



# CENTRAL BANK OF LIBERIA

## MONTHLY ECONOMIC REVIEW



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**The Monthly Economic Review is produced by the Central Bank of Liberia (CBL). Inquiries concerning this publication should be addressed to:**

**The Director**

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

**Ashmun & Lynch Streets, Monrovia, Liberia  
Contacts: +231-880-649103/886-246587/555-960556  
Email: [jkambo@cbl.org.lr](mailto:jkambo@cbl.org.lr)**

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## 7.8 Rice

The price for rice grew by 2.1 percent to US\$440.00 per metric ton, from US\$431.00 per metric ton in October mainly on account of supply constraints linked to the Russia-Ukraine war. On an annualized basis, the price of the commodity increased by 10.0 percent, from US\$400.00 per metric ton in November 2021.

## 7.9 Cocoa Beans

Cocoa beans price rose by 4.4 percent to US\$2,412.04 per metric ton, from US\$2,310.00 per metric ton in October. Compared to November 2021, the price of cocoa beans declined by 0.9 percent, from US\$2,390.00 per metric ton.

## 7.10 Commodity Outlook

Outlook of commodity prices will continue to be volatile in December 2022. Global economy slowdown prospect continues to cause volatility of commodity prices, particularly commodities for industrial material inputs for manufacturing output. Expectation of industrial output decline is keeping demand for the commodities on a downward trend on the global market.

World Bank Commodity Outlook forecasts for December 2022 showed that the price index for energy commodity (mainly crude oil, and coal, etc.) is expected to fall by 6.1 percent to US\$130.92 from US\$139.44 in November 2022. Price index for non-energy commodities including base metals and minerals (iron ore), agricultural products (beverages and food), raw materials (timber, and other raw materials), and fertilizers is expected to rise by 0.9 percent to US\$115.34, from US\$114.28; on account of impacts on global commodity prices from the Russia and Ukraine war, coupled with reflection of concerns over global food security deriving from the war that is affecting downward trend of prices of non-energy commodity prices.

**Table 8: Global Commodity Prices**

GLOBAL PRICE	Nov-21	Sept-22	Oct--22	Nov-22	Percent Change	
					MoM	YoY
	(In price per Unit of Measure)					
Iron ore (US\$/MT)	96.24	99.80	92.56	93.34	0.84	(3.01)
Gold (US\$/Oz)	1,821.76	1,680.78	1,664.45	1,725.07	3.64	(5.31)
Rubber (US\$/MT)	1,930.00	1,480.00	1,500.00	1,432.40	(4.51)	(25.78)
Cocoa Beans (US\$/MT)	2,390.00	2,290.00	2,310.00	2,412.04	4.42	0.92
Palm Oil (US\$/MT)	1,340.65	909.32	888.99	945.74	6.38	(29.46)
Crude Oil (US\$/BBL)	80.77	88.22	90.33	87.38	(3.27)	8.18
Food Price Index (FAO)	135.30	136.00	135.40	135.00	(0.30)	(0.22)
Rice_5% broken (US\$/MT)	400.00	439.00	431.00	440.00	2.09	10.00
Sugar (US\$/MT)	430.00	390.00	390.00	407.41	4.47	(5.25)
Commodity Price Index	183.85	219.04	199.11	181.00	(9.10)	(1.55)

*1/Commodity Food Price Index includes Cereal, Vegetable Oils, Meat, Seafood, Sugar, Bananas, and Oranges Price Indices*

## TABLE OF CONTENTS

	PAGE
<b>Introduction</b> .....	1
<b>Overview</b> .....	1-2
<b>Real Sector and Price Developments</b> .....	3-4
Production Analysis of Key Commodities .....	3
Consumer Prices .....	3
<b>Monetary Developments</b> .....	4
Monetary Policy Stance .....	4
Monetary Aggregates .....	4
<b>Financial Market Developments</b> .....	6
<b>Banking Sector Developments</b> .....	8
<b>Fiscal Sector Developments</b> .....	9
Total Revenue and Expenditure .....	9
Total Public Debt .....	9
<b>External Sector Developments</b> .....	11
Merchandise Trade .....	11
Direction of Trade .....	12
Remittances .....	12
Gross International Reserves and Months of Import Cover .....	12
Exchange Rates Developments .....	12
<b>Global Commodity Price Developments</b> .....	13
<b><u>TABLE</u></b>	
<b>Table 1:</b> Production and Price Statistics .....	3-4
<b>Table 2:</b> Monetary Aggregates Statistics .....	5-6
<b>Table 3:</b> Financial Market and Interest Rates Statistics .....	7-8
<b>Table 4:</b> Selected Financial Soundness Indicators, FSIs .....	8-9
<b>Table 5:</b> Fiscal Operations Statistics .....	10
<b>Table 6:</b> External Sector Statistics .....	11-12
<b>Table 7:</b> Exchange Rate: Official and WAMZ Countries End-of-Period Exchange...	13
<b>Table 8:</b> Global Commodity Prices .....	15

**1.0 INTRODUCTION**

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

This Edition represents Volume 8 Number 11.

**2.0 OVERVIEW**

Production statistics of key commodities showed significant increase in output performance in November 2022. Except for beverages, all the other key commodities (iron ore, gold, diamond, rubber, cement) reported growths in output during the month under review.

