

# **BANK OF NAMIBIA**

**QUARTERLY BULLETIN**

**SEPTEMBER 2007**

**VOLUME 16**

**No. 3**

**Registered Office**

**71 Robert Mugabe Avenue  
P.O. Box 2882  
WINDHOEK  
NAMIBIA**

### **Bank of Namibia**

All rights reserved. No part of this publication may be reproduced, copied or transmitted in any form or by any means, including photocopying, plagiarising, recording and storing without the written permission of the copyright holder except in accordance with the copyright legislation in force in the Republic of Namibia. The contents of this publication are intended for general information only and are not intended to serve as financial or other advice. While every precaution is taken to ensure the accuracy of information, the Bank of Namibia shall not be liable to any person for inaccurate information or opinions contained in this publication.

Published by the Research Department of the Bank of Namibia.

Enquiries related to this publication should be directed to:

The Director of the Research Department

P O Box 2882

WINDHOEK

NAMIBIA

Tel: +264 61 283 5111

Fax: +264 61 283 5231

email: [research@bon.com.na](mailto:research@bon.com.na)

<http://www.bon.com.na>

ISBN: 99916-61-40-9

# 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
FCS	Financial Corporations Survey
FoB	Free on Board
GC08	Government internal registered stock maturing in 2008
GC10	Government internal registered stock maturing in 2010
GC12	Government internal registered stock maturing in 2012
GC15	Government internal registered stock maturing in 2015
GC24	Government internal registered stock maturing in 2024
GDP	Gross Domestic Product
M2	Broad Money supply
MoF	Ministry of Finance
N\$	Namibia Dollar
NAD	Namibia Dollar
NCPI	Namibia Consumer Price Index
NEER	Nominal effective exchange rate

**LIST OF ABBREVIATIONS (CONTINUED)**

NFA	Net Foreign Assets
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
LHS	Left Hand Side
Repo	Repurchase rate
RSA	Republic of South Africa
SA	South Africa
SACU	Southern Africa Customs Union
SARB	South African Reserve Bank
Stats SA	Statistics South Africa
T-bills	Treasury bills
UK	United Kingdom
US	United States
USD	United States Dollar
US\$	United States Dollar

## TABLE OF CONTENTS

<b>1. SUMMARY OF ECONOMIC CONDITIONS.....</b>	<b>1</b>
<b>2. INTERNATIONAL DEVELOPMENTS.....</b>	<b>3</b>
<b>3. REAL SECTOR AND PRICE DEVELOPMENT.....</b>	<b>6</b>
3.1 REAL ECONOMIC DEVELOPMENTS.....	6
3.2 SECTORAL DEVELOPMENTS.....	7
<b>BOX ARTICLE: UNLEASHING THE POTENTIAL OF THE AGRICULTURE SECTOR IN NAMIBIA .....13</b>	
3.3 PRICE DEVELOPMENTS.....	16
<b>4. MONETARY AND FINANCIAL DEVELOPMENTS.....</b>	<b>21</b>
4.1 MONETARY AGGREGATES.....	21
4.2 MONEY AND CAPITAL MARKET DEVELOPMENTS.....	28
<b>5. FISCAL DEVELOPMENTS.....</b>	<b>34</b>
5.1 CENTRAL GOVERNMENT DEBT.....	34
5.2 DOMESTIC DEBT.....	35
5.3 EXTERNAL DEBT.....	35
5.4 CENTRAL GOVERNMENT LOAN GUARANTEES.....	37
<b>6. FOREIGN TRADE AND PAYMENTS.....</b>	<b>39</b>
6.1 OVERVIEW OF THE BALANCE OF PAYMENTS.....	39
6.2 CURRENT ACCOUNT.....	39
6.3 CAPITAL AND FINANCIAL ACCOUNT.....	43
6.4 EXTERNAL DEBT.....	45
6.5 INTERNATIONAL INVESTMENT POSITION.....	46
6.6 EXCHANGE RATES.....	47
<b>REVISION POLICY: BALANCE OF PAYMENTS .....49</b>	
<b>7. STATISTICAL APPENDIX.....</b>	<b>51</b>
7.1 METHODS AND CONCEPTS.....	51
7.2 STATISTICAL TABLES.....	56
<b>8. BANK OF NAMIBIA PUBLICATIONS.....</b>	<b>101</b>

## 1. SUMMARY OF ECONOMIC CONDITIONS

During the second quarter of 2007, global economic conditions generally remained satisfactory with positive growth rates realized in the USA, Chinese, the Euro zone, South African and Japanese economies. It is, however, only in the USA and Chinese economies that the change in the rate of growth over the preceding quarter was upward as the rest realized a slowdown. Despite strong economic fundamentals in both the large industrial economies and major emerging markets, the USA residential property market continued to affect global financial markets negatively and thereby poses a downside risk to global growth.

In Namibia, like in some of the major industrialized economies, developments in real economic activities were mixed. Output of some sectors rose albeit at a slower pace, while others either declined or expanded. This was reflected in the slowdown of economic activities in the following sectors: agriculture, hunting and forestry, electricity and water and wholesale and retail trade. Output of the mining and quarrying sector, as well as hotels and restaurant declined while an expansion was observed in construction, transport and communications sectors.

Due to continuous inflationary pressure observed during the first half of the year, there has been tightening of monetary policy in Namibia. Inflation rose to a quarterly average of 7.0 percent during the second quarter of 2007. This is higher by 0.9 percentage points than that of the first quarter and 2.6 percentage points than that recorded in the corresponding quarter of 2006. The main drivers of inflationary pressure were the categories 'food and non-alcoholic beverages' and 'transport'. Price movements varied in the other major categories of the NCPI. Rises were observed for the categories of 'alcoholic beverages and tobacco, clothing and footwear and hotels, cafes and restaurants'; whereas the health, communications, education and miscellaneous goods and services categories witnessed declines. The inflation of the category 'housing, water, electricity, gas and other fuels' which is another major component of NCPI basket, remained constant throughout the quarter. Inflationary pressure could continue in the remaining half of the year in light of the volatility in international oil price augmented by increasing domestic food prices.

In South Africa, inflationary pressure was observed in the quarter, though the CPIX was lower than the NCPI. The CPIX registered a quarterly average of 6.4 percent during the second quarter of 2007. The South African Producer Price Index (PPI) rose to reach a quarterly average of 10.4 percent. This is higher by 0.1 percentage points than the rate registered during the preceding quarter, and 0.9 percentage points than the corresponding quarter. As PPI gives an indication of future inflation trends the inflation outlook for Namibia is worrisome, given the bulk of imports by Namibia are from South Africa.

Broad money supply (M2) at the end of the second quarter of 2007 declined both on a quarterly and annual basis. The decline was reflected in a slowdown in the growth of net foreign assets and by a decline in "other items net". Net domestic credit, on the hand, expanded slightly, despite the prevailing tight monetary policy.

The total debt of Central Government declined to 27.6 percent of GDP. The decline in Central Government debt was a result of lower issuance of short-term domestic debt instruments.

Total Central Government guarantees also decreased, reflected in both domestic and foreign guarantees issued in favor of private and state owned enterprises.

The overall balance of the balance of payments, like in the first quarter of 2007, continued recording a surplus during the second quarter of 2007. The surplus realized in the second quarter was, however, lower than that of the preceding quarter. This was a reflection of the capital and financial account deficit during the same quarter compared to a surplus in the previous quarter. The current account surplus, on the other hand, remained almost constant at the levels realized during the preceding quarter. The constant current account surplus, however, still outweighed the capital and financial account deficit, resulting in a surplus on the overall balance of payments. Further, an appreciation in the external value of the Namibia dollar (NAD) was observed, quarter-on-quarter, against the US Dollar and Pound Sterling during the second quarter of 2007. On a trade weighted front, both the nominal and real effective exchange rate indices of the Namibia Dollar depreciated, quarter-on-quarter.

The afore-mentioned economic developments in Namibia pointed towards a positive scenario, but the inflationary outlook is threatened by the oil price increase, volatility in the exchange rate and rising food prices.

## 2. INTERNATIONAL ECONOMIC DEVELOPMENTS<sup>1</sup>

The global economy continued to expand at a reasonable pace during the second quarter of 2007. Preliminary estimates show that real GDP in the US grew at a quarterly rate of 4.0 percent during the second quarter of 2007. The Euro area registered a quarterly real GDP growth of 0.3 percent during the second quarter, while the Japanese economy recorded a subdued growth rate of 0.5 percent during the period under review (Table 1).

According to the IMF's July 2007 World Economic Outlook Update, global growth is forecast to slowdown to 5.2 percent for both 2007 and 2008 from an increase of 5.5 percent observed during 2006. The revised forecast, which is mainly influenced by significant upward revisions in emerging markets and developing economies, is 0.3 percentage points higher for both years than that projected in April 2007.

The estimated real GDP growth rate of 4.0 percent for the US economy in the second quarter of 2007 compares well to a much lower growth rate of 0.6 percent in the first quarter of 2007. Acceleration in real GDP growth during the second quarter was mainly underpinned by a decline in imports, increases in federal government spending and private inventory investment as well as accelerations in exports and non-residential properties. According to the IMF's July 2007 World Economic Outlook Update, the US economy is forecast to register a growth rate of 2.0 percent during 2007 (Table 1). Average inflation in the US, excluding food and energy prices, increased at a rate of 2.3 percent, the same rate as in the first quarter of 2007. The Federal Reserve Board temporarily reduced the discount rate<sup>2</sup> by 50 basis points from 6.3 percent to 5.8 percent at its August meeting, which was prompted by the need to promote and restore orderly conditions in financial markets, as well as to narrow the spread between the federal funds rate<sup>3</sup> and the discount rate to 50 basis points. Meanwhile, developments in the US sub-prime<sup>4</sup> housing market continue to severely affect global financial markets and thereby pose a downside risk to global growth, despite strong economic fundamentals in both the large industrial economies and major emerging markets.

**Table 1. Real GDP growth - selected countries**

	2005	2006					2007			2008
	Annual	Q1	Q2	Q3	Q4	Annual	Q1	Q2	Annual*	Annual*
USA	3.2	5.6	2.6	2.0	2.5	3.4	0.6	4.0	2.0	2.8
Euro-zone	1.4	2.8	2.0	2.4	3.3	2.8	0.7	0.3	2.6	2.5
UK	1.9	0.8	0.8	0.7	0.8	2.7	0.7	0.8	2.9	2.7
Japan	1.9	0.6	0.4	0.1	1.3	2.2	0.8	0.5	2.6	2.0
China <sup>5</sup>	10.4	10.4	11.5	10.6	10.4	10.7	11.1	11.5	11.2	10.5
South Africa	5.1	5.0	5.5	4.5	5.6	5.0	4.7	4.5	4.8	4.5
Namibia	4.7	1.6	1.0	4.4	4.5	2.9	5.2	NA**	4.8	4.6

Source: Statistical Offices, IMF World Economic Outlook July 2007 Update, IMF, Article IV Consultation Reports, 2006 and 2007, CBC, Modeling and Forecasting

\* Projections, \*\*not available at the time of writing

<sup>1</sup> This section is based on information obtained from various sources such as Global Insight, the EU Statistical Office (Euro Stats), the US Bureau of Economic Analysis and Statistics South Africa amongst others.

<sup>2</sup> The discount rate is the interest rate charged to commercial banks and other depository institutions on loans they receive from their regional Federal Reserve Bank's lending facility, the discount window.

<sup>3</sup> The federal funds rate is the rate charged by one depository institution on an overnight sale of balances at the Federal Reserve to another depository institution.

<sup>4</sup> Sub-prime lending is a general term that refers to the practice of making loans to borrowers who do not qualify for the best market interest rates because of their deficient credit history.

<sup>5</sup> The growth rates for China are year-on-year.

Real GDP in the Euro area grew by 2.5 percent, year-on-year, during the second quarter of 2007 compared to a growth of 2.0 percent in the corresponding quarter of 2006. Quarter-on-quarter, a real GDP growth rate of 0.3 percent was registered during the second quarter, representing a slowdown from an increase of 0.7 percent in the first quarter of 2007. This relatively weaker growth can mainly be attributed to lower industry output in the Euro area. Furthermore, Germany, the EU's largest economy, grew by 2.5 percent, year-on-year, during the second quarter compared to a growth rate of 1.6 percent in the corresponding quarter of 2006. This subdued growth performance is mainly attributable to the contraction in Germany's construction, investment and weak export performance due to a relatively strong Euro. A growth rate of 2.7 percent was recorded for the year 2006, representing the fastest rate of expansion in Germany since 2000. According to the IMF's July 2007 World Economic Outlook Update, growth in the Euro area is forecast at lower rates of 2.6 percent and 2.5 percent for 2007 and 2008, respectively. The inflation rate in the region increased slightly to 1.9 percent during the second quarter of 2007, compared to 1.8 percent recorded in the first quarter of 2007. The European Central Bank (ECB) raised its base interest rate to 4.0 percent in June citing the upside risks to price stability over the medium term as the key reason. This rate was, however, maintained at the July meeting. To avoid the risk of a credit crunch underpinned by sub-prime lending in the US, the ECB injected liquidity to the tune of €156 billion in August 2007 into the European banking system.

The United Kingdom's (UK) GDP rose by 3.0 percent, year-on-year, during the second quarter of 2007 compared to a growth of 2.6 percent registered during the corresponding quarter of 2006. The key sectors that led to this strong rate of economic expansion are mainly construction and manufacturing. Quarter-on-quarter, the economy recorded a growth rate of 0.8 percent in the second quarter of 2007 relative to an increase of 0.7 percent in the preceding quarter. The UK's inflation rate slowed to 2.4 percent in June 2007, from 2.5 percent in May. This rate of inflation is above the Bank of England's 2 percent target inflation rate. The Bank of England increased the bank rate to 5.8 percent in July from 5.5 percent in May 2007, prompted by inflation concerns, coupled with an increase in credit uptake as well as rapidly growing consumer spending. However, at its meeting in August 2007, the Bank of England maintained the bank rate at 5.8 percent, given the slowdown in inflation amongst other reasons.

In Japan, real GDP grew by 2.3 percent, year-on-year, during the second quarter compared to a growth of 2.2 percent registered during the corresponding period of 2006. Quarter-on-quarter, GDP grew by 0.5 percent during the second quarter. This represents a significant slowdown from 0.8 percent in the first quarter of 2007 and 1.3 percent in the fourth quarter of 2006. The weak growth performance is mainly attributable to sluggish exports and private consumption expenditure. The Bank of Japan kept its overnight call rate unchanged at 0.5 percent during its last meeting.

Economic activities in China remained robust, with GDP measured year-on-year, growing by 11.5 percent in the second quarter of 2007 compared to 11.1 percent recorded in the first quarter of 2007. The growth rate can mainly be attributed to the robust pace of increase in industrial activities and real estate sectors. The inflation rate in China has increased on average to 2.6 percent during the second quarter of 2007 compared to 1.2 percent recorded in the first quarter. The People's Bank of China (China's Central Bank) raised its benchmark interest rate to 7.0 percent in August from 6.8 percent in July 2007 citing restraining the supply of money and credit as well as the stabilization of inflation expectations as the main

factors informing its decision. Furthermore, it raised banks' reserve requirements by 50 basis points to 12.5 percent in August to their highest level in almost 10 years, in an effort to contain inflation. The Chinese economy is forecast to grow by 11.2 percent in 2007 and 10.2 percent in 2008.

The economy of Sub-Saharan Africa registered a growth rate of 5.5 percent in 2006 and is projected to grow by 6.9 percent and 6.4 percent for 2007 and 2008, respectively. This robust growth performance is mainly attributable to favourable international conditions such as strong commodity prices and a substantially improved domestic policy environment. The inflation rate in Sub-Saharan Africa averaged 9.5 percent in 2006 and is expected to increase to 10.7 percent in 2007, mainly because of exogenous factors such as the volatile international oil and food prices.

Economic growth in South Africa dropped to 4.5 percent during the second quarter of 2007 following an increase of 4.7 percent recorded in the first quarter of 2007. The key contributors to the more robust increase in economic activity during the second quarter of 2007 were sectors such as finance, real estate and business services, wholesale and retail trade, hotels and restaurants, transport, storage and communication, as well as general government services. On a year-on-year basis, GDP rose by 5.0 percent during the second quarter.

Core inflation excluding mortgage costs (CPIX) increased to 6.4 percent in the second quarter of 2007 from 5.2 percent in the first quarter of 2007. The rise in inflation in the second quarter was mainly attributed to increases in international oil and food prices as well as steep wage rise settlements in the mining, energy and services public sectors. The CPIX increased to 6.5 percent in July from 6.4 percent in June 2007. The main factors underpinning the increase in the CPIX for July were rises in the prices of products like food, and in particular, milk, cheese, eggs, and vegetables, as well as sugar.

The producer price index (PPI) for all commodities, a key indicator of future inflation trends decreased to 10.3 percent in July 2007 from 10.4 percent in June. This is mainly due to declines in the price indices of basic metals, petroleum and coal products, chemical and chemical products, transport equipment, as well as medical, precision and optical instruments. Due to continued inflationary pressures, the South African Reserve Bank adjusted its repo rate by 50 basis points to 10.0 percent per annum at its last meeting in August 2007. The upside risks to the inflation outlook include oil and food prices, and persistently high rates of household consumption expenditure.

### 3. REAL SECTOR AND PRICE DEVELOPMENTS

#### 3.1 REAL ECONOMIC DEVELOPMENTS<sup>6</sup>

During the second quarter of 2007, economic activities in most sectors of the economy either grew at a slower pace or declined relative to developments in the preceding quarter. The pace of growth decelerated for the agriculture, hunting and forestry; electricity and water; and wholesale and retail trade sectors; while the mining and quarrying; and hotels and restaurants sectors registered declines (Table 3.1). Strong expansions were, however, observed in the construction; and transport, storage and communications sectors.

**Table 3.1 Quarterly GDP growth (Q1 - Q2 2007)**

Sectors	As published in the June 2007 Quarterly Bulletin Q1 (2007)	As revised in the September 2007 Quarterly Bulletin Q1 (2007)	As published in the September 2007 Quarterly Bulletin Q2 (2007)
Agriculture, hunting and forestry	8.3	8.1	4.8
Mining and quarrying	16.5	30.3	-11.3
Fishing	-	-35.1	-
Manufacturing	-	-7.4	-
Electricity and water	5.4	4.9	2.1
Construction	15.9	12.3	29.9
Wholesale, retail trade and repairs	0.6	8.3	2.2
Hotels and restaurants	21.8	21.8	-11.4
Transport, storage and communication	23.1	22.4	27.1
Financial intermediation	6.0	0.8	1.9
Producers of Government services	-	0.4	0.4
GDP	-	5.2	-

Source: CBS

- stands for not available

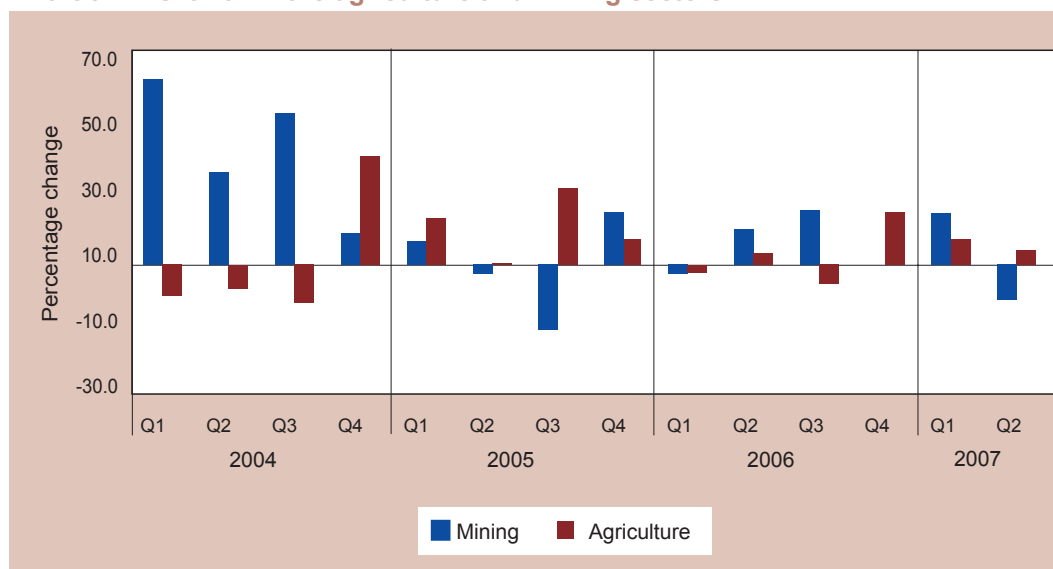
#### 3.2 SECTORAL DEVELOPMENTS

##### Performance of the primary industry

This industry comprises of three sectors, namely agriculture, hunting and forestry, fishing<sup>7</sup> and mining. With the exception of the fishing sector, for which data was not available, growth relatively slowed in the agriculture, hunting and forestry sector while the mining and quarrying sector registered a decline during the second quarter of 2007 (Chart 3.1).

<sup>6</sup> All the growth rates reported in this section are year-on-year unless otherwise stated.

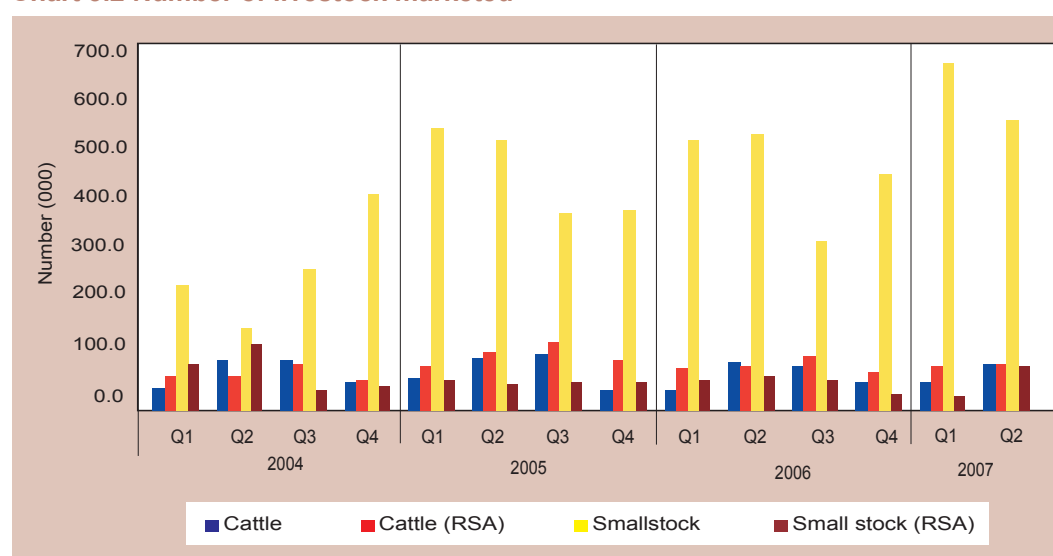
<sup>7</sup> The data for this sector was not available at the time of going to the printers.

**Chart 3.1 Growth in the agriculture and mining sectors**

Source: CBS

**Agriculture**

The performance of this sector, which is heavily depended on the developments in the livestock industry, continued to display a positive trend in the second quarter of 2007, albeit growth was slower relative to the preceding quarter. The value added of the agricultural sector increased by 4.8 percent, compared to a revised growth rate of 8.1 percent observed during the first quarter of 2007. The second quarter growth is, however, higher than an increase of 3.3 percent recorded during the corresponding quarter of 2006, indicating that livestock marketing has been relatively higher in 2007 than 2006. This growth can be attributed to an increase in the number of livestock marketed during the quarter (Chart 3.2). Marketing of cattle rose by 2.1 percent, while small stock marketed rose by 17.6 percent, during the second quarter of 2007. The increase in livestock marketed is mainly on account of the impending drought which has resulted in relatively poor grazing as well as the seasonal production peak for small stock reached during the period.

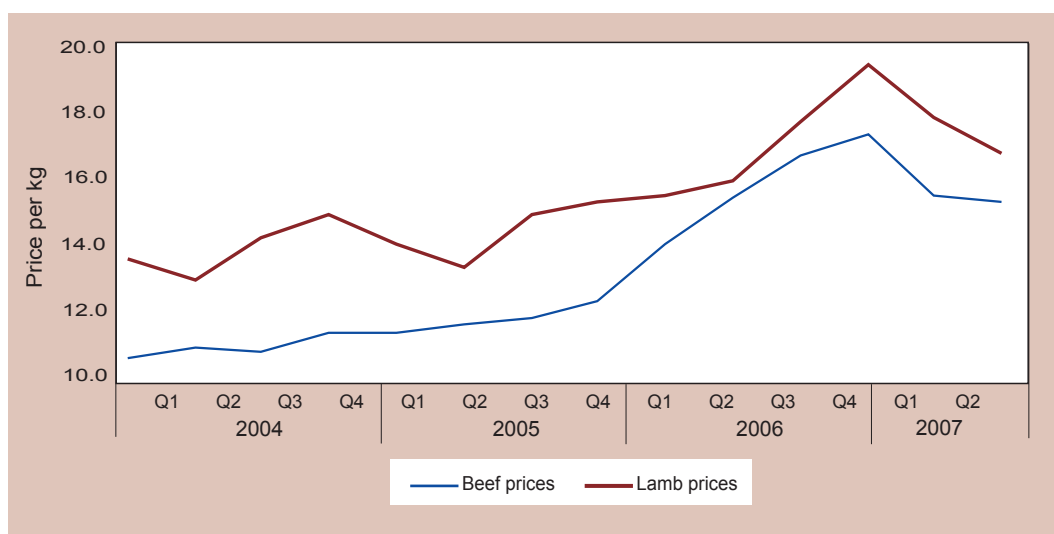
**Chart 3.2 Number of livestock marketed**

Source: Meat Board

Although the total number of cattle marketed locally declined by 1.6 percent during the second quarter of 2007, on-hoof cattle marketed to South Africa increased by 8.8 percent during the same quarter, causing a rise in overall cattle marketed. The decline of 1.6 percent in cattle marketed locally is far lower than an increase of 33.4 percent registered for the preceding quarter. The number of small stock marketed both locally and to RSA increased by 4.7 percent and 25.8 percent respectively during the second quarter of 2007.

The downward trend in beef and lamb prices in Namibia continued during the second quarter of 2007 as observed during the same quarters of the previous years coupled with the prevailing drought that caused oversupply of livestock (Chart 3.3).

**Chart 3.3 Beef and lamb prices (quarterly average)**

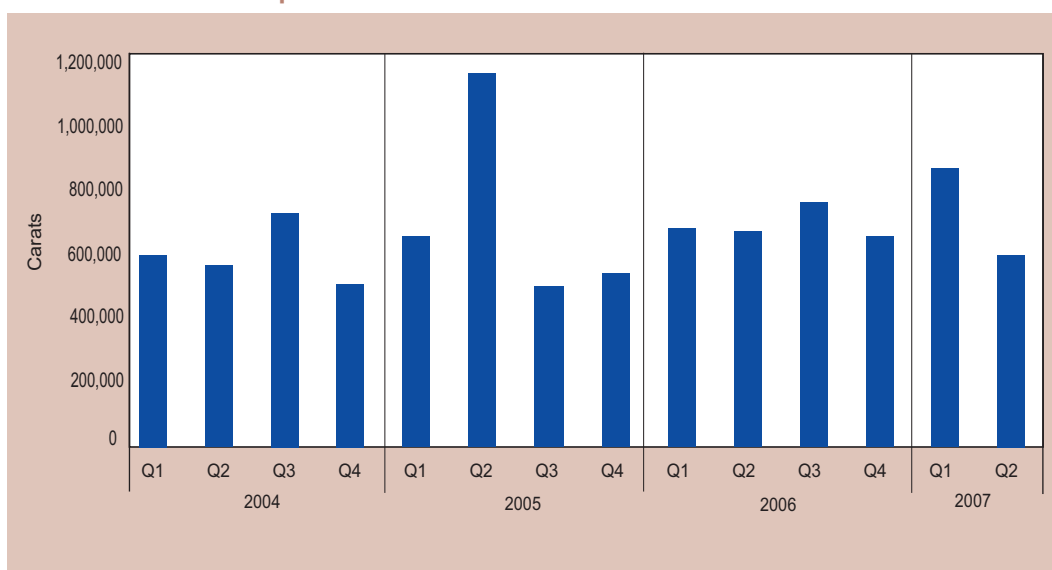


Source: CBS

### Mining and quarrying

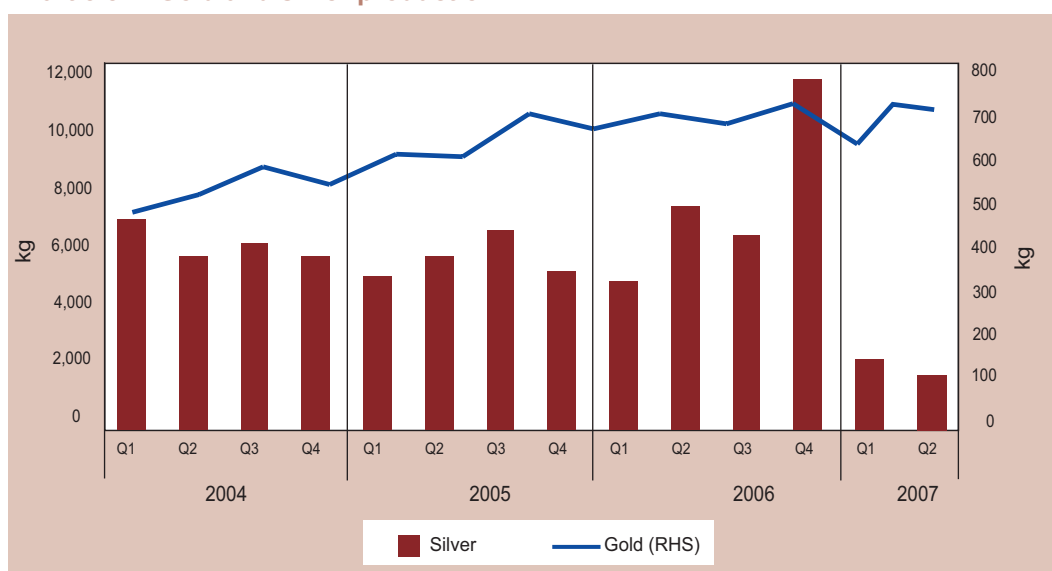
The overall developments in the mining and quarrying sector indicated a decline in its value added. The sector's value added declined by 11.3 percent during the second quarter of 2007 compared to a remarkable revised growth of 30.3 percent registered during the first quarter. During the corresponding quarter of 2006, this sector witnessed a growth rate in value added of 11.5 percent. Diamond production declined and hence caused the contraction registered by the overall sector. A contraction in silver production and a slowed growth in the output of gold also contributed to the decline registered by the sector. Production of other minerals such as copper and zinc expanded during the second quarter.

