

**Bank of Namibia  
Quarterly Bulletin  
December 2008**

**Volume 17  
No 4**

**Registered Office**

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P.O. Box 2882  
Windhoek  
Namibia**

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Published by the Research Department  
of the Bank of Namibia.

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**ISBN: 99916-61-52-2**



## CORPORATE CHARTER

### VISION

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

### 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 centre of excellence and we value our contribution to the organisation."

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



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## QUARTERLY ECONOMIC EVENTS

Month	Day	Event
July	01	First National Bank announced an increase in banking fees.
	08	Unleaded petrol price increased by 75 cents and diesel by 66 cents.
	08	Three week strike at Lev Leviev Diamonds (LLD) ended.
	10	Mariental Mushroom Project was inaugurated, creating 50 jobs.
	15	Bus and taxi fares increased by 10 percent.
	15	Namibia's inflation breached single digit level, reaching 10.3 percent in June, up from 9.7 percent in May.
	16	IPPR Business Climate Index fell by 7.2 points in May 2008.
	21	Namibia Wildlife Resorts (NWR) entered into several public-private partnerships amounting to N\$558 million.
	24	The Finnish Embassy gave N\$3.5 million in grants to 8 local educational and social society institutions.
	28	Telecom Namibia approved a 7.8 percent salary increase across the board.
August	10	Fuel prices went down for the first time in 2008; petrol fell by 30 cents and diesel by 20 cents per litre.
	14	Prices of maize meal and wheat rose by 10.5 percent and 11.5 percent, respectively.
	15	NamDeb signed a salary increase agreement, 12 percent for Band A workers and 11 percent for Band B and C.
	21	The Ministry of Mines and Energy granted Bonaparte Diamond Mines, an Australian mining company, four new diamond-prospecting licences.
	22	Bank of Namibia kept the Bank rate unchanged at 10.5 percent.
	27	Government granted a 25 year mining licence to a Canadian company, Forsys Metal Corp, to mine uranium at the Valencia project.
September	27	Areva, a French state-owned company was granted a licence to mine uranium deposits at Trekkopie.
	08	Namibia started receiving an extra 40 megawatts of electricity from Zimbabwe.
	11	A week-long strike at TransNamib came to an end.
	15	The European Union injected N\$3.8 million into the Credit for Youth in Business Programme.
	15	Agribank implemented a downward adjustment of interest rates on agricultural credit.
	19	A N\$5 million Pick 'n Pay shopping complex was opened in Rundu.
	22	Nampower received an Environmental Clearance Certificate for the planned 50MW Paratus Power Station at Walvis Bay.
	26	Namibia Post and Telecommunications Holding company paid N\$36 million in dividends to the Government.
	30	The Government approved a N\$14.2 million cash injection into TransNamib.
	30	Air Namibia and the Namibia Airline Pilot's Association agreed on a 12 percent salary increase.

Source: The Namibian & New Era

# NAMIBIAN ECONOMIC INDICATORS

Yearly economic indicators	2004	2005	2006	2007	*2008
Population (million)	1.9	1.9	2.0	2.0	2.1
Gini coefficient	0.604	0.604	0.604	0.604	0.604
GDP current prices (N\$ million)	42,679	46,177	54,017	61,457	70,061
GDP constant 2004 prices (N\$ million)	42,679	43,758	46,886	48,789	50,235
% change	12.3	2.5	7.1	4.1	3.4
Namibia Dollar per US Dollar (period average)	6.452	6.362	6.767	7.054	7.599
Annual inflation rate	4.2	2.3	5.1	6.7	9.9
Government budget balance as % of GDP**	-2.5	-0.2	4.1	4.7	-2.2

	2007			2008	
Quarterly economic indicators	Q2	Q3	Q4	Q1	Q2
<b>Real sector indicators</b>					
Vehicle sales (number)	2,443	2,565	2,536	2,445	2,490
Inflation rate (quarterly average)	6.9	6.9	8.0	9.8	12.0
Non-performing loans (N\$ 000)	784,536	810,095	857,264	940,353	979,707
<b>Monetary and financial sector indicators</b>					
NFA (quarterly growth rate)	12.6	-4.6	44.3	4.5	11.8
Domestic credit (quarterly growth rate)	8.7	-0.4	2.3	-1.5	2.9
Private sector credit (quarterly growth rate)	3.0	3.3	3.3	0.9	2.9
Individuals (quarterly growth rate)	2.8	2.7	2.0	2.4	2.0
Businesses (quarterly growth rate)	3.6	4.6	5.8	-1.9	4.7
Repo rate	10.5	10.5	10.5	10.5	10.5
Prime lending rate	15.25	15.25	15.25	15.25	15.25
Average lending rate	12.89	13.59	13.93	13.49	13.91
Average deposit rate	7.74	8.28	8.35	8.33	8.54
Average 91 T-Bill rate	9.80	9.80	9.20	10.19	10.89
Average 365 T-Bill rate	10.28	10.27	9.65	11.59	11.92
<b>Fiscal sector indicators</b>					
Total Government debt (N\$ million)	11,727.6	11,655.3	11,925.0	12,373.7	12,650.2
Domestic borrowing (N\$ million)	9,032.0	8,782.0	8,782.0	9,172.0	9,240.7
External borrowing (N\$ million)	2,695.6	2,873.3	3,143.0	3,201.7	3,409.5
Total Government debt as % of GDP	18.4	18.3	18.7	17.2	17.6
Total Government guarantees (N\$ million)	3,213.3	3,271.1	3,413.3	3,369.5	3,443.5
Total Government guarantees as % of GDP	5.0	5.1	5.4	4.7	4.8
<b>External sector indicators</b>					
Merchandise trade balance (N\$ million)	114	-1,398	-1,571	-1,674	2,829
Current account balance (N\$ million)	969	532	55	-39	155
Capital and financial account (N\$ million)	-1,718	-1,297	-157	-556	-83
Overall balance (N\$ million)	302	722	2,292	777	1,311
International reserves (N\$ million)	5,679	6,401	8,693	9,470	10,781
Import cover (weeks)	12.6	11.3	14.5	13.7	15.6

\* Annual indicators, figures for 2008 are forecasted; while for the quarterly indicators are year to date.

\*\* This is financial year data.

Source: Central Bureau of Statistics, BoN, MoF





## SUMMARY OF ECONOMIC CONDITIONS

Global economic conditions continued to be tainted by the adverse impact of the global financial crisis which originated in the US subprime mortgage market in August 2007. As a result, the global economy is expected to grow at 3.7 percent in 2008 and slow further to 2.2 percent in 2009 from a growth of 5.0 percent in 2007. The slow growth will be more pronounced in the advanced economies than in emerging economies. Growth in emerging market economies is expected to remain fairly steady, driven by increases in domestic demand from some of these countries. Influenced by the concerns about the deteriorating global economic outlook, central banks in advanced economies had to reduce their key benchmark rates to mitigate the impact of the financial crisis on their economies. Among these, were the Federal Reserve, the European Central Bank, Bank of England, Bank of Canada, Swiss National Bank and the Bank of Sweden. Each of the above-mentioned central banks lowered its benchmark interest rate by 50 basis points during the third quarter of 2008.

Inflation in most of the advanced economies slowed in October, driven by the decrease in the price of crude oil. Crude oil prices for the third quarter declined by 4.8 percent to US\$118 per barrel from US\$124 per barrel registered in second quarter of 2008. The decline could mainly be explained by the decrease in the demand for crude oil due to the slow down in global growth as a result of the financial crisis.


Available indicators on the performance of the domestic economy revealed mixed results during the third quarter of 2008 as some of the products rose, while others declined. The most notable growth in production were in mineral products such as refined zinc, copper, gold and uranium, while that of diamonds declined, quarter-on-quarter. As for agriculture, production in horticulture rose significantly over the same period, while the total number of live stock marketed declined.

Further, the rate of electricity consumption increased during the third quarter of 2008 on a quarterly basis, driven mainly by rising demand for energy during winter. The number of both new passenger and commercial vehicles sold in the third quarter of 2008 rose to 2,490 from 2,445 in the preceding quarter. The increased sales in vehicles could be attributed to high orders placed by Government to cater for fleet replacement.

Driven by high food and fuel prices, the upward trend in the Namibia Consumer Price Index continued during the third quarter of 2008. The inflation rate rose to a quarterly average of 12.0 percent from 9.8 percent during the previous quarter. However, inflationary pressures could subside somewhat in view of international crude oil prices and agricultural commodity prices that have started to abate. It is important to point out that consumer prices have started to stabilize. This is due to the fact that since July up to October, the rate of annual inflation remained constant at 12 percent.

Growth in credit extension to other sectors increased to 2.9 percent at the end of the third quarter of 2008 from 1.9 percent at the end of the preceding quarter. This increased growth was reflected in credit extended to the private sector supported by lending to state and local government.





The stock of total Central Government debt outstanding increased to N\$12.7 billion, quarter-on-quarter, at the end of the second fiscal quarter of 2008/09, representing an increase of 2.2 percent. The increase was mainly attributed to a 6.5 percent rise in foreign debt, which was driven by new loan and disbursements as well as compounded by the exchange rate depreciation. The debt ratio rose to 17.6 percent but remained sustainable as it is well below Government debt target of 25 percent of GDP.

Developments on the balance of payments was characterized by a widening current account surplus, narrowing capital and financial account deficit, as well as an increased net asset position in the IIP. A surplus on the current account was realised, despite the increased merchandised trade deficit in the third quarter of 2008. This was a result of improved net inflows from services and investment income, supported by current transfers, especially from SACU.

As a result of the deepening global financial crisis, mixed developments in the exchange rate of the Namibia Dollar against major currencies were reported during the third quarter of 2008. The Namibia Dollar depreciated against the US Dollar, quarter-on-quarter, while it appreciated against the Euro and the Pound Sterling.

## INTERNATIONAL ECONOMIC AND FINANCIAL DEVELOPMENTS

The world economy experienced a period of solid growth for the past four years until the summer of 2007. Since 2003, global GDP rose at an average pace of 5 percent a year which represented the highest sustained growth since the early 1970s. However, the economy has entered a major downturn due to the global financial crisis which originated in the US subprime mortgage market in August 2007. In the November update of the *World Economic Outlook*, the IMF had forecasted global growth to slow to 3.7 percent in 2008 from 5.0 percent in 2007. In 2009, the IMF forecast that growth in world output would further moderate to 2.2 percent (Table 1). In advanced economies, output is forecast to decrease by 0.3 percent in 2009 representing the first such fall in the post-war period. Growth in emerging markets is projected to reach 5.1 percent in 2009.

**Table 1: World GDP Growth**

Regions	2006	2007	2008*	2009*
World output	5.1	5.0	3.7	2.2
Advanced economies	3.0	2.6	1.4	-0.3
USA	2.8	2.0	1.4	-0.7
Euro Area	2.8	2.6	1.2	-0.5
UK	2.8	3.0	0.8	-1.3
Japan	2.4	2.1	0.5	-0.2
Other advanced economies	4.5	4.7	2.9	1.5
Emerging markets and developing countries	7.9	8.0	6.6	5.1
Sub Saharan Africa	6.6	6.8	5.5	5.1
Central and Eastern Europe	6.7	5.7	4.2	2.5
Commonwealth of independent states	8.2	8.6	6.9	3.2
Developing Asia	9.8	10.0	8.3	7.1
China	11.6	11.9	9.7	8.5
Middle East	5.7	6.0	6.1	5.3
Western Hemisphere	5.5	5.6	4.5	2.5
India	9.8	9.3	7.8	6.3
Brazil	3.8	5.4	5.2	3.0
South Africa	5.4	5.1	3.8	3.7
Russia	7.4	8.1	6.8	3.5

Source: IMF, World Economic Outlook Update, November 2008, \* = Projections

Advanced estimates by the US Bureau of Economic Analysis indicate that US Real GDP decreased by 0.5 percent in the third quarter of 2008 from 2.8 percent registered in the preceding quarter. Year-on-year, US real GDP slowed to 0.7 percent during the third quarter of 2008 compared to 2.8 percent registered during the same period in 2007 (Table 2).

**Table 2: Real GDP growth – (Year-on-year) – selected economies**

	2005	2006				2007				2008		
	Annual	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
USA	3.2	3.1	3.2	2.4	2.4	1.3	1.8	2.8	2.3	2.5	2.2	0.7
Euro-zone	1.4	2.8	2.0	2.4	3.3	3.2	2.5	1.4	2.2	2.2	1.5	0.7
UK	1.9	2.6	2.8	3.0	3.2	3.0	3.2	3.3	2.8	2.5	1.6	0.3
Japan	1.9	3.4	2.2	1.5	2.3	2.4	4.0	-3.7	1.7	3.2	-2.4	-0.4
Brazil	3.2	4.0	1.5	4.4	5.1	4.4	5.4	5.6	6.2	5.9	6.1	na
China	10.4	10.4	11.5	10.6	10.4	11.1	11.5	11.5	11.2	10.6	10.1	9.0
India	9.1	9.6	10.1	9.1	9.8	9.1	9.3	8.9	8.7	8.4	7.9	na
Russia	7.5	6.3	7.4	7.5	8.0	7.4	8.1	7.3	9.5	8.5	7.8	na
South Africa	5.1	5.0	4.5	4.5	5.6	4.7	4.5	5.1	4.6	4.0	4.5	2.9

Source: Bureau of Economic Analysis of the US, European Statistical Office, Office for National Statistics, UK, Economic and Social Research Institute (Cabinet Office, Japan), Ministry of Finance, Brazil, National Bureau of Statistics, China, Central Statistical Organisation, India, Federal Statistics Office, Russia and Statistics South Africa, na=indicates that the data is not available.

The decrease in real GDP in the third quarter primarily reflected negative contributions from expenditure on personal consumption, residential fixed investment, equipment and software. US inflation declined to 3.7 percent in October from 4.9 percent in September mainly due to a decrease in the cost of energy.

In the Euro area, real GDP registered a decline of -0.2 percent during the third quarter of 2008. A decrease of -0.2 percent was also recorded in the preceding quarter. Year-on-year, real GDP slowed by 0.7 percent in the third quarter from 1.4 percent recorded in the corresponding quarter of 2007. Sluggish performance in the Eurozone during the third quarter of 2008 is mainly attributable to the high cost of credit, the strong euro and high oil prices. Inflation in the Euro area slowed to 3.2 percent in October from 3.6 percent in September.

In the UK, real GDP declined by -0.5 percent during the third quarter of 2008 from a zero growth in the second quarter. Year-on-year, real GDP slowed to 0.3 percent in the third quarter of 2008 from 3.3 percent registered in the corresponding quarter of 2007. Weaker performance of the service and construction industries caused the deceleration in growth. Inflation slowed to 4.5 percent in October 2008 from 5.2 percent in September 2008. The main factor which underpinned the slowdown in inflation was the decrease in the price of crude oil. Moreover, the prices of food and non-alcoholic beverages also declined in October and contributed to the slowdown in overall inflation.

Japan's real GDP decreased by 0.1 percent during the third quarter from a negative growth of 0.9 percent registered in preceding quarter. Year-on-year, real GDP improved slightly to -0.4 percent in the third quarter of 2008 from of -3.7 percent registered in the corresponding quarter of 2007. The key causes of the decline in real GDP were mainly the global financial crisis complemented by the appreciation of the Yen against the US\$ thereby affecting Japanese exports negatively. Inflation slowed to 2.1 percent in September from 2.3 percent in August.

In contrast, the Brazilian economy grew by 6.1 percent during the second quarter of 2008 from 5.9 percent in the first quarter of 2008. This positive performance was underpinned by a boom in corporate investments and surging domestic demand. Inflation rose slightly to 6.4 percent in October from 6.3 percent in September.

Russia's real GDP slowed by 7.8 percent in the second quarter of 2008 from 8.5 percent registered in the previous quarter, while inflation slowed to 14.3 in October 2008 from 16.1 percent in September 2008.

Real GDP for India slowed by 7.6 percent in the third quarter of 2008, from 7.9 percent registered in the preceding quarter. The main sectors that contributed to the slowdown in real GDP were mining, manufacturing and electricity. Inflation slowed to 8.9 percent in October from 10.7 in September 2008.

China's real GDP growth slowed to 9.0 percent, year-on-year, during the third quarter of 2008, from 10.1 percent in the second quarter. This was mainly due to the weakening external demand complemented by decreasing domestic investment demand in the property sector. Annual inflation slowed to 4.0 percent in October from 4.6 percent in September as a result of decreasing food prices.

South Africa's real GDP slowed to 0.2 percent quarter-on-quarter, in the third quarter of 2008 from 5.1 percent during the second quarter. The key reason for the low growth in economic activities for the third quarter of 2008 was declining output in major economic sectors, such as manufacturing, mining and quarrying as well as retail trade. Year-on-year, South Africa's real GDP slowed to 2.9 percent during the third quarter of 2008 from 5.1 percent registered during the corresponding quarter in 2007. South Africa's annual inflation excluding mortgage costs as measured by the CPIX slowed to 12.4 percent in October from 13.0 percent in September. The decrease in inflation during October was mainly caused by the decline in the price of fuel as a result of a fall in the price of crude oil. The PPI for South Africa slowed to 14.5 percent in October from 16.0 percent in September. The main factors which led to the decline in PPI in the third quarter of 2008 were decreases in the prices of petroleum and coal products, food manufacturing as well as wood.

### Inflation and monetary policy stance

During the third quarter of 2008, central banks in advanced economies reduced their key benchmark rates to mitigate the impact of the financial crisis on their economies. The Federal Reserve reduced its benchmark federal funds rate by 50 basis points to 1.0 percent in October 2008. The Federal Open Market Committee cited the slowdown in the pace of economic activity as the key reason that prompted its decision. Similarly, the European Central Bank and the Bank of England reduced their benchmark policy rates to 3.25 percent and 3.0 percent in November 2008, respectively. The reduction of benchmark rates was prompted by expected poor economic performance in both the Euro-zone and the UK (Table 3).

**Table 3: Policy and inflation rates in selected economies**

Country	Key targeted rate	Current rate in percent	Date of decision 2008 (months)	Inflation*	Real interest rates
USA	Fed Funds	1.00	October	3.7	-2.7
Canada	Overnight rate	2.25	October	2.6	-0.35
Australia	Cash rate	5.25	November	5.0	0.25
Euro-zone	Refinance rate	3.25	November	3.2	0.05
UK	Base rate	3.00	November	4.5	-1.5
Japan	Call rate	0.30	November	2.1	-1.8
South Africa	Repo rate	12.00	October	12.1	-0.1
Brazil	Short term interest rate	13.75	October	6.4	7.35
Russia	Refinancing rate	12.00	December	14.2	-1.2
China	Lending rate	5.58	October	4.0	1.58
India	Repo rate	7.50	October	8.9	-1.4

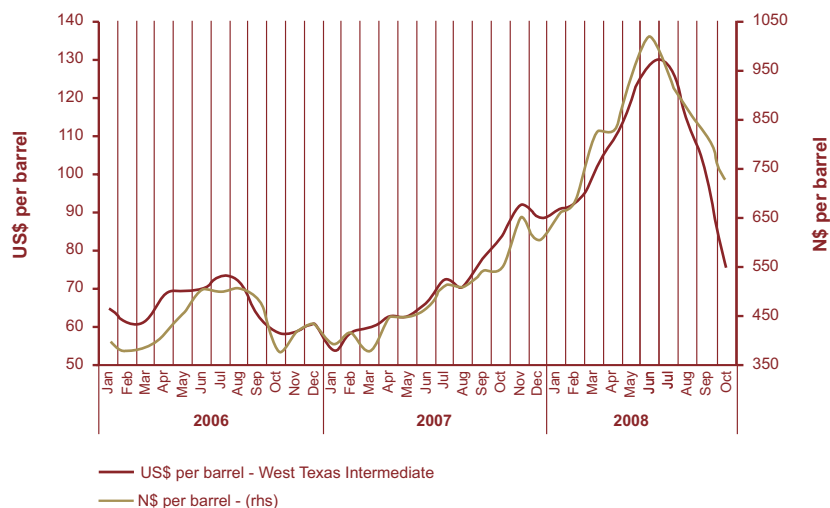
Source: Federal Reserve Board of the US, Bank of Canada, Reserve Bank of Australia, European Central Bank, Bank of England, Bank of Japan, South African Reserve Bank, Bank of Brazil, Bank of Russia, People's Bank of China and Reserve Bank of India, \*= The inflation rate for Japan is for September while for all other countries it is for October.

While the monetary policy stance pursued by advanced economies was uniformly expansionary, emerging markets pursued different monetary policy stances during the quarter under review. For example, the Bank of Brazil maintained its benchmark monetary policy rate at 13.75 percent during the third quarter of 2008. Similarly, the South African Reserve Bank maintained its repo rate unchanged at 12.0 percent in October 2008. In contrast, the People's Bank of China reduced its lending rate by 108 basis points to 5.58 percent to mitigate the effects of the global financial crisis on the economy.

## Oil and commodity prices

The average West Texas intermediate crude oil price for the third quarter moderated by 4.8 percent to US\$118 per barrel from US\$124 per barrel registered during the second quarter of 2008. The decline could mainly be explained by the decline in the demand for crude oil due to the slowdown in global growth as a result of the financial crisis (Chart 1). It is expected that the global financial markets turmoil would further weaken demand for crude oil leading to a decline in prices going forward.

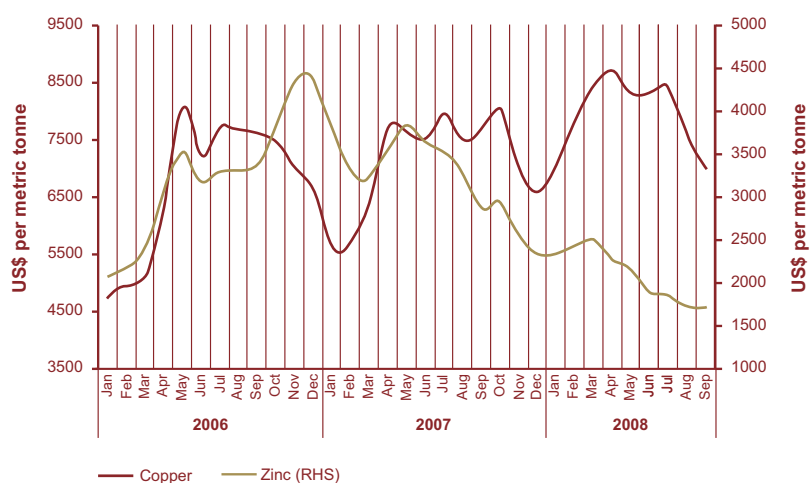
**Chart 1: Crude oil prices**



Source: IMF and Oanda.com

Prices of other commodities also declined during the third quarter of 2008. The average price of copper decreased by 0.8 percent, year-on-year during the third quarter of 2008 to US\$7 672.0 per metric tonne. On a quarterly basis, the price of copper decreased by 9.3 percent from US\$8 454 per metric tonne. The decline in copper prices could mainly be ascribed to weak global demand coupled with higher inventories. During the third quarter, the price of zinc decreased by 44.9 percent, year-on-year and 16.1 percent, quarter-on-quarter. The main factors that lead to the decline in zinc prices were higher inventories amid weak demand (Chart 2).

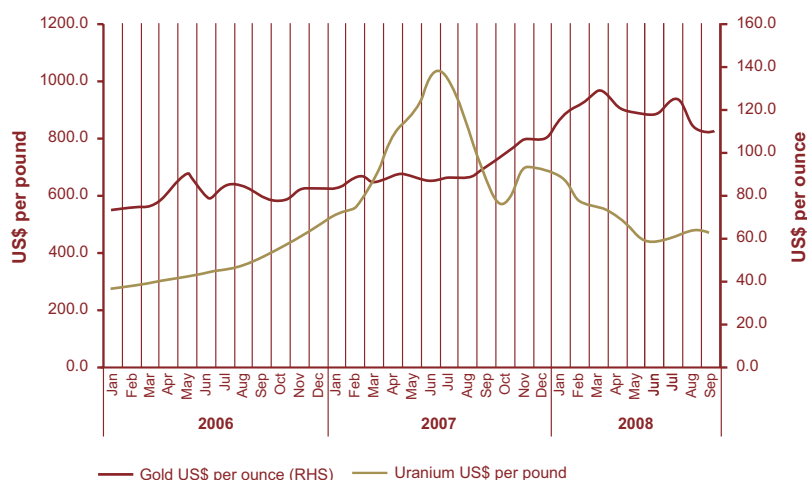
**Chart 2: Copper and Zinc prices**



Source: IMF

The average price of gold on the other hand increased by 27.6 percent in the third quarter of 2008 compared to the corresponding period of 2007. This could be ascribed to the demand for gold as a safe haven for investors in 2008 due to the global financial crisis that affected return on investment in other asset classes. On a quarterly basis, the gold price however, decreased by 3.0 percent to US\$869 per ounce. The average price of uranium decrease by 0.4 percent, quarter-on-quarter, during the third quarter of 2008.

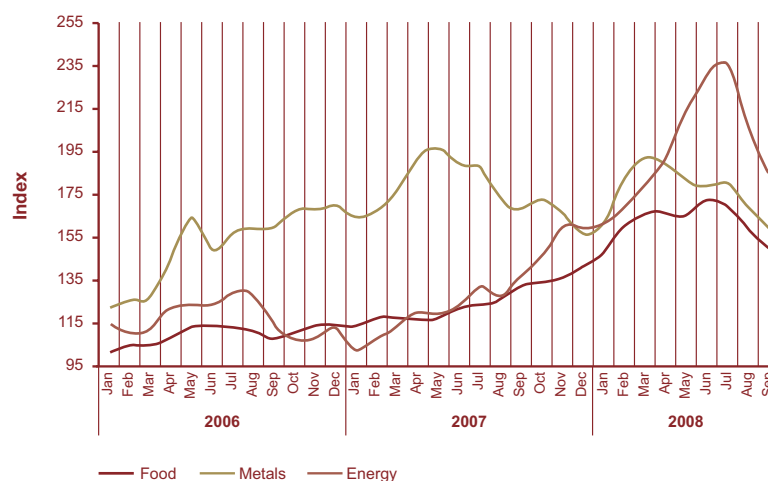
**Chart 3: Gold and Uranium prices**



Source: IMF

Overall, the commodity price indices for food, metals and energy declined in September by 6.4 percent, 6.2 percent and 11.6 percent, respectively when compared to the preceding month. The fundamental explanations underpinning the decreases in these indices are weakening demand, improved supply prospects and lower crude oil prices (Chart 4).

**Chart 4: Selected commodity price index**



Source: IMF

## **BOX ARTICLE: THE EFFECTS OF THE INTERNATIONAL FINANCIAL CRISIS ON NAMIBIA**

The global financial crisis has been dominating the headlines for the past few months. Initially, it was thought to be a problem of the United States and few other developed economies. However, during the past few months financial markets around the world have experienced unprecedented levels of volatility with far-reaching consequences for global economic growth. This article assesses the possible impact of the international financial crisis on the Namibian economy. In doing so it also traces the origin of the crisis, its impact on the global financial system, and remedial and policy responses by the most severely affected economies.

### **Origin of the crisis**

Most commentary on the current turmoil traces its origins back to the bursting of the US housing market bubble in mid 2006. The crisis was preceded by events such as the low interest rate environment in the US, rising house prices, a decline in lending standards. This, in turn, had encouraged borrowers to take up risky mortgages with the hope of refinancing at more favourable terms. A rise in interest rates and a decline in house price made refinancing difficult from 2006 to 2007 leading to a rise in defaults and foreclosures as the initial easy terms expired, rates on adjustable rate mortgages were set higher and house prices failed to rise higher as anticipated. It is estimated that during 2007, nearly 1.3 million properties were subject to foreclosure activity in the US, up by 79 percent from 2006.

Securitisation has been identified as another factor at the centre of the credit crunch. Securitisation enabled loans with a high risk of default to be originated, packaged and subsequently transferred to investors. The decline in house prices however, led to a fall in the value of the mortgage backed securities/investments and thus exacerbating the widespread mortgage defaults, foreclosures and devaluation of these assets. Consequently, financial institutions around the world realised subprime-related losses and write-downs totalling around \$500 billion as at end of August 2008; however, the IMF estimates that the total subprime related losses could be as high as US\$1.4 trillion.

### **Impact on the global financial system**

The most visible impact of the financial crisis has been the freezing of money markets, which made banks and other institutions unable to borrow funds to pay off maturing debt obligations. Mostly affected have been: (a) financial institutions, which had engaged in mortgage securitisation, such as Bear Sterns; (b) those with assets which had been derived from bundled home mortgages, such as the insurer America International Group (AIG); and (c) institutions with exposure to credit derivatives used to insure them against their failure, such as the Lehman Brothers. The crisis has caused panic in financial markets and encouraged investors to take their funds out of risky investments into cash and safer assets, like government securities and gold. The lack of confidence amongst global banks caused institutions with cash to hoard their cash on the fear of the safety of their deposits with other institutions. Moreover, concerns about who is still holding bad assets has seized up credit markets, with banks refusing to lend to one another out of fear that the borrowers or other banks could default. This, in turn, has caused solvency problems for investment banks whose funding model is mainly based on short-term borrowings.

Initially, emerging market and developing economies, have been unaffected by the crisis to a large extent, but they now face increased risk, including through second round effects such as a significant slowdown in global growth, and the possibility of reduced official development assistance. The main risk for emerging market economies, is mainly due to investors' risk aversion, which has resulted in the decline in stock markets and weakening of foreign currencies against the US dollar. Already a few emerging markets economies such as Hungary and Pakistan had to apply for bail out packages from the International Monetary Fund (IMF), with more in line to get financial assistance from the IMF and World Bank.

### **Remedial action and policy responses**

Various forms of action have been taken since the crisis became apparent in August 2007. Central banks have continued to pump hundreds of billions of dollars into interbank money markets which are now essentially on life-support from state institutions because commercial banks are too frightened to lend to one another. Various agencies and regulators, as well as political officials, began to take additional and more comprehensive steps to handle the crisis.



In a concerted effort with other major central banks, the US Federal Reserve Bank cut interest rates by 50 basis points to 1.50 on 8 October 2008. Other major central banks that lowered rates included the European Central Bank, the Bank of England, Bank of Canada, and Swiss National Bank all with 50 basis points. Other countries that have cut interest rates in the face of the market crisis include China, Australia and Hong Kong. Besides the rate cuts, the central banks have pumped enormous amounts of liquidity into the money markets and expanded collateral for loans to include commercial paper.

Governments across the globe have stated clearly that they will not allow their financial institutions to collapse in the face of the current crisis. For instance, the Bank of England has come to the rescue of two banks, Northern Rock and Bradford & Bingley, and the British government announced the formation of a 50 billion-pound (\$85 billion) programme to invest in at least eight British lenders. In the case of the USA, the Fed played a key role in the sale of Bear Stearns to JP Morgan, and provided an emergency loan to insurance group AIG. Further, the Fed also authorised a \$700 billion rescue package to the US financial markets. The Department of the Treasury also announced that mortgage lenders Fannie Mae and Freddie Mac would be placed into conservatorship with government taking over management.

### **The potential impact on Namibia**

The potential impact of the crises on Namibia could be manifold, and could be split into impact on the financial system and the overall macro-economy.

#### **Impact on the banking system**

The overall direct impact of the global financial market turmoil, on the domestic financial system has been low, thanks in part to limited exposures to sub-prime-related investments by financial intermediaries. Local banks continue to be liquid and well capitalised. Although there has been an increase in non-performing loans, this is mainly attributed to tighter monetary policy, which the Bank of Namibia has been pursuing since 2007 to contain inflationary pressures. Currently, banking institutions are holding more liquid assets than the minimum prescribed by the Bank of Namibia.

Interbank exposure among Namibian banking institutions is small relative to industry capital funds. As at June 2008, inter-banking institution borrowings and deposits comprised about 1.5 percent of industry capital and liabilities. Given the small size of the local inter-bank market, it is unlikely that a liquidity problem in one bank could spill over to other banks and cause a systemic liquidity problem. Moreover, exposure by local banking institutions to foreign banking institutions has reduced in recent quarters. Foreign currency deposits in relation to bank's capital funds fell from 30 percent in the fourth quarter of 2007 to 22 percent in the second quarter of 2008. The risk of direct contagion from abroad is further mitigated by the good standings of most of the foreign counterparties and well diversified exposures.

The liquidity risk of banking institutions was also minimised by the share of stable customer deposits, which stood at about 55 percent of total deposits in June 2008. Additionally, liquidity risk may not be a concern since the banking sector as a whole has not experienced more rapid growth in lending than deposit taking. Customer deposits, which are typically less costly and less volatile than most other funding sources, remained the principal sources of banking institutions' funding and their share of total liabilities was stable at about 97 percent of total deposits in the first half of 2008.

#### **Impact on the non-banking financial institutions**

The foreign exposure of non-banking financial institutions is relatively higher than that of banking institutions. As a result, non-bank financial institutions can feel the impact of the crisis more materially because of investments in equity markets in South Africa and elsewhere. The value of these institutions' equity investments may depreciate, which, in turn, may affect pension fund members, especially those belonging to defined contribution funds. Thus, large life insurance companies which invest in equities will be affected by the poor performance of equities. The extent will depend on the business mix, the asset-liabilities profile and the consequent exposure to these markets.

However, in Namibia most insurance companies are adequately capitalised to be able to shoulder potential losses. In addition, NAMFISA is particularly vigilant in regularly monitoring the solvency of all non-banking financial institutions to ensure that the risk exposure is managed in a prudent and risk-averse manner.

## **The macro-economic impact**

Although the Namibian financial system remains by and large unexposed to the global financial crises, the economy, nonetheless, remains vulnerable to the crises through other channels. These include less optimistic growth prospects due to lower demand for Namibian commodities, potential balance of payments shocks due to depreciation of the exchange rate and reduced revenue collection due to slower economic growth.

### **Reduced economic growth**

The Bank of Namibia recently revised its growth projection for 2008, to 3.9 percent from 4.6 percent at the beginning of the year. The revision is attributed to the lower demand especially for primary commodities on account of slower global growth induced by the financial crisis. However, the global financial crisis has further deepened, and it is likely that some parts of the world are heading for a recession or could already be in a recession. It is, therefore, possible that the actual growth could be even be lower than the recently projected 3.9 percent.

On the positive note, oil prices have subsided quite significantly on account of slower global economic growth. For instance, after hitting a high of US\$147 per barrel in July 2008, international crude oil prices declined to below US\$50 per barrel in the third week of November 2008. Consequently, there has been some downward adjustment of local pump prices. Unfortunately, with the sharp depreciation of the local currency it is likely that the full benefit of reduced crude oil prices might be realised.

### **Potential balance of payments shocks**

The overall impact of the financial crisis on the balance of payments is not clear at this stage. A sharp reduction on commodity prices could lead to less exports earnings. This, however, could be offset by the depreciation of the domestic currency, which will make exports more competitive. The import bill of fuel prices, which is estimated at 15 percent of the total imports in the first two quarters of 2008, could also decline due to lower crude oil prices. However, the weakened exchange rate may prevent Namibia from enjoying the full benefit of lower crude oil prices.

### **Potential impact on the fiscal accounts**

Lower economic growth due to the international financial crisis could potentially impact on the overall fiscal position through reduced revenue collection from domestic tax sources. Tax receipts from international trade may also decline significantly due to the similar negative impact exerted on the economies of Namibia's major trading partners, notably South Africa. Regarding debt servicing, although the State's foreign loan portfolio is relatively small, the weakened Namibia Dollar furthermore puts significant pressure on Government expenditure as far as the servicing of foreign debt is concerned.

## **Conclusions**

Namibia remains relatively insulated from the direct effect of the financial crises. This is mainly attributed to limited exposure of local banks to sub-prime related investments. Therefore, no monetary or fiscal rescue measures are foreseen in the near future. The impact on Namibia will only be felt through indirect channels such as the exchange rate and commodity prices. Overall, the decline in world output will cause a decline in the overall economic growth in Namibia. This could reduce government revenue (both domestic taxes and SACU receipts). Namibia must, therefore, brace for reduction in economic output and its attendant reduction in government revenue. At this stage, however, there is no need for contingency fiscal plan for Namibia to bail out illiquid financial institutions.



## REAL DOMESTIC ECONOMIC AND PRICE DEVELOPMENTS

### REAL DOMESTIC ECONOMIC DEVELOPMENTS

#### PRIMARY INDUSTRIES

The developments in the agricultural sector showed a decline in the volume of livestock sold over the first three quarters of 2008 when compared to the same period in 2007. The impact of floods, worms and premature ending of rain resulted in crop losses during the third quarter of 2008, causing inadequate harvest to sustain households. Horticulture on the hand, rose significantly over the same period due to increased output of onions, potatoes, pumpkin, sweet corn and sweet potatoes. On the mining and quarrying sector, the production of diamonds and zinc recorded declines during the third quarter of 2008, while the rest of other minerals showed increased production amidst slower demand and falling international prices. Despite the TACs that were kept unchanged, the main controlled species for the fishing season improved.

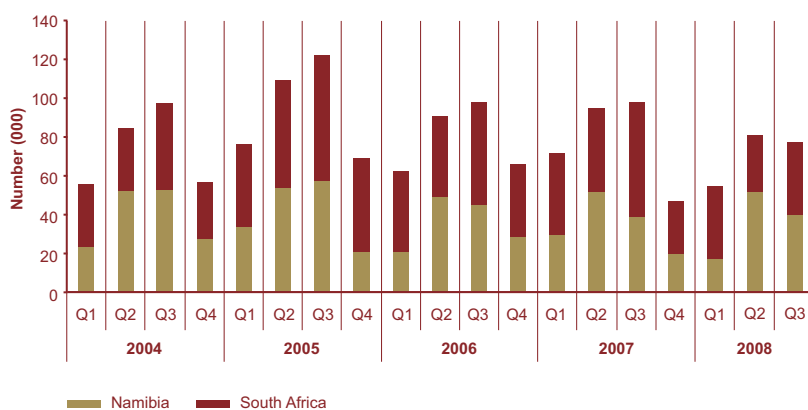
#### AGRICULTURE

##### Livestock

The volume of livestock sold during the first three quarters of 2008 is below that of the same quarters of the preceding year. The moderation in the volume of sales could be amongst other reasons, as a result of adequate reserve of pasture, following enough rainfall in 2007/08 season. Farmers for both cattle and small stock have been able to raise stock, opting for re-stocking than selling most of the stock (Charts 5 and 6).

The high price of maize that makes the feedlots less competitive and producer prices paid by local export abattoirs, contributed to the decline in total number of cattle sold by 3.9 percent, quarter-on-quarter, and by a higher decrease of 20.2 percent, year-on-year (Chart 5).

**Chart 5: Number of cattle marketed**

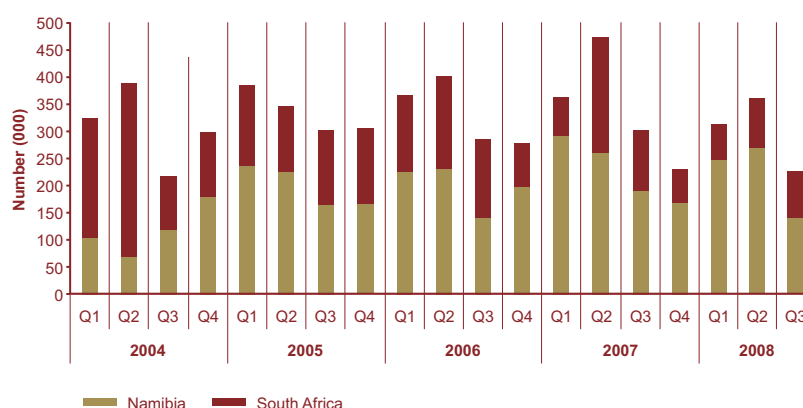


Source: Meat Board of Namibia

Quarter-on-quarter, the number of cattle marketed in the domestic market fell by 22.7 percent during the third quarter of 2008, while year-on-year a growth of 4.6 percent was realised. Conversely, live cattle marketed to the South African market rose by 30.5 percent, quarter-on-quarter, while it declined by 36.6 percent, year-on-year. The increased volume of sales to the South African market in the third quarter was seasonal, as weaners are always marketable at eight to nine months. As a result, the increased sale of weaners during the third quarter of 2008, especially during the month of August contributed to the rise in exports recorded during the quarter.

The total number of small stock sold declined at a higher rate of 37.4 percent, quarter-on-quarter than the 24.7 percent registered on an annual basis. The decline on the quarterly basis was reflected in a decrease of 47.7 percent in the number of small marketed locally and that of 6.6 percent to South Africa (Chart 6). On a yearly basis, developments showed the same trend as the quarterly, with the volume of domestic sales fell by 25.4 percent and that exported by 23.7 percent.

**Chart 6: Number of small stock marketed**



Source: Meat Board of Namibia

## Crop production

The impact of floods, worms and premature ending of rainfall in early March 2008 resulted in great crop losses, especially for the crops which were planted late. As a result, there was inadequate harvest to sustain households until the end of the third quarter on 2008, causing deterioration in household food security. In addition, the shortage of drought resistant animal power for ploughing during the first quarter of 2008, especially in the northern regions of the country, contributed further to the food shortage. It is believed that households with either direct or indirect dependency on rain fed agriculture have been most affected, as they have no other means of income. In order to support the adversely affected households whose situation was worsened by soaring food prices, the Government started with the distribution of food aid to the vulnerable groups in September 2008.

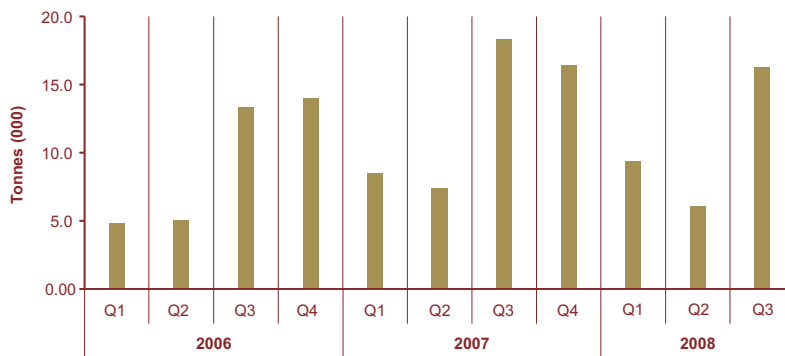
It is against this background that according to Namibia's Crop Prospects and Food Security Situation Report for June 2008, cereal supply and demand situation for the country in 2008/2009 harvesting season shows a trade deficit of 63 000 tonnes of cereal. The cereal deficit will, however, be covered by additional imports in the form of grains. The expected food scarcity might be reversed given the rainfall that seem to have started early at the beginning of hunger season<sup>1</sup> of 2008/2009, resulting in lower imports of grains for the marketing year 2008/2009.

## Horticulture

Horticulture output rose significantly by 17.9 thousand tonnes during the third quarter compared to 11.2 thousand tonnes registered during the previous quarter (Chart 7). This growth was mainly reflected in the increased output for onions, potatoes, pumpkin, sweet corn and sweet potatoes. The contribution of onions in the total output was the highest in the quarter at 39.0 percent, followed by potatoes at 30.0 percent, pumpkin and sweet potatoes were both 4.0 percent, while sweet corn stood at 1.0 percent. On the other hand, output of tomatoes declined sharply quarter-on-quarter, by 418.6 tonnes to 1.6 thousand tonnes.

<sup>1</sup>Hunger season refers to the period between October of the current year to April in the following year.

**Chart 7: Horticulture production**



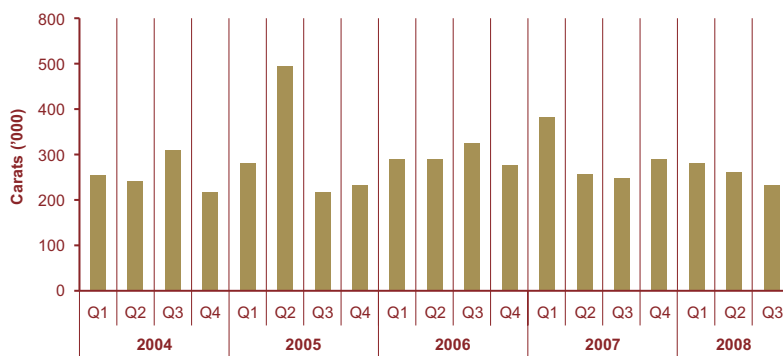
Source: Namibian Agronomic Board

## MINING AND QUARRYING

### Diamonds

Due to the depleting on-shore diamond mining, production continues to be scaling down since the first quarter of 2008, although the levels are firm, relative to those of the preceding year (Chart 8). As a result of continuous declining number of produced carats, during the third quarter of 2008 output declined both quarter-on-quarter and year-on-year. However, the decline on a quarterly basis was higher at 10.3 percent compared to only 7.0 percent on a yearly basis. The continuing decline in production will have further implications of employment and therefore requiring mitigating measures. For example, there are plans already to outsource some of the mining service facilities such as the hospital that a key diamond mining company is running to interested private contractors. This will transfer all involved costs from the mining company to the contractor.

**Chart 8: Diamond production**

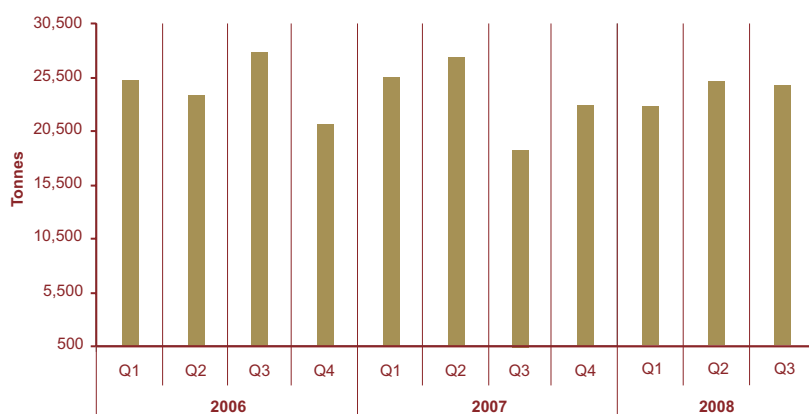


Source: Ministry of Mines and Energy

### Zinc concentrate

The production of zinc concentrate slightly declined during the third quarter, decreasing by 1.9 percent on a quarterly basis to 24 820 tonnes (Chart 9). However, production rose significantly on a yearly basis, increasing by 32.1 percent.

**Chart 9: Zinc concentrate production**

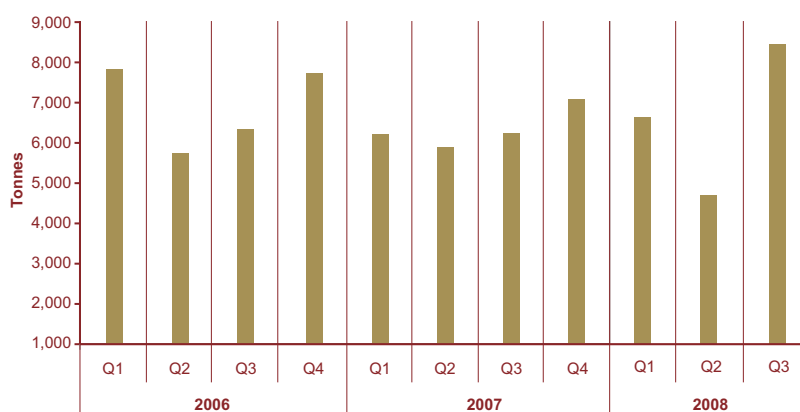


Source: Ministry of Mines and Energy

## Copper concentrate

Production of copper concentrate during the third quarter of 2008 was remarkably high (Chart 10). The record high production was caused by increased importation of copper concentrate from copper producing countries such as Bulgaria, coupled with improved production processes at the mines during the third quarter of 2008. Copper concentrate rose by 80.2 percent and by 35.2 percent on a quarterly and annual basis, respectively to 8 416 tonnes during the third quarter of 2008.

**Chart 10: Copper concentrate**



Source: Ministry of Mines and Energy

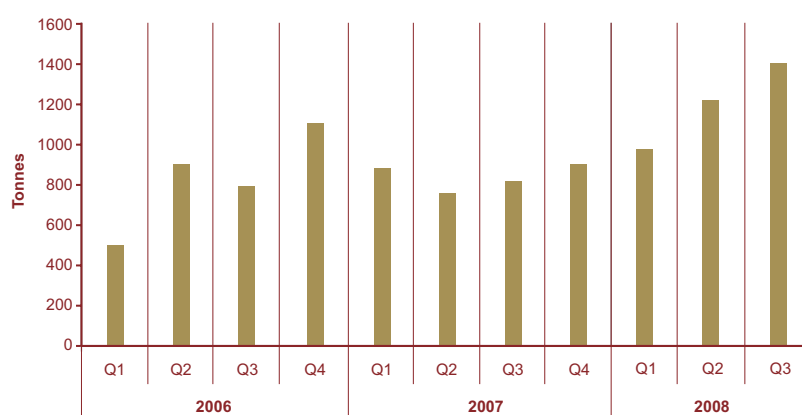
With the declining copper price, which has reached levels not profitable to mines, copper mining in Namibia has been put on hold, until prices return to profitable levels. It is in this light that, mining activities on all four copper mines in Namibia has been reduced to care and maintenance basis, hoping market conditions will once again push up prices. In line with the suspended mining operations, hundreds of employees (about 643 employees in total) are to lose their employment by December 2008.

