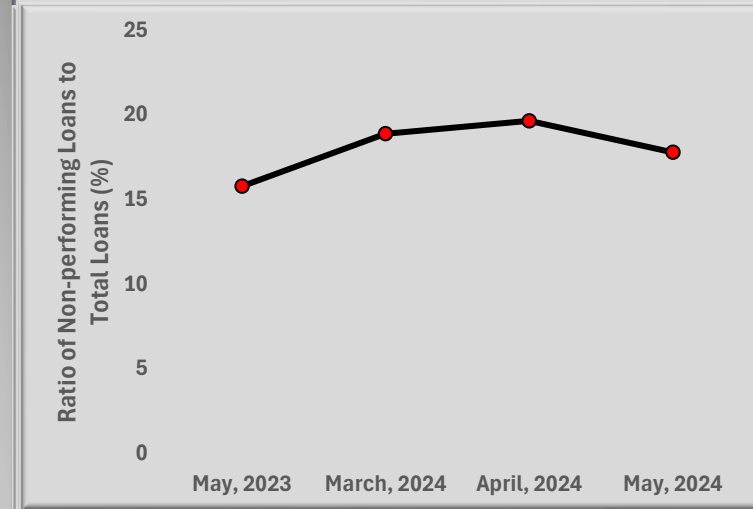


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The Director

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

Ashmun & Lynch Streets, Monrovia, Liberia
Contacts: +231-880-649103/886-246587/0881-
Email: jkambo@cbl.org.lr

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GLOBAL PRICE	May- 23	Mar-24	Apr-24	May-24		
	(Commodity price per Unit of Measure)				MoM	YoY
Iron ore (US\$/MT)	105.15	109.79	112.75	118.88	5.4	13.06
Gold (US\$/Oz)	1,992.13	2,158.01	2,331.45	2,351.13	0.8	18.02
Rubber (US\$/MT)	1,560.00	2,390.40	2,276.50	2,153.90	(5.4)	38.07
Cocoa Beans (US\$/MT)	2,960.00	7,088.87	9,740.03	7,538.03	(22.6)	154.66
Palm oil (US\$/MT)	934.06	942.92	935.69	859.15	(8.2)	(8.02)
Crude oil (US\$/BBL)	74.12	83.55	88.01	81.45	(7.5)	9.88
Food Price Index (FAO) ¹	124.70	118.30	119.10	120.40	1.1	(3.45)
Rice_5% broken (US\$/MT)	510.00	584.00	564.00	593.00	5.1	16.27
Sugar (US\$/MT)	560.00	475.10	451.95	417.78	(7.6)	(25.40)
Commodity Price Index No ²	157.11	163.17	170.49	169.44	(0.6)	7.85

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 05.

2.0 OVERVIEW

Production statistics of key commodities, gold, iron ore, and cement recorded declines in output, while rubber, diamond and beverages production increased in May 2024 relative to the previous month.

Headline inflation moderated to 6.2 percent in May 2024, from 9.7 percent in the previous month, reflecting moderation in the prices of food & non-alcoholic beverages; clothing & footwear; health; furnishings, household equipment & routine maintenance; communication; recreation & culture; housing, water, energy, gas & other fuel; and miscellaneous goods and services 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 rose by 2.9 percent to L\$236.15 billion, from L\$229.59 billion at end-April 2024, on account of a 7.2 percent increase in net foreign assets (NFA) and 2.3 percent rise in net domestic assets (NDA) of the banking system. Currency in circulation increased by 0.4 percent to L\$27.62 billion at end-May 2024, from L\$27.52 billion recorded at the end of the previous month, driven by 1.0 percent increase in currency outside banks while currency in banks decreased by 6.3 percent.

Key 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 reduced by 0.16 percentage points to 44.08 percent, while the Capital Adequacy Ratio (CAR) remained unchanged at 29.37 percent as they remained well above their regulatory requirements of 15.00 percent and 10.00 percent, respectively. Similarly, both Return on Assets (ROA) and Return on Equity (ROE) rose by 0.23 percentage

7.6 Sugar

Price of sugar decreased by 7.6 percent to US\$417.78 per metric ton in May 2024, from US\$451.95 recorded in the previous month. Annual comparison showed that price of sugar decreased by 25.4 percent from US\$560.00 per metric ton in May 2023.

7.7 Palm Oil

The price of palm oil marginally decreased by 8.2 percent in May 2024 to US\$859.15 per metric ton, from US\$935.69 per metric ton in the previous month, on account of an overall reduction in supply. Compared to May 2023, the price of palm oil fell by 8.0 percent in May 2024, from US\$934.06 per metric ton.

7.8 Rice

The price of rice increased by 5.1 percent to US\$593.00 per metric ton in May 2024, from US\$564.00 per metric ton in the preceding month. The development in the rice price was led by bad weather and rising domestic demand in producing countries. Annual comparison indicated rice price increased by 16.3 percent, from US\$510.00 per metric ton in May 2023.

