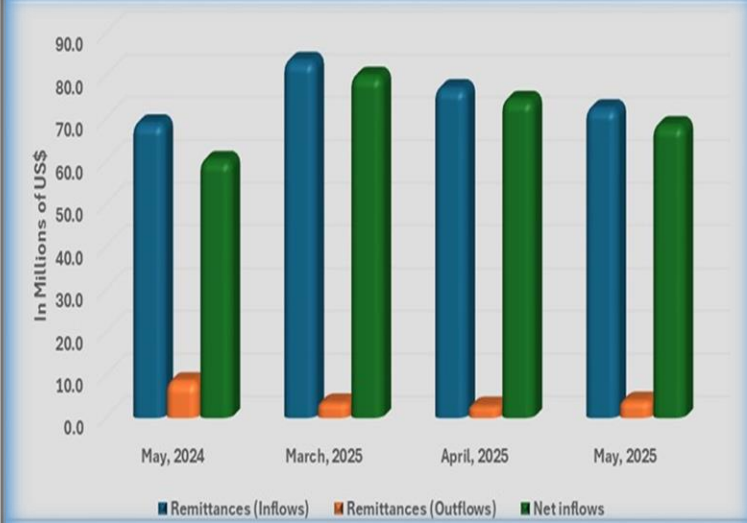


**MONTHLY ECONOMIC REVIEW
(MER)**



MAY 2025

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7.7 Rice

The price of rice reduced by 1.1 percent to US\$396.68 per metric ton in May 2025, down from US\$401.00 per metric ton in the preceding month. The price of rice plunged by 33.1 percent from US\$593.00 per metric ton a year ago.

7.8 Cocoa Beans

The price of cocoa beans improved by 10.4 percent in May 2025 to USD\$9,000.79 per metric ton, from US\$8,149.79 per metric ton in the previous month. The price of the commodity fell by 19.4 percent from a year ago, from US\$7,538.03 per metric ton.

7.9 Commodity Price Outlook

The global commodity market outlook of the International Monetary Fund suggests that commodity prices are expected to continue in a mixed trend in June 2025. Growing hostilities in the Middle East on the back of trade tensions among leading economies are the drivers of 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 decline in June 2025.

Table 8: Developments in Global Commodity Prices

GLOBAL PRICE	May - 2024	Mar. - 2025	Apr. - 2025	May - 2025		
					MoM	YoY
(Commodity price per Unit of Measure)						
Iron ore (US\$/MT)	118.88	100.10	97.24	100.27	3.1	(15.7)
Gold (US\$/Oz)	2,351.13	2,983.25	3,222.01	3,288.01	2.0	39.8
Rubber (US\$/MT)	2,153.90	2,363.70	2,125.00	2,194.40	3.3	1.9
Cocoa Beans (US\$/MT)	7,538.03	8,079.56	8,149.79	9,000.79	10.4	19.4
Palm oil (US\$/MT)	859.15	1,069.00	981.18	902.79	(8.0)	5.1
Crude oil (US\$/BBL)	81.45	70.70	66.34	63.30	(4.6)	(22.3)
Food Price Index (FAO) ¹	120.40	127.10	128.30	127.70	(0.8)	6.1
Rice_5% broken (US\$/MT)	593.00	410.00	401.00	396.68	(1.1)	(33.1)
Sugar (US\$/MT)	417.78	416.45	401.02	390.00	(2.7)	(6.6)
Commodity Price Index No ²	169.44	167.37	162.73	160.92	(1.0)	(5.0)

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

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1.0 INTRODUCTION

The Monthly Economic Review (MER) is 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 11, Number 05.

2.0 OVERVIEW

Production statistics for key commodities in May 2025 indicated increased output for most items, except for gold and cement, which recorded declines compared to April 2025. On a year-on-year basis, production of key commodities revealed mixed performances, with iron ore recording a significant increase in output. The trends were mainly driven by external demand, seasonal patterns, and adjustments in domestic supply chains.

Headline inflation as well as core inflation remained relatively stable during May 2025, each recording a marginal uptick of 0.1 percentage point compared to April 2025. The movement in consumer prices reflected rising costs in certain categories, which offset price declines in other components of the consumer basket.

The Central Bank of Liberia's (CBL) monetary policy stance continued to be anchored on price stability, emphasizing managing Liberian dollar liquidity. The Bank also continued to employ policy tools such as CBL bills for effective liquidity management within the banking system.

During the month, the (CBL) maintained a tight monetary policy stance to control inflationary pressures. Broad money supply (M2) grew by 0.6 percent to L\$ 281.36 billion, driven by an increase in net domestic assets, although net foreign assets declined. Meanwhile, the supply of Liberian dollars in circulation rose marginally by 0.8 percent to L\$35.06 billion, primarily driven by an increase in currency outside banks.

The stock of Commercial banks loans to private sector increased during the period, with both the Liberian dollar and US dollar-denominated components increasing by 2.9 percent and 3.1 percent to L\$5.89 billion (0.6% of GDP) and US\$503.5 million (9.8% of GDP), respectively.

