy operations, the Bank issued bills at tenors of two-week, one-month, and three-month at the Monetary Policy Rate (MPR) of 20.0 percent per annum.

Broad money (M2) supply increased by 3.6 percent to L\$228.16 billion at end-February 2024, from the L\$220.29 billion recorded at the end of the preceding month on account of 42.2 percent growth in net foreign assets (NFA) of the banking system, and 1.3 percent growth in net domestic assets (NDA). Currency in circulation contracted by 3.1 percent to L\$29.72 billion at end-February 2024, from L\$30.66 billion recorded at the end of the previous month. This was induced by decrease in currency outside banks which outweighed the increase of in currency in banks.

Key financial indicators in the Liberian banking system remained favorable during the review period as commercial banks were largely in compliance with most of the regulatory requirements of the CBL. The industry liquidity ratio decreased by 0.16 percentage points to 42.82 percent, while the Capital Adequacy Ratio (CAR) increased by 0.48 percentage points to 28.62 percent.

7.6 Sugar

The price of sugar rose by 4.7 percent to US\$502.43 per metric ton, from the US\$480.00 per metric ton recorded in the previous month. Annual comparison showed that the price of sugar also increased by 11.7 percent, from US\$450.00 per metric ton in February 2023.

7.7 Palm Oil

Palm oil price grew by 1.4 percent to US\$856.93 per metric ton in February 2024, from US\$844.90 per metric ton in the previous month, occasioned largely by climatic conditions. Compared to February in the previous year, the price of palm oil fell by 9.8 percent, from US\$949.98 per metric ton.

7.8 Rice

The price for rice decreased by 4.2 percent to US\$594.00 per metric ton, from US\$620.00 per metric ton in the previous month, on account of the beginning of harvest season in producing countries. Annual comparison indicated that rice price increased by 20.7 percent, from US\$492.00 per metric ton in February 2023.

7.9 Cocoa Beans

The price of cocoa bean grew by 26.3 percent to US\$5,556.26 per metric ton in February 2024, from US\$4,400.00 per metric ton in the preceding month, led by supply constraints caused by climatic conditions. Compared to February 2023, the price of the commodity also increased by 109.7 percent, from US\$2,650.00 per metric ton.

Commodity Price Outlook

According to the global commodity market outlook of the World Bank, commodity prices are anticipated to trend upward in March 2024. Overall index of commodity price indices measured in US dollars of energy, non-energy, agriculture, fertilizers, metal & minerals, and precious metals, are expected to increase against the price indices reported in February 2024.

7.1 Iron ore

The price of iron ore decreased by 8.4 percent to US\$124.39 per metric ton in February 2024, from US\$135.82 per metric ton in the previous month. The decrease in the price of the commodity was due to rising stockpiles in steelmaking industries, and market sentiments. The year-on-year comparison showed that the price of iron ore fell by 2.5 percent, from the US\$127.60 per metric ton recorded in February 2023.

7.2 Gold

Gold price marginally fell by 0.5 percent to US\$2,023.24 per ounce during the month under review, from US\$2,034.04 per ounce in January 2024, on account of a stronger US inflation rate. Year-on-year comparison indicated that the price increased by 9.1 percent, from the US\$1,854.54 recorded in February 2023.

7.3 Crude Oil (Petroleum) price

The price of petroleum surged by 3.7 percent to US\$80.55 per barrel in February 2024 relative to the price reported in the previous month. The rise in petroleum price was driven by global market conditions and the geopolitical outlook in the Middle East. Compared to February 2023, the price of petroleum increased marginally by 0.4 percent, from US\$80.25 per barrel.

7.4 Rubber

Rubber price increased by 12.5 percent to US\$2,024.50 per metric ton, from US\$1,800.00 per metric ton recorded in January 2024, mainly due to a slowdown in outputs in producing countries. Year-on-year comparison showed that rubber price grew by 25.0 percent, from US\$1,620.00 per metric ton in February 2023.

7.5 Food Price (FAO)

The FAO food price index (FFPI) decreased by 0.6 percent to US\$117.0 in February 2024, from US\$117.7 in the previous month. This development was led by decline in the price indices of cereals and vegetable oils.

Similarly, both Return on Assets (ROA) and Return on Equity (ROE) rose by 0.32 percentage point to 0.61 percent, and 2.28 percentage points to 4.40 percent, respectively, while the ratio of non-performing loans (NPLs) to total loans decreased by 1.47 percentage points to 17.4 percent at end-February 2024.

The Government of Liberia's (GoL) fiscal operations improved as the overall balance surplus grew to approximately 0.7 percent of GDP, from 0.5 percent of GDP in January 2024, mainly on account of an increase in total revenue outweighing the marginal increase in GOL's expenditure for the period under review.

The total public debt narrowly rose by 0.4 percent to 51.5 percent of GDP at end-February 2024 relative to the 51.3 percent of GDP reported at end-January 2023, explained by a slight increase in external debt.

