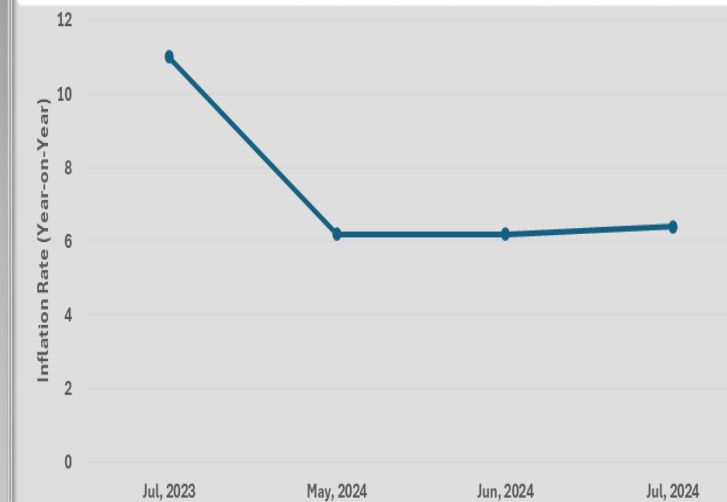


## MONTHLY ECONOMIC REVIEW (MER)



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GLOBAL PRICE	Jul-23	May-24	June-24	Jul-24		
	(Commodity price per Unit of Measure)				MoM	YoY
Iron ore (US\$/MT)	114.43	118.88	107.45	106.85	(0.6)	(6.62)
Gold (US\$/Oz)	1,951.02	2,351.13	2,326.44	2,398.20	3.1	22.92
Rubber (US\$/MT)	1,492.50	2,153.90	2,261.30	1,650.30	(27.0)	10.57
Cocoa Beans (US\$/MT)	3,387.46	7,538.03	8,271.04	7,089.17	(14.3)	109.28
Palm oil (US\$/MT)	878.5	859.15	873.67	896.09	2.6	2.00
Crude oil (US\$/BBL)	78.98	81.45	81.21	83.26	2.5	5.41
Food Price Index (FAO) <sup>1</sup>	124.60	120.40	121.0	120.80	(0.2)	(3.05)
Rice_5% broken (US\$/MT)	524.00	593.00	595.00	557.00	(6.4)	6.30
Sugar (US\$/MT)	521.17	417.78	425.27	425.93	0.2	(18.27)
Commodity Price Index No <sup>2</sup>	157.95	169.44	167.32	166.39	(0.6)	5.34

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

This Edition represents Volume 10 Number 07.

## 2.0 OVERVIEW

The production statistics for July 2024 displayed mixed trends in the output of key commodities compared to the previous month. Gold, cement and beverages production decreased, while production of iron ore, diamond and rubber increased during the month.

During the review month, headline inflation increased by 0.2 percentage point to 6.4 percent from the 6.2 percent reported in the preceding month. This development was mainly occasioned by increase in the prices of alcoholic beverages, narcotics, tobacco, housing, water, electricity, gas, other fuels, health, and restaurants and hotels in the consumer price index (CPI) basket.

The Central Bank of Liberia (CBL) maintained a relatively tight monetary policy stance during the review period to uphold price stability in the Liberian economy with focus on reducing excess liquidity in the banking system by using its policy instruments, including the CBL bills.

In July 2024, there was a 2.2 percent decrease in the total value of assets held by banks to L\$241.15 billion compared to the previous month. This development was due to a 4.1 percent reduction in the net domestic assets (NDA) of the banking system. In July 2024, Narrowed Money Supply (M1) dropped by 3.2 percent, driven by a 0.6 percent decrease in demand deposits. Conversely, quasi-money increased by 0.4 percent, mainly due to time & savings deposits.

The banking industry remained largely in compliance with the sector's regulatory requirements during the review month. The industry's liquidity ratio increased by 9.56 percentage points to 53.98 percent compared to the ratio reported in the previous month and remained 38.98 percentage points above the minimum regulatory requirement of 15.00 percent. The Capital Adequacy Ratio (CAR) decreased by 0.82 percentage point to 29.44 percent against the ratio recorded in the previous month but remained above the minimum regulatory requirement of 10.00 percent.

## 7.6 Sugar

The price of sugar marginally increased by 0.2 percent to US\$425.93 per metric ton in July 2024, from US\$425.27 recorded in the previous month. Annual comparison showed that the price of sugar decreased by 18.3 percent from US\$521.17 per metric ton in July 2023.

## 7.7 Palm Oil

The price of palm oil increased significantly by 2.6 percent in July 2024 to US\$896.09 per metric ton, from US\$873.67 per metric ton in the previous month, on account of rising demand in China. Compared to July in the previous year, the price of palm oil grew by 2.0 percent, from US\$878.50 per metric ton.

## 7.8 Rice

The price of rice significantly decreased by 6.4 percent to US\$557.00 per metric ton in July 2024, from US\$595.00 per metric ton in June. Annual comparison indicated rice price increased by 6.3 percent, from US\$524.00 per metric ton in July 2023.

## 7.9 Cocoa Beans

The price for cocoa beans decreased by 14.3 percent in July, to USD\$7,089.17, from US\$8,271.04 per metric ton in June. Compared to July 2023, the price of cocoa beans increased by 109.3 percent from US\$3,387.46 per metric ton.

