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GLOBAL PRICE	Dec- 23	Oct-24	Nov-24	Dec-24		
	(Commodity price per Unit of Measure)				MoM	YoY
Iron ore (US\$/MT)	137.05	101.39	100.50	102.21	1.7	(25.42)
Gold (US\$/Oz)	2,026.18	2,690.08	2,651.13	2,648.01	(0.1)	30.69
Rubber (US\$/MT)	1,661.90	2,633.90	2,290.70	2,384.90	4.1	43.50
Cocoa Beans (US\$/MT)	4,208.89	6,657.44	7,894.81	10,320.51	30.7	145.21
Palm oil (US\$/MT)	813.51	1,077.25	1,168.59	1,189.73	1.8	46.25
Crude oil (US\$/BBL)	75.72	73.97	72.29	72.31	0.0	(4.50)
Food Price Index (FAO) ¹	119.20	126.90	127.50	127.00	(0.4)	6.54
Rice_5% broken (US\$/MT)	610.00	499.00	487.00	500.00	2.7	(18.03)
Sugar (US\$/MT)	478.18	461.65	450.40	436.29	(3.1)	(8.76)
Commodity Price Index No ²	159.49	166.71	166.24	166.48	0.1	4.38

1/Commodity Food Price Index includes Cereal, Vegetable Oils, Meat, Seafood, Sugar, Bananas, and Oranges Price Indices 2/ Commodity Price Index includes both Fuel and Non-Fuel Price Indices

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1.0 INTRODUCTION

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

This Edition represents Volume 10, Number 12.

2.0 OVERVIEW

An analysis of real sector statistics indicates that the production of key commodities performed consistently in December 2024. During this month, there was an increase in the production of iron ore, gold, rubber, cement, and alcoholic and non-alcoholic beverages.

However, headline inflation rose to 10.7 percent in December 2024, up from 8.2 percent reported in November 2024. This increase was primarily driven by rising prices in healthcare, as well as in restaurants and hotels.

The Central Bank of Liberia's (CBL) maintained a tight monetary policy stance aimed at sustaining inflationary pressures by mainly focusing on the management of Liberian dollar liquidity. As part of its monetary policy operations, the Bank issued bills at tenors for two weeks, one month, and three months at the Monetary Policy Rate (MPR) of 17.0 percent per annum.

Broad money supply (M2) increased by 8.6 percent to L\$247.19 billion, from L\$227.68 billion recorded at the end of the previous month. This development was driven by a 4.7 percent expansion in net domestic assets (NDA) and a 45.7 percent increase in net foreign assets (NFA) of the banking system.

The banking industry continued to comply with regulatory requirements during the period under review. The industry liquidity ratio increased to 52.26 percent compared to the previous month's figure of 48.87 percent, remaining well above the minimum regulatory requirement of 15.00 percent during the month. Similarly, the Capital Adequacy Ratio (CAR) improved to 33.8 percent above its regulatory requirement of 10.00 percent. However, the Return on Assets (ROA) declined from 3.72 percent to 3.42 percent, while the Return on Equity (ROE) decreased from 24.03 percent to 23.80 percent in December 2024.

7.6 Sugar

The price of sugar weakened by 3.1 percent to US\$436.29 per metric ton in December 2024, from US\$450.40 per metric tons recorded in the previous month. Annual comparison indicated that the price of sugar declined by 8.7 percent from US\$478.18 per metric ton in December 2023.

7.7 Palm Oil

The price of palm oil increased by 1.8 percent in December 2024 to US\$1,189.73 per metric ton, from US\$1,168.59 per metric ton in the previous month, caused by tightening supply by Malaysia and Indonesia, coupled with rising demand. Compared to December in the previous year, the price of palm oil rose by 46.3 percent, from US\$813.51 per metric ton.

7.8 Rice

The price of rice surged by 2.7 percent to US\$500.00 per metric ton in December 2024, from US\$487.00 per metric ton in November. Annual comparison indicated that the rice price fell by 18.0 percent, from US\$610.00 per metric ton in December 2023.

7.9 Cocoa Beans

The price of cocoa beans grew by 30.7 percent in December 2024, to USD\$10,320.51 per metric ton. Annual comparison showed that the price of cocoa beans increased by 145.2 percent a year ago, from US\$4,208.89 per metric ton in December 2023.

Commodity Price Outlook

The global commodity market outlook of the World Bank Pink Sheet indicates global commodity prices continue fluctuating in December 2024. Heightening tensions in the Middle East coupled with trade disturbances explain the price developments. Global commodity price indices measured in US dollars of energy, non-energy, agriculture, fertilizers, metal & minerals, and precious metals, are expected to increase marginally in January 2025 relative to December 2024.

7.1 Iron Ore

The price of iron ore increased by 1.7 percent to US\$102.21 per metric ton in December 2024, from US\$100.50 per metric ton in the previous month, caused by growing demand in the steel market globally. The year-on-year comparison showed the price dropped by 25.4 percent, from US \$137.05 recorded in December 2023.