The merchandise trade deficit reduced significantly by 49.6 percent, as total merchandise trade also fell by 30.6 percent against their respective levels in the preceding month., largely on account of decrease in import payments.

Gross International Reserves (GIR) slightly increased by 0.3 percent to 9.8 percent of GDP at end-February 2024 relative to the GIR reported in the previous month, primarily driven by an increase in foreign liquid assets, excluding Special Drawing Right (SDR) Holdings & Reserves. Similarly, the months of import cover rose to 2.6 months, 0.4 months below the ECOWAS minimum regional threshold.

Net personal remittance inflows (including remittances terminated through mobile wallet) increased by 13.7 percent to 1.6 percent of GDP in February 2024 against the amount reported in January 2024, occasioned by 8.4 percent rise in inward remittances coupled with 36.5 percent decrease in outward remittances. The Liberian dollar depreciated against the US dollar on both average and end-period basis during the review month by 0.6 percent and 0.8 percent respectively. This development was mainly driven by demand for foreign exchange to facilitate payments for imports during the period.

3.0 REAL SECTOR & PRICE DEVELOPMENTS

3.1 Production Analyses of Key Commodities

Production statistics of key commodities revealed mixed trends in February 2024 compared to the preceding month. Diamond, cement, and beverages outputs reported positive growths, while rubber, gold, and iron ore production declined against their respective production levels in the preceding month.

Diamond output rose by 80.2 percent to 7,758 carats in the month under review, from 4,306 carats in January 2024, largely due to the relaxation of the stringent measure by government. Similarly, beverage production increased by 38.2 percent to 3.89 million metric tons compared with the 2.82 million metric tons reported in the previous month. When disaggregated, alcoholic beverages constituted 39.3 percent, while non-alcoholic beverages accounted for 60.7 percent of total production. However, rubber output slumped by 18.4 percent to 5,270 metric tons in February 2024, from the 6,456 metric tons recorded in the previous month. This development was mainly explained by decline in the production of the commodity by small farm holders during the review period. Iron ore production fell by 10.7 percent to 460,000 metric tons in February 2024, compared to the 515,000 metric tons produced in the preceding month, mainly on account of fall in the global price of the commodity. Similarly, gold output plummeted by 25.3 percent to 29,971 ounces, from 40,107 ounces in January 2024, largely on account of protest in the concession area of one of the major gold mining companies.

Additionally, cement output decreased by an estimated 14.2 percent to 60,588 metric tons during the review month, from the 70,624 metric tons reported in the previous month, largely reflecting inventory accumulation.

3.2 Consumer Prices

Headline inflation increased to 10.74 percent during the month under review, from the 10.52 percent reported in January 2024. This development was mainly attributed to increase in the prices of food & non-alcoholic beverages components of the CPI basket. Conversely, on a month-on-month basis, inflation moderated to 0.37 percent, from the 1.37 percent reported in the previous month. The decline was largely on account of decrease in the prices of alcoholic beverages, tobacco & narcotics; furnishing, household equipment, & routine household maintenance; and transport prices.

Additionally, core inflation¹ moderated to 3.29 percent in February 2024, from the 3.80 percent recorded in the preceding month. This development was on account of decrease in the prices of clothing & footwear and hotels & restaurants.

For the month under review, performance of the average exchange rate in the sub-region, showed that almost all currency of the West African Monetary Zone (WAMZ) experienced depreciation relative to the US dollar compared to the previous month. The Liberian dollar depreciated by 0.6 percent, Ghanaian cedi by 2.3 percent, Gambian dalasi by 3.3 percent and Nigerian naira by 40.2 percent, while the Guinean franc remained relatively stable. On the other hand, The Sierra Leonean Leone was the only currency that appreciated against the United States dollars, by 0.4 percent. When compared to February 2022, all currencies in the WAMZ depreciated against the US dollar, except the Guinean franc. The Liberian dollar, the dalasi, the cedi, the leone and the naira had depreciated by 19.0 percent, 21.1 percent, 45.9 percent, 48.3 percent, and 72.1 percent, respectively. The Guinean franc was the only currency that appreciated against the US dollar by 4.5 percent during the month under review.

Table 7: Exchange Rate Developments in Liberia and the WAMZ Countries

Rate & Currency	Feb-23	Dec-23	Jan -24	Feb -24	Appr (+)/Depr (-)	
					MoM	YoY
Exchange Rate	LD/USD				Percent change	
	Currency per USD					
GHC	6.60	11.64	11.92	12.21	(2.3)	(45.9)
GMD	52.81	62.48	64.75	66.96	(3.3)	(21.1)
GNF	8,893.15	8,507.15	8,507.35	8,507.68	(0.0)	4.5
LRD	153.75	188.26	189.45	190.53	(0.6)	(19.0)
NGN	416.02	928.93	892.28	1,491.88	(40.2)	(72.1)
SLL	11.70	22.73	22.71	22.62	0.4	(48.3)
LRD End-of-period Exchange Rate						
LRD	154.26	188.50	190.01	191.60	(0.8)	(19.8)