This negative impact on copper mining emanating from decreased international copper price is not only limited to copper mining operations, as others such as that for crude oil, uranium, gold and zinc, amongst others have all been declining sharply, year-on-year. Reduced mining activities will therefore be experienced in other mining operations in Namibia with adverse impact on exploration investments, as exploration projects are scaled down until market conditions improves. Further, raising finance to fund projects has increasingly become difficult amidst stock exchanges that have been severely affected by the financial crisis. Moreover, it is more likely that more jobs will have to be cut as mitigating measures should be employed such as on how to cut costs in general.

## Uranium

The total output of uranium continued increasing on a quarterly basis during the third quarter of 2008, a trend which started during the corresponding quarter of 2007 (Chart 11). This is mainly due to rising in production from Langer Heinrich, which started to produce at full capacity, as well as the completion of rampup at the mine. Increased uranium production is encouraging amidst the declining price of uranium on the spot market. Since the beginning of the year, restricted uranium spot price for U308 has moderated significantly, from U\$87.55 per pound in January 2008 to U\$63.00 per pound by the end of the third quarter. This represents a decline of 28.0 percent.

**Chart 11: Uranium production**



Source: Ministry of Mines and Energy

## Exploration

During the first three quarters of 2008, the Ministry of Mines and Energy issued a total of 281 Exclusive Prospective Licenses (EPLs) in comparison to 377 licenses issued over the same period in 2007 (Table 4). This indicates that on average minerals exploration activities in the country, although still buoyant, is starting to respond to the decline in global commodity prices especially during the third quarter of 2008. Spot commodity prices have fallen significantly from their peak following the onset of the global economic and market woes; however the overall effects of the financial crisis will dissipate over time and the full impact on domestic exploration activities remain to be seen.

**Table 4: Number of EPLs granted**

	2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Base and rare metals	7	58	35	28	18	25	14
Industrial minerals	6	33	30	20	20	25	12
Dimension stone	2	3	2	5	5	11	6
Non-nuclear fuel	0	3	1	5	4	7	3
Nuclear fuel	1	2	3	18	8	1	2
Precious metals	6	52	36	25	19	26	14
Precious stones	14	34	29	39	17	19	13
Semi-precious stones	3	17	0	1	9	3	0
<b>Total</b>	<b>39</b>	<b>202</b>	<b>136</b>	<b>141</b>	<b>100</b>	<b>117</b>	<b>64</b>

Source: Ministry of Mines and Energy



During the third quarter of 2008, the total number of EPLs granted declined by 45.3 percent in comparison to an increase of 38.9 percent observed during the previous quarter. This development is reflective of declines observed in EPLs granted for exploration of various types of minerals. In the category of base and rare metals, a decline of 44.0 percent was observed in EPLs granted, while in the industrial minerals categories EPLs granted fell by 52.0 percent. The precious metals and precious stones category recorded declines of 46.2 percent and 31.6 percent, respectively in EPLs during the third quarter of 2008. Similarly, industrial minerals and dimension stone recorded declines over the same period. However, nuclear EPLs issued rose, quarter-on-quarter, during the third quarter of 2008.

## FISHING

Despite the TACs that were kept unchanged for the main controlled species for the fishing season, starting 1 May 2008 to 30 April 2009, landings of major species improved, quarter-on-quarter during the second quarter of 2008. Favourable oceanic conditions that led to the improved catch per unit effort, resulted in higher landings during the second quarter. However, the landings for monk and sole, rock lobster and tuna declined over the same period.

The bottom long-lining showed a significant increase of 75.0 percent, quarter-on-quarter during the second quarter of 2008, followed by a 46.2 percent, 42.6 percent and 26.7 percent for rocklobster, linefish and mid-water trawling, respectively. Similarly, crab recorded landings of 465 metric ton for the second quarter, following zero landing during the preceding quarter. A significant decline of 67.3 percent was, however, recorded for tuna as well as decreases of 18.9 percent for monk and sole and 7.9 percent for all other.

## SECONDARY INDUSTRIES

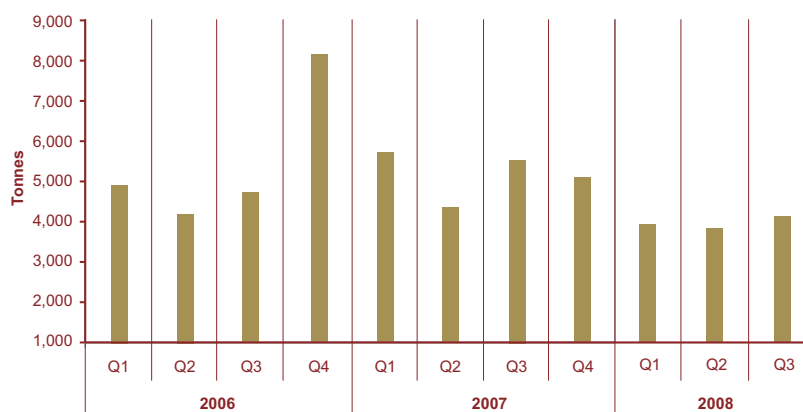
The processing of zinc, copper and gold increased despite the scaling down of global economic activities. The manufacturing of beer, liquor and soft drinks was mixed, with beer production improving during the first two quarters of 2008. Unlike the moderation in electricity consumption experienced since the third quarter of 2007, it rose, quarter-on-quarter during the third quarter of 2008 due to high demand for energy during the winter.

## MANUFACTURING

### Copper blister

The production of copper blister rose during the third quarter of 2008 due to improved mining conditions at the mine that came as a result of recent developments. The increase in production of copper blister was further boosted by importation of copper concentrate from countries such as Bulgaria, Zambia and Democratic Republic of Congo (DRC). The realised output in copper blister reversed the trend observed since the fourth quarter of 2007 (Chart 12), rising quarter-on-quarter, by 8.5 percent, but falling year-on-year, by 25.5 percent to 4 108 tonnes.

**Chart 12: Blister copper production**



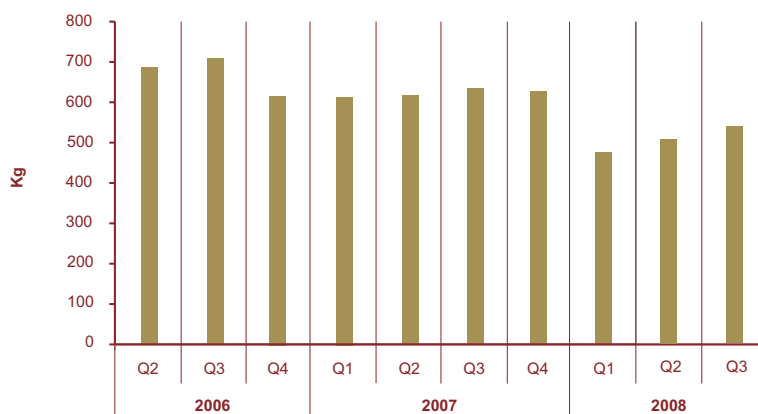
Source: Ministry of Mines and Energy

## Gold

### Gold bullion

With regard to the production of gold bullion, an increasing trend similar to that of the preceding quarter was realised in the third quarter of 2008 (Chart 13). Though lower than the production levels of the preceding four quarters of 2007, the start of an upward trend in production is an indication of high demand for gold due to the rise in jewellery demand. The strong recovery in jewellery demand came from countries such as India, Middle East, Indonesia and China while, on the other hand, there was lower demand from the US, and UK. Gold bullion production in the third quarter rose, quarter-on-quarter, by 7.4 percent but declined by 15.4 percent, year-on-year, to 540 kg.

**Chart 13: Gold bullion produced**

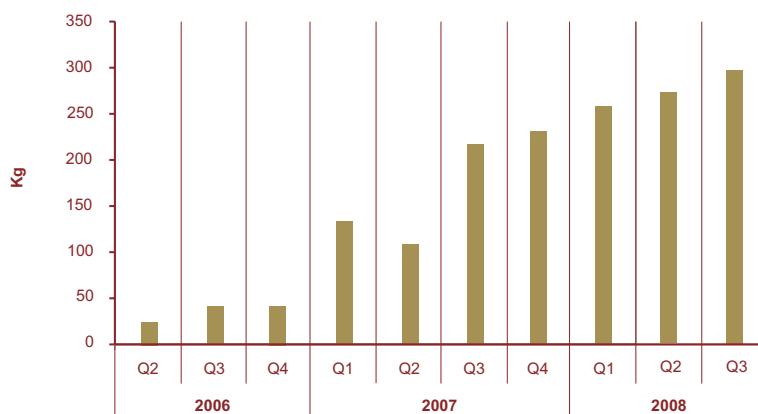


Source: Ministry of Mines and Energy

### Gold blister

Due to the continued importation of copper, especially from Bulgaria, with high content of gold, the increased production of gold blister continued, with output reaching record high levels in three years (Chart 14). During the third quarter, gold blister rose by 9.7 percent, quarter-on-quarter, and by 39.3 percent, year-on-year to 294 kg.

**Chart 14: Gold blister produced**

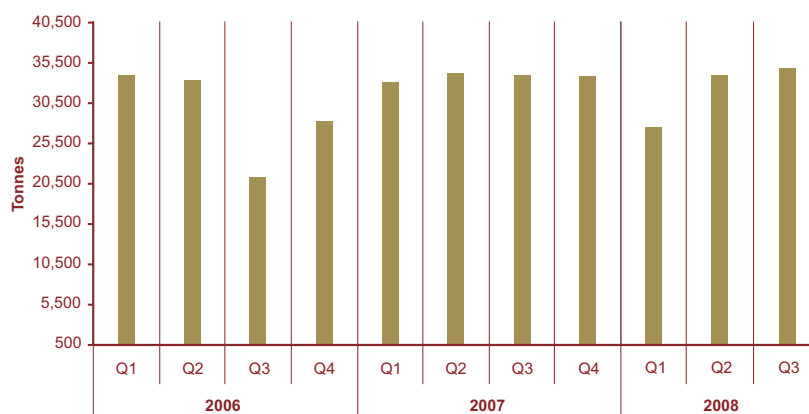


Source: Ministry of Mines and Energy

### Refined Zinc

Despite the moderation in global economic activities, refined zinc output during the third quarter remained firm. This is a remarkable development in mining amidst the scaling down of the world economic output coupled with emergence of recession in some of the major economies. Further, the refined zinc operations continued producing at levels similar to those realised during periods when prices were record high as opposed to the third quarter when international zinc prices were declining (Chart 15). The production realised in the third quarter rose by 2.7 percent, quarter-on-quarter, the while increasing by 3.0 percent, year-on-year, to 38 862 tonnes.

**Chart 15: Refined zinc production**



Source: Ministry of Mines and Energy

## Beer, liquor and soft drinks

The manufacturing of beer, liquor and soft drinks was mixed during the third quarter of 2008, with beer production improving after declines during the first two quarters of 2008. On the other hand, relative to the second quarter of 2008, the production of soft drinks moderated in the third quarter, but remained higher than the output for the same quarters of the preceding two years (Chart 16). Further, the production of liquor as in the second quarter declined. Developments in this sector are usually driven by seasonal factors, as consumers tend to consume less in winter and more in summer.

**Chart 16: Production of beer, liquor and soft drinks**

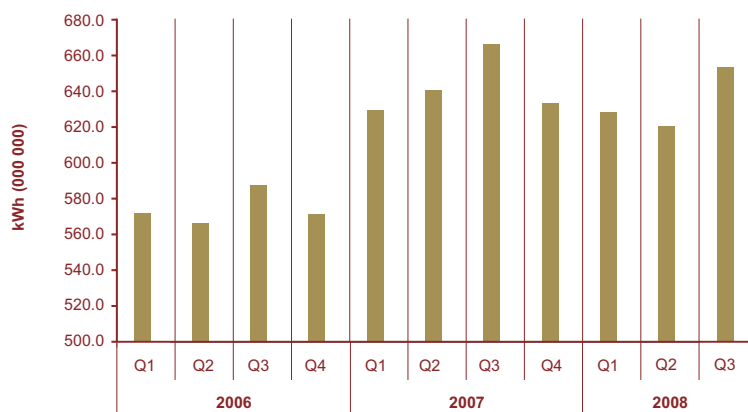


Source: Namibia breweries and Namibia beverages

## ELECTRICITY

The rate of electricity consumption has been moderating since the third quarter of 2007 (Chart 17). However, the downward trend in electricity consumption did not continue during the third quarter of 2008, with domestic consumption rising by 5.1 percent, quarter-on-quarter, but declining, year-on-year, by 2.0 percent. The increased consumption on a quarterly basis was driven mainly by high demand for energy during the winter.

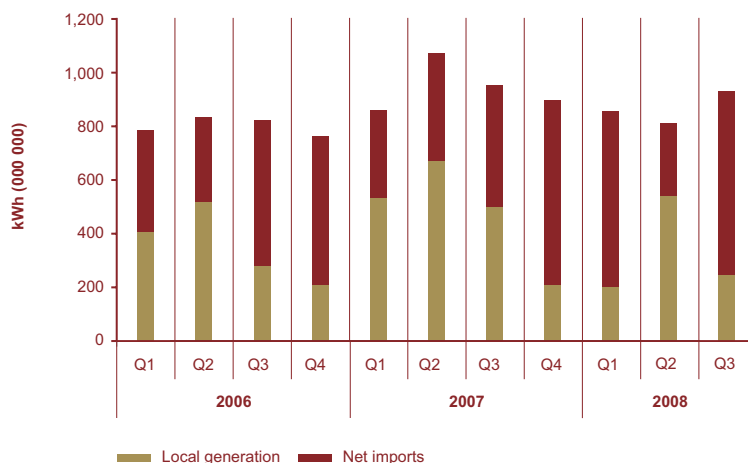
**Chart 17: Electricity consumption**



Source: NamPower

The rise in electricity consumption was accommodated by higher net imports that rose by 417.0 million kWh to 682.9 million kWh (Chart 18). Further, unlike in the preceding quarter when consumption was met by locally generated electricity supply, production from domestic sources fell both on a quarterly and annual basis in the third quarter of 2008. The slowdown in domestic supply of electricity was caused by the expected reduced flow of the Ruacana River this time of the year.

**Chart 18: Electricity production**



Source: NamPower

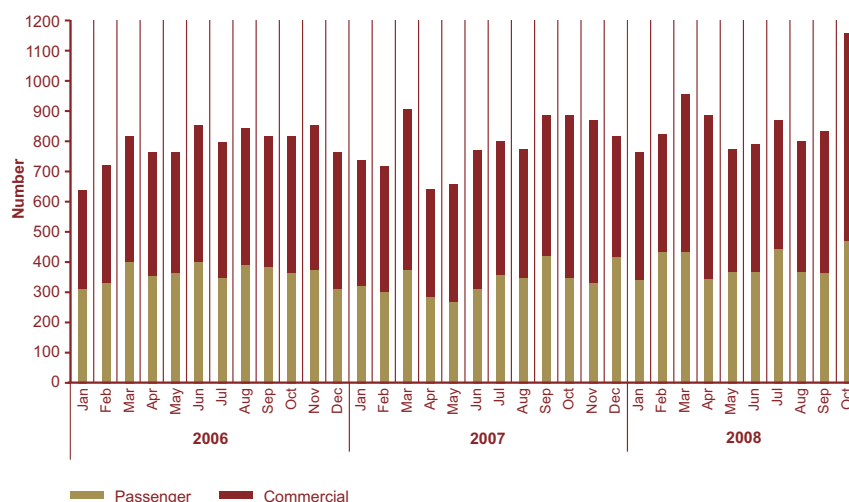
## TERTIARY INDUSTRIES

The number of vehicle sold increased slightly during the third quarter of 2008 when compared to the preceding and corresponding quarters. The volume of tonnage shipped through the Walvis Bay and Luderitz rose during the third quarter. This is unlike the volume transported by the national carrier that fell due to labour unrest during the quarter. The registration of businesses rose over the same period, with the categories of defensive names and (PTY) Ltd increased, while that for close corporations fell.

## VEHICLE SALES

The number of vehicles sold, increased slightly by 1.8 percent and 1.0 percent, when compared to the preceding and corresponding quarters, respectively. The number of both new passenger and commercial vehicles sold in the third quarter of 2008 increased to 2,490 from 2,445 registered during the preceding quarter. The number of vehicles sold was also higher than that of 2,443 recorded during the third quarter of 2007 (Chart 19). The rise in the sales of vehicles sold could be attributed to the fleet ordered by Government during the quarter.

**Chart 19: Number of vehicles sold**



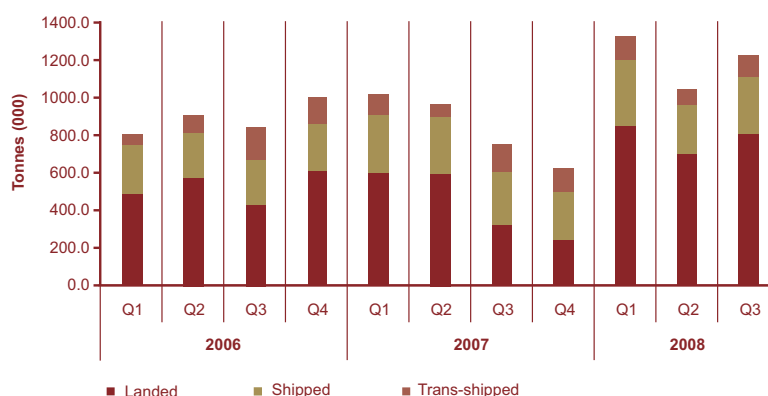
Source: Simonis Storm Securities

## TRANSPORT

Despite the improved volume of tonnage shipped through the two harbours (Walvis Bay and Luderitz), the volume transported by the national carrier<sup>2</sup> during the third quarter of 2008, moderated both on a quarterly and annual basis.

Namport operations in terms of the total amount of cargo handled during the third quarter improved, relative to the preceding quarter. This is evident for the volume handled at both ports, with the Walvis Harbour docking rising by 18.3 percent and a high 65.3 percent, quarter-on-quarter, and year-on-year, respectively. Although the increase was reflected in all three categories, a high rise of 64.9 percent, quarter-on-quarter was recorded in transported shipment, while shipped and landed cargo reported a growth of 15.9 percent and 14.6 percent, respectively during the third quarter of 2008 (Chart 20).

**Chart 20: Namport operations (Walvis Bay)**

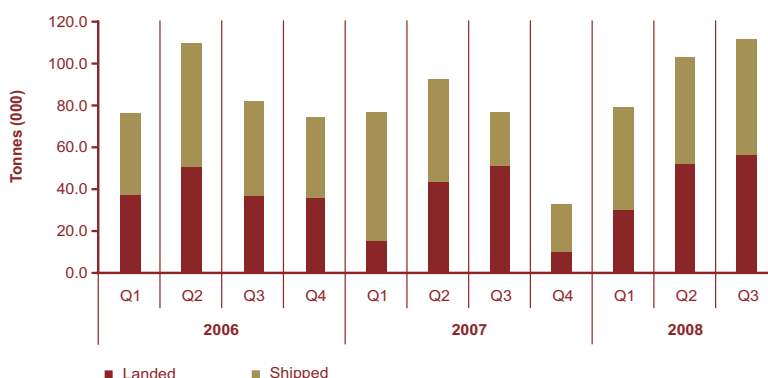


Source: Namport

With regard to the operations at Luderitz harbour, which mostly facilitates zinc mining activities, the volumes handled have been increasing since the first quarter of 2008 (Chart 21). The increase was mainly reflected in the categories: landed and shipped which both rose, quarter-on-quarter, by 8.5 percent during the third quarter.

<sup>2</sup>The unavailability of data on road transport services provided by private companies hampers full analysis of the road transport services. However, an attempt to start collecting similar information from the private sector is underway.

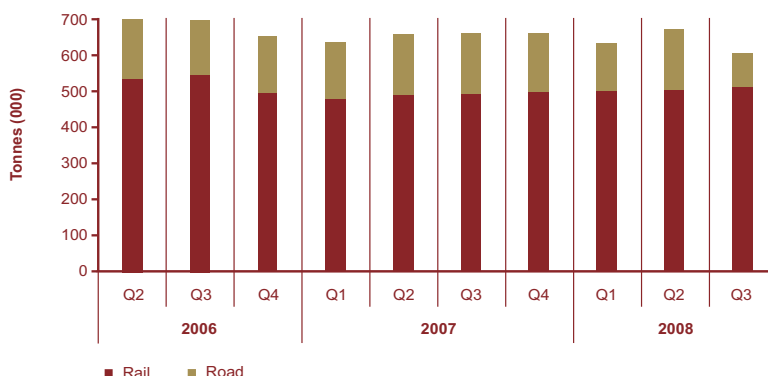
**Chart 21: Namport operations (Luderitz)**



Source: Namport

Labour unrest at TransNamib during the third quarter contributed to the decline in the volume transported by TransNamib that fell by 9.8 percent and 8.5 percent on a quarterly and annual basis, respectively (Chart 22). The decline was mainly reflected in road transport that fell by 44.3 percent, quarter-on-quarter, while that for rail rose by 1.8 percent.

**Chart 22: TransNamib Freight**

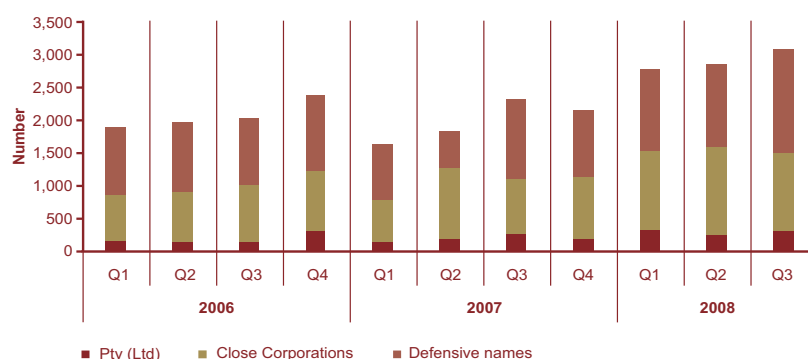


Source: TransNamib

## CORPORATE REGISTRATIONS

The rise in the registration of businesses since the fourth quarter of 2007 continued in the third quarter of 2008. The categories that continued increasing were those of the defensive names and (Pty) Ltd, while that for close corporations fell (Chart 23). This is a signal of more initiative put by the business community towards establishing companies. In the third quarter of 2008, registration of businesses rose on a quarterly basis by 8.4 percent and by 33.3 percent annually. The biggest rise was in the category defensive names at 25.9 percent followed by that of (Pty) Ltd at 21.5 percent. In contrast, the category close corporations fell by 9.9 percent.

**Chart 23: Company registrations**

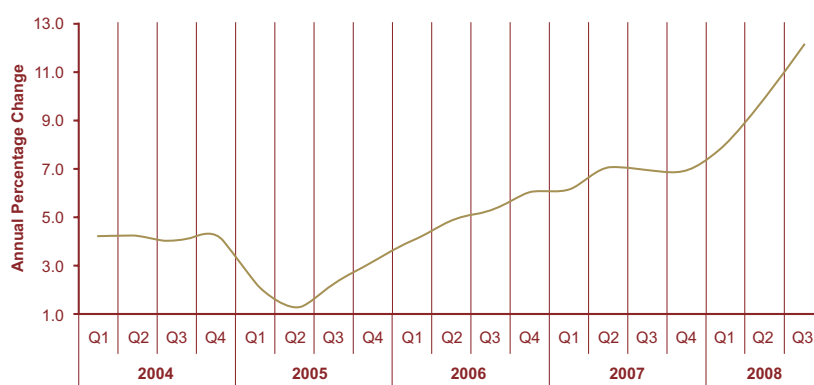


Source: Registrar of Companies (Ministry of Trade & Industry)

## PRICE DEVELOPMENTS

Driven by high food and fuel prices, the upward trend in the Namibia Consumer Price Index (NCPI) continued during the third quarter of 2008. The inflation rate rose to a quarterly average of 12.0 percent from 9.8 percent during the previous quarter (Chart 24). Going forward, inflationary pressures could subside somewhat in view of international crude oil prices and agricultural commodity prices that have started to abate. Nevertheless, due to the weakening exchange rate, Namibia might not benefit fully from the recent decline in commodity prices, hence it would be imperative to be cautious about the outlook.

**Chart 24: Overall inflation (NCPI)**



Source: Central Bureau of Statistics

### Food inflation

During the third quarter of 2008, the average annual food inflation increased by 1.8 percentage points to 18.6 percent from 16.8 percent recorded during the second quarter of 2008 (Table 5). Contributing to the rise in food inflation were mainly the sub-categories of fish and meat, which increased by 4.9 percent and 3.4 percent, respectively during the quarter. It is worth noting that food inflation moderated to 18.3 percent in August from 18.8 percent in July following the implementation of the zero-rating of Value Added Tax (VAT) on selected basic food items during that month. The decrease was, however, not significant to slow down the acceleration of food inflation during the quarter.

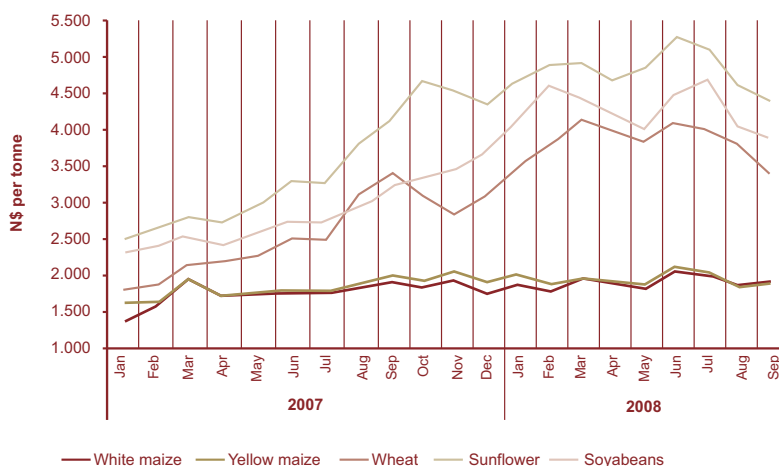
**Table 5: NCPI food items (Quarterly averages)**

	2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Food and non-alcoholic beverages</b>	<b>9.7</b>	<b>11.9</b>	<b>13.5</b>	<b>13.6</b>	<b>15.4</b>	<b>16.8</b>	<b>18.6</b>
<b>Food</b>	10.2	12.6	14.3	14.3	16.0	17.4	19.0
Bread and Cereals	5.3	10.6	10.9	16.7	19.4	21.7	23.1
Meat	18.2	16.8	13.9	8.2	9.6	12.0	15.4
Fish	17.3	21.5	17.3	10.5	13.4	10.7	14.9
Milk, Cheese & Eggs	7.3	10.7	24.3	24.8	25.9	24.6	23.4
Oils and Fats	9.5	10.6	15.3	14.9	22.3	31.9	33.2
Fruit	8.6	16.6	19.0	22.1	23.6	21.9	18.6
Vegetables, incl. potatoes and other tubers	10.6	17.3	22.1	22.3	23.5	18.1	16.2
Sugar, jam, honey syrups, chocolate and confectionary	7.2	7.0	8.1	8.1	9.9	11.4	14.6
Food products	3.4	2.9	3.9	6.7	8.5	12.9	14.8
<b>Non-alcoholic beverages</b>	<b>4.2</b>	<b>4.6</b>	<b>4.9</b>	<b>6.3</b>	<b>7.7</b>	<b>9.9</b>	<b>13.5</b>
Coffee, tea, and cocoa	3.2	3.4	4.6	6.0	6.9	10.1	16.1
Mineral waters, soft drinks and juices	4.1	5.4	5.4	6.7	8.2	9.6	12.2
<b>Overall inflation</b>	<b>6.1</b>	<b>7.0</b>	<b>6.9</b>	<b>6.9</b>	<b>8.0</b>	<b>9.8</b>	<b>12.0</b>



As shown in Table 5, rising prices in the bread and cereals, and oils and fats sub-categories were among the prime drivers of high food inflation. However, developments in international markets indicate that the prices of sunflower and wheat have started to subside (Chart 25) and it is expected that domestic prices will follow this global trend, albeit with lag effects. Additionally, Namib Mills, the country's leading grain products manufacturer, announced a 7.5 percent reduction in the selling price of wheat flour products in October 2008, minimising inflationary pressures from food sub-categories and providing relief to the poor in particular.

**Chart 25: Cereals spot prices**

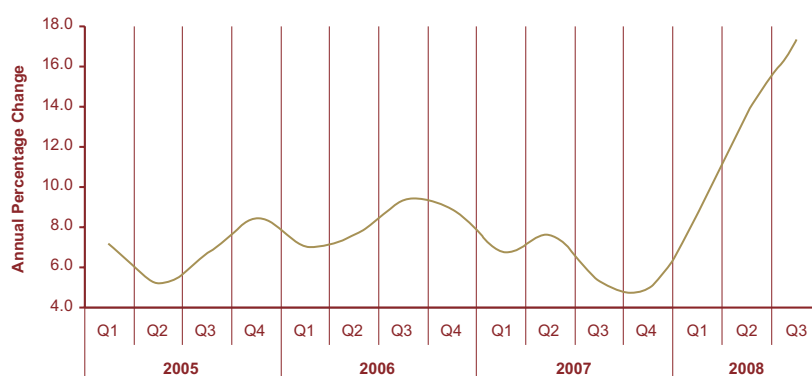


Source: Safex

## Transport inflation

Inflation in the transport category climbed to 17.2 percent during the third quarter of 2008 from 13.7 percent recorded during the previous quarter (Chart 26). The jump was primarily driven by inflationary pressure from the sub-categories public transportation services and operation of personal transport equipment which recorded increases of 7.0 percent and 4.5 percent, respectively during the quarter. The sharp increase in public transportation services inflation reflects a 10 percent hike in bus and taxi fares in July. Going forward; public transport fares are expected to remain stable due to the moderation observed in fuel prices.

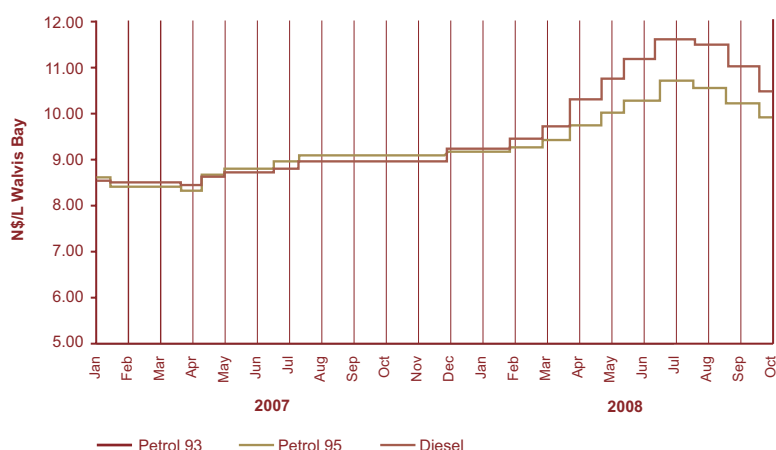
**Chart 26: Transport inflation**



Source: Central Bureau of Statistics

Following the decline in fuel prices, downward adjustments in domestic pump prices were observed since August 2008 (Chart 27). Local fuel prices were reduced 3 times since August 2008, petrol by a total cumulative amount of N\$1.30 and diesel by N\$1.90. Subsequent downward revisions are expected, considering a declining trend observed in international crude oil prices that fell below US\$50 per barrel in November. The depreciation of the Rand against the US Dollar in which international crude oil prices is denominated, however, could reverse the easing in crude oil prices. Intensive users such as the fishing, mining and transport industries are amongst the immediate beneficiaries of falling fuel prices.

**Chart 27: Controlled fuel prices**



Source: Ministry of Mines and Energy

## Housing, water, electricity, gas and other fuel

The average inflation of housing, water, electricity, gas and other fuels rose from 3.3 percent during the second quarter of 2008 to 4.9 percent during the third quarter. Contributing to this development were increases in regular maintenance and repair of dwellings which rose significantly by 35.2 percent, and electricity, gas and other fuels which increased by 5.0 percent during the quarter. The sharp increase in the subcategory of regular maintenance and repair of dwellings was due to the increase in the price of cement in Namibia, emanating from a shortage of cement in the region due to increased construction activities in South Africa ahead of the 2010 FIFA World Cup. Another factor contributing to the rise in inflation for the housing category was the annual adjustments in municipal services tariffs that usually take effect in July. In Windhoek, for example, electricity tariffs were hiked by 12.3 percent, water by 10.0 percent and sewerage by 12.0 percent and further contributed to the observed increase in this category.

## Furnishings, household equipment & routine maintenance

During the third quarter of 2008, inflation in the furnishing, household equipment and routine maintenance category increased to 11.2 percent from 7.9 percent recorded during the previous quarter. Driving this development is a 7.1 percent increase in the category of carpets and other floor coverings, which was due to rising input costs on the supply-side. During the corresponding quarter of 2007, a much lower rate of 4.3 percent was recorded for this category.

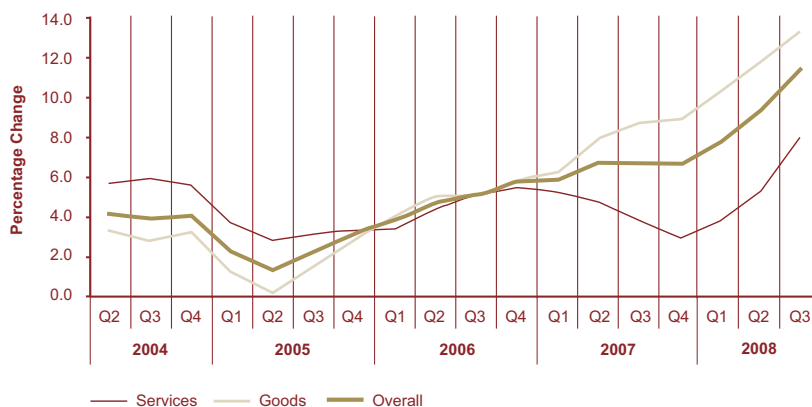
## Miscellaneous goods and services

Inflation in this category rose by 4.2 percent during the third quarter to 6.8 percent. This was mainly as a result of an increase in the insurance sub-category which rose to 9.4 percent from 1.3 percent. This emanated from the annual adjustments of insurance premiums during the quarter. A 3.1 percent increase recorded in the personal care category also contributed to the overall increase in miscellaneous goods and services inflation.

## Goods and services inflation

Both goods' and services' inflation continued trending upwards, with goods' inflation above that of services. The inflation rate for the services category averaged 8.4 percent during the third quarter, an increase of 2.9 percentage points during the preceding quarter and 4.5 percentage points during the corresponding quarter of 2007 (Chart 28). The increase observed in services inflation was reflected mainly in a rise in the indices of transport, miscellaneous goods and services and hotels, cafes and restaurants.

**Chart 28: Namibia's goods and services inflation**

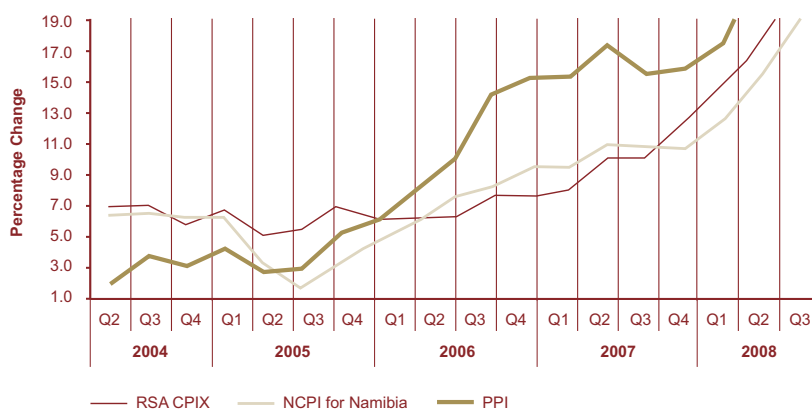


Source: Central Bureau of Statistics

The annual inflation rate of goods also rose from 12.4 percent, quarter-on-quarter, to 13.9 percent during the third quarter of 2008. The increase in goods inflation was largely due to increases in food inflation, aided by rising prices in the furnishings, household equipment and routine maintenance category.

Like in Namibia, high and rising food and transportation prices are also key drivers of inflation in South Africa, with the CPIX trending above the NCPI (Chart 29). The CPIX averaged at 13.2 percent during the third quarter of 2008, representing an increase from an average of 11.0 percent recorded during the previous quarter. On a monthly basis, the CPIX receded from 13.6 percent in August to 13.0 percent in September 2008, and further to 12.4 percent in October as transportation inflationary pressures continue to abate.

**Chart 29: NCPI vs South African CPIX and PPI**



Source: Central Bureau of Statistics and STATSSA

The South African Producer Price Index (PPI) for domestic output rose to an average of 18.0 percent during the third quarter from 15.2 percent recorded during the second quarter of 2008. The underlying reason for the rise in the PPI during the quarter was mainly increases in the indices for electricity, transport and basic metals. Month-on-month, however, the PPI fell from 19.1 percent to 16.0 percent between August and September 2008, before falling further to 14.5 percent in October, signalling easing inflationary pressures going forward.

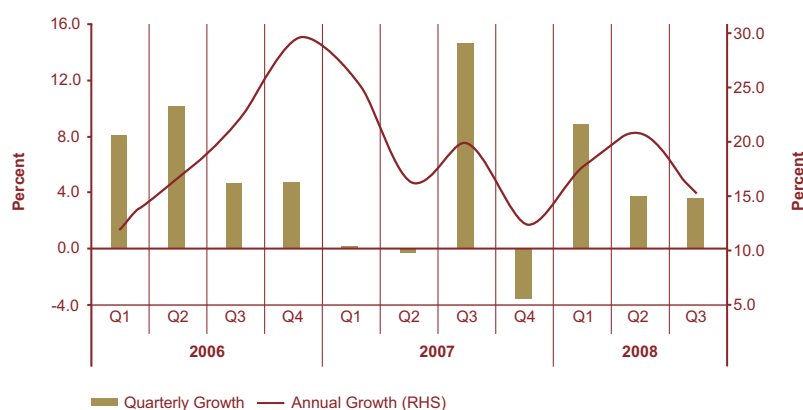


## MONETARY AND FINANCIAL DEVELOPMENTS

### MONETARY AGGREGATES

Broad money liabilities (M2) increased by 3.5 percent at the end of the third quarter of 2008, a slight moderation from a growth of 3.6 percent recorded at the end of the preceding quarter. Driving the growth in M2 was the net foreign assets of the banking system supported by domestic credit. The residual element, other items net, recorded a decline and hence exerted a contractionary effect to the overall growth in M2.

**Chart 30: Monetary aggregates (M2) growth rates**



### Components of money supply

At the end of the third quarter of 2008, there was a moderation in the growth rate of transferable deposits, while currency in circulation and other deposits grew at a faster pace. Other deposits rose by 1.6 percent following a marginal increase of 0.4 percent at the end of the second quarter. A 16.6 percent increase in businesses' other deposits contributed largely to this development. Similarly, currency in circulation increased by 12.4 percent compared to a much lower growth of only 3.1 percent at the end of the previous quarter.

Transferable deposits grew by 4.1 percent, a slowdown from 5.6 percent registered at the end of the second quarter of 2008. The slow growth in transferable deposits stemmed from a moderation in the deposits of businesses and other financial corporations, which constitutes 60.4 percent and 18.2 percent of transferable deposits included in M2, respectively.

## Determinants of money supply

The growth in broad money supply emanated from increases in the banking sectors' net foreign assets which contributed 4.7 percent to the total increase in money supply. Net domestic credit, i.e., credit to the Central Government and the private sector, that expanded by 3.1 percent also contributed positively to the expansion in money supply (Table 6). Other items net exerted a 4.4 percent contractionary effect, thereby moderating the overall growth in M2.

**Table 6: Determinants of M2 (quarterly change – N\$ million)**

	2007	Q2	2008		
	Q3		Q3	Quarterly percentage change	Contribution to change in M2
Net Domestic Credit	2,426.2	-446.4	880.5	2.9	3.1
Claims on the Private Sector	709.5	647.2	1,010.6	2.9	3.6
Net Claims on the Central Government	1,716.7	-1,093.7	-130.1	3.1	-0.5
Net Foreign Assets of the Banking System	875.7	484.1	1,323.9	11.8	4.7
Other Items Net	-98.0	936.0	-1,219.4	-9.0	-4.4
Broad Money Supply	3,204.0	973.7	985.0	3.5	3.5

## Net domestic credit

The banking sector's net claims on the domestic sectors grew by 2.9 percent at the end of the third quarter of 2008, a turnaround from a decline of 1.5 percent reported at the end of the previous quarter. This reflects increases in the claims against both the Central Government and other sectors<sup>3</sup>. The rise observed in liabilities of the banking sector to Central Government was not strong enough to counteract the positive impact thereof.

Claims of depository corporations on the Central Government grew by 10.5 percent, following a rise of 6.7 percent at the end of the second quarter. This development stemmed from an increase in Government Treasury Bills held by commercial banks over that period. Liabilities to the Central Government increased by N\$400.1 million to reach N\$7.1 billion in the third quarter of 2008. This was largely a direct result of increased Government deposits with both the Central Bank and commercial banks. As a result, a net liability position of N\$4.3 billion emerged at the end of the third quarter.

Growth in claims on other sectors increased from 1.9 percent at the end of the preceding quarter to 2.9 percent at the end of the third quarter of 2008. This increased growth emanated from rises in credit extended to the private sector<sup>4</sup> supported by increased lending to state and local government. Credit to parastatals and other financial corporations, on the other hand, moved in the opposite direction.

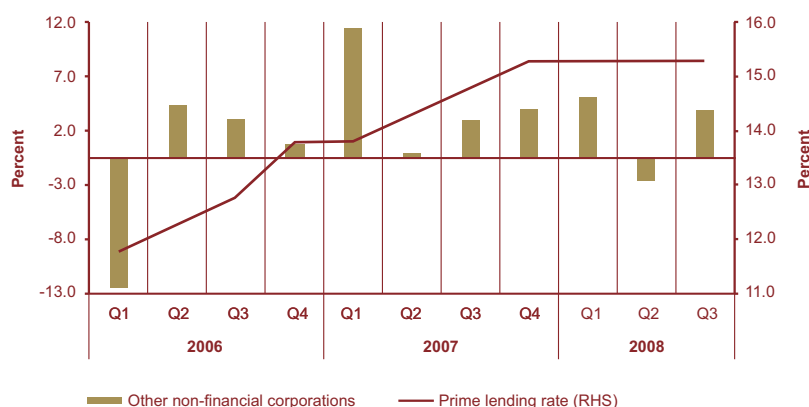
Parastatals' borrowing declined by 13.0 percent following an increase of 37.4 percent recorded at the end of the second quarter of 2008. At the same time, growth in credit extended to other financial corporations moderated from 8.3 percent to a much lower rate of 3.9 percent at the end of the third quarter of 2008. Credit extended to the private sector, on the other hand, grew by 2.9 percent, quarter-on-quarter, an increase from 0.9 percent at the end of the preceding quarter. This was mainly due to a rise in loans to businesses over the period, whereas individuals' borrowing moderated.

Credit extended to business rose by 4.7 percent, a turnaround from a decline of 1.9 percent recorded at the end of the second quarter (Chart 31). The increase in businesses' borrowing was mirrored in increases in the categories of mortgage loans and overdrafts to the sector, which rose by 4.1 percent and 6.9 percent, respectively at the end of the third quarter of 2008.

<sup>3</sup>Other sectors include state and local government, parastatals, other financial corporations and the private sector.

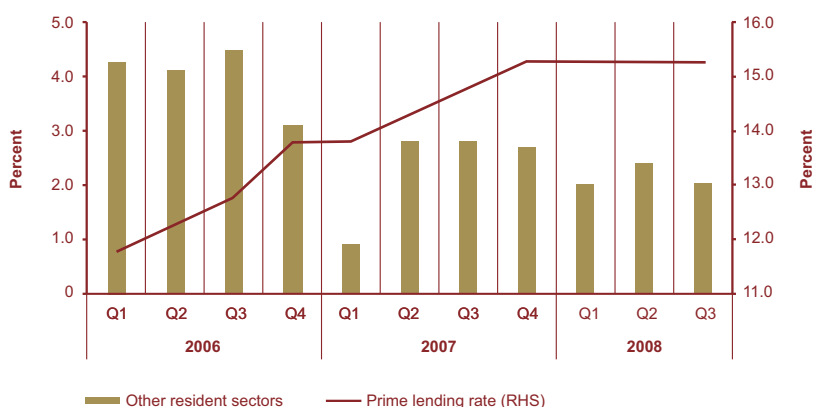
<sup>4</sup>The private sector consists of individual households and private non-financial businesses.

**Chart 31: Claims on businesses (quarter-on-quarter growth)**



Growth in individuals' borrowing slowed to 2.0 percent at the end of the third quarter of 2008 lower than 2.4 percent increase at the end of the preceding quarter (Chart 32). This was due to declines in credit extended in the categories other loans and advances and instalment credit. Other loans and advances to individuals declined by 3.4 percent, quarter-on-quarter, and instalment credit by 2.3 percent.

**Chart 32: Claims on individuals (quarter-on-quarter growth)**



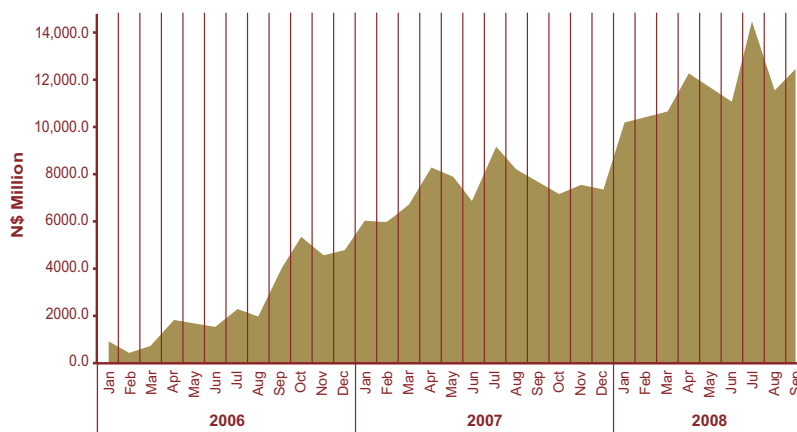
Mortgage loans to individuals, which make up over 65 percent of total individuals' borrowing, increased by 3.7 percent at the end of the third quarter of 2008, an improvement from a growth of only 0.9 percent at the end of the preceding quarter. This development is an indicator of a recovery in the residential housing market, which has especially been hardly hit by the combined effects of high interest rates and escalating cost of living. Instalment credit, on the other hand, weakened.

An analysis of sectoral credit extension shows increases in credit to all sectors at the end of the third quarter of 2008, with the exception of credit to the manufacturing sector, which declined by 4.1 percent. Credit to the building and construction sector increased by 15.4 percent at the end of the third quarter, following a 2.0 percent increase last quarter. Similarly, credit to mining and quarrying rose by 1.2 percent, a turnaround from a 60.5 percent decline reported at the end of the previous quarter. The sharp decline at the end of the preceeding quarter emanated from a decline in diamond sector borrowing, which has since recovered. At the same time, the fishing and agriculture sectors recorded increases of 1.7 percent and 9.2 percent, respectively in credit extension.

## Net foreign assets

The net foreign assets of the banking sector remains at relatively healthy levels, although it decreased slightly after reaching N\$14.6 billion at the end of July 2008 (Chart 33). The combined net foreign assets of the central bank and commercial banks stood at N\$12.6 billion, 11.8 percent higher than at the end of the preceding quarter. The major contributor to this development continues to be the high level of foreign assets of the Bank of Namibia.

**Chart 33: Net foreign assets of depository corporations**



The net foreign assets of the central bank fell to N\$10.9 billion at the end of the third quarter, after reaching a high of N\$11.8 billion at the end of July, although it is still 12.3 percent higher than the level at the end of the preceding quarter. The main contributing factors to the increase in the foreign assets of the central bank were the depreciation of the Namibia dollar against major currencies, the net unrealized gains and losses and interest income receivable.

The claims of other depository corporations on non-residents fell by 11.8 percent at the end of the third quarter on account of declining foreign deposits, while their foreign liabilities also fell by N\$417.1 million. Consequently, a net foreign assets position of N\$1.6 billion emerged at the end of the third quarter, 5.1 percent higher than the level at the end of the second quarter (Table 7). Foreign deposits of commercial banks fell significantly as they shifted to investing in long term securities to lessen the interest rate risk. Also, mining companies made large withdrawals from their foreign currency accounts abroad and that contributed to the observed decline.