## Commodity Price Outlook

Global commodity market outlook of the World Bank Pink Sheet indicates global commodity prices will continue a varied movement for July 2024. Ongoing heightened tensions in the Middle East coupled with trade interruptions account for the price developments. Overall commodity price indices measured in US dollars of energy, non-energy, agriculture, fertilizers, metal & minerals, and precious metals, are expected to surge slightly by 0.2 percent to US\$107.64, from US\$107.02 projected for June.

The price of Liberia's major merchandise imports of petroleum is expected to rise by 2.5 percent, while rice is expected to fall by 6.4 percent.

The price of Liberia's merchandise export of iron ore is expected to continue its slowdown for the second month running, and fall by 0.6 percent to US\$106.85 per metric ton, from US\$107.45 per metric ton projected in the previous month.

### 7.1 Iron Ore

The price of iron ore slightly decreased by 0.6 percent to US\$106.85 per metric ton in July 2024, from US\$107.45 per metric ton in June 2024. The decrease in the iron ore price is induced by low demand and weak market sentiment. The year-on-year comparison showed the price fell by 6.6 percent, from US \$114.43 recorded in July 2023.

### 7.2 Gold

The price of gold increased by 3.1 percent to US\$2,398.20 in July 2024, from US\$2,336.44 in June 2024, occasioned by growing expectations of interest rate cuts by the US Federal Reserve. Year-on-year comparison indicated the price increased by 22.9 percent, from US\$1,951.02 recorded in July 2023.

### 7.3 Crude Oil (Petroleum) Price

The price of petroleum increased by 2.5 percent to US\$83.26 per barrel in July 2024. The primary drivers of the development in crude prices are OPEC+ production cuts and the US summer fuel demand. Compared to July 2023, the price of petroleum rose by 5.4 percent from US\$78.98 per barrel.

### 7.4 Rubber

Rubber prices decreased by 27.0 percent in July 2024, to US\$1,650.30 per metric ton, from US\$2,261.30 per metric ton recorded in June 2024, due to declining global demand. Year-on-year comparison showed rubber prices increased by 10.6 percent from US\$1,492.50 in July 2023.

### 7.5 Food Price (FAO)

FAO food price index (FFPI) decreased slightly by 0.2 percent to US\$120.80 in July 2024, from US\$121.0 in June 2024. The marginal decrease was driven by a corresponding reduction in the price index for cereals, which offset increases in vegetable oils, sugar, and meat products.

Additionally, the Return on Assets (ROA) increased by 0.37 percentage point, while Return on Equity (ROE) increased by 2.55 percentage points during the month under review.

Preliminary data on the Government of Liberia's (GOL) fiscal activity has revealed a deficit in the Overall Balance (OB). This deficit is the result of an increase in government expenditure alongside a slight reduction in government revenue. The total deficit amounts to US\$11.6 million, which is 0.2 percent of GDP.

In July 2024, the public debt slightly increased to US\$2,579.4 million (54.1% of GDP) from US\$2,574.9 million (54.0% of GDP) the previous month. This was due to a 0.3 percent increase in external debt, while domestic debt remained unchanged. External debt was US\$1,501.5 million (31.5% of GDP) and domestic debt was US\$1,077.8 million (22.6% of GDP) at the end of July 2024.

The merchandise trade deficit decreased by 0.1 percent of GDP, with total trade decreasing by 5.3 percent of GDP during the review month, mainly on account of decline in payments for imports. Gross International Reserves (GIR) declined to US\$407.9 million (8.5% of GDP) in July 2024 compared to the previous month, mainly due to a decrease in foreign liquid assets. Import cover rose to 2.9 months, still below the regional threshold of 3.0 months, due to reduced import payments.

In July 2024, the Liberia dollar remained broadly stable as the currency marginally depreciated against the United States dollar both on average and end-period basis by 0.3 percent and 0.6 percent, respectively. This development was largely explained by rise in inflows of foreign exchange, reduction in payments for imports, and the tight monetary policy stance of the CBL. Personal remittance inflows (net), including remittances terminated through mobile wallets, increased by 25.1 percent to US\$71.2 million (1.5% of GDP) in July 2024 compared to the previous month. This was driven by a 23.3 percent growth in inward remittances and a 9.6 percent decline in outward remittances.

### 3.0 REAL SECTOR & PRICE DEVELOPMENTS

#### 3.1 Production Analyses of Key Commodities

Production statistics for July 2024 showed mixed trends (movements) in the production of key commodities for the month compared to the preceding month. Gold and beverage productions declined while iron ore, diamond, rubber, and cement recorded increased production during the month.

The agriculture subsector revealed that rubber output increased by 69.5 percent to 6,847 metric tons in July 2024, up from 4,040 metric tons produced in June 2024 mainly due to the rise in the production by small-holder farmers. When matched against the same period a year ago, rubber rose by 114.8 percent.

In the mining subsector, iron ore output increased slightly by 1.5 percent in July to 370,000 metric tons, from 365,000 metric tons in the previous month, mainly attributed to the marginal increase in the global price of the commodity. Compared to the corresponding period of 2023, iron ore output remained flat. Diamond output grew by 21.3 percent to 3,725 carats in the reporting month, from 3,072 carats produced in the preceding month largely due to the increase in the price of synthetic diamond. When matched against the same period a year ago, diamond production rose by 18.6 percent. Conversely, gold production dipped by 19.1 percent in July 2024 to 35,639 ounces, from 44,093 ounces produced in the previous month. The fall in gold output was mainly driven by unfavorable mining conditions at the major mining site. When compared to the corresponding period a year ago, gold output decreased by 19.8 percent.