7.2 Gold

The price of gold moderated slightly by 0.1 percent to US\$2,648.01 per ounce in December 2024, from US\$2,651.13 per ounce in November 2024, induced by U.S. Federal Reserve lowering interest rate. Year-on-year comparison showed the price increased by 30.7 percent, from US\$2,026.18 per ounce recorded in December 2023.

7.3 Crude Oil (Petroleum) Price

The price of petroleum slightly grew to US\$72.31 per metric ton in December 2024, from US\$72.29 per metric ton in the previous month. Increased stock drove the development in the price. Compared to December 2023, the price of petroleum fell by 4.5 percent from US\$75.72 per barrel.

7.4 Rubber

Rubber price rose by 4.1 percent in December 2024, to US\$2,384.90 per metric ton, from US\$2,290.70 per metric ton recorded in November 2024, occasioned by market sentiments. Year-on-year comparison showed that rubber price increased by 43.3 percent from US\$1,661.90 per metric ton in December 2023.

7.5 Food Price (FAO)

FAO food price index (FFPI) decreased by 0.4 percent to US\$127.0 in December 2024, from US\$127.50 in November 2024. The increase was driven by a slowdown in the price index for dairy products, vegetable oils, sugar, and cereals.

The fiscal operations generated a surplus of 0.4 percent of GDP in the Overall Balance (OB) at end December 2024, from the deficit reported in the previous month, on account of growth in total revenue. At the end of December 2024, Liberia's public debt stock increased by 1.8 percent to 54.8 percent of GDP against the stock reported in the previous month, largely explained by rise in external debt.

In December 2024, merchandise trade recorded a surplus of 1.1 percent of GDP, significantly reducing the trade deficit recorded in the preceding month, on account of 15.9 percent increase in export earnings coupled with the 38.1 percent reduction in import payments. Gross International Reserves (GIR) increased by 2.6 percent to US\$476.3 million at end-December 2024, from the US\$464.1 million recorded in the previous month, driven by growth in foreign liquid assets excluding Special Drawing Rights (SDRs).

Net personal remittances (including remittances terminated to mobile wallets) increased by 46.2 percent to 1.6 percent of GDP in December 2024 against the 1.1 percent of GDP recorded in the previous month, led by rise in inflows of remittances. The Liberian dollar depreciated against the US dollar at end-December 2024 by 3.0 percent while it appreciated by 1.3 percent on period average basis. The appreciation was mainly due to the tight monetary policy stance of the CBL coupled with increased foreign exchange inflows.

3.0 REAL SECTOR & PRICE DEVELOPMENTS

3.1 Production Analyses of Key Commodities

Production statistics of key commodities revealed uniform trends in December 2024 relative to November 2024. Iron ore, gold, Diamond, rubber, cement, and beverages increased during the review period compared to the previous month.

In the mining subsector, iron ore production increased slightly by 4.0 percent to 515,000 metric tons in December 2024, from 495,000 metric tons relative to November 2024 due to growing global demand. Compared to the same period a year ago, iron ore production remained the same at 515,000 metric ton. Gold production increased by 4.2 percent in the reporting period to 37,143 ounces, from 35,663 ounces reported in November 2024 on account of favorable market prices and an increase in artisanal mining activity. Compared to the corresponding period in 2023, gold production increased by 11.4 percent. The production of diamonds increased significantly by 116.7 percent in December 2024 to 2,362 carats, from 1,090 carats reported in November 2024. This sharp increase was mainly due to surge in mining activities. Compared to the same period a year ago, diamond production increased by 2,362 carats.

In the agriculture subsector, rubber production increased by 8.9 percent to 8,229 metric tons in December 2024, up from 7,557 metric tons in November 2024 as a result of improved rubber plantation yields and an increase in production by small farm holders. When compared to the same period a year ago, rubber production increased by 45.4 percent.

In the manufacturing subsector, cement output increased by 9.5 percent in the reporting month to 53,094 metric tons, from the 48,491 metric tons reported in November 2024. The growth was led by resumption in construction activities and increased demand for construction materials due to the dry season. When compared to December 2023, cement production decreased by 17.4 percent. Total beverage production (alcoholic and non-alcoholic) increased by 10.7 percent in December 2024 to 3.7 million liters, down from 3.3 million liters in November 2024 due to increased demand for the holiday season. Compared to the corresponding period a year ago, beverage production increased by 12.4 percent. When disaggregated, alcoholic beverages constituted 35 percent while non-alcoholic beverages constituted 65 percent.

3.2 Consumer Prices

Headline inflation for December increased to 10.7 percent, from 8.2 percent reported in November 2024. The increase in inflation for the month was a result of an increase in prices of restaurants and hotels & Food and non-alcoholic beverages.