Headline inflation surged by 0.4 percentage point to 9.5 percent in November 2022, from 9.1 percent in the preceding month. This development was broadly attributed to increases in the Consumer Price Index (CPI) basket for prices of alcoholic beverages, tobacco & narcotics, clothing & footwear, housing, water, electricity, gas & other fuels, furnishings, household equipment & routine household maintenance, health, transport, communication, recreation & culture, and miscellaneous goods & services, resulting from increased household consumption demand. The CBL's monetary policy stance continues to be anchored on price stability with emphasis on the management of Liberian dollar liquidity. As part of the CBL's monetary policy operations, the Bank issued bills at tenors of two-weeks, one-month, and three-months at the annual policy rate (MPR) of 15.0 percent.

Broad money (M2) supply increased by 8.5 percent to L\$162.58 billion at end-November 2022, from the L\$149.77 billion recorded at end-October 2022. This development, on the liability side, was driven mainly by increase in demand deposits while on the asset side by increases in both net foreign asset (NFA) and net domestic assets (NDA).

The financial soundness indicators of the Liberian banking system remained favorable during the review period as commercial banks were largely in compliance with most of the regulatory requirements of the CBL. The Capital Adequacy Ratio (CAR) remained at 25.30 percent, well above the minimum regulatory requirement of 10.0 percent, while the liquidity ratio increased to 41.78 percent, 26.78 percentage points above its minimum regulatory requirement of 15.0 percent. Return on Assets (ROA) and Return on Equity (ROE) increased by 0.09 percent, and 0.81 percent, respectively, while the ratio of non-performing loans to total loans decreased by 0.42 percentage points to 20.15 percent during the month under review.

Provisional statistics showed that the Government of Liberia's (GOL) fiscal operations resulted to an overall balance deficit of 0.7 percent of GDP in November 2022, mainly on account of significant increase in government

**7.1 Iron ore**

The price of iron ore rose by 0.8 percent to US\$93.34 per metric ton in November 2022, from US\$92.56 per metric ton in the previous month. The rise in the price of iron ore followed global increase in vehicle manufacturing production and inventory buildup. Year-on-year comparison showed that the price of the commodity fell by 3.0 percent, from the US\$96.24 per metric ton recorded in November 2021.

**7.2 Gold**

The price of gold rose by 3.6 percent to US\$1,725.07 per ounce during the review month, from US\$1,664.45 in the preceding month. This development was driven on expectation that the United States (US) Federal Reserve would relax interest rate raise as inflation rate began to decrease in the US. Year-on-year comparison showed that the price was down by 3.0 percent, from the US\$1,821.76 recorded in November 2021.

**7.3 Crude oil (Petroleum) price**

Petroleum price plummeted by 3.3 percent to US\$87.38 per barrel, from US\$90.33 per barrel in October 2022. Weakness in global economy and rising COVID-19 cases in China caused price fall of petroleum during the period. When compared to November 2021, the price of the commodity was up by 8.2 percent, from the US\$80.77 per barrel recorded.

**7.4 Rubber**

The price of rubber declined by 4.5 percent to US\$1,432.40 per metric ton, from the US\$1,500.00 per metric ton recorded in the preceding month. Year-on-year comparison showed that rubber price also decreased by 25.8 percent, from US\$1,930.00 in November 2021.

**7.5 Food Price (FAO)**

FAO food price index (FFPI) fell by 0.30 percent to US\$135.00 in November 2022 compared to US\$135.40 in October 2022. The fall in the FFPI followed falls in prices of vegetable oil, and dairy.

**7.6 Sugar**

Sugar price increased by 4.5 percent to US\$407.41 per metric ton, from US\$390.00 in the previous month. Annual comparison showed that the price of sugar was down by 5.3 percent, from US\$430.00 per metric ton in November 2021.

**7.7 Palm oil**

The price of palm oil increased by 6.4 percent to US\$945.74 per metric ton, from US\$888.99 per metric ton in October. Compared to the corresponding month in 2021, the price of palm oil fell by 29.5 percent, from US\$1,340.65 per metric ton.

from the L\$153.62/US\$1.00 rate reported in October 2022. The broad stability of the Liberia dollar was largely on account of increase in foreign exchange inflows during the month.

Movements in the end-period exchange rate of the West African Monetary Zone (WAMZ) member states' currencies showed that all currencies in the zone depreciated against the United States dollars at end-November 2022. The Sierra Leonean leone, The Gambian dalasi, and Nigerian Naira depreciated by 5.3 percent, 4.3 percent, and 1.4 percent against the US dollar, while the Ghanaian cedi, Liberian dollar, and the Guinean franc depreciated by 0.7 percent, 0.3 percent, and 0.2 percent, respectively, at end-November 2022.

Compared with the corresponding period in 2021, five of the WAMZ currencies depreciated against the US dollars. The cedi, leone, dalasi, Liberian dollar, and the naira depreciated by 54.8 percent, 39.2 percent, 10.3 percent, 7.8 percent, and 2.2 percent, respectively, at end- November 2022. However, the Guinean franc appreciated against the US dollar by 8.9 percent against the corresponding month in 2021.