7.9 Cocoa Beans

Price for cocoa beans decreased for the first time in 2024, falling by 22.6 percent to USD\$7,538.03 metric ton, from US\$9,740.03 per metric ton in April 2024. Compared to May 2023, the price of the commodity increased by 154.7 percent from US\$2,960.00 per metric ton.

Commodity Price Outlook

Global commodity market outlook of the World Bank Pink Sheet indicates that global commodity prices will continue on a mixed trend for the month of June 2024, mainly due to heightened tensions in the Middle East and trade disruptions. Overall commodity price indices measured in US dollars of energy, non-energy, agriculture, fertilizers, metal & minerals, and precious metals are expected to decrease in June 2024 against their respective levels in the previous month.

7.1 Iron Ore

Price of iron ore increased by 5.4 percent to US\$118.88 per metric ton in May 2024, from US\$112.75 per metric ton in April 2024. The increase in Iron ore price was led by stronger steel demand and increased capacity utilization in China. The year-on-year comparison showed price rose by 13.1 percent, from US \$105.15 recorded in May 2023.

7.2 Gold

Price of gold increased by 0.8 percent to US\$ 2,351.13 per ounce in May 2024, from US\$2,331.45 per ounce in the preceding month, on account of rising purchases by central banks as tensions in the Middle East continued. Year-on-year comparison indicated the price increased by 18.0 percent, from US\$1,992.13 recorded in May 2023.

7.3 Crude Oil (Petroleum) Price

Price of petroleum decreased by 7.5 percent to US\$81.45 per barrel in May 2024 relative to the previous month. The decline in petroleum price was driven by fall in demand and increased inventories. Compared to May 2023, the price of petroleum rose by 9.9 percent, from US\$74.12 per barrel.

7.4 Rubber

Rubber price decreased by 5.4 percent in May to US\$2,153.90 per metric ton, from US\$2,276.50 per metric ton recorded in the previous month, due to a rising decline in demand globally. Year-on-year comparison showed rubber price increased by 38.1 percent from US\$1,560.00 in May 2023.

7.5 Food Price (FAO)

FAO food price index (FFPI) increased by 1.1 percent to US\$120.40 in May 2024, from US\$119.10 in April 2024. The increase was driven by corresponding rises in the price indices for cereal and dairy products.

point to 1.14 percent, and 1.85 percentage points to 8.14 percent, respectively, while the ratio of non-performing loans (NPLs) to total loans decreased by 1.87 percent to 17.77 percent at end-May 2024.

The Government of Liberia's (GoL) fiscal operations recorded an overall balance deficit of 0.15 percent in May 2024 against the surplus reported in the preceding month, mainly on account of increase in government expenditure coupled with decline in total revenue.

The total stock of public debt grew by 0.8 percent to 56.1 percent of GDP at end-April 2024, from 55.7 percent of GDP at the end of the preceding month, led by a 1.3 percent increase in external debt. The merchandise trade deficit grew significantly by 97.7 percent, while total merchandise trade similarly rose by 1.0 percent against their respective levels in the preceding month., largely on account of growth in import payments.

Gross International Reserves (GIR) increased by 0.9 percent to 9.1 percent of GDP at end-May 2024 against the GIR reported in the previous month, primarily driven by an increase in foreign liquid assets, including Special Drawing Right (SDR) Holdings & Reserves. Conversely, the months of import cover fell to 2.0 months, 1.0 month below the ECOWAS minimum regional threshold.

Net personal remittance inflows (including remittances terminated through mobile wallet) increased by 1.9 percent to 1.5 percent of GDP in May 2024 compared to the amount reported in the previous month, led by 1.7 percent rise in inward remittances. The Liberian dollar remains broadly stable against the US dollar on both average and end-period basis during the review month, marginally depreciating by 0.2 percent and 0.3 percent, respectively, mainly driven by the CBL's tight monetary policy stance.

3.0 REAL SECTOR & PRICE DEVELOPMENTS

3.1 Production Analyses of Key Commodities

Trends in production statistics of key commodities were mixed for the month of May 2024 compared to the previous month. Gold, iron ore, and cement recorded declines in production, while rubber, diamond and beverages outputs increased in the reporting month.

Production in the agriculture subsector revealed that rubber output rose by 32.4 percent to 6,135 metric tons in May 2024, from 4,635 metric tons produced in the previous month. This increase was mainly explained by rise in the production by small holder farmers during the review period. When matched against the same period a year ago, rubber production fell by 20.0 percent.