In the manufacturing subsector, beverages (alcoholic & non-alcoholic) production decreased by 6.8 percent to 3.89 million liters in July 2024, down from 4.16 million liters reported in the previous month, due to accumulated stock of inventory. On a year-on-year basis, beverage production increased by 50.4 percent. When disaggregated, alcoholic beverages production constituted 37.8 percent, while non-alcoholic beverages production accounted for 62.2 percent of total beverage production. Cement output decreased by 1.2 percent to 57,890 metric tons in July 2024, from 58,621 metric tons produced in the previous month. This development reflects a buildup of stock. When annualized, cement production increased by 15.5 percent.

#### 3.2 Consumer Prices

Headline inflation for July increased by 0.2 percentage point to 6.4 percent, from 6.2 percent reported at the end of June mainly explained by an increase in the prices of alcoholic beverages, narcotics and tobacco; housing, water, electricity, gas, and other fuels; health; and restaurants and hotels in the consumer price index (CPI) basket. When compared to the same period in 2023, headline inflation moderated by 4.6 percentage points.

Leone (0.1%) Guinea franc (0.1%), Liberian dollar (0.3%), Ghana cedi (2.8%), and Nigeria Naira (4.4%). While the Gambia dalasi was the only currency that appreciated against the United States dollar, by 0.9 percent. When compared year on year, all currencies in the WAMZ also depreciated against the US dollar. The Guinea franc, the Liberian dollar, the Leone, the Gambia dalasi, the Ghana cedi, and the Naira depreciated by 0.3 percent, 4.5 percent, 10.5 percent, 12.1 percent, 25.3 percent, and 50.4 percent, respectively during the month under review.

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

Rate & Currency	Jul-23	May-24	Jun-24	Jul-24	Appr (+)/Depr (-)	
					MoM	YoY
<b>Exchange Rate</b>	<b>LD/USD</b>				<b>Percent change</b>	
	<b>Currency per USD</b>					
GHC	11.00	13.70	14.32	14.73	(2.8)	(25.3)
GMD	58.47	67.38	67.14	66.54	0.9	(12.1)
GNF	8,514.31	8,505.85	8,533.06	8,542.01	(0.1)	(0.3)
LRD	183.98	193.53	194.39	195.06	(0.3)	(4.5)
NGN	768.10	1,415.59	1,479.78	1,548.42	(4.4)	(50.4)
SLL	20.15	22.63	22.49	22.52	(0.1)	(10.5)
<b>LRD End-of-period Exchange Rate</b>						
LRD	186.28	193.85	194.14	195.37	(0.6)	(5.8)

Source: CBL, WAMA: [www.amao-wama.org/](http://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

Food and Agriculture Organization (FAO) food price index (FFPI) decreased compared to the revised FFPI in June. The Commodity Price Index of fuel increased, while the index of non-fuel commodities decreased in July 2024. The decrease in the FFPI index was driven by a significant reduction in the price index for cereals that offset increases in the price indices for vegetable oils, meat products, and sugar.



## 6.2 Direction of Trade (DOT)

The main destination of Liberia's exports in July 2024 was Europe, which accounted for US\$92.0 million worth of the export proceeds, of which Switzerland accounted for US\$70.8 million. For the sources of imports to Liberia, Asia and Africa were the major regions accounting for US\$ 53.40 million and US\$34.68 million, respectively. During the review month, imports from India and the Cote Ivoire amounted to US\$ 25.25 million and US\$ 27.13 million.

## 6.3 Personal Remittances

Personal remittance inflows (net), including remittances terminated through mobile wallets, increased by 25.1 percent to US\$71.2 million (1.5 percent of GDP) in July 2024, compared to the US\$56.9 million (1.2 percent of GDP) recorded in the preceding month. This development was due to a 23.3 percent growth in inward remittances coupled with a 9.6 percent decline in outward remittances. Inward and outward remittances amounted to US\$73.9 million and US\$2.7 million respectively in the review month, from the US\$59.9 million and US\$3.0 million recorded, respectively, in the previous month.

## 6.4 Gross International Reserves

Gross International Reserves (GIR) fell by 1.3 percent to US\$407.9 million (8.5 percent of GDP) at end-July 2024, from the US\$413.5 million (8.7 percent of GDP) recorded at the end of the previous month. This development was explained by a decrease in foreign liquid assets, excluding Special Drawing Right (SDR) Holdings & Reserves. However, the months of import cover rose to 2.9 months (still below the ECOWAS minimum regional threshold of 3.0 months), from 2.2 months in June 2024, mainly on account of the decline in payments for imports (Table 6).

## 6.5 Exchange Rate Developments

The Liberian dollar exchange rate vis-à-vis the United States dollar recorded a depreciation in July 2024 compared to the previous month. The end-of-period exchange rate depreciated by 0.6 percent to L\$195.37/US\$1.00 in July 2024, from the L\$194.14/US\$1.00 registered in June 2024 and the average exchange rate also slightly depreciated by 0.3 percent against the preceding month. However, year-on-year comparison shows a depreciation of 5.8 percent (on average) relative to L\$186.28/US\$1.00 in July 2023. The depreciation was largely due to the high demand for foreign exchange to facilitate import payments for the festive season.