During the second quarter of 2007, diamond output declined by 11.3 percent, following a significant growth of 27.8 percent observed during the preceding quarter (Chart 3.4). This decline is, however, lower than a much higher contraction of 42.0 percent recorded during the second quarter of 2006. The decline during the second quarter could be attributed to the breakdown of vessels at some mining sites experienced during the period.

**Chart 3.4 Diamond production**

Source: Ministry of Mines and Energy

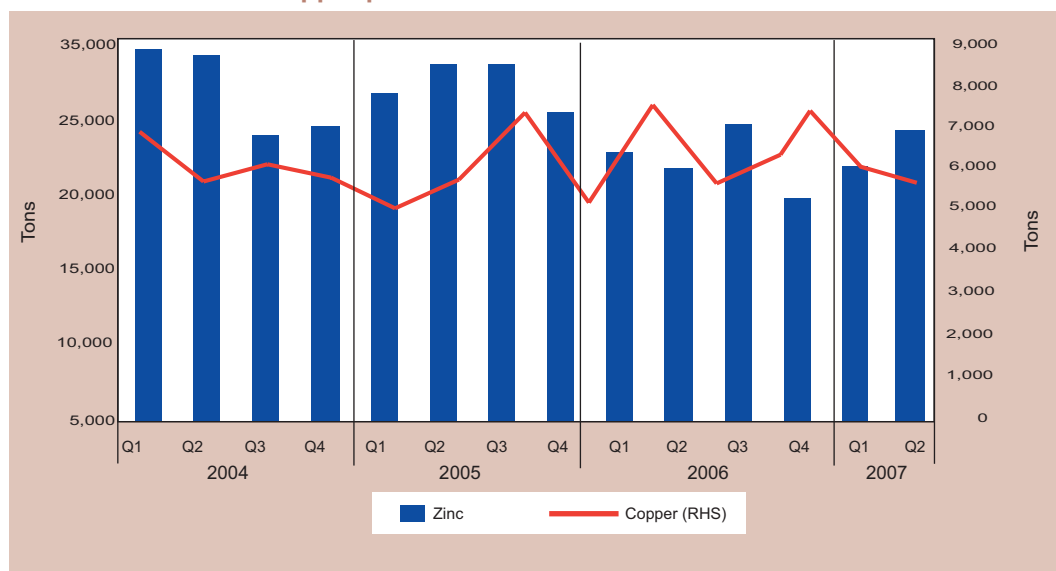
The output of gold increased by 3.0 percent during the second quarter, lower than 12.3 percent observed in the corresponding quarter of 2006. During the first quarter of 2007, a much slower growth rate of 2.2 percent was recorded. Silver production, however, further declined by 78.7 percent following a similar decline of 51.8 percent recorded for the preceding quarter (Chart 3.5).

**Chart 3.5 Gold and silver production**

Source: Ministry of Mines and Energy

Production of copper increased by 2.5 percent during the second quarter of 2007, although it fell by 6.1 percent relative to the level during the first quarter (Chart 3.6). Zinc production also continued to expand, recording a growth rate of 14.7 percent. This is higher than the growth of 1.0 percent witnessed during the previous quarter and a decline of 28.0 percent observed during the corresponding quarter of 2006.

**Chart 3.6 Zinc and copper production**



Source: Ministry of Mines and Energy

### Performance of the secondary industry

The secondary industry comprises of the manufacturing<sup>8</sup>; construction; and electricity and water sectors. Positive developments were observed in the secondary industry, whereby the value added of the construction sector rose significantly, while that of the electricity and water sector also registered positive growth, although slower relative to the preceding quarter.

#### Construction

The activities of the construction sector continued to grow during the second quarter of 2007 (Chart 3.7). The sector's value added increased by 29.9 percent, significantly higher than the revised growth of 12.3 percent recorded during the preceding quarter. This growth is, however, lower when compared to an increase of 40.1 percent witnessed during the corresponding quarter of 2006. The increased growth was reflected in the same movements observed in indicators such as the volume of cement imports and building plans completed. The cement imports index increased by 22.1 percent during the second quarter, following a decline of 6.0 percent during the first quarter of 2007. The number of building plans completed also recovered during the second quarter, from a decline of 19.7 percent during the preceding quarter, when it increased by 15.6 percent. The positive growth in the sector is expected to continue for the rest of the year due to the continuation of construction

<sup>8</sup> All the growth rates reported in this section are year-on-year unless otherwise stated.

activities such as the northern railway extension, construction of the state house and other private and public construction activities ongoing around the country.

**Chart 3.7 Growth in the construction sector**



Source: CBS

### Electricity and water

Growth in the value added of the electricity and water sector slowed to 2.1 percent during the second quarter of 2007 from a revised 4.9 percent observed during the preceding quarter. The continuing positive growth during the second quarter resulted from an increase of 11.2 percent in the generation of electricity locally, amidst limitations in electricity imports from South Africa. The corresponding quarter of 2006, however, observed a decline of 1.0 percent for the same sector.

### Performance of the tertiary industry

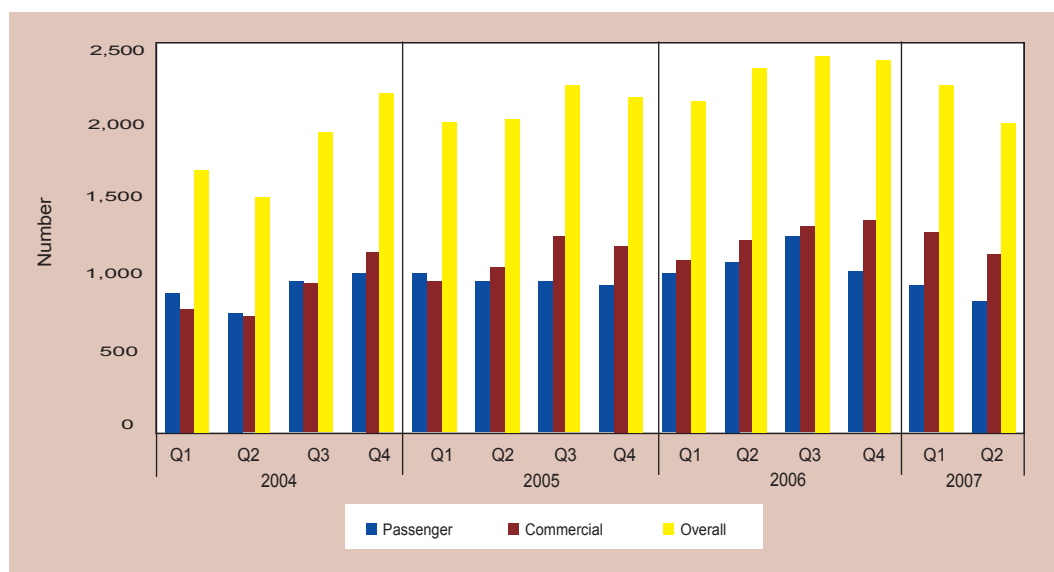
The analysis under this industry consists of sectors such as the wholesale, retail trade and repairs; transport, storage and communication, as well as hotels and restaurants which is used as a proxy for the tourism sector. Mixed developments were observed in the various sectors of this industry during the second quarter of 2007.

### Wholesale, retail trade and repairs

The wholesale, retail trade and repairs sector performed positively, though growth was relatively slower than in the previous quarter and corresponding quarter of 2006. The value added of this sector is estimated to have grown by 2.2 percent during the second quarter of 2007, a slowdown when compared to much higher revised growth rates of 8.3 percent during the previous quarter and 13.9 percent during the corresponding quarter of 2006. These developments are, however, not surprising given the upward trend that has been observed in the inflation for consumer goods.

The overall vehicle sales continued to decline during the second quarter of 2007, reflecting the decrease that was witnessed in both passenger and commercial vehicles sold (Chart 3.8). The total number of vehicles sold declined by 13.2 percent, year-on-year, as opposed to a growth of 4.3 percent recorded during the preceding quarter. Passenger vehicle sales declined by 23.2 percent, similar to commercial vehicle sales that decreased by 4.4 percent during the second quarter of 2007. A relatively higher decline for passenger vehicles could suggest that the recent interest rate increases have negatively affected the preference for individual purchases of vehicles, as vehicle financing has become expensive.

**Chart 3.8 Number of vehicles sold**



### Transport, storage and communication

Activities in the transport, storage and communication sector showed a strong growth of 27.1 percent during the second quarter of 2007, relative to increases of 22.4 percent and 9.7 percent recorded during the first quarter of 2007 and corresponding quarter of 2006, respectively. The performance of the sector is mainly attributed to positive growth in the mobile telecommunications sub-sector as a result of increased competition brought about by the new mobile services provider. Furthermore, the increased activities at the Namibian ports contributed to the positive developments in the sector.

### Hotels and restaurants

The value added of the hotels and restaurants sector, which is used as a proxy for the tourism sector recorded a sharp decline of 11.4 percent during the second quarter of 2007 in contrast to increases of 21.8 percent recorded during the first quarter and 19.1 percent witnessed during the corresponding quarter of 2006. The decline in the growth of this sector could be attributed to the increase in international crude oil prices, affecting the flights and transport costs which are hampering factors in international travel.

## BOX ARTICLE: UNLEASHING THE POTENTIAL OF THE AGRICULTURE SECTOR IN NAMIBIA

### INTRODUCTION

The Bank of Namibia undertook a study titled “unleashing the potential of the agriculture sector in Namibia” during the course of 2006. The objectives of the study were to look into the factors that have been causing the decline in the agricultural growth with a view to identify products that have the potential of increasing the output of the sector. The paper was also intended to investigate the level of investments required in the sector. To achieve the objectives above, a desk research augmented by field surveys and case studies of other countries were undertaken. The surveys were administered to about 14 key bodies and institutions which represent the interests of farmers in the country. The sampling criterion was more judgmental and based on the fact that the selected institutions are in better position to know the existing constraints and opportunities in the sector given their close contact with the farmers.

In addition to the field surveys the paper used case studies of Malaysia, Kenya and Zambia. The objectives of the case studies were to draw lessons from the experience of these countries in terms of policies they embarked upon in their quest of unleashing the potential of their respective agricultural sectors. The selection of these countries was underpinned by the fact that, similar to Namibia, Zambia and Kenya had dualistic agricultural structures at independence and had to institute policy interventions to achieve growth and equity objectives in their respective agricultural sectors. As for Malaysia it was due to the fact that Malaysia is a major producer of palm oil which among other things produce bio diesel. This therefore coincides with the ambition of Namibia to produce bio diesel.

### Background

Namibia is characterized by a dualistic agricultural sector, where a strong commercial sector exists along with a sector of households in freehold and non-freehold areas. This dualistic character of the sector has been inherited from the apartheid regime. What concern policymakers is the fact that the share of the agricultural sector to GDP (11.7 percent during the period 1990 to 1997) in Namibia is not only lesser than the average for the Sub-Saharan Africa (30.0 percent on average during the corresponding period), but has also deteriorated from 6.9 percent in 1999 to 5.4 in 2003. Similarly, the share of agriculture in the labour force has been sliding from 49.0 percent in 1990, to 29.3 percent in 2000. Furthermore, its performance has been sluggish, registering declining and negative growth rates sometimes. This is in spite of a number of policy interventions that were implemented in the sector.

Despite the observed sluggish performance, the agricultural sector remains one of the key pillars of the Namibian economy given the fact that, it is a provider of food, employment, incomes and foreign exchange. Moreover, it creates demand for capital investments and thus increasing the productivity of workers. The agricultural sector also supports other sectors such as transport, manufacturing, plastic packaging and etc. For

example, the agricultural sector sustains about 70 percent of the Namibian population, either directly or indirectly. In 2004, the agricultural sector accounted for 11.5 percent of the country's total foreign exchange earnings of the country, about 39 percent and 19 percent to the country's total maize and wheat consumption requirements respectively. It also supplied about 100 percent of the country's demand for beef, mutton and pearl millet, as well as contributing 2 percent to the total manufacturing output of Namibia. Based on the above background, the importance of the agricultural sector within the Namibian economy cannot therefore be overemphasised.

### Constraints in the agricultural sector

The agriculture sector is constrained by factors such as limited availability of marketable animals, unavailability of markets for some products, lack of economies of scale, high input and transport cost, lack of finance, climatic and weather conditions, competition, exchange rate volatility, unavailability of farm lands, lack of skills and fresh produce markets, scattering of producers and unsynchronised transport system.

### Potential products and level of investment required

Potential products within the sector include beef, sheep, goat, poultry, mahangu, grapes, jatropha curcas, hoodia, cactus pear, avocados, banana, beans, beetroot, broccoli, butternuts, cabbage, carrots, chilli, cucumber, dates, lemon, lettuce, mango, naartjies, onions, oranges, pears, pineapples and potatoes have the potential for growth in the agricultural sector. The investment required in the sector was estimated to be in excess of N\$885.9 million.

### Lessons from other countries

The following lessons were drawn from the case studies: In all the countries Malaysia, Kenya and Zambia, respective governments intervened in the agricultural sector through various policies such as giving support to the small holder farmer's, broadening access to finance, provision of infrastructure and investing in research. In Kenya the government instituted a land distribution programme. In Malaysia the success of palm oil was also due to the country's comparative advantage. Despite these interventions, output in Kenya and Zambia increased initially but latter started to decline. In the case of Zambia the decline in output was brought by a host of factors more particularly drought, privatisation, livestock diseases and removal of subsidies on maize and fertiliser.

It should however be pointed out that of recent agricultural growth has started to pick up in Zambia on account of continued government focus on food security, diversification and the opening up of new agricultural productions areas. In Kenya, the decline in the growth of the agricultural sector could be attributed to inefficiencies in marketing, limited land expansion of small holder farming, limited development and use of new technologies, deteriorating infrastructure, low investments, and bad weather. Notwithstanding the decline in the growth rates, the agriculture sector remains imperative as employment creator, earner of foreign exchange and contributor to GDP in these countries as well as in Namibia.

### Recommendations

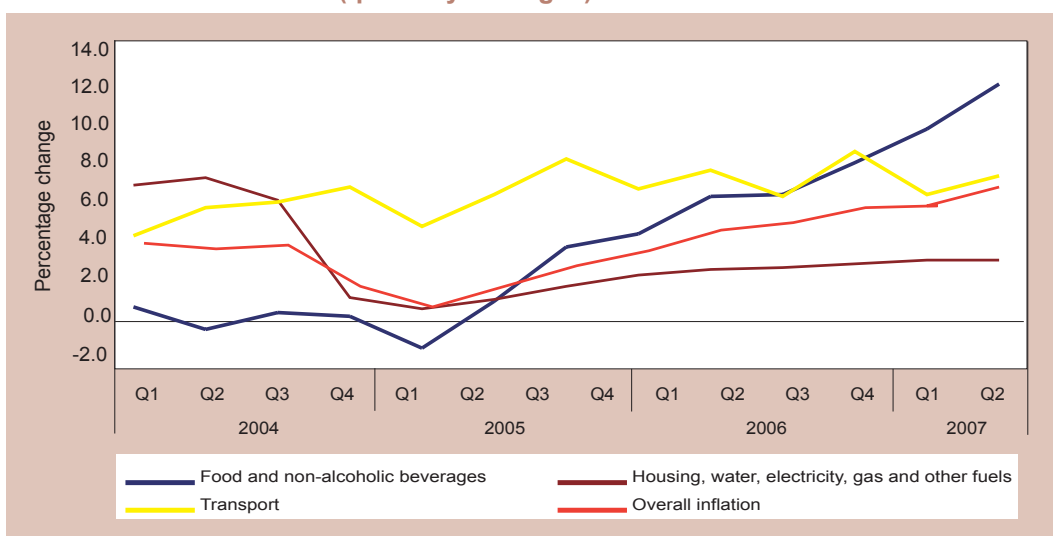
In order to unleash the potential in the agricultural sector in Namibia, the following are recommended:

- Concerted efforts should focus on expanding production of beef, karakul and horticultural products in the communal areas.
- Marketing as well as promotion of products such as grapes, processed goat meat, bone in beef and dairy products which are in dire need of new markets should be strongly emphasised.
- Modernization of the rural areas by putting in place proper infrastructures in the form of roads, electricity, marketing facilities and feedlots are strongly encouraged.
- The current efforts by the green scheme to increase production of agricultural products through irrigation methods is commendable, however, it is recommended that emphasis should rather be placed on the production of crops in which Namibia has a comparative advantage more particularly horticultural crops.
- The recent regulation by the Namibian Agronomic Board, to compel retailers to source 15 percent of their supply of horticultural as an import substitution strategy is commendable. If supply warrants, it is recommended that the domestic outsourcing requirements could be increased in the future. Moreover, efforts to encourage the local consumption of Namibian products such as that of Team Namibia are greatly encouraged.
- Within the commercial areas it is recommended to intensify the de-bushing with a view to increase the carrying capacity of the land.
- The Ministry of Lands and AGRIBANK are urged to strengthen the evaluation of farm lands to guard against overpricing of land which might be effecting the affirmative action loan scheme.
- The land policy must be implemented in such a way that it dispels uncertainties' to farmers, areas earmarked for resettlement must be defined clearly, and resettled farmers should be grouped into clusters. These areas should be equipped with the necessary infrastructure and be near by the markets to enhance productivity.
- Investments in the projects such as karakul sheep farming, grapes, hoodia, jatrophia, processing of grape products should be intensified.
- Furthermore, research in agriculture is strongly encouraged. In addition to research, there is a need to enhance the productivity of agricultural workers by introducing tailor made agricultural training in the rural areas.

### 3.3 PRICE DEVELOPMENTS

Despite the tightened monetary policy stance, the average inflation rate rose to 7.0 percent during the second quarter of 2007 which is higher than 6.1 percent recorded during the first quarter and 4.4 percent recorded in the corresponding quarter of 2006. The inflationary pressure originated mainly from rising inflation of the categories food and non-alcoholic beverages, and transport, while the inflation of the housing, water, electricity, gas and other fuels category, which is the other major component of the NCPI basket, remained constant throughout the quarter (Chart 3.9).

**Chart 3.9 Annual inflation (quarterly averages)**



Source: CBS

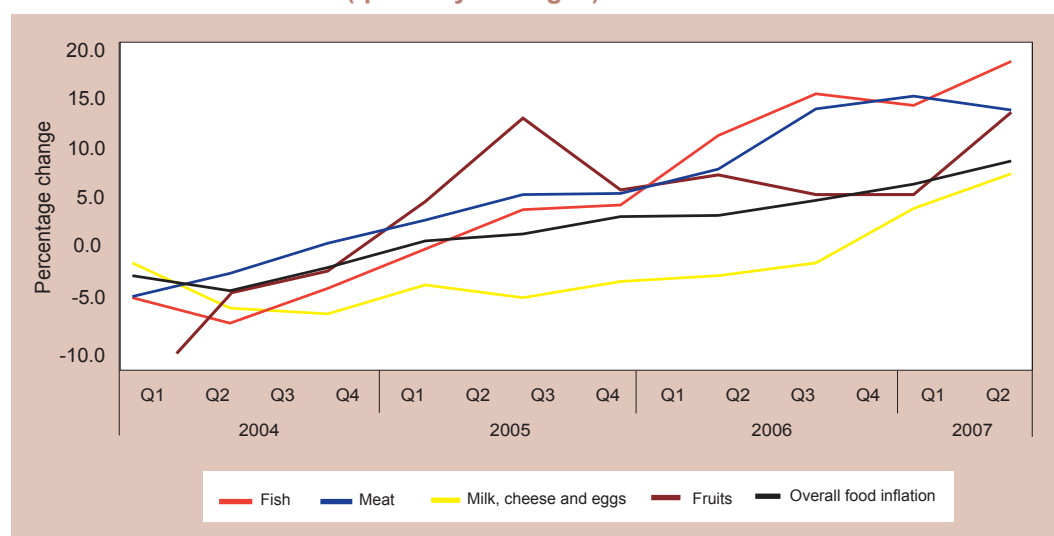
The annual inflation rate for the food and non-alcoholic beverages category increased further to 11.9 percent during the second quarter of 2007 from 9.7 percent during the preceding quarter (Chart 3.10). The corresponding quarter of 2006 saw a much lower quarterly average rate of 5.8 percent. The increase during the second quarter was prompted by rising prices in the sub-components of fish; bread and cereals; fruits; milk, cheese and eggs; and vegetables, including potatoes and other tubers amongst others. The price of fruits almost doubled when it rose from a lower average of 8.6 percent during the first quarter of 2007 to 16.6 percent during the second quarter. Similarly, prices of the bread and cereals sub-component rose substantially from an average rate of 5.3 percent during the previous quarter to 10.6 percent during the quarter under review. The increased prices of food are mainly attributed to the escalating production costs resulting from rising fuel prices.

Inflation for the fish sub-component also increased to an average of 21.5 percent during the second quarter as opposed to 17.3 percent during the previous quarter and 7.6 percent observed for the corresponding quarter of the preceding year. This increase could be attributed to the persistent shortage of fish in the local market. Price inflation of the sub-category milk, cheese and eggs also rose from 7.3 percent during the first quarter to 10.7 percent during the second quarter. An average rate of 0.2 percent was observed during the same time in 2006. This was, however, expected as prices were being pushed up

by milk shortages experienced throughout the country, which is likely to prevail for the next few months. This shortage is in line with the problems experienced worldwide by the dairy industry, stemming from amongst others, macro-economic factors such as drought in Australia, a leading milk supplier, and the withdrawal of farm subsidies by European countries.

In contrast, the inflation of meat moderated from 18.6 percent during the preceding quarter to 16.8 percent during the second quarter. This decrease may be explained by the rise in the supply of livestock to the market as farmers sold off their stock due to the prevailing drought.

**Chart 3.10 Food inflation (quarterly averages)**



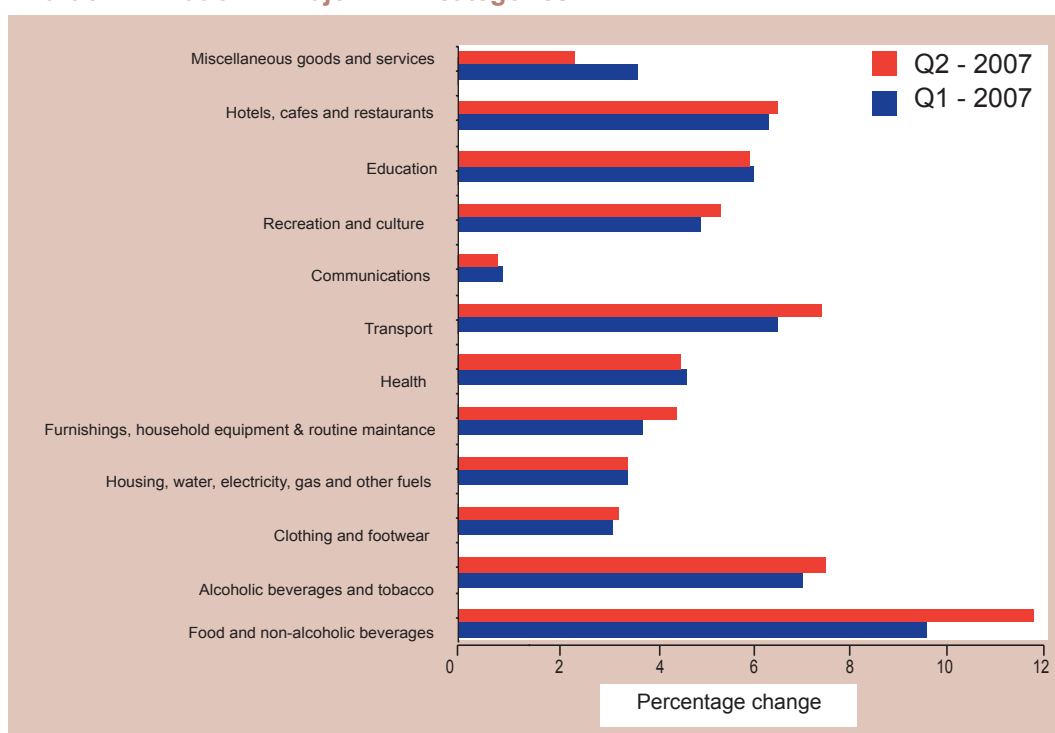
Source: CBS

Annual prices for the transport category increased, to an average of 7.5 percent during the second quarter of 2007, from 6.6 percent during the first quarter. This is, however, lower than the 7.8 percent average recorded for the corresponding quarter in 2006. Driving the above developments, between the first quarter and second quarter of 2007, were accelerations in the sub-component operations of personal transport equipment whose inflation rate rose from 11.5 percent during the preceding quarter to 14.2 percent during the second quarter of the year.

Price movements varied in the other major categories of the NCPI (Chart 3.11). Rises were observed for the categories of alcoholic beverages and tobacco, clothing and footwear and hotels, cafes and restaurants; whereas the health, communications, education and miscellaneous goods and services categories witnessed declines during the second quarter of 2007.

Inflation for the housing category remained unchanged between the first and second quarter of 2007 at an average rate of 3.5 percent, but higher than the rate of 3.1 percent observed for the corresponding quarter of 2006. The stability in the prices of this component was reflected in constant prices in the segments of rental payments for dwellings and water supply, sewerage services and refuse collection. The quarterly inflation rate for the electricity, gas and other fuels sub-category decelerated to 5.7 percent during the second quarter from 5.8 percent recorded in the preceding quarter.

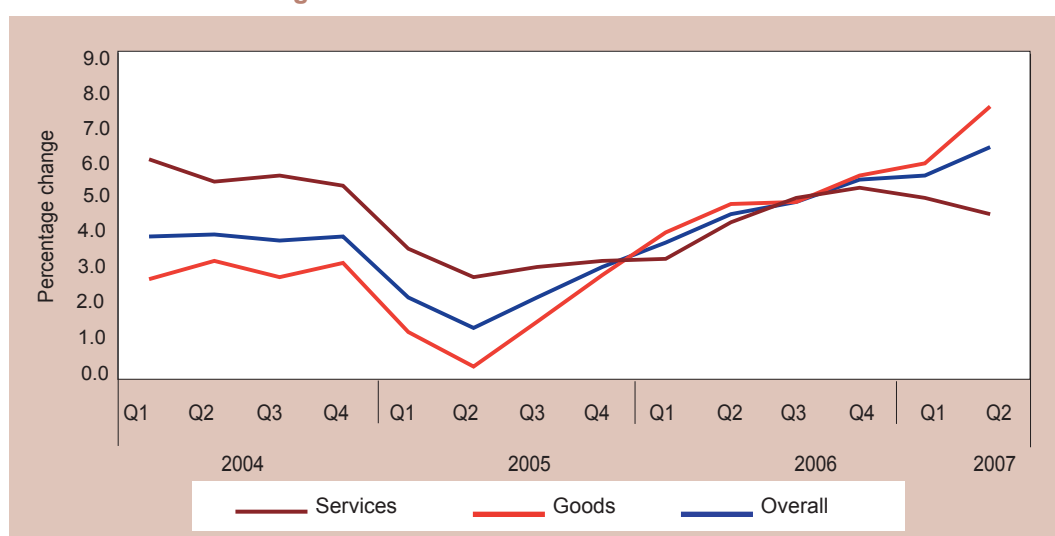
Chart 3.11 Inflation in major NCPI categories



Source: CBS

Categorizing inflation into goods and services shows that goods inflation continued to be higher than services inflation. The trend observed in goods inflation is similar to that in overall inflation, whereas services inflation posed a downward trend (Chart 3.12). The annual inflation for goods rose to a quarterly average of 8.3 percent during the second quarter of 2007 from 6.5 percent recorded during the preceding quarter and 5.2 percent registered during the corresponding quarter in 2006. This increase is mainly attributable to rising prices in the category of food and non-alcoholic beverages as analyzed above.

Chart 3.12 Namibia's goods and services inflation



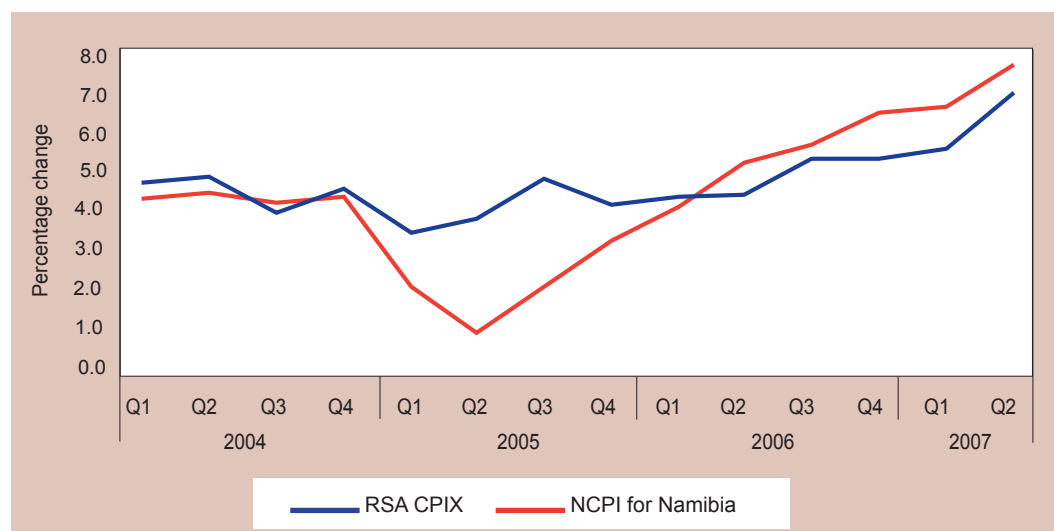
Source: CBS

Services inflation, on the other hand, decelerated from 5.4 percent during the preceding quarter to 4.9 percent in the second quarter, but still remained higher than the 4.6 percent rate recorded for the same category during the corresponding quarter in 2006. The decrease resulted from a deceleration in the index of miscellaneous services, which in turn, originated from declining costs of financial, insurance and other services.

The latest available data on inflation shows that annual inflation rose further to 7.2 percent in July 2007 from 7.0 percent in June, which is far higher than a rate of 5.1 percent recorded during the same month in 2006. The main driver of this increase is still food inflation, resulting from increased costs in the sub-categories of milk, cheese and eggs. Milk prices has to be increased to sustain the milk industry and as a response to supply shortages. Inflation for the category of water supply, sewerage service and refuse collection also increased. This emanated from the tariff increase of these services which took effect during the quarter.

In comparison to the South African CPIX, the CPIX also showed an upward trend but the NCPI continued to be higher than the CPIX (Chart 3.13). The CPIX registered a quarterly average of 6.4 percent during the second quarter of 2007, an increase from 5.2 percent during the previous quarter and 4.2 percent recorded during the corresponding quarter of the preceding year. The rate of 6.4 percent is 0.4 percentage points higher than the upper band target range of 3 – 6 percent set by that country. The latest available data shows that the CPIX for the month of July 2007 increased slightly to 6.5 percent.

