CENTRAL BANK OF THE GAMBIA

ANNUAL REPORT 2020

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PRIMARY OBJECTIVES OF THE BANK

a) Achieve and maintain domestic price stability.

b) Promote and maintain the stability of The Gambian currency.

c) Direct and regulate the financial, insurance, banking, and currency system in the interest of economic development of The Gambia.

d) Encourage and promote sustainable economic development and the efficient utilization of the resources of The Gambia through effective and efficient operation of the financial system.

MISSION STATEMENT

To Achieve and Maintain Price and Exchange Stability Underpinned by a Sound and Vibrant Financial System to Encourage and Promote Sustainable Economic Development.

ABBREVIATIONS

AACB	Association of African Central Banks
AAT	Association of Accounting Technicians
ACH	Automated Clearing House
ACP	Automated Cheque Processing
AfDB	African Development Bank
AFI	Alliance for Financial Inclusion
AGD	Accountant General's Department
AMCP	African Monetary Cooperation Programme
AMI	African Monetary Institute
ASEAN	Association of Southeast Asian Nations
ATM	Automated Teller Machines
AUC	African Union Commission
BOP	Balance of Payments
CAR	Capital Adequacy Ratio
CAT	Certified Accounting Technician
CBG	Central Bank of The Gambia
CBWA	Central Bank of West Africa
CIB	Corporate and Investment Banking
CIEA	Composite Index of Economic Activity
CU	Credit Unions
CPI	Consumer Price Index
ECB	European Central Bank
ECF	Extended Credit Facility
ECOWAS	Economic Community of West African States
EFSTH	Edward Francis Small Teaching Hospital
EFT	Electronic Fund Transfer
EMCP	ECOWAS Monetary Cooperation Program
EMDE	Emerging Markets and Developing Economies
ERD	Economic Research Department
FAO	Food and Agriculture Organization
FD	Foreign Department
FFPI	FAO Food Price Index
FOB	Freight on Board
FRMC	Foreign Reserve Management Committee
FSC	Financial Supervision Committee
FSD	Financial Supervision Department
FSSR	Financial Sector Stability Review
GAAP	Generally Accepted Accounting Principles
GBOS	Gambia Bureau of Statistics
GDP	Gross Domestic Product
GIR	Gross International Reserves
GMD	Gambian Dalasi
GOVI	Gambia Organization for the Visually Impaired
IAD	Internal Audit Department
IAIS	International Association of Insurance Supervisors
ID	Insurance Department
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
ITD	Information Technology Department
MENA	Middle East and North Africa
MoFEA	Ministry of Finance and Economic Affairs
MFD	Microfinance Department
MPC	Monetary Policy Committee
MPR	Monetary Policy Rate
NACCUG	National Association of Cooperative Credit Unions in The Gambia
NAWEC	National Water and Electricity Company
NBFI	Non-Bank Financial Institutions
NFIS	National Financial Inclusion Strategy
OIC	Officer in charge
OPEC	Organization of Petroleum Producing Countries
PCPI	Primary Commodity Price Index
PPG	Public and Publicly Guaranteed
PV	Present Value
RMU	Risk Management Unit
ROA	Return on Assets
ROE	Return on Equity
RTGS	Real Time Settlement System
SACA	Savings and Credit Associations
SAS	Sukuk Al Salaam
SMP	Staff Monitored Program
SSA	Sub-Saharan Africa
UN	United Nations
UNCDF	United Nations Capital Development Fund
VISACA	Village Savings and Credit Associations
WAIFEM	West African Institute for Financial and Economic Management
WAMA	West African Monetary Agency
WAMI	West African Monetary Institute
WAMZ	West African Monetary Zone
WB	World Bank
WEO	World Economic Outlook

FOREWORD BY THE GOVERNOR

It is with great honour that I present the 2020 Annual Report and Statement of Financial Accounts of the Central Bank of The Gambia. The Report and Statement of Financial Accounts look at developments in the domestic economy, activities undertaken during the year and detailed financial position of the Bank.

In 2020, the world awoke to the Coronavirus pandemic that greeted the world with devasting effects never anticipated. The global landscape was hit with panic and incertitude about the nature and impact of the Pandemic on lives and livelihood and the economy in general. As mitigating measures to minimize the spread of the virus, countries around the world adopted various containment measures in their jurisdictions. The COVID-19 pandemic resulted in an unprecedented loss of human lives, a complete stretch of the world health systems and severe global output contraction. Global economic activity came to a halt due to the imposition of the containment measures that disrupted global production and supply chains. Majority of economies in the world experienced severe contractions in output and our small open economy is not speared.

Consequent on the impact of the health pandemic which affected the mainstay (tourism and trade) of the Gambian economy, the economy is forecast in the IMF April World Economic Outlook (WEO) to register zero growth in 2020 from an earlier 3.8 percent contraction. Unlike in 2019 when the economy was able to weather the storm of the withdrawal of major tourists' carrier and poor rains, the economy could not withstand the devasting effects of the COVID-19 pandemic on the tourism and related sectors such as construction and trade. Lockdowns halted movement of people, goods, and service across borders and for The Gambia that heavily rely on tourism suffered immensely despite a good cropping season. The macroeconomic fundamentals of the country were stretched during the period.

However, with supportive policy measures, coupled with strong performance of the agriculture sector, remittance receipts, and some semblance of recovery in economic activity in the last quarter of 2020, the Gambian economic was salvaged from contractionary growth in 2020. Households, financial institutions, and small businesses were somewhat cushioned from been severely impacted by the pandemic. Nonetheless, despite the production of and roll out of the vaccines, prospects for near-term return to pre-pandemic output growth is shrouded by uncertainties surrounding the economic impact of COVID-19 and medical break-through to ending the pandemic.

Headline inflation, measured by the consumer price index (CPI) decelerated to 5.7 percent in end-December 2020, from 7.7 percent in the corresponding period of 2019 attributed to a decline in both food and non-food inflation. The decrease in food and non-food inflation reflected moderate global food prices, relative stability of the exchange rate, decline in prices of clothing and footwear, housing, water, electricity, and other fuels. The 12-month moving average inflation decelerated to 5.9 percent in 2020, 1.2 percentage points lower than the 2019 record.

The Monetary Policy Committee (MPC) of the Bank reduced the Monetary Policy Rate (MPR) twice in 2020. The MPR was reduced in February 2020 by 50 basis points to 12.0 percent and then further in May 2020, by 200 basis points to 10.0 percent to help mitigate the impact of the pandemic and support economic growth. Similarly, the standing lending facility (SCF) was reduced to 13 percent from 13.5 percent and 11.0 percent (MPR plus 1 percentage point) respectively for the same period. In contrast, the interest rate on the overnight standing deposit facility was increased to 3.0 percent in February 2020 from 2.5 percent in November 2019.

The balance of payments (BOP) position deteriorated during the review period attributed to worsened goods and service account balances. The improvement in the income account balance was not sufficient to off-set the deterioration in the goods and services accounts thus resulting to a widened current account deficit. In December 2020, the level of gross international reserve was enough to cater for 5.9 months of prospective imports of goods and service. The significant inflow of remittances dampened exchange rate pressures while supporting stability in the foreign exchange market.

The year 2020 was a challenging year for central banks' operation in most economies of the world due to the unprecedented nature of the COVID-19 health pandemic. The central bank of The Gambia in fulfilling its mandate of price stability and supporting economic growth, responded to the crisis with all arsenals at its deposal to maintain economic and financial stability. To avail additional liquidity to deposit money banks, the Monetary Policy Committee (MPC) of the Bank during two of its sittings in 2020 reduced the policy rate as well as the required reserve ratio for banks. Moral suasion was employed to prevail upon banks to reduce lending rates for the real economy to grow. Several other non-direct financial tools (waivers, writ-offs, loan restructuring, loan repayment breaks, premium payment breaks) were used to support other sectors of the economy by reducing the financial burden on them.

Beyond the policy measures adopted by the Bank to mitigate the impact of the pandemic, Management, and staff of the Bank were committed in ensuring that the banking system remained well capitalized, liquid, and profitable. Although macroprudential requirements of banks were relaxed, constant supervision was enforced to ensure breaches of financial regulations is avoided.

Despite the COVID-19, the Bank continued its engagements remotely with regional and international institutions to drive the process of regional economic and financial integration programmes of the ECOWAS region and the Enhance Credit Facility (ECF) program of the International Monetary Fund (IMF). During the year, The Gambia participated in the mid-year and end-year WAMZ Statutory Meetings and held several review meetings with the IMF on the Programme-based targets.

In conclusion, I want to reassure you that the Bank remained committed to it's mandate of price stability and supporting economic growth of the Gambia economy. To this end, the Bank continues to invest in staff capacity development and welfare. Also, tools to ensure the work processes are carried out are provided.

I thank the Board of Director, Management, and staff for their unwavering support during these difficult and abnormal times.

Thank you,

Buah Saidy,
Governor,
Central Bank of The Gambia

MANAGEMENT OF THE BANK IN 2020

BOARD OF DIRECTORS

Mr. Buah Saidy
(Governor/Chairman)

Mr. Abdou Sara Janha

Mr. Ousman A. Sowe

Ms. Eudora Taylor-Thomas

Momodou Mboge (Secretary)

TOP MANAGEMENT

Mr. Buah Saidy (Governor)

Dr. Seeku Jaabi

(First Deputy Governor)

Mr. Essa Drammeh

(Second Deputy Governor)

HEADS OF DEPARTMENT

Head, Legal Unit…………………………………………………...................Momodou Mboge

Principal Auditor, Internal Audit Department………………………………… Efficieny Njie

Director, Admin & Human Resource Department………………….……….. Omar Janneh

Director, Finance Department…………………….…………………………… Attikan Dibba

Deputy Director (OIC), Risk Management Unit…………………………… Saikou Touray

Director, Insurance Department……………………..……………….……… Pa Alieu Sillah

Director, Microfinance Department……………………………………….…… Bai Senghor

Director, Banking Department…………………………………………….…. Karamo Jawara

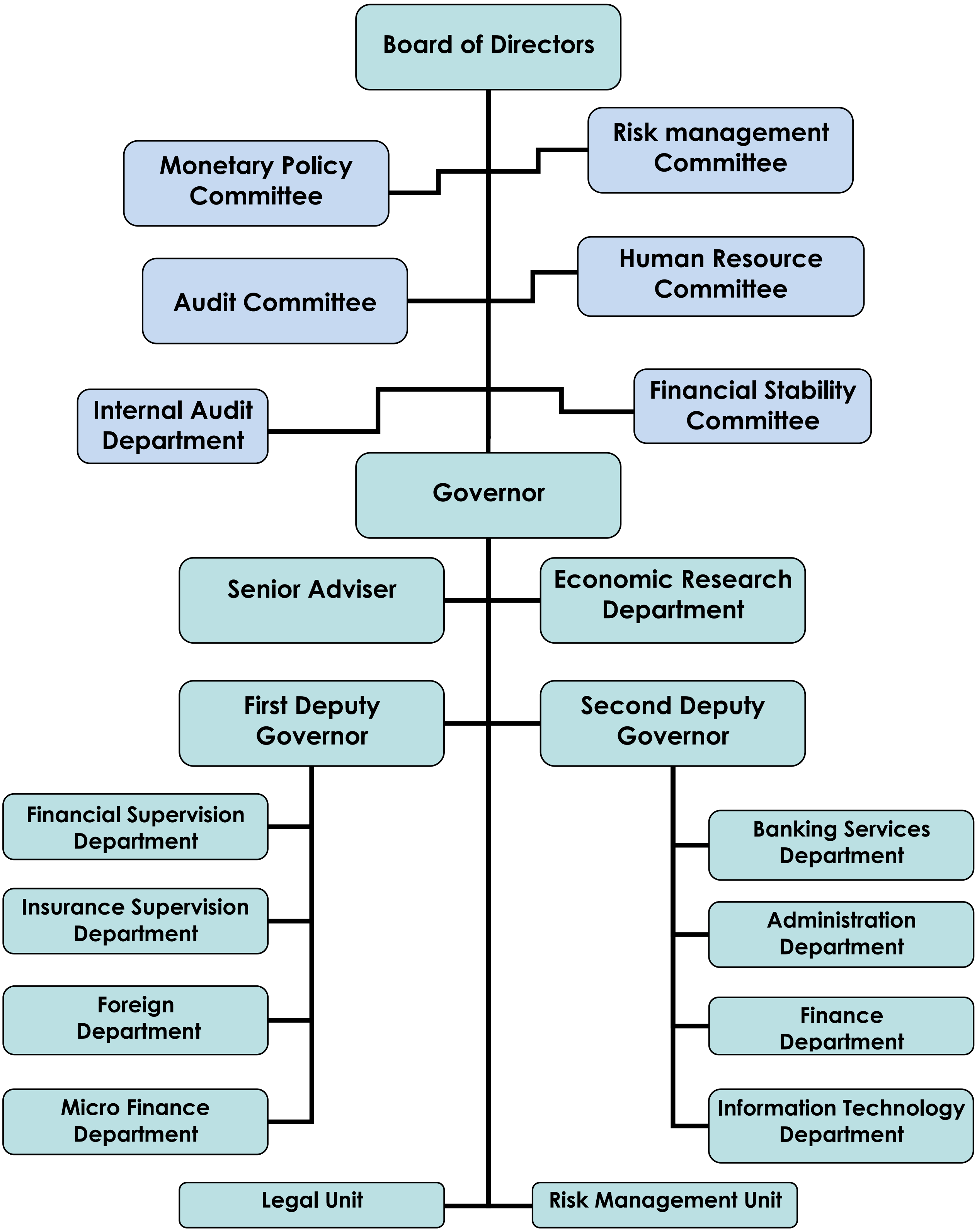
Director, Economic Research Department……….......................... Ebrima N Wadda

Director, Foreign Department……………………………………………………. Rohey Khan

Director, Financial Supervision Department………........................ Amadou Koora

Director Information Technology Department………………………………… Peter Prom

ORGANIZATIONAL CHART



1 GOVERNANCE

1.1 MANDATE OF THE BANK

The mandate of the Central Bank of The Gambia (CBG) is derived from the Constitution of the Republic of The Gambia 1997 and the CBG Act (2018). The primary objects of the Bank are outlined as follows:

- To achieve and maintain domestic price stability.
- To promote and maintain the stability of the currency of The Gambia.
- To direct and regulate the financial, insurance, banking, and currency system in the interest of economic development of The Gambia.
- To encourage and promote sustainable economic development and the efficient utilization of the resources of The Gambia through effective and efficient operation of the financial system.

In addition, the Bank has the oversight function of the country's payment and settlement systems. The Bank also serves as an issuing agent for government securities and a paying/settlement agent for the government. The Bank has a monopoly in issuing banknotes and coins.

1.2 THE BOARD OF DIRECTORS

The CBG Act (2018) sets out a governance framework for the Bank. The governing body is the Board of Directors consisting of the Governor, who is the Chairman, and four other Executive Directors. Members of the Board are appointed by the President in consultation with the Public Service Commission, from among persons of good standing and experience in economics, finance and any other field that relates to central banking. The Board members, other than the Chairperson, shall be appointed for a term of two (2) years and are eligible for re-appointment for a further term. The main function of the governing body is formulating policies necessary for the achievement of the Bank's mandate.

1.3 STATUTORY COMMITTEES

The CBG Act (2018) has mandated the Board to establish the Audit Committee, the Financial Stability Committee, and the Monetary Policy Committee. The role and functions of the Committees are as follows.

1.3.1 AUDIT COMMITTEE

The Act mandates the Board to appoint three non-executive members to constitute the Audit Committee. The following are the functions of the Committee:

- Oversee the integrity of the financial statements of the Bank, the effectiveness of the internal controls, and the performance of the internal audit function.
- Deliver opinions on any matter submitted to it by the Board or management of the Bank.
- Monitor compliance with laws applicable to the Bank and report on them to the Board.
- The Audit Committee shall meet at least once every three months.

1.3.2 MONETARY POLICY COMMITTEE

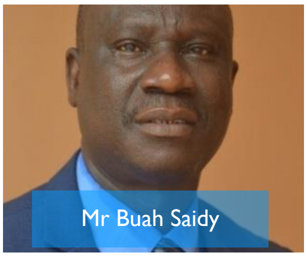
The Monetary Policy Committee (MPC) is also established by the CBG Act (2018) as the apex monetary policy decision making of the Bank.

The MPC is responsible for:

- Setting the policy interest rate to achieve the objectives of the Bank.
- Deciding on the provision of credit to government, purchasing, and selling Government securities (Treasury Bills) in accordance with the CBG Act.
- Delegating specific tasks under defined terms and conditions to the executive board or Central Bank staff.
- Adopting its own rules of procedure.
- Receiving the statistical data and advice necessary for the formulation of monetary policies.

The MPC meets every quarter, but the Chairman may convene a meeting when necessary. The membership comprises the Governor, the two Deputy Governors, heads of Economic Research, Banking, Financial Supervision Departments, and three other persons appointed by the Minister of Finance and Economic Affairs. The Minister is obliged by the amended CBG Act (2018) to appoint persons with knowledge or experience relevant to the functions of the MPC. They shall not be employees, owners, or shareholders of a financial institution, members of the National Assembly, holders of political office, or an officer of a political party.

MEMBER OF THE MPC

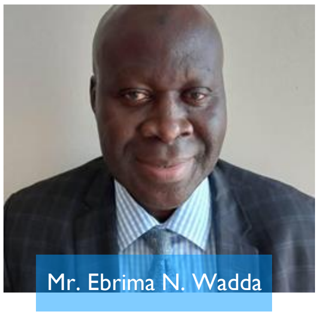

Mr Buah Saidy

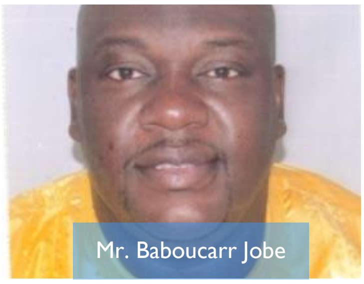

Dr. Seeku Jaabi


Mr. Essa Drammeh


Mr. Amadou Koora


Mr. Karamo Jawara


Mr. Ebrima N. Wadda


Mr. Baboucarr Jobe


Mr. Muhamed Sissho


Mr. Paul Gaye

1.3.3 FINANCIAL STABILITY COMMITTEE

The CBG Act (2018) mandates the Board to establish the Financial Stability to consist of three non-executive members. The Committee shall have the following functions:

- Establish appropriate supervisory guidelines, policies, and other reporting requirements for the financial sector.
- Monitor compliance with such guidelines, policies, and reporting requirements and report on them to the Board.
- Deliver opinions on any matter submitted to it by the Board or Management of the Bank.
- Receive and review examination reports and recommend to the Board any appropriate action to be taken.
- Review the work of the Financial Supervision, Microfinance, Foreign Exchange, and Insurance Departments of the Bank.

The Committee shall meet at least once every three months.

1.4 COMMITTEES OF THE BOARD

The CBG Act (2018) empowers the Board to establish such number of Committees as necessary. The membership and functions of the Committees shall be determined by the Board. Below is the list of existing committees created by the Board.

1.4.1 HUMAN RESOURCE COMMITTEE

This Committee has the responsibility of advising the Board on matters relating to recruitment of professional staff, staff retention policies, career development, and succession planning, and remuneration policies.

1.4.2 FOREIGN RESERVE MANAGEMENT COMMITTEE

The Foreign Exchange Reserve Management Guidelines approved by the Board in July 2010 provides for the establishment of a Foreign Reserve Management Committee (FRMC) to guide investment strategies on behalf of the Bank. The Committee meets at least once a month to make investment decisions and to carry out market monitoring, analysis, and risk management. The Committee is charged with the following specific responsibilities:

- Periodically formulate and review investment and policy guidelines.
- Ensure that the guidelines are adhered to through the regular reports from relevant departments.
- Measure foreign exchange reserves management performance.
- Submit quarterly reports to the Governor for submission to the Board of Directors of the Committee's activities.

The Committee is chaired by a deputy governor and comprises heads of the Foreign Department, Finance Department, Banking Department, Risk Management Unit, and Economic Research Department.

1.4.3 RISK MANAGEMENT COMMITTEE

The Risk Management Committee aids the Board in fulfilling its oversight functions to ensure that the Bank has a risk management framework to identify and manage risk on an ongoing basis. The Committee monitors to ensure that risks are reviewed by Management, and that the responses to the identified risks are within the Board's approved levels of tolerance.

1.4.4 PAYMENT SYSTEMS COMMITTEE

The objective of the Payment Systems Committee is to promote and make recommendations to the Board and Management of Bank about the safety and efficiency of payment, clearing, settlement, and related arrangements.

1.4.5 TREASURY BILLS COMMITTEE

The Treasury Bills Committee chaired by the Second Deputy Governor is responsible for determining the auction volumes for both the CBG bills and government Treasury bills. The volume of the CBG bills to be issued is guided by the level of excess liquidity in the system as may be predicted by the liquidity forecast. The volume of government Treasury bills is determined by the borrowing requirement of the government. The Committee's secretariat resides at the Banking Department.

1.5 DEPARTMENTS

1.5.1 ADMINISTRATION DEPARTMENT

The Administration Department is responsible for providing administrative, and corporate services and facilities management to support the work of the Board of Directors, Management, and staff of the Bank. The Department provides the tools necessary for a productive working environment, facilitating the functions of each department and the duties of each staff. Its areas of responsibility also include the provision of general services, protocol, communication, secretarial, and security services and management of the Bank's medical insurance scheme.

1.5.2 BANKING DEPARTMENT

The Banking Department is responsible for the management of the Bank's payment systems, including the execution of domestic currency settlements and payments on behalf of the Bank, Gambia Government, and other financial institutions. It serves in the operational capacity as banker to the government and commercial banks and manager of accounts held with the Bank. The payment systems oversight function is also handled by the Department.

1.5.3 ECONOMIC RESEARCH DEPARTMENT

The main objective of the Economic Research Department (ERD) is to provide technical input in the formulation and implementation of economic and financial sector policies. The Department is responsible for research and analysis for informed policy making. It is also responsible for the provision, compilation, and dissemination of macroeconomic statistics, and managing the Bank's database. The ERD serves as the secretariat of the Monetary Policy Committee (MPC) of the Bank. The Department provides advice to Management and the MPC through technical presentations on economic policy matters.

1.5.4 FINANCE DEPARTMENT

The Finance Department (FinD) is responsible for accounting, managing, and controlling of the Bank's financial resources. The Department is also responsible for financial planning, maintaining, and safeguarding financial records for the Bank. It prepares and monitors the budget to ensure that the financial transactions are consistent with the accounting procedures. The Department also prepares the annual accounts, payroll, and foreign currency budget as well as foreign currency payments and receipts, and external debt service payments on behalf of the Government.

The Department also provides back-office functions related to the foreign exchange reserve management function of the Bank. This essentially involves the execution and control of all transactions initiated by the Foreign Department, including settlement, and bookkeeping of foreign exchange transactions.

1.5.5 FINANCIAL SUPERVISION DEPARTMENT

One of the key mandates of the Bank is to maintain financial sector stability. The FSD is charged with the responsibility of licensing, regulating, and supervising the commercial banks in The Gambia. The aim is to ensure stability at both micro-prudential level through effective offsite monitoring and onsite examinations, and macro-prudential level by reviewing trends over time and the interactions of the sector with the fiscal and real sectors. The Department provides support to the FSC of the Bank.

1.5.6 INSURANCE DEPARTMENT

The Insurance Department (ID) handles the supervision and regulation of insurance institutions in The Gambia. The Department is responsible for evaluating applications for insurance as well as preparing and implementing regulatory and supervisory guidelines for the industry. The Department also conducts on-site examination of institutions to ensure that the insurance industry is safe and sound. The supervision of insurance companies was added to the mandate of the Bank by the 1997 Constitution.

1.5.7 FOREIGN DEPARTMENT

The Foreign Department (FD) is responsible for the management of the external reserves of the Bank in accordance with the Bank's investment guidelines and statutory requirements. The licensing, regulation and supervision of foreign exchange bureaus are also under the remit of the Department. The secretariat of the foreign Exchange Reserve Management Committee (FRMC) is situated in the Department. The Department advises the FRMC on investment strategies and executes investment decisions on behalf of the Bank.

1.5.8 INTERNAL AUDIT DEPARTMENT

The Internal Audit Department (IAD) is responsible for independently evaluating the Central Bank's operations. The main task of the Department is to appraise the adequacy and effectiveness of the Bank's risk management, internal control processes, and management procedures given its objective as stipulated by law. The Department can delve into every aspect of the Bank's work to provide independent advice to the Board and Senior Management. The Board is mandated to appoint a person of integrity as the head of the Department who is competent, independent, and objective.

Subject to the CBG Act (2018), the head of the Internal Audit Department has the mandate to prepare an audit report every three months and submit to the Governor and Board through the Audit Committee.

1.5.9 MICROFINANCE DEPARTMENT

The Microfinance Department (MFD) performs functions of supervising microfinance institutions and any other non-bank deposit-taking financial institutions, including Finance Companies, Credit Unions and Savings and Credit Associations. In addition, the Department is charged with the development and implementation of strategies for enhancing financial inclusion in the country.

1.5.10 LEGAL UNIT

The Legal Unit provides advice on legal matters and ensures maximum protection of the Bank's interest concerning contracts and agreements. The Unit provides legal advice by interpreting laws and regulations and proffering legal opinions that guide the Bank in policy formulation and implementation and business relationship with internal and external stakeholders.

1.5.11 INFORMATION TECHNOLOGY DEPARTMENT

The Information Technology Department (ITD) is responsible for providing stable, functional, and efficient information technology services to the Bank. It provides information technology support to the Bank and coordinates the development of new information system projects. The Department is also charged with the responsibility to manage the Bank's website.

1.5.12 RISK MANAGEMENT UNIT

The Bank's Risk Management Unit (RMU) ensures a well-coordinated bank-wide risk management system is in place that increases the Bank's likelihood of achieving its objectives by effectively managing all risk exposures, opportunities, and threats; strengthening internal controls; and effective resource allocation. This is guided by the Bank's risk management framework.

All Departments of the Bank have nominated Risk Champions, who work closely with their respective Directors to take ownership and report all risks and incidents associated with their functions to the RMU.

The RMU also serves as the middle office in the management of the foreign reserves of the Bank. It reviews the daily reserve levels in the Bank's foreign accounts, highlighting and reporting on any risks and deviations from the guidelines to the Governor.

2 REVIEW OF THE GLOBAL ECONOMY

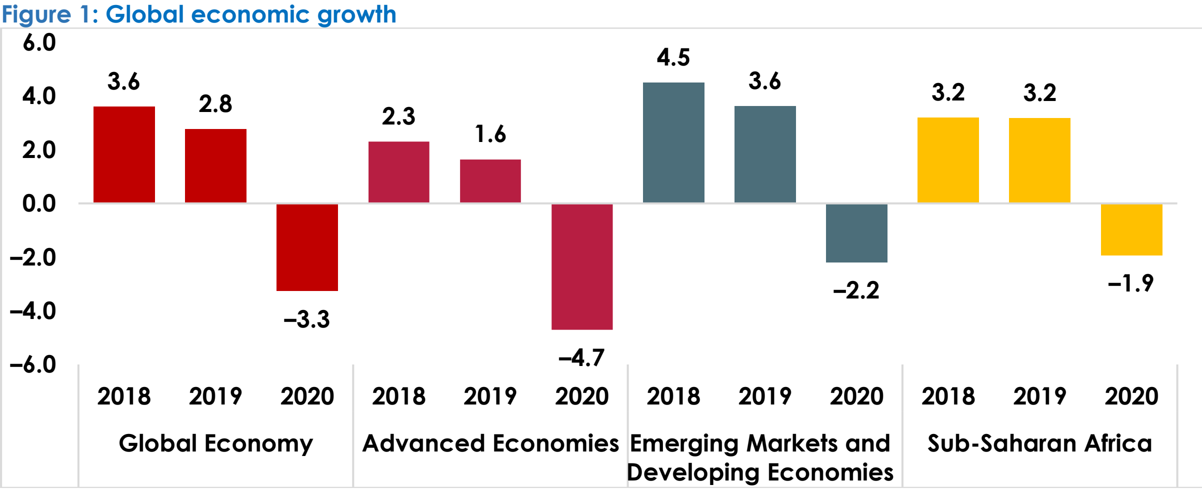
2.1 OVERVIEW

The Global economy contracted in 2020 reflecting the impact of COVID-19 on various economies. Although countries were impacted differently based on economic fundamentals in place, no single country was speared by the impacts of the global health pandemic. All countries suffered varying degrees of economic, financial and health impacts of the COVID-19 pandemic due to the stringent measures imposed by countries in the first half of 2020 to contain the spread of the Coronavirus, which resulted to economic activities contracting dramatically on a global scale. However, by the end of 2020, the global health crisis and economic damage in the form of output contraction began to ease due to fiscal and monetary policy measures adopted to mitigate the impact of the crisis. The production and roll out of the COVID-19 vaccine also helped to allay fears of the pandemic albeit uncertainties surrounding the variant of the virus.

2.2 GLOBAL OUTPUT GROWTH

In its April 2021 World Economic Outlook (WEO) edition, the International Monetary Fund (IMF) revised upward its global growth projection for 2020 from negative 4.4 percent in the October 2020 WEO to negative 3.3 percent. This reflected the stronger than expected momentum during the second half of the year as countries adjust to the pandemic through medical interventions, various policy support across regions coupled with strong demand for products that support working from home and the release of pent-up demand for durable goods.

Figure 1: Global economic growth



Source: IMF WEO Database, April 2020

In advanced economies, strong policy supports among other factors mitigated the impact of the COVID-19 pandemic. Reflecting these policy supports and the anticipated availability and roll out of vaccines, the growth projections for 2020 in this region was revised upward to a contraction of 4.7 percent from a contraction of 5.8 percent forecast in the October 2020 WEO.

Growth in emerging markets and developing economies was projected to traverse diverging recovery paths. Forecast from April 2021 WEO indicated a less severe contraction of 1.1 percentage points for this region in 2020 from an earlier projection of 3.3 percent contraction in the October 2020 WEO. These revisions were premised on the effective containment measures including a forceful public investment response in China, the stronger-than-expected recovery in 2020 in India after lockdowns were eased, among others.