7.1 Iron ore

Price of iron ore increased by 3.1 percent to US\$100.27 per metric ton, from US\$97.24 per metric ton in the previous month of April 2025. Looming trade tensions and supply disruptions caused the development in iron ore prices. The price declined by 15.7 percent twelve months ago, from US\$118.88 per metric ton in April 2024.

7.2 Gold

The price of gold rose by 2.0 percent to a record US\$3,288.01 per ounce in May 2025, from US\$3,222.01 per ounce in April 2025. Mounting geopolitical tensions and expectations of rising tariffs pushed the price of precious metals higher during the month. Annually, the price of gold grew by 39.8 percent, from US\$2,351.13 per ounce recorded in May 2024.

7.3 Crude oil (Petroleum) price

The price of petroleum dropped by 4.6 percent in May 2025, to US\$63.30 per barrel, from US\$66.34 per barrel in April 2025, on account of the OPEC+ decision to further unwind production. Crude price declined by 22.3 percent from twelve months ago, from US\$81.45 per barrel.

7.4 Rubber

Rubber price surged by 3.3 percent in May 2025, to US\$2,194.40 per metric ton from US\$2,125.00 per metric ton recorded in April 2025. This sustained price strength was primarily driven by weather-related supply issues, including limited rainfall in Southeast Asia, partially linked to El Niño, which is nearing its end. The price of rubber improved by 1.9 percent from US\$2,153.90 per metric ton in May 2024.

7.5 Sugar

The price of sugar fell by 2.7 percent to US\$390.00 per metric ton in May 2025, down from US\$401.02 metric ton recorded in the previous month. Annually, the price of sugar fell by 6.6 percent from US\$417.78 per metric ton a year ago.

7.6 Palm oil

The price of palm oil slumped by 8.0 percent in May 2025 to US\$902.79 per metric ton from US\$981.18 per metric ton in the previous month, on account of weak demand from the biofuels sector and climate conditions. A corresponding period analysis showed that the price of palm oil improved by 4.9 percent, from US\$935.69 per metric ton in May 2024.

A year-on-year comparison indicated that almost all currencies in the Zone depreciated against the United States dollar except the Ghana cedi, recording an appreciation of 10.9 percent. The appreciation of the Ghana cedi was attributed to domestic policy measures which include the new “GoldBod” initiatives.

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

Rate & Currency	May - 2024	Mar. - 2025	Apr. - 2025	May - 2025	Appr (+)/Depr (-)	
					MoM	YoY
Exchange Rate	LD/USD				Percent Change	
	Currency per USD					
GHC	13.70	14.79	15.32	12.36	24.0	10.9
GMD	67.38	67.06	70.24	70.564	-0.5	-4.5
GNF	8,505.85	8,198.59	8,613.98	8,624.00	-0.1	-1.4
LRD	193.50	199.22	199.66	199.51	0.1	-3.0

NGN	1,415.59	1,453.07	1,589.67	1,596.25	-0.4	-11.3
SLL	22.63	21.59	22.65	22.66	0.0	-0.1
End of Period						
	LRD	193.82	199.76	199.58	199.24	0.2

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 (CPI) includes both Fuel and Non-Fuel Price Indices, reduced marginally in May 2025, from the revised average of US\$162.7 in the previous month, induced by growing uncertainty and market sentiment. The Food and Agriculture Organization (FAO) Food Price Index (FFPI) averaged 127.7 in May 2025, a 1.0 percent decrease from the revised average for the previous month. Declines in cereals, sugar, and vegetable oils offset increases in dairy products and meat. Overall, the FFPI was 7.2 points (6.0 percent) higher than a year ago.

The stock of total deposits converted to Liberian dollar grew by 0.5 percent, primarily driven by the growth in demand deposits.

The banking sector remained compliant with regulatory standards, with a liquidity ratio of 44.99 percent, well above the 15 percent minimum requirement. The capital adequacy ratio (CAR) remained at 35.52 percent, same as in the previous month. Return on Assets (ROA) improved to 1.49 percent, while the Return on Equity (ROE) surged to 10.81 percent. However, the ratio of non-performing loans (NPLs) to total loans, though improved, remained elevated at 18.01 percent, 8.0 percentage points above the regulatory threshold of 10 percent.

Provisional statistics on the fiscal operations in May 2025 showed a deficit in the Overall Balance (OB), attributed to a decline in government revenue, offsetting the fall in government spending. The OB deficit amounted to US\$2.6 million (0.1 percent of GDP), from a surplus of US\$8.4 million (0.2 percent of GDP).

Public debt portfolio at end-May 2025 revealed a slight increase in public debt stock, on account of an uptick in domestic debt amidst a decrease in external debt stock.

Developments in the external sector during the month revealed that the merchandise trade deficit increased to US\$119.64 million, from US\$ 76.97 million in April 2025, while total trade rose by 9.5 percent, primarily driven by increased import payments.

Gross international reserves (GIR) declined by 1.0 percent to US\$537.2 million, covering 1.9 months of imports cover, remaining below the ECOWAS benchmark of 3.0 months. The Liberian dollar per US dollar exchange rate showed relative stability, attributed to the Bank’s tight monetary policy stance coupled with positive market sentiments

Net inflows of personal remittances fell by 7.9 percent, on account of decline in inward remittance coupled with an increase in outward of remittances during the month.

