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"Our vision is to be the center of excellence - a professional and credible institution - working in the public interest, and supporting the achievement of the national economic development goals."

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VALUES

"Our Values guide us to be a center of excellence and we value our contribution to the organization."

"We uphold, impartiality, open communication and transparency. We care for each other's well-being and value teamwork."



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SUMMARY OF ECONOMIC CONDITIONS

Global economic performance in the fourth quarter was sluggish compared to a more robust performance in the third quarter. Due to the financial turmoil that resulted from the US sub-prime mortgage crisis, banks' balance sheets weakened as more losses were realised during the worsening of the crisis. Exacerbating the poor global economic performance was the advent of a looming US recession towards the end of the fourth quarter. Global equity markets fell sharply in the fourth quarter as a result of poor global economic performance. According to the IMF, global growth will decelerate from 4.9 percent in 2007 to 4.1 in 2008.

Namibia's economic performance was mixed during the last quarter of 2007. In terms of the primary industries, agriculture performed relatively poorly when compared to the third quarter, as the number of cattle marketed declined as a result of seasonal factors, as well as prospects for good rainfall. On the other hand, performance of mining sector was generally favourable during the same period. Despite high interest rates, the total number of vehicles sold during the fourth quarter of 2007 rose quarter-on-quarter. The increase was mainly driven by the completion of fleets' orders for the year.

Despite a rise in inflation during December, overall inflation did not change, quarter-on-quarter, due to food inflation that remained constant over the same period. However, going forward, food and oil prices were the main drivers of inflation throughout 2007 and it is expected that both will continue exerting upward pressure on inflation during 2008.

With regard to the broad money supply (M2), there was a contraction, quarter-on-quarter, during the fourth quarter of 2007. The slowdown was reflected in both net foreign assets of the banking sector and net domestic credit, while a minor increase in other items net moderated the decline. On the hand, supported by increased demand for credit by businesses, private sector credit rose, quarter-on-quarter, by 3.2 percent at the end of the fourth quarter of 2007, compared to a growth of 2.9 percent in the preceding quarter. During the same period, monetary policy changed, with the bank rate increasing by 50 basis points to 10.50 percent in October.

In terms of total debt of Central Government, the outstanding stock declined during the third quarter of 2007/08 (which is the fourth quarter of the calendar year). The deceleration in total debt resulted in a debt position of 21.6 percent as a percentage of GDP, which is below the fiscal target of 25 percent.

With regard the overall surplus of the balance of payments, a current account surplus and capital and financial account deficit continued during the fourth quarter of 2007. Net inflows in current transfers, services and investment income drove the current account surplus, while net outflows in portfolio investments continued dominating the outcome on the capital and financial account deficit.

In summary, despite a slowdown in the global economy during the fourth quarter of 2007, economic activities in Namibia were favourable, quarter-on-quarter. However, though inflation remained constant, quarter-on-quarter, food and fuel prices are expected to continue exerting an upward pressure on general prices during 2008.



INTERNATIONAL ECONOMIC DEVELOPMENTS

Recent data suggest that global growth slowed markedly in the last quarter of 2007 in response to ongoing financial market turmoil and a weakening performance in the US, following a stronger than expected performance of the economy during the third quarter. A fundamental factor, which underpinned the slowdown in the global economy during the fourth quarter of 2007, was particularly the financial market strains that originated in the U.S sub-prime sector, as well as the intensified losses on bank's balance sheets. Moreover, the recent steep sell-off in global equity markets was indicative of rising uncertainty in the world economy. The IMF in its January 2008 update of the World Economic Outlook projects that global growth will decelerate from 4.9 percent in 2007 to 4.1 percent in 2008 which represent a reduction of 0.3 percentage point compared to the October 2007 World Economic Outlook.

Projections published in the IMF's World Economic Outlook update in January 2008 indicate that the overall balance of risks to the global growth outlook remains tilted to the downside. The main risk to the outlook for global growth is that the ongoing turmoil in financial markets would further reduce domestic demand in the advanced economies and create more significant spill overs into emerging market and developing economies. Growth in emerging market economies that are heavily dependent on capital inflows could be particularly affected, while the strong momentum of domestic demand in some emerging market economies provides upside potential. Besides the risks from a further deterioration in the US residential housing market and tighter credit conditions, high oil prices, and heightened inflation expectations in many countries also remain a source of concern.

Estimates of the US's Bureau of Economic Analysis (BEA) show that real GDP growth in the United States slowed notably to a year-on-year growth rate of 2.5 percent in the fourth quarter of 2007 relative to a growth of 2.8 percent registered during the third quarter. The deceleration in real GDP growth in the fourth quarter primarily reflected a downturn in inventory investment and decelerations in exports, personal consumption expenditure, as well as federal government spending. On a quarter-on-quarter basis, real GDP moderated to 0.6 percent during the fourth quarter of 2007 relative to a robust growth of 4.9 percent recorded during the preceding quarter. Inflation rose to an average of 5.6 percent during the fourth quarter of 2007 from an average of 1.0 percent registered during the preceding quarter.

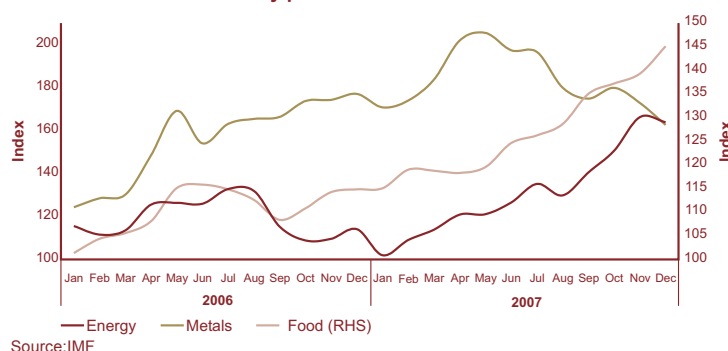
Japan's real GDP grew by 3.7 percent year-on-year basis during the fourth quarter of 2007 from 1.3 percent registered during the third quarter. On a quarterly basis, an economic growth rate of 0.9 percent was recorded during the fourth quarter. The key drivers of the growth process during the period under review were corporate investment expenditure which rose by 2.9 percent from the previous quarter, as well as exports which grew at the same pace as corporate investment spending. Annual inflation averaged 0.6 percent during the fourth quarter of 2007 mainly on account of increased food and oil prices. Looking ahead, the Japanese economy is forecast to register an annual growth rate of 1.7 percent during 2008 from an estimated annual growth of 2.0 percent in 2007.

Table 1: Real GDP growth (Year on year) – selected economies

	2005	2006					2007					2008
	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Q3	Q4	Annual*	Annual*
USA	3.1	3.3	3.2	2.4	2.6	2.9	1.5	1.9	2.8	2.5	2.2	1.5
Euro-zone	1.5	2.8	2.0	2.4	3.3	2.8	3.1	2.5	2.7	2.3	2.7	1.6
UK	1.8	2.4	2.8	3.0	3.2	2.8	3.1	3.1	3.1	2.9	3.1	2.3
Japan	1.9	3.4	2.2	1.5	2.3	2.2	2.4	1.3	2.6	3.7	2.0	1.7
China	10.4	10.4	11.5	10.6	10.4	11.1	11.1	11.5	11.5	11.2	11.4	10.0
South Africa	5.1	5.0	5.5	4.5	5.6	5.0	5.0	4.4	4.7	5.5	4.9	4.2

Source: IMF World Economic Outlook Update January 2008 US Bureau of Economic Analysis, European Statistical Office (Eurostats), Office for National Statistics (UK), Japanese Cabinet Office, National Bureau of Statistics of China, , *Projections

Chart 1: Selected commodity price indices

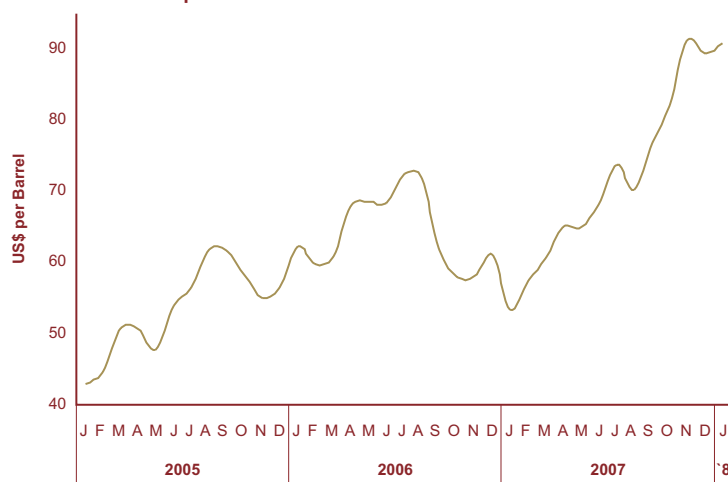


Source:IMF

Notwithstanding the slowdown in global economic activity, commodity prices continued to remain firm. It is however, noteworthy that in line with the slowdown in global economic activity commodity prices have become more volatile. Metal prices are likely to remain high in the medium term, but the increase in several commodity prices is now moderating (Chart 1). Overall, however, the prices of all major commodities are expected to remain near their 2007 highs as a result of strong growth in developing countries and emerging markets. Precious metals' prices broke through record levels during December 2007 and continue to rise, driven by the weakness of the US\$.

Supported by increased demand for bio-fuel, world market prices for most food crops such as wheat and maize rose significantly during 2007. Oil prices rose to an average of US\$91 per barrel in December 2007 from an average of US\$54 per barrel in January. This was mainly due to political tensions in the Middle East and the depreciation of the US Dollar (Chart 2). Oil prices continued their upwards trend during the first two months of 2008 hitting a record high of US\$103.32 per barrel. The International Energy Agency attributed the increase to tight markets and low stocks coupled with geopolitical turmoil in Kurdistan, Nigeria, and Venezuela.

Chart 2: Crude oil price



Source:IMF



REAL SECTOR AND PRICE DEVELOPMENTS

REAL ECONOMIC DEVELOPMENTS

Available economic indicators show that the performance of the Namibian economy was mixed during the fourth quarter of 2007. Economic activities such as diamond production and vehicles sales improved, quarter-on-quarter, while livestock marketed declined over the same period. The increase in diamond output relative to the third quarter was driven mainly by correction measures on production after an outbreak of fire at a plant of one of the major diamond producing company and the closure of some of its plants during the third quarter. With regards to the decline in livestock marketed, seasonal effects and good prospect for pasture forced farmers to scale down on the number of animals sold.

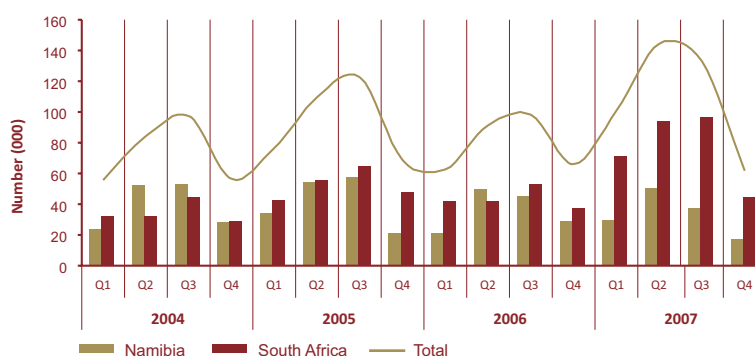
SECTORAL DEVELOPMENTS

Agriculture

Economic activities in agriculture are estimated to have declined during the fourth quarter of 2007. This was reflected in the number of livestock marketed that declined both, quarter-on-quarter, and year-on-year. The contraction in the number of small stock and cattle marketed is attributed to seasonal factors, coupled with prospects for good rainfall, which enticed livestock restocking. The decline in the number of livestock marketed caused a shortage of red meat, resulting in a sharp rise in beef and lamb prices.

The total number of cattle marketed declined quarter-on-quarter, by 53.1 percent during the fourth quarter of 2007 compared to a decrease of 7.9 percent, during the preceding quarter. On an annual basis, cattle marketed registered a low decline of 6.3 percent (Chart 3). The poor outcome on cattle marketed was mainly attributed to seasonal factors, especially the closure of abattoirs for repairs, causing a slowdown in the throughput. The number of live cattle marketed to South Africa during the fourth quarter of 2007 also declined, falling by 53.8 percent when compared to the preceding quarter. Year-on-year, however, the number of live cattle marketed to South Africa increased by 18.9 percent.

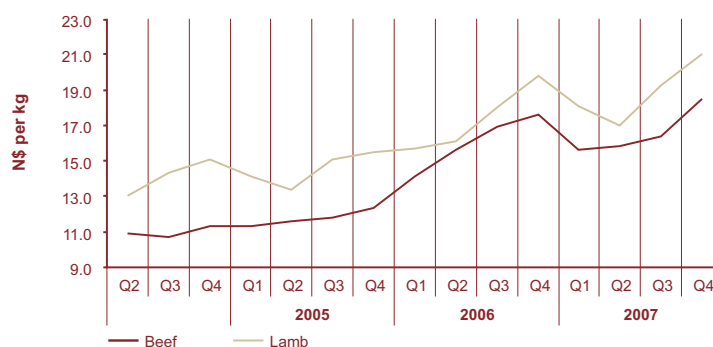
Chart 3: Number of cattle marketed



Source: Meat Board

The decline in cattle marketed quarter-on-quarter is expected to continue in the first quarter of 2008. This is due to a good rainfall since February 2008, which will entice farmers to further restock. As a result, this will continue to cause shortage of red meat in the market, causing an additional upward pressure on red meat price (Chart 4).

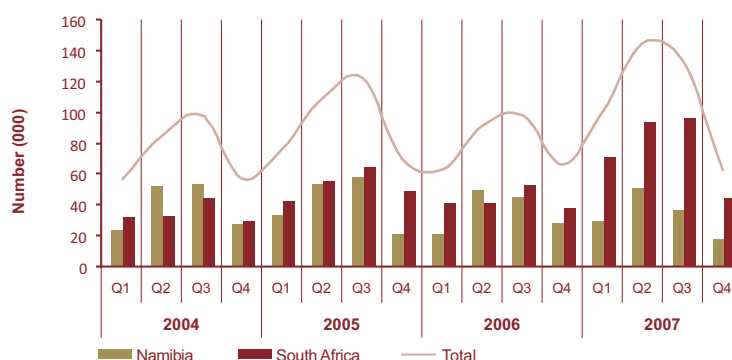
Chart 4: Beef and lamb price (quarterly averages)



Source: Meat Board

The number of small stock marketed both locally and to South Africa contracted during the same period (Chart 5). Locally marketed small stock contracted by 12.0 percent, quarter-on-quarter, and by 16.1 percent, year-on-year, while that to South Africa by 43.7 percent and 21.5 percent, respectively.

Chart 5: Number of small stock marketed



Source: Meat Board

Fishing

As a result of stock availability concerns and sustainable utilization of the marine resource that led to a one month closure for hake factories in October, total allowable catch (TAC) were adjusted downward for most of the fish species at the end of 2007. The overall TACs for all major fish species contracted by 18.4 percent, year-on-year during 2007 (Table 2). The TAC for pilchard was reduced by 8.0 percent and that of horse mackerel by 15.9 percent. The TACs for rock lobster and orange roughy were reduced by 16.7 percent and 18.2 percent, year-on-year, respectively. On the other hand, the TACs for hake and monk were kept constant, while the one for red crab increased by 4.2 percent over the same period (Table 2).

Table 2: TAC allocation for major fish species

Year	Pilchard	Hake	Horse mackerel	Industrial Horse mackerel	Red Crab	Rock Lobster	Orange Roughy	Monk
2000	25 000	194 000	360 000	50 000	2 000	350	24 000	NA
2001	10 000	200 000	360 000	50 000	2 100	400	1 875	13 000
2002	0	195 000	310 000	40 000	2 200	400	2 400	12 000
2003	20 000	180 000	310 000	40 000	2 000	400	2 650	12 500
2004	25 000	195 000	310 000	40 000	2 200	420	2 600	12 000
2005	25 000	130 000	305 000	45 000	2 300	420	2 050	11 500
2006	25 000	130 000	315 000	45 000	2 400	420	1 100	9 500
2007	23 000	130 000	265 000	35 000	2 500	350	900	9 500

Source: Ministry of Fisheries and Marine Resources

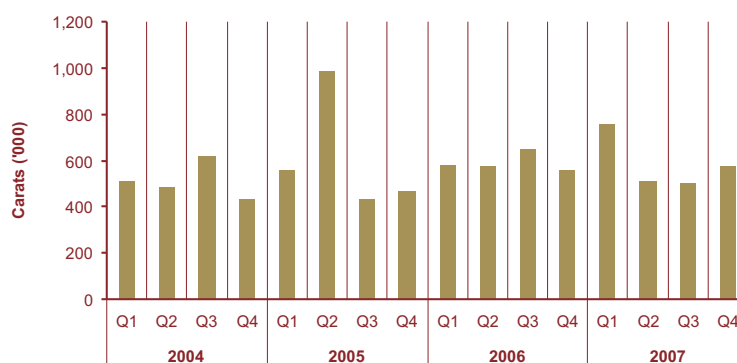
Mining and quarrying

Driven by increased world demand, especially from China and India, the performance of the mining and quarrying sector was favourable, quarter-on-quarter, during the fourth quarter. The outlook of the mining industry is favorable, although the looming energy crisis might discourage further investment in the sector. A number of exploration companies are, however, investing in the sector, of which some have listed on the NSX's development board¹. These developments (investments, exploration and importation of copper) might counteract the effects of power shortages on overall mining activities.

Diamonds

The performance of diamond mining improved during the final quarter of 2007. When compared to the third quarter of 2007, production increased significantly by 15.8 percent during the fourth quarter of 2007. Year-on-year, diamond production increased by 3.8 percent (Chart 6). Responsible for the growth in diamond production during the last quarter was the mining of high diamond concentrate. Looking ahead, production of diamonds is expected to increase, driven mainly by high demand from China and India. Similarly, the price for diamonds is expected to continue rising due to the worldwide shortage and lack of new discoveries.

Chart 6: Diamond production

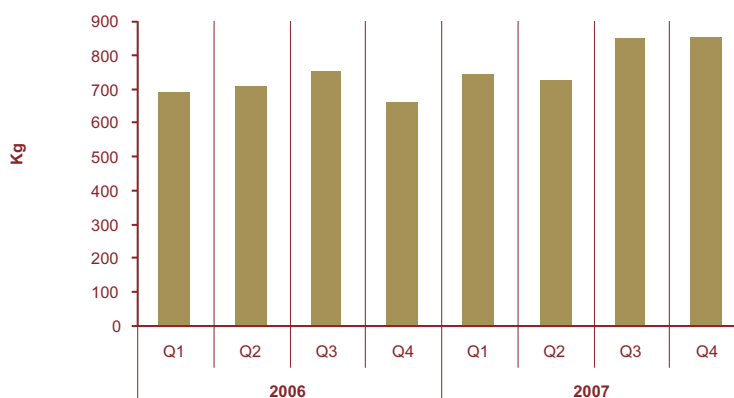


Source: Ministry of Mines and Energy

Gold

The production of gold at 850 kg during the last quarter of 2007, remained almost constant, quarter-on-quarter but rose significantly from 657 kg in the corresponding quarter of 2006 (Chart 7). Gold output remained almost constant, quarter-on-quarter, mainly due to geological conditions on the mining site. The ore mined during the fourth quarter, especially between October and November of 2007 contained low grade gold concentrate, which resulted in lower volume of gold output during this period. The outlook on gold production is uncertain amidst the slowdown in world demand, coupled with the looming electricity power shortages and the rising inflationary pressures³ worldwide.

Chart 7: Gold production



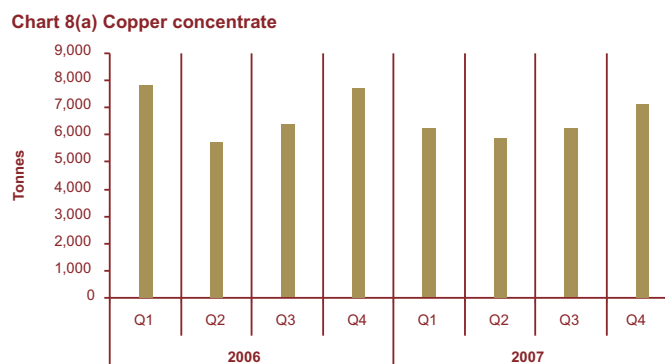
Source: Ministry of Mines and Energy

¹ This is a board established to register companies that do not fulfill the requirements to list on the main board of NSX.

² Inflationary pressure has a positive impact on gold price, given the positive properties of gold as a safe haven commodity. While the slowing world demand and looming power shortage has negative impact on production.

Copper concentrate

The output of copper concentrate grew at a remarkable rate of 14.4 percent, quarter-on-quarter to 7 095 tonnes during the fourth quarter of 2007 (Chart 8). It is important to point out that flooding at one of the copper mining sites, which started in September continued during October. The impact on output was, however, not enormous as output improved month-on-month, by 20.4 percent in October, compared to a decline of 36.4 percent in September. Over the same period, output, however, declined by 8.1 percent year-on-year (Chart 8(a)). The production of copper may be sustained for long, due to the expected additional output from the new mining site.



Source: Ministry of Mines and Energy

Copper blister

With regard to copper blister, the output declined both quarter-on-quarter and year-on-year by 7.8 percent and 37.6 percent, respectively to 5 081 tonnes during the fourth quarter of 2007 (Chart 8b). Output of copper blister may be sustained for long, due to the strategic operation such as the importation of ore from countries such as Peru, Bulgaria and Zambia. In addition, a new smelter will be in operation in May 2008 that might enable the company to reach its production target of 50 000 tons per annum compared to the current production capacity of 25 000 tons.



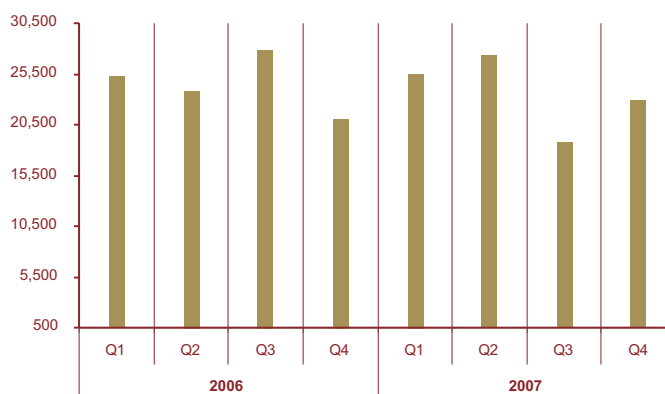
Source: Ministry of Mines and Energy

Zinc concentrate

Zinc production grew significantly by 22.1 percent, quarter-on-quarter, during the fourth quarter of 2007 (Chart 3.7 (a)). The growth quarter-on-quarter was mainly a reflection of the recovery from a decline in the preceding quarter, which was partly caused by industrial unrest. Year-on-year, change in output only rose by 8.6 percent. Zinc production is, however, expected to slowdown as a result of electricity power shortage during 2008, although there are plans to counteract against the shortage such as the use of generators.



Chart 9(a) Zinc concentrate

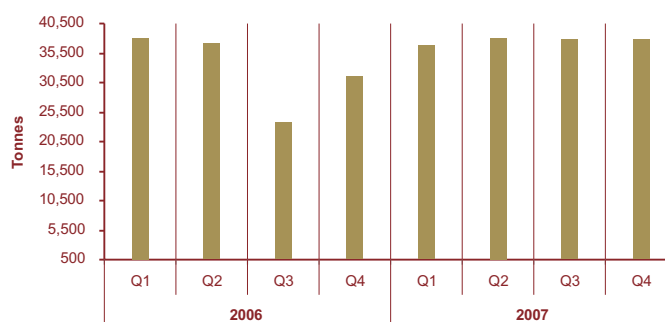


Source: Ministry of Mines and Energy

Zinc refined

Output of refined zinc during the fourth quarter of 2007, continued to be firm, though output only rose by 0.1 percent, quarter-on-quarter, to 37 760 tonnes (Chart 9(b)). Year-on-year, output rose significantly by 20.8 percent from 31 271 tonnes. Again, like with zinc concentrate, looming shortage of electricity might negatively impact on refined zinc output, if plans to counteract the effect of power shortages on production fail.

Chart 9(b) Refined Zinc

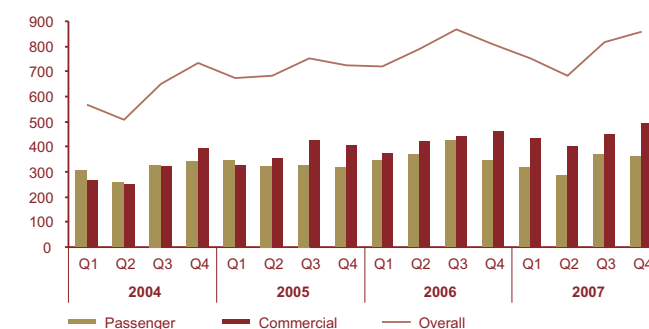


Source: Ministry of Mines and Energy

Number of vehicle sold

The total number of vehicles sold increased both, quarter-on-quarter, and year-on-year during the fourth quarter of 2007, rising by 4.8 percent and 5.9 percent, respectively. The overall increase in the total number of vehicle sales was mainly due to the completion of fleets' orders for the year (Chart 10). The increase in both periods was mainly reflected in the category commercial vehicles as passenger vehicles sales fell year-on-year. The number of commercial vehicles sold rose, quarter-on-quarter, by 11.1 percent and year-on-year by 7.8 percent. Passenger vehicle sales, on the other hand, rose by 3.5 percent, year-on-year, but declined quarter-on-quarter by 2.7 percent.

Chart 10: Number of vehicle sold

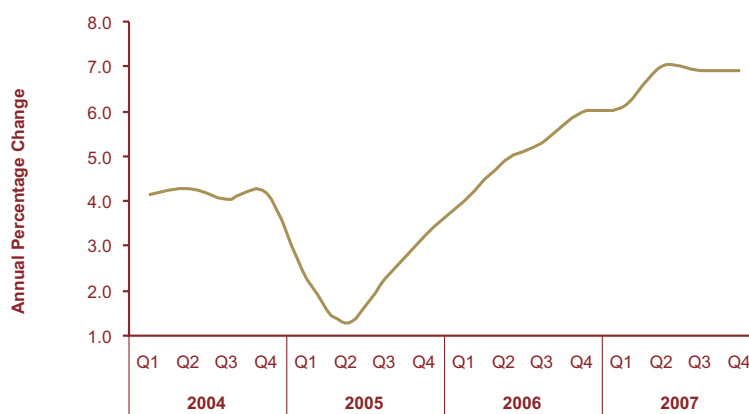


Source: Ministry of Mines and Energy

PRICE DEVELOPMENTS

The annual inflation rate in December 2007 increased to 7.1 percent from 6.6 percent and 6.9 percent in October and November 2007, respectively, resulting in quarterly inflation average of 6.9 percent like in the preceding quarter (Chart 11). The quarterly inflation average remained constant, quarter-on-quarter as a result of quarterly annual food inflation, which remained constant over the same period (Chart 11). This level of inflation was, however, higher than 6.0 percent reported for the corresponding period of 2006. Other sub-components of overall inflation either rose quarter-on-quarter, (non-alcoholic beverages, communications, hotels, clothing and foot wear) or declined over the same period (housing, furnishings, health and transport).

Chart 11: Overall inflation (quarterly averages)



Source: CBS

Food inflation

During the fourth quarter of 2007, food inflation averaged 14.3 percent like in the preceding quarter of the same year. This was a reflection of the changes in the price indices of food sub-categories (Table 3). Meat and fish prices indices declined significantly by 6.7 and 6.8 percentage points to 8.2 percent and 10.5 percent, respectively. However, increases in other food sub-components (bread and cereal, fruits, milk) moderated the effect of the decline, causing overall food inflation to average at the same rate of the preceding quarter. The quarterly average of food inflation remained, however, higher than the corresponding quarter of the preceding year (Chart 12).

Table 3: Food inflation sub-components

	2007							
	July	Aug	Sept	Q3	Oct	Nov	Dec	Q4
Food	14.1	14.4	14.3	14.3	14.2	14.4	14.2	14.3
Bread and cereals	11.3	10.8	10.7	10.9	14.5	17.5	18.2	16.7
Meat	15.4	14.5	11.9	13.9	8.9	8.0	7.8	8.2
Fish	18.7	18.7	14.5	17.3	9.7	11.3	10.6	10.5
Milk, cheese etc	21.3	25.5	26.0	24.3	26.3	24.4	23.7	24.8
Oil and fats	15.2	15.2	15.6	15.3	16.5	15.4	12.7	14.9
Fruit	18.5	18.4	20.0	19.0	21.4	22.1	22.9	22.1
Vegetables	19.7	20.9	25.8	22.1	23.0	22.6	21.4	22.3
Sugar, jam etc	6.7	9.0	8.5	8.1	9.2	7.5	7.6	8.1
Food products n.e.c	2.4	4.6	4.8	3.9	5.8	6.8	7.4	6.7

Source: CBS

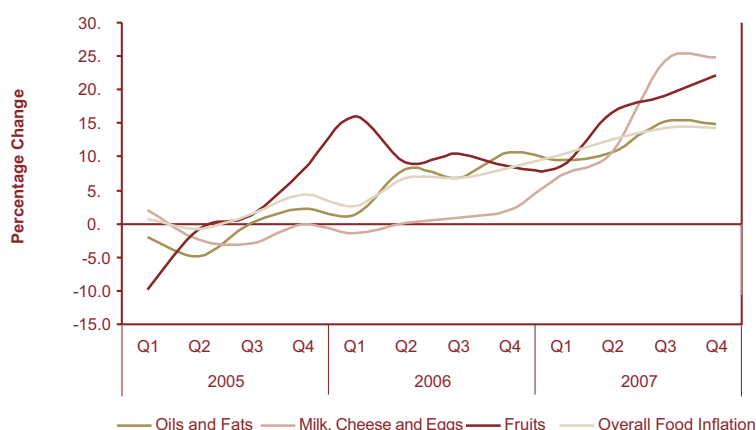
The price index of bread and cereals rose by 16.7 percent during the fourth quarter of 2007 from 10.9 percent and 5.8 percent in the third quarter of 2007 and fourth quarter of 2006, respectively. The price of bread and cereals is expected to rise further due to continued high demand for cereals caused by both the high demand for bio-fuels³ and the devastating effect of floods on crops. Higher food prices are beneficial

³ Bio-fuels are a type of renewable energy source, where ethanol is made from corn is mixed with gasoline to drive a car

to producers of cereals in terms of high earnings but, on the other hand, it is inflationary with negative budget implications.

The price index for sub-categories milk, cheese and eggs, and fruit also rose, during the fourth quarter of 2007, increasing by 24.8 percent, and 22.1 percent, respectively (Table 3). The rates for the third quarter of the same year were 24.3 percent, and 19.0 percent, respectively. The increase in milk and cheese inflation is attributed to the high cost of fodder incurred by farmers in the dairy industry. Consequently, the price of milk was raised again for the second time during the quarter under review in order to save the industry from collapsing due to high input cost.

Chart 12: Food inflation (quarterly averages)



Meat inflation⁴ decreased to 8.2 percent during the fourth quarter from 13.9 percent and 16.9 percent during the third quarter of 2007 and the corresponding quarter of 2006. The price of fish decreased due to improved supply resulting from better catches of fish as well as improved sizes of fish during the final quarter of 2007.

Housing, water, electricity, gas and other fuel

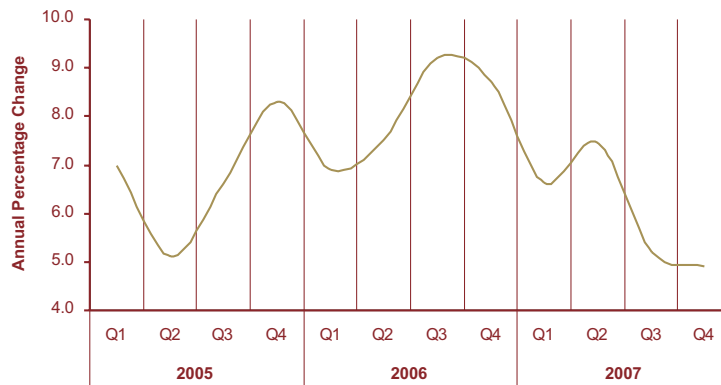
The inflation for housing, water, electricity, gas and other fuels category decreased slightly to 3.3 percent from 3.4 percent during the third quarter of 2007, but recorded a similar rate during the same time in 2006. The lower inflationary pressure for this category during the last quarter was mainly reflected in the rental payments for dwellings and regular maintenance and repair of dwellings sub-categories. Responsible for the slowdown in this sub category was reduced prices of some building materials that are normally used for regular maintenance and renovations of houses. The inflation for electricity charges and refuse collection, however, increased slightly to 3.3 percent and 2.2 percent, respectively. Likewise, inflation for the water supply and sewerage services increased to 7.5 percent from 7.1 percent when compared to the preceding quarter, while it decreased from 10.9 percent during the fourth quarter of 2006. The inflation of this category is expected to go up due to the power shortage experienced by ESKOM, which will force Nampower to generate more electricity in Namibia. In order for Nampower to recover the cost of generating power in Namibia, some of the cost might be passed over to the consumers and this will be reflected in the price of electricity.

Transport

Inflation of the transportation category slowed down during the fourth quarter of 2007 compared to the rate in the third quarter of the same year and corresponding quarter of the preceding year (Chart 13). Transport inflation slowed to 4.9 percent during the fourth quarter of 2007 from 5.2 percent during the preceding quarter. The moderation was mainly reflected in the decrease in the inflation rate of the sub-category purchase of vehicles due to the dampening effect of high interest rates. Inflation of the category purchase of vehicles decreased to 7.1 percent during the fourth quarter of 2007 from 8.6 percent during the preceding quarter and 19.8 percent recorded during the corresponding quarter of 2006.

⁴ This should not be compared to the prices on Chart 3.2 because those are actual prices that prevailed then. This is, however, in contrast to the annual inflation that is referring to changes over time.

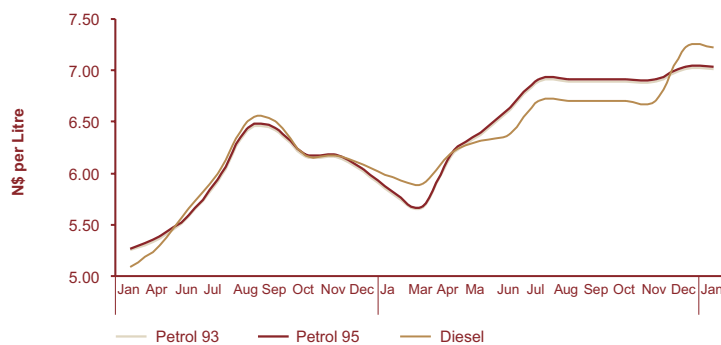
Chart 13: Transport inflation (quarterley averages)



Source: CBS

The decrease in transport inflation also emanated from the tariff fares for the rail transportation, which were reduced during the festive season. On the other hand, the fuel pump price was raised during the quarter ending December 2007 due to the pump price under recovery experienced, especially for diesel. The high international oil prices, supported by a weaker domestic currency forced the Ministry of Mines and Energy to adjust the fuel pump prices during the final quarter of 2007 (Chart 14) and again in February 2008.

Chart 14: Domestic pump price



Source: Ministry of Mines and Energy

Health

The inflation rate for the health category moderated, to 4.3 percentage points during the fourth quarter of 2007 from 4.9 percent during the preceding quarter. This rate is, however, higher than 0.9 percent for the corresponding quarter of 2006. The moderation in the health category was driven by inflation for medical products, appliances and equipment that eased to 2.9 percent from 4.1 percent during the previous quarter. Inflation for medical, dental and paramedical, outpatient services and hospital, services, on the other hand remained the same.

Miscellaneous goods and services

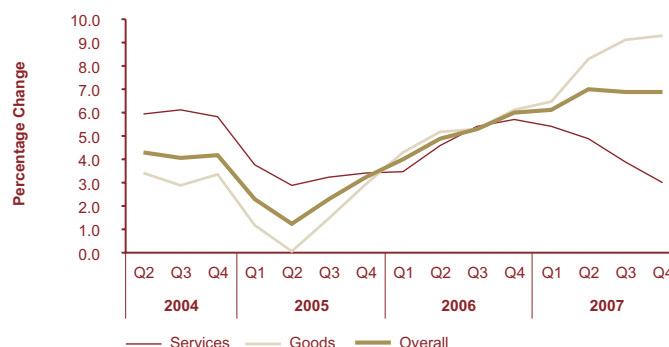
Inflation for miscellaneous goods and services moderated during the fourth quarter of 2007 to 0.3 percent from 1.4 percent during the third quarter of 2007 and 5.3 percent during the corresponding quarter of 2006. The decreases were observed in the categories of insurance and financial services.

Goods and services inflation

Categorizing annual inflation into services and that of goods, shows that goods inflation continued trending above services inflation since the first quarter of 2007 (Chart 14). The annual inflation rate for the services category decreased to 3.0 percent during the fourth quarter of 2007 from 3.9 percent in the preceding quarter and 5.7 percent during the corresponding quarter in 2006. The decrease was mainly reflected in the decline in the indices of transport and health services for reasons alluded to above. Further, miscellaneous services, which was influenced by decreases in financial services also accounted for the decline in services inflation. Insurance services on the other hand remained the same when contrasted with the preceding quarter, but decreased when compared to the corresponding quarter of 2006.

The inflation rate for the goods category rose by 9.3 percent from 9.1 percent in the preceding quarter and 6.1 percent in the corresponding quarter. The slight increase in goods inflation, quarter-on-quarter, was a result of the rise in inflation for non-alcoholic beverages as food inflation remained constant.

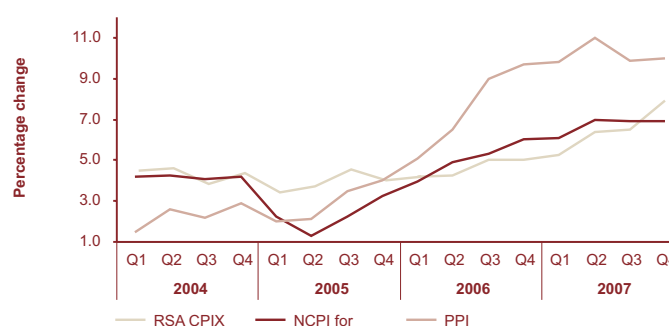
Chart 15: Namibia's goods and services inflation



Source: CBS

The South African CPIX became higher than the Namibia Consumer Price Index (NCPI) during the final quarter of 2007. Although both rates continued with an upward trend (Chart 16), the quarterly average for CPIX was 7.9 percent, while NCPI was lower at 6.9 during the fourth quarter of 2007. During the third quarter of 2007, the CPIX was, however, lower than the NCPI at 6.5 percent in contrast to 6.9 percent of the NCPI.