Source: CBL, WAMA: www.amao-wama.org/

GHC - Ghanaian cedi; LD - Liberian dollar; GMD - Gambian dalasi; GNF - Guinean franc; NGN - Nigerian naira; SLL—Sierra Leonean leone; USD – United States dollar

7.0 GLOBAL COMMODITY PRICE DEVELOPMENTS

In February 2024, the Commodity Price Index of fuel generally increased, while the index for non-fuel commodities decreased during the period against the previous month. Similarly, the Food and Agriculture Organization (FAO) food price index (FFPI) declined by 0.6 percent during the month under review relative to the preceding month.

6.2 Direction of Trade (DOT)

The main destination of Liberia's exports in February 2024 was Europe, which accounted for US\$66.9 million worth of the export proceeds, of which Switzerland accounted for US\$50.8 million. For the sources of imports to Liberia, Asia and Africa were the main regions which accounted for US\$81.2 million, and US\$41.0 million worth of imports, respectively. Imports from China and Cote d'Ivoire amounted to US\$41.2 million, and US\$32.2 million, respectively, during the review month.

6.3 Personal Remittances

Personal remittance inflows (net), including remittances terminated through mobile wallet, rose by 13.7 percent to US\$73.2 million (1.6 percent of GDP) in February 2024, compared to the US\$64.4 million (1.4 percent of GDP) recorded in preceding month. This development was occasioned by 8.4 percent rise in inward remittances coupled with 36.5 percent decrease in outward remittances. Inward and outward remittances amounted to US\$78.0 million and US\$4.8 million respectively in the review month, from the US\$72.0 million and US\$7.6 million recorded, respectively, in the previous month.

6.4 Gross International Reserves

Gross International Reserves (GIR) grew slightly by 0.3 percent to US\$444.4 million (9.8 percent of GDP) at end-February 2024, from the US\$443.1 million (9.7 percent of GDP) recorded at the end of the previous month. This development was explained by an increase in foreign liquid assets, excluding Special Drawing Right (SDR) Holdings & Reserves. Similarly, the months of import cover increased to 2.5 months, from 1.7 months in January 2024, mainly on account of reduction in payments for imports. However, the months of import cover fell below the ECOWAS minimum regional threshold of 3.0 months during the review month (Table 6).

6.5 Exchange Rate Developments

During the month under review, comparison of the Liberia dollar vis-à-vis the US dollar at end-February 2024 shows a depreciation of 0.8 percent against the rate in the previous month. In February 2024, the end-of-period exchange rate was L\$191.60/US\$1.00 compared to L\$190.01/US\$1.00 at end-January 2024. A year-on-year analysis also shows a depreciation of the Liberian dollar by 19.8 percent.

Table 1: Production and Price Statistics

Production	Feb- 2023	Dec - 2023	Jan- 2024	Feb - 2024
	<i>(In Metric ton, Ounce, Carat and Liter)</i>			
Iron Ore (Metric ton)	420,000	515,000	515,000	460,000
Gold (Ounces)	32,028	33,343	40,107	29,971
Diamond (Carat)	11,574	56	4,306	7,758
Rubber (Metric ton)	4,258	5,659	6,456	5,270
Cement (Metric ton)	36,533	48,615	64,210	64,730
Total Beverages (liter)	1,365,447	3,253,927	2,816,927	3,893,199
Alcoholic	1,218,585	1,619,572	1,470,608	1,529,036
Non-Alcoholic	146,853	1,634,355	1,346,319	2,364,163
Inflation	<i>(In percent)</i>			
Overall (Y-o-Y) Rate of Inflation	8.27	10.01	10.52	10.74
a. Food and Non-alcoholic Beverage Inflation	(3.27)	26.93	26.11	28.37
- Domestic Food Inflation	(8.89)	14.62	19.45	31.68
- Imported Food Inflation	1.97	37.59	31.91	25.50
b. Transport Inflation	54.04	6.12	6.47	6.13
c. Imported Fuels Inflation	30.51	12.85	16.23	15.00
Overall (M-o-M) Rate of Inflation	0.18	-1.87	1.37	0.37
Core Inflation				
Inflation excluding Food & NAB ¹	13.70	3.40	4.16	3.68
Inflation excluding Imported Food	9.51	5.13	6.61	8.00
Inflation excluding Domestic Food	11.44	8.89	8.65	7.17
Inflation excluding Food and Transport	9.19	2.97	3.80	3.29
Annual Gross Domestic Product (GDP)²	3,553.2	3,553.2	3,741.4	3,741.4
Nominal (NGDP) (in millions US\$)	4,345.4	4,345.4	4,557.6	4,557.6
RGDP growth (in percent)	4.6	4.6	5.3	5.3

Sources: AML, MLME, FSL, CEMENCO, LCCBC, RITCO, NICOM, MB, CEMENCO, CBL & LISGIS.