**Chart 3.13 Namibia's NCPI vs. South Africa CPIX**



Source: CBS and STASSA

The South African Producer Price Index (PPI) for all commodities for South African consumption, which gives an indication of future inflationary trends, displayed a 10.4 percent annual increase during the second quarter, 0.1 percentage points higher than the rate registered during the preceding quarter. The corresponding quarter of 2006 recorded an annual increase of 7.5 percent. Although the PPI for July declined to 10.3 percent, the level remains high and therefore, the outlook is not encouraging given the fact that the bulk of Namibia's imports originate from South Africa and the rising producer prices still have to be absorbed in the consumer market.

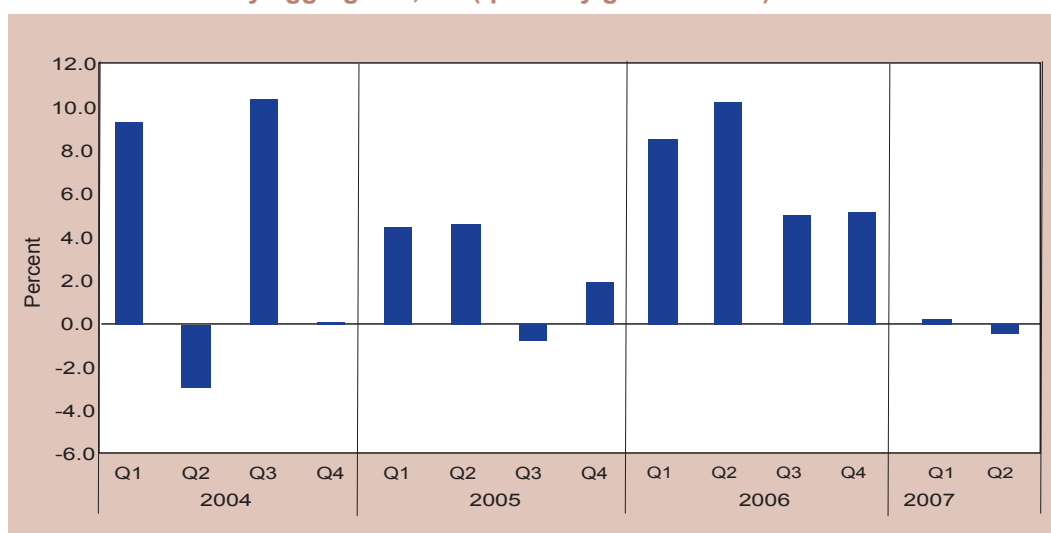
## 4. MONETARY AND FINANCIAL DEVELOPMENTS

### 4.1 MONETARY AGGREGATES

The growth in broadly defined money supply (M2) declined both on a quarterly and an annual basis at the end of the second quarter of 2007. The decline stems from a slowdown in the growth of net foreign assets supported by a decline in “other items net”, while net domestic credit expanded slightly despite the prevailing tight monetary policy stance.

M2 declined by 0.4 percent, quarter-on-quarter, compared to an increase of 0.2 percent at the end of the first quarter of 2007 (Chart 4.1). The corresponding quarter of the previous year observed a 9.6 percent quarterly growth rate. On an annual basis, broad money supply grew by 9.5 percent at the end of June 2007, noticeably lower than rises of 20.5 percent and 19.5 percent observed at the end of the preceding quarter and corresponding quarter of 2006, respectively.

**Chart 4.1 Monetary aggregates, M2 (quarterly growth rates)**



### Components of money supply

The decline in the growth rate of money supply was mirrored in a contraction in transferable deposits, while currency in circulation and other deposits experienced expansions. Transferable deposits included in M2 declined significantly by 10.6 percent as opposed to increases of 8.6 percent observed at the end of the previous quarter and 5.6 percent at the end of the same quarter in 2006. The currency in circulation component rose moderately by 2.1 percent at the end of the second quarter of 2007 in comparison to increases of 4.5 percent witnessed at the end of the first quarter of 2007 and 6.7 percent recorded at the end of the corresponding quarter in 2006. Similarly, other deposits grew by 17.7 percent, after it recorded a decline of 12.2 percent during the previous quarter. The above indicates a shift in the maturity structure of the public's holding of deposits in favour of longer term deposits.

### Determinants of money supply

The major factor driving the quarterly decline in money supply at the end of the second quarter of 2007 was a deceleration in the growth rate of the net foreign assets of the depository corporations, which grew by 0.9 percent during the quarter as opposed to an increase of 42.2 percent observed in the previous quarter. The contribution of net domestic credit was positive but not significant enough to offset the slowed growth of the net foreign assets of the banking system.

**Table 4.1 Determinants of M2 (quarterly changes – N\$ millions)**

	2006	2007			
	Q2	Q1	Q2	Quarterly percentage change	Contribution to change in M2
<b>Net domestic credit</b>	<b>1,118.4</b>	<b>-1,087.3</b>	<b>483.1</b>	<b>1.8</b>	<b>2.1</b>
Claims on other sectors	1,596.2	1,706.5	695.1	2.3	3.1
Net claims on the Central Government	-477.7	-2,793.8	-212.0	-7.9	-0.9
<b>Net foreign assets of the banking system</b>	<b>735.7</b>	<b>2,044.0</b>	<b>61.3</b>	<b>0.9</b>	<b>0.3</b>
<b>Other items net</b>	<b>-57.6</b>	<b>-907.2</b>	<b>-636.8</b>	<b>-5.5</b>	<b>-2.8</b>
<b>Broad money supply</b>	<b>1, 796.5</b>	<b>49.4</b>	<b>-92.4</b>	<b>-0.4</b>	<b>-0.4</b>

### Net domestic claims

The quarter-on-quarter growth rate of net domestic claims stood at 1.8 percent at the end of the second quarter of 2007, following a decline of 3.8 percent at the end of the preceding quarter. On an annual basis, growth in net domestic claims slowed from 2.9 percent at the end of the preceding quarter to 0.5 percent at the end of the second quarter. The corresponding quarter of the preceding year observed a sizeable growth rate of 17.7 percent.

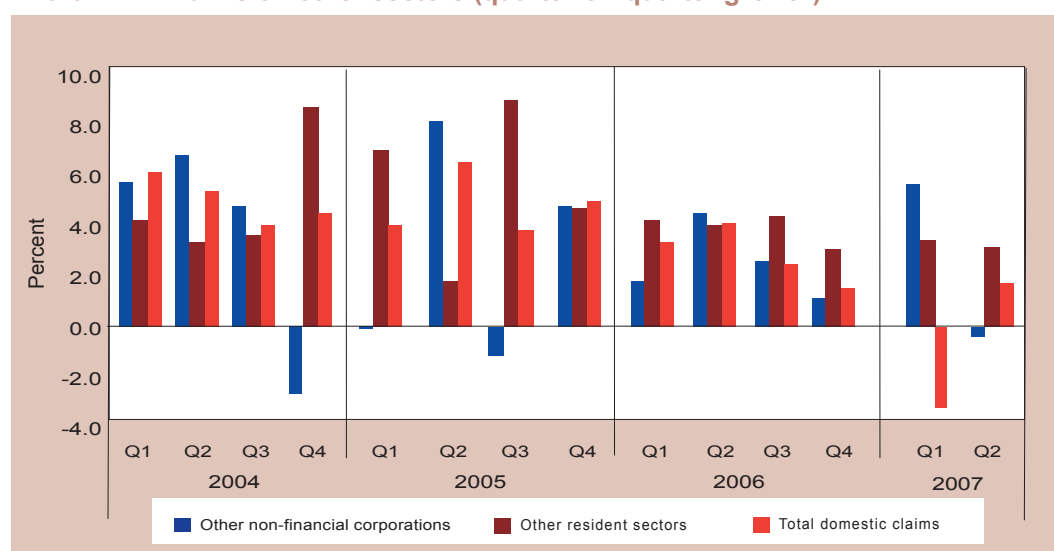
Contributing to the increase, quarter-on-quarter, in net domestic claims was an expansion in claims on other sectors, albeit at a slower pace, whereas net claims on the Central Government further declined. Net claims on the Central Government declined by N\$212 million to a negative N\$2,892.5 million compared to N\$610.4 million at the end of the corresponding quarter. This means that the Central Government is a net lender which implies that the indebtedness of Central Government with other depository corporations improved.

Growth in the claims on other sectors slowed to 2.3 percent at the end of the second quarter from increases of 6.0 percent at the end of the first quarter of 2007 and 6.3 percent at the end of the corresponding quarter in 2006. The slowdown in the quarterly growth rate of claims on other sectors resulted mainly from the decline in credit extended to other non-financial corporations (businesses), supported by a deceleration in growth of other resident sectors (individuals). The moderation in credit extension is in response to the recent interest rates increases. Credit extended to other non-financial corporations declined by 0.4 percent as opposed to rises of 5.8 percent and 4.6 percent reported at the end of the

previous quarter and corresponding quarter of 2006, respectively. Claims on other resident sectors, on the other hand, grew by 3.2 percent at the end of the second quarter of 2007. This was, however, a slowdown when compared to a growth of 3.5 percent registered at the end of the preceding quarter and 4.0 percent observed at the end of the corresponding quarter of 2006 (Chart 4.2).

The decline in credit extended to other non-financial corporations was reflected in a contraction in the growth of the sub-categories of instalment credit, other mortgage loans<sup>9</sup> and other loans and advances to the business sector. This is an indication that the cost of borrowing became less affordable to the other non-financial corporations. For other resident sectors, the slowing growth emanated from rises in other loans and advances and instalment credit. This might not mean that the sector is not affected by the high interest rates, but may be ascribed to the fact that the sector has no other avenues to seek financial assistance to avoid the rising cost of borrowing.

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



The year-on-year growth rate in claims on other sectors moderated to 13.4 percent at the end of June 2007, from 17.8 percent observed at the end of March 2007. This slowing growth originated from decelerated growth of claims on both other non-financial corporations and other resident sectors. Credit extended to other resident sectors slowed from 16.1 percent at the end of March to 15.2 percent at the end of June 2007. Similarly, growth in claims on other non-financial corporations slowed to 10.1 percent at the end of June from 15.7 percent at the end of March 2007. This reflects the non-affordability of the cost of borrowing by this sector during the year 2007 relative to the previous year, due to a series of interest rates hikes that were effected in 2007.

Within collateralized lending<sup>10</sup>, growth slowed down slightly from 3.9 percent at the end of both the corresponding quarter of 2006 and the first quarter of 2007 to 3.4 percent at the end of the second quarter of 2007. This moderation resulted from a deceleration in growth of mortgage loans. Mortgage loans growth slowed to 3.8 percent at the end of the second

<sup>9</sup> This comprises of mortgage loans other than those granted for purchases of farms.

<sup>10</sup> Collateralized lending includes mortgage loans and instalment sales.

quarter of 2007, following a 5.3 percent growth experienced at the end of the previous quarter and 4.3 percent at the end of the quarter ending June 2006. Instalment credit, on the other hand, grew by 2.3 percent after declining by 0.2 percent at the end of the preceding quarter (Table 4.2).

**Table 4.2 Growth in collateralized lending (quarter-on-quarter)<sup>11</sup>**

	2006			2007	
	Q2	Q3	Q4	Q1	Q2
<b>Total mortgage loans</b>	<b>4.3</b>	<b>10.4</b>	<b>4.9</b>	<b>5.3</b>	<b>3.8</b>
Individuals	4.6	4.9	4.0	4.8	3.8
Businesses	0.0	95.5	13.9	11.0	5.1
<b>Total instalment credit</b>	<b>2.8</b>	<b>2.9</b>	<b>4.1</b>	<b>-0.2</b>	<b>2.3</b>
Individuals	2.8	-2.3	4.3	-1.5	3.6
Businesses	2.7	17.4	3.6	2.9	-0.6

Further analysis by sector to which asset-backed lending was extended, showed that growth in mortgage credit to individuals reduced from 4.8 percent at the end of the first quarter to 3.8 percent at the end of the second quarter of 2007. Since this type of credit takes up the largest part of total credit extension to individuals, this trend explains the slowdown observed in the overall credit extension to that sector. Growth in mortgage advances to businesses also decelerated to 5.1 percent at the end of the second quarter from 11.0 percent at the end of the first quarter of 2007. Instalment credit extended to individuals recorded an expansion of 3.6 percent after a decline of 1.5 percent registered at the end of the previous quarter. This could be a result of expectations of interest rates hikes in the next quarter. A growth of 2.8 percent was witnessed at the end of the corresponding quarter of the preceding year. The same type of credit to businesses, on the other hand, dropped by 0.6 percent at the end of the second quarter, following increases of 2.9 percent and 2.7 percent observed during the previous quarter and corresponding quarter of 2006, respectively.

The growth of the other loans and advances<sup>12</sup> component slowed from 6.6 percent at the end of the first quarter to 3.9 percent at the end of the second quarter of 2007. The corresponding quarter in 2006 registered a growth of 2.9 percent. This slowdown was mirrored in the same trend observed in other loans and advances extended to both individuals and businesses. Growth in other loans and advances to individuals decelerated to 2.7 percent from 4.1 percent at the end of the preceding quarter, while that to businesses also moderated to 4.9 percent from 8.6 percent at the end of March 2007. The above developments in all credit types are clear evidence that borrowing has become costly for both individuals and businesses.

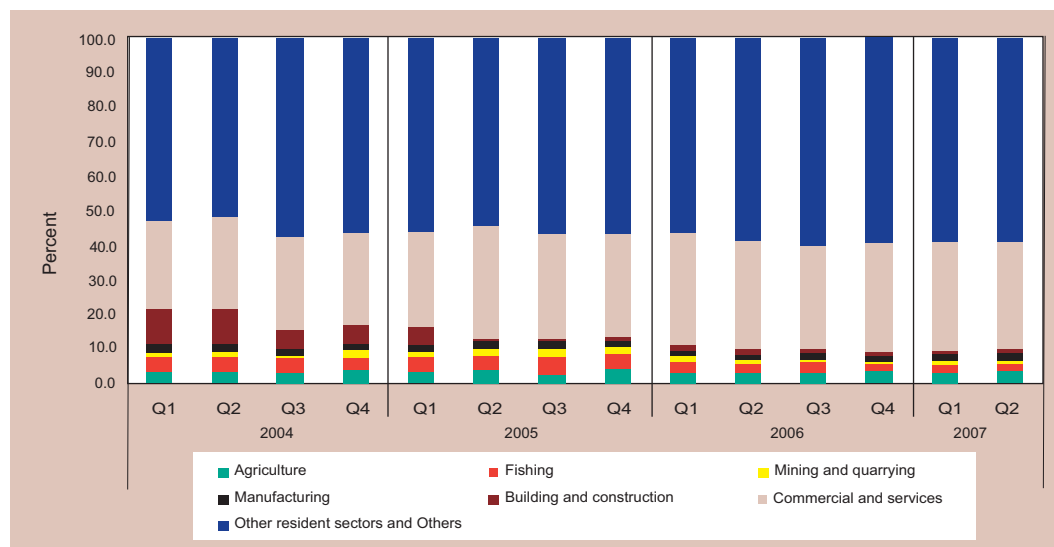
Further detailed analysis indicated that slight increases were observed in credit extended to the agriculture, fishing and manufacturing sectors of the economy, while the mining and quarrying and the commercial and services sectors recorded declines. Credit extended to the building and construction and the other resident and others sectors, however, remained

<sup>11</sup> The growth rates for total mortgage loans and total instalment credit include growth rates of loans and credit extended to non-residents which is excluded from the table.

<sup>12</sup> Other loans and advances consist of structured deals with individuals and corporate clients.

constant throughout the quarter. The other resident and others sector, however, continued to take up the largest portion of total claims on the other sectors, followed by the commercial and services sector (Chart 4.3).

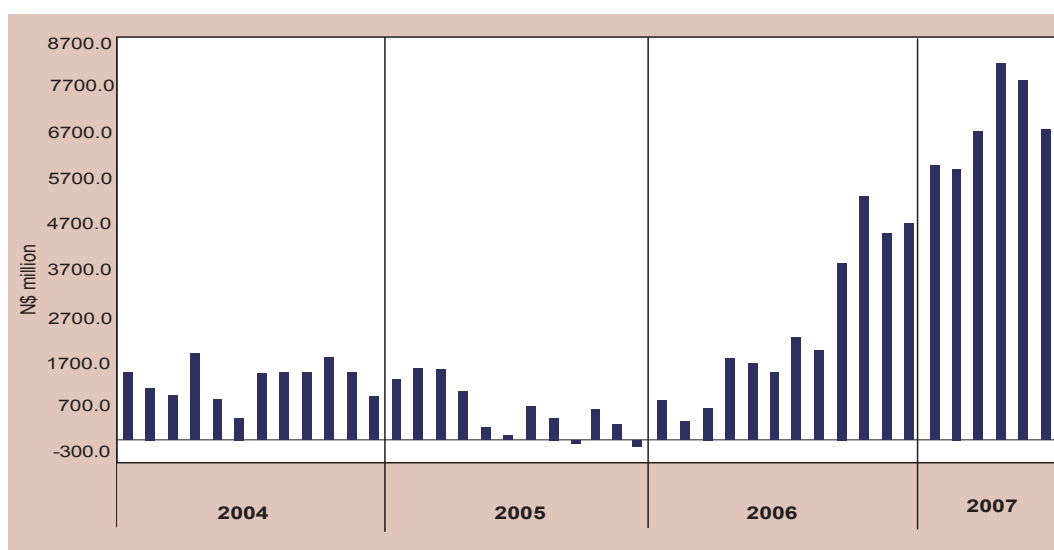
**Chart 4.3 Composition of other depository corporations' credit**



### Net foreign assets

The net foreign assets of the banking system rose by 0.9 percent to end the second quarter at N\$6.9 billion. Compared to a growth of 42.2 percent in the previous quarter, this is a significant deceleration (Chart 4.4). Contributing to the slowdown was the slowed growth in total deposits of the depository corporations with non-residents which grew by only 0.8 percent during the quarter under review to amount to N\$8.4 billion.

**Chart 4.4 Net foreign assets/liabilities of depository corporations**



The slowdown in growth of total net foreign assets was a result of the continued deterioration in the net foreign assets of the other depository corporations whereas the Bank of Namibia's net foreign assets improved, though at a slower pace than at the end of the previous quarter (Table 4.3). The net foreign assets of the other depository corporations recorded a decline of 27.9 percent at the end of the second quarter of 2007, although lower than that of 28.7 percent reported at the end of the preceding quarter. This resulted from a decline observed in non-resident deposits with domestic other depository corporations. At the end of June 2007, the net foreign assets of the Bank of Namibia expanded by 6.9 percent to reach N\$6.1 billion, while those of other depository corporations stood at N\$0.9 billion. This increase is, however, significantly lower than the 79.8 percent<sup>13</sup> registered at the end of the first quarter and 9.0 percent witnessed at the end of the corresponding quarter of the preceding year.

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

Holder	2005		2006				2007	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>A. NFA/L of ODCs</b>	<b>-1,844.6</b>	<b>-2,140.3</b>	<b>-1,734.5</b>	<b>-1,218.9</b>	<b>825.0</b>	<b>1,680.2</b>	<b>1,198.4</b>	<b>864.5</b>
Foreign assets	292.3	285.6	914.6	1,029.3	1,795.4	2,742.2	2,198.9	1,877.2
Foreign liabilities	2,245.6	2,242.9	2,649.1	2,248.3	970.4	1,062.0	1,000.5	1,012.8
<b>B. NFA of BoN</b>	<b>1,874.1</b>	<b>1,983.9</b>	<b>2,457.8</b>	<b>2,677.9</b>	<b>3,119.2</b>	<b>3,164.3</b>	<b>5,690.0</b>	<b>6,085.3</b>
Foreign assets	1,890.4	1,998.0	2,470.0	2,688.3	3,571.0	3,573.6	6,094.7	6,485.4
Foreign liabilities	14.6	14.1	12.2	10.4	397.8	409.3	404.7	400.2
<b>Net total foreign assets/liabilities</b>	<b>66.4</b>	<b>-156.4</b>	<b>723.3</b>	<b>1,459.0</b>	<b>3,944.2</b>	<b>4,844.5</b>	<b>6,888.4</b>	<b>6,949.8</b>

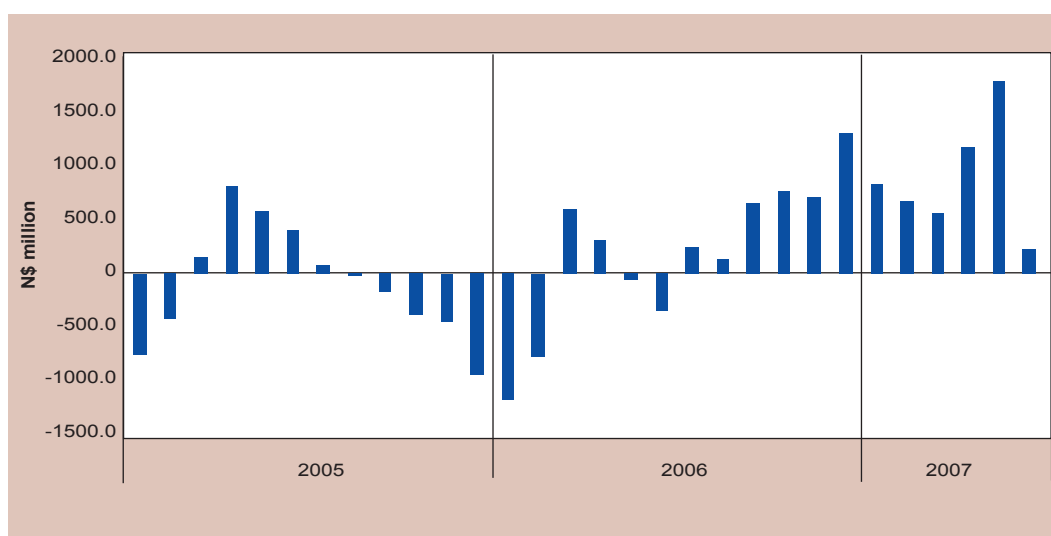
### Liquidity of commercial banks

At the end of the second quarter of 2007, the overall liquidity position<sup>14</sup> of commercial banks worsened when contrasted to the previous quarter. Other depository corporations improved their liquidity position in Namibia slightly when they observed a surplus of N\$15.0 million weighed against a surplus of N\$14.1 million at the end of the first quarter of the year and a shortage of N\$69 million at the end of the corresponding quarter of last year. This excess resulted from holding N\$91.8 million on the Bank of Namibia's settlement account minus issued repos of N\$76.8 million. The position in South Africa, on the other hand, fell from N\$472.5 million at the end of the preceding quarter to N\$193.3 at the end of the second quarter of 2007. Consequently, the overall liquidity position maintained a surplus of N\$208.3 million, lower than that of N\$486.8 million at the end of the preceding quarter. At the end of the corresponding quarter 2006, a shortage of N\$302.6 million was recorded.

<sup>13</sup> The expansion in net foreign assets of the Bank of Namibia resulted from increased total reserves of the country that mainly stemmed from a windfall income received from SACU revenue during the first quarter of 2007.

<sup>14</sup> This consists of the funds that commercial banks have in their settlement account with Bank of Namibia, plus the ones they have with their parent companies in South Africa at the end of the reference period.

Chart 4.5 Overall liquidity positions of commercial banks (end of month)



#### Other depository corporations sources of funds<sup>15</sup>

During the second quarter of 2007, the total deposits of the other depository corporations reached N\$26.1 billion, 2.1 percentage points higher over the previous rate of growth. This rate of growth is an improvement when compared to 0.9 percent observed at the end of the first quarter of 2007, but is slower than the 11.8 percent growth observed at the same time in 2006. The upward movement in total deposits was reflected in a rise in total other deposits, while a fall in transferable deposits moderated the growth. Other deposits improved by 15.2 percent at the end of the second quarter, following a decline of 13.9 percent at the end of the first quarter of 2007 and an increase of 15.3 percent at the end of the corresponding quarter. This was due to the increase in deposits held by the Bank of Namibia at commercial banks<sup>16</sup>. Transferable deposits, on the other hand, declined by 6.9 percent. At the end of the preceding quarter and corresponding quarter of 2006, increases of 12.2 percent and 9.3 percent, respectively, were observed.

Deposits included in broad money liabilities at the end of June 2007 stood at N\$21.7 billion, a decline of 0.5 percent over the level at the end of March 2007. The same component recorded a quarterly growth of 9.6 percent during the corresponding quarter of 2006 and 0.2 percent at the end of the previous quarter. The development at the end of the second quarter emerged substantially from a 10.6 percent reduction in transferable deposits included in M2, while other deposits included in broad money exerted an expansionary effect of 17.7 percent quarter-on-quarter increase. For the preceding quarter, a rise of 8.6 and a contraction of 12.2 percent were observed for transferable and other deposits, respectively.

Total deposits excluded from broad money<sup>17</sup> rose by N\$423.3 million at the end of the second quarter of 2007 to N\$4.5 billion compared to the level of N\$4.0 billion at the end of the first quarter of the same year. The upward movement of this component was mirrored

<sup>15</sup> This comprises of deposits included as well as those excluded from broad money (M2).

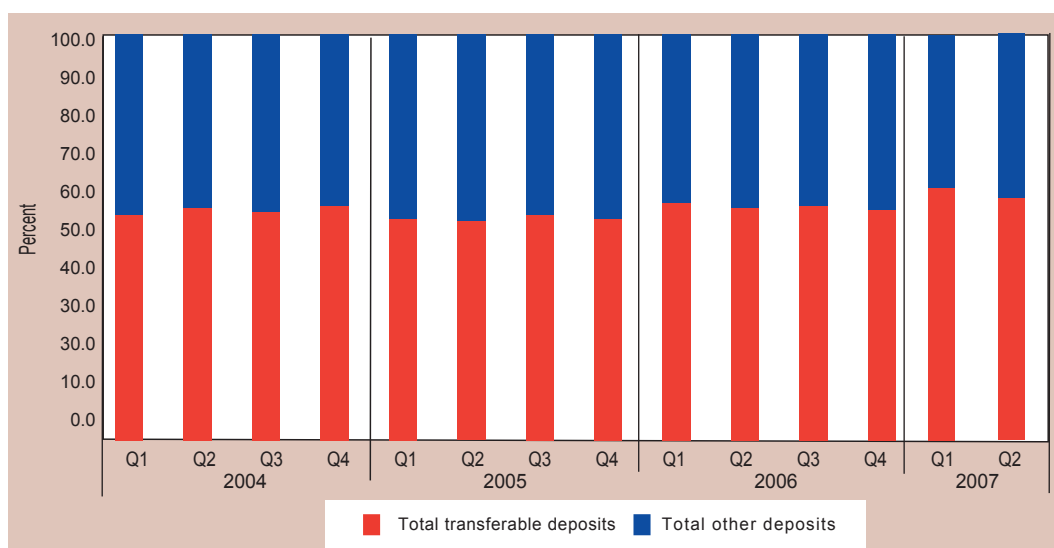
<sup>16</sup> These deposits were kept on behalf of Government for the redemption of GC07/08 securities.

<sup>17</sup> These are deposits of the Central Government and those of the depository corporations.

in increases in the sub-categories of both transferable and other deposits. Transferable deposits excluded from M2 grew by 15.2 percent at the end of June 2007, much lower in comparison to considerable rises of 40.9 percent registered at the end of March 2007 and 37.0 percent at the end of June 2006. Similarly, other deposits grew by 4.3 percent at the end of the same quarter, following a sharp decline of 20.9 percent at the end of the preceding quarter.

Corresponding to the above developments, the segment of transferable deposits in total deposits contracted whilst other deposits expanded (Chart 4.6). Total transferable deposits contributed 58.1 percent of total deposits at the end of the second quarter, lower than 63.2 percent observed at the end of the previous quarter but higher than 57.0 percent recorded at the end of the same quarter of 2006. Other deposits, on the other hand, made up the remaining 41.9 percent, higher than 36.8 percent at the end of the first quarter of 2007, but lower than 43.0 percent at the end of the second quarter of 2006. The above development could be a direct result of a shift in the public's liquidity preference due to the rising interest rates.

**Chart 4.6 Composition of other depository corporations' deposits**



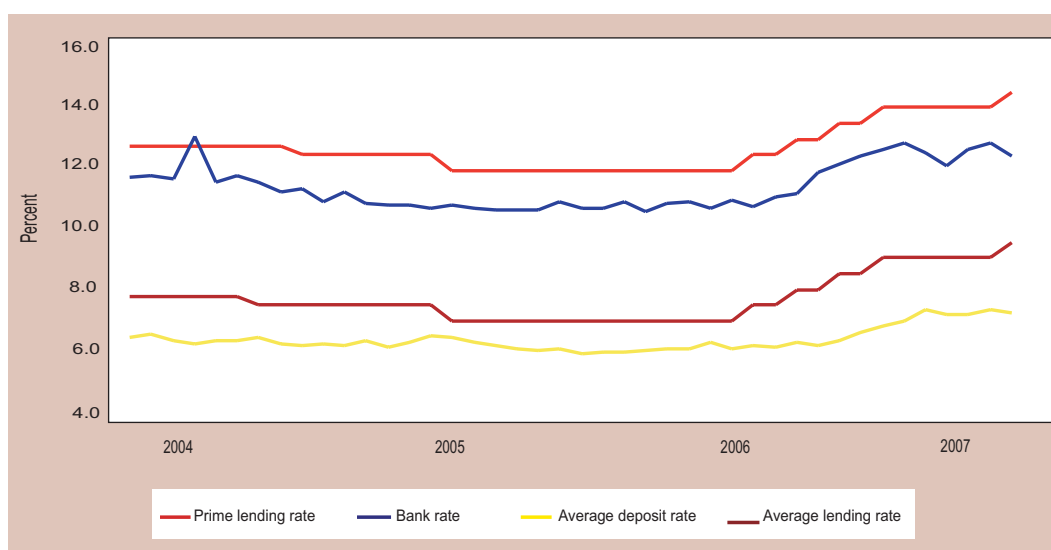
## 4.2 MONEY AND CAPITAL MARKET DEVELOPMENT

### Money market developments

In the second quarter of 2007, the Bank of Namibia further tightened monetary policy in pursuit of its price stability objective in order to curb looming inflationary pressure. The Bank of Namibia increased the Bank Rate by 50 basis points to 9.50 percent during the second quarter of 2007. This is the fifth increase in the Bank rate since June 2006 when the rate stood at 7.00 percent. The latest increase to 10.00 percent was in August 2007. The subsequent moderation in money supply growth during the period under review and the decrease in inflation rate figures for June to 7.0 percent could suggest that the economy is positively responding to the tightened monetary conditions, as other depository corporations increased their lending rates by the same magnitude.