**Table 7: Foreign assets and liabilities of depository corporations (N\$ millions)**

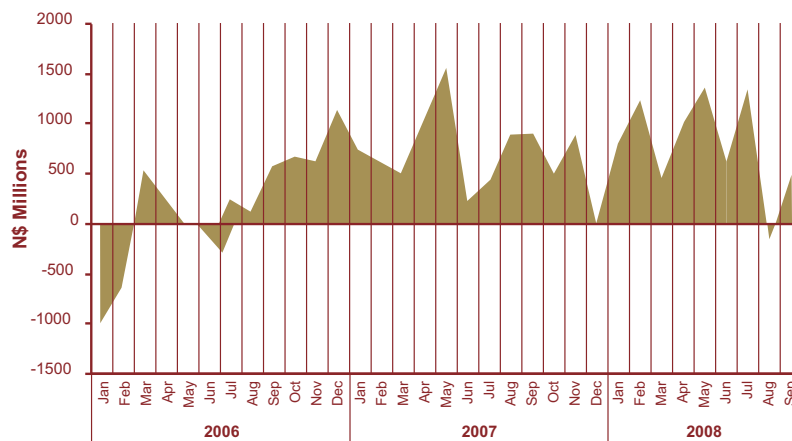
	2007		2008		
	Q3	Q4	Q1	Q2	Q3
<b>A. NFA/L of ODCs</b>	<b>1,956.8</b>	<b>717.8</b>	<b>1,870.0</b>	<b>1,557.0</b>	<b>1,636.6</b>
Foreign assets	2,855.7	1,708.4	2,824.1	2,871.3	2,533.8
Foreign liabilities	898.9	990.7	954.1	1,314.3	897.2
<b>B. NFA of BoN</b>	<b>5,868.7</b>	<b>6,116.2</b>	<b>8,900.8</b>	<b>9,697.8</b>	<b>10,942.1</b>
Foreign assets	5,947.2	6,173.0	8,946.1	9,744.9	11,053.2
Foreign liabilities	78.6	56.7	45.3	47.1	111.3
<b>Total NFA</b>	<b>7,825.5</b>	<b>6,834.0</b>	<b>10,770.7</b>	<b>11,254.8</b>	<b>12,578.7</b>

## Liquidity of commercial banks

At the end of the third quarter of 2008, the overall liquidity position of commercial banks stood in a N\$460.2 million surplus, though lower than a slightly higher surplus of N\$592.0 million at the end of the preceding quarter (Chart 34). The surplus resulted from balances of N\$521.5 million in liquid assets in South Africa and a shortage of N\$61.3 million on the settlement accounts with Bank of Namibia.



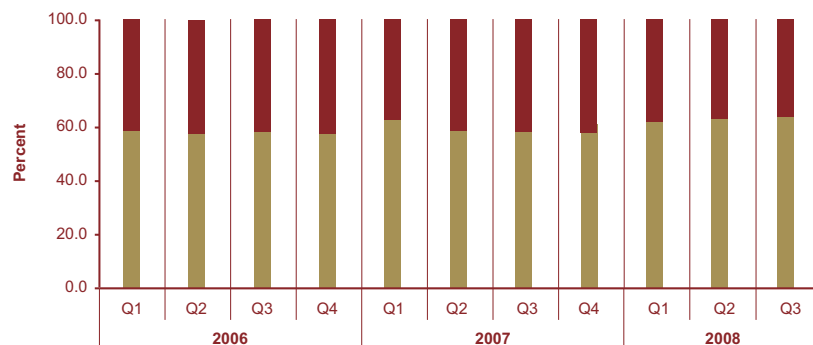
**Chart 34: Overall liquidity of commercial banks (end of month)**



### Composition of ODCs' deposits

The upward trend in total deposits held with ODCs was reversed at the end of the third quarter of 2008. Total deposits<sup>5</sup> declined by 0.3 percent mirroring a similar decline in other deposits over the same period. A slowdown in the growth of transferable deposits also supported the decline (Chart 35).

**Chart 35: Composition of other depository corporations' deposits**



Other deposits, which constitute 35.9 percent of total deposits, declined further by 1.7 percent at the end of the third quarter of 2008 following a decline of 0.7 percent at the end of the preceding quarter. At the end of the corresponding quarter of 2007, other deposits recorded an increase of 6.2 percent.

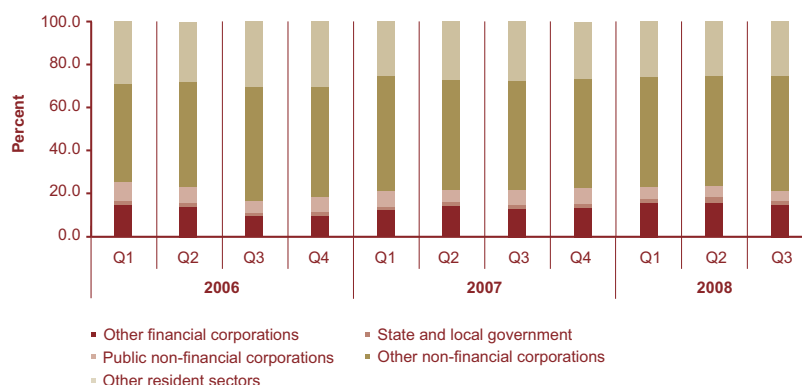
Transferable deposits, which make up the largest portion (64.1 percent) of total deposits, rose by only 0.5 percent at the end of the third quarter of 2008, a slowdown from 4.0 percent at the end of the preceding quarter. This was due to a moderation in the deposits of other financial corporations and those of state and local government.

### Sources of other depository corporations' funds

Contributing to the decline observed in total deposits was a contraction in deposits excluded from broad money, which fell by 31.2 percent, quarter-on-quarter. The contraction was supported by declines in the deposits of state and local government and those of parastatals, which declined by 32.0 percent and 10.0 percent, respectively at the end of the third quarter of 2008.

<sup>5</sup>This comprises of deposits included as well as those excluded from broad money liabilities (M2). Deposits included are those of individuals, businesses, parastatals, other financial corporations and state and local government, while those of central government and depository corporations are excluded.

**Chart 36: Sources of ODCs' funds**



Contrary to the above, the deposits of the private sector recorded increases at the end of the third quarter of 2008, although relatively lower than the growth at the end of the preceding quarter. Deposits of businesses, which comprise 53.5 percent of deposits included in broad money, grew by 7.7 percent, quarter-on-quarter at the end of the third quarter of 2008. At the same time, individuals' deposits increased by 1.8 percent, while those of other financial corporations rose by 1.5 percent.

## MONEY AND CAPITAL MARKET DEVELOPMENTS

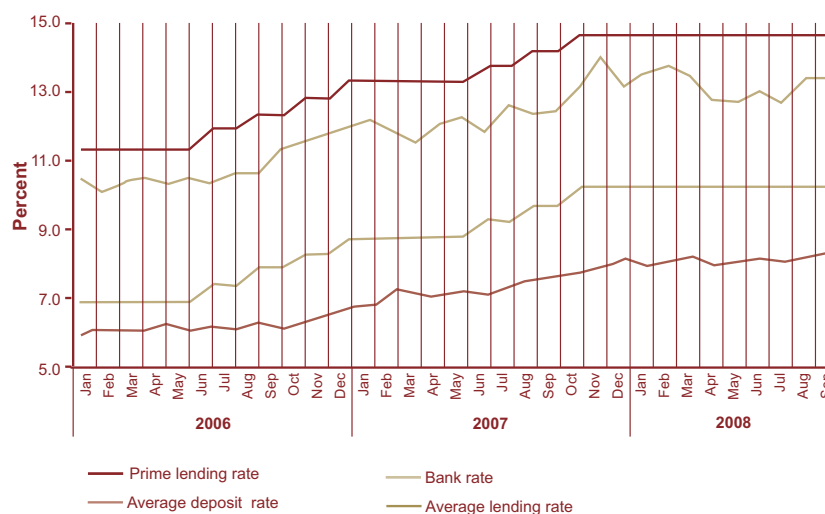
### Money market developments

The Bank of Namibia has maintained a constant monetary policy stance in the third quarter, with the Repo rate remaining at 10.50 percent. The Repo<sup>6</sup> rate has remained constant since October 2007, as the Bank of Namibia decided not to change the Repo rate after due consideration has been given to developments in the domestic economy.

In line with the constant Repo rate, the prime lending rate of Namibia was unchanged at 15.25 percent, quarter-on-quarter, but was 50 basis points higher, year-on-year (Chart 37). However, both the average deposit and lending rates increased during the third quarter, rising by 0.21 percentage points to 8.54 percent and 0.43 percentage points to 13.91 percent, respectively. The average deposit rate rose due to the fact that local banks had to increase their deposit rates in order to retain local deposits as South African banks were offering higher rates following a 50-basis points hike in the Repo rate in August.

The comparable rates for both rates, during the third quarter of 2007 were 7.74 percent and 12.89 percent, respectively. As a result of the fact that average lending rate increased faster than the average deposit rate, the nominal spread increased from 5.16 percent to 5.37 percent at the end of the third quarter of 2008.

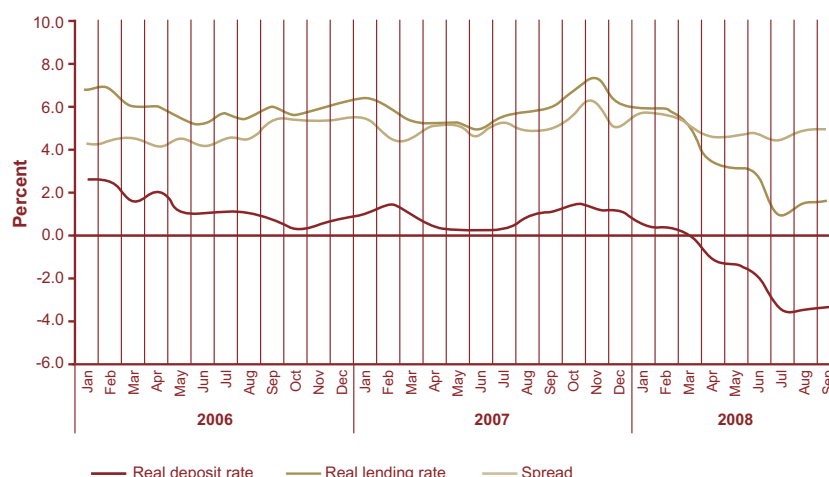
**Chart 37: Selected interest rates**



<sup>6</sup>The Repo rate was previously referred to as the Bank rate.

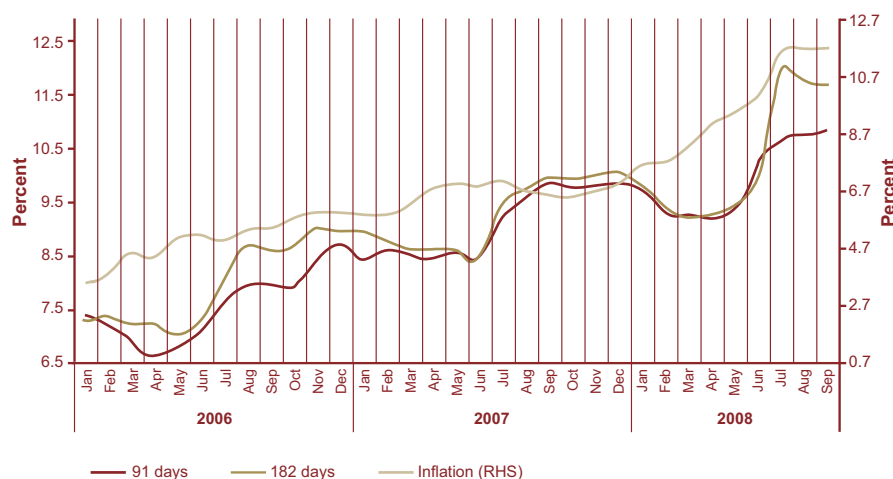
In terms of real values, the real lending rate declined from 2.89 percent to 1.71 percent at the end of the third quarter, while the real deposit rate remained in negative territory, worsening from 1.79 percent to -3.09 percent. The decline in real interest rates is explained by inflation, which increased to an average of 12.00 percent during the third quarter from an average rate of 9.76 percent in the previous quarter. The real lending and deposit rates for the corresponding quarter stood at 5.80 percent and 0.97 percent, respectively. The spread between real deposit and lending rates increased to 4.79 percent in the third quarter from 4.68 percent in the previous quarter (Chart 38).

**Chart 38: Real interest rates**



Further, due to the higher inflation that prevailed in the third quarter, the yields for both the 91-Day and 182-Day treasury bills increased, with the yield for the 91-Day treasury bill rising to 10.89 percent from 10.19 percent and that of the 182-Day rose to 11.76 percent from 9.97 percent at the end of the second quarter of 2008 (Chart 39).

**Chart 39: Treasury bills discount rate**



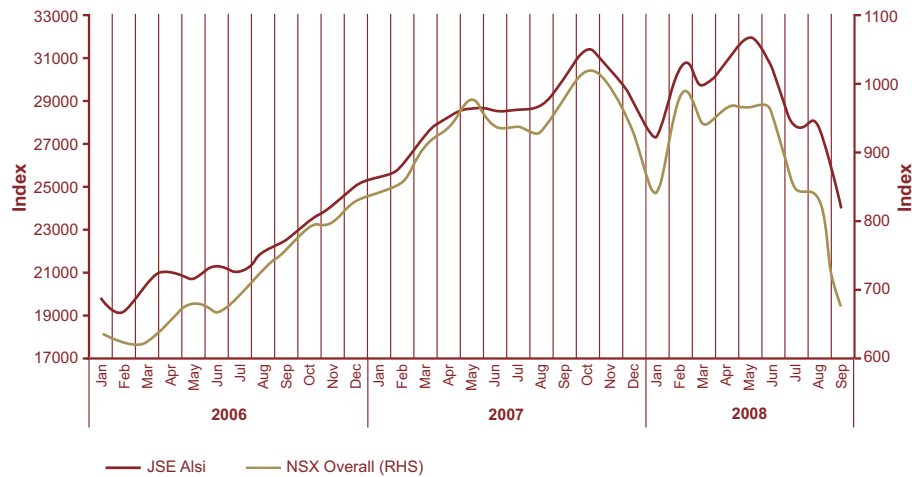
## Capital Market Developments

### Namibian Stock Exchange

The NSX overall index declined by 30.0 percent at the end of the third quarter of 2008 and closed at 671 points, from 956 points at the end of the second quarter. This poor performance of the overall index of the NSX was in line with performances of global markets, as the international credit crisis took its toll on markets in the third quarter. The overall index is exposed to the vulnerability of the global markets as it comprises companies that are dual-listed and, thus the performance of the global markets has a direct bearing on the performance of the overall index.

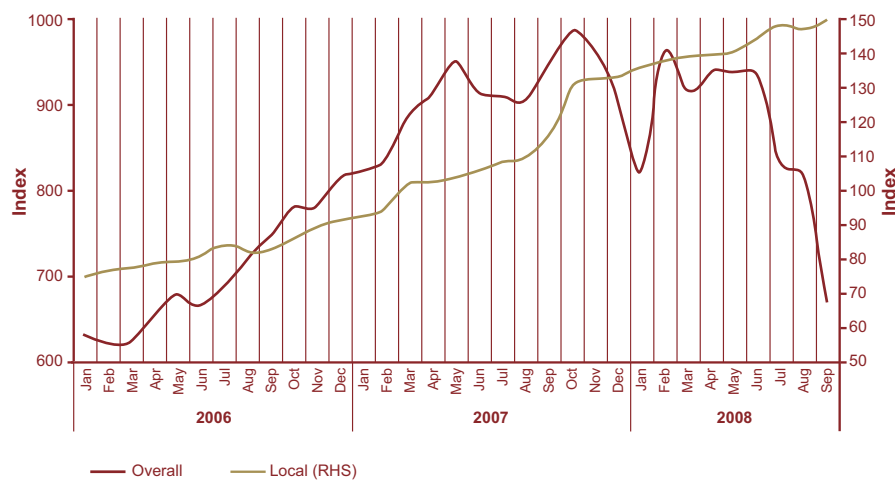
The overall index's performance closely follows the performance of the JSE all-share index, as the overall index comprises dual-listed shares (Chart 40). On the contrary, the local index is somewhat shielded from the turmoil in global markets. At the end of the third quarter, the local index closed 3.5 percent higher at 149 points from 144 points, at the end of the second quarter of 2008. This gain is the 12th consecutive quarterly gain of the local index (Chart 41).

**Chart 40: JSE all-share index vs. NSX overall index**



Source: NSX and JSE

**Chart 41: NSX price index**



Source: NSX

In terms of returns, the overall index recorded a negative return of 29.18 percent in the third quarter, while the local index recorded a return of 4.92 percent. Again, the superior returns offered by the local index compared to the overall index points to the relative insulation of the local stocks against the global turmoil that affects stocks in the overall index. On a twelve month basis, at the end of the third quarter, returns on the overall index declined by 28.63 percent, while the local index offered returns of 35.63 percent quarter of 2008 (Chart 42). As mentioned before, the overall index was affected by events in the global markets resulting from the credit crunch.

**Chart 42: Index total returns - September 2008**



Source: IJG

**Table 8: NSX summary statistics**

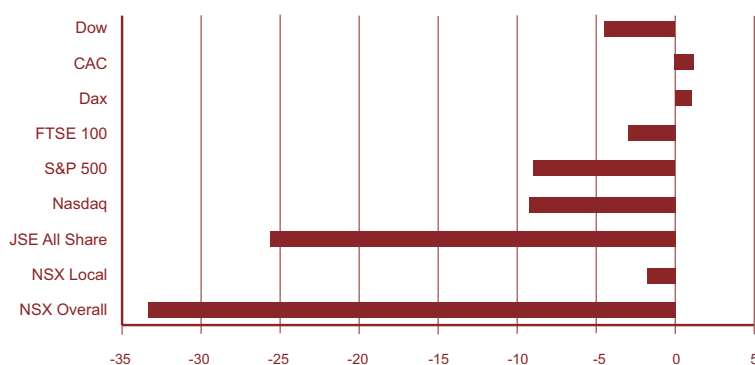
Overall	2008		
	July	August	September
Overall index at end of period	846	830	671
Overall market cap at end of period (N\$m)	1,090,050	1,076,583	881,264
Overall free float market cap at end of period (N\$m)	1,023,771	1,008,806	812,735
Overall traded volume on NSX	59,816,007	20,428,220	34,249,222
Overall traded value on NSX (N\$)	1,419,380,389	541,709,436	1,280,538,552
Overall number of deals on NSX	289	166	243
Number of <i>new</i> listings (DevX)	0	0	0
Liquidity ratio (percent)			1.891
<b>Local</b>			
Local index at end of period	148	146	149
Local market cap at end of period (N\$m)	5,303	5,280	5,376
Local free float market cap at end of period (N\$m)	2,498	2,483	2,522
Local traded volume on NSX	9,421,754	2,196,179	477,395
Local traded value on NSX (N\$)	41,435,232	10,655,339	2,691,425
Local number of deals on NSX	39	19	25
Number of <i>new</i> listings	0	0	0

Source: NSX

At the end of the third quarter, the total market capitalisation for the overall index declined by 27.65 percent to N\$881 billion, while the market capitalisation of the local index increased by 4.11 percent to N\$5.4 billion (Table 8). As a result of bigger volume traded, the overall value traded rose by 257.2 percent during the third quarter of 2008 from the level recorded at the end of the previous quarter. On the other hand, the local value traded declined by 87.27 percent, resulting from a significant drop in volume traded, which fell by 89.34 percent in the third quarter when compared to the previous quarter. In terms of liquidity, at the end of the third quarter of 2008, the overall liquidity ratio to free float was 1.89 percent. This was an improvement from the 0.37 percent recorded at the end of the second quarter.

The major stock exchanges of the world recorded negative growth rates in the third quarter of 2008 as the international credit crunch took its toll on the markets. The NSX overall index declined by 33.3 percent in the third quarter, in line with a decline of 25.6 percent recorded by the JSE all share index. This negative quarterly growth rate recorded by the JSE all-share index and mirrored by the NSX overall index was mainly driven by decline in resources stocks. The JSE resources index declined by 42.2 percent during the third quarter of 2008. The JSE, being a resource-stock dominated exchange, a drop in resources stocks would therefore drag the all-share index down (Chart 43).

**Chart 43: Quarterly growth rates (USD terms) global exchanges - Sep 2008**



Source: IHN

Anglo American, the biggest counter on the Namibian bourse lost value in the third quarter with a 49.0 percent decline in its share price to N\$ 280.50 from N\$ 550.00 at the end of the previous quarter. It remains to be seen whether the poor performance of resources stocks will be a temporary situation or points to a sustained trend of falling prices. The demand for resources by emerging economies like China and India has declined in recent months as the global credit crunch persisted.

Truworths was the best performing stock on the NSX in the third quarter, with a share price appreciation of 27.2 percent, followed by Firststrand whose share price rose by 23.2 percent. Vukile Properties, Standard Bank and Shoprite make the rest of the best five top performers on the NSX in the third quarter (Table 9).

**Table 9: Best 5 Namibian Performers on the NSX: Q3 2008**

Company	Closing price (N\$)	% Change
Truworths	29.19	27.2
Firststrand	16.38	23.2
Vukile Properties	9.50	18.8
Standard Bank	89.50	17.1
Shoprite	46.00	16.4

Source: NSX

Regarding the performance of the locally listed shares, the quarterly performance was generally good. Namibian Breweries' share price appreciated the most by 7.0 percent, followed by FNB Namibia whose share price rose by 5.4 percent (Table 10). Trustco and Oryx Properties both recorded declines in their share prices. The good performance of FNB is in line with the recovery of financial stocks in the region. The JSE Financial index recorded a 10.4 percent growth in the third quarter.

**Table 10: NSX local listed share performance: Q3 2008**

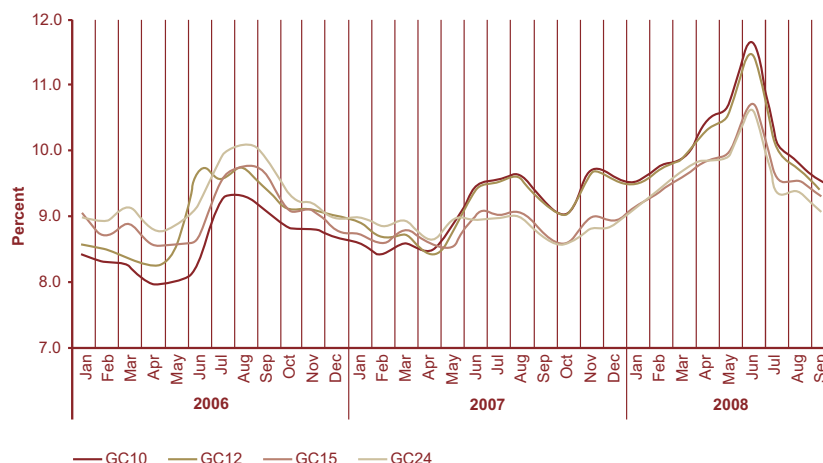
Company	Quarter (%)	YTD (%)	1 year (%)
FNB Namibia	5.4	12.9	16.7
Nam Asset Management	0.0	0.0	0.0
Namibia Breweries	7.0	21.9	53.1
Nictus Group	0.0	0.0	33.3
Oryx Properties	-1.6	2.9	35.9
Stimulus	0.0	0.0	0.0
Trustco Group	-3.9	5.7	15.6

Source: IHN

## Government bond yields

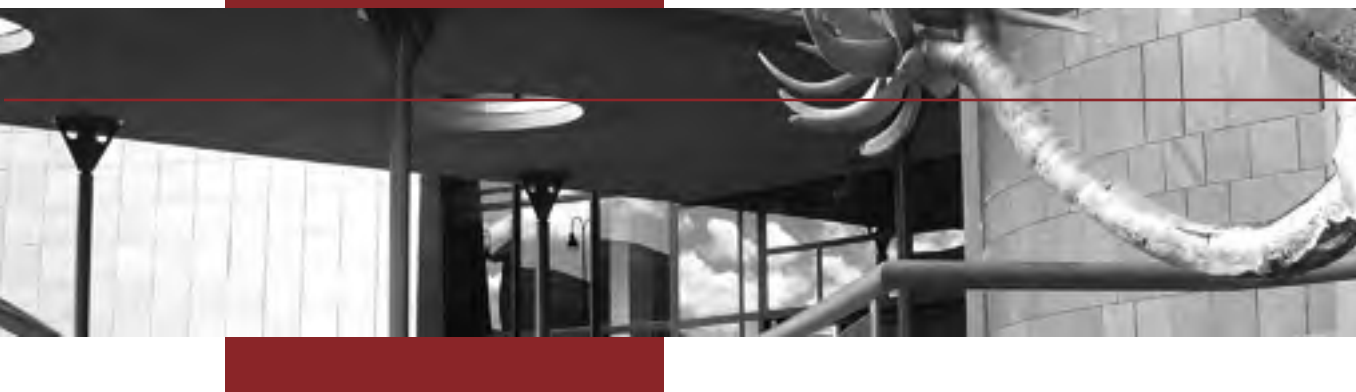
At the end of the third quarter of 2008, the yields for the GC08, GC10, GC12, GC15 and GC24 declined by 2.36 percent, 2.26 percent, 1.57 percent and 1.20 percent and 1.71 percent, respectively, when compared to the previous quarter (Chart 44). The fall in yields can be ascribed to the fact that interest rate expectations have come down in the third quarter, as the market discounted the possibility of interest rate hikes.

**Chart 44: Government bond yields**



Source: NSX

There were no new bonds issued during the third quarter and the illiquidity of bonds on the secondary market continued in the third quarter. At the end of September 2008, the year-to-date trading of bonds on the NSX was only 5.0 percent, as investors still buy bonds to hold until maturity.



## FISCAL DEVELOPMENTS<sup>7</sup>

Fiscal developments in this quarterly bulletin cover only Central Government debt and guarantees, which comprise domestic and foreign transactions. At the end of the second quarter of the 2008/09 fiscal year, Central Government debt stock and loan guarantees were higher, quarter-on-quarter. The rise in Central Government debt was reflected in both domestic and foreign components, while that of the guarantees was only in foreign guarantees as domestic guarantees remained constant.

## CENTRAL GOVERNMENT DEBT

Central Government's total outstanding debt at the end of the second quarter of 2008/09 increased, quarter-on-quarter, by 2.2 percent to N\$12.7 billion, a rise reflected in both the domestic and foreign debt components.

**Table 11: Central Government debt (N\$ million)**

	2006/07		2007/08				2008/09	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>GDP<sup>a</sup></b>	<b>55,877</b>	<b>55,877</b>	<b>63,608</b>	<b>63,608</b>	<b>63,608</b>	<b>63,608</b>	<b>71,786</b>	<b>71,786</b>
<b>Exports of goods &amp; services</b>	<b>6,104</b>	<b>6,007</b>	<b>6,585</b>	<b>6,043</b>	<b>6,149</b>	<b>6,284</b>	<b>7,264</b>	<b>7,405</b>
<b>Foreign debt stock</b>	<b>2,526.3</b>	<b>2,710.2</b>	<b>2,769.5</b>	<b>2,695.6</b>	<b>2,873.3</b>	<b>3,143.0</b>	<b>3,201.7</b>	<b>3,409.5</b>
Bilateral	1,006.6	1,131.1	1,115.8	1,118.2	1,092.3	1,280.8	1,390.2	1,362.9
As % of total	39.8	41.7	40.3	41.5	38.0	40.7	43.4	40.0
Multilateral	1,519.7	1,579.2	1,653.7	1,577.4	1,781.0	1,862.2	1,811.5	2,046.7
As % of total	60.2	58.3	59.7	58.5	62.0	59.3	56.6	60.0
<b>Foreign debt service</b>	<b>51.3</b>	<b>55.5</b>	<b>56.9</b>	<b>46.1</b>	<b>78.5</b>	<b>74.1</b>	<b>62.0</b>	<b>64.3</b>
As % of export	0.8	0.9	0.9	0.8	1.3	1.2	0.9	0.9
<b>Domestic debt stock</b>	<b>10,987.8</b>	<b>10,927.8</b>	<b>10,677.8</b>	<b>9,032.0</b>	<b>8,782.0</b>	<b>8,782.0</b>	<b>9,172.0</b>	<b>9,240.7</b>
Treasury bills	4,250.0	3,950.0	3,700.0	3,250.0	3,000.0	3,000.0	3,150.0	3,435.0
As % of total	38.7	36.1	34.7	36.0	34.2	34.2	34.3	37.2
Internal registered stock	6,737.8	6,977.8	6,977.8	5,782.0	5,782.0	5,782.0	6,022.0	5,805.7
As % of total	61.3	63.9	65.3	64.0	65.8	65.8	65.7	62.8
<b>Total Central Government debt</b>	<b>13,514.2</b>	<b>13,638.1</b>	<b>13,447.3</b>	<b>11,727.6</b>	<b>11,655.3</b>	<b>11,925.0</b>	<b>12,373.7</b>	<b>12,650.2</b>
<b>Proportion of total debt</b>								
Foreign debt stock	18.7	19.9	20.6	23.0	24.7	26.4	25.9	27.0
Domestic debt stock	81.3	80.1	79.4	77.0	75.3	73.6	74.1	73.0
<b>As % of GDP</b>								
Foreign debt stock	4.5	4.9	4.4	4.2	4.5	4.9	4.5	4.7
Domestic debt stock	19.7	19.6	16.8	14.2	13.8	13.8	12.8	12.9
<b>Total debt</b>	<b>24.2</b>	<b>24.4</b>	<b>21.1</b>	<b>18.4</b>	<b>18.3</b>	<b>18.7</b>	<b>17.2</b>	<b>17.6</b>

Source: BoN, MoF and Central Bureau of Statistics

<sup>7</sup>All quarters mentioned under this section are fiscal quarters and not calendar quarters; implying the second fiscal quarter is the third calendar quarter.

<sup>a</sup>GDP figures for each quarter refer to full fiscal year's GDP at current prices.



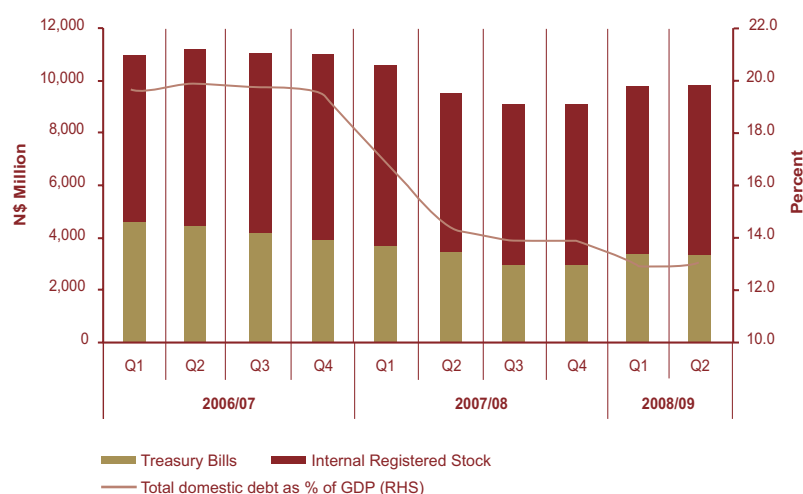
The increase in domestic debt is attributed to net issue of treasury bills in order to finance Government's budget deficit, which offset the impact of the reduction in debt held in internal registered stock on total domestic debt. On the foreign debt component, the increase was mainly due to a new contracted loan, disbursements in existing loans and the depreciation of the Namibia Dollar against USD, YUAN and SDR. As a percentage of GDP, the ratio of debt increased to 17.6 percent in the second quarter from 17.2 percent at the end of the first quarter of 2008/09. However, the ratio declined by 0.8 percentage point from 18.4 percent, year-on-year (Table 11).

## DOMESTIC DEBT

Domestic borrowings of Central Government are essentially issued in two instruments, namely; short term instruments; *treasury bills* (Tbills) and long term instruments, *internal registered stock* (IRS). Central Government issues these instruments to borrow money in the domestic market to fund its budget deficit and other borrowing needs that may be deemed necessary as well as to develop the domestic capital market.

Total domestic debt stock at the end of the second quarter of 2008/09 rose marginally by 0.8 percent to N\$9.2 billion from the level recorded at the end of the preceding quarter (Table 14). The increasing domestic debt, quarter-on-quarter, is reflected in treasury bills while internal registered stock declined mainly due to the redemption of the GC08 bond in July 2008. Similarly, the stock of domestic debt increased, year-on-year, by 2.3 percent from N\$9.0 billion recorded at the end of the corresponding quarter of 2007/08. As a ratio to GDP, the domestic debt stock at the end of the second quarter of 2008/09 increased marginally, quarter-on-quarter, from 12.8 percent to 12.9 percent, however, it declined from 14.2 percent, year-on-year (Chart 45).

**Chart 45: Total domestic debt by security**



Central Government treasury bills debt stock went up by N\$285.0 million, quarter-on-quarter, to N\$3.4 billion at the end of the second quarter of 2008/09, representing an increase of 9.1 percent. This is in line with Government's 2008/09 borrowing plan to finance its borrowing needs. Similarly, year-on-year, the issuance of treasury bills increased by 5.7 percent at the end of the second quarter of 2008/09 from N\$3.3 billion recorded at the end of the corresponding quarter of the preceding fiscal year. On the other hand, internal registered stock of Government decreased by 3.6 percent, quarter-on-quarter, to N\$5.8 billion at the end of the second quarter of 2008/09. This decline emanated from the redemption of the GC08 bond that matured on the 15th of July 2008. However, year-on-year, the stock of bonds increased slightly by 0.4 percent from the level registered at the end of the corresponding quarter of 2007/08.

Domestic debt, as opposed to external debt, still forms the largest part of total Central Government outstanding debt stock, however, the stock declined by 1.1 percentage points at the end of the second quarter of 2008/09 to represent 73.0 percent of total debt from 74.1 percent at the end of the preceding quarter of 2008/09. At the end of the corresponding quarter of 2007/08, the proportion was higher at 77.0 percent (Table 9).

## EXTERNAL DEBT

Driven by new disbursements to fund capital projects and compounded by the exchange rate depreciation, the outstanding stock of Central Government's external debt increased on a quarterly basis by 6.5 percent to N\$3.4 billion at the end of the second quarter of 2008/09. The rise was supported by a new loan that was contracted from the World Bank to fund the *Education and Training Sector Improvement Program (ETSIP)*. As for the disbursements received in the quarter, the Banco Bilbao Vizcaya Argentaria (BBVA)<sup>9</sup> provided funding for the *upgrading and refurbishing of five airports* while the African Development Bank (AfDB) supported the *northern railways extension project*. As a percentage of GDP, external debt stock rose by 0.2 percentage point, quarter-on-quarter, to 4.7 percent at the end of the second quarter of 2008/09 (Chart 46).

**Chart 46: Total external debt**



Source: BoN and MoF

### External debt by type and currency

At the end of the second quarter of the 2008/09 fiscal year, multilateral loans rose substantially by 13.0 percent, quarter-on-quarter, and 29.8 percent, year-on-year, to N\$2.1 billion. The above mentioned new loan and disbursements experienced during the second fiscal quarter were of multilateral type and thus contributed to the increase in total multilateral debt. On the other hand, bilateral loans decreased, quarter-on-quarter, by 2.0 percent to N\$1.4 billion at the end of the second quarter of 2008/09. However, the same type of loans recorded an increase of 21.9 percent, year-on-year.

<sup>9</sup>It is a multinational Spanish banking group, which was formed in 1999 from a merger of Banco Bilbao Vizcaya and Argentaria.

**Table 12: Currency composition for Government external debt**

	2006/07		2007/08				2008/09	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Multilateral</b>	<b>60.4</b>	<b>58.3</b>	<b>59.7</b>	<b>58.5</b>	<b>62.0</b>	<b>59.3</b>	<b>56.6</b>	<b>60.0</b>
Euro	21.6	22.3	21.2	22.3	23.0	26.0	24.6	24.8
US Dollar	6.8	6.6	7.4	7.4	6.9	7.3	6.7	8.5
Pound	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Rand	24.1	22.3	24.6	22.9	25.2	19.5	18.9	20.5
Franc	0.8	0.8	0.7	0.8	0.7	0.9	0.8	0.8
Dinar	5.5	5.0	4.2	4.1	3.8	4.0	3.8	3.8
SDR	1.3	0.9	1.2	0.8	0.7	0.3	0.7	0.7
Yen	0.2	0.2	0.2	0.1	1.4	1.1	0.9	1.0
<b>Bilateral</b>	<b>39.6</b>	<b>41.7</b>	<b>40.3</b>	<b>41.5</b>	<b>38.0</b>	<b>40.7</b>	<b>43.4</b>	<b>40.0</b>
Euro	32.7	31.4	30.0	31.4	27.9	32.6	32.8	29.4
Yuan	6.9	10.3	10.3	10.1	10.1	8.2	10.6	10.6
<b>Total foreign debt stock</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Euro	54.2	53.7	51.2	53.7	50.9	58.6	57.4	54.1
US Dollar	6.8	6.6	7.4	7.4	6.9	7.3	6.7	8.5
Pound	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.1
Rand	24.1	22.3	24.6	22.9	25.2	19.5	18.9	20.5
Franc	0.8	0.8	0.7	0.8	0.7	0.9	0.8	0.8
Dinar	5.5	5.0	4.2	4.1	3.8	4.0	3.8	3.8
SDR	1.3	0.9	1.2	0.8	0.7	0.3	0.7	0.7
Yen	0.2	0.2	0.2	0.1	1.4	1.1	0.9	1.0
Yuan	6.9	10.3	10.3	10.1	10.1	8.2	10.6	10.6

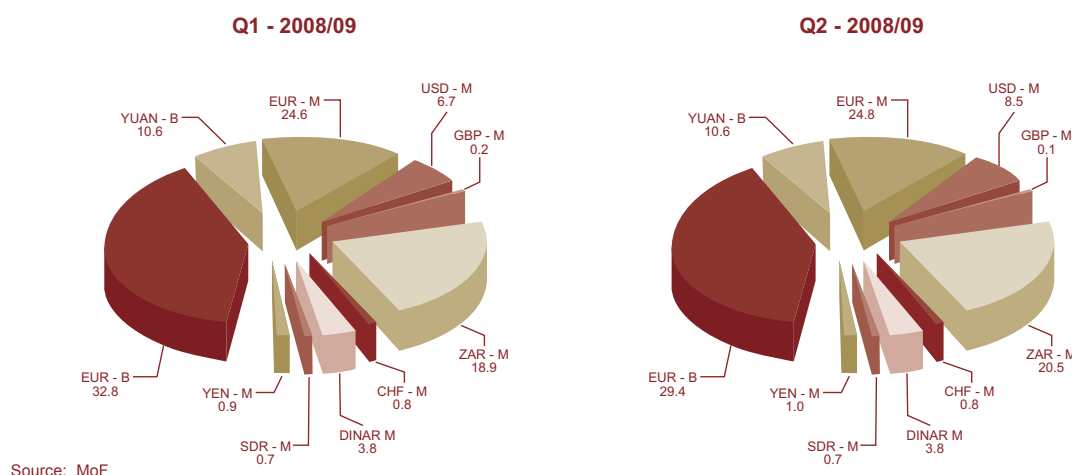
Source: MoF

In terms of proportions, multilateral loans took up the major share of Central Government's external debt, relative to that for bilateral loans. At the end of the second quarter of 2008/09, the former accounted for 60.0 percent of total Central Government's external loans stock, while the remaining portion was sourced from bilateral organisations (Table 12).

In terms of currency composition, the share of Rand denominated multilateral debt to the total external debt rose to 20.5 percent at the end of the second quarter of 2008/09 from 18.9 percent recorded at the end of preceding fiscal quarter. The increased share of Rand denominated multilateral debt during the second quarter of 2008/09 stemmed from new disbursements of R100.0 million sourced from AfDB. Multilateral debt denominated in Euro, which dominated the currency composition of multilateral loans, also increased slightly by 0.2 percentage point to 24.8 percent at the end of the second quarter of 2008/09 compared to 24.6 percent at the end of the preceding quarter. This is due to the disbursement of 0.5 million from BBVA.

Similarly, the US Dollar denominated multilateral debt increased from 6.7 percent at the end of the first quarter to reach 8.5 percent at the end of the second quarter of 2008/09. The increase in the composition of external debt denominated in US Dollar at the end of the second quarter of 2008/09 was mainly attributed to the new loan of US\$7.5 million from the World Bank. The depreciation of the Namibia Dollar against the US Dollar also contributed to the increased share of US Dollar denominated debt at the end of the period. The rest of the currencies under multilateral loans collectively contributed 6.3 percent, down from 6.4 percent recorded at the end of the previous fiscal quarter of 2008/09, but up from the 6.0 percent registered at the end of the corresponding quarter of 2007/08 (Table 12).

**Chart 47: External debt currency composition<sup>10</sup>**



Bilateral loans are mostly denominated in Euro and Yuan. The biggest share of bilateral loans, which represents 29.4 percent of the total external debt is contracted with the Kreditanstalt für Wiederaufbau (KfW)<sup>11</sup> on concessional terms<sup>12</sup>. Euro bilateral loans decreased by 4.8 percent, quarter-on-quarter, to N\$1.0 billion at the end of the second quarter of 2008/09. The decline in the share of Euro denominated bilateral loans at the end of the period was due to the strengthening of the Namibia Dollar against this currency. On the other hand, the share of Yuan denominated bilateral loans at the end of the second quarter of 2008/09 remained constant at 10.6 percent, quarter-on-quarter (Chart 47). However, in the nominal value, Yuan denominated loans increased by 6.7 percent due to the depreciation of the Namibia Dollar against this currency.

## CENTRAL GOVERNMENT LOAN GUARANTEES<sup>13</sup>

Driven mainly by the impact of the depreciation of the Namibia dollar against the US dollar on foreign loan guarantees, total Central Government loan guarantees issued to both the public and private sectors rose both quarter-on-quarter and year-on-year to N\$3.4 billion at the end of the second fiscal quarter of 2008/09 (Table 13). On a quarterly basis, total guarantees rose by 2.2 percent while on an annual basis the increase was more at 7.2 percent. As a percentage of GDP, total loan guarantees rose to 4.8 percent from 4.7 percent at the end of the preceding quarter of 2008/09. However, the ratio declined by 0.2 percentage point from that of the corresponding quarter of the preceding fiscal year (Table 13).

**Table 13: Central Government loan guarantees (N\$ million)**

	2006/07		2007/08				2008/09	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>GDP</b>	<b>55,877</b>	<b>55,877</b>	<b>63,608</b>	<b>63,608</b>	<b>63,608</b>	<b>63,608</b>	<b>71,786</b>	<b>71,786</b>
Domestic Guarantees	1,826.1	1,760.9	1,559.8	1,280.7	1,231.5	1,229.8	1,230.8	1,230.8
As % of GDP	3.3	3.2	2.5	2.0	1.9	1.9	1.7	1.7
As % of total guarantees	47.3	46.7	44.1	39.9	37.6	36.0	36.5	35.7
Foreign guarantees	2,037.4	2,006.7	1,978.2	1,932.6	2,039.6	2,183.5	2,138.7	2,212.7
As % of GDP	3.6	3.6	3.1	3.0	3.2	3.5	3.0	3.1
As % of total guarantees	52.7	53.3	55.9	60.1	62.4	64.0	63.5	64.3
<b>Total guarantees</b>	<b>3,863.5</b>	<b>3,767.6</b>	<b>3,538.0</b>	<b>3,213.3</b>	<b>3,271.1</b>	<b>3,413.3</b>	<b>3,369.5</b>	<b>3,443.5</b>
As % of GDP	6.9	6.7	5.5	5.0	5.1	5.4	4.7	4.8

Source: BoN, MoF and Central Bureau of Statistics

<sup>10</sup>Please note that M and B in chart 47 represent multilateral and bilateral loans, respectively.

<sup>11</sup>It is a German Government-owned development bank.

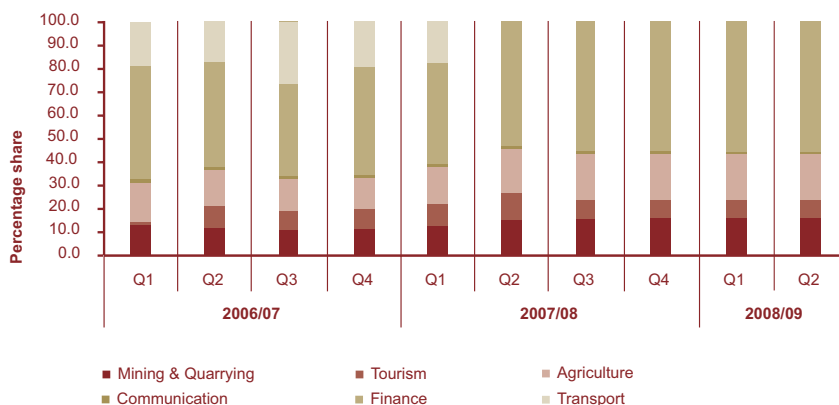
<sup>12</sup>These are loans that are provided with no or low fixed interest rates, ranging from 0.75 percent to 3.25 percent, and longer repayment periods, ranging from 20 to 30 years. They are cheaper loans when compared with the standard market or multilateral loans.

<sup>13</sup>It is important to note that by issuing government loan guarantees, lenders do not incur losses on their loans to the companies and this could expose government to potential future losses and consequential budget deterioration.

## Domestic loan guarantees

The outstanding amount of the domestic loan guarantees remained constant, quarter-on-quarter, at N\$1.2 billion at the end of the second fiscal quarter of 2008/09. As a percentage of GDP, domestic loan guarantees represented 1.7 percent at the end of the same period. However, Government's domestic debt guarantees declined by 3.9 percent at the end of the second quarter of 2008/09 when compared to the corresponding quarter of 2007/08. The decline in domestic loan guarantees, year-on-year, was primarily due to the repayment of N\$50 million by the tourism sector during that period.

**Chart 48: Proportion of Government domestic loan guarantees by sector**



Source: MoF

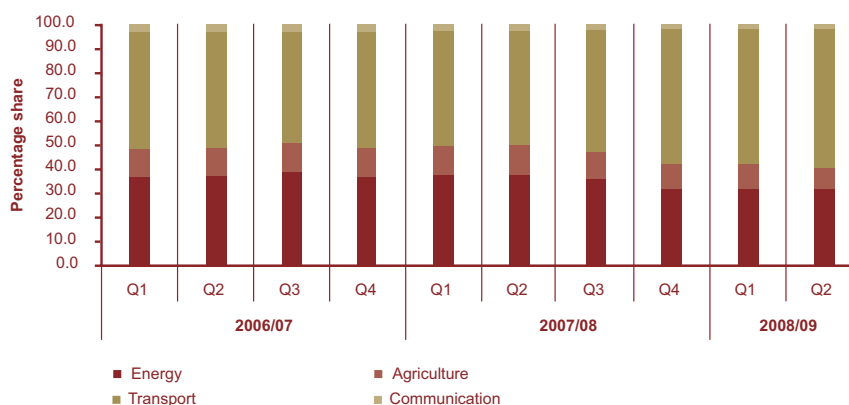
The outstanding amount of the total loan guarantees issued to domestic creditors at the end of the second fiscal quarter of 2008/09 covered mainly the financial, mining and quarrying and agriculture sectors (Chart 48). The loan guarantees issued to the financial sector, particularly state owned enterprises, continued to dominate the proportion of domestic loan guarantees at the end of the second quarter of 2008/09, with a share of 55.5 percent, the same percentage share recorded at the end of the preceding quarter. However, year-on-year comparison show that the share of loans granted to the financial sector increased by 2.1 percent from 53.4 percent at the end of the corresponding quarter of the preceding fiscal year. Guarantees granted to agriculture remained constant at 20.4 percentage share, quarter-on-quarter, at the end of the second quarter of 2008/09. However, when compared to the end of the corresponding quarter of 2007/08, the share of loans granted to the agricultural sector increased by 1.0 percentage point from 19.4 percent.

Mining and quarrying, particularly private enterprises' loan guarantees followed with a constant share of 15.4 percent, quarter-on-quarter, at the end of the second quarter of 2008/09 but increased from 14.8 percent, year-on-year. Furthermore, the outstanding domestic loan guarantees to tourism contributed 7.9 percent, which remained constant, quarter-on-quarter, but decreased by 3.6 percentage points, year-on-year. It can be concluded that the share of domestic loan guarantees issued in favour of the tourism sector decreased significantly, year-on-year, due to the above said repayment on its outstanding loans.

## Foreign loan guarantees

Conversely, foreign debt guarantees increased by 3.5 percent to N\$2.2 billion at the end of the second fiscal quarter of 2008/09 from N\$2.1 billion at the end of the preceding quarter. This rise was caused by a weaker exchange rate of the Namibia Dollar against the US Dollar in which the loans were denominated. As a percentage of GDP, foreign loan guarantees was up, quarter-on-quarter by 0.1 percentage point to 3.1 percent. Furthermore, as a proportion to total loan guarantees, foreign guarantees increased to 64.3 percent at the end of the second quarter of 2008/09 from 63.5 percent at the end of the preceding fiscal quarter.