¹ Non-alcoholic beverages

² GDP was revised following the IMF- ECF review mission in April 2021

± - Not Available (na) * - estimate

† - revise

4.0 MONETARY DEVELOPMENTS

4.1 Monetary Policy Stance

The Monetary Policy Stance of the Central Bank of Liberia (CBL) during the month of February 2024 was in continuation to manage liquidity (particularly Liberian dollar) in the economy to curb the resurgence of inflationary pressures. In this regard, the Bank's policy effort was directed mainly at the utilization of policy instruments, including the CBL bills and the Required Reserve Ratio (RRR).

4.2 Monetary Aggregates

Provisional data on Monetary aggregates at end-February 2024 revealed a month-on-month increase of 3.6 percent in broad money supply (M2) to L\$228.16 billion, from L\$220.29 billion recorded at the end of the previous month. The expansion was caused by a 42.2 percent growth in net foreign assets (NFA) of the banking system, and 1.3 percent growth in net domestic assets (NDA). Narrow Money Supply also expanded in February 2024 by 2.6 percent, triggered by a 4.1 percent increase in demand deposits as currency outside of the banking system contracted in February 2024. Additionally, quasi money also expanded in the reporting month by 6.1 percent, induced by time & savings deposits.

On the other hand, the stock of Liberian dollars in circulation contracted by 3.1 percent to L\$29.72 billion at end-February 2024, from L\$30.66 billion recorded at the end of the previous month. The downturn was largely triggered by 4.6 percent decrease in currency outside banks which was greater than the increase of currency in banks during the review period.

Commercial banks loans to the private sector in Liberian dollars in February 2024 increased to L\$4.62 billion from L\$4.37 billion in the preceding month. Loans and advances to personal subsector accounted for 57.6 percent, oil & gas 13.5 percent, trade 8.5 percent and extractive 3.5 percent. Furthermore, the US dollars component also increased to US\$421.61 million from US\$418.25 million in the previous month.

On a year-on-year basis, the Liberian dollar component of loans and advances fell by 9.5 percent, influenced by reduction of loans mainly to agriculture, (by 43.7 percent), construction (by 14.6 percent), trade (by 7.5 percent) and other subsectors (by over 95 percent). The USD component also reduced by 2.5 percent, reflecting decreases in loans & advances mainly to manufacturing (by 45.9 percent), personal (11.5 percent), trade (by 2.5 percent) and other subsectors (by over 95 percent).

Personal Remittances				
Inflows	81.6	88.9	72.0	78.0
Outflows	8.3	5.4	7.6	4.8
Net flows	73.3	83.5	64.4	73.2
Direction of Trade (DOT)				
Destination of Export	87.6	76.5	91.4	77.3
Africa	3.0	5.9	0.2	0.6
o/w ECOWAS	2.8	4.2	0.2	0.2
o/w Neighboring Countries	0.3	1.8	0.2	0.1
Asia	1.4	1.6	3.8	6.6
o/w The Middle East	0.9	0.7	2.9	1.3
o/w United Arab Emirate	0.8	0.7	2.4	0.7
then China	0.0	-	0.2	0.0
Europe	79.0	64.0	82.2	66.9
o/w Euro Zone	4.0	0.9	7.1	0.9
o/w The United Kingdom	4.0	0.9	7.1	0.9
Switzerland	47.3	55.8	67.6	50.8
North America & The Caribbean	4.3	4.6	5.2	3.2
o/w USA	4.3	4.6	5.2	3.2
Sources of Import (cif)	157.1	341.7	238.7	151.6
Africa	67.5	153.7	87.0	41.0
o/w ECOWAS	62.8	150.1	79.3	33.0
o/w Neighboring Countries	62.9	150.4	79.8	33.8
o/w Cote D Ivoire	61.3	148.5	77.8	32.2
Asia	67.6	84.2	121.2	81.2
o/w The Middle East	3.8	7.6	8.6	5.4
o/w United Arab Emirate	2.4	2.0	2.4	1.9
o/w China	20.9	18.8	56.8	41.2
o/w India	34.0	49.3	39.3	19.2
Europe	11.6	91.6	17.0	17.5
o/w Europe Zone	8.5	14.5	13.6	14.5
o/w The United Kingdom	2.1	0.5	1.5	1.3
o/w Spain	0.3	0.8	1.1	2.7
North America & The Caribbean	4.6	8.1	7.9	5.4
o/w USA	4.3	7.1	6.4	4.1
South & Central America	5.7	3.7	5.4	6.1
o/w Brazil	3.5	2.8	3.7	5.7
o/w Argentina	1.5	0.3	0.9	0.1
Oceania	0.1	0.5	0.3	0.3
o/w Australia	0.1	0.4	0.2	0.3

Source: CBL

Table 6: External Sector Statistics**January & November – December 2023; & January 2024**