In the mining subsector, gold production slumped by 29.9 percent in May 2024 to 30,226 ounces, down from 43,115 ounces produced in the previous month. The fall in gold output was mainly driven by decline in gold mining activities due to recent violent protests in one of the major commodity's producing sites. When compared to the corresponding period a year ago, gold output decreased by 36.4 percent. Similarly, iron ore outputs decreased by 4.4 percent during the period to 435,000 metric tons, from 455,000 metric tons reported in April 2024, mainly driven by reduced global demand especially in China. Conversely, diamond output grew by 6,108 carats to 9,083 carats in May 2024, from the 2,975 carats produced in the previous month, largely due to favorable mining conditions. When matched against the same period a year ago, diamond production rose by 166.1 percent.

In the manufacturing subsector, beverages (alcoholic & non-alcoholic) production increased by 18.1 percent to 4.42 million liters in May of 2024, up from 3.74 million liters in the preceding month, due to depleted stock of inventory. On a year-on-year basis, beverage production increased by 97.5 percent. When disaggregated, alcoholic beverages production constituted 35.5 percent, while non-alcoholic beverages production accounted for 64.5 percent of total beverage production. Cement output declined by 3.0 percent to 66,853 metric tons in the reporting month, down from 68,943 metric tons produced in the previous month. This development reflects a decrease in construction activities due to the introduction of the rainy season. When annualized, cement production grew by 58.5 percent.

3.2 Consumer Prices

Headline inflation moderated to 6.2 percent in May 2024, from the 9.7 percent reported in the preceding month. The decrease was mainly driven by moderation in the prices of food & non-alcoholic beverages; clothing & footwear; health; furnishings, household equipment & routine maintenance; communication;

In the subregion, the monthly trends in currencies of the West African Monetary Zone (WAMZ) member states were mixed. The naira and the cedi depreciated against the dollar by 11.9 percent and 5.1 percent, respectively while the dalasi appreciated by 0.5 percent. Nevertheless, the Guinean franc and the Sierra Leonean leone remained broadly stable in May 2024 compared to the preceding month.

When matched against the corresponding month in 2023, most of the currencies in the WAMZ depreciated, on average, against the US dollars. The Gambian dalasi, the Liberian dollar, the cedi and the naira depreciated by 12.4 percent, 13.6 percent, 20.3 percent, and 67.5 percent, respectively, in May 2024. The Guinean franc and leone were the only two currencies that remained stable against the US dollar for the period under review.

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

Rate & Currency	May 2023	Mar - 2024	April 2024	May 2024	Appr (+)/Depr (-)	
					MoM	YoY
Exchange Rate	LD/USD				Percent change	
	Currency per USD					
GHC	10.92	12.65	13.01	13.70	(5.1)	(20.3)
GMD	59.02	66.81	67.71	67.38	0.5	(12.4)
GNF	8,508.26	8,504.60	8,507.04	8,505.85	0.0	0.0
LRD	167.19	192.55	193.06	193.53	(0.2)	(12.6)
NGN	460.60	1,534.10	1,247.64	1,415.59	(11.9)	(67.5)
SLL	22.64	22.62	22.63	22.63	0.0	0.0
LRD End-of-period Exchange Rate						
LRD	169.10	192.80	193.35	193.85	(0.3)	(13.8)

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

According to the World Bank, the Commodity Price Index of fuel decreased in May 2024, while the index of non-fuel commodities increased marginally in the same month against the previous month. Food and Agriculture Organization (FAO) food price index (FFPI) rose by 1.1 percent in May 2024 relative to the preceding month, occasioned largely by increase in the price indices for cereal and dairy products.

6.2 Direction of Trade (DOT)

The main destination of Liberia's exports in May 2024 was Europe, which accounted for US\$76.8 million worth of the export proceeds, of which Switzerland accounted for US\$ 56.1 million. For the sources of imports to Liberia, Asia and Africa were the main regions accounting for US\$92.76 million and US\$67.83 million, respectively. Imports from India and Cote Ivoire amounted to US\$42.43 million and US\$59.53 million, during the review month.

6.3 Personal Remittances

Personal remittance inflows (net), including remittances terminated through mobile wallet, grew by 1.9 percent to US\$61.5 million (1.5 percent of GDP) in May 2024, compared to the US\$60.3 million (1.5 percent of GDP) recorded in preceding month. This development was occasioned by 1.7 percent rise in inward remittances as outward remittances remained unchanged. Inward and outward remittances amounted to US\$67.9 million and US\$6.4 million respectively in the review month, from the US\$66.7 million and US\$6.4 million recorded, respectively, in the previous month.

6.4 Gross International Reserves

Gross International Reserves (GIR) grew by 0.9 percent to US\$416.6 million (9.1 percent of GDP) at end-May 2024, from the US\$412.9 million (9.1 percent of GDP) recorded at the end of the previous month. This development was explained by an increase in foreign liquid assets, including Special Drawing Right (SDR) Holdings & Reserves. However, the months of import cover decreased to 2.0 months (below the ECOWAS minimum regional threshold of 3.0 months), from 2.2 months in April 2024, mainly on account of growth in payments for imports. (Table 6).