**Table 7: WAMZ Countries End-of-Period & Liberian dollar (LRD) Average Exchange Rates per United States dollar (USD)**

Currency	Nov – 21	Sep - 22	Oct- 22+	Nov- 22*	Appr (+)/Depr (-)	
					MoM	YoY
<b>Exchange Rate</b>	<b>LD/USD</b>				<b>Percent change</b>	
	<b>Currency per USD</b>					
GHC	5.92	9.56	13.01	13.10	(0.7)	(54.8)
GMD	52.74	60.86	56.26	58.78	(4.3)	(10.3)
GNF	9,332.90	8,604.37	8,552.80	8,566.22	(0.2)	8.9
LRD	142.13	153.77	153.68	154.12	(0.3)	(7.8)
NGN	410.64	432.37	438.00	444.03	(1.4)	(7.5)
SLL	11.12	15.62	17.31	18.29	(5.3)	(39.2)
<b>Avg Period</b>						
LRD	171.38	153.14	153.61	153.92	(0.2)	11.3

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

Overall, commodity price indices for food commodities, energy and non-energy commodities declined in November 2022. FAO food commodity price index decreased by 0.3 percent below the price recorded in October, while energy and non-energy commodity index decreased by 9.1 percent in November 2022.

expenditure which outweighed the rise in government revenue. The stock of public debt increased by 0.3 percent to US\$1,962.2 million (49.2 percent of GDP) on account of growth in external debt via multilateral borrowing.

In the external sector, the merchandise trade deficit narrowed significantly by 62.64 percent to US\$45.75 million (1.2 percent of GDP) in November 2022 against the preceding month, while total merchandise trade reduced to US\$204.87 million (5.4 percent of GDP) in November 2022, on account of decrease in import payments which outweighed the increase in export receipts. The Gross International Reserves (GIR) increased by 2.3 percent to US\$614.0 million (15.3 percent of GDP) at end-November 2022, from the US\$600.0 million (15.0 percent of GDP) recorded at end-October 2022, mainly driven by increase in foreign liquid assets excluding SDR holdings and reserves. Net inflows of personal remittances (excluding remittances terminated through mobile wallet) decreased by 1.6 percent to US\$18.85 million (0.5 percent of GDP) in November 2022.

The Liberian dollar remained broadly stable during the month due to the Central Bank of Liberia's (CBL) monetary policy stance. On the regional front, exchange rate developments relative to currencies of the West African Monetary Zone (WAMZ) showed that the Liberian dollar as well as the other currencies of the WAMZ depreciated against the US dollar at end-November 2022.

### 3.0 REAL SECTOR & PRICE DEVELOPMENTS

#### 3.1 Production Analyses of Key Commodities

Production statistics of key commodities showed significant increase in output performance in November 2022. Except for beverages, all the other key commodities (iron ore, gold, diamond, rubber, cement) across the main sectors reported growths in output during the month under review.

In the mining subsector, growth was recorded in iron ore, gold, and diamond by 21.1 percent (460,000 metric tons), 8.5 percent (34,743 ounces), and 218.5 percent (6,001 carats), respectively, in November 2022 against the outputs reported during the preceding month. The improved performance was attributed to favorable weather conditions during the period which led to increased activity in the sector, coupled with inventory spillover especially for diamond output.

For the manufacturing subsector, beverages (alcoholic and nonalcoholic) production declined by 3.6 percent to 1,251,553 liters, from the 1,298,342 liters reported in October 2022. When disaggregated, alcoholic beverages accounted for 88.2 percent of total beverages while non-alcoholic beverages constituted 11.8 percent. However, cement production slightly increased by 0.1 percent to 26,912 metric tons, from the 26,899 metric tons produced in the previous month, largely driven by increase in construction-related activities.

In the agriculture subsector, rubber output grew by 36.4 percent to 4,232 metric tons in November 2022, from the 3,103 metric tons recorded in the previous month. The surge in the commodity was mainly explained by increased output by small farm holders coupled with increased global demand.

#### 3.2 Consumer Prices

Headline inflation surged by 0.4 percentage point to 9.5 percent in November 2022, from 9.1 percent in the preceding month. This development was broadly attributed to increases in the Consumer Price Index (CPI) basket for prices of alcoholic beverages, tobacco & narcotics, clothing & footwear, housing, water, electricity, gas & other fuels, furnishings, household equipment & routine household maintenance, health, transport, communication, recreation & culture, and miscellaneous goods & services, resulting from increase in household consumption demand. However, the month-on-month inflation declined to negative 2.9 percent, from negative 0.1 percent in October 2022, largely reflecting decrease in the prices of alcoholic beverages, tobacco & narcotics, and health major groups in the CPI basket due to inventory adjustment.

During the month under review, core inflation<sup>1</sup> rose by 1.4 percentage points to 9.4 percent, from 8.0 percent in the previous month. The rise was largely induced by growth in the prices of non-food and non-transport-related items as well as the impact of exchange rate depreciation (Table 1).

