Annual Report 2015

Bank of Namibia

Bank of Namibia Annual Report 2015

This is the Bank of Namibia Annual Report and Financial Statements for the financial year ended 31 December 2015, which are prepared pursuant to section 52(1) of the Bank of Namibia Act, 1997 (Act no. 15 of 1997)

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Message from the Governor

This Annual Report comes at a time when the Bank of Namibia marks 26 years of existence pursuant to section 52(1) of the Bank of Namibia Act, 1997, (Act no. 15 of 1997). The report outlines the governance of the Bank of Namibia (hereinafter referred to as the Bank), global and domestic economic developments, as well as milestones and key achievements of the Bank in 2015. I will reflect on some of the key developments of 2015 in the subsequent paragraphs.

The year 2015 witnessed weaker than expected global economic growth, attributed to the sluggish performance in key emerging market and developing economies. Global economic growth for 2015 is estimated to have slowed to 3.1 percent, when compared to 3.4 percent in 2014**.** The weaker performance was mainly on account of a continued deceleration of economic activities in most key emerging and developing economies, with the exception of India. China experienced volatilities in their financial markets, which resulted from the transition from an investment driven economy to a more consumption driven economy, while that of Brazil contracted. Growth in the US economy is estimated to have remained strong, while that of the UK slowed. Furthermore, economic activities in the Euro zone and Japan slightly improved. Going forward, global

economic activities is expected to improve to 3.4 percent in 2016. Risks to the outlook, however, remain and include: fragile economic activities in key emerging markets and developing economies, such as the moderation in the Chinese economy, lower commodity prices, possible further hikes in the US interest rate as well as, geopolitical risks.

I am delighted to report that the Namibian economy continued to register positive growth in 2015. Annual economic growth is estimated to have expanded by 4.5 percent in 2015, although it is less than the 6.4 percent in 2014. The lower growth was mainly driven by contraction in agricultural activities, mining sector, as well as, slower growth in the wholesale and retail trade and construction sectors. The drought and the Foot and Mouth disease exerted pressure on growth in the agricultural sector. Moreover, some major construction projects, especially in the mining sector were completed, hence the slower growth in this sector. Namibia's consumer price index (NCPI) slowed in 2015, compared to 2014, mainly due to a reduction in the inflation rates for the categories, housing, water, electricity, gas and other fuels, which is the largest contributor to the inflation basket (28.4 percent) as per the rebased NCPI.

Namibia recorded a positive external balance during 2015, due to significant inflows in the capital and financial account, despite the widened current account deficit, while reserves remain sufficient to sustain the one-to-one currency peg to the South African Rand. The capital and financial account surplus was mainly due to the Eurobond issuance during the reporting period. The current account deficit on the other hand was attributed to the persistent strong increase in the value of imports relative to export receipts. It is worth noting, that the stock of international reserves rose by 74.3 percent to N$23.6 billion at the end of 2015, which is 5.2 times the currency in circulation, supporting the reserve adequacy ratio as per the one-to-one link. This level of reserves also resulted in a higher import cover, of 2.8 months in 2015 from 1.8 months in 2014.

The Bank of Namibia pursued a contractionary monetary policy stance during 2015, to contain strong credit growth, particularly to households, which is largely used to finance unproductive imported luxury commodities. The Monetary Policy Committee (MPC) raised its Repo rate twice by 25 basis points, respectively, to 6.50 percent during 2015. These decisions were taken to contain high growth in household credit, particularly in the form of instalment credit that continued to finance unproductive imported luxury goods which put undue pressure on the international reserves of the country. Furthermore, the Bank of Namibia is still in consultations with the relevant authorities in terms of the recommended targeted interventions to reduce imported goods that are financed by credit.

On the fiscal front, Government's overall deficit is estimated to have increased both in nominal terms and as a ratio to GDP during 2015/16. This was on account of increased spending relative to revenue growth during 2015/16, compared to the previous fiscal year. Total government debt and loan guarantees as a percentage of GDP increased to 34.0 percent and 4.4 percent, at the end of 2015, but remained within the Government set ceilings of 35.0 percent and 10.0 percent, respectively.

The financial performance of the Bank declined, when compared to the previous year. This is mainly due to the uncertain and volatile global capital and money markets where the Bank derives its investment returns. Prudent management of the Bank's operational spending and modifications in the investment strategies have to a certain extent mitigated the impact of the uncertain and volatile market conditions. Albeit lower distributions, the Bank is pleased to declare dividends worth N$76.5 million to the State for the 2015 financial year.

The Bank of Namibia and the Banco Nacional de Angola implemented the currency conversion agreement in 2015. The Agreement was implemented on the 18th June 2015, with the objective to enable the citizens of Angola and Namibia to exchange Kwanza and Namibia Dollar at the border towns of Oshikango and Santa Clara for the payment of goods and services. After the implementation of the Agreement, challenges were experienced, including inflows of high volumes of Angola Kwanza not fully supported by trade related activities. With these challenges, both authorities agreed to implement the second option of the main agreement on 21 December 2015. The second option provides for the bulk supply of the Namibian currency to the Banco Nacional de Angola directly, for issuance in Angola through local commercial banks and bureau de changes.

I am furthermore happy to report that Namibia's financial system and the banking sector in particular, remained sound. Banking institutions remain resilient and maintained capital and liquidity at levels higher than the minimum thresholds set by the Bank. Banking institutions have displayed robust aggregate balance sheet growth, high profitability and satisfactory liquidity levels during the reporting year. The asset quality continued to be good with very low levels of non-performing loans (NPLs).

The Bank, in conjunction with industry stakeholders, launched the National Payment Systems (NPS) Vision 2020. The new NPS Vision is based on 3 pillars, which are 1) stakeholder synergy; 2) NPS integrity; and 3) NPS capacity. Furthermore, the Bank, as part of its objective to improve efficiency and making banking services affordable to the public was busy with industry consultations in order to develop a payment services costing framework. The work pertaining this daunting exercise is underway.

Namibia is viewed in a positive light by the International credit rating agencies, the International Monetary Fund (IMF) and other relevant stakeholders. This was evidenced by the Moody credit rating agency that reaffirmed Namibia's investment grade rating during 2015. In addition, both Moody and Fitch rating agencies affirmed the credit outlook of Namibia as stable. Furthermore, during the period under review, the Namibian Government issued a US$750 million 10-year sovereign bond in the international capital markets and raised R850 million on the JSE. The IMF during its annual Article IV Consultations also highlighted that Namibia continues to pursue sound macroeconomic policies, amidst the challenges and risks.

Implementation of the Namibia Financial Sector Strategy (NFSS) is well on course. During 2015, the Namibian Government issued debut inflation-linked bonds in August 2015, in line with the aspirations of the NFSS aimed at deepening the country's financial markets. The Bank also conducted stakeholder consultations on the establishment of a credit guarantee scheme (CGS) in Namibia. Moreover, a study to investigate and determine the feasibility and format of an appropriate deposit insurance scheme for Namibia was concluded and is almost ready for consultation with stakeholders.

The Bank continued to contribute to human capacity development of the country. The Bank continued investing in education by granting bursaries to well performing and deserving Namibian learners, as well as study loans to its staff members. During the period under review, a total of 7 staff bursaries and 22 new staff study loans were granted to staff members of the Bank. In addition to this, the Bank sponsored three of its staff members to complete Masters Degree qualifications at recognized universities internationally, of which two staff members completed their studies in 2015. Moreover, the Bank awarded 10 new bursaries to Namibian school leavers in the fields of IT, Accounting, Economics, Education (Science and Accounting), Finance and Banking, to study at recognized institutions in the SADC region. Additionally, under the PHD programme, one candidate completed his doctorate degree in Economics.

In 2015, the Bank continued to inform the public about key global and domestic economic and financial developments, vital policy decisions and other important issues. This information sharing was done through amongst others: the bi-monthly Monetary Policy announcements, stakeholder workshops, as well as publications such as; the Bank's Quarterly Bulletins, the Financial Stability Report, Economic Outlook Reports and the Annual Report.

The achievements noted in this report would not have been possible without the invaluable contributions of our staff and stakeholders. I wholeheartedly acknowledge the commitment and dedication of staff members towards their work and their endeavour to deliver outstanding service to the Bank. My profound gratitude also goes to the Board of the Bank of Namibia who have tirelessly given strategic direction and oversight towards attaining the objectives of the Bank. I also recognise the support of stakeholders who equally contributed a great deal towards realising the strategic goals of the Bank in 2015.

Lastly, I am looking forward to the continued dedication and support of our staff and stakeholders as the Bank strive to achieve its strategic objectives for 2016 and ahead.

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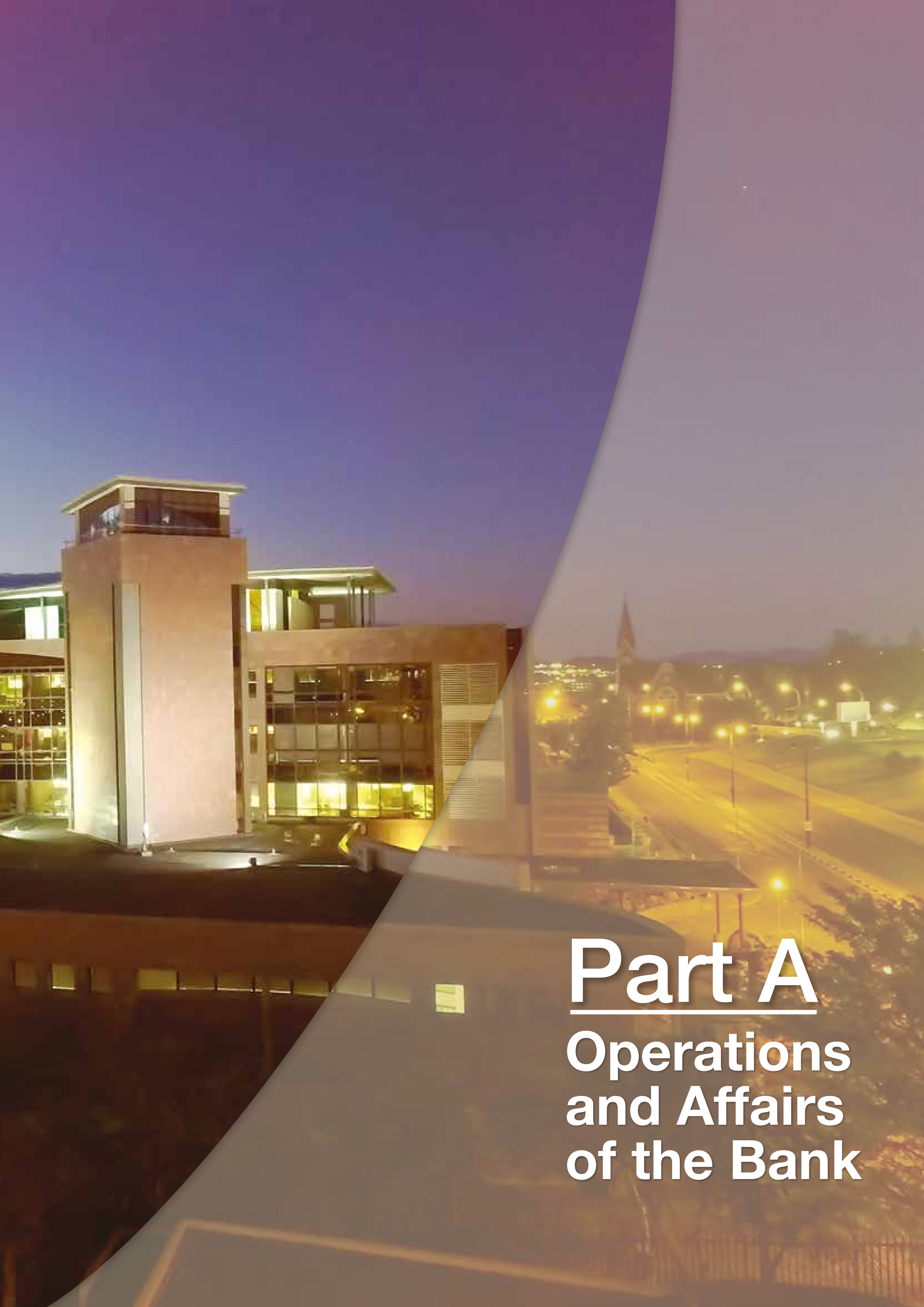
Iipumbu Shiimi
Governor
23 March 2016



Part A
Operations and Affairs of the Bank

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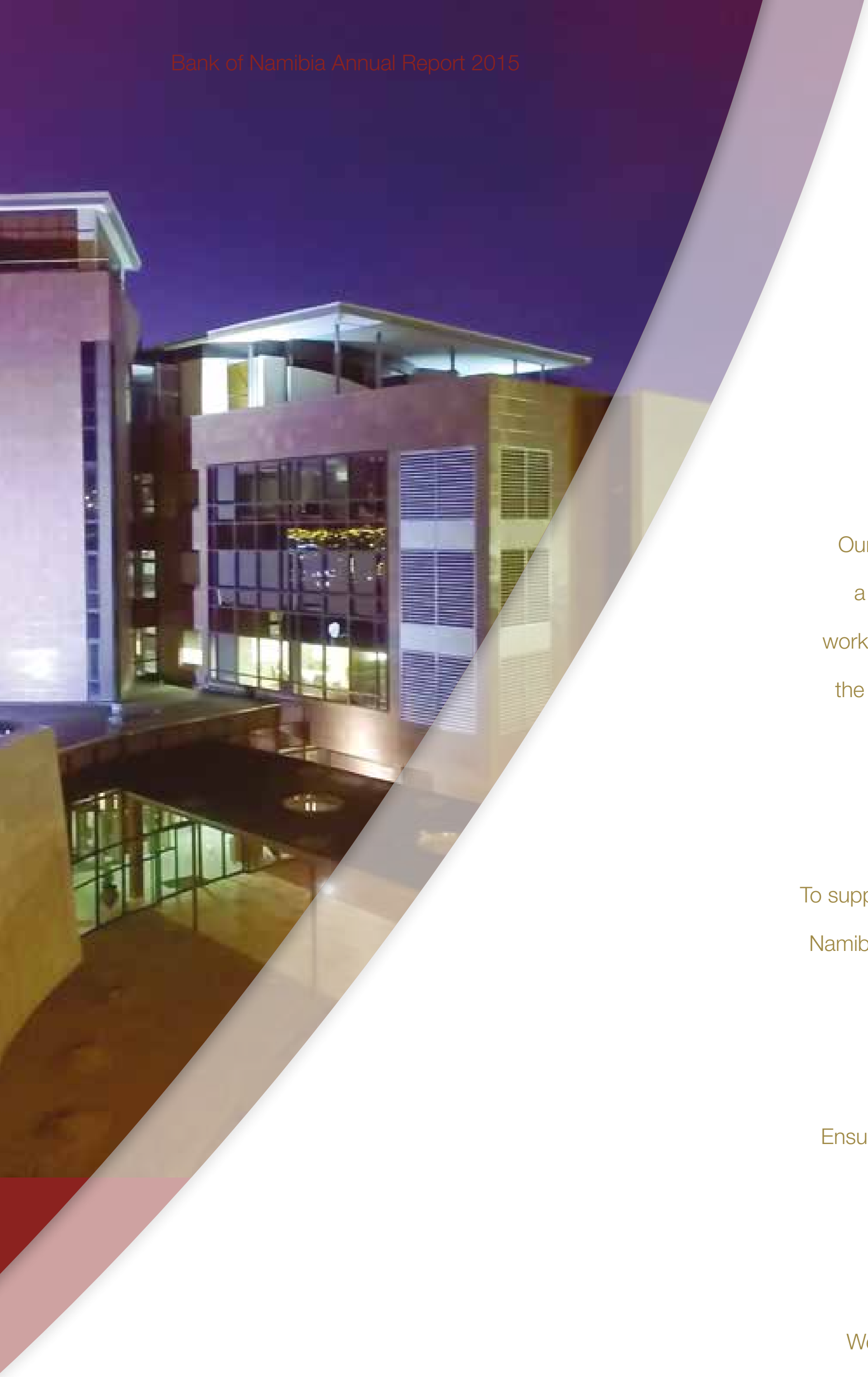


Our Vision

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

Our Mission

To support economic growth and development in
Namibia, we act as fiscal advisor and banker to
Government;
Promote price stability;
Manage reserves and currency;
Ensure sound financial systems and conduct
economic research.

Our Values

We value high performance impact and
excellence.
We uphold open communication, diversity,
integrity and teamwork.
We care for each other's well-being.

Management Structure

(As at 31 December 2015)

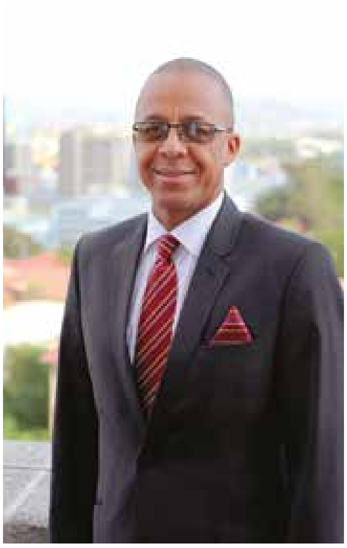
- **Governor** – Iipumbu Shiimi
  - **Deputy Governor** – Ebson Uanguta
    - **Director of Information Technology** – Marsorry Ickua
      - *Deputy Director: Business Systems* – Martha Dama
      - *Deputy Director: IT Infrastructure* – Peter Nghinyotwa
    - **Director of Payment and Settlement Systems** – Barbara Dreyer-Omoregie
      - *Deputy Director: NISS Operations & Projects* – Brian Geikhoibeb
      - *Deputy Director: Oversight Policy & Research* – Sergio De Sousa
    - **Director of Finance & Administration** – Kuruvilla Mathew
      - *Deputy Director: Financial Administration* – John Amakali
      - *Deputy Director: General Services* – Dave Kambinda
    - **Director of Banking Supervision** – Romeo Nel
      - *Deputy Director: Analysis & Examinations* – Penelao Kapenda
      - *Deputy Director: Policy & Regulations* – Urbans Karumendu
      - *Deputy Director: Banking Groups & Special Institutions* – Ancois Plaatje
    - **Director of Banking Services** – Sam Shivute
      - *Deputy Director: Currency & Banking* – Sencia Rukata
      - *Deputy Director: Protection Services* – {Vacant}
      - *Oshakati Branch Manager* – Phillip Ndjendja
    - *Deputy Director: Exchange Control* – Bryan Eiseb
    - *Financial Markets Technical Expert* – Dantagos Jimmy-Melani
    - *Head: Legal Services & Contract Management* – Tulonga Nakamhela
  - **Assistant Governor & Head of Financial Stability** – {Vacant}
  - **Director of Strategic Comm. & Financial Sector Development** – Ndangi Katoma
    - *Deputy Director: Financial Sector Development and Communication* – Emma Haiyambo
  - **Director of Financial Intelligence Centre*** – Leonie Dunn
    - *Deputy Director: Investigations & Analysis* – Gerrit Eiman
    - *Deputy Director: Legal, Policy & Enforcement* – Zenobia Barry
    - *Deputy Director: Compliance* – Shaun van Rooi
  - **Director of Research** – Florette Nakusera
    - *Deputy Director: Macro Models & Financial Stability* – Lelly Usiku
    - *Deputy Director: Policy Research & International Affairs* – {Vacant}
    - *Deputy Director: Statistics & Publications* – Edler Kamundu
  - **Director of Financial Markets** – Titus Ndove
    - *Deputy Director: Investments & Domestic Markets* – {Vacant}
    - *Deputy Director: Compliance and Risk Analytics* – Nicholas Mukasa
  - **Director of Human Resources** – Lea Namoloh
    - *Deputy Director: HR Admin & Employee Relations* – Shirene Bampton
    - *Deputy Director: OD & Training* – Henny van Rensburg
  - *Technical Advisor to the Governor* – Emile van Zyl
  - *Head: Risk Management & Assurance* – Magreth Tjongarero

* The Financial Intelligence Centre will be issuing it's own functional report on the 1 July 2016

Members of the Board

(As at 31 December 2015)

Iipumbu Shiimi
Governor and Chairperson of the Board since 26 March 2010
Current term ends 31 December 2016

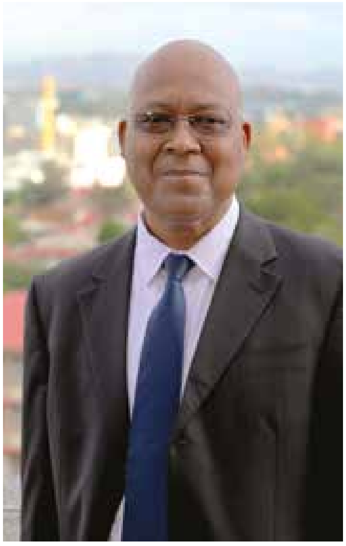


Ebson Uanguta
Deputy Governor and Member of the Board since 1 January 2012
Current term ends 31 December 2016

Mr Veston Malango
Member since 1 April 2008
Current term ends 31 January 2019
(Chairperson of the Remuneration Committee)

Ms Ericah Shafudah
Member (ex officio) since 3 April 2010
(Permanent Secretary: Finance)

Adv Charmaine van der Westhuizen
Member since 30 May 2012
Current term ends 31 January 2019
(Member of the Remuneration Committee and member of the Audit Committee)



Dr Omu Kakujaha-Matundu
Member since 1 November 2008
Current term ends 31 January 2019
(Member of the Audit Comittee)

Ally Angula
Member since 1 February 2014
Current term ends 31 January 2019
(Chairperson of Audit Committee)

Tuyakula Haipinge
Member since 18 July 2014
Current term ends 31 December 2018
(Member of Remuneration Committee)

The Bank's Senior Management Team

(As at 31 December 2015)

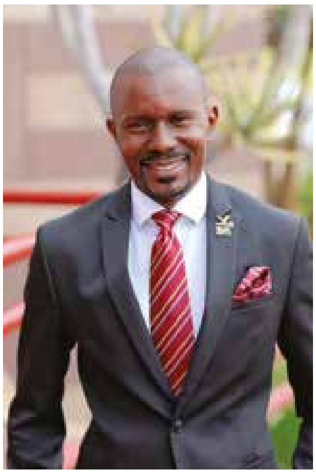
Iipumbu Shiimi
Governor

Ebson Uanguta
Deputy Governor

Emile van Zyl
Technical Advisor to the Governor

Florette Nakusera
Director: Research

Magreth Tjongarero
Head: Risk Management & Assurance



Samuel Shivute
Director: Banking Services

Ndangi Katoma
Director: Strategic Communications & Financial Sector Development

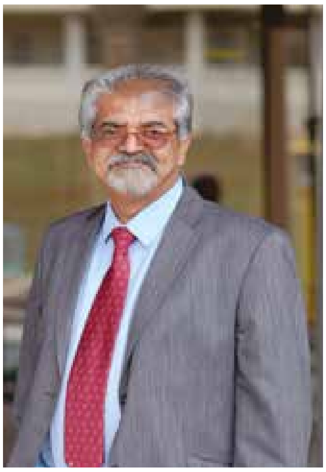
Leonie Dunn
Director: Financial Intelligence Centre

Lea Namoloh
Director: Human Resources

Romeo Nel
Director: Banking Supervision

Titus Ndove
Director: Financial Markets

Barbara Dreyer-Omoregie
Director: Payment & Settlement Systems



Kuruvilla Mathew
Director: Finance & Administration

Marsorry Ickua
Director: Information Technology

A

GOVERNANCE

OBJECTIVES AND ACCOUNTABILITY OF THE BANK

The Bank of Namibia is the central bank of the Republic of Namibia, created under Article 128(1) of the Namibian Constitution. The Constitution mandates the Bank to serve as the State's principal to control money supply, the currency and the institutions of finance. The objectives of the Bank as defined in the Bank of Namibia Act are, inter alia, as follows:

- To promote and maintain a sound monetary, credit and financial system in Namibia and sustain the liquidity, solvency, and functioning of that system;
- To promote and maintain internal and external monetary stability and an efficient payments mechanism;
- To foster monetary, credit and financial conditions conducive to the orderly, balanced and sustained economic development of Namibia;
- To serve as the Government's banker, financial advisor and fiscal agent, and
- To assist in the attainment of national economic goals.

In addition, the Bank fulfils other key functions as defined in other Acts, including the following:

- The Banking institutions Act,1998 (Act no. 2 of 1998, as amended), which empowers the Bank to supervise banking institutions;
- The Payment System Management Act, 2003 (Act no. 18 of 2003), which provides for the management, administration, operation, regulation, oversight and supervision of payment, clearing and settlement systems in Namibia, as well as providing for incidental matters, and
- The Financial Intelligence Act, 2012 (Act no. 13 of 2012), which provides for the combating of money laundering and financing of terrorism activities. It also provides for the establishment of the Anti-money Laundering and Combating of the Financing of Terrorism Council, for its functions, and for the registration of accountable and reporting institutions.

In line with section 3(b) of the Bank of Namibia Act, the Bank performs its functions independently subject to regular consultation with the Minister of Finance. The relationship between the Government, as a shareholder, and the Bank is broadly defined in the Act. The Bank's specific obligations are clearly defined in a Memorandum of Understanding entered into between the Ministry of Finance and the Bank. The Memorandum covers the terms and conditions of banking services rendered to Government, public debt management arrangements, and the nature and frequency of consultations. The Minister of Finance and the Governor of the Bank of Namibia hold regular consultations on relevant matters.

CORPORATE CHARTER

Apart from its statutory mandate, the Bank's actions and the way it carries out its mandate are guided by its Mission and Vision Statement as detailed in its Corporate Charter. The Bank's Vision portrays the desired state of the Bank in terms of its fundamental objective and strategic direction. Our Mission defines the fundamental purpose of the Bank, describing why it exists and why it is important to achieve the Vision. The Bank's Values essentially express the beliefs that are shared among the stakeholders of the Bank. The Values drive the Bank's culture and priorities, and articulate the code of conduct that the Bank uses in getting all its resources mobilised in pursuit of its Vision. All of the Bank's stakeholders are expected to assimilate and identify these required standards and principles toward ethical behaviour and excellence. The Charter strives to promote a sense of shared expectations among all levels and generations of employees toward ethical behaviour and excellence.

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BANK OF NAMIBIA'S CORPORATE CHARTER

OUR VISION

Our Vision is to be a centre of excellence – a professional and credible institution – working in the public interest and supporting the achievement of national economic development goals.

OUR MISSION

To support economic growth and development in Namibia, we –

- act as fiscal advisor and banker to Government
- promote price stability
- manage reserves and currency
- ensure sound financial systems, and
- conduct economic research.

OUR VALUES

We value high-performance impact and excellence
We uphold open communication, diversity, integrity and teamwork, and
We care for each other's well-being.

STRATEGIC OBJECTIVES

The Bank's strategic objectives are linked to its functional priorities. Eight principal objectives were derived from the Mission and Vision, and reflect the Bank's desire to meet its statutory mandate. The strategic objectives essentially refer to what the Bank aspires to achieve. The strategic objectives are as follows:

1. Safeguard and enhance financial stability
2. Promote price stability
3. Manage reserves prudently
4. Provide currency, Government debt issuance and banking services
5. Promote a positive reputation
6. Promote financial sector development
7. Optimise organisational efficiency and cost-effectiveness,
8. Enhance contribution towards sustainable economic growth.

Measureable strategies are designed with clear outcomes in order to achieve these strategic objectives. To ensure successful Strategic Plan implementation, the strategic objectives have been transformed into areas of concentration with clear, measurable targets. As such, twice a year, the Directors of the various Departments report on progress in their areas of concentration and the achievement of their targets. Once a year, the entire plan is reviewed and refreshed. Therefore, it is important not only to design strategies that can be engaged in pursuit of these objectives, but also to clearly describe the strategic outcomes that would reveal whether or not the objective has been achieved.

To promote ownership of the Strategic Plan and to attain performance excellence, the Strategic Plan is rolled out across the board through its Performance Management System. Individual performance goals are crafted for each employee, and performance progress is evaluated by means of performance appraisals. The section titled "The Year in Review" in this Report explains the activities and progress under each of the eight Strategic Objectives during the review period.

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ACCOUNTABILITY

The Bank aspires to good governance practices and accountability to the public. It is of paramount importance that the Bank always maintains its accountability to the public at large by adhering to good corporate governance principles. The Bank's legislation, its Corporate Charter and its Strategic Plan are some of the tools that guide the Bank in living up to these ambitions of good governance. The Bank also strives to be transparent by putting in place a concrete communication strategy that is able to openly and clearly convey why and how the Bank does what it does. Below are some of the expectations of good governance that the Bank aspires to observe:

- To be responsible, respected, trustworthy and credible
- To be accountable to its shareholders and the Namibian people
- To demonstrate an exceptionally high degree of integrity
- To ensure that its actions and policies are efficient, effective and transparent
- To maintain professionalism and excellence in the delivery of its services, and
- To be flexible and forward-looking in its approach, but to avoid undue risks.

THE GOVERNOR

The Governor serves the Bank of Namibia as its Chief Executive Officer, and is accountable to the Board for the management of the Bank and for the implementation of its policies. The Governor also represents the Bank in its relations and transactions with the Government and other institutions. In most other matters, comprehensive and Board-approved delegations of power are in place to guide the decision-making powers of the Governor and his delegates. The Governor is appointed for a five-year term. The Act sets specific criteria for the appointment, reappointment and dismissal of a Governor.

THE BOARD OF THE BANK OF NAMIBIA

The Board is responsible for the policies, internal controls, risk management and the general administration of the Bank. Board Members, in addition to having typical fiduciary duties, are also charged with many high-level responsibilities directly related to the policies and operations of the central bank, including approving the licensing of banking institutions and ensuring the adequacy of international reserves. Among other things, the Board is responsible for approving the Bank's financial statements and annual budget, promoting effective corporate governance practices and monitoring internal controls and risk management frameworks.

The Board of the Bank of Namibia is appointed by the President of the Republic of Namibia, and consists of Executive and Non-executive Members. The Governor (Chairperson) and the Deputy Governor are Executive Members of the Board, while the Permanent Secretary of the Ministry of Finance is an ex officio member. One staff member from the Public Service and four other persons constitute the Non-executive Members. Board Members who served during the year under review are portrayed on page 10 of this report.

The Board meets regularly – at least four times a year – with the main purpose of overseeing and monitoring the Bank's finances, operations and policies. During 2015, four ordinary Board meetings were held. Table A.1 sets out the frequency and attendance of Board meetings.

A

Table A.1: Frequency and attendance of Board meetings during 2015

Board Member	27/02/2015	29/05/2015	21/08/2015	04/12/2015
Mr I Shiimi (Chair)	✓	✓	✓	✓
Mr E Uanguta	✓	✓	✓	✓
Ms E Shafudah	x	✓	✓	✓
Ms A Angula	✓	✓	✓	✓
Adv. C van der Westhuizen	✓	✓	✓	✓
Ms T Haipinge	✓	✓	✓	✓
Mr V Malango	x	✓	✓	✓
Dr O Kakujaha-Matundu	✓	✓	✓	✓

The Board Committees, namely the Audit Committee and the Remuneration Committee, had several meetings during the period under review. The Audit Committee is responsible for evaluating the adequacy and efficiency of the Bank's corporate governance practices, including its internal control systems, risk control measures, accounting standards, information systems and auditing processes. Three Non-executive Board Members currently serve as Members of this Committee, whose meetings are also attended by the Bank's Head of Risk Management and Assurance, the external auditors and relevant staff members. The Deputy Governor attends Audit Committee meetings upon invitation.

In general, the Audit Committee is responsible for considering all audit plans as well as the scope of external and internal audits, in order to ensure that the coordination of the audit efforts are maximised. The Committee is also required to introduce measures to enhance the credibility and objectivity of financial statements and reports prepared with reference to the affairs of the Bank, and to enhance the Bank's corporate governance, with an emphasis on the principles of accountability and transparency, including adequate disclosure of information to the public.

The Remuneration Committee is responsible for overseeing and coordinating the Bank's remuneration function and for ensuring that remuneration is fair and equitable, in order to attract and retain quality staff and Board Members. This Committee comprises three Non-executive Board Members. Table A.2 sets out the frequency and attendance of Audit and Remuneration Committee meetings.

Table A.2: Frequency and attendance of Committee meetings during 2015

Audit Committee	20/02/2015	18/05/2015	14/08/2015	20/11/2015
Ms A Angula (Chair)	✓	✓	x	✓
Adv. C van der Westhuizen	✓	✓	✓	✓
Dr O Kakujaha-Matundu	✓	✓	✓	✓

Remuneration Committee	06/08/2015	06/11/2015
Mr. V Malango (Chair)	✓	✓
Adv. C Van der Westhuizen	✓	✓
Ms. T Haipinge	✓	✓

A

MANAGEMENT STRUCTURE

The Bank's senior management team consists of the Governor, the Deputy Governor, the Advisor(s) to the Governor, and the Directors of the Bank's various Departments, as outlined on page 12-13 of this Report. The positions of Governor and Deputy Governor are required by law. To ensure that the Bank implements its policies effectively, various committees have been created, including the Monetary Policy Committee, the Investment Committee, the Management Committee and the Financial System Stability Committee.

The Bank's Monetary Policy Committee (MPC) membership consists of the Governor (Chair), Deputy Governor, Advisor(s) to the Governor, the Director of Strategic Communications and Financial Sector Development, the Director of Financial Markets, and the Director of Research. The MPC meets every second month to deliberate on an appropriate monetary policy stance to be implemented by the Bank in the two-month period that follows. The monetary policy decision is communicated to the public through a media statement delivered at a media conference. Decision-making at the MPC is by consensus.

The Investment Committee (IC) consists of the Governor (Chair), Deputy Governor, Advisor(s) to the Governor, the Director of Strategic Communications and Financial Sector Development, the Director of Financial Markets, the Director of Research, and the Director of Finance and Administration. The IC is responsible for reviewing the level and adequacy of Namibia's foreign exchange reserves. While the Board approves the International Reserves Management Policy, the IC reviews the investment guidelines for final approval by the Governor. The IC is also expected to ensure that investments comply with approved policy.

The Management Committee (MC) is composed of the Governor, Deputy Governor, Advisor(s) to the Governor, all Directors, and the Head of Risk Management and Assurance. The Governor chairs the MC. The MC is responsible for reviewing the Bank's policies dealing with financial, human resources, operational and risk management. The Governor is responsible for the final approval of these policies. The MC meets every second week.

The Financial System Stability Committee (FSSC) is an inter-agency committee between the Bank, the Namibia Financial Institutions Supervisory Authority (NAMFISA) and Ministry of Finance as an observer. The chairpersonship alternates every two years between the Deputy Governor and NAMFISA's Assistant Chief Executive Officer for Supervision. The FSSC, which is currently chaired by the Deputy Governor, is composed of representatives from these institutions and meets on a quarterly basis to assess the potential risks to the financial system as a whole and to discuss appropriate policy measures.

REPORTING OBLIGATIONS

The Bank of Namibia Act requires the Bank to submit various reports to the Minister of Finance. A copy of this Annual Report is required by law to be submitted to the Minister of Finance within three months after the end of each financial year. The Minister, in turn, is required to table the Annual Report to the National Assembly within 30 days after having received it. The Report is obliged to contain the Bank's annual accounts certified by external auditors, information about the Bank's operations and affairs, and information about the state of the economy. Apart from the Annual Report, the Bank submits a monthly balance sheet to the Minister to be published in the *Government Gazette.*

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COMMUNICATION AND STAKEHOLDER RELATIONS

In 2015, the Bank executed numerous stakeholder engagements using several channels of communication necessary to strategically manage its relationship with internal and external stakeholder groups. The Bank continued to maintain a dynamic website where visitors can find key financial market and economic information such as the background of the Bank, the exchange rate and interest rates, publications and research papers that provide the academic and technical context of the Bank's policies and operations. The Bank also made use of popular social media tools such as Facebook, Twitter, Flickr and Rich Site Summary (RSS) feeds to provide information to the public. Other channels of communication that were used include regular media briefings on monetary policy and other general economic issues, media releases/ placements, and timely responses to various enquiries from stakeholders.

Because the Bank values positive working relationships with all its stakeholders, during the year under review it again conducted one of its regular perception surveys to assess stakeholder satisfaction and confidence in the Bank. The May–June survey presented an opportunity for stakeholders to rate and assess the Bank on a number of key factors, i.e. the Bank's overall operational values, stakeholder confidence in the Bank, the Bank's execution in terms of its strategic plan and priorities/functions, and its general business discipline. The Bank scored a positive overall result of 78% and considered suggestions and recommendations made by stakeholders in regard to the issues raised.

The Bank evaluates and uses stakeholder feedback to inform policy interventions and improve its services in order to achieve set objectives. Once a year, the Bank evaluates stakeholders' strategic engagements based on their feedback. To this end, regular consultative meetings with a variety of stakeholders took place to support the Bank's corporate communication strategy. During these engagements, the Bank shares information on the economic outlook and discusses stakeholders' views on issues of common economic interest within the Bank's mandate. External engagements held during the review period included the following:

- In July 2015, the Governor of the Bank hosted a stakeholder engagement session with members of the diplomatic corps to share views on relevant economic issues and challenges. At this platform, the Governor presented and discussed some of the latest information on economic developments, the performance of the banking sector, and other related issues of common interest.
- As part of the Bank's Annual Stakeholder Engagement Plan, the Governor hosted a regional stakeholder meeting in the Erongo Region on 24 September 2015. The purpose of this meeting was to brief the regional leadership and business community on the Bank's mandate and functions, as well as to solicit their views on policy interventions and the status of the domestic economy.

Diplomatic Engagement: Governor Iipumbu Shiimi (far left in the back row) together with Heads of Diplomatic Missions during a stakeholder engagement.

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Governor Iipumbu Shiimi (fourth from left in the front row) together with the Mayor of Swakopmund, His Worship Nehemia Salomon (first from right in the front row) together with other regional and local councillors, officials and business leaders.

Internally, the Bank promotes an effective and favourable working relationship with its employees by ensuring access to corporate information via the Bank's Intranet, its triannual internal newsletter, the corporate email system and regular staff meetings. The following are some of the internal engagements that took place during the year under review:

- Progress reviews continued to take place each semester. During these reviews, the Management Team offered feedback to the rest of the Bank's employees with regards to the various Departments' progress in relation to set objectives and strategies. This enabled employees not only to participate in and be conscious of the Bank's strategic direction, but also to make contributions on matters of concern to them.
- The Governor held biannual general staff meetings, where employees were given the opportunity to openly air any concerns.
- The Employee Liaison Forum continued to provide constructive input regarding policy matters and strengthening internal communication channels within the Bank.
- The Bank continued with staff briefing sessions where monetary policy decisions are communicated to all staff members through a presentation. These sessions provide an opportunity for staff members to engage in discussions on matters pertaining to monetary policy.

During 2015, the Bank continued to produce statutory publications as well as publications covering general information about the Bank with the aim of broadening public understanding of the Bank's functions and operations. The following publications were issued during the review period and are available on the Bank's website:

- ***The Quarterly Bulletin*** serves as a prime source of information on economic and financial developments in Namibia. It contains a full set of data covering the real sector, monetary and financial developments, public finance, and the balance of payments. *Quarterly Bulletins* contain a section on "Monetary Policy Review", which aims at providing an understanding of the monetary policy and the factors taken into consideration by the MPC in arriving at monetary policy decisions. During the period under review, the Monetary Policy Review was published in the third quarter's report.

- ***The Financial Stability Report*** provides an assessment of the financial stability in Namibia. This report was issued in June 2015, and is a joint publication by the Bank of Namibia and NAMFISA. The report highlights the potential risks to financial stability emanating from developments in the national and international environment. It also suggests appropriate action that should be taken where there are concerns.
- ***Economic Outlook Report*** was released in July and December 2015. This report highlighted the global, regional and domestic economic growth prospects.
- ***The 2014 Annual Report*** was released in March 2015. This Report not only covered the operations and affairs of the Bank, but also provided information on the Bank's annual financial statements as well as macroeconomic information and the state of the economy.

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THE YEAR IN REVIEW

As mentioned earlier, the Bank's activities are premised on eight strategic objectives that guide its operations over five-year period. These strategic objectives are directly connected to the Bank's functional priorities, its Mission and its Vision, as well as to developments in the internal and external environment. The Bank has determined appropriate strategies in order to accomplish each Strategic Objective. In this section, for the sake of presentation and clarity, each strategic objective is highlighted and amplified as regards the agreed initiatives and strategies in place to accomplish it, together with a list of strategic outcomes that could indicate their success or failure. This is followed by a presentation of key actions and activities undertaken during the course of the year to accomplish the Strategic Objective in question.

STRATEGIC OBJECTIVE 1: SAFEGUARD AND ENHANCE FINANCIAL STABILITY

INITIATIVES AND STRATEGIES

- Deter illegal financial schemes;
- Supervise and regulate deposit-taking institutions;
- To licence banking institutions, credit bureaus and authorised dealers;
- Ensure efficient, safe and effective payment and settlement systems;
- Enhance the assessment of financial sector stability;
- Develop the ability to handle crises in the financial system; and
- Introduce financial sector safety net.

Strategic outcomes	Actual outcomes	✓ Achieved / (X) Not Achieved.
• All known and detected schemes declared illegal within three months of their identification;	All potential schemes reported to the Bank were investigated and the outcomes were communicated to the applicants. In cases of contravention to the banking law, applicant(s) were informed not to pursue such business ventures. All potential and known illegal schemes investigated were recorded on the internal data base of the Bank.	✓
• Early warning indicators in place such as:		
1. Capital adequacy – not less than 11 percent.	Banking institution financial data was provided to the Bank on a monthly and quarterly basis. Performance reports and statistics were presented to the Board on a quarterly basis. Capital adequacy in excess of 14 percent was registered in 2015.	✓
2. Liquidity ratio not less than 10.5 percent	Banking institutions data were provided to the Bank on a monthly and quarterly basis. Performance reports and statistics were presented to the Board on a quarterly basis. Banks held liquid assets ratio of 12 percent.	✓

3. NPLs not more than 4 percent	Banking institutions financial data were provided to the Bank on a monthly basis. Performance reports and statistics were presented to the Board on a quarterly basis. NPLs of 1.6 percent were recorded in 2015.	✓
4. Adequate Risk Management at banks and implement corrective measures	Targeted examinations and follow-up examinations were carried out at all banking institutions, subject to Risk Based Examination Models.	✓
5. Ensure tracking and implementation of recommendations within agreed timelines	Corrective actions /measures were implemented within agreed timelines, unless otherwise agreed with the Bank.	✓
• Qualified entities are issued with provisional licenses within three months;	In view of the continued interaction to validate the consistency and accuracy of business cases, information and financial projections with various bank license applicants, the process was very intensive involving many meeting and exchanges of correspondences. Moreover, confirmations with home country supervisory authorities were needed, resulted in the Bank not meeting the timelines of concluding on bank license application within three months.	X
• 95 percent compliance with regulations and standards;	Banking Institutions complied with the regulations and standards.	✓
• Identify and act on the vulnerabilities in the financial system in advance	The Financial stability report for 2015, showed that the financial system including the Banking institutions remained sound. Household indebtedness was, however, high and thus warranted monitoring.	✓
• A tested crises resolution framework is in place; and	The Bank did not test the crisis resolution framework again in 2015, due to the delay experienced in the promulgation of the Banking Institutions Amendment Act. Other policy tools such as the Lender of Last Resort Policy, the Prompt Corrective Action Procedures were finalised and adopted. Consultation on the Tripartite Guidelines between the Bank, the Ministry of Finance and NAMFISA was concluded and awaits signing-off in 2016.	X
• Small depositors are protected in case of a bank failure.	A report on the design of a Deposit Guarantee Scheme for Namibia, as a safety net for small depositors, was finalised during 2015 and the basic principles were accepted by Government. The banking industry and other key stakeholders will be consulted during 2016 for adoption of the final format and design of the Scheme.	X

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FINANCIAL STABILITY ASSESSMENT AND SURVEILLANCE

The Bank publishes a Financial Stability Report once a year which assesses the stability and resilience of the Namibian financial sector to internal and external shocks. The report highlights specific risks stemming from the external and domestic economic environments, household and corporate debts, the banking sector, the non-banking financial sector, and payment and settlement systems.

The latest Financial Stability Report, published in June 2015, emphasised that the financial system including banking institutions in Namibia continued to be stable, although some structural patterns of the balance sheets required monitoring. Available indicators showed that the banking sector remained sound, profitable and adequately capitalised. The concentration of banking assets in mortgages remained high and needs continuous monitoring in light of the high level of household indebtedness. In addition, the accelerated rate of growth in large exposures in the banking sector, mainly in mining, fishing and tourism, warrants monitoring to mitigate concentration risk. From a regulatory perspective, banking institutions remained resilient and maintained capital and liquidity at higher levels than the minimum set by the Bank of Namibia. Overall, the banking sector's financial condition is expected to remain sound, healthy and able to withstand shocks in the foreseeable future.

The report also stressed that household indebtedness was high by regional and international standards, and therefore warranted monitoring, while corporate sector debt increased, underpinned by foreign private sector debt. The increase in household debt as a ratio to disposable income was ascribed to growth in overdrafts, instalment credit and mortgages, which exceeded the rise in disposable income. Despite an increase in corporate debt, risks from this source were well contained as the major drivers were multinational companies. A sizeable number of corporates that borrowed from abroad earn foreign exchange, which mitigated their exposure to exchange rate risk.

DETERRENCE OF ILLEGAL SCHEMES

The Bank continues to guard against illegal financial schemes as mandated under the Banking Institutions Act, 1998 (Act No. 2 of 1998) as amended. In this regard, the Bank dealt with several queries from persons who wanted to confirm whether their intended businesses contravened the Act and they were advised accordingly, whereas in one case the Bank was alerted to a potentially illegal scheme by members of the public. Efforts are also still under way to identify a willing and capable professional to handle the liquidation of the Penta Stream Investment Close Corporation, the Gold Prime Investments Namibia Close Corporation, and the U-Care Marketing Namibia Close Corporation.

LICENSING OF NEW BANKING INSTITUTIONS

The banking system saw more interests of prospective banking license applicants approaching the Bank for licenses during the year 2015. The Bank issued Banco Privado Atlantico Europa, SA of Portuguese origin with a full license effective from 1 December 2015 to operate as a branch of a foreign banking institution in the country, while the Bank further extended the provisional licenses of the applicants Letshego Bank Namibia Limited and Banco BIC Namibia Limited for another six month period.

REGISTRATIONS OF CREDIT BUREAUS

Two credit bureaus were subjected to pre-opening inspections of which one was granted a certificate to commerce business under the provisions of the Regulations. The tests were carried out to determine the the operational readiness of the bureaus concerned. In terms of the credit bureau regulations issued under the Bank of Namibia Act, 1997 (Act No.15 of 1997), as amended, all credit bureaus must apply to the Bank to be licensed.

PAYMENT SYSTEMS OVERSIGHT

The Bank continued to carry out its mandate to oversee the NPS, in line with the Payment Systems Management Act 18 of 2003, as amended, through on-site and off-site activities to ensure the safe, secure, efficient and cost-effective operations of the NPS. Off-site monitoring is conducted through a combination of periodic (monthly, quarterly and annual) assessments based on information furnished by regulated institutions in the NPS. As part of its on-site oversight activities, the Bank also conducted risk assessments on regulated institutions. On-site inspections are based on the risk profile of the institution concerned, which is derived from the Risk-based Oversight Policy Framework, off-site assessments and market intelligence. These activities confirmed the stability of the Namibia Interbank Settlement System (NISS) in terms of its capacity to enable real-time payments to be processed without major disruptions. The availability of the Namibian retail payment systems as operated by Namclear – namely the Electronic Funds Transfer System, the Cheque Processing System and the Card Switching System – also remained high in 2015.

In conjunction with industry stakeholders, the Bank launched the NPS Vision 2020. This new Vision is based on three pillars, namely stakeholder synergy, NPS integrity, and NPS capacity. The Vision aims to uphold stakeholder synergy by promoting and managing stakeholder collaboration and cooperation as well as financial inclusion/accessibility. The second pillar aims to uphold NPS integrity by improving access, interoperability and standards in the NPS; enhancing the NPS infrastructure in terms of safety, security and cost-effectiveness; reviewing, enhancing and implementing the governance model for the Payment Association of Namibia; defining Namclear's status in the NPS; and developing and implementing policy for the pricing and costing of payment services. The third pillar aims at strengthening the human capacity and skills of the NPS. The NPS Vision 2020 will serve as NPS's guiding strategic document for the next five years.

The Bank continued to participate in the joint oversight function of the SADC Integrated Regional Electronic Settlement System (SIRESS), a regional system catering for cross-border settlement and time-critical or high-value payments between Southern African Development Community (SADC) countries, in cooperation with various other regional central banks. The relationship between the Bank of Namibia and participating central banks is laid down in a bilateral Memorandum of Understanding which highlights the cooperative oversight arrangement in place in order to provide a mechanism for mutual assistance among the parties. Through various established structures, the Bank participated in endorsing the selection of a Regional Clearing and System Operator (RCSO) in 2015. The Bank is also an active participant in working groups which assist in driving the objective to facilitate the regional integration of payment systems in SADC.

Ensuring the smooth functioning of payment systems while promoting the efficiency of payment methods and systems are among the Bank's primary responsibilities. Information on the costs of providing payment services is critical to the Bank in terms of ascertaining the NPS's efficiency and cost-effectiveness. To this end, after industry consultation, the Bank developed a payment services costing framework in order to collect information on the costs relating to specific payment services. Surveys were administered to the industry during the first semester of 2015 in order to gather the relevant cost data on selected payment services. By the end of the reporting period, the resulting information was still under analysis.

Significant progress continues to be made with the migration of payment cards and terminals from magnetic strip to the more secure global standard using chip-based card technology. The Europay, MasterCard and Visa (EMV) standard covers the processing of card payments using a card that contains a microprocessor chip at a payment terminal. The industry made significant progress throughout 2015 in terms of complying with the EMV standard, and will continue issuing compliant cards in 2016. The migration of automated teller machines and point-of-sale devices to EMV-standard-compliant platforms capable of accepting chip and personal identification number (PIN) cards was completed in 2014.

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SETTLEMENT SERVICES

As a banker to commercial banks, the Bank of Namibia continues to provide real-time, interbank settlement services to authorised institutions through the Namibia Interbank Settlement System. Values originating from the retail payment systems – electronic fund transfers (EFTs), cheques and cards – operated by Namclear are also settled through the NISS. During 2015, NISS availability was high (at 99.68 percent), and was broadly in line with those reported for large-value and retail payment systems in other countries. High priority was given to ensuring uninterrupted availability of NISS operations. Two successful disaster recovery tests and one business continuity simulation were conducted for the NISS during the reporting year.

In 2015, the total value settled through the NISS increased when compared to 2014. The total value settled through the NISS was N$626.5 billion, of which approximately 61 percent emanated from real-time (typically high-value) transactions captured directly in the NISS and 39 percent from retail payment transactions. The total number of transactions settled during 2015 was 56,561, which averages at 188 transactions per settlement day. The total volume settled through the NISS increased by 7 percent from 2014. The total values settled through the NISS increased by 2 percent. Interbank transactions values and retail payment transactions increased by 3 percent and 1 percent, respectively. The total settlement value for the retail payment system (EFTs, cheques and cards) operated by Namclear was N$244.6 billion, compared with N$241.2 billion in 2014 (Table A.3).

Table A.3: NISS transaction values and volumes

Year	Number of settlement days	Value settled (N$ billion)			Total number for settlement transactions
		Total value settled	Real-time transactions	Retail payment transactions	
2011	302	454.1	295.1	158.9	50,315
2012	300	480.1	300.5	179.6	49,453
2013	301	516.0	304.0	212.0	49,049
2014	301	611.7	370.4	241.2	52,658
2015	301	626.5	381.9	244.6	56,561

The Bank provided collateralised liquidity to NISS participants through overnight and intra-day repo facilities. The value of overnight credit extended in 2015 decreased by 5 percent to N$445.2 million. Apart from overnight repo facilities, the Bank provides interest-free intra-day credit facilities to participants. As payments are made throughout the day, this facility is a valuable avenue for participants to fund intra-day commitments.

During 2015, cheque volumes and values processed by Namclear continued to decrease. The number of cheques processed was 1.6 million with a total value of N$26.8 billion. The volume and value of cheques processed decreased by 12 percent and 5 percent, respectively, in 2015 compared with 2014 (Table A.4). The continuing downward trend in volume and value is mostly due to the shift to electronic payment and the inefficient nature of cheques as a payment instrument when compared with cards and EFTs. In addition, the Namibian banking industry has decided to reduce the cheque limit from N$500,000 to N$100,000 by February 2016, with a view to eliminating cheques as a payment stream by 2017. The effect of this decision on the public will be to reduce the usage of cheques as a payment method.

EFT transactions processed by Namclear increased in 2015. Namclear processed 15.6 million EFT transactions to the value of N$236 billion in 2015. This represents a 3.7 percent and 14 percent increase in volume and value, respectively, compared with 2014. The increased EFT usage reflects the efficiency and security of this method of payment as opposed to instruments such as cheques. The industry's efforts to discourage the use of cheques as a payment method has induced the public to employ alternatives such as cards and EFT, and explains the steady increase in usage of these electronic means of payment.

The card payment stream (NamSwitch) reflected a significant increase in volumes and values. Namclear processed 15.3 million card transactions to the total value of N$8 billion in 2015. The volumes and values switched through NamSwitch increased by 39 percent and 38 percent, respectively, when compared with 2014 (Table A.4) The trend has continued upward in terms of volumes and values processed since the switch was localised in 2013. This acceleration was also observed in 2014 by the rerouting of domestic transactions that were previously routed internationally.

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Table A.4: Namclear transaction values and volumes

Year	Cheque transactions		EFT transactions		Card transactions		Total value cleared
	Value (N$ million)	Volume ('000)	Value (N$ million)	Volume ('000)	Value (N$ million)	Volume ('000)	Value (N$ million)
2011	30,832	2,687	112,800	9,661	3,020	6,887	146,652
2012	30,782	2,268	147,062	12,239	4,529	9,781	182,373
2013	30,544	2,128	178,248	14,067	4,813	9,703	213,605
2014	28,129	1,822	207,428	15,085	5,818	11,017	241,375
2015	26,783	1,607	236,055	15,641	8,038	15,324	270,876
Annual percentage change							
2011	-34.03	-12.99	33.81	7.56	39.62	23.53	10.10
2012	-0.16	-15.59	30.37	26.68	49.97	42.02	24.36
2013	-0.77	-6.17	21.21	14.94	6.27	-0.80	17.13
2014	-7.91	-14.38	16.37	7.24	20.88	13.54	13.00
2015	-4.79	-11.80	13.80	3.69	38.16	39.09	12.22

Overall, the total value of retail payments cleared through Namclear increased significantly from 2014 to 2015. This is due to a continuing increase in the usage of card and EFT transactions. The significant move towards electronic payments being processed in the NPS shows they are safer and more efficient than paper-based instruments.

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STRATEGIC OBJECTIVE 2: PROMOTE PRICE STABILITY

INITIATIVES AND STRATEGIES

- Ensure reliability of economic data to support economic policy; and
- Pursue monetary policy in accordance with the Monetary Policy Framework

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved.
• Monetary and financial data provided when it is available, as well as market information to support monetary policy decision; and	Monetary and financial data was provided before the fifth of each month to the public on a monthly basis. The data were also provided on a quarterly and annual basis to the public. Additionally, market information, key global and domestic economic developments including Monetary and Financial Statistics were provided to the MPC on a bi-monthly basis.	✓
• Maintain headline inflation below 10 percent without compromising economic growth.	Average inflation in 2015 was 3.4 percent, while the economic growth is estimated at 4.5 percent.	✓

The primary objective of monetary policy is to protect and sustain the one-to-one link between the Namibia Dollar and the South African Rand, in order to support price stability, sustainable economic growth and financial stability in the country. This objective is articulated in the Bank of Namibia Act. Price stability is achieved when changes in the general price level do not influence economic decision-making processes. Namibia continued to achieve the monetary policy objective through the currency peg between the Namibia Dollar and the South African Rand.

MONETARY POLICY STANCE DURING 2015

The Bank of Namibia continued to keep interest rates relatively low in 2015 in order to support the domestic economy, on the back of the low inflation environment. The domestic economy continued to remain generally resilient, despite challenges. These challenges were mainly in the form of slow recovery in the country's trading partner economies, low international commodity prices, and the drought. Inflation levels remained relatively low, slowing further from 4.5 percent in January 2015 to 3.7 percent by December. Inflation averaged 3.4 percent during 2015, which represents a decline from the 2014 average of 5.4 percent. At its February 2015 meeting, the MPC increased the repo rate by 25 basis points to 6.25 percent, after it had remained unchanged for two months since October 2014. The repo rate was increased further by the same margin to 6.50 percent in June 2015. Both increases were triggered by the observation that household credit – and particularly instalment credit used for financing unproductive luxury goods – had continued to grow at elevated levels, thereby putting additional pressure on the country's international reserves.

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STRATEGIC OBJECTIVE 3: MANAGE RESERVES PRUDENTLY

INITIATIVES AND STRATEGIES

- Prudent management of foreign reserves in accordance with Investment Policy;
- Manage liquidity in banking system proactively to support reserves; and
- Administer exchange control in accordance with relevant law.

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved.
• Returns in line with agreed benchmarks;	There were no losses or negative returns recorded on all foreign reserve portfolios during 2015.	✓
• 100 percent compliance with reserve adequacy threshold as stated in the Market Intervention Framework; and	The level of foreign exchange reserves, though under pressure during 2015, remained adequate and above currency in circulation plus a buffer equal to three months of average commercial bank outflows.	✓
• All known and detected illegal cash movements are dealt within a period of 3 months.	No illegal cash movement were detected during 2015.	✓

As one of its key strategic objectives, the Bank is responsible for the prudent management of Namibia's foreign exchange reserves. Foreign exchange reserves are held to support the Namibian currency in circulation, as required by the Common Monetary Area (CMA) agreement. In addition, reserves are required to ensure that Namibia meets its international financial obligations. In satisfying the level of prudence required in managing foreign reserves, the Bank is obliged to ensure that the investment objectives of safety, capital preservation and liquidity are met at all times. This is achieved by determining an optimal combination of assets and currencies that the Bank must hold over a given investment horizon. This combination or mixture of assets is an outcome of the Bank's annual Strategic Asset Allocation exercise.

FOREIGN EXCHANGE RESERVE DEVELOPMENTS DURING 2015

The level of foreign exchange reserves expanded significantly in comparison with the same period in 2014. Foreign reserves increased by 74.3 percent to N$23.6 billion, from N$13.5 billion in December 2014. This increase was mainly due to the successful issuance of the 10-Year Eurobond amounting to USD750 million during October 2015. This was complemented by the Bank entering into an asset swap arrangement with the Government Institution Pension Fund, which contributed positively to foreign exchange reserves. Additionally, inflows from the Southern African Customs Union (SACU) increased in 2015 compared with the same period in 2014. Similarly, compensation for the circulation of the South African Rand in Namibia and the depreciation of the Namibia Dollar helped to ease the pressure on foreign reserves during 2015. It should be emphasised that despite the huge inflows experienced during the reporting year, the level of imports remained high, putting further pressure on foreign exchange reserves.

At current levels, the reserves are considered adequate in terms of the CMA agreement, despite that they are below the international benchmark of 3 months import coverage. In terms of import cover, foreign reserves adequacy increased from 7.2

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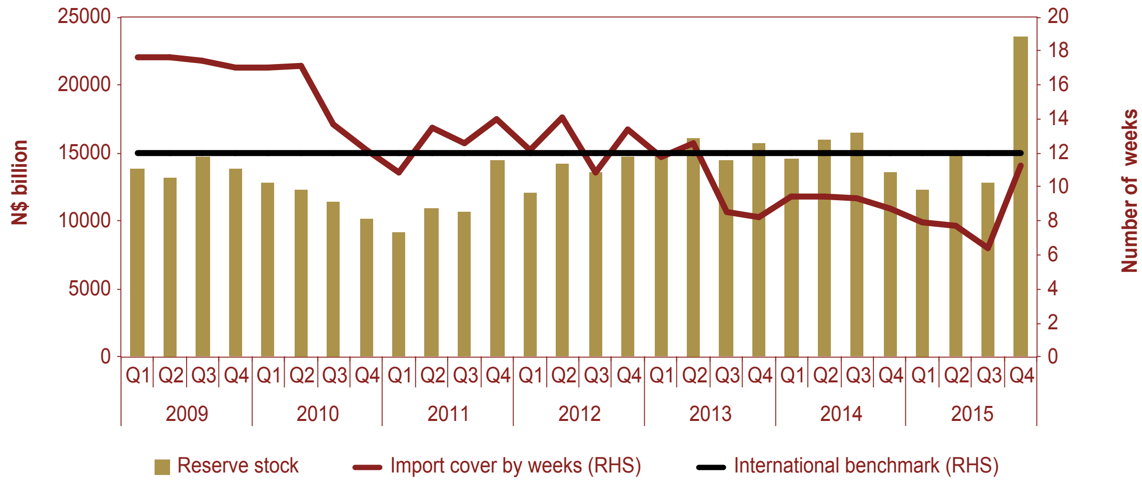
weeks during 2014 to 11.2 weeks of imports by the end of December 2015 (Chart A.1). The increase in adequacy levels as alluded to earlier emanated mainly from the issuance of the Eurobond amplified by SACU receipts and asset swap arrangements with institutional investors.

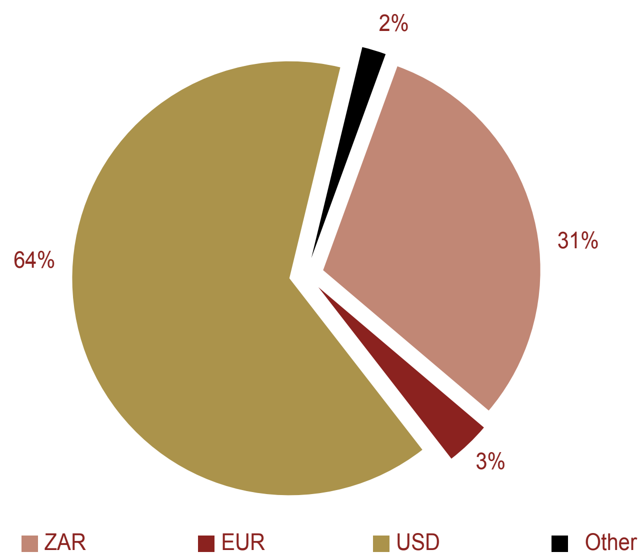
Chart A.1: Foreign exchange reserve stock and import cover



During the period under review, foreign exchange reserves were managed under very challenging and volatile market conditions. The uncertainty surrounding the prevailing relatively low prices for commodities such as oil, copper and uranium; the European Central Bank's quantitative easing programme and the Swiss Bank's announcement to remove its currency peg with the Euro created volatility in financial markets. Among other factors, the timing of the increase in the Fed rate by the United States' Federal Reserve; slower growth in some of the largest emerging markets such as China; the Greek debt saga; and the Rand plunging to over 14-year lows against most major currencies further contributed to the volatile markets. Notwithstanding these events, all foreign reserve portfolios generated positive returns for the 12 months under review.

The USD, ZAR, and EUR currencies continue to have larger percentage share of the Bank's foreign exchange reserves. As at 31 December 2015, the USD and ZAR accounted for 64.0 percent and 31.0 percent of foreign exchange reserves, respectively. As at the 31 December 2014, the USD and ZAR accounted for 55.9 percent and 29.0 percent of foreign exchange reserves, respectively. The EUR contributed 11.5 percent in 2014 compared to 3.0 percent in 2015; this huge decline was due to the liquidation of EUR investment tranche. The increase in the weights of the USD reserves during 2015 was mainly due to the Eurobond that was issued on 22 October 2015. The Bank also held a small percentage of reserves in currencies such as British Pounds Sterling (GBP) and Japanese Yen (JPY) (See Chart A.2).

Chart A.2: Currency mix of foreign exchange reserves as at 31 December 2015



ADMINISTRATION OF EXCHANGE CONTROL

During 2015, the Bank of Namibia licensed E-Bank Limited as an Authorised Dealer in foreign exchange and approved new licences for Authorised Dealers with Limited Authority (ADLAs) to Cambio Express Exchange Bureau (Pty) Limited and Cambio Seguro Foreign Exchange (Pty). The total number of Authorised Dealers in Namibia is now five, while there are ten ADLAs. Most Authorised Dealers and ADLAs have branches countrywide.

In terms of Exchange Control Regulation 2, no person other than Authorised Dealers and ADLAs are allowed to deal in foreign exchange in Namibia. These entities perform the crucial role of ensuring that foreign exchange is made available for legitimate purposes only, in support of prudent reserves management and financial stability in Namibia.

Table A.5 lists all approved ADLAs currently operating in Namibia.

Table A.5: Approved Authorised Dealers with Limited Authority currently operating in Namibia

Name of ADLA
Cambio Express Exchange Bureau (Pty) Ltd
Cambio Seguro Foreign Exchange (Pty) Ltd
Casa de Cambio Forex (Pty) Ltd
Interchange Money Exchange Namibia (Pty) Ltd
Magnet Bureau de Change (Pty) Ltd
Namibia Bureau de Change (Pty) Ltd
Novacambios Namibia (Pty) Ltd
Oshikango Bureau de Change (Pty) Ltd
Real Transfer Bureau de Change (Pty) Ltd
Rockhard Bureau de Change (Pty) Ltd

The Bank continued its efforts to curb illegal trade in foreign currency during the year under review. In this regard, training interventions were offered to the Namibian Police and Customs and Immigration Officials. In addition, the Bank worked closely with Banco Nacional de Angola by instituting control measures and monitoring mechanisms that aligned the Angolan Kwanza conversion operations at Oshikango with the letter and spirit of the Currency Conversion Agreement. Compliance inspections were also conducted in respect of Authorised Dealers and ADLAs.

As part of the Bank's multilateral obligations in the CMA, we continue to fulfil our mandate through CMA quarterly Exchange Control Technical Meetings. To this end, exchange control remains harmonised within the CMA. The Bank also participates in regional efforts to liberalise exchange control within SADC.

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STRATEGIC OBJECTIVE 4: PROVISION OF CURRENCY, GOVERNMENT DEBT ISSUANCE AND BANKING SERVICES

INITIATIVES AND STRATEGIES

- Provide effective and efficient provision of Banking services;
- Issue and manage government securities;
- Provide effective lending facilities to the banking institutions; and
- Provide sufficient quality and quantity of currency.

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved.
• Currency supplied to commercial banks as per demand at all times;	All commercial banks were supplied with currency as per demand.	✓
• 100 percent of Government payments and deposits correctly effected and recorded within the agreed timeline;	Government payment and deposits were effected 100 percent.	✓
• Meet 100 percent of banking institutions' borrowing needs;	Banking institutions borrowing needs were met 100 percent.	✓
• Funds raised for Government in line with the approved borrowing plan; and	Government funds were raised in line with plan; however a borrowing shortfall was recorded in the domestic market.	✓
• Counterfeits detected and counterfeit in circulation do not exceed the threshold of ten pieces per one million notes.	The ratio of counterfeit recorded in 2015 was 9 pieces per million notes in circulation and thus within the Bank's threshold.	✓

CURRENCY OPERATIONS

Currency management and issuance are among the Bank's strategic functions. The Bank is responsible for the supply of currency in all denominations to the Namibian market. The Bank ensures that sufficient stock of currency and good quality currency are in circulation at all times. All unfit, soiled or mutilated currency is returned to the Bank by commercial banks for destruction.

The Bank witnessed marginal growth in the volume of total currency in circulation during the 2015 reporting year. The total volume of banknotes in circulation increased by 2 percent in 2015, or 51.3 million pieces, compared with 50.2 million pieces recorded in 2014. At the end of 2015, the volume of coins in circulation had increased by 10 percent in comparison with the 9.3 percent recorded for 2014. Notably, the highest increase was registered for the N$10 coin, which recorded a sharp rise in circulation

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from 4.9 percent in 2014 to 40.6 percent in 2015 (Chart A.3 and Table A.6). The latter increase is attributed to concerted efforts by the Bank of Namibia and the commercial banks to ensure a balanced distribution of all denominations in the market.

The growth rate in the value of currency in circulation slowed in 2015. Annual growth in this regard was 8.8 percent in 2015, compared with 21.9 percent recorded in 2014. The slower growth in banknotes in 2015 coincided with the reductions noted in the issuance of the N$50 and N$100 denominations, which was 14.1 and 9.4 percent lower, respectively, than the previous reporting year.

As at 31 December 2015, the total value of currency in circulation stood at N$4.5 billion in comparison with N$4.1 billion recorded during the corresponding period in 2014. The N$100 note continued to be the most widely circulated banknote in 2015, although a 9.4 percent reduction was noted in the issuance of this denomination compared with the year before. In terms of coinage, the 5-cent piece remained the most popular among the coins series, recording an 11.3 percent increase in the value of coins in circulation in 2015, although this is relatively lower than the 13 percent increase recorded for 2014.

Chart A.3: Growth in currency in circulation

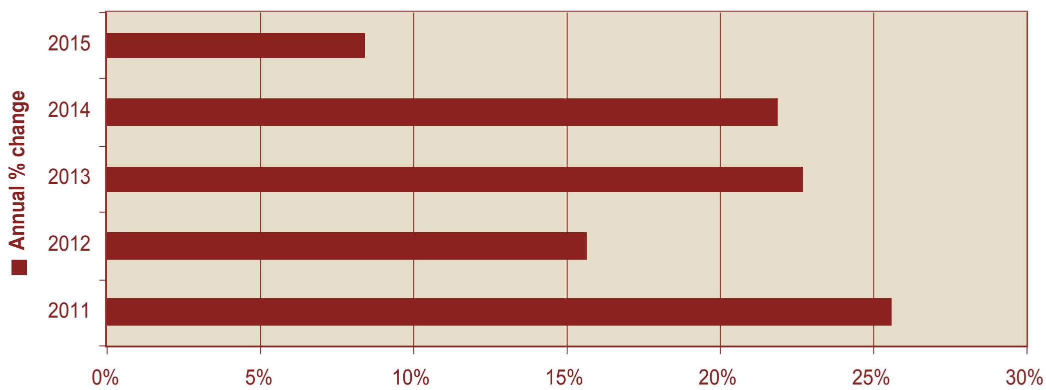

Table A.6: Composition of currency in circulation at 31 December 2015

Denomination	2014		2015		Change in value
	Value (N$ million)	Volume (million)	Value (N$ million)	Volume (million)	
5c coin	9.3	185.2	10.3	206.2	11.3
10c coin	15.2	151.7	16.8	168.0	10.8
50c coin	13.4	26.7	14.4	28.7	7.4
N$1 coin	97.8	97.8	105.6	105.6	7.9
N$5 coin	52.7	10.5	56.2	11.2	6.7
N$10 coin	12.7	1.3	17.8	1.8	40.6
Total coins	**201.0**	**473.3**	**221.1**	**521.5**	**10.0**
N$10 note	108.0	10.8	108.8	10.9	0.7
N$20 note	164.0	8.2	182.3	9.1	11.1
N$50 note	349.6	7.0	300.4	6.0	-14.1
N$100 note	1,510.2	15.1	1,367.9	13.7	-9.4
N$200 note	1,813.7	9.1	2,330.3	11.7	28.5
Total notes	**3,945.6**	**50.2**	**4,289.7**	**51.3**	**8.7**
GRAND TOTAL	**4,146.6**	**523.5**	**4,510.8**	**572.9**	**8.8**

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The quality of currency remained one of the key focus areas for the Bank in 2015. New banknotes to the value of N$4.1 billion were issued, compared with the N$2.2 billion value of issues in 2014. This represents a 86.4 percent increase in the issuance of new banknotes, which is attributed to the reduced sorting of the Namibian currency in order to sort and clear Angolan Kwanzas as part of the implementation of the Currency Conversion Agreement between the Bank of Namibia and its Angolan counterpart, the Banco Nacional de Angola.

The Bank is required to ensure that only banknotes of good quality are in circulation. To this end, the Bank checked the authenticity and fitness of banknotes for circulation, which subsequently resulted in the withdrawal of 44.4 million banknote pieces with a face value of N$2.8 billion in 2015, compared with 38.7 million pieces with a face value of N$1.9 billion in 2014. Notably, the Bank has embarked on a project with commercial banks to ensure all their cash-processing equipment across the industry is aligned to the Bank's Currency Recycling Standards. This exercise is anticipated to be completed in 2016. In line with its philosophy of continuous improvement, the Bank undertakes a broad spectrum of research in areas such as banknote security and design, the quality and performance of banknotes in circulation, and the cost-effectiveness of currency in general. The research is geared towards the future development of banknotes and coins, and contributes to strategic decision-making regarding the Currency function.

A significant milestone reached in 2015 was the launch of the modified N$10 and N$20 banknotes. On 20 October 2015, the modified N$10 and N$20 banknotes without the diamond-shaped security feature were issued. The removal of the diamond-shaped security feature from the two denominations in question was in line with the Bank's philosophy of continuous improvement and cost-effectiveness. The *Kaptein* Hendrik Witbooi series, the 2012 new series and the 2013 improved N$10 and N$20 banknotes will continue to be accepted for payment of goods and services. The withdrawal of all previous series of N$10 and N$20 banknotes will be through natural progression.

The declining trend in the circulation of South African Rand in Namibia persisted during the 2015 financial year. The South African Rand is legal tender in Namibia in accordance with the provisions of section 26(1) of the Bank of Namibia Act. Furthermore, in line with the Bilateral Monetary Agreement between Namibia and South Africa of 14 September 1993, the Bank of Namibia is required to repatriate to the South African Reserve Bank any South African Rand banknotes that are deposited in Namibia. The Rand currency that enters the country does not circulate widely in Namibia, as it is quickly absorbed by banking institutions and then deposited at the Bank, after which it is repatriated to the South African Reserve Bank. An amount of R450 million was repatriated in 2015 in comparison with R975 million in 2014, which represents a significant reduction of 53.8 percent following a decline of 45.8 percent recorded for the previous year. South African coins are repatriated by commercial banks to the South African Reserve Bank on behalf of the Bank of Namibia.

Rand repatriation and the value of Namibia Dollars in circulation are presented in Table A.7.

Table A.7: South African Rand repatriation versus Namibia Dollar banknotes in circulation

Calendar year	Value of Rand repatriation		N$ in circulation	
	Rand (million)	Change in value (%)	N$ (million)	Change (%)
2011	1,125.0	(21.1)	2,398.2	25.6
2012	1,650.0	46.7	2,773.3	15.6
2013	1,800.0	9.1	3,402.1	22.7
2014	975.0	(45.8)	4,146.6	21.9
2015	450.0	(53.8)	4,510.8	8.8

A substantial increase was recorded in the number of counterfeit banknotes detected in 2015. The total number of counterfeit Namibia Dollar banknotes detected in 2015 increased to 465 pieces compared with 343 pieces recorded in 2014 (Table A.8). It emerged that the counterfeiters mostly tended to target the two high-value denominations, namely the N$100 and N$200 banknotes, which respectively accounted for 36.3 percent and 54.2 percent of total counterfeits detected in 2015.

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As at 31 December 2015, the ratio of counterfeits per million in respect of all Namibia Dollar banknote denominations stood at 9 pieces, which was well below the international benchmark of 70 banknotes per million. It is also worth noting that the 9 pieces were below the Bank's own threshold of 10 pieces per 1 million banknotes. During the months of November and December 2015, the Namibian Police achieved a major breakthrough by apprehending two counterfeit syndicates in the Erongo and Omusati Regions in an operation that saw the confiscation of 241 counterfeit N$200 notes. The said counterfeits were found in the suspects' possession and, hence, had not gone into circulation. No financial loss was incurred by any individual or institution in this regard. The quality of counterfeits detected was poor and, as such, they are not of major concern to the Bank.

The Bank offered counterfeit detection training to a total of 88 stakeholders including law enforcement agencies and the retail sectors during 2015. In collaboration with various law enforcement agencies and stakeholders, the Bank consistently embarks on various intervention measures to curb counterfeiting. The Bank, during 2015 financial year, targeted law enforcement agencies and retail sector, which resulted in a total of 88 stakeholders receiving counterfeit detection training.

Table A.8: Counterfeit Namibia Dollar banknotes

Denomination	Number of counterfeit banknotes detected					Counterfeits per single denomination per million notes	
	2011	2012	2013	2014	2015	2014	2015
N$10	0	4	3	1	4	0	0
N$20	3	2	3	8	7	1	1
N$50	80	57	40	28	33	4	4
N$100	119	258	125	140	169	9	10
N$200	9	62	212	166	252	18	18
Total	**211**	**383**	**383**	**343**	**465**		
Total counterfeits per million notes for all denominations	**6**	**10**	**9**	**7**	**9**		

Table A.9: Counterfeit Namibia Dollar banknotes per banknote series

Notes	N$10	N$20	N$50	N$100	N$200	Total pieces	Total value (N$)
New series	4	7	32	127	234	404	61,280
Old series	0	0	1	42	18	61	7,850
Total	**4**	**7**	**33**	**169**	**252**	**465**	**69,130**

The Bank of Namibia and the Banco Nacional de Angola implemented the Currency Conversion Agreement on 18 June 2015. The objective of this arrangement is to enable the residents of the border towns of Oshikango and Santa Clara to exchange their respective national currencies to facilitate the payment of goods and services. After the Agreement's implementation, the Bank noted a high influx of Angolan Kwanza deposits at the commercial banks at Oshikango. The Agreement dictates that Angolan Kwanza banknotes deposited at the Bank are repatriated to the Banco Nacional de Angola. Between June and December 2015, 55.3 billion Angolan Kwanzas – equivalent to N$4.3 billion – were deposited. Of this amount, the Bank repatriated 42.4 billion Angolan Kwanzas – equivalent to N$3.3 billion – to the Banco Nacional de Angola during the review period.

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Immediately after the Agreement was implemented, the Angolan and Namibian central banks encountered certain challenges, one of which was exchanging currencies outside the scope of the Agreement. Certain measures were introduced to address these challenges, but they were not fully addressed. Consequently, and in the spirit of the two central banks' commitment to the Agreement, it was resolved to implement a second option provided for in the arrangement, namely to provide a bulk supply of Namibian currency to the Banco Nacional de Angola for issuance in Angola through local commercial banks and bureau de changes. This option was implemented on 21 December 2015, following the suspension of the first option. The first option of the Agreement enabled the reciprocal acceptance of legal tender banknotes in the Republic of Angola and the Republic of Namibia by legally authorised institutions to conduct foreign exchange operations in each country. Such exchanges were limited to the border towns of Santa Clara and Oshikango.

BANKING SERVICES

The use of electronic means of payment continued to gain momentum in 2015, whilst payments effected through cheques recorded a decline. All domestic high-value Government and time-bound transfers were effected through the NISS, ensuring timely and irrevocable payments. During the 2015 reporting period, the volume of Government transactions in respect of local transfers[1] processed by the Bank increased by 11.3 percent, namely from 879 to 978 (Table A.12). The volume of NISS payments effected to the Government by the commercials banks increased from 2,082 in 2014 to 2,164 in 2015, which reflects a rise of 4 percent. The said growth is relatively lower than the 10.5 percent recorded in 2014.

In addition, the Bank noted an increase in terms of EFT payments[2] effected by the Government. The total volume of EFT payments effected in 2014 amounted to 2,317,697 in comparison with 2,395,920 in 2015, which reflects an increase of 3.4 percent. During the period under review, the total value of outflows effected from the State Account amounted to N$86 billion, whilst total inflows were N$87.4 billion.

Table A.10: Government EFT Payments

Calendar year	EFT transfers (volume)	EFT transfers (value)
2011	1,687,543	6,283,280,134
2012	1,988,391	20,368,858,417
2013	2,473,285	21,020,396,152
2014	2,317,679	21,094,416,791
2015	2,395,920	27,332,351,655

The volume of cheque transactions dropped by 1.2 percent in 2015, in comparison with a slight increase of 1.1 percent recorded in 2014. The Bank anticipates a further decline in the volume of cheque transactions given the proposed cheque item limit reduction from N$500,000 to N$100,000 to take effect from 1 February 2016.

1 These are high-value and time-bound electronic payments effected through the Namibia Interbank Settlement System.

2 The electronic transfer of funds to and from the Government via the Bank of Namibia's EFT system.

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Table A.11: Government cheques processed

Calendar year	Volume	Change (% decrease)/% increase
2011	433,751	(37.2)
2012	271,519	(37.4)
2013	229,157	(15.6)
2014	231,705	1.1
2015	229,050	(1.2)

During the review period, the Bank continued to ensure that all the Government's foreign obligations were honoured timeously. The Bank recorded a reduction in the number of foreign transfers[3] effected on behalf of Government from 2,453 in 2014 to 2,366 in 2015, which equates to a decline of 3.7 percent (Table A.12).

Table A.12: Volume of foreign and local transfers by Government

Calendar year	Foreign transfers	Local transfers
2011	1,311	1,175
2012	1,531	768
2013	1,959	750
2014	2,453	879
2015	2,366	978

ISSUANCE OF GOVERNMENT DEBT

INFLATION-LINKED BONDS

The Namibia Financial Sector Strategy (NFSS) for 2011–2021 highlights that the country's financial system is sound and functioning well. The Namibian financial system is however, characterised by a few structural shortcomings that need to be addressed in order to enable the financial sector to contribute meaningfully to the overall performance of the country's economy. One such shortcoming is the shallow financial market. In an attempt to deepen the market, the Bank's Financial Markets Department explored alternative debt financing options for the Government. Against this background, in August 2015 the Bank introduced Inflation-linked Bonds (ILBs) on behalf of the Government. *Inflation-linked bonds* are instruments whose principal (face value) and related interest payments are adjusted to movements in the inflation index.

In August 2015, for the first time in its history, the Government issued two medium-term ILBs. These are the GI22 with a semi-annual coupon rate of 3.55 percent and the GI25 with a semi-annual coupon rate of 3.80 percent. The bonds will mature on 15 October 2022 and 15 April 2025, respectively. The coupon rates for the GI22 are paid on 15 January and 15 July, while the corresponding dates for the GI25 are 15 April and 15 October.

3 *Foreign transfers* are electronic transactions effected by the Bank on behalf of the Government to foreign beneficiaries or institutions.

The first auction was held on 27 August 2015, where a total of N$100 million was on offer and was subsequently fully allocated. Each bond received a bid-to-cover ratio above 3 times. The auctions were well-bid in terms of rates as all allocated bids were below the set coupon rates. The results of these auctions demonstrated the strong appetite for diversified debt securities in the Namibian market. ILBs will continue to form part of the regular Government debt issuance programme. As at 31 December 2015, the outstanding balance on ILBs amounted to N$307 million.

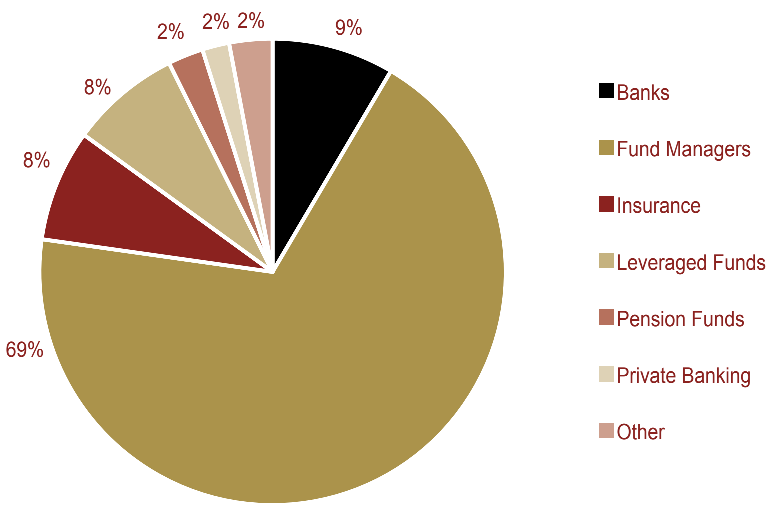
10-YEAR US$750 MILLION EUROBOND

During the period under review, the Government also issued a second Eurobond. After issuing its debut Eurobond in 2011, the Government returned to the international capital markets again in 2015. On 22 October 2015, the Republic of Namibia issued a US$750 million ten-year sovereign bond in the international capital markets. The bond, which is listed on the Irish Stock Exchange, will mature on 29 October 2025. Thus, Namibia became the fourth sub-Saharan African sovereign Eurobond issuance in 2015, after Gabon, Ghana, the Ivory Coast and Zambia. Angola issued one shortly after Namibia's.

The primary financing objective behind the transaction was to raise funding, with the aim to finance the budget and also increase Namibia's international reserves. The Eurobond also provided an opportunity for Namibia to create a yield curve in international capital markets.

Due to strong investor demand, the Eurobond transaction priced successfully during the course of one day (22 October 2015). The 144A/RegS Eurobond had a coupon of 5.25 percent per annum, payable semi-annually. The bond priced with a yield of 336 basis points over the ten-year US Treasury bond and was listed on the Irish Stock Exchange. Investor bids peaked at totalling US$3.8 billion, equivalent to five times the principal amount issued. At a coupon of 5.25 percent, this is the tightest ten-year USD coupon ever achieved by a sub-Saharan African sovereign. The transaction priced 37.5 basis points tighter than Namibia's first Eurobond, issued in 2011, implying no new issue premium amid a volatile market – a significant feat in comparison with recent supply in international markets. The order-book included over 300 investors, representing more than 30 countries.

Chart A.4: Investor distribution by investor type



Diversified orders allowed Namibia to adopt an allocation strategy favouring top-quality buy-and-hold investors across regions. The allocations achieved a broad geographic distribution, with US and United Kingdom (UK) institutions representing approximately 82 percent of final investor allocations. Investors from Africa, Asia, continental Europe and the Middle East accounted for the remaining 18 percent.

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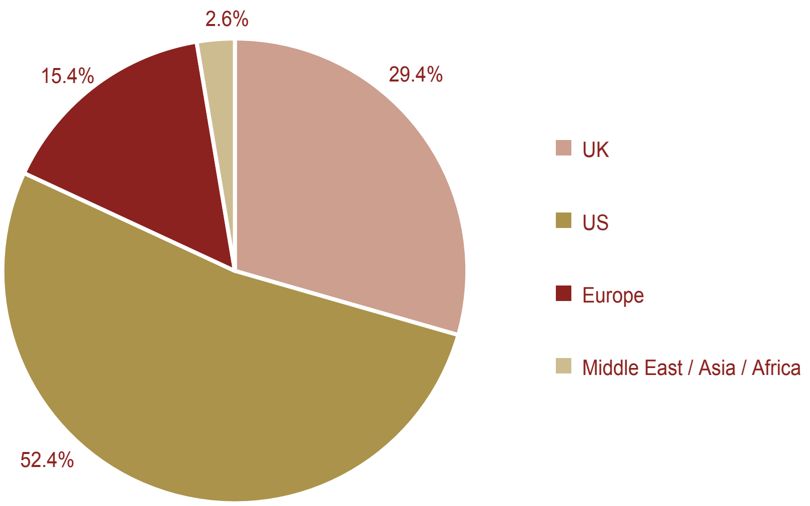
The 2015 bond saw an increase in African investors' participation compared with the 2011 bond issue. The 2015 bond was rated Baa3 by Moody's and BBB- by Fitch.

Chart A.5: Investor distribution by geographic location



The Eurobond performed well in the secondary market, with the post-issuance tightening supporting the pricing and allocation strategy. However, owing to swings in investor sentiment and a general period of heightened volatility in the market, sovereign bond spreads for emerging market economies widened dramatically – and Namibia was no exception. The bond yield has rallied rather upwards since issuance, peaking at 6.36 percent on 14 December 2015. Having launched at a yield of 5.38 percent, the bond traded within a 140-basis-point range, with a maximum yield-to-maturity of 6.36 percent and a minimum of 5.24 percent. On 31 December 2015, the bond closed at a yield of 6.13 percent.

Having launched at a spread to US Treasury of 336 basis points, on 31 December 2015 Namibia's 2015 Eurobond issuance traded at a spread to the ten-year US Treasury benchmark of 386 basis points, and traded as widely as 421 basis points since its date of issue. The average spread since the bond's launch was 356 basis points. This widening spread reflects the difficult trading environment for emerging markets, compounded by negative political developments in South Africa.

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STRATEGIC OBJECTIVE 5: PROMOTE A POSITIVE REPUTATION

INITIATIVES AND STRATEGIES

- Enhance corporate image

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved
• More than 80 percent satisfaction rate expressed by stakeholder towards the Bank, based on a minimum response rate of 60 percent.	The Bank conducted an external perception survey in May/June 2015 targeting the Bank's identified stakeholder groups. Rating assessment was done on the Bank's overall operational values, stakeholder confidence in the Bank, Bank's strategy execution and overall business discipline. The Bank scored a positive overall result of 78% based on a response rate of 73%.	x
• The tone with which reference is made to the Bank in the media is positive more than 50 percent of the time, according to systematic media analyses.	For the period under review, the Bank recorded an average positive media coverage tone of 96% based on systematic media coverage analyses.	✓

CORPORATE IMAGE

As an independent institution, the Bank continued to consolidate its positive image through proactive feedback from regular assessment of its engagement with various stakeholders. For the period under review, the Bank recorded positive media coverage and high stakeholder satisfaction based on systematic evaluation and feedback mechanisms in place. On average, the tone with which reference was made to the Bank in the media was highly positive, far exceeding the set target, while feedback from other stakeholder engagements far exceeded the 80 percent satisfaction rate, based on the response rate of over 60 percent.

PUBLIC EDUCATION AND AWARENESS CAMPAIGNS

The Bank makes use of its public education platforms to achieve greater awareness and understanding of its role in the economy. In line with its Public Education Programme, the Bank continued to educate various stakeholders about its function, role and matters pertaining to its operational activities. One such annual event was an economic reporting workshop for the media, undertaken on 23–24 June 2015. Media practitioners, who contribute greatly to improving public access to information by disseminating it, assist in educating the public on various complex economic and financial issues.

The National High School Competition is one of the key programmes initiated to improve high school learners' understanding of the Bank's role in the economy. The 2015 event was held on 13 August. Secondary school learners from Grades 8 to 12 from all 14 Regions of Namibia were invited to take part in the regional rounds of the competition. Regional winners competed in the finals held in Windhoek. The first prize of N$50,000 was awarded to the Caprivi Secondary School in the Zambezi Region. The Oshikoto Region's Etosha Secondary School scooped the second prize of N$30,000, while the Ponhofi Secondary School in Ohangwena was awarded N$10,000 for achieving third place. The Jan Mohr Secondary School in Khomas, which came fourth, received a printer as a prize.

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From left: Ms Lea Namoloh, Director: Human Resources and learners with their teacher from Caprivi Secondary School.

The Bank ran Currency Awareness Campaigns. In 2015, when the Currency Conversion Agreement with Angola was implemented to provide for the exchange of Angolan Kwanza and Namibia Dollars at the border towns of Oshikango and Santa Clara, the Bank successfully ran a campaign to sensitise the public accordingly. In October 2015, when a set of modified N$10 and N$20 banknotes were issued in which the diamond-shaped security feature was removed, the Bank used the broadcasting and print media to inform the public about the change.

From left: Governor of the Bank of Namibia, Mr Iipumbu Shiimi and Governor of Banco Nacional de Angola, Mr José Pedro De Morais at the launch of the Currency Conversion Agreement. From right: Deputy Director: Exchange Control at the Bank of Namibia, Mr Bryan Eiseb and Ms Marília Poças, Director of Exchange Control at Banco Nacional de Angola signing the Technical Agreement at the launch.

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CORPORATE SOCIAL INVESTMENT AND RESPONSIBILITY

The Bank continued to play an active role in the upliftment of Namibian communities, focusing on the area of education and information technology. In support of the Government's efforts of promoting computer literacy in Namibian schools, the Bank of Namibia continued to honour its five-year commitment to support the computer laboratory projects at the Hans Daniel Namuhuya Senior Secondary School (Oshikoto Region) and the PK de Villiers Secondary School (Karas Region) by way of equipment maintenance.

The Bank also supported other community activities in the form of donations and sponsorships. During 2015, the Bank contributed a total of N$338,240 in such support. The institutions selected to benefit from these donations and sponsorships demonstrated potential in contributing to the attainment of Namibia's developmental, economic and social empowerment goals. They included the Namibia Business Innovation Centre, the University of Namibia's Student Economic and Accounting Societies, and the Polytechnic of Namibia's Student Economic and Accounting Societies. Various community charities also received support. In addition to this corporate assistance, the Bank responded positively and participated in various community outreach programmes in need of support such as the Sam Nujoma Pre-primary school, the Love Your Neighbour Pre-primary School, the Havana Primary School and the Havana Project High School. Bank employees also supported an initiative aimed at assisting mothers and their new-borns from disadvantaged backgrounds.

The year 2015 also saw the Bank implement a Memorandum of Cooperation Agreement with the University of Namibia. The Agreement entailed that the Bank avail three of its staff members with doctoral degrees to teach at the University's Economics Department and Business School at no cost to the University. Another provision in the Agreement awaiting implementation states that the two institutions will cooperate in research work at their own respective cost.

BoN Supporting innovation: From left: Mr Sam Shivute, Director: Banking Services with Ms Angelica Bergmann, NBIC Innovation Manager

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STRATEGIC OBJECTIVE 6: PROMOTE FINANCIAL SECTOR DEVELOPMENT

INITIATIVES AND STRATEGIES

- Promote financial sector development.

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved.
• Namibia Financial Sector Strategy (NFSS) implementation coordinated in line with agreed implementation action plan.	The NFSS implementation was coordinated resulting in specific initiatives to improve access to finance by low income individuals and SMEs implemented.	✓

FINANCIAL SECTOR DEVELOPMENT

In 2015, the Bank of Namibia continued to play both its coordination and execution role in the implementation process of the NFSS. The coordination role involved monitoring of the implementation process of the NFSS through progress reports from different implementing agencies on the projects and activities falling under their respective mandates. The Bank also tabled consolidated reports for consideration by the respective committees of the NFSS governance structure. In this regard, the Financial Inclusion Council Advisory Body and Council each held one ordinary and one special meeting during the year.

The Bank, in conjunction with implementing agencies and other relevant stakeholders, populated the monitoring and evaluation framework of the Strategy to ensure effective monitoring and evaluation. This process identified a lack of data for some indicators but relevant institutions have undertaken to collect the necessary data going forward. In terms of the setup of the monitoring framework (called the logframe), it was populated with indicators and targets for 2015, 2018 and 2021 during the year under review. The status of projects carried out and coordinated by the Bank as well as those implemented by other stakeholders in 2015 are outlined below.

The Bank coordinated a study, commissioned by the Financial Inclusion Council, to investigate how best to coordinate various financial inclusion related Government funds. The study which was undertaken by an independent expert carried out a performance review of the funds and was concluded in February 2015. The study was necessary to enhance efficiency and effectiveness so as to achieve the intended objectives of Government. At the Council's request and based on its broad recommendations, certain practical proposals were endorsed in bid to bring about efficiency and effectiveness into the allocation of government funds to support small and medium enterprises (SMEs). This proposal will be tabled for approval by the relevant authority in Government in the first half of 2016.