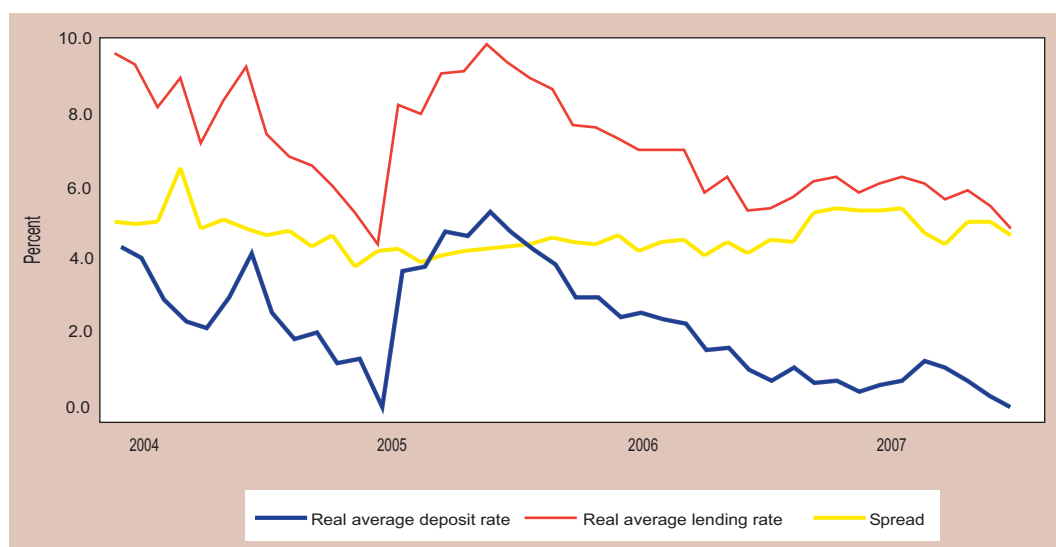
The prime lending rate of other depository corporations increased to 14.25 percent during the second quarter of 2007, from 13.25 percent in the first quarter of 2007, while the average deposit rate rose slightly by only 2 basis points to 7.24 percent during the second quarter of 2007. While it is discouraging that the average deposit rates were adjusted by a much smaller margin causing the spread between the lending and deposit rate to widen, this is essentially explained by the excess liquidity in the banking sector during the period under review. This resulted in nominal spread to widen to 4.98 percent at the end of the second quarter of 2007 from 4.68 percent at the end of the first quarter of 2007 (Chart 4.7). This too, is also essentially explained by the excess liquidity in the banking sector during the period under review.

**Chart 4.7 Selected interest rates**



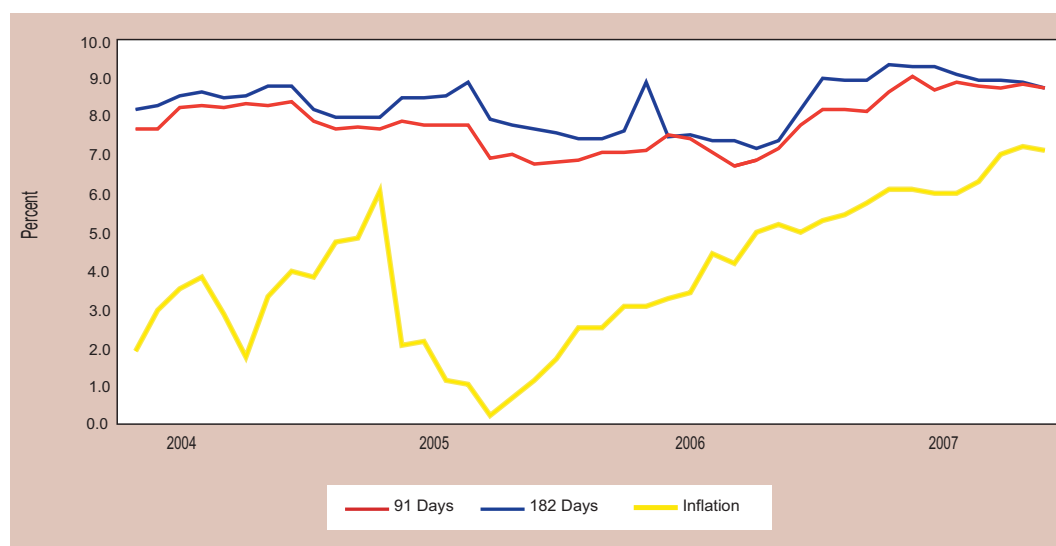
In terms of real rates, both the average lending and deposit rates moved in the same direction, showing a moderate declining trend during the second quarter of 2007 (Chart 4.8). The average real lending rate declined from 5.75 percent during the first quarter to 4.78 percent during the second quarter. The real deposit rate also declined from 1.15 percent recorded during the first quarter of 2007 to 0.13 percent by the end of the second quarter. The decline in real rates is attributed to the fact that inflation rose faster than nominal interest rates. Although the declining real lending rates are beneficial to borrowers, the fact that that real deposit rate are starting to move towards negative territories, is not desirable as this could discourage savings.

Chart 4.8 Real interest rates



Looking at the market for government short-term securities, the effective yield for 91-Day T-bills further declined to 8.45 percent in June 2007 from 8.49 percent recorded in March 2007. The effective yield for the 182-day treasury bills also declined from 8.60 percent recorded in March 2007 to 8.41 percent in June 2007. The decline in effective yields of both government short term securities could be attributed to the general increase in short-term security prices, triggered by the restrictive fiscal policy which has led to the very low issue of new government securities as well as tightened monetary policy (Chart 4.9).

Chart 4.9 Treasury bills discount rates



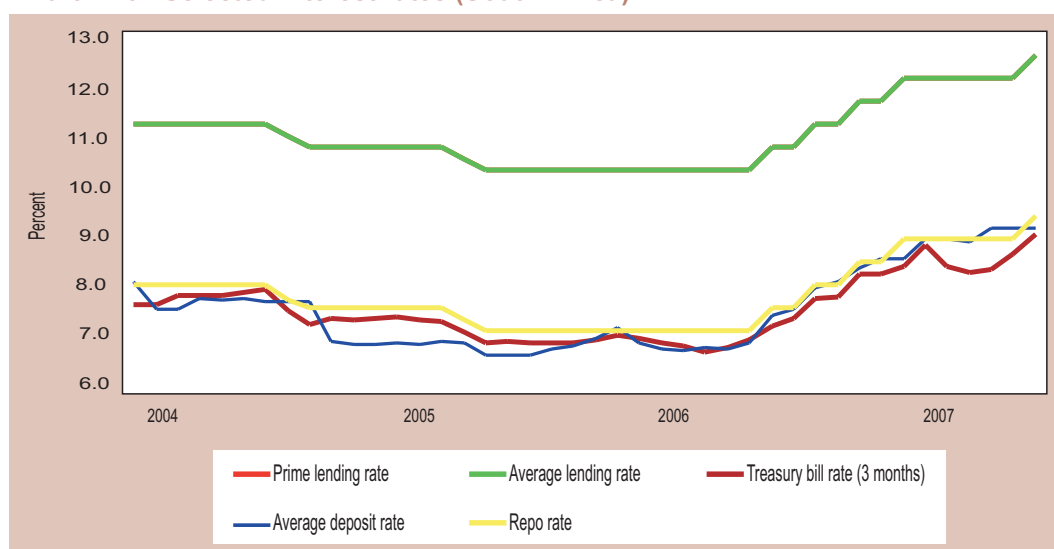
Being a member of the CMA and importing more than 80 percent of its consumable goods from South Africa, there is a great need for Namibia to align its monetary policies with those of South Africa. This condition necessitates that Namibian interest rates be analyzed by comparing them with those of South Africa. The South African Reserve Bank increased the Repo rate, the equivalent of the Bank rate in Namibia by 50 basis points to stand at 9.50 in June 2007. As a result, the prime lending rate and the average lending rate in South Africa

also increased by 50 basis points and 38 basis points to 13.00 percent, respectively, at the end of the second quarter from 12.50 percent recorded for both prime and average lending rate at the end of the first quarter (Chart 4.10).

The nominal spread between the average lending rate and deposit rate for South Africa widened from 3.57 percent during the first quarter to 3.77 percent during the second quarter of 2007. This is lower than the spread of 4.98 percent for Namibia, which is not only an indication that the cost for capital in South Africa is cheaper than in Namibia, but that depositors in South Africa are better rewarded for their investments than in Namibia. This divergence in interest rates could partially be attributed to lack of competition in the Namibian financial market, although other factors, such as the cost of doing business in Namibia, could also play a role.

The effect of the tightened monetary policy in South Africa was also noted in the cost of Government borrowing in South Africa. The effective yield of the 91-day Treasury bill stood at 9.10 percent in June 2007 compared to 8.26 percent in March 2007. This is 84 basis points higher than in Namibia.

**Chart 4.10 Selected interest rates (South Africa)**



Source: SARB

## Capital market developments

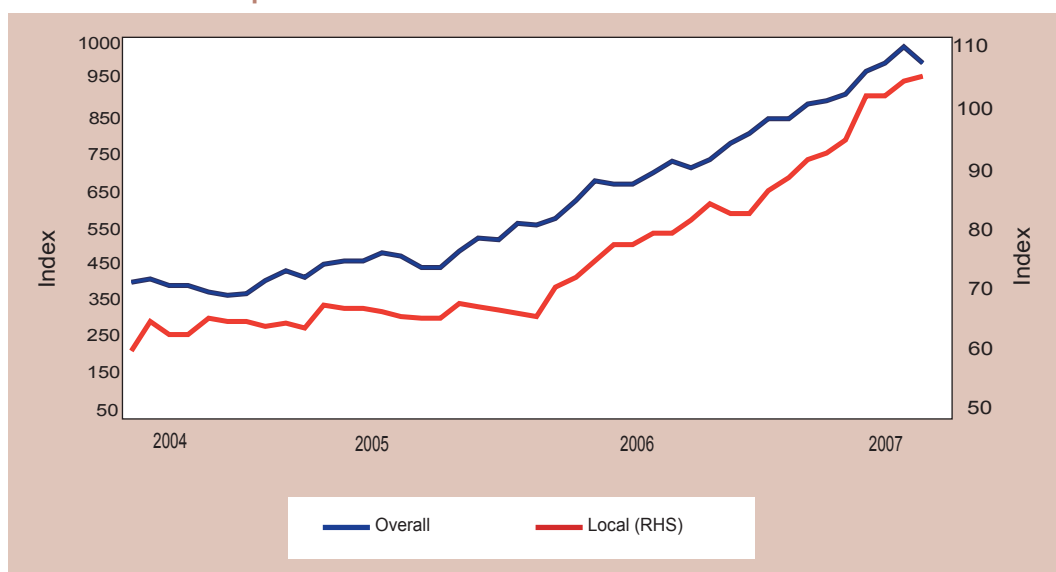
### Share prices

In general, the NSX continued to perform satisfactorily according to the financial indicators for the second quarter of 2007. This is despite persistent volatility in the global and domestic markets (Chart 4.11).

On average, the local price index, which only measures the performance of Namibian companies primarily listed on the NSX, rose to 103.71 points during the second quarter of 2007, 7.69 points higher than the average of 96.02 recorded in the preceding quarter. The average total local market capitalization for the second quarter, rose slightly by 1.13

percent to N\$1.79 billion from N\$1.77 billion recorded in the previous quarter. The increase in the local market capitalization could be attributed to the rise in the general share prices during the quarter. Noticeable price increases were recorded in shares of consumable goods and financial sectors. The total volume traded fell significantly by 98 percent from 25,288,604 recorded during the first quarter 2007 to 575,769 in the second quarter of the same year. The total number of deals traded on the NSX fell by 47 percent from 82 during the first quarter to 43 in the second quarter of 2007. When converted into monetary value, the local turnover was negatively affected and fell significantly by 87 percent from N\$18.0 million in the second quarter of 2007 to only N\$2.3 million by the end of June 2007.

**Chart 4.11 NSX price indices**



Source: NSX

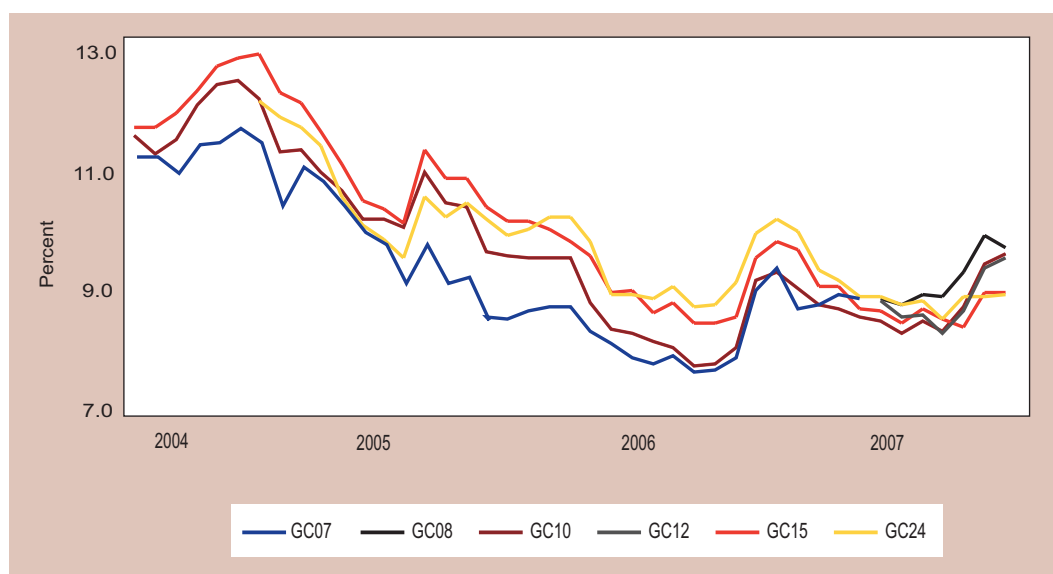
During the second quarter, on average, the overall price index, which is used to measure the performance of the Namibian and dual listed companies, rose by more than 9 percent to register an average of 949.4 points, from an average of 869.4 points recorded during the first quarter of 2007. In May 2007, it reached its highest level of 977.0 points. The increase in the overall price index was reflected in the overall market capitalization which grew on average by 8.8 percent to N\$1.23 trillion during the second quarter from N\$1.13 trillion recorded for the first quarter of 2007. The increase in the market capitalization was also a direct result of the general increase in share prices, particularly from the industrial and financial sectors. Although stock prices showed positive growth, the overall value of trades declined by 34 percent, mainly as result of a drop in volume traded. Volume traded dropped by 41 percent from 86 million to 51 million. Consequently, the overall turnover fell from N\$3.8 billion recorded by the end of the first quarter to only N\$2.5 billion at the end of June 2007.

#### Government bond yield

The internal rate of return of bonds, better known as effective yield, for all government bonds issued have exhibited a positive growth rate during the second quarter of 2007. A positive growth in the effective yield of bonds is not a desirable development for investors

due to the inverse relationship that exists between bond prices and yield. When effective yields rises, it means that prices are falling and investors selling bonds would register losses. Both the yields for GC08 and GC10 experienced the highest increases of over 80 basis points from the previous quarter. The yields for GC08 rose to 10.13 percent during the second quarter of 2007 from 9.18 percent recorded in the first quarter of 2007, while that for the GC10 increased to 9.65 percent by the end of the second quarter of 2007 from 8.75 percent in the first quarter 2007 (Chart 4.12)

**Chart 4.12 Government bond yields**



Similarly, the yield for GC12 and GC15 also experienced positive growth from 8.84 percent and 8.94 percent to 9.59 percent and 9.19 percent, respectively in the second quarter of 2007. The yield for the GC24 rose the least from 9.09 percent during the first quarter to only 9.17 percent 2007 during the second quarter of 2007. The increase in the yields of these bonds is the result of a general decrease in bond prices triggered by interest rates uncertainty in the market. Recent interest rate hikes had an underlying influence on bond prices. All bonds' yields are expected to remain high except for GC08, as its shorter maturity position makes it more attractive and valuable, and therefore its price is expected to rise while a subsequent decrease in its yield is expected.

## 5. FISCAL DEVELOPMENTS<sup>18</sup>

Total debt of Central Government (which consists of domestic and foreign borrowing) recorded a deceleration at the end of the first quarter of 2007/08, emanating from a lower issuance of short-term domestic debt instruments. The decline in domestic debt brought down the overall total outstanding Central Government debt position to stand at 27.6 percent of GDP. This is 2.6 percentage points closer to reaching the Government's long-run fiscal target of 25 percent of GDP set for the end of this fiscal year. Total Central Government loan guarantees also decreased as a result of the same changes in both domestic and foreign guarantees issued in favour of private and state-owned enterprises.

### 5.1 CENTRAL GOVERNMENT DEBT

At the end of the first quarter of 2007/08, total outstanding debt of Central Government amounted to N\$13.4 billion (Table 5.1). This represents a decline of 1.4 percent from the level at the end of the fourth quarter of 2006/07 and an increase of 1.5 percent from the level at the end of the same quarter, in 2006/07. The decline was reflected in the contraction in domestic debt while the external debt increase slightly.

**Table 5.1 Central Government debt (N\$ million)**

	2005/06		2006/07				2007/08
	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>GDP</b>	<b>39,622.1</b>	<b>39,622.1</b>	<b>43,983.2</b>	<b>43,983.2</b>	<b>43,983.2</b>	<b>43,983.2</b>	<b>48,703.9</b>
<b>Foreign Debt Stock</b>	<b>2,000.2</b>	<b>1,843.3</b>	<b>2,381.3</b>	<b>2,675.6</b>	<b>2,526.3</b>	<b>2,710.2</b>	<b>2,769.5</b>
Bilateral	1,123.1	1,018.9	1,450.8	1,599.8	1,489.1	1,630.4	1,585.7
As % of Total	56.1	55.3	60.9	59.8	58.9	60.2	57.3
Multilateral	877.2	824.4	930.5	1,075.8	1,037.2	1,079.8	1,183.8
As % of Total	43.9	44.7	39.1	40.2	41.1	39.8	42.7
<b>Foreign Debt as % Export</b>	<b>13.5</b>	<b>12.5</b>	<b>16.1</b>	<b>18.1</b>	<b>17.1</b>	<b>18.3</b>	<b>18.7</b>
<b>Domestic Debt Stock</b>	<b>10,844.0</b>	<b>10,689.8</b>	<b>10,862.1</b>	<b>10,962.0</b>	<b>10,987.8</b>	<b>10,927.8</b>	<b>10,677.7</b>
Treasury Bills	5,117.0	4,762.8	4,655.0	4,425.0	4,250.0	3,950.0	3,699.9
As % of Total	47.2	44.6	42.9	40.4	38.7	36.1	34.7
Internal Registered Stock	5,727.0	5,927.0	6,207.0	6,537.0	6,737.8	6,977.8	6,977.8
As % of Total	52.8	55.4	57.1	59.6	61.3	63.9	65.3
<b>Other</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>12,844.2</b>	<b>12,533.1</b>	<b>13,243.3</b>	<b>13,637.6</b>	<b>13,514.1</b>	<b>13,638.0</b>	<b>13,447.2</b>
<b>Proportion of Total Debt</b>							
Foreign Debt Stock	15.6	14.7	18.0	19.6	18.7	19.9	20.6
Domestic Debt Stock	84.4	85.3	82.0	80.4	81.3	80.1	79.4
<b>In % of GDP</b>							
Foreign Debt Stock	5.0	4.7	5.4	6.1	5.7	6.2	5.7
Domestic Debt Stock	27.4	27.0	24.7	24.9	25.0	24.8	21.9
<b>Total</b>	<b>32.4</b>	<b>31.6</b>	<b>30.1</b>	<b>31.0</b>	<b>30.7</b>	<b>31.0</b>	<b>27.6</b>

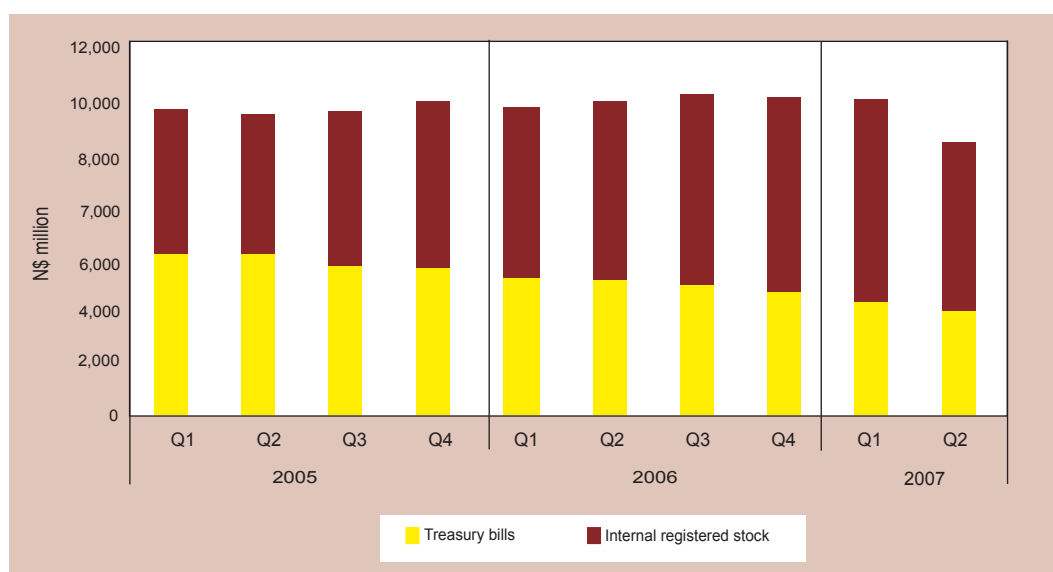
Source: BoN and MoF

<sup>18</sup> 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 compiling this bulletin.

## 5.2 DOMESTIC DEBT

The total domestic debt contracted by 2.3 percent during the first quarter of 2007/08, relative to the previous quarter, to stand at N\$10.7 billion. The decreasing domestic debt stemmed from the net repayment of N\$250 million in treasury bills during the first quarter. Furthermore, no long-term bonds were issued since March 2007, leaving the outstanding balance of Internal Registered Stock at N\$6.9 billion, during the first quarter, the same as at the end of the previous quarter. The share of bonds to total domestic debt stock remained the dominant component in 2007, with a contribution of 65.3 percent at the end of first quarter of 2007/08.

**Chart 5.1 Total domestic debt by security**



In relation to GDP, total domestic debt fell to 21.9 percent during the first quarter of 2007/08 from 24.8 percent at the end of the preceding quarter (Table 5.1 Chart 5.2). The observed positive developments in domestic debt, augurs well for the achievement of the debt to GDP target as spelt out in the Debt Management Strategy<sup>19</sup>.

## 5.3 EXTERNAL DEBT

Namibia continue receiving external assistance from multilateral and bilateral donors and this has greatly helped finance many projects<sup>20</sup>, which contribute towards the country's economic development. At the end of the first quarter of 2007/08, total outstanding external debt stood at N\$2.8 billion, 2.2 percent higher than the level at the end of the previous quarter. A growth of 16.3 percent was recorded when comparing this level to that at the end of the corresponding quarter of 2006/07. The increase at the end of the first quarter of 2007/08 stemmed from multilateral loans<sup>21</sup> that increased by 9.6 percent during the period, while bilateral loans went down by 2.7 percent.

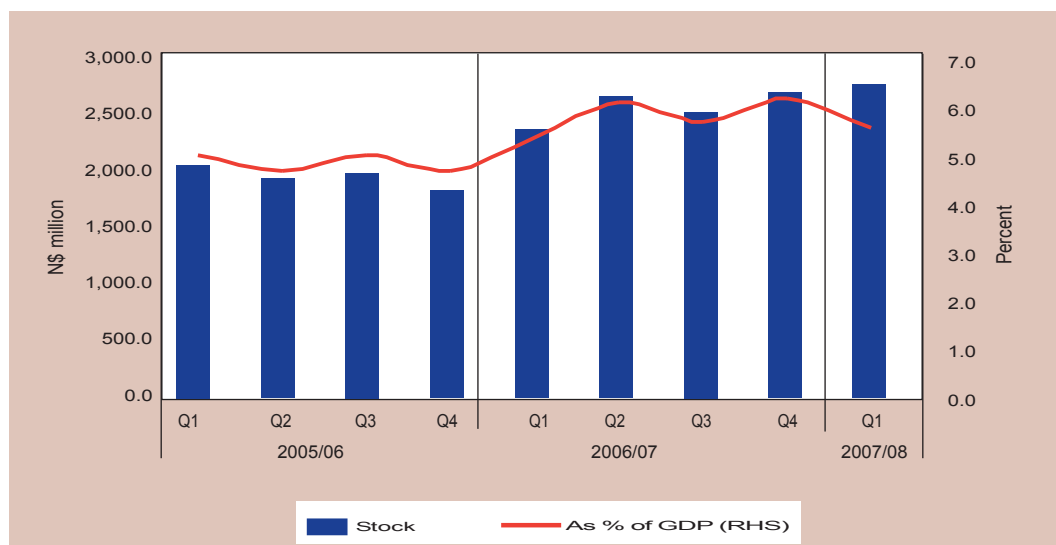
<sup>19</sup> The Sovereign Debt Management Strategy (SDMS) set the benchmark on domestic debt at 20.0 percent of GDP. The objective of SDMS is to minimize the cost of government borrowing consistent with an acceptable degree of risk. This strategy document is intended to serve as an action plan for managing the costs and risks associated with Namibia's sovereign debt.

<sup>20</sup> Virtually all foreign loans acquired by the Central Government are used to finance capital projects.

<sup>21</sup> In some instances, these increases during certain quarters are caused by late processing of disbursements receipts as well as delayed transfers of payments. After some time all these delayed payments are transferred in a lump sum, causing high growth rates quarter-on-quarter. During the period end of March to end of June 2007, these distortions were observed.

As a percentage of GDP, external debt stood at 5.7 percent, lower than 6.2 percent recorded at the end of the preceding quarter (Table 5.1 and Chart 5.2).

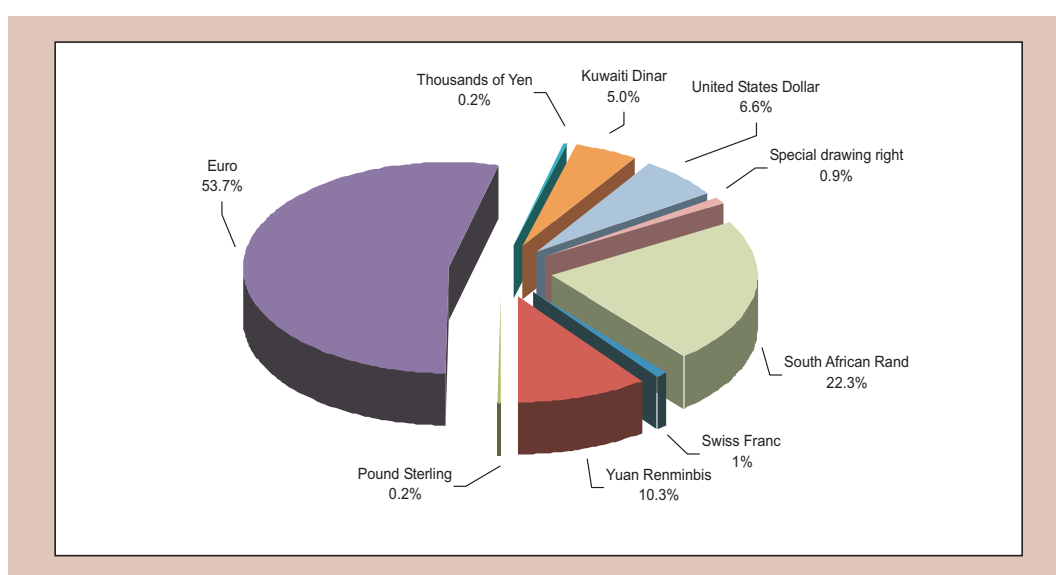
**Chart 5.2 Total external debt**



Source: MOF

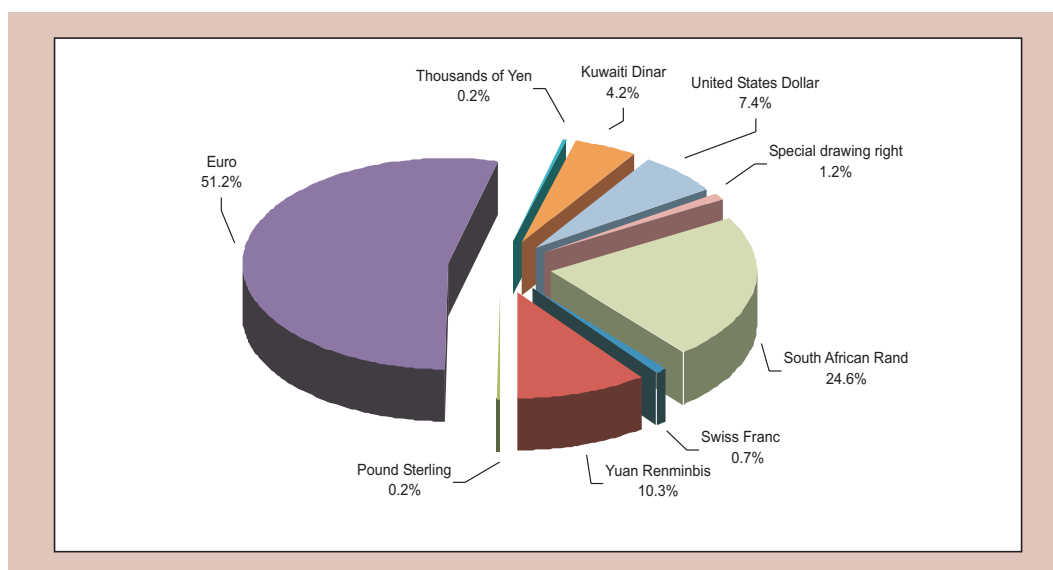
In terms of composition, bilateral loans continue to dominate the external debt portfolio, although its share declined to 57.3 percent compared to 60.2 percent recorded at the end of the preceding quarter. The share of multilateral loans expanded to 42.7 percent from 39.8 percent recorded last quarter. The foregoing reflects the Government's continued policy of mainly borrowing on concessional terms from foreign sources. This policy makes debt service relatively cheaper since it provides for longer grace periods and maturity, as well as the fact that the borrowing rates at which credit is offered, is much lower.

**Chart 5.3 (a) Currency compositions for external debt Q4 2006/07**



Source: MoF

Chart 5.3 (b) Currency compositions for external debt Q1 2007/08



Source: MoF

Foreign debt composition at the end of June 2007 shows that the Euro currency denominated loans continued having the largest share of 51.2 percent in the total foreign debt, although down from 53.7 percent at the end of the preceding quarter (Chart 5.3(a) and (b)). The share of the South African Rand was 24.6 percent, up from 22.8 percent reported for the preceding quarter. An increase in the Rand component of external debt is good for Namibia as it eliminates the exchange rate risk given the peg of the Namibia Dollar to the Rand. The remainder of 24.2 percent was taken up by the other seven currencies, in which Namibia's foreign debt is denominated.