In sub-Saharan Africa, growth was forecast to contract by 1.9 percent for 2020, 0.7 percentage point up from an earlier growth projection for the region. The region was hard hit by the impacts of the COVID-19 pandemic due to its heavy reliance on undiversified export products such as oil and tourism coupled with civil strife.

Table 1: Global economic growth (percent)

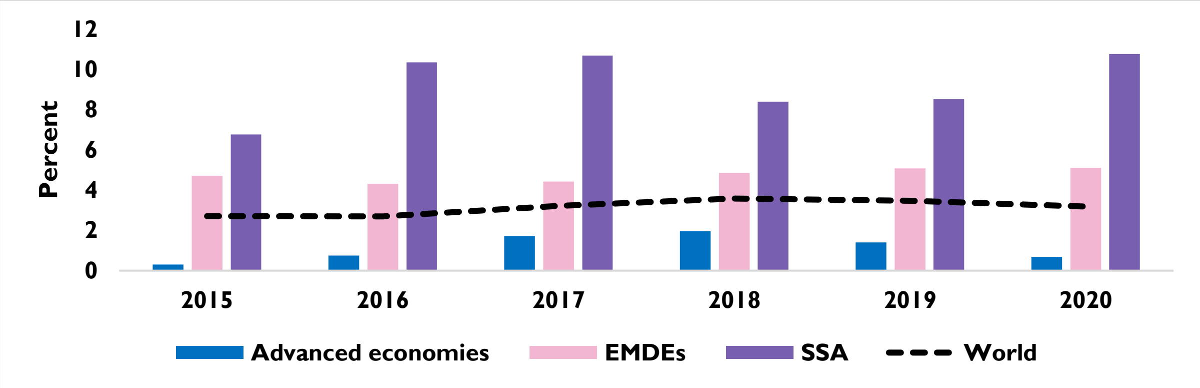
Group Name	**Estimates**					
	2015	**2016**	**2017**	**2018**	**2019**	**2020**
World	3.5	3.3	3.8	3.6	2.8	-3.3
Advanced economies	2.4	1.8	2.5	2.3	1.6	-4.7
Euro area	2.0	1.9	2.6	1.9	1.3	-6.6
Major advanced economies (G7)	2.2	1.5	2.2	2.1	1.5	-5.0
Advanced economies excluding G7 and euro area	2.3	2.6	3.1	2.8	1.8	-2.1
European Union	2.5	2.1	3.0	2.3	1.7	-6.1
Emerging market and developing economies	4.3	4.5	4.8	4.5	3.6	-2.2
Emerging and developing Asia	6.8	6.8	6.6	6.4	5.3	-1.0
Emerging and developing Europe	1.0	1.9	4.1	3.4	2.4	-2.0
ASEAN-5	5.0	5.1	5.5	5.3	4.8	-3.4
Latin America and the Caribbean	0.4	-0.6	1.3	1.2	0.2	-7.0
Middle East and Central Asia	2.8	4.7	2.5	2.0	1.4	-2.9
Sub-Saharan Africa	3.2	1.5	3.1	3.2	3.2	-1.9

Source: IMF WEO Database, April 2021

2.3 GLOBAL INFLATION

Consistent with subdued global demand, global inflation on average is estimated to soften to 3.2 percent in 2020 compared to 3.5 percent in 2019. Notwithstanding the increase in the prices of medical supplies and other commodity prices, the effects of weak aggregate demand appeared to have dampened the impact of supply interruptions.

Figure 2: Annual average inflation



Source: IMF WEO Database, April 2021

Inflation in advanced economies in 2020 slightly declined to 1.4 percent, 0.1 percentage point below the pre-pandemic levels. The deceleration in inflation for advanced economies is driven largely by a sharp decline of inflation in the US. However, in emerging market and developing economies, inflation declined sharply in the initial stages of the pandemic, but picked up in some countries (India, for example, reflecting supply disruptions and a rise in food prices). On average, Inflation in emerging market and developing economies in 2020 remains stable at 5.1 percent although it has picked up in some countries reflecting supply disruptions and a rise in food prices. Rapidly rising food prices have already lifted headline inflation rates in some regions, including sub-Saharan Africa and Asia and temporarily, high headline inflation could further raise inflation expectations in these economies.

Table 2: Annual average consumer price inflation (percent changes)

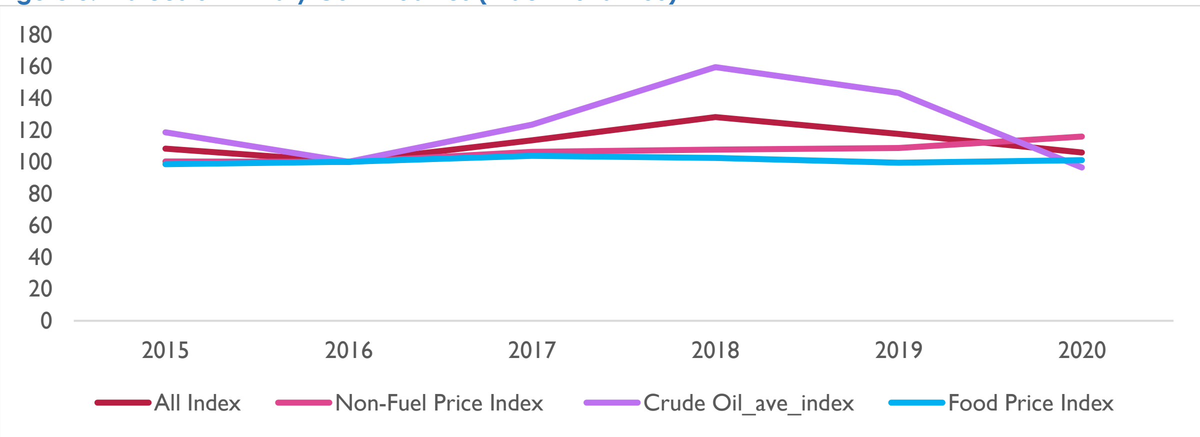
Country Group Name	Estimates					
	2015	2016	2017	2018	2019	2020
World	2.7	2.7	3.2	3.6	3.5	3.2
Advanced economies	0.3	0.8	1.7	2.0	1.4	0.7
Euro area	0.2	0.2	1.5	1.8	1.2	0.3
Major advanced economies (G7)	0.3	0.8	1.8	2.1	1.5	0.8
Advanced economies excluding G7 and euro area)	0.5	0.9	1.5	1.6	1.1	0.5
European Union	0.1	0.2	1.6	1.9	1.4	0.7
Emerging market and developing economies	4.7	4.3	4.4	4.9	5.1	5.1
Emerging and developing Asia	2.7	2.8	2.4	2.7	3.3	3.1
Emerging and developing Europe	10.6	5.6	5.6	6.4	6.6	5.4
ASEAN-5	3.1	2.3	3.1	2.9	2.1	1.4
Latin America and the Caribbean	5.5	5.5	6.3	6.6	7.7	6.4
Middle East and Central Asia	5.6	5.7	6.9	9.5	7.4	10.2
Sub-Saharan Africa	6.8	10.4	10.7	8.4	8.5	10.8

Source: IMF WEO Database April 2021

2.4 GLOBAL COMMODITY PRICES

The IMF global Commodity Prices Index (comprising of fuel and non-fuel price indices) in December 2020 contracted by 9.9 percent from an initial contraction of 8.3 percent in 2019 driven largely by the contraction in oil prices. The IMF crude oil prices index which is an average of the price indices of Dated Brent, Dubai Fateh and West Texas Intermediate contracted by 32.8 percent in 2020 compared to the previous year. Food prices increased by 1.7 percent in 2020 from a contraction of 3.1 percent in 2019. Non-fuel prices also picked up by 6.7 percent during the same period.

Figure 3: Indices of Primary Commodities (Index 2016=100)

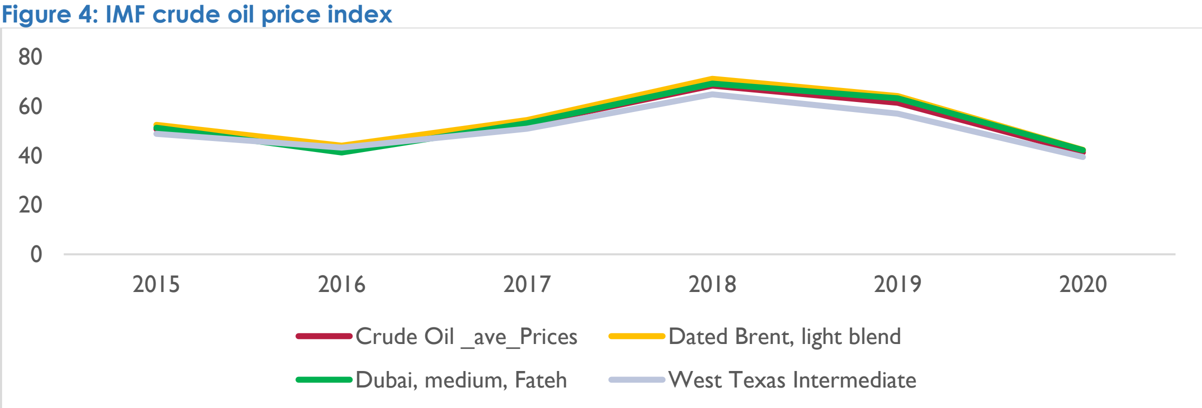


Source: IMF WEO Database, April 2021

2.4.1 CRUDE OIL PRICES

The crude oil prices were generally lower in 2020 compared to 2019. The price of crude oil averaged US$41.3 per barrel in 2020, down by 32.7 percent compared to 2019. The decline is largely driven by the impact of the COVID-19 pandemic. The Dated Brent, West Texas Intermediate, and the Dubai Fateh traded at an average of US$42.3, US$39.4, and US$42.2 per barrel during the year, down by 33.9 percent, 30.9 percent, and 33.3 percent from 2019, respectively (See Chart 5).

Figure 4: IMF crude oil price index

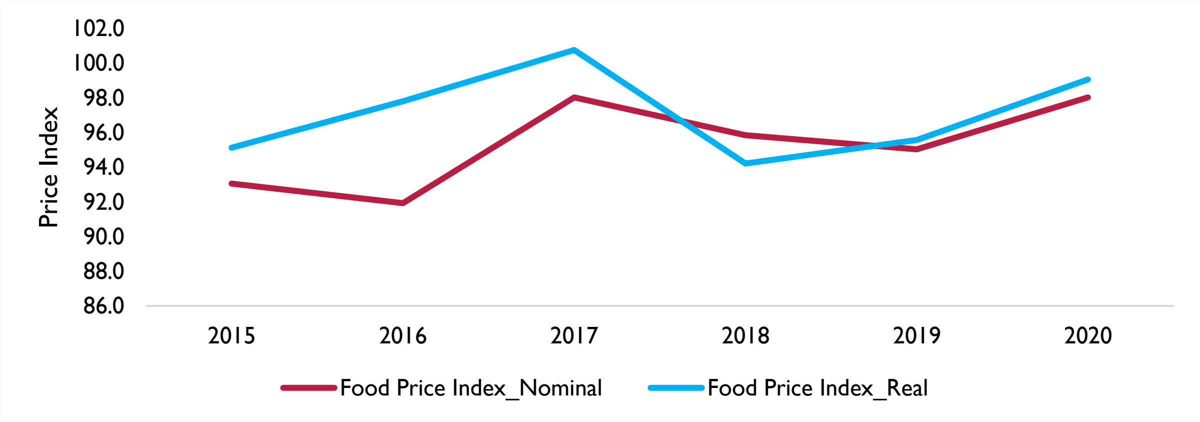


Source: IMF WEO Database, April 2021

2.4.2 GLOBAL FOOD PRICES

The FAO Food Price Index (FFPI) consisting of five main commodities averaged 98.0 points at end-December 2020, 3.0 points higher than the record at end-December 2019 (see Figure 6).

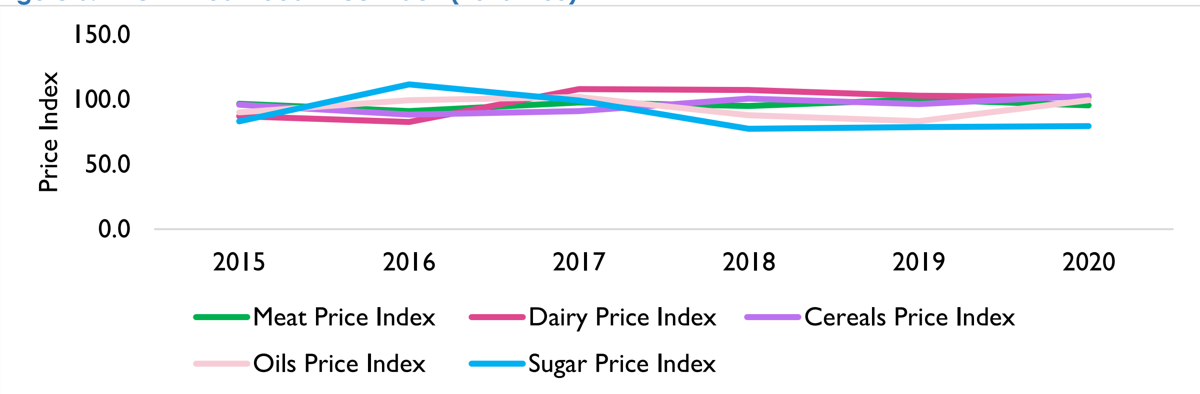
Figure 5: FAO Annual Food Commodity Price Index (2002-2004=100)



Source: FAO

Figure 7 below reveals that prices of all food categories except for meat and dairy picked up in 2020.

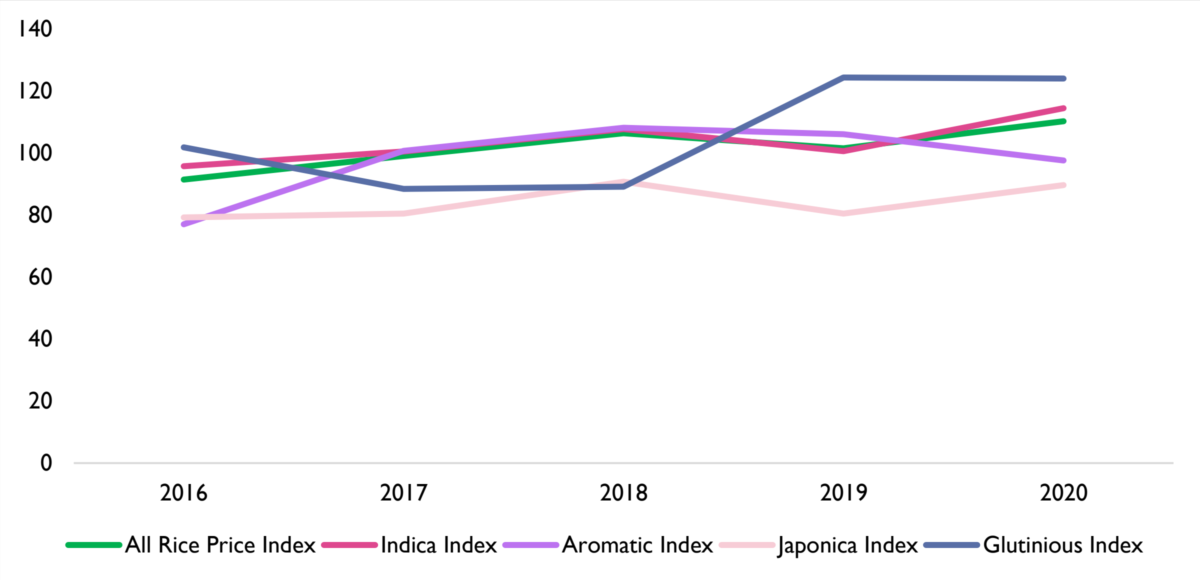
Figure 6: FAO Annual Food Price Index (2016=100)



Source: FAO

The price indices of cereals, edible oils and sugar grew by 6.6 percent, 19.4 percent, and 1.2 percent in 2020 while meat and dairy contracted by 4.5 percent and 1.0 percent. The rice price index averaged 110.2 points for 2020 representing an increase of 8.6 percent relative to the 2019 record of (101.5 points). This mainly reflect the increase in the price of Indica (13.7 percent) and Japonica (11.4 percent). The index for Aromatic and Glutinous rice varieties on the other hand declined by 7.9 percent and 0.2 percent, respectively.

Figure 7: FAO rice price index (2016=100)



Source: FAO

3 REVIEW OF THE DOMESTIC ECONOMY

3.1 OVERVIEW

The Gambian economy contracted by 0.2 percent in 2020 compared to a growth rate of 6.2 percent in 2019. The contraction in real GDP growth in 2020 is attributed to the impacts of the global COVID-19 pandemic on the tourism, trade sub-sectors, and all the related sub-sectors of the economy. The service sector, the hardest hit by the health pandemic contracted by 7.2 percent in 2020 relative to a growth of 6.1 percent a year ago. Accommodation, other service sectors, Art, Entertainment and Recreation, Administrative and support activities and transport and storage accounted for the contraction in the service sector.

The robust performance in the agriculture sector and a modest growth in the industrial sector coupled with policy measures to mitigate the impact of the pandemic softened the severity of the contraction in real GDP growth in 2020. Growth in the agriculture sector turned around from negative 0.1 percent in 2019 to 11.7 percent in 2020, due mainly to a very good cropping season associated with good and even rains across the country as well as improved aquaculture. Similarly, the industrial sector also grew but at a slower pace of 9.9 percent for the review period compared to 14.8 percent in 2019.

Despite the low number of reported COVID-19 cases in the last quarter of 2020, policy interventions and production and roll out of the vaccines, the outlook for the Gambian economy which hinges on agriculture and the services sectors remain somewhat blurred. Performance of the agriculture sector is dependent on a good rainfall while full recovery of the tourism sub-sector is reliant on the successful global roll out of effective vaccines which is still a challenge. Growth prospects for 2021 are projected at 4.9 percent (IMF estimates) and 2.4 percent (CBG estimate) respectively.

Headline inflation averaged 5.9 percent in 2020 fluctuating between a low of 4.8 percent to a high of 7.4 percent during the year. Inflation ended the year at 5.7 percent from 7.8 percent in January 2021. Compared to 2019, CPI inflation decelerated significantly by 1.7 percentage points attributed to food and non-food components of the CPI basket. Food inflation declined to 7.0 percent in December 2020, from 7.7 percent in December 2019 reflecting decreases in the prices of all the sub-components except for fish oils and fats. Similarly, non-food inflation comparably decelerated by 3.3 percentage points to 4.4 percent in December 2020 relative to its record during the corresponding period year ago.

Inflation expectations are elevated over the short to medium term predicated on the expected pick up in domestic demand as the COVID-19 vaccine roll out, the uptick in global food and oil prices and the expansionary fiscal policy path due to election year. However, the continuous stability of the exchange rate and prudent monetary policy may dampen price pressures.

The balance of payment estimates for end-December 2020 revealed a worsened external sector position for the country. The collapse of tourism, the marked decline in re-export trade and the increase in imports worsened the current account position due to the importation of COVID-19 related materials. Although the goods account worsened by US$133.70 million, strong remittance inflows in 2020 supported the stability of the exchange rate of the dalasi. Worker's remittances (net) rose by 42.9 percent to US$370.65 million during the review period.

Government fiscal operations at end-December 2020 revealed an overall budget deficit (including grants) of D4.2 billion (4.3 percent of GDP) compared to a deficit of D2.7 billion (3.1 percent of GDP) in the corresponding period a year ago. The increase in the budget deficit was attributed to both increases in current and capital expenditure which grew by 26.1 percent and 63.6 percent, respectively. Total domestic debt grew moderately by 4.3 percent at end-December 2020 from 6.1 percent in the corresponding period a year ago.

According to key financial soundness indicators, the banking sector remained liquid, stable, and profitable with a high level of capital despite the adverse effects of the COVID-19 pandemic. All the banks maintained a capital level above the statutory requirement and liquidity ratio above the prudential standard. However, private sector credit growth slowed significantly mirroring the impact of the COVID-19 on the banking sector. In addition, the ratio of non-performing loans to gross loans increased to 6.8 percent at end-December 2020 from 4.5 percent in the preceding year.

Table 3: Gambia-Selected economic indicators

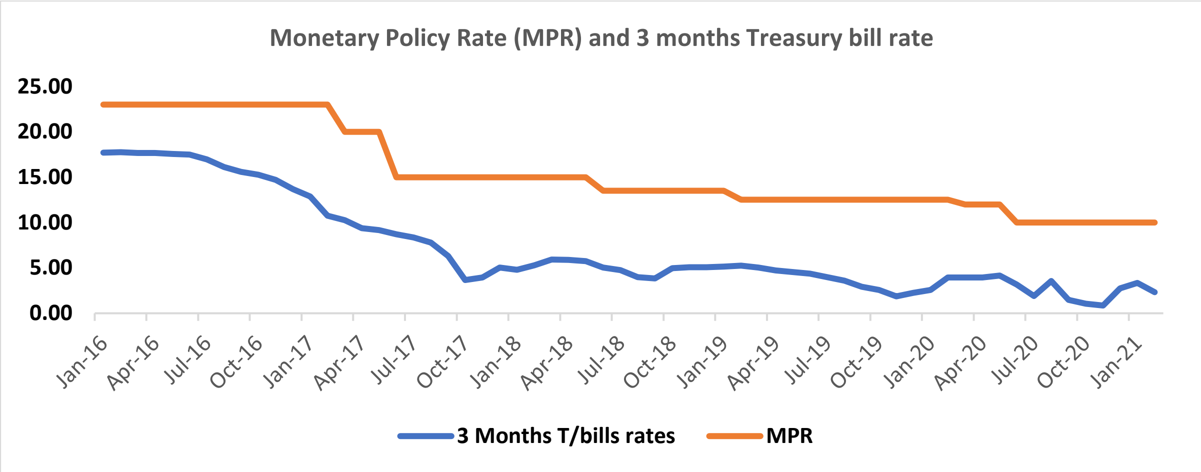
Indicators	2015	2016	2017	2018	2019	2020
Annual percent change, unless otherwise stated						
National Income						
Real GDP	4.1	1.9	4.8	7.0	6.3	-0.2
Nominal GDP (GMD millions)	58,581.2	64,389.9	70,142.2	80,445.8	90,793.8	94,269.4
Consumer price index (end-of-period)						
Overall	6.7	7.9	6.9	6.4	7.7	5.7
Food	7.5	8.7	7.3	6.4	7.6	7.0
Non-food	5.3	6.5	6.3	6.5	7.7	4.4
Exchange rate (end-of-period)						
GMD/USD	39.8	43.9	47.9	49.5	51.1	51.6
GMD/GBP	61.6	55.6	63.7	63.1	66.9	68.5
GMD/euro	43.1	46.9	56.6	56.9	57.1	61.9
GMD/CFA (5000)	335.7	377.1	416.2	418.0	418.5	440.93
Money and credit						
Reserve Money	10.0	25.2	22.6	16.5	17.2	33.9
Broad Money Supply (M2)	-0.9	15.3	20.9	20.0	27.1	22.0
Claims on government, net	37.9	22.1	-5.0	10.3	6.1	12.3
Credit to the private sector	-7.9	-12.3	-1.2	32.9	35.8	0.8
Real credit to private sector	-13.6	-18.7	-7.6	24.9	26.1	-4.6
Interest Rates (percent)						
91-day treasury bill rate	17.6	13.7	5.0	5.1	2.2	3.6
182-day treasury bill rate	18.1	16.3	5.5	7.0	5.0	7.3
365-day treasury bill rate	21.8	17.7	6.7	9.5	7.4	8.4
Average lending rate	22.5	21.6	21.5	21.5	20.0	19
Average 3-month deposit rate	11.8	10.3	9.1	5.5	4.2	2.6
External Sector						
Current account (US$ millions)	-53.8	-76.1	-95.2	-135.0	-38.8	-90.3
Current account (% of GDP)	-4.2	-5.7	-6.9	-8.4	-2.1	-5.1
Exports FOB (USD millions)	107.5	91.2	139.4	157.7	154.5	70.1
Imports FOB (USD millions)	-334.4	-310.5	-470.0	-579.1	-532.5	-581.8
Gross international reserves	76.48	60.1	143.96	157.14	226.22	352.0
Months of imports cover	2.5	1.5	3.6	3.9	4.5	4.9
Government Budget (percent of GDP)						
Domestic Revenue	12.7	12.1	11.5	12.7	12.9	14.7
Grants	1.2	1.1	8.0	5.8	5.3	10.0
Total Expenditure	18.2	19.9	24.2	24.5	21.1	17.7
Overall Balance	-4.2	-6.7	-4.8	-6.0	-2.9	-4.6

Source: CBG

3.2 MONETARY POLICY

The Monetary policy stance of the Central Bank in 2020 was expansionary against the backdrop of stable prices and the Bank's objective of supporting economic growth amid the COVID-19 pandemic. The MPC at its meeting in December 2020 maintained the MPR at 10.0 percent in a bid to boost private sector credit growth.

Figure 8: Monetary Policy Rate (MPR) and 3 months Treasury bill rate



Source: CBG

Table 4: Monetary Policy Decisions from 2016 to 2020

Meeting Date	Policy Decision	Rate (percent)
Feb-16	Policy rate left unchanged	23
Jun-16	Policy rate left unchanged	23
Sep-16	Policy rate left unchanged	23
May-17	Policy rate left unchanged	23
Jun-17	Policy rate reduced by 300 basis points	20
Aug-17	Policy rate reduced by 500 basis points	15
Nov-17	Policy rate left unchanged	15
Feb-18	Policy rate left unchanged	15
May-18	Policy rate left reduced by 150 basis points	13.5
Aug-18	Policy rate left unchanged	13.5
Nov-18	Policy rate left unchanged	13.5
Feb-19	Policy rate left reduced by 100 basis points	12.5
May-19	Policy rate left unchanged	12.5
Aug-19	Policy rate left unchanged	12.5
Nov-19	Policy rate left unchanged	12.5
Feb-20	Policy rate left reduced by 50 basis points	12.0
May-20	Policy rate left reduced by 200 basis points	10.0
Aug-20	Policy rate left unchanged	10.0
Dec-20	Policy rate left unchanged	10.0
Mar-21	Policy rate left unchanged	10.0

Source: CBG

The interest rate on the standing deposit facility was increased once in 2020 by 0.5 percentage point to 3.0 percent during February 2020 MPC Meeting. On the other hand, the interest rate on the standing lending facility was reduced twice in 2020 by 0.5 percentage point to 13.0 percent (February MPC) and by 2.0 percentage point to 11.0 percent (May MPC), that is, MPR plus one percent. The move was to gradually narrow the interest rate corridor to increase efficiency in liquidity management and reducing the fluctuations in short-term interest rates. Depending on the liquidity conditions and inflation dynamics, the Bank will continue to narrow the corridor to guide the interbank market.

3.2.1 MONETARY POLICY COMMITTEE MEETINGS AND POLICY DECISIONS IN 2020

The Monetary Policy Committee of the Bank met four (4) times in 2020 and took policy decision on the Monetary Policy Rate (MPR) for the Bank. During the year, the MPR was reduced twice. Table 4 and Chart 10 above illustrates interest rate decisions by the MPC from 2016 to 2020.

3.2.1.1 MEETING OF FEBRUARY 26-27, 2020

The MPC held its first meeting of the year on February 26-27, 2020, to assess economic developments. At the meeting, the MPC noted that domestic inflation will continue to trend downwards in the near term, premised on the continued stability of the exchange rate and the well-anchored inflation expectations. The outlook for inflation pointed to a downward trend towards the Bank's medium-term target. Furthermore, the Bank's Business Sentiment Survey showed that inflation expectations are well-anchored, as expressed by the optimism of businesses attributed to the stability of the overall macroeconomic environment. However, key risks to the outlook were on domestic food supply situation in the light of poor harvest, the impact of the outbreak of Coronavirus on food supply chains, and the uncertainty surrounding global food prices.

Reserve money grew by 33.9 percent at end-December 2020 higher than the 17.2 percent recorded at end-December 2019. The robust growth in reserve money was explained by the increase in NFA of the Bank during the period.

The Committee took note of the projected GDP growth for the economy at 6.2 percent premised on the strong growth in the services sector, in particular tourism, trade, financial services and insurance, and telecommunication. The agricultural sector and construction were also expected to contribute strongly to growth in 2020.

The current account balance improved due to improvements in the services account and current transfers despite deterioration in the trade balance. The level of international reserves of the Bank was in good form and could cover 4.5 months of prospective imports of goods and services. This comfortable level of external reserves is indicative of The Gambia's external position supported the stability of the exchange rate of the dalasi.

Inflation trajectory was judged to be moderate given that Inflation declined in January and the medium-term outlook pointed to downward trend. The Committee therefore decided to reduce the MPR and the standing lending facility by 50 basis points to 12.0 percent and 13.0 percent (MPR plus 1 percentage point) respectively while the interest rate on the standing deposit facility was raised by 0.5 percentage points to 3 percent.

3.2.1.2 MEETING OF MAY 27-28, 2020

At the May meeting, the MPC observed that the COVID-19 pandemic was having a devastating impact on the global economy. The socio-economic impact of the strict containment measures needed to curb the spread of the virus is enormous. These measures have disrupted economic activity, created massive uncertainty causing economic downturns around the world. The Committee noted the deterioration of the global economic outlook for 2020 which remained highly uncertain. Disruptions to economic activities, particularly trade and supply chains, and the collapse of tourism had an unprecedented toll on the global economy.

The Committee noted the increase in GDP estimates for 2019 by 0.3 percentage point attributed to anticipated strong performance in the agricultural sector, construction, and tourism sector coupled with improved business sentiments. The Committee observed the disruptive effect of the COVID-19 pandemic on economic growth, particularly on tourism and related activities, trade, and private investment. However, in the light of developments during the year, the uncertainty around the forecast increased as the crisis protracted.

Reserve money growth moderated to 13.0 percent as at end-March 2020 relative to 23.3 percent a year ago driven largely by the increase in the net foreign assets (NFA) of the Central Bank.

The current account balance worsened to a deficit of US$57.8 million (3.2 percent of GDP) in the first quarter of 2020 compared to a surplus of US$4.05 million (0.23 percent of GDP) in the corresponding quarter in 2019. The worsening in the current account was induced mainly by the worsening of the goods account balance.