During the year under review, the Bank concluded stakeholder consultations on a study carried out in 2013 to determine the viability of establishing a credit guarantee scheme (CGS) in Namibia. The consultative process concluded that such a scheme was indeed necessary to assist SMEs, who lack or have inadequate collateral to access finance. The consultative process which was aimed at refining the Bank's proposal also culminated in the formation of a working group comprising of members of the various commercial banks, who provided practical insights necessary to concretise the proposal. The refined draft proposal was discussed by the Financial Inclusion Council on 2 December 2015, which mandated the Bank to prepare a submission for Cabinet in 2016.

In line with the NFSS strategic outcomes, BON also undertook a study to investigate and determine the feasibility and format of an appropriate deposit insurance scheme for Namibia. The study included

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benchmarking with Malaysia, which is considered as one of the countries in the world with well-structured deposit insurance scheme. The study was concluded and accepted in principle by Cabinet. A draft Bill was finalised and stakeholder consultations will commence during 2016.

The Bank carried out a study to explore alternative methods of collateral as another goal of the NFSS. This study aimed at enhancing SME access to financial products and services, given their potential to contribute to economic growth and job creation. This project is a result of a number of studies conducted previously that revealed that a lack of collateral remains a major hindrance which deters SMEs access to credit when applying for credit from lending institutions. The study underwent internal consultations during the year and comments are being incorporated before sharing it with external stakeholders in 2016.

The Bank undertook a study to investigate the feasibility and viability of having a sustainable Central Security Depository (CSD). After receiving technical advice from the World Bank, the consultative process with relevant stakeholder resulted in reaching consensus on a single National CSD as the most feasible option considering the size of the financial market and the transaction volumes in Namibia. The regulators are currently undertaking the necessary preparations to overcome the identified challenges in the regulatory space. This includes drafting regulations that will provide legal certainty and criteria around the licensing of the CSD as well as the dematerialisation of Government securities. A vendor has already been identified and appointed and the Bank is currently working on the technical implementation modalities, together with other key stakeholders.

The Bank continued to actively participate in the SME Financing Strategy project as a member of the Steering Committee. This project involved developing proposals for three facilities, namely the Venture Capital Fund (VCF), Challenge Fund (CF) and the Credit Guarantee Scheme as discussed earlier. These three facilities together form the ‘SME Financing Strategy”. While all three facilities aim to facilitate access to finance for SMEs, each of them targets a specific challenge faced by SMEs. As mentioned earlier, a credit guarantee scheme intends to address the collateral problem in accessing loans, a VCF targets high growth potential SMEs with equity financing while a CF intends to address the problem of a lack of business management skills experienced by SMEs through training and mentorship programme. The final proposals on the VCF and CF are expected to be finalised in 2016.

The Bank also formed part of a Technical Committee that was led by the Ministry of Industrialisation, Trade and SME Development, to review the 1997 SME Policy and Development Programme. This project started in 2013 and was embarked upon following the identified need in the NFSS to review the more than a decade old Policy and align it to the current market situation. During the year under review, the draft Revised Policy was submitted to Cabinet for approval after country-wide stakeholder consultations.

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STRATEGIC OBJECTIVE 7: OPTIMISE ORGANISATIONAL EFFICIENCY AND COST-EFFECTIVENESS

INITIATIVES AND STRATEGIES

- Manage risk effectively;
- Ensure that the Bank can function in case of disasters (business continuity);
- Enhance a high performance-driven culture which is living the values of the Bank;
- Enhance strategic talent management;
- Manage the Bank's financial affairs in a prudent manner;
- Ensure functionality, security and availability of facilities, other assets and infrastructure that support the Bank's operations in an environment-friendly manner;
- Provide relevant, secure, dependable and efficient IT technology to improve business operations; and
- Employ efficient procurement practices.

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved
• All gaps identified and mitigating strategies for medium and high risks implemented within the agreed time frame;	The 2015 audit plan was executed as planned. As per those assignments, sufficient audit coverage was achieved to enable the Bank to express an opinion on the risk management practices, controls and governance processes for the Bank.	✓
• A tested crisis management plan in place;	Bank is not yet ready to respond effectively to significant disruptions to all of its most critical business functions and lessons learnt will be implemented to improve the Bank's readiness going forward.	X
• 100 percent Goal Achievement by the Organization,	99 percent of the goals were achieved with the exception of Publications.	✓
• Staff members living the values of the Bank	Majority of the staff were found to be living the values of the Bank, except in the area of Diversity where more needs to be done.	✓
• 90 percent of the critical talent of the Bank retained.	The Bank retained 98 percent of its critical staff in 2015.	✓
• Unqualified Annual Financial Statements in compliance with BoN Act and International Financial Reporting Standards;	The Bank has consistently obtained an Unqualified Audit Report in compliance with International Financial Reporting Standards.	✓

• 97 percent availability and functionality of facilities, other assets and infrastructure that supports its operations in an environment-friendly manner;	The facilities were by and large available for the concerned year.	✓
• The Bank's security system is 100 percent functional;	The security system was 100% functional in 2015.	✓
• Initiatives have been taken to reduce the Bank's carbon footprint;	Initial consultancy to identify areas where the Bank can contribute to the reduction in greenhouse emissions has been concluded.	X
• 99,90 percent availability of IT systems and level of security that should be achieved is defined at Level 3.5 Maturity; and	99.09 IT systems availability was achieved.	X
• Procurement practices that result in cost savings and reduction in procurement cycle time are in place.	Marginal cost savings were achieved.	✓

RISK MANAGEMENT AND ASSURANCE

The Risk Management function facilitates enterprise risk-management practices across the Bank, and aims to assist the Bank in managing its risks in a proactive, coordinated, prioritised and cost-effective manner. The top strategic and operational risks and their identified response strategies continued to be monitored during the review period. The Bank's Risk Management policy and procedures were revised to include best practice principles as defined in the Corporate Governance Code for Namibia. In addition, the Risk and Compliance Forum were added to the Bank's formal risk management structure. These developments are envisaged to provide improved ownership and depth to the Bank's risk management processes and risk culture. The reporting of operational risk incidents improved significantly in that 14 incidents were reported in the 2015 review period compared with 7 in 2014. Notably, no actual financial losses were incurred as most incidents represented near-misses. Remedial actions to address the root causes, where possible, were defined and are being addressed through awareness or through management intervention.

The Internal Audit function provides independent and objective assurance on the adequacy and effectiveness of the Bank's control and governance processes. The approved internal audit plan for 2015 provided comprehensive assurance over the control and governance processes that manage key risks. This was undertaken as planned, and any material issues arising were reported to the appropriate level of management and the Audit Committee. Resource retention continued to remain the key challenge to the Internal Audit Division due to the demand for internal audit professionals in the market; hence, a co-sourcing approach was adopted to provide the required assurance to the Bank.

The tracking and accountability for corrective actions on issues raised during audits was prioritised, with quarterly reporting of the

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Bank-wide cure (resolution) rate to the Audit Committee. The cure rate as at 31 December 2015, namely 82 percent, remains under the desired target of 100 percent, which represents implemented actions as a percentage of agreed actions over the same period. Discussion with management continued in order to prioritise the timely resolution of actions, while the Internal Audit team implemented on-going follow-ups.

Business continuity management at the Bank continued to improve. The Bank conducted two business continuity simulation exercises during the review period to prepare for responses to significant interruptions to its most urgent (critical) business processes. These two exercises, being the first simulations ever conducted in the Bank's history, have provided extremely valuable learning experiences. These included the importance of advanced planning, active user-department participation, increasing the frequency of business continuity exercises, and ensuring that reliance on key resources does not affect the exercise outcomes. In addition, two NISS Disaster Recovery tests were also successfully conducted. In exercising emergency evacuation, meeting the target evacuation time and understanding the functions of the various role players (floor marshals, fire marshals and first aiders) however, proved to be challenging. To address the identified weaknesses, a number of remedial actions were defined and are being monitored.

STAFFING AND HUMAN RESOURCE DEVELOPMENTS

STAFFING

The Bank achieved significant milestones in 2015 by ensuring that it had adequate staff complement, with the right people in the right positions, willing and able to contribute towards executing the Bank's mandate. The staff complement as at 31 December 2015 was 302 employees. This is 30 less than the approved establishment of 332 positions. The discrepancy was due to vacancies resulting from retirements, promotions and resignations during the year under review (Table A.13). In addition, the Bank took a strategic decision not to automatically fill vacant positions, but only to do so where there was a critical need; hence, a number of the positions remained vacant in 2015.

Table A.13: Number of staff as at 31 December 2015

Staff category	2011	2012	2013	2014	2015
General staff	274	278	271	257	268
Management (excl. Executive Management)	30	34	33	32	32
Executive Management	3	3	3	2	2
Total employed	307	315	307	291	302

EMPLOYMENT EQUITY

The Bank continued to comply with and fulfil the requirements of the Affirmative Action (Employment) Act, 1998 (No. 29 of 1998). In this regard, the Bank ensured that all its policies and practices were aligned to affirmative action requirements and guidelines. The Bank consistently followed through on its three-year Employment Equity Plan, which runs from 2013 to 2015. During the reporting year, the Bank met and in some instances exceeded its employment equity targets. The Affirmative Action and Employment Equity Commission therefore duly awarded the Bank with a certificate of compliance.

The current total workforce profile for the Bank's 303 permanent employees was as follows at the end of December 2015 (Table A.14):

- A total of 98 percent of the Bank's employees are representative of the designated groups. The total female representation was 50.0 percent, whilst female representation at management level stood at 42.0 percent.
- A total of 12 new employees were recruited, of whom 50.0 percent were female. Two of the six new female employees were appointed at management level.

Table A.14: Employment equity data (2010–2015)

Workforce	2011	2012	2013	2014	2015
Male	156	161	153	140	137
Female	151	154	154	151	153
Racially disadvantaged	293	301	297	282	290
Racially advantaged	9	9	5	4	6
Persons with disabilities	3	4	4	5	6
Non-Namibians	2	1	1	0	0
Total	307	315	307	291	302

* These figures exclude temporary staff in Table A.14

CAPACITY DEVELOPMENT

The Bank continued to invest in building capacity among its employees in order to enable them to accomplish the Bank's mandate as articulated in its Strategic Plan. In 2015, a total of 77 employees were trained in various aspects of central banking. In addition, a number of employees were provided with technical and soft skills training interventions in leadership, effective management and accountabilities. The need for soft skills training was identified from staff performance appraisals as well as by the development needs identified and proposed by Supervisors and Managers.

Deputy Governor, Mr Ebson Uanguta with the 6 bursary recipients.

The Bank continued to invest in education by granting bursaries to Namibian learners as well as bursaries or loans to deserving staff members who consistently met their performance goals so that they could pursue undergraduate degrees in areas relevant to the operations of the Bank. For the period under review, 7 staff members received bursaries for undergraduate studies, while 65 were awarded study loans. The Bank also sponsored three staff members who were registered for Master's degrees at recognised universities internationally. One candidate completed her Master's in Investment Analysis during the review period. The reporting year also saw the Bank award 11 new bursaries to Namibian school-leavers to study at recognised institutions within the SADC Region in the fields of Accounting/Finance, Computer Science/IT, Economics, Education, Accounting and Science. A total of 45 percent of bursary recipients were female. In total, the Bank provided 30 undergraduate bursaries in 2015 (Table A.15).

Table A.15: Number of Namibian students sponsored by the Bank's Bursary Scheme

Field of study	Number of students
Accounting/Finance	15
Computer Science/IT	4
Economics	8
Education (Accounting and Science)	3
Total	**30**

The Graduate Accelerated Programme, which was introduced in 2011, continued to progress well in 2015. The purpose of the Programme is to provide graduates in the areas of Banking, Economics and Finance with the opportunity to gain relevant work experience in various aspects of central banking over a period of 18 months. The Programme is designed to stimulate interest and innovation in finance and banking as well as related areas, and to facilitate paradigm shifts with all participants toward excellence. The Programme for 2015 proved to be very successful, with 80 percent of the candidates finding permanent employment with the Bank, while the remaining 20 percent returned to university to further their qualifications. The next intake will be in February 2016.

In 2015, the Bank also provided various in-house training courses in supervision, advanced policy development, simple language writing skills and the role of central banks. The training is meant to equip managers and staff with the necessary competencies aimed at contributing to superior performance. It also aims to create awareness on the role of the Central Bank. The technical training covered all mission critical areas relevant to the operations of the Bank. Technical courses are meant to enhance accountabilities awareness, improve the staff's technical competencies and thereby bridge performance gaps.

ORGANISATION DEVELOPMENT AND WORKPLACE CULTURE

The Bank continued to motivate its staff through vision-building interventions with a view to develop and strengthen the Bank's vision of being a centre of excellence. Through this intervention, the Bank fosters a culture of diversity by focusing on interpersonal and inter-group communication, as well as relationship-building activities to inculcate the Bank's culture drive for excellence in the workplace. The vision-building sessions are aimed at instilling the values of the Bank and ensuring that all staff members are conversant with the Bank's vision and mission. This initiative was further strengthened by various teambuilding intervention sessions and breakaway session with the Governor's office for the various groups of the Bank. This was amplified further with leadership development and coaching support for the leadership cadre of the Bank.

In the course of the year, the performance of staff were managed and tracked to ensure continued engagement of employees. The Bank's values as deployed in the work-life of staff were assessed with a view to ensure that the desired culture of the Bank remains intact and that staff continue to live the brand of the Bank. The Bank continues to provide a balanced value propositioning to its staff as well as promotion of succession and career opportunities for its staff.

An appropriately designed Wellness Programme is an important component in any organisation and the Bank is no exception. During 2015, the Bank's wellness program continued to impact the work-life balance of staff through awareness and knowledge sessions on issues such as effective stress management, emotional wellness, HIV/Aids awareness, financial coaching and various individual consultations and counselling.

The Bank's staff also benefitted from the relevant wellness input and contribution to issues such as general health and safety in the Bank, general check-ups and examinations of note-sorters, cafeteria staff (on how to provide a healthier menu) and medical checks of new employees who join the Bank. Staff members were also regularly updated on issues such as the Ebola epidemic that broke out in 2014 in Africa. The Wellness activities will continue to apply a preventative focus and approach to deal with potential health risks, trauma and personal and work presenting problems.

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The Bank engages in benchmarking activities with various institutions in Namibia and outside the country with a view to stimulate innovation and enhance business efficiencies and organizational effectiveness. In this regard the Bank deployed the practice in November 2013 to measure, map and enhance its business processes and internal organizational practices against external standards in order to attain higher levels of excellence and value-add. The programme is envisaged to continue until 2016.

The mapping of business process were also rolled out to individual level and about 77% of the role players (individual staff) in the business process have been interviewed to understand the right utility and value-add at individual level. In addition, the Bank has commenced with competencies mapping of staff with a view of identifying key competencies for all positions in the Bank, and thereafter use the results for improved job-evaluations, recruitment, training and development, performance management and succession management.

FINANCIAL MANAGEMENT

An examination of the Bank's liabilities gives a good indication of the sources of funds with which it sustains its operations. These funds are reflected in Table A.16.

Table A. 16: Composition of monthly average liabilities of the Bank of Namibia

Financial year	2011	2012	2013	2014	2015
N$ million					
Capital and reserves	1,389	1,798	3,165	4,018	5,123
Currency in circulation	2,010	2,332	2,864	3,385	3,929
Government deposits	4,669	7,328	6,975	3,556	3,510
Bank deposits	1,698	1,790	1,950	2,513	2,259
Other	2,346	1,804	2,134	3,155	5,440
Total	**12,112**	**15,052**	**17,088**	**16,627**	**20,261**
Percentage composition					
Capital and reserves	11.5	11.9	18.5	24.2	25.3
Currency in circulation	16.6	15.5	16.8	20.4	19.4
Government deposits	38.5	48.7	40.8	21.4	17.3
Bank deposits	14.0	11.9	11.4	15.1	11.2
Other	19.4	12.0	12.5	19.0	26.9
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

The sources of the Bank's funds increased from 2014 to 2015. One of the main contributing factors to this increase can be attributed to the increase in Other Deposits. Other Deposits increased from N$3.2 billion in 2014 to N$5.4 billion in 2015. As a percentage of liabilities, average Other Deposits increased from 19.0 percent in 2014 to 26.9 percent during 2015. A significant portion of this increase in Other Deposits can be ascribed mainly to the inflows which resulted from the GIPF Asset Swap arrangement of N$3 billion during the current year.

Table A.17 presents a few major categories of the Bank's assets. As a central bank, it is typical that the bulk of its assets consist of foreign investments. Since 2011, the shares of foreign investments as a percentage of total assets remained relatively constant until 2014. However, the value of average foreign investments

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significantly increased from N$15.9 billion in 2014 to N$18.6 billion in 2015, which represents 16.98 percent increase over last year. The reason for this increase was primarily due to issuance of the Eurobond, the GIPF Asset Swap arrangement and the Kwanza Trade Facilitation Agreement between Namibia and Angola. The agreement was implemented in 2015.

Table A. 17: Composition of Bank assets per monthly average

Financial year	2011	2012	2013	2014	2015
N$ million					
Foreign investments	11,526	14,334	16,253	15,859	18,594
Loans and advances	61	42	48	82	131
Fixed assets	207	247	311	306	297
Other assets	318	429	476	380	1,239
Total	**12,112**	**15,052**	**17,088**	**16,627**	**20,261**
Percentage composition					
Foreign investments	95.2	95.2	95.1	95.4	91.7
Loans and advances	0.5	0.3	0.3	0.5	0.7
Fixed assets	1.7	1.6	1.8	1.8	1.5
Other assets	2.6	2.9	2.8	2.3	6.1
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

As outlined in Table A.18, the Bank's total income decreased in 2015 when compared to 2014 financial year. Interest earnings showed a decrease due to lower average Rand holdings observed in the current year under review. In addition market valuation losses on the Bank's investment portfolios also contributed to the decline in total income in the 2015 financial year.

Table A. 18: Sources of Bank income

Income component	2013		2014		2015	
	N$ million	Percent	N$ million	Percent	N$ million	Percent
Interest received	345.5	96.3	366.2	60.8	324.6	64.3
less: Interest paid	(91.4)	(25.5)	(124.6)	(20.7)	(88.9)	(17.6)
Net interest earned	254.1	70.9	241.6	40.1	235.7	46.7
Net realised gain/(loss)	(148.5)	(41.4)	102.2	17.0	(33.9)	(6.7)
Rand seigniorage	214.6	59.8	217.6	36.1	260.3	51.6
Other income	38.4	10.7	41.2	6.8	42.4	8.4
Total income	**358.6**	**100.0**	**602.6**	**100.0**	**504.5**	**100.0**
Annual % change	**-**	**11.4**	**-**	**68.0**	**-**	**-16.3**

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Since the Bank maintains strict control over all expenditure and works within the budget constraints approved by the Board, it was possible to contain the annual rise in operating expenses (see Table A.19). As expected, staff costs remain the Bank's largest expenditure item followed by other operating expenses. Staff costs increased from N$168.5 million in 2014 to N$192.8 million in 2015. Bonus payments that were paid to staff members in the current year and annual increment awarded to all staff are the main reasons for this increase. Other Operating costs maintained a relatively steady ratio in relation to total operating expenses for all the years as depicted in table A.19.

Table A. 19: Composition of the Bank's operating costs

Cost component	2013		2014		2015	
	N$ million	Percent	N$ million	Percent	N$ million	Percent
Staff costs	163.9	54.4	168.5	54.2	192.8	56.2
Currency expenses	42.7	14.2	44.4	14.3	74.3	21.7
Depreciation charges	15.7	5.2	18.4	5.9	(2.4)	(0.7)
Other operating expenses	79	26.2	79.5	25.6	78.0	22.8
Total operating expenses	**301.3**	**100.0**	**310.8**	**100.0**	**342.7**	**100.0**
Annual % change	**-**	**12.3**	**-**	**3.2**	**-**	**10.3**

FACILITIES MANAGEMENT

Facilities management, which is an interdisciplinary field devoted to the coordination of all business-support services, is of strategic importance to the Bank. The Bank's Facility Maintenance function can be defined as the integration and alignment of non-core services required to operate and maintain the Bank to fully support its core objectives. The Facility Maintenance function includes infrastructure development, general repairs and maintenance, fire safety, utility services and business continuity.

In 2015 the Bank focused on four projects to maintain and enhance its facilities. These involved employing facilities maintenance software (Pragma on Key), repairing the turning yard wall, launching a Green initiative, and upgrading the air-conditioning system.

- Pragma on Key Project: This project involved implementing a software system aimed at improving facilities management data and information, thus enabling the Bank to be proactive and predicative in managing its facilities. The system allows for the optimal allocation of resources, be they human, material or time-related, thereby ensuring an efficient and effective Facilities Maintenance function. The project involved compiling a detailed asset register of all three Bank sites, namely the Head Office, the Disaster Recovery site, and the Oshakati Branch.

- Turning Yard Wall Repair Project: This project became necessary because of the differential settlement that had occurred in the foundation of the turning yard's boundary wall. The joints of the wall had opened up as a result, posing a security and safety risk to the Bank. New technology in the form of geopolymer injections into the wall's foundation was used to stabilise the structure. The project was completed in October 2015.

- The Green Initiative Project: This is a long-term project aimed at identifying potential opportunities to save energy in the building. The first phase entailed the energy efficiency consultant conducting an energy audit of the building and submitting findings to the Bank for consideration. The relevant findings were received by the Bank on 8 December 2015, and recommendations will be considered in 2016.

- The Air-conditioning Upgrade Project: This project, which commenced in February 2014, involved upgrading the air-conditioning system at the Head Office. The system was aging, meaning that it was becoming inefficient and ineffective. Although the original project scope was completed in October 2015, it was further agreed that all the old parts of the system would be phased out systematically over time. The upgrade so far has already significantly improved the air-conditioning in the building.

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Diffuser replacement

Air-conditioning unit being upgraded

INFORMATION TECHNOLOGY

IT GOVERNANCE INITIATIVES

In an effort to improve IT governance maturity in the Bank, an IT Governance Roadmap was adopted by the IT Strategy and Steering Committee. The Roadmap outlined shortcomings in the operations of the Bank with remedial strategies to overcome them. The IT Governance Charter to provide the Board with a guide on how to strategically manage the value of information technology for the Bank was drafted.

A new Business Case Template was designed and adopted during the year under review to standardise the feasibility study process for envisaged technology acquisitions. A short analysis of potentially underutilized IT systems was conducted to assess the business value of all IT investments deployed around the Bank. The short analysis identified several areas for improvement and looked into the contributing factors for future improvement. It was recommended that the study review be done on regular basis to adequately monitor IT investments. An attempt was made to introduce a Quality Management framework; however the initiative could not be adequately completed during 2015.

IT INFRASTRUCTURE DEVELOPMENTS

Amongst the Bank's strategic objectives for Information Technology, is the requirement to meet an IT Availability of systems across its critical systems. The Bank's Early Warning System records the availability of systems in a 24/7 manner and an average of 99.07 percent was achieved (September 2015), slightly below the 99.9 percent target. Internal service level agreements with stakeholders were put into effect to ensure that in such eventualities, service can be restored in a minimal and predictable time.

IT RISKS AND BUSINESS CONTINUITY

Information and Cyber Security were identified among the Bank's top risks. An IT penetration test was scheduled to highlight key security weaknesses. A report and action plan is due in 2016 for remedial action; after which another test will be conducted in subsequent years. In addition, the Bank also continued training and improving the Data Loss Prevention (DLP) solution acquired and implemented in 2014 to improve information security and data leakage.

In line with the strategic objective of ensuring that the Bank can continue in case of a Disaster, Business Continuity remained a top priority in the year under review. Two simulations were undertaken, switching capabilities were performed, challenges were identified and recommendations on the way forward were drawn. The Bank's Disaster Recovery (DR) infrastructure was improved in 2015 to accommodate increasing needs of stakeholders. The Bank also expects to run live operations from the disaster recovery site, to provide maximum availability of critical IT services in the long term future.

IMPROVEMENT IN IT BUSINESS SYSTEMS

The Bank's technology contribution to its stakeholders, both internal and external has been considerable during 2015. A plant maintenance system was acquired to improve the management of the Bank's key facilities (buildings) and vehicles. The Bank also re-developed its Research System to help facilitate industry surveys from the market. A Feasibility Study on Electronic Funds Transfer (EFT) was conducted to look into replacing the solution that served the Bank since 2002 for the industry. The system used by the Exchange Control function was significantly improved to extend directly to authorized dealers, in addition to the internal administration for international currency movements. An initiative to reduce paper based forms was also introduced to automate many processes such as training requests, general service and travel requests among others. Finally, the Namibia Dollar and Angola Kwanza conversion agreement was successfully enabled through the SAP system which is the Bank's core Financial and Accounting system.

In conclusion, the successful delivery of all the solutions outlined during the year under review have outlined the business and technical ability, the required agility and focus on cost-effectiveness to meet critical business needs. The management of technology risks and seizing technology opportunities underscored the alignment of IT to Central Banking business. The Bank has realized significant cost savings and efficiencies, while gaining continued value from the investments made in 2015.

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STRATEGIC OBJECTIVE 8: ENHANCE CONTRIBUTION TOWARDS SUSTAINABLE ECONOMIC GROWTH

INITIATIVES AND STRATEGIES

- Deliver and assist with implementation of relevant and quality policy;
- Deliver innovative and quality research output; and
- Promote regional integration.

Strategic outcomes	Real outcomes	✓ Achieved / (X) Not Achieved
• The Bank of Namibia operates as a leading Research centre whose advice is accepted and implemented;	Fiscal position paper on preserving fiscal space and improving efficiency was undertaken and accepted by Government in 2015.	✓
• The Bank's SADC Regional Integration Agenda is implemented.	The macroeconomic convergence criteria for assessing the various stages of integration were approved in 2015. Issues such as SIRESS, clearing house for low EFT and settlement currencies under SIRESS were dealt with in 2015.	✓

As part of its statutory mandate, the Bank is required to provide policy advice to Government. In this regard, the Bank conducts economic and financial research as well as other research of strategic importance. The main aim of the research undertaken by the Bank is to inform specific policy direction and actions.

POLICY RESEARCH AND ADVICE

In accordance with the Bank of Namibia Act, the Bank renders fiscal advice to the Government. In particular, the Bank furnishes reports to the Minister of Finance on economic, financial or any other matter that the Minister may refer to the Bank for investigation or advice. Furthermore, the Bank may provide reports to the Minister of Finance on matters that could prevent the Bank from achieving its objectives or hinder the performance of its functions.

In 2015, the Bank continued to fulfil its role as fiscal advisor to the Government by providing policy advice on fiscal and other economic issues. In this regard, the Bank carried out a number of research projects and activities, as summarised below:

- A study titled "Urban land delivery mechanisms in Namibia" was undertaken. The resulting research paper reviewed current practice in the delivery of urban land in Namibia. The research identified that land delivery in the country was a very lengthy process, taking many years. It further indicated that outdated land ordinances, poor land and urban planning, lack of human resources in local authorities (town planners) and a lack of funds were some of the impediments to land delivery. The paper therefore recommended a review of the entire town planning legislation, the passing of the long-awaited Urban and Regional Planning Bill, and finding alternative funding models for servicing land.

- A study titled "Exchange rate pass-through to inflation in Namibia" was conducted during 2015. The research focused on the existence and degree of causality between the exchange rate, international food prices and consumer inflation. The results indicated that the nominal effective exchange rate, oil prices and imported inflation Granger cause consumer inflation in Namibia. The pass-through results indicated that the oil price pass-through was stronger than the exchange rate pass-through in Namibia.

- The pass-through results indicated that the oil price pass-through was stronger than the exchange rate pass-through in Namibia. The results also showed that, the impact of monetary policy worked through reducing domestic absorption, then imported inflation and finally consumer inflation.
- During 2015, the Bank continued to take part in efforts to establish a Revenue Agency for Namibia. The policy framework for the Agency's establishment was approved by Cabinet during 2015. Going forward, the Bank will continue to provide the necessary support and advice, particularly in drafting the legislation to establish the Agency.

INTERNATIONAL FINANCIAL COOPERATION

The Bank regularly engages and collaborates with international and regional stakeholders as part of its day-to-day activities. The key international stakeholders with whom the Bank collaborates are the International Monetary Fund (IMF), the World Bank Group (WBG) and other central banks. Within continental Africa, the Bank is a member of the Association of African Central Banks (AACB). At the regional level, the Bank continues to participate in SADC activities through the latter's Committee of Central Bank Governors (CCBG). These activities are geared toward economic and financial integration in SADC. Similarly, the Bank participates in CMA and SACU activities. These cooperation arrangements are elaborated below.

COOPERATION WITH THE WORLD BANK GROUP AND THE INTERNATIONAL MONETARY FUND

The Bank once again participated in the annual meetings of the IMF and WBG. The 2015 meetings were held in October in Lima, Peru. These meetings bring together central bankers, ministers of finance and development, private sector executives and academics to discuss issues of global concern including the world economic outlook, poverty eradication, economic development and aid effectiveness. The topics and issues that were of primary relevance to Namibia in 2015 included monetary policy and financial stability, inequality, opportunity and prosperity, fiscal monitoring, climate change, how to avoid fiscal breakdown, financial inclusion, and sustaining growth amid rising global risks. The meetings also provided an opportunity for the Bank of Namibia to meet with other central banks, particularly the Bundesbank, Riksbank and Bank of Portugal, with whom issues of mutual interest such as macroeconomic modelling and financial stability, payment systems oversight, household indebtedness, business and expectation surveys and cooperation on bank supervision were discussed.

COOPERATION BETWEEN THE IMF AND THE BANK OF NAMIBIA

The IMF team visited the Bank in mid-2015 to discuss issues pertaining to financial stability, real sector development, economic outlook, monetary policy, financial sector, anti-money laundering and combating of terrorist financing regime, and balance-of-payment developments. In this annual exercise, the IMF consults member states under "Article IV Consultation". This allows the Fund to assess the economic health of each country and to forestall future financial problems. In its country report for 2015, the IMF highlighted that Namibia had achieved robust growth with price stability, although high unemployment and inequality persisted. The report also noted that Namibia's expansionary fiscal policy had contributed to job creation.

During 2015, the Bank benefited from technical support and capacity-building offered by the IMF on macroprudential policy framework and stress-testing. Working closely with the Bank and with NAMFISA, the technical assistance mission explored and identified risks to the overall financial system, and reviewed and suggested ways to strengthen macroprudential tools, the relevant agencies' access to data, and their analytical capacity. In addition, the institutional frameworks, macroprudential measures and possible policy options for dealing with the identified risks were examined. The main recommendations included improving capacity to monitor and assess systemic risk by collecting more data on the real estate market and implementing measures to address vulnerabilities from linkages between banks and non-bank financial intermediaries. Specific recommendations on how to strengthen the institutional framework for macroprudential policy were also provided. Moreover, training in stress-testing was offered to Bank staff. The Bank has since undertaken various activities to implement these recommendations.

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The IMF also offered technical assistance to the Bank in the areas of monetary and financial statistics, and the balance of payments. The IMF statistics team provided the Bank with technical assistance in respect of collecting data on other financial corporations such as pension funds and insurance companies, as per the given benchmarks for these bodies. The IMF's balance-of-payments team provided guidance in monitoring capital flows and migration to the Sixth Edition of the Balance of Payments and International Investment Position Manual (BPM6). The Bank has done much work on this project and anticipates to finalise it in 2016.

COOPERATION BETWEEN THE WBG AND THE BANK OF NAMIBIA

The Bank also benefited from capacity-building cooperation with the WBG in 2015. In the reporting year, the WBG continued to provide technical assistance and advice to the Bank and other stakeholders in respect of establishing a Central Securities Depository (CSD).

COOPERATION WITH THE ALLIANCE FOR FINANCIAL INCLUSION

As a primary member of the Alliance for Financial Inclusion (AFI), the Bank attended and contributed to discussions at the 2015 AFI Global Policy Forum (GPF) hosted by the Banco de Mozambique in Maputo, Mozambique, in August/September 2015. The AFI is a world leader on financial inclusion policy and regulation, as well as being a member-owned network that promotes and develops evidence-based policy solutions that help to improve the lives of the poor. The 2015 AFI GPF was held under the theme "Inspiring innovation to advance inclusion". It commenced with the AFI Annual General Meeting which considered and discussed the AFI's Management Unit Budget and Finance Report, the AFI's independence, its governance, its membership fees, its approach to new membership, and the Maputo Accord. The Bank also participates in AFI Working Groups, which continue to be the core of AFI network operation and currently include 124 member institutions from 95 countries. During the 2015 AFI GPF, the Bank participated in three such Working Groups, namely SME Finance, Digital Financial Services, and Financial Inclusion Data, where best practices and innovative policy solutions were shared with a view to help improve the lives of the poor in member countries.

BILATERAL COOPERATION WITH OTHER CENTRAL BANKS

The Bank received technical assistance from the Sveriges Riksbank – the Kingdom of Sweden's central bank – during 2015 on how to develop a Business Tendency Survey. The Bank received training on how to conduct a Business Tendency Survey and what processes it entailed. The main objectives of the survey are to inform monetary policy with regard to business expectations and to produce an index that can serve as a leading indicator for the quarterly gross domestic product (GDP). The quarterly survey will be used as an early indicator of economic developments.

During the reporting year, the Bank of Namibia also collaborated with the Bank of Portugal. Their negotiations involved the signing of a memorandum of understanding between them on issues pertaining to banking supervision. This was necessitated by the fact that Banco Privado Atlantico Europa which is headquartered in Portugal has established a branch in Namibia.

COOPERATION WITH THE ASSOCIATION OF AFRICAN CENTRAL BANKS

In January 2015, the Governor of the Bank of Namibia was appointed as Chairman of the AACB Southern Africa Sub-region for a two-year tenure. As part of his role, the Governor, together with the Bank of Namibia, will take responsibility for coordinating progress on the African Monetary Cooperation Programme of the Southern Africa Sub-regional Commitee. The aim of the African Monetary Cooperation Programme is to harmonise the AACB's monetary, financial and payments policies and to enhance monetary cooperation among

African countries. The Bank of Namibia also represents the Southern Africa Sub-regional Commitee at AACB Bureau Meetings, which precede AACB Annual General Meetings. In addition, in August 2015, the Bank was represented at the 38th Assembly of Governors Meeting in Equatorial Guinea.

COOPERATION WITH THE MACRO ECONOMIC AND FINANCIAL MANAGEMENT INSTITUTE OF EASTERN AND SOUTHERN AFRICA (MEFMI)

The Bank continued its cooperation with MEFMI through participation in the training and fellowship programmes. In 2015 one staff member of the Bank participated as a Resource Person in the institutions' training programme, while one member was accepted in the fellowship programme.

COOPERATION WITH THE COMMITTEE OF CENTRAL BANK GOVERNORS IN SADC

The Bank of Namibia continues to participate in CCBG activities. Bank staff participated in two CCBG meetings in 2015, namely in May and October, in which Governors discussed economic and financial developments and SADC's progress towards economic integration. A special milestone was reached in April with the review and approval of macroeconomic convergence criteria to assess the process of implementation of the different stages of economic integration. The CCBG also dealt with important issues such as the SADC Integrated Regional Settlement System (SIRESS), clearing house for low value EFT and settlement currencies for SIRESS.

COOPERATION WITH COMMON MONETARY AREA STRUCTURES

The Bank continued participating in CMA meetings during 2015. In this respect, the Bank participated in three CMA Governors' Meetings, one of which was held in Namibia. During these meetings Governors exchanged views on economic developments in their respective countries. In review period, the multilateral CMA agreement was also reviewed.

From left seated: Mr Majozi Sithole, Governor of the Bank of Swaziland; Dr Rets'elisitsoe Matlanyane, Governor of the Central Bank of Lesotho; Mr Iipumbu Shiimi, Governor of the Bank of Namibia; Mr Lesetja Kganyago, Governor of the South African Reserve Bank and officials from the Common Monetary Area (CMA) Central Banks at the meeting held on 12 November 2015 at the Bank of Namibia.

A

COOPERATION WITH THE SOUTHERN AFRICAN CUSTOMS UNION

The Bank also continued to participate in SACU activities during 2015. For 2015, the Bank was represented at three Commission meetings, namely July, September and December.

A

FIVE YEAR HISTORICAL FINANCIAL OVERVIEW

Table A.20: Statement of financial position, comparisons, 2011-2015 - N$'000

	31-Dec-11	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15
ASSETS					
Non-current assets	**317,099**	**436,020**	**491,316**	**460,401**	**491,689**
Property, plant and equipment	203,898	299,628	304,926	300,937	308,534
Intangible assets - computer software	13,512	8,448	5,166	2,686	7,551
Currency inventory - notes and coins	61,985	82,382	118,711	108,831	123,450
Loans and advances	37,704	45,562	62,513	47,947	52,154
Current assets	**14,727,531**	**15,109,847**	**16,086,865**	**16,437,114**	**32,303,401**
Investments	14,303,307	14,612,828	15,612,445	13,418,719	23,557,196
Loans and advances	938	2,529	750	358,415	784,338
Rand Cash	101,907	161,233	144,499	80,645	37,779
Other inventory - stationary and spares	2,424	2,189	2,195	2,211	1,926
Other assets	318,955	331,068	326,976	2,577,124	7,922,162
TOTAL ASSETS	**15,044,630**	**15,545,867**	**16,578,181**	**16,897,515**	**32,795,090**
EQUITY AND LIABILITIES					
Capital and reserves	**1,854,698**	**2,142,630**	**3,769,643**	**4,525,798**	**7,874,483**
Share capital	40,000	40,000	40,000	40,000	40,000
General reserve	790,082	812,792	835,588	1,127,638	1,197,333
Foreign Currency revaluation reserve	826,491	1,099,415	2,688,311	3,310,620	6,574,092
Distribution state revenue fund	22,865	9,442	-	-	-
Training fund reserve	-	-	-	10,000	15,000
Building fund reserve	150,000	150,000	150,000	-	-
Development fund reserve	20,000	25,000	25,000	35,000	43,789
Unrealised gain reserve	5,260	5,981	30,744	2,540	4,269
Non-Current Liabilities	**39,433**	**43,846**	**55,107**	**61,494**	**68,535**
Provision for post-employment benefits	39,433	43,846	55,107	61,494	68,535
Current Liabilities	**13,150,499**	**13,359,391**	**12,753,431**	**12,310,223**	**24,852,072**
Notes and coins in circulation	2,398,164	2,773,341	3,401,981	4,146,558	4,510,774
Deposits	10,727,160	10,560,075	9,299,551	8,134,924	20,294,533
Provision for post-employment benefits	840	890	1,199	1,295	1,470
Trade and other payables	24,335	25,085	50,700	27,446	45,295
TOTAL EQUITY AND LIABILITIES	**15,044,630**	**15,545,867**	**16,578,181**	**16,897,515**	**32,795,090**

A

Table A. 21: Statement of Comprehensive Income comparisons, 2011 – 2015 – N$'000

	31-Dec-11	31-Dec-12	31-Dec-13	31-Dec-14	31-Dec-15
Interest income	329,686	255,833	345,506	366,247	324,608
Interest expense	(158,188)	(104,906)	(91,418)	(124,569)	(88,956)
Net interest income	**171,498**	**150,927**	**254,088**	**241,678**	**235,652**
Net gains/(loss) on portfolio investments	(24,172)	(39,301)	(148,501)	102,158	(33,914)
Net foreign exchange gains/(losses)	810,736	272,924	1,588,895	622,309	3,263,472
Rand compensation	183,880	190,174	214,618	217,600	260,288
Other income	33,713	20,196	38,417	41,292	42,391
Total income	**1,175,655**	**594,920**	**1,947,517**	**1,225,037**	**3,767,889**
Operating expenses	**235,815**	**268,200**	**301,292**	**310,827**	**342,736**
Net income for the year	**939,840**	**326,720**	**1,646,225**	**914,210**	**3,425,153**
Transfer from/(to) revaluation reserve	(810,736)	(272,924)	(1,588,895)	(622,309)	(3,263,472)
Unrealised Gain Reserve	(5,260)	(721)	(24,763)	28,204	(1,729)
Net income available for distribution	**123,844**	**53,075**	**32,566**	**320,105**	**159,952**
Appropriations:					
General Reserve	53,826	22,710	22,796	142,050	68,476
Building Reserve	-	-	-	-	
Training Fund reserve	-	-	-	10,000	5,000
Development Fund reserve	10,000	5,000	-	10,000	10,000
Distribution to State Revenue Fund	37,153	15,923	9,770	158,055	76,476
Distribution to State Revenue Fund (retained)	22,865	9,442	-	-	-

Part B

Annual financial statements

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BOARD'S STATEMENT OF RESPONSIBILITIES

The main statutory provisions relating to the role and duties of members of the Board are covered under Section 8(1) of the Bank of Namibia Act, 1997, we confirm that:

1. The Board members are responsible for the preparation of the annual financial statements and for the judgements used therein.

2. The Board has overall responsibility for the system of internal financial control in the Bank, which is designed to safeguard the assets of the Bank, prevent and detect fraud and other irregularities. To discharge this responsibility an appropriate organisational structure has been established. In this regard, the Audit Committee of the Board meets periodically with Internal and External Auditors and members of Management of the Bank to discuss control issues, financial reporting and related matters. The Internal and External Auditors have full access to the Audit Committee. Further, the Bank has a comprehensive Risk Management Strategy in place.

3. The Board is satisfied that the Bank complies with International Financial Reporting Standards and the requirements of the Bank of Namibia Act, 1997.

4. The Board members confirm that they are satisfied that the Bank has adequate resources to continue in business for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

5. The Board's Audit Committee is composed of members who are neither officers nor employees of the Bank and who have the required mix of skills, with at least one member being a financial expert. The committee is therefore qualified to review the Bank's annual financial statements and recommend the approval by the Board Members. The committee has a duty to review the adoption of, and changes in accounting principles including risk management issues and makes recommendations on the same for approval. The Board considers and where necessary approves the Board Audit Committee recommendations.

The annual financial statements on pages 67 to 112 were approved by the Board and are signed on its behalf by:

____
Chairman
23 March 2016

____
Board Member
23 March 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF THE BANK OF NAMIBIA

We have audited the annual financial statements of the Bank of Namibia, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income, statement of changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 67 to 112

Board members' Responsibility for the Financial Statements

The Bank of Namibia's Board members are responsible for the preparation and fair presentation of these annual financial statements in accordance with International Financial Reporting Standards and in the manner required by the Bank of Namibia Act, 1997, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of the Bank of Namibia as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and in the manner required by the Bank of Namibia Act, 1997.

Deloitte + Touche

Deloitte & Touche
Registered Accountants and Auditors
Chartered Accountants (Namibia)
PO Box 47, Windhoek
Per: Erwin Tjipuka (Partner)
Resident Partners:
E Tjipuka (Managing Partner), RH McDonald,
H de Bruin, J Cronje, A Akayombokwa, A Matenda
Director: G Brand
Accociate of Deloitte Africa & Member of Deloitte Tohmatsu Limited

Grand Namibia

Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
PO Box 24304, Windhoek
Per: Richard Theron (Partner)
Resident Partners:
R Theron (Managing Partner), RN Beukes

23 March 2016

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

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	Notes	2015 N$'000	2014 N$'000
Net interest income		**235 652**	**241 679**
Interest income	2	324 608	366 247
Interest expense	2	(88 956)	(124 568)
		302 679	**258 891**
Rand compensation income	2	260 288	217 600
Other income	2	42 391	41 291
Total income		**538 331**	**500 570**
Operating expenses	2	(342 736)	(310 827)
Net Gain/(loss) on investment portfolio		(33 914)	102 158
Profit for the Year		**161 681**	**291 901**
Other Comprehensive Income		3 263 472	622 309
Net foreign exchange translation gains	16	**3 263 472**	**622 309**
Total Comprehensive Profit for the Year		**3 425 153**	**914 210**
Profits attributable to:			
Revaluation reserve	16	3 263 472	622 309
Unrealised gain reserve		1 729	(28 204)
Amount available for distribution	3	159 952	320 105
		3 425 153	**914 210**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	2015 N$'000	2014 N$'000
ASSETS			
Non-current Assets		**491 689**	**460 401**
Property and equipment	4	308 534	300 937
Intangible assets – computer software	5	7 551	2 686
Currency costs – notes and coins	6	123 450	108 831
Loans and advances	7	52 154	47 947
Current Assets		**32 303 401**	**16 437 114**
Investments	8	23 557 196	13 418 719
Loans and advances	9	784 338	358 415
Rand deposits	10	37 779	80 645
Other inventory – stationery and spares	11	1 926	2 211
Special Drawing Rights and Other receivables	12	7 000 334	2 577 124
Kwanza deposits	15	921 828	-
TOTAL ASSETS		**32 795 090**	**16 897 515**
EQUITY AND LIABILITIES			
Capital and Reserves		**7 874 483**	**4 525 798**
Share capital	13	40 000	40 000
General reserve	14	1 197 333	1 127 638
Foreign currency revaluation reserve	16	6 574 092	3 310 620
Training fund reserve	23	15 000	10 000
Development fund reserve	18	43 789	35 000
Unrealised gain reserve		4 269	2 540
Non-Current Liabilities		**68 535**	**61 494**
Provision for post employment benefits	19	68 535	61 494
Current Liabilities		**24 852 072**	**12 310 223**
Notes and coins in circulation	20	4 510 774	4 146 558
Deposits	21	20 294 533	8 134 924
Provision for post employment benefits	19	1 470	1 295
Trade and other payables	22	45 295	27 446
TOTAL EQUITY AND LIABILITIES		**32 795 090**	**16 897 515**

IIPUMBU W. SHIIMI
GOVERNOR
23 March 2016

KURUVILLA MATHEW
CHIEF FINANCIAL OFFICER
23 March 2016

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital N$'000	Accumulated Profit & loss account N$'000	Training Fund Reserve N$'000	General Reserve N$'000	Revaluation Reserve N$'000	Unrealised Gain Reserve Fund N$'000	Distribution State Revenue Fund N$'000	Development Fund Reserve N$'000	Building Fund Reserve N$'000	Total N$'000
Balance at 1 January 2014	**40 000**	**-**	**-**	**835 588**	**2 688 311**	**30 744**	**-**	**25 000**	**150 000**	**3 769 643**
Profit for the year	-	914 210	-		-	-	-	-	-	914 210
Transfer to Revaluation reserve	-	(622 309)		-	622 309	-	-	-	-	-
Release from Unrealised Gain reserve	-	30 744	-	-	-	(30 744)	-	-	-	-
Transfers to Unrealised Gain reserve	-	(2 540)	-	-	-	2 540	-	-	-	-
Appropriation of net profit for the year	-	(320 105)	10 000	142 050	-	-	158 055	10 000	-	-
Transfer to General Reserve	-	-		150 000	-	-	-	-	(150 000)	-
Dividend distribution(current year)	-	-	-	-	-	-	(158 055)	-	-	(158 055)
Balance at 31 December 2014	**40 000**	**-**	**10 000**	**1 127 638**	**3 310 620**	**2 540**	**-**	**35 000**	**-**	**4 525 798**
Profit for the year	-	3 425 153	-	1 219	-	-	-	(1 219)	-	3 425 153
Transfer to Revaluation reserve	-	(3 263 472)	-	-	3 263 472	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	8	-	8
Transfers to Unrealised Gain reserve	-	(1 729)	-	-	-	1 729	-	-	-	-
Appropriation of net profit for the year	-	(159 952)	5 000	68 476	-	-	76 476	10 000	-	-
Dividend distribution(current year)	-	-	-	-	-	-	(76 476)	-	-	(76 476)
Balance at 31 December 2015	**40 000**	**-**	**15 000**	**1 197 333**	**6 574 092**	**4 269**	**-**	**43 789**	**-**	**7 874 483**

B

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

B

	Notes	2015 N$'000	2014 N$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash utilised by operations	A	(102 656)	(698 606)
CASH FLOWS FROM INVESTING ACTIVITIES		**(103 505)**	**(36 201)**
Proceeds on disposals of property & equipment and intangible assets		136	2
Purchase of property & equipment		(5 580)	(14 427)
Purchase of currency inventory		(88 950)	(34 544)
Purchase of other inventory		(408)	(500)
Purchase of intangible asset – computer software		(4 496)	(1 298)
(Increase)/Decrease in loans and advances		(4 207)	14 566
CASH FLOWS FROM FINANCING ACTIVITIES		**206 161**	**734 807**
Distribution to the State revenue fund	B	(158 055)	(9 770)
Notes and coins issued		364 216	744 577
		-	-

NOTE:

A. RECONCILIATION OF PROFIT FOR THE YEAR TO CASH UTILISED BY OPERATIONS

	2015 N$'000	2014 N$'000
Profit/(Loss) for the year	161 681	291 901
Adjusted for:		
Depreciation	(2 040)	18 374
Currency inventory amortisation cost	74 331	44 423
Other inventory issuance cost	694	484
Provision post employment benefits	7 216	6 483
Amortisation of computer software	(369)	3 778
Loss/(Profit) on disposal of property & equipment	(106)	42
Operating cash flows before movements in working capital	**241 407**	**365 485**
(Increase)\Decrease in loans and advances	(425 923)	(357 665)
Decrease in Rand cash	42 866	63 854
Increase Kwanza Cash	(921 828)	-
(Increase)/Decrease in other receivables	(2 543 210)	(2 250 148)
Increase/(Decrease) in deposits	12 241 188	(1 312 912)
Increase/(Decrease) in trade and other payables	17 849	(23 254)
Decrease/(Increase)in investments	(8 755 005)	2 816 034
	(102 656)	**(698 606)**

B. DISTRIBUTION TO STATE REVENUE FUND

	2015 N$'000	2014 N$'000
Opening balance included in deposits	(158 055)	(9 770)
Appropriations of net profit for the year	76 476	158 055
Closing balance included in deposits	(76 476)	(158 055)
Paid for the year	**(158 055)**	**(9 770)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1 ACCOUNTING POLICIES

The Bank's annual financial statements are prepared in accordance with the going concern principle under the historical cost basis, except for financial assets and liabilities where the fair value and amortised cost basis of accounting is adopted. The principal accounting policies, which have been consistently applied in all material respects, are set out below. The preparation of financial statements in conformity with International Financial Reporting Standards (IFRS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 1.2. The annual financial statements have been prepared to comply with the requirements of the Bank of Namibia Act, 1997 and with the requirements of International Financial Reporting Standards (IFRS).

B

1.1 NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

International Financial Reporting Standards and amendments issued but not effective for 31 December 2015 year-end:

Number	Effective date	*Executive summary*
IFRS 9 *Financial Instruments*	1 January 2018 IFRS 9 (2014) Supersedes any previous versions Of IFRS 9 remain available for application if the relevant date of application is before 1st February 2015	*A final version of IFRS 9 has been issued whichreplaces IAS 39 Financial Instruments: Recognition and Measurement The completed standard comprises guidance on Classification and Measurement, Impairment Hedge Accounting and Derecognition:* *IFRS 9 introduces a new approach to the classification of financial assets, which is driven by the business model in which the asset isheld and their cash flow characteristics. A new business model was introduced which does allow certain financial assets to be categorised as "fair value through other comprehensive income" in certain circumstances. The requirements for financial liabilities are mostly carried forward unchanged from IAS 39. However, some changes were made to the fairvalue option for financial liabilities to address the issue of own credit risk.* *The new model introduces a single impairment model being applied to all financial instruments, as well as an "expected credit loss" model for the measurement of financial assets.* *IFRS 9 contains a new model for hedge accounting that aligns the accounting treatment with the risk management activities of an entity, in addition enhanced disclosures will provide better information about risk management and the effect of hedge accounting on the financial statements.* *IFRS carries forward the derecognition requirements of financial assets and liabilities from IAS 39.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

B

1. ACCOUNTING POLICIES (CONTINUED)

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 5, Non-current assets Held for Sale and Discontinued Operations	1 January 2016	*Annual Improvements 2012-2014 Cycle: Amendments clarifying that a change in the manner of disposal group held for sale is considered to be a continuation of the original plan of disposal, and accordingly, the date of date of classification as held for sale does not change*
IFRS 7 Financial Instruments: Disclosures	1 January 2016	*Annual Improvements 2012-2014 Cycle: Amendment clarifying under what circumstances anentity will have continuing involvement in a transferred financial asset as a result of servicing contracts.* *Annual Improvements 2012-2014 Cycle: Amendment clarifying the applicability of previous amendments to IFRS 7 issued in December 2011 with regard to offsetting financial assets and financial liabilities in relation to interim financial statements prepared under IAS 34*
IFRS 10 Consolidated Financial Statements	1 January 2016	*Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS28 introduce clarification to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances which will reduce the costs of applying the Standards.* *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.*
IFRS 12 Disclosure of Interests in Other Entities	1 January 2016	*Investment entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the requirements when accounting for Investment Entities. The Amendments also provide relief in particular circumstances which will reduce the costs of applying the Standards.*
IFRS 14 Regulatory Deferral Accounts	1 January 2016	*IFRS 14 permits first-time adopters to continue to recognise amounts related to its rate regulated activities in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that apply IFRS and do not recognise such amounts, the Standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the Standard.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IFRS 16 Leases	1 January 2019	*New standard that introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. A lessee measures right-of-use assets similarly to other non-financial assets (such as property plant and equipment and lease liabilities similarly to other financial liabilities. As a consequence, a lessee recognises depreciation of the right-of use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows IAS 7 Statement of Cash Flows.* *IFRS 16 contains expanded disclosure requirements for lessees. Lessees will need to apply judgement in deciding upon the information to disclose to meet the objective of providing a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flow of lessee.* *IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.* *IFRS 16 also requires enhanced disclosures to be provided by lessors that will improve information discloses about a lessor's risk exposure, particularly to residual value risk.* *IFRS 16 supersedes the following Standards and Interpretations:* *IAS 17 Leases* *IFRIC 4 Determining whether an arrangement contains a lease;* *SIC-15 Operating Leases-Incentives; and* *SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.*
IAS 1, Presentation of Financial Statements	1 January 2016	*Disclosure Initiative: Amendments designed to encourage entities to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that entities should use professional judgement in determining where and in what order information is presented in the financial disclosures.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

B

1. ACCOUNTING POLICIES (CONTINUED)

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IAS 16 Property, Plant and Equipment	1 January 2016	*Amendment to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets. Amendment to IAS 16 and IAS 41 which defines bearer plants and includes bearer plants in the scope of IAS 16 Property, plant and Equipment, rather than IAS 41, allowing such assets to be accounted for after initial recognition in accordance with IAS 16.*
IAS 19 Employee Benefits	1 January 2016	*Annual Improvements 2012-2014 Cycle: Clarification of the requirements of to determine the discount rate in a regional market sharing the same currency (for example, the Eurozone).*
IAS 27 Consolidated and Separate Financial Statements	1 January 2016	*Amendments to IAS 27 will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.*
IAS 28 Investments in Associates and Joint Ventures	1 January 2016	*Investment Entities: Applying the Consolidation Exception: Narrow-scope amendments to IFRS 10, IFRS 12 and IAS 28 introduce clarifications to the, requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards.* *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28): Narrow scope amendment to address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28 (2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.*
IAS 34 Interim Financial Reporting	1 January 2016	*Annual Improvements 2012-2014 Cycle: Clarification of the meaning of disclosure of information 'elsewhere in the interim financial report'.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

IAS 38 Intangible Assets	1 January 2016	*Amendments to IAS 16 and IAS 38 to clarify the basis for the calculation of depreciation and amortisation, as being the expected pattern of consumption of the future economic benefits of an asset.* *Amendment to both IAS 16 and IAS 38 establishing the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. Clarifying that revenue is generally presumed to be an inappropriate basis for measuring the consumption of economic benefits in such assets.*
IFRS 15 Revenue from Contracts from Customers	1 January 2018	*New standard that requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is achieved through a five step methodology that is required to be applied to all contracts with customers. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.* *The new standard supersedes:* *(a)IAS 11 Construction Contracts; (b) IAS 18 Revenue;* *(c)IFRIC 13 Customer Loyalty Programmes;* *(d)IFRIC 15 Agreement for the Construction of Real Estate;* *(e)IFRIC 18 Transfers of Assets from Customers; and* *(f)SIC-31 Revenue-Barter Transactions Involving Advertising Services.*
IFRS 11 Joint Arrangements	1 January 2016	*Amendments adding new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business which specify the appropriate accounting treatment for such acquisitions.*

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NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.1. NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (CONTINUED)

Amendments to IAS 1, Disclosure Initiative	1 January 2016	*Amends IAS 1 Presentation of Financial Statements to address perceived impediments to preparers exercising their judgement in presenting their financial reports by making the following changes: clarification that information should not be obscured by aggregating or by providing immaterial information, materiality considerations apply to the all parts of the financial statements, and even when a standard requires a specific disclosure, materiality considerations do apply; clarification that the list of line items to be presented in these statements can be disaggregated and aggregated as relevant and additional guidance on subtotals in these statements and clarification that an entity's share of OCI of equity-accounted associates and joint ventures should be presented in aggregate as single line items based on whether or not it will subsequently be reclassified to profit or loss; additional examples of possible ways of ordering the notes to clarify that understandability and comparability should be considered when determining the order of the notes and to demonstrate that the notes need not be presented in the order so far listed in paragraph 114 of IAS 1.*

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.1 ANNUAL IMPROVEMENTS ISSUED 2012 – 2014 CYCLE

Improvements to IFRSs was issued by the IASB as part of the 'annual improvements process' resulting in the following amendments to standards issued, and not yet effective for 31 December 2015 year-ends:

IFRS	Effective Date	Subject of amendment
IFRS 5 Non-current Asset held for sale and discontinued operations	1 January 2016	***IFRS 5*** *— Adds specific guidance in IFRS 5 for cases in which an entity reclassifies an asset from held for sale to held for distribution or vice versa and cases in which held-for-distribution accounting is discontinued*
IFRS 7 Financial instruments Disclosure	1 January 2016	***IFRS 7*** *— Additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset, and clarification on offsetting disclosures in condensed interim financial statements*
IAS 19 Employee benefits	1 January 2016	***IAS 19*** *— Clarify that the high quality corporate bonds used in estimating the discount rate for post-employment benefits should be denominated in the same currency as the benefits to be paid*
IAS 34 Interim Financial Reporting	1 January 2016	***IAS 34*** *— Clarify the meaning of 'elsewhere in the interim report' and require a cross-reference*

The Bank has reviewed the above detailed statements and do not expect them to have a significant impact on the Bank's financial statements with the exception of IFRS 9.

1.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities within the financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The major areas where management has used its judgment and accounting estimates are with regards to:

1. Provision for post employment benefits disclosed under note19.

   An Actuarial valuation is performed once every two years to determine the Bank's obligation in this regard. The assumptions and judgments used by the actuary were considered by the Bank and were deemed reasonable in light of the prevailing and anticipated future economic conditions.

2. Evaluation of useful lives and residual values as disclosed under note 4.

   The residual value and useful life evaluation exercise is performed by internal staff members who have technical knowledge of specific classes of assets. Market information with regards to pricing is also obtained to ensure the required level of objectivity is maintained in the whole evaluation process.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

3. Accounting for off-market loans as disclosed under note 7.

   Management judgement was applied to determine the average repayment period on the various classes of loans granted by the Bank. Prevailing interest rates at year end was however applied to determine the impairment charge for the year on new off market loans.

4. Currency Conversion Agreement with Angola

   During the year under review the Bank of Namibia and Banco Nacional De Angola implemented the currency conversion agreement to promote trade between the two countries. In terms of the agreement final settlement of the outstanding trade obligations would be in US Dollars. As at 31st December 2015 the NAD equivalent of the amount due from the Banco Nacional De Angola amounted to N$ 4.3 billion. The amount due is reflected under Other Currency balances on Bank of Namibia's Balance Sheet. Provisional repayment schedules have been tentatively agreed and are expected to be formalised in the near future. The Bank is confident that the Banco Nacional De Angola would honour their commitments and as such we assume recoverability of the debt in its totality.

1.3 REVENUE RECOGNITION

Interest income is recognised on a time proportioned basis, taking account of the principal outstanding and the effective interest rate over the period to maturity. The effective interest rate takes into account all directly attributable external costs, discounts or premiums on the financial assets.

Rand compensation income is received from the South African Government as compensation for the Rand currency in circulation in Namibia. The Bank accounts for this income on an accrual basis.

1.4 FINANCIAL INSTRUMENTS

Financial instruments as reflected on the Bank's Statement of financial position include all financial assets and financial liabilities. Management determines the appropriate classification at initial recognition of the financial instrument. Depending on their classification, financial instruments are carried at fair value, cost or amortised cost as described below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange or other institution and those prices represent actual and regularly occurring market transactions on an arm's length basis.

In inactive markets, the most recent arm's length transactions are the basis of current fair values. Fair value is not the amount that an entity would receive or pay in a forced transaction, involuntary liquidation or distressed sale.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCIAL INSTRUMENTS (CONTINUED)

It is to be noted that the Bank does not invest in financial instruments which are not quoted in an active market, however should our investment philosophy change, valuation techniques such cash flows models and consideration of financial data of the investees will be used to fair value certain financial instruments for which external market pricing information is not available. Valuation techniques may require assumptions not supported by observable market data. Disclosures will be made in the financial statements if changing any such assumptions to a reasonably possible alternative would result in significantly, different profit, income, total assets or total liabilities.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition and includes transaction costs. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial instrument. An incremental cost is one that would not have been incurred if the transaction had not taken place. Transaction costs do not include debt premiums or discounts, financing costs or internal administrative or holding costs.

Amortised costs is the amount at which the financial instrument was recognised at initial recognition less any principal repayments, plus accrued interest, and for financial assets less any write-down for incurred impairment losses. Accrued interest includes amortisation of transaction costs deferred at initial recognition and of any premium or discount to maturity amount using the effective interest rate method. Accrued interest income and accrued interest expense, including both accrued coupon and amortised discount or premium, are not presented separately and are included in the carrying values of related Statement of financial position items.

The effective interest method is a method of allocating interest income or interest expense over the relevant period so as to achieve a constant periodic rate of interest (effective interest rate on the carrying amount). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (excluding future credit losses) through the expected life of the financial instrument or a short period, if appropriate, to the net carrying amount of the financial instrument.

The effective interest rate discounts cash flows of variable interest instruments to the next interest repricing date except for the premium or discount which reflects the credit spread over the floating rate specified in the instrument, or other variables that are not reset to market rates. Such premiums or discounts are amortised over the whole expected life of the instrument. The present value calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCIAL INSTRUMENTS (CONTINUED)

The Bank classifies its financial instruments as follows:

Classification - Financial Assets

Loans and Receivables – amortised cost

- Loans and advances
- Repurchase agreements
- Amounts due from the Government
- Accounts receivable

At fair value through profit or loss

Designated on initial recognition
- External portfolio investments

Held to maturity financial assets at amortised cost
- External money market investments

All the Financial assets of the Bank are neither past due or impaired.

Classification - Financial Liabilities

At fair value through profit or loss

- Government Debts- Euro Bond Issue

At amortised cost

- Other liabilities
- Bank of Namibia Bills
- Notes and coins issued
- Amounts due to the Government
- Commercial bank deposits
- Accounts payable

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCIAL INSTRUMENTS (CONTINUED)

Recognition

The Bank recognises financial instruments including, "regular way" purchases and sales on settlement date and thus applies settlement date accounting to these transactions. Upon initial recognition the Bank designates the financial instrument as at fair value through profit or loss. Loans and advances, other receivables and other financial liabilities are recognised on the day they are transferred to the Bank or on the day the funds are advanced.

Measurement

Financial instruments are initially measured at cost which includes transaction costs and this value approximates the fair value of the instruments. Subsequent to initial measurement financial instruments are measured at fair value or amortised cost depending on their classification. Gains and losses arising from a change in the fair value of financial instruments are recognised in the Statement of Comprehensive income of the period in which it arises.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets designated by the Bank as at fair value through profit or loss upon initial recognition.

Designated – External portfolio investments

Financial assets at fair value through profit or loss are financial assets designated by the Bank as at fair value through profit or loss upon initial recognition. The Bank recognises movements in the fair values of these assets in the profit or loss account for the relevant year. The fair values of marketable securities within the portfolio are obtained from quoted market prices.

Held to maturity - External money market investments

Held to maturity money market investments are non – derivative financial assets with fixed or determinable payments and fixed maturities that the Bank has the positive intention and ability to hold to maturity. Money market investments are stated at amortised cost.

Loans and advances, receivables and non-trading liabilities

These are measured at amortised cost and re-measured for impairment losses, except where cost approximates amortised cost as set out below:

Amounts due to the Government, bankers reserve and current accounts are stated at cost as these accounts do not have fixed maturity dates.

Notes and coins issued are measured at face value as this liability does not have a fixed maturity date.

Accounts payable are stated at cost as this approximates fair value due to the short term nature of such obligations.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCIAL INSTRUMENTS (CONTINUED)

Reclassification

It is a requirement that institutions should disclose when it has reclassified a financial asset as one measured at cost or amortised cost rather than at fair value, or vice versa, at fair value rather than at cost or amortised cost. The Bank has not reclassified any of its financial assets during the year under review.

Impairment of financial assets

The Bank assesses at each Statement of financial position date whether there is objective evidence that a financial asset at amortised cost or group of financial assets is impaired. A financial asset or group of financial asset is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a "loss event") and that the loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. Objective evidence that a financial asset or group of assets is impaired would include breach of contract such as default on interest and capital repayments, bankruptcy of the borrower, downgrading of the ratings of the institutions by rating agencies, etc.

De-recognition

The Bank de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires or where the Bank transfers the contractual rights to receive the cash flows of the financial asset. De-recognition also occurs when the Bank retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to a third party and consequently transfers substantially all the risks and benefits associated with the asset.

Where the Bank retains substantially all the risks and rewards of ownership of the financial asset, it continues to be recognised as a financial asset. A financial liability is derecognised when the liability is extinguished, that is, when the obligation specified in the contract is discharged, cancelled or has expired.

The Bank did not transfer financial assets in such a way that part of the asset did not qualify for de-recognition.

Statement of comprehensive income net gains or losses

	2015 N$'000	2014 N$'000
Financial assets – at fair value through profit or loss		
Designated on initial recognition		
External portfolio investments – net profit(loss)	(33 914)	102 158
	(33 914)	**102 158**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.4 FINANCIAL INSTRUMENTS (CONTINUED)

Impairment

The Bank reviewed its financial assets and determined that there were some investments that were impaired and adjustments were processed to the Statement of comprehensive income to reflect the impairment.

1.5 GENERAL RESERVE

The general reserve is established in terms of Section 16 of the Bank of Namibia Act, 1997 and may only be used for the purpose specified below:

- **increase the paid up capital of the Bank;**
- **offset losses sustained by the Bank during a financial year;**
- **fund a Development Reserve Account; and**
- **redeem any securities issued by the Bank.**

The amount maintained in this account relates to the annual appropriation of distributable profits determined by Section 15 of the Bank of Namibia Act. The Act prescribes that not less than 30% of the net profits of the Bank for a financial year be transferred to the General Reserve Account.

1.6 FOREIGN CURRENCY ACTIVITIES AND REVALUATION RESERVE

The Revaluation reserve has been created in accordance with Section 31 of the Bank of Namibia Act and is used to accommodate any net gains or losses in any financial year of the Bank arising from any change in the book value or realised/unrealised value of the Bank's Assets or Liabilities denominated in currencies or units of account other than the Domestic Currency, such as gold, special drawing rights and foreign currencies. Any change in the value of such currencies or units of account in terms of the currency of Namibia, shall be credited to the Revaluation Reserve Account before any appropriation to any other reserve.

Assets and liabilities in foreign currencies are translated to Namibia Dollars at year-end exchange rates. In terms of Section 31 of the Bank of Namibia Act, 1997, exchange gains and losses of the Bank are for the account of the Government and are consequently transferred to the Revaluation Reserve Account before appropriation of profits.

1.7 BUILDING FUND RESERVE

This reserve was reactivated in the financial year 2006 to set aside funds for the construction of the Bank's Disaster Recovery and Business Continuity Facility. This facility is designed to host the Bank's disaster recovery equipment as well as have adequate space to accommodate the Bank employees in the event of a disaster situation. Annual profits appropriated will be credited to the reserve and on completion of the construction of the building and resolution of the patent defects claims, the reserve so created will be released to the General Reserve.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.8 PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and are depreciated on the straight-line method over their estimated useful lives. The estimated useful lives, residual values and depreciation methods are reviewed every third year, with the effect of any changes in estimate accounted for on a prospective basis. The Bank reassesses the residual value and useful life of all assets every third year and the revised useful life in years, is as detailed below:

Freehold buildings	50 years
Computer hardware	2-6 years
Motor vehicles	4 years
Furniture, fittings and equipment	1-20 years
Note Sorting Machines	9-17 years

The residual value on the building is benchmarked to similar structures in the country and did not call for any adjustment in residual value both in the previous year and the current year. Subsequent costs are included in the assets carrying value only when it is probable that future economic benefits associated with the assets will accrue to the Bank. All other repairs and maintenance costs are charged to the Statement of Comprehensive income during the financial period in which they are incurred.

1.9 INTANGIBLE ASSETS – COMPUTER SOFTWARE

On acquisition the software is capitalised at purchase price and amortised on a straight line basis with zero residual value. The estimated useful lives, residual values and amortisation methods are reviewed at each year end, with the effect of any changes in the estimate accounted for on a prospective basis. The Bank reassesses the residual value and useful life of Computer software on an annual basis and the useful life has been set to range between 1 and 8 years.

1.10 INVENTORY

Currency Costs

The costs of new Namibia bank notes and coins are capitalised and amortised on the earlier of issue of the currency or over five years. Cost comprises of printing and minting costs, carriage, insurance and freight landed at the Bank's premises or designated port of consignment arrival. Currency is issued using the weighted average cost.

Stationery and spares

Stationery and spares inventory are capitalised and stated at the lower of cost and net realisable value. Cost comprises of purchase price as well as applicable freight for imported spare parts. Inventory is issued using the weighted average costs.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

1. ACCOUNTING POLICIES (CONTINUED)

1.11 PENSION FUND

It is the policy of the Bank to contribute to the retirement benefits for employees. The Bank operates a Defined Contribution pension fund, contributions to the Bank of Namibia Provident Fund are charged against income in the year in which they become payable.

1.12 IMPAIRMENT OF NON FINANCIAL ASSETS

The carrying amount of the assets of the Bank are reviewed at each Statement of financial position date to determine whether there is any indication of impairment, in which case their recoverable amounts are estimated.

An impairment loss is recognised in the statement of comprehensive income whenever the carrying amount of an asset exceeds its recoverable amount. A previously expensed impairment loss will be reversed if the recoverable amount increases as a result of a change in the estimates used previously to determine the recoverable amount, but not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognised.

1.13 POST- EMPLOYMENT MEDICAL BENEFITS

The Bank provides for post-employment medical benefits in the form of a medical aid scheme for eligible employees and pensioners. The cost of providing benefits is determined using the projected unit credit method. The liability for the Bank's contribution to the scheme is, in respect of current and future pensioners, provided for by means of an on-Statement of financial position liability. The magnitude of the liability is based on an actuarial valuation. Actuarial gains and losses on the post-retirement medical benefits are accounted for in the year in which they arise.

1.14 CASH FLOW STATEMENT

The definition of cash in the Standard is not wholly appropriate to the Bank. Due to its role in the creation and withdrawal of currency, the Bank has no cash balances on its Statement of financial position.

1.15 PROVISIONS

Provisions are recognised when the Bank has a present legal or constructive obligation as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

1.16 TRANSACTIONS ON BEHALF OF GOVERNMENT

The Bank undertakes several transactions on behalf of the Government, which include among others, payments and receipts, opening and maintenance of accounts for donor funded projects and the maintenance of accounts for line ministries. All such accounts opened are pre-funded with the funds received invested and the corresponding liability recorded in the books of the Bank. The transactions where the Bank only acts as an agent, as well as the assets and liabilities arising from such transactions, are not reflected in the annual financial statements of the Bank.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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1. ACCOUNTING POLICIES (CONTINUED)

1.17 BORROWING COSTS

Borrowing costs are primarily interest and other costs incurred by the Bank in connection with the borrowing of funds. Borrowing costs are recognised on a time proportioned basis, taking account of the principal outstanding and the effective interest rate over the period of the loan and are expensed accordingly.

1.18 ACCOUNTING FOR IMF - SPECIAL DRAWING RIGHTS (SDR)

The Bank of Namibia is both the fiscal and depository agents for the Government of the Republic of Namibia. Given this relationship all transaction entered into with the International Monetary Fund are recorded in the books of Bank of Namibia.

The SDR is an international reserve asset, created by the IMF in 1969 to supplement the existing official reserves of member countries. SDRs are allocated to member countries in proportion to their IMF quotas. The SDR also serves as the unit of account of the IMF and some other international organizations. The SDR is defined in terms of a basket of currencies. Its value is determined as the weighted sum of exchange rates of the four major currencies (Euro, Japanese yen, Pound sterling and US dollar). In as far as Namibia is concerned the total allocation of SDR by the IMF is recorded in the books of the Bank as an asset under “SDR and Other Receivables” classification and as a liability under “Deposits” classification.

1.19 NOTES AND COINS IN CIRCULATION

One of the primary functions of the Bank is the printing and minting of Namibia Dollar currency and issuance thereof into circulation. Costs of printing and minting the currency are capitalised and amortised based on issuance of the currency into circulation. New currency notes and coins are issued to the Commercial Banks at face value which then flows into circulation through the monetary and financial systems operational in the country. Once issued into circulation the notes and coins are reflected in the books of the Bank as a liability and the liability is only extinguished when the currency is no longer in circulation.

1.20 LENT OUT SECURITIES

The Bank derives income from securities lending activity. The counter parties involved in these transactions are highly rated institutions and a cash collateral is deposited by the counter party with the custodians as guarantee for the lent out securities. Our custodians are responsible for the administration and management of this activity. The income generated from the lent out securities activities, are recorded in the books of the Bank accordingly.

1.21 UNREALISED GAIN RESERVE

The Reserve has been created to retain unrealised gains on the Bank’s portfolio investments until they are realised. Unrealised losses are however charged to the Statement of Comprehensive Income as they arise. Unrealised gains when realised become available for distribution.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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2. RESULTS FOR THE YEAR

Profit for the year is arrived at after taking the following items into account:

	2015 N$'000	2014 N$'000
Interest Income		
Namibia Dollar & Rand Currency	**183 875**	**248 214**
Debt securities – fair value through profit or loss	-	-
Money market instruments – fair value through profit or loss	183 125	159 976
Money market instruments – held to maturity	750	88 238
Other Currency	**138 405**	**115 851**
Debt securities – fair value through profit or loss	138 144	102 669
Money market instruments – fair value through profit or loss		11 110
Money market instruments – held to maturity	261	2 072
Unwinding of present value adjustments	2 328	2 183
	324 608	**366 247**
Interest Paid		
Government	3 650	17 133
Commercial Banks	84 978	105 403
Other	328	2 032
	88 956	**124 568**
Other Income		
Rand compensation income	260 288	217 600
Sundry income	42 391	41 291
	302 679	**258 891**
Operating Expenses		
Depreciation*	(2 040)	18 374
Amortisation of computer software	(369)	3 778
Currency inventory amortisation costs	74 331	44 423
Other inventory expensed	685	483
Salaries and related personnel costs	192 810	168 552
Staff training and development	3 866	8 115
Social responsibility	1 132	2 234
Board members' fees - for services as board members	472	321
Auditors' remuneration - audit fees	924	995
Membership fees	1 741	1 308
Building and other maintenance costs	13 151	13 123
Loss on disposal of property, equipment and intangible assets	23	64
Amortisation of prepaid long-term employee benefit	2 328	2 183
Other expenditure	53 682	46 874
Total operational expenditure	**342 736**	**310 827**
Number of employees	**302**	**310**

* Negative depreciation is due to the residuel value assesment performed on assets.

Interest income relates to interest earned on our foreign investments which are invested in the Rand, EURO and USD money and capital markets. Interest expense mainly relates to interest paid to the Government of the Republic of Namibia, Commercial Banks settlement accounts and Special Drawing Rights allocations by the IMF.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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3. APPROPRIATION OF PROFITS IN TERMS OF THE BANK OF NAMIBIA ACT, 1997

	Notes	2015 N$ `000	2014 N$ `000
Total Comprehensive Profit for the Year		**3 425 153**	**914 210**
Unrealised Gains release from Reserve		(1 729)	28 204
Exchange Rate Gains/Losses transferred to the Revaluation Reserve		(3 263 472)	(622 309)
Net Profit for the Year		**159 952**	**320 105**
Appropriation of Profits		**159 952**	**320 105**
General Reserve	14	68 476	142 050
Building Fund Reserve	16	-	-
Development Fund Reserve	17	10 000	10 000
Training Fund Reserve	22	5 000	10 000
Distribution to State Revenue Fund		76 476	158 055
Distribution to State Revenue Fund(Retained)		-	-

The IFRS gain reflected on the Statement of Comprehensive Income includes translation gains for the year that has been charged to the Statement of comprehensive income to comply with the requirements of IAS 21 – Effect of changes in Foreign Exchange Rates. In terms of section 31 of the Bank of Namibia Act, 1997, gains and losses arising based on changes in the book or realised value of assets or liabilities, denominated in currencies other than the domestic currency, are to be transferred to the Revaluation Reserve. The Net Profit for the year in line with the compliance requirements of the Bank of Namibia Act, 1997 would therefore amount to N$159.952 million. Appropriations of profits are based on this Net Profit figure.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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4. PROPERTY AND EQUIPMENT

2015	Freehold Land and Buildings	Computer Hardware	Furniture Fittings & Equipment	Motor Vehicles	Total
Cost	**N$'000**	**N$'000**	**N$'000**	**N$'000**	**N$'000**
At 1 January 2015	316 352	25 332	93 072	7 714	442 470
Additions	3 722	965	917	-	5 604
Disposals	(1)	(27)	(460)	-	(488)
Adjustments	-	-	(24)	-	(24)
At 31 December 2015	**320 073**	**26 270**	**93 505**	**7 714**	**447 562**
Accumulated depreciation					
At 1 January 2015	46 190	21 245	71 191	2 907	141 533
Current year charge	5 998	(1 094)	(8 775)	1 831	(2 040)
Disposals/write-offs	-	(27)	(438)	-	(465)
At 31 December 2015	**52 188**	**20 124**	**61 978**	**4 738**	**139 028**
Carrying value					
At 1 January 2015	**270 162**	**4 087**	**21 881**	**4 807**	**300 937**
At 31 December 2015	**267 884**	**6 146**	**31 528**	**2 976**	**308 534**
2014					
Cost					
At 1 January 2014	309 047	23 549	93 411	4 692	430 699
Additions	7 305	2 358	1 033	3 731	14 427
Disposals	-	(598)	(1 372)	(709)	(2 679)
Adjustments	-	23	-	-	23
At 31 December 2014	**316 352**	**25 332**	**93 072**	**7 714**	**442 470**
Accumulated depreciation					
At 1 January 2014	40 210	18 621	64 883	2 059	125 773
Current year charge	5 980	3 218	7 619	1 557	18 374
Disposals/write-offs	-	(594)	(1 311)	(709)	(2 614)
At 31 December 2014	**46 190**	**21 245**	**71 191**	**2 907**	**141 533**
Carrying value					
At 1 January 2014	**268 837**	**4 928**	**28 528**	**2 633**	**304 926**
At 31 December 2014	**270 162**	**4 087**	**21 881**	**4 807**	**300 937**

In line with the requirements of IAS 16: Property, Plant & Equipment the Bank performed a brief overview of the residual value and useful life of all classes of Assets. Residual value adjustments were processed and charged to the current year's Statement of Comprehensive income.

A register containing details of land and buildings is available for inspection at the registered office of the Bank.

Transfers relate to assets that were transferred from Capital Work in Progress upon completion of the project to the respective asset classes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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5. INTANGIBLE ASSETS - COMPUTER SOFTWARE

	N$'000
2015	
Cost	
At 1 January 2015	46 582
Additions	4 496
At 31 December 2015	**51 078**
Amortisation	
At 1 January 2015	43 896
Current year charge	(369)
At 31 December 2015	**43 527**
Carrying value	
At 1 January 2015	**2 686**
At 31 December 2015	**7 551**
2014	
Cost	
At 1 January 2014	45 284
Additions	1 298
At 31 December 2014	**46 582**
Amortisation	
At 1 January 2014	40 118
Current year charge	3 778
At 31 December 2014	**43 896**
Carrying value	
At 1 January 2014	**5 166**
At 31 December 2014	**2 686**

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6. CURRENCY COSTS - NOTES AND COINS

	2015 N$'000	2014 N$'000
Opening Balance	108 831	118 711
Purchases current year	90 054	36 903
Adjustments	(1 104)	(2 360)
Amortisation current year	(74 331)	(44 423)
Closing Balance	**123 450**	**108 831**

7. LOANS AND ADVANCES

	2015 N$'000	2014 N$'000
Staff loans	**41 842**	**39 470**
Less: Present value adjustment for off-market loans	**(3 386)**	**(3 244)**
Opening balance – 1 January	(3 244)	(3 554)
Current year fair value adjustment of new loans	(2 470)	(1 873)
Amortised to Statement of comprehensive income	2 328	2 183
Add: Staff Long term benefit	3 386	3 244
Opening balance – 1 January	3 244	3 554
Current year Fair value adjustment of new loans	2 470	1 873
Amortised to Statement of comprehensive income	(2 328)	(2 183)
Net staff loans	**41 842**	**39 470**
Other loans	10 312	8 477
Short-term portion of loans (Note 9)		-
Closing Balance	**52 154**	**47 947**

8 INVESTMENTS

	2015 N$'000	2014 N$'000
Rand currency		
Fair value through profit or loss		
Designated		
Debt securities & Money Market Investments	6 335 058	3 910 611
Held to maturity		
Money market instruments	-	-
	6 335 058	**3 910 611**
Other currencies		
Fair value through profit or loss		
Designated		
Debt Securities & Money Market Investments	13 840 027	3 412 833
Held to maturity		
Money market instruments	3 387 211	6 100 375
	17 227 238	**9 513 208**
Less : Impairment provision	(5 100)	(5 100)
Total Investments	**23 557 196**	**13 418 719**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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8 INVESTMENTS (CONTINUED)

8.1 LENT OUT SECURITIES

As at 31st December 2015, the value of lent out securities from our Investment Portfolio, managed by our custodians, nominal value amounted to US Dollar 31.96 million; NAD equivalent 497.1 million (2014: US Dollar 6.6 million; NAD equivalent 76.3 million). The counter parties involved in these transactions are rated institutions and cash collateral has been deposited with the custodians as guarantee for the lent out securities. The income generated from the lent out securities activity, has been recorded in the books of the Bank accordingly.

8.2 FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The levels of hierarchy used to determine the fair value of financial instruments is as detailed below:

Fair value of instruments that fall in the Level 1 category would be based on the unadjusted quoted prices in an active market for identical assets or liabilities. Level 2 category would be based on quoted prices that are observable for the asset or liability, either directly as prices or indirectly as derived from prices. Level 3 category would be based on inputs for the asset or liability that are not based on observable market data.

The Bank's investments in financial assets are quoted in an active market and these prices are used in the fair value evaluation process. The Bank invests in securities issued by the German and US governments and these securities are actively traded in global Capital markets. Other investments include money market investments in the form of Fixed Deposits, NCD's, Call and Current account deposits, etc. The fair value hierarchy would therefore fall under the Level 1 and 2 categories.

As at 31st December the fair value of financial instruments that was classified under the various hierarchies is detailed in the tables below:

As at 31st December 2015

Financial Assets At Fair value through Profit or Loss	Level 1 N$'000	Level 2 N$'000	Total N$'000
Designated Debt Securities & Money Market Investments	2 231 830	17 943 245	20 175 075
	2 231 830	**17 943 245**	**20 175 075**

Financial Liabilities At Fair value through Profit or Loss	Level 1 N$'000	Level 2 N$'000	Total N$'000
Government-Euro Bond Issue		7 638 004	7 638 004
		7 638 004	**7 638 004**

As at 31st December 2014

Financial Liabilities At Fair value through Profit or Loss	Level 1 N$'000	Level 2 N$'000	Total N$'000
Designated Debt Securities & Money Market Investments	1 644 375	5 673 969	7 318 344
	1 644 375	**5 673 969**	**7 318 344**

Having considered the requirements of IFRS 13, the above Assets and Liabilities have been valued at fair value based on quoted prices in an active market. Other Statement of financial position Assets and Liabilities have been valued based on prescriptions of other relevant IFRS Statements.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

9. LOANS AND ADVANCES

	2015 N$'000	2014 N$'000
Repurchase agreements – local banks	784 338	358 415
Add: Short-term portion of long-term loans **(Note 7)**	-	-
	784 338	**358 415**

Repurchase agreements are over night and seven day loan facilities granted to the commercial banks to cover for temporary liquidity shortages. The over night and seven day repurchase agreements are granted to banking institutions to draw under the credit facility an amount equal to the total adjusted value of eligible securities pledged by each banking institution as collateral to Bank of Namibia.

10. RAND DEPOSITS

	2015 N$'000	2014 N$'000
Closing Balance	37 779	80 645
	37 779	**80 645**

Rand deposits is the value of Rand banknotes held by the Bank of Namibia. Commercial banks deposit the Rand notes collected at their various branches at the Bank of Namibia. The Bank of Namibia in turn repatriates the said currency to the South African Reserve Bank based on predetermined currency values.

11. OTHER INVENTORY - STATIONERY AND SPARES

	2015 N$'000	2014 N$'000
Opening Balance	2 211	2 195
Purchases current year	409	500
Issues current year	(685)	(484)
Adjustments	(9)	-
Closing Balance	**1 926**	**2 211**

12. OTHER RECEIVABLES

	2015 N$'000	2014 N$'000
Rand compensation receivable – Government	260 400	217 712
BNA receivables	4 331 914	-
Accounts receivable	14 311	27 080
IMF Quota	2 260 972	2 229 318
IMF – Special Drawing Rights	132 737	103 014
	7 000 334	**2 577 124**

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13. SHARE CAPITAL & CAPITAL MANAGEMENT

	2015 N$'000	2014 N$'000
Authorised share capital		
100 000 000 ordinary shares of N$1 each	**100 000**	**100 000**
Issued share capital		
40 000 000 ordinary shares of N$1 each	**40 000**	**40 000**

The Capital is the amount subscribed by the Government in accordance with Section 14 of the Bank of Namibia Act, 1997. The Bank is not subject to any externally imposed capital requirements however annually the appropriation of the profits is approved by the Government which requires that a minimum percent of the annual profits is transferred to the general reserve which forms part of the Bank's capital.

14. GENERAL RESERVE

	2015 N$'000	2014 N$'000
Opening Balance	1 127 638	835 588
Transfers	1 219	150 000
Appropriation of net profit for the year	68 476	142 050
Closing Balance	**1 197 333**	**1 127 638**

The General Reserve is a Statutory Reserve that can be utilised for increasing the paid- up Capital of the Bank, offset losses incurred, fund a Development Reserve and redeem any securities issued by the Bank.

15. KWANZA DEPOSITS

	2015 N$'000	2014 N$'000
Closing Balance	921 828	-
	921 828	**-**

Kwanza deposits are the Namibian Dollar equivalent value of Kwanza banknotes held by the Bank of Namibia. The currency conversion agreement entered into with Angola resulted in the acceptance of the Angolan Kwanza and Namibia Dollar for bilateral trade settlement purposes.

16. FOREIGN CURRENCY REVALUATION RESERVE

	2015 N$'000	2014 N$'000
Opening Balance	3 310 620	2 688 311
Net foreign exchange (losses)	3 263 472	622 309
Closing Balance	**6 574 092**	**3 310 620**

The Revaluation reserve has been created in accordance with Section 31 of the Bank of Namibia Act, 1997. The Act requires that both realised and unrealised gains and losses be transferred to the Revaluation Reserve account.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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17. BUILDING FUND RESERVE

	2015 N$'000	2014 N$'000
Opening Balance	-	150 000
Transfer to General reserve	-	(150 000)
Closing Balance	-	-

This reserve has been created to provide funds for the construction of the Bank's Disaster Recovery and Business Continuity Facility. The Disaster Recovery and Business Continuity Facility was completed in 2013 and the reserve so created has been released to the General Reserve.

18. DEVELOPMENT FUND RESERVE

	2015 N$'000	2014 N$'000
Opening Balance	35 000	25 000
Transfer	(1 211)	-
Appropriation of net profit for the year	10 000	10 000
Closing Balance	**43 789**	**35 000**

This reserve was established under section 53(1)(a) of the Bank of Namibia Act, 1997 for the purpose of promoting or financing economic development in Namibia.

19. PROVISION FOR POST EMPLOYMENT BENEFITS

The Bank provides post employment medical benefits to retired staff members. A provision for the Liability has been determined based on the Projected Unit Credit Method. The valuation was performed for the year ended 31 December 2013 and estimated for 2014 and 2015

	2015 N$'000	2014 N$'000
Opening Liability	62 789	56 306
Interest costs	2 754	5 161
Current service costs	5 757	2 521
Benefit payments	(1 295)	(1 199)
Actuarial loss/(gain)	-	-
Closing Liability	70 005	62 789
Current portion of post employment benefits obligation	(1 470)	(1 295)
Non-current portion of post employment benefits obligation	**68 535**	**61 494**

Key assumptions	**2015**	**2014**
Discount rate	10.125 % p.a.	9.26 % p.a
Medical inflation	7.97 % p.a.	7.97 % p.a
Valuation date	31 December 2015	31 December 2014

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19. PROVISION FOR POST EMPLOYMENT BENEFITS (CONTINUED)

The effect of a 1% movement in the assumed medical cost trend rate is as follows:	Increase N$'000	Decrease N$'000
Effect on the aggregate of the current service cost and interest cost	1 803	1 425
Effect on the defined benefit obligation	**71 808**	**68 580**

At 31 December	2015 N$'000	2014 N$'000	2013 N$'000	2012 N$'000	2011 N$'000
Present value of post retirement benefit obligation	70 005	62 789	56 306	44 736	40 273

The Banks post retirement plan is unfunded.

20. NOTES AND COINS IN CIRCULATION

	2015 N$'000	2014 N$'000
Notes	4 289 673	3 945 577
Coins	221 101	200 981
	4 510 774	**4 146 558**

Currency in Circulation represents Namibia banknotes and coins in the hands of the commercial banks and the public at large. The commercial banks are the conduit by which the public have access to currency.

21. DEPOSITS

Government of the Republic of Namibia	10 371 094	1 089 955
Domestic bankers' reserve account	920 097	807 054
Domestic bankers' settlement account	956 735	1 782 709
Bank of Namibia 52 day Bills measured at amortised cost	-	-
SDR Allocation account	2 840 174	2 204 308
IMF Securities account	2 260 972	2 229 318
GIPF BoN Asset Swap	2 910 762	-
Other – Pre-funded donor funds at cost	34 699	21 580
	20 294 533	**8 134 924**

Banker's reserve and current account balances have no fixed maturity and attract no interest. The Settlement account however attracts interest at the prevailing rate as determined by the Bank of Namibia.

Interest is payable to the Government of the Republic of Namibia on deposits in excess of N$250 million (2014: N$250 million) at the 91 day Treasury Bill rate less a discount of 4.5%.

The Bank issues debt instruments at various maturity dates and discount rates in the form of 52 day Bank of Namibia bills for liquidity management purposes and also to provide secured debt instruments for participants of the Namibian financial markets.

The GIPF BoN Asset Swap arrangement was entered into to enhance Namibia's foreign reserve stocks.

The pre-funded donor funds are monies received on behalf of the Government for various donor funded projects being undertaken in the country. These funds have no maturity dates and attract no interest.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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	2015 N$'000	2014 N$'000
22. TRADE AND OTHER PAYABLES		
Sundry Creditors	**45 295**	**27 446**
23. TRAINING FUND RESERVE		
Opening Balance	10 000	-
Transfer	5 000	10 000
Closing Balance	**15 000**	**10 000**

The training fund reserve has been created to provide funds to up-skill the Bank's human capacity in order to meet challenges of a rapidly changing and complex financial environment that the Bank operates under.

24. RETIREMENT FUND

Retirement benefits are provided for employees by a separate provident fund, known as the Bank of Namibia Provident Fund, to which the Bank contributes. The provident fund is administered under the Pension Fund Act, 1956 (No. 24 of 1956). The Fund was converted from a Defined Benefit Pension Fund to a Defined Contribution Provident Fund as at 1 March 2000. All employees contribute to the fund. Total Bank's contributions for the year amounted to N$16,591,411.52 (31 December 2014: N$16,036,967.22).

25. TAXATION

No provision for taxation has been made in the annual financial statements as the Bank is exempted from taxation in terms of section 57 of the Bank of Namibia Act, 1997.

26. FINANCIAL INTELLIGENCE CENTRE (FIC)

The Financial Intelligence Centre (FIC) was established in terms of the Financial Intelligence Act, 2007(No 3 of 2007). This Act was repealed in 2012 and replaced by the Financial Intelligence Act of 2012 which came into effect in December 2012. The Act prescribes that the Bank of Namibia shall host the FIC and will be responsible and accountable for all its operational and administrative activities. The operations of the FIC are funded by an annual grant by the Government of the Republic of Namibia to Bank of Namibia. Unutilised Funding surpluses are carried forward and released to the statement of comprehensive income of the following year, however Funding deficits are carried forward as assets and Government funding received in the following year is used to off-set the asset.

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The investment of foreign currency (FX) reserves in financial instruments gives rise to exposure to various types of risk which include market, currency, interest rate, credit and liquidity risk. Risk management at the Bank of Namibia, forms an integral part of reserves management within the governance structures of the Bank. International reserves are managed in a three-tier governance structure consisting of the Board of Directors, the Investment Committee and the Financial Markets Department (FMD). The Board defines the investment policy of the Bank, which guides the management and investment of the foreign exchange reserves. The Board authority is delegated to the Investment Committee to ensure compliance with the investment mandate. The FMD is responsible for managing the reserves and has a Risk & Analytics section that monitors compliance to assigned risk parameters on daily basis. The types of risk that the foreign currency reserves are exposed to and the Bank's risk management approaches are stated below:

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

27. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

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27.1 MARKET RISK

Market risk is the risk of loss or decline in the value of a portfolio resulting from changes in market conditions and macro economic variables such as interest rates, exchange rate and inflation. Bank of Namibia employs duration management, diversification, correlation analysis and risk budgeting to mitigate market risk. In managing the foreign exchange reserves, the Bank follows an enhanced indexation approach which is a combination of passive portfolio management techniques (which aims to construct a portfolio whose risk and return follows those of a defined benchmark) and active management strategy.