#### 5.4 CENTRAL GOVERNMENT LOAN GUARANTEES

Total loan guarantees of Central Government declined by 6.1 percent to N\$3.5 billion at the end of the first quarter of 2007/08 from the level in the fourth quarter of 2006/07, resulting from both sub-categories of domestic- and foreign loan guarantees (Table 5.4). The decline resulted in the loan guarantees as a ratio of GDP also decreasing to 7.3 percent from a ratio of 8.6 percent recorded during the previous quarter. The decline in Government loan guarantees is a positive development because these contingent liabilities might become real should debtors default on their obligations. It is worth mentioning that the benchmark for total contingent liabilities is a limit 10.0 percent of GDP. From Table 5.4 below, it appears that the Government has been managing its guarantees well at below that target.

**Table 5.4 Central Government loan guarantees (N\$ million)**

	2005/06			2006/07				2007/08
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
<b>GDP</b>	<b>39,622</b>	<b>39,622</b>	<b>39,622</b>	<b>43,983</b>	<b>43,983</b>	<b>43,983</b>	<b>43,983</b>	<b>48,704</b>
Domestic Guarantees	1,410.6	1,537.9	1,494.6	1,494.6	1,505.3	1,826.1	1,760.9	1,559.8
As % of GDP	3.6	3.9	3.8	3.4	3.4	4.2	4.0	3.2
As % of Total Guarantees	53.6	55.7	42.6	41.1	41.2	47.3	46.7	44.1
Foreign Guarantees	1,221.7	1,221.7	2,010.2	2,142.7	2,109.7	2,037.4	2,006.7	1,978.2
As % of GDP	3.1	3.1	5.1	4.9	4.8	4.6	4.6	4.1
As % of Total Guarantees	46.4	44.3	57.4	58.9	58.8	52.7	53.3	55.9
Total Guarantees	2,632.3	2,759.6	3,504.8	3,637.3	3,615.0	3,863.5	3,767.6	3,538.0
As % of GDP	6.6	7.0	8.8	8.3	8.2	8.8	8.6	7.3

Domestic guarantees decreased by 11.4 percent to N\$1.6 billion during the first quarter of 2007/08 from N\$1.8 billion recorded at the end of the fourth quarter of 2006/07, due to the repayment of loans, amounting to N\$202 million that were granted to a state-owned enterprise. A year ago, at the end of the same quarter, domestic loan guarantees were lower at N\$1.5 billion, representing a growth of 4.4 percent. In relation to GDP, domestic loan guarantees represented a ratio of 3.2 percent, lower than the 4.0 percent recorded at the end of the preceding quarter.

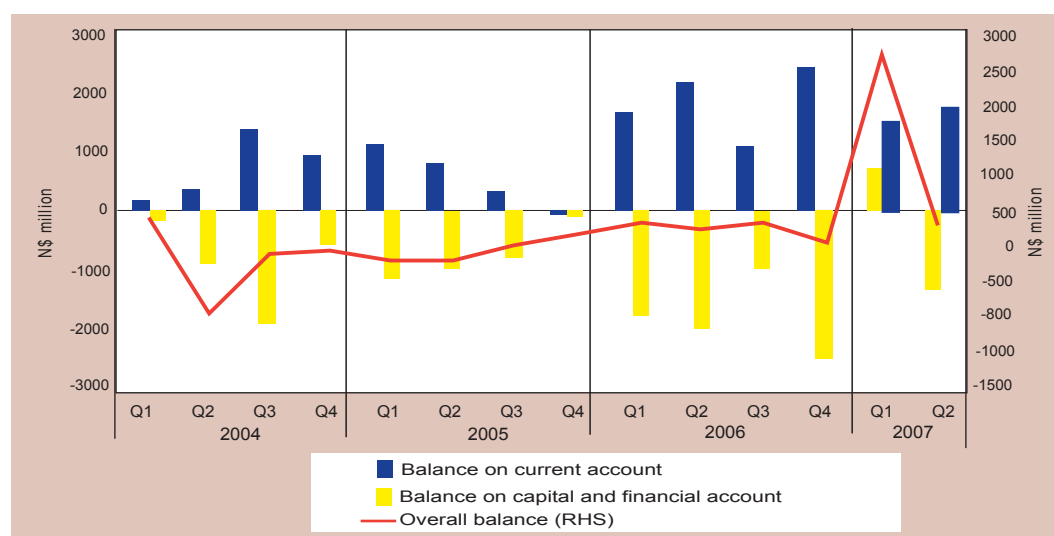
Foreign loan guarantees also declined by 1.4 percent to stand at N\$2.0 billion at the end of the first quarter of 2007/08. The slight decrease was mainly due to the strengthening of the Namibia dollar against major currencies, in particular the US dollar during the first quarter. The valuation effect of the appreciation against the US dollar amounted to N\$28.5 million. As a percentage of GDP, foreign loan guarantees accounted for 4.1 percent, lower than the 4.6 percent recorded at the end of the previous quarter.

## 6. FOREIGN TRADE AND PAYMENTS

### 6.1 OVERVIEW OF THE BALANCE OF PAYMENTS

The balance of payments recorded a surplus during the second quarter of 2007. Although the current account surplus remained constant at the levels realized during the preceding quarter (Chart 6.1), it still outweighed the capital and financial account deficit, resulting in a surplus on the overall balance of payments during the second quarter of 2007.

**Chart 6.1 Balance of payments major accounts**

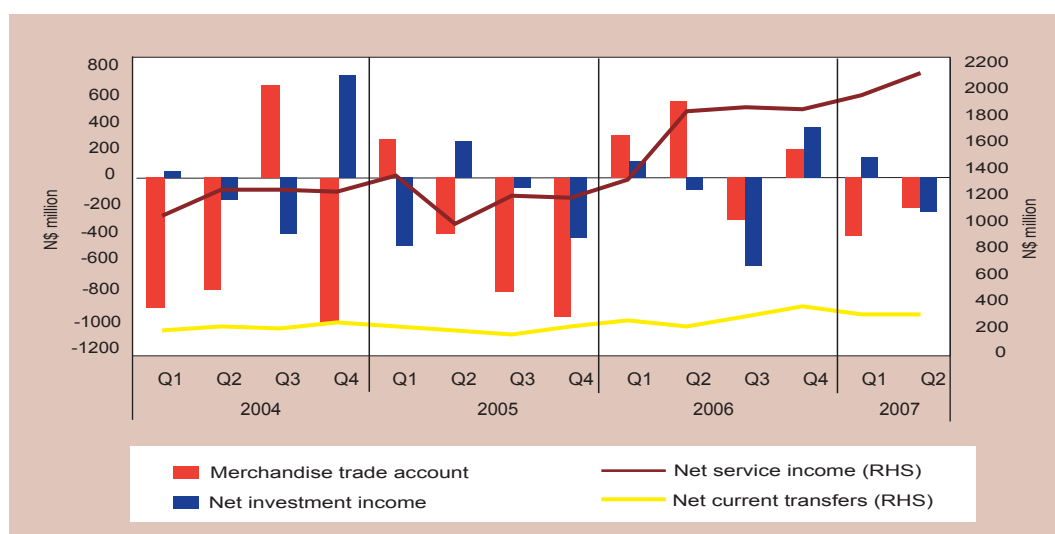


### 6.2 CURRENT ACCOUNT

The current account remained in a surplus position since the third quarter of 2005. This surplus, which was estimated at N\$1.8 billion, was equal to that recorded during the preceding quarter, but lower than N\$2.2 billion recorded during the corresponding quarter of 2006. The realization of the surplus during the second quarter of 2007 was largely ascribed to higher net inflows in current transfers and a deceleration in import expenses. These were complemented by the general higher international mineral prices that continue to benefit export earnings of certain mineral. There were, however, lower net inflows in investment income during the quarter ending June 2007.

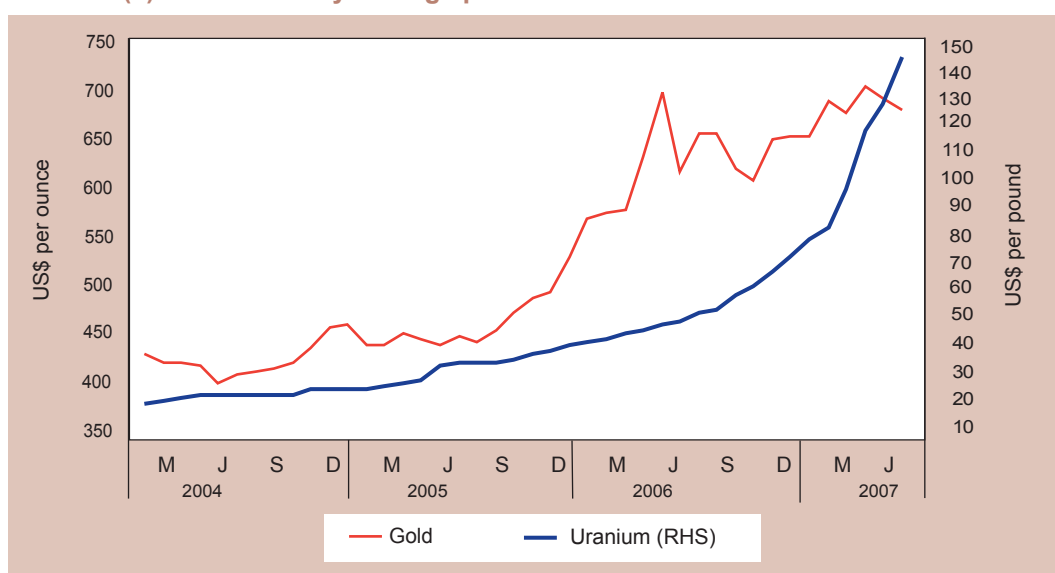
The value of merchandise exports decreased marginally by 1.8 percent, quarter-on-quarter, to N\$4.8 billion during the second quarter of 2007. This, however, represents an increase of 10 percent from N\$4.3 billion export recorded during the corresponding quarter of 2006 (Chart 6.2). The value of imports also declined by 5.0 percent, quarter-on-quarter, to N\$4.9 billion recorded during the second quarter of 2007. This higher decline, quarter-to-quarter, in the import payments relative to the export earnings caused the deficit of the merchandise trade sub-account to shrink by 48.4 percent to N\$185.8 million during this period.

Chart 6.2 Current account sub-accounts



The decline, quarter-on-quarter, in merchandise exports was partly due to a fall in the export volumes of the category other mineral products during the second quarter of 2007. The export earnings of this category fell, quarter-on-quarter, by 23.8 percent to N\$1.0 billion. The decline in the export earning was due to the breakdowns in production machinery at some of the mines that caused lower production. This resulted in lower export volumes, quarter-on-quarter, for some minerals. The export earnings of other minerals such as copper, lead and gold, however, increased.

Chart 6.3(a) Metal monthly average prices

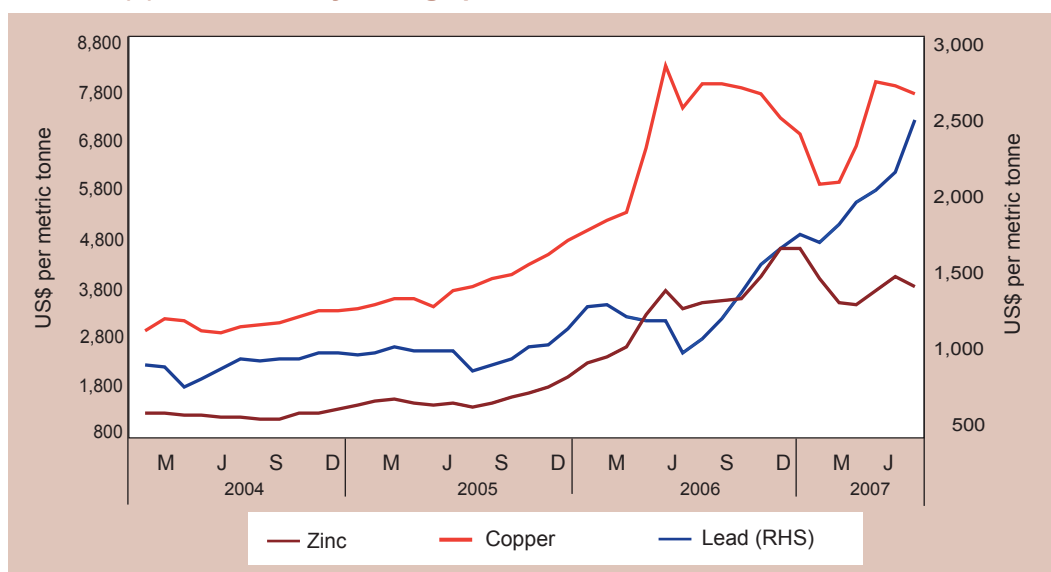


Source: London Gold Price & IMF

The increase in the estimated export earnings of other minerals such as copper, lead and gold<sup>22</sup> were mainly due to the prevailing higher international prices of (Chart 6.3(a) and 6.3(b)).

<sup>22</sup> Rising demand for gold products in China and India has effectively put an upward pressure on gold price.

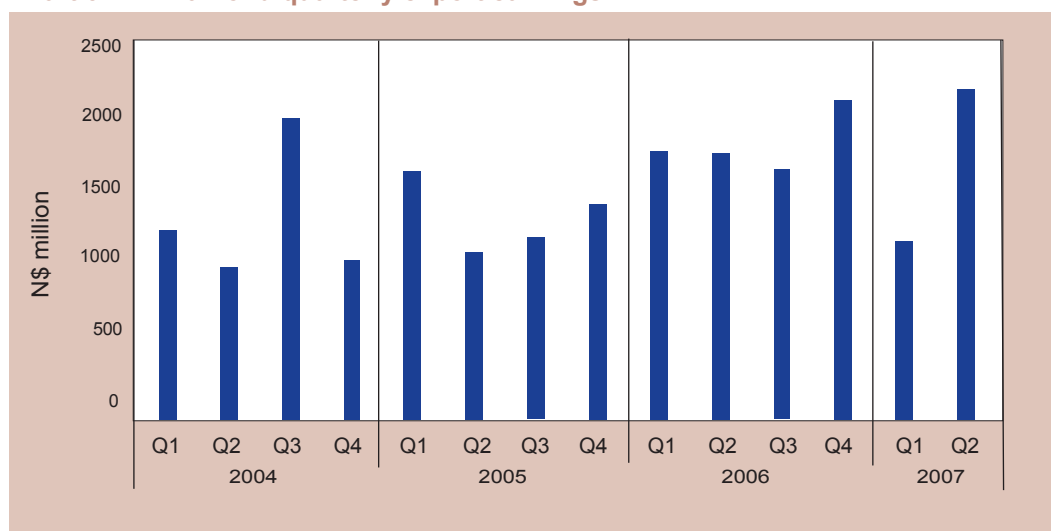
Chart 6.3(b) Metal monthly average prices



Source: London Gold Price &amp; IMF

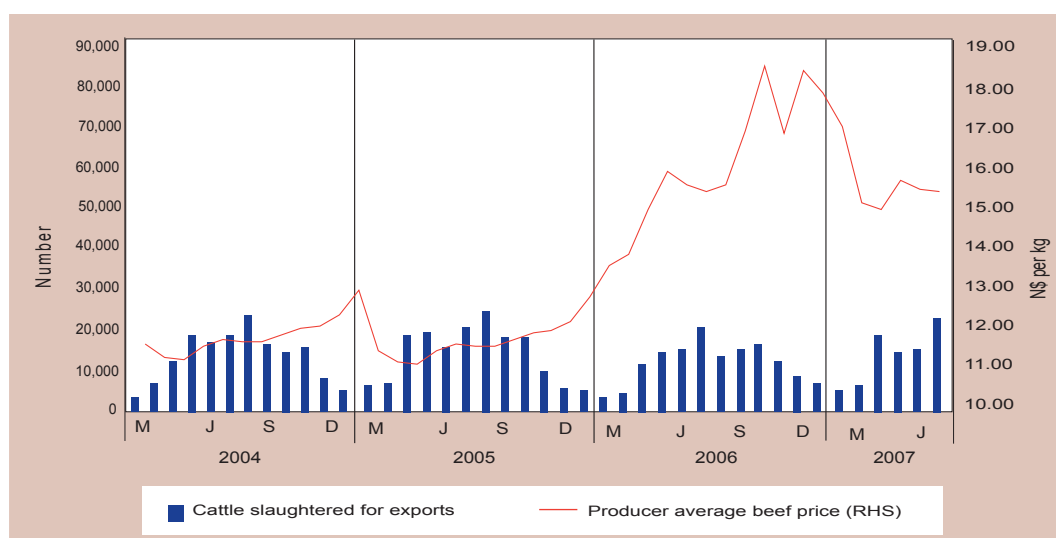
Diamond mining continues to dominate the activities of the primary sector of the Namibian economy, particularly the mining and quarrying sector. Diamond export earnings amounted to N\$2.2 billion in the second quarter of 2007, which represents an increase, quarter-on-quarter, of 85 percent (Chart 6.4). Year-on-year, diamond export earnings increased by 24.3 percent from N\$1.8 billion during the second quarter of 2007. Accordingly, year-on-year, the merchandise export account increased to N\$4.8 billion during the second quarter of 2007 from N\$4.3 billion recorded during the corresponding quarter of 2006. The imports expenses also displayed a similar movement, increasing to N\$4.9 billion from N\$3.8 billion recorded over the same period of 2006.

Chart 6.4 Diamond quarterly export earnings



The export value of the category food and live animals increased by N\$1.7 million, quarter-on-quarter, to N\$545 million during the second quarter of 2007. This was mainly reflected in the rise observed in the sub-category live animals<sup>23</sup> of N\$53.0 million to N\$246.7 million during the same quarter. Most of the increase arose from the export of small stock<sup>24</sup>. This was probably a result of the fact that farmers started to sell off livestock after realizing that the rainfall levels for the 2006/7 rainy season was noticeably poorer with deteriorating grazing. Prices for both beef and mutton have, however, declined marginally during the second quarter from the levels of the previous quarter (Chart 6.5). Year-on-year, the value of exports of food and live animals declined by 13.4 percent during the second quarter of 2007.

**Chart 6.5** Number of cattle slaughtered for exports and prices



Source: Meat Board

The export value of manufactured products declined substantially, quarter-on-quarter, to N\$933 million during the second quarter of 2007 from N\$1.7 billion during the previous quarter. The decline is attributed to the fall in the export earnings of the majority of the items under this category, including processed fish and mineral products. The sub-categories beer and soft drinks and textiles, however, asserted some moderating pressure, as they increased by 16.0 percent and 14.9 percent, respectively during the second quarter of 2007.

Another positive development was observed in the services category, in which Namibia remains a net exporter. This category recorded an estimated net inflow of N\$180 million during the second quarter of 2007. This is lower by N\$7.4 million, quarter-on-quarter, and more by N\$83 million, year-on-year. The sub-category travel is estimated to have continued recording net inflows of N\$516 million during the second quarter of 2007, lower than the N\$631 million recorded in the first quarter of 2007. This is mainly due to the fact that Namibia continues to be an attractive tourist destination.

<sup>23</sup> Mainly live cattle and small stock.

<sup>24</sup> The lifting of the export ban on live small stock could have led to the increased number exported.

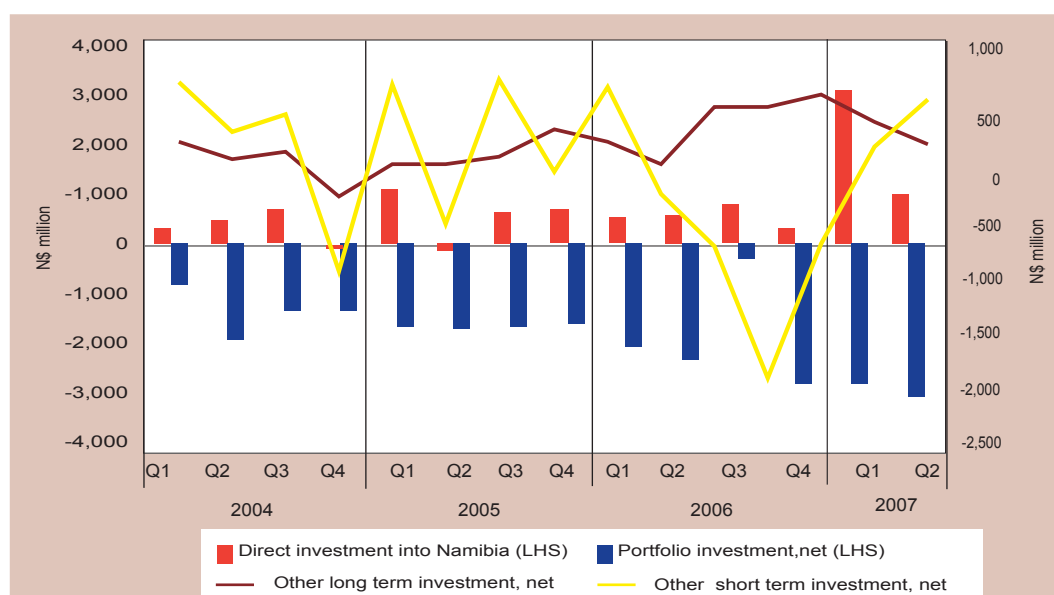
Unlike in the preceding quarter, a net outflow, quarter-on-quarter, was realized in the category investment income during the second quarter of 2007. The category recorded a net outflow of N\$206 million, compared to a net inflow of N\$124 million recorded during the first quarter of 2007. A net outflow of N\$77 million was also recorded during the corresponding quarter of 2006.

Net current transfers receivable increased by 9.5 percent to N\$2.0 billion during the second quarter of 2007. This increase was largely attributed to the SACU receipts that maintained its high levels that have been observed during the previous quarters. SACU receipts, which stayed at the same level (N\$646 million) since the fourth quarter of 2007, rose noticeably to about N\$2.0 billion during the second quarter, mainly on account of some technical adjustments and arrear payments by South Africa to other SACU members. A decline was, however, observed in the receipts of withholding taxes and other transfers receivable. These two sub-categories declined, quarter-on-quarter, by N\$14 million and N\$117 million to N\$12 and N\$1 million, respectively during the second quarter of 2007. Similarly, private current transfers' receivable also decreased, quarter-on-quarter, by N\$9.5 million to N\$27.4 million recorded during the second quarter of 2007.

### 6.3 CAPITAL AND FINANCIAL ACCOUNT

The capital and financial account recorded a deficit of N\$1.4 billion in the second quarter of 2007, in contrast to a surplus of N\$732 million recorded in the previous quarter. A deficit of N\$2.0 billion was posted during the second quarter 2006. The deficit in the second quarter of 2007 is a reflection of significant outflows under portfolio investment, as well as a decline in the net inflows of direct investment (Chart 6.6).

**Chart 6.6 Capital and financial account sub-accounts**



Direct investment into Namibia decreased substantially by N\$2.1 billion during the second quarter of 2007 relative to the first quarter, to register an inflow N\$986 million (Chart 6.6). An increase of N\$415 million, year-on-year, was, however, recorded in this type of

investment during the second quarter. The significant decline in direct investment, quarter-on-quarter, was due to significant contractions observed in net inflows of equity capital that fell to a low N\$160 million in the second quarter compared to the N\$3.0 billion recorded in the previous quarter. A net inflow of N\$823 million for reinvested earnings was, however, registered during the second quarter compared to a net outflow of N\$59 million and a net inflow of N\$477 million during the previous quarter and corresponding quarter of 2006, respectively.

The portfolio investment sub-account remains a significant source for capital outflows. This sub-account recorded a substantial outflow during the second quarter of 2007 (Chart 6.5). The outflows increased to N\$3.1 billion from N\$2.8 billion and N\$2.3 billion during the previous and corresponding quarter of 2006, respectively. Driving this increase during the second quarter was noticeably the expanded outflows in the form of both equity and debt assets. Equity assets recorded an outflow of N\$2.3 billion during the second quarter compared to N\$2.1 billion during the first quarter. The debt asset outflows of N\$787 million during the second quarter was very close to those of N\$768 million during the previous quarter though much higher than N\$627 million during the corresponding quarter of 2006.

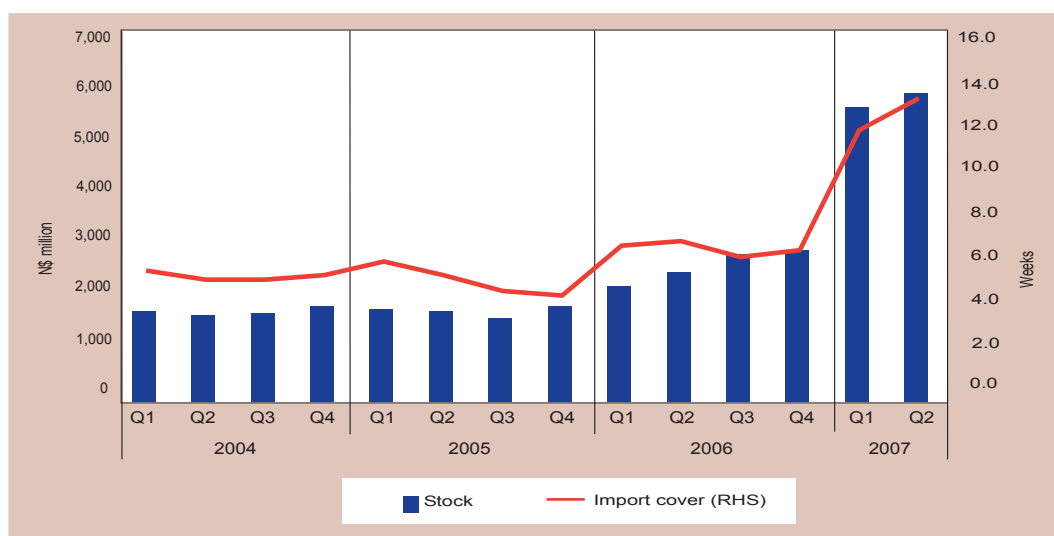
During the second quarter of 2007, other long-term investment recorded an estimated net inflow of N\$101 million (Chart 6.6). A higher net inflow of N\$289 million was recorded in the preceding quarter, while a net outflow of N\$441 million was realized in the corresponding quarter of 2006. The net inflow during the second quarter resulted mainly from the sub-category other sectors, which recorded an inflow of N\$105 million supported by the local banking sector. On the other hand, the Government sub-sector subdued the inflows of the other long-term investments sub-account by registering an outflow of N\$5 million.

Other short-term investments recorded a net inflow of N\$490 million during the second quarter of 2007, compared to that of N\$61 million recorded in the previous quarter (Chart 6.6). The inflow, however, compares to a net outflow of N\$842 million during the corresponding period in 2006. A move by commercial banks to reduce their assets abroad and to increase their foreign liabilities was mainly responsible for the inflow. Commercial banks ran down their foreign assets by N\$592 million and at the same time increasing their foreign liabilities by N\$12 million, which caused an overall inflow of N\$604 million. The outflow of N\$114 million recorded by other sectors during the second quarter moderated the overall inflow on the other short-term investment sub-account, but was not significant enough to change the net inflow position of the sub-account.

The developments in the current- and the capital and financial account resulted in an overall balance surplus of N\$242 million during the second quarter of 2007. The continuing surplus on the current account, an indication of excess savings in the economy, continues to portray a positive image for Namibia. The capital and financial account deficit, on the other hand, continues to reflect portfolio investment outflows.

Consequently, the stock of international reserves under the control of the Bank of Namibia rose by N\$242 million, quarter-on-quarter, and N\$3.5 billion, year-on-year. Such an increase resulted into an international reserve stock level of N\$6.0 billion at the end of the second quarter of 2007 (Chart 6.7). This level of international reserves represented 13.5 weeks of import cover, which is higher than 12.0 and 7.2 weeks of import cover for the preceding quarter and corresponding quarter of 2006, respectively. The import cover during the second quarter is also higher than the international benchmark of 12 weeks import cover.

Chart 6.7 Quarterly international reserve stocks and import cover



#### 6.4 EXTERNAL DEBT

At the end of the second quarter of 2007, the total stock of foreign debt for Namibia was estimated at N\$6.7 billion, which represents a decrease of N\$2.8 billion when compared to the first quarter of 2007. The decline was caused mainly by the private sector debt stock which fell from N\$5.2 billion to N\$2.7 billion, supported by that of parastatals (Table 6.1).

Table 6.1 Namibia's total foreign debt (N\$ million)

	2005	2006				2007	
	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Foreign debt outstanding</b>	<b>8,538</b>	<b>9,199</b>	<b>6,216</b>	<b>6,113</b>	<b>9,910</b>	<b>9,508</b>	<b>6,706</b>
Central Government	2,000	1,843	2,381	2,676	2,526	2,710	2,769
Parastatals	1,349	1,334	1,442	1,510	1,477	1,517	1,234
Private sectors	5,189	6,022	2,393	1,927	5,907	5,281	2,702
<b>Foreign debt services</b>	<b>595</b>	<b>648</b>	<b>570</b>	<b>688</b>	<b>793</b>	<b>404</b>	<b>360</b>
Central Government	54	29	46	95	51	55	57
Parastatals	19	25	5	3	1	8	72
Private sectors	522	594	519	590	740	341	231
<b>Percentage</b>							
Outstanding debt Q-on-Q	-30.7	7.7	-32.4	-1.7	62.1	-4.0	-29.5
Debt service Q-on-Q	-66.5	8.9	-12.0	20.7	15.3	-49.0	-10.9
Debt service to exports FoB	15.9	16.6	13.2	14.6	15.7	8.3	7.6
<b>Memorandum item</b>							
Exports FoB	3,734	3,900	4,315	4,696	5,046	4,848	4,763

In line with the fall in debt stock, there was a decline in the flow of debt servicing during the second quarter of 2007. Debt service fell to N\$360 million from N\$404 million recorded during the first quarter of 2007. The category private sector contributed to the decline

in total debt service, while Central Government and parastatal debt service increased, thus moderating the decline. Private sector debt service declined by 32 percent to N\$231 million, quarter-on-quarter, and year-on-year it decreased from N\$519 million. The Central Government debt service rose from N\$55 million during the first quarter of 2007 to N\$57 million at the end of the second quarter of 2007. Debt servicing by Government amounted to a lower N\$46 million during the same period of 2006. Similarly, debt service of the category parastatals rose to N\$72 million from N\$8 million. In relation to merchandise exports, debt service represented 7.6 percent during the second quarter of 2007, lower than the 8.3 percent recorded at the end of the first quarter of 2007. When compared to the corresponding quarter of 2006, debt service as percentage of merchandise exports dropped remarkably from 13.2 percent.

### 6.5 INTERNATIONAL INVESTMENT POSITION<sup>25</sup>

At the end of the second quarter of 2007, the international investment position (IIP) for Namibia continued to record a net asset position. The stock of the net foreign assets estimated at N\$25.9 billion was the highest ever recorded since 1999 (Table 6.3). This is an increase by 68 percent from the level at the end of the first quarter and 78.3 percent from the level at the end of the corresponding quarter of 2006. Investments in portfolio instruments continues to dominate the foreign assets, supported by the categories other investments and international reserves in the central bank.