External Trade (Value)	Feb-23	Dec-23	Jan-24	Feb-24
	(Millions of US\$; Except Otherwise Indicated)			
Exports ¹	87.7	76.5	91.4	77.3
Iron Ore	26.3	6.3	8.0	8.8
Rubber	5.2	6.5	11.1	10.3
Gold	47.5	56.6	70.0	51.3
Diamond	1.8	0.0	1.2	1.9
Cocoa Bean	0.2	0.9	0.1	1.7
Palm Oil	2.7	4.1	0.0	2.6
Other Commodities	4.1	2.1	1.0	0.6
Imports (CIF) ^{1†}	157.1	341.7	238.7	151.6
Minerals, Fuel, Lubricants	66.9	226.4	83.1	38.1
o/w Petroleum Products	59.5	-	79.2	32.2
Food and Live Animals (incl. Animal and veg. oil)	43.2	59.2	54.0	24.7
o/w Rice	28.9	36.8	35.6	4.8
Machinery & Transport Equipment	23.6	27.9	38.4	51.8
Manufactured goods classified by materials	11.1	11.5	15.3	18.2
Other categories of imports	12.2	16.7	48.0	18.7
Trade Balance	-69.4	-265.2	-147.3	-74.3
Total Trade	244.7	418.2	330.2	228.8
External Trade (Volume)				
Rubber (MT)	4257.9	5638.6	6456.2	6630.6
Iron Ore (MT)	466782.1	108466.4	90002.2	106977.6
Cocoa Beans (MT)	69.1	209.1	21690.8	313160.3
Palm Oil (MT)	2825.0	5056.5	44.7	3104.2
Gold (Oz)	32028.0	33343.0	40107.5	29971.3
Diamond (Crt)	11574.1	56.1	4305.5	7757.9
Petroleum Products (MT)	8667.0	51131.0	26966.0	10983.0
Rice (MT)	58683.1	60,262.04	57,466.45	8,036.00
Other Indicators				
Net Foreign Reserves Position	331.8	222.7	217.7	223.7
Import (FOB)	143.2	327.2	224.2	141.0
Gross International Reserves (GIR) [†]	588.0	451.0	443.1	444.4
Import covers (In Month) [†]	3.2	1.2	1.7	2.6

The stock of total deposits converted to Liberian dollars rose by 4.8 percent to L\$201.42 billion (23.1 percent of GDP) at end February 2024, from 192.27 billion (21.6 percent of GDP) at end January 2024, largely induced by a 3.1 percent growth in Liberian dollar deposits. Year-on-year comparison showed total deposits grew by 45.2 percent influenced mainly by US dollar deposits.

Table 2: Monetary Aggregates Statistics

Monetary Aggregates	Feb-23	Dec-23	Jan-24	Feb-24
	<i>In Millions of LD; Except Otherwise Indicated</i>			
ASSETS				
Net Foreign Assets (NFA)	16,017.62	14,823.42	12,255.36	17,432.21
Net Domestic Assets (NDA)	144,898.81	207,185.44	208,033.51	210,723.44
Domestic Credits	209,443.35	303,322.04	292,799.33	302,807.06
Net Claims on Government	110,842.04	152,365.53	149,462.14	160,971.66
Claims on Private Sector	98,601.30	150,956.51	143,337.19	141,835.39
Other Items Net	-64,544.53	-96,136.61	-84,765.82	-92,083.62
LIABILITIES				
Broad money (M2)	160,916.44	222,008.85	220,288.88	228,155.64
Narrow Money (M1)	110,991.57	159,688.68	157,602.28	161,646.82
Liberian Dollars in Circulation	22,212.84	29,477.19	28,016.35	26,732.95
Currency in banks	88,778.74	130,211.49	129,585.93	134,913.88
Currency outside banks	49,924.86	62,320.17	62,686.60	66,508.82
Demand deposits	48,650.84	61,790.70	62,461.08	64,890.76
Quasi Money	1,274.02	529.47	225.51	1,618.06
Time & Savings deposits	160,916.44	222,008.85	220,288.88	228,155.64
Other deposits	110,991.57	159,688.68	157,602.28	161,646.82
	MEMORANDUM			
Broad money (M2) in LRD only	47,199.47	53,979.58	54,703.44	54,202.40
Money Supply (M1) in LRD only	39,454.68	44,228.56	45,139.47	44,704.85
Loans to Private Sector				
Commercial banks loans to private sector- USD	433.84	456.83	421.24	424.84
Commercial banks loans to private sector - LRD	5,102.27	5,623.93	4,369.88	4,618.37
Demand Deposits of commercial banks				
Demand deposits – USD	450.23	581.74	607.69	594.16
Demand deposits – LRD	17,241.84	15,608.40	15,662.28	16,688.51
Time & savings deposits – USD	258.91	279.31	278.04	279.79
Time & savings deposits – LRD	7,512.48	9,552.97	9,379.35	9,298.61
Other Deposits**				
Actual US\$ component of other deposits	1.46	1.05	0.98	1.05
Liberian \$ component of other deposits	232.31	184.62	198.94	232.86
Total Deposits (both USD & LRD) converted to LRD ¹	138,703.60	187,309.35	192,531.66	192,272.53
Liberian Dollar share of Broad Money (% of total Money Supply)	25.00	24.60	24.60	23.50