27.1.1 INTEREST RATE RISK

IMPACT OF 100 BASIS POINTS SHOCK ON EUR PORTFOLIO - 2015

Instrument	Amount invested €000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio €000	Effect on Statement of comprehensive income N$'000
Working Capital	3 487	100%	0.000%	-	1.00000%	0.000%	-	-
Liquidity Tranche	-	0%	0.000%	-	1.00000%	0.000%	-	-
Investment Tranche	-	0%	0.000%	-	1.00000%	0.000%	-	-
	3 487	**100%**	**0.000%**	**-**	**-**	**-**	**-**	**-**

IMPACT OF 100 BASIS POINTS SHOCK ON USD PORTFOLIO - 2015

Instrument	Amount invested US$'000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio US$'000	Effect on Statement of comprehensive income N$'000
Working Capital	21 086	13%	0.000%	-	1.00000%	0.000%	-	-
Liquidity Tranche	99 839	62%	0.360%	-	1.35984%	0.000%	-	-
Investment Tranche	39 894	25%	1.250%	2.630	2.25000%	(2.630%)	(1 049)	(16 321)
	160 819	**100%**	**0.533%**	**0.652**	**-**	**(0.652%)**	**(1 049)**	**(16 321)**

IMPACT OF 100 BASIS POINTS SHOCK ON ZAR PORTFOLIO - 2015

Instrument	Amount invested R'000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio R'000	Effect on Statement of comprehensive income N$'000
Working Capital	1 429 840	65%	6.910%	-	7.91000%	0.000%	-	-
Liquidity Tranche	648 581	30%	5.750%	0.103	6.75040%	(0.103%)	(671)	(671)
Investment Tranche	99 839	5%	7.590%	0.138	8.59000%	(0.138%)	(137)	(137)
	2 178 260	**100%**	**6.596%**	**0.037**	**-**	**(0.037%)**	**(808)**	**(808)**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

27.1.1 INTEREST RATE RISK (CONTINUED)

IMPACT OF 100 BASIS POINTS SHOCK ON EUR PORTFOLIO - 2014

Instrument	Amount invested €000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio €000	Effect on Statement of comprehensive income N$'000
Working Capital	2 943	6%	0.000%	-	1.000%	0.000%	-	-
Liquidity Tranche	6 599	13%	0.000%	-	1.000%	0.000%	-	-
Investment Tranche	42 798	81%	0.379%	1.800	1.379%	(1.800%)	(770)	(13 096)
	52 340	**100%**	**0.310%**	**1.472**	**-**	**(1.470%)**	**(770)**	**(13 096)**

IMPACT OF 100 BASIS POINTS SHOCK ON USD PORTFOLIO - 2014

Instrument	Amount invested US$'000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio US$'000	Effect on Statement of comprehensive income N$'000
Working Capital	3 560	6%	0.000%	-	1.00000%	0.000%	-	-
Liquidity Tranche	7	0%	0.087%	-	1.08652%	0.000%	-	-
Investment Tranche	51 492	94%	0.780%	1.349	1.78000%	(1.349%)	(695)	(10 805)
	55 059	**100%**	**0.729%**	**1.262**	**-**	**(1.262%)**	**(695)**	**(10 805)**

IMPACT OF 100 BASIS POINTS SHOCK ON ZAR PORTFOLIO - 2014

Instrument	Amount invested R'000	Actual Portfolio Weight	Interest Rate	Duration	Yield after 1% Shock	Estimate Total Return	Estimated Loss on Portfolio R'000	Effect on Statement of comprehensive income N$'000
Working Capital	2 433 551	78%	6.080%	-	7.08000%	0.000%	-	
Liquidity Tranche	160 062	5%	7.580%	0.119	8.58000%	(0.119%)	(190)	(190)
Investment Tranche	532 061	17%	6.298%	0.726	7.29796%	(0.726%)	(3 863)	(3 863)
	3 125 674	**100%**	**6.194%**	**0.130**		**(0.130%)**	**(4 053)**	**(4 053)**

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27.1.1 INTEREST RATE RISK (CONTINUED)

INTEREST RATE REPRICING

The following table summarises the Bank's interest rate exposure in the form of an interest rate repricing table. This shows when the interest rate earned or charged on assets and liabilities are expected to change. The table can therefore be used as the basis for an assessment of the sensitivity of the Bank's net income to interest rate movements.

AS AT YEAR ENDED 31 DECEMBER 2015

N$'000	0 – 3 Months	3 – 12 Months	1 – 10 Years	Non Interest Bearing	Total
Assets					
Property, equipment and intangible assets	-	-	-	316 085	316 085
Inventory	-	-	-	125 376	125 376
Loans and advances - non current	-	-	52 154	-	52 154
Investment	16 087 325	1 745 306	5 724 565	-	23 557 196
Loans and advances - current	784 338		-	-	784 338
Rand deposits	-	-	-	37 779	37 779
Kwanza deposits				921 828	921 828
Other receivables	2 668 420	-	-	4 331 914	7 000 334
Total Assets	**19 540 083**	**1 745 306**	**5 776 719**	**5 732 982**	**32 795 090**
Equity and Liabilities					
Shareholders' equity	-	-	-	7 874 483	7 874 483
Post employment benefits	-	-	-	70 005	70 005
Note and coins in circulation	-	-	-	4 510 774	4 510 774
Deposits	19 339 737	-	-	954 796	20 294 533
Trade and other payables	45 295	-	-	-	45 295
Total Equity and Liabilities	**19 385 032**	**-**	**-**	**13 410 058**	**32 795 090**
Interest rate reprising gap	**155 051**	**1 745 306**	**5 776 719**	**(7 677 076)**	

AS AT YEAR ENDED 31 DECEMBER 2014

N$'000	0 – 3 Months	3 – 12 Months	1 - 10 Years	Non Interest Bearing	Total
Assets					
Property, equipment and intangible assets	-	-	-	303 623	303 623
Inventory	-	-	-	111 042	111 042
Loans and advances - non current	-	-	47 947	-	47 947
Investment	5 126 068	1 742 890	6 549 761	-	13 418 719
Loans and advances - current	358 415		-	-	358 415
Rand deposits	-	-	-	80 645	80 645
Other receivables	2 577 124	-	-	-	2 577 124
Total Assets	**8 061 607**	**1 742 890**	**6 597 708**	**495 310**	**16 897 515**
Equity and Liabilities					
Shareholders' equity	-	-	-	4 525 798	4 525 798
Post employment benefits	-	-	-	62 789	62 789
Note and coins in circulation	-	-	-	4 146 558	4 146 558
Deposits	7 306 290	-	-	828 634	8 134 924
Trade and other payables	27 446	-	-	-	27 446
Total Equity and Liabilities	**7 333 736**	**-**	**-**	**9 563 779**	**16 897 515**
Interest rate reprising gap	**727 871**	**1 742 890**	**6 597 708**	**(9 068 469)**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

27.1.2 CURRENCY RISK

Foreign exchange reserves are held in foreign currencies and this gives rise to a risk that the reserves will decline in value due to adverse changes in foreign exchange rates. In terms of the Investment policy and guidelines, foreign exchange risk is managed on indexation basis through a currency composition (benchmark) that provides a natural hedge against potential liabilities. The currency composition of the foreign exchange reserves reflects the currency distribution of the country's short-term external debt, imports and other contingent liabilities. The Bank's foreign reserves are divided into three tranches, namely: Working capital, Liquidity and Investment Tranche which in return are composed of different currencies. For the year 2015, which remains the same as for 2014, the following was the benchmark portfolio used to manage this risk. The currency composition of reserves is determined using the liability approach whereby the potential calls on the reserves form the basis for the respective currency allocations (i.e. contingent liabilities).

Instruments	ZAR Portfolio	USD Portfolio	EUR Portfolio	Other Portfolio
Working Capital	500 mil - 2500 mil	0 mil – 10mil	0 mil – 5 mil	
Liquidity Tranche	< 1mil	2 mil – 125mil	0 mil – 50 mil	
Investment Tranche (%)	24	70	4	2

Risk-return preferences per tranche

Tranche	Horizon	Objective
Working Capital	0-3 Months	Provide Liquidity, No negative returns allowed on any period (100% Cash)
Liquidity	1 Year	Maximize returns subject to avoiding negative returns at 99% confidence (as measured on an annual basis)
Investment	1 Year	Maximize returns subject to a negative return of 100 bps with 95% probability (as measured on an annual basis)

The effect of Namibia dollar exchange rates against the foreign currencies can have an impact on the level of foreign reserves in terms of the reporting currency. For instance, with the foreign reserves at N$26.15 billion based on an USD/NAD exchange rate of 15.56 and EUR/NAD exchange rate of 16.99, a 10 percent depreciation in the both the two exchange rates would result in an increase of reserves to N$28.76 billion. On the other hand a 10 percent appreciation in the NAD agaist these currencies would result in a decrease in foreign reserves to N$23.53 billion. Since the Namibia Dollar is pegged to the South African Rand at one is to one parity, there is no currency risk.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.1.2 CURRENCY RISK (CONTINUED)

AT 31 DECEMBER 2015 THE BANK HAD THE FOLLOWING CURRENCY POSITION EXPOSURES

	N$ '000	ZAR '000	Euro '000	US$ '000	Other '000	Total N$'000
Assets						
Property, equipment and intangible assets	316 085	-	-	-	-	316 085
Currency inventory – notes and coins	123 450	-	-	-	-	123 450
Loans and advances - non current	52 154	-	-	-	-	52 154
Investment		6 329 958	1 044 987	15 463 352	718 899	23 557 196
Loans and advances - current	784 338	-	-	-	-	784 338
Rand deposits	-	37 779	-	-	-	37 779
Kwanza deposits					921 828	921 828
Other inventory – stationery & spares	1 926	-	-	-	-	1 926
Other receivables	14 311	260 400	-	4 331 914	2 393 709	7 000 334
Total Assets	**1 292 264**	**6 628 137**	**1 044 987**	**19 795 266**	**4 034 436**	**32 795 090**
Liabilities						
Post employment benefits	70 005	-	-	-	-	70 005
Note and coins in circulation	4 510 774	-	-	-	-	4 510 774
Deposits	14 508 898	-	-	-	5 785 635	20 294 533
Trade and other payables	45 295	-	-	-	-	45 295
Total Liabilities	**19 134 972**	**-**	**-**	**-**	**5 785 635**	**24 920 607**
Net Statement of financial position Position	**(17 842 708)**	**6 628 137**	**1 044 987**	**19 795 266**	**(1 751 199)**	**7 874 483**

AT 31 DECEMBER 2014 THE BANK HAD THE FOLLOWING CURRENCY POSITION EXPOSURES

	N$ '000	ZAR '000	Euro '000	US$ '000	Other '000	Total N$'000
Assets						
Property, equipment and intangible assets	303 623	-	-	-	-	303 623
Currency inventory – notes and coins	108 831	-	-	-	-	108 831
Loans and advances - non current	47 947	-	-	-	-	47 947
Investment	-	3 905 511	1 189 680	7 937 329	386 199	13 418 719
Loans and advances - current	358 415	-	-	-	-	358 415
Rand deposits	-	80 645	-	-	-	80 645
Other inventory – stationery & spares	2 211	-	-	-	-	2 211
Other receivables	27 080	217 712	-	-	2 332 332	2 577 124
Total Assets	**848 107**	**4 203 868**	**1 189 680**	**7 937 329**	**2 718 531**	**16 897 515**
Liabilities						
Post employment benefits	62 789	-	-	-	-	62 789
Note and coins in circulation	4 146 558	-	-	-	-	4 146 558
Deposits	5 909 036	-	-	-	2 225 888	8 134 924
Trade and other payables	27 446	-	-	-		27 446
Total Liabilities	**10 145 829**	**-**	**-**	**-**	**2 225 888**	**12 371 717**
Net Statement of financial position Position	**(9 297 722)**	**4 203 868**	**1 189 680**	**7 937 329**	**492 643**	**4 525 798**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.2 LIQUIDITY RISK

Liquidity risk is the risk that the Bank will fail to meet its foreign exchange obligations when they fall due or the possibility that the Bank will incur huge capital losses when it disposes its securities in the secondary market. Liquidity is the second most important foreign exchange reserves management objective after capital preservation and the Bank seeks to maintain sufficient liquidity by investing in securities with an active secondary market. As at 31 December 2015, 90 percent of investments could be liquidated within two working days, reflecting the highly liquid nature of the portfolio.

LIQUIDITY/OBLIGATIONS RISK ANALYSIS STATEMENT AS AT YEAR ENDED 31 DECEMBER 2015

N$'000	0 – 3 Months	4 – 12 Months	1–10 Years	No maturity	Total
Assets					
Property, equipment and intangible assets	-	-	-	316 085	316 085
Inventory	-	-	-	125 376	125 376
Loans and advances - non current	-	-	52 154	-	52 154
Investment	16 087 325	1 745 306	5 724 565		23 557 196
Loans and advances - current	784 338	-	-	-	784 338
Rand deposits	-	-	-	37 779	37 779
Kwanza deposits				921 828	921 828
SDR Holdings -IMF	-	-	-	132 737	132 737
SDR Quota	-	-	-	2 260 972	2 260 972
Other receivables	274 711	1 299 574	3 032 340	-	4 606 625
Total Assets	**17 146 374**	**3 044 880**	**8 809 059**	**3 794 777**	**32 795 090**
Equity and Liabilities					
Shareholders' equity	-	-	-	7 874 483	7 874 483
Post employment benefits	-	-	-	70 005	70 005
Note and coins in circulation	-	-	-	4 510 774	4 510 774
Deposits	11 327 829	-	-	3 865 558	15 193 387
SDR Allocation - IMF	-	-	-	2 840 174	2 840 174
IMF Securities Account	-	-	-	2 260 972	2 260 972
Trade and other payables	45 295	-	-	-	45 295
Total Equity and Liabilities	**11 373 124**	**-**	**-**	**21 421 966**	**32 795 090**
Liquidity sensitivity gap	**5 773 250**	**3 044 880**	**8 809 059**	**(17 627 189)**	**-**
Cumulative liquidity sensitivity gap	**5 773 250**	**8 818 130**	**17 627 189**	**-**	**-**

LIQUIDITY/OBLIGATIONS RISK ANALYSIS STATEMENT AS AT YEAR ENDED 31 DECEMBER 2014

N$'000	0 – 3 Months	4 – 12 Months	1–10 Years	No maturity	Total
Assets					
Property, equipment and intangible assets	-	-	-	303 623	303 623
Inventory	-	-	-	111 042	111 042
Loans and advances - non current	-	-	47 947	-	47 947
Investment	5 126 068	1 742 890	6 549 761	-	13 418 719
Loans and advances - current	358 415		-	-	358 415
Rand deposits	-	-	-	80 645	80 645
SDR Holdings -IMF	-	-	-	103 014	103 014
SDR Quota	-	-	-	2 229 318	2 229 318
Other receivables	244 792	-	-	-	244 792
Total Assets	**5 729 275**	**1 742 890**	**6 597 708**	**2 827 642**	**16 897 515**
Equity and Liabilities					
Shareholders' equity	-	-	-	4 525 798	4 525 798
Post employment benefits	-	-	-	62 789	62 789
Note and coins in circulation	-	-	-	4 146 558	4 146 558
Deposits	2 872 664	-	-	828 634	3 701 298
SDR Allocation - IMF	-	-	-	2 204 308	2 204 308
IMF Securities Account	-	-	-	2 229 318	2 229 318
Trade and other payables	27 446	-	-	-	27 446
Total Equity and Liabilities	**2 900 110**	**-**	**-**	**13 997 405**	**16 897 515**
Liquidity sensitivity gap	**2 829 165**	**1 742 890**	**6 597 708**	**(11 169 763)**	**-**
Cumulative liquidity sensitivity gap	**2 829 165**	**4 572 055**	**11 169 763**	**-**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.3 CREDIT RISK

This is the risk that the Bank's counterparty will default on its contractual obligations resulting in a financial loss to the Bank. With safety of principal being the foremost investment objective, the Bank seeks to manage credit risk by investing in money market instruments issued by counterparts with a minimum short-term credit rating of F2. Longer-dated fixed income instruments are limited to issues by members of the Group of 7 Nations (G7), Organisation for Economic Cooperation and Development (OECD) and the Republic of South Africa with a minimum credit rating of BBB- by Fitch Rating Agency or equivalent by Standard & Poor (BBB-) and Moody's (Baa3).

Detailed below is a table which provides rating information on institutions where the Bank invests its funds:

NAME OF ISSUER	*LT FITCH RATING*
ABBEY NATIONAL TREASURY SERVICES PLC	A
AFRICAN BANK	Caa2
AIRPORT COMPANY OF SOUTH AFRICA	BBB
ALLIANZ GLOBAL INVESTORS	AAA
AUSTRALIA & NEW ZEALAND BANKING GROUP LTD,NEW YORK	AA-
BANK FOR INTERNATIONAL SETTLEMENT	AAA
BANK OF CHINA (AUSTRALIA) LTD	NR
BANK OF CHINA (UK)	NR
BANK OF ENGLAND	AA+
BANK OF ENGLAND	AA+
BANK OF NAMIBIA	NR
BANK OF TOKYO	A+
BANQUE POPULAIRE AND CAISSE D'EPARGNE (BPCE SA)	A
BARCLAYS CAPITAL	A
BK BANK NEDERLANDSE GEMEENTEN	AA+
BLACKROCK INVESTMENT MANAGEMENT LTD	AAA
BLUE TITANIUM CONDUIT	AA(zaf)
CITI BANK	A
CLEARSTREAM BANKING	AA
CLYDESDALE BANK	A
CLYDESDALE BANK PLC	A
COMMERZBANK AG	BBB+
CRÉDIT AGRICOLE CORPORATE	A
CREDIT SUISSE	A-
CREDIT SUISSE AG	A-
CROWN AGENTS	BBB
DANKSKE BANK	A
DANSKE BANK	A
DEVELOPMENT BANK OF SOUTHERN AFRICA	BBB-
EUROPEAN INVESTMENT BANK (EIB)	AAA
FEDERAL HOME LOAN BANK	AAA
FEDERAL RESERVE BANK	AA+u
FIRSTRAND BANK LIMITED	BBB
GERMANY GOVERNMENT	AAA

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.3 CREDIT RISK (CONTINUED)

NAME OF ISSUER	LT FITCH RATING
GOVERNMENT OF AUSTRIA	AA+
GOVERNMENT OF KINGDOM BELGIUM	AA
GOVERNMENT OF NETHERLANDS	AAA
GOVERNMENT OF NETHERLANDS	AAA
GOVERNMENT REPUBLIC OF FINLAND	AAA
GOVERNMENT REPUBLIC OF FRANCE	AAA
HSBC BANK PLC	A
INDUSTRIAL AND COMMERCIAL BANK OF CHINA (ASIA) LIMITED	A
ING BANK INV (AMSTERDAM)	A
INTER-AMERICAN DEVELOPMENT BANK	AAA
INVESTEC BANK LIMITED	BBB-
JP MORGAN CHASE EUROP LIMITED	A+
KOMMUNALBANKEN AS	AAA
KOMMUNINVEST I SVERIGE	NR
LAND & AGRICULTURAL BANK OF SA	AA+
LANDESBANK BADEN-WURTTEMBERG	A-
NEDBANK LIMITED SA	BBB-
NORDBANKEN	BBB
NORDEA BANK AB	AA-
NRW BANK	AAA
RABOBANK INTERNATIONAL LONDON	AA-
ROYAL BANK OF SCOTLAND	AAA
SIRESS (RTL)	BBB
SOCIETY GENERALE BANK	BBB+
SOUTH AFRICAN GOVERNMENT	BBB
SOUTH AFRICAN NATIONAL ROADS AGENCY	BBB
SOUTH AFRICAN RESERVE BANK	BBB
STANDARD BANK SOUTH AFRICA	BBB
STANDARD CHARTERED BANK	A+
STD CHART BANK LOND	A+
SWIFT SHARES	NR
THE KINGDOM OF SWEDEN	AAA
TORONTO-DOMINION BANK	AA-
TRANSNET SOC LIMITED	BBB
UBS	A
US AGENCIES	AAA
US GOVERNMENT	AA+
WESTPAC	AAA
WORLD BANK RESERVES MANAGEMENT (RAMP)	NR

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.3 CREDIT RISK (CONTINUED)

The table below shows the maximum exposure to credit risk for the financial instruments held. The maximum exposure is shown gross, before the effect of any mitigating factors.

INSTITUTIONAL CREDIT RISK RATING ANALYSIS

RAND INVESTMENTS	CREDIT RATING	2015 N$'000	2014 N$'000
AFRICAN BANK LIMITED	Caa2	59 206	38 998
BLUE TITANIUM CONDUIT (PTY) LTD	AA (zaf)	-	-
CLEARSTREAM BANKING	AA	925	-
CROWN AGENTS	BBB	-	-
CORPORATE FOR PUBLIC DEPOSITS (CPD)	BBB	1 545 035	2 754 860
DEVELOPMENT BANK OF SOUTHERN AFRICA	BBB-	7 474	7 981
EUROPEAN INVESTMENT BANK (EIB)	AAA	-	75 253
FIRSTRAND BANK LTD	BBB	17 855	-
INVESTEC BANK LTD	BBB-	861 475	319 322
LAND & AGRIC BANK SOUTH AFRICA	AA+	47 781	73 244
NEDBANK LIMITED SA	BBB -	332 615	160 076
SOUTH AFRICAN RESERVE BANK	BBB	-10	-149
SIRESS	BBB	117	-
AIRPORT COMPANY OF SOUTH AFRICA	BBB	-	2 040
SOUTH AFRICAN GOVERNMENT	BBB	-	-
STANDARD CHARTERED BANK	A+	-410	-
SOUTH AFRICAN NATIONAL ROADS AGENCY	BBB	-	13 830
TRANSNET LIMITED	BBB	-	70 732
STANDARD BANK SOUTH AFRICA	BBB	-	1 011
CADIZ ASSET MANAGEMENT LTD	NR	208 143	322 398
INVESTEC ASSET MANAGEMENT LTD	NR	344 072	71 100
SIRESS (CPL)	-	18	-85
MOMENTUM	NR	2 910 762	-
		6 335 058	**3 910 611**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.3 CREDIT RISK (CONTINUED)

NON-RAND INVESTMENTS	CREDIT RATING	2015 N$'000	2014 N$'000
ABBEY NATIONAL TREASURY SERVICES PLC	A	-	-
AUSTRALIA & NEW ZEALAND BANKING GROUP	AA-	160 980	110 371
GOVERNMENT OF AUSTRIA	AA+	-	23 021
BARCLAYS CAPITAL	A	-	-
GOVERNMENT OF KINGDOM BELGIUM	AA	-	31 934
BANK FOR INTERNATIONAL SETTLEMENT	AAA	32 668	1 575
BANK OF NAMIBIA	BBB-	-	-
BK BANK NEDERLANDSE GEMEENTEN	AA+	-	17 358
CLEARSTREAM BANKING	AA	1 776	61 928
SOUTH AFRICAN RESERVE BANK		-	-
CITI BANK	A	-	2
CLYDESDALE BANK PLC	A	-	-
COMMERZBANK AG	BBB+	60 173	691 996
CREDIT SUISSE AG	A-	371 904	-
DANSKE BANK	A	-	-
EUROPEAN INVESTMENT BANK (EIB)	AAA	-	17 449
FEDERAL RESERVE BANK	AA+u	8 752 249	91 518
GOVERNMENT REPUBLIC OF FRANCE	AAA	-	132 831
CRÉDIT AGRICOLE CORPORATE	A	-	-
CITI BANK	A	-	-
HSBC BANK PLC	A	93 284	70 074
JP MORGAN CHASE EUROP LIMITED	A+	124 467	236
KINGDOM OF DENMARK GOVERNMENT	AAA	-	-
THE KINGDOM OF SWEDEN	AAA	-	-
GOVERNMENT OF NETHERLANDS	AAA	-	35 683
NEDBANK LIMITED SA	BBB	-	-
NORDEA BANK AB	AA-	34 276	25 585
RABOBANK INTERNATIONAL LONDON	AA-	61 561	45 498
THE TORONTO-DOMINIOIN BANK	AA-	160 113	119 948
US GOVERNMENT	AA+	575 787	160 648
WESTPAC	AAA	33	95
NORDBANKEN	BBB	34	58
BANK OF TOKYO	A+	6	87
UBS AG ZURICH	A	132	34
US AGENCIES	AAA	1 006	-
BANK OF ENGLAND	AA+	1 036	409
STANDARD CHARTERED BANK	A+	331 588	15
SOCIETY GENERALE BANK	A	-	-
ROYAL BANK OF SCOTLAND	BBB+	-	-

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27.3 CREDIT RISK (CONTINUED)

NON-RAND INVESTMENTS	CREDIT RATING	2015 N$'000	2014 N$'000
GERMANY GOVERNMENT	AAA	-	32 452
ALLIANZ GLOBAL INVESTORS	AAA	1 701 088	2 385 465
BLACKROCK INVESTMENT MANAGEMENT LTD	AAA	1 683 909	2 385 007
SBSA - BANK OF NAMIBIA - USD CASH ACCO	-	-	-
WORLD BANK RESERVES MANAGEMENT (RAMP)	NR	1 659 585	1 227 726
SWIFT SHARES	-	-	-17
BANK OF CHINA (AUSTRALIA)Ltd	-	636 822	437 764
BANK OF CHINA (UK)	-	-	313 168
BANQUE POPULAIRE CAISSE D' EPARGNE (BPCE SA)	A	-	210 965
CROWN AGENTS	BBB	-	258 254
GOVERNMENT REPUBLIC OF FINLAND	AAA	-	7 679
INDUSTRIAL & COMMERCIAL BANK OF CHINA (ASIA)Ltd	A	474 310	463 470
ING BANK INV (AMSTERDAM)	A	-	14 053
INTER-AMERICAN DEVELOPMENT BANK	AAA	-	17 362
KOMMUNALBANKEN AS	AAA	-	22 924
LANDESBANK BADEN-WURTTERMBERG	A-	-	23 155
NRW BANK	AAA	20 711	58 185
FEDERAL HOME LOAN BANK	AAA	-	17 243
KOMMUNINVEST I SVERIGE	AAA	-	
IMF	NR	-	
NATIONAL AUSTRALIA BANK	AAA	117 520	
UK GOVERNMENT	AA+	1 627	
INVESTEC BANK LTD	AAA	168 593	
		17 227 238	**9 513 208**

The Bank invests/buys securities in reputable institutions who are rated by Fitch, Moody's and Standard & Poor rating agencies. The Bank's credit risk exposure has remained static and movements in the fair values of our external portfolio investments were as a result of movements in interest rate risk, foreign exchange risk, etc.

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27.4 SETTLEMENT RISK

This is the risk that the Bank is exposed to when settling or clearing transactions. The Bank faces this risk when the counterparty in the dealing contract fails to settle or clear transactions where the exchange of cash, securities is not instantaneous. This risk is of particular significance as foreign exchange transactions are settled only two days after the deal date, and uncertain events within these two days could have a negative impact on the Bank. In order to control this risk, the Bank has imposed settlement limits so as to limit the bank's exposure to counterparty at any given time in the deal cycle. For foreign exchange transactions entered into by the Bank, settlement limits will be 60 percent of maximum counterparty limit.

27.5 OPERATIONAL RISK

Like any other institutions, the Bank is exposed to operational risk, which is the risk of financial losses or damage to the Bank's reputation resulting from one or more risk factors such as human factors, failed or inadequate processes, failed or inadequate systems and external events.

These factors are defined in details as follows:

- **Human Factors:** insufficient personnel, lack of knowledge, skills or experience, inadequate training and development, inadequate supervision, loss of key personnel, inadequate succession planning or lack of integrity or ethical standards.
- **Failed or inadequate processes:** a process is poorly designed or unsuitable, or not properly documented, understood, implemented, followed or enforced.
- **Failed or inadequate systems:** a system is poorly designed, unsuitable or unavailable or does not operate as intended.
- **External events:** the occurrence of an event having an adverse impact on the Bank but outside its control.

The operational risk at the Bank is managed by having a suitable operational organizational structure with clear segregation of duties as well as defined built-in systematic controls. Bank wide operations manuals are in place to be followed by staff. The Bank wide business continuity plans which clearly states effective disaster recovery plans are currently being developed.

In as far as the treasury operations are concerned the Bank ensures that dealers and analysts are well trained in instruments in which they are trading and that the systems they need to operate on is in place. The Bank also makes sure that all investment officers are aware of procedures in place and have access to relevant documents. The Financial Markets Department Director reviews all procedures, documentation requirements and the operational practices.

27.6 LEGAL RISK

Legal risk is the risk arising from failure to comply with statutory or regulatory obligations. Legal risk also comes about if the rights and obligations of parties involved in a payment are subject to significant uncertainty, for example if a payment participant declares bankruptcy. Legal disputes that delay or prevent the resolution of payment settlement can cause credit, liquidity, or reputation risks at individual institutions. Legal risk also results from a financial institution's failure to comply with the bylaws and contractual agreements established with the counter-parties with which it participates in processing, clearing, and settling payment transactions. The Bank therefore manages this risk by having appropriate documentation and using the market-customary, standard master-agreements where possible.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS 31 DECEMBER 2015

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27.7 COLLATERAL

The Bank provides overnight and seven day loans (Repo's) to Commercial Banks to cover for temporary liquidity shortages. The commercial banks pledge eligible securities in the form of Government bonds, treasury bills, etc, as collateral for this facility. The Bank is not permitted to sell or re-pledge these securities in the absence of default from the said commercial banks. As at 31 December 2015 the Repo's to Commercial Banks were to the tune of N$784 million.

27.8 CREDIT LOSSES

The Bank's financial assets were not impaired as a consequence of credit losses, however when instances of this nature occur the Bank records the impairment in a separate impairment account rather than directly reducing the carrying amount of the concerned assets.

27.9 DEFAULTS AND BREACHES

The Bank did not default on any of its loan commitments both during the current and previous financial year.

28. CAPITAL COMMITMENTS

	2015 N$' 000	2014 N$' 000
Contracted	-	-

29. RELATED PARTY INFORMATION

During the year the Bank, in its ordinary course of business, entered into various transactions. These transactions were under taken on commercial terms and conditions. The Bank of Namibia Act, 1997 prescribes that the emoluments of the Governor, Deputy Governor and Board members be determined by the Minister of Finance. The emoluments of the Board members are primarily sitting fees and the annual stipend. The Governor and the Deputy Governor's emoluments are all inclusive packages which comprises of salaries, pension contributions, medical aid and leave pay. The gross emoluments of executive, senior management and Board members are detailed below. Transactions with the Namibian Government who is the sole shareholder of the institution are detailed in note 1.16 of this report. Note 24 provides more information on the Financial Intelligence Centre.

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29. RELATED PARTY INFORMATION (CONTINUED)

Gross Emoluments	Salaries N$'000	Retirement Benefit N$'000	Medical Aid Benefit N$'000	Total 2015 N$' 000	Total 2014 N$'000
Executive Management					
Governors'	3 410	527	120	4 057	4 054
Senior Management	13 870	1 587	607	16 064	12 001
Non-Executive Board					
Ms S T Haipinge				97	10
Ms A S I Angula				89	73
Mr V Malango				84	79
Dr O Kakujaha- Matundu				97	72
Ms E B Shafudah				-	-
Ms C v/d Westhuizen				104	81

There were no other related party transactions with either the executive management or non- executive Board members.

30. Approval of Financial Statements

The Annual Financial Statements have been approved by the Board of Directors at the Board meeting held on 26 February 2016.

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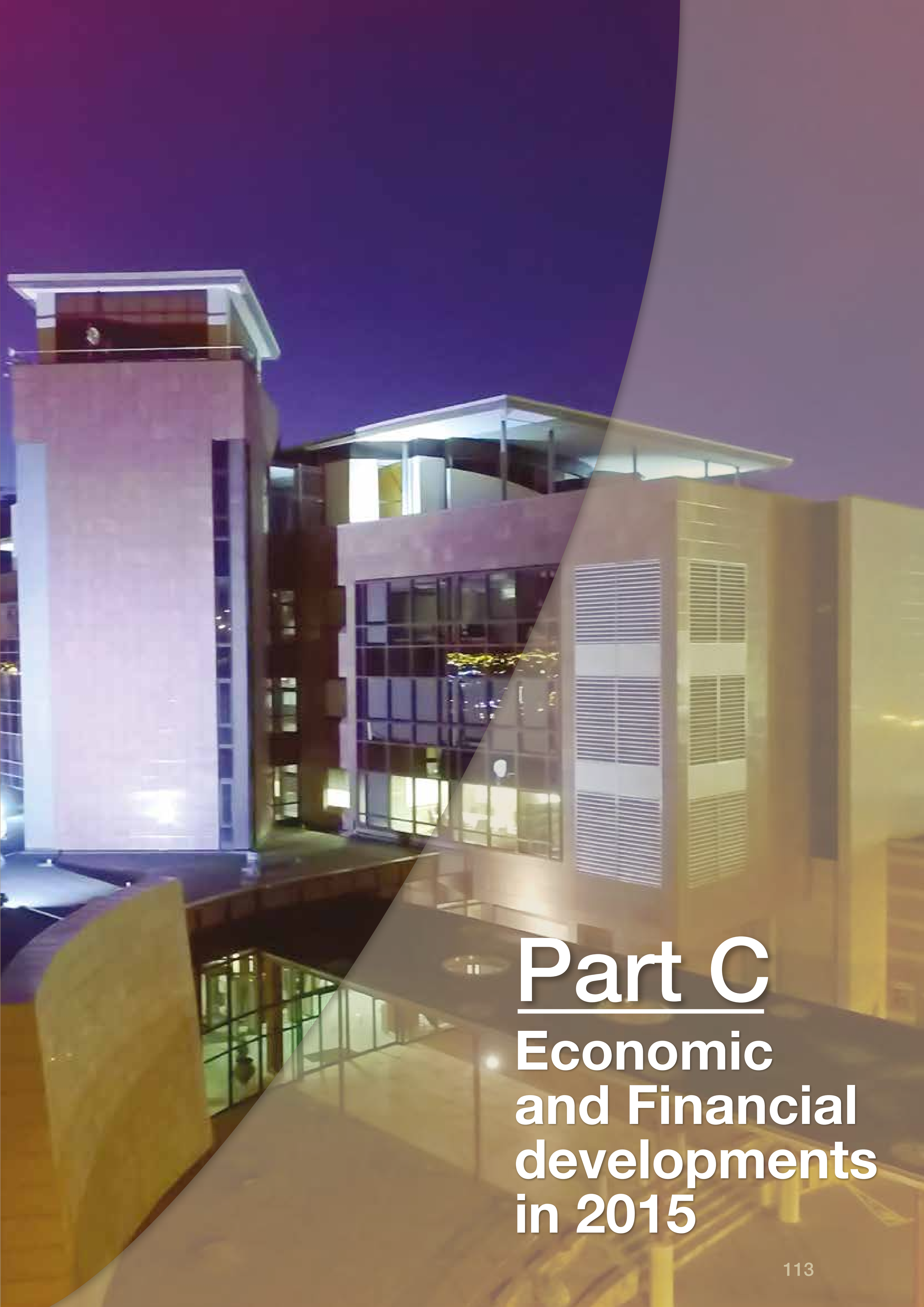
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015 (IN COMPLIANCE WITH THE BANK OF NAMIBIA ACT, 1997)

	Notes	2015 N$'000	2014 N$'000
Net interest income		235 652	241 679
Interest income	2	324 608	366 247
Interest expense	2	(88 956)	(124 568)
		302 679	**258 891**
Rand Compensation Income	2	260 288	217 600
Other income	2	40 536	41 291
Total income		**538 331**	**500 570**
Operating expenses	2	(342 736)	(310 827)
Net (loss)/gain on investment portfolio		(33 914)	102 158
Profit for the Year		**161 681**	**291 901**
Other Comprehensive Income			-
Total Comprehensive Profit for the Year		**161 681**	**291 901**
Release from\(Transfer) to Unrealised Gain Reserve		(1 729)	28 204
Net Profit for the Year		**159 952**	**320 105**
Profits available for Distribution		**159 952**	**320 105**
State revenue fund		76 476	158 055
General reserve	14	68 476	142 050
Training fund reserve	23	5 000	10 000
Building fund reserve	17	-	-
Development fund reserve	18	10 000	10 000



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SELECTED ECONOMIC AND FINANCIAL INDICATORS

Indicator	2011	2012	2013	2014	2015
		Actual			Estimates*
(Annual percentage change)					
Real GDP growth	5.1	5.1	5.7	6.4	4.5*
GDP deflator	3.8	12.9	9.0	7.6	7.4*
Consumer price inflation (period average)	5.0	6.7	5.6	5.4	3.4
Consumer price inflation (end-of-period)	7.4	6.4	4.9	4.6	3.7
Exports	8.8	12.7	24.6	11.4	2.6
Imports	6.9	33.5	19.4	21.7	13.1
Real effective exchange rate[4]	0.7	-3.8	-4.5	-8.2	-4.7*
Private sector credit	9.9	17.0	14.3	16.9	13.5
Net claims on central government	-67.8	135.7	-120.6	1385.6	-140.2
Broad money supply	11.7	4.1	12.8	7.8	10.2
(In percent of GDP, unless otherwise stated)					
Investment	22.4	26.7	25.1	34.2	35.3*
Public	8.2	7.0	6.5	7.6	8.6*
Private	14.1	19.7	18.6	26.6	26.7*
Savings	22.4	26.7	25.1	34.2	35.3*
External	2.9	5.6	3.3	8.7	9.6*
Domestic	19.5	21.1	21.8	25.5	25.7*
Public	1.7	4.9	3.6	3.5	-0.3*
Private	17.8	16.2	18.2	22.0	26.1*
Public Finance					
Overall government deficit[5]	-7.0	-0.1	-3.3	-6.1	-5.2*
Public debt outstanding	26.6	24.6	24.3	23.2	34.0
Public guaranteed debt outstanding	2.1	2.0	3.6	3.3	4.4
External Sector					
Current account balance	-5.3	-5.6	-4.0	-7.4	-11.9
excluding official transfers	-14.5	-17.7	-16.4	-20.7	-23.1
Gross official reserves					
In NAD million	14 406.0	14 729.2	15 709.5	13 526.9	23 577.2
In USD million	1 767.6	1 738.5	1 503.3	1 170.0	1 515.7
in months of imports	3.8	3.0	2.6	1.8	2.8
External debt[6]	41.7	32.7	37.0	41.4	52.2
Exchange rate to USD (end-of period)	8.1502	8.4726	10.4499	11.5616	15.5553
Exchange rate to USD (period average)	7.2531	8.2099	9.6502	10.8444	12.7507
GDP at current market prices (N$ million)	**90 108**	**106 865**	**123 150**	**141 033**	**160 279***
Fiscal GDP (NAD million)	**94 297**	**110 936**	**127 621**	**145 845**	**165 671***

4 A decrease in Real Effective Exchange Rate index means that the national currency depreciated, reflecting a gain in the competitiveness of the Namibian products on the international market. An increase in the index on the other hand, represents an effective appreciation of the national currency, indicating a loss in competitiveness of the local products on the international market.

5 These are fiscal year data, starting from the 2011/12 – 2015/16 financial year.

6 Includes government, parastatals and private sector debt

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SUMMARY OF ECONOMIC AND FINANCIAL DEVELOPMENTS

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Slower global growth, plummeting commodity prices and tightened financial conditions affected the emerging markets and developing economies in 2015. The weaker than expected growth was mainly attributed to the sluggish performance of key emerging market economies, with the exception of India. The slow economic growth stemmed, mostly from falling commodity prices, a strong US Dollar, concerns over China's gradual slowdown and rebalancing, capital outflows and rapidly rising debt levels. China struggled with financial markets turmoil resulting from attempted economic transition, while Brazil grappled with political dysfunction after years of lacklustre growth. On a positive note, the US economy continued with solid growth and job creation, while the Eurozone generally picked up momentum. On the other hand, the Japanese economy contracted for three out of the past six quarters. Furthermore, the Greek debt crisis deepened in 2015, while financial markets performed poorly, due to lower commodity prices, ending the year with low single-digit returns.

The monetary policy decisions were divergent amongst advanced, developing and emerging economies in 2015. The Federal Reserve Bank of America (Fed) commenced with the first interest rate hike in December in nearly a decade, while the European Central Bank (ECB) and the Bank of Japan (BOJ) remained committed to ultra-low rates and unconventional monetary policy to overcome sluggish economic growth and weak inflation. On the other hand, monetary policy decisions in major emerging market economies varied.

In 2015, growth in the domestic economy is projected to have slowed, driven mostly by the decline in agricultural activities, as well as, slower growth in wholesale and retail trade and construction activities. The pace of economic growth is estimated to have slowed by 4.5 percent in 2015, compared to 6.4 percent in 2014. The prevailing drought and Foot and Mouth disease exerted pressure on growth in the agricultural sector. Growth in the construction sector also slowed during 2015, as a result of the completion of some major construction projects, especially in the mining sector. Growth in the wholesale and retail trade and transport sectors continued expanding in comparison with the previous year, albeit more gradually, partly due to a decline in sea cargo volumes.

Namibia's average consumer price inflation rate declined in 2015 compared to 2014, mainly due to a reduction in some inflation categories, especially housing inflation. The inflation rate averaged around 3.4 percent in 2015, lower than 5.4 percent in 2014. The reduction in overall inflation reflected a decrease in inflation rates for *housing, water, electricity, gas and other fuels*, which is the largest contributor as per the rebased Consumer Price Index. Other categories, which also contributed to lower inflationary pressures in 2015, compared to a year earlier, were inflation in *food and non-alcoholic beverages* as well as in *transport*.

The Bank of Namibia tightened its monetary policy stance during 2015, based on the prevailing economic conditions. In this regard, the Bank raised its Repo rate twice by 25 basis points to 6.50 percent at its February and June 2015 MPC meetings, respectively. In both instances, the decision was triggered by the rapid growth in household credit, particularly in the form of instalment credit, which was used to finance unproductive luxury goods and exerted pressure on international reserves. The growth in credit extended to the household sector, however, stabilised during the latter half of the year and as such, the policy rate was kept constant to monitor this situation, while supporting economic growth. The average deposit and lending rates rose during the period under review in reaction to higher policy rates. Likewise, broad money supply increased by 10.2 percent in 2015, compared to 7.8 percent in 2014, driven by robust growth in credit exdended to individuals and businesses. This increase was partly offset by the contraction in net claims on the Central Government.

The overall liquidity position of the Namibian banking industry moderated during 2015, when compared to the preceding year. The liquid balances of the banking industry averaged N$2.8 billion during the year 2015, substantially lower than the average of N$3.5 billion during 2014. The moderation in the liquidity position emanated from slowed Government expenditure and increased net outflows to South Africa, when compared to the previous year.

On the fiscal front, Government's overall deficit is estimated to have increased both in nominal terms and as a ratio to GDP during 2015/16 fiscal year. This was on account of increased spending, while revenue grew only marginally during 2015/16, compared to the previous fiscal year. Total government debt and loan guarantees as a percentage of GDP increased to 34.0 percent and 4.4 percent, at the end of 2015 but remained within the Government set ceilings of 35.0 percent and 10.0 percent, respectively.

Namibia's external balance recorded a surplus during 2015, compared to a deficit in 2014, mainly on account of significant inflows in the capital and financial account, despite the widening current account deficit. The overall balance recorded a surplus of N$12.6 billion during 2015, compared to a deficit of N$1.8 billion during 2014. This was primarily due to the capital and financial account surplus, as a result of the Eurobond issuance. Conversely, the current account deficit rose, due to the persistent weakening in the trade balance. Namibia's International Investment Position (IIP) recorded a reduced surplus in 2015, compared to the previous year, owing to a faster growth in foreign liabilities relative to foreign assets. In addition, the real effective exchange rate (REER) depreciated during 2015 and as a result, contributed to Namibia's improved external competitiveness on the international market.

Going forward, the slowdown in the Chinese economy is expected to have spill over effects on Namibia through trade, low commodity prices and its effect on global financial market and exchange rates. Softer prices for minerals will reduce Namibia's export receipts, although the weaker exchange rate will moderate the impact. Additionally, further appreciation of the US Dollar will put upward pressure on inflation, reducing benefits that should have been derived from declining oil prices.

GLOBAL ECONOMIC AND FINANCIAL DEVELOPMENTS

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The global economy is expected to have recorded weaker growth in 2015, as a result of fragile economic activity in key emerging markets and developing economies. The economic rebalancing in China continued, while Brazil and Russia underwent severe adjustments in the face of external and domestic challenges. In South Africa, chronic power supply bottlenecks continued to hamper economic growth in 2015. An exception was India that experienced reduced macroeconomic vulnerabilities and domestic policy reforms. Other reasons for the weaker economic growth were the slowdown in global trade, a rise in financial market volatility and capital outflows. The recovery in developed countries picked up in 2015, driven by stronger domestic demand, particularly in the United States (US), where the labour market improved markedly. In the Eurozone, credit growth picked up and unemployment declined. In Japan, the recovery remains fragile amid the non-conventional monetary policy stimulus and rising corporate profits.

Global financial market volatility rose in 2015, against the backdrop of slowing activity in large emerging economies, diverging monetary policies of major central banks, continued declines in commodity prices, and fragile liquidity conditions. Equity and currency markets were particularly affected. The currencies of commodity-exporting and emerging market and developing economies depreciated significantly. In addition, the borrowing costs rose in line with heightened risk-aversion.

In general, advanced economies maintained an accommodative monetary policy stance in 2015, with the exception of the US, while those of key emerging market and developing economies were divergent. As expected, the Federal Reserve Bank hiked the federal funds rate by 0.25 percent in December 2015 to 0.50 percent while the ECB and the BOJ remained committed to ultra-low rates and unconventional monetary policy to overcome sluggish economic growth and weak inflation. In addition, the Bank of England (BoE) maintained the Bank Rate at 0.50 percent and the stock of purchased assets at £375 billion per month in 2015. For the emerging and developing economies, central banks of Brazil and South Africa tightened their monetary policy in 2015, in order to ease currency depreciation pressures and contain inflation and financial instability. On the other hand, the central banks in Russia, China and India eased their monetary policy stance to boost economic growth.

OUTPUT GROWTH AND OUTLOOK BY MAIN REGIONS AND ECONOMIC BLOCKS

The world economy is estimated to have recorded slower growth in 2015, compared to 2014. As such, the IMF forecast global growth to be at 3.1 percent in 2015, compared to 3.4 percent in 2014. The weaker performance was mainly ascribed to a continued deceleration of economic activity in emerging and developing economies amid weakening commodity prices. Global growth is expected to rise by 3.4 percent in 2016, although at a slower pace than previously forecasted. Factors contributing to the improvement in growth are continued recovery in major developed countries, stabilisation in commodity prices, as well as an increase in global interest rates that is gradual and well contained. The downside risks to growth in 2016 include: slowdown in emerging market economies, China's economy rebalancing, lower commodity prices, as well as, the gradual exit from extraordinary accommodative monetary conditions in the US.

Table C. 1: World economic output (annual percentage change)

Economic output	Actual					
	2011	2012	2013	2014	2015(est.)	2016(proj.)
World Output	4.1	3.4	3.3	3.4	3.1	3.4
Advanced economies	1.7	1.2	1.3	1.8	1.9	2.1
USA	1.6	2.3	2.2	2.4	2.5	2.6
Eurozone	1.6	-0.7	-0.5	0.9	1.5	1.7
Germany	3.4	0.9	0.2	1.6	1.5	1.7
Spain	2.1	0.3	-1.2	1.4	3.2	2.7
UK	1.1	0.3	1.7	2.9	2.2	2.2
Japan	-0.5	1.5	1.6	0.0	0.6	1.0
Other advanced economies	2.7	1.6	2.2	2.8	2.1	2.4
Emerging markets and developing economies	6.2	5.1	4.7	4.6	4.0	4.3
Sub-Saharan Africa	5.1	4.4	5.2	5.0	3.5	4.0
Angola	3.9	5.2	6.8	4.8	3.0	3.3
Botswana	6.2	4.3	5.9	4.4	4.2	3.2
South Africa	3.6	2.5	2.2	1.5	1.3	0.7
Zambia	6.4	6.8	6.7	6.5	7.2	4.0
Zimbabwe	11.9	10.6	3.3	3.1	3.2	2.4
Developing Asia	7.7	6.7	6.6	6.8	6.6	6.3
Russia	4.3	3.4	1.3	0.6	-3.7	-1.0
China	9.3	7.7	7.8	7.3	6.9	6.3
India	6.6	4.7	5	7.3	7.3	7.5
Brazil	2.7	1.0	2.5	0.1	-3.8	-3.5
Middle East, North Africa, Afghanistan and Pakistan	4.5	4.8	2.2	2.8	2.5	3.6
Latin America and the Caribbean	4.5	2.9	2.8	1.3	-0.3	-0.3

Source: IMF World Economic Outlook October 2015 and January 2016.

Growth in developed economies gained traction in 2015 although at a slower pace. Advanced economies are expected to have recorded a growth rate of 1.9 percent, compared to 1.8 percent in 2014, driven by stronger domestic demand as the labour market recovered and credit conditions improved. US GDP is projected to have grown by 2.5 percent, compared to 2.4 in 2014. This improved growth was mainly attributed to strong household spending on consumption and housing as the labour market improved. Eurozone gained traction in 2015 when its GDP recorded a growth rate of 1.5 percent, compared to 0.9 percent in 2014. This growth was largely driven by economies such as Spain and Portugal which implemented extensive economic reforms. Acute political risks however remain and these include the refugee crisis, Greece's continued fragility and the potential for Brexit[7]. The Japanese economy is expected to have grown by 0.6 percent in 2015, compared to zero growth in the previous year. The weak but positive growth could be mainly explained by positive, but relatively subdued export growth. On the contrary, private consumption contracted while investment was stagnant in 2015. Downside risks to the outlook are weakening

7 The term Brexit refers to the possibility of Britain's withdrawal from the European Union.

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household consumption and dependence on external conditions causing considerable uncertainty. The British economy is expected to have grown by 2.2 percent in 2015, compared to 2.9 percent in the previous year. Weaknesses were recorded in private consumption growth and exports that were struggling due to a strong Pound exchange rate and unstable demand.

Major emerging market and developing economies, such as China, Brazil and Russia are all expected to have slowed down in 2015, compared to 2014. Economic growth for major emerging market and developing economies is expected to have recorded a slower growth rate of 4.0 percent in 2015, compared to 4.6 percent in 2014 (Table C.1). This lower growth could be mainly attributed to slower growth in China, poor commodity prices, and contractions in the economies of Brazil and Russia. China is expected to have slower growth of 6.9 percent in 2015, compared to 7.3 percent in 2014, as the economy commenced with rebalancing away from fixed investment and commodity-intensive activities. This transition has repercussions for global trade and commodity prices. Brazilian and Russian economies are expected to have declined by 3.8 percent and 3.7 percent in 2015, compared to 0.1 percent and 0.6 percent, respectively, in the previous year. The poor performance in those economies could mainly be attributed to global and domestic headwinds, with both countries experiencing deepening contraction, above-target inflation rates and deteriorating public finances. In contrast, India remained robust, sustained by strong investor sentiment and the positive effects on real income of the recent fall in oil prices.

Economic growth in South Africa and Angola are also estimated to have slowed down in 2015. In South Africa, the chronic power supply continued to weigh down the GDP growth. The economy is expected to have grown by 1.3 percent in 2015, compared to 1.5 percent in the previous year. Similarly, Angola's economic growth is expected to have slowed down to 3.0 percent in 2015, compared to 4.8 percent in the previous year, mainly due to a fall in international oil prices during 2015.

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ECONOMIC OUTLOOK FOR 2016

The global economy is projected to record improved growth in 2016 and 2017 according to the IMF's World Economic Outlook (WEO) for January 2016. The growth is estimated to improve to 3.4 percent and 3.6 percent in 2016 and 2017, respectively. In line with the improved growth, advanced economies are expected to expand by 2.1 percent in 2016. US GDP is projected to grow by 2.6 percent in 2016, up from 2.5 percent in 2015, on the back of favourable financial conditions and strong housing and labour market. In the Eurozone, GDP is projected to grow by 1.7 percent in 2016, up from 1.5 percent in 2015, because of stronger private consumption supported by lower oil prices and easy financial conditions. Similarly, the Japanese GDP is projected to grow by 1.0 percent in 2016, up from 0.6 percent in 2015 due to fiscal support, lower oil prices, favourable financial conditions and rising incomes. Growth in emerging markets and developing economies is forecasted to increase from 4.0 percent in 2015 to 4.3 percent in 2016. India is expected to record robust economic growth of 7.5 percent in 2016 from 7.3 percent in 2015, as low oil prices will curb fuel subsidy bills as well as strong foreign investment flow is expected. Growth in China is projected to slow to 6.3 percent in 2016 from 6.9 percent in 2015, reflecting weaker investment growth as the economy continues to rebalance. Similarly, the South African economy is forecasted to record lower growth of 0.7 percent in 2016 from 1.3 percent in 2015. Labour and social tensions, high unemployment, and constraints associated with electricity supply will continue to weigh on activity. The Russian and Brazilian economies would continue to contract in 2016.

MONETARY POLICY STANCE AND INTEREST RATE DEVELOPMENTS

Monetary policy remained accommodative among the advanced economies, except in the US. The Federal Open Market Committee (FOMC) increased the range of its benchmark interest rate by 0.25 percent to 0.50 percent (Table C.2) in December 2015. The FOMC cited the considerable improvement in labour market conditions and the confidence that inflation will increase towards 2.0 percent in the medium-term as the reason for the decision to increase the interest rates. The ECB kept its refinancing rate unchanged at 0.05 percent in 2015, however, it lowered the deposit facility by 0.10 percent to minus 0.30 percent and extended its €60 billion asset purchase program until at least March 2017. The BOJ maintained its commitment to quantitative easing, and a further expansion of asset purchases was likely as inflation is not expected to reach the central bank's target before 2017. The Bank of England's Monetary Policy Committee maintained the Base Rate unchanged at 0.50 percent and the stock of purchased assets financed by the issuance of central bank reserves at £375 billion per month in 2015.

Table C. 2: Latest policy rates of selected economies

Countries	Policy Rate	Rates at the end of 2015 (%)	Policy Rate % Δ	Last Meeting	December Inflation	Real Interest
Advanced						
USA	Federal funds rate	0.25-0.50	0.25	*December*	0.7	-0.2
Canada	Overnight rate	0.50	-0.50	*December*	1.6	-1.1
Australia	Cash rate	2.00	-0.50	*December*	1.5	0.5
Eurozone	Refinancing rate	0.05	0.00	*December*	0.2	-0.2
UK	Bank rate	0.50	0.00	*December*	0.2	0.3
Japan	Call rate	0.00	0.00	*December*	0.2	-0.2
BRICS						
Brazil	Short term interest rate	14.25	2.50	*November*	10.7	3.6
Russia	Refinancing rate	11.00	-6.00	*December*	12.9	-1.9
India	Repo rate	6.75	-1.25	*December*	5.6	1.1
China	Lending rate	4.35	-1.25	*December*	1.6	2.8
South Africa	Repo rate	6.25	0.50	*November*	5.2	1.1

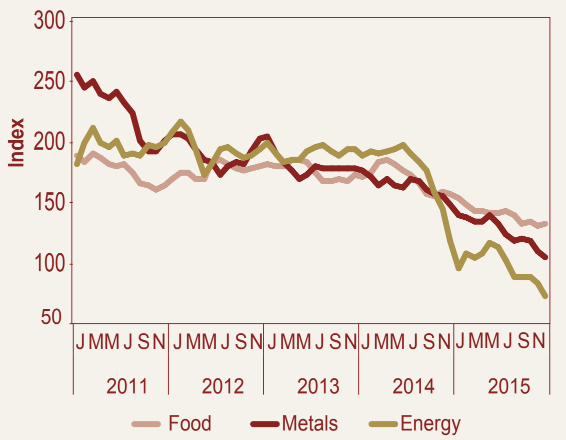
Source: Trading Economics /Respective Central Banks

Monetary policy stances in key emerging market economies were divergent in 2015. The central bank of Brazil increased the policy rate, the short term interest rates, by a total of 250 basis points in 2015, in order to contain high inflation rates that resulted from the depreciation of the Brazilian Real against the US dollar. The South African Reserve Bank (SARB) hiked the repo rate by a total of 50 basis points as risks to the inflation outlook increased. The SARB was concerned that the Rand exchange rate depreciation against US Dollar may put pressure on the inflation outlook. The People's Bank of China (PBOC) lowered its lending rates by a total of 125 basis points in 2015. The central bank further continued to inject liquidity into the financial system, especially during the June stock market correction. The central bank of Russia cut its refinancing rates by a total of 600 basis points in 2015 in order to aid its ailing economy. Structural weaknesses, coupled with international sanctions and lower oil prices caused the economy to slip into recession in 2015. The central bank of India also cut the Repo rate by 125 basis points in 2015, in order to bolster economic growth.

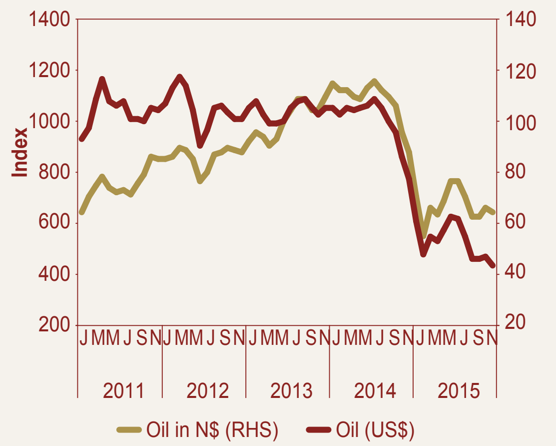
COMMODITY PRICE DEVELOPMENTS

Figure C.1: Selected commodity prices and price indices

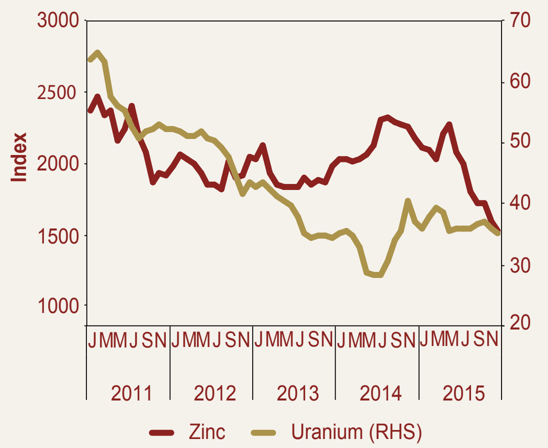
Commodity prices continued to fall in 2015, due to abundant supplies, soft demand from China and appreciation of the US dollar.



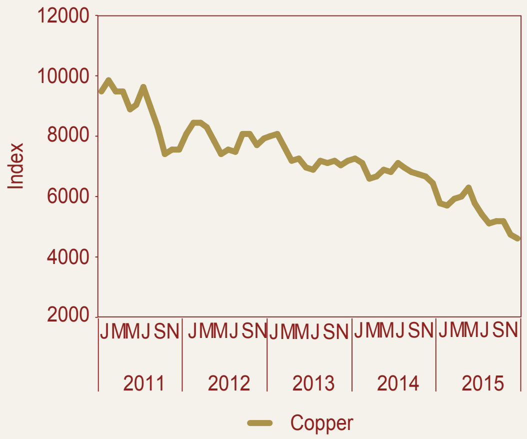
The price of Crude oil dropped to below US$40 per barrel toward the end of 2015, mainly because of high stock in OECD economies, ample global supplies and expectation of slower global demand.



Zinc prices continued a decreasing trend while prices for uranium improved albeit at a weaker pace.



The prices of copper were soft on the back of weaker demand from China.



Source: IMF

The year 2015 was characterised by the weakest commodity prices in more than a decade. Prices for commodities such as energy, metals and food fell by an average of 45 percent from their peak levels of 2011. This decline was mainly due to oversupply of these commodities and weak demand from commodity consumers such as China. Further, the appreciation of the US Dollar, in which most commodities are traded, also contributed to the soft prices. In addition, declines in energy prices could be explained by high stocks at the Organisation for Economic Co-operation and Development (OECD) economies, ample global supply and expectations of slower global demand from big emerging markets. The weakness in commodity prices in 2015 is expected to continue in 2016, thereby maintaining pressure on commodity exporters while benefiting commodity importers through real income gains.

Prices of Crude oil dropped below US$40 per barrel towards the end of 2015. Oil prices averaged US$36.45 per barrel in December 2015, compared to the average of US$56 per barrel in the first half of 2015. For the year, the average price was US$50.79, compared to the average price of US$96.25 in 2014 (Figure C1). This could be attributed to the decision by the Organization of the Petroleum Exporting Countries (OPEC) to increase production mostly from

Saudi Arabia and Iraq. With the removal of sanctions against Iran, supply could increase by 0.5-0.7 million barrels per day by 2016 as Iran's oil exports would increase. This would put further downward pressure on oil prices.

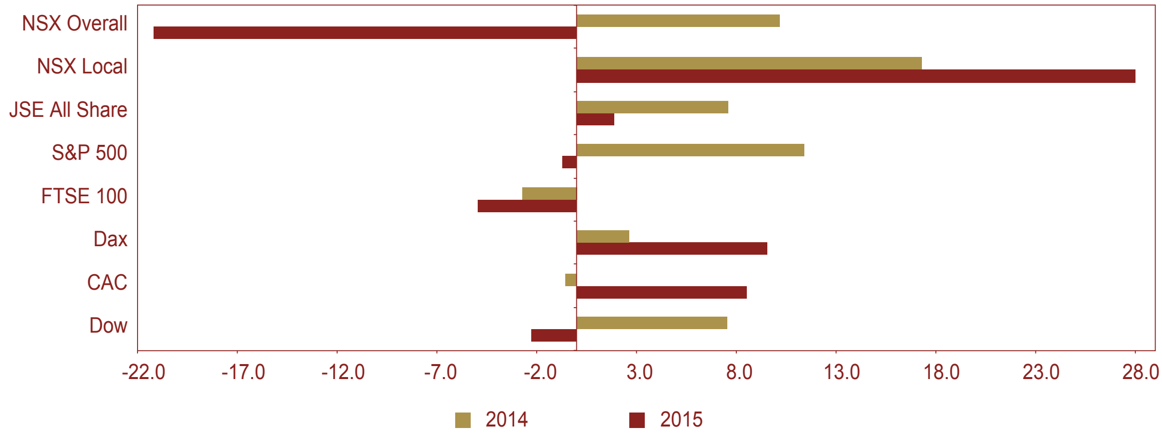
Prices of metals continued to decline in 2015, except uranium, reflecting well-supplied markets and poor growth in major emerging markets. Average prices of copper was US$5 510.46 in 2015, compared to US$6 863.40 per metric tonne in 2014. The decline could be attributed to concerns over poor demand from China, which consumes around 45 percent of total copper production, as well as the new mining capacity that came into operation in some countries. Similarly, zinc prices declined to US$1 931.68 per metric tonne at the end 2015, down from US$2,160.97 per metric tonne at the end of 2014. The weak prices could be explained by the global economic sentiment that is expected to be depressed and poor Chinese economic data. On the contrary, the average price of uranium in 2015 was US$36.74 per ounce from US$33.49 in the previous year. Reasons for the uptick in the prices included the supply disruptions at two of the world's largest uranium mines, Rossing in Namibia and Olympic Dam in Australia and the delay of Rio Tinto's Ranger 3 Deeps mine in Australia. The prices are expected to pick up in 2016, as demand for uranium is anticipated to increase, as many reactors are expected to be constructed in 2016.

DEVELOPMENTS IN FINANCIAL MARKETS

Global financial market indices ended 2015 with declines in the month of December, as the FOMC increased US interest rates and fears of slower global economic growth mounting. The losses recorded in the indices could be attributed to concerns about prospects in emerging markets, combined with negative data on economic activities in China. In addition, the significant correction of equity prices on the Chinese stock exchanges during the second half of 2015, as well as the uncertainty about the impact of rising interest rates in the US also contributed to greater financial markets volatility. Year-on-year, indices such as NSX[8] Overall Index, UK's FTSE100[9], the DOW[10], and US's S&P500[11] registered losses of 21.2 percent, 4.9 percent, 2.2 percent and 0.7 percent, respectively (Figure C.2). The strong decline in commodity prices, the negative outlook on demand contributed to the strong decline in both the NSX Overall Index and FTSE100, due to their high exposure to the commodity sector. Despite an improvement in the US economy, the S&P 500 declined marginally by 0.7 percent as a result of the negative impact of the strong US Dollar on foreign earnings, converted into US Dollars, and the negative impact of low oil prices on the energy sector earnings in general. On the other hand, the NSX Local index, South Africa's JSE[12] All Share Index, Germany's DAX[13] and CAC 40[14] increased by 28 percent, 1.9 percent, 9.6 percent and 8.5 percent, respectively. The DAX was boosted by the ECB's QE bond purchases programme that saw close to €1.5 trillion worth of bonds purchased in 2015.

8 Namibian Stock Exchange
9 Financial Times Stock Exchange
10 Dow Jones Industrial Average
11 Standard & Poor's
12 Johannesburg Stock Exchange
13 Deutscher Aktienindex
14 Cotation Assistée en Continu

Figure C.2: Annual growth rates in stock markets (percentage change in indices in USD terms)



Source: Bloomberg

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WORLD TRADE DEVELOPMENTS

Global merchandise trade slowed in 2015, driven by a deceleration in import demand from large emerging markets. The volume for goods and services is expected to decline by 3.2 percent in 2015 from 3.3 percent in 2014 (Table C.3). China's transition model and economic contraction in Brazil and Russia played a significant role in the decline. Growth in imports by the advanced economies improved from 3.4 percent in 2014 to 4.0 percent in 2015. On the other hand, the growth in exports by advanced economies declined to 3.1 percent in 2015, from 3.4 percent in the previous year. In contrast, the growth of imports by emerging market economies declined to 1.3 percent in 2015, from 3.6 percent in 2014. On the other hand, growth in exports of emerging market economies increased by 3.9 percent in 2015, from 2.9 percent in the previous year.

Table C. 3: Growth in the volume of World Trade (goods and services) 2012 -2016 (annual percentage change)

	Actual			Estimates	Projections
World Merchandise trade	**2012**	**2013**	**2014**	**2015**	**2016**
World trade volume (goods and services)	2.9	3.4	3.3	3.2	4.1
Imports					
Advanced economies	1.2	2.0	3.4	4.0	4.2
Emerging Markets and developing economies	6.0	5.5	3.6	1.3	4.4
Exports					
Advanced economies	2.0	2.4	3.4	3.1	3.4
Emerging Market and developing economies	4.6	4.4	2.9	3.9	4.8

Source: IMF

IMPLICATIONS OF GLOBAL DEVELOPMENTS

The slowdown of the Chinese economy is expected to have spill over effects through trade, commodity prices and its effects on confidence, the global financial markets and currency exchange rates. Softer prices for commodities such as copper will reduce the commodity export receipts for Namibia. While a further appreciation of the US dollar will put upward pressure on inflation. Being an oil importer, Namibia could boost real income due to declines in oil prices, although the depreciating currency will reduce the potential positive impact. Furthermore, prices for uranium have improved in 2015 and are expected to continue their positive trend in 2016. In line with this development, revenue from uranium exports and depreciating Namibia Dollar could minimise the negative impacts of lower commodity prices.

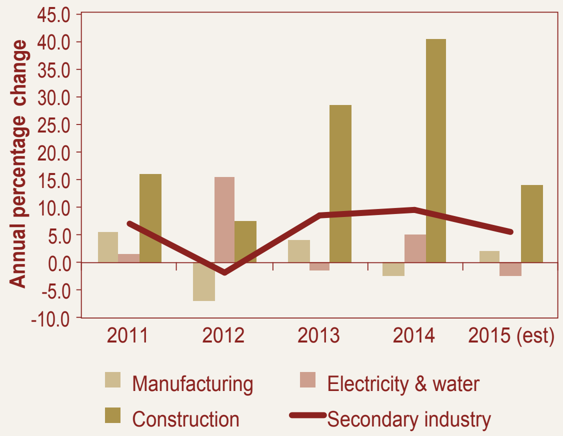
DOMESTIC ECONOMIC AND FINANCIAL DEVELOPMENTS

REAL SECTOR DEVELOPMENTS

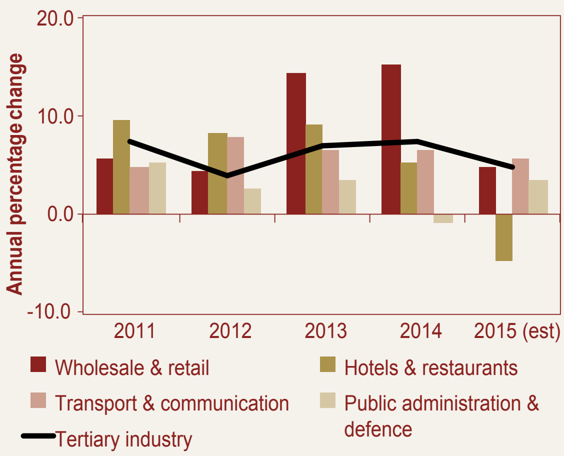
Figure C.3: Real Sector Developments

The Namibian economy is estimated to have slowed to 4.5 percent in 2015...

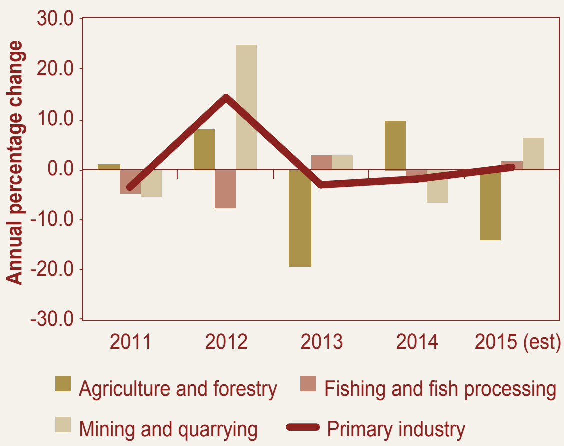
...mainly owing to the completion of some major construction activities…



…and slowed activities in wholesale and retail trade.



Furthermore, the agricultural sector contracted, due to the prevailing drought, while the mining sector performed positively, on account of new mines that commenced production.



Sources: NSA for 2011-2014 figures, BoN 2015 estimates

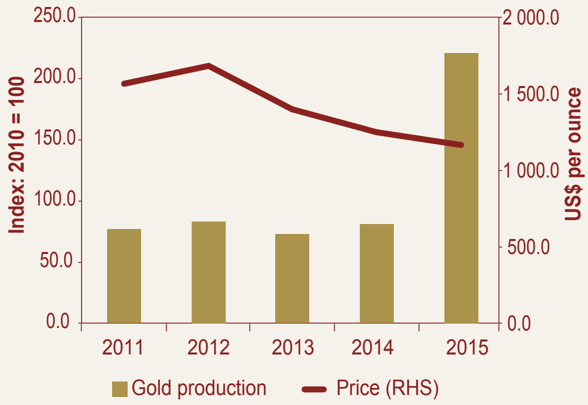
The domestic economic growth is estimated to have slowed in 2015, mainly due to lower growth in the construction, wholesale and retail trade and agricultural sectors relative to the robust expansion in 2014. The economy is estimated to have expanded by 4.5 percent in 2015, lower than the 6.4 percent in the previous year (Figure C.3). The slower performance was due to the completion of some major construction activities, especially in the mining sector, as well as moderated activities in wholesale and retail trade during 2015. Furthermore, the prevailing drought is expected to have impacted negatively on the agricultural sector, and subsequently the overall performance of the economy.

SECTORAL DEVELOPMENTS

PRIMARY INDUSTRY

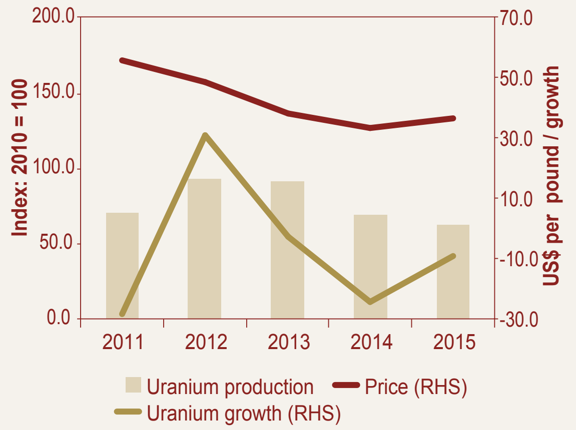
Figure C.4 Primary Industry

The primary industry is estimated to have recovered from a contraction in 2014, attributed to amongst others positive developments in gold production.

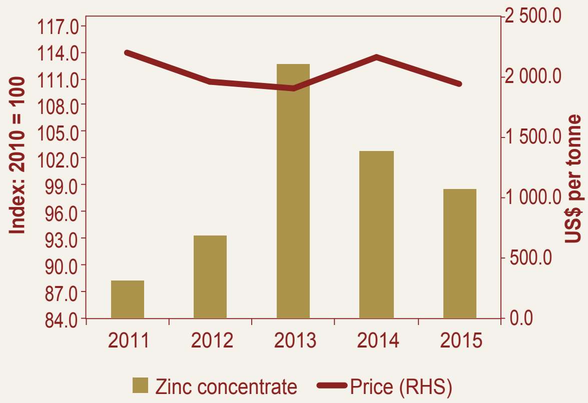


Diamond production, however, declined during the year under review, mainly due to various challenges encountered.

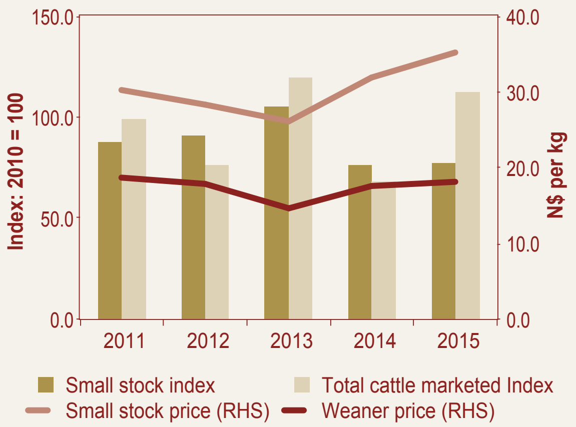
Similarly, uranium production declined, on account of mechanical and operational challenges in 2015.



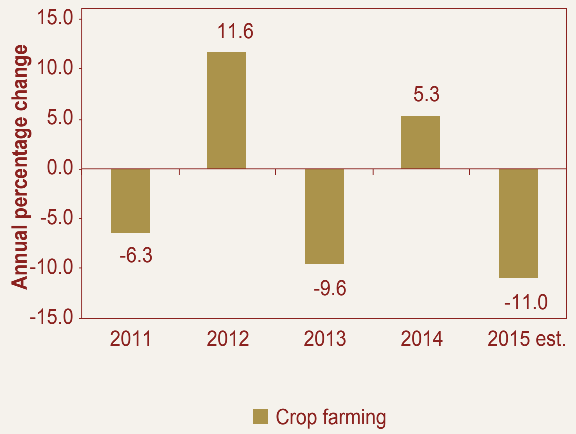
Zinc production also declined during the year, owing mainly to lower grade ores mined.



Furthermore, farmers continued reducing their livestock numbers in response to the drought, which led to increased livestock marketing activities in 2015.



Crop farming declined in 2015, due to low rainfall received during the rainy season.



Source: Various companies

MINING

Diamond mining output contracted in 2015, due to multiple production challenges encountered during the year. Diamond output declined by 4.9 percent in 2015, compared to an expansion of 5.4 percent in 2014 (Figure C.4). Production slowed to 1.76 million carats in 2015 from 1.86 million carats in 2014, mainly due to low grade carats mined, as well as industrial action that took place during the year.

Uranium output decreased in 2015, amidst low grade ore mined and mechanical and operational challenges experienced at the mines during the year. Uranium output is estimated to have declined by 9.2 percent in 2015, lower than the contraction of 24.1 percent in 2014. The decline in uranium output was mainly attributed to mechanical and operational challenges experienced, such as a fire incident, mechanical breakdowns, coupled with prolonged maintenance issues. The international uranium prices, however rose by 9.7 percent to US$36.74 per pound during the reviewed period, compared to the 2014 prices. This increase was primarily driven by supply disruptions at two of the world's largest uranium mines, Rossing in Namibia and Olympic Dam in Australia. Going forward, positive prospects of growing demand for nuclear energy is expected to impact favourably on the uranium prices.

The production of zinc concentrate declined in 2015, due to low grade ores, which were mined during 2015, coupled with declines in international zinc prices over the same period. Production of zinc concentrate declined by 4.2 percent to 99 665 tonnes during 2015, compared to the production levels in 2014. The decline was mainly due to low grade ores mined, during the period under review. International zinc prices also fell during 2015, averaging US$1 932 per metric tonnes, compared to US$2 161 per metric tonnes in 2014. This decline could be explained by the depressed global economic sentiment and weaker Chinese demand.

Gold production increased significantly in 2015, compared to the previous year, owing to the commencement of commercial production by a new gold mine during 2015, while prices fell. Gold production increased significantly by 182.5 percent during 2015, compared to a lower growth of 7.9 percent in 2014. This was mainly due to a new gold mine that started its operations during the period under review. International gold prices, however, declined to average US$1 160 per ounce during 2015, compared to an average price of US$1 266 in 2014. The decline in gold price was attributable to a stronger US Dollar and prospects of higher interest rates in the USA, as investors' appetite for risk rose and gold becoming less attractive as a safe haven investment instrument.

AGRICULTURE

The agricultural sector is estimated to have contracted in 2015, mainly as a result of the negative impact of the drought. The sector is estimated to have contracted by 14.0 percent in 2015, compared to an expansion of 9.6 percent in 2014. Low and delayed rainfall experienced during the 2014/15 rainy season negatively impacted the sector, as reflected in the contraction of both livestock farming and crop production during the reviewed period. Crop farming fell by 11.0 percent from an expansion of 5.3 percent in 2014. Furthermore, livestock farming also contracted by a higher rate of 16.2 percent in 2015, in relation to an expansion of 13.0 percent in the previous year. The total number of cattle marketed increased substantially by 82.0 percent in 2015 to 438 519 heads as a result of cattle sold, compared to those recorded in 2014. This was farmers, who continued reducing their stock in response to the drought. Moreover, the average price for weaners rose by 2.0 percent to N$18.04 per kilogram in 2015, due to solid demand from South Africa, as a result of lower operational costs of feedlots.

The total number of small stock marketed increased during 2015, along with the average price for small stock. Small stock marketed, which include sheep and goats rose by 12.6 percent to 1 100 096 during 2015, when compared to 2014. The waiver granted by the Meat Board to export live animals (sheep) to South Africa unconditionally as a drought relief measure, contributed to the increase in small stock marketed. The average price of small stock also rose by 9.2 percent to N$34.83 per kilogram during the year under review. This increase was driven by competitive prices offered by local abattoirs relative to those in South Africa. Exports of live small stock to South Africa, however continue to increase, despite the favourable prices offered localy, as local abattoirs do not have the capacity to absorb all the small stock offered.

Milk production increased during 2015, compared to the preceding year, owing to the favourable weather conditions for milk farming. Milk production recorded an increase of 9.4 percent to 24.4 million litres produced during 2015. The local industry, however, continues to face stiff competition from relatively cheap imports, especially from South Africa.

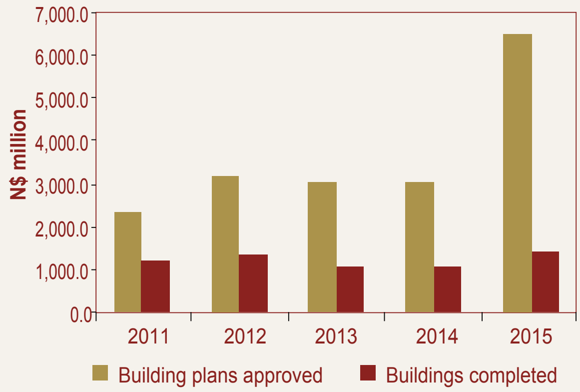
The growth in the fishing sector is estimated to have increased during 2015, compared to the preceding year, mainly owing to a rise in the Total

Allowable Catches (TAC) for hake during the year. Value added in the fishing sector as a percentage of GDP is estimated to have increased to 1.6 percent in 2015, compared to a contraction of 2.5 percent recorded during 2014. This was mainly ascribed to an increase in the TAC for hake as well as good landings for horse mackerel during the year under review.

SECONDARY INDUSTRY

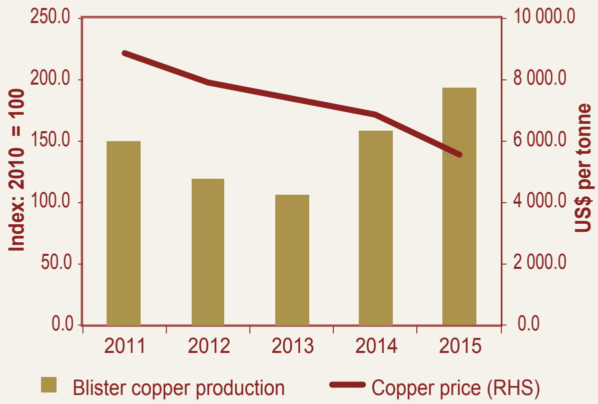
Figure C.5: Secondary industry

Despite the slow growth estimated for the secondary industry in 2015 due to the completion of major projects, building plans approved and completed rose over the same period.

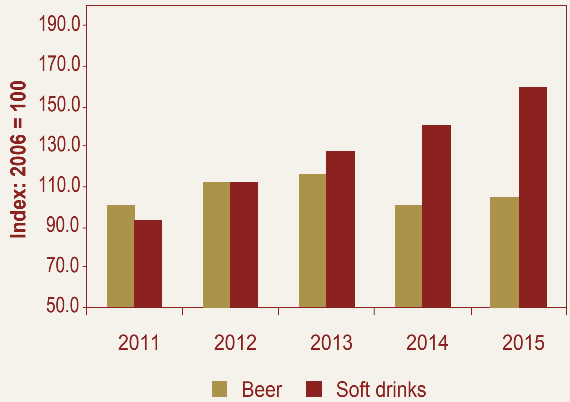


Government construction activities increased during the review period.

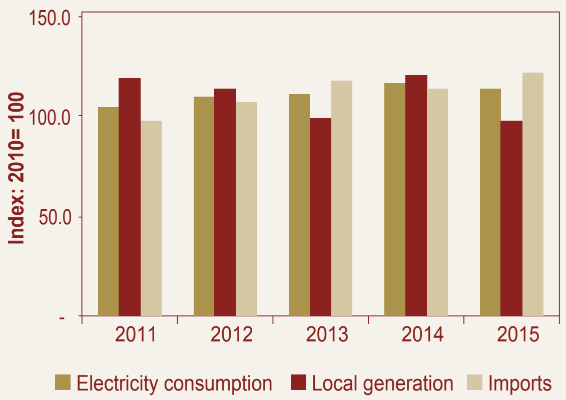
Blister copper production also rose during 2015, sustained by improved facilities at the smelter, thereby contributing to the increased manufacturing activities.



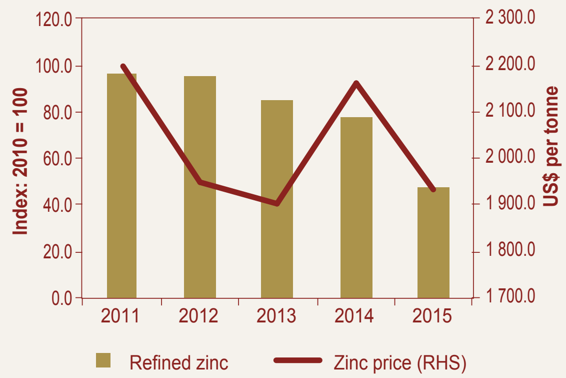
Production of both beer and soft drinks rose during the review period, supporting the manufacturing sector.



Locally generated electricity decreased, owing to inadequate inflow of water in the Kunene River, while imports of electicity rose.



Refined zinc production also declined during the year.



Source: Municipalities, MOF and various companies

CONSTRUCTION

Growth in the construction sector slowed during 2015, as some major construction projects came to an end. The sector is estimated to have expanded by 14.0 percent in 2015, lower than the 40.5 percent in 2014. The slowdown was as a result of some major construction projects, which were completed, especially in the mining sector. Furthermore, the positive growth in real value addition in the sector was supported by the increased real value for building plans approved and buildings completed, as well as Government construction activity. During 2015, the real value[15] for building plans approved and buildings completed increased by 25.2 percent to N$3.7 billion and by 31.9 percent to N$1.4 billion, respectively, when compared to 2014 (Figure C.5). Additionally, real value for government construction works also rose by a significant rate of 66.9 percent to N$ 10.9 billion over the same period.

ELECTRICITY AND WATER

C

The output of the electricity and water sector contracted in 2015, owing to low rainfall, compared to positive growth in 2014. The sector is estimated to have contracted by 2.2 percent in 2015, compared to an expansion of 4.9 percent in 2014. Local electricity generation fell by 18.8 percent in 2015, attributable to low water inflow in the Kunene River at the Ruacana Hydropower Station. As a result, imports of electricity increased by 7.0 percent over the same period, owing to the lower local generation and high demand from the mining sector.

MANUFACTURING

Growth in the manufacturing sector is estimated to have expanded in 2015, due to the increase in meat processing. The sector expanded by 2.1 percent in 2015, compared to a contraction of 2.2 percent in 2014. The expansion was recorded in the meat processing subsector, in line with the lowering of livestock levels, which expanded by 5.0 percent during the year from a contraction of 17.4 percent in 2014. Growth in value addition of minerals, particularly diamonds, and other manufacturing products, however, fell over the same period, along with their associated primary products.

During 2015, refined zinc production declined significantly, due to industrial action, coupled with low ores mined during the year, while international zinc prices also declined. Production of refined zinc declined significantly by 39.4 percent to 71 961 tonnes during 2015, compared to 118 664 tonnes recorded during 2014 (Figure C.5). This was owed to lower grade ores extracted and industrial action experienced during the year, coupled with a fire incident and prolonged maintenance at the mine. Likewise, zinc prices fell by 10.6 percent to an average of US$1 932 per tonne.

Production of blister copper rose in 2015 and was sustained by improved facilities, while international copper prices declined. Production of blister copper increased by 21.1 percent to 44 504 tonnes, compared to the production in 2014. International copper prices, however, fell by 19.7 percent as demand from China, the major consumer, slowed.

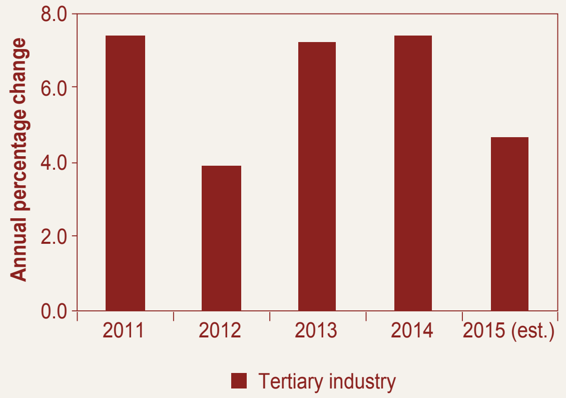
Production of beer and soft drinks increased in 2015 due to high demand. The production of beer rose by 1.2 percent in 2015, from a decline of 10.7 percent in 2014. The increase in beer production was mainly attributed to the commencement of commercial production of the new company, which started producing beer in 2015. Likewise, soft drinks production rose by 13.9 percent, higher than the increase of 9.5 percent in the previous year. The rise was driven by sustained demand, coupled with improved logistics.

15 The data are deflated by Namibia Consumer Price Index (NCPI) (Dec.2012 = 100).

TERTIARY INDUSTRY

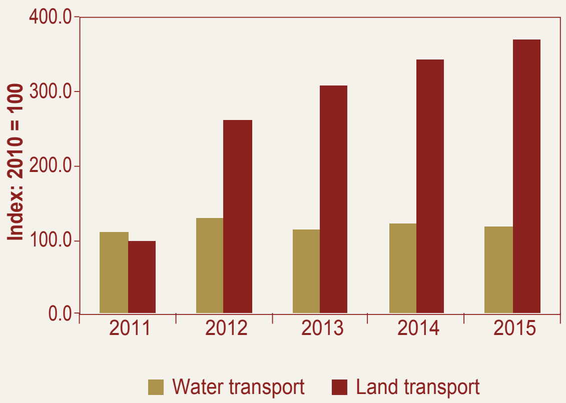
Figure C.6: Tertiary industry

The tertiary industry is estimated to have expanded by 4.7 percent in 2015, although a stronger growth was registered in 2014...

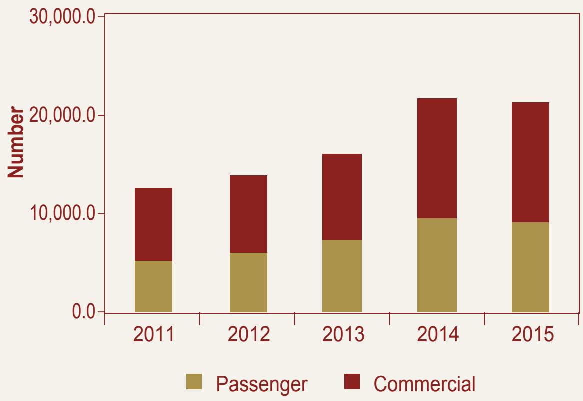


…largely sustained by demand in the wholesale and retail trade…

… supported by activities in the transport sector, mainly road subsector.

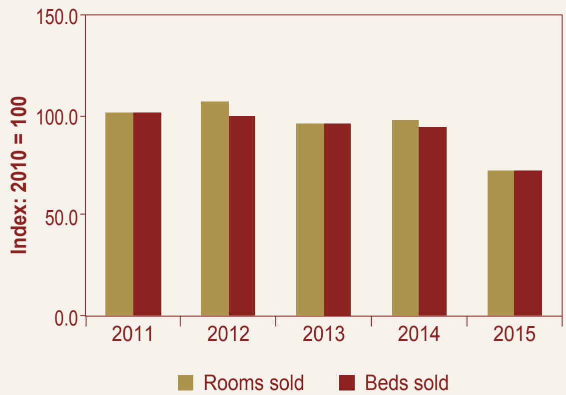


Vehicle sales, however, declined over the same period.



The tourism sector contracted in 2015, as reflected in the decreased number of visitor arrivals.

Rooms and beds sold also declined over the same period.



Source: NSA, NAAMSA, Namport, TransNamib and other transport operators, Namibia Airports Company and Hospitality Association of Namibia

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WHOLESALE AND RETAIL TRADE

Wholesale and retail trade is estimated to have expanded during 2015, but at a lower growth rate than the previous year. The sector is estimated to have expanded by 4.8 percent in 2015, albeit less than the 15.2 percent growth in 2014 (Figure C.6). In real terms, wholesale and retail trade turnover maintained a positive momentum in a low interest rate environment. Conversely, demand for new vehicles declined by 2.3 percent to 21 224 units during the year under review compared to the previous year, of which commercial vehicles increased marginally by 0.7 percent, while passenger vehicle declined by 6.0 percent.

TRANSPORT AND COMMUNICATION

The transport and communication sector posted a positive growth, as reflected in increased land cargo volumes. The transport and communication sector grew by 5.5 percent in 2015, lower than an increase of 6.6 percent in 2014. Land cargo volumes rose by 7.5 percent, driven by road transport, while rail transport declined. Sea cargo volumes also declined by 4.5 percent during the year under review, compared to positive growth in the previous year. The decline in sea cargo volumes was reflected in shipped and transhipped cargo volumes, while landed cargo volumes increased slightly. The declined in sea cargo volumes was partly attributed to low export volumes of certain minerals during the year under review.

TOURISM

The performance of the *tourism sector which is measured by activities under hotels and restaurants contracted in 2015, as reflected by a lower number of visitor arrivals and rooms sold.* The *sector* is estimated to have contracted by 4.6 percent in 2015, compared to a growth rate of 5.3 percent in 2014. This was also reflected in the lower number of visitor arrivals, which declined by 1.2 percent to 401 466 during 2015, compared to the previous year. Furthermore, both the number of rooms and beds sold, which are robust indicators for tourism activities, also declined by 26.1 percent and 22.5 percent during 2015, respectively.

PUBLIC ADMINISTRATION AND DEFENCE

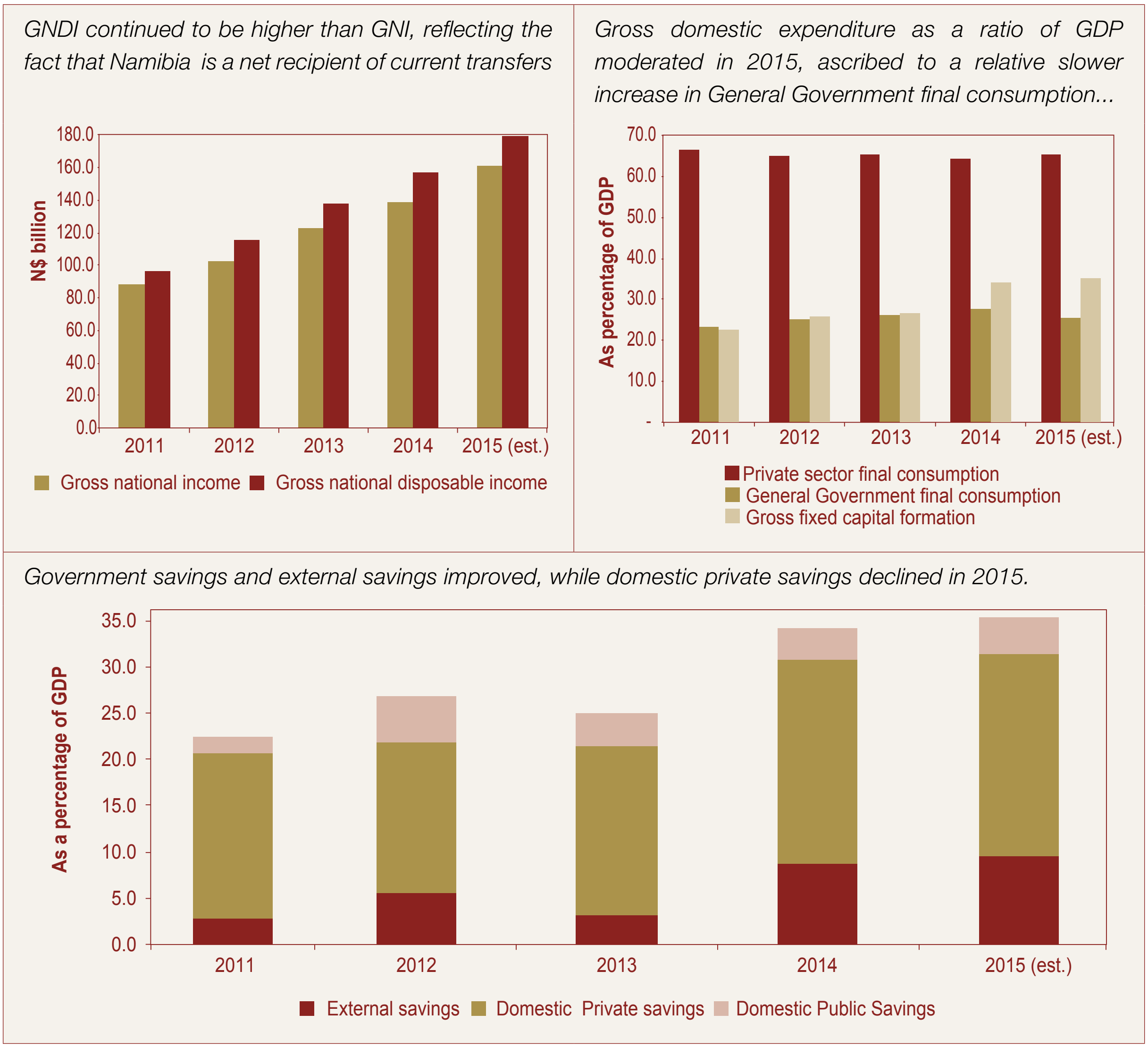
Value added by public administration and defence continues to grow, largely reflecting employment gains, mostly in the provision of social services. The sector is estimated to have grown by 3.4 percent in 2015 in relation to a marginal contraction of 0.7 percent in the previous year.