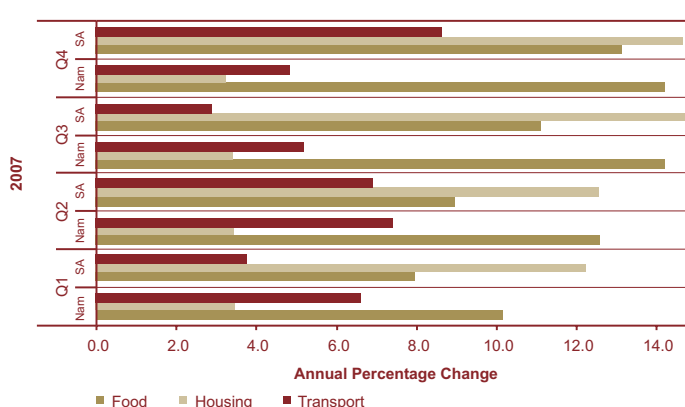
Chart 16: Namibia's NCPI vs South African CPIX



Source: CBS and STATSSA

The higher CPIX was associated with the rise in food and transport indices, which increased very fast quarter-on-quarter, during the final quarter of 2007 (Chart 17). This was in contrast to the same categories of the NCPI that either slowed or remained the same and therefore, a lower NCPI than the CPIX (Chart 17). This move could be attributed to the increase in the petrol/diesel prices in SA during the quarter.

Chart 17: Major NCPI groups vs. CPIX (quarterly averages)



Source: CBS and STATSSA

Further, the PPI remained stable at 10.0 percent when compared to both the corresponding and the preceding quarter, which signals a further slowdown in future inflation of both Namibia and South Africa. The PPI, however, remained higher due to the increasing cost of the construction activities, which is driving up the demand for building materials due to the construction of stadiums and other tourism related facilities in preparation for the world cup in 2010.

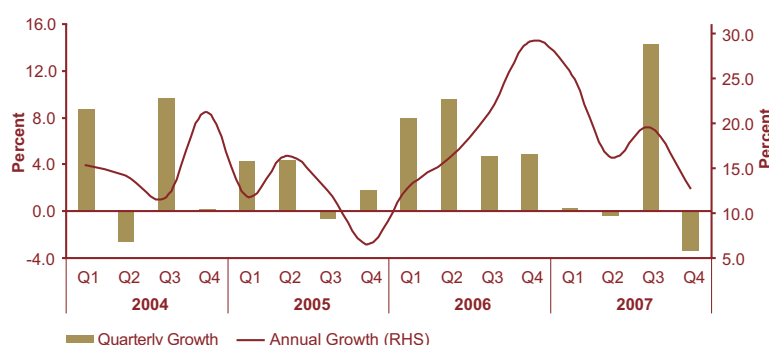


MONETARY AND FINANCIAL DEVELOPMENTS

MONETARY AGGREGATES

Broad money supply (M2) contracted considerably quarter-on-quarter, at the end of the fourth quarter of 2007 (Chart 18). The contraction was primarily a reflection of a slowdown in net foreign assets of the banking sector. A slowdown in the growth of domestic credit also exerted additional downward pressure on the growth of M2, while a minor increase in other items net moderated the decline. The decline was also evident on an annual basis.

Chart 18: Monetary aggregates (M2) growth rates



The growth in the stock of money declined, quarter-on-quarter, by 3.5 percent at the end of the last quarter of 2007. The decline was significantly lower than an expansion of 14.2 percent at the end of the third quarter of 2007 and 4.8 percent at the end of the corresponding period in 2006. On annual basis, M2 grew at an annual rate of 10.1 percent at the end of the fourth quarter of 2007, bringing the stock of money in the economy to N\$24.8 billion from N\$25.7 billion at the end of the preceding quarter.

Components of money supply

The contraction in M2 was reflected in all components: i.e. transferable and other deposits and currency in circulation. The currency in circulation component fell to N\$820.3 million from N\$861.8 million at the end of the preceding quarter, indicating a drop of 4.8 percent, which is lower than a growth of 5.8 percent reported at the end of September 2007.

Similarly, transferable deposits declined by 3.9 percent at the end of the last quarter of 2007, compared to an increase of 14.6 percent at the end of the third quarter. Other deposits also declined by 2.8 percent compared to an increase of 14.6 percent at the end of the previous quarter. The decline in other deposits reflects contractions in deposits of other residents and other non financial corporations of 9.9 percent and 2.8 percent, respectively.

Determinants of money supply

The sharp contraction in M2 at the end of the quarter ending December 2007 was reflected mainly by declines in net foreign assets and net domestic credit (Table 4). The contractionary pressure exerted by net foreign assets contributed 3.9 percent to the decline in M2, while net domestic claims added only 0.3 percent. The expansionary effect of 0.7 percent exerted by the category other items net, however, was minimal and could not turnaround the negative impact thereof.

Table 4: Determinants of M2 (quarterly changes – N\$ millions)

	2006	2007			
	Q4	Q3	Q4	Quarterly percentage change	Contribution to change in M2
Net Domestic Claims	457.4	2, 506.2	-87.5	-0.3	-0.3
Claims on the Private Sector	527.7	709.5	960.6	3.1	3.7
Net Claims on the Central Government	-70.3	1, 796.7	-1, 048.1	-95.7	-4.1
Net Foreign Assets of the Banking System	900.2	875.7	-991.4	-12.7	-3.9
Other Items Net ⁵	-329.5	-177.9	185.9	1.5	0.7
Broad Money Supply	1, 028.2	3, 204.0	-893.0	-3.5	-3.5

Net domestic claims

Depository corporations' claims on the domestic sector declined by 0.3 percent at the end of the fourth quarter of 2007, following a growth of 9.0 percent recorded at the end of the preceding quarter. This was reflected mainly in net claims on Central Government, while claims on other sectors recorded a minor expansion.

ODC's claims on the Central Government registered a growth of 2.1 percent at the end of the fourth quarter, much lower than 12.3 percent witnessed at the end of the corresponding period of 2006. The continuous decline in Government borrowing from ODCs was mostly caused by a low net borrowing requirement which resulted from the much-improved fiscal position. Liabilities to Central Government increased from N\$4.1 billion at the end of September 2007 to N\$5.2 billion at the end of the last quarter, owing to increased Government deposits. As a result, Central Government emerged as a net claimant against depository corporations.

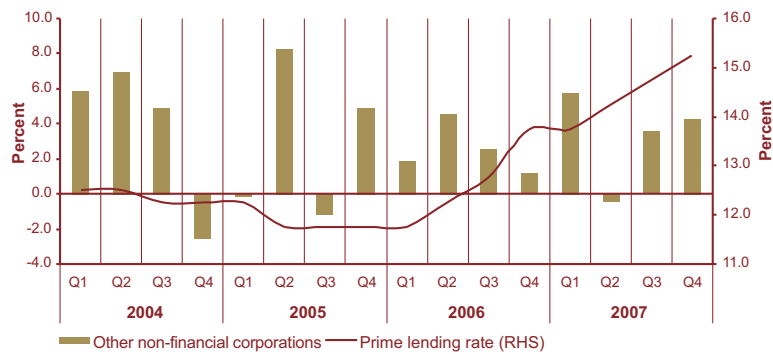
Claims on other sectors⁶ recorded a quarterly growth rate of 3.1 percent at the end of the last quarter of the year, an increase from 2.3 percent at the end of September 2007 (Chart 19). This was contrary to the general expectation of a slowdown in borrowing due to the restrictive monetary policy that prevailed over the period.

Private sector credit rose by 3.2 percent at the end of the fourth quarter of 2007 from 2.9 percent at the end of the previous quarter, and hence contributed to the rise in total claims on other sectors. The source of this slight growth in private sector credit was an increase recorded in the growth of credit extended to other non financial corporations (businesses) (Chart 19). This is because businesses are less responsive to interest rates adjustments as the borrowing costs they incur can be passed on to consumers. Further, retail businesses increased their borrowing at the end of the year, due to restocking for the festive season. Credit extension to the business sector grew on a quarterly basis by 4.3 percent at the end of the last quarter of 2007, marginally higher than 3.6 percent reported at the end of the previous quarter.

⁵ Other items net denote a residual category for other liabilities less other assets.

⁶ Other sectors include state and local governments, parastatals, other financial corporations and the private sector.

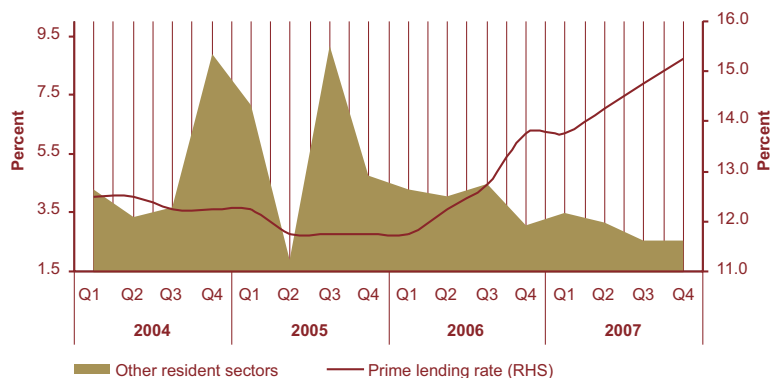
Chart 19: Claims on businesses (quarter-on-quarter growth)



The main source of the growth in credit to businesses was other loans and advances⁷, which registered a growth of 13.1 percent at the end of the fourth quarter of 2007 from that of 7.1 percent at the end of the previous quarter of the same year. This development could be attributed to the fact that borrowers generally tend to shift from traditional borrowing to these products (structured finance products) as they become relatively affordable during high interest rates environment as witnessed during 2007.

Growth in credit to individuals remained roughly constant, quarter-on-quarter, since the third quarter at 2.6 percent, but was lower than 3.1 percent recorded at the end of December 2006 (Chart 20). This mainly reflected a moderation observed in mortgage loans to individuals which slowed to a quarterly growth of 3.2 percent from 4.4 percent at the end of the third quarter.

Chart 20: Claims on individuals



Looking at the types of credit, growth in asset backed credit⁸ rose slightly, quarter-on-quarter, by 2.7 percent at the end of the last quarter of 2007 from 1.1 percent at the end of the third quarter. This is, however, lower than a quarterly growth of 4.7 percent registered during the comparative quarter of 2006. Contributing to this improved growth were upward movements in both mortgage loans⁹ and installment credit over the same period (Table 5).

Growth in mortgage loans at the end of the fourth quarter increased to 3.2 percent from 1.2 percent at the end of the third quarter, although this growth is lower than 4.9 percent reported at the end of the last quarter of the preceding year. This development emanated from increases in mortgage credit extended to both businesses and individuals at the end of the quarter. The development was more profound in business sector credit, which increased by 3.7 percent from a decline of 17.7 percent at the end of the preceding quarter.

⁷ This comprises of structured finance deals with individuals and corporate clients.

⁸ This includes mortgage loans and instalment sales

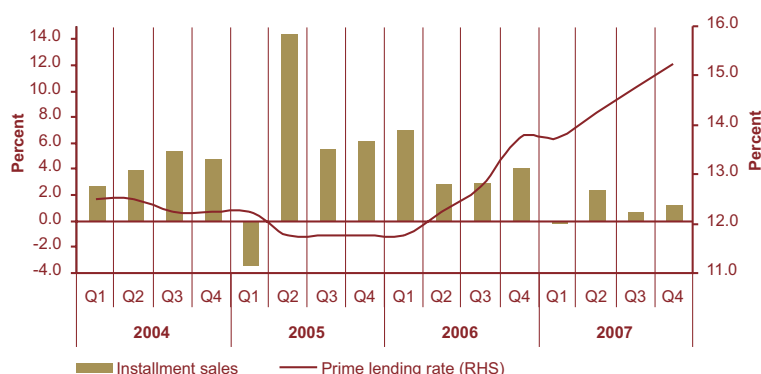
⁹ This comprises of mortgage loans other than those granted for purchases of farms.

Table 5 Growth in collateralized lending (quarter-on-quarter)

	2006		2007		
	Q4	Q1	Q2	Q3	Q4
Total mortgage loans	4.9	5.3	3.8	1.2	3.2
Individuals	4	4.8	3.8	4.4	3.2
Businesses	13.9	11	5.1	-17.7	3.7
Total installment credit	4.1	-0.2	2.3	0.6	1.1
Individuals	4.3	-1.5	3.6	1.6	2.8
Businesses	3.6	2.9	-0.6	-1.8	-3.1

The expansionary effect of mortgage loans to the growth in asset backed credit was supplemented by installment credit over the quarter. Growth in installment credit rose to 1.1 percent at the end of the fourth quarter from 0.6 percent at the end of the previous quarter (Chart 21). The growth is, however, still below 4.1 percent reported at the end of the corresponding quarter. This growth emanated from an expansion in credit to individuals, while business borrowing declined further by 3.1 percent.

Chart 21: Installment credit



Looking at other forms of credit, growth in other loans and advances category accelerated to 7.7 percent at the end of the fourth quarter of 2007, following an expansion of 2.2 percent at the end of the previous quarter. Similarly, leasing recorded an increase of 9.8 percent following the growth of 3.9 percent over the same period. Contrary to the above, growth of overdrafts fell from 12.7 percent at the end of September 2007 to record a decline of 0.2 percent, quarter-on-quarter at the end of the fourth quarter.

The sectoral breakdown of credit extension reveals increased growth in credit extended towards the building and construction, commercial and services, fishing, and other resident sectors. Conversely, credit to manufacturing sector declined at the end of the last quarter of 2007, while that to agriculture and mining sectors slowed down.

The improvement in credit to the fishing industry, from a decline of 4.1 percent at the end of the third quarter to an increase of 15.7 percent, could be attributed to expectations of a recovery in the activities of the sector, which were supported by improved landings and fish sizes. The weakening exchange rate was also a welcome development for the sector. Adverse oceanic conditions and increased input costs due to high and rising oil prices, however, still remain key concerns for the sector.

Credit extended to the manufacturing sector improved from a higher decline of 9.9 percent at the end of the preceding quarter to a decline of 6.7 percent at the end of December 2007. The building and construction sector recorded a growth of 11.2 percent, compared to an increase of 3.7 percent at the end of the previous quarter (Chart 22). The mining sector, on the other hand, saw a significant fall in credit extension at the end of the final quarter of 2007, registering a growth of only 7.5 percent in comparison to a much higher increase of 130.6 percent at the end of the third quarter. The relatively higher growth at the end of the preceding quarter was due to increased borrowing by the diamond sector, which has since eased.

The chart displays the quarterly percentage change in value added for two sectors: Mining and quarrying (dark red bars) and Building and construction (olive green bars). The Y-axis represents the percentage change, ranging from -80% to 170% in increments of 50%. The X-axis shows the quarters from Q1 2004 to Q4 2007. Mining and quarrying shows significant fluctuations, with a major peak in Q4 2004 (approx. 170%) and another in Q3 2007 (approx. 125%). Building and construction shows a large peak in Q1 2004 (approx. 125%) and a sharp decline in Q2 2005 (approx. -80%).

Quarter	Mining and quarrying (%)	Building and construction (%)
2004 Q1	-25	125
2004 Q2	45	-10
2004 Q3	-55	-40
2004 Q4	170	-10
2005 Q1	-25	-80
2005 Q2	20	-80
2005 Q3	15	-10
2005 Q4	20	20
2006 Q1	-25	15
2006 Q2	-30	-10
2006 Q3	-15	-10
2006 Q4	-30	-25
2007 Q1	115	15
2007 Q2	-30	-10
2007 Q3	125	-10
2007 Q4	-10	10

Net foreign assets of depository corporations, although still generally high, fell by 12.7 percent at the end of the fourth quarter of 2007, from a growth of 12.6 percent at the end of the previous quarter (Chart 23). This is a significant fall when compared to the 22.6 percent increase reported during the corresponding quarter. This development emanated mainly from a reduction of N\$1.2 billion in net foreign assets of other depository corporations during the same period, while the Bank of Namibia's net foreign assets increased.

The chart displays monthly sales data from January 2004 to December 2007. The y-axis represents sales in N\$ million, ranging from -500.0 to 9500.0. The x-axis shows the months, grouped by year. The sales start around 1500 million in Jan 2004, fluctuate, and then show a sharp increase starting in early 2006, peaking at nearly 9500 million in late 2007.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2004	1500	1200	1000	1800	1000	1200	1500	1500	1200	1000	1200	1500
2005	1500	1200	1000	1500	1500	1200	1000	500	200	500	1000	500
2006	500	1000	800	1200	1500	1200	1000	1500	2000	4500	4000	4500
2007	5500	6000	6500	7000	8000	8500	8000	9000	8500	8000	7500	7000

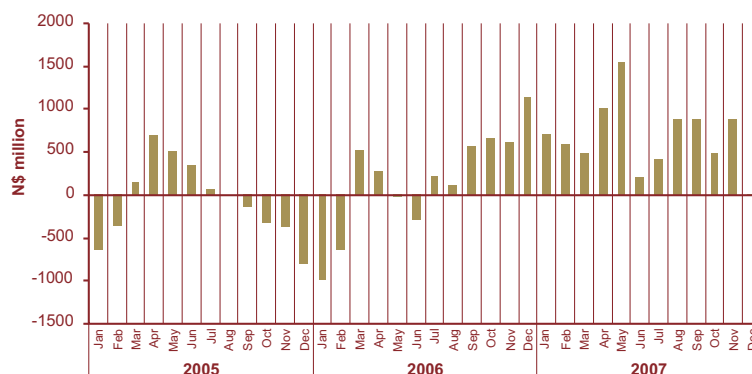
The net foreign assets of the Bank of Namibia, on the other hand, increased by N\$247.6 million to reach N\$6.1 billion at the end of December 2007 (Table 6). The increase in the net foreign assets of the Central Bank is due to improvements in interest income receivable. The robust receipt from SACU also facilitated growth in net foreign assets together with receivables from the Rand notes repatriated.

	2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
A. NFA/L of ODCs	-1,734.50	-1,218.90	825	1,680.20	1,198.40	864.5	1,956.80	717.8
Foreign assets	914.6	1,029.30	1,795.40	2,742.20	2,198.90	1,877.20	2,855.70	1,708.40
Foreign liabilities	2,649.10	2,248.30	970.4	1,062.00	1,000.50	1,012.80	898.9	990.7
B. NFA of BoN	2,457.80	2,677.90	3,119.20	3,164.30	5,690.00	6,085.30	5,868.70	6,116.20
Foreign assets	2,470.00	2,688.30	3,571.00	3,573.60	6,094.70	6,485.40	5,947.20	6,173.00
Foreign liabilities	12.2	10.4	397.8	409.3	404.7	400.2	78.6	56.7
Total NFA	723.3	1,459.00	3,944.20	4,844.50	6,888.40	6,949.80	7,825.50	6,834.00

Liquidity of commercial banks

The overall liquidity position¹⁰ of the commercial banks in Namibia deteriorated quarter-on-quarter at the end of the last quarter of 2007 (Chart 24). Commercial banks in Namibia have maintained a surplus in the overall liquidity position throughout the previous quarters of 2007, the trend was, however, reversed at the end of the fourth quarter. The deterioration in the overall liquidity position was driven mainly by large outflows experienced by commercial banks at the end of the year when companies made withdrawals to pay taxes and dividends. Further, the banks needed to maintain relatively higher cash reserves in their vaults in order to cover for increased withdrawals associated with festive season transactions demand for money. Hence, the liquidity position of commercial banks with parent companies in South Africa deteriorated. As a result, commercial banks had a shortage of N\$21.9 million at the end of the fourth quarter, a turnaround from N\$883.1 million surplus reported at the end of the third quarter of 2007.

Chart 24: Overall liquidity of commercial banks (end of month)

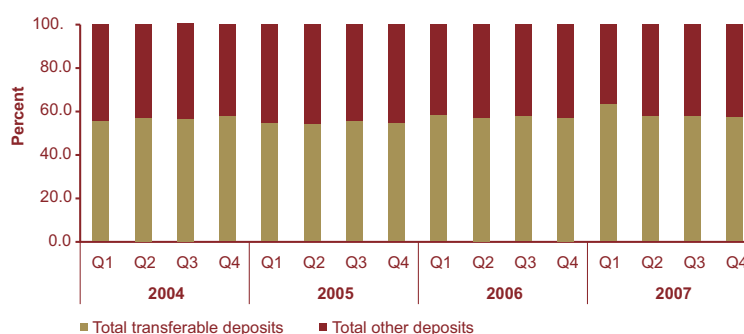


The decline in the overall liquidity position of the commercial banks is parallel to the decline observed in net foreign assets of other depository corporations at the end of the fourth quarter of 2007. This simultaneous movement during the period under review could signify declining excess liquidity in the banking sector that has prevailed since the second half of 2006.

Composition of other depository corporations' deposits¹¹

The total deposits of the other depository corporations rose by N\$22.2 million to N\$27.5 billion at the end of the fourth quarter of 2007, mainly because of an increase in deposits excluded from broad money. This represents a quarterly growth of 0.1 percent, which is lower than 5.1 percent and 6.4 percent reported at the end of the preceding quarter and corresponding quarter of 2006, respectively. The slowed growth resulted from slight moderations in both transferable deposits and other deposits included in M2 over the same period (Chart 25).

Chart 25: Composition of other depository corporations' deposits



Total transferable deposits moved from a growth of 4.4 percent to record a quarterly decline of 1.0 percent at the end of the fourth quarter of 2007. Other deposits' growth also slowed to 1.5 percent following a higher growth of 6.2 percent at the end of the previous quarter. The corresponding quarter of 2006 saw quarterly growth rates of 4.7 percent and 8.7 percent for transferable deposits and other deposits, respectively.

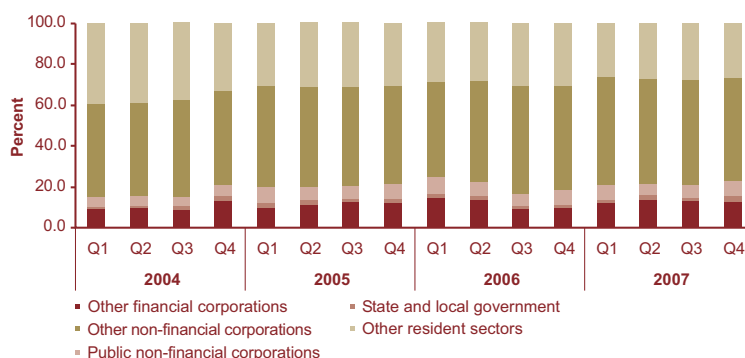
¹⁰ This consist of funds that commercial banks have in their settlements accounts with Bank of Namibia, plus the ones they have with their parent companies in South Africa at the end of the reference period.

¹¹ This comprises of deposits included as well as those excluded from broad money (M2). Deposits included in broad money are those of individuals and businesses, while those of depository corporations and Central Government are excluded.

Sources of other depository corporations' deposits

Total deposits included in broad money declined at the end of the fourth quarter, reflecting similar developments observed in broad money supply. Deposits decreased by 3.4 percent, quarter-on-quarter, following expansions of 14.6 percent and 5.0 percent observed at the end of the third quarter of 2007 and comparative quarter of 2006, respectively. This movement reflects similar declines in deposits of other financial corporations, other non-financial corporations and other resident sectors (Chart 26).

Chart 26: Sources of ODCs' funds



Businesses' deposits, which takes up the largest share of total ODCs deposits included in M2, declined by 4.9 percent, thereby moving its share of total deposits to 50.4 percent at the end of December from 51.2 percent at the end of the third quarter of 2007. This development could be attributed to seasonal factors such as the sectors' need to finance annual salary adjustments such as bonuses and restocking for 2008.

Likewise, the other resident sector deposits' portion declined to 26.9 percent of overall deposits, as opposed to 27.5 percent at the end of the third quarter of 2007. The comparative quarter of 2006 saw the same sector contributing 30.7 percent of total deposits included in M2. Deposits of other financial corporations also recorded a 4.2 percent decline over the same period. The decline in the deposits of these sectors could be attributed to seasonal expenditure for the festive season.

Contrary to the movements of private sector deposits, parastatals and state and local government sectors increased their deposits to 7.4 percent and 2.7 percent of total deposits, respectively at the end of the final quarter of 2007. The comparative figures for the preceding quarter were 6.8 percent and 1.8 percent.

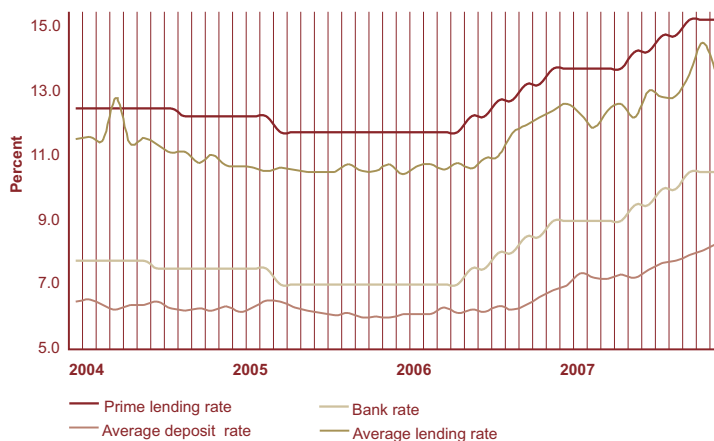
MONEY AND CAPITAL MARKET DEVELOPMENTS

Money market developments

After maintaining a tight monetary policy throughout 2007, the Bank of Namibia's Monetary Policy Committee, at its December 2007 meeting, left the Bank rate unchanged for the third time in 2007. This move by the Bank of Namibia was contrary to the usual adjustments of the Bank rate in line with similar changes in the South African Repo rate.

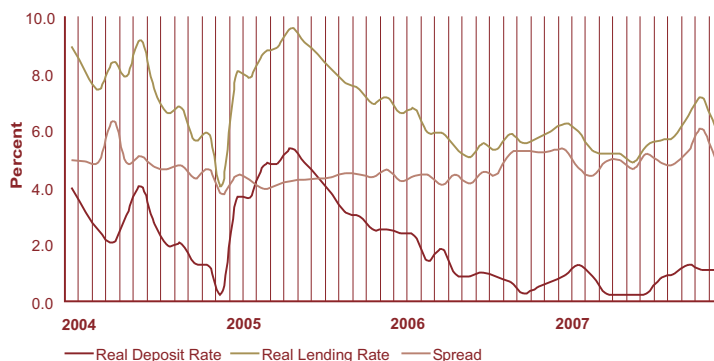
The Bank of Namibia interest rate stance was based on the unique Namibian economic conditions that prevailed at that time. The Bank of Namibia raised the Bank rate in October 2007 by 50 basis points to 10.50 percent from 10.00 percent at the end of the third quarter. In line with the change in the policy rate, the average deposit rate increased by 0.54 percent to 8.28 percent during the fourth quarter. The nominal interest rate spread maintained its upward trend as witnessed throughout the preceding quarters and increased from 5.17 percent to 5.31 percent in the fourth quarter (Chart 27).

Chart 27: Selected interest rates



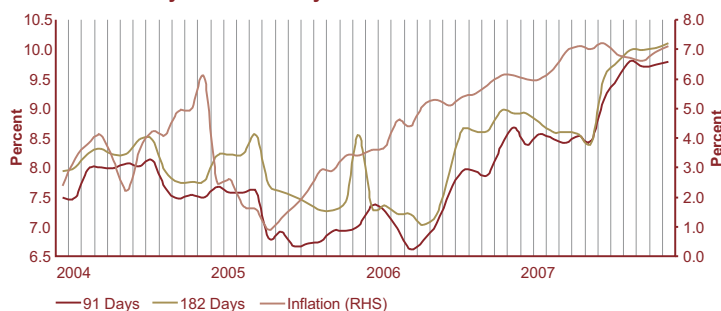
Both the average real deposit and lending rates increased in the fourth quarter compared to the third quarter, with the average real deposit rate increasing from 0.97 percent to 1.10 percent and the average real lending rate rising to 6.06 percent from 5.80 percent. The increase in both the real deposit and lending rates can be attributed to rise in the nominal rates amidst the high inflation that prevailed during the fourth quarter. By the end of the fourth quarter, inflation was at 7.1 percent, up from 6.7 percent at the end of the third quarter. The real spread between deposit and lending rates increased to 4.96 percent in the fourth quarter from 4.83 percent in the third quarter (Chart 28).

Chart 28: Real interest rates



During the fourth quarter, developments regarding Treasury bill yields were mixed, with the yield of the 91-day TB remaining at 9.80 percent at the end of the fourth quarter as was the case during the third quarter. The yield for the 182-day TB, however, rose to 10.10 percent from 9.98 percent (Chart 29). The relative increase in the yield of the 182-day TB can be attributed to the higher interest rates in the fourth quarter compared to the third quarter. The Bank of Namibia raised the Bank rate by 50 basis points in October, which resulted in higher interest rates.

Chart 29: Treasury bills effective yields



The South African Reserve Bank on the other hand, increased its Repo rate by 100 basis points to 11.00 percent in the fourth quarter of 2007, from 10.00 percent at the end of the third quarter. As a result of the increased repo rate, the prime lending rate in South Africa rose by the same magnitude to end at 14.50 by the end of the fourth quarter. Despite this increase in the South African prime rate, the Namibian prime rate is still higher by 0.75 percent at 15.25 percent.

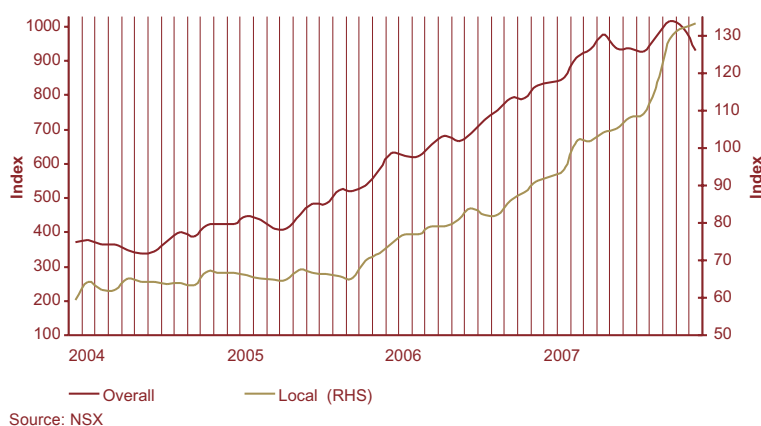
Capital Market Developments

Namibian Stock Exchange

During the fourth quarter of 2007, the performance of the NSX was mixed, as the local index rose while the overall index declined. The increase in the local market capitalization can be ascribed to the relative stability that prevailed in the local market that ensured that share prices maintained their strength observed since the end of the third quarter. Further, the fact that Namibian counters are generally illiquid ensured that the local market was shielded from the adverse effects emanating from the decline in the global markets, resulting from the US sub-prime turmoil. The decline of the overall price index can be attributed to the poor performance of the dual-listed shares that were hit by global markets turmoil, which affected the JSE.

The local index closed at 133 points at the end of the fourth quarter, a 15 percent increase on the 116 points at the end of the third quarter of the same year (Chart 30). The good performance especially of Namibia Breweries, First National Bank and Nictus gave impetus to the rise in the local index in the fourth quarter. The total local market capitalization at the end of the fourth quarter stood at N\$4.8 billion, increasing by 11 percent from N\$4.3 billion at the end of the third quarter. In terms of trading, 21.5 million local shares with a value of N\$114.5 million changed hands at the end of December 2007.

Chart 30: NSX price indices



The overall price index of the NSX did not perform as well as the local index. It closed at 929 points, a 4.4 percent decline from the 972 points at the end of the third quarter. This is because Anglo American shares, which represent more than 50 percent of the overall index weighting, declined by almost 9.0 percent in the last quarter of 2007, hence the decline in the overall index (Chart 30). The decline in the stock prices of Anglo American and other blue chip companies on the NSX was triggered by a sell-off by international investors in the last quarter due to perceived emerging market risks. This sell-off was precipitated by the US sub-prime mortgage crisis. The total overall market capitalization at the end of the fourth quarter of 2007 was N\$1.186 billion, 5.0 percent lower than the N\$ 1.248 billion at the end of the third quarter and in line with the decline in the overall price index (Table 7).

Table 7 NSX summary statistics

	2007			
	Q1	Q2	Q3	Q4
Overall				
Index at end of period	911	936	972	929
Market cap at end of period (N\$m)	1,282,923	1,287,876	1,248,285	1,186,365
Free float market cap at end of period (N\$m)	1,194,676	1,202,794	1,163,927	1,102,076
Traded volume on NSX	86,019,554	51,036,26	50,653,444	54,887,279
Traded value on NSX (N\$)	3,784,830,813	2,490,855,944	2,683,717,808	1,932,796,313
Number of deals on NSX	621	506	581	632
Number of total listings	29	25	25	25
Local				
Index at end of period	102	105	116	133
Market cap at end of period (N\$m)	3,959	3,948	4,297	4,781
Free float market cap at end of period (N\$m)	1,791	1,796	1,955	2,262
Traded volume on NSX	25,288,604	575,769	1,006,871	21,453,581
Traded value on NSX (N\$)	18,001,230	2,309,764	5,586,131	114,526,760
Number of deals on NSX	82	43	78	100
Number of totallistings	9	7	7	7

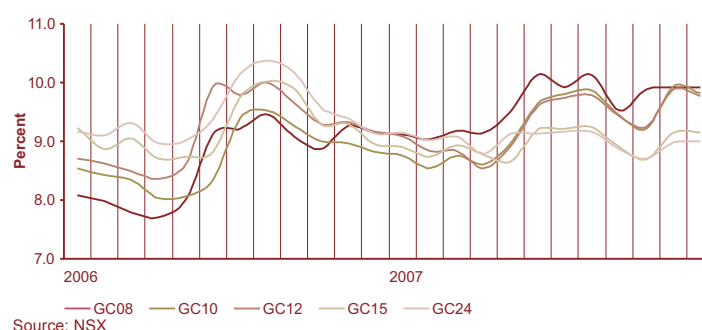
Source: NSX

Despite the slight decline in the NSX's overall index, the NSX attracted two new listings in the last quarter of 2007. These were the first listings on the DevX board¹² and were dual-listings. Due to the increasing demand for uranium over the world and Namibia being one of the core producers of uranium (supplying 7.0 percent of total global demand), the country attracts foreign direct investors to explore and mine. Forsys Metals Corporation and Xemplar Energy Corporation, both involved in the exploration and mining of uranium, listed on the NSX during the fourth quarter of 2007. Both these companies have their primary listings on the Toronto Stock Exchange. The NSX does not generally attract many new primary listings, however, if the resources boom continues, it is expected that other resource companies might seek listings on the Namibian bourse. This will add much needed diversification and liquidity, especially on the local index, which is for companies with Namibian primary listing. Subsequent to the listing of the above mentioned companies, additional two uranium companies, Deep Yellow Limited and Paladin Energy Limited (100% owners of the Langer Heinrich Uranium), also listed on the Development Board and the Main Board of the NSX, in January and February 2008, respectively.

The local index gained further ground in January 2008, with the overall index rising to 136 points and the market capitalization increasing to N\$4.9 billion, while the overall index's sluggish performance persisted with the index declining to 837 points at the end of January. The overall market capitalization declined to N\$1.1 trillion in January, a reduction of 5 percent from the level at the end of the fourth quarter. This is in line with international equity markets that continued to slide on the back of recession fears in the United States as well slowing global growth.

Government bond yields

The yields of all Government bonds in issue rose at the end of the fourth quarter in relation to the third quarter. The yield for the GC08, GC10, GC12 and GC24 rose by 0.39 percent, 0.37 percent, 0.34 percent and 0.12 percent, respectively by the end of the fourth quarter (Chart 31). The increase in these yields is attributed to a rise in interest rates during the fourth quarter, when the Bank rate rose by 50 basis points to 10.50 percent from 10.0 percent at the end of the third quarter.

Chart 31: Government bond yields

Source: NSX

¹² The Development Board of the NSX caters for companies that do not fulfill the requirements to list on the Main Board of the NSX. Typically these companies are engaged in Greenfield projects that require seed capital (e.g. junior mining companies) and are generally perceived to be more risky than established companies.

Enhancing the role of factoring and leasing companies in providing working capital to small and medium enterprises (SMEs) in Namibia

Introduction

The Bank of Namibia hosted a half day seminar on Tuesday 12 February 2008. The seminar was meant to discuss the findings of a study titled “enhancing the role of factoring and leasing companies in providing working capital to SMEs in Namibia”. The study adopted a desk review and field surveys to assess the demand and supply of leasing and factoring in the country. The survey and desk review were supported by case studies of South Africa, Mexico and Burkina Faso. This article summarizes the main findings of the study.

Definitions

Factoring normally occurs when a supplier sells products to a distributor and extends trade credit to the latter, usually for a period of between 30 to 90 days. In a factoring relationship, the supplier (SME) has a choice of contracting its accounts receivable to a third party, known as the factor. Factoring can be conducted on either a recourse¹³ or non recourse¹⁴ basis against the sellers. Leasing on the other hand refers to the process of using equipment without having to own it.

Results of field survey

The results of the field survey suggest that there exists a niche market for both leasing and factoring in Namibia from the supplier's perspective. The clients are SMEs, start-up companies as well as large businesses. The majority of SMEs could be interested in making use of factoring as a viable means of accessing working capital. They felt it would be ideal particularly for factoring services to be offered by the DBN.

It was, however, established that factoring is not well known and is less developed in Namibia. There is only one factoring company operating in Namibia. Moreover, one commercial bank offers factoring, but not in the strict definition of the term. Some of the commercial banks expressed the view that factoring is in general a risky and expensive method of providing working capital to SMEs, therefore they would not consider offering it. Others, however, argued that, if found feasible, they would consider offering it to potential clients.

Furthermore, it was cited that for factoring services to take off effectively, there is a need to tackle a number of crucial factors. These factors include a proper and enforceable legal framework, increased awareness, simplified factoring services, and skills development. Another issue raised was the need for capital to fund the optimal take-off of the factoring business. Factoring is a very useful working capital and cash-flow management facility that will provide market participants with more options to access financial services. Moreover, factoring minimises a company's debtors department and enables businesses to negotiate better rates with creditors.

It can be deduced that a reverse factoring¹⁵ approach could be more appropriate in Namibia. This is due to the poor information on factoring and SMEs, weak IT infrastructures, lack of understanding and skepticism from commercial banks about factoring. The “reverse factoring framework” could function through the Development Bank of Namibia creating a chain between “big buyers and small suppliers”. The role of the DBN in the transaction is to broker the factoring services and refinance financial institutions involved in factoring business.

As far as leasing is concerned, the majority of the SMEs did not seem favour it. This is despite the view of suppliers that it is indeed a well established business in Namibia. The contradicting views from suppliers and SMEs could be attributed to the sample selected. The sample of SMEs that were selected does not seem to be using leasing services. A number of financial institutions offer leasing services in Namibia, while some of the commercial banks also offer financial leases to SMEs. With leasing, SMEs pay in installments, which make it more affordable than paying a lump sum. Commercial banks not providing financial leasing to the SMEs expressed the view that it is a complex product to administer.