3.0 REAL SECTOR & PRICE DEVELOPMENTS

3.1 Production Analyses of Key Commodities

Production statistics for key commodities in May 2025 indicated increased output for most items, except for gold and cement, which recorded declines compared to April 2025. Output of iron ore, diamond, rubber, and total beverages (alcoholic & non-alcoholic) increased during the reviewed period, with diamond and rubber recording notable increases. On a year-on-year basis, the production of key commodities showed mixed performances, with iron ore recording a significant increase in output. The trends were mainly driven by external demand, seasonal patterns, and adjustments in domestic supply chains.

In the mining subsector, iron ore output rose by 36.2 percent to 1,233,000 metric tons in May 2025, from 905,000 metric tons recorded in April 2025. The increase in output was largely due to sustained global demand for steel coupled with favorable export prices. When compared to the corresponding period in 2024, iron ore production more than doubled, expanding by 183.4 percent, reflecting strong external demand and improved shipping logistics. The year-on-year expansion was largely driven by inventory build-up as producers took advantage of favorable market conditions and increased global demand expectations.

Gold production declined by 4.3 percent to 39,570 ounces in May 2025, down from 41,349 ounces in the previous month. The fall in gold output was attributed to reduced artisanal mining activity, partly due to the rainy season. When compared to the same period a year ago, gold production increased by 30.9 percent, driven by favorable international gold prices and increased investment in small-scale mining operations. Diamond output grew significantly by 202.6 percent to 6,352 carats in May 2025, from 2,099 carats recorded in April 2025. The increase in diamond production was due to the reopening of mining sites and improved demand conditions in key export markets. On a year-on-year basis, diamond output declined by 30.1 percent, reflecting structural challenges in the subsector, including limited capital investment and fluctuating global demand.

In the agriculture subsector, rubber production rose sharply by 120.5 percent to 5,092 metric tons in May 2025, from 2,309 metric tons in the previous month. The improvement reflected a temporary recovery in harvesting activities by large producers and smallholders coupled with favorable weather conditions. However, when compared to the corresponding period in 2024, rubber production declined by 17.0 percent, due to factors such as weak global demand, adverse weather conditions, and aging plantations.

In the manufacturing subsector, cement output declined by 8.2 percent to 53,640 metric tons in May 2025,

6.2 Direction of Trade (DOT)

The major destination of Liberia's exports in May 2025 was Europe, which accounted for an enormous worth of the export proceeds, amounting to US\$144.0 million (87.8% of total proceeds), of which Switzerland accounted for US\$98.4 million or 68.3 percent. Asia was the predominant region for the sources of imports to Liberia, accounting for more than half of the total imports, with imports from India representing the largest share of the Country's import from Asia.

6.3 Personal Remittances

Personal remittances net inflows fell by 7.9 percent to US\$68.48 million (1.4 percent of GDP) in May 2025, compared to US\$74.39 million (1.5 percent of GDP) in April 2025, on account of decline in inward remittance coupled with an increase in money remitted outward during the month. Inward remittances dropped by 6.1 percent to US\$72.42 million, reflecting a decline in personal worker remitted through both banks and mobile wallet, while outward remittances grew strongly by 43.8 percent to US\$3.94 million.

6.4 Gross International Reserves

Gross international reserves (GIR) declined by 1.3 percent to US\$537.2 million at end-May 2025, from US\$544.5 million at the end of the previous month. This decrease was attributed to reduction in foreign liquid assets and Special Drawing Rights (SDR) holdings. As a result, the GIR in months of import cover fell to 1.8 months, down from 2.1 months, remaining below the ECOWAS minimum regional threshold of 3.0 months (Table 5).

6.5 Exchange Rate Developments

The exchange rate development showed relative stability during the review month, largely on account of the Bank's tight monetary policy stance coupled with positive market sentiments. The Liberian dollar appreciated marginally vis-à-vis the US dollar on both period average (PA) and end-of-period (EOP) basis by 0.1 percent and 0.2 percent, to L\$199.51/US\$1.00 and L\$199.24/US\$1.00, respectively.

From the regional front, the average monthly exchange rates of currencies of the West Africa Monetary Zone (WAMZ) were mostly relatively stable against the United States dollar. The Ghana cedi was the best performing currency within the WAMZ during the period, recording an appreciation of 24.0 percent against the United States dollar.