The Committee noted the subdued inflation level due largely to weak domestic demand, low global oil prices, and a stable exchange rate. Headline inflation declined to 5.6 percent in April 2020 from 6.9 percent in April 2019, driven largely by the significant deceleration in non-food inflation by 5.4 percentage points. Consumer price inflation of food and non-alcoholic beverages increased from 6.2 percent in April 2019 to 6.9 percent in April 2020.

The Committee assessed the global economic outlook in 2020 not to be in good shape amid uncertainties surrounding the pandemic. Considering the disruptive effect of the COVID-19 pandemic on the Gambian economy, especially on tourism and related activities as well as trade and investment and uncertainty about the trend of global food prices due to the pandemic, risk for growth prospects was on the upside. Inflation outlook is however favorable. Based on the forgoing, the Committee decided to reduce the MPR by 200 basis points to 10.0 percent and the statutory required reserve ratio by 2 percentage points to 13 percent. This would release about D700 million liquidity to deposit money banks with the hope that banks would on lend this money to the private sector to boost domestic demand. Other rates such as the interest rate on the standing deposit facility and the interest rate on the standing lending facility were maintained at 3 percent and 11.0 percent, respectively.

3.2.1.3 MEETING OF AUGUST 26-27, 2020

During the August meeting, the Committee observed weaknesses in the global economy and noted the uncertainties for the outlook. The adverse effects on the global economy appeared to be more severe and longer lasting than previously projected. As a result, the uncertainties created a rise in precautionary savings that weakened private consumption and investment as firms delayed capital expenditures. Consequently, growth in all the regions of the world was projected to contract.

On the home front, risks to the outlook associated with the COVID-19 pandemic remained elevated across all sectors as expressed by respondents of the business sentiment survey. Economic growth was projected at negative 1.2 percent in 2020, reflecting the impact of the COVID-19 pandemic. The Bank's Composite Index of Economic Activity (CIEA) showed a marked slowdown in economic activity in the second quarter of 2020, reflecting weaker domestic and foreign demand.

The Committee noted the weakened external sector position in the balance of payments. The current account deficit widened to 3.5 percent of GDP in the first half of 2020 from 1.4 percent of GDP in the corresponding period in 2019. During this period, the Bank had gross international reserves of US$306 million, equivalent to the 5 months of prospective imports of goods and services. Supply conditions in the foreign exchange market was favorable and the dalasi remained stable, supported by the higher-than-expected increase in private remittances and the steady inflow of official transfers.

The banking sector remains fundamentally sound with a high level of capital and liquidity. The Prudential Financial indicators (risk weighted capital adequacy ratio and liquidity ratios) were well above minimum requirements and all the banks are above the minimum capital requirement.

On price developments, the Committee noted that Inflation decelerated markedly in July 2020, largely reflecting weak aggregate demand. Headline inflation declined to 4.8 percent in July 2020 from 7.3 percent in July 2019, driven by the deceleration in both food and non-food inflation. Both food and non-food inflation decreased significantly by 1.5 and 4.3 percentage points relative to the comparative period in 2019.

In its assessment of the domestic economy, the Committee noted the negative economic impact of the COVID-19 pandemic on the Gambian economy that resulted to loss of household incomes, revenue streams of businesses with an accompanying elevated risks to the outlook and decided to maintain the policy rate at 10 percent. The other interest rates (interest rate on the standing deposit facility and the standing lending facility) were left unchanged at 3.0 percent and at 11.0 percent, respectively.

3.2.1.4 MEETING OF DECEMBER 03-04, 2020

At the last meeting of the year, the MPC noted the signs of recovery for the global economy in the third quarter of 2020, after a severe contraction in the second quarter. The recovery mirrored the policy responses to mitigate the pandemic and eased in containment measures adopted during the height of the pandemic. The Committee however are of the view that further recovery depended not only on the discovery of vaccines but also on country-specific responses to the pandemic and the strategies employed to re-start their economies.

The Committee observed that economic activity in The Gambia remained weak reflecting the effects of the pandemic, but a quicker recovery is anticipated in 2021. The expected recovery in 2021 was predicated on a rebound in agriculture, strong policy support, rebound in the construction sector, partial recovery in tourism as well as improved business sentiments.

The Committee noted the subdued inflation level associated with weak domestic demand, moderate global oil prices, and a stable exchange rate. Headline inflation declined in October 2020 relative to October 2019 by 2.0 percentage points, driven largely by the deceleration in non-food inflation. The consumer price inflation of food also fell slightly. Inflation outlook was predicated on the stable exchange rate, moderate global inflation, increase in local food production, and the implementation of prudent monetary policy. However, the major risk to inflation continued to be the recent surge in global food prices.

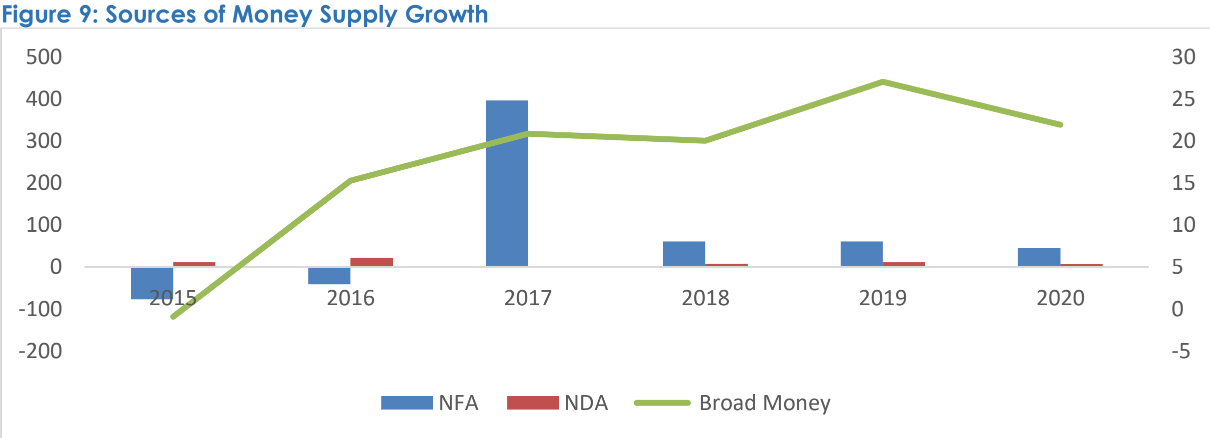
The Committee observed that the current account balance worsened in the three quarters of 2020 due largely to the unprecedented increase in the importation of health-related materials relating to the covid-19 pandemic. However, the level of gross international reserves was at a comfortable level and the exchange rate of the dalasi continued to be stable, supported by the large private remittances and official transfers.

Taking note of the above factors into consideration, the Committee decided to keep the monetary policy rate and required reserve (RR) unchanged at 10.0 percent and 13 percent, respectively. In addition, the interest rate on the standing deposit facility and the standing lending facility was maintained at 3.0 percent and 11.0 percent i.e. MPR plus 1 percentage point.

3.3 ANALYSIS OF MONETARY AGGREGATES

Money supply growth moderated and remained stable during the year, reflecting the decelerated growth in NFA and NDA of the banking system. Private sector credit growth declined significantly attributed to the default risk due to the health pandemic.

Figure 9: Sources of Money Supply Growth



Source: CBG

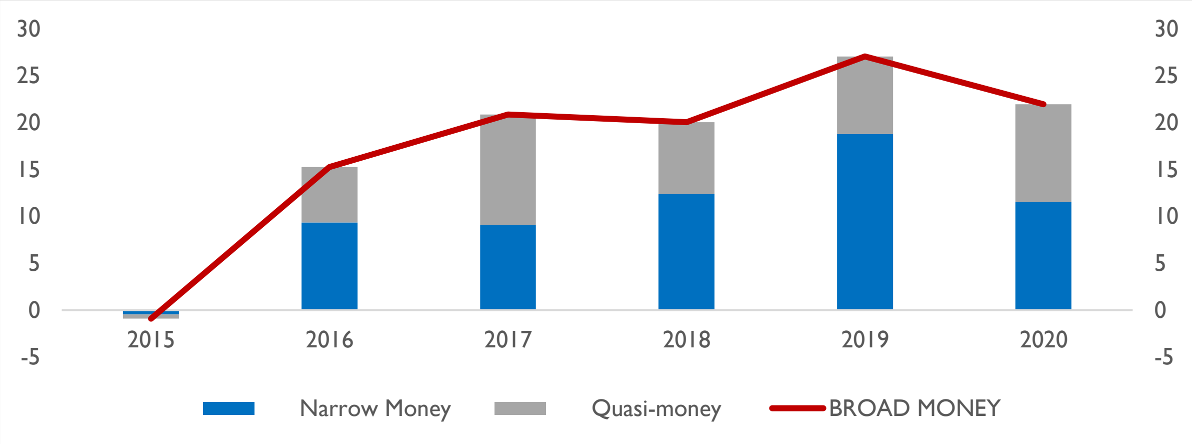
3.3.1 ANNUAL MONEY SUPPLY GROWTH

Growth in broad money declined to 22.0 percent at end-December 2020 compared to 27.1 percent at end-December 2019. The slow pace in growth in broad money could be explained by the moderate growth in the NFA and NDA of the banking system.

Narrow money (M1), which comprised demand deposit and currency outside banks grew by 20.4 percent to D29.1 billion at end-December 2020, lower than the 35.4 percent growth a year earlier. The growth in M1 was largely supported by the expansion in currency outside banks as demand deposits grew at lower pace of 16.6 percent.

In contrast, growth in quasi money decelerated to 23.9 percent at end-December 2020 relative 17.6 percent in the same period a year earlier induced by a decline in growth of both savings and time deposits.

Figure 10: Contribution to Growth in Total Money Supply



Source: CBG

3.3.1.1 NET FOREIGN ASSETS

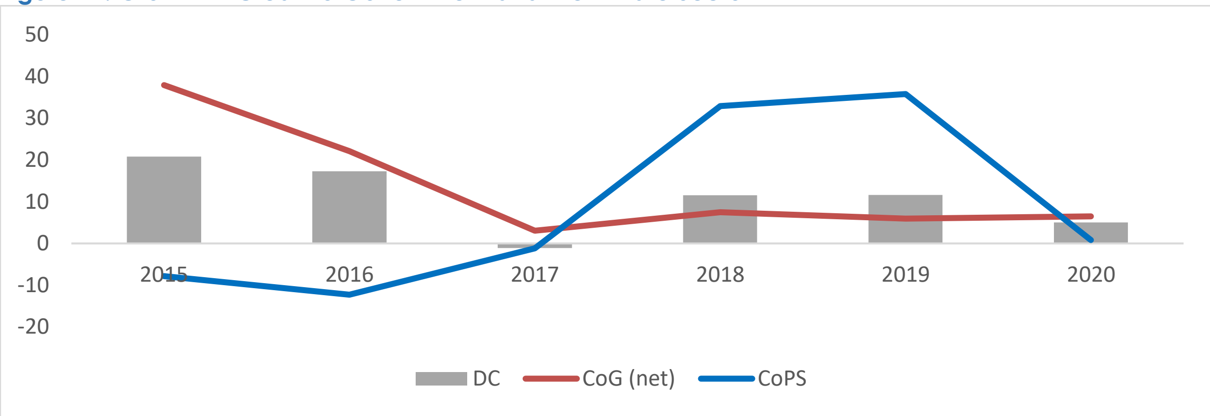
Net Foreign Assets (NFA) of the banking system, the main source of system wide liquidity rose to D24.3 billion (or by 45.0 percent) as at end-December 2020 from D16.8 billion a year ago. The growth in the NFA of the banking system reflects the significant increase in the NFA of the Central Bank.

The NFA of Central Bank during the review period grew remarkably by 62.6 percent to D13.8 billion compared to D8.5 million in 2019. This significant expansion in the NFA of the Bank attributed to increase in its foreign assets helped the Bank to build external reserve buffers for intervention and meeting external obligations. Growth in the NFA of deposit money banks slowed to 26.9 percent in December 2020 relative to the 41.0 percent growth registered during the same period last year.

3.3.1.2 NET DOMESTIC ASSETS

Net Domestic Assets (NDA) of the banking system slightly decelerated but remained stable. At end-December 2020, the banking system accumulated domestic assets to the tune of D28.0 billion or by 7.2 percent, compared to 11.8 percent recorded in the previous year. Total domestic credit rose to D33.3 billion or by 5.0 percent during the review period, from D31.7 billion in December 2019. The increase was partly attributed to a large government deficit of (D4.2 billion) in the review period financed through government securities as evident in the net claims on government. Net claims on government by the banking system rose by 6.5 percent and accounted for about 90.9 percent of total domestic credit. Conversely, private sector credit growth declined significantly to 0.8 percent at end-December 2020 from 35.8 percent growth a year ago. The weak growth rate could be partly attributed to the pandemic and the surge in government claims.

Figure 11: Growth in Credit to Government and the Private Sector

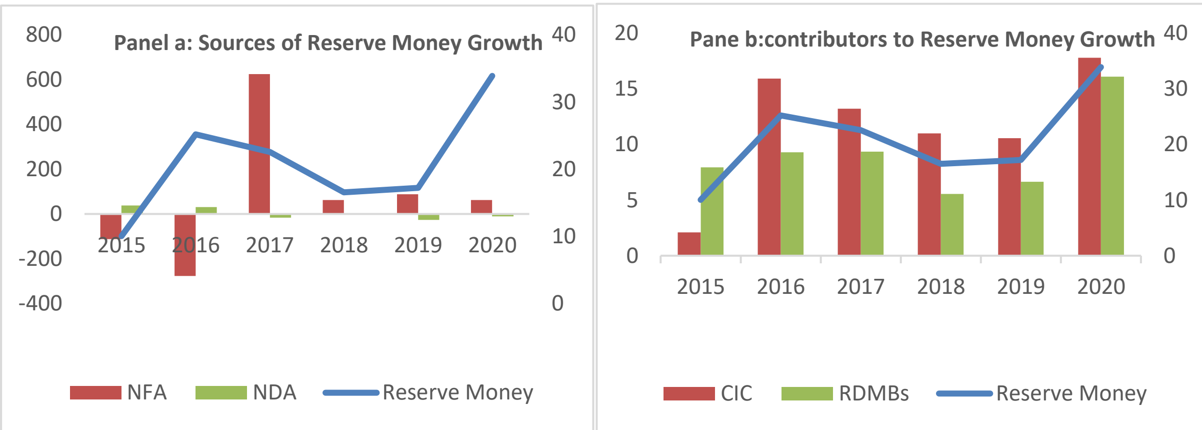


Source: CBG

3.3.2 RESERVE MONEY

Annual reserve money growth in December 2020 expanded by 33.9 percent higher than the 17.2 percent recorded in December 2019. This robust growth in reserve money is explained by a marked increase in the NFA of the Central Bank by 62.6 percent. On the other hand, the NDA of the Bank contracted by 11.1 percent from a year ago. Similarly, the Bank's net claims on government contracted by 13.2 percent from a year ago.

Figure 12: Source and Contributors to Reserve Money Growth



Source: CBG

Both currency in circulation and reserves of deposit money banks contributed to the growth of reserve money by 17.8 percent and 16.1 percent, respectively.

3.4 DISTRIBUTION OF COMMERCIAL BANK CREDIT TO THE PRIVATE SECTOR

Outstanding credit by deposit money banks to sectors of the economy as at end-December 2020 stood at D7.40 billion, indicating an insignificant growth of 0.7 percent compared to the previous year of 33.5 growth. The sharp decline of banks' credit to real sectors of the economy was mainly due to the COVID-19 pandemic which halted trade and most economic activities. Credit to fishing, manufacturing, tourism, and financial institutions significantly contracted while construction grew by 40.4 percent and accounted for the largest share (27.6 percent) of total credit. During the pandemic, the construction sector was literally the only effective performing sector in the country resulting to high demand for construction materials which resulted in a high cost of building materials.

Table 5: Outstanding Stock of Deposit Money Banks Credit (in Millions of GMD)

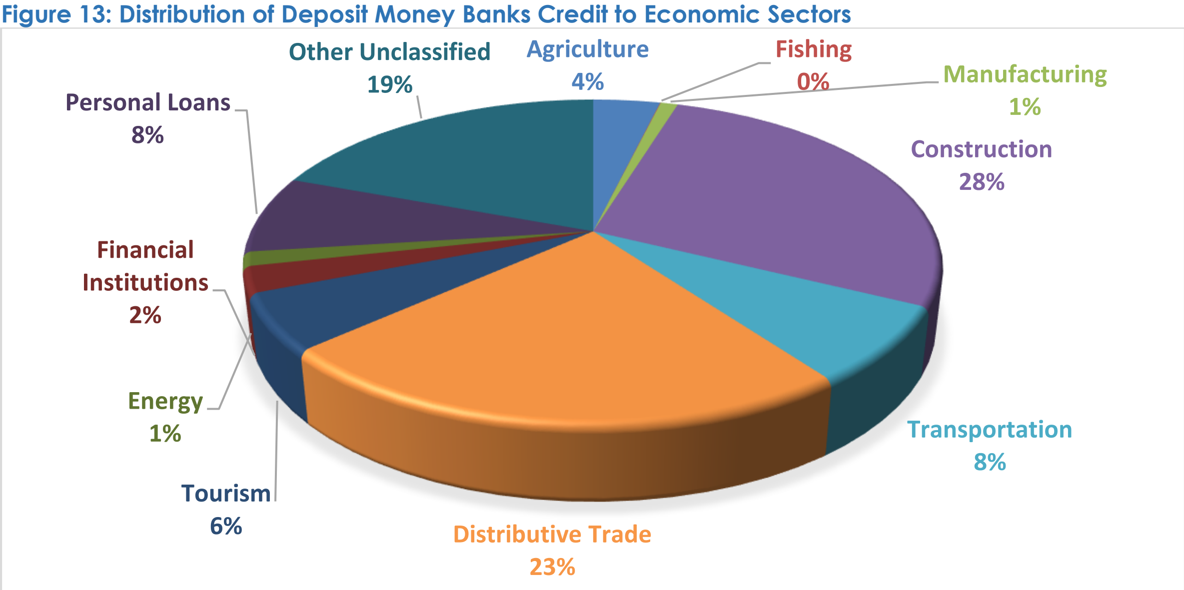
Sectors	2017	2018	2019	2020	Annual percent	Percent share
Agriculture	394,093.97	86,604.77	138,481.50	276,427.43	99.61	3.73
Production	262,378.96	20,707.00	12,592.00	3,235.00	-74.31	0.04
Processing	290	-	2,055.00	2,719.00	32.31	0.04
Marketing	131,425.01	65,897.77	123,834.50	270,473.43	118.42	3.65
Fishing	4,114.00	7,244.00	6,286.00	2,144.00	-65.89	0.03
Manufacturing	28,455.00	23,463.00	90,835.00	71,652.00	-21.12	0.97
Construction	554,148.82	1,091,079.79	1,454,525.65	2,041,422.27	40.35	27.58
Companies & Corporations	507,422.40	1,046,713.82	1,292,147.04	1,783,519.26	38.03	24.09
Individuals & Partnerships	46,726.42	44,365.97	162,378.61	257,903.01	58.83	3.48
Transportation	343,020.52	360,894.37	555,553.81	565,016.80	1.7	7.63
Companies & Corporations	339,837.52	323,571.45	525,178.00	535,510.00	1.97	7.23
Individuals & Partnerships	3,183.00	37,322.92	30,375.81	29,506.80	-2.86	0.4
Distributive Trade	1,284,187.31	1,726,603.82	1,684,937.26	1,733,582.04	2.89	23.42
Companies & Corporations	1,091,903.31	1,686,427.82	1,409,471.26	1,376,064.04	-2.37	18.59
Individuals & Partnerships	192,284.00	40,176.00	275,466.00	357,518.00	29.79	4.83
Tourism	217,684.14	595,824.69	408,482.60	416,001.00	1.84	5.62
For Premises	119,662.14	490,126.00	199,288.00	223,195.00	12	3.02
For Capital equipment	6,861.00	-	12,879.00	9,848.00	-23.53	0.13
For working Capital	91,161.00	105,698.69	196,315.60	182,958.00	-6.8	2.47
Financial Institutions	127,423.25	178,531.26	356,900.16	190,284.02	-46.68	2.57
Energy	80,834.41	66,228.91	107,617.00	104,925.44	-2.5	1.42
Personal Loans	401,651.05	463,175.32	560,675.69	569,869.16	1.64	7.7
Other Unclassified	748,190.76	905,580.27	1,986,015.29	1,430,913.00	-27.95	19.33
Total Outstanding	4,183,803.23	5,505,230.20	7,350,309.96	7,402,237.16	0.71	100

Source: CBG

Credit to the agriculture sector, the second largest contributor to GDP and a leading employer grew by almost 100 percent to D276.4 million. Credit to this sector was mainly towards marketing which grew by 118.4 percent, but credit to production, which is rainfed and prone to climatic conditions, contracted by 74.3 percent.

Credit to the fishing sector contracted by 65.9 percent on account of the pandemic as borders were closed to contain the spread of the virus. The Manufacturing sector was also negatively impacted by the COVID-19 pandemic as evident in the contraction of credit extended to the sector by 21.1 percent. The sector suffered closure and layoffs of staff due to halt in trade and low economic activity.

Figure 13: Distribution of Deposit Money Banks Credit to Economic Sectors



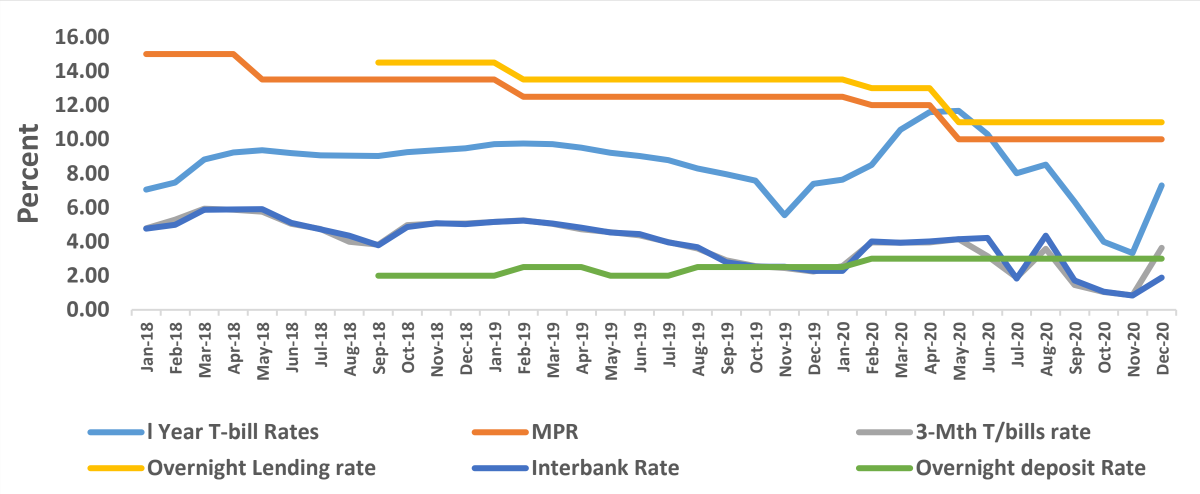
Source: CBG

3.5 INTEREST RATES DEVELOPMENTS

The Monetary Policy Committee in February 2020 reduced the monetary policy rate (MPR) by 50 basis points to 12 percent on the back of subdued inflationary environment and supporting economic growth. The MPR was further cut by 200 basis points to 10 percent in May 2020 and the statutory reserve requirement for deposit money banks lowered by 2 percent to 13 percent, all in an effort to mitigate the impact of the pandemic on the financial system as well as improve liquidity conditions for households and businesses.

The money market interest rate which has been on a downward trend in 2019, slightly increased towards the end of 2020 except for the 364-day bill. The yields on the 91-day and 182-day bills at 2.24 percent and 4.98 percent in December 2019, increased to 2.75 percent, and 5.03 percent in December in 2020, while the 364-day bill declined from 7.39 percent in end-December 2019 to 7.30 percent in 2020. Similarly, interest on the 364-day Sukuk Al Salam bills increased on average from 5.52 percent in 2019 to 7.96 percent in December 2020. On the other hand, the 91-day and 182-day Sukuk Al-Salam bills declined from 2.24 percent and 4.88 percent in December 2020. 2019 to 1.76 percent to 4.15 percent in December 2020, respectively. The interbank lending rate, likewise, decreased from 2.28 percent in December 2019 to 1.88 percent in December 2020.

Figure 14: Development in Selected Interest Rates



Source: CBG

The minimum and maximum interest rates on savings deposits declined from 0.5 percent and 8.0 percent, respectively in December 2019 to 0.3 percent and 3.0 percent in December 2020. Similarly, the minimum and maximum rates on the term deposits (3-month time, 6-months and 12-months deposits) also declined. The minimum and maximum rates on the 3-month time deposits fell from 1.08 percent and 7.21 percent to 0.25 percent and 5.0 percent, respectively. The 6-month and 12-month time deposits attracted a minimum and maximum rate of 1.18 percent, 12.0 percent and 16.0 percent in December 2019 compared to 0.5 percent, 6.0 percent and 10.0 percent in December 2020.

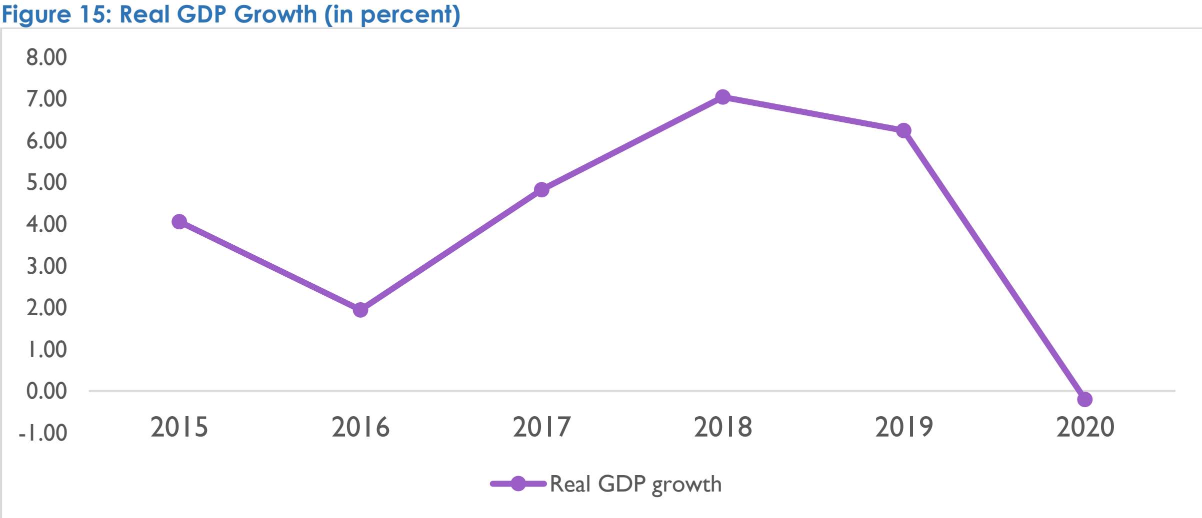
As at end-December 2020, deposit money banks were lending at a minimum interest rate of 10.0 percent, lower than a minimum rate of 12.0 percent a year ago, reflecting policy interventions by the Central Bank aimed at making funds cheap for the private sector. The maximum lending rate however remained unchanged at 28.0 percent during the review period suggesting the risk averse nature of banks due to COVID-19 pandemic.

3.6 REAL SECTOR DEVELOPMENTS

3.6.1 REAL GDP GROWTH

Real economic growth contracted by 0.2 percent in 2020 from earlier projection of 1.8 percent and zero growth. The mild economic contraction amid the significant negative impacts of COVID-19 on tourism and trade related sectors was due to policy interventions that mitigated the impact on the overall economy. The pandemic adversely affected all the sectors of the economy with small businesses, tourism, and hospitality industry as well as trade been the hardest hit. However, both fiscal and monetary policy interventions that boosted government spending, stabilize the financial system, and increase inflows of remittances that supported private consumption and investment contributed to the softening of the slowdown in economic growth. Projections from both the Central Bank's Composite Index of Economic Activities (CIEA) and the Fund, estimated growth to rebound to 4.1 percent and 4.9 percent in 2021 respectively, premised on a return to normal economic activity and successful roll out the COVID-19 vaccine.

Figure 15: Real GDP Growth (in percent)



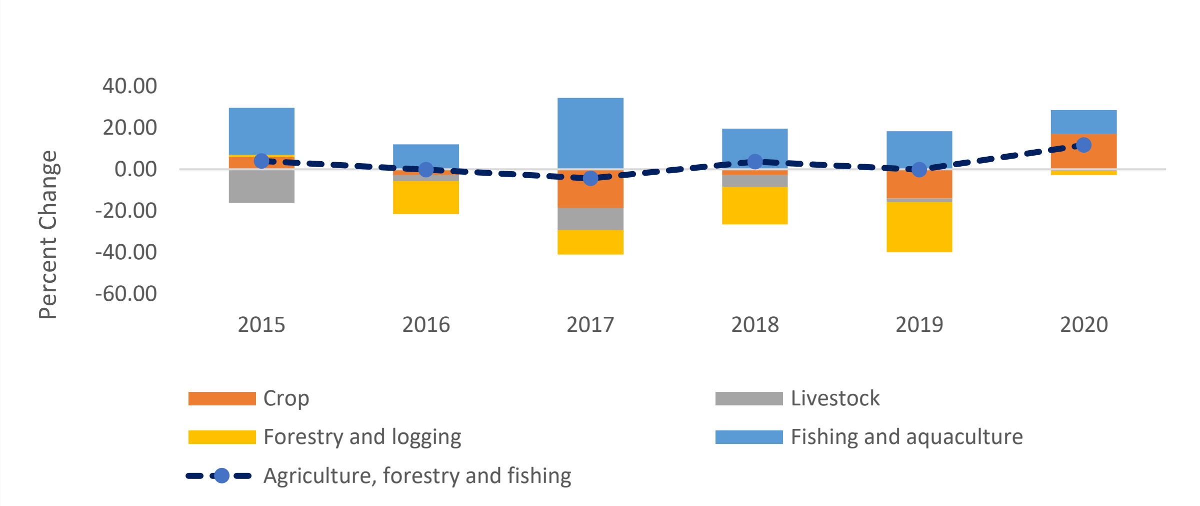
Source: GBOS

3.6.1.1 AGRICULTURAL SECTOR

The agriculture sector, the second-largest contributor to GDP, expanded by 11.7 percent in 2020 relative to a contraction of 0.1 percent in 2019. The growth in the sector was induced by robust performance in crop production due to good and even rainfall and improved fishing and aquaculture during the period. The Gambia practiced rainfed agriculture for crop production and thus the sector is highly prone to climatic conditions attributed to climate change. Negative effects of climatic conditions are always reflected on crop production and a drag on GDP growth. The reverse is true as could be seen in 2020 crop production which grew by 16.9 percent compared to 14.1 percent contraction a year ago.

