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Bank of Namibia

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Bank of Namibia

Corporate Charter

VISION

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

MISSION

“In support of economic growth and development our mandate is to promote price stability, efficient payment, systems, effective banking supervision, reserves management and economic research in order to proactively offer relevant financial and fiscal advice to all our stakeholders”.

VALUES

“Our values guide us to be a center of excellence, and we value our contribution to the organization”.

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

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)
DCS	Depository Corporation Survey
ECB	European Central Bank
EU	European Union
Euro	European Union currency
EUROSTAT	European Union Statistical Office
F.O.B	Free on Board
GC07	Government internal registered stock maturing in 2007
GC10	Government internal registered stock maturing in 2010
GC15	Government internal registered stock maturing in 2015
GC24	Government internal registered stock maturing in 2024
GDP	Gross Domestic Product
M2	Broad Money supply
MDGs	United Nations Millennium Development Goals
MoF	Ministry of Finance
N\$	Namibia Dollar
NAD	Namibian Dollar
NCP	Namibia Consumer Price Index
NEER	Nominal effective exchange rate
NFA	Net Foreign Assets

LIST OF ABBREVIATIONS (CONTINUED)

NFL	Net Foreign Liabilities
NPLs	Non-performing Loans
NSX	Namibia Stock Exchange
ODCs	Other Depository Corporations
Q1	Quarter 1
Q2	Quarter 2
Q3	Quarter 3
Q4	Quarter 4
REER	Real Effective Exchange Rate
RHS	Right Hand Side
Repo	Repurchase rate
RSA	Republic of South Africa
SA	South Africa
SACU	Southern African Customs Union
SARB	South African Reserve Bank
Stats SA	Statistics South Africa
T-bills	Treasury bills
UK	United Kingdom
US	United States
USD	United States Dollar
US\$	United States Dollar
VAT	Value Added Tax
GBP	Pound Sterling

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1. SUMMARY OF ECONOMIC CONDITIONS

The global economy continued to grow at a satisfactory pace during the first quarter of 2007. The rate of growth in GDP for countries such as the USA, China, Japan, the Euro Zone and South Africa continued to be positive, although at a slower pace than the growth recorded during the preceding quarter of 2006. There are, however, downside risks such as the weakening property market in the US that could negatively affect global economic outlook.

In line with the global trend, economic activities in Namibia during the first quarter of 2007 showed good performance. Available indicators showed positive performances by all sectors, although slowdowns were observed, relative to the previous quarter, in the growth of some sectors, such as agriculture, hunting and forestry, construction, and wholesale and retail trade, repairs. Other sectors such as mining and quarrying, electricity and water, hotels and restaurants, transport, storage and communication and financial intermediation indicated improvements in their rates of growth.

Despite tight monetary policy, the annual average inflation rate reached 6.1 percent during the first quarter of 2007, higher than the 6.0 percent registered during the preceding quarter and 4.0 percent observed during the corresponding quarter of the previous year. The rise in the overall inflation during the first quarter of 2007 was mainly caused by increases observed in the inflation of the category food and non-alcoholic beverages. Transport inflation also continued to be at a worrying high level, averaging 6.6 percent in the first quarter of 2007, though abated from 8.7 percent during the fourth quarter of 2006. Going forward, inflationary pressures are expected to continue due to upside risks such as the volatility in international oil prices and high domestic food prices.

In South Africa, the quarterly average of headline inflation excluding mortgage costs (CPIX) increased to 5.2 percent during the first quarter of 2007 compared to 5.0 percent in the last quarter of 2006. Like in Namibia, the increase was mainly due to the increase in food prices. Similarly, the producer price index (PPI), which predicts future inflationary trends, rose slightly to 9.9 percent during the first quarter of 2007, from 9.8 percent in the fourth quarter of the previous year.

Growth in broad money supply (M2) decelerated at the end of the first quarter of 2007, both on a quarterly and annual basis. The slowdown was mainly a reflection of the contraction in net domestic credit and other items net which offset the expansionary effect of the net foreign assets. M2 increased by 0.2 percent at the end of the first quarter of 2007, considerably lower when weighed against rises of 4.8 percent recorded at the end of the fourth quarter of 2006 and 8.0 percent at the end of the corresponding quarter of the previous year.

The fiscal position for Namibia continue to remain satisfactory, with government demonstrating commitment to reducing total debt as percentage of GDP to 25 percent by 2007/08. In an environment of increasing inflationary pressure, this is a welcome commitment by government and should be acknowledged.

The balance of payments for Namibia, recorded a current account surplus and capital and financial account deficit in the first quarter of 2007. The current account surplus was

higher than the result recorded in both the preceding and corresponding quarters of 2006. The capital and financial account deficit, on the other hand, was lower than that of the preceding and corresponding quarters of 2006. The afore-mentioned developments, led to a substantially higher surplus on the overall balance of the balance of payments during the first quarter of 2007. In terms of external payments, an appreciation of the Namibia Dollar against the US Dollar was observed during the first quarter of 2007 after depreciations during the previous two quarters. The Namibia dollar, however, gained against the British Pound and Euro during the same period.

The above indicates that the overall performance of the Namibian economy continues to remain satisfactory, with available economic indicators reflecting a positive response to the growth observed in the world economy. There are, however, downside inflationary outlook risks emanating from high and volatile international oil prices, as well as domestic food prices.

2. INTERNATIONAL DEVELOPMENTS¹

The global economy continued to grow at a solid pace during the first quarter of 2007, despite the observed downside risks, such as the weakening housing sector in the US. The weakening housing sector has an immediate slowing down effect on the US growth and is feared might spill over to the rest of the world. Economic growth conditions elsewhere around the globe continued to be strong, with the exception of Japan's economic growth, which was significantly lower than the last quarter (Table 2.1).

Table 2.1 World quarterly GDP growth (selected countries)

	2006				2007
	Q1	Q2	Q3	Q4	Q1
US	5.6	2.6	2.0	2.5	0.6
Euro Area	2.8	2.9	2.8	3.3	3.1
UK	0.8	0.7	0.7	0.7	0.7
Japan	0.7	1.5	2.0	5.0	2.4
China	10.2	10.9	10.7	10.4	11.1
South Africa	5.5	5.0	4.5	5.6	4.7

In the US, real GDP growth slowed down to 0.6 percent in the first quarter of 2007 from an increase of 2.5 percent in the preceding quarter of 2006. This slowdown is due to less vigorous consumer spending, a continued drag from weakness on the housing sector and net exports, and a slower pace in business capital spending. The primary cause of housing weakness is an erosion of affordability due to a combination of past price increases and higher mortgage rates. This slowdown has led to the drop in sales of new and existing homes, job losses and there is a fear that the housing sector recession may drive the overall economy into recession. The average inflation rate in the US has increased to 2.4 percent in the first quarter of 2007. Despite this, the Federal Reserve kept the benchmark interest rate on overnight loans at 5.25 percent in May, the same level it has been almost a year ago.

The UK GDP rose by 0.7 percent in the first quarter of 2007 led by consumption and business investment, the same rate of growth as in the previous two quarters. The level of GDP is 2.9 percent higher than the first quarter of 2006. The UK headline inflation averaged 2.9 percent during the first quarter of 2007, which has breached the Bank of England's 2 percent target inflation rate. The Bank has however maintained its rate at 5.5 percent.

Growth in the Euro Area remained robust with the real GDP expanding at an annual rate of 3.0 percent during the first quarter of 2007. Euro Area growth was supported by a stronger than expected performance by Germany, which saw GDP rising by 0.5 percent in the first quarter. This is due to investment that has been growing so briskly that the growth more than compensated the fall in consumption, which is the larger component of GDP. The fall in consumption is attributed to the hike in VAT at the beginning of the year. The European economic growth continues to surprise on the upside, with a long-awaited improvement in labour markets, sparking a pick-up in consumer spending. Domestic demand has gained momentum, on accounts of increased jobs and income growth, and more buoyant

¹ Global-insight, EU statistics office (Eurostat), Bureau of Economic Analysis, and Statistics South Africa (Stats SA).

consumer and business expectations. The inflation rate in the region has increased to 1.9 percent during the first quarter of 2007 when compared to 1.8 percent recorded in the fourth quarter of 2006. The European Central Bank has hiked the rates to 3.75 percent in March but lowered its inflation forecast.

The Japanese economy grew at an annualized economic growth of 2.4 percent in the first quarter of 2007, less than the growth of 5.0 percent recorded in the fourth quarter of 2006. Both business investments and exports have softened fairly, while household spending again recorded unimpressive results. The Bank of Japan has kept its overnight call rate unchanged at 0.50 percent after it has moved from 0.25 percent in February 2007. China's growth rate increased to 11.1 percent in the first quarter of 2007 due to rapid investments and booming exports, compared to 10.4 percent recorded in the fourth quarter of 2006. The inflation rate in China has increased on average to 1.2 percent during the first quarter of 2007 compared to 0.6 percent recorded in the fourth quarter of 2006.

Further, economic activities in emerging economies continue to expand at a brisk pace. In India, real growth in GDP of 9.2 percent in 2006 has been supported by an increase in aggregate demand (consumption, investment and exports). The resilience of external demand, especially for electronic products, supported the overall economic activity not only in India but also Korea. There are, however downside risks to India's economic outlook, emanating especially from a sharper than expected slowdown in the US economy that will negatively affect not only exports from India but all economies trading with the USA. As a result, growth in GDP is expected to slowdown to 8.4 percent in 2007 and further to 7.8 percent in 2008.

As for economic growth in Latin America, GDP growth is projected at 4.9 percent in 2007, lower than 5.5 percent in 2006. The slowdown is relatively broad-based, with exception of Brazil, Chile and Argentina. The economic outlook is somewhat less favourable as global growth moderates and oil and metal prices declines from record levels of 2006. Countries with close trade links with the US such as Mexico, Chile and Venezuela will be most negatively affected by the decline in the US economy. A more pronounced decline in commodity prices and tight financing conditions in international markets will affect growth prospects as well.

Russia's real economic growth continues to remain strong, projected at 6.4 percent in 2007 and to slowdown further to 5.9 percent in 2008 from 6.7 percent in 2006. Oil production growth has slowed down, as a result of limited investment in the past. Upside risks to the Russian economic outlook is related to the rebound in oil prices, while the downside risk emanates from a sharp slowdown in global activity expected to negatively affect exports. Domestic demand however, is expected to be resilient not only in Russia, but to other economies like Turkmenistan, Azerbaijan, Ukraine and Georgia.

Sub-Saharan Africa's economic performance continues to be strong, especially during the past three years where it has recorded the best growth in more than three decades. The higher growth in the region is attributable both to the positive external developments, such as a strong foreign demand especially mineral products. The high domestic investment and productivity gains supported by sound economic policies in most countries also contributed to the continued strong performance. Inflation in most countries in the region has been subdued, due to prudent macroeconomic policies.

The annual economic growth rate for South Africa increased during the first quarter of 2007 to 4.7 percent. This is a slowdown when compared to 5.6 percent growth rate recorded in the fourth quarter of 2006. The main contributors to the performance in economic activity for the first quarter of 2007 were finance, real estate and business services industry. An increase in economic activities also observed in the manufacturing industry over the same period.

The Rand weakened further, recording an average exchange rate of 7.3352 against the US Dollar in the first quarter of 2007, compared to an average of 7.3161 in the last quarter of 2006. The headline inflation excluding mortgage costs (CPIX) quarterly average increased to 5.2 percent in first quarter of 2007 compared to 5.0 percent in the last quarter of 2006. The high rates of growth in consumer demand and credit extension compounded by the high levels of volatility in international oil prices and emerging production price pressures, remained the risks to inflation outlook. The producer price index (PPI) increased slightly during the first quarter of 2007 to 9.9 percent from 9.8 percent recorded in the fourth quarter of the previous year.

The outcome of the CPIX inflation for April overtook earlier expectations regarding the short-term inflation picture in South Africa that CPIX inflation will continue to trend close to the upper 6 percent inflation target level by registering 6.3 percent. This is a significant increase from 5.5 percent recorded in March and implies a significant risk of interest rate increase. The producer price index (PPI) increased to 11.1 percent in April of 2007 from a 10.3 percentage rise in March.

The global economic outlook is faced with downside risks resulting from the expected slowdown in major economies such as the US. The downside risks amongst others are the decline in the US residential investment, high and volatile oil price, imbalances in growth and uncertainties whether the weaker US economy is temporary or a sign of a more protracted slowdown.

3. REAL SECTOR AND PRICE DEVELOPMENTS

3.1 REAL ECONOMIC DEVELOPMENTS²

Economic activities during the first quarter of 2007 showed good performances. The sectors on which information were available during this period were agriculture, hunting and forestry, mining and quarrying, electricity and water, wholesale and retail trade, repairs, hotels and restaurants, transport, storage and communication and financial intermediation (Table 3.1). All the sectors registered positive growth, although the pace of growth for some slowed, while for others improved relative to the fourth quarter of 2006.

Table 3.1 Quarterly GDP growth (Q4 2006-Q1 2007)

Sector	As published in March 2007 Quarterly Bulletin Q4 (2006)	As revised in the June 2007 Quarterly Bulletin Q4 (2006) ³	As published in the June 2007 Quarterly Bulletin Q1 (2007)
Agriculture, hunting and forestry	14.4	17.4	8.3
Mining and quarrying	0.2	0.0	16.5
Fishing	-	-25.9	-
Manufacturing	-	-1.6	-
Electricity and water	3.0	-6.8	5.4
Construction	14.7	44.3	15.9
Wholesale and retail trade, repairs	4.1	10.4	0.6
Hotels and restaurants	9.3	9.3	21.8
Transport, storage and communication	6.7	11.5	23.1
Financial Intermediation	-0.5	0.4	6.0
Producers of Government Services	1.7	-1.4	-
GDP	-	4.6	-

Source: CBS

- stands for not available

² All the growth rates reported in this section are year-on-year unless otherwise stated.

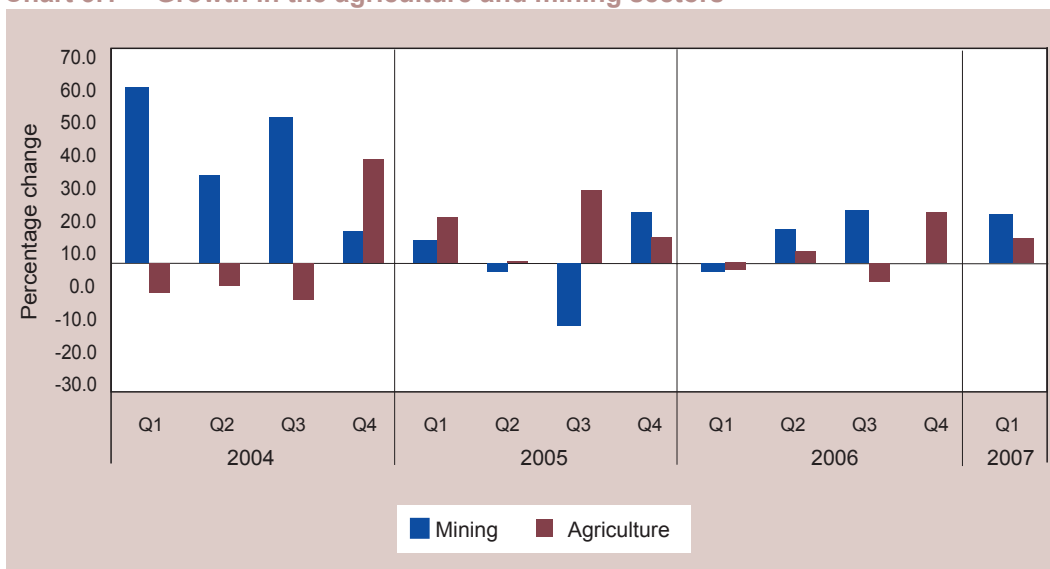
³ The revisions were big in some sectors due to the inclusion of more data that became available after the release of the previous report. The sectors with greater adjustments include the agriculture, construction, electricity and water, transport and communications and wholesale and retail trade, repairs.

3.2 SECTORAL DEVELOPMENTS

Performance of the primary industry

The primary industry consists of the agriculture, hunting and forestry, fishing⁴ and mining sectors. With the exception of the fishing sector, for which data was not available, the other two sectors showed positive performances (Chart 3.1).

Chart 3.1 Growth in the agriculture and mining sectors



Source: CBS

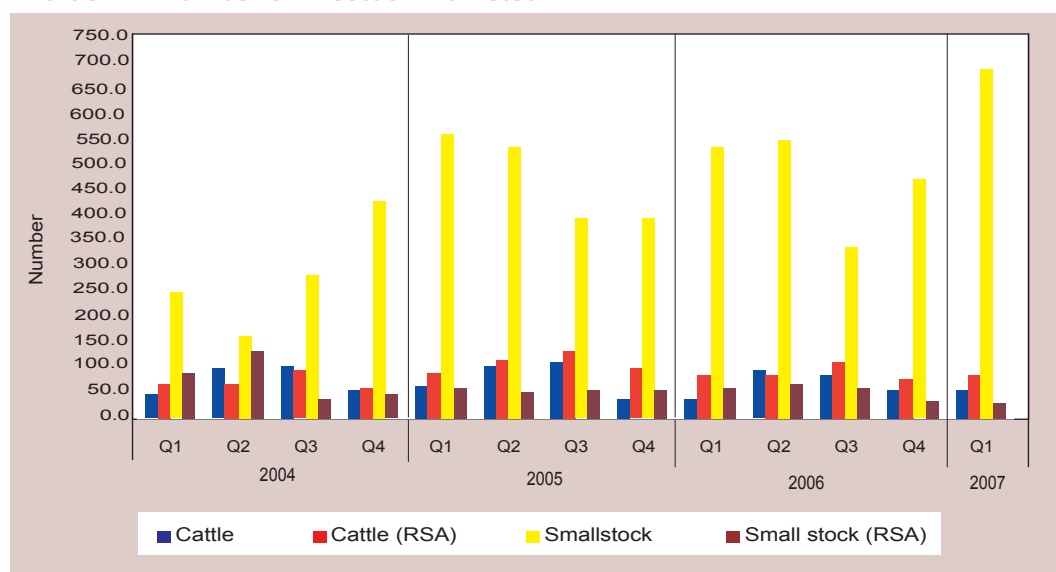
Agriculture

The performance of this sector continued to be positive during the first quarter of 2007, although its value added grew at a slower pace relative to the previous quarter. The sector registered a growth of 8.3 percent in value added during the first quarter of 2007 compared to a decline of 2.7 percent in the same quarter of 2006. This is, however, slower than the growth of 17.4 percent recorded during the fourth quarter of 2006. The main contributor to the increase in the value added of this sector during the first quarter of 2007 was mainly the increase in the number of livestock marketed (Chart 3.2). The increase in the number of livestock marketed was reflected both in the rise in cattle marketed locally and to South Africa and that of small stock marketed locally.

The total number of cattle marketed, locally increased by 33.4 percent during the first quarter of 2007 compared to a significant decline of 36.8 percent recorded during the corresponding quarter of 2006 and an increase of 36.9 percent witnessed during the preceding quarter. Likewise, the number of small stock marketed locally rose by 28.4 percent, year-on-year in contrast to a decline of 4.2 percent during the same period of 2006. When compared to the preceding quarter, small stock marketed locally showed a growth of 0.4 percent.

⁴ The data for this sector was not available at the time of going to the printers.

Chart 3.2 Number of livestock marketed

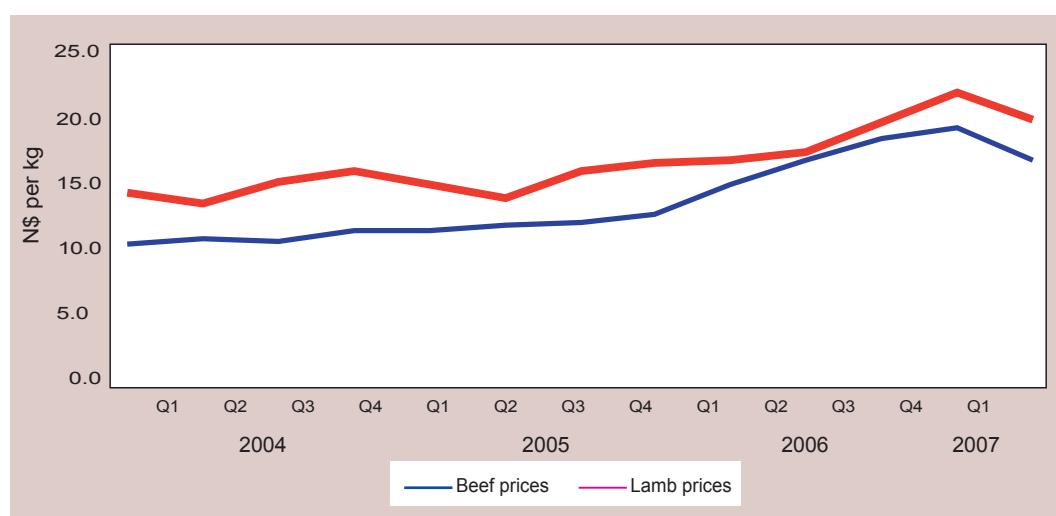


Source: CBS

The number of livestock available for sale increased due to the poor grazing, which resulted from scanty rainfall during the 2006/07 raining season. The Government had also advised the farmers to sell off as much stock as possible to avoid future losses from the drought.

It was, further, observed that the number of on-hoof cattle marketed to South Africa increased, although at a slower pace of 1.9 percent, year-on-year, while, quarter-on-quarter, it decreased at a higher pace of 18.1 percent. The number of small stock marketed to South Africa declined by 49.9 percent, while it rose slightly by 2.0 percent during the preceding quarter. The slow growth in the number of cattle marketed to South Africa and the decline in that of small stock could be attributed to the decline in livestock prices experienced in South Africa due to increased maize prices, especially the yellow maize which is used in feedlots. This is similar to the trend of the beef prices which has been observed in Namibia during the first quarter of 2007 (Chart 3.3).

Chart 3.3 Beef and lamb prices (quarterly average)

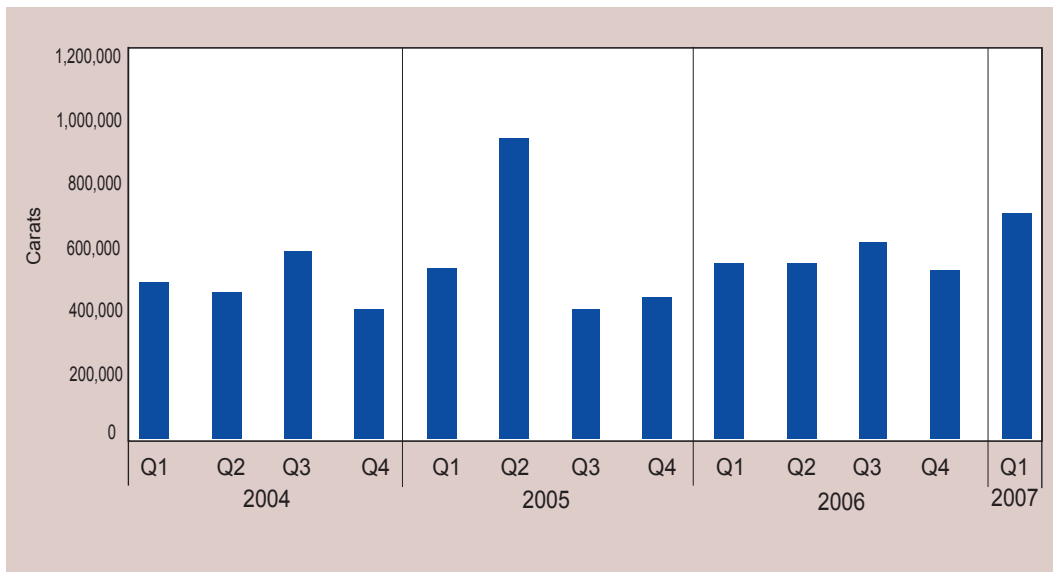


Source: CBS

Mining and quarrying

Mixed developments were witnessed in the mining and quarrying sector during the first quarter of 2007 (Chart 3.1). The value added of this sector was estimated to have increased by 16.5 percent during the first quarter of 2007. The increase was significant in comparison to a decline of 3.1 percent during the same period of the preceding year and a zero growth observed during the fourth quarter of 2006. Growth during the first quarter of 2007 emanated from the increase in diamond production by 27.2 percent (Chart 3.4), a great improvement when compared to an increase of 19.9 percent⁵ during the fourth quarter of 2006 and a slight growth of 1.1 percent during the corresponding quarter of 2006. The increase in diamond production was driven mainly by the high demand of polished diamonds in the international markets.

Chart 3.4 Diamond production

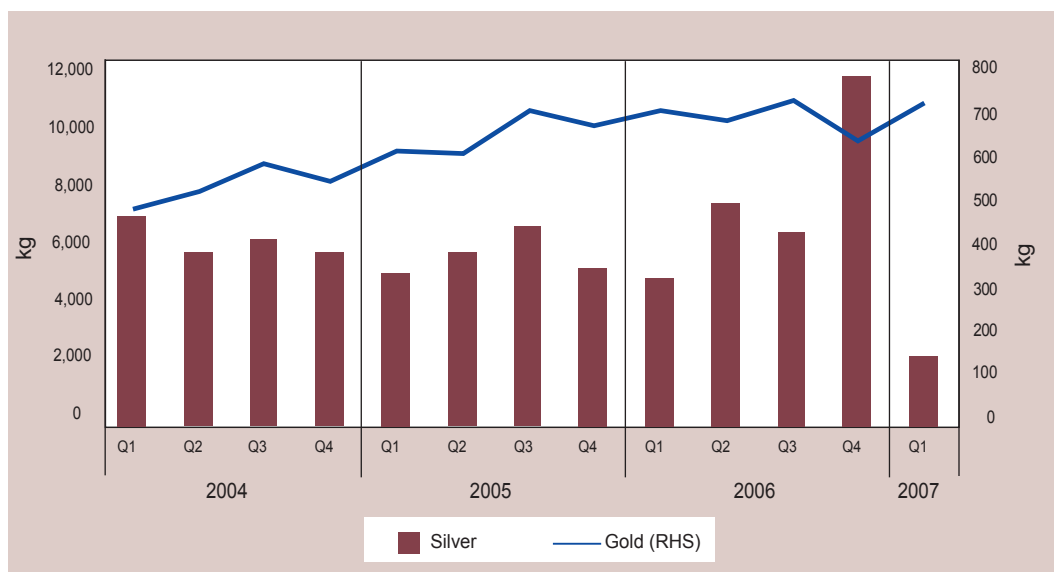


Source: Ministry of Mines and Energy

The value added of other minerals, including base metals, industrial minerals and stones such as copper, uranium, lead fluorspar, common salt, granite as well as the precious metals such as gold and silver also increased during the first quarter of 2007 (Chart 3.5). Output of gold and silver increased by 6.6 percent and 1.0 percent, respectively, during the first quarter of 2007. The growth in gold production improved significantly, given a decline of 8.4 percent registered during the preceding quarter. This could be attributed to the high gold prices in the international market. The increase in silver production during the first quarter of 2007 was lower than that of 31.2 percent observed during the preceding quarter.

⁵ Although the diamond production was high during the fourth quarter of 2006, it was offset by the decline in the uranium, zinc and copper production.

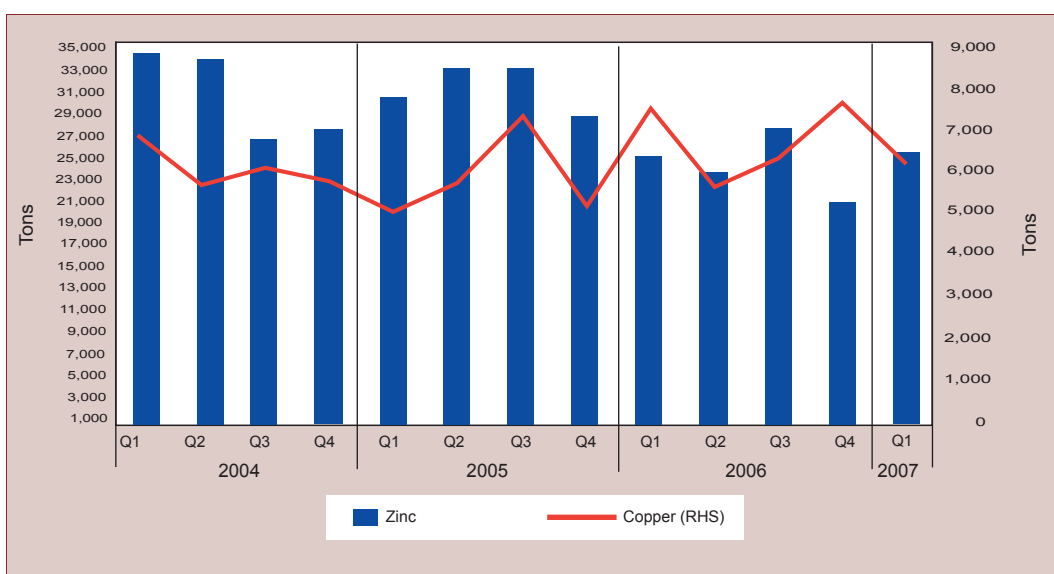
Chart 3.5 Gold and silver production



Source: Ministry of Mines and Energy

Similar to the slow production of silver, the production of copper showed a slower pace of increase. The production of copper increased by 17.0 percent, compared to a significant growth of 55.5 percent recorded during the fourth quarter of 2006. The production of zinc continued to decline, although it was an improvement relative to the previous quarter. Zinc production declined by 14.2 percent during the first quarter of 2007 compared to a contraction of 65.4 percent during the preceding quarter (Chart 3.6). Despite increasing international zinc prices, zinc production declined due to the stoppages resulting from industrial relations.

Chart 3.6 Zinc and copper production



Source: Ministry of Mines and Energy

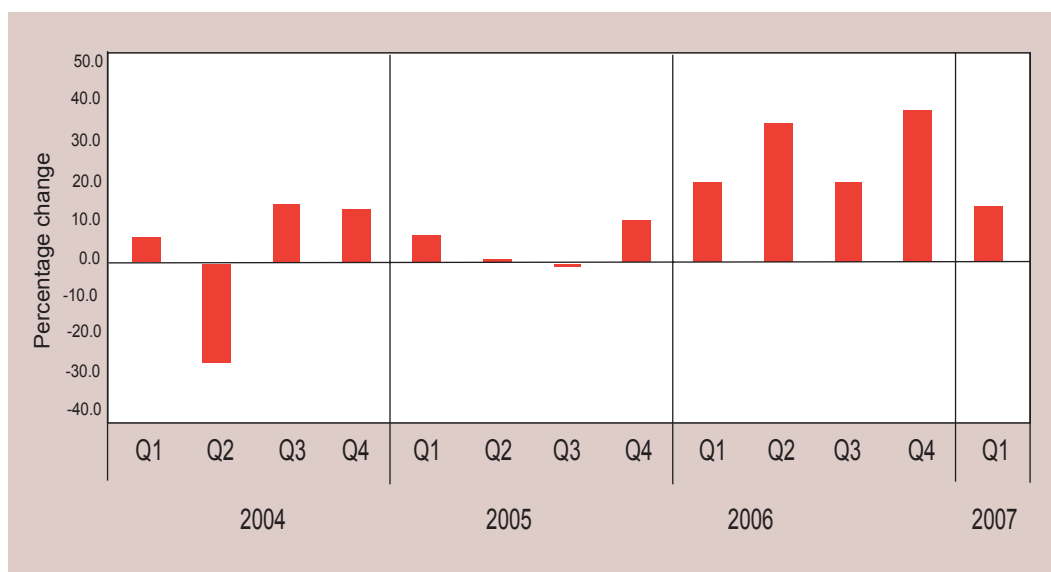
Performance of the secondary industry

The sectors covered under the secondary industry include the manufacturing⁶, construction, electricity and water sectors. The electricity and water sector registered an improved growth, while the construction sector grew at a slower pace.

Construction

The construction activities continued to grow, albeit at a slower pace during the first quarter of 2007. The value added for the sector is estimated to have increased by 15.9 percent during the first quarter of 2007 compared to a growth of 32.5 percent during the same quarter in 2006. The slowdown could be attributed mainly to the increased cost of building materials especially, cement. The increase in interest rates could have also impacted on this sector negatively in the sense that borrowing became costly. Construction activities have also been down because of fewer projects from the Government. The above was reflected in the decline of the value of both the building plans passed and completed, as well as the imports of cement. The sector is expected to perform well during the rest of the year due to the continuation of activities such as the northern railways (Chart 3.7).

Chart 3.7 Growth in the construction sector



Source: CBS

Electricity and water

The value added of this sector showed an increase of 5.4 percent during the first quarter of 2007, after having declined by 8.5 percent during the preceding quarter and 6.0 percent at the same time during 2006. The developments in this sector were enhanced due to the good rains received during the period, as a result of high rainfall experienced in Angola. The Kunene River was flowing at full capacity, allowing more generation of electricity. Consequently, the local generation of electricity increased which resulted in a significant

⁶ The data for this section was not available at the time of the report going to printers.

reduction of imported electricity. This move contributed effectively to the stable distribution of electricity in the wake of limitations in imports from RSA.

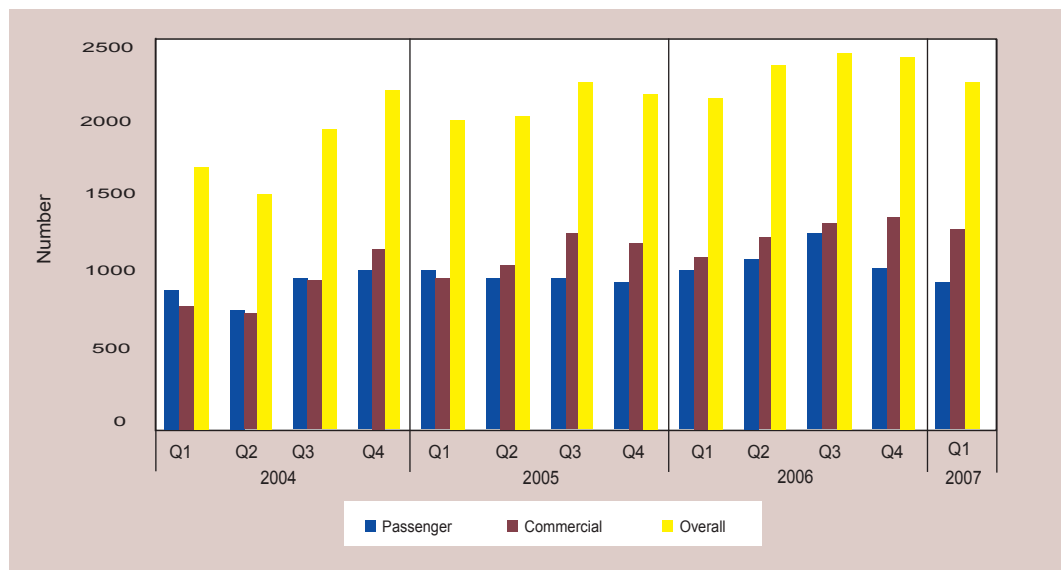
Performance of the tertiary industry

The tertiary industry covers some of the sectors such as the wholesale and retail trade, repairs, transport, storage and communications, as well as hotels and restaurants which is used as a proxy for the tourism sector. Developments in these sectors have been positive during the first quarter of 2007.

Wholesale, retail trade, repairs

It has been estimated that the performance of the wholesale, retail trade, repairs sector slowed down during the first quarter of 2007. The value added of the sector increased slightly by 0.6 percent. This growth is very low in comparison to that of 10.4 percent recorded during the preceding quarter and 6.8 percent registered in the same quarter of 2006. The outcome is, however, expected for this sector given that the first quarter was compounded by the rise in inflation of most of the consumer goods, especially food prices. The growth in the total number of vehicles sold also slowed to 4.3 percent, year-on-year, from an increase of 11.1 percent recorded during the preceding quarter. On a quarter-on-quarter basis, a decline of 6.9 percent was registered (Chart 3.8). This could be attributed mainly to the impact of high interest rates.

Chart 3.8 Number of vehicles sold



Source: Simonis Storms

Transport, storage and communication

The performance of the transport, storage and communication also showed an improvement with its value added recording a growth of 10.6 percent during the first quarter of 2007 compared to that of 7.8 percent recorded in the same quarter of the previous year. The better performance of the sector is mainly attributed to the mobile telecommunications sub-sector as a result of the increase in the number of subscribers, as well as the introduction of

new customer services and products from the postal sub-sector. Increased transportation activities were also observed during the same period.

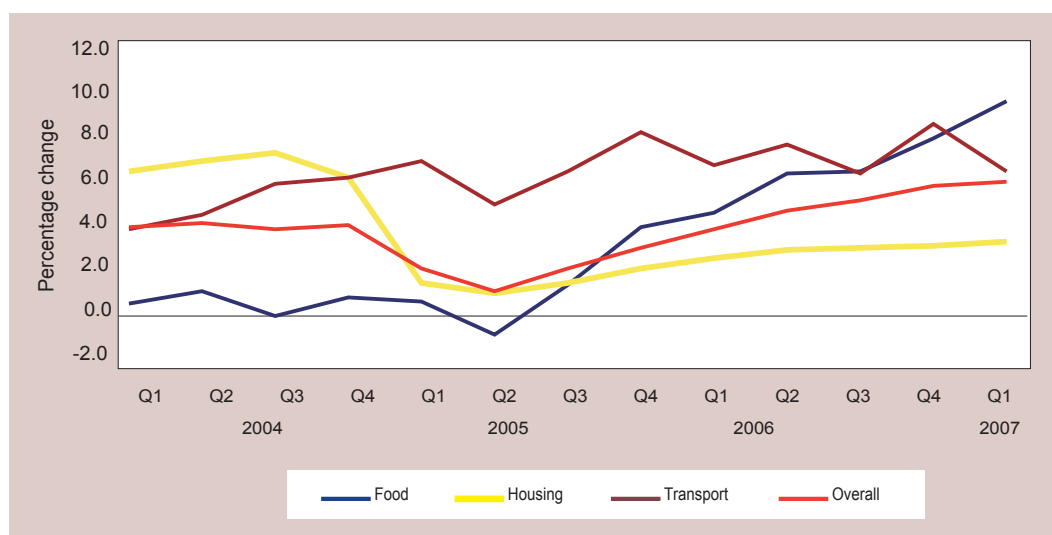
Hotels and restaurants

Activities in the hotels and restaurants sector, which are used as a proxy for tourism, posed a significant turnaround by recording an increase of 21.8 percent in contrast to a decline of 27.5 percent recorded at the same time in the previous year. This growth is also very high in comparison to an increase of 3.0 percent recorded during the preceding quarter. The improvement in this sector could be attributed to the increase in the number of foreign tourists who visited Namibia during the period.