When matched with the corresponding period in 2023, predominantly, almost all currencies in the WAMZ currencies depreciated against the US dollars. The Guinea franc, Gambia dalasi, Ghana cedi, and the Nigeria naira, depreciated by 0.8 percent, 11.9 percent, 21.4 percent, and 40.4 percent respectively, at end-December 2024. The Leone and Liberian dollar were the only two currencies that appreciated against the US dollar by 0.3 percent and 3.8 percent for the period under review.

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

Rate & Currency	Dec-23	Oct-24	Nov-24	Dec-24	Appr (+)/Depr (-)	
					MoM	YoY
Exchange Rate	LD/USD				Percent Change	
	Currency per USD					
GHC	11.64	15.96	16.03	14.80	8.3	(21.4)
GMD	62.48	68.06	70.63	70.89	(0.4)	(11.9)
GNF	8,507.15	8,571.09	8,555.82	8,579.84	(0.3)	(0.8)
LRD	188.26	192.42	183.88	181.43	1.3	3.8
NGN	928.93	1,633.55	1,669.78	1,558.44	7.1	(40.4)
SLL	22.73	22.59	22.58	22.66	(0.4)	0.3
End of Period						
LRD	188.50	191.70	179.19	184.64	(3.0)	2.1

Source: CBL, WAMA: www.amao-wama.org/
 GHC - Ghanaian cedi; LD - Liberian dollar; GMD - Gambian dalasi; GNF - Guinean franc; NGN - Nigerian naira; SLL—Sierra Leonean leone; USD – United States dollar

7.0 GLOBAL COMMODITY PRICE DEVELOPMENTS

The Commodity Price Index of fuel remained unchanged, while the index of non-fuel commodities increased in December 2024. Food and Agriculture Organization (FAO) food price index (FFPI) decreased in December, down by 0.4 percent from the revised number for November. A fall in the price index for dairy products, vegetable oils, sugar, and cereals accounted for development in the FFPI index.

6.2 Direction of Trade (DOT)

The primary destination of Liberia's exports in December 2024 was Europe, which accounted for US\$129.3 million worth of the export proceeds, of which Switzerland accounted for US\$84.0 million. Asia was the major region for the sources of imports to Liberia, accounting for US\$47.75 million. During the review month, imports from China amounted to US\$25.79 million.

6.3 Personal Remittances

Remittances net inflows in December 2024, for personal remittances grew by 46.2 percent to US\$76.79 million (1.6 percent of GDP), compared to US\$52.54 million (1.1 percent of GDP) recorded in November 2024. Inward remittances also increased by 50.5 percent to US\$88.24 million, and outward remittances increased by 87.5 percent to US\$11.44 million in the same month, compared to the amount in the previous month.

6.4 Gross International Reserves

Gross International Reserves (GIR) grew by 2.6 percent to US\$476.3 million (10.0 percent of GDP) at end-December 2024, from the US\$464.1 million (9.7 percent of GDP) recorded at the end of the previous month. This development was largely on account of growth in foreign liquid assets excluding SDRs. Similarly, the months of import cover increased to 4.4 months (above the ECOWAS minimum regional threshold of 3.0 months), from 2.9 months in November 2024, driven by the increase in GIR coupled with the reduction in payments for imports (Table 6).

6.5 Exchange Rate Developments

The Liberian dollar depreciated against the US dollar at end-December 2024 by 3.0 percent to L\$184.94/US\$1.00, from L\$179.19/US\$1.00 reported in November 2024. However, the average exchange rate appreciated by 1.3 percent to L\$181.43/US\$1.00 relative to the rate reported for the preceding month, mainly driven by the tight monetary policy stance of the CBL coupled with increased foreign exchange inflows.

Analysis for the period average exchange rate of the West African Monetary Zone (WAMZ) member states' currencies were mixed in the zone. Out of the (6) currencies in the zone, three currencies appreciated. The three that appreciated were the Liberian dollar by 1.3 percent, the Nigerian naira by 7.2 percent and the Ghana cedi by 8.3 percent. While the Guinea franc; the Gambia dalasi and the Leone depreciated against the United States dollars by 0.3 percent; 0.4 percent and 0.4 percent, respectively.

When compared to December 2023, inflation rose by 0.7 percentage points. The month-on-month inflation rate, on the other hand, rose to 0.4 percent in the month under review, from minus 0.8 percent in the previous month. Except for food and non-alcoholic beverages, alcoholic beverages, tobacco and narcotics, Housing, water, electricity, gas and other fuels, Furnishings, household equipment, and routine household maintenance & Health, all major items of the consumer basket contributed to the decrease.

Core inflation¹ (headline inflation, less food and transport) increased to 11.2 percent in December 2024, from 9.7 percent in November 2024 mainly driven by increases in the prices of housing, water, electricity, health, transport, communication, recreation and culture, education, and miscellaneous goods and services.

