



# CENTRAL BANK OF LIBERIA

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## **Central Bank of Liberia**

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## **TABLE OF CONTENTS**

OVERVIEW.....	i-ii
I. DEVELOPMENT IN THE WORLD ECONOMY .....	1
1.0 Introduction.....	1
1.1 The United States Economy.....	1
1.2 The Euro Area.....	1
1.3 Emerging Market and Developing Economies .....	2
1.4 Sub-Saharan Africa.....	2
1.5 Global Inflation .....	3
II. DOMESTIC PRODUCTION AND CONSUMER PRICES .....	4
2.0 Introduction.....	4
2.1 Sectorial Review .....	4
2.1.1 Agriculture and Forestry .....	4
2.1.2 Industrial Production.....	6
2.2 Consumption of Petroleum Products .....	11
2.3 Sea Port Developments .....	12
2.4 Electric Power Developments.....	13
2.5 Price Developments .....	14
2.5.1 Domestic Inflation .....	14
2.5.2 Inflation by Group.....	15
2.5.3 Contributions to Changes in CPI (%) .....	16
2.5.4 Outlook for Inflation .....	16
III. MONETARY AND FINANCIAL DEVELOPMENT .....	20
3.0 Money and Banking .....	20
3.1 Banking Developments .....	20
3.2 Commercial Bank Credit .....	22
3.3 Interest Rate .....	24
3.4 Exchange Rate .....	24
3.5 Monetary Policy Stance .....	27
3.6 Liberian Dollars in Circulation .....	27
3.7 Money Supply (M1) .....	28
3.8 Broad Money Supply (M2) .....	28

3.9	Foreign Exchange Auction .....	29
3.10	Money Market Developments .....	32
IV.	FISCAL SECTOR DEVELOPMENTS .....	34
4.1	Government Revenue and Grants .....	35
4.1.1	International Trade Taxes .....	35
4.1.2	Taxes on Income and Profits.....	36
4.1.3	Sale Taxes on Goods and Services .....	36
4.1.4	Property and Real Estate Taxes .....	36
4.1.5	Charges and Other Administrative Fees .....	37
4.2	Government Expenditure .....	39
4.2.1	Recurrent Expenditure .....	40
4.2.2	Capital Expenditure.....	41
4.2.3	Loan, Interest Payments and Other Charges .....	41
4.3	Stock of Public Debt .....	43
4.3.1	External Debt .....	44
4.3.2	Domestic Debt .....	44
V.	EXTERNAL SECTOR DEVELOPMENTS.....	46
5.0	Overview .....	46
5.1	The Current Account .....	49
5.1.1	Goods Accounts .....	49
5.1.1.1	Services Payments .....	55
5.1.2	Primary Income .....	55
5.1.3	Secondary Income .....	56
5.1.3.1	Personal Remittances .....	56
5.1.3.2	Commodity Price Outlook .....	57
5.2	International Reserves Position and Months of Imports Cover .....	60

Table 1: Selected Global Output .....	3
Table 2: Key Agricultural Production.....	4
Table 3: Key Industrial Output .....	8
Table 4: Consumption of Petroleum Products .....	11
Table 5: Vessel Traffic and Cargo Movements .....	12
Table 6: Electric Power Developments.....	13
Table 7: Headline and Quarterly Changes in CPI (%).....	17
Table 8: Inflation by Sub-groups: Year-on-Year Changes in CPI.....	18
Table 9: Harmonized Consumer Price Index (HCPI) By Major Groups .....	19
Table 10: Commercial Bank Loans by Economic Sector .....	23
Table 11: Commercial Bank's Interest Rates .....	24
Table 12: Market Exchange Rate: Liberia Dollar per US Dollar.....	25
Table 13: Monthly Average Buying and Selling Rates of Liberia Dollars per US Dollars.....	26
Table 14: Liberian Dollars in Circulation .....	27
Table 15: Broad Money Supply and its Sources .....	29
Table 16: Broad Money: Share of US and Liberian Dollars.....	31
Table 17: Foreign Exchange Sale Auction .....	32
Table 18: Government of Liberia Treasury Bill Auction.....	33
Table 19: Government of Liberia's Total Revenue and Grants.....	34
Table 20: Government of Liberia's Total Revenue and Grants.....	38
Table 21: Government of Liberia's Total Expenditure.....	42
Table 22: Liberia's Overall Public Debt Position - By Category .....	43
Table 23: Liberia's Overall Public Debt Position - By Creditors .....	45
Table 24: Quarterly Balance of Payments (BOP) Statistics.....	46
Table 25: Quarterly Trade Balance.....	50
Table 26: Commodity Composition of Exports.....	51
Table 27: Destination of Exports .....	52
Table 28: Commodity Composition of Imports .....	54
Table 29: Sources of Imports.....	55
Table 30: Inward & Outward Personal Remittances.....	57
Table 31: Quarterly Commodity Prices Review & Outlook .....	59
Table 32: Stock of International Reserves .....	62

Chart 1: Key Agricultural Production.....	5
Chart 2: Consumption of Petroleum Products .....	12
Chart 3: Vessel Traffic.....	13
Chart 4: Electricity Generation .....	14
Chart 5: Quarterly Inflationary Trends (%) .....	15
Chart 6: Quarterly Changes in CPI (%) .....	15
Chart 7: Percentage Distribution of Commercial Banks' Loans by Economic Sectors.....	23
Chart 8: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar.....	26
Chart 9: Liberian Dollars in Circulation .....	28
Chart 10: Narrow Money Supply (M1).....	30
Chart 11: Broad Money Supply (M2).....	30
Chart 12: Broad Money: Share of US and Liberian Dollars .....	31
Chart 13: Foreign Exchange Sale Auction.....	32

Chart 14: Average Quarterly Yields (in Percent) Government of Liberia 91-day Treasury-bill Auctions.	33
Chart 15: Government of Liberia’s Fiscal Sector Indicators .....	35
Chart 16: Government of Liberia’s Total Revenue and Grants .....	39
Chart 17: Government of Liberia’s Total Expenditure .....	43
Chart 18: Liberia’s Overall Public Debt Position - By Composition As at End-Dec. 30, 2017 .....	44
Chart 19: Liberia’s Overall Public Debt Position - By Creditors .....	45
Chart 20: Quarterly Trade Balance .....	49
Chart 21: Commodity Composition of Exports .....	50
Chart 22: Commodity Composition of Imports .....	53
Chart 23: Net Personal Inward Remittances .....	56
Chart 24: International Reserves Position .....	60

## OVERVIEW

Global economic activity continues to strengthen, as evidenced by selected growth statistics. According to the World Economic Outlook (WEO) January 2017 Update, world output experienced a broad-based growth estimated at 3.7 percent in 2017, which is 0.5 percentage point higher than what was recorded in 2016. Europe and Asia, in particular, experienced notable surprises. In both 2018 and 2019, the global economy is forecasted to grow by 3.9 percent, which is 0.2 percentage point higher than previous projections. Increased global growth momentum and the expected impact of the recently approved changes in the United States tax policy are the main drivers of this upward revision.

The Liberian economy is projected to experience a real GDP growth of 2.5 percent in 2017, increasing by 4.1 percentage points, from negative 1.6 percent in 2016. This overall growth of the economy is to be mainly supported by growth in the mining and panning sector which is estimated to grow at 28.8 percent. Considering other economic activities of the real economy, the agriculture and fisheries sector is estimated to grow by 1.8 percent, while growth in forestry is estimated at negative 8.0. Growth estimate for the manufacturing sector is 1.4 percent, and for services, it is 1.0 percent. The average headline inflation in Liberia at end-December, 2017 was 13.0 percent.

Developments in the banking sector in the fourth quarter of 2017 showed that the sector continues to improve in terms of key balance sheet indicators despite the challenges faced in the economy. Total capital, total assets, total loans and advances, and total deposit increased by 7.8 percent, 5.3 percent, 8.5 percent and 3.8 percent, respectively, in the fourth quarter of 2017 as compared to the previous quarter. The sector also experienced improvements in its profitability, liquidity and capital. Eight of the nine banks in the banking system reported capital exceeding the minimum regulatory requirement in the fourth quarter of 2017.

The average interest rates for the period under review showed mixed developments. While the interest rate on lending reduced, the interest rates on time deposit and certificate of deposit rose, and the interest rates on personal loans, mortgage, and savings all remained constant.

Foreign exchange market statistics revealed that the Liberian dollar on average depreciated against the U. S. dollar by 4.5 percent in the fourth quarter of 2017 as compared to the previous

quarter. The increased demand for U. S. dollar to service imports, and the Government of Liberia's increased Liberian dollar expenditure as well as its reduced U. S. dollar expenditure, were the major causes of the depreciation. The Liberian dollar in circulation as at end-December, 2017 was 18.9 percent higher as compared to the figure reported as at end-September, 2017. This was as a consequence of an increase in currency outside bank which is characteristic of the festive season.

The Liberian government's fiscal operations during the quarter under review resulted into a budget deficit. A decline in total actual revenue and grants resulting from shortfalls in actual tax and non-tax revenue receipts, and an increase in total public expenditure, were the major causes of the budget deficit.

Preliminary statistics on Liberia's balance of payments position during the fourth quarter of 2017 showed that the current account deficit increased by 26.9 percent on account of increases in payments for goods and payments towards secondary income. During the same period, the capital account improved moderately by 2.5 percent as a result of increase in inflows in the forms of capital transfers.

The leading destinations of Liberia's exports during the period under review were the Middle East, North America, and Europe, which accounted for 40.8 percent, 27.4 percent, and 19.2 percent of total exports, respectively. Merchandise export earnings declined by 34.1 percent mainly as a result of falls in receipts of iron ore and minerals.

The gross international reserves position (including SDRs) of Liberia at end-December, 2017 rose by 5.4 percent as compared with the figure recorded at end-September, 2017. This was a consequence of an increase in currency balances with banks abroad. Also, the country's net foreign reserves position (including SDRs) slightly reduced by 0.3 percent at end-December, 2017, from the figure recorded at end-September, 2017. It declined by 7.1 percent compared with the stock recorded at end-December, 2016.



# **I. DEVELOPMENT IN THE WORLD ECONOMY**

## **1.0 Introduction**

Selected growth statistics indicate that global economic activity continues to strengthen. In the World Economic Outlook (WEO) January 2017 Update produced by the International Monetary Fund (IMF), world output is estimated to have grown by 3.7 percent, which is 0.5 percentage point higher than what was recorded in 2016. This climb in growth has been broad based, with Europe and Asia experiencing notable upside surprises. In both 2018 and 2019, the global economy is projected to grow by 3.9 percent, which is 0.2 percentage point higher than previous projections. This upward revision is due to increased global growth momentum and the expected impact of the recently approved changes in the United States (U.S.) tax policy. However, this forecast is susceptible to risks which seem broadly based in the short term but remain tilted to the downward side over the medium term. On the upside, as the pickup in activity and easier financial conditions reinforce each other, a stronger cyclical rebound could be occasioned. On the downside, the likelihood of a financial market correction is increased by rich assets valuations and very compressed term premiums. This could cause growth and confidence to be dampened.

## **1.1 The United States Economy**

Economic activity is expected to be stimulated by the U.S. tax policy changes, with the near-term impact mainly triggered by the response of investment to the corporate income tax cuts. The policy changes are expected to add to growth through 2020, so that real GDP in the U.S. has a cumulative growth of 1.2 percent by 2020. Revised from the October 2017 WEO, the U. S. growth projection has been increased from 2.3 percent to 2.7 percent in 2018, and from 1.9 percent to 2.5 percent in 2019, partly due to stronger external demand. However, considering the temporary nature of some provisions of the policy changes coupled with increased fiscal deficit which will require fiscal adjustment along the way, the tax policy package is expected to lower growth for a few years from 2022 onwards, cancelling out some of the earlier growth gains.

## **1.2 The Euro Area**

Many economies in the euro area, especially Germany, Italy, and the Netherlands, have seen their growth rates marked up, and this is reflective of stronger momentum in domestic demand and

higher external demand. Reflecting the effects of increased political uncertainty on confidence and demand, growth in Spain, which has been well above potential, has been marked down slightly for 2018. Growth for the euro area is estimated to be 2.4 percent in 2017 and projected to be 2.2 percent in 2018.

### **1.3 Emerging Market and Developing Economies**

For the emerging markets and developing economies, the aggregate growth forecast for 2018 and 2019 remained unchanged. However, there are noticeable differences in the outlook across regions. Emerging and developing Asia, the region which accounts for over half of the world growth, is expected to grow by 6.5 percent in 2018 and 6.6 percent in 2019. In China, growth is expected to moderate gradually but with a slight upward revision to the forecast for 2018 and 2019 in the October 2017 WEO. The revisions were occasioned by stronger external demand. In India, growth picked up, but in the ASEAN-5<sup>1</sup> region, it remained broadly stable. In emerging and developing Europe, which had growth estimate exceeding 5 percent in 2017, economic activity in 2018 and 2019 is projected to remain stronger than previously expected, owing to higher growth forecast for Poland and especially Turkey. In Latin America where growth is projected to be 1.9 percent in 2018 and 2.6 percent in 2019, recovery is expected to strengthen. This outlook of the region is primarily due to Mexico benefitting from stronger U.S. demand, firmer recovery in Brazil, and favorable effects of stronger commodity prices and easier financing conditions on some commodity-exporting countries. In the Middle East, North Africa, Afghanistan, and Pakistan region, growth is projected to rise from 2.5 percent in 2017 to 3.6 percent in 2018 and then slightly reduce by 0.1 percentage point to 3.5 percent in 2019.

### **1.4 Sub-Saharan Africa**

Growth in Sub-Saharan Africa is expected to continue on the rise, with growth rate of 2.7 percent, 3.3 percent, and 3.5 percent in 2017, 2018, and 2019, respectively. In Nigeria, growth forecast for 2018 was adjusted by 0.2 percentage point from 1.9 percent in the October, 2017 WEO to 2.1 percent. In South Africa, growth prospects seem gloomy as increased political uncertainty affects

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<sup>1</sup> The ASEAN-5 include: Indonesia, Malaysia, the Philippines, Singapore, and Thailand.

confidence and investment. Like in 2017, the country's growth is expected to remain below 1 percent in 2018 and 2019.

### 1.5 Global Inflation

Headline inflation in advanced economies was estimated at 1.7 percent in 2017, exactly the same as the projection in the October, 2017 WEO. This inflation rate was mainly as a result of cyclical recovery in demand and the increase in commodity prices in the second half of 2016. Inflation rate for advanced economies is projected to rise to 1.9 percent and 2.1 percent in 2018 and 2019, respectively. In emerging market and developing economies, inflation was estimated at 4.1 percent in 2017 and is projected to be 4.5 percent in 2018 and 4.3 percent in 2019.

**Table 1: Growth of Selected Global Output**

	<u>Projections</u>			<b>Difference from October 2017 WEO Update</b>	
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>
<b>World Output</b>	3.2	3.6	3.7	0.1	0.2
<b>Advance Economies</b>	1.7	2.2	2.0	0.1	0.3
United States	1.5	2.2	2.3	0.1	0.4
Euro Area	1.8	2.1	1.9	0.3	0.3
Japan	0.9	1.5	0.7	0.3	0.5
United Kingdom	1.9	1.7	1.5	0.0	0.0
Canada	1.4	3.0	2.1	0.0	0.2
<b>Emerging Market and Developing Economies</b>	4.4	4.6	4.9	0.1	0.0
<b>Emerging and Developing Asia</b>	6.4	6.5	6.5	0.0	0.0
China	6.7	6.8	6.5	0.0	0.1
India	7.1	6.7	7.4	0.0	0.0
Latin America and the Caribbean	-0.7	1.2	1.9	0.1	0.0
Middle East, North Africa, Afghanistan & Pakistan	4.9	2.6	3.5	-0.1	0.1
Sub-Saharan Africa	1.4	2.6	3.4	0.1	-0.1
Nigeria	-1.6	0.8	1.9	0.0	0.2
South Africa	0.3	0.7	1.1	0.2	-0.2
<b>Consumer Prices</b>					
Advanced Economies	0.8	1.7	1.7	0.0	0.2
Emerging Markets and Developing Economies	4.3	4.2	4.4	-0.1	0.1

*Source: IMF World Economic Outlook Update, January 2018*

## II. DOMESTIC PRODUCTION AND CONSUMER PRICES

### 2.0 Introduction

Real GDP of the Liberian economy for 2017 was projected to expand by 2.5 percent to US\$904.1 million, from negative 1.6 percent or US\$882.1 million in 2016. The projected growth in Real GDP is supported by growth in the mining and panning sector of the economy. Growth in the agriculture and fisheries sector is expected to shrink, but will still remain positive; the forestry sector is anticipated to edge downward while manufacturing is expected to tilt upward. On a sector-to-sector basis, agriculture and fisheries is estimated at 1.8 percent (from 6.4 percent), forestry is estimated to take a nosedive to negative 8.0 percent (from 0.0 percent), mining and panning to 28.8 percent (from negative 33.0 percent), manufacturing to 1.4 percent (from negative 5.2 percent) and services to 1.0 percent (from 2.1 percent). Average headline inflation at the end of the fourth quarter of 2017 was 13.0 percent from 12.0 percent recorded during the preceding quarter, and 11.5 percent for the same period a year ago.

### 2.1 Sectorial Review

#### 2.1.1 Agriculture and Forestry

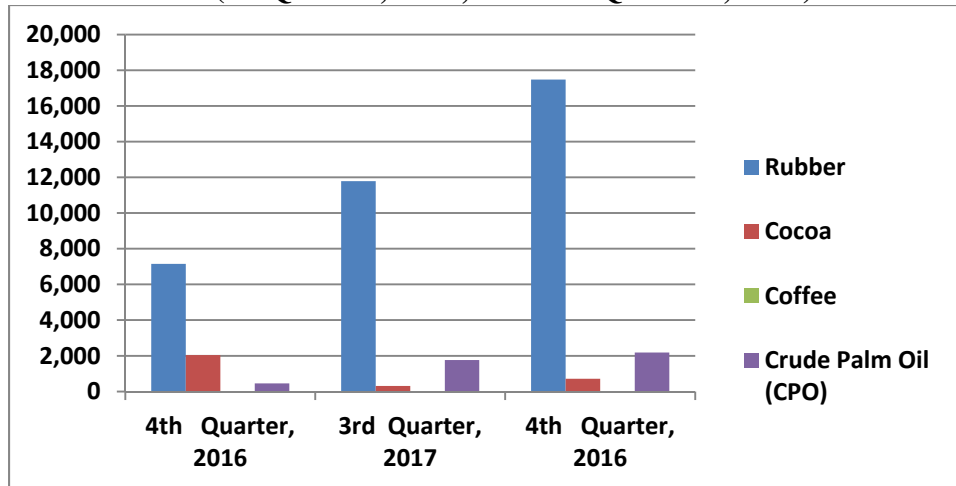
**Table 2: Key Agricultural Production**  
(4<sup>th</sup> Quarter 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)

Commodity	Unit	4 <sup>th</sup> Quarter, 2016	3 <sup>rd</sup> Quarter, 2017	4 <sup>th</sup> Quarter, 2016
Rubber	Mt.	7,148	11,785	17,480
Cocoa	Mt.	2,040	306+	712
Coffee	Mt.	-	-	-
Round Logs	M <sup>3</sup>	25,942	8,442	26,263
Sawn Timber	Pcs.	139,990	85,356	122,320
Crude Palm Oil (CPO)	Mt.	454	1,763*	2,186

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

*+Revised/actual*

**Chart 1: Key Agricultural Production  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**



**a. Rubber**

Production statistics during the fourth quarter of 2017 showed that rubber production rose to 17,480 metric tons, from 11,785 metric tons produced during the preceding quarter. The 5,695 metric tons or 48.3 percent surge in output was as a result of the increase in production of small holder farms. On a year-on-year basis, output rose by 10,331 metric tons.

**b. Cocoa & Coffee**

Cocoa production for the reviewed quarter was 712 metric tons, up from a 306 metric tons produced during the previous quarter. The 406 metric tons rise in the production of cocoa was due to increase in its price on the global market. When matched against the corresponding period of 2016, output fell by 65.1 percent or 1,327 metric tons. There was no coffee production for analysis during the quarter.

**c. Sawn Timber**

Sawn timber production for the fourth quarter was estimated at 122,320 pieces, up from 85,356 pieces produced in the preceding quarter. The 36,964 pieces or 43.3 percent growth in sawn timber was attributed to the pickup of construction activities around the country. When compared to the corresponding period of 2016, output fell by 12.6 percent or 17,670 pieces.

#### **d. Round Logs**

Round logs statistics revealed that output during the quarter increased to an estimated 26,263 cubic metric, from 8,442 cubic meters produced during the third quarter. The 17,822 cubic meters surge in output was underpinned by good roads condition during the dry season. When compared on a year-on year basis, output rose by 321 cubic metres or 1.2 percent.

#### **e. Crude Palm Oil (CPO)**

During the review quarter, the output of crude palm oil (CPO) was estimated at 2,186 metric tons, up from 1,763 metric tons produced during the quarter ended September, 2017. The 24.0 percent or 423 metric tons up shoot in CPO production was attributed to gestation of more palm trees. When compared with production of the same period a year ago, production of CPO surged by 1,732 metric tons.

### **2.1.2 Industrial Production**

#### **Mining (Gold, Diamond and iron Ore)**

##### **(i) Gold**

Gold output for the review quarter was 41,931 ounces, down from 48,390 ounces produced in the third quarter of 2017. The 6,458 ounces or the 13.3 percent decline in gold production was largely attributed to the slowdown in economic activities due to the 2017 elections that took place in the fourth quarter of the year. When matched against the same period a year ago, output dipped by 763 ounces or 1.8 percent.

##### **(ii) Diamond**

The output of diamond during the quarter ended-December, 2017 was 15,673 carats, up from 13,154 carats produced during the preceding quarter. The 19.2 percent or 2,520 carats surge in diamond production was explained by the exploration of new and productive mines. When matched against the same period of 2016, diamond production rose by 7,906 carats.

##### **(iii) Iron Ore**

Production of iron ore for the quarter-ended December 2017 was 154,118 metric tons, down from 554,072 metric tons produced during the last quarter. The 399,954 metric tons or 72.2 percent decline in iron ore production was mainly due to the fall in the average price of the commodity on the global market coupled with other domestic constraints. On an annualized basis, output decreased by 43,903 metric tons or 22.2 percent.

**(iv) Manufacturing**

**(i) Cement**

Total output of cement during the quarter ended-December, 2017 was 50,602 metric tons, down from 51,110 metric tons produced a quarter ago. The negative 1.0 percent or 508 metric tons slump in cement production was due to the uncertainties around the 2017 elections. When compared to the same period a year ago, cement production fell by 7.6 percent or 4,139 metric tons.

**(ii) Beverages**

The production of beverages, both alcoholic and non-alcoholic, rose to 5.7 million litres at the end of the fourth quarter, from 5.1 million litres produced a quarter ago. The 11.1 percent or 0.6 million litres upsurge in beverage production was largely attributed to the increase in soft drink production. When annualized, output of beverages rose by 0.9 percent. By disaggregation, alcoholic beverage contributed 55.6 percent with 44.4 percent being the share of non-alcoholic beverages to the total quarterly output.