¹³ The factor has a claim (i.e. recourse) against its clients (the “borrower”) for any accounts payment deficiency. In this case losses occur only if the underlying accounts default and the borrower cannot make up the deficiency.

¹⁴ The lender not only assumes title to the accounts, but also the default risk because the factor does not have recourse against the supplier if the accounts default.

¹⁵ The factor purchases accounts receivables only from high-quality buyers, thus the factor only needs to collect credit information and calculate credit risk for a few selected buyers. The credit risk is therefore equal to the default risk of the high-quality consumer and not the risky SME.



Lessons from case studies

Drawing from the case study countries, factoring and leasing services are mostly offered by specialist divisions of commercial banks, non-bank financial institutions and development banks. The most important aspect of both leasing and factoring is the easy access to credit given the fact that there is no collateral required before the SMEs obtain working capital. The cost of factoring in Mexico is below the normal lending rates of the commercial banks.

The review of case study countries reveal that the critical success factors these two lending methods are: the hands-on approach of the factoring and leasing companies, continuous follow-up with clients, technical assistance and training to SMEs and inspections of leased equipments, in addition to financial assistance. Only a very limited number of SMEs default on the payments on factoring and leasing. In most cases it was less than 10 percent in all case study countries. To mitigate against default, Namibian lending institutions could adopt factoring with recourse options.

Conclusions and recommendations

Given the above background, the study recommends the following to enhance the role of factoring and leasing in Namibia:

Leasing and factoring services could be extended to SMEs involved in government tenders, the construction industry, as well as those that are oriented towards exports. Leasing and factoring companies must ensure that the performances of SMEs are continuously monitored and not only contact them after defaulting on payments. SMEs should be encouraged to invest in IT to benefit from factoring.

Given the limited information about factoring services and SMEs and scepticism from many commercial banks, the DBN should take the lead in the development of factoring services. This could be done by way of reverse factoring approach in which the DBN would create a platform for various players to interface with one another. In addition, the DBN should provide refinancing to banks and other financial institutions that participate in the factoring programme and should not factor accounts receivables directly.

Institutional investors need to be encouraged by the Ministry of Finance to provide the necessary refinancing to factoring companies as part of their domestic asset requirement.

Public education or awareness need to be intensified to the SMEs on how they could use leasing and factoring services. This could be achieved through a collaborative approach by the Development Bank of Namibia and the Ministry of Trade and Industry.

In terms of the lending strategy, lending institutions are encouraged to adopt the recourse approach to factoring, in order to minimize potential default. In addition, training and skills development on leasing and factoring is strongly recommended. For leasing and factoring to succeed, Government and big suppliers are encouraged to pay their accounts due with SMEs on time. A collaborative approach involving the government, SMEs, commercial banks, and the private sector should be engaged in an attempt to increase access to finance for the SMEs in Namibia.



FISCAL DEVELOPMENTS¹⁶

Total debt of Central Government, which consists of domestic and foreign borrowing declined during the third quarter of 2007/08. The deceleration in total debt resulted in a debt position of 21.8 percent of GDP, which is below the fiscal target of 25 percent of GDP (Table 8).

CENTRAL GOVERNMENT DEBT

Central Government's total outstanding debt declined at the end of the third quarter of 2007/08 by N\$0.6 billion to N\$11.7 billion (Table 8). The decrease in debt is attributed to a net repayment in domestic debt markets.

Table 8 Central Government debt (N\$ million)

	2006/07				2007/08		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GDP	48,228	48,228	48,228	53,564	53,564	53,564	53,564
Foreign Debt Stock	2,381.3	2,675.6	2,526.3	2,710.2	2,769.5	2,695.6	2,873.3
Bilateral	1,450.8	1,599.8	1,489.1	1,630.4	1,585.7	1,435.3	1,493.9
As % of Total	60.9	59.8	58.9	60.2	57.3	53.2	52.0
Multilateral	930.5	1,075.8	1,037.2	1,079.8	1,183.8	1,260.3	1,379.4
As % of Total	39.1	40.2	41.1	39.8	42.7	46.8	48.0
Foreign Debt as % Export	16.1	18.1	17.1	18.3	18.7	19.0	20.0
Domestic Debt Stock	10,862.1	11,063.0	10,987.8	10,927.8	10,677.7	9,031.8	8,781.9
Treasury Bills	4,655.0	4,526.0	4,250.0	3,950.0	3,699.9	3,249.9	3,000.0
As % of Total	42.9	40.9	38.7	36.1	34.7	36.0	34.2
Internal Registered Stock	6,207.0	6,537.0	6,737.8	6,977.8	6,977.8	5,781.9	5,781.9
As % of Total	57.1	59.1	61.3	63.9	65.3	64.0	65.8
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	13,243.3	13,738.6	13,514.1	13,638.0	13,447.2	11,727.6	11,655.3
Proportion of Total Debt							
Foreign Debt Stock	18.0	19.5	18.7	19.9	20.6	23.0	24.7
Domestic Debt Stock	82.0	80.5	81.3	80.1	79.4	77.0	75.3
In % of GDP							
Foreign Debt Stock	4.9	5.5	5.2	5.1	5.2	5.0	5.4
Domestic Debt Stock	22.5	22.9	22.8	20.4	19.9	16.9	16.4
Total	27.5	28.5	28.0	25.5	25.1	21.9	21.8

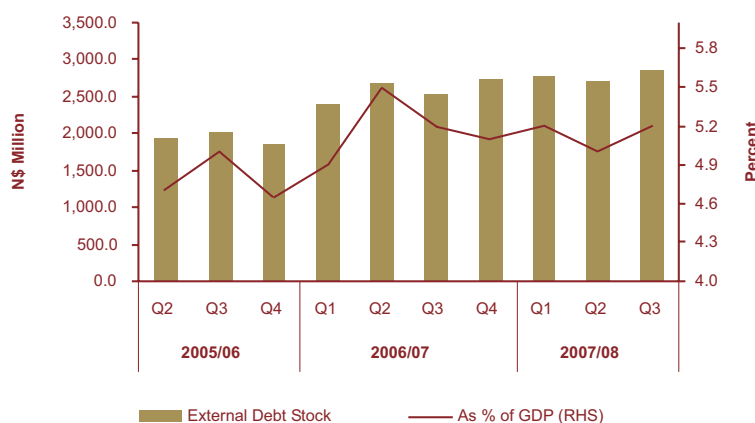
Source: BoN and MoF

¹⁶ All quarters mentioned under this section are fiscal quarters and not calendar quarters; implying the third fiscal quarter is the fourth calendar quarter. Data on Government operations were not available at the time of compiling this bulletin.

Domestic debt

Total domestic debt declined by 2.6 percent at the end of the third quarter to N\$8.8 billion from N\$9.0 billion recorded at the end of the second quarter of 2007/08. Furthermore, total domestic debt stock, year-on-year, fell by 20.1 percent at the end of the third quarter of 2007/08. The decreasing domestic debt, quarter on quarter, is mainly reflected in treasury bills issuance, which declined by 7.7 percent, quarter-on-quarter (Chart 32). The decline in treasury bills stemmed from a net repayment of N\$250 million during the third quarter of 2007/08. Issuance of long-term bonds, on the other hand, remained constant, quarter-on-quarter, at N\$5.8 billion due to the fact that no long-term bonds were issued since March 2007. A reduction of 14.2 percent, however, was recorded when compared with the corresponding quarter of 2006/07 (Chart 32).

Chart 32: Total external debt



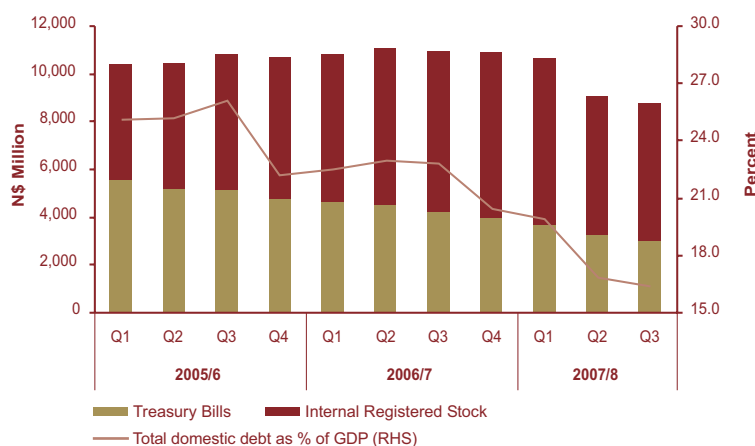
Source: BoN

Domestic debt still forms the largest part of total debt, representing 75.3 percent during the third quarter of 2007/08, a modest decrease of 1.7 percentage points from 77.0 percent recorded at the end of the preceding quarter of 2007/08. During the corresponding quarter of 2006/07, however, the proportion was higher at 81.3 percent. This represents a 6.3 percentage point decline in the share of domestic debt to total debt outstanding. As a percentage of GDP, domestic debt stood at 16.4 percent at the end of the third quarter of 2007/08 from 22.8 percent recorded at the end of the corresponding quarter of 2006/07.

External debt

Central Government's external debt at the end of the third quarter of 2007/08 recorded a stock of N\$2.9 billion, representing an increase of 6.6 percent when compared to the stock recorded at the end of the preceding fiscal quarter. The increase in total external debt stock is mainly due to a further disbursement of existing loans on the Rand and Yen denominated loans during the third quarter of 2007/08. As a percentage of GDP, external debt stood at 5.4 percent higher than the 5.0 percent recorded at the end of the second quarter of 2007/08 (Chart 33).

Chart 33: Total domestic debt by security



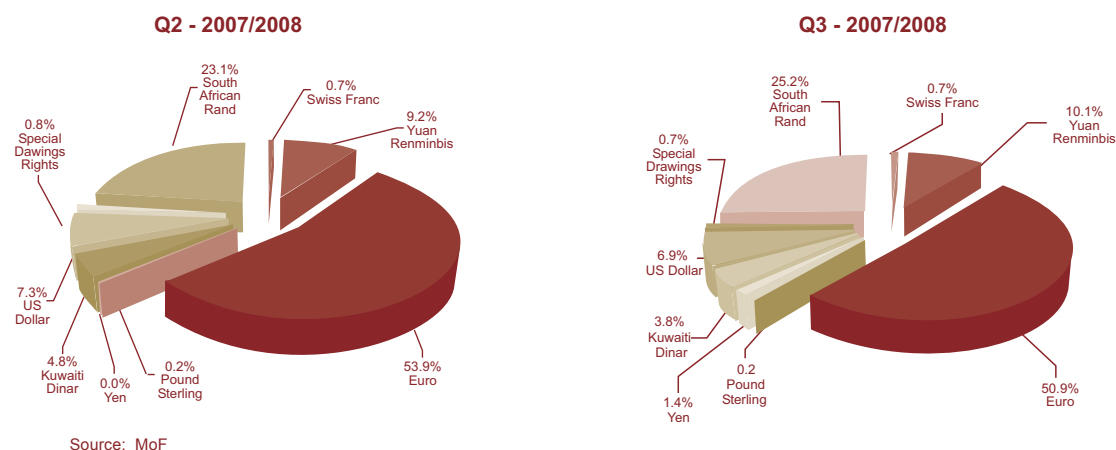
Source: BoN and MoF

Bilateral loans continued to take up the major share of Central Government external debt, accounting for 52.0 percent, while the remaining portion is sourced from multilateral organisations. The biggest share of bilateral loans is contracted with the German Government (KfW) on concessional¹⁷ terms. Bilateral loans recorded an increase of 3.3 percent when compared with the preceding quarter of 2007/08 and 10.6 percent when compared with the corresponding quarter of the preceding year. Similarly, multilateral loans recorded an increase of 11.3 percent at the end of the third quarter of 2007/08 when compared to the level recorded at the end of the second quarter of the same year. The same types of loans at the end of the corresponding period of 2006/07, however, recorded an increase of 18.2 percent.

Currency composition

During the third quarter of 2007/08 currency composition showed a mixed picture when compared to the preceding fiscal quarter. The Euro continued to dominate the currency composition of foreign debt during the third quarter with a decreased share of 50.9 percent from 53.9 percent at the end of the preceding quarter of 2007/08. The decreased share of Euro denominated debt was more prominent when compared to 54.1 percent at the end of the corresponding quarter of the preceding fiscal year. The Rand denominated debt, on the other hand, increased to 25.2 percent from 23.1 percent at the end of preceding fiscal quarter. The increased share of Rand denominated debt during the third quarter of 2007/08 stemmed from a net disbursement of N\$109.1 million.

Chart 34: Currency composition for external debt



Debt denominated in Yuan Renminbi ranked third with a percentage share of 10.1 percent, an increase of 0.9 percentage points from 9.2 percent recorded at the end of the second quarter of 2007/08. The US Dollar denominated debt followed with a share of 6.9 percent, which increased from 7.3 percent at the end of the preceding fiscal quarter. It is worth mentioning that the composition of external debt denominated in Yuan increased mainly due to the weakening of the Namibia Dollar against this currency. This could expose government to currency risk by denominating their debt in foreign currencies as opposed to domestic-currency or South African Rand. Interest rates in a foreign country might be lower than in Namibia or South Africa but the exchange rate fluctuations could expose government to high debt reimbursement. The rest of the currencies together (such as Yen, SDRs, Kuwaiti Dinar, Swiss Franc, Pound Sterling) contributed 6.9 percent, an increase from 6.5 percent recorded at the end of the third quarter of 2007/08 but a reduction of 1.1 percentage points was registered from 8.0 percent registered at the end of the corresponding quarter of 2006/07. The increase in these currencies' composition was more prominent in Yen from 0.1 percent recorded at the end of the second quarter of 2007/08 to 1.4 percent recorded at the end of the third quarter of 2007/08 (Chart 34).

¹⁷ These are loans that are provided with lower interest rates and longer repayment periods than standard market or multilateral loans.

CENTRAL GOVERNMENT LOAN GUARANTEES¹⁸

Total loan guarantees of Central Government, issued to both the public and private sectors including individual farmers, increased slightly to N\$3.3 billion at the end of the third quarter of 2007/08, which is 1.8 percent higher than the level recorded at the end of the preceding quarter. As a percentage of GDP, total loan guarantees represent 6.1 percent, an increase of 0.1 percentage points when compared to 6.0 percent of the preceding quarter (Table 9). At the end of the corresponding quarter of the preceding fiscal year, the ratio to GDP stood at 8.0 percent, 1.9 percentage points higher than that of the third fiscal quarter of 2007/08.

Table 9: Central Government loan guarantees (N\$ millions)

	2006/07				2007/08		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
GDP	48,228	48,228	48,228	53,564	53,564	53,564	53,564
Domestic Guarantees	1,494.6	1,625.8	1,826.1	1,760.9	1,559.8	1,280.7	1,231.5
As % of GDP	3.1	3.4	3.8	3.3	2.9	2.4	2.3
As % of Total Guarantees	41.1	41.2	47.3	46.7	44.1	39.9	37.6
Foreign Guarantees	2,142.7	2,109.7	2,037.4	2,006.7	1,978.2	1,932.6	2,039.6
As % of GDP	4.4	4.4	4.2	3.7	3.7	3.6	3.8
As % of Total Guarantees	58.9	58.8	52.7	53.3	55.9	60.1	62.4
Total Guarantees	3,637.3	3,735.5	3,863.5	3,767.6	3,538.0	3,213.3	3,271.1
As % of GDP	7.5	7.8	8.0	7.0	6.6	6.0	6.1

Source: MoF and BoN

Domestic loan guarantees

Domestic loan guarantees decreased by 3.8 percent to N\$1.2 billion at the end of the third quarter of 2007/08 from N\$1.3 billion recorded at the end of the preceding quarter. The foregoing decrease was caused by a repayment of loans made by a state owned enterprise, amounting to N\$99.9 million. At the end of the corresponding period of 2006/07 the Government's domestic debt guarantees stood at N\$1.8 billion, 32.6 percent higher than the current level. As a percentage of GDP, domestic loan guarantees at the end of the third quarter of 2007/08 represented 2.3 percent of GDP, which is slightly lower than 2.4 percent of GDP noted at the end of the preceding quarter.

Foreign loan guarantees

As for foreign debt guarantees, an increase of 5.5 percent was reported at the end of the third quarter of 2007/08 from N\$1.9 billion at the end of the preceding quarter. This increase was caused by new guarantees issued on behalf of a state owned enterprise, amounting to N\$128.5 million. As a percentage of GDP, foreign loans represent 3.8 percent, 0.2 percentage points higher than that of the second fiscal quarter of 2007/08. Furthermore, as a proportion to total loan guarantees, foreign guarantees rose to 62.4 percent from 60.1 percent over the same period. The increase in the proportion for foreign loan guarantees, quarter-on quarter, was supported by a decline of 4.0 percent in the domestic component.

¹⁸ It is important to note that by issuing a loan guarantee, the government guarantees that the lenders do not incur losses on their loans to the companies and this could expose government to potential future losses and consequential budget deterioration.

Sovereign Wealth Funds¹⁹

Introduction

According to the IMF, the last 10-15 years, have seen a significant growth and influence of Sovereign Wealth Funds (SWF) in the global financial market. These funds are not new. What is new is that they are growing at an extraordinary pace with resource-rich countries awash with money, because of high commodity prices, increasingly pursuing aggressive investments in foreign markets. The recent decision by the Abu Dhabi Investment Authority, the world's largest sovereign wealth fund, to invest billions in struggling Citigroup has highlighted the growing economic power of these funds and the countries that own them. This article seeks to explain what the sovereign wealth funds are, how big are they, their role in the market and whether Namibia should set up a similar fund.

What are sovereign wealth funds?

SWFs can generally be defined as special investment vehicles created and owned by governments to invest in financial assets such as stocks, bonds or properties. According to IMF analysis, five types of SWFs can be broadly distinguished based on their main objective²⁰.

stabilization funds, where the primary objective is to insulate the budget and the economy against commodity price swings;

savings funds for future generations, which aim to convert nonrenewable assets into a more diversified portfolio of assets;

reserve investment corporations, whose assets are often still counted as reserve assets, and are established to increase the return on reserves;

development funds, which typically help fund socioeconomic projects or promote industrial policies that might raise a country's potential output growth; and

contingent pension reserve funds, which provide for contingent unspecified pension liabilities on the government's balance sheet.

At present, more than 20 countries worldwide have set up these funds (Table 10). SWFs have put tens of billions of dollars into western financial firms, ranging from Bear Stearns and Barclays to HSBC Holdings and Blackstone Group, investing at bargain prices amid the subprime crisis. Recently, the Abu Dhabi Investment Authority injected \$7.5 billion into Citigroup, which has been struggling due to subprime losses. Abu Dhabi now owns 4.9 percent of Citigroup, the US's largest bank, while the China Investment Corporation invested \$3 billion for a 9.4 percent stake in the New York – based Blackstone Group LP, the manager of the world's biggest buyout fund. Two Middle Eastern government funds now own a third of the London Stock Exchange. According to the IMF estimate, the total investments held by SWFs will rise from 2 to 3 trillion US dollars at the present and is projected to hit 6 to 10 trillion billion in the next five years.

The projected increases are mainly because of continued high prices for commodities such as oil and gas and huge export earnings in countries such as China. Given such growth, further diversification and focus on returns, liquidity inflows into a wide range of asset classes can be expected. At the same time, the demand for asset management and investment banking services by these funds is set to increase. Their rapid growth is closely linked to the prevailing global macroeconomic imbalances, and that means that SWFs will be around for some time to come. Even under the assumption that global imbalances unwind over the next ten years and commodity and oil prices revert to long-term averages, these funds will continue to be a major source of capital and investment in the global market place.

SWFs have also given rise to considerable political controversy as many host governments and politicians see them as threats to the well-being of their nations. More specifically, there is suspicion that these funds could be used for strategic political goals rather than purely commercial purposes. On the positive note, the rise in SWFs has undoubtedly brought a number of benefits. One of these has become particularly evident recently. Against the backdrop of the current market turmoil, SWFs have

19 Data used in this article is sourced from various sources including Morgan Stanley, the Economist, and the IMF, 2007, global financial stability report, (Washington). Available at: <http://www.imf.org/external/pubs/ft/gfsr/2007/02/pdf/annex12.pdf>
20 For details, see the IMF's October 2007 Global Financial Stability Report.

been a welcome source of capital, strengthening the vulnerable balance sheets of some of the world's largest financial institutions. The IMF and EU are drawing up guidelines for SWFs to adhere to in order to allay fears of political misuse and prevent protectionist measures being introduced against them. Should Namibia establish a sovereign wealth fund?

The decision to establish a SWF depends largely on the availability of government surplus funds and excess foreign reserves. Namibia recorded a budget surplus recently, but this is not expected to be sustainable for the foreseeable future. The country has also experienced commodity windfalls in the past and may experience them in future, especially if oil is discovered. Should this happen, the country may consider establishing a SWF of its own for use at some future date. Surplus funds held by state owned companies most of which do not have the requisite capacity to invest, could be channeled to a SWF, which can manage and invest such funds on behalf of state owned enterprises.

Table 10: Selected sovereign wealth funds

Country	Fund name	Inception year	Asset in \$bn
United Arab Emirates	Abu Dhabi Investment Authority	1976	875
Norway	Government Pension Fund - Global	1996	380
Singapore	GIC	1981	330.0
	Temasek Holdings	1974	159.2
Saudi Arabia	N/A	N/A	300
Kuwait	Reserve Fund for Future Generations	1953	250
China	China Investment Corporation	2007	200
Russia	Oil Stabilisation Fund	N/A	127
Botswana	Pula Fund	N/A	6
Total			2138

Source: IMF: October 2007, Global Stability Report

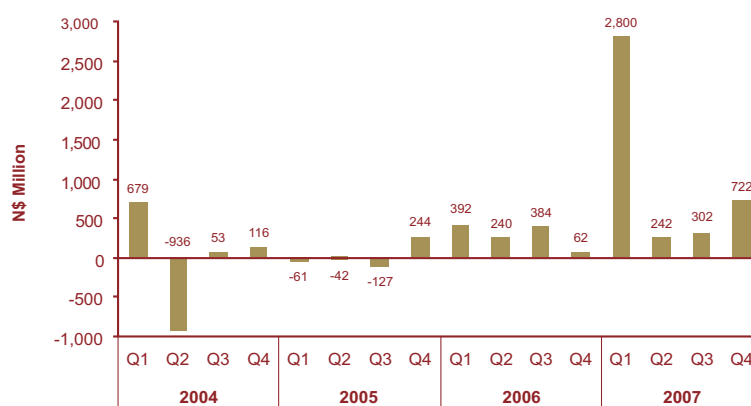


FOREIGN TRADE AND PAYMENTS

OVERVIEW OF THE BALANCE OF PAYMENTS

Supported by continued current account surplus, the overall balance of the balance of payments improved quarter-on-quarter, and year-on year, despite the capital and financial account deficit in the fourth quarter of 2007 (Chart 35). However, this was lower than the record high overall surplus of balance of payments in the first quarter of the same year.

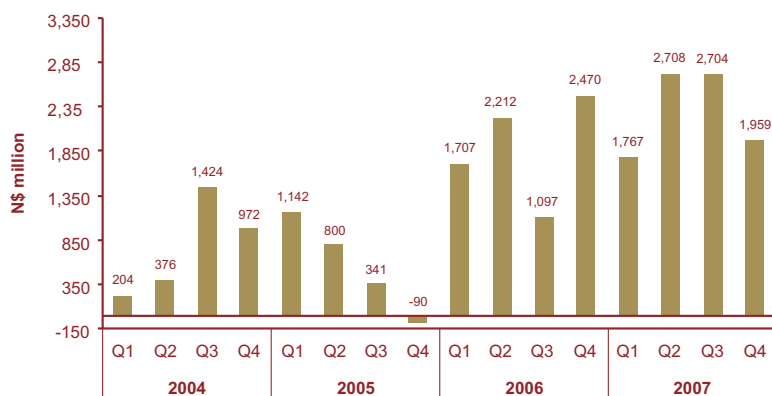
Chart 35: Overall balance



CURRENT ACCOUNT

Relatively large net inflows, especially from current transfers, services and investment income supported continued surplus on the current account during the fourth quarter of 2007. However, the current account surplus, during the fourth quarter of 2007 is estimated to have increased to N\$1.9 billion from N\$1.3 billion during the preceding quarter (Chart 36). This level was also lower than N\$2.5 billion recorded during the corresponding quarter of 2006. On the other hand, due to higher prices of imported goods, the merchandise trade balance was in a deficit, unlike the surplus recorded in the preceding two quarters.

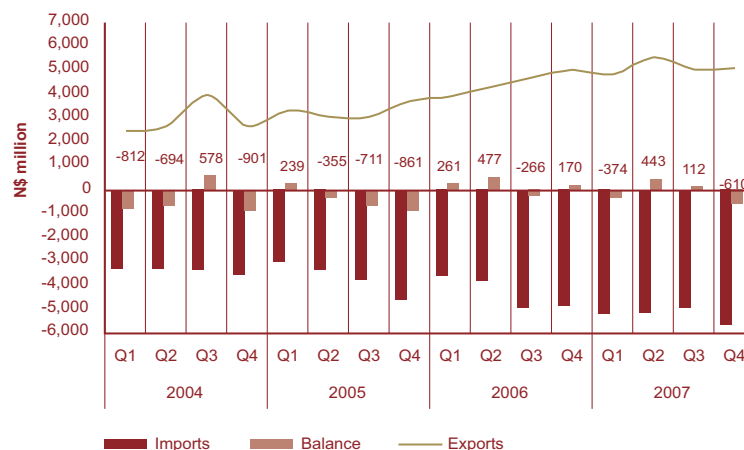
Chart 36: Current account balance



Merchandise trade

Due to the high growth in merchandise import bill relative to that on export receipts, merchandise trade balance turned into a deficit amounting to N\$610 million during the fourth quarter of 2007. This is a significant development from a surplus of N\$112 million during the preceding quarter (Chart 37). Expenses on merchandise imports rose, quarter-on-quarter by 14.9 percent to N\$5.6 billion and year-on-year by 16.8 percent from N\$4.9 billion. The increase in imports partly reflects higher prices of imported goods, as reflected by increased inflationary pressure world wide. Total income from merchandise exports only rose, quarter-on-quarter, by 0.3 percent to N\$5.1 billion and year-on-year by 0.8 percent. The contraction in merchandise export receipts was mainly reflected in export earnings of the categories manufactured products and food and live animals²¹. Manufactured products' export earnings were negatively affected by decreased zinc prices, while seasonal factors caused the decline on the receipts from food and live animals.

Chart 37: Merchandise trade



As mentioned above, export earnings on manufactured products declined though some of the products belonging to this group declined while others rose, quarter-on-quarter. Export earnings of processed fish²², meat and meat preparations and zinc declined, while that of processed copper, beer and soft drinks, increased during the fourth quarter of 2007. However, the increase in the export receipts of processed copper, beer and soft drinks could not offset the decline in that of processed fish, meat and meat products. With regard to meat and meat preparations, the decline stemmed from the slowdown in the number of cattle slaughtered, which was caused by seasonal factors and prospects for good rainfall. With regard to processed zinc, the decline in earnings is attributed to the lower international zinc prices, which fell, quarter-on-quarter, by more than 16.3 percent in the fourth quarter of 2007. Consequently, the total export earnings of manufactured products sub-category declined substantially, quarter-on-quarter, by 18.4 percent to N\$1.3 billion. Year-on-year, this sub-category remained almost constant.

Export earnings from the category 'other mineral products' rose during the fourth quarter of 2007 to N\$1.7 billion from N\$1.5 billion during the preceding quarter. The rise in export earnings of this category was caused by increased volume exports of uranium, unprocessed copper and zinc. The volume exported for copper and lead rose on a quarterly basis by 19 percent and 5 percent, respectively. Further, the relatively

²¹ Live animals are mainly weaners to South Africa and account for about 95 percent of total live animals. The remaining portion is accounted for by grown up cattle.

²² The data for fishing and related activities was not available at the time of going to the printers. However, indications are that the activities were relatively slow.

high and firm international commodity prices, especially for gold, also contributed to improved export receipts (Chart 38(a) and 38(b)). The lower international price for uranium and copper relative to the preceding quarter did not outweigh the effect of improved volumes exported on total earnings.

Chart 38(a): Monthly average mineral prices

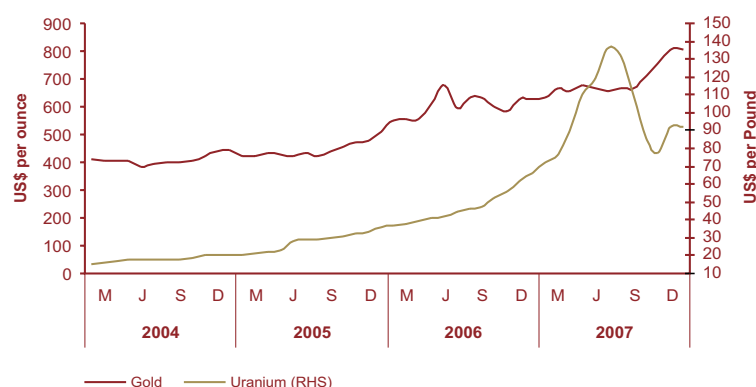
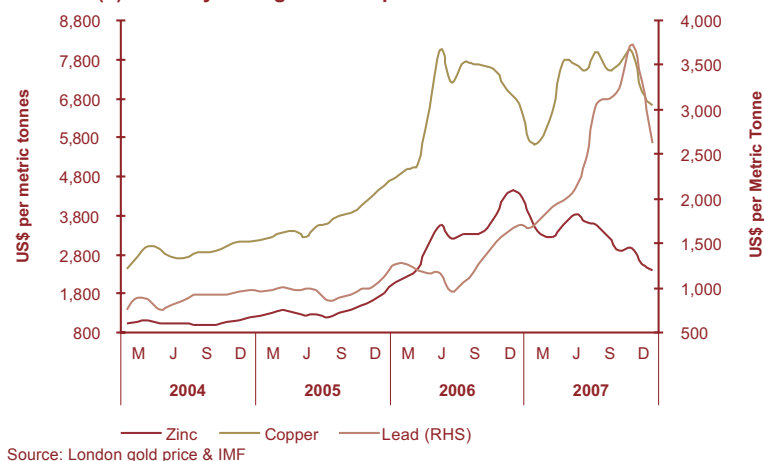
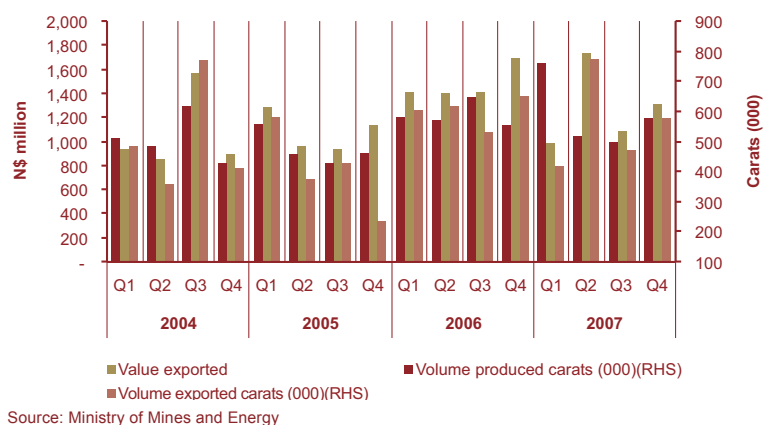


Chart 38(b): Monthly average mineral prices



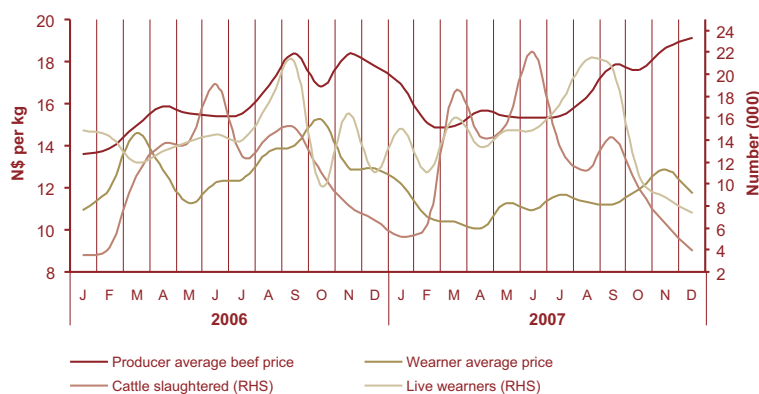
Relative to other merchandise export receipts, during the fourth quarter of 2007, diamond exports continued to be the largest export earner. Both the number of carats exported and the export receipts rose, quarter-on-quarter, supported by the rise in production (Chart 39). Diamond export volume rose, quarter-on-quarter by 23.2 percent to 577 thousand carats, but declined, year-on-year, by 11.1 percent. Over the same period, the export earnings rose, quarter-on-quarter by 19.3 percent but declined year-on-year by 22.0 percent to N\$1.6 billion.

Chart 39: Diamonds quarterly exports



Export receipts of 'food and live animals' decreased during the fourth quarter of 2007 by 29 percent to N\$382 million, which was also lower than N\$427 million recorded during the corresponding quarter of 2006. Significant declines in live exports of cattle and small stock as well as declines in cattle cuts exported caused the decline in this category (Chart 40). The decline was driven mainly by effect of good rainfall prospect on restocking and seasonal factors such as the closure of abattoirs for maintenance and festive-season holidays

Chart 40: Number weaners exported and weaner prices



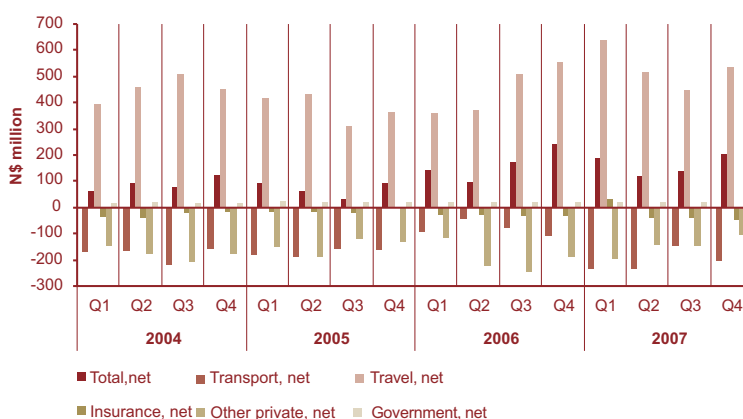
Source: Meat board

As mentioned above, over the same period, export earnings of slaughtered cattle were also lower, quarter-on-quarter. Despite higher-producer meat prices, export earnings of slaughtered cattle decreased to N\$88 million during the fourth quarter from N\$139 million recorded during the third quarter of 2007.

Services

The balance on the services sub-category is estimated to have increased substantially during the fourth quarter of 2007 to N\$202 million from N\$135 million during the preceding quarter (Chart 41).

Chart 41: Services account

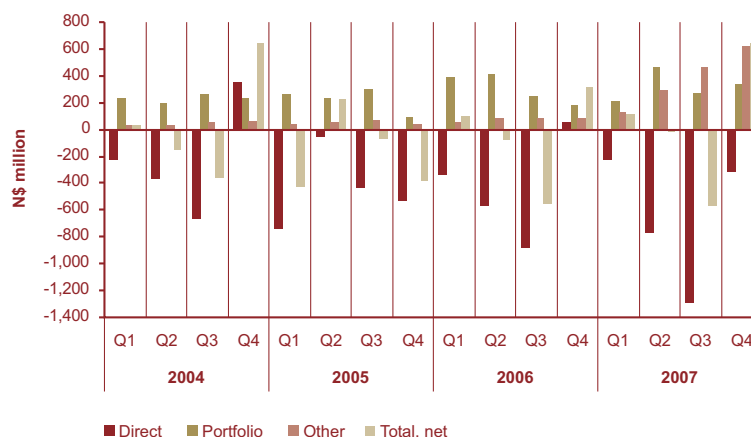


The main component contributing to the increase in net service inflows is the category travel, which is for both leisure and business travel purposes. The inflows of the sub-category travel increased, quarter-on-quarter, by 20.9 percent to N\$770 million during the fourth quarter of 2007 from N\$645 million. The increase, quarter-on-quarter, and year-on-year, in the travel sub-account inflows were mainly due to seasonal effects as reflected in increased number of visitors to Namibia during the fourth quarter.

Foreign investment income

During the fourth quarter of 2007, in contrast to net outflows in the preceding two quarters of the same year, a substantial net inflow was realized in the sub-category investment income. Net investment income recorded a substantial net inflow of N\$652 million, compared to net outflows of N\$563 million and a net inflow of N\$317 million in the preceding quarter of 2007 and corresponding quarter of the previous year, respectively (Chart 42). Developments in this account were reflected mainly in reduced payments to foreign direct investment shareholders, while income received on resident shareholders rose significantly.

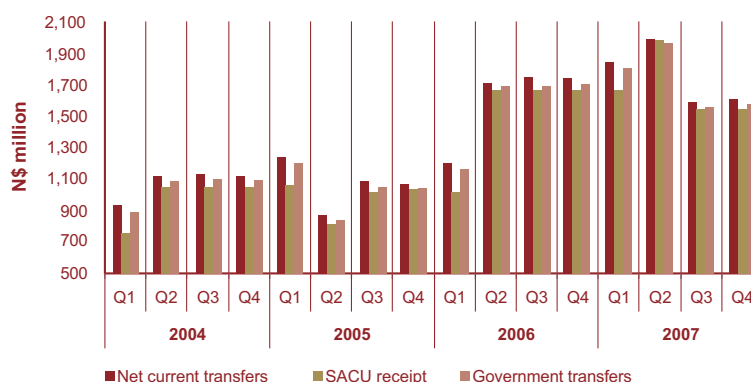
Chart 42: Investment income



Current account transfers

Net current transfers receivable during the fourth quarter of 2007 increased marginally, on a quarter-on-quarter basis, by 1.6 percent to N\$1.6 billion (Chart 43). Since SACU receipts remained constant at N\$1.5 billion, the rise was mainly due to an increase in public transfers received for developmental assistance. Public transfers for development assistance rose by 26.9 percent during the fourth quarter of 2007.

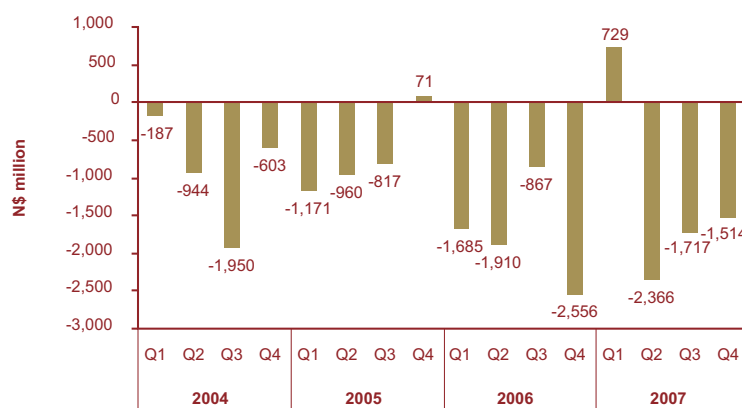
Chart 43: Current transfers



CAPITAL AND FINANCIAL ACCOUNT

Like in the preceding two quarters of 2007, capital and financial account balance recorded a deficit quarter-on-quarter, though narrowed, quarter-on-quarter. Also, the fourth quarter deficit of 2007 was lower than that of the corresponding quarter of 2006 (Chart 44). Substantial increases in net inflows of other short term investments, declines in net outflows of other long term investments and flows in foreign direct investments into Namibia moderated increased net outflows in portfolio investments.