For the month under review, the performance of the average exchange rate in the sub-region shows that almost all currencies of the West African Monetary Zone (WAMZ) experienced depreciation relative to the US dollar in July 2024 compared to the previous month.

The month-on-month inflation showed an increase of 3.2 percentage points in July 2024 to 5.3 percent compared to 2.1 percent reported in June 2024. The rise in monthly inflation was due to increases in the prices of restaurants & hotels; alcoholic beverages, narcotics, and tobacco; housing, water, electricity, gas, and other fuels; transport; communication; miscellaneous goods and services and food & non-alcoholic beverages components of the CPI basket. When compared to July of 2023, the month-on-month rate of inflation rose slightly by 0.3 percentage points.

Core inflation<sup>1</sup> for the month of July 2024 rose by 4.3 percentage points to 7.8 percent, from 3.5 percent in June. On an annualized basis, core inflation plummeted by 1.8 percentage points.

**Table 1: Production and Price Statistics**

Production	July 2023	May 2024	June 2024	July 2024
	<i>(In Metric ton, Ounce, Carat and Liter)</i>			
Iron Ore (Metric ton)	370,000	435,000	365,000	370,000
Gold (Ounces)	44,449	30,226	44,093	35,639
Diamond (Carat)	3,141	9,083	3,072	3,725
Rubber (Metric ton)	3,187	6,135	4,040	6,847
Cement (Metric ton)	50,106	66,853	58,621	57,890
Total Beverages (liter)	2,583,283	4,351,122	4,167,378	3,885,400
Alcoholic	1,116,850	1,499,883	1,519,669	1,467,195
Non-Alcoholic	1,466,634	2,851,239	2,647,709	2,418,205
<b>Inflation</b>	<i>(In percent)</i>			
<b>Overall (Y-o-Y) Rate of Inflation</b>	11.0	6.2	6.2	6.4
a. Food and Non-alcoholic Beverage Inflation	16.5	12.8	11.6	5.1
- Domestic Food Inflation	14.8	19.7	16.6	10.6
- Imported Food Inflation	18.1	7.4	7.4	0.5
b. Transport Inflation	2.7	6.7	5.2	2.7
c. Imported Fuels Inflation	-8.0	14.1	12.2	2.7
<b>Overall (M-o-M) Rate of Inflation</b>	5.0	0.1	2.1	5.3
<b>Core Inflation</b>				
Inflation excluding Food & NAB <sup>1</sup>	8.7	3.4	3.8	7.1
Inflation excluding Imported Food	9.6	6.0	5.8	7.7
Inflation excluding Domestic Food	10.2	3.9	4.1	5.6
<b>Inflation excluding Food and Transport</b>	9.6	2.9	3.5	7.8

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

<sup>1</sup> Non-alcoholic beverages

<sup>2</sup> GDP was revised following the IMF- ECF review mission in April 2021

± - Not Available (na) \* - estimate

<b>Annual Gross Domestic Product (GDP)<sup>2</sup></b>	3,553.2	3,741.4	3,741.4	
Nominal (NGDP) (in millions US\$)	4,390	4,771	4,771	4,771
RGDP growth (in percent)	4.6	4.8	4.8	4.8

#### 4.0 MONETARY DEVELOPMENTS

##### 4.1 Monetary Policy Stance

The Monetary Policy Stance of the Central Bank of Liberia (CBL) remained relatively tight during the review period in efforts to maintain price stability in the Liberian economy. The Bank's policy effort was directed mainly at managing liquidity in the banking system, utilizing its policy instruments, including the CBL bills.

##### 4.2 Monetary Aggregates

Data on Monetary aggregates at the end of July 2024 established a month-on-month decrease of 2.2 percent in broad money supply (M2) to L\$241.15 billion, from L\$246.46 billion recorded at the end of the preceding month. The reduction was solely on account of a 4.1 percent decrease in net domestic assets (NDA) of the banking system.

Narrowed Money Supply (M1) fell in July 2024 by 3.2 percent, solely due to a 0.6 percent reduction in demand deposits. Conversely, quasi-money grew in the reporting month by 0.4 percent, largely caused by time & savings deposits.

The stock of Liberian dollars in circulation decreased by 0.3 percent to L\$27.63 billion at end-July 2024, from L\$27.71 billion recorded at the end of the previous month. The downward movement was exclusively triggered by an 11.9 percent fall in currency in banks whilst currency outside banks increased by 0.9 percent.

The Liberian dollar component of commercial banks loans to the private sector in July 2024 declined by 2.2 percent to L\$5.71 billion from 5.84 billion in the previous month due to declines in loans and advances to the oil & gas subsector (by 8.9%), others subsector (by 6.9%), manufacturing subsector (by 5.4%) and trade (by 2.4%).

Furthermore, the US dollar component decreased by 1.1 percent to US\$451.11 million from US\$456.29 million in the preceding month on account of declines in loans and advances to the trade subsector (by 4.1%), extractive subsector (by 19.3%), construction subsector (by 18.3%), oil & gas subsector (by 16.8%) and agriculture subsector (by 10.1%).