GROSS NATIONAL INCOME AND GROSS NATIONAL DISPOSABLE INCOME

Namibia's gross national income and gross national disposable income are estimated to have increased during 2015. The country's gross national income (GNI)[16] at current prices is estimated to have risen to N$161.1 billion in 2015 from N$139.0 billion in 2014, representing a 15.9 percent increase (Figure C.7). Similarly, gross national disposable income (GNDI) is estimated to have increased to N$179.6 billion in 2015 from N$157.1 billion in the previous year. Moreover, GNDI continued to be higher than GNI, indicating that Namibians received more transfers from the rest of the world compared to what they sent abroad.

16 In contrast to gross domestic product (GDP) which measures domestic output, gross national income (GNI) and gross national disposable income (GNDI) measure total income received by residents. GNI measures total income earned by the factors of production owned by residents; irrespective of the location of the activity from which the income is derived (domestically or abroad), while GNDI measures disposable income of residents, after transfers and taxes.

Figure C.7: GNI, GNDI and savings



Source: NSA for 2011-2014, BoN for 2015 estimates

GROSS DOMESTIC EXPENDITURE

Gross domestic expenditure as a ratio of GDP is estimated to have moderated due to decrease in the final consumption of general government during 2015. Gross domestic expenditure (GDE) at current prices is estimated to have increased to N$196.7 billion in 2015 from N$177.9 billion in the preceding year, representing 10.5 percent growth (Figure C.7). As a percentage of GDP, however, GDE declined to 122.7 percent in 2015, from 126.2 percent in 2014. The general government final consumption as a ratio of GDP decreased from 27.5 percent to 25.4 percent over the same period. In absolute terms, the general government final consumption was estimated to have risen by 25.0 percent to N$48.5 billion in 2015, from N$38.8 billion in 2014.

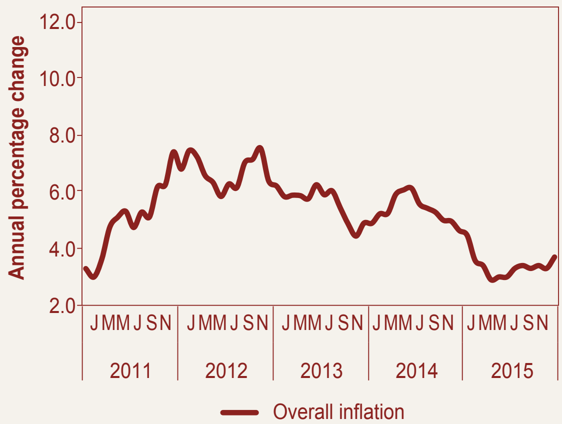
SAVINGS AND INVESTMENT BALANCE

Namibia's total domestic savings as percentage of GDP is estimated to have increased slightly in 2015. Total domestic savings as a ratio of GDP increased marginally to 25.7 percent in 2015, from 25.5 percent in 2014. National savings plays a significant role in driving investment, which can in turn stimulate economic growth. The improvement in overall domestic savings was attributed to government savings, which increased to 3.9 percent of GDP in 2015, from 3.5 percent of GDP in the previous year (Figure C.7). On the contrary, domestic private savings as a ratio of GDP are estimated to have declined slightly to 21.8 percent in 2015, from 21.9 percent in 2014.

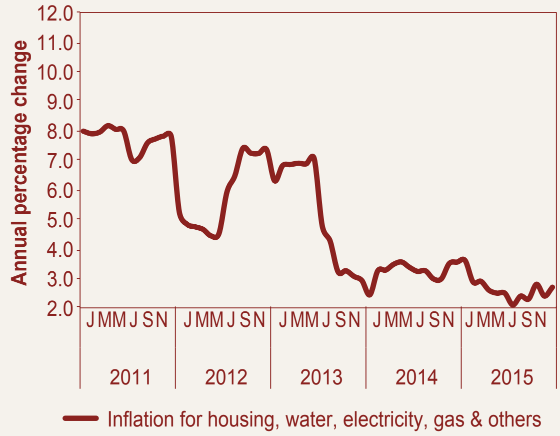
PRICE DEVELOPMENTS[17]

Figure C.8: Price Developments

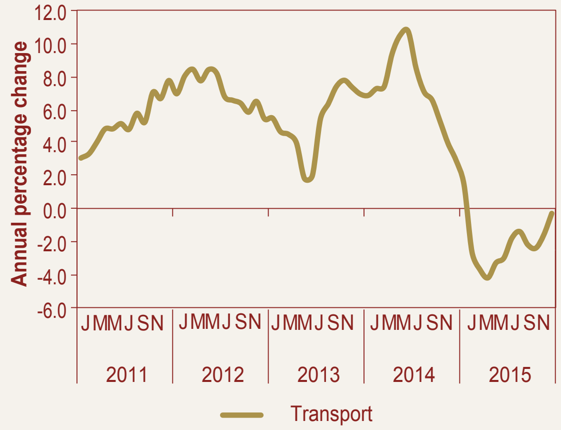
Namibia's average annual inflation rate decreased in 2015 compared to 2014…



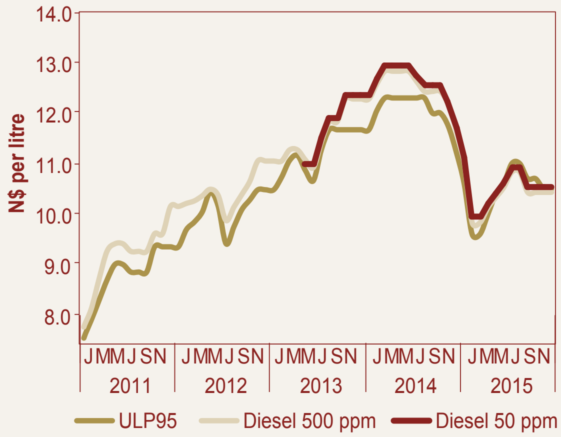
…… mainly due to a reduction in the inflation rate for housing, water, electricity, gas and other fuels.



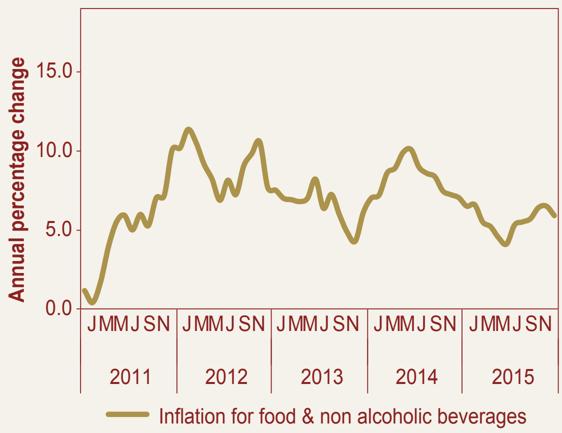
…and the contraction in transport inflation, owing to a decline in international oil prices.



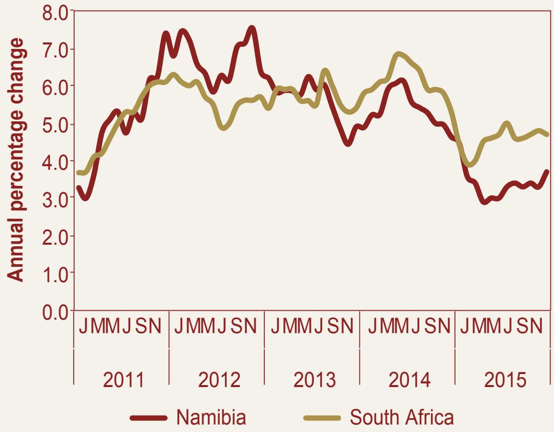
Average pump prices declined in 2015 as oil prices plummeted during the year.



The average inflation rate for food also declined during 2015, when compared to 2014.



South Africa's inflation remained relatively higher than that of Namibia.



Source: NSA

17 The analyses in this section are based on the new National Consumer Price Index (NCPI) series based on the 2009/2010 Namibia Household Income and Expenditure Survey (NHIES), as released by the Namibia Statistics Agency (NSA) in November 2013.

The decline in the average inflation rate for 2015 was predominantly reflected in the lower inflation rate for all the inflation categories including the *housing, water, electricity, gas and other fuels.* This category carries the biggest weight of the total inflation basket in Namibia as per the rebased CPI in 2013. Annual inflation for *housing, water, electricity, gas and other fuels* slowed to 2.6 percent in 2015 from 3.2 percent in 2014 (Figure C.8). The slowdown is reflected in all sub-categories under this category, with the exception of *regular maintenance and repairs of dwelling*, which recorded a higher average inflation rate during the year compared to the previous year.

Similarly, average annual inflation rate for *food and non-alcoholic beverages* declined in 2015, owing to low international food prices during the year, compared to the previous year. The average annual inflation rate for *food and non-alcoholic beverages* stood at 5.6 percent, a slowdown from 8.3 percent in 2014, owing to low international food prices during the year under review. The slowdown was reflected in the *food* category, which averaged 5.8 percent in 2015, compared to 8.8 percent in 2014. The lower food inflation was reflected in the higher weighted sub-categories such as *meat, bread and cereal* as well as vegetables, which averaged 7.0 percent, 3.9 percent and 6.3 percent in 2015, much lower compared to 12.4 percent, 8.2 percent and 11.5 percent in 2014, respectively. Other categories such as *fish and fruits*, however, registered price increases during 2015 compared to 2014 (Table C.4). Likewise, the average inflation rate for *non-alcoholic beverages* increased from 3.2 percent in 2014 to 4.2 percent in 2015.

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Table C.4: Inflation for food and non-alcoholic beverages

	Weight	2011	2012	2013	2014	2015
Food and Non-alcoholic beverages	16.4	4.9	9.1	6.5	8.3	5.6
Food	14.8	5.0	9.1	6.6	8.8	5.8
Bread and cereals	4.8	3.8	9.5	4.6	8.2	3.9
Meat	3.5	9.8	13.9	6.5	12.4	7.0
Fish	0.8	4.2	8.0	8.6	3.3	7.2
Milk, cheese & eggs	1.2	1.4	4.0	5.3	11.4	7.6
Oils and fats	0.8	5.3	9.7	7.5	4.5	3.2
Fruit	0.3	0.3	3.0	13.1	7.4	8.5
Vegetables	1.2	2.8	5.8	11.7	11.5	6.3
Sugar, jam, honey syrups etc.	1.4	8.9	11.5	7.9	5.3	7.2
Food products	0.6	5.1	5.7	5.1	5.4	5.6
Non-alcoholic beverages	1.7	4.1	8.3	5.3	3.2	4.2
Coffee, tea, and cocoa	0.3	3.3	7.4	4.6	6.3	8.1
Mineral waters, soft drinks & juices	1.4	4.4	8.6	5.6	2.5	3.3

The average transport inflation rate remained in the negative territory in 2015, owing to the low international oil prices. Transport inflation declined to -2.1 percent in 2015, compared to a positive growth of 7.2 percent registered in 2014. The decline was reflected in all subcategories, with the subcategory *operation of transport equipment*, which includes oil, declining remarkably by 12.7 percentage points to -6.3

percent in 2015, from a positive growth of 6.4 percent in the previous year. The declining international oil price continues to exert downward pressure on transport inflation and provides some relief for oil importing countries like Namibia, The depreciation of the Namibia Dollar against the US Dollar in which international crude oil is denominated, could, however, soften or even reverse this benefit.

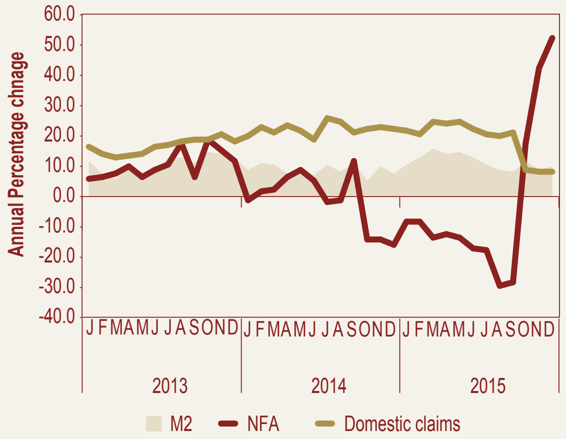
Average domestic pump prices for both petrol and diesel declined in 2015, compared to 2014, as international oil prices plummeted during the year. *Pump prices* for petrol, diesel 500ppm and diesel 50ppm averaged N$10.42, N$10.36 and N$10.51 per litre in 2015, lower than the average prices of N$12.03, N$12.48 and N$12.58 in 2014, respectively. The declining international oil prices, stemmed from increased supply in an already flooded market, coupled with the weaker global demand. This development resulted in several rounds of reductions in domestic pump prices during the second half of 2015. As a result, by the end of December 2015, pump prices at Walvis Bay stood at N$10.49 per litre of petrol 95, N$10.42 per litre of diesel 500ppm and N$10.52 per litre of diesel 50ppm when compared to N$11.19, N$11.62 and N$11.72 at the end of December 2014, respectively.

The annual inflation rates for Namibia and South Africa, on average, trended in the same direction for the most part of 2015, although South Africa's inflation remained relatively higher. South Africa recorded a lower annual average inflation rate of 4.5 percent in 2015, compared to 6.1 percent during the preceding year. Similarly, Namibia's average inflation rate stood at 3.4 percent, compared to 5.4 percent over the same period. The lower inflation in South Africa in 2015 was mainly on account of lower food inflation, resultant from declining prices for *bread and cereals*, following a bumper harvest in 2015. The recent decline in international oil prices also resulted in a slowdown in transport inflation in the two economies during 2015 and attributed to the prevailing lower average annual inflation rates. The difference in the inflation rate in both countries was mainly attributed to a higher inflation rate in the category housing and utilities of 6.1 percent during 2015 in South Africa, compared to 2.6 percent in Namibia. This category carries the biggest weight in both countries.

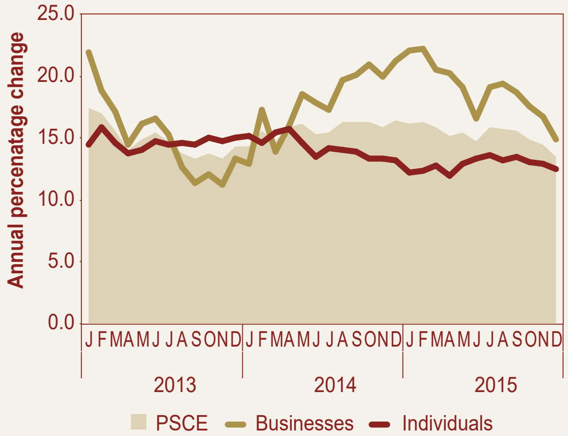
MONETARY AND FINANCIAL MARKET DEVELOPMENTS

Figure C.9 Money and Financial Market Developments

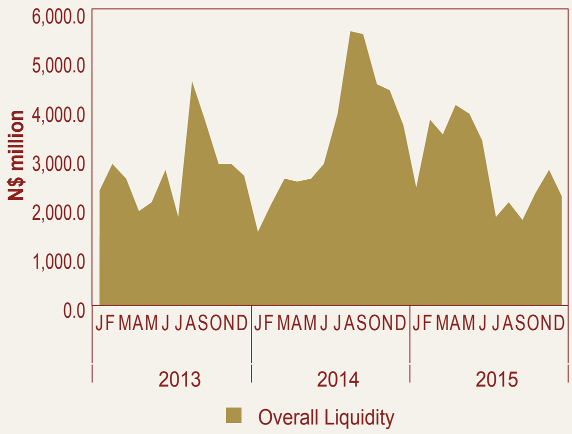
The annual growth in broad money supply (M2) rose during 2015, driven by the rise in credit extended to the private sector.



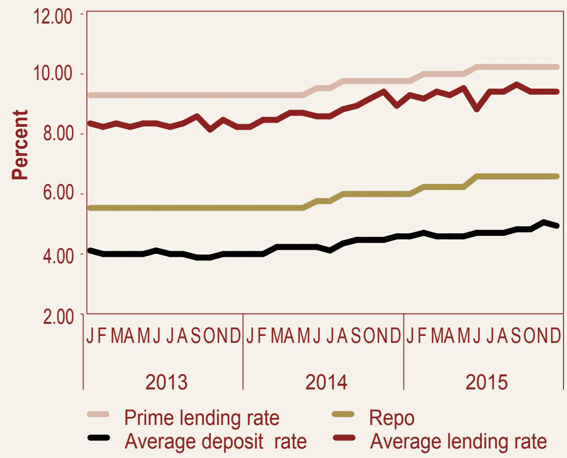
Private sector credit extended (PSCE) slowed during 2015, but remained robust.



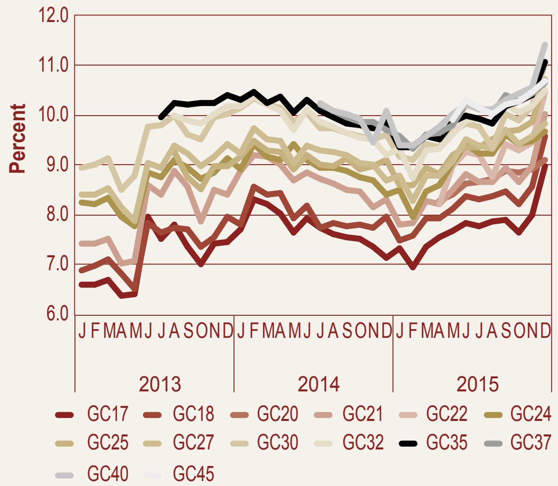
The overall liquidity position of the Namibian banking industry moderated during 2015, in contrast to the preceding year.



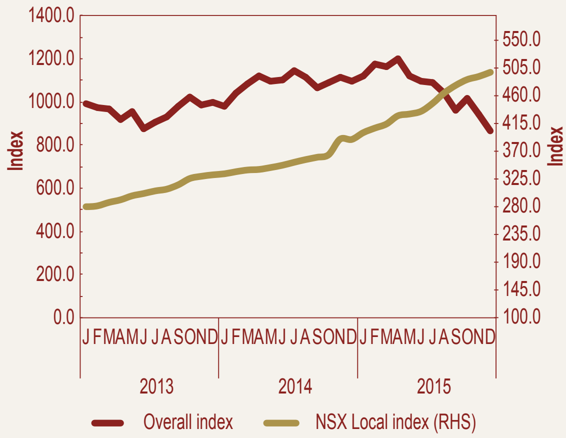
The Bank of Namibia tightened its monetary policy stance and as a result, market rates rose during 2015.



The trend in yields on most Namibian government debt instruments remained the same during 2015.



The Overall Index of the NSX declined rapidly in 2015



MONETARY AGGREGATES

The annual growth in Broad Money Supply (M2) rose during 2015, compared to the same period of 2014. During 2015, growth in M2 rose to 10.2 percent from 7.8 percent in 2014. The expansion in M2 was driven by the continued robust growth in credit extended to individuals and businesses. This increase was partly offset by the contraction in net claims on the Central Government (Table C.5).

Table C.5: Monetary and credit aggregates

(N$ million)	2011	2012	2013	2014	2015
Net Foreign Assets	25 571.3	20 932.2	23 369.1	19 667.7	29 929.7
Net domestic assets	46 365.4	53 159.7	62 866.5	77 061.5	83 315.2
of which: *Claims on individuals*	27 454.4	31 274.3	35 980.7	40 753.7	45 810.4
claims on businesses	16 960.4	20 660.1	23 465.9	28 489.2	32 583.9
Net claims on Central Govt	-553.9	-1 305.6	269.4	4 002.3	-1 608.4
Other Items, net*	16 960.4	-12 950.3	-17 277.8	-22 367.0	-28 878.3
Broad money	58 708.9	61 141.7	68 957.8	74 366.0	81 944.9
(Contribution to growth in M2)					
Net Foreign Assets	9.5	-7.9	4.0	-5.4	13.8
Net domestic assets	6.9	11.6	15.9	20.6	8.4
of which: *Claims on individuals*	5.4	6.5	7.7	6.9	7.0
claims on businesses	2.0	6.3	4.6	7.3	5.9
Net claims on central govt	2.2	-1.3	2.6	5.4	-7.5
Other Items, net*	2.0	-50.9	-7.1	-7.4	-8.8
Broad money	11.7	4.1	12.8	7.8	10.2
(Annual percentage growth rates)					
Net Foreign Assets	24.1	-18.1	11.6	-15.8	52.2
Net domestic assets	8.5	14.7	18.3	22.6	8.1
of which: *Claims on individuals*	11.8	13.9	15.0	13.3	12.5
claims on businesses	6.5	21.8	13.5	21.4	14.9
Net claims on central govt	-67.8	135.7	-120.6	1 385.6	-140.2
Other Items, net*	6.5	-176.4	33.4	29.5	29.1
Broad money	11.7	4.1	12.8	7.8	10.2

MONEY SUPPLY

The improved growth in M2 during 2015 was mainly reflected by the acceleration in transferable and other deposits. The share of transferable deposits to M2 growth rose to 4.6 percent in 2015 from 3.5 percent in 2014, while that of currency in circulation stagnated over the same period (Table C.6). Growth in other deposits increased to 5.2 percent from 3.7 percent in 2014.

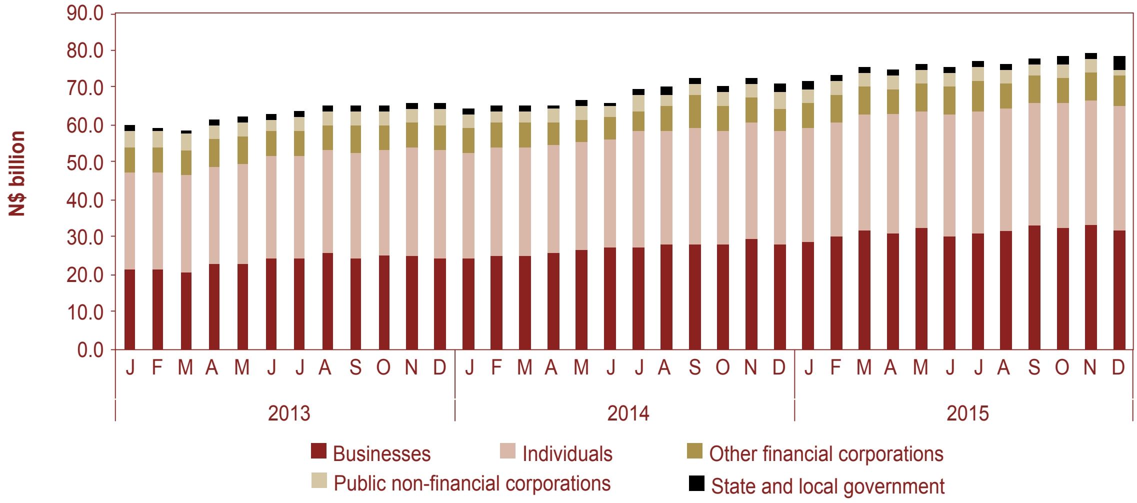
Table C.6. Components of broad money (share in growth of M2)

Monetary Aggregates	2014	2015
Broad Money (M2)	7.8	10.2
Narrow Money (M1)	4.1	5.0
Currency in circulation	0.5	0.4
Transferable deposits	3.5	4.6
Other Deposits	3.7	5.2

SOURCES OF FUNDS OF OTHER DEPOSITORY CORPORATIONS (ODCS[18])

Total deposit holdings of institutional sectors rose at the end of 2015, driven by increased deposits from the corporate sector. In 2015, deposits from individuals and businesses accounted for 42.8 percent and 40.3 percent of total deposits, respectively, while the remaining 16.9 percent stemmed from other financial corporations, state and local governments and public non-financial corporations (Figure C.10).

Figure C.10: Sources of funds of ODCs



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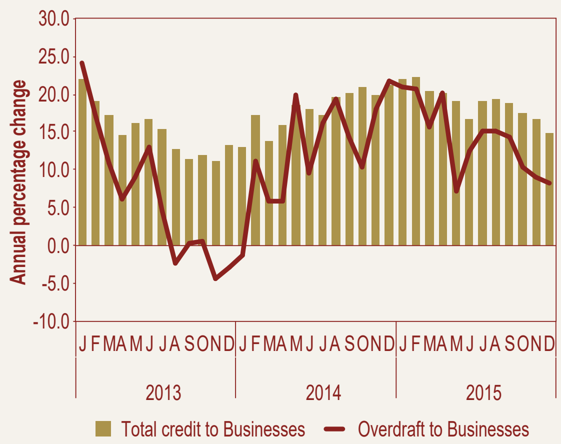
PRIVATE SECTOR CREDIT EXTENSION

The annual growth in private sector credit extended (PSCE) slowed during 2015, albeit maintaining double digit growth rates, driven by both businesses and individuals. Annual growth in PSCE stood at 13.5 percent at the end of 2015, compared to a higher rate of 16.4 percent at the end of 2014. The slower growth at the end of 2015 primarily stemmed from moderated growth in overdraft and instalment credit, which recorded lower growth rates of 8.0 percent and 13.7 percent, compared to the 21.1 percent and 17.6 percent at the end of 2014, respectively. In real terms, PSCE recorded an annual growth of 9.5 percent at the end of 2015, which was 1.8 percentage points lower than the 11.3 percent reported in 2014.

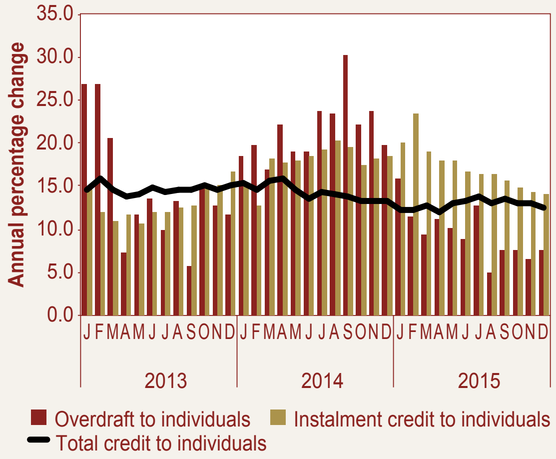
18 Total deposits for ODCs includes all the seven commercial banks, Money Market Unit Trust Funds and other deposit takers i.e. Nampost Savings bank, Agribank and National Housing Enterprise. Hence, total deposits in this section differ from total deposits reported in the Banking Supervision section (Part D) as the latter section only reports deposits with the commercial banks.

Figure C.11: Credit developments

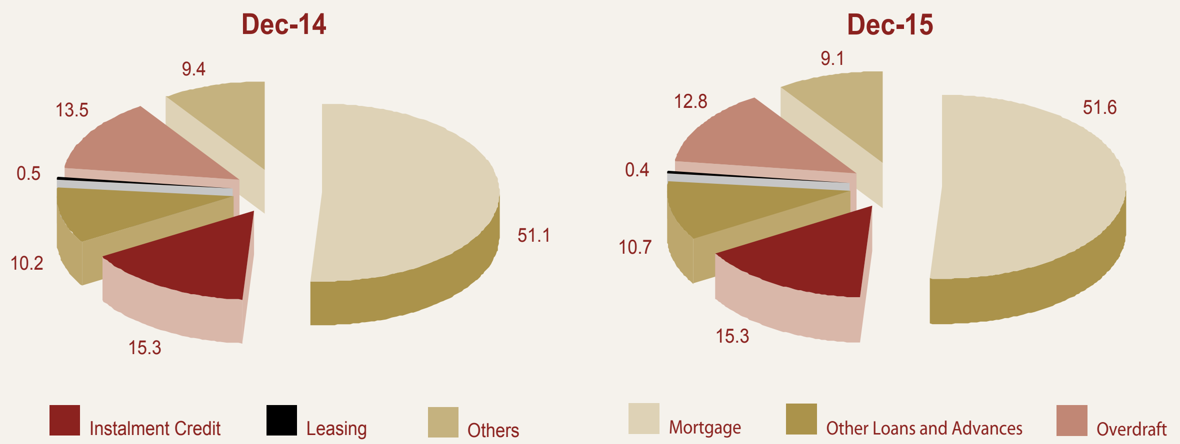
Growth in lending to businesses by other depository corporations trended downwards during the last two quarters of 2015.



Similarly the growth in credit extended to individuals slowed during the second half of 2015, although it continued to grow at double digits during the year.



Mortgage loans continued to be the main contributor to total PSCE in 2015, followed by instalment credit and overdrafts



Total credit extended to the business sector trended downwards, specifically during the last six months of 2015. The growth in overall credit extended to businesses slowed to 14.9 percent during 2015, compared to 21.3 percent at the end of 2014. The slowed growth primarily stemmed from the lower appetite for credit by corporations during the latter part of the year, especially in the categories overdraft and instalment credit, which stood at 8.1 percent and 13.1 percent, compared to 21.6 percent and 16.4 percent at the end of 2014, respectively.

The twelve month growth in credit extended to individuals slowed, albeit maintaining its continued double digit growth during 2015. Total credit extended to individuals stood at 12.5 percent at the end of 2015, compared to a higher growth rate of 13.3 percent at the end of 2014 (Figure C.11). The slowed growth primarily came as a result of the lower appetite for credit by the household sector during the year, leading to lower growth rates in the categories overdraft and instalment credit. Instalment and overdraft credit, which makes up (combined) 20.8 percent of total credit extended to individuals slowed to 14.1 percent and 7.5 percent at the end of 2015, reflecting a decrease of 4.5 percentage points and 12.4 percentage points, respectively.

In 2015, mortgage credit accounted for more than half of the total credit extended to the private sector. Mortgage credit remains the largest contributor to total PSCE, making up 51.6 percent of total PSCE, followed by instalment and overdraft credit in second and third place, with a contribution of 15.3 percent and 12.8 percent, respectively. Other loans and advances contributed 10.7 percent over the same period.

Table C.7: Credit aggregates (N$ million)

Component	2014	2015	Percentage change
Asset-backed credit	45 878.8	52 513.7	14.5
Mortgage advances	35 295.2	40 484.1	14.7
Instalment	10 583.6	12 029.6	13.7
Overdraft lending	9 319.5	10 062.3	8.0
Other loans and advances	7 038.9	8 396.8	19.3
Total loans and advances	**69 067.3**	**78 394.3**	**13.5**

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BANKING SYSTEM LIQUIDITY[19]

The overall liquidity position of the Namibian banking industry moderated during 2015 in contrast to the preceding year. In this regard, average liquid balances of N$2.8 billion were recorded during the year 2015, substantially lower than the average of N$3.5 billion observed during 2014 (Figure C.9). The moderation in the liquidity position emanated from slowed Government expenditure and increased net outflows to South Africa, when compared to the previous year. During the year under review, the highest monthly average liquidity position was N$4.1 billion in April 2015 (owing to significant mineral receipts during that month); while the lowest average liquidity position was N$1.8 billion in September 2015. The liquidity position was particularly low during the second half of the year, in line with a slowdown in Government expenditure during that period.

MONEY MARKET DEVELOPMENTS

In line with the increased Repo rate, money market rates also rose during 2015, compared to 2014. The Bank of Namibia raised the Repo rate by 25 basis points to 6.50 percent at its February and June 2015 MPC meetings, respectively. The decision to increase the Repo rate in 2015 was taken to discourage strong growth in household credit, which is fuelling imports, and thus exerting pressure on the current account balance and international reserves. Consequently, the average lending rate rose to 9.40 percent at the end of 2015, when compared with the 9.13 percent at the end of 2014. Similarly, the average deposit rate rose to 5.00 percent at the end of 2015, from 4.42 percent at the end of 2014.

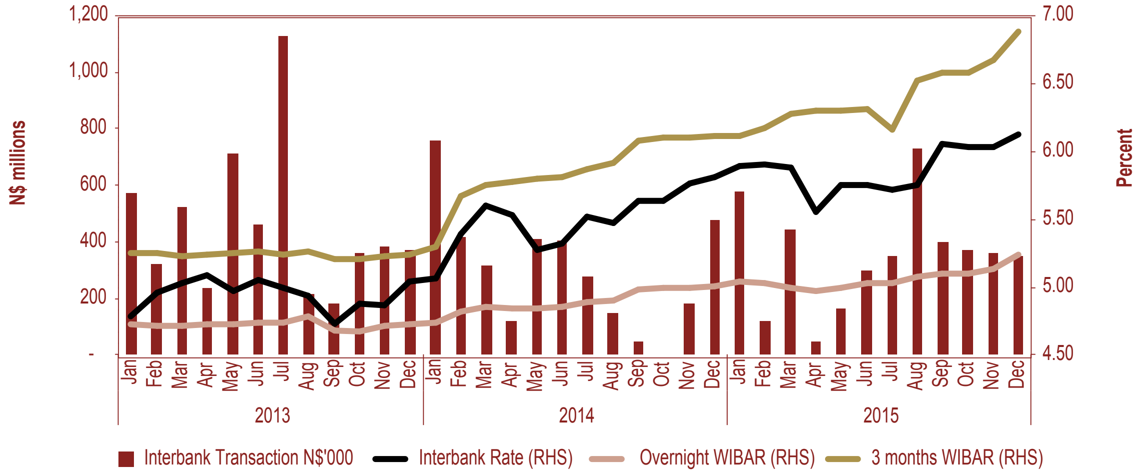
INTERBANK MARKET ACTIVITIES

The value of transactions in the interbank market as well as money market rates increased markedly during 2015, when compared to the levels observed in 2014. As indicated in Figure C.12, the local interbank market traded funds amounting to N$4.2 billion during 2015, significantly higher than the N$3.6 billion in 2014. The increase in interbank market activities correspond to the relatively weakened liquidity levels that prevailed in the banking system during the year under review, as reported earlier. The highest monthly value of transaction was N$730 million recorded in August 2015, around the same time at which the liquidity position was at its lowest during the year. Meanwhile, the lowest monthly interbank transactions amounting to N$50 million were recorded during the month of April 2015, when liquidity levels were at their highest for the year under review. Corresponding to the interest rate tightening cycle, both in Namibia and South Africa, the domestic interbank

19 The liquidity position of the Namibian banking system is influenced mainly by Government spending, the level of required reserves, currency in circulation, corporate tax payments, inflows and outflows to South Africa and mineral sale proceeds.

rate increased during 2015. In this regard, the weighted average interbank market rate increased from an average of 5.50 percent in 2014 to an average of 5.87 percent during 2015. Similarly, the average overnight WIBAR increased moderately to 5.06 percent from 4.89 percent, while the average 3-months WIBAR increased by 55 basis points to 6.40 percent, on average during 2015. The rise in the money market rates was consistent with the benchmark rates in South Africa.

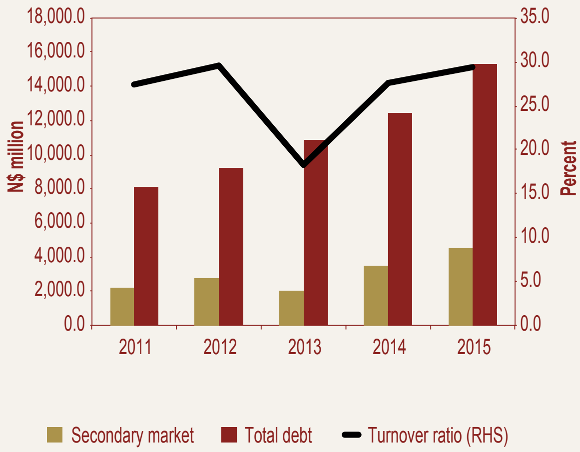
Figure C.12: Interbank trading activities and WIBAR



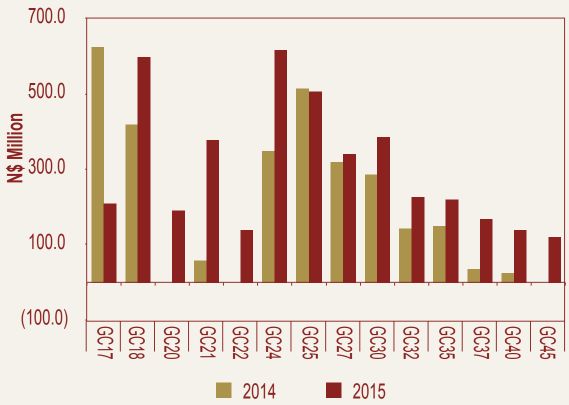
BOND MARKET DEVELOPMENTS

Figure C.13: Bond Market Developments

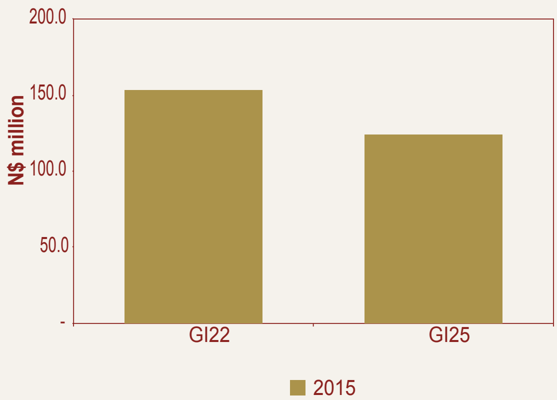
The trading of Government bonds in the secondary market improved during 2015.



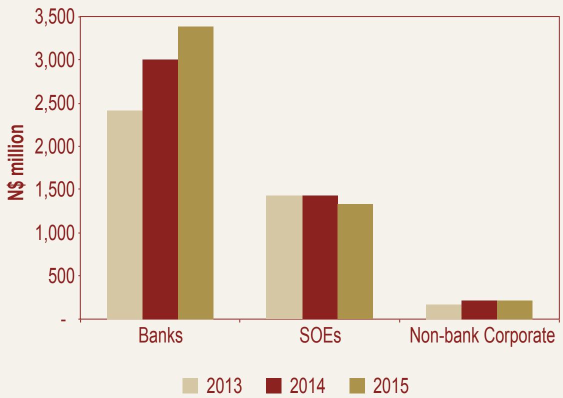
During 2015, secondary market trades were fairly spread across the entire yield curve.



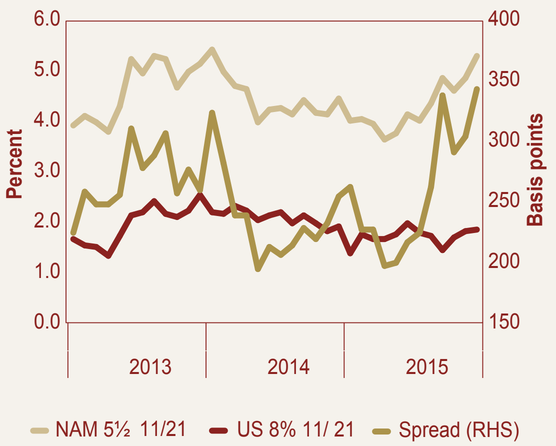
The average yields of Namibian bonds increased during 2015, mirroring the increases in the yields of the benchmark bonds in South Africa.



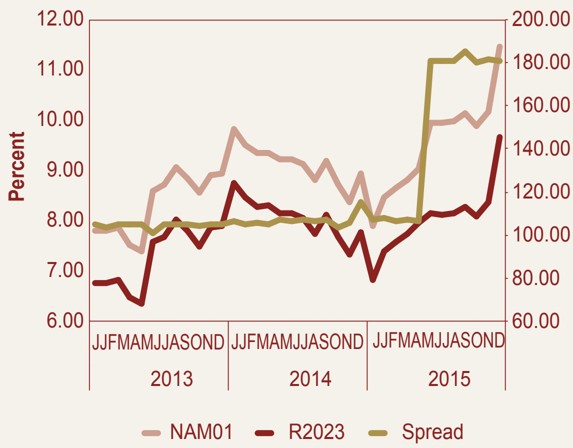
The value of corporate bonds outstanding increased somewhat during 2015, and remains highly dominated by commercial banks.



The spread between the Namibian Eurobond and the US benchmark increased during 2015 compared to spreads of the proceeding year.



The spread between the NAM01 and its South African benchmark increased during 2015 compared to spreads of the preceding year.



Source: NSX, Bloomberg, JSE

GOVERNMENT BONDS

The Namibian Government introduced three new bonds in the domestic market during 2015 to extend the fixed-rate Government securities yield curve. As part of the 2015/16 budget deficit funding strategy, the Namibian Government listed two short-term bonds, namely the GC20 and GC22. The GC20, with a coupon of 8.25 percent and the GC22 with a coupon of 8.75 percent were both introduced on 29 April 2015 and are set to mature on 15 April 2020 and 15 January 2022, respectively. The rationale for introducing these two bonds was to fill the gap created by the GC17, GC18 and GC21, which are off-the-run. The Government further brought to market a long-term bond, namely the GC45. This bond was also first issued on 29 April 2015 with a coupon of 9.85 percent and is set to be redeemed on 15 July 2045. The introduction of the GC45 effectively extended the Government securities yield curve further from 26 years to 30 years. By increasing long term issuances, the Government aims to support the market by providing increased flexibility in duration positioning as well as offering a more complete yield curve.

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The Government issued its debut inflation-linked bonds in August 2015. These bonds were introduced in line with the aspirations of the Financial Sector Strategy 2011-2021, which aims to have a diversified menu of financial instruments in the domestic market. The new bonds, the GI22 and GI25, were first issued on 28 August 2015, with coupon rates of 3.55 percent and 3.80 percent, respectively. The GI22 is benchmarked against the South African R212 and will be redeemed on 15 October 2022 while the GI25 is benchmarked against the I2025 and will mature on 15 April 2025. The inflation linked bonds have been received positively by the market as reflected in a high subscription amount, particularly at the debut auction.

During 2015, the GC15 was successfully redeemed. On 15 April 2015, the Government successfully redeemed the N$995.1 million outstanding on the GC15. The bond was redeemed through a partial N$941.3 million rollover and the remainder was funded from the sinking fund. It is worth highlighting that the balance outstanding on the GC15 was initially N$1.6 billion and was gradually reduced through a series of switch auctions conducted during 2014.

The volume and value of outstanding Government bonds increased during 2015. With the additional five new bonds and the redemption of the GC15, the total number of domestic government bonds outstanding increased from twelve in 2014 to sixteen, with thirteen of those being actively issued in the primary market. Despite the redemption of the GC15, the outstanding amount on domestic government bonds increased from N$12.5 billion at the end of 2014 to N$15.3 billion by end of December 2015, of which N$307.0 million is denominated in inflation-linked bonds. The increase in the stock of domestic bonds outstanding was in line with increased Government borrowing during the year.

SECONDARY MARKET ACTIVITIES

The trading of government bonds in the secondary market improved further during 2015 compared to the preceding year. As depicted in Figure C.13, Government bonds worth N$4.5 billion were traded on the secondary market during the year under review, an increase from the corresponding amount of N$3.5 billion registered in 2014. Correspondingly, the turnover ratio of government bonds also increased, albeit mildly, from 27.7 percent recorded in 2014 to a rate of 29.4 percent observed in 2015.

During 2015, secondary market trades were fairly spread across the entire yield curve. The GC18, GC24 and GC25 were the most traded bonds, with turnover above N$500 million each and accounting for 38.1 percent of secondary market trading during the year, see Chart C.46. The GC21, GC27 and GC30 followed closely, trading over N$300 million each in the secondary market and constituted 24.5 percent of total annual turnover. The long-dated bonds, GC32, GC35, GC37 and GC40, together with the GC17 and the newly introduced GC20, GC22 and GC45, traded the least. Each of these bonds recorded trades amounting to less than 6.0 percent of turnover during the year under review.

INFLATION-LINKED BONDS

Strong secondary market trades were also recorded for the newly introduced inflation-linked bonds. In this regard, a total of N$153.0 million and N$124.0 million were traded on the GI22 and GI25, respectively, during the last four months of 2015 (Figure C.13). Secondary market activities for these bonds are expected to pick up, going forward, as Government continues to increase issuances of these instruments.

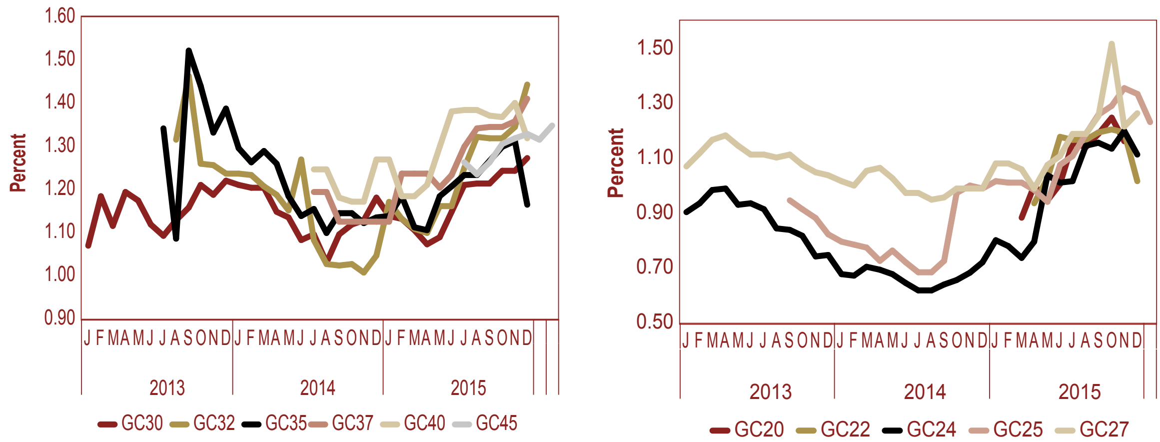
GOVERNMENT BOND YIELDS

The yields on most Namibian government debt instruments depicted a similar broad trend during 2015. Average yields on short-dated bonds increased, with the rate on the GC17 increasing by less than 1 basis point while the GC18 yield increased by 23 basis points from the 2014 average yields. Similarly, the yields on the GC24 and GC25 rose by 8 basis points and 24 basis points, respectively, over the review period (Figure C.13). The increase in yields mirrors similar developments in the benchmark South African bonds which saw yields rising following domestic and international developments. In contrast, the average yields on the GC27, GC30, GC32 and GC35 depicts an decrease of between 3 basis points and 15 basis points, however the yields as at the end of 2015 increased significantly compared to the year-end yields observed in 2014.

YIELD SPREADS

The average spread between Namibian bonds and equivalent South African bonds increased during 2015 (Figure C.14). The average spread on the newly-introduced GC20 and GC22 against the R207 and R2023 averaged 108 basis points and 121 basis points, respectively, during 2015. Meanwhile, for medium-dated bonds, the GC24, GC25 and GC27 recorded annual average spreads of 100 basis points, 115 basis points and 115 basis points, above the R186, correspondingly. A similar trend was also observed on the longer-end of the yield curve. In this regard, the spreads between the GC30, GC32, GC35, GC37 and their respective benchmarks increased by between two basis points and 13 basis points. The long-dated GC40 and GC45 recorded average spreads of 131 basis points and 130 basis points, respectively. The widening spreads for domestic bonds reflects increased supply volumes coupled with moderate liquidity and low demand across the yield curve.

Figure C.14: Spreads between Namibian government bonds and SA benchmark bonds



CORPORATE BONDS

The volume of corporate bonds outstanding increased slightly during 2015. In this regard, the stock of bonds issued by Namibian corporates on the Namibian Stock Exchange increased from N$4.6 billion during 2014 to N$4.9 billion in 2015. Of this outstanding balance, N$3.4 billion were issued by commercial banks and N$1.3 billion by SOEs. The domestic bond market, nonetheless, continues to be highly dominated by Government bond issues. Corporate bonds as a proportion of total bonds outstanding in the market during 2015 stood at 24.4 percent, a decrease from 27.1 percent observed in 2014. The decrease in the proportion of corporate issues is owing to increased bond issuance by the Government during the year.

NAMIBIA'S USD 500 MILLION EUROBOND PERFORMANCE

The spread between the Namibian 2021 Eurobond issued in November 2011 and the US benchmark widened during 2015. The spread between the Namibian Eurobond and the US benchmark averaged 257 basis points during 2015 compared to an average spread of 237 basis points during 2014 (Figure C.13). The yield on the Namibian bond largely tracked the development in its US Treasury benchmark. The yield on Namibia's 10 year USD Eurobond peaked at 5.27 percent during December 2015 after trending upwards for most part of the year. As stated prior, emerging market instruments were under significant pressure during 2015 largely on the back of deteriorating fundamentals and the rate tightening cycle in the US. The widening spread of the Namibia Eurobond against its US benchmark is, therefore, a mirror of these broader market developments.

The second Eurobond issued 29 October 2015, is relatively still new to give a comprehensive performance analysis against its benchmark. However as announced in the statement to the media at issuance, the 10-year Eurobond was issued at a coupon of 5.25 percent per annum and was priced to yield 5.375 percent, equal to a spread of 336 basis points over the 10-year US Treasury bond. The yield has since widened and peaked 380 percent in December 2015 in line with other emerging markets bonds.

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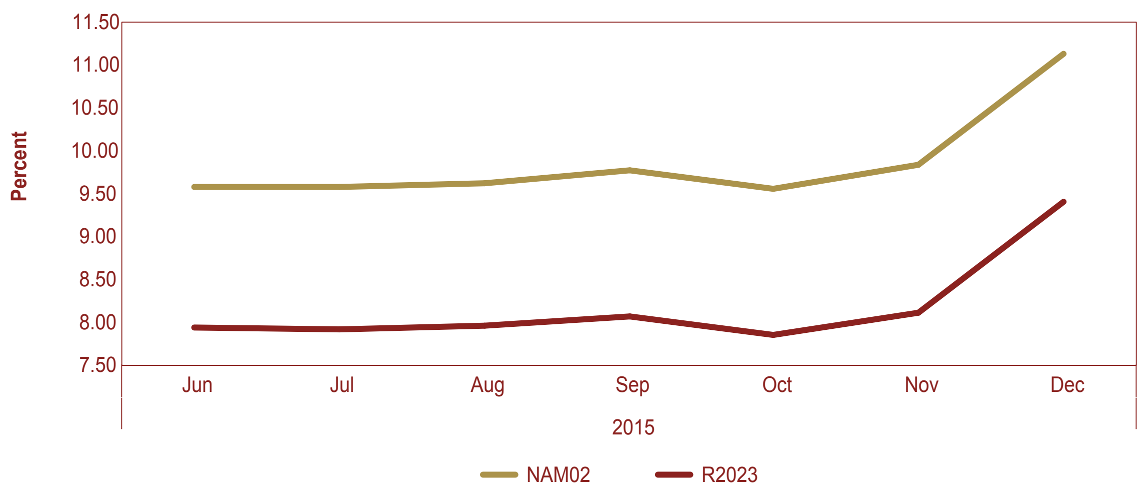
NAMIBIA'S R850 MILLION JSE-LISTED BOND PERFORMANCE

The 7-year NAM01 bond trading on the Johannesburg Stock Exchange (JSE) tracked developments in other bonds. After hitting its lowest point of 7.92 percent at the end of January 2014, the yield on the NAM01 continued to increase during 2015, peaking at 11.47 percent during December. The movements in the yield on the NAM01 were in line with those of the benchmark bond, the R2023 (Figure C.13). The average spread between the NAM01 and the R2023 averaged 150 basis points during 2014, a significant increase from the spread of 107 basis points observed during the preceding year. In line with the 2015/16 borrowing strategy, the Government tapped an additional N$500 million on the NAM01 in June 2015 and another N$210 million in September 2015. These transactions increased the total amount outstanding on the NAM01 from N$850 million in 2014 to N$1.6 billion at the end of 2015.

During 2015, Namibia listed a second bond on the JSE, namely, the 5-year NAM02. The bond was first issued on 22 June 2015, at a coupon of 9.595 percent and is due for redemption on 29 June 2020. Following the initial issuance of N$300 million in June, the Government tapped the NAM02 in September of a further N$540 million. This brings the total amount outstanding on the NAM02 to N$840 million at the end of December 2015. With regard to the yields, the yield on the NAM02 increased from 9.60 percent in June 2015 to reach 11.13 percent in December (Figure C.15). The rising yield correspond to movement in the yield of the benchmark bond, R2023, as well as the general trend in emerging markets bond yields.

Figure C.15: NAM02 performance

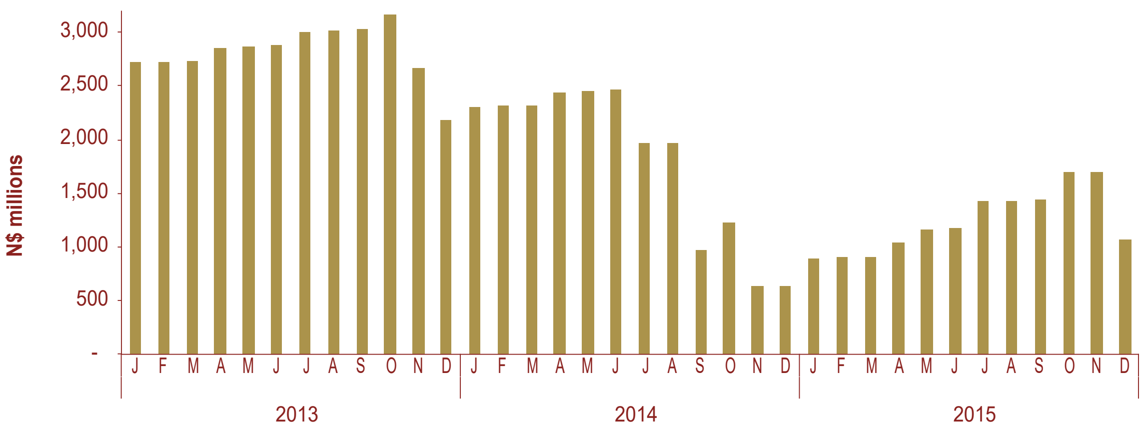


Source: JSE, Bloomberg

INTERNAL REGISTERED STOCK REDEMPTION ACCOUNT (IRSRA)

The balance of the IRSRA increased during 2015, in line with Government debt redemption (Figure C.16). The balance on this account stood at N$1.1 billion at the end of December 2015, higher than the balance of N$641.7 million recorded at the end of the previous year. The Government made cash injections as well as withdrawals from the IRSRA for investments and budgetary financing purposes, in line with the 2015/16 Budget Funding Plan. On 15 April 2015, the government redeemed the GC15, whose total outstanding amount was N$995.1 million. However, due to the rollover plan which raised N$940 million, only N$55 million was utilised from the IRSRA for the GC15 redemption. The next domestic bond to mature is the GC17 due on 15 October 2017 and has an outstanding amount of N$2.0 billion. The Government will continue to fund this account, when necessary, to warrant that maturing bonds can be redeemed smoothly, while ensuring that the account is not unnecessarily overfunded.

Figure C.16: Internal Registered Stock Redemption Account (IRSRA)



SOVEREIGN CREDIT RATING

The rating agencies reaffirmed Namibia's investment grade credit rating during 2015. In this regard, Moody's Investor Services affirmed Namibia's Baa3 rating, while Fitch Ratings also affirmed Namibia's Long-term foreign and local currency Issuer Default Ratings (IDR) at 'BBB-' and 'BBB', respectively. Both rating agencies further affirmed the credit outlook of Namibia to be "Stable". A "Stable" credit rating means that Namibia is still able to attract or raise capital from local and international investors cheaply.

Fitch Ratings maintained a stable outlook on Namibia during 2015. In their report, Fitch highlighted Namibia's credit rating strengths to be the strong growth outcomes despite significant global and domestic risks, an impeccable repayment record, a strong net external debt position, positive performance on governance indicators and a wealth of natural resources that helps to attract significant foreign investment. Fitch forecasted a moderation in Namibia's GDP growth in 2015, owing to a slowdown in mining and other key economic sectors. The agency, nonetheless, expects Namibia's real GDP growth to stabilize at around 5 percent per year in the years beyond 2015. The peg with the South African Rand was also highlighted to have supported price stability. The predictable policy framework of Namibia was also highlighted as a rating strength.

Fitch highlighted several risks to growth and rating sensitivities for Namibia. Weakness of the Namibian economy, as per the Fitch Ratings assessment include dependence on the mining sector, budget deficit above peers and revenue vulnerability to volatile SACU receipts, a weak external position hindered by persistent capital outflows to South Africa, high unemployment levels and income inequality. The rating agency advised that fiscal consolidation remains key to debt sustainability and that instability in Namibia's reserve adequacy metrics remains a key concern. Lastly, Fitch also highlighted that house price volatility presents a potential financial risk to the Namibian economy.

Moody's outlook on Namibia was also stable during 2015. Moody's affirmed Namibia's investment grade rating on the back of fiscal resilience, supported by (i) low although rising public debt, (ii) the track record of sound fiscal policies that balance counter-cyclical stance with fiscal adjustments over the medium term, and (iii) expectation that the government will consolidate its public finances in the coming years and rebuild policy buffers. The rating is further supported by the country's credible and rule-based fiscal policy as well as a vigilant and forward looking monetary policy, though constrained by membership in the Common Monetary Area (CMA). Moody's noted that despite low commodity prices, Namibia shows solid growth prospects, thanks to the country's relatively diversified production base and the coming on stream of new capacity in the mining industry.

Moody's highlighted factors that could lead to a rating upgrade and those that can result in a rating downgrade. In this regard, Namibia's ratings could be upgraded should progress be made in fiscal consolidation, improving employment creation, particularly if managed, while keeping public debt at low levels and restoring foreign exchange reserves to adequate levels. Similarly, continued good management of natural resource income and diversification of the economy and strengthening fiscal reserves against potential shocks could improve the country's rating in the future. On the downside, sharp increases in Government debt without corresponding gains in job creation or other improvements in revenue prospects could threaten the current investment grade rating. Moody's also identified pursuit of policies that deter investment and reduce the potential for economic growth and increased government earnings as other factors that could place downward pressure on the rating.

EQUITY MARKET DEVELOPMENTS

Table C.8: NSX summary statistics

Category	2014	2015	Percentage change
Overall			
Index (end of year)	1 098	865	-21.2
Market capitalisation (N$ million) (end of year)	1 679 740	1 380 751	-17.8
Free-float market capitalisation (N$ million) (end of year)	1 217 651	965 419	-20.17
Volume traded ('000)	164 916	260 106	57.7
Value traded (N$'million)	8 093	16 593	51.2
Number of deals	4 090	4 298	5.1
Number of new listings (DevX)	6	3	-
Local			
Index (end of year)	389	498	28.0
Market capitalisation (N$ million) (end of year)	22 322	29 430	31.8
Volume traded ('000)	34 460	42 859	24.4
Value traded (N$ '000)	293 683	812 134	76.5
Number of deals	791	870	9.9
Number of new listings	0	0	-

Source: NSX and JSE

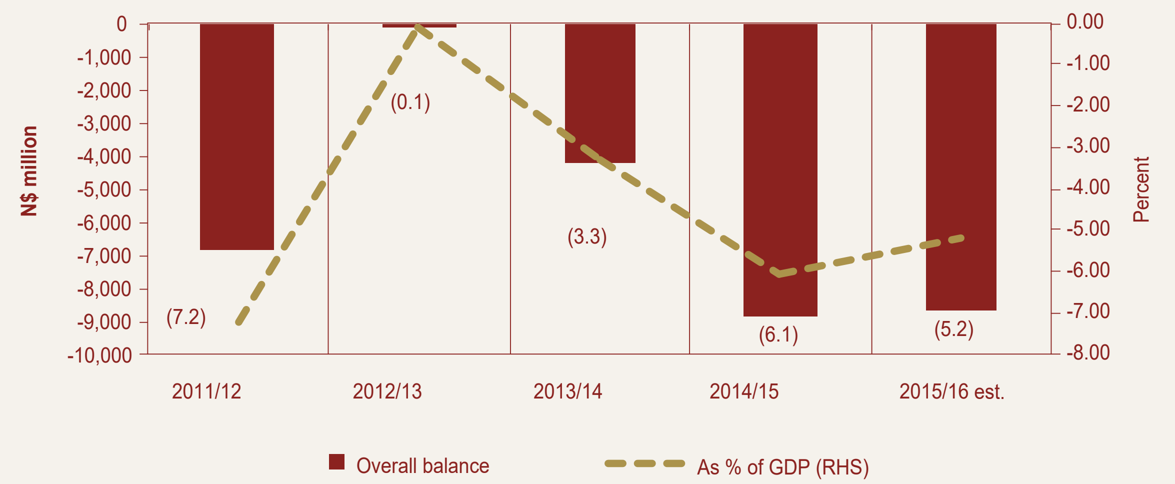
In line with the global stock markets, the Overall Index of the Namibian Stock Exchange (NSX) declined at the end of 2015, compared to the level at the end of the preceding year. The Overall Index of the NSX closed at 865 index points at the end of December 2015, representing a contraction of 21.2 percent growth when compared to a growth of 10.2 percent over the same period in 2014. The decline in the overall index was driven by the rapid decrease in the Anglo American share whose share price declined sharply to trade at N$68.99 at the end of December 2015 from N$215.33 at the end of the same month in 2014.

The Local index continued to perform well during 2015. The Local Index closed higher at 497.91 index points, up from 389.02 index points at the end of the same period in 2014. The increased trade coupled with the higher index is a refection of strong demand for local shares. Local stock-market capitalisation posted a growth of 31.8 percent from N$22.3 billion at the end of the previous year to N$29.4 billion at the end of 2015.

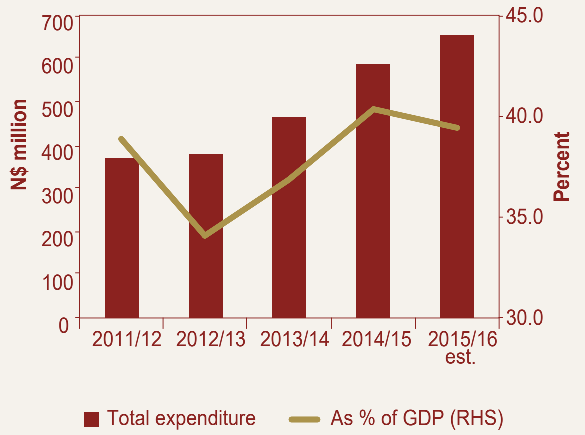
PUBLIC FINANCE

Figure C.17 Public Finance

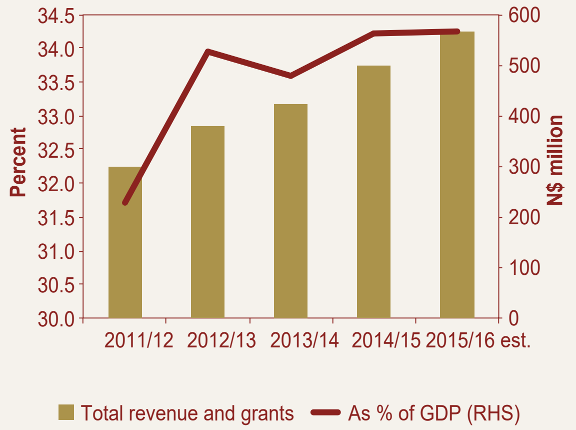
Government's overall deficit is estimated to have declined both in nominal terms and as a ratio to GDP during 2015/16.



The growth in expenditure increased during 2015/16 in nominal terms, but at a lower rate compared to the preceding fiscal year.

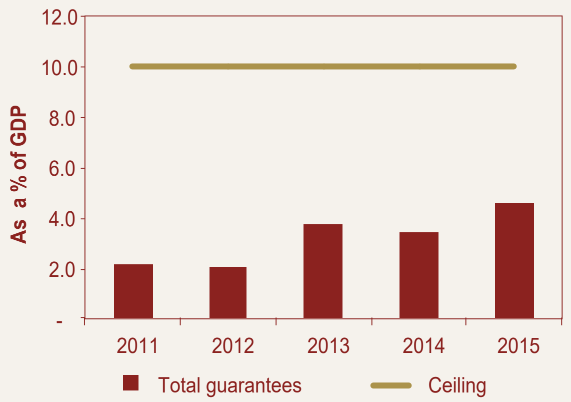


Revenue increased both in nominal terms and as a percentage of GDP in 2015/16.



Total Government debt as a percentage of GDP rose to 34.0 percent at the end of 2015, but is estimated to rise to about 37.0 percent towards the end of the fiscal year.

Total loan guarantees as a ratio of GDP also increased, but remained within the set ceiling.



Source: MOF

During 2015/16, the Government overall balance is estimated to have declined both in nominal terms and as a percentage of GDP compared to the previous fiscal year. Government overall deficit declined to -5.2 percent in 2015/16, better than the -6.1 percent of GDP recorded in 2014/15 (Figure C.17). This was owing to slower growth in Government expenditure, compared to the previous year.

Growth in Government expenditure rose during 2015/16, as reflected in both current and capital expenditure, although it remains in double digits. The growth in total Government expenditure rose by 11.2 percent to N$65.4 billion in 2015/16 fiscal year, lower when compared to N$58.8 billion in the previous fiscal year. The slow growth was reflected in both operational and capital expenditure. As a percentage of GDP, total expenditure decreased by 0.8 percentage point to 39.5 percent at the end of 2015/16, compared to the preceding fiscal year.

Revenue growth improved during 2015/16, owing mainly to increased individual income tax revenues. Total revenue is estimated to have grown by 13.6 percent, to N$56.8 billion during 2015/16, which is lower than N$49.9 billion in the previous fiscal year. The increase in Government revenue is in line with on-going reforms to tax administration. To this effect, individual income taxes and SACU receipts continue to be the main drivers of Government revenue. Furthermore, total revenue as a percentage of GDP increased by 0.1 percentage point from 34.2 percent of GDP in 2014/15.

C

CENTRAL GOVERNMENT DEBT

Total Government debt increased in both nominal terms and as a percentage of GDP at the end of 2015, mainly on account of issuance of the Eurobond. Total debt increased by 72.0 percent to N$56.3 billion at the end of 2015, when compared to the debt stock recorded at the end of 2014 (Table C.9). The nominal increase emanated mainly from the issurance of the new Eurobond during the year, domestic borrowings and the depreciation of the local currency against major currencies. The latter led to a valuation adjustment of bilateral and multilateral loans as well as the Eurobond. The total debt as a percent of GDP increased by 11.5 percentage points to 34.0[20] percent at the end of 2015. This level remained within the Government debt set ceiling of 35.0 percent. Furthermore, the debt level is estimated to rise to about 37.0 percent of GDP towards the end of the fiscal year 2015/16 and decline later to a level within the threshold over the Medium Term Expenditure Framework (MTEF).

20 50 percent of the Eurobond issued was for reserve enhancement purposes.

Table C.9: Central government debt as at 31 December 2015 (N$ million)

	2011	2012	2013	2014	2015
GDP (Fiscal Year)	**94 297**	**110 936**	**127 621**	**145 845**	**165 671**
Total export of goods and services	**37 319**	**44 835**	**53 788**	**61 252**	**62 968**
Foreign debt stock	**7 903.5**	**9 040.3**	**10 876.6**	**11 429.8**	**28 332.1**
Bilateral	1 293.5	1 313.6	1 938.4	2 176.6	3 549.2
As % of total	16.4	14.5	17.8	19.0	12.5
Multilateral	2 534.9	2 640.4	2 863.2	2 622.4	2 938.9
As % of total	32.1	29.2	26.3	22.9	10.4
Eurobond	4 075.1	4 236.3	5 225.0	5 780.8	19 444.1
As % of total	51.6	46.9	48.0	50.6	68.6
JSE Listed bond		850.0	850.0	850.0	2 400.0
As % of total		9.4	7.8	7.4	8.5
Foreign debt service	**203.6**	**575.5**	**609.4**	**664.3**	**467.0**
As % of export	0.5	1.8	1.1	1.1	0.7
Domestic debt stock	**16 029.4**	**17 277.9**	**19 023.3**	**21 282.3**	**27 937.5**
Treasury bills	7 882.0	8 041.9	8 132.3	8 797.3	12 607.8
As % of total	49.2	46.5	42.7	41.3	45.1
Internal registered stock	8 147.4	9 236.0	10 891.0	12 485.0	15 329.7
As % of total	50.8	53.5	57.3	58.7	54.9
Total Central Government debt	**23 932.9**	**26 318.2**	**29 900.0**	**32 712.1**	**56 269.6**
Proportion of total debt					
Foreign debt stock	33.0	34.4	36.4	34.9	50.4
Domestic debt stock	67.0	65.6	63.6	65.1	49.6
As % of GDP					
Foreign debt stock	8.4	8.1	8.5	7.8	17.1
Domestic debt stock	17.0	15.6	14.9	14.6	16.9
Total debt	25.4	23.7	23.4	22.4	34.0

Sources: MoF, BoN and NSA

C

DOMESTIC DEBT

Domestic debt increased in nominal terms at the end of 2015, compared to 2014, reflected mainly in Treasury Bills (TBs). Total domestic debt stock increased by 31.3 percent to N$27.9 billion at the end of 2015. The increase was reflected mainly in TBs, which surged by 43.3 percent, while Internal Registered Stocks (IRS) only rose by 22.8 percent. As a result, the share of TBs to total domestic debt increased to 45.1 percent, while that of IRS decreased to 54.9 percent from 41.3 percent and 58.7 percent respectivly. The ratio of domestic debt to GDP, increased by 2.3 percentage points to 16.9 percent at the end of 2015, compared to the previous year. Domestic debt constituted about 49.6 percent of total debt at the end of 2015, a reduction from 65.1 percent at the end of the preceding year.

FOREIGN DEBT

The Government's total foreign debt increased at the end of 2015, due to new borrowings and currency depreciation[21]. Foreign debt increased from N$11.4 billion to N$28.3 billion at the end of 2015 (Table C.9). The increase was largely attributed to the new Eurobond, the JSE bond, as well as, the depreciation of the Namibia Dollar against the US Dollar during 2015. External debt as a percentage of GDP also increased by 9.0 percentage points to 17.1 percent, at the end of 2015. Foreign debt accounted for about 50.4 percent of total debt at the end of 2015, which is a significant increase of 15.4 percentage points, compared to the preceding period.

The Eurobond dominated the Central Government total external debt portfolio compared to other loan components. At the end of 2015, the Eurobond accounted for 68.6 percent as a share of total foreign debt stock, which is more than half of the Government's external debt portfolio. Bilateral loans, which made up 12.5 percent increased by 63.1 percent to N$3.5 billion, at the end of the period under review, owing to new loans as well as local currency depreciation. Multilateral loans with a percentage share of 10.4 percent also increased by 12.6 percent to N$2.9 billion during 2015.

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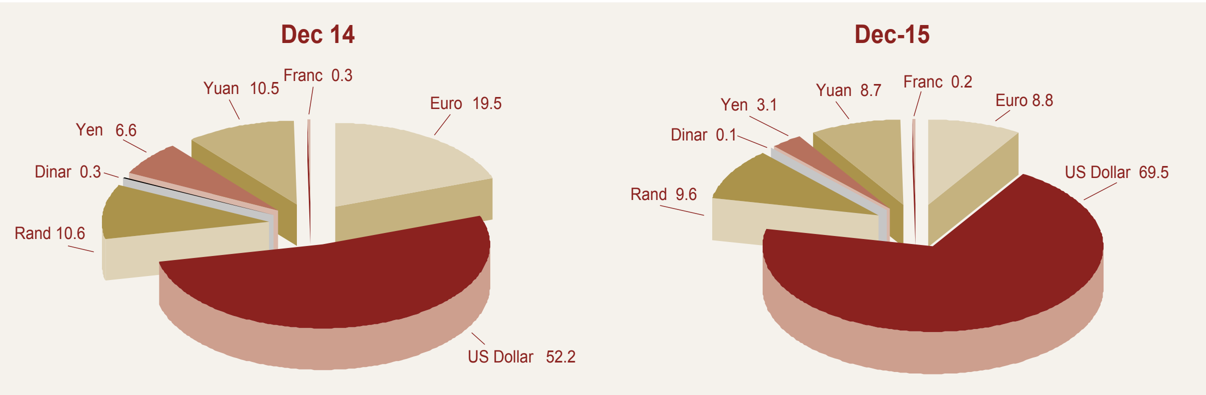
CURRENCY COMPOSITION

The US Dollar continued to be the dominant currency in the total external debt portfolio at the end of 2015. Central Government total debt denominated in US Dollar, accounted for 69.5 percent, compared to 52.2 percent in the previous year. This was followed by the South African Rand, which accounted for 9.6 percent, 1.0 percentage point lower than the previous year (Figure C.18). Debt denominated in the Euro accounted for 8.8 percent, 10.7 percentage points lower than the previous year. The Yuan and Japanese Yen accounted for 8.7 percent, lower than the 10.5 percent and 6.6 percent and 3.1 percent during the same period respectively.

Figure C.18: External debt currency composition (percentage share)



Source: MoF

CENTRAL GOVERNMENT LOAN GUARANTEES

The Government's total loan guarantees as a share of GDP rose at the end of 2015, in line with the increase in total loan guarantees granted and currency depreciation. The total stock of loan guarantees stood at N$7.4 billion at the end of 2015, representing an increase of 55.2 percent, compared to 2014 (Table C.10). This increase was reflected in both foreign and domestic loan guarantees during the period under review. The stock of government loan guarantees, stood at 4.4 percent of GDP at the end of 2015, compared to 3.3 percent during the previous year, but remains below the government's ceiling of 10.0 percent of GDP.

21 On average, during 2015/16, the Namibia Dollar/Rand depreciated by 17.6 percent against the USD and 9.2 percent against the Pound, While it appreciated by 1.8 percent against the Euro.

Table C.10: Central Government loan guarantees as at 31 December 2015 (N$ million)

	2011	2012	2013	2014	2015
GDP (Fiscal Year)	94 297	110 936	127 621	145 845	165 671
Domestic Guarantees	945.9	918.0	832.2	799.7	1 452.3
As % of GDP	1.0	0.8	0.7	0.5	0.9
As % of Total Guarantees	48.4	41.6	18.1	16.8	19.7
Foreign Guarantees	1 008.7	1 288.1	3 757.9	3 947.9	5 914.1
As % of GDP	1.1	1.2	2.9	2.7	3.6
As % of Total Guarantees	51.6	58.4	81.9	83.2	80.3
Total Guarantees	**1 954.6**	**2 206.1**	**4 590.1**	**4 747.5**	**7 366.4**
As % of GDP	2.1	2.0	3.6	3.3	4.4

Sources: MoF, BoN and NSA

FOREIGN LOAN GUARANTEES

Foreign loan guarantees increased at the end of 2015, mainly due to new loans acquired by the transport sector. Loan guarantees to external creditors increased by 49.8 percent to N$5.9 billion at the end of 2015, owing to new loans acquired by the transport sector (Table C.10). Consequently, the ratio of foreign loan guarantees to GDP increased by 0.9 percentage point to 3.6 percent.

Most of the guarantees on foreign loans were granted to the transport sector. The transport sector made up 91.8 percent of total foreign loan guarantees at the end of 2015, followed by the energy sector at 7.4 percent, while the communication sector accounted for the remaining 0.8 percent.

The proportion of Government foreign loan guarantees denominated in Namibia Dollar and South African Rand increased in 2015, while the ratio of US Dollar denominated loan guarantees decreased during the period under review. Loan guarantees denominated in the Namibia Dollar and the South African Rand increased by 16.8 percentage points to 35.8 percent in 2015. Conversely, both the US Dollar and Euro denominated loan guarantees decreased by 16.6 percentage points and 0.2 percentage points to 63.4 percent and 0.8 percent, respectively.

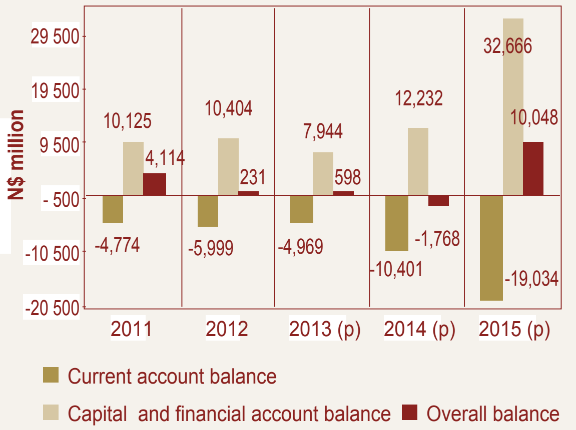
DOMESTIC LOAN GUARANTEES

Domestic loan guarantees increased significantly at the end of 2015, compared to the previous year. The stock of domestic loan guarantees stood at N$1.5 billion at the end of 2015, compared to N$799.7 million at the end of the preceding year. The increase was owing to new loan guarantees issued to the energy sector during the first fiscal quarter of 2015/16 (Table C.10). Moreover, domestic loan guarantees as a percentage of GDP rose by 0.3 percentage point to 0.9 percent at the end of 2015. In terms of sectoral allocations, the energy, finance and agricultural sectors dominated the total loan guarantees issued domestically during the year under review. The shares of these sectors to total loan guarantees stood at 46.1 percent, 22.7 percent and 15.4 percent, respectively.

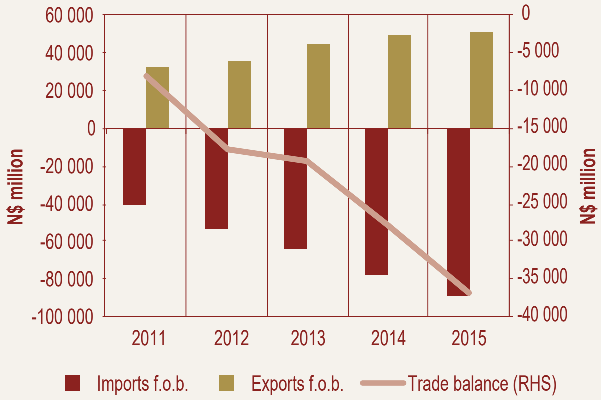
FOREIGN TRADE AND PAYMENTS[22]

Figure C.19 External Developments

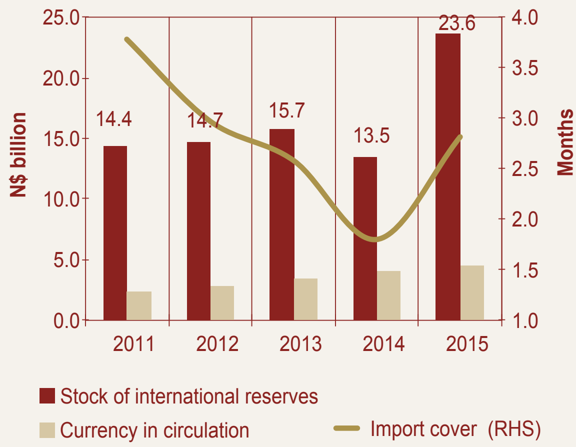
The overall balance recorded a surplus of N$10.0 billion during 2015, from a deficit in 2014. This surplus was due to significant inflows in the capital and financial account, mainly emanating from the issuance of the Eurobond.



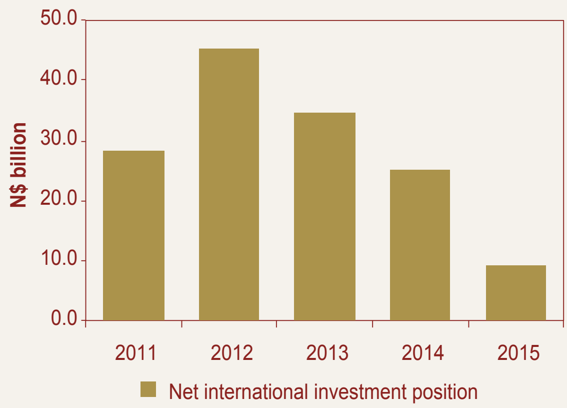
During 2015, the trade deficit deteriorated, owing to a higher import bill, compared to export receipts.



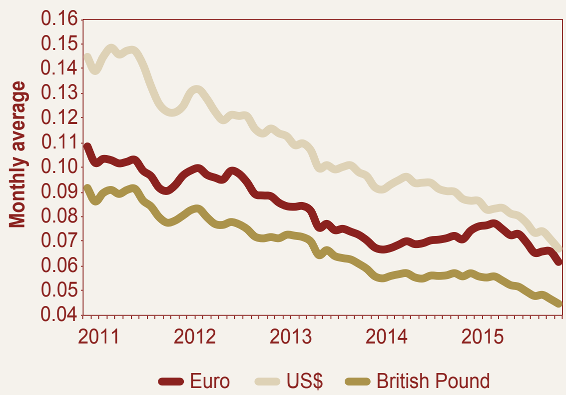
The stock of international reserves rose substantially during 2015, primarily due to the issuance of the Eurobond and valuation adjustments.



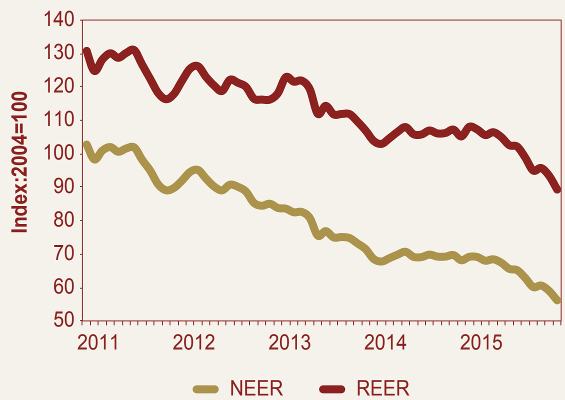
Namibia's International Investment Position (IIP) recorded a reduced surplus in 2015, compared to 2014, owing to the faster growth in foreign liabilities relative to foreign assets.



In 2015, the Namibia Dollar appreciated, on average, against the Euro but depreciated against the US Dollar and the Pound, primarily due to low commodity prices and strengthening of the US economy.



During 2015, Namibia's external competiveness improved on the international market as a result of the depreciated real effective exchange rate (REER).



22 P in this section stands for provisional.

CURRENT ACCOUNT

Namibia's current account deficit deteriorated further during 2015, primarily as a result of the widening trade deficit and net payments in services abroad. The current account recorded a deficit of N$19.0 billion during 2015, higher than N$10.4 billion in 2014 (Figure C.19). The current account deficit as a percentage of GDP rose to 11.9 percent, from 7.4 percent over the same period. This development was largely fuelled by the worsening deficit on merchandise trade balance and net outflows in both the services and investment income accounts.

MERCHANDISE TRADE BALANCE[23]

During 2015, *Namibia's merchandise trade deficit* deteriorated, mainly on account of the faster growth in the import bill, compared to export receipts. The deficit in the merchandise trade balance worsened noticeably by 31.9 percent to N$36.9 billion during 2015. The deterioration in the trade balance was mainly attributed to the persistent increase in the value of imports relative to exports. In this regard, *imports* rose by 13.1 percent to N$88.1 billion, while *exports* earnings grew at a lower rate of 2.6 percent to N$51.3 billion. The rise in the import bill was mainly supported by expenditure on major categories such as, *machinery, mineral fuel, vehicles* and *consumer goods*. Likewise, selected major categories for exports, namely, *diamonds, other mineral products* and *food and live animals*, increased during 2015 when compared to 2014.

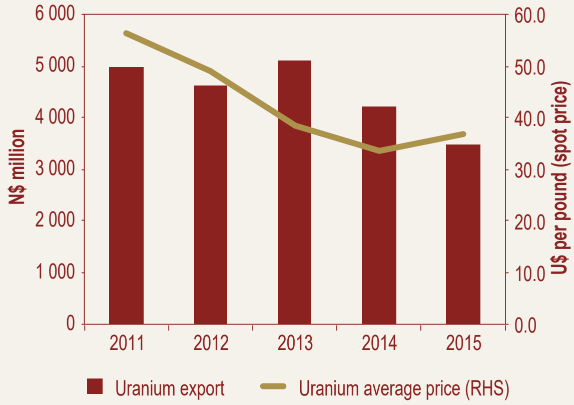
23 The difference in the published trade data in the National Accounts by NSA in this section arises from valuation adjustment carried out in the Balance of Payments by BON and different data sources used for merchandise exports. Valuation adjustment entails the removal of international transportation cost from merchandise trade data. For merchandise exports, BON compiles exports from quarterly surveys and administrative records, while the National Accounts data source is the Customs and Excise. Going forward, these differences will be minimized to some extend with the BOP migration to the IMF's compilation manual, BPM6.

EXPORTS

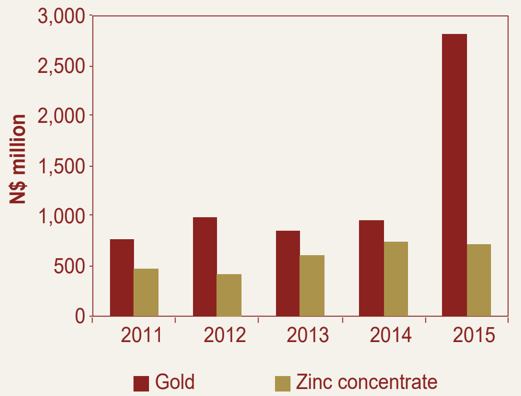
Figure C.20: Export commodities

Foreign receipts from minerals remained Namibia's major exports earner, driven largely by diamond export receipts.

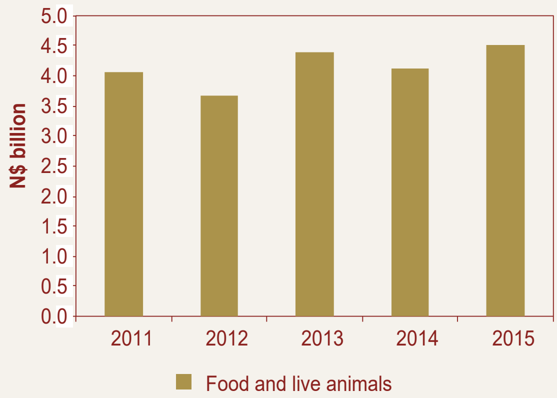
Conversely, uranium export receipts declined for the second consecutive year in 2015, owing to weak global demand and depressed prices.



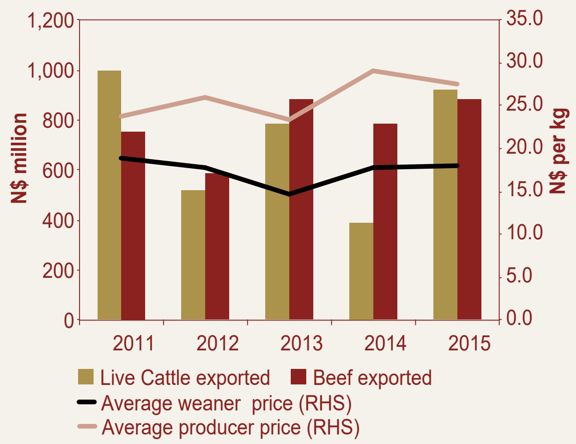
Export receipts from other minerals increased markedly during 2015, attributed largely to higher earnings from gold exported.



During 2015, export of live animals increased significantly, as marketing activities rose to counter the effects of the drought.



The average beef price declined in line with the increase in marketing activities in the agricultural sector, while the average prices for weaners rose slightly during 2015.



During 2015, export earnings for manufactured products fell, mainly as a result of declines in earnings from polished diamonds and refined zinc.

Source: NSA, MME, Meatboard and BON surveys

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During 2015, Namibia's foreign earnings increased marginally, driven mainly by *mineral exports, food and live animals, re-exports* and *other commodities*. Export earnings increased by 2.6 percent to N$51.3 billion in 2015. *Minerals* continued to be Namibia's major export earner, taking up 44.4 percent of the share of total export earnings. The share of foreign receipts *from re-exports* and *food and live animals* to total exports also increased from 16.2 percent and 8.3 percent in 2014 to 18.7 percent and 8.8 percent during 2015, respectively (Table C.11). On the other hand, the share of *manufactured products* dropped from 19.3 percent in 2014 to 14.0 percent during the review period. The decline in the contribution of *manufactured products* to total exports was primarily due to a fall in earnings from *refined zinc* and *polished diamonds*. The decline in earnings from refined zinc was underpinned by operational challenges, while for polished diamonds was as a result of depressed global demand during the period under review.

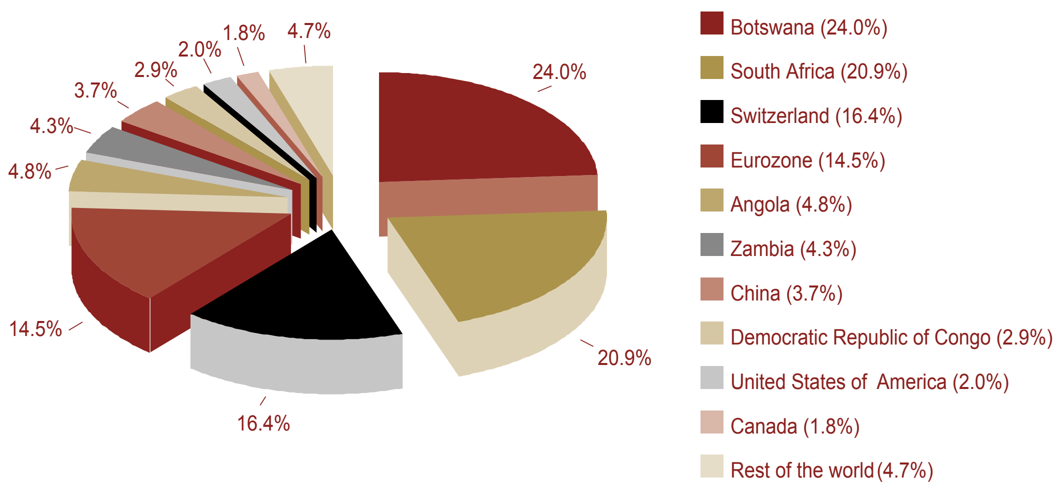
Table C.11: Major export receipts (percentage of total exports)

Export receipts	2011	2012	2013	2014	2015
Minerals	41.1	42.3	42.7	42.4	44.4
Diamonds	20.0	22.9	26.1	28.0	28.9
Uranium	15.6	12.8	11.4	8.4	6.8
Other minerals	5.5	6.6	5.2	6.0	8.7
Food and live animals	12.7	10.2	9.8	8.3	8.8
Manufactured products	22.3	18.2	16.4	19.3	14.0
Re-exports	0.0	7.9	13.7	16.2	18.7
Other commodities	23.9	21.4	17.4	13.8	14.1

Source: NSA, MME, Meatboard and BON surveys

Botswana remained the top destination for Namibia's export products during 2015, followed by South Africa and Switzerland. Botswana absorbed about 24.0 percent of total exports, predominantly consisting of *diamonds*. South Africa tracked closely, accounting for 20.9 percent, which constituted mainly *gold, live animals* and *fish*. Switzerland was Namibia's third top exports destination, absorbing 16.4 percent during the period under review, which included mainly *copper cathodes*. The top four to six export products were destined for the Eurozone, Angola and Zambia, taking up 14.5 percent, 4.8 percent and 4.3 percent of total exported commodities, respectively (Figure C.21).

Figure C.21: Namibia's major export destinations in 2015 (percentage share)



Source: NSA

MINERAL EXPORTS

DIAMONDS

During 2015, *diamond* export earnings increased, supported by high quality carats and the favourable exchange rate. Diamond export earnings rose by 5.9 percent to N$14.8 billion in 2015 (Figure C.20). The increase was mainly sustained by the favourable exchange rate and quality carats mix, which contained a high proportion of quality diamonds. On the other hand, exported volumes for diamonds declined by 6.0 percent to 1 803 088 carats during 2015. Despite the rise in diamond export earnings during 2015, the total exported volumes still remain below its pre-crisis level in 2007, reflecting the positive impact of the weakening local currency on earnings.

URANIUM

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Export receipts for *uranium* fell during 2015, mainly due to a combination of weak external demand and stock piling. During 2015, *uranium* export earnings declined by 16.8 percent to N$3.5 billion (Figure C.20). The weak export earnings were primarily due to a substantial drop in volumes exported of 32.3 percent to 3 254 tonnes, year-on-year, as a result of stockpiling at the local mines. Weak external demand also contributed to the drop in exported volumes. The average international uranium prices, however, rose on an annual basis by 9.7 percent to US$36.74, compared to the corresponding period in 2014. The rise in the price for uranium is in line with the International Energy Outlook, which projected an increase in global nuclear power in the medium to long-term period.

OTHER MINERALS

During 2015, the *other minerals*[24] category registered significant export earnings, attributed largely to higher receipts from *gold*, notwithstanding the fall in prices for copper and gold. Export earnings for *other minerals* increased substantially by N$1.5 billion to N$4.4 billion, year-on-year, during 2015 (Figure C.20), mainly due to the commencement of commercial production at the new gold mine. Export earnings from gold grew by N$1.9 billion to N$2.8 billion on a yearly basis in 2015. The average international prices for gold, copper, zinc and lead, however, plummeted during 2015. This trend reflects the general slowdown in demand, especially from the Chinese economy.

NON-MINERAL EXPORTS

FOOD AND LIVE ANIMALS

Export earnings for the *food and live animals* category increased noticeably in 2015, mainly as a result of a rise in marketing activities to counter the negative impact of the drought. Foreign earnings for food and live animals category rose by 9.1 percent to N$4.5 billion in 2015, when compared to the previous year (Figure C.20). The increase in earnings for the food and live animals category was mainly due to rising marketing activities to counter the unfavourable effects of the drought. As a result, foreign earnings from live animals increased substantially by N$741million to N$1.4 billion during 2015. Moreover, the total number of cattle exported during the period under review reflects the base effects of the restocking activities that took place during 2014.

During 2015, the average price for beef declined, while that of weaners rose. The average price for beef fell by 4.9 percent on an annual basis to N$27.61 per kilogram in 2015, in line with the intensified marketing activities and lower meat gradings, which resulted from poorer grazing conditions. On the contrary, the average price for weaners increased by 2.0 percent to N$18.04 per kilogram over the same period, when compared to the previous year. This development occurred, despite the overall increase in the number of live weaners exported over the period under review. The rise in the weaners' prices was underpinned by high demand from the South African market, as feedlots' operational costs were lower, compared to Namibia.