Personal Remittances				
Inflows	68.91	83.52	77.12	72.42
Outflows	8.58	3.50	2.74	3.94
Net flows	60.33	80.02	74.39	68.48
Direction of Trade (DOT)				
Destination of Export	89.9	151.52	166.1	164.1
Africa	5.5	1.1	0.5	5.9
o/w ECOWAS	1.9	0.0	0.5	5.1
o/w Neighboring Countries	0.6	0.0	0.4	5.1
Asia	4.1	6.3	9.4	9.8
o/w The Middle East	3.5	0.7	1.0	7.4
o/w United Arab Emirate	3.0	0.4	0.9	0.0
then China	0.0	3.8	0.0	0.0
Europe	76.8	138.6	152.8	144.0
o/w Euro Zone	3.5	-	-	-
o/w The United Kingdom	3.5	-	-	-
Switzerland	56.1	82.3	113.6	98.4
North America & The Caribbean	3.5	2.6	3.2	4.1
o/w USA	3.5	2.8	3.4	4.3
Sources of Import (cif)	185.15	156.43	243.02	283.76
Africa	67.77	50.79	66.20	46.10
o/w ECOWAS	61.69	43.27	60.69	38.24
o/w Neighboring Countries	62.19	43.68	60.99	36.73
o/w Cote D Ivoire	59.53	41.21	58.52	36.63
Asia	88.41	82.42	138.77	206.13
o/w The Middle East	9.11	3.12	9.26	6.11
o/w United Arab Emirate	1.80	1.15	3.67	1.02
o/w China	23.06	25.72	31.48	54.13
o/w India	41.85	14.74	48.22	102.52
Europe	15.08	12.16	23.58	16.67
o/w Europe Zone	10.52	8.98	19.14	13.90
o/w The United Kingdom	1.07	0.66	1.16	0.64
o/w Spain	1.19	1.10	1.81	0.86
North America & The Caribbean	6.18	7.06	7.84	7.24
o/w USA	4.83	4.37	6.96	5.16
South & Central America	7.47	3.73	5.40	6.24
o/w Brazil	4.11	3.31	4.24	4.51
o/w Argentina	2.66	0.02	0.35	0.30
Oceania	0.24	0.28	1.23	1.39
o/w Australia	0.11	0.03	1.11	1.30

down from 58,418 metric tons reported in the previous month. The decrease in output was attributed to a slowdown in construction activities during the month under review.

When compared with the corresponding period a year ago, cement production fell by 19.8 percent, from 66,853 metric tons in May 2024, reflecting decline in both public and private sectors' construction projects coupled with challenges associated with the cost of production inputs.

Conversely, total beverage production rose by 17.3 percent to 4.0 million liters in May 2025, up from 3.4 million liters in April 2025. The increase was driven primarily by 29.1 percent expansion in non-alcoholic beverage production, supported by rising temperatures and seasonal consumption patterns. Alcoholic beverage production rose modestly by 2.0 percent, indicating steady demand in urban areas. However, the corresponding analysis reported that total production of beverages declined by 8.0 percent, down from 4.4 million liters. This decline was mainly due to a 12.6 percent drop in non-alcoholic beverages, reflecting changing consumer preferences and increased competition from imported products. Meanwhile, alcoholic beverage production remained relatively stable, increasing slightly by 0.8 percent year-on-year.

3.2 Consumer Prices

Headline inflation remained relatively stable at 11.7 percent in May 2025, reflecting a marginal uptick of 0.1 percentage point from the 11.6 percent recorded in April 2025. The slight upward movement was primarily driven by increases in the price levels of restaurants and hotels (up by 1.4 percentage points), furnishings and household maintenance (up by 0.2 percentage points), and food and non-alcoholic beverages (up by 0.2 percentage points). These increases were partially offset by declines in miscellaneous goods and services (down by 1.8 percentage points), communication (down by 1.7 percentage points), recreation and culture (down by 1.1 percentage points), and transport (down by 0.8 percentage points).

On a month-on-month basis, headline inflation stood at 0.2 percent in the month under review, from the deflation of 0.8 percent recorded in April 2025. The slight uptick in inflation was largely driven by moderate increases in the prices of food and non-alcoholic beverages, alcoholic beverages, tobacco and narcotics, and furnishings, household equipment and routine household maintenance.

Core inflation¹ (headline inflation, less food and transport) remained relatively stable at 15.9 percent in May 2025, reflecting a marginal increase of 0.1 percentage point from 15.8 percent in April 2025. The slight uptick in core inflation was driven by moderate increases in the prices of restaurants and hotels, furnishings and household maintenance, as well as alcoholic beverages, tobacco and narcotics.

Table 1: Production and Price Statistics

Production	May - 2024	Mar. - 2025	Apr. - 2025	May - 2025
	(In Metric ton, Ounce, Carat and Liter)			
Iron Ore (Metric ton)	435,000	435,000	905,000	1,233,000
Gold (Ounces)	30,226	32,912	41,349	39,570
Diamond (Carat)	9,083	3,027	2,099	6,352
Rubber (Metric ton)	6,135	4,948	2,309	5,092
Cement (Metric ton)	66,853	58,529	58,418	53,640
Total Beverages (liter)	4,351,122	3,357,309	3,411,896	4,002,576
Alcoholic	1,499,883	1,279,232	1,481,767	1,511,325
Non-Alcoholic	2,851,239	2,078,077	1,930,128	2,491,251
Inflation	(In percent)			
Overall (Y-o-Y) Rate of Inflation	6.2	12.4	11.6	11.7
a. Food and Non-alcoholic Beverage Inflation	12.8	9.1	7.5	7.7
- Domestic Food Inflation	19.7	8.3	5.6	7.2
- Imported Food Inflation	7.4	10.1	9.5	8.3
b. Transport Inflation	6.7	0.6	0.1	-0.8
c. Imported Fuels Inflation	14.1	-1.5	-1.8	-1.3
Overall (M-o-M) Rate of Inflation	0.1	-0.7	-0.8	0.2
Core Inflation				
Inflation excluding Food & NAB ^{/1}	3.4	14.0	13.6	13.6
Inflation excluding Imported Food	6.0	12.9	12.1	12.4
Inflation excluding Domestic Food	3.9	13.6	13.1	12.8
Inflation excluding Food and Transport	2.9	16.1	15.8	15.9
Real Gross Domestic Product (RGDP) (in millions of US\$)(in millions of US\$)	3,725.5	3,934.1	3,934.1	3,934.1
Nominal (NGDP) (in millions US\$)	4,787	5,126	5,126	5,126
RGDP growth (in percent)	4.8	5.6	5.6	5.6