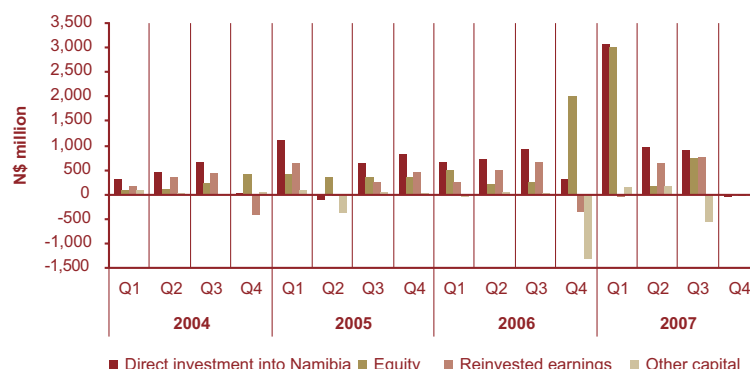
Chart 44: Capital & Financial account



Direct investment

Direct investment into Namibia decreased substantially during the fourth quarter of 2007, both quarter-on-quarter and year-on-year (Chart 45). Quarter-on-quarter, this category declined by N\$939 million to a net outflow of N\$28 million, while it fell, year-on-year, declining by N\$339 million. The foregoing quarter-on-quarter development was a result mainly from the significant negative reinvested earnings of N\$33 million compared to the positive reinvested earnings of N\$753 million in the preceding quarter. Year-on-year, the negative reinvested earnings did not improve when compared to that of N\$357 million.

Chart 45: Foreign direct investments

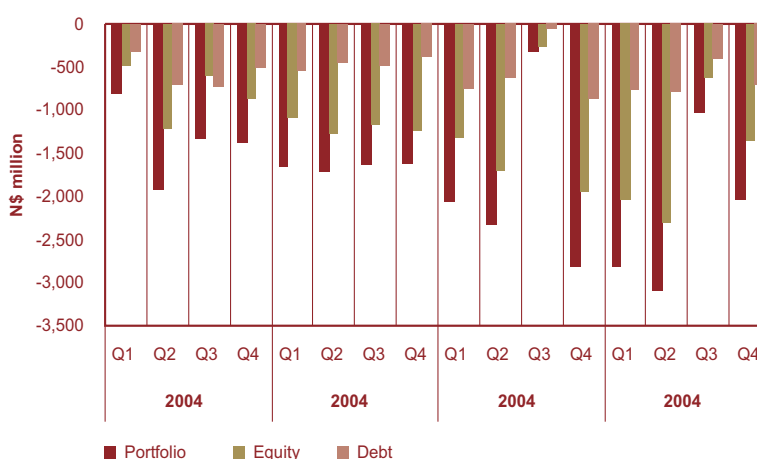


Further, inflows in equity capital declined on a quarterly basis to N\$2 million from N\$711 million. The decline in equity capital inflows is a reflection of the slow down in the number of new capital projects, especially in mining, fishing and tourism.

Portfolio investment

Over the same period, portfolio investment continued recording net outflows. The net outflows were more than those recorded during the preceding quarter of 2007 and corresponding period of 2006 (Chart 46). The net outflow increased in the fourth quarter to N\$3.1 billion from N\$1.4 billion in the preceding quarter and N\$2.8 billion in the corresponding period of 2006. The rise was a direct result of an increase of N\$1.8 billion in net outflow of equity investment instruments that stood at N\$2.8 billion during the fourth quarter. The net outflows in debt-instrument investments, only rose to N\$293 million during the fourth quarter from N\$85 million recorded in the preceding quarter.

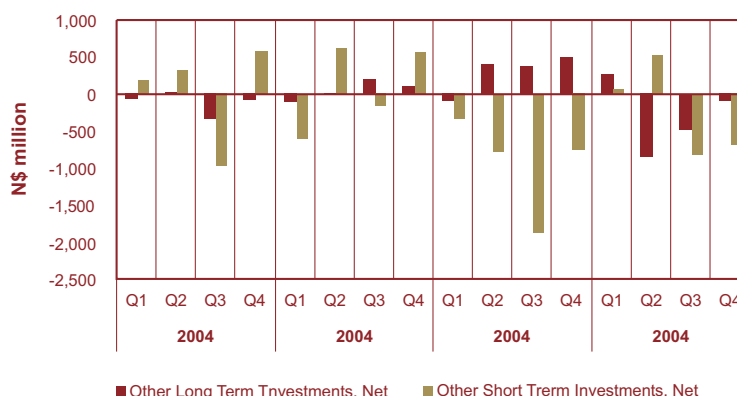
Chart 46: Portfolio investments



Other investments long term

During the fourth quarter of 2007, investments of the category, other long-term recorded a net outflow, which was lower than that for the preceding quarter (Chart 47). However, when compared to the corresponding quarter of 2006, this was a reversal from net inflows in other long term investments. On a quarterly basis, net outflows in other long-term investments declined by N\$435 million to N\$81 million but reversed on a yearly basis, from a net inflow of N\$547 million. Contributing to this outcome was mainly a reduction in outflows of the sub-category other sector's that declined by 86.1 percent. This significant reduction partly reflects a reduction in repayment of loans during the quarter.

Chart 47: Other long-term and short-term investments

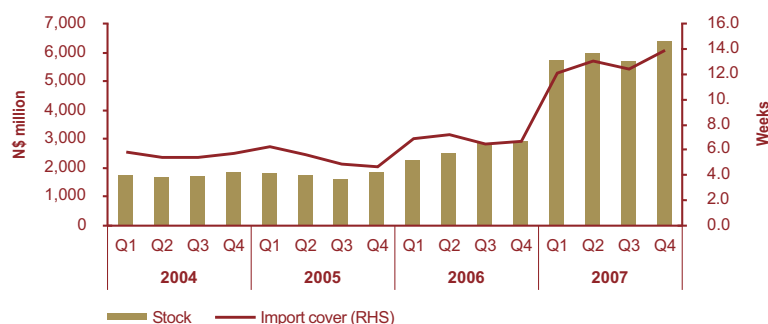


Other investments short term

Other short-term investments reversed from a net outflow to a net inflow in the fourth quarter of 2007. A net inflow of N\$1.5 billion was recorded during the fourth quarter from a lower net outflow of N\$891 million recorded during the preceding quarter of 2007. This was, also a reversal from a net outflow of N\$825 million recorded during the corresponding quarter of 2006. A high demand for money for transaction purposes during the festive season drove developments in this sub-account. This was partly demonstrated by the increase in foreign liabilities of the banking sector to the tune of N\$92 million recorded during the fourth quarter of 2007.

The above developments in the major accounts of the balance of payments caused the surplus in the overall balance of the balance of payments. The overall surplus of the balance of payments improved on a quarterly basis by N\$420 million to N\$722 million. It also improved on a yearly basis, by N\$661 million. Further the stock of international reserves under the control of the Bank of Namibia stood at N\$6 041 million, representing 14.6 weeks of import cover (Chart 48). This is an increase from 12.6 weeks of import cover in the preceding quarter, and a much higher increase when compared to 6.7 weeks in the corresponding quarter of 2006.

Chart 48: Quarterly international reserve stock and import cover



EXTERNAL DEBT²³

External debt for Namibia increased quarter-on-quarter, at the end of the fourth quarter of 2007. The increase was primarily reflected in the increase in Central Government external debt stock, which grew. The stock of external debt at the end of the fourth quarter of 2007 increased by N\$275 million to N\$6.3 billion from N\$6.0 billion recorded during the previous quarter. Year-on-year, external debt declined substantially by 36 percent from N\$9.9 billion at the end of 2006. At the end of 2006, the proportion of total debt held by the private sector was higher than that of Central Government, but this has changed in 2007 (Table 11). The shift in external debt position is mainly because of the relatively higher debt servicing by the private sector relative to that of Central Government.

²³ The external debt analyzed under this section is only limited to loans requiring making repayments over time, and excludes other types of external liabilities, for example, loans extended to each other between related enterprises, which is captured under the sub-category 'other capital', etc. The exclusion is because such type of loans constitutes different arrangements with special treatment/s afforded to each other, which is different from any ordinary type of loan.

Table 11: Namibia's total foreign debt (N\$ million)

	2006			2007			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Foreign debt outstanding	6,216	6,113	9,910	9,508	6,769	6,043	6,318
Central Government	2,381	2,676	2,526	2,710	2,769	2,696	2,873
Parastatals	1,442	1,510	1,477	1,517	1,489	1,227	1,104
Private sectors	2,393	1,927	5,907	5,281	2,511	2,120	2,341
Foreign debt services	570	688	793	404	346	1,140	497
Central Government	46	95	51	55	57	46	79
Parastatals	546	395	151	8	11	11	0
Private sectors	519	590	740	341	279	1083	418
Percentage							
Outstanding debt Q-on-Q	-32.4	-1.7	62.1	-4.0	-28.8	-10.7	4.5
Debt service Q-on-Q	-12.0	20.7	15.3	-49.0	-14.3	229.2	-56.4
Debt service to exports FoB	13.2	14.6	15.7	8.4	6.2	22.5	9.8
Memorandum item							
Exports FoB	4,315	4,696	5,037	4,834	5,574	5,062	5,076

As stated above, the reduction in the stock of external debt, quarter-on-quarter, is mainly due to the decrease of N\$184 million in the outstanding stock of Central Government debt. Over the same period, parastatals reduced their external debt stock by N\$123 million (Table 11).

Foreign debt servicing, at the end of the fourth quarter of 2007 slowed substantially mainly due to a higher base at the end of the preceding quarter. The slowdown in debt servicing arose from a 61 percent drop in debt servicing of the private sector. The private sector debt servicing fell significantly to N\$418 million at the end of the fourth quarter from a record high of N\$1.1 billion at the end of the preceding quarter. On an annual basis this level was also lower by 43 percent. Conversely, Central Government's debt servicing increased at the end of the fourth quarter of 2007, both quarterly and annually, but was not significant enough to reduce the slowdown in debt servicing.

The significant slowdown in debt servicing is well observed in the ratio of debt servicing to exports²⁴, which fell by 12.7 percentage points at the end of the fourth quarter. Debt service as a percentage of GDP²⁵ declined to 3.8 percent at the end of 2007 from 8.7 percent at the end of the third quarter of 2007. On an annual basis, this ratio has also declined from 6.7 percent at the end of the corresponding quarter of 2006, which is encouraging given the risk attached to a high ratio of debt servicing to exports (Table 11).

INTERNATIONAL INVESTMENT POSITION

Namibia's international investment position (IIP) remained in a favourable net asset position at the end of the fourth quarter of 2007. This result is predominantly driven by significant outflows of portfolio investments, while substantial inflows under direct- and other investment into Namibia continue to moderate the increase in net asset position. Like in the previous quarter, the net asset position of the IIP at the end of the fourth quarter is estimated to have increased both on a quarterly and annual basis (Table 12)

²⁴ Debt service as a percentage of merchandise exports is a good measure of how serviceable debt is because higher growth rates in exports builds up international reserves, which in turn are used to service foreign debt. So, the lower the percentage ratio the better.

²⁵ This GDP is the quarterly average for the respective year.

Table 12 International investment position (N\$ million)

	2006				2007			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Assets	35,882	40,647	29,855	40,767	47,858	52,612	55,424	61,757
Direct investment abroad	198	94	111	51	121	74	73	77
Portfolio investments	31,871	35,431	23,561	31,319	33,474	36,333	38,319	41,016
Other investments	1,560	2,628	3,306	6,458	8,524	10,224	11,353	14,264
International reserves	2,253	2,494	2,877	2,939	5,739	5,980	5,679	6,401
Liabilities	27,908	26,123	26,112	31,343	30,591	33,484	28,467	34,269
Direct investment into Namibia	16,195	16,918	18,052	19,416	18,803	24,428	20,574	26,031
Portfolio investments	584	584	584	584	584	584	584	584
Other investments	11,129	8,621	7,476	11,343	11,204	8,472	7,309	7,654
Net asset (+)/liability (-)	7,974	14,524	3,743	9,424	17,267	19,128	26,956	27,487

Assets

The foreign assets of Namibia are estimated to have expanded substantially at the end of the fourth quarter of 2007 by 11.4 percent, quarter-on-quarter and 51.5 percent, year-on-year. The foregoing increase resulted in the asset position of N\$61.8 billion from N\$55.4 billion and N\$40.8 billion recorded at the end of the previous and corresponding quarter, respectively. Portfolio investment, the major component on the asset side of IIP, rose on a quarterly basis by 7.0 percent and by 30.9 percent, year-on-year. Similarly, both equity- and debt investment instruments recorded high growth rates on a quarterly and yearly basis over the same period and were thus both responsible for the increase in portfolio investment. The fact that a very large percentage of Namibian investments abroad are held in portfolio investment, suggest the fact that liquid investments receives more preference and that South African market is more attractive.

Assets of the category other investments also recorded expansions by the end of the fourth quarter mainly on account of rising claims of resident non-banking companies that grew quarterly by 25.6 percent and annually by 120.8 percent. In addition to the foregoing categories direct investment abroad and reserve assets rose, though both did not contribute significantly to the overall growth of the asset position.

Liabilities

Like in the previous quarter, the total liability position of the IIP continued increasing at the end of the fourth quarter of 2007. Total position of liabilities rose on a quarterly basis by 20.4 percent to N\$34.3 billion at the end of 2007. Once again, this outcome was driven by an increase of N\$5.5 billion in direct investments into Namibia. Similarly, the category other investments increased over the same period by N\$345 million to N\$7.7 billion. The increase in direct investment into Namibia was mainly reflected in a substantial rise in the sub-category equity capital. Equity capital rose to N\$19.1 billion from N\$14.0 billion..

The foregoing developments in the IIP resulted in a net asset position of about N\$35.5 billion at the end of the fourth quarter of 2007. The asset position represents no change in the position quarter-on-quarter but an increase year-on-year.

EXCHANGE RATES²⁶

The Namibia Dollar (NAD) appreciated against major currencies such as the Pound Sterling and US Dollar during the fourth quarter of 2007, though losing strength against the Euro. The appreciation is in line with trends observed for most part of 2007, apart from the third quarter when the currency weakened against the US Dollar. The Namibia Dollar appreciated by 4.8 percent and 3.6 percent against the US Dollar and Pound Sterling though depreciating by 0.4 percent against the Euro, during the same period. The above developments resulted in the Namibia Dollar trading at quarterly monthly averages of N\$6.7670, N\$13.8440 and N\$9.8057, against these currencies, respectively, (Table 13).

²⁶ The Namibia Dollar trades one to one against the South African Rand (ZAR) and is therefore referred to interchangeably against other international currencies. The rates being referred to are period averages of mid rates.

Unlike in the preceding three quarters of 2007 when the exchange rate averaged around N\$7.00 against the US dollar, the fourth quarter gain led to the exchange rate to trend below the average of the three preceding quarters. The Rand gained after the South African Reserve Bank raised interest rate by 50 basis points to a four year high of 11.0 percent, making the Rand attractive to carry trade²⁷ investors. The Euro on the other hand, remained strong during this period supported by expectations that the European Central Bank (ECB) could raise interest rates. The expectation led to a perception that the Euro was a safe haven currency in which to hold investments.

Table 13: Exchange rates- NAD per respective foreign currencies

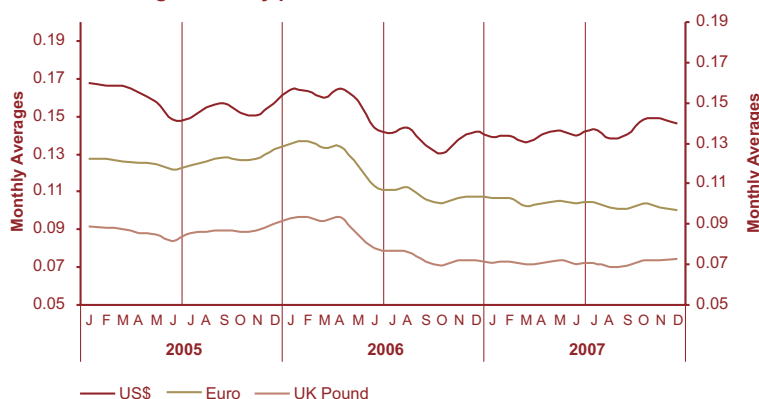
Period	Quarterly averages			Changes Percentage					
	US\$	GBP	Euro	Quarter-on-quarter			Year-on-year		
	US\$	GBP	Euro	US\$	GBP	Euro	US\$	GBP	Euro
2005									
Q4	6.5307	11.42	7.7679	0.3	-1.7	-2.2	7.8	-0.4	-0.9
2006									
Q1	6.1537	10.7849	7.4038	-5.8	-5.6	-4.7	2.6	-5	-6
Q2	6.4489	11.7852	8.1102	4.8	9.3	9.5	0.6	-0.9	0.5
Q3	7.1498	13.3986	9.1131	10.9	13.7	12.4	9.8	15.4	14.8
Q4	7.3161	14.0168	9.4355	2.3	4.6	3.5	12	22.7	21.5
2007									
Q1	7.2350	14.1423	9.4837	-1.1	0.9	0.5	17.6	31.1	28.1
Q2	7.1040	14.1105	9.5750	-1.8	-0.2	1.0	10.2	19.7	18.1
Q3	7.1115	14.3617	9.7689	0.1	1.8	2.0	-0.5	7.2	7.2
Q4	6.7670	13.8440	9.8057	-4.8	-3.6	0.4	-7.5	-1.2	3.9

Source: SARB

Similarly, the trend in the fourth quarter of 2007 was also observed on a year-on-year basis, with the NAD appreciating by 7.5 percent and 1.2 percent against the US Dollar and Pound sterling, respectively, while depreciating against the Euro by 3.9 percent (Table 13).

World wide fears of recession, especially in the USA and slowing CMA and global growth, caused the NAD to depreciate against the US Dollar and Euro during January 2008 (Chart 49). Conversely, over the same period, the NAD appreciated slightly against the Pound Sterling. The NAD in January 2008 traded at monthly averages of N\$6.9871, N\$13.7527 and N\$10.2688 against the US Dollar, Pound Sterling and Euro, respectively. These developments in the domestic currency represent a depreciation, month-on-month, of 2.3 percent and 3.1 percent against the US Dollar and Euro, respectively, and an appreciation of 0.4 percent against the Pound Sterling. A concern for high current account deficit in South Africa and increased risk aversion from investors could cause further depreciation of NAD against the major international currencies, particularly against the US Dollar and Pound Sterling.

Chart 49: Foreign currency per Namibia Dollar



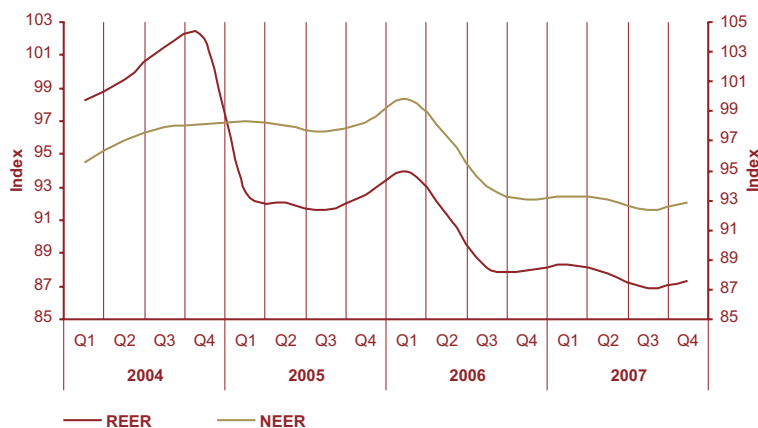
Source: SARB

²⁷ Carry trade investors convert low-yielding currencies to those such as the rand, which they can lend out for a higher return.

Trade weighted effective exchange rates²⁸

On the trade weighted front, both the nominal and real effective exchange rate indices appreciated, quarter-on-quarter, during the fourth quarter of 2007, though both depreciated year-on-year (Chart 50). The nominal effective exchange rate index (NEER) appreciated mainly on account of the corresponding strength gained in the local currency against certain major currencies. The appreciation in real effective exchange rate index (REER), was reflected also in a relatively high inflation rate ratio between Namibia and her major trading partners.

Chart 50: Trade weighted effective exchange rate index²⁹



The NEER appreciated, quarter-on-quarter, by 0.5 percent during the fourth quarter to a level of 92.9 from an index of 92.4. Similarly, REER increased by 0.4 percent, to a level of 87.3 compared to that of 86.9. The appreciation in the REER implies that certain Namibian products exported lost competitiveness approximately by the same magnitude. In contrast, year-on-year, both the NEER and REER depreciated over the same period, by 0.1 and 0.8 percent, respectively.

²⁸ The NEER is a trade weighted index of the nominal exchange rate of the Namibia Dollar against the currencies of Namibia's major trading partners, viz., Yen, Rand, Pound sterling, Euro and US Dollar. The REER, on the other hand, takes the NEER and deflates it with the relative consumer price index of Namibia and each of the major trading partners, viz., South Africa, USA, Germany, Spain, Japan and UK.

²⁹ The steep decline in the real effective exchange rate from the fourth quarter of 2004 and the gap between the two onwards, was caused by the transition from the Interim Consumer Price Index (ICPI) to the Namibia Consumer Price Index (NCPI) which was introduced from February 2005. The NCPI was introduced to have a more reliable and an accurate indicator of the consumer price at a national level.

SPEECHES

PRESS STATEMENT

31 January 2008

Monetary Policy Statement by the Bank of Namibia

The Bank of Namibia held its monetary policy meeting on the 30th of January 2008 to consider its monetary policy stance to be pursued over the next two months. The meeting evaluated domestic and international economic developments, including the near-term outlook for inflation and the various risks in the domestic and international environment.

Regarding the international economy, the Bank noted with concern the slowing of the global economy, underpinned by the recent financial market turmoil and a weakening of the U.S. growth performance. Moreover, there is a significant risk that ongoing turmoil in financial markets would further subdue domestic demand in other advanced economies with the potential for significant spillovers into emerging market and developing economies, including Namibia. It was noted that the balance of risks to the global economic outlook remains unfavourable. These include the risk of price pressures in a number of advanced and developing economies, primarily stemming from exogenous factors, such as higher food and energy prices. In this connection, monetary policy faces the difficult challenge of balancing the risks of higher inflation and slower economic activity; although a possible softening of oil prices could moderate inflation pressures.

Regarding the Namibian economy, it was noted that following the adjustment of petrol and diesel prices by 1.7 percent and 7.8 percent on the 1st of December 2007, the annual rate of inflation increased moderately to 7.1 percent in December from 6.6 percent in October 2007. Food price inflation also continued to put upward pressure on the overall price levels, growing at a brisk rate of 13.6 percent in December 2007, albeit a slight moderation from 13.8 percent in the preceding month. Nevertheless, available demand indicators, such as private sector credit extension and vehicle sales, show that the growth in domestic demand continues to be subdued largely in response to tightened monetary conditions.

Growth in private sector credit eased from 16.6 percent in November 2006 to 13.5 percent, in November 2007. The slowdown in private sector credit growth was mainly attributed to credit extended to individuals, whilst credit extended to businesses showed a slight increase during the same period. At an annual rate, growth in credit extended to individuals slowed to 12.9 percent at the end of November 2007 from 18.6 percent in the corresponding month of the previous year. In contrast, growth in credit extended to businesses increased to 14.6 percent at the end of November 2007 from 13.0 percent one year earlier. The expansion in credit extended to businesses was mainly influenced by seasonal factors, such as short-term financing of increased inventory for the holiday season. It is worth noting that growth in asset-backed credit also displayed a downward trend. For instance, growth in mortgage loans, which accounts for the bulk of private sector credit, decelerated from 26.2 percent at the end of November 2006 to 14.3 percent at the end of November 2007. Similarly, growth in instalment credit decelerated to 3.6 percent at the end of November 2007 from 18.4 percent at the end of November 2006.

Moreover, the annual growth in total vehicle sales declined considerably, falling by 1.7 percentage points to 7.4 percent in December 2007 from 9.1 percent in the corresponding month of the preceding year. The decline was mainly reflected in the number of commercial vehicle sold, which contracted by 10.5 percent as opposed to an increase of 19.5 percent over the same period in the preceding year. On the other hand, the number of passenger vehicles sold rose significantly by 33.2 percent in December 2007 from a decline of 3.1 percent recorded in December 2006. However, the December 2007 increase in the sales of passenger vehicles was mainly due to the completion of fleet orders for the year.

Price developments since the last monetary policy meeting in December last year indicate that inflation has resumed a rising trend. The national consumer price index (NCPI) increased from 6.6 percent in October to 6.9 percent in November and then to 7.1 percent in December 2007 after having decelerated since August 2007.

The increase in inflation was mainly caused by the increases in annual transport inflation, which accelerated to 6.3 percent in December 2007 from 4.0 percent in October. This was largely attributed to an increase in the 'operation of personal transport equipment' sub-category, which accelerated from 9.1 percent in October to 13.0 percent in December 2007.

Food price inflation, although moderating, continues to put pressure on the consumer price index by increasing slightly to 13.6 percent in December from 13.5 percent in October 2007. The overall increase in international food prices continues to be underpinned by the general strong demand in emerging markets economies such as India and China, regional drought spells and the conversion of crops into bio-fuels, as an alternative energy source. The demand for bio-fuels is expected to increase as the world shifts to the use of more environmentally friendly energy sources, and as crude oil prices continue to be relatively high. It is therefore expected that food inflation will remain high, at least for the first half of 2008.

Looking ahead, the risks to the inflation outlook remain on balance slightly tilted to the upside, especially the pressure stemming from the latest increase in the South African Producer Price Index (PPI). The PPI, a leading indicator for consumer price inflation both in South Africa and in Namibia, accelerated from 9.1 percent in November to 10.3 percent in December 2007. However, it is expected that crude oil prices would subside, amid fears that the US economy is heading for a recession.

Going forward, local domestic demand conditions are continuing to moderate, thus the risks to inflation from these components have eased. Domestic inflation has, nevertheless, increased, primarily because of transport inflation. This could, however, mainly be attributed to high crude oil prices that prevailed in the last quarter of 2007, coupled with high food prices. The risks of increasing food prices due to the rise in the demand for bio-fuels and drought, therefore, remain tilted to the upside. Oil prices are, nevertheless, expected to subside in the latter part of the year, mainly because of the slowing demand in the world economy.

Overall, the fundamentals of the Namibian economy remain sound and supportive of the monetary policy stance in the context of the currency peg. These fundamentals include the prudent fiscal policy stance, which have led to positive fiscal balances and debt reduction. Moreover, underpinned by favorable commodity prices and strong SACU receipts, the external current account position remains robust. In this connection, it should be noted that despite excess liquidity conditions, the international reserves position of the country, currently standing at a comfortable level of N\$7.8 billion, is more than adequate to meet the country's short-term external liabilities and to cover more than three months of imports.

On balance, therefore, it appears as if an increase in the Bank rate at this stage could run the risk of unduly depressing already slowing domestic demand, which may hinder real sector growth, especially in view of the regional power shortages that will impact negatively on production. The Bank is also worried about the major uncertainties in the global economic outlook and the likely impact on Namibia. The Bank has, therefore, decided to keep the Bank rate unchanged at 10.5 percent per annum, for the time being. The Bank, however, views it as undesirable that the differential between the Bank rate and the prime rate of commercial banks remains substantial, despite the fact that the Bank rate is 50 basis points lower than the South African Repo rate.

The Bank remains, nevertheless, concerned about the rising inflation, and will not hesitate to adjust its policy stance should monetary conditions so demand in the interest of price stability.

Tom K. Alweendo
Governor

PRESS STATEMENT

06 December 2007

Monetary Policy Statement by the Bank of Namibia

Introduction

The Bank of Namibia held its monetary policy meeting on the 05th of December 2007 to consider its monetary policy stance to be pursued over the next two months. The meeting evaluated domestic and international economic developments, as well as the inflation forecasts. In this connection, the Bank noted that the Namibian economy continued to perform satisfactorily, supported by robust growth in the world economy and higher commodity prices. Growth in credit extension to the private sector remains high, but the rate of increase is slowing down, which may indicate that private sector credit demand may be responding to the tightened monetary policy.

Inflation has continued its downward trend, easing since August 2007, although it still remains a reason for concern. The moderation in inflation during October 2007 is mainly attributed to declines in transport, furnishing and household equipment prices. Food inflation, on the other hand, continued to put an upward pressure on the overall inflation. It is, however, encouraging that even when transport and food inflation are excluded from the consumer price index, the remaining inflation components continue to show a downward trend since August 2007. Notwithstanding these positive developments, volatilities in the international crude oil prices and uncertainties regarding the food price outlook continue to pose a major risk to the inflation outlook.

Developments in the Real Sector

On balance, economic activity in the global economy remains favourable, despite turbulences in the financial markets triggered by the turmoil in the US subprime mortgage sector. The relatively strong growth could mainly be attributed to strong economic expansion in the emerging market economies, particularly China, India and Russia, which accounted for half of the global growth over the past year. Furthermore, robust expansion also continued in other emerging markets and developing economies, including low-income countries in Africa. Commodity prices are, however, expected to moderate from the recent record high levels.

The performance of the South African economy continued to be robust, with real GDP growth expanding by 4.7 percent year-on-year during the third quarter of 2007. Growth is, however, projected to slow down to 4.9 percent in 2007 and further to 4.5 percent in 2008, from 5.0 percent in 2006. The expected slowdown in 2008 is mainly attributed to the impact of tighter monetary policy, as well as the expected slower growth in developed countries.

The Namibian economy continues to perform satisfactorily during the third quarter of 2007. Available indicators show that economic activities in the third quarter continued to grow at a similar pace since the last monetary policy meeting. There was, however, a moderation in the pace relative to the corresponding period in 2006. The unfavourable pace relative to 2006 was associated with the contraction in the tradable sector, attributed mainly to the decline in mining output due to operational breakdowns.

Domestic Demand

Available demand indicators, such as private sector credit extension and vehicle sales, show that the growth in domestic demand continues to be subdued in response to tightened monetary conditions. Growth in private sector credit slowed significantly from 18.3 percent in October 2006 to 12.6 percent, in October 2007. The slowdown in private sector credit growth was witnessed in credit extended to both businesses and individuals.

At an annual rate, growth in credit extended to individuals slowed to 13.2 percent at the end of October 2007 from 19.3 percent in the corresponding month of the previous year. Similarly growth in credit extended to businesses slowed to 11.6 percent at the end of October 2007 from 16.5 percent one year earlier. It is

worth noting that growth in asset-backed credit displayed a similar downward trend. For instance, growth in mortgage loans decelerated from 22.6 percent at the end of October 2006 to 17.9 percent at the end of October 2007. Similarly, growth in installment credit decelerated to 5.3 percent at the end of October 2007 from 18.7 percent at the end of October 2006.

Annual growth in total vehicle sales remained almost unchanged, rising only by 0.2 percentage points to 8.6 percent in October 2007 from 8.4 percent in the corresponding month of the preceding year. Moreover notwithstanding attractive discount offers by commercial banks and car dealers, passenger vehicle sales declined significantly by 5.8 percent in October 2007 from an increase of 19.3 percent in October 2006. On the other hand, commercial vehicle sales rose by 20.1 percent from 0.2 percent over the same period.

Inflation Developments

Since the last monetary policy meeting in October this year, inflation has continued its downward trend, although it is still high when compared with the annual average of 2006 and 2005. The national consumer price index (NCPI) receded for three consecutive months from a peak of 7.2 recorded in July, down to 6.6 percent in October.

The moderation in inflation was mainly caused by the deceleration in annual transport inflation, which slowed to 4.0 percent in October from 7.2 percent in July. This was largely attributed to a deceleration in the 'operation of personal transport equipment' sub-category, which slowed from 12.5 percent in July to 9.1 percent in October 2007.

Food price inflation, on the other hand, continues to put pressure on the consumer price index. Food inflation increased to 13.5 percent in October from 13.4 percent in July 2007. The overall increase in food prices could mainly be attributed to a confluence of three inter-related factors, namely general strong demand in emerging markets economies such as India and China, regional drought spells and the conversion of crops into bio-fuels, as an alternative energy source. Of these three factors, the latter one is expected to persist as long as international oil prices remain high as it is more attractive for farmers to cultivate crops such as maize and wheat for the production of bio-fuel. This, in turn, has also put pressure on the availability of land for production of other food crops for human consumption.

Looking ahead, the balance of risks to the inflation outlook remains slightly tilted to the upside. The South African Producer Price Index (PPI), a leading indicator for consumer price inflation both in South Africa and in Namibia, accelerated to 9.5 percent in October from 9.4 percent in September 2007. Moreover, international oil prices remain persistently high, with crude oil prices reaching record highs of close to US\$100 per barrel in October and November. Domestically, pump prices have not been adjusted since July this year, thus a significant adjustment before the end of the year could not be ruled out.

Monetary Policy Stance

Going forward, local domestic demand conditions have continued to moderate, thus the risks to inflation from these components have continued to decline. Inflation also seems to have moderated, although the upside risks that originate from the surge in crude oil prices into a trading range significantly above historical levels and its potential pass-through to domestic prices still remains. In addition, the risks of increasing food prices due to the rise in the demand for bio-fuels and drought also remain tilted to the upside.

On balance, however, it appears as if an increase in the Bank rate at this stage could run the risk of unduly depressing domestic demand, which may hinder real sector growth. The Bank has taken a policy decision that its rate could deviate from the South African Repo rate to some extent, without disrupting capital flows in the context of the CMA arrangement. In light of these developments, the Bank of Namibia decided to leave the Bank rate unchanged at 10.5 percent per annum, for now. However, I certainly expect commercial banks not to increase their prime lending rates and to reduce the already unwarranted high spread between the Namibian and South African prime lending rates.

As usual, the Bank of Namibia will continue to closely monitor price developments and factors that induce price changes, and will adjust its policy stance should monetary conditions so demand in the interest of price stability.

Tom K. Alweendo
Governor

STATISTICAL APPENDIX

METHODS AND CONCEPTS

Balance of Payments

Accrual accounting basis

This applies where an international transaction is recorded at the time when ownership changes hands, and not necessarily at the time when payment is made. This principle governs the time of recording for transactions; transactions are recorded when economic value is created, transformed, exchanged, transferred or extinguished.

Balance of Payments

The balance of payments (BOP) is a statistical statement that systematically summarizes, for a specific time period, the economic transactions of an economy with the rest of the world. Transactions, for the most part between residents and non residents, consist of those involving goods, services, and income; those involving financial claims and liabilities to the rest of the world; and those (such as gifts) classified as transfers. It has two main accounts viz, the current account, capital and financial account. Each transaction in the balance of payments is entered either as a credit/asset or a debit/liability. A credit/asset transaction is one that leads to the receipts of payment from non-residents. Conversely, the debit/liability leads to a payment to non-residents.

Capital and Financial Account

In the balance of payments, the capital account covers capital transfers and the acquisition or disposal of non-produced non-financial items such as patents. The financial account of the balance of payments consists of the transactions in foreign financial assets and liabilities of an economy. The foreign financial assets of an economy consist of holdings of monetary gold, IMF Special Drawing Rights and claims on non-residents. The foreign liabilities of an economy consist of claims of non-residents on residents. The primary basis for classification of the financial account is functional: direct, portfolio, other investment and reserve assets.

Capital Transfers

Capital transfers in kind consists of the transfers without a quid pro quo of the (1) ownership of a fixed asset or (2) the forgiveness, by mutual agreement between creditor and debtor, of the debtor's financial liability when no counterpart is received in return by the creditor. Capital transfer in cash, on the other hand, is linked to or conditional on, the acquisition or disposal of a fixed asset by one or both parties to the transaction (e.g., an investment grant).

Current Account

The current account of the balance of payments covers all transactions (other than those in financial account) that involve economic values, (i.e; real transactions) and occur between residents and non-resident entities. Also covered are offsets to current economic values provided or acquired without a quid pro quo. Included are goods, services, income and current transfers. The balance on goods, services, income and current transfers is commonly referred to as the "current balance" or "current account balance".

Current Transfers

Current transfers are all transfers of real resources or financial items without a quid pro quo and exclude transfers of funds directed for capital investments. Included are gifts of goods and money to or from non-residents viz, governments and private individuals. Current transfers directly affect the level of disposable income and should influence the consumption of goods and services.

Direct Investment

Direct investment refers to a lasting interest of an entity resident in one economy (the director investor) in an entity resident in another economy (the direct investment enterprise), with an ownership of 10 percent or more of the ordinary shares or voting power (for an incorporated enterprise) or the equivalent (for an unincorporated enterprise).

Double-entry accounting

The basic accounting conversion for a balance of payment statement is that every recorded transaction is represented by two entries with exactly equal values. Each transaction is reflected as a credit (+) and a debit (-) entry. In conformity with business and national accounting, in the balance of payment, the term: credit is used to denote a reduction in assets or an increase in liabilities, and debit a reduction in liabilities or an increase in assets.

Goods

These are real transactions with change in the ownership of physical products and include consumer and capital goods.

Income

Income covers two types of transactions between residents and non residents: (i) those involving compensation of employees, which is paid to non-resident workers (e.g. border, seasonal and other short-term workers), and (ii) those involving investment income receipts and payments on external financial assets and liabilities. Included in the latter are receipts and payments on direct investment, portfolio investment and other investment and receipts on reserve assets. Income derived from the use of tangible asset e.g., car rental by a non-resident is excluded from income and is classified under services such as travel.

Merchandise Trade Balance

This is net balance of the total export and import of goods excluding transactions in services between residents and non-residents. Trade balance is the net balance of the total export and import of goods including transactions in services between residents and non-residents.

Net Errors and Omissions

The balance of payment accounting framework requires a balancing item as the measure of the difference between recorded credits/debits and omissions. This is called net errors and omissions'. Theoretically, it measures quality though in practice a zero/lower net errors and omissions could imply not necessarily good quality data but that debits and credits just cancelled each other.

Other Investment

Other investment covers all financial instruments other than those classified as direct investment, portfolio investment or reserve assets.

Overall Balance of Payments

A balance simply refers to the difference between the sum of credits and debit entries. The overall balance is a very simple concept but a powerful analytical tool often used by analysts. In the balance of payment, overall balance refers to the balance between the sum of the current account balance, the capital and financial account balance and net errors and omissions.

Portfolio Investment

Portfolio investment includes trading in equity and debt securities (other than those included in direct investment and reserve assets). These instruments are usually traded (or tradable) in organized and other financial markets, including over-the-counter (OTC) markets.