24 These include gold, zinc concentrate, copper concentrate, lead, manganese and dimensional stones

MANUFACTURED PRODUCTS

Export receipts from manufactured products declined during 2015, mainly as a result of the decrease in foreign earnings from *polished diamonds* and *refined zinc*. During 2015, export earnings from manufactured products declined significantly by 25.6 percent to N$7.2 billion (Figure C.20). The decrease in the *manufactured products* was mainly reflected in the sub-categories of the activities related to diamond polishing and refined zinc. Companies registered weaker earnings, owing to slowed global demand and softer commodity prices. Export receipts from *diamond polishing* fell significantly by N$2.0 billion to N$169 million. Similarly, foreign earnings from *refined zinc* declined by 34.5 percent to N$2.0 billion in 2015, compared to the previous period. The decline in earnings from *refined zinc* was underpinned by operational challenges at the mine during the period under review.

IMPORTS

During 2015, South Africa remained Namibia's leading source of major imported commodities. South Africa accounted for about 63.9 percent of the total imported goods during the period under review (Figure C.22). The imports from South Africa comprised mainly of vehicles, fuel and consumer goods. China was second and accounted for 6.5 percent, which mainly consisted of vessels and stainless steel, while the Eurozone followed with 4.6 percent containing machinery and fuel. The additional portion originated from other countries of which Switzerland (2.5 percent), Botswana (2.4 percent) and Bahamas (2.2 percent) were amongst the highest.

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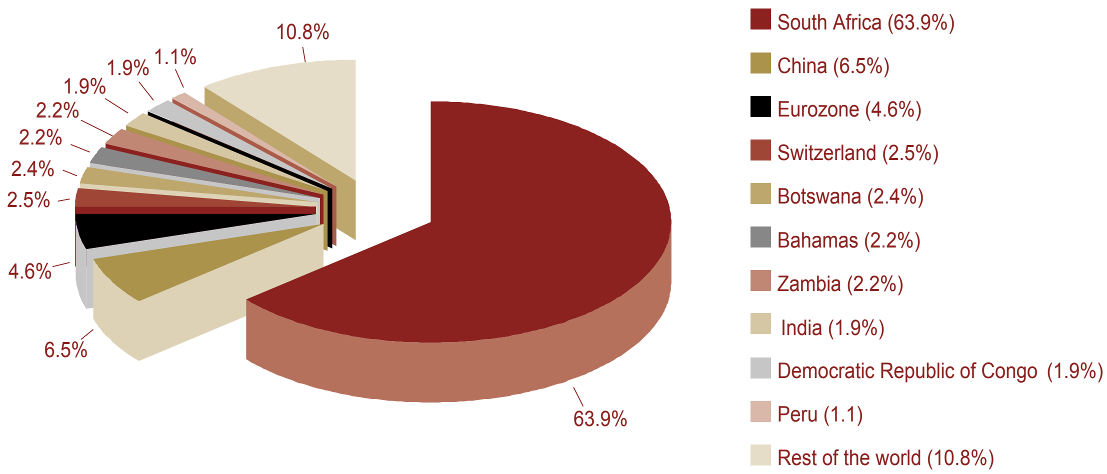
Figure C.22: Namibia's major imports by origin in 2015 (percentage share)

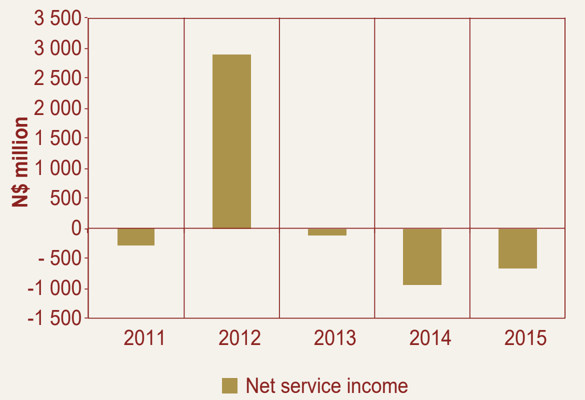


Source: NSA.

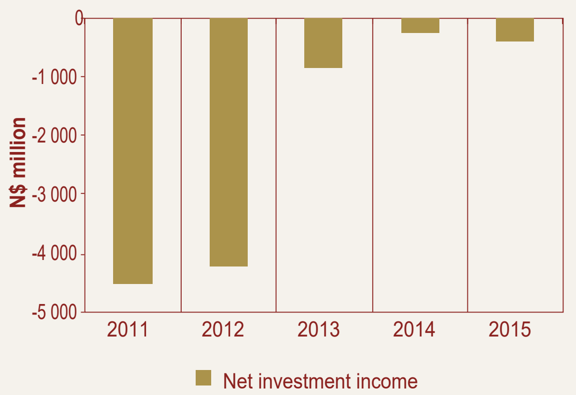
SERVICES, INVESTMENT INCOME AND CURRENT TRANSFERS

Figure C.23: Other current account components

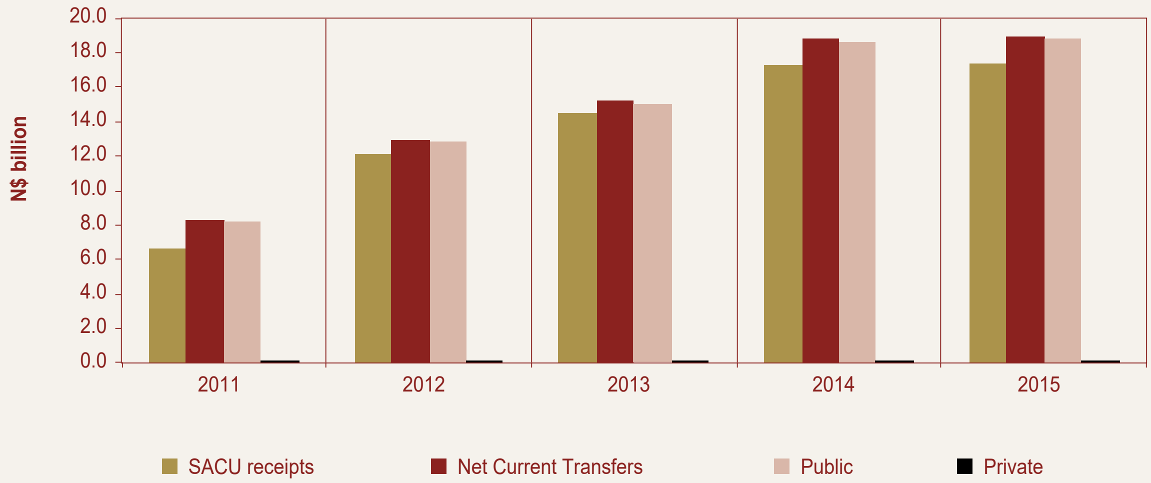
The services account registered a net outflow in 2015, owing to higher payments for transportation and insurance services.



Similarly, the investment income account recorded a net outflow due to increased payments to foreign direct investors.



Namibia's net current transfers increased as a result of higher inflows from SACU during the review period.



Source: NSA, various companies and BoN surveys

SERVICES

***Namibia's services* account recorded a net outflow during 2015, although lower when compared to 2014, as a result of higher net payments for *transportation* and *insurance services*.** The *net services* recorded a reduced outflow of N$667 million during 2015, from an outflow of N$950 million in 2014 (Figure C.23). The net payments abroad were attributed to outflows in both *transportation* and *insurance services* provided by non-resident entities. In this regard, transportation and insurance services increased by 20.1 percent and 14.4 percent to N$4.2 billion and N$932 million, respectively during 2015. The weaker exchange rate also contributed to the increase in the cost of foreign services as they became more expensive relative to the previous period. On the other hand, an increased inflow in other private services, mainly from *manufacturing services* of about N$1.2 billion somewhat reduced the outflows recorded during the period under review.

INVESTMENT INCOME

Net *investment income* registered a higher outflow during 2015, attributed to increased payments to foreign direct investors, coupled with higher interest payments on external debt. The investment income account recorded a higher net outflow of N$406 million during 2015, from N$256 million during 2014 (Figure C.23). The net outflow was primarily as a result of increased payments to foreign investors, mainly in the form of dividend payments to foreign direct investors. Similarly, the increase in interest payments on external debt by *other sectors*, coupled with the weakening local currency against its major currencies contributed to the net outflows during 2015.

CURRENT TRANSFERS

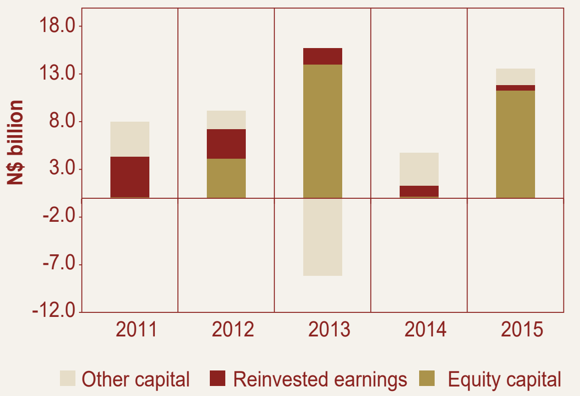
During 2015, Namibia's net *current transfer* receipts increased mainly as a result of a rise in *SACU* revenue and income from *withholding taxes*. Namibia's net *current transfer* receipts rose marginally by 0.9 percent to N$19.0 billion on an annual basis (Figure C.23). This increase was as a result of higher receipts from SACU and withholding taxes when compared to the same period of the previous year. In this regard, SACU receipts increased marginally by 0.6 percent to N$17.4 billion during the review period. Similarly, the increase in income from *withholding taxes* also sustained the rise in net current transfers during 2015.

CAPITAL AND FINANCIAL ACCOUNT

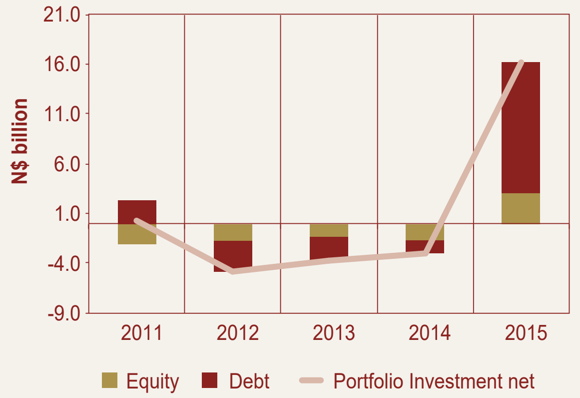
During 2015, the surplus in the capital and financial account increased significantly compared to the preceding period, mainly due to the issuance of the Eurobond. The capital and financial account surplus rose to N$32.7 billion during 2015 from N$12.2 billion in the previous year. The surplus was due to significant net inflows in portfolio investment and foreign direct investment when compared to the previous year. On the contrary, net capital inflows in other long-term investment declined remarkably and was attributed to debt-for-equity swap by some companies, especially in the mining sector.

Figure C.24: Capital and Financial Account components

Net FDI flows into Namibia rose considerably during 2015, mainly owing to the rise in equity capital.

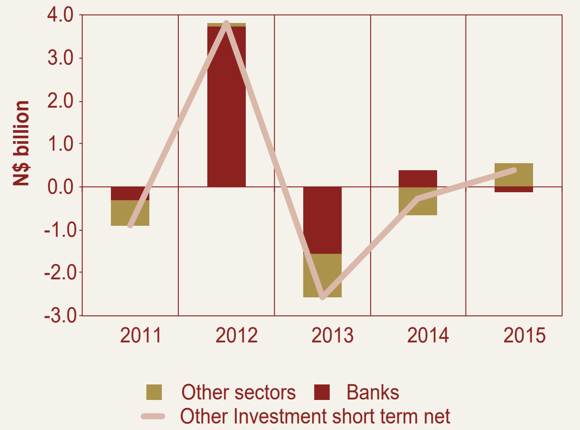


Portfolio investment registered a net significant inflow as opposed to an outflow during the previous year, due to the issuance of the JSE bonds and the Eurobond.



Other long-term investment recorded a remarkably reduced net inflow during 2015, mainly due to debt-for-equity swap by corporations in the mining sector.

Other short-term investment similarly registered a net capital inflow as other sectors increased their foreign liabilities.



FOREIGN DIRECT INVESTMENT (FDI)

During 2015, net FDI flows into Namibia **rose noticeably, primarily due to a high increase in equity capital.** FDI inflows rose to N$13.8 billion during 2015, compared to N$4.7 billion in 2014 (Figure C.24). The rise in FDI inflows primarily resulted from debt/equity swap by some companies in the mining sector. In this regard, equity capital increased to N$11.4 billion during 2015, compared to N$230 million during 2014. In addition, reinvested earnings decreased by N$576 million to N$463 million in 2015, as operating profits of foreign-owned enterprises in Namibia were lower than in 2014, leading to decreased liabilities to foreign direct investors. On the contrary, other capital fell from the N$3.4 billion recorded in 2014 to N$1.9 billion during the review period. This was due to decreased borrowings by foreign direct investment enterprises supported by increased claims on their foreign owners abroad.

PORTFOLIO INVESTMENT

Portfolio investment recorded a significant net inflow during 2015, a turnaround from the usual net outflows in the preceding periods. Net portfolio investment registered an inflow of N$16.2 billion during 2015, when compared to an outflow of N$2.9 billion in the preceding year. This inflow was mainly due to the issuance of both the Eurobond and the JSE bonds during 2015. The issuance of JSE bonds and Eurobond by the Central Government worth N$1.6 billion and N$10.4 billion, respectively, mainly contributed to the net capital inflow in portfolio investment during the period under review. Consequently, debt securities registered a net inflow of N$13.2 billion in 2015, from an outflow of N$1.3 billion in the previous year. Likewise, foreign investment in equity assets registered inflows in the period under review in relation to the outflows during the previous year, as some local entities reduced their assets abroad.

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OTHER INVESTMENT

During 2015, the net inflow in other *long-term investment*[25] declined noticeably, ascribed mainly to debt-for-equity swap. Other long-term investment inflows declined significantly from N$8.6 billion to N$1.3 billion during 2015, mainly due to debt which was swapped for equity and significantly reduced liabilities of *other sectors*, primarily of entities in the mining sector. Borrowings by *other sectors* declined from N$8.6 billion in 2014 to N$427 million during the review period.

O*ther short-term investment* registered a net capital inflow, compared to an outflow in 2014, owing to additional borrowing by other sectors. A net inflow of N$405 million was recorded during 2015 when compared to an outflow of N$255 million during the previous year. The inflow in 2015 resulted mainly from increased liabilities of other sectors in the manufacturing sector during the year under review, while ODC's registered net capital outflows, as their foreign invested assets rose over the same period.

INTERNATIONAL RESERVES

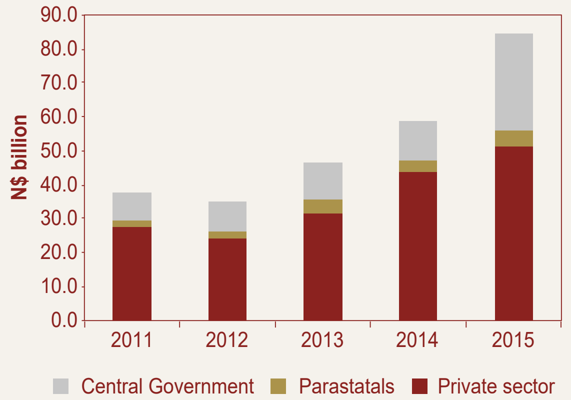
At the end of 2015, the stock of international reserves held by the Bank of Namibia increased significantly due to higher net inflows of funds and valuation adjustments. The international reserves rose markedly by 74.3 percent to N$23.6 billion at the end of 2015, mainly due to the issuance of the Eurobond worth N$10.4 billion and JSE bonds worth N$1.6 billion. This was in addition to the foreign asset swap by the Bank with local investors amounting to about N$2.9 billion during the period under review. The issuance of the Eurobond in one part and foreign asset swap were aimed at boosting the low level of reserves, whereas the other part of the Eurobond was aimed at assisting Government's fiscal obligations. Similarly, the depreciation of the Namibia Dollar eased the pressure on foreign reserves during 2015. The significant boost in reserves resulted in a higher import cover, from 1.8 months in 2014 to 2.8 months in 2015. This import cover is, however, lower than the international benchmark of 3 months due to the relatively high import of goods and services during the year. At the current level of N$23.6 billion, the international reserves were 5.2 times higher than the currency in circulation, supporting the adequacy of reserves required to maintain the currency peg to the Rand.

25 This category consists of loans with the original contractual maturity of more than one year or with no stated maturity (e.g. equity securities), while the category short-term investments are those that are payable on demand (e.g. currency), or which have an original contractual maturity of one year or less.

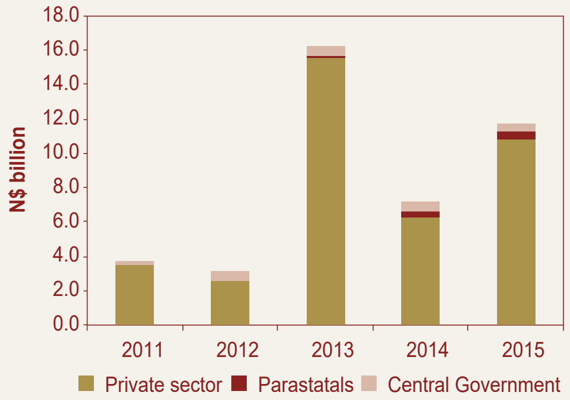
EXTERNAL DEBT[26]

Figure C.25: External debt

External debt stock rose at the end of 2015, mainly due to an increase in borrowings by both the Central Government and the private sector, supported by the exchange rate depreciation.



Debt servicing of Namibia's foreign debt rose in 2015, owing mainly to increased repayments by the private sector.



At the end of 2015, Namibia's total external debt stock rose substantially due to a rise in external borrowings by both the *Central Government* and the *private sector*, supported by the exchange rate depreciation. The total external debt outstanding rose by 44.1 percent to N$84.2 billion, when compared to N$58.4 billion in the preceding year (Figure C.25). The increase was mainly reflected in the borrowings of the *Central Government*, which rose by N$16.9 billion to N$28.3 billion. This rise in borrowings was attributed to the issuance of the JSE and Euro bonds during the last three quarters of 2015. Furthermore, *private sector* foreign debt rose by 17.8 percent to N$51.2 billion, mainly due to increased borrowings by the mining sector, coupled with the depreciation of the domestic currency during the year under review. Consequently, the total external debt stock as a percentage of GDP rose to 52.2 percent at the end of 2015 when compared to 41.4 percent at the end of the previous year.

25 The data on external debt levels for Namibia, as carried out by the Bank of Namibia through survey, have been revised due to the reclassification of certain items.

Table C.12: Namibia's external debt

	2011	2012	2013	2014	2015
Total external debt stock (N$ billion)					
Central Gov.	7.9	9.0	10.9	11.4	28.3
Parastatals	2.1	2.2	4.1	3.5	4.7
Private sector	27.5	23.8	31.9	43.5	51.2
Total external debt	**37.6**	**35.0**	**46.9**	**58.4**	**84.2**
(In percent of total external debt)					
Central Gov.	21.0	25.8	23.2	19.6	33.6
Parastatals	5.7	6.2	8.8	6.0	5.5
Private sector	73.3	68.0	68.0	74.4	60.8
Total external debt	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
(In percent of GDP)					
Central Gov.	8.8	8.4	8.6	8.1	17.7
Parastatals	2.4	2.0	3.2	2.5	2.9
Private sector	30.6	22.3	25.2	30.8	32.0
Total external debt	**41.7**	**32.7**	**37.0**	**41.4**	**52.2**

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Namibia's foreign debt servicing increased in 2015, owing to large repayments and a debt-for-equity swap by the private sector. On an annual basis, total debt servicing rose significantly by 61.9 percent to N$11.7 billion, mainly due to the private sector that increased its loan repayments by 71.9 percent to N$10.8 billion. The huge increase in private sector debt servicing was due to debt-for-equity swap in the mining sector coupled with other principal loan repayments of resident non-bank companies during 2015. Furthermore, parastatals increased their debt servicing by 52.6 percent to N$429 million, while, Central Government debt servicing declined by 29.7 percent to N$467.0 million due to the timing of contractual arrangements.

In 2015, the ratio of debt servicing to exports increased when compared to 2014. The ratio rose to 22.8 percent in 2015 from 14.5 percent in the previous year. This increase was ascribed to huge repayments on foreign debt relative to the rise in exports in 2015. The ratio, however, fell within the international benchmark of 15.0 - 25.0[27] percent.

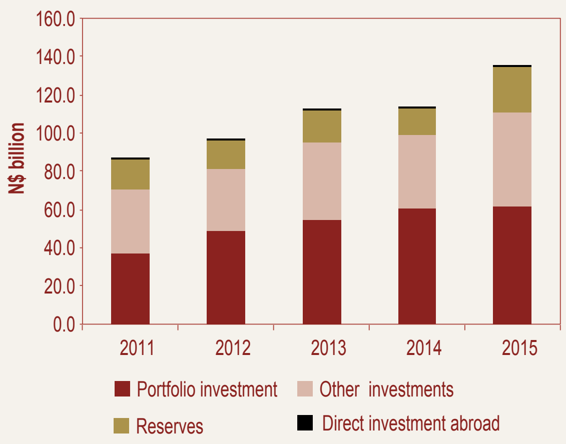
INTERNATIONAL INVESTMENT POSITION (IIP)

At the end of 2015, Namibia's International Investment Position (IIP) recorded a reduced net asset position, compared to the previous year, owing to faster growth in foreign liabilities relative to foreign assets. The net foreign asset position declined by 63.0 percent to N$9.3 billion in 2015, due to Namibia's foreign liabilities, which rose faster than invested assets abroad, supported by the exchange rate revaluations at the end of the year under review.

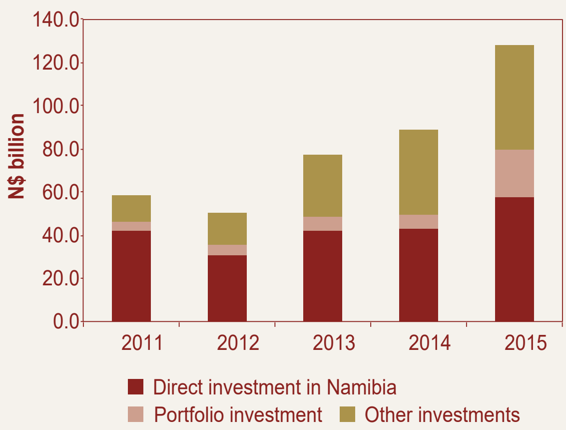
27 The international benchmark values give an assessment of the country's risk of debt distress. If the ratio falls below the threshold of 15.0-25.0 percent, then the country is seen to meet its debt service obligations and is at low risk. Should the country's debt burden fall within the threshold, but stress tests indicate a possible breach in the presence of external shocks or abrupt changes in macroeconomic policies, then it would be at a moderate risk. Finally, if the country's debt burden falls outside the threshold, then the country would be considered to be in debt distress and stringent policy interventions need to be taken.

Figure C.26: IIP: Foreign assets and liabilities

The value of Namibia's foreign assets rose at the end of 2015, mainly due to increased reserve assets.



Likewise, the value of Namibia's foreign liabilities rose when compared to the previous year, mainly due to an increase in portfolio and foreign direct investments coupled with the depreciation of the Namibia Dollar.



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The value of Namibia's foreign assets rose at the end of 2015, mainly due to an increase in reserve assets. The stock of foreign assets increased by 20.7 percent to N$137.4 billion at the end of 2015 (Figure C.26). The increase in foreign assets was mostly reflected in *international reserves* that rose significantly by 74.3 percent to N$23.6 billion, due to the issuance of JSE and the Euro bonds during the year under review. Additionally, *other investment* increased by 29.7 percent to N$50.1 billion and was influenced by other depository corporations that enhanced their claims abroad, coupled with the rise in *other assets*. Furthermore, *direct investment* abroad rose by N$1.4 billion to N$2.6 billion, owing to a rise in *other capital*. In addition, *portfolio investment* increased marginally by 1.1 percent to N$61.2 billion as a result of increased foreign invested *equity securities*.

At the end of 2015, the value of Namibia's foreign liabilities rose when compared to the previous year, mainly due to a rise in *portfolio investment* and *foreign direct investment*. Namibia's foreign liabilities rose by 44.3 percent to N$128.2 billion on an annual basis in 2015. The aforementioned increase was attributed to *portfolio investment* that rose by N$15.2 billion to N$21.9 billion at the end of the year under review. The rise in *portfolio investment* stemmed from the issuances of both the JSE bonds and the Eurobond during the third and fourth quarter of 2015, respectively. Similarly, *foreign direct investment* increased by 33.4 percent to N$57.6 billion and was mainly reflected in the equity capital as a result of debt-for-equity swap by the mining entities. Additionally, *other investment* increased by 24.9 percent to N$48.6 billion owing to long term loan acquisitions by resident non-bank companies, supported by the exchange rate revaluations during the year under review.

EXCHANGE RATE DEVELOPMENTS

The Namibia Dollar appreciated against the Euro, on average, but depreciated against the US Dollar and the Pound during 2015, primarily due to low commodity prices and recovering of the US economy. In the course of 2015, the Namibia Dollar strengthened on average by 1.8 percent against the Euro, while weakening considerably by 17.6 percent against the US Dollar and 9.2 percent against the Pound, when compared to the previous year. The appreciation of the Namibia Dollar against the Euro was aided by the ECB's monetary expansion program, coupled with speculations of Greece exiting the Euro Zone during 2015. In contrast, the huge depreciation of the Namibia Dollar against the US Dollar was mainly supported by low commodity prices following the weakening Chinese economy, volatility in the Chinese stock market and recovering of the US economy. Additional contributing factors such as South Africa's weak economic growth, a widened current account deficit and electricity shortage coupled with weaker growth prospects, further contributed to the weakening of the domestic currency during 2015. Similarly, the Namibia Dollar depreciated against the Pound due to growing domestic demand in the UK, particularly in the retail and manufacturing sectors, despite deflation despairs. At the end of December 2015, the Namibia Dollar depreciated by 30.2 percent, 24.9 percent and by 14.9 percent against the US Dollar, Pound and Euro, respectively, when compared to December 2014.

TRADE-WEIGHTED INDEX

During 2015, both the nominal effective exchange rate (NEER) and real effective exchange rate (REER) indices for Namibia depreciated. The NEER index depreciated by 7.1 percent to 64.3, and the REER index by 4.7 percent to 105.8 compared to the previous year. The depreciation of the REER index implies that Namibia's external competiveness improved on the international market.

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BOX ARTICLE

BRIEF ON NAMIBIA'S FORTHCOMING MIGRATION TO THE IMF'S BOP AND IIP MANUAL SIX (BPM6)

INTRODUCTION

The Bank of Namibia compiles and publishes the Balance of Payments (BOP) statistics and the International Investment Position (IIP), which shows the transactions and positions, respectively between Namibia and the rest of the world. The compilation of these statistics is based on a standard framework that is provided in the International Monetary Fund's manuals. In 2009, the IMF released the sixth edition of the Balance of Payments and International Investment Position Manual (BPM6), to replace the fifth edition (BPM5) that was in use since 1993. The sixth edition manual takes into account important developments that occurred in the world economy in recent years. Four major factors influenced the revision, namely:

- globalisation (increased use of cross-border production processes, complex international company structures and international labour mobility);
- an increasing focus on balance sheets as reflected by the importance of the International Investment Position in the new manual;
- to take into account financial innovation that occurred since 1993, as financial instruments became more and more complex;
- the manual was also revised parallel with the introduction of the System of National Accounts 2008 (2008 SNA), in order to ensure harmonisation between external and domestic macroeconomic statistics.

This brief is, therefore, aimed at sensitising the public on Namibia's imminent BPM6 migration process that is envisaged for 2016. This is the first communique amidst a couple of forthcoming one's that will be aimed at educating our internal and external stakeholders as well as the public at large.

MIGRATION TIMELINE

Namibia is expected to migrate to BPM6 in the fourth quarter of 2016 and as such, all balance of payments data from 2009 will be published in the new format. The timeline for migration was chosen to ensure a more comparable time series for analysing the balance of payments data in the new format.

BPM6 COMPLIANT COUNTRIES IN SUB-SAHARAN AFRICA

In the Sub-Saharan African region, only three countries have migrated to the new BPM6 manual namely; South Africa, Angola and Mozambique, while the majority of countries are in the process of doing so.

MAIN CHANGES

Current Account

More generally, our readers will note that the overall presentation of the balance of payments in BPM6 will be portrayed in more detail in terms of functional category and instrument breakdown. Although there are new line items, a lot of the old items have undergone numerous reclassifications in the current account. For instance, *merchanting* in the BPM6 is reclassified from *services to goods*, while *processing and repairs* are reclassified from *goods to services*. Amongst the new line items is *Financial Intermediation Services Indirectly Measured (FISIM)*, which is now part of the services account. The *capital account* now also forms part of the *current account*. Furthermore, with the new manual, the *primary income and secondary income* categories replace the *investment income* and current *transfer's* categories, respectively.

Financial Account

In the BPM6 format, the net credit and net debit balances are changed to the *net acquisition of financial assets* and *net incurrence of foreign liabilities*. Furthermore, all increases in foreign assets are denoted with a positive sign, while the negative sign with the liabilities remains the same as was the case in BPM5.

There is, however, a strong emphasis on the foreign direct investment relationships in the *financial account*, both on the assets and liabilities. Besides investments of *foreign direct investors with their enterprises* and *investment of the enterprises with their FDI (reverse investment), investment between fellow enterprises* are now also captured. The introduction of *insurance, pension and standardised guarantee schemes* and *financial derivatives* also form part of the newly introduced categories in the *financial account*. This essentially moves the functional categories to *five* from *four* as was the case in BPM5.

International Investment Position

The *International Investment Position (IIP)* is a statistical statement that shows at a point in time, the value of financial assets of residents of an economy (that are claims on non-residents or are gold bullion held as reserve assets), and the liabilities of an economy to non-residents. The most noticeable change to our readers will be the detailed presentation of this account in terms of functional category and instrument breakdown than before. The functional category and instrument breakdown of the *IIP* is a mirror of the *financial account* in the balance of payments.

Website for additional information

The balance of payments page under *economic information-balance of payments* on the Bank of Namibia website can be visited for additional information. Links to the full manual and frequently asked questions on the BPM6, amongst others will be available for the review of the public at: https://www.bon.com.na/Economic-information/Statistical-information/Balance-of-payments.aspx

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THEME CHAPTER

ASSESSING NAMIBIA'S MEMBERSHIP IN THE COMMON MONETARY AREA (CMA)

INTRODUCTION

This article presents a brief assessment of the costs and benefits of Namibia's membership in the CMA. The article has been necessitated by the recent depreciation of the local currency against major trading currencies which has renewed the public debate on whether pegging the Namibia Dollar to the South African Rand is still in Namibia's best interest. In light of these debates, this article evaluates the costs and benefits of Namibia's participation in the CMA.

BACKGROUND

In 1992, Namibia became a new member of the CMA, and since 1993 it had its exchange rate fixed to that of South Africa. The CMA arrangement requires that Namibia's exchange rate, together with those of Lesotho and Swaziland, is linked on a one-to-one basis to the South African Rand. This means that one Namibia Dollar buys one South African Rand. Similarly one Lesotho Loti and one Swazi Lilangeni each buy one South African Rand. Furthermore, the agreement permits the South African Rand to be a legal tender in Lesotho, Namibia and Swaziland (hereafter, LNS) along with their domestic currencies. The CMA arrangement further requires that LNS hold foreign reserves at least equal to the domestic currency issued and circulating in their economies.

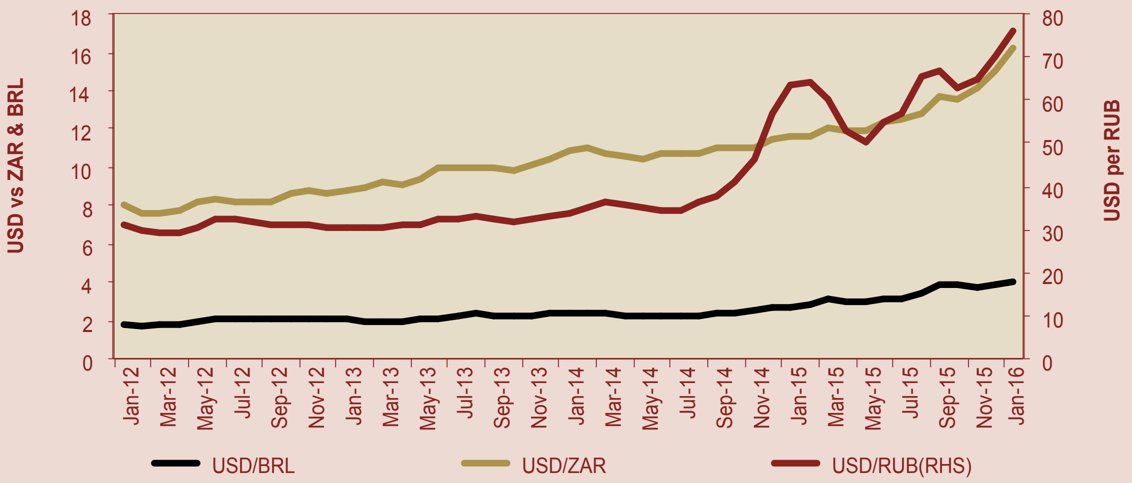
Namibia's membership in the CMA implies that the country's scope in respect of monetary policy is somewhat limited, because the CMA is underpinned by the exchange rate system, which is anchored to the South African Rand. The fixed exchange rate arrangement assures price stability in Namibia by importing stable inflation from South Africa (Monetary Policy Framework, 2008). Given that Namibia imports about 60 percent of its goods from South Africa (which has adopted an inflation target of 3 to 6 percent); the exchange rate peg therefore is a credible strategy to achieve the objective of price stability. Thus, although domestic monetary policy is not entirely flexible, Namibia, nevertheless still has some degree of monetary policy discretion. This discretion allows some limited deviation of interest rates from that of South African in order to align such rates closer to the domestic economic fundamentals. In such an instance, to cushion the country from arbitrage and capital flight to the anchor country, capital controls and prudential requirements are used.

The South African Rand (anchor currency) has depreciated significantly against major trading currencies in recent periods, which has prompted a renewed debate on whether Namibia's participation in the CMA is still favourable. The depreciation of the Rand relative to the US Dollar, the British Pound and the Euro has dragged along the currencies of LNS. As a result, the public in Namibia started raising questions about costs of the fixed peg: the Namibia Dollar to the Rand. More specifically, the recent public discourse queries whether Namibia's participation in the CMA is still favourable. Therefore, the purpose of this article is to attempt to provide answers to this query. The structure of this article would be as follows: first, it will examine the recent trends in the exchange rates of key emerging and developing economies against that of the major currencies in the world, followed by brief assessment of the costs and benefits of Namibia's participation in the CMA agreement. The last section concludes with the key features of overall benefits of CMA on the price stability in Namibia.

RECENT TRENDS IN THE EXCHANGE RATES OF KEY EMERGING MARKET AND DEVELOPING ECONOMIES

Most emerging market economies (EMEs) and developing economies underwent exchange rate volatility and/or depreciation since end of 2014. The depreciation and volatility continued, particularly in the commodity-export dependent economies. Although EMEs were the main drivers of global growth in the era preceding the financial crisis, most economies in this group face increasing vulnerabilities. The root causes of these growing vulnerabilities are the declining global demand for some commodities resulting in lower commodity prices, appreciation of the US Dollar relative to EMEs and most other currencies, and the lack of deeper economic reforms in some of the EMEs. Adding to the woes is the changes in U.S. monetary policy and differences in economic performance and monetary policies between the United States and other developed economies. The increase in interest rates in the US reinforced the migration of capital to the US and the depreciation of EMEs and developing economies' currencies. Furthermore, slow demand from China and the devaluation of the Yuan triggered a global selloff in equities and thus resulting in the depreciation of most emerging market currencies. As a result, commodity exporting countries have witnessed currency volatility over the last four years, and recently, losses in the financial markets.

Figure TC1: Key EME bilateral exchange rates



Data Source: OANDA FX trade

Some commodity exporting countries have experienced exchange rate volatility against the US dollar. Exchange rate volatility as measured by the Coefficient of Variation is more pronounced for the Brazilian Real (BRL) and Russia Ruble (RUB), with an average volatility of 25 percent and 34 percent relative to the mean, between 2012 and 2015, respectively (Table TC1). Meanwhile, the rate of exchange between the US Dollar and the South African Rand (USD/ZAR) showed volatility of 19.0 percent over the same period. These volatilities' figures suggest that the recent trends and fluctuations of the currencies are not only unique to South Africa, but it is a phenomenon which also manifested in other key emerging economies.

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Table TC1: Exchange rate volatility in EME currencies

	USD/BRL	USD/CNY*	USD/ZAR	USD/RUB
Average	2.47	6.22	10.45	41.24
Standard Deviation	0.62	0.10	1.96	13.82
Coefficient of Variation	0.25	0.02	0.19	0.34

Data Source: OANDA FX trade and author's calculation. (*) Chinese Yuan.

Similarly, the depreciation relative to the US Dollar was significant in all Emerging Market and developing economies. As shown in Tables TC2 and TC3, commodity exporting countries such as Brazil, South Africa and Russia experienced considerable depreciation in their currencies against the US Dollar. It is also clear that the depreciation of the Rand relative to the US Dollar was less severe, compared to the depreciation of the Brazilian Real and Russian Ruble against the US Dollar. For example, between January 2012 and January 2016, the US$/Rand and US$/RUB depreciated by 52.0 percent and 60.0 percent, respectively; while the Brazilian Real depreciated by 57.0 percent. Over the same period, the Australian Dollar also depreciated by more than 33.0 percent. There is evidence that exchange rates for most countries, particularly commodity exporting countries were under strain from the strengthening US Dollar and slowing commodity prices (Table TC3). Despite the depreciation of the exchange rates, countries in the CMA continued to derive benefits of price stability as their inflation rates were low. The impact of the depreciation on inflation so far was relatively small.

Table TC2: Percentage of Depreciation of the Real, Yuan, Rand, Ruble and Australian Dollar (AUD) relative to the US Dollar

PERIOD	USD/BRL	USD/CNY	USD/ZAR	USD/RUB	USD/AUD
Weekly (Jan, 4th week, 2012 – Jan, 4th week, 2016)	-57	-5	-52	-60	-33
Monthly(Jan, 2012 – Jan, 2016)	-56	-4	-51	-59	-32
Quarterly (2011 Q4 – 2015, Q4)	-53	0	-43	-53	-29
Annually (Dec, 2011 –Dec, 2015)	-50	4	-43	-52	-27

Source: OANDA FX trade and author's calculation

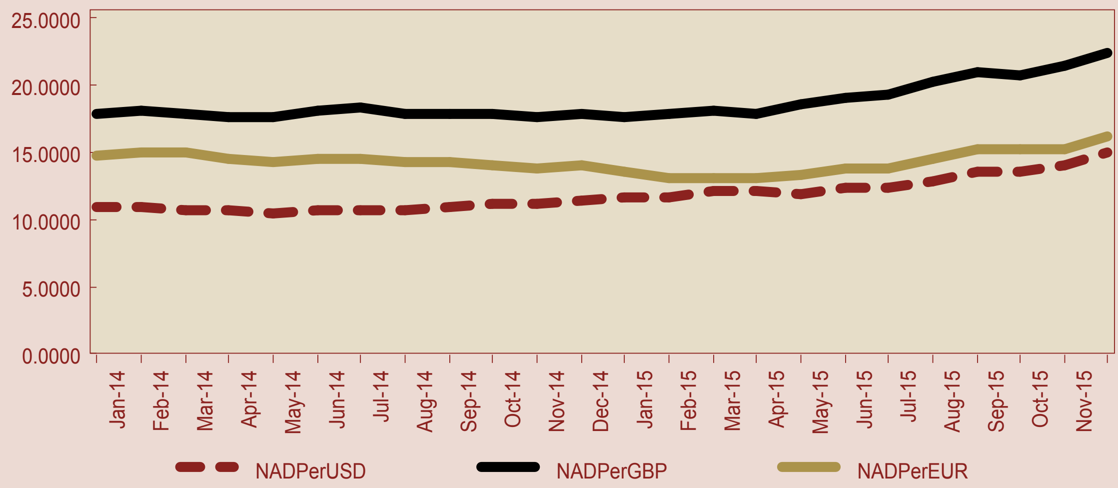
Table TC3: Percentage Depreciation of Zambian Kwacha (ZMW), SA Rand, Botswana Pula (BWP) & Angolan Kwanza (AOA), relative to the US Dollar

PERIOD	USD/ZMW	USD/ZAR	USD/BWP	USD/AOA
Weekly (Jan, 4th week, 2012 – Jan, 4th week, 2016)	-53	-52	-36	-39
Monthly(Jan, 2012 – Jan, 2016)	-49	-51	-35	-36
Quarterly (2011 Q4 – 2015, Q4)	-23*	-43	-31	-30
Annually (Dec, 2011 –Dec, 2015)	-53	-43	-33	-22

Source: OANDA FX trade and author's calculation

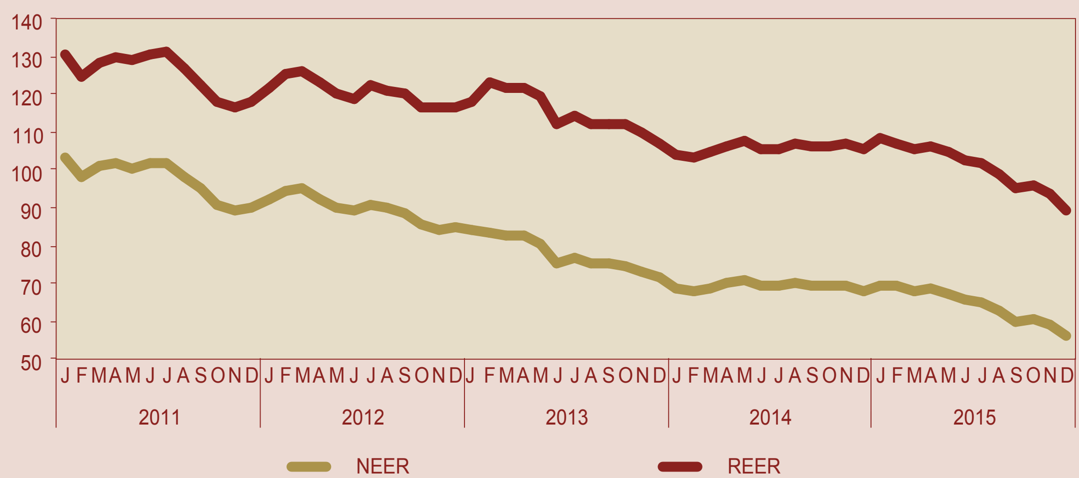
Since the end of 2014, through to the beginning of 2016, the Rand and the Namibia Dollar has depreciated not only against the US dollar but also against other major trading currencies. Towards the end of 2014, the nominal effective exchange rate depreciated mainly due to concerns of the slowing economic growth in China, the threat of another round of tense labour relations in the mining industry, the lack of economic growth, external and fiscal imbalances, and the slow pace of structural reforms in South Africa.

Figure TC2: Namibia Dollar against major currencies



During 2015, a further weakening of the Rand was fuelled by both domestic and International factors. The international factors that characterized the year 2014 persisted into 2015, particularly the sharp depreciation in emerging-market currencies, as sentiments towards these economies weakened further. Furthermore, domestic factors in the South African economy, which among others include the subdued economic growth and the sustained high level of unemployment, socio-political issues as well as fears of credit-rating downgrades also contributed to the developments in the value of the Rand. These negative sentiments towards the Rand led to the depreciation of both the nominal effective exchange rate (NEER) and the real effective exchange rates (REER) of Namibia (Figure TC3). Nevertheless, the depreciation of the REER implies that Namibian products became more competitive in the international markets.

Figure TC3: Trade weighted effective exchange rate indices for Namibia



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The role of the exchange rate is very important in a small open economy such as Namibia's. There are however complex times for an open economy to apply macroeconomic policy to find a balance that will support both importers and exporters, to achieve economic objectives such as job creation and developing the infrastructure of the country. Thus, in those circumstances the desired exchange rate level may be different and in conflict with important objectives for the country. For instance, raising domestic interest rate to attract capital inflow and hence appreciate the currency may hurt both exports and imports in the country. On the other hand, expansionary policy such as interest rate cuts will also carry a trade-off by lowering the currency value, thus increasing the rate of inflation and ultimately the current account deficit.

What is worth mentioning, however, is that currency deprecation (exchange rate shock) can affect any country, whether within or outside a currency union. International experiences for example show that most currencies undergo periods of strength and weaknesses, thus it would be up to an individual country to find ways of stabilising their currencies. Hence, whether the Namibia Dollar is pegged or not pegged to the Rand, as a currency, it would occasionally face economic shocks of varying degree that could either lead to depreciation or appreciation in the short term. Against this background the following section examines the current costs and benefits of Namibia's participation in the CMA.

COSTS AND BENEFITS OF NAMIBIA'S PARTICIPATION IN THE CMA

Namibia's participation in the CMA was primarily driven by the long economic relationship with the anchor economy (South Africa). When the CMA was established, the arrangement was perceived to be the most appropriate way to enhance trade and strengthen economic ties with other member countries. The extent to which any member has subsequently benefited from the arrangement, however, depends on the CMA's inherent merits and constraints. In this section, we specifically examine the current benefits and costs of Namibia's participation in the CMA.

Benefits

Being a member of the CMA, Namibia enjoys quite a number of benefits. Among these are eliminated or reduced transaction costs, price stability, reduced exchange rate fluctuations, compensation for loss of seigniorage and enhanced access to deeper financial markets (Alweendo, 1999, Tjirongo, 1995 and Kalenga, 2005). These benefits are discussed in further detail below:

Elimination or reduction of transaction costs

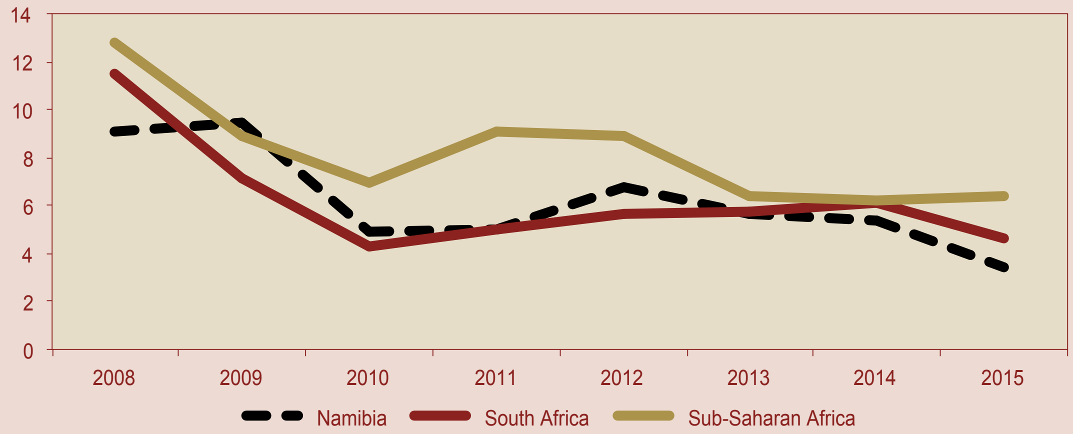
With a fixed exchange rate between the Rand and the Namibia Dollar, Namibia saves on the transaction costs not only in exchanging its currency for South Africa's but also in the spread between rates charged for sales and purchases of foreign currency. Namibia's imports from South Africa currently stand at about 60 percent. Since there is no need to exchange Namibia Dollars for South African Rand to obtain such imported goods and services, this represents a significant saving in transaction costs Namibia's favour. For example, between 2012 and 2015, Namibia imported goods from CMA member countries at an annual average of N$50.5 billion. If these imports were subjected to exchange rate commission, this could have cost the country an average of about N$311 million[28], equivalent to 0.25 percent of GDP annually. On this basis, it is clear that the benefits that Namibia enjoys in terms of cost saving remains substantial. In addition, the absence of exchange rate fluctuations between CMA members has lowered the unfavourable effects of exchange rate uncertainty on trade and investments in Namibia.

28 Applying 0.615 percent of the value of each transaction, which is the average charged by the two biggest banks in Namibia.

Price Stability

Further, Namibia enjoys the benefit of price stability mainly attributed to South Africa's inflation targeting framework which aims at keeping inflation between 3-6 percent. Price stability brings about confidence among producers, potential investors and the general public in their operations and plans. Namibia continues to benefit from price stability as depicted by low levels of inflation maintained by South Africa, in comparison, for example, with the average inflation in Sub Saharan Africa (Figure TC4).

Figure TC4: Inflation rates in Namibia and South Africa in comparison with Sub-Saharan Africa



Compensation for the loss of seigniorage

Namibia derives some of its foreign exchange reserves from compensation for loss of seigniorage. Due to the co-circulation of the Rand currency in Namibia, South Africa compensates Namibia for the revenue that the country could have been generated from the seigniorage if the Rand was not a legal tender in Namibia. Segniorage compensation to Namibia forms part of its international reserves, given that such compensation is paid in South African Rand. During 2015, the South African government paid Namibia N$269.5 million in compensation for lost seigniorage.

Enhanced access to deeper financial markets

Furthermore, the CMA promotes free flow of capital between the member countries and over the years this has proven beneficial to Namibia. Free flow of capital provides wider access to financial markets and, thus, helps financial institutions diversify risk. Since the CMA has enabled Namibian-owned companies to be listed on the Johannesburg Stock Exchange in South Africa; one can argue that the CMA arrangement has increased access of Namibias companies to financial markets compared to other countries.

Reduced Exchange rate fluctuations

Another major advantage of the CMA arrangement is that it helps avoid exchange rate fluctuations, thereby reducing the unfavourable effects of exchange rate uncertainty on trade and investment. Given that Namibia is a net importer of goods and services from South Africa, the peg eliminates the exchange rate risk and hence encourages trade and investment between the two countries.

Costs

Being a member of the CMA has also implied certain losses for Namibia. These include the loss of monetary autonomy, the transmission of shocks from the anchor country, loss of stability of the Rand as reserve currency, and capital outflows. These losses are discussed in more detail below.

Loss of monetary autonomy

A major cost of CMA membership to Namibia is the foregone use of the exchange rate or interest rate as an instrument for stabilising the domestic economy (Alweendo, 1999). This implies that the Bank of Namibia has a limited scope when it comes to designing and implementing an independent monetary policy to support domestic economic activities. Furthermore, the LNS countries cannot respond to their unique shocks independently. Thus, the inability of the LNS to embark on appropriate and timely policies simultaneously increases the costs of their currencies' peg to the South African Rand, and undermines some of the benefits of the arrangement.

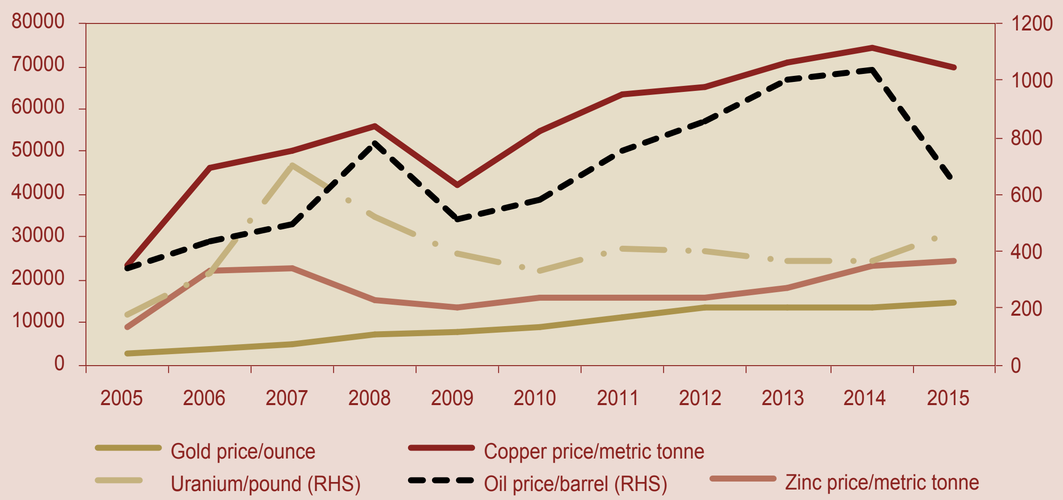
Transmission of economic disturbances from the anchor country

One of the criticisms of exchange-rate pegging is that disturbances in the anchor country are more easily transmitted to the currency bloc, with possible negative consequences. In the case of the CMA, where monetary policy and the exchange rate are linked to that of the anchor country, it implies that whatever happens to the anchor country's monetary policy or exchange rate will in one way or another affect the LNS. When South Africa engages in an expansionary monetary policy, the ensuing inflationary pressures are transmitted to Namibia. In this respect, Namibia loses not only its ability to conduct independent monetary policy, but experiences money supply effects that negatively impact the business cycle. Similarly, when South Africa experiences exchange rate volatilities, Namibia also absorbs the disturbances as all trade within the CMA is conducted in a single currency – the South African Rand.

Stability of the Rand as a Reserve Currency

Another important consideration, which in recent times has become a source of concern, is the stability in the value of the South African Rand. Over the past few years, the Rand has experienced rapid depreciation against major currencies. The exit by investors from the emerging markets – South Africa included –led to speculative trading of the Rand, and its subsequent depreciation affected the Namibia Dollar. Generally, one would expect a depreciating Rand to translate into increased exports for the Namibian economy, as domestic goods become more competitive in the international markets. However, these benefits to Namibia have been limited as the country's exports consist mainly of commodities whose prices have recently been declining (Figure TC5), but which are also at the same time determined in international markets. Further, the production of most of these commodities is not easily scalable, especially in a short period of time. Hence, low global demand and weakness experienced in the EMEs have undermined the benefits associated with depreciation of domestic currency.

Figure TC5: Commodity prices in Namibia dollars



Capital Outflows

Another disadvantage of being a member of the CMA is the free movement of capital within its confines –largely resulting in capital outflows in favour of South Africa. This is because South Africa has by far the most sophisticated financial markets within the CMA. This affects Namibia in particular, where funds flow to South Africa not only for a wider spread of investment opportunities and more liquidity, but also, at times, better returns. It is estimated that currently Namibian institutional investors currently have in excess of R110 billion in a variety of South African investment instruments. The challenge for Namibia is to deepen its financial markets and to offer similar or better investment opportunities in order to utilise this huge source of savings for the benefit of the country's development.

CONCLUSION

From the overall assessment of the costs and benefits of the CMA, it is clear that the benefits of pegging the Namibia Dollar to the Rand still outweigh the costs. The CMA's primary objective, namely price stability has been and continues to be achieved under the arrangement. Thus, the CMA creates an environment that is conducive to investment and economic growth. Given that most Namibian imports are sourced from the South African economy, Namibian retailers and, ultimately, consumers' benefits from the elimination or the reduction of transaction costs. Further, seigniorage revenue is one of the other benefits derived from the arrangement. Although there are costs associated with the fixed peg, it is important to note that some of these costs would still exist even if Namibia was in a different exchange rate regime. As shown in this article, both emerging market and developing economies which are not members of a currency union have experienced currency depreciation, exchange rate volatility, and subdued growth. Thus, the current arrangement, despite its limitations, still offers more benefits to Namibia than losses.

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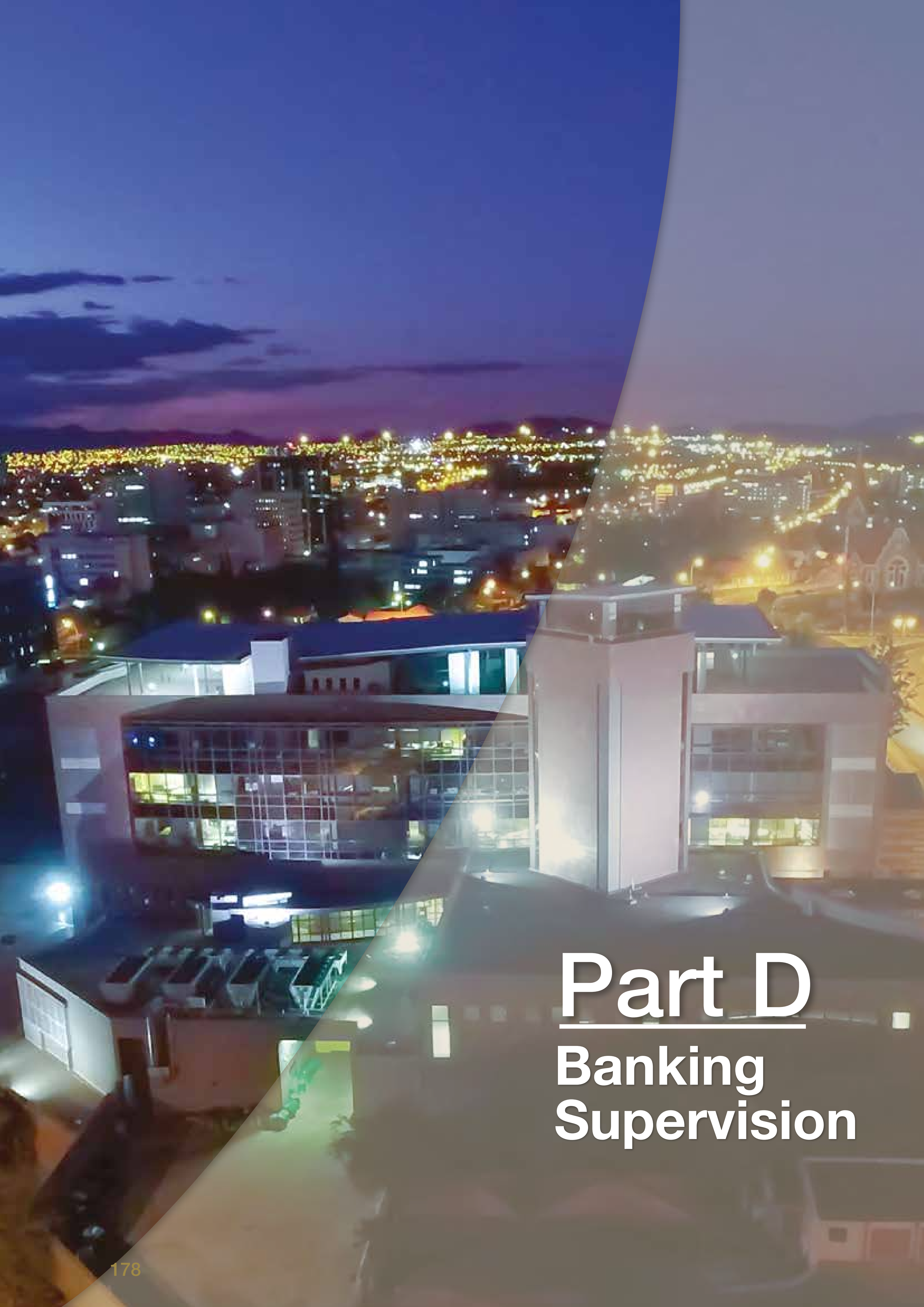

Part D
Banking Supervision

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INTRODUCTION

The Bank continued to promote its objective of ensuring safety and soundness of the banking sector. This was achieved while promoting confidence in the financial system through the implementation of policies and standards that are in line with the international best practices for banking supervisors.

The performance of the Namibian banking sector was characterised by healthy profit levels and adequate capital. The banking institutions remain resilient and maintained capital and liquidity at levels higher than the minimum set by the Bank. The Bank obliges banking institutions to maintain a risk-weighted capital ratios (RWCR) of 10 percent, of which 7.0 percent ought to be Tier 1 risk-weighted capital. In addition, a minimum Tier 1 leverage ratio of 6.0 percent should be retained at all times. Banking institutions have displayed robust aggregate balance sheet growth, positive profitability and satisfactory liquidity levels. The asset quality continued to be good with very low levels of non-performing loans (NPLs) and stood at 1.6% compared to the benchmark of 4%. This good performance is expected to continue into the future.

DEVELOPMENTS RELATING TO BANKING LEGISLATION

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During 2015, the Bank continued to work on the enhancement of the banking legislation. The Bank incorporated additional comments received from the Ministry of Finance during the period under review. After having incorporated these comments, the Amendment Bill was resubmitted to the Ministry for consideration and presentation to Cabinet pending the conclusion of the consultations. There was no change to the main issues which the Amendment Bill sought to address namely:

(a) The revision and enhancement of various definitions so as to provide more clarity and ensure proper application of the terms thus defined, in particular the definition of banking business;

(b) The strengthening of the provisions relating to foreign shareholding in banking institutions with the view to support financial stability as well as economic development and the Namibian Financial Sector Strategy (NFSS);

(c) Clearer and stronger provisions relating to the prevention and deterrence of illegal financial schemes;

(d) The requirement for banking institutions to have recovery plans in place to enable them to identify various options for restoring their financial strength and viability when faced with severe financial distress; and

(e) Resolution measures for problem banking institutions. Currently, Namibia does not have a clear statutory regime specifically tailored to deal with problem banking institutions. An ineffective resolution framework could lead to a prolonged resolution process, which is associated with high costs to taxpayers.

The Bank also amended and/or proposed few secondary legislation under the Act during 2015. These include:

(a) Regulations on the Fees Payable to the Bank - This entails amendment to the existing Regulations by increasing the existing fees payable to the Bank and introducing new ones that deals with controlling companies. This Regulation was concluded after the industry consultations and was submitted to the Ministry of Finance for Gazetting.

(b) Regulations on the Loan-to-value ratio for banks – These are new Regulations intended to introduce various loan-to-value ratios in respect of subsequent mortgage loans granted by banking institutions. These Regulations set out the procedures for determining the LTV restrictions when banking institutions grant mortgage loans to borrowers for the purchase or construction of non-primary residential properties in Namibia. This Regulation was tabled at Cabinet during the review period and the public awareness campaigns will commence during 2016.

(c) Regulations on the Qualifications, Terms and Conditions of the Appeal Board - The Regulations are intended to set qualification, terms and conditions, and other requirements of the additional members of the Appeal Board to be appointed by the Minister. This Regulation was concluded after the industry consultations and was submitted to the Ministry of Finance for Gazetting.

(d) Regulations relating to the Conduct of Appeals by the Appeal Board - The Regulations are intended to set out the procedures relating to conducting of appeal by the Appeal Board. This Regulation was concluded after the industry consultations and was submitted to the Ministry of Finance for Gazetting.

(e) Determination on the Appointment, Duties and Responsibilities of Directors and Principal Officers BID-1 – This entails amendment to the Determinations to extend the application thereof to bank controlling companies; to align the Determinations to the Corporate Governance Code for Namibia (Namcode) and the Financial Stability Boards Principles for Sound Compensation Practices Compensation practices. The Bank finalised the consultation with the industry and the Bank is awaiting the final sign-off from the banking industry.

LICENSING OF BANKING INSTITUTIONS

The Bank dealt with licensing issues including processing of new applications, extension of provisional authorization and pre-opening inspections during the review period.

The Bank received an application for authorization to establish a banking institution in Namibia in August 2015. This application was however not completed during the period under review due to lack of information.

The Bank issued a final certificate of authorization to *Banco Privado Atlantico Europa, SA*, of Portuguese origin, to establish a branch of a foreign banking institution in Namibia. This bank was expected to commence operations on 1 December 2015.

Letshego Bank Namibia Limited, that was previously given a provisional authorization, was subjected to pre-opening inspection during the period November to December 2015 to confirm its readiness to commence banking business. The provisional license was extended for another six months period to firm up its readiness to commence operations.

In addition, two credit bureaus, namely Compuscan and Transunion, that were provisional licensed, were also inspected during 2015.

The provisional license of Bank BIC Namibia Limited, another provisionally licensed bank, was also extended to 2016 to give time to the applicant to address the outstanding issues to commence operations.

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ON-SITE EXAMINATION AND OFF-SITE ANALYSES

The Bank's Risk Based Supervision Framework (RBSF) is well entrenched in defining the off-site and on-site supervision work programs, based on the premise that more value can be achieved by focusing supervisory resources on the risks that pose the greater threat to financial stability. The Bank's supervision regime, through its prudential oversight of regulated entities, is a critical part of the infrastructure to maintain high standards of service, conduct and management in the banking sector.

During the period under review, the Bank continued to strengthen its prudential oversight of banking institutions, through a combination of on-site examinations, off-site surveillance, credit and prudential-related meetings and stress testing for banking institutions and credit bureau entities. A combination of off-site examinations, on-site inspections and market intelligence informs the risk-based assessments that were used to monitor the soundness of licensed banking institutions. Similarly, stress testing was undertaken to gauge the resilience of banking institutions against economic and financial shocks scenarios and assumptions.

The supervision of Credit Bureaus was necessary, following the issuance of Credit Bureau Regulations in 2014 in accordance with the Bank of Namibia Act of 1997, as amended. The existence of Credit Bureaus in Namibia is beneficial for both enhancing access to finance and financial stability and their supervision is necessary to ensure that these objectives are achieved. The Regulations will help credit providers making credit decisions that are based on full knowledge about the level of indebtedness of their clients.

Building on its commitment to promote financial stability and resilience, through balanced, relevant and consistent oversight of the banking sector, the Bank maintained a very active supervisory agenda. During 2015, the Bank scheduled five (5) Targeted on-site examinations and two (2) pre-opening inspections to establish if the banking institutions and credit bureaus that were given provisional licenses, were ready to open their doors to the public. Furthermore, two (2) Credit Bureau pre-licensing inspections were conducted in order to establish if the Credit Bureaus could be issued with preliminary licenses after having implemented the requirements as per the Credit Bureau Regulations, before they are issued with full licenses to conduct Credit Bureau Business. In total, five (5) examinations were completed, while three (3) were in the final stage of completion by the end of December 2015.

D

The banking sector continue to remain stable, however the risks that requires continued monitoring are Credit, Liquidity and Money Laundering Risk. Overall, the demand for credit in the industry continued, consequently increasing the ratio of household debt to disposable income. The supervisors noted that the commercial banking institutions with high appetite on consumer credit tightened their risk appetite and this will be complemented by the macro prudential tools that are envisioned to be rolled out by the Bank in future. Specifically, the Loan-to-Value Ratio was introduced as tool to minimize credit exposure risk. This policy requires borrowers to have an equity stake in the purchase of their second mortgage bond starting with 20% but increasing by 10 percent for every additional mortgage on non-primary residential mortgages.

The Bank has noted that the requirements for Anti Money Laundering regimes continue to receive close scrutiny by the local regulating body, which is the Financial Intelligence Centre. Further, Namibia will be reviewed under higher standards in 2017 by the Financial Task Force to check AML compliance, which requires the commercial banking institutions to continuously check that their policies, procedures and due diligence programs are implemented effectively to avoid penalties.

The stress testing results conducted by the Bank indicated that the banking industry as a whole was adequately capitalised to withstand the impact of possible interest rate increases. Stress testing was undertaken with the objective of assessing the resilience of the Namibian banking sector to possible interest rate hikes. The stress test featured a situation where the South African Reserve Bank and the Bank of Namibia were compelled to tighten monetary policies in response to a possible gradual hiking of interest rates in the US. This monetary tightening was expected to have the effect of prompting banking institutions to increase their prime lending rates, resulting in increased default rates and therefore higher NPLs across the entire loan portfolio. The exercise also considered the impact of the interest rate increases on net interest income stemming from maturity gaps between interest-earning assets and interest-bearing liabilities. The three scenarios covered a time horizon of 12 months from the reference date of December 2015 with 100, 200 and 300 basis points increase in nominal interest rates.

During 2015, the Bank also participated in liquidity simulation exercises carried out by the commercial banking institutions under the supervision of independent audit firms. The objective of these exercises were for the banking institutions to rehearse their roles and test the resilience of their Liquidity Contingency Plans to enable them to effectively deal with any potential crisis resulting from liquidity shortfalls. The Bank found these exercises useful and important. The Bank also provided banking institutions with feedback on the necessary improvements, since it will continuously enhance the liquidity risk management within the banking sector. Future outlook of the on-site supervision will include enhancements to the stress testing framework, as well as more frequent visits to intensify the supervision of all the banking institutions that are classified as Domestic Systemically Important Banking Institutions (DSIBs).

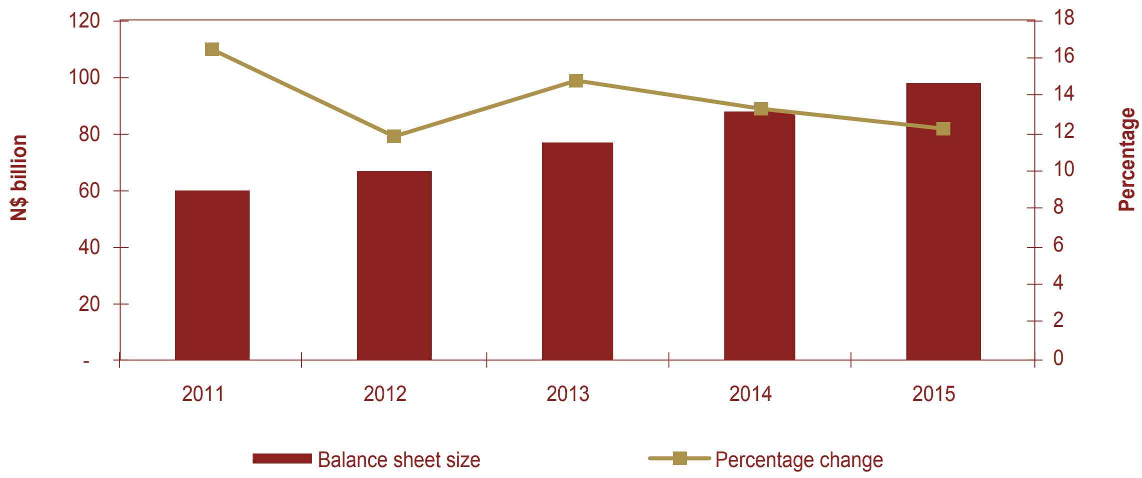
PERFORMANCE OF THE BANKING SECTOR

This section analyses the performance and financial condition of the banking sector, comprising of the four biggest commercial banking institutions. The banking sector recorded persistent growth in assets and earnings with adequate capital and liquidity levels. The ratio of non-performing loans remained at comfortable levels, though it increased during the past year. No significant changes were observed in the sector structure and the four major commercial banking institutions continued to dominate the sector. Going forward, the banking institutions are expected to remain sound and healthy.

BALANCE SHEET STRUCTURE

The balance sheet growth remained positive as the banking sector remained healthy during 2015. The balance sheet of the total banking sector stood at N$99.9 billion as at 31 December 2015, representing a year-on-year increase of 14.6 percent (Chart D.1). The growth in the balance sheet was largely derived from increases in the non-bank funding (deposits) on the liability side and in the total loans on the asset side.

Chart D.1: Aggregated Balance Sheet



ASSET STRUCTURE

The domestic banking sector continues to offer conventional banking products. Total loans and advances increased by 15.0 percent to N$78.2 billion in 2015. Cash and Balances slightly decreased by 2.9 percent to N$8.0 billion, while short-term negotiable securities increased by N$1.4 billion to N$7.8 billion, representing an increase of 21.9 percent. Total loans and advances constituted 78.2 percent of the banking sector's total assets, an increase from 74.0 percent in 2014. Cash and balances constituted 8.0 percent of total assets in 2015, declining slightly from 9.5 percent during 2014. The total of all other assets made up the remaining 13.8 percent, showing an increase from 12.5 percent held in 2014. Further analysis of the composition of loans and advances shows that mortgage loans (residential and commercial mortgages) represented 51.3 percent of the total loan book compared to 53.0 percent in 2014. Overdraft loans constituted 12.7 percent of the total loan book in 2015, while Instalment Sales represented 16.0 percent of the total loan book in 2015. The remaining share of 20.0 percent of the total loan book was shared among all the other loans and advances products compared to 18.8 percent in 2014 (Chart D.2).

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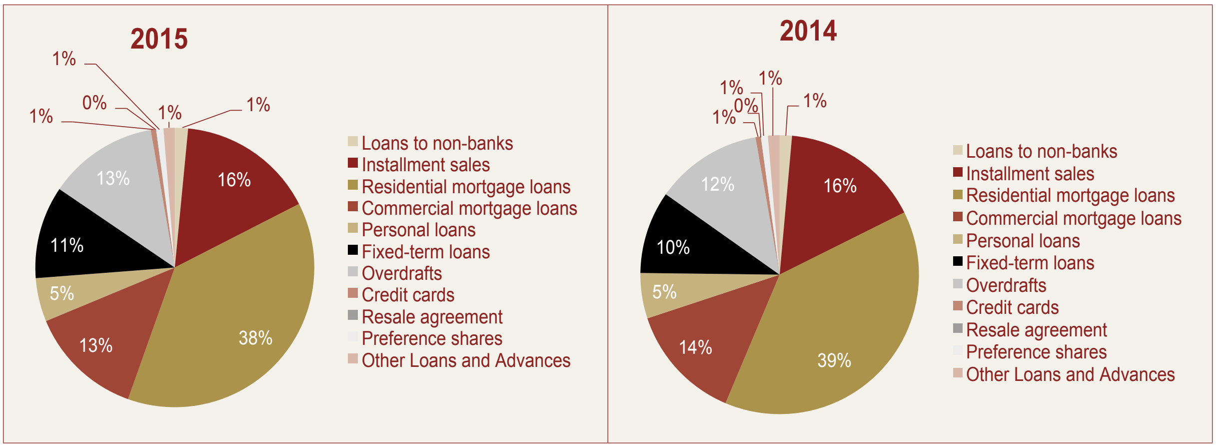
Chart D.2: Composition of Total Loans and Advances



The main drivers in the growth of loans and advances were mortgage loans and instalment sales. Mortgage loans constituted the largest part of the loan portfolio and increased by 12.7 percent to N$40.1 billion. Overdraft loans increased by 17.8 percent to N$9.9 billion, while instalment sales increased by 13.1 percent to N$12.5 billion. Fixed term loans increased from N$6.5 billion to N$8.4 billion, representing an increase of 28.4 percent. Foreign currency loans and advances, personal loans, credit cards and investment in preference shares increased in total by N$732.0 million. Other loans and advances increased from N$917.4 million to N$1.0 billion (Chart D.2).

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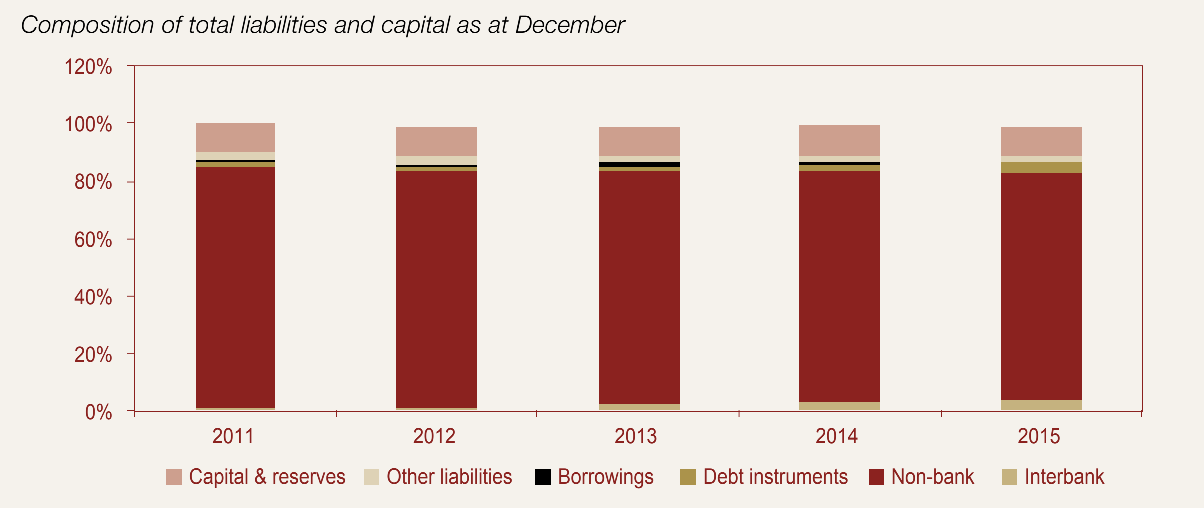
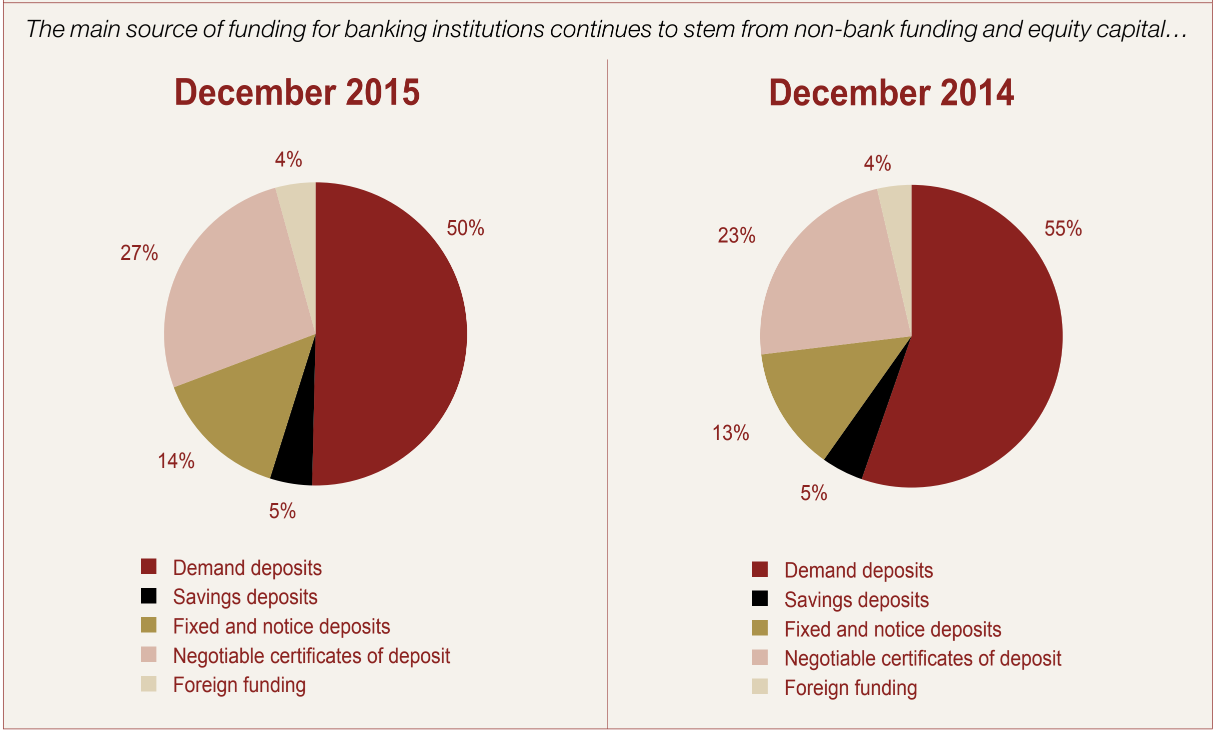
FUNDING STRUCTURE

Non-bank funding dominated the composition of the capital and liabilities and showed growth which was largely driven by demand deposits and fixed and notice deposits. Demand deposits increased by N$1.4 billion to N$39.2 billion, while the fixed and notice deposits increased by N$1.7 billion to N$11.2 billion. The non-bank funding (deposits) constituting 77.8 percent of the banking sector's total funding[29] and increased from N$69.7 billion to N$77.8 billion, while equity capital and bank funding comprised of 10.6 percent and 4.1 percent of total funding, respectively (Chart D.3). All other liabilities accounted for the remaining 7.5 percent.

29 Total funding comprises all liabilities to the public, including capital and reserves; also termed 'liabilities and capital'.

Chart D.3: Funding Structure





A further analysis of the breakdown of total deposits depicted that the dominant funding source remains short-term deposits. Demand Deposits remained the largest component of non-bank funding representing 50.4 percent of total deposits compared to 55.3 percent in 2014. As a result, the maturity funding structure of bank deposits continue to be skewed towards short-term rather than long-term deposits, (Chart D.3). Negotiable Certificate Deposits and Fixed & Notice Deposits followed with a share of 27 percent and 14 percent, while savings deposits accounted for 5 percent and foreign funding for 4 percent.

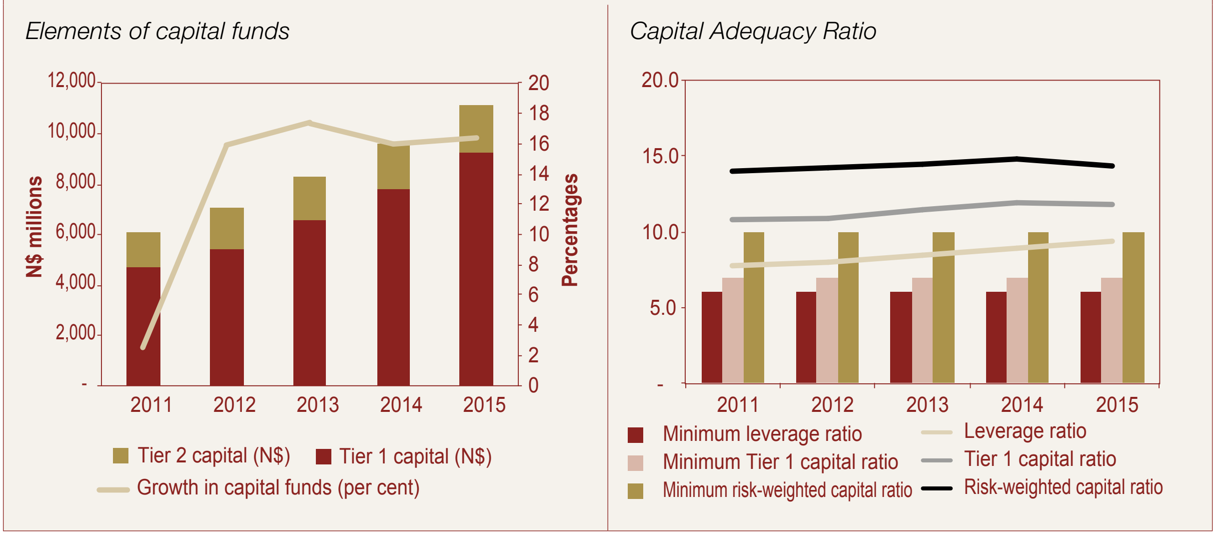
CAPITAL ADEQUACY

During 2015, the banking industry remained adequately capitalised and maintained capital positions well above the prudential requirements. The purpose of maintaining adequate capital reserves is to cushion against risks associated with banking institutions' strategic growth and to protect the bank against unsecured risk that can result in operational losses and to build and maintain public confidence. The prevailing supervisory minimum ratios for the RWCR and Tier-1 capital remained at 10.0 percent and 7.0 percent, respectively. Further, banking institutions are required to maintain a minimum Tier 1 leverage ratio of 6.0 percent at all times to reduce the risk of excessive leveraging.

The total qualifying capital of the banking industry increased moderately during the year. Total qualifying capital grew from N$9.6 billion to N$11.2 billion over the one year period ending 31 December 2015. Qualifying capital grew as a result of the substantial growth of 19.1 percent in Tier 1 capital, which increased by N$1.4 billion to N$9.3 billion during 2015. The boost in Tier 1 Capital was mainly driven by the increase in retained profits by N$1.2 billion and general reserves by N$271.1 million. Chart D.4 Illustrates the composition of total qualifying capital (Tier 1 capital and Tier 2 capital).

Chart D.4: Capital Adequacy

The banking sector remains well capitalised, maintained by quality core tier 1 capital.



Over the one year period the banking institutions maintained adequate levels of capital compared to the risk weighted assets. Risk Weighted Capital Ratio (RWCR) for the banking sector declined 14.7 percent to 14.3 percent at December 2015, relative to the previous year (Chart D.4). The decline in the RWCR resulted from a faster growth in the risk-weighted assets of 19.7 percent as opposed to the 16.4 percent growth in qualifying capital. In line with the latter, the Tier 1 capital ratio declined slightly to 11.8 percent from 11.9 percent a year ago, due to similar growth patterns noted under the overall capital level.

On the other hand, the Tier 1 leverage ratio improved from 8.9 percent to 9.4 percent, since capital growth was at a faster pace than the growth in gross assets.

CREDIT RISK[30]

ANALYSIS OF NON-PERFORMING LOANS

Non-performing loans of the banking sector increased but remained below the 4.0 percent benchmark and therefore pose no threat to the stability of the banking sector. Non-performing loans (NPLs) increased by N$222 million to N$1.2 billion. The surge in the NPLs was prominently spurred by increases in mortgages (by N$108.4 million), instalment sales (by N$69.2 million), and overdrafts (by N$25.5 million) and other loans and advances (by N$28.3 million). Non-performing mortgages continued to top the list

30 Credit risk is defined as the potential risk that a banking institution's borrower or counterparty will fail to meet their obligations in accordance with agreed terms of the credit agreement.

of categories of non-performing loans as it constituted 54.1 percent of total NPLs followed by instalment sales and leases and overdrafts at 16.0 percent and 12.3 percent, respectively Chart D.5. Mortgage loans making up the largest part of non-performing loans constituted more than half of the total loan book of the banking industry.

As at 31 December 2015, the banking sector recorded a non-performing loans ratio of 1.6 percent, which is above the 1.5 percent recorded at 31 December 2014. The comparison of non-performing loans to total loans and advances is reflected in Chart D.5. Despite the slight deterioration in the banking sector asset quality, the NPL ratio remains satisfactory.

ADEQUACY OF PROVISIONS

Adequate provisions were raised for delinquent loans throughout 2015. Specific provisions cover increased from N$ 256.4 million in 2014 to N$ 368.2 million at the end of the current year. Expressed as a percentage of non-performing loans, specific provisions increased from 26.0 percent to 30.4 percent. The increase in provisions was in line with the increase in non-performing loans.

LOAN DIVERSIFICATION AND STATUTORY LARGE EXPOSURES

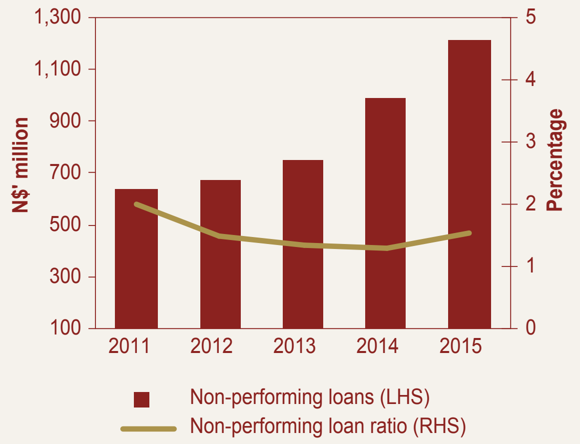
The banking sector continued to spread the credit risk by diversifying their loans across different sectors and counterparties. This is necessary to mitigate the probability of default risk by one sector. In terms of sectoral distribution of loans as at 31 December 2015, individuals accounted for the majority of the banking sector credit at 38.3 percent of total loans and advances, followed by the trade and accommodation sector at 19.5 percent and real estate and business services sector at 12.5 percent.

Despite, the value of large exposures[31] increasing, it remained within the prescribed limits. The value of large exposures increased by 12.5 percent during 2015 and stood at N$14.4 billion compared to N$12.8 billion recorded in 2014. Consequently, the ratio of large exposures to total loans increased from 15.9 percent in December 2014 to 20.5 percent as at 31 December 2015. As a percentage of qualifying capital, large exposures increased from 111.1 percent to 143.7 percent and are well within the permissible limit of 800 percent of capital funds (Chart D.5).

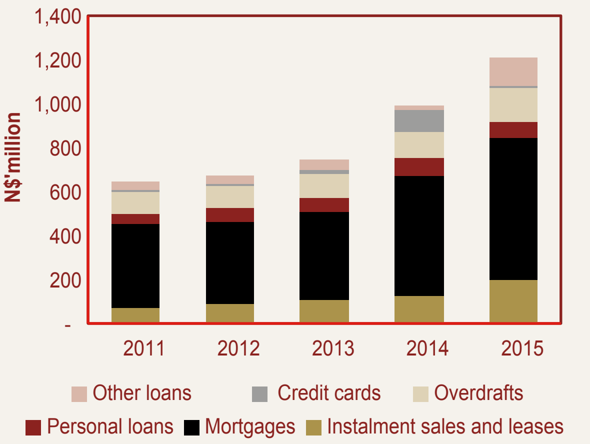
31 Large exposure refers to any exposure to a single person or group of related persons which, in aggregate, equals or exceeds 10 percent of a banking institution's capital funds. All individual large exposures are limited to 30 percent of the capital funds of a banking institution unless exempted in terms of the Determination on Exposures to Single Borrowers (BID 4). Further, the aggregate of all large exposures of a banking institution is limited to 800 percent of the capital funds of a banking institution.

Chart D.5: Credit Risk

Mortgages drove …

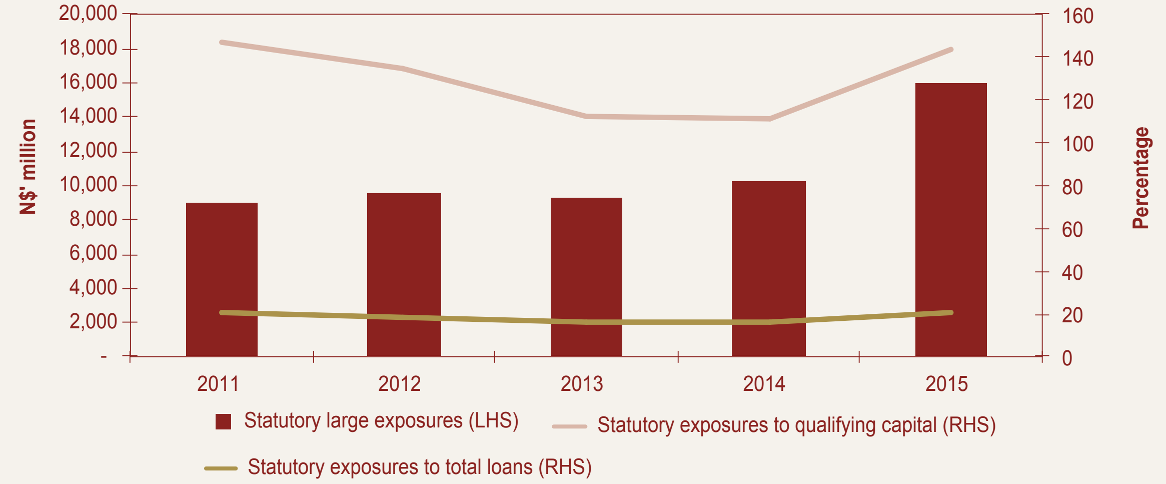


…the increase in non-performing loans.



…however, the value of large exposures remained within regulatory limits set by the bank

Chart D.5 Statutory large exposures relative to total loans and capital funds

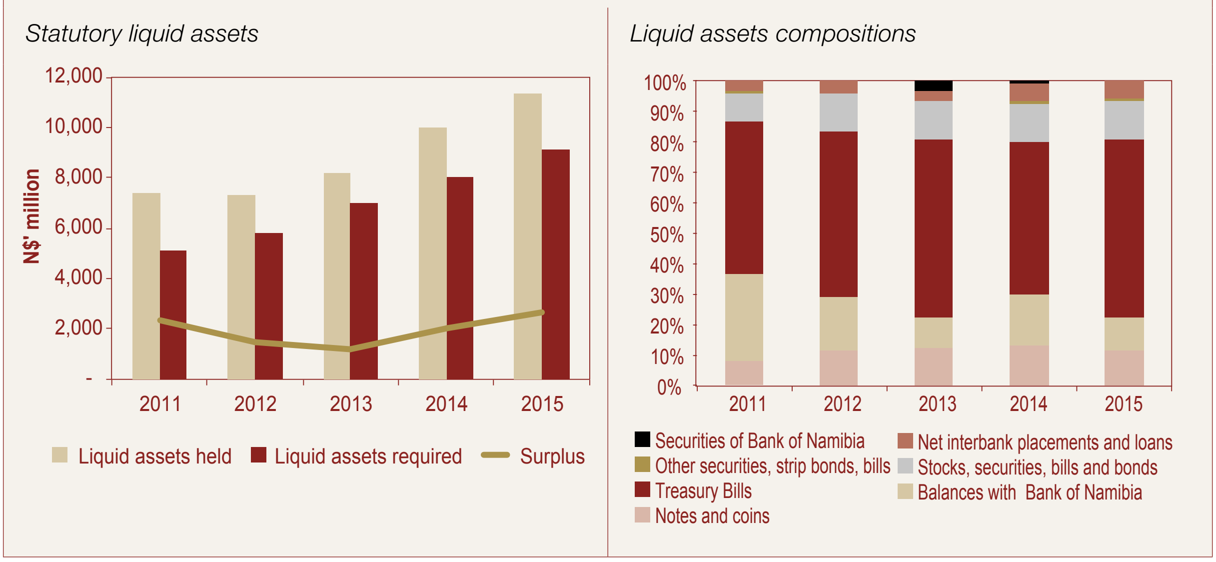


LIQUIDITY

During 2015, the banking industry remained relatively liquid and continued to maintain liquid assets that were in excess of the statutory requirements. Overall the banking industry held liquid assets above the minimum prudential requirements of 10 percent (Chart D.6).

Chart D.6: Liquidity

The liquid assets were dominated by treasury bills and the banking sector complies with minimum statutory liquid assets.



The banking sector's liquid assets held remained adequate and above the minimum amount required. The sector held liquid assets amounting to N$11.3 billion, with a surplus of N$2.7 billion above the required minimum of N$9.1 billion (Chart D.6). The liquid assets portfolio increased by 13.0 percent while total liabilities to the public increased by 13.5 percent during 2015 and the ratio of liquid assets decreased slightly from 13.2 percent to 13.1 percent (Chart D.6).

During 2015 the loan-to-asset ratio increased and remained above the international benchmark. The loan-to-asset ratio increased from 77.1 percent to 80.8 percent and remained above the international benchmark of 75.0 percent. The increase in loans-to-assets ratio resulted from lower increase in other assets than in net loans in advances. Loans-to-deposit ratio increased from 97.6 percent in 2014 to 100.5 percent in 2015, caused by the lower increase in total deposits if compared to increase in net loans and advances.

Government Treasury Bills continued to dominate the liquid assets of the banking sector in terms of composition. Treasury bills represented 58.4 percent of the total liquid assets of the banking sector. Stocks, securities, bills and bonds accounted for 12.4 percent while notes and coins accounted for 11.7 percent. Clearing account balances with the Bank had a share of 10.5 percent, securities of Bank of Namibia had a share of 5.7 percent while Net interbank placements and loans accounted for 1.3 percent. (Chart D.6).

Government Treasury Bills increased from N$5.1 billion to N$7.1 billion, resulting in an increase in liquid assets holdings. All other constituents of total liquid assets recorded a decline in terms of its composition during the current year, with balances of the Bank recording the largest decline from 16.1 percent to 8.2 percent during the current year.