6.5 Exchange Rate Developments

The Liberian dollar exchange rate vis-à-vis the United States dollar remained relatively stable in May 2024 compared to the previous month. The end-of-period exchange rate slightly depreciated by 0.3 percent to L\$193.85/US\$1.00 in May 2024, from the L\$193.35/US\$1.00 recorded in the previous month. Similarly, the average exchange rate also marginally depreciated by 0.2 percent against the previous month. However, year-on-year comparison shows a depreciation by 13.6 percent (on average) relative to L\$167.19/US\$1.00 in May 2023. The yearly depreciation was largely due to high demand for foreign exchange to facilitate imports payments.

When compared to the same period in 2023, headline inflation moderated by 6.0 percentage points. Conversely, the month-on-month inflation showed a slight increase of 0.13 percent in May 2024, from negative 0.14 percent in the previous month. The marginal rise in monthly inflation was mainly led by increases in the prices of food & non-alcoholic beverages; alcoholic beverages, narcotic and tobacco; clothing & footwear; communication and miscellaneous goods and services components of the CPI basket.

Although major commodities in the CPI basket showed a mixed trend, core inflation¹ for the month of May 2024 remained unchanged at 2.9 percent. However, on an annualized basis, core inflation plummeted by 8.6 percentage points.

Table 1: Production and Price Statistics

Production	May 2023	Mar - 2024	April 2024	May 2024
	<i>(In Metric ton, Ounce, Carat and Liter)</i>			
Iron Ore (Metric ton)	400,000	470,000	455,000	435,000
Gold (Ounces)	47,551	29,942	43,115	30,226
Diamond (Carat)	3,414	3,506	2,975	9,083
Rubber (Metric ton)	7,671	5,512	4,635	6,135
Cement (Metric ton)	42,180	65,373	68,943	66,853
Total Beverages (liter)	2,237,259	3,878,448	3,742,474	4,418,306
Alcoholic	1,417,167	1,160,550	1,222,338	1,567,067
Non-Alcoholic	820,092	2,717,898	2,520,136	2,851,239
Inflation	<i>(In percent)</i>			
Overall (Y-o-Y) Rate of Inflation	12.2	9.4	9.7	6.2
a. Food and Non-alcoholic Beverage Inflation	8.1	25.51	25.8	12.8
- Domestic Food Inflation	-0.4	35.31	39.7	19.7
- Imported Food Inflation	15.8	17.84	15.6	7.4
b. Transport Inflation	34.3	5.71	6.2	6.7
c. Imported Fuels Inflation	-3.8	13.91	14.8	14.1
Overall (M-o-M) Rate of Inflation	3.4	-0.11	-0.14	0.1
Core Inflation				
Inflation excluding Food & NAB ¹	14.1	3.00	3.4	3.4
Inflation excluding Imported Food	11.5	7.87	8.6	6.0
Inflation excluding Domestic Food	14.0	5.29	5.2	3.9
Inflation excluding Food and Transport	11.5	2.57	2.9	2.9
Annual Gross Domestic Product (GDP)²	3,553.2	3,741.4	3,741.4	3,741.4
Nominal (NGDP) (in millions US\$)	4,331.6	4,771	4,771	4,777
RGDP growth (in percent)	4.6	5.1	5.1	5.1

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

4.0 MONETARY DEVELOPMENTS

4.1 Monetary Policy Stance

The Monetary Policy Stance of the Central Bank of Liberia (CBL) quarter two 2024 was contractionary to curb the resurgence of inflationary pressures. In this regard, the Bank's policy effort was directed mainly at mopping up excess liquidity in the banking system, utilizing its policy instruments, including the CBL bills

4.2 Monetary Aggregates

Data on Monetary aggregates at end-May 2024 showed a month-on-month growth of 2.9 percent in broad money supply (M2) to L\$236.15 billion, from the L\$229.59 billion recorded at the end of the preceding month. The growth was triggered by a 7.2 percent increase in net foreign assets (NFA) and a 2.3 percent rise in net domestic assets (NDA) of the banking system.

Narrowed Money Supply (M1) rose by 3.7 percent at end-May 2024, on account of a 4.1 percent growth in demand deposits and 1.0 percent increase in currency outside banks. Furthermore, quasi money slightly expanded in the reporting month by 0.5 percent, induced by growth in time & savings deposits.

The stock of Liberian dollars in circulation grew by 0.4 percent to L\$27.62 billion at end-May 2024, from L\$27.52 billion recorded at the end of the previous month. The upward trend was solely triggered by a 1.0 percent increase in currency outside banks while currency in banks decreased by 6.3 percent.