Fishing and aquaculture trended upward over the years but declined in the recent past. Growth in this sub-sector declined by 6.8 percentage points to 11.7 percent in 2020 reflecting the impact of the pandemic on fishing activities.

Figure 16: Agriculture Valued Added (constant 2013 prices)

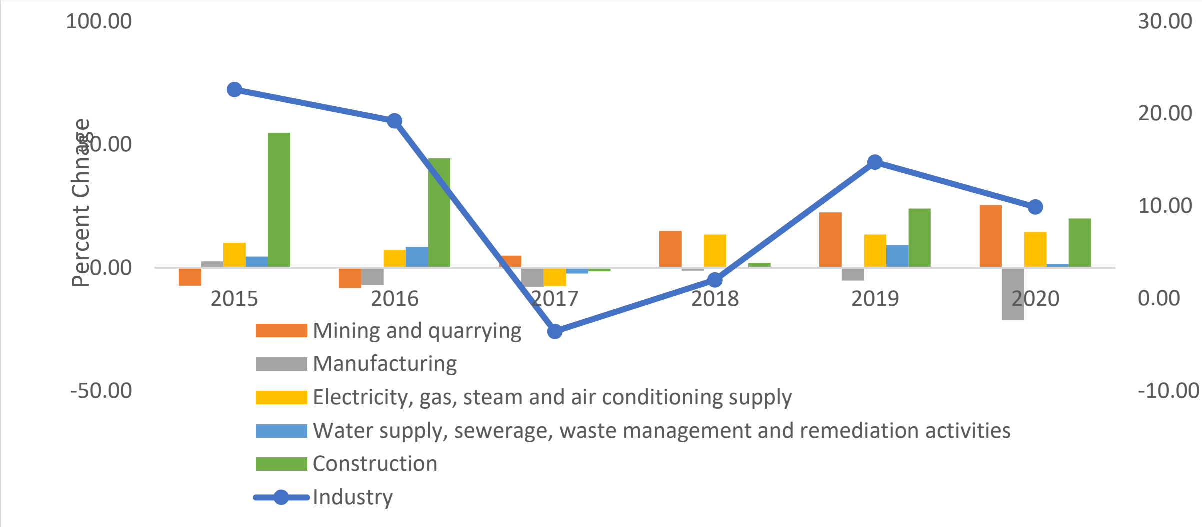


Source: GBoS and CBG staff estimates

3.6.1.2 INDUSTRY SECTOR

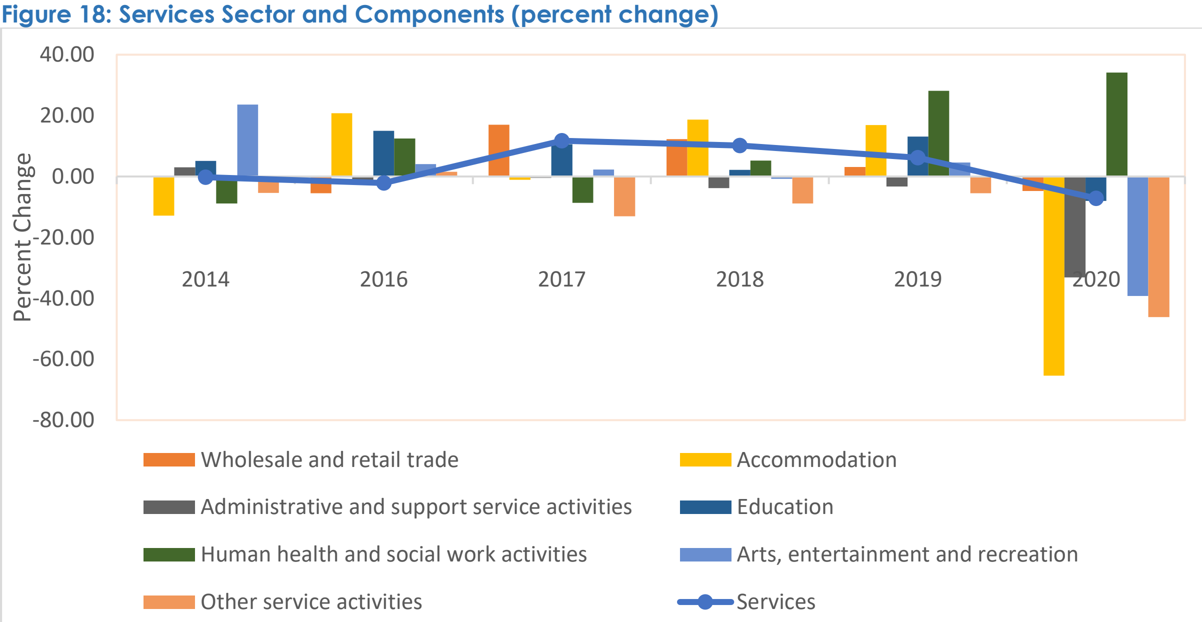
The health pandemic of 2020 impacted the industrial sector through the manufacturing sub-sector. Despite the electricity expansion projects that boosted the sub-sector's growth by 14.5 percent and increased activity in mining & quarrying that supported growth in the construction sub-sector by 20.0 percent, this could not bolster the slow pace of growth in the industrial sector in 2020. The industrial sector grew by 9.9 percent 2020 lower than the 14.8 percent growth in 2019. The decline in growth performance was largely due to the impact of the health pandemic on the manufacturing sub-sector. The sub-sector contracted significantly to 21.2 percent in 2020 from a mere 5.2 percent contraction in 2019.

Figure 17: Industry Sector (percent change)



Source: GBoS and CBG staff estimates

Figure 18: Services Sector and Components (percent change)



Source: GBoS and CBG staff estimates

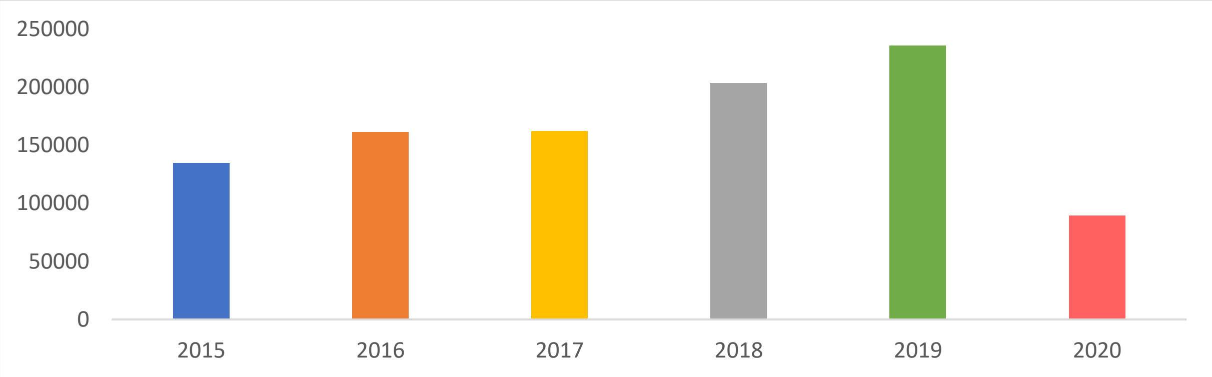
3.6.1.3 SERVICES SECTOR

Similarly, the services sector also contracted by 7.2 percent of GDP in the review period from 6.1 percent a year ago. The main drivers of the contraction were accommodation, Other Service Sectors, Art, Entertainment and Recreation, Administrative and Support Activities, and Wholesale & Retail Trade. Amid the pandemic, the health of Gambians and social work activities improved marginally from 28.2 percent in 2019 to 34.1 percent in the review period.

3.6.1.4 TOURISM INDUSTRY

Lockdowns and travel restrictions in 2020 due to the COVID-19 pandemic significantly affected the tourism sector. Tourist arrivals for the better part of the year was non-existent. In the last quarter of 2020, with improved COVID-19 situation and the resumption of international travels as global vaccination progresses, the sector somewhat started to recover in terms of uptick in tourist arrivals. Although the outlook for the sector remains fragile, slow recovery in 2021 is projected premised on successful roll out of the vaccines and no emergence of any variant disease.

Figure 19: Air-Chartered Tourist Arrivals



Source: Gambia Tourism Board and CBG staff estimates

Table 6: Monthly air-chartered Tourist Arrivals

	2016	2017	2018	2019	2020	2019 % change	2020 % change
January	21,789	13,399	28,305	30,176	31142	6.6	3.20
February	19,991	17,659	24,416	26,752	28862	9.6	7.89
March	17,787	16,339	23,326	25,796	13343	10.6	-48.27
April	11,923	11,110	12,968	17,540	0	35.3	-100.00
May	7,032	7,733	7,501	11,668	40	55.6	-99.66
June	6,510	7,263	8,432	11,399	153	35.2	-98.66
July	7,323	8,660	8,981	13,328	640	48.4	-95.20
August	6,650	8,163	9,230	13,274	360	43.8	-97.29
September	8,431	9,744	8,479	11,439	984	34.9	-91.40
October	10,837	11,385	13,309	16,586	1561	24.6	-90.59
November	19,305	22,807	27,153	25,543	4456	-5.9	-82.55
December	23,549	28,313	31,370	32,209	7691	2.7	-76.12
Total arrivals	161,127	162,075	203,470	235710	89232	15.8	-62.14

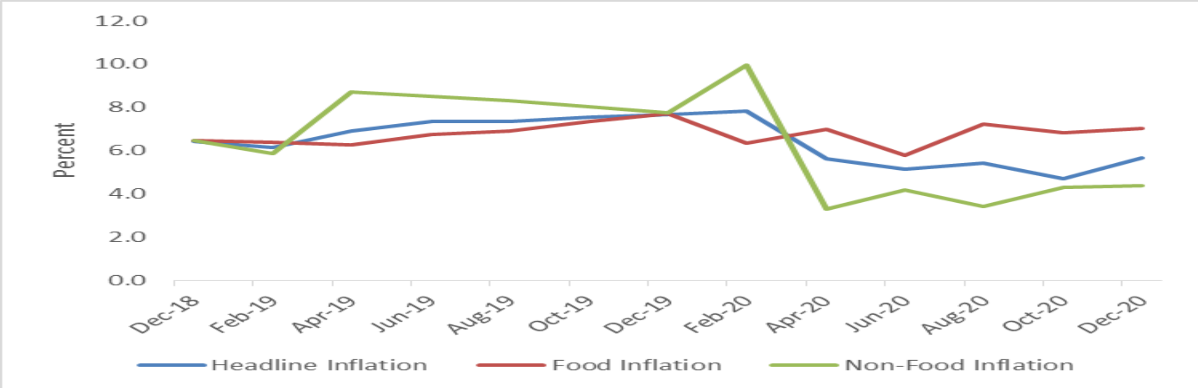
Source: Gambia Tourism Board and CBG staff estimates

3.7 PRICE DEVELOPMENTS

Consumer price inflation at end-December 2020 decelerated to 5.7 percent from 7.7 percent in the corresponding period of 2019 attributed largely to weak demand conditions and subdued global commodity prices because of the Covid-19 pandemic. In addition, the stability of the exchange rate and prudent monetary policy also helped to anchor inflationary expectations. Both food and non-food inflation slowed during the reviewed period. Inflationary pressures during the year 2020 moderated with headline inflation averaging 5.9 percent relative to 7.1 percent in 2019.

Generally, the outlook for inflation is projected to remain stable towards the medium-term target of 5 percent. However, the potential risk to inflation may arise from the rising global commodity food and oil prices and possible pickup in demand as the global economy is poised for a post-pandemic recovery.

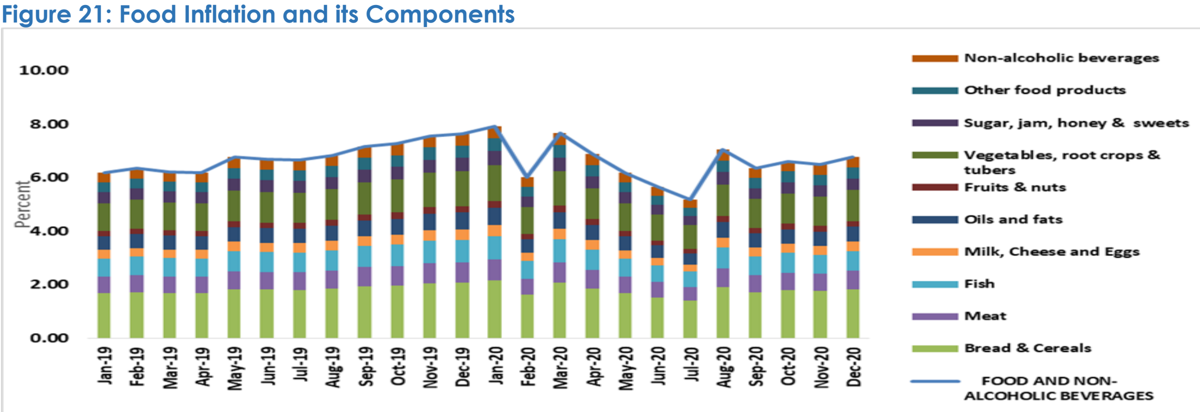
Figure 20: Consumer Price Inflation



Source: GBoS and CBG staff estimates

Food inflation which is the main driver of headline inflation decelerated to 7.0 percent in December 2020, from 7.7 percent in December 2019, mirroring moderate global food prices and the relative exchange rate stability. All sub-components of the food basket declined during the review period except for fish, oils, and fats. Consumer price inflation for bread cereals which accounts for 28.8 percent of the food basket, decelerated to 7.0 percent in December 2020 compared to 8.3 percent in December 2019.

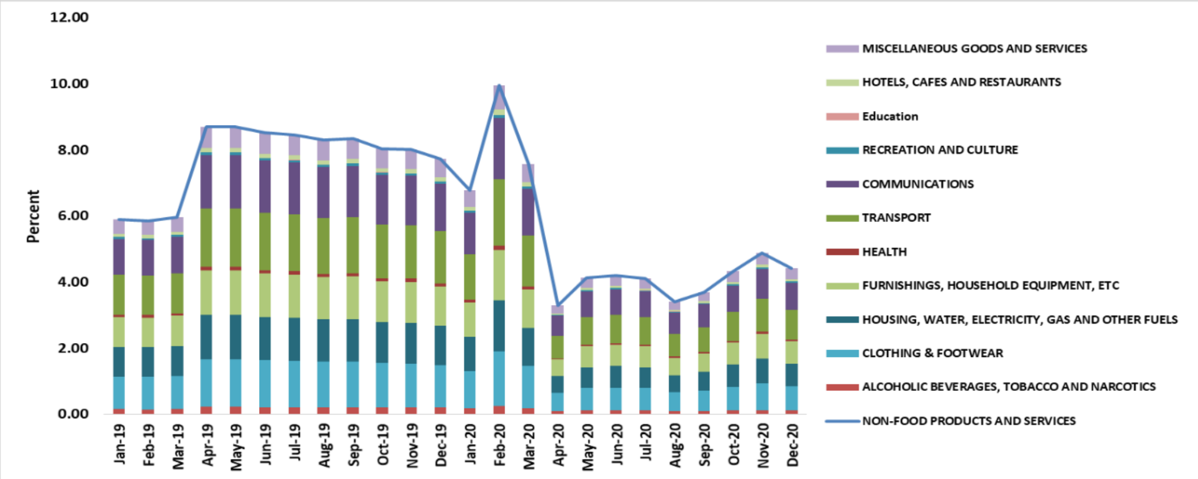
Figure 21: Food Inflation and its Components



Source: GBoS and CBG staff estimates

Non-food inflation also decelerated by 3.3 percentage points to 7.7 percent in December 2020. In 2020, the education index rose significantly by 85.4 percent following the reopening of schools after the lockdown, but this marked increase could not push non-food inflation up due to its minimal weight in the basket. Fallen consumer price for clothing and footwear, housing, water, electricity and other fuels, health, communication, and others instead contributed to decline in non-food inflation.

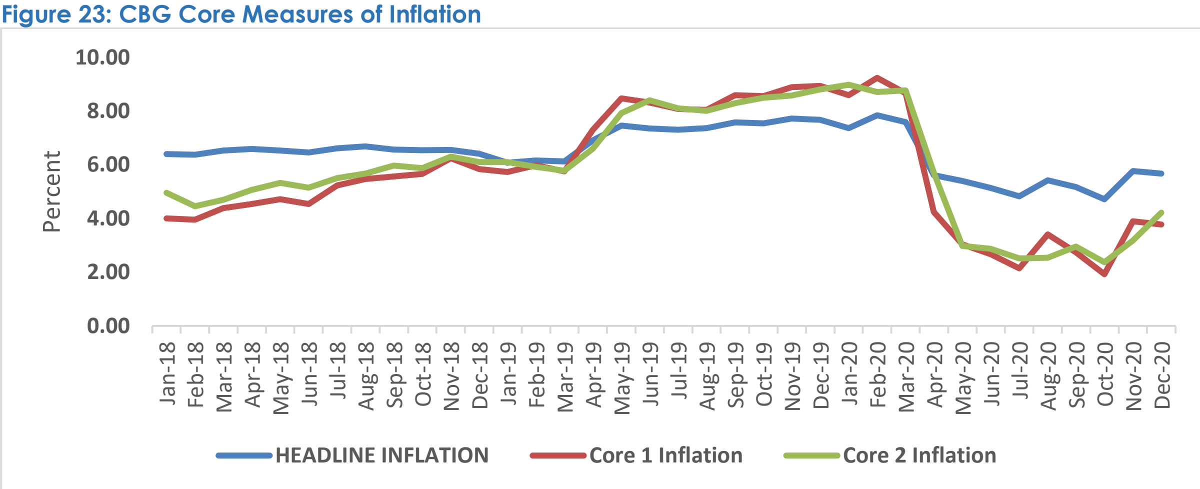
Figure 22: Non-Food Inflation and its Components



Source: GBoS

All measures of core inflation declined in December 2020, indicating the easing of inflationary pressures during the year. Core-1 inflation which excludes the price effects of energy and utility items in the CPI basket slowed to 3.8 percent at end- December 2020 from a high of 8.9 percent in the same period in 2019. Likewise, Core- 2 inflation which further strips out prices of volatile items, decelerated to 4.2 percent in the review period from 8.8 percent in the same period a year ago.

Figure 23: CBG Core Measures of Inflation



Source: CBG

3.8 GOVERNMENT FISCAL OPERATIONS

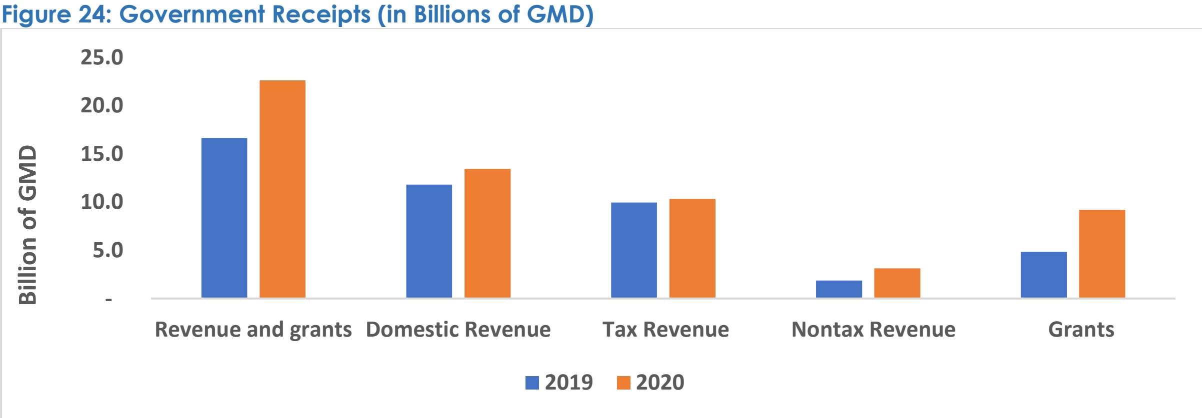
3.8.1 FISCAL POLICY

Government fiscal operations in 2020 deteriorated due to a significant expansion in expenditure and net lending relative to total government receipts. This resulted to a budget deficit of 4.3 percent of GDP in 2020 compared to a lower deficit of 2.9 percent in 2019.

3.8.1.1 REVENUE PERFORMANCE

Total revenue and grants grew by 35.9 percent to D22.6 billion (23 percent of GDP) in 2020 compared to D16.6 billion (18.2 percent of GDP) in the same period last year. Despite the significant performance of revenue and grants mobilized mainly attributed to grants disbursed, actual revenue and grants fell short of the projected amount by D0.3 billion.

Figure 24: Government Receipts (in Billions of GMD)



MOFEA and CBG staff estimates

Domestic revenue, comprising tax and non-tax revenue, rose by 13.9 percent to D13.4 billion (13.7 percent of GDP) in 2020 from D11.8 billion (12.9 percent of GDP) a year ago. Domestic revenue collected during the period was lower than the projected amount by D0.2 billion. The 13.9 percent growth in the domestic revenue was mainly attributed to an increase in non-tax revenue accounting for 10.8 percent of domestic revenue.

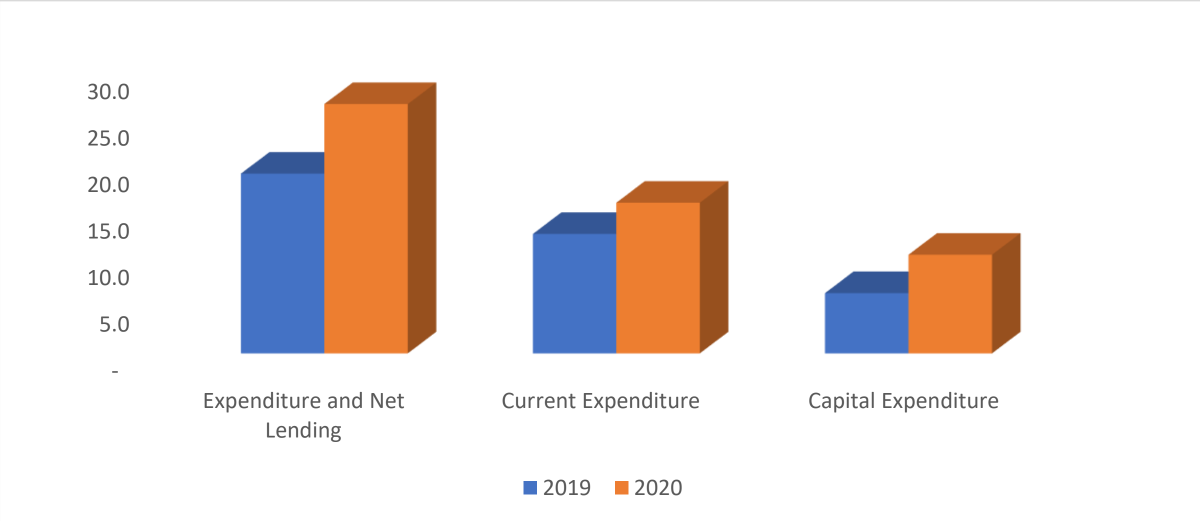
Tax revenue rose slightly by 3.7 percent to D10.3 billion (10.5 percent of GDP) in 2020 from D10.0 billion (10.9 percent of GDP) in 2019. Tax to GDP ratio at 10.5 percent in 2020, was 0.4 percentage point below the 2019 record and signified the need to enhance and improve tax administration and collection in an effort to increase tax receipts to adequately finance government expenditures.

Similarly, non-tax revenue rose remarkably by 69.0 percent to D3.1 billion (3.2 percent of GDP) in 2020 from D1.8 billion (2.0 percent of GDP) in the same period last year. Total grants disbursed mainly in the form of project grants also increased significantly by nearly two folds to D9.2 billion in the review period from D4.8 billion in the preceding year.

3.8.1.2 EXPENDITURE AND NET LENDING

Total expenditure and net lending in the twelve months to end-December 2020, increased by 38.7 percent to D26.8 billion (27.3 percent of GDP) from D19.3 billion (21.1 percent of GDP) in 2019, attributed mainly to increased capital expenditure. The outturn of expenditure and net lending in 2020 was higher than the budgeted amount by D2.1 billion.

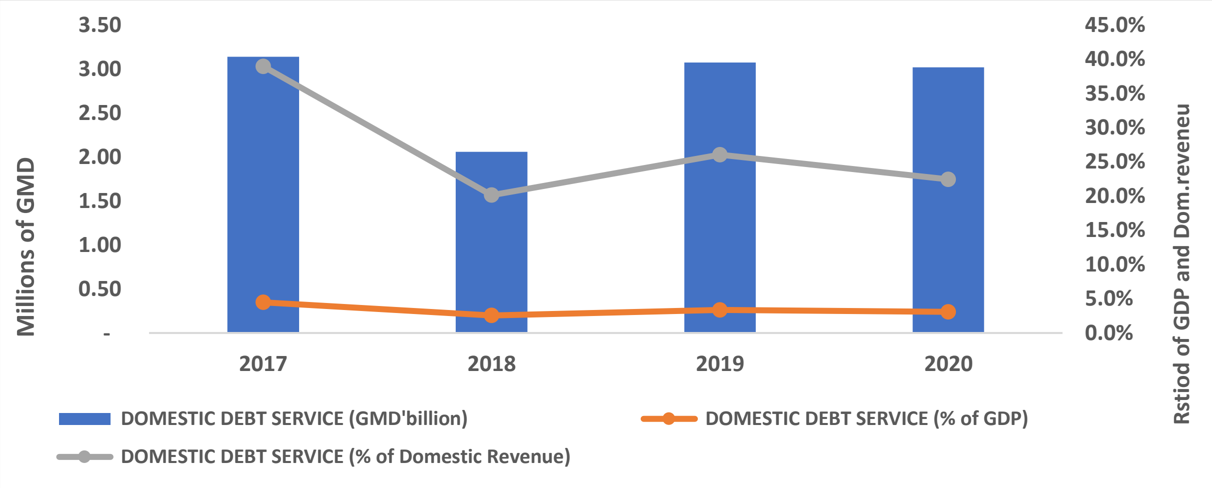
Figure 25: Annual Expenditure and Net Lending (Billions of GMD)



Source: MOFEA and CBG staff estimates

Current expenditure increased to D16.2 billion (16.5 percent of GDP) in 2020 compared to D12.8 billion (14.0 percent of GDP) in 2019 largely on account of an increase in other charges (subsidies and transfers).

Figure 26: Domestic Interest Payments in Millions of GMD and Percent of GDP and Revenue



Source: MOFEA and CBG staff estimates

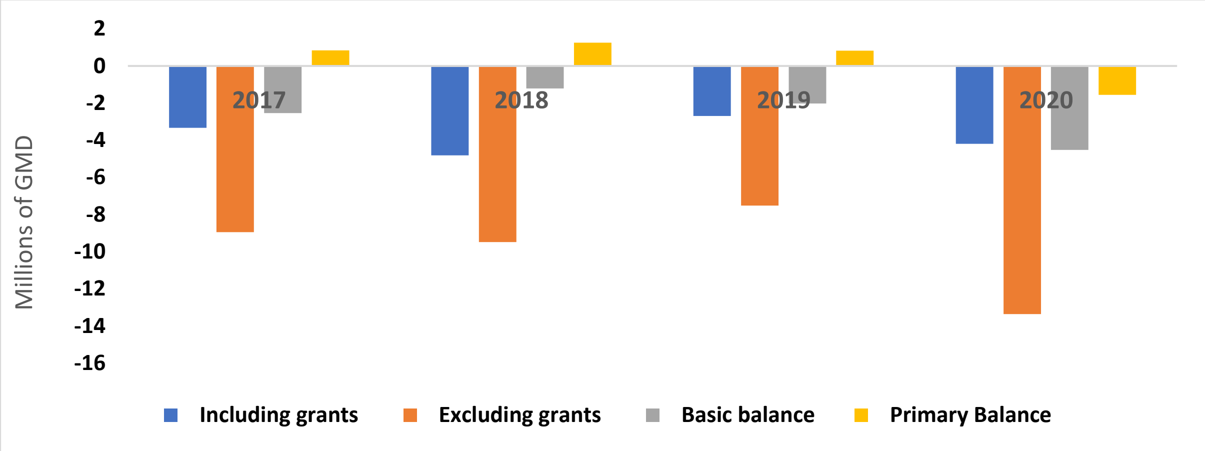
Total interest payments for 2020 increased by 4.4 percent to D3.0 billion from D2.8 billion in 2019. The increase in the total interest payments was mainly due to the increase in external interest payments by 47.9 percent, and accounting for 11.1 percent of the total expenditure and net lending, and 22.1 percent of domestic revenue. Domestic interest payments on the other hand, decreased by 2.2 percent to D2.4 billion from D2.5 billion in the corresponding period a year ago. The decline in domestic interest payments was occasioned by fallen yields of government securities in the domestic debt market induced by cuts in the MPR as policy response to the health pandemic.

In the year to end-December 2020, capital expenditure significantly increased by 63.6 percent to D10.6 billion (10.8 percent of GDP) compared to D6.5 billion (7.1 percent of GDP) in the comparative period in 2019. The expansion in capital expenditure for the year under review was explained by D3.5 billion increase in externally financed grants.

3.8.1.3 BUDGET BALANCE

Overall budget deficit (including grants) in 2020, worsened to D4.2 billion (4.3 percent of GDP) compared to a deficit of D2.7 billion (2.9 percent of GDP) in 2019. Similarly, budget deficit (excluding grants) widened to D13.4 billion (13.6 percent of GDP) during the review period relative to a deficit of D7.5 billion (8.2 percent of GDP) a year earlier. The increase in the overall deficit was due to the growth in expenditure and net lending in excess of the revenue and grants mobilized during the period.