In terms of the concentration of funding sources of the banking sector, the ten largest depositors constituted 19.0 percent of total funding related liabilities. In the 1-7 days time bucket, funding from large depositors stood at N$11.8 billion, constituting 19.5 percent of total funding-related liabilities at the end of 2015.

Regarding foreign exchange exposures, the banking sector recorded a liability-sensitive position in the short-term bands (1-3 months). This scenario indicates that the industry is in a position to gain when the local currency appreciates against foreign currencies. The most-traded foreign currencies remained the USD and the EUR.

INTEREST RATE RISK

Interest rate risk remained low, although interest rate increased during 2015. Liabilities repricing in 30 days bucket increased by smaller percentage of 6.9 percent to N$55.8 billion, while the assets repricing in 30 days bucket increased by 12.8 percent to N$84.0 billion.

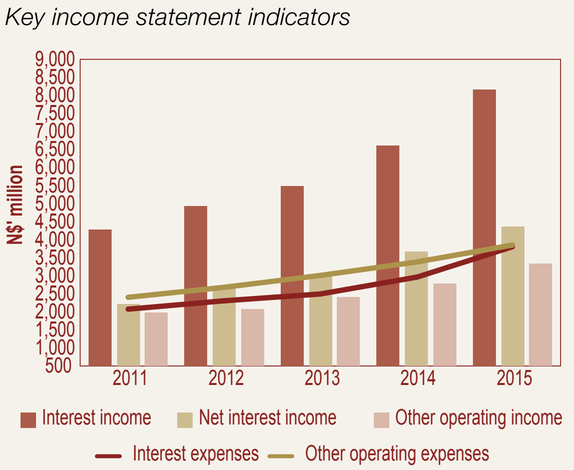
Liabilities subjected to variable interest rates continued to dominate the funding side of the balance sheet during 2015. Variable rate liabilities constituted 62.6 percent of total liabilities and capital, while fixed rate liabilities equalled 16.9 percent, with the remainder shared between capital and non-rate sensitive items. However, the largest share of the total assets making up 84.6 percent remained subjected to variable interest rates resulting in an asset sensitive net repricing gap of N$26.8 billion for the first month after rate changes.

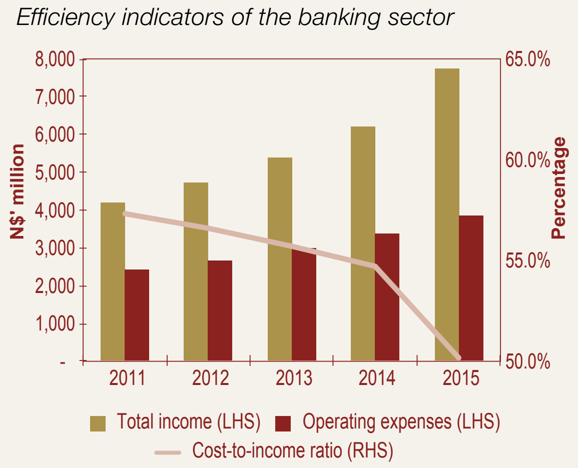
PROFITABILITY AND EARNINGS

Banking institutions remained sound with favourable returns during 2015. The banking industry total income (net interest income and non-interest income) increased from N$6.4 billion reported in 2014, to N$7.7 billion, representing an increase of N$1.3 billion. The significant growth in total income from banking institutions was from the growth in net interest income (NII) and other operating income. NII increased by N$719.9 million to reach N$4.4 billion, while other operating income increased by N$576.3 million to N$3.3 billion during the year (Chart D.7). The NII remained the largest contributor to total income, accounting for 56.6 percent.

Chart D.7: Profitability and Earnings

The banking institutions income increased while cost efficiency improved despite higher operating cost…..





The banking sector's operating expenses continued to increase during 2015. The major contributors to the increase of 14.2 percent in operating expenses were the escalation in consultancy and management fees. Consultancy and management fees increased by 20.3 percent and administration and other overheads increased by 6.0 percent for the year. In terms of the composition of operating expenses, staff costs continued to dominate operating expenses at 52.0 percent, followed by administration and overheads at 24.0 percent, occupancy expenses at 6.9 percent, consulting and other overheads expenses at 20.3 percent and depreciation and amortization costs of 54.9 percent. Provision charges increased by N$65.4 million to N$280.0 million during the year under review.

The cost-to-income ratio improved during 2015 as the banking sector continued to improve on managing cost. The cost-efficiency ratio, (operating expenses/total income) declined from 54.7 percent in 2014 to 50.2 percent in 2015 (Chart D.7). The ratio stood marginally above the international benchmark of 50.0 percent and was well below the internal threshold of 65.0 percent of the Bank.

The banking industry's after tax profits increased during the year driven by the overall increases in income. The banking industry after tax profits increased by 29.7 percent and amounted to N$2.5 billion, compared to N$1.9 billion a year ago. The high growth in profits also boosted the profitability ratios which signify the sound and healthy position of the banking industry.The return on assets (ROA) ratio increased from 2.4 percent to 2.5 percent (Table D.1), while the return on equity (ROE) ratio also increased from 22.8 percent to 24.5 percent.

Table D.1: ROA and ROE ratio

Earnings (percent)	2011	2012	2013	2014	2015
Return on Assets ratio (ROA)	2.1	2.0	2.1	2.4	2.5
Return on Equity ratio (ROE)	20.9	21.0	20.9	22.8	24.5

The banking industry expanded the service points to enable more coverage of banking services throughout the country. Thirteen branches were established during 2015, taking the banking sector's branch network to 126 branches, while eight agencies were closed if compared to the previous year (Table D.2).

Table D.2: Bank Branch Network

Description	2009	2010	2011	2012	2013	2014	2015
Branches	96	100	99	99	105	111	126
Agencies	66	66	72	72	73	73	68
Total	**162**	**166**	**171**	**171**	**178**	**181**	**194**

D

The banking sector's staff complement, especially permanent personnel increased during the year. The total number of personnel employed by the banking industry was 5 899, which represented an increase of 8.8 percent as at 31 December 2015. Temporary personnel decreased by 5.0 percent to 375 while permanent personnel increased by 5.6 percent to 5 524 during 2015 compared to 5 231 staff in 2014 (Table D.3).

Table D.3: Bank Staffing Levels

Description (Number of Employees)	2010	2011	2012	2013	2014	2015
Permanent Personnel	4 608	4 663	4 858	5 122	5 231	5 524
Temporary Personnel	224	322	301	204	357	375
Total	**4 832**	**4 985**	**5 159**	**5 226**	**5 422**	**5 899**

Table D.4 Composition of the balance sheet - N$ '000

	2011	2012	2013	2014	2015
Interbank Funding	557,176	1,931,426	2,524,918	3,513,308	4,073,676
Non-bank Funding:	**50,525,687**	**55,334,033**	**62,214,004**	**69,661,708**	**77,762,133**
Demand	27,527,215	28,605,507	33,676,364	37,745,044	39,164,503
Savings	2,238,175	2,375,776	2,738,872	3,200,052	3,501,871
Fixed & notice deposits	7,909,775	9,904,067	7,411,996	9,474,329	11,198,142
Negotiable Certificate of Deposits	11,794,018	12,922,602	15,822,443	16,631,306	20,566,976
Foreign Funding*	1,056,504	1,526,081	2,564,329	2,610,978	3,330,641
Loans under repurchase agreement	-	-	-	-	-
Debt Instruments issued	885,568	1,010,527	1,783,257	3,028,686	3,437,993
Other borrowings	389,258	655,172	664,552	4,070	1,180,719
Other liabilities	1,834,995	1,609,038	2,024,140	1,999,034	2,852,231
Capital & Reserves	5,778,759	6,528,521	7,778,365	8,962,590	10,626,209
TOTAL FUNDING	**59,971,443**	**67,068,717**	**76,989,236**	**87,169,395**	**99,932,962**
Cash and Balances **	7,767,489	6,568,885	7,112,890	8,271,422	8,030,748
Short term negotiable securities	6,266,118	6,979,012	7,362,334	6,431,131	7,842,418
Interbank Loans and Advances**	11	1	-	-	-
Foreign currency loans and advances	136,034	636,005	1,170,564	968,216	1,194,043
Instalment debtors and leases	7,193,255	8,038,539	9,283,690	11,027,937	12,476,395
Mortgage loans	23,755,059	27,248,392	30,738,321	35,541,479	40,065,538
Other fixed term loans***	3,025,506	3,724,441	4,342,456	6,521,757	8,375,449
Personal loans	2,526,187	2,912,261	3,897,957	3,578,410	3,940,908
Overdraft	4,795,467	6,321,038	6,723,390	8,454,621	9,955,822
Credit card debtors	265,975	314,855	522,619	420,135	462,956
Acknowledgement of debts discounted	-	-	-	-	-
Loans granted under resale agreement	83,342	-	-	-	32,933
Investment in Preference Shares	283,531	317,121	485,585	551,317	652,219
Other loans and advances	1,073,944	1,038,375	1,015,915	917,427	1,016,296
Total loans and advances	43,138,311	50,551,028	58,180,498	67,981,300	78,172,558
Less: Specific provisions	213,774	198,430	220,985	256,406	354,359
Less: General provisions	389,165	420,833	473,130	556,555	627,835
Less: Interest- in- suspense	102,464	91,105	106,367	118,632	113,372
Investment portfolio	1,723,518	1,857,418	2,416,589	2,609,096	3,781,590
Trading securities	1,218,321	1,446,986	2,003,945	1,704,269	2,244,822
Available for sale securities	283,504	220,670	268,533	352,896	1,520,885
Held to maturity securities	204,994	169,078	121,215	538,033	-
Unconsolidated subsidiaries, associates	16,699	20,684	22,896	13,899	15,883
Property, plant and equipment	718,060	745,658	1,033,290	1,410,365	1,720,398
Other assets	1,063,350	1,077,084	1,684,118	1,397,674	1,480,816
TOTAL ASSETS	**59,971,443**	**67,068,717**	**76,989,236**	**87,169,395**	**99,932,961**
Average Assets	**55,736,321**	**63,520,080**	**76,989,236**	**82,079,315**	**84,604,076**
Average Equity	**5,705,175**	**6,405,980**	**7,778,365**	**8,962,590**	**9,794,400**

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Table D.5 Capital adequacy - N$ '000

	2011	2012	2013	2014	2015
Tier 1 capital	**4,703,073**	**5,395,064**	**6,596,005**	**7,781,426**	**9,269,847**
Paid up shares	23,822	23,841	23,861	23,861	23,860
Share premium	1,791,099	1,912,574	2,112,553	2,112,553	2,262,554
Retained profits/(accumulated losses)	1,163,479	1,346,202	3,013,465	2,682,069	3,733,820
General Reserves	2,065,925	2,285,721	1,612,070	3,111,760	3,382,818
Current Unaudited losses	-	-	-	-	-
Less: Intangible Asset	341,252	173,274	165,943	148,817	133,205
Tier 2 capital	**1,387,384**	**1,658,628**	**1,677,599**	**1,812,803**	**1,893,492**
Hybred Debt*	-	-	-	4,201	-
Subordinated-term Debt	572,565	705,126	705,320	743,241	782,419
Current Unaudited losses*	334,698	411,237	339,330	357,598	281,548
General Provisions	459,298	523,589	613,367	634,801	809,943
Revaluation Reserves	20,823	18,676	19,582	72,963	19,582
Less: Investment in unconsolidated subsidiaries	-	-	-	-	-
Total Qualifying capital	**6,090,457**	**7,053,692**	**8,273,604**	**9,594,229**	**11,163,339**
Aggregated Risk-weighted Assets	**43,483,180**	**49,619,097**	**57,311,215**	**65,451,395**	**78,321,755**
Total Risk-weighted amount for Credit Risk	38,324,043	43,804,645	50,606,374	57,477,992	68,421,031
Calibrated Risk-weighted amount for Operational Risk	4,945,028	5,558,083	6,269,197	7,141,645	9,146,259
Calibrated Risk-weighted amount for Market Risk	214,109	256,368	435,644	831,758	754,464
Gross Assets*	**60,574,381**	**67,511,723**	**77,517,409**	**87,833,538**	**98,620,998**

*** Hybrid debt is an addition under the new Basel II Capital Accord.**

*** Current unaudited losses are part of Tier 2 capital under the new Basel II Capital Accord.**

Table D.6 Analysis of overdue and non-performing loans - N$ '000

		2011	2012	2013	2014	2015
Overdue loans*		**1,531,232**	**1,809,549**	**2,400,758**	**2,331,947**	**2,798,418**
Amounts overdue:	<1 month	589,378	376,347	544,499	616,547	708,559
Amounts overdue:	1 to < 3 months	300,670	757,160	1,108,313	727,599	879,935
Amounts overdue:	3 to < 6 months	183,127	129,771	215,771	345,488	331,466
Amounts overdue:	6 to <12 months	85,712	151,074	160,890	106,004	150,113
Amounts overdue:	12 to <18 months	291,368	332,747	324,709	536,309	0
Amounts overdue:	18 months and above	80,977	62,450	46,576		728,346
Total Non-performing loans		**641,186**	**676,046**	**747,946**	**987,801**	**1,209,772**
Instalment sales		70,106	85,476	102,875	124,702	193,930
Mortgages		381,754	380,203	402,043	546,215	654,651
Personal loans/ Other fixed loans		49,748	63,955	65,994	81,647	73,350
Overdraft		95,701	93,755	111,422	123,418	148,971
Other loans & advances		34,378	43,106	51,714	95,736	124,092
Credit cards		9,499	9,551	13,899	16,083	14,779
Realizable Security		334,066	391,822	441,116	508,057	849,150
Specific Provisions		213,776	241,074	263,571	256,405	368,217

Table D.7 Sectoral distribution of loans and advances - N$ '000

	2011	2012	2013	2014	2015
Total loans and advances	**43,138,313**	**50,551,028**	**58,180,497**	**67,981,300**	**78,172,558**
Agriculture and Forestry	1,331,272	2,059,280	2,409,188	2,759,006	2,967,529
Fishing	767,316	928,336	618,205	707,357	633,924
Mining	407,614	1,102,948	1,135,565	1,188,487	1,717,518
Manufacturing	1,154,429	1,260,633	1,256,908	1,589,895	1,974,747
Construction	980,296	1,642,809	2,179,852	3,558,795	3,366,162
Electricity , Gas and Water	244,982	410,283	472,872	488,006	822,624
Trade and Accommodation	10,412,803	10,790,577	12,694,213	13,900,011	15,175,448
Transportand Communication	889,241	1,166,495	1,223,429	1,140,782	1,191,558
Finance and Insurance	907,101	1,102,760	1,368,515	1,515,682	2,491,898
Real Estate and Business Services	5,577,534	5,627,413	6,092,015	8,220,319	10,122,181
Government Services	582,903	511,232	1,399,121	1,568,213	5,508,926
Individuals	18,664,141	22,843,338	26,157,065	29,919,664	30,178,869
Other	1,218,681	1,104,924	1,173,548	1,425,083	2,021,174

Table D.8 Composition of income statement - N$ '000

	2011	2012	2013	2014	2015
Interest Income	**4,256,731**	**4,931,535**	**5,478,392**	**6,609,787**	**8,176,749**
Balances with banks	127,498	141,610	140,875	194,419	233,902
Installment debtors , hire purchase , etc	629,164	733,886	806,162	974,622	1,206,936
Mortgage loans: Residential	1,645,592	1,850,599	2,040,725	2,365,134	2,860,417
Mortgage Loans: Commercial	428,835	508,165	591,686	708,089	943,188
Personal loans	299,323	341,568	388,668	455,802	524,721
Fixed term loans	263,513	310,443	356,372	500,304	746,005
Overdraft	535,663	598,997	668,338	805,181	1,010,026
Other interest related income	327,143	446,267	485,567	606,235	651,555
Interest Expenses	**2,055,540**	**2,291,295**	**2,472,612**	**2,964,368**	**3,811,683**
Demand deposits	573,537	587,275	615,187	668,778	761,385
Current Accounts	268,249	298,843	318,449	401,613	464,088
Savings deposits	27,700	30,940	33,261	45,563	58,065
Fixed and notice deposits	345,175	466,656	408,042	462,396	660,475
Negotiable certificates of deposits	662,146	751,262	871,304	1,062,159	1,388,620
Debt instruments issued	78,058	77,068	89,377	159,370	217,058
Other interest related expenses	100,675	79,251	136,992	164,488	261,993
Interest Margin	**2,201,191**	**2,640,240**	**3,005,780**	**3,645,419**	**4,365,067**
Less: Provisions	36,151	60,990	146,196	214,429	279,858
Total operating Income	1,988,965	2,073,005	2,391,510	2,775,799	3,352,068
Trading Income	285,642	341,997	382,123	379,086	628,392
Investment Income	96,517	56,929	59,561	73,571	158,320
Transaction-based Fee Income	1,360,361	1,453,897	1,710,953	2,098,591	2,333,504
Knowledge-based Fee Income	98,587	81,344	93,182	124,468	158,320
Other income	147,858	138,838	145,691	100,083	73,533
Total Income	**4,190,156**	**4,713,245**	**5,397,290**	**6,421,218**	**7,717,135**
Total Operating Expenses	**2,403,057**	**2,666,424**	**3,004,450**	**3,389,534**	**3,871,719**
Staff costs	1,252,817	1,438,525	1,568,785	1,748,754	2,000,350
Administration & Overheads	630,274	659,927	794,425	882,992	935,376
Depreciation and amortisation	113,633	118,750	138,777	159,410	194,854
Occupancy expenses	167,896	190,855	216,320	241,022	268,758
Other operating expenses	238,437	258,367	286,144	357,356	472,381
Net Income Before Tax	**1,750,948**	**1,985,831**	**2,246,643**	**2,817,255**	**3,565,558**
Taxation	556,057	642,389	697,862	911,969	1,094,835
Net Income After Tax	**1,194,891**	**1,343,442**	**1,548,782**	**1,905,286**	**2,470,723**

Table D.9 Selected key ratios

	2011	2012	2013	2014	2015
Capital					
Tier 1 Leverage	7.8%	8.0%	8.5%	8.9%	9.4%
Tier 1 Risk-weighted Capital	10.8%	10.9%	11.5%	11.9%	11.8%
Total Risk-weighted Capital	14.0%	14.2%	14.4%	14.7%	14.3%
Asset Quality					
Non-performing loans to Total loans	1.49%	1.34%	1.29%	1.46%	1.6%
Overdue loans to Total loans	3.6%	3.6%	4.1%	3.4%	3.6%
Total Provisions to Total loans	1.4%	1.2%	1.2%	1.2%	1.1%
Specific Provisions to Non-performing loans	33.3%	29.4%	29.5%	26.0%	29.3%
Earnings					
Return on Assets	2.1%	2.1%	2.1%	2.4%	2.5%
Return on Equity	20.9%	21.0%	20.9%	24.0%	24.5%
Net Interest Margin	3.9%	4.2%	4.1%	5.9%	6.1%
Other Operating Income: Total Assets	3.3%	3.1%	3.1%	3.2%	3.4%
Other Operating Income: Total Income	47.5%	44.0%	44.3%	43.2%	36.0%
Operating expenses: Total Income	57.4%	56.6%	55.7%	54.7%	50.2%
Liquidity					
Liquid Assets / Total Assets	23.7%	21.2%	10.7%	11.5%	11.3%
Liquid Assets / Average total liabilities	14.2%	12.5%	12.2%	13.2%	24.9%
Total Loans / Total Assets	71.9%	10.9%	74.8%	77.1%	80.8%
Total Loans / Total Deposits	85.4%	12.5%	86.4%	97.6%	100.5%
Growth Rates					
Total Assets	16.4%	11.8%	14.8%	13.2%	14.6%
Total Qualifying Capital	2.5%	4.0%	4.1%	16.0%	16.4%
Tier 1 Capital	8.7%	-2.2%	3.2%	18.0%	19.1%
Total Loans	11.4%	17.2%	15.1%	16.8%	15.0%
Total Deposits	17.8%	9.5%	12.4%	12.0%	11.6%
Overdue loans	-7.3%	18.2%	32.7%	-2.9%	20.0%
Non-performing loans	-15.7%	5.4%	10.6%	32.1%	22.5%
Liquid Assets	34.7%	-0.2%	12.4%	22.0%	13.0%
Large Exposures	16.0%	-9.8%	0.0%	15.8%	3.9%
Off-Balance Sheet Items	167.9%	29.2%	20.4%	-76.2%	29.5%

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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.

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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”.

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 financial liabilities of an economy consist of claims of non-residents on residents. The primary basis for classification of the financial account is functional: direct, portfolio, other investment and reserve assets.

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.

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).

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.

Repo rate
The rate charged by the Bank of Namibia on advances on specific collateral to Other Depository Corporations. The Repo 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.

Currency in circulation
Consist of notes and coins that are of fixed nominal values and are issued by central banks and governments. Currency is the most liquid financial asset and is included in broad money aggregates.

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.

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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 fourteen financial intermediaries classified as ODCs in Namibia, i.e. First National Bank of Namibia, Standard Bank of Namibia, Nedbank Namibia, Bank Windhoek, Agribank of Namibia, National Housing Enterprise, Namibia Post Office Savings Bank, Fides Bank, FNB Unit Trust, Stanlib Unit Trust, Pointbreak, Prudential, Salam Unit trust, Old Mutual Unit Trust and Capricorn Unit Trust.

Other Deposits
The other deposit category comprises all claims, other than transferable deposits, that are represented by evidence of deposit. Different forms of other deposits are e.g. savings and fixed investments. Other deposit is thus a component of broad money supply.

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.

Free-float Market Capitalisation
Free-float market capitalisation is the value of shares held by investors who are likely to be willing to trade. It is a measure of how many shares are reasonably liquid.

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.

Money Market Unit Trust (MMU)
The MMU sub-sector consists of all resident unit trust companies that have money market funds. There are currently seven of those companies in Namibia: FNB Unit Trust, Stanlib Unit Trust, Pointbreak, Prudential, Salam Unit trust, Old Mutual Unit Trust and Capricorn Unit Trust.

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.

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Table 1.1 Aggregate economic indicators

	2007	2008	2009	2010	2011	2012	2013	2014
Current prices								
GDP (N$ mil.)	61,583	70,111	75,214	82,599	90,108	106,865	123,150	141,033
% Change		13.8	7.3	9.8	9.1	18.6	15.2	14.5
GNI (N$ mil.)	60,439	68,966	73,796	79,430	87,679	102,586	122,320	138,964
% Change		14.1	7.0	7.6	10.4	17.0	19.2	13.6
GDP per capita (N$)	30,888	34,646	36,618	39,620	42,582	49,579	56,077	63,021
% Change		12.2	5.7	8.2	7.5	16.4	13.1	12.4
GNI per capita (N$)	30,314	34,080	35,928	38,100	41,435	47,594	55,699	62,096
% Change		12.4	5.4	6.0	8.8	14.9	17.0	11.5
Constant 2004 prices								
GDP (N$ mil.)	75,660	77,665	77,895	82,599	86,804	91,200	96,381	102,522
% Change		2.6	0.3	6.0	5.1	5.1	5.7	6.4
GNI (N$ mil.)	71,707	77,977	77,961	79,430	85,638	91,818	101,188	106,752
% Change		8.7	-0.0	1.9	7.8	7.2	10.2	5.5
GDP per capita (N$)	37,949	38,379	37,924	39,620	41,021	42,312	43,887	45,812
% Change		1.1	-1.2	4.5	3.5	3.1	3.7	4.4
GNI per capita (N$)	35,966	38,533	37,956	38,100	40,470	42,598	46,077	47,702
% Change		7.1	-1.5	0.4	6.2	5.3	8.2	3.5

Source: NSA

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Table I.2 Gross Domestic Product and Gross National Income

	2010	2011	2012	2013	2014
Current prices - N$ million					
Compensation of employees	34,667	38,394	45,406	51,963	59,133
Consumption of fixed capital	8,361	9,531	10,367	11,636	13,041
Net operating surplus	32,489	34,401	42,366	49,059	56,616
Gross domestic product at factor cost	**75,518**	**82,326**	**98,140**	**112,659**	**128,790**
Taxes on production and imports	7,081	7,782	8,726	10,491	12,243
Gross domestic product at market prices	**82,599**	**90,108**	**106,865**	**123,150**	**141,033**
Primary incomes					
- receivable from the rest of the world	1,971	2,201	2,230	3,036	2,850
- payable to rest of the world	-5,139	-4,630	-6,509	-3,865	-4,920
Gross national income at market prices	**79,430**	**87,679**	**102,586**	**122,320**	**138,964**
Current transfers					
- receivable from the rest of the world	**9,535**	8,910	13,839	16,218	19,170
- payable to rest of the world	-640	-573	-865	-1,006	-1,005
Gross national disposable income	**88,325**	**96,015**	**115,560**	**137,532**	**157,129**
Current prices - N$ per capita					
Gross domestic product at market prices	39,620	42,582	49,579	56,077	63,021
Gross national income at market prices	38,100	41,435	47,594	55,699	62,096
Constant 2010 prices - N$ millions					
Gross domestic product at market prices	**82,599**	**86,804**	**91,200**	**96,381**	**102,522**
- Annual percentage change	6.0	5.1	5.1	5.7	6.4
Real gross national income	**79,430**	**85,638**	**91,818**	**101,188**	**106,752**
- Annual percentage change	1.9	7.8	7.2	10.2	5.5
Constant 2004 prices - N$ per capita					
Gross domestic product at market prices	**39,620**	**41,021**	**42,312**	**43,887**	**45,812**
- Annual percentage change	4.5	3.5	3.1	3.7	4.4
Real gross national income	**38,100**	**40,470**	**42,598**	**46,077**	**47,702**
- Annual percentage change	0.4	6.2	5.3	8.2	3.5

Source: NSA

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Table I.3 NATIONAL DISPOSABLE INCOME AND SAVINGS

Current prices - N$ million	2010	2011	2012	2013	2014
Gross national disposable income	**88,325**	**96,015**	**115,560**	**137,532**	**157,129**
Consumption of fixed capital	8,361	9,531	10,367	11,636	13,041
Net national disposable income	**79,964**	**86,484**	**105,193**	**125,897**	**144,088**
All other sectors	60,137	66,269	81,317	95,514	106,964
General government	19,827	20,216	23,875	30,383	37,124
Final consumption expenditure	**73,327**	**80,712**	**96,201**	**112,403**	**129,715**
Private	52,220	59,817	69,516	80,351	90,913
General government	21,107	20,895	26,684	32,052	38,802
Saving, net	**6,636**	**5,773**	**8,992**	**13,494**	**14,373**
All other sectors	7,917	6,452	11,801	15,163	16,052
General government	-1,281	-679	-2,809	-1,670	-1,679
Financing of Capital formation					
Saving, net	6,636	5,773	8,992	13,494	14,373
Capital transfers receivable from abroad	878	1,426	1,293	1,321	1,570
Capital transfers payable to foreign countries	-69	-73	-75	-75	-75
Total	**7,445**	**7,125**	**10,210**	**14,740**	**15,868**
Capital formation					
Gross fixed capital formation	**20,884**	**20,453**	**27,514**	**32,685**	**47,980**
All other sectors	18,134	17,307	24,282	27,786	41,305
General government	2,750	3,146	3,233	4,899	6,676
Consumption of fixed capital	**-8,361**	**-9,531**	**-10,367**	**-11,636**	**-13,041**
All other sectors	**-7,446**	**-8,523**	**-9,267**	**-10,384**	**-11,744**
General government	-915	-1,008	-1,101	-1,252	-1,297
Changes in inventories	-958	-291	1043	-1784	250
Net lending (+) / Net borrowing(–)	**-4,120**	**-3,506**	**-7,979**	**-4,525**	**-19,321**
All other sectors	1,782	2,056	-206	3,724	-9,366
General government	-5,902	-5,562	-7,773	-8,250	-9,955
Discrepancy on GDP 1)	**0**	**1**	**0**	**0**	**0**
Net lending/borrowing in external transactions 2)	**-4,120**	**-3,505**	**-7,979**	**-4,525**	**-19,321**
Total	**7,445**	**7,125**	**10,210**	**14,740**	**15,868**

Source: NSA

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Table I.4 (a) GROSS DOMESTIC PRODUCT BY ACTIVITY

Current prices - N$ Million

Industry	2010	2011	2012	2013	2014
Agriculture and forestry	4,214	4,496	5,278	4,131	5,262
Livestock farming	2,496	2,846	3,227	2,350	3,127
Crop farming and forestry	1,718	1,650	2,051	1,781	2,135
Fishing and fish processing on board	2,871	2,921	3,329	3,659	3,831
Mining and quarrying	8,598	7,833	13,562	16,218	16,352
Diamond mining	4,741	4,255	8,148	10,683	12,063
Uranium	1,778	1,505	2,223	1,900	1,227
Metal Ores	1,144	909	1,066	1,387	1,545
Other mining and quarrying	934	1,164	2,124	2,247	1,516
Primary industries	**15,683**	**15,251**	**22,168**	**24,009**	**25,444**
Manufacturing	10,306	12,303	13,027	13,828	15,094
Meat processing	368	426	492	683	568
Diamond processing	570	698	814	853	938
Basic non-ferrous metals	1,528	1,635	1,552	2,172	2,436
Fabricated Metals	1,351	1,661	1,930	2,181	2,502
Beverages	452	451	511	721	467
Grain Mill products	81	93	116	128	141
Other food products	270	276	284	314	354
Textile and wearing apparel	163	208	188	219	250
Leather and related products	768	916	1,027	1,131	1,306
Publishing and Printing	274	292	282	360	439
Rubber and Plastics products	230	408	445	472	604
Non-metallic minerals products	2,731	3,555	3,613	2,725	2,914
Wood and Wood product	462	482	563	623	697
Chemical and related products	634	770	722	699	778
Other manufacturing	424	431	488	548	700
Electricity and water	1,538	1,795	2,000	2,393	3,010
Construction	2,618	3,126	3,515	4,730	6,874
Secondary industries	**14,462**	**17,224**	**18,541**	**20,951**	**24,978**
Wholesale and retail trade, repairs	9,284	10,305	11,439	14,212	17,542
Hotels and restaurants	1,421	1,590	1,787	1,929	2,241
Transport, and communication	4,238	4,606	5,012	5,703	6,411
Transport	1,685	1,637	1,806	2,438	2,854
Storage	706	835	867	969	1,080
Post and telecommunications	1,846	2,133	2,339	2,296	2,477
Financial intermediation	4,602	4,692	5,463	7,607	7,948
Real estate and business services	7,127	8,040	8,767	9,469	10,054
Real estate activities	5,350	5,896	6,525	7,048	7,404
Other business services	1,778	2,144	2,242	2,422	2,649
Community, social and personal service activities	2,236	2,626	2,336	2,150	2,479
Public administration and defence	9,100	8,769	11,770	14,032	16,972
Education	5,872	7,403	8,827	10,526	12,620
Health	2,531	2,923	3,200	3,573	3,879
Private household with employed persons	853	972	1,126	1,110	1,234
Tertiary industries	**47,264**	**51,927**	**59,726**	**70,312**	**81,380**
Less: Financial intermediation services indirectly measured	1,011	1,100	1,315	1,525	1,803
All industries at basic prices	**76,398**	**83,303**	**99,120**	**113,747**	**129,999**
Taxes less subsidies on products	6,202	6,805	7,745	9,403	11,035
GDP at market prices	**82,599**	**90,108**	**106,865**	**123,150**	**141,033**

Source: NSA

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Table I.4 (b) GROSS DOMESTIC PRODUCT BY ACTIVITY

Percentage Contribution

Industry	2010	2011	2012	2013	2014
Agriculture and forestry	5.1	5.0	4.9	3.4	3.7
Livestock farming	3.0	3.2	3.0	1.9	2.2
Crop farming and forestry	2.1	1.8	1.9	1.4	1.5
Fishing and fish processing on board	3.5	3.2	3.1	3.0	2.7
Mining and quarrying	10.4	8.7	12.7	13.2	11.6
Diamond mining	5.7	4.7	7.6	8.7	8.6
Uranium	2.2	1.7	2.1	1.5	0.9
Metal Ores	1.4	1.0	1.0	1.1	1.1
Other mining and quarrying	1.1	1.3	2.0	1.8	1.1
Primary industries	**19.0**	**16.9**	**20.7**	**19.5**	**18.0**
Manufacturing	12.5	13.7	12.2	11.2	10.7
Meat processing	0.4	0.5	0.5	0.6	0.4
Diamond processing	0.7	0.8	0.8	0.7	0.7
Basic non-ferrous metals	1.8	1.8	1.5	1.8	1.7
Fabricated Metals	1.6	1.8	1.8	1.8	1.8
Beverages	0.5	0.5	0.5	0.6	0.3
Grain Mill products	0.1	0.1	0.1	0.1	0.1
Other food products	0.3	0.3	0.3	0.3	0.3
Textile and wearing apparel	0.2	0.2	0.2	0.2	0.2
Leather and related products	0.9	1.0	1.0	0.9	0.9
Publishing and Printing	0.3	0.3	0.3	0.3	0.3
Rubber and Plastics products	0.3	0.5	0.4	0.4	0.4
Non-metallic minerals products	3.3	3.9	3.4	2.2	2.1
Wood and Wood product	0.6	0.5	0.5	0.5	0.5
Chemical and related products	0.8	0.9	0.7	0.6	0.6
Other manufacturing	0.5	0.5	0.5	0.4	0.5
Electricity and water	1.9	2.0	1.9	1.9	2.1
Construction	3.2	3.5	3.3	3.8	4.9
Secondary industries	**17.5**	**19.1**	**17.4**	**17.0**	**17.7**
Wholesale and retail trade, repairs	11.2	11.4	10.7	11.5	12.4
Hotels and restaurants	1.7	1.8	1.7	1.6	1.6
Transport, and communication	5.1	5.1	4.7	4.6	4.5
Transport	2.0	1.8	1.7	2.0	2.0
Storage	0.9	0.9	0.8	0.8	0.8
Post and telecommunications	2.2	2.4	2.2	1.9	1.8
Financial intermediation	5.6	5.2	5.1	6.2	5.6
Real estate and business services	8.6	8.9	8.2	7.7	7.1
Real estate activities	6.5	6.5	6.1	5.7	5.3
Other business services	2.2	2.4	2.1	2.0	1.9
Community, social and personal service activities	2.7	2.9	2.2	1.7	1.8
Public administration and defence	11.0	9.7	11.0	11.4	12.0
Education	7.1	8.2	8.3	8.5	8.9
Health	3.1	3.2	3.0	2.9	2.8
Private household with employed persons	1.0	1.1	1.1	0.9	0.9
Tertiary industries	**57.2**	**57.6**	**55.9**	**57.1**	**57.7**
Less: Financial intermediation services indirectly measured	1.2	1.2	1.2	1.2	1.3
All industries at basic prices	**92.5**	**92.4**	**92.8**	**92.4**	**92.2**
Taxes less subsidies on products	7.5	7.6	7.2	7.6	7.8
GDP at market prices	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: NSA

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Table I.5 (a) GROSS DOMESTIC PRODUCT BY ACTIVITY

Constant 2010 Prices - N$ millions

Industry	2010	2011	2012	2013	2014
Agriculture and forestry	4,214	4,258	4,603	3,714	4,072
Livestock farming	2,496	2,648	2,806	2,090	2,362
Crop farming and forestry	1,718	1,610	1,797	1,624	1,710
Fishing and fish processing on board	2,871	2,733	2,525	2,602	2,536
Mining and quarrying	8,598	8,132	10,170	10,438	9,781
Diamond mining	4,741	4,580	5,176	5,695	6,047
Uranium	1,778	1,335	1,697	1,579	1,424
Metal Ores	1,144	1,021	1,352	1,004	1,010
Other mining and quarrying	934	1,196	1,945	2,159	1,301
Primary industries	**15,683**	**15,123**	**17,299**	**16,753**	**16,389**
Manufacturing	10,306	10,892	10,147	10,572	10,344
Meat processing	368	358	354	461	381
Diamond processing	570	607	598	646	664
Basic non-ferrous metals	1,528	1,371	1,141	1,180	1,314
Fabricated Metals	1,351	1,357	1,561	1,771	1,450
Beverages	452	473	502	526	367
Grain Mill products	81	92	102	94	96
Other food products	270	268	255	263	268
Textile and wearing apparel	163	180	158	168	184
Leather and related products	768	860	896	935	996
Publishing and Printing	274	287	265	280	300
Rubber and Plastics products	230	397	399	414	437
Non-metallic minerals products	2,731	3,156	2,431	2,333	2,258
Wood and Wood product	462	429	459	485	504
Chemical and related products	634	668	623	577	624
Other manufacturing	424	389	404	438	500
Electricity and water	1,538	1,564	1,807	1,779	1,865
Construction	2,618	3,034	3,261	4,180	5,875
Secondary industries	**14,462**	**15,490**	**15,215**	**16,531**	**18,085**
Wholesale and retail trade, repairs	9,284	9,827	10,245	11,719	13,503
Hotels and restaurants	1,421	1,555	1,681	1,835	1,932
Transport, and communication	4,238	4,444	4,800	5,109	5,447
Transport	1,685	1,854	2,039	2,301	2,413
Storage	706	765	823	854	912
Post and telecommunications	1,846	1,826	1,938	1,954	2,121
Financial intermediation	4,602	4,863	5,194	6,123	6,730
Real estate and business services	7,127	7,531	7,882	8,248	8,514
Real estate activities	5,350	5,487	5,852	6,138	6,329
Other business services	1,778	2,044	2,030	2,111	2,185
Community, social and personal service activities	2,236	2,488	2,076	1,870	1,922
Public administration and defence	9,100	9,579	9,838	10,188	10,112
Education	5,872	6,894	7,200	7,440	8,264
Health	2,531	2,674	2,825	3,080	3,324
Private household with employed persons	853	926	1,005	938	990
Tertiary industries	**47,264**	**50,781**	**52,748**	**56,551**	**60,737**
Less: Financial intermediation services indirectly measured	1,011	1,119	1,169	1,389	1,487
All industries at basic prices	**76,398**	**80,276**	**84,093**	**88,446**	**93,723**
Taxes less subsidies on products	6,202	6,529	7,108	7,934	8,799
GDP at market prices	**82,599**	**86,804**	**91,200**	**96,381**	**102,522**

Source: NSA

Table I.5 (b) GROSS DOMESTIC PRODUCT BY ACTIVITY

Annual Percentage Changes

Industry	2010	2011	2012	2013	2014
Agriculture and forestry	10.4	1.0	8.1	-19.3	9.6
Livestock farming	13.2	6.1	6.0	-25.5	13.0
Crop farming and forestry	6.6	-6.3	11.6	-9.6	5.3
Fishing and fish processing on board	-2.4	-4.8	-7.6	3.0	-2.5
Mining and quarrying	22.2	-5.4	25.1	2.6	-6.3
Diamond mining	44.1	-3.4	13.0	10.0	6.2
Uranium	5.2	-24.9	27.1	-6.9	-9.9
Metal Ores	-1.8	-10.7	32.4	-25.8	0.6
Other mining and quarrying	5.3	28.0	62.6	11.0	-39.7
Primary industries	**13.7**	**-3.6**	**14.4**	**-3.2**	**-2.2**
Manufacturing	7.5	5.7	-6.8	4.2	-2.2
Meat processing	5.6	-2.7	-1.1	30.4	-17.4
Diamond processing	8.4	6.5	-1.6	8.1	2.7
Basic non-ferrous metals	17.2	-10.3	-16.8	3.4	11.4
Fabricated Metals	1.9	0.4	15.0	13.5	-18.1
Beverages	3.6	4.7	6.1	4.7	-30.3
Grain Mill products	11.6	12.7	11.3	-7.3	1.5
Other food products	-10.0	-1.0	-4.5	3.1	1.8
Textile and wearing apparel	-7.7	10.9	-12.6	6.8	9.5
Leather and related products	7.3	12.0	4.1	4.3	6.6
Publishing and Printing	7.9	4.6	-7.6	5.6	7.0
Rubber and Plastics products	1.2	72.3	0.6	3.8	5.5
Non-metallic minerals products	13.0	15.5	-23.0	-4.0	-3.2
Wood and Wood product	9.1	-7.1	7.0	5.6	4.0
Chemical and related products	23.4	5.5	-6.8	-7.3	8.2
Other manufacturing	-22.4	-8.1	3.8	8.4	14.1
Electricity and water	2.4	1.7	15.6	-1.6	4.9
Construction	6.8	15.9	7.5	28.2	40.5
Secondary industries	**6.8**	**7.1**	**-1.8**	**8.6**	**9.4**
Wholesale and retail trade, repairs	7.5	5.8	4.3	14.4	15.2
Hotels and restaurants	6.5	9.5	8.1	9.1	5.3
Transport, and communication	6.7	4.9	8.0	6.4	6.6
Transport	0.2	10.0	10.0	12.8	4.9
Storage	5.8	8.3	7.7	3.8	6.8
Post and telecommunications	13.6	-1.1	6.2	0.8	8.6
Financial intermediation	9.5	5.7	6.8	17.9	9.9
Real estate and business services	1.7	5.7	4.7	4.6	3.2
Real estate activities	3.9	2.6	6.7	4.9	3.1
Other business services	-4.5	15.0	-0.7	4.0	3.5
Community, social and personal service activities	1.6	11.2	-16.6	-9.9	2.8
Public administration and defence	2.8	5.3	2.7	3.6	-0.7
Education	-0.2	17.4	4.4	3.3	11.1
Health	9.5	5.7	5.7	9.0	7.9
Private household with employed persons	8.6	8.6	8.6	-6.7	5.5
Tertiary industries	**4.6**	**7.4**	**3.9**	**7.2**	**7.4**
Less: Financial intermediation services indirectly measured	23.4	10.6	4.5	18.8	7.0
All industries at basic prices	**6.6**	**5.1**	**4.8**	**5.2**	**6.0**
Taxes less subsidies on products	0.0	5.3	8.9	11.6	10.9
GDP at market prices	**6.0**	**5.1**	**5.1**	**5.7**	**6.4**

Source: NSA

E

Table I.6 (a) EXPENDITURE ON GROSS DOMESTIC PRODUCT
Current prices - N$ million

Expenditure category	2010	2011	2012	2013	2014
Final consumption expenditure	73,327	80,712	96,201	112,403	129,715
Private	52,220	59,817	69,516	80,351	90,913
General government	21,107	20,895	26,684	32,052	38,802
Gross fixed capital formation	20,884	20,453	27,514	32,685	47,980
Changes in inventories	-958	-291	1,043	-1,784	250
Gross domestic expenditure	93,254	100,874	124,757	143,304	177,945
Exports of goods and services	39,447	41,023	46,391	52,241	56,273
Imports of goods and services	50,102	51,789	64,284	72,396	93,184
Discrepancy	0	1	0		
Gross domestic product at market prices	**82,599**	**90,108**	**106,865**	**123,150**	**141,033**

Source: NSA

Table I.6 (b) EXPENDITURE ON GROSS DOMESTIC PRODUCT
Current prices - Percent

Expenditure category	2010	2011	2012	2013	2014
Final consumption expenditure	88.8	89.6	90.0	91.3	92.0
Private	63.2	66.4	65.1	65.2	64.5
General government	25.6	23.2	25.0	26.0	27.5
Gross fixed capital formation	25.3	22.7	25.7	26.5	34.0
Changes in inventories	-1.2	-0.3	1.0	-1.4	0.2
Gross domestic expenditure	**112.9**	**111.9**	**116.7**	**116.4**	**126.2**
Exports of goods and services	47.8	45.5	43.4	42.4	39.9
Imports of goods and services	60.7	57.5	60.2	58.8	66.1
Discrepancy	0.0	0.0	0.0	0.0	0.0
Gross domestic product at market prices	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: NSA

E

Table I.7 (a) EXPENDITURE ON GROSS DOMESTIC PRODUCT
Constant 2010 prices - N$ million

Expenditure category	2010	2011	2012	2013	2014
Final consumption expenditure	73,327	79,370	85,563	91,964	98,873
Private	52,220	56,854	62,312	67,606	73,613
General government	21,107	22,516	23,251	24,359	25,260
Gross fixed capital formation	20,884	19,973	26,205	29,969	41,576
Changes in inventories	-958	-950	387	-2,020	-359
Gross domestic expenditure	**93,254**	**98,393**	**112,155**	**119,914**	**140,089**
Exports of goods and services	39,447	38,148	38,531	41,200	41,773
Imports of goods and services	50,102	49,736	59,486	64,733	79,340
Discrepancy					
Gross domestic product at market prices	**82,599**	**86,804**	**91,200**	**96,381**	**102,522**

Source: NSA

Table I.7 (b) EXPENDITURE ON GROSS DOMESTIC PRODUCT
Constant 2010 Prices - Percent

Expenditure category	2010	2011	2012	2013	2014
Final consumption expenditure	-3.7	8.2	7.8	7.5	7.5
Private	-5.5	8.9	9.6	8.5	8.9
General government	1.0	6.7	3.3	4.8	3.7
Gross fixed capital formation	-1.2	-4.4	31.2	14.4	38.7
Changes in inventories	1.3	0.0	1.5	-2.6	1.7
Gross domestic expenditure	**(2.2)**	**5.5**	**14.0**	**6.9**	**16.8**
Exports of goods and services	2.8	-3.3	1.0	6.9	1.4
Imports of goods and services	-10.2	-0.7	19.6	8.8	22.6
Discrepancy					
Gross domestic product at market prices	**6.0**	**5.1**	**5.1**	**5.7**	**6.4**

Source: NSA

E

Table I.8 Gross Fixed Capital Formations by Activity
Current prices - N$ Million

Industry	2010	2011	2012	2013	2014
Agriculture	1,089	663	1,716	1,039	2,932
Fishing	706	45	2,000	169	988
Mining and quarrying	4,754	6,499	6,490	13,857	16,523
Manufacturing	3,141	1,944	3,116	3,132	5,318
Electricity and water	1,342	1,869	1,255	808	1,455
Construction	791	694	845	747	1,909
Wholesale and retail trade; hotels, restaurants	1,210	844	851	640	1,226
Transport, and communication	2,863	2,660	3,917	3,521	6,494
Finance, real estate, business services	1,991	2,201	3,817	3,595	3,096
Community, social and personal services	141	91	167	170	362
Producers of government services	2,857	2,944	3,339	5,007	7,678
Total	**20,884**	**20,453**	**27,514**	**32,685**	**47,980**
Percent of GDP	25.3	22.7	25.7	26.5	34.0

Source: NSA

Table I.9 Gross Fixed Capital Formations by Activity
Constant 2010 prices - N$ million

Industry	2010	2011	2012	2013	2014
Agriculture	1,089	661	1,647	1,047	2,558
Fishing	706	45	1,933	155	804
Mining and quarrying	4,754	6,383	6,354	13,120	14,993
Manufacturing	3,141	1,878	2,888	2,763	4,332
Electricity and water	1,342	1,827	1,188	749	1,290
Construction	791	684	847	682	1,573
Wholesale and retail trade; hotels, restaurants	1,210	819	792	564	991
Transport, and communication	2,863	2,593	3,737	3,109	5,483
Finance, real estate, business services	1,991	2,119	3,493	3,074	2,487
Community, social and personal services	141	89	164	155	302
Producers of government services	2,857	2,878	3,160	4,551	6,763
Total	**20,884**	**19,973**	**26,205**	**29,969**	**41,576**
Annual change, percent	-1.2	-4.4	31.2	14.4	38.7

Source: NSA

E

Table I.10 Gross Fixed Capital Formations by the Type of Asset

Current prices - N$ million

Type of Asset	2010	2011	2012	2013	2014
Buildings	5,711	6,121	7,725	7,814	7,701
Construction works	4,067	5,097	4,876	8,537	15,305
Transport equipment	4,641	3,002	6,019	5,118	10,541
Machinery and other equipment	5,454	4,987	5,892	8,064	12,543
Mineral exploration	1,011	1,246	3,002	3,153	1,890
Total	**20,884**	**20,453**	**27,514**	**32,685**	**47,980**

Source: NSA

Table I.11 Gross Fixed Capital Formations by the Type of Asset

Constant 2010 prices - N$ million

Type of Asset	2010	2011	2012	2013	2014
Buildings	5,711	5,890	7,066	6,677	6,168
Construction works	4,067	4,979	4,585	7,694	13,359
Transport equipment	4,641	2,990	5,935	4,686	8,639
Machinery and other equipment	5,454	4,904	5,675	7,838	11,802
Mineral exploration	1,011	1,209	2,944	3,074	1,607
Total	**20,884**	**19,973**	**26,205**	**29,969**	**41,576**

Source: NSA

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Table I.12 Gross Fixed Capital Formations by type of Ownership

Current prices - N$ million

Ownership	2010	2011	2012	2013	2014
Public	5,959	7,431	7,477	7,963	10,676
Producers of government services	2,857	2,944	3,339	5,007	7,678
Public corporations and enterprises	3,102	4,487	4,138	2,955	2,998
Private	14,925	13,022	20,037	24,722	37,304
Total	**20,884**	**20,453**	**27,514**	**32,685**	**47,980**

Source: NSA

Table I.13 Gross Fixed Capital Formations by type of Ownership

Constant 2010 prices - N$ million

Ownership	2010	2011	2012	2013	2014
Public	5,959	7,244	7,055	7,161	9,272
Producers of government services	2,857	2,878	3,160	4,551	6,763
Public corporations and enterprises	3,102	4,367	3,895	2,610	2,509
Private	14,925	12,729	19,150	22,808	32,304
Total	**20,884**	**19,973**	**26,205**	**29,969**	**41,576**

Source: NSA

Table I.14 Fixed Capital Stock by Activity
Current prices - N$ million

Industry	2010	2011	2012	2013	2014
Agriculture	8,447	8,684	8,906	9,370	10,073
Fishing	1,858	1,923	1,895	1,899	1,946
Mining and quarrying	25,920	34,408	38,460	49,088	61,217
Manufacturing	14,737	16,462	18,461	20,620	23,224
Electricity and water	12,134	13,725	14,866	15,572	16,175
Construction	2,780	3,407	3,815	4,403	5,202
Wholesale and retail trade; hotels, restaurants	7,514	8,227	8,552	8,842	9,793
Transport, and communication	18,237	20,412	23,337	26,617	30,116
Finance, real estate, business services	31,887	34,165	38,455	43,350	47,778
Community, social and personal services	968	1,027	1,100	1,198	1,317
Producers of government services	32,737	35,771	39,295	44,778	51,898
Total	**157,217**	**178,212**	**197,143**	**225,738**	**258,741**

Source: NSA

Table I.15 Fixed Capital Stock by Activity
Constant 2010 prices - N$ million

Industry	2010	2011	2012	2013	2014
Agriculture	8,447	8,556	8,696	8,810	8,852
Fishing	1,858	1,855	1,826	1,823	1,816
Mining and quarrying	25,920	33,268	36,690	45,717	53,102
Manufacturing	14,737	15,804	16,857	17,821	18,625
Electricity and water	12,134	13,396	13,968	13,918	13,896
Construction	2,780	3,339	3,642	3,925	4,265
Wholesale and retail trade; hotels, restaurants	7,514	7,914	7,940	7,759	7,875
Transport, and communication	18,237	19,782	21,685	23,022	25,132
Finance, real estate, business services	31,887	32,902	35,216	37,075	38,298
Community, social and personal services	968	999	1,032	1,067	1,106
Producers of government services	32,737	34,828	36,834	40,130	44,844
Total	**157,217**	**172,644**	**184,387**	**201,067**	**217,811**

Source: NSA

Table 1.16 (a) National Consumer Price Index (December 2012 = 100)

	Food & non alcoholic beverages	Alcoholic Beverages & tabacco	Clothing and foodwear	Housing,water, electricity, gas & others	Furnitures, household equipment & maintenance	Health	Transport	Communications	Recreation & culture	Education	Hotels, cafes & restaurands	Miscellaneous goods & services	All items	All Items Annual percentage changes
weights	16.45	12.59	3.05	28.36	5.47	2.01	14.28	3.81	3.55	3.65	1.39	5.39	100.0	
2010	84.4	84.5	96.9	85.3	89.9	92.1	87.4	96.1	88.9	91.5	87.9	94.8	87.1	4.9
2011	88.5	89.9	98.0	91.8	91.4	96.7	91.9	97.4	91.8	95.6	91.9	97.1	91.5	5.0
2012	96.5	97.7	98.5	97.2	96.8	100.0	98.4	98.1	98.7	100.0	96.4	99.5	97.6	6.7
2013														
Jan-13	100.3	100.8	100.3	101.5	101.0	101.5	100.0	100.0	101.0	104.0	103.2	100.7	100.9	6.2
Feb-13	100.9	101.6	100.8	101.6	101.5	102.1	100.9	100.0	101.3	104.0	103.8	100.7	101.4	5.8
Mar-13	101.4	104.2	100.8	101.6	101.6	102.2	101.9	100.0	101.5	104.0	104.0	100.8	101.9	5.9
Apr-13	101.8	105.5	101.4	101.6	101.7	102.6	102.3	100.3	101.8	104.0	104.0	100.8	102.3	5.9
May-13	102.0	106.7	101.7	101.5	102.2	102.8	101.6	100.3	102.2	104.0	104.2	100.9	102.4	5.8
Jun-13	102.3	107.3	101.7	101.7	102.4	103.2	101.6	100.2	103.0	104.0	105.0	101.1	102.7	6.2
Jul-13	102.4	107.8	102.2	102.6	102.9	103.3	103.8	100.2	103.3	104.0	105.4	101.3	103.4	5.9
Aug-13	103.1	108.0	102.2	102.7	103.3	103.4	105.1	100.3	103.7	104.0	106.5	101.3	103.8	6.0
Sep-13	103.5	108.0	102.4	103.1	103.4	103.4	105.5	100.7	104.1	104.0	106.5	101.6	104.1	5.4
Oct-13	104.6	108.0	103.1	103.1	103.4	103.9	106.8	100.9	104.6	104.0	105.6	101.8	104.5	4.9
Nov-13	105.4	108.0	103.5	102.9	104.5	104.4	107.3	101.1	104.9	104.0	105.3	102.0	104.7	4.4
Dec-13	106.1	108.4	103.9	102.9	104.9	104.4	106.9	99.9	105.2	104.0	106.1	102.3	104.9	4.9
An. Av	102.8	106.2	102.0	102.2	102.7	103.1	103.6	100.3	103.0	104.0	105.0	101.3	103.1	5.6
2014														
Jan-14	107.3	108.5	104.0	104.0	105.4	106.2	106.9	99.5	105.2	112.3	109.4	103.9	105.9	4.9
Feb-14	108.2	108.5	104.4	104.9	106.1	106.4	108.2	99.7	106.4	112.3	110.4	104.2	106.6	5.2
Mar-14	110.1	109.4	105.3	104.9	106.0	104.6	109.4	100.0	106.4	112.4	110.8	105.1	107.3	5.2
Apr-14	110.8	112.6	104.6	105.1	106.4	104.8	111.8	100.0	108.7	112.4	110.7	105.2	108.3	5.9
May-14	112.1	113.0	104.7	105.1	106.3	105.0	112.2	99.8	109.2	112.4	110.8	105.2	108.6	6.1
Jun-14	112.6	113.8	104.1	105.2	107.1	104.9	112.5	99.9	109.6	112.4	111.2	105.7	108.9	6.1
Jul-14	111.6	114.4	104.8	105.9	107.4	104.8	112.6	99.7	109.7	112.4	111.6	105.9	109.1	5.6
Aug-14	111.9	115.1	105.7	106.0	108.7	105.0	112.5	99.8	109.9	112.4	112.1	105.9	109.4	5.4
Sep-14	112.2	115.4	106.5	106.1	109.1	105.1	112.4	99.8	109.9	112.4	112.1	106.2	109.6	5.3
Oct-14	112.4	115.6	107.0	106.2	109.1	105.2	112.4	99.8	110.5	112.4	112.3	106.8	109.7	5.0
Nov-14	113.0	116.5	107.1	106.5	109.7	105.5	111.5	99.7	110.6	112.4	112.5	107.1	109.9	5.0
Dec-14	113.5	116.1	107.4	106.6	109.3	105.5	110.0	100.1	110.6	112.4	110.2	107.1	109.8	4.6
An. Av	111.3	113.2	105.5	105.5	107.5	105.3	111.0	99.8	108.9	112.4	111.2	105.7	108.6	5.4
2015														
Jan-15	114.3	116.6	106.6	107.7	109.9	109.2	108.4	101.7	110.4	117.3	113.9	110.7	110.6	4.5
Feb-15	115.3	116.9	106.2	107.9	109.9	109.4	105.3	100.1	110.4	117.3	116.2	111.7	110.4	3.6
Mar-15	116.1	118.8	106.7	107.9	110.5	109.5	105.4	100.0	111.3	117.3	117.0	111.8	110.9	3.4
Apr-15	116.6	120.6	106.4	107.8	110.3	110.0	107.1	100.0	111.9	117.3	117.6	112.0	111.5	2.9
May-15	117.1	121.1	107.1	107.7	111.4	110.2	108.5	100.0	112.7	117.3	116.6	111.8	111.9	3.0
Jun-15	117.3	122.0	107.6	107.8	111.7	110.5	109.2	100.0	113.8	117.3	117.9	112.2	112.3	3.0
Jul-15	117.5	122.3	107.5	108.1	112.3	110.8	110.7	100.0	114.1	117.3	120.0	112.4	112.7	3.3
Aug-15	118.1	123.4	106.0	108.6	112.5	111.0	111.0	100.1	113.8	117.3	119.0	112.4	113.1	3.4
Sep-15	118.6	124.0	106.7	108.6	112.7	110.7	109.9	101.7	114.5	117.3	118.7	112.8	113.2	3.3
Oct-15	119.5	123.7	107.2	109.1	111.6	111.2	109.7	101.1	114.3	117.3	119.5	113.0	113.4	3.4
Nov-15	120.4	123.8	106.4	109.1	112.1	111.6	109.7	101.2	114.7	117.3	119.6	112.9	113.6	3.3
Dec-15	120.2	124.9	107.6	109.4	112.5	111.8	109.7	101.2	114.9	117.3	117.8	112.9	113.8	3.7
An. Av	117.6	121.5	106.8	108.3	111.4	110.5	108.7	100.6	113.1	117.3	117.8	112.2	112.3	3.4

Source: NSA

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Table 1.16 (b) National Consumer Price Index (December 2012 = 100)

	Services			Goods		
	Index	Monthly Infl. Rate	Annual infl. rate	Index	Monthly infl. rate	Annual infl. rate
2011	**93.1**	**0.5**	**5.8**	**90.5**	**0.7**	**4.6**
2012	**98.2**	**0.5**	**5.4**	**97.3**	**0.5**	**7.4**
2013						
Jan-13	101.6	1.6	5.3	100.5	0.5	6.6
Feb-13	101.7	0.1	5.3	101.1	0.6	6.1
Mar-13	101.7	0.0	5.2	102.1	1.0	6.3
Apr-13	101.7	0.0	5.1	102.6	0.6	6.4
May-13	101.8	0.0	4.7	102.9	0.2	6.5
Jun-13	101.9	0.1	4.8	103.3	0.4	7.2
Jul-13	102.1	0.2	3.4	104.4	1.1	7.6
Aug-13	102.2	0.1	3.2	105.0	0.6	8.0
Sep-13	102.4	0.2	2.5	105.3	0.3	7.4
Oct-13	102.4	0.0	2.5	106.1	0.7	6.7
Nov-13	102.5	0.1	2.5	106.5	0.4	6.0
Dec-13	102.4	(0.1)	2.4	106.8	0.3	6.8
An. Av	**102.0**	**0.2**	**3.9**	**103.9**	**0.5**	**6.8**
2014						
Jan-14	104.2	1.7	2.6	107.2	0.4	6.7
Feb-14	104.7	0.5	3.0	108.1	0.8	6.9
Mar-14	104.8	0.1	3.0	109.1	1.0	6.9
Apr-14	105.6	0.7	3.8	110.4	1.1	7.5
May-14	105.6	0.1	3.8	110.9	0.5	7.8
Jun-14	105.7	0.0	3.4	111.4	0.5	7.9
Jul-14	106.1	0.4	4.0	111.4	(0.0)	6.8
Aug-14	106.2	0.1	4.0	111.8	0.4	6.5
Sep-14	106.2	0.0	3.7	112.1	0.3	6.4
Oct-14	106.2	0.0	3.8	112.3	0.2	5.9
Nov-14	106.3	0.0	3.7	112.7	0.4	5.9
Dec-14	106.3	(0.0)	3.7	112.4	(0.3)	5.3
An. Av	**105.7**	**0.3**	**3.5**	**110.8**	**0.4**	**6.7**
2015						
Jan-15	108.4	2.0	3.5	112.3	(0.1)	3.9
Feb-15	108.5	0.1	3.6	111.9	(0.4)	3.5
Mar-15	108.6	0.1	3.6	112.7	0.7	3.2
Apr-15	108.7	0.1	3.0	113.6	0.8	2.9
May-15	108.7	(0.0)	2.9	114.3	0.7	3.1
Jun-15	108.8	0.1	2.4	114.9	0.5	2.8
Jul-15	109.0	0.2	2.7	115.5	0.6	3.7
Aug-15	109.3	0.3	2.9	116.0	0.3	3.7
Sep-15	109.4	0.1	3.0	116.1	0.1	3.5
Oct-15	109.5	0.0	3.0	116.4	0.3	3.6
Nov-15	109.5	0.1	3.1	116.7	0.2	3.5
Dec-15	109.5	(0.0)	3.1	117.1	0.4	4.1
An. Av	**109.0**	**0.3**	**3.1**	**114.8**	**0.3**	**3.5**

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

Assets	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Net foreign assets	16019.9	14646.9	13151.7	16035.8	15341.4	14244.3	16382.7	15118.2	12801.4	14182.7	12935.1	13936.8
Claims on nonresidents	17 814.9	16 400.5	14 982.7	17 816.6	17 384.4	16 238.0	18 338.3	17 168.3	14 788.9	16 158.0	14 964.7	16 008.9
Monetary gold and SDR holdings	78.6	77.1	75.6	78.1	76.2	80.2	82.7	80.0	83.9	81.9	85.6	83.3
Foreign currency	164.0	93.8	89.5	175.3	165.3	108.7	107.0	158.4	151.4	153.8	38.3	112.5
Deposits	4 563.9	4 478.3	4 562.0	4 735.3	4 729.7	4 797.4	4 699.8	5 139.6	4 362.4	5 074.6	4 467.6	3 923.6
Securities other than shares	12 798.4	11 712.8	10 199.4	12 754.2	12 321.2	11 141.5	13 320.6	11 644.1	10 026.8	10 665.2	10 172.6	11 670.8
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
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
Other Foreign Assets	209.9	38.5	56.2	73.7	92.0	110.3	128.1	146.3	164.4	182.5	200.6	218.8
less: Liabilities to nonresidents	1795.0	1753.7	1831.0	1780.8	2042.9	1993.7	1955.6	2050.1	1987.5	1975.4	2029.6	2072.1
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
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
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
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
Other Foreign Liabilities	1795.0	1753.7	1831.0	1780.8	2042.9	1993.7	1955.6	2050.1	1987.5	1975.4	2029.6	2072.1
Claims on other depository corporations	44.5	44.6	44.8	44.9	44.8	45.4	45.7	45.8	46.0	46.2	46.4	46.6
Net claims on central government	- 9 486.4	- 8 555.3	- 6 314.1	- 9 818.5	- 7 765.0	- 6 696.1	- 8 281.5	- 6 076.0	- 4 644.6	- 6 362.5	- 4 562.7	- 5 329.1
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
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
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
less: Liabilities to central government	9 486.4	8 555.3	6 314.1	9 818.5	7 765.0	6 696.1	8 281.5	6 076.0	4 644.6	6 362.5	4 562.7	5 329.1
Deposits	9 486.4	8 555.3	6 314.1	9 818.5	7 765.0	6 696.1	8 281.5	6 076.0	4 644.6	6 362.5	4 562.7	5 329.1
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on other sectors	39.5	40.6	40.2	36.5	36.5	37.4	37.5	38.0	39.2	40.5	40.3	39.8
Other financial corporations	3.7	3.7	3.7	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
Public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other resident sectors	35.8	36.9	36.5	36.5	36.5	37.4	37.5	38.0	39.2	40.5	40.3	39.8

Assets	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Net foreign assets	16693.2	14688.3	12628.8	15870.0	13692.8	13932.6	12923.2	11913.1	14494.1	13201.8	11316.3	11841.9
Claims on nonresidents	18 919.0	16 814.6	14 732.3	17 967.4	15 763.3	16 034.0	15041.4	14023.6	16747.0	15365.4	13485.2	14134.1
Monetary gold and SDR holdings	94.5	92.3	91.1	95.8	95.6	94.4	96.1	98.9	105.8	101.6	100.6	100.8
Foreign currency	91.0	158.3	103.2	119.9	135.8	4.6	113.3	109.6	102.3	106.9	6.7	52.1
Deposits	6 458.1	4 705.9	4 330.4	5 797.4	5 249.3	4 803.2	4774.6	5139.0	4605.8	4622.6	3557.6	3657.2
Securities other than shares	12 030.4	11 815.8	10 144.9	11 871.3	10 179.2	11 007.9	9913.2	8511.3	11747.8	10328.7	9594.2	10077.6
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
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
Other Foreign Assets	245.0	42.3	62.6	83.0	103.4	123.9	144.3	164.7	185.2	205.6	226.0	246.5
less: Liabilities to nonresidents	2225.8	2126.2	2103.5	2097.4	2070.4	2101.4	2118.3	2110.5	2252.8	2163.6	2168.9	2292.2
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
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
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
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
Other Foreign Liabilities	2225.8	2126.2	2103.5	2097.4	2070.4	2101.4	2,118.26	2,110.50	2,252.84	2,163.55	2,168.94	2,292.24
Claims on other depository corporations	46.8	47.0	47.2	47.4	47.2	47.8	48.0	48.2	48.4	48.6	48.8	407.4
Net claims on central government	- 8 036.5	- 6 097.0	- 3 362.9	- 6 988.0	- 4 987.9	- 4 861.8	-2675.8	-957.7	-847.8	-2662.6	-308.8	-945.8
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
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
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
less: Liabilities to central government	8 036.5	6 097.0	3 362.9	6 988.0	4 987.9	4 861.8	2675.8	957.7	847.8	2662.6	308.8	945.8
Deposits	8 036.5	6 097.0	3 362.9	6 988.0	4 987.9	4 861.8	2675.8	957.7	847.8	2662.6	308.8	945.8
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
Claims on other sectors	41.3	56.6	56.0	41.8	40.5	41.5	41.0	41.4	41.7	41.2	41.0	39.2
Other financial corporations	0.0	14.7	14.7	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
Public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other resident sectors	41.3	42.0	41.4	41.8	40.5	41.5	41.0	41.4	41.7	41.2	41.0	39.2

Assets	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Net foreign assets	14549.8	12784.8	9923.7	12979.0	11414.1	13047.0	14212.9	13452.5	12519.4	23146.6	24656.1	24393.4
Claims on nonresidents	16836.6	15071.5	12367.9	15322.8	13825.9	15474.7	16739.3	16177.0	15277.3	25890.9	27510.4	27477.4
Monetary gold and SDR holdings	98.9	100.7	100.7	99.1	103.0	99.2	98.5	103.0	99.9	100.3	103.5	101.5
Foreign currency	130.7	99.6	-0.4	42.1	77.6	536.3	2219.9	1240.5	1827.0	1749.1	2384.3	958.8
Deposits	3736.5	2954.6	2980.1	3106.8	2507.8	2645.6	2942.5	3705.4	3100.5	13248.7	11376.5	11583.8
Securities other than shares	12628.8	11870.1	9218.4	11983.4	11011.4	12032.7	11281.1	10245.1	9609.5	9310.4	12123.3	11985.6
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
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
Other Foreign Assets	241.5	46.5	69.1	91.5	126.1	161.0	197.2	882.9	640.4	1482.4	1622.7	2847.6
less: Liabilities to nonresidents	2286.7	2286.7	2444.2	2343.8	2411.8	2427.7	2526.3	2724.5	2757.9	2744.3	2854.3	3084.0
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
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
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
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
Other Foreign Liabilities	2,286.73	2,286.73	2,444.17	2,343.82	2,411.78	2,427.74	2,526.33	2,724.48	2,757.85	2,744.32	2,854.30	3,083.98
Claims on other depository corporations	49.2	49.4	49.6	49.8	50.0	99.2	50.4	50.6	50.8	197.4	51.3	835.8
Net claims on central government	-3916.7	-2860.3	1300.5	-2949.5	-916.0	-3345.3	-3303.8	-2419.2	-1821.0	-12000.2	-9938.9	-10323.1
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
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
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
less: Liabilities to central government	3916.7	2860.3	-1300.5	2949.5	916.0	3345.3	3303.8	2419.2	1821.0	12000.2	9938.9	10323.1
Deposits	3916.7	2860.3	-1300.5	2949.5	916.0	3345.3	3303.8	2419.2	1821.0	12000.2	9938.9	10323.1
Other liabilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Claims on other sectors	39.0	39.3	39.7	40.5	40.8	39.9	41.1	40.6	40.8	40.8	40.0	41.4
Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
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
Public nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other nonfinancial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other resident sectors	39.0	39.3	39.7	40.5	40.8	39.9	41.1	40.6	40.8	40.8	40.0	41.4

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

Liabilities	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Monetary base	4258.8	4066.7	4503.7	4065.4	4509.6	4703.6	5302.0	5865.9	5185.0	4766.2	5156.5	4943.0
Currency in circulation	2414.0	2340.4	2556.5	2625.5	2679.5	2768.3	2832.0	3180.8	3148.9	2934.8	3070.6	3373.3
Liabilities to other depository corporations	1844.8	1726.3	1947.2	1439.9	1830.1	1935.3	2470.0	2685.1	2036.1	1831.4	2086.0	1569.7
Reserve deposits	1844.8	1726.3	1947.2	1439.9	1830.1	1935.3	2470.0	2685.1	2036.1	1831.4	2086.0	1569.7
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
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
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
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
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
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
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
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
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
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
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
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
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
Shares and other equity	2754.6	2523.6	2838.4	2657.6	3600.7	3370.2	3306.1	3685.2	3563.5	3492.1	3669.3	3838.3
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
Retained earnings	53.8	53.1	53.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.0
General and special reserves	2614.0	2371.3	2653.2	2497.7	3425.9	3245.4	3186.9	3555.2	3430.0	3300.8	3463.9	3667.6
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
Current year result	46.8	59.2	92.2	119.9	134.9	84.8	79.2	89.9	93.6	151.3	165.4	130.7
Other items (net)	-396.2	-413.7	-419.9	-424.4	-452.8	-443.4	-424.1	-425.3	-506.9	-351.3	-370.3	-355.5
Unclassified Assets	-607.8	-623.1	-622.2	-632.0	-648.4	-647.4	-639.2	-635.4	-631.9	-615.2	-617.5	-616.5
Unclassified Liabilities	211.5	209.4	202.3	207.6	195.6	204.0	215.1	210.0	125.0	263.9	247.2	261.0

Liabilities	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Monetary base	4583.0	4935.7	5434.5	5252.9	5154.3	5011.8	6018.1	6167.3	8721.9	6098.1	6655.7	6707.3
Currency in circulation	3031.9	3032.6	3082.9	3146.5	3191.7	3290.4	3388.7	3540.0	3477.8	3589.5	3717.4	4118.0
Liabilities to other depository corporations	1551.2	1903.1	2351.5	2106.5	1962.6	1721.4	2629.4	2627.3	5244.1	2508.6	2938.3	2589.3
Reserve deposits	1551.2	1903.1	2351.5	2106.5	1962.6	1721.4	2629.4	2627.3	5244.1	2508.6	2938.3	2589.3
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
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
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
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
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
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
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
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
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
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
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
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
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
Shares and other equity	4315.2	4050.1	4013.6	3985.5	3911.7	4068.7	4146.9	4122.6	4535.3	4283.0	4662.2	5073.3
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
Retained earnings	34.0	32.6	32.6	0.0	0.0	0.0	30.7	30.7	0.0	0.0	0.0	0.0
General and special reserves	4166.6	3850.6	3774.4	3774.0	3666.7	3783.3	3824.0	3769.3	4160.4	3900.7	4250.0	4629.7
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
Current year result	74.6	126.9	166.6	171.5	205.0	245.5	252.2	282.5	334.9	342.2	372.3	403.6
Other items (net)	-294.5	-291.1	-179.2	-268.1	-274.2	-270.0	-278.0	-324.0	-410.5	-395.3	-402.5	-440.3
Unclassified Assets	-595.1	-610.3	-502.7	-608.0	-605.6	-602.9	-598.9	-632.3	-642.1	-622.2	-603.2	-616.3
Unclassified Liabilities	300.5	319.1	323.5	339.8	331.4	332.9	320.9	308.3	231.6	226.9	200.7	176.0

Liabilities	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Monetary base	6492.6	5761.3	6772.2	5841.0	6105.1	5200.6	6148.3	6570.0	5853.4	6454.5	6636.8	6372.3
Currency in circulation	3595.9	3421.5	3597.0	3691.0	3681.2	3752.1	4006.3	4261.3	4137.9	4111.6	4359.6	4495.0
Liabilities to other depository corporations	2896.8	2339.8	3175.1	2150.0	2423.9	1448.5	2142.0	2308.7	1715.5	2342.8	2277.2	1877.4
Reserve deposits	2896.8	2339.8	3175.1	2150.0	2423.9	1448.5	2142.0	2308.7	1715.5	2342.8	2277.2	1877.4
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
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
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
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
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
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
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
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	3045.1	2910.8
Of which: Other financial corporations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3045.1	2910.8
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
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
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
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
Shares and other equity	4712.7	4739.4	5114.6	4803.4	5004.5	5063.8	5376.9	5125.3	5433.9	5415.5	5641.1	6122.6
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
Retained earnings	291.9	320.1	320.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
General and special reserves	4247.3	4235.1	4618.4	4590.3	4792.4	4861.8	5177.7	4889.7	5188.2	5144.6	5362.4	5866.7
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
Current year result	133.5	144.2	136.1	173.1	172.1	162.0	159.2	195.6	205.7	230.9	238.7	215.8
Other items (net)	-484.4	-487.9	-573.6	-524.8	-521.2	-494.0	-524.0	-570.3	-499.8	-490.7	-513.9	-472.6
Unclassified Assets	-610.6	-626.4	-649.4	-627.3	-625.6	-623.8	-644.2	-640.3	-642.7	-636.0	-642.9	-620.0
Unclassified Liabilities	126.1	138.5	75.8	102.5	104.4	129.8	120.2	70.0	143.0	145.3	129.0	147.4

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

Description	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Assets												
Net foreign assets	**9805.8**	**8954.6**	**8202.2**	**7853.8**	**7922.3**	**8767.4**	**9440.4**	**10611.1**	**10471.1**	**12873.8**	**11670.2**	**9432.3**
Claims on nonresidents	12180.1	11697.1	10598.3	10158.5	10355.0	11146.0	11667.3	12878.4	12985.2	15036.5	14384.8	12586.2
Foreign currency	152.1	119.7	136.8	134.9	167.9	165.0	140.7	247.1	227.3	199.4	195.1	206.5
Deposits	6332.3	5963.6	5543.1	4504.6	4658.2	5364.9	6235.3	7183.0	6746.7	8709.7	7862.4	6219.9
Securities other than shares	5499.8	5403.7	4679.1	5231.6	5206.2	5378.0	5052.9	5196.9	5746.3	5883.2	6065.5	5888.2
Loans	190.5	203.9	234.6	273.1	288.7	205.7	214.1	223.3	242.0	228.3	247.5	254.5
Financial derivatives	5.3	6.2	4.6	14.2	34.0	32.4	24.4	28.0	22.9	16.0	14.3	17.0
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
less: Liabilities to nonresidents	2374.3	2742.4	2396.1	2304.6	2432.7	2378.6	2227.0	2267.3	2514.1	2162.7	2714.6	3153.9
Deposits	2189.2	2566.4	2197.2	2069.1	2095.5	1928.1	2007.7	2023.2	2272.0	1944.5	2511.2	2933.7
ecurities other than shares	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0
Loans	30.4	20.0	20.2	20.3	20.5	20.8	20.5	20.4	26.6	26.8	24.9	25.8
Financial derivatives	60.7	63.1	65.0	75.4	175.8	105.4	105.7	130.7	122.5	98.3	85.5	101.4
Other	1.1	0.0	20.7	46.8	47.8	231.2	0.0	0.0	0.0	0.0	0.0	0.0
Claims on central bank	**3392.4**	**3078.3**	**3216.9**	**2998.4**	**3412.6**	**3469.9**	**4094.5**	**4341.7**	**3608.6**	**3554.6**	**3597.3**	**3684.2**
Currency	770.1	645.0	669.0	862.4	907.5	764.6	956.0	1053.8	974.4	1039.7	884.3	1236.2
Reserve deposits	1827.1	1643.1	1746.3	1334.4	1703.5	1935.7	2403.2	2533.0	1863.0	1730.6	1900.4	1433.7
Other claims	795.2	790.2	801.6	801.6	801.6	769.6	735.4	754.8	771.2	784.2	812.6	1014.2
Net claims on central government	5331.0	5442.4	5205.7	5417.1	5346.2	5050.5	4925.1	4853.8	5491.5	5616.5	5446.7	5598.5
Claims on central government	6877.7	6897.0	7078.2	7125.3	7071.1	6871.8	6931.1	6962.0	7325.9	7230.8	7251.9	7340.6
Securities other than Shares	6877.7	6897.0	7078.2	7125.3	7071.1	6871.8	6931.1	6962.0	7325.9	7230.8	7251.9	7340.6
less: Liabilities to central government	1546.7	1454.7	1872.4	1708.2	1724.9	1821.3	2006.0	2108.2	1834.4	1614.2	1805.2	1742.1
Deposits	1546.7	1454.7	1872.4	1708.2	1724.9	1821.3	2006.0	2108.2	1834.4	1614.2	1805.2	1742.1
Claims on other sectors	**55359.4**	**55200.5**	**56235.9**	**56736.0**	**57450.6**	**58352.5**	**58564.9**	**58950.3**	**59427.3**	**60121.6**	**61489.8**	**62557.2**
Other financial corporations	1519.4	1433.0	1476.2	1539.8	1467.2	1605.8	1558.9	1705.6	1876.7	1648.6	1659.9	1706.9
State and local government	56.8	32.0	31.8	29.5	30.3	56.6	90.7	152.3	131.8	130.0	143.6	163.6
Public nonfinancial corporations	1274.8	1135.9	1499.6	1618.5	1693.9	1603.5	1647.1	1374.4	1131.6	1097.0	953.1	1240.2
Other nonfinancial corporations	21043.1	20739.3	21143.6	21246.2	21463.3	21806.8	21754.3	21749.2	22020.5	22422.3	23382.3	23465.9
Other resident sectors	31465.3	31860.3	32084.6	32302.0	32796.0	33279.8	33513.9	33968.7	34266.8	34823.7	35350.9	35980.7

Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Assets												
Net foreign assets	**8825.4**	**9311.9**	**9274.3**	**9536.0**	**11578.2**	**10231.8**	**12474.2**	**13572.8**	**11510.2**	**9984.9**	**9770.1**	**7825.7**
Claims on nonresidents	12403.4	12293.6	12416.7	13128.9	13868.7	13053.9	14766.0	15933.9	13740.0	12494.0	12528.5	10744.2
Foreign currency	210.3	185.6	173.1	189.0	157.1	152.4	150.8	183.6	178.7	159.1	163.5	140.4
Deposits	6047.0	5874.9	6569.0	7041.3	7430.3	6653.7	8482.6	9055.1	6798.1	7231.1	7316.5	5608.6
Securities other than shares	5869.9	5952.4	5390.9	5607.6	5978.3	5940.5	5816.5	6368.5	6438.9	4749.4	4690.6	4622.1
Loans	259.1	271.2	275.4	282.0	288.4	299.5	294.2	301.3	312.9	323.7	328.9	338.2
Financial derivatives	17.2	9.5	8.2	9.0	14.6	7.9	7.5	10.9	11.5	30.7	29.0	34.9
Other	0.0	0.0	0.0	0.0	0.0	0.0	14.3	14.5	0.0	0.0	0.0	0.0
less: Liabilities to nonresidents	3578.0	2981.8	3142.3	3592.9	2290.5	2822.2	2291.9	2361.1	2229.8	2509.1	2758.5	2918.4
Deposits	3137.1	2441.7	2926.3	3383.2	1916.2	2253.5	1807.6	1992.6	1694.4	2155.5	2218.5	2681.5
ecurities other than shares	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0	93.0
Loans	25.0	22.7	22.8	22.9	23.1	23.2	21.4	20.4	16.2	16.3	16.4	16.5
Financial derivatives	167.1	132.0	100.3	93.7	73.3	100.1	88.1	88.5	99.6	118.4	86.2	127.5
Other	155.8	292.3	0.0	0.0	185.0	352.4	281.8	166.7	326.6	126.0	344.4	0.0
Claims on central bank	**3375.2**	**3682.3**	**3915.9**	**3954.7**	**3848.1**	**3486.0**	**4923.0**	**5171.7**	**7540.5**	**4747.4**	**5026.4**	**5209.9**
Currency	938.9	949.3	967.5	1009.5	997.8	1036.8	1045.0	1002.0	1090.7	1156.1	1010.0	1574.0
Reserve deposits	1432.4	1821.3	2024.0	2034.6	1926.8	1381.1	2568.4	2715.5	5051.1	2543.1	2939.5	2524.0
Other claims	1003.9	911.8	924.4	910.7	923.6	1068.1	1309.6	1454.2	1398.8	1048.2	1076.9	1111.8
Net claims on central government	5432.9	5775.2	5688.5	5658.9	5199.4	5053.8	4470.5	4507.9	4550.7	4842.3	4655.1	4948.1
Claims on central government	7182.7	7208.7	7219.4	7091.1	6938.3	7026.1	6833.3	6964.4	6886.0	7252.2	6801.8	7134.1
Securities other than Shares	7182.7	7208.7	7219.4	7091.1	6938.3	7026.1	6833.3	6964.4	6886.0	7252.2	6801.8	7134.1
less: Liabilities to central government	1749.7	1433.5	1530.9	1432.2	1738.9	1972.3	2362.8	2456.5	2335.3	2409.9	2146.7	2186.0
Deposits	1749.7	1433.5	1530.9	1432.2	1738.9	1972.3	2362.8	2456.5	2335.3	2409.9	2146.7	2186.0
Claims on other sectors	**63929.7**	**64460.0**	**64624.8**	**65871.1**	**66730.7**	**67351.6**	**67800.1**	**68437.3**	**69232.0**	**70477.1**	**72297.0**	**73023.9**
Other financial corporations	2037.5	1865.2	1743.5	2180.1	2136.9	2176.3	2280.9	2219.6	2297.6	2329.6	2447.4	1820.1
State and local government	157.7	160.5	160.2	188.0	172.4	180.5	158.4	151.2	177.8	176.9	175.7	184.9
Public nonfinancial corporations	1564.5	1512.0	1581.0	1443.7	1559.0	1517.9	1599.4	1394.1	1322.2	1338.1	1584.1	1776.0
Other nonfinancial corporations	23893.2	24420.7	24115.7	24665.5	25360.1	25723.8	25515.9	25983.4	26446.9	27163.5	28028.4	28489.2
Other resident sectors	36276.9	36501.7	37024.3	37393.8	37502.2	37753.0	38245.5	38689.0	38987.5	39469.0	40061.4	40753.7

Description	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Assets												
Net foreign assets	**8836.5**	**9163.9**	**8951.8**	**9344.0**	**10386.4**	**7041.7**	**6748.5**	**5127.5**	**6498.8**	**5295.1**	**6478.9**	**5536.3**
Claims on nonresidents	12329.8	12612.4	11879.1	12748.6	13883.8	10340.1	10291.1	9539.8	10202.2	9614.5	11172.8	9795.4
Foreign currency	154.2	116.7	260.6	252.1	249.9	309.6	161.2	241.0	269.3	204.3	239.7	170.0
Deposits	7478.3	8053.9	7641.7	8670.4	9697.8	6547.4	6552.5	5678.4	6635.8	6123.5	6851.0	6339.8
Securities other than shares	4310.1	4058.9	3575.9	3481.4	3509.8	3049.9	3153.8	3150.4	2843.7	2688.2	3178.3	2615.9
Loans	341.7	340.0	351.0	297.6	381.8	396.4	392.3	431.8	420.2	395.3	425.5	431.9
Financial derivatives	45.5	42.9	49.8	47.1	44.5	36.8	31.3	38.3	33.1	50.9	46.6	110.2
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	152.2	431.6	127.8
less: Liabilities to nonresidents	3493.3	3448.5	2927.4	3404.6	3497.4	3298.5	3542.6	4412.3	3703.4	4319.4	4693.9	4259.1
Deposits	2968.5	2965.2	2752.6	3256.2	3329.9	3012.6	3249.2	3789.9	2966.8	3010.0	3599.6	3364.9
ecurities other than shares	93.0	93.0	0.0	0.0	0.0	0.0	100.1	100.9	101.7	100.0	100.9	101.7
Loans	14.7	13.7	13.8	13.9	14.0	14.0	9.4	9.4	9.4	9.5	9.5	9.5
Financial derivatives	181.2	145.4	160.9	134.6	153.6	137.1	158.9	196.6	227.0	308.7	325.8	454.2
Other	235.8	231.3	0.0	0.0	0.0	134.7	25.0	315.6	398.5	891.2	658.1	328.8
Claims on central bank	**5119.9**	**4513.6**	**5671.0**	**4952.7**	**5202.4**	**4119.9**	**4758.9**	**4829.7**	**4498.7**	**4890.3**	**4908.8**	**4778.6**
Currency	991.4	864.3	1049.0	1041.5	1010.8	1126.6	1124.2	1310.6	1267.2	984.8	1068.7	1453.4
Reserve deposits	2711.8	2169.6	3080.5	2384.1	2678.4	1431.0	2093.0	2102.7	1715.6	2343.6	2276.7	1863.9
Other claims	1416.7	1479.7	1541.5	1527.0	1513.2	1562.2	1541.7	1416.3	1516.0	1561.9	1563.4	1461.3
Net claims on central government	5007.0	5137.2	5960.8	6251.3	6403.1	7320.2	7811.2	8412.4	8685.7	9045.4	9108.9	8714.7
Claims on central government	7189.7	7430.6	8584.5	8775.8	9341.2	9732.4	10017.1	10305.2	10286.9	10470.0	10580.3	10170.4
Securities other than Shares	7189.7	7430.6	8584.5	8775.8	9341.2	9732.4	10017.1	10305.2	10286.9	10470.0	10580.3	10170.4
less: Liabilities to central government	2182.7	2293.4	2623.7	2524.5	2938.1	2412.2	2205.9	1892.8	1601.2	1424.6	1471.4	1455.7
Deposits	2182.7	2293.4	2623.7	2524.5	2938.1	2412.2	2205.9	1892.8	1601.2	1424.6	1471.4	1455.7
Claims on other sectors	**73695.0**	**75134.4**	**76197.7**	**76822.0**	**77894.4**	**78609.6**	**79269.4**	**80567.3**	**81638.1**	**82187.4**	**83800.6**	**84882.2**
Other financial corporations	1970.8	2594.3	2988.8	2926.9	2919.0	2646.9	2612.5	2917.0	2942.4	2913.4	3038.7	3347.8
State and local government	187.4	180.5	176.8	189.1	192.7	199.6	139.0	197.5	202.7	187.5	175.9	206.0
Public nonfinancial corporations	1733.0	1531.3	2102.2	2113.1	2124.8	2901.9	2587.5	2464.6	2633.7	2409.8	2461.6	2507.3
Other nonfinancial corporations	29156.2	29829.7	29130.2	29718.4	30300.3	30041.0	30448.7	31153.8	31525.3	32029.6	32850.5	32894.8
Other resident sectors	40647.6	40998.6	41799.8	41874.6	42357.6	42820.3	43481.8	43834.4	44334.1	44647.2	45274.0	45926.3

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

Liabilities	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Liabilities to central bank	44.3	44.5	44.7	44.9	45.1	45.7	46.4	46.6	46.8	47.0	47.2	47.4
Deposits included in broad money	60476.8	59747.9	59677.5	61818.7	62282.5	63076.3	64243.0	66091.0	65804.1	68162.2	67195.6	66820.8
Transferable deposits	24943.2	24261.2	24516.0	26618.2	26989.7	27925.5	30067.7	31739.5	31225.0	33665.9	32897.0	31743.1
Other financial corporations	2347.8	2368.9	2427.0	2640.1	2323.2	2458.0	2321.8	2425.0	2822.4	2552.2	2514.9	2461.2
State and local government	882.0	874.3	851.7	828.2	865.5	838.9	915.3	884.3	961.8	911.0	1056.9	875.6
Public nonfinancial corporations	2466.4	2447.9	2368.5	2220.6	2171.5	1739.3	2297.3	2371.0	2354.1	2248.9	2368.3	2250.3
Other nonfinancial corporations	13956.1	13083.7	13217.6	15093.1	15859.2	16637.8	17935.8	19087.8	18130.6	20976.7	19782.6	19102.0
Other resident sectors	5290.8	5486.5	5651.1	5836.1	5770.2	6251.6	6597.6	6971.4	6956.0	6977.2	7174.2	7053.9
Other deposits	35533.6	35486.7	35161.6	35200.5	35292.8	35150.8	34175.3	34351.5	34579.1	34496.2	34298.6	35077.7
Other financial corporations	4127.2	3986.2	4297.2	4542.2	4724.1	4523.8	4520.9	4482.9	4382.9	4467.4	4210.0	4239.6
State and local government	434.8	380.5	360.7	385.7	371.4	389.2	383.0	381.2	439.2	427.8	336.2	369.3
Public nonfinancial corporations	2287.1	1694.7	2101.3	1975.8	1811.1	1577.8	1571.6	1338.5	1722.9	1718.3	1767.3	1873.2
Other nonfinancial corporations	8111.5	8628.1	7934.2	7855.6	7522.4	7756.8	7058.4	7401.5	6907.5	6899.6	6654.0	6886.6
Other resident sectors	20573.0	20797.3	20468.1	20441.2	20863.8	20903.1	20641.3	20747.4	21126.7	20983.1	21331.2	21709.0
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
Deposits excluded from broad money	1111.8	1144.3	1072.9	721.6	938.5	919.2	1304.3	869.9	1030.9	1032.3	1345.3	1088.6
Securities other than shares, excluded from broad money	13799.4	13956.1	14233.0	14790.8	15255.8	15235.9	15521.5	15379.5	15571.6	15779.9	16064.5	16352.8
Of which: Other financial corporations	12675.9	12931.2	13210.3	13779.3	14238.0	14075.6	14363.6	14214.7	14409.5	14626.0	14968.8	15256.3
Loans	60.3	57.2	56.5	56.5	66.6	56.5	54.4	50.4	51.2	68.7	68.7	52.3
Financial derivatives	77.7	65.2	89.0	28.3	147.2	103.0	86.9	121.7	94.4	29.2	32.9	48.7
Shares and other equity	8934.4	8995.6	8963.7	9080.4	9234.1	9433.4	9645.6	9633.2	9909.3	10119.2	10222.9	10612.2
Funds contributed by owners	2479.1	2479.1	2559.1	2559.1	2559.1	2759.1	2793.7	2793.7	2893.7	2898.8	2898.8	2897.1
Retained earnings	3939.0	3948.2	3872.7	3944.4	3980.2	4150.6	4171.7	4054.0	4139.4	4271.2	4389.9	4414.3
General and special reserves	2044.9	2044.7	2046.9	2044.5	2045.6	2331.1	2335.9	2332.6	2333.9	2329.8	2332.6	2361.7
Valuation adjustment	31.9	32.6	21.2	34.7	25.4	25.5	24.2	23.1	31.6	33.9	31.5	32.8
Current Year Result	439.5	491.0	463.8	497.8	623.9	167.1	320.0	429.7	510.7	585.6	570.1	906.3
Other items (net)	-10616.1	-11335.1	-11276.7	-13535.8	-13838.1	-13229.7	-13876.4	-13435.3	-13509.8	-13072.1	-12773.1	-13750.6
Consolidation adjustment	10676.9	10918.7	10814.8	13474.5	13691.9	13714.2	13817.3	13925.4	13459.2	12995.1	12776.9	13625.8
Unclassified Assets	-2425.8	-3071.9	-3275.1	-2770.9	-3219.6	-2444.5	-2992.2	-2845.7	-3362.8	-2856.1	-3279.4	-3347.5
Unclassified liabilities	2486.6	2655.5	2813.1	2709.6	3073.4	2929.0	2933.1	3335.8	3312.2	2779.1	3283.3	3222.8