‡ - Reserves excluding ECF borrowing from the IMF;

* - estimate/projection

** - Other Deposits Including Official and Manager Checks;

4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

The CBL continued the issuance of the CBL bill with tenors of 2-week, 1-month, and 3-months on an effective annual rate of 20.00 percent. Based on the regular and timely redemption of the CBL bills and the dissemination of periodic redemption reports on the CBL website, public confidence in the bill has grown.

To preserve the current tight policy stance and to further strengthen liquidity management, with the sole purpose of attaining low inflation, the CBL remained committed and continued the issuance of CBL bills with short tenors of 2-weeks, 1-month, and 3-months on an effective annual rate of 20.0 percent.

In February 2024, the total CBL bills issued amounted to L\$5,213.37 million, dropping by 20.72 percent compared with the preceding month. Of the total amount issued, commercial banks' purchases remained high at 98.09 percent (L\$5,114.00 million), whilst retail investors issuance stood at L\$99.37 million. The reduction in the subscriptions for the bills was due to moderation in investment by institutional investors. The CBL recorded a net injection of about L\$648.88 million. Conversely, the total redemption for the month was L\$5,862.25 million. The total outstanding CBL bills reduced by 6.92 percent to L\$8,734.59 million compared to the preceding month of L\$9,383.47. The Bank continued its regular and timely redemption of the CBL bills and the dissemination of periodic redemption reports on the CBL's website.

There was no new issuance of treasury securities during the month. Consequently, Treasury securities in Liberian Dollars (LRD) stood at L\$8,277.30. While USD treasury securities remained at US\$124.04 million.

Lending, average savings, and time deposit rates remained unchanged at 12.4 percent, 2.1 percent, and 3.5 percent, respectively. However, money market instruments, such as repos, were not traded during the month. In interbank operations, commercial banks persisted in engaging exclusively in non-interest-bearing swaps, a strategic approach aimed at alleviating liquidity disparities among banks, particularly in the context of their international and intra-country transactions.

o/w Payments on Loans, interest & other charges	6.71	3.85	1.63	3.03	85.20
Capital Expenditure	5.60	0.29	-	-	
Overall Balance (Surplus+; Deficit -)	(14.88)	(34.30)	21.96	29.53	
Total Debt Stock	2,031.56	2,336.99	2,337.50	2,346.90	0.40
Domestic Debt	886.33	1,021.73	1,021.73	1,021.73	-
o/w Financial Institutions	829.04	884.92	884.92	884.92	-
o/w Other Debts	57.28	136.81	136.81	136.81	-
External Debt	1,145.23	1,315.26	1,315.78	1,325.17	0.71
o/w Multilateral	1,033.09	1,192.97	1,193.49	1,193.49	-
o/w Bilateral	112.14	115.42	115.42	115.42	-
Memo Items					
Government Revenue (% of GDP)	0.95	1.75	1.06	1.25	
Government Expenditure (% of GDP)	1.30	2.54	0.58	0.60	
Total Debt Stock (% of GDP)	46.90	53.95	51.29	51.49	
NGDP (at Level)	4,331.56	4,331.56	4,557.56	4,557.56	

Source: CBL calculation using MFDP's data

*Projections

6.0 EXTERNAL SECTOR DEVELOPMENTS

6.1 Merchandise Trade

Developments in the external sector showed that the merchandise trade deficit reduced significantly by 49.6 percent to US\$74.3 million (1.6 percent of GDP) in February 2024, from US\$147.3 million (3.2 percent of GDP) in the preceding month, explained by a huge decline in import payments. Similarly, total merchandise trade declined by 30.6 percent to US\$228.8 million (5.0 percent of GDP), from the US\$330.2 million (7.2 percent of GDP) reported in January 2024, due to a decrease in import payments.

Export earnings plummeted by 15.5 percent to US\$77.3 million (1.7 percent of GDP) in February 2024, from US\$91.4 million (2.0 percent of GDP) in the previous month, led mainly by decrease in receipts from gold. Similarly, payments for merchandise imports declined significantly by 36.5 percent to US\$151.6 million (3.3 percent of GDP), from the US\$238.7 million (5.2 percent of GDP) recorded in the preceding month, largely due to reduction in payments for minerals, fuel, & lubricants (primarily petroleum & road construction-related products.), and food, & live animals (including animals & vegetable oil).

Similarly, non-tax revenue expanded by 75.5 percent to US\$11.4 million (0.3 percent of GDP) primarily due to growths in property income, and administrative fees & penalties.