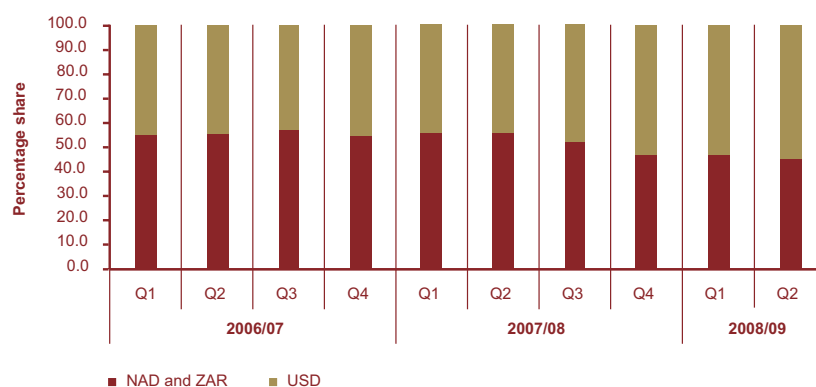
**Chart 49: Proportion of Government foreign loan guarantees by sector**



Source: MoF

The total loan guarantees issued to foreign creditors at the end of the second fiscal quarter of 2008/09 cover mainly the transport, energy, agriculture and communication sectors. The proportion of loan guarantees issued to the transport sector, which dominate the foreign loan guarantees and mostly denominated in US Dollar, rose at the end of the second fiscal quarter of 2008/09. The share increased to 56.6 percent from 55.1 percent at the end of the preceding quarter of 2008/09. Guarantees granted to the energy and agriculture sectors, on the other hand, declined, quarter-on-quarter, to 30.9 percent and 10.2 percent, respectively, at the end of the second quarter of 2008/09 (Chart 49).

**Chart 50: Currency composition of Government foreign loan guarantees**



Source: MoF

At the end of the second quarter of 2008/09, the USD denominated loans continued to take up the major share of loan guarantees. The ratio rose by 1.6 percentage points to 54.3 percent from 52.7 percent recorded at the end of the previous fiscal quarter of 2008/09 (Chart 50). The increase in USD denominated guarantees, quarter-on-quarter, was mainly due to exchange rate depreciation of the Namibia Dollar against this currency. The increased share of the USD denominated loans was more prominent, year-on-year, when it rose by 9.7 percentage points. On the other hand, NAD and ZAR denominated loans declined to 45.7 percent and this is due to the increased share of the USD denominated loans. However, in the nominal value, the NAD and ZAR denominated loans remained constant, quarter-on-quarter, in view of the fact that the effect of exchange rate on these loans is zero, which was the only driving fact that increased foreign debt at the end of the second quarter of the 2008/09 fiscal year.

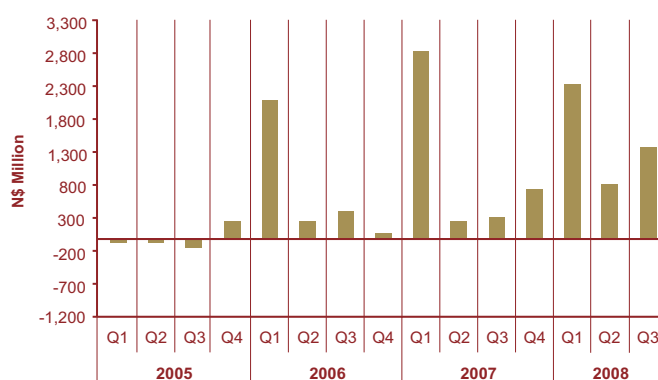


## FOREIGN TRADE AND PAYMENTS

### OVERVIEW OF THE BALANCE OF PAYMENTS

During the third quarter of 2008, the external sector was characterized by a widening current account surplus, narrowing capital and financial account deficit, resulting into increased overall balance of the balance of payments (Chart 51). Over the same period, there was an increase in net asset position of the IIP. These results were realised amidst the depreciation of the Namibia dollar against the US dollar and appreciation against the Euro and Pound Sterling. Over the same period the trade weighted effective exchange rate index continued depreciating both, quarter-on-quarter, and year-on-year.

**Chart 51: Overall balance**



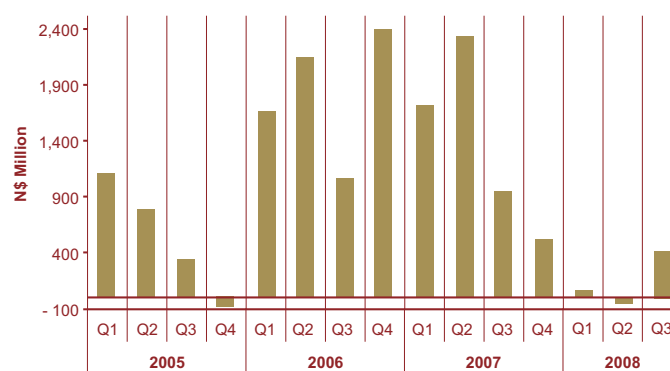
### CURRENT ACCOUNT

Despite an increased merchandise trade deficit in the third quarter of 2008, a surplus was realised on the current account, unlike in the preceding quarter of the same year. The surplus was a result of improved net inflows from services and investment income, supported by current transfers, especially from SACU. The current account was estimated to have recorded a surplus of N\$444.0 million during the third quarter of 2008, after it recorded a deficit of N\$38.9 million during the preceding quarter (Table 14 and Chart 52).

**Table 14: Summary of trade in goods and services in relation to current account (N\$ million)**

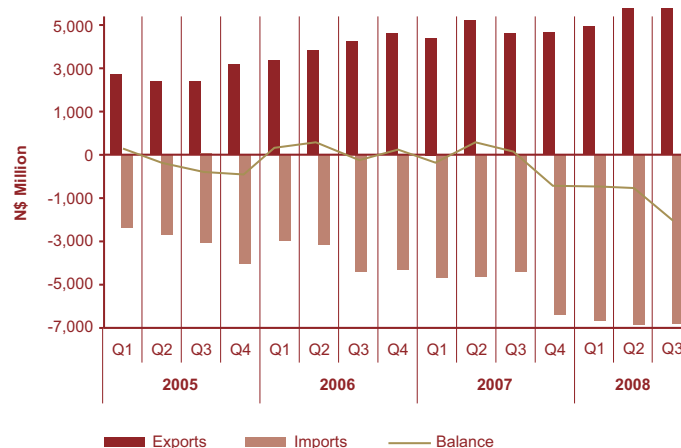
	2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Merchandise exports	4,834	5,575	5,065	5,093	5,256	6,162	6,292
<i>of which Diamonds</i>	1,186	2,196	1,386	1,652	1,791	2,242	2,216
Merchandise imports	-5,208	-5,131	-4,951	-6,491	-6,827	-7,836	-8,752
<b>Trade balance</b>	<b>-374</b>	<b>443</b>	<b>114</b>	<b>-1,398</b>	<b>-1,571</b>	<b>-1,674</b>	<b>-2,459</b>
Net service	188	119	134	157	52	-56	65
<b>Current account balance</b>	<b>1,767</b>	<b>2,399</b>	<b>969</b>	<b>532</b>	<b>55</b>	<b>-39</b>	<b>444</b>

**Chart 52: Current account balance**



The *merchandise trade deficit* for Namibia during the third quarter of 2008 continued to widen substantially, quarter-on-quarter, to N\$2.5 billion (Chart 53). This was largely due to expansion of Namibia's imports while exports contracted because of slower performance of most *mineral product* exports. Namibian exports are estimated to have increase by 2.1 percent, quarter-on-quarter, to N\$6.3 billion in the third quarter of 2008. Imports are also estimated to have risen, quarter-on-quarter by 11.7 percent to N\$8.7 billion during the same period.

**Chart 53: Merchandise trade**



Subdued international demand for mineral products impacted on the export earnings from *manufactured products* that declined during the same quarter. Relief, however, came from sub-categories *food and live animals*<sup>14</sup>, *investment income*, trade in services and current transfers whose earnings increased during the third quarter of 2008.

<sup>14</sup>Consists of live animals (e.g., game and cattle), cattle cuts, small stock carcasses, canned beef, ostrich meat and bone meals, unprocessed fish, lobsters, crabs and grapes.



**Table 15: Unprocessed mineral export values (N\$ million)**

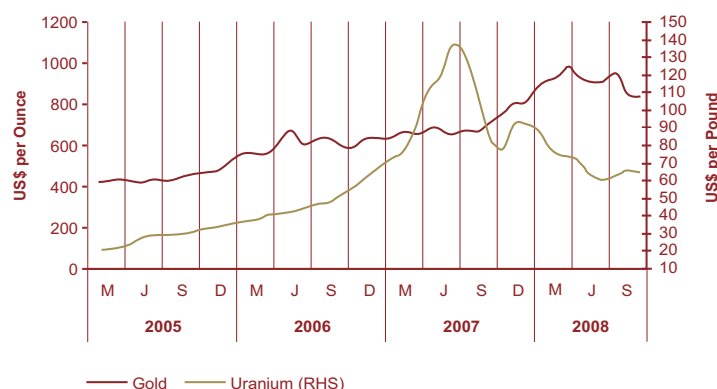
	2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Total exports</b>	<b>4,834</b>	<b>5,575</b>	<b>5,065</b>	<b>5,093</b>	<b>5,256</b>	<b>6,162</b>	<b>6,292</b>
<b>Diamond</b>	<b>1,186</b>	<b>2,196</b>	<b>1,386</b>	<b>1,652</b>	<b>1,791</b>	<b>2,242</b>	<b>2,216</b>
Diamonds as % of total exports	24.5	39.3	27.3	32.4	34.1	36.3	35.2
<b>Non-diamonds</b>	<b>1,199</b>	<b>845</b>	<b>1,302</b>	<b>1,470</b>	<b>1,012</b>	<b>1,248</b>	<b>1,366</b>
Silver	15	13	16	6	7	9	7
Lead	0	31	49	38	0	55	63
Zinc (concentrate)	197	190	140	113	140	108	103
Others*	987	611	1,097	1,313	865	1,076	1,193
<b>Non-diamonds as % of total exports</b>	<b>24.8</b>	<b>15.1</b>	<b>25.7</b>	<b>28.8</b>	<b>19.2</b>	<b>20.2</b>	<b>21.7</b>

Source: Ministry of Mines and Energy

\* It includes uranium, industrial minerals, dimension stone and Wavis Bay salt refiners.

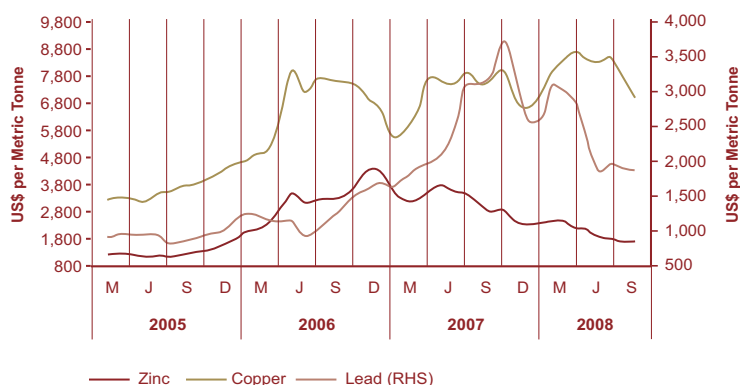
In line with lower international commodity prices, following sluggish world-wide economic activities, performances for most *mineral products* displayed a noticeable decline during the third quarter of 2008 (Table 15). Despite a favourable exchange rate that prevailed, this impacted negatively on the export earnings of most *mineral products* such as copper, gold, silver and zinc (Chart 54 (a) and (b)).

**Chart 54(a): Monthly average mineral prices**



Source: IMF & London Gold Price

**Chart 54(b): Monthly average mineral prices**

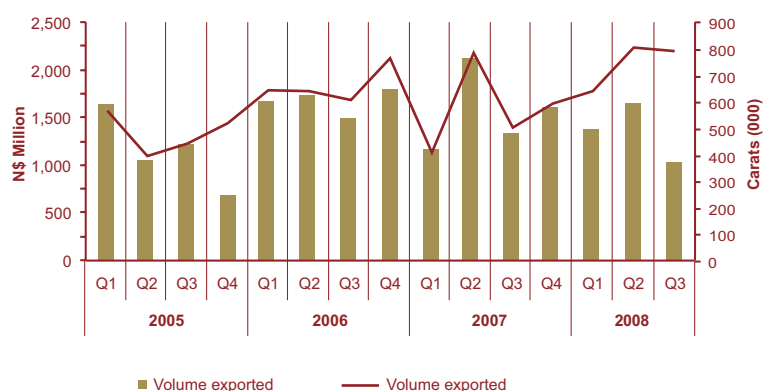


Source: IMF & London Gold Price

Diamonds, the leading source of foreign exchange reserves for Namibia also felt the impact of reduce demand as export earnings thereof declined by 1.2 percent, quarter-on-quarter, during the third quarter of 2008 (Chart 55). Unlike in the preceding quarter, *diamond export* receipts during the third quarter of 2008 declined, though remaining almost constant at N\$2.2 billion between the second and third quarters of 2008. The observed quarterly decline is a seasonal pattern with the month of August usually recording a decline in diamond exports.

However, it rose, year-on-year, by 59.9 percent during the third quarter of 2008 from N\$1.4 billion recorded in the corresponding quarter of 2007. Despite the quarterly decline, diamond export receipts still continued to have the largest share in the value of total merchandise export earnings.

**Chart 55: Diamonds quarterly exports**

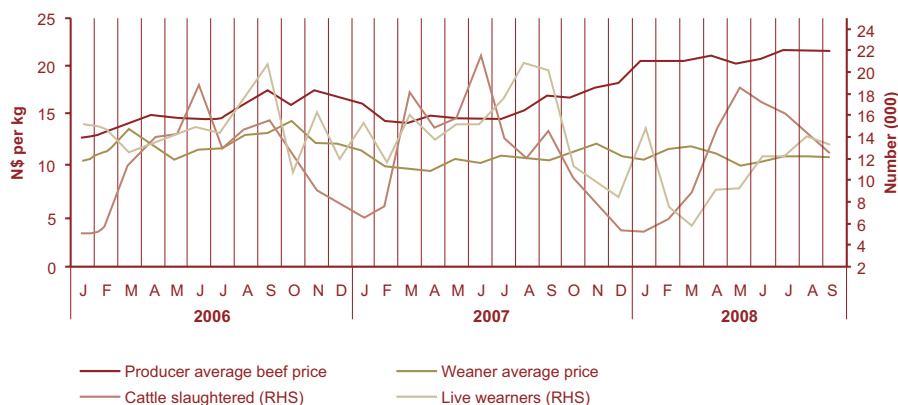


With regard to the category *other mineral products*, the export receipts of some of the products rose, while others declined in the third quarter when compared to the preceding quarter. The export earnings for silver and gold dropped by 22.2 percent and 5.9 percent, quarter-on-quarter, respectively, during the same period. Copper was among the few major minerals whose export earnings surged, quarter-on-quarter, during the same period. Notwithstanding these developments, the total export earnings of *other minerals or non-diamond minerals* rose by 7.6 percent, quarter-on-quarter, to reach N\$1.8 billion during the third quarter of 2008.

Export earnings from the category *food and live animals* rose, quarter-on-quarter, by 7.8 percent to N\$711 million during the third quarter of 2008. The increase was mainly reflected in the higher export value of *live cattle, small stock and unprocessed fish*. However, the earnings from *beef exports* to South Africa and the European Union decreased by N\$30.5 million to N\$180.1 million. Although beef prices were attractive during the third quarter of 2008, the grazing and the resultant physical conditions of cattle were poor due to the dry season. This caused farmers to shift trading in live animals, resulting in the drop of beef exports and instead an increase of export earnings for beef and live animals, respectively, during this period (Chart 56).

Quarter-on-quarter, the number of cattle marketed for export at Namibian abattoirs declined by 18.9 percent to 40 735 herds of cattle during the third quarter. The export value of *live cattle, small stock and game*, increased by N\$51.3 million, quarter-on-quarter, to N\$225.2 million during the third quarter of 2008. Year-on-year, the value of *food and live animals* exported during the third quarter of 2008, increased substantially by N\$172.2 million from the earnings of N\$539 million received during the corresponding quarter of 2007.

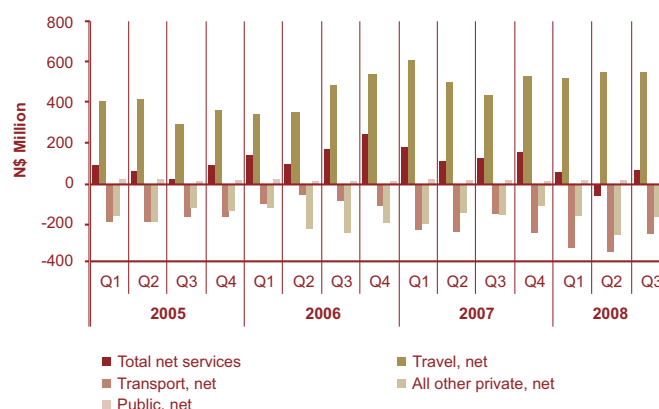
**Chart 56: Number of live weaners and cattle slaughtered for export and prices**



The export receipts from *manufactured products* declined by 1.7 percent to reach N\$1.5 billion, quarter-on-quarter, during the third quarter of 2008. This was mainly driven by the fall in exports of *processed zinc* and *fish* products, which jointly contributed N\$915.3 million to the total value of manufactured exports. The drop in the export earnings from refined zinc was mainly attributed to low demand that stemmed from the on-going financial crisis. However, these were partly offset by increases realized in manufactured products such as beer and soft drinks, and processed diamonds. Gains were also made from the depreciation of the local currency against trading partners, especially the US Dollar. However, year-on-year, exports of manufactured products declined by 1.9 percent during the third quarter of 2008 from N\$1.5 billion recorded during the corresponding quarter of 2007.

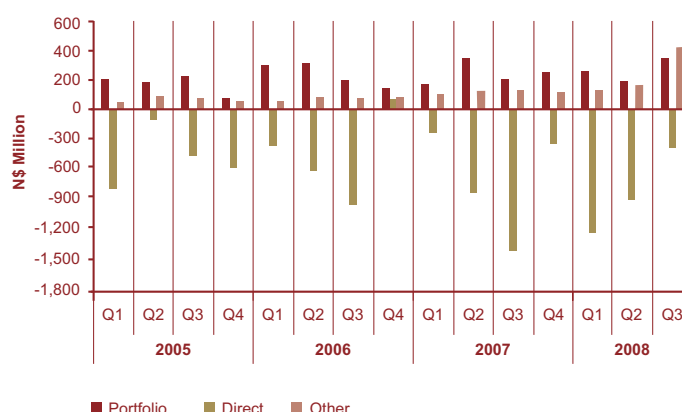
The trade in *services* was estimated to have recorded net inflows of N\$64.5 million during the third quarter of 2008, after net outflows of N\$55.8 million were recorded during the preceding quarter (Chart 57). This was mainly due to the sub-category *travel* that continued recording net inflows and the decline in net outflows recorded in the sub-categories transportation and life insurance during the same period.

**Chart 57: Service Account**



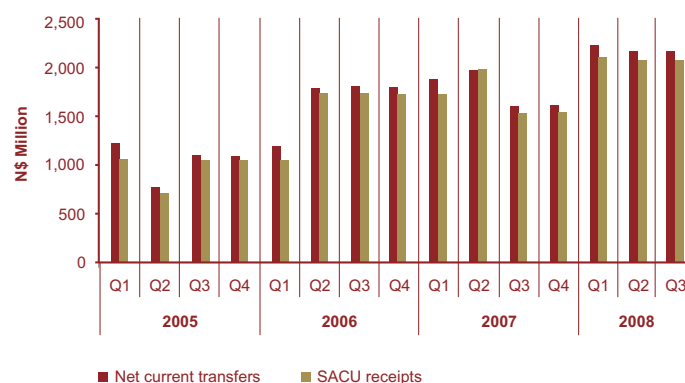
*Investment income* also recorded a net inflow of N\$634.6 million during the third quarter, compared to net outflow of N\$370.5 million recorded during the second quarter of 2008 (Chart 58). Contributing to the turn-around in investment income were mainly the relatively high net inflows from portfolio, with a net outflow of N\$866.1 million recorded in this sub-account during the corresponding quarter of 2007.

**Chart 58: Investment income**



*Net current transfers* receivable during the third quarter of 2008 continued to be dominated by transfers from the Southern Africa Customs Union (SACU). Net inflows from the category *current transfers* increased marginally, quarter-on-quarter, by N\$0.1 million to N\$2.2 billion in the third quarter of 2008 (Chart 59). Receipts from SACU transfers remained at N\$2.1 billion and constituted 96 percent of the total net current transfers receivable during the quarter. Year-on-year, current transfers rose by N\$613 million from the amount reported in the third quarter of 2007, with receipts from SACU increasing by N\$582 million. Net current transfers for the first three quarters of 2008 stood at N\$6.7 billion, of which SACU receipts amounted to N\$6.4 billion.

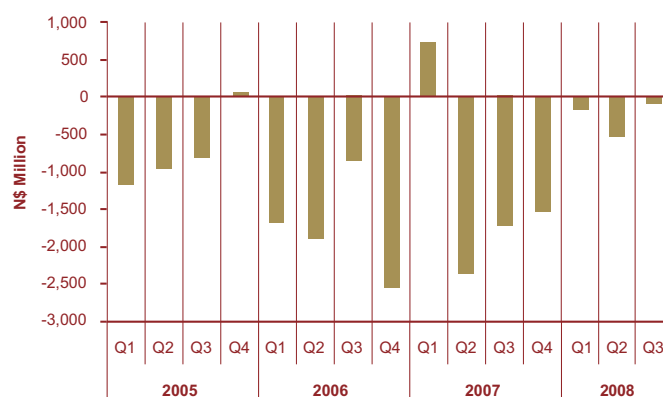
**Chart 59: Current transfers**



## CAPITAL AND FINANCIAL ACCOUNT

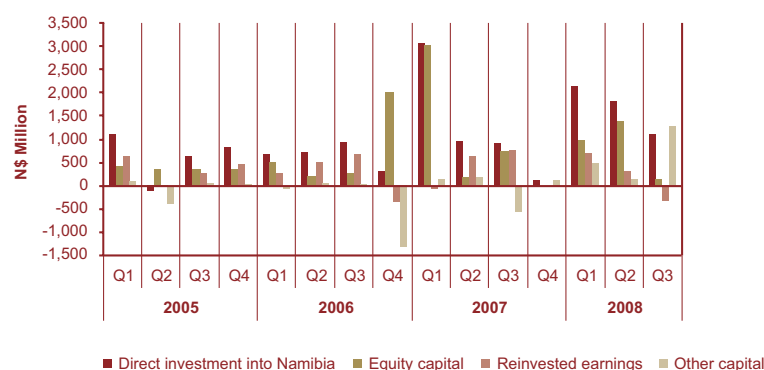
During the third quarter of 2008, the capital and financial account deficit was estimated to have narrowed to N\$83 million, after it recorded a deficit of N\$556 million during the preceding quarter. The smaller deficit was attributed mainly to substantial net inflows in other investment long term category, which offset the net outflows in the category *portfolio investment* (Chart 60).

**Chart 60: Capital and Financial account**



*Direct investment into Namibia* declined substantially to N\$1.1 billion during the third quarter of 2008 from N\$1.8 billion recorded in the preceding quarter (Chart 61). The decline was attributed mainly to equity capital that fell substantially from N\$1.4 billion in the second quarter of 2008 to N\$143.6 million during the third quarter of 2008. It was, also partly ascribed to losses in *reinvested earnings* that stood at N\$314 million during the same period from gains of N\$300 million in the previous quarter. These were, however, counteracted by the gain realized in the category *other capital* that rose substantially from N\$73.3 million during the second quarter of 2008 to N\$1.3 billion in the third quarter. However, the increase was not enough to offset the decline. Year-on-year, direct investment into Namibia increased by N\$177.8 million from N\$ 910.2 million recorded during the corresponding period of 2007.

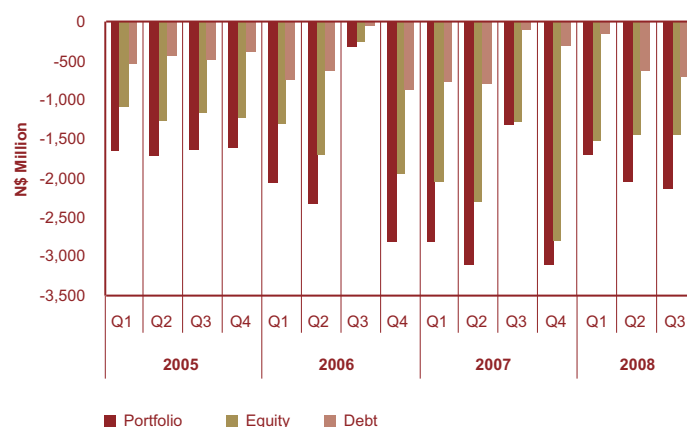
**Chart 61: Foreign direct investments**



Foreign investments in *portfolio instruments* continued to record net outflows during the third quarter of 2008, with a large percentage of such instruments being held mainly in the South African market and to a less extent offshore. During the third quarter of 2008, the net outflow in this category increased marginally, quarter-on-quarter, by 1.2 percent to N\$2.1 billion (Chart 62). Year-on-year, net outflows in portfolio investment increased by N\$730.1 million during the third quarter of 2008 from N\$1.4 billion recorded during the third quarter of 2007.

Portfolio investments, especially in South Africa continued to be held in considerable amounts in both equity and debt instruments. Net outflows in debt instruments were estimated to have increased noticeably to N\$688.4 million during the third quarter of 2008 from N\$636.8 million and N\$82.3 million recorded during the preceding quarter of 2008 and corresponding quarter of 2007, respectively. Net outflows in equity securities, on the other hand, were estimated to have remained virtually constant at N\$1.4 billion during the third quarter of 2008 when compared to the preceding quarter, but showed an increase of 9.7 percent from net outflow of N\$1.3 billion recorded during the corresponding quarter of 2007. A decline in equity securities net outflows partly reflect risk aversion towards this type of investment as opposed to debt instruments, following the ongoing world financial crisis.

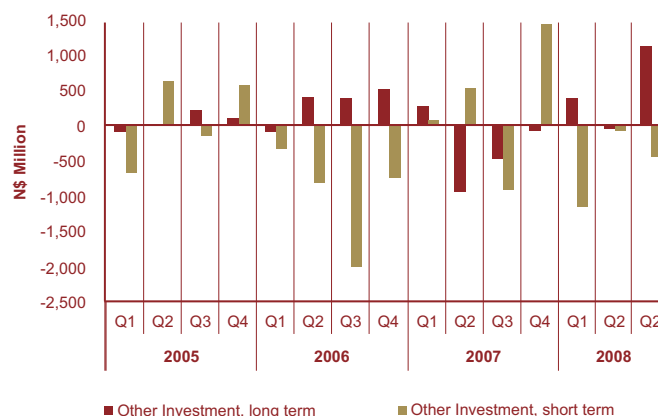
**Chart 62: Portfolio investments**



*Other long-term investment* recorded a net inflow during the third quarter of 2008, unlike the net outflow in the preceding quarter and the corresponding quarter of 2007 (Chart 63). A net inflow of N\$1.1 billion was recorded in the third quarter, compared to an outflow of N\$180.9 million and N\$515.5 million recorded during the preceding quarter and corresponding quarter, respectively. The category *other long-term investment* is mainly dominated by flows in long-term loans of the sub-categories *General Government*, *banks* and *other private sectors*.

General Government loan-liabilities with non-residents increased by N\$163.0 million recorded during third quarter of 2008, compared to N\$4.5 million recorded during the preceding quarter. Similarly, the *other sectors* increased their foreign loan-liabilities with non-residents significantly by N\$1.0 billion, compared to a reduction of N\$9.3 million recorded in the preceding quarter of 2008. Banks also increased their long-term loan-liabilities with non-residents though at a very small margin of N\$1.0 million over the same period. General Government's external borrowing was largely attributed to capital projects financing, while *other sectors'* borrowing was linked to developments in the mining sector.

**Chart 63: Other long-term and short-term investments**

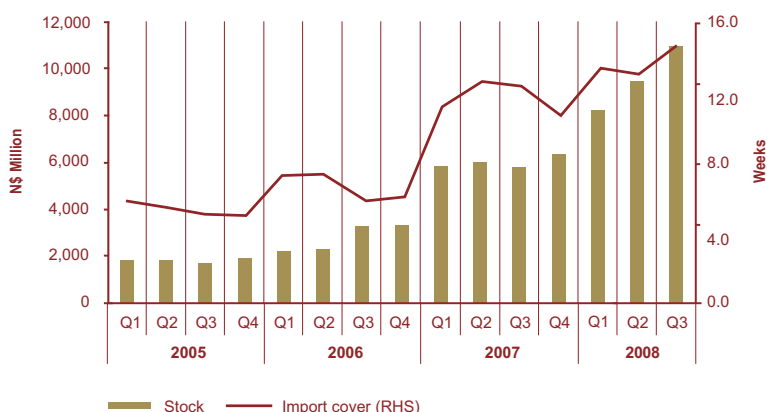


*Other short-term investment* is dominated by flows in loans with the repayment duration of one year or less, unlike that of other long-term investments, which are long-term in nature. Transactions in the category *other short-term investments* are mostly trade credits and developments in the trend are therefore influenced by trade credit arrangements. Further, transactions by commercial banks with their parent companies are also common in this sub-category.

Like in the second quarter of 2008, *other short-term investments* continued recording a net outflow during the third quarter of 2008, though of a higher amount of N\$410.1 million (Chart 63). The net outflow in *other short-term investment* stood at N\$200.9 million during the second quarter of 2008. During the third quarter of 2008, banks decreased their foreign assets and liabilities. *Other short-term investments* for other private sector, on the other hand, recorded lower net outflows of N\$372.7 million, compared with N\$526.9 million recorded during the preceding quarter. Year-on-year, other short-term investment recorded a lower outflows of N\$481.4 million during the third quarter of 2008, compared with N\$891.5 million recorded during the same quarter of the previous year.

The stock of *international reserves*, held by the Bank of Namibia, increased to N\$10.8 billion at the end of the third quarter from N\$9.5 billion recorded at the end of the second quarter of 2008 (Chart 64). The increase in reserve levels were largely attributed to SACU receipt. When compared to the corresponding quarter of 2007, this stock increased by N\$5.1 billion. The level of the stock of international reserves at the end of September 2008 represented 15.6 weeks of import cover, which was higher than the 13.7 weeks and 12.6 weeks recorded during the second quarter of 2008 and the corresponding quarter of 2007, respectively.

**Chart 64: Quarterly international reserves stock and import cover**



## EXTERNAL DEBT<sup>15</sup>

Driven largely by a decline in the outstanding stock of foreign debt stock of the private sector, Namibia's total foreign debt stock outstanding declined at the end of the third quarter of 2008. As in the previous quarter, outstanding stock of external debt for Namibia declined, quarter-on-quarter. At the end of the third quarter of 2008, the stock outstanding fell to N\$6.8 billion from N\$7.3 billion at the end of the previous quarter. Year-on-year, converse developments were observed with foreign debt increasing by 12.2 percent from N\$6.0 billion. The largest proportion of Namibia's external debt is currently held by Central Government at N\$3.4 billion, representing 50.3 percent of the total outstanding stock of external debt, while the private sector and parastatals hold the remaining 49.7 percent (Table 16).

**Table 16: Namibia's total foreign debt (N\$ million)**

	2007				2008		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Foreign Debt Outstanding</b>	<b>9,508.4</b>	<b>6,769.1</b>	<b>6,042.9</b>	<b>6,742.3</b>	<b>7,565.9</b>	<b>7,333.4</b>	<b>6,781.4</b>
Central Government	2,710.0	2,769.0	2,695.6	2,873.3	3,143.0	3,201.7	3,409.5
Parastatals	1,517.2	1,489.4	1,226.9	1,103.6	1,675.6	1,627.3	1,470.2
Private sectors	5,281.2	2,510.7	2,120.3	2,765.4	2,747.2	2,504.4	1,901.7
<b>Foreign debt services</b>	<b>404.1</b>	<b>346.3</b>	<b>1,140.2</b>	<b>519.2</b>	<b>571.7</b>	<b>763.9</b>	<b>1,019.5</b>
Central Government	55.5	56.9	46.1	78.5	74.1	62.0	64.3
Parastatals	7.8	10.6	10.6	0.0	5.3	8.2	3.0
Private sectors	340.9	278.8	1,083.5	440.6	492.4	693.7	952.2
<b>Percentage</b>							
Outstanding debt q-on-q	-12.9	-28.8	-10.7	11.6	12.2	-3.1	-7.5
Debt service q-on-q	-49.0	-14.3	229.2	-54.5	10.1	33.6	33.5
Debt service to exports FoB	8.4	6.2	22.5	10.2	10.9	12.4	19.6
<b>Memorandum Exports FoB</b>	<b>4,834.2</b>	<b>5,574.9</b>	<b>5,065.0</b>	<b>5,092.7</b>	<b>5,256.1</b>	<b>6,162.3</b>	<b>5,190.1</b>

Source: MoF and BoN

Central Government's foreign debt grew, at the end of the third quarter, by 6.5 percent, quarter-on-quarter, and 26.5 percent on a yearly basis to close at N\$3.4 billion. The increase in Central Government's debt stock is due to new loans contracted internationally and the weakening of the Namibia Dollar against foreign currencies, especially the US Dollar. In contrast, that of the private sector declined substantially during the quarter to stand at N\$1.9 billion at the end of the quarter. This is a decline of 24.1 percent and 10.3 percent, on a quarterly and annual basis, respectively, cancelled largely by increased debt servicing by the sector over this period. Parastatals also recorded a reduction in their stock of foreign debt outstanding of 9.7 percent, with their debt stock ending the quarter at N\$1.5 billion. However, on an annual basis, the stock of outstanding debt of parastatals increased by 19.8 percent over the same period (Table 16).

Like in the previous quarter, external debt servicing at the end of the third quarter of 2008 increased significantly by 33.5 percent to N\$1.0 billion compared to the N763.9 million registered at the end of the preceding quarter. The higher debt servicing resulted mainly from a 37.3 percent increase in debt servicing of the private sector, supported by debt servicing of the parastatals amounting to N3.0 million, at the end of the third quarter. Central Government debt servicing also increased, quarter-on-quarter, but at a lower rate of 2.3 percent at the end of the second quarter, resulting in a debt servicing of N\$64.3 million.

The ratio of debt servicing to exports<sup>16</sup> stood at 19.6 at the end of the third quarter of 2008, much higher than the position recorded during the preceding quarter. Increased debt servicing and lower exports were directly responsible for this high ratio and this has an adverse impact on the level of reserves.

<sup>15</sup>The external debt analyzed under this section is only limited to loans requiring making repayments over time, and excludes other types of external liabilities, for example, loans extended to each other between related enterprises, which is captured under the sub-category 'other capital', etc. The exclusion is because such type of loans constitutes different arrangements with special treatment/s afforded to each other, which is different from any ordinary type of loan.

<sup>16</sup>Debt service as a percentage of merchandise exports is a good measure of how serviceable debt is because higher growth rates in exports builds up international reserves, which in turn are used to service foreign debt. So, the lower the percentage ratio the better.



## INTERNATIONAL INVESTMENT POSITION

Despite the global economic growth imbalances and the deepening financial crisis, the international investment position (IIP) of Namibia continues to remain in a healthy surplus position at the end of the third quarter of 2008. The net asset position of the IIP is estimated to have increased on a quarterly and annual basis (Table 17). Driving this surplus position is the category portfolio investments abroad, while much needed direct investment in Namibia is the most significant inflow of the IIP.

**Table 17: International investment position (N\$ million)**

	2006	2007				2008		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
<b>Assets</b>	<b>40,767</b>	<b>47,858</b>	<b>52,612</b>	<b>55,424</b>	<b>57,335</b>	<b>64,902</b>	<b>65,689</b>	<b>68,351</b>
Direct investment abroad	51	121	74	73	106	171	155	127
Portfolio investments	31,319	33,474	36,333	38,319	41,016	40,770	39,076	40,627
Other investments	6,458	8,524	10,224	11,353	9,811	15,268	16,987	16,816
International reserves	2,939	5,739	5,980	5,679	6,401	8,693	9,470	10,781
<b>Liabilities</b>	<b>31,343</b>	<b>30,591</b>	<b>33,484</b>	<b>28,467</b>	<b>34,912</b>	<b>36,385</b>	<b>36,383</b>	<b>37,538</b>
Direct investment into Namibia	19,416	18,803	24,428	20,574	26,249	26,947	26,815	28,522
Portfolio investments	584	584	584	584	584	584	584	584
Other investments	11,343	11,204	8,472	7,309	8,079	8,855	8,984	8,432
<b>Net asset (+)/liability (-)</b>	<b>9,424</b>	<b>17,267</b>	<b>19,128</b>	<b>26,956</b>	<b>22,423</b>	<b>28,517</b>	<b>29,306</b>	<b>30,813</b>

### Assets

Namibia's foreign assets are estimated to have increased, quarter-on-quarter, at the end of the third quarter of 2008 by 4.1 percent to N\$68.4 billion. A significant expansion by 23.3 percent was recorded, year-on-year, from N\$55.4 billion at the end of the corresponding quarter of 2007. Portfolio investment, the major component on the asset side of the IIP, is estimated to have increased on both the quarterly and annual basis by 4.0 percent and 6.0 percent, respectively. Equity instruments declined slightly to N\$22.1 billion at the end of the third quarter from N\$22.3 billion recorded at the end of the previous quarter, causing the portfolio investment position. On an annual basis, investment in equity instruments declined substantially from N\$24.4 billion recorded at the end of the corresponding quarter of 2007. Debt instruments, on the other hand, increased by 10.8 percent at the end of the third quarter from the N\$16.7 billion recorded at the end of the second quarter of 2008. A similar trend, though at a much higher level, was observed with debt instruments increased annually by 32.8 percent from a level of N\$13.9 billion recorded at the end of the corresponding quarter of 2007. This was partly due to data improvements.

Other investment assets declined by 1.0 percent at the end of the third quarter when compared to the previous quarter, though growing by 48.1 percent when compared to the corresponding quarter of 2007. This quarterly decline in the position of other investment resulted in the asset position of this category to close the quarter at N\$16.8 billion at the end of the third quarter. Driving this decline was largely claims of resident banks on non-bank companies abroad, which dropped from N\$2.2 billion at the end of the second quarter to N\$1.4 billion at the end of the third quarter.

### Liabilities

Foreign liabilities of Namibia increased slightly at the end of the third quarter of 2008, largely due to the rise in other capital. The total liabilities of Namibia at the end of the third quarter were estimated at N\$37.5 billion, which represent a quarterly and an annual growth of 3.2 percent and 31.9 percent, respectively. Direct investment into Namibia is estimated to have grown by 6.4 percent to N\$28.5 billion at the end of the third quarter of 2008 compared to the stock at the end of the previous quarter. This was followed by other investments at N\$8.4 billion, by the end of the third quarter, a decline by 6.1 percent from the level of the previous quarter. Quarterly and annual growth of other capital was the key driver of growth in Namibia's liabilities over the quarter as it expanded to N\$8.2 billion from N\$6.9 billion, quarter-on-quarter, during the third quarter. On a yearly basis, other capital also rose by 23.9 percent over the same period.

The foregoing developments in the assets and liabilities components of the IIP resulted in a net asset position of about N\$30.8 billion at the end of the third quarter of 2008. This represents increases of 5.1 percent and 14.3 percent, quarter-on-quarter and year-on-year. This was remarkable amidst the turmoil in the global financial markets and slowdown in the world economic growth, which by the third quarter has reached close to recession in some of the economies.



## EXCHANGE RATES

As a result of deepening global financial crisis, mixed performances of major currencies were observed during the third quarter of 2008. The Japanese Yen (Yen), the Canadian Dollar (CAD) and the Australian Dollar (AUD) appreciated, quarter-on-quarter, against the US Dollar (USD) (Table 18).

**Table 18: Quarterly exchange rates: Selected currencies against US Dollar**

	Euro	Pound	Yen	AUD	CAD
<b>2007</b>					
Q1	1.3354	1.9678	117.8300	1.2366	1.1540
Q2	1.3542	2.0088	123.1800	1.1774	1.0654
Q3	1.4267	2.0473	114.8000	1.1263	0.9923
Q4	1.4590	1.9849	111.7100	1.1429	0.9984
<b>2008</b>					
Q1	1.5788	1.9837	99.6900	1.0951	1.0254
Q2	1.5755	1.9923	106.2100	1.0432	1.0215
Q3	1.4766	1.8596	107.6500	1.1648	1.0496

The Yen, CAD and the AUD appreciated, quarter-on-quarter, against the USD by 1.4 percent, 2.7 percent and 11.7 percent, respectively. Similarly, year-on-year, the AUD and CAD appreciated by 3.4 percent and 5.8 percent, respectively, while the Yen depreciated by 6.23 percent.

The Euro depreciated by 6.28 percent, quarter-on-quarter, against the USD during the third quarter of 2008, however on an annual basis, it appreciated by 3.50 percent. The depreciation of the Euro against the US dollar during the third quarter of 2008 was as a result of declining stocks amid concern that losses in the U.S credit market may widen. Over the same period, the Pound depreciated against the USD by 6.66 percent and 9.17 percent, year-on-year, driven by the rise in UK's unemployment rate, an increase in the inflation and a decline in the UK's economic growth.

Similar to the developments in the second quarter, the NAD<sup>17</sup>, the local currency depreciated against the US dollar. However, it appreciated against the Euro and the Pound Sterling during the third quarter of 2008, from depreciations against these two currencies in the second quarter of 2008 (Table 19). The sharp declines in the prices of gold and platinum caused the NAD to depreciate. Further, other factors such as the sharp fall in the growth of the South African house prices and the labor market unrest were also not in favor of the local currency, ultimately resulting in weakening value of the Rand. The NAD also fell against the USD as the US\$700 billion rescue package for the U.S financial system decreased demand for higher-yielding, emerging-market assets.

As a result of the above developments, the local currency traded at quarterly averages of N\$7.7814, N\$14.7023 and N\$11.6922 against the USD, Pound and Euro, during the third quarter of 2008. This represented depreciations of 0.0 percent against the USD, and appreciations of 4.0 percent and 3.8 percent against the Pound and Euro, respectively (Chart 65).

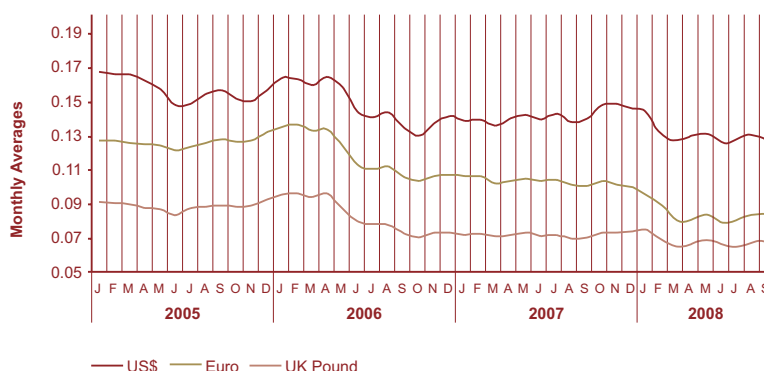
<sup>17</sup>The Namibia Dollar trades one to one against the South African Rand (ZAR) and is therefore referred to interchangeably against other international currencies. The rates being referred to are period averages of mid rates, per one foreign currency.

**Table 19: Exchange rates- NAD per respective foreign currencies**

PERIOD	QUARTERLY AVERAGES			CHANGES (%)					
	US\$	GBP	EURO	QUARTER-ON-QUARTER			YEAR-ON-YEAR		
				US\$	GBP	EURO	US\$	GBP	EURO
<b>2006</b>									
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
Q3	7.1115	14.3617	9.7689	0.1	1.8	2.0	-0.5	7.2	7.2
Q4	6.7670	13.8440	9.8057	-4.8	-3.6	0.4	-7.5	-1.2	3.9
<b>2008</b>									
Q1	7.5352	14.9127	11.3033	11.4	7.7	15.3	4.1	5.4	19.2
Q2	7.7786	15.3173	12.1583	3.2	2.7	7.6	9.5	8.6	27.0
Q3	7.7814	14.7023	11.6922	0.04	-4.0	-3.8	9.4	2.4	19.7

Year-on-year, the trend is similar to the one observed during the second quarter of 2008, with the NAD depreciating by 9.4 percent, 2.4 percent and 19.7 percent against the US Dollar, Pound sterling and Euro, respectively.

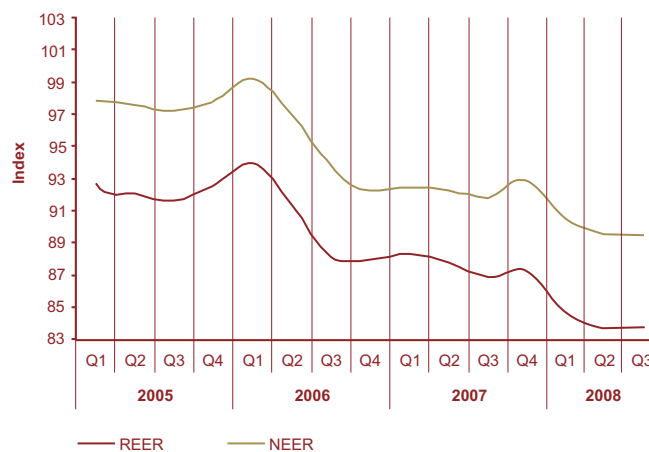
**Chart 65: Foreign currencies per Namibia Dollar**



### Trade weighted effective exchange rates

During the third quarter, the trend in trade weighted effective exchange rate index remained unchanged. Like in the preceding quarter, both the nominal and real effective exchange rates indices continued depreciating quarter-on-quarter. In the third quarter, the nominal effective exchange rates index (NEER) depreciated, quarter-on-quarter, by 0.1 percent to 89.7 while that for the real effective exchange rates index (REER) was by 0.2 percent to 83.8 (chart 66).

**Chart 66: Trade weighted effective exchange rate index**



Year-on-year, there was also a continuation of the depreciation for both the NEER and REER. The NEER and the REER depreciated by 3.2 and 3.6 percent, respectively. The implication of depreciation in the REER is that certain Namibian products exported gained competitiveness of approximately the same magnitude.

## 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 comes 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 proceeding 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 or 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 second quarter of 2008

On the current account, revisions were made on the category *services (net)*. The net inflow of N\$18 million was revised to an outflow of N\$56 million (Table 20).

On the capital and financial account, revisions were made on the *other investment long- and short-term* categories. The net outflow was increased by N\$133 million to N\$181 million while on the category *other investment short-term* the net inflow of N\$381 million was revised to an outflow of N\$201 million.

**Table 20: Balance of payments revised data for the second quarter of 2008 (N\$ millions)**

	As published in September 2008 Quarterly Bulletin	As published in December 2008 Quarterly Bulletin	Discrepancy
<b>Current Account</b>			
Service (net)	18	-56	-74
<b>Capital Account</b>			
Other Investment- long term	-48	-181	-133
Other Investment- short term	381	-201	-582

## PRESS STATEMENTS AND SPEECHES

### MONETARY POLICY STATEMENT BY THE BANK OF NAMIBIA

**16 October 2008**

1. The Executive Committee of the Bank of Namibia met on 15 October 2008 to formulate the monetary policy stance for the next two months.
2. Since the previous monetary policy meeting of the Executive Committee, the turmoil on global financial markets has intensified. While this development has negatively impacted on the outlook of the international economy in terms of declining equity prices across major stock markets, there are also encouraging signs that some exogenous factors, such as high food and fuel prices that have to a large extent driven domestic inflation, have started to abate. Nevertheless, the outlook on imported inflation remains less optimistic in view of the recent depreciation of the exchange rate.
3. Although the overall rate of inflation remained relatively high at 12 percent in August and September 2008, domestic demand conditions, as reflected in indicators such as credit extension to the private sector and motor vehicles sales, were relatively restrained, providing assurance that the less accommodative monetary policy stance of the Bank has been effective in containing price pressures originating from domestic sources of inflation. Month-on-month, total vehicle sales declined by 8.5 percent in August, while the annual growth rate in private sector credit stood at 10.9 percent, below the annual inflation rate. This implies that credit extension to the private sector is declining in real terms. 2
4. The Bank of Namibia remains confident that its key anchor and intermediate target to ensure long-term price stability, namely the currency peg, remains sustainable. In this connection, liquidity conditions in the banking system remain favourable, and there has been no excessive or undesirable outflow of capital. Moreover, since the last meeting of the Executive Committee, international reserves further strengthened to N\$12 billion from N\$11.5 billion at the last meeting, which is more than sufficient to provide a cushion to sustain the currency peg. In addition, fiscal policy, a key requirement in respect to the exchange rate targeting, remains prudent and supportive of the currency peg.
5. It is against the background that the Executive Committee has decided to keep the Bank Rate unchanged at the level of 10.5 per cent. The Bank believes that this decision does not pose a threat to the reserves outlook and, hence, the currency peg. However, at the same time, the Bank of Namibia remains vigilant about upward risk to inflation coming from exogenous factors and the uncertainties arising from the current instability in international financial markets. The Bank will, therefore, not hesitate to take the necessary actions at its disposal to defend the peg and ensure price stability.