Liabilities	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Liabilities to central bank	48.0	48.2	48.4	48.6	47.2	47.8	48.0	48.2	48.4	48.6	48.8	49.0
Deposits included in broad money	65484.7	66113.2	65902.0	66416.4	67314.7	67284.9	70574.2	71389.5	73133.0	71114.8	73450.5	71822.1
Transferable deposits	30916.0	31814.8	32241.3	32867.7	33562.4	33470.3	36147.7	35822.7	37993.1	34724.9	36509.2	34171.8
Other financial corporations	2715.5	2856.4	3061.1	2600.4	3099.4	3017.9	2612.4	3303.0	5324.9	3300.8	3237.5	2181.6
State and local government	935.9	937.7	943.9	1007.9	1008.2	875.5	997.7	1277.5	1177.2	1109.3	1009.6	985.2
Public nonfinancial corporations	1734.6	2043.7	1957.0	2138.3	1928.8	1834.7	3359.0	2231.7	1833.0	2227.4	2673.4	3230.1
Other nonfinancial corporations	18541.6	18613.3	18790.0	19586.2	20130.1	20072.4	20802.2	20761.6	21479.9	19693.5	21387.4	20120.3
Other resident sectors	6988.4	7363.6	7489.3	7534.9	7395.9	7669.7	8376.5	8248.9	8177.9	8393.9	8201.2	7654.6
Other deposits	34568.7	34298.4	33660.7	33548.7	33752.3	33814.6	34426.5	35566.8	35140.0	36389.9	36941.3	37650.3
Other financial corporations	3905.4	3582.8	3048.0	2826.1	3048.2	3119.6	2818.2	3126.9	3563.8	3854.0	3818.7	3799.4
State and local government	379.9	390.8	384.3	356.0	303.3	431.8	350.2	451.4	500.0	489.8	474.5	726.3
Public nonfinancial corporations	1894.3	1486.7	1540.7	1550.4	1526.0	864.0	1243.8	1147.7	1140.7	1144.4	1047.9	1461.8
Other nonfinancial corporations	6943.6	7561.9	7159.9	7211.4	7326.5	8376.2	7663.1	8686.6	7664.3	8880.7	8992.2	9187.9
Other resident sectors	21445.5	21276.1	21527.8	21604.7	21548.3	21022.9	22351.1	22154.1	22271.1	22021.0	22607.9	22474.8
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
Deposits excluded from broad money	1306.2	937.1	1182.8	1048.1	1338.2	1070.4	1098.2	1398.8	1166.7	1410.2	1366.9	1360.4
Securities other than shares, excluded from broad money	16772.6	16764.7	16724.3	16388.7	16481.1	16506.5	16462.6	16620.9	16750.2	17223.5	17025.3	17360.7
Of which: Other financial corporations	15575.8	15560.5	15523.3	15195.1	15279.0	15443.9	15403.6	15363.6	15494.5	15634.1	15554.2	15881.8
Loans	50.2	51.9	50.1	52.0	53.1	51.9	51.5	51.5	51.1	40.0	40.0	37.9
Financial derivatives	114.6	48.0	43.4	37.6	55.9	39.3	51.6	37.2	34.4	71.0	67.0	89.5
Shares and other equity	10574.1	10653.1	10836.9	10923.3	11065.3	11253.6	11445.0	11459.1	11664.3	12079.5	12306.4	12129.3
Funds contributed by owners	2898.7	3083.3	3084.1	3084.1	3084.1	3304.1	3304.1	3304.1	3304.1	3422.2	3422.2	3422.2
Retained earnings	4436.0	4436.9	4448.9	4462.5	4485.0	4492.2	4880.6	4889.3	5000.9	5033.6	5060.3	5092.1
General and special reserves	2375.3	2371.4	2381.8	2378.9	2370.4	2385.0	2720.0	2718.2	2728.0	2732.1	2774.9	2775.5
Valuation adjustment	28.7	30.3	33.6	34.2	35.8	29.1	22.0	36.1	29.3	35.2	42.4	33.9
Current Year Result	835.4	731.2	888.4	963.5	1090.0	1043.2	518.3	511.3	602.1	856.4	1006.6	805.5
Other items (net)	-12787.1	-11386.7	-11284.3	-9893.9	-8999.1	-10131.2	-10063.3	-9315.5	-10014.7	-11936.0	-12556.3	-11841.1
Consolidation adjustment	13095.7	12365.7	12057.1	10400.2	10446.7	10914.9	10781.3	10919.0	11014.2	12671.2	13028.6	12494.3
Unclassified Assets	-2909.2	-2539.7	-2843.9	-3735.8	-2721.8	-3249.0	-3284.3	-3011.5	-3268.3	-3254.8	-4373.7	-2899.8
Unclassified liabilities	3217.8	3518.6	3616.6	4242.1	4169.4	4032.7	4002.3	4615.0	4267.8	3990.1	4846.0	3552.9

Liabilities	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Liabilities to central bank	49.2	49.4	49.6	49.6	50.0	99.2	50.4	50.6	50.8	51.1	51.3	594.4
Deposits included in broad money	72043.8	74334.8	76103.7	75756.2	77236.4	76030.3	77554.6	77370.4	78633.9	79069.8	79740.5	78903.4
Transferable deposits	32761.2	34285.8	36237.6	35517.1	36593.1	35261.2	36453.7	36096.8	36763.3	36430.1	37121.6	37099.9
Other financial corporations	2622.9	2752.1	2479.0	2364.7	2429.9	2544.4	3163.8	2733.1	2856.5	2602.0	2995.5	4302.3
State and local government	934.8	929.8	939.9	909.2	906.6	888.1	860.8	1010.5	1026.4	947.6	812.7	942.1
Public nonfinancial corporations	2633.5	2536.8	2587.4	2296.4	2270.3	2416.6	2461.2	2101.5	1681.2	2509.9	1969.2	2164.2
Other nonfinancial corporations	19133.7	20563.8	21682.4	21587.5	22577.1	21005.0	21246.8	22034.7	22886.5	21974.0	22711.4	21091.8
Other resident sectors	7436.3	7503.2	8548.8	8359.4	8409.2	8407.1	8721.1	8217.0	8312.7	8396.6	8632.7	8599.5
Other deposits	39282.7	40049.0	39866.1	40239.1	40643.3	40769.1	41101.0	41273.6	41870.6	42639.7	42618.9	41803.4
Other financial corporations	4674.8	4497.0	4775.5	4699.6	4547.9	4788.9	4632.5	4416.7	4543.2	4239.7	4789.9	4068.4
State and local government	713.4	695.0	638.1	644.7	652.7	623.3	595.3	596.5	583.6	640.9	641.8	551.1
Public nonfinancial corporations	1029.2	1215.8	1320.6	1483.5	1640.3	1275.8	1528.6	1447.2	1214.3	1390.2	1310.9	1225.0
Other nonfinancial corporations	10405.1	10693.9	10343.7	10248.2	10580.0	10432.8	10338.7	10580.7	11089.7	11517.0	11108.3	11045.4
Other resident sectors	22460.2	22947.4	22788.2	23163.0	23222.3	23648.2	24005.8	24232.5	24439.7	24851.8	24768.1	24913.6
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
Deposits excluded from broad money	1494.4	1564.2	1952.7	2032.3	2123.5	1759.7	1096.7	1293.2	1204.5	1329.9	2345.8	2148.3
Securities other than shares, excluded from broad money	18018.2	18375.5	19344.7	19570.7	20098.2	20141.0	20167.3	20224.5	21445.3	21204.3	20807.7	21284.5
Of which: Other financial corporations	16549.0	16900.4	17776.5	17960.5	18482.2	18519.8	18640.2	18830.8	19902.6	19567.4	19087.2	19511.2
Loans	34.3	13.0	12.5	13.7	16.1	17.5	17.5	15.7	16.0	15.9	15.9	16.0
Financial derivatives	105.8	101.9	129.5	95.2	95.8	83.3	88.8	138.2	151.4	49.1	48.0	88.7
Shares and other equity	12679.5	12638.3	12936.3	13016.5	13243.2	13192.4	13387.5	13269.3	13415.6	13682.5	13844.6	13964.8
Funds contributed by owners	3976.3	3985.7	4063.8	4063.8	4063.8	4063.8	4063.8	4054.4	4152.8	4058.9	4058.9	4058.9
Retained earnings	4989.3	4975.4	4988.3	5002.1	5071.4	4978.5	5528.8	5543.3	5480.7	5519.6	5524.5	5533.1
General and special reserves	2774.5	2776.6	2778.8	2782.8	2790.0	2797.6	3212.4	3221.1	3227.0	3217.6	3216.3	3244.8
Valuation adjustment	51.7	41.8	37.5	36.4	30.0	11.4	24.6	23.4	14.1	26.4	22.2	-5.2
Current Year Result	887.6	858.7	1068.0	1131.4	1288.0	1341.2	558.1	427.2	541.1	860.1	1022.7	1133.2
Other items (net)	-11766.7	-13127.9	-13747.7	-13164.2	-12976.9	-14232.1	-13774.9	-13425.0	-13596.3	-13984.3	-12556.6	-13088.3
Consolidation adjustment	13363.6	14084.2	14050.8	14342.9	14273.6	15057.1	14651.2	14597.9	15038.6	14947.3	13509.9	14110.3
Unclassified Assets	-3162.0	-3135.5	-3849.2	-4411.7	-3745.3	-3666.4	-3755.0	-4311.0	-3809.4	-4150.6	-4070.4	-3407.4
Unclassified liabilities	4758.9	4091.7	4152.2	5590.3	5042.0	4491.5	4631.4	5484.0	5251.7	5113.6	5023.7	4429.4

Table II.3 Depository corporations survey (end of period in N$ million)

Description	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Net foreign assets	25825.7	23601.5	21353.9	23889.6	23263.7	23011.8	25823.0	25729.3	23272.5	27056.5	24605.3	23369.1
Claims on nonresidents	29995.0	28097.6	25581.0	27975.1	27739.3	27384.0	30005.6	30046.7	27774.1	31194.5	29349.5	28595.1
less: Liabilities to nonresidents	4169.3	4496.1	4227.1	4085.5	4475.6	4372.2	4182.6	4317.4	4501.6	4138.0	4744.1	5226.0
Domestic claims	51243.5	52128.2	55167.7	52371.1	55068.3	56744.4	55246.0	57766.2	60313.4	59416.1	62414.1	62866.5
Net claims on central government	-4155.4	-3112.9	-1108.4	-4401.4	-2418.8	-1645.6	-3356.4	-1222.2	846.9	-746.0	884.0	269.4
Claims on central government	6877.7	6897.0	7078.2	7125.3	7071.1	6871.8	6931.1	6962.0	7325.9	7230.8	7251.9	7340.6
ess:Liabilities to central government	11033.1	10010.0	8186.5	11526.7	9489.9	8517.4	10287.5	8184.2	6479.0	7976.7	6367.9	7071.2
Claims on other sectors	55399.0	55241.1	56276.1	56772.5	57487.1	58389.9	58602.4	58988.3	59466.5	60162.1	61530.1	62597.1
Other financial corporations	1523.1	1436.7	1480.0	1539.8	1467.2	1605.8	1558.9	1705.6	1876.7	1648.6	1659.9	1706.9
State and local government	56.8	32.0	31.8	29.5	30.3	56.6	90.7	152.3	131.8	130.0	143.6	163.6
Public nonfinancial corporations	1274.8	1135.9	1499.6	1618.5	1693.9	1603.5	1647.1	1374.4	1131.6	1097.0	953.1	1240.2
Other nonfinancial corporations	21043.1	20739.3	21143.6	21246.2	21463.3	21806.8	21754.3	21749.2	22020.5	22422.3	23382.3	23465.9
Other resident sectors	31501.1	31897.1	32121.1	32338.5	32832.4	33317.2	33551.5	34006.7	34305.9	34864.2	35391.2	36020.6
Broad money liabilities	62,121	61,443	61,565	63,582	64,055	65,080	66,119	68,218	67,979	70,057	69,382	68,958
Currency outside depository corporations	1643.9	1695.4	1887.5	1763.2	1772.0	2003.7	1876.0	2126.9	2174.5	1895.0	2186.2	2137.1
Transferable deposits	24943.2	24261.2	24516.0	26618.2	26989.7	27925.5	30067.7	31739.5	31225.0	33665.9	32897.0	31743.1
Other financial corporations	2347.8	2368.9	2427.0	2640.1	2323.2	2458.0	2321.8	2425.0	2822.4	2552.2	2514.9	2461.2
State and local government	882.0	874.3	851.7	828.2	865.5	838.9	915.3	884.3	961.8	911.0	1056.9	875.6
Public nonfinancial corporations	2466.4	2447.9	2368.5	2220.6	2171.5	1739.3	2297.3	2371.0	2354.1	2248.9	2368.3	2250.3
Other nonfinancial corporations	13956.1	13083.7	13217.6	15093.1	15859.2	16637.8	17935.8	19087.8	18130.6	20976.7	19782.6	19102.0
Other resident sectors	5290.8	5486.5	5651.1	5836.1	5770.2	6251.6	6597.6	6971.4	6956.0	6977.2	7174.2	7053.9
Less: Central bank float	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	35533.6	35486.7	35161.6	35200.5	35292.8	35150.8	34175.3	34351.5	34579.1	34496.2	34298.6	35077.7
Other financial corporations	4127.2	3986.2	4297.2	4542.2	4724.1	4523.8	4520.9	4482.9	4382.9	4467.4	4210.0	4239.6
State and local government	434.8	380.5	360.7	385.7	371.4	389.2	383.0	381.2	439.2	427.8	336.2	369.3
Public nonfinancial corporations	2287.1	1694.7	2101.3	1975.8	1811.1	1577.8	1571.6	1338.5	1722.9	1718.3	1767.3	1873.2
Other nonfinancial corporations	8111.5	8628.1	7934.2	7855.6	7522.4	7756.8	7058.4	7401.5	6907.5	6899.6	6654.0	6886.6
Other resident sectors	20573.0	20797.3	20468.1	20441.2	20863.8	20903.1	20641.3	20747.4	21126.7	20983.1	21331.2	21709.0
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
Deposits excluded from broad money	1111.8	1144.3	1072.9	721.6	938.5	919.2	1304.3	869.9	1030.9	1032.3	1345.3	1088.6
Securities other than shares, excluded from broad money	13799.4	13956.1	14233.0	14790.8	15255.8	15235.9	15521.5	15379.5	15571.6	15779.9	16064.5	16352.8
Loans	60.3	57.2	56.5	56.5	66.6	56.5	54.4	50.4	51.2	68.7	68.7	52.3
Financial derivatives	77.7	65.2	89.0	28.3	147.2	103.0	86.9	121.7	94.4	29.2	32.9	48.7
Shares and other equity	11689.0	11519.3	11802.1	11738.1	12834.8	12803.5	12951.7	13318.3	13472.8	13611.3	13892.2	14450.5
Other items (net)	-11789.7	-12455.7	-12297.0	-14656.3	-14965.5	-14442.1	-14968.0	-14462.3	-14613.7	-14106.1	-13766.1	-14715.2
Consolidation adjustment	-777.4	-706.9	-600.4	-696.1	-674.5	-769.1	-667.5	-601.7	-597.0	-682.7	-622.7	-609.2
OIN	-396.2	-413.7	-419.9	-424.4	-452.8	-443.4	-424.1	-425.3	-506.9	-351.3	-370.3	-355.5
OIN	(10,616.13)	(11,335.10)	(11,276.71)	(13,535.78)	(13,838.11)	(13,229.70)	(13,876.42)	(13,435.32)	(13,509.82)	(13,072.06)	(12,773.08)	(13,750.55)

Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Net foreign assets	25518.6	24000.2	21903.1	25406.0	25271.0	24164.4	25397.3	25485.8	26004.3	23186.7	21086.4	19667.7
Claims on nonresidents	31322.4	29108.2	27148.9	31096.3	29632.0	29087.9	29807.5	29957.5	30487.0	27859.4	26013.8	24878.3
less: Liabilities to nonresidents	5803.8	5108.0	5245.8	5690.3	4361.0	4923.6	4410.1	4471.6	4482.6	4672.7	4927.4	5210.7
Domestic claims	61367.5	64194.9	67006.4	64583.8	66982.7	67585.1	69635.8	72028.9	72976.6	72698.0	76684.4	77065.3
Net claims on central government	-2603.6	-321.8	2325.6	-1329.0	211.5	192.0	1794.7	3550.2	3702.9	2179.6	4346.3	4002.3
Claims on central government	7182.7	7208.7	7219.4	7091.1	6938.3	7026.1	6833.3	6964.4	6886.0	7252.2	6801.8	7134.1
ess:Liabilities to central government	9786.3	7530.4	4893.8	8420.1	6726.8	6834.1	5038.6	3414.3	3183.1	5072.6	2455.5	3131.8
Claims on other sectors	63971.1	64516.6	64680.8	65912.8	66771.2	67393.1	67841.1	68478.7	69273.7	70518.3	72338.0	73063.1
Other financial corporations	2037.5	1879.8	1758.1	2180.1	2136.9	2176.3	2280.9	2219.6	2297.6	2329.6	2447.4	1820.1
State and local government	157.7	160.5	160.2	188.0	172.4	180.5	158.4	151.2	177.8	176.9	175.7	184.9
Public nonfinancial corporations	1564.5	1512.0	1581.0	1443.7	1559.0	1517.9	1599.4	1394.1	1322.2	1338.1	1584.1	1776.0
Other nonfinancial corporations	23893.2	24420.7	24115.7	24665.5	25360.1	25723.8	25515.9	25983.4	26446.9	27163.5	28028.4	28489.2
Other resident sectors	36318.2	36543.6	37065.7	37435.5	37542.8	37794.6	38286.5	38730.5	39029.2	39510.2	40102.4	40792.9
Broad money liabilities	67,578	68,196	68,017	68,553	69,509	69,538	72,918	73,927	75,520	73,548	76,158	74,366
Currency outside depository corporations	2093.0	2083.3	2115.4	2137.0	2194.0	2253.6	2343.7	2538.0	2387.1	2433.4	2707.4	2543.9
Transferable deposits	30916.0	31814.8	32241.3	32867.7	33562.4	33470.3	36147.7	35822.7	37993.1	34724.9	36509.2	34171.8
Other financial corporations	2715.5	2856.4	3061.1	2600.4	3099.4	3017.9	2612.4	3303.0	5324.9	3300.8	3237.5	2181.6
State and local government	935.9	937.7	943.9	1007.9	1008.2	875.5	997.7	1277.5	1177.2	1109.3	1009.6	985.2
Public nonfinancial corporations	1734.6	2043.7	1957.0	2138.3	1928.8	1834.7	3359.0	2231.7	1833.0	2227.4	2673.4	3230.1
Other nonfinancial corporations	18541.6	18613.3	18790.0	19586.2	20130.1	20072.4	20802.2	20761.6	21479.9	19693.5	21387.4	20120.3
Other resident sectors	6988.4	7363.6	7489.3	7534.9	7395.9	7669.7	8376.5	8248.9	8177.9	8393.9	8201.2	7654.6
Less: Central bank float	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	34568.7	34298.4	33660.7	33548.7	33752.3	33814.6	34426.5	35566.8	35140.0	36389.9	36941.3	37650.3
Other financial corporations	3905.4	3582.8	3048.0	2826.1	3048.2	3119.6	2818.2	3126.9	3563.8	3854.0	3818.7	3799.4
State and local government	379.9	390.8	384.3	356.0	303.3	431.8	350.2	451.4	500.0	489.8	474.5	726.3
Public nonfinancial corporations	1894.3	1486.7	1540.7	1550.4	1526.0	864.0	1243.8	1147.7	1140.7	1144.4	1047.9	1461.8
Other nonfinancial corporations	6943.6	7561.9	7159.9	7211.4	7326.5	8376.2	7663.1	8686.6	7664.3	8880.7	8992.2	9187.9
Other resident sectors	21445.5	21276.1	21527.8	21604.7	21548.3	21022.9	22351.1	22154.1	22271.1	22021.0	22607.9	22474.8
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
Deposits excluded from broad money	1306.2	937.1	1182.8	1048.1	1338.2	1070.4	1098.2	1398.8	1166.7	1410.2	1366.9	1360.4
Securities other than shares, excluded from broad money	16772.6	16764.7	16724.3	16388.7	16481.1	16506.5	16462.6	16620.9	16750.2	17223.5	17025.3	17360.7
Loans	50.2	51.9	50.1	52.0	53.1	51.9	51.5	51.5	51.1	40.0	40.0	37.9
Financial derivatives	114.6	48.0	43.4	37.6	55.9	39.3	51.6	37.2	34.4	71.0	67.0	89.5
Shares and other equity	14889.3	14703.2	14850.5	14908.8	14977.0	15322.3	15591.9	15581.6	16199.6	16362.5	16968.7	17202.6
Other items (net)	-13824.5	-12506.3	-11959.0	-10998.8	-10160.2	-10779.4	-11140.6	-10102.9	-10741.3	-12770.7	-13855.0	-13684.0
Consolidation adjustment	-742.8	-828.4	-495.4	-836.7	-886.9	-378.2	-799.3	-463.3	-316.1	-439.5	-896.2	-1402.5
OIN	-294.5	-291.1	-179.2	-268.1	-274.2	-270.0	-278.0	-324.0	-410.5	-395.3	-402.5	-440.3
OIN	(12,787.09)	(11,386.75)	(11,284.33)	(9,893.92)	(8,999.06)	(10,131.20)	(10,063.30)	(9,315.54)	(10,014.69)	(11,935.96)	(12,556.28)	(11,841.11)

Description	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Net foreign assets	23386.3	21948.7	18875.5	22323.0	21800.4	20088.7	20961.4	18580.0	19018.2	28441.6	31134.9	29929.7
Claims on nonresidents	29166.3	27684.0	24247.1	28071.5	27709.6	25814.9	27030.3	25716.8	25479.4	35505.4	38683.2	37272.8
less: Liabilities to nonresidents	5780.0	5735.3	5371.5	5748.5	5909.2	5726.2	6068.9	7136.8	6461.3	7063.7	7548.2	7343.1
Domestic claims	74824.4	77450.6	83498.7	80164.3	83422.4	82624.4	83817.9	86601.1	88543.6	79273.5	83010.6	83315.2
Net claims on central government	1090.3	2276.9	7261.3	3301.8	5487.1	3974.9	4507.4	5993.1	6864.7	-2954.8	-830.0	-1608.4
Claims on central government	7189.7	7430.6	8584.5	8775.8	9341.2	9732.4	10017.1	10305.2	10286.9	10470.0	10580.3	10170.4
ess:Liabilities to central government	6099.4	5153.6	1323.3	5474.0	3854.1	5757.5	5509.7	4312.0	3422.2	13424.8	11410.3	11778.8
Claims on other sectors	73734.1	75173.7	76237.4	76862.5	77935.3	78649.5	79310.5	80607.9	81678.9	82228.3	83840.6	84923.5
Other financial corporations	1970.8	2594.3	2988.8	2926.9	2919.0	2646.9	2612.5	2917.0	2942.4	2913.4	3038.7	3347.8
State and local government	187.4	180.5	176.8	189.1	192.7	199.6	139.0	197.5	202.7	187.5	175.9	206.0
Public nonfinancial corporations	1733.0	1531.3	2102.2	2113.1	2124.8	2901.9	2587.5	2464.6	2633.7	2409.8	2461.6	2507.3
Other nonfinancial corporations	29156.2	29829.7	29130.2	29718.4	30300.3	30041.0	30448.7	31153.8	31525.3	32029.6	32850.5	32894.8
Other resident sectors	40686.6	41037.9	41839.5	41915.1	42398.4	42860.2	43522.9	43874.9	44374.9	44688.0	45313.9	45967.7
Broad money liabilities	74,648	76,892	78,652	78,406	79,907	78,656	80,437	80,321	81,505	82,197	83,031	81,945
Currency outside depository corporations	2604.5	2557.2	2548.1	2649.5	2670.4	2625.5	2882.2	2950.6	2870.7	3126.8	3290.8	3041.6
Transferable deposits	32761.2	34285.8	36237.6	35517.1	36593.1	35261.2	36453.7	36096.8	36763.3	36430.1	37121.6	37099.9
Other financial corporations	2622.9	2752.1	2479.0	2364.7	2429.9	2544.4	3163.8	2733.1	2856.5	2602.0	2995.5	4302.3
State and local government	934.8	929.8	939.9	909.2	906.6	888.1	860.8	1010.5	1026.4	947.6	812.7	942.1
Public nonfinancial corporations	2633.5	2536.8	2587.4	2296.4	2270.3	2416.6	2461.2	2101.5	1681.2	2509.9	1969.2	2164.2
Other nonfinancial corporations	19133.7	20563.8	21682.4	21587.5	22577.1	21005.0	21246.8	22034.7	22886.5	21974.0	22711.4	21091.8
Other resident sectors	7436.3	7503.2	8548.8	8359.4	8409.2	8407.1	8721.1	8217.0	8312.7	8396.6	8632.7	8599.5
Less: Central bank float	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	39282.7	40049.0	39866.1	40239.1	40643.3	40769.1	41101.0	41273.6	41870.6	42639.7	42618.9	41803.4
Other financial corporations	4674.8	4497.0	4775.5	4699.6	4547.9	4788.9	4632.5	4416.7	4543.2	4239.7	4789.9	4068.4
State and local government	713.4	695.0	638.1	644.7	652.7	623.3	595.3	596.5	583.6	640.9	641.8	551.1
Public nonfinancial corporations	1029.2	1215.8	1320.6	1483.5	1640.3	1275.8	1528.6	1447.2	1214.3	1390.2	1310.9	1225.0
Other nonfinancial corporations	10405.1	10693.9	10343.7	10248.2	10580.0	10432.8	10338.7	10580.7	11089.7	11517.0	11108.3	11045.4
Other resident sectors	22460.2	22947.4	22788.2	23163.0	23222.3	23648.2	24005.8	24232.5	24439.7	24851.8	24768.1	24913.6
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
Deposits excluded from broad money	1494.4	1564.2	1952.7	2032.3	2123.5	1759.7	1096.7	1293.2	1204.5	1329.9	2345.8	2148.3
Securities other than shares, excluded from broad money	18018.2	18375.5	19344.7	19570.7	20098.2	20141.0	20167.3	20224.5	21445.3	21204.3	23852.7	24195.3
Loans	34.3	13.0	12.5	13.7	16.1	17.5	17.5	15.7	16.0	15.9	15.9	16.0
Financial derivatives	105.8	101.9	129.5	95.2	95.8	83.3	88.8	138.2	151.4	49.1	48.0	88.7
Shares and other equity	17392.2	17377.7	18050.9	17819.8	18247.7	18256.3	18764.4	17748.1	18482.6	17925.0	18312.7	17635.4
Other items (net)	-13482.4	-14924.9	-15767.9	-15702.1	-15265.2	-16200.5	-15792.2	-15206.2	-15609.7	-16178.7	-14633.9	-15235.7
Consolidation adjustment	-1231.3	-1309.0	-1446.5	-2013.1	-1767.2	-1474.4	-1493.3	-1210.8	-1513.6	-1703.7	-1563.4	-1674.8
OIN	-484.4	-487.9	-573.6	-524.8	-521.2	-494.0	-524.0	-570.3	-499.8	-490.7	-513.9	-472.6
OIN	(11,766.65)	(13,127.93)	(13,747.75)	(13,164.23)	(12,976.88)	(14,232.07)	(13,774.89)	(13,424.99)	(13,596.31)	(13,984.26)	(12,556.56)	(13,088.32)

Table II.4 Other depository corporations' claims on private sectors (end of period in N$ million)

Description	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Loans	**53 763.4**	**53 731.3**	**54 740.6**	**55 305.3**	**55 888.3**	**56 749.9**	**56 974.3**	**57 228.8**	**57 650.3**	**58 485.3**	**59 860.5**	**60 812.1**
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other depository corporations	19.5	31.3	26.6	30.4	23.0	25.4	23.8	24.6	25.8	25.6	0.0	0.8
Other financial corporations	220.0	217.6	221.6	276.6	225.3	306.5	266.1	323.2	276.0	276.8	332.5	332.4
Central government	11.0	11.6	12.1	12.1	12.0	12.4	12.6	12.3	132.5	12.0	10.8	11.1
State and local government	56.8	32.0	31.8	29.5	30.3	56.6	90.7	152.3	131.8	130.0	143.6	163.6
Public non-financial corporations	834.4	698.0	1 062.6	1 180.6	1 267.6	1 175.8	1 221.4	954.5	705.5	668.0	491.1	726.7
Other non-financial corporations (Businesses)	**21 013.0**	**20 717.1**	**21 116.4**	**21 218.6**	**21 337.6**	**21 739.6**	**21 680.2**	**21 641.6**	**21 925.8**	**22 350.5**	**23 314.2**	**23 384.3**
Loans and Advances	15 861.4	15 441.9	15 609.8	15 563.9	15 544.0	15 879.0	15 761.8	15 681.3	15 931.9	16 314.0	16 466.6	16 367.1
Farm mortgage loans	25.1	25.2	25.4	25.6	25.8	26.0	25.4	25.6	25.7	25.9	25.9	26.3
Other mortgage loans	5 883.7	5 985.5	6 049.2	6 298.1	6 302.1	6 336.7	6 487.9	6 489.0	6 591.2	6 346.4	6 411.9	6 556.8
Dwellings	542.0	539.5	535.9	537.7	537.7	533.0	530.0	528.0	535.5	533.4	538.0	529.4
Other	5 341.7	5 446.1	5 513.3	5 760.4	5 764.4	5 803.7	5 957.9	5 960.9	6 055.7	5 813.0	5 873.9	6 027.4
Overdrafts	5 934.8	5 456.6	5 565.2	5 646.3	5 422.0	5 829.5	5 285.1	5 320.7	5 511.1	5 798.5	5 857.8	5 655.9
Other loans and advances	4 017.8	3 974.5	3 970.0	3 593.8	3 794.1	3 686.8	3 963.4	3 846.1	3 803.9	4 143.3	4 171.0	4 128.1
Leasing	125.1	128.7	129.1	131.3	141.0	150.9	153.4	160.8	163.0	147.7	148.5	146.7
Instalment credit	3 435.5	3 482.3	3 486.2	3 504.8	3 530.9	3 590.0	3 615.9	3 651.5	3 702.3	3 780.8	3 827.6	3 892.4
Other	1 590.9	1 664.1	1 891.3	2 018.6	2 121.7	2 119.7	2 149.1	2 148.0	2 128.6	2 108.0	2 871.5	2 978.3
Other resident sectors (Individuals)	**31 418.3**	**31 819.8**	**32 034.9**	**32 284.4**	**32 703.8**	**33 228.0**	**33 465.4**	**33 896.9**	**34 210.9**	**34 794.2**	**35 320.8**	**35 938.6**
Loans and Advances	25 765.2	26 006.9	26 253.5	26 391.6	26 728.5	27 125.5	27 268.1	27 618.8	27 799.5	28 227.4	28 661.2	29 144.8
Farm mortgage loans	1 015.2	999.7	998.5	1 012.9	996.6	1 105.0	1 064.9	1 068.6	1 067.9	1 067.5	1 067.5	1 053.7
Other mortgage loans	20 524.3	20 720.4	20 934.6	21 135.8	21 367.9	21 628.2	21 837.9	22 043.6	22 293.8	22 575.0	22 844.3	23 232.2
Dwellings	20 524.3	20 720.4	20 934.6	21 135.8	21 367.9	21 628.2	21 837.9	22 043.6	22 293.8	22 575.0	22 844.3	23 232.2
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
Overdrafts	1 859.5	1 901.9	1 911.2	1 845.2	1 928.5	1 957.4	1 899.3	1 958.4	1 845.7	1 985.0	1 966.8	2 038.0
Other loans and advances	2 366.2	2 385.0	2 409.2	2 397.6	2 435.6	2 434.8	2 466.1	2 548.2	2 592.2	2 600.0	2 782.7	2 820.9
Leasing	4.0	3.8	4.8	5.0	5.0	4.4	4.8	4.9	4.8	4.7	4.8	4.7
Instalment credit	4 440.9	4 475.1	4 458.3	4 491.9	4 537.3	4 612.8	4 665.3	4 698.5	4 799.7	4 930.2	4 987.1	5 103.5
Other	1 208.2	1 333.9	1 318.3	1 395.9	1 433.1	1 485.4	1 527.2	1 574.8	1 606.9	1 631.9	1 667.7	1 685.7
Nonresidents	**190.5**	**203.9**	**234.6**	**273.1**	**288.7**	**205.7**	**214.1**	**223.3**	**242.0**	**228.3**	**247.5**	**254.5**
Loans and Advances	190.5	203.7	202.2	205.0	205.8	205.6	213.9	220.4	224.4	228.2	247.4	254.4
Farm mortgage loans	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other mortgage loans	106.5	111.4	109.6	112.6	113.6	113.4	122.4	129.4	87.4	131.6	151.8	156.9
Dwellings	106.5	111.4	109.6	112.6	113.6	113.4	122.4	129.4	87.4	131.6	151.8	156.9
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
Overdrafts	79.4	85.8	86.1	86.0	86.0	85.9	85.5	84.7	130.4	87.8	88.9	90.9
Other loans and advances	4.6	6.4	6.5	6.4	6.2	6.2	6.1	6.3	6.6	8.7	6.6	6.7
Leasing	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
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
Other	0.0	0.1	32.3	68.0	82.8	0.0	0.0	2.8	17.5	0.0	0.0	0.0

Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Loans	**61 766.5**	**62 366.5**	**62 834.2**	**63 710.1**	**64 606.8**	**65 174.4**	**65 568.2**	**66 407.4**	**67 150.9**	**68 367.9**	**70 194.2**	**70 639.4**
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other depository corporations	10.4	18.9	27.3	28.6	30.8	14.7	27.8	28.1	28.5	26.3	26.5	26.3
Other financial corporations	491.8	401.8	419.7	455.9	481.8	502.6	591.2	623.1	681.4	703.7	782.6	213.5
Central government	10.9	11.4	10.5	10.5	7.4	10.6	18.7	10.4	9.9	10.5	10.0	10.0
State and local government	157.7	160.5	160.2	188.0	172.4	180.5	158.4	151.2	177.8	176.9	175.7	184.9
Public non-financial corporations	916.5	744.2	912.5	774.5	872.3	814.5	846.6	724.8	633.8	660.8	896.5	799.3
Other non-financial corporations (Businesses)	**23 731.8**	**24 295.6**	**24 041.0**	**24 610.8**	**25 291.6**	**25 633.9**	**25 431.9**	**25 903.8**	**26 344.8**	**27 040.2**	**27 953.3**	**28 364.4**
Loans and Advances	16 564.5	16 829.2	16 639.4	17 099.6	17 531.2	17 634.9	16 964.7	17 341.1	17 567.5	17 713.4	18 551.1	18 743.6
Farm mortgage loans	24.2	24.3	24.4	24.6	24.6	22.3	22.4	22.6	22.7	22.9	23.0	23.2
Other mortgage loans	6 549.5	6 842.5	6 714.3	7 012.9	6 860.9	6 979.7	7 132.1	7 303.4	7 381.5	7 570.6	7 824.3	8 033.4
Dwellings	526.7	534.5	534.0	564.1	624.0	624.3	630.8	621.2	617.2	625.6	615.3	611.3
Other	6 022.8	6 308.0	6 180.3	6 448.9	6 236.9	6 355.4	6 501.3	6 682.3	6 764.2	6 944.9	7 209.0	7 422.1
Overdrafts	5 856.3	6 067.9	5 886.3	5 979.6	6 494.2	6 390.2	6 134.3	6 344.1	6 302.6	6 406.4	6 906.7	6 877.0
Other loans and advances	4 134.5	3 894.5	4 014.4	4 082.6	4 151.5	4 242.7	3 675.9	3 671.0	3 860.8	3 713.5	3 797.1	3 810.0
Leasing	214.0	224.1	173.5	220.0	218.4	244.0	262.3	276.2	304.9	335.7	332.2	327.1
Instalment credit	3 909.1	4 084.3	4 042.0	4 016.3	4 027.3	4 128.3	4 172.3	4 208.4	4 269.6	4 332.3	4 403.4	4 531.0
Other	3 044.3	3 157.9	3 186.1	3 274.9	3 514.6	3 626.6	4 032.6	4 078.2	4 202.7	4 658.9	4 666.6	4 762.7
Other resident sectors (Individuals)	**36 188.4**	**36 463.0**	**36 987.4**	**37 359.8**	**37 462.2**	**37 718.2**	**38 199.3**	**38 664.6**	**38 961.8**	**39 425.8**	**40 020.7**	**40 702.9**
Loans and Advances	29 422.4	29 744.5	29 967.3	30 262.5	30 439.7	30 666.0	30 878.3	31 261.0	31 498.6	31 897.0	32 379.4	32 910.0
Farm mortgage loans	1 080.1	1 099.6	1 100.1	1 105.2	1 104.8	1 116.1	1 108.7	1 131.9	1 123.3	1 126.1	1 192.2	1 292.9
Other mortgage loans	23 276.9	23 545.4	23 740.3	23 980.8	24 082.3	24 242.7	24 468.5	24 743.4	24 957.6	25 224.6	25 574.7	25 945.8
Dwellings	23 276.9	23 545.4	23 740.3	23 980.8	24 082.3	24 242.7	24 468.5	24 743.4	24 957.6	25 224.6	25 530.2	25 906.2
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44.5	39.6
Overdrafts	2 204.8	2 276.3	2 234.1	2 252.6	2 293.9	2 331.8	2 351.4	2 416.2	2 401.8	2 423.6	2 432.3	2 442.5
Other loans and advances	2 860.6	2 823.2	2 892.7	2 923.9	2 958.7	2 975.3	2 949.6	2 969.6	3 015.9	3 122.7	3 180.2	3 228.8
Leasing	16.1	13.7	6.0	12.7	12.2	12.5	12.1	11.4	11.2	10.0	9.9	9.6
Instalment credit	5 053.0	4 977.3	5 232.0	5 265.3	5 330.9	5 443.8	5 547.4	5 648.4	5 752.5	5 841.5	5 938.7	6 052.6
Other	1 696.9	1 727.4	1 782.1	1 819.3	1 679.4	1 595.9	1 761.6	1 743.9	1 699.5	1 677.3	1 692.6	1 730.7
Nonresidents	**259.1**	**271.2**	**275.4**	**282.0**	**288.4**	**299.5**	**294.2**	**301.3**	**312.9**	**323.7**	**328.9**	**338.2**
Loans and Advances	258.9	271.1	275.4	281.9	288.3	299.5	294.2	301.2	312.8	323.6	328.8	338.1
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
Other mortgage loans	156.6	164.0	167.9	172.3	178.0	188.3	182.4	188.7	198.4	207.2	210.4	218.3
Dwellings	156.6	164.0	167.9	172.3	178.0	188.3	182.4	188.7	198.4	207.2	210.4	218.3
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Overdrafts	95.7	98.6	98.5	99.2	99.2	99.9	100.7	102.4	104.2	105.8	107.8	109.1
Other loans and advances	6.6	8.4	8.9	10.4	11.2	11.2	11.0	10.2	10.2	10.6	10.6	10.7
Leasing	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
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
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

Description	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Loans	**71 180.9**	**72 114.3**	**72 817.3**	**73 547.2**	**74 674.3**	**75 693.8**	**76 381.2**	**77 482.8**	**78 495.8**	**78 995.0**	**80 665.7**	**81 581.4**
Central bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other depository corporations	27.5	21.6	26.6	24.1	24.8	26.2	27.7	27.4	27.4	26.4	26.2	28.4
Other financial corporations	237.0	315.9	373.8	424.6	405.5	417.2	442.6	538.4	576.8	512.9	645.3	615.7
Central government	10.1	9.7	12.9	9.0	8.3	7.6	8.6	9.0	9.0	9.2	7.9	7.8
State and local government	187.4	180.5	176.8	189.1	192.3	199.2	138.6	197.1	202.3	187.1	175.5	204.7
Public non-financial corporations	804.6	610.1	1 178.6	1 195.0	1 218.8	1 983.6	1 665.1	1 589.4	1 741.5	1 511.5	1 577.4	1 898.6
Other non-financial corporations (Businesses)	**28 971.1**	**29 685.5**	**28 964.0**	**29 581.5**	**30 136.6**	**29 894.1**	**30 283.0**	**30 943.4**	**31 287.3**	**31 773.9**	**32 611.4**	**32 583.9**
Loans and Advances	19 369.8	19 813.5	19 404.2	19 938.3	19 756.8	20 142.1	20 324.0	20 899.3	21 105.5	21 156.3	21 855.3	21 761.5
Farm mortgage loans	23.3	23.3	23.6	23.8	23.9	23.9	20.9	21.1	21.2	21.3	23.3	21.6
Other mortgage loans	8 095.5	8 210.9	8 588.7	8 726.3	8 808.8	8 895.7	9 133.4	9 415.8	9 576.9	9 758.4	9 856.6	9 808.2
Dwellings	623.1	618.6	891.4	893.9	912.4	910.1	938.0	1 110.3	1 136.3	1 200.3	1 223.5	1 246.3
Other	7 472.4	7 592.3	7 697.3	7 832.4	7 896.4	7 985.6	8 195.5	8 305.5	8 440.6	8 558.2	8 633.1	8 561.9
Overdrafts	7 077.7	7 316.1	6 808.2	7 184.2	6 969.1	7 189.9	7 066.1	7 306.3	7 200.9	7 078.1	7 526.2	7 437.3
Other loans and advances	4 173.3	4 263.1	3 983.7	4 004.0	3 955.0	4 032.6	4 103.5	4 156.1	4 306.5	4 298.4	4 449.2	4 494.4
Leasing	313.4	332.3	335.8	327.1	329.0	324.1	310.3	309.2	311.0	303.5	303.0	301.7
Instalment credit	4 472.0	4 665.3	4 768.5	4 837.6	4 838.2	4 898.3	4 911.0	4 985.0	5 038.3	5 029.2	5 086.3	5 125.2
Other	4 816.0	4 874.4	4 455.5	4 478.5	5 212.7	4 529.6	4 737.7	4 749.9	4 832.5	5 284.9	5 366.8	5 395.5
Other resident sectors (Individuals)	**40 601.6**	**40 951.0**	**41 733.6**	**41 826.2**	**42 306.2**	**42 769.3**	**43 423.3**	**43 746.4**	**44 231.4**	**44 578.6**	**45 196.4**	**45 810.4**
Loans and Advances	32 799.6	33 067.1	33 768.7	33 859.0	34 255.5	34 650.5	35 214.4	35 430.1	35 826.2	36 145.8	36 660.5	37 181.6
Farm mortgage loans	992.6	1 026.1	1 327.0	1 153.4	1 300.8	1 351.5	1 360.8	1 361.2	1 383.5	1 395.0	1 403.6	1 414.0
Other mortgage loans	25 981.9	26 185.9	26 618.4	26 804.7	26 994.3	27 225.8	27 642.0	27 904.2	28 173.0	28 398.7	28 844.5	29 240.4
Dwellings	25 942.3	26 170.3	26 603.1	26 781.2	26 963.2	27 202.3	27 618.3	27 880.8	28 149.7	28 375.4	28 821.3	29 217.2
Other	39.6	15.6	15.3	23.5	31.1	23.5	23.6	23.4	23.3	23.3	23.2	23.2
Overdrafts	2 556.7	2 539.1	2 445.6	2 502.5	2 525.8	2 541.0	2 651.2	2 537.2	2 584.8	2 606.6	2 592.3	2 625.0
Other loans and advances	3 268.5	3 315.9	3 377.7	3 398.3	3 434.6	3 532.2	3 560.4	3 627.4	3 684.9	3 745.4	3 820.1	3 902.3
Leasing	9.2	9.4	10.5	10.5	11.0	11.4	11.6	17.8	17.9	17.2	17.3	16.8
Instalment credit	6 065.0	6 146.3	6 223.9	6 207.1	6 285.7	6 352.4	6 455.6	6 573.2	6 653.7	6 701.2	6 795.1	6 904.4
Other	1 727.6	1 728.2	1 730.5	1 749.6	1 753.9	1 755.1	1 741.7	1 725.3	1 733.5	1 714.5	1 723.5	1 707.5
Nonresidents	**341.7**	**340.0**	**351.0**	**297.6**	**381.8**	**396.4**	**392.3**	**431.8**	**420.2**	**395.3**	**425.5**	**431.9**
Loans and Advances	341.7	340.0	351.0	271.1	361.9	369.3	372.9	379.6	394.6	395.3	394.7	399.0
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
Other mortgage loans	218.6	217.7	228.3	225.8	228.3	234.6	237.4	244.5	254.2	251.1	249.5	253.8
Dwellings	218.6	217.7	228.3	225.8	228.3	234.6	237.4	244.5	254.2	251.1	249.5	253.8
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
Overdrafts	111.6	110.2	110.7	28.0	115.1	117.2	118.2	117.9	123.2	126.3	127.3	126.6
Other loans and advances	11.5	12.1	12.0	17.3	18.5	17.4	17.4	17.3	17.3	17.9	17.9	18.6
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
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
Other	0.0	0.0	0.0	26.4	19.9	27.1	19.3	52.1	25.5	0.0	30.9	32.9

*Other loans and advances comprises personal loans for businesses and individuals and nonresidents.

Table II.5 Deposits of other depository corporations (end of period in N$ million)

Description	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Total Deposits	69 691.9	68 919.5	68 479.0	67 227.1	68 207.8	68 677.2	70 707.5	72 031.9	71 803.0	74 287.8	73 880.6	73 486.5
Deposits included in broad money	60 476.8	59 747.9	59 677.5	61 818.7	62 282.5	63 076.3	64 243.0	66 091.0	65 804.1	68 162.2	67 195.6	66 820.8
Transferable deposits	24 943.2	24 261.2	24 516.0	26 618.2	26 989.7	27 925.5	30 067.7	31 739.5	31 225.0	33 665.9	32 897.0	31 743.1
In national currency	24 556.7	23 905.1	24 231.1	26 275.7	26 761.8	27 756.9	29 686.7	30 900.5	30 824.4	30 785.6	31 720.4	30 495.9
Other financial corporations	2 347.8	2 368.9	2 427.0	2 640.1	2 323.2	2 458.0	2 321.8	2 425.0	2 822.4	2 552.2	2 514.9	2 461.2
State and local government	882.0	874.3	851.7	828.2	865.5	838.9	915.3	884.3	961.8	911.0	1 056.9	875.6
Public non-financial corporations	2 466.4	2 447.9	2 368.5	2 220.6	2 171.5	1 739.3	2 297.3	2 371.0	2 354.1	2 248.9	2 368.3	2 250.3
Other non-financial corporations	13 569.6	12 727.5	12 932.8	14 750.6	15 631.3	16 469.1	17 554.7	18 248.8	17 730.0	18 096.4	18 606.0	17 854.9
Other resident sectors	5 290.8	5 486.5	5 651.1	5 836.1	5 770.2	6 251.6	6 597.6	6 971.4	6 956.0	6 977.2	7 174.2	7 053.9
In foreign currency	386.5	356.1	284.8	342.5	227.9	168.6	381.0	839.0	400.6	2 880.3	1 176.7	1 247.1
Other deposits	35 533.6	35 486.7	35 161.6	35 200.5	35 292.8	35 150.8	34 175.3	34 351.5	34 579.1	34 496.2	34 298.6	35 077.7
In national currency	35 533.6	35 486.7	35 161.6	35 200.5	35 292.8	35 150.8	34 175.3	34 351.5	34 579.1	34 496.2	34 298.6	35 077.7
Other financial corporations	4 127.2	3 986.2	4 297.2	4 542.2	4 724.1	4 523.8	4 520.9	4 482.9	4 382.9	4 467.4	4 210.0	4 239.6
State and local government	434.8	380.5	360.7	385.7	371.4	389.2	383.0	381.2	439.2	427.8	336.2	369.3
Public nonfinancial corporations	2 287.1	1 694.7	2 101.3	1 975.8	1 811.1	1 577.8	1 571.6	1 338.5	1 722.9	1 718.3	1 767.3	1 873.2
Other nonfinancial corporations	8 111.5	8 628.1	7 934.2	7 855.6	7 522.4	7 756.8	7 058.4	7 401.5	6 907.5	6 899.6	6 654.0	6 886.6
Other resident sectors	20 573.0	20 797.3	20 468.1	20 441.2	20 863.8	20 903.1	20 641.3	20 747.4	21 126.7	20 983.1	21 331.2	21 709.0
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
Deposits excluded from broad money	9 215.1	9 171.6	8 801.5	5 408.3	5 925.3	5 600.9	6 464.4	5 940.9	5 998.9	6 125.6	6 685.0	6 665.7
Transferable deposits	5 828.6	6 123.8	6 311.1	3 383.7	3 526.9	3 410.5	4 037.0	3 749.2	3 789.1	3 704.4	3 738.3	4 026.3
In national currency	3 700.8	3 489.9	4 231.7	1 652.1	1 784.2	1 846.8	2 109.9	2 071.3	1 860.4	2 130.1	2 149.0	1 961.5
In foreign currency	2 127.8	2 634.0	2 079.4	1 731.6	1 742.6	1 563.7	1 927.1	1 677.9	1 928.7	1 574.3	1 589.2	2 064.8
Other deposits	3 386.5	3 047.7	2 490.4	2 024.6	2 398.4	2 190.4	2 427.5	2 191.7	2 209.8	2 421.2	2 946.7	2 639.5
In national currency	2 603.4	2 291.6	1 792.3	1 407.4	1 566.8	1 433.1	1 530.0	1 300.8	1 278.1	1 538.6	1 176.8	1 202.4
In foreign currency	783.1	756.1	698.0	617.3	831.6	757.3	897.4	890.9	931.7	882.6	1 769.9	1 437.1

Description	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Total Deposits	72 957.8	72 091.6	72 572.6	73 391.0	73 435.0	74 156.8	76991.2	78462.1	79430.4	78035.0	80245.6	79534.6
Deposits included in broad money	65 484.7	66 113.2	65 902.0	66 416.4	67 314.7	67 284.9	70574.2	71389.5	73133.0	71114.8	73450.5	71822.1
Transferable deposits	30 916.0	31 814.8	32 241.3	32 867.7	33 562.4	33 470.3	36147.7	35822.7	37993.1	34724.9	36509.2	34171.8
In national currency	29 821.0	31 031.8	31 631.9	31 980.8	32 605.3	32 463.2	35199.6	34612.5	37300.8	33937.1	35789.6	33221.8
Other financial corporations	2 715.5	2 856.4	3 061.1	2 600.4	3 099.4	3 017.9	2612.4	3303.0	5324.9	3300.8	3237.5	2181.6
State and local government	935.9	937.7	943.9	1 007.9	1 008.2	875.5	997.7	1277.5	1177.2	1109.3	1009.6	985.2
Public non-financial corporations	1 734.6	2 043.7	1 957.0	2 138.3	1 928.8	1 834.7	3359.0	2231.7	1833.0	2227.4	2673.4	3230.1
Other non-financial corporations	17 446.6	17 830.4	18 180.6	18 699.2	19 173.0	19 065.3	19854.0	19551.4	20787.7	18905.7	20667.7	19170.3
Other resident sectors	6 988.4	7 363.6	7 489.3	7 534.9	7 395.9	7 669.7	8376.5	8248.9	8177.9	8393.9	8201.2	7654.6
In foreign currency	1 095.0	783.0	609.4	886.9	957.1	1 007.1	948.1	1210.2	692.3	787.9	719.6	950.0
Other deposits	34 568.7	34 298.4	33 660.7	33 548.7	33 752.3	33 814.6	34426.5	35566.8	35140.0	36389.9	36941.3	37650.3
In national currency	34 568.7	34 298.4	33 660.7	33 548.7	33 752.3	33 814.6	34426.5	35566.8	35140.0	36389.9	36941.3	37650.3
Other financial corporations	3 905.4	3 582.8	3 048.0	2 826.1	3 048.2	3 119.6	2818.2	3126.9	3563.8	3854.0	3818.7	3799.4
State and local government	379.9	390.8	384.3	356.0	303.3	431.8	350.2	451.4	500.0	489.8	474.5	726.3
Public nonfinancial corporations	1 894.3	1 486.7	1 540.7	1 550.4	1 526.0	864.0	1243.8	1147.7	1140.7	1144.4	1047.9	1461.8
Other nonfinancial corporations	6 943.6	7 561.9	7 159.9	7 211.4	7 326.5	8 376.2	7663.1	8686.6	7664.3	8880.7	8992.2	9187.9
Other resident sectors	21 445.5	21 276.1	21 527.8	21 604.7	21 548.3	21 022.9	22351.1	22154.1	22271.1	22021.0	22607.9	22474.8
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
Deposits excluded from broad money	7 473.1	5 978.4	6 670.7	6 974.7	6 120.3	6 871.9	6417.0	7072.6	6297.4	6920.2	6795.2	7712.5
Transferable deposits	4 350.5	3 312.0	3 798.6	4 294.0	3 206.9	3 879.9	3688.9	4091.4	3562.7	4182.5	4054.2	4734.6
In national currency	2 152.9	1 772.3	1 712.9	2 367.8	1 950.8	2 898.9	2752.1	2964.7	2690.9	2810.7	2616.9	2880.7
In foreign currency	2 197.6	1 539.7	2 085.7	1 926.1	1 256.2	981.0	936.7	1126.7	871.8	1371.8	1437.3	1853.9
Other deposits	3 122.7	2 666.3	2 872.1	2 680.7	2 913.3	2 992.0	2728.1	2981.2	2734.7	2737.7	2741.0	2977.9
In national currency	1 384.8	1 203.0	1 267.1	1 094.1	1 201.9	1 414.2	1137.5	1168.5	1089.3	970.1	971.8	992.1
In foreign currency	1 737.9	1 463.3	1 604.9	1 586.6	1 711.4	1 577.8	1590.6	1812.7	1645.4	1767.6	1769.2	1985.8

Description	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Total Deposits	80107.4	82025.8	84161.1	84417.7	86459.2	84120.4	85143.9	85460.5	86008.7	86476.7	89887.0	88191.3
Deposits included in broad money	72043.8	74334.8	76103.7	75756.2	77236.4	76030.3	77554.6	77370.4	78633.9	79069.8	79740.5	78903.4
Transferable deposits	32761.2	34285.8	36237.6	35517.1	36593.1	35261.2	36453.7	36096.8	36763.3	36430.1	37121.6	37099.9
In national currency	32195.5	33305.7	35717.0	34842.9	35670.2	34464.4	35866.2	35283.3	35923.4	35591.8	36448.1	36482.5
Other financial corporations	2622.9	2752.1	2479.0	2364.7	2429.9	2544.4	3163.8	2733.1	2856.5	2602.0	2995.5	4302.3
State and local government	934.8	929.8	939.9	909.2	906.6	888.1	860.8	1010.5	1026.4	947.6	812.7	942.1
Public non-financial corporations	2633.5	2536.8	2587.4	2296.4	2270.3	2416.6	2461.2	2101.5	1681.2	2509.9	1969.2	2164.2
Other non-financial corporations	18568.0	19583.8	21161.8	20913.2	21654.2	20208.2	20659.3	21221.2	22046.6	21135.6	22037.9	20474.4
Other resident sectors	7436.3	7503.2	8548.8	8359.4	8409.2	8407.1	8721.1	8217.0	8312.7	8396.6	8632.7	8599.5
In foreign currency	565.7	980.0	520.6	674.2	922.9	796.8	587.5	813.5	839.9	838.4	673.5	617.5
Other deposits	39282.7	40049.0	39866.1	40239.1	40643.3	40769.1	41101.0	41273.6	41870.6	42639.7	42618.9	41803.4
In national currency	39282.7	40049.0	39866.1	40239.1	40643.3	40769.1	41101.0	41273.6	41870.6	42639.7	42618.9	41803.4
Other financial corporations	4674.8	4497.0	4775.5	4699.6	4547.9	4788.9	4632.5	4416.7	4543.2	4239.7	4789.9	4068.4
State and local government	713.4	695.0	638.1	644.7	652.7	623.3	595.3	596.5	583.6	640.9	641.8	551.1
Public nonfinancial corporations	1029.2	1215.8	1320.6	1483.5	1640.3	1275.8	1528.6	1447.2	1214.3	1390.2	1310.9	1225.0
Other nonfinancial corporations	10405.1	10693.9	10343.7	10248.2	10580.0	10432.8	10338.7	10580.7	11089.7	11517.0	11108.3	11045.4
Other resident sectors	22460.2	22947.4	22788.2	23163.0	23222.3	23648.2	24005.8	24232.5	24439.7	24851.8	24768.1	24913.6
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
Deposits excluded from broad money	8063.5	7691.1	8057.4	8661.5	9222.8	8090.1	7589.2	8090.1	7374.9	7406.9	10146.5	9287.9
Transferable deposits	4878.6	4665.4	5014.4	5405.2	5996.3	4698.5	4440.7	4830.0	3756.9	3941.8	4963.9	5669.0
In national currency	2817.1	2516.0	2669.8	2592.9	3056.8	2628.3	2275.9	2075.0	1945.3	1919.7	2463.9	2967.3
In foreign currency	2061.5	2149.4	2344.6	2812.3	2939.5	2070.2	2164.8	2755.0	1811.6	2022.1	2500.0	2701.7
Other deposits	3185.0	3025.7	3043.0	3256.3	3226.6	3391.6	3148.5	3260.1	3618.0	3465.0	5182.6	3618.9
In national currency	1072.8	1050.5	1228.7	1343.0	1259.2	1279.3	1600.9	1505.5	1872.0	1822.2	2522.0	1466.8
In foreign currency	2112.2	1975.3	1814.3	1913.3	1967.4	2112.3	1547.6	1754.6	1746.0	1642.8	2660.6	2152.1

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
2011	Jan	1 281.6	21 308.6	22 590.2	28 104.4	-	50 694.6
	Feb	1 365.7	21 432.5	22 798.3	27 637.1	-	50 435.4
	Mar	1 390.6	21 317.9	22 708.5	27 011.1	-	49 719.6
	Apr	1 415.8	22 139.5	23 555.3	26 799.5	-	50 354.8
	May	1 389.5	22 020.6	23 410.1	27 616.3	-	51 026.4
	Jun	1 450.9	20 907.2	22 358.1	28 456.1	-	50 814.2
	Jul	1 522.8	21 307.3	22 830.1	29 129.3	-	51 959.4
	Aug	1 559.5	23 022.3	24 581.8	29 601.0	-	54 182.8
	Sep	1 640.3	22 980.0	24 620.3	29 997.1	-	54 617.3
	Oct	1 696.2	23 356.8	25 052.9	30 625.6	-	55 678.5
	Nov	1 672.4	24 788.3	26 460.6	31 108.1	-	57 568.8
	Dec	1 697.0	24 621.7	26 318.7	31 391.2	-	57 709.9
2012	Jan	1 659.4	23 438.5	25 097.9	29 613.6	-	54 711.5
	Feb	1 596.5	23 905.8	25 502.3	30 476.8	-	55 979.1
	Mar	1 524.7	25 062.6	26 587.4	30 596.0	-	57 183.4
	Apr	1 634.9	23 960.5	25 595.4	31 227.5	-	56 822.9
	May	1 599.3	25 506.6	27 105.9	31 270.5	-	58 376.4
	Jun	1 715.3	25 653.5	27 368.8	33 169.4	-	60 538.2
	Jul	1 629.6	24 795.4	26 425.1	32 154.6	-	58 579.7
	Aug	1 709.5	24 611.1	26 320.6	34 170.6	-	60 491.1
	Sep	1 712.2	25 306.1	27 018.3	34 231.1	-	61 249.5
	Oct	1 615.8	23 904.0	25 519.8	35 513.0	-	61 032.9
	Nov	1 709.4	23 570.4	25 279.8	35 612.0	-	60 891.8
	Dec	1 685.0	23 263.9	24 948.9	36 381.3	-	61 330.1
2013	Jan	1 643.9	24 943.2	26 587.0	35 533.6	-	62 120.7
	Feb	1 695.4	24 261.2	25 956.6	35 486.7	-	61 443.3
	Mar	1 887.5	24 516.0	26 403.2	35 161.6	-	60 954.6
	Apr	1 763.2	26 618.2	28 381.3	35 200.5	-	63 581.9
	May	1 772.0	26 989.7	28 761.7	35 292.8	-	64 054.5
	Jun	2 003.7	27 925.5	29 929.2	35 150.8	-	65 187.2
	Jul	1 876.0	30 067.7	31 943.8	34 175.3	-	66 119.1
	Aug	2 126.9	31 739.5	33 866.4	34 351.5	-	68 217.9
	Sep	2 174.5	31 225.0	33 398.9	34 579.1	-	67 978.0
	Oct	1 895.0	33 665.9	35 561.0	34 496.2	-	70 057.2
	Nov	2 186.2	32 897.0	35 083.2	34 298.6	-	69 381.9
	Dec	2 137.1	31 743.1	33 880.1	35 077.7	-	68 957.8
2014	Jan	2 093.0	30 916.0	33 009.0	34 568.7	-	67 577.7
	Feb	2 083.3	31 814.8	33 898.1	34 298.4	-	68 196.5
	Mar	2 115.4	32 241.3	34 356.7	33 660.7	-	68 017.4
	Apr	2 137.0	32 867.7	35 004.7	33 548.7	-	68 553.4
	May	2 194.0	33 562.4	35 756.3	33 752.3	-	69 508.7
	Jun	2 253.6	33 470.3	35 723.9	33 814.6	-	69 538.5
	Jul	2 343.7	36 147.7	38 491.4	34 426.5	-	72 917.9
	Aug	2 538.0	35 822.7	38 360.7	35 566.8	-	73 927.5
	Sep	2 387.1	37 993.1	40 380.2	35 140.0	-	75 520.1
	Oct	2 433.4	34 724.9	37 158.3	36 389.9	-	73 548.2
	Nov	2 707.4	36 509.2	39 216.6	36 941.3	-	76 157.9
	Dec	2 543.9	34 171.8	36 715.7	37 650.3	-	74 366.0
2015	Jan	2 604.5	32 761.2	35 365.7	39 282.7		74 648.3
	Feb	2 557.2	34 285.8	36 842.9	40 049.0	-	76 891.9
	Mar	2 548.1	36 237.6	38 785.6	39 866.1	-	78 651.8
	Apr	2 649.5	35 517.1	38 166.6	40 239.1	-	78 405.7
	May	2 670.4	36 593.1	39 263.5	40 643.3	-	79 906.8
	Jun	2 625.5	35 261.2	37 886.7	40 769.1	-	78 655.8
	Jul	2 882.2	36 453.7	39 335.8	41 101.0	-	80 436.8
	Aug	2 950.6	36 096.8	39 047.4	41 273.6	-	80 321.0
	Sep	2 870.7	36 763.3	39 634.1	41 870.6	-	81 504.6
	Oct	3 126.8	36 430.1	39 557.0	42 639.7	-	82 196.6
	Nov	3 290.8	37 121.6	40 412.4	42 618.9	-	83 031.4
	Dec	3 041.6	37 099.9	40 141.5	41 803.4	-	81 944.9

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

			Determinants of money supply						
		Broad money supply (M2)	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		
2011	**Jan**	**50 694.6**	**20 586.1**	**3 205.7**	**6 171.0**	**-104.4**	**-2 965.3**	**44 288.0**	**-8 796.9**
	Feb	50 435.4	18 763.7	3 314.4	5 604.8	-124.9	-2 290.5	44 777.6	-8 962.4
	Mar	49 719.6	18 011.7	3 394.4	3 872.0	-138.4	- 477.6	44 726.8	-7 808.3
	Apr	50 354.8	19 531.7	3 876.0	5 840.4	-177.5	-1 964.4	43 950.1	-9 257.9
	May	51 026.4	19 112.3	4 473.2	5 698.4	-80.7	-1 225.3	43 899.4	-8 980.2
	Jun	50 814.2	18 185.5	4 865.3	6 640.3	-103.0	-1 775.0	44 712.3	-9 659.5
	Jul	51 959.4	20 128.1	5 054.1	7 003.7	-104.9	-1 949.5	44 674.8	-9 157.9
	Aug	54 182.8	19 428.3	5 392.8	5 738.6	-118.9	- 345.8	44 988.5	-10 842.9
	Sep	54 617.3	19 122.0	5 976.8	5 029.4	-111.3	947.4	45 607.1	-10 028.5
	Oct	55 678.5	21 138.8	6 314.5	6 429.7	-119.1	- 115.2	45 931.9	-10 482.5
	Nov	57 568.8	24 327.4	6 509.8	8 776.2	-71.1	-2 266.4	46 237.5	-12 229.7
	Dec	57 709.9	23 171.7	6 969.0	7 522.9	-132.2	- 553.9	46 919.3	-10 707.3
2012	**Jan**	**54 711.5**	**23 054.3**	**6 833.5**	**10 270.5**	**-82.1**	**-3 436.9**	**47 484.3**	**-11 200.9**
	Feb	55 979.1	20 878.3	6 780.6	8 874.3	-51.1	-2 093.7	47 856.0	-12 954.2
	Mar	57 183.4	19 832.7	6 717.8	6 672.7	-131.6	45.1	48 912.4	-12 496.0
	Apr	56 822.9	21 694.3	6 748.7	10 418.4	-126.7	-3 669.7	49 895.6	-13 112.4
	May	58 376.4	21 840.7	6 632.0	8 154.1	-116.6	-1 522.1	49 859.6	-12 942.9
	Jun	60 538.2	21 174.1	6 689.9	7 724.0	-80.6	-1 034.1	49 661.8	-14 495.5
	Jul	58 579.7	23 300.8	6 765.0	10 090.5	-80.6	-3 325.5	50 471.6	-12 183.6
	Aug	60 491.1	21 887.0	7 110.2	8 933.8	-80.6	-1 823.7	50 749.9	-13 768.9
	Sep	61 249.5	21 863.5	6 984.3	8 027.2	-80.6	-1 042.9	51 772.0	-12 812.3
	Oct	61 032.9	22 775.3	6 785.5	9 190.4	0.0	-2 404.9	52 392.8	-12 583.0
	Nov	60 891.8	21 354.0	6 825.9	9 184.8	0.0	-2 358.9	54 099.3	-12 618.8
	Dec	61 330.1	20 938.7	6 825.2	8 130.9	0.0	-1 305.6	54 465.3	-12 568.1
2013	**Jan**	**62 120.7**	**25 825.7**	**6 877.7**	**11 033.1**	**0.0**	**-4 155.4**	**55 399.0**	**-11 789.7**
	Feb	61 443.3	23 601.5	6 897.0	10 010.0	0.0	-3 112.9	55 241.1	-12 455.7
	Mar	60 954.6	21 353.9	7 078.2	8 186.5	0.0	-1 108.4	56 276.1	-12 297.0
	Apr	63 581.9	23 889.6	7 125.3	11 526.7	0.0	-4 401.4	56 772.5	-14 656.3
	May	64 054.5	23 263.7	7 071.1	9 489.9	0.0	-2 418.8	57 487.1	-14 965.5
	Jun	65 187.2	23 011.8	6 871.8	8 517.4	0.0	-1 645.6	58 389.9	-14 442.1
	Jul	66 119.1	25 823.0	6 931.1	10 287.5	0.0	-3 356.4	58 602.4	-14 968.0
	Aug	68 217.9	25 729.3	6 962.0	8 184.2	0.0	-1 222.2	58 988.3	-14 462.3
	Sep	67 978.0	23 272.5	7 325.9	6 479.0	0.0	846.9	59 466.5	-14 613.7
	Oct	70 057.2	27 056.5	7 230.8	7 976.7	0.0	- 746.0	60 162.1	-14 106.1
	Nov	69 381.9	24 605.3	7 251.9	6 367.9	0.0	884.0	61 530.1	-13 766.1
	Dec	68 957.8	23 369.1	7 340.6	7 071.2	0.0	269.4	62 597.1	-14 715.2
2014	**Jan**	**67 577.7**	**25 518.6**	**7 182.7**	**9 786.3**	**0.0**	**-2 603.6**	**63 971.1**	**-13 824.5**
	Feb	68 196.5	24 000.2	7 208.7	7 530.4	0.0	- 321.8	64 516.6	-12 506.3
	Mar	68 017.4	21 903.1	7 219.4	4 893.8	0.0	2 325.6	64 680.8	-11 959.0
	Apr	68 553.4	25 406.0	7 091.1	8 420.1	0.0	-1 329.0	65 912.8	-10 998.8
	May	69 508.7	25 271.0	6 938.3	6 726.8	0.0	211.5	66 771.2	-10 160.2
	Jun	69 538.5	24 164.4	7 026.1	6 834.1	0.0	192.0	67 393.1	-10 779.4
	Jul	72 917.9	25 397.3	6 833.3	5 038.6	0.0	1 794.7	67 841.1	-11 140.6
	Aug	73 927.5	25 485.8	6 964.4	3 414.3	0.0	3 550.2	68 478.7	-10 102.9
	Sep	75 520.1	26 004.3	6 886.0	3 183.1	0.0	3 702.9	69 273.7	-10 741.3
	Oct	73 548.2	23 186.7	7 252.2	5 072.6	0.0	2 179.6	70 518.3	-12 770.7
	Nov	76 157.9	21 086.4	6 801.8	2 455.5	0.0	4 346.3	72 338.0	-13 855.0
	Dec	74 366.0	19 667.7	7 134.1	3 131.8	0.0	4 002.3	73 063.1	-13 684.0
2015	**Jan**	**74 648.3**	**23 386.3**	**7 189.7**	**6 099.4**	**0.0**	**1 090.3**	**73 734.1**	**-13 482.4**
	Feb	76 891.9	21 948.7	7 430.6	5 153.6	0.0	2 276.9	75 173.7	-14 924.9
	Mar	78 651.8	18 875.5	8 584.5	1 323.3	0.0	7 261.3	76 237.4	-15 767.9
	Apr	78 405.7	22 323.0	8 775.8	5 474.0	0.0	3 301.8	76 862.5	-15 702.1
	May	79 906.8	21 800.4	9 341.2	3 854.1	0.0	5 487.1	77 935.3	-15 265.2
	Jun	78 655.8	20 088.7	9 732.4	5 757.5	0.0	3 974.9	78 649.5	-16 200.5
	Jul	80 436.8	20 961.4	10 017.1	5 509.7	0.0	4 507.4	79 310.5	-15 792.2
	Aug	80 321.0	17 933.4	10 305.2	4 312.0	0.0	5 993.1	80 607.9	-15 206.2
	Sep	81 504.6	18 651.2	10 286.9	3 422.2	0.0	6 864.7	81 678.9	-15 609.7
	Oct	82 196.6	27 268.6	10 470.0	13 424.8	0.0	-2 954.8	82 228.3	-16 178.7
	Nov	83 031.4	29 961.9	10 580.3	11 410.3	0.0	- 830.0	83 840.6	-14 633.9
	Dec	81 944.9	27 477.8	10 170.4	11 778.8	0.0	-1 608.4	84 923.5	-15 235.7

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

			Determinants of money supply						
		Broad money supply (M2)	Net foreign assets (cumulative flow)	Claims on the Central Government				Claims on other sectors	Other items net
				Gross claims	Government deposits	Other liabilities	Net claims on Government		
2011	**Jan**	**-872.4**	**951.4**	**125.7**	**1 369.7**	**27.9**	**-1 243.9**	**-170.9**	**-25.9**
	Feb	-259.2	-1 822.3	108.6	-566.2	-20.4	674.8	489.6	-165.4
	Mar	- 715.8	- 752.0	80.1	-1 732.8	-13.5	1 812.9	-50.8	1 154.1
	Apr	635.3	1 520.0	481.5	1 968.3	-39.1	-1 486.8	-776.7	-1 449.6
	May	671.6	-419.4	597.2	-141.9	96.8	739.1	-50.7	277.7
	Jun	-212.2	-926.8	392.1	941.9	-22.4	-549.8	812.9	-679.3
	Jul	1 145.2	1 942.6	188.8	363.4	-1.9	-174.5	-37.5	501.6
	Aug	2 223.4	-699.8	338.7	-1 265.1	-13.9	1 603.7	313.7	-1685.0
	Sep	434.5	-306.3	583.9	-709.2	7.6	1 293.1	618.6	814.3
	Oct	1,061.2	2 016.8	337.7	1 400.3	-7.8	-1 062.6	324.8	-454.0
	Nov	1 890.2	3 188.7	195.3	2 346.5	47.9	-2 151.2	305.7	-1747.2
	Dec	141.1	-1 155.7	459.2	-1 253.3	-61.1	1,712.5	681.7	1522.4
2012	**Jan**	**-2 998.4**	**-117.5**	**-135.5**	**2 747.6**	**50.1**	**-2 883.0**	**565.0**	**-493.6**
	Feb	1 267.6	-2 175.9	-52.9	-1 396.2	31.0	1 343.2	371.7	-1 753.3
	Mar	1 204.3	-1,045.6	-62.8	-2 201.6	-80.5	2 138.8	1 056.4	458.3
	Apr	-360.5	1 861.6	30.8	3 745.6	4.9	-3 714.8	983.3	-616.4
	May	1 553.5	146.4	-116.7	-2 264.2	10.1	2 147.6	-36.0	169.5
	Jun	2,161.8	- 666.6	57.9	-430.1	36.1	488.0	-197.8	-1 552.7
	Jul	-1 958.6	2 126.7	75.1	2 366.4	-0.0	-2 291.3	809.8	2 311.9
	Aug	1 911.5	-1 413.8	345.2	-1 156.6	-0.0	1 501.8	278.3	-1 585.3
	Sep	758.3	-23.5	-125.8	-906.6	-0.0	780.8	1 022.1	956.6
	Oct	-216.6	911.8	-198.8	1 163.2	80.6	-1 362.0	620.8	229.3
	Nov	-141.1	-1 421.3	40.4	-5.6	0.0	46.0	1 706.5	-35.7
	Dec	438.4	-415.3	-0.7	-1 053.9	0.0	1 053.3	366.0	50.7
2013	**Jan**	**790.5**	**4,886.9**	**52.4**	**2 902.2**	**0.0**	**-2 849.8**	**933.7**	**778.4**
	Feb	- 677.3	-2 224.2	19.4	-1 023.1	0.0	1 042.5	-157.8	- 666.0
	Mar	- 488.8	-2,247.6	181.1	-1 823.4	0.0	2 004.5	1 035.0	158.7
	Apr	2,627.3	2 535.7	47.1	3 340.2	0.0	-3 293.1	496.5	-2359.3
	May	472.7	-625.9	-54.2	-2 036.8	0.0	1 982.6	714.5	-309.2
	Jun	1,132.7	- 252.0	-199.2	-972.5	0.0	773.3	902.8	523.3
	Jul	931.8	2 811.2	59.2	1 770.1	0.0	-1 710.8	212.5	- 525.9
	Aug	2 098.8	- 93.7	30.9	-2 103.3	0.0	2 134.2	385.9	505.7
	Sep	-239.9	-2,456.7	363.9	-1,705.2	0.0	2,069.1	478.1	- 151.3
	Oct	2,079.2	3,784.0	-95.2	1 497.7	0.0	-1 592.9	695.6	507.6
	Nov	-675.3	-2,451.2	21.2	-1,608.9	0.0	1,630.0	1,368.0	340.0
	Dec	-424.0	-1,236.2	88.7	703.3	0.0	-614.6	1,067.0	-949.2
2014	**Jan**	**-1,380.2**	**2,149.5**	**-157.9**	**2,715.0**	**0.0**	**-2,873.0**	**1,374.0**	**890.8**
	Feb	618.8	-1,518.4	26.0	-2,255.8	0.0	2,281.8	545.6	1,318.2
	Mar	-179.1	-2,097.1	10.7	-2,636.6	0.0	2,647.4	164.2	547.3
	Apr	536.0	3,502.9	-128.3	3,526.3	0.0	-3,654.7	1,232.0	960.2
	May	955.3	-135.0	-152.8	-1,693.4	0.0	1,540.6	858.4	838.6
	Jun	29.8	-1,106.6	87.8	107.3	0.0	-19.5	621.9	-619.2
	Jul	3,379.4	1,233.0	-192.8	-1,795.5	0.0	1,602.6	448.0	-361.2
	Aug	1,009.5	88.5	131.1	-1,624.3	0.0	1,755.5	637.6	1,037.7
	Sep	1,592.7	518.5	-78.4	-231.1	0.0	152.7	795.0	-638.4
	Oct	-1,971.9	-2,817.6	366.2	1,889.4	0.0	-1,523.3	1,244.6	-2,029.5
	Nov	2,609.7	-2,100.3	-450.4	-2,617.1	0.0	2,166.7	1,819.7	-1,084.3
	Dec	-1,791.9	-1,418.7	332.2	676.3	0.0	-344.1	725.0	171.0
2015	**Jan**	**282.4**	**3,718.7**	**55.6**	**2,967.6**	**0.0**	**-2,911.9**	**671.0**	**201.6**
	Feb	2,243.6	-1,437.7	240.9	-945.7	0.0	1,186.6	1,439.6	-1,442.5
	Mar	1,759.8	-3,073.2	1,154.0	-3,830.4	0.0	4,984.3	1,063.7	-843.0
	Apr	-246.1	3,447.5	191.2	4,150.7	0.0	-3,959.5	625.1	65.8
	May	1,501.1	-522.5	565.5	-1,619.9	0.0	2,185.3	1,072.7	436.8
	Jun	-1,251.0	-1,711.8	391.2	1,903.4	0.0	-1,512.2	714.2	-935.2
	Jul	1,781.0	872.8	284.7	-247.8	0.0	532.5	661.0	408.3
	Aug	-115.7	-3,028.0	288.1	-1,197.7	0.0	1,485.8	1,297.4	586.0
	Sep	1,183.6	717.8	-18.3	-889.8	0.0	871.6	1,071.0	-403.5
	Oct	692.0	8,617.4	183.1	10,002.6	0.0	-9,819.5	549.4	-569.0
	Nov	834.7	2,693.3	110.3	-2,014.5	0.0	2,124.7	1,612.4	1,544.7
	Dec	-1,086.4	-2,484.1	-409.9	368.5	0.0	-778.4	1,082.9	-601.8

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

		Prime lending rate		Average lending rate		Treasury bill rate (3 month)		Deposit rates		Bank rate	Repo rate
		Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA	Namibia	SA
2011	**Jan**	**9.75**	**9.00**	**8.65**	**9.00**	**5.64**	**5.54**	**4.29**	**6.05**	**6.00**	**5.50**
	Feb	9.75	9.00	8.93	9.00	5.68	5.53	4.07	5.98	6.00	5.50
	Mar	9.75	9.00	8.77	9.00	5.74	5.50	4.33	5.92	6.00	5.50
	Apr	9.75	9.00	8.72	9.00	6.95	5.46	4.27	5.85	6.00	5.50
	May	9.75	9.00	8.63	9.00	5.95	5.45	4.29	5.83	6.00	5.50
	Jun	9.75	9.00	8.74	9.00	5.96	5.46	4.29	5.82	6.00	5.50
	Jul	9.75	9.00	8.81	9.00	5.99	5.49	4.33	5.79	6.00	5.50
	Aug	9.75	9.00	8.65	9.00	5.70	5.49	4.28	5.75	6.00	5.50
	Sep	9.75	9.00	8.79	9.00	5.74	5.49	4.32	5.71	6.00	5.50
	Oct	9.75	9.00	8.60	9.00	5.83	5.49	4.34	5.67	6.00	5.50
	Nov	9.75	9.00	8.67	9.00	5.84	5.45	4.36	5.65	6.00	5.50
	Dec	9.75	9.00	8.80	9.00	5.86	5.47	4.22	5.65	6.00	5.50
2012	**Jan**	**9.75**	**9.00**	**8.68**	**9.00**	**5.89**	**5.47**	**4.29**	**5.74**	**6.00**	**5.50**
	Feb	9.75	9.00	8.92	9.00	5.93	5.50	4.32	5.70	6.00	5.50
	Mar	9.75	9.00	8.62	9.00	5.92	5.54	4.36	5.72	6.00	5.50
	Apr	9.75	9.00	8.84	9.00	5.92	5.57	4.32	5.71	6.00	5.50
	May	9.75	9.00	8.55	9.00	5.77	5.56	4.36	5.82	6.00	5.50
	Jun	9.75	9.00	8.88	9.00	5.81	5.58	4.27	5.54	6.00	5.50
	Jul	9.75	8.81	8.71	8.81	5.79	5.37	4.24	5.36	6.00	5.50
	Aug	9.25	8.50	8.64	8.50	5.54	5.05	4.09	5.22	5.50	5.00
	Sep	9.25	8.50	8.46	8.50	5.34	4.94	4.09	5.14	5.50	5.00
	Oct	9.25	8.50	8.60	8.50	5.45	4.94	4.09	5.12	5.50	5.00
	Nov	9.25	8.50	8.36	8.50	5.43	4.93	4.08	5.08	5.50	5.00
	Dec	9.25	8.50	8.57	8.50	5.53	4.99	4.00	5.09	5.50	5.00
2013	**Jan**	**9.25**	**8.50**	**8.35**	**8.50**	**5.71**	**5.06**	**4.12**	**5.09**	**5.50**	**5.00**
	Feb	9.25	8.50	8.22	8.50	5.68	5.04	3.99	5.08	5.50	5.00
	Mar	9.25	8.50	8.30	8.50	5.66	5.05	3.98	5.12	5.50	5.00
	Apr	9.25	8.50	8.23	8.50	5.49	5.12	4.02	5.13	5.50	5.00
	May	9.25	8.50	8.30	8.50	5.54	5.03	4.00	5.13	5.50	5.00
	Jun	9.25	8.50	8.26	8.50	5.72	5.12	4.04	5.14	5.50	5.00
	Jul	9.25	8.50	8.22	8.50	5.79	5.12	3.93	5.15	5.50	5.00
	Aug	9.25	8.50	8.32	8.50	5.73	5.09	3.98	5.13	5.50	5.00
	Sep	9.25	8.50	8.50	8.50	5.64	5.06	3.90	5.13	5.50	5.00
	Oct	9.25	8.50	8.11	8.50	5.63	5.04	3.81	5.14	5.50	5.00
	Nov	9.25	8.50	8.46	8.50	5.60	5.07	4.00	5.18	5.50	5.00
	Dec	9.25	8.50	8.20	8.50	5.64	5.14	3.96	5.22	5.50	5.00
2014	**Jan**	**9.25**	**8.54**	**8.16**	**8.54**	**5.78**	**5.22**	**3.96**	**5.26**	**5.50**	**5.50**
	Feb	9.25	9.00	8.38	9.00	5.78	5.56	4.02	5.68	5.50	5.50
	Mar	9.25	9.00	8.47	9.00	5.99	5.73	4.18	5.72	5.50	5.50
	Apr	9.25	9.00	8.62	9.00	5.97	5.74	4.20	5.76	5.50	5.50
	May	9.25	9.00	8.62	9.00	5.89	5.74	4.17	5.79	5.50	5.50
	Jun	9.50	9.00	8.55	9.00	5.93	5.79	4.23	5.81	5.75	5.50
	Jul	9.50	9.25	8.59	9.25	6.01	6.03	4.11	5.89	5.75	5.75
	Aug	9.75	9.25	8.73	9.25	6.08	6.01	4.33	6.06	6.00	6.00
	Sep	9.75	9.25	8.89	9.25	6.15	6.00	4.41	6.13	6.00	6.00
	Oct	9.75	9.25	9.13	9.25	6.21	5.90	4.41	6.08	6.00	6.00
	Nov	9.75	9.25	9.32	9.25	-	5.84	4.42	6.08	6.00	6.00
	Dec	9.75	9.25	8.93	9.25	6.25	6.04	4.54	6.09	6.00	6.00
2015	**Jan**	**9.75**	**9.25**	**9.30**	**9.25**	**6.29**	**6.00**	**4.50**	**6.12**	**6.00**	**6.00**
	Feb	10.00	9.25	9.14	9.25	-	5.88	4.72	6.10	6.25	6.00
	Mar	10.00	9.25	9.33	9.25	6.30	5.80	4.59	6.11	6.25	6.00
	Apr	10.00	9.25	9.25	9.25	6.33	5.80	4.60	6.11	6.25	6.00
	May	10.00	9.25	9.45	9.25	-	5.73	4.58	6.13	6.25	6.00
	Jun	10.25	9.25	8.79	9.25	6.56	5.76	4.67	6.13	6.50	6.00
	Jul	10.25	9.50	9.43	9.50	6.72	6.03	4.65	6.20	6.50	6.00
	Aug	10.25	9.50	9.38	9.50	-	6.16	4.72	6.30	6.50	6.00
	Sep	10.25	9.50	9.60	9.50	6.93	6.24	4.83	6.31	6.50	6.00
	Oct	10.25	9.50	9.40	9.50	7.24	6.16	4.79	6.31	6.50	6.00
	Nov	10.25	9.75	9.40	9.75	-	6.33	5.00	6.39	6.50	6.25
	Dec	10.25	9.75	9.42	9.75	7.51	6.74	4.91	6.57	6.50	6.25

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

	Period	Offer	Tendered	Surplus(+) Deficit (-)	Effective Yield %
91 days	2014				
	Jan	200.0	311.1	111.1	5.7
	Jan	250.0	389.0	139.0	5.7
	Mar	250.0	341.1	91.1	6.0
	Apr	210.0	525.3	315.3	6.0
	May	250.0	707.7	457.7	5.9
	Jun	260.0	487.9	227.9	5.9
	Jul	210.0	258.1	48.1	6.0
	Aug	260.0	336.7	76.7	6.1
	Sep	270.0	500.6	230.6	6.2
	Oct	220.0	340.0	120.0	6.2
	Oct	270.0	257.8	-12.3	6.2
	Dec	290.0	171.7	-118.3	6.3
	2015				
	Jan	250.0	405.7	155.7	6.3
	Jan	270.0	202.2	-67.8	6.3
	Mar	180.0	354.0	174.0	6.3
	Apr	250.0	270.3	20.3	6.1
	Apr	300.0	385.0	85.0	6.5
	Jun	300.0	452.8	152.8	6.6
	Jul	320.0	345.3	25.3	6.6
	Jul	320.0	279.7	-40.3	6.8
	Sep	320.0	259.7	-60.3	6.9
	Oct	340.0	250.4	-89.6	7.2
	Oct	340.0	290.5	-49.5	7.3
	Dec	340.0	361.7	21.7	7.5
182 days	2014				
	Jan	270.0	319.6	49.6	5.9
	Jan	250.0	310.8	60.8	6.4
	Feb	250.0	451.4	201.4	6.4
	Mar	290.0	245.5	-44.5	6.5
	Apr	270.0	605.0	335.0	6.5
	May	270.0	508.1	238.1	6.1
	May	210.0	323.2	113.2	6.4
	Jun	160.0	440.3	280.3	6.4
	Jul	270.0	305.6	35.6	6.5
	Aug	260.0	485.5	225.5	6.6
	Aug	260.0	672.2	412.2	6.6
	Sep	290.0	420.3	130.3	6.8
	Oct	280.0	415.3	135.3	6.8
	Oct	280.0	490.1	210.1	6.7
	Dec	250.0	338.7	88.7	6.8
	Dec	210.0	324.3	114.3	6.8
	2015				
	Jan	270.0	346.1	76.1	6.8
	Feb	270.0	472.4	202.4	6.9
	Mar	300.0	468.1	168.1	6.9
	Apr	300.0	518.7	218.7	6.9
	Apr	320.0	542.8	222.8	6.9
	May	300.0	394.9	94.9	7.0
	Jun	270.0	389.7	119.7	7.1
	Jul	350.0	477.9	127.9	7.1
	Jul	350.0	405.3	55.3	7.2
	Aug	350.0	343.8	-6.2	7.3
	Sep	350.0	327.7	-22.3	7.5
	Oct	350.0	565.1	215.1	7.6
	Oct	350.0	313.6	-36.4	7.7
	Nov	350.0	332.8	-17.2	8.0
	Dec	300.0	357.7	57.7	8.0
273 days	2014				
	Jan	220.0	461.0	241.0	5.9
	Feb	220.0	373.8	153.8	6.7
	Apr	220.0	467.2	247.2	6.6
	May	220.0	426.0	206.0	6.6
	June	220.0	306.4	86.4	6.7
	Jul	220.0	505.1	285.1	6.7
	Aug	230.0	555.3	325.3	6.8
	Sep	220.0	361.7	141.7	6.9
	Oct	280.0	518.6	238.6	6.9
	Nov	250.0	437.2	187.2	6.9
	Dec	250.0	266.4	16.4	6.9
	2015				
	Jan	220.0	555.1	335.1	6.9
	Feb	220.0	302.5	82.5	6.9
	Feb	200.0	570.0	370.0	6.9
	Mar	250.0	578.1	328.1	6.9
	Mar	250.0	376.6	126.6	7.0
	Mar	300.0	362.1	62.1	7.0
	Apr	300.0	410.1	110.1	7.0
	May	300.0	340.2	40.1	7.2
	May	300.0	275.2	-24.9	7.3
	Jun	300.0	355.0	55.0	7.4
	Jun	250.0	347.7	97.7	7.5
	Jul	250.0	366.6	116.6	7.5
	Aug	250.0	339.7	89.6	7.6
	Sep	250.0	295.3	45.3	7.7
	Oct	350.0	308.1	-41.9	7.9
	Nov	350.0	615.1	265.1	7.9
	Nov	300.0	415.0	115.0	8.0
	Dec	300.0	480.0	180.0	8.0
	Dec	300.0	187.0	-113.0	8.5
365 days	2014				
	Jan	270.0	203.3	-66.7	6.2
	Jan	270.0	566.0	296.0	6.6
	Feb	270.0	468.0	198.0	7.0
	Apr	280.0	657.4	377.4	6.8
	May	260.0	448.3	188.3	6.8
	May	220.0	484.7	264.7	6.8
	May	330.0	533.0	203.0	6.8
	Jun	280.0	348.2	68.2	6.9
	Jul	230.0	519.6	289.6	6.8
	Aug	250.0	604.4	354.4	6.8
	Sep	440.0	992.1	552.1	6.8
	Oct	230.0	455.3	225.3	7.0
	Nov	270.0	495.9	225.9	7.0
	Dec	260.0	398.6	138.6	7.0
	Dec	240.0	348.5	108.5	7.2
	2015				
	Jan	230.0	338.8	108.8	7.1
	Jan	270.0	704.1	434.1	7.0
	Feb	280.0	488.8	208.8	7.1
	Mar	200.0	476.2	276.2	7.2
	Mar	300.0	563.3	263.3	7.2
	Apr	350.0	391.0	41.0	7.2
	May	300.0	466.7	166.7	7.3
	May	300.0	318.8	18.8	7.4
	May	350.0	559.2	209.2	7.4
	Jun	350.0	374.2	24.2	7.4
	Jul	350.0	448.6	98.6	7.8
	Aug	350.0	530.5	180.5	7.9
	Sep	440.0	564.9	124.9	8.0
	Oct	350.0	543.5	193.5	8.1
	Nov	350.0	511.1	161.1	8.1
	Nov	320.0	614.0	294.0	8.1
	Dec	280.0	464.8	184.8	8.4

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

Date issued	Date due	Deposit Money	Other Banking	Banking Sector	Financial	Other Public	Private Sector	TOTAL	Amount Outstanding
2014									
Sept	12/14	254,410.0	0.0	254,410.0	10,450.0	0.0	5,150.0	270,010.0	8,403,030.0
Sept*	03/15	219,730.0	30,000.0	249,730.0	40,270.0	0.0	0.0	290,000.0	8,452,500.0
Sept***	06/15	148,340.0	0.0	148,340.0	71,660.0	0.0	0.0	220,000.0	8,453,280.0
Sept**	09/15	270,000.0	0.0	270,000.0	120,000.0	50,000.0	0.0	440,000.0	8,453,280.0
Oct	01/15	220,000.0	0.0	220,000.0	0.0	0.0	0.0	220,000.0	8,463,280.0
Oct	01/15	236,000.0	0.0	236,000.0	21,750.0	0.0	0.0	257,750.0	8,461,030.0
Oct*	04/15	274,160.0	0.0	274,160.0	5,840.0	0.0	0.0	280,000.0	8,471,030.0
Oct*	04/15	213,340.0	30,000.0	243,340.0	36,660.0	0.0	0.0	280,000.0	8,481,030.0
Oct***	07/15	180,000.0	0.0	180,000.0	24,500.0	0.0	30.0	204,530.0	8,465,560.0
Oct**	10/15	189,730.0	0.0	189,730.0	39,740.0	0.0	530.0	230,000.0	8,475,560.0
Nov***	08/15	202,370.0	20,000.0	222,370.0	27,630.0	0.0	0.0	250,000.0	8,505,560.0
Nov**	11/15	234,060.0	0.0	234,060.0	35,340.0	0.0	600.0	270,000.0	8,525,560.0
Dec	03/15	146,600.0	0.0	146,600.0	20,000.0	5,140.0	0.0	171,740.0	8,427,290.0
Dec*	04/15	152,840.0	20,000.0	172,840.0	37,120.0	0.0	40.0	210,000.0	8,427,290.0
Dec*	05/15	172,010.0	20,000.0	192,010.0	57,990.0	0.0	0.0	250,000.0	8,517,290.0
Dec***	09/15	213,570.0	20,000.0	233,570.0	16,430.0	0.0	0.0	250,000.0	8,767,290.0
Dec**	12/15	216,520.0	0.0	216,520.0	22,910.0	0.0	570.0	240,000.0	8,757,290.0
Dec**	11/15	192,100.0	0.0	192,100.0	66,800.0	0.0	1,100.0	260,000.0	8,797,290.0
2015									
Jan	04/15	147,000.0	0.0	147,000.0	55,240.0	0.0	0.0	202,240.0	8,779,530.0
Jan	04/15	249,330.0	0.0	249,330.0	670.0	0.0	0.0	250,000.0	8,771,780.0
Jan*	07/15	256,180.0	23,820.0	280,000.0	0.0	0.0	0.0	280,000.0	8,781,780.0
Jan*	07/15	161,000.0		161,000.0	109,000.0	0.0	0.0	270,000.0	8,791,780.0
Jan***	10/15	80,000.0	0.0	80,000.0	139,960.0	0.0	40.0	220,000.0	8,791,780.0
Jan**	01/16	196,270.0	0.0	196,270.0	33,180.0	0.0	550.0	230,000.0	8,828,510.0
Jan**	12/15	129,190.0	0.0	129,190.0	140,810.0	0.0	0.0	270,000.0	8,828,510.0
Feb*	08/15	217,300.0	8,370.0	225,670.0	44,340.0	0.0	0.0	270,010.0	8,848,520.0
Feb***	11/15	190,000.0	0.0	190,000.0	10,000.0	0.0	0.0	200,000.0	8,828,520.0
Feb***	11/15	257,470.0	0.0	257,470.0	12,500.0	0.0	30.0	270,000.0	9,098,520.0
Feb**	02/16	194,230.0	0.0	194,230.0	85,770.0	0.0	0.0	280,000.0	9,108,520.0
Mar	06/15	154,010.0	0.0	154,010.0	20,100.0	5,890.0	0.0	180,000.0	9,116,780.0
Mar*	09/15	288,340.0	0.0	288,340.0	11,660.0	0.0	0.0	300,000.0	9,126,780.0
Mar***	12/15	230,000.0	0.0	230,000.0	20,000.0	0.0	0.0	250,000.0	9,156,780.0
Mar***	12/15	225,000.0	0.0	225,000.0	25,000.0	0.0	0.0	250,000.0	9,406,780.0
Mar***	12/15	297,870.0	0.0	297,870.0	2,130.0	0.0	0.0	300,000.0	9,706,780.0
Mar**	03/16	199,900.0	0.0	199,900.0	0.0	0.0	100.0	200,000.0	9,906,780.0
Mar**	03/16	247,270.0	0.0	247,270.0	52,730.0	0.0	0.0	300,000.0	10,206,780.0
Apr	07/15	249,730.0	0.0	249,730.0	270.0	0.0	0.0	250,000.0	10,254,540.0
Apr	07/15	300,000.0	0.0	300,000.0	0.0	0.0	0.0	300,000.0	10,304,540.0
Apr*	10/15	199,990.0	30,000.0	229,990.0	90,000.0	0.0	10.0	320,000.0	10,344,540.0
Apr*	10/15	293,370.0	0.0	293,370.0	6,630.0	0.0	0.0	300,000.0	10,364,540.0
Apr***	01/16	269,900.0	30,000.0	299,900.0	0.0	0.0	100.0	300,000.0	10,444,540.0
Apr**	04/16	348,980.0	0.0	348,980.0	1,020.0	0.0	0.0	350,000.0	10,514,540.0
May*	11/15	260,080.0	20,000.0	280,080.0	19,910.0	0.0	10.0	300,000.0	10,604,540.0
May***	02/16	299,850.0	0.0	299,850.0	150.0	0.0	0.0	300,000.0	10,674,540.0
May***	02/16	275,000.0	0.0	275,000.0	150.0	0.0	0.0	275,150.0	10,949,690.0
May**	05/16	256,200.0	0.0	256,200.0	43,800.0	0.0	0.0	300,000.0	11,029,690.0
May**	05/16	160,000.0	0.0	160,000.0	190,000.0	0.0	0.0	350,000.0	11,049,690.0
Jun	09/15	239,540.0	0.0	239,540.0	54,540.0	0.0	5,920.0	300,000.0	11,169,690.0
Jun*	12/15	233,480.0	20,000.0	253,480.0	16,520.0	0.0	0.0	270,000.0	11,229,690.0
June***	03/16	187,290.0	0.0	187,290.0	62,710.0	0.0	0.0	250,000.0	11,259,690.0
June***	03/16	245,000.0	0.0	245,000.0	55,000.0	0.0	0.0	300,000.0	11,559,690.0
Jun**	06/16	225,770.0	0.0	225,770.0	122,580.0	0.0	1,650.0	350,000.0	11,629,690.0
Jul	10/15	319,730.0	0.0	319,730.0	270.0	0.0	0.0	320,000.0	11,699,690.0
Jul	09/15	250,000.0	0.0	250,000.0	29,220.0	0.0	0.0	279,220.0	11,678,910.0
Jul*	01/16	343,740.0		343,740.0	6,260.0	0.0	0.0	350,000.0	11,698,910.0
Jul*	01/16	347,080.0	0.0	347,080.0	2,920.0	0.0	0.0	350,000.0	11,778,910.0
Jul***	04/16	217,420.0	30,000.0	247,420.0	2,530.0	0.0	50.0	250,000.0	11,824,380.0
Jul**	07/16	331,540.0	0.0	331,540.0	18,480.0	0.0	0.0	350,020.0	11,944,400.0
Aug*	02/16	337,000.0	0.0	337,000.0	6,800.0	0.0	0.0	343,800.0	12,018,190.0
Aug***	05/16	209,350.0	10,000.0	219,350.0	30,650.0	0.0	0.0	250,000.0	12,018,190.0
Aug**	08/16	306,530.0	0.0	306,530.0	43,470.0	0.0	0.0	350,000.0	12,174,390.0
Sep	12/15	220,000.0	0.0	220,000.0	33,790.0	5,840.0	30.0	259,660.0	12,134,050.0
Sep*	03/16	315,000.0	0.0	315,000.0	12,640.0	0.0	20.0	327,660.0	12,161,710.0
Sep***	06/16	225,670.0	20,000.0	245,670.0	4,330.0	0.0	0.0	250,000.0	12,161,710.0
Sep**	09/16	360,140.0	0.0	360,140.0	79,860.0	0.0	0.0	440,000.0	12,161,710.0
Oct	01/16	225,000.0	0.0	225,000.0	25,430.0	0.0	0.0	250,430.0	12,092,140.0
Oct	01/16	290,000.0	0.0	290,000.0	490.0	0.0	0.0	290,490.0	12,103,410.0
Oct*	04/16	272,000.0	30,000.0	302,000.0	11,610.0	0.0	0.0	313,610.0	12,097,020.0
Oct*	04/16	339,880.0	0.0	339,880.0	10,120.0	0.0	0.0	350,000.0	12,147,020.0
Oct***	07/16	247,000.0	0.0	247,000.0	23,500.0	0.0	60.0	265,680.0	12,192,700.0
Oct**	09/16	294,880.0	0.0	294,880.0	42,580.0	0.0	12,540.0	350,000.0	12,312,700.0
Novt*	05/16	280,000.0	0.0	280,000.0	52,840.0	0.0	0.0	332,840.0	12,250,420.0
Nov***	08/16	316,000.0	0.0	316,000.0	34,000.0	0.0	0.0	350,000.0	12,400,420.0
Nov***	08/16	280,000.0	0.0	280,000.0	20,000.0	0.0	0.0	300,000.0	12,430,420.0
Nov**	11/16	304,630.0	0.0	304,630.0	13,650.0	0.0	1,720.0	320,000.0	12,510,420.0
Nov**	11/16	185,240.0	0.0	185,240.0	164,180.0	0.0	580.0	350,000.0	12,590,420.0
Dec	03/16	308,300.0	0.0	308,300.0	25,890.0	5,810.0	0.0	340,000.0	12,670,760.0
Dec*	06/16	216,300.0	60,000.0	276,300.0	23,700.0	0.0	0.0	300,000.0	12,700,760.0
Dec***	09/16	230,000.0	0.0	230,000.0	70,000.0	0.0	0.0	300,000.0	12,750,760.0
Dec***	09/16	210,000.0	0.0	210,000.0	4,000.0	0.0	0.0	214,000.0	12,680,760.0
Dec***	09/16	180,000.0	0.0	180,000.0	7,000.0	0.0	0.0	187,000.0	12,567,760.0
Dec**	12/16	240,180.0	0.0	240,180.0	39,250.0	0.0	570.0	280,000.0	12,607,760.0