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

Monetary Policy Stance of CBL

The Central Bank of Liberia (CBL) during the review period maintained a tight monetary policy stance, aimed at curbing inflationary pressures. The Bank also continued to employ policy tools such as CBL bills for effective liquidity management within the banking system.

Table 6: External Sector Statistics

External Trade (Value)	Apr-24	Feb-25	Mar-25	Apr-25
	(Millions of US\$; Except Otherwise Indicated)			
Exports ^{/1}	89.94	151.52	166.05	164.12
Iron Ore	10.59	46.72	36.61	40.61
Rubber	11.15	15.49	5.53	5.74
Gold	58.80	82.66	114.34	105.19
Diamond	2.31	0.69	0.57	1.72
Cocoa Bean	0.58	1.00	0.30	-
Palm Oil	4.04	1.05	3.26	3.28
Other Commodities	2.47	3.90	5.43	7.58
Imports (CIF) ^{/1†}	185.15	156.43	243.02	283.76
Minerals, Fuel, Lubricants	69.10	50.00	66.39	49.58
o/w Petroleum Products	59.52	41.09	58.48	36.63
Food and Live Animals (incl. Animal and veg. oil)	54.03	21.50	58.52	112.10
o/w Rice	29.81	6.23	29.85	88.68
Machinery & Transport Equipment	31.46	44.21	63.54	73.92
Manufactured goods classified by materials	14.04	18.45	17.83	17.10
Other categories of imports	21.45	22.28	36.74	31.06
Trade Balance	(50.65)	(4.91)	(76.97)	(119.64)
Total Trade	277.19	307.55	409.07	447.88
External Trade (Volume)				
Rubber (MT)	6,135.45	5,212.20	2,533.34	2,441.48
Iron Ore (MT)	195,468.36	773,603.00	758,091.00	767,441.00
Cocoa Beans (MT)	-	1,000	100	0.02
Palm Oil (MT)	-	966.00	3,321.26	5,402.20
Gold (Oz)	30,225.65	32,911.70	1,235.41	1,121.70
Diamond (Crt)	9,082.51	3,027.06	2,098.79	6,352.31
Petroleum Products (MT)	6,022	14,326	20,030	12,760
Rice (MT)	50,266.80	15,194.63	74,435.21	223,543.89
Other Indicators				
Net Foreign Reserves Position	202.80	243.73	254.62	250.03
Import (FOB)	172.79	146.22	224.72	256.82
Gross International Reserves (GIR) [/]	455.54	526.32	544.55	537.20
Import covers (In Month) [†]	2.1	2.9	2.1	1.8

Source: CBL

<i>o/w Financial Institutions</i>	940.78	950.35	948.97	945.85	(0.33)
<i>o/w Other Debts</i>	131.27	126.35	120.21	129.91	8.06
External Debt	1,484.68	1,580.18	1,607.45	1,602.02	(0.34)
o/w Multilateral	1,344.68	1,449.33	1,476.61	1,471.17	(0.37)
o/w Bilateral	115.42	103.02	103.02	103.02	-

Memo Items					
Government Revenue (% of GDP)	1.19	1.36	1.58	1.23	-
Government Expenditure (% of GDP)	1.43	1.28	1.41	1.28	-
Total Debt Stock (% of GDP)	53.41	51.83	52.22	52.24	-
NGDP (at Level)	4,787.29	5,125.65	5,125.65	5,125.65	-

Source: CBL calculation using MFDP's data

*Projections

6.0 EXTERNAL SECTOR DEVELOPMENTS

6.1 Merchandise Trade

Developments in the external sector revealed that the merchandise trade deficit increased to US\$119.64 million in May 2025, from US\$ 76.97 million in April 2025, while total trade rose by 9.5 percent. Total merchandise trade rose to US\$447.88 million (8.9 percent of GDP) from US\$409.07 million (8.1 percent of GDP), primarily driven by increased import payments.

Export earnings declined by 1.2 percent to US\$164.1 million (3.3 percent of GDP) in May 2025, from US\$166.1 million (3.3 percent of GDP) in the previous month. The drop was attributed to a reduction in export receipts from gold. Payments for merchandise imports increased by 16.8 percent to US\$283.76 million (5.6 percent of GDP), up from US\$243.02 million (4.8 percent of GDP) in April 2025. This development was caused by a significant rise in payments for food and live animals, particularly payments for rice.