**Table 6.2 International investment position (N\$ million)**

	2005		2006				2007	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Assets</b>	<b>31,461</b>	<b>29,840</b>	<b>35,791</b>	<b>40,622</b>	<b>44,922</b>	<b>41,676</b>	<b>45,950</b>	<b>53,879</b>
Direct investment abroad	106	162	198	796	852	51	121	74
Portfolio investments	27,803	25,901	30,895	34,479	37,715	31,412	30,881	37,649
Other investments	1,935	1,916	2,445	2,853	3,478	7,274	9,209	10,176
International reserves	1,617	1,861	2,253	2,494	2,877	2,939	5,739	5,980
<b>Liabilities</b>	<b>21,085</b>	<b>26,083</b>	<b>27,908</b>	<b>26,123</b>	<b>26,112</b>	<b>31,343</b>	<b>30,591</b>	<b>28,029</b>
Direct investment in Namibia	14,049	15,518	16,195	16,918	18,052	19,416	18,803	19,036
Portfolio investments	387	585	584	584	584	584	584	584
Other investments	6,649	9,981	11,129	8,621	7,476	11,343	11,204	8,409
<b>Net asset (+)/liability (-)</b>	<b>10,376</b>	<b>3,757</b>	<b>7,883</b>	<b>14,499</b>	<b>18,810</b>	<b>10,333</b>	<b>15,359</b>	<b>25,850</b>

The foreign assets of Namibia rose to N\$53.9 billion at the end of the second quarter of 2007 from N\$46.0 billion at the end of the first quarter. The stock of portfolio investments rose sharply at the end of the same quarter to N\$37.6 billion from N\$30.9 billion in the preceding quarter, contributing significantly to the rise in total stock of foreign assets.

<sup>25</sup> The changes in the flows recorded under the balance of payments (BoP) section are not necessarily the same as the changes in the stock calculated under the international investment position (IIP) statement. The BoP only reflects transactions, while the IIP consists of flows and valuation changes for example on investments due to changes in prices or depreciation of machinery. Further, for example there could be no new loan actual received in a period but due to exchange rate movement the outstanding amount of loan contracted in the past is revaluated and the result is not a BoP entry but an IIP entry, thus ending with different changes in BoP and IIP.

Advanced investment opportunities in the South African capital market continued to attract portfolio investments from Namibia. This is illustrated by increased outflows of portfolio investment as recorded in the capital and financial account of the balance of payments. The category other investments rose by 10 percent to N\$10.2 billion at the end of the second quarter of 2007, also contributing to the net asset position. Reserves increased slightly to N\$6.0 billion at the end of the second quarter of 2007 from N\$5.7 billion at the end of the preceding quarter.

The total stock of liabilities to the non-residents at the end of the second quarter of 2007 decreased, by 8 percent to N\$28.0 billion at the end of the second quarter of 2007. The decrease resulted mainly from a reduction in the category other investments in Namibia (Table 6.3). Other investments declined to N\$8.4 billion at the end of the second quarter of 2007 from N\$11.2 billion at the end of the preceding quarter. The decrease was mainly due to a substantial decline in liabilities of EPZ companies. When compared to the corresponding period of 2006, the position in other investments declined by 2.5 percent from N\$8.6 billion. The category direct investment into Namibia on the other hand increased, by a small magnitude of 1.0 percent to N\$19.0 billion at the end of the second quarter of 2007.

## 6.6 EXCHANGE RATES

An appreciation in the external value of the Namibia dollar (NAD) was observed, quarter-on-quarter, against the US Dollar and Pound Sterling during the second quarter of 2007. The NAD appreciated against the US Dollar and Pound Sterling to trade at quarterly averages of N\$7.1040 and N\$14.1105, respectively (Table 6.3). This represents an appreciation of 1.8 percent and 0.2 percent, quarter-on-quarter, for the US Dollar and Pound Sterling, respectively. Year-on-year, however, there was a depreciation by 10.2 percent and 19.7 percent, respectively. Over the same period, the NAD depreciated against the Euro, both quarter-on-quarter and year-on-year. The external value of the NAD against the Euro reached a quarterly average of N\$9.5750 during the second quarter of 2007, representing a depreciation of 1.0 percent quarter-on-quarter and 18.1 percent year-on-year.

**Table 6.3 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
<b>2005</b>									
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
<b>2006</b>									
Q1	6.1537	10.7849	7.4038	-5.8	-5.6	-4.7	2.6	-5	-6
Q2	6.4489	11.7852	8.1102	4.8	9.3	9.5	0.6	-0.9	0.5
Q3	7.1498	13.3986	9.1131	10.9	13.7	12.4	9.8	15.4	14.8
Q4	7.3161	14.0168	9.4355	2.3	4.6	3.5	12	22.7	21.5
<b>2007</b>									
Q1	7.2350	14.1423	9.4837	-1.1	0.9	0.5	17.6	31.1	28.1
Q2	7.1040	14.1105	9.5750	-1.8	-0.2	1.0	10.2	19.7	18.1

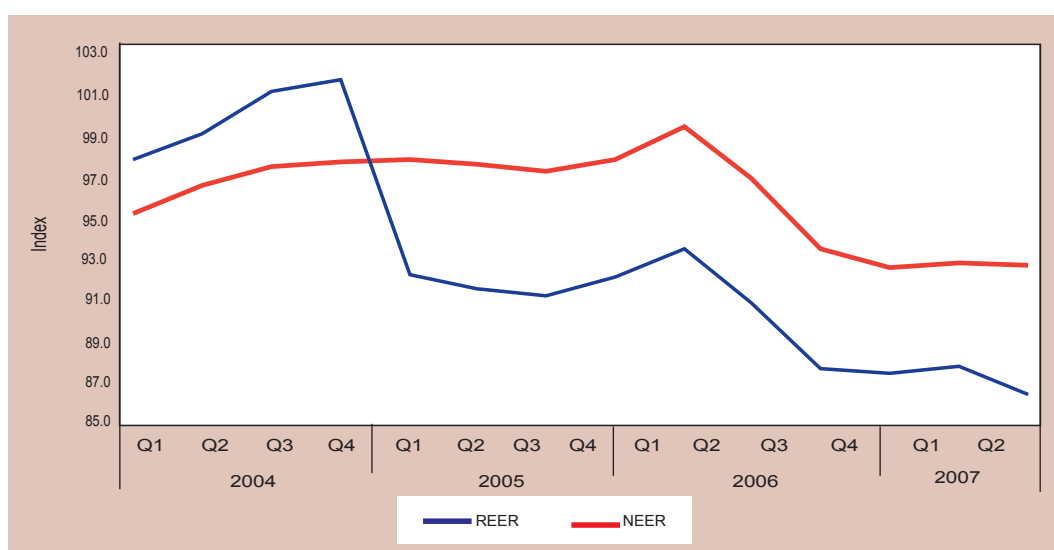
Source: SARB

The weakening of the US Dollar against other currencies, coupled with increasing interest rate differentials in the CMA<sup>26</sup> relative to other economies, contributed to the strengthening currency. Further, during the month of July 2007, appreciations month-on-month were observed against all the three major currencies. The NAD in July traded at a monthly average of N\$6.9730, N\$14.1833 and N\$9.5662 against the US Dollar, Pound Sterling and Euro, compared to N\$7.1718, N\$14.2416 and N\$9.6198, respectively, in June 2007.

### Trade weighted effective exchange rates

During the second quarter of 2007, the nominal effective exchange rate index (NEER) of the Namibia Dollar depreciated, quarter-on-quarter. The NEER depreciated, quarter-on-quarter by 0.1 percent to reach an index of 93.1. Similarly, the real effective exchange rate index (REER), which is a proxy for the measure of real competitiveness in certain Namibian exports, depreciated, quarter-on-quarter, by 1.6 percent to an index of 86.9 (Chart 6.9). The REER depreciation is mainly attributable to the higher and rising rate of inflation in Namibia in relation to the inflation of Namibia's trading partners.

**Chart 6.9 Trade Weighted Effective Exchange Rate Index**



<sup>26</sup> The NAD trades one to one against the South African Rand (ZAR) and is therefore referred to interchangeably. The rates are mid rates in domestic currency, unless mentioned otherwise. The rates referred to in this section are period averages for the respective exchange rates.

**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 FIRST QUARTER OF 2007**

The balance of payments data for the first quarter of 2007 as disseminated to the public in this publication is subjected to revisions (Table 6.4). In light of this, certain items as published in the June 2007 Quarterly Bulletin (Volume 16 Number 2) are revised in this publication. This notice, however, only highlights items on which significant revisions were made.

On the current account, the switch from a surplus to a deficit in the merchandise trade sub-account was a result of a relatively high revised value of imports data. In the capital and financial account significant revisions were made, mainly on account of improved coverage and response rate in the revised data. The highest revision made to the capital and financial account was on direct investment in Namibia that rose significantly by almost N\$2.2 billion. The data as published in this bulletin reflects an improved response rate and coverage of more updated information, especially on oil and mineral exploration.

**Table 6.4 Balance of payments revised data for the first quarter 2007 (N\$ millions)**

	As published in June 2007 Quarterly Bulletin	As published in September 2007 Quarterly Bulletin	Discrepancy
<b>Current account</b>			
Merchandise trade balance	311	-360	671
<b>Capital and financial account</b>			
Direct investment in Namibia	883	3072	2189
Other investment long term, net	683	289	394
Other investments short term, net	864	61	803

## 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 other investment and receipts on reserve assets. Income derived from the use of tangible asset e.g., car rental by a non-resident is excluded from income and is classified under services such as travel.

### Merchandise trade balance

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

### Net errors and omissions

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

### Other investment

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

### Overall balance of the 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

## I National Accounts

Table I.1	Aggregate Economic Indicators .....	58
Table I.2	Gross Domestic Product and Gross National Income .....	59
Table I.3	National Disposable Income and Saving .....	60
Table I.4(a)	Gross Domestic Product by Activity - Current Prices .....	61
Table I.4(b)	Gross Domestic Product by Activity - Percentage Contributions .....	62
Table I.5(a)	Gross Domestic Product by Activity - Constant Prices .....	63
Table I.5(b)	Gross Domestic Product by Activity - Annual Percentage Changes .....	64
Table I.6(a)	Expenditure on Gross Domestic Product - Current Prices .....	65
Table I.6(b)	Expenditure on Gross Domestic Product - Percentage Contributions .....	65
Table I.7(a)	Expenditure on Gross Domestic Product - Constant Prices .....	66
Table I.7(b)	Expenditure on Gross Domestic Product - Annual Percentage Changes .....	66
Table I.8	Gross Fixed Capital Formation by Activity - Current Prices .....	67
Table I.9	Gross Fixed Capital Formation by Activity - Constant Prices .....	68
Table I.10	Gross Fixed Capital Formation by Type of Asset - Current Prices .....	68
Table I.11	Gross Fixed Capital Formation by Type of Asset - Constant Prices .....	68
Table I.12	Gross Capital Formation by Type of Ownership - Current Prices .....	69
Table I.13	Gross Capital Formation by Type of Ownership - Constant Prices .....	69
Table I.14	Fixed Capital Stock by Activity - Current Prices .....	69
Table I.15	Fixed Capital Stock by Activity - Constant Prices .....	70
Table I.16(a)	National Consumer Price index .....	71
Table I.16(b)	National Consumer Price Index .....	72

## II Monetary and Financial Developments

Table II.1(a)	Central Bank Survey .....	73
Table II.1(b)	Central Bank Survey .....	74
Table II.2(a)	Other Depository Corporations Survey .....	75
Table II.2(b)	Other Depository Corporations Survey .....	76
Table II.3	Depository Corporations Survey .....	77
Table II.4	Other Depository Corporations Claims on Other Sectors .....	78
Table II.5	Deposits of other Depository Corporations .....	79
Table II.6	Monetary Aggregates .....	80
Table II.7	Monetary Analysis .....	81
Table II.8	Changes in the Determinants of Money Supply .....	82
Table II.9	Selected Interest Rates: Namibia and South Africa .....	83

## III Public Finance

Table III.1 (a)	Treasury Bills Auction .....	84
Table III.1 (b)	Allotment of Government of Namibia Treasury Bills .....	85
Table III.2 (a)	Internal Registered Stock Auction .....	86
Table III.2 (b)	Allotment of Government of Internal Registered Stock .....	87
Table III.3	Central Government Revenue and Expenditure .....	88

#### IV Balance of Payments

Table IV.A	Balance of Payments Aggregates .....	89
Table IV.B	Supplementary Table: Balance of Payments Services .....	90
Table IV.C	Supplementary Table: Balance of Payments Investment Income .....	91
Table IV.D	Supplementary Table: Balance of Payments Transfers .....	92
Table IV.E	Supplementary Table: Balance of Payments Direct Investment .....	93
Table IV.F	Supplementary Table: Balance of Payments Portfolio Investment .....	93
Table IV.G	Supplementary Table: Balance of Payments Other Investment .....	94
Table IV.H(a)	International Investment Position (Assets) .....	95
Table IV.H(b)	International Investment Position (Liabilities) .....	96
Table IV.I	Foreign Exchange Rates .....	97
Table 1V.J	Effective Exchange Rate Indices .....	98
Table 1V.K	Selected Mineral Average Prices .....	99
Table 1V.L	Selected Mineral Average Volumes .....	100

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
<b>Constant 1995 prices</b>					
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\$ million**

	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
<b>Gross domestic product at factor cost</b>	<b>29878</b>	<b>30879</b>	<b>32680</b>	<b>35491</b>	<b>39863</b>
Taxes on production and imports	3582	3104	4030	4367	4847
Subsidies	-552	-140	-213	-238	-244
<b>Gross domestic product at market prices</b>	<b>32908</b>	<b>33842</b>	<b>36496</b>	<b>39621</b>	<b>44467</b>
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
<b>Gross national income at market prices</b>	<b>33264</b>	<b>35574</b>	<b>37035</b>	<b>38906</b>	<b>43978</b>
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
<b>Gross national disposable income</b>	<b>36158</b>	<b>39041</b>	<b>41339</b>	<b>43331</b>	<b>50628</b>
<i><b>Current prices - N\$ per capita</b></i>					
Gross domestic product at market prices	17220	17293	18239	20246	22323
Gross national income at market prices	17406	18178	18508	19880	22077
<i><b>Constant 1995 prices - N\$ millions</b></i>					
<b>Gross domestic product at market prices</b>	<b>16494</b>	<b>17069</b>	<b>18201</b>	<b>19058</b>	<b>19611</b>
- Annual percentage change	6.7	3.5	6.6	4.7	2.9
<b>Real gross national income</b>	<b>19054</b>	<b>18942</b>	<b>19282</b>	<b>20409</b>	<b>21783</b>
- Annual percentage change	8.6	-0.6	1.8	5.8	6.7
<i><b>Constant 1995 prices - N\$ per capita</b></i>					
<b>Gross domestic product at market prices</b>	<b>8631</b>	<b>8722</b>	<b>9096</b>	<b>9738</b>	<b>9845</b>
- Annual percentage change	4.1	1.1	4.3	7.1	1.1
<b>Real gross national income</b>	<b>9970</b>	<b>9679</b>	<b>9636</b>	<b>10428</b>	<b>10935</b>
- 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
<b>Disposable income and saving</b>					
<b>Gross national disposable income</b>	<b>36158</b>	<b>39041</b>	<b>41339</b>	<b>43331</b>	<b>50628</b>
Consumption of fixed capital	4073	5303	5913	6585	6298
<b>Net national disposable income</b>	<b>32085</b>	<b>33738</b>	<b>35426</b>	<b>36747</b>	<b>44330</b>
All other sectors	24102	26012	25921	26087	31253
General government	7983	7727	9505	10660	13078
<b>Final consumption expenditure</b>	<b>26981</b>	<b>27766</b>	<b>30059</b>	<b>30707</b>	<b>33139</b>
Private	18289	18797	21031	20973	22585
General government	8692	8969	9027	9734	10554
<b>Saving, net</b>	<b>5105</b>	<b>5973</b>	<b>5367</b>	<b>6040</b>	<b>11192</b>
All other sectors	5813	7215	4889	5114	8667
General government	-708	-1242	478	926	2524
<b>Financing of capital formation</b>					
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
<b>Total</b>	<b>5532</b>	<b>6482</b>	<b>5865</b>	<b>6519</b>	<b>11739</b>
<b>Capital formation</b>					
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
<b>Total</b>	<b>5532</b>	<b>6482</b>	<b>5865</b>	<b>6519</b>	<b>11739</b>

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
<b>Primary industries</b>	<b>7859</b>	<b>6546</b>	<b>6909</b>	<b>7706</b>	<b>8094</b>
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
<b>Secondary industries</b>	<b>4884</b>	<b>5901</b>	<b>6298</b>	<b>6046</b>	<b>8589</b>
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
<b>Tertiary industries</b>	<b>17361</b>	<b>19172</b>	<b>20116</b>	<b>21800</b>	<b>24061</b>
Less: Financial services indirectly measured	359	432	394	445	550
<b>All industries at basic prices</b>	<b>29747</b>	<b>31187</b>	<b>32930</b>	<b>35708</b>	<b>40194</b>
Taxes less subsidies on products	3161	2655	3567	3913	4273
<b>GDP at market prices</b>	<b>32908</b>	<b>33842</b>	<b>36496</b>	<b>39621</b>	<b>44467</b>

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
<b>Primary industries</b>	<b>23.9</b>	<b>19.3</b>	<b>18.9</b>	<b>19.4</b>	<b>18.2</b>
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
<b>Secondary industries</b>	<b>14.8</b>	<b>17.4</b>	<b>17.3</b>	<b>16.8</b>	<b>19.3</b>
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
<b>Tertiary industries</b>	<b>52.8</b>	<b>56.6</b>	<b>55.1</b>	<b>55.0</b>	<b>54.1</b>
Less: Financial services indirectly measured	1.1	1.3	1.1	1.1	1.2
<b>All industries at basic prices</b>	<b>90.4</b>	<b>92.2</b>	<b>90.2</b>	<b>90.1</b>	<b>90.4</b>
Taxes less subsidies on products	9.6	7.8	9.8	9.9	9.6
<b>GDP at market prices</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Central Bureau of Statistics

**Table I.5( a) Gross domestic product by activity**  
**Constant 1995 prices - N\$ million**

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
<b>Primary industries</b>	<b>2974</b>	<b>2979</b>	<b>3372</b>	<b>3439</b>	<b>3527</b>
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
<b>Secondary industries</b>	<b>2505</b>	<b>2741</b>	<b>2808</b>	<b>2896</b>	<b>2889</b>
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
<b>Tertiary industries</b>	<b>9114</b>	<b>9444</b>	<b>10113</b>	<b>10813</b>	<b>11267</b>
Less: Financial services indirectly measured	155	178	206	233	276
<b>All industries at basic prices</b>	<b>14439</b>	<b>14986</b>	<b>16088</b>	<b>16915</b>	<b>17407</b>
Taxes less subsidies on products	2055	2083	2112	2143	2204
<b>GDP at market prices</b>	<b>16494</b>	<b>17069</b>	<b>18201</b>	<b>19058</b>	<b>19611</b>

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
<b>Primary industries</b>	<b>12.4</b>	<b>0.2</b>	<b>13.2</b>	<b>2.0</b>	<b>2.6</b>
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
<b>Secondary industries</b>	<b>3.8</b>	<b>9.4</b>	<b>2.5</b>	<b>3.1</b>	<b>-0.3</b>
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
<b>Tertiary industries</b>	<b>6.2</b>	<b>3.6</b>	<b>7.1</b>	<b>6.9</b>	<b>4.2</b>
Less: Financial services indirectly measured	-1.9	15.1	15.5	13.5	18.1
<b>All industries at basic prices</b>	<b>7.1</b>	<b>3.8</b>	<b>7.4</b>	<b>5.1</b>	<b>2.9</b>
Taxes less subsidies on products	4.1	1.4	1.4	1.5	2.8
<b>GDP at market prices</b>	<b>6.7</b>	<b>3.5</b>	<b>6.6</b>	<b>4.7</b>	<b>2.9</b>

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
<b>Gross domestic expenditure</b>	<b>33476</b>	<b>37853</b>	<b>39423</b>	<b>40970</b>	<b>45893</b>
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
<b>Gross domestic product at market prices</b>	<b>32908</b>	<b>33842</b>	<b>36496</b>	<b>39621</b>	<b>44467</b>

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
<b>Gross domestic expenditure</b>	<b>101.7</b>	<b>111.9</b>	<b>108.0</b>	<b>103.4</b>	<b>103.2</b>
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
<b>Gross domestic product at market prices</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

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
<b>Gross domestic expenditure</b>	<b>19562</b>	<b>20264</b>	<b>20634</b>	<b>20823</b>	<b>22331</b>
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
<b>Gross domestic product at market prices</b>	<b>16494</b>	<b>17069</b>	<b>18201</b>	<b>19058</b>	<b>19611</b>

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
<b>Gross domestic expenditure</b>	<b>3.3</b>	<b>3.6</b>	<b>1.8</b>	<b>0.9</b>	<b>7.2</b>
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
<b>Gross domestic product at market prices</b>	<b>6.7</b>	<b>3.5</b>	<b>6.6</b>	<b>4.7</b>	<b>2.9</b>

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
<b>Total</b>	<b>6073</b>	<b>6964</b>	<b>9867</b>	<b>9365</b>	<b>10434</b>
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
<b>Total</b>	<b>4295</b>	<b>4806</b>	<b>5967</b>	<b>5455</b>	<b>5869</b>

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
<b>Total</b>	<b>6073</b>	<b>6964</b>	<b>9867</b>	<b>9365</b>	<b>10434</b>

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
<b>Total</b>	<b>4295</b>	<b>4806</b>	<b>5967</b>	<b>5455</b>	<b>5869</b>

**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
<b>Total</b>	<b>6073</b>	<b>6964</b>	<b>9867</b>	<b>9365</b>	<b>10434</b>

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
<b>Total</b>	<b>4295</b>	<b>4806</b>	<b>5967</b>	<b>5455</b>	<b>5869</b>

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
<b>Total</b>	<b>69033</b>	<b>76221</b>	<b>92193</b>	<b>100685</b>	<b>111340</b>

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
<b>Total</b>	<b>47093</b>	<b>49072</b>	<b>51873</b>	<b>53845</b>	<b>55910</b>

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														
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
May	146.5	150.0	107.6	131.1	121.0	115.0	150.0	109.9	118.9	158.9	141.3	117.0	136.6	7.1
Jun	147.1	150.6	107.4	131.0	121.7	115.2	151.0	109.9	119.3	158.9	142.3	117.1	137.0	7.0
Jul	148.8	151.6	107.6	133.7	121.8	115.4	152.7	109.9	119.3	158.9	142.7	117.3	138.2	7.2

\* 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

**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
<b>2002</b>	<b>105.2</b>	<b>0.8</b>		<b>109.2</b>	<b>1.2</b>	
<b>2003</b>	<b>112.9</b>	<b>0.4</b>	<b>7.3</b>	<b>116.9</b>	<b>0.1</b>	<b>7.2</b>
<b>2004</b>	<b>119.8</b>	<b>0.5</b>	<b>6.1</b>	<b>120.6</b>	<b>0.3</b>	<b>3.1</b>
<b>2005</b>						
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
<b>Average</b>	<b>123.7</b>	<b>0.3</b>	<b>3.3</b>	<b>122.3</b>	<b>0.3</b>	<b>1.4</b>
<b>2006</b>						
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
<b>Average</b>	<b>129.7</b>	<b>0.5</b>	<b>4.8</b>	<b>128.7</b>	<b>0.5</b>	<b>5.2</b>
<b>2007</b>						
Jan	133.9	1.3	5.7	133.5	0.5	6.1
Feb	134.0	0.1	5.1	133.9	0.3	6.6
Mar	134.7	0.5	5.5	135.0	0.8	6.7
Apr	134.5	-0.1	5.3	136.8	1.4	7.8
May	134.5	0.0	5.1	138.0	0.8	8.5
Jun	134.6	0.1	4.4	138.5	0.4	8.7
Jul	136.0	1.0	4.5	139.6	0.8	8.9

\* 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

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

	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	Apr-07	May-07	Jun-07
<b>Assets</b>																					
<b>Net foreign assets</b>	<b>2245.0</b>	<b>1902.2</b>	<b>1983.9</b>	<b>2705.5</b>	<b>2696.0</b>	<b>2457.7</b>	<b>3129.7</b>	<b>2973.1</b>	<b>2677.9</b>	<b>3313.1</b>	<b>2760.7</b>	<b>3119.2</b>	<b>4104.4</b>	<b>3495.2</b>	<b>3164.3</b>	<b>4865.6</b>	<b>4466.4</b>	<b>5690.0</b>	<b>6260.1</b>	<b>5643.8</b>	<b>6085.3</b>
<b>Claims on nonresidents</b>	<b>2258.1</b>	<b>1916.5</b>	<b>1998.0</b>	<b>2718.3</b>	<b>2708.4</b>	<b>2470.0</b>	<b>3142.0</b>	<b>2986.6</b>	<b>2688.3</b>	<b>3323.1</b>	<b>3130.7</b>	<b>3517.0</b>	<b>4495.2</b>	<b>3877.7</b>	<b>3573.6</b>	<b>5288.6</b>	<b>4875.6</b>	<b>6094.7</b>	<b>6658.5</b>	<b>6054.6</b>	<b>6485.4</b>
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	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	154.7	100.5	194.7
Deposits	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	6455.1	5996.6	6221.3
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	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	48.6	57.2	69.2
<b>less: Liabilities to nonresidents</b>	<b>-13.1</b>	<b>-14.3</b>	<b>-14.1</b>	<b>-12.8</b>	<b>-12.4</b>	<b>-12.2</b>	<b>-12.3</b>	<b>-13.5</b>	<b>-10.4</b>	<b>-9.9</b>	<b>-369.9</b>	<b>-397.8</b>	<b>-390.8</b>	<b>-382.5</b>	<b>-409.3</b>	<b>-423.0</b>	<b>-409.2</b>	<b>-404.7</b>	<b>-398.4</b>	<b>-410.8</b>	<b>-400.2</b>
Deposits	-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	-7.3	-15.7	-6.8
Securities other than shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-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	-391.2	-395.1	-393.3
<b>Claims on other depository corps</b>	<b>214.0</b>	<b>228.9</b>	<b>515.2</b>	<b>278.6</b>	<b>125.5</b>	<b>181.6</b>	<b>672.8</b>	<b>622.5</b>	<b>833.1</b>	<b>1093.0</b>	<b>1027.2</b>	<b>1099.2</b>	<b>1031.8</b>	<b>980.8</b>	<b>1333.0</b>	<b>1835.2</b>	<b>1947.4</b>	<b>1938.8</b>	<b>2004.6</b>	<b>1994.3</b>	<b>2024.6</b>
<b>Net claims on central government</b>	<b>-652.9</b>	<b>-287.1</b>	<b>-608.1</b>	<b>-1208.3</b>	<b>-969.0</b>	<b>-843.1</b>	<b>-1912.1</b>	<b>-1523.3</b>	<b>-1348.2</b>	<b>-2227.7</b>	<b>-1531.0</b>	<b>-1766.1</b>	<b>-2729.6</b>	<b>-2106.6</b>	<b>-2093.3</b>	<b>-4396.2</b>	<b>-4125.4</b>	<b>-5155.1</b>	<b>-5885.5</b>	<b>-5141.7</b>	<b>-5691.1</b>
<b>Claims on central government</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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
<b>less: Liabilities to central govt</b>	<b>-652.9</b>	<b>-287.1</b>	<b>-608.1</b>	<b>-1208.3</b>	<b>-969.0</b>	<b>-843.1</b>	<b>-1912.1</b>	<b>-1523.3</b>	<b>-1348.2</b>	<b>-2227.7</b>	<b>-1531.0</b>	<b>-1766.1</b>	<b>-2729.6</b>	<b>-2106.6</b>	<b>-2093.3</b>	<b>-4396.2</b>	<b>-4125.4</b>	<b>-5155.1</b>	<b>-5885.5</b>	<b>-5141.7</b>	<b>-5691.1</b>
Deposits	-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	-5885.5	-5141.7	-5691.1
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
<b>Claims on other sectors</b>	<b>13.5</b>	<b>13.2</b>	<b>13.4</b>	<b>14.0</b>	<b>13.7</b>	<b>13.6</b>	<b>13.1</b>	<b>13.6</b>	<b>13.7</b>	<b>13.6</b>	<b>14.0</b>	<b>14.5</b>	<b>15.1</b>	<b>15.7</b>	<b>15.8</b>	<b>15.6</b>	<b>15.4</b>	<b>16.5</b>	<b>16.0</b>	<b>16.0</b>	<b>15.8</b>
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 govt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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 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
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	13.5	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	16.0	16.0	15.8

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

Liabilities	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	Apr-07	May-07	Jun-07
<b>Monetary base</b>	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	1421.5	1566.5	1511.0
Currency in circulation	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	1082.2	1085.3	1080.8
<b>Liabilities to other depository corps</b>	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	339.3	481.2	430.2
Reserve deposits	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	339.3	481.2	430.2
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
<b>Deposits included in broad money</b>	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	0.0	0.0	0.0
<b>Transferable deposits</b>	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	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
<b>Securities other than shares, included in broad money</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Deposits excluded from broad money</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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
<b>Securities other than shares, excluded from broad money</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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
<b>Loans</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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
<b>Financial derivatives</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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
<b>Trade credit and advances</b>	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	11.7	9.1	14.7
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
<b>Shares and other equity</b>	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	1124.3	1097.0	1075.1
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	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	0.0	0.0	0.0
General and special reserves	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	312.8	302.8	302.8
SDR allocations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Valuation adjustment	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	686.5	659.3	626.4
Current year result	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	84.9	94.9	105.8
<b>Other items (net)</b>	-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	-162.2	-160.2	-166.1
Other liabilities	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	19.3	19.0	19.1
less: Other assets	-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	-181.5	-179.2	-185.2

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

Assets	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	Apr-07	May-07	Jun-07
<b>Net foreign assets</b>																					
Claims on nonresidents	-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	2155.1	2368.3	864.5
Foreign currency	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	3096.4	3225.8	1877.2
Deposits	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	68.2	57.4	65.0
Securities other than shares	197.2	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	2985.3	3124.2	1767.9
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	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	43.0	44.2	44.3
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
<b>less: Liabilities to nonresidents</b>																					
Deposits	-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	-941.3	-857.5	-1012.8
Securities other than shares	-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	-270.8	-184.9	-360.4
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-100.7	-101.4	-227.5	-164.6	-165.0	-165.4	-456.2	-459.0	-461.3	-455.0	-457.9	-459.9	-454.2
Financial derivatives	-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	-212.7	-212.7	-198.2
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
<b>Claims on central bank</b>																					
Currency	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	646.5	782.1	696.2
Reserve deposits	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	337.7	307.9	266.3
Other claims	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	308.9	443.0	429.9
<b>Net claims on central government</b>																					
Claims on central government	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	2470.3	2359.9	2798.7
Securities other than Shares	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	3099.4	3012.1	3270.2
Other claims	2079.2	2006.4	2585.2	2415.7	2153.1	2527.5	2425.6	2542.0	2680.3	2553.6	2561.1	2462.4	2577.5	2558.6	2750.0	2781.3	2905.3	3086.4	3094.7	2993.0	3262.3
<b>less: Liabilities to central govt</b>																					
Deposits	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	4.8	19.1	7.9
Other liabilities	-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	-629.1	-652.2	-471.6
Deposits	-532.9	-584.2	-532.5	-350.2	-369.1	-543.5	-630.2	-673.1	-649.5	-643.7	-878.9	-463.2	-463.5	-392.6	-496.3	-524.1	-556.0	-556.9	-577.9	-601.0	-418.9
Other liabilities	-39.8	-39.8	-39.8	-39.8	-39.8	-53.7	-53.7	-53.7	-53.7	-53.8	-53.8	-51.1	-64.1	-64.2	-64.4	-64.5	-64.5	-67.3	-51.2	-51.2	-52.7
<b>Claims on other sectors</b>																					
Other financial corporations	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	30024.4	30362.0	30670.0
State and local government	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	942.4	1196.3	1067.7
Public nonfinancial corporations	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	29.2	41.6	27.0
Other nonfinancial corporations	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	294.2	322.9	415.2
Other resident sectors	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	9963.5	9666.3	9878.0
Unclassified shares and other equity	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	18805.1	19134.9	19282.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	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)**