GoL's fiscal operations also resulted to growth in total expenditure by 4.2 percent to US\$27.5 million (0.6 percent of GDP), from the US\$26.4 million (0.6 percent of GDP), explained by 4.2 percent increase in recurrent expenditure. Recurrent expenditure rose to US\$27.5 million (0.6 percent of GDP) against the amount reported in the previous month, occasioned by increases in both goods & services spending, and payments on loans, interest & other charges during the month as expenditure on employees' compensation declined. Expenditure on goods & services, and payments on loans, interest & other charges grew to US\$3.2 million and US\$3.0 million (0.1 percent of GDP), respectively, while spending on employees' compensations declined to US\$17.1 million (0.4 percent of GDP) during the month under review. There was no spending on capital goods for the reporting month.

5.2 Total Public Debt

As at end-February 2024, the total stock of public debt slightly grew by 0.4 percent to US\$2,346.9 million (51.5 percent of GDP), from the US\$2,337.5 million (51.3 percent of GDP) at the end of the preceding month. This development reflected a 0.7 percent increase in external debt. External and domestic debt stocks totaled US\$1,325.2 million (28.9 percent of GDP) and US\$1,021.7 million (22.4 percent of GDP), respectively, at end-February 2024.

Table 5. GOL's Fiscal Operations Statistics

Fiscal Operations	Feb-23	Dec-22	Jan-23	Feb-23	M-O-M
	(Millions of USD)				(% Change)
Government Revenue	41.34	75.64	48.35	57.02	17.93
Tax Revenue	32.34	37.05	41.87	45.64	9.01
o/w Taxes on Income & Profits	13.40	16.91	17.71	17.50	(1.21)
o/w Taxes on International Trade (Customs)	13.61	17.07	17.58	19.41	10.36
Non-tax Revenue	8.99	3.79	6.48	11.38	75.54
o/w Property Income	7.31	2.78	4.91	9.49	93.45
o/w Administrative Fees & Penalties	1.68	1.01	1.57	1.88	19.67
Other Revenue (Including Grants)	-	34.80	-	-	
Government Expenditure	56.22	109.94	26.39	27.49	4.17
Recurrent Expenditure	50.62	109.65	26.39	27.49	4.17
o/w Compensation	14.35	75.29	18.85	17.07	(9.48)
o/w Goods and Services	14.41	11.27	1.22	3.24	164.85

Table 3: Financial Market and Interest Rates Statistics

Market Instruments (CBL indexed Bills)	February - 23	December- 23	January- 24	February- 24
	<i>(In Millions of Liberian Dollar)</i>			
Bills Purchased per month on coupon basis	0.00	0.00	0.00	0.00
Redemption during the month (coupon rate)	0.00	0.00	0.00	0.00
Bills (Index) outstanding on coupon basis	0.00	0.00	0.00	0.00
Coupon rate on Index Bill (in %)	Na	Na	Na	Na
Bills Purchased per month on EAR basis	4,387.71	6,048.85	6,575.89	5,213.37
Redemption during the month (EAR basis)	4,824.05	8,240.21	4,755.43	5,862.25
Bill Outstanding (EAR basis)	7,621.14	7,563.00	9,383.47	8,734.59
Effective Annual Rate (EAR)	15	20.00	20.00	20.00
Total Purchases (coupon rate & EAR)	4,387.71	6,048.85	6,575.89	5,213.37
Total Redemption (coupon rate & EAR)	4,824.05	8,242.11	4,755.43	5,862.25
Total Outstanding Bills (coupon rate & EAR)	7,621.14	7,563.01	9,383.47	8,734.59
CBL Foreign Exchange Auction¹	<i>(In Millions of United States Dollar)</i>			
US Dollar offered	0.00	0.00	0.00	0.00
US Dollar Amount Sold	0.00	0.00	0.00	0.00
Total Subscription	0.00	0.00	0.00	0.00
Over (+)/ Under (-) Subscription	0.00	0.00	0.00	0.00
Treasury Securities	<i>(In Millions of Liberian Dollar)</i>			
T- Bills Issued (in LD)	0.00	0.00	0.00	0.00
T- Bills Redeemed (in LD)	0.00	0.00	0.00	0.00
T-Bills Outstanding	8,247.60	3,642.67	3,642.67	3,642.67
T-Bills Total Stock		8,277.30	8,277.30	8,277.30
Net Treasury Bills Operations[^] withdrawal (+)/Injection (-)	0.00	0.00	0.00	0.00
Ave. Weighted Discount Rate (T-Bills)	10.00	10.00	10.00	10.00
T- Bills Issued (In USD)	0.00	15.5	0.00	0.00
T- Bills Redeemed (Principal or Interest) (In USD)	0.18	0.00	0.00	0.00
T-Bills Outstanding (Repayment principal and interest)	103.92	124.04	124.04	124.04
Ave. Weighted Discount Rate (T-Bills)	103.92	0.00	143.17	143.17
Treasury Bond Issued (in LD for 2 years)	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In LD)	0.00	0.00	0.00	0.00