**Table 3: Key Industrial Output**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)

<b>Commodity</b>	<b>Unit</b>	<b>4<sup>th</sup> Quarter, 2016</b>	<b>3<sup>rd</sup> Quarter, 2017</b>	<b>4<sup>th</sup> Quarter, 2017</b>
Diamond	Carat	15,673	13,154	7,767
Gold	Ounce	41,931	48,390	42,694
Iron Ore	Mt.	154,118	554,072	198,021
Cement	Mt.	54,741	51,110	50,602
Spirits	Litre	86,914	86,147	96,548
Beer	Litre	1,744,406	1,414,866	1,420,431
Stout	Litre	1,689,756	1,200,862	1,626,863
Malta	Litre	69,047	67,423	89,255
Soft Drinks	Litre	2,019,838	2,325,960	2,426,105
Oil Paint	Gal.	30,985	13,150	31,279
Water Paint	Gal.	32,543	21,961	34,535
Varnish	Gal.	3,692	2,927	7,118
Manoline Hair Grease	Kg.	3,629	2,377	1,117
Soap	Kg.	116,526	144,571	141,853
Candle	Kg.	37,695	20,843	29,295
Chlorox	Litre	268,580	315,529	301,540
Rubbing Alcohol	Litre	52,048	69,398	55,015
Thinner	Gal.	5,125	3,370	7,796
Mattresses	Pcs.	24,633	19,764	25,900
Finished water	Gal.	485,557,284	551,545,644	566,958,119
Mineral Water	Litre	341,615	186,362+	290,448
Electricity	kW		70,300,073*	

*Source: Ministry of lands, Mines & Energy; Liberia Water & Sewer Corporation; and Ministry of Commerce & Industry*

*\*Estimate*

*+ Revised/Actual*

*N/A Not Available*

### **(iii) Soap**

Soap production for the fourth quarter was recorded at 141,853 kilograms, down from 144,571 kilograms produced a quarter ago. The 1.9 percent or 2,718 kilograms decline in soap production was as a result of the importation of competitive brands. Comparing the production of soap against the same period in 2016, output rose by 21.7 percent or negative 25,327 kilograms.

### **(iv) Paint (Oil and Water)**

Paint output (oil & water) during the quarter under review was 65,814 gallons, up from 35,111 gallons produced during the quarter ended-September, 2017. The 87.4 percent or 30,703 gallons rise in paint production was mainly a result of the dry season in which construction activities picks.



When compared on an annual basis, production rose by 3.6 percent or 2,286 gallons. Disaggregating the fourth quarter's total paint production, oil paint constituted 47.5 percent and the balance 52.5 percent was the contribution of water paint.

**(v) Varnish**

The total output of varnish at end-December stood at 7,118 gallons, up from 2,927 gallons produced at end-September 2017. The 4,191 gallons increase in production was generally due to the rise in construction activities occasioned by the dry season. When measured against the same period in 2016, varnish production surged by 3,426 gallons.

**(vi) Manoline Hair Grease**

Manoline Hair Grease production during the reporting quarter was 1,117 kilograms, down from 2,377 kilograms produced in the previous quarter. The negative 53.0 percent or 1,260 kilograms slump in the output of the commodity was mainly on account of increase in the importation of competing brands. When compared to the corresponding period a year ago, output dropped by 69.2 percent or 2,512 kilograms.

**(vii) Thinner**

Total thinner produced during the quarter under review surged to 7,796 gallons, from 3,370 gallons produced during the preceding quarter. The 4,426 gallons rise in production of the commodity was mainly explained by the rise in construction activities induced by the dry season. On a year-on-year basis, output rose by 52.1 percent or 2,671 gallons.

**(viii) Rubbing Alcohol**

Real sector statistics showed that rubbing alcohol output during the fourth quarter was 55,015 litres, down from 69,398 litres produced a quarter ago. The 20.7 percent or 14,383 litres slump in production was occasioned by the uncertainties surrounding the 2017 elections which slowed down economic activities. However, when compared with the corresponding period of 2016, production expanded by 5.7 percent or 2,966 litres.

**(ix) Chlorox**

Chlorox volume produced during the third quarter stood at 301,540 litres, down from 315,529 litres produced at end-September, 2017. The 4.4 percent dip in chlorox production was due to the uncertainties of the past elections which slowed down economic activities. When matched against the corresponding period of 2016, output rose by 12.3 percent or 32,960 litres.

**(x) Candle**

Total volume of candle produced during the quarter under review was 29,295 kilograms, up from 20,843 kilograms produced during the previous quarter. The increase in candle output by 40.6 percent or 8,453 kilograms was as a result of increasing stock in the warehouse. When compared with production of the corresponding period a year ago, candle output slumped by 22.3 percent or 8,400 kilograms.

**(xi) Mattresses**

The output of mattresses at end-December, 2017 was 25,900 pieces, up from 19,764 pieces produced during the previous quarter. The rise in mattresses production by 31.0 percent or 6,136 pieces was due to the increased demand for the commodity largely by election staff assigned across the country. When annualized, output increased by 5.1 percent or 1,267 pieces.

**(xii) Finished Water**

Finished water production during the reporting quarter surged to an estimated 567.0 million gallons, up from 551.5 million gallons produced a quarter ago. The 2.8 percent or 15.4 million gallons increase in output was due to the increase in running hours of pumps. When matched against the same period a year ago, output rose by 16.8 percent or 81.4 million gallons.

**(xiii) Mineral Water**

During the fourth quarter of 2017, it was revealed that mineral water output increased to 290,448 litres, up from the revised 186,362 litres produced during the preceding quarter. The 104,086 litres or 55.9 percent increase in mineral water production was as a result of increased production capacity occasioned by the dry season. However, when compared to the same period a year ago,

output slumped by 15.0 percent or 51,167 litres. The slump in mineral water production was on account of the importation of competing brands on the local market.

## 2.2 Consumption of Petroleum Products

**Table 4: Consumption of Petroleum Products  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

Commodity	Unit	4 <sup>th</sup> Quarter, 2016	3 <sup>rd</sup> Quarter, 2017	4 <sup>th</sup> Quarter, 2017
Premium Motor Spirit (PMS)	Gal.	1,311,232.09	2,362,174	2,149,372
Diesel (AGO)	Gal.	930,015.57	2,337,191	2,290,773
Jet-Fuel (Jet-A)	Gal.	-	-	-
Kerosene	Gal.	-	-	-
<b>Total</b>		<b>2,241,247.66</b>	<b>4,699,365</b>	<b>4,440,145</b>

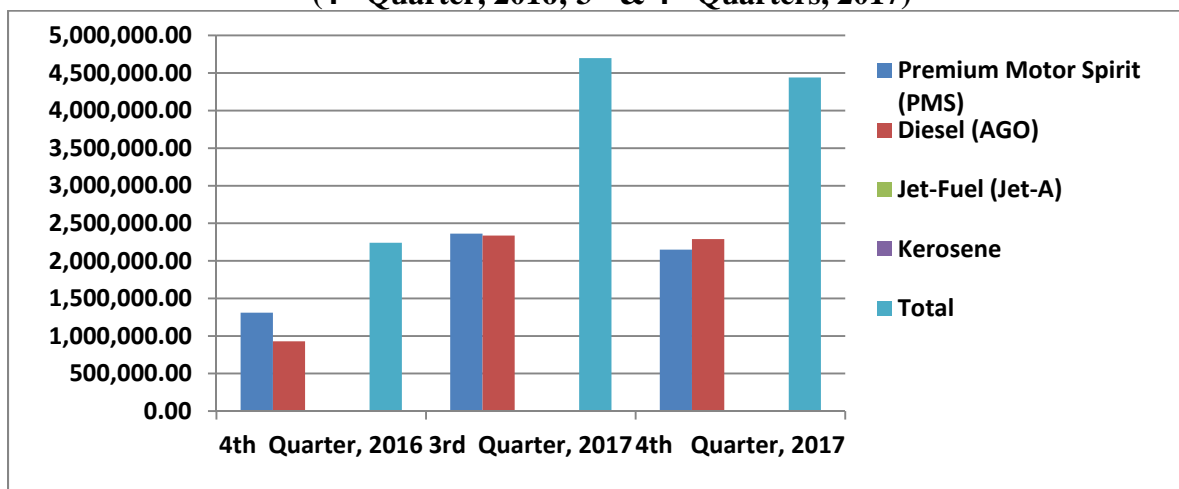
*Source: Liberia Petroleum Refining Company (LPRC)*

*+ Revised/Actual*

Consumption of petroleum products during the fourth quarter of 2017 plummeted to 4.4 million gallons, down from 4.7 million gallons consumed during the previous quarter. The dip in the level of consumption of petroleum was due to the decrease in demand as a result of UNMIL's drawdown and the increase in the price of the commodity as a result of government increasing the fees on storage of petroleum products. On an annualized basis, petroleum consumption rose by 2.2 million gallons.

On a disaggregated basis premium motor spirit (PMS) constituted 48.4 percent of the total consumption of petroleum products while diesel (AGO) accounted for the balance 51.6 percent. There were no statistics on consumption of Jet-Fuel (Jet A) and Kerosene as they were not imported.

**Chart 2: Consumption of Petroleum Products  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**



### 2.3 Sea Port Developments

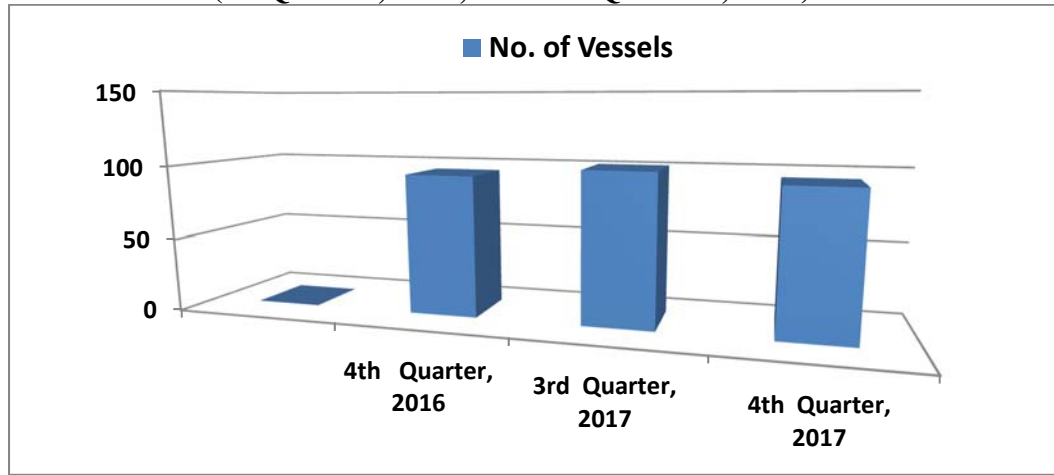
During the fourth quarter of 2017, a total of 95 vessels with combined Summer Dead Weight Tons (SDWT) of 2.4 million berthed at the three major ports along the coast of Liberia, down from 101 vessels with a combined SDWT of 2.2 million that anchored during the previous quarter. The dip in vessel traffic by 5.9 percent or 5 vessels during the review quarter was largely attributable to the slowdown in economic activities due to the elections processes. Analysis revealed that 75 vessels representing 78.9 percent of all vessels docked at the Port of Monrovia, 19 vessels berthed at the Port of Buchanan constituting 20 percent of the total vessels traffic, and 1 vessel anchored at the Port of Greenville representing 1.1 percent of total vessels traffic. When compared with the same quarter a year ago, the total traffic of vessels remained the same. By disaggregation of the total cargo tonnage indicated that imports accounted for 40.8 percent while the remaining 59.2 percent was the contribution of exports.

**Table 5: Vessel Traffic and Cargo Movements  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters 2017)**

Quarter	No. of Vessels	Vessel Weight (SDWT*)	Cargo Tonnage (in Metric tons)		
			Imports	Exports	Total
4 <sup>th</sup> Quarter, 2016	95	2,055,038	430,409	314,639	745,048
3 <sup>rd</sup> Quarter, 2017	101	2,257,268	423,756	498,747	922,503
4 <sup>th</sup> Quarter, 2017	95	2,388,834	445,657	647,803	1,093,460

*Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons*

**Chart 3: Vessel Traffic**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)



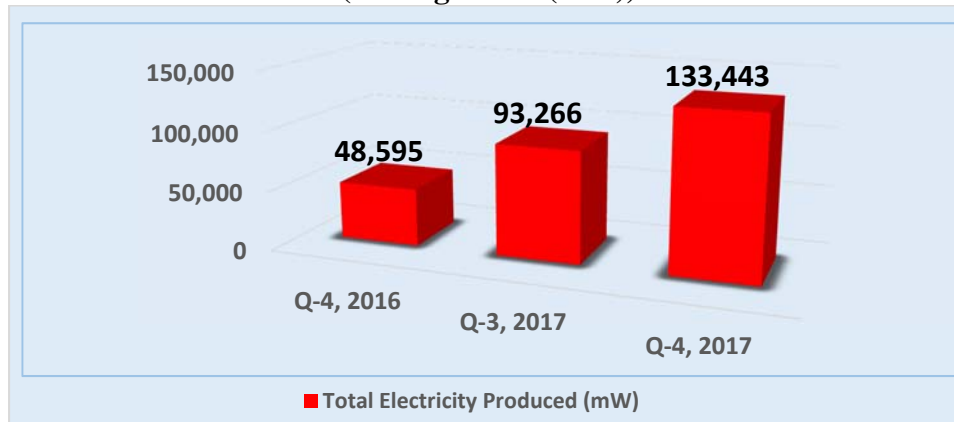
## 2.4 Electric Power Developments

Electric power generation during the review quarter was at 133,443 megawatts, up from the 93,266 megawatts produced during the third quarter of 2017. The 43.1 percent quarterly rise in electric power generation was due to the installation of new equipment coupled with the extension of services to other parts of Monrovia and its environs. Year-on-year analysis showed that electricity produced during the quarter ended-December, 2017, grew by 84,848 megawatts

**Table 6: Electric Power Developments**  
(4<sup>th</sup> Quarter, 2016: 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)  
(In Megawatts (mW))

Quarter	Unit	Service	Produced
4 <sup>th</sup> Quarter, 2016	mW	Electricity	48,595
3 <sup>rd</sup> Quarter, 2017	mW	Electricity	93,266
4 <sup>th</sup> Quarter, 2017	mW	Electricity	133,443

**Chart 4: Electric Power Developments**  
**(4<sup>th</sup> Quarter, 2016: 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Megawatts (mW))**



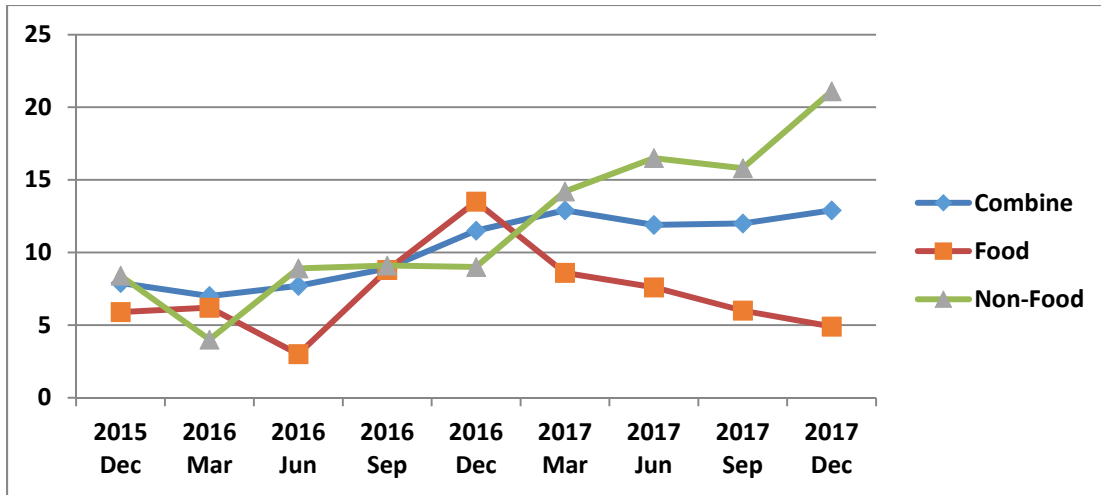
## 2.5 Price Developments

### 2.5.1 Domestic Inflation

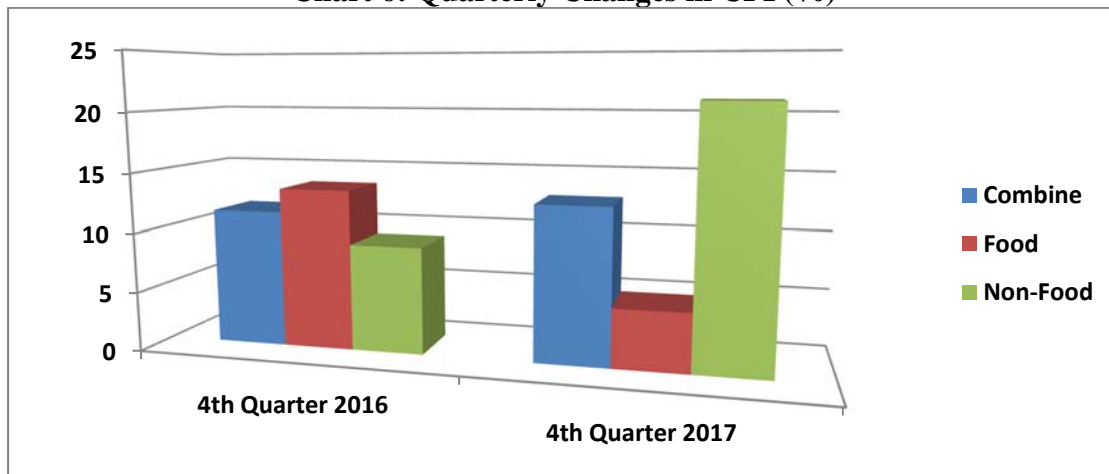
Average headline inflation for the quarter ended-December, 2017 stood at 13.0 percent, up from 12.0 percent reported for the preceding quarter. The increase in inflation was mainly underpinned by the increasing prices in non-food items, which include imported fuel. When compared to the corresponding period a year ago, average inflation rose by 1.5 percentage points.

Average domestic non-food inflation for the review quarter was 21.8 percent, up from 16.7 percent and 9.0 percent recorded a quarter and a year ago, respectively. On the other hand, average food inflation plummeted to 4.5 percent, down from 5.1 percent reported a quarter ago, and from 13.4 percent reported in the corresponding quarter of 2016.

**Chart 5: Quarterly Inflationary Trends (%)**



**Chart 6: Quarterly Changes in CPI (%)**



### 2.5.2 Inflation by Group

Statistics for the review quarter revealed that inflation of all the major groups within the consumer basket during the fourth quarter increased when compared with the corresponding period a year ago, except for education that remained flat.

### **2.5.3 Contributions to Changes in CPI (%)**

Analysis of the consumer basket at the end of the fourth quarter showed that by disaggregating inflation, food and non-alcoholic beverages group contributed 34.5 percent to the quarter's change in inflation compared with 59.5 percent a year ago. The remaining 65.5 percent represents the contribution on the non-food group which was 40.5 percent in the corresponding quarter a year ago.

### **2.5.4 Outlook for Inflation**

The realization of a single-digit rate of inflation in the immediate term remained challenged as average headline inflation in 2017 was in a low level double digit rate. However, in the medium to long term, the attainment of a single digit rate of inflation is possible but it will largely depend on low volatility in the exchange rate, Government tax policies on key commodities such as rice and petroleum products, the level of domestic food production, international oil and food prices; infrastructure development such as roads, the level of energy supply; and post elections stability and the level of investments in a shorter period.



**Table 7: Headline and Quarterly Changes in CPI (%)**

		Headline Inflation (yr.-on-yr. changes)			Monthly Changes in HCPI		
		Combined	Food	Non-Food	Combined	Food	Non-Food
<b>2015</b>	Jan	<b>8.7</b>	11.8	5.2	<b>1.1</b>	1.5	0.6
	Feb	<b>7.7</b>	12.4	2.4	<b>-1.3</b>	-0.7	-2.1
	Mar	<b>7.3</b>	14.3	-0.4	<b>1.9</b>	3.4	0.1
	Apr	<b>6.8</b>	14.1	-1.1	<b>0.1</b>	-0.1	0.4
	May	<b>7.9</b>	17.5	-2.3	<b>-0.7</b>	0.5	-2.1
	Jun	<b>7.7</b>	12.2	2.7	<b>4.3</b>	1.9	7.4
	Jul	<b>9.5</b>	12.9	5.6	<b>2.6</b>	3.2	1.9
	Aug	<b>7.3</b>	6.9	7.8	<b>-0.8</b>	-3.5	2.4
	Sep	<b>6.5</b>	3.8	9.7	<b>1.8</b>	1.4	2.3
	Oct	<b>6.0</b>	2.8	10.0	<b>0.2</b>	0.4	0.0
	Nov	<b>9.8</b>	9.0	10.6	<b>-1.4</b>	-1.7	-1.0
	Dec	<b>8.0</b>	5.9	4.7	<b>0.1</b>	-0.4	-4.7
<b>2016</b>	Jan	<b>7.0</b>	7.4	6.4	<b>0.1</b>	3.0	2.2
	Feb	<b>7.1</b>	5.5	2.8	<b>-1.2</b>	-2.5	-5.4
	Mar	<b>7.1</b>	5.6	2.7	<b>1.9</b>	3.6	0.1
	Apr	<b>7.2</b>	3.1	6.0	<b>0.2</b>	-2.6	3.6
	May	<b>7.6</b>	1.9	14.7	<b>-0.3</b>	-0.6	5.9
	Jun	<b>8.4</b>	4.1	6.0	<b>5.2</b>	4.1	-0.8
	Jul	<b>8.4</b>	5.8	11.6	<b>2.6</b>	4.8	7.4
	Aug	<b>9.9</b>	10.8	8.8	<b>0.5</b>	1.1	-0.2
	Sep	<b>8.5</b>	9.8	6.9	<b>0.5</b>	0.5	0.6
	Oct	<b>9.9</b>	11.7	0.9	<b>1.6</b>	2.1	-5.6
	Nov	<b>12.0</b>	14.4	9.3	<b>0.5</b>	0.7	7.2
	Dec	<b>12.5</b>	14.2	16.8	<b>0.5</b>	-0.6	1.8
<b>2017</b>	Jan	<b>13.6</b>	11.4	16.3	<b>1.0</b>	0.4	1.8
	Feb	<b>13.3</b>	9.9	12.1	<b>-1.5</b>	-3.8	-0.1
	Mar	<b>11.9</b>	4.7	14.1	<b>0.6</b>	-1.3	1.8
	Apr	<b>11.5</b>	6.8	14.1	<b>-0.1</b>	-0.6	0.2
	May	<b>13.2</b>	8.9	15.4	<b>1.2</b>	1.4	1.1
	Jun	<b>10.8</b>	7.1	20.1	<b>3.0</b>	2.4	3.3
	Jul	<b>10.5</b>	3.8	14.8	<b>2.3</b>	1.6	2.6
	Aug	<b>12.3</b>	5.4	17.2	<b>2.2</b>	2.7	1.9
	Sep	<b>13.1</b>	6.0	18.1	<b>1.2</b>	1.0	1.3
	Oct	<b>11.9</b>	4.2	25.8	<b>0.5</b>	0.4	0.5
	Nov	<b>13.1</b>	4.6	19.5	<b>1.6</b>	1.1	1.8
	Dec	<b>13.9</b>	4.6	20.1	<b>1.2</b>	-0.6	2.2