Reserve Assets

Reserve assets consist of those external assets that are readily available to and controlled by the monetary authority for the direct financing of payments imbalances, for indirectly regulating the magnitude of such balances through intervention in exchange markets to affect the currency exchange rate, and/or for other purposes.

Residency

In the balance of payments, the concept of residency is based on a sectoral transactor's centre of economic interest. Country boundaries recognized for political purposes may not always be appropriate for economic interest purposes. Therefore, it is necessary to recognize the economic territory of a country as the relevant geographical area to which the concept of residence is applied. An institutional unit is a resident unit when it has a centre of economic interest in the territory from which the unit engages in economic activities and transactions on a significant scale, for a year or more.

MONETARY AND FINANCIAL STATISTICS

3-month BA rate

The interest rate on a time draft (bill of exchange) drawn on and accepted by commercial banks on which it was drawn; the bank accepting the draft assumes the obligation of making payment at maturity on behalf of its client.

Bank rate

The rate charged by the Bank of Namibia on advances on specific collateral to commercial banks. The Bank rate is the cost of credit to the banking sector and therefore eventually affects the cost of credit to the general public.

Depository Corporations Survey

The Depository Corporations Survey is a consolidation of the Central Bank Survey and the Other Depository Corporations Survey.

Bond

A security that gives the holder the unconditional right to a fixed money income or an income linked to some index, and except for perpetual bonds, an unconditional right to a stated fixed sum or a sum linked to some index on a specified date or dates.

Broad Money Supply (M2)

Broad Money Supply (M2) is defined to include currency outside Depository Corporations, transferable and other deposits in national currency of the resident sectors, excluding deposits of the Central Government and those of the Depository Corporations.

Transferable Deposits

These are deposits that are exchangeable without penalty or restriction, on demand and are directly usable for making third party payments.

Other Depository Corporations (ODCs)

The ODC sub-sector consists of all resident financial corporations (except the Central Bank) and quasi-corporations that are mainly engaged in financial intermediation and that issue liabilities included in the national definition of broad money. There are currently seven financial intermediaries classified as ODCs in Namibia, i.e. First National Bank of Namibia, Standard Bank of Namibia, Nedbank Namibia, Bank Windhoek, Agribank of Namibia, National Housing Enterprise and the Namibia Post Office Savings Bank.

Deposit rate

The deposit rate refers to the weighted average deposit rate of the ODC's i.e. the rate that ODC's declare on other deposits (e.g. time deposits).

Dual-listed Companies

Refer to those companies listed and trading on two stock exchanges, such as the Johannesburg Stock Exchange as well as on the NSX.

Lending rate

The lending rate refers to the weighted average lending rate, i.e. the rate charged by ODC's to borrowers.

Local Market in terms of NSX

Only local (Namibian) companies listed on the NSX. Market Capitalisation Market Capitalisation is the total market value of a company's issued share capital. It is equal to the number of fully paid shares listed on the NSX multiplied by the share price.

Market Turnover

Volume of shares traded on the NSX multiplied by the share price.

Market Volume

The number of shares traded on the NSX.

Money Market rate

The money market rate refers to the inter-bank interest rate; the rate at which ODC's extend credit to each other.

Mortgage rate

The rate charged on a loan for the purpose of financing construction or purchasing of real estate.

Overall Market in terms of NSX

Refers to all companies, local as well as foreign, listed on the NSX.

Prime rate

The rate of interest charged by Other Depository Corporations (ODC's) for loans made to its most credit-worthy business and industrial customers; it is a benchmark rate that banks establish from time to time in computing an appropriate rate of interest for a particular loan contract.

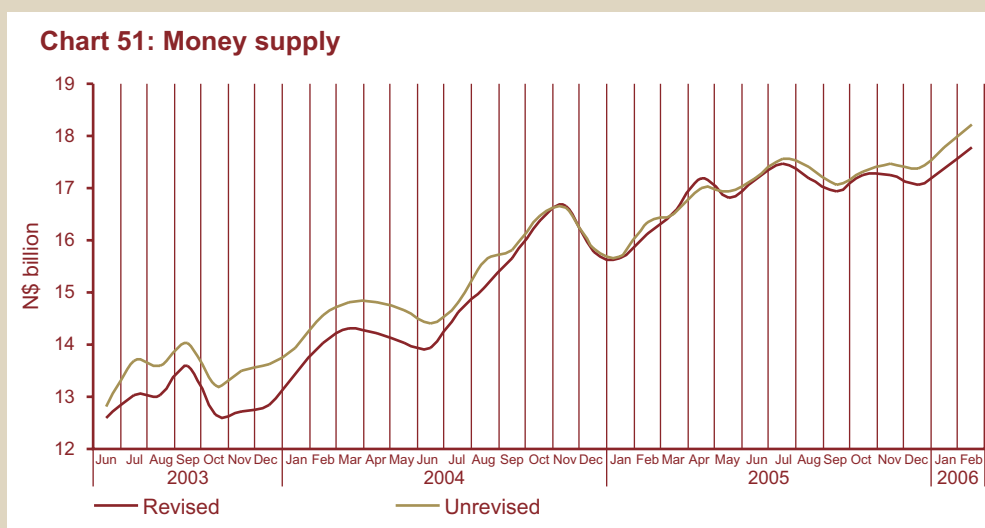
Real Interest rate

The rate of interest adjusted to allow for inflation; the nominal interest rate less the rate of inflation for Namibia, is the real interest rate.

MONETARY AND FINANCIAL STATISTICS HISTORICAL DATA REVISION

The Bank of Namibia has been revising Monetary and Financial Statistics for the period June 2003 to February 2006. This revision was driven by the need to align the old classification, of money and banking statistics, which was based on the IMF Guide with the new classification based on the IMF Monetary and Financial Statistics Manual (MFS) 2000. Further, the notice about this revision was published in the December 2007 Quarterly Bulletin. As per the afore-mentioned notice, below is the analysis comparing revised data with unrevised datasets, focusing mainly on aggregates, namely, money supply, its determinants and ODCs deposits.

MONEY SUPPLY (M2)

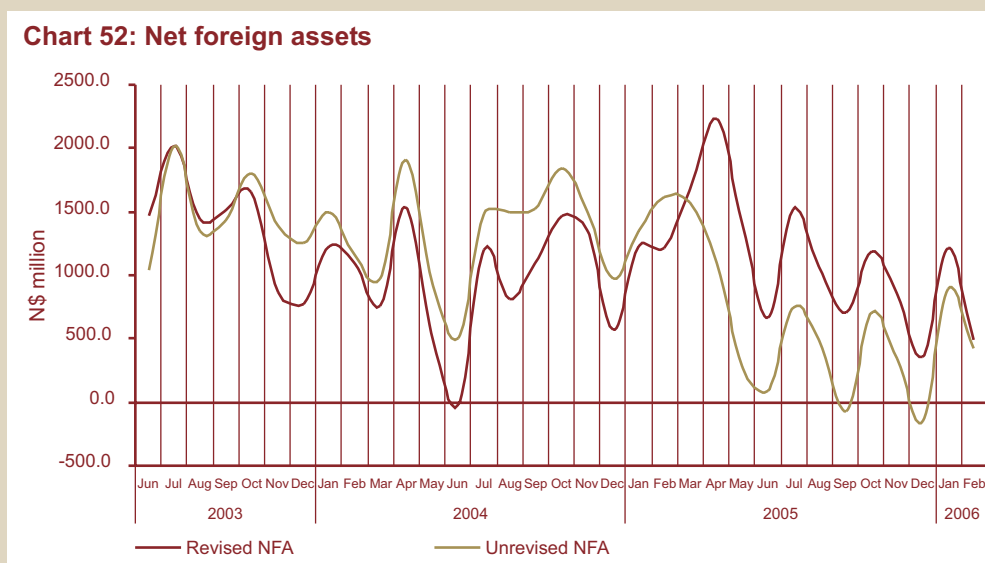


As can be seen in Chart 51, changes between the revised and the unrevised data on M2 are apparent. This can be attributed to the misclassification of transactions related to the determinants of M2, namely net foreign assets and domestic credit.

DETERMINANTS OF MONEY SUPPLY

NET FOREIGN ASSETS (NFA)

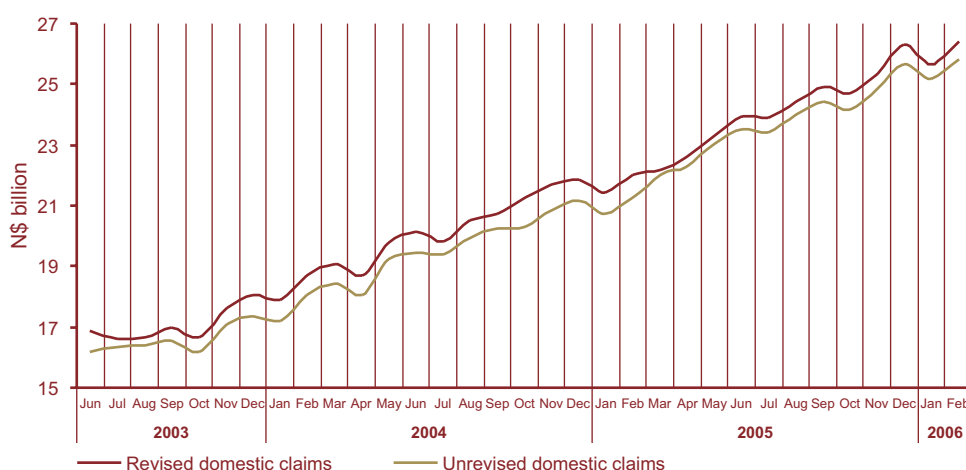
The misclassification on NFA was caused by some of the ODCs that have been recording deposits, lending and borrowings with their parent companies as part of transactions with other domestic ODCs. The correct classification was to report these transactions under non-resident entities. This misclassification resulted in either an underestimation or overestimation of NFA components, hence the fluctuations displayed in Chart 52.



NET DOMESTIC CLAIMS

As can be seen in Chart 53, the revised data is slightly higher than the unrevised data and this is because of the loans extended by ODCs that arose after the re-classification. Before the re-classification, loans were reported on a net basis, hence the lower unrevised data. In contrast, the latest IMF manual now recommends recording on a gross basis.

Chart 53: Net domestic claims



Furthermore, inconsistencies were noted in the classification of transactions with Central, state and local Government and public non-financial corporations. As a result, changes were observed for some months in the aggregated figures for these sectors, and this had an effect on the total domestic claims that filtered through to M2.

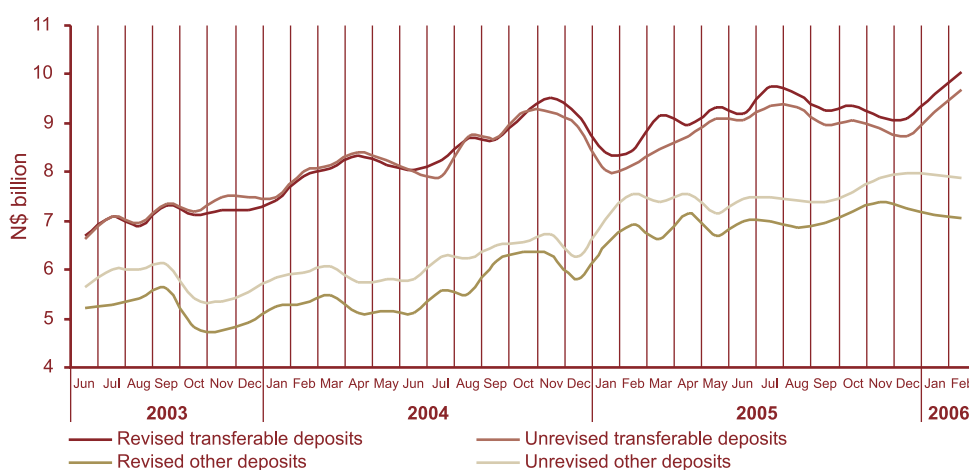
OTHER ITEMS NET

The fluctuations in other items net observed in the unrevised data continued in the revised data, with other liabilities exceeding other assets. This item is derived from unclassified assets and liabilities plus the consolidation adjustment.

DEPOSITS

With regard to deposits, ODCs did not make a clear distinction between transferable deposits and other deposits. As a result, most transferable deposits were classified as other deposits. Consequently, with the revised data, a general decline was observed in other deposits as these items were moved back to the transferable deposits component (Chart 54).

Chart 54: Deposits



BANK OF NAMIBIA

RESEARCH DEPARTMENT

REVISION POLICY: BALANCE OF PAYMENTS

By their very nature, macroeconomic statistics such as the balance of payments statistics are derived from a variety of sources and methods. This means that, while these statistics are compiled using standard double-entry accounting concepts, the two sides to the underlying transactions often originate from different sources of varying quality, coverage and timeliness. It follows that, not only will there be differences in the sum of the corresponding debit and credit entries in the resulting data (leading to net errors and omissions in the accounts), but inevitably there will also be revisions to the data as new or improved data come to hand over time.

These revisions will be published in either the Quarterly Bulletin or Annual Report in a separate table and will be clearly identified, together with the reasons for the revision. This will assist users in assessing the reliability of the original estimates when compared with the revised estimates, and to easily identify major revisions to series and their causes. Such revisions will most likely affect data for the year preceding the latest year, but earlier periods could be affected especially if a major new source or method has been identified for a particular series. In such cases, the series will be revised as far back as is feasible to give users the most consistent time series possible.

It should also be noted that revisions affect the corresponding quarterly estimates and, if significant, will be made as soon as practicable after they have been identified. This means that revisions to the affected series may be reflected first in the Quarterly Bulletin, and tables in the latter publication will now show annual data for the latest three years as the corresponding sum of quarters for the relevant balance of payments series.

REVISION ON THE QUARTERLY BALANCE OF PAYMENTS DATA FOR THE THIRD QUARTER OF 2007

As mentioned in the Revision Policy above, the revisions made to the data on the current account as well as the capital and financial account resulted from improved response rate for the respective quarter by the time of publishing March 2008 Quarterly Bulletin. On the current account, the revision resulted in a much smaller trade surplus and slightly higher inflows in net services. A bigger net outflow in investment income sub-account was recorded, which caused upward revision of this sub-account by N\$89 million (Table 15). On the capital and financial account, revisions were made to both the foreign direct investment into Namibia and the portfolio investment categories, which recorded a higher inflow of N\$910 million and a lower net outflow of N\$1.4 billion, respectively, as opposed to the figures published in December 2007.

Table 15 Balance of payments revised data for the third quarter of 2007 (N\$ millions)

	As published in December 2007 Quarterly Bulletin	As published in March 2008 Quarterly Bulletin	Discrepancy
Current account			
Merchandise trade balance	1080	112	968
Services net	39	135	96
Investment income (net)	-474	-563	89
Capital and financial account			
Foreign Direct investment into Namibia	508	910	402
Portfolio investment	-1612	-1355	257

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Table 1.1 Aggregate Economic Indicators

	2002	2003	2004	2005	2006
Current Prices					
GDP (N\$ mil.)	32908	33842	36496	39711	46971
% Change	18.9	2.8	7.8	8.8	18.3
GNI (N\$ mil.)	33264	35574	37035	38996	46482
% Change	20.2	6.9	4.1	5.3	19.2
GDP per capita (N\$)	17220	17293	18239	20292	23580
% Change	15.9	0.4	5.5	11.3	16.2
GNI per capita (N\$)	17407	18178	18508	19926	23334
% Change	17.2	4.4	1.8	7.7	17.1
Constant 1995 Prices					
GDP (N\$ mil.)	16494	17069	18201	19077	19854
% Change	6.7	3.5	6.6	4.2	4.2
GNI (N\$ mil.)	19054	18942	19282	20580	22483
% Change	8.6	-0.6	1.8	6.7	9.2
GDP per capita (N\$)	8631	8722	9096	9748	9967
% Change	4.1	1.1	4.3	2.0	2.0
GNI per capita (N\$)	9970	9679	9636	10516	11287
% Change	6.0	-2.9	-0.4	9.1	7.3

Source: Central Bureau of Statistics

Table I.2 Gross Domestic Product And Gross National Income

	2002	2003	2004	2005	2006
Current prices - N\$ millions					
Compensation of employees	12012	13051	13903	14973	16473
Consumption of fixed capital	4073	5303	5913	6585	6300
Net operating surplus	13794	12525	12863	14023	19594
Gross domestic product at factor cost	29878	30879	32680	35581	42367
Taxes on production and imports	3582	3104	4030	4367	4847
Subsidies	-552	-140	-213	-238	-244
Gross domestic product at market prices	32908	33842	36496	39711	46971
Primary incomes					
receivable from the rest of the world	1803	2123	1483	955	1185
payable to rest of the world	-1447	-391	-944	-1670	-1674
Gross national income at market prices	33264	35574	37035	38996	46482
Current transfers					
receivable from the rest of the world	3202	3670	4529	4548	6771
payable to rest of the world	-308	-203	-225	-286	-306
Gross national disposable income	36158	39041	41339	43258	52947
Current prices - N\$ per capita					
Gross domestic product at market prices	17220	17293	18239	20292	23580
Gross national income at market prices	17407	18178	18508	19926	23334
Constant 1995 prices - N\$ millions					
Gross domestic product at market prices	16494	17069	18201	19077	19854
Annual percentage change	6.7	3.5	6.6	4.8	4.1
Real gross national income	19054	18942	19282	20580	22483
Annual percentage change	8.6	-0.6	1.8	6.7	9.2
Constant 1995 prices - N\$ per capita					
Gross domestic product at market prices	8631	8722	9096	9748	9967
Annual percentage change	4.1	1.1	4.3	7.2	2.2
Real gross national income	9970	9679	9636	10516	11287
Annual percentage change	6.0	-2.9	-0.4	9.1	7.3

Source: Central Bureau of Statistics

Table I.3 National Disposable Income And Saving

Current prices - N\$ millions	2002	2003	2004	2005	2006
Disposable income and saving					
Gross national disposable income	36158	39041	41339	43258	52947
Consumption of fixed capital	4073	5303	5913	6585	6300
Net national disposable income	32085	33738	35426	36673	46647
All other sectors	24102	26012	25921	26045	33593
General government	7983	7727	9505	10628	13055
Final consumption expenditure	26981	27766	30059	30617	33758
Private	18289	18797	21031	20882	23204
General government	8692	8969	9027	9734	10554
Saving, net	5105	5973	5367	6057	12889
All other sectors	5813	7215	4889	5163	10388
General government	-708	-1242	478	894	2501
Financing of capital formation					
Saving, net	5105	5973	5367	6057	12889
Capital transfers receivable from abroad	431	512	501	509	576
Capital transfers payable to foreign countries	-4	-3	-3	-3	-3
Total	5532	6482	5865	6562	13462
Capital formation					
Gross fixed capital formation	6964	9867	9190	9727	12235
All other sectors	5876	8764	7974	8195	10510
General government	1087	1103	1216	1532	1725
Consumption of fixed capital	-4073	-5303	-5913	-6585	-6300
All other sectors	-3065	-4118	-4624	-5156	-4740
General government	-1008	-1185	-1289	-1428	-1560
Changes in inventories	-468	220	175	530	321
Net lending (+) / Net borrowing(-)	3110	1697	2414	2890	7207
All other sectors	3734	2859	1975	2215	5214
General government	-624	-1162	439	675	1993
Discrepancy on GDP 1)	-78	2790	693	-197	-799
Net lending/borrowing in external transactions 2)	3032	4487	3107	2692	6408
Total	5532	6482	5865	6562	13462

Source: Central Bureau of Statistics

Table I.4 (a) Gross Domestic Product By Activity

Current Prices - N\$ Millions

Industry	2002	2003	2004	2005	2006
Agriculture and forestry	1687	1814	1873	2398	2909
Commercial	1309	1353	1294	1681	1945
Subsistence	378	461	579	717	963
Fishing & fish processing on board	1608	1757	1547	1916	1958
Mining and quarrying	4565	2975	3489	3391	5518
Diamond mining	3427	2630	3048	2782	4054
Other mining and quarrying	1139	345	441	609	1463
Primary industries	7860	6546	6909	7704	10385
Manufacturing	3305	3870	4001	4055	5628
Meat processing	143	139	126	121	81
Fish processing on shore	703	876	750	466	608
Manufacture of other food products and beverages	1515	1650	1690	1772	1979
Other manufacturing	944	1205	1434	1696	2959
Electricity and water	854	1003	1197	1344	1250
Construction	725	1029	1100	1247	1743
Secondary industries	4884	5901	6298	6646	8621
Wholesale and retail trade, repairs	3428	3987	3985	4235	5191
Hotels and restaurants	576	648	653	670	724
Transport, and communication	2083	2382	2671	3019	3341
Transport and storage	1289	1409	1497	1639	1848
Post and telecommunications	794	973	1173	1380	1493
Financial intermediation	1088	1249	1213	1455	1562
Real estate and business services	2832	3156	3542	3764	4073
Owner-occupied dwellings	1449	1593	1748	1861	2024
Other real estate and business services	1382	1563	1794	1902	2048
Community, social and personal services	244	281	282	320	354
Producers of government services	6553	6863	7124	7752	8269
Other producers	558	606	647	673	721
Tertiary industries	17361	19172	20116	21888	24236
Less: Financial services indirectly measured	359	432	394	440	544
All industries at basic prices	29747	31187	32930	35798	42698
Taxes less subsidies on products	3161	2655	3567	3913	4273
GDP at market prices	32908	33842	36496	39711	46971

Source: Central Bureau of Statistics

Table I.4 (b) Gross Domestic Product By Activity
Percentage Contributions

Industry	2002	2003	2004	2005	2006
Agriculture and forestry	5.1	5.4	5.1	6.0	6.2
Commercial	4.0	4.0	3.5	4.2	4.1
Subsistence	1.1	1.4	1.6	1.8	2.1
Fishing	4.9	5.2	4.2	4.8	4.2
Mining and quarrying	13.9	8.8	9.6	8.5	11.7
Diamond mining	10.4	7.8	8.4	7.0	8.6
Other mining and quarrying	3.5	1.0	1.2	1.5	3.1
Primary industries	23.9	19.3	18.9	19.4	22.1
Manufacturing	10.0	11.4	11.0	10.2	12.0
Meat processing	0.4	0.4	0.3	0.3	0.2
Fish processing	2.1	2.6	2.1	1.2	1.3
Manufacture of other food products and beverages	4.6	4.9	4.6	4.5	4.2
Other manufacturing	2.9	3.6	3.9	4.3	6.3
Electricity and water	2.6	3.0	3.3	3.4	2.7
Construction	2.2	3.0	3.0	3.1	3.7
Secondary industries	14.8	17.4	17.3	16.7	18.4
Wholesale and retail trade, repairs	10.4	11.8	10.9	10.7	11.1
Hotels and restaurants	1.7	1.9	1.8	1.7	1.5
Transport, and communication	6.3	7.0	7.3	7.6	7.1
Transport and storage	3.9	4.2	4.1	4.1	3.9
Post and telecommunications	2.4	2.9	3.2	3.5	3.2
Financial intermediation	3.3	3.7	3.3	3.7	3.3
Real estate and business services	8.6	9.3	9.7	9.5	8.7
Owner-occupied dwellings	4.4	4.7	4.8	4.7	4.3
Other real estate and business services	4.2	4.6	4.9	4.8	4.4
Community, social and personal services	0.7	0.8	0.8	0.8	0.8
Producers of government services	19.9	20.3	19.5	19.5	17.6
Other producers	1.7	1.8	1.8	1.7	1.5
Tertiary industries	52.8	56.6	55.1	55.1	51.6
Less: Financial services indirectly measured	1.1	1.3	1.1	1.1	1.2
All industries at basic prices	90.4	92.2	90.2	90.1	90.9
Taxes less subsidies on products	9.6	7.8	9.8	9.9	9.1
GDP at market prices	100.0	100.0	100.0	100.0	100.0

Source: Central Bureau of Statistics

Table I.5 (a) Gross Domestic Product By Activity

Constant 1995 Prices - N\$ Millions

Industry	2002	2003	2004	2005	2006
Agriculture and forestry	975	1,010	1,019	1,130	1,175
Commercial	723	755	681	738	746
Subsistence	252	255	338	391	430
Fishing & fish processing on board	703	732	666	643	612
Mining and quarrying	1,296	1,237	1,688	1,665	1,922
Diamond mining	942	909	1,260	1,217	1,524
Other mining and quarrying	355	328	428	448	398
Primary industries	2,974	2,979	3,372	3,438	3,709
Manufacturing	1,816	1,911	1,968	2,009	1,842
Meat processing	109	97	88	95	84
Fish processing on shore	183	277	269	256	159
Manufacture of other food products and beverages	875	872	885	929	980
Other manufacturing	648	665	726	728	618
Electricity and water	230	266	279	315	299
Construction	459	564	562	586	777
Secondary industries	2,505	2,741	2,808	2,910	2,918
Wholesale and retail trade, repairs	1,607	1,674	1,801	1,915	2,117
Hotels and restaurants	316	332	321	322	332
Transport, and communication	1,332	1,372	1,558	1,815	2,014
Transport and storage	837	753	816	863	964
Post and telecommunications	494	619	741	952	1,050
Financial intermediation	514	564	646	768	788
Real estate and business services	1,494	1,572	1,683	1,728	1,804
Owner-occupied dwellings	740	759	778	816	861
Other real estate and business services	754	813	906	912	943
Community, social and personal services	137	144	135	140	144
Producers of government services	3,408	3,475	3,650	3,811	3,769
Other producers	307	310	318	324	330
Tertiary industries	9,114	9,444	10,113	10,824	11,299
Less: Financial services indirectly measured	155	178	206	233	276
All industries at basic prices	14,439	14,986	16,088	16,938	17,650
Taxes less subsidies on products	2,055	2,083	2,112	2,140	2,204
GDP at market prices	16,494	17,069	18,201	19,077	19,854

Source: Central Bureau of Statistics

Table I.5 (b) Gross Domestic Product By Activity
Annual Percentage Changes

Industry	2002	2003	2004	2005	2006
Agriculture and forestry	8.5	3.6	0.9	10.9	4.0
Commercial	22.7	4.5	-9.9	8.5	1.0
Subsistence	-18.6	0.9	32.7	15.8	9.8
Fishing	11.4	4.2	-9.1	-3.4	-4.8
Mining and quarrying	16.0	-4.6	36.5	-1.4	15.4
Diamond mining	17.3	-3.5	38.6	-3.4	25.2
Other mining and quarrying	12.9	-7.5	30.6	4.5	-11.2
Primary industries	12.4	0.2	13.2	1.9	7.9
Manufacturing	9.6	5.2	3.0	2.1	-8.3
Meat processing	2.1	-11.6	-8.6	7.7	-11.2
Fish processing	-10.1	51.1	-3.0	-4.7	-38.0
Manufacture of other food products and beverages	8.3	-0.3	1.4	5.0	5.6
Other manufacturing	20.5	2.6	9.2	0.3	-15.2
Electricity and water	1.1	15.6	4.7	12.9	-4.9
Construction	-13.1	22.9	-0.4	4.4	32.5
Secondary industries	3.8	9.4	2.5	3.6	0.3
Wholesale and retail trade, repairs	7.4	4.1	7.6	6.4	10.5
Hotels and restaurants	8.4	4.9	-3.2	0.3	3.0
Transport, and communication	11.4	3.1	13.5	16.5	10.9
Transport and storage	15.5	-10.0	8.4	5.7	11.7
Post and telecommunications	5.0	25.2	19.7	28.4	10.3
Financial intermediation	3.3	9.6	14.6	18.9	2.6
Real estate and business services	7.2	5.2	7.1	2.6	4.4
Owner-occupied dwellings	4.1	2.5	2.5	4.9	5.6
Other real estate and business services	10.5	7.9	11.3	0.7	3.4
Community, social and personal services	2.9	5.6	-6.5	3.7	3.1
Producers of government services	3.9	2.0	5.0	4.4	-1.1
Other producers	2.8	1.2	2.5	1.8	1.9
Tertiary industries	6.2	3.6	7.1	7.0	4.4
Less: Financial services indirectly measured	-1.9	15.1	15.5	13.5	18.1
All industries at basic prices	7.1	3.8	7.4	5.3	4.2
Taxes less subsidies on products	4.1	1.4	1.4	1.3	3.0
GDP at market prices	6.7	3.5	6.6	4.8	4.1

Source: Central Bureau of Statistics

Table I.6 (a) Expenditure On Gross Domestic Product

Current Prices - N\$ Million

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	26,981	27,766	30,059	30,617	33,758
Private	18,289	18,797	21,031	20,882	23,204
General government	8,692	8,969	9,027	9,734	10,554
Gross fixed capital formation	6,964	9,867	9,190	9,727	12,235
Changes in inventories	-468	220	175	530	321
Gross domestic expenditure	33,476	37,853	39,423	40,873	46,313
Exports of goods and services	16,320	17,396	16,757	18,901	24,534
Imports of goods and services	16,966	18,617	18,992	20,261	24,676
Discrepancy	78	-2,790	-693	197	799
Gross domestic product at market prices	32,908	33,842	36,496	39,711	46,971

Source: Central Bureau of Statistics

Table I.6 (b) Expenditure On Gross Domestic Product

Current Prices - N\$ Million

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	82.0	82.0	82.4	77.1	71.9
Private	55.6	55.5	57.6	52.6	49.4
General government	26.4	26.5	24.7	24.5	22.5
Gross fixed capital formation	21.2	29.2	25.2	24.5	26.0
Changes in inventories	-1.4	0.7	0.5	1.3	0.7
Gross domestic expenditure	101.7	111.9	108.0	102.9	98.6
Exports of goods and services	49.6	51.4	45.9	47.6	52.2
Imports of goods and services	51.6	55.0	52.0	51.0	52.5
Discrepancy	0.2	-8.2	-1.9	0.5	1.7
Gross domestic product at market prices	100.0	100.0	100.0	100.0	100.0

Table I.7 (a) Expenditure On Gross Domestic Product

Constant 1995 Prices - N\$ Million

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	14927	14245	15202	14980	15830
Private	10248	9564	10486	10158	10955
General government	4679	4680	4716	4822	4875
Gross fixed capital formation	4806	5967	5350	5375	6340
Changes in inventories	-171	52	81	279	85
Gross domestic expenditure	19562	20264	20634	20634	22255
Exports of goods and services	7216	8878	8514	8146	9235
Imports of goods and services	9945	10514	10555	10730	12168
Discrepancy	-338	-1559	-392	1027	533
Gross domestic product at market prices	16494	17069	18201	19077	19854

Source: Central Bureau of Statistics

Table I.7 (b) Expenditure On Gross Domestic Product

Constant 1995 Prices - N\$ Million

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	3.5	-4.6	6.7	-1.5	5.7
Private	4.3	-6.7	9.6	-3.1	7.8
General government	1.7	0.0	0.8	2.3	1.1
Gross fixed capital formation	11.9	24.2	-10.3	0.5	18.0
Changes in inventories	-2.5	1.4	0.2	1.1	-1.0
Gross domestic expenditure	3.3	3.6	1.8	0.0	7.9
Exports of goods and services	14.0	23.0	-4.1	-4.3	13.4
Imports of goods and services	3.4	5.7	0.4	1.7	13.4
Discrepancy	-1.0	-7.4	6.8	7.8	-2.6
Gross domestic product at market prices	6.7	3.5	6.6	4.8	4.1

Table I.8 Gross Fixed Capital Formation By Activity

Current prices - N\$ Million

Industry	2002	2003	2004	2005	2006
Agriculture	326	392	414	434	462
Fishing	249	262	275	281	286
Mining and quarrying	874	3084	1919	1794	3254
Manufacturing	1751	1629	1690	1688	2097
Electricity and water	285	796	709	280	364
Construction	205	258	280	286	294
Wholesale and retail trade; hotels, restaurants	281	250	326	367	412
Transport, and communication	1120	1029	1127	1384	1527
Finance, real estate, business services	801	1077	1252	1683	1834
Community, social and personal services	28	32	32	34	33
Producers of government services	1042	1058	1165	1497	1673.0
Total	6964	9867	9190	9727	12235
Percent of GDP	21.2	29.2	25.2	24.5	26.0

Source: Central Bureau of Statistics

Table I.9 Gross Fixed Capital Formation By Activity

Constant 1995 Prices - N\$ Million

Industry	2002	2003	2004	2005	2006
Agriculture	230	243	259	269	281
Fishing	187	164	174	176	176
Mining and quarrying	638	1971	1189	1051	1678
Manufacturing	1212	979	998	958	1114
Electricity and water	186	465	395	145	180
Construction	149	162	177	179	180
Wholesale and retail trade; hotels, restaurants	194	152	196	214	231
Transport, and communication	803	599	643	771	818
Finance, real estate, business services	526	624	696	873	892
Community, social and personal services	21	20	21	22	21
Producers of government services	660	588	602	717	770
Total	4806	5967	5350	5375	6340
Annual change, percent	11.9	24.2	-10.3	0.5	18

Source: Central Bureau of Statistics

Table I.10 Gross Fixed Capital Formation By The Type Of Asset
Current 1995 prices - N\$ Million

Type of Asset	2002	2003	2004	2005	2006
Buildings	2019	1908	2332	2688	3109
Construction works	1170	1994	1947	2172	3571
Transport equipment	1789	2037	1943	1889	2087
Machinery and other equipment	1840	3665	2497	2500	2985
Mineral exploration	146	264	472	477	482
Total	6964	9867	9190	9727	12235

Source: Cental Bureau of Statistics

Table I.11 Gross Fixed Capital Formation By Type Of Asset
Constant 1995 Prices - N\$ Million

Type of Asset	2002	2003	2004	2005	2006
Buildings	1321	1079	1261	1353	1467
Construction works	705	1070	949	967	1540
Transport equipment	1274	1185	1129	1087	1167
Machinery and other equipment	1409	2460	1702	1696	1905
Mineral exploration	97	174	309	273	261
Total	4806	5967	5350	5375	6340

Source: Central Bureau of Statistics

Table I.12 Gross Capital Formation By Ownership
Current prices - N\$ Million

Ownership	2002	2003	2004	2005	2006
Public	2052	2383	2498	2640	2923
Producers of government services	1042	1058	1165	1497	1673
Public corporations and enterprises	1010	1325	1333	1143	1250
Private	4912	7484	6692	7087	9312
Total	6964	9867	9190	9727	12235

Source: Central Bureau of Statistics

Table I.13 Gross Fixed Capital Formation By The Ownership
Constant 1995 Prices - N\$ Million

Ownership	2002	2003	2004	2005	2006
Public	1378	1361	1356	1347	1428
Producers of government services	660	588	602	717	770
Public corporations and enterprises	718	773	754	630	658
Private	3428	4606	3994	4028	4912
Total	4806	5967	5350	5375	6340

Source: Central Bureau of Statistics

Table I.14 Fixed Capital Stock By Activity**Current Prices - N\$ Million**

Industry	2002	2003	2004	2005	2006
Agriculture	5077	5811	5977	6190	5055
Fishing	1306	1736	1894	2068	2274
Mining and quarrying	6460	10023	11108	12413	14951
Manufacturing	4507	6275	7480	8785	7807
Electricity and water	5615	6808	7664	8292	8513
Construction	757	889	905	912	907
Wholesale and retail trade; hotels, restaurants	2429	2755	2849	3036	3229
Transport, and communication	7536	8864	9427	10332	10952
Finance, real estate, business services	10980	13371	14747	16951	19261
Community, social and personal services	424	485	498	520	532
Producers of government services	31130	35176	37979	41459	43294
Total	76221	92193	100529	110957	116774

Source: Central Bureau of Statistics

Table I.15 Fixed Capital Stock By Activity**Constant 1995 Prices - N\$ Million**

Industry	2002	2003	2004	2005	2006
Agriculture	3181	3198	3207	3205	3190
Fishing	979	1086	1195	1301	1399
Mining and quarrying	4532	5937	6523	6964	7990
Manufacturing	3046	3679	4256	4720	5254
Electricity and water	3487	3763	3949	3877	3830
Construction	545	555	563	557	535
Wholesale and retail trade; hotels, restaurants	1617	1588	1588	1590	1591
Transport, and communication	4854	4942	5011	5133	5226
Finance, real estate, business services	7193	7579	8014	8600	9179
Community, social and personal services	287	288	288	287	283
Producers of government services	19349	19258	19157	19141	19147
Total	49072	51873	53753	55374	57624

Source: Central Bureau of Statistics

Table 1.16 (a) NATIONAL CONSUMER PRICE INDEX (December 2001 = 100)

	Food & non alcoholic beverages	Alcoholic beverages & tobacco	Clothing and foot wear	Housing, water, electricity, gas & others	Furniture, household equipment & maintenance	Health	Transport	Communica- tion	Recreation & culture	Education	Hotels, cafes & restaurant	Miscella- neous goods & services	All items	All items annual percentage changes
2004	29.63	3.26	5.13	20.59	5.61	1.51	14.79	0.9	2.5	7.36	1.62	7.11	100	
2005	122.6	121.2	109.3	122.4	111.3	111.8	123.9	107.4	110.3	135.5	120.9	109.5	120.2	4.2
2006	124.4	130.1	108.2	124.3	113.9	112.6	132.3	108.5	111.1	140.6	127.1	107.9	122.9	2.3
Jan	128.7	133.8	104.7	126.4	115.4	110.0	137.6	108.8	112.2	149.9	130.5	109.7	126.1	3.6
Feb	128.3	134.3	104.2	126.5	115.6	109.6	137.9	109.0	111.8	149.9	131.4	114.2	126.4	3.7
Mar	129.5	137.5	103.5	126.5	115.7	109.7	138.0	109.0	112.8	149.9	131.7	114.3	126.9	4.6
Apr	129.7	138.8	103.9	126.5	115.9	110.2	138.8	109.0	112.9	149.9	132.1	114.6	127.2	4.4
May	130.6	139.2	104.5	126.6	115.8	110.1	138.9	109.0	113.1	149.9	132.9	114.6	127.5	5.1
Jun	131.3	139.6	104.1	126.7	116.1	110.0	141.0	109.1	113.4	149.9	133.9	113.6	128.0	5.3
Jul	131.2	140.4	103.6	129.3	116.1	110.0	142.5	109.1	114.3	149.9	134.6	115.4	128.9	5.1
Aug	132.4	141.7	105.9	129.9	116.5	110.1	147.5	109.1	114.5	149.9	134.9	115.7	130.2	5.4
Sep	134.2	142.6	106.7	130.2	118.5	110.1	147.8	109.1	114.9	149.9	135.9	116.1	131.0	5.5
Oct	136.1	142.7	106.2	130.2	118.6	110.5	149.2	109.3	115.4	149.9	136.7	116.2	131.7	5.8
Nov	138.6	143.0	106.2	130.3	118.7	110.6	149.2	109.8	115.6	149.9	136.7	116.8	132.4	6.1
Dec	139.5	143.2	106.6	130.5	119.2	110.9	147.2	109.8	115.8	149.9	137.3	116.9	132.5	6.1
2007	132.5	139.7	105.0	128.3	116.9	110.1	143.0	109.2	113.9	149.9	134.0	114.8	129.1	5.1
Jan	140.6	143.1	107.0	130.9	119.2	114.2	146.4	109.9	117.6	158.9	138.9	117.1	133.7	6.0
Feb	140.8	143.2	106.8	131.0	120.2	115.1	147.5	109.9	117.4	158.9	139.5	116.9	134.0	6.0
Mar	142.7	148.0	108.4	131.0	120.5	115.3	147.1	109.9	118.5	158.9	140.5	116.7	134.9	6.3
Apr	145.0	149.0	107.7	131.0	120.9	115.4	148.9	109.9	118.8	158.9	141.6	116.9	135.9	6.9
May	146.5	150.0	107.6	131.1	121.0	115.0	150.0	109.9	118.9	158.9	141.3	117.0	136.6	7.1
Jun	147.1	150.6	107.4	131.0	121.7	115.2	151.0	109.9	119.3	158.9	142.3	117.1	137.0	7.0
Jul	148.8	151.6	107.6	133.7	121.8	115.4	152.7	109.9	119.3	158.9	142.7	117.3	138.2	7.2
Aug	150.6	152.5	108.6	134.5	121.9	115.4	152.9	109.9	119.5	158.9	143.2	117.6	139.1	6.8
Sep	152.2	152.2	109.4	134.6	122.3	115.4	154.9	109.9	118.5	158.9	145.3	117.2	139.8	6.7
Oct	154.5	152.8	109.1	134.8	122.2	115.6	155.2	113.4	118.7	158.9	146.0	117.4	140.4	6.6
Nov	157.7	152.8	111.6	134.5	124.5	115.5	155.5	113.4	121.1	158.0	148.8	116.8	141.5	6.9
Dec	158.5	153.4	111.3	134.5	124.6	115.4	156.5	113.4	121.3	158.0	149.7	116.8	141.9	7.1
2008	148.7	149.9	108.5	132.7	121.7	115.2	151.5	110.8	119.1	158.9	143.3	117.1	137.7	6.7
Jan	161.7	153.9	111.0	134.6	125.1	116.2	157.5	113.8	122.0	168.7	151.3	117.7	144.1	7.8