3.3 PRICE DEVELOPMENTS

Despite tighter monetary conditions and the abatement in international crude oil prices, the annual inflation rate surged to 6.3 percent during March 2007 from 6.0 percent recorded in both the first two months of 2007. As a result, the average quarterly inflation rested at 6.1 percent during the first quarter of 2007, which is moderately higher than the 6.0 percent registered during the preceding quarter and 4.0 percent observed during the corresponding quarter of the previous year. The inflationary pressure experienced has been mainly driven by increased inflation of the category food and non-alcoholic beverages, complimented by transport inflation (Chart 3.9). Although transport inflation was lower during the first quarter of 2007 compared to the previous quarter, its contribution to overall inflation has been still high.

Chart 3.9 Annual inflation (quarterly averages)



Source: CBS

The year-on-year inflation rate of food and non-alcoholic beverages category rose to 10.2 percent in March 2007 from 9.7 percent in February. The quarterly average for the first quarter of 2007 was 9.7 percent higher than 8.9 percent and 4.8 percent, recorded during the preceding quarter and corresponding quarter of 2006, respectively. The increase in the annual inflation rate of this category can be attributed to rises in the prices of wheat,

maize, meat, fish, milk, cheese and eggs; oil and fats; and vegetables, including potatoes and other tubers. The price of vegetables, including potatoes and other tubers, increased by 10.3 percent as opposed to an increase of only 4.4 percent observed in the previous quarter.

Fish prices increased because of the shortage of fish in the market resulting from declining fish resources. This has rendered the supply of fish in the market to be lower than the demand, a situation which caused the fish prices to increase since the preceding year. The poor performance of the fishing sector, however, is expected to improve due to improved oceanic conditions and the rise in prices on the international markets. The prices for meat had been very high due to the relatively high demand for beef. These are, however, expected to slowdown during the rest of the year due to increase in supply as a result of farmers trying to sell off much of the stock due to the drought which has resulted in poor grazing.

The prices of the sub-category of meat, milk, cheese and eggs also increased significantly to 7.3 percent during the first quarter of 2007 from a decline of 1.4 percent at the same time during 2006 and an increase of only 2.0 percent during the fourth quarter of 2006. The increase in the prices of this sub-category was attributed to the tariff increase of N\$0.50 on milk that was affected during the first quarter of 2007 in order to sustain the milk industry in terms of cost recovery in the midst of competing milk from other countries. Milk prices are expected to increase further by about 10.0 percent by the beginning of the third quarter of 2007.

Inflation for the transport category decelerated to 6.6 percent during the first quarter of 2007 from the 8.7 percent observed during the previous quarter. The corresponding quarter of the preceding year also registered a slightly higher inflation rate of 6.9 percent. Although transport inflation was lower during the first quarter of 2007 compared to the previous quarter, its contribution to overall inflation was still high. The deceleration in the transport category has been reflected mainly in the operation of personal transport equipment where the inflation rate fell from 15.3 percent in December 2006 to 10.9 percent at the end of March 2007. This was a direct result of a reduction in pump prices witnessed during the first quarter of 2007.

There were different movements in the other major categories of inflation. The inflation for health and housing, water, electricity, gas and other fuels increased while those of miscellaneous goods and services, transport and education decreased. The inflation rate for the health category moved up to 4.7 percent from the 0.9 percent increase witnessed during the fourth quarter of 2006 and a decline of 3.2 percent observed during the corresponding quarter of the same year. The rise has been primarily sourced from increases in prices of the sub-category of medical products, appliances and equipment. This increase could not offset the downward trend observed in the other sub-categories because of its small weight.

Inflation for the housing, water, electricity, gas and other fuels category recorded a moderate increase from 3.3 percent at the end of the previous quarter to 3.5 percent at the end of the first quarter of 2007. The corresponding quarter in 2006, registered a lower inflation rate of 2.8 percent. The rise in quarterly averages for this segment was essentially reflected in the rental payments for dwellings, and regular maintenance and repair of dwelling sub-

categories as a result of increased cost of borrowing. The water supply, sewerage services and refuse collection sub-sectors, remained constant throughout the quarter at 6.1 percent. The inflation rate for the electricity, gas and other fuels sub-category decreased to 5.8 percent from 6.4 percent at the end of the preceding quarter. The sub-category is, however, expected to show an increase during the third quarter when annual tariff increases of electricity gets effected.

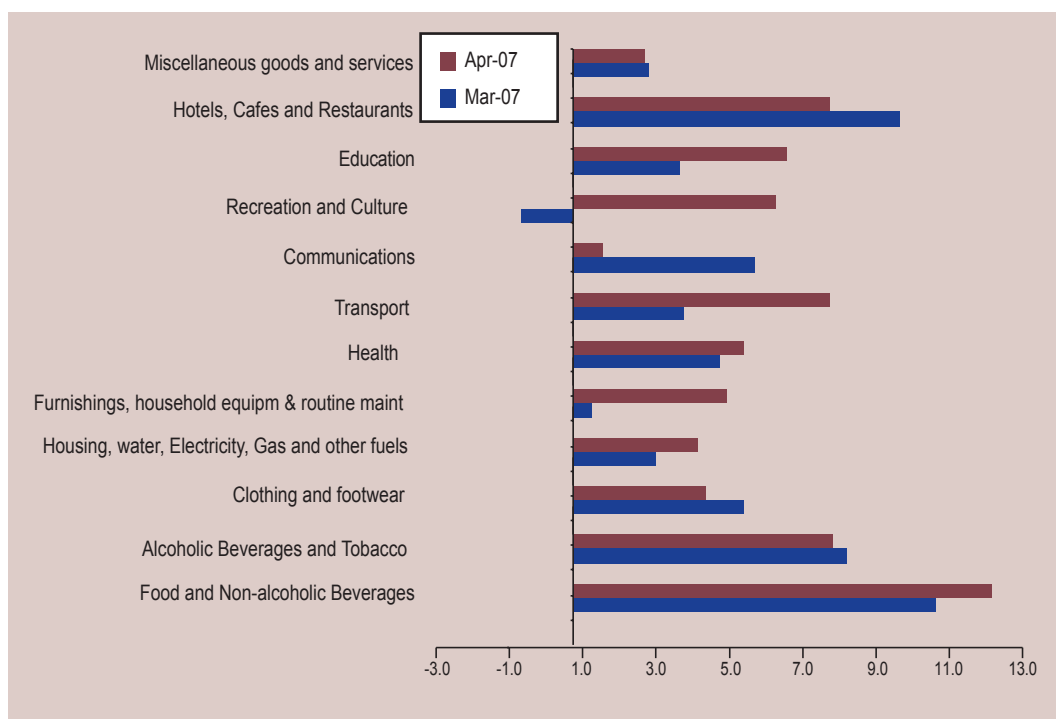
Inflation for the education category moderated slightly during the first quarter of 2007, registering an average of 6.1 percent, from the 6.5 percent recorded during the preceding quarter and the 7.0 percent registered in the corresponding quarter of the previous year. The decline was a result of the decline in the rate of inflation for the tertiary education sub-category from 22.1 percent observed in the preceding quarter to 11.1 percent at the end of the quarter under review. The secondary education sub-category, on the other hand, exerted an expansionary effect of 6.7 percent, higher than the average of 4.2 percent registered during the quarter ending December 2006.

The annual rate of inflation of the miscellaneous goods and services fell significantly from 8.6 percent during the quarter ending December 2006 to 3.7 percent during the quarter under review. The corresponding quarter of the preceding year also observed an equivalent inflation rate of 3.7 percent. The contraction observed, quarter-on-quarter was driven by falling and stable costs in the sub-categories of personal care, insurance, financial services and other services, while prices in the personal effects sub-category showed an upward trend.

Latest developments indicate that annual inflation continued to rise and reached 6.9 percent in April 2007. This was still on account of increases in the prices of food and transport sub-categories by 11.8 percent and 7.2 percent, respectively, compared to 10.2 percent for food and 6.6 percent for transport in March 2007. The persistent rise in international oil prices, coupled with the depreciation of the Namibia dollar led to increases in fuel prices during the same month.

It is clear from the above that despite food and transport inflation having been the key drivers of the trend in inflation, there are evidences of second round effects on inflation as witnessed in the trends of other major categories (Chart 3.10). This is an indication that the core inflation has been also trending upwards. Therefore, the balance of risk to inflation remains on the upside.

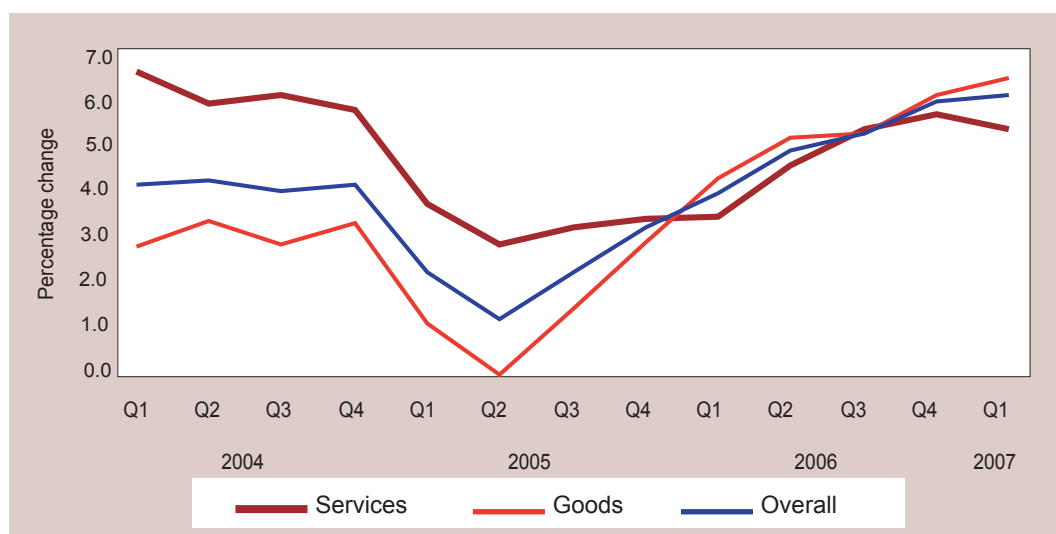
Chart 3.10 Components of NCPI



Source: CBS

Breaking down inflation into goods and services, showed that the inflation rate for the services category fell in contrast to the preceding quarter (Chart 3.11). During the quarter ending December 2006, a rate of 5.8 percent was witnessed while a lower rate of 5.4 percent was registered during the first quarter of 2007. The corresponding quarter of 2006 also recorded a lower rate of 3.5 percent. The decrease resulted mainly from the fall in the index of miscellaneous services, which has been influenced by declines in the cost of financial and other services.

Chart 3.11 Namibia's goods and services inflation

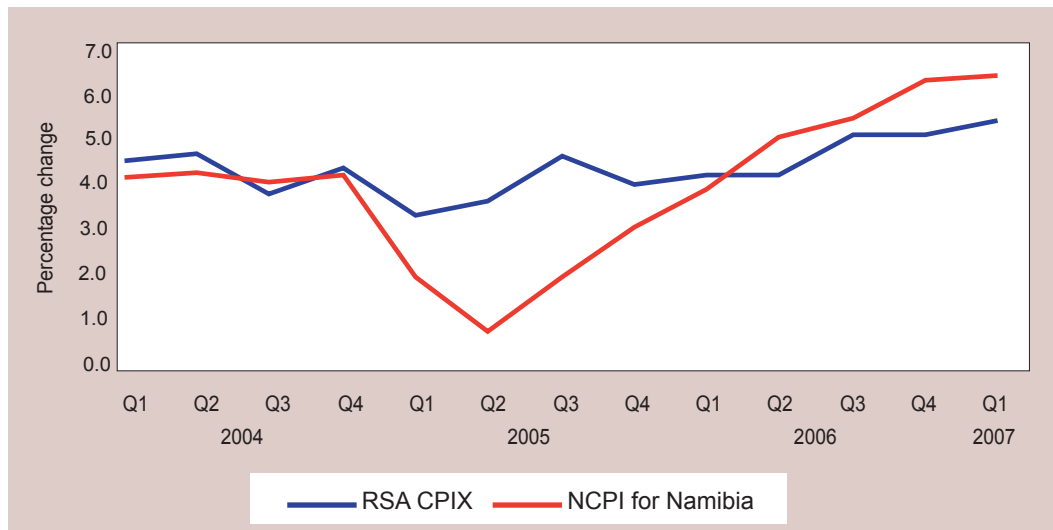


Source: CBS

The inflation for goods, on the other hand, rose from 6.1 percent at the end of the preceding quarter to 6.5 percent during the first quarter of 2007. A much lower rate of 4.3 percent was observed during the same time period in 2006. This increase can be attributed to rising costs in the categories of food and non-alcoholic beverages and clothing and footwear as discussed above.

In comparison to the South African CPIX, the Namibia Consumer Price Index (NCPI) continued to be higher during the first quarter of 2007, though both rates showed an upward trend (Chart 3.12). The average CPIX was 5.2 percent during the first quarter of 2007, lower than that of 6.1 percent for the NCPI. The rate of increase in CPIX was, however, higher than the 5.0 percent observed in the preceding quarter and 4.2 percent recorded during the corresponding quarter of 2006. The increase in the CPIX has been due to the rise in the food inflation.

Chart 3.12 Namibia's NCPI vs. South African CPIX



Source: CBS and SARB

During April 2007, the average CPIX also reported a lower rate of 6.3 percent compared to 6.9 percent of the NCPI. The South African producer price index (PPI) for all commodities for South African consumption showed an annual increase of 11.1 percent in April 2007. This rate is 0.8 percentage points higher than the corresponding annual rate of 10.3 percent recorded in March 2007. The annual increase in PPI was a result of the rise in the price indices for locally produced commodities, which rose by 7.9 percentage points compared to 2.4 percentage points for imported commodities. The rising PPI indicates future inflationary pressure in both South Africa and Namibia, given the magnitude of Namibia's imports from that country.

Box A: DETERMINANTS OF RESIDENTIAL PROPERTY (HOUSES) PRICES IN NAMIBIA

1. INTRODUCTION AND BACKGROUND

Access and affordability of residential properties (houses) is a key aspect of the quality of life of an individual, family and thus the nation at large. In Namibia, a significant proportion of credit of the depository money corporations (commercial banks) to the private sector is allocated to individuals, of which 46.0 percent in 2006 was in the form of housing loans.

A key concern to the policy makers in Namibia in recent years has been the fact that house prices have been increasing at an alarming pace. For example, the First National Bank housing price index showed that the value of residential prices in the bank's portfolio within the suburbs of Windhoek increased by 13.25 percent and 18.72 percent in 2005 and 2006 respectively. These increases are considered to be very high given the low level of annual inflation of 2.2 percent that was registered during 2005 and 5.1 percent in 2006. This state of affairs is of great concern especially to the Central Bank, because the surge in property prices could reduce the affordability of housing and filter through the price system and cause inflation and, thereby, compromise price stability.

The main transmission channel through which the surge in property prices could fuel inflation is through higher consumer spending which might subsequently increase aggregate spending. Moreover, in the event of high interest rates, there is an attendant danger that the high property prices might cause a number of home loan owners to default on their repayments. The resultant increase in the level of non-performing loans in the banking system might negatively impact on bank profitability, and ultimately causing instability for the entire financial sector, as well as the economy.

Against the above backdrop, this article investigates the determinants of house prices in Namibia using Windhoek as a case study. More specifically, the article investigates what is causing the increases in house prices in Windhoek, examine its implications on the economy and suggest alternatives ways to deal with this problem.

2. THE DETERMINANTS OF RESIDENTIAL HOUSE PRICES

The factors determining housing prices in Namibia can be classified as follows: demand, affordability, credit availability, speculation, limited supply of serviced land, cost of building materials, and marketing channels. These factors are discussed below.

2.1 Demand

There is a general consensus that there is an excess demand for housing or plots in Windhoek. Apart from the provision of shelter, residential houses are often used as financial security, investment purposes as well as a symbol of status. The issue of excess demand can be illustrated by the last auction that was undertaken by the City of Windhoek during September 2005. At the auction, there were about 1335 registered first time buyers⁷, while there were only 337 available ervens. A reserve price was set

at N\$65.00 per square meter. However, due to high demand the median price per square meter came out at N\$355.56, representing a premium of 447.01 percent over the reserve price. It can, therefore, be concluded that the demand for new plots was higher than expected and this has a bearing on the cost and ultimately the value of the property to be built.

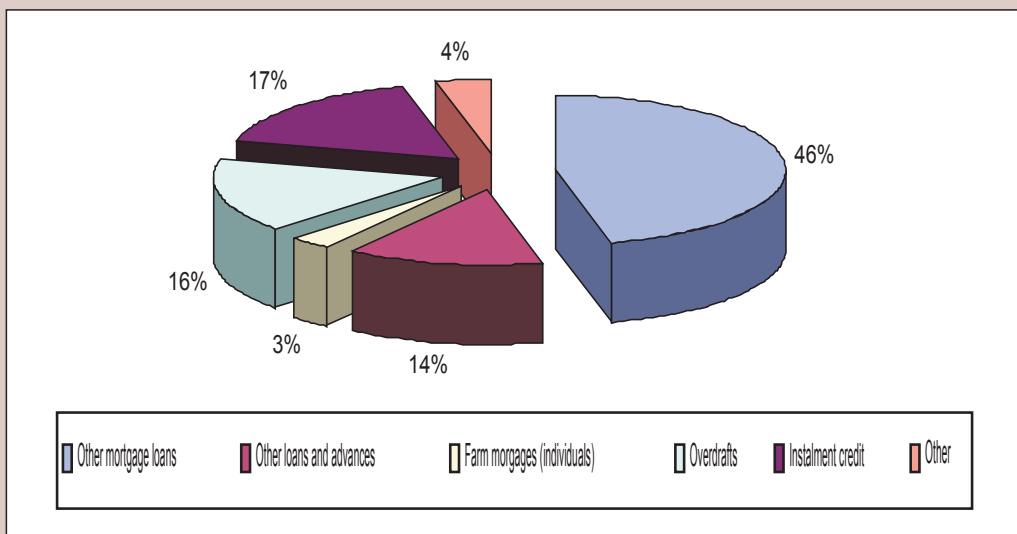
2.2 Affordability

Another factor which tends to influence the demand for housing in Namibia is the affordability of credit. Affordability in this context can be ascribed to the low interest rate environment that the country has observed as a result of a stable macroeconomic environment and low inflation for the period 2003 to 2006. This can be supported by the bank rate that stood at 18.25 percent in the beginning of 1999, but declined to 9.00 percent at the end of 2006, and consequently reducing the mortgage rate and the average lending rate. Given the fact that house prices are inversely related to interest rates, the increase in the prices of houses could be ascribed to the low interest rate environment.

2.3 Credit availability

The bulk of credit for the purchase of residential properties in Windhoek and Namibia is provided for by commercial banks. An analysis of the distribution of commercial bank loans in December 2006 as a proxy of credit availability as shown in chart 3.11 reveals that about 46 percent of the loans that banks advanced were to finance residential and business properties. It is, therefore, clear that the supply of credit for mortgage makes up a significant proportion of loan advances. Moreover, mortgage credit from commercial banks is advanced mainly to middle and high income earners. Consequently, credit availability tends to push the selling prices of properties as the seller is assured to collect the price he or she is looking for in the market.

Chart 1 Distribution of commercial bank loans as at the 30 December 2006



⁷ First time buyers refer to buyers who have no property registered under their names in the deed register.

2.4 Speculation

Related to demand is the speculative motive for buying residential properties. High income earners tend to buy properties not for the purpose of owning it but for investment purposes. The main factor here is that house prices appreciate considerably faster than most other assets in Namibia. Conservative estimates from market players suggest that the average appreciation in the value of houses in Windhoek is between 20 - 30 percent in a year. Given this high escalation in the prices of these properties, there is a tendency for speculators to buy and hold properties and sell later at a very higher price, thus contributing to the general escalation in house and erf prices.

2.5 Limited supply of serviced land

Evidence indicates that there is excess demand over supply of serviced land in Windhoek as illustrated by the auction of ervens that took place in Kleine Kuppe in 2005. The above can be supported further by the fact that in 2006 for example, the City of Windhoek did not offer any serviced land for auction. The only land it serviced was about 270 ervens in Khomasdal, which is envisaged for auctioning in 2007. This suggests that available serviced land is very limited, and when made available, prospective buyers have to compete for it by way of auctions. The limited supply of serviced land has an incremental impact on the final prices of the plots and eventually on the prices of residential properties. Given the slow pace at which serviced land is delivered in Windhoek and the country at large, it is estimated that demand for houses will remain above supply. This fact can be supported by the estimate of the Ministry of Regional and Local Government, Housing and Rural Development, which indicated that Namibia would require a total of 300 000 low income housing units to achieve the Government housing goals as envisioned in Vision 2030.

2.6 Cost of building materials

Building costs is another vital factor that determines the final price of a property. These costs entail the profit earned by a contractor, wages and material costs. Despite the acknowledgement that this is indeed a significant factor in the setting up of house prices, the absence of a building cost index and the construction cost index in Namibia makes it difficult to estimate the impact of building cost on the final price of properties. The main difference between the two is that a construction costs index measures with quite reasonable accuracy the secular movement of house prices, while a building cost index measures the cost of wage and material costs. The latter excludes the contractors' profits, which is part of the former. A rough estimate from one market participant indicated that the contractors' profit would normally range between 20 to 30⁸ percent of the value of the house. However, due to data constraints however, we are unable to estimate how the cost of building materials affects the price of properties.

2.7 Marketing channels

The prices of houses are also influenced by the channel used to market them. Marketing channels vary depending on whether it is a plot, an existing house or a repossessed house that is being sold. The main channels of marketing include auctions, tenders, waiting list, and real estate agents. This article discusses only the auctions and real

estate agents method given their incremental effect on prices.

Auctions are used for the sale of both newly serviced ervens or in the case of existing houses where the owner has defaulted. In the case of the former, after the land has been serviced, the local authority advertises available erven for sale. A reserve price based on cost recovery is set. Potential buyers therefore have to register their intentions to participate in the auctions and bid. The final decision as to who is awarded the erven is based on the highest bidder. The auction process is always used for selling of single residential plots in all suburbs of Windhoek except for Katutura and Wanaheda areas.

The real estates serve as agents between the buyers and sellers of a property. Most brokers in Windhoek offer their services by charging a commission, which is in the range of 7 percent to 8 percent of the value of the property in case of residential property, or 10 percent plus VAT in case of commercial property or a vacant erven. In some cases it was established that real estate agents undertake valuations of properties based on what similar properties are worth, despite that they are not qualified to do so. This practice not only increases the prices of houses, but also raises a possibility of conflict of interest, given the fact that the commission paid to the broker is determined by the value of the property sold. The estate agents method increase the price in various ways, namely through the fixed brokerage fees and valuations.

3. IMPACT OF RAPID INCREASE IN HOUSE PRICES ON THE ECONOMY.

The excessive increase in property prices could affect the borrower, the commercial banks and the economy at large. Given the ever rising property markets borrowers might be encouraged to continue borrowing and thus ceding their properties as collateral. While this is a welcome development, problems emerge when there is a surge in interest rates. The high interest rates may eventually lead to large number of people defaulting on their loans, thereby resulting into high level of indebtedness in the economy.

Given the fact that housing loans account for about 46 percent of the total bank portfolio in Namibia, this could cause instability in the banking system. This could happen in the event of significant increases in interest rates. The combined effect of this is the high levels of debts which could transform into high number of non-performing loans in the portfolios of commercial banks, as well as reduce their interest income and profits. Moreover, the appreciation in the value of residential properties can reduce financial savings, i.e. people feel have no need to save if they are expecting to make good capital profits in the appreciation of their residential properties. Such a reduction in financial savings might eventually reduce funds available for lending purposes. Consequently, credit to companies to undertake production might therefore be reduced. The latter might lead to reduction in productivity of these companies which might filter through the financial system through second round effects, and subsequently giving rise to a financial distress. If the impact of such financial distress is significant; it might reduce economic growth and increase the rate of unemployment.

⁸ This must be treated with great caution because it was based on what contractors demand in case where they have tendered to construct on behalf on the NHE. Thus a case where they are building for their own account could be quite different from this.

4. CONCLUSIONS AND POLICY IMPLICATIONS

In conclusion, the pace at which residential property prices are increasing in Windhoek is a source of concern to policymakers, more especially the Bank of Namibia which is charged with the responsibility of ensuring price stability in the economy. It is a concern to policy makers as the surge in property prices could filter through the price system and thereby compromise price stability. Moreover, in the event of a surge in interest rates, there is an attendant danger that the high property prices might raise the rate of default, thus increasing the level of non - performing loans in the banking system, which might weaken the bank's asset base.

Against this background, the following interventions may be considered

The current efforts of the Ministry of Lands and Resettlement to develop a valuer's Act which aims to set up standards for valuations in Namibia is highly appreciated and its finalization should be expedited. Moreover, a separate body that would accredit valuers in Namibia need to be established as soon as the policy has been passed.

In this regard, property valuation courses should be encouraged at tertiary institutions.

Local authorities are encouraged to intensify the servicing of land.

The decentralization and rural economic development process must be accelerated so as to reduce the rural-urban migration, which tends to put undue demand on urban centers.

The construction costs index and the building cost index for Namibia needs to be established as a matter of urgency. The two indexes could be used to monitor fluctuations in housing prices, as well as building materials costs. These two indexes could also be used as proxies for economic activities in the country. As a custodian of price statistics the Central Bureau of Statistics is encouraged to compile such housing indices for the country.

4. MONETARY AND FINANCIAL DEVELOPMENTS

4.1 MONETARY AGGREGATES

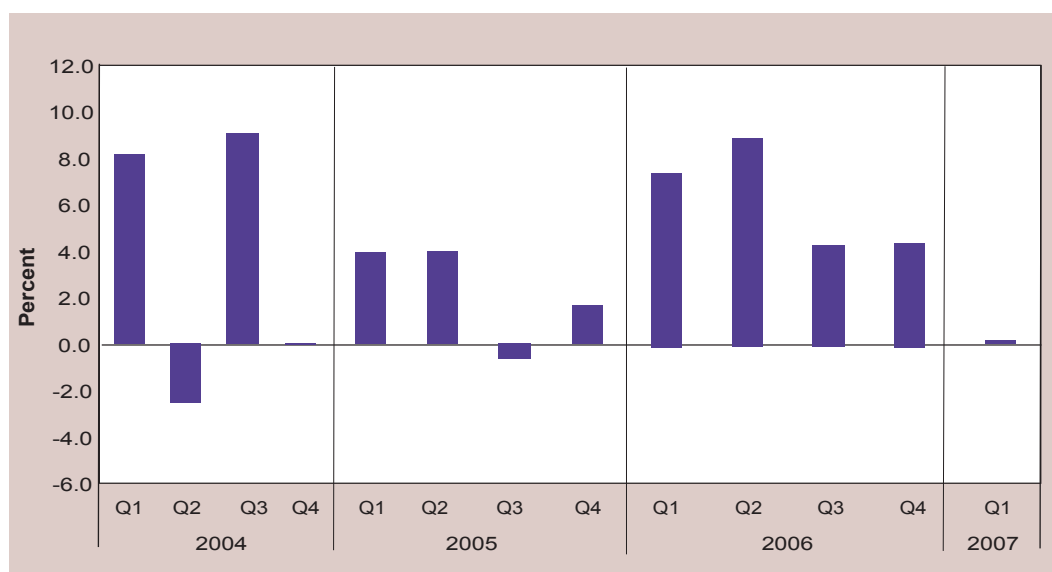
In line with the prevailing tight monetary policy stance, growth in broad money supply (M2) decelerated at the end of the first quarter of 2007, both on a quarterly and annual basis. The slowdown was mainly a reflection of the contraction in net domestic credit and other items net of the depository corporations, which offset the expansionary effect of the net foreign assets.

M2 increased by 0.2 percent at the end of the first quarter of 2007, considerably lower when weighed against rises of 4.8 percent recorded at the end of the fourth quarter of 2006 and 8.0 percent at the end of the corresponding quarter of the previous year. On an annual basis, the growth in broad money supply stood at 20.5 percent at the end of March 2007 which is lower compared to 29.8 percent at the end of December 2006. Correspondingly, at the end of March 2006, a growth rate of 13.7 percent in broad money supply was recorded. The slowing down in the expansion rate of money supply is rooted from declines in both domestic credit and other items net.

Components of money supply

The slowed growth in M2 (Chart 4.1) at the end of the first quarter of 2007 was mirrored in a contraction in other deposits while other components, namely transferable deposits and currency in circulation rose moderately. Other deposits declined significantly by 12.2 percent compared with a 2.1 percent increase observed at the end of the preceding quarter. Transferable deposits included in M2, on the other hand, increased by 8.6 percent compared to a 7.1 percent increase observed at the end of the previous quarter. The currency in circulation component also rose by 4.5 percent as opposed to a 2.8 percent increase at the end of the last quarter of 2006. The increase in transferable deposits and currency in circulation in the midst of a tight monetary stance is a matter of concern as it might further contribute to the rise in inflation rate.

Chart 4.1 Monetary aggregates M2 (quarterly growth rates)



Determinants of money supply

As reported earlier, the slow growth in money supply observed at the end of the quarter was generally as a result of a contraction in net domestic claims and other items net, while net foreign assets exerted an expansionary effect (Table 4.1).

Table 4.1 Determinants of M2 (quarterly changes - N\$ million)

	2006		2007		
	Q1	Q4	Q1	Quarterly percentage change	Contribution to change in M2
Total domestic credit	873.3	457.4	-1,087.3	-3.8	-4.8
Claims on the private sector	1,190.9	527.7	1,706.5	6.0	7.6
Net claims on the central Government	-317.6	-70.3	-2,793.8	-2,465.2	-12.4
Net foreign assets of the banking system	879.6	900.2	2,044.0	42.2	9.1
Other items net	853.0	-327.0	-920.0	-9.9	-4.1
Broad money supply	2,605.9	1,030.7	36.7	0.2	0.2

Domestic claims

At the end of the first quarter of 2007, net domestic claims declined by 3.8 percent, following increases of 1.6 percent at the end of the preceding quarter and 3.4 percent at the end of the corresponding quarter of the previous year. Similarly, on a year-on-year basis, growth in domestic claims decelerated to 2.9 percent at the end of March 2007 from 10.6 percent observed at the end of December 2006.

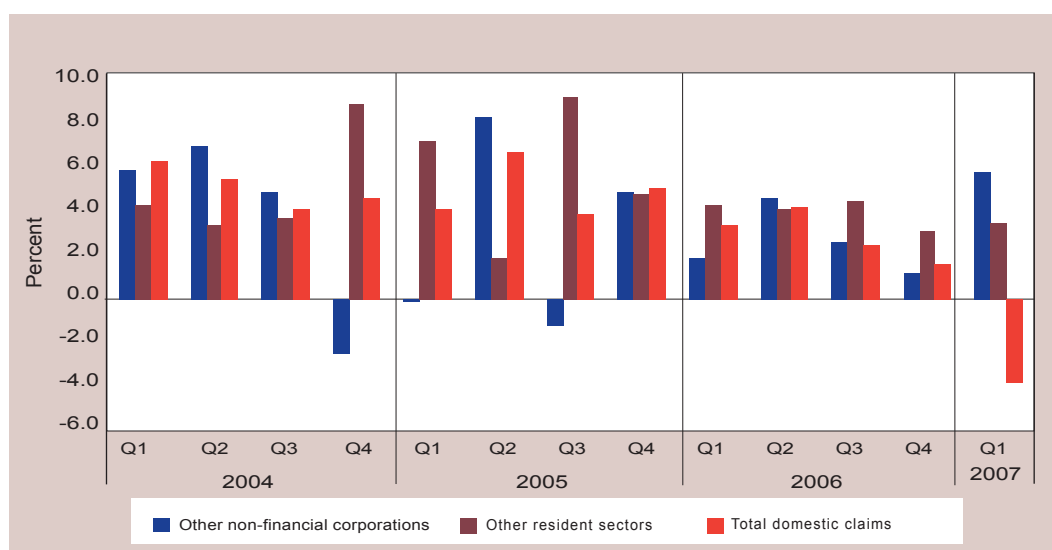
The decline in net domestic claims is reflected in a contraction in net claims on the Central Government, while claims on other sectors increased. Net claims on the Central Government declined significantly to a negative N\$2,680.4 million at the end of the first quarter of 2007 from N\$133.3 million recorded at the end of the fourth quarter of 2006. The decline in net claims on Central Government could be explained by the lower net borrowing requirements emanating from the budget surplus realized in the government budget for the financial year 2006/2007.

Growth in claims on other sectors accelerated from 1.9 percent at the end of the fourth quarter of 2006 to 6.0 percent at the end of the first quarter of 2007. It was also higher than the growth of 4.9 percent recorded in the corresponding quarter of the preceding year. The increase in the growth of credit to other sectors at the end of the first quarter of this year was a result of increases in credit extended to both other non-financial corporations and other resident sectors (Chart 4.2). Growth in credit extended to other non-financial corporations

increased to 5.8 percent at the end of the first quarter of 2007 from 1.2 percent at the end of the preceding quarter and 1.9 percent recorded at the end of the corresponding quarter. Similarly, growth in claims on the other resident sectors rose from 3.1 percent registered at the end of the preceding quarter to 3.5 percent recorded at the end of the first quarter of the year 2007.

The increase in claims on other non-financial corporations was reflected in the growth of the other loans and advances component, while the increase in claims of other depository corporations on other resident sectors was mirrored in an increase in other mortgage loans. These are indications that the cost of borrowing is still affordable.

Chart 4.2 Claims on the other sectors (quarter-on-quarter growth)



On an annual basis, growth in credit extended to the other sectors fell to 17.8 percent at the end of March 2007 from 20.0 percent at the end of March 2006. This outturn is mainly sourced from a significant fall in the growth of claims on other resident sectors which declined to 16.1 percent at the end of March 2007 from 21.6 percent at the end of March 2006. Credit extended to other non-financial corporations, on the other hand, grew slightly from 14.3 percent to 14.8 percent at the end of the same period and hence, the positive effect on the overall growth rate.

The growth rate of asset backed credit slowed from 4.7 percent at the end of the fourth quarter of 2006 to 3.9 percent at the end of the first quarter of 2007. This was also a decline when compared to a growth of 4.8 percent registered at the end of the corresponding quarter in 2006. The deceleration in growth of collateralized lending came about as a result of a decline in installment credit. Installment sales declined by 0.2 percent as opposed to a 4.1 percent growth witnessed at the end of the previous quarter. The corresponding quarter of the previous year observed a sizeable growth rate of 7.0 percent. Growth in mortgage loans, on the other hand, increased on a quarter-on-quarter basis from 4.9 percent at the end of the preceding quarter to 5.3 percent at the end of the quarter under review. The growth rate of mortgage loans at the end of the corresponding quarter of 2006 was also lower at 4.0 percent (Table 4.2).

Table 4.2 Growth in collateralized lending (quarter-on-quarter)⁹

	2006				2007
	Q1	Q2	Q3	Q4	Q1
Mortgage loans	4.0	4.3	10.4	4.9	5.3
Individuals	4.3	4.6	4.9	4.0	4.8
Businesses	8.6	0.0	95.5	13.9	11.0
Installment credit	7.0	2.8	2.9	4.1	-0.2
Individuals	7.5	2.8	-2.3	4.3	-1.5
Businesses	5.6	2.7	17.4	3.6	2.9

Mortgage advances extended to individuals improved from a growth of 4.0 percent at the end of the fourth quarter of 2006 to 4.8 percent at the end of the first quarter of this year, whereas mortgage credit to businesses fell from 13.9 percent to 11.0 percent during the same period. The growth in installment credit for businesses slowed to 2.9 percent during the first quarter of 2007 from 3.6 percent during the fourth quarter of 2006, while for individuals a negative growth of 1.5 percent was recorded compared to an increase of 4.3 percent registered at the end of the previous quarter.