Figure 27: Overall Balance, Primary Balance and CBG Financing (in Millions of GMD)



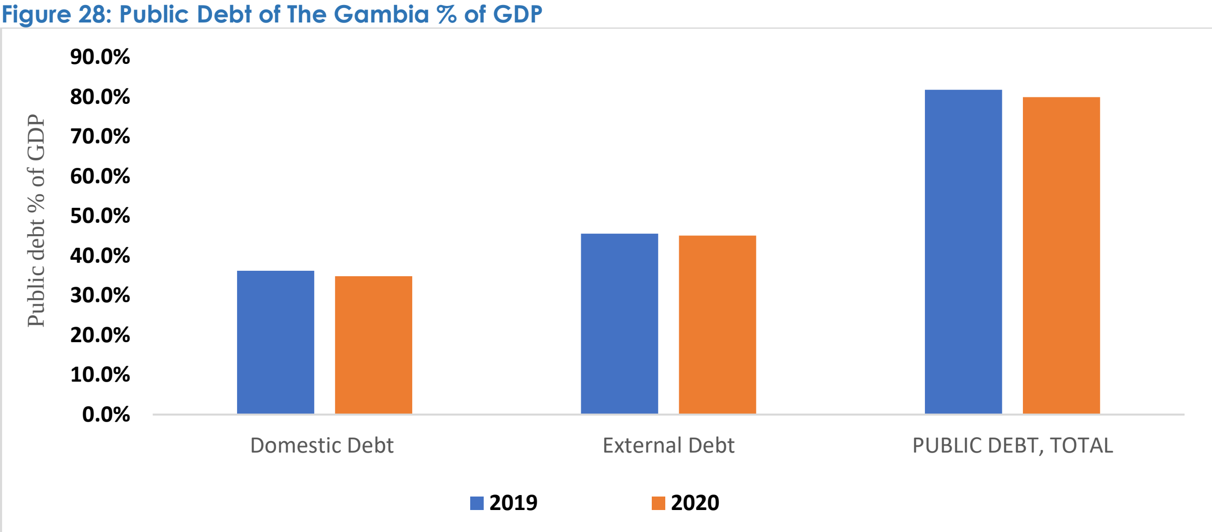
Source: MOFEA and CBG staff estimates

The primary balance surplus of D0.8 billion (0.9 percent of GDP) in 2019 worsened to a deficit of D1.6 billion (1.6 percent of GDP) in 2020. Similarly, the basic balance deficit, worsened to D4.5 billion (4.6 percent of GDP) in 2020 compared to a deficit of D2.0 billion (2.2 percent of GDP) in the corresponding period a year ago.

3.9 PUBLIC DEBT

The total public and publicly guaranteed (PPG) debt stock rose to USD1.5 billion, (D78.6 billion) in 2020 from USD1.4 billion, (D74.73 billion) in 2019. In 2020, external debt accounted for 56.4 percent of total debt stock while the remaining 43.6 percent was domestic debt. The nominal debt as a proportion of GDP improved to 79.9 percent in 2020 from 81.7 percent in 2019. Similarly, the present value (PV) of debt to GDP also narrowed to 65.5 percent in the review period from 67.8 percent same period a year ago.

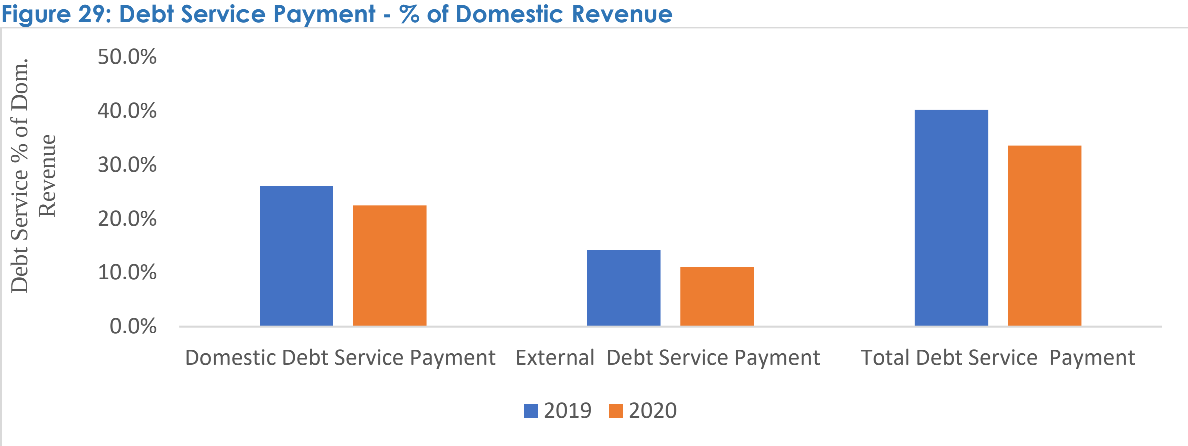
Figure 28: Public Debt of The Gambia % of GDP



Source: MoFEA and CBG staff estimates

Total debt service payment in 2020 amounted to D4.5 billion, D0.2 billion lower than the amount paid a year ago on account of lower interest cost on domestic debt due to decrease yields in the money market coupled with Debt Service Suspension Initiative in 2020 and debt restructuring on external debt. Total debt service as a percentage of total domestic revenue also declined by 0.6 percentage point to 34.0 percent in 2020.

Figure 29: Debt Service Payment - % of Domestic Revenue

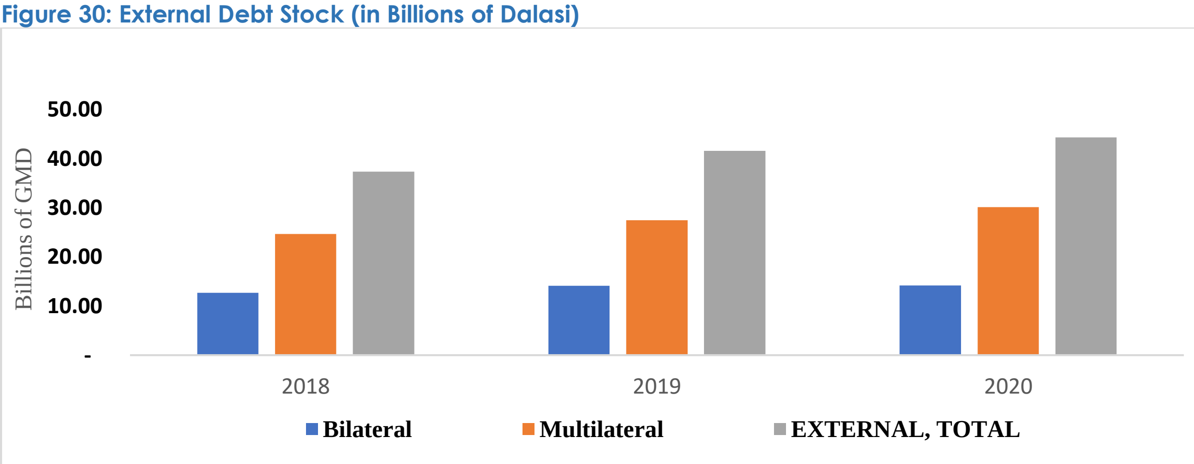


Source: MoFEA and CBG staff estimates

3.9.1 EXTERNAL DEBT

Total external debt stock stood at US$858.0 million (D44.3 billion) in 2020 compared to US$814.8 million (D41.6 billion) in 2019, representing an increase of 5.2 percent. The nominal external debt stock to GDP ratio decreased to 45.1 percent in 2020 from 45.5 percent in 2019. External debt stock composed of concessional loans from multilateral creditors accounted for 68 percent of the total external debt while bilateral creditors accounted for the remaining 32 percent.

Figure 30: External Debt Stock (in Billions of Dalasi)



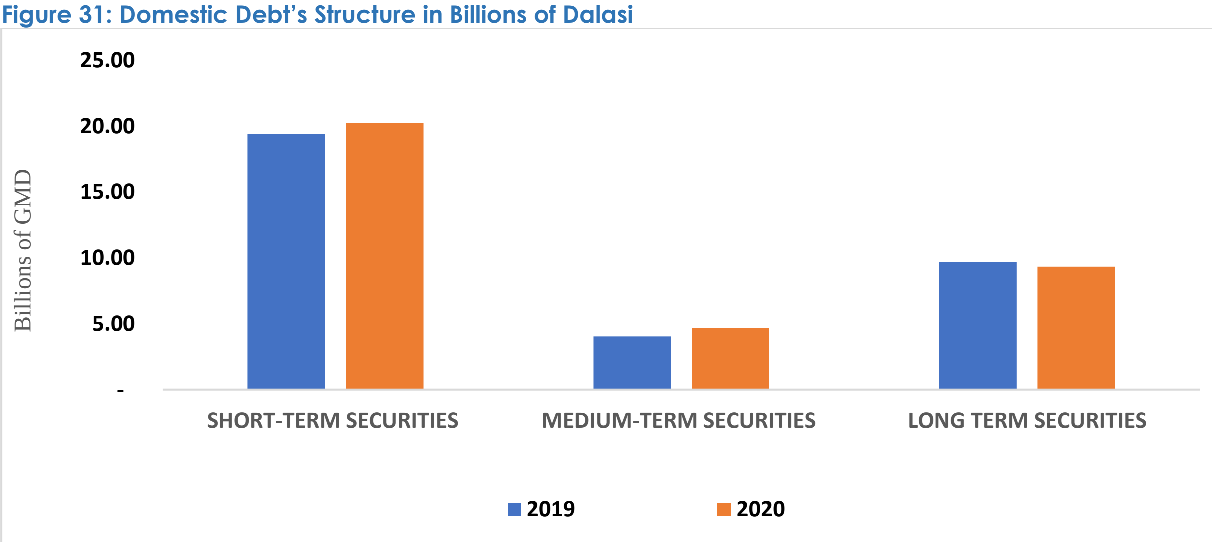
Source: MoFEA and CBG staff estimates

External debt service payment decreased by 13.2 percent to D1.49 billion (US$28.8 million) in 2020 from D1.72 billion (US$32.8 million) in 2019. The principal payment of external debt service decreased by 31 percent while interest payment increased by 75 percent.

3.9.2 DOMESTIC DEBT

The stock of domestic debt rose to D34.3 billion (34.9 percent of GDP) in 2020 from D33.1 billion (36.2 percent of GDP) in 2019, representing a growth of 3.5 percent. Domestic debt continues to be heavily concentrated around the short end of the maturity spectrum.

Figure 31: Domestic Debt's Structure in Billions of Dalasi



Source: CBG

The stock of government short-term securities (treasury bills and Sukuk-Al Salaam, SAS) rose by 4.4 percent to D20.23 billion in 2020 from D19.39 billion in 2019, attributed solely to an increase in the 364-day treasury and SAS bills. The ratios of short-term and medium-term debt securities rose to 59 percent and 5.4 percent in 2020 from 58.5 percent and 4.6 percent in 2019. Conversely, the share of long-term debt securities as a ratio of domestic debt declined by 2.0 percentage points to 27.3 percent for the review period.

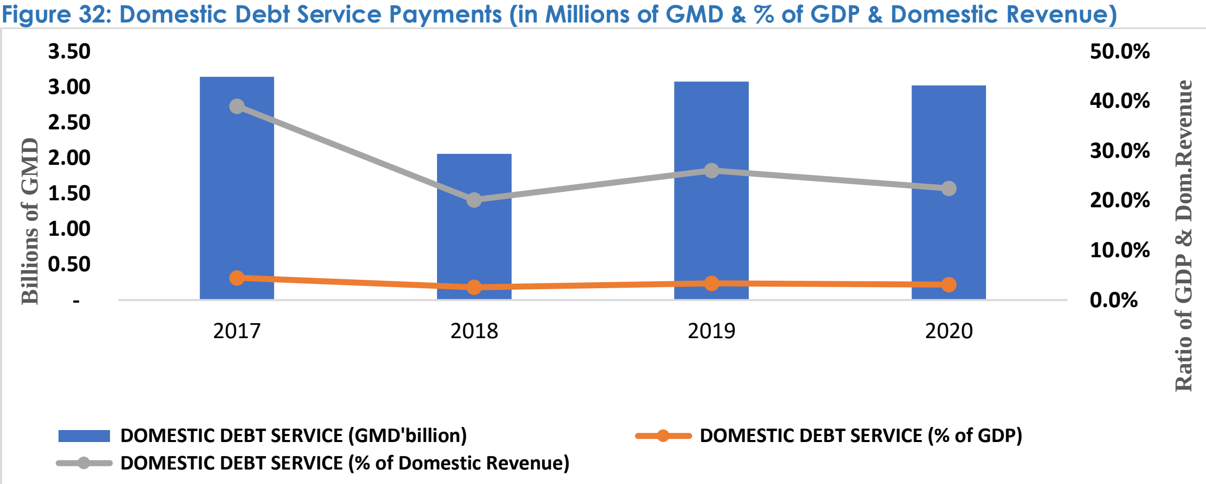
Table 7: Composition of domestic debt

Government Domestic Debt	2019	2020	2019 – 2020	Share of 2019 Total	Share of 2020 Total
	GMD' million	GMD' million	Growth (%)	%	%
TOTAL BOND	**13,742**	**14,046**	**2.2%**	**41.50%**	**41.00%**
BOND - 2 YEARS	500	500	0.0%	1.50%	1.50%
BOND - 3 YEARS	2,337	3,241	38.7%	7.10%	9.50%
BOND - 5 YEARS	120	120	0.0%	0.40%	0.40%
BOND - 7 YEARS	1,084	843	-22.2%	3.30%	2.50%
BOND - 30 YEARS	9,701	9,342	-3.7%	29.30%	27.30%
TOTAL SAS	**800**	**749**	**-6.3%**	**2.40%**	**2.20%**
SAS - 3 MONTHS	63	25	-60.5%	0.20%	0.10%
SAS - 6 MONTHS	199	109	-45.1%	0.60%	0.30%
SAS - 12 MONTHS	537	615	14.5%	1.60%	1.80%
TOTAL TREASURY BILLS	**18,587**	**19,485**	**4.8%**	**56.10%**	**56.80%**
TBILL - 3 MONTHS	396	25	-93.7%	1.20%	0.10%
TBILL - 6 MONTHS	1,959	1,420	-27.5%	5.90%	4.10%
TBILL- 12 MONTHS	16,231	18,040	11.1%	49.00%	52.60%
Grand Total	**33,128**	**34,280**	**3.5%**	**100%**	**100%**

Source: CBG

Domestic debt service payment decreased by 1.7 percent to D3.02 billion (3.1 percent of GDP) in 2020 from D3.07 billion (3.4 percent of GDP) in the same period last year. The decline in the domestic debt service payment in 2020 was due to a reduction in most of the domestic debt security yields. As a percentage of domestic revenue, domestic debt service payment declined to 22.5 percent in 2020 from 26.0 percent in 2019.

Figure 32: Domestic Debt Service Payments (in Millions of GMD & % of GDP & Domestic Revenue)



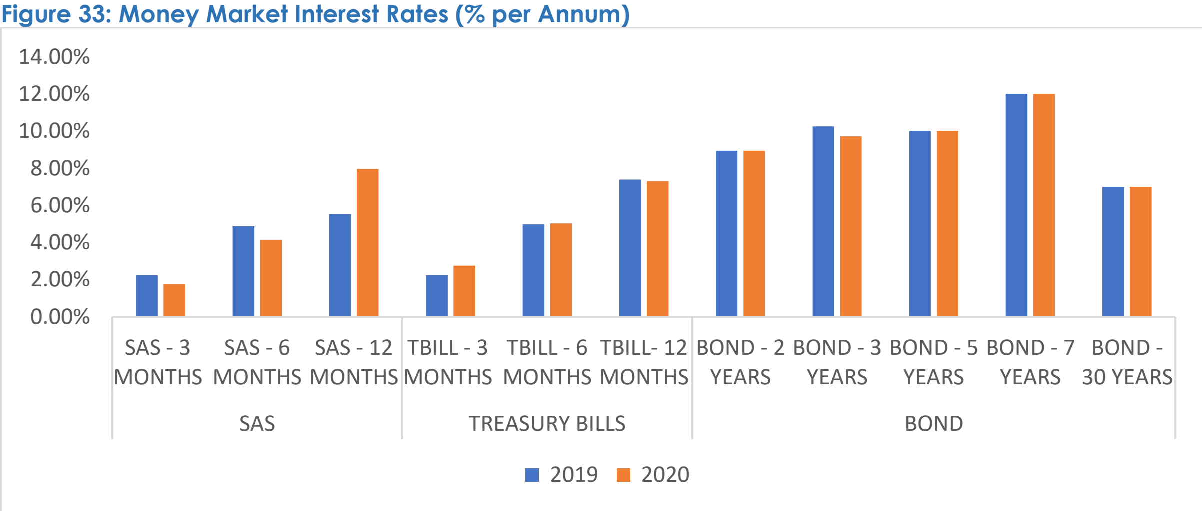
Source: CBG

3.9.2.1 SECURITY YIELDS

Government security yields for the year under review is mixed characterizing the vibrance of domestic debt market during the period. Average weighted yields on the 91-day and 182-day treasury bills increased to 2.75 percent and 5.03 percent in 2020 from 2.24 percent and 4.98 percent in the preceding year. Meanwhile the average yield on the 364-day bill declined to 7.30 percent in the review period from 7.39 percent a year earlier.

The Sukuk-AL-Salam yearly average yield for the 91-day, 182-day bills on the other hand decreased to 1.76 percent and 4.15 percent in 2020 from 2.24 percent and 4.88 percent in 2019 while the 364-day bill rose to 7.96 percent from 5.52 percent.

Figure 33: Money Market Interest Rates (% per Annum)



Source: CBG

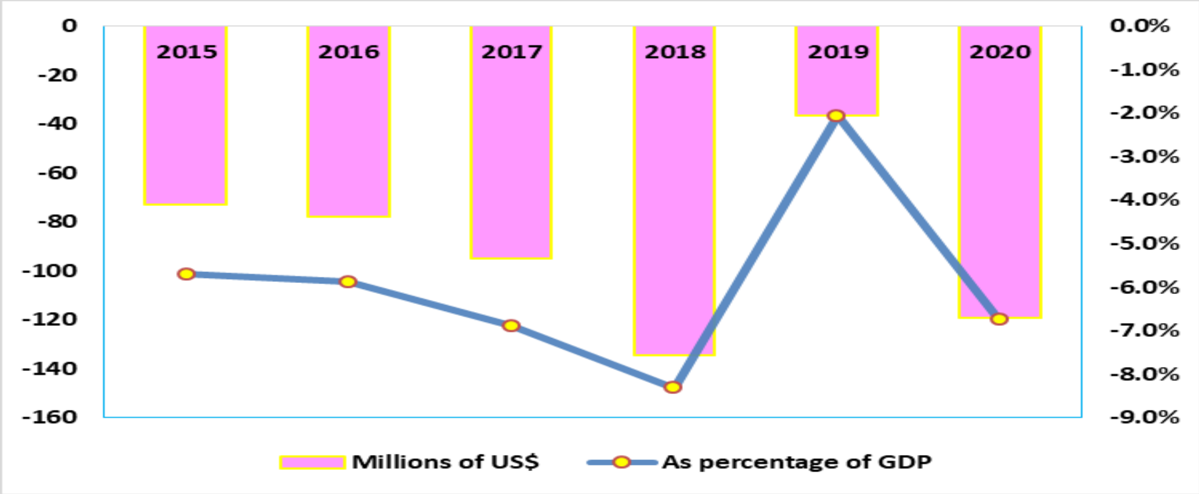
The yearly average yields on bonds with maturity period of two years, five years, seven years, and 30 years remained unchanged at 8.93 percent, 10.0 percent, 12.0 percent, and 7.0 percent, respectively in 2020 while yield on the three-year bond increased to 10.25 percent from 9.71 percent in 2019.

3.10 EXTERNAL SECTOR DEVELOPMENTS

3.10.1 CURRENT ACCOUNT

The current account balance of the Balance of Payments worsened to a deficit of US$119.34 million (6.75 percent of GDP) in 2020 from a deficit of US$36.60 million (2.07 percent of GDP) in 2019, due to the deterioration in both the goods and services account balances.

Figure 34: The Current Account Balance

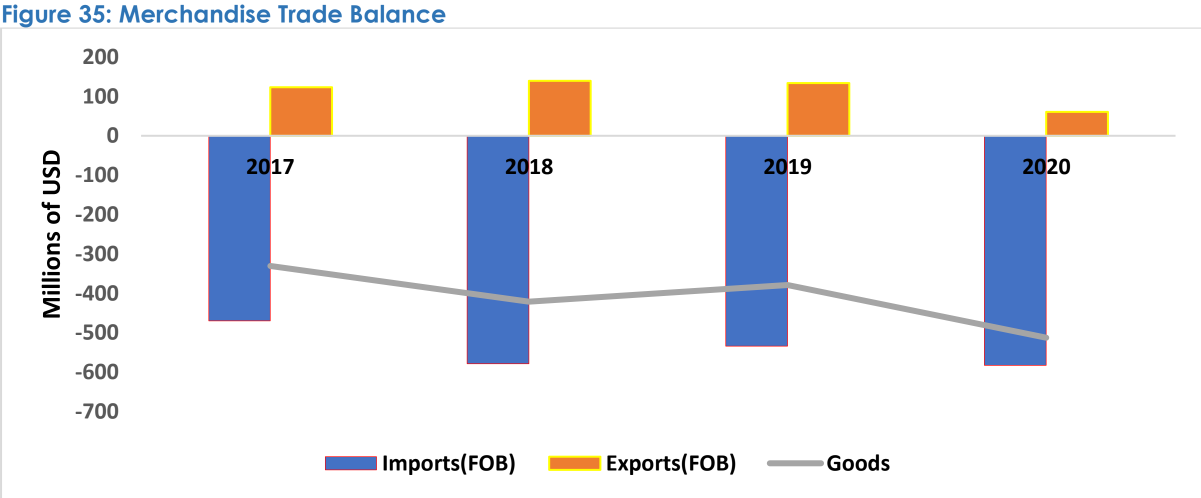


Source: CBG

The goods account balance is estimated at a deficit of US$512.71 million (29.00 percent of GDP) in 2020 compared to a deficit of US$379.01 million (21.27 percent of GDP) in the corresponding period in 2019.

The rapid deterioration of the deficit in the goods account mainly reflected the importation of Covid-19 medical and related materials during the period and decline in total export, particularly re-export in the second quarter and some part of the third quarter of 2020 due to the border closure.

Figure 35: Merchandise Trade Balance

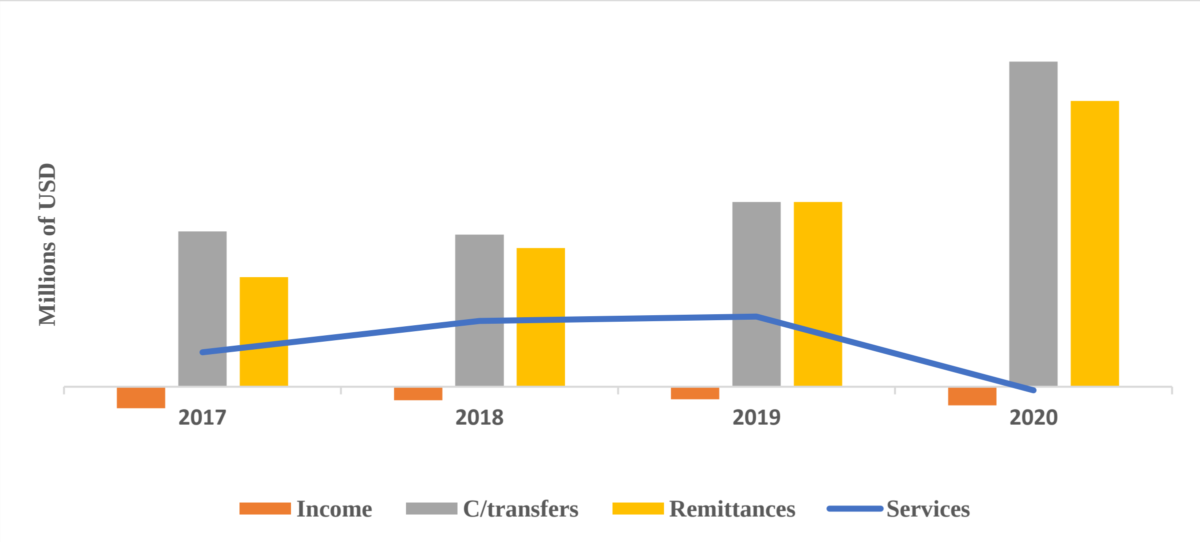


Source: GBoS and CBG staff estimates

Total imports (FOB) at end-December 2020 amounted to US$582.78 million, higher than US$533.89 million in the same period in 2019. Exports (FOB) decreased to US$61.03 million in 2020 from US$133.69 million in the preceding year.

The services account balance also worsened to a deficit of US$4.78 million, or by 104.76 percent in 2020, from a surplus of US$100.33 million a year ago, on the back of a decrease in personal travels by 70.63 percent to US$40.74 million. This reflected the collapse in tourism, evident by the decline in air-chartered tourist arrivals by 62.1 percent in the twelve months to end-December 2020. The robust performance in both current transfers and workers' remittance could not bolster growth in the services account.

Figure 36: Services Account Balance (in Millions of GMD)



Source: CBG staff estimates

3.10.2 CAPITAL AND FINANCIAL ACCOUNT

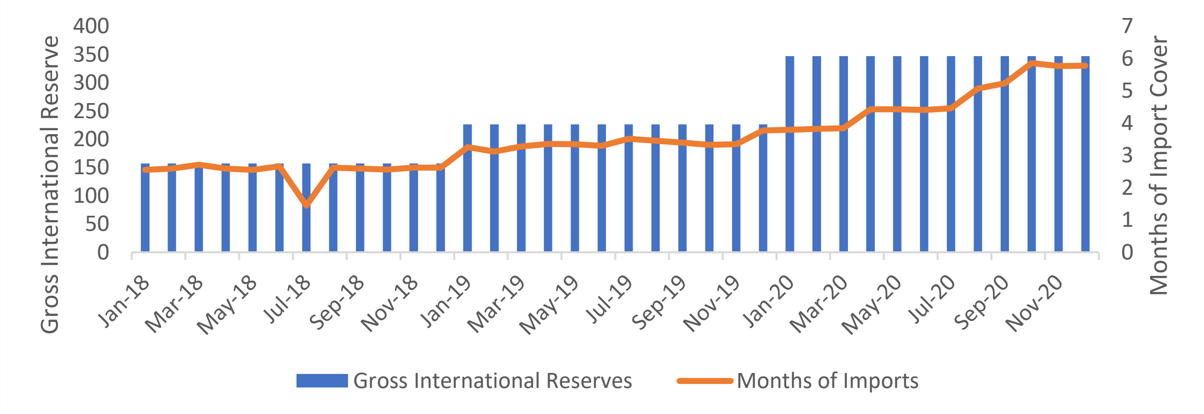
The capital and financial account registered a higher surplus of US$270.03 million in the twelve months of 2020 compared to a surplus of US$60.08 million a year ago, reflecting the improvement in official inflows.

The financial account balance improved to a surplus of US$174.63 million in the twelve months of 2020 from a surplus of US$72.30 million in the corresponding period a year ago, mainly on account of the improvement in direct investment, other investment and change in reserve assets.

Other investments and changes in reserve assets, which are components of the financial account, respectively registered a surplus of US$96.83 million and US$128.43 million in the review period compared to a surplus of US$76.74 million and US$75.68 million a year ago. The surplus in other investments was mainly attributed to the increased in the foreign assets of deposit money banks which amounted to US$24.92 million in the fourth quarter of 2020.

The gross international reserves remained at comfortable level. It increased to US$352.03 million (5.9 months of import cover) in 2020 from US$226.22 million (3.8 months of import cover) in 2019.

Figure 37: Level of Gross International Reserves (GIR) and Import Cover (months)



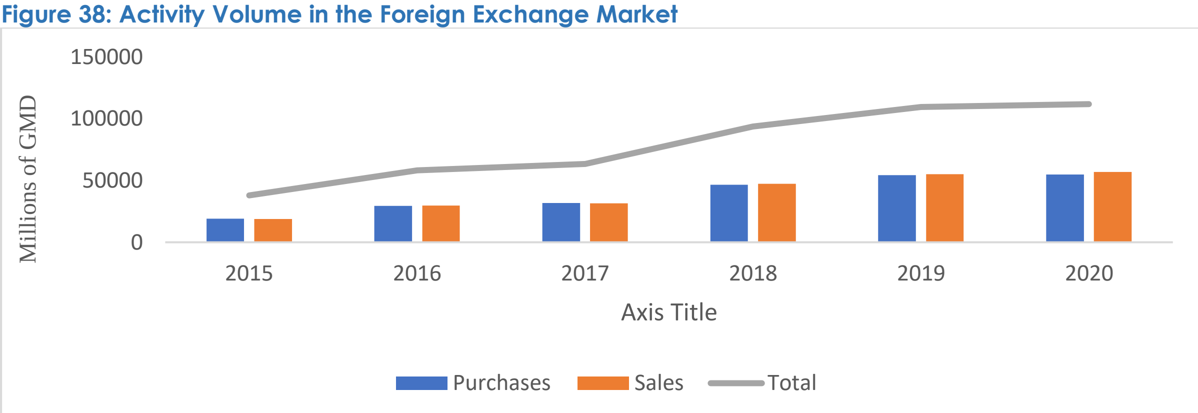
Source: CBG

3.11 FOREIGN EXCHANGE DEVELOPMENTS

Developments in the foreign exchange market in 2020 revealed stability in foreign exchange transactions due to the Bank's effective monetary policy implementation and adequate foreign currency liquidity in the market.

The volume of transactions in the foreign exchange market declined slightly by 1.1 percent to $2.17 billion in 2020 compared to a record of $2.19 billion in 2019 mirroring the slowdown in economic activities due to the pandemic particularly with the sharp decline of tourist arrival during the review period.