	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	Apr-07	May-07	Jun-07
<b>Liabilities</b>																					
<b>Liabilities to central bank</b>	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	2008.1	2000.8	1960.1
<b>Deposits included in broad money</b>	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	22318.9	22724.6	21676.6
<b>Transferable deposits</b>	9063.7	8882.0	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	13817.6	13903.6	14029.4	14125.9	14162.6	12546.9
Other financial corporations	1791.9	1583.4	1558.9	1647.5	1702.5	2294.6	1717.6	1817.0	2229.7	1712.7	1567.8	1481.1	1832.8	1934.3	1672.4	2039.7	2216.4	1888.5	1977.2	2035.4	2186.8
State and local government	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	175.7	168.1	277.2
Public nonfinancial corporations	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	953.1	620.5	487.0
Other nonfinancial corporations	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	8266.9	8679.5	6943.7
Other resident sectors	2008.0	1987.3	1909.3	1983.1	2121.7	2217.0	2322.0	2223.2	2159.7	2446.3	2476.2	2909.3	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5	2753.0	2659.0	2652.1
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other deposits</b>	7589.7	7879.5	7961.4	7936.0	7865.6	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	8193.0	8562.1	9129.7
Other financial corporations	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	736.8	848.0	708.5
State and local government	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	274.0	254.7	201.6
Public nonfinancial corporations	496.6	500.2	505.9	566.5	676.5	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	517.3	685.1	735.2
Other nonfinancial corporations	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	3596.6	3528.9	4213.1
Other resident sectors	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	3044.0	3220.0	3247.0
Unclassified	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	24.3	25.5	24.3
<b>Securities other than shares, included in broad money</b>	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	5.9	5.9	5.9
<b>Deposits excluded from broad money</b>	-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	1499.2	1335.2	1293.0
<b>Securities other than shares, excluded from broad money</b>	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	5061.9	4938.1	5135.5
Of which: Other financial corps	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	3841.0	3825.2	4017.1
<b>Loans</b>	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	5.3	5.3	5.0
<b>Financial derivatives</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Trade credit and advances</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Shares and other equity</b>	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	4250.7	4422.4	4634.5
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	279.4	279.4	279.4	279.4	279.4	279.4	279.4	429.4
Retained earnings	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	1288.4	1288.8	1319.8
General and special reserves	3546.4	3584.2	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	2498.7	2516.3	2541.7
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	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	184.1	338.0	343.6
<b>Other items (net)</b>	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	123.0	309.4	187.7
Other liabilities	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	2032.3	2223.1	1920.7
<b>less: Other assets</b>	-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	-1820.9	-1825.4	-1633.0
<b>plus: Consolidation adjustment</b>	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	-4.3	-4.2	-16.0

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

	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	Apr-07	May-07	Jun-07
<b>Net foreign assets</b>	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	8415.2	8023.0	6949.8
<b>Claims on nonresidents</b>	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	9755.0	9280.4	8362.7
less: Liabilities to nonresidents	-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	-1339.8	-1257.4	-1412.9
<b>Domestic claims</b>	24183.6	24877.8	25670.1	25156.9	25823.4	26543.4	25816.3	26945.7	27661.9	27185.6	27881.6	27940.1	27512.2	28337.1	28397.5	26689.8	27615.7	27310.2	26625.3	27610.3	27793.4
<b>Net claims on central govt</b>	854.2	1096.3	1405.7	820.9	775.0	1088.2	-169.3	293.7	610.4	-359.4	100.0	183.6	-678.6	8.4	113.3	-2199.5	-1831.5	-2680.4	-3415.1	-2735.5	-2892.5
Claims on central government	2079.7	2007.4	2586.1	2419.1	2155.8	2528.4	2426.7	2543.8	2661.9	2555.8	2563.6	2464.0	2571.8	2571.8	2767.3	2785.2	2914.4	3098.8	3099.4	3012.1	3270.2
less: Liabilities to central govt	-1225.5	-911.1	-1180.3	-1598.2	-1377.8	-1440.3	-2596.0	-2250.1	-2051.4	-2925.1	-2463.6	-2280.4	-3257.3	-2563.4	-2654.0	-4984.8	-4745.9	-5779.3	-6514.6	-5747.6	-6162.7
<b>Claims on other sectors</b>	23329.4	23781.4	24264.4	24336.0	25045.4	25455.3	25985.6	26652.0	27051.4	27555.0	27781.6	27755.0	28190.8	28328.7	28284.2	28889.3	29447.2	29990.7	30040.4	30345.8	30685.8
Other financial corporations	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	942.4	1196.3	1067.7
State and local government	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	29.2	41.6	27.0
Public nonfinancial corporations	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	294.2	322.9	415.2
Other nonfinancial corporations	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	923.8	10005.8	9915.1	9953.5	9666.3	9878.0
Other resident sectors	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	18821.1	19118.7	19297.9
<b>Unclassified shares and other equity</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Broad money liabilities</b>	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	23069.5	23499.5	22497.2
<b>Currency outside depository corps</b>	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	744.5	777.4	814.5
<b>Transferable deposits</b>	9063.7	8882.0	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	13916.8	14029.6	14126.1	14154.3	12547.1
Other financial corporations	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	1977.2	2035.4	2186.8
State and local government	158.6	153.4	165.0	1647.5	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	175.7	188.1	277.2
Public nonfinancial corporations	239.1	200.1	213.9	189.8	548.3	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	953.1	605.2	487.0
Other nonfinancial corporations	4866.1	4957.8	4881.7	4090.0	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	8266.9	8679.6	6943.7
Other resident sectors	2008.0	1987.3	1909.4	4984.0	2159.0	2217.0	2322.0	2232.2	2159.7	2446.3	2476.2	2909.4	2904.7	2975.7	3113.0	3335.5	2650.0	2676.5	2753.0	2658.9	2652.1
Unclassified	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	0.0	0.0	0.0
Less: Central bank float	-0.0	-0.0	-0.0	0.0	0.1	108.3	0.1	16.3	16.2	12.7	12.7	1.4	-0.1	0.0	0.0	22.1	-25.7	13.2	0.2	7.1	0.2
<b>Other deposits</b>	7589.7	7879.5	7961.4	7936.0	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	8193.0	8562.1	9129.7
Other financial corporations	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	736.8	848.0	708.5
State and local government	136.1	149.3	146.8	218.8	190.8	188.1	175.4	183.6	177.7	147.7	160.3	141.6	160.8	166.0	198.8	216.8	216.8	286.8	274.0	254.7	201.6
Public nonfinancial corporations	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	517.3	685.1	735.2
Other nonfinancial corporations	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	3596.6	3528.9	4213.1
Other resident sectors	3569.7	3694.9	3700.2	3361.4	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	3044.0	3220.0	3247.0
Unclassified	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	24.3	25.5	24.3
<b>Securities other than shares, included in broad money</b>	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	5.9	5.9	5.9
<b>Deposits excluded from broad money</b>	-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	1499.2	1335.2	1293.0
<b>Securities other than shares, excluded from broad money</b>	327.4	344.9	408.4	-234.6	3750.0	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	5061.9	4938.1	5135.5
<b>Loans</b>	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	5.3	5.3	5.0
Financial derivatives	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	0.0	0.0	0.0
Trade credit and advances	4.4	3.9	3.2	0.0	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	35.1	39.8	145.7
<b>Shares and other equity</b>	4881.6	4916.5	4841.4	4.0	5004.7	4840.8	4974.5	5210.1	5279.9	5261.1	5303.3	5418.4	5465.7	5408.6	5353.2	5498.0	5592.5	5470.9	5374.9	5667.5	5709.5
<b>Other items (net)</b>	-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	-5.5	147.9	-42.8
Other liabilities (includes central bank float)	1490.0	1557.1	1419.2	362.8	1497.9	1364.5	1232.1	1409.5	1518.5	1500.3	1688.6	1844.5	1715.3	2143.4	1988.9	1873.3	2234.2	1967.5	2051.4	2229.4	1939.6
less: Other assets	-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	-2086.5	-2091.1	-1902.2
plus: Consolidation adjustment	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	29.6	9.6	-80.2
Memoranda: Central bank float	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	-0.2	-7.1	-0.2

**Table II.4 Other depository corporations claims on domestic sectors**  
(end period in N\$ million)

	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	Apr-07	May-07	Jun-07
<b>Loans</b>	<b>23293.5</b>	<b>23724.1</b>	<b>24198.4</b>	<b>24282.0</b>	<b>24982.9</b>	<b>25190.8</b>	<b>25670.8</b>	<b>26100.9</b>	<b>26198.1</b>	<b>26912.0</b>	<b>27001.9</b>	<b>27069.9</b>	<b>27492.0</b>	<b>27551.2</b>	<b>27750.0</b>	<b>28442.3</b>	<b>28869.8</b>	<b>29068.7</b>	<b>29229.3</b>	<b>29287.9</b>	<b>29745.6</b>
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	159.6	160.3	128.6	130.3	151.0	133.6	148.2	149.9	151.9	153.6	155.1	162.6	174.1	165.7	167.3
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	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	4.8	19.1	7.9
State and local government	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	29.2	41.6	27.0
Public nonfinancial corporations	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	231.0	259.7	352.0
<b>Other nonfinancial corps</b>	<b>8141.5</b>	<b>8252.9</b>	<b>8405.5</b>	<b>8407.5</b>	<b>8891.9</b>	<b>8563.1</b>	<b>8816.2</b>	<b>9024.5</b>	<b>8957.7</b>	<b>9311.8</b>	<b>9283.3</b>	<b>9251.6</b>	<b>9486.6</b>	<b>9326.9</b>	<b>9360.2</b>	<b>9912.9</b>	<b>9994.8</b>	<b>9903.9</b>	<b>9942.2</b>	<b>9654.9</b>	<b>9866.5</b>
<b>(Businesses)</b>																					
<b>Loans and Advances</b>	<b>6489.3</b>	<b>6554.9</b>	<b>6575.5</b>	<b>6563.5</b>	<b>7024.1</b>	<b>6728.9</b>	<b>6953.2</b>	<b>7135.2</b>	<b>7127.9</b>	<b>7455.5</b>	<b>7410.0</b>	<b>7201.7</b>	<b>7439.3</b>	<b>7231.5</b>	<b>7255.6</b>	<b>7744.6</b>	<b>7812.4</b>	<b>7754.3</b>	<b>7728.2</b>	<b>7427.8</b>	<b>7686.5</b>
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	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	1886.1	1882.7	1939.2
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	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	1886.1	1882.7	1939.2
Overdrafts	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	3398.5	3319.1	3274.9
Other loans and advances	2522.4	2477.4	2461.7	2460.4	2498.4	2431.3	2514.9	2517.7	2538.9	2651.9	2593.8	2062.2	2371.8	2131.7	2170.4	2322.4	2440.7	2357.8	2443.6	2226.0	2472.5
Leasing	42.7	42.8	39.7	39.5	39.2	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	41.2	41.4	43.4
Instalment credit	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	1417.8	1425.9	1378.6
Other	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	755.0	759.9	757.9
<b>Other resident sectors</b>	<b>14814.8</b>	<b>15098.8</b>	<b>15430.2</b>	<b>15499.9</b>	<b>15718.7</b>	<b>16097.9</b>	<b>16330.6</b>	<b>16526.5</b>	<b>16738.6</b>	<b>17101.0</b>	<b>17208.1</b>	<b>17508.2</b>	<b>17678.3</b>	<b>17910.1</b>	<b>18044.3</b>	<b>18152.8</b>	<b>18439.2</b>	<b>18684.9</b>	<b>18805.1</b>	<b>19102.7</b>	<b>19280.7</b>
<b>(Individuals)</b>																					
<b>Loans and Advances</b>	<b>11705.9</b>	<b>11939.3</b>	<b>12255.0</b>	<b>12334.6</b>	<b>12378.5</b>	<b>12599.0</b>	<b>12904.3</b>	<b>13044.8</b>	<b>13245.2</b>	<b>13556.9</b>	<b>13606.1</b>	<b>14069.4</b>	<b>14172.2</b>	<b>14353.1</b>	<b>14464.2</b>	<b>14635.9</b>	<b>14934.2</b>	<b>15145.6</b>	<b>15243.5</b>	<b>15517.1</b>	<b>15617.5</b>
Farm mortgage loans	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	716.6	723.6	724.8
Other mortgage loans	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	11595.9	11797.9	11886.7
Dwellings	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	11595.9	11797.9	11886.7
Other	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	0.0	0.0	0.0
Overdrafts	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	1092.0	1189.9	1097.4
Other loans and advances	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	1839.0	1805.8	1908.5
Leasing	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	66.5	70.9	73.7
Instalment credit	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	3135.8	3153.3	3228.3
Other	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	359.2	361.4	361.3
<b>Nonresidents</b>	<b>77.1</b>	<b>54.6</b>	<b>55.3</b>	<b>59.1</b>	<b>53.8</b>	<b>51.2</b>	<b>44.5</b>	<b>44.1</b>	<b>45.6</b>	<b>46.7</b>	<b>42.2</b>	<b>43.4</b>	<b>39.9</b>	<b>41.2</b>	<b>46.2</b>	<b>46.7</b>	<b>45.7</b>	<b>46.2</b>	<b>43.0</b>	<b>44.2</b>	<b>44.3</b>
Loans and Advances	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	43.0	44.2	44.3
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	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	24.6	26.1	25.9
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	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	24.6	26.1	25.9
Overdrafts	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	15.3	15.3	15.4
Other loans and advances	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	3.1	2.8	3.0
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)

	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	Apr-07	May-07	Jun-07
<b>Total Deposits</b>	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	27128.5	27632.6	26133.5
<b>Deposits included in broad money</b>	16312.5	16202.5	16170.1	16402.3	16766.3	18060.7	18298.4	19028.7	19796.2	20221.4	19843.5	20719.0	21480.4	21771.9	21748.8	22525.1	22304.1	21786.1	22318.9	22724.6	21676.6
<b>Transferable deposits</b>	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	14125.9	14162.6	12546.9
<b>In national currency</b>	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	14125.9	14162.6	12546.9
Other financial corporations	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	1977.2	2035.4	2186.8
State and local government	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	175.7	168.1	277.2
Public nonfinancial corporations	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	953.1	620.5	487.0
Other nonfinancial corporations	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	8266.9	8679.5	6943.7
Other resident sectors	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	3335.5	2650.0	2676.5	2753.0	2659.0	2652.1
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>In foreign currency</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Other deposits</b>	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	8193.0	8562.1	9129.7
<b>In national currency</b>	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	8193.0	8562.1	9129.7
Other financial corporations	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	586.8	736.8	848.0	708.5
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	160.8	198.8	216.8	227.6	286.8	274.0	254.7	201.6
Public nonfinancial corporations	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	517.3	685.1	735.2
Other nonfinancial corporations	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	3596.6	3528.9	4213.1
Other resident sectors	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	3044.0	3220.0	3247.0
Unclassified	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	24.3	25.5	24.3
<b>In foreign currency</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Unclassified</b>	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	24.3	25.5	24.3
<b>Deposits excluded from broad money</b>	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	4809.6	4908.0	4457.0
<b>Transferable deposits</b>	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	2995.7	3168.4	2638.7
In national currency	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	1770.2	2031.2	1655.8
In foreign currency	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	1225.4	1137.1	982.8
<b>Other deposits</b>	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	1814.0	1739.7	1818.3
In national currency	982.3	960.1	1256.5	1160.5	1256.1	981.9	1508.2	1564.3	1478.1	1689.6	1679.1	1441.8	1494.4	1346.0	1837.6	2174.5	1920.4	1715.5	1795.5	1724.3	1624.9
In foreign currency	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	18.5	15.4	193.4

**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 5	Broad money supply (M2) 6
			1+2 = 3			3+4+5=6
<b>2004</b>	632.7	8937.1	9569.8	6259.1	0.0	15828.9
<b>2005</b>	680.0	8728.8	9408.9	7961.4	0.0	17370.2
<b>2006</b>	763.4	12937.7	13701.0	8833.3	5.9	22540.2
<b>2004</b> 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
<b>2005</b> 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
<b>2006</b> 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
<b>2007</b> Jan	739.1	13791.9	14531.1	8707.6	5.9	23244.6
Feb	731.3	13916.8	14648.1	8400.5	5.9	23054.5
Mar	797.4	14029.6	14827.1	7756.7	5.9	22589.7
Apr	744.5	14126.1	14870.6	8193.0	5.9	23069.5
May	777.4	14154.3	14931.6	8562.1	5.9	23499.5
Jun	814.5	12547.1	13361.6	9129.7	5.9	22497.2

**Table II.7 Monetary analysis**  
N\$ million

	Broad money supply (M2)	Determinants of money supply						
		Net foreign assets flows (m-o-m)	Claims on the Central Government				Claims on private sectors	Other items et
			Gross claims	Government deposits	Other liabilities	Net claims on Government		
	1+5+6+7	1	2	3	4	5	6	7
<b>2005</b> 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
<b>2006</b> 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
<b>2007</b> Jan	23244.6	6128.2	2785.2	4920.3	64.5	-2199.5	28889.3	-9573.4
Feb	23054.6	6058.1	2914.4	4681.4	64.5	-1831.5	29447.2	-10619.2
Mar	22589.7	6888.5	3098.8	5712.0	67.3	-2680.5	29990.7	-11609.0
Apr	23069.5	8415.2	3099.4	6463.4	51.2	-3415.1	30040.4	-11971.0
May	23499.5	8023.0	3012.1	5742.7	51.2	-2781.9	30345.8	-12087.5
Jun	22497.2	6949.8	3270.2	6110.0	52.7	-2892.5	30685.8	-12245.9

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

		Broad money supply (M2)	Determinants of money supply						
			Claims on the Central Government					Claims on private sectors	Other items net
			Net foreign assets (Flows)	Gross claims	Government deposits	Other liabilities	Net claims on government		
<b>2005</b>	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
<b>2006</b>	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
<b>2007</b>	Jan	704.4	1283.7	17.9	2330.7	0.1	-2312.9	605.2	1128.4
	Feb	-190.0	-70.1	129.2	-238.9	0.1	368.0	557.8	-1045.8
	Mar	-464.9	830.4	184.4	1030.6	2.8	-848.9	543.5	-989.8
	Apr	479.8	1526.7	0.6	751.4	-16.1	-734.7	49.8	-362.0
	May	430.0	-392.2	-87.3	-720.6	0.0	633.3	305.4	-116.5
	Jun	-1002.3	-1073.3	258.1	367.3	1.5	-110.6	340.0	-158.4

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
2004	Jan	12.50	11.50	11.54	11.50	7.90	7.56	6.48	8.05	7.75	8.00
	Feb	12.50	11.50	11.61	11.50	8.00	7.56	6.56	7.45	7.75	8.00
	Mar	12.50	11.50	11.49	11.50	8.20	7.76	6.38	7.48	7.75	8.00
	Apr	12.50	11.50	12.82	11.50	8.01	7.76	6.25	7.48	7.75	8.00
	May	12.50	11.50	11.40	11.50	7.98	7.76	6.38	7.48	7.75	8.00
	Jun	12.50	11.50	11.59	11.50	8.07	7.83	6.38	7.71	7.75	8.00
	Jul	12.50	11.50	11.38	11.50	8.02	7.89	6.48	7.62	7.50	8.00
	Aug	12.25	11.00	11.10	11.00	8.13	7.44	6.29	7.23	7.50	7.50
	Sep	12.25	11.00	11.16	11.00	7.66	7.12	6.20	6.84	7.50	7.50
	Oct	12.25	11.00	10.79	11.00	7.48	7.28	6.26	6.76	7.50	7.50
	Nov	12.25	11.00	10.06	11.00	7.55	7.25	6.20	6.71	7.50	7.50
	Dec	12.25	11.00	10.73	11.00	7.49	7.27	6.36	6.71	7.50	7.50
2005	Jan	12.25	11.00	10.68	11.00	7.67	7.29	6.18	6.72	7.50	7.50
	Feb	12.25	11.00	10.66	11.00	7.58	7.23	6.18	6.71	7.50	7.50
	Mar	12.25	11.00	10.56	11.00	7.58	7.20	6.53	6.77	7.50	7.50
	Apr	11.75	10.50	10.66	10.50	7.59	6.95	6.5	6.77	7.00	7.00
	May	11.75	10.50	10.58	10.50	6.8	6.75	6.31	6.48	7.00	7.00
	Jun	11.75	10.50	10.52	10.50	6.16	6.76	6.21	6.48	7.00	7.00
	Jul	11.75	10.50	10.52	10.50	7.11	6.73	6.13	6.48	7.00	7.00
	Aug	11.75	10.50	10.50	10.50	6.71	6.73	6.06	6.48	7.00	7.00
	Sep	11.75	10.50	10.77	10.50	6.75	6.74	6.13	6.66	7.00	7.00
	Oct	11.75	10.50	10.55	10.50	6.93	6.79	5.98	6.82	7.00	7.00
	Nov	11.75	10.50	10.54	10.50	6.93	6.89	60.2	7.06	7.00	7.00
	Dec	11.75	10.50	10.78	10.50	7.01	6.82	5.99	6.75	7.00	7.00
2006	Jan	11.75	10.50	10.46	10.50	7.03	6.74	6.09	6.59	7.00	7.00
	Feb	11.75	10.50	10.69	10.50	6.94	6.68	6.1	6.58	7.00	7.00
	Mar	11.75	10.50	10.78	10.50	6.67	6.53	6.11	6.62	7.00	7.00
	Apr	11.75	10.50	10.58	10.50	6.63	6.65	6.31	6.59	7.00	7.00
	May	11.75	10.50	10.80	10.50	6.5	6.80	6.13	6.75	7.00	7.00
	Jun	12.25	11.00	10.61	11.00	6.77	7.11	6.24	7.32	7.50	7.50
	Jul	12.25	11.00	10.93	11.00	7.23	7.28	6.18	7.46	7.50	7.50
	Aug	12.75	11.50	11.01	11.50	7.56	7.69	6.34	7.92	8.00	8.00
	Sep	12.75	11.50	11.71	11.50	7.57	7.75	6.22	8.08	8.00	8.00
	Oct	13.25	12.00	11.97	12.00	7.52	8.22	6.37	8.36	8.50	8.50
	Nov	13.25	12.00	12.2	12.00	7.95	8.23	6.64	8.57	8.50	8.50
	Dec	13.25	12.50	12.43	12.50	7.95	8.39	6.85	8.57	9.00	9.00
2007	Jan	13.75	12.50	12.63	12.50	8.36	8.87	6.98	9.00	9.00	9.00
	Feb	13.75	12.50	12.32	12.50	8.22	8.41	7.38	8.99	9.00	9.00
	Mar	13.75	12.50	11.90	12.50	8.06	8.26	7.22	8.93	9.00	9.00
	Apr	13.75	12.50	12.44	12.50	8.00	8.32	7.18	9.22	9.00	9.00
	May	13.75	12.50	12.65	12.50	8.11	8.68	7.34	9.23	9.00	9.00
	Jun	14.25	13.00	12.22	13.00	8.03	9.10	7.24	9.23	9.50	9.50

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

		Offer	Tendered	Surplus(+) Deficit (-)	Effective Yield %
<b>91 days</b>					
<b>2006</b>	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
<b>2007</b>	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
	May	100.0	292.2	192.2	8.5
	June	150.0	223.3	73.3	8.5
	July	50.0	105.7	55.7	9.1
<b>182 days</b>					
<b>2006</b>	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
<b>2007</b>	January	50.0	134.5	84.5	8.4
	February	120.0	288.2	168.2	8.4
	March	300.0	753.7	453.7	8.6
	April	0.0	0.0	0.0	0.0
	May	150.0	341.1	191.1	8.6
	June	200.0	487.2	287.2	8.4
	July	50.0	198.3	148.3	9.5
<b>365 days</b>					
<b>2006</b>	January	40.0	167.9	127.9	7.7
	February	100.0	197.9	97.9	7.7
	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	1088.3	588.3	9.2
	October	50.0	192.0	142.0	9.2
	November	400.0	1011.8	611.8	9.1
	December	250.0	306.4	56.4	9.2
<b>2007</b>	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
	May	250.0	766.2	516.2	8.8
	June	330.0	598.9	268.9	8.6
	July	100.0	166.0	66.0	10.0

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

Date issued	Date due	Banking			Non - Banking Sector				Amount outstanding
		Deposit money banks I	Other banking institutions II	Total I + II = III	Non-banking financial institutions A	Other public enterprises B	Private sector C	Total A+B+C+III	
<b>2006</b>									
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
<b>2007</b>									
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
Jun	09/07	132.7	0.0	132.7	15.5	0.0	1.8	149.9	3,699.9
Jun*	12/07	200.0	0.0	200.0	0.0	0.0	0.0	200.0	3,699.9
Jun**	05/08	130.0	0.0	130.0	0.0	0.0	0.0	130.0	3,699.9
Jun**	06/08	195.3	0.0	195.3	1.5	3.2	0.0	200.0	3,699.9
Jul	10/07	35.0	0.0	35.0	15.0	0.0	0.0	50.0	3,699.9
Jul*	01/08	30.0	0.0	30.0	20.0	0.0	0.0	50.0	3,699.9
Jul**	07/08	83.0	0.0	83.0	17.0	0.0	0.0	100.0	3,599.9

91 days

\*182 days

\*\*365 days

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

		Offer	Tendered	Surplus (+) Deficit (-)	Weighted YTM %
<b>GC12 (10.50%)</b>					
<b>2006</b>					
	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
<b>2007</b>					
	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
	May	0.0	0.0	0.0	0.0
	June	0.0	0.0	0.0	0.0
	July	0.0	0.0	0.0	0.0
<b>GC15 (13.00%)</b>					
<b>2006</b>					
	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
<b>GC24 (10.50%)</b>					
<b>2006</b>					
	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
<b>2007</b>					
	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
	May	0.0	0.0	0.0	0.0
	June	0.0	0.0	0.0	0.0
	July	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			Non-Banking				TOTAL III+D	Amount outstanding
			Deposit money banks	Other banking institutions	Total banking sector	Non-bank financial institutions	Other public enterprises	Sector private sector	Total non- banking		
			I	II	I+II=III	A	B	C	A+B+C=D		
<b>2004</b>			<b>1153.3</b>	<b>89.3</b>	<b>1242.6</b>	<b>29.1</b>	<b>30.0</b>	<b>5.6</b>		<b>1307.3</b>	<b>4831.2</b>
<b>2005</b>											
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
<b>2006</b>											
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
<b>2007</b>											
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
Apr	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6977.8
May	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6977.8
Jun	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6977.8
Jul**	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5781.9

\* Switch of GC05 into GC07, GC10 & GC15

\*\*Redemption of GC07

N/A implies not applicable since no auctions took place during this time period

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

Revenue	Actual						Estimates
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Taxes on income and profits	3,285.6	4,442.3	3,618.5	4,024.2	4,575.7	4,689.0	4,872.0
Taxes on property	64.1	79.3	75.2	85.9	110.1	122.0	140.0
Domestic taxes on goods and services	2,107.4	2,135.7	1,950.8	2,057.3	3,272.4	3,186.1	3,296.0
Taxes on international trade	2,641.2	2,596.9	3,035.6	4,206.8	3,891.9	6,471.4	4,538.0
Other taxes	67.6	75.6	82.8	94.1	113.4	123.0	136.0
<b>Total tax revenue</b>	<b>8,165.9</b>	<b>9,329.8</b>	<b>8,762.9</b>	<b>10,468.2</b>	<b>11,963.5</b>	<b>14,591.5</b>	<b>12,982.0</b>
Entrepreneurial and property income	463.4	703.2	488.8	490.0	542.9	1048.9	531.4
Fines and forfeitures	18.2	19.6	18.9	17.0	17.6	23.5	23.5
Administration fees and charges	254.0	382.3	449.3	342.1	512.4	407.1	364.1
Return on capital from lending and equity	21.4	15.9	13.5	36.8	32.4	66	34
<b>Total non-tax revenue</b>	<b>757.1</b>	<b>1,121.1</b>	<b>970.5</b>	<b>885.8</b>	<b>1,105.3</b>	<b>1545.5</b>	<b>953.0</b>
<b>Total revenue (own sources)</b>	<b>8,923.0</b>	<b>10,450.9</b>	<b>9,733.4</b>	<b>11,354.0</b>	<b>13,068.8</b>	<b>16,137.0</b>	<b>13,935.0</b>
<b>Grants</b>	<b>58.1</b>	<b>34.4</b>	<b>34.2</b>	<b>70.4</b>	<b>39.0</b>	<b>72.0</b>	<b>48.0</b>
<b>Loans earmarked for on-lending</b>	<b>116.8</b>	<b>76.8</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total revenue and grants</b>	<b>9,097.9</b>	<b>10,562.1</b>	<b>9,767.6</b>	<b>11,424.5</b>	<b>13,107.8</b>	<b>16,209.0</b>	<b>13,983.0</b>
<b>Expenditure</b>							
<b>Current Expenditure</b>							
Personnel expenditure	4,325.5	4,708.9	5,117.0	5,527.1	5,888.3	6,139.4	6,183.2
Expenditure on goods and other services	1,977.3	1,993.6	2,079.4	1,921.9	1,922.4	2,198.5	2,208.0
Statutory	602.7	907.6	996.0	1,040.2	1,186.3	1,478.1	1,477.7
Subsidies and other current transfers	1,769.2	1,892.8	2,255.9	2,296.9	2,544.7	2,722.8	2,718.2
<b>Total current expenditure</b>	<b>8,674.7</b>	<b>9,503.0</b>	<b>10,448.3</b>	<b>10,786.1</b>	<b>11,541.7</b>	<b>12,538.8</b>	<b>12,587.1</b>
<b>Capital Expenditure</b>							
Capital expenditure	1,267.0	1,158.7	1,293.4	1,401.1	1,337.4	1,848.2	1,462.5
Capital transfers	25.0	87.2	103.6	217.4	106.0	248.4	247.1
Total lending and equity participation	335.7	649.7	400.0	365.9	207.5	652.4	433.9
<b>Total capital expenditure</b>	<b>1,627.7</b>	<b>1,895.7</b>	<b>1,797.0</b>	<b>1,984.5</b>	<b>1,650.9</b>	<b>2,749.0</b>	<b>2,143.5</b>
<b>Total expenditure</b>	<b>10,302.4</b>	<b>11,398.7</b>	<b>12,243.4</b>	<b>12,770.5</b>	<b>13,192.6</b>	<b>15,287.8</b>	<b>14,730.6</b>
<b>Overall deficit (-)/surplus(+)</b>	<b>-1,204.5</b>	<b>-836.6</b>	<b>-2,475.8</b>	<b>-1346.0</b>	<b>-84.8</b>	<b>921.2</b>	<b>-747.6</b>
<b>Total financing</b>							
Net borrowing	1,206.5	699.3	1,788.3	2,441.5	36.2	1024.2	779.5
Decrease (+)/increase (-) in cash balances	-2.0	137.3	689.3	-1095.5	48.7	-1945.5	-32
<b>Total financing</b>	<b>1,204.5</b>	<b>836.6</b>	<b>2,477.6</b>	<b>1346.0</b>	<b>84.9</b>	<b>-921.3</b>	<b>747.5</b>