Tom K. Alweendo  
**Governor**

## IMPORTANT PUBLIC ANNOUNCEMENT ON PYRAMID SCHEME: SUCCESS UNIVERSITY

13 October 2009

The Bank of Namibia, as regulator of banking institutions and banking business in Namibia, would like warn and educate the public about the dangers of investing or participating in pyramid schemes. The Bank has recently received several complaints and inquiries from the public about the mushrooming scheme called **“Success University”**. After carrying out its investigations, the Bank hereby declares the operations of Success University in Namibia to constitute a pyramid scheme and therefore it is illegal. The Bank of Namibia, therefore, warns all promoters of this scheme in Namibia to stop their activities immediately.

Success University offers on line courses on “how to be successful in life” through learning, i.e. “Teach you how to be wealthy by developing your mindset, attitudes and skills”. Accordingly, people are offered courses like leadership, relationship skills, network marketing, etc. just to mention a few. While developing themselves, they get paid in US\$ for recruiting members as well as a certificate of recognition.

For example, Success University promotes that when person A joins their scheme and recruits other two people and if these two people recruit their friends, then person A qualifies to earn US\$500.00, which is a once off payment, known as a “team building bonus”. The requirement is that two “friends” should be recruited in one month before the participant receives his or her bonus. The advertisement continues with statements such as *“Can you live on N\$300 000 a month???”* Recruits are also promised compensation plans like enrolment bonuses or direct income (depending on the number of people they recruit); unlimited indirect bonuses (based on recruitment by others); weekly income (a once-off payment when new people join your network); and monthly income (also based on the number of people recruited). These activities clearly resemble those of a pyramid scheme.

### What are Pyramid Schemes?

Pyramid schemes are illegal money-making ventures for individuals at the top who recruit participants who, in turn, recruit other participants to offer something of value, usually money. Recruits are offered the promise of money if they successfully recruit others that would pay money to join the pyramid. A typical pyramid scheme would focus on the exchange of money and recruitment. Usually, there is no legitimate product being sold. In other words, there are no underlying assets involved in the transaction.

### How do Pyramid Schemes work?

A single promoter (or small group of promoters) collects money from a certain number of “friends” and instructs them to collect more money from more of their “friends” with a promise of better returns on the initial deposit or “investment” based on the number of people a participant recruits. The cycle continues from there onwards. Usually, but not always, most pyramid schemes give certificates of participation to the participant right after he or she has paid the required amount.

As the pyramid grows, the number of people involved becomes too large to sustain the pyramid. Some people will fail to deposit their money, or recruit the required number of “friends”, and the pyramid crumbles. Most people end up at the “bottom” of the pyramid and inevitably lose their initial “investment”, which is enjoyed by the top few “fat-cats”, usually those who started the scheme. The people at the bottom of the pyramid would not get their money back, because there is no-one beneath them in the pyramid adding new money to the pot.

It must be understood and recognized that losses are inherent in pyramid schemes, and the majority of the participants lose money at the end of the day. In any case, the losses will be substantial to the individual concerned, to their families and more importantly to the whole society. It should be noted that those involved in recruiting others are also guilty as they are spreading the impact of the pyramid scheme to the rest of the community.

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## Why are Pyramid Schemes illegal?

Pyramid schemes are illegal because they violate **section 5 of the Banking Institutions Act (Act No. 2 of 1998)**. That section prohibits illegal banking business, which can be simply defined as the taking of deposits from the public without being authorized by the Bank of Namibia and registered as a bank like other banks in the country. This means that no person is allowed to receive, accept, take or advertise, solicit, procure or attempt to procure a deposit or deposits from the public (which pyramid schemes do) or pretend to be a banking institution without being registered as a banking institution. Violation of section 5 constitutes an offence which carries a fine of either N\$500 000.00 or five years imprisonment or N\$1 000 000.00 or ten years imprisonment or both the fine and the period of imprisonment, depending on the facts of the case.

Finally, the description of pyramid schemes as outlined above suits the operations of Success University. The scheme focuses on recruitment of more people as opposed to selling a product. Hence, the scheme must fail at one point or another when the recruitment drive reaches its peak. The Bank of Namibia is therefore issuing this public statement to warn Namibians against this scheme and such other schemes meeting the definition of a pyramid scheme. Furthermore, the Bank appeals to the law-abiding citizens of this country to help the law enforcement officers by reporting such activities immediately, as they become aware of them.

These illegal activities can be reported to the Bank of Namibia's Banking Supervision Department at tel: (061) 283 5005 or e-mail: [info@bon.com.na](mailto:info@bon.com.na)

**ISSUED:** MIKE MUKETE, DIRECTOR: BANKING SUPERVISION  
**ENQUIRIES:** CORPORATE COMMUNICATION DIVISION  
Tel: (061) 283 5056  
Fax: (061) 283 5228  
e-mail: [helene.badenhorst@bon.com.na](mailto:helene.badenhorst@bon.com.na)

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## **BANK OF NAMIBIA CONFIRMS THAT NAMIBIAN FINANCIAL SYSTEM IS STABLE**

**9 October 2009**

The Bank of Namibia has been closely monitoring developments in the global financial system. The Bank would like to inform the public that Namibia's financial sector has not been directly affected by the current global financial instability. This is because Namibia's financial sector has limited exposure to the origin countries of financial instability.

The Bank is aware that the stability of the global financial system has weakened further since the publication of the Bank's Financial Stability Report in March 2008. The Bank's second Financial Stability Report will be published in less than three weeks. While the publication of this report will provide the public with a comprehensive analysis of the state of the financial stability in Namibia, it is important to point out that, although the impact on the financial sector has been limited, the Namibian economy is expected to be adversely affected by the weaknesses in the global financial system through the concomitant slowdown in the world economy and the shying away of investors from emerging markets.

Despite these indirect negative effects, the Bank does not see any eminent threat to the soundness of the banking sector nor of the entire financial sector in Namibia. Members of the public who wish to gain a deeper understanding of the Bank's financial stability assessment are encouraged to read the Financial Stability Report to be released in due course. As part of its regular assessment of the state of financial stability in Namibia, the Bank will continue to closely monitor developments in the global and domestic financial systems and take appropriate actions when deemed necessary.

Should you have any other enquiries, please do not hesitate to contact Helene Badenhorst, Head: Corporate Communication at tel: (061) 283 5056.

**Ipumbu Shiimi**

**Assistant Governor and Head of Financial Stability**



## **NAMIBIA'S MONETARY POLICY FRAMEWORK**

### **ANNUAL ADDRESS BY TOM ALWEENDO, GOVERNOR OF BANK OF NAMIBIA**

**6 November 2008**

#### **Introduction**

Thank you for having accepted our invitation to come and listen to my annual address. This year I will focus my address on our monetary policy framework. This year's choice of topic is motivated by our desire to be transparent in our conduct of monetary policy.

#### **International financial crisis**

Allow me first to make few remarks on the global economic developments. By now we are all aware of the financial crisis that is afflicting the world economy and its adverse impact on economic growth world-wide. This crisis is made worse by the risk of high price-induced food and fuel crises. As a result, many countries are faced with the challenges of managing worsening balance of payments positions. For example, global economic growth is projected to decline this year and during 2009, potentially aggravating the financial crisis and thereby the loss of confidence in the financial markets. While the financial crisis is still only confined to the advance economies, there are uncertainties as to its impact on developing economies. Depending on how long it may last, there is a greater risk that the crisis will spill-over to developing economies and that we will see further tightening in the commodity markets that will pose risks to growth in many commodity-exporting developing countries.

In sub-Saharan Africa, for example, economic growth is projected to minimally slow from 6.9 percent in 2007 to 6.3 percent in 2008. In 2009 there is an expectation of a slow recovery to 6.7 percent, due mainly to the relative macroeconomic stability in many of the SSA economies. However, it is likely that the region will be negatively impacted by conditions of food insecurity and inflationary pressure. In many of our countries in the region, the key challenge is therefore how to address the medium to long-term implications of the crisis with respect to macroeconomic stability, fiscal and current account balance, and growth sustainability. It is imperative that our policy should aim at improving infrastructure and to increase investment that is supportive of growth, strengthening the macroeconomic framework, and improving the business environment in order to avoid loss of competitiveness.

The advanced economies that are affected by the financial crisis have responded by mainly using public funds to provide fiscal stimulus and liquidity support to their financial institutions. They argued that the long-term potential cost to society arising from the collapse of the financial sector will be much larger than the cost to the public of bailing out ailing financial institutions. We also now know that these policy interventions have had mixed results in stemming the crisis.

The main lesson to be learned from the financial crisis is that in the highly globalised financial markets, effective regulation is an indispensable tool to manage financial markets. It has been proven, on various occasions that the market is not always efficient. We must therefore expect that there will always be occasions where the market will fail and when that happens there is a realistic expectation that governments should intervene. When markets are functioning as expected, proponents of minimal regulation generally consider regulation as an unnecessary constraint to the private sector. My view is that we need to be pragmatic and not wait until markets fail before governments intervene by having effective market regulation. Let me also hasten to add that when governments do intervene to correct market failures, such intervention must be temporary and targeted.

Our financial system has been relatively shielded from the immediate negative consequences of the financial crisis. Overall, therefore, there is no immediate concern about our financial stability. However, depending on how long the crisis may last, we are not altogether immuned from the long-term effects, such as slow economic growth. Moreover, although inflationary pressures have started to abate, the outlook remains uncertain. It is, thus, imperative to manage our resources prudently, both at a national and household levels.

It goes without saying that the financial crisis has created a challenge for monetary policy. A number of monetary authorities are faced with the difficult balance between maintaining price stability by tightening monetary policy without needlessly jeopardising economic growth.

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## Principles of Monetary Policy frameworks

Let me now return to my topic of discussion today, namely our monetary policy framework. Before elaborating on the specifics of our monetary policy framework, I would like to highlight some principle issues that guide monetary policy frameworks world-wide. Monetary policy has been acknowledged as one of the main tools that central banks and governments use for economic management. One can describe monetary policy as the action by the central bank to influence short-term interest rates, money supply and credit extension to achieve certain objectives. In many countries, including Namibia, the objective of monetary policy is price stability.

In an environment of stable prices, economic actors, both domestic and foreign, are able to plan better for the future. For instance, both domestic and foreign investors would be hesitant to invest in a high inflation environment for fear of loss of their investment values. Stable prices allow market participants to make informed decisions and adjust their decisions about spending, saving, and investing in welfare-enhancing ways. High inflation, on the other hand, invites bad economic decisions, which is harmful to long-term sustainable growth. Stable prices are also important in protecting the purchasing power of consumers, especially the poor.

One of the pertinent questions that economists and practitioners alike continue to battle with is what monetary policy can do and what it cannot do. In general, there is consensus that monetary policy, through low and stable prices, can assist in creating a conducive environment for sustainable economic growth and development. I would, however, like to note that stable prices do not mean that prices of good and services will not change at all. Relative prices in a market economy will always change in response to changes in relative scarcities. For example, during or after a drought food prices are likely to increase.

While monetary policy can succeed in maintaining stable prices, it is less successful in controlling real variables, such as the real interest rate or the unemployment rate.

The point being that price stability is a necessary but not sufficient condition for economic growth. Growth in the long-term is determined by a range of factors, including supply side factors, government policies and the general macroeconomic environment that monetary policy contributes to.

### The transmission mechanism of Monetary Policy in Namibia

At the heart of any monetary policy framework is the transmission mechanism. The transmission mechanism traces how monetary policy decisions impact on other economic variables, such as prices and output over time. For example, if the objective of monetary policy is to control inflation and the instrument used is interest rate, the transmission mechanism describes how higher interest rates are supposed to curb increases in the general price level. Increases in interest rates raise the cost of borrowing and depress corporate investment. Furthermore, high interest rates reduce the value of assets, which impacts negatively on wealth and therefore consumption.

We must, however, be aware that there are economies that are less market-oriented than others, where the behaviour of economic actors may be less sensitive to the price of money and where bottom-line considerations may not be of prime importance in business decisions. There is also the possibility of the borrowing and lending rates of the banks being less sensitive to changes in the key policy rates. For these and other reasons, the transmission mechanism, may be less efficient than would otherwise be the case. This may be so to such an extent that interest rate as a monetary policy instrument may not be an effective one.

The mechanism will also differ, depending on whether a country has adopted a fully flexible or pegged exchange rate arrangement. In an open economy operating under a fixed exchange rate regime, it is not possible to also have monetary policy independence and free capital mobility. However, a country with a fixed exchange rate policy could use sterilisation operations, capital controls and prudential requirements to influence, to a certain degree, short-term interest rates, money supply and credit extension to the private sector to control domestically induced inflation through expectations and aggregate demand.

As a consequence of being a member of the Common Monetary Area, Namibia is not in a position to set its monetary policy fully independent from South Africa, which is the anchor country. However, we still have the ability to deviate to some extent from South Africa by using capital controls and prudential requirements that can be imposed on our financial institutions. It is therefore possible for the Bank of Namibia to maintain a Repo rate different from the Repo rate of the South African Reserve Bank (SARB), when so required, and gives us discretion to control the domestic money supply. This discretion enables the Bank of Namibia to control domestically induced inflation, which is estimated to contribute about 35 per cent to the overall inflation in Namibia.

## **The institutional underpinnings of Monetary Policy in Namibia**

Let me now say something about the process of conducting our monetary policy. Our Executive Committee, consisting of senior members of management and chaired by the Governor, is responsible for the formulation of monetary policy. In many countries, the setup is to have a legally constituted Monetary Policy Committee, where membership is not restricted to members of management. In my view this is a better arrangement and going forward, we should move to a similar arrangement.

The key mandate of the Executive Committee in relation to monetary policy matters is derived from the Bank of Namibia Act, which requires the Bank of Namibia to ensure internal and external monetary stability. By law, the Bank enjoys operational autonomy in its decision-making. The main objective that the Committee focuses on is the maintenance of the parity of the Namibia Dollar to the South African Rand. However, since the ultimate objective of monetary policy is stable prices, the Committee also keeps a close watch on the inflation rate.

The Committee meets six times a year and at each such meeting, it decides on the appropriate stance of monetary policy for the next two months. Before a decision is taken, relevant line departments in the Bank are invited to make presentations to the Committee on recent domestic and international economic developments, and on the inflation outlook. All decisions are taken by consensus and where consensus does not emerge, the Chairperson exercises a casting vote.

## **Monetary Policy implementation and market operations**

Our ultimate monetary policy objective, as I noted earlier, is to maintain price stability. In achieving this objective, the Bank of Namibia has an intermediate target to promote an economic and financial environment that will ensure that the parity between the Namibia Dollar and the South Africa Rand is not in any way threatened. For example, the parity could be threatened when, amongst others, large interest rates differential causes undue capital inflows or outflows.

You may also need to have an operational target, which is an economic variable that the central bank wants to influence on a day-to-day basis, through its monetary policy instruments. Although we do not have a formal operating target, we do monitor the level of our official reserves, as the fixed currency peg requires the country to fully back its currency in circulation with international reserves. Our current levels of the official reserves are more than sufficient to protect the fixed exchange rate arrangement. However, at the N\$12 billion mark, the reserves are still minimal in comparison to similar economies. We therefore need to continue to intensify our efforts in accumulating more reserves.

The main policy tool that we use to influence local monetary conditions is the Repo rate, which is kept close to the South African Reserve Bank's repo rate. The Repo rate is the interest rate at which commercial banks borrow money from the Bank of Namibia, and this, in turn, affects other interest rates in the economy. Changes to the Repo rate usually take into account not only the SARB's decision about its Repo rate, but also domestic and international economic conditions, and future prospects.

The main tools that the Bank uses to reach its operational targets include the call account, repurchase operations, Bank of Namibia Bills and other monetary policy tools. For those who are interested in more details about these tools, I encourage you to read the booklet we have just issued. However, the main objectives of all these tools are to manage liquidity in the banking system.

## **Conclusion**

In conclusion, ladies and gentlemen, I hope that I have clarified a number of issues, and that you will have a better understanding and appreciation of the monetary policy decisions of the Bank. I also encourage you to make time and read the booklet on monetary policy framework that we launched today. As you read, please remember that our doors at Bank of Namibia are open, should you want to engage us on certain issues that may be of interest to you. That will help us make strides in our efforts to being transparent in our dealings.

I thank you for your attention.

# STATISTICAL APPENDIX

## METHODS AND CONCEPTS

### Balance of Payments

#### Accrual accounting basis

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

#### Balance of Payments

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

#### Capital and Financial Account

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

#### Capital Transfers

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

#### Current Account

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

#### Current Transfers

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

#### Direct Investment

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

#### Double-entry accounting

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

### Goods

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

### Income

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

### Merchandise Trade Balance

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

### Net Errors and Omissions

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

### Other Investment

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

### Overall Balance of Payments

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

### Portfolio Investment

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

### Reserve Assets

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

### Residency

In the balance of payments, the concept of residency is based on a sectoral transactor's 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.

### **Narrow Money Supply (M1)**

Narrow Money Supply (M1) is defined to include currency in circulation and transferable deposits of resident sectors, excluding Central Government and Depository Corporations.

### **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 (e.g. time deposits).

### **Dual-listed Companies**

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

### **Lending rate**

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

### **Local Market in terms of NSX**

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

### **Market Turnover**

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

### **Market Volume**

The number of shares traded on the NSX.

### **Money Market rate**

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

### **Mortgage rate**

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

### **Overall Market in terms of NSX**

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

### **Prime rate**

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

### **Real Interest rate**

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



# STATISTICAL TABLES

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**Table I.1 Aggregate Economic Indicators**

	2003	2004	2005	2006	2007
<b>Current prices</b>					
GDP (N\$ mil.)	37304	42679	46177	54017	61457
% Change	5.3	14.4	8.2	17	13.8
GNI (N\$ mil.)	39036	43217	45463	53659	60733
% Change	9.1	10.7	5.2	18	13.2
GDP per capita (N\$)	19727	22194	23596	27117	30304
% Change	3.6	12.5	6.3	14.9	11.8
GNI per capita (N\$)	20643	22474	23231	26937	29947
% Change	7.3	8.9	3.4	16	11.2
<b>Constant 2004 prices</b>					
GDP (N\$ mil.)	38014	42679	43758	46886	48789
% Change	4.2	12.3	2.5	7.1	4.1
GNI (N\$ mil.)	40173	43224	44392	50151	53644
% Change	2.2	7.6	2.7	13	7
GDP per capita (N\$)	20103	22194	22360	23537	24058
% Change	2.5	10.4	0.7	5.3	2.2
GNI per capita (N\$)	21244	22477	22683	25176	26451
% Change	0.5	5.8	0.9	11	5.1

Source: Central Bureau of Statistics



**Table I.2 Gross Domestic Product and Gross National Income**

	2003	2004	2005	2006	2007
<b>Current prices - N\$ millions</b>					
Compensation of employees	16881	18787	19630	21317	23635
Consumption of fixed capital	4299	4791	5261	5896	6920
Net operating surplus	13618	15598	17423	22670	26248
<b>Gross domestic product at factor cost</b>	<b>34798</b>	<b>39176</b>	<b>42314</b>	<b>49883</b>	<b>56804</b>
Taxes on production and imports	2506	3502	3864	4133	4653
<b>Gross domestic product at market prices</b>	<b>37304</b>	<b>42679</b>	<b>46177</b>	<b>54017</b>	<b>61457</b>
<b>Primary incomes</b>					
- receivable from the rest of the world	2123	1483	955	1304	1911
- payable to rest of the world	-391	-944	-1670	-1661	-2635
<b>Gross national income at market prices</b>	<b>39036</b>	<b>43217</b>	<b>45463</b>	<b>53659</b>	<b>60733</b>
<b>Current transfers</b>					
- receivable from the rest of the world	3670	4529	4547	6733	7421
- payable to rest of the world	-203	-225	-286	-306	-369
<b>Gross national disposable income</b>	<b>42503</b>	<b>47521</b>	<b>49724</b>	<b>60087</b>	<b>67785</b>
<b>Current prices - N\$ per capita</b>					
Gross domestic product at market prices	19727	22194	23596	27117	30304
Gross national income at market prices	20643	22474	23231	26937	29947
<b>Constant 2004 prices - N\$ millions</b>					
<b>Gross domestic product at market prices</b>	<b>38014</b>	<b>42679</b>	<b>43758</b>	<b>46886</b>	<b>48789</b>
- Annual percentage change	4.2	12.3	2.5	7.1	4.1
<b>Real gross national income</b>	<b>40173</b>	<b>43224</b>	<b>44392</b>	<b>50151</b>	<b>53644</b>
- Annual percentage change	2.2	7.6	2.7	13.0	7.0
<b>Constant 2004 prices - N\$ per capita</b>					
<b>Gross domestic product at market prices</b>	<b>20103</b>	<b>22194</b>	<b>22360</b>	<b>23537</b>	<b>24058</b>
- Annual percentage change	2.5	10.4	0.7	5.3	2.2
<b>Real gross national income</b>	<b>21244</b>	<b>22477</b>	<b>22683</b>	<b>25176</b>	<b>26451</b>
- Annual percentage change	0.5	5.8	0.9	11.0	5.1

Source: Central Bureau of Statistics

**Table I.3 National Disposable Income and Savings**

Current prices - N\$ millions	2003	2004	2005	2006	2007
<b>Disposable income and saving</b>					
<b>Gross national disposable income</b>	<b>42503</b>	<b>47521</b>	<b>49724</b>	<b>60087</b>	<b>67785</b>
Consumption of fixed capital	4299	4791	5261	5896	6920
<b>Net national disposable income</b>	<b>38204</b>	<b>42730</b>	<b>44464</b>	<b>54190</b>	<b>60865</b>
All other sectors	30296	32876	32837	40589	46709
General government	7908	9855	11626	13601	14156
<b>Final consumption expenditure</b>	<b>32817</b>	<b>34609</b>	<b>35641</b>	<b>40187</b>	<b>49391</b>
Private	24534	25916	26735	30223	37610
General government	8283	8693	8905	9964	11781
<b>Saving, net</b>	<b>5387</b>	<b>8121</b>	<b>8823</b>	<b>14003</b>	<b>11473</b>
All other sectors	5762	6960	6102	10366	9098
General government	-375	1161	2721	3637	2375
<b>Financing of capital formation</b>					
Saving, net	5387	8121	8823	14003	11473
Capital transfers receivable from abroad	520	527	535	602	616
Capital transfers payable to foreign countries	-3	-3	-3	-3	-3
<b>Total</b>	<b>5904</b>	<b>8645</b>	<b>9355</b>	<b>14602</b>	<b>12085</b>
<b>Capital formation</b>					
<b>Gross fixed capital formation</b>	<b>7121</b>	<b>7922</b>	<b>8594</b>	<b>11962</b>	<b>12705</b>
All other sectors	6063	6757	7098	9958	9637
General government	1058	1165	1497	2004	3068
<b>Consumption of fixed capital</b>	<b>-4299</b>	<b>-4791</b>	<b>-5261</b>	<b>-5896</b>	<b>-6920</b>
All other sectors	-3592	-4000	-4372	-4856	-5549
General government	-707	-790	-889	-1040	-1371
Changes in inventories	105	216	498	342	166
<b>Net lending (+) / Net borrowing(-)</b>	<b>2964</b>	<b>5283</b>	<b>5507</b>	<b>8178</b>	<b>6115</b>
All other sectors	3677	4719	3443	5738	5623
General government	-713	564	2064	2440	493
<b>Total</b>	<b>5904</b>	<b>8645</b>	<b>9355</b>	<b>14602</b>	<b>12085</b>

Source: Central Bureau of Statistics

**Table I.4 (a) Gross Domestic Product by Activity**

Current Prices - N\$ Millions

Industry	2003	2004	2005	2006	2007
<b>Agriculture and forestry</b>	<b>2032</b>	<b>2252</b>	<b>2861</b>	<b>3275</b>	<b>3626</b>
Livestock Farming	869	930	1606	1836	1874
Crop farming and forestry	1163	1322	1254	1439	1752
<b>Fishing &amp; fish processing on board</b>	<b>1775</b>	<b>1564</b>	<b>1932</b>	<b>1948</b>	<b>2218</b>
<b>Mining and quarrying</b>	<b>2992</b>	<b>4147</b>	<b>4257</b>	<b>6654</b>	<b>7591</b>
Diamond mining	2620	3444	3182	4591	3561
Other mining and quarrying	362	704	1075	2063	4029
<b>Primary industries</b>	<b>6799</b>	<b>7964</b>	<b>9050</b>	<b>11878</b>	<b>13435</b>
<b>Manufacturing</b>	<b>5149</b>	<b>5339</b>	<b>5738</b>	<b>7792</b>	<b>9661</b>
Meat processing	134	146	163	176	218
Fish processing on shore	886	763	477	657	818
Other food products and beverages	2146	2140	2262	2518	2929
Other manufacturing	1983	2290	2836	4441	5695
<b>Electricity and water</b>	<b>740</b>	<b>900</b>	<b>1091</b>	<b>1020</b>	<b>1128</b>
<b>Construction</b>	<b>983</b>	<b>1138</b>	<b>1259</b>	<b>1901</b>	<b>2047</b>
<b>Secondary industries</b>	<b>6872</b>	<b>7377</b>	<b>8089</b>	<b>10714</b>	<b>12836</b>
<b>Wholesale and retail trade, repairs</b>	<b>4113</b>	<b>4638</b>	<b>5202</b>	<b>5879</b>	<b>6769</b>
<b>Hotels and restaurants</b>	<b>671</b>	<b>770</b>	<b>829</b>	<b>940</b>	<b>1090</b>
<b>Transport, and communication</b>	<b>1955</b>	<b>2403</b>	<b>2662</b>	<b>2544</b>	<b>2922</b>
Transport and storage	715	906	959	806	1177
Post and telecommunications	1240	1498	1703	1738	1746
<b>Financial intermediation</b>	<b>1691</b>	<b>1686</b>	<b>1823</b>	<b>2190</b>	<b>2508</b>
<b>Real estate and business services</b>	<b>3433</b>	<b>3921</b>	<b>4218</b>	<b>4479</b>	<b>4924</b>
Real estate activities	2648	2902	3055	3231	3490
Other business services	785	1019	1164	1247	1434
<b>Community, social and personal services</b>	<b>1322</b>	<b>1549</b>	<b>1697</b>	<b>1838</b>	<b>1984</b>
<b>Public administration and defence</b>	<b>3677</b>	<b>3857</b>	<b>4115</b>	<b>4434</b>	<b>5101</b>
<b>Education</b>	<b>2800</b>	<b>3331</b>	<b>3208</b>	<b>3705</b>	<b>3940</b>
<b>Health</b>	<b>1691</b>	<b>1806</b>	<b>1579</b>	<b>1535</b>	<b>1683</b>
<b>Private household with employed persons</b>	<b>322</b>	<b>343</b>	<b>358</b>	<b>384</b>	<b>419</b>
<b>Tertiary industries</b>	<b>21673</b>	<b>24304</b>	<b>25692</b>	<b>27929</b>	<b>31340</b>
<b>Less: Financial intermediation services indirectly measured</b>	<b>546</b>	<b>469</b>	<b>517</b>	<b>637</b>	<b>807</b>
<b>All industries at basic prices</b>	<b>34798</b>	<b>39176</b>	<b>42314</b>	<b>49883</b>	<b>56804</b>
<b>Taxes less subsidies on products</b>	<b>2506</b>	<b>3502</b>	<b>3864</b>	<b>4133</b>	<b>4653</b>
<b>GDP at market prices</b>	<b>37304</b>	<b>42679</b>	<b>46177</b>	<b>54017</b>	<b>61457</b>

Source: Central Bureau of Statistics

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

Industry	2003	2004	2005	2006	2007
<b>Agriculture and forestry</b>	<b>5.4</b>	<b>5.3</b>	<b>6.2</b>	<b>6.1</b>	<b>5.9</b>
Livestock Farming	2.3	2.2	3.5	3.4	3.1
Crop farming and forestry	3.1	3.1	2.7	2.7	2.8
<b>Fishing and fish processing on board</b>	<b>4.8</b>	<b>3.7</b>	<b>4.2</b>	<b>3.6</b>	<b>3.6</b>
<b>Mining and quarrying</b>	<b>8.0</b>	<b>9.7</b>	<b>9.2</b>	<b>12.3</b>	<b>12.4</b>
Diamond mining	7.1	8.1	6.9	8.5	5.8
Other mining and quarrying	1.0	1.6	2.3	3.8	6.6
<b>Primary industries</b>	<b>18.2</b>	<b>18.7</b>	<b>19.6</b>	<b>22.0</b>	<b>21.8</b>
<b>Manufacturing</b>	<b>13.8</b>	<b>12.5</b>	<b>12.4</b>	<b>14.4</b>	<b>15.7</b>
Meat processing	0.4	0.3	0.4	0.3	0.4
Fish processing on-shore	2.4	1.8	1.0	1.2	1.3
Other food products and beverages	5.8	5.0	4.9	4.7	4.8
Other manufacturing	5.3	5.4	6.1	8.2	9.3
<b>Electricity and water</b>	<b>2.0</b>	<b>2.1</b>	<b>2.4</b>	<b>1.9</b>	<b>1.8</b>
<b>Construction</b>	<b>2.6</b>	<b>2.7</b>	<b>2.7</b>	<b>3.5</b>	<b>3.3</b>
<b>Secondary industries</b>	<b>18.4</b>	<b>17.3</b>	<b>17.5</b>	<b>19.8</b>	<b>20.9</b>
<b>Wholesale and retail trade, repairs</b>	<b>11.0</b>	<b>10.9</b>	<b>11.3</b>	<b>10.9</b>	<b>11.0</b>
<b>Hotels and restaurants</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.7</b>	<b>1.8</b>
<b>Transport, and communication</b>	<b>5.2</b>	<b>5.6</b>	<b>5.8</b>	<b>4.7</b>	<b>4.8</b>
Transport and storage	1.9	2.1	2.1	1.5	1.9
Post and telecommunications	3.3	3.5	3.7	3.2	2.8
<b>Financial intermediation</b>	<b>4.5</b>	<b>4.0</b>	<b>3.9</b>	<b>4.1</b>	<b>4.1</b>
<b>Real estate and business services</b>	<b>9.2</b>	<b>9.2</b>	<b>9.1</b>	<b>8.3</b>	<b>8.0</b>
Real estate activities	7.1	6.8	6.6	6.0	5.7
Other business services	2.1	2.4	2.5	2.3	2.3
<b>Community, social and personal services</b>	<b>3.5</b>	<b>3.6</b>	<b>3.7</b>	<b>3.4</b>	<b>3.2</b>
<b>Public administration and defence</b>	<b>9.9</b>	<b>9.0</b>	<b>8.9</b>	<b>8.2</b>	<b>8.3</b>
<b>Education</b>	<b>7.5</b>	<b>7.8</b>	<b>6.9</b>	<b>6.9</b>	<b>6.4</b>
<b>Health</b>	<b>4.5</b>	<b>4.2</b>	<b>3.4</b>	<b>2.8</b>	<b>2.7</b>
<b>Private household with employed persons</b>	<b>0.9</b>	<b>0.8</b>	<b>0.8</b>	<b>0.7</b>	<b>0.7</b>
<b>Tertiary industries</b>	<b>58.1</b>	<b>56.9</b>	<b>55.7</b>	<b>51.7</b>	<b>51.0</b>
<b>Less: Financial intermediation services indirectly measured</b>	<b>1.5</b>	<b>1.1</b>	<b>1.1</b>	<b>1.2</b>	<b>1.3</b>
<b>All industries at basic prices</b>	<b>93.3</b>	<b>91.8</b>	<b>91.6</b>	<b>92.3</b>	<b>92.4</b>
<b>Taxes less subsidies on products</b>	<b>6.7</b>	<b>8.2</b>	<b>8.4</b>	<b>7.7</b>	<b>7.6</b>
<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 2004 Prices - N\$ Million

Industry	2003	2004	2005	2006	2007
<b>Agriculture and forestry</b>	<b>2,093</b>	<b>2,252</b>	<b>2,590</b>	<b>2,687</b>	<b>2,860</b>
Livestock Farming	945	930	1,315	1,219	1,241
Crop farming and forestry	1,148	1,322	1,274	1,468	1,620
<b>Fishing &amp; fish processing on board</b>	<b>1,691</b>	<b>1,564</b>	<b>1,434</b>	<b>1,308</b>	<b>1,079</b>
<b>Mining and quarrying</b>	<b>2,860</b>	<b>4,147</b>	<b>3,697</b>	<b>4,718</b>	<b>4,699</b>
Diamond mining	2,377	3,444	2,872	3,962	3,840
Other mining and quarrying	484	704	826	756	859
<b>Primary industries</b>	<b>6,634</b>	<b>7,964</b>	<b>7,721</b>	<b>8,712</b>	<b>8,638</b>
<b>Manufacturing</b>	<b>5,320</b>	<b>5,339</b>	<b>5,742</b>	<b>5,897</b>	<b>6,321</b>
Meat processing	146	146	178	162	173
Fish processing on shore	852	763	723	494	523
Other food products and beverages	2,246	2,140	2,230	2,297	2,406
Other manufacturing	2,076	2,290	2,611	2,944	3,219
<b>Electricity and water</b>	<b>841</b>	<b>900</b>	<b>1,119</b>	<b>1,190</b>	<b>1,227</b>
<b>Construction</b>	<b>1,074</b>	<b>1,138</b>	<b>1,166</b>	<b>1,667</b>	<b>1,643</b>
<b>Secondary industries</b>	<b>7,235</b>	<b>7,377</b>	<b>8,026</b>	<b>8,754</b>	<b>9,191</b>
<b>Wholesale and retail trade, repairs</b>	<b>4,284</b>	<b>4,638</b>	<b>5,087</b>	<b>5,473</b>	<b>5,904</b>
<b>Hotels and restaurants</b>	<b>710</b>	<b>770</b>	<b>788</b>	<b>846</b>	<b>915</b>
<b>Transport, and communication</b>	<b>1,910</b>	<b>2,403</b>	<b>2,627</b>	<b>3,006</b>	<b>3,230</b>
Transport and storage	630	906	931	1,262	1,452
Post and telecommunications	1,280	1,498	1,696	1,744	1,777
<b>Financial intermediation</b>	<b>1,490</b>	<b>1,701</b>	<b>1,941</b>	<b>2,027</b>	<b>2,132</b>
<b>Real estate and business services</b>	<b>3,657</b>	<b>3,921</b>	<b>4,188</b>	<b>4,339</b>	<b>4,602</b>
Real estate activities	2,815	2,902	3,060	3,221	3,375
Other business services	842	1,019	1,128	1,118	1,227
<b>Community, social and personal services</b>	<b>1,382</b>	<b>1,549</b>	<b>1,656</b>	<b>1,702</b>	<b>1,717</b>
<b>Public administration and defence</b>	<b>3,710</b>	<b>3,857</b>	<b>3,673</b>	<b>3,825</b>	<b>4,028</b>
<b>Education</b>	<b>2,780</b>	<b>3,331</b>	<b>3,066</b>	<b>3,177</b>	<b>3,184</b>
<b>Health</b>	<b>1,778</b>	<b>1,806</b>	<b>1,446</b>	<b>1,401</b>	<b>1,478</b>
<b>Private household with employed persons</b>	<b>335</b>	<b>343</b>	<b>350</b>	<b>358</b>	<b>366</b>
<b>Tertiary industries</b>	<b>22,022</b>	<b>24,304</b>	<b>24,822</b>	<b>26,154</b>	<b>27,556</b>
<b>Less: Financial intermediation services indirectly measured</b>	<b>424</b>	<b>469</b>	<b>519</b>	<b>593</b>	<b>652</b>
<b>All industries at basic prices</b>	<b>35,467</b>	<b>39,176</b>	<b>40,051</b>	<b>43,027</b>	<b>44,733</b>
<b>Taxes less subsidies on products</b>	<b>2,547</b>	<b>3,502</b>	<b>3,707</b>	<b>3,860</b>	<b>4,056</b>
<b>GDP at market prices</b>	<b>38,014</b>	<b>42,679</b>	<b>43,758</b>	<b>46,886</b>	<b>48,789</b>

Source: Central Bureau of Statistics

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

Industry	2003	2004	2005	2006	2007
<b>Agriculture and forestry</b>	<b>-0.1</b>	<b>7.6</b>	<b>15.0</b>	<b>3.8</b>	<b>6.5</b>
Livestock Farming	-2.4	-1.7	41.5	-7.3	1.8
Crop farming and forestry	1.8	15.2	-3.6	15.2	10.3
<b>Fishing and fish processing on board</b>	<b>10.0</b>	<b>-6.9</b>	<b>-8.3</b>	<b>-8.8</b>	<b>-17.5</b>
<b>Mining and quarrying</b>	<b>-8.2</b>	<b>45.0</b>	<b>-10.9</b>	<b>27.6</b>	<b>-0.4</b>
Diamond mining	-5.1	44.9	-16.6	38.0	-3.1
Other mining and quarrying	-20.7	45.5	17.3	-8.5	13.7
<b>Primary industries</b>	<b>-1.6</b>	<b>20.0</b>	<b>-3.1</b>	<b>12.8</b>	<b>-0.9</b>
<b>Manufacturing</b>	<b>13.9</b>	<b>0.4</b>	<b>7.5</b>	<b>2.7</b>	<b>7.2</b>
Meat processing	-7.5	-0.3	21.9	-8.5	6.5
Fish processing on-shore	31.7	-10.4	-5.2	-31.7	5.8
Other food products and beverages	0.6	-4.7	4.2	3.0	4.8
Other manufacturing	27.0	10.3	14.0	12.7	9.4
<b>Electricity and water</b>	<b>0.9</b>	<b>7.0</b>	<b>24.3</b>	<b>6.3</b>	<b>3.2</b>
<b>Construction</b>	<b>27.2</b>	<b>5.9</b>	<b>2.4</b>	<b>43.0</b>	<b>-1.5</b>
<b>Secondary industries</b>	<b>13.9</b>	<b>2.0</b>	<b>8.8</b>	<b>9.1</b>	<b>5.0</b>
<b>Wholesale and retail trade, repairs</b>	<b>5.8</b>	<b>8.3</b>	<b>9.7</b>	<b>7.6</b>	<b>7.9</b>
<b>Hotels and restaurants</b>	<b>6.7</b>	<b>8.4</b>	<b>2.4</b>	<b>7.4</b>	<b>8.2</b>
<b>Transport, and communication</b>	<b>15.7</b>	<b>25.8</b>	<b>9.3</b>	<b>14.4</b>	<b>7.4</b>
Transport and storage	1.3	43.8	2.8	35.6	15.1
Post and telecommunications	24.5	17.0	13.2	2.8	1.9
<b>Financial intermediation</b>	<b>25.7</b>	<b>14.2</b>	<b>14.1</b>	<b>4.4</b>	<b>5.2</b>
<b>Real estate and business services</b>	<b>6.8</b>	<b>7.2</b>	<b>6.8</b>	<b>3.6</b>	<b>6.1</b>
Real estate activities	3.4	3.1	5.4	5.3	4.8
Other business services	20.2	21.1	10.7	-0.9	9.8
<b>Community, social and personal services</b>	<b>4.3</b>	<b>12.1</b>	<b>6.9</b>	<b>2.8</b>	<b>0.9</b>
<b>Public administration and defence</b>	<b>6.6</b>	<b>4.0</b>	<b>-4.8</b>	<b>4.1</b>	<b>5.3</b>
<b>Education</b>	<b>-0.4</b>	<b>19.8</b>	<b>-8.0</b>	<b>3.6</b>	<b>0.2</b>
<b>Health</b>	<b>4.3</b>	<b>1.5</b>	<b>-19.9</b>	<b>-3.1</b>	<b>5.5</b>
<b>Private household with employed persons</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>
<b>Tertiary industries</b>	<b>7.0</b>	<b>10.4</b>	<b>2.1</b>	<b>5.4</b>	<b>5.4</b>
<b>Less: Financial intermediation services indirectly measured</b>	<b>7.5</b>	<b>10.6</b>	<b>10.7</b>	<b>14.2</b>	<b>10.1</b>
<b>All industries at basic prices</b>	<b>6.6</b>	<b>10.5</b>	<b>2.2</b>	<b>7.4</b>	<b>4.0</b>
<b>Taxes less subsidies on products</b>	<b>-19.9</b>	<b>37.5</b>	<b>5.9</b>	<b>4.1</b>	<b>5.1</b>
<b>GDP at market prices</b>	<b>4.2</b>	<b>12.3</b>	<b>2.5</b>	<b>7.1</b>	<b>4.1</b>

Source: Central Bureau of Statistics

**Table I.6 (a) Expenditure on Gross Domestic Product**

Current Prices - N\$ Million

Expenditure category	2003	2004	2005	2006	2007
<b>Final consumption expenditure</b>	<b>32,817</b>	<b>34,609</b>	<b>35,641</b>	<b>40,187</b>	<b>49,391</b>
Private	24,534	25,916	26,735	30,223	37,610
General government	8,283	8,693	8,905	9,964	11,781
<b>Gross fixed capital formation</b>	<b>7,121</b>	<b>7,922</b>	<b>8,594</b>	<b>11,962</b>	<b>12,705</b>
<b>Changes in inventories</b>	<b>105</b>	<b>216</b>	<b>498</b>	<b>342</b>	<b>166</b>
<b>Gross domestic expenditure</b>	<b>40,042</b>	<b>42,747</b>	<b>44,733</b>	<b>52,491</b>	<b>62,263</b>
<b>Exports of goods and services</b>	<b>16,185</b>	<b>16,991</b>	<b>18,678</b>	<b>24,559</b>	<b>29,419</b>
<b>Imports of goods and services</b>	<b>19,574</b>	<b>17,959</b>	<b>18,615</b>	<b>22,454</b>	<b>30,573</b>
<b>Discrepancy</b>	<b>650</b>	<b>899</b>	<b>1,382</b>	<b>-578</b>	<b>349</b>
<b>Gross domestic product at market prices</b>	<b>37,304</b>	<b>42,679</b>	<b>46,177</b>	<b>54,017</b>	<b>61,457</b>

Source: Central Bureau of Statistics

**Table I.6 (b) Expenditure on Gross Domestic Product**

Percentage Contributions

Expenditure category	2003	2004	2005	2006	2007
<b>Final consumption expenditure</b>	<b>88.0</b>	<b>81.1</b>	<b>77.2</b>	<b>74.4</b>	<b>80.4</b>
Private	65.8	60.7	57.9	56.0	61.2
General government	22.2	20.4	19.3	18.5	19.2
<b>Gross fixed capital formation</b>	<b>19.1</b>	<b>18.6</b>	<b>18.6</b>	<b>22.2</b>	<b>20.7</b>
<b>Changes in inventories</b>	<b>0.3</b>	<b>0.5</b>	<b>1.1</b>	<b>0.6</b>	<b>0.3</b>
<b>Gross domestic expenditure</b>	<b>107.3</b>	<b>100.2</b>	<b>96.9</b>	<b>97.2</b>	<b>101.3</b>
<b>Exports of goods and services</b>	<b>43.4</b>	<b>39.8</b>	<b>40.4</b>	<b>45.5</b>	<b>47.9</b>
<b>Imports of goods and services</b>	<b>52.5</b>	<b>42.1</b>	<b>40.3</b>	<b>41.6</b>	<b>49.7</b>
<b>Discrepancy</b>	<b>1.7</b>	<b>2.1</b>	<b>3.0</b>	<b>(1.1)</b>	<b>0.6</b>
<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 2004 Prices - N\$ Million

Expenditure category	2003	2004	2005	2006	2007
<b>Final consumption expenditure</b>	<b>33714</b>	<b>34609</b>	<b>34300</b>	<b>36894</b>	<b>41564</b>
Private	25433	25916	26122	28286	32100
General government	8282	8693	8179	8608	9463
<b>Gross fixed capital formation</b>	<b>7458</b>	<b>7922</b>	<b>8207</b>	<b>10898</b>	<b>10441</b>
<b>Changes in inventories</b>	<b>69</b>	<b>216</b>	<b>463</b>	<b>228</b>	<b>453</b>
<b>Gross domestic expenditure</b>	<b>41241</b>	<b>42747</b>	<b>42970</b>	<b>48020</b>	<b>52458</b>
<b>Exports of goods and services</b>	<b>16124</b>	<b>16991</b>	<b>16850</b>	<b>19429</b>	<b>19605</b>
<b>Imports of goods and services</b>	<b>19942</b>	<b>17958</b>	<b>18125</b>	<b>21083</b>	<b>26095</b>
<b>Discrepancy</b>	<b>591</b>	<b>899</b>	<b>2063</b>	<b>520</b>	<b>2821</b>
<b>Gross domestic product at market prices</b>	<b>38014</b>	<b>42679</b>	<b>43758</b>	<b>46886</b>	<b>48789</b>

Source: Central Bureau of Statistics

**Table I.7 (b) Expenditure on Gross Domestic Product**

Current Prices - Annual Percentage Changes

Expenditure category	2003	2004	2005	2006	2007
<b>Final consumption expenditure</b>	<b>7.0</b>	<b>2.7</b>	<b>-0.9</b>	<b>7.6</b>	<b>12.7</b>
Private	8.3	1.9	0.8	8.3	13.5
General government	3.1	5.0	(5.9)	5.3	9.9
<b>Gross fixed capital formation</b>	<b>(5.0)</b>	<b>6.2</b>	<b>3.6</b>	<b>32.8</b>	<b>(4.2)</b>
<b>Changes in inventories</b>	<b>1.2</b>	<b>0.4</b>	<b>0.6</b>	<b>-0.5</b>	<b>0.5</b>
<b>Gross domestic expenditure</b>	<b>5.7</b>	<b>3.7</b>	<b>0.5</b>	<b>11.8</b>	<b>9.2</b>
<b>Exports of goods and services</b>	<b>8.9</b>	<b>5.4</b>	<b>-0.8</b>	<b>15.3</b>	<b>0.9</b>
<b>Imports of goods and services</b>	<b>10.5</b>	<b>-9.9</b>	<b>0.9</b>	<b>16.3</b>	<b>23.8</b>
<b>Discrepancy</b>	<b>-0.3</b>	<b>0.8</b>	<b>2.7</b>	<b>-3.5</b>	<b>4.9</b>
<b>Gross domestic product at market prices</b>	<b>4.2</b>	<b>12.3</b>	<b>2.5</b>	<b>7.1</b>	<b>4.1</b>

Source: Central Bureau of Statistics



**Table I.8 Gross Fixed Capital Formation by Activity****Current prices - N\$ Million**

Industry	2003	2004	2005	2006	2007
Agriculture	402	432	464	495	540
Fishing	226	42	104	71	162
Mining and quarrying	1765	1738	1762	3842	2330
Manufacturing	247	833	715	1068	1376
Electricity and water	796	709	309	364	355
Construction	258	287	297	307	334
Wholesale and retail trade; hotels, restaurants	250	326	367	432	586
Transport, and communication	998	1095	1351	1498	1888
Finance, real estate, business services	1078	1253	1684	1840	2019
Community, social and personal services	44	41	46	41	47
Producers of government services	1058	1165	1497	2004	3068
<b>Total</b>	<b>7121</b>	<b>7922</b>	<b>8594</b>	<b>11962</b>	<b>12705</b>
Per cent of GDP	19.1	18.6	18.7	22.2	20.7

Source: Central Bureau of Statistics

**Table I.9 Gross Fixed Capital Formation by Activity****Constant 2004 Prices - N\$ Million**

Industry	2003	2004	2005	2006	2007
Agriculture	416	432	449	466	484
Fishing	226	42	103	70	158
Mining and quarrying	1838	1738	1699	3510	1851
Manufacturing	256	833	685	965	1075
Electricity and water	855	709	291	329	283
Construction	263	287	291	294	307
Wholesale and retail trade; hotels, restaurants	255	326	356	405	511
Transport, and communication	1023	1095	1309	1410	1680
Finance, real estate, business services	1125	1253	1584	1598	1573
Community, social and personal services	45	41	44	39	41
Producers of government services	1155	1165	1394	1812	2477
<b>Total</b>	<b>7458</b>	<b>7922</b>	<b>8207</b>	<b>10898</b>	<b>10441</b>
Annual change, per cent	-0.5	6.2	3.6	32.8	-4.2

Source: Central Bureau of Statistics

**Table I.10 Gross Fixed Capital Formation by Type of Asset**  
Current 2004 prices - N\$ Million

Type of Asset	2003	2004	2005	2006	2007
Buildings	1218	1907	2207	2616	2967
Construction works	1999	2000	2168	3795	3872
Transport equipment	1510	1382	1531	1737	1914
Machinery and other equipment	2130	2160	2212	3331	3412
Mineral exploration	264	472	477	482	540
<b>Total</b>	<b>7121</b>	<b>7922</b>	<b>8594</b>	<b>11962</b>	<b>12705</b>

Source: Cental Bureau of Statistics

**Table I.11 Gross Fixed Capital Formation by Type of Asset**  
Constant 2004 Prices - N\$ Million

Type of Asset	2003	2004	2005	2006	2007
Buildings	1281	1907	2062	2241	2256
Construction works	2215	2000	1995	3363	3187
Transport equipment	1514	1382	1526	1718	1861
Machinery and other equipment	2179	2160	2163	3140	2690
Mineral exploration	269	472	460	437	446
<b>Total</b>	<b>7458</b>	<b>7922</b>	<b>8207</b>	<b>10898</b>	<b>10441</b>