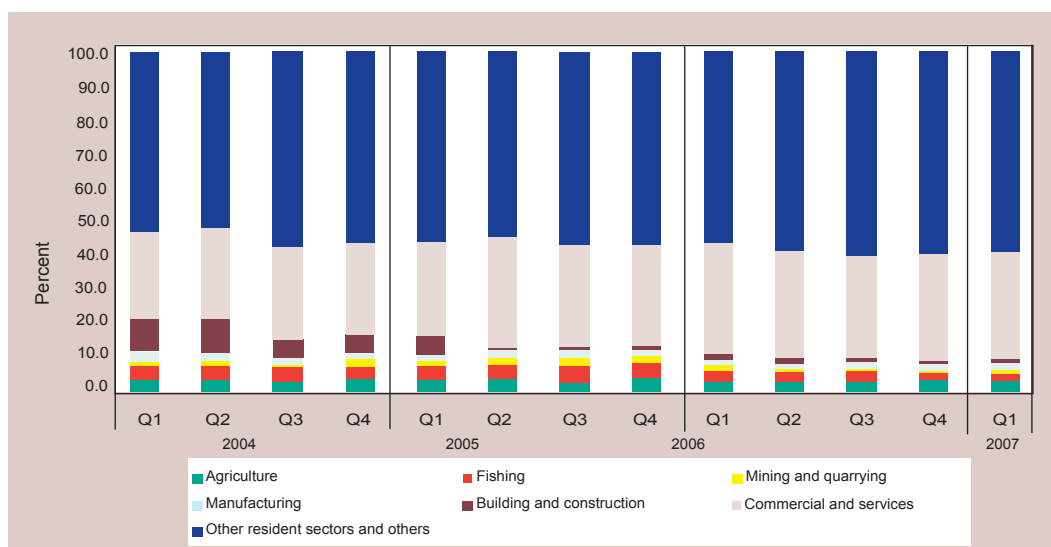
The growth rate for the category other loans and advances¹⁰ improved to 6.6 percent at the end of the first quarter of 2007 after recording 4.7 percent at the end of the preceding quarter and 2.7 percent at the end of the corresponding quarter of 2006. This increment resulted essentially from a rise in other loans and advances to the business sector which grew by 8.6 percent at the end of the first quarter from 5.2 percent at the end of the last quarter of 2006. The growth in those extended to individuals, decelerated slightly from 4.2 percent at the end of the preceding quarter to 4.1 percent at the end of the quarter being reviewed.

The sectoral analysis of other depository corporations' credit extension reveals that the other resident sectors and others continued to maintain a bulky portion of the total claims on other sectors (Chart 4.3). They accounted for 59.1 percent at the end of the first quarter of 2007, although down from 59.9 percent at the end of the previous quarter. Like in the previous quarter, the commercial and services sector held on to the second position with 31.2 percent, whereas the agriculture, fishing, mining and quarrying, manufacturing and the building and construction sectors combined, comprised of the remaining 9.7 percent. This is an improvement when compared to the share of 9.5 percent registered at the end of the preceding quarter.

⁹ The growth rates for total mortgage loans and total installment credit include growth rates of loans and credit extended to non-residents which is excluded from the table.

¹⁰ Other loans and advances consist of overdraft to individuals and corporate clients, as well as structured finance deals.

Chart 4.3 Composition of other depository corporations' credit



In terms of growth, credit extension to the building and construction industry increased by 16.5 percent at the end of the first quarter of 2007 as opposed to a decline of 25.4 percent observed at the end of the preceding quarter. The corresponding quarter of the previous year showed an acceleration of 17.9 percent. Similarly, the mining and quarrying sector recorded a substantial increase of 115.0 percent in credit extended during the first quarter of 2007. This is in comparison to decreases of 30.1 percent at the end of the previous quarter and 29.3 percent registered at the end of the corresponding quarter of 2006. Credit extended to the fishing sector fell by 12.1 percent at the end of quarter the first quarter of 2007. This is, however, an improvement when compared to declines of 15.9 percent and 24.1 percent observed at the end of the preceding and the corresponding quarters, respectively. The performance of the fishing sector, is however, expected to improve due to higher prices on the international market, as well as favorable oceanic conditions.

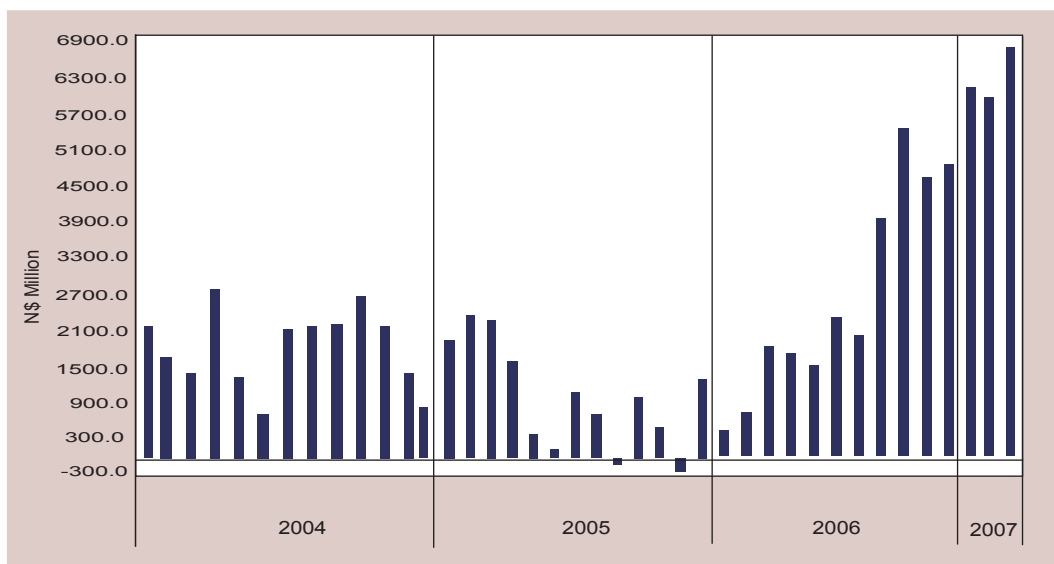
Credit to the agricultural sector also fell by 4.8 percent after rising by 9.1 percent at the end of the previous quarter. The corresponding quarter of the previous year recorded a sharp decline of 29.3 percent. The decline in credit extended to the agricultural sector could be linked to the improved liquidity of the sector over the first quarter of 2007 that resulted from farmers selling off their live-stock due to the prevailing drought. The manufacturing and the other resident sectors and other sectors both registered a drop in credit extension of 6.0 percent and 2.0 percent, respectively. This is as opposed to rises of 14.0 percent and 2.0 percent observed at the end of the preceding quarter. Likewise, the commercial and services sector witnessed a fall of 1.3 percent in credit extension. This compares to increases of 8.0 percent recorded at the end of the last quarter of 2006 and 7.3 percent experienced at the end of the corresponding quarter of the previous year.

Net foreign assets

During the first quarter of 2007, the net foreign assets of the depository corporations increased by 42.2 percent from N\$4.8 billion at the end of December 2006 to N\$6.9 billion at the end of March 2007 (Chart 4.4). This is a sharp increase when compared to a decline of 562.7 percent observed during the corresponding quarter of 2006. Contributing to the

rise in net foreign assets during this quarter was the predominant increase in total claims on non-residents which resulted from favorable liquidity conditions that prevailed during the period under review. Total claims on non-residents improved by 31.3 percent as opposed to a rise of 18.9 percent recorded at the end of the preceding quarter.

Chart 4.4 Net foreign assets/liabilities of depository corporations



A further breakdown of total net foreign assets of the banking system revealed that net foreign assets of the Bank of Namibia grew by 79.8 percent to reach N\$5.7 billion at the end of the first quarter of 2007 (Table 4.4) and thus contributed significantly to the rise in total net foreign assets. During the preceding quarter, the Bank of Namibia's net foreign assets improved by a mere 1.4 percent whilst in the corresponding quarter of 2006 they grew by 23.9 percent. The net foreign assets of other depository corporations, on the other hand, decelerated by 28.7 percent after a sharp expansion of 103.7 percent registered at the end of the fourth quarter of 2006. The expansion in net foreign assets of the Bank of Namibia resulted in increased total reserves of the country that mainly stemmed from a windfall income received from SACU revenue during the first quarter of 2007.

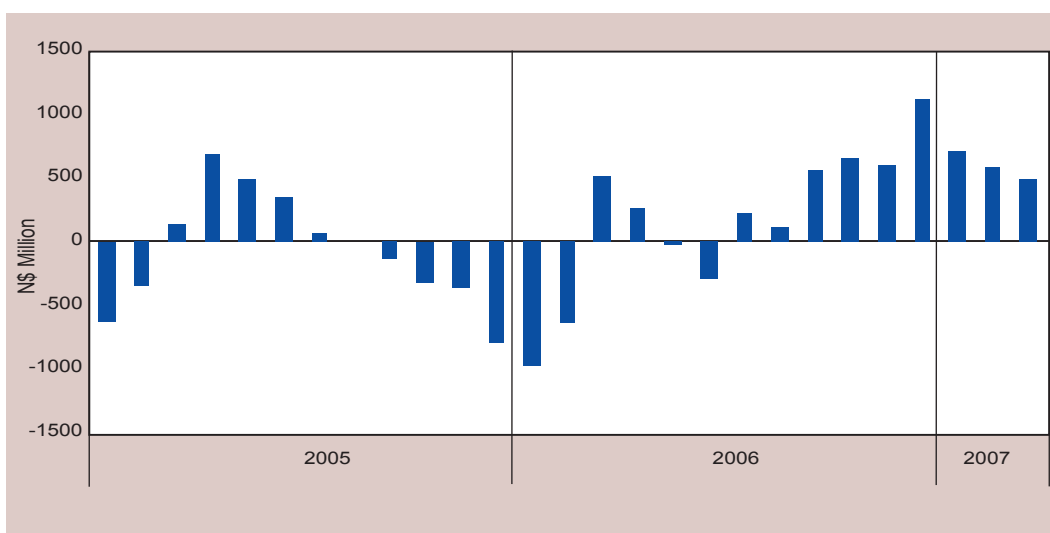
Table 4.3 Foreign assets and liabilities of depository corporations (N\$ million)

Holder	2005			2006				2007
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
A. NFA/L of ODCs	-1,779.3	-1,884.6	-2,140.3	-1,734.5	-1,218.9	825.0	1,680.2	1,198.4
Foreign Assets	466.3	292.3	285.6	914.6	1,029.3	1,795.4	2,742.2	2,198.9
Foreign Liabilities	2,245.6	2,176.9	2,425.9	2,649.1	2,248.3	970.4	1,062.0	1,000.5
B. NFA of BoN	1,874.1	1,818.2	1,983.9	2,457.8	2,677.9	3,119.2	3,164.3	5,690.0
Foreign Assets	1,890.4	1,832.8	1,998.0	2,470.0	2,688.3	3,571.0	3,573.6	6,094.7
Foreign Liabilities	16.3	14.6	14.1	12.2	10.4	397.8	409.3	404.7
Net total foreign assets/liabilities	94.8	-66.4	-156.4	723.3	1,459.0	3,944.2	4,844.5	6,888.4

Liquidity of other depository corporations

At the end of the first quarter of 2007, other depository corporations witnessed a positive liquidity position both in Namibia and South Africa (Chart 4.5). The liquidity position in South Africa, however, registered an excess amount of only N\$472.5 million, far lower than the N\$1.2 billion recorded at the end of the previous quarter. The Namibian liquidity position of commercial banks observed a surplus of N\$14.4 million at the end of the quarter after a shortage of N\$40.8 million at the end of the preceding quarter. This excess liquidity materialized from the holding of N\$41.1 million on the settlement account minus issued repos of N\$26.7 million. The above development resulted in the overall liquidity position of commercial banks at the end of March 2007 being in an excess of N\$486.8 million as weighed against a surplus of N\$1.1 billion registered at the end of December 2006. This indicates that although the banking system experienced excess liquidity, there has been deterioration in liquidity during the first quarter of 2007 compared to the previous quarter. This trend is not expected to continue due to lack of liquid instruments in the domestic market that will cause local funds to be transferred abroad for better returns unless Government refrained from borrowing long-term.

Chart 4.5 Overall liquidity position of ODCs (end of period)



Other depository corporations sources of funds

The growth in total deposits placed with other depository corporations moderated to 0.9 percent to arrive at N\$25.8 billion at the end of the first quarter of 2007. This is a slower growth compared to 6.4 percent reported at the end of the previous quarter and 1.9 percent at the end of the corresponding quarter of 2006. The rise in total deposits of other depository corporations has been reflected in an increase in transferable deposits. Total transferable deposits grew by 12.2 percent at the end of the quarter under review after increasing by only 4.7 percent in the previous quarter. Total other deposits, on the other hand, declined by 13.9 percent at the end of March 2007, after a growth of 8.7 percent in the previous quarter.

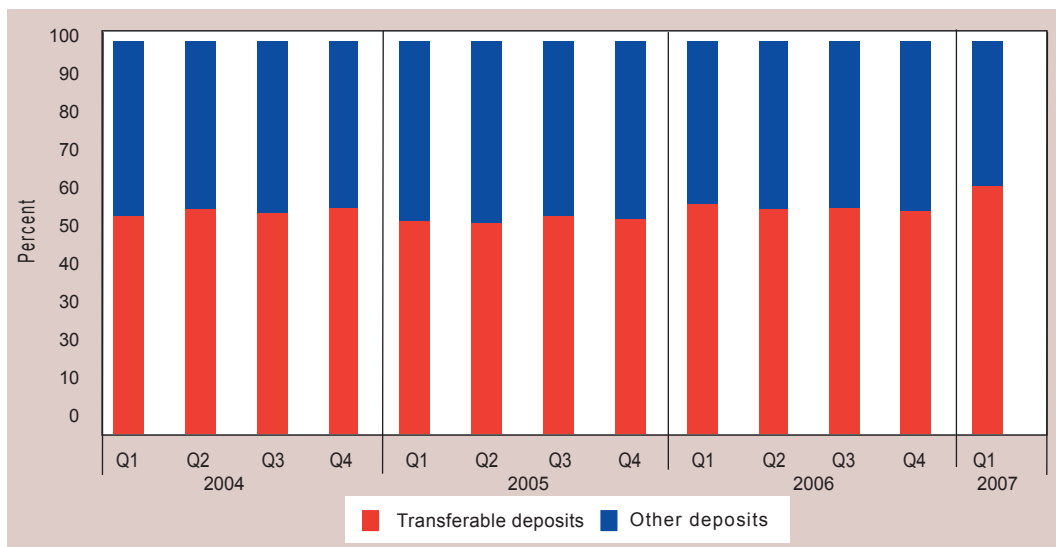
Total deposits included in broad money increased by 0.2 percent to reach N\$21.8 billion at the end of March 2007. The same category witnessed a growth of 5.0 in the preceding

quarter and 8.2 percent at the end of the corresponding quarter. This development emerged essentially from an 8.6 percent rise in transferable deposits included in M2, while other deposits included in broad money exerted a contractionary effect through a 12.2 percent decline. This development is not surprising given the fact that major companies prefer to hold their funds in liquid form during the early periods of each year to enable them to pay taxes.

Deposits excluded from broad money increased by 5.3 percent at the end of the quarter ending March 2007 compared to a growth of 15.2 percent observed at the end of the preceding quarter. The corresponding quarter of 2006 recorded a decline of 25.9 percent. The rise in total deposits excluded from broad money during the first quarter of 2007 has been reflected in a considerable increase of 40.9 percent in transferable deposits. Other deposits excluded from broad money, on the other hand, exerted an adverse effect when it fell by 20.9 percent at the end of the first quarter of 2007. At the end of the previous quarter, other deposits recorded a sharp increase of 47.4 percent whilst a decline of 8.2 percent was experienced at the end of the corresponding quarter of 2006.

The above developments resulted in the share of transferable deposits in total deposits to stand at 63.2 percent at the end of March 2007, which is an increase from the 56.8 percent registered at the end of the preceding quarter (Chart 4.5). Other deposits contributed the remaining 36.8 percent which is lower than the 43.2 percent observed at the end of December 2006.

Chart 4.6 Composition of other depository corporations' deposits



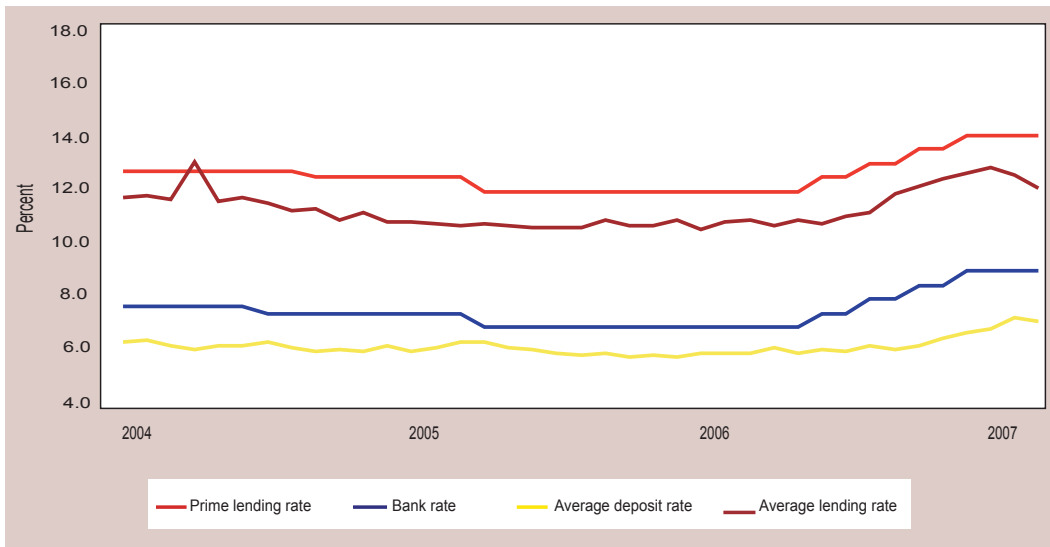
4.2 MONEY AND CAPITAL MARKET DEVELOPMENTS

Money market developments

The Bank of Namibia left the Bank rate unchanged at 9.00 percent during the first quarter of 2007. In line with this decision, money market rates of other depository corporations remained fairly stable during the first quarter of 2007. The average prime lending rate of other depository corporations remained constant at 13.75 percent during the first quarter

of 2007, as at the end of the preceding quarter. During the same period, however, the average lending rate declined to 11.90 percent from 12.40 percent in the previous quarter. The average deposit rate, on the other hand, rose by 37 basis points to 7.22 percent during the first quarter of 2007 from 6.85 percent during the fourth quarter of 2006. These developments were mainly caused by the increase in the inter-bank rate which rose by 5.7 percentage points to 13.81 percent during the first quarter of 2007 from 8.04 percent during the fourth quarter of 2006. As a result, the nominal spread between the average lending and deposit rates narrowed to 4.68 percent during the first quarter from 5.58 percent in the preceding quarter (Chart 4.7) in 2006.

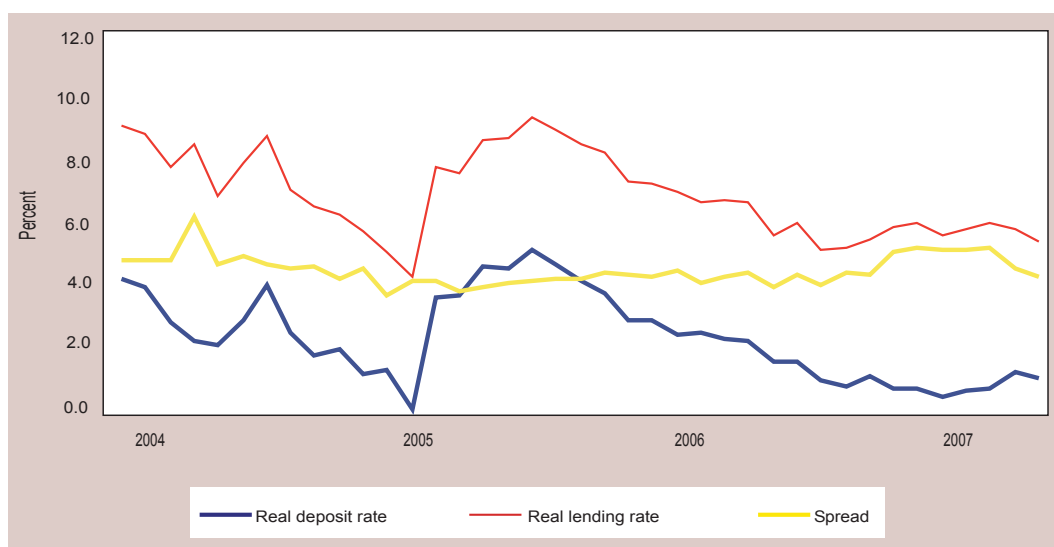
Chart 4.7 Selected interest rates



Analyzing the real rates, the real average lending rate declined to 5.57 percent during the first quarter of 2007 from 5.97 in the preceding quarter. The average real deposit rate, on the other hand, increased to 1.15 percent from 0.71 percent recorded during the preceding quarter of 2006. The development in the deposit rate is, however, unusual given the increasing inflationary pressure and excess liquidity in the economy (Chart 4.8).

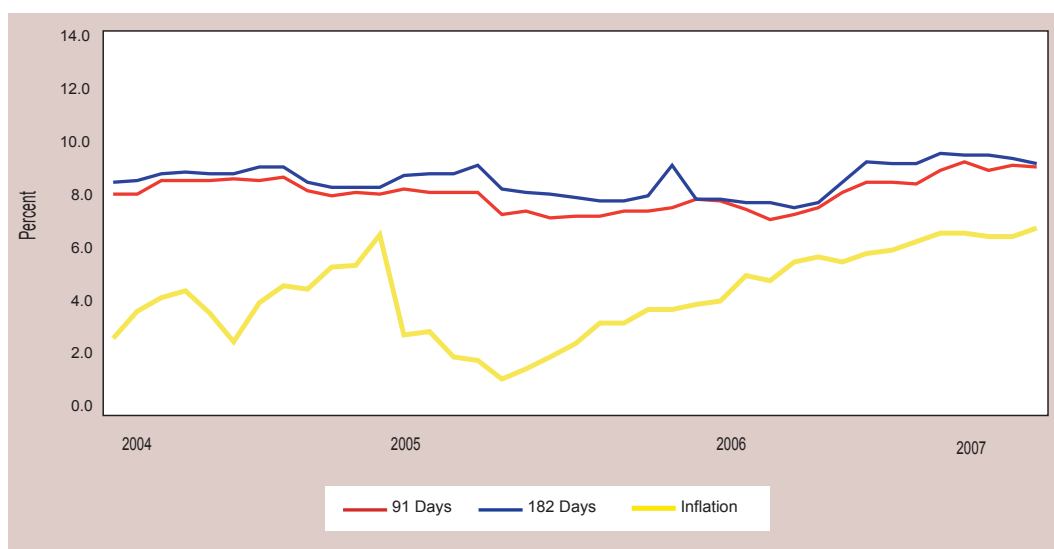
For the month of April 2007, however, the deposit rate declined to 7.18 percent, while an upward trend was observed in the lending rate from 11.90 percent at the end of March to 12.44 percent. This will have a negative impact on the real rates, given the continuing upward trend observed in inflation rates.

Chart 4.8 Real interest rates



The rates of short-term Government securities, the effective yield for 91-days T-Bills, declined to 8.49 percent at the end of the first quarter of 2007 from 9.18 in the preceding quarter of 2006. The effective yield for the 182-days treasury bills also declined from 8.92 percent during the fourth quarter to 8.60 percent at the end of the first quarter of 2007 (Chart 4.9). The lack of alternative liquid securities in the market and the issuance of fewer short-term securities by government have led to oversubscription for these securities during the first quarter of 2007. As a result, prices were forced to go up and eventually reduced the effective yields.

Chart 4.9 Treasury bills discount rates

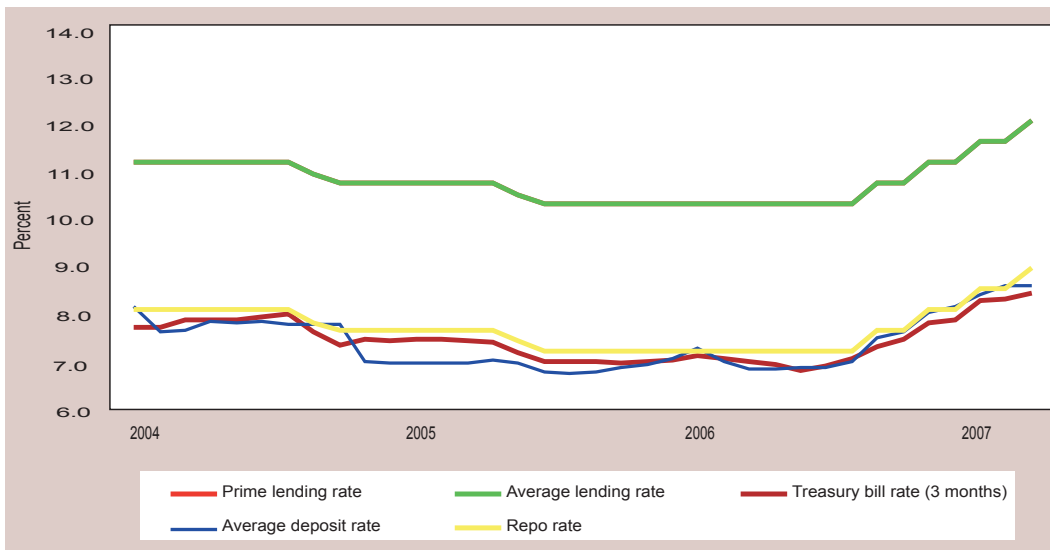


Similarly to Namibia, the South African Repo rate, which is the equivalent of the Bank rate in Namibia, was kept constant at 9.00 percent during the first quarter of 2007. As a result, the average prime lending rate and the average lending rate in South Africa remained unchanged each at 12.50 percent at the end of the first quarter of 2007. The average deposit rate in South Africa, however, fell from 8.99 percent at the end of the fourth quarter

of 2006 to 6.64 percent at the end of the first quarter of 2007 (Chart 4.10). Consequently, the nominal spread between the average lending rate and deposit rate widened from 3.51 percent during the fourth quarter of 2006 to 5.8 percent during the first quarter of 2007.

For the first time, the South African spread is higher than the spread of 5.6 percent recorded for Namibia, which is an indication that although the cost of capital was cheaper in South Africa than in Namibia, the depositors were rewarded better for their investments in Namibia than in South Africa during the first quarter of 2007. Like in Namibia, the South African 91-day Treasury bills rate declined to 8.26 percent during the first quarter of 2007 from 8.39 percent at the end of the preceding quarter.

Chart 4.10 Selected interest rates (South Africa)

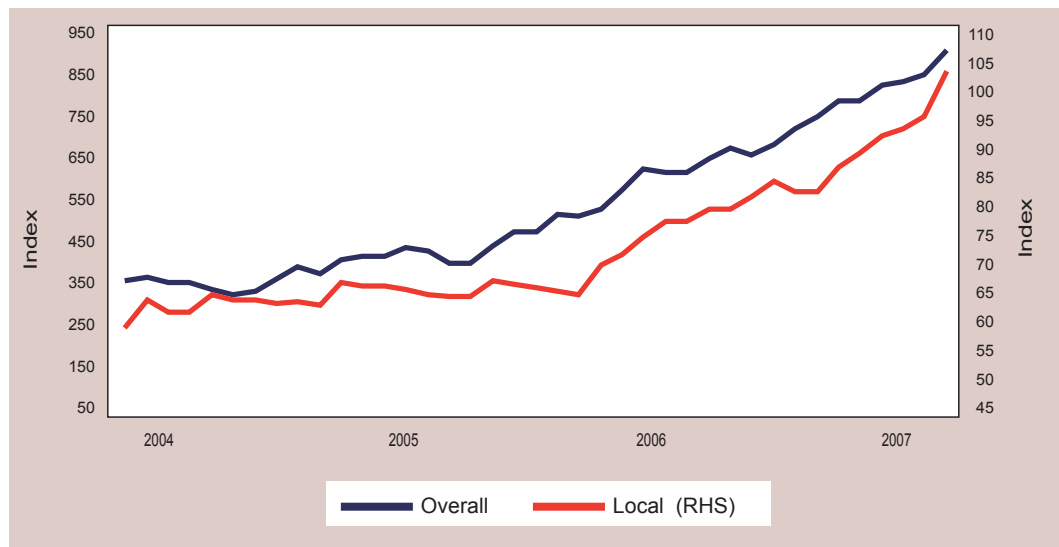


Capital market developments

Share prices

The upward trend that was observed since March 2005 in the activities on the Namibian Stock Exchange (NSX) both for locally listed and dual listed companies, continued during the first quarter of 2007. The local price index, which measures the performance of only the Namibian companies listed on the NSX, rose by 11.6 percent from 91.1 points at the end of the fourth quarter of 2006 to 102.0 points at the end of the first quarter of 2007 (Chart 4.11). As a result, the local market capitalization rose by 2.6 percent to N\$3.9 billion during the same period from N\$3.8 billion in the preceding quarter. The increase in local market capitalization is a direct result of the general appreciation in the share prices, particularly those of the financial industry. The local turnover, also, rose significantly from N\$1.6 million at the end of the fourth quarter to N\$2.9 million at the end of the first quarter of 2007. The number of deals recorded for the local market, however, decreased from 90 registered during the fourth quarter to 82 at the end of the first quarter of 2007.

Chart 4.11 NSX price indices



On the NSX, the overall price index, that measures both the Namibian companies, as well as the dual listed companies, increased by 10.1 percent during the first quarter of 2007 to reach 911 points. Consequently, the overall market capitalization increased by 15.3 percent to N\$1 282.9 billion at the end of the first quarter of 2007 from N\$1 112.5 billion recorded at the end of the fourth quarter. The positive movements in the overall market capitalization could also be attributed to the general appreciation of share prices. Similarly, to the local market, the overall turnover increased considerably from N\$528.6 million at the end of the fourth quarter to N\$1 576.7 million at the end of the first quarter of 2007. At the same time, the number of deals recorded in the overall market, mirrored the local market by decreasing to 621 deals during the first quarter of 2007 from 697 at the end of the fourth quarter of 2006.

The performance of the overall market capitalization was mainly reflected in the performance of the mining and financial sectors. The financial sector rose from N\$485.3 billion to N\$582.2 billion over the same period. Likewise, the mining sector increased from N\$530.4 billion at the end of the fourth quarter to N\$592.6 billion during the first quarter of 2007.

Government bond yield

The effective yield for most bonds issued, namely the GC10, GC12, GC15 and GC24 have mostly experienced a declining trend during the first quarter of 2007. The effective yield for the GC08, however, recorded a slight increase from 9.15 percent to 9.18 percent during the same period. The trading of the GCO7 in the primary market has been discontinued and it is set to mature in July 2007. Therefore, trading for this bond is currently taking place in the secondary market only.

5. FISCAL DEVELOPMENTS¹¹

Total debt of Central Government increased at the end of the fourth quarter of 2006/07, stemming from a rise in external debt. Domestic debt, on the other hand, declined moderately, brought about by the lower issuance of short-term debt instruments. Total Central Government guarantees at the end of the fourth quarter also decreased as a result of a decline in both domestic and foreign guarantees issued in favor of the private and state owned enterprises.

5.1 CENTRAL GOVERNMENT DEBT

The total debt of Central government increased slightly, quarter-on-quarter, by 0.9 percent to stand at N\$13.6 billion at the end of the fourth quarter of 2006/07 (Table 5.1). The increase was mainly reflected in external debt which rose, quarter-on-quarter, by 7.3 percent, while domestic debt declined by 0.5 percent. When compared to the corresponding quarter of 2005/06, total debt increased by 8.8 percent.

Table 5.1 Central Government debt (N\$ million)

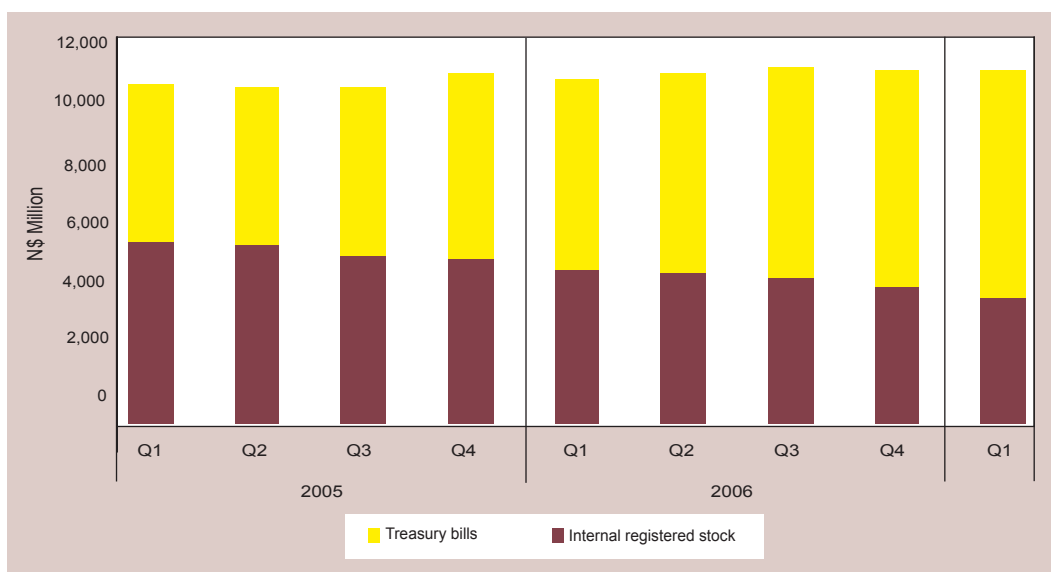
	2005/06		2006/07			
	Q3	Q4	Q1	Q2	Q3	Q4
GDP	39,622.1	39,622.1	43,983.2	43,983.2	43,983.2	43,983.2
Foreign debt stock	2,000.2	1,843.3	2,381.3	2,675.6	2,526.3	2,710.2
Bilateral	1,123.1	1,018.9	1,450.8	1,599.8	1,489.1	1,630.4
As % of total	56.1	55.3	60.9	59.8	58.9	60.2
Multilateral	877.2	824.4	930.5	1,075.8	1,037.2	1,079.8
As % of total	43.9	44.7	39.1	40.2	41.1	39.8
Foreign debt as % exports	13.5	12.5	16.1	18.1	17.1	18.3
Domestic debt stock	10,844.0	10,689.8	10,862.1	10,962.0	10,987.8	10,927.8
Treasury bills	5,117.0	4,762.8	4,655.0	4,425.0	4,250.0	3,950.0
As % of total	47.2	44.6	42.9	40.4	38.7	36.1
Internal registered stock	5,727.0	5,927.0	6,207.0	6,537.0	6,737.8	6,977.8
As % of total	52.8	55.4	57.1	59.6	61.3	63.9
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total	12,844.2	12,533.1	13,243.3	13,637.6	13,514.1	13,638.0
Proportion of total debt						
Foreign debt stock	15.6	14.7	18.0	19.6	18.7	19.9
Domestic debt stock	84.4	85.3	82.0	80.4	81.3	80.1
As % of GDP						
Foreign debt stock	5.0	4.7	5.4	6.1	5.7	6.2
Domestic debt stock	27.4	27.0	24.7	24.9	25.0	24.8
Total	32.4	31.6	30.1	31.0	30.7	31.0

¹¹ All quarters mentioned under this section are fiscal quarters and not calendar quarters; implying the fourth fiscal quarter is the first calendar quarter. Data on government operations were not available at the time of this report going for printing.

5.2 DOMESTIC DEBT

The stock of domestic debt amounted to N\$10.9 billion at the end of the last quarter of 2006/07. This represents a decrease of 0.5 percent when compared to the preceding quarter. This decrease in domestic debt stemmed from the lower issuance of treasury bills over the period under review. Issuance of long term bonds, on the other hand, continued with the upward trend experienced since the third quarter of 2003/04, recording an increase of 3.6 percent (Chart 5.1). The share of bonds to total domestic debt stock remained the dominant component in 2007, with a contribution of 63.9 percent at the end of March 2007. This is a marginal increase from 61.3 percent at the end of December 2006.

Chart 5.1 Total domestic debt by security



In terms of GDP, total domestic debt declined to 20.8 percent at the end of the fourth quarter from 25.0 percent at the end of the preceding quarter. This decline in domestic debt, as a ratio of GDP, was a positive development and augurs well for the achievement of the debt to GDP target as spelt out in the Debt Management Strategy¹².

Treasury bills

Like for the quarters ending December and March 2006, there was a short supply in the amount of treasury bills (TBs) on offer in the money market at the end of the first quarter of 2007. As shown in the table 5.2, the 182 days TBs had the highest amount on offer and also received the largest amount tendered for at the end of March 2007. The effective yield for this instrument rose, quarter-on-quarter, by 0.2 points, and year-on-year by 1.38 points. An oversubscription of N\$453.7 million at the end of the period might have driven this increase.

¹² The Sovereign debt management strategy (SDMS) set the benchmark on domestic debt at 20.0 percent of GDP. The objective of SDMS is to minimize the cost of government borrowing consistent with an acceptable degree of risk. The strategy document is intended to serve as an action plan for managing the costs and risks associated with Namibia's sovereign debt.

Table 5.2 Treasury bills (N\$ million)

	Offer	Tendered	Surplus (+) Deficit (-)	Effective yield %
91 days				
March-08	150.0	238.4	88.4	6.96
Dec-06	150.0	303.6	153.6	8.69
Mar-07	150.0	262.4	112.4	8.49
182 days				
Mar-06	400.0	948.7	548.7	7.22
Dec-06	200.0	396.6	196.6	8.40
Mar-07	300.0	754.0	453.7	8.60
365 days				
Mar-06	230.0	674.9	444.9	7.49
Dec-06	250.0	306.4	56.4	9.19
Mar-07	100.0	326.6	226.6	8.90

Bond market

As for the bond market developments, only the GC12 and GC24 stocks were issued at the end of March 2007, while there was no issuance for the GC15 stock. The amounts on offer stood at N\$40.0 million for both instruments. The GC12 received a total bid of N\$162.4 million while that for the GC24 amounted to N\$129.0 million (Table 5.3). This resulted into oversubscriptions of N\$122.4 million and N\$89.0 million, respectively. At the end of March 2007, the weighted interest rate yield to maturity (YTM) declined by 0.35 points for the GC24 and 1.29 points for the GC12 stock.