Monetary Aggregates

At end-May 2025, Monetary Aggregates revealed that broad money supply (M2) grew by 0.6 percent to L\$ 281.36 billion, up from L\$279.82 billion at the end of the previous month. The growth in M2 was on account of a 3.2 percent rise in net domestic assets (NDA) despite the 11.6 percent decline in net foreign assets (NFA).

Similarly, Narrowed Money Supply (M1) increased by 1.6 percent to L\$ 204.86 billion, up from L\$201.72 billion in the preceding month. This expansion was driven by a 1.7 percent rise in demand deposits and a 0.9 percent increase in currency outside banks. In contrast, quasi money declined by 2.0 percent during the month, largely reflecting decreases of 0.9 percent in time and saving deposits and 88.8 percent decrease in other deposits.

Meanwhile, the supply of Liberian dollars in circulation increased marginally by 0.8 percent to L\$35.06 billion at end-May 2025, from L\$34.79 billion at the end of the preceding month. The surge was solely driven by a 0.9 percent increase in currency outside banks, while currency held in banks declined by 1.0 percent.

The stock of commercial banks loans to private sector denominated in Liberian dollars surged by 2.9 percent to L\$5.89 billion (0.6% of GDP), up from 5.73 billion (0.6% of GDP) in the past month. This development was on account of increased loans and advances extended to the agriculture subsector (by 89.4%), services subsector (by 14.4%), trade subsector (by 5.3%), extractive subsector (by 1.8%), and construction subsector (by 0.5%).

Additionally, the US dollars component of commercial banks loans to the private sector rose by 3.1 percent to US\$503.5 million (9.8% of GDP), up from US\$488.3 million (9.5% of GDP) in the previous month. this growth was driven by increased lending to the manufacturing subsector (up10.6%), trade subsector (up 9.6%), oil & gas subsector (up 1.2%) and others subsector (up 8.0%).

At end May 2025, total deposits converted to Liberian dollars grew by 0.5 percent to L\$248.54 billion (24.3% of GDP), from 247.28 billion (24.2% of GDP) at end April 2025. The increase was primarily driven by a 1.7 percent rise in demand deposits, while the contraction in both time and saving deposits as well as other deposits had no significant impact on the overall growth in total deposits.

Table 1: Monetary Aggregate
(Amount in millions of LRD, unless otherwise indicated)
May 2024; & March -May 2025

Monetary Aggregates	May-24	Mar-25	Apr-25	May-25
	<i>In Millions of LD; Except Otherwise Indicated</i>			
ASSETS				
Net Foreign Assets (NFA)	27,251.23	42,923.19	43,245.48	37,143.16
Net Domestic Assets (NDA)	209,359.13	227,593.03	236,571.21	244,216.75
Domestic Credits	296,200.38	326,626.32	336,057.23	351,843.90
Net Claims on Government	137,525.72	162,738.28	160,799.96	166,875.54
Claims on Private Sector	158,674.66	163,888.04	175,257.27	184,968.36
Other Items Net	(86,841.25)	(99,033.29)	(99,486.02)	(107,627.15)
LIEBILITIES				
Broad money (M2)	236,610.36	270,516.22	279,816.69	281,359.91
Narrow Money (M1)	177,385.99	194,526.92	201,719.43	204,858.43
Liberian Dollars in Circulation	25,197.95	31,855.08	32,532.97	32,822.85
Currency in banks	152,188.04	162,671.83	169,186.46	172,035.57
Currency outside banks	59,224.37	75,989.30	78,097.26	76,501.48
Demand deposits	58,909.22	75,806.28	77,120.58	76,392.16
Quasi Money	315.14	183.03	976.68	109.32
Time & Savings deposits	236,610.36	270,516.22	279,816.69	281,359.91
Other deposits	177,385.99	194,526.92	201,719.43	204,858.43
MEMORANDUM				
Broad money (M2) in LRD only	51,359.38	61,374.17	62,590.41	63,854.05
Money Supply (M1) in LRD only	42,247.84	50,527.26	51,687.59	52,783.83
Loans to Private Sector				
Commercial banks loans to private sector- USD	463.89	487.10	488.27	503.51
Commercial banks loans to private sector - LRD	5,724.46	5,764.55	5,726.60	5,891.60
Demand Deposits of commercial banks				
Demand deposits – USD	697.13	720.87	751.73	763.37
Demand deposits – LRD	17,049.89	18,672.18	19,154.63	19,960.98
Time & savings deposits – USD	257.32	325.92	332.38	328.32
Time & savings deposits – LRD	9,028.88	10,701.67	10,782.62	10,986.40
Other Deposits**				
Actual US\$ component of other deposits	1.20	0.19	4.29	0.13
Liberian \$ component of other deposits	82.66	145.23	120.19	83.82
Total Deposits (both USD & LRD) converted to LRD ¹	211,412.41	238,661.14	247,283.72	248,537.06
Liberian Dollar share of Broad Money (% of total Money Supply)	21.7%	22.7%	22.4%	22.7%

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

* - estimate/projection

** - Other Deposits Including Official and Manager Checks;

The reduction in spending was attributed to development in recurrent expenditure, particularly goods and services spending. Recurrent expenditure fell by 10.8 percent to US\$61.3 million (1.2 percent of GDP), due to a decrease in goods & services spending, despite increases in both payments on loans, interest & other charges and employees' compensation.