<b>Personal Remittances</b>				
Inflows	58.3	62.8	59.9	73.9
Outflows	2.7	3.3	3.0	2.7
<b>Net flows</b>	<b>55.7</b>	<b>59.5</b>	<b>56.9</b>	<b>71.2</b>
<b>Direction of Trade (DOT)</b>				
<b>Destination of Export</b>	<b>97.0</b>	<b>89.9</b>	<b>127.5</b>	<b>113.6</b>
Africa	1.4	5.5	3.4	2.3
o/w ECOWAS	0.0	1.9	0.2	1.1
o/w Neighboring Countries	-	1.9	0.2	1.1
Asia	3.0	4.1	3.1	13.3
o/w The Middle East	2.0	3.5	1.0	1.4
o/w United Arab Emirate	1.5	3.0	0.7	0.8
then China	0.0	0.0	0.1	-
Europe	86.5	76.8	114.3	92.0
o/w Euro Zone	0.1	3.5	5.7	2.3
o/w The United Kingdom	-	3.5	5.7	2.3
Switzerland	70.7	56.1	86.7	70.8
North America & The Caribbean	5.9	3.5	3.6	5.8
o/w USA	5.4	3.5	3.6	5.8
<b>Sources of Import (cif)</b>	<b>110.31</b>	<b>185.15</b>	<b>163.46</b>	<b>116.83</b>
Africa	9.13	67.77	47.52	34.68
o/w ECOWAS	1.59	61.69	41.82	29.34
o/w Neighboring Countries	2.59	62.19	42.07	29.92
o/w Cote D Ivoire	-	59.53	39.95	27.13
Asia	75.73	88.41	82.70	53.40
o/w The Middle East	5.12	9.11	5.56	3.39
o/w United Arab Emirate	2.11	1.80	1.18	0.92
o/w China	26.61	23.06	22.98	14.74
o/w India	32.37	41.85	45.22	25.25
Europe	14.91	15.08	19.98	17.85
o/w Europe Zone	13.23	10.52	13.19	16.30
o/w The United Kingdom	0.74	1.07	1.21	3.18
o/w Spain	0.73	1.19	0.67	1.87
North America & The Caribbean	7.68	6.18	6.89	5.72
o/w USA	7.33	4.83	5.59	4.22
South & Central America	2.63	7.47	5.48	4.11
o/w Brazil	1.41	4.11	4.03	3.21
o/w Argentina	0.23	2.66	0.26	0.19
Oceania	0.23	0.24	0.90	1.07
o/w Australia	0.09	0.11	0.90	1.00
<b>GDP</b>	<b>4,331.56</b>	<b>4,331.56</b>	<b>4,331.56</b>	<b>4,331.56</b>

Source: CBL



**Table 6: External Sector Statistics**

External Trade (Value)	Jul_23	May_24	June_24	Jul_24
	(Millions of US\$; Except Otherwise Indicated)			
Exports <sup>1</sup>	<b>96.97</b>	<b>89.94</b>	<b>127.54</b>	<b>113.62</b>
Iron Ore	10.11	10.59	19.95	15.81
Rubber	10.47	11.15	11.65	18.90
Gold	71.18	58.80	87.14	71.48
Diamond	-	2.31	1.10	1.27
Cocoa Bean	0.12	0.58	1.25	0.03
Palm Oil	1.93	4.04	3.21	4.78
Other Commodities	3.16	2.47	3.26	1.34
Imports (CIF) <sup>1†</sup>	<b>110.31</b>	<b>185.15</b>	<b>163.46</b>	<b>116.83</b>
Minerals, Fuel, Lubricants	4.49	67.72	45.26	29.92
o/w Petroleum Products	-	59.52	39.95	27.13
Food and Live Animals (incl. Animal and veg. oil)	37.66	54.02	56.24	39.47
o/w Rice	19.47	29.81	36.76	17.59
Machinery & Transport Equipment	32.67	30.58	33.48	21.73
Manufactured goods classified by materials	17.96	12.29	10.64	12.15
Other categories of imports	17.52	20.55	17.83	13.56
<b>Trade Balance</b>	<b>(13.34)</b>	<b>(95.21)</b>	<b>(36.31)</b>	<b>(3.21)</b>
<b>Total Trade</b>	<b>207.28</b>	<b>277.19</b>	<b>290.61</b>	<b>230.45</b>
<b>External Trade (Volume)</b>				
Rubber (MT)	3,186.96	6,135.45	7,039.73	6,847.37
Iron Ore (MT)	180,099.54	195,468.36	354,982.85	309,513.37
Cocoa Beans (MT)	35.03	-	150,695.28	-
Palm Oil (MT)	2,196.10	4,698.21	3,669.19	-
Gold (Oz)	44,448.66	30,225.65	44,092.80	35,638.61
Diamond (Crt)	-	9,082.51	3,071.84	3,724.89
Petroleum Products (MT)	-	<b>21,012</b>	<b>11,340</b>	<b>5,615</b>
Rice (MT)	37,159.92	54,808.36	61,781.25	63,966.25
<b>Other Indicators</b>				
Net Foreign Reserves Position	257.7	202.8	205.7	199.0
Import (FOB)	97.17	168.48	148.24	106.07
Gross International Reserves (GIR) <sup>1</sup>	502.6	416.6	413.5	407.9
Import covers (In Month) <sup>†</sup>	3.9	2.0	2.2	2.9

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The stock of total deposits converted to Liberian dollars fell by 2.5 percent to L\$215.72 billion (23.1 % of GDP) at end July 2024, from L\$ 221.25 billion (23.9% of GDP) at end June 2024, induced by 2.8 percent and 4.1 percent decrease in both USD and LRD deposits respectively. The year-on-year comparison showed total deposits expanded by 23.3 percent, exclusively triggered by US dollar deposits.