Source: Central Bureau of Statistics

**Table I.12 Gross Fixed Capital Formation by Ownership**  
Current prices - N\$ Million

Ownership	2003	2004	2005	2006	2007
<b>Public</b>	<b>1857</b>	<b>2064</b>	<b>2499</b>	<b>3054</b>	<b>4262</b>
Producers of government services	1058	1165	1497	2004	3068
Public corporations and enterprises	799	899	1002	1050	1194
Private	5264	5858	6096	8908	8443
<b>Total</b>	<b>7121</b>	<b>7922</b>	<b>8594</b>	<b>11962</b>	<b>12705</b>

Source: Central Bureau of Statistics

**Table I.13 Gross Fixed Capital Formation by Ownership**  
Constant 2004 Prices - N\$ Million

Ownership	2003	2004	2005	2006	2007
<b>Public</b>	<b>2538</b>	<b>2492</b>	<b>2493</b>	<b>2985</b>	<b>3729</b>
Producers of government services	1155	1165	1394	1812	2477
Public corporations and enterprises	1384	1327	1100	1173	1252
Private	4920	5430	5713	7913	6712
<b>Total</b>	<b>7458</b>	<b>7922</b>	<b>8207</b>	<b>10898</b>	<b>10441</b>

Source: Central Bureau of Statistics

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

Industry	2003	2004	2005	2006	2007
Agriculture	8326	8824	9299	9621	10266
Fishing	1531	1509	1544	1547	1660
Mining and quarrying	8681	9760	10897	14131	16860
Manufacturing	4519	5151	5726	6741	8392
Electricity and water	6711	7541	8049	8235	8649
Construction	1172	1229	1291	1365	1481
Wholesale and retail trade; hotels, restaurants	2981	3174	3435	3803	4422
Transport, and communication	8654	9518	10478	11317	12737
Finance, real estate, business services	13306	14767	16912	19606	23275
Community, social and personal services	599	627	660	687	736
Producers of government services	19741	21846	24209	26466	30619
<b>Total</b>	<b>76221</b>	<b>83946</b>	<b>92501</b>	<b>103517</b>	<b>119097</b>

Source: Central Bureau of Statistics

**Table I.15 Fixed Capital Stock by Activity****Constant 2004 Prices - N\$ Million**

Industry	2003	2004	2005	2006	2007
Agriculture	8904	8824	8740	8655	8569
Fishing	1550	1509	1525	1504	1566
Mining and quarrying	8925	9760	10552	13050	13828
Manufacturing	4722	5151	5408	5908	6465
Electricity and water	7365	7541	7447	7323	7085
Construction	1192	1229	1265	1300	1345
Wholesale and retail trade; hotels, restaurants	3105	3174	3260	3377	3580
Transport, and communication	9297	9518	9853	10219	10857
Finance, real estate, business services	13986	14767	15834	16871	17840
Community, social and personal services	630	627	626	618	612
Producers of government services	21472	21846	22399	23273	24665
<b>Total</b>	<b>81146</b>	<b>83946</b>	<b>86908</b>	<b>92099</b>	<b>96410</b>

Source: Central Bureau of Statistics

**Table I.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	Communication	Recreation & culture	Education	Hotels, cafes & restaurants	Miscellaneous goods & services	All items	All items annual percentage changes
<b>Weights</b>	<b>29.63</b>	<b>3.26</b>	<b>5.13</b>	<b>20.59</b>	<b>5.61</b>	<b>1.51</b>	<b>14.79</b>	<b>0.9</b>	<b>2.5</b>	<b>7.36</b>	<b>1.62</b>	<b>7.11</b>	<b>100</b>	
<b>2005</b>	<b>124.4</b>	<b>130.1</b>	<b>108.2</b>	<b>124.3</b>	<b>113.9</b>	<b>112.6</b>	<b>132.3</b>	<b>108.5</b>	<b>111.1</b>	<b>140.6</b>	<b>127.1</b>	<b>108.0</b>	<b>122.9</b>	<b>2.3</b>
<b>2006</b>														
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	114.8	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
<b>Average</b>	<b>132.5</b>	<b>139.7</b>	<b>105.0</b>	<b>128.3</b>	<b>116.9</b>	<b>110.1</b>	<b>143.0</b>	<b>109.2</b>	<b>113.9</b>	<b>149.9</b>	<b>134.0</b>	<b>114.8</b>	<b>129.1</b>	<b>5.1</b>
<b>2007</b>														
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	118.9	158.9	141.6	116.9	135.9	6.9
May	146.5	150.0	107.6	131.1	121.0	115.0	150.0	109.9	118.9	158.9	141.3	117.0	136.6	7.1
Jun	147.1	150.6	107.4	131.0	121.7	115.2	151.0	109.9	119.3	158.9	142.3	117.1	137.0	7.0
Jul	148.8	151.6	107.6	133.7	121.8	115.4	152.7	109.9	119.3	158.9	142.7	117.3	138.2	7.2
Aug	150.6	152.5	108.6	134.5	121.9	115.4	152.9	109.9	119.5	158.9	143.2	117.6	139.1	6.8
Sep	152.2	152.2	109.4	134.6	122.3	115.4	154.9	109.9	118.5	158.9	145.3	117.2	139.8	6.7
Oct	154.5	152.8	109.1	134.8	122.2	115.6	155.2	113.4	118.7	158.9	146.0	117.4	140.4	6.6
Nov	157.7	152.8	111.6	134.5	124.5	115.5	155.5	113.4	121.1	158.9	148.8	116.8	141.5	6.9
Dec	158.5	153.4	111.3	134.5	124.6	115.4	156.5	113.4	121.3	158.9	149.7	116.8	141.9	7.1
<b>Average</b>	<b>148.7</b>	<b>149.9</b>	<b>108.5</b>	<b>132.7</b>	<b>121.7</b>	<b>115.2</b>	<b>151.5</b>	<b>110.8</b>	<b>119.1</b>	<b>158.9</b>	<b>143.3</b>	<b>117.1</b>	<b>137.7</b>	<b>6.7</b>
<b>2008</b>														
Jan	161.7	153.9	111.0	134.6	125.2	117.0	157.5	113.8	122.0	168.7	151.3	117.7	144.1	7.8
Feb	162.7	154.2	111.0	134.7	125.7	117.0	158.6	113.8	123.1	168.7	152.2	117.9	144.6	7.9
Mar	164.8	161.7	111.6	134.8	126.3	117.1	162.2	113.8	124.1	168.7	154.1	118.1	146.2	8.4
Apr	168.9	165.2	112.3	135.0	129.0	117.2	166.9	113.8	125.9	168.7	155.3	119.2	148.6	9.3
May	170.6	165.8	111.6	135.4	130.9	117.3	170.6	113.8	126.3	168.7	157.1	119.5	149.8	9.7
Jun	172.7	166.4	111.8	135.6	132.3	117.9	173.9	113.8	125.0	168.7	158.9	121.4	151.2	10.3
Jul	176.7	166.7	112.4	140.2	133.3	118.0	180.3	114.0	125.6	168.7	162.1	124.7	154.7	11.9
Aug	178.1	170.5	113.0	141.1	135.3	118.5	180.6	114.3	127.9	168.7	163.6	125.3	155.8	12.0
Sep	180.8	172.2	114.1	140.8	138.4	118.5	178.7	114.2	127.9	168.7	165.4	126.0	156.5	12.0
Oct	182.3	173.4	114.8	141.3	140.7	118.7	176.6	123.2	130.9	168.7	166.1	128.9	157.2	12.0

Source: Central Bureau of Statistics

**Table I.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>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>	<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	4.7	127.5	0.2	5.6
Jul	130.1	0.9	5.0	128.1	0.5	5.2
Aug	131.6	1.2	6.0	129.2	0.9	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
Aug	136.4	0.3	3.6	141.8	1.6	9.7
Sep	136.5	0.1	3.6	141.8	0.0	8.7
Oct	136.7	0.1	3.6	142.7	0.6	8.6
Nov	135.8	-0.6	2.8	145.0	1.6	9.4
Dec	135.6	-0.2	2.6	145.9	0.6	9.9
<b>Average</b>	<b>135.3</b>	<b>0.2</b>	<b>4.3</b>	<b>139.4</b>	<b>0.8</b>	<b>8.3</b>
<b>2008</b>						
Jan	138.7	2.3	3.6	147.5	1.1	10.5
Feb	139.2	0.3	3.9	148.1	0.4	10.6
Mar	140.3	0.8	4.2	149.9	1.2	11.0
Apr	141.5	0.8	5.2	153.1	2.2	11.9
May	142.0	0.4	5.6	154.7	1.1	12.1
Jun	142.4	0.3	5.8	156.7	1.3	13.2
Jul	147.5	3.6	8.5	159.2	1.6	14.0
Aug	147.8	0.2	8.4	160.8	1.0	13.4
Sep	148.0	0.1	8.4	161.9	0.7	14.2
Oct	150.1	1.4	9.8	161.7	-0.1	13.3

Source: Central Bureau of Statistics

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

Assets	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
<b>Net foreign assets</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>7455.9</b>	<b>6359.0</b>	<b>5868.7</b>	<b>6499.9</b>	<b>6257.0</b>	<b>6116.2</b>	<b>8361.4</b>	<b>8656.7</b>	<b>8900.8</b>	<b>9949.6</b>	<b>9441.9</b>	<b>9697.8</b>	<b>11758.2</b>	<b>10730.8</b>	<b>10942.1</b>
Claims on nonresidents	5288.6	4375.6	6094.7	6658.5	6054.6	6485.4	7887.6	6422.5	5947.2	6561.6	6320.7	6173.0	8444.1	8704.0	8946.1	9988.4	9497.8	9744.9	11859.3	10833.0	11053.4
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	0.3	0.2	0.2	0.3	0.2	0.2	0.3
Foreign currency	150.8	226.6	73.1	154.7	100.5	194.7	161.9	183.8	206.1	159.4	112.2	108.7	153.3	69.8	121.2	119.1	138.9	156.1	122.4	132.6	123.8
Deposits	5125.9	4626.0	5985.6	6455.1	5896.6	6221.3	7643.8	6146.9	5638.0	6288.0	6083.2	5926.8	8289.3	8609.1	8787.9	9819.6	9295.8	9513.5	5917.4	4381.5	4827.4
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	5733.1	6222.1	5982.3
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	11.6	22.8	35.8	48.6	57.2	69.2	81.7	91.6	103.0	114.1	125.1	137.3	1.3	24.9	36.8	49.4	62.9	75.1	86.2	96.4	106.7
less: Liabilities to nonresidents	-423.0	-409.2	-404.7	-398.4	-410.8	-400.2	-431.7	-63.5	-78.6	-61.8	-63.7	-56.7	-82.8	-47.4	-45.3	-38.8	-55.9	-47.1	-101.1	-102.1	-111.3
Deposits	-18.2	-15.6	-7.3	-7.3	-15.7	-6.8	-36.3	-29.5	-29.3	-13.1	-16.8	-7.2	-32.8	-27.1	-28.2	-22.5	-39.7	-30.1	-27.1	-27.4	-35.0
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	-404.8	-393.6	-397.4	-391.2	-395.1	-393.3	-395.4	-33.9	-49.2	-48.7	-46.9	-49.5	-49.9	-20.3	-17.2	-16.2	-16.3	-17.0	-74.0	-74.7	-76.3
Claims on other depository corporations	1835.2	1947.4	1938.8	2004.6	1994.3	2024.6	558.0	468.9	329.1	371.6	636.3	1215.9	219.9	878.2	900.3	936.0	912.6	1012.4	529.5	710.1	966.2
Net claims on central government	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1	-5632.0	-5193.1	-4841.9	-6572.0	-6079.1	-6301.6	-7857.5	-7013.2	-6578.1
Claims on central government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other claims	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
less: Liabilities to central government	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1	-5632.0	-5193.1	-4841.9	-6572.0	-6079.1	-6301.6	-7857.5	-7013.3	-6578.2
Deposits	-4396.2	-4125.4	-5155.0	-5885.5	-5141.7	-5691.1	-5426.8	-4243.0	-3608.6	-4473.9	-4141.2	-4595.1	-5632.0	-5177.2	-4826.0	-6556.2	-6063.3	-6285.7	-7841.7	-6997.4	-6562.3
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	-15.9	-15.9	-15.9	-15.9	-15.9	-15.9	-15.9	-15.9
Claims on other sectors	15.6	15.4	16.5	16.0	16.0	15.8	16.1	16.6	16.2	16.2	16.8	17.4	16.8	21.6	21.3	22.3	22.6	22.8	23.0	23.3	23.3
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
State and local government	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public non-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
Other non-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
Other resident sectors	15.6	15.4	16.5	16.0	16.0	15.8	16.1	16.6	16.2	16.2	16.8	17.4	16.8	21.6	21.3	22.3	22.6	22.8	23.0	23.3	23.3

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

Liabilities	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
	1431.3	1374.1	1452.6	1421.5	1566.5	1511.0	1577.7	1570.5	1566.5	1537.4	1654.7	1647.7	1526.1	2433.1	2449.2	2416.7	2451.7	2229.4	2653.5	2614.6	2980.4
Monetary base																					
Currency in circulation	1052.9	1002.4	1046.5	1082.2	1085.3	1080.8	1139.9	1176.7	1136.5	1158.8	1221.0	1323.7	1177.7	1196.7	1263.0	1260.1	1266.5	1267.5	1358.4	1383.8	1463.6
Liabilities to other depository corporations	378.5	371.7	406.1	339.3	481.2	430.2	437.8	393.7	429.9	378.6	433.6	323.9	348.4	1234.3	1186.2	1156.5	1185.2	961.9	1295.1	1230.8	1516.8
Reserve deposits	378.5	371.7	406.1	339.3	481.2	430.2	437.8	393.7	429.9	378.6	433.6	323.9	348.4	392.3	332.8	342.7	459.7	415.2	474.6	492.5	428.8
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	842.0	853.4	813.8	725.5	546.7	820.5	738.3	1087.9
Deposits included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transferable deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other deposits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities other than shares, included in broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Deposits excluded from broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Securities other than shares, excluded from broad money	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	10.3	4.4	2.3	11.7	9.1	14.7	19.0	4.3	4.7	5.6	4.1	10.8	10.1	10.9	10.6	5.6	4.6	2.7	6.1	7.2	7.2
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Shares and other equity	1037.0	1083.1	1191.8	1124.3	1097.0	1075.1	1178.0	1203.0	1190.9	1025.1	1264.8	1272.4	1593.9	2082.3	2661.0	2064.3	1984.6	2339.7	1932.7	1967.1	2504.4
Funds contributed by owners	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Retained earnings	118.5	118.5	118.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	213.8	190.3	190.3	0.0	0.0	0.0	0.0	0.0	0.0
General and special reserves	246.6	246.6	246.6	312.8	302.8	302.8	302.8	302.8	302.8	302.8	302.8	302.8	302.8	306.0	306.0	427.4	427.4	427.4	427.4	427.4	427.4
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	612.9	636.1	728.7	686.5	659.3	626.4	702.3	701.8	677.0	503.5	727.6	719.0	1020.5	1503.0	2068.0	1536.2	1462.4	1810.9	1343.9	1342.3	1745.2
Current year result	19.1	42.0	58.1	84.9	94.9	105.8	132.8	156.3	171.0	178.8	194.3	210.5	16.8	42.9	56.7	60.7	54.8	61.4	121.3	157.4	291.7
Other items (net)	-158.6	-157.9	-156.5	-162.2	-160.2	-166.1	-171.4	-176.3	-156.8	-154.3	-154.5	-176.5	-164.0	-162.8	-141.2	-150.5	-143.0	-140.4	-139.0	-137.8	-138.4
Other liabilities	20.8	20.0	19.3	19.3	19.0	19.1	19.0	19.0	19.0	19.0	18.9	24.1	24.1	24.0	43.5	39.8	39.9	39.9	40.1	40.5	40.8
less: Other assets	-179.4	-177.9	-175.7	-181.5	-179.2	-185.2	-190.4	-195.3	-175.7	-173.3	-173.4	-200.6	-188.1	-186.8	-184.7	-190.3	-182.9	-180.3	-179.1	-178.3	-179.2

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

Assets	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
<b>Net foreign assets</b>	1262.6	1591.7	1198.5	2155.1	2379.2	864.5	1836.9	1977.4	1956.8	765.2	1432.4	717.8	1864.5	1886.0	1870.0	2414.0	2522.7	1557.0	2829.8	907.6	1636.6
Claims on non-residents	2322.5	2549.6	2198.9	3096.4	3225.8	1877.2	2674.7	2887.9	2855.7	2190.9	2279.8	1708.4	2758.3	2844.1	2824.1	3376.4	3460.6	2871.3	3869.9	1947.5	2533.8
Foreign currency	55.4	80.6	53.7	68.2	57.4	65.0	114.4	106.0	84.8	89.7	114.2	111.4	137.1	186.4	207.8	151.1	182.8	182.7	174.9	251.8	347.7
Deposits	2220.4	2423.3	2004.4	2985.3	3124.2	1767.9	2511.0	2732.6	2722.2	2052.3	2113.8	1544.6	2566.6	2602.8	2560.7	3168.7	3219.9	2570.5	3574.1	1366.0	1824.7
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	60.6	61.2	251.6	284.3
Loans	46.7	45.7	46.2	43.0	44.2	44.3	49.4	47.3	48.7	48.9	51.7	52.4	54.6	54.9	55.6	56.5	57.8	57.4	59.7	64.4	66.1
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	94.7	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	0.0	0.0
less: Liabilities to non-residents	-1059.9	-957.8	-1000.5	-941.3	-846.6	-1012.8	-837.8	-910.5	-898.9	-1425.7	-847.4	-990.7	-893.8	-958.1	-954.1	-962.3	-937.8	-1314.3	-1040.1	-1039.9	-897.2
Deposits	-256.0	-277.5	-332.8	-270.8	-184.9	-360.4	-181.8	-251.6	-228.5	-747.9	-185.8	-335.0	-235.4	-286.7	-288.1	-293.5	-285.9	-645.4	-366.3	-372.3	-235.2
Securities other than shares	-459.0	-461.3	-455.0	-457.9	-459.9	-454.2	-457.8	-460.6	-455.0	-458.0	-441.7	-439.3	-442.2	-444.8	-439.4	-442.2	-445.0	-439.3	-442.2	-445.0	-439.4
Loans	-344.9	-219.0	-212.7	-212.7	-201.8	-198.2	-198.2	-198.2	-215.4	-219.8	-219.8	-216.3	-216.3	-226.6	-226.6	-226.6	-226.9	-229.6	-231.7	-222.6	-222.6
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Claims on central bank</b>	717.9	627.0	654.9	646.5	782.1	696.2	736.4	669.9	651.9	730.7	783.4	841.6	1113.5	1558.9	1525.7	1498.7	1495.1	1275.0	1583.9	1631.3	1793.4
Currency	313.7	271.1	249.0	337.7	307.9	266.3	345.1	293.7	274.7	352.2	415.0	503.4	395.2	316.7	334.8	322.3	306.6	310.2	372.4	324.4	387.2
Reserve deposits	392.0	355.9	364.8	308.9	443.0	429.9	391.3	368.4	369.4	371.5	368.3	323.8	348.2	392.2	332.7	342.6	459.5	415.0	439.8	491.4	428.7
Other claims	12.1	0.0	41.1	0.0	31.1	0.0	0.0	7.8	7.8	7.0	0.0	14.4	370.0	850.0	858.2	833.9	729.0	549.8	771.7	815.5	977.5
<b>Net claims on Central Government</b>	2186.6	2293.8	2474.6	2470.3	2406.2	2798.7	2836.5	2550.0	2512.9	2408.4	2737.7	2451.3	1961.4	1732.3	1782.6	1926.5	2003.0	2148.7	2170.1	2392.0	2295.1
<b>Claims on Central Government</b>	2785.2	2914.4	3098.8	3099.4	3012.1	3270.2	3315.5	3026.9	3037.3	2995.6	3025.3	3101.3	2598.5	2321.3	2416.5	2441.9	2465.9	2578.5	2701.0	2915.9	2848.5
Securities other than Shares	2781.3	2905.3	3086.4	3094.7	2993.0	3262.3	3296.1	3019.7	3025.2	2983.5	3013.2	3088.7	2583.6	2316.8	2304.1	2432.7	2451.7	2575.6	2688.1	2913.0	2845.0
Other claims	4.0	9.1	12.4	4.8	19.1	7.9	19.4	7.2	12.1	12.1	12.0	12.7	14.9	4.5	112.4	9.2	14.2	2.9	2.9	2.9	3.5
less: Liabilities to Central Government	-588.6	-620.6	-624.2	-629.1	-605.9	-471.6	-479.0	-476.9	-524.4	-587.2	-651.6	-650.1	-637.1	-589.0	-633.9	-515.4	-462.9	-429.9	-530.9	-523.9	-553.4
Deposits	-524.1	-556.0	-556.9	-577.9	-553.5	-418.9	-426.3	-424.2	-471.7	-534.4	-598.8	-597.2	-584.2	-536.1	-581.0	-462.5	-409.9	-376.0	-477.1	-470.1	-499.5
Other liabilities	-64.5	-64.5	-67.3	-51.2	-52.4	-52.7	-52.7	-52.7	-52.7	-52.8	-52.8	-52.9	-52.9	-52.9	-52.9	-52.9	-53.0	-53.8	-53.8	-53.8	-53.8
<b>Claims on other sectors</b>	28873.8	29431.8	29974.2	30024.4	30329.8	30670.0	30746.5	30882.0	31379.1	32512.6	32719.9	32338.6	32625.4	33598.7	33812.6	34259.7	33990.5	34458.4	34658.3	34998.6	35465.5
Other financial corporations	1737.1	1871.8	2229.6	942.4	1196.3	1067.7	983.6	1027.7	1193.1	1680.1	1544.9	1107.9	2430.3	2874.6	2692.3	2891.0	2725.4	2914.6	2888.7	2808.7	3028.9
State and local government	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0	24.8	26.3	25.8	23.6	21.4	19.8	28.7	59.9	67.2
Public non-financial corporations	226.9	264.4	332.9	294.2	322.9	415.2	380.1	115.3	132.1	205.0	230.6	230.9	216.6	259.2	379.9	464.8	506.1	522.0	560.0	427.9	454.1
Other non-financial corporations	9049.9	9264.5	9181.3	9953.5	9666.3	9878.0	9915.0	10188.6	10231.9	10598.2	10898.0	10672.6	10070.8	10292.8	10560.4	10515.3	10116.7	10373.8	10514.6	10756.4	10871.6
Other resident sectors	17816.2	17971.5	18206.3	18805.1	19102.7	19282.0	19427.4	19610.3	18774.3	20007.5	20217.6	20282.2	19882.9	20146.8	20154.2	20364.9	20530.8	20628.2	20666.3	20940.8	21041.9
Unclassified shares and other equity	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.9	4.9

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



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

Liabilities	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
<b>Liabilities to central bank</b>	1848.0	1752.9	1939.6	2008.1	2000.8	1960.1	813.1	881.5	627.2	785.7	799.1	867.2	851.1	881.1	823.6	872.6	916.3	1011.8	524.6	706.6	695.0
<b>Deposits included in broad money</b>	22525.1	22304.1	21786.1	22318.9	22709.2	21676.6	24049.7	24048.3	24833.4	24179.5	25387.8	23981.9	25119.8	26825.2	26097.2	26844.2	26810.4	27042.8	28786.3	27110.9	27908.9
<b>Transferable deposits</b>	13617.6	13903.6	14029.4	14125.9	14147.2	12546.9	14865.8	15021.6	14373.4	14289.2	15193.5	13815.7	14728.0	16645.2	16362.0	16717.2	16419.7	17270.2	18716.1	17760.8	17977.0
Other financial corporations	2039.7	2216.4	1888.5	1977.2	2035.4	2188.8	2688.9	2498.1	2506.7	2607.4	2907.1	2287.8	2466.0	2640.3	3063.6	3354.0	3289.5	3151.8	3852.5	2891.4	3207.7
State and local government	159.2	166.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3	242.9	303.3	238.0	312.3	303.0	323.1	243.9	233.3	236.6
Public non-financial corporations	980.2	892.3	1234.7	953.1	605.2	487.0	403.9	463.0	539.6	738.2	856.9	637.9	691.1	625.8	509.6	461.7	729.2	432.9	823.5	690.2	585.9
Other non-financial corporations	7303.0	7978.1	8070.8	8286.9	8679.6	6943.7	8530.8	8161.5	7876.7	7876.7	8409.5	7671.6	8288.9	9511.3	9255.0	9579.3	9248.3	10209.0	10704.7	10582.0	10677.4
Other resident sectors	3335.5	2650.0	2676.5	2753.0	2658.8	2652.1	2938.5	3015.0	2982.5	2846.8	2797.8	2982.1	3039.2	3564.5	3295.8	3010.0	2949.7	3153.5	3091.4	3363.9	3269.3
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>	8707.6	8400.5	7756.7	8183.0	8562.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1	10391.8	10184.0	9735.3	10127.0	10390.7	9772.6	10070.2	9350.1	9831.9
Other financial corporations	423.5	433.8	586.8	736.8	848.0	708.5	634.0	516.1	607.0	521.3	742.8	696.5	779.7	719.4	824.8	913.4	1045.7	874.2	869.0	852.7	877.0
State and local government	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	269.9	308.6	286.6	420.5	427.5	465.2	399.9	461.5	451.9	472.3	407.4	329.2	298.9
Public non-financial corporations	386.5	382.1	369.8	517.3	685.1	735.2	786.9	808.7	1159.4	1421.4	1333.7	1143.7	1087.2	951.3	748.5	1043.5	982.2	944.3	757.2	598.9	653.8
Other non-financial corporations	3624.1	4155.7	3524.0	3596.6	3528.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1	4543.8	4302.2	4169.1	4150.6	4044.2	3638.7	4311.7	3846.3	4243.2
Other resident sectors	4039.2	3171.9	2960.0	3044.0	3220.0	3247.0	3201.1	3249.9	3853.1	3344.3	3482.4	3471.1	3529.9	3728.1	3575.2	3540.1	3849.0	3825.3	3707.1	3702.1	3838.3
Unclassified	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2	23.7	17.7	17.7	17.7	17.7	17.7	17.7	17.8	20.8
<b>Securities other than shares, included in broad money</b>	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	6.0	6.0	6.0	6.0	3.9	3.9	3.9	3.9	3.9	3.9	3.9	3.9
<b>Deposits excluded from broad money</b>	806.7	806.3	855.8	1499.2	1335.2	1293.0	1194.9	1053.2	964.2	1194.9	1332.5	1410.8	1596.8	1013.2	1357.9	1710.6	1365.3	867.3	836.4	757.8	913.1
<b>Securities other than shares, excluded from broad money</b>	3326.1	4543.3	4957.7	5061.9	4935.1	5135.5	5314.3	5441.4	5265.3	5079.8	4924.9	4986.0	4699.8	4699.6	5265.4	5168.7	5034.7	5461.8	5889.1	5884.8	6135.3
Of which: Other financial corporations	2374.4	3586.4	3737.2	3841.0	3825.2	4017.1	4218.9	4337.4	4129.1	4367.6	4215.4	4216.5	3945.8	3862.8	4424.1	4297.0	4260.7	4602.5	5037.0	5037.4	5238.9
<b>Loans</b>	5.3	5.3	5.3	5.3	5.3	5.0	4.9	4.9	4.9	6.9	6.9	7.1	7.1	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9
<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	41.6	85.7	23.4	30.6	130.9	26.4	66.7	93.2	22.6	65.0	75.7	28.3	0.0	95.4	43.9	35.4	61.9	53.3	88.6	65.9
<b>Shares and other equity</b>	4461.0	4509.4	4279.1	4250.7	4570.6	4634.5	4691.4	4630.2	4623.3	4903.7	4613.0	4800.6	4962.5	5075.2	5092.7	5145.0	5236.4	5330.4	5344.2	5420.2	5457.1
Funds contributed by owners	279.4	279.4	279.4	279.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4	429.4
Retained earnings	1218.3	1261.9	1258.4	1288.4	1294.0	1319.8	1318.7	1317.7	1319.1	1316.8	1318.5	1319.0	1433.8	1433.5	1432.3	1419.8	1419.7	1489.3	1488.6	1781.6	1782.6
General and special reserves	2723.0	2750.5	2472.8	2498.7	2516.3	2541.7	2689.2	2700.4	2730.5	2771.1	2747.6	2746.2	2791.1	2827.7	2793.2	2821.8	2865.5	2922.5	3069.0	1597.0	1605.7
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	-9.0	9.5	8.9
Current Year Result	240.2	217.6	268.6	184.1	330.9	343.6	274.1	182.8	144.3	386.3	117.5	155.9	158.2	234.6	287.8	324.0	370.8	339.2	216.2	310.0	337.7
<b>Other items (net)</b>	72.7	-24.3	386.9	123.0	301.6	187.7	55.8	47.2	83.4	237.8	274.0	213.9	293.4	266.7	247.8	303.1	512.0	-347.7	-182.4	-50.2	7.6
<b>Other liabilities</b>	1826.8	2227.3	1948.4	2032.3	2217.4	1904.7	1943.4	1898.6	2145.8	1913.7	2098.3	2380.6	2143.0	2136.5	2068.6	2202.7	2625.4	2098.6	2113.9	2162.0	2228.0
<b>less: Other assets</b>	-1913.2	-2254.5	-1564.8	-1905.0	-1912.0	-1717.0	-1888.5	-1850.8	-2062.4	-1677.7	-1829.5	-2165.4	-1851.5	-1872.0	-1823.1	-1900.3	-2104.9	-2448.9	-2299.7	-2215.0	-2223.4
<b>plus: Consolidation adjustment</b>	159.1	2.8	3.3	-4.3	-3.9	0.0	0.9	-0.6	0.0	1.9	5.2	-1.3	1.8	0.2	2.3	0.6	-8.5	2.6	3.5	2.8	3.0

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

**TABLE II.3 Depository Corporations Survey (end of period N\$ million)**

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
<b>Net foreign assets</b>	6128.2	6056.1	6888.5	8415.2	8023.0	6949.8	9292.8	8336.5	7825.5	7265.1	7689.4	7461.7	10382.4	10542.6	10770.7	12363.7	11964.6	11254.8	14588.0	11638.4	12578.7
Claims on non-residents	7611.1	7425.1	8293.6	9755.0	9280.4	8362.7	10562.3	9310.4	8803.0	8752.0	8600.5	8509.1	11339.0	11543.1	11770.2	13364.8	12955.4	12616.2	15729.2	12780.4	13587.2
less: <i>Liabilities to non-residents</i>	-1482.9	-1367.0	-1405.2	-1339.8	-1257.4	-1412.9	-1269.5	-973.9	-977.5	-1487.5	-911.0	-1047.4	-976.6	-1005.5	-989.4	-1001.1	-993.8	-1361.3	-1141.2	-1142.0	-1008.5
<b>Domestic claims</b>	26689.8	27515.7	27310.2	26625.3	27510.3	27793.4	28172.3	29305.6	30299.6	30483.3	30969.1	30212.1	28971.6	30159.6	30774.7	29636.4	29847.0	30328.3	28994.0	30400.7	31208.8
Net claims on Central Government	-2199.5	-1831.5	-2680.4	-3415.1	-2735.5	-2892.5	-2590.3	-1693.0	-1095.7	-2065.6	-1767.5	-2143.9	-3670.6	-3460.8	-3059.2	-4645.6	-4076.1	-4152.9	-5687.4	-4621.2	-4283.0
Claims on Central Government	2785.2	2914.4	3098.8	3099.4	3012.1	3270.2	3315.5	3026.9	3037.3	2995.6	3025.3	3101.3	2598.5	2321.3	2416.5	2441.9	2465.9	2578.5	2701.1	2915.9	2848.5
less: <i>Liabilities to Central Government</i>	-4984.8	-4745.9	-5779.3	-6514.6	-5747.6	-6162.7	-5907.5	-4719.9	-4133.0	-5061.2	-4792.8	-5245.2	-6269.1	-5782.1	-5475.8	-7087.5	-6542.0	-6731.4	-8388.4	-7537.1	-7131.5
<b>Claims on other sectors</b>	28889.3	29447.2	29990.7	30040.4	30345.8	30685.8	30762.6	30998.6	31395.3	32528.8	32736.7	32355.9	32642.3	33620.3	33833.9	34282.0	33923.1	34481.2	34681.3	35022.0	35491.8
Other financial corporations	1737.1	1871.8	2229.6	942.4	1196.3	1067.7	983.6	1027.7	1193.1	1680.1	1544.9	1107.9	2430.3	2874.6	2692.3	2891.0	2725.4	2914.6	2888.7	2808.7	3028.9
State and local government	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0	24.8	26.3	25.8	23.6	21.4	19.8	28.7	59.9	67.2
Public non-financial corporations	226.9	264.4	332.9	294.2	322.9	415.2	380.1	115.3	132.1	205.0	230.6	230.9	216.6	259.2	379.9	464.8	506.1	522.0	560.0	427.9	454.1
Other non-financial corporations	9049.9	9264.5	9181.3	9953.5	9665.3	9878.0	9915.0	10188.6	10231.9	10598.2	10698.0	10672.6	10070.8	10292.8	10560.4	10515.3	10116.7	10373.8	10514.6	10756.4	10871.6
Other resident sectors	17831.8	17968.8	18222.8	18821.1	19118.7	19297.9	19443.4	19626.9	19790.5	20023.7	20234.3	20299.6	19899.7	20167.4	20175.5	20387.2	20553.5	20651.0	20689.4	20964.1	21065.2
<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	4.9	4.9
<b>Broad money liabilities</b>	23244.6	23054.5	22589.7	23059.5	23495.5	22497.2	24854.5	24937.4	25701.2	24992.1	26200.2	24808.3	25908.5	27715.4	27029.5	27786.1	27774.4	28004.2	29776.2	28174.2	28899.3
<b>Currency outside depository corporations</b>	739.1	731.3	797.4	744.5	777.4	814.5	794.8	883.1	861.8	806.5	806.0	820.3	782.5	882.0	928.2	937.8	960.0	957.3	986.0	1059.4	1076.4
<b>Transferable deposits</b>	13791.9	13916.8	14029.6	14126.1	14154.3	12547.1	14869.9	15021.7	14373.6	14269.3	15193.9	13815.9	14728.2	16645.4	16362.1	16717.4	16415.8	17270.4	18716.1	17760.8	17977.0
Other financial corporations	2039.7	2216.4	1888.5	1977.2	2035.4	2186.8	2688.9	2498.1	2506.7	2607.4	2907.1	2287.8	2466.0	2840.3	3063.6	3354.0	3289.5	3151.8	3852.5	2891.4	3207.7
State and local government	159.2	166.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3	242.9	303.3	238.0	312.3	303.0	323.1	243.9	233.3	236.6
Public non-financial corporations	980.2	892.3	1234.7	953.1	805.2	487.0	403.9	463.0	539.6	738.2	856.9	637.9	691.1	625.8	509.6	461.7	725.2	432.9	823.5	690.2	585.9
Other non-financial corporations	7303.0	7978.1	8070.8	8266.9	8679.6	6943.7	8530.8	8710.8	8161.5	7876.7	8409.5	7671.6	8288.9	9511.3	9255.0	9579.3	9248.3	10209.0	10704.7	10582.0	10677.4
Other resident sectors	3335.5	2650.0	2676.5	2753.0	2658.9	2852.1	2938.5	3015.0	2982.5	2846.8	2797.8	2982.1	3039.2	3364.5	3295.9	3010.1	2849.7	3153.5	3091.5	3363.9	3269.3
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Less: <i>Central bank float</i>	-25.7	13.2	0.2	0.2	7.1	0.2	4.1	0.2	0.1	0.1	0.4	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.0
<b>Other deposits</b>	8707.6	8400.5	7756.7	8193.0	8862.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1	10391.8	10184.0	9735.3	10127.0	10390.7	9772.6	10070.2	9350.1	9831.9
Other financial corporations	423.5	433.8	586.8	736.8	848.0	708.5	634.0	516.1	607.0	521.3	742.8	696.5	779.7	719.4	824.8	913.4	1045.7	874.2	869.0	852.7	877.0
State and local government	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	269.9	308.6	289.6	420.5	427.5	465.2	399.9	461.5	451.9	472.3	407.4	329.2	298.9
Public non-financial corporations	386.5	382.1	369.8	517.3	685.1	735.2	786.9	808.7	1159.4	1421.4	1333.7	1143.7	1087.2	951.3	748.5	1043.5	982.2	944.3	757.2	596.9	653.8
Other non-financial corporations	3624.1	4155.7	3524.0	3596.6	3528.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1	4543.8	4302.2	4169.1	4150.6	4044.2	3638.7	4311.7	3849.3	4243.2
Other resident sectors	4039.2	3171.9	2960.0	3044.0	3220.0	3247.0	3201.1	3249.9	3853.1	3344.3	3482.4	3471.1	3529.9	3728.1	3575.2	3540.1	3849.0	3825.3	3707.1	3702.1	3838.3
Unclassified	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2	23.7	17.7	17.7	17.7	17.7	17.7	17.7	17.8	20.8
<b>Securities other than shares, included in broad money</b>	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	5.9	6.0	6.0	6.0	6.0	6.0	3.9	3.9	3.9	3.9	3.9	3.9	3.9
<b>Deposits excluded from broad money</b>	806.7	806.3	855.8	1499.2	1335.2	1293.0	1194.9	1053.2	964.2	1194.9	1232.5	1410.8	1596.8	1013.2	1357.9	1710.6	1365.3	867.3	836.4	757.8	913.1
Securities other than shares, excluded from broad money	3326.1	4543.3	4957.7	5061.9	4935.1	5135.5	5314.3	5441.4	5265.3	5079.8	4924.9	4986.0	4699.8	4699.8	5265.4	5168.7	5034.7	5461.8	5869.1	5684.8	6135.3
Loans	5.3	5.3	5.3	5.3	5.3	5.0	4.9	4.9	4.9	6.9	6.9	7.1	7.1	6.9	6.9	6.9	6.9	6.9	6.9	6.9	6.9
Financial derivatives	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Trade credit and advances	10.3	46.0	88.0	35.1	39.8	145.7	45.4	71.1	98.0	28.2	69.0	86.5	38.4	10.9	106.0	49.5	40.0	64.6	59.4	95.8	73.1
<b>Shares and other equity</b>	5498.0	5592.5	5470.9	5374.9	5667.5	5709.5	5869.3	5933.2	5814.4	5928.8	5977.8	6073.0	6692.9	7157.4	7753.7	7209.3	7221.0	7670.1	7276.8	7367.3	7961.4
<b>Other items (net)</b>	-73.0	-374.2	231.3	-5.5	147.9	-42.8	181.9	301.0	277.4	497.6	347.2	302.0	390.5	95.9	25.0	69.1	365.2	-491.8	-242.7	-267.6	-291.5
Other liabilities (includes central bank float)	1873.3	2234.2	1967.5	2051.4	2229.4	1923.6	1958.3	1917.4	2164.6	1932.5	2167.9	2404.5	2167.0	2162.4	2112.0	2242.4	2665.2	2138.4	2154.0	2202.5	2268.8
less: <i>Other assets</i>	-2092.5	-2432.4	-1740.5	-2086.5	-2091.1	-1902.2	-2078.9	-2046.0	-2238.1	-1851.0	-2002.9	-2365.9	-2039.6	-2058.8	-2007.9	-2090.6	-2287.8	-2629.2	-2478.9	-2393.3	-2402.6
plus: <i>Consolidation adjustment</i>	146.3	-175.9	4.3	29.6	9.6	-64.2	302.5	429.6	350.9	416.1	233.2	263.4	263.1	-4.8	-79.1	-82.7	-8.2	-1.0	82.2	-76.8	-157.7
<b>Memoranda: Central bank float</b>	25.7	-13.2	-0.2	-0.2	-7.1	-0.2	-4.1	-0.2	-0.1	-0.1	-0.4	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0

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

Table II.4 Other Depository Corporations Claims (end period in N\$ million)

Loans	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
Central bank	27230.3	27658.8	27856.4	28229.3	29287.9	29745.6	30066.3	30155.5	30522.7	31055.8	31402.2	31298.1	30268.0	30766.9	31291.3	31386.8	31200.0	31542.8	32523.3	32923.6	33283.4
Other depository corporations	153.6	155.1	162.6	174.1	165.7	167.3	308.1	171.1	288.1	174.2	175.8	14.8	14.3	13.8	13.4	12.9	13.6	12.0	11.6	11.1	10.7
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	751.9	677.3	849.4
Central Government	4.0	9.1	12.4	4.8	19.1	7.9	19.4	7.2	12.1	12.1	12.0	12.7	14.9	4.5	112.4	9.2	14.2	2.9	2.9	2.9	3.5
State and local government	43.7	59.7	24.0	29.2	41.6	27.0	40.4	40.1	47.7	21.7	28.8	45.0	24.8	26.3	25.8	23.6	21.4	19.8	28.7	59.9	67.2
Public non-financial corporations	128.7	166.2	234.7	231.0	259.7	352.0	316.4	101.6	130.8	204.2	229.3	229.6	215.3	258.4	379.1	414.0	455.3	471.2	509.2	377.1	403.3
Other non-financial corporations (Businesses)	9039.0	9253.4	9170.1	9942.2	9654.9	9866.5	9906.1	10179.5	10222.7	10589.0	10688.6	10663.1	10063.0	10285.0	10552.5	10507.3	10108.5	10353.0	10494.6	10741.6	10843.0
Loans and Advances	6870.7	7071.0	7020.5	7728.2	7427.8	7686.5	7659.6	7944.9	8079.0	8523.3	8534.7	8489.8	7681.9	8095.6	8336.7	8285.0	7871.2	8028.2	8006.4	8217.0	8314.3
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	2154.6	2171.0	2323.9	1886.1	1882.7	1939.2	1651.4	1638.7	1595.2	1589.9	1629.8	1654.7	2276.2	2174.7	2337.4	2388.0	2359.7	2311.5	2389.0	2452.4	2406.2
Dwellings	338.2	272.3	287.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	328.5	279.8	312.5	319.5	293.1	298.2	297.4	293.1	292.2
Other	1816.4	1898.7	2036.8	1886.1	1882.7	1939.2	1651.4	1638.7	1595.2	1589.9	1629.8	1654.7	1947.7	1895.0	2025.0	2068.5	2066.6	2013.3	2091.6	2159.3	2114.0
Overdrafts	3605.8	3670.3	3551.1	3398.5	3319.1	3274.9	3696.3	3817.4	3836.0	4125.3	4055.2	3840.5	3835.5	4048.7	4136.2	4113.4	3840.4	3908.3	3805.7	4003.5	4177.6
Other loans and advances	1110.3	1229.7	1145.5	2443.6	2226.0	2472.5	2308.9	2488.8	2847.8	2808.1	2949.7	2994.6	1770.2	1872.1	1863.0	1783.6	1671.1	1808.4	1811.7	1761.2	1730.5
Leasing	35.6	36.7	37.0	41.2	41.4	43.4	47.1	48.0	46.9	46.1	47.3	45.1	45.7	48.2	48.0	51.3	51.2	55.1	61.2	62.4	66.7
Instalment credit	1416.5	1429.6	1386.5	1417.8	1425.9	1378.6	1441.5	1445.6	1353.3	1278.9	1295.6	1311.0	1317.0	1323.8	1352.6	1372.8	1365.8	1512.1	1547.0	1589.9	1629.6
Other	716.2	716.1	726.1	755.0	759.9	757.9	757.9	741.1	743.5	740.8	811.0	817.3	818.4	817.5	815.1	798.2	820.3	757.7	879.9	872.2	832.3
Other resident sectors (Individuals)	17814.6	17969.6	18206.3	18805.1	19102.7	19280.7	19425.7	19608.6	19772.6	20005.8	20215.9	20280.5	19881.2	20144.1	20152.5	20363.2	20529.1	20626.5	20664.6	20939.1	21040.2
Loans and Advances	14297.7	14464.6	14667.1	15243.5	15517.1	15617.5	15758.3	15935.9	16055.5	16202.0	16314.0	16454.6	16029.8	16286.9	16357.4	16458.6	16614.2	16766.9	16836.9	17106.9	17219.3
Farm mortgage loans	716.6	716.6	716.6	716.6	723.6	724.8	724.8	724.8	724.8	724.8	724.8	741.1	741.1	755.3	755.3	755.3	747.4	489.4	489.4	764.4	764.4
Other mortgage loans	10683.2	10853.5	10977.9	11595.9	11797.9	11886.7	11991.1	12122.8	12407.2	12516.7	12692.5	12807.7	12324.3	12538.5	12607.8	12716.1	12837.6	12987.4	12950.7	13094.5	13206.2
Dwellings	10683.2	10853.5	10977.9	11595.9	11797.9	11886.7	11991.1	12122.8	12407.2	12516.7	12692.5	12807.7	12324.3	12538.5	12607.8	12716.1	12837.6	12987.4	12950.7	13094.5	13206.2
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	1.4	1.4	149.2	179.2
Overdrafts	1096.6	1095.2	1114.2	1092.0	1189.9	1097.4	1135.2	1152.3	1093.0	1135.1	1055.8	1076.4	1125.9	1170.3	1211.5	1177.5	1215.9	1199.3	1162.8	1201.3	1229.2
Other loans and advances	1801.3	1799.2	1858.4	1839.0	1805.8	1908.5	1907.2	1936.0	1830.4	1825.4	1940.9	1829.4	1838.6	1822.8	1782.8	1809.6	1813.3	2090.8	2234.0	2046.7	2019.5
Leasing	66.6	66.3	67.4	66.5	70.9	73.7	73.8	73.0	74.8	80.3	84.6	88.6	92.0	93.2	92.9	94.6	95.7	94.7	96.4	105.4	107.7
Instalment credit	3101.6	3087.0	3116.6	3135.8	3153.3	3228.3	3231.0	3238.5	3280.4	3362.5	3343.5	3373.8	3389.3	3385.1	3316.6	3411.3	3417.8	3323.0	3279.0	3260.9	3245.5
Other	348.7	351.7	355.2	359.2	361.4	361.3	362.6	361.1	361.9	361.1	473.7	363.5	370.1	378.8	385.7	398.8	401.4	441.9	452.3	465.9	467.6
Non-residents	46.7	45.7	46.2	43.0	44.2	44.3	49.4	47.3	48.7	48.9	51.7	52.4	54.6	54.9	55.6	56.5	57.8	57.4	59.7	64.4	66.1
Loans and Advances	46.7	45.7	46.2	43.0	44.2	44.3	49.4	47.3	48.7	48.9	51.7	52.4	54.6	54.9	55.6	56.5	57.8	57.4	59.7	64.4	66.1
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	29.2	27.3	27.9	24.6	26.1	25.9	28.7	28.2	28.7	28.4	30.5	30.7	31.5	31.5	31.5	31.0	31.1	32.3	34.1	38.5	39.4
Dwellings	29.2	27.3	27.9	24.6	26.1	25.9	28.7	28.2	28.7	28.4	30.5	30.7	31.5	31.5	31.5	31.0	31.1	32.3	34.1	38.5	39.4
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts	14.2	15.2	15.1	15.3	15.3	15.4	15.8	16.1	16.9	17.6	18.3	18.9	20.3	20.7	21.1	22.9	24.0	22.4	23.0	22.8	23.5
Other loans and advances	3.3	3.3	3.2	3.1	2.8	3.0	4.9	3.0	3.0	2.9	2.8	2.8	2.8	2.7	2.9	2.6	2.7	2.7	2.6	3.1	3.3
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 Other Depository Corporations' Deposits (end period in N\$ million)**