*Source: CBL & LISGIS, Monrovia, Liberia*

**Table 8: Inflation by Sub-groups: Year-on-Year Changes in CPI  
(2016-2017)**

<b>Food Group</b>	<b>Weights</b>	<b>Q3-16</b>	<b>Q4-16</b>	<b>Q3-17</b>	<b>Q4-17</b>	<b>Non-Food Group</b>	<b>Weights</b>	<b>Q3-16</b>	<b>Q4-16</b>	<b>Q3- 17</b>	<b>Q4-17</b>
Vegetables (ND)	4.51	3.02	-4.93	-25.81	-15.30	Alcoholic Beverages, Tobacco and Narcotics	2.55	9.86	14.74	25.32	20.28
Mineral waters, soft drinks, fruit and vegetable juices (ND)	0.72	18.59	33.30	4.80	-7.10	Clothing and Footwear	6.07	7.84	8.82	34.05	39.53
Fruits	1.60	15.54	22.53	-12.90	-19.80	Housing, Water, Electricity, Gas and Other Fuels	7.32	0.03	1.14	7.22	8.06
						Furnish. , H/Hold Equip, Rout. Maintenance of House	5.46	17.96	8.06	14.46	24.90
						Health	8.75	-2.57	-6.25	4.55	5.35
						Transport	8.47	16.72	21.48	14.83	22.86
						Communication	6.73	2.27	1.60	11.60	13.51
						Recreation & Culture	1.38	14.54	16.3	20.12	24.13
						Education	3.15	0.00	0.00	0.00	0.00
						Restaurants & Hotels	8.54	7.11	7.62	23.25	22.70
						Miscellaneous Goods and Services	3.52	10.32	8.0	21.90	22.50

*Source: CBL & LISGIS, Monrovia, Liberia*

**Table 9: Harmonized Consumer Price Index (HCPI) By Major Groups**  
**Year-on-Year Rates of Inflation**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarter 2017)**  
**(December, 2005=100)**

Functions	WEIGHTS	Oct-16	Nov-16	Dec-16	4 <sup>th</sup> Quarter	Jul-17	Aug-17	Sep-17	3 <sup>rd</sup> Quarter	Oct-17	Nov-17	Dec-17	4 <sup>th</sup> Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	38.06	11.73	14.41	14.22	13.36	3.81	5.44	5.96	5.07	4.19	4.63	4.61	4.48
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	2.55	10.35	16.92	17.01	14.76	27.41	25.94	22.61	25.32	21.67	22.91	16.37	20.32
CLOTHING AND FOOTWEAR	6.07	5.40	7.03	14.19	8.86	26.07	38.02	38.07	34.05	38.58	39.90	40.09	39.53
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.32	-0.38	-0.53	4.36	1.15	5.67	6.93	9.05	7.22	6.37	9.26	8.54	8.05
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.46	6.86	10.78	6.61	8.08	13.59	15.82	13.96	14.46	19.22	25.31	30.29	24.94
HEALTH	8.75	-6.85	-6.01	-5.90	-6.25	-1.32	6.95	8.01	4.55	3.57	5.88	6.61	5.35
TRANSPORT	8.47	20.43	23.09	20.94	21.49	13.75	13.56	17.19	14.83	22.05	21.01	25.43	22.83
COMMUNICATION	6.73	1.55	1.83	1.41	1.60	10.07	12.13	12.61	11.60	12.59	13.66	14.30	13.51
RECREATION AND CULTURE	1.38	17.37	15.42	16.11	16.30	19.51	20.11	20.74	20.12	19.04	25.59	27.85	24.16
EDUCATION	3.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESTAURANTS AND HOTELS	8.54	8.70	7.45	6.70	7.62	21.52	22.97	25.27	23.25	20.48	22.81	24.84	22.71
MISCELLANEOUS GOODS AND SERVICES	3.52	5.79	8.76	9.50	8.02	21.38	21.71	22.60	21.90	22.57	22.66	22.27	22.50
GENERAL RATE OF INFLATION	100.00	9.95	12.04	12.52	11.50	10.47	12.31	13.07	11.95	11.87	13.06	13.89	12.94

*Source: CBL & LISGIS, Monrovia, Liberia*

### **III. MONETARY AND FINANCIAL DEVELOPMENTS**

#### **3.0 Money and Banking**

##### **3.1 Banking Development**

The banking sector continued to show strong performance in terms of key balance sheet indicators notwithstanding the challenges faced in the economy. There are also improvements in the banking sector's profitability, liquidity and capital which are indication of the level of public confidence in the system. As at end-December, 2017, the sector recorded growth in key balance sheet items compared to end-September, 2017 as well as the corresponding quarter in the previous year. Total capital, total assets, total loans and advances and total deposit increased by 7.8 percent, 5.3 percent, 8.5 percent and 3.8 percent, respectively when compared to the previous quarter.

In terms of capitalization, majority of the banks reported capital in excess of the minimum regulatory requirement of US\$10.0 million. As at end-December, 2017 the system's total capital increased to L\$17.5 billion, reflecting a percentage increase of 7.8 in comparison with the previous quarter (L\$16.2 billion). This level of capital represents a significant increase of 25.0 percent. In terms of Capital Adequacy Ratio (CAR), all of the nine banks were in excess of the minimum regulatory requirement of 10 percent. The cumulative industry CAR reported as at end-December 2017 stood at 42.8 percent; representing an increase of 5.3 and 12.2 percentage points when compared with the third quarter of 2017 and the fourth quarter of 2016, respectively. The high CAR shows the resiliency and strong absorptive capacity of the banking system to withstand potential losses in the short-run.

At the end of the fourth quarter of 2017, the banking sector reported an increase of 8.5 percent in total loans and advances with the sum of L\$54.7 billion compared with L\$50.4 billion recorded in the third quarter of 2017. Such increase in total loans and advances also indicates substantial growth of 36.1 percent compared to quarter four of 2016. In addition, the banking system recorded 12.9 percentage points increase in the volume of Non-performing Loans (NPL) for the period under review. At the end of the fourth quarter of 2017, the volume of Non-performing Loans (NPL) was L\$8.20 billion compared with L\$7.26 billion recorded at end-September, 2017 and L\$5.95

billion recorded at end-December, 2016. The level of non-performing loans still remains a challenge as it records gradual increase from period to period. The NPL ratio recorded for fourth quarter 2017 was 14.7 percent, which represents a slight increase of 0.3 and 0.2 percentage points in comparison with 14.4 percent and 14.5 percent recorded in previous quarter and corresponding quarter in 2016.

The system recorded total assets at L\$101.6 billion at end-December, 2017; reflecting an increase of 5.3 percent when compared with the L\$96.4 billion recorded at end-September, 2017 and also a significant increase of 27.5 percent when compared with the corresponding quarter in 2016.

With respect to liquidity, the system recorded adequate liquid assets with all nine banks recording liquidity ratios above regulatory requirement for the period under review. As at end-December, 2017, the system reported total liquid assets at L\$30.6 billion, registering an increase of 5.4 percent when compared with the previous quarter and an increase of 8.1 percent when compared with the corresponding quarter in 2016. However, there was a slight decline of 1.6 percentage points in the system's liquidity ratio as at end-December, 2017 when compared with the 47.2 percent reported for the previous quarter. When compared with the corresponding quarter a year ago, the system's liquidity ratio reduced by 5.7 percentage points.

The total deposits in the banking system increased by 3.8 percent to L\$67.2 billion at end-December, 2017 from L\$64.7 billion reported at end-September, 2017 and also experienced a major source of funding for the system is largely dependent on deposit liabilities which is primarily volatile deposits. Demand deposits remain the largest segment of deposits in the banking system with 59.4 percent, savings deposits accounted for 36.5 percent and time deposits, 4.2 percent of total deposits, respectively.

The total industry's net income after tax of L\$1.59 billion at end-December, 2017, which reflects an 8.2 percent of earnings compared to the preceding quarter in 2017. The major sources of income are interest on loans and overdrafts, treasury bills, commissions and fees, among others.

### **3.2 Commercial Bank Credit**

Credits to the various sectors of the economy at end-December, 2017 expanded by 8.5 percent to L\$54,678.4 million, from L\$50,416.5 million at the end of the preceding quarter. The expansion in the stock of credit for the quarter under consideration was triggered by increases in personal loan, loans to public corporations, the manufacturing sector, the services sector and the Agriculture Sector by 104.4 percent, 96.4 percent, 73.4 percent, 70.5 percent and 11.7 percent respectively. In spite of the increase in total credit, loans to the extractive sector and the “Others sector” significantly declined by 80.1 percent and 76.4 percent, respectively, while loans to the construction sector slowdown by 6.0 percent. The performance of total outstanding credit in the fourth quarter of 2017 occurred on account of the gradual pick-up in activities in household consumption, manufacturing and services. Year-on-year comparison showed that aggregate credit rose by 34.3 percent, mainly driven by growth in personal loans and loans to the extractive sector of which quarrying and services sector of which communication, bar and restaurant, transportation.

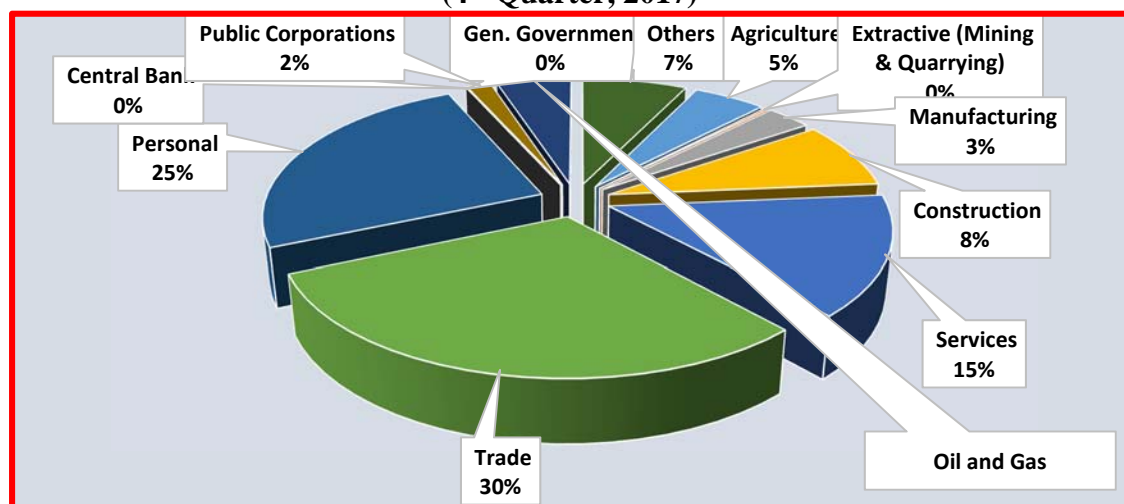
Of the total stock of loan to the various sectors of the economy for the reporting quarter, the private sector accounted for 98.4 percent, accentuating the importance of the sector as the engine of economic growth and development. As a matter of fact, since 2009, the share of private sector loan to total loan average around 98.0 percent per annum.

The outlook of credit to the private sector appeared favorable in the near term and is expected to grow with manufacturing and services serving as major drivers. The underlying assumption is that with the level of progress in business activities in 2017 and the presence of the hydro power plant, the manufacturing and services sectors along with other sectors are expected to flourish in 2018 and beyond.

**Table 10: Commercial Bank Loans by Economic Sector**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**

	2016		2017			
	4th Quarter	Share	3rd Quarter	Share	4th Quarter	Share
Agriculture	1,793.9	4.4	2,416.7	4.8	2,699.8	4.9
Extractive (Mining & Quarrying)	47.9	0.1	609.8	1.2	121.4	0.2
Manufacturing	2,193.9	5.4	971.1	1.9	1,684.1	3.1
Construction	4,330.6	10.6	4,748.9	9.4	4,465.0	8.2
Services	3,153.7	7.7	4,667.4	9.3	7,957.9	14.6
Trade	10,737.0	26.4	11,038.3	21.9	16,575.3	30.3
Personal	5,040.4	12.4	6,623.8	13.1	13,556.6	24.8
Gen. Government	-	-	-	-	-	-
Central Bank	-	-	-	-	-	-
Public Corporations	40.6	0.1	456.0	0.9	895.5	1.6
Oil and Gas	1,466.1	3.6	1,934.7	3.8	2,801.7	5.1
Others	11,924.3	29.3	16,949.7	33.6	3,921.2	7.2
<b>Total Loan All Sectors (LD &amp; USD)</b>	<b>40,728.3</b>	<b>100.0</b>	<b>50,416.5</b>	<b>100.0</b>	<b>54,678.4</b>	<b>100.0</b>
<i>O/W TOTAL Private Sector (LD &amp; USD)</i>	<i>40,687.7</i>	<i>99.90</i>	<i>49,960.5</i>	<i>99.10</i>	<i>53,782.9</i>	<i>98.36</i>

**Chart 7: Percentage Distribution of Commercial Bank Loans by Economic Sectors**  
**(4<sup>th</sup> Quarter, 2017)**



### 3.3 Interest Rate

The average interest rates for the reporting quarter depicted diversified results when analyzed. Interest rates on lending slowdown by 4.0 basis points, to 13.24 percent from 14.24 percent when compared with the preceding quarter. On the other hand, interest rate on time deposit and certificate of deposit rose by 18.0 and 22.0 basis points, respectively while the interest rates on personal loan, mortgage and savings were constant at 12.94 percent, 13.39 percent and 2.23 percent, respectively.

Yearly comparison revealed a bi-directional results with increases recorded for rates on mortgage loan, savings and certificate of deposit while the rate on lending, personal loan and time deposit trended downward. The spread between the average lending and savings rates narrowed down by 4.0 basis points to 11.01 percent, compared with 11.05 percent as recorded in the preceding quarter.

**Table 11: Commercial Bank's Interest Rates  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

	2016	2017	
	4th Quarter	3rd Quarter	4th Quarter
<b>Avg. Lending Rate</b>	13.61	13.28	13.24
<b>Avg. Personal Loan Rate</b>	14.51	12.94	12.94
<b>Avg. Mortgage Rate</b>	12.15	13.39	13.39
<b>Avg. Time Deposit Rate</b>	4.70	3.53	3.71
<b>Avg. Savings Rate</b>	2.02	2.23	2.23
<b>Avg. Rate on CDs</b>	2.00	3.00	3.22

### 3.4 Exchange Rate

The average exchange rate between the Liberian dollar and the US dollar at end-December, 2017, depreciated by 4.5 percent to L\$122.52/US\$1.00, from L\$117.24/US\$1.00 recorded a quarter ago. The pressure experienced on the exchange rate was largely supported by the high demand for US dollar in the economy to service imports during the quarter and the continue rise in GoL Liberian dollar expenditure on one hand, and the fall in GoL US dollar expenditure which contributed to the increasing pressure on the exchange rate, on the other hand.



In addition, given the outlook of business activities in the country, it is expected that pressure in the FX market will continue because the demand for foreign exchange is most likely to grow during the replenishing process as businesses begin to buildup inventories used up during the festive season. The exchange rate is expected to moderate in the near term as market forces continue to determine the equilibrium rate.

A year-to-year analysis indicates that the average exchange rate, depreciated significantly by 21.5 percent in the fourth quarter of 2017 relative to the corresponding period in 2016. The end-of-period exchange rate at end-December, 2017, depreciated by 20.4 percent on account of the high demand for foreign exchange and deterioration in the country's term of trade position.

**Table 12: Market Exchange Rate: Liberia Dollar per US Dollar  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Market Rate End of Period	102.50	117.72	123.45
Market Rate Period Average	100.80	117.24	122.52

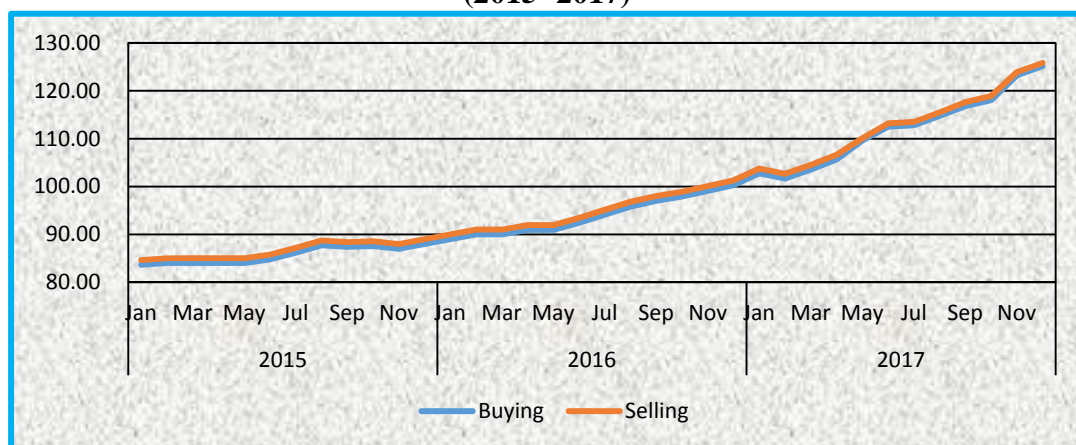
*Source; Central Bank of Liberia, Monrovia, Liberia*

**Table 13: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2015- 2017)**

Period Average	2015		2016		2017	
	Buying	Selling	Buying	Selling	Buying	Selling
<b>January</b>	83.63	84.63	89.00	90.00	102.77	103.77
<b>February</b>	84.00	85.00	90.00	91.00	101.67	102.67
<b>March</b>	84.00	85.00	90.00	91.00	103.52	104.52
<b>April</b>	84.00	85.00	90.92	91.92	105.64	106.64
<b>May</b>	84.00	85.00	90.92	91.92	109.62	110.08
<b>June</b>	84.77	85.77	92.42	93.42	112.48	113.19
<b>July</b>	86.19	87.19	94.15	95.15	112.78	113.50
<b>August</b>	87.73	88.73	95.81	96.81	114.74	115.50
<b>September</b>	87.38	88.38	97.00	98.00	116.82	117.65
<b>October</b>	87.56	88.56	97.92	98.92	118.06	118.90
<b>November</b>	87.00	88.00	99.08	100.08	123.21	123.94
<b>December</b>	88.00	89.00	100.30	101.30	125.18	125.83
<b>Q1</b>	83.88	84.88	89.67	90.67	102.65	103.65
<b>Q2</b>	84.26	85.26	91.42	92.42	109.25	109.97
<b>Q3</b>	87.10	88.10	95.65	96.65	114.78	115.55
<b>Q4</b>	87.52	88.52	99.10	100.10	122.15	122.89
<b>Yearly Ave</b>	<b>85.69</b>	<b>86.69</b>	<b>93.62</b>	<b>94.62</b>	<b>112.21</b>	<b>113.02</b>

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Chart 8: Monthly Average Buying and Selling Rates of Liberian Dollars per US Dollar (2015- 2017)**



### 3.5 Monetary Policy Stance

The Monetary Policy stance of the Central Bank of Liberia (CBL) continued to aim at ensuring a stable macro-economic environment through low inflation anchored on broad exchange rate stability. For the period under review, the CBL in addition to issuance of its own bill, continue to intervene in the foreign exchange market through conducting foreign exchange rate auction as the readily available policy instrument to influence the domestic monetary conditions of the economy during the quarter. The Bank also continue to collaborate with the Ministry of Finance and Development Planning (MFDP) in issuing T-bills to further support the process of Liberian dollar liquidity management and keep under control the rapid accumulation of excess liquidity in the economy. Moreover, the CBL will remain strongly supportive of the national economic development agenda with special emphasis on the need for financial inclusion and reform in the financial sector of the economy while considering the need for access to finance for the critical sectors of the economy, mainly the agriculture and manufacturing sectors.

### 3.6 Liberian Dollar in Circulation

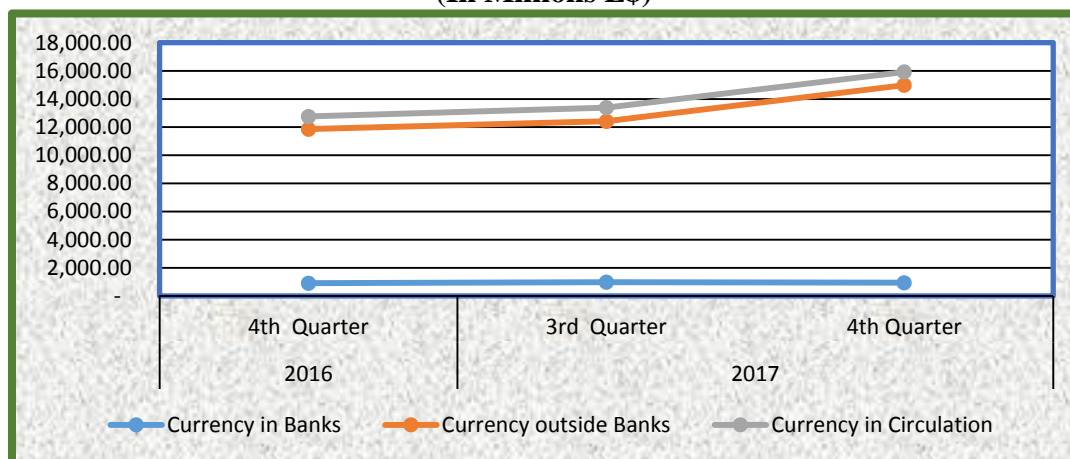
The Liberian dollar in circulation at end-December, 2017 expanded by 18.9 percent to L\$15,919.70 million, from L\$13,386.15 million recorded at end-September, 2017. The upward trend exhibited by currency in circulation was prompted by the 20.7 percent increase in currency outside banks which is a usual characteristics of the festive season in Liberia, at which time many “susu clubs” withdraw their savings from the banks for distribution. However, currency in banks declined by 3.8 percent for the same period. When compared with the corresponding period a year ago, the Liberian dollar in circulation expanded by 24.8 percent (Table 14 & Chart 9). In the review quarter, currency in banks only accounted for 5.9 percent of total currency in circulation.

**Table 14: Liberian Dollars in Circulation**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**

	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
<b>Currency in Banks</b>	903.53	975.42	937.95
<b>Currency outside Banks</b>	11,851.57	12,410.73	14,981.75
<b>Currency in Circulation</b>	12,755.10	13,386.15	15,919.70

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Chart 9: Liberian Dollars in Circulation**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**



### 3.7 Money Supply (M1)

Narrow money supply (M1), at end-December, 2017, expanded by 7.3 percent to L\$53,784.18 million when matched against the L\$50,115.81 million recorded at end-September, 2017. The growth was mainly occasioned by the 34.1 percent and 22.3 percent and 2.5 percent expansions in both currency outside banks and demand deposits, respectively. When compared with the same quarter of 2016, M1 rose by 18.4 percent (Table 15 & Chart 10).