Table 5.3 Internal registered stock (N\$ million)

	Offer	Tendered	Surplus (+) Deficit (-)	Weighted YTM %
GC12				
Mar-06	40.0	138.0	98.0	8.46
Dec-06	40.0	138.5	98.5	9.29
Mar-07	40.0	162.4	122.4	8.00
GC15¹³				
Mar-06				
Dec-06				
Mar-07				
GC10¹⁴				
Dec-06	40.0	98.5	58.5	9.25
Mar-07	40.0	129.0	89.0	8.90

¹³ There was no issuance of GC15 during the quarter ending March and December 2006.

¹⁴ There was no issuance of GC10 during the quarter ending March 2006.

The oversubscription in both the money and bond market implies a high level of liquidity circulation for limited investment opportunities. This calls for concerted efforts to develop a wide range of investment instruments in the market. Otherwise, this oversubscription is a testimony for a continued outflow of funds seeking attractive investment instruments abroad.

5.3 EXTERNAL DEBT

Total external debt at the end of March 2007 was N\$2.7 billion, representing an increase of 7.3 percent when compared to the stock at the end of December 2006. This amount is 47.3 percent higher than the debt stock of N\$1.8 billion at the end of the same quarter of 2005/06. As a percentage of GDP, external debt stood at 6.2 percent, higher than 5.7 percent recorded at the end of the preceding quarter of 2006/07. The increase was mainly due to a rise in disbursements on an existing loan¹⁵ that was granted for the purchase of railway equipment to undertake one of the major activities that government has embarked upon. In addition, the weakening of the Namibia dollar against the Euro and US dollar in which the external debt is denominated, also contributed to the increase in the stock.

Bilateral loans still formed the largest portion of total foreign debt, accounting for 60.2 percent, although lower than the 58.9 percent recorded at the end of the preceding quarter. Similarly, the share of multilateral loans was lower at 39.8 percent at the end of the fourth quarter from 41.1 percent. The government is continuing with its policy of borrowing from foreign sources mainly on concessional terms. This makes debt service relatively cheaper for developing countries like Namibia since it allows for longer grace periods and maturity, as well as favourable interest rates.

Currency composition of external debt

The Euro continued to account for the largest portion of total external debt like at the end of the preceding four quarters of 2006 (Table 5.4).

Table 5.4 Currency composition for external debt stock (percentage share)

Currency	2006				2007
	Q1	Q2	Q3	Q4	Q1
Swiss Francs	0.9	0.9	0.8	0.8	0.8
Yuan Renminbi	4.7	5.0	5.7	6.9	10.3
Euro	57.4	57.5	58.5	54.1	53.7
Pound Sterling	0.3	0.2	0.2	0.2	0.2
Thousands of Yen	1.0	0.2	0.2	0.2	0.2
Kuwaiti Dinar	0.4	5.1	4.9	5.5	5.0
United States Dollar	7.5	7.6	7.6	6.8	6.6
Special Drawings Rights	2.7	1.0	1.0	1.3	0.9
Rand	25.4	22.6	21.1	24.1	22.8
Total	100	100	100	100	100

Source: MOF

At the end of the quarter ending March 2007, the proportion out of the total debt held in Euro, however declined to 53.7 percent from 54.1 percent at the end of the quarter ending December 2006. Further, the proportion of the Chinese Renminbi to the total external debt rose to 10.3 percent from 6.9 percent at the end of the same period. The increase was primarily caused by the disbursement for the purchase of railway equipment, which was extended on behalf of a parastatal. Debt denominated in US dollars also declined slightly to 6.6 percent from 6.8 percent over the same period. Similarly, the composition of the Rand in total external debt declined to 22.8 percent, down from 24.1 recorded at the end of December 2006.

5.4 CENTRAL GOVERNMENT LOAN GUARANTEES

Total loan guarantees of Central Government decreased to N\$3.7 million at the end of the fourth quarter of 2006/07, 2.5 percent lower than the level in the third quarter (Table 5.2). As a percentage of GDP, total loan guarantees represented 8.6 percent, slightly lower than 8.8 percent recorded at the end of previous quarter. The decline in government loan guarantees is a positive development because these contingent liabilities might become real if the debtors default on their obligations and it can have adverse financial implications on government.

Table 5.5 Central Government loan guarantees (N\$ million)

	2005/06			2006/07			
	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP	39,622.1	39,622.1	39,622.1	43,983.2	43,983.2	43,983.2	43,983.2
Domestic guarantees	1,410.6	1,537.9	1,494.6	1,494.6	1,505.3	1,826.1	1,760.9
As % of GDP	3.6	3.9	3.8	3.4	3.4	4.2	4.0
As % of total loan guarantees	53.6	55.7	42.6	41.1	41.2	47.3	46.7
Foreign guarantees	1,221.7	1,221.7	2,010.2	2,142.7	2,109.7	2,037.4	2,006.7
As % of GDP	3.1	3.1	5.1	4.9	4.8	4.6	4.6
As % of total loan guarantees	46.4	44.3	57.4	58.9	58.8	52.7	53.3
Total guarantees	2,632.3	2,759.6	3,504.3	3,637.3	3,615.0	3,863.5	3,767.6
As % of GDP	6.6	7.0	8.8	8.3	8.2	8.8	8.6

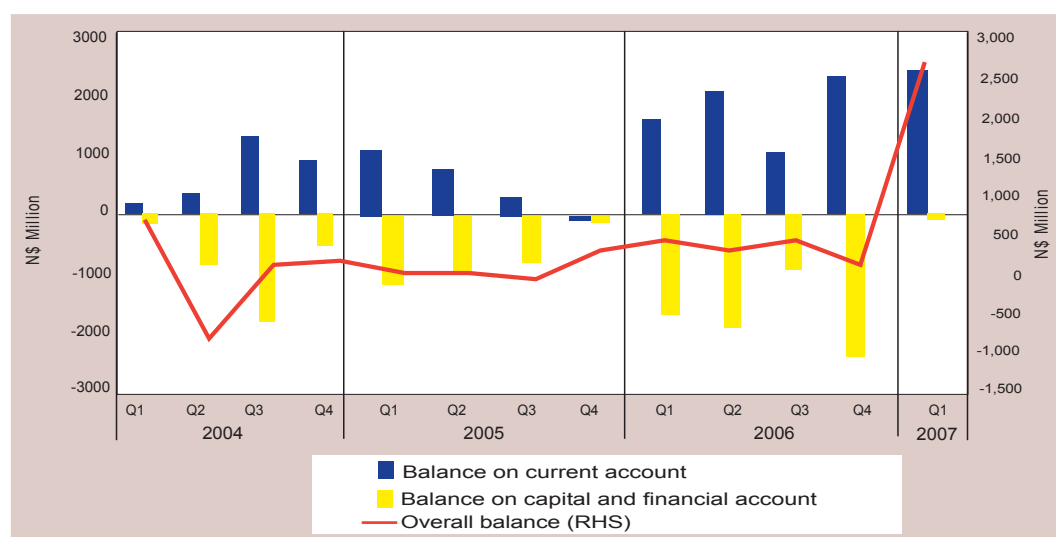
Domestic guarantees decreased by 3.6 percent to N\$1.7 billion during the fourth quarter of 2006/07 from N\$1.8 billion recorded at the end of the third quarter. This decline could be attributed to the repayment of some loans. During the same period in 2005/06, government's domestic guarantees stood at a lower level of N\$1.5 billion. Foreign loan guarantees also declined by N\$30.7 million to stand at N\$2.0 billion at the end of the fourth quarter of 2006/07. This decline was mainly due to loan repayments of N\$65.8 million that was made during the quarter. This effect on total external loan guarantees were, however, moderated by the valuation effect of the depreciation against the US dollar, which amounted to N\$35.1 million. As a percentage of GDP, domestic loan guarantees represented 4.0 percent of GDP while foreign loan guarantees accounted for a higher percentage of 4.6 percent at the end of the fourth quarter.

6. FOREIGN TRADE AND PAYMENTS

6.1 OVERVIEW OF THE BALANCE OF PAYMENTS

The balance of payments for Namibia continued recording a current account surplus and capital and financial account deficit in the first quarter of 2007. The outcome on the current account surplus was higher than the result recorded in both the preceding quarter and corresponding quarter of 2006 (Chart 6.1). The capital and financial account deficit was, however, lower than that of the preceding and corresponding quarters of 2006. As a result, the afore-mentioned developments, led to a substantially higher surplus on the overall balance of the balance of payments during the first quarter of 2007.

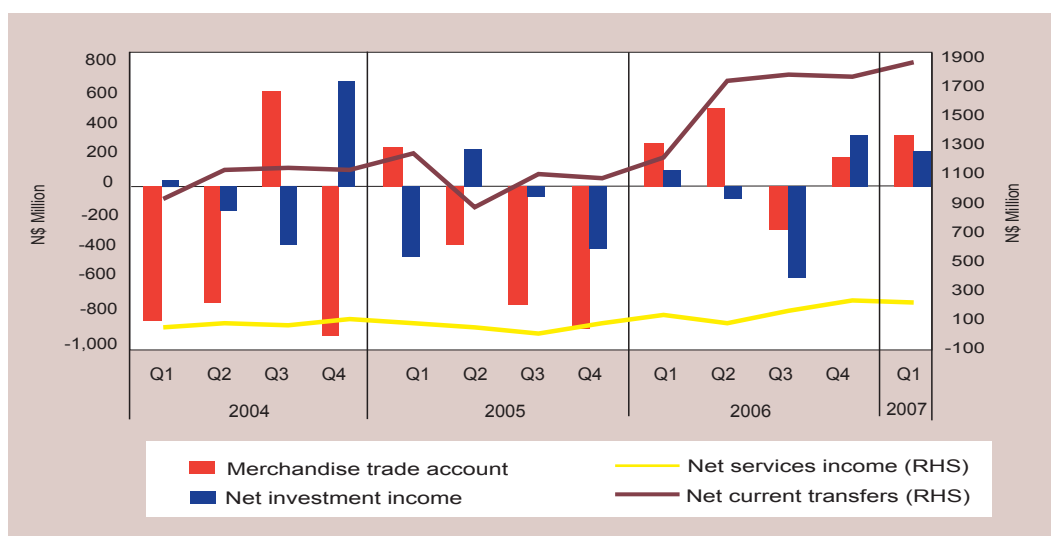
Chart 6.1 Balance of payments major accounts



6.2 CURRENT ACCOUNT

The first quarter of 2007 saw the current account recording a surplus of N\$2.6 billion. This was higher than both the surpluses of N\$2.5 billion and N\$1.7 billion recorded during the previous quarter and corresponding period of 2006, respectively. These developments were mainly reflected in the higher net inflows in services, current transfers and merchandise trade. There were, however, lower net inflows in investment income during the quarter ending March 2007. The higher international mineral prices that continued influencing certain export earnings from mineral exports were the main drivers behind the improved merchandise trade surplus. SACU receipts continued dominating the developments in current transfers during the first quarter of 2007 (Chart 6.2), and ensured a continued surplus observed on the overall current account.

Chart 6.2 Current account sub-accounts



Namibia’s merchandise export earnings for the first quarter of 2007 like the expenses on imports declined. The decline in merchandise exports was mainly a result of the volume of diamond exports that fell, quarter-on-quarter, by 31.8 percent. The export volume of copper and silver also declined on a quarterly basis. There was, however, an improved *merchandise trade surplus* as a result of a higher decline in imports relative to that of exports. Merchandise imports fell quarter-on-quarter due to seasonal factors; the fourth quarter of each year has high levels compared to the first quarter. The value of merchandise exports fell by 8.2 percent, quarter-on-quarter, to N\$4.6 billion while the value of imports over the same period declined by 11.3 percent to N\$4.3 billion. The *merchandise trade account* as a result recorded a surplus of N\$311.0 million during the first quarter of 2007 compared to N\$179.0 million and N\$261.0 million during the preceding quarter and corresponding quarter of 2006, respectively (Chart 6.2).

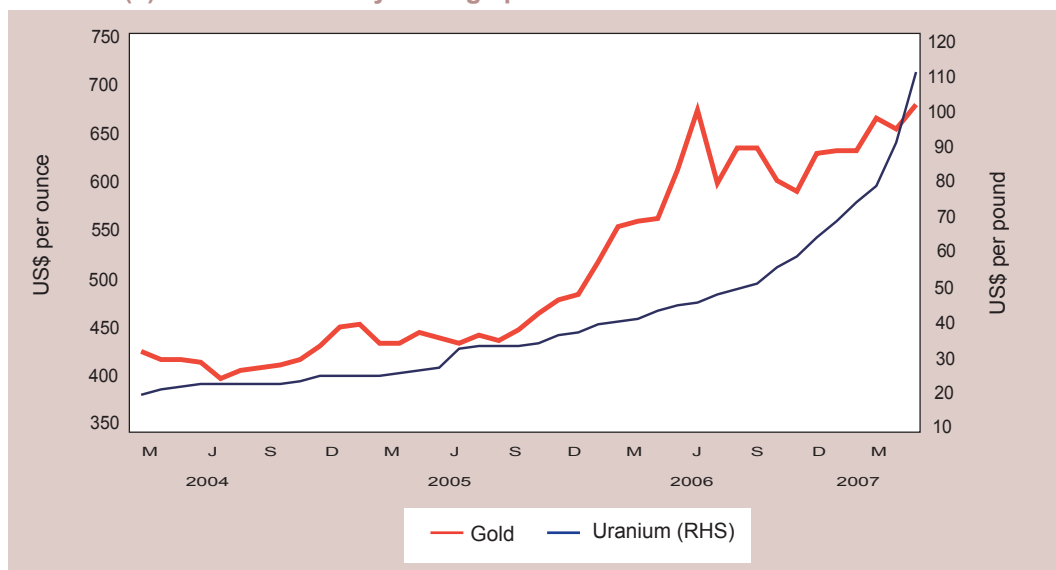
The Namibian economy is primarily driven by the primary industry, in particular the mining and quarrying¹⁶ sector. The categories *diamonds* and *other mineral products* remain the mainstay for foreign exchange earnings for Namibia. Diamond export earnings, the key driver in the mining sector, amounted to N\$1.2 billion in the first quarter of 2007. This represents a decline of 44.0 percent from an export earning of N\$2.1 billion in the fourth quarter of 2006. Year-on-year, diamond export earnings declined by 33.6 percent from N\$1.8 billion. The observed decline was reflected in relatively lower volumes of diamonds exported. Quarter-on-quarter, the volume fell by 206.4 thousand carats to 443.4 thousand carats exported. On an annual basis the decline was by 161.9 thousand carats.

During the first quarter of 2007, exports earnings of the category *other mineral products* contributed to the positive outcome on the merchandise trade sub-account. Quarter-on-quarter, export earnings of this category grew by 20.0 percent to N\$1.4 billion mainly on account of mineral export earnings like gold and concentrated zinc. The increase in *other mineral product’s* export receipts is attributed to higher export volume of zinc that outweighed the effect on export earnings of the decline in zinc prices (Chart 6.3a). The prevailing higher

¹⁶ Other than mining, the primary industry in Namibia includes fishing and agriculture.

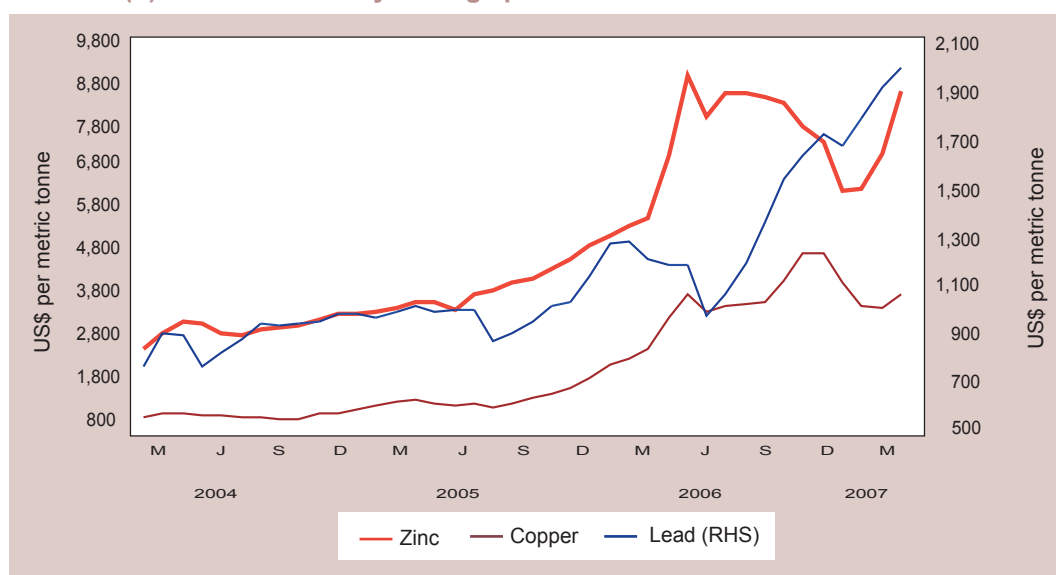
international prices of copper, uranium¹⁷ and gold¹⁸ (Chart 6.3(a) and 6.3(b)) also had a positive impact on increased export earnings of the respective minerals.

Chart 6.3(a) Metal monthly average prices



Source: London Gold Price & IMF

Chart 6.3(b) Metal monthly average prices



Source: London Gold Price & IMF

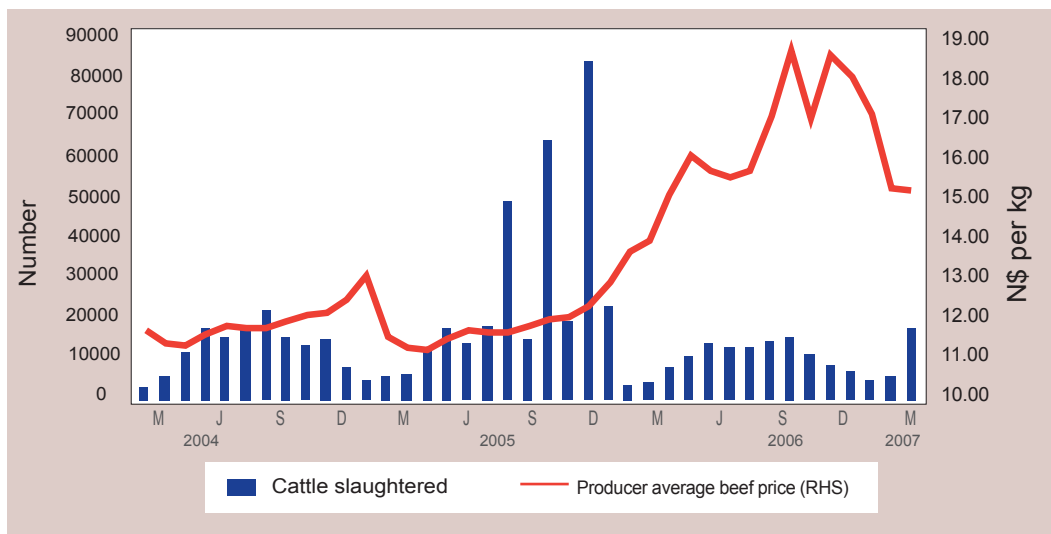
The value of exports of *food and live animals* category increased by N\$92.8 million, quarter-on-quarter, to N\$529 million during the first quarter of 2007. This was mainly reflected in the

¹⁷ Increased demand for uranium in the world for energy has put an upward pressure on the price.

¹⁸ Rising demand for gold products in China and India has effectively put an upward pressure on gold price.

rise observed in the sub-category *live animals*¹⁹, by N\$124.0 million, quarter-on-quarter, to N\$210.6 million. This was probably attributed to the fact that farmers eventually realized that the rainfall levels for 2006/7 rain season was noticeably poor and thus leading to poor grazing²⁰. This might have prompted the sale, and in turn, the substantial increase in the export of live animals for both *cattle and small stock* sub-categories, as farmers are reducing livestock levels in fear of imminent drought. The high prices for beef and mutton that prevailed in the preceding quarter declined but could not offset the effect of high volumes on the export values (Chart 6.4). Year-on-year, this category rose albeit at a low rate of 9.8 percent.

Chart 6.4 Number of cattle slaughtered for exports and prices



Source: Meat Board

The export value of manufactured products rose, despite reported declines in some of the sub-categories such as *meat and meat preparations* during the first quarter of 2007. An export earning of N\$1.5 billion was recorded, 16.6 percent higher than the amount in the fourth quarter of 2006. This rise was reflected in the export value of the sub-categories of processed fish and mineral products, particularly zinc that rose, quarter-on-quarter. The rise in processed fish exports was seen mainly in the demersal fish, in particular, the hake. Zinc exports, a key element under manufactured exports, increased, quarter-on-quarter by 13.7 percent to N\$908.1 million despite lower prices observed in the quarter (Chart 6.3b). The rise was driven mainly by the volume that rose by 46.7 percent, quarter-on-quarter, in the first quarter of 2007.

The export value of other sub-categories *meat and meat preparations* and *beer and soft drinks* declined, quarter-on-quarter. The export value of *meat and meat preparations* fell, quarter-on-quarter, by 26.9 percent to N\$182 million, while that for *beer and soft drinks* fell by 37.0 percent to N\$39.7 million. The observed decline in *meat and meat preparations* was a reflection of relatively lower producer beef prices (Chart 6.4), while that observed for *beer and soft drinks* was caused by a decline in the volumes exported and was further augmented by a high-seasonal export base during the previous quarter.

¹⁹ Mainly live cattle and small stock.

²⁰ The lifting of the export ban on live small stock could have also led to the increased number exported.

Like in the preceding eight quarters, Namibia remained a net exporter of *services* (Chart 6.2). This implies that income received on services rendered continued outweighing the payments for the services received. The first quarter of 2007 recorded an estimated net inflow of N\$385 million, which is N\$142 million higher, quarter-on-quarter, and N\$241 million more, year-on-year. The sub-category *travel* is estimated to have continued recording net inflows of N\$631 million during the first quarter of 2007, higher than the N\$554 million in the fourth quarter of 2006. This is mainly attributed to Namibia's tourism sector of which the peak performance during the fourth quarter of each year has been extended to the first quarter. Further, traveling to Namibia continued to be influenced positively by overseas publicity, following the visits of well-known movie stars. Aggressive marketing, especially for the German market also added to the increase of the visitors to Namibia.

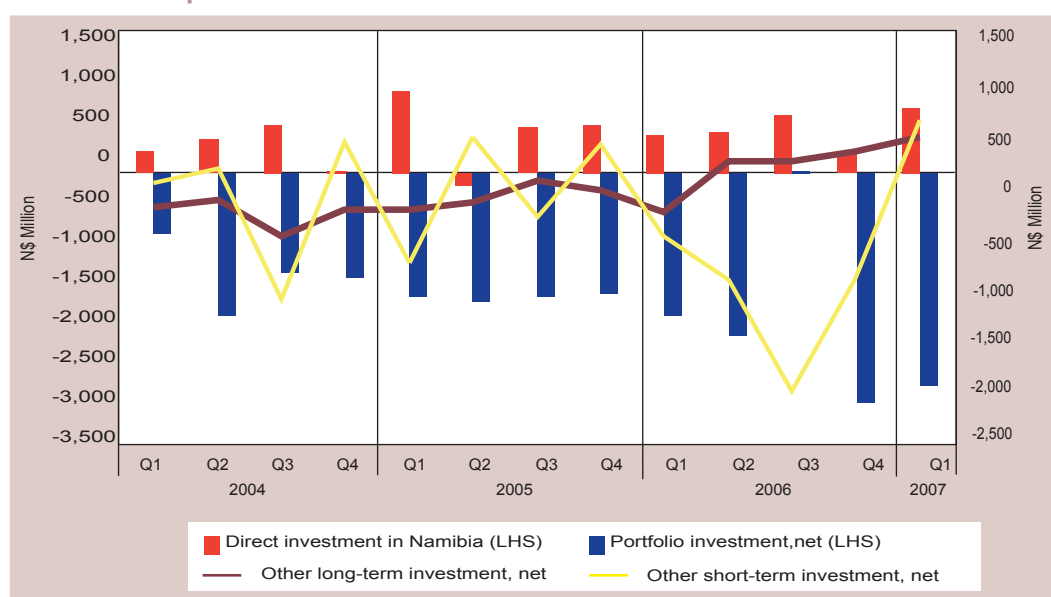
Like in the preceding quarter, a net inflow was realized in the sub-category *investment income* during the first quarter of 2007, though lower than that of the preceding quarter but higher than that of the corresponding quarter of 2006 (Chart 6.2). A net inflow of N\$212 million, compared to that of N\$317 million in the preceding quarter and N\$105 million in corresponding quarter of 2006 was recorded. The reduction in net inflow was mainly reflected in the outflows in the form of dividends and retained earnings. It also reflected that the return on foreign held investments by residents, especially in portfolio investments continued yielding better returns.

Net current transfers receivable during the first quarter of 2007 rose when compared to the fourth quarter of 2006. This sub-category increased by 5.5 percent, quarter-on-quarter to N\$1.8 billion. The rise was attributed to the transfers received for the use of the Rand supported by the dominant SACU receipts that retained its high levels of the previous quarter. *Private current transfers*' receivable remained constant at N\$37 million as in the previous quarter during the first quarter of 2007. However, year-on-year, *current transfers* receivable rose remarkably by 53.5 percent, mainly on account of *SACU receipts* and *withholding taxes*. As stated above, SACU receipts during the first quarter of 2007 stayed at the same level (N\$646 million) as in the previous quarter. Higher of SACU transfers translated into a significant increase of 62.8 percent, year-on-year. *Withholding taxes*, on the other hand, declined by 5.4 percent, quarter-on-quarter to N\$26 million, but increased substantially, year-on-year, by N\$13 million during the first quarter of 2007.

6.3 CAPITAL AND FINANCIAL ACCOUNT

Like in the four quarters of 2006, the capital and financial account remained in deficit albeit at a much lower level. The deficit amounted to N\$118 million compared to deficits of N\$2.5 billion and N\$1.8 billion in the preceding quarter and corresponding quarter of 2006. Such a low level of deficit was a reflection of higher levels of net inflows in other investments (short and long term) that supported those of foreign direct investment into Namibia (Chart 6.5). The category *portfolio investment*, on the other hand, continued to record net outflows in the first quarter of 2007, like in the preceding quarters of 2006. The net outflows reported for the first quarter of 2007 were, however slightly lower than those of the preceding quarter, but much higher than those of the corresponding quarter of 2006.

Chart 6.5 Capital and financial account sub-accounts



Direct investment into Namibia increased substantially by N\$572.8 million during the first quarter of 2007 to reach N\$883 million (Chart 6.5). Year-on-year, this category of investment increased by N\$347.4 million. This outcome was mainly reflected in liabilities to direct investors that rose quarter-on-quarter, by N\$181.4 million supported by an improvement in outflows of the sub-category *retained earnings*. *Reinvested earnings* outflows slowed down substantially by N\$223.1 million to register a net outflow of N\$134 million during the first quarter of 2007. The quarter-on-quarter decline was a result of losses incurred by investors during the first quarter. Year-on-year, *reinvested earnings* also declined substantially during the first quarter from N\$242 million. The sub-category other capital recorded a substantial inflow of N\$231 million compared to an outflow of N\$1.3 billion during the fourth quarter of 2006. The inflow in other capital shows that subsidiaries in Namibia borrowed funds from their non-resident parent companies during the quarter. The overall *equity capital* inflows, on the other hand, declined recording an inflow of N\$786 million compared to N\$2.0 billion during the preceding quarter.

The *portfolio investments* sub-account recorded a net outflow of N\$2.8 billion during the first quarter of 2007, remaining almost constant quarter-on-quarter (Chart 6.5). Investments in *equity assets* and *debt instruments* recorded net outflows of N\$2.1 billion and N\$768 million, respectively during the first quarter of 2007. *Portfolio investment* is an outlet through which excess Namibian funds leave the country for investments abroad. As a result, this sub-account usually displays a relatively large amount of capital outflow. Although the outflow of funds for investment purposes could have a positive side, given the investment income generated for the country, it would appear to also indicate a lack of investment opportunities in Namibia and hence the need for financial sector deepening.

During the first quarter of 2007, *other long-term investment* recorded an estimated net inflow of N\$682 million (Chart 6.5). An estimated net inflow of N\$547 million was recorded in the preceding quarter, while a net outflow of N\$100 million was realized in the corresponding quarter of 2006. Apart from the sub-category *other sectors*, other sub-accounts, viz. banks

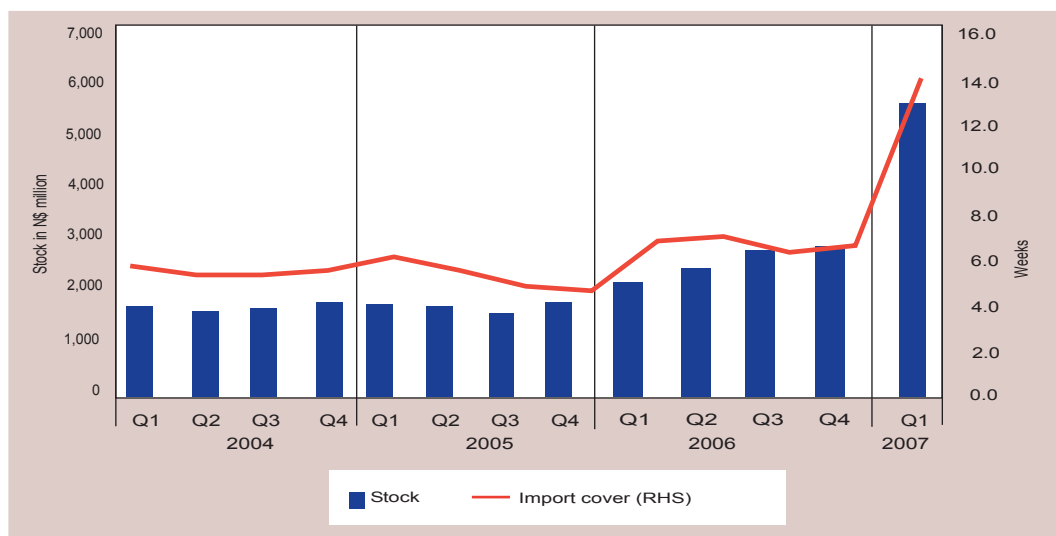
and Government increased their foreign liabilities during the first quarter of 2007, albeit lower than in the preceding quarter. Other sectors incurred liabilities of N\$495 million which was more than the N\$159 million recorded in the fourth quarter of 2006, while banks incurred long-term liabilities of N\$154 million compared to that of N\$351 million during the fourth quarter of 2006. Similarly, Government also incurred long term liabilities during the first quarter of 2007 to the tune of N\$33 million compared to that of N\$38 million. Year-on-year, net inflows in *other long term investments* rose by N\$782 million from a net outflow of N\$99 million.

Other short-term investments recorded a net inflow of N\$864 million during the first quarter of 2007, whereas a net outflow of N\$825 million was recorded in the previous quarter (Chart 6.5). The corresponding period of 2006 also registered a net outflow of N\$365 million. The overall outcome of this category was a reflection of the *banks'* decision to reduce their foreign assets by N\$964 million during the first quarter of 2007. Banks also reduced their foreign liabilities by N\$62 million, resulting in a net inflow of N\$903 million. The sub-category other sectors reduced their foreign assets by N\$9 million and foreign liabilities by N\$48 million. This resulted in a net outflow of N\$39 million, whereas a net outflow of N\$87 million was recorded during the fourth quarter of 2006.

The developments in the current-and the capital and financial account resulted in an overall surplus of N\$2.8 billion in the overall balance of payments. The continuing surplus on the current account, an indication of excess savings, continues to portray a positive image for the Namibian economy.

During the first quarter of 2007, the *stock of international reserves* under the control of the Bank of Namibia rose by N\$2.8 billion, quarter-on-quarter, and N\$3.4 billion, year-on-year. Such an increase resulted into a stock of international reserve of N\$5.7 billion at the end of the first quarter of 2007 (Chart 6.6). This level of international reserves represented 14.2 weeks of import cover, which is much higher than 6.8 and 6.9 weeks of import cover for the preceding quarter and corresponding quarters of 2006, respectively. It is also higher than the 3 months of import cover as advocated by the International Monetary Fund.

Chart 6.6 Quarterly international reserve stocks and import cover

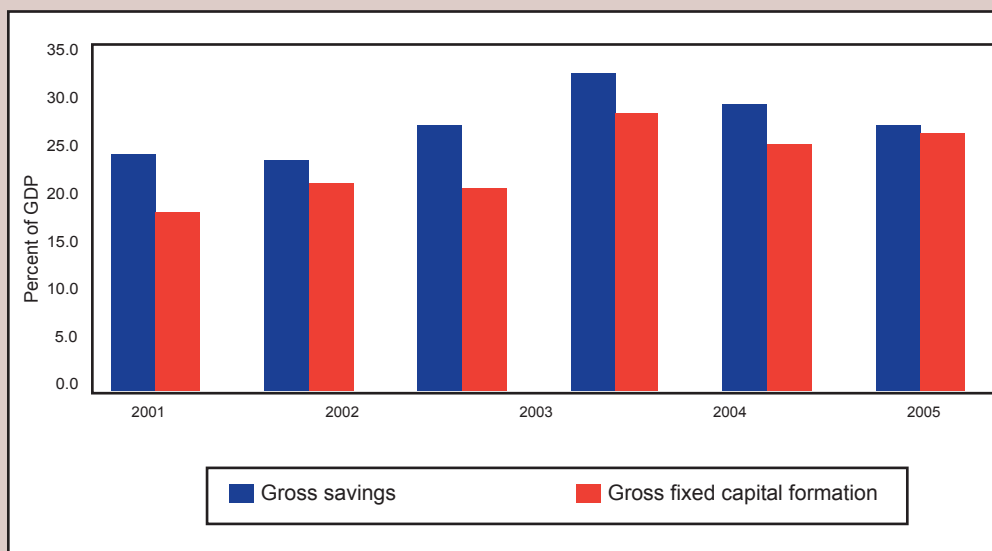


BOX B: MEASURES TO CURB CAPITAL OUTFLOWS

1. BACKGROUND

The Namibian economy is characterized by a robust and diversified financial sector and this makes it possible to mobilize savings from a large number of clients²⁶. For the past years the country has generated substantial amount of savings from pension and insurance funds that resulted in high domestic savings, although investment and economic growth have performed sluggish. In contrast to many other emerging market economies, the saving ratio of the Namibian economy is higher than its investment ratio. Chart 1 shows the Namibian gross national savings and investments as percent of GDP over the period of 2000 through 2005. The gross national savings averaged to N\$9.1 billion and investments averaged N\$7.9 billion over the six years period. Based on preliminary data, it is estimated that the positive savings gap has further widened to about 18 percent of GDP in 2006, due to robust export performance and substantial SACU receipts.

Chart 1 Namibia savings and investment (as % of GDP)



The lack of active domestic investment demand, coupled with the ineffective means to channel savings towards investment projects, is largely responsible for this trend. Consequently, with investment lower than national savings, most of the savings is channelled out of Namibia instead of being invested locally. Namibia has a well developed contractual savings sector, comprised, amongst others, of pension funds and life insurance companies. The capital outflows through these institutions, mostly in the form of portfolio investments, constitute a major portion of outflows experienced over the years by the Namibian economy. The capital outflow situation was exacerbated in recent years because of the very low net borrowing requirement of the central government in the face of a much improved fiscal situation.

²⁶ Uanguta, E. et al. (2004): "The structure and Nature of Savings in Namibia". Bank of Namibia Occasional Paper.

Against the above backdrop, the objectives of this article are to explore alternative ways that would curb capital from flowing out of the country. The remainder of the article is structured as follows: after the background, section 2 covers the impact of capital outflows on the economy, section 3 describes the existing measures to curtail the outflows, section 4 touches on the measures to address capital outflows, and section 5 draws conclusions.

2. IMPACT OF THE CAPITAL OUTFLOWS ON THE ECONOMY

Outflows of resident capital from Namibia have been rising and the argument can be raised that, had this capital been available domestically, it could have encouraged domestic investment and enhanced economic development. The funds obtained from government borrowing are used to promote the national objectives, that is, generation of employment, poverty reduction, among others. The large capital outflows, therefore, pose an increasing concern to the government and other stakeholders, as the country needs those resources to create employment and for economic growth.

This is evident in the high-performance East Asian economies where, despite low initial GNP per capita, the rates of gross domestic saving and gross domestic investment in that region were higher than in any other region and gave rise to some of the highest economic growth rates. High levels of investment, by both domestic and foreign firms, have contributed to the impressive growth rates achieved in Asia.

High savings and investments are, on the other hand, not unqualified explanations for development and growth; they can only perform the role of engine of growth in a healthy macro-economic environment and coherent and consistent long-term policy.

Moreover, capital outflow tends to limit domestic investments and much needed funding of SMEs for the production of goods and services. This is despite the fact that access to finance by Namibian SMEs/ entrepreneurship remains a matter of great concern. The challenge for Namibia is, therefore, to find ways for retaining domestic savings and translating it into productive investment resulting in developed financial markets and high economic growth.

3. MEASURES IN PLACE TO CURTAIL CAPITAL OUTFLOWS

The need to develop the domestic financial markets and hence increasing the availability of funding for local projects, has caused the Government of Namibia to issue regulation 28 of the pension funds act and regulation 15 of the long-term insurance act. These regulations require the institutional investors to invest 35 percent of assets under their management in the domestic market.

Partly in compliance with these regulations, institutional investors invest some of their assets in shares of companies dual-listed on the Namibia Stock Exchange. This practice was, however, construed to make the regulation somewhat ineffective as not all the capital invested in the dual-listed companies will be retained in the domestic economy. To date there are 26 companies listed on the Namibia Stock Exchange of which 7 are primary listed Namibian companies.