The Liberian dollar component of commercial banks loans to the private sector in May 2024 decreased by 0.4 percent to L\$5.72 billion from 5.75 billion in the preceding month on account of declines of loans & advances to agriculture (by 53.7 percent), others (by 15.8 percent), manufacturing (by 13.2 percent) and construction (by 7.4 percent) subsectors.

Conversely, the US dollars component rose by 1.3 percent to US\$463.89 million from US\$457.98 million in the previous month on account of loans and advances to manufacturing (by 26.4 percent), trade (by 6.1 percent), agriculture (by 3.2 percent) and services subsectors (by 0.4 percent).

The stock of total deposits converted to Liberian dollars grew by 3.1 percent to L\$210.88 billion (25.0 percent of GDP) at end-May 2024, from L\$204.58 billion (24.4 percent of GDP) at end-April 2024, induced solely by a 3.5 percent growth in USD deposits. Year-on-year comparison showed that total deposits grew by 36.2 percent largely triggered by US dollar deposits.

Personal Remittances				
Inflows	72.48	82.14	66.72	67.86
Outflows	7.72	6.65	6.39	6.39
Net flows	64.76	75.49	60.34	61.47
Direction of Trade (DOT)				
Destination of Export	113.3	86.1	113.3	89.9
Africa	1.1	3.1	3.1	5.5
o/w ECOWAS	0.1	0.1	0.1	1.9
o/w Neighboring Countries	0.1	0.0	0.0	0.6
Asia	2.8	6.9	6.9	4.1
o/w The Middle East	1.6	5.0	5.0	3.5
o/w United Arab Emirate	0.4	1.9	1.9	3.0
then China	0.0	0.0	0.0	0.0
Europe	102.0	103.2	103.2	76.8
o/w Euro Zone	5.4	11.2	11.2	3.5
o/w The United Kingdom	5.4	11.2	11.2	3.5
Switzerland	78.1	81.8	81.8	56.1
North America & The Caribbean	7.4	0.0	0.0	3.5
o/w USA	7.0	0.0	0.0	3.5
Sources of Import (cif)	170.34	88.01	163.92	190.09
Africa	71.64	12.76	35.02	67.83
o/w ECOWAS	66.79	3.08	27.09	61.70
o/w Neighboring Countries	67.29	3.88	28.00	62.19
o/w Cote D Ivoire	64.90	-	24.08	59.53
Asia	72.86	48.61	95.84	92.76
o/w The Middle East	5.18	3.47	6.51	10.67
o/w United Arab Emirate	1.86	1.74	2.64	3.30
o/w China	26.45	23.95	29.32	25.13
o/w India	28.64	10.11	37.27	42.43
Europe	14.88	14.43	16.72	15.30
o/w Europe Zone	12.14	12.09	13.83	10.72
o/w The United Kingdom	6.39	2.11	5.45	1.07
o/w Spain	0.78	1.36	0.93	1.19
North America & The Caribbean	4.66	7.27	8.15	6.48
o/w USA	4.27	6.43	7.33	5.13
South & Central America	6.11	4.67	6.94	7.47
o/w Brazil	4.82	2.87	6.33	4.11
o/w Argentina	0.35	0.54	0.08	2.66
Oceania	0.18	0.26	1.25	0.24
o/w Australia	0.09	0.17	1.09	0.11
GDP	4,331.56	4,331.56	4,331.56	4,331.56

Source: CBL

Table 6: External Sector Statistics
April 2023 & February – April 2024

External Trade (Value)	May_23	Mar_24	Apr_24	May_24
	(Millions of US\$; Except Otherwise Indicated)			
Exports/ ¹	113.28	86.13	113.27	89.94
Iron Ore	22.70	15.33	18.14	10.59
Rubber	7.76	8.06	3.69	11.15
Gold	78.06	54.30	83.56	58.80
Diamond	1.99	1.52	3.73	2.31
Cocoa Bean	0.50	0.62	-	0.58
Palm Oil	1.07	0.39	2.61	4.04
Other Commodities	1.19	5.91	1.55	2.47
Imports (CIF)/ ^{1†}	138.73	88.01	163.92	190.09
Minerals, Fuel, Lubricants	42.45	7.07	33.63	69.10
o/w Petroleum Products	29.26	-	24.02	59.52
Food and Live Animals (incl. Animal and veg. oil)	27.50	19.49	48.90	54.03
o/w Rice	9.46	0.27	20.70	29.81
Machinery & Transport Equipment	36.35	28.52	38.24	31.46
Manufactured goods classified by materials	13.91	16.30	20.70	14.04
Other categories of imports	18.52	16.62	22.45	21.45
Trade Balance	(60.29)	(74.77)	(1.88)	(50.65)
Total Trade	280.39	229.31	174.14	277.19
External Trade (Volume)				
Rubber (MT)	7,670.65	6,721.67	2,820.96	6,135.45
Iron Ore (MT)	269,035.38	172,042.59	275,421.67	195,468.36
Cocoa Beans (MT)	-	87,461.05	-	-
Palm Oil (MT)	1,148.06	412.63	2,785.44	-
Gold (Oz)	47,551.41	29,941.74	43,115.49	30,225.65
Diamond (Crt)	3,413.92	3,505.71	2,974.78	9,082.51
Petroleum Products (MT)	15,396	10,983	-	6,022
Rice (MT)	19,117.72	19,574.46	18,059.79	54,808.36
Other Indicators				
Net Foreign Reserves Position	290.27	202.11	198.13	202.80
Import (FOB)	126.39	78.46	147.26	172.79
Gross International Reserves (GIR) [†]	539.9	422.2	412.9	416.6
Import covers (In Month) [†]	3.4	3.9	2.2	2.0