**Table 15: Broad Money Supply and its Sources**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**

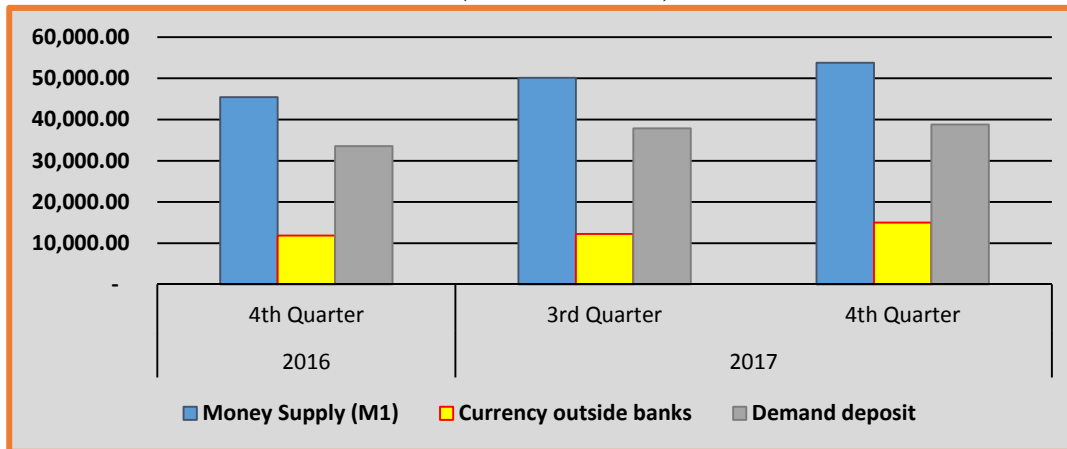
Monetary Aggregates	2016	2017		Percentage Change	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	Q-o-Q	Y-o-Y
<b>1.0 Money Supply M2 (1.1 + 1.2)</b>	<b>66,711.93</b>	<b>74,993.95</b>	<b>79,999.87</b>	<b>6.68</b>	<b>19.92</b>
<i>1.1 Money Supply M1</i>	<i>45,418.02</i>	<i>50,115.81</i>	<i>53,784.18</i>	<i>7.32</i>	<i>18.42</i>
<i>1.1.1 Currency outside banks</i>	<i>11,851.57</i>	<i>12,251.19</i>	<i>14,981.75</i>	<i>22.29</i>	<i>26.41</i>
<i>1.1.2 Demand deposit 1/</i>	<i>33,566.45</i>	<i>37,864.62</i>	<i>38,802.43</i>	<i>2.48</i>	<i>15.60</i>
<b>1.2 Quasi Money</b>	<b>21,293.91</b>	<b>24,878.14</b>	<b>26,215.68</b>	<b>5.38</b>	<b>23.11</b>
<i>1.2.1 Time &amp; Savings deposits</i>	<i>20,763.96</i>	<i>24,790.97</i>	<i>26,177.67</i>	<i>5.59</i>	<i>26.07</i>
<i>1.2.2 Other deposits 2/</i>	<i>529.95</i>	<i>87.16</i>	<i>38.01</i>	<i>-56.39</i>	<i>-92.83</i>
<b>2.0 Net Foreign Assets</b>	<b>38,612.79</b>	<b>30,088.53</b>	<b>33,255.66</b>	<b>10.53</b>	<b>-13.87</b>
2.1 Central Bank	30,632.64	23,596.97	28,703.88	<b>21.64</b>	<b>-6.30</b>
2.2 Banking Institutions	7,980.14	6,491.56	4,551.78	<b>-29.88</b>	<b>-42.96</b>
<b>3.0 Net Domestic Assets (1 - 2)</b>	<b>28,099.14</b>	<b>44,905.42</b>	<b>46,744.21</b>	<b>4.09</b>	<b>66.35</b>
3.1 Domestic Credit	65,611.28	87,111.63	93,874.74	<b>7.76</b>	<b>43.08</b>
3.1.1 Government (net)	17,161.84	26,458.99	29,501.90	<b>11.50</b>	<b>71.90</b>
3.1.2 Pvt. Sector & Other Pvt.	48,449.44	60,652.63	64,372.84	<b>6.13</b>	<b>32.87</b>
3.2 Other assets Net (3 - 3.1)	37,512.14	42,206.21	47,130.53	<b>11.67</b>	<b>25.64</b>
<b>Memorandum Items</b>					
<b>1. Overall Liquidity</b>	<b>66,711.93</b>	<b>74,993.95</b>	<b>79,999.87</b>	<b>6.68</b>	<b>19.92</b>
2. Reserve Money	26,614.62	30,262.25	32,469.68	<b>7.29</b>	<b>22.00</b>
<i>Currency outside banks</i>	<i>11,851.57</i>	<i>12,251.19</i>	<i>14,981.75</i>	<i>22.29</i>	<i>26.41</i>
<i>Banks Reserves</i>	<i>13,576.00</i>	<i>16,957.36</i>	<i>16,476.10</i>	<i>-2.84</i>	<i>21.36</i>
<i>Other Deposits at CBL</i>	<i>1,187.05</i>	<i>1,053.70</i>	<i>1,011.83</i>	<i>-3.97</i>	<i>-14.76</i>

*Source: Central Bank of Liberia, Monrovia*

*1/Excludes managers checks from commercial banks*

*2/ Includes official and managers checks issued by the Central Bank*

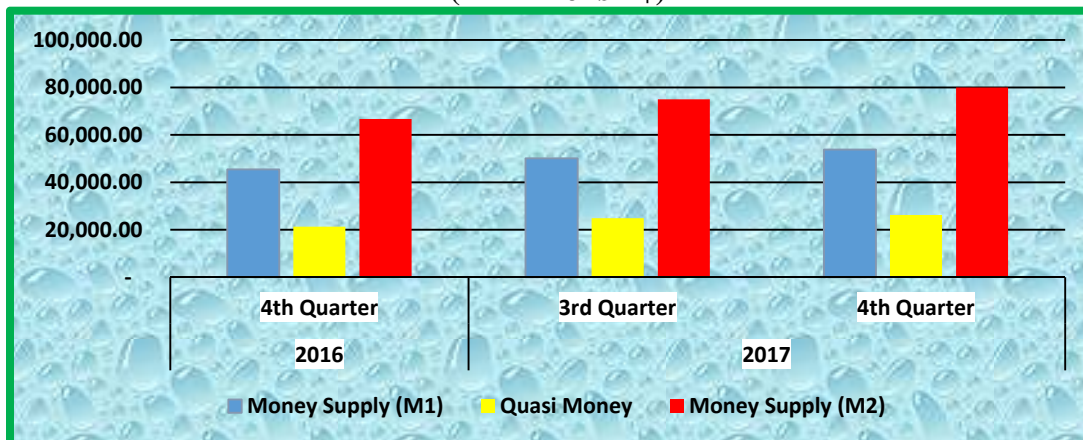
**Chart 10: Narrow Money Supply (M1)**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**



### 3.8 Broad Supply (M2)

At end-December, 2017, total liquidity in the banking system, (M2), grew by 6.7 percent to L\$79,999.87 million, from L\$74,993.95 million as recorded at end-September, 2017. From the assets side, the increase in M2 resulted from the 10.5 percent and 4.1 percent increases in both net foreign assets (NFA) and net domestic assets (NDA), respectively. When compared with the corresponding quarter a year ago, broad money supply (M2) grew by 19.9 percent (Table 15 & Chart 11). The year-on-year growth in overall money supply was on account of the 71.9 percent, 32.9 percent and 25.6 percent increases in Government (net) and credit to private sector as well as other sectors respectively.

**Chart 11: Broad Money Supply (M2)**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**



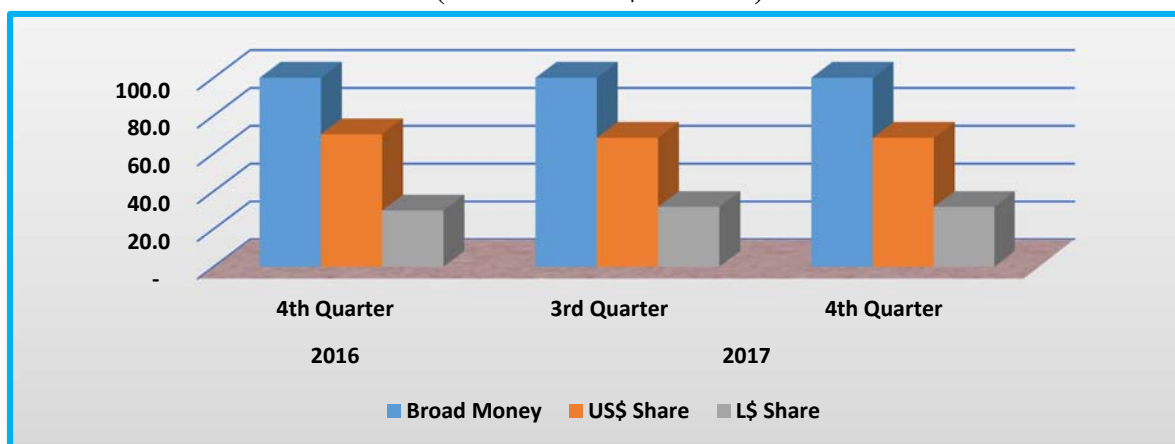
The shares of US dollar and Liberian dollar components of broad money supply for the fourth quarter of 2017 stood at 68.3 percent and 31.7 percent, respectively, representing no increase nor decline in the shares of both the US and Liberian dollars when compared with the third quarter of 2017. The high share of the US dollar component of broad money continues to explain the high level of dollarization in the economy.

**Table 16: Broad Money: Share of US and Liberian Dollars**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)  
(In Millions L\$/Percent)

	2016		2017			
	4 <sup>th</sup> Quarter	Share	3 <sup>rd</sup> Quarter	Share	4 <sup>th</sup> Quarter	Share
<b>Broad Money</b>	62,711.3	100.0	72,819.8	100.0	72,819.8	100.0
<b>US\$ Share</b>	44,001.6	70.2	49,710.0	68.3	49,710.0	68.3
<b>L\$ Share</b>	18,709.7	29.8	23,109.9	31.7	23,109.9	31.7

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Chart 12: Broad Money: Share of US and Liberian Dollars**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)  
(In Millions L\$/Percent)



### 3.9 Foreign Exchange Auction

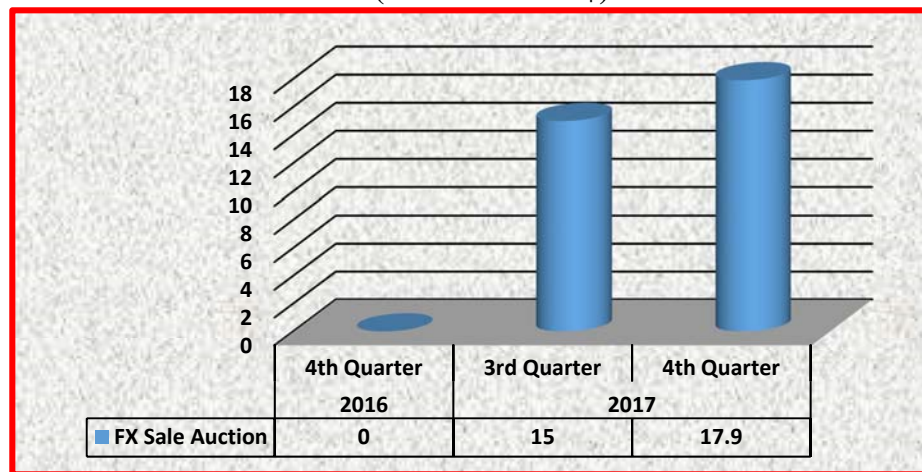
For the quarter ended-December, 2017, the amount of US\$17.9 million was sold through the foreign exchange auction, representing 19.3 percent expansion when matched against the preceding quarter's sales. The intervention help to mitigate the depreciation pressure on the exchange rate.

**Table 17: CBL Foreign Exchange Sale Auction**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions US\$)**

	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
<b>FX Auction</b>	<b>0.0</b>	<b>15.0</b>	<b>17.9</b>

*Source: Central Bank of Liberia*

**Chart 13: CBL Foreign Exchange Sale Auction**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions US\$)**



### 3.10 Money Market Developments

Money market operations continued during the quarter with a growth of 5.2 percent in total GoL's 91-day T-bills to L\$107.7 million compared with L\$102.4 million 91-day T-bills issued a quarter ago. The average quarterly yield grew by 0.93 percentage point to 4.86 percent, from 3.93 percent in the third quarter of 2017 (Table 18 & Chart 14). Also on an annualized basis, it rose by 1.93 percentage points above the yield of 2.93 percent recorded a year ago. Similarly, yearly comparison showed that the total amount issued for the quarter grew by L\$37.73 million to L\$180.48, from L\$142.75 million issued in the corresponding quarter of 2016. Undersubscription on the other hand, rose to an average of L\$72.79 million for the quarter compared with an average of negative L\$68.94 million in the previous quarter of 2017 and an oversubscription of L\$855.70 million in the corresponding quarter of 2016.



**Table 18: Government of Liberia Treasury Bill Auction**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarter, 2017)**  
**(In Millions L\$)**

Date	Maturity Date	Amount Offered	Amount Issued	Settlement Amount Value	Over/(Under) Subscription (LR\$)	Interest at Maturity	Weighted Average Discount Rate (%)
<b>4<sup>th</sup> Quarter, 2017</b>							
7-Dec-17	8-Mar-18	62.76	18.83	18.59	(43.93)	0.23	5.00
3-Nov-17	3-Feb-18	58.86	30.00	29.63	(28.86)	0.37	5.00
5-Oct-17	4-Jan-18	58.86	58.86	58.19	0.00	0.67	4.58
<b>Total</b>		<b>180.48</b>	<b>107.69</b>	<b>106.41</b>	<b>(72.79)</b>	<b>1.28</b>	<b>4.86</b>
<b>3<sup>rd</sup> Quarter, 2017</b>							
7-Sep-17	7-Dec-17	58.33	32.50	32.14	(25.83)	0.35	4.35
3-Aug-17	2-Nov-17	57.28	32.18	31.88	(25.10)	0.30	3.74
6-Jul-17	5-Oct-17	55.74	37.72	37.37	(18.01)	0.35	3.69
<b>Total</b>		<b>171.34</b>	<b>102.40</b>	<b>101.40</b>	<b>(68.94)</b>	<b>1.00</b>	<b>3.93</b>
<b>4<sup>th</sup> Quarter, 2016</b>							
1-Dec-16	2-Mar-17	49.25	49.25	48.87	4.3	0.38	3.13
4-Nov-16	3-Feb-17	49	49	48.60	4.4	0.40	3.27
6-Oct-16	5-Jan-17	97.5	97.5	96.79	5	0.71	2.94
<b>Total</b>		<b>142.75</b>	<b>142.75</b>	<b>141.72</b>	<b>855.70</b>	<b>1.03</b>	<b>2.93</b>

*Source: Central Bank of Liberia*

**Chart 14: Average Quarterly Yields Government of Liberia 91-Day Treasury-bill Auctions**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarter, 2017)**



## IV. FISCAL SECTOR DEVELOPMENTS

Fiscal operations during the fourth quarter of 2017 resulted in a budget deficit of L\$5,668.1 million (9.5 % of GDP), down from a deficit of L\$3,095.7 million (4.7 % of GDP) recorded in the previous quarter. On a year-on-year basis, the deficit also increased by L\$1,562.3 million, from L\$4,105.8 million (7.3 % of GDP) recorded in the fourth quarter of 2016. The recorded budget deficit during the review quarter was attributed to 13.2 percent decline in total actual revenue and grants coupled with the 1.3 percent increase in total public expenditure.

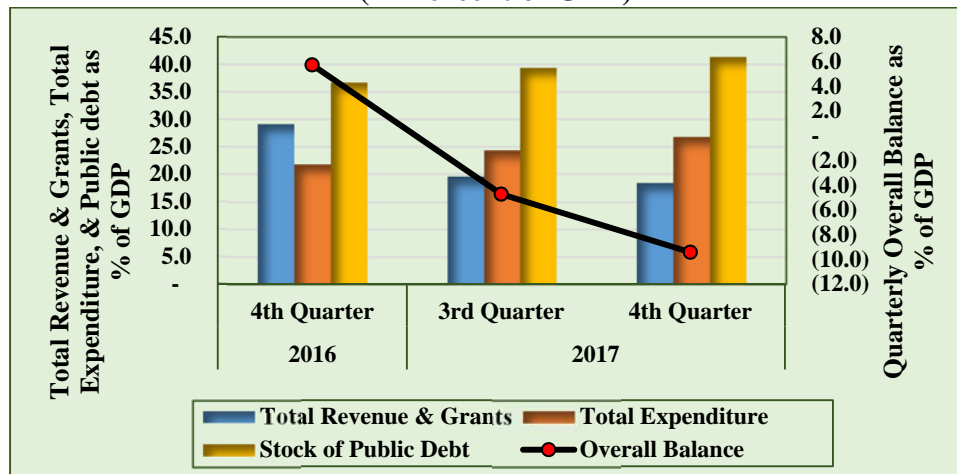
Actual revenue and grants shrank by 26.12 percent to L\$11,077.2 million against the L\$14,992.8 million budgetary projection for the review period. The budgetary gap in actual revenue and grants receipts during the quarter was explained by 9.65 percent and 70.21 percent shortfalls in actual tax and non-tax revenues, respectively. Liberia's public debt stock at end-December, 2017, grew by 0.6 percent against the stock recorded at end-September, 2017, explained by 1.1 percent growth in external debt obligations mainly to multilateral creditors. Compared with the stock registered at end-December, 2016, public debt rose by 13.4 percent.

**Table 19: Government of Liberia's Fiscal Sector Indicators**  
(4th Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)  
(In percent of GDP)

Indicators	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
Total Revenue & Grants	29.1	19.6	18.5
Total Revenue Excluding Grants	29.1	19.6	18.1
Tax Revenue	15.1	16.8	16.5
Nontax Revenue Including Grants	14.0	2.8	2.0
Nontax Revenue Excluding Grants	14.0	2.8	1.6
Grants	-	0.0	0.4
Total Expenditure	21.8	24.3	26.8
Recurrent Expenditure	0.5	0.6	0.7
Capital Expenditure	11.7	10.0	11.6
Loan & Interest Payments & Other Charges	4.8	8.8	10.2
Compensation of Employees	7.3	(4.7)	(9.5)
Expenditure on Goods and Services	36.7	39.4	41.4
Overall Balance	24.0	27.3	28.8
Stock of Public Debt	12.7	12.1	12.6
Stock of External Debt	22.9	26.4	27.3
Stock of Domestic Debt	12.7	12.1	12.6

Source: Ministry of Finance & Development Planning (MFDP)

**Chart 15: Government of Liberia's Fiscal Operations**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Percent of GDP)**



#### 4.1 Government Revenue and Grants

Total revenue and grants for the period under review amounted to L\$11,077.2 million (18.5 % of GDP) and L\$1,683.5 million (13.2 percent) less than the amount recorded during the previous quarter. When compared with the corresponding period of 2016, it reduced by L\$5,278.8 million (32.27 percent). The underperformance in total revenue and grants receipts during the review quarter relative to the previous quarter was attributed to 10.0 percent and 32.5 percent declines in tax and non-tax revenue receipts, respectively.

Receipts from actual tax and non-tax revenue amounted to L\$9,862.6 million (16.5 % of GDP) and L\$1,214.6 million (2.0 % of GDP), constituting 89.0 percent and 11.0 percent of total actual revenue receipts during the review quarter. The decline in actual tax revenue during the quarter was primarily attributed to falls in receipts from taxes on income & profits, and sales taxes on goods & services. Similarly, the fall in actual non-tax revenue during the quarter was attributed to decline in receipts from charges & other administrative fees. Actual tax and non-tax revenue also experienced shortfalls against budgetary targets by 9.65 percent and 70.21 percent, respectively.

##### 4.1.1 International Trade Taxes

International trade taxes during the quarter declined by 3.6 percent to L\$5,298.6 million, from L\$5,499.2 million recorded in the preceding quarter. Compared with receipts of L\$4,047.9 million

recorded during the corresponding period in 2017, taxes from international trade rose by 34.06 percent. Both taxes & duties on imports and exports led to the fall in receipts from international trade taxes during the quarter. Compared with its budgetary target, taxes on international trade generated 4.2 percent increase during the period under consideration.

#### **4.1.2 Taxes on Income and Profits**

Taxes on income and profits during the quarter fell by 8.8 percent to L\$3,550.4 million, from L\$3,891.4 million recorded in the previous quarter. Additionally, income & profits taxes increased by 4.1 percent against the amount recorded during the corresponding quarter in 2016. Individual taxes on income & profit mainly drove the fall in taxes on income and profits during the review quarter relative to the preceding period. Matched against budgetary projections for the period, income and profits taxes shrank by 18.3 percent.

#### **4.1.3 Sales Taxes on Goods and Services**

Sales taxes on goods and services during the review quarter reduced to L\$965.2 million, down from L\$1,355.2 million recorded in the previous quarter. Conversely, sales taxes on goods & services slightly rose by 2.3 percent compared with the amount recorded during the corresponding period of 2016. All of the sub-categories of sales taxes on goods and services were the driving forces behind this decline during the period under consideration. Budgetary comparison showed that sales taxes on goods and services also fell short of achieving its targeted projection for the quarter by 25.6 percent.

#### **4.1.4 Property and Real Estate Taxes**

Property and real estate taxes significantly reduced by 77.6 percent to L\$47.6 million during the quarter, from L\$213.0 million reported in the quarter ended-September, 2017. However, it increased by L\$12.3 million compared with the L\$35.3 million recorded during the corresponding quarter in 2016. Matched against budgetary target for the quarter, property and real estate taxes fell short in meeting target by L\$15.8 million or 24.8 percent.

#### **4.1.5 Charges and Other Administrative Fees**

Non-tax revenue from charges and other administrative fees during the quarter decreased by 46.1 percent to L\$961.8 million, from L\$1,800.1 million recorded in the previous quarter. A corresponding period comparison showed that non-tax revenue from charges & other administrative fees significantly reduced by 55.9 percent. Compared with budgetary forecast, revenue from charges and other administrative fees fell below expectation by 73.4 percent.

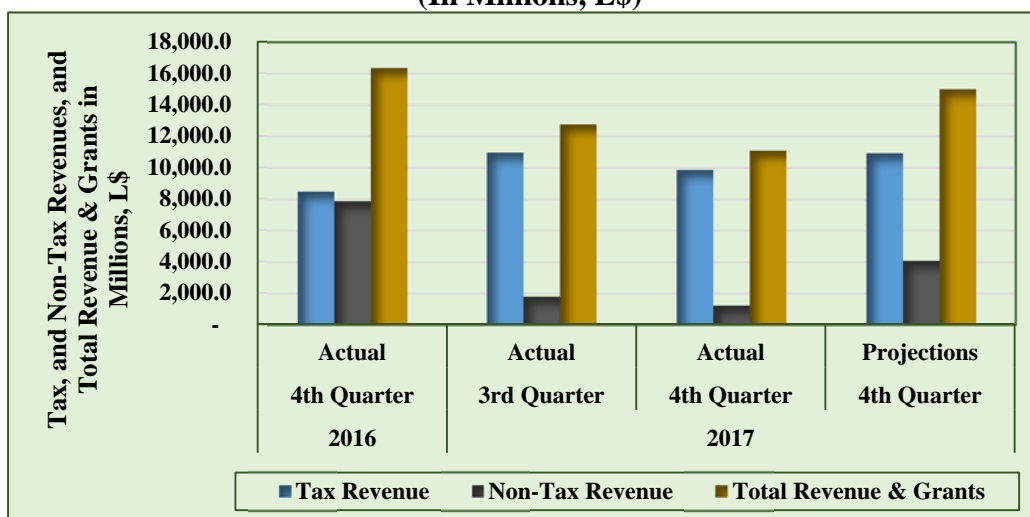
**Table 20: Government of Liberia's Total Revenue by Sources**  
**(4th Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**

Revenue Sources	2016	2017		
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	4 <sup>th</sup> Quarter
	Actual			Projections
<b>Tax Revenue</b>	<b>8,493.2</b>	<b>10,960.6</b>	<b>9,862.6</b>	<b>10,916.2</b>
International Trade Taxes	3,952.5	5,499.2	5,298.6	5,085.8
<i>Taxes &amp; Duties on Imports</i>	3,943.2	5,495.1	5,283.8	5,065.3
<i>Taxes on Exports</i>	9.4	4.2	14.8	20.5
Taxes on Income & Profits	3,409.5	3,891.4	3,550.4	4,344.0
<i>Individual Taxes on income &amp; profits</i>	3,253.3	3,661.5	3,454.6	4,109.7
<i>Taxes Payable by Corporate Entities</i>	156.1	229.8	95.9	234.3
<i>Others</i>	0.0	0.0	0.0	0.0
Sale Taxes on Goods & Services	944.0	1,355.2	965.2	1,297.6
<i>Goods &amp; Service Tax</i>	574.1	606.8	595.2	805.6
<i>Excise Taxes</i>	104.7	152.6	146.7	137.3
<i>Maritime Revenue</i>	112.2	303.9	67.3	141.0
<i>Others</i>	153.0	291.8	156.0	213.8
Property & Real Estate Taxes	35.3	213.0	47.6	63.4
Other Tax Revenue <sup>1</sup>	152.0	1.8	0.7	125.5
<b>Non-Tax Revenue</b>	<b>7,862.8</b>	<b>1,800.1</b>	<b>1,214.6</b>	<b>4,076.5</b>
Administrative Fees & Other Charges	2,182.7	1,800.1	961.8	3,616.3
Grants	-	0.0	252.8	-
Others	5,680.1	-	-	460.2
<i>Contingent Revenue</i>	-	-		-
<i>Borrowing</i>	5,680.1	-		-
<i>Carry Forward</i>	-	-		460.2
<b>Total Revenue &amp; Grants</b>	<b>16,356.0</b>	<b>12,760.7</b>	<b>11,077.2</b>	<b>14,992.8</b>

Source: Ministry of Finance & Development Planning (MFDP)

\*Revised

**Chart 16: Government of Liberia's Total Revenue by Sources**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**



## 4.2 Government Expenditure

Public expenditure for the quarter ended-December, 2017, amounted to L\$16,057.0 million (26.8 % of GDP). Matched against the L\$15,856.5 million recorded in the previous quarter, public spending during the review period increased by 1.3 percent, largely explained by 1.9 percent and 6.0 percent increases in recurrent expenditure and loans, interest payments & other charges, respectively, while capital expenditure decreased by 18.1 percent. Conversely, on a year-on-year basis, public spending increased by 22.2 percent relative to the amount recorded during the fourth quarter of 2016. Recurrent, capital, and loan, interest payments & other charges constituted 94.3 percent, 3.0 percent, and 2.7 percent of total public expenditure for the reviewed period, respectively.