**Table 1: Production and Price Statistics**

Production	Nov.- 21	Sept.-22	Oct.-22	Nov.-2022
	<i>(In Metric ton, Ounce, Carat and Liter)</i>			
Iron Ore (Metric ton)	495,000	350,000	380,000	460,000
Gold (Ounces)	36,216	31,167	32,022	34,743
Diamond (Carat)	4,650	178	1,884	6,001

External Trade (Volume)				
Rubber (MT)	5,157.04	5,668.45	3,952.28	3,843.13
Iron Ore (MT)	314,465.62	400,492.14	461.84	432,793.13
Cocoa Beans (MT)	-	0.00	0.00	-
Palm Oil (MT)	12,504.00	1,160.00	0.00	2,133.00
Gold (Oz)	36,216.13	16,203.19	32,021.93	35,713.14
Diamond (Crt)	4,650.46	4,978.15	1,884.31	6,001.25
Petroleum Products (MT)	26,758	16,136.00	-	-
Rice (MT)	-	-	-	-
<b>Other Indicators</b>	360.3	335.0	340.1	348.8
Net Foreign Reserves Position	115.58	151.44	187.07	125.31
<b>Import (FOB)</b>	649.9	594.1	600.0	614.0
Gross International Reserves (GIR) <sup>2</sup>	360.3	335.0	340.1	348.8
Import covers (In Month)	4.8	3.4	2.9	4.1
<b>Personal Remittances</b>				
Inflows	22.74	28.57	26.30	25.18
Outflows	4.50	6.84	5.89	6.32
<b>Net flows</b>	<b>18.24</b>	<b>21.73</b>	<b>20.41</b>	<b>18.85</b>
<b>GDP</b>	3508.86	3992.07	3992.07	3992.07

*/1 Trade data are primarily sourced from LRA (Custom) with larger coverage than BIVAC.*

*/1† as of July 2020, import data reported here are on CIF instead of FOB*

*/2 (GIR) is the sum of net foreign reserve plus SDR and Reserve tranche*

*† - Revised; - Not Available (na); \* - provisional*

#### 6.2 Personal Remittances

Net inflows of personal remittances (excluding remittances terminated through mobile wallet) decreased by 7.6 percent to US\$18.85 million (0.6 percent of GDP) in November 2022 compared to the US\$20.41 million (0.7 percent of GDP) recorded in the preceding month, on account of decline in inward remittances. Inward remittances declined by 4.3 percent to US\$25.18 million against the US\$26.3 million reported in the previous month, while outward grew by 7.3 percent to US\$6.32 million relative to the US\$5.89 million recorded in the preceding month.

#### 6.3 Gross International Reserves

Gross International Reserves (GIR) rose by 2.3 percent to US\$614.0 million (15.3 percent of GDP) at end-November 2022, from the US\$600.0 million (15.0 percent of GDP) recorded at end-October 2022, mainly driven by increase in foreign liquid assets excluding SDR holdings and reserves. Similarly, the months of import cover grew to 4.1 months, from the 2.9 months recorded in October 2022, mainly attributed to growth in GIR coupled with decline in import payments. The recorded months of import cover exceeded the ECOWAS minimum regional threshold of 3 months by 1.1 months (Table 6).

#### 6.4 Exchange Rate Developments

The period average exchange rate for the Liberian dollar marginally depreciated against the United States dollar by 0.2 percent to L\$153.91/US\$1.00 in November 2022,

## 6.0 EXTERNAL SECTOR DEVELOPMENTS

### 6.1 Merchandise Trade

Developments in the external sector in November 2022 showed that the merchandise trade deficit narrowed by 57.9 percent to US\$45.75 million (1.2 percent of GDP), from the US\$108.39 million (2.9 percent of GDP) recorded in the previous month. This development was on account of a significant decline in import payments coupled with a slight increase in export proceeds. Similarly, total merchandise trade decreased by 22.9 percent to US\$204.87 million (5.4 percent of GDP), from the US\$265.07 million (7.0 percent of GDP) reported in the preceding month, driven largely by a decline in payments for imports.

Export earnings increased by 0.9 percent to US\$79.56 million (2.1 percent of GDP) in November 2022, from US\$78.68 million (2.1 percent of GDP) in the previous month, explained by increase in receipts from mainly gold. Payments for merchandise imports decreased by 33.0 percent to US\$125.31 million (3.3 percent of GDP), from the US\$187.07 million (4.9 percent of GDP) recorded in the preceding month, occasioned by growth in payments for food & live animals and manufacturing goods classified chiefly by materials.

**Table 6: External Sector Statistics**

External Trade (Value)	Nov – 21	Sep - 22	Oct- 22+	Nov- 22*
	(Millions of US\$; Except Otherwise Indicated)			
Exports <sup>1/</sup>	<b>76.22</b>	<b>86.37</b>	<b>78.68</b>	<b>79.56</b>
Iron Ore	14.12	21.08	25.46	22.37
Rubber	10.39	13.26	7.7	5.12
Gold	47.36	41.96	41.59	47.17
Diamond	0.64	1.59	0.99	2.00
Cocoa Bean	-	0.00	0.00	-
Palm Oil	0.60	2.30	0.95	2.00
Other Exports	3.11	6.17	1.96	0.91
Imports (CIF) <sup>1†</sup>	<b>115.58</b>	<b>151.44</b>	<b>187.07</b>	<b>125.31</b>
Minerals, Fuel, Lubricants	44.35	66.76	63.70	32.71
o/w Petroleum Products	36.34	60.05	58.81	26.12
Food and Live Animals (incl. Animal and veg. oil)	23.26	21.01	64.22	33.12
o/w Rice	0.30	1.15	37.62	20.97
Machinery & Transport Equipment	28.09	26.17	22.64	30.90
Manufactured goods classified by materials	6.52	17.65	20.72	11.64
Other categories of imports	13.36	19.85	15.80	16.94
<b>Trade Balance</b>	<b>(39.35)</b>	<b>(65.07)</b>	<b>(108.39)</b>	<b>(45.75)</b>
<b>Total Trade</b>	<b>191.80</b>	<b>237.81</b>	<b>265.75</b>	<b>204.87</b>