Table 2: Monetary Aggregates Statistics

Monetary Aggregates	May-23	Mar-24	Apr-24	May-24
	<i>In Millions of LD; Except Otherwise Indicated</i>			
ASSETS				
Net Foreign Assets (NFA)	21,872.89	24,243.61	25,315.44	27,139.27
Net Domestic Assets (NDA)	156,543.54	203,369.14	204,270.79	209,010.06
Domestic Credits	231,477.25	298,812.20	293,163.57	295,764.33
Net Claims on Government	129,253.42	154,831.24	141,326.11	137,599.13
Claims on Private Sector	102,223.83	143,980.96	151,837.46	158,165.19
Other Items Net	-74,933.71	-95,443.06	-88,892.78	-86,754.26
LIEBILITIES				
Broad money (M2)	178,416.43	227,612.75	229,586.24	236,149.34
Narrow Money (M1)	128,519.41	162,298.95	170,750.27	177,014.36
Liberian Dollars in Circulation	23,564.62	25,257.77	25,003.85	25,265.70
Currency in banks	104,954.79	137,041.18	145,746.42	151,748.65
Currency outside banks	49,897.02	65,313.80	58,835.96	59,134.98
Demand deposits	49,458.79	65,135.80	58,412.41	58,819.83
Quasi Money	438.23	178.00	423.55	315.14
Time & Savings deposits	178,416.43	227,612.75	229,586.24	236,149.34
Other deposits	128,519.41	162,298.95	170,750.27	177,014.36
MEMORANDUM				
Broad money (M2) in LRD only	49,484.10	51,821.63	51,678.63	51,552.59
Money Supply (M1) in LRD only	41,523.70	41,894.59	41,740.31	42,471.04
Loans to Private Sector				
Commercial banks loans to private sector- USD	454.42	451.66	457.98	463.89
Commercial banks loans to private sector - LRD	5,047.88	5,589.07	5,746.97	5,724.46
Demand Deposits of commercial banks				
Demand deposits – USD	514.47	624.51	667.24	694.06
Demand deposits – LRD	17,959.08	16,636.83	16,736.46	17,205.34
Time & savings deposits – USD	245.90	287.17	252.04	257.00
Time & savings deposits – LRD	7,876.02	9,769.27	9,680.14	8,998.88
Other Deposits**				
Actual US\$ component of other deposits	2.09	0.10	0.86	1.20
Liberian \$ component of other deposits	84.39	157.77	258.17	82.66
Total Deposits (both USD & LRD) converted to LRD ¹	154,851.81	202,354.98	204,582.38	210,883.63
Liberian Dollar share of Broad Money (% of total Money Supply)	27.7%	22.8%	22.5%	21.8%

[†] - Reserves excluding ECF borrowing from the IMF;

* - estimate/projection

** - Other Deposits Including Official and Manager Checks;

4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

The Bank continued the issuance of the CBL bills 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.

For the period under review, the total CBL bills issued during the month amounted to L\$7,028.00 million, reflecting 46.1 percent increase from the previous month L\$4,809.96. Commercial banks investments increased by 45.2 percent to L\$6,796.00 million from L\$4,680.00 million, while retail investors' participation increased by 78.52 percent to L\$232.00 million from L\$129.96 million in the previous month. Total redemptions amounted to L\$7,289.00 million, while the total outstanding bills stood at L\$7,446.00 million. Consequently, CBL recorded a net injection of L\$261.00 million for the month of May. The Bank upheld its commitment to timely redemption and provided regular updates on its website.

There was no new issuance of US dollar and Liberian dollar Treasury securities by CBL on behalf of the Government. The Liberian dollars Treasury security stock remained at L\$8,277.30 million with a total outstanding (matured but not yet redeemed) of L\$510.1 million. Similarly, US dollar treasury securities stock stood at US\$176.78 million with an outstanding of US\$11.16 million.