Figure 38: Activity Volume in the Foreign Exchange Market



Source: CBG

Purchases and sales indicative of supply and demand conditions of foreign currency, declined in 2020 relative to the previous year. Purchases fell by 2.2 percent to US$1.07 billion while sales dropped marginally by 0.05 percent to US$1.01 billion attributed to low economic activity that would warrant imports of goods and service.

Table 8: Period Average Exchange Rates of Major International Currencies

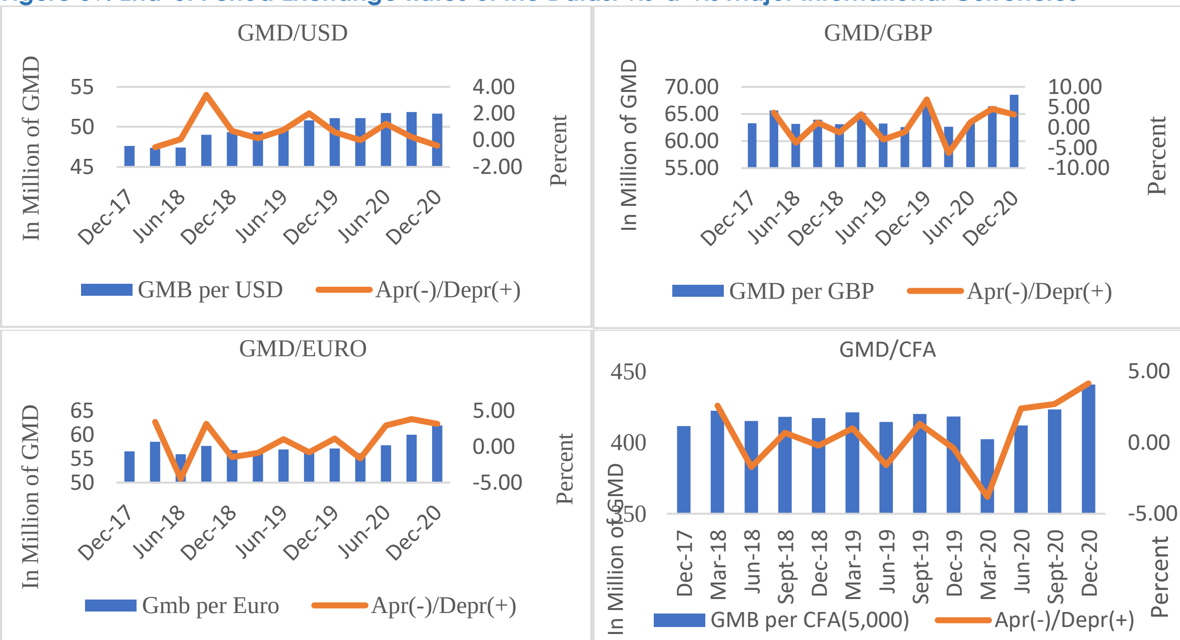
Period	GBP	USD	CHF	SEK(100)	CFA(5,000)	Euro
Dec-19	66.86	51.1	50.94	535.36	418.46	57.08
Jan-20	65.9	51.27	50.6	522.91	423.92	56.32
Feb-20	65.36	50.65	51.69	525.45	420.02	55.82
Mar-20	62.65	51.1	51.93	510.83	402.5	56.14
Apr-20	63.55	51.12	50.25	445.43	413.97	56.5
May-20	62.49	51.69	51.49	481.99	420.99	56.3
Jun-20	63.47	51.73	52.06	476.97	412.15	57.8
Jul-20	65.18	51.96	48.9	483.44	424.27	58.89
Aug-20	66.66	51.69	48.6	470	431.23	59.95
Sept-20	66.39	51.85	50.1	469.32	423.31	60.01
Oct-20	66.57	51.91	49.31	519.52	444.27	62.27
Nov-20	66.63	51.78	50.43	483.57	431.46	60.07
Dec-20	68.52	51.64	50.88	457.25	440.93	61.92

Source: CBG

During the review period, the Dalasi remained stable and resilient against all the major trading currencies on account of prudent monetary policies implemented and improved supply conditions due to increased inflows of remittances.

Despite the favorable supply conditions in the foreign exchange market (higher-than-expected inflows of private remittances and budget support receipts), the dalasi however weakened albeit without major disruptions. It depreciated against the Euro by 8.5 percent, the pound sterling by 2.4 percent, the US Dollar by 1.1 percent and the CFA by 5.4 percent in December 2020. The depreciation was on account of a decline in remittances inflows, pick-up in economic activity and appreciation of major international currencies in the last quarter of 2020 creating demand pressures in the foreign exchange market.

Figure 39: End-of Period Exchange Rates of the Dalasi vis-à-vis Major International Currencies



Source: CBG

4 DEVELOPMENTS IN BANK AND NON-BANK FINANCIAL INSTITUTIONS

4.1 OVERVIEW OF THE GAMBIA'S FINANCIAL SYSTEM

The financial sector in The Gambia is made up of banks and non-banks financial institutions. Banks formed the largest component of the financial sector holding 75 percent of assets of the sector, followed by the Microfinance Institutions (MFIs). All financial institutions are regulated and supervised by the Central Bank.

4.2 THE BANKING SECTOR

As at end-December 2020, the banking sector in The Gambia has twelve (12) banks with 72 branches excluding the headquarters and 107 Automated Teller Machines (ATMs) spread across the country. The landscape of banking sector is relatively concentrated, with the three largest banks accounting for 52.6 percent of the sector's total assets, one medium size bank constituting 11 percent of the industry's assets while the remaining eight smaller banks control 36.4 percent of assets of the industry. The financial soundness indicators during the review period revealed the soundness of the sector characterized by adequate liquidity, profitable and highly capitalized banks.

4.2.1 ASSETS AND LIABILITIES

The industry's total assets at D58.8 billion at end-December 2020, increased by 15.6 percent to D58.8 billion from a year ago. Holdings of government securities and investment account securities in the year to end-December 2020 grew by 13.0 percent and 15.6 percent to D20.7 billion and D559.2 million while bills purchased and discounted and acceptance, endorsement, and guarantees declined by 22.3 percent and 11.7 percent to D41.2 million and D5.9 billion, respectively.

Table 9: Consolidated Assets of Deposit Money Banks (in Millions of GMD)

	2017	2018		2019		2020	
	Level	Level	Annual percent change	Level	Annual percent change	Level	Annual percent change
Cash-in-hand	1,360.8	2,057.6	51.2	3,211.0	56.1	**4,236.3**	3.2
Balances due from other banks	7,452.1	9,508.8	27.6	11,545.7	21.4	16,061.7	39.1
Cheque & other items in transit	93.0	91.4	-1.7	20.2	-77.9	529.1	2519.3
Gov't sector investment	14,711.7	15,786.2	7.3	18,351.6	16.3	20,741.7	13.0
Investment account securities (private sector)	357.3	367.3	2.8	483.7	31.7	559.2	15.6
Bills purchased & discounted	61.9	0.0	-100.0	53.0		41.20	-22.3
Loans and advances	3,890.4	5,377.3	38.2	7,151.4	33.0	7,105.7	-0.6
Fixed assets	1,911.8	1916.9	0.3	1,963.0	2.4	2,155.2	9.8
Acceptance endorsement & guarantees	6,582.4	7541.4	14.6	6,664.9	-11.6	5,882.3	-11.7
Other assets	1,407.1	989.6	-29.7	989.6	43.3	1,507.8	52.4
Total assets	**37,828.6**	**43,636.6**	**15.4**	**50,862.9**	**16.6**	**58,820.1**	**15.6**

Source: CBG

Total Capital and Reserves rose by 14.0 percent to stand at D7.1 billion in December 2020. All the twelve (12) banks are well capitalized and above the D200 million minimum capital requirement.

Total deposit liabilities of the industry at D42.2 billion in December 2020, expanded by 20.5 percent and accounted for 71.8 percent of total liabilities indicating major source of funding for banks.

Table 10: Consolidated Liabilities of DMBs (in Millions of GMD)

	2017	2018		2019		2020	
	Level		Annual % change	Level	Annual % change	Level	Annual % change
Capital& reserves	5,217.5	5,859.0	12.3	6,214.8	6.1	7,083.4	14
Long term borrowing	436.9	437.7	0.2	213.0	-51.3	123.4	-42.1
Balance due to other banks	104.3	17.9	-82.8	321.3	1,695.0	283.5	-11.8
Deposit	**22,440.0**	**27,176.3**	**21.1**	**35,031.3**	**28.9**	**42,216.2**	**20.5**
Other borrowings	243.4	115.3	-52.6	220.3	91.1	915.7	315.7
Acceptance, endorsement & guarantee	6,582.4	7,541.4	14.6	6,664.9	-11.6	5,882.3	-11.7
Other liabilities	2,804.0	2,488.9	-11.2	2,197.3	-11.7	2,315.6	5.4
Total Liabilities	**37,828.6**	**43,636.6**	**15.4**	**50,862.9**	**16.6**	**58,820.1**	**15.6**

Source: CBG

4.2.2 FINANCIAL SOUNDNESS INDICATORS

4.2.2.1 CAPITAL ADEQUACY RATIO (CAR)

In 2020, all Banks had enough capital buffer to cushion unforeseen shocks or losses. The risk-weighted capital adequacy ratio of the industry increased by 1.2 percentage points to 32.6 percent at end-December 2020. All banks were above the prudential requirement of 10 percent during the period.

4.2.2.2 ASSET QUALITY

The ratio of non-performing loans to total loans, a measure of asset quality, increased from 4.5 percent in December 2019 to 6.8 percent in December 2020 reflecting the impact of COVID-19 on the banking industry.

4.2.2.3 CREDIT CONCENTRATION

Building and construction constituted 28 percent of the industry's gross loans and advances while wholesale and retail trade, and other loans and advances accounted for 23 percent and 15 percent respectively during the period under review.

4.2.2.4 EARNINGS AND PROFITABILITY

The ratios of Return on Assets (ROA) and Return on Equity increased to 1.90 percent and 15.33 percent at end-December 2020 compared to 1.88 percent and 15.28 percent as at end-December 2019. Banks' profitability however declined by 25 percent during the year due to the impact to COVID-19 on the financial sector.

4.2.2.5 LIQUIDITY

With regulatory benchmark at 30 percent, the banking industry's liquid assets ratio stood at 93.5 percent at end-December 2020 from 91.6 percent at end-December 2019 indicating that banks are well above minimum liquidity requirement.

4.2.3 FINANCIAL SECTOR INFRASTRUCTURE DEVELOPMENT

VREGCOSS was designed as a way of enhancing the accuracy and transparency of banks returns and electronic data submission. The system has been upgraded in 2020 to VREGCOSS 2.0 which is more robust and will enhance the supervisory and regulatory environment. The Credit Reference Bureau is functioning satisfactorily, and banks have been submitting their reports to the Central Bank. Work on completing the framework for the setting up of a deposit insurance scheme is underway and the Bank is working on enacting into law a deposit insurance Act. This will be complemented by the Bank Resolution and Crisis Management Framework which is being prepared.

4.3 INSURANCE INDUSTRY

The insurance industry in The Gambia is relatively small composed of 11 insurance companies and 9 (nine) insurance brokerage firms operating as at end-December 2020. Nine (9) of the insurance companies including two Takaful/Islamic operators underwrite general insurance or short-term business (non-life) only and 2 (two) underwrite life or long-term insurance. The industry has a network of 38 branch offices spread across the six administrative regions of the country.

Given the absence of a locally registered reinsurance company, insurance companies in The Gambia cede excess risk to international reinsurance companies such as Munich Re, Swiss Re, Ghana Re, Continental Re and Africa Re.

4.3.1 PERFORMANCE OF THE INSURANCE INDUSTRY

In 2020, total assets of the insurance industry at D756.8 million increased by 10.4 percent compared to D685.7 million in 2019. Similarly, total lliabilities rose by 1.7 percent to D240.8 million during the period. Consequently, net assets expanded by 18.8 percent from D350.4 million in 2019 to D516 million in 2020. Out of the total industry's assets of D756.7 million, non-life short-term insurance constituted D572.9 million (75.7 percent of the total industry assets), whilst Life and long-term business constituted D183.9 million (24.3 percent of the total industry assets).

Despite 2020 being a difficult year due to Covid 19 pandemic, total industry premium income increased by 13.5 percent to D435.8 million as at end December 2020 mainly on account of strong performances by Takaful Gambia (an Islamic insurance company), Enterprise Life Assurance Company (ELAC) and Global Security insurance companies who together accounted for 45.6 percent of industry's premiums. Total claims paid out in 2020 stood at D99.0 million, representing 17.8 percent increase from D84.1 million 2019.

The share of life and long-term insurance business in industry's premium income dropped slightly by 0.3 percentage point to 22.7 percent in 2020 whilst the remaining 77.3 percent came from the non-life or general insurance business. The drop in premium for the life insurance sector in The Gambia could be ascribed to the Covid-19 pandemic, wherein a lot of surrenders and terminations were registered.

The robust performance of life Insurance is influenced largely by (ELAC) whose insurance activities is transforming the life or long-term insurance land scape in The Gambia. The Islamic Insurance (Takaful) segment of the industry is also growing with an addition in July 2020, of the West Africa Takaful.

Despite growth registered in the industry during the review period, the insurance penetration rate which is a measure of the contribution of the sector to GDP and is expressed as a percentage of gross premium output/income to GDP remained low at about 1 percent reflecting the position in Sub-Saharan Africa (SSA) excluding mainly South Africa.

Table 11: Consolidated Financial Statement of the Insurance Industry

	2019	2020	Annual percent change
	Level (GMD millions)		
Total Non-current Assets (NCA)	235.3	225.9	-4
Total Current Assets (CA)	450.4	530.9	17.9
Total Assets (TA)	685.7	756.8	10.4
Total Current Liabilities (CL)	184.0	219.5	19.3
Total Non-current Liabilities (NCL)	151.2	121.3	-19.8
Total Liabilities (TL)	335.2	340.8	1.7
Net Assets/(Shareholder's Fund)	350.2	416	18.8
Paid up Capital	180.6	208.0	15.2

Source: CBG

Table 12: Consolidated Income Statement of the Insurance Industry

	2019	2020	Annual percent change
	Level		
	384.1	435.8	13.5
Written Premium	378.3	407.8	7.9
Reinsured Premium	71.1	56.4	-20.6
Retained Premium	307.2	351.4	14.5
Claims Paid	84.1	99.0	17.8
Surplus Premium	170.3	284.1	67.1
Admin & other Expenses	145.6	173.3	18.7
Pre-tax Profits/(loss)	54.7	143.0	161.4
Post-tax Profits/(loss)	37.5	121.3	223.5

Source: CBG

Table 13: Performance Ratios (in %)

	2019	2020
Return on Assets(ROA)	8.0	18.9
Return on Equity (ROE)	15.6	34.4
Claims Ratio (Claims/WP)	22.2	24.3
Expense Ratio (Exp./WP)	38.5	42.5
Combine Ratio (CR+ER)	60.7	66.8

Source: CBG

4.4 MICROFINANCE SECTOR

The Non-Bank Financial Institutions (NBFIs) continue to play an important role in the socio-economic development of the country through the provision of financial services to the rural communities and low-income earners. It provides effective and sustainable financial services to the poor, promote economic and social transformation of individuals, households, and communities, increase self-esteem and empowerment of the poor.

Despite the challenges posed by the Corona Virus pandemic, the sector continues to provide the vulnerable segment of the population with the much-needed financing to help them mitigate the economic shock and insolvency of their businesses especially MSMEs. The sector was able to weather the economic shock of the Corona Virus pandemic because NBFIs were well capitalized, liquid and underpinned by robust regulatory and supervisory regime.

As at end December 2020, the sector comprised of four (4) Finance Companies (FCs), ten operational (10) Village Saving and Credit Associations (VISACAs) and fifty-four (54) Credit Unions (CUs) majority of which are in the urban areas and are work based. The sector includes two Mobile Money Operators (MMOs) AfriMoney and QMoney.

Though the Bank is not currently regulating any Fintechs, applications have been received and are being reviewed. The requisite regulatory guidelines will be developed for roll-out to the relevant companies.

To ensure financial stability and fulfillment of the core mandate of NBFIs, Central Bank of the Gambia in its regulatory capacity has strengthened the regulatory and supervisory framework for NBFIs. This was achieved through review of regulatory guidelines and issuance of directive to align the operations of NBFIs with international best practices and to ensure the fulfilment of their core mandate. Regulation and supervision of microfinance is critically important for its future development and its credibility as a development tool.

4.4.1 FINANCE COMPANIES

The Finance Companies (FCs) are the highest category of institutions in the NBFIs sector, and these institutions are steadily growing in terms of capital, assets, deposits, and loans. Total Assets of FCs expanded by 33.3 percent to D2.0 billion at end-December 2020 from D1.5 billion at end-December 2019. This expansion is induced by the increase in investment in Treasury Bills and placements with banks. Similarly, total deposits grew by 27.3 percent to D1.4 billion at end-December 2020 from D1.1 billion at end-December 2019 influenced by the expansion in the savings and fixed deposits. Loans rose slightly by 2.2 percent to D350.2 million at end-December 2020 from D342.7 million at end-December 2019. The marginal growth is due to the outbreak of Corona Virus which has retarded economic activities especially for the MSMEs.

During the review period, all the finance companies met the statutory minimum capital requirement of D50 million. Total capital grew by 43.7 percent to D350.6 during the review period triggered by increase in retained earnings. FCs continued to operate in sound financial footing, profitable and are well capitalized underpinned by sound regulatory and supervisory regime in accordance with international best practices. The non-performing loan ratio contracted significantly to 5.0 percent in 2020 from 11.0 percent a year ago indicating sound credit risk management of NBFIs. Conversely, performance of the liquidity ratio dropped to 58.0 percent in 2020 from 75.0 percent in 2019 as indicated on table 12 below.

Table 14: Key Performance Indicators

Indicator	Dec-19	Dec-20	Prudential Requirement
Capital Adequacy Ratio	33	32	20
Non-performing loan ratio	5	11	5
Return on assets	1	0.8	1
Liquidity ratio	75	58	30

Source: CBG

4.4.2 CREDIT UNIONS

The Credit Unions (CUs) continue to play an important role in advancing the socio-economic development of its members through the provision of innovative financial products and services. These include the provision of timely credit facilities and products to its members.

In recognition of the importance of CUs and their significant growth in terms of assets and deposits, CBG issued a directive to assume the direct regulation and supervision of the twelve largest CUs which account for 87 percent of the industry's assets. Total asset of the CUs rose to D2.1 million or by 31 percent in December 2020 from D1.1 million in the same period a year earlier while loans marginally increased by 6 percent.

Table 15: Financial Performance of Credit Unions

	Dec-19	Dec-20	Percent change
Total assets (GMD'millions)	1,600.0	2,103.0	31
Total loans (GMD'millions)	1,100.0	1,171.0	6
Total savings (GMD'millions)	1,300.0	1,593.0	22
Membership	81,186	88,336	9

Source: NACCUG and CBG

4.4.3 Village Savings and Credit Associations (VISACAs)

The Village Savings and Credit Associations (VISACAs) are the grassroots rudimentary financial institutions that are rural, and community owned and managed. Currently the performances of these institutions have seriously deteriorated and significant numbers of them are dormant. From 80 at inception under the Rural Finance and Community Initiative Project (RFCIP) in the early 90s, the number has dwindled to only 10 operational ones as at end December 2020.Their revival is a key concern for stakeholders especially as they play a vital role in providing access to finance for the rural population. The Bank and key stakeholders are discussing the modalities to professionalized and revitalized VISACAs.

4.4.4 MOBILE MONEY FINANCIAL SERVICES

Mobile financial services are in their nascent stage of development. However, they provide an important conduit in the provisioning of financial services in the country. The Bank has recognized the potential of mobile money services in expanding financial inclusion and promoting inclusive economic growth. In this regard the Bank has developed regulatory indicators to promote and support the development of the sector.

As at end December 2020, there are two licensed mobile money operators (MMOs) in the country that are making inroad in the provision of financial services namely AfriMobile Money Services a subsidiary of Africell and QMobile Money a subsidiary of Qcell. They are providing a digital means in the delivery of financial services which is line with the Bank's vision of digitizing the financial sector. Table 3 is a summary of the MMO indicators.

Table 16: MMOs Financial Indicators

	December 2019	December 2020	Percentage Change
Total Electronic value held In agent wallet	16,155,413	30,674,470	90%
Total No. of Registered Customers	35,144	29,728	-15%
Total value of Cash-in Transaction (in GMD)	45,928,461	70,117,716	53%
Total Value of Cash-out Transaction (in GMD)	21,244,710	47,103,792	122%
Total Electric Value held in Customers' wallet	*19,138,929*	*30,674,470*	*60%*

Source: MMOs and CBG

4.4.5 FINANCIAL INCLUSION

The Central Bank, in recognition of the importance of financial inclusion and to promote an inclusive economic growth and development, embarked on the development of a National Financial Inclusion Strategy (NFIS). This is a comprehensive document that will outline a road map for the acceleration of financial inclusion in the country. The strategy was expected to be launched in December 2020; however, works has been stalled due to the outbreak of the Corona Virus.

To this end, CBG in collaboration with stakeholders and development partners have developed the draft NFIS outline and identified five thematic areas that will anchor the strategy in its implementation. These are:

- Access, Quality and Usage
- Enabling Financial Infrastructure
- Financial Innovation and Digital Financial Services
- Financial Education and Literacy
- Consumer Protection and Empowerment

4.4.6 OTHER DEVELOPMENTS IN THE MICROFINANCE SECTOR

The migration of FCs from the Generally Accepted Accounting Principles (GAAP) to International Financial Reporting Standards (IFRS) is completed. FCs are now required to prepare and report their financial statements on IFRS standard.

During the review period, a three-day training workshop was conducted for 12 largest CUs to enable them to comply with the prudential requirements of the Bank.

An onsite VISACAs assessment was conducted to assess their status for viability and sustainability. The report proposed various strategies to professionalized them including linking them to the banks and MFIs.

5 OPERATIONS AND ADMINISTRATION OF THE BANK

5.1 PAYMENT SYSTEMS DEVELOPMENTS

The Payment Systems infrastructure continues to provide a secured, improved, and efficient settlement platform. The increased awareness of the system and developments in IT has boosted its usage with sprouting innovative services such as mobile money and gradual movement towards cashless electronic payment modes. The Bank uses the T24 platform to process government and projects salaries while high-value funds transfers are processed through the Real Time Gross Settlement System (RTGS).

The Accountant General's Department (AGD) in collaboration with the Central Bank has successfully implemented the Electronic Fund Transfer (EFT) for vendor and some other payments which enhances same-day settlement of beneficiary accounts. This resulted in the elimination of paper instructions improving security and efficiency of service delivery.

5.1.1 TRANSACTIONS THROUGH THE ACP/ACH SYSTEM AND REAL TIME GROSS SETTLEMENT SYSTEM (RTGS)

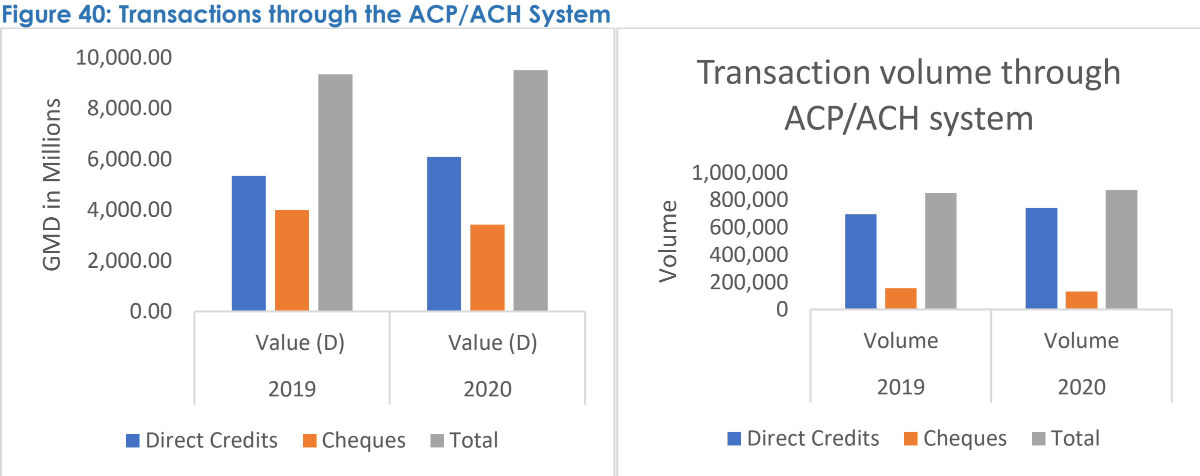
The volume and value of cheques processed through ACP/ACH declined by 15.3 percent and 14.5 percent from 130,672 and D3.42 billion in 2020 from 154,262 and D3.99 billion in 2019. However, the total volume of direct credit transactions increased to 742,794, an increase of 6.7 percent in 2020 from 696,414 in 2019, suggesting increased preference for electronic settlement modes. Direct credit transaction value also increased by 13.9 percent to D6.08 billion in the review period.

Table 17: Transactions through the ACP/ACH System

	2019		2020		2019-2020 (%Δ)	
Instrument Type	Volume	Value (D)	Volume	Value (D)	Volume	Value
Direct Credits	696,414	5,341,240,341.13	742,794	6,084,789,700.64	6.66	13.92
Cheques	154,262	3,994,019,307.16	130,672	3,415,522,588.05	(15.29)	(14.48)
Total	**850,676**	**9,335,259,648.29**	**873,466**	**9,500,312,288.69**		

Source: CBG

Figure 40: Transactions through the ACP/ACH System



Source: CBG

The RTGS, which processes high value funds transfers showed a slight drop of 0.7 percent in usage volume of 54,660 in 2019 to 54,291 transactions in 2020. On the contrary, transaction values increased from D144.4 billion in 2019 to D163.7 billion in 2020.

Table 18: Transactions through the RTGS System

	2019		2020		2019-2020 (%Δ)	
Total Transactions	Volume	Value (D)	Volume	Value (D)	Volume	Value
	54,660	144,425,729,421.06	54,291	163,740,091,871.59	(0.68)	13.37

Source: CBG

5.1.2 CURRENCY ISSUED

Currency in circulation rose by 28.9 percent to D11.03 billion 2020. The Dalasi notes account for 98.5 percent of currency issued and the remaining 1.5 percent constitutes coins. The D200 note which was introduced into circulation in 2015 accounted for 54.0 percent with the D100 accounting for 29.2 percent of bank notes in circulation, followed by D50 note accounting for 12.7 percent. The D20 note which was also introduced into circulation in 2015 accounted for 2.4 percent and the D25 note 0.2 percent. The D10 and D5 notes accounted for 0.9 percent and 0.6 percent, respectively.

5.1.3 BANK NOTE COMPOSITION

Of the family of Gambian coins, the 1 Dalasi coin accounted for 31.3 percent of coins in circulation, the 50 Butut coin accounted for a quarter with the remaining share of 43.7 percent in 25 bututs.

5.1.4 COMMEMORATIVE COINS

The Central Bank of the Gambia continued to hold gold and silver commemorative coins but there was no sale of these commemorative coins during the year. These coins are issued to commemorate important events and to stimulate interest in the Gambia. The Gambia's 50th Independence Anniversary was the last occasion Commemorative coins were issued. Gold coin and the below listed commemorative coins are available for sale.

- The 25th Independence anniversary- The Gambia Silver Jubilee
- Papal visit Gold & Silver
- UN 50th Anniversary
- World Wildlife Conservation Coin
- African Union Summit- Gold coin
- The Gambia 50th Independence Anniversary

5.2 HUMAN RESOURCE ACTIVITIES

5.2.1 BOARD OF DIRECTORS

The governing body of the Bank as per the CBG Act (2018) is the Board of Directors made up of three (3) non-Executive Board members. Six (6) meetings were convened by the Board in 2020 in which deliberations centered on policy, operational, and administrative matters of the Bank.

5.2.2 STAFF COMPONENT

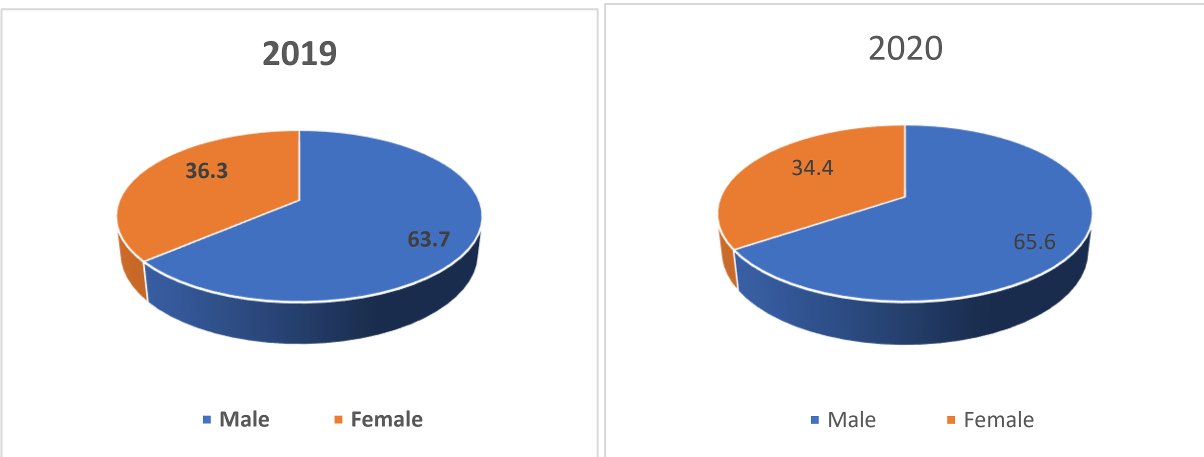
The staff roll of the Bank stood at 292 as at end-December 2019, an increase of 2.8 percent from 2019 staff strength. The male staff consisted of 65.7 percent or 191 of the total staff while female staff represented 34.2 percent or 100 of the staff body of the Bank. In 2019, total staff of the Bank comprised of 181 males and 103 females, corresponding to 63.7 percent and 36.3 percent, respectively.