Rubber (Metric ton)	5,157	4,696	3,103	4,232
Cement (Metric ton)	47,079	23,887	26,899	26,912
Total Beverages (liter)	1,275,588	796,812	1,298,342	1,251,553
Alcoholic	1,134,002	724,582	1,148,210	1,104,059
Non-Alcoholic	141,586	72,230	150,132	147,494
<b>Inflation</b>	<b>(In percent)</b>			
<b>Overall (Y-o-Y) Rate of Inflation</b>	<b>6.69</b>	<b>6.48</b>	<b>7.06</b>	<b>7.23</b>
a. Food and Non-alcoholic Beverage Inflation	<b>5.44</b>	<b>7.23</b>	<b>9.12</b>	<b>9.49</b>
- Domestic Food Inflation	(6.58)	(5.12)	3.08	(0.52)
- Imported Food Inflation	(3.58)	(6.38)	(11.70)	(6.34)
b. Transport Inflation	(9.10)	(4.20)	15.81	4.38
c. Imported Fuels Inflation	(7.57)	49.01	28.01	37.83
<b>Overall (M-o-M) Rate of Inflation</b>	<b>(3.17)</b>	<b>0.25</b>	<b>(0.12)</b>	<b>(2.85)</b>
<b>Core Inflation</b>				
Inflation excluding Food & NAB <sup>1</sup>	12.12	13.19	11.99	14.13
Inflation excluding Imported Food	8.97	9.61	7.72	10.49
Inflation excluding Domestic Food	7.61	9.98	13.20	12.31
<b>Inflation excluding Food and Transport</b>	<b>14.20</b>	<b>9.16</b>	<b>8.00</b>	<b>9.44</b>
<b>Annual Gross Domestic Product (GDP)<sup>2/</sup></b>				
Nominal (NGDP) (in millions US\$)	3508.86	3992.07	3992.07	3992.07
RGDP growth (in percent)	<b>5.0</b>	<b>4.7</b>	<b>4.7</b>	<b>4.7</b>

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

† - revise

## 4.0 MONETARY DEVELOPMENTS

### 4.1 Monetary Policy Stance

The CBL's monetary policy stance in November 2022 was anchored on price stability with emphasis on the management of Liberian dollar liquidity. As part of the CBL's monetary policy operations, the Bank issued bills at tenors of two-weeks, one-month, and three-months at the annual policy rate (MPR) of 15.0 percent.

### 4.2 Monetary Aggregates

Preliminary Monetary aggregates compiled for the month of November 2022 showed 8.5 percent growth in broad money (M2) to L\$162.58 billion, from L\$149.77 billion recorded at end October 2022. From the liability side, this development was mainly induced by 8.5 percent increase in demand deposits. Similarly, from the asset side, the expansion was largely due to 23.8 percent and 6.9 percent increases in both net foreign asset (NFA) and net domestic assets (NDA), respectively. Furthermore, the stock of Liberian dollars in circulation increased to L\$24.26 billion at end-November 2022, from L\$23.29 billion recorded at the end of the previous month. The upward shift was prompted by 6.0 percent rise in currency outside banks.

Sectoral distribution of commercial banks' credits revealed that loans extended to personal, trade, and oil & gas subsectors accounted for 64.4 percent of the total Liberian dollar denominated credits to the private sector. Similarly, oil & gas, trade, and construction subsectors constituted 44.4 percent of total United States dollar denominated credits to the private sector. Moreover, commercial banks' loans extended to various sectors of the economy in both currencies varied. Loans denominated in Liberian dollars fell by 10.7 percent to L\$4,762.36 million, on account of decreases in loans to the personal, trade, and oil & gas subsectors by 64.4 percent, 7.2 percent, and 2.1 percent, respectively. On the other hand, the US dollar denominated loans rose by 3.1 percent to US\$469.88 million, occasioned by increases in loans advanced to the oil & gas, trade, and construction subsectors by 30.6 percent, 5.8 percent, and 3.6 percent, respectively.

All deposits converted to Liberian dollars (as a percent of GDP) rose by 1.8 percentage points to 23.1 percent at end-November 2022, from 21.3 percent reported in the previous month. The growth was largely explained by increase in demand deposits.