Recurrent expenditure during the reviewed quarter rose by 1.9 percent, to L\$15,135.0 million against the amount of L\$14,851.9 million recorded in the preceding quarter. It also grew by 19.0 percent when compared to the corresponding quarter in 2016. Public spending on capital goods (capital expenditure) during the quarter ended-December, 2017 declined by 18.1 percent to L\$486.5 million, from L\$593.8 million recorded in the preceding quarter. Matched against the amount recorded during the corresponding period in 2016, it drastically increased by L\$346.5 million. Expenditure on loan, interest payments & other charges increased by 6.0 percent and 54.6

percent compared with the amounts registered during the previous and corresponding periods, respectively.

#### **4.2.1 Recurrent Expenditure**

##### **Compensation of Employees**

Spending on employees' compensation (salaries & allowances, and social contributions) during the review quarter amounted to L\$6,947.4 million (11.6 % of GDP), representing 45.9 percent and 43.3 percent of recurrent and total expenditures, respectively. Compared with the previous quarter, employees' compensation increased by 6.0 percent and rose by 60.6 percent when matched against the corresponding quarter in 2016.

##### **Expenditure on Goods and Services**

Expenditure on goods & services for the quarter totaled L\$6,099.1 million (10.2 % of GDP), and accounted for 40.3 percent and 38.0 percent of recurrent and total expenditures, respectively. Compared with the preceding and corresponding quarters, public spending on goods & services also rose by 6.0 percent and 60.6 percent, respectively.

##### **Grants**

During the review quarter, expenditure on grants (to foreign governments, international organizations, other general government units, transfers to non-governmental organizations, and transfers to private entities) amounted to L\$962.3 million which constituted 6.4 percent and 6.0 percent of recurrent and total expenditures, respectively. Compared to the previous and corresponding quarters, it declined by 18.1 percent and 30.7 percent, respectively.

##### **Social Benefits**

Public expenditure on social benefits amounted to L\$29.6 million, constituting 0.2 percent and 0.2 percent of recurrent and total expenditures, respectively. Compared with the previous and corresponding quarters, public spending on social benefits during the review quarter fell by 18.1 percent and 2.8 percent, respectively.



## **Others**

The ‘others’ category of recurrent expenditure during the quarter under review fell by 18.1 percent to L\$1,096.6 million, from L\$1,338.6 million recorded in the previous quarter. On an annualized basis, it also declined by 29.7 percent when compared to the same period in 2016.

### **4.2.2 Capital Expenditure**

#### **Acquisition of Fixed Assets**

Public spending on the acquisition of fixed assets during the review quarter reduced by 18.1 percent to L\$486.5 million, from L\$593.8 million recorded in the previous quarter. Similarly, it declined by L\$346.5 million when compared to the fourth quarter of 2016.

### **4.2.3 Loan, Interest Payments and Other Charges**

Expenditure on loan, interest payments and other charges during the quarter amounted to L\$435.5 million, down from L\$410.7 million recorded in the previous quarter and represented 6.0 percent and 54.6 percent increases when compared to the previous and corresponding quarters, respectively.

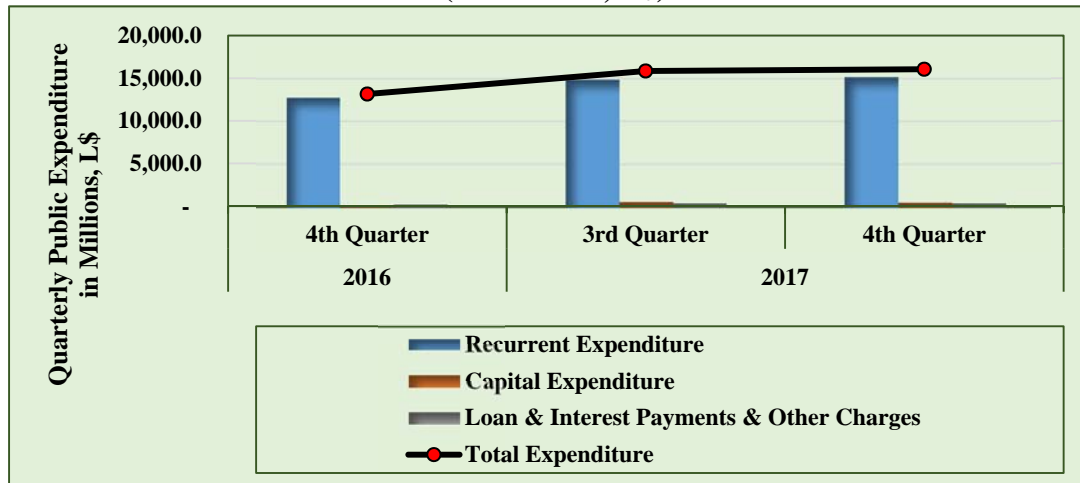
**Table 21: Government of Liberia's Total Expenditure**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**

Expenditure by Codes	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
<b>Recurrent Expenditure</b>	<b>12,723.4</b>	<b>14,851.9</b>	<b>15,135.0</b>
Compensation of Employees	5,947.0	6,551.3	6,947.4
Expenditure on Goods & Services	3,798.6	5,751.3	6,099.1
Subsidies	-	-	-
Grants	1,387.7	1,174.6	962.3
Social Benefits	30.5	36.1	29.6
Others	1,559.6	1,338.6	1,096.6
<b>Capital Expenditure</b>	<b>140.0</b>	<b>593.8</b>	<b>486.5</b>
Depreciation	-	-	-
Acquisition of Fixed Assets	140.0	593.8	486.5
Others	-	-	-
<b>Loan &amp; Interest Payments &amp; Other Charges</b>	<b>281.6</b>	<b>410.7</b>	<b>435.5</b>
Domestic Debts Repayment	-	-	-
External Debts Repayment	-	-	-
Interest on Domestic Debt	208.2	161.0	-
Interest on Foreign Debt	73.4	249.7	-
Deficit Financing-CBL	-	-	-
Interest on Treasury Bills	-	-	170.8
Others	-	-	264.8
<b>Other Expenditures<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>
			-
<b>Total Expenditure</b>	<b>13,145.0</b>	<b>15,856.5</b>	<b>16,057.0</b>

*Source: MFDP*

*+Expenditures not elsewhere mentioned*

**Chart 17: Government of Liberia's Total Expenditure**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**



### 4.3 Stock of Public Debt

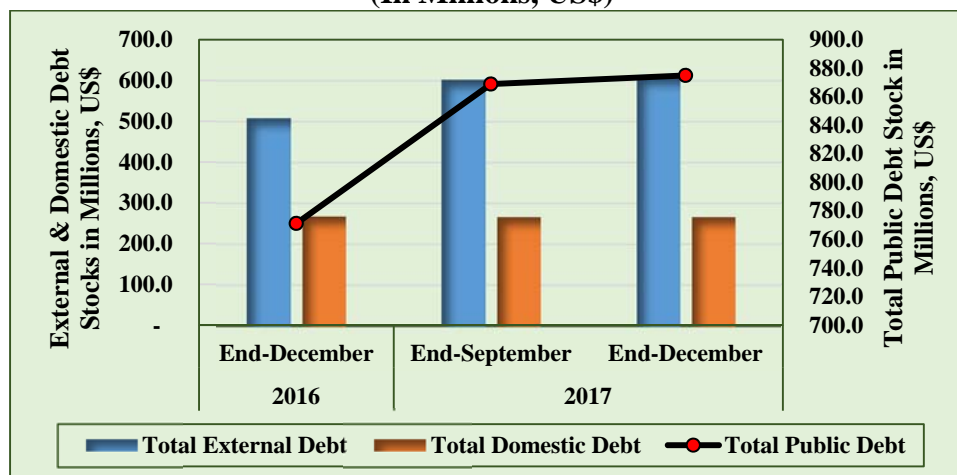
Liberia's public debt stock at end-December, 2017 rose by US\$5.6 million (0.6 percent) to US\$874.5 million (41.4 % of GDP), from US\$868.9 million (39.4 % of GDP) debt stock recorded at the end-September, 2017. The 0.6 percent rise in Liberia's total public debt stock at end-December, 2017 against the preceding period (end-September, 2017) was mainly driven by a 1.1 percent growth in external debt obligation mainly to multilateral creditors/partners. Matched against the stock of US\$771.2 million (36.7 % of GDP) recorded at end-December, 2016, the country's total debt stock also rose by US\$103.2 million (13.5 percent). External and domestic debt stocks at end-December, 2017 amounted to US\$608.3 million (28.8 % of GDP) and US\$266.1 million (12.6 % of GDP) and accounted for 69.6 percent and 30.4 percent of Liberia's total public debt stocks, respectively.

**Table 22: Liberia's Overall Public Debt Position by Composition**  
**As At December 30, 2017**  
**(In Millions, US\$)**

Creditors	2016	2017	
	End-Dec	End-Sep	End-Dec
Total External Debt	502.9	602.2	608.6
Total Domestic Debt	268.3	266.7	266.4
<b>Total Public Debt</b>	<b>771.2</b>	<b>868.9</b>	<b>875.0</b>

Source: MFDP

**Chart 18: Liberia's Overall Public Debt Position by Composition**  
**As At December 30, 2017**  
**(In Millions, US\$)**



#### 4.3.1 External Debt

External debt stock at end-December, 2017 rose by US\$6.4 million (1.1 percent) to US\$608.3 million, up from US\$602.2 million recorded at end-September, 2017. The growth in Liberia's external debt stock was occasioned by 1.1 percent growth in multilateral debt stock. On a year-on-year basis, external debt stock rose by US\$105.7 million against the stock of US\$502.9 million recorded at end-December, 2016. At end-December, 2017, multilateral and bilateral debt stocks stood at US\$554.6 million and US\$53.7 million, and accounted for 91.2 percent and 8.8 percent of Liberia's total external debt stock, respectively.

#### 4.3.2 Domestic Debt

Domestic debt stock at end-December, 2017 stood at US\$266.1 million, down from US\$266.7 million recorded at end-September, 2017. Domestic debt stock to financial institutions occasioned the declined, as it fell by 0.2 percent and 0.8 percent against the stocks recorded at ends-September, 2017 and December, 2016, respectively. Domestic debt stock to financial institutions also accounted for 30.4 percent of the total public debt stock at end-December, 2017.

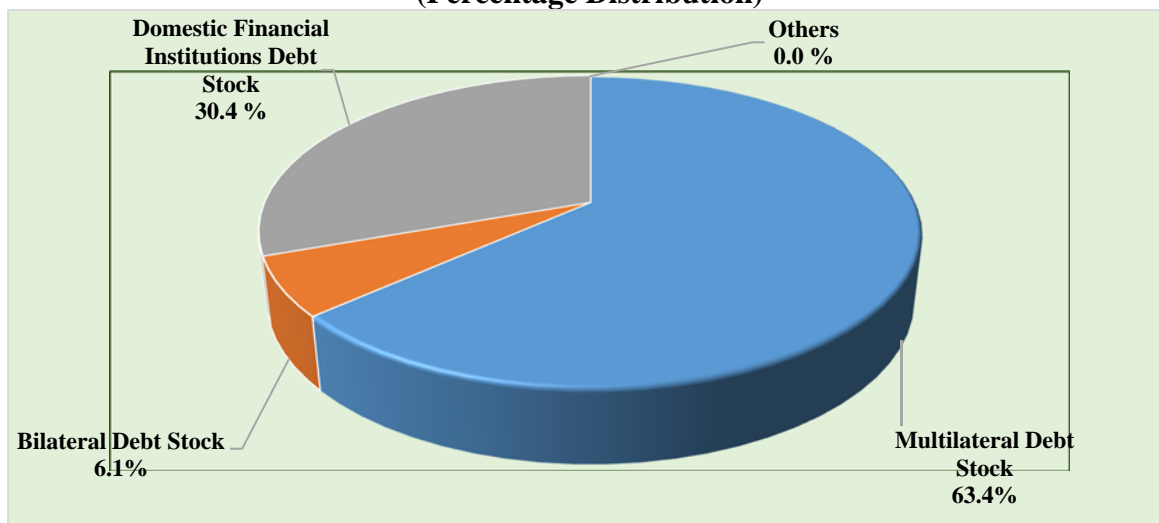
**Table 23: Liberia's Overall Public Debt Position by Creditors**  
**As At December 30, 2017**  
**(In Millions, US\$)**

Creditors	2016	2017	
	End-Dec	End-Sept	End-Dec **
<b>Total Public Debt</b>	<b>771.2</b>	<b>868.9</b>	<b>874.5</b>
<b>External Debt</b>	<b>502.9</b>	<b>602.2</b>	<b>608.3</b>
<b>Multilateral</b>	<b>464.3</b>	<b>548.5</b>	<b>554.6</b>
<i>WORLD BANK GROUP</i>	-	305.0	307.8
<i>IMF -RCF Credit<sup>1</sup></i>	-	45.6	45.7
<i>AfDB GROUP</i>	-	71.0	74.2
<i>EU/EIB</i>	-	54.7	54.7
<i>Others</i>	-	72.2	72.4
<b>Bilateral</b>	<b>38.6</b>	<b>53.7</b>	<b>53.7</b>
<i>China</i>	-	5.2	5.2
<i>Kuwait</i>	-	14.9	15.0
<i>Saudi Arabia</i>	-	33.5	33.5
<i>Others</i>	-	-	-
<b>Domestic Debt</b>	<b>268.3</b>	<b>266.7</b>	<b>266.1</b>
<b>Financial Institutions</b>	<b>268.2</b>	<b>266.7</b>	<b>266.1</b>
<i>Central Bank of Liberia (CBL)</i>	-	256.7	256.1
<i>CBL Infrastructure</i>	-	10.0	10.0
<i>Others</i>	0.1	-	-
<b>Others</b>	-	-	-

*Source: Ministry of Finance & Development Planning (MFDP)*

**\*\* Preliminary**

**Chart 19: Liberia's Overall Public Debt Position by Creditors**  
**As At September 30, 2017**  
**(Percentage Distribution)**



## V. EXTERNAL SECTOR DEVELOPMENTS

### 5.0 Overview of Balance of Payments (BOP)

Based on preliminary statistics, the net current and capital accounts balance deteriorated by 36.7 million to net borrowing of US\$158.4 million compared to net borrowing of US\$121.7 million reported for the previous quarter of 2017, occasioned mainly by decline in receipts from export coupled with rise in payments for goods and secondary income. Similarly, when compared with the corresponding quarter a year ago, net borrowing on current and capital accounts declined by 126.1 million, from US\$32.3 million net borrowing recorded in the fourth quarter of 2016 resulting to the widening of net current and capital accounts balance which is reflective of the decline in receipts from exports amid tightened payments for imported goods and services.

**Table 24: Balance of Payments Statistics**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million US dollars, unless otherwise indicated)**

Description	2016	2017	
	Q-4	Q-3r	Q-4p
<b>Current account</b>	<b>-48.0</b>	<b>-137.7</b>	<b>-174.8</b>
Credit	375.8	350.5	319.3
Debit	423.8	488.1	482.0
<b>Goods and services</b>	<b>-232.9</b>	<b>-169.3</b>	<b>-209.4</b>
Credit	87.6	117.1	84.3
Debit	320.5	286.9	293.7
<b>Goods (net)</b>	<b>-195.7</b>	<b>-111.7</b>	<b>-178.3</b>
<b>Credit (Exports)</b>	<b>69.4</b>	<b>99.1</b>	<b>65.3</b>
Iron ore	6.3	16.8	3.7
Rubber	13.4	19.0	22.6
Mineral (Diamond & Gold)	42.8	54.9	30.5
Palm oil	0.4	2.8	1.6
Other exports (excluding gold)	6.4	5.5	6.8
<b>Debit (Imports)</b>	<b>265.0</b>	<b>210.8</b>	<b>243.7</b>
Food and Live Animals	76.9	53.8	74.0
<i>O/w Rice</i>	40.9	27.5	31.4
Minerals, Fuel, Lubricants <sup>1</sup>	70.5	34.8	32.1
<i>O/w Petroleum Products</i>	61.8	29.1	27.8
Machinery & Transport Equipment	54.4	48.7	62.8
Other Imports	63.3	73.5	74.8
<b>General merchandise on a balance of payments basis</b>	<b>-234.3</b>	<b>-159.4</b>	<b>-200.5</b>
Credit	30.7	51.4	43.2
Debit	265.0	210.8	243.7
Of which Re-exports (credit)	6.1	2.5	1.5
<b>Services</b>	<b>-37.3</b>	<b>-57.6</b>	<b>-43.2</b>

Credit	18.2	18.6	19.5
Debit	55.5	76.2	62.7
<b>Primary Income</b>	<b>19.3</b>	<b>-55.3</b>	<b>-39.9</b>
Credit	6.7	5.0	5.7
Debit	-12.6	60.3	45.6
<b>Secondary Income</b>	<b>165.7</b>	<b>86.9</b>	<b>86.5</b>
Credit	281.5	227.8	229.2
Debit	115.8	140.9	142.7
<b>Capital Account</b>	<b>15.7</b>	<b>16.0</b>	<b>16.4</b>
Credit	15.7	16.0	16.4
Debit	0.0	0.0	0.0
Net Lending (+)/Net Borrowing (-): bal. from Current & Capital Accounts	<b>-32.3</b>	<b>-121.7</b>	<b>-158.4</b>
<b>Financial Account</b>			
Net Lending (+)/Net Borrowing (-): balance from Financial Accounts	-705.8	-163.2	-53.2
<b>Direct investment</b>	<b>-92.2</b>	<b>-58.4</b>	<b>-43.8</b>
Net acquisition of financial assets	0.0	0.0	0.0
Net incurrence of liabilities	92.2	58.4	43.8
<b>Other investment</b>	<b>-670.1</b>	<b>-98.2</b>	<b>-60.2</b>
Net acquisition of financial assets	-55.2	-65.8	-46.1
Net incurrence of liabilities	614.9	32.5	14.2
<b>Reserve assets</b>	<b>56.5</b>	<b>-6.5</b>	<b>50.8</b>
<b>NET ERRORS &amp; OMISSIONS</b>	<b>-442.3</b>	<b>196.4</b>	<b>105.2</b>
<b>MEMORANDUM ITEMS</b>			
Gross Foreign Reserves Position	588.0	490.6	517.0
Import Payments (cif)	287.7	231.3	268.3
Imports (cif) & Service Payments	343.2	307.5	331.0
Current Account Bal. Excl. Grants	-329.3	-365.5	-404.1
Nominal GDP	525.3	528.5	528.5
Current Account Bal. Incl. Grants % of GDP	-9.1	-26.1	-33.1
Current Account Bal. Excl. Grants % of GDP	-62.7	-69.2	-76.5
Trade (in goods) Deficit % of GDP	-0.4	-21.1	-33.7
<b>Months of Imports Cover</b>	<b>1.8</b>	<b>1.9</b>	<b>4.7</b>

*Source: Central Bank of Liberia*

## Financial Account

Net incurrence of liability in the financial account during the review quarter stood at US\$53.2 million, from an estimated US\$163.2 million recorded during the previous quarter. The US\$110.0 million improvement in net borrowing was on account of fall in incurrences of liabilities from direct and other investments categories.

On a year-on-year basis, comparison of the financial account net showed that there was a significant fall in net incurrence of liability position owing to decline in mainly direct investment and other investment flows.

### **Direct Investment**

Preliminary statistics obtained on direct investment showed that net incurrence of liabilities to the Liberian economy reduced to US\$43.8 million during the review quarter, from US\$58.4 million recorded in the preceding quarter, driven by decline in equity and investment fund share by 11.2 percent to estimated US\$33.7 million, from US\$44.9 million recorded in the previous quarter of 2017. Compared with the amount recorded in the corresponding quarter in 2016, direct investment liability declined by 48.4 percent, from US\$92.2 million due to a 43.3 percent decline in debt instruments associated with direct investment from US\$53.5 million.

### **Other Investment**

The other investment category of the financial account showed an improvement in net flow by 38.7 percent to net borrowing of US\$60.2 million during the fourth quarter of 2017, from net borrowing of US\$98.2 million recorded in the earlier quarter, on the back of increase in net acquisition of financial asset by US\$19.7 million along with reduction in net incurrence of liabilities by US\$18.3 million, due largely to reduction in trade credit and advances as well as currency and deposits following payments of interest on loans.

### **Reserve Assets**

Statistics on reserve assets during the quarter under review showed an improvement by US\$57.4 million to US\$50.8 million, from drawdown of US\$6.5 million in the previous quarter resulting from growth in the reserve position in the Fund and other reserve asset due to monetary authorities claim on other entities. Year-on-year comparison of reserve assets flow indicated a 10.1 percent decline from US\$56.5 million due to a fall in other reserve assets on the back of fall in monetary authorities claim on other entities.

### **Capital Account**

Preliminary statistics on the capital account balance at end of the fourth quarter of 2017 showed a moderate improvement to US\$16.4 million, rising by 2.5 percent from the US\$16.0 million recorded in the preceding quarter and a 4.5 percent rise over the US\$15.7 million reported in the corresponding quarter a year ago. The subsequent rise in capital account balance over the two



periods was mainly due to increase in inflows in the form of capital transfers to government to aid in infrastructural development.

## 5.1 The Current Account

Preliminary statistics on current account balance at end of the fourth quarter of 2017 showed a deficit of US\$174.8 million, rising by 26.9 percent from the deficit of US\$137.7 million. The 26.9 percent deterioration in current account balance was mainly due to increase in payments for goods and secondary income accounts. Payment for goods rose by 15.6 percent to US\$243.7 million, from US\$210.8 million in the previous quarter, while payment towards secondary income rose modestly by 1.3 percent to US\$142.7 million, from US\$140.9 million in the preceding quarter.

Year-on-year analysis showed that the current account deficit at end-December 2017 worsened by US\$126.8 million, from US\$48.0 million reported in the same quarter a year ago, resulting from a US\$52.2 million drop in secondary income receipts during the quarter, from US\$281.5 million received in the same quarter a year ago.