Table 1.16 (b): NATIONAL CONSUMER PRICE INDEX

Goods and Services (December 2001=100)

	Services			Goods		
	Index	Monthly infl. Rate	Annual infl. rate	Index	Monthly infl. rate	Annual infl. rate
2003	112.9	0.4	7.3	116.9	0.1	7.2
2004	119.8	0.5	6.1	120.6	0.3	3.1
2005	123.7	0.3	3.3	122.3	0.3	1.4
2006						
Jan	126.6	1.3	3.5	125.8	0.7	3.7
Feb	127.5	0.7	2.0	125.7	-0.1	4.8
Mar	127.6	0.1	4.9	126.5	0.7	4.4
Apr	127.7	0.1	4.4	126.9	0.3	4.5
May	128.0	0.2	4.5	127.2	0.3	5.4
Jun	128.9	0.7	4.8	127.5	0.2	5.6
Jul	130.0	0.8	4.9	128.2	0.6	5.2
Aug	131.6	1.3	6.0	129.2	0.8	5.1
Sep	131.7	0.1	5.2	130.5	0.9	5.6
Oct	132.0	0.2	5.6	131.4	0.8	5.8
Nov	132.1	0.1	5.8	132.6	0.9	6.3
Dec	132.2	0.1	5.8	132.8	0.2	6.3
Average	129.7	0.5	4.8	128.7	0.5	5.2
2007						
Jan	133.9	1.3	5.7	133.5	0.5	6.1
Feb	134.0	0.1	5.1	133.9	0.3	6.6
Mar	134.7	0.5	5.5	135.0	0.8	6.7
Apr	134.5	-0.1	5.3	136.8	1.4	7.8
May	134.5	0.0	5.1	138.0	0.8	8.5
Jun	134.6	0.1	4.4	138.5	0.4	8.7
Jul	136.0	1.0	4.5	139.6	0.8	8.9
Aug	136.4	0.3	3.6	141.8	1.6	9.7
Sep	136.5	0.1	3.6	141.8	0.0	8.7
Oct	136.7	0.1	3.6	142.7	0.6	8.6
Nov	135.8	-0.6	2.8	145.0	1.6	9.4
Dec	135.6	-0.2	2.6	145.9	0.6	9.9
Average	135.3	0.2	4.3	139.4	0.8	8.3
2008						
Jan	138.7	2.3	3.6	147.5	1.1	10.5

TABLE II.1(a) Central bank survey (end of period in N\$ million)

Assets	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Net foreign assets	3129.7	2973.0	2677.9	3313.1	2760.7	3119.2	4104.4	3495.2	3164.3	4865.6	4466.4	5690.0	6260.1	5643.8	6085.3	7455.9	6359.0	5868.7	6499.9	6257.0	6116.2
Claims on nonresidents	3142.0	2986.6	2688.3	3323.1	3130.7	3517.0	4495.2	3877.7	3573.6	5288.6	4875.6	6094.7	6658.5	6054.6	6485.4	7887.6	6422.5	5947.2	6561.6	6320.7	6173.0
Monetary gold and SDR holdings	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Foreign currency	130.2	113.1	96.7	107.0	117.1	111.2	116.8	132.8	133.1	150.8	226.6	73.1	154.7	100.5	194.7	161.9	183.8	206.1	159.4	112.2	108.7
Deposits	2981.2	2835.6	2546.0	3162.6	2946.3	3337.7	4299.9	3661.7	3348.9	5125.9	4626.0	5985.6	6455.1	5896.6	6221.3	7643.8	6146.9	5638.0	6288.0	6083.2	5926.8
Securities other than shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	30.4	37.8	45.4	53.2	65.1	67.9	78.2	83.0	91.4	11.6	22.8	35.8	48.6	57.2	69.2	81.7	91.6	103.0	114.1	125.1	137.3
less: Liabilities to nonresidents	-12.3	-13.5	-10.4	-9.9	-369.9	-397.8	-390.8	-382.5	-409.3	-423.0	-409.2	-404.7	-398.4	-410.8	-400.2	-431.7	-63.5	-78.6	-61.8	-63.7	-56.7
Deposits	-12.3	-13.5	-9.6	-9.5	-14.1	-11.0	-7.8	-19.2	-17.7	-18.2	-15.6	-7.3	-7.3	-15.7	-8.8	-36.3	-29.5	-29.3	-13.1	-16.8	-7.2
Securities other than shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	-0.7	-0.5	-355.8	-386.7	-383.0	-363.3	-391.5	-404.8	-393.6	-397.4	-391.2	-395.1	-393.3	-395.4	-33.9	-49.2	-48.7	-46.9	-49.5
Claims on other depository corporations	672.8	622.5	833.1	1093.0	1027.2	1099.2	1031.8	980.8	1333.0	1835.2	1947.4	1938.8	2004.6	1994.3	2024.6	558.0	468.9	329.1	371.6	636.3	1215.9
Net claims on Central Government	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1
Claims on Central Government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
less: Liabilities to Central Government	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1
Deposits	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on other sectors	13.1	13.6	13.7	13.6	14.0	14.5	15.1	15.7	15.8	15.6	15.4	16.5	16.0	16.0	15.8	16.1	16.6	16.2	16.2	16.8	17.4
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
State and local government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other resident sectors	13.1	13.6	13.7	13.6	14.0	14.5	15.1	15.7	15.8	15.6	15.4	16.5	16.0	16.0	15.8	16.1	16.6	16.2	16.2	16.8	17.4

TABLE II.1(b) Central bank survey (end of period in N\$ million)

Liabilities	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Monetary base	1320.0	1329.0	1330.2	1378.9	1398.9	1459.0	1445.3	1492.1	1532.4	1431.3	1374.1	1452.6	1421.5	1566.5	1511.0	1577.7	1570.5	1566.5	1537.4	1654.7	1647.7
Currency in circulation	951.1	982.2	976.4	1009.4	1067.1	1041.3	1072.1	1121.0	1151.4	1052.9	1002.4	1046.5	1082.2	1085.3	1080.8	1139.9	1176.7	1136.5	1158.8	1221.0	1323.7
Liabilities to other depository corporations	368.9	346.8	353.7	369.4	331.8	417.6	373.2	371.2	381.0	378.5	371.7	406.1	339.3	481.2	430.2	437.8	393.7	429.9	378.6	433.6	323.9
Reserve deposits	368.9	346.8	353.7	369.4	331.8	417.6	373.2	371.2	381.0	378.5	371.7	406.1	339.3	481.2	430.2	437.8	393.7	429.9	378.6	433.6	323.9
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transferable deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities other than shares, included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits excluded from broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities other than shares, excluded from broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	3.2	3.3	2.8	1.9	4.2	4.0	4.4	3.9	4.9	10.3	4.4	2.3	11.7	9.1	14.7	19.0	4.3	4.7	5.6	4.1	10.8
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shares and other equity	719.9	889.8	979.2	947.5	1013.4	1153.5	1121.6	1039.9	997.9	1037.0	1083.1	1191.8	1124.3	1097.0	1075.1	1178.0	1203.0	1190.9	1025.1	1264.8	1272.4
Funds contributed by owners	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Retained earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	118.5	118.5	118.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General and special reserves	261.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	312.8	302.8	302.8	302.8	302.8	302.8	302.8	302.8	302.8
SDR allocations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation adjustment	379.1	553.4	633.7	589.0	643.8	772.7	727.6	634.4	586.6	612.9	636.1	728.7	686.5	659.3	626.4	702.3	701.8	677.0	503.5	727.6	719.0
Current year result	39.2	49.8	59.0	72.0	83.0	94.2	107.4	119.0	124.7	19.1	42.0	58.1	84.9	94.9	105.8	132.8	158.3	171.0	178.8	194.3	210.5
Other items (net)	-139.6	-136.2	-135.8	-136.2	-145.5	-149.6	-149.7	-150.8	-115.4	-158.6	-157.9	-156.5	-162.2	-160.2	-166.1	-171.4	-176.3	-156.8	-154.3	-154.5	-176.5
Other liabilities	18.5	18.4	18.5	18.3	18.4	18.3	18.3	18.4	24.3	20.8	20.0	19.3	19.3	19.0	19.1	19.0	19.0	19.0	19.0	18.9	24.1
less: Other assets	-158.1	-154.7	-154.2	-154.5	-163.9	-167.9	-168.0	-169.2	-139.7	-179.4	-177.9	-175.7	-181.5	-179.2	-185.2	-190.4	-195.3	-175.7	-173.3	-173.4	-200.6

TABLE II.2(a) Other depository corporations survey (end of period in N\$ million)

Assets	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Net foreign assets	-1295.0	-1272.4	-1218.9	-1017.2	-767.8	825.0	1341.4	1130.5	1680.2	1252.6	1591.7	1198.5	2155.1	2358.3	864.5	1636.9	1977.4	1956.6	785.2	1432.4	717.8
Claims on nonresidents	1390.6	880.7	1029.3	1188.2	1051.1	1795.4	2427.2	2173.9	2742.2	2322.5	2549.6	2198.9	3096.4	3225.8	1877.2	2674.7	2887.9	2855.7	2190.9	2279.8	1708.4
Foreign currency	46.6	64.5	59.0	64.2	48.9	52.0	56.8	56.9	52.4	56.4	80.6	53.7	66.2	57.4	65.0	114.4	108.0	84.8	89.7	114.2	111.4
Deposits	1296.7	782.2	924.7	1077.3	970.0	1700.0	2330.5	2075.8	2643.6	2220.4	2423.3	2004.4	2985.3	3124.2	1767.9	2511.0	2732.6	2722.2	2052.3	2113.8	1544.6
Securities other than shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	44.5	44.0	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2	43.0	44.2	44.3	46.4	47.3	48.7	48.9	51.7	52.4
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	94.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
less: Liabilities to nonresidents	-2885.9	-2163.1	-2248.3	-2205.4	-1826.9	-970.4	-1085.8	-1043.4	-1062.0	-1059.9	-957.8	-1000.5	-941.3	-857.5	-1012.8	-837.8	-910.5	-896.9	-1425.7	-847.4	-990.7
Deposits	-1986.5	-1631.5	-1846.9	-1360.6	-1129.5	-568.0	-703.1	-515.0	-384.5	-256.0	-277.5	-332.8	-270.8	-184.9	-380.4	-181.8	-251.6	-228.5	-747.9	-185.8	-335.0
Securities other than share	-100.7	-101.4	-102.1	-100.7	-227.5	-164.6	-185.0	-165.4	-456.2	-459.0	-461.3	-455.0	-457.9	-459.9	-454.2	-457.8	-460.6	-455.0	-458.0	-441.7	-438.3
Loans	-598.7	-430.3	-299.2	-744.1	-471.9	-217.9	-217.7	-303.0	-221.4	-344.9	-219.0	-212.7	-212.7	-212.7	-198.2	-198.2	-198.2	-215.4	-219.8	-219.8	-216.3
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on central bank	480.5	644.2	587.1	632.8	816.9	671.9	666.2	649.0	747.0	717.9	627.0	654.9	646.5	782.1	686.2	736.4	665.9	651.9	730.7	783.4	841.6
Currency	236.4	303.4	249.7	282.0	299.7	255.7	300.2	281.3	388.1	313.7	271.1	249.0	337.7	307.9	286.3	345.1	293.7	274.7	352.2	415.0	503.4
Reserve deposits	244.1	340.8	337.4	298.2	512.6	416.2	386.0	367.7	358.9	392.0	355.9	364.8	308.9	443.0	429.9	391.3	368.4	369.4	371.5	368.3	323.8
Other claims	0.0	0.0	0.0	52.5	4.5	0.0	0.0	0.0	0.0	12.1	0.0	41.1	0.0	31.1	0.0	0.0	7.8	7.8	7.0	0.0	14.4
Net claims on Central Government	1742.8	1817.0	1958.6	1858.3	1631.0	1949.7	2051.0	2115.0	2206.6	2196.6	2293.8	2474.6	2470.3	2359.9	2798.7	2636.5	2550.0	2512.9	2408.4	2373.7	2451.3
Claims on Central Government	2426.7	2543.8	2661.9	2555.8	2553.6	2464.0	2578.7	2571.8	2767.3	2785.2	2914.4	3098.8	3098.4	3012.1	3270.2	3315.5	3026.9	3037.3	2995.6	3025.3	3101.3
Securities other than Shares	2425.6	2542.0	2660.3	2553.6	2561.1	2462.4	2577.5	2559.6	2750.0	2781.3	2905.3	3086.4	3094.7	2993.0	3262.3	3296.1	3016.7	3025.2	2983.5	3013.2	3086.7
Other claims	1.2	1.7	1.6	2.2	2.5	1.6	1.1	13.2	17.3	4.0	9.1	12.4	4.8	18.1	7.9	19.4	7.2	12.1	12.1	12.0	12.7
less: Liabilities to Central Government	-683.9	-726.8	-703.3	-697.4	-932.6	-514.3	-527.6	-456.8	-560.7	-586.6	-620.6	-624.2	-625.1	-652.2	-471.6	-479.0	-476.9	-524.4	-587.2	-651.6	-650.1
Deposits	-530.2	-673.1	-649.5	-643.7	-978.9	-463.2	-463.5	-392.6	-486.3	-524.1	-556.0	-556.9	-577.9	-601.0	-418.9	-426.3	-424.2	-471.7	-534.4	-598.8	-597.2
Other liabilities	-53.7	-53.7	-53.7	-53.8	-53.8	-51.1	-64.1	-64.2	-64.4	-64.5	-64.5	-47.3	-51.2	-51.2	-52.7	-52.7	-52.7	-52.7	-52.8	-52.8	-52.9
Claims on other sectors	26638.4	27037.8	27541.4	27657.7	27742.0	27742.0	28175.7	28113.0	28265.4	28873.8	29431.5	29974.2	30024.4	30082.0	30670.0	30746.5	30982.0	31379.1	32512.6	32719.9	32338.6
Other financial corporations	327.5	562.7	831.0	625.3	780.4	731.9	759.8	862.8	619.4	525.1	660.8	1017.3	942.4	1198.3	1087.7	983.6	1027.7	1193.1	1680.1	1544.9	1107.9
State and local government	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0
Public nonfinancial corporations	394.4	415.6	404.9	403.0	395.2	204.0	198.4	168.1	180.0	226.9	264.4	332.9	294.2	322.9	415.2	380.1	115.3	132.1	205.0	230.6	230.9
Other nonfinancial corporations	8889.5	9099.5	9033.6	9365.1	9356.7	9264.8	9499.8	9340.2	9373.7	9923.8	10005.8	9915.1	9953.5	9666.3	9878.0	9915.0	10186.6	10231.9	10598.2	10688.0	10672.6
Other resident sectors	16331.7	16528.8	16743.3	17107.2	17211.9	17509.9	17680.1	17911.9	18047.1	18154.4	18441.1	18684.9	18805.1	19134.9	19282.0	19427.4	19610.3	19774.3	20007.5	20217.6	20282.2
Unclassified shares and other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

This table consolidates the assets of the commercial banks and the other banking institutions.

TABLE II.2(b) Other depository corporations survey (end of period in N\$ million)

Liabilities

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Liabilities to central bank	393.8	290.1	430.6	795.8	1085.0	1230.0	1145.4	1193.0	1548.2	1846.0	1752.9	1839.6	2008.1	2000.8	1980.1	813.1	881.5	627.2	785.7	799.1	887.2
Deposits included in broad money	18298.7	19028.7	19796.2	20221.4	19843.5	20719.0	21460.4	21771.9	21748.8	22525.1	22394.1	21786.1	22316.9	22724.6	21676.6	24049.7	24046.3	24833.4	24179.5	25387.8	23981.9
Transferable deposits	10618.4	11228.6	11350.2	11727.2	11531.3	12063.8	13582.3	13412.6	12915.6	13817.6	13903.6	14029.4	14125.9	14162.6	12546.9	14866.8	15021.6	14373.4	14289.2	15193.5	13815.7
Other financial corporations	1717.6	1817.0	2229.7	1712.7	1967.8	1461.0	1832.8	1834.3	1672.4	2039.7	2216.4	1888.5	1977.2	2035.4	2196.8	2688.9	2498.1	2506.7	2607.4	2807.1	2287.8
State and local government	192.2	178.2	183.7	200.4	223.2	215.3	225.0	191.2	189.1	159.2	166.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3
Public nonfinancial corporations	677.7	696.6	733.0	593.7	561.0	781.9	984.3	1007.6	913.5	980.2	892.3	1234.7	953.1	820.5	487.0	403.9	463.0	539.6	738.2	856.9	637.9
Other nonfinancial corporations	5708.9	6313.6	6034.2	6774.2	6703.1	6696.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8	8266.9	8679.5	6943.5	8530.8	8710.8	8161.5	7876.7	8409.5	7671.6
Other resident sectors	2322.0	2223.2	2159.7	2446.3	2476.2	2909.3	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5	2753.0	2659.0	2662.1	2938.5	3015.0	2982.5	2846.8	2797.8	2882.1
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits	7679.9	7600.1	8446.0	8494.2	8312.2	8652.2	7898.1	8359.3	8833.3	8707.6	8400.5	7756.7	8193.0	8662.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1
Other financial corporations	409.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	387.1	423.5	433.8	586.8	736.8	846.0	708.5	634.0	516.1	607.0	521.3	742.8	696.5
State and local government	175.4	183.6	177.7	147.7	160.3	141.6	160.8	168.0	198.8	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	269.9	308.6	289.6	420.5
Public nonfinancial corporations	773.8	768.2	687.7	867.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	369.8	517.3	685.1	735.2	786.9	806.7	1159.4	1421.4	1333.7	1143.7
Other nonfinancial corporations	3133.2	3229.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3624.1	4155.7	3524.0	3596.6	3528.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1
Other resident sectors	3188.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3543.6	3571.9	4039.2	3171.9	2860.0	3044.0	3220.0	3247.0	3201.1	3249.9	3653.1	3344.3	3482.4	3471.1
Unclassified	0.0	11.8	12.3	12.3	12.3	23.8	19.0	14.6	11.7	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2
Securities other than shares, included in broad money	11.5	9.5	9.5	8.0	5.8	5.8	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	6.0	6.0	6.0
Deposits excluded from broad money	182.9	206.2	267.5	441.6	382.2	767.8	1089.0	854.1	1090.9	806.7	806.3	855.8	1489.2	1335.2	1233.0	1194.9	1053.2	964.2	1194.9	1232.5	1410.8
Securities other than shares, excluded from broad money	4246.7	4181.9	3967.9	3864.9	3905.5	4016.8	4080.4	4108.6	4076.9	3323.1	4543.3	4857.7	5061.9	4836.1	5155.5	5314.3	5441.4	5265.3	5079.8	4824.9	4886.0
Of which: Other financial corporations	4115.7	4050.8	3726.0	3334.7	3362.9	3463.9	3112.2	3152.0	3103.3	2374.4	3586.4	3737.2	3841.0	3825.2	4017.1	4218.9	4337.4	4129.1	4367.6	4215.4	4216.5
Loans	5.6	5.2	5.6	5.6	5.7	5.6	2.2	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.0	4.9	4.9	4.9	6.9	6.9	7.1
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	84.1	0.0	0.0	163.0	41.6	85.7	23.4	30.6	130.9	26.4	66.7	93.2	22.6	65.0	75.7
Shares and other equity	4254.7	4320.3	4300.7	4313.6	4289.9	4265.0	4344.1	4368.6	4355.3	4461.0	4509.4	4279.1	4295.7	4422.4	4654.5	4691.4	4630.2	4823.3	4803.7	4613.0	4800.6
Funds contributed by owners	278.5	278.5	278.5	278.5	278.5	278.5	278.5	279.4	279.4	279.4	279.4	279.4	279.4	279.4	429.4	429.4	429.4	429.4	429.4	429.4	579.4
Retained earnings	1232.7	1248.7	1221.0	1117.7	1162.3	1154.9	1145.7	1181.7	1176.3	1218.3	1261.9	1258.4	1288.4	1288.8	1319.8	1318.7	1317.7	1319.1	1316.8	1318.5	1319.0
General and special reserves	2538.2	2564.4	2614.1	2711.1	2717.5	2693.4	2721.4	2655.3	2687.3	2723.0	2750.5	2472.8	2498.7	2516.3	2541.7	2669.2	2700.4	2730.5	2771.1	2747.6	2746.2
Valuation adjustment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Year Result	205.3	228.7	187.1	206.4	131.6	138.2	198.5	232.3	212.4	240.2	217.6	268.6	184.1	338.0	343.6	274.1	182.8	144.3	386.3	177.5	155.9
Other items (net)	-482.7	-214.6	-413.4	-635.6	-69.8	176.6	43.0	-100.0	70.8	-97.3	-24.3	386.9	123.0	309.4	187.7	55.8	47.2	83.4	237.8	274.0	213.9
Other liabilities	1322.0	1391.1	1516.3	1498.1	1683.0	1827.6	1696.9	2125.2	1966.7	1826.8	222.3	1948.4	2032.3	223.1	1904.7	1943.4	1896.6	2145.8	1913.7	2103.3	2380.6
less: Other assets	-1815.9	-1692.9	-1888.2	-2132.8	-1754.5	-1651.0	-1569.8	-2143.1	-1806.8	-1829.1	-2170.4	-1480.7	-1820.9	-1825.4	-1633.0	-1604.4	-1850.8	-2062.4	-1677.7	-1829.5	-2165.4
plus: Consolidation adjustment	1.3	-12.7	-31.5	-0.9	1.8	0.0	0.0	2.0	-4.9	-0.9	2.8	3.3	-4.3	-4.2	-16.0	0.9	-0.6	0.0	1.9	0.2	-1.3

This table consolidates the liabilities of the commercial banks and the other banking institutions.

TABLE II.3 Depository corporations survey (end of period N\$ million)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Net foreign assets	1534.6	1700.7	1459.0	2295.9	1993.0	3944.3	5445.8	4625.8	4844.5	6128.2	6555.1	6688.5	8415.2	8023.0	8849.8	9325.8	8356.5	7525.5	7265.1	7689.4	6834.0
Claims on nonresidents	4532.8	3877.3	3717.6	4511.2	4191.8	5312.4	6822.4	6051.6	6315.8	7611.1	7425.1	8233.6	9755.0	9380.4	8627.7	10623.3	8310.4	8803.0	8752.5	8600.5	7881.4
less: Liabilities to nonresidents	-2898.2	-2178.6	-2258.6	-2215.3	-2198.8	-1368.2	-1476.6	-1425.8	-1471.3	-1482.9	-1387.0	-1405.2	-1339.8	-1257.4	-1412.9	-1289.5	-973.9	-977.5	-1487.5	-911.0	-1047.4
Domestic claims	23816.3	29346.7	27861.9	27185.6	27881.6	27940.1	27512.2	28337.1	28397.5	26689.8	27615.7	27310.2	26825.3	27610.3	27793.4	28172.3	29505.6	30295.6	30465.3	30889.1	30212.1
Net claims on Central Government	-169.3	293.7	610.4	-369.4	100.0	183.6	-676.6	8.4	113.3	-2198.5	-1831.5	-2680.4	-3415.1	-2735.5	-2892.5	-1693.0	-1095.7	-2065.6	-3046.6	-1767.5	-2143.9
Claims on Central Government	2426.7	2543.8	2661.9	2555.8	2563.6	2464.0	2578.7	2571.8	2767.3	2785.2	2914.4	3098.8	3099.4	3012.1	3270.2	3315.5	3026.9	3037.3	2995.6	3025.3	3101.3
less: Liabilities to Central Government	-2596.0	-2250.1	-2051.4	-2925.1	-2463.6	-2280.4	-3257.3	-2483.4	-2850.4	-4984.8	-4745.9	-5779.3	-6514.6	-5747.6	-6162.7	-5905.7	-4719.9	-4133.0	-4061.2	-4792.8	-5245.2
Claims on other sectors	25885.6	26620.0	27051.4	27555.0	27781.6	27756.5	28190.8	28328.7	28284.2	28889.3	29447.2	29980.7	30040.4	30345.8	30658.8	30782.6	30985.6	31385.3	32528.8	32736.7	32355.9
Other financial corporations	327.5	562.7	831.0	625.3	780.4	731.9	759.8	852.8	619.4	525.1	680.8	1017.3	942.4	1198.3	1067.7	982.6	1027.7	1193.1	1080.1	1544.9	1107.9
State and local government	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0
Public nonfinancial corporations	394.4	415.6	404.9	403.0	395.2	204.0	188.4	169.1	180.0	226.9	264.4	332.9	294.2	322.9	415.2	380.1	115.3	132.1	205.0	230.6	230.9
Other nonfinancial corporations	8889.5	9095.5	9033.6	9336.7	9356.7	9264.8	9498.8	9340.2	9373.7	9823.8	10005.8	9915.1	9953.5	9666.3	9875.0	9915.0	10188.6	10231.9	10588.2	10688.0	10672.6
Other resident sectors	16344.7	16542.3	16757.0	17120.8	17225.9	17524.4	17695.2	17927.7	18062.9	18169.9	18456.5	18701.3	18821.1	19118.7	19297.9	19443.4	19626.9	19790.5	20234.3	20239.6	20296.6
Unclassified shares and other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Broad money liabilities	19132.8	19777.0	20548.8	20973.0	20629.4	21511.9	22238.1	22817.5	22540.2	23244.6	23054.5	22589.7	23069.5	23499.5	22497.2	24654.5	24837.4	25701.2	24992.1	26200.2	24808.3
Currency outside depository corporations	714.6	678.8	726.7	727.4	767.4	785.6	772.0	839.7	763.4	739.1	731.3	797.4	744.5	777.4	814.5	794.8	885.1	861.8	806.5	806.0	820.3
Transferable deposits	10726.7	11228.7	11386.5	11743.4	11544.1	12065.2	13582.1	13412.7	12937.7	13791.9	13916.8	14029.6	14126.1	14154.3	12547.1	14689.9	15021.7	14373.6	14289.3	15193.9	13815.9
Other financial corporations	1717.6	1817.0	2229.7	1712.7	1587.8	1461.0	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5	1977.2	2035.4	2186.8	2688.9	2488.1	2506.7	2607.4	2907.1	2287.8
State and local government	1922	178.2	193.7	200.4	223.2	215.3	225.0	191.2	189.1	159.2	168.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3
Public nonfinancial corporations	677.7	696.6	733.0	593.7	561.0	781.9	984.3	1007.6	913.5	980.2	892.3	1234.7	953.1	605.2	487.0	403.9	463.0	539.6	738.2	856.9	637.9
Other nonfinancial corporations	5708.9	6313.6	6334.2	6744.2	6703.1	6896.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8	8266.9	8879.6	6843.7	8530.8	8710.8	8161.5	7876.7	8409.5	7671.6
Other resident sectors	2322.0	2233.2	2158.7	2446.3	2476.2	2905.4	2904.7	2975.7	3113.0	3335.5	2850.0	2676.5	2753.0	2859.9	2852.1	2938.5	3015.0	2982.5	2846.8	2797.8	2982.1
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less: Central bank float	108.3	0.1	16.3	16.2	12.7	1.4	-0.1	0.1	22.1	-25.7	13.2	0.2	0.2	7.1	0.2	4.1	0.2	0.1	0.1	0.4	0.1
Other deposits	7679.9	7800.1	8446.0	8494.2	8312.2	8655.2	7896.1	8399.3	8833.3	8707.6	8400.5	7756.7	8193.0	8662.0	9129.7	9153.9	9062.7	10469.9	9910.3	10194.4	10166.1
Other financial corporations	4094.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	367.1	423.5	433.8	566.8	738.8	848.0	708.5	634.0	516.1	607.0	521.3	742.8	698.5
State and local government	175.4	183.6	177.7	147.7	160.3	141.6	160.8	166.0	198.8	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	289.9	308.6	289.6	420.5
Public nonfinancial corporations	773.8	768.2	697.7	867.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	369.8	517.3	695.1	735.2	785.9	808.7	1159.4	1421.4	1333.7	1143.7
Other nonfinancial corporations	3133.2	3228.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3624.1	4155.7	3524.0	3696.6	3328.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1
Other resident sectors	3188.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3543.6	3771.9	4039.2	3171.9	2960.0	3044.0	3220.0	3247.0	3201.1	3249.9	3853.1	3344.3	3482.4	3471.1
Unclassified	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2
Securities other than shares, included in broad money	11.5	9.5	9.5	8.0	5.8	5.8	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	6.0	6.0	6.0
Deposits excluded from broad money	182.9	208.2	267.5	441.6	382.2	767.8	1069.0	854.1	1090.9	806.7	806.3	855.8	1499.2	1335.2	1293.0	1194.9	1053.2	964.2	1194.9	1212.5	1410.8
Securities other than shares, excluded from broad money	4246.7	4181.9	3967.9	3864.9	3805.5	4018.8	4080.4	4108.6	4076.9	3323.1	4543.3	4957.7	5061.9	4938.1	5135.5	5314.3	5441.4	5265.3	5078.8	4924.9	4986.0
Loans	5.6	5.2	5.6	5.6	5.7	5.6	2.2	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.0	4.9	4.9	4.9	6.9	7.1	7.1
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	3.2	2.8	2.8	1.9	4.2	4.0	88.5	3.9	4.9	173.3	46.0	88.0	35.1	38.8	145.7	46.4	71.1	98.0	28.2	89.0	86.5
Shares and other equity	4874.5	5210.1	5279.9	5181.1	5303.3	5418.4	5465.7	5408.6	5353.2	5498.0	5595.5	5470.9	5374.9	5687.5	5709.5	5869.4	5833.2	5814.2	5928.8	5877.8	6073.0
Other items (net)	-894.8	-877.3	-851.7	-1066.6	-355.6	157.8	14.1	-35.2	170.6	-233.0	-374.2	231.3	-5.5	147.9	-42.8	181.9	301.0	277.4	497.6	347.2	-325.7
Other liabilities (includes central bank float)	1232.1	1408.5	1518.5	1500.3	1688.6	1844.5	1716.3	2143.4	1968.9	1873.3	2234.2	1967.5	2051.4	2229.4	1939.6	1958.3	1917.4	2164.6	1932.5	2121.9	2404.5
less: Other assets	-1974.0	-1747.6	-2052.4	-2287.4	-1918.4	-1819.0	-1821.9	-2368.3	-2030.6	-2092.5	-2432.4	-1740.5	-2086.5	-2091.1	-1902.2	-2078.9	-2046.0	-2236.1	-1851.0	-2002.9	-2385.9
plus: Consolidation adjustment	-153.0	-339.1	-417.7	-279.5	-125.8	132.3	120.7	217.7	232.3	-13.7	-175.9	4.3	29.6	9.6	-80.2	302.5	429.6	350.9	416.1	228.2	-364.3
Memoranda: Central bank float	-108.3	-0.1	-16.3	-16.2	-12.7	-14	0.1	-0.1	-22.1	25.7	-13.2	-0.2	-0.2	-7.1	-0.2	-4.1	-0.2	-0.1	-0.1	-0.4	-0.1

This table is a synonym to the Banking Survey in the old framework.
Consolidates the accounts of the DCs (Central bank, commercial banks and the other banking institutions).

Table II.4 Other depository corporations claims (end of period in N\$ million)

Loans	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Central bank	2 670.8	2 610.9	2 619.1	2 691.0	2 701.9	2 709.9	2 748.0	2 755.2	2 775.0	2 842.3	2 869.8	2 906.7	2 923.3	2 937.9	2 974.6	3 006.3	3 015.5	3 052.7	3 105.8	3 140.2	3 126.1
Other depository corporations	158.3	160.3	128.6	130.3	151.0	133.6	148.2	148.9	151.9	153.6	155.1	162.6	174.1	165.7	167.3	308.1	171.1	288.1	174.2	175.8	14.8
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central Government	1.2	1.7	1.6	2.2	2.5	1.6	1.1	1.32	4.0	4.0	9.1	12.4	4.8	19.1	7.9	19.4	7.2	12.1	12.1	12.0	12.7
State and local government	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0
Public nonfinancial corporations	250.6	311.8	301.1	299.2	291.4	100.2	100.2	69.9	81.8	128.7	166.2	234.7	231.0	259.7	352.0	316.4	101.6	130.8	204.2	229.3	229.6
Other nonfinancial corporations (Businesses)	8 916.2	9 024.5	8 957.7	9 311.8	9 283.3	9 251.6	9 486.6	9 326.9	9 390.2	9 912.9	9 984.8	9 903.9	9 942.2	9 654.9	9 866.5	9 906.1	10 179.5	10 222.7	10 589.0	10 688.6	10 663.1
Loans and Advances	6 953.2	7 135.2	7 127.9	7 455.5	7 410.0	7 201.7	7 439.3	7 231.5	7 255.6	7 744.6	7 812.4	7 754.3	7 726.2	7 427.8	7 686.5	7 659.6	7 944.9	8 079.0	8 523.3	8 534.7	8 469.8
Farm mortgage loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other mortgage loans	755.4	743.7	746.3	786.4	827.0	1 459.2	1 288.2	1 650.5	1 662.5	1 696.7	1 701.4	1 845.4	1 886.1	1 882.7	1 939.2	1 851.4	1 638.7	1 595.2	1 589.9	1 629.8	1 654.7
Dwellings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	755.4	743.7	746.3	786.4	827.0	1 459.2	1 288.2	1 650.5	1 662.5	1 696.7	1 701.4	1 845.4	1 886.1	1 882.7	1 939.2	1 851.4	1 638.7	1 595.2	1 589.9	1 629.8	1 654.7
Overdrafts	3 652.9	3 873.8	3 842.7	4 017.2	3 989.2	3 980.4	3 778.2	3 448.3	3 422.7	3 725.5	3 670.3	3 551.1	3 398.5	3 319.1	3 274.9	3 999.3	3 817.4	3 836.0	4 125.3	4 055.2	3 940.5
Other loans and advances	25 149.9	25 177.7	25 338.9	26 519.9	25 933.8	20 822.2	23 718.8	21 317.7	21 704.4	23 222.4	24 407.7	23 577.8	24 436.6	22 226.0	24 725.0	23 058.9	24 888.8	26 478.8	26 081.1	28 497.7	29 046.6
Leasing	40.6	40.3	39.9	41.2	40.7	40.8	41.0	38.7	35.3	35.6	36.7	37.0	41.2	41.4	43.4	47.1	48.0	46.9	46.1	47.3	45.1
Instant credit	1 054.0	1 099.1	1 106.6	1 117.0	1 122.0	1 299.6	1 307.7	1 331.6	1 346.8	1 416.5	1 429.6	1 386.5	1 417.8	1 425.9	1 378.6	1 441.5	1 445.6	1 353.3	1 278.9	1 295.6	1 311.0
Other	738.4	749.9	683.3	698.1	710.5	709.5	698.7	724.0	722.5	716.2	716.1	726.1	755.0	759.9	757.9	757.9	741.1	743.5	740.8	811.0	817.3
Other resident sectors (Individuals)	1 6330.6	1 6526.5	1 6738.6	1 7101.0	1 7208.1	1 7598.3	1 7578.3	1 7919.1	1 8043.3	1 8152.8	1 8439.2	1 8684.9	1 8805.1	1 9102.7	1 9280.7	1 9425.7	1 9608.6	1 9772.6	2 0005.8	2 0215.9	2 0280.5
Loans and Advances	1 2904.3	1 3044.8	1 3245.2	1 3556.9	1 3606.1	1 4069.4	1 4172.2	1 4353.1	1 4464.2	1 4633.9	1 4834.2	1 5145.6	1 5243.5	1 5571.7	1 5671.7	1 5755.3	1 5935.9	1 6055.5	1 6202.0	1 6314.0	1 6544.6
Farm mortgage loans	718.3	752.1	720.6	719.1	720.7	719.1	701.8	701.8	716.6	716.6	716.6	716.6	716.6	723.6	724.8	724.8	724.8	724.8	724.8	724.8	0.0
Other mortgage loans	9 772.5	9 988.2	10 026.4	10 281.1	10 328.0	10 513.3	10 592.4	10 811.1	10 935.2	11 021.3	11 232.2	11 456.4	11 595.9	11 797.9	11 886.7	11 991.1	12 122.8	12 407.2	12 516.7	12 692.5	12 807.7
Dwellings	9 772.5	9 988.2	10 026.4	10 281.1	10 328.0	10 513.3	10 592.4	10 811.1	10 935.2	11 021.3	11 232.2	11 456.4	11 595.9	11 797.9	11 886.7	11 991.1	12 122.8	12 407.2	12 516.7	12 692.5	12 807.7
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts	1 062.5	1 098.5	1 130.0	1 144.2	1 167.8	1 122.3	1 147.7	1 057.7	1 026.5	1 096.6	1 095.2	1 114.2	1 092.0	1 189.9	1 097.4	1 135.2	1 152.3	1 093.0	1 135.1	1 055.8	1 076.4
Other loans and advances	1 351.1	1 325.9	1 368.3	1 412.4	1 389.5	1 714.7	1 730.4	1 782.5	1 785.9	1 801.3	1 799.2	1 859.4	1 839.0	1 805.8	1 908.5	1 807.2	1 938.0	1 830.4	1 825.4	1 940.9	2 570.5
Leasing	59.5	60.0	59.2	63.7	65.9	67.2	75.2	73.3	72.9	66.6	66.3	67.4	66.5	70.9	73.7	73.8	73.0	74.8	80.3	84.6	88.6
Instant credit	3 043.6	3 098.0	3 108.2	3 150.3	3 202.9	3 055.8	3 100.4	3 147.2	3 165.3	3 101.6	3 087.0	3 116.6	3 135.8	3 153.3	3 228.3	3 231.0	3 238.5	3 280.4	3 362.5	3 343.5	3 373.8
Other	323.1	323.7	326.0	330.2	333.2	335.7	330.5	336.5	341.9	348.7	351.7	355.2	359.2	361.4	361.3	362.6	361.1	361.9	361.1	473.7	365.5
Nonresidents	44.5	44.0	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2	43.0	44.2	44.3	49.4	47.3	48.7	48.9	51.7	52.4
Loans and Advances	44.5	44.0	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2	43.0	44.2	44.3	49.4	47.3	48.7	48.9	51.7	52.4
Farm mortgage loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other mortgage loans	28.4	28.8	29.2	31.7	26.9	27.8	24.1	25.2	30.0	29.2	27.3	27.9	24.6	26.1	25.9	28.7	28.2	28.7	28.4	30.5	30.7
Dwellings	0.0	28.8	29.2	31.7	26.9	27.8	24.1	25.2	30.0	29.2	27.3	27.9	24.6	26.1	25.9	28.7	28.2	28.7	28.4	30.5	30.7
Other	28.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts	14.3	11.5	12.5	11.2	11.9	12.2	12.4	12.8	13.1	14.2	15.2	15.1	15.3	15.3	15.4	15.8	16.1	16.9	17.6	18.3	18.9
Other loans and advances	3.8	3.8	3.8	3.8	3.5	3.5	3.4	3.2	3.2	3.3	3.3	3.2	3.1	2.8	3.0	4.9	3.0	3.0	2.9	2.8	2.8
Leasing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Instant credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Table ii.5 Other depository corporations' deposits (end of period in N\$ million)