**Table 2: Monetary Aggregates Statistics**

Monetary Aggregates	Nov. - 21	Sept. - 22	Oct. - 22	Nov. -22
	<i>In Millions of LD; Except Otherwise Indicated</i>			
Liberian Dollars in Circulation - (LD)	22,880.90	21,967.69	23,293.26	24,264.61
-o/w Currency in banks (LD)	911.56	2,138.89	2,358.08	2,072.50
Money Supply (M1) in LD only	32,802.51	35,864.97	36,196.17	38,450.43
Quasi Money in LD only	7,180.33	7,390.27	8,264.08	8,308.00
Broad money (M2) in LD only	40,124.73	43,376.96	44,539.26	46,812.82
Broad money (M2) (both LD and USD Converted to LD)	125,513.96	152,280.23	149,779.79	162,583.30
Net Foreign Assets (NFA) – LD	20,540.44	16,263.94	14,514.64	17,970.17
Net Domestic Assets (NDA) – LD	104,973.52	136,016.29	135,265.15	144,613.12
Currency outside banks – LD	21,969.33	19,828.79	20,935.19	22,192.10
Demand deposit – LD	66,104.42	86,275.61	84,357.55	91,538.81
Time & Savings deposits – LD	36,626.08	45,874.05	44,120.31	43,929.87
Other deposits – LD	814.12	301.77	366.73	4,922.51
<b>Loans to Private Sector</b>				
Commercial banks loans to private sector- USD	402.92	473.90	455.93	469.88
Commercial banks loans to private sector - LD	5,603.40	5,375.77	5,336.75	4,762.36
<b>Demand Deposits of commercial banks</b>				
Demand deposits – USD	388.88	456.79	449.62	488.44
Demand deposits – LRD	10,833.18	16,036.18	15,260.98	16,258.33
Time & savings deposits – USD	207.17	250.27	233.32	231.13
Time & savings deposits – LRD	7,180.33	7,390.27	8,264.08	8,308.00
<b>Other Deposits**</b>				
Actual US\$ component of other deposits	4.73	1.17	1.87	31.59
Liberian \$ component of other deposits	141.88	121.72	79.02	54.39

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

Fiscal Operations	Nov-21	Sept-22	Oct-22	Nov-22	M-O-M
	(Millions of USD)				(% Change)
<b>Government Revenue</b>	<b>48.87</b>	<b>39.62</b>	<b>38.69</b>	<b>60.45</b>	56.24
o/w Tax Revenue	<b>44.73</b>	<b>34.03</b>	<b>34.62</b>	<b>24.88</b>	<b>(28.14)</b>
o/w Taxes on Income & Profits	26.74	14.41	15.32	7.63	(50.15)
o/w Taxes on International Trade (Customs)	12.65	15.87	15.30	15.41	0.70
o/w Non-tax Revenue	4.14	5.59	4.08	5.58	36.78
o/w Property Income	2.74	4.10	2.72	3.70	36.27
o/w Administrative Fees, Penalties & Forfeits	1.40	1.49	1.36	1.87	37.79
o/w Other Revenue (Including Grants)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>30.00</b>	-
<b>Government Expenditure</b>	<b>58.76</b>	<b>72.76</b>	<b>21.98</b>	<b>87.59</b>	298.49
o/w Current Expenditure	<b>58.76</b>	<b>72.76</b>	<b>21.98</b>	<b>87.59</b>	298.49
o/w Compensation	24.68	14.07	6.59	49.64	653.26
o/w Goods and Services	14.17	31.78	6.47	17.01	162.98
o/w Capital Expenditure	0.20	6.75	1.75	0.78	(55.15)
o/w Payments on Loans, Interest & other charges	14.29	8.45	0.70	6.55	837.59
Overall Balance (Surplus+; Deficit -)	<b>(9.88)</b>	<b>(33.14)</b>	<b>16.71</b>	<b>(27.14)</b>	
<b>Total Debt Stock</b>	<b>1718.94</b>	<b>1957.36</b>	<b>1955.81</b>	<b>1962.15</b>	<b>0.32</b>
o/w Domestic	<b>691.58</b>	<b>835.79</b>	<b>835.19</b>	<b>835.19</b>	<b>0.00</b>
o/w Financial Institutions	621.44	770.06	770.06	770.06	0.00
o/w Other Debts	70.14	65.73	65.12	65.12	0.00
o/w External	<b>1027.36</b>	<b>1121.57</b>	<b>1120.62</b>	<b>1126.96</b>	<b>0.57</b>
o/w Multilateral	913.95	1009.85	1008.91	1015.25	0.63
o/w Bilateral	113.41	111.72	111.72	111.72	0.00
<b>Memo Items</b>					
Government Revenue (% of GDP)	1.39	0.99	0.97	1.51	-
Government Expenditure (% of GDP)	1.67	1.82	0.55	2.19	-
Total Debt Stock (% of GDP)	48.99	49.03	48.99	49.15	-
NGDP (at Level)	3508.86	3992.07	3992.07	3992.07	-

Source: CBL calculation using MFDP's data

\*Projections



Non-performing Loans to Total Gross Loans (ratio)	20.53	23.43	20.57	20.15
Gross Loan (percent change)	(6.77)	2.38	(2.05)	1.69
Non-performing Loans (percent change)	(12.51)	3.70	(13.79)	(0.56)
Returns on Assets (ROA)	3.10	1.68	1.86	1.95
Returns on Equity (ROE)	17.40	11.43	12.32	13.13
Liquidity Ratio***	43.05	41.63	40.05	41.78
Capital Adequacy Ratio (CAR)****	28.70	34.03	25.30	25.30

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

From provisional statistics, the Government of Liberia's (GOL) fiscal operations for November-2022 recorded an overall balance deficit of 0.7 percent of GDP relative to the surplus reported in the preceding month. This development was driven by significant increase in government total expenditure which outweighed the rise in government revenue.