### 5.1.1 Goods Account

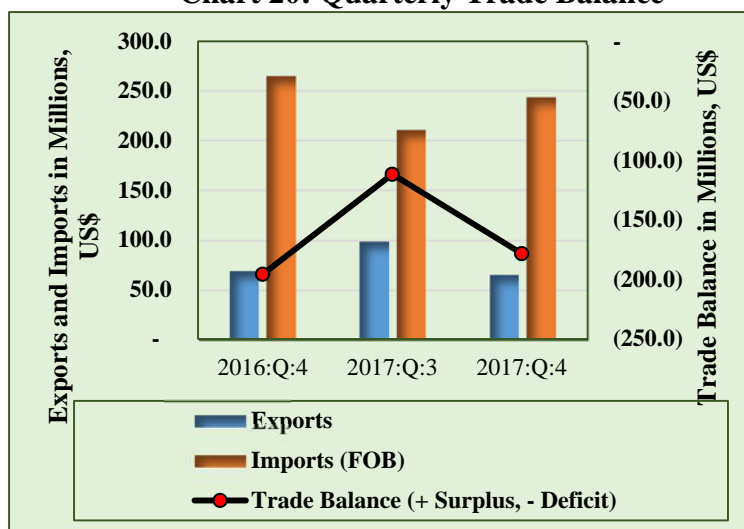
#### Merchandise Trade Balance

Merchandise trade balance at end of the fourth quarter of 2017 showed a deficit of US\$178.3 million, up from the deficit of US\$111.7 million reported in the previous quarter.

The US\$66.6 million worsening of trade deficit during the quarter was occasioned by a sharp decline in export receipts from US\$99.1 million

in the preceding quarter to US\$65.3 million that saw an overwhelmed surge in payments for imported goods by 15.6 percent (see table below).

**Chart 20: Quarterly Trade Balance**



**Table 25: Quarterly Trade Balance**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
(In Million USD, except otherwise indicated)

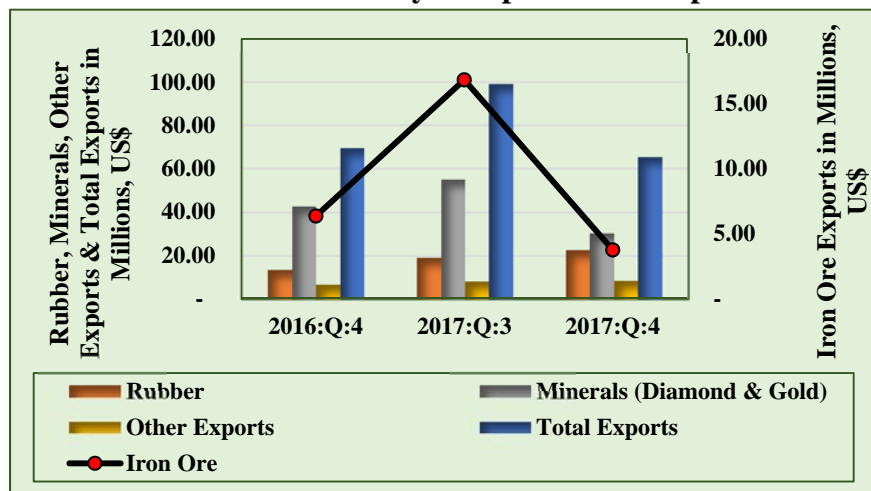
Trade Category	2016	2017	
	Q-4	Q-3r	Q-4p
Exports	69.4	99.1	65.3
Imports (FOB)	265.0	210.8	243.7
<b>Total Trade (+ surplus, - deficit)</b>	<b>-195.7</b>	<b>-111.7</b>	<b>-178.3</b>

*Sources: Customs (Liberia Revenue Authority), Firestone Liberia Ltd; r-revised, p-preliminary*

## Merchandise Exports

Merchandise export earnings for the fourth Quarter ended-December 2017, fell by 34.1 percent to US\$65.3 million, from US\$99.1 million recorded in the third quarter of 2017. The drop in export earnings was occasioned mainly by

**Chart 21: Commodity Composition of Exports**



falls in receipts from mineral (especially gold) exports by 44.4 percent to US\$30.5 million, down from US\$54.9 million in the preceding quarter and iron ore by US\$13.1 million, from US\$16.8 million receipt in the earlier quarter to US\$3.7 million. Receipts from palm oil exports also dropped by 41.0 percent to US\$1.6 million, from US\$2.8 million in the previous quarter. The reduction in export earnings was mainly driven by weak domestic inventory buildup for iron ore production.

Yearly comparison of export earnings revealed a moderate decline by 5.8 percent from US\$69.4 million, driven by declines in mineral and iron ore receipts from US\$42.8 million and US\$6.3 million, respectively.

**Table 26: Commodity Composition of Exports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD, except otherwise indicated)**

Commodity	Unit	2016			2017					
		Q-4			Q-3†			Q-4p		
		Export Volume	Exports Value	% share	Export Volume	Exports Value	% share	Export Volume	Exports Value	% share
Rubber	Mt.	9.5	13.4	19.4	10.6	19.0	19.2	15.4	22.6	34.6
Cocoa	Mt.	10.2	2.2	3.2	2.145	0.7	0.7	0.0	1.0	1.6
Coffee	Mt.	0	-	-	0	-	-	15.7	1.0	1.6
<i>Iron Ore</i>	<i>Mt.</i>	198.0	6.3	9.2	554.1	16.8	17.0	154.1	3.7	5.7
<i>Mineral</i>			42.8	61.7		54.9	55.4		30.5	46.7
o/w Diamond	Carat	7.8	4.1	9.6	13.2	7.2	13.1	23.5	8.4	27.4
o/w Gold	Ounce	45.6	38.7	90.4	48.6	47.7	86.9	23.2	22.1	72.6
Palm Oil	Mt.	22.0	0.4	0.6	6.7	2.8	2.8	2.1	1.6	2.5
Other Exports			0.5	0.7		1.3	1.3		1.1	1.7
Goods procured <sup>1</sup>			3.67	5.3		3.46	3.5		3.70	5.7
<b>Total</b>			<b>69.4</b>	<b>100.0</b>		<b>99.1</b>	<b>100.0</b>		<b>65.3</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority), Firestone Liberia Ltd, Total Liberia*

*1 Goods procured in ports by carrier; †, Revised; P, preliminary*

### Destination of Exports

During the quarter under review, the Middle East, North America, in particular the United States, and Europe were Liberia's leading exports destination, accounting for 87.4 percent of total exports. Exports to the Middle East accounted for 40.8 percent; North America, 27.4 percent; and Europe 19.2 percent of total exports, respectively. Asia, Africa and other countries not specified, accounted for the remaining 12.6 percent of exports.

Annual comparison of receipts from exports showed that Liberia's exports to all trading partners, except Europe, North America and Other Countries (not specified) declined compared to the last quarter in 2016. Year-on-year, exports declined by US\$4.1 million to US\$65.3 at quarter ended-December, 2017, from US\$69.4 million at quarter ended-December, 2016.

**Table 27: Destination of Exports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD, except otherwise indicated)**

Region	2016		2017			
	Q-4		Q-3		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Africa	7.1	10.2	2.8	2.8	1.8	2.7
o/w ECOWAS	7.0	98.0	1.0	36.8	0.2	9.0
o/w Neighboring Countries	5.0	71.3	0.4	41.7	0.1	84.4
Asia	3.0	4.3	1.6	1.7	2.7	4.2
o/w Other Asian Countries	2.6	87.2	1.5	92.5	2.7	98.7
Europe	5.1	7.4	30.7	31.0	12.5	19.2
o/w Eurozone	5.1	99.7	13.0	42.4	8.4	67.1
North America	9.3	13.4	11.5	11.6	17.9	27.4
o/w United States	9.3	100.0	11.5	100.0	17.9	100.0
Middle East	41.8	60.3	46.0	46.3	26.7	40.8
South & Central America	0.1	0.2	3.0	3.0	0.0	0.0
Oceania & The Caribbean	0.0	0.0	0.0	0.0	0.0	0.0
Other Countries (n.i.e)	2.9	4.2	3.5	3.5	3.7	5.7
<b>Total</b>	<b>69.4</b>	<b>100.0</b>	<b>99.1</b>	<b>100.0</b>	<b>65.3</b>	<b>100.0</b>

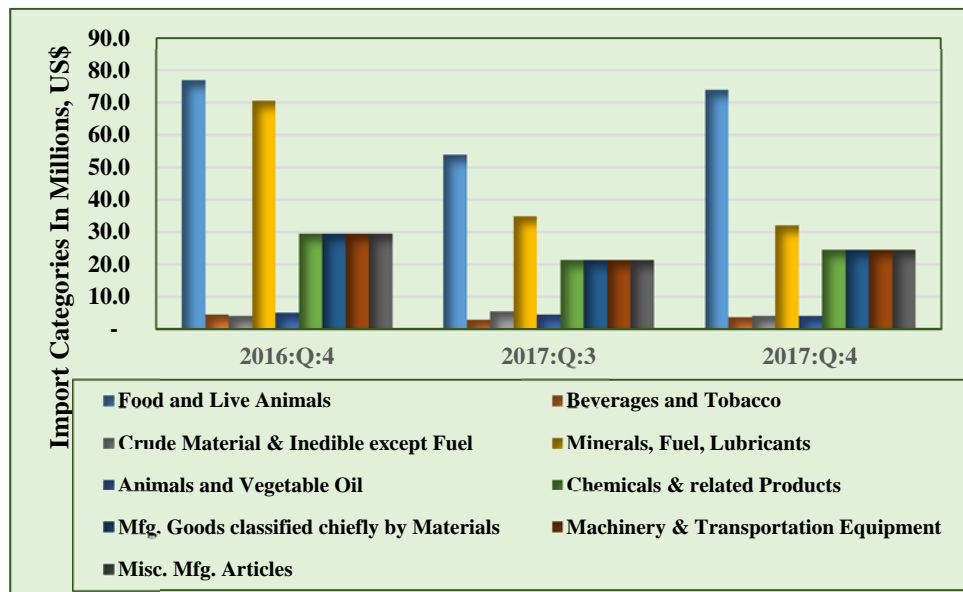
*Sources: Customs (Liberia Revenue Authority), Ministry of Commerce & Industry and Firestone Liberia Ltd.*

*n.i.e.: not indicted elsewhere.*

## Merchandise Imports

Merchandise import payments for the fourth quarter of 2017 increased by US\$32.9 million, to US\$ 243.7 million, from US\$210.8 million recorded in the previous quarter. The 15.6 percent rise in merchandise

**Chart 22: Commodity Composition of Imports**



import payments were mainly due to a 37.5 percent and a 29.0 percent jumps in payments for Food & Live Animals and Machinery & Transportation Equipment, respectively.

On a year-to-year basis, total merchandise import payments declined by 8.0 percent to 243.7 million compared with US\$265.0 million recorded in the corresponding quarter of 2016.

**Table 28: Commodity Composition of Imports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD, except otherwise indicated)**

Commodity Composition of Imports	2016		2017			
	Q-4		Q-3 <sup>†</sup>		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Food and Live Animals	76.9	29.0	53.8	25.5	74.0	30.4
o/w Commercial Rice	40.0	52.0	26.3	48.8	30.5	41.3
o/w Non-commercial Rice	1.0	1.2	1.2	2.2	0.9	1.2
Beverages and Tobacco	4.4	1.7	3.0	1.4	3.8	1.5
Crude Material & Inedible except Fuel	4.1	1.6	5.5	2.6	4.0	1.7
Minerals, Fuel, Lubricants 1	70.5	26.6	34.8	16.5	32.1	13.2
o/w Petroleum Products	61.8	87.7	29.1	83.7	27.8	86.7
Animals and Vegetable Oil	5.1	1.9	4.4	2.1	4.2	1.7
Chemicals & related Products	17.8	6.7	24.1	11.5	24.8	10.2
Mfg. Goods classified by Materials	24.8	9.3	26.6	12.6	30.3	12.4
Machinery & Transportation Equipment	54.4	20.5	48.7	23.1	62.8	25.8
Misc. Mfg Articles	7.1	2.7	9.8	4.7	7.8	3.2
<b>Total</b>	<b>265.0</b>	<b>100.0</b>	<b>210.8</b>	<b>100.0</b>	<b>243.7</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority),*

*† Revised; P preliminary*

### Sources of Imports

Liberia's total import payments for the quarter ended December, 2017 stood at US\$243.7 million, 15.6 percent up from the US\$210.8 million recorded in the previous quarter. During the period, Asia accounted for 53.8 percent, followed by Europe 14.2 percent and Africa 13.9 percent, which represented the largest shares of the sources of imports. The Middle East, North America, South & Central America accounted for 8.8 percent, 6.2 percent and 3.0, percent, respectively. The surge in payments to Asia drove the 15.6 percent rise in import payments during the review quarter.

However, on a year-on-year basis, import payments declined by 8.0 percent with the largest declines reported from Africa by US\$41 million, of which ECOWAS accounted for US\$38.0 million. Payments to the Middle East, North America and Europe declined by US\$10.8 million, US\$5.6 million and US\$5.3 million, respectively.

**Table 29: Sources of Imports**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million USD, except otherwise indicated)**

Region	2016		2017			
	Q-4		Q-3		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Africa	74.8	28.2	39.5	18.8	33.8	13.9
o/w ECOWAS	67.8	90.5	35.8	90.5	29.8	88.1
o/w Neighboring Countries	64.6	95.4	32.4	90.7	29.2	97.9
Asia	89.5	33.8	82.1	39.0	131.1	53.8
o/w Other Asian Countries	44.6	49.8	51.1	62.2	39.7	30.3
Europe	40.0	15.1	40.5	19.2	34.7	14.2
o/w Eurozone	21.5	53.9	20.3	50.3	22.6	9.3
North America	20.6	7.8	23.7	11.3	15.0	6.2
o/w United States	19.1	92.5	23.2	97.7	14.3	95.4
Middle East	32.2	12.1	18.4	8.7	21.4	8.8
South & Central America	6.4	2.4	5.2	2.5	7.3	3.0
Oceania & The Caribbean	1.46	0.6	1.30	0.6	0.4	0.2
<b>Total</b>	<b>265.0</b>	<b>100.0</b>	<b>210.8</b>	<b>100.0</b>	<b>243.7</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority), Ministry of Lands, Mines & Energy and Firestone Liberia Ltd.*

#### **5.1.1.1 Services Payments (net)**

Preliminary statistics on services account (net) narrowed by US\$14.4 million to a deficit of US\$43.2 million during the review quarter, from a deficit of US\$57.6 million recorded in the third quarter of 2017, primarily due to reduction in payments to nonresidents. On an annualized basis, net services payments during the quarter grew by 15.8 percent when compared with the amount registered in the corresponding period of 2016. The spread in net service payments during the quarter was explained by a 12.9 percent decline in service payments attributed mainly to increased transport payments to nonresident carriers.

#### **5.1.2 Primary Income (net)**

Primary income (net) decreased by 27.8 percent to US\$39.9 million, from US\$55.3 million in the previous quarter of the year. Net payments, year-on-year, deteriorated by 3.1 percent to US\$39.9 million, from US\$19.3 million in same quarter in 2016. The decline in primary income (net) during the quarter was mainly influenced by fall in interest payments on GoL external debt. In addition, reinvested earning, which contribute to primary income, decline as a result of decreased in net

incurrence of liabilities of the financial account. This also contributed to the decline in net payments of the primary income in the quarter under review.

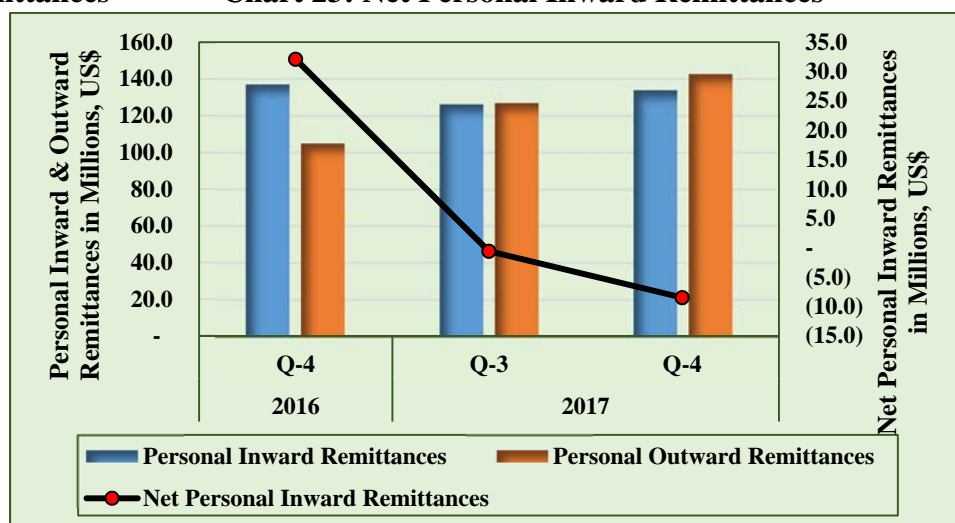
### 5.1.3 Secondary Income (net)

Secondary income (net) account during the quarter under review declined moderately by 0.5 percent to US\$86.5 million, from US\$86.9 million recorded in the preceding period. The slump was occasioned by a 3.4 percent decrease in inward transfers to government (owing to current transfers from current international cooperation for budget support). Similarly, year-on-year analysis revealed that secondary income (net) account shrank by 47.8 percent compared with the amount recorded a year ago due mainly to slump in inflows of transfers to government and personal transfers.

#### 5.1.3.1 Personal Remittances

Statistics on both inward and outward personal remittances showed increases during the last quarter of 2017, but the growth in outward remittances exceeded the increase in inward

**Chart 23: Net Personal Inward Remittances**



remittances. Inward personal remittances grew by 6.1 percent to US\$134.0 million, from US\$126.3 million recorded in the 3rd quarter of the same year, while outward grew by 12.3 percent to US\$142.5 million, from 126.9 million in the same period under review. The net outflow of personal remittances during the period was a result of extended support to family of residents living abroad.

Annual comparison of personal remittance flows indicate that outward remittance flow increased by 36.0 percent from US\$104.8 million, while inward remittances declined by 2.1 percent due particularly to the uncertainty that surrounded the 2017 national electoral process. However, the



statistics showed that Liberia was a net recipient of personal remittances in the same period in 2016 than was in 2017.

**Table 30: Inward & Outward Personal Remittances**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD)**

<b>Personal Remittances</b>	<b>2016</b>	<b>2017</b>	
	<b>Q-4</b>	<b>Q-3†</b>	<b>Q-4p</b>
Inwards	136.9	126.3	134.0
Outwards	104.8	126.9	142.5
<b>Net flow</b>	<b>32.0</b>	<b>-0.6</b>	<b>-8.5</b>

*Source: Central Bank of Liberia*

*†Revised*

### **5.1.3.2 Commodity Price Outlook**

Average global commodity price slightly declined during the fourth quarter of 2017. At end-December, the average global price, indicative of commodity price index, was estimated at 111.1 percent, down from 111.7 percent. At the end of the quarter under review, the average commodity price slowdown by 0.6 percentage point when compared with the level recorded at the end of the third quarter of 2017. The estimated moderate decrease in global commodity price during the quarter was a result of slump in international prices of key commodities including metal (especially iron ore and gold), energy (mainly petroleum), food (especially rice) and some agricultural products (mainly rubber).

Prospect for global price in the first quarter of 2018 seems favorable for major commodity exporters. Average global price is expected to rise above the current level due mainly to prospect for increase in the prices of cereal (mainly rice), metal (especially iron ore) and agricultural raw materials (mainly rubber).

#### ***Iron ore***

The global price of iron ore during the fourth quarter, 2017 declined by 8.0 percent to US\$66.1 per metric ton, from US\$71.8 per metric ton at end-September 2017. The decline in the price of the commodity during the quarter was mainly on the back of increased supplies of the commodity

and the anticipation of weak demand for steel, mainly, from China. The price of iron ore was expected to fall as was during the third quarter owing to the gradual rise in inventories of iron ore at the Chinese ports and the foreseen weak demand for the commodity. However, in the medium term the price is expected to remain volatile resulting from uncertainty surrounding steel production restrictions to limit pollution in China and demand for the commodity.

### ***Rubber***

During the fourth quarter, 2017, the global price of rubber, when compared with the previous quarter, further declined to US\$1,620.0 per metric ton, from US\$1,816.7 per metric ton recorded at end-September 2017 against expectation of producing economies to cut down on production. The 10.8 percent slump in the price of the rubber was mainly attributed to the surge in supply of the commodity during the quarter. In the medium term, the price of rubber is expected to go up modestly due to growing demand to offset already existing inventory.

### ***Cocoa Beans***

Quarter-on-quarter comparison of the global price of cocoa beans shows that the price of the commodity at end-December, 2017 rose to US\$2,050.0 per metric ton, from revised of US\$1,993.3 per metric ton during the third quarter of 2017. The 2.8 percent rise in the price of the commodity was attributed to recovery in global demand for the commodity against slower supply of the commodity. There is still uncertainty about how price of the commodity will perform in the first quarter of 2018; however, it is projected that the future price of cocoa beans will remain relatively stable due to an expected growth in production.

### ***Palm Oil***

The quarterly comparison of the price of crude palm oil indicates that the average global price of the commodity at end-December, 2017 improved to US\$700.8 per metric ton, from revised of US\$687.0 per metric ton. Even though the price of the commodity fell throughout the month in the quarter, the 2.0 percent quarter-on-quarter rise in the price of the commodity was on account of much higher than expected price of the commodity amid increased production. Projection into the first quarter of 2018 revealed a much favorable price of the commodity resulting from slower production.

### ***Petroleum (Crude Oil)<sup>1</sup>***

The average global price of petroleum was said to rise considerably by 16.9 percent during the fourth quarter of 2017 to US\$58.7 per barrel, up from US\$50.2 per barrel recorded during the previous quarter. The increased price of the commodity was basically due to the effect of news to cut down on supply of the commodity by major exporters. In effect, the slowdown was met at the end of the quarter under review. Projection of the price of the commodity showed a downturn during the first quarter of 2018.

### ***Food (Rice)***

Food price, indicative of its index, shows a 4.2 percentage point decline to 174.1 at end December 2017, from 178.3 reported at end of the third quarter, due basically to persistent fall in the prices of most of its subgroup, especially dairy product, vegetable oil, meat and sugar. The global price of rice, on the other hand, fell modestly by 0.8 percent to US\$400.7 per metric ton, from revised of US\$404.0 per metric ton reported during the previous quarter. The downturn in the price of the commodity during the quarter was a result of slower than expected increase in demand for the commodity as against the slowdown in supply that was experienced during the third quarter, 2017.