The lending, average savings, and time deposit rates were unchanged at 13.4 percent, 3.1 percent, and 3.5 percent, respectively in reference to the previous month. However, money markets instruments such as repo were not traded during the month. In the interbank operations, commercial banks continued to trade with only non-interest-bearing swaps to ease the liquidity disparity among banks for their international and intra-country transactions (Table 3).

Overall Balance (Surplus+; Deficit -)	(1.29)	13.71	4.36	(6.74)	
Total Debt Stock	2,134.33	2,413.12	2,536.93	2,556.31	0.76
Domestic Debt	959.64	1,018.36	1,072.37	1,072.37	-
o/w Financial Institutions	831.96	884.92	940.78	940.78	-
o/w Other Debts	127.69	133.44	131.59	131.59	-
External Debt	1,174.69	1,394.76	1,464.56	1,483.94	1.32
o/w Multilateral	1,062.54	1,263.09	1,324.57	1,343.95	1.46
o/w Bilateral	112.14	115.42	115.42	115.42	-
Memo Items					
Government Revenue (% of GDP)	1.86	1.22	1.38	1.22	-
Government Expenditure (% of GDP)	1.89	0.92	1.28	1.37	-
Total Debt Stock (% of GDP)	49.27	52.95	55.66	56.09	-
NGDP (at Level)	4,331.56	4,557.56	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 increased significantly by 97.7 percent in May 2024, and total trade increased by 1.0 percent against the previous month. Trade deficit increased to US\$100.15 million (2.3 percent of GDP), from US\$50.65 million (1.2 percent of GDP) in April 2024. Total merchandise trade increased to US\$280.03 million (6.5 percent of GDP), from US\$277.19 million (6.4 percent of GDP) due to an increase in import payments.

Export earnings decreased by 20.6 percent to US\$89.94 million (2.1 percent of GDP) in May 2024, from US\$113.27 million (2.6 percent of GDP) in the preceding month, occasioned by a sharp reduction in receipts from gold. Payments for merchandise imports rose by 16.0 percent to US\$190.09 million (4.4 percent of GDP), from US\$163.92 million (3.8 percent of GDP) recorded in April, due to an increase in payments for minerals, fuel, lubricants, mainly petroleum, and food and live animals.

The increase reflects growth in recurrent expenditure during the reporting period as capital expenditure fell. Recurrent expenditure increased by 25.1 percent to US\$61.3 million (1.3 percent of GDP) on account of increases in both employees' compensation and goods & services spending. Notwithstanding, payments on loans, interest, and other charges decreased. Lastly, a notable decline in capital expenditure was observed during the reporting period.

5.2 Total Public Debt

As at end-May 2024, the total stock of public debt increased by 0.8 percent to US\$2,556.3 million (56.1 percent of GDP), from the US\$2,536.9 million (55.7 percent of GDP) at the end of the preceding month. The increase reflects a 1.3 percent increase in external debt amidst no change in domestic debt. External and domestic debt stocks totaled US\$1,483.9 million (32.6 percent of GDP) and US\$1,072.4 million (23.5 percent of GDP), respectively, at end-April 2024.

Table 5. GOL's Fiscal Operations Statistics

Fiscal Operations	May-23	Mar-24	Apr-24	May-24	M-O-M
	(Millions of USD)				(% Change)
Government Revenue	80.45	55.50	62.80	55.70	(11.31)
<i>Tax Revenue</i>	44.13	49.20	54.59	45.00	(17.58)
o/w Taxes on Income & Profits	22.10	24.65	33.17	20.60	(37.90)
o/w Taxes on Int'l Trade (Customs)	16.54	19.05	16.64	18.07	8.59
<i>Non-tax Revenue</i>	11.32	6.29	8.20	10.70	30.42
o/w Property Income	9.08	4.81	6.18	8.51	37.74
o/w Administrative Fees & Penalties	2.24	1.48	2.03	2.19	8.11
<i>Other Revenue (Including Grants)</i>	25.00	-	-	-	-
Government Expenditure	81.74	41.79	58.43	62.44	6.85
Recurrent Expenditure	74.32	41.77	48.98	61.25	25.05
o/w Compensation	26.41	21.40	21.51	32.76	52.31
o/w Goods and Services	34.96	9.46	7.91	14.60	84.47
o/w Payments on Loans, interest & other charges	5.29	5.25	7.18	2.18	(69.63)
Capital Expenditure	7.42	0.02	9.45	1.19	(87.44)