The above development prompted the Minister of Finance to announce further measures to enhance the effectiveness of regulations 28 and 15 in her budget speech of 2007. The proposed measures entail that the institutional investors be required to invest a minimum of 5 percent in unlisted securities in Namibia. Additionally, the investment in dual listed companies is to be gradually reduced to 10 percent as a qualification for meeting the domestic investment requirement over a period of five years. The intention is to reduce the extent to which investments in dual-listed companies qualify for Namibian investments from the current 100 percent to 30 percent in the first year of the implementation. Over the next four years the ratio is to be reduced further to 25 percent, 20 percent, and 15 percent and to 10 percent in the fifth year.

It could still be expected that even after the new measures are put in place, capital outflow will still continue. Moreover, concerns have been raised that the proposed amendment may not adequately reduce capital outflows but rather introduce some risk to the financial system.

4. NEW PROPOSED MEASURES TO ADDRESS THE CAPITAL OUTFLOWS

As stated earlier, there are regulations in place pertaining to the investment by the institutional investors. In this year budget, further attempts to curb capital outflows were announced, as alluded to earlier. Restrictions on capital outflows for institutional investors bear the risk of decreasing the efficient allocation of savings and, therefore, the returns on capital. Measures to promote financial market development in Namibia might, therefore, be a better way to reduce capital outflows. Some of the measures that could strengthen foreign reserves and help keep domestic savings in the country in the long term, as per the suggestions of the IMF²⁷ include market-based strategies-such as asset securitization and open-market purchases of foreign exchange.

These proposed measures were suggested against the background that, although the regulatory restrictions on the institutional investors are said to be necessary for economies with undeveloped financial market and poor supervisory of the financial institutions, they tend to have negative impact on the allocation of assets and thereby returns on investment. The subsequent section briefly discusses the proposed measures that could be used as investment vehicles to absorb the excess funds and ensure profitable returns.

4.1 Asset securitization

Asset securitization involves the conversion of illiquid assets into a security, that is, an instrument that is issued and can be traded in a capital market. Assets that have been converted in this manner include residential mortgages, vehicle finance, credit card receivables, leases and utility payments.

Asset-backed instruments may take a wide range of forms. They may pay interest at fixed or floating rates; they may be short or long in term; they may have a fixed maturity or be pre-payable or callable under a variety of conditions. Some are publicly issued and others privately placed; some denominated in local currency and others in

²⁷ IMF (2007) IMF Executive Board concludes 2006 Article IV consultation with Namibia, Public Information Notice (PIN) No. 07/14-online: www.imf.org/external/np/sec/pn/2007/pn0704.htm.

foreign currency. In general, the securities represent an accommodation between the originator's needs, the payment characteristics of the assets, and investors' preferences and constraints.

Generally, for a securitization programme to be successful, the assets to be securitized must all be similar and have two attributes: first, they should generate stable cash flows both of income and of principal, which can be readily forecasted and which can be used to service the obligations of the instruments being issued under the securitization programme; and second, they must carry a low level of risk, to minimize the chance of loss for the investors.

The benefits for investors in the asset-backed bonds are that the bonds generally offer a low level of risk, because of the quality of the asset backing and the high yield compared to similar low-risk investments; and the investor is better able to assess the level of risk, in that the assets backing the instruments are all from a narrowly defined class.

The effects of securitization on the economy can be substantial. If introduced, it offers gains from capital market development, as more high-quality securities are added to the fixed-income market. There is a potential of financing infrastructure projects that produce reliable revenue streams capable of being contractually assigned to a separate legal entity. Overall, there is a strong argument favouring the growth of asset securitization in the countries with developing capital markets.

4.2 PRIVATE EQUITY AND VENTURE CAPITAL

Private equity funds take management control of the companies in which they invest and often bring in new management teams that focus on making the company more valuable. Venture capital is a form of private equity, the capital is provided by specialized and professionals for new growth businesses. New and developing enterprises are sometimes faced with the uncertain and difficult process of obtaining capital to build or grow their business. In many situations, accessing private equity is the most viable funding alternative for a growth oriented company. They are generally accessed by companies that do not have the operating history or track record to access lower cost capital alternatives, but need capital for growth or expansion. Private equity and venture capital funds are still in their infancy stage in Namibia in terms of number of institutions. Currently, only Stimulus Private Equity and Oshipe development fund are operational. The former undertakes any type of equity investment in an asset in which the equity is not freely tradable on a public stock market. Further establishment and development of these institutions would be a step closer towards addressing the saving-investment gap.

The other option to absorb excess funds and create more investment opportunities, is for the state-owned enterprises to borrow from the market to finance their investments by issuing corporate bonds guaranteed by the government.

5. CONCLUSION

In conclusion, in order for Namibia to retain the domestic savings, it has to develop its financial markets with attractive instruments. Deepening the financial markets does not just mean creating new instruments, it means having a more diversified market as well.

6.4 EXTERNAL DEBT ²¹

At the end of the first quarter of 2007, the Namibia's total stock of foreign debt was estimated at N\$10.1 billion. This represents an increase of N\$755 million, quarter-on-quarter. On a year-on-year basis, the stock of foreign debt also rose more by N\$911 million (Table 6.2).

Table 6.2 Total foreign debt of Namibia (N\$ million)

	2005		2006				2007
	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Foreign Debt Outstanding	5,227	8,538	9,199	6,216	6,113	9,355	10,110
Central Government	1,951	2,000	1,843	2,381	2,676	2,526	2,710
Parastatals	1,308	1349	1,334	1,442	1,510	1,477	1,517
Private sectors	1,968	5,189	6,022	2,393	1,927	5,352	5,883
Foreign debt services	1,778	595	648	570	688	793	411
Central Government	22	54	29	46	95	51	55
Parastatals	410	19	25	5	3	1	14
Private sectors	1,347	522	594	519	590	740	341
Percentage							
Outstanding Debt Q-on-Q	37.2	63.3	7.7	-32.4	-1.7	53.1	8.1
Debt Service Q-on-Q	177.7	-66.5	8.9	-12	20.7	15.3	-48.2
Debt Service to Exports F.o.B	58.4	15.9	16.6	13.2	14.6	15.7	9.2
Memorandum item							
Exports FoB	3,046	3,734	3,900	4,315	4,696	5,046	4,631

The quarter-on-quarter decrease in outstanding foreign debt at the end of the first quarter of 2007 was reflected mainly in the sharp decline by N\$626 million to N\$5.2 billion in the stock of private sector²² outstanding debt. The effect of the decline on total outstanding debt was offset by the rest in the portion that belong to the Central Government that increased by N\$184 million to N\$2.7 billion at the end of the first quarter of 2007. Over the same period, that of parastatals also rose only by N\$40 million to N\$1.5 billion.

The debt service that has been increasing, quarter-on-quarter, since the third quarter of 2006, recorded a decline of N\$382 million during the first quarter of 2007 from N\$793 million during the previous quarter. This was mainly ascribed to the substantial decline in the stock of private sector's outstanding debt (Table 6.2). Year-on-year, there was also a decline of N\$237 million from N\$648 million in foreign debt services during the same period. In line with increasing debt stock of Government, Central Government debt service increased, quarter-on-quarter, to N\$55 million from N\$51 million during the first quarter of 2007. Foreign debt service of parastatals also increased remarkably from N\$1 million during the fourth quarter of 2006 to N\$14 million during the first quarter of 2007.

²¹ In this section, external debt consists of that of Central Government, Parastatals and Private Sector. Figures are preliminary, except for Government, and are subject to change when actual data becomes available.

²² Private sector debt is mostly both inter-company loans and trade credits by nature, and developments in the trend are mostly determined by the agreements arising on how such type of liabilities need to be paid off.

As a percentage of merchandise exports, debt service fell substantially, quarter-on-quarter, to 9.2 percent at the end of the first quarter of 2007 from 15.7 percent at the end of the preceding quarter. When compared to the corresponding quarter of 2006, debt service as a percentage of merchandise exports also dropped remarkably from 16.6 percent.

6.5 INTERNATIONAL INVESTMENT POSITION

The international investment position (IIP) at the end of the first quarter of 2007 continued to record a net asset position. The net position was, however, higher than both that of the preceding quarter and corresponding quarter of 2006 (Table 6.3). The net asset position of the country stood at N\$14.8 billion, an increase from N\$10.9 billion and N\$7.9 billion at the end of the preceding quarter and corresponding quarter of 2006, respectively. A substantial increase in the total assets held abroad is what mainly caused the higher net asset position in the first quarter of 2007.

Table 6.3 International investment position (N\$ million)

Types of international investments	2005			2006				2006
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Assets	26,845	31,461	29,840	35,791	40,622	44,922	41,676	45,597
Direct Investment Abroad	259	106	162	198	796	852	51	121
Portfolio Investments	22,738	27,803	25,901	30,895	34,479	37,715	31,412	34,457
Other Investments	2,103	1,935	1,916	2,445	2,853	3,478	7,274	5,281
International Reserves	1,744	1,617	1,861	2,253	2,494	2,877	2,939	5,739
Liabilities	26,338	21,085	26,083	27,908	26,123	26,112	30,789	30,781
Direct Investment in Namibia	17,853	14,049	15,518	16,195	16,918	18,052	19,416	18,803
Portfolio Investments	387	387	585	584	584	584	584	584
Other Investments	8,098	6,649	9,981	11,129	8,621	7,476	10,789	11,394
Net asset (+)/liability (-)	507	10,376	3,757	7,883	14,499	18,810	10,887	14,816

Total assets held abroad rose to N\$45.6 billion from N\$41.7 billion in the preceding quarter and N\$35.8 billion in the corresponding quarter of 2006. This was reflected in both portfolio and international reserves in the control of the monetary authority that increased sharply, offsetting the decline in other investments. The portfolio investments stock rose during the same period due to an increase in equity securities offshore. Reserves rose by 95 percent from N\$2.9 billion at the end of the fourth quarter of 2006 to N\$5.7 billion at the end of the first quarter of 2007. This increase can mainly be attributed to SACU revenue received during the quarter (N\$3.1 billion), which includes a windfall of N\$1.5 billion. Namibian assets held as direct investment abroad increased from a level of N\$51 million to N\$121 million. Other investments however, fell quarter-on-quarter to N\$5.3 billion from N\$7.3 billion.

On the liability side, the stock rose slightly to N\$30.8 billion. Direct investments into Namibia, supported by other investments, continue to influence developments on the stock of foreign liabilities (Table 6.3). Direct investments into Namibia fell to N\$18.8 billion from N\$19.4 billion at the end of the first quarter of 2007, although higher than N\$16.2 billion recorded at the end of the corresponding quarter of 2006. Other investments into Namibia, however, rose by 6.0 percent to N\$11.4 billion during the same period, which is also slightly higher than N\$11.1 billion recorded at the end of the first quarter of 2006.

6.6 EXCHANGE RATES²³

The Namibia Dollar appreciated quarter-on-quarter against the US Dollar during the first quarter of 2007 after depreciations during the previous two quarters. The Namibia dollar, however depreciated against the British Pound and Euro during the same period. The Namibia Dollar (NAD) appreciated quarter-on-quarter against the US Dollar to trade at a quarterly average of N\$7.2350. The Namibia Dollar depreciated quarter-on-quarter to trade at quarterly average of N\$14.1423 against the Pound Sterling and N\$9.4837 against the Euro. This represents a slight depreciation, quarter-on-quarter, of 0.9 percent and 0.5 percent against the Pound Sterling and Euro, respectively (Table 6.4 and Chart 6.7). The local currency appreciated further during the month of April 2007 when compared to the first quarter of 2007, trading at a monthly average of N\$7.1216 against the US dollar. Over the same period, however the Namibia dollar depreciated further to trade at a monthly average of N\$14.1669 and N\$9.6207 against the Pound Sterling and Euro, respectively.

Table 6.4 Exchange rates- NAD per respective foreign currencies

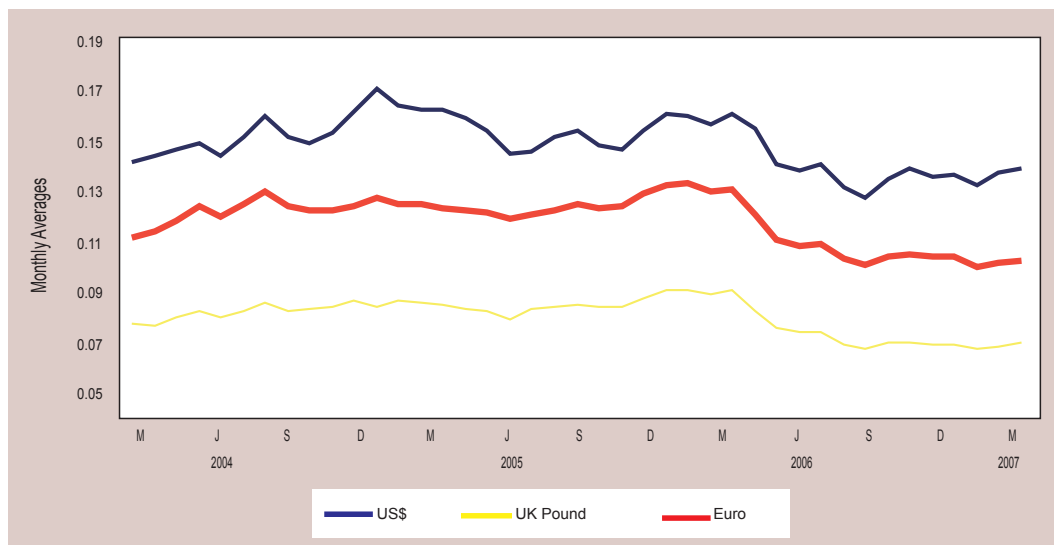
Period	Quarterly averages			Changes (%)					
				Quarter-on-quarter			Year-on-year		
	US\$	GBP	Euro	US\$	GBP	Euro	US\$	GBP	Euro
2005									
Q3	6.5088	11.6126	7.9386	1.5	-2.4	-1.7	2.1	0.2	1.9
Q4	6.5307	11.4200	7.7679	0.3	-1.7	-2.2	7.8	-0.4	-0.9
2006									
Q1	6.1537	10.7849	7.4038	-5.8	-5.6	-4.7	2.6	-5.0	-6.0
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	12.0	22.7	21.5
2007									
Q1	7.2350	14.1423	9.4837	-1.1	0.9	0.5	17.6	31.1	28.1

Source: SARB

²³ The NAD trades one to one against the South African Rand (ZAR) and is therefore referred to interchangeably. The listed rates are mid rates in domestic currency, unless mentioned otherwise. The rates referred to in this section are period averages for the respective exchanges rates.

On an annual basis during the first quarter of 2007, the Namibia Dollar depreciated sharply by 17.6 percent, 31.1 percent and 28.1 percent against the US Dollar, Pound Sterling and Euro, respectively.

Chart 6.7 Foreign currencies per Namibia Dollar



Source: SARB

Trade weighted effective exchange rates²⁴

The trade weighted effective exchange rate appreciated during the first quarter of 2007, when compared to the depreciations observed during the past three quarters of 2006. The nominal effective exchange rate index (NEER) of the Namibia Dollar appreciated, slightly by 0.9 percent, quarter-on-quarter, to reach an index of 93.8.

Similarly, the real effective exchange rate (REER), which is a proxy for the measure of competitiveness in certain Namibian exports rose slightly, quarter-on-quarter, by 0.8 points to reach an index level of 88.8. The rise in the REER showed the magnitude by which Namibian exports had lost competitiveness on the international markets.

²⁴ 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, that of Namibia and each of the major trading partnersm vis., South Africa, USA, Germany, Spain, Japan and UK.

APPENDIX A

SPEECH BY TOM ALWEENDO, GOVERNOR BANK OF NAMIBIA, AT THE ANNUAL DR. SAM NUJOMA PUBLIC LECTURE SERIES,

22 MAY 2007, WINDHOEK

Ladies and Gentlemen:

Let me first thank the organizers of this event for inviting me as a speaker. The organizers requested me to speak on the topic “Economic Emancipation of Africa and the way forward”. In itself this topic suggests two things, namely that the African economy is in bondage and that it can be freed from its bondage.

Talking about economic emancipation in Africa is problematic in that Africa is a diverse continent with economies that are significantly different and thus would require different diagnosis. There are therefore no simple solutions to the question of economic emancipation in Africa. What is certain is that true economic emancipation in Africa will be realized only when the continent’s economies are growing at their full potential, which is not the case currently.

Today there is a consensus among Africans and non-Africans alike, that Africa as a continent is far behind other continents in terms of economic development. Most of the poorest nations in the world are on the African continent. For example, Africa’s GDP accounts for only 1.2 percent of the world GDP, even when the continent’s population is 11 percent of world population. Average income per person in Africa stands at about U\$450 in comparison with U\$5,000 for Malaysia. The proportion of the population that lives in abject poverty is estimated at 46 percent in Africa, compared to about 20 percent in Latin America and the Caribbean. We are all aware of the United Nations Millennium Development Goals. One of these goals is to halve poverty by 2015. Only a few countries in Sub-Saharan Africa are likely to meet this target. It is estimated that the continent would need to grow consistently by about 7 percent per year to be able to reduce poverty by half as envisaged in the MDGs.

When comparisons are made between African and South-East Asia, the story is told that in the 1960’s Africa and South-East Asia were at the same level of economic development. Today, however, South-East Asia is far ahead of Africa. Why did Africa lag behind so much over the last forty years? What did we neglect to do? There are probably a number of factors that has contributed to the slow economic development on the continent, but I would like to mention only three.

First is the issue of leadership. Leadership is so important that no institution or country can prosper without effective leadership. Effective leadership requires that leaders are prepared to serve others as opposed to being served by others; leaders who put others ahead of their own agendas; leaders who are not too concerned about self-promotion; leaders who have the courage to take unpopular but correct decisions. What Martin Luther King II said about leadership is revealing. He said “The ultimate measure of a man is not where he stands in moments of comfort and convenience, but where he stands at times of challenge and controversy”.

In my view, the continent has had a number of leaders who have mismanaged their economies and therefore contributed to the African economies to be in bondage we find ourselves today. We have had leaders who were more interested in accumulating personal wealth at the expense of their citizens. We have had leaders who promoted divisive policies that more often than not led to political instability and civil wars. Most of our African leaders, at that time, concentrated more on political leadership at the expense of economic leadership.

It is gratifying, however, to note that this is changing. If you follow the agenda of the African Union today, the African leaders are well aware that the promotion of economic development should be a priority. There are also encouraging signs that show that things are changing for the better. For example, over the past three years Africa's economic growth has averaged 4.4 percent compared to 3.5 percent in the 1990s. If the continent is able to sustain these growth rates at this level, we might see a difference in the high incidence of poverty on the continent.

The second factor that in my view has contributed to the lack of economic development on the continent is the legacy of colonialism. Most countries on the continent became independent in the 1960s and 1970s. The unfortunate thing is, however, that after the colonial powers departed, they continued to dominate the African economies. What is bad about this is not so much the fact that the departed colonial powers continued to be involved in the African economies, but rather the fact that they did so at the expense of the Africans. The colonial powers continued to exploit the African raw materials to build their economies at the expense of the African economies. What is astonishing, though, is the fact that we allowed them free passage to do so, and we still do allow them to do so.

To date we still continue to behave as if we cannot manage our own economic affairs without the departed colonial powers' assistance. It is astonishing to know that many an African country will still prefer a European consultant to advice on economic matters. This is in spite of the fact that over the years, Africa has spent enormous amounts of financial resources on education and training. Unfortunately, we are still reluctant to practically demonstrate our skills. We still want to think that we are less experienced to be experts in economic matters. As a result, we continually believe that we need to build new capacities or we need assistance from the departed colonial powers. What we forget is that expertise comes with practice and if we fail to practice what we have learned, we will never become experts at anything.

I am not advocating a position where Africa should not have any economic ties with other continents. On the contrary, what I am advocating is economic ties with other continents that are mutually beneficial. For too long Africans have been hoodwinked by non-Africans where, in our desperation to gain their acceptance, we agreed to non-beneficial economic deals. The lesson we must have learned from these experiences should be that, as a general rule, no nation helps another nation unless it is in its self interest. It is therefore time that as Africans we must start believing that we have the capabilities and the expertise to run our economic affairs to our benefit.

The third factor I would like to mention briefly is that of culture and tradition. While I

firmly believe that a nation without culture and tradition will be a lost nation, we should also recognize the fact that all cultures do evolve. A particular culture or tradition that was cultivated at a particular period of time may hinder our economic development if we were to continue to practice such a tradition without any adaptation. For example, I am told of an African tradition where when a man dies, all his cattle are slaughtered at the time of his burial. In most African countries, we still continue to practice communal land tenure system. These are some of the practices that have the potential to hold us back to achieve our full economic potential.

What is then the way forward to emancipate Africa economically? It can be done and all what we need to do is to re-focus our mind on what is important for our economic development and less on what is convenient. I believe that we can create the necessary momentum for our economic emancipation if we continue to address those issues that are important to Africa's economic development. Following are some of the issues that we need to continue to address.

Political stability is a must. No economic development can take place in an environment of civil wars and political unrest. When you have social unrests, scarce resources that are necessary for economic development are diverted to unproductive war expenditures. We therefore need to continue to promote policies that will prevent political instability. It is heartening to note that political stability is improving in Africa. Although there are still few countries that are facing civil wars, the situation has significantly improved compared to the 1970s and 1980s.

Macroeconomic stability is equally important. During the 1980s, Africa lost a decade in terms of economic growth partly due to the absence of prudent macroeconomic policies. High and volatile inflation rates, unsustainable budget deficits and balance of payments crisis characterized many countries on our continent during this period. Therefore, maintaining and further consolidating both political and economic stability would be an important ingredient in enhancing economic growth.

Today education is widely recognized as an important contributor to economic growth because it leads to the creation of new knowledge and innovation. Not only is education important for economic growth, it is probably the most basic necessity after those that are vital to life itself, such as food, clothing and shelter. It is education that lifts people out of the state of poverty. The huge gaps in economic opportunities that we witness on the continent, is mainly as a result of lack of skills and knowledge. What we must, however, remember is that it is no longer enough to provide education as a social service. In today's world where international borders are fast crumbling, it is education that will distinguish winners from losers. As African countries, we have now to compete in the world market where competition is so fierce and only the fittest will survive. It is therefore critical that the education must be relevant and of high quality.

Not only should the education be of high quality, but it must also be practical. The education must lead to a situation where we are able and ready to use the knowledge we have acquired and find ingenious ways of addressing the economic problems facing Africa. This means Africa must continue to invest in its human capital, while at the same time creating incentives to keep them on the continent.

Another important issue that needs our focus is the quality of our public institutions. Our public institutions must be strengthened with the necessary capacity to carry out their mandates effectively. We must therefore ensure that we appoint only people with the required capabilities and willingness to lead our public institutions. To do otherwise will be wasting our scarce resources and the continuation of economic bondage. We should also guard against a situation where a number of what looks like good policies are developed, except that no one cares to ensure that such policies are implemented.

One of the fathers of modern economics, Adam Smith, in his seminal publication, the *Wealth of Nations*, observed already in 1776 that “Africa had been poor from time immemorial because it lacked the navigable rivers and natural inlets that afford the benefits of low cost sea-based trade”. This suggests that a great deal of the continent’s lack of economic development can be attributed to a lack of basic infrastructure. This is especially so in rural Africa where the majority of the population lives. Lack of basic infrastructure such as roads, electricity and telecommunication are prevailing conditions in most rural Africa.

History has shown that in most regions of the world where a take-off in economic growth and development occurred, the “green revolution” preceded such a take-off. This is true of China, India and even the USA. I therefore believe that the African economic take-off will be accelerated by an expansion of agricultural output. In fact, the agricultural sector is where Africa’s comparative advantage lies, provided that the WTO negotiations regarding the elimination of farm subsidy by advanced countries are successfully concluded. Africa will then need to scale up its investment in the agriculture sector. For example, African farmers need training, they need fertilizers at reasonable prices, and they need market outlets. All these require significant investment. A related problem is the lack of tradable land rights in most African countries, especially for the rural communities. Without ownership of the land, rural farmers would find it difficult to obtain funding from financial institutions to improve their production.

I have attempted to point out what needs to happen for Africa to be economically independent. Among other things, there is a need for Africa to continue to invest in its human capital, physical infrastructure, and institutional development. The road ahead is not easy, but the challenges are not without a solution. However, the situation demands of us a strong vision and effective leadership. I am convinced that Africa’s economic problems can only be solved by the Africans themselves, and for us to succeed we need to focus our attention to what is important and necessary as opposed to what is currently convenient.

I thank you

APPENDIX B

MONETARY POLICY STATEMENT BY THE BANK OF NAMIBIA

Introduction

Since the last Monetary Policy meeting in April this year, the outlook on inflation has deteriorated considerably. The less favourable outlook was primarily reflected in sharp increases in transport and food inflation. However, even if transport and food inflation are omitted from the consumer price index, the underlying inflation also shows a significant upward trend, raising concerns of second round effects of transport and food inflation. At the same time, there are encouraging signs of a cooling down of domestic demand conditions, as reflected in the latest vehicle sales and credit figures.

Developments in the Real Sector

On the international front, it is noted that the global economy continued to expand at a healthy rate during the first quarter of 2007 due to the strengthening of economic activities in major economies in the world. Despite a sharp downturn in the housing market, economic activity in the US remained relatively strong, with consumption growth supported by employment gains in the services sector. Activity in the Euro-zone and Japan continues to be strongly supported by robust domestic demand, while developing and emerging market economies continue to show solid growth on the back of the ongoing strong performance of China and India. Equally, performance of the South African economy continued to be robust, with real GDP growth expanding by 4.7 percent in the first quarter of 2007. Overall in Africa, the short-term economic outlook remains positive against the backdrop of strong global growth, with the region's GDP growth expected to accelerate to 6.2 percent in 2007, according to the latest IMF projections.

Revised quarterly growth estimates for Namibia suggest that, despite tighter monetary conditions since the latter half of 2006, economic activities in Namibia have been stronger than estimated at the previous meeting. Growth was relatively broad-based during the fourth quarter of 2006, with most of the sub-sectors gaining stronger growth momentum compared to previous quarters. The agriculture, hunting and forestry; construction and wholesale and retail trade sectors, in particular, performed exceptionally well during the fourth quarter of 2006 compared to their performance in the preceding quarters. Some other sectors such as hotels and restaurants, transport and communication; and financial intermediation also displayed robust growth, albeit at lower rates than in the preceding quarter, while the fishing; electricity and water; and manufacturing sector performed weakly.

Credit Extension to the Private Sector

Although growth in banks' credit to the non-government sector continued to expand, there are signs of a slowdown since the last quarter of 2006. For instance, the annual growth rate in credit extension to the non-government sector slowed from 15.0 percent in December 2006 to 14.3 percent in April 2007.

The downward movement in the growth of credit extension was reflected in credit extended to both businesses and individuals. The annual growth in credit to businesses in April was 12.8 percent, while that for individuals stood at 15.2 percent. The corresponding rates for March 2007 were 15.7 percent and 16.1 percent, respectively. It is also encouraging to note that the bulk of the increase in credit extension occurred in the mortgage category sub-sector, while the growth in instalment credit has decelerated. Growth in mortgage credit expanded at a healthy rate of 26.2 percent during April 2007 albeit slower than the 27.1 percent recorded in March 2007. In line with the decelerated growth in credit extension, there are also signs of slowdown in other demand indicators, such as the moderation in new vehicles sales, which declined by a monthly rate of 29 percent and an annual rate of 16 percent during April 2007. Commercial vehicle sales, in particular, displayed a sharp decline of 31.7 percent and 12 percent, respectively during the same period.

Inflation Developments

Since the last Monetary Policy meeting in April this year, the outlook on inflation has deteriorated further. Despite tighter domestic monetary conditions, inflation picked up to 6.9 percent in April from 6.3 percent in March 2007. This has been the highest level of inflation since July 2003 when the annual rate of inflation was 6.6 per cent.

The factors that continue to contribute to the relatively high inflation rate are increases in food prices and transport inflation. However, even if the effect of higher food and transport prices are excluded the underlying rate of inflation remains disturbingly high at 4.8 percent in April. This suggests that second round forces are at work, which now start to drive inflationary pressures in Namibia.

Regarding food price inflation, there has been an upward trend in maize and wheat prices due to the persistent regional drought and sharp increases in international prices due to the increased global demand for bio-diesel. It was noted that international prices for maize and wheat on an annual basis increased by 54 percent and 52 percent, respectively in the month of April. However, on a monthly basis, prices of maize and wheat declined between March and April 2007. These declines are, however, expected to be short-lived. Higher maize prices are also expected to influence meat prices significantly due to its impact on the price of fodder. Nevertheless, meat price inflation could moderate somewhat as more livestock would be marketed during drought periods. This could, however, again be relatively short-lived as meat prices are expected to increase during the second half of 2007, due to the general increase in demand and the feedback effect from high food prices.

The persistent high and volatile international oil prices continues to be a worrying factor that drives inflation in a number of net oil importing countries, Namibia included. Due to heightened geopolitical tensions and supply disruptions in major oil producing countries, such as Nigeria, the international price of crude oil increased to around US\$70 per barrel in recent weeks. As a result, the domestic fuel prices increased twice in a short period of time and further price increases are not excluded. Thus, more price pressure could come from this component going forward.

The South African Production Price Index (PPI), being a leading indicator for consumer price inflation in both South Africa and Namibia, showed an annual increase of 11.1 percent during April 2007 compared with the 10.3 per cent during the preceding month. This increase was mainly triggered by the rise in the price indices for South African produced commodities. The PPI, and its concomitant impact on CPI, is expected to increase further due to volatile oil prices and an expected increase in food prices coupled with substantial increases in maize prices. Rising production prices are expected to filter through to consumer inflation in due course.

Having considered the latest inflation developments, forecasts and expectations, the Bank of Namibia considers the risks to the outlook for inflation in the medium term to remain tilted to the upside, as inflationary pressures are expected to persist, mainly on account of volatile crude oil prices and expected increases in administered prices in the second half of the year. There is therefore a need for public utilities to exercise some restraint when considering increases in administered prices in order to contain further inflationary pressures.

Monetary Policy Stance

From the review of the recent economic developments, the Bank of Namibia noticed with concern the increase in the inflation rate since the last monetary policy meeting. At this stage, the growth in domestic demand seems to be abating as witnessed by the slowing growth in private sector credit extension and the number of vehicles sold. Nevertheless, rising food prices and uncertainties about regional weather conditions that could reduce agricultural output, the volatile exchange rate and international oil prices continue to pose major risks to the domestic inflation outlook. At this stage the Bank of Namibia is also concerned about the risks of second round effects of food and oil price inflation on the overall level of inflation. The risks to inflation, therefore, remain on the upside. Considering the aforementioned economic developments, the Bank of Namibia is of the opinion that an increase in the Bank rate is necessary to lessen the risks posed by these factors on inflation. In light of these developments the Bank decided to increase the Bank rate by 50 basis points to 9.50 percent per annum, with effect from 8 June 2007. While tighter monetary conditions could moderate economic growth, the Bank believes that contained inflation is a more serious consideration at this stage than a situation of high economic growth with high inflation. Moreover, current economic performance is robust enough to be able to absorb tighter monetary conditions without significant negative impact.

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

TERMINOLOGY BETWEEN THE OLD AND NEW FRAMEWORK OF MONETARY AND FINANCIAL STATISTICS

In 2003, the Bank of Namibia implemented the Monetary and Financial Statistics Manual (MFSM) of the IMF for the compilation of monetary and financial statistics. This was a change from the old Guide to Money and Banking Statistics in International Financial Statistics which was used by the Bank prior to 2003. As a result of this change, the terminology also changed as shown in the table below.

Old Terminology	MFSM (New Terminology)
Banking Survey	Depository Corporations Survey (DCS)
Financial Survey	Financial Corporations Survey (FCS)
Deposit Money Banks (DMBs) and Other Banking Institutions (OBIs)	Other Depository Corporations (ODCs)
Non-bank Financial Institutions (NBFIs)	Other Financial Corporations (OFCs)
Capital: net worth	Shares and other equity
Non-financial Public Enterprises, or State Enterprises	
Public Non-financial Corporations	
Credit to Individuals	Claims on other resident sectors
Credit to Businesses	Claims on other Non-Financial Corporations
Time and Savings Deposits	Other Deposits
Demand Deposits	Transferable 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 FOURTH QUARTER OF 2006**

The balance of payments data for the fourth quarter of 2006 as disseminated to the public in this publication is subjected to revisions (Table 6.1). In light of this, certain items as published in the March 2007 Quarterly Bulletin (Volume 15 Number 1) are revised in this publication. This notice, however, only highlights items on which significant revisions were made.

On the current account, the upward revision on the services sub-account was a result of a better response on the arrival statistics. On the other hand, the upward revision on the capital and financial account was also a result of an improved response rate. At the time the fourth quarter data was finalized for the March quarterly bulletin the respondents had not submitted data. Such data was only incorporated in the June quarterly bulletin.

Table 6.1 Balance of Payments Revised Data for the Third Quarter 2006 (N\$ millions)

	As Published in March 2007 Quarterly Bulletin	As Published in June 2007 Quarterly Bulletin	Discrepancy
Current Account			
Services, net	211	243	32
Capital and Financial Account			
Portfolio investments, net	-2692	-2807	115
Other investments short term, net	-1029	-825	204

7. STATISTICAL APPENDIX

7.1 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 nonresidents, 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 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 excludes 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 affects 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 nonresidents: (i) those involving compensation of employees, which is paid to non-resident workers (eg., 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 otherinvestment 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 center 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 center 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 Other Depository Corporations 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 Other Depository Corporations. 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 financial intermediaries 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 (eg. 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.