	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08
<b>Total Deposits</b>	26340.5	26067.5	25819.7	27128.5	27569.7	26133.5	27165.1	27106.2	27476.7	27945.8	28802.4	27498.8	28804.1	29768.1	29456.3	30493.6	30039.4	30113.1	31121.5	29344.6	30021.6
Deposits included in broad money	22525.1	22304.1	21786.1	22318.9	22709.2	21676.6	24049.7	24048.3	24833.4	24179.5	25387.8	23981.9	25119.8	26829.2	26997.2	26844.2	26810.4	27042.8	28786.3	27110.9	27908.9
Transferable deposits	13817.6	13903.6	14029.4	14125.9	14147.2	12546.9	14865.8	19021.6	14373.4	14269.2	15193.5	13815.7	14728.0	16645.2	16362.0	16717.2	16419.7	17270.2	18716.1	17760.8	17977.0
In national currency	13817.6	13903.6	14029.4	14125.9	14147.2	12546.9	14865.8	19021.6	14373.4	14269.2	15193.5	13815.7	14728.0	16645.2	16362.0	16717.2	16419.7	16977.0	17996.1	17439.1	17669.0
Other financial corporations	2039.7	2216.4	1888.5	1977.2	2035.4	2186.8	2688.9	2498.1	2506.7	2607.4	2907.1	2287.8	2466.0	2640.3	3063.6	3354.0	3289.5	3151.8	3852.5	2891.4	3207.7
State and local government	159.2	166.9	158.9	175.7	168.1	277.2	303.7	334.7	183.2	200.2	222.2	236.3	242.9	303.3	238.0	312.3	303.0	323.1	243.9	233.3	236.6
Public non-financial corporations	980.2	882.3	1234.7	953.1	605.2	487.0	403.9	463.0	539.6	738.2	866.9	637.9	691.1	625.8	508.6	461.7	729.2	432.9	823.5	690.2	565.9
Other non-financial corporations	7303.0	7978.1	8070.8	8266.9	8679.6	6943.7	8530.8	8710.8	8161.5	7876.7	8408.5	7671.6	8288.9	9511.3	9255.0	9579.3	9248.3	10209.0	10704.7	10582.0	10677.4
Other resident sectors	3335.5	2650.0	2676.5	2753.0	2658.8	2652.1	2938.5	3015.0	2982.5	2846.8	2797.8	2982.1	3039.2	3564.5	3295.8	3010.0	2849.7	3153.5	3091.4	3363.9	3289.3
Unclassified	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
In foreign currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	293.2	720.0	321.7	308.0
<b>Other deposits</b>	8707.6	8400.5	7756.7	8193.0	8562.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1	10391.8	10184.0	9735.3	10127.0	10390.7	9772.6	10070.2	9350.1	9931.9
In national currency	8707.6	8400.5	7756.7	8193.0	8562.0	9129.7	9183.9	9026.7	10459.9	9910.3	10194.4	10166.1	10391.8	10184.0	9735.3	10127.0	10390.7	9772.6	10070.2	9350.1	9931.9
Other financial corporations	423.5	433.8	596.8	736.8	848.0	708.5	634.0	516.1	607.0	521.3	742.8	696.5	779.7	719.4	824.8	913.4	1045.7	874.2	869.0	852.7	877.0
State and local government	216.8	227.6	286.8	274.0	254.7	201.6	286.9	274.7	269.9	308.6	289.6	420.5	427.5	465.2	398.9	461.5	451.9	472.3	407.4	329.2	298.9
Public non-financial corporations	386.5	382.1	369.8	517.3	665.1	735.2	786.9	808.7	1159.4	1421.4	1333.7	1143.7	1087.2	951.3	748.5	1043.5	982.2	944.3	757.2	598.9	653.8
Other non-financial corporations	3624.1	4155.7	3524.0	3596.6	3528.9	4213.1	4250.7	4152.7	4545.9	4289.9	4328.7	4417.1	4543.8	4302.2	4189.1	4150.6	4044.2	3638.7	4311.7	3849.3	4243.2
Other resident sectors	4039.2	3171.9	2960.0	3044.0	3220.0	3247.0	3201.1	3249.9	3853.1	3344.3	3482.4	3471.1	3529.9	3728.1	3575.2	3540.1	3849.0	3825.3	3707.1	3702.1	3838.3
Unclassified	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2	23.7	17.7	17.7	17.7	17.7	17.7	17.7	17.8	20.8
In foreign currency	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Unclassified	17.5	29.3	29.3	24.3	25.5	24.3	24.3	24.6	24.6	24.7	17.2	17.2	23.7	17.7	17.7	17.7	17.7	17.7	17.7	17.8	20.8
<b>Deposits excluded from broad money</b>	3815.3	3763.4	4033.6	4809.6	4860.5	4457.0	3115.3	3057.9	2643.4	3766.4	3414.6	3516.9	3684.3	2938.9	3359.1	3649.4	3229.0	3070.3	2335.2	2233.7	2112.6
Transferable deposits	1623.9	1830.4	2290.2	2995.7	3171.4	2638.7	1785.9	1556.7	1473.1	2182.0	1956.1	1879.6	2273.1	1639.2	2058.2	2282.4	2284.8	1884.5	1316.0	1217.4	1276.6
In national currency	1127.4	1399.4	1623.4	1770.2	2034.3	1655.8	952.6	930.8	806.8	1291.5	1034.0	933.8	1019.3	887.8	984.1	944.1	1395.0	1154.0	928.1	907.8	801.6
In foreign currency	496.5	431.1	666.8	1225.4	1137.1	982.8	833.3	625.9	666.3	890.6	922.1	945.8	1253.9	751.4	1074.1	1338.4	889.8	730.5	387.8	309.6	475.0
<b>Other deposits</b>	2191.5	1932.9	1743.4	1814.0	1689.1	1818.3	1329.4	1901.2	1170.3	1584.3	1458.5	1637.3	1411.1	1299.7	1300.9	1367.0	944.2	1185.8	1019.3	1016.3	836.0
In national currency	2174.5	1920.4	1715.5	1795.5	1673.7	1624.9	1299.1	1405.8	1141.2	1421.1	1429.0	1356.5	1285.6	1147.4	1135.5	1189.2	675.2	812.6	685.8	680.9	541.8
In foreign currency	17.0	12.5	27.9	18.5	15.4	193.4	30.3	95.4	29.1	163.2	29.5	280.8	125.5	152.3	165.4	177.8	269.0	373.2	333.4	335.5	294.3

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

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

		Currency in circulation 1	Transferable deposits 2	Narrow money (M1) 3 1+2 = 3	Other deposits 4	Securities included in M2 5	Broad money supply (M2) 6 3+4+5=6
<b>2004</b>		<b>632.7</b>	<b>8,937.1</b>	<b>9,569.8</b>	<b>6,259.1</b>	<b>-</b>	<b>15,828.9</b>
<b>2005</b>		<b>680.0</b>	<b>8,728.8</b>	<b>9,408.9</b>	<b>7,961.4</b>	<b>-</b>	<b>17,370.2</b>
<b>2006</b>		<b>763.4</b>	<b>12,937.7</b>	<b>13,701.0</b>	<b>8,833.3</b>	<b>5.9</b>	<b>22,540.2</b>
<b>2006</b>	<b>Jan</b>	<b>646.9</b>	<b>9,213.5</b>	<b>9,860.4</b>	<b>7,936.0</b>	<b>-</b>	<b>17,796.4</b>
	Feb	663.0	9,693.6	10,356.6	7,000.6	11.7	17,368.8
	Mar	681.0	10,752.9	11,433.9	7,308.9	11.5	18,754.2
	Apr	714.6	10,726.7	11,441.3	7,679.9	11.5	19,132.8
	May	678.8	11,228.7	11,907.5	7,800.1	9.5	19,717.0
	Jun	726.7	11,366.5	12,093.2	8,446.0	9.5	20,548.8
	Jul	727.4	11,743.4	12,470.8	8,494.2	8.0	20,973.0
	Aug	767.4	11,544.1	12,311.4	8,312.2	5.8	20,629.4
	Sep	785.6	12,065.2	12,850.9	8,655.2	5.8	21,511.9
	Oct	772.0	13,562.1	14,334.1	7,898.1	5.9	22,238.1
	Nov	839.7	13,412.7	14,252.4	8,359.3	5.9	22,617.5
	Dec	763.4	12,937.7	13,701.0	8,833.3	5.9	22,540.2
<b>2007</b>	<b>Jan</b>	<b>739.1</b>	<b>13,791.9</b>	<b>14,531.1</b>	<b>8,707.6</b>	<b>5.9</b>	<b>23,244.6</b>
	Feb	731.3	13,916.8	14,648.1	8,400.5	5.9	23,054.5
	Mar	797.4	14,029.6	14,827.1	7,756.7	5.9	22,589.7
	Apr	744.5	14,126.1	14,870.6	8,193.0	5.9	23,069.5
	May	777.4	14,154.3	14,931.6	8,562.0	5.9	23,499.5
	Jun	814.5	12,547.1	13,361.6	9,129.7	5.9	22,497.2
	Jul	794.8	14,869.9	15,664.7	9,183.9	5.9	24,854.5
	Aug	883.1	15,021.7	15,904.8	9,026.7	5.9	24,937.4
	Sep	861.8	14,373.6	15,235.4	10,459.9	5.9	25,701.2
	Oct	806.5	14,269.3	15,075.9	9,910.3	6.0	24,992.1
	Nov	806.0	15,193.9	15,999.9	10,194.4	6.0	26,200.2
	Dec	820.3	13,815.9	14,636.2	10,166.1	6.0	24,808.3
<b>2008</b>	<b>Jan</b>	<b>782.5</b>	<b>14,728.2</b>	<b>15,510.7</b>	<b>10,391.8</b>	<b>6.0</b>	<b>25,908.5</b>
	Feb	882.0	16,645.4	17,527.4	10,184.0	3.9	27,715.4
	Mar	928.2	16,362.1	17,290.3	9,735.3	3.9	27,029.5
	Apr	937.8	16,717.4	17,655.2	10,127.0	3.9	27,786.1
	May	960.0	16,419.8	17,379.8	10,390.7	3.9	27,774.4
	Jun	957.3	17,270.4	18,227.7	9,772.6	3.9	28,004.2
	Jul	986.0	18,716.1	19,702.1	10,070.2	3.9	29,776.2
	Aug	1,059.4	17,760.8	18,820.2	9,350.1	3.9	28,174.2
	Sep	1,076.4	17,977.0	19,053.4	9,931.9	3.9	28,989.3

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

		Broad money supply (M2)	Determinants of money supply						
			Net foreign assets (cumulative flow)	Claims on the Central Government				Claims on private sectors	Other items net
				Gross claims	Government deposits	Other liabilities	Net claims on Government		
2006	Jan	17,796.4	891.4	2,419.1	1,558.4	39.8	820.9	24,336.0	-8,251.9
	Feb	17,368.8	418.4	2,155.8	1,338.1	39.8	778.0	25,045.4	-8,872.9
	Mar	18,754.2	723.3	2,528.4	1,386.6	53.7	1,088.2	25,455.3	-8,512.5
	Apr	19,132.8	1,834.6	2,426.7	2,542.3	53.7	-169.3	25,985.6	-8,518.2
	May	19,717.0	1,700.7	2,543.8	2,196.4	53.7	293.7	26,652.0	-8,929.3
	Jun	20,548.8	1,459.0	2,661.9	1,997.7	53.7	610.4	27,051.4	-8,572.1
	Jul	20,973.0	2,295.9	2,555.8	2,871.4	53.8	-369.4	27,555.0	-8,508.6
	Aug	20,629.4	1,993.0	2,563.6	2,409.8	53.8	100.0	27,781.6	-9,245.2
	Sep	21,511.9	3,944.3	2,464.0	2,229.3	51.1	183.6	27,756.5	-10,372.4
	Oct	22,238.1	5,445.8	2,578.7	3,193.1	64.1	-678.6	28,190.8	-10,719.9
	Nov	22,617.5	4,625.8	2,571.8	2,499.2	64.2	8.4	28,328.7	-10,345.4
	Dec	22,540.2	4,844.5	2,767.3	2,589.6	64.4	113.3	28,284.2	-10,701.8
2007	Jan	23,244.6	6,128.2	2,785.2	4,920.3	64.5	-2,199.5	28,889.3	-9,573.4
	Feb	23,054.6	6,058.1	2,914.4	4,681.4	64.5	-1,831.5	29,447.2	-10,619.2
	Mar	22,589.7	6,888.5	3,098.8	5,712.0	67.3	-2,680.5	29,990.7	-11,609.0
	Apr	23,069.5	8,415.2	3,099.4	6,463.4	51.2	-3,415.1	30,040.4	-11,971.0
	May	23,499.5	8,023.0	3,012.1	5,742.7	51.2	-2,781.9	30,345.8	-12,087.5
	Jun	22,497.2	6,949.8	3,270.2	6,110.0	52.7	-2,892.5	30,685.8	-12,245.9
	Jul	24,854.4	9,292.8	3,315.5	5,853.1	52.7	-2,590.3	30,762.6	-12,610.7
	Aug	24,937.4	8,336.5	3,026.9	4,667.2	52.7	-1,693.0	30,998.6	-12,704.7
	Sep	25,701.1	7,825.5	3,037.3	4,080.3	52.7	-1,095.7	31,395.3	-12,423.9
	Oct	24,992.1	7,265.1	2,995.6	5,008.3	52.8	-2,065.6	32,528.8	-12,736.2
	Nov	26,200.2	7,689.4	3,025.3	4,740.0	52.8	-1,767.5	32,736.7	-12,458.4
	Dec	24,808.3	7,461.7	3,101.3	5,192.3	52.9	-2,143.9	32,355.9	-12,865.5
2008	Jan	25,908.5	10,362.4	2,598.5	6,216.3	52.9	-3,670.6	32,642.3	-13,425.5
	Feb	27,699.5	10,542.6	2,321.3	5,713.3	68.8	-3,460.8	33,620.3	-13,002.7
	Mar	27,029.5	10,770.7	2,416.5	5,407.0	68.8	-3,059.2	33,833.9	-14,515.9
	Apr	27,786.1	12,363.7	2,441.9	7,018.7	68.8	-4,645.6	34,282.0	-14,214.0
	May	27,774.4	11,964.6	2,465.9	6,473.2	68.9	-4,076.1	33,923.1	-14,037.2
	Jun	28,004.2	11,254.8	2,578.5	6,661.8	69.7	-4,152.9	34,481.2	-13,578.9
	Jul	29,776.2	14,588.0	2,701.0	8,318.8	69.7	-5,687.4	34,681.3	-13,805.8
	Aug	28,174.2	11,638.4	2,915.9	7,467.5	69.7	-4,621.3	35,022.0	-13,864.9
	Sep	28,989.3	12,578.7	2,848.5	7,061.9	69.7	-4,283.0	35,491.8	-14,798.2

**Table II.8 Changes in Determinants of Money Supply (N\$ million)**

		Broad money supply (M2)	Determinants of money supply						Other items net
			Net foreign assets (cumulative flow)	Gross claims	Government deposits	Other liabilities	Net claims on Government	Claims on private sectors	
<b>2007</b>	<b>Jan</b>	<b>704.4</b>	<b>1,283.7</b>	<b>17.9</b>	<b>2,330.7</b>	<b>0.1</b>	<b>-2,312.9</b>	<b>605.2</b>	<b>1,128.4</b>
	Feb	-190.0	-70.1	129.2	-238.9	0.1	368.0	557.8	-1,045.8
	Mar	-464.9	830.4	184.4	1,030.6	2.8	-848.9	543.5	-989.8
	Apr	479.8	1,526.7	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	-1,002.3	-1,073.3	258.1	367.3	1.5	-110.6	340.0	-158.4
	Jul	2,357.2	2,343.1	45.3	-257.0	0.0	302.2	76.8	-364.8
	Aug	82.9	-956.3	-288.6	-1,185.9	0.0	897.3	236.0	-94.0
	Sep	763.8	-511.0	10.4	-586.8	0.0	597.2	396.7	280.8
	Oct	-709.0	-560.4	-41.7	928.0	0.2	-969.8	1,133.5	-312.3
	Nov	1,208.1	424.4	29.7	-268.3	0.0	298.0	207.8	277.9
	Dec	-1,391.9	-227.7	76.1	452.3	0.1	-376.3	-380.7	-407.1
<b>2008</b>	<b>Jan</b>	<b>1,100.1</b>	<b>2,900.7</b>	<b>-502.8</b>	<b>1,023.9</b>	<b>0.0</b>	<b>-1,526.8</b>	<b>286.3</b>	<b>-560.1</b>
	Feb	1,791.0	180.2	-277.2	-502.9	15.9	209.9	978.1	422.8
	Mar	-670.0	228.1	95.2	-306.3	0.0	401.5	213.6	-1,513.2
	Apr	756.6	1,592.9	25.4	1,611.7	0.0	-1,586.3	448.1	301.9
	May	-11.7	-399.0	24.0	-545.6	0.1	569.5	-358.9	176.8
	Jun	229.8	-709.8	112.6	188.6	0.8	-76.8	558.1	458.3
	Jul	1,772.0	3,333.2	122.5	1,657.0	0.0	-1,534.5	200.2	-226.9
	Aug	-1,602.0	-2,949.6	214.9	-851.3	0.0	1,066.1	340.6	-59.1
	Sep	815.0	940.3	-67.4	-405.6	0.0	338.2	469.8	-933.3



**Table II.9 Selected Interest Rates: Namibia and South Africa**

		Prime lending rate		Average lending rate		Treasury bill rate (3 month)		Deposit rates		Bank rate	Repo rate
		Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA
2005	Jan	12.25	11.00	10.68	11.00	7.67	7.29	6.18	6.72	7.50	7.50
	Feb	12.25	11.00	10.66	11.00	7.58	7.23	6.18	6.71	7.50	7.50
	Mar	12.25	11.00	10.56	11.00	7.58	7.20	6.53	6.77	7.50	7.50
	Apr	11.75	10.50	10.66	10.50	7.59	6.95	6.5	6.77	7.00	7.00
	May	11.75	10.50	10.58	10.50	6.8	6.75	6.31	6.48	7.00	7.00
	Jun	11.75	10.50	10.52	10.50	6.16	6.76	6.21	6.48	7.00	7.00
	Jul	11.75	10.50	10.52	10.50	7.11	6.73	6.13	6.48	7.00	7.00
	Aug	11.75	10.50	10.50	10.50	6.71	6.73	6.06	6.48	7.00	7.00
	Sep	11.75	10.50	10.77	10.50	6.75	6.74	6.13	6.66	7.00	7.00
	Oct	11.75	10.50	10.55	10.50	6.93	6.79	5.98	6.82	7.00	7.00
	Nov	11.75	10.50	10.54	10.50	6.93	6.89	60.2	7.06	7.00	7.00
	Dec	11.75	10.50	10.78	10.50	7.01	6.82	5.99	6.75	7.00	7.00
2006	Jan	11.75	10.50	10.46	10.50	7.03	6.74	6.09	6.59	7.00	7.00
	Feb	11.75	10.50	10.69	10.50	6.94	6.68	6.1	6.58	7.00	7.00
	Mar	11.75	10.50	10.78	10.50	6.67	6.53	6.11	6.62	7.00	7.00
	Apr	11.75	10.50	10.58	10.50	6.63	6.65	6.31	6.59	7.00	7.00
	May	11.75	10.50	10.80	10.50	6.5	6.80	6.13	6.75	7.00	7.00
	Jun	12.25	11.00	10.61	11.00	6.77	7.11	6.24	7.32	7.50	7.50
	Jul	12.25	11.00	10.93	11.00	7.23	7.28	6.18	7.46	7.50	7.50
	Aug	12.75	11.50	11.01	11.50	7.56	7.69	6.34	7.92	8.00	8.00
	Sep	12.75	11.50	11.71	11.50	7.57	7.75	6.22	8.08	8.00	8.00
	Oct	13.25	12.00	11.97	12.00	7.52	8.22	6.37	8.36	8.50	8.50
	Nov	13.25	12.00	12.2	12.00	7.95	8.23	6.64	8.57	8.50	8.50
	Dec	13.25	12.50	12.43	12.50	7.95	8.39	6.85	8.57	9.00	9.00
2007	Jan	13.75	12.50	12.63	12.50	8.36	8.87	6.98	9.00	9.00	9.00
	Feb	13.75	12.50	12.32	12.50	8.22	8.41	7.38	8.99	9.00	9.00
	Mar	13.75	12.50	11.90	12.50	8.06	8.26	7.22	8.93	9.00	9.00
	Apr	13.75	12.50	12.44	12.50	8.00	8.32	7.18	9.22	9.00	9.00
	May	13.75	12.50	12.65	12.50	8.11	8.68	7.34	9.23	9.00	9.00
	Jun	14.25	13.00	12.22	12.88	8.03	9.10	7.24	9.59	9.50	9.50
	Jul	14.25	13.00	13.03	13.00	8.66	8.86	7.49	9.93	9.50	9.50
	Aug	14.75	13.50	12.85	13.25	8.98	9.26	7.68	10.15	10.00	10.00
	Sep	14.75	13.50	12.89	13.50	9.24	9.43	7.74	10.11	10.00	10.00
	Oct	15.25	14.00	13.56	13.81	9.16	9.96	7.95	10.39	10.50	10.50
	Nov	15.25	14.00	14.53	14.00	9.19	10.43	8.08	10.65	10.50	10.50
	Dec	15.25	14.50	13.59	14.39	9.80	10.52	8.28	10.92	10.50	11.00
2008	Jan	15.25	14.50	14.01	14.50	9.70	10.37	8.13	10.82	10.50	11.00
	Feb	15.25	14.50	14.18	14.50	9.24	10.24	8.23	10.32	10.50	11.00
	Mar	15.25	14.50	13.93	14.50	9.20	10.04	8.35	10.99	10.50	11.00
	Apr	15.25	15.00	13.14	14.82	9.15	10.46	8.14	11.05	10.50	11.50
	May	15.25	15.00	13.20	15.00	9.36	11.55	8.29	11.51	10.50	11.50
	Jun	15.25	15.50	13.49	15.29	10.19	11.38	8.33	11.20	10.50	12.00
	Jul	15.25	15.50	13.13	15.50	10.74	11.35	8.28	12.02	10.50	12.00
	Aug	15.25	15.50	13.80	15.50	10.79	11.16	8.40	11.91	10.50	12.00
	Sep	15.25	15.50	13.91	15.50	10.89	11.11	8.54	11.99	10.50	12.00



**Table III.1 (a) Treasury Bills Auction (N\$ million)**

		Offer	Tendered	Surplus (+) Deficit (-)	Effective Yield %
91 days					
2007	Jan	50.0	146.5	96.5	8.7
	Feb	100.0	229.0	129.0	8.6
	Mar	150.0	262.4	112.4	8.5
	Apr	50.0	150.0	100.0	8.4
	May	100.0	292.2	192.2	8.5
	Jun	150.0	223.3	73.3	8.5
	Jul	50.0	105.7	55.7	9.1
	Aug	100.0	145.0	45.0	9.5
	Sep	150.0	332.4	182.4	9.8
	Oct	50.0	93.6	43.6	9.7
	Nov	100.0	206.5	106.5	9.7
	Dec	150.0	301.0	151.0	9.8
2008	Jan	50.0	186.5	136.5	9.7
	Feb	100.0	342.0	242.0	9.2
	Mar	150.0	216.3	66.3	9.2
	Apr	100.0	183.1	83.1	9.2
	May	100.0	174.8	74.8	9.4
	Jun	200.0	270.5	70.5	10.2
	Jul	150.0	209.2	59.2	10.7
	Aug	150.0	152.5	2.5	10.8
	Sep	200.0	159.0	-41.0	10.9
	Oct	150.0	151.3	1.3	11.2
182 days					
2007	Jan	50.0	134.5	84.5	8.4
	Feb	120.0	288.2	168.2	8.4
	Mar	300.0	753.7	453.7	8.6
	Apr	0.0	0.0	0.0	0.0
	May	150.0	341.1	191.1	8.6
	Jun	200.0	487.2	287.2	8.4
	Jul	50.0	198.3	148.3	9.5
	Aug	320.0	322.2	2.1	9.8
	Sep	100.0	206.0	106.0	10.0
	Nov	150.0	300.0	150.0	10.0
	Dec	200.0	317.5	117.5	10.1
2008	Jan	50.0	168.7	118.7	9.9
	Feb	320.0	750.6	430.6	9.3
	Mar	100.0	175.9	75.9	9.3
	May	150.0	253.8	103.8	9.5
	Jun	200.0	252.0	52.0	10.0
	Jul	100.0	228.0	128.0	12.0
	Aug	350.0	790.4	440.4	11.8
	Sep	150.0	270.0	120.0	11.8
365 days					
2007	Feb	100.0	320.1	220.1	9.0
	Mar	100.0	326.6	226.6	8.9
	Apr	100.0	264.0	164.0	8.9
	May	250.0	766.2	516.2	8.8
	Jun	330.0	598.9	268.9	8.6
	Jul	100.0	166.0	66.0	10.0
	Aug	200.0	422.7	222.7	10.1
	Sep	250.0	493.8	243.8	10.2
	Oct	50.0	124.9	74.9	10.1
	Nov	250.0	407.0	157.0	10.2
	Dec	150.0	342.2	192.2	10.3
2008	Feb	100.0	297.4	197.4	9.5
	Mar	100.0	127.0	27.0	9.7
	Apr	150.0	162.0	12.0	9.9
	May	380.0	485.9	105.9	10.4
	Jun	200.0	205.0	5.0	11.6
	Jul	150.0	181.9	31.9	12.6
	Aug	200.0	858.5	658.5	12.3
	Sep	300.0	854.6	554.6	11.9
	Oct	100.0	216.2	116.2	11.9

Table III.1 (b) Allotment of Government of Namibia Treasury Bills (N\$ '000)

Date issued	Date due	Deposit Money Banks	Other Banking Institutions	Banking Sector	Non-banking Financial Institutions	Other Public Enterprises	Private Sector	TOTAL	Amount Outstanding
<b>2007</b>									
Jan	04/07	40,000.0	0.0	40,000.0	10,000.0	0.0	0.0	<b>50,000.0</b>	4,250,010.0
Jan*	07/07	50,000.0	0.0	50,000.0	0.0	0.0	0.0	<b>50,000.0</b>	4,250,010.0
Jan**	01/07	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>	4,210,010.0
Feb	05/07	98,800.0	0.0	98,800.0	1,200.0	0.0	0.0	<b>100,000.0</b>	4,210,010.0
Feb*	08/07	117,000.0	0.0	117,000.0	3,000.0	0.0	0.0	<b>120,000.0</b>	4,130,010.0
Feb**	02/07	90,000.0	0.0	90,000.0	10,000.0	0.0	0.0	<b>100,000.0</b>	4,130,000.0
Mar	06/07	122,710.0	0.0	122,710.0	25,470.0	0.0	1,820.0	<b>150,000.0</b>	4,130,000.0
Mar*	08/07	170,010.0	0.0	170,010.0	28,420.0	0.0	1,570.0	<b>200,000.0</b>	4,080,000.0
Mar*	09/07	99,520.0	0.0	99,520.0	480.0	0.0	0.0	<b>100,000.0</b>	4,080,000.0
Mar**	03/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,980,000.0
Mar**	03/07	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>	3,950,000.0
Apr	07/07	45,010.0	0.0	45,010.0	4,990.0	0.0	0.0	<b>50,000.0</b>	3,950,000.0
Apr**	04/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,950,000.0
Apr**	04/07	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>	3,850,000.0
May	08/07	87,800.0	0.0	87,800.0	12,200.0	0.0	0.0	<b>100,000.0</b>	3,850,000.0
May*	11/07	93,970.0	0.0	93,970.0	56,020.0	0.0	0.0	<b>149,990.0</b>	3,849,990.0
May**	05/08	150,000.0	0.0	150,000.0	0.0	0.0	0.0	<b>150,000.0</b>	3,849,990.0
May**	05/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,699,990.0
Jun	09/07	132,720.0	0.0	132,720.0	15,450.0	0.0	1,830.0	<b>150,000.0</b>	3,699,990.0
Jun*	12/07	200,000.0	0.0	200,000.0	0.0	0.0	0.0	<b>200,000.0</b>	3,699,990.0
Jun**	05/08	130,000.0	0.0	130,000.0	0.0	0.0	0.0	<b>130,000.0</b>	3,699,990.0
Jun**	06/08	195,300.0	0.0	195,300.0	1,500.0	3,200.0	0.0	<b>200,000.0</b>	3,699,990.0
Jul	10/07	35,000.0	0.0	35,000.0	15,000.0	0.0	0.0	<b>50,000.0</b>	3,699,990.0
Jul*	01/08	30,000.0	0.0	30,000.0	20,000.0	0.0	0.0	<b>50,000.0</b>	3,699,990.0
Jul**	07/08	83,000.0	0.0	83,000.0	17,000.0	0.0	0.0	<b>100,000.0</b>	3,599,990.0
Aug	11/07	80,830.0	0.0	80,830.0	18,670.0	0.0	500.0	<b>100,000.0</b>	3,599,990.0
Aug*	02/08	110,000.0	0.0	110,000.0	9,000.0	0.0	1,000.0	<b>120,000.0</b>	3,599,990.0
Aug*	02/08	153,450.0	0.0	153,450.0	45,550.0	0.0	1,000.0	<b>200,000.0</b>	3,599,990.0
Aug**	08/08	30,250.0	0.0	30,250.0	19,750.0	0.0	0.0	<b>50,000.0</b>	3,499,990.0
Sep	12/07	113,650.0	0.0	113,650.0	34,000.0	0.0	2,350.0	<b>150,000.0</b>	3,499,990.0
Sep*	03/08	91,000.0	0.0	91,000.0	9,000.0	0.0	0.0	<b>100,000.0</b>	3,499,990.0
Sep**	09/08	123,290.0	0.0	123,290.0	26,710.0	0.0	0.0	<b>150,000.0</b>	3,299,990.0
Sep**	09/08	49,000.0	0.0	49,000.0	51,000.0	0.0	0.0	<b>100,000.0</b>	3,249,990.0
Oct	01/08	36,810.0	0.0	36,810.0	13,190.0	0.0	0.0	<b>50,000.0</b>	3,249,990.0
Oct**	10/08	45,400.0	0.0	45,400.0	4,600.0	0.0	0.0	<b>50,000.0</b>	3,249,990.0
Nov	02/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,249,990.0
Nov*	05/08	129,960.0	0.0	129,960.0	19,740.0	0.0	300.0	<b>150,000.0</b>	3,250,000.0
Nov**	11/08	228,000.0	0.0	228,000.0	22,000.0	0.0	0.0	<b>250,000.0</b>	3,200,000.0
Nov**	11/07	0.0	0.0	0.0	0.0	0.0	0.0	<b>0.0</b>	3,100,000.0
Dec	03/08	133,250.0	0.0	133,250.0	16,250.0	0.0	500.0	<b>150,000.0</b>	3,100,000.0
Dec*	06/08	165,000.0	0.0	165,000.0	35,000.0	0.0	0.0	<b>200,000.0</b>	3,100,000.0
Dec**	12/08	122,290.0	0.0	122,290.0	27,710.0	0.0	0.0	<b>150,000.0</b>	3,000,000.0
<b>2008</b>									
Jan	04/08	0.0	0.0	0.0	48,220.0	0.0	1,780.0	<b>50,000.0</b>	3,000,000.0
Jan*	07/08	40,000.0	0.0	40,000.0	10,000.0	0.0	0.0	<b>50,000.0</b>	3,000,000.0
Feb	05/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,000,000.0
Feb*	08/08	72,000.0	0.0	72,000.0	48,000.0	0.0	0.0	<b>120,000.0</b>	3,000,000.0
Feb*	08/08	177,000.0	0.0	177,000.0	23,000.0	0.0	0.0	<b>200,000.0</b>	3,000,000.0
Feb**	02/09	70,000.0	0.0	70,000.0	30,000.0	0.0	0.0	<b>100,000.0</b>	3,000,000.0
Mar	06/08	149,490.0	0.0	149,490.0	510.0	0.0	0.0	<b>150,000.0</b>	3,000,000.0
Mar*	09/08	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,000,000.0
Mar**	03/09	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,000,000.0
Apr	07/08	48,660.0	0.0	48,660.0	51,340.0	0.0	0.0	<b>100,000.0</b>	3,050,000.0
Apr**	04/09	150,000.0	0.0	150,000.0	0.0	0.0	0.0	<b>150,000.0</b>	3,100,000.0
May	08/08	98,210.0	0.0	98,210.0	1,790.0	0.0	0.0	<b>100,000.0</b>	3,100,000.0
May*	11/08	149,690.0	0.0	149,690.0	0.0	0.0	310.0	<b>150,000.0</b>	3,100,000.0
May**	05/09	145,000.0	0.0	145,000.0	0.0	0.0	5,000.0	<b>150,000.0</b>	3,100,000.0
May**	05/09	100,000.0	0.0	100,000.0	0.0	0.0	0.0	<b>100,000.0</b>	3,100,000.0
May**	06/09	130,000.0	0.0	130,000.0	0.0	0.0	0.0	<b>130,000.0</b>	3,100,000.0
Jun	09/08	199,480.0	0.0	199,480.0	0.0	0.0	520.0	<b>200,000.0</b>	3,150,000.0
Jun*	12/08	200,000.0	0.0	200,000.0	0.0	0.0	0.0	<b>200,000.0</b>	3,150,000.0
Jun**	06/09	200,000.0	0.0	200,000.0	0.0	0.0	0.0	<b>200,000.0</b>	3,150,000.0
Jul	10/08	143,800.0	0.0	143,800.0	0.0	0.0	6,200.0	<b>150,000.0</b>	3,200,000.0
Jul*	01/09	88,150.0	0.0	88,150.0	11,850.0	0.0	0.0	<b>100,000.0</b>	3,250,000.0
Jul**	07/09	130,000.0	0.0	130,000.0	20,000.0	0.0	0.0	<b>150,000.0</b>	3,300,000.0
Aug	11/08	148,690.0	0.0	148,690.0	0.0	0.0	1,310.0	<b>150,000.0</b>	3,350,000.0
Aug*	02/09	102,000.0	0.0	102,000.0	48,000.0	0.0	0.0	<b>150,000.0</b>	3,380,000.0
Aug*	02/09	200,000.0	0.0	200,000.0	0.0	0.0	0.0	<b>200,000.0</b>	3,380,000.0
Aug**	07/09	33,580.0	0.0	33,580.0	16,420.0	0.0	0.0	<b>50,000.0</b>	3,380,000.0
Aug**	08/09	125,000.0	0.0	125,000.0	25,000.0	0.0	0.0	<b>150,000.0</b>	3,380,000.0
Sep	12/08	155,000.0	0.0	155,000.0	0.0	0.0	0.0	<b>155,000.0</b>	3,335,000.0
Sep*	03/09	134,470.0	0.0	134,470.0	15,530.0	0.0	0.0	<b>150,000.0</b>	3,385,000.0
Sep**	09/09	40,000.0	0.0	40,000.0	110,000.0	0.0	0.0	<b>150,000.0</b>	3,385,000.0
Sep**	09/09	89,760.0	0.0	89,760.0	60,240.0	0.0	0.0	<b>150,000.0</b>	3,435,000.0
Oct	01/09	143,660.0	0.0	143,660.0	6,340.0	0.0	0.0	<b>150,000.0</b>	3,435,000.0
Oct**	10/09	57,900.0	0.0	57,900.0	42,100.0	0.0	0.0	<b>100,000.0</b>	3,485,000.0

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>					
	Feb	40.0	108.2	68.2	8.7
	Mar	40.0	138.0	98.0	8.5
	May	40.0	85.0	45.0	8.5
	Jun	40.0	46.5	6.5	9.4
	Jul	40.0	65.3	25.3	9.8
	Aug	40.0	82.0	42.0	9.8
	Sep	80.0	40.5	-39.5	9.7
	Oct	40.0	130.9	90.9	9.8
	Nov	40.0	87.9	47.9	9.2
	Dec	40.0	138.5	98.5	9.3
<b>2007</b>					
	Jan	40.0	160.0	120.0	9.3
	Feb	40.0	138.5	98.5	8.9
	Mar	40.0	162.4	122.4	8.7
<b>2008</b>					
	Apr	40.0	217.5	177.5	9.8
	Jun	40.0	188.7	148.7	11.8
	Jul	90.0	201.9	111.9	11.6
	Sep	40.0	54.5	14.5	9.9
	Oct	40.0	41.0	1.0	9.6
<b>GC15 (13.00%)</b>					
<b>2006</b>					
	Jan	40.0	74.9	34.9	9.1
	Apr	40.0	226.0	186.0	8.8
	May	40.0	100.0	60.0	8.8
	Jun	40.0	91.5	51.5	9.4
	Jul	40.0	55.0	15.0	9.9
	Sep	80.0	64.3	-15.7	8.8
<b>GC18 (9.50%)</b>					
<b>2008</b>					
	Jun	80.0	227.3	147.3	11.1
	Jul	100.0	190.2	90.2	11.1
	Sep	40.0	82.3	42.3	9.5
	Oct	40.0	39.0	-1.0	9.6
<b>GC24 (10.50%)</b>					
<b>2006</b>					
	Jan	40.0	65.00	25.0	9.1
	Feb	40.0	107.5	67.5	9.1
	Apr	40.0	83.4	43.4	9.1
	Jun	40.0	65.0	25.0	9.7
	Jul	40.0	85.5	45.5	10.2
	Aug	40.0	71.7	31.7	10.2
	Sep	80.0	66.0	-14.0	10.4
	Oct	40.0	53.5	13.5	0.0
	Nov	40.0	98.5	58.5	9.5
	Dec	40.0	98.5	58.5	9.3
<b>2007</b>					
	Jan	40.0	42.5	2.5	9.3
	Feb	40.0	75.0	35.0	9.1
	Mar	40.0	129.0	89.0	8.9
<b>2008</b>					
	Apr	40.0	146.0	106.0	9.6
	Jun	40.0	83.9	43.9	11.0
	Jul	90.0	60.9	-29.1	10.9
	Sep	40.0	111.7	71.7	9.4
	Oct	40.0	25.9	-14.2	9.5

**Table III.2 (b) Allotment of Government of Namibia Internal Registered Stock (N\$ '000)**

Date issued	Date due	Coupon rate [%]	Deposit Money Banks	Other Banking Institutions	Banking Sector	Non-bank Financial Institutions	Other Public Enterprises	Private Sector	TOTAL	Amount Outstanding
<b>2006</b>										
Jan	04/15	13.00	37,000.0	2,300.0	39,300.0	0.0	0.0	700.0	40,000.0	5,767,047.2
Jan	10/24	10.50	0.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0	5,807,047.2
Feb	10/12	10.50	26,310.0	13,690.0	40,000.0	0.0	0.0	0.0	40,000.0	5,847,047.2
Feb	10/24	10.50	31,980.0	7,290.0	39,270.0	730.0	0.0	0.0	40,000.0	5,887,047.2
Mar	10/12	10.50	26,310.0	13,690.0	40,000.0	0.0	0.0	0.0	40,000.0	5,927,047.2
Apr	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,967,047.2
Apr	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,007,047.2
May	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,047,047.2
May	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,087,047.2
Jun	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,127,047.2
Jun	04/15	13.00	16,500.0	23,500.0	40,000.0	0.0	0.0	0.0	40,000.0	6,167,047.2
Jun	10/24	10.50	32,000.0	0.0	32,000.0	0.0	0.0	8,000.0	40,000.0	6,207,047.2
Jul	10/12	10.50	39,750.0	0.0	39,750.0	250.0	0.0	0.0	40,000.0	6,247,047.2
Jul	04/15	13.00	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,287,047.2
Jul	10/24	10.50	37,000.0	0.0	37,000.0	3,000.0	0.0	0.0	40,000.0	6,327,047.2
Aug	10/12	10.50	38,430.0	0.0	38,430.0	1,570.0	0.0	0.0	40,000.0	6,367,047.2
Aug	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,407,047.2
Sep	10/12	10.50	31,500.0	0.0	31,500.0	3,000.0	0.0	0.0	34,500.0	6,441,547.2
Sep	04/15	13.00	31,300.0	0.0	31,300.0	6,000.0	0.0	0.0	37,300.0	6,478,847.2
Sep	10/24	10.50	59,000.0	0.0	59,000.0	0.0	0.0	0.0	59,000.0	6,537,847.2
Oct	10/12	10.50	0.0	17,000.0	17,000.0	23,000.0	0.0	0.0	40,000.0	6,577,847.2
Nov	10/12	10.50	27,070.0	0.0	27,070.0	12,750.0	0.0	180.0	40,000.0	6,617,847.2
Nov	10/24	10.50	33,680.0	0.0	33,680.0	6,320.0	0.0	0.0	40,000.0	6,657,847.2
Dec	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,697,847.2
Dec	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,737,847.2
<b>2007</b>										
Jan	10/24	10.50	35,000.0	0.0	35,000.0	5,000.0	0.0	0.0	40,000.0	6,777,847.2
Jan	10/12	10.50	0.0	29,570.0	29,570.0	10,430.0	0.0	0.0	40,000.0	6,817,847.2
Feb	10/12	10.50	10,000.0	0.0	10,000.0	30,000.0	0.0	0.0	40,000.0	6,857,847.2
Feb	10/24	10.50	0.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0	6,897,847.2
Mar	10/12	10.50	5,300.0	0.0	5,300.0	33,320.0	0.0	1,380.0	40,000.0	6,937,847.2
Mar	10/24	10.50	13,000.0	0.0	13,000.0	27,000.0	0.0	0.0	40,000.0	6,977,847.2
Apr	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
May	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
Jun	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	6,977,847.2
Jul*	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Aug	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Sep	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Oct	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Nov	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Dec	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
<b>2008</b>										
Jan	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Feb	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Mar	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,781,987.2
Apr	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,821,987.2
Apr	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,861,987.2
May	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,861,987.2
Jun	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,901,987.2
Jun	07/18	9.50	80,000.0	0.0	80,000.0	0.0	0.0	0.0	80,000.0	5,981,987.2
Jun	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	6,021,987.2
Jul	10/12	10.50	50,000.0	0.0	50,000.0	0.0	40,000.0	0.0	90,000.0	6,111,987.2
Jul	07/18	9.50	95,000.0	0.0	95,000.0	0.0	5,000.0	0.0	100,000.0	6,211,987.2
Jul**	10/24	10.50	55,000.0	0.0	55,000.0	200.0	0.0	690.0	55,890.0	5,685,677.2
Aug	N/A	N/A	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5,685,677.2
Sep	10/12	10.50	37,500.0	0.0	37,500.0	2,500.0	0.0	0.0	40,000.0	5,725,677.2
Sep	07/18	9.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,765,677.2
Sep	10/24	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,805,677.2
Oct	10/12	10.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	5,845,677.2
Oct	07/18	9.80	29,000.0	0.0	29,000.0	0.0	0.0	0.0	29,000.0	5,874,677.2
Oct	10/24	10.50	10,000.0	0.0	10,000.0	0.0	0.0	0.0	10,000.0	5,884,677.2

\*Redemption of GC07

\*\*Redemption of GC08

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

**Table III.3 Government Foreign Debt by Type and Currency (N\$ million)**

	2006/07				2007/08				2008/09	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Multilateral</b>	<b>1,574.6</b>	<b>1,647.0</b>	<b>1,519.7</b>	<b>1,579.2</b>	<b>1,653.7</b>	<b>1,577.4</b>	<b>1,781.0</b>	<b>1,862.2</b>	<b>1,811.5</b>	<b>2,046.7</b>
Euro	636.4	689.1	537.0	603.5	587.4	597.5	654.4	817.6	786.4	844.1
US Dollar	189.6	203.3	171.8	178.9	204.9	199.5	199.6	228.2	215.5	289.4
Pound	5.0	5.4	5.1	5.4	5.5	5.4	5.8	5.5	5.1	4.6
Rand	563.9	564.5	608.8	604.4	681.3	615.9	729.1	614.0	605.2	698.8
Franc	22.5	21.4	20.2	21.7	19.4	21.6	20.3	27.7	26.4	25.6
Dinar	127.3	131.1	138.9	135.5	116.3	110.5	110.0	125.3	121.4	128.3
SDR	25.0	26.8	32.8	24.4	33.2	21.6	20.3	9.6	22.0	22.6
Yen	5.0	5.4	5.1	5.4	5.5	5.4	41.6	34.2	29.5	33.1
<b>Bilateral</b>	<b>920.6</b>	<b>1,028.5</b>	<b>1,006.6</b>	<b>1,131.1</b>	<b>1,115.8</b>	<b>1,118.2</b>	<b>1,092.3</b>	<b>1,280.8</b>	<b>1,390.2</b>	<b>1,362.9</b>
Euro	795.3	875.7	832.3	851.9	830.8	846.2	801.3	1,023.2	1,051.1	1,001.2
Yuan	125.3	152.9	174.3	279.2	285.0	272.0	291.0	257.6	339.1	361.7
<b>Foreign debt stock</b>	<b>2,495.2</b>	<b>2,675.5</b>	<b>2,526.3</b>	<b>2,710.3</b>	<b>2,769.5</b>	<b>2,695.6</b>	<b>2,873.3</b>	<b>3,143.0</b>	<b>3,201.7</b>	<b>3,409.5</b>
Euro	1,431.7	1,564.8	1,369.3	1,455.4	1,418.2	1,443.7	1,455.6	1,840.7	1,837.5	1,845.3
US Dollar	189.6	203.3	171.8	178.9	204.9	199.5	199.6	228.2	215.5	289.4
Pound	5.0	5.4	5.1	5.4	5.5	5.4	5.8	5.5	5.1	4.6
Rand	563.9	564.5	608.8	604.4	681.3	615.9	729.1	614.0	605.2	698.8
Franc	22.5	21.4	20.2	21.7	19.4	21.6	20.3	27.7	26.4	25.6
Dinar	127.3	131.1	138.9	135.5	116.3	110.5	110.0	125.3	121.4	128.3
SDR	25.0	26.8	32.8	24.4	33.2	21.6	20.3	9.6	22.0	22.6
Yen	5.0	5.4	5.1	5.4	5.5	5.4	41.6	34.2	29.5	33.1
Yuan	125.3	152.9	174.3	279.2	285.0	272.0	291.0	257.6	339.1	361.7
<b>Exchange rates (End of period) - Namibia Dollar per foreign currency</b>										
Euro	8.8146	9.4376	9.3075	9.7323	9.6198	9.9484	9.8945	12.3767	12.3049	11.7199
US Dollar	6.9549	7.4098	7.0406	7.3514	7.1718	6.8271	7.1282	7.9799	7.8196	8.3324
Pound	12.8291	13.9706	13.8362	14.3044	14.2416	13.8016	14.3767	15.9805	15.5665	14.8329
Rand	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Franc	5.6494	5.9577	5.8288	6.0348	6.0124	5.9958	6.0062	7.8766	7.6597	7.4278
Dinar	0.6403	0.0372	0.0413	0.0399	0.0409	0.0407	0.0398	0.0328	0.0339	0.0320
SDR	10.3123	11.0018	10.6182	11.0836	11.0379	10.7604	10.9933	12.9822	12.7500	13.0800
Yen	0.0607	0.0633	0.0601	0.0627	0.0620	0.0609	0.0620	0.0791	0.0700	0.0785
Yuan	0.8673	0.9337	0.8999	0.9499	0.9397	0.9474	0.9261	1.1277	1.1409	1.2170

Source: BoN and MoF

**Table III.4 (a) Government Domestic Loan Guarantees by Sector (N\$ million)**

Sectoral allocation	2006/07				2007/08				2008/09	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Mining and Quarrying	185.0	190.0	190.0	190.0	190.0	190.0	190.0	190.0	190.0	190.0
Tourism	27.0	147.0	147.0	147.0	147.0	147.0	97.0	97.0	97.0	97.0
Agriculture	252.9	259.8	260.1	246.7	247.6	247.9	249.3	250.0	251.0	251.0
Finance	734.0	734.0	734.0	683.8	683.8	683.8	683.2	683.2	683.2	683.2
Transport	281.4	281.4	481.4	481.4	279.4	0.0	0.0	0.0	0.0	0.0
Communication	14.3	13.6	13.6	12.1	12.1	12.1	12.1	9.6	9.6	9.6
<b>Total domestic loan guarantees</b>	<b>1,494.6</b>	<b>1,625.8</b>	<b>1,826.1</b>	<b>1,760.9</b>	<b>1,559.8</b>	<b>1,280.7</b>	<b>1,231.5</b>	<b>1,229.8</b>	<b>1,230.8</b>	<b>1,230.8</b>
<b>Proportion of domestic guarantees by sector</b>										
Mining and Quarrying	12.4	11.7	10.4	10.8	12.2	14.8	15.4	15.4	15.4	15.4
Tourism	1.8	9.0	8.1	8.3	9.4	11.5	7.9	7.9	7.9	7.9
Agriculture	16.9	16.0	14.2	14.0	15.9	19.4	20.2	20.3	20.4	20.4
Finance	49.1	45.1	40.2	38.8	43.8	53.4	55.5	55.6	55.5	55.5
Transport	18.8	17.3	26.4	27.3	17.9	0.0	0.0	0.0	0.0	0.0
Communication	1.0	0.8	0.7	0.7	0.8	0.9	1.0	0.8	0.8	0.8
<b>Total domestic loan guarantees</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: MoF