	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07
Total Deposits	21831.0	22137.2	23354.0	23884.6	23599.2	24042.4	25163.2	25166.9	25578.8	26340.5	26867.5	26819.7	27126.5	27632.6	26133.5	27165.1	27106.2	27476.7	27945.8	28002.4	27486.8
Deposits included in broad money	18238.4	19028.7	19796.2	20221.4	19843.5	20719.0	21460.4	21771.9	21748.8	22525.1	22304.1	21786.1	22318.9	22724.6	21576.6	24043.7	24043.3	24833.4	24179.5	25387.8	23981.9
Transferable deposits	10618.4	11228.6	11550.2	11727.2	11531.3	12063.8	1362.3	13412.6	12915.6	13817.6	13903.6	14029.4	14126.9	14162.6	12546.9	14865.8	15021.6	14373.4	14389.2	15193.5	13815.7
In national currency	10618.4	11228.6	11550.2	11727.2	11531.3	12063.8	1362.3	13412.6	12915.6	13817.6	13903.6	14029.4	14126.9	14162.6	12546.9	14865.8	15021.6	14373.4	14389.2	15193.5	13815.7
Other financial corporations	1717.6	1817.0	2229.7	1712.7	1967.8	1461.0	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5	1977.2	2035.4	2196.8	2688.9	2498.1	2506.7	2607.4	2807.1	2287.8
State and local government	192.2	178.2	193.7	200.4	223.2	215.3	225.0	191.2	189.1	199.2	166.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3
Public nonfinancial corporations	677.7	696.6	733.0	593.7	561.0	781.9	964.3	1007.6	913.5	980.2	882.3	1234.7	953.1	620.5	487.0	403.9	463.0	539.6	736.2	856.9	637.9
Other nonfinancial corporations	5708.9	6313.6	6034.2	6774.2	6703.1	6696.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8	8266.9	8679.5	6943.7	8530.8	8710.8	8161.5	7876.7	8409.5	7671.6
Other resident sectors	2322.0	2223.2	2159.7	2446.3	2476.2	2909.3	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5	2755.0	2659.0	2652.1	2538.5	3015.0	2982.5	2846.8	2797.8	2882.1
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
In foreign currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits	7679.9	7600.1	8446.0	8494.2	8312.2	8655.2	7898.1	8399.3	8833.3	8707.6	8400.5	7766.7	8193.0	8662.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1
In national currency	7679.9	7600.1	8446.0	8494.2	8312.2	8655.2	7898.1	8399.3	8833.3	8707.6	8400.5	7766.7	8193.0	8662.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1
Other financial corporations	409.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	367.1	423.5	433.8	586.8	736.8	848.0	708.5	634.0	516.1	607.0	521.3	742.8	696.5
State and local government	0.0	0.0	0.0	0.0	0.0	0.0	160.8	166.0	188.8	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	289.9	308.6	286.6	420.5
Public nonfinancial corporations	773.8	768.2	687.7	867.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	368.8	517.3	685.1	735.2	786.9	808.7	1159.4	1421.4	1333.7	1143.7
Other nonfinancial corporations	3133.2	3229.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3824.1	4155.7	3524.0	3596.6	3528.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1
Other resident sectors	3186.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3343.6	3571.9	4039.2	3171.9	2980.0	3044.0	3220.0	3247.0	3201.1	3248.9	3953.1	3344.3	3482.4	3471.1
Unclassified	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2
In foreign currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unclassified	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2
Deposits excluded from broad money	3532.6	3108.5	3557.8	3663.3	3755.7	3323.4	3702.8	3395.0	3830.0	3815.3	3763.4	4033.6	4806.6	4906.0	4457.0	3115.3	3057.9	2843.4	3766.4	3414.6	3516.9
Transferable deposits	1617.2	1469.6	1967.8	1946.2	2026.4	1827.7	1995.1	1820.9	1625.5	1623.9	1630.4	2290.2	2995.7	3168.4	2638.7	1785.9	1556.7	1473.1	2102.0	1956.1	1879.6
In national currency	1424.6	1257.3	1462.9	1495.9	1636.0	1337.3	1393.1	1199.1	1126.3	1127.4	1399.4	1623.4	1770.2	2031.2	1655.8	952.6	930.8	800.8	1291.5	1034.0	933.8
In foreign currency	192.6	212.4	504.9	450.2	390.4	490.4	602.0	661.8	498.2	496.5	431.1	668.6	1225.4	1137.1	982.8	833.3	625.9	866.3	890.6	922.1	945.8
Other deposits	1915.4	1638.9	1590.0	1717.1	1729.3	1495.6	1707.7	1574.1	2204.4	2191.5	1932.9	1743.4	1814.0	1739.7	1818.3	1329.4	1501.2	1170.3	1584.3	1458.5	1637.3
In national currency	1508.2	1564.3	1478.1	1669.6	1679.1	1441.8	1494.4	1346.0	1837.6	2174.5	1920.4	1715.5	1795.5	1724.3	1624.9	1259.1	1405.8	1141.2	1421.1	1429.0	1356.5
In foreign currency	407.2	74.6	111.8	47.5	50.2	53.8	213.3	228.1	366.8	17.0	12.5	27.9	18.5	15.4	193.4	30.3	96.4	29.1	163.2	29.5	280.8

This table consolidates the deposits of the commercial banks and the other banking institutions.

Table II.6 Monetary aggregates (end of period in N\$ million)

		Currency in circulation 1	Transferable deposits 2	Narrow money (M1) 3 1+2 = 3	Other deposits 4	Securities included in M2 5	Broad money supply (M2) 6 3+4+5=6
2004		632.7	8937.1	9569.8	6259.1	0.0	15828.9
2005		680.0	8728.8	9408.9	7961.4	0.0	17370.2
2006		763.4	12937.7	13701.0	8833.3	5.9	22540.2
2004	Jan	587.4	7495.7	8083.2	5854.9	0.0	13938.1
	Feb	604.0	8016.6	8620.6	5930.8	0.0	14551.4
	Mar	574.8	8153.9	8728.7	6079.1	0.0	14807.8
	Apr	644.2	8408.3	9052.6	5754.4	0.0	14806.9
	May	609.4	8225.9	8835.3	5812.7	0.0	14648.0
	Jun	606.1	7993.1	8599.2	5811.0	0.0	14410.2
	Jul	646.4	7917.0	8563.4	6263.1	0.0	14826.5
	Aug	625.6	8723.2	9348.8	6241.5	0.0	15590.3
	Sep	631.5	8697.3	9328.8	6484.7	0.0	15813.5
	Oct	667.0	9233.5	9900.5	6568.5	0.0	16469.1
	Nov	669.6	9236.0	9905.6	6729.7	0.0	16635.3
	Dec	632.7	8937.1	9569.8	6259.1	0.0	15828.9
2005	Jan	619.3	8050.4	8669.7	7009.1	0.0	15678.8
	Feb	639.0	8146.2	8785.2	7547.8	0.0	16333.0
	Mar	628.8	8462.7	9091.5	7396.2	0.0	16487.7
	Apr	696.5	8738.8	9435.4	7563.9	0.0	16999.2
	May	676.9	9092.7	9769.6	7152.7	0.0	16922.3
	Jun	656.3	9068.5	9724.8	7465.7	0.0	17190.4
	Jul	711.6	9368.5	10080.0	7493.6	0.0	17573.6
	Aug	683.2	9322.5	10005.7	7413.5	0.0	17419.2
	Sep	697.8	8976.4	9674.2	7391.3	0.0	17065.4
	Oct	668.5	9063.7	9732.3	7589.7	0.0	17322.0
	Nov	706.1	8882.0	9588.1	7879.5	0.0	17467.6
	Dec	680.0	8728.8	9408.9	7961.4	0.0	17370.2
2006	Jan	646.9	9213.5	9860.4	7936.0	0.0	17796.4
	Feb	663.0	9693.6	10356.6	7000.6	11.7	17368.8
	Mar	681.0	10752.9	11433.9	7308.9	11.5	18754.2
	Apr	714.6	10726.7	11441.3	7679.9	11.5	19132.8
	May	678.8	11228.7	11907.5	7800.1	9.5	19717.0
	Jun	726.7	11366.5	12093.2	8446.0	9.5	20548.8
	Jul	727.4	11743.4	12470.8	8494.2	8.0	20973.0
	Aug	767.4	11544.1	12311.4	8312.2	5.8	20629.4
	Sep	785.6	12065.2	12850.9	8655.2	5.8	21511.9
	Oct	772.0	13562.1	14334.1	7898.1	5.9	22238.1
	Nov	839.7	13412.7	14252.4	8359.3	5.9	22617.5
	Dec	763.4	12937.7	13701.0	8833.3	5.9	22540.2
2007	Jan	739.1	13791.9	14531.1	8707.6	5.9	23244.6
	Feb	731.3	13916.8	14648.1	8400.5	5.9	23054.5
	Mar	797.4	14029.6	14827.1	7756.7	5.9	22589.7
	Apr	744.5	14126.1	14870.6	8193.0	5.9	23069.5
	May	777.4	14154.3	14931.6	8562.0	5.9	23499.5
	Jun	814.5	12547.1	13361.6	9129.7	5.9	22497.2
	Jul	794.8	14869.9	15664.7	9183.9	5.9	24854.5
	Aug	883.1	15021.7	15904.8	9026.7	5.9	24937.4
	Sep	861.8	14373.6	15235.4	10459.9	5.9	25701.2
	Oct	806.5	14269.3	15075.9	9910.3	6.0	24992.1
	Nov	806.0	15193.9	15999.9	10194.4	6.0	26200.2
	Dec	820.3	13815.9	14636.2	10166.1	6.0	24808.3

Table II.7 Monetary analysis (end of period in N\$ million)

		Broad money supply (M2)	Determinants of money supply						Other items net
			Net foreign assets (cumulative flow)	Claims on the Central Government				Claims on private sectors	
				Gross claims	Government deposits	Other liabilities	Net claims on Government		
2005	Jan	15678.7	1350.0	2003.7	1847.6	84.8	71.4	20651.9	-6394.5
	Feb	16333.0	1614.9	2136.8	1570.9	84.8	481.1	20776.6	-6539.7
	Mar	16487.7	1576.5	2164.3	1310.2	39.8	814.4	21221.2	-7124.3
	Apr	16999.2	1095.7	1876.1	1202.8	39.8	633.6	21649.4	-6379.4
	May	16922.3	273.1	1920.2	913.0	39.8	967.5	22063.9	-6382.2
	Jun	17190.4	94.8	2203.0	767.7	39.8	1395.5	22113.8	-6413.7
	Jul	17573.6	742.8	2094.1	1222.0	39.8	832.3	22570.8	-6572.3
	Aug	17419.2	490.6	2113.7	921.5	39.8	1152.4	22851.4	-7075.3
	Sep	17065.4	-66.4	2082.5	708.6	39.8	1334.2	23089.8	-7292.1
	Oct	17322.0	700.0	2079.7	1185.7	39.8	854.2	23329.4	-7561.6
	Nov	17467.6	337.9	2007.4	871.3	39.8	1096.3	23781.4	-7748.1
	Dec	17370.2	-156.3	2586.1	1140.6	39.8	1405.7	24264.4	-8143.6
2006	Jan	17796.4	891.4	2419.1	1558.4	39.8	820.9	24336.0	-8251.9
	Feb	17368.8	418.4	2155.8	1338.1	39.8	778.0	25045.4	-8872.9
	Mar	18754.2	723.3	2528.4	1386.6	53.7	1088.2	25455.3	-8512.5
	Apr	19132.8	1834.6	2426.7	2542.3	53.7	-169.3	25985.6	-8518.2
	May	19717.0	1700.7	2543.8	2196.4	53.7	293.7	26652.0	-8929.3
	Jun	20548.8	1459.0	2661.9	1997.7	53.7	610.4	27051.4	-8572.1
	Jul	20973.0	2295.9	2555.8	2871.4	53.8	-369.4	27555.0	-8508.6
	Aug	20629.4	1993.0	2563.6	2409.8	53.8	100.0	27781.6	-9245.2
	Sep	21511.9	3944.3	2464.0	2229.3	51.1	183.6	27756.5	-10372.4
	Oct	22238.1	5445.8	2578.7	3193.1	64.1	-678.6	28190.8	-10719.9
	Nov	22617.5	4625.8	2571.8	2499.2	64.2	8.4	28328.7	-10345.4
	Dec	22540.2	4844.5	2767.3	2589.6	64.4	113.3	28284.2	-10701.8
2007	Jan	23244.6	6128.2	2785.2	4920.3	64.5	-2199.5	28889.3	-9573.4
	Feb	23054.6	6058.1	2914.4	4681.4	64.5	-1831.5	29447.2	-10619.2
	Mar	22589.7	6888.5	3098.8	5712.0	67.3	-2680.5	29990.7	-11609.0
	Apr	23069.5	8415.2	3099.4	6463.4	51.2	-3415.1	30040.4	-11971.0
	May	23499.5	8023.0	3012.1	5742.7	51.2	-2781.9	30345.8	-12087.5
	Jun	22497.2	6949.8	3270.2	6110.0	52.7	-2892.5	30685.8	-12245.9
	Jul	24854.4	9292.8	3315.5	5853.1	52.7	-2590.3	30762.6	-12610.7
	Aug	24937.4	8336.5	3026.9	4667.2	52.7	-1693.0	30998.6	-12704.7
	Sep	25701.1	7825.5	3037.3	4080.3	52.7	-1095.7	31395.3	-12423.9
	Oct	24992.1	7265.1	2995.6	5008.3	52.8	-2065.6	32528.8	-12736.2
	Nov	26200.2	7689.4	3025.3	4740.0	52.8	-1767.5	32736.7	-12458.4
	Dec	24808.3	6834.0	3101.3	5192.3	52.9	-2143.9	32355.9	-12237.8

Table II.8 Changes in determinants of money supply (N\$ million)

		Broad money supply (M2)	Determinants of money supply						Other items net
			Net foreign assets (cumulative flow)	Gross claims	Government deposits	Other liabilities	Net claims on Government	Claims on private sectors	
2005	Jan	-368.5	504.6	-176.6	623.8	-84.8	-772	396.9	435.2
	Feb	654.3	264.9	133.1	-276.7	0.0	409.7	124.8	-145.2
	Mar	154.7	-38.5	27.5	-260.7	-45.0	333.2	444.6	-584.6
	Apr	511.5	-480.7	-288.2	-107.4	0.0	-180.8	428.2	744.9
	May	-77.0	-822.6	44.0	-289.9	0.0	333.9	414.6	-2.8
	Jun	268.2	-178.3	282.9	-145.2	0.0	428.1	49.9	-31.5
	Jul	383.2	648.0	-109.0	454.2	0.0	-563.2	457.0	-158.6
	Aug	-154.4	-252.1	19.6	-300.5	0.0	320.1	280.6	-503.0
	Sep	-353.8	-557.1	-31.1	-212.9	0.0	181.8	238.4	-216.8
	Oct	256.5	766.4	-2.9	477.1	0.0	-480.0	239.6	-269.5
	Nov	145.6	-362.1	-72.3	-314.4	0.0	242.1	452.1	-186.4
	Dec	-97.4	-494.2	578.7	269.3	0.0	309.4	483.0	-395.5
2006	Jan	426.2	1047.8	-167.0	417.8	0.0	-584.8	71.6	-108.3
	Feb	-427.6	-473.0	-263.3	-220.3	0.0	-42.9	709.4	-621.0
	Mar	1385.4	304.9	372.6	48.5	13.9	310.2	409.9	360.4
	Apr	378.5	1111.4	-101.7	1155.7	0.0	-1257.4	530.3	-5.7
	May	584.3	-134.0	117.0	-346.0	0.0	463.0	666.4	-411.1
	Jun	831.8	-241.7	118.1	-198.6	0.0	316.7	399.4	357.3
	Jul	424.1	836.9	-106.1	873.7	0.0	-979.8	503.6	63.5
	Aug	-343.5	-302.9	7.8	-461.5	0.0	469.4	226.6	-736.6
	Sep	882.5	1951.3	-99.6	-180.6	-2.6	83.6	-25.1	-1127.2
	Oct	726.2	1501.6	114.7	963.9	13.0	-862.2	434.3	-347.5
	Nov	379.4	-820.1	-6.9	-694.0	0.1	687.0	137.9	374.6
	Dec	-77.3	218.8	195.5	90.4	0.1	104.9	-44.5	-356.4
2007	Jan	704.4	1283.7	17.9	2330.7	0.1	-2312.9	605.2	1128.4
	Feb	-190.0	-70.1	129.2	-238.9	0.1	368.0	557.8	-1045.8
	Mar	-464.9	830.4	184.4	1030.6	2.8	-848.9	543.5	-989.8
	Apr	479.8	1526.7	0.6	751.4	-16.1	-734.7	49.8	-362.0
	May	430.0	-392.2	-87.3	-720.6	0.0	633.3	305.4	-116.5
	Jun	-1002.3	-1073.3	258.1	367.3	1.5	-110.6	340.0	-158.4
	Jul	2357.2	2343.1	45.3	-257.0	0.0	302.2	76.8	-364.8
	Aug	82.9	-956.3	-288.6	-1185.9	0.0	897.3	236.0	-94.0
	Sep	763.8	-511.0	10.4	-586.8	0.0	597.2	396.7	280.8
	Oct	-709.0	-560.4	-41.7	928.0	0.2	-969.8	1133.5	-312.3
	Nov	1208.1	424.4	29.7	-268.3	0.0	298.0	207.8	277.0
	Dec	-1391.9	-855.4	76.1	452.3	0.1	-376.3	-380.7	220.6

Table II.9 Selected interest rates: Namibia and South Africa

		Prime lending rate		Average lending rate		Treasury bill rate (3 month)		Deposit rates		Bank rate	Repo rate
		Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA
2004	Jan	12.50	11.50	11.54	11.50	7.90	7.56	6.48	8.05	7.75	8.00
	Feb	12.50	11.50	11.61	11.50	8.00	7.56	6.56	7.45	7.75	8.00
	Mar	12.50	11.50	11.49	11.50	8.20	7.76	6.38	7.48	7.75	8.00
	Apr	12.50	11.50	12.82	11.50	8.01	7.76	6.25	7.48	7.75	8.00
	May	12.50	11.50	11.40	11.50	7.98	7.76	6.38	7.48	7.75	8.00
	Jun	12.50	11.50	11.59	11.50	8.07	7.83	6.38	7.71	7.75	8.00
	Jul	12.50	11.50	11.38	11.50	8.02	7.89	6.48	7.62	7.50	8.00
	Aug	12.25	11.00	11.10	11.00	8.13	7.44	6.29	7.23	7.50	7.50
	Sep	12.25	11.00	11.16	11.00	7.66	7.12	6.20	6.84	7.50	7.50
	Oct	12.25	11.00	10.79	11.00	7.48	7.28	6.26	6.76	7.50	7.50
	Nov	12.25	11.00	10.06	11.00	7.55	7.25	6.20	6.71	7.50	7.50
	Dec	12.25	11.00	10.73	11.00	7.49	7.27	6.36	6.71	7.50	7.50
2005	Jan	12.25	11.00	10.68	11.00	7.67	7.29	6.18	6.72	7.50	7.50
	Feb	12.25	11.00	10.66	11.00	7.58	7.23	6.18	6.71	7.50	7.50
	Mar	12.25	11.00	10.56	11.00	7.58	7.20	6.53	6.77	7.50	7.50
	Apr	11.75	10.50	10.66	10.50	7.59	6.95	6.5	6.77	7.00	7.00
	May	11.75	10.50	10.58	10.50	6.8	6.75	6.31	6.48	7.00	7.00
	Jun	11.75	10.50	10.52	10.50	6.16	6.76	6.21	6.48	7.00	7.00
	Jul	11.75	10.50	10.52	10.50	7.11	6.73	6.13	6.48	7.00	7.00
	Aug	11.75	10.50	10.50	10.50	6.71	6.73	6.06	6.48	7.00	7.00
	Sep	11.75	10.50	10.77	10.50	6.75	6.74	6.13	6.66	7.00	7.00
	Oct	11.75	10.50	10.55	10.50	6.93	6.79	5.98	6.82	7.00	7.00
	Nov	11.75	10.50	10.54	10.50	6.93	6.89	60.2	7.06	7.00	7.00
	Dec	11.75	10.50	10.78	10.50	7.01	6.82	5.99	6.75	7.00	7.00
2006	Jan	11.75	10.50	10.46	10.50	7.03	6.74	6.09	6.59	7.00	7.00
	Feb	11.75	10.50	10.69	10.50	6.94	6.68	6.1	6.58	7.00	7.00
	Mar	11.75	10.50	10.78	10.50	6.67	6.53	6.11	6.62	7.00	7.00
	Apr	11.75	10.50	10.58	10.50	6.63	6.65	6.31	6.59	7.00	7.00
	May	11.75	10.50	10.80	10.50	6.5	6.80	6.13	6.75	7.00	7.00
	Jun	12.25	11.00	10.61	11.00	6.77	7.11	6.24	7.32	7.50	7.50
	Jul	12.25	11.00	10.93	11.00	7.23	7.28	6.18	7.46	7.50	7.50
	Aug	12.75	11.50	11.01	11.50	7.56	7.69	6.34	7.92	8.00	8.00
	Sep	12.75	11.50	11.71	11.50	7.57	7.75	6.22	8.08	8.00	8.00
	Oct	13.25	12.00	11.97	12.00	7.52	8.22	6.37	8.36	8.50	8.50
	Nov	13.25	12.00	12.2	12.00	7.95	8.23	6.64	8.57	8.50	8.50
	Dec	13.25	12.50	12.43	12.50	7.95	8.39	6.85	8.57	9.00	9.00
2007	Jan	13.75	12.50	12.63	12.50	8.36	8.87	6.98	9.00	9.00	9.00
	Feb	13.75	12.50	12.32	12.50	8.22	8.41	7.38	8.99	9.00	9.00
	Mar	13.75	12.50	11.90	12.50	8.06	8.26	7.22	8.93	9.00	9.00
	Apr	13.75	12.50	12.44	12.50	8.00	8.32	7.18	9.22	9.00	9.00
	May	13.75	12.50	12.65	12.50	8.11	8.68	7.34	9.23	9.00	9.00
	Jun	14.25	13.00	12.22	12.88	8.03	9.10	7.24	9.59	9.50	9.50
	Jul	14.25	13.00	13.03	13.00	8.66	8.86	7.49	9.93	9.50	9.50
	Aug	14.75	13.50	12.85	13.25	8.98	9.26	7.68	10.15	10.00	10.00
	Sep	14.75	13.50	12.89	13.50	9.24	9.43	7.74	10.11	10.00	10.00
	Oct	15.25	14.00	13.56	13.81	9.16	9.96	7.95	10.39	10.50	10.50
	Nov	15.25	14.00	14.53	14.00	9.19	10.43	8.08	10.65	10.50	10.50
	Dec	15.25	14.50	13.59	14.39	9.80	10.52	8.28	10.92	10.50	11.00

Table III.1(a) Treasury bills auction N\$ million

		Offer	Tendered	Surplus(+) Deficit (-)	Effective Yield %
91 days					
	2007				
	Jan	50.0	146.5	96.5	8.7
	Feb	100.0	229.0	129.0	8.6
	Mar	150.0	262.4	112.4	8.5
	Apr	50.0	150.0	100.0	8.4
	May	100.0	292.2	192.2	8.5
	Jun	150.0	223.3	73.3	8.5
	Jul	50.0	105.7	55.7	9.1
	Aug	100.0	145.0	45.0	9.5
	Sep	150.0	332.4	182.4	9.8
	Oct	50.0	93.6	43.6	9.7
	Nov	100.0	206.5	106.5	9.7
	Dec	150.0	301.0	151.0	9.8
	2008				
	Jan	50.0	186.5	136.5	9.7
	Feb	100.0	342.0	242.0	9.2
182 days					
	2007				
	Jan	50.0	134.5	84.5	8.4
	Feb	120.0	288.2	168.2	8.4
	Mar	300.0	753.7	453.7	8.6
	Apr	0.0	0.0	0.0	0.0
	May	150.0	341.1	191.1	8.6
	Jun	200.0	487.2	287.2	8.4
	Jul	50.0	198.3	148.3	9.5
	Aug	320.0	322.2	2.1	9.8
	Sep	100.0	206.0	106.0	10.0
	Nov	150.0	300.0	150.0	10.0
	Dec	200.0	317.5	117.5	10.1
	2008				
	Jan	200.0	168.7	-31.3	9.9
	Feb	320.0	750.6	430.6	14.0
365 days					
	2007				
	Feb	100.0	320.1	220.1	9.0
	Mar	100.0	326.6	226.6	8.9
	Apr	100.0	264.0	164.0	8.9
	May	250.0	766.2	516.2	8.8
	Jun	330.0	598.9	268.9	8.6
	Jul	100.0	166.0	66.0	10.0
	Aug	200.0	422.7	222.7	10.1
	Sep	250.0	493.8	243.8	10.2
	Oct	50.0	124.9	74.9	10.1
	Nov	250.0	407.0	157.0	10.2
	Dec	150.0	342.2	192.2	10.3
	2008				
	Feb	100.0	297.4	197.4	9.5

Table III.1(b): ALLOTMENT OF GOVERNMENT OF NAMIBIA TREASURY BILLS N\$ '000

Date issued	Date due	Deposit Money Banks	Other Banking Institutions	Banking Sector	Non-banking Financial Institutions	Other Public Enterprises	Private Sector	TOTAL	Amount Outstanding
2007									
Jan	04/07	40,000.0	0.0	40,000.0	10,000.0	0.0	0.0	50,000.0	4,250,010.0
Jan*	07/07	50,000.0	0.0	50,000.0	0.0	0.0	0.0	50,000.0	4,250,010.0
Jan**	01/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,210,010.0
Feb	05/07	98,800.0	0.0	98,800.0	1,200.0	0.0	0.0	100,000.0	4,210,010.0
Feb*	08/07	117,000.0	0.0	117,000.0	3,000.0	0.0	0.0	120,000.0	4,130,010.0
Feb**	02/07	90,000.0	0.0	90,000.0	10,000.0	0.0	0.0	100,000.0	4,130,000.0
Mar	06/07	122,710.0	0.0	122,710.0	25,470.0	0.0	1,820.0	150,000.0	4,130,000.0
Mar*	08/07	170,010.0	0.0	170,010.0	28,420.0	0.0	1,570.0	200,000.0	4,080,000.0
Mar*	09/07	99,520.0	0.0	99,520.0	480.0	0.0	0.0	100,000.0	4,080,000.0
Mar**	03/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	100,000.0	3,980,000.0
Mar**	03/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,950,000.0
April	07/07	45,010.0	0.0	45,010.0	4,990.0	0.0	0.0	50,000.0	3,950,000.0
April**	04/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	100,000.0	3,950,000.0
April**	04/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,850,000.0
May	08/07	87,800.0	0.0	87,800.0	12,200.0	0.0	0.0	100,000.0	3,850,000.0
May*	11/07	93,970.0	0.0	93,970.0	56,020.0	0.0	0.0	149,990.0	3,849,990.0
May**	05/08	150,000.0	0.0	150,000.0	0.0	0.0	0.0	150,000.0	3,849,990.0
May**	05/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	100,000.0	3,699,990.0
Jun	09/07	132,720.0	0.0	132,720.0	15,450.0	0.0	1,830.0	150,000.0	3,699,990.0
Jun*	12/07	200,000.0	0.0	200,000.0	0.0	0.0	0.0	200,000.0	3,699,990.0
Jun**	05/08	130,000.0	0.0	130,000.0	0.0	0.0	0.0	130,000.0	3,699,990.0
Jun**	06/08	195,300.0	0.0	195,300.0	1,500.0	3200.0	0.0	200,000.0	3,699,990.0
Jul	10/07	35,000.0	0.0	35,000.0	15,000.0	0.0	0.0	50,000.0	3,699,990.0
Jul*	01/08	30,000.0	0.0	30,000.0	20,000.0	0.0	0.0	50,000.0	3,699,990.0
Jul**	07/08	83,000.0	0.0	83,000.0	17,000.0	0.0	0.0	100,000.0	3,599,990.0
Aug	11/07	80,830.0	0.0	80,830.0	18,670.0	0.0	500.0	100,000.0	3,599,990.0
Aug*	02/08	110,000.0	0.0	110,000.0	9,000.0	0.0	1,000.0	120,000.0	3,599,990.0
Aug*	02/08	153,450.0	0.0	153,450.0	45,550.0	0.0	1,000.0	200,000.0	3,599,990.0
Aug**	08/08	30,250.0	0.0	30,250.0	19,750.0	0.0	0.0	50,000.0	3,499,990.0
Sep	12/07	113,650.0	0.0	113,650.0	34,000.0	0.0	2,350.0	150,000.0	3,499,990.0
Sep*	03/08	91,000.0	0.0	91,000.0	9,000.0	0.0	0.0	100,000.0	3,499,990.0
Sept**	09/08	123,290.0	0.0	123,290.0	26,710.0	0.0	0.0	150,000.0	3,299,990.0
Sept**	09/08	49,000.0	0.0	49,000.0	51,000.0	0.0	0.0	100,000.0	3,249,990.0
Oct	01/08	36,810.0	0.0	36,810.0	13,190.0	0.0	0.0	50,000.0	3,249,990.0
Oct**	10/08	45,400.0	0.0	45,400.0	4,600.0	0.0	0.0	50,000.0	3,249,990.0
Nov	02/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	100,000.0	3,249,990.0
Nov*	05/08	129,960.0	0.0	129,960.0	19,740.0	0.0	300.0	150,000.0	3,250,000.0
Nov**	11/08	228,000.0	0.0	228,000.0	22,000.0	0.0	0.0	250,000.0	3,200,000.0
Nov**		0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,100,000.0
Dec	03/08	133,250.0	0.0	133,250.0	16,250.0	0.0	500.0	150,000.0	3,100,000.0
Dec*	06/08	165,000.0	0.0	165,000.0	35,000.0	0.0	0.0	200,000.0	3,100,000.0
Dec**	12/08	122,290.0	0.0	122,290.0	27,710.0	0.0	0.0	150,000.0	3,000,000.0
2008									
Jan	04/08	0.0	0.0	0.0	48,220.0	0.0	1,780.0	50,000.0	3,000,000.0
Jan*	07/08	40,000.0	0.0	40,000.0	10,000.0	0.0	0.0	50,000.0	3,000,000.0
Feb	05/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	100,000.0	3,000,000.0
Feb*	06/08	72,000.0	0.0	72,000.0	48,000.0	0.0	0.0	120,000.0	3,000,000.0
Feb*	08/08	177,000.0	0.0	177,000.0	23,000.0	0.0	0.0	200,000.0	3,000,000.0
Feb**	02/08	70,000.0	0.0	70,000.0	30,000.0	0.0	0.0	100,000.0	3,000,000.0
91 days									
*182 days									
**365 days									

Table III. 2 (a) Internal registered stock auction N\$ million

		Offer	Tendered	Surplus (+) Deficit (-)	Weighted YTM %
GC12 (10.50%)					
2006					
	February	40.0	108.2	68.2	8.7
	March	40.0	138.0	98.0	8.5
	May	40.0	85.0	45.0	8.5
	June	40.0	46.5	6.5	9.4
	July	40.0	65.3	25.3	9.8
	August	40.0	82.0	42.0	9.8
	September	80.0	40.5	-39.5	9.7
	October	40.0	130.9	90.9	9.8
	November	40.0	87.9	47.9	9.2
	December	40.0	138.5	98.5	9.3
2007					
	January	40.0	160.0	120.0	9.3
	February	40.0	138.5	98.5	8.9
	March	40.0	162.4	122.4	8.0
GC15 (13.00%)					
2006					
	January	40.0	74.9	34.9	9.1
	April	40.0	226.0	186.0	8.8
	May	40.0	100.0	60.0	8.8
	June	40.0	91.5	51.5	9.4
	July	40.0	55.0	15.0	9.9
	September	80.0	64.3	-15.7	8.8
GC24 (10.50%)					
2006					
	January	40.0	65.00	25.0	9.1
	February	40.0	107.5	67.5	9.1
	April	40.0	83.4	43.4	9.1
	June	40.0	65.0	25.0	9.7
	July	40.0	85.5	45.5	10.2
	August	40.0	71.7	31.7	10.2
	September	80.0	66.0	-14.0	10.4
	October	40.0	53.5	13.5	0.0
	November	40.0	98.5	58.5	9.5
	December	40.0	98.5	58.5	9.3
2007					
	January	40.0	42.5	2.5	9.3
	February	40.0	75.0	35.0	9.1
	March	40.0	129.0	89.0	8.9

No bonds were issued since March 2007

Table III.2(b): ALLOTMENT OF GOVERNMENT OF NAMIBIA INTERNAL REGISTERED STOCK N\$ '000

Date issued	Date due	Coupon rate [%]	Deposit Money Banks	Other Banking Institutions	Banking Sector	Non-bank Financial Institutions	Other Public Enterprises	Private Sector	TOTAL	Amount Outstanding
2006										
Jan	04/15	13.00	37,000.0	2,300.0	39,300.0	0.0	0.0	700.0	40,000.0	5,767,047.2
Jan	10/24	10.50	0.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0	5,807,047.2
Feb	10/12	10.50	26,310.0	13,690.0	40,000.0	0.0	0.0	0.0	40,000.0	5,847,047.2
Feb	10/24	10.50	31,980.0	7,290.0	39,270.0	730.0	0.0	0.0	40,000.0	5,887,047.2
Mar	10/12	10.50	26,310.0	13,690.0	40,000.0	0.0	0.0	0.0	40,000.0	5,927,047.2
Apr	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,967,047.2
Apr	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,007,047.2
May	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,047,047.2
May	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,087,047.2
June	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,127,047.2
June	04/15	13.00	16,500.0	23,500.0	40,000.0	0.0	0.0	0.0	40,000.0	6,167,047.2
June	10/24	10.50	32,000.0	0.0	32,000.0	0.0	0.0	8,000.0	40,000.0	6,207,047.2
July	10/12	10.50	39,750.0	0.0	39,750.0	250.0	0.0	0.0	40,000.0	6,247,047.2
July	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,287,047.2
July	10/24	10.50	37,000.0	0.0	37,000.0	3,000.0	0.0	0.0	40,000.0	6,327,047.2
Aug	10/12	10.50	38,430.0	0.0	38,430.0	1,570.0	0.0	0.0	40,000.0	6,367,047.2
Aug	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,407,047.2
Sep	10/12	10.50	31,500.0	0.0	31,500.0	3,000.0	0.0	0.0	34,500.0	6,441,547.2
Sep	04/15	13.00	31,300.0	0.0	31,300.0	6,000.0	0.0	0.0	37,300.0	6,478,847.2
Sep	10/24	10.50	59,000.0	0.0	59,000.0	0.0	0.0	0.0	59,000.0	6,537,847.2
Oct	10/12	10.50	0.0	17,000.0	17,000.0	23,000.0	0.0	0.0	40,000.0	6,577,847.2
Nov	10/12	10.50	27,070.0	0.0	27,070.0	12,750.0	0.0	180.0	40,000.0	6,617,847.2
Nov	10/24	10.50	33,680.0	0.0	33,680.0	6,320.0	0.0	0.0	40,000.0	6,657,847.2
Dec	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,697,847.2
Dec	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,737,847.2
2007										
Jan	10/24	10.50	35,000.0	0.0	35,000.0	5,000.0	0.0	0.0	40,000.0	6,777,847.2
Jan	10/12	10.50	0.0	29,570.0	29,570.0	10,430.0	0.0	0.0	40,000.0	6,817,847.2
Feb	10/12	10.50	10,000.0	0.0	10,000.0	30,000.0	0.0	0.0	40,000.0	6,857,847.2
Feb	10/24	10.50	0.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0	6,897,847.2
Mar	10/12	10.50	5,300.0	0.0	5,300.0	33,320.0	0.0	1,380.0	40,000.0	6,937,847.2
Mar	10/24	10.50	13,000.0	0.0	13,000.0	27,000.0	0.0	0.0	40,000.0	6,977,847.2
Apr	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
May	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
Jun	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
Jul**	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Aug	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Sept	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Oct	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Nov	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Dec	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
2008										
Jan	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Feb	NA	NA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2

* Switch of GCO5 into GC07, GC10 & GC15

**Redemption of GC07

NA implies not applicable since no auctions took place during this period

Table III.3 Central Government revenue and expenditure N\$ million

Actual	Actual				Estimates	
Revenue	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Taxes on income and profits	3,618.5	4,025.0	4,575.7	5,676.0	5,201.0	6,637.4
Taxes on property	75.2	85.9	110.1	142.1	134.0	165.9
Domestic taxes on goods and services	1,950.8	2,057.3	3,272.4	3,196.8	3,487.6	3,932.6
Taxes on international trade	3,035.6	4,206.8	3,891.9	6,697.9	8,085.0	8,501.8
Other taxes	82.8	94.1	113.4	130.4	134.0	145.5
Total tax revenue	8,762.9	10,469.0	11,963.4	15,843.2	17,041.6	19,383.2
Entrepreneurial and property income	488.8	490.0	542.9	1,264.0	662.8	815.6
Fines and forfeitures	18.9	17.0	17.6	18.7	23.5	24
Administration fees and charges	449.3	342.1	511.2	400.5	431.7	475.5
Total non-tax revenue	970.5	885.9	1,104.1	1,700.6	1,141.7	1,348.6
Total revenue (own sources)	9,733.4	11,354.2	13,067.5	17,543.8	18,183.3	20,731.8
Grants	34.2	70.4	39.0	49.6	204.0	141.0
Loans earmarked for on-lending	0.0	0.0	0.0	0.0	0.0	0.0
Total revenue and grants	9,767.6	11,424.6	13,106.5	17,593.4	18,387.3	20,872.8
Expenditure						
Current Expenditure						
Personnel expenditure	5,117.0	5,527.1	5,888.3	6,213.7	6,725.0	7,708.6
Expenditure on goods and other services	2,079.4	1,921.9	1,922.4	2,164.8	2,995.3	3,731.2
Statutory	996.0	1,040.2	23.9	1,475.2	1,201.7	1,330.8
Subsidies and other current transfers	2,255.9	2,296.9	2,544.6	2,749.3	3,067.0	4,629.7
Total current expenditure	10,448.3	10,786.1	11,541.6	12,603.0	13,989.0	17,400.3
Capital Expenditure						
capital expenditure	1,293.4	1401.1	1337.4	1763.9	2277.4	3775.4
capital transfer	103.6	217.4	106.0	261.8	341.8	159.4
Total lending and equity participation	400.0	365.9	207.5	650.6	1,219.2	1,129.3
Total Capital Expenditure	1,796.9	1,984.5	1,650.9	2,676.3	3,838.3	5,064.1
Total expenditure	12,245.2	12,770.6	13,192.5	15,279.3	17,827.3	22,464.4
Overall deficit (-)/ surplus(+)	-2,477.6	-1,346.0	-84.9	2,314.1	560.0	-1,591.6
Total financing						
Net borrowing	1,788.3	2,441.5	67.1	926.5	-1,942.7	3,091.7
Decease(+)/increase(-) in cash balance	689.3	-1,095.5	17.8	-2,381.3	-1,486.5	3,534.2
Total financing	2,477.6	1,346.0	84.9	-2,314.2	-560.0	1,591.5

Table IV. A Balance of payments aggregates N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Merchandise trade balance	261	477	-266	170	642	-374	443	112	-610	-429
Exports fob	3,900	4,315	4,696	5,037	17,949	4,834	5,575	5,062	5,076	20,547
Imports fob (p)	-3,639	-3,839	-4,962	-4,867	-17,307	-5,208	-5,131	-4,951	-5,686	-20,976
Services (net)	144	97	173	244	659	188	119	135	202	644
Credit	735	772	1,009	1,067	3,582	1,173	1,010	978	1,056	4,217
Debit	-590	-675	-835	-823	-2,924	-984	-891	-844	-854	-3,572
Compensation of employees (net)	-6	-7	-19	-9	-40	-12	6	-7	-3	-16
Credit	17	17	17	17	67	17	17	17	17	67
Debit	-22	-23	-36	-25	-106	-28	-11	-24	-19	-83
Investment income (net)	105	-77	-548	317	-202	120	-14	-563	652	196
Credit	504	566	415	349	1,834	439	851	814	1,042	3,146
Debit	-398	-643	-963	-32	-2,036	-319	-864	-1,377	-389	-2,950
Current transfers in cash and kind (net)	1,202	1,722	1,757	1,750	6,431	1,846	1,996	1,595	1,620	7,055
Credit	1,276	1,799	1,832	1,826	6,733	1,942	2,094	1,688	1,697	7,421
Debit	-75	-77	-75	-76	-303	-96	-99	-94	-77	-365
Current account balance	1,707	2,213	1,098	2,471	7,489	1,769	2,550	1,271	1,862	7,451
Net capital transfers	114	87	166	205	573	143	150	134	158	586
Credit	115	88	167	206	576	144	151	135	159	590
Debit	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3
Direct investment	596	586	789	324	2,295	3,048	955	911	-18	4,896
Abroad	61	14	-10	13	79	-24	-7	1	10	-20
In Namibia	536	571	799	310	2,216	3,072	962	910	-28	4,916
Portfolio investment	-2,070	-2,319	-331	-2,807	-7,528	-2,812	-3,085	-1,355	-3,112	-10,364
Assets	-2,082	-2,331	-342	-2,821	-7,576	-2,824	-3,097	-1,366	-3,128	-10,416
Liabilities	12	11	12	14	48	12	12	12	17	51
Other investment - long term	-100	441	425	547	1,313	289	-948	-515	-81	-1,255
Assets	-10	-3	-34	114	68	36	-23	-37	-40	-64
Liabilities	-90	443	460	433	1,245	253	-924	-479	-41	-1,191
Other investment - short term	-365	-842	-2,041	-825	-4,073	61	564	-891	1,539	1,273
Assets	-535	-100	-865	-1,020	-2,520	149	418	-976	1,345	935
Liabilities	170	-743	-1,175	195	-1,553	-88	147	85	194	338
Capital and financial account excluding reserves	-1,685	-1,910	-2,556	-867	-7,018	729	-2,366	-1,717	-1,514	-4,868
Net errors and omissions	510	77	277	148	1,012	304	-183	447	-346	222
OVERALL BALANCE	392	240	384	62	1,078	2,800	242	302	722	4,066
Reserve assets	-392	-240	-384	-62	-1,078	-2,800	-242	-302	-722	-4,066

(a) Debit (negative) entries are used to record imports of goods and services, investment income payable, the counterpart to transfers received from non-residents and a deficit. Credit (positive) entries record exports of goods and services, income receivable, the counterpart to transfers made to non-residents, and a surplus.