Table 1: Production and Price Statistics

Production	Dec. - 2023	Oct. - 2024	Nov. - 2024	Dec. - 2024
	<i>(In Metric ton, Ounce, Carat and Liter)</i>			
Iron Ore (Metric ton)	515,000	390,000	495,000	515,000
Gold (Ounces)	33,343	35,291	35,663	37,143
Diamond (Carat)	56	2,449	1,090	2,362
Rubber (Metric ton)	5,659	6,994	7,557	8,229
Cement (Metric ton)	64,255	47,061	48,491	53,094
Total Beverages (liter)	3,253,927	3,795,824	3,305,151	3,657,927
Alcoholic	1,619,572	1,173,916	1,032,642	1,287,651
Non-Alcoholic	1,634,355	2,621,908	2,272,509	2,370,276
Inflation	<i>(In percent)</i>			
Overall (Y-o-Y) Rate of Inflation	10.0	7.2	8.2	10.7
a. Food and Non-alcoholic Beverage Inflation	26.9	2.5	5.1	9.7
- Domestic Food Inflation	14.6	10.8	12.9	27.4
- Imported Food Inflation	37.6	-3.9	-1.0	-3.0
b. Transport Inflation	6.1	1.7	0.0	-1.3
c. Imported Fuels Inflation	12.9	3.3	-4.5	-10.4
Overall (M-o-M) Rate of Inflation	-1.9	-0.4	-0.8	0.4
Core Inflation				
Inflation excluding Food & NAB ¹	3.4	9.5	9.7	11.2
Inflation excluding Imported Food	5.1	9.7	10.3	13.9
Inflation excluding Domestic Food	8.9	6.7	7.8	8.5
Inflation excluding Food and Transport	3.0	10.7	11.2	13.2
Annual Gross Domestic Product (GDP)²	3,725.5	3,725.5	3,725.5	3,725.5
Nominal (NGDP) (in millions US\$)	4,787	4,787	4,787	4,787
RGDP growth (in percent)	4.8	4.8	4.8	4.8

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

¹ Non-alcoholic beverages

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

4.0 MONETARY DEVELOPMENTS

4.1 Monetary Policy Stance

The Central Bank of Liberia (CBL) aimed to sustain the decreasing inflationary pressures in December 2024 by using its monetary policy instruments (including CBL bills) to reduce excess liquidity in the banking system.

4.2 Monetary Aggregates

Data on Monetary aggregates at the end of December 2024 established a month-on-month increase of 8.6 percent in broad money supply (M2) to L\$247.19 billion, from L\$227.68 billion recorded at the end of the previous month. The growth was ascribed to a 4.7 percent expansion in net domestic assets (NDA) and a 45.7 percent increase in net foreign assets (NFA) of the banking system.

Additionally, Narrowed Money Supply (M1) rose in December 2024 by 8.8 percent, on account of a 9.4 percent rise in demand deposits as well as a 6.2 percent increment in currency outside banks. Quasi-money also grew in the reporting month by 7.9 percent, due to a 7.4 percent and a 248.2 percent increase in time & savings deposits and other deposits, respectively.

Furthermore, the supply of Liberian dollars in circulation expanded by 7.8 percent to L\$35.05 billion at end-December 2024, from L\$32.53 billion recorded at the end of the preceding month. The growth was caused by a 6.2 percent increase in currency outside banks, and a 35.1 percent rise in currency in banks.

Commercial Banks Loans to the private sector revealed that the Liberian dollar component of loans in December 2024 decreased by 5.0 percent to L\$5.70 billion (0.6% of GDP) from 6.00 billion (0.7% of GDP) in the previous month credited to reduction in loans and advances to the manufacturing subsector (by 52.8%), personal subsector (by 38.6%), oil & gas subsector (by 32.9%) and trade subsector (by 2.4%).

Conversely, the US dollar component grew by 3.7 percent to US\$514.8 million (10.8% of GDP) from US\$496.3 million (10.4% of GDP) in the prior month caused by growth in loans and advances to the personal subsector (by 70.2%), others subsector (by 8.6%) and services subsector (by 7.3%).

The stock of total deposits converted to Liberian dollars increased by 8.9 percent to L\$214.55 billion (24.3% of GDP) at end December 2024, from 196.94 billion (23.0% of GDP) at end November 2024, triggered by expansion in both LD and USD deposits. Furthermore, a year-on-year comparison revealed total deposits grew by 11.4 percent, triggered by growth in both US and Liberian dollar deposits.