5.2 Total Public Debt

A review of Liberia's public debt portfolio at end-May 2025 revealed a slight increase in public debt on account of an uptick in domestic debt amidst a decrease in external debt stock. Hence, the stock of public debt rose by less than a percent to US\$2,677.8 (52.2 percent of GDP), from US\$2,676.6 (52.2 percent of GDP). The stock of domestic debt increased by 0.6 percent to US\$1,075.8 million (21.0 percent of GDP), while the stock of external debt fell by 0.3 percent to US\$1,602.0 million (31.3 percent of GDP).

Table 5. GOL's Fiscal Operations Statistics

Fiscal Operations	May-24	Mar-25	Apr-25	May-25	M-O-M
	(Millions of USD)				(% Change)
Government Revenue	56.93	69.91	80.76	63.26	(21.67)
Tax Revenue	44.66	55.46	67.72	53.27	(21.34)
o/w Taxes on Income & Profits	20.24	32.00	41.01	23.92	(41.68)
o/w Taxes on Int'l Trade (Customs)	18.05	16.99	19.44	24.56	26.34
Non-tax Revenue	12.27	14.45	13.04	9.99	(23.41)
o/w Property Income	9.18	7.19	10.74	7.68	(28.52)
o/w Administrative Fees & Penalties	3.09	2.30	2.30	2.31	0.49
Other Revenue (Including Grants)	-	-	-	-	-
Government Expenditure	68.52	65.51	72.50	65.81	(9.24)
Recurrent Expenditure	67.33	52.87	68.73	61.30	(10.81)
o/w Compensation	34.96	19.74	25.44	26.18	2.91
o/w Goods and Services	15.08	13.36	20.52	13.62	(33.64)
o/w Payments on Loans, interest & other charges	5.08	10.40	11.81	12.31	4.23
Capital Expenditure	1.19	12.64	3.77	4.50	19.41
Overall Balance (Surplus+; Deficit -)	(11.59)	4.40	8.26	(2.55)	
Total Debt Stock	2,556.72	2,656.88	2,676.63	2,677.78	0.04
Domestic Debt	1,072.05	1,076.70	1,069.18	1,075.76	0.62

Table 4: Selected Financial Soundness Indicators (FSIs)

Financial Soundness Indicators	May-2024	Mar. - 2025	Apr.2025	May-2025
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	101.77	106.18	108.44	113.42
Total Non-performing Loans	17.74	24.35	24.23	20.43
Non-performing Loans to Total Gross Loans (ratio)	17.43	22.94	22.43	18.01
Gross Loan (percent change)	3.70	(0.16)	2.12	4.59
Non-performing Loans (percent change)	(1.83)	3.04	(0.49)	3.83
Returns on Assets (ROA)	1.27	0.89	1.17	1.49
Returns on Equity (ROE)	9.01	6.46	8.66	10.81
Liquidity Ratio***	44.11	53.05	51.69	44.99
Capital Adequacy Ratio (CAR)****	31.31	31.46	35.52	35.52

Source : CBL

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

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

5.0 FISCAL SECTOR DEVELOPMENTS

5.1 Total Revenue and Expenditure

Provisional statistics on the fiscal operations in May 2025 showed a deficit in the Overall Balance (OB), attributed to a decline in government revenue, offsetting the fall in government spending. The overall balance deficit amounted to US\$2.6 million (0.1 percent of GDP), from a surplus of US\$8.4 million (0.2 percent of GDP).

Total revenue contracted by 21.7 percent to US\$68.3 million (1.3 percent of GDP), from US\$80.8 million (1.6 percent of GDP). The revenue contraction was attributed to falls in both tax and non-tax revenues. Tax revenue decreased by 21.3 percent, to US\$53.3 million (1.0 percent of GDP), largely attributed to a reduction in income & profits tax, notwithstanding the rise in international trade receipts. Taxes generated from international trade and income & profits totaled US\$24.6 million (0.5 percent of GDP) and US\$23.9 million (0.5 percent of GDP), respectively. In the same vein, non-tax revenue fell by 23.4 percent to US\$10.0 million (0.3 percent of GDP) due to a reduction in property income, outweighing the modest rise in administrative fees and property.

The fiscal operations, in the same token, recorded a decline in spending. Hence, total spending decreased by 9.2 percent to US\$765.8 million (1.3 percent of GDP), from US\$72.5 million (1.4 percent of GDP) in the preceding month.

4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

The CBL remained steadfast in its commitment to maintaining a tight monetary policy stance and enhancing liquidity management. The Bank continued issuing CBL bills with short tenors of 2 weeks, 1 month, and 3 months at the Monetary Policy Rate of 17.25 percent, alongside its regular and timely redemption of these instruments. This was complemented by an upper band of 250 basis points for the standing credit facility and a lower band of negative 750 basis points for the standing deposit facility to support effective monetary policy transmission.