**Table 2: Monetary Aggregates Statistics**

Monetary Aggregates	July-23	May-24	June-24	July-24
	<i>In Millions of LD; Except Otherwise Indicated</i>			
<b>ASSETS</b>				
Net Foreign Assets (NFA)	24,686.93	27,139.27	27,324.87	30,923.78
Net Domestic Assets (NDA)	174,456.38	209,010.06	219,131.83	210,230.99
Domestic Credits	247,697.12	295,764.33	306,968.98	296,971.13
Net Claims on Government	136,987.35	137,599.13	147,197.59	149,785.52
Claims on Private Sector	110,709.77	158,165.19	159,771.39	147,185.61
Other Items Net	-73,240.74	86,754.26	87,837.15	86,740.14
<b>LIABILITIES</b>				
Broad money (M2)	199,143.30	236,149.34	246,456.70	241,154.76
Narrow Money (M1)	138,211.61	177,014.36	177,874.07	172,265.67
Liberian Dollars in Circulation	24,167.87	25,265.70	25,208.91	25,430.54
Currency in banks	114,043.74	151,748.65	152,665.16	146,835.13
Currency outside banks	60,931.70	59,134.98	68,582.63	68,889.10
Demand deposits	60,488.00	58,819.83	68,490.07	68,778.49
Quasi Money	443.69	315.14	92.56	110.61
Time & Savings deposits	199,143.30	236,149.34	246,456.70	241,154.76
Other deposits	138,211.61	177,014.36	177,874.07	172,265.67
	<b>MEMORANDUM</b>			
Broad money (M2) in LRD only	50,369.80	51,552.59	51,257.65	50,418.67
Money Supply (M1) in LRD only	41,302.10	42,471.04	41,964.07	40,967.64
<b>Loans to Private Sector</b>				
Commercial banks loans to private sector- USD	456.29	463.89	456.29	451.11
Commercial banks loans to private sector - LRD	5,843.42	5,724.46	5,843.42	5,712.44
<b>Demand Deposits of commercial banks</b>				
Demand deposits – USD	520.24	694.06	699.15	672.04
Demand deposits – LRD	17,134.23	17,205.34	16,755.16	15,537.10
Time & savings deposits – USD	276.48	257.01	304.90	304.12
Time & savings deposits – LRD	8,985.48	8,998.88	9,218.92	9,362.46
<b>Other Deposits**</b>				
Actual US\$ component of other deposits	1.94	1.20	0.09	0.11
Liberian \$ component of other deposits	82.22	82.66	74.66	88.57
Total Deposits (both USD & LRD) converted to LRD <sup>1</sup>	174,975.44	210,883.63	221,247.79	215,724.23
Liberian Dollar share of Broad Money (% of total Money Supply)	25.3%	21.8%	20.8%	20.9%

† - Reserves excluding ECF borrowing from the IMF;

\* - estimate/projection

\*\* - Other Deposits Including Official and Manager Checks;

### 4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

In July 2024, the CBL remained committed and continued the issuance of CBL bills with short tenors of 2-weeks, 1-month, and 3-months at an effective annual rate of 20.0 percent.

During the period under review, the total CBL bills issued increased by about 42.78 percent to L\$5,584.70 million from L\$3,911.31 million in the previous month. The total commercial banks' investments increased to L\$5,387.00 million from L\$3,676.14 million, while the total number of retail investments increased by about 12.36 percent to 100 from 89 in the previous month. The redemption of mature bills totaled L\$4,257.76 million. Consequently, the CBL bills operation recorded a net injection of L\$1,326.94 million and a total outstanding balance of L\$7,909.94 million. The Bank maintained its commitment to timely redemptions and provided regular updates on its website.

The CBL on behalf of the Government of Liberia issued Treasury bills valued at US\$8.09 million to settle promissory notes owed to financial institutions. The Liberian Dollars Treasury security stock reflects L\$8.2 billion with a past due debt of L\$483.7 million. Similarly, USD treasury securities stock increased to US\$149.54 million with a past-due obligation of US\$9.87 million.

With regards 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. Money market instruments such as Swaps and placements were traded during the month in the inter-bank market. 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).

Memo Items					
Government Revenue (% of GDP)	2.65	1.19	1.24	1.21	-
Government Expenditure (% of GDP)	0.47	1.44	0.99	1.45	-
Total Debt Stock (% of GDP)	49.97	53.60	53.97	54.06	-
NGDP (at Level)	4,390.00	4,771.00	4,771.00	4,771.00	-

Source: CBL calculation using MFDP's data

\*Projections

### 6.0 EXTERNAL SECTOR DEVELOPMENTS

#### 6.1 Merchandise Trade

Developments in the external sector showed that the merchandise trade deficit decreased by 91.1 percent in July 2024, from the deficit recorded in June, while total trade decreased by 20.8 percent. Trade deficit declined significantly to US\$ 3.21 million (0.1% of GDP), from US\$ 36.01 million (0.8% of GDP). Total merchandise trade decreased to US\$ 230.45 million (5.3% of GDP) from US\$290.91 million (6.7% of GDP) driven by a decrease in import payments.

Export earnings fell by 10.9 percent to US\$ 113.62 million (2.6% of GDP) in July 2024, from US\$ 127.45 million (2.9% of GDP) in June, induced by a reduction in receipts from gold and iron ore exports. Payments for merchandise imports dropped by 28.5 percent to US\$ 116.83 million (2.7% of GDP), from US\$ 163.46 million (3.8% of GDP) recorded in June, due chiefly to a noticeable drop in payments for minerals food and live animals, fuel, lubricants, mainly petroleum.