Personal Remittances				
Inflows	74.10	64.16	58.63	88.24
Outflows	1.93	2.69	6.10	11.44
Net flows	72.17	61.47	52.54	76.79
Direction of Trade (DOT)				
Destination of Export	79.2	110.6	118.2	137.0
Africa	5.9	1.7	1.8	1.6
o/w ECOWAS	4.2	1.7	1.6	1.0
o/w Neighboring Countries	2	1.6	1.6	1.0
Asia	1.6	2.2	1.2	3.4
o/w The Middle East	0.7	0.5	0.7	0.3
o/w United Arab Emirate	0.7	0.4	0.4	0.3
then China	-	0.0	0.1	-
Europe	64.0	98.9	111.1	129.3
o/w Euro Zone	0.9	2.9	5.7	5.0
o/w The United Kingdom	0.9	2.9	5.7	5.0
Switzerland	55.8	80.2	80.7	84.0
North America & The Caribbean	4.6	7.8	3.2	0.0
o/w USA	4.9	7.8	4.1	0.0
Sources of Import (cif)	341.68	139.27	137.86	85.32
Africa	153.67	21.29	25.75	11.55
o/w ECOWAS	150.07	16.91	21.29	8.38
o/w Neighboring Countries	150.35	17.14	21.32	8.99
o/w Cote D Ivoire	148.52	15.85	20.28	6.63
Asia	84.90	88.80	87.60	47.75
o/w The Middle East	7.57	4.06	4.54	3.95
o/w United Arab Emirate	2.04	1.45	2.46	1.17
o/w China	18.78	39.92	29.07	25.79
o/w India	49.26	29.68	43.05	9.14
Europe	90.86	12.37	13.40	11.27
o/w Europe Zone	14.54	10.08	11.54	9.39
o/w The United Kingdom	0.47	1.20	1.66	2.06
o/w Spain	0.78	1.22	1.12	0.78
North America & The Caribbean	8.08	8.02	4.40	8.95
o/w USA	7.07	7.04	3.30	8.03
South & Central America	3.66	8.61	6.32	5.34
o/w Brazil	2.84	6.98	5.10	4.79
o/w Argentina	0.25	1.04	0.19	0.19
Oceania	0.50	0.16	0.38	0.46
o/w Australia	0.35	0.16	0.18	0.21

Source: CBL

Table 6: External Sector Statistics

External Trade (Value)	Dec-23	Oct-24	Nov-24	Dec-24
	(Millions of US\$; Except Otherwise Indicated)			
Exports ¹	79.19	110.65	118.22	137.03
Iron Ore	6.29	11.42	23.17	36.02
Rubber	6.50	15.90	8.88	9.86
Gold	56.59	80.50	81.14	84.28
Diamond	0.02	0.53	0.55	0.43
Cocoa Bean	0.88	-	1.91	0.90
Palm Oil	4.11	0.00	0.18	0.61
Other Commodities	4.79	2.29	2.39	4.92
Imports (CIF) ^{1†}	341.68	139.27	137.86	85.32
Minerals, Fuel, Lubricants	226.42	23.04	22.59	11.11
o/w Petroleum Products	148.42	15.79	20.20	15.38
Food and Live Animals (incl. Animal and veg. oil)	59.17	42.77	57.93	18.47
o/w Rice	36.76	17.78	32.18	1.27
Machinery & Transport Equipment	27.87	34.00	29.49	22.13
Manufactured goods classified by materials	11.53	19.24	12.26	16.44
Other categories of imports	16.69	20.22	15.60	17.17
Trade Balance	(262.49)	(28.62)	(19.64)	51.71
Total Trade	420.87	251.82	256.08	222.35
External Trade (Volume)				
Rubber (MT)	3,346.56	6,994.65	3,421.76	4,283.56
Iron Ore (MT)	108,466.42	257,290.55	516,833.60	762,639.08
Cocoa Beans (MT)	209.08	-	-	10,320.00
Palm Oil (MT)	5,056.53	-	-	516.34
Gold (Oz)	33,342.99	35,290.97	35,663.35	37,152.99
Diamond (Crt)	56.08	2,448.95	1,090.44	2,361.88
Petroleum Products (MT)	51,131	5,706	7,461	5,527.00
Rice (MT)	16,697.90	9,801.61	15,550.09	456.10
Other Indicators				
Net Foreign Reserves Position	223.3	224.7	205.7	234.4
Import (FOB)	327.21	123.74	123.01	75.14
Gross International Reserves (GIR) ¹	486.8	458.9	464.1	476.3
Import covers (In Month) [†]	1.3	2.8	2.9	4.4