**Table 31: Quarterly Commodity Prices Review & Outlook**  
(2<sup>nd</sup> - 4<sup>th</sup> Quarters, 2017; 1<sup>st</sup> Quarter, 2018)  
(In US\$ per Unit)

Commodity Prices	Commodity Category	Units	2017			2018
			Actual			Projection <sup>+</sup>
			Q-2	Q-3	Q-4 <sup>*</sup>	Q-1 <sup>+</sup>
Iron ore	Exported Commodities	USD/MT	63.4	71.8	66.1	71.4
Rubber		USD/MT	2,010.0	1,816.7	1,620.0	1,985.4
Cocoa Beans		USD/MT	1,980.3	1,993.3	2,050.0	1,874.3
Palm Oil		USD/MT	696.3	687.0	700.8	750.9
Crude oil	Imported Commodities	USD/BBL	49.4	50.2	58.7	50.9
Rice		USD/MT	419.7	404.0	400.7	401.7
<b>Global Commodity Price</b>		<b>Index</b>	<b>110.2</b>	<b>111.7</b>	<b>111.1</b>	<b>113.4</b>

Source: Central Bank of Liberia; [www.indexmundi.com](http://www.indexmundi.com); [www.imf.org](http://www.imf.org)

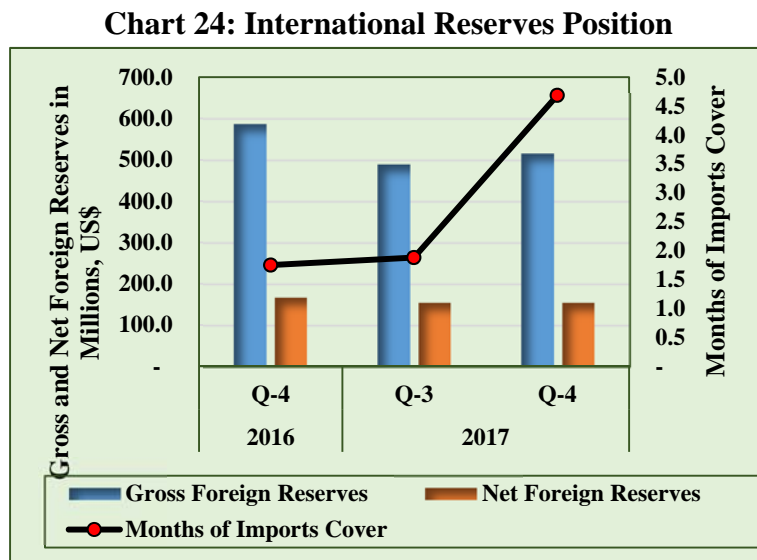
\*<sup>\*</sup> revised

+ Projections

## 5.2 International Reserves Position and Months of Imports Cover

Liberia's gross international reserves position (including SDRs) at end-December, 2017 rose by 5.4 percent to US\$517.0 million, from US\$490.6 million recorded at the end of the previous quarter, owing to increase in currency balances with Banks abroad. However, it fell by 12.1 percent compared with the position of US\$559.8 million recorded in the corresponding period in 2016 as a result of a huge slump in currency balances with Banks abroad. US dollars Notes and Coins and currency balances with Bank abroad are said to constitute a greater portion of Liberia's gross foreign reserve.

On the other hand, the country's net foreign reserves position (including SDRs) slightly declined by 0.3 percent to US\$155.1 million at end-December, 2017, from US\$155.5 million recorded at end-September, 2017. The net foreign reserves fell by 7.1 percent compared with the stock of US\$166.9 million recorded at end-December, 2016.



On the country's imports sustainability front, the rising behavior observed in data on payments for goods as well as those on gross international reserves showed that Liberia's months of imports cover grew to 4.7 months during the review quarter, from the revised 1.9 and 1.8 months covers recorded at end-September, 2017, and December, 2016, respectively, on account of reductions in gross international reserve.

**Table 32: Stock of International Reserves**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million USD, except otherwise indicated)**

Quarter	2016	2017	
	Q-4	Q-3	Q-4
Gross Foreign Reserves	588.0	490.6	517.0
Net Foreign Reserves	166.9	155.5	155.1
<i>Months of Imports Cover</i>	1.8	1.9	4.7

*Source: Central Bank of Liberia*

# STATISTICAL APPENDIX

**Table 1: Growth of Selected Global Output**

	<b>Projections</b>			<b>Difference from October 2017 WEO Update</b>	
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>
<b>World Output</b>	3.2	3.6	3.7	0.1	0.2
<b>Advance Economies</b>	1.7	2.2	2.0	0.1	0.3
United States	1.5	2.2	2.3	0.1	0.4
Euro Area	1.8	2.1	1.9	0.3	0.3
Japan	0.9	1.5	0.7	0.3	0.5
United Kingdom	1.9	1.7	1.5	0.0	0.0
Canada	1.4	3.0	2.1	0.0	0.2
<b>Emerging Market and Developing Economies</b>	4.4	4.6	4.9	0.1	0.0
<b>Emerging and Developing Asia</b>	6.4	6.5	6.5	0.0	0.0
China	6.7	6.8	6.5	0.0	0.1
India	7.1	6.7	7.4	0.0	0.0
Latin America and the Caribbean	-0.7	1.2	1.9	0.1	0.0
Middle East, North Africa, Afghanistan & Pakistan	4.9	2.6	3.5	-0.1	0.1
Sub-Saharan Africa	1.4	2.6	3.4	0.1	-0.1
Nigeria	-1.6	0.8	1.9	0.0	0.2
South Africa	0.3	0.7	1.1	0.2	-0.2
<b>Consumer Prices</b>					
Advanced Economies	0.8	1.7	1.7	0.0	0.2
Emerging Markets and Developing Economies	4.3	4.2	4.4	-0.1	0.1

*Source: IMF World Economic Outlook Update, January 2018*

**Table 2: Key Agricultural Production**  
(4<sup>th</sup> Quarter 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)

<b>Commodity</b>	<b>Unit</b>	<b>4<sup>th</sup> Quarter, 2016</b>	<b>3<sup>rd</sup> Quarter, 2017</b>	<b>4<sup>th</sup> Quarter, 2016</b>
Rubber	Mt.	7,148	11,785	17,480
Cocoa	Mt.	2,040	306+	712
Coffee	Mt.	-	-	-
Round Logs	M <sup>3</sup>	25,942	8,442	26,263
Sawn Timber	Pcs.	139,990	85,356	122,320
Crude Palm Oil (CPO)	Mt.	454	1,763*	2,186

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

*+Revised/actual*

**Table 3: Key Industrial Output**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)

Commodity	Unit	4 <sup>th</sup> Quarter, 2016	3 <sup>rd</sup> Quarter, 2017	4 <sup>th</sup> Quarter, 2017
Diamond	Carat	15,673	13,154	7,767
Gold	Ounce	41,931	48,390	42,694
Iron Ore	Mt.	154,118	554,072	198,021
Cement	Mt.	54,741	51,110	50,602
Spirits	Litre	86,914	86,147	96,548
Beer	Litre	1,744,406	1,414,866	1,420,431
Stout	Litre	1,689,756	1,200,862	1,626,863
Malta	Litre	69,047	67,423	89,255
Soft Drinks	Litre	2,019,838	2,325,960	2,426,105
Oil Paint	Gal.	30,985	13,150	31,279
Water Paint	Gal.	32,543	21,961	34,535
Varnish	Gal.	3,692	2,927	7,118
Manoline Hair Grease	Kg.	3,629	2,377	1,117
Soap	Kg.	116,526	144,571	141,853
Candle	Kg.	37,695	20,843	29,295
Chlorox	Litre	268,580	315,529	301,540
Rubbing Alcohol	Litre	52,048	69,398	55,015
Thinner	Gal.	5,125	3,370	7,796
Mattresses	Pcs.	24,633	19,764	25,900
Finished water	Gal.	485,557,284	551,545,644	566,958,119
Mineral Water	Litre	341,615	186,362+	290,448
Electricity	kW		70,300,073*	

*Source: Ministry of lands, Mines & Energy; Liberia Water & Sewer Corporation; and Ministry of Commerce & Industry*

*\*Estimate*

*+ Revised/Actual*

*N/A Not Available*

**Table 4: Consumption of Petroleum Products**  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)

Commodity	Unit	4 <sup>th</sup> Quarter, 2016	3 <sup>rd</sup> Quarter, 2017	4 <sup>th</sup> Quarter, 2017
Premium Motor Spirit (PMS)	Gal.	1,311,232.09	2,362,174	2,149,372
Diesel (AGO)	Gal.	930,015.57	2,337,191	2,290,773
Jet-Fuel (Jet-A)	Gal.	-	-	-
Kerosene	Gal.	-	-	-
<b>Total</b>		<b>2,241,247.66</b>	<b>4,699,365</b>	<b>4,440,145</b>

*Source: Liberia Petroleum Refining Company (LPRC)*

*+ Revised/Actual*



**Table 5: Vessel Traffic and Cargo Movements**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

Quarter	No. of Vessels	Vessel Weight (SDWT*)	Cargo Tonnage (in Metric tons)		
			Imports	Exports	Total
4 <sup>th</sup> Quarter, 2016	95	2,055,038	430,409	314,639	745,048
3 <sup>rd</sup> Quarter, 2017	101	2,257,268	423,756	498,747	922,503
4 <sup>th</sup> Quarter, 2017	95	2,388,834	445,657	647,803	1,093,460

*Source: National Port Authority (NPA) SDWT=Summer Dead Weight Tons*

**Table 6: Electric Power Developments**  
**(4<sup>th</sup> Quarter, 2016: 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Megawatts (mW))**

Quarter	Unit	Service	Produced
4 <sup>th</sup> Quarter, 2016	mW	Electricity	48,595
3 <sup>rd</sup> Quarter, 2017	mW	Electricity	93,266
4 <sup>th</sup> Quarter, 2017	mW	Electricity	133,443

**Table 7: Headline and Quarterly Changes in CPI (%)**

		Headline Inflation (yr.-on-yr. changes)			Monthly Changes in HCPI		
		Combined	Food	Non-Food	Combined	Food	Non-Food
<b>2015</b>	Jan	<b>8.7</b>	11.8	5.2	<b>1.1</b>	1.5	0.6
	Feb	<b>7.7</b>	12.4	2.4	<b>-1.3</b>	-0.7	-2.1
	Mar	<b>7.3</b>	14.3	-0.4	<b>1.9</b>	3.4	0.1
	Apr	<b>6.8</b>	14.1	-1.1	<b>0.1</b>	-0.1	0.4
	May	<b>7.9</b>	17.5	-2.3	<b>-0.7</b>	0.5	-2.1
	Jun	<b>7.7</b>	12.2	2.7	<b>4.3</b>	1.9	7.4
	Jul	<b>9.5</b>	12.9	5.6	<b>2.6</b>	3.2	1.9
	Aug	<b>7.3</b>	6.9	7.8	<b>-0.8</b>	-3.5	2.4
	Sep	<b>6.5</b>	3.8	9.7	<b>1.8</b>	1.4	2.3
	Oct	<b>6.0</b>	2.8	10.0	<b>0.2</b>	0.4	0.0
	Nov	<b>9.8</b>	9.0	10.6	<b>-1.4</b>	-1.7	-1.0
	Dec	<b>8.0</b>	5.9	4.7	<b>0.1</b>	-0.4	-4.7
<b>2016</b>	Jan	<b>7.0</b>	7.4	6.4	<b>0.1</b>	3.0	2.2
	Feb	<b>7.1</b>	5.5	2.8	<b>-1.2</b>	-2.5	-5.4
	Mar	<b>7.1</b>	5.6	2.7	<b>1.9</b>	3.6	0.1
	Apr	<b>7.2</b>	3.1	6.0	<b>0.2</b>	-2.6	3.6
	May	<b>7.6</b>	1.9	14.7	<b>-0.3</b>	-0.6	5.9
	Jun	<b>8.4</b>	4.1	6.0	<b>5.2</b>	4.1	-0.8
	Jul	<b>8.4</b>	5.8	11.6	<b>2.6</b>	4.8	7.4
	Aug	<b>9.9</b>	10.8	8.8	<b>0.5</b>	1.1	-0.2
	Sep	<b>8.5</b>	9.8	6.9	<b>0.5</b>	0.5	0.6
	Oct	<b>9.9</b>	11.7	0.9	<b>1.6</b>	2.1	-5.6
	Nov	<b>12.0</b>	14.4	9.3	<b>0.5</b>	0.7	7.2
	Dec	<b>12.5</b>	14.2	16.8	<b>0.5</b>	-0.6	1.8
<b>2017</b>	Jan	<b>13.6</b>	11.4	16.3	<b>1.0</b>	0.4	1.8
	Feb	<b>13.3</b>	9.9	12.1	<b>-1.5</b>	-3.8	-0.1
	Mar	<b>11.9</b>	4.7	14.1	<b>0.6</b>	-1.3	1.8
	Apr	<b>11.5</b>	6.8	14.1	<b>-0.1</b>	-0.6	0.2
	May	<b>13.2</b>	8.9	15.4	<b>1.2</b>	1.4	1.1
	Jun	<b>10.8</b>	7.1	20.1	<b>3.0</b>	2.4	3.3
	Jul	<b>10.5</b>	3.8	14.8	<b>2.3</b>	1.6	2.6
	Aug	<b>12.3</b>	5.4	17.2	<b>2.2</b>	2.7	1.9
	Sep	<b>13.1</b>	6.0	18.1	<b>1.2</b>	1.0	1.3
	Oct	<b>11.9</b>	4.2	25.8	<b>0.5</b>	0.4	0.5
	Nov	<b>13.1</b>	4.6	19.5	<b>1.6</b>	1.1	1.8
	Dec	<b>13.9</b>	4.6	20.1	<b>1.2</b>	-0.6	2.2

*Source: CBL & LISGIS, Monrovia, Liberia*

**Table 8: Inflation by Sub-groups: Year-on-Year Changes in CPI  
(2016-2017)**

Food Group	Weights	Q3-16	Q4-16	Q3-17	Q4-17	Non-Food Group	Weights	Q3-16	Q4-16	Q3- 17	Q4-17
Vegetables (ND)	4.51	3.02	-4.93	-25.81	-15.30	Alcoholic Beverages, Tobacco and Narcotics	2.55	9.86	14.74	25.32	20.28
Mineral waters, soft drinks, fruit and vegetable juices (ND)	0.72	18.59	33.30	4.80	-7.10	Clothing and Footwear	6.07	7.84	8.82	34.05	39.53
Fruits	1.60	15.54	22.53	-12.90	-19.80	Housing, Water, Electricity, Gas and Other Fuels	7.32	0.03	1.14	7.22	8.06
						Furnish. , H/Hold Equip, Rout. Maintenance of House	5.46	17.96	8.06	14.46	24.90
						Health	8.75	-2.57	-6.25	4.55	5.35
						Transport	8.47	16.72	21.48	14.83	22.86
						Communication	6.73	2.27	1.60	11.60	13.51
						Recreation & Culture	1.38	14.54	16.3	20.12	24.13
						Education	3.15	0.00	0.00	0.00	0.00
						Restaurants & Hotels	8.54	7.11	7.62	23.25	22.70
						Miscellaneous Goods and Services	3.52	10.32	8.0	21.90	22.50

*Source: CBL & LISGIS, Monrovia, Liberia*

**Table 9: Harmonized Consumer Price Index (HCPI) By Major Groups**  
**Year-on-Year Rates of Inflation**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarter 2017)**  
**(December, 2005=100)**

Functions	WEIGHTS	Oct-16	Nov-16	Dec-16	4 <sup>th</sup> Quarter	Jul-17	Aug-17	Sep-17	3 <sup>rd</sup> Quarter	Oct-17	Nov-17	Dec-17	4 <sup>th</sup> Quarter
FOOD AND NON-ALCOHOLIC BEVERAGES	38.06	11.73	14.41	14.22	13.36	3.81	5.44	5.96	5.07	4.19	4.63	4.61	4.48
ALCOHOLIC BEVERAGES, TOBACCO AND NARCOTICS	2.55	10.35	16.92	17.01	14.76	27.41	25.94	22.61	25.32	21.67	22.91	16.37	20.32
CLOTHING AND FOOTWEAR	6.07	5.40	7.03	14.19	8.86	26.07	38.02	38.07	34.05	38.58	39.90	40.09	39.53
HOUSING, WATER, ELECTRICITY, GAS AND OTHER FUELS	7.32	-0.38	-0.53	4.36	1.15	5.67	6.93	9.05	7.22	6.37	9.26	8.54	8.05
FURNISHINGS, HOUSEHOLD, EQUIPMENT AND ROUTINE MAINTENANCE OF THE HOUSE	5.46	6.86	10.78	6.61	8.08	13.59	15.82	13.96	14.46	19.22	25.31	30.29	24.94
HEALTH	8.75	-6.85	-6.01	-5.90	-6.25	-1.32	6.95	8.01	4.55	3.57	5.88	6.61	5.35
TRANSPORT	8.47	20.43	23.09	20.94	21.49	13.75	13.56	17.19	14.83	22.05	21.01	25.43	22.83
COMMUNICATION	6.73	1.55	1.83	1.41	1.60	10.07	12.13	12.61	11.60	12.59	13.66	14.30	13.51
RECREATION AND CULTURE	1.38	17.37	15.42	16.11	16.30	19.51	20.11	20.74	20.12	19.04	25.59	27.85	24.16
EDUCATION	3.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RESTAURANTS AND HOTELS	8.54	8.70	7.45	6.70	7.62	21.52	22.97	25.27	23.25	20.48	22.81	24.84	22.71
MISCELLANEOUS GOODS AND SERVICES	3.52	5.79	8.76	9.50	8.02	21.38	21.71	22.60	21.90	22.57	22.66	22.27	22.50
GENERAL RATE OF INFLATION	100.00	9.95	12.04	12.52	11.50	10.47	12.31	13.07	11.95	11.87	13.06	13.89	12.94

*Source: CBL & LISGIS, Monrovia, Liberia*

**Table 10: Commercial Bank Loans by Economic Sector**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**

	2016		2017			
	4th Quarter	Share	3rd Quarter	Share	4th Quarter	Share
Agriculture	1,793.9	4.4	2,416.7	4.8	2,699.8	4.9
Extractive (Mining & Quarrying)	47.9	0.1	609.8	1.2	121.4	0.2
Manufacturing	2,193.9	5.4	971.1	1.9	1,684.1	3.1
Construction	4,330.6	10.6	4,748.9	9.4	4,465.0	8.2
Services	3,153.7	7.7	4,667.4	9.3	7,957.9	14.6
Trade	10,737.0	26.4	11,038.3	21.9	16,575.3	30.3
Personal	5,040.4	12.4	6,623.8	13.1	13,556.6	24.8
Gen. Government	-	-	-	-	-	-
Central Bank	-	-	-	-	-	-
Public Corporations	40.6	0.1	456.0	0.9	895.5	1.6
Oil and Gas	1,466.1	3.6	1,934.7	3.8	2,801.7	5.1
Others	11,924.3	29.3	16,949.7	33.6	3,921.2	7.2
<b>Total Loan All Sectors (LD &amp; USD)</b>	<b>40,728.3</b>	<b>100.0</b>	<b>50,416.5</b>	<b>100.0</b>	<b>54,678.4</b>	<b>100.0</b>
<i>O/W TOTAL Private Sector (LD &amp; USD)</i>	<i>40,687.7</i>	<i>99.90</i>	<i>49,960.5</i>	<i>99.10</i>	<i>53,782.9</i>	<i>98.36</i>

**Table 11: Commercial Bank's Interest Rates**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

	2016	2017	
	4th Quarter	3rd Quarter	4th Quarter
<b>Avg. Lending Rate</b>	13.61	13.28	13.24
<b>Avg. Personal Loan Rate</b>	14.51	12.94	12.94
<b>Avg. Mortgage Rate</b>	12.15	13.39	13.39
<b>Avg. Time Deposit Rate</b>	4.70	3.53	3.71
<b>Avg. Savings Rate</b>	2.02	2.23	2.23
<b>Avg. Rate on CDs</b>	2.00	3.00	3.22

**Table 12: Market Exchange Rate: Liberia Dollar per US Dollar  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**

	<b>2016</b>	<b>2017</b>	
	<b>4<sup>th</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>
Market Rate End of Period	102.50	117.72	123.45
Market Rate Period Average	100.80	117.24	122.52

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Table 13: Monthly Average Buying and Selling Rates of Liberian Dollars  
per US Dollar (2015- 2017)**

Period Average	<b>2015</b>		<b>2016</b>		<b>2017</b>	
	<b>Buying</b>	<b>Selling</b>	<b>Buying</b>	<b>Selling</b>	<b>Buying</b>	<b>Selling</b>
<b>January</b>	83.63	84.63	89.00	90.00	102.77	103.77
<b>February</b>	84.00	85.00	90.00	91.00	101.67	102.67
<b>March</b>	84.00	85.00	90.00	91.00	103.52	104.52
<b>April</b>	84.00	85.00	90.92	91.92	105.64	106.64
<b>May</b>	84.00	85.00	90.92	91.92	109.62	110.08
<b>June</b>	84.77	85.77	92.42	93.42	112.48	113.19
<b>July</b>	86.19	87.19	94.15	95.15	112.78	113.50
<b>August</b>	87.73	88.73	95.81	96.81	114.74	115.50
<b>September</b>	87.38	88.38	97.00	98.00	116.82	117.65
<b>October</b>	87.56	88.56	97.92	98.92	118.06	118.90
<b>November</b>	87.00	88.00	99.08	100.08	123.21	123.94
<b>December</b>	88.00	89.00	100.30	101.30	125.18	125.83
<b>Q1</b>	83.88	84.88	89.67	90.67	102.65	103.65
<b>Q2</b>	84.26	85.26	91.42	92.42	109.25	109.97
<b>Q3</b>	87.10	88.10	95.65	96.65	114.78	115.55
<b>Q4</b>	87.52	88.52	99.10	100.10	122.15	122.89
<b>Yearly Ave</b>	<b>85.69</b>	<b>86.69</b>	<b>93.62</b>	<b>94.62</b>	<b>112.21</b>	<b>113.02</b>

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Table 14: Liberian Dollars in Circulation  
(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)  
(In Millions L\$)**

	<b>2016</b>	<b>2017</b>	
	<b>4<sup>th</sup> Quarter</b>	<b>3<sup>rd</sup> Quarter</b>	<b>4<sup>th</sup> Quarter</b>
<b>Currency in Banks</b>	903.53	975.42	937.95
<b>Currency outside Banks</b>	11,851.57	12,410.73	14,981.75
<b>Currency in Circulation</b>	12,755.10	13,386.15	15,919.70

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Table 15: Broad Money Supply and its Sources**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$)**

Monetary Aggregates	2016	2017		Percentage Change	
	4th Quarter	3rd Quarter	4th Quarter	Q-o-Q	Y-o-Y
<b>1.0 Money Supply M2 (1.1 + 1.2)</b>	<b>66,711.93</b>	<b>74,993.95</b>	<b>79,999.87</b>	<b>6.68</b>	<b>19.92</b>
<i>1.1 Money Supply M1</i>	<i>45,418.02</i>	<i>50,115.81</i>	<i>53,784.18</i>	<i>7.32</i>	<i>18.42</i>
<i>1.1.1 Currency outside banks</i>	<i>11,851.57</i>	<i>12,251.19</i>	<i>14,981.75</i>	<i>22.29</i>	<i>26.41</i>
<i>1.1.2 Demand deposit 1/</i>	<i>33,566.45</i>	<i>37,864.62</i>	<i>38,802.43</i>	<i>2.48</i>	<i>15.60</i>
<b>1.2 Quasi Money</b>	<b>21,293.91</b>	<b>24,878.14</b>	<b>26,215.68</b>	<b>5.38</b>	<b>23.11</b>
<i>1.2.1 Time &amp; Savings deposits</i>	<i>20,763.96</i>	<i>24,790.97</i>	<i>26,177.67</i>	<i>5.59</i>	<i>26.07</i>
<i>1.2.2 Other deposits 2/</i>	<i>529.95</i>	<i>87.16</i>	<i>38.01</i>	<i>-56.39</i>	<i>-92.83</i>
<b>2.0 Net Foreign Assets</b>	<b>38,612.79</b>	<b>30,088.53</b>	<b>33,255.66</b>	<b>10.53</b>	<b>-13.87</b>
2.1 Central Bank	30,632.64	23,596.97	28,703.88	21.64	-6.30
2.2 Banking Institutions	7,980.14	6,491.56	4,551.78	-29.88	-42.96
<b>3.0 Net Domestic Assets (1 - 2)</b>	<b>28,099.14</b>	<b>44,905.42</b>	<b>46,744.21</b>	<b>4.09</b>	<b>66.35</b>
3.1 Domestic Credit	65,611.28	87,111.63	93,874.74	7.76	43.08
3.1.1 Government (net)	17,161.84	26,458.99	29,501.90	11.50	71.90
3.1.2 Pvt. Sector & Other Pvt.	48,449.44	60,652.63	64,372.84	6.13	32.87
3.2 Other assets Net (3 - 3.1)	37,512.14	42,206.21	47,130.53	11.67	25.64
<b>Memorandum Items</b>					
<b>1. Overall Liquidity</b>	<b>66,711.93</b>	<b>74,993.95</b>	<b>79,999.87</b>	<b>6.68</b>	<b>19.92</b>
2. Reserve Money	26,614.62	30,262.25	32,469.68	7.29	22.00
<i>Currency outside banks</i>	<i>11,851.57</i>	<i>12,251.19</i>	<i>14,981.75</i>	<i>22.29</i>	<i>26.41</i>
<i>Banks Reserves</i>	<i>13,576.00</i>	<i>16,957.36</i>	<i>16,476.10</i>	<i>-2.84</i>	<i>21.36</i>
<i>Other Deposits at CBL</i>	<i>1,187.05</i>	<i>1,053.70</i>	<i>1,011.83</i>	<i>-3.97</i>	<i>-14.76</i>