During the review period, total CBL bills issued amounted to L\$19,167.48 million, representing a 49.5 percent decline from the preceding month. Of the total amount issued, commercial banks subscribed to 97.96 percent (L\$18,776.63 million), while retail investments accounted for 2.04 percent (L\$390.84 million). On the other hand, total redemptions rose by 46.3 percent to L\$19,033.54 million, up from L\$13,010.95 million in the previous month. The Bank thus recorded a net contraction of L\$133.94 million in May 2025.

Additionally, the value of Standing Deposit Facility (SDF) transactions processed during the period amounted to L\$15,364.28 million, marking a 39.2 percent decline from L\$25,264.66 million in the previous month.

The CBL, on behalf of the Government of Liberia (GoL), issued US\$2.25 million in US dollar-denominated securities in May 2025. While there were no interest or coupon payments made on US dollar securities during the month, the GoL paid L\$169.0 million toward outstanding Liberian dollar Treasury securities, reducing the total outstanding T-bills payment obligation by 15.7 percent to L\$906.0 million.

As of end-May 2025, total outstanding US dollar Treasury securities and promissory notes amounted to US\$2.9 million and US\$3.2 million, respectively. The combined stock of US dollar Treasury securities and promissory notes stood at US\$174.1 million, while the stock of Liberian dollar Treasury securities declined to L\$8,018.29 million.

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, respectively. In interbank operations, commercial banks continued to engage in non-interest-bearing swap transactions to ease liquidity disparities among institutions, both for international and domestic transactions.

Table 2: Financial Market and Interest Rates Statistics
May 2024; & March - May 2025

Market Instruments (CBL Bills)	May - 2024	Mar. - 2025	Apr. - 2025	May - 2025
	<i>(In Millions of Liberian Dollar)</i>			
Bills Purchased per month on EAR basis	7,028.00	14,299.81	12,821.05	19,167.48
Redemption during the month (EAR basis)	7,289.00	14,424.47	13,010.95	19,033.54
Bill Outstanding (EAR basis)	7,446.00	13,346.27	11,377.28	11,607.31
Effective Annual Rate (EAR)	20.00	17.00	17.25	17.25
Total Purchases (coupon rate & EAR)	7,028.00	14,299.81	12,821.05	19,167.48
Total Redemption (coupon rate & EAR)	7,289.00	14,424.47	13,010.95	19,033.54
Total Outstanding Bills (coupon rate & EAR)	7,446.00	13,346.27	11,377.28	11,607.31
Treasury Securities	<i>(In Millions of Liberian Dollar)</i>			
T- Bills Issued (in LD)	0.00	0.00	0.00	0.00
T- Bills Redeemed (in LD)	0.00	0.00	0.00	169.00
T-Bills Outstanding	510.60	1,075.06	1,075.06	906.06
T-Bills total Stock		8,187.79	8,187.79	8,018.79
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
	<i>In Millions of USD</i>			
T- Bills Issued (In USD)	0.00	0.00	0.00	2.25
T- Bills Redeemed (Principal or Interest) (In USD)	1.73	1.17	0.00	0.00
T-Bills Outstanding (Repayment principal)	1.28	1.27	0.00	2.9
Promissory notes Outstanding (In USD)	-	-	-	3.2
Total debt stock	141.44	132.73	171.48	174.1
Ave. Weighted Discount Rate (T-Bills)	10.00	10.00	10.00	10.00
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

	<i>(As specified)</i>			
SDF rate	0.00	9.5	9.5	9.5
SDF Amount (In Millions LD)	0.00	21,778.09	27,014.22	15,364.28
Interest Rates	(In Percent)			
- Lending rate	12.44	12.44	12.44	12.44
Average Deposit rates				
-Savings	2.10	2.10	2.10	2.10
-Time	3.53	3.53	3.53	3.53
Money Markets Instrument (In percent)				
Repo	0.00	0.00	0.00	0.00
Swap lending	0.00	0.00	0.00	0.00

Source : CBL

[^] - with Liquidity Effect

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

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

4.4 BANKING SECTOR DEVELOPMENTS

The banking industry remained in compliance with the sector's regulatory requirements. For the month ended May 2025, the industry liquidity ratio decreased by 6.70 percentage points to 44.99 percent compared to the 51.69 percent reported in the previous month. The industry liquidity ratio remained above the minimum regulatory requirement of 15.00 percent by 29.99 percentage points. The Capital Adequacy Ratio (CAR) remained at 35.52 percent, as was reported in the previous month. Moreover, the CAR remained above the minimum regulatory requirement of 10.00 percent by 25.52 percentage points. On the other hand, the Return on Assets (ROA) improved to 1.49 percent while the Return on Equity (ROE) surged to 10.81 percent.

Total gross loans increased by 4.59 percent to L\$113.42 billion in May 2025, from the L\$108.44 billion reported in the previous month. The increase in aggregate credit portfolio was on account of increases in new facilities granted to the Manufacturing, Government and the Public Corporation sectors. On the other hand, the ratio of non-performing loans to total loans decreased by 4.42 percentage points to 18.01 percent, from 22.43 percent during the month under review. Despite the reduction in NPL, the end-of-month NPL ratio of 18.01 percent exceeds the maximum regulatory threshold of 10.00 percent tolerable limit. The decrease in NPLs was primarily due to adjustments made in the calculation of NPL.