Table 2: Monetary Aggregates Statistics

Monetary Aggregates	Dec-23	Oct-24	Nov-24	Dec-24
	<i>In Millions of LD; Except Otherwise Indicated</i>			
ASSETS				
Net Foreign Assets (NFA)	14,930.07	20,246.08	21,291.43	31,011.59
Net Domestic Assets (NDA)	207,078.79	214,578.81	206,388.35	216,174.00
Domestic Credits	303,238.60	305,739.71	288,490.23	305,342.18
Net Claims on Government	152,290.50	146,473.57	138,923.61	144,835.70
Claims on Private Sector	150,948.09	159,266.14	149,566.62	160,506.48
Other Items Net	(96,159.81)	(91,160.90)	(82,101.88)	(89,168.18)
LIABILITIES				
Broad money (M2)	222,008.85	234,824.88	227,679.78	247,185.59
Narrow Money (M1)	159,688.68	166,738.40	162,715.23	177,068.76
Liberian Dollars in Circulation	29,477.19	27,543.90	30,742.22	32,634.92
Currency in banks	130,211.49	139,194.50	131,973.01	144,433.84
Currency outside banks	62,320.17	68,086.48	64,964.55	70,116.83
Demand deposits	61,790.70	67,934.63	64,832.88	69,658.29
Quasi Money	529.47	151.86	131.67	458.55
Time & Savings deposits	222,008.85	234,824.88	227,679.78	247,185.59
Other deposits	159,688.68	166,738.40	162,715.23	177,068.76
MEMORANDUM				
Broad money (M2) in LRD only	54,703.438	54,563.549	58,172.200	62,784.291
Money Supply (M1) in LRD only	45,139.471	44,519.638	48,118.001	52,566.863
Loans to Private Sector				
Commercial banks loans to private sector- USD	455.95	490.40	496.34	514.77
Commercial banks loans to private sector - LRD	5,624.20	6,039.98	5,998.60	5,698.14
Demand Deposits of commercial banks				
Demand deposits – USD	607.69	637.54	639.53	674.29
Demand deposits – LRD	15,662.276	16,975.736	17,375.780	19,931.945
Time & savings deposits – USD	278.04	302.56	306.18	322.45
Time & savings deposits – LRD	9,379.346	9,933.119	9,969.068	10,121.065
Other Deposits**				
Actual US\$ component of other deposits	1.83	0.21	0.26	1.96
Liberian \$ component of other deposits	184.621	110.792	85.132	96.363
Total Deposits (both USD & LRD) converted to LRD ¹	192,531.657	207,280.983	196,937.560	214,550.672
Liberian Dollar share of Broad Money (% of total Money Supply)	24.6%	23.2%	25.6%	25.4%

† - Reserves excluding ECF borrowing from the IMF;

* - estimate/projection

** - Other Deposits Including Official and Manager Checks;

4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

To preserve the current tight policy stance and strengthen liquidity management aimed at maintaining price stability, the Bank remained committed and continued the issuance of CBL bills with short tenors of 2 weeks, 1 month, and 3 months on an effective annual rate of 17.0 percent in December 2024. The two (2) weeks CBL bills was restricted to Commercial banks during the month under review.

In December of 2024, the total CBL bills issued amounted to L\$5,013.63 million, a 24.93 percent decline in subscription from with the preceding month of L\$6,678.91. Of the total amount issued, commercial banks purchased (L\$4,752.68 million), whilst retail investors issuance surge at L\$260.93 million, a 37.92 percent rise from the previous month of L\$189.19 million. The increase in retail subscription could be attributed to boasting of investor's confidence by timely issuance and redemption of securities. The CBL recorded a net contraction of about L\$1,094.93 million whilst the total outstanding stood at L\$7,745.04.

There was no new issuance of US dollars and Liberian dollars Treasury securities by CBL on behalf of GoL. The Liberian dollars Treasury security stock remained at L\$8,168.95 million. Similarly, USD Treasury securities stock reduced to US\$145.42 million due to the partial interest payment of US\$3.70.

In reference to the previous month, the lending, average savings, and time deposit rates were unchanged at 12.4 percent, 2.1 percent, and 3.5 percent. In the interbank operations, commercial banks continued to trade with non-interest-bearing swaps to ease the liquidity disparity among banks for their international and intra-country transactions (Table 3).

External Debt	<i>1,375.58</i>	<i>1,497.51</i>	<i>1,501.15</i>	<i>1,552.15</i>	<i>3.40</i>
o/w Multilateral	<i>1,253.29</i>	<i>1,364.24</i>	<i>1,367.88</i>	<i>1,419.17</i>	<i>3.75</i>
o/w Bilateral	<i>115.42</i>	<i>105.45</i>	<i>105.45</i>	<i>105.15</i>	<i>(0.28)</i>

Memo Items					
Government Revenue (% of GDP)	<i>1.72</i>	<i>1.24</i>	<i>1.06</i>	<i>2.35</i>	<i>-</i>
Government Expenditure (% of GDP)	<i>2.50</i>	<i>1.19</i>	<i>1.52</i>	<i>1.95</i>	<i>-</i>
Total Debt Stock (% of GDP)	<i>54.61</i>	<i>53.76</i>	<i>53.83</i>	<i>54.80</i>	<i>-</i>
NGDP (at Level)	<i>4,390.00</i>	<i>4,787.29</i>	<i>4,787.29</i>	<i>4,787.29</i>	<i>-</i>

Source: CBL calculation using MFDPA's data

*Projections

6.0 EXTERNAL SECTOR DEVELOPMENTS

6.1 Merchandise Trade

Developments in the external sector showed that merchandise trade recorded a surplus of US\$51.91 million (1.1 percent of GDP), a reduction in the trade deficit by 363.3 percent in December 2024, and total trade fell by 11.7 percent. Total merchandise trade decreased to US\$222.35 million (4.5 percent of GDP) from US\$251.82 million (5.3 percent of GDP) induced by a significant rise in export receipts.