Table 19: Composition of Staff by Grade as at end-December 2020

	Male	Female	Total	% of Total
Management Staff	21	8	29	9.9
Middle Level Staff	68	37	105	36.0
Junior Staff	103	55	158	54.1
Total staff	192	100	292	100.0

Source: CBG

Figure 41: Composition of Staff of Bank by Gender as at end-December 2020



Source: CBG

The Bank recruited thirteen (13) professional staff on Officer level and three (3) Support Staff in 2020. Three (3) Professional Staff and three (3) Support making up of a total of six (6) staff members exited the Bank's services in 2020. These are: One (1) Driver, one

(1) Vault Hand, one (1) Private Secretary and one (1) Deputy Director statutorily retired from the services of the Bank in the months of June, August and November 2020. One (1) Cleaner and one (1) Adviser to the Governor left the Bank at the expiration of their contracts in June and November 2020, respectively.

5.2.3 CAPACITY BUILDING AND DEVELOPMENT

The Bank continues to uphold the value of excellence in staff performance and continues to play an active role in building capacity by providing relevant academic and professional training both locally and overseas. For the 2020 academic year, seven (7) members of staff were offered sponsorship for post graduate training in the UK, USA, and Malaysia in the areas of Information Technology, Accounting & Finance, MBA, ACCA and Capital Markets Program for a period of one year.

One staff granted scholarship to pursue a master's degree in Accounting & Finance at University of Sussex. Another awarded scholarship to pursue a master's degree in Information Technology Officer at the University of West England during the year but later deferred it to January 2021. Two senior staff obtained partial scholarship awards for the IFC – Milken Institute Fellows Capital Markets program at the George Washington University School of Business in the USA but deferred for 2021. Two other staff were also awarded scholarships to pursue ACCA Level 3 qualification at Birmingham City University, U.K and MBA Degree at Bangor University in Wales but commencement of studies was deferred to the beginning of 2021.

A significant proportion of staff under the supervisory clerical staff cadre continue to benefit from local sponsorship to pursue undergraduate degrees at the University of the Gambia and professional courses such as AAT, CAT, CIB, ACCA, Procurement and Supply Chain Management. A total of fifteen (15) members of staff were offered sponsorship for training tenable locally during the year under review. In addition, several members of staff benefited from short term courses tenable in UK, USA, Europe, South Africa, and the West Africa Sub Region.

5.2.4 INTERNSHIP

The Bank accepts highly motivated students on internship that lasts for three months. It provides students an opportunity to be exposed to the work of the Bank, learn, and gain practical experience. However, in 2020 there was no intern admitted due to the COVID-19 pandemic.

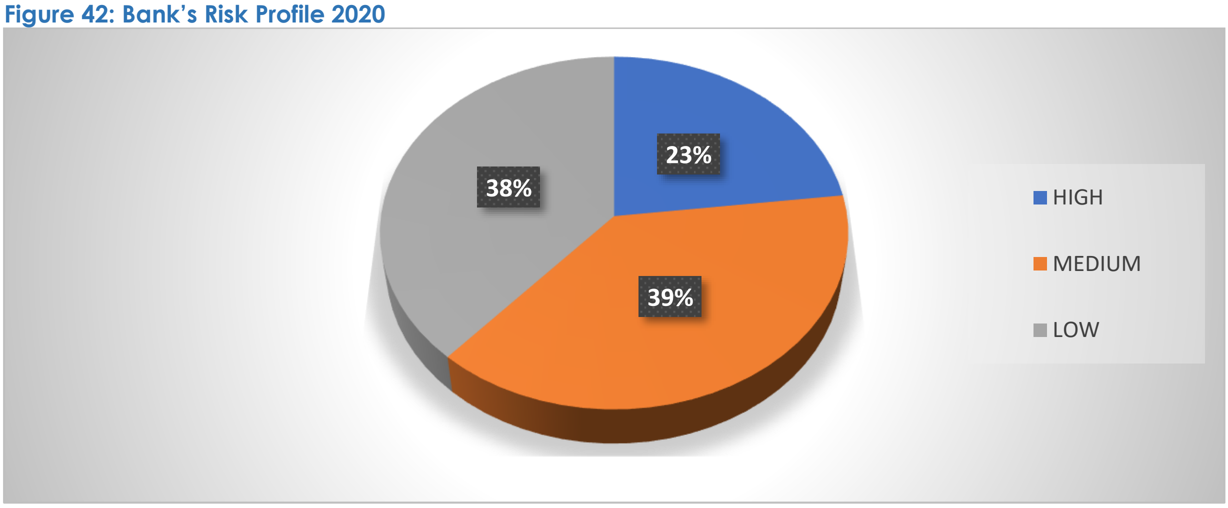
5.2.5 CORPORATE SOCIAL RESPONSIBILITY

The Bank continues its active participation in discharge of its corporate social responsibility through the provision of financial assistance in the areas of health, education, sports, and other worthwhile social activities. In 2020, the Bank extended financial assistance to several organization and institutions, including the University of The Gambia, and the Gambia Organization for the Visually Impaired (GOVI), the Pediatric ward at the Edward Frances Small Teaching Hospital (EFSTH), mosques, orphanage, village communities and Literacy House, among others.

5.3 RISK MANAGEMENT

Risk Management Unit presented the bank's risk profile for 2020 at the Board Risk Management Committee (BRMC) meeting held on 30th June 2020. The risk profile ranked identified risks into "HIGH", "MEDIUM" and "LOW". The chart below shows the distribution of the risk profile.

Figure 42: Bank's Risk Profile 2020



Source: CBG

Out of the "high and medium" risks identified, 80 percent were related to the Payment Systems, disaster recovery site and information security. Information management risk was the most prevalent in the Bank. Risk assessment reveals that there is ineffective file management (classification, movements, retention, archiving, retrieval, and destruction of files), data compilation and storage/backups. As a mitigant, it's recommended that the Bank automates its critical business processes.

6 EXTERNAL RELATIONS

The Central Bank continued to strengthen collaboration with sub-regional, regional, and international financial institutions. The Bank participated in several regional and international meetings during the year and received several technical assistance and capacity building support from these institutions.

6.1 REGIONAL INTEGRATION

The Bank actively participated in regional initiatives during the year under review, including the ECOWAS Monetary Cooperation Program (EMCP). During the reporting period, the Bank partook in the West African Monetary Zone (WAMZ) statutory meetings held in Sierra Leone. One multilateral surveillance mission was received in 2020 from the West African Monetary Institute (WAMI) instead of the Joint missions comprising ECOWAS Commission, West African Monetary Agency (WAMA), and West African Monetary Institute (WAMI) because of the Covid-19 pandemic. The outcome of the mission revealed that The Gambia met 3 out of 4 macroeconomic convergence criteria for a single currency for West Africa. This reaffirms the country's commitment to the regional course.

The ECOWAS Authority of Heads of State and Government in 2019 adopted the name (ECO) and symbol (Ec) of the proposed single currency for the region. Central Bank of West Africa (CBWA) was adopted as the name for the common central bank. A flexible exchange rate regime was also adopted. The Authority also adopted the flexible exchange rate regime and inflation-targeting monetary policy framework for the common central bank and agreed on the Federal Model of Central Banking.
The staff of the Bank virtually attended several short-term training programs with the West African Institute for Financial and Economic Management (WAIFEM) in macroeconomic, debt, and financial sector management.

6.2 RELATIONS WITH MULTILATERAL INSTITUTIONS

In April 2019, the Management of the International Monetary Fund (IMF) approved a Staff-Monitored Program (SMP) with The Gambia covering the period from January to

December 2019. An SMP is an informal and flexible instrument for dialogue between the Fund staff and a member country on its economic policies. The objectives of the program are to consolidate the gains made in public financial management and monetary management. Satisfactory performance under the SMP paved the way for the Extended Credit Facility (ECF), which was approved in March 2020. During the third quarter of 2020, the IMF conducted a review of the ECF program, and the outcome of the assessment revealed a satisfactory performance under the program in both qualitative and quantitative benchmarks set out in the program.

The Gambia's relation with other development partners such as the World Bank and AfDB improved significantly in the past two years. The Bank participated virtually in the IMF/World Bank Spring and the Annual Meetings which were held in Washington D.C to discuss issues of global concern and to find ways of sustaining the global economic recovery.

6.3 AFRITAC WEST II

The Bank continues to benefit from technical assistance from the International Monetary Fund (IMF) through the AFRITAC West II. In 2020, the Bank received technical assistance in the areas of monetary operations, payment systems, balance of payments statistics and monetary policy analysis as well as banking supervision and regulation.

7 STATISTICAL TABLES

Table 20: Monetary survey (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Foreign Assets	**4,909.6**	**4,480.7**	**4,204.7**	**2,204.6**	**1,302.0**	**6,463.5**	**10,407.0**	**16,783.5**	**24,329.54**
Monetary Authorities	**3,441.8**	**2,834.5**	**1,117.3**	**-140.6**	**-530.5**	**2,787.1**	**4,514.0**	**8,473.8**	**13,781.01**
Foreign Assets	6,641.2	6,454.3	4,056.8	3,372.4	2,980.0	7,245.8	8,680.2	12,494.4	19,119.63
Foreign Liabilities	-3,199.4	-3,619.9	-2,939.5	-3,513.1	-3,510.5	-4,458.7	-4,166.3	-4,020.6	-5,338.62
Commercial Banks	**1,467.8**	**1,646.3**	**3,087.4**	**2,345.2**	**1,832.6**	**3,676.4**	**5,893.0**	**8,309.7**	**10,548.53**
Net Domestic Assets	**10,992.4**	**13,828.3**	**16,159.9**	**17,974.6**	**21,957.3**	**21,648.1**	**23,337.8**	**26,091.4**	**27,958.35**
Domestic Credit	**12,628.1**	**15,791.7**	**18,164.1**	**21,948.6**	**25,738.6**	**25,514.0**	**28,389.6**	**31,693.4**	**33,276.82**
Claims on Gov't, net	7,041.6	9,178.5	12,075.7	16,657.9	20,345.8	19,331.3	21,327.6	22,636.1	25,416.90
Claims on Public Ent.	764.9	807.1	720.8	346.3	1,055.0	1,896.7	1,365.6	1,327.9	67.81
Claims on Private Sector	4,809.4	5,796.5	5,361.2	4,939.9	4,332.9	4,281.0	5,691.5	7,729.4	7,792.11
Claims on OFIs	12.3	9.5	6.4	4.6	4.9	4.9	4.9	0.0	0.01
Other items, net	**-1,635.8**	**-1,963.4**	**-2,004.2**	**-3,974.0**	**-3,781.3**	**-3,865.9**	**-5,051.8**	**-5,602.1**	**-5,318.47**
o/w: Revaluation acc.	*612.5*	*835.9*	*777.6*	*-231.7*	*917.6*	*366.2*	*969.6*	*927.6*	*656.78*
Broad Money	**15,902.0**	**18,309.0**	**20,364.6**	**20,179.2**	**23,259.4**	**28,111.5**	**33,744.8**	**42,874.9**	**52,287.89**
Narrow Money	7,395.8	9,518.4	10,482.5	10,386.2	12,270.4	14,378.3	17,863.4	24,195.9	29,140.61
Quasi-money	8,506.2	8,790.6	9,882.1	9,793.0	10,989.0	13,733.2	15,881.4	18,679.0	23,147.28

Source: CBG

Table 21: Summary Account of The Central Bank (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Foreign Assets	**3,441.8**	**2,834.5**	**1,117.3**	**-140.6**	**-530.5**	**2,787.1**	**4,514.0**	**8,473.8**	**13,781.01**
Net International Reserves	4,609.3	*4,223.9*	*2,319.2*	*1,151.4*	*867.7*	*4,440.8*	*5,657.5*	*9,642.6*	*15,054.35*
Foreign Assets	**6,641.2**	**6,454.3**	**4,056.8**	**3,372.4**	**2,980.0**	**7,245.8**	**8,680.2**	**12,494.4**	**19,119.63**
International Reserves	6,256.8	*6,105.9*	*3,795.7*	*3,024.0*	*2,628.3*	*6,892.6*	*7,775.2*	*11,559.8*	*18,178.96*
Foreign Liabilities	**3,199.4**	**3,619.9**	**2,939.5**	**3,513.1**	**3,510.5**	**4,458.7**	**4,166.3**	**4,020.6**	**5,338.62**
Other Liabilities	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
IMF - ESAF	1,647.4	1,881.8	1,476.4	1,872.4	1,760.4	2,451.6	2,117.6	1,917.0	3,124.44
SDR Allocations	1,551.9	1,737.9	1,462.9	1,640.5	1,750.0	2,006.9	2,048.5	2,103.5	2,214.01
Net Domestic Assets	**761.2**	**2,548.1**	**4,904.1**	**6,766.4**	**8,825.7**	**7,380.2**	**7,335.0**	**5,413.9**	**4,813.8**
Domestic Credit	**592.6**	**2,604.3**	**4,499.1**	**6,856.0**	**9,051.1**	**7,347.0**	**7,807.5**	**6,786.4**	**5,939.6**
Claims on Gov't (Net)	529.5	2,539.0	4,407.0	6,734.7	8,952.6	7,236.4	7,725.9	6,667.6	5,785.8
Gross Claims	2,469.1	4,489.8	6,784.1	6,321.6	12,486.2	11,538.7	11,248.2	10,923.7	11,621.2
(Less) Gov't Deposits	1,939.7	1,950.8	2,377.1	-413.1	3,533.5	4,302.3	3,522.3	4,256.1	5,835.4
Claims on Private Sector	50.8	55.8	85.6	116.7	93.5	105.7	106.8	118.8	153.8
Claims on OFIs	12.3	9.5	6.4	4.6	4.9	4.9	4.9	0.0	0.0
Other Items (Net)	**168.6**	**-56.2**	**405.0**	**-89.7**	**-225.4**	**33.2**	**-472.6**	**-1,372.5**	**-1,125.8**
Revaluation Acc.	612.5	835.9	777.6	-231.7	917.6	366.2	969.6	927.6	656.8
Reserve Money	**4,203.0**	**5,382.6**	**6,021.3**	**6,625.7**	**8,295.2**	**10,167.3**	**11,848.9**	**13,887.7**	**18,594.8**
Currency in circulation	3,183.8	3,635.5	3,908.6	4,035.6	5,089.6	6,186.5	7,303.9	8,556.5	11,028.8
Reserves of com. banks	1,019.1	1,747.1	2,112.7	2,590.1	3,205.6	3,980.8	4,545.1	5,331.2	7,566.0

Source: CBG

Table 22: Summary accounts of commercial banks (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Foreign Assets	**1,467.8**	**1,646.3**	**3,087.4**	**2,345.2**	**1,832.6**	**3,676.4**	**5,893.0**	**8,309.7**	**10,548.5**
Foreign assets	2,733.3	2,953.3	4,143.5	3,901.3	3,445.5	4,429.2	6,464.0	8,914.1	11,871.0
Foreign liabilities	1,265.5	1,307.0	1,056.1	1,556.1	1,612.9	752.7	571.0	604.4	1,322.4
Net Domestic Assets	**11,615.6**	**13,407.6**	**13,769.2**	**14,192.7**	**16,701.3**	**18,763.6**	**21,283.3**	**26,721.6**	**31,667.6**
Domestic credit	**12,035.6**	**13,187.4**	**13,665.0**	**15,092.6**	**16,687.5**	**18,110.1**	**20,552.0**	**24,907.0**	**27,337.2**
Claims on gov't, net	6,512.1	6,639.6	7,668.7	9,923.2	11,393.1	13,730.6	14,803.0	17,205.5	19,631.1
Gross claims	6,512.1	6,639.6	7,668.7	9,923.2	11,393.1	13,730.6	14,803.0	17,205.5	19,631.1
Government bonds	25.0	0.0	0.0	596.4	0.0	1,198.3	1,198.7	1,606.0	2,240.4
Nawec Bonds						1,692.5	1,201.3	1,237.0	1,874.2
Treasury bills	6,487.1	6,639.6	7,668.7	9,326.8	11,393.1	10,839.8	12,403.0	14,362.5	15,516.5
Claims on public entities	764.9	807.1	720.8	346.3	1,055.0	204.2	164.3	90.9	67.8
Claims on private sector	4,758.6	5,740.7	5,275.6	4,823.1	4,239.4	4,175.3	5,584.8	7,610.6	7,638.3
Reserves	1,384.4	2,127.4	2,513.3	2,984.5	3,569.6	4,495.7	5,310.5	6,044.1	8,523.1
Currency	365.2	380.3	400.6	394.3	364.1	515.0	735.4	713.0	957.1
Deposits at central bank	1,019.1	1,747.1	2,112.7	2,590.1	3,205.6	3,980.8	4,545.1	5,331.2	7,566.0
Other items (net)	**-1,804.4**	**-1,907.2**	**-2,409.1**	**-3,884.3**	**-3,555.9**	**-3,842.2**	**-4,609.2**	**-4,229.5**	**-4,192.7**
Net claims on other banks	106.7	294.8	129.4	902.3	1,245.9	3.9	23.9	145.8	49.3
Total deposit liabilities	**13,083.4**	**15,053.9**	**16,856.6**	**16,537.9**	**18,533.8**	**22,440.0**	**27,176.3**	**35,031.4**	**42,216.2**
Demand deposits	4,577.2	6,263.2	6,974.5	6,745.0	7,544.8	8,706.8	11,295.0	16,352.4	19,068.9
Savings deposits	5,154.2	5,811.3	6,904.0	6,795.4	7,779.3	10,531.9	12,389.1	14,755.9	18,190.0
Time deposits	3,352.0	2,979.3	2,978.1	2,997.6	3,209.8	3,201.4	3,492.2	3,923.1	4,957.3

Source: CBG

Table 23: Components of money supply (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Money Supply	**15,902.0**	**18,309.0**	**20,364.6**	**20,179.2**	**23,259.4**	**28,111.5**	**33,744.8**	**42,874.9**	**52,287.9**
Money	**7,395.8**	**9,518.4**	**10,482.5**	**10,386.2**	**12,270.4**	**14,378.3**	**17,863.4**	**24,195.9**	**29,140.6**
Currency outside banks	2,818.6	3,255.2	3,508.0	3,641.3	4,725.5	5,671.5	6,568.4	7,843.5	10,071.7
Demand deposits	4,577.2	6,263.2	6,974.5	6,745.0	7,544.8	8,706.8	11,295.0	16,352.4	19,068.9
Private Sector	4,296.0	5,636.7	6,640.7	6,366.2	7,076.2	8,058.7	9,953.1	15,700.6	17,771.3
Official entities	281.2	626.5	333.8	378.8	468.6	648.1	1,341.8	651.8	1,297.6
Quasi-money	**8,506.2**	**8,790.6**	**9,882.1**	**9,793.0**	**10,989.0**	**13,733.2**	**15,881.4**	**18,679.0**	**23,147.3**
Savings deposits	5,154.2	5,811.3	6,904.0	6,795.4	7,779.2	10,531.9	12,389.1	14,755.9	18,190.0
Private Sector	5,113.0	5,774.7	6,699.2	6,495.7	7,541.4	10,250.0	12,216.5	14,408.3	17,979.7
Official entities	41.2	36.7	204.8	299.7	237.9	281.9	172.6	347.5	210.3
Time deposits	3,352.0	2,979.3	2,978.1	2,997.6	3,209.8	3,201.4	3,492.2	3,923.1	4,957.3
Private Sector	2,784.8	2,665.8	2,736.8	2,653.5	2,837.8	2,829.9	3,174.6	3,545.8	4,375.2
Official entities	567.2	313.5	241.4	344.1	371.9	371.5	317.6	377.4	582.1

Source: CBG

Table 24: Assets of commercial banks (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gambian Notes & Coins	**365.2**	**380.3**	**400.6**	**394.3**	**364.1**	**515.0**	**735.4**	**713.0**	**957.1**
Total Foreign Currency	**264.1**	**525.3**	**482.5**	**904.8**	**405.1**	**845.8**	**1322.2**	**2498.0**	**3279.2**
CFA Franc	1.4	3.4	1.2	1.2	1.2	1.3	1.9	54.1	39.8
Other Foreign Currency	262.7	521.9	481.3	903.6	403.9	844.6	1320.3	2443.9	3239.4
Balances with Banks	**1146.7**	**2117.9**	**2295.2**	**2707.9**	**2884.0**	**3858.2**	**4459.3**	**5150.8**	**8000.0**
Central Bank	1039.9	1764.6	2095.8	2601.9	2866.6	3850.4	4435.4	5004.9	7950.7
Banks Locally	106.7	353.3	199.4	106.0	17.5	7.8	23.9	145.8	49.3
Balances with Banks Abroad	**2194.5**	**2040.5**	**2656.4**	**2629.4**	**2954.0**	**3158.3**	**4621.0**	**5011.1**	**7128.5**
Head Office & Branches	653.7	328.8	411.4	411.4	712.6	1068.3	1153.8	1576.3	2335.2
Other Banks Abroad	1540.8	1711.7	2245.0	2218.0	2241.4	2090.0	3467.2	3434.9	4793.3
Bills Purchased&Discounted	**105.0**	**140.0**	**20.5**	**111.3**	**128.8**	**61.9**	**0.0**	**53.0**	**41.2**
Loans & Advances	**5138.1**	**5503.4**	**5100.1**	**4305.5**	**3783.1**	**3960.2**	**5381.7**	**6989.8**	**7164.8**
Public Sector	764.9	807.1	720.7	346.3	298.1	204.2	164.3	90.9	67.8
Private Sector	4373.2	4696.3	4379.3	3959.3	3485.0	3756.0	5217.4	6898.9	7073.9
Investments	**7305.8**	**8168.6**	**10414.7**	**13144.0**	**15797.1**	**15493.2**	**16673.5**	**20239.3**	**22763.1**
Government Treasury Bills	6725.7	6935.2	8604.4	10631.7	13096.0	11820.1	13385.3	15507.6	16626.0
Others	280.4	846.0	805.8	742.6	625.5	357.3	367.3	483.7	559.2
Foreign Investments	274.7	387.5	1004.6	367.1	86.4	425.1	520.8	1405.0	1463.3
Government Bond	25.0	0.0	0.0	596.4	0.0	1198.3	1198.7	1606.0	2240.4
Interbank Placement	0.0	0.0	0.0	806.3	1232.3	0.0	0.0	0.0	0.0
Public Sector Bond	0.0	0.0	0.0	0.0	756.9	1692.5	1201.3	1237.0	1874.2
Fixed Assets	**1232.8**	**1228.4**	**1418.2**	**1742.1**	**1921.2**	**1904.0**	**2141.8**	**1963.0**	**2155.2**
Acceptances, Endorsements & Guarantees	**2099.2**	**2799.1**	**3720.0**	**2217.3**	**3145.1**	**6582.4**	**7541.4**	**6664.9**	**5882.3**
Other Assets	**767.4**	**872.0**	**1700.2**	**1172.1**	**1228.2**	**1445.3**	**1030.9**	**1418.5**	**1507.8**
Total Assets	**20618.9**	**23775.6**	**28208.5**	**29328.9**	**32610.6**	**37824.3**	**43907.2**	**50876.3**	**58820.1**
Net Balance	18519.7	20976.5	24488.5	27111.5	29465.6	31241.9	36365.8	44211.4	52937.8

Source: CBG

Table 25: Liabilities of commercial banks (in millions of Dalasi)

	2012	2013	2014	2015	2016	2017	2018	2019	2020
Capital & Reserves	**3,064.6**	**3,026.0**	**3,897.0**	**4,483.4**	**4,747.6**	**5,253.2**	**5,871.2**	**6,228.1**	**7,083.4**
Demand Deposits	**4,577.2**	**6,263.2**	**6,974.5**	**6,745.0**	**7,544.8**	**8,706.8**	**11,295.0**	**16,352.4**	**19,068.9**
Residents	4,242.6	5,501.6	6,402.2	6,330.5	6,924.3	7,447.4	8,723.5	14,067.4	16,126.8
Non-Residents	53.4	135.1	238.5	35.7	152.0	611.3	1,229.6	1,633.2	1,644.5
Government Entities	281.2	626.5	333.8	378.8	468.6	648.1	1,341.8	651.7	1,297.6
Savings Deposits	**5,154.2**	**5,811.3**	**6,904.0**	**6,795.4**	**7,779.2**	**10,531.9**	**12,389.1**	**14,755.9**	**18,190.0**
Residents	4,915.0	5,527.7	6,370.1	6,197.8	6,982.0	9,780.8	11,664.1	13,710.4	17080.6
Non-Residents	198.0	247.0	329.1	297.9	559.3	469.2	552.5	697.9	899.1
Government Entities	41.2	36.6	204.8	299.7	237.9	281.9	172.6	347.5	210.3
Time Deposits	**3,352.0**	**2,979.3**	**2,978.1**	**2,997.6**	**3,209.8**	**3,201.4**	**3,492.2**	**3,923.1**	**4,957.3**
Residents	2,731.5	2,615.5	2,426.2	2,598.7	2,777.3	2,651.4	2,964.8	3,330.4	4,035.9
Non-Residents	53.4	50.3	310.5	54.8	60.6	178.5	209.8	215.4	339.4
Government Entities	567.2	313.5	241.4	344.1	371.9	371.5	317.6	377.4	582.1
Total Deposits	**13,083.4**	**15,053.8**	**16,856.6**	**16,537.9**	**18,533.8**	**22,440.0**	**27,176.3**	**35,031.3**	**42,216.2**
Balances Held For	**72.5**	**5.8**	**0.0**	**66.9**	**67.5**	**166.8**	**66.0**	**321.3**	**283.5**
Head Office & Branches	14.1	0.0	0.0	52.5	45.5	73.4	48.0	155.0	184.2
Other Banks Abroad	58.4	5.8	0.0	14.3	18.1	89.6	17.9	166.3	99.3
Central Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Banks Locally	0.0	0.0	0.0	0.0	3.9	3.9	0.0	0.0	0.0
Borrowings From	**1,215.0**	**1,837.6**	**1,656.1**	**2,591.1**	**2,503.9**	**589.8**	**505.0**	**220.28**	**941.6**
Central Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0	150.0	150.0
Other Banks Locally	22.0	536.4	600.0	1,101.9	954.6	0.0	0.0	0.2	0.2
Head Office & Branches	1,095.0	1,169.5	946.1	936.3	853.0	354.8	317.4	70.1	293.6
Other Banks Abroad	97.9	131.7	110.0	553.0	696.4	0.0	0.0	0.0	647.8
Other Sources	0.0	0.0	0.0	0.0	0.0	235.0	187.6	90.9	0.0
Acceptance Endorsement & Guarantees	**2,099.2**	**2,799.1**	**3,720.0**	**2,217.3**	**3,145.1**	**6,582.4**	**7,541.4**	**6,664.9**	**5,882.3**
Other Liabilities	**1,084.2**	**1,053.3**	**2,078.7**	**3,432.2**	**3,612.8**	**2,792.1**	**2,747.3**	**2,197.3**	**2,315.6**
Total Liabilities	**20,618.9**	**23,775.6**	**28,208.5**	**29,328.8**	**32,610.6**	**37,824.3**	**43,907.2**	**50,876.3**	**58,820.1**
Net Balance	**18,519.7**	**20,976.5**	**24,488.5**	**27,111.5**	**29,465.6**	**31,241.9**	**36,365.8**	**44,211.4**	**52,937.8**

Source: CBG

Table 26: Commercial banks loans and advances to major economic sectors (in millions of Dalasi)

Sectors	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**
Agriculture	284.4	180.0	61.5	161.2	289.9	394.1	86.6	138.5	276.4
Fishing	8.6	7.1	1.4	0.8	0.5	4.1	7.2	6.3	2.1
Construction	670.8	786.6	374.3	380.1	436.5	554.2	1,091.1	1,454.5	2,041.4
Transportation	334.6	348.1	732.2	458.2	403.1	343.0	360.9	555.6	565.0
Distributive Trade	1,640.3	1,917.6	1,812.7	1,755.7	1,299.1	1,284.2	1,726.6	1,684.9	1,733.6
Tourism	284.9	348.9	162.3	117.4	109.0	217.7	595.8	408.5	416.0
Personal Loans	535.5	409.2	430.8	324.7	484.9	401.7	463.2	560.7	569.9
Energy	na	na	na	na	76.2	80.8	66.2	107.6	104.9
Manufacturing	344.1	316.2	271.4	188.0	29.3	28.5	23.5	90.8	71.7
Financial Inst.	188.7	225.1	222.4	152.1	94.4	127.4	178.5	356.9	190.3
Other	1,157.0	1,442.3	1,265.2	909.4	829.1	748.2	905.6	1,986.0	1,430.9
Total	**5,448.7**	**5,981.1**	**5,334.2**	**4,447.6**	**4,052.1**	**4,183.9**	**5,505.2**	**7,350.3**	**7,402.2**

Source: CBG

Table 27: Distribution of outstanding Treasury bills in discounted value (in millions of Dalasi)