*Source: Central Bank of Liberia, Monrovia*

*1/Excludes managers checks from commercial banks*

*2/ Includes official and managers checks issued by the Central Bank*

**Table 16: Broad Money: Share of US and Liberian Dollars**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions L\$/Percent)**

	2016		2017			
	4th Quarter	Share	3rd Quarter	Share	4th Quarter	Share
<b>Broad Money</b>	62,711.3	100.0	72,819.8	100.0	72,819.8	100.0
<b>US\$ Share</b>	44,001.6	70.2	49,710.0	68.3	49,710.0	68.3
<b>L\$ Share</b>	18,709.7	29.8	23,109.9	31.7	23,109.9	31.7

*Source: Central Bank of Liberia, Monrovia, Liberia*

**Table 17: CBL Foreign Exchange Sale Auction**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions US\$)**

	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
<b>FX Auction</b>	<b>0.0</b>	<b>15.0</b>	<b>17.9</b>

*Source: Central Bank of Liberia*

**Table 18: Government of Liberia Treasury Bill Auction**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarter, 2017)**  
**(In Millions L\$)**

Date	Maturity Date	Amount Offered	Amount Issued	Settlement Amount Value	Over/(Under) Subscription (LR\$)	Interest at Maturity	Weighted Average Discount Rate (%)
<b>4th Quarter, 2017</b>							
7-Dec-17	8-Mar-18	62.76	18.83	18.59	(43.93)	0.23	5.00
3-Nov-17	3-Feb-18	58.86	30.00	29.63	(28.86)	0.37	5.00
5-Oct-17	4-Jan-18	58.86	58.86	58.19	0.00	0.67	4.58
<b>Total</b>		<b>180.48</b>	<b>107.69</b>	<b>106.41</b>	<b>(72.79)</b>	<b>1.28</b>	<b>4.86</b>
<b>3rd Quarter, 2017</b>							
7-Sep-17	7-Dec-17	58.33	32.50	32.14	(25.83)	0.35	4.35
3-Aug-17	2-Nov-17	57.28	32.18	31.88	(25.10)	0.30	3.74
6-Jul-17	5-Oct-17	55.74	37.72	37.37	(18.01)	0.35	3.69
<b>Total</b>		<b>171.34</b>	<b>102.40</b>	<b>101.40</b>	<b>(68.94)</b>	<b>1.00</b>	<b>3.93</b>
<b>4th Quarter, 2016</b>							
1-Dec-16	2-Mar-17	49.25	49.25	48.87	4.3	0.38	3.13
4-Nov-16	3-Feb-17	49	49	48.60	4.4	0.40	3.27
6-Oct-16	5-Jan-17	97.5	97.5	96.79	5	0.71	2.94
<b>Total</b>		<b>142.75</b>	<b>142.75</b>	<b>141.72</b>	<b>855.70</b>	<b>1.03</b>	<b>2.93</b>

*Source: Central Bank of Liberia*



**Table 19: Government of Liberia's Fiscal Sector Indicators**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In percent of GDP)**

Indicators	2016	2017	
	4th Quarter	3rd Quarter	4th Quarter
Total Revenue & Grants	29.1	19.6	18.5
Total Revenue Excluding Grants	29.1	19.6	18.1
Tax Revenue	15.1	16.8	16.5
Nontax Revenue Including Grants	14.0	2.8	2.0
Nontax Revenue Excluding Grants	14.0	2.8	1.6
Grants	-	0.0	0.4
Total Expenditure	21.8	24.3	26.8
Recurrent Expenditure	0.5	0.6	0.7
Capital Expenditure	11.7	10.0	11.6
Loan & Interest Payments & Other Charges	4.8	8.8	10.2
Compensation of Employees	7.3	(4.7)	(9.5)
Expenditure on Goods and Services	36.7	39.4	41.4
Overall Balance	24.0	27.3	28.8
Stock of Public Debt	12.7	12.1	12.6
Stock of External Debt	22.9	26.4	27.3
Stock of Domestic Debt	12.7	12.1	12.6

*Source: Ministry of Finance & Development Planning (MFDP)*

**Table 20: Government of Liberia's Total Revenue by Sources**  
**(4th Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**

Revenue Sources	2016	2017		
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	4 <sup>th</sup> Quarter
	Actual			Projections
<b>Tax Revenue</b>	<b>8,493.2</b>	<b>10,960.6</b>	<b>9,862.6</b>	<b>10,916.2</b>
International Trade Taxes	3,952.5	5,499.2	5,298.6	5,085.8
<i>Taxes &amp; Duties on Imports</i>	3,943.2	5,495.1	5,283.8	5,065.3
<i>Taxes on Exports</i>	9.4	4.2	14.8	20.5
Taxes on Income & Profits	3,409.5	3,891.4	3,550.4	4,344.0
<i>Individual Taxes on income &amp; profits</i>	3,253.3	3,661.5	3,454.6	4,109.7
<i>Taxes Payable by Corporate Entities</i>	156.1	229.8	95.9	234.3
<i>Others</i>	0.0	0.0	0.0	0.0
Sale Taxes on Goods & Services	944.0	1,355.2	965.2	1,297.6
<i>Goods &amp; Service Tax</i>	574.1	606.8	595.2	805.6
<i>Excise Taxes</i>	104.7	152.6	146.7	137.3
<i>Maritime Revenue</i>	112.2	303.9	67.3	141.0
<i>Others</i>	153.0	291.8	156.0	213.8
Property & Real Estate Taxes	35.3	213.0	47.6	63.4
Other Tax Revenue <sup>1</sup>	152.0	1.8	0.7	125.5
<b>Non-Tax Revenue</b>	<b>7,862.8</b>	<b>1,800.1</b>	<b>1,214.6</b>	<b>4,076.5</b>
Administrative Fees & Other Charges	2,182.7	1,800.1	961.8	3,616.3
Grants	-	0.0	252.8	-
Others	5,680.1	-	-	460.2
<i>Contingent Revenue</i>	-	-		-
<i>Borrowing</i>	5,680.1	-		-
<i>Carry Forward</i>	-	-		460.2
<b>Total Revenue &amp; Grants</b>	<b>16,356.0</b>	<b>12,760.7</b>	<b>11,077.2</b>	<b>14,992.8</b>

Source: Ministry of Finance & Development Planning (MFDP)

\*Revised

**Table 21: Government of Liberia's Total Expenditure**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Millions, L\$)**

Expenditure by Codes	2016	2017	
	4 <sup>th</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
<b>Recurrent Expenditure</b>	<b>12,723.4</b>	<b>14,851.9</b>	<b>15,135.0</b>
Compensation of Employees	5,947.0	6,551.3	6,947.4
Expenditure on Goods & Services	3,798.6	5,751.3	6,099.1
Subsidies	-	-	-
Grants	1,387.7	1,174.6	962.3
Social Benefits	30.5	36.1	29.6
Others	1,559.6	1,338.6	1,096.6
<b>Capital Expenditure</b>	<b>140.0</b>	<b>593.8</b>	<b>486.5</b>
Depreciation	-	-	-
Acquisition of Fixed Assets	140.0	593.8	486.5
Others	-	-	-
<b>Loan &amp; Interest Payments &amp; Other Charges</b>	<b>281.6</b>	<b>410.7</b>	<b>435.5</b>
Domestic Debts Repayment	-	-	-
External Debts Repayment	-	-	-
Interest on Domestic Debt	208.2	161.0	-
Interest on Foreign Debt	73.4	249.7	-
Deficit Financing-CBL	-	-	-
Interest on Treasury Bills	-	-	170.8
Others	-	-	264.8
<b>Other Expenditures<sup>1</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>
			-
<b>Total Expenditure</b>	<b>13,145.0</b>	<b>15,856.5</b>	<b>16,057.0</b>

Source: MFDP

+Expenditures not elsewhere mentioned

**Table 22: Liberia's Overall Public Debt Position by Composition**  
**As At December 30, 2017**  
**(In Millions, US\$)**

Creditors	2016	2017	
	End-Dec	End-Sep	End-Dec
Total External Debt	502.9	602.2	608.6
Total Domestic Debt	268.3	266.7	266.4
<b>Total Public Debt</b>	<b>771.2</b>	<b>868.9</b>	<b>875.0</b>

Source: MFDP

**Table 23: Liberia's Overall Public Debt Position by Creditors**  
**As At December 30, 2017**  
**(In Millions, US\$)**

Creditors	2016	2017	
	End-Dec	End-Sept	End-Dec **
<b>Total Public Debt</b>	<b>771.2</b>	<b>868.9</b>	<b>874.5</b>
<b>External Debt</b>	<b>502.9</b>	<b>602.2</b>	<b>608.3</b>
<b>Multilateral</b>	<b>464.3</b>	<b>548.5</b>	<b>554.6</b>
<i>WORLD BANK GROUP</i>	-	305.0	307.8
<i>IMF -RCF Credit<sup>1</sup></i>	-	45.6	45.7
<i>AfDB GROUP</i>	-	71.0	74.2
<i>EU/EIB</i>	-	54.7	54.7
<i>Others</i>	-	72.2	72.4
<b>Bilateral</b>	<b>38.6</b>	<b>53.7</b>	<b>53.7</b>
<i>China</i>	-	5.2	5.2
<i>Kuwait</i>	-	14.9	15.0
<i>Saudi Arabia</i>	-	33.5	33.5
<i>Others</i>	-	-	-
<b>Domestic Debt</b>	<b>268.3</b>	<b>266.7</b>	<b>266.1</b>
<b>Financial Institutions</b>	<b>268.2</b>	<b>266.7</b>	<b>266.1</b>
<i>Central Bank of Liberia (CBL)</i>	-	256.7	256.1
<i>CBL Infrastructure</i>	-	10.0	10.0
<i>Others</i>	0.1	-	-
<b>Others</b>	-	-	-

*Source: Ministry of Finance & Development Planning (MFDP)*

*\*\* Preliminary*

**Table 24: Balance of Payments Statistics**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million US dollars, unless otherwise indicated)**

Description	2016	2017	
	Q-4	Q-3r	Q-4p
<b>Current account</b>	<b>-48.0</b>	<b>-137.7</b>	<b>-174.8</b>
Credit	375.8	350.5	319.3
Debit	423.8	488.1	482.0
<b>Goods and services</b>	<b>-232.9</b>	<b>-169.3</b>	<b>-209.4</b>
Credit	87.6	117.1	84.3
Debit	320.5	286.9	293.7
<b>Goods (net)</b>	<b>-195.7</b>	<b>-111.7</b>	<b>-178.3</b>
<b>Credit (Exports)</b>	<b>69.4</b>	<b>99.1</b>	<b>65.3</b>
Iron ore	6.3	16.8	3.7
Rubber	13.4	19.0	22.6
Mineral (Diamond & Gold)	42.8	54.9	30.5
Palm oil	0.4	2.8	1.6
Other exports (excluding gold)	6.4	5.5	6.8
<b>Debit (Imports)</b>	<b>265.0</b>	<b>210.8</b>	<b>243.7</b>

Food and Live Animals	76.9	53.8	74.0
<i>O/w Rice</i>	40.9	27.5	31.4
Minerals, Fuel, Lubricants <sup>1</sup>	70.5	34.8	32.1
<i>O/w Petroleum Products</i>	61.8	29.1	27.8
Machinery & Transport Equipment	54.4	48.7	62.8
Other Imports	63.3	73.5	74.8
<b>General merchandise on a balance of payments basis</b>	<b>-234.3</b>	<b>-159.4</b>	<b>-200.5</b>
Credit	30.7	51.4	43.2
Debit	265.0	210.8	243.7
Of which Re-exports (credit)	6.1	2.5	1.5
<b>Services</b>	<b>-37.3</b>	<b>-57.6</b>	<b>-43.2</b>
Credit	18.2	18.6	19.5
Debit	55.5	76.2	62.7
<b>Primary Income</b>	<b>19.3</b>	<b>-55.3</b>	<b>-39.9</b>
Credit	6.7	5.0	5.7
Debit	-12.6	60.3	45.6
<b>Secondary Income</b>	<b>165.7</b>	<b>86.9</b>	<b>86.5</b>
Credit	281.5	227.8	229.2
Debit	115.8	140.9	142.7
<b>Capital Account</b>	<b>15.7</b>	<b>16.0</b>	<b>16.4</b>
Credit	15.7	16.0	16.4
Debit	0.0	0.0	0.0
Net Lending (+)/Net Borrowing (-): bal. from Current & Capital Accounts	<b>-32.3</b>	<b>-121.7</b>	<b>-158.4</b>
<b>Financial Account</b>			
Net Lending (+)/Net Borrowing (-): balance from Financial Accounts	-705.8	-163.2	-53.2
<b>Direct investment</b>	<b>-92.2</b>	<b>-58.4</b>	<b>-43.8</b>
Net acquisition of financial assets	0.0	0.0	0.0
Net incurrence of liabilities	92.2	58.4	43.8
<b>Other investment</b>	<b>-670.1</b>	<b>-98.2</b>	<b>-60.2</b>
Net acquisition of financial assets	-55.2	-65.8	-46.1
Net incurrence of liabilities	614.9	32.5	14.2
<b>Reserve assets</b>	<b>56.5</b>	<b>-6.5</b>	<b>50.8</b>
<b>NET ERRORS &amp; OMISSIONS</b>	<b>-442.3</b>	<b>196.4</b>	<b>105.2</b>
<b>MEMORANDUM ITEMS</b>			
Gross Foreign Reserves Position	588.0	490.6	517.0
Import Payments (cif)	287.7	231.3	268.3
Imports (cif) & Service Payments	343.2	307.5	331.0
Current Account Bal. Excl. Grants	-329.3	-365.5	-404.1
Nominal GDP	525.3	528.5	528.5
Current Account Bal. Incl. Grants % of GDP	-9.1	-26.1	-33.1
Current Account Bal. Excl. Grants % of GDP	-62.7	-69.2	-76.5
Trade (in goods) Deficit % of GDP	-0.4	-21.1	-33.7
<b>Months of Imports Cover</b>	<b>1.8</b>	<b>1.9</b>	<b>4.7</b>

*Source: Central Bank of Liberia*

**Table 25: Quarterly Trade Balance**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
(In Million USD, except otherwise indicated)

Trade Category	2016	2017	
	Q-4	Q-3r	Q-4p
Exports	69.4	99.1	65.3
Imports (FOB)	265.0	210.8	243.7
<b>Total Trade (+ surplus, - deficit)</b>	<b>-195.7</b>	<b>-111.7</b>	<b>-178.3</b>

*Sources: Customs (Liberia Revenue Authority), Firestone Liberia Ltd; r-revised, p-preliminary*

**Table 26: Commodity Composition of Exports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
(In Million USD, except otherwise indicated)

Commodity	Unit	2016			2017					
		Q-4			Q-3†			Q-4p		
		Export Volume	Exports Value	% share	Export Volume	Exports Value	% share	Export Volume	Exports Value	% share
Rubber	Mt.	9.5	13.4	19.4	10.6	19.0	19.2	15.4	22.6	34.6
Cocoa	Mt.	10.2	2.2	3.2	2.145	0.7	0.7	0.0	1.0	1.6
Coffee	Mt.	0	-	-	0	-	-	15.7	1.0	1.6
<i>Iron Ore</i>	<b>Mt.</b>	198.0	6.3	9.2	554.1	16.8	17.0	154.1	3.7	5.7
<i>Mineral</i>			42.8	61.7		54.9	55.4		30.5	46.7
o/w Diamond	Carat	7.8	4.1	9.6	13.2	7.2	13.1	23.5	8.4	27.4
o/w Gold	Ounce	45.6	38.7	90.4	48.6	47.7	86.9	23.2	22.1	72.6
Palm Oil	Mt.	22.0	0.4	0.6	6.7	2.8	2.8	2.1	1.6	2.5
Other Exports			0.5	0.7		1.3	1.3		1.1	1.7
Goods procured <sup>1</sup>			3.67	5.3		3.46	3.5		3.70	5.7
<b>Total</b>			<b>69.4</b>	<b>100.0</b>		<b>99.1</b>	<b>100.0</b>		<b>65.3</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority), Firestone Liberia Ltd, Total Liberia*

*1 Goods procured in ports by carrier; †, Revised; P, preliminary*

**Table 27: Destination of Exports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD, except otherwise indicated)**

Region	2016		2017			
	Q-4		Q-3		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Africa	7.1	10.2	2.8	2.8	1.8	2.7
o/w ECOWAS	7.0	98.0	1.0	36.8	0.2	9.0
o/w Neighboring Countries	5.0	71.3	0.4	41.7	0.1	84.4
Asia	3.0	4.3	1.6	1.7	2.7	4.2
o/w Other Asian Countries	2.6	87.2	1.5	92.5	2.7	98.7
Europe	5.1	7.4	30.7	31.0	12.5	19.2
o/w Eurozone	5.1	99.7	13.0	42.4	8.4	67.1
North America	9.3	13.4	11.5	11.6	17.9	27.4
o/w United States	9.3	100.0	11.5	100.0	17.9	100.0
Middle East	41.8	60.3	46.0	46.3	26.7	40.8
South & Central America	0.1	0.2	3.0	3.0	0.0	0.0
Oceania & The Caribbean	0.0	0.0	0.0	0.0	0.0	0.0
Other Countries (n.i.e)	2.9	4.2	3.5	3.5	3.7	5.7
<b>Total</b>	<b>69.4</b>	<b>100.0</b>	<b>99.1</b>	<b>100.0</b>	<b>65.3</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority), Ministry of Commerce & Industry and Firestone Liberia Ltd.*

**Table 28: Commodity Composition of Imports**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
(In Million USD, except otherwise indicated)

Commodity Composition of Imports	2016		2017			
	Q-4		Q-3 <sup>†</sup>		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Food and Live Animals	76.9	29.0	53.8	25.5	74.0	30.4
o/w Commercial Rice	40.0	52.0	26.3	48.8	30.5	41.3
o/w Non-commercial Rice	1.0	1.2	1.2	2.2	0.9	1.2
Beverages and Tobacco	4.4	1.7	3.0	1.4	3.8	1.5
Crude Material & Inedible except Fuel	4.1	1.6	5.5	2.6	4.0	1.7
Minerals, Fuel, Lubricants 1	70.5	26.6	34.8	16.5	32.1	13.2
o/w Petroleum Products	61.8	87.7	29.1	83.7	27.8	86.7
Animals and Vegetable Oil	5.1	1.9	4.4	2.1	4.2	1.7
Chemicals & related Products	17.8	6.7	24.1	11.5	24.8	10.2
Mfg. Goods classified by Materials	24.8	9.3	26.6	12.6	30.3	12.4
Machinery & Transportation Equipment	54.4	20.5	48.7	23.1	62.8	25.8
Misc. Mfg Articles	7.1	2.7	9.8	4.7	7.8	3.2
<b>Total</b>	<b>265.0</b>	<b>100.0</b>	<b>210.8</b>	<b>100.0</b>	<b>243.7</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority),*

*<sup>†</sup> Revised; P preliminary*



**Table 29: Sources of Imports**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million USD, except otherwise indicated)**

Region	2016		2017			
	Q-4		Q-3		Q-4	
	Value	% Share	Value	% Share	Value	% Share
Africa	74.8	28.2	39.5	18.8	33.8	13.9
o/w ECOWAS	67.8	90.5	35.8	90.5	29.8	88.1
o/w Neighboring Countries	64.6	95.4	32.4	90.7	29.2	97.9
Asia	89.5	33.8	82.1	39.0	131.1	53.8
o/w Other Asian Countries	44.6	49.8	51.1	62.2	39.7	30.3
Europe	40.0	15.1	40.5	19.2	34.7	14.2
o/w Eurozone	21.5	53.9	20.3	50.3	22.6	9.3
North America	20.6	7.8	23.7	11.3	15.0	6.2
o/w United States	19.1	92.5	23.2	97.7	14.3	95.4
Middle East	32.2	12.1	18.4	8.7	21.4	8.8
South & Central America	6.4	2.4	5.2	2.5	7.3	3.0
Oceania & The Caribbean	1.46	0.6	1.30	0.6	0.4	0.2
<b>Total</b>	<b>265.0</b>	<b>100.0</b>	<b>210.8</b>	<b>100.0</b>	<b>243.7</b>	<b>100.0</b>

*Sources: Customs (Liberia Revenue Authority), Ministry of Lands, Mines & Energy and Firestone Liberia Ltd.*

**Table 30: Inward & Outward Personal Remittances**  
**4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017**  
**(In Million USD)**

Personal Remittances	2016	2017	
	Q-4	Q-3†	Q-4p
Inwards	136.9	126.3	134.0
Outwards	104.8	126.9	142.5
<b>Net flow</b>	<b>32.0</b>	<b>-0.6</b>	<b>-8.5</b>

*Source: Central Bank of Liberia*

*†Revised*

**Table 31: Quarterly Commodity Prices Review & Outlook**  
**(2<sup>nd</sup> - 4<sup>th</sup> Quarters, 2017; 1<sup>st</sup> Quarter, 2018)**  
**(In US\$ per Unit)**

Commodity Prices	Commodity Category	Units	2017			2018
			Actual			Projection <sup>+</sup>
			Q-2	Q-3	Q-4 <sup>*</sup>	Q-1 <sup>+</sup>
Iron ore	Exported Commodities	USD/MT	63.4	71.8	66.1	71.4
Rubber		USD/MT	2,010.0	1,816.7	1,620.0	1,985.4
Cocoa Beans		USD/MT	1,980.3	1,993.3	2,050.0	1,874.3
Palm Oil		USD/MT	696.3	687.0	700.8	750.9
Crude oil	Imported Commodities	USD/BBL	49.4	50.2	58.7	50.9
Rice		USD/MT	419.7	404.0	400.7	401.7
<b>Global Commodity Price</b>		<b>Index</b>	<b>110.2</b>	<b>111.7</b>	<b>111.1</b>	<b>113.4</b>

*Source: Central Bank of Liberia; [www.indexmundi.com](http://www.indexmundi.com); [www.imf.org](http://www.imf.org)*

*\*' revised*

*+ Projections*

**Table 32: Stock of International Reserves**  
**(4<sup>th</sup> Quarter, 2016; 3<sup>rd</sup> & 4<sup>th</sup> Quarters, 2017)**  
**(In Million USD, except otherwise indicated)**

Quarter	2016	2017	
	Q-4	Q-3	Q-4
Gross Foreign Reserves	588.0	490.6	517.0
Net Foreign Reserves	166.9	155.5	155.1
<i>Months of Imports Cover</i>	1.8	1.9	4.7

*Source: Central Bank of Liberia*