Recurrent expenditure expanded by 47.0 percent to US\$69.2 million (1.5 percent of GDP) on account of expansions in employees' compensation and goods & services spending, amidst a reduction in payments on loans, interest & other charges. However, the fiscal operations reported a reduction in capital expenditure.

## 5.2 Total Public Debt

The stock of public debt at end-July 2024 slightly increased by 0.2 percent to US\$2,579.4 million (54.1 percent of GDP), from US\$2,574.9 million (54.0 percent of GDP) at the end of the preceding month. The slight increase reflects a 0.3 percent increase in external debt with no change in domestic debt. External and domestic debt stocks amounted to US\$1,501.5 million (31.5 percent of GDP) and US\$1,077.8 million (22.6 percent of GDP), respectively, at end-July 2024.

**Table 5. GOL's Fiscal Operations Statistics**

Fiscal Operations	Jul-23	May-24	Jun-24	Jul-24	M-O-M
	(Millions of USD)				(% Change)
<b>Government Revenue</b>	<b>116.29</b>	<b>56.61</b>	<b>58.98</b>	<b>57.71</b>	(2.15)
<i>Tax Revenue</i>	<i>44.54</i>	<i>45.42</i>	<i>51.31</i>	<i>48.68</i>	(5.12)
o/w Taxes on Income & Profits	19.99	21.30	21.81	28.09	28.78
o/w Taxes on Int'l Trade (Customs)	14.23	17.80	17.68	14.56	(17.64)
<i>Non-tax Revenue</i>	<i>6.75</i>	<i>11.19</i>	<i>7.67</i>	<i>9.02</i>	<i>17.70</i>
o/w Property Income	5.32	8.96	6.19	6.75	8.98
o/w Administrative Fees & Penalties	1.43	2.23	1.48	2.28	54.26
<i>Other Revenue (Including Grants)</i>	<i>65.00</i>	-	-	-	-
<b>Government Expenditure</b>	<b>20.80</b>	<b>68.51</b>	<b>47.12</b>	<b>69.35</b>	47.16
<b>Recurrent Expenditure</b>	<b>20.16</b>	<b>67.32</b>	<b>47.04</b>	<b>69.15</b>	46.99
o/w Compensation	10.95	35.02	21.61	32.66	51.11
o/w Goods and Services	5.29	15.01	11.41	20.81	82.33
o/w Payments on Loans, interest & other charges	0.18	5.08	5.49	3.92	(28.63)
<b>Capital Expenditure</b>	<b>0.64</b>	<b>1.19</b>	<b>0.08</b>	<b>0.19</b>	147.12
<b>Overall Balance (Surplus+; Deficit -)</b>	<b>95.49</b>	<b>(11.90)</b>	<b>11.86</b>	<b>(11.64)</b>	
<b>Total Debt Stock</b>	<b>2,193.89</b>	<b>2,557.49</b>	<b>2,574.89</b>	<b>2,579.35</b>	<b>0.17</b>
<b>Domestic Debt</b>	<b>950.33</b>	<b>1,072.05</b>	<b>1,077.86</b>	<b>1,077.81</b>	<b>(0.01)</b>
<b>o/w Financial Institutions</b>	<b>822.64</b>	<b>940.78</b>	<b>940.78</b>	<b>945.51</b>	<b>0.50</b>
<b>o/w Other Debts</b>	<b>127.69</b>	<b>131.27</b>	<b>137.08</b>	<b>132.30</b>	<b>(3.49)</b>
<b>External Debt</b>	<b>1,259.03</b>	<b>1,497.03</b>	<b>1,501.54</b>	<b>1,501.56</b>	<b>0.00</b>
<b>o/w Multilateral</b>	<b>1,131.41</b>	<b>1,345.45</b>	<b>1,355.74</b>	<b>1,360.25</b>	<b>0.33</b>
<b>o/w Bilateral</b>	<b>112.14</b>	<b>115.42</b>	<b>113.47</b>	<b>113.47</b>	<b>-</b>