**Table III.4 (b) Government Foreign Loan Guarantees by Sector and Currency (N\$ million)**

Sectoral allocation	2006/07				2007/08				2008/09	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
<b>Energy</b>	<b>780.4</b>	<b>780.4</b>	<b>780.4</b>	<b>732.8</b>	<b>732.8</b>	<b>716.7</b>	<b>716.7</b>	<b>684.1</b>	<b>684.1</b>	<b>684.1</b>
NAD and ZAR	780.4	780.4	780.4	732.8	732.8	716.7	716.7	684.1	684.1	684.1
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Agriculture</b>	<b>248.0</b>	<b>245.0</b>	<b>245.0</b>	<b>238.3</b>	<b>238.3</b>	<b>238.3</b>	<b>238.3</b>	<b>224.8</b>	<b>224.8</b>	<b>224.8</b>
NAD and ZAR	248.0	245.0	245.0	238.3	238.3	238.3	238.3	224.8	224.8	224.8
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Transport</b>	<b>1,038.5</b>	<b>1,012.7</b>	<b>940.4</b>	<b>970.5</b>	<b>942.0</b>	<b>918.9</b>	<b>1,032.6</b>	<b>1,222.7</b>	<b>1,177.9</b>	<b>1,251.8</b>
NAD and ZAR	61.2	61.2	61.2	56.1	56.1	56.1	50.1	50.1	50.1	50.1
USD	977.3	951.5	879.3	914.4	885.9	862.8	982.5	1,172.5	1,127.7	1,201.7
<b>Communication</b>	<b>75.8</b>	<b>71.6</b>	<b>71.6</b>	<b>65.2</b>	<b>65.2</b>	<b>58.7</b>	<b>52.0</b>	<b>52.0</b>	<b>52.0</b>	<b>52.0</b>
NAD and ZAR	75.8	71.6	71.6	65.2	65.2	58.7	52.0	52.0	52.0	52.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total foreign loan guarantees</b>	<b>2,142.7</b>	<b>2,109.7</b>	<b>2,037.4</b>	<b>2,006.7</b>	<b>1,978.2</b>	<b>1,932.6</b>	<b>2,039.6</b>	<b>2,183.5</b>	<b>2,138.7</b>	<b>2,212.7</b>
<b>Proportion of foreign loan guarantees by sector</b>										
<b>Energy</b>	<b>36.4</b>	<b>37.0</b>	<b>38.3</b>	<b>36.5</b>	<b>37.0</b>	<b>37.1</b>	<b>35.1</b>	<b>31.3</b>	<b>32.0</b>	<b>30.9</b>
NAD and ZAR	36.4	37.0	38.3	36.5	37.0	37.1	35.1	31.3	32.0	30.9
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Agriculture</b>	<b>11.6</b>	<b>11.6</b>	<b>12.0</b>	<b>11.9</b>	<b>12.0</b>	<b>12.3</b>	<b>11.7</b>	<b>10.3</b>	<b>10.5</b>	<b>10.2</b>
NAD and ZAR	11.6	11.6	12.0	11.9	12.0	12.3	11.7	10.3	10.5	10.2
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Transport</b>	<b>48.5</b>	<b>48.0</b>	<b>46.2</b>	<b>48.4</b>	<b>47.6</b>	<b>47.5</b>	<b>50.6</b>	<b>56.0</b>	<b>55.1</b>	<b>56.6</b>
NAD and ZAR	2.9	2.9	3.0	2.8	2.8	2.9	2.5	2.3	2.3	2.3
USD	45.6	45.1	43.2	45.6	44.8	44.6	48.2	53.7	52.7	54.3
<b>Communication</b>	<b>3.5</b>	<b>3.4</b>	<b>3.5</b>	<b>3.2</b>	<b>3.3</b>	<b>3.0</b>	<b>2.6</b>	<b>2.4</b>	<b>2.4</b>	<b>2.4</b>
NAD and ZAR	3.5	3.4	3.5	3.2	3.3	3.0	2.6	2.4	2.4	2.4
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Foreign loan guarantees per currency</b>										
NAD and ZAR	1,165.4	1,158.1	1,158.1	1,092.3	1,092.3	1,069.7	1,057.1	1,011.0	1,011.0	1,011.0
USD	977.3	951.5	879.3	914.4	885.9	862.8	982.5	1,172.5	1,127.7	1,201.7
<b>Total foreign loan guarantees</b>	<b>2,142.7</b>	<b>2,109.7</b>	<b>2,037.4</b>	<b>2,006.7</b>	<b>1,978.2</b>	<b>1,932.6</b>	<b>2,039.6</b>	<b>2,183.5</b>	<b>2,138.7</b>	<b>2,212.7</b>
<b>Currency composition of foreign loan guarantees</b>										
NAD and ZAR	54.4	54.9	56.8	54.4	55.2	55.4	51.8	46.3	47.3	45.7
USD	45.6	45.1	43.2	45.6	44.8	44.6	48.2	53.7	52.7	54.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: MoF

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

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Merchandise trade balance</b>	<b>261</b>	<b>477</b>	<b>-266</b>	<b>170</b>	<b>642</b>	<b>-374</b>	<b>443</b>	<b>114</b>	<b>-1,398</b>	<b>-1,214</b>	<b>-1,571</b>	<b>-1,674</b>	<b>-2,459</b>
Exports fob	3,900	4,315	4,696	5,037	17,949	4,834	5,575	5,065	5,093	20,567	5,256	6,162	6,292
Imports fob (p)	-3,639	-3,839	-4,962	-4,867	-17,307	-5,208	-5,131	-4,951	-6,491	-21,780	-6,827	-7,836	-8,752
<b>Services (net)</b>	<b>144</b>	<b>97</b>	<b>173</b>	<b>244</b>	<b>659</b>	<b>188</b>	<b>119</b>	<b>134</b>	<b>157</b>	<b>599</b>	<b>52</b>	<b>-56</b>	<b>65</b>
Credit	735	772	1,009	1,067	3,582	1,173	1,010	978	1,056	4,217	1,028	1,102	1,113
Debit	-590	-675	-835	-823	-2,924	-984	-891	-844	-899	-3,618	-976	-1,158	-1,048
<b>Compensation of employees (net)</b>	<b>-6</b>	<b>-7</b>	<b>-19</b>	<b>-9</b>	<b>-40</b>	<b>-12</b>	<b>6</b>	<b>-7</b>	<b>-3</b>	<b>-16</b>	<b>-80</b>	<b>-142</b>	<b>-2</b>
Credit	17	17	17	17	67	17	17	17	17	67	17	17	17
Debit	-22	-23	-36	-25	-106	-28	-11	-24	-20	-83	-96	-159	-19
<b>Investment income (net)</b>	<b>104</b>	<b>-79</b>	<b>-551</b>	<b>313</b>	<b>-212</b>	<b>120</b>	<b>-163</b>	<b>-866</b>	<b>156</b>	<b>-753</b>	<b>-630</b>	<b>-370</b>	<b>635</b>
Credit	503	564	412	345	1,824	439	701	511	561	2,212	608	532	1,080
Debit	-398	-643	-963	-32	-2,036	-319	-865	-1,377	-405	-2,965	-1,237	-903	-446
<b>Current transfers in cash and kind (net)</b>	<b>1,202</b>	<b>1,722</b>	<b>1,757</b>	<b>1,750</b>	<b>6,431</b>	<b>1,845</b>	<b>1,996</b>	<b>1,595</b>	<b>1,620</b>	<b>7,056</b>	<b>2,284</b>	<b>2,204</b>	<b>2,207</b>
Credit	1,276	1,799	1,832	1,826	6,733	1,941	2,094	1,688	1,697	7,421	2,421	2,310	2,312
Debit	-75	-77	-75	-76	-303	-96	-99	-94	-77	-365	-137	-106	-105
<b>Current account balance</b>	<b>1,706</b>	<b>2,211</b>	<b>1,095</b>	<b>2,467</b>	<b>7,479</b>	<b>1,768</b>	<b>2,400</b>	<b>970</b>	<b>533</b>	<b>5,671</b>	<b>56</b>	<b>-38</b>	<b>444</b>
<b>Net capital transfers</b>	<b>114</b>	<b>87</b>	<b>166</b>	<b>205</b>	<b>573</b>	<b>143</b>	<b>150</b>	<b>134</b>	<b>158</b>	<b>586</b>	<b>167</b>	<b>152</b>	<b>153</b>
Credit	115	88	167	206	576	144	151	135	159	590	167	153	154
Debit	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3	-1	-1	-1
<b>Direct investment</b>	<b>735</b>	<b>725</b>	<b>913</b>	<b>324</b>	<b>2,697</b>	<b>3,048</b>	<b>952</b>	<b>911</b>	<b>233</b>	<b>5,144</b>	<b>2,077</b>	<b>1,734</b>	<b>1,116</b>
Abroad	61	14	-10	13	79	-24	-7	1	10	-20	-64	-28	28
In Namibia	675	710	923	310	2,618	3,072	960	910	222	5,164	2,141	1,762	1,088
<b>Portfolio investment</b>	<b>-2,070</b>	<b>-2,319</b>	<b>-331</b>	<b>-2,807</b>	<b>-7,528</b>	<b>-2,813</b>	<b>-3,085</b>	<b>-1,356</b>	<b>-3,118</b>	<b>-10,372</b>	<b>-1,666</b>	<b>-2,061</b>	<b>-2,086</b>
Assets	-2,082	-2,331	-342	-2,821	-7,576	-2,824	-3,097	-1,367	-3,129	-10,416	-1,677	-2,071	-2,097
Liabilities	12	11	12	14	48	12	12	11	11	44	11	11	11
<b>Other investment - long term</b>	<b>-100</b>	<b>441</b>	<b>425</b>	<b>547</b>	<b>1,313</b>	<b>289</b>	<b>-948</b>	<b>-515</b>	<b>-49</b>	<b>-1,223</b>	<b>392</b>	<b>-181</b>	<b>1,144</b>
Assets	-10	-3	-34	114	68	36	-23	-37	-17	-42	-9	-11	-20
Liabilities	-90	443	460	433	1,245	253	-924	-479	-31	-1,181	401	-170	1,165
<b>Other investment - short term</b>	<b>-365</b>	<b>-842</b>	<b>-2,041</b>	<b>-825</b>	<b>-4,073</b>	<b>61</b>	<b>564</b>	<b>-891</b>	<b>1,479</b>	<b>1,213</b>	<b>-1,126</b>	<b>-201</b>	<b>-410</b>
Assets	-535	-100	-865	-1,020	-2,520	149	418	-976	1,352	942	-1,066	-610	283
Liabilities	170	-743	-1,175	195	-1,553	-88	147	85	127	270	-60	409	-693
<b>Capital and financial account excluding reserves</b>	<b>-1,685</b>	<b>-1,910</b>	<b>-2,556</b>	<b>-867</b>	<b>-7,018</b>	<b>729</b>	<b>-2,366</b>	<b>-1,718</b>	<b>-1,297</b>	<b>-4,652</b>	<b>-157</b>	<b>-556</b>	<b>-83</b>
<b>Net errors and omissions</b>	<b>510</b>	<b>77</b>	<b>277</b>	<b>148</b>	<b>1,012</b>	<b>304</b>	<b>-33</b>	<b>749</b>	<b>765</b>	<b>1,784</b>	<b>102</b>	<b>595</b>	<b>-361</b>
<b>OVERALL BALANCE</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>302</b>	<b>722</b>	<b>4,066</b>	<b>2,292</b>	<b>777</b>	<b>1,311</b>
<b>Reserve assets</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>-302</b>	<b>-722</b>	<b>-4,066</b>	<b>-2,292</b>	<b>-777</b>	<b>-1,311</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)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Services, net</b>	<b>144</b>	<b>97</b>	<b>173</b>	<b>244</b>	<b>659</b>	<b>188</b>	<b>119</b>	<b>134</b>	<b>157</b>	<b>599</b>	<b>52</b>	<b>-56</b>	<b>65</b>
<b>Credit</b>	<b>735</b>	<b>772</b>	<b>1,009</b>	<b>1,067</b>	<b>3,582</b>	<b>1,173</b>	<b>1,010</b>	<b>978</b>	<b>1,056</b>	<b>4,217</b>	<b>1,028</b>	<b>1,102</b>	<b>1,113</b>
Transportation	139	157	201	194	691	194	187	251	212	843	178	203	257
Travel	529	546	733	794	2,601	900	743	645	770	3,058	765	811	768
Insurance	0	0	5	7	12	7	15	8	6	36	5	8	7
Communication	27	26	26	26	105	26	26	26	26	105	26	26	26
Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
Financial	0	0	0	0	0	0	0	0	0	0	0	0	0
Computer and information	1	3	1	3	8	3	0	4	2	9	0	0	0
Royalties and license Fees	0	0	0	0	0	0	0	0	0	0	0	0	0
Administrative and business	1	0	0	0	2	0	0	1	3	4	1	4	5
Professional and technical	0	0	3	1	4	1	0	7	1	10	15	2	0
Others, not included elsewhere	5	5	5	7	22	7	5	2	2	15	4	13	16
Government	34	34	34	34	136	34	34	34	34	136	34	34	34
<b>Debit</b>	<b>-590</b>	<b>-675</b>	<b>-835</b>	<b>-823</b>	<b>-2,924</b>	<b>-984</b>	<b>-891</b>	<b>-844</b>	<b>-899</b>	<b>-3,618</b>	<b>-976</b>	<b>-1,158</b>	<b>-1,048</b>
Transportation	-232	-202	-281	-304	-1,019	-425	-422	-396	-452	-1,696	-493	-542	-582
Travel	-168	-174	-224	-240	-806	-269	-227	-201	-234	-931	-233	-239	-227
Insurance	-27	-28	-36	-37	-128	-39	-54	-44	-52	-190	-36	-59	-23
Communication	0	0	0	0	-2	0	0	0	0	-2	0	0	0
Construction	-19	-18	-68	-67	-172	-38	-12	-6	-7	-64	-4	-96	-25
Financial	-3	-10	-10	-6	-30	-6	-12	-12	-4	-35	-6	-13	-6
Computer and information	-21	-54	-39	-28	-142	-32	-26	-29	-22	-110	-32	-41	-47
Royalties and license Fees	-3	-4	-9	-5	-21	-7	-4	-1	-2	-14	-8	-13	-8
Administrative and business	-38	-52	-46	-52	-189	-52	-88	-54	-20	-214	-64	-71	-39
Professional and technical	-47	-108	-90	-60	-305	-86	-17	-48	-69	-221	-66	-48	-48
Others, not included elsewhere	-16	-9	-17	-8	-51	-14	-13	-37	-19	-83	-20	-20	-26
Government	-15	-15	-15	-15	-59	-15	-15	-15	-15	-59	-15	-15	-15

(p) Provisional

**Table IV.C Supplementary Table: Balance of Payments - Investment Income (N\$ million)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Compensation of employees, net</b>	<b>-6</b>	<b>-7</b>	<b>-19</b>	<b>-9</b>	<b>-40</b>	<b>-12</b>	<b>6</b>	<b>-7</b>	<b>-3</b>	<b>-16</b>	<b>-80</b>	<b>-142</b>	<b>-2</b>
Credit	17	17	17	17	<b>67</b>	17	17	17	17	<b>67</b>	17	17	17
Debit	-22	-23	-36	-25	<b>-106</b>	-28	-11	-24	-20	<b>-83</b>	-96	-159	-19
<b>Investment income, net</b>	<b>104</b>	<b>-79</b>	<b>-551</b>	<b>313</b>	<b>-212</b>	<b>120</b>	<b>-163</b>	<b>-866</b>	<b>156</b>	<b>-753</b>	<b>-630</b>	<b>-370</b>	<b>635</b>
<b>Credits</b>	<b>503</b>	<b>564</b>	<b>412</b>	<b>345</b>	<b>1,824</b>	<b>439</b>	<b>701</b>	<b>511</b>	<b>561</b>	<b>2,212</b>	<b>608</b>	<b>532</b>	<b>1,080</b>
Direct investment	-8	2	5	8	<b>6</b>	2	7	7	-9	<b>6</b>	19	9	7
Portfolio investment	425	444	287	212	<b>1,369</b>	255	497	305	374	<b>1,432</b>	370	284	483
Other investment	86	118	120	126	<b>450</b>	182	198	199	196	<b>775</b>	218	240	591
<b>Debit</b>	<b>-398</b>	<b>-643</b>	<b>-963</b>	<b>-32</b>	<b>-2,036</b>	<b>-319</b>	<b>-865</b>	<b>-1,377</b>	<b>-405</b>	<b>-2,965</b>	<b>-1,237</b>	<b>-903</b>	<b>-446</b>
Direct investment	-327	-565	-884	51	<b>-1,726</b>	-226	-774	-1300	-311	<b>-2,612</b>	-1137	-825	-348
Portfolio investment	-41	-42	-42	-42	<b>-168</b>	-43	-42	-42	-42	<b>-170</b>	-43	-42	-42
Other investment	-30	-36	-36	-41	<b>-143</b>	-50	-48	-35	-51	<b>-184</b>	-58	-35	-55

(p) Provisional

**Table IV.D Supplementary Table: Balance of Payments - Transfers (N\$ million)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Current transfers, net</b>	<b>1,202</b>	<b>1,722</b>	<b>1,757</b>	<b>1,750</b>	<b>6,431</b>	<b>1,845</b>	<b>1,996</b>	<b>1,595</b>	<b>1,620</b>	<b>7,056</b>	<b>2,284</b>	<b>2,204</b>	<b>2,206</b>
<b>Credits</b>	<b>1,276</b>	<b>1,799</b>	<b>1,832</b>	<b>1,826</b>	<b>6,733</b>	<b>1,941</b>	<b>2,094</b>	<b>1,688</b>	<b>1,697</b>	<b>7,421</b>	<b>2,421</b>	<b>2,310</b>	<b>2,311</b>
Government	1,235	1,759	1,773	1,781	6,549	1,896	2,059	1,655	1,649	7,260	2,375	2,262	2,278
Grants from foreign governments, etc	80	79	80	80	319	80	56	59	75	269	71	83	87
SACU receipts	1,028	1,674	1,674	1,674	6,049	1,674	1,991	1,543	1,543	6,752	2,126	2,126	2,126
Withholding Taxes	13	6	20	28	67	26	12	52	31	122	46	54	66
Other transfers received	114	0	0	0	114	117	0	0	0	117	133	0	0
Private	41	40	59	45	185	45	35	34	48	161	46	48	33
Grants received by NGO's	10	10	29	14	63	14	5	3	18	40	16	18	3
Other transfers received	31	30	30	30	121	30	30	30	30	121	30	30	30
<b>Debit</b>	<b>-75</b>	<b>-77</b>	<b>-75</b>	<b>-76</b>	<b>-303</b>	<b>-96</b>	<b>-99</b>	<b>-94</b>	<b>-77</b>	<b>-365</b>	<b>-137</b>	<b>-106</b>	<b>-105</b>
Government	-67	-70	-68	-70	-275	-89	-92	-87	-70	-338	-130	-99	-98
Grants to foreign governments, etc	-2	-2	-2	-4	-11	-5	-5	-4	-4	-19	-4	-4	-4
SACU receipts	-65	-68	-66	-65	-264	-84	-87	-83	-66	-320	-126	-95	-94
Withholding Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Other transfers	0	0	0	0	0	0	0	0	0	0	0	0	0
Private	-8	-7	-7	-7	-28	-7	-7	-7	-7	-27	-7	-7	-7
Grants received by NGO's	0	0	0	0	0	0	0	0	0	0	0	0	0
Other transfers received	-8	-7	-7	-7	-28	-7	-7	-7	-7	-27	-7	-7	-7
<b>Capital Transfers, net</b>	<b>114</b>	<b>87</b>	<b>166</b>	<b>205</b>	<b>573</b>	<b>143</b>	<b>150</b>	<b>134</b>	<b>158</b>	<b>586</b>	<b>167</b>	<b>152</b>	<b>153</b>
<b>Credit</b>	<b>115</b>	<b>88</b>	<b>167</b>	<b>206</b>	<b>576</b>	<b>144</b>	<b>151</b>	<b>135</b>	<b>159</b>	<b>590</b>	<b>167</b>	<b>153</b>	<b>154</b>
Government	109	81	161	200	550	138	145	129	153	564	161	147	147
Private	7	6	6	6	26	6	6	6	6	26	6	6	6
<b>Debit</b>	<b>-1</b>	<b>-1</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>	<b>-1</b>
Government	0	0	0	0	0	0	0	0	0	0	0	0	0
Private	-1	-1	-1	-1	-3	-1	-1	-1	-1	-3	-1	-1	-1

(p) Provisional

**Table IV.E Supplementary Table: Balance of Payments - Direct Investment (N\$ million)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Direct investment abroad</b>	<b>61</b>	<b>14</b>	<b>-10</b>	<b>13</b>	<b>79</b>	<b>-24</b>	<b>-7</b>	<b>1</b>	<b>10</b>	<b>-20</b>	<b>-64</b>	<b>-28</b>	<b>28</b>
Equity capital	8	8	4	16	37	-22	0	0	1	-20	0	0	2
Reinvested earnings	13	2	-4	-4	7	1	-4	-4	10	3	-12	-6	-2
Other capital	40	4	-10	1	36	-3	-4	4	0	-3	-52	-21	29
<b>Direct investment in Namibia</b>	<b>536</b>	<b>571</b>	<b>799</b>	<b>310</b>	<b>2,216</b>	<b>3,072</b>	<b>962</b>	<b>910</b>	<b>222</b>	<b>5,167</b>	<b>2,141</b>	<b>1,762</b>	<b>1,088</b>
Equity capital	358	57	134	1,997	2,546	2,995	160	711	88	3,955	993	1,388	144
Reinvested earnings	242	477	657	-357	1,019	-59	626	753	-2	1,318	676	300	-314
Other capital	-65	37	8	-1,330	-1,349	136	175	-554	136	-106	473	73	1,259

(p) Provisional

**Table IV.F Supplementary Table: Balance of Payments - Portfolio Investment (N\$ million)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Portfolio investment, net</b>	<b>-2,070</b>	<b>-2,319</b>	<b>-331</b>	<b>-2,807</b>	<b>-7,528</b>	<b>-2,813</b>	<b>-3,085</b>	<b>-1,356</b>	<b>-3,118</b>	<b>-10,372</b>	<b>-1,666</b>	<b>-2,061</b>	<b>-2,086</b>
<b>Equity</b>	<b>-1,319</b>	<b>-1,696</b>	<b>-272</b>	<b>-1,945</b>	<b>-5,232</b>	<b>-2,050</b>	<b>-2,302</b>	<b>-1,274</b>	<b>-2,828</b>	<b>-8,453</b>	<b>-1,477</b>	<b>-1,424</b>	<b>-1,398</b>
Assets	-1,327	-1,704	-280	-1,953	-5,264	-2,058	-2,310	-1,282	-2,836	-8,485	-1,485	-1,432	-1,406
Liabilities	8	8	8	8	32	8	8	8	8	32	8	8	8
<b>Debt</b>	<b>-752</b>	<b>-623</b>	<b>-59</b>	<b>-862</b>	<b>-2,296</b>	<b>-763</b>	<b>-783</b>	<b>-82</b>	<b>-291</b>	<b>-1,919</b>	<b>-190</b>	<b>-637</b>	<b>-688</b>
Assets	-755	-627	-62	-868	-2,313	-766	-787	-85	-293	-1,931	-192	-639	-691
Liabilities	4	4	4	6	16	4	4	3	3	12	3	3	3

(p) Provisional

**Table IV.G Supplementary Table: Balance of Payments - Other Investment (N\$ million)**

	2006(p)					2007(p)					2008(p)		
	Q1	Q2	Q3	Q4	2006	Q1	Q2	Q3	Q4	2007	Q1	Q2	Q3
<b>Long-term, net</b>	<b>-100</b>	<b>441</b>	<b>425</b>	<b>547</b>	<b>1,313</b>	<b>289</b>	<b>-948</b>	<b>-515</b>	<b>-49</b>	<b>-1,223</b>	<b>392</b>	<b>-181</b>	<b>1,144</b>
General Government	-14	81	-20	38	84	33	-5	-21	1	8	-46	-51	125
Assets	-10	-10	-10	-10	-40	-10	-10	-10	-10	-40	-10	-10	-10
Liabilities	-4	91	-11	48	124	43	5	-11	11	48	-36	-41	135
Of which: drawings	9	111	9	73	202	73	36	15	59	183	0	4	163
repayments	-13	-21	-20	-25	-79	-30	-32	-26	-47	-135	-36	-45	-28
Monetary Authorities	0	0	0	0	0	0	0	0	0	0	0	0	0
Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0
Banks	18	322	104	351	796	1	1	-2	-14	-14	1	-139	-9
Assets	5	2	1	-2	7	2	2	-3	2	3	1	-1	-10
Liabilities	13	320	103	353	789	-1	-1	1	-16	-17	0	-139	1
Other sectors	-104	38	341	158	433	255	-944	-493	-36	-1,218	437	9	1,028
Assets	-5	5	-26	127	101	44	-15	-24	-10	-5	0	0	0
Liabilities	-100	33	367	32	332	211	-928	-468	-26	-1,212	437	9	1,028
<b>Short-term, net</b>	<b>-365</b>	<b>-842</b>	<b>-2,041</b>	<b>-825</b>	<b>-4,073</b>	<b>61</b>	<b>564</b>	<b>-891</b>	<b>1,479</b>	<b>1,213</b>	<b>-1,126</b>	<b>-201</b>	<b>-410</b>
General Government	0	0	0	0	0	0	0	0	0	0	0	0	0
Assets	0	0	0	0	0	0	0	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0
Banks	-315	-513	-2,103	-912	-3,843	69	605	-970	1,510	1,213	-1,261	326	-37
Assets	-539	-112	-825	-1,004	-2,479	130	592	-856	1,418	1,284	-1,224	-34	380
Liabilities	223	-401	-1,278	92	-1,364	-62	12	-114	92	-71	-37	360	-417
Other sectors	-49	-329	62	87	-230	-8	-40	79	-31	0	135	-527	-373
Assets	4	12	-40	-16	-40	18	-175	-120	-65	-342	158	-576	97
Liabilities	-53	-342	103	103	-189	-26	134	199	35	342	-24	49	-276

(p) Provisional

Table IV.H (a) International Investment Position (N\$ million)

	2006(p)						2007(p)						2008(p)					
	Q1			Q2			Q3			Q4			Q1			Q2		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
<b>FOREIGN ASSETS</b>	28,706	7,176	35,882	32,517	8,129	40,647	23,884	5,971	29,855	32,614	8,153	40,767	38,286	9,572	47,858	42,090	10,522	52,612
Direct investment	158	40	198	75	19	94	88	22	126	41	10	51	96	24	121	59	15	74
1.1 Equity capital	90	22	112	62	15	77	88	22	111	30	8	38	71	18	89	51	13	64
1.2 Other capital	68	17	86	13	3	16	0	0	15	11	3	13	25	6	32	8	2	10
Long-term	7	2	9	13	3	16	12	3	15	11	3	13	25	6	32	8	2	10
Short-term	61	15	77	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Portfolio investment</b>	24,459	7,412	31,871	27,203	8,228	35,431	29,157	8,940	23,561	28,796	2,523	31,319	29,649	8,825	33,474	32,418	3,915	36,333
2.1 Equity Securities	18,233	5,528	23,761	20,688	5,914	26,602	21,928	6,547	18,466	21,988	1,043	23,031	21,125	3,045	24,170	21,634	3,117	24,752
2.2 Debt Securities	6,226	1,884	8,110	6,515	2,314	8,829	7,229	2,393	5,095	6,807	1,480	8,287	8,525	780	9,304	10,784	797	11,582
Other investment	1,248	312	1,560	2,103	526	2,628	2,645	661	3,306	5,167	1,292	6,458	6,819	1,705	8,524	8,179	2,045	10,224
3.1 Claims of resident non-bank companies	204	51	255	367	92	459	182	45	227	177	44	221	245	61	306	351	88	439
3.1.1 short-term loans and trade finance	152	38	191	223	56	279	103	26	129	113	28	141	154	38	192	261	65	326
3.1.2 long-term loans	52	13	65	144	36	180	78	20	98	64	16	80	91	23	114	90	22	112
3.2 Claims of resident banks	159	40	199	690	173	863	875	219	1,093	2,728	682	3,410	1,351	338	1,689	1,107	277	1,383
3.2.1 short-term loans	134	34	168	134	34	168	184	46	230	1,872	468	2,340	565	141	707	352	88	440
3.2.2 long-term loans	25	6	32	556	139	695	691	173	863	856	214	1,070	785	196	982	754	189	943
3.3 Claims of resident parastatal companies	11	3	14	15	4	18	24	6	30	26	7	33	28	7	35	28	7	35
3.3.1 short-term loans and trade finance	8	2	10	12	3	14	21	5	26	23	6	29	25	6	31	24	6	31
3.3.2 long-term loans	3	1	4	3	1	4	3	1	4	3	1	4	3	1	4	3	1	4
3.4 Claims of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.5.1 long-term loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	676	169	845	787	197	984	1,398	349	1,747	1,994	498	2,492	5,192	1,298	6,490	6,690	1,672	8,362
3.7 Other assets	197	49	246	243	61	304	167	42	209	242	60	302	4	1	5	5	1	6
3.7.1 Other eg. re-insurance and bonds	197	49	246	243	61	304	167	42	209	242	60	302	4	1	5	5	1	6
<b>Reserve Assets</b>	1,303	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939	4,591	1,148	5,739	4,784	1,196	5,980
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.3 Reserve position in the IMF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4.4 Foreign exchange	1,302	451	2,253	1,995	499	2,494	2,302	575	2,877	2,351	588	2,939	4,591	1,148	5,739	4,784	1,196	5,980
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
(p) Provisional, except for the reserve assets.																		

**Table IV.H (b) International Investment Position (N\$ million)**

	2006(p)						2007(p)						2008(p)					
	Q1			Q2			Q3			Q4			Q1			Q2		
	South Africa	Oth-ers	Total	South Africa	Oth-ers	Total	South Africa	Oth-ers	Total	South Africa	Oth-ers	Total	South Africa	Oth-ers	Total	South Africa	Oth-ers	Total
<b>FOREIGN LIABILITIES</b>	22,326	5,582	27,908	20,898	5,225	26,123	20,890	5,222	26,112	22,245	10,104	32,349	21,747	8,826	30,571	25,087	8,398	33,484
Direct investment	12,956	3,239	16,195	13,534	3,384	16,918	14,442	3,610	18,052	16,754	2,662	19,416	16,279	2,524	18,803	19,542	4,886	24,428
1.1 Equity capital	11,956	2,989	14,945	11,779	2,945	14,724	12,945	3,236	16,182	14,501	2,099	16,600	13,988	1,951	15,939	14,563	3,641	18,204
1.2 Other capital	1,000	250	1,250	1,755	439	2,194	1,496	374	1,870	2,253	563	2,817	2,291	573	2,864	4,979	1,245	6,224
Long-term	575	144	718	735	184	919	748	187	935	1,133	283	1,416	1,326	332	1,658	3,952	988	4,940
Short-term	425	106	531	1,021	255	1,276	748	187	935	1,120	280	1,401	965	241	1,206	1,027	257	1,284
<b>Portfolio investment</b>	467	117	584	467	117	584	467	117	584	467	117	584	467	117	584	467	117	584
2.1 Equity securities	78	20	98	78	20	98	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities (public/private)	389	97	486	389	97	486	389	97	486	389	97	486	389	97	486	389	97	486
<b>Other investment</b>	8,904	2,226	11,129	6,897	1,724	8,621	8,981	1,495	7,476	5,024	7,325	12,349	5,001	6,185	11,204	5,077	3,395	8,472
3.1 Liabilities of resident non-bank companies	302	75	377	400	100	500	333	83	417	384	96	480	339	85	424	427	107	533
3.1.1 short-term loans	84	21	105	129	32	161	227	57	283	123	31	154	144	36	180	339	85	423
3.1.2 long-term loans	217	54	272	272	68	340	107	27	133	261	65	326	195	49	244	88	22	110
3.2 Liabilities of resident banks	1,256	314	1,570	569	142	712	264	66	330	1,119	280	1,399	794	199	993	1,529	382	1,912
3.2.1 short-term loans	402	100	502	4	1	5	75	19	94	753	188	941	670	168	838	1,165	291	1,456
3.2.2 long-term loans	854	214	1,068	566	141	707	189	47	236	366	92	458	124	31	155	365	91	466
3.3 Liabilities of resident para-satral companies	1,067	267	1,334	1,154	288	1,442	1,208	302	1,510	1,181	295	1,477	1,214	303	1,517	1,192	298	1,489
3.3.1 short-term loans and trade finance	1,015	254	1,269	1,094	273	1,367	61	15	77	1,102	275	1,377	92	23	115	88	22	110
3.3.2 long-term loans	52	13	65	60	15	75	1,147	287	1,434	80	20	100	1,122	280	1,402	1,104	276	1,380
3.4 Liabilities of local government authorities	232	58	290	232	58	290	232	58	290	232	58	290	232	58	290	232	58	290
3.4.1 short-term loans and trade finance	229	57	287	229	57	287	3	1	4	229	57	287	3	1	4	3	1	4
3.4.2 long-term loans	3	1	4	3	1	4	229	57	286	3	1	4	229	57	286	229	57	286
3.5 Liabilities of central government	1,475	369	1,843	1,905	476	2,381	2,140	535	2,676	186	2,340	2,526	524	2,168	2,710	554	2,215	2,769
3.5.1 long-term loans	1,475	369	1,843	1,905	476	2,381	188	2,488	2,676	186	2,340	2,526	542	2,168	2,710	554	2,215	2,769
3.6 Currency and deposits reported by Namibian banks	1,312	328	1,640	1,692	423	2,115	858	215	1,073	914	229	1,143	1,124	281	1,405	1,130	283	1,413
3.7 Liabilities of EPZ companies	3,260	815	4,075	945	236	1,181	945	236	1,181	1,007	4,027	5,034	773	3,091	3,864	13	53	66
3.7.1 short-term loans and trade finance	131	33	164	647	162	809	647	162	809	142	568	710	0	0	0	0	0	15
3.7.2 long-term loans	3,129	782	3,911	297	74	372	297	74	372	865	3,459	4,324	773	3,091	3,864	13	53	66
3.8 Other liabilities	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 (+)/Li-abilities(-)</b>	6,379	1,595	7,974	11,619	2,905	14,524	2,994	749	3,743	6,734	1,684	8,418	13,813	3,453	17,267	15,302	3,826	19,128
(p) Provisional.																		

**Table IV.I Foreign Exchange Rates - Foreign Currency per Namibia Dollar - Period Averages**

Period		US Dollar	UK Pound	Germany Mark	Japan Yen	Switzerland Franc	Spain Peseta	EU ECU
<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>		0.1330	0.0814	0.1175	15.4005	0.1813	0.1175	0.1175
<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
	Sep	0.1403	0.0696	0.1011	16.1290	0.1665	0.1011	0.1011
	Oct	0.1476	0.0723	0.1038	17.0940	0.1734	0.1038	0.1038
	Nov	0.1492	0.0720	0.1017	16.5837	0.1677	0.1017	0.1017
	Dec	0.1465	0.0725	0.1005	16.4204	0.1668	0.1005	0.1005
<b>2008</b>	Jan	0.1431	0.0727	0.0974	15.4560	0.1579	0.0974	0.0974
	Feb	0.1309	0.0666	0.0888	14.0252	0.1428	0.0888	0.0888
	Mar	0.1253	0.0626	0.0808	12.6422	0.1270	0.0808	0.0808
	Apr	0.1283	0.0648	0.0814	13.1406	0.1298	0.0814	0.0814
	May	0.1312	0.0668	0.0843	13.6612	0.1369	0.0843	0.0843
	Jun	0.1263	0.0643	0.0811	13.4771	0.1310	0.0811	0.0811
	Jul	0.1309	0.0658	0.0830	13.9665	0.1344	0.0830	0.0830
	Aug	0.1306	0.0691	0.0871	14.2653	0.1413	0.0871	0.0871
	Sep	0.1243	0.0692	0.0866	13.2626	0.1380	0.0866	0.0866

**Table IV.J Effective Exchange Rate Indices**

		Nominal effective exchange rate indices			Real effective exchange rate indices		
		Import trade weighted	Export trade weighted	Total trade weighted	Import trade weighted	Export trade weighted	Total trade weighted
2001		99.1	91.1	95.3	102.3	96.9	99.7
2002		97.8	78.2	88.3	103.3	89.2	96.6
2003		99.1	90.4	95.3	119.2	107.5	102.4
2004		99.6	93.2	97.2	135.5	113.1	100.3
2005	Jan	99.9	95.9	98.5	106.2	102.4	93.2
	Feb	99.9	95.4	98.3	106.1	101.9	93.0
	Mar	99.8	94.9	98.0	103.6	100.1	91.8
	Apr	99.8	94.1	97.7	103.7	99.2	91.4
	May	99.7	93.5	97.3	102.4	97.9	90.7
	Jun	99.4	91.1	96.1	102.6	95.7	89.8
	Jul	99.6	93.4	97.2	103.1	98.5	90.8
	Aug	99.7	94.2	97.7	104.1	99.8	91.4
	Sep	99.8	94.9	98.0	106.3	101.5	92.8
	Oct	99.7	94.4	97.7	105.0	100.4	91.7
	Nov	99.7	94.7	97.9	105.9	101.1	92.0
	Dec	99.9	97.2	99.0	107.0	104.2	94.0
2006	Jan	100.1	70.3	99.9	107.5	75.8	94.0
	Feb	100.2	70.7	100.1	107.5	76.1	94.2
	Mar	100.0	69.7	99.5	107.6	75.1	93.6
	Apr	100.1	70.4	100.0	107.3	75.7	94.0
	May	99.7	66.4	97.4	106.5	71.2	91.3
	Jun	99.2	63.0	95.0	106.0	67.6	89.1
	Jul	99.1	62.3	94.6	94.1	53.6	88.4
	Aug	99.1	62.2	94.5	95.4	53.9	88.7
	Sep	98.8	60.0	92.9	96.2	52.1	87.4
	Oct	98.6	59.0	92.2	96.8	51.5	87.0
	Nov	98.8	60.3	93.2	98.2	52.9	88.2
	Dec	98.9	60.5	93.4	97.8	53.1	88.4
2007	Jan	98.9	60.0	93.0	111.3	66.3	87.9
	Feb	98.9	60.1	93.0	111.4	66.3	88.2
	Mar	98.7	59.2	92.4	111.3	65.3	87.4
	Apr	98.8	59.7	92.8	111.4	65.9	87.5
	May	98.9	60.4	93.3	111.8	66.8	87.9
	Jun	98.8	59.6	92.7	111.6	65.9	87.3
	Jul	98.9	59.8	92.9	112.3	66.8	87.3
	Aug	98.7	58.7	92.1	113.1	65.8	86.7
	Sep	98.7	59.0	92.3	113.5	66.2	86.8
	Oct	98.9	60.4	93.4	113.6	67.7	87.6
	Nov	98.9	60.1	93.2	114.3	67.6	87.6
	Dec	98.8	60.1	93.2	113.5	67.5	87.4
2008	Jan	98.7	59.8	93.0	122.4	68.2	87.4
	Feb	98.2	56.5	90.6	121.3	64.3	85.1
	Mar	97.7	54.0	88.8	117.8	60.7	82.4
	Apr	97.9	55.1	89.7	123.2	63.2	84.0
	May	98.1	56.2	90.5	123.4	64.4	84.6
	Jun	97.9	54.9	89.5	123.6	63.1	83.6
	Jul	98.0	53.3	90.2	126.2	62.2	84.2
	Aug	98.2	57.2	91.4	127.1	66.7	85.2
	Sep	98.1	56.7	91.1	127.7	66.1	85.1



**Table IV.K Selected Mineral Monthly Average Prices**

		US\$ Per Metric Tonne			US\$ Per Ounce	US\$ Per Pound
		Copper	Lead	Zinc	Gold	Uranium
<b>2004</b>	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
<b>2005</b>	Jan	3,168.1	954.2	1,245.6	424.0	20.5
	Feb	3,247.1	973.0	1,323.1	423.4	21.2
	Mar	3,378.9	1,001.7	1,374.0	434.3	21.8
	Apr	3,389.8	980.5	1,297.8	429.2	23.1
	May	3,241.9	985.3	1,245.5	421.9	28.3
	Jun	3,529.7	982.7	1,273.1	430.7	29.0
	Jul	3,608.5	857.5	1,196.9	424.5	29.3
	Aug	3,791.9	887.4	1,300.8	437.9	29.7
	Sep	3,850.7	932.8	1,396.7	456.0	30.4
	Oct	4,056.2	999.4	1,483.2	469.9	32.8
	Nov	4,278.2	1,017.8	1,610.7	476.7	33.6
	Dec	4,577.0	1,120.2	1,819.4	510.1	35.5
<b>2006</b>	Jan	4,743.9	1,258.1	2,091.8	549.9	36.8
	Feb	4,975.0	1,267.4	2,219.7	555.0	37.7
	Mar	5,123.7	1,193.9	2,427.7	557.1	39.8
	Apr	6,404.4	1,170.6	3,068.3	610.7	41.1
	May	8,059.2	1,167.5	3,544.6	675.4	42.3
	Jun	7,222.8	963.6	3,197.6	596.1	44.2
	Jul	7,726.7	1,053.3	3,320.7	633.7	46.5
	Aug	7,690.3	1,179.3	3,340.0	632.3	47.4
	Sep	7,622.6	1,346.5	3,394.1	598.1	52.4
	Oct	7,497.4	1,525.7	3,829.6	585.8	56.1
	Nov	7,029.3	1,626.0	4,378.6	627.8	61.4
	Dec	6,681.0	1,709.2	4,381.4	629.4	66.6
<b>2007</b>	Jan	5,689.3	1,664.3	3,784.9	631.2	72.0
	Feb	5,718.2	1,775.1	3,321.4	664.7	76.3
	Mar	6,465.3	1,909.0	3,256.2	654.9	89.4
	Apr	7,753.3	1,984.2	3,566.9	679.4	110.4
	May	7,677.9	2,106.0	3,847.5	666.9	119.1
	Jun	7,514.2	2,436.6	3,628.7	655.5	136.2
	Jul	7,980.9	3,072.4	3,546.3	665.3	131.5
	Aug	7500.2	3,115.2	3,244.2	665.4	109.6
	Sep	7671.4	3,228.0	2,887.6	712.7	85.00
	Oct	8,020.6	3,722.6	2,980.0	754.6	77.5
	Nov	6,957.4	3,319.9	2,554.6	806.2	92.0
	Dec	6,630.7	2,616.1	2,378.6	803.2	91.8
<b>2008</b>	Jan	7,078.9	2,621.8	2,364.4	889.6	87.6
	Feb	7,941.1	3,089.6	2,458.5	922.3	76.0
	Mar	8,434.3	3,012.9	2,511.2	968.4	73.7
	Apr	8,714.2	2,834.9	2,278.5	909.7	69.4
	May	8,356.1	2,216.1	2,178.3	890.5	61.7
	Jun	8,292.0	1,860.5	1,906.2	890.5	59.0
	Jul	8,407.0	1,960.0	1,856.5	940.5	61.8
	Aug	7,633.8	1,902.9	1,734.7	838.3	64.5
	Sep	6,975.1	1,872.3	1,744.5	829.9	63.0

Source: IMF and London Gold Price

**Table IV.L Selected Mineral Export Volumes**

		<b>Diamonds</b> <b>Carat '000</b>	<b>Gold</b> <b>Kg</b>	<b>Copper</b> <b>Tonnes</b>	<b>Silver</b> <b>Kg</b>	<b>Zinc</b> <b>Tonnes</b>
<b>2003</b>	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
<b>2004</b>	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
<b>2005</b>	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
<b>2006</b>	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
<b>2007</b>	Q1	443	696	5,597	2,129	29,849
	Q2	775	322	4,419	1,094	24,672
	Q3	470	752	5,299	1,779	21,850
	Q4	577	870	5,101	1,833	20,951
<b>2008</b>	Q1	480	720	3,915	1,675	23,743
	Q2	582	785	3,942	1,793	21,540
	Q3	263	676	4,044	1,778	19,503

Source: IMF and London Gold Price

## BANK OF NAMIBIA PUBLICATIONS

### 1. Regular Publications

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

### 2. Occasional Papers of the Bank of Namibia - OP

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

### 3. Bank of Namibia Annual Symposium

Theme	Speakers	Year
Central banking issues and economic development		1999
The challenges of monetary policy within the context of the Common Monetary Area (CMA) arrangement	Dr.K.Jefferis – Deputy Governor, Bank of Botswana; Mr. Steven Xu - Hong Kong and Mr. Brian Kahn - SARB	
Optimal Financial Structure for Namibia	Dr. Norman Loayza - World Bank; Dr.Tekaligne Godana - Nepru and Dr. Jaafar bin Ahmad - Air Namibia	2001
Raising investment and growth in Namibia	Dr. Carolyn Jenkins, Oxford University, Dr. Patrick Asea, UNECA and Dr. Meschack Tjirongo, IMF	2002
Poverty, Income Inequality and Economic Development in Namibia	Dr. Anne Epaulard, IMF, Dr.S.Wangwe-esrf-Tanzania, Dr.O.A.Akinboade, Unisa-RSA; Dr. W.Werner - Namibia	2003

The challenges for the developments of Namibian Government bonds market : Lessons from other countries -	Phillip Shiimi - BoN; Mike Sandler - RSA; Tom Lawless - RSA and Nicholas Biekpe - RSA	2004
The benefits of Regional Integration for smaller economies -	Paul Kalenga - SADC Secretariat, F. Di Mauro - EU and Prof. SKB Asante	2005
Foreign Direct Investment versus Direct Investment in Namibia	Dr. S. Ikhide - Unam	2006
Broad-based Economic Empowerment: Lessons for Namibia	Dr. John Steytler - BoN, Dr. Just Faaland - Norway, Roger Southall-RSA	2007

#### 4. Statutory Publication: Theme Chapters Annual Report

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

## LIST OF ABBREVIATIONS

<b>AfDB</b>	African Development Bank
<b>AIG</b>	America International Group
<b>AUD</b>	Australian Dollar
<b>BBVA</b>	Banco Bilbao Vizcaya Argentaria
<b>BoN</b>	Bank of Namibia
<b>CAD</b>	Canadian Dollar
<b>CBS</b>	Central Bureau of Statistics
<b>CDS</b>	Credit Default Swaps
<b>CMA</b>	Common Monetary Area
<b>CPI</b>	Consumer Price Index
<b>CPIX</b>	Consumer Price Index excluding mortgage loans (South Africa)
<b>DBN</b>	Development Bank of Namibia
<b>Dinar</b>	Kuwaiti Dinar
<b>DMS</b>	Debt Management strategy
<b>ECB</b>	European Central Bank
<b>EFTA</b>	European Free Trade Association
<b>EPLs</b>	Exclusive Prospective Licenses
<b>ETSIP</b>	Education and Training Sector Improvement Program
<b>EU</b>	European Union
<b>Euro</b>	European Union currency
<b>EUROSTAT</b>	European Union Statistical Office
<b>FNB</b>	First National Bank
<b>FoB</b>	Free on Board
<b>Franc</b>	Swiss Francs
<b>FSAP</b>	Financial Sector Assessment Program
<b>FSF</b>	Financial Stability Forum
<b>GBP</b>	Great British Pound
<b>GC07</b>	Government internal registered stock maturing in 2007
<b>GC08</b>	Government internal registered stock maturing in 2008
<b>GC10</b>	Government internal registered stock maturing in 2010
<b>GC12</b>	Government internal registered stock maturing in 2012
<b>GC15</b>	Government internal registered stock maturing in 2015
<b>GC18</b>	Government internal registered stock maturing in 2018
<b>GC24</b>	Government internal registered stock maturing in 2024
<b>GDP</b>	Gross Domestic Product
<b>IIP</b>	International Investment Position
<b>IMF</b>	International Monetary Fund
<b>IRS</b>	Internal Registered Stock
<b>JSE</b>	Johannesburg Stock Exchange
<b>KfW</b>	Kreditanstalt für Wiederaufbau
<b>kWh</b>	Kilowatt
<b>LHS</b>	Left Hand Side
<b>M2</b>	Broad Money supply

<b>MoF</b>	Ministry of Finance
<b>MPC</b>	Monetary Policy Committee
<b>N\$/NAD</b>	Namibia Dollar
<b>NAMFISA</b>	Namibia Financial Institutions Supervisory Authority
<b>NCPI</b>	Namibia Consumer Price Index
<b>NEER</b>	Nominal effective exchange rate
<b>NFA</b>	Net Foreign Assets
<b>NFL</b>	Net Foreign Liabilities
<b>NPLs</b>	Non-performing Loans
<b>NSX</b>	Namibian Stock Exchange
<b>ODCs</b>	Other Depository Corporations
<b>OECD</b>	Organisation for Economic Corporation and Development
<b>OPEC</b>	Organization for petroleum exporting countries
<b>OTC</b>	Over-the-Counter
<b>Pound</b>	British Pound Sterling
<b>PPI</b>	Producer Price Index
<b>Q1</b>	Quarter 1
<b>Q2</b>	Quarter 2
<b>Q3</b>	Quarter 3
<b>Q4</b>	Quarter 4
<b>REER</b>	Real Effective Exchange Rate
<b>RHS</b>	Right Hand Side
<b>Repo</b>	Repurchase Rate
<b>RSA</b>	Republic of South Africa
<b>SA</b>	South Africa
<b>SACU</b>	Southern Africa Customs Union
<b>SARB</b>	South African Reserve Bank
<b>SDR</b>	Special Drawings Rights
<b>StAR</b>	Stolen Asset Recovery
<b>Stats SA</b>	Statistics South Africa
<b>SWFs</b>	Sovereign Wealth Funds
<b>TAC</b>	Total Allowable Catch
<b>TB/Tbills</b>	Treasury Bill
<b>UK</b>	United Kingdom
<b>UN</b>	United Nations
<b>US</b>	United States
<b>USA</b>	United States of America
<b>USD/US\$</b>	United States Dollar
<b>VAT</b>	Value Added Tax
<b>WTO</b>	World Trade Organisation
<b>YEN</b>	Japanese Yen
<b>YUAN</b>	Chinese Yuan Renminbis
<b>ZAR/Rand</b>	South African Rand

This image shows a full page of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page. At the top left corner, the word "NOTES" is printed in a bold, black, sans-serif font.

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This image shows a full page of white paper with horizontal blue ruling lines. The word "NOTES" is printed at the top left in a bold, black, sans-serif font. The rest of the page is filled with evenly spaced horizontal lines, typical of notebook paper.