Export earnings grew by 15.9 percent to US\$137.03 million (2.9 percent of GDP) in December 2024, from US\$118.22 million (2.5 percent of GDP) in November, led by a rise in receipts from iron ore and gold exports. Payments for merchandise imports dropped significantly by 38.1 percent to US\$85.32 million (1.8 percent of GDP), from US\$137.86 million (2.9 percent of GDP) recorded in November, occasioned by a decline in payments for minerals, fuel, and lubricants, chiefly, petroleum, and machinery & transport equipment.

5.2 Total Public Debt

A review of Liberia's public debt portfolio at end-December 2024 showed an increase in public debt. Hence, the stock of public debt modestly expanded by 1.8 percent to US\$2,623.5 (54.8 percent of GDP). The increase was attributed to a rise in external debt, amidst a slight fall in domestic debt. As such, the stock of external debt rose by 3.4 percent to US\$1,552.2 million (32.4 percent of GDP) while domestic debt stock fell by 0.4 percent to US\$1,071.3 million (22.4 percent of GDP).

Table 5. GOL's Fiscal Operations Statistics

Fiscal Operations	Dec-23	Oct-24	Nov-24	Dec-24	M-O-M
	(Millions of USD)				(% Change)
Government Revenue	75.64	59.40	50.87	112.67	121.50
<i>Tax Revenue</i>	37.05	48.56	40.40	57.24	41.68
o/w Taxes on Income & Profits	16.91	20.23	15.25	27.33	79.17
o/w Taxes on Int'l Trade (Customs)	17.07	20.09	20.01	20.32	1.57
<i>Non-tax Revenue</i>	3.79	10.84	10.46	15.43	47.47
o/w Property Income	2.78	7.16	7.01	11.61	65.51
o/w Administrative Fees & Penalties	1.01	3.68	3.45	3.76	9.02
<i>Other Revenue (Including Grants)</i>	34.80	-	-	40.00	-
Government Expenditure	109.94	56.87	72.71	93.32	28.34
Recurrent Expenditure	109.65	55.53	68.56	84.82	23.72
o/w Compensation	75.29	27.51	27.34	22.13	(19.06)
o/w Goods and Services	11.27	10.57	15.31	27.25	77.96
o/w Payments on Loans, interest & other charges	3.85	6.52	16.22	18.21	12.23
Capital Expenditure	0.29	1.35	4.15	8.50	104.67
Overall Balance (Surplus+; Deficit -)	(34.30)	2.52	(21.84)	19.35	
Total Debt Stock	2,397.31	2,573.79	2,577.23	2,623.46	1.79
Domestic Debt	1,021.73	1,076.28	1,076.08	1,071.31	(0.44)
o/w Financial Institutions	884.92	945.01	945.01	941.41	(0.38)
o/w Other Debts	136.81	131.27	131.07	129.91	(0.89)

Table 3: Financial Market and Interest Rates Statistics

Market Instruments (CBL indexed Bills)	Dec-23	Oct-24	Nov-24	Dec-24
	<i>(In Millions of Liberian Dollar)</i>			
Bills Purchased per month on an EAR basis	6,048.85	7,656.08	6,678.91	5,013.63
Redemption during the month (EAR basis)	8,240.21	7,609.55	8,561.23	3,918.70
Bill Outstanding (EAR basis)	7,563.00	8,532.42	6,650.11	7,745.04
Effective Annual Rate (EAR)	20.00	17.00	17.00	17.00
Total Purchases (coupon rate & EAR)	6,048.85	7,656.08	6,678.91	5,013.63
Total Redemption (coupon rate & EAR)	8,242.11	7,609.55	8,561.23	3,918.70
Total Outstanding Bills (coupon rate & EAR)	7,563.01	8,532.42	8,561.23	7,745.04
Treasury Securities	<i>(In Millions of Liberian Dollars)</i>			
T- Bills Issued (in LD)	0.00	0.00	0.00	0.00
T- Bills Redeemed (in LD)	0.00	0.00	108.35	108.35
T-Bills Outstanding	3,642.67	483.70	373.35	373.35
T-Bills total Stock		8,277.30	8,168.95	8,168.95
Net Treasury Bills Operations^ withdrawal (+)/Injection (-)	0.00	0.00	0.00	0.00
Ave. Weighted Discount Rate (T-Bills)	10.00	10.00	10.00	10.00
T- Bills Issued (In USD)	15.5	0.00	0.00	0.00
T- Bills Redeemed (Principal or Interest) (In USD)	0.00	0.00	0.42	3.70
T-Bills Outstanding (Repayment principal)	124.04	9.76	0.00	0.00
Total debt stock	0.00	149.54	149.12	145.42
Ave. Weighted Discount Rate (T-Bills)	10.0	10.0	10.0	10.0
Treasury Bond Issued (in LD for 2 years)	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In LD)	0.00	0.00	0.00	0.00
Coupon Payment	0.00	0.00	0.00	0.00
Total debt stock	8,246.47	0.00	0.00	0.00
Early Redemption	0.00	0.00	0.00	0.00
Coupon rate (%)	0.00	0.00	0.00	0.00
Treasury Bond Issued	0.00	0.00	0.00	0.00
Treasury Bond Principal Payments (USD)	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In USD)	36.33	0.47	0.47	0.47
Coupon Payments (USD)	0.00	0.00	0.00	0.00
Total debt stock	36.33	36.16	36.16	36.16
	<i>(As specified)</i>			
SDF rate (4.0%)	20.0	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00
SDF overnight monthly rate (0.07%)	0.00	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00