7.2 STATISTICAL TABLES

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Table I.1 Aggregate economic indicators

	2002	2003	2004	2005	2006
Current prices					
GDP (N\$ mil.)	32908	33842	36496	39621	44467
% Change	18.9	2.8	7.8	8.6	12.2
GNI (N\$ mil.)	33264	35574	37035	38906	43978
% Change	20.2	6.9	4.1	5.1	13.0
GDP per capita (N\$)	17220	17293	18239	20246	22323
% Change	15.9	0.4	5.5	11.0	10.3
GNI per capita (N\$)	17406	18178	18508	19880	22077
% Change	17.2	4.4	1.8	7.4	11.1
Constant 1995 prices					
GDP (N\$ mil.)	16494	17069	18201	19058	19611
% Change	6.7	3.5	6.6	4.7	2.9
GNI (N\$ mil.)	19054	18942	19282	20409	21783
% Change	8.6	-0.6	1.8	5.8	6.7
GDP per capita (N\$)	8631	8722	9096	9738	9845
% Change	4.1	1.1	4.3	7.1	1.1
GNI per capita (N\$)	9970	9679	9636	10428	10935
% Change	6.0	-2.9	-0.4	8.2	4.9

Source: Central Bureau of Statistics

Table I.2 Gross domestic product and gross national income
Current prices - N\$ millions

	2002	2003	2004	2005	2006
Compensation of employees	12012	13051	13903	14937	16361
Consumption of fixed capital	4073	5303	5913	6585	6298
Net operating surplus	13793	12525	12863	13969	17204
Gross domestic product at factor cost	29878	30879	32680	35491	39863
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	39621	44467
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	38906	43978
Current transfers					
- receivable from the rest of the world	3202	3670	4529	4711	6956
- payable to rest of the world	-308	-203	-225	-286	-306
Gross national disposable income	36158	39041	41339	43331	50628
Current prices - N\$ per capita					
Gross domestic product at market prices	17220	17293	18239	20246	22323
Gross national income at market prices	17406	18178	18508	19880	22077
Constant 1995 prices - N\$ millions					
Gross domestic product at market prices	16494	17069	18201	19058	19611
- Annual percentage change	6.7	3.5	6.6	4.7	2.9
Real gross national income	19054	18942	19282	20409	21783
- Annual percentage change	8.6	-0.6	1.8	5.8	6.7
Constant 1995 prices - N\$ per capita					
Gross domestic product at market prices	8631	8722	9096	9738	9845
- Annual percentage change	4.1	1.1	4.3	7.1	1.1
Real gross national income	9970	9679	9636	10428	10935
- Annual percentage change	6.0	-2.9	-0.4	8.2	4.9

Source: Central Bureau of Statistics

Table I.3 National disposable income and saving
Current prices - N\$ million

	2002	2003	2004	2005	2006
Disposable income and saving					
Gross national disposable income	36158	39041	41339	43331	50628
Consumption of fixed capital	4073	5303	5913	6585	6298
Net national disposable income	32085	33738	35426	36747	44330
All other sectors	24102	26012	25921	26087	31253
General government	7983	7727	9505	10660	13078
Final consumption expenditure	26981	27766	30059	30707	33139
Private	18289	18797	21031	20973	22585
General government	8692	8969	9027	9734	10554
Saving, net	5105	5973	5367	6040	11192
All other sectors	5813	7215	4889	5114	8667
General government	-708	-1242	478	926	2524
Financing of capital formation					
Saving, net	5105	5973	5367	6040	11192
Capital transfers receivable from abroad	431	512	501	483	550
Capital transfers payable to foreign countries	-4	-3	-3	-3	-3
Total	5532	6482	5865	6519	11739
Capital formation					
Gross fixed capital formation	6964	9867	9190	9727	12235
All other sectors	5876	8764	7974	8195	10509
General government	1087	1103	1216	1532	1725
Consumption of fixed capital	-4073	-5303	-5913	-6585	-6298
All other sectors	-3065	-4118	-4624	-5156	-4738
General government	-1008	-1185	-1289	-1428	-1560
Changes in inventories	-468	220	175	537	519
Net lending (+) / Net borrowing(-)	3110	1697	2414	2840	5283
All other sectors	3734	2859	1975	206	1613
General government	-624	-1162	439	2634	3670
Discrepancy on GDP 1)	-78	2790	693	-44	973
Net lending/borrowing in external transactions	3032	4487	3107	2796	6256
Total	5532	6482	5865	6519	11739

Source: Central Bureau of Statistics

Table I.4 (a) Gross domestic product by activity
Current prices - N\$ million

Industry	2002	2003	2004	2005	2006
Agriculture and forestry	1687	1814	1873	2399	2530
Commercial	1309	1353	1294	1713	1660
Subsistence	378	461	579	686	869
Fishing & fish processing on board	1608	1757	1547	1916	1870
Mining and quarrying	4565	2975	3489	3391	3694
Diamond mining	3427	2630	3048	2782	2231
Other mining and quarrying	1138	345	441	609	1463
Primary industries	7859	6546	6909	7706	8094
Manufacturing	3305	3870	4001	4055	5596
Meat processing	143	139	126	121	101
Fish processing on shore	703	876	750	466	620
Manufacture of other food products and beverages	1515	1650	1690	1772	1912
Other manufacturing	944	1205	1434	1696	2962
Electricity and water	854	1003	1197	1344	1250
Construction	725	1029	1100	1247	1743
Secondary industries	4884	5901	6298	6046	8589
Wholesale and retail trade, repairs	3428	3987	3985	4235	5146
Hotels and restaurants	576	648	653	670	724
Transport, and communication	2083	2382	2671	2948	3237
Transport and storage	1289	1409	1497	1568	1744
Post and telecommunications	794	973	1173	1380	1493
Financial intermediation	1088	1249	1213	1465	1575
Real estate and business services	2832	3156	3542	3737	4034
Owner-occupied dwellings	1449	1593	1748	1861	2024
Other real estate and business services	1382	1563	1794	1876	2009
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	21800	24061
Less: Financial services indirectly measured	359	432	394	445	550
All industries at basic prices	29747	31187	32930	35708	40194
Taxes less subsidies on products	3161	2655	3567	3913	4273
GDP at market prices	32908	33842	36496	39621	44467

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	6.1	5.7
Commercial	4.0	4.0	3.5	4.3	3.7
Subsistence	1.1	1.4	1.6	1.7	2.0
Fishing	4.9	5.2	4.2	4.8	4.2
Mining and quarrying	13.9	8.8	9.6	8.6	8.3
Diamond mining	10.4	7.8	8.4	7.0	5.0
Other mining and quarrying	3.5	1.0	1.2	1.5	3.3
Primary industries	23.9	19.3	18.9	19.4	18.2
Manufacturing	10.0	11.4	11.0	10.2	12.6
Meat processing	0.4	0.4	0.3	0.3	0.2
Fish processing	2.1	2.6	2.1	1.2	1.4
Manufacture of other food products and beverages	4.6	4.9	4.6	4.5	4.3
Other manufacturing	2.9	3.6	3.9	4.3	6.7
Electricity and water	2.6	3.0	3.3	3.4	2.8
Construction	2.8	2.2	3.0	3.1	3.9
Secondary industries	14.8	17.4	17.3	16.8	19.3
Wholesale and retail trade, repairs	10.4	11.8	10.9	10.6	11.6
Hotels and restaurants	1.7	1.9	1.8	1.7	1.6
Transport, and communication	6.3	7.0	7.3	7.4	7.3
Transport and storage	3.9	4.2	4.1	4.0	3.9
Post and telecommunications	2.4	2.9	3.2	3.5	3.4
Financial intermediation	3.3	3.7	3.3	3.7	3.5
Real estate and business services	8.6	9.3	9.7	9.4	9.1
Owner-occupied dwellings	4.4	4.7	4.8	4.7	4.6
Other real estate and business services	4.2	4.6	4.9	4.7	4.5
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	19.6	18.6
Other producers	1.7	1.8	1.8	1.7	1.6
Tertiary industries	52.8	56.6	55.1	55.0	54.1
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	90.4
Taxes less subsidies on products	9.6	7.8	9.8	9.9	9.6
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	1010	1019	1130	1179
Commercial	723	755	681	755	743
Subsistence	252	255	338	375	436
Fishing & fish processing on board	703	732	666	643	582
Mining and quarrying	1296	1237	1688	1665	1765
Diamond mining	942	909	1260	1217	1342
Other mining and quarrying	355	328	428	448	423
Primary industries	2974	2979	3372	3439	3527
Manufacturing	1816	1911	1968	2009	1837
Meat processing	109	97	88	95	84
Fish processing on shore	183	277	269	256	162
Manufacture of other food products and beverages	875	872	885	929	974
Other manufacturing	648	665	726	728	616
Electricity and water	230	266	279	301	276
Construction	459	564	562	586	777
Secondary industries	2505	2741	2808	2896	2889
Wholesale and retail trade, repairs	1607	1674	1801	1913	2095
Hotels and restaurants	316	332	321	322	332
Transport, and communication	1332	1372	1558	1773	1961
Transport and storage	837	753	816	846	943
Post and telecommunications	494	619	741	927	1018
Financial intermediation	514	564	646	782	803
Real estate and business services	1494	1572	1683	1749	1832
Owner-occupied dwellings	740	759	778	816	861
Other real estate and business services	754	813	906	933	971
Community, social and personal services	137	144	135	140	144
Producers of government services	3408	3475	3650	3811	3769
Other producers	307	310	318	324	330
Tertiary industries	9114	9444	10113	10813	11267
Less: Financial services indirectly measured	155	178	206	233	276
All industries at basic prices	14439	14986	16088	16915	17407
Taxes less subsidies on products	2055	2083	2112	2143	2204
GDP at market prices	16494	17069	18201	19058	19611

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	11.0	4.3
Commercial	22.7	4.5	-9.9	11.0	-1.6
Subsistence	-18.6	0.9	32.7	11.0	16.2
Fishing	11.4	4.2	-9.1	-3.4	-9.5
Mining and quarrying	16.0	-4.6	36.5	-1.4	6.0
Diamond mining	17.3	-3.5	38.6	-3.4	10.2
Other mining and quarrying	12.9	-7.5	30.6	4.5	-5.5
Primary industries	12.4	0.2	13.2	2.0	2.6
Manufacturing	9.6	5.2	3.0	2.1	-8.6
Meat processing	2.1	-11.6	-8.6	7.7	-11.2
Fish processing	-10.1	51.1	-3.0	-4.7	-36.9
Manufacture of other food products and beverages	8.3	-0.3	1.4	5.0	4.9
Other manufacturing	20.5	2.6	9.2	0.3	-15.4
Electricity and water	1.1	15.6	4.7	8.1	-8.5
Construction	-13.1	22.9	-0.4	4.4	32.5
Secondary industries	3.8	9.4	2.5	3.1	-0.3
Wholesale and retail trade, repairs	7.4	4.1	7.6	6.2	9.5
Hotels and restaurants	8.4	4.9	-3.2	0.3	3.0
Transport, and communication	11.4	3.1	13.5	13.8	10.6
Transport and storage	15.5	-10.0	8.4	3.6	11.5
Post and telecommunications	5.0	25.2	19.7	25.0	9.8
Financial intermediation	3.3	9.6	14.6	21.0	2.7
Real estate and business services	7.2	5.2	7.1	3.9	4.8
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	3.0	4.1
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	6.9	4.2
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	5.1	2.9
Taxes less subsidies on products	4.1	1.4	1.4	1.5	2.8
GDP at market prices	6.7	3.5	6.6	4.7	2.9

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	26981	27766	30059	30707	33139
Private	18289	18797	21031	20973	22585
General government	8692	8969	9027	9734	10554
Gross fixed capital formation	6964	9867	9190	9727	12235
Changes in inventories	-468	220	175	537	519
Gross domestic expenditure	33476	37853	39423	40970	45893
Exports of goods and services	16320	17396	16757	18867	24222
Imports of goods and services	16966	18617	18992	20261	24676
Discrepancy	78	-2790	-693	44	-973
Gross domestic product at market prices	32908	33842	36496	39621	44467

Source: Central Bureau of Statistics

Table I.6 (b) Expenditure on gross domestic product
Percentage shares

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	82.0	82.0	82.4	77.5	74.5
Private	55.6	55.5	57.6	52.9	50.8
General government	26.4	26.5	24.7	24.6	23.7
Gross fixed capital formation	21.2	29.2	25.2	24.5	27.5
Changes in inventories	-1.4	0.7	0.5	1.4	1.2
Gross domestic expenditure	101.7	111.9	108.0	103.4	103.2
Exports of goods and services	49.6	51.4	45.9	47.9	54.5
Imports of goods and services	51.6	55.0	52.0	51.1	55.5
Discrepancy	0.2	-8.2	-1.9	0.1	-2.2
Gross domestic product at market prices	100.0	100.0	100.0	100.0	100.0

Source: Central Bureau of Statistics

**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	15128	15710
Private	10248	9564	10486	10228	10724
General government	4679	4680	4716	4899	4986
Gross fixed capital formation	4806	5967	5350	5413	6391
Changes in inventories	-171	52	81	283	230
Gross domestic expenditure	19562	20264	20634	20823	22331
Exports of goods and services	7216	8878	8514	8144	9290
Imports of goods and services	9945	10514	10555	10586	11919
Discrepancy	-338	-1559	-392	677	-91
Gross domestic product at market prices	16494	17069	18201	19058	19611

Source: Central Bureau of Statistics

**Table I.7 (b) Expenditure on gross domestic product
Annual percentage changes**

Expenditure category	2002	2003	2004	2005	2006
Final consumption expenditure	3.5	-4.6	6.7	-0.5	3.9
Private	4.3	-6.7	9.6	-2.5	4.9
General government	1.7	0.0	0.8	3.9	1.8
Gross fixed capital formation	11.9	24.2	-10.3	1.2	18.1
Changes in inventories	-2.5	1.4	0.2	1.1	-0.3
Gross domestic expenditure	3.3	3.6	1.8	0.9	7.2
Exports of goods and services	14.0	23.0	-4.1	-4.3	14.1
Imports of goods and services	3.4	5.7	0.4	0.3	12.6
Discrepancy	-1.0	-7.4	6.8	5.9	-4.0
Gross domestic product at market prices	6.7	3.5	6.6	4.7	2.9

Source: Central Bureau of Statistics

Table I.8 Gross fixed capital formation by activity
Current prices - N\$ million

Industry	2001	2002	2003	2004	2005
Agriculture	299	326	392	414	434
Fishing	238	249	262	275	281
Mining and quarrying	958	874	3084	1919	2298
Manufacturing	464	1751	1629	1690	1707
Electricity and water	1217	285	796	709	309
Construction	176	205	258	280	286
Wholesale and retail trade; hotels, restaurants	307	281	250	326	344
Transport, and communication	606	1120	1029	1127	1452
Finance, real estate, business services	728	801	1077	1252	1683
Community, social and personal services	20	28	32	32	34
Producers of government services	1059	1042	1058	1340	1606
Total	6073	6964	9867	9365	10434
Percent of GDP	21.9	21.2	29.2	25.9	27.1

Source: Central Bureau of Statistics

Table I.9 Gross fixed capital formation by activity
Constant 1995 prices - N\$ million

Industry	2001	2002	2003	2004	2005
Agriculture	219	230	243	259	269
Fishing	172	187	164	174	176
Mining and quarrying	697	638	1971	1189	1409
Manufacturing	333	1212	979	998	969
Electricity and water	848	186	465	395	162
Construction	132	149	162	177	179
Wholesale and retail trade; hotels, restaurants	218	194	152	196	202
Transport, and communication	420	803	599	643	814
Finance, real estate, business services	509	526	624	696	873
Community, social and personal services	15	21	20	21	22
Producers of government services	731	660	588	707	795
Total	4295	4806	5967	5455	5869

Source: Central Bureau of Statistics

Table I.10 Gross fixed capital formation by type of asset
Current 1995 prices - N\$ million

Type of asset	2001	2002	2003	2004	2005
Buildings	1639	2019	1908	2298	2801
Construction works	1600	1170	1994	2024	2100
Transport equipment	903	1789	2037	1972	2045
Machinery and other equipment	1682	1840	3665	2599	3011
Mineral exploration	249	146	264	472	477
Total	6073	6964	9867	9365	10434

Source: Central Bureau of Statistics

Table I.11 Gross fixed capital formation by type of asset
Constant 1995 prices - N\$ million

Type of asset	2001	2002	2003	2004	2005
Buildings	1143	1321	1079	1243	1410
Construction works	1054	705	1070	987	935
Transport equipment	614	1274	1185	1145	1176
Machinery and other equipment	1313	1409	2460	1771	2038
Mineral exploration	171	97	174	309	310
Total	4295	4806	5967	5455	5869

Table I.12 Gross fixed capital formation by ownership
Current prices - N\$ million

Ownership	2001	2002	2003	2004	2005
Public	2417	2052	2383	2673	2945
Producers of government services	1059	1042	1058	1340	1606
Public corporations and enterprises	1358	1010	1325	1333	1339
Private	3656	4912	7484	6692	7489
Total	6073	6964	9867	9365	10434

Source: Central Bureau of Statistics

Table I.13 Gross fixed capital formation by ownership
Constant 1995 prices - N\$ million

Ownership	2001	2002	2003	2004	2005
Public	1677	1378	1361	1461	1539
Producers of government services	731	660	588	707	795
Public corporations and enterprises	946	718	773	754	744
Private	2617	3428	4606	3994	4331
Total	4295	4806	5967	5455	5869

Source: Central Bureau of Statistics

Table I.14 Fixed capital stock by activity
Current prices - N\$ million

Industry	2001	2002	2003	2004	2005
Agriculture	4626	5077	5811	5977	6190
Fishing	1163	1306	1736	1894	2068
Mining and quarrying	6399	6460	10023	11108	12663
Manufacturing	2981	4507	6275	7480	8803
Electricity and water	5167	5615	6808	7664	8319
Construction	729	757	889	905	912
Wholesale and retail trade; hotels, restaurants	2269	2429	2755	2849	3013
Transport, and communication	6677	7536	8864	9427	10211
Finance, real estate, business services	9866	10980	13371	14747	16951
Community, social and personal services	403	424	485	498	520
Producers of government services	28752	31130	35176	38135	41691
Total	69033	76221	92193	100685	111340

Source: Central Bureau of Statistics

Table I.15 Fixed capital stock by activity
Constant 1995 prices - N\$ million

Industry	2001	2002	2003	2004	2005
Agriculture	3163	3181	3198	3207	3205
Fishing	843	979	1086	1195	1301
Mining and quarrying	4361	4532	5937	6523	7301
Manufacturing	2108	3046	3679	4256	4730
Electricity and water	3465	3487	3763	3949	3893
Construction	544	545	555	563	557
Wholesale and retail trade; hotels, restaurants	1593	1617	1588	1588	1579
Transport, and communication	4500	4854	4942	5011	5173
Finance, real estate, business services	6883	7193	7579	8014	8600
Community, social and personal services	286	287	288	288	287
Producers of government services	19346	19349	19258	19246	19285
Total	47093	49072	51873	53845	55910

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 footwear	Housing, water, electricity, gas & others	Furniture, household equipment & maintenance	Health	Transport	Communications	Recreation & culture	Education	Hotels, cafes & restaurants	Miscellaneous goods & services	All items	All items Annual percentage changes
2002	111.1	105.5	104.5	106.8	104.0	102.6	109.4	102.0	106.4	108.3	106.0	102.1	107.7	12.9
2003	121.6	110.9	108.8	114.6	110.6	108.7	117.7	104.4	109.0	118.6	114.1	104.7	115.4	7.3
2004	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
2005														
Jan	122.9	124.1	109.8	123.8	112.5	113.4	128.7	108.6	110.7	138.8	124.9	109.4	121.7	2.5
Feb	123.0	124.2	109.7	122.6	112.5	113.6	129.7	108.5	111.7	140.8	126.0	109.5	121.9	2.6
Mar	122.8	127.3	109.4	122.6	112.4	113.1	128.2	108.5	110.1	140.8	125.6	107.5	121.3	1.7
Apr	123.7	129.5	109.4	122.3	112.5	113.3	129.1	108.5	110.9	140.8	126.3	108.2	121.8	1.6
May	121.8	130.6	108.8	122.3	112.8	113.7	130.0	108.5	111.9	140.8	126.3	108.0	121.4	0.9
Jun	122.2	131.2	108.6	122.4	113.5	113.6	130.5	108.5	111.3	140.8	126.7	107.8	121.6	1.3
Jul	123.1	131.9	108.6	125.3	113.8	113.6	130.5	108.5	111.2	140.8	127.5	108.1	122.6	1.7
Aug	124.3	132.1	108.6	126.0	114.6	113.3	133.8	108.5	110.7	140.8	127.8	107.6	123.5	2.2
Sep	125.7	132.3	106.6	126.1	115.0	113.8	136.6	108.5	110.9	140.8	127.7	107.5	124.2	2.9
Oct	127.2	132.4	107.0	126.1	115.7	109.5	136.7	108.8	111.0	140.8	128.5	107.3	124.5	2.9
Nov	127.9	132.5	106.2	126.1	116.2	109.9	136.7	108.8	111.2	140.8	129.1	107.5	124.8	3.4
Dec	128.2	133.3	105.3	126.3	115.7	109.9	136.6	108.8	112.2	140.8	129.1	107.5	125.0	3.4
Average	124.4	130.1	108.2	124.3	113.9	112.6	132.3	108.5	111.1	140.6	127.1	108.0	122.9	2.3
2006														
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
Average	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
2007														
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

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
2002	105.2	0.8		109.2	1.2	
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						
Jan	122.3	1.2	3.3	121.3	0.3	1.9
Feb	125.0	2.2	5.4	119.9	-1.1	0.7
Mar	121.7	-2.6	2.6	121.1	1.0	0.9
Apr	122.4	0.6	2.9	121.5	0.3	0.6
May	122.4	0.1	2.7	120.7	-0.6	-0.4
Jun	123.1	0.5	3.0	120.7	0.0	0.0
Jul	123.9	0.7	2.9	121.8	0.9	0.8
Aug	124.2	0.2	3.0	123.0	1.0	1.5
Sep	125.2	0.9	3.8	123.5	0.4	2.2
Oct	125.0	-0.2	3.5	124.2	0.6	2.3
Nov	124.9	-0.1	3.4	124.8	0.4	3.2
Dec	125.0	0.1	3.4	124.9	0.1	3.3
Average	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

* Calculated as a percentage change of the all items index for a given month in relation to that of the same month of the preceding year.

Source: Central Bureau of Statistics

ECONOMIC DEVELOPMENTS

TABLE II.1(a) Central Bank Survey
(end of period in N\$ Million)

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	
Assets																						
Net foreign assets	2354.7	2159.1	1818.2	2245.0	1902.2	1983.9	2705.5	2696.0	2457.7	3129.7	2973.1	2677.9	3313.1	2760.7	3119.2	4104.4	3495.2	3164.3	4865.6	4466.4	5690.0	
Claims on nonresidents	2369.2	2169.3	1832.8	2258.1	1916.5	1998.0	2718.3	2708.4	2470.0	3142.0	2986.6	2688.3	3323.1	3130.7	3517.0	4495.2	3877.7	3573.6	5288.6	4875.6	6094.7	
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	32.8	70.2	112.2	88.4	59.6	41.1	94.4	75.2	146.7	130.2	113.1	96.7	107.0	117.1	111.2	116.8	132.8	133.1	150.8	226.6	73.1	
Deposits	2297.3	2054.9	1671.2	2119.8	1807.6	1906.0	2565.7	2616.3	2299.2	2981.2	2835.6	2546.0	3162.6	2948.3	3337.7	4299.9	3661.7	3348.9	5125.9	4626.0	5985.6	
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	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	38.9	44.0	49.3	49.8	49.2	50.8	58.0	16.7	23.9	30.4	37.8	45.4	53.2	65.1	67.9	78.2	83.0	91.4	11.6	22.8	35.8	
less: Liabilities to nonresidents	-14.5	-10.2	-14.6	-13.1	-14.3	-14.1	-12.8	-12.4	-12.2	-12.3	-13.5	-10.4	-9.9	-369.9	-397.8	-390.8	-382.5	-409.3	-423.0	-409.2	-404.7	
Deposits	-14.5	-10.2	-14.6	-13.1	-14.3	-14.1	-12.7	-12.3	-12.2	-12.3	-13.5	-9.6	-9.5	-14.1	-11.0	-7.8	-19.2	-17.7	-18.2	-15.6	-7.3	
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	-0.0	-0.0	-0.0	0.0	-0.1	-0.1	-0.1	0.0	-0.0	-0.7	-0.5	-355.8	-386.7	-383.0	-363.3	-391.5	-404.8	-393.6	-397.4	
Claims on other depository corps	131.8	159.1	244.7	214.0	228.9	515.2	278.6	125.5	181.6	672.8	622.5	833.1	1093.0	1027.2	1099.2	1031.8	980.8	1333.0	1835.2	1947.4	1938.8	
Net claims on central government	-763.0	-458.9	-194.4	-652.9	-287.1	-608.1	-1208.3	-969.0	-843.1	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.1	
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 govt	-763.0	-458.9	-194.4	-652.9	-287.1	-608.1	-1208.3	-969.0	-843.1	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.1	
Deposits	-763.0	-458.9	-194.4	-652.9	-287.1	-608.1	-1208.3	-969.0	-843.1	-1912.1	-1523.3	-1348.2	-2227.7	-1531.0	-1766.1	-2729.6	-2106.6	-2093.3	-4396.2	-4125.4	-5155.1	
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	13.9	14.1	13.6	13.5	13.2	13.4	14.0	13.7	13.6	13.1	13.6	13.7	13.6	14.0	14.5	15.1	15.7	15.8	15.6	15.4	16.5	
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	13.9	14.1	13.6	13.5	13.2	13.4	14.0	13.7	13.6	13.1	13.6	13.7	13.6	14.0	14.5	15.1	15.7	15.8	15.6	15.4	16.5	

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

Liabilities	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Monetary base	1176.0	1320.7	1339.6	1233.9	1312.5	1372.6	1262.9	1284.9	1270.0	1320.0	1329.0	1330.2	1378.9	1398.9	1459.0	1445.3	1492.1	1532.4	1431.3	1374.1	1452.6
Currency in circulation	916.2	1009.2	954.5	975.6	1029.9	1026.8	963.3	927.4	922.8	951.1	982.2	976.4	1009.4	1067.1	1041.3	1072.1	1121.0	1151.4	1052.9	1002.4	1046.5
Liabilities to other depository corps	259.8	311.5	385.1	258.3	282.6	345.7	299.6	321.3	347.2	368.9	346.8	353.7	369.4	331.8	417.6	373.2	371.2	381.0	378.5	371.7	406.1
Reserve deposits	259.8	311.5	385.1	258.3	282.6	345.7	299.6	321.3	347.2	368.9	346.8	353.7	369.4	331.8	417.6	373.2	371.2	381.0	378.5	371.7	406.1
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
Deposits included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	36.2	0.0	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	36.2	0.0	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 corps	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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	4.2	5.4	2.9	4.4	3.9	3.2	4.0	4.3	2.1	3.2	3.3	2.8	1.9	4.2	4.0	4.4	3.9	4.9	10.3	4.4	2.3
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	710.8	701.1	691.3	733.4	690.9	667.1	661.2	666.1	676.0	719.9	889.8	979.2	947.5	1013.4	1153.5	1121.6	1039.9	997.9	1037.0	1083.1	1191.8
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	53.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	118.5	118.5	118.5
General and special reserves	235.0	235.0	235.0	235.0	235.0	228.0	228.0	281.6	261.6	261.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6	246.6
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	389.9	374.5	359.4	400.8	361.0	345.9	327.5	324.4	345.7	379.1	553.4	633.7	589.0	643.8	772.7	727.6	634.4	586.6	612.9	636.1	728.7
Current year result	45.9	51.7	56.9	57.6	54.9	53.2	12.1	20.0	28.7	39.2	49.8	59.0	72.0	83.0	94.2	107.4	119.0	124.7	19.1	42.0	58.1
Other items (net)	-153.6	-153.8	-151.6	-152.1	-150.1	-138.4	-138.3	-89.0	-138.3	-139.6	-136.2	-135.8	-136.2	-145.5	-149.6	-149.7	-150.8	-115.4	-158.6	-157.9	-156.5
Other liabilities	15.2	15.2	15.2	15.2	15.1	18.9	18.8	18.5	18.4	18.5	18.4	18.5	18.3	18.4	18.3	18.3	18.4	24.3	20.8	20.0	19.3
less: Other assets	-168.9	-169.0	-166.8	-167.3	-165.3	-157.3	-157.2	-107.5	-156.8	-158.1	-154.7	-154.2	-154.5	-163.9	-167.9	-168.0	-169.2	-139.7	-179.4	-177.9	-175.7

ECONOMIC DEVELOPMENTS

TABLE II.2(a) Other Depository Corporations Survey
(end of period in N\$ Million)

Assets	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	
Net foreign assets																						
Claims on nonresidents	-1611.9	-1668.4	-1884.6	-1545.0	-1564.3	-2140.3	-1814.1	-2277.6	-1734.5	-1295.0	-1272.4	-1218.9	-1017.2	-767.8	825.0	1341.4	1130.5	1680.2	1262.6	1591.7	1198.5	
Foreign currency	400.0	448.2	292.3	325.4	289.0	285.6	297.7	261.5	914.6	1390.8	890.7	1029.3	1188.2	1061.1	1795.4	2427.2	2173.9	2742.2	2322.5	2549.6	2198.9	
Deposits	44.8	65.7	41.6	51.1	49.1	58.4	51.6	40.4	65.4	46.6	64.5	59.1	64.2	48.9	52.0	56.8	56.9	52.4	55.4	80.6	53.7	
Securities other than shares	306.0	301.4	209.0	187.2	185.3	171.9	187.0	167.3	798.0	1299.7	782.2	924.7	1077.3	970.1	1700.0	2330.5	2075.8	2643.6	2220.4	2423.3	2004.4	
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	49.2	81.1	41.7	77.1	54.6	55.3	59.1	53.8	51.2	44.5	44.1	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2	
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	
less: Liabilities to nonresidents																						
Deposits	-2011.9	-2116.6	-2176.9	-1870.4	-1853.3	-2425.9	-2111.8	-2539.1	-2649.1	-2685.9	-2163.1	-2248.3	-2205.4	-1828.9	-970.4	-1085.8	-1043.4	-1062.0	-1059.9	-957.8	-1000.5	
Securities other than shares	-1519.3	-1325.3	-1339.5	-1083.8	-1070.0	-1152.5	-1212.4	-1168.8	-1594.7	-1986.5	-1631.5	-1846.9	-1360.6	-1129.5	-588.0	-703.1	-515.0	-384.5	-256.0	-277.5	-332.8	
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.7	-101.4	-102.1	-100.7	-227.5	-164.6	-165.0	-456.2	-459.0	-461.3	-455.0		
Financial derivatives	-492.6	-791.2	-837.4	-786.6	-783.3	-1273.4	-899.4	-1370.3	-1054.3	-598.7	-430.3	-299.2	-744.1	-471.9	-217.9	-217.7	-363.0	-221.4	-344.9	-219.0	-212.7	
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	
Claims on central bank																						
Currency	514.7	655.1	479.2	538.7	595.4	672.4	596.1	584.2	588.0	480.5	644.2	587.1	632.8	816.9	671.9	666.2	649.0	747.0	717.9	627.0	654.9	
Reserve deposits	204.6	326.0	256.7	307.1	323.8	346.8	316.4	264.4	241.8	236.4	303.4	249.7	282.0	299.7	255.7	300.2	281.3	388.1	313.7	271.1	249.0	
Other claims	220.6	223.7	222.5	226.0	227.0	228.1	258.2	306.3	311.1	244.1	340.8	337.4	298.2	512.6	416.2	366.0	367.7	358.9	392.0	355.9	364.8	
Net claims on central government																						
Claims on central government	1595.4	1611.3	1528.6	1507.1	1383.4	2013.8	2029.2	1746.9	1931.3	1742.8	1817.0	1958.6	1858.3	1631.0	1949.7	2051.0	2115.0	2206.6	2196.6	2293.8	2474.6	
Securities other than Shares	2094.1	2113.7	2082.5	2079.7	2007.4	2586.1	2419.1	2155.8	2528.4	2426.7	2543.8	2661.9	2555.8	2563.6	2464.0	2578.7	2571.8	2767.3	2785.2	2914.4	3098.8	
Other claims	2013.9	2043.1	2079.4	2079.2	2006.4	2585.2	2415.7	2153.1	2527.5	2425.6	2542.0	2660.3	2553.6	2561.1	2462.4	2577.5	2558.6	2750.0	2781.3	2905.3	3086.4	
less: Liabilities to central govt																						
Deposits	80.2	70.5	3.2	0.5	1.0	0.8	3.4	2.8	0.9	1.2	1.7	1.6	2.2	2.5	1.6	1.1	13.2	17.3	4.0	9.1	12.4	
Other liabilities	-498.7	-502.3	-553.9	-572.6	-624.0	-572.2	-389.9	-408.9	-597.1	-683.9	-726.8	-703.3	-697.4	-932.6	-514.3	-527.6	-456.8	-560.7	-588.6	-620.6	-624.2	
Claims on other sectors																						
Other financial corporations	22556.9	22837.4	23076.2	23315.9	23768.2	24251.0	24322.0	25031.7	25441.7	25972.5	26638.4	27037.8	27541.4	27767.7	27742.0	28175.7	28313.0	28268.4	28873.8	29431.8	29974.2	
State and local government	60.8	60.0	21.4	23.2	22.1	30.1	26.7	31.2	285.2	327.5	562.7	831.0	625.3	780.4	731.9	759.8	852.8	619.4	525.1	660.8	1017.3	
Public nonfinancial corps	8.0	8.1	13.1	21.7	21.9	22.4	28.3	32.1	28.7	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0	
Other nonfinancial corps	370.7	237.7	238.5	243.1	300.1	289.5	288.0	285.4	393.2	394.4	415.6	404.9	403.0	395.2	204.1	198.4	168.1	180.0	226.9	264.4	332.9	
Other resident sectors	8162.2	7821.2	8081.5	8213.0	8325.4	8478.8	8479.0	8964.2	8636.3	8889.5	9099.5	9033.6	9385.1	9356.7	9264.8	9499.8	9340.2	9373.7	9923.8	10005.8	9915.1	
Unclassified shares and other equity	13955.2	14710.4	14721.6	14814.8	15098.8	15430.2	15499.9	15718.7	16098.3	16331.7	16528.8	16743.3	17107.2	17211.9	17509.9	17680.1	17911.9	18047.1	18154.4	18441.1	18684.9	
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

ECONOMIC DEVELOPMENTS

TABLE II.2(b) Other Depository Corporations Survey
(end of period in N\$ Million)

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	
Liabilities																						
Liabilities to central bank	354.3	379.2	512.0	121.1	123.9	408.8	323.2	169.4	157.6	393.8	290.1	430.6	795.8	1085.0	1230.0	1145.4	1193.0	1548.2	1848.0	1752.9	1939.6	
Deposits included in broad money	16862.0	16771.0	16384.9	16653.4	16761.5	16690.2	17149.5	17523.0	18060.7	18298.4	19028.7	19796.2	20221.4	19843.5	20719.0	21460.4	21771.9	21748.8	22525.1	22304.1	21786.1	
Transferable deposits	9368.4	9357.5	8961.4	9063.7	8822.0	8728.8	9213.5	9657.4	10751.9	10618.4	11228.6	11350.2	11727.2	11531.3	12063.8	13562.3	13412.6	12915.6	13617.6	13903.6	14029.4	
Other financial corps	1685.3	1654.3	1655.8	1791.9	1583.4	1558.9	1647.5	1702.5	2294.6	1717.6	1817.0	2229.7	1712.7	1567.8	1461.1	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5	
State and local govt	156.9	160.9	169.7	158.6	153.4	165.0	189.8	162.0	168.8	192.2	178.2	193.7	200.4	223.2	215.3	225.0	191.2	189.1	159.2	166.9	158.9	
Public nonfinancial corps	328.0	449.3	230.7	239.1	200.1	213.9	409.0	456.4	649.0	677.7	696.6	733.0	593.7	561.0	781.9	964.3	1007.6	913.5	980.2	892.3	1234.7	
Other nonfinancial corps	5152.6	4937.4	4878.4	4866.1	4957.8	4881.7	4984.0	5214.8	5422.5	5708.9	6313.6	6034.2	6774.2	6703.1	6696.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8	
Other resident sectors	2045.7	2155.6	2026.7	2008.0	1987.3	1909.3	1983.1	2121.7	2217.0	2322.0	2232.2	2159.7	2446.3	2476.2	2909.3	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5	
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	7493.6	7413.5	7423.5	7589.7	7879.5	7961.4	7936.0	7865.6	7308.9	7679.9	7800.1	8446.0	8494.2	8312.2	8655.2	7998.1	8359.3	8833.3	8707.6	8400.5	7756.7	
Other financial corps	179.6	155.5	189.3	184.3	212.8	212.2	218.8	135.4	317.1	409.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	367.1	423.5	433.8	586.8	
State and local govt	101.3	86.6	88.5	136.1	149.3	146.8	112.2	116.3	168.1	175.4	183.6	177.7	147.7	160.3	141.6	160.8	166.0	198.8	216.8	227.6	286.8	
Public nonfinancial corps	517.9	462.4	518.5	496.6	500.2	505.9	566.5	676.5	833.6	773.8	768.2	687.7	667.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	369.8	
Other nonfinancial corps	3147.7	3121.4	3146.5	3202.9	3322.3	3396.2	3361.4	3198.9	2933.7	3133.2	3229.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3624.1	4155.7	3524.0	
Other resident sectors	3547.1	3587.5	3480.7	3569.7	3694.9	3700.2	3677.1	3738.5	3056.4	3188.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3543.6	3571.9	4039.2	3171.9	2960.0	
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3	
Securities other than shares, included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.5	11.5	9.5	9.5	8.0	5.8	5.8	5.9	5.9	5.9	5.9	5.9	5.9	
Deposits excluded from broad money	-483.0	-263.3	313.0	-233.8	-216.0	-441.4	-234.6	-87.6	414.6	182.8	206.2	267.5	441.6	382.2	767.8	1069.0	854.1	1090.9	806.7	806.3	855.8	
Securities other than shares, excluded from broad money	437.4	420.5	430.3	327.4	344.9	408.4	389.3	377.3	3913.8	4246.7	4181.9	3967.9	3864.9	3905.5	4018.8	4080.4	4108.6	4076.9	3323.1	4543.3	4957.7	
Of which: Other financial corps	20.1	20.1	20.1	20.1	20.1	20.1	20.1	20.1	3399.7	4115.7	4050.8	3726.0	3334.7	3362.9	3463.9	3112.2	3152.0	3103.3	2374.4	3586.4	3737.2	
Loans	2056.6	2252.0	2452.1	2648.8	2658.9	2819.1	2866.2	2696.4	5.2	5.6	5.2	5.6	5.6	5.7	5.6	2.2	5.3	5.3	5.3	5.3	5.3	
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	
Trade credit and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	84.1	0.0	0.0	163.0	41.6	85.7	
Shares and other equity	3919.4	3972.6	4092.3	4148.2	4225.6	4174.4	4203.0	4277.0	4164.7	4254.7	4320.3	4300.7	4313.6	4289.9	4265.0	4344.1	4368.6	4355.3	4461.0	4509.4	4279.1	
Funds contributed by owners	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	278.5	279.4	279.4	279.4	279.4	279.4	
Retained earnings	151.8	161.9	238.7	276.6	304.9	239.2	143.5	162.8	1227.0	1232.7	1248.7	1221.0	1117.7	1162.3	1154.9	1145.7	1181.7	1176.3	1218.3	1261.9	1258.4	
General and special reserves	3478.1	3496.9	3540.4	3546.4	3594.2	3584.9	3696.5	3741.3	2512.6	2538.2	2564.4	2614.1	2711.1	2717.5	2693.4	2721.4	2655.3	2687.3	2723.0	2750.5	2472.8	
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	11.0	23.5	34.8	46.7	58.1	71.8	84.6	94.3	146.7	205.3	228.7	187.1	206.4	131.6	138.2	198.5	252.3	212.4	240.2	217.6	268.6	
Other items (net)	-91.6	-84.8	-77.1	151.6	284.0	737.7	427.2	129.7	-501.7	-492.7	-214.6	-413.4	-635.6	-69.8	176.6	43.0	-100.0	70.8	-87.3	-24.3	386.9	
Other liabilities	1409.5	1654.0	1531.6	1474.8	1541.9	1400.4	1369.7	1365.4	1347.1	1322.0	1391.1	1516.3	1498.1	1683.0	1827.6	1696.9	2125.2	1966.7	1826.8	2227.3	1948.4	
less: Other assets	-1674.0	-1642.5	-1907.3	-1852.2	-1939.7	-1781.0	-1803.2	-2114.0	-1839.9	-1815.9	-1592.9	-1898.2	-2132.8	-1754.5	-1651.0	-1569.8	-2143.1	-1806.8	-1829.1	-2170.4	-1480.7	
plus: Consolidation adjustment	172.9	-96.2	-395.4	529.0	681.8	1118.3	860.7	878.3	-8.9	1.3	-12.7	-31.5	-0.9	1.8	0.0	-0.0	2.0	-4.9	-0.9	2.8	3.3	

TABLE II.3 DEPOSITORY CORPORATIONS SURVEY
(end of period N\$ Million)