During the month under review, total revenue grew by 56.2 percent to US\$60.5 million (1.5 percent of GDP), from the US\$38.7 million (1.0 percent of GDP) reported in October 2022. The expansion was mainly attributed to a US\$30.0 million (0.8 percent of GDP) increase in other revenue (including grants). Additionally, non-tax revenue rose by 36.8 percent to US\$5.6 million (0.1 percent of GDP) compared to the previous month. In contrast, tax revenue recorded a decline by 28.1 percent to US\$24.9 million (0.6 percent of GDP), largely on account of decrease in income & profits taxes as international trade tax (customs) shrank during the month.

Similarly, total government expenditure increased substantially by US\$65.6 million to US\$87.6 million (2.2 percent of GDP), from the US\$22.0 million (0.6 percent of GDP) recorded in October 2022. This development largely reflected a significant rise in current expenditure attributed to spending on goods & services, and employees' compensation. Additionally, payments on loans, interest & other charges rose by US\$5.9 million to US\$6.6 million (0.2 percent of GDP) relative to the amount reported in October 2022. Conversely, capital expenditure declined by 55.2 percent to US\$0.8 million, from US\$1.8 million in the previous month.

### 5.2 Total Public Debt

At the end of November 2022, Liberia's stock of public debt increased by 0.3 percent to US\$1,962.2 million (49.2 percent of GDP). The increase was attributed to rise in external debt via multilateral borrowing. The stock of domestic debt remained at US\$835.2 million (20.9 percent of GDP) while the external debt stock increased by 0.6 percent to US\$1,127.0 million (28.2 percent of GDP) at end-November 2022.

Total Deposits both (USD & LRD) converted to LRD <sup>1</sup>	103,544.62	132,451.43	128,844.60	140,391.19
Liberian Dollar share of Broad Money	31.97	28.48	29.73	28.79

<sup>1</sup> - Reserves excluding ECF borrowing from the IMF;

\* - estimate/projection

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

<sup>1</sup> - The total deposits (US and Liberian dollars) of commercial banks converted & expressed entirely in Liberian dollars.

## 4.3 FINANCIAL MARKET (FM) DEVELOPMENTS

The Financial markets activities were primarily focused on the implementation of CBL's monetary policy instruments, the CBL bills, aimed at managing excess liquidity in the economy as well as strengthening the domestic money market. The instruments were issued in the tenors of 2-weeks, 1-month, and 3-months on an effective annual rate of 15.0 percent. The issuance of 2-weeks CBL bills remained restricted to commercial banks only.

During the period under review, the total CBL bills issued increased by 25.0 percent to L\$6,576.45 million compared to the L\$4,918.01 million issued in October 2022. The rise in subscription was evident during the month under review as retail investors increased by 48.5 percent to L\$135.65 million relative to the amount reported in October 2022. The growth in CBL bill subscription was mainly attributed to the regular issuance and redemption of the bills coupled with the dissemination of periodic issuance and redemption reports on the Bank's website.

In November 2022, the Government through the CBL, offered to purchase US\$0.73 million through a competitive bidding process from the market. The total amount purchased during the auction amounted to US\$0.72 million, with an undersubscription of US\$ 0.01 million.

The CBL, on behalf of GoL, issued US\$1.86 million and L\$521.11 million Treasury bills during the month under review. The total outstanding on US dollar Treasury bills increased to US\$87.57 million, while Treasury bills in Liberian dollars stood at L\$8,247.6 million. The total outstanding on US dollar Treasury bond remained the same at US\$45.38 million with no Liberian dollar Treasury bond outstanding.

Compared 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. However, money markets instruments such as repo were not traded during the month. In the interbank operations, commercial banks continued to trade with only non-interest-bearing swaps to ease the liquidity disparity among banks for their international and intra-country transactions. The non-interest-bearing nature of the swap continued during the period under review to compensate for the risks and high cost involved in cash transfers and transshipment with international corresponding banks, and bank branches in Liberia (Table 3).