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Merchandise trade balance</b>	<b>-711</b>	<b>-861</b>	<b>-1,688</b>	<b>261</b>	<b>477</b>	<b>-266</b>	<b>170</b>	<b>642</b>	<b>-360</b>	<b>-186</b>
Exports fob	3,046	3,735	13,149	3,900	4,315	4,696	5,037	17,949	4,848	4,763
Imports fob (p)	-3,757	-4,596	-14,837	-3,639	-3,839	-4,962	-4,867	-17,307	-5,208	-4,948
<b>Services (net)</b>	<b>30</b>	<b>94</b>	<b>277</b>	<b>144</b>	<b>97</b>	<b>173</b>	<b>244</b>	<b>659</b>	<b>188</b>	<b>180</b>
Credit	553	641	2,615	735	772	1,009	1,067	3,582	1,173	1,010
Debit	-522	-547	-2,338	-590	-675	-835	-823	-2,924	-985	-829
<b>Compensation of employees (net)</b>	<b>-7</b>	<b>-10</b>	<b>-23</b>	<b>-6</b>	<b>-7</b>	<b>-19</b>	<b>-9</b>	<b>-40</b>	<b>-12</b>	<b>6</b>
Credit	16	17	67	17	17	17	17	67	17	17
Debit	-23	-27	-90	-22	-23	-36	-25	-106	-28	-11
<b>Investment income (net)</b>	<b>-59</b>	<b>-380</b>	<b>-633</b>	<b>105</b>	<b>-77</b>	<b>-548</b>	<b>317</b>	<b>-202</b>	<b>124</b>	<b>-207</b>
Credit	463	231	1,495	504	566	415	349	1,834	443	855
Debit	-522	-611	-2,128	-398	-643	-963	-33	-2,036	-319	-1,061
<b>Current transfers in cash and kind (net)</b>	<b>1,088</b>	<b>1,068</b>	<b>4,262</b>	<b>1,202</b>	<b>1,721</b>	<b>1,756</b>	<b>1,749</b>	<b>6,428</b>	<b>1,845</b>	<b>2,020</b>
Credit	1,160	1,160	4,548	1,276	1,799	1,832	1,826	6,733	1,942	2,119
Debit	-73	-93	-286	-75	-78	-76	-77	-306	-97	-100
<b>Current account balance</b>	<b>341</b>	<b>-90</b>	<b>2,194</b>	<b>1,707</b>	<b>2,212</b>	<b>1,097</b>	<b>2,470</b>	<b>7,486</b>	<b>1,785</b>	<b>1,813</b>
<b>Net capital transfers</b>	<b>124</b>	<b>125</b>	<b>505</b>	<b>114</b>	<b>87</b>	<b>166</b>	<b>206</b>	<b>573</b>	<b>143</b>	<b>151</b>
Credit	125	126	509	115	88	167	206	576	144	151
Debit	-1	-1	-3	-1	-1	-1	-1	-3	-1	-1
<b>Direct investment</b>	<b>624</b>	<b>666</b>	<b>2,293</b>	<b>596</b>	<b>586</b>	<b>789</b>	<b>324</b>	<b>2,295</b>	<b>3,049</b>	<b>978</b>
Abroad	-4	17	80	61	14	-10	13	79	-24	-8
In Namibia	628	650	2,213	536	571	799	310	2,216	3,072	986
<b>Portfolio investment</b>	<b>-1,643</b>	<b>-1,623</b>	<b>-6,640</b>	<b>-2,071</b>	<b>-2,320</b>	<b>-331</b>	<b>-2,808</b>	<b>-7,528</b>	<b>-2,809</b>	<b>-3,082</b>
Assets	-1,654	-1,635	-6,686	-2,082	-2,331	-342	-2,821	-7,576	-2,824	-3,097
Liabilities	12	12	46	12	11	12	14	48	15	15
<b>Other investment - long term</b>	<b>228</b>	<b>117</b>	<b>239</b>	<b>-100</b>	<b>441</b>	<b>425</b>	<b>547</b>	<b>1,313</b>	<b>289</b>	<b>102</b>
Assets	-33	-7	-210	-10	-3	-34	114	68	36	-23
Liabilities	261	124	448	-90	443	460	433	1,246	253	125
<b>Other investment - short term</b>	<b>-164</b>	<b>614</b>	<b>489</b>	<b>-365</b>	<b>-842</b>	<b>-2,041</b>	<b>-825</b>	<b>-4,073</b>	<b>61</b>	<b>490</b>
Assets	-99	493	499	-535	-100	-865	-1,020	-2,520	149	454
Liabilities	-65	121	-9	170	-743	-1,175	195	-1,553	-88	36
<b>Capital and financial account excluding reserves</b>	<b>-830</b>	<b>-101</b>	<b>-3,114</b>	<b>-1,824</b>	<b>-2,049</b>	<b>-990</b>	<b>-2,557</b>	<b>-7,420</b>	<b>732</b>	<b>-1,363</b>
<b>Net errors and omissions</b>	<b>362</b>	<b>435</b>	<b>933</b>	<b>510</b>	<b>77</b>	<b>277</b>	<b>148</b>	<b>1,012</b>	<b>282</b>	<b>-209</b>
<b>OVERALL BALANCE</b>	<b>-127</b>	<b>244</b>	<b>14</b>	<b>392</b>	<b>240</b>	<b>384</b>	<b>62</b>	<b>1,078</b>	<b>2,800</b>	<b>242</b>
<b>Reserve assets</b>	<b>127</b>	<b>-244</b>	<b>-14</b>	<b>-392</b>	<b>-240</b>	<b>-384</b>	<b>-62</b>	<b>-1,078</b>	<b>-2,800</b>	<b>-242</b>

(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)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Services, net</b>	<b>30</b>	<b>94</b>	<b>277</b>	<b>144</b>	<b>97</b>	<b>173</b>	<b>244</b>	<b>659</b>	<b>188</b>	<b>180</b>
<b>Credit</b>	<b>553</b>	<b>641</b>	<b>2,615</b>	<b>735</b>	<b>772</b>	<b>1,009</b>	<b>1,067</b>	<b>3,583</b>	<b>1,173</b>	<b>1,010</b>
Transportation	31	43	143	139	157	201	194	691	194	187
Travel	454	534	2,212	529	546	733	794	2,602	900	743
Insurance	0	0	0	0	0	5	7	12	7	15
Communication	26	26	107	27	26	26	26	106	26	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	1	3	1	3	8	3	0
Royalties and license fees	0	0	0	0	0	0	0	0	0	0
Administrative and business	0	1	3	1	0	0	0	2	0	0
Professional and technical	0	0	0	0	0	3	1	4	1	0
Others, not included elsewhere	8	3	12	5	5	5	7	22	7	4
Government	33	34	138	34	34	34	34	136	34	34
<b>Debit</b>	<b>-522</b>	<b>-547</b>	<b>-2,338</b>	<b>-590</b>	<b>-675</b>	<b>-835</b>	<b>-823</b>	<b>-2,924</b>	<b>-985</b>	<b>-829</b>
Transportation	-187	-203	-829	-232	-202	-281	-304	-1,019	-426	-316
Travel	-146	-168	-686	-168	-174	-224	-241	-806	-269	-227
Insurance	-23	-4	-60	-27	-28	-36	-37	-128	-39	-54
Communication	-1	-1	-2	-1	-1	-1	-1	-2	-1	-1
Construction	-3	-20	-25	-19	-18	-68	-67	-173	-39	-11
Financial	-3	-5	-60	-4	-10	-10	-6	-30	-6	-12
Computer and information	-21	-27	-83	-21	-54	-39	-28	-142	-32	-30
Royalties and license Fees	-4	-2	-11	-3	-4	-9	-5	-21	-7	-4
Administrative and business	-56	-36	-172	-38	-52	-46	-52	-189	-52	-88
Professional and technical	-44	-51	-292	-47	-108	-90	-60	-305	-86	-60
Others, not included elsewhere	-22	-17	-60	-16	-9	-17	-8	-51	-14	-13
Government	-15	-15	-59	-15	-15	-15	-15	-59	-15	-15

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Compensation of employees, net</b>	<b>-7</b>	<b>-10</b>	<b>-23</b>	<b>-6</b>	<b>-7</b>	<b>-19</b>	<b>-9</b>	<b>-40</b>	<b>-12</b>	<b>6</b>
Credit	16	17	67	17	17	17	17	67	17	17
Debit	-23	-27	-90	-22	-23	-36	-25	-106	-28	-11
<b>Investment income, net</b>	<b>-59</b>	<b>-380</b>	<b>-633</b>	<b>105</b>	<b>-77</b>	<b>-548</b>	<b>317</b>	<b>-202</b>	<b>124</b>	<b>-207</b>
<b>Credit</b>	<b>463</b>	<b>231</b>	<b>1,495</b>	<b>504</b>	<b>566</b>	<b>415</b>	<b>349</b>	<b>1,834</b>	<b>443</b>	<b>855</b>
Direct investment	14	13	49	-8	2	5	8	6	2	7
Portfolio investment	335	136	1,033	426	446	290	216	1,379	259	501
Other investment	114	82	413	86	118	120	126	450	182	348
<b>Debit</b>	<b>-522</b>	<b>-611</b>	<b>-2,128</b>	<b>-398</b>	<b>-643</b>	<b>-963</b>	<b>-33</b>	<b>-2,036</b>	<b>-319</b>	<b>-1,061</b>
Direct investment	-447	-535	-1,791	-327	-565	-884	51	-1,726	-227	-971
Portfolio investment	-42	-42	-161	-41	-42	-42	-42	-168	-43	-42
Other investment	-33	-35	-176	-30	-36	-36	-41	-143	-50	-48

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Current transfers, net</b>	<b>1,088</b>	<b>1,068</b>	<b>4,262</b>	<b>1,202</b>	<b>1,721</b>	<b>1,756</b>	<b>1,749</b>	<b>6,428</b>	<b>1,845</b>	<b>2,020</b>
<b>Credit</b>	<b>1,160</b>	<b>1,160</b>	<b>4,548</b>	<b>1,276</b>	<b>1,799</b>	<b>1,832</b>	<b>1,826</b>	<b>6,733</b>	<b>1,942</b>	<b>2,119</b>
Government	1,121	1,120	4,384	1,235	1,759	1,773	1,781	6,549	1,897	2,084
Grants from foreign governments, etc	79	80	321	80	79	80	80	319	80	80
SACU receipts	1,028	1,028	3,915	1,028	1,674	1,674	1,674	6,049	1,674	1,991
Withholding Taxes	14	12	53	13	6	20	28	67	26	12
Other transfers received	0	0	96	114	0	0	0	114	118	1
Private	39	41	163	41	40	59	45	185	45	35
Grants received by NGO's	10	10	40	10	10	29	14	63	14	5
Other transfers received	29	31	123	31	30	30	30	121	30	30
<b>Debit</b>	<b>-73</b>	<b>-93</b>	<b>-286</b>	<b>-75</b>	<b>-78</b>	<b>-76</b>	<b>-77</b>	<b>-306</b>	<b>-97</b>	<b>-100</b>
Government	-65	-85	-255	-67	-70	-68	-70	-275	-90	-92
Grants to foreign governments, etc	-1	-1	-5	-2	-2	-2	-4	-11	-5	-5
SACU receipts	-64	-84	-250	-65	-68	-66	-65	-264	-84	-87
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	-31	-8	-8	-8	-8	-31	-8	-8
Grants received by NGO's	0	0	0	0	0	0	0	0	0	0
Other transfers received	-8	-8	-31	-8	-8	-8	-8	-31	-8	-8
<b>Capital Transfers, net</b>	<b>124</b>	<b>125</b>	<b>505</b>	<b>114</b>	<b>87</b>	<b>166</b>	<b>206</b>	<b>573</b>	<b>143</b>	<b>151</b>
<b>Credit</b>	<b>125</b>	<b>126</b>	<b>509</b>	<b>115</b>	<b>88</b>	<b>167</b>	<b>206</b>	<b>576</b>	<b>144</b>	<b>151</b>
Government	119	120	483	109	81	161	200	551	138	145
Private	6	7	26	7	7	7	7	26	7	7
<b>Debit</b>	<b>-1</b>	<b>-1</b>	<b>-3</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-1</b>	<b>-3</b>	<b>-1</b>	<b>-1</b>
Government	0	0	0	0	0	0	0	0	0	0
Private	-1	-1	-3	-1	-1	-1	-1	-3	-1	-1

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Direct investment abroad</b>	<b>-4</b>	<b>17</b>	<b>80</b>	<b>61</b>	<b>14</b>	<b>-10</b>	<b>14</b>	<b>79</b>	<b>-24</b>	<b>-8</b>
Equity capital	1	3	10	8	8	4	16	37	-22	0
Reinvested earnings	-2	-8	-13	13	2	-4	-4	7	1	-4
Other capital	-2	22	84	40	4	-10	1	36	-3	-5
<b>Direct investment in Namibia</b>	<b>628</b>	<b>650</b>	<b>2,213</b>	<b>536</b>	<b>571</b>	<b>799</b>	<b>310</b>	<b>2,216</b>	<b>3,072</b>	<b>986</b>
Equity capital	325	179	1,175	359	57	134	1,997	2,546	2,995	161
Reinvested earnings	248	445	1,288	242	477	657	-357	1,019	-59	823
Other capital	55	26	-250	-65	37	8	-1,330	-1,350	136	2

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Portfolio investment, net</b>	<b>-1,643</b>	<b>-1,623</b>	<b>-6,640</b>	<b>-2,071</b>	<b>-2,320</b>	<b>-331</b>	<b>-2,808</b>	<b>-7,528</b>	<b>-2,809</b>	<b>-3,082</b>
<b>Equity</b>	<b>-1,167</b>	<b>-1,233</b>	<b>-4,765</b>	<b>-1,319</b>	<b>-1,696</b>	<b>-272</b>	<b>-1,945</b>	<b>-5,232</b>	<b>-2,048</b>	<b>-2,302</b>
Assets	-1,175	-1,241	-4,797	-1,327	-1,704	-280	-1,953	-5,264	-2,056	-2,310
Liabilities	8	8	32	8	8	8	8	32	8	8
<b>Debt</b>	<b>-476</b>	<b>-390</b>	<b>-1,875</b>	<b>-752</b>	<b>-623</b>	<b>-59</b>	<b>-862</b>	<b>-2,296</b>	<b>-761</b>	<b>-780</b>
Assets	-480	-394	-1,889	-755	-627	-62	-868	-2,313	-768	-787
Liabilities	4	4	14	4	4	4	6	16	7	7

(p) Provisional

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

	2005(p)			2006(p)					2007(p)	
	Q3	Q4	2005	Q1	Q2	Q3	Q4	2006	Q1	Q2
<b>Long-term, net</b>	<b>228</b>	<b>117</b>	<b>239</b>	<b>-100</b>	<b>441</b>	<b>425</b>	<b>547</b>	<b>1,313</b>	<b>289</b>	<b>102</b>
General Government	-10	54	53	-14	81	-21	38	84	33	-5
Assets	-10	-10	-40	-10	-10	-10	-10	-40	-10	-10
Liabilities	0	64	93	-4	91	-11	48	124	43	5
Of which:drawings	45	85	199	9	112	9	73	203	73	36
repayments	-45	-22	-106	-13	-21	-20	-25	-79	-30	-32
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	354	-7	322	18	322	104	351	796	1	2
Assets	34	-8	-21	5	3	1	-2	7	2	2
Liabilities	320	1	343	13	320	103	353	789	-1	-1
Other sectors	-115	71	-136	-104	38	341	158	433	255	105
Assets	-57	11	-149	-5	5	-26	127	101	44	-15
Liabilities	-59	60	13	-100	33	367	32	332	211	121
<b>Short-term, net</b>	<b>-164</b>	<b>614</b>	<b>489</b>	<b>-365</b>	<b>-842</b>	<b>-2,041</b>	<b>-825</b>	<b>-4,073</b>	<b>61</b>	<b>490</b>
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	-169	648	469	-316	-513	-2,103	-912	-3,843	69	605
Assets	-101	399	359	-539	-112	-825	-1,004	-2,480	130	592
Liabilities	-69	249	110	223	-401	-1,278	92	-1,364	-62	12
Other sectors	6	-34	20	-50	-329	62	87	-230	-8	-115
Assets	1	94	140	4	13	-40	-16	-40	18	-138
Liabilities	4	-129	-120	-53	-342	103	103	-189	-26	24

(p) Provisional

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

	2005(p)			2006(p)			2007(p)		
	Q3		Total	Q2		Total	Q1		Total
	South Africa	Others		South Africa	Others		South Africa	Others	
<b>Foreign assets</b>	<b>25,169</b>	<b>6,292</b>	<b>31,461</b>	<b>23,872</b>	<b>5,968</b>	<b>29,840</b>	<b>28,633</b>	<b>7,158</b>	<b>35,791</b>
<b>Direct investment</b>	<b>85</b>	<b>21</b>	<b>106</b>	<b>130</b>	<b>33</b>	<b>162</b>	<b>158</b>	<b>40</b>	<b>198</b>
1.1 Equity capital	64	16	80	109	27	137	90	22	112
1.2 Other capital	21	5	26	21	5	26	69	17	86
Long-term	21	5	26	7	2	9	7	2	9
Short-term	0	0	0	14	3	17	61	15	77
<b>Portfolio investment</b>	<b>24,060</b>	<b>3,743</b>	<b>27,803</b>	<b>22,081</b>	<b>3,820</b>	<b>25,901</b>	<b>23,541</b>	<b>7,354</b>	<b>30,895</b>
2.1 Equity securities	17,459	2,777	20,236	15,764	3,067	18,831	17,555	5,492	23,047
2.2 Debt securities	6,601	966	7,567	6,317	753	7,070	5,986	1,862	7,848
<b>Other investment</b>	<b>1,548</b>	<b>387</b>	<b>1,935</b>	<b>1,533</b>	<b>383</b>	<b>1,916</b>	<b>1,956</b>	<b>489</b>	<b>2,445</b>
3.1 Claims of resident non-bank companies	200	50	250	341	85	426	204	51	255
3.1.1 short-term loans and trade finance	177	44	222	288	72	360	153	38	191
3.1.2 long-term loans	23	6	28	53	13	66	52	13	65
3.2 Claims of resident banks	539	135	674	233	58	292	159	40	199
3.2.1 short-term loans	516	129	645	204	51	255	134	34	168
3.2.2 long-term loans	23	6	29	30	7	37	25	6	32
3.3 Claims of resident parastatal companies	5	1	7	7	2	9	11	3	14
3.3.1 short-term loans and trade finance	2	1	3	0	0	0	8	2	10
3.3.2 long-term loans	3	1	4	7	2	9	3	1	4
3.4 Claims of local government authorities	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
3.4.2 long-term loans	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0
3.5.1 long-term loans	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	201	50	251	184	46	230	676	169	845
<b>Other assets</b>	<b>603</b>	<b>151</b>	<b>754</b>	<b>767</b>	<b>192</b>	<b>958</b>	<b>905</b>	<b>226</b>	<b>1,131</b>
3.7.1 Other-eg., re-insurance and bonds	603	151	754	767	192	958	905	226	1,131
<b>Reserve Assets</b>	<b>1,294</b>	<b>323</b>	<b>1,617</b>	<b>1,489</b>	<b>372</b>	<b>1,861</b>	<b>1,803</b>	<b>451</b>	<b>2,253</b>
4.1 Monetary gold	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	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
4.4 Foreign exchange	1,294	323	1,617	1,489	372	1,861	1,802	451	2,253
4.5 Other assets	0	0	0	0	0	0	0	0	0
(p) Provisional, except for the reserve assets.									

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

	2005(p)						2006(p)						2007(p)					
	Q3			Q4			Q1			Q2			Q3			Q4		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
<b>Foreign liabilities</b>	16,868	4,217	21,085	20,867	5,217	26,084	22,326	5,582	27,908	20,898	5,225	26,123	20,890	5,222	26,112	21,239	10,104	31,343
<b>Direct investment</b>	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	2,662	19,416
1.1 Equity capital	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	2,099	16,600
1.2 Other capital	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	563	2,817
Long-term	453	113	566	348	87	434	575	144	718	735	184	919	748	187	935	1,133	283	1,416
Short-term	522	131	652	631	158	789	425	106	531	1,021	255	1,276	748	187	935	1,120	280	1,401
<b>Portfolio investment</b>	309	77	387	468	117	585	467	117	584	467	117	584	467	117	584	467	117	584
2.1 Equity securities	31	8	39	79	20	99	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities (public/private)	278	70	348	389	97	486	389	97	486	389	97	486	389	97	486	389	97	486
<b>Other investment</b>	5,320	1,330	6,650	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
<b>3.1 Liabilities of resident non-bank companies</b>	251	63	314	308	77	385	302	76	377	400	100	500	333	83	417	384	96	480
3.1.1 short-term loans	56	14	70	90	22	112	85	21	106	129	32	161	227	57	283	123	31	154
3.1. long-term loans	196	49	245	218	55	273	218	54	272	272	68	340	107	27	133	261	65	326
<b>3.2 Liabilities of resident banks</b>	1,160	290	1,450	584	146	729	1,256	314	1,570	570	142	712	264	66	330	1,119	280	1,399
3.2.1 short-term loans	269	67	337	500	125	625	402	100	502	4	1	5	75	19	94	753	188	941
3.2.2 long-term loans	891	223	1,114	84	21	104	854	214	1,068	566	141	707	189	47	236	366	92	458
<b>3.3 Liabilities of resident parastatal companies</b>	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
3.3.1 short-term loans and trade finance	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
3.3. long-term loans	1,009	252	1,261	45	11	56	52	13	65	60	15	75	1,147	287	1,434	80	20	100
<b>3.4 Liabilities of local government authorities</b>	229	57	287	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	232	58	290	229	57	287	229	57	287	3	1	4	229	57	287
3.4.2 long-term loans	0	0	0	0	0	0	3	1	4	3	1	4	229	57	287	3	1	4
<b>3.5 Liabilities of central government</b>	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
3.5.1 long-term loans	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
<b>3.6 Currency and deposits reported by Namibian banks</b>	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
<b>3.7 Liabilities of EPZ companies</b>	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
3.7.1 short-term loans and trade finance	0	0	0	131	33	164	131	33	164	647	162	809	647	162	809	142	568	710
3.7.2 long-term loans	0	0	0	3,129	782	3,911	3,129	782	3,911	297	74	372	297	74	372	865	3,459	4,324
<b>3.8 Other liabilities</b>	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
3.8.2 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Net Foreign Assets (+)/Liabilities (-)</b>	8,301	2,075	10,376	3,005	751	3,757	6,307	1,577	7,883	11,599	2,900	14,499	15,048	3,762	18,810	8,266	2,067	10,333
(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
<b>2001</b>		0.1177	0.0817	0.2546	14.2812	0.1989	21.8702	0.1313
<b>2002</b>		0.0956	0.0636	0.1247	12.4435	0.1487	4.4628	0.1011
<b>2003</b>	Jan	0.1152	0.0713	0.1085	13.6799	0.1586	0.1085	0.1085
	Feb	0.1204	0.0748	0.1118	14.3678	0.1665	0.1118	0.1118
	Mar	0.1243	0.0785	0.1149	14.7275	0.1687	0.1149	0.1149
	Apr	0.1298	0.0825	0.1196	15.5521	0.2000	0.1196	0.1196
	May	0.1305	0.0804	0.1128	15.2905	0.1770	0.1128	0.1128
	Jun	0.1265	0.0762	0.1085	15.1515	0.1671	0.1085	0.1085
	Jul	0.1326	0.0816	0.1165	15.7233	0.1802	0.1165	0.1165
	Aug	0.1353	0.0848	0.1213	16.0772	0.1869	0.1213	0.1213
	Sep	0.1365	0.0849	0.1218	15.7233	0.1884	0.1218	0.1218
	Oct	0.1436	0.0857	0.1227	15.7233	0.1899	0.1227	0.1227
	Nov	0.1486	0.0880	0.1269	16.2338	0.1980	0.1269	0.1269
	Dec	0.1532	0.0878	0.1252	16.5563	0.1946	0.1252	0.1252
<b>2004</b>	Jan	0.1446	0.0794	0.1146	15.3846	0.1794	0.1146	0.1146
	Feb	0.1477	0.0791	0.1168	14.3885	0.1838	0.1168	0.1168
	Mar	0.1501	0.0825	0.1214	16.3666	0.1925	0.1214	0.1214
	Apr	0.1526	0.0846	0.1271	16.3934	0.1977	0.1271	0.1271
	May	0.1474	0.0825	0.1227	16.5017	0.1889	0.1227	0.1227
	Jun	0.1553	0.0850	0.1280	17.0068	0.1944	0.1280	0.1280
	Jul	0.1632	0.0886	0.1329	17.8253	0.2030	0.1329	0.1329
	Aug	0.1549	0.0851	0.1272	19.8020	0.1957	0.1272	0.1272
	Sep	0.1527	0.0852	0.1251	16.8067	0.1930	0.1251	0.1251
	Oct	0.1566	0.0866	0.1253	17.0358	0.1933	0.1253	0.1253
	Nov	0.1651	0.0889	0.1272	17.3010	0.1936	0.1272	0.1272
	Dec	0.1745	0.0862	0.1301	19.2308	0.1998	0.1301	0.1301
<b>2005</b>	Jan	0.1675	0.0892	0.1276	17.3010	0.1974	0.1276	0.1276
	Feb	0.1662	0.0881	0.1277	17.4216	0.1978	0.1277	0.1277
	Mar	0.1664	0.0872	0.1259	17.4825	0.1949	0.1259	0.1259
	Apr	0.1625	0.0858	0.1255	17.4520	0.1943	0.1255	0.1255
	May	0.1579	0.0851	0.1244	16.8350	0.1922	0.1244	0.1244
	Jun	0.1481	0.0814	0.1217	16.1031	0.1873	0.1217	0.1217
	Jul	0.1492	0.0852	0.1238	16.6945	0.1930	0.1238	0.1238
	Aug	0.1547	0.0862	0.1258	17.0940	0.1954	0.1258	0.1258
	Sep	0.1573	0.0870	0.1283	17.4520	0.1988	0.1283	0.1283
	Oct	0.1521	0.0862	0.1265	17.4520	0.1959	0.1265	0.1265
	Nov	0.1502	0.0865	0.1273	17.7936	0.1968	0.1273	0.1273
	Dec	0.1573	0.0900	0.1326	18.6567	0.2052	0.1326	0.1326
<b>2006</b>	Jan	0.1642	0.0930	0.1355	18.9394	0.2099	0.1355	0.1355
	Feb	0.1635	0.0935	0.1368	19.2678	0.2132	0.1368	0.1368
	Mar	0.1599	0.0917	0.1330	18.7617	0.2086	0.1330	0.1330
	Apr	0.1647	0.0933	0.1343	19.3050	0.2115	0.1343	0.1343
	May	0.1582	0.0847	0.1239	17.6678	0.1929	0.1239	0.1239
	Jun	0.1438	0.0779	0.1134	16.4745	0.1770	0.1134	0.1134
	Jul	0.1412	0.0765	0.1112	16.3132	0.1745	0.1112	0.1112
	Aug	0.1438	0.0760	0.1122	16.6667	0.1770	0.1122	0.1122
	Sep	0.1350	0.0716	0.1060	15.7978	0.1679	0.1060	0.1060
	Oct	0.1307	0.0697	0.1036	15.5039	0.1648	0.1036	0.1036
	Nov	0.1378	0.0721	0.1070	16.1551	0.1703	0.1070	0.1070
	Dec	0.1420	0.0723	0.1074	16.6389	0.1716	0.1074	0.1074
<b>2007</b>	Jan	0.1392	0.0710	0.1070	16.7504	0.1729	0.1070	0.1070
	Feb	0.1395	0.0712	0.1067	16.8067	0.1730	0.1067	0.1067
	Mar	0.1360	0.0699	0.1028	15.9490	0.1657	0.1028	0.1028
	Apr	0.1404	0.0706	0.1039	16.6667	0.1702	0.1039	0.1039
	May	0.1425	0.0718	0.1054	17.2117	0.1740	0.1054	0.1054
	Jun	0.1394	0.0702	0.1040	17.0940	0.1720	0.1040	0.1040
	Jul	0.1434	0.0705	0.1045	17.4216	0.1732	0.1045	0.1045
	Aug	0.1382	0.0688	0.1016	16.1290	0.1663	0.1016	0.1016

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
<b>2001</b>		99.1	91.1	95.3	102.3	96.9	99.7
<b>2002</b>		97.8	78.2	88.3	103.3	89.2	96.6
<b>2003</b>		99.1	90.4	95.3	119.2	107.5	102.4
<b>2004</b>	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
<b>2005</b>	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	98.1	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
<b>2006</b>	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	83.1	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
<b>2007</b>	Jan	99.1	87.3	94.5	111.5	96.4	89.4
	Feb	98.8	84.4	92.9	111.3	93.1	88.1
	Mar	98.6	83.0	92.2	111.2	91.6	87.3
	Apr	98.8	84.6	93.1	109.1	92.5	87.2
	May	98.9	85.0	93.3	108.4	92.5	87.0
	Jun	98.8	84.3	92.9	107.8	91.5	86.4

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	3,566.9	679.4	110.4
	May	7,677.9	2,106.0	3,847.5	666.9	119.1
	Jun	7,514.2	2,436.6	3,628.7	655.5	136.2

Source: IMF and London Gold Price

Table IV.L Selected mineral export volumes

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

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)

### **WORKING PAPERS**

Promoting Microfinance activities in Namibia

Central Government Debt Sustainability

Public Expenditure in Namibia

Monetary Policy Transmission Mechanism in Namibia

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