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Net foreign assets	742.8	490.6	-66.4	700.0	337.9	-156.3	891.4	418.4	723.3	1834.6	1700.7	1459.0	2295.9	1993.0	3944.3	5445.8	4625.8	4844.5	6128.2	6058.1	6888.5
Claims on nonresidents	2769.1	2617.4	2125.1	2583.5	2205.5	2283.6	3016.0	2969.9	3384.6	4532.8	3877.3	3717.6	4511.2	4191.8	5312.4	6922.4	6051.6	6315.8	7611.1	7425.1	8293.6
less: Liabilities to nonresidents	-2026.4	-2126.8	-2191.5	-1883.5	-1867.6	-2440.0	-2124.5	-2551.5	-2661.3	-2698.2	-2176.6	-2258.6	-2215.3	-2198.8	-1368.2	-1476.6	-1425.8	-1471.3	-1482.9	-1367.1	-1405.2
Domestic claims	23403.2	24003.9	24424.0	24183.6	24877.8	25670.1	25156.9	25923.4	26543.4	25816.3	26945.7	27669.1	27185.6	27881.6	27940.1	27512.2	28337.1	28397.5	26689.8	27615.7	27310.2
Net claims on central government	832.3	1152.4	1334.2	854.2	1096.3	1405.7	820.9	778.0	1088.2	-169.3	293.7	610.4	-369.4	100.0	183.6	-678.6	8.4	113.3	-2199.5	-1831.5	-2680.4
Claims on central government	2094.1	2113.7	2082.5	2079.7	2007.4	2586.1	2419.1	2155.8	2528.4	2426.7	2543.8	2661.9	2555.8	2563.6	2464.0	2578.7	2571.8	2767.3	2785.2	2914.4	3098.8
less: Liabilities to central government	-1261.7	-961.2	-748.3	-1180.3	-911.1	-1180.3	-1598.2	-1377.8	-1440.3	-2596.0	-2250.1	-2051.4	-2925.1	-2463.3	-2250.4	-3251.3	-2563.4	-2654.0	-4984.8	-4745.9	-5779.3
Claims on other sectors	22570.8	22851.4	23089.8	23329.4	23781.4	24264.4	24336.0	25045.4	25455.3	25985.6	26652.0	27051.4	27555.0	27781.6	27756.5	28190.8	28328.7	28284.2	28889.3	29447.2	29990.7
Other financial corporations	60.8	60.0	21.4	23.2	22.1	30.1	26.7	31.2	285.2	327.5	562.7	831.0	625.3	780.4	731.9	759.8	852.8	619.4	525.1	660.8	1017.3
State and local government	8.0	8.1	13.1	21.7	21.9	22.4	28.3	32.1	28.7	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0
Public nonfinancial corps	370.7	237.0	238.5	243.1	300.1	289.5	288.0	285.4	393.2	394.4	415.6	404.9	403.0	395.2	204.1	198.4	168.1	180.0	226.9	264.4	332.9
Other nonfinancial corps	8162.2	7821.2	8081.5	8213.0	8325.4	8478.8	8479.0	8964.2	8636.3	8889.5	9099.5	9036.6	9385.1	9356.2	9264.8	9499.8	9340.2	9373.7	9923.8	10005.8	9915.1
Other resident sectors	13969.1	14724.4	14735.2	14828.3	15112.0	15443.6	15513.9	15732.4	16111.9	16344.7	16542.3	16757.0	17120.8	17225.9	17524.4	17695.2	17927.7	18062.9	18169.9	18456.5	18701.3
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	17573.6	17419.2	17065.4	17322.0	17467.6	17370.2	17796.4	17368.8	18754.2	19132.8	19717.0	20548.8	20973.0	20629.4	21511.9	22238.1	22617.5	22540.2	23244.6	23054.5	22589.7
Currency outside depository corps	711.6	683.2	697.8	668.5	706.1	680.0	646.9	663.0	681.0	714.6	678.8	726.7	727.4	767.4	785.6	772.0	839.7	763.4	739.1	731.3	797.4
Transferable deposits	9368.5	9322.5	8976.4	9063.7	8820.0	8728.8	9213.5	9693.6	10752.9	10726.7	11228.7	11366.5	11743.4	11544.1	12065.2	13562.1	13412.7	12937.7	13791.9	13916.6	14029.6
Other financial corporations	1685.3	1654.3	1655.8	1791.9	1583.4	1558.9	9213.5	1702.5	2294.6	1717.6	1817.0	2229.7	1712.7	1567.8	1461.1	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5
State and local government	156.9	160.9	169.7	158.6	153.4	165.0	1647.5	162.0	168.8	192.2	193.7	200.4	200.4	223.2	215.3	225.0	191.2	189.1	159.2	166.9	158.9
Public nonfinancial corporations	328.0	449.3	230.7	239.1	200.1	213.9	189.8	546.3	649.0	677.7	696.6	733.0	593.7	561.0	781.9	964.3	1007.6	913.5	980.2	892.3	1234.7
Other nonfinancial corporations	5152.6	4937.4	4878.4	4868.1	4957.8	4881.7	409.0	523.3	5422.5	5708.9	6313.6	6034.2	6774.2	6703.4	6696.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8
Other resident sectors	2045.7	2155.6	2026.7	2008.0	1987.3	1909.4	4984.0	2158.0	2217.0	2322.0	2223.2	2159.7	2446.3	2476.2	2309.4	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	1983.1	0.0	0.0	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	0.0	-35.0	15.0	0.0	-0.0	-0.0	0.0	0.1	1.0	108.3	0.1	16.3	16.2	12.7	1.4	-0.1	0.1	22.1	-25.7	13.2	0.2
Other deposits	7493.6	7413.5	7391.3	7589.7	7879.5	7961.4	7936.0	7006.6	7308.9	7679.9	7800.1	8446.0	8494.2	8312.2	8655.2	7898.1	8593.3	8833.3	8707.6	8400.5	7756.7
Other financial corporations	179.6	155.5	189.3	184.3	212.8	212.2	7936.0	264.3	317.1	409.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	367.1	423.5	433.8	586.8
State and local government	101.3	86.6	88.5	136.1	149.3	148.8	218.8	190.8	168.1	175.4	183.6	177.7	147.7	160.3	141.6	160.8	166.0	198.8	216.8	227.6	286.8
Public nonfinancial corporations	517.9	462.4	518.5	496.6	500.2	505.9	112.2	848.2	833.6	773.8	768.2	687.7	867.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	369.8
Other nonfinancial corporations	3147.7	3121.4	3094.4	3202.9	3322.3	3396.2	566.5	2664.9	2933.7	3133.2	3229.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3624.1	4155.7	3524.0
Other resident sectors	3547.1	3587.5	3500.6	3569.7	3694.9	3700.2	3361.4	3029.0	3086.4	3188.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3543.6	3571.9	4039.2	3171.9	2960.0
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	3677.1	3.3	0.0	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3
Securities other than shares, included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11.7	11.5	11.5	9.5	9.5	8.0	5.8	5.8	5.9	5.9	5.9	5.9	5.9	5.9
Deposits excluded from broad money	-483.0	-263.3	313.0	-233.8	-216.0	-441.4	0.0	300.8	414.6	182.8	206.2	267.5	441.6	382.2	767.8	1069.0	854.1	1090.9	806.7	806.3	855.8
Securities other than shares, excluded from broad money	437.4	420.5	377.7	327.4	344.9	408.4	-234.6	3750.0	3913.8	4246.7	4181.9	3987.9	3864.9	3905.5	4018.8	4080.4	4108.6	4076.9	3323.1	4543.3	4957.7
Loans	2056.6	2252.0	2419.2	2648.8	2658.9	2819.1	389.3	5.5	5.2	5.6	5.2	5.6	5.6	5.7	5.6	2.2	5.3	5.3	5.3	5.3	5.3
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	2866.2	0.0	0.0	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	4.2	5.4	2.9	4.4	3.9	3.2	4.0	4.3	2.1	3.2	3.3	2.8	1.9	4.2	4.0	88.5	3.9	4.9	173.3	46.0	88.0
Shares and other equity	4630.2	4661.9	4783.9	4881.6	4916.5	4841.4	4.0	5004.7	4840.8	4974.5	5210.1	5279.9	5261.1	5303.1	5418.4	5465.7	5408.6	5353.2	5490.2	5592.5	5470.9
Other items (net)	-73.0	-1.1	-604.6	-66.8	39.8	513.0	4864.2	619.5	-664.1	-894.8	-677.3	-951.7	-1066.6	-355.6	157.8	14.1	-35.2	170.6	-233.0	-374.2	231.3
Other liabilities (includes central bank float)	1424.6	1704.2	1368.1	1490.0	1557.1	1419.2	362.8	1497.9	1384.5	1232.1	1409.5	1518.5	1500.3	1688.6	1844.5	1715.3	2143.4	1988.9	1873.3	2234.2	1987.5
less: Other assets	-1842.9	-1811.5	-2073.0	-2019.5	-2104.9	-1938.3	1388.5	-2233.7	-1996.7	-1974.0	-1747.6	-2052.4	-2287.4	-1918.4	-1819.0	-1821.9	-2396.3	-2030.6	-2092.5	-2432.4	-1740.5
plus: Consolidation adjustment	345.2	106.3	100.3	462.8	587.7	1032.1	-1950.9	1355.3	-31.9	-153.0	-339.1	-417.7	-279.5	-125.8	132.3	120.7	217.7	232.3	-13.7	-175.9	4.3
Memoranda: Central bank float	-0.0	70.5	-15.0	0.0	0.0	0.0	0.0	-0.1	-108.3	-108.3	-108.3	-16.3	-16.2	-12.7	-1.4	0.1	-0.1	-22.1	25.7	-13.2	-0.2

ECONOMIC DEVELOPMENTS

**Table II.4 OTHER DEPOSITORY CORPORATIONS CLAIMS ON DOMESTIC SECTORS
(end period in N\$ Million)**

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Loans	22549.2	22856.8	23193.8	23293.5	23724.1	24198.4	24282.0	24982.9	25190.8	25670.8	26100.9	26198.1	26912.0	27001.9	27069.9	27492.0	27551.2	27750.0	28442.3	28669.8	29068.7
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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 depository corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	159.6	158.3	160.3	128.6	130.3	151.0	133.6	148.2	149.9	151.9	153.6	155.1	162.6
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	75.2	70.5	3.2	0.5	1.0	0.8	3.4	2.8	0.9	1.2	1.7	1.6	2.2	2.5	1.6	1.1	13.2	17.3	4.0	9.1	12.4
State and local government	8.0	8.1	13.1	21.7	21.9	22.4	28.3	32.1	28.7	29.5	31.9	25.0	20.8	23.5	31.3	37.6	40.0	48.2	43.7	59.7	24.0
Public nonfinancial corporations	368.4	234.6	233.0	237.9	294.9	284.2	283.7	283.5	289.4	290.6	311.8	301.1	299.2	291.4	100.2	100.2	69.9	81.8	128.7	166.2	234.7
Other nonfinancial corporations	8093.2	7751.4	8010.8	8141.5	8252.9	8405.5	8407.5	8891.9	8563.1	8816.2	9024.5	8957.7	9311.8	9283.3	9251.6	9486.6	9326.9	9360.2	9912.9	9994.8	9903.9
(Businesses)																					
Loans and Advances	6468.4	6124.6	6362.3	6489.3	6554.9	6575.5	6563.5	7024.1	6728.9	6953.2	7135.2	7127.9	7455.5	7410.0	7201.7	7439.3	7231.5	7255.6	7744.6	7812.4	7754.3
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	1222.1	671.3	609.6	699.1	674.7	687.1	689.7	692.5	746.3	755.4	743.7	746.3	786.4	827.0	1459.2	1289.2	1650.5	1662.5	1696.7	1701.4	1845.4
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	1222.1	671.3	609.6	699.1	674.7	687.1	689.7	692.5	746.3	755.4	743.7	746.3	786.4	827.0	1459.2	1289.2	1650.5	1662.5	1696.7	1701.4	1845.4
Overdrafts	2858.6	2996.9	3251.0	3267.9	3402.8	3426.7	3413.3	3833.3	3551.3	3682.9	3873.8	3842.7	4017.2	3989.2	3680.4	3778.2	3449.3	3422.7	3725.5	3670.3	3551.1
Other loans and advances	2387.7	2456.5	2501.8	2522.4	2477.4	2461.7	2460.4	2498.4	2431.3	2514.9	2517.7	2539.9	2651.9	2593.8	2062.2	2371.8	2131.7	2170.4	2322.4	2440.7	2357.8
Leasing	38.6	41.2	43.2	42.7	42.8	39.7	39.5	39.5	40.2	40.6	40.3	39.9	41.2	40.7	40.8	41.0	39.7	35.3	35.6	36.7	37.0
Instalment credit	943.1	947.4	958.0	971.6	984.5	1020.4	1027.6	1049.3	1077.1	1084.0	1099.1	1106.6	1117.0	1122.0	1299.6	1307.7	1331.6	1346.8	1416.5	1429.6	1386.5
Other	643.2	638.2	647.3	637.9	670.7	769.8	776.8	779.4	717.0	738.4	749.9	683.3	698.1	710.5	709.5	698.7	724.0	722.5	716.2	716.1	726.1
Other resident sectors	13955.2	14711.1	14892.0	14814.8	15098.8	15430.2	15499.9	15718.7	16097.9	16330.6	16526.5	16738.6	17101.0	17208.1	17508.2	17678.3	17910.1	18044.3	18152.8	18439.2	18684.9
(Individuals)																					
Loans and Advances	10677.6	11726.6	11877.5	11705.9	11939.3	12255.0	12234.6	12378.5	12699.0	12904.3	13044.8	13245.2	13556.9	13606.1	14069.4	14172.2	14353.1	14464.2	14635.9	14934.2	15145.6
Farm mortgage loans	292.9	292.9	292.9	713.3	713.3	708.0	709.5	706.7	672.1	718.3	752.1	720.6	719.1	720.7	719.1	701.8	701.8	716.6	716.6	716.6	716.6
Other mortgage loans	7774.9	8465.6	8796.7	8810.0	9028.4	9189.7	9242.6	9329.3	9586.1	9772.5	9868.2	10026.4	10281.1	10328.0	10513.3	10592.4	10811.1	10935.2	11021.3	11323.2	11456.4
Dwellings	7358.4	8049.1	8382.0	8392.1	8610.5	8771.7	8824.9	8908.6	9586.1	9772.5	9868.2	10026.4	10281.1	10328.0	10513.3	10592.4	10811.1	10935.2	11021.3	11323.2	11456.4
Other	416.5	416.5	414.7	418.0	418.0	418.0	417.7	420.7	0.0	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	896.4	919.0	937.2	953.7	949.9	1116.1	1016.8	1048.4	1070.0	1062.5	1098.5	1130.0	1144.2	1167.8	1122.3	1147.7	1057.7	1026.5	1096.6	1095.2	1114.2
Other loans and advances	1713.3	2049.1	1850.7	1228.8	1247.6	1241.2	1265.7	1294.1	1370.8	1351.1	1325.9	1368.3	1412.4	1389.5	1714.7	1730.4	1782.5	1785.9	1801.3	1799.2	1858.4
Leasing	65.3	63.8	61.1	62.5	58.7	60.3	59.3	60.8	59.8	59.5	60.0	59.2	63.7	65.9	67.2	75.2	73.3	72.9	66.6	66.3	67.4
Instalment credit	2558.7	2619.9	2653.3	2743.1	2798.4	2810.5	2895.6	2965.1	3022.5	3043.6	3098.0	3108.2	3150.3	3202.9	3035.8	3100.4	3147.2	3165.3	3101.6	3087.0	3116.6
Other	653.6	300.7	300.1	303.3	302.4	304.4	310.4	314.4	316.6	323.1	323.7	326.0	330.2	333.2	335.7	330.5	336.5	341.9	348.7	351.7	355.2
Nonresidents	49.2	81.1	41.7	77.1	54.6	55.3	59.1	53.8	51.2	44.5	44.1	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2
Loans and Advances	49.2	81.1	41.7	77.1	54.6	55.3	59.1	53.8	51.2	44.5	44.1	45.6	46.7	42.2	43.4	39.9	41.2	46.2	46.7	45.7	46.2
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	37.9	62.1	28.9	61.1	35.5	36.8	38.1	49.8	47.2	26.4	28.8	29.2	31.7	26.9	27.8	24.1	25.2	30.0	29.2	27.3	27.9
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	37.9	62.1	28.9	61.1	35.5	36.8	38.1	49.8	47.2	26.4	28.8	29.2	31.7	26.9	27.8	24.1	25.2	30.0	29.2	27.3	27.9
Overdrafts	7.2	14.8	8.6	12.1	15.0	14.4	16.9	0.0	0.0	14.3	11.5	12.5	11.2	11.9	12.2	12.4	12.8	13.1	14.2	15.2	15.1
Other loans and advances	4.1	4.2	4.2	3.9	4.1	4.1	4.1	4.0	4.0	3.8	3.8	3.8	3.8	3.5	3.5	3.4	3.2	3.2	3.3	3.3	3.2
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
Instalment 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 Deposits of Other Depository Corporations
(end period in N\$ Million)**

	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07
Total Deposits	20207.3	19309.0	19666.6	19384.9	19519.7	19886.4	19673.2	19970.2	20895.8	21831.0	22137.2	23354.0	23884.6	23599.2	24042.4	25163.2	25166.9	25578.8	26340.5	26067.5	25819.7
Deposits included in broad money	16513.7	16330.8	16042.9	16312.5	16202.5	16170.1	16402.3	16766.3	18060.7	18298.4	19028.7	19796.2	20221.4	19843.5	20719.0	21460.4	21771.9	21748.8	22525.1	22304.1	21786.1
Transferable deposits	9531.6	9459.2	9145.8	9176.6	8869.4	8952.8	9322.8	9765.8	10751.9	10618.4	11228.6	11350.2	11727.2	11531.3	12063.8	13562.3	13412.6	12915.6	13817.6	13903.6	14029.4
In national currency	9531.6	9459.2	9145.8	9176.6	8869.4	8952.8	9322.8	9765.8	10751.9	10618.4	11228.6	11350.2	11727.2	11531.3	12063.8	13562.3	13412.6	12915.6	13817.6	13903.6	14029.4
Other financial corporations	1684.6	1654.3	1655.8	1791.9	1583.4	1558.9	1647.5	1702.5	2294.6	1717.6	1817.0	2229.7	1712.7	1567.8	1461.1	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5
State and local government	156.9	160.9	169.7	158.6	153.4	165.0	189.8	162.0	168.8	192.2	178.2	193.7	200.4	223.2	215.3	225.0	191.2	189.1	159.2	166.9	158.9
Public nonfinancial corporations	443.9	562.1	344.0	353.6	200.1	456.7	530.3	546.3	649.0	677.7	696.6	733.0	593.7	561.0	781.9	964.3	1007.6	913.5	980.2	892.3	1234.7
Other nonfinancial corporations	5200.3	4926.0	4949.3	4864.3	4945.1	4870.1	4972.1	5233.1	5422.5	5708.9	6313.6	6034.2	6774.2	6703.1	6696.2	7635.4	7303.9	7027.7	7303.0	7978.1	8070.8
Other resident sectors	2046.0	2155.9	2026.9	2008.1	1987.4	1902.2	1983.1	2121.8	2217.0	2322.0	2223.2	2159.7	2446.3	2476.2	2909.3	2904.7	2975.7	3113.0	3355.5	2650.0	2676.5
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	6982.2	6871.6	6897.1	7135.9	7333.1	7217.3	7079.5	7000.6	7308.9	7679.9	7800.1	8446.0	8494.2	8312.2	8655.2	7898.1	8359.3	8833.3	8707.6	8400.5	7756.7
In national currency	6982.2	6871.6	6897.1	7135.9	7333.1	7217.3	7079.5	7000.6	7308.9	7679.9	7800.1	8446.0	8494.2	8312.2	8655.2	7898.1	8359.3	8833.3	8707.6	8400.5	7756.7
Other financial corporations	268.6	240.7	293.4	289.9	325.0	317.7	332.5	264.3	317.1	409.4	394.4	391.9	472.5	724.1	334.2	344.8	297.9	367.1	423.5	433.8	566.8
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	160.8	166.0	198.8	216.8	227.6	286.8
Public nonfinancial corporations	759.8	681.1	619.3	628.7	739.6	630.4	690.3	848.2	833.6	773.8	768.2	687.7	867.4	880.9	398.4	274.1	248.6	564.3	386.5	382.1	369.8
Other nonfinancial corporations	2822.1	2790.4	2817.3	2938.3	2921.1	2946.9	2842.2	2664.9	2933.7	3133.2	3229.8	3700.8	3675.2	3161.3	4314.4	3765.0	4088.7	4119.4	3624.1	4155.7	3524.0
Other resident sectors	2968.2	3003.5	3007.3	3059.9	3127.7	3104.9	3025.7	3029.0	3056.4	3188.2	3212.2	3475.7	3319.2	3373.3	3443.2	3334.4	3543.6	3571.9	4039.2	3171.9	2960.0
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	11.6	3.3	0.0	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3
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	0.0	0.0	0.0	0.0	0.0	11.6	3.3	0.0	0.0	11.8	12.3	12.3	12.3	23.6	19.0	14.6	11.7	17.5	29.3	29.3
Deposits excluded from broad money	3693.5	2978.3	3623.8	3072.4	3317.3	3716.3	3270.9	3203.9	2835.1	3532.6	3108.5	3557.8	3663.3	3755.7	3323.4	3702.8	3395.0	3830.0	3815.3	3763.4	4033.6
Transferable deposits	1807.4	1323.9	1977.4	1607.4	1844.6	2018.4	1645.6	1509.8	1436.3	1617.2	1469.6	1967.8	1946.2	2026.4	1827.7	1995.1	1820.9	1625.5	1623.9	1830.4	2290.2
In national currency	1510.7	1084.0	1397.3	1393.6	1588.6	1687.1	1294.9	1170.0	1014.2	1424.6	1257.3	1462.9	1495.9	1636.0	1337.3	1393.1	1159.1	1129.3	1127.4	1399.4	1623.4
In foreign currency	296.7	239.9	580.0	213.8	256.0	331.4	350.7	339.8	422.1	192.6	212.4	504.9	450.2	390.4	490.4	602.1	661.8	496.2	496.5	431.1	666.8
Other deposits	1886.1	1654.3	1646.4	1465.0	1472.7	1697.9	1625.4	1694.1	1398.8	1915.4	1638.9	1590.0	1717.1	1729.3	1495.6	1707.7	1574.1	2204.4	2191.5	1932.9	1743.4
In national currency	1016.7	942.7	1020.4	982.3	960.1	1256.5	1160.5	1256.1	981.9	1508.2	1564.3	1478.1	1669.6	1679.1	1441.8	1494.4	1346.0	1837.6	2174.5	1920.4	1715.5
In foreign currency	869.4	711.6	626.0	482.7	512.6	441.4	464.9	437.9	416.9	407.2	74.6	111.8	47.5	50.2	53.8	213.3	228.1	366.8	17.0	12.5	27.9

Table II.6 Monetary Aggregates
N\$ million

		Currency in Circulation 1	Transferable Deposits 2	Narrow Money (M1) 3	Other Deposits 4	Securities included in M2	Broad Money Supply (M2) 6
				1+2 = 3		5	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	9236.1	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

Table II.7 Monetary Analysis
N\$ million

		Determinants of Money Supply							
		Broad Money Supply (M2) 1+5+6+7	Claims on the Central Government					Claims on Private Sectors 6	Other Items Net 7
			Net Foreign Assets flows (m-o-m) 1	Gross claims 2	Government Deposits 3	Other Liabilities 4	Net Claims on Government 5		
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

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

	Broad Money Supply (M2)	Determinants of Money Supply							
		Claims on the Central Government					Net Claims on Government	Claims on Private Sectors	Other Items Net
		Net Foreign Assets (Flows)	Gross claims	Government Deposits	Other Liabilities				
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
	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

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	Repro rate
		Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA	Namibia	RSA
2003	Jan	17.50	17.00	15.63	17.00	11.75	12.34	9.26	12.43	12.75	13.50
	Feb	17.50	17.00	15.04	17.00	11.51	12.63	9.34	12.63	12.75	13.50
	Mar	17.50	17.00	15.46	17.00	11.56	12.73	9.37	11.96	12.75	13.50
	Apr	17.50	17.00	15.41	17.00	11.68	12.74	9.35	12.46	12.75	
	May	17.50	17.00	15.46	17.00	12.30	12.55	9.33	12.40	12.75	13.50
	Jun	17.50	15.50	16.16	16.13	11.95	11.21	9.66	12.03	11.50	12.00
	Jul	16.25	15.50	15.45	15.50	11.06	10.89	9.50	11.30	11.50	12.00
	Aug	15.50	14.50	14.74	14.94	10.28	10.25	8.93	9.84	10.75	11.00
	Sep	14.50	13.50	14.04	13.86	10.00	10.04	7.91	9.86	9.75	10.00
	Oct	13.00	12.00	13.72	12.89	9.01	8.22	8.04	8.69	8.25	8.50
	Nov	13.00	12.00	12.04	12.00	7.69	7.69	7.35	7.69	7.75	8.50
	Dec	12.50	11.50	12.91	11.75	7.35	7.01	6.88	7.40	7.75	8.00
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	8.49	8.87	6.98	9.00	9.00	9.00
	Feb	13.75	12.50	12.32	12.50	8.14	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	6.64	9.00	9.00

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

	Offer	Tendered	Surplus(+) Deficit (-)	Effective Yield %
91 days				
2006				
January	30.0	35.8	5.8	7.4
February	50.0	102.6	52.6	7.3
March	150.0	238.4	88.4	7.0
April	30.0	76.9	46.9	6.9
May	50.0	142.0	92.0	6.8
June	150.0	232.3	82.3	7.1
July	50.0	217.1	167.1	7.6
August	100.0	277.5	177.5	7.9
September	150.0	399.6	249.6	7.9
October	50.0	150.6	100.6	7.9
November	100.0	340.8	240.8	8.4
December	150.0	303.6	153.6	8.7
2007				
January	50.0	146.5	96.5	8.7
February	100.0	228.9	128.9	8.6
March	150.0	262.4	112.4	8.5
April	50.0	150.0	100.0	8.4
182 days				
2006				
January	50.0	159.6	109.6	7.3
February	200.0	349.6	149.6	7.4
March	400.0	948.6	548.6	7.2
May	130.0	279.4	149.4	7.0
June	120.0	171.5	51.5	7.2
July	50.0	186.2	136.2	7.9
August	200.0	409.1	209.1	8.1
September	350.0	993.5	643.5	8.1
November	150.0	387.3	237.3	8.1
December	200.0	396.6	196.6	8.4
2007				
January	50.0	134.5	84.5	8.4
February	120.0	288.2	168.2	8.4
March	300.0	754	453.7	8.6
April	0.0	0.0	0.0	0.0
365 days				
2006				
January	40.0	167.8	127.8	7.72
February	100.0	197.9	97.9	
March	230.0	674.9	444.9	7.5
April	200.0	474.8	274.8	7.4
May	350.0	700.4	350.4	7.5
June	330.0	582.4	252.4	7.7
July	200.0	347.7	147.7	8.4
August	300.0	782.7	482.7	9.3
September	500.0	1,088.3	588.3	9.2
October	50.0	192.0	142.0	9.2
November	400.0	1,011.8	611.8	9.1
December	250.0	306.4	56.4	9.2
2007				
February	100.0	320.1	220.1	9.0
March	100.0	326.6	226.6	8.9
April	100.0	264.0	164.0	8.9

TABLE III. 1 (b) Allotment of Government of Namibia treasury bills
N\$ million

Date Issued	Date Due	Banking Sector		Total	Non - Banking Sector			Total	Amount Outstanding
		Deposit Money Banks	Other Banking Institutions		Non-bank Financial Institutions	Other Public Enterprises	Private Sector		
		I	II	I + II = III	A	B	C	A+B+C+III	
2006									
Jan	04/06	25.0	0.0	25.0	0.8	0.0	0.0	25.8	5,112.8
Jan*	07/06	45.3	0.0	45.3	4.7	0.0	0.0	50.0	5,082.8
Jan**	01/06	40.0	0.0	40.0	0.0	0.0	0.0	40.0	5,072.8
Feb	05/06	48.2	0.0	48.2	0.0	0.0	1.8	50.0	5,062.8
Feb*	08/06	172.4	0.0	172.4	25.4	0.0	2.1	200.0	5,032.8
Feb**	02/06	89.8	0.0	89.8	10.3	0.0	0.0	100.0	4,982.8
March	06/06	130.1	0.0	130.1	19.9	0.0	0.0	150.0	4,932.8
March *	09/06	300.0	0.0	300.0	0.0	0.0	0.0	300.0	4,712.8
March *	09/06	59.6	0.0	59.6	40.4	0.0	0.0	100.0	4,812.8
March**	03/07	200.0	0.0	200.0	0.0	0.0	0.0	200.0	4,712.8
March**	03/07	30.0	0.0	30.0	0.0	0.0	0.0	30.0	4,742.8
April	07/06	26.5	0.0	26.5	3.5	0.0	0.0	30.0	4,747.0
April**	04/06	100.0	0.0	100.0	0.0	0.0	0.0	100.0	4,727.0
April**	04/06	100.0	0.0	100.0	0.0	0.0	0.0	100.0	4,675.0
May	08/06	50.0	0.0	50.0	0.0	0.0	0.0	50.0	4,675.0
May*	11/06	130.0	0.0	130.0	0.0	0.0	0.0	130.0	4,675.0
May**	05/06	225.0	0.0	225.0	23.0	0.0	2.0	250.0	4,655.0
May**	05/06	140.0	0.0	140.0	10.0	0.0	0.0	150.0	4,655.0
June	09/06	137.7	0.0	137.7	10.5	0.0	1.8	150.0	4,655.0
June*	12/06	111.4	0.0	111.4	8.6	0.0	0.0	120.0	4,655.0
June**	06/07	186.6	0.0	186.6	6.9	0.0	6.4	200.0	4,725.0
June**	06/07	123.3	0.0	123.3	6.7	0.0	0.0	130.0	4,655.0
July	10/06	40.9	0.0	40.9	9.1	0.0	0.0	50.0	4,675.0
July*	01/07	47.0	0.0	47.0	3.0	0.0	0.0	50.0	4,675.0
July**	07/07	192.3	0.0	192.3	7.7	0.0	0.0	200.0	4,625.0
Aug	11/06	96.3	0.0	96.3	3.7	0.0	0.0	100.0	4,675.0
Aug*	02/07	178.3	0.0	178.3	20.0	0.0	1.7	200.0	4,675.0
Aug**	08/07	150.0	0.0	150.0	0.0	0.0	0.0	150.0	4,625.0
Aug**	08/07	139.8	0.0	139.8	10.2	0.0	0.0	150.0	4,625.0
Sep	12/06	125.0	0.0	125.0	23.2	0.0	1.8	150.0	4,625.0
Sep*	03/07	100.0	0.0	100.0	0.0	0.0	0.0	100.0	4,425.0
Sep*	03/07	215.0	0.0	215.0	34.9	0.0	0.0	250.0	4,575.0
Sep**	09/07	105.7	0.0	105.7	44.2	0.0	0.0	150.0	4,525.0
Sep**	09/07	326.9	0.0	326.9	23.0	0.0	0.0	350.0	4,425.0
Oct	01/07	41.4	0.0	41.4	8.5	0.0	0.0	50.0	4,425.0
Oct**	10/07	45.0	0.0	45.0	5.0	0.0	0.0	50.0	4,375.0
Nov	02/07	77.0	0.0	77.0	23.0	0.0	0.0	100.0	4,375.0
Nov*	05/07	53.7	0.0	53.7	96.3	0.0	0.0	150.0	4,395.0
Nov**	11/07	269.5	0.0	269.5	30.5	0.0	0.0	300.0	4,195.0
Nov**	11/07	100.0	0.0	100.0	0.0	0.0	0.0	100.0	4,195.0
Dec	03/07	126.4	0.0	126.4	21.8	0.0	1.8	150.0	4,195.0
Dec*	06/07	196.0	0.0	196.0	4.0	0.0	0.0	200.0	4,275.0
Dec**	12/07	205.4	0.0	205.4	44.6	0.0	0.0	250.0	4,250.0
2007									
Jan	04/07	40.0	0.0	40.0	10.0	0.0	0.0	50.0	4,250.0
Jan*	07/07	50.0	0.0	50.0	0.0	0.0	0.0	50.0	4,250.0
Jan**	01/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4,210.0
Feb	05/07	98.8	0.0	98.8	1.2	0.0	0.0	100.0	4,210.0
Feb*	08/07	117.0	0.0	117.0	3.0	0.0	0.0	120.0	4,130.0
Feb**	02/08	90.0	0.0	90.0	10.0	0.0	0.0	100.0	4,130.0
Mar	06/07	122.7	0.0	122.7	25.5	0.0	1.8	150.0	4,130.0
Mar*	08/07	170.0	0.0	170.0	28.4	0.0	1.6	200.0	4,080.0
Mar*	09/07	99.5	0.0	99.5	0.5	0.0	0.0	100.0	4,080.0
Mar**	03/08	100.0	0.0	100.0	0.0	0.0	0.0	100.0	3,980.0
Mar**	03/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,950.0
Apr	07/07	45.0	0.0	45.0	5.0	0.0	0.0	50.0	3,950.0
Apr**	04/08	100.0	0.0	100.0	0.0	0.0	0.0	100.0	3,950.0
Apr**	04/07	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,850.0
May	08/07	87.8	0.0	87.8	12.2	0.0	0.0	100.0	3,850.0
May*	11/07	94.0	0.0	94.0	56.0	0.0	0.0	150.0	3,849.9
May**	05/08	150.0	0.0	150.0	0.0	0.0	0.0	150.0	3,849.9
May**	05/08	100.0	0.0	100.0	0.0	0.0	0.0	100.0	3,699.9

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	65.2	25.2	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	138.4	98.4	8.9
March	40.0	162.4	122.4	8.0
April	0.0	0.0	0.0	0.0
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	83.3	43.3	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
April	0.0	0.0	0.0	0.0

ECONOMIC DEVELOPMENTS

TABLE III. 2 (b) Allotment of Government of Namibia internal registered stock
N\$ million

Date Issued	Date Due	Coupon Rate [%]	Banking Sector			Non-Banking Sector				TOTAL III+D	Amount Outstanding
			Deposit Money Banks I	Other Banking Institutions II	Total Banking Sector I+II=III	Non-bank Financial Institutions A	Other Public Enterprises B	Private Sector C	Total Non-Banking A+B+C=D		
2001			5146.1	1000.0	5669.1	1274.0	1200.0	2230.0		5313.5	2695.1
2002			8125.7	3000.0	8155.7	1233.0	9079.7	3250.0		1001.3	3017.5
2003			448.3	0.0	466.3	6.1	52.7	3.2		505.5	3527.3
2004			1153.3	89.3	1242.6	29.1	30.0	5.6		1307.3	4831.2
2005											
Jan	10/24	10.50	4.0	0.0	4.0	4.0	0.0	0.0	4.0	8.0	4839.5
Feb*	04/15	13.00	17.5	0.0	17.5	0.0	0.0	0.0	0.0	17.5	4857.0
Feb*	04/05	12.00	-20.0	0.0	-20.0	0.0	0.0	0.0	0.0	-20.0	4837.0
Feb	07/08	8.50	30.0	0.0	30.0	0.0	0.0	0.0	0.0	30.0	4867.0
Feb	07/08	8.50	29.9	0.0	29.9	0.0	0.0	0.1	0.1	30.0	4897.0
Feb	04/15	13.00	10.0	0.0	10.0	0.0	0.0	0.0	0.0	10.0	4907.0
Feb	10/24	10.50	4.0	0.0	4.0	0.0	0.0	0.0	0.0	4.0	4911.0
Mar	07/08	8.50	12.0	0.0	12.0	0.0	0.0	0.2	0.2	12.2	4923.2
Mar	04/15	13.00	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1	4923.3
Mar	10/24	10.50	4.0	0.0	4.0	0.0	0.0	0.0	0.0	4.0	4927.3
Apr	07/08	8.50	104.8	0.0	104.8	15.1	0.0	0.2	15.3	120.0	4426.9
Apr	01/10	12.00	95.0	15.0	110.0	10.0	0.0	0.0	10.0	120.0	4546.9
Apr	04/15	13.00	7.0	0.0	7.0	0.0	0.0	1.3	1.3	8.3	4555.1
Apr	10/24	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	4595.1
May	07/08	8.50	78.0	0.0	78.0	2.0	0.0	0.0	2.0	80.0	4675.1
May	04/15	13.00	20.0	0.0	20.0	0.0	0.0	0.0	0.0	20.0	4695.1
Jun	07/08	8.50	38.0	0.0	38.0	2.0	0.0	0.0	2.0	40.0	4735.1
Jun	07/08	8.50	4.0	0.0	4.0	16.0	0.0	0.0	16.0	20.0	4755.1
Jun	04/15	13.00	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	4795.1
Jun	04/15	13.00	35.0	0.0	35.0	0.0	0.0	3.0	3.0	38.0	4833.1
Jun	10/24	10.50	10.0	0.0	10.0	4.0	0.0	0.0	4.0	14.0	4847.1
Jun	10/24	10.50	1.9	0.0	1.9	0.0	0.0	0.0	0.0	1.9	4849.1
Jul	10/12	10.50	35.1	0.7	35.8	4.0	0.0	0.2	4.2	40.0	4889.1
Jul	04/15	13.00	23.9	10.0	33.9	6.1	0.0	0.1	6.2	40.1	4929.1
Aug	07/08	8.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	4969.1
Aug	10/12	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	5009.1
Sep	07/08	8.50	49.4	0.0	49.4	0.0	0.0	0.6	0.6	50.0	5059.1
Sep	10/12	10.50	44.6	0.0	44.6	4.2	0.0	1.2	5.4	50.0	5109.1
Sep	10/12	10.50	29.1	20.0	49.1	0.2	0.0	0.7	0.9	50.0	5159.1
Sep	04/15	13.00	52.0	0.0	52.0	8.0	0.0	0.0	8.0	60.0	5219.1
Sep	10/24	10.50	33.9	0.0	33.9	5.0	0.0	0.0	5.0	38.9	5258.1
Oct	04/15	13.00	0.0	40.0	40.0	0.0	0.0	0.0	0.0	40.0	5298.1
Oct	10/24	10.50	21.0	0.0	21.0	5.0	0.0	0.0	5.0	26.0	5324.1
Nov	07/08	8.50	32.5	0.0	32.5	6.1	0.0	1.4	7.5	40.0	5364.0
Nov	10/12	10.50	0.0	40.0	40.0	0.0	0.0	0.0	0.0	40.0	5404.0
Dec	07/08	8.50	47.6	0.0	47.6	0.0	0.0	2.4	2.4	50.0	5454.1
Dec	07/08	8.50	68.8	0.0	68.8	1.2	0.0	0.0	1.2	70.0	5524.1
Dec	10/12	10.50	23.0	20.0	43.0	0.0	0.0	0.0	0.0	43.0	5567.1
Dec	10/12	10.50	70.0	0.0	70.0	0.0	0.0	0.0	0.0	70.0	5637.1
Dec	04/15	13.00	48.1	0.0	48.1	1.4	0.0	0.5	1.9	50.0	5687.1
Dec	10/24	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	5727.0
2006											
Jan	04/15	13.00	37.0	2.3	39.3	0.0	0.0	0.7	0.7	40.0	5767.1
Jan	10/24	10.50	0.0	0.0	0.0	40.0	0.0	0.0	40.0	40.0	5807.1
Feb	10/12	10.50	26.3	13.7	40.0	0.0	0.0	0.0	0.0	40.0	5847.1
Feb	10/24	10.50	32.0	7.3	39.3	0.7	0.0	0.0	0.7	40.0	5887.1
Mar	10/12	10.50	26.3	13.7	40.0	0.0	0.0	0.0	0.0	40.0	5927.1
Apr	04/15	13.00	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	5967.1
Apr	10/24	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6007.1
May	10/12	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6047.1
May	04/15	13.00	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6087.1
June	10/12	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6127.0
June	04/15	13.00	16.5	23.5	40.0	0.0	0.0	0.0	0.0	40.0	6167.0
June	10/24	10.50	32.0	0.0	32.0	0.0	0.0	8.0	8.0	40.0	6207.0
July	10/12	10.50	39.8	0.0	39.8	0.3	0.0	0.0	0.3	40.0	6247.1
July	04/15	13.00	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6287.1
July	10/24	10.50	37.0	0.0	37.0	3.0	0.0	0.0	3.0	40.0	6327.1
Aug	10/12	10.50	38.4	0.0	38.4	1.6	0.0	0.0	1.6	40.0	6367.1
Aug	10/24	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6407.1
Sep	10/12	10.50	31.5	0.0	31.5	3.0	0.0	0.0	3.0	34.5	6441.5
Sep	04/15	13.00	31.5	0.0	31.5	6.0	0.0	0.0	6.0	37.5	6478.8
Sep	10/24	10.50	59.0	0.0	59.0	0.0	0.0	0.0	0.0	59.0	6537.8
Oct	10/12	10.50	0.0	17.0	17.0	23.0	0.0	0.0	23.0	40.0	6577.8
Nov	10/12	10.50	27.1	0.0	27.1	12.8	0.0	0.0	12.8	40.0	6617.8
Nov	10/24	10.50	33.7	0.0	33.7	6.3	0.0	0.0	6.3	40.0	6657.8
Dec	10/12	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6697.8
Dec	10/24	10.50	40.0	0.0	40.0	0.0	0.0	0.0	0.0	40.0	6737.8
2007											
Jan	10/24	10.50	35.0	0.0	35.0	5.0	0.0	0.0	0.0	40.0	6777.8
Jan	10/12	10.50	0.0	29.6	29.6	10.4	0.0	0.0	0.0	40.0	6817.8
Feb	10/12	10.50	10.0	0.0	10.0	30.0	0.0	0.0	30.0	40.0	6857.8
Feb	10/24	10.50	0.0	0.0	0.0	40.0	0.0	0.0	40.0	40.0	6897.8
Mar	10/12	10.50	5.3	0.0	5.3	33.3	0.0	1.4	34.7	40.0	6937.8
Mar	10/24	10.50	13.0	0.0	13.0	27.0	0.0	0.0	27.0	40.0	6977.8