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Table III. 2 (a) Internal Registered Stock auction - N$ million

Bond (coupon rate)	Period	Offer	Amount Tendered	Surplus (+) Deficit (-)	Weighted YTM %
GC18 (9.50%)	2014				
	Jan	40.0	136.6	96.6	7.8
	Feb	40.0	145.7	105.7	8.6
	Mar	40.0	67.0	27.0	8.4
	Apr	30.0	138.2	108.2	8.4
	May	30.0	93.0	63.0	7.9
	Jun	30.0	123.5	93.5	8.1
	Jul	150.0	533.4	383.4	7.8
	Aug	30.0	133.4	103.4	7.8
	Sep	30.0	88.0	58.0	7.8
	Oct	50.0	88.0	38.0	7.9
	Nov	50.0	74.0	24.0	8.0
	Dec	50.0	29.5	-20.5	8.2
	2015				
	Jan	60.0	88.1	28.1	7.6
	Feb	50.0	88.0	38.0	7.6
	Mar	50.0	54.3	4.3	8.0
	Mar	250.0	342.1	92.1	8.1
	Apr	150.0	119.5	-30.5	7.8
GC20 (8.25%)	2015				
	Apr	60.0	33.8	-26.3	8.29
	May	60.0	69.1	9.1	8.40
	Jun	45.0	25.9	-19.1	8.89
	Jul	45.0	2.0	-43.0	8.68
	Aug	45.0	30.9	-14.1	8.74
	Sep	45.0	63.0	18.0	9.11
	Oct	45.0	50.0	5.0	8.86
	Nov	20.0	43.6	23.6	8.93
	Dec	20.0	68.9	48.9	9.12
GC21 (7.75%)	2014				
	Feb	10.0	37.7	27.7	9.21
	2015				
	Jan	250.0	348.4	98.4	8.30
	Feb	150.0	170.5	20.5	8.22
GC22 (8.75%)	2015				
	Apr	60.0	38.9	-21.1	8.7
	May	60.0	29.0	-31.0	9.0
	Jun	45.0	118.0	73.0	9.3
	Jul	45.0	5.5	-39.5	9.2
	Aug	45.0	45.0	0.0	10.1
	Sep	45.0	48.5	3.5	9.4
	Oct	20.0	72.7	52.7	9.3
	Nov	20.0	54.1	34.1	9.5
	Dec	20.0	57.0	37.0	10.5
GI22 (3.55%)	2015				
	Aug	50.0	153.5	103.5	3.5
	Sep	50.0	90.0	40.0	3.5
	Oct	60.0	48.0	-12.0	3.8
	Nov	70.0	60.0	-10.0	3.9
	Dec	70.0	48.3	-21.7	3.9
GC24 (10.50%)	2014				
	Jan	20.0	85.0	65.0	8.9
	Feb	20.0	44.6	24.6	9.4
	Mar	20.0	42.3	22.3	9.2
	Apr	20.0	86.0	66.0	9.1
	May	20.0	55.0	35.0	8.7
	Jun	20.0	58.5	38.5	9.1
	Jul	150.0	318.4	168.4	8.9
	Aug	20.0	37.8	17.8	8.9
	Sep	20.0	17.4	-2.6	8.9
	Oct	23.0	99.0	76.0	8.7
	Nov	20.0	29.5	9.5	8.7
	Dec	20.0	50.7	30.7	8.4
	2015				
	Jan	20.0	40.0	20.0	8.5
	Feb	30.0	50.0	20.0	8.0
	Mar	20.0	40.0	20.0	8.5
	Apr	150.0	149.4	-0.6	8.6
	May	50.0	12.0	-38.0	9.0
	Jun	40.0	5.0	-35.0	9.4
	Jul	40.0	12.0	-28.0	9.2
	Aug	40.0	10.0	-30.0	9.2
	Sep	40.0	1.8	-38.2	9.6
	Oct	40.0	30.0	-10.0	9.4
	Nov	10.0	6.1	-4.0	9.5
	Dec	10.0	34.0	24.0	9.7
GC25 (8.50%)	2014				
	Jan	30.0	84.5	54.5	9.2
	Feb	30.0	95.2	65.2	9.5
	Mar	30.0	47.5	17.5	9.3
	Apr	40.0	97.0	57.0	9.3
	May	40.0	55.0	15.0	8.9
	Jun	40.0	88.0	48.0	9.0
	Jul	200.0	184.2	-15.8	9.0
	Aug	40.0	2.0	-38.0	9.0
	Sep	50.0	20.0	-30.0	9.1
	Oct	60.0	86.0	26.0	9.0
	Dec	55.0	27.2	-27.8	9.1
	2015				
	Jan	55.0	20.0	-35.0	8.6
	Feb	50.0	72.0	22.0	8.6
	Mar	40.0	166.6	126.6	8.9
	Apr	150.0	192.8	42.8	8.7
	Apr	60.0	16.0	-44.0	8.9
	May	60.0	9.5	-50.5	9.2
	Jun	35.0	10.5	-24.5	9.4
	Jul	35.0	15.5	-19.5	9.4
	Aug	35.0	7.0	-28.0	9.5
	Sep	35.0	3.0	-32.0	9.7
	Oct	25.0	23.1	-1.9	9.9
	Nov	25.0	63.5	38.5	10.7
	Dec	25.0	23.5	-1.5	11.0
GI25 (3.80%)	2015				
	Aug	50.0	167.0	117.0	3.8
	Sep	50.0	71.0	21.0	3.8
	Oct	60.0	63.0	3.0	3.8
	Nov	70.0	70.0	0.0	3.9
GC27 (8.00%)	2014				
	Jan	20.0	66.2	46.2	9.2
	Feb	20.0	58.9	38.9	9.8
	Mar	20.0	23.5	3.5	9.5
	Apr	20.0	36.0	16.0	9.5
	May	20.0	64.0	44.0	9.0
	Jun	20.0	53.5	33.5	9.4
	Jul	60.0	34.5	-25.5	9.3
	Aug	20.0	46.5	26.5	9.3
	Sep	30.0	37.2	7.2	9.2
	Oct	30.0	30.8	0.8	9.0
	Nov	25.5	81.2	55.7	9.0
	Dec	20.0	46.6	26.6	8.7
	2015				
	Jan	20.0	16.0	-4.0	8.8
	Feb	30.0	49.1	19.1	8.3
	Mar	20.0	27.3	7.3	8.8
	Apr	150.0	94.4	-55.6	8.8
	May	50.0	28.9	-21.1	9.1
	Jun	30.0	1.5	-28.5	9.5
	Jul	35.0	3.5	-31.5	9.4
	Aug	35.0	0.0	-35.0	0.0
	Sep	35.0	2.0	-33.0	9.7
	Oct	25.0	0.0	-25.0	9.7
	Nov	25.0	3.0	-22.0	9.6
	Dec	25.0	25.0	0.0	9.8
GC30 (8.00%)	2014				
	Jan	15.0	36.0	21.0	10.2
	Feb	15.0	45.0	30.0	10.3
	Mar	15.0	15.9	0.9	10.2
	Apr	20.0	41.0	21.0	10.2
	May	20.0	39.5	19.5	9.9
	Jun	20.0	45.2	25.2	9.9
	Aug	20.0	60.1	40.1	9.7
	Sep	20.0	30.8	10.8	9.7
	Oct	20.0	38.5	18.5	9.5
	Nov	20.0	20.0	0.0	9.5
	Dec	20.0	24.7	4.7	9.3
	2015				
	Jan	20.0	20.0	0.0	9.2
	Feb	10.0	10.0	0.0	9.1
	Mar	20.0	49.8	29.8	9.4
	Apr	100.0	109.1	9.1	9.2
	Apr	50.0	38.0	-12.0	9.5
	May	40.0	13.0	-27.0	9.7
	Jun	25.0	5.0	-20.0	9.8
	Jul	25.0	9.0	-16.0	9.8
	Aug	25.0	0.0	-25.0	0.0
	Sep	25.0	1.7	-23.3	10.0
	Oct	25.0	0.0	-25.0	0.0
	Nov	25.0	25.0	0.0	10.0
	Dec	25.0	25.5	0.5	11.2
GC32 (9.00%)	2014				
	Jan	10.0	16.0	6.0	10.2
	Feb	10.0	17.0	7.0	10.4
	Mar	10.0	10.5	0.5	10.2
	Apr	10.0	27.0	17.0	10.1
	May	10.0	53.0	43.0	9.7
	Jun	10.0	38.6	28.6	10.1
	Jul	50.0	34.0	-16.0	9.9
	Aug	10.0	32.2	22.2	9.8
	Sep	20.0	23.2	3.2	9.7
	Oct	16.0	28.5	12.5	9.5
	Nov	10.0	26.5	16.5	9.5
	Dec	10.0	14.9	4.9	9.2
	2015				
	Jan	10.0	10.0	0.0	9.3
	Feb	20.0	61.2	41.2	8.7
	Mar	10.0	32.2	22.2	9.3
	Apr	100.0	82.0	-18.0	9.3
	May	40.0	30.9	-9.1	9.6
	Jun	30.0	0.0	-30.0	0.0
	Jul	30.0	10.5	-19.5	9.9
	Aug	30.0	17.0	-13.0	9.8
	Sep	30.0	12.6	-17.4	10.2
	Oct	30.0	6.0	-24.0	10.1
	Nov	30.0	9.0	-21.0	10.2
	Dec	30.0	11.0	-19.0	10.5
GC35 (9.50%)	2014				
	Jan	10.0	25.0	15.0	10.3
	Feb	10.0	30.0	20.0	10.5
	Mar	10.0	17.7	7.7	10.3
	Apr	10.0	44.5	34.5	10.4
	May	10.0	32.2	22.2	10.1
	Jun	10.0	35.0	25.0	10.1
	Jul	50.0	24.0	-26.0	10.1
	Aug	10.0	41.9	31.9	10.0
	Sep	20.0	31.0	11.0	9.9
	Oct	20.0	22.2	2.2	9.7
	Nov	16.0	30.5	14.5	9.5
	Dec	10.0	15.5	5.5	9.9
	2015				
	Jan	16.0	33.8	17.8	9.4
	Feb	10.0	10.0	0.0	9.4
	Mar	10.0	26.0	16.0	9.6
	Apr	50.0	72.3	22.3	9.4
	Apr	30.0	39.5	9.5	9.7
	May	30.0	15.1	-14.9	9.9
	Jun	25.0	11.0	-14.0	10.0
	Jul	25.0	10.0	-15.0	9.9
	Aug	25.0	0.0	-25.0	0.0
	Sep	25.0	1.7	-23.3	10.2
	Oct	30.0	28.0	-2.0	10.3
	Nov	30.0	20.0	-10.0	10.4
	Dec	30.0	10.0	-20.0	11.1
GC37 (9.50%)	2014				
	Jul	30.0	86.0	56.0	10.2
	Sep	10.0	15.5	5.5	10.0
	Nov	10.0	20.2	10.2	9.8
	2015				
	Jan	10.0	7.5	-2.5	9.6
	May	30.0	27.9	-2.1	9.8
	Jun	20.0	11.0	-9.0	10.2
	Jul	20.0	8.0	-12.0	10.2
	Aug	20.0	28.0	8.0	10.0
	Sep	20.0	18.0	-2.0	10.4
	Oct	30.0	40.3	10.3	10.3
	Nov	30.0	16.0	-14.0	10.5
	Dec	30.0	31.2	1.2	10.7
GC40 (9.80%)	2014				
	Jul	20.0	79.5	59.5	10.3
	Aug	10.0	45.2	35.2	10.1
	Oct	10.0	16.6	6.6	9.9
	Dec	10.0	4.1	-5.9	10.1
	2015				
	Feb	10.0	23.0	13.0	9.4
GC45 (9.85%)	2015				
	May	15.0	37.2	22.2	9.9
	Jun	10.0	17.0	7.0	10.2
	Jul	10.0	13.0	3.0	10.2
	Aug	10.0	26.0	16.0	10.0
	Sep	10.0	15.0	5.0	10.2
	Oct	25.0	28.0	3.0	10.3
	Nov	25.0	58.4	33.4	10.5
	Dec	25.0	55.0	30.0	10.7

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

Date issued	Date due	Coupon rate	Deposit Money	Other Banking	Banking Sector	Non-bank Financial	Other Public	Private Sector	TOTAL	Amount Outstanding
2015										
Jan	10/17	8.00	40,000.0	0.0	40,000.0	5,550.0	0.0		45,550.0	12,530,570.0
Jan	07/18	9.50	40,000.0	0.0	40,000.0	20,000.0	0.0		60,000.0	12,590,570.0
Jan	10/24	10.50	0.0	0.0	0.0	20,000.0	0.0		20,000.0	12,610,570.0
Jan	04/25	8.50	0.0	0.0	0.0	20,000.0	0.0		20,000.0	12,630,570.0
Jan	01/27	8.00	8,000.0	0.0	8,000.0	8,000.0	0.0		16,000.0	12,646,570.0
Jan	01/30	8.00	20,000.0	0.0	20,000.0	0.0	0.0		20,000.0	12,666,570.0
Jan	04/32	9.00	5,000.0	0.0	5,000.0	5,000.0	0.0		10,000.0	12,676,570.0
Jan	07/35	9.50	15,000.0	0.0	15,000.0	1,000.0	0.0		16,000.0	12,692,570.0
Jan	07/37	9.50	7,500.0	0.0	7,500.0	0.0	0.0		7,500.0	12,700,070.0
Feb	10/17	8.00	20,000.0	0.0	20,000.0	40,000.0	0.0		60,000.0	12,760,070.0
Feb	07/18	9.50	0.0	0.0	0.0	50,000.0	0.0	0.0	50,000.0	12,810,070.0
Feb	10/24	10.50	20,000.0	0.0	20,000.0	10,000.0	0.0	0.0	30,000.0	12,840,070.0
Feb	04/25	8.50	0.0	0.0	0.0	50,000.0	0.0	0.0	50,000.0	12,890,070.0
Feb	01/27	8.00	0.0	0.0	0.0	30,000.0	0.0	0.0	30,000.0	12,920,070.0
Feb	01/30	8.00	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	12,930,070.0
Feb	04/32	9.00	10,000.0	0.0	10,000.0	8,740.0	0.0	1,260.0	20,000.0	12,950,070.0
Feb	07/35	9.50	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	12,960,070.0
Feb	07/37	9.50		0.0	0.0	0.0	0.0	0.0	0.0	12,960,070.0
Feb	10/40	9.80	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	12,970,070.0
Mar	10/17	8.00	0.0	0.0	0.0	50,000.0	0.0		50,000.0	13,020,070.0
Mar	07/18	9.50	17,660.0	0.0	17,660.0	32,340.0	0.0	0.0	50,000.0	13,070,070.0
Mar	07/18	9.50	93,000.0	0.0	93,000.0	156,900.0	0.0	100.0	250,000.0	13,320,070.0
Mar	10/21	7.75	85,000.0	0.0	85,000.0	164,480.0	0.0	520.0	250,000.0	13,570,070.0
Mar	10/24	10.50	20,000.0	0.0	20,000.0	0.0	0.0	0.0	20,000.0	13,590,070.0
Mar	04/25	8.50	40,000.0	0.0	40,000.0	0.0	0.0	0.0	40,000.0	13,630,070.0
Mar	01/27	8.00	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	13,650,070.0
Mar	01/30	8.00	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	13,670,070.0
Mar	04/32	9.00	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	13,680,070.0
Mar	07/35	9.50	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	13,690,070.0
Mar	07/37	9.50	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13,690,070.0
Apr	07/18	9.50	20,000.0	0.0	20,000.0	97,870.0	0.0	1,600.0	119,470.0	13,809,540.0
Apr	07/20	8.25	25,000.0	0.0	25,000.0	7,800.0	0.0	950.0	33,750.0	13,843,290.0
Apr	10/21	7.75	32,000.0	0.0	32,000.0	118,000.0	0.0	0.0	150,000.0	13,993,290.0
Apr	01/22	8.75	23,000.0	0.0	23,000.0	15,800.0	0.0	0.0	38,800.0	14,032,090.0
Apr	10/24	10.50	35,060.0	0.0	35,060.0	113,900.0	0.0	440.0	149,400.0	14,181,490.0
Apr	04/25	8.50	43,000.0	0.0	43,000.0	106,530.0	0.0	470.0	150,000.0	14,331,490.0
Apr	04/25	8.50	5,000.0	0.0	5,000.0	11,000.0	0.0	0.0	16,000.0	14,347,490.0
Apr	01/27	8.00	7,000.0	0.0	7,000.0	87,400.0	0.0	0.0	94,400.0	14,441,890.0
Apr	01/30	8.00	18,610.0	0.0	18,610.0	81,400.0	0.0	0.0	100,010.0	14,541,900.0
Apr	01/30	8.00	3,000.0	0.0	3,000.0	25,000.0	0.0	0.0	28,000.0	14,569,900.0
Apr	04/32	9.00	20,000.0	0.0	20,000.0	62,000.0	0.0	0.0	82,000.0	14,651,900.0
Apr	07/35	9.50	0.0	0.0	0.0	50,000.0	0.0	0.0	50,000.0	14,701,900.0
Apr	07/35	9.50	9,500.0	0.0	9,500.0	20,500.0	0.0	0.0	30,000.0	14,731,900.0
Apr	10/40	9.50	9,000.0	0.0	9,000.0	5,700.0	0.0	5,300.0	20,000.0	13,756,780.0
May	04/20	8.25	5,000.0	0.0	5,000.0	51,100.0	0.0	3,900.0	60,000.0	13,816,780.0
May	01/22	8.75	11,500.0	0.0	11,500.0	17,500.0	0.0	0.0	29,000.0	13,845,780.0
May	10/24	10.50	2,000.0	0.0	2,000.0	1,000.0	0.0	0.0	3,000.0	13,848,780.0
May	04/25	8.50	9,500.0	0.0	9,500.0	0.0	0.0	0.0	9,500.0	13,858,280.0
May	01/27	8.00	7,000.0	0.0	7,000.0	21,900.0	0.0	0.0	28,900.0	13,887,180.0
May	01/30	8.00	0.0	0.0	0.0	12,500.0	0.0	500.0	13,000.0	13,900,180.0
May	04/32	9.00	6,000.0	0.0	6,000.0	24,900.0	0.0	0.0	30,900.0	13,931,080.0
May	07/35	9.50	2,000.0	0.0	2,000.0	13,100.0	0.0	0.0	15,100.0	13,946,180.0
May	07/37	9.50	8,500.0	0.0	8,500.0	19,350.0	0.0	0.0	27,850.0	13,974,030.0
May	10/40	9.50	6,000.0	0.0	6,000.0	12,000.0	0.0	0.0	18,000.0	13,992,030.0
May	07/45	9.90	6,500.0	0.0	6,500.0	8,500.0	0.0	0.0	15,000.0	14,007,030.0
Jun	04/20	8.25	5,000.0	0.0	5,000.0	17,800.0	0.0	3,110.0	25,910.0	14,032,940.0
Jun	01/22	8.75	0.0	0.0	0.0	45,000.0	0.0	0.0	45,000.0	14,077,940.0
Jun	10/24	10.50	5,000.0	0.0	5,000.0	0.0	0.0	0.0	5,000.0	14,082,940.0
Jun	04/25	8.50	0.0	0.0	0.0	6,500.0	0.0	0.0	6,500.0	14,089,440.0
Jun	01/27	8.00	0.0	0.0	0.0	1,470.0	0.0	0.0	1,470.0	14,090,910.0
Jun	01/30	8.00		0.0	0.0	1,000.0	0.0		1,000.0	14,091,910.0
Jun	07/35	9.50	0.0	0.0	0.0	7,000.0	0.0	0.0	7,000.0	14,098,910.0
Jun	07/37	9.50	5,000.0	0.0	5,000.0	6,000.0	0.0	0.0	11,000.0	14,109,910.0
Jun	10/40	9.80	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	14,129,910.0
Jun	07/45	9.85	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	14,139,910.0
Jul	04/20	8.25	2,000.0	0.0	2,000.0	0.0	0.0	0.0	2,000.0	14,141,910.0
Jul	01/22	8.75	0.0	0.0	500.0	5,000.0	0.0	0.0	5,500.0	14,147,410.0
Jul	10/24	10.50	0.0	0.0	0.0	12,000.0	0.0	0.0	12,000.0	14,159,410.0
Jul	04/25	8.50	0.0	0.0	0.0	15,500.0	0.0	0.0	15,500.0	14,174,910.0
Jul	01/27	8.00	0.0	0.0	0.0	3,500.0	0.0	0.0	3,500.0	14,178,410.0
Jul	01/30	8.00	0.0	0.0	0.0	9,000.0	0.0	0.0	9,000.0	14,187,410.0
Jul	04/32	9.00	3,000.0	0.0	3,000.0	7,500.0	0.0	0.0	10,500.0	14,197,910.0
Jul	07/35	9.50	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	14,207,910.0
Jul	07/37	9.50	3,000.0	0.0	3,000.0	5,000.0	0.0	0.0	8,000.0	14,215,910.0
Jul	10/40	9.80	5,000.0	0.0	5,000.0	15,000.0	0.0	0.0	20,000.0	14,235,910.0
Jul	07/45	9.85	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	14,245,910.0
Aug	04/20	8.25	0.0	0.0	0.0	30,900.0	0.0	0.0	30,900.0	14,276,810.0
Aug	10/22	3.55	15,000.0	0.0	15,000.0	35,000.0	0.0	0.0	50,000.0	14,326,810.0
Aug	10/24	10.50	0.0	0.0	0.0	6,000.0	0.0	0.0	6,000.0	14,332,810.0
Aug	04/25	8.50	0.0	0.0	0.0	6,000.0	0.0	0.0	6,000.0	14,338,810.0
Aug	07/25	3.80	10,000.0	0.0	10,000.0	40,000.0	0.0	0.0	50,000.0	14,388,810.0
Aug	04/32	9.00	0.0	7,000.0	7,000.0	10,000.0	0.0	0.0	17,000.0	14,405,810.0
Aug	07/37	9.50	0.0	4,000.0	4,000.0	16,000.0	0.0	0.0	20,000.0	14,425,810.0
Aug	07/45	9.85	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	14,435,810.0
Sep	04/20	8.25	0.0	0.0	0.0	18,000.0	0.0	0.0	18,000.0	14,453,810.0
Sep	01/22	3.55	0.0	0.0	0.0	40,000.0	0.0	0.0	40,000.0	14,493,810.0
Sep	10/22	8.75	0.0	0.0	0.0	3,500.0	0.0	0.0	3,500.0	14,497,310.0
Sep	10/24	10.50	0.0	0.0	0.0	1,830.0	0.0	0.0	1,830.0	14,499,140.0
Sep	07/25	3.80	0.0	0.0	0.0	21,000.0	0.0	0.0	21,000.0	14,520,140.0
Sep	04/25	8.50	0.0	0.0	0.0	3,000.0	0.0	0.0	3,000.0	14,523,140.0
Sep	01/27	8.00	0.0	0.0	0.0	2,000.0	0.0	0.0	2,000.0	14,525,140.0
Sep	01/30	8.00	0.0	0.0	0.0	1,700.0	0.0	0.0	1,700.0	14,526,840.0
Sep	04/32	9.00	0.0	0.0	0.0	12,600.0	0.0	0.0	12,600.0	14,539,440.0
Sep	07/35	9.50	0.0	0.0	0.0	1,700.0	0.0	0.0	1,700.0	14,541,140.0
Sep	07/37	9.50	0.0	0.0	0.0	18,000.0	0.0	0.0	18,000.0	14,559,140.0
Sep	10/40	9.80	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	14,579,140.0
Sep	07/45	9.85	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	14,589,140.0
Oct	04/20	8.25	10,000.0	0.0	10,000.0	10,000.0	0.0	0.0	20,000.0	14,609,140.0
Oct	01/22	3.55	0.0	0.0	0.0	33,000.0	0.0		33,000.0	14,642,140.0
Oct	10/22	8.75		0.0	0.0	19,500.0	0.0	500.0	20,000.0	14,662,140.0
Oct	10/24	10.50	1,000.0	0.0	1,000.0	9,000.0	0.0	0.0	10,000.0	14,672,140.0
Oct	04/25	8.50			0.0	23,060.0	0.0	0.0	23,060.0	14,695,200.0
Oct	07/25	3.80	0.0	0.0	0.0	27,950.0	0.0	0.0	27,950.0	14,723,150.0
Oct	04/32	9.00	0.0	0.0	0.0	6,000.0	0.0	0.0	6,000.0	14,729,150.0
Oct	07/35	9.50	8,000.0	20,000.0	28,000.0	0.0	0.0	0.0	28,000.0	14,757,150.0
Oct	07/37	9.50	0.0	0.0	0.0	30,000.0	0.0	0.0	30,000.0	14,787,150.0
Oct	10/40	9.80	14,000.0	0.0	14,000.0	16,000.0	0.0	0.0	30,000.0	14,817,150.0
Oct	07/45	9.85	6,890.0	0.0	6,890.0	18,110.0	0.0	0.0	25,000.0	14,842,150.0
Nov	04/20	8.25	3,000.0	0.0	3,000.0	16,900.0	0.0	100.0	20,000.0	14,862,150.0
Nov	01/22	3.55	25,000.0	0.0	25,000.0	20,000.0	0.0	0.0	45,000.0	14,907,150.0
Nov	10/22	8.75	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	14,927,150.0
Nov	10/24	10.50	0.0	0.0	0.0	6,050.0	0.0	0.0	6,050.0	14,933,200.0
Nov	04/25	8.50	0.0	0.0	0.0	25,000.0	0.0	0.0	25,000.0	14,958,200.0
Nov	07/25	3.80	15,000.0	0.0	15,000.0	25,000.0	0.0	0.0	40,000.0	14,998,200.0
Nov	01/27	8.00	0.0	0.0	0.0	3,000.0	0.0	0.0	3,000.0	15,001,200.0
Nov	01/30	8.00	0.0	0.0	0.0	25,000.0	0.0	0.0	25,000.0	15,026,200.0
Nov	04/32	9.00	0.0	0.0	0.0	9,000.0	0.0	0.0	9,000.0	15,035,200.0
Nov	07/35	9.50			0.0	20,000.0	0.0	0.0	20,000.0	15,055,200.0
Nov	07/37	9.50	0.0	0.0	0.0	16,000.0	0.0	0.0	16,000.0	15,071,200.0
Nov	10/40	9.80		0.0	0.0	24,000.0	0.0	0.0	24,000.0	15,095,200.0
Nov	07/45	9.85	1,950.0	0.0	1,950.0	22,700.0	0.0	350.0	25,000.0	15,120,200.0
Dec	04/20	8.25	0.0	0.0	0.0	19,700.0	0.0	300.0	20,000.0	15,140,200.0
Dec	01/22	8.75	0.0	0.0	0.0	20,000.0	0.0	0.0	20,000.0	15,160,200.0
Dec	10/24	10.50	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	15,170,200.0
Dec	04/25	8.50	0.0	0.0	0.0	23,500.0	0.0	0.0	23,500.0	15,193,700.0
Dec	01/27	8.00	0.0	0.0	0.0	25,000.0	0.0	0.0	25,000.0	15,218,700.0
Dec	01/30	8.00	0.0	0.0	0.0	25,000.0	0.0	0.0	25,000.0	15,243,700.0
Dec	04/32	9.00	5,000.0	0.0	6,000.0	5,000.0	0.0	0.0	11,000.0	15,254,700.0
Dec	07/35	9.50	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	15,264,700.0
Dec	07/37	9.50	0.0	0.0	0.0	30,000.0	0.0	0.0	30,000.0	15,294,700.0
Dec	10/40	9.80	0.0	0.0	0.0	10,000.0	0.0	0.0	10,000.0	15,304,700.0
Dec	07/45	9.85	0.0	0.0	0.0	25,000.0	0.0	0.0	25,000.0	15,329,700.0

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

	2013/14			2014/15				2015/16		
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Multilateral	**2,808.3**	**2,862.4**	**2,821.5**	**2,813.2**	**2,702.9**	**2,622.4**	**2,489.3**	**2,584.2**	**2,711.7**	**2,938.9**
Euro	1,248.2	1,316.4	1,313.2	1,294.9	1,262.0	1,230.7	1,124.0	1,164.4	1,288.0	1,400.4
US Dollar	191.9	195.5	197.0	193.3	201.3	201.9	206.8	206.6	230.1	254.4
Pound	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rand	407.3	407.3	385.6	385.6	364.0	364.0	342.4	342.4	320.7	320.7
Franc	36.1	38.4	38.8	38.8	37.9	37.4	39.5	40.4	44.3	48.6
Dinar	29.0	30.3	30.6	30.5	32.0	32.2	26.0	26.8	30.5	26.1
SDR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Yen	895.8	874.6	856.3	870.1	805.7	756.3	750.7	803.7	798.1	888.5
Billateral	**1,812.4**	**1,938.4**	**2,060.4**	**2,085.0**	**2,200.5**	**2,176.6**	**2,630.5**	**2,652.5**	**3,280.4**	**3,549.2**
Euro	974.0	1,051.5	1,063.6	1,025.6	1,011.9	966.5	901.8	912.6	1,042.4	1,098.3
Yuan	838.4	886.9	996.8	1,059.5	1,188.6	1,210.1	1,728.7	1,739.9	2,238.0	2,450.9
Eurobond	**5,003.8**	**5,225.0**	**5,302.0**	**5,300.4**	**5,627.5**	**5,780.8**	**6,081.6**	**6,122.3**	**6,953.5**	**19,444.1**
US Dollar	5,003.8	5,225.0	5,302.0	5,300.4	5,627.5	5,780.8	6,081.6	6,122.3	6,953.5	19,444.1
JSE listed bond	**850.0**	**850.0**	**850.0**	**850.0**	**850.0**	**850.0**	**850.0**	**1,650.0**	**2,400.0**	**2,400.0**
ZAR	850.0	850.0	850.0	850.0	850.0	850.0	850.0	1,650.0	2,400.0	2,400.0
Foreign debt stock	**10,474.4**	**10,875.8**	**11,033.9**	**11,048.6**	**11,380.9**	**11,429.8**	**12,051.4**	**13,009.0**	**15,345.6**	**28,332.1**
Euro	2,222.2	2,367.9	2,376.9	2,320.4	2,273.9	2,197.2	2,025.8	2,077.0	2,330.4	2,498.7
US Dollar	5,195.6	5,420.4	5,498.9	5,493.7	5828.8	5982.6	6288.5	6328.8	7183.7	19698.5
Pound	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rand	1,257.3	1,257.3	1,235.6	1,235.6	1214.0	1214.0	1192.4	1992.4	2720.7	2720.7
Franc	36.1	38.4	38.8	38.8	37.9	37.4	39.5	40.4	44.3	48.6
Dinar	29.0	30.3	30.6	30.5	32.0	32.2	26.0	26.8	30.5	26.1
SDR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Yen	895.8	874.6	856.3	870.1	805.7	756.3	750.7	803.7	798.1	888.5
Yuan	838.4	886.9	996.8	1059.5	1188.6	1210.1	1728.7	1739.9	2238.0	2450.9
Exchange Rates (End of period) - Namibia Dollar per foreign currency										
Euro	13.557	14.421	14.586	14.476	14.283	14.053	13.113	13.684	15.630	17.000
US Dollar	10.008	10.450	10.604	10.601	11.255	11.562	12.163	12.245	13.328	15.555
Pound	16.245	17.237	17.645	18.046	18.293	17.993	17.969	19.254	21.083	23.065
Rand	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Franc	11.074	11.779	11.955	11.912	11.834	11.689	12.531	13.167	13.879	15.736
Dinar	35.456	37.122	37.465	37.366	39.193	39.193	39.000	40.167	43.841	50.648
SDR	15.352	16.093	16.370	16.369	16.740	16.746	16.828	17.182	19.501	21.573
Yen	0.102	0.100	0.103	0.105	0.103	0.097	0.101	0.100	0.110	0.129
Yuan	1.633	1.727	1.704	1.710	1.831	1.864	1.961	1.973	2.089	2.396

Source: BoN and MoF

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

	2013/14				2014/15				2015/16		
Sectoral allocation	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**	**Q4**	**Q1**	**Q2**	**Q3**
Mining & Quarrying	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tourism	90.9	90.9	90.9	90.9	90.9	90.9	90.9	90.9	90.9	98.1	94.1
Agriculture	251.7	251.7	251.7	251.7	251.7	251.7	251.7	251.7	251.7	224.0	224.0
Finance	330.0	330.0	330.0	330.0	330.0	330.0	330.0	330.0	330.0	330.0	330.0
Transport	598.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fisheries	59.7	59.7	59.7	59.3	59.6	66.4	68.4	68.6	68.4	68.1	69.7
Education		100.0	100.0	100.0	100.0	106.9	83.3	85.0	86.7	88.6	64.5
Energy									671.5	670.0	670.0
Total domestic loan guarantees	**1,330.2**	**832.2**	**832.2**	**831.9**	**832.1**	**845.9**	**824.2**	**826.1**	**1,499.2**	**1,478.8**	**1,452.3**
Proportion of domestic guarantees by sector											
Mining & Quarrying	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tourism	6.8	10.9	10.9	10.9	10.9	10.7	11.0	11.0	11.0	11.0	6.5
Agriculture	18.9	30.2	30.2	30.3	30.2	29.8	30.5	30.5	30.4	30.5	15.4
Finance	24.8	39.7	39.7	39.7	39.7	39.0	40.0	39.9	39.9	40.0	22.7
Transport	45.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fisheries	4.5	7.2	7.2	7.1	7.2	7.9	8.3	8.3	8.3	8.3	4.8
Education		12.0	12.0	12.0	12.0	12.6	10.1	10.3	10.5	10.1	4.4
Energy											46.1
Total domestic loan guarantees	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: MoF

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

	2013/14				2014/15				2015/16		
Sectoral allocation	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Energy	**379.8**	**358.4**	**358.4**	**350.9**	**321.3**	**299.4**	**294.1**	**395.7**	**404.2**	**399.9**	**435.0**
NAD and ZAR	379.8	358.4	358.4	350.9	321.3	299.4	294.1	395.7	404.2	399.9	435.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Agriculture	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
NAD and ZAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0
Transport	**695.3**	**3,230.4**	**3,312.1**	**3,226.7**	**3,085.6**	**3,454.1**	**3,615.9**	**3,882.1**	**3,945.4**	**4,658.1**	**5,433.2**
NAD and ZAR	28.1	28.1	23.6	23.6	19.3	288.8	456.9	656.2	784.9	1,192.4	1,681.4
USD	667.2	3,202.3	3,288.4	3,203.1	3,066.2	3,165.3	3,158.9	3,225.9	3,160.4	3,465.7	3,751.8
Communication	**86.0**	**89.5**	**87.5**	**88.5**	**39.1**	**38.6**	**37.9**	**35.4**	**35.9**	**42.2**	**45.9**
NAD and ZAR	7.2	7.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EUR	78.8	82.3	87.5	88.5	39.1	38.6	37.9	35.4	35.9	42.2	45.9
Total foreign loan guarantees	**1,161.2**	**3,678.3**	**3,757.9**	**3,666.2**	**3,446.0**	**3,792.1**	**3,947.9**	**4,313.2**	**4,385.5**	**5,100.2**	**5,914.1**
Proportion of foreign loan guarantees by sector											
Energy	**32.7**	**9.7**	**9.5**	**9.6**	**9.3**	**7.9**	**7.4**	**9.2**	**9.2**	**7.8**	**7.4**
NAD and ZAR	32.7	9.7	9.5	9.6	9.3	7.9	7.4	9.2	9.2	7.8	7.4
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Agriculture	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
NAD and ZAR	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Transport	**59.9**	**87.8**	**88.1**	**88.0**	**89.5**	**91.1**	**91.6**	**90.0**	**90.0**	**91.3**	**91.9**
NAD and ZAR	2.4	0.8	0.6	0.6	0.6	7.6	11.6	15.2	17.9	23.4	28.4
USD	57.5	87.1	87.5	87.4	89.0	83.5	80.0	74.8	72.1	68.0	63.4
Communication	**7.4**	**2.4**	**2.3**	**2.4**	**1.1**	**1.0**	**1.0**	**0.8**	**0.8**	**0.8**	**0.8**
NAD and ZAR	0.6	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
USD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EUR	6.8	2.2	2.3	2.4	1.1	1.0	1.0	0.8	0.8	0.8	0.8
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**
Foreign loan guarantees per currency											
NAD and ZAR	415.1	393.6	382.0	374.6	340.7	588.2	751.0	1,051.9	1,189.2	1,592.4	2,116.4
USD	667.2	3,202.3	3,288.4	3,203.1	3,066.2	3,165.3	3,158.9	3,225.9	3,160.4	3,465.7	3,752.8
EUR	78.8	82.3	87.5	88.5	39.1	38.6	37.9	35.4	35.9	42.2	45.9
Total foreign loan guarantees	**1,161.2**	**3,678.3**	**3,757.9**	**3,666.2**	**3,446.0**	**3,792.1**	**3,947.9**	**4,313.2**	**4,385.5**	**5,100.2**	**5,915.1**
Currency composition of foreign loan guarantees											
NAD and ZAR	35.7	10.7	10.2	10.2	9.9	15.5	19.0	24.4	27.1	31.2	35.8
USD	57.5	87.1	87.5	87.4	89.0	83.5	80.0	74.8	72.1	68.0	63.4
EUR	6.8	2.2	2.3	2.4	1.1	1.0	1.0	0.8	0.8	0.8	0.8
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Source: MoF

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Table IV.A Major balance of payments aggregates (a) (N$ million)

	2011	2012	2013(p)	2014(p)	2015(p)
Merchandise trade balance	**-8,199**	**-17,753**	**-19,281**	**-27,955**	**-36,861**
Exports fob	31,944	35,997	44,863	49,965	51,262
Imports fob	-40,143	-53,588	-64,005	-77,920	-88,123
Services (net)	**-276**	**2,881**	**-115**	**-950**	**-667**
Credit	5,375	8,838	8,925	11,287	11,706
Debit	-5,651	-5,957	-9,040	-12,237	-12,373
Compensation of employees (net)	**-102**	**-56**	**-57**	**-32**	**-53**
Credit	67	67	67	67	67
Debit	-168	-123	-123	-98	-119
Investment income (net)	**-4,533**	**-4,206**	**-866**	**-256**	**-406**
Credit	2,135	2,180	2,876	3,359	3,662
Debit	-6,667	-6,386	-3,742	-3,615	-4,068
Current transfers in cash and kind (net)	**8,336**	**12,973**	**15,212**	**18,792**	**18,952**
Credit	8,909	13,838	16,217	19,797	20,128
Debit	-573	-865	-1,006	-1,005	-1,175
Current Account Balance	**-4,774**	**-5,999**	**-4,968**	**-10,401**	**-19,034**
Net capital transfers	**1,353**	**1,218**	**1,246**	**1,495**	**1,751**
Credit	1,426	1,293	1,321	1,570	1,825
Debit	-74	-75	-75	-75	-75
Direct investment	**8,092**	**9,399**	**7,856**	**5,312**	**13,046**
Abroad	-39	95	127	626	-705
In Namibia	8,131	9,305	7,729	4,686	13,751
Portfolio investment	**204**	**-4,880**	**-3,767**	**-2,949**	**16,200**
Assets	-3,767	-5,804	-3,930	-3,152	3,894
Liabilities	3,971	924	163	202	12,305
Other investment - long term	**1,366**	**858**	**5,183**	**8,629**	**1,264**
Assets	-560	-178	-664	-19	-781
Liabilities	1,925	1,036	5,847	8,648	2,045
Other investment - short term	**-890**	**3,809**	**-2,575**	**-255**	**405**
Assets	-359	2,383	-2,521	339	-1,227
Liabilities	-531	1,426	-55	-593	1,632
Capital and financial account excluding reserves	**10,125**	**10,404**	**7,944**	**12,232**	**32,666**
Net errors and omissions	**-1,237**	**-4,174**	**-2,377**	**-3,599**	**-3,584**
Overall balance	**4,114**	**231**	**598**	**-1,768**	**10,048**
Reserve assets (including valuation adjustment)	**-4,114**	**-231**	**-598**	**1,768**	**-10,048**

(a) Debit (negative) entries are used to record import 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

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

	2011	2012	2013 (p)	2014 (p)	2015(p)
Net	**-276**	**2,881**	**-115**	**-950**	**-673**
Credit	**5,375**	**8,838**	**8,925**	**11,287**	**11,706**
Transportation	1,058	1,075	1,323	1,412	1,431
Travel	3,751	3,981	3,945	4,436	4,430
Insurance	43	9	8	12	10
Communication	107	108	98	36	30
Construction	0	0	0	0	16
Financial	21	25	66	77	89
Computer and information	4	3	3	1	9
Royalties and license fees	0	0	0	2	0
Administrative and business	1	1	1	45	107
Professional and technical	61	18	39	597	300
Others, not included elsewhere	191	3,482	3,305	4,534	5,149
Government	136	136	136	136	136
Debit	**-5,651**	**-5,957**	**-9,040**	**-12,237**	**-12,373**
Transportation	-1,839	-2,187	-4,047	-4,921	-5,647
Travel	-1,501	-1,259	-1,194	-1,629	-1,727
Insurance	-245	-643	-697	-826	-942
Communication	-2	-2	-1	-2	-2
Construction	-293	-47	-528	-1,407	-1,209
Financial	-24	-19	-42	-24	-38
Computer and information	-223	-210	-279	-268	-310
Royalties and license fees	-52	-38	-40	-94	-124
Administrative and business	-691	-216	-298	-325	-401
Professional and technical	-458	-712	-839	-1,637	-1,120
Others, not included elsewhere	-264	-566	-1,015	-1,043	-796
Government	-59	-59	-59	-59	-59

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

	2011	2012	2013 (p)	2014 (p)	2015 (p)
Compensation of employees, net	**-102**	**-56**	**-57**	**-32**	**-53**
Credit	67	67	67	67	67
Debit	-168	-123	-123	-98	-119
Investment income, net	**-4,533**	**-4,206**	**-866**	**-256**	**-406**
Credit	**2,135**	**2,180**	**2,876**	**3,359**	**3,662**
Direct investment	-7	-78	16	-48	-19
Portfolio investment	1,449	1,717	2,169	2,597	2,806
Other investment	693	541	691	810	876
Debit	**-6,667**	**-6,386**	**-3,742**	**-3,615**	**-4,068**
Direct investment	-6,279	-5,140	-2,862	-2,599	-2,762
Portfolio investment	-224	-256	-344	-370	-446
Other investment	-164	-990	-536	-646	-860

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

	2011	2012	2013 (p)	2014 (p)	2015(p)
Net current transfers	**8,336**	**12,973**	**15,212**	**18,792**	**18,952**
Credit	**8,909**	**13,838**	**16,217**	**19,797**	**20,128**
Government	8,757	13,670	16,025	19,628	19,973
Grants from foreign governments, etc	1,751	1,201	1,221	1,858	1,908
SACU receipts	6,638	12,131	14,494	17,269	17,374
Witholding taxes	212	174	146	337	421
Other transfers received	156	164	164	164	270
Private	153	167	193	169	155
Grants received by NGO's	32	46	71	48	34
Other transfers received	121	121	121	121	121
Debit	**-573**	**-865**	**-1,006**	**-1,005**	**-1,175**
Government	-542	-834	-975	-259	-1,144
Grants to foreign governments, etc	-17	-17	-17	-17	-17
SACU receipts	-525	-817	-958	-957	-1,127
Witholding taxes	0	0	0	0	0
Other transfers	0	0	0	0	0
Private	-31	-31	-31	-31	-31
Grants paid to NGO's	0	0	0	0	0
Other transfers paid	-31	-31	-31	-31	-31
Net capital transfers	**1,353**	**1,218**	**1,246**	**1,495**	**1,751**
Credit	1,426	1,293	1,321	1,570	1,825
Government	1,400	1,267	1,295	1,544	1,800
Private	26	26	26	26	26
Debit	**-74**	**-75**	**-75**	**-75**	**-75**
Government	-70	-71	-71	-71	-71
Private	-3	-3	-3	-3	-3

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

	2011	2012	2013 (p)	2014 (p)	2015 (p)
Direct investment abroad	**-39**	**95**	**127**	**626**	**-705**
Equity capital	-31	28	59	258	-373
Reinvested earnings	18	85	25	72	24
Other capital	-25	-18	43	296	-357
Direct investment in Namibia	**8,131**	**9,305**	**7,729**	**4,686**	**13,751**
Equity capital	220	4,145	13,985	230	11,364
Reinvested earnings	4,101	3,235	1,838	1,039	463
Other capital	3,809	1,925	-8,094	3,416	1,925

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

	2011	2012	2013(p)	2014(p)	2015(p)
Portfolio investment, net	**204**	**-4,880**	**-3,767**	**-2,949**	**16,200**
Equity	**-2,166**	**-1,800**	**-1,438**	**-1,667**	**3,000**
Assets	-2,197	-1,832	-1,561	-1,832	2,971
Liabilities	31	31	123	166	29
Debt	**2,370**	**-3,080**	**-2,330**	**-1,283**	**13,200**
Assets	-1,570	-3,972	-2,370	-1,319	924
Liabilities	3,940	893	40	37	12,276

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

	2010	2011	2012	2013 (p)	2014 (p)	2015 (p)
Long-term, net	**28**	**1,366**	**858**	**5,183**	**8,629**	**1,264**
General Government	128	221	-64	-14	-74	395
Assets	-40	-40	-40	-40	-40	-40
Liabilities	168	260	-24	25	-34	435
Of which: Drawings	381	413	224	304	260	764
Repayments	-213	-153	-248	-279	-294	-329
Monetary authorities	-320	179	98	311	124	686
Assets	-132	-109	61	-69	-84	-94
Liabilities	-187	287	37	380	208	580
Banks	22	13	-2	-53	-66	-43
Assets	21	13	-2	-53	-66	-43
Liabilities	1	0	0	0	0	0
Other sectors	197	954	826	4,939	8,644	427
Assets	-289	-424	-198	-503	169	-604
Liabilities	485	1,378	1,024	5,442	8,475	1,031
Short-term, net	**-541**	**-890**	**3,809**	**-2,575**	**-255**	**405**
General Government	0	0	0	0	0	0
Assets	0	0	0	0	0	0
Liabilities	0	0	0	0	0	0
Banks	-361	-318	3,714	-1,550	407	-128
Assets	119	-259	2,203	-2,209	659	-811
Liabilities	-480	-60	1,511	659	-252	683
Other sectors	-180	-571	95	-1,025	-662	533
Assets	332	-100	180	-312	-321	-416
Liabilities	-513	-471	-85	-714	-341	949

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Table IV.H International foreign exchange reserves stock (including valuation adjustment) (N$ million)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
January	2,078	2,320	3,258	2,907	2,614	2,164	2,521	5,289	8,266	14,841	14,521	11,252	14,984	17,447	18,605	16,465
February	1,938	2,005	3,054	2,454	1,935	1,874	2,571	4,876	8,592	14,516	14,462	10,635	13,323	16,291	16,642	14,925
March	1,638	1,923	2,705	2,081	1,751	1,786	2,253	6,095	8,696	13,832	12,875	9,183	12,051	14,847	14,595	12,302
April	2,136	2,189	2,566	2,183	2,276	2,213	2,934	6,659	9,730	14,370	13,495	10,721	15,022	17,590	17,791	15,354
May	1,948	1,880	2,396	1,959	1,787	1,957	2,785	6,055	9,254	13,814	12,770	10,870	13,712	17,163	15,549	13,659
June	1,865	1,950	2,317	2,032	1,678	1,744	2,494	6,485	9,470	13,156	12,313	10,939	14,205	16,058	15,934	14,784
July	2,347	2,664	3,373	2,016	1,881	2,240	3,111	7,888	11,556	14,135	12,255	11,793	15,750	18,131	14,788	14,333
August	1,865	2,281	3,220	1,798	1,853	2,001	2,593	6,423	10,499	15,070	11,878	11,219	14,844	16,898	13,749	14,066
September	2,069	1,962	2,905	2,080	1,731	1,617	2,877	5,947	10,781	14,720	11,440	10,708	13,598	14,503	16,457	12,830
October	2,141	2,303	2,834	2,198	2,075	2,070	3,883	6,562	13,629	15,827	11,632	11,885	14,916	15,851	15,051	22,667
November	1,936	2,382	2,392	2,015	1,891	1,762	3,392	6,321	12,801	14,351	10,152	14,954	15,278	14,742	13,250	24,795
December	1,976	2,699	2,797	2,044	1,847	1,861	2,939	6,801	12,713	13,828	10,208	14,406	14,729	15,709	13,527	23,577

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

	2013(p)											
	Q1			Q2			Q3			Q4		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
Foreign assets	**79,654**	**19,914**	**99,568**	**83,557**	**20,889**	**104,446**	**85,021**	**21,255**	**106,277**	**89,616**	**22,404**	**112,021**
Direct investment	**387**	**72**	**484**	**362**	**91**	**453**	**296**	**48**	**370**	**267**	**52**	**333**
1.1 Equity capital	287	72	359	256	64	320	194	48	242	207	52	259
1.2 Other capital	100	0	125	106	26	132	102	0	127	60	0	75
Long-term	0	0	0	0	0	0	0	0	0	0	0	0
Short-term	100	25	125	106	26	132	102	25	127	60	15	75
Portfolio investment	**38,762**	**12,907**	**51,669**	**40,326**	**13,578**	**53,904**	**41,682**	**14,829**	**56,511**	**44,687**	**9,595**	**54,282**
2.1 Equity securities	18,669	11,844	30,513	19,253	12,534	31,787	20,186	13,736	33,922	21,811	8,703	30,514
2.2 Debt securities	20,093	1,063	21,156	21,073	1,044	22,117	21,496	1,093	22,589	22,876	892	23,768
Other investment	**26,062**	**6,515**	**32,577**	**27,255**	**6,814**	**34,069**	**27,938**	**6,984**	**34,922**	**32,777**	**8,194**	**40,972**
3.1 Claims of resident non-bank companies	631	158	789	714	178	892	393	98	492	807	202	1,009
3.1.1 Short-term loans and trade finance	558	139	697	656	164	820	228	57	285	360	90	450
3.1.2 Long-term loans	73	18	92	58	14	72	166	41	207	447	112	559
3.2 Claims of resident banks	4,011	1,003	5,013	3,922	980	4,902	4,552	1,138	5,690	4,084	1,021	5,106
3.2.1 Short-term loans	3,918	979	4,897	3,826	956	4,782	4,443	1,111	5,554	3,954	988	4,942
3.2.2 Long-term loans	93	23	116	96	24	120	109	27	137	131	33	164
3.3 Claims of resident parastatal companies	66	16	82	7	2	9	4	1	5	10	2	12
3.3.1 Short-term loans and trade finance	63	16	78	4	1	5	2	0	2	10	2	12
3.3.2 Long-term loans	3	1	4	3	1	4	2	0	2	0	0	0
3.4 Claims of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0	0	0	0
3.5.1 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	17,089	4,272	21,361	18,414	4,604	23,018	18,622	4,656	23,278	18,702	4,675	23,377
3.7 Other assets	4,265	1,066	5,331	4,199	1,050	5,249	4,366	1,092	5,458	9,174	2,294	11,468
3.7.1 Other-eg., re-insurance and bonds	4,265	1,066	5,331	4,199	1,050	5,249	4,366	1,092	5,458	9,174	2,294	11,468
Reserve Assets	**11,809**	**2,952**	**14,838**	**12,751**	**3,188**	**16,020**	**11,511**	**2,878**	**14,474**	**13,080**	**3,270**	**16,434**
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	0	0	76	0	0	80	0	0	84	0	0	83
4.3 Reserve position in the IMF	0	0	1	0	0	1	0	0	1	0	0	1
4.4 Foreign exchange	11,809	2,952	14,761	12,751	3,188	15,939	11,511	2,878	14,389	13,080	3,270	16,350
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0

	2014(p)											
	Q1			Q2			Q3			Q4		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
Foreign assets	**86,171**	**21,543**	**107,713**	**92,694**	**23,174**	**115,868**	**98,572**	**24,643**	**123,215**	**91,085**	**22,771**	**113,856**
Direct investment	**383**	**56**	**479**	**499**	**63**	**624**	**772**	**85**	**965**	**943**	**102**	**1,178**
1.1 Equity capital	199	50	249	212	53	266	257	64	321	293	73	366
1.2 Other capital	183	6	229	287	10	358	515	21	644	650	29	812
Long-term	123	31	154	197	49	246	419	105	523	583	146	729
Short-term	61	15	76	90	23	113	96	24	121	66	17	83
Portfolio investment	**44,568**	**9,512**	**52,380**	**46,107**	**10,000**	**56,107**	**48,886**	**10,801**	**59,687**	**50,237**	**10,287**	**60,524**
2.1 Equity securities	22,076	8,702	30,778	23,404	9,175	32,579	24,087	9,895	33,982	25,019	9,564	34,582
2.2 Debt securities	22,492	810	21,602	22,704	825	23,529	24,799	906	25,705	25,219	723	25,942
Other investment	**32,230**	**8,057**	**40,287**	**34,584**	**8,646**	**43,230**	**36,882**	**9,220**	**46,102**	**30,901**	**7,725**	**38,626**
3.1 Claims of resident non-bank companies	782	195	977	846	211	1,057	573	143	716	963	241	1,203
3.1.1 Short-term loans and trade finance	611	153	763	725	181	906	429	107	537	693	173	866
3.1.2 Long-term loans	171	43	214	121	30	151	144	36	180	270	67	337
3.2 Claims of resident banks	4,775	1,194	5,969	5,229	1,307	6,536	5,462	1,365	6,827	4,564	1,141	5,705
3.2.1 Short-term loans	4,533	1,133	5,667	4,772	1,193	5,965	4,981	1,245	6,226	4,030	1,007	5,037
3.2.2 Long-term loans	242	60	302	457	114	571	481	120	601	534	134	668
3.3 Claims of resident parastatal companies	68	17	85	68	17	85	4	1	6	21	5	26
3.3.1 Short-term loans and trade finance	68	17	85	68	17	85	4	1	6	21	5	26
3.3.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Claims of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0	0	0	0
3.5.1 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	17,542	4,385	21,927	19,071	4,768	23,839	20,862	5,215	26,077	15,423	3,856	19,279
3.7 Other assets	9,063	2,266	11,329	9,370	2,342	11,712	9,981	2,495	12,476	9,930	2,483	12,413
3.7.1 Other-eg., re-insurance and bonds	9,063	2,266	11,329	9,370	2,342	11,712	9,981	2,495	12,476	9,930	2,483	12,413
Reserve Assets	**11,580**	**2,895**	**14,568**	**12,649**	**3,162**	**15,907**	**13,083**	**3,271**	**16,461**	**10,822**	**2,705**	**13,527**
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	0	0	91	0	0	94	0	0	106	0	0	0
4.3 Reserve position in the IMF	0	0	1	0	0	1	0	0	1	0	0	0
4.4 Foreign exchange	11,580	2,895	14,475	12,649	3,162	15,811	13,083	3,271	16,354	10,822	2,705	13,527
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0

	2015(p)											
	Q1			Q2			Q3			Q4		
	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total	South Africa	Others	Total
Foreign assets	**92,547**	**23,137**	**115,684**	**93,959**	**23,490**	**117,449**	**95,310**	**23,827**	**119,137**	**109,951**	**27,488**	**137,439**
Direct investment	**1,216**	**146**	**1,520**	**2,072**	**255**	**2,590**	**2,347**	**271**	**2,934**	**2,040**	**510**	**2,550**
1.1 Equity capital	436	109	545	774	194	968	783	196	979	801	200	1,002
1.2 Other capital	780	37	975	1,297	61	1,622	1,564	75	1,955	1,239	310	1,548
Long-term	735	184	919	1,228	307	1,535	1,503	376	1,879	1,712	428	2,140
Short-term	45	11	57	69	17	87	61	15	76	61	15	76
Portfolio investment	**49,093**	**11,503**	**60,596**	**49,248**	**10,932**	**60,180**	**50,340**	**12,486**	**62,826**	**48,354**	**11,408**	**61,201**
2.1 Equity securities	25,813	10,230	36,043	25,525	10,053	35,578	26,468	11,459	37,927	26,389	10,140	36,516
2.2 Debt securities	23,280	1,273	24,553	23,723	878	24,601	23,872	1,027	24,900	21,965	1,269	24,685
Other investment	**33,012**	**8,253**	**41,265**	**31,917**	**7,979**	**39,896**	**32,438**	**8,109**	**40,547**	**40,089**	**10,022**	**50,111**
3.1 Claims of resident non-bank companies	1,174	293	1,467	1,246	312	1,558	1,311	328	1,639	1,082	270	1,352
3.1.1 Short-term loans and trade finance	905	226	1,131	1,015	254	1,269	1,084	271	1,355	861	215	1,076
3.1.2 Long-term loans	269	67	337	231	58	289	227	57	284	221	55	277
3.2 Claims of resident banks	6,566	1,642	8,208	4,475	1,119	5,594	5,422	1,356	6,778	4,587	1,147	5,733
3.2.1 Short-term loans	6,126	1,531	7,657	4,324	1,081	5,404	5,270	1,318	6,588	4,369	1,092	5,461
3.2.2 Long-term loans	441	110	551	151	38	189	152	38	190	218	54	272
3.3 Claims of resident parastatal companies	21	5	26	13	3	16	13	3	16	0	0	0
3.3.1 Short-term loans and trade finance	21	5	26	13	3	16	13	3	16	0	0	0
3.3.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.4 Claims of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Claims of central government	0	0	0	0	0	0	0	0	0	0	0	0
3.5.1 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.6 Currency and deposits reported by Namibian banks	15,100	3,775	18,876	16,071	4,018	20,089	14,921	3,730	18,651	21,982	5,496	27,478
3.7 Other assets	10,150	2,538	12,688	10,112	2,528	12,640	10,771	2,693	13,463	12,438	3,110	15,548
3.7.1 Other-eg., re-insurance and bonds	10,150	2,538	12,688	10,112	2,528	12,640	10,771	2,693	13,463	12,438	3,110	15,548
Reserve Assets	**9,842**	**2,460**	**12,302**	**11,827**	**2,957**	**14,784**	**10,264**	**2,566**	**12,830**	**18,862**	**4,715**	**23,577**
4.1 Monetary gold	0	0	0	0	0	0	0	0	0	0	0	0
4.2 Special drawing rights	82	21	103	85	21	106	96	24	120	0	0	0
4.3 Reserve position in the IMF	1	0	1	0	0	0	0	0	0	0	0	0
4.4 Foreign exchange	9,759	2,440	12,198	11,743	2,936	14,678	10,168	2,542	12,710	18,862	4,715	23,577
4.5 Other assets	0	0	0	0	0	0	0	0	0	0	0	0

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

	2013(p) Q1 South Africa	Q1 Others	Q1 Total	Q2 South Africa	Q2 Others	Q2 Total	Q3 South Africa	Q3 Others	Q3 Total	Q4 South Africa	Q4 Others	Q4 Total
Foreign liabilities	49,686	16,662	66,348	43,006	15,255	58,261	50,227	19,213	69,440	56,455	21,146	77,601
Direct investment	34,723	8,681	43,404	28,266	7,066	35,332	31,461	7,865	39,327	33,768	8,442	42,210
1.1 Equity capital	16,838	4,210	21,048	8,280	2,070	10,350	20,080	5,020	25,100	20,273	5,068	25,341
1.2 Other capital	17,885	4,471	22,356	19,986	4,997	24,983	11,381	2,845	14,226	13,496	3,374	16,869
Long-term	16,681	4,170	20,851	18,684	4,671	23,355	9,883	2,471	12,354	11,926	2,981	14,907
Short-term	1,204	301	1,505	1,302	326	1,628	1,498	374	1,872	1,570	392	1,962
Portfolio investment	1,172	4,393	5,565	1,243	4,680	5,923	1,249	4,703	5,952	1,293	4,880	6,173
2.1 Equity securities	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities	1,093	4,373	5,467	1,165	4,660	5,825	1,171	4,683	5,854	1,215	4,860	6,075
Other Investment	13,792	3,588	17,380	13,497	3,509	17,006	17,517	6,645	24,161	21,394	7,824	29,218
3.1 Liabilities of resident non-bank companies	3,244	811	4,055	1,941	485	2,427	4,542	1,136	5,678	6,143	1,536	7,679
3.1.1 Short-term loans	568	142	710	304	76	380	476	119	595	994	248	1,242
3.1.2 Long-term loans	2,676	669	3,345	1,637	409	2,047	4,066	1,017	5,083	5,149	1,287	6,437
3.2 Liabilities of resident banks	2,018	504	2,522	1,696	424	2,121	2,132	533	2,665	3,224	806	4,030
3.2.1 Short-term loans	1,921	480	2,401	1,397	349	1,746	1,840	460	2,300	2,494	623	3,117
3.2.2 Long-term loans	97	24	121	299	75	374	292	73	365	730	183	913
3.3 Liabilities of resident parastatal companies	1,806	451	2,257	2,977	744	3,721	2,902	726	3,628	3,289	822	4,111
3.3.1 Short-term loans and trade finance	170	42	212	188	47	235	183	46	229	202	50	252
3.3.2 Long-term loans	1,636	409	2,045	2,789	697	3,486	2,719	680	3,399	3,087	772	3,859
3.4 Liabilities of local government authorities	232	58	290	232	58	290	232	58	290	232	58	290
3.4.1 Short-term loans and trade finance	3	1	4	3	1	4	3	1	4	3	1	4
3.4.2 Long-term loans	229	57	287	229	57	287	229	57	287	229	57	287
3.5 Liabilities of central government	3,233	808	4,041	3,477	869	4,346	3,696	924	4,620	3,841	960	4,802
3.5.1 Long-term loans	3,233	808	4,041	3,477	869	4,346	3,696	924	4,620	3,841	960	4,802
3.6 Currency and deposits reported by Namibian banks	1,758	439	2,197	1,542	386	1,928	1,818	454	2,272	2,347	587	2,934
3.7 Liabilities of EPZ companies	37	149	187	36	143	179	604	2,417	3,021	660	2,641	3,301
3.7.1 Short-term loans and trade finance	30	119	148	27	110	137	262	1,049	1,311	264	1,058	1,322
3.7.2 Long-term loans	8	31	39	8	34	42	342	1,368	1,710	396	1,583	1,978
3.8 Other liabilities	1,465	366	1,831	1,595	399	1,994	1,590	398	1,988	1,658	414	2,072
3.8.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.8.2 Long-term loans	1,465	366	1,831	1,595	399	1,994	1,590	398	1,988	1,658	414	2,072
Net Foreign Assets (+)/ Liabilities(-)	26,576	6,644	33,219	36,948	9,237	46,185	29,470	7,367	36,837	27,536	6,884	34,420

	2014(p) Q1 South Africa	Q1 Others	Q1 Total	Q2 South Africa	Q2 Others	Q2 Total	Q3 South Africa	Q3 Others	Q3 Total	Q4 South Africa	Q4 Others	Q4 Total
Foreign liabilities	54,699	20,888	75,587	58,119	21,984	80,102	59,804	22,861	82,665	64,434	24,406	88,840
Direct investment	32,857	8,214	41,071	33,547	8,387	41,934	33,647	8,412	42,059	34,575	8,644	43,218
1.1 Equity capital	20,214	5,053	25,267	20,976	5,244	26,220	19,972	4,993	24,965	20,024	5,006	25,030
1.2 Other capital	12,643	3,161	15,804	12,572	3,143	15,715	13,675	3,419	17,094	14,550	3,638	18,188
Long-term	10,827	2,707	13,534	10,661	2,665	13,326	11,795	2,949	14,744	12,210	3,053	15,263
Short-term	1,816	454	2,270	1,911	478	2,389	1,880	470	2,350	2,340	585	2,925
Portfolio investment	1,309	4,941	6,250	1,308	4,940	6,248	1,374	5,202	6,576	1,405	5,324	6,729
2.1 Equity securities	78	20	98	78	20	98	78	20	98	78	20	98
2.2 Debt securities	1,230	4,922	6,152	1,230	4,920	6,150	1,296	5,182	6,478	1,326	5,305	6,631
Other Investment	20,534	7,733	28,266	23,263	8,657	31,920	24,783	9,247	34,030	28,455	10,438	38,893
3.1 Liabilities of resident non-bank companies	6,588	1,647	8,235	9,078	2,270	11,348	11,619	2,905	14,524	13,306	3,326	16,632
3.1.1 Short-term loans	800	200	1,001	1,050	263	1,313	1,052	263	1,315	806	201	1,007
3.1.2 Long-term loans	5,787	1,447	7,234	8,028	2,007	10,035	10,567	2,642	13,209	12,500	3,125	15,625
3.2 Liabilities of resident banks	2,617	654	3,271	3,046	761	3,807	2,333	583	2,916	3,391	848	4,238
3.2.1 Short-term loans	1,909	477	2,386	2,352	588	2,940	1,636	409	2,044	2,699	675	3,374
3.2.2 Long-term loans	708	177	885	694	173	867	697	174	871	692	173	864
3.3 Liabilities of resident parastatal companies	2,475	619	3,093	2,747	687	3,433	2,706	676	3,382	2,822	706	3,528
3.3.1 Short-term loans and trade finance	167	42	209	185	46	231	223	56	279	343	86	429
3.3.2 Long-term loans	2,307	577	2,884	2,561	640	3,202	2,482	621	3,103	2,479	620	3,099
3.4 Liabilities of local government authorities	232	58	290	232	58	290	232	58	290	232	58	290
3.4.1 Short-term loans and trade finance	3	1	4	3	1	4	3	1	4	3	1	4
3.4.2 Long-term loans	229	57	287	229	57	287	229	57	287	229	57	287
3.5 Liabilities of central government	3,906	976	4,882	3,919	980	4,899	3,922	981	4,903	3,839	960	4,799
3.5.1 Long-term loans	3,906	976	4,882	3,919	980	4,899	3,922	981	4,903	3,839	960	4,799
3.6 Currency and deposits reported by Namibian banks	2,341	585	2,926	1,803	451	2,253	1,356	339	1,694	2,145	536	2,681
3.7 Liabilities of EPZ companies	693	2,772	3,466	758	3,031	3,788	814	3,255	4,068	886	3,545	4,432
3.7.1 Short-term loans and trade finance	258	1,031	1,289	239	957	1,196	212	848	1,060	252	1,007	1,259
3.7.2 Long-term loans	435	1,741	2,177	518	2,074	2,592	602	2,406	3,008	635	2,539	3,173
3.8 Other liabilities	1,683	421	2,103	1,681	420	2,101	1,802	451	2,253	1,834	458	2,292
3.8.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.8.2 Long-term loans	1,683	421	2,103	1,681	420	2,101	1,802	451	2,253	1,834	458	2,292
Net Foreign Assets (+)/ Liabilities(-)	25,701	6,425	32,126	28,613	7,153	35,766	32,440	8,110	40,549	20,013	5,003	25,016

	2015(p) Q1 South Africa	Q1 Others	Q1 Total	Q2 South Africa	Q2 Others	Q2 Total	Q3 South Africa	Q3 Others	Q3 Total	Q4 South Africa	Q4 Others	Q4 Total
Foreign liabilities	64,087	24,968	89,055	69,104	27,002	96,106	74,927	30,106	105,033	101,624	26,553	128,177
Direct investment	32,711	8,178	40,889	34,613	8,653	43,267	35,416	8,854	44,270	46,105	11,526	57,631
1.1 Equity capital	17,822	4,455	22,277	18,858	4,715	23,573	20,085	5,021	25,107	29,904	7,476	37,380
1.2 Other capital	14,889	3,722	18,611	15,755	3,939	19,693	15,331	3,833	19,164	16,201	4,050	20,251
Long-term	12,346	3,087	15,433	12,959	3,240	16,199	12,162	3,040	15,202	12,284	3,071	15,355
Short-term	2,543	636	3,178	2,795	699	3,494	3,170	792	3,962	3,917	979	4,896
Portfolio investment	1,465	5,565	7,030	1,633	6,237	7,870	1,950	7,503	9,453	17,554	4,389	21,943
2.1 Equity securities	78	20	98	78	20	98	79	20	99	79	20	99
2.2 Debt securities	1,386	5,546	6,932	1,554	6,218	7,772	1,871	7,483	9,354	4,369	17,475	21,844
Other Investment	29,911	11,225	41,136	32,858	12,112	44,970	37,561	13,749	51,310	37,965	10,638	48,603
3.1 Liabilities of resident non-bank companies	14,900	3,725	18,625	16,728	4,182	20,910	20,616	5,154	25,770	20,647	5,162	25,809
3.1.1 Short-term loans	1,534	384	1,918	1,458	365	1,823	970	243	1,213	1,016	254	1,270
3.1.2 Long-term loans	13,366	3,341	16,707	15,270	3,817	19,087	19,646	4,911	24,557	19,631	4,908	24,539
3.2 Liabilities of resident banks	2,885	721	3,606	2,731	683	3,413	2,984	746	3,730	2,929	732	3,661
3.2.1 Short-term loans	2,262	566	2,828	2,052	513	2,565	2,245	561	2,806	2,137	534	2,671
3.2.2 Long-term loans	622	156	778	679	170	849	739	185	924	792	198	990
3.3 Liabilities of resident parastatal companies	2,874	719	3,593	3,178	795	3,973	3,426	856	4,282	3,734	933	4,667
3.3.1 Short-term loans and trade finance	173	43	216	364	91	455	391	98	489	500	125	625
3.3.2 Long-term loans	2,701	675	3,376	2,815	704	3,518	3,034	759	3,793	3,233	808	4,042
3.4 Liabilities of local government authorities	0	0	0	0	0	0	0	0	0	0	0	0
3.4.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.4.2 Long-term loans	0	0	0	0	0	0	0	0	0	0	0	0
3.5 Liabilities of central government	4,096	1,024	5,119	4,830	1,207	6,037	4,793	1,198	5,992	5,190	1,298	6,488
3.5.1 Long-term loans	4,096	1,024	5,119	4,830	1,207	6,037	4,793	1,198	5,992	5,190	1,298	6,488
3.6 Currency and deposits reported by Namibian banks	2,202	551	2,753	2,410	603	3,013	2,373	593	2,967	2,692	673	3,365
3.7 Liabilities of EPZ companies	999	3,997	4,996	1,039	4,157	5,196	1,162	4,649	5,812	306	1,223	1,529
3.7.1 Short-term loans and trade finance	268	1,071	1,339	271	1,083	1,353	292	1,169	1,461	301	1,203	1,504
3.7.2 Long-term loans	732	2,926	3,658	769	3,074	3,843	870	3,480	4,350	5	20	26
3.8 Other liabilities	1,955	489	2,444	1,942	486	2,428	2,206	552	2,758	2,467	617	3,084
3.8.1 Short-term loans and trade finance	0	0	0	0	0	0	0	0	0	0	0	0
3.8.2 Long-term loans	1,955	489	2,444	1,942	486	2,428	2,206	552	2,758	2,467	617	3,084
Net Foreign Assets (+)/ Liabilities(-)	21,303	5,326	26,629	17,074	4,269	21,343	11,283	2,821	14,104	7,410	1,852	9,262

(p) Provisional

E

Table IV.J Foreign exchange rates Foreign currency per Namibia Dollar

Period averages

Period		US Dollar	UK Pound	Japan Yen	Switzerland Franc	EU ECU
2010	Jan	0.134	0.083	12.255	0.139	0.094
	Feb	0.129	0.083	11.779	0.140	0.095
	Mar	0.135	0.089	12.195	0.144	0.099
	Apr	0.136	0.089	12.706	0.145	0.101
	May	0.131	0.089	12.077	0.148	0.104
	Jun	0.131	0.089	11.876	0.147	0.107
	Jul	0.133	0.087	11.614	0.140	0.104
	Aug	0.137	0.088	11.710	0.143	0.106
	Sep	0.140	0.090	11.820	0.141	0.107
	Oct	0.145	0.091	11.820	0.140	0.104
	Nov	0.143	0.090	11.820	0.141	0.105
	Dec	0.146	0.094	12.195	0.142	0.111
2011	Jan	0.145	0.092	11.962	0.139	0.109
	Feb	0.139	0.086	11.481	0.132	0.102
	Mar	0.145	0.090	11.834	0.133	0.103
	Apr	0.149	0.091	12.392	0.134	0.103
	May	0.146	0.089	11.834	0.127	0.102
	Jun	0.147	0.091	11.848	0.124	0.102
	Jul	0.147	0.091	11.682	0.121	0.103
	Aug	0.142	0.087	10.917	0.111	0.099
	Sep	0.133	0.084	10.204	0.116	0.096
	Oct	0.126	0.080	9.320	0.113	0.092
	Nov	0.123	0.078	9.506	0.111	0.090
	Dec	0.122	0.078	9.515	0.114	0.093
2012	Jan	0.125	0.080	9.606	0.117	0.097
	Feb	0.131	0.083	10.256	0.119	0.099
	Mar	0.132	0.083	10.846	0.120	0.100
	Apr	0.128	0.080	10.395	0.117	0.097
	May	0.123	0.077	9.785	0.115	0.096
	Jun	0.119	0.077	9.443	0.114	0.095
	Jul	0.121	0.078	9.579	0.118	0.099
	Aug	0.121	0.077	9.506	0.117	0.097
	Sep	0.121	0.075	9.443	0.114	0.094
	Oct	0.116	0.072	9.132	0.108	0.089
	Nov	0.114	0.071	9.208	0.107	0.089
	Dec	0.116	0.072	9.681	0.107	0.088
2013	Jan	0.114	0.071	10.121	0.105	0.086
	Feb	0.113	0.073	10.471	0.104	0.084
	Mar	0.109	0.072	10.331	0.103	0.084
	Apr	0.110	0.072	10.753	0.103	0.084
	May	0.107	0.070	10.787	0.102	0.082
	Jun	0.100	0.064	9.737	0.093	0.076
	Jul	0.101	0.066	10.526	0.095	0.077
	Aug	0.099	0.064	9.709	0.092	0.075
	Sep	0.100	0.063	9.940	0.093	0.075
	Oct	0.101	0.063	9.862	0.091	0.074
	Nov	0.098	0.061	9.804	0.089	0.073
	Dec	0.096	0.059	9.980	0.086	0.070
2014	Jan	0.092	0.056	9.569	0.083	0.068
	Feb	0.091	0.055	9.285	0.081	0.067
	Mar	0.093	0.056	9.524	0.082	0.067
	Apr	0.095	0.057	9.728	0.084	0.069
	May	0.096	0.057	9.785	0.086	0.070
	Jun	0.094	0.055	9.560	0.084	0.069
	Jul	0.094	0.055	9.542	0.084	0.069
	Aug	0.094	0.056	9.653	0.085	0.070
	Sep	0.091	0.056	9.785	0.085	0.071
	Oct	0.090	0.056	9.756	0.086	0.071
	Nov	0.090	0.057	10.811	0.087	0.072
	Dec	0.087	0.056	10.417	0.085	0.071
2015	Jan	0.086	0.057	10.235	0.082	0.074
	Feb	0.086	0.056	10.235	0.081	0.076
	Mar	0.083	0.055	9.980	0.081	0.076
	Apr	0.083	0.056	9.960	0.080	0.077
	May	0.084	0.054	10.091	0.078	0.075
	Jun	0.081	0.052	10.050	0.076	0.072
	Jul	0.080	0.052	9.911	0.077	0.073
	Aug	0.077	0.050	9.533	0.076	0.069
	Sep	0.073	0.048	8.826	0.071	0.065
	Oct	0.074	0.048	8.889	0.072	0.066
	Nov	0.071	0.047	8.671	0.071	0.066
	Dec	0.067	0.045	8.163	0.067	0.062

Source: SARB

Table IV.K 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
2010	Jan	95.4	93.4	94.2	87.7	82.1	120.1
	Feb	94.7	92.8	93.5	88.2	82.4	119.6
	Mar	97.6	97.2	97.6	86.3	79.1	124.0
	Apr	98.2	98.0	98.3	85.9	78.5	124.7
	May	97.7	97.7	97.9	86.3	78.7	124.2
	Jun	98.0	98.3	98.3	85.9	78.1	124.9
	Jul	97.5	97.1	97.4	85.6	78.2	125.1
	Aug	99.0	99.2	99.3	84.7	76.8	127.0
	Sep	100.2	101.1	101.0	83.9	75.5	129.0
	Oct	100.6	101.5	101.5	83.8	75.5	129.2
	Nov	100.3	101.0	101.1	83.8	75.5	129.1
	Dec	102.5	104.7	104.3	82.7	73.5	132.0
2011	Jan	101.6	103.1	102.9	82.1	73.3	132.6
	Feb	98.3	97.9	98.3	84.8	77.3	126.5
	Mar	100.3	100.8	100.9	83.5	75.2	129.7
	Apr	101.1	101.9	102.0	82.4	74.1	131.7
	May	100.1	100.3	100.6	83.1	75.0	130.2
	Jun	100.8	101.4	101.6	82.6	74.1	131.6
	Jul	100.9	101.8	101.9	82.3	73.5	132.4
	Aug	98.3	97.7	98.2	84.0	76.3	128.2
	Sep	95.8	94.3	95.0	86.1	79.1	124.0
	Oct	92.7	89.8	90.8	88.1	82.4	119.7
	Nov	91.4	87.9	89.1	89.1	83.8	117.8
	Dec	91.9	88.8	89.8	88.0	82.4	119.6
2012	Jan	93.5	91.2	92.0	115.6	124.5	121.9
	Feb	95.5	93.9	94.6	118.0	128.5	125.5
	Mar	96.0	94.6	95.1	118.2	129.5	126.2
	Apr	94.1	91.8	92.6	116.3	125.8	123.0
	May	92.3	89.3	90.2	114.8	122.8	120.4
	Jun	91.3	88.1	89.1	113.3	121.1	118.8
	Jul	92.6	90.0	90.8	115.8	124.9	122.1
	Aug	92.1	89.3	90.1	115.3	123.8	121.2
	Sep	91.1	87.7	88.7	114.6	122.3	120.0
	Oct	88.5	84.0	85.3	112.4	118.2	116.5
	Nov	87.8	83.1	84.5	112.3	117.9	116.2
	Dec	88.3	83.7	85.1	112.3	117.8	116.2
2013	Jan	87.3	82.3	83.8	113.8	120.1	118.1
	Feb	87.0	82.1	83.6	125.0	122.4	122.9
	Mar	86.1	81.0	82.5	123.7	121.1	121.6
	Apr	86.2	81.1	82.6	123.9	121.4	121.9
	May	84.7	79.2	80.8	122.2	118.6	119.3
	Jun	80.5	73.6	75.5	116.6	110.6	111.9
	Jul	81.5	75.0	76.9	118.2	113.2	114.3
	Aug	80.0	73.0	75.0	116.3	110.4	111.8
	Sep	80.2	73.1	75.1	116.5	110.5	111.9
	Oct	80.0	72.7	74.8	116.6	110.4	111.8
	Nov	78.6	71.1	73.2	114.9	108.0	109.6
	Dec	77.3	69.3	71.5	112.8	105.1	106.9
2014	Jan	74.8	66.3	68.5	110.4	101.8	103.8
	Feb	74.1	65.5	67.8	109.6	100.9	103.0
	Mar	75.0	66.5	68.8	110.9	102.7	104.7
	Apr	75.9	67.6	69.8	112.4	104.8	106.5
	May	76.7	68.5	70.7	113.6	106.3	108.0
	Jun	75.4	66.9	69.2	111.9	104.0	105.8
	Jul	75.4	66.8	69.1	111.7	104.0	105.8
	Aug	75.9	67.6	69.8	112.5	105.3	107.0
	Sep	75.3	67.1	69.2	111.7	104.5	106.1
	Oct	75.3	67.1	69.2	111.8	104.7	106.2
	Nov	75.6	67.6	69.7	112.2	105.4	106.9
	Dec	74.2	66.0	68.1	111.0	103.6	105.2
2015	Jan	75.0	67.2	69.2	113.3	106.8	108.1
	Feb	75.0	67.2	69.1	112.6	106.0	107.2
	Mar	74.0	66.1	68.0	110.9	104.6	105.7
	Apr	74.3	66.6	68.4	111.4	105.4	106.4
	May	73.5	65.5	67.4	110.5	103.9	105.1
	Jun	72.0	63.6	65.6	108.5	101.2	102.6
	Jul	71.6	63.2	65.2	108.0	100.8	102.1
	Aug	69.5	60.8	62.8	105.4	97.3	98.9
	Sep	67.0	58.0	60.1	102.2	93.1	95.0
	Oct	67.5	58.4	60.6	102.8	93.9	95.7
	Nov	65.9	56.8	58.9	100.9	91.6	93.4
	Dec	63.3	54.0	56.2	97.3	87.2	89.3

LIST OF ABBREVIATIONS

A	
AACB	Association of African Central Banks
ADLAs	Authorised Dealers with Limited Authority
AMCP	African Monetary Cooperation Programme
AML	Anti-money laundering
AML/CFT	Anti-Money Laundering and Combatting the Financing of Terrorism
ATM	Automated teller machine
B	
BCM	Business Continuity Management
BOP	Balance of Payment
BoN	Bank of Namibia
BPM5	Balance of Payments Manual Fifth Edition
BPM6	Balance of Payments and International Investment Position Manual Sixth Edition
C	
CCBG	Committee of Central Bank Governors (in SADC)
CDIS	Coordinated Direct Investment Survey
CFLC	Catalytic First Loss Capital
CFT	Combatting of the Financing Terrorism
CGS	Credit Guarantee Scheme
CMA	Common Monetary Area
CMS	Capital Monitoring System
COBIT	Control Objectives for Information and Related Technology
CPF	Combatting of the Proliferation Financing
CPI	Consumer Price Index
CPIS	Coordinated Portfolio Investment Survey
CPS	Cheque Processing System
CSD	Central Securities Depository
D	
DNFBPs	Designated Non-Financial Businesses and Professions
DBN	Development Bank of Namibia
DR	Disaster Recovery
E	
ECB	European Central Bank

EFT	Electronic Funds Transfer
ELF	Employee Liaison Forum
EMV	Europay, MasterCard and Visa
EU	European Union
EUR	Euro/European Union currency
F	
FATF	Financial Action Task Force
FDI	Foreign direct investment
FIA	Financial Intelligence Act
FIC	Financial Intelligence Centre
FICAB	Financial Institutions Fraud and Security Committee
FISIM	Financial Intermediation Services Indirectly Measured
FTA	Free Trade Agreement
FSSC	Financial Sector Stability Committee
G	
GAP	Graduate Accelerated Programme
GBP	British Pound Sterling
GC14	Government internal registered stock maturing in 2014
GC15	Government internal registered stock maturing in 2015
GC17	Government internal registered stock maturing in 2017
GC18	Government internal registered stock maturing in 2018
GC21	Government internal registered stock maturing in 2021
GC24	Government internal registered stock maturing in 2024
GC25	Government internal registered stock maturing in 2025
GC27	Government internal registered stock maturing in 2027
GC30	Government internal registered stock maturing in 2030
GC32	Government internal registered stock maturing in 2032
GC35	Government internal registered stock maturing in 2035
GC37	Government internal registered stock maturing in 2037
GC40	Government internal registered stock maturing in 2040
GDE	Gross domestic expenditure
GDP	Gross domestic product
GFCF	Gross fixed capital formation
GIZ	Gesellschaft für Internationale Zusammenarbeit
GNDI	Gross national disposable income
GNI	Gross national income
GRN	Government Republic of Namibia

H	
HAN	**Hospitality Association of Namibia**
I	
IC	**Investment Committee**
ICT	**Information Communication Technology**
IDR	**Issuer Default Rating**
IIP	**International Investment Position**
IMF	**International Monetary Fund**
IRS	**Internal Registered Stock**
IRSRA	**Internal Registered Stock Redemption Account**
IT	**Information Technology**
J	
JPY	**Japanese Yen**
JSE	**Johannesburg Stock Exchange**
L	
LCA	**Use of Local Currency**
LEAs	**Law Enforcement Agencies**
LHS	**Left-hand side**
M	
M1	**Narrow money**
M2	**Money supply**
MC	**Management Committee**
MEFMI	**Macroeconomic and Financial Management Institute of Eastern and Southern Africa**
MIGA	**Multilateral Investment Guarantees Agency**
ML	**Money Laundering**
MME	**Ministry of Mines and Energy**
MoF	**Ministry of Finance**
MOU	**Memorandum of Understanding**
MPC	**Monetary Policy Committee**
N	
NAD/N$	**Namibia Dollar**
NAMFISA	**Namibia Financial Institutions Supervisory Authority**
NAMSWITCH	**Namibia Card Switching System**
NBIC	**Namibia Business Innovation Centre**

E

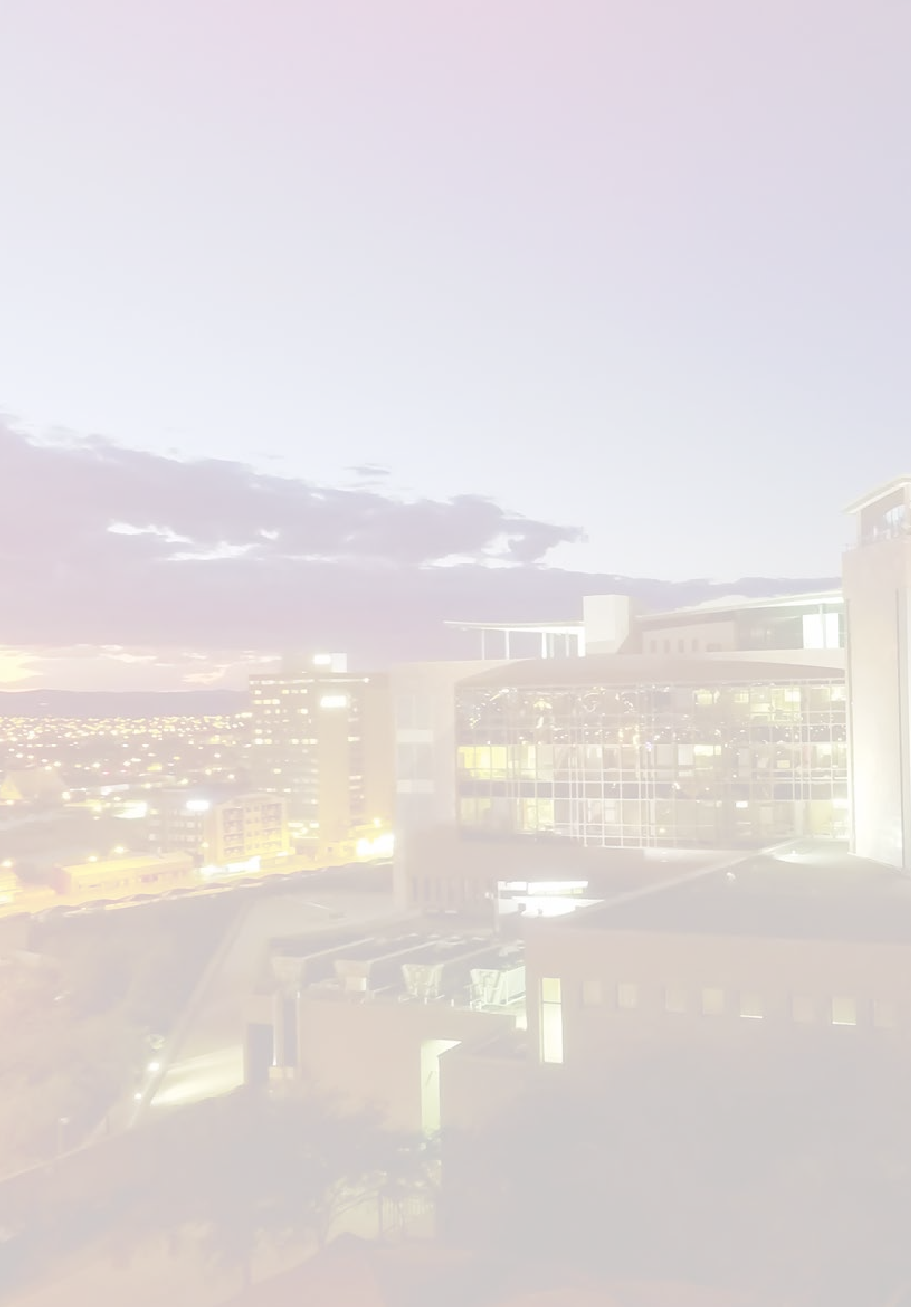
NCPI	National Consumer Price Index
NDA	Net Domestic Assets
NDP4	Fourth National Development Plan
NEER	Nominal effective exchange rate
NFA	Net Foreign Assets
NFSS	Namibia Financial Sector Strategy
NHIES	Namibia Household Income and Expenditure Survey
NII	Net Interest Income
NISS	Namibia Interbank Settlement System
NPLs	Non-Performing Loans
NPS	National Payment System
NSA	Namibian Statistic Agency
NSX	Namibian Stock Exchange
O	
ODCs	Other Depository Corporations
OPEC	Organization of the Petroleum Exporting Countries
P	
PACOTAPAA	Prevention and Combatting of Terrorist and Proliferation Activities Act
PAN	Payment Association of Namibia
PF	Proliferation Financing
PhD	Doctor of Philosophy
PSCE	Private sector credit extension
PSEs	Public Sector Enterprises
POS	Point-of-sale
PPP	Public-Private Partnership
R	
RA	Revenue Authority
REER	Real effective exchange rate
RFIs	Requests for Information
RHS	Right-hand side
RISDP	Regional Indicative Strategic Development Plan
RRFI	Responses to Request for Information
ROA	Return on assets
ROE	Return on equity
RTGS	Real-time Gross Settlement

E

RWA	**Risk-weighted assets**
RWCR	**Risk-weighted capital ratio**
S	
SAA	**Strategic Asset Allocation**
SACU	**Southern African Customs Union**
SADC	**Southern African Development Community**
SAP	**Enterprise Resource Planning**
SARB	**South African Reserve Bank**
SARs	**Suspicious Activity Reports**
SDR	**Special Drawings Rights**
SIRESS	**SADC Integrated Regional Settlement System**
SMEs	**Small-Medium Enterprises**
SOEs	**State-owned enterprises**
STP	**Straight Through Processing**
STR	**Suspicious Transaction Report**
T	
TBs	**Treasury Bills**
TF	**Terrorism financing**
TORs	**Terms of Reference**
U	
UK	**United Kingdom**
UN	**United Nations**
UNAM	**University of Namibia**
US	**United States**
USA	**United States of America**
USD/US$	**United States Dollar**
UPS	**Uninterruptible Power Supply**
W	
WBG	**World Bank Group**
WIBAR	**Windhoek Interbank Agreed Rate**
Z	
ZAR/Rand	**South African Rand**

Notes:

E

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