Table 3: Financial Market and Interest Rates Statistics

Market Instruments (CBL indexed Bills)	May-23	March-24	April-24	May-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	6,171.00	4,452.04	4,809.96	7,028.00
Redemption during the month (EAR basis)	5,235.00	5,432.02	4,858.19	7,289.00
Bill Outstanding (EAR basis)	8,221.00	7,754.60	7,706.37	7,446.00
Effective Annual Rate (EAR)	15	20.00	20	20
Total Purchases (coupon rate & EAR)	6,171.00	4,452.04	4,809.96	7,028.00
Total Redemption (coupon rate & EAR)	5,235.00	5,432.02	4,858.19	7,289.00
Total Outstanding Bills (coupon rate & EAR)	8,221.00	8,734.59	7,706.37	7,446.00
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	7,957.60	510.10	510.60	510.10
T-Bills Total Stock		8,246.67	8,246.47	8,246.47
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	0.00	0.00	0.00
T- Bills Redeemed (Principal or Interest) (In USD)	0.00	0.00	1.73	0.00
T-Bills Outstanding (Repayment principal and interest)	110.82	1.28	1.28	1.28
Total debt stock	0.00	143.17	141.44	141.44
Ave. Weighted Discount Rate (T-Bills)	7.16	10.0	10.0	10.0
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	0.00	0.00	0.00
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	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In USD) (Coupon and Principal)	46.50	36.33	9.87	0.00
Coupon Payments (USD)	0.00	0.00	0.64	0.00
Total debt stock	46.50	36.33	35.69	35.69
	<i>(As specified)</i>			
SCF rate	17.5	20.0	0.00	0.00
SCF Amount (In Millions LD)	0.00	0.00	0.00	0.00
SDF overnight rate	0.05	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00
<i>Interest Rates</i>		<i>(As specified)</i>		
- Lending rate	12.44	12.44	12.44	12.44
<i>Average Deposit rates</i>				
-Savings	2.10	2.10	2.10	2.10
-Time	3.53	3.53	3.53	3.53
<i>Money Markets Instrument (In percent)</i>				
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 remained in compliance with the sector's regulatory requirements. For the month ended May 2024, the industry liquidity ratio decreased by 0.16 percentage points to 44.08 percent compared to the 44.24 percent liquidity ratio reported in the preceding month. The industry liquidity ratio remained above the minimum regulatory requirement of 15.00 percent by 29.08 percentage points. The Capital Adequacy Ratio (CAR) was unchanged relative to the previous month and remained above the minimum regulatory requirement of 10.00 percent by 19.37 percentage points. Additionally, the Return on Assets (ROA) increased by 0.23 percentage points from 1.14 percent to 1.37 percent, and the Return on Equity (ROE) increased by 1.85 percentage points, from 8.14 percent to 9.99 percent.

Total gross loans increased by 3.67 percent to L\$99.54 billion in May 2024, from the L\$96.00 billion reported in the previous month, mainly attributed to increase in facilities that were granted in the trade (29.04 percent) and personal (16.91 percent) sectors. However, the ratio of non-performing loans to total loans decreased by 1.87 percent during the month under review against the 10.00 percent regulatory tolerable limit. The decrease in NPLs was largely due to decline in defaulted facilities in the trade (23.77 percent), and personal (25.21 percent) subsectors.

Table 4: Selected Financial Soundness Indicators (FSIs)

Financial Soundness Indicators	May- 23	Mar-24	April-24	May-24
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	81.83	94.46	96.00	99.53
Total Non-performing Loans	12.85	17.74	18.85	17.68
Non-performing Loans to Total Gross Loans (ratio)	15.77	18.87	19.64	17.77
Gross Loan (percent change)	0.46	0.20	1.63	3.67
Non-performing Loans (percent change)	(14.27)	(10.96)	23.54	(6.19)
Returns on Assets (ROA)	0.79	0.87	1.14	1.37
Returns on Equity (ROE)	5.88	6.31	8.14	9.99
Liquidity Ratio***	44.58	45.32	44.24	44.08
Capital Adequacy Ratio (CAR)****	17.08	24.30	29.37	29.37

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

Provisional data on the Government of Liberia's (GoL) operations revealed a deficit in the overall balance (OB) amounting to US\$6.74 million (0.15 percent of GDP) against the surplus recorded in the previous month. This development mainly reflected an increase in government expenditure coupled with decline in total revenue.

The fiscal operations reported a decline in total revenue, contracting by 11.3 percent to US\$55.7 million (1.2 percent of GDP) from the US\$62.8 million (1.4 percent of GDP) recorded in the preceding month, predominantly driven by a decrease in tax revenue. Tax revenue declined by 17.9 percent to US\$45.0 million (1.0 percent of GDP), primarily due to a significant decline in income & profit tax. Unlike tax revenue, non-tax revenue expanded by 30.4 percent to US\$10.7 million (0.2 percent of GDP) due to growths in property income and administrative fees & penalties.

In addition, the fiscal operations reported an increase in total expenditure. Government's total expenditure increased by 6.9 percent to US\$62.4 million (1.4 percent of GDP) from US\$58.4 million (1.3 percent of GDP).