* Switch of GCO5 into GC07, GC10 & GC15

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

Revenue	Actual					Revised
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Taxes on income and profits	3,285.6	4,442.3	3,618.5	4,024.2	4,575.7	4,689.0
Taxes on property	64.1	79.3	75.2	85.9	110.1	122.0
Domestic taxes on goods and services	2,107.4	2,135.7	1,950.8	2,057.3	3,272.4	3,186.1
Taxes on international trade	2,641.2	2,596.9	3,035.6	4,206.8	3,891.9	6,471.4
Other taxes	67.6	75.6	82.8	94.1	113.4	123.0
Total tax revenue	8,165.9	9,329.8	8,762.9	10,468.2	11,963.5	14,591.5
Entrepreneurial and property income	463.4	703.2	488.8	490.0	542.9	1048.9
Fines and forfeitures	18.2	19.6	18.9	17.0	17.6	23.5
Administration fees and charges	254.0	382.3	449.3	342.1	512.4	407.1
Return on capital from lending and equity	21.4	15.9	13.5	36.8	32.4	66.0
Total non-tax revenue	757.1	1,121.1	970.5	885.8	1,105.3	1545.5
Total revenue (own sources)	8,923.0	10,450.9	9,733.4	11,354.0	13,068.8	16,137.0
Grants	58.1	34.4	34.2	70.4	39.0	72.0
Loans earmarked for on-lending	116.8	76.8	0.0	0.0	0.0	0.0
Total revenue and grants	9,097.9	10,562.1	9,767.6	11,424.5	13,107.8	16,209.0
Expenditure						
Current Expenditure						
Personnel expenditure	4,325.5	4,708.9	5,117.0	5,527.1	5,888.3	6,139.4
Expenditure on goods and other services	1,977.3	1,993.6	2,079.4	1,921.9	1,922.4	2,198.5
Statutory	602.7	907.6	996.0	1,040.2	1,186.3	1,478.1
Subsidies and other current transfers	1,769.2	1,892.8	2,255.9	2,296.9	2,544.7	2,722.8
Total current expenditure	8,674.7	9,503.0	10,448.3	10,786.1	11,541.7	12,538.8
Capital Expenditure						
Capital expenditure	1,267.0	1,158.7	1,293.4	1,401.1	1,337.4	1,848.2
Capital transfers	25.0	87.2	103.6	217.4	106.0	248.4
Total lending and equity participation	335.7	649.7	400.0	365.9	207.5	652.4
Total capital expenditure	1,627.7	1,895.7	1,797.0	1,984.5	1,650.9	2,749.0
Total expenditure	10,302.4	11,398.7	12,243.4	12,770.5	13,192.6	15,287.8
Overall deficit (-)/surplus(+)	-1,204.5	-836.6	-2,475.8	-1346.0	-84.8	921.2
Total financing						
Net borrowing	1,206.5	699.3	1,788.3	2,441.5	36.2	1024.2
Decrease (+)/increase (-) in cash balances	-2.0	137.3	689.3	-1095.5	48.7	-1945.5
Total financing	1,204.5	836.6	2,477.6	1346.0	84.9	-921.3

Table IV.A Balance of Payments Aggregates
N\$ million

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Merchandise trade balance	-355	-711	-861	-1,927	261	477	-266	179	651	311
Exports fob	3,051	3,046	3,734	9,831	3,900	4,315	4,696	5,046	17,958	4,631
Imports fob (p)	-3,406	-3,757	-4,596	-11,758	-3,639	-3,839	-4,962	-4,867	-17,307	-4,320
Services (net)	61	30	93	185	144	97	173	243	658	238
Credit	713	553	641	1,906	735	772	1,009	1,067	3,582	1,173
Debit	-652	-522	-547	-1,722	-590	-675	-835	-824	-2,924	-934
Compensation of employees (net)	-4	-7	-10	-20	-6	-7	-19	-9	-40	-6
Credit	17	16	17	50	17	17	17	17	67	17
Debit	-20	-23	-27	-70	-22	-23	-36	-25	-106	-22
Investment income (net)	229	-59	-380	-210	105	-77	-548	317	-202	212
Credit	382	463	231	1,076	504	566	415	349	1,834	445
Debit	-153	-522	-611	-1,285	-398	-643	-963	-32	-2,036	-233
Current transfers in cash and kind (net)	869	1,088	1,068	3,024	1,202	1,721	1,756	1,749	6,428	1,845
Credit	937	1,160	1,160	3,258	1,276	1,799	1,832	1,826	6,733	1,942
Debit	-68	-73	-93	-234	-75	-78	-76	-77	-306	-97
Current Account Balance	800	341	-90	1,052	1,707	2,212	1,097	2,479	7,494	2,600
Net capital transfers	124	124	125	373	114	87	166	205	573	240
Credit	125	125	126	376	115	88	167	206	576	240
Debit	-1	-1	-1	-3	-1	-1	-1	-1	-3	-1
Direct investment	-84	624	666	1,206	597	586	790	324	2,296	906
Abroad	87	-4	17	100	61	14	-8	13	80	23
In Namibia	-171	628	649	1,106	536	571	799	310	2,216	883
Portfolio investment	-1,724	-1,643	-1,623	-4,989	-2,069	-2,319	-331	-2,807	-7,527	-2,809
Assets	-1,735	-1,654	-1,635	-5,024	-2,081	-2,331	-342	-2,821	-7,575	-2,824
Liabilities	11	12	12	34	12	11	12	14	48	15
Other investment - long term	-15	228	117	330	-99	439	424	547	1,311	683
Assets	-71	-33	-7	-111	-9	-4	-36	115	66	32
Liabilities	55	261	124	441	-90	443	460	433	1,245	651
Other investment - short term	687	-164	614	1,137	-365	-842	-2,041	-825	-4,073	864
Assets	69	-99	493	463	-535	-100	-865	-1,020	-2,520	974
Liabilities	618	-64	120	674	170	-743	-1,175	195	-1,553	-110
Capital and Financial Account excluding Reserves	-1,013	-830	-101	-1,943	-1,676	-1,883	-618	-2,815	-6,991	-140
Net errors and omissions	170	362	435	967	509	77	277	139	1,003	317
OVERALL BALANCE	-42	-127	244	75	392	240	384	62	1,078	2,800
Reserve Assets	42	127	-244	-75	-392	-240	-384	-62	-1,078	-2,800

(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

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Services, net	61	30	94	185	144	97	173	243	658	238
Credit	713	553	641	1,906	735	772	1,009	1,067	3,583	1,173
Transportation	30	31	43	103	139	157	201	194	691	194
Travel	621	454	534	1,610	529	546	733	794	2,602	900
Insurance	0	0	0	0	0	0	5	7	12	7
Communication	27	26	26	79	27	26	26	26	106	26
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	0	0	0	0	1	4	1	3	8	3
Royalties and License Fees	0	0	0	0	0	0	0	0	0	0
Administrative and Business	1	0	1	2	1	0	0	0	2	0
Professional and Technical	0	0	0	0	0	0	3	1	4	1
Others, not included elsewhere	0	8	3	11	5	5	5	7	22	7
Government	33	33	34	101	35	34	34	34	136	34
Debit	-652	-522	-547	-1,722	-590	-675	-835	-824	-2,924	-934
Transportation	-217	-187	-203	-606	-232	-202	-281	-305	-1,020	-376
Travel	-189	-146	-168	-503	-168	-174	-224	-241	-806	-269
Insurance	-18	-23	-4	-44	-27	-28	-36	-37	-128	-39
Communication	0	0	0	-1	0	0	0	0	-2	0
Construction	-0	-3	-20	-23	-19	-18	-68	-67	-173	-39
Financial	-43	-3	-5	-51	-4	-10	-10	-6	-30	-6
Computer and Information	-20	-21	-27	-67	-21	-54	-39	-28	-142	-32
Royalties and License Fees	-4	-4	-2	-10	-3	-4	-9	-5	-21	-7
Administrative and Business	-55	-56	-36	-147	-38	-52	-46	-52	-189	-52
Professional and Technical	-84	-44	-51	-179	-47	-108	-90	-60	-305	-86
Others, not included elsewhere	-7	-22	-17	-46	-16	-9	-17	-8	-51	-14
Government	-15	-15	-15	-44	-15	-15	-15	-15	-59	-15

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Compensation of employees, net	-4	-7	-10	-20	-6	-7	-19	-9	-40	-6
Credit	17	16	17	50	17	17	17	17	67	17
Debit	-20	-23	-27	-70	-22	-23	-36	-25	-107	-22
Investment income, net	229	-59	-380	-210	105	-77	-548	317	-202	212
Credits	382	463	231	1,076	504	566	415	349	1,834	445
Direct Investment	8	14	13	35	-8	2	5	8	6	4
Portfolio Investment	264	335	136	735	426	446	290	216	1,378	259
Other Investment	110	114	83	306	87	118	120	126	450	182
Debit	-153	-522	-611	-1,285	-399	-643	-963	-33	-2,036	-233
Direct Investment	-61	-447	-535	-1,042	-327	-565	-884	51	-1,726	-157
Portfolio Investment	-40	-42	-42	-124	-41	-42	-42	-42	-168	-43
Other Investment	-52	-33	-35	-119	-30	-36	-36	-41	-143	-33

(p) Provisional

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

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Current transfers, net	869	1,088	1,068	3,024	1,202	1,721	1,756	1,749	6,428	1,845
Credits	937	1,160	1,160	3,258	1,276	1,799	1,832	1,826	6,733	1,942
Government	897	1,121	1,120	3,138	1,235	1,759	1,773	1,781	6,549	1,897
Grants from foreign governments, etc	79	79	80	237	80	79	80	80	319	80
SACU receipts	807	1,028	1,028	2,863	1,028	1,674	1,674	1,674	6,049	1,674
Withholding Taxes	12	14	12	38	13	6	20	28	67	26
Other transfers received	0	0	0	0	114	0	0	0	114	118
Private	40	39	41	120	41	40	59	45	185	45
Grants received by NGO's	10	10	10	30	10	10	29	14	63	14
Other transfers received	30	29	31	90	31	30	30	30	121	30
Debit	-68	-73	-93	-234	-75	-78	-76	-77	-306	-97
Government	-60	-65	-85	-210	-67	-70	-68	-70	-275	-90
Grants to foreign governments, etc	-1	-1	-1	-4	-2	-2	-2	-4	-11	-5
SACU receipts	-59	-64	-84	-207	-65	-68	-66	-65	-264	-84
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	-8	-8	-23	-8	-8	-8	-8	-31	-8
Grants received by NGO's	0	0	0	0	0	0	0	0	0	0
Other transfers received	-8	-8	-8	-23	-8	-8	-8	-8	-31	-8
Capital Transfers, net	124	124	125	373	114	87	166	205	573	240
Credit	125	125	126	376	115	88	167	206	576	240
Government	118	119	120	357	109	81	161	200	551	234
Private	6	6	7	19	7	6	6	6	26	6
Debit	-1	-1	-1	-3	-1	-1	-1	-1	-3	-1
Government	0	0	0	0	0	0	0	0	0	0
Private	-1	-1	-1	-3	-1	-1	-1	-1	-3	-1

(p) Provisional

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

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Direct investment abroad	87	-4	17	100	61	14	-8	14	80	23
Equity capital	3	1	3	6	9	8	5	16	38	22
Reinvested earnings	-1	-2	-8	-11	13	2	-4	-4	7	-0
Other capital	85	-2	22	105	40	4	-10	1	36	2
Direct investment in Namibia	-171	628	650	1,106	536	571	799	310	2,216	883
Equity capital	276	325	179	780	359	57	134	1,997	2,546	786
Reinvested earnings	-43	248	445	649	242	477	657	-357	1,019	-134
Other capital	-403	55	26	-323	-65	37	8	-1,330	-1,350	231

(p) Provisional

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

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Portfolio Investment, net	-1,724	-1,643	-1,623	-4,989	-2,069	-2,319	-331	-2,808	-7,527	-2,809
Equity	-1,277	-1,167	-1,234	-3,678	-1,317	-1,696	-272	-1,945	-5,230	-2,048
Assets	-1,285	-1,175	-1,242	-3,702	-1,325	-1,704	-280	-1,953	-5,262	-2,056
Liabilities	8	8	8	24	8	8	8	8	32	8
Debt	-447	-476	-389	-1,311	-752	-623	-59	-862	-2,296	-761
Assets	-450	-479	-392	-1,322	-755	-627	-62	-868	-2,313	-768
Liabilities	3	4	4	11	4	4	4	6	16	7

(p) Provisional

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

	2005(p)				2006(p)					2007(p)
	Q2	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1
Long-term, net	-15	228	117	330	-99	439	424	547	1,311	683
General Government	28	-10	54	72	-14	81	-20	38	84	33
Assets	-10	-10	-10	-30	-10	-10	-10	-10	-40	-10
Liabilities	38	0	64	102	-4	91	-11	48	124	43
Of which: Drawings	65	45	85	195	9	111	9	73	203	73
Repayments	-27	-45	-22	-93	-13	-21	-20	-25	-79	-30
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	2	354	-7	348	18	322	104	351	796	154
Assets	-4	34	-8	22	5	3	1	-2	7	-2
Liabilities	6	320	1	326	13	320	103	353	789	156
Other sectors	-45	-115	71	-90	-104	36	340	159	431	495
Assets	-57	-57	11	-103	-4	3	-27	127	98	44
Liabilities	12	-59	60	13	-100	33	367	32	332	451
Short-term, net	687	-164	614	1,137	-365	-842	-2,041	-825	-4,073	864
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	687	-169	648	1,165	-315	-513	-2,103	-912	-3,843	903
Assets	73	-101	399	371	-539	-112	-825	-1,004	-2,480	964
Liabilities	614	-69	249	794	223	-401	-1,278	92	-1,364	-62
Other sectors	-0	6	-34	-29	-49	-329	62	87	-230	-39
Assets	-4	1	94	91	4	12	-40	-16	-40	9
Liabilities	4	4	-129	-120	-53	-342	103	103	-189	-48

(p) Provisional

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

	2005(p)						2006(p)						2007(p)												
	Q2		Q3		Q4		Q1		Q2		Q3		Q4		Q1		Total								
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total							
Foreign assets	21,476	5,369	26,845	25,169	6,292	31,461	23,872	5,968	29,840	28,633	7,158	35,791	32,498	8,124	40,622	35,938	8,984	44,922	33,341	8,335	41,676	35,310	9,463	44,773	
Direct investment	207	52	259	85	21	106	130	32	162	158	40	198	636	159	796	681	170	867	41	10	10	51	96	24	121
1.1 Equity capital	160	40	199	64	16	80	109	27	137	90	22	112	623	156	779	681	170	852	30	8	8	38	71	18	89
1.2 Other capital	48	12	60	21	5	26	21	5	26	68	17	86	13	3	17	0	0	15	11	3	3	13	25	6	32
Long-term	19	5	24	21	5	26	7	2	9	7	2	9	13	3	17	12	3	15	11	3	13	25	6	32	
Short-term	29	7	36	0	0	0	14	3	17	61	15	77	0	0	0	0	0	0	0	0	0	0	0	0	0
Portfolio investment	19,224	3,514	22,738	24,060	3,743	27,803	22,081	3,820	25,901	23,541	7,354	30,895	26,316	8,163	34,479	28,339	8,865	37,715	28,814	2,598	31,412	27,057	7,400	34,457	
2.1 Equity Securities	12,732	2,626	15,358	17,459	2,777	20,236	15,764	3,067	18,831	17,555	5,492	23,047	19,851	5,871	25,722	21,190	6,497	28,209	21,852	1,325	23,177	20,497	6,621	27,118	
2.2 Debt Securities	6,492	888	7,380	6,601	966	7,567	6,317	753	7,070	5,986	1,862	7,848	6,465	2,292	8,757	7,149	2,368	9,506	6,962	1,273	8,235	6,560	780	7,339	
Other investment	1,683	421	2,103	1,548	387	1,935	1,532	383	1,916	1,956	489	2,445	2,283	571	2,853	2,782	696	3,478	5,819	1,455	7,274	3,566	891	4,457	
3.1 Claims of resident non-bank companies	486	122	608	200	50	250	341	85	426	204	51	255	367	92	459	182	45	227	177	44	221	245	61	306	
3.1.1 short-term loans and trade finance	486	122	608	177	44	222	288	72	360	152	38	191	223	56	279	103	26	129	113	28	141	154	38	192	
3.1.2 long-term loans	0	0	0	22	6	28	53	13	66	52	13	65	144	36	180	78	20	98	64	16	80	91	23	114	
3.2 Claims of resident banks	345	86	431	539	135	674	233	58	292	159	40	199	690	173	863	875	219	1,093	2,728	682	3,410	1,370	343	1,713	
3.2.1 short-term loans	295	74	368	516	129	645	204	51	255	134	34	168	134	34	168	184	46	230	1,872	468	2,340	1,274	319	1,593	
3.2.2 long-term loans	50	13	63	23	6	29	30	7	37	25	6	32	556	139	695	691	173	863	856	214	1,070	96	24	120	
3.3 Claims of resident parastatal companies	5	1	7	5	1	7	7	2	9	11	3	14	15	4	18	24	6	30	26	7	33	28	7	35	
3.3.1 short-term loans and trade finance	2	1	3	2	1	3	0	0	0	8	2	10	12	3	14	21	5	26	23	6	29	25	6	31	
3.3.2 long-term loans	3	1	4	3	1	4	7	2	9	3	1	4	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	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	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	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	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	0	0	0	0	0	0	0	0	0	0	0	0	
3.6 Currency and deposits reported by Namibian banks	310	77	387	201	50	251	184	46	230	676	169	845	787	197	984	1,398	349	1,747	1,994	498	2,492	1,370	343	1,713	
3.7 Other assets	537	134	671	603	151	754	767	192	958	905	226	1,131	423	106	529	305	76	381	894	224	1,118	552	138	690	
3.7.1 Other-eg., re-insurance and bonds	537	134	671	603	151	754	767	192	958	905	226	1,131	423	106	529	305	76	381	894	224	1,118	552	138	690	
Reserve Assets	1,395	349	1,744	1,294	323	1,617	1,489	372	1,861	1,803	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939	4,591	1,148	5,739	
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0	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	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	0	0	0	0	0	0	0	0	0	0	0	0	
4.4 Foreign exchange	1,395	349	1,744	1,294	323	1,617	1,489	372	1,861	1,802	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939	4,591	1,148	5,739	
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

(p) Provisional except for reserve assets.

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

	2005(p)						2006(p)						2007(p)											
	Q2		Q3		Q4		Q1		Q2		Q3		Q4		Q1		Q2							
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total						
Foreign liabilities	21,070	5,268	26,338	16,868	4,217	21,085	20,867	5,217	26,083	22,326	5,582	27,908	20,898	5,225	26,123	20,890	5,222	26,112	10,104	31,343	21,417	8,744	30,179	
Direct investment	14,282	3,571	17,853	11,239	2,810	14,049	12,414	3,104	15,518	12,956	3,239	16,195	13,534	3,384	16,918	14,442	3,611	18,052	16,754	19,416	16,279	2,524	18,803	
1.1 Equity capital	11,180	2,795	13,975	10,264	2,566	12,830	11,436	2,859	14,294	11,956	2,989	14,945	11,779	2,945	14,724	12,946	3,236	16,182	14,501	20,999	13,988	1,951	15,939	
1.2 Other capital	3,103	776	3,878	975	244	1,219	979	245	1,224	1,000	250	1,250	1,755	439	2,194	1,496	374	1,871	2,253	2,817	2,291	573	2,864	
Long-term	2,461	615	3,076	453	113	566	348	87	434	575	144	718	735	184	919	748	187	935	1,133	283	1,416	332	1,658	
Short-term	642	161	803	522	131	652	631	348	789	425	106	531	1,021	255	1,276	748	187	935	1,120	280	1,401	965	241	1,206
Portfolio investment	309	77	387	309	77	387	468	117	585	467	117	584	467	117	584	467	117	584	467	117	584	467	117	584
2.1 Equity securities	31	8	39	31	8	39	79	20	98	78	20	98	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities (public/private)	278	70	348	278	70	348	389	97	486	389	97	486	389	97	486	389	97	486	389	97	486	389	97	486
Other investment	6,479	1,620	8,098	5,320	1,330	6,649	7,985	1,996	9,981	8,904	2,226	11,129	6,897	1,724	8,621	5,981	1,495	7,476	4,018	7,325	11,343	4,671	6,103	10,792
3.1 Liabilities of resident non-bank companies	629	157	786	251	63	314	308	77	385	302	76	377	400	100	500	333	83	417	384	96	480	339	85	424
3.1.1 short-term loans	93	23	116	56	14	70	90	22	112	85	21	106	129	32	161	227	57	283	123	31	154	144	36	180
3.1.2 long-term loans	536	134	669	196	49	245	218	55	273	218	54	272	272	68	340	107	27	133	261	65	326	195	49	244
3.2 Liabilities of resident banks	1,628	407	2,035	1,160	290	1,450	584	146	729	1,256	314	1,570	570	142	712	264	66	330	1,119	280	1,399	794	199	993
3.2.1 short-term loans	13	3	17	269	67	336	500	125	625	402	100	502	4	1	5	75	19	94	753	188	941	670	168	838
3.2.2 long-term loans	1,615	404	2,019	891	223	1,114	84	21	104	854	214	1,068	566	141	707	189	47	236	366	92	458	124	31	155
3.3 Liabilities of resident parastatal companies	1,084	271	1,355	1,046	262	1,308	1,079	270	1,349	1,067	267	1,334	1,154	288	1,442	1,208	302	1,510	1,181	295	1,477	1,214	303	1,517
3.3.1 short-term loans and trade finance	30	7	37	38	9	47	1,034	259	1,293	1,015	254	1,269	1,094	273	1,367	61	15	77	1,102	275	1,377	92	23	115
3.3.2 long-term loans	1,054	264	1,318	1,009	252	1,261	45	11	56	52	13	65	60	15	75	1,147	287	1,434	80	20	100	1,122	281	1,402
3.4 Liabilities of local government authorities	229	57	286	229	57	286	232	58	290	232	58	290	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	286	232	58	290	229	57	287	229	57	287	3	1	4	229	57	287	3	1	4
3.4.2 long-term loans	0	0	0	0	0	0	0	0	0	3	1	4	3	1	4	229	57	287	3	1	4	229	57	287
3.5 Liabilities of central government	1,649	412	2,061	1,561	390	1,951	1,600	400	2,000	1,475	369	1,843	1,905	476	2,381	2,141	535	2,676	186	2,340	2,526	524	2,168	2,710
3.5.1 long-term loans	1,649	412	2,061	1,561	390	1,951	1,600	400	2,000	1,475	369	1,843	1,905	476	2,381	188	2,488	2,676	186	2,340	2,526	542	2,168	2,710
3.6 Currency and deposits reported by Namibian banks	1,260	315	1,575	1,072	268	1,340	922	231	1,153	1,312	328	1,640	1,692	423	2,115	858	215	1,073	914	229	1,143	794	199	993
3.7 Liabilities of EPZ companies	0	0	0	0	0	0	3,260	815	4,075	3,260	815	4,075	945	236	1,181	945	236	1,181	1	4,027	4,028	773	3,091	3,864
3.7.1 short-term loans and trade finance	0	0	0	0	0	0	131	33	164	131	33	164	647	162	809	647	162	809	142	568	710	0	0	0
3.7.2 long-term loans	0	0	0	0	0	0	3,129	782	3,911	3,129	782	3,911	297	74	372	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	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	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	0	0	0	0	0	0	0	0	0	0	0	0
Net Foreign Assets (+)/Liabilities(-)	406	101	507	8,301	2,075	10,376	3,005	751	3,757	6,306	1,577	7,883	11,599	2,900	14,499	15,048	3,762	18,810	12,101	-1,769	10,333	13,892	720	14,594

(p) Provisional.

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

Period	US	UK	Germany	Japan	Switzerland	Spain	EU
	Dollar	Pound	Mark	Yen	Franc	Peseta	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	0.1152	0.0713	0.1085	13.6799	0.1586	0.1085	0.1085
Jan	0.1204	0.0748	0.1118	14.3678	0.1665	0.1118	0.1118
Feb	0.1243	0.0785	0.1149	14.7275	0.1687	0.1149	0.1149
Mar	0.1298	0.0825	0.1196	15.5521	0.2000	0.1196	0.1196
Apr	0.1305	0.0804	0.1128	15.2905	0.1770	0.1128	0.1128
May	0.1265	0.0762	0.1085	15.1515	0.1671	0.1085	0.1085
Jun	0.1326	0.0816	0.1165	15.7233	0.1802	0.1165	0.1165
Jul	0.1353	0.0848	0.1213	16.0772	0.1869	0.1213	0.1213
Aug	0.1365	0.0849	0.1218	15.7233	0.1884	0.1218	0.1218
Sep	0.1436	0.0857	0.1227	15.7233	0.1899	0.1227	0.1227
Oct	0.1486	0.0880	0.1269	16.2338	0.1980	0.1269	0.1269
Nov	0.1532	0.0878	0.1252	16.5563	0.1946	0.1252	0.1252
Dec							
2004	0.1446	0.0794	0.1146	15.3846	0.1794	0.1146	0.1146
Jan	0.1477	0.0791	0.1168	14.3885	0.1838	0.1168	0.1168
Feb	0.1501	0.0825	0.1214	16.3666	0.1925	0.1214	0.1214
Mar	0.1526	0.0846	0.1271	16.3934	0.1977	0.1271	0.1271
Apr	0.1474	0.0825	0.1227	16.5017	0.1889	0.1227	0.1227
May	0.1553	0.0850	0.1280	17.0068	0.1944	0.1280	0.1280
Jun	0.1632	0.0886	0.1329	17.8253	0.2030	0.1329	0.1329
Jul	0.1549	0.0851	0.1272	19.8020	0.1957	0.1272	0.1272
Aug	0.1527	0.0852	0.1251	16.8067	0.1930	0.1251	0.1251
Sep	0.1566	0.0866	0.1253	17.0358	0.1933	0.1253	0.1253
Oct	0.1651	0.0889	0.1272	17.3010	0.1936	0.1272	0.1272
Nov	0.1745	0.0862	0.1301	19.2308	0.1998	0.1301	0.1301
Dec							
2005	0.1675	0.0892	0.1276	17.3010	0.1974	0.1276	0.1276
Jan	0.1662	0.0881	0.1277	17.4216	0.1978	0.1277	0.1277
Feb	0.1664	0.0872	0.1259	17.4825	0.1949	0.1259	0.1259
Mar	0.1625	0.0858	0.1255	17.4520	0.1943	0.1255	0.1255
Apr	0.1579	0.0851	0.1244	16.8350	0.1922	0.1244	0.1244
May	0.1481	0.0814	0.1217	16.1031	0.1873	0.1217	0.1217
Jun	0.1492	0.0852	0.1238	16.6945	0.1930	0.1238	0.1238
Jul	0.1547	0.0862	0.1258	17.0940	0.1954	0.1258	0.1258
Aug	0.1573	0.0870	0.1283	17.4520	0.1988	0.1283	0.1283
Sep	0.1521	0.0862	0.1265	17.4520	0.1959	0.1265	0.1265
Oct	0.1502	0.0865	0.1273	17.7936	0.1968	0.1273	0.1273
Nov	0.1573	0.0900	0.1326	18.6567	0.2052	0.1326	0.1326
Dec							
2006	0.1642	0.0930	0.1355	18.9394	0.2099	0.1355	0.1355
Jan	0.1635	0.0935	0.1368	19.2678	0.2132	0.1368	0.1368
Feb	0.1599	0.0917	0.1330	18.7617	0.2086	0.1330	0.1330
Mar	0.1647	0.0933	0.1343	19.3050	0.2115	0.1343	0.1343
Apr	0.1582	0.0847	0.1239	17.6678	0.1929	0.1239	0.1239
May	0.1438	0.0779	0.1134	16.4745	0.1770	0.1134	0.1134
Jun	0.1412	0.0765	0.1112	16.3132	0.1745	0.1112	0.1112
Jul	0.1438	0.0760	0.1122	16.6667	0.1770	0.1122	0.1122
Aug	0.1350	0.0716	0.1060	15.7978	0.1679	0.1060	0.1060
Sep	0.1307	0.0697	0.1036	15.5039	0.1648	0.1036	0.1036
Oct	0.1378	0.0721	0.1070	16.1551	0.1703	0.1070	0.1070
Nov	0.1420	0.0723	0.1074	16.6389	0.1716	0.1074	0.1074
Dec							
2007	0.1392	0.0710	0.1070	16.7504	0.1729	0.1070	0.1070
Jan	0.1395	0.0712	0.1067	16.8067	0.1730	0.1067	0.1067
Feb	0.1360	0.0699	0.1028	15.9490	0.1657	0.1028	0.1028
Mar	0.1404	0.0706	0.1039	16.6667	0.1702	0.1039	0.1039
Apr	0.1425	0.0718	0.1054	17.2117	0.1740	0.1054	0.1054
May							

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 Jan	99.2	89.2	95.3	132.3	107.0	98.0
Feb	99.2	88.9	95.1	132.4	106.7	97.7
Mar	99.5	91.7	96.5	133.3	110.4	99.1
Apr	99.6	93.2	97.1	132.7	111.9	99.6
May	99.5	91.8	96.5	132.4	110.1	99.0
Jun	99.7	93.7	97.4	132.4	112.3	99.8
Jul	99.9	96.2	98.6	136.6	117.3	101.9
Aug	99.8	94.6	97.9	137.6	115.8	101.6
Sep	99.6	93.5	97.3	137.5	114.4	100.9
Oct	99.7	94.3	97.7	138.1	115.7	101.4
Nov	99.9	95.8	98.5	139.8	117.9	102.2
Dec	100.0	95.3	98.2	140.5	117.6	102.5
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	99.1	90.3	94.5	111.5	99.7	89.4
Feb	98.8	87.0	92.9	111.3	96.0	88.1
Mar	98.6	85.7	92.2	111.2	94.5	87.3

Table IV.K Selected mineral monthly average prices

		US\$ Per Metric Tonne			US\$ Per Ounce	US\$ Per Pound
		Copper	Lead	Zinc	Gold	Uranium
2003	Jan	1,650.3	444.8	782.3	356.9	10.2
	Feb	1,682.1	474.5	785.7	359.0	10.1
	Mar	1,655.7	454.7	790.3	340.6	10.1
	Apr	1,587.9	438.0	756.8	328.2	10.1
	May	1,651.1	462.4	776.1	355.7	10.9
	Jun	1,685.1	467.7	790.7	356.4	10.9
	Jul	1,712.8	513.3	828.5	351.0	11.0
	Aug	1,756.7	493.8	815.2	359.8	11.2
	Sep	1,789.7	521.0	818.9	378.9	11.5
	Oct	1,925.6	587.5	900.1	378.9	12.4
	Nov	2,053.3	622.7	914.2	389.9	13.2
	Dec	2,202.0	690.1	976.8	406.1	13.4
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	1,245.5	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	28.2
	Jun	3,529.7	982.6	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	29.6
	Sep	3,850.7	932.8	1,396.7	456.1	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	7,690.2	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	3,566.8	679.4	110.4

Source: IMF and London Gold Price

Table IV.L Selected mineral export volumes

		Diamonds Carat '000	Gold Kg	Copper Tons	Silver Kg	Zinc Tons
2003	Q1	239.2	600.0	5,832.0	5,928.0	22,055.0
	Q2	416.0	697.0	5,827.0	7,780.0	24,195.0
	Q3	411.4	616.0	8,222.0	8,468.0	46,394.0
	Q4	304.9	586.0	3,410.0	5,292.0	51,460.0
2004	Q1	483.1	493.0	7,164.0	6,359.0	45,476.0
	Q2	356.7	531.0	5,905.0	5,655.0	69,244.0
	Q3	723.2	607.0	5,144.0	6,764.0	49,866.0
	Q4	413.0	563.0	3,053.0	8,334.0	47,928.0
2005	Q1	581.2	634.0	3,261.0	6,706.0	58,139.0
	Q2	352.1	550.0	5,431.0	4,867.0	66,969.0
	Q3	426.2	676.0	7,222.0	7,880.0	66,543.0
	Q4	468.7	724.0	3,269.0	8,555.0	58,415.0
2006	Q1	605.3	705.0	2,926.0	8,571.0	30,905.0
	Q2	618.6	522.0	3,954.0	4,696.0	19,598.9
	Q3	528.8	723.0	4,640.0	8,507.0	26,204.0
	Q4	649.8	674.0	8,020.0	11,217.0	20,346.0
2007	Q1	443.4	696.0	5,597.0	2,129.0	29,849.0

Source: IMF and London Gold Price

8. BANK OF NAMIBIA PUBLICATIONS

ANNUAL REPORT

QUARTERLY BULLETIN

OCCASSIONAL PAPERS

HOW CAN NAMIBIA FURTHER BENEFIT FROM AGOA

PROPERTY RIGHTS AND ACCESS TO CREDIT

PRIVATE EQUITY - LESSON FOR NAMIBIA

VIABILITY OF COMMERCIAL BANK BRANCHES IN RURAL COMMUNITIES IN NAMIBIA

POTENTIAL FOR DIVERSIFYING NAMIBIA'S NON-MINERAL EXPORTS

THE STRUCTURE AND NATURE OF SAVINGS IN NAMIBIA

SAVINGS AND INVESTMENT IN NAMIBIA

MODELLING INFLATION IN NAMIBIA

ESTIMATING THE DEMAND FOR MONEY IN NAMIBIA

EFFICIENCY OF COMMERCIAL BANKS IN NAMIBIA

NAMIBIA MACROECONOMETRIC MODEL (NAMEX)

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PROMOTING MICROFINANCE ACTIVITIES IN NAMIBIA

CENTRAL GOVERNMENT DEBT SUSTAINABILITY

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ELECTRONIC COMMERCE IMPLICATION FOR THE FINANCIAL SYSTEM

ASSESSING THE IMPACT OF THE EU-SA AGREEMENT ON TRADE, DEVELOPMENT AND COOPERATION (ATDC) ON NAMIBIA'S PUBLIC REVENUE