<i>Interest Rates</i>	<i>(In Percent)</i>			
- Lending rate	12.44	12.44	12.44	12.44
<i>Average Deposit rates</i>				
-Savings	2.10	2.10	2.10	2.10
-Time	3.53	3.53	3.53	3.53
<i>Money Markets Instrument (In percent)</i>				
Repo	0.00	0.00	0.00	0.00
Swap lending	0.00	0.00	0.00	0.00

Source : CBL

^ - with Liquidity Effect

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

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

4.4 BANKING SECTOR DEVELOPMENTS

The banking industry remained in compliance with the sector's regulatory requirements. For the month ended December 2024, the industry liquidity ratio increased by 3.39 percentage points to 52.26 percent compared to the 48.87 percent reported in the previous month. The industry liquidity ratio remained above the minimum regulatory requirement of 15.00 percent by 37.26 percentage points. The Capital Adequacy Ratio (CAR) rose to 33.8% from 31.81%. Moreover, the CAR remained above the minimum regulatory requirement of 10.00 percent by 23.8 percentage points. On the other hand, the Return on Assets (ROA) decreased by 0.3 percentage points from 3.72 percent to 3.42 percent, and the Return on Equity (ROE) decreased by 0.23 percentage points, from 24.03 percent to 23.80 percent.

Total gross loans increased by 4.26 percent to L\$103.01 billion in December 2024, from the L\$98.62 billion reported in the previous month. The huge increase in aggregate credit was attributed to the additional new facilities granted in the personal sector. At the same, the ratio of non-performing loans to total loans increased by 0.92 percentage points from 18.78% to 19.7% during the month under review. This means that the end-of-month NPL ratio of 19.7 percent violates the maximum regulatory threshold of 10.00 percent tolerable limit. The increase in NPLs was largely due to increases in defaulted facilities recorded in the Government and Personal sectors respectively.

Table 4: Selected Financial Soundness Indicators (FSIs)

Financial Soundness Indicators	Dec- 23	Oct- 2024	Nov- 2024	Dec- 2024
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	92.84	103.16	98.62	103.01
Total Non-performing Loans	16.77	20.96	18.53	20.21
Non-performing Loans to Total Gross Loans (ratio)	18.06	20.31	18.78	19.7
Gross Loan (percent change)	1.19	1.01	(4.40)	4.26
Non-performing Loans (percent change)	(1.23)	(4.77)	(11.59)	50.62
Returns on Assets (ROA)	2.35	3.03	3.72	3.42
Returns on Equity (ROE)	17.75	21.07	24.03	23.80
Liquidity Ratio***	44.23	46.93	48.87	52.26
Capital Adequacy Ratio (CAR)****	28.04	31.81	31.81	33.8

Source : CBL

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

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

5.0 FISCAL SECTOR DEVELOPMENTS

5.1 Total Revenue and Expenditure

The Government of Liberia's (GOL) fiscal operations resulted in a positive Overall Balance (OB) from a deficit in the preceding month, on account of a substantial increase in revenue mobilization. Hence, the surplus amounted to US\$19.4 million (0.4 percent of GDP).

During the review period, the fiscal operations recorded more than a onefold increase in government revenue, to US\$112.7 million (2.4 percent of GDP). The increase reflects improvements in tax, non-tax, and other revenues (including grants). Tax revenue improved by 41.7 percent, to US\$57.2 million (1.2 percent of GDP), mainly attributed to a rise in income & profit tax and international trade tax. Taxes generated from international trade and income & profits amounted to US\$20.3 million (0.6 percent of GDP) and US\$27.3 million (0.4 percent of GDP), respectively. Non-tax receipts increased by 47.5 percent to US\$15.4 million (0.3 percent of GDP) on account of increases in property income and administrative fees & penalties.

Similarly, the fiscal operations reported an increase in government spending. Total expenditure increased by 20.6 percent to US\$93.3 million (2.0 percent of GDP) from US\$72.7 million (1.5 percent of GDP) in the preceding month. The increase was attributed to the development in recurrent and capital expenditures. Recurrent expenditure rose by 23.7 percent to US\$68.7 million (1.4 percent of GDP) due to increases in goods & services spending and payments on loans, interest & other charges, despite a reduction in employees' compensation. Capital expenditure, in contrast, expanded by more than onefold to US\$8.5 million (0.2 percent of GDP).