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

Market Instruments (CBL indexed Bills)	Nov- 21	Sept - 22	Oct - 22	Nov- 22
	<i>(In Millions of Liberian Dollar)</i>			
Bills Purchased per month on coupon basis	0.00	0.00	0.00	0.00
Redemption during the month (coupon rate)	0.00	0.00	0.00	0.00
<b>Bills (Index) outstanding on coupon basis</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Coupon rate on Index Bill (in %)	na	na	na	na
Bills Purchased per month on EAR basis	3,754.60	4,658.47	4,918.01	6,576.45
Redemption during the month (EAR basis)	3,755.00	4,533.47	4,418.01	6,171.45
<b>Bill Outstanding (EAR basis)</b>	<b>6,999.60</b>	<b>7,125.00</b>	<b>7,625.00</b>	<b>8,030.00</b>
Effective Annual Rate (EAR)	20.00	15.00	15.00	15.00
<b>Total Purchases</b> (coupon rate & EAR)	<b>3,754.60</b>	<b>4,658.47</b>	<b>4,918.01</b>	<b>6,576.45</b>
<b>Total Redemption</b> (coupon rate & EAR)	<b>3,755.00</b>	<b>4,533.47</b>	<b>4,418.01</b>	<b>6,171.45</b>
<b>Total Outstanding Bills</b> (coupon rate & EAR)	<b>6,999.60</b>	<b>7,125.00</b>	<b>7,625.00</b>	<b>8,030.00</b>
CBL Foreign Exchange Auction <sup>1</sup>	<i>(In Millions of United States Dollar)</i>			
US Dollar offered	0.00	8.00	3.92	0.73
US Dollar Amount Sold	0.00	1.00	2.33	0.71
Total Subscription	0.00	1.00	2.33	0.71
Over (+)/ Under (-) Subscription	0.00	0.00	(1.39)	-0.01
Treasury Securities	<i>(In Millions of Liberian Dollar)</i>			
T- Bills Issued (in LD)	0.0	0.00	0.00	521.11
T- Bills Redeemed (in LD)	0.00	0.00	0.00	0.00
<b>T-Bills Outstanding</b>	<b>2,437.72</b>	<b>7,726.49</b>	<b>7,726.49</b>	<b>8,247.6</b>
Net Treasury Bills Operations <sup>^</sup> withdrawal (+)/Injection (-)	0.00	0.00	0.00	0.00
Ave. Weighted Discount Rate (T-Bills)	5.00	10.00	10.00	10.00
T- Bills Issued (In USD)	0.00	24.00	0.00	1.86
T- Bills Principal payment (In USD)	0.00	0.00	0.00	0.00
T- Bills interest payment (In USD)	5.66	85.71	85.71	87.57
T-Bills Outstanding	6.50	7.16	7.16	7.16
Ave. Weighted Discount Rate (T-Bills)	0.00	24.00	0.00	1.86
Treasury Bond Issued (in LD for 2 years)	0.00	0.00	0.00	0.00
Treasury Bond Outstanding (In LD)	6,000.00	0.00	0.00	0.00
Coupon Payment	0.00	479.10	0.00	0.00
Outstanding coupon on Treasury Bond	0.00	0.00	0.00	0.00
Early Redemption	0.00	0.00	0.00	0.00
Coupon rate (%)	16.00	0.00	0.00	0.00

Treasury Bond Issued (USD)	0.00	0.00	0.00	0.00
Treasury Bond Principal Payment	57.56	45.38	0.00	45.38
Treasury Bond Outstanding (In USD) (Coupon and Principal)	0.00	0.00	0.00	0.00
Coupon Payments (USD)	0.00	0.00	0.00	0.00
Total T-Bond Outstanding (Coupon & Principal In USD)	57.56	45.38	45.38	45.38
	<i>(As specified)</i>			
SCF rate	25.00	17.5	17.5	17.5
SCF Amount (In Millions LD)	0.00	0.00	0.00	0.00
SDF overnight rate	0.00	0.00	0.00	0.00
SDF Amount (In Millions LD)	0.00	0.00	0.00	0.00
	<i>(As specified)</i>			
<b>Interest Rates</b>	<i>(As specified)</i>			
- Lending rate	25.00	17.5	17.5	17.5
<b>Average Deposit rates</b>				
-Savings	2.10	2.10	2.10	2.10
-Time	3.53	3.53	3.53	3.53
	<i>(As specified)</i>			
<b>Money Markets Instrument (In percent)</b>				
Repo	5.50	0.00	0.00	0.00
Swap lending	6.00	2.00	3.00	0.00

Source : CBL

<sup>^</sup> - with Liquidity Effect<sup>/1</sup> - CBL Foreign Exchange Auction includes use of the remittance split to ease the demand for foreign currency<sup>/2</sup> - Treasury Bill issued and redeemed during the month were in US Dollar**4.4 BANKING SECTOR DEVELOPMENTS**

The banking industry largely remained in compliance with the sector's regulatory requirements. Capital Adequacy Ratio (CAR) was stable at 25.30 percent during the period under review compared to the CAR reported in October 2022. This showed that the CAR was 15.30 percentage points well above the 10.00 percent minimum regulatory requirement. Additionally, the liquidity ratio increased by 1.75 percentage points to 41.78 percent, 26.78 percentage points above the 15.00 percent minimum regulatory requirement. Similarly, Return on Assets (ROA) increased by 0.09 percentage points to 1.95 percent, while Return on Equity (ROE) grew by 0.81 percentage points to 13.13 percent during the month under review.

Total gross loan increased to L\$79.41 billion in November 2022, from L\$78.09 billion in the previous month, driven by the disbursements of new facilities mainly to the construction, oil & gas, and trade sectors. The ratio of non-performing loans to total loans decreased by 0.42 percentage points to 20.15 percent.

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

Financial Soundness Indicators	Nov- 21	Sep-22	Oct-22	Nov-22
	<i>(In Billions of Liberian Dollar)</i>			
Total Gross Loans	<b>65.51</b>	79.73	78.09	<b>79.41</b>
Total Non-performing Loans	13.47	18.48	15.93	15.84