Coupon Payment	0.00	0.00	0.00	0.00
Outstanding coupon on Treasury Bond	0.00	8,246.47	8,246.47	8,246.47
Early Redemption	0.00	0.00	0.00	0.00
Coupon rate (%)	0.00	0.00	0.00	0.00
Treasury Bond Issued (USD)	0.00	0.00	0.00	0.00
Treasury Bond Principal Payment	0.83	0.00	0.00	0.00
Treasury Bond Outstanding (In USD) (Coupon and Principal)	48.18	36.33	36.33	36.33
Coupon Payments (USD)	0.16	0.00	0.00	0.00
Total debt stock	48.18	36.33	36.33	36.33
	<i>(As specified)</i>			
SCF rate	17.5	20.0	20.0	20.0
SCF Amount (In Millions LD)	0.00	0.00	0.00	0.00
SDF overnight rate	0.00	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00
	<i>(As specified)</i>			
Interest Rates				
- Lending rate	12.44	12.44	12.44	12.44
Average Deposit rates				
-Savings	3.10	3.10	3.10	3.10
-Time	3.53	3.53	3.53	3.53
Money Markets Instrument (In percent)				
Repo	0.00	0.00	0.00	0.00
Swap lending	0.00	0.00	0.00	0.00

Source : CBL

^ - with Liquidity Effect

/1 – CBL Foreign Exchange Auction includes use of the remittance split to ease the demand for foreign currency

/2 – Treasury Bill issued and redeemed during the month were in US Dollar

4.4 BANKING SECTOR DEVELOPMENTS

The banking industry relatively remained in compliance with the sector's regulatory requirements. For the month ended February 2024, the industry liquidity ratio decreased by 0.16 percentage point to 42.82 percent, from 42.98 percent in the preceding month. The liquidity ratio remained well above the minimum regulatory requirement of 15.0 percent by 27.82 percentage points during the month. The Capital Adequacy Ratio (CAR) increased by 0.48 percentage points to 28.62 percent, from 28.14 percent in January 2024, and remained above the minimum regulatory requirement of 10 percent by 18.62 percentage points. Additionally, the Return on Assets (ROA) increased by 0.32 percentage point to 0.61 percent at end-February 2024, from 0.29 percent in the previous month. Similarly, Return on Equity (ROE) grew by 2.28 percentage points to 4.40 percent, from 2.12 percent in January 2024.

Total gross loans increased by 0.9 percent to L\$94.27 billion in February 2024, from the L\$93.46 billion reported in the previous month. This development was mainly attributed to increase in facilities granted to the agriculture (by 13.7 percent) and oil & gas (by 21.4 percent) subsectors. However, the ratio of non-performing loans to total loans decreased by 1.47 percentage points to 17.4 percent during the month under review against the 10.0 percent regulatory tolerable limit. The decrease in NPLs was largely due to decline in defaulted facilities in the extractive (by 98.9 percent), and agriculture (by 31.82 percent) subsectors.

Table 4: Selected Financial Soundness Indicators (FSIs)

Financial Soundness Indicators	February-23	December-23	January-24	February-24
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	77.59	92.84	93.46	94.27
Total Non-performing Loans	12.15	16.76	17.64	16.41
Non-performing Loans to Total Gross Loans (ratio)	15.66	18.06	18.87	17.40
Gross Loan (percent change)	1.51	1.19	0.67	0.86
Non-performing Loans (percent change)	0.82	(1.23)	0.81	(6.97)
Returns on Assets (ROA)	0.31	2.35	0.29	0.61
Returns on Equity (ROE)	2.22	17.69	2.12	4.40
Liquidity Ratio***	44.58	44.10	42.98	42.82
Capital Adequacy Ratio (CAR)****	21.69	25.20	28.14	28.62

Source : CBL

**** - The Minimum Capital Adequacy Ratio is 10%

*** - The Required Minimum Liquidity Ratio is 15%

5.0 FISCAL SECTOR DEVELOPMENTS

5.1 Total Revenue and Expenditure

Preliminary statistics on the Government of Liberia's (GOL) fiscal operations revealed improvement in the overall balance (OB) in February 2024 relative to the preceding month. The overall balance amounted to a surplus of US\$29.5 million (0.7 percent of GDP) against the US\$22.0 million (0.5 percent of GDP) surplus reported for the previous month. The improvement was triggered by an increase in total revenue outweighing the marginal increase in GOL's expenditure for the reporting period.

The GOL's fiscal operations for February 2024 reported growth in total revenue by 17.9 percent to US\$57.0 million (1.3 percent of GDP), from the US\$48.3 million (1.1 percent of GDP) recorded in the preceding month. This development was driven by growths in both tax and non-tax revenues. Tax revenue rose by 9.1 percent to US\$45.6 million (1.0 percent of GDP), mainly on account of surge in taxes from international trade.