(p) Provisional

Table IV.B Supplementary table: balance of payments - services N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Services, net	144	97	173	244	659	188	119	135	202	644
Credit	735	772	1,009	1,067	3,582	1,173	1,010	978	1,056	4,217
Transportation	139	157	201	194	691	194	187	251	212	843
Travel	529	546	733	794	2,601	900	743	645	770	3,058
Insurance	0	0	5	7	12	7	15	6	7	36
Communication	27	26	26	26	105	26	26	26	26	105
Construction	0	0	0	0	0	0	0	0	0	0
Financial	0	0	0	0	0	0	0	0	0	0
Computer and information	1	3	1	3	8	3	0	4	2	9
Royalties and license fees	0	0	0	0	0	0	0	0	0	0
Administrative and business	1	0	0	0	2	0	0	1	3	4
Professional and technical	0	0	3	1	4	1	0	7	1	10
Others, not included elsewhere	5	5	5	7	22	7	4	2	2	15
Government	34	34	34	34	136	34	34	34	34	136
Debit	-590	-675	-835	-823	-2,924	-984	-891	-844	-854	-3,572
Transportation	-232	-202	-281	-304	-1,019	-425	-422	-396	-414	-1,658
Travel	-168	-174	-224	-240	-806	-269	-227	-201	-234	-931
Insurance	-27	-28	-36	-37	-128	-39	-54	-44	-52	-190
Communication	0	0	0	0	-2	0	0	0	0	-2
Construction	-19	-18	-68	-67	-172	-38	-12	-6	-6	-63
Financial	-3	-10	-10	-6	-30	-6	-12	-12	-4	-35
Computer and information	-21	-54	-39	-28	-142	-32	-26	-29	-22	-110
Royalties and license fees	-3	-4	-9	-5	-21	-7	-4	-1	-2	-14
Administrative and business	-38	-52	-46	-52	-189	-52	-88	-54	-20	-214
Professional and technical	-47	-108	-90	-60	-305	-86	-17	-48	-64	-215
Others, not included elsewhere	-16	-9	-17	-8	-51	-14	-13	-37	-19	-82
Government	-15	-15	-15	-15	-59	-15	-15	-15	-15	-59

(p) Provisional

Table IV.C Supplementary table: balance of payments - investment income N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Compensation of employees, net	-6	-7	-19	-9	-40	-12	6	-7	-3	-16
Credit	17	17	17	17	67	17	17	17	17	67
Debit	-22	-23	-36	-25	-106	-28	-11	-24	-19	-83
Investment income, net	105	-77	-548	317	-202	120	-14	-563	652	196
Credits	504	566	415	349	1,834	439	851	814	1,042	3,146
Direct investment	-8	2	5	8	6	2	7	7	-7	8
Portfolio investment	426	446	290	216	1,379	255	497	305	380	1,438
Other investment	86	118	120	126	450	182	348	502	668	1,700
Debit	-398	-643	-963	-32	-2,036	-319	-864	-1,377	-389	-2,950
Direct investment	-327	-565	-884	51	-1,726	-226	-774	-1300	-305	-2,605
Portfolio investment	-41	-42	-42	-42	-168	-43	-42	-42	-42	-170
Other investment	-30	-36	-36	-41	-143	-50	-48	-35	-42	-175

(p) Provisional

Table IV.D Supplementary table : balance of payments - transfers N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Current transfers, net	1,202	1,722	1,757	1,750	6,431	1,845	1,996	1,595	1,620	7,055
Credits	1,276	1,799	1,832	1,826	6,733	1,941	2,094	1,688	1,697	7,421
Government	1,235	1,759	1,773	1,781	6,549	1,896	2,059	1,655	1,649	7,260
Grants from foreign governments, etc	80	79	80	80	319	80	56	59	75	269
SACU receipts	1,028	1,674	1,674	1,674	6,049	1,674	1,991	1,543	1,543	6,752
Withholding taxes	13	6	20	28	67	26	12	52	31	122
Other transfers received	114	0	0	0	114	117	0	0	0	117
Private	41	40	59	45	185	45	35	34	48	161
Grants received by NGO's	10	10	29	14	63	14	5	3	17	40
Other transfers received	31	30	30	30	121	30	30	30	30	121
Debit	-75	-77	-75	-76	-303	-96	-99	-94	-77	-365
Government	-67	-70	-68	-70	-275	-89	-92	-87	-70	-338
Grants to foreign governments, etc	-2	-2	-2	-4	-11	-5	-5	-4	-4	-19
SACU receipts	-65	-68	-66	-65	-264	-84	-87	-83	-66	-320
Withholding taxes	0	0	0	0	0	0	0	0	0	0
Other transfers	0	0	0	0	0	0	0	0	0	0
Private	-8	-7	-7	-7	-28	-7	-7	-7	-7	-27
Grants received by NGO's	0	0	0	0	0	0	0	0	0	0
Other transfers received	-8	-7	-7	-7	-28	-7	-7	-7	-7	-27
Capital Transfers, net	114	87	166	205	573	143	150	134	158	586
Credit	115	88	167	206	576	144	151	135	159	590
Government	109	81	161	200	550	138	145	129	153	564
Private	7	6	6	6	26	6	6	6	6	26
Debit	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3
Government	0	0	0	0	0	0	0	0	0	0
Private	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3

(p) Provisional

Table IV.E Supplementary table: balance of payments - direct investment N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Direct investment abroad	61	14	-10	13	79	-24	-7	1	10	-20
Equity capital	8	8	4	16	37	-22	0	0	1	-20
Reinvested earnings	13	2	-4	-4	7	1	-4	-4	10	3
Other capital	40	4	-10	1	36	-3	-4	4	0	-3
Direct investment in Namibia	536	571	799	310	2,216	3,072	962	910	-28	4,916
Equity capital	358	57	134	1,997	2,546	2,995	160	711	2	3,868
Reinvested earnings	242	477	657	-357	1,019	-59	626	753	-33	1,287
Other capital	-65	37	8	-1,330	-1,349	136	175	-554	3	-240

(p) Provisional

Table IV.F Supplementary table: balance of payments - portfolio investment N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2006
Portfolio investment, net	-2,070	-2,319	-331	-2,807	-7,528	-2,812	-3,085	-1,355	-3,112	-10,364
Equity	-1,319	-1,696	-272	-1,945	-5,232	-2,048	-2,302	-1,273	-2,827	-8,451
Assets	-1,327	-1,704	-280	-1,953	-5,264	-2,056	-2,310	-1,281	-2,835	-8,483
Liabilities	8	8	8	8	32	8	8	8	8	32
Debt	-752	-623	-59	-862	-2,296	-764	-783	-81	-284	-1,913
Assets	-755	-627	-62	-868	-2,313	-768	-787	-85	-293	-1,933
Liabilities	4	4	4	6	16	4	4	4	9	19

(p) Provisional

Table IV.G Supplementary table: balance of payments - other investment N\$ million

	2006(p)					2007(p)				
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007
Long-term, net	-100	441	425	547	1,313	289	-948	-515	-81	-1,255
General Government	-14	81	-20	38	84	33	-5	-21	1	8
Assets	-10	-10	-10	-10	-40	-10	-10	-10	-10	-40
Liabilities	-4	91	-11	48	124	43	5	-11	-11	48
Of which: drawings	9	111	9	73	202	73	36	15	59	183
repayments	-13	-21	-20	-25	-79	-30	-32	-26	-47	-135
Monetary authorities	0	0	0	0	0	0	0	0	0	0
Assets	0	0	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0
Banks	18	322	104	351	796	1	1	-2	-14	-14
Assets	5	2	1	-2	7	2	2	-3	2	3
Liabilities	13	320	103	353	789	-1	-1	1	-16	-17
Other sectors	-104	38	341	158	433	255	-944	-493	-68	-1,250
Assets	-5	5	-26	127	101	44	-15	-24	-32	-28
Liabilities	-100	33	367	32	332	211	-928	-468	-36	-1,222
Short-term, net	-365	-842	-2,041	-825	-4,073	61	564	-891	-1,539	-1,273
General Government	0	0	0	0	0	0	0	0	0	0
Assets	0	0	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0
Banks	-315	-513	-2,103	-912	-3,843	69	605	-970	1,510	1,213
Assets	-539	-112	-825	-1,004	-2,479	130	592	-856	1,418	1,284
Liabilities	223	-401	-1,278	92	-1,364	-62	12	-114	92	-71
Other sectors	-49	-329	62	87	-230	-8	-40	79	29	60
Assets	4	12	-40	-16	-40	18	-175	-120	-73	-350
Liabilities	-53	-342	103	103	-189	-26	134	199	103	410

(p) Provisional

Table IV.H (a) International investment position - N\$ million

	2006(p)						2007(p)					
	Q1			Q2			Q3			Q4		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
FOREIGN ASSETS	28,706	7,176	35,882	32,517	8,129	40,647	23,884	5,971	29,855	32,614	8,153	40,767
Direct investment	158	40	198	75	19	94	88	22	126	41	10	51
1.1 Equity capital	90	22	112	62	15	77	88	22	111	30	8	38
1.2 Other capital	68	17	86	13	3	16	0	0	15	11	3	13
Long-term	7	2	9	13	3	16	12	3	15	11	3	13
Short-term	61	15	77	0	0	0	0	0	0	0	0	0
Portfolio investment	24,459	7,412	31,871	27,203	8,228	35,431	29,157	8,940	23,561	28,796	2,523	31,319
2.1 Equity Securities	18,233	5,528	23,761	20,688	5,914	26,602	21,928	6,547	18,466	21,988	1,043	23,031
2.2 Debt Securities	6,226	1,884	8,110	6,515	2,314	8,829	7,229	2,393	5,095	6,807	1,480	8,287
Other investment	1,248	312	1,560	2,103	526	2,628	2,645	661	3,306	5,167	1,292	6,458
3.1 Claims of resident non-bank companies	204	51	255	367	92	459	182	45	227	177	44	221
3.1.1 short-term loans and trade finance	152	38	191	223	56	279	103	26	129	113	28	141
3.1.2 long-term loans	52	13	65	144	36	180	78	20	98	64	16	80
3.2 Claims of resident banks	159	40	199	690	173	863	875	219	1,093	2,728	682	3,410
3.2.1 short-term loans	134	34	168	134	34	168	184	46	230	1,872	468	2,340
3.2.2 long-term loans	25	6	32	556	139	695	691	173	863	856	214	1,070
3.3 Claims of resident parastatal companies	11	3	14	15	4	19	24	6	30	26	7	33
3.3.1 short-term loans and trade finance	8	2	10	12	3	14	21	5	26	23	6	29
3.3.2 long-term loans	3	1	4	3	1	4	3	1	4	3	1	4
3.4 Claims of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0	0	0	0
3.5.1 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	676	169	845	787	197	984	1,398	349	1,747	1,994	498	2,492
3.7 Other assets	197	49	246	243	61	304	167	42	209	242	60	302
3.7.1 Other-eg. re-insurance and bonds	197	49	246	243	61	304	167	42	209	242	60	302
Reserve Assets	1,803	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reserve position in the IMF	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Foreign exchange	1,802	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0

(p) Provisional, except for the reserve assets.

Table IV.H (b) International investment position - N\$ million

	2006(p)						2007(p)					
	Q1		Q2		Q3		Q4		Q1		Q2	
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
FOREIGN LIABILITIES	22,326	5,582	27,908	20,898	5,222	26,112	21,239	10,104	31,343	21,747	8,826	30,591
Direct investment	12,956	3,239	16,195	13,534	3,384	16,918	18,052	2,662	19,416	16,279	2,524	18,803
1.1 Equity capital	11,956	2,989	14,945	11,779	2,945	14,724	14,501	2,099	16,600	13,988	1,951	15,939
1.2 Other capital	1,000	250	1,250	1,755	439	2,194	2,553	563	2,817	2,291	573	2,864
Long-term	575	144	718	735	184	919	935	1,133	283	1,416	1,326	332
Short-term	425	106	531	1,021	255	1,276	935	1,120	280	965	241	1,206
Portfolio investment	467	117	584	467	117	584	467	117	584	467	117	584
2.1 Equity securities	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities (public/private)	389	97	486	389	97	486	389	97	486	389	97	486
Other investment	8,904	2,226	11,129	6,897	1,724	8,621	7,476	4,018	11,343	5,001	6,185	11,204
3.1 Liabilities of resident non-bank companies	302	75	377	400	333	83	417	384	96	480	85	424
3.1.1 short-term loans	84	21	106	129	32	161	283	123	31	154	144	36
3.1.2 long-term loans	217	54	272	272	68	340	261	65	326	195	49	244
3.2 Liabilities of resident banks	1,256	314	1,570	569	142	712	330	1,119	280	1,399	794	1,99
3.2.1 short-term loans	402	100	502	4	1	5	94	753	188	941	670	168
3.2.2 long-term loans	854	214	1,068	566	141	707	236	366	92	458	124	31
3.3 Liabilities of resident parastatal companies	1,067	267	1,334	1,154	288	1,442	1,510	1,181	295	1,477	1,214	1,517
3.3.1 short-term loans and trade finance	1,015	254	1,269	1,094	273	1,367	1,102	275	1,377	92	23	115
3.3.2 long-term loans	52	13	65	60	15	75	80	20	100	1,122	280	1,402
3.4 Liabilities of local government authorities	232	58	290	232	58	290	232	58	290	232	58	290
3.4.1 short-term loans and trade finance	229	57	287	229	57	287	229	57	287	229	57	287
3.4.2 long-term loans	3	1	4	3	1	4	229	3	1	4	3	1
3.5 Liabilities of central government	1,475	369	1,843	1,905	476	2,381	2,676	186	2,526	524	2,168	2,710
3.5.1 long-term loans	1,475	369	1,843	1,905	476	2,381	2,676	186	2,526	542	2,168	2,710
3.6 Currency and deposits reported by Namibian banks	1,312	328	1,640	1,692	423	2,115	1,073	914	1,143	1,124	281	1,405
3.7 Liabilities of EPZ companies	3,260	815	4,075	945	236	1,181	1,181	1	4,028	773	3,091	3,864
3.7.1 short-term loans and trade finance	131	33	164	647	162	809	142	568	710	0	0	0
3.7.2 long-term loans	3,129	782	3,911	297	74	372	865	3,459	4,324	773	3,091	3,864
3.8 Other liabilities	0	0	0	0	0	0	0	0	0	0	0	0
3.8.1 short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.8.2 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
Net Foreign Assets (+)/Liabilities(-)	6,379	1,595	7,974	11,619	2,905	14,524	3,743	1,885	9,424	13,813	3,453	17,267
(p) Provisional.												

Table IV.I Foreign exchange rates
Foreign currency per Namibia Dollar
Period averages

Period		US Dollar	UK Pound	Germany Mark	Japan Yen	Switzerland Franc	Spain Peseta	EU ECU
2001		0.1177	0.0817	0.2546	14.2812	0.1989	21.8702	0.1313
2002		0.0956	0.0636	0.1247	12.4435	0.1487	4.4628	0.1011
2003		0.1330	0.0814	0.1175	15.4005	0.1813	0.1175	0.1175
2004	Jan	0.1446	0.0794	0.1146	15.3846	0.1794	0.1146	0.1146
	Feb	0.1477	0.0791	0.1168	14.3885	0.1838	0.1168	0.1168
	Mar	0.1501	0.0825	0.1214	16.3666	0.1925	0.1214	0.1214
	Apr	0.1526	0.0846	0.1271	16.3934	0.1977	0.1271	0.1271
	May	0.1474	0.0825	0.1227	16.5017	0.1889	0.1227	0.1227
	Jun	0.1553	0.0850	0.1280	17.0068	0.1944	0.1280	0.1280
	Jul	0.1632	0.0886	0.1329	17.8253	0.2030	0.1329	0.1329
	Aug	0.1549	0.0851	0.1272	19.8020	0.1957	0.1272	0.1272
	Sep	0.1527	0.0852	0.1251	16.8067	0.1930	0.1251	0.1251
	Oct	0.1566	0.0866	0.1253	17.0358	0.1933	0.1253	0.1253
	Nov	0.1651	0.0889	0.1272	17.3010	0.1936	0.1272	0.1272
	Dec	0.1745	0.0862	0.1301	19.2308	0.1998	0.1301	0.1301
2005	Jan	0.1675	0.0892	0.1276	17.3010	0.1974	0.1276	0.1276
	Feb	0.1662	0.0881	0.1277	17.4216	0.1978	0.1277	0.1277
	Mar	0.1664	0.0872	0.1259	17.4825	0.1949	0.1259	0.1259
	Apr	0.1625	0.0858	0.1255	17.4520	0.1943	0.1255	0.1255
	May	0.1579	0.0851	0.1244	16.8350	0.1922	0.1244	0.1244
	Jun	0.1481	0.0814	0.1217	16.1031	0.1873	0.1217	0.1217
	Jul	0.1492	0.0852	0.1238	16.6945	0.1930	0.1238	0.1238
	Aug	0.1547	0.0862	0.1258	17.0940	0.1954	0.1258	0.1258
	Sep	0.1573	0.0870	0.1283	17.4520	0.1988	0.1283	0.1283
	Oct	0.1521	0.0862	0.1265	17.4520	0.1959	0.1265	0.1265
	Nov	0.1502	0.0865	0.1273	17.7936	0.1968	0.1273	0.1273
	Dec	0.1573	0.0900	0.1326	18.6567	0.2052	0.1326	0.1326
2006	Jan	0.1642	0.0930	0.1355	18.9394	0.2099	0.1355	0.1355
	Feb	0.1635	0.0935	0.1368	19.2678	0.2132	0.1368	0.1368
	Mar	0.1599	0.0917	0.1330	18.7617	0.2086	0.1330	0.1330
	Apr	0.1647	0.0933	0.1343	19.3050	0.2115	0.1343	0.1343
	May	0.1582	0.0847	0.1239	17.6678	0.1929	0.1239	0.1239
	Jun	0.1438	0.0779	0.1134	16.4745	0.1770	0.1134	0.1134
	Jul	0.1412	0.0765	0.1112	16.3132	0.1745	0.1112	0.1112
	Aug	0.1438	0.0760	0.1122	16.6667	0.1770	0.1122	0.1122
	Sep	0.1350	0.0716	0.1060	15.7978	0.1679	0.1060	0.1060
	Oct	0.1262	0.0672	0.0998	14.9289	0.1588	0.0998	0.0998
	Nov	0.1174	0.0628	0.0936	14.0600	0.1497	0.0936	0.0936
	Dec	0.1086	0.0584	0.0874	13.1911	0.1406	0.0874	0.0874
2007	Jan	0.1392	0.0710	0.1070	16.7504	0.1729	0.1070	0.1070
	Feb	0.1395	0.0712	0.1067	16.8067	0.1730	0.1067	0.1067
	Mar	0.1360	0.0699	0.1028	15.9490	0.1657	0.1028	0.1028
	Apr	0.1404	0.0706	0.1039	16.6667	0.1702	0.1039	0.1039
	May	0.1425	0.0718	0.1054	17.2117	0.1740	0.1054	0.1054
	Jun	0.1394	0.0702	0.1040	17.0940	0.1720	0.1040	0.1040
	Jul	0.1434	0.0705	0.1045	17.4216	0.1732	0.1045	0.1045
	Aug	0.1382	0.0688	0.1016	16.1290	0.1663	0.1016	0.1016
	Sep	0.1403	0.0696	0.1011	16.1290	0.1665	0.1011	0.1011
	Oct	0.1476	0.0723	0.1038	17.0940	0.1734	0.1038	0.1038
	Nov	0.1492	0.0720	0.1017	16.5837	0.1677	0.1017	0.1017
	Dec	0.1465	0.0725	0.1005	16.4204	0.1668	0.1005	0.1005

Table IV.J Effective exchange rate indices

Nominal effective exchange rate indices				Real effective exchange rate indices			
	Import trade weighted	Export trade weighted	Total trade weighted		Import trade weighted	Export trade weighted	Total trade weighted
2001	99.1	91.1	95.3		102.3	96.9	99.7
2002	97.8	78.2	88.3		103.3	89.2	96.6
2003	99.1	90.4	95.3		119.2	107.5	102.4
2004	99.6	93.2	97.2		135.5	113.1	100.3
2005							
Jan	99.9	95.9	98.5		106.2	102.4	93.2
Feb	99.9	95.4	98.3		106.1	101.9	93.0
Mar	99.8	94.9	98.0		103.6	100.1	91.8
Apr	99.8	94.1	97.7		103.7	99.2	91.4
May	99.7	93.5	97.3		102.4	97.9	90.7
Jun	99.4	91.1	96.1		102.6	95.7	89.8
Jul	99.6	93.4	97.2		103.1	98.5	90.8
Aug	99.7	94.2	97.7		104.1	99.8	91.4
Sep	99.8	94.9	98.0		106.3	101.5	92.8
Oct	99.7	94.4	97.7		105.0	100.4	91.7
Nov	99.7	94.7	97.9		105.9	101.1	92.0
Dec	99.9	97.2	99.0		107.0	104.2	94.0
2006							
Jan	100.1	99.0	99.9		107.5	106.6	94.0
Feb	100.2	99.4	100.1		107.5	107.1	94.2
Mar	100.0	98.1	99.5		107.6	105.7	93.6
Apr	100.1	99.1	100.0		107.3	106.6	94.0
May	99.7	93.5	97.4		106.5	100.2	91.3
Jun	99.1	88.2	94.8		105.9	94.5	88.8
Jul	99.1	87.7	94.6		106.0	94.3	88.4
Aug	99.1	87.6	94.5		107.6	94.8	88.7
Sep	98.8	84.4	92.9		108.5	91.8	87.4
Oct	98.6	83.0	92.2		109.2	90.6	86.9
Nov	99.4	85.1	93.5		111.2	93.2	88.5
Dec	98.9	85.2	93.4		110.0	93.0	88.4
2007							
Jan	99.0	87.2	94.4		111.4	96.2	89.3
Feb	98.8	84.8	93.1		111.4	93.5	88.3
Mar	98.6	83.1	92.3		111.2	91.7	87.3
Apr	98.8	84.8	93.2		111.4	93.7	87.9
May	98.9	85.2	93.4		111.8	94.2	88.0
Jun	98.8	84.3	93.0		111.6	93.3	87.5
Jul	98.9	84.2	92.9		112.3	93.9	87.3
Aug	98.7	82.6	92.1		113.1	92.5	86.7
Sep	98.7	83.0	92.3		113.5	93.2	86.8
Oct	98.6	83.0	92.2		113.3	93.1	86.6
Nov	98.8	84.9	93.2		114.3	95.6	87.6
Dec	98.9	85.2	93.4		113.6	95.6	87.6

Table IV.K Selected mineral monthly average prices

		US\$ Per Metric Tonne			US\$ Per Ounce	US\$ Per Pound
		Copper	Lead	Zinc	Gold	Uranium
2004	Jan	2,421.5	753.6	1,015.9	413.8	14.8
	Feb	2,751.7	885.2	1,085.8	404.9	16.1
	Mar	3,000.3	878.1	1,101.8	406.7	17.1
	Apr	2,927.0	747.0	1,028.9	403.3	17.8
	May	2,728.5	804.1	1,031.0	383.8	17.8
	Jun	2,689.1	863.7	1,018.9	392.5	17.9
	Jul	2,816.8	931.3	988.1	398.1	17.9
	Aug	2,844.2	916.6	976.8	400.5	17.9
	Sep	2,903.2	932.2	980.0	405.3	18.6
	Oct	3,009.4	932.9	1,067.0	420.5	20.1
	Nov	3,130.3	966.3	1,100.2	439.4	20.2
	Dec	3,139.8	972.3	1,182.1	442.1	20.5
2005	Jan	3,168.1	954.2	1,245.6	424.0	20.5
	Feb	3,247.1	973.0	1,323.1	423.4	21.2
	Mar	3,378.9	1,001.7	1,374.0	434.3	21.8
	Apr	3,389.8	980.5	1,297.8	429.2	23.1
	May	3,241.9	985.3	1,245.5	421.9	28.3
	Jun	3,529.7	982.7	1,273.1	430.7	29.0
	Jul	3,608.5	857.5	1,196.9	424.5	29.3
	Aug	3,791.9	887.4	1,300.8	437.9	29.7
	Sep	3,850.7	932.8	1,396.7	456.0	30.4
	Oct	4,056.2	999.4	1,483.2	469.9	32.8
	Nov	4,278.2	1,017.8	1,610.7	476.7	33.6
	Dec	4,577.0	1,120.2	1,819.4	510.1	35.5
2006	Jan	4,743.9	1,258.1	2,091.8	549.9	36.8
	Feb	4,975.0	1,267.4	2,219.7	555.0	37.7
	Mar	5,123.7	1,193.9	2,427.7	557.1	39.8
	Apr	6,404.4	1,170.6	3,068.3	610.7	41.1
	May	8,059.2	1,167.5	3,544.6	675.4	42.3
	Jun	7,222.8	963.6	3,197.6	596.1	44.2
	Jul	7,726.7	1,053.3	3,320.7	633.7	46.5
	Aug	7,690.3	1,179.3	3,340.0	632.3	47.4
	Sep	7,622.6	1,346.5	3,394.1	598.1	52.4
	Oct	7,497.4	1,525.7	3,829.6	585.8	56.1
	Nov	7,029.3	1,626.0	4,378.6	627.8	61.4
	Dec	6,681.0	1,709.2	4,381.4	629.4	66.6
2007	Jan	5,689.3	1,664.3	3,784.9	631.2	72.0
	Feb	5,718.2	1,775.1	3,321.4	664.7	76.3
	Mar	6,465.3	1,909.0	3,256.2	654.9	89.4
	Apr	7,753.3	1,984.2	3,566.9	679.4	110.4
	May	7,677.9	2,106.0	3,847.5	666.9	119.1
	Jun	7,514.2	2,436.6	3,628.7	655.5	136.2
	Jul	7,980.9	3,072.4	3,546.3	665.3	131.5
	Aug	7500.2	3115.2	3244.2	665.4	109.6
	Sep	7671.4	3228.03	2887.6	712.7	85.00
	Oct	8,020.6	3,722.6	2,980.0	754.6	77.5
	Nov	6,957.4	3,319.9	2,554.6	806.2	92.0
	Dec	6,630.7	2,616.1	2,378.6	803.2	91.8

Table IV.L Selected mineral export volumes

		Diamonds Carat '000	Gold Kg	Copper Tons	Silver Kg	Zinc Tons
2003	Q1	239	600	5,832	5,928	22,055
	Q2	416	697	5,827	7,780	24,195
	Q3	411	616	8,222	8,468	46,394
	Q4	305	586	3,410	5,292	51,460
2004	Q1	483	493	7,164	6,359	45,476
	Q2	357	531	5,905	5,655	69,244
	Q3	723	607	5,144	6,764	49,866
	Q4	413	563	3,053	8,334	47,928
2005	Q1	581	634	3,261	6,706	58,139
	Q2	352	550	5,431	4,867	66,969
	Q3	426	676	7,222	7,880	66,543
	Q4	469	724	3,269	8,555	58,415
2006	Q1	605	705	2,926	8,571	30,905
	Q2	619	522	3,954	4,696	19,599
	Q3	529	723	4,640	8,507	26,204
	Q4	650	674	8,020	11,217	20,346
2007	Q1	443	696	5,597	2,129	29,849
	Q2	775	322	4,419	1,094	24,672
	Q3	470	752	5,299	1,779	21,850
	Q4	577	870	5,101	1,833	20,951

Source: IMF and London Gold Price

BANK OF NAMIBIA PUBLICATIONS

1. Regular Publications

Title	Frequency
Financial Stability Review	Bi-annually
Quarterly Bulletin	Quarterly
Annual Report	Annually

2. OCCASIONAL PAPERS OF THE BANK OF NAMIBIA –OP

Title	Authors	No and Year
Savings and Investment in Namibia	Ipumbu Shiimi and Gerson Kadhikwa	OP 02/1999
Efficiency of Commercial Banks in Namibia	Silvanus Ikhide	OP01/2000
Estimating the Demand for Money in Namibia	Silvanus Ikhide and Kava Katjomuise	OP 01/1999
Modeling Inflation in Namibia	Mihe Gaomab II	OP/1998
The Structure and Nature of Savings in Namibia	Ebson Uanguta, Emma Haiyambo, Gerson Kadhikwa and Chimana Simana	OP 1/2004
Potential for Diversifying Namibia's Non-Mineral Exports	Bernie Zaaruka and Heinrich Namakalu	OP1/2002
Viability of Commercial Bank branches in rural communities in Namibia	Esau Kaakunga, Bernie Zaaruka, Erna Motinga and John Steytler	OP 2/2004
Namibia Macro-econometric Model	Tjiveze Tjipe, Hannah Nielsen and Ebson Uanguta	OP1/2005
Private Equity: Lessons for Namibia	Bernie Zaaruka, Ebson Uanguta and Gerson Kadhikwa	OP 2/2005
How can Namibia Benefits further from AGOA	Vitalis Ndalikokule, Esau Kaakunga and Ben Biwa	OP 2/2006
Property Rights and Access to Credit	Esau Kaakunga and Vitalis Ndalikokule	OP 1/2006
Assessing the potential of the Manufacturing sector in Namibia	Gerson Kadhikwa and Vitalis Ndalikokule	OP 1/2007

3. BANK OF NAMIBIA ANNUAL SYMPOSIUM

Theme	Speakers	Year
Central banking issues and economic development		1999
The challenges of monetary policy within the context of the Common Monetary Area (CMA) arrangement	Dr.K.Jefferis – Deputy Governor, Bank of Botswana ; Mr. Steven Xu- Hong Kong and Mr. Brian Kahn -SARB	2000
Optimal Financial Structure for Namibia	Dr. Norman Loayza -World Bank; Dr.Tekaligne Godana - Nepu and Dr. Jaafar bin Ahmad – Air Namibia	2001
Raising investment and growth in Namibia	Dr. Carolyn Jenkins, Oxford University, Dr. Patrick Asea, UNECA and Dr. Meschack Tjirongo, IMF	2002
Poverty, Income Inequality, and Economic Development in Namibia	Dr. Anne Epaulard, IMF, Dr.S.Wangwe-esrf-Tanzania, Dr.O.A.Akinboade, Unisa-RSA; Dr. W.Werner - Namibia	2003
The challenges for the developments of Namibian Government bonds market : Lessons from other countries -	Phillip Shiimi-BoN; Mike Sandler-RSA; Tom Lawless –RSA and Nicholas Biekpe -RSA	2004
The benefits of Regional Integration for smaller economies -	Paul Kalenga –SADC Secretariat, F.Di Mauro –EU and Prof.SKB Asante	2005

Foreign Direct investment versus Direct Investment in Namibia	Dr. S. Ikhide - Unam	2006
Broad-based Economic Empowerment : Lessons for Namibia	Dr. John Steytler -BoN, Dr. Just Faaland - Norway, Roger Southall-RSA	2007

4. STATUTORY PUBLICATION: THEME CHAPTERS ANNUAL REPORT

Title	Contributors	Year
Socio-Economic Development: The Post Independence Decade	Policy Research	2001
Challenges of Economic Diversification	Policy Research	2002
Review of Namibia's Participation in Regional Integration Arrangements: Issues and Implications	Policy Research	2003
Unemployment and Employment Creation-Policy Options for Namibia	Policy Research	2004
Viability of second tier Banks	Extraction from Banking Supervision Study	2005

LIST OF ABBREVIATIONS

BoN	Bank of Namibia
CBS	Central Bureau of Statistics
CMA	Common Monetary Area
CPI	Consumer Price Index
CPIX	Consumer Price Index excluding mortgage loans (South Africa)
DBN	Development Bank of Namibia
DMS	Debt Management Strategy
ECB	European Central Bank
EU	European Union
Euro	European Union currency
EUROSTAT	European Union Statistical Office
FoB	Free on Board
GC07	Government internal registered stock maturing in 2007
GC08	Government internal registered stock maturing in 2008
GC10	Government internal registered stock maturing in 2010
GC12	Government internal registered stock maturing in 2012
GC15	Government internal registered stock maturing in 2015
GC24	Government internal registered stock maturing in 2024
GDP	Gross Domestic Product
IIP	International Investment Position
IMF	International Monetary Fund
IRS	Internal Registered Stock
IT	Information Technology
KFW	Kreditansalt fur Weideraufbau
M2	Broad Money supply
MoF	Ministry of Finance
N\$	Namibia Dollar
NAD	Namibia Dollar
NCPI	Namibia Consumer Price Index
NEER	Nominal effective exchange rate
NFA	Net Foreign Assets
NFL	Net Foreign Liabilities
NPLs	Non-performing Loans
NSX	Namibian Stock Exchange
ODCs	Other Depository Corporations
OPEC	Organization for petroleum exporting countries
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
Q-on-Q	Quarter-on-quarter

REER	Real Effective Exchange Rate
RHS	Right Hand Side
LHS	Left Hand Side
Repo	Repurchase rate
RSA	Republic of South Africa
SA	South Africa
SACU	Southern Africa Customs Union
SARB	South African Reserve Bank
SDRS	Special Drawing Rights
SME/s	Small and Medium Enterprises
SOE	State owned enterprise
Stats SA	Statistics South Africa
SWF	Sovereign Wealth Funds
T-bills	Treasury bills
UK	United Kingdom
US	United States
USD	United States Dollar
US\$	United States Dollar
ZAR	South African Rand

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