**Table 3: Financial Market and Interest Rates Statistics**

Market Instruments (CBL indexed Bills)	July-23	May-24	June-24	July-24
	<i>(In Millions of Liberian Dollar)</i>			
Bills Purchased per month on an EAR basis	6,725.29	7,028.00	3,911.31	5,584.70
Redemption during the month (EAR basis)	6,725.29	7,289.00	4,773.87	4,257.76
<b>Bill Outstanding (EAR basis)</b>	<b>8,300.00</b>	<b>7,446.00</b>	<b>6,583.00</b>	<b>7,909.94</b>
Effective Annual Rate (EAR)	17.5	20	20	20
<b>Total Purchases (coupon rate &amp; EAR)</b>	<b>6,725.29</b>	<b>7,028.00</b>	<b>3,911.31</b>	<b>5,584.70</b>
<b>Total Redemption (coupon rate &amp; EAR)</b>	<b>6,725.29</b>	<b>7,289.00</b>	<b>4,773.87</b>	<b>4,257.76</b>
<b>Total Outstanding Bills (coupon rate &amp; EAR)</b>	<b>8,300.00</b>	<b>7,446.00</b>	<b>6,583.00</b>	<b>7,909.94</b>
<b>Treasury Securities</b>	<b><i>(In Millions of Liberian Dollars)</i></b>			
T- Bills Issued (in LD)	0.00	0.00	0.00	0.00
T- Bills Redeemed (in LD)	0.00	0.00	0.00	0.00
T-Bills Outstanding	8,683.22	510.10	510.60	510.10
T-Bills total Stock		8,246.67	8,246.47	8,246.47
<b>Net Treasury Bills Operations^ withdrawal (+)/Injection (-)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Ave. Weighted Discount Rate (T-Bills)	10.00	10.00	10.00	10.00
T- Bills Issued (In USD)	0.00	0.00	0.00	8.096
T- Bills Redeemed (Principal or Interest) (In USD)	0.00	1.73	0.00	0.00
T-Bills Outstanding (Repayment principal)	110.82	1.28	1.28	9.136
Total debt stock	0.00	141.44	141.44	149.54
Ave. Weighted Discount Rate (T-Bills)	7.16	10.0	10.0	10.0
Treasury Bond Issued (in LD for 2 years)	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In LD)	0.00	0.00	0.00	0.00
Coupon Payment	0.00	0.00	0.00	0.00
Total debt stock	0.00	0.00	0.00	0.00
Early Redemption	0.00	0.00	0.00	0.00
Coupon rate (%)	0.00	0.00	0.00	0.00
Treasury Bond Issued	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)	37.18	0.00	0.00	0.00
Coupon Payments (USD)	9.32	0.00	0.00	0.00
Total debt stock	37.18	35.69	35.69	35.69
	<b><i>(As specified)</i></b>			
SDF rate (4.0%)	17.5	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%)	0.05	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00

<i>Interest Rates</i>	<i>(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 July 2024, the industry liquidity ratio increased by 9.56 percentage points to 53.98 percent compared to the 44.42 percent liquidity ratio reported in the preceding month. The industry liquidity ratio remained above the minimum regulatory requirement of 15.00 percent by 38.98 percentage points. The Capital Adequacy Ratio (CAR) decreased by 0.82 percentage points to 29.44 percent from the 30.26 percent recorded in the previous month. It remained above the minimum regulatory requirement of 10.00 percent by 19.44 percentage points. Additionally, the Return on Assets (ROA) increased by 0.37 percentage points from 1.67 percent to 2.04 percent, and the Return on Equity (ROE) increased by 2.55 percentage points, from 11.88 percent to 14.43 percent.

Total gross loans decreased by 1.30 percent to L\$97.64 billion in July 2024, from the L\$98.94 billion reported in the previous month, mainly attributed to a decrease in loans and advances extended to GOL (91.99%) and Extractive (18.91%) sectors. However, the ratio of non-performing loans to total loans slightly increased by 0.11 percentage points from 17.91 to 18.14 during the month under review. This means that the end-of-month NPL ratio of 18.14 percent exceeded the maximum regulatory threshold of 10.00 percent. The increase in NPLs was largely due to increases in defaulted facilities in the GOL (13.54%), and Agriculture (11.99%) sectors.

**Table 4: Selected Financial Soundness Indicators (FSIs)**

Financial Soundness Indicators	Jul. - 2023	May - 2024	Jun. - 2024	Jul - 2024
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	92.19	99.53	98.94	97,65
Total Non-performing Loans	15.17	17.68	17.91	18.14
Non-performing Loans to Total Gross Loans (ratio)	16.46	17.77	18.03	18.14
Gross Loan (percent change)	3.46	3.67	(0.59)	(1.30)
Non-performing Loans (percent change)	5.78	-6.19	1.30	1.28
Returns on Assets (ROA)	1.33	1.37	1.67	2.04
Returns on Equity (ROE)	9.64	9.99	11.88	14.43
Liquidity Ratio***	41.00	44.08	44.42	53.98
Capital Adequacy Ratio (CAR)****	19.18	30.26	30.26	29.44

Source : CBL

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

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

#### 5.0 FISCAL SECTOR DEVELOPMENTS

##### 5.1 Total Revenue and Expenditure

Preliminary data on the Government of Liberia's (GOL) fiscal activity revealed a deficit in the Overall Balance (OB), on account of an increase in government expenditure amidst a minuscule reduction in government revenue. The deficit totaled US\$11.6 million (0.2 percent of GDP).

For the month ended July 2024, the fiscal operations recorded a slight reduction in GOL's revenue. The reduction in GOL's revenue was attributed to a decrease in tax revenue, despite the rise in non-tax receipts. Total revenue, for the month, amounted to US\$57.7 million (1.2 percent of GDP), decreasing by 2.2 percent from US\$59.0 million (1.2 percent of GDP) reported for June 2024. Tax revenue totaled US\$48.7 million (1.0 percent of GDP), decreasing by 5.1 percent compared to US\$51.3 million (1.0 percent of GDP). The decrease in tax revenue was driven by a reduction in international trade tax, notwithstanding the increase in income & profits tax. Non-tax revenue amounted to US\$9.0 million (0.2 percent of GDP), increasing by 17.7 percent, on account of increases in property income and administrative fees & penalties.

In contrast, the fiscal operations reported an increase in government expenditure. The GOL's total expenditure expanded by 47.2 percent to US\$69.4 million (1.5 percent of GDP) from US\$47.1 million (1.0 percent of GDP) in the previous month. The rise in GOL's expenditure mainly reflects an increase in recurrent expenditure.