		Banks			Non-Banks			Total T/Bills
End of period		Central Bank	Commercial Banks	Total	Public Entities	Private Sector	Total	
2018	January	0.0	11,466.7	11,466.7	172.1	3,091.5	3,263.6	14,730.4
	February	29.7	11,620.5	11,650.1	172.1	3,108.7	3,280.9	14,931.0
	March	29.7	11,827.0	11,856.7	144.8	3,114.9	3,259.6	15,116.3
	April	0.0	11,709.6	11,709.6	145.7	3,165.6	3,311.3	15,020.9
	May	27.1	11,258.6	11,285.7	349.7	3,186.1	3,535.8	14,821.5
	June	27.1	11,518.2	11,545.3	349.7	3,237.1	3,586.7	15,132.0
	July	0.0	11,749.2	11,749.2	340.4	3,090.3	3,430.7	15,179.8
	August	0.0	12,163.0	12,163.0	315.4	3,112.4	3,427.7	15,590.7
	September	0.0	12,332.7	12,332.7	315.4	3,177.1	3,492.5	15,825.2
	October	0.0	12,290.1	12,290.1	241.5	3,413.4	3,654.9	15,945.0
	November	0.0	12,246.8	12,246.8	241.5	3,497.9	3,739.4	15,986.2
	December	0.0	12,403.0	12,403.0	241.5	3,503.4	3,745.0	16,148.0
2019	January	0.0	12,531.9	12,531.9	241.5	3,545.1	3,786.6	16,318.5
	February	0.0	12,882.9	12,882.9	241.5	3,574.0	3,815.5	16,698.4
	March	0.0	12,993.3	12,993.3	241.5	3,640.1	3,881.6	16,874.9
	April	0.0	13,346.5	13,346.5	204.0	3,508.7	3,712.7	17,059.2
	May	0.0	13,162.0	13,162.0	0.0	3,639.5	3,639.5	16,801.5
	June	0.0	13,570.4	13,570.4	0.0	3,600.9	3,600.9	17,171.2
	July	0.0	13,945.5	13,945.5	0.0	3,541.5	3,541.5	17,487.1
	August	0.0	13,980.8	13,980.8	0.0	3,507.4	3,507.4	17,488.1
	September	0.0	14,503.4	14,503.4	0.0	3,703.8	3,703.8	18,207.3
	October	0.0	14,615.8	14,615.8	0.0	3,615.5	3,615.5	18,231.4
	November	0.0	14,261.7	14,261.7	0.0	3,587.8	3,587.8	17,849.5
	December	0.0	14,362.5	14,362.5	0.0	3,615.8	3,615.8	17,978.4
2020	January	0.0	14,096.4	14,096.4	0.0	3,597.8	3,597.8	17,694.1
	February	0.0	14,209.5	14,209.5	0.0	3,627.6	3,627.6	17,837.1
	March	0.0	14,772.6	14,772.6	0.0	3,664.1	3,664.1	18,436.7
	April	0.0	14,825.0	14,825.0	0.0	3,842.6	3,842.6	18,667.7
	May	0.0	14,936.3	14,936.3	0.0	3,854.4	3,854.4	18,790.7
	June	0.0	15,112.5	15,112.5	0.0	3,862.3	3,862.3	18,974.8
	July	0.0	14,972.3	14,972.3	0.0	3,836.2	3,836.2	18,808.5
	August	0.0	14,737.2	14,737.2	0.0	3,902.6	3,902.6	18,639.8
	September	0.0	15,314.4	15,314.4	0.0	3,760.4	3,760.4	19,074.8
	October	0.0	15,809.8	15,809.8	0.0	3,812.4	3,812.4	19,622.1
	November	0.0	15,971.9	15,971.9	0.0	3,630.3	3,630.3	19,602.3
	December	0.0	15,516.5	15,516.5	0.0	3,547.5	3,547.5	19,064.0

Source: CBG

Table 28: Structure of interest rates (in percent per annum)

	2019				2020			
	Mar	**Jun**	**Sept**	**Dec**	**Mar**	**Jun**	**Sept**	**Dec**
COMMERCIAL BANKS								
Lending Rates								
Agriculture	12 - 28	12 - 28	12 - 28	12 - 28	12 - 28	12 - 28	12 - 28	10- 28
Manufacture	15 - 25	15 - 25	15 - 25	15 - 25	12 - 25	12 - 25	12 - 25	10 - 25
Building	15 - 28	15 - 28	15 - 28	15 - 28	12 - 28	12 - 28	12 - 28	10 - 28
Trading	15 - 28	15 - 28	15 - 28	15 - 28	12 - 28	12 - 28	12 - 28	10 - 28
Tourism	15 - 25	15 - 25	15 - 25	15 - 25	12 - 25	12 - 25	12 - 25	12 - 25
Other	15 - 28	15 - 28	15 - 28	15 - 28	12 - 28	12-28	12-28	10-28
Deposit Rates								
Short-Term Deposit A/C	0.25-4.00	0.25-4.00	0.25-4.00	0.25-4.00	0.0-4.00	0.25-4.00	0.00-4.00	0.00-4.00
Savings Bank Account	0.50-8.0	0.50-8.0	0.50-8.0	0.50-8.0	0.50-8.0	0.50-8.0	0.50-8.0	0.30-3.0
Time Deposits								
3 Months	2.0-9.0	2.0-9.0	2.0-9.0	2.0-9.0	1.3-7.21	1.3-7.21	0.31-7.21	0.25 - 5.00
6 Months	2.0-12.0	2.0-12.0	2.0-12.0	2.0-12.0	1.5-12.0	1.5-12.0	0.41-12.0	0.5 -6.16
9 Months	2.0-12.0	2.0-12.0	2.0-12.0	2.0-12.0	1.5-12.0	1.5-12.0	1.5-12.0	0.5 - 6.00
12 Months & Over	2.0-16.0	2.0-16.0	2.0-16.0	2.0-16.0	1.5-16.0	1.5-16.0	0.51-16.0	0.5 - 10.00
GOVERNMENT								
Treasury Bills	7.77	9.26	7.77	9.26	7.77	9.26	9.04	9.35
CENTRAL BANK								
Monetary Policy Rate	15	13.5	15	13.5	12	10	10	10

Source: CBG

Table 29: (A): End-of-Period mid-Market Exchange Rates (Dalasi per unit of foreign currency)

Period		GBP	USD	CHF	SEK(100)	CFA(5,000)	Euro
2018	January	65.76	47.30	47.78	558.96	419.90	58.68
	February	65.81	47.42	47.35	565.23	418.88	57.83
	March	65.99	47.26	47.51	550.00	424.11	58.48
	April	64.87	47.43	48.46	537.50	423.95	57.85
	May	63.26	47.39	45.35	510.50	409.73	54.98
	June	62.87	47.43	45.55	520.34	417.74	57.02
	July	63.31	47.81	47.40	551.27	414.16	56.58
	August	63.11	48.54	48.31	505.00	413.48	56.93
	September	64.47	49.47	50.69	546.42	419.26	58.03
	October	63.57	49.67	48.19	541.54	417.40	56.79
	November	63.62	49.31	47.70	542.77	417.37	56.58
	December	63.11	49.48	48.82	539.09	418.02	56.90
2019	January	64.82	49.29	49.71	571.25	403.59	56.99
	February	65.12	49.40	49.35	533.04	419.11	56.79
	March	65.16	49.42	49.37	535.98	421.35	56.30
	April	64.32	49.28	49.06	525.26	419.11	55.80
	May	63.20	49.50	49.19	521.52	419.66	56.05
	June	63.24	49.80	50.74	532.82	414.65	56.89
	July	62.72	49.94	50.42	523.98	422.97	56.19
	August	61.78	50.02	51.17	520.77	419.62	56.49
	September	62.55	50.77	51.61	533.02	420.13	56.44
	October	65.57	50.88	50.50	551.85	406.38	56.89
	November	65.30	50.89	51.00	525.22	422.17	56.68
	December	66.86	51.10	51.04	535.18	418.46	57.08
2020	January	65.90	51.27	50.60	522.91	423.92	56.32
	February	65.36	50.65	51.69	525.45	420.02	55.82
	March	62.91	51.10	52.00	500.00	402.50	56.45
	April	63.67	51.13	48.94	445.43	412.91	56.50
	May	62.60	51.69	49.00	480.00	419.18	56.39
	June	63.47	51.73	52.06	476.97	412.15	57.80
	July	65.18	51.96	55.25	447.92	424.27	58.89
	August	66.66	51.69	48.60	470.00	431.23	59.95
	September	66.39	51.85	49.00	469.32	423.31	60.01
	October	66.57	51.91	49.31	480.00	444.27	62.27
	November	66.63	51.78	50.43	483.57	431.46	60.07
	December	68.52	51.64	50.88	490.00	440.93	61.92

Source: CBG

Table 30: (B): Period Average mid-Market Exchange Rates (Dalasi per unit of foreign currency)

Period		GBP	USD	CHF	SEK(100)	CFA(5,000)	Euro
2018	January	63.87	47.52	48.48	579.93	410.87	57.14
	February	65.17	47.31	48.26	595.38	419.60	58.24
	March	65.61	47.38	47.79	573.11	422.58	58.48
	April	66.23	47.32	49.18	570.88	428.90	58.17
	May	64.13	47.37	47.45	555.85	422.15	56.51
	June	63.18	47.38	47.64	545.26	416.01	55.93
	July	63.06	47.94	48.34	558.62	414.84	56.52
	August	62.68	48.21	48.24	542.29	414.52	56.41
	September	63.91	49.08	50.35	551.76	418.38	57.63
	October	64.38	49.44	49.28	547.07	417.05	57.09
	November	64.01	49.52	49.04	546.74	417.79	56.84
	December	63.19	49.35	49.63	549.10	417.06	56.78
2019	January	63.68	49.48	49.25	548.72	419.59	56.94
	February	64.31	49.50	49.38	538.89	421.80	56.59
	March	65.01	49.59	49.24	533.36	420.34	56.44
	April	64.50	49.54	49.44	534.58	417.97	55.70
	May	64.27	49.50	49.02	518.28	418.91	55.89
	June	63.41	49.72	49.63	527.21	420.37	56.42
	July	62.71	49.94	50.79	531.95	419.43	56.57
	August	61.54	50.17	51.15	522.35	422.00	56.28
	September	62.28	50.28	51.48	524.51	421.43	56.49
	October	63.86	50.83	51.54	525.88	416.78	56.55
	November	65.48	51.08	51.25	524.47	421.95	56.82
	December	66.64	51.12	51.54	531.18	421.37	57.00
2020	January	66.01	51.13	51.17	532.87	421.98	56.78
	February	65.68	50.93	51.58	523.11	422.10	55.99
	March	64.18	50.94	52.40	525.75	420.18	56.87
	April	63.98	51.14	50.10	467.32	418.11	56.26
	May	62.93	51.45	51.17	488.37	417.99	56.36
	June	63.88	51.60	52.09	490.87	417.12	57.29
	July	64.05	51.81	51.27	473.24	421.01	58.01
	August	66.47	51.84	50.42	471.41	423.32	59.54
	September	66.44	51.81	50.21	474.05	425.61	60.24
	October	66.81	51.85	51.23	512.39	427.13	60.33
	November	66.74	51.81	51.76	487.86	435.11	60.38
	December	67.54	51.72	52.24	493.78	437.20	61.29

Source: CBG

Table 31: (A): Monthly Volume of Transactions in the Domestic Foreign Exchange Market

Millions of GMD & USD equivalent	Purchases GMD	USD Equivalent	Sales GMD	USD Equivalent	Total in GMD	Total in USD
Jan-18	4,622.7	97.9	4,429.9	93.0	9,052.7	190.9
Feb-18	4,666.2	99.8	4,750.9	100.4	9,417.2	200.3
Mar-18	3,664.8	78.3	3,682.6	77.8	7,347.4	156.1
Apr-18	3,456.7	73.3	3,733.0	78.5	7,189.7	151.7
May-18	4,427.4	93.9	4,536.9	95.3	8,964.3	189.2
Jun-18	3,201.8	68.1	3,251.4	68.3	6,453.2	136.4
Jul-18	3,428.1	71.5	3,392.9	70.2	6,821.0	141.7
Aug-18	3,686.9	76.7	3,719.0	76.3	7,405.8	153.0
Sep-18	3,257.2	66.6	3,335.0	67.3	6,592.2	133.9
Oct-18	3,115.8	64.7	3,229.9	65.6	6,345.7	130.3
Nov-18	4,502.7	92.4	4,538.8	91.0	9,041.5	183.4
Dec-18	4,562.5	92.6	4,784.5	95.9	9,347.0	188.5
Jan-19	6,205.8	132.3	6,291.3	129.4	12,497.1	261.8
Feb-19	4,463.6	90.7	4,671.5	93.6	9,135.1	184.3
Mar-19	4,810.7	97.5	4,735.4	94.9	9,546.1	192.4
Apr-19	4,987.6	101.3	5,001.1	100.4	9,988.7	201.7
May-19	4,196.4	85.0	4,091.1	81.9	8,287.5	166.9
Jun-19	3,511.6	71.4	3,649.3	73.0	7,161.0	144.4
Jul-19	4,390.9	88.6	4,473.7	89.2	8,864.6	177.8
Aug-19	3,388.4	67.7	3,482.0	68.9	6,870.4	136.5
Sep-19	3,286.8	65.3	3,197.1	62.6	6,484.0	127.9
Oct-19	4,964.4	98.3	5,125.9	100.2	10,090.3	198.4
Nov-19	4,459.4	87.9	4,655.9	90.9	9,115.3	178.8
Dec-19	5,762.4	113.7	5,835.1	113.8	11,597.4	227.6
Jan-20	4,603.5	90.7	4,584.2	89.3	9,187.7	180.0
Feb-20	4,602.7	90.6	5,068.1	98.9	9,670.8	189.5
Mar-20	5,674.7	111.3	5,682.0	110.6	11,356.7	222.0
Apr-20	3,179.2	62.4	3,250.9	62.7	6,430.0	125.2
May-20	4,391.7	86.0	4,693.2	90.4	9,084.8	176.4
Jun-20	3,932.9	76.8	4,061.8	78.0	7,994.7	154.9
Jul-20	5,654.8	110.4	5,618.9	107.9	11,273.7	218.3
Aug-20	3,939.1	77.0	4,322.4	83.3	8,261.6	160.3
Sep-20	5,169.2	100.9	5,390.2	103.8	10,559.4	204.6
Oct-20	4,258.6	82.8	4,508.4	86.6	8,767.1	169.4
Nov-20	4,308.4	84.2	4,490.8	86.5	8,799.2	170.7
Dec-20	5,208.7	101.8	5,255.4	101.4	10,464.1	203.2

Source: CBG

Table 32: (B): Monthly Volume of Transactions in the Domestic Foreign Exchange Market

Millions of GMD	Purchases		Sales		Total
	Banks	Bureaux	Banks	Bureaux	
Jan-18	3,804.5	818.2	3,478.7	951.3	9,052.7
Feb-18	3,721.8	944.5	3,734.2	1,016.7	9,417.2
Mar-18	3,142.4	522.4	3,099.8	582.9	7,347.4
Apr-18	2,761.6	695.1	2,916.6	816.4	7,189.7
May-18	3,763.3	664.0	3,763.3	773.6	8,964.3
Jun-18	2,576.1	625.7	2,561.5	689.9	6,453.2
Jul-18	2,646.7	781.4	2,552.0	840.9	6,821.0
Aug-18	2,828.2	858.6	2,850.9	868.1	7,405.8
Sep-18	2,489.7	767.4	2,503.9	831.1	6,592.2
Oct-18	2,395.0	720.8	2,529.2	700.7	6,345.7
Nov-18	3,424.3	1,078.3	3,403.1	1,135.7	9,041.5
Dec-18	3,344.2	1,218.3	3,499.0	1,285.5	9,347.0
Jan-19	4,659.9	1,545.9	4,676.0	1,615.3	12,497.1
Feb-19	3,344.0	1,119.6	3,535.3	1,136.2	9,135.1
Mar-19	4,021.6	789.1	3,742.2	993.2	9,546.1
Apr-19	3,700.6	1,287.0	3,840.7	1,160.4	9,988.7
May-19	3,119.6	1,076.8	3,276.7	814.4	8,287.5
Jun-19	2,804.7	706.9	2,968.1	681.3	7,161.0
Jul-19	3,428.0	962.9	3,497.9	975.8	8,864.6
Aug-19	2,757.4	631.0	2,694.3	787.7	6,870.4
Sep-19	2,367.7	919.2	2,393.4	803.7	6,484.0
Oct-19	3,733.0	1,231.4	3,877.1	1,248.8	10,090.3
Nov-19	3,498.0	961.4	3,719.0	936.9	9,115.3
Dec-19	4,403.4	1,359.0	4,564.7	1,270.4	11,597.4
Jan-20	3,674.6	928.9	3,625.5	958.7	9,187.7
Feb-20	3,434.4	1,168.3	3,990.1	1,078.0	9,670.8
Mar-20	4,470.0	1,204.7	4,433.6	1,248.4	11,356.7
Apr-20	2,645.0	534.2	2,630.2	620.6	6,430.0
May-20	3,708.8	682.9	3,550.1	1,143.0	9,084.8
Jun-20	3,203.9	729.0	3,241.7	820.1	7,994.7
Jul-20	4,647.6	1,007.2	4,432.4	1,186.5	11,273.7
Aug-20	3,390.7	548.4	3,530.9	791.6	8,261.6
Sep-20	4,452.7	716.5	4,448.2	942.0	10,559.4
Oct-20	3,724.1	534.5	3,787.9	720.5	8,767.1
Nov-20	3,811.9	496.4	3,738.8	752.0	8,799.2
Dec-20	4,671.4	537.4	4,640.4	615.0	10,464.1

Source: CBG

Table 33: National Consumer Price Index (January 2020=100)

Name os Series	Food and non-alcoholic beverages	Alcoholic beverages, tobacco and narcotics	Clothing & Footwear	Housing, Water, Electricity, Gas and Other Fuels	Furnishings, Household Equipment, etc	Health	Transport	Communications	Recreation and Culture	Newspapers, books and stationery	Education	Hotels, Cafes and Restuarants	Miscellaneous good and services	ALL ITEM INDEX	Year on Year inflation (12 month rate)
Weights (15/16	52.62	1.16	7.90	7.30	7.31	0.57	9.64	8.81	0.43	0.27	0.02	0.75	3.48	100	
Jan-17	82.2	101.0	81.4	84.1	85.5	98.5	93.0	61.9	84.3	92.7	98.0	79.8	74.3	**82.5**	**8.8**
Feb-17	82.6	101.1	81.7	84.5	85.6	99.0	93.5	61.9	84.5	92.7	98.0	80.2	75.6	**82.9**	**8.8**
Mar-17	82.9	101.4	82.1	84.9	85.7	99.0	93.7	61.9	84.5	92.7	98.0	80.6	76.3	**83.2**	**8.7**
Apr-17	83.4	101.4	82.5	85.2	85.8	99.0	93.8	61.9	84.5	92.7	98.0	81.3	76.9	**83.6**	**8.7**
May-17	83.8	101.4	83.0	86.0	86.3	99.0	94.1	61.9	85.0	92.7	98.0	81.9	77.0	**84.1**	**8.4**
Jun-17	84.3	101.4	83.7	86.3	86.8	99.4	94.4	61.9	85.0	93.3	98.1	82.1	78.1	**84.6**	**8.4**
Jul-17	84.7	101.7	83.9	86.5	87.0	99.4	94.7	62.0	85.2	93.3	98.1	82.4	78.5	**84.9**	**8.0**
Aug-17	85.1	101.7	84.8	86.9	87.7	99.6	94.9	62.0	90.1	94.5	98.1	82.7	79.1	**85.4**	**7.9**
Sep-17	85.6	101.8	85.2	87.1	87.9	99.7	94.5	62.1	90.1	94.5	98.1	82.8	79.6	**85.8**	**7.6**
Oct-17	85.9	101.9	85.6	87.6	88.8	99.8	94.4	62.1	91.9	96.7	98.2	83.1	79.8	**86.2**	**7.4**
Nov-17	86.1	102.0	85.8	87.9	88.8	100.1	94.4	62.1	91.9	96.7	98.2	83.3	81.2	**86.5**	**6.9**
Dec-17	86.7	102.1	86.4	88.1	89.5	100.2	94.9	62.1	93.7	99.0	98.2	83.9	82.5	**87.2**	**6.9**
Jan-18	87.3	102.2	87.1	88.7	89.8	100.9	95.4	62.1	93.8	99.1	98.5	84.4	84.6	**87.8**	**6.4**
Feb-18	87.7	102.2	87.9	89.4	90.0	100.9	95.4	62.1	93.8	99.1	98.5	84.8	85.2	**88.2**	**6.4**
Mar-18	88.2	102.2	88.6	89.8	90.4	101.0	95.5	62.1	93.9	99.1	98.7	85.5	85.6	**88.7**	**6.5**
Apr-18	88.7	102.5	88.7	90.2	91.1	101.2	96.0	62.1	94.4	99.7	98.9	85.9	86.3	**89.2**	**6.6**
May-18	89.1	102.7	89.3	91.0	91.4	101.3	96.4	62.1	94.5	99.7	99.0	86.6	86.7	**89.5**	**6.5**
Jun-18	89.6	103.2	89.7	91.3	91.5	101.3	96.6	62.1	95.4	100.8	99.0	87.4	87.3	**90.0**	**6.5**
Jul-18	90.1	103.3	90.3	91.7	91.6	101.6	97.0	62.1	95.4	100.8	99.0	89.0	87.9	**90.5**	**6.6**
Aug-18	90.7	103.3	91.2	92.1	92.1	101.6	97.0	62.1	95.6	101.1	99.0	89.5	89.0	**91.1**	**6.7**
Sep-18	91.0	103.5	91.5	92.4	92.4	101.7	97.6	62.1	95.8	101.1	99.0	90.2	89.4	**91.4**	**6.6**
Oct-18	91.4	103.6	92.0	92.9	93.0	101.8	98.2	62.1	96.1	101.5	99.0	90.9	90.2	**91.9**	**6.5**
Nov-18	91.7	103.6	92.5	93.2	93.5	101.8	98.6	62.1	96.2	101.5	99.0	90.9	90.7	**92.2**	**6.6**
Dec-18	92.3	103.6	93.3	93.8	93.7	102.1	98.7	62.1	97.0	102.5	99.0	91.8	91.9	**92.8**	**6.4**
Jan-19	92.7	103.7	94.0	94.5	94.0	102.1	98.5	62.1	97.1	102.5	99.0	92.3	92.2	**93.1**	**6.1**
Feb-19	93.2	104.1	94.6	94.7	94.4	102.2	98.8	62.1	97.7	103.3	99.0	92.8	92.5	**93.7**	**6.2**
Mar-19	93.7	104.1	95.4	94.9	94.9	102.3	99.0	62.1	97.8	103.3	99.0	93.5	93.3	**94.1**	**6.1**
Apr-19	94.2	104.7	96.2	95.6	95.6	102.4	99.2	99.5	98.6	104.4	99.2	94.2	93.7	**95.3**	**6.9**
May-19	95.1	105.2	96.9	95.8	96.0	102.5	99.4	99.5	98.9	104.5	99.2	94.7	94.2	**96.2**	**7.5**
Jun-19	95.6	105.5	97.0	96.4	96.2	102.7	99.3	99.7	99.1	104.7	99.3	95.3	94.8	**96.6**	**7.3**
Jul-19	96.1	105.9	97.4	96.5	96.4	102.8	99.4	99.7	99.3	104.7	99.3	96.2	95.6	**97.1**	**7.3**
Aug-19	96.9	106.3	98.2	97.4	96.6	102.8	99.5	99.7	99.3	104.7	99.6	96.8	96.4	**97.8**	**7.4**
Sep-19	97.5	106.4	98.5	97.8	96.8	103.1	99.6	99.8	99.4	104.7	99.9	97.4	97.2	**98.3**	**7.6**
Oct-19	98.1	106.6	98.8	98.3	97.0	103.2	99.7	99.8	99.5	104.8	100.0	98.0	97.7	**98.8**	**7.5**
Nov-19	98.6	106.9	99.1	98.8	97.2	103.4	99.8	99.9	99.7	104.9	100.0	98.7	98.3	**99.3**	**7.7**
Dec-19	99.3	107.3	99.7	99.4	97.6	103.6	99.9	100.0	100.0	105.1	100.0	99.4	99.1	**99.9**	**7.7**
Jan-20	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	**100.0**	**7.4**
Feb-20	98.8	105.1	103.7	100.2	101.0	104.8	101.1	100.4	96.4	99.0	100.0	102.1	116.2	**101.0**	**7.8**
Mar-20	100.8	99.5	99.5	100.2	99.6	102.6	101.9	96.7	95.8	97.9	100.0	99.0	115.9	**101.2**	**7.6**
Apr-20	100.6	101.1	99.1	90.1	101.8	102.6	102.6	97.3	92.8	96.7	100.0	99.5	115.9	**100.7**	**5.6**
May-20	101.0	106.8	101.7	99.7	102.2	102.7	98.0	97.3	94.2	99.6	100.0	99.5	115.9	**101.4**	**5.4**
Jun-20	101.0	107.3	102.1	100.0	101.8	102.8	99.6	97.3	95.2	100.8	100.0	99.7	116.0	**101.6**	**5.1**
Jul-20	101.1	107.8	101.7	100.4	102.4	103.0	99.7	97.5	95.5	101.4	100.0	107.8	116.0	**101.8**	**4.8**
Aug-20	103.7	106.5	102.0	100.1	101.8	103.1	101.4	95.5	96.2	101.4	100.0	107.7	116.0	**103.1**	**5.4**
Sep-20	103.7	109.5	102.9	100.5	101.4	103.2	102.2	96.8	96.5	101.4	100.0	107.4	116.4	**103.4**	**5.2**
Oct-20	104.5	109.7	102.4	101.1	104.2	103.3	102.6	95.7	96.7	101.4	100.0	108.9	124.1	**104.3**	**5.6**
Nov-20	105.0	111.2	102.4	101.2	104.6	103.6	105.0	96.2	97.9	102.5	185.4	109.0	126.8	**105.0**	**5.8**
Dec-20	106.1	110.3	103.5	101.3	104.7	103.6	105.0	95.4	98.1	102.7	185.4	109.6	126.8	**105.6**	**5.7**

Source: GBoS

Table 34: (A): Gross Domestic Product at Constant Prices (base year = 2013)

Industry (in millions of Dalasi)	2015	2016	2017	2018	2019	2020*
GDP market price	**50,746.47**	**51,732.66**	**54,227.53**	**58,150.83**	**61,769.00**	**61,644.34**
Agriculture, forestry & fishing	**11,812.97**	**11,785.26**	**11,269.16**	**11,685.14**	**11,672.05**	**13,032.96**
Crop	6,744.77	6,566.63	5,352.14	5,201.52	4,467.41	5,223.28
Livestock	2,015.13	1,954.38	1,741.49	1,643.58	1,616.07	1,604.76
Forestry & logging	549.995293	461.75989	408.00922	333.72318	252.71615	247.25
Fishing & aquaculture	2,503.07	2,802.48	3,767.53	4,506.31	5,335.86	5,957.67
Industry	**7,904.55**	**9,423.80**	**9,089.47**	**9,273.81**	**10,643.67**	**11,698.95**
Mining & quarrying	252.464448	231.924	243.23588	279.37922	342.16962	429.03
Manufacturing	2,941.52	2,734.26	2,519.16	2,488.81	2,359.97	1,859.92
Electricity, gas, etc	533.606586	572.32685	529.87356	601.03424	682.4321	781.69
Water supply, sewerage, etc.	401.450868	435.17013	424.85176	426.35153	465.58378	473.06
Construction	3,775.50	5,450.12	5,372.35	5,478.23	6,793.52	8,155.25
Services	**27,570.83**	**26,997.34**	**30,164.90**	**33,216.98**	**35,258.90**	**32,735.01**
Wholesale & retail trade; repairs	15,846.50	14,984.58	17,533.52	19,686.98	20,305.11	19,341.38
Transport & storage	1,589.45	1,798.03	1,957.39	2,159.90	2,389.03	2,064.20
Accommodation & food services	729.252282	880.73145	870.96991	1,033.84	1,208.90	418.17
Information & Communication	1,864.44	1,814.47	2,321.44	2,578.98	2,929.04	2,982.38
Financial & insurance activities	1,279.26	1,184.65	1,197.95	1,352.32	1,453.64	1,515.56
Real estate activities	1,251.17	1,253.13	1,286.27	1,323.58	1,345.70	1,338.36
Professional, scientific & tech. activities	106.535211	118.17387	99.902543	93.658565	92.594944	83.446419
Admin & support service activities	674.567269	660.97098	657.73833	632.90812	611.8053	409.03945
Public admin &defence; social security	1,531.32	1,360.72	1,292.97	1,428.46	1,718.40	1,810.09
Education	1,168.25	1,343.69	1,485.98	1,517.80	1,717.32	1,579.51
Human health & social work activities	328.826496	370.03763	337.9747	355.72519	455.86944	611.31155
Arts, entertainment & recreation	343.825151	357.79238	366.05939	363.27986	380.03469	230.98093
Other service activities	857.429098	870.36249	756.74621	689.5624	651.45169	350.57687
GDP basic price (Gross Value Added)	**47,288.34**	**48,206.39**	**50,523.53**	**54,175.93**	**57,574.62**	**57,466.91**
Taxes less subsidies on products	3,458.13	3,526.27	3,703.99	3,974.90	4,194.38	4,177.43
Percent change from the previous year						
GDP growth rate	4.06%	1.94%	4.82%	7.23%	6.22%	-0.20%
Agriculture	3.95%	-0.23%	-4.38%	3.69%	-0.11%	11.66%
Industry	22.61%	19.22%	-3.55%	2.03%	14.77%	9.91%
Services	-0.24%	-2.08%	11.73%	10.12%	6.15%	-7.16%

Source: GBoS

2020* Provisional data

Table 35(B): Gross Domestic Product at Current Prices (base year = 2013)

Industry (in millions of Dalasi)	2015	2016	2017	2018	2019	2020*
GDP market price	**58581.06**	**64389.94**	**70142.19**	**80445.80**	**90793.76**	**94269.38**
Agriculture, forestry & fishing	**13010.20**	**14076.53**	**14731.19**	**15985.86**	**18162.43**	**19774.73**
Crop	6978.25	7130.32	6525.69	6565.26	6195.27	7174.78
Livestock	2695.67	2957.40	2936.86	2979.24	3134.60	3236.60
Forestry & logging	576.78	581.26	585.76	590.31	594.88	599.50
Fishing & aquaculture	2759.50	3407.55	4682.87	5851.06	8237.67	8763.85
Industry	**10042.82**	**13480.42**	**12550.37**	**13925.51**	**15691.52**	**17884.03**
Mining & quarrying	245.73	238.89	324.12	369.80	459.78	482.57
Manufacturing	3719.46	3596.99	3134.86	3423.34	3438.52	2732.92
Electricity, gas, etc	595.31	638.76	584.59	1177.21	1404.90	1602.75
Water supply, sewerage, etc	441.80	478.91	467.55	463.69	506.36	514.49
Construction	5040.51	8526.87	8039.24	8491.46	9881.97	12551.31
Services	**30397.59**	**31421.02**	**37473.71**	**44167.77**	**49731.58**	**49192.21**
Wholesale & retail trade; repairs	17872.06	18169.20	22902.45	27340.19	30302.76	30542.73
Transport & storage	1847.34	2073.52	2295.48	2597.48	2965.79	2593.50
Accommodation & food services	821.87	1074.57	1154.29	1434.73	1870.39	696.84
Information & Communication	1858.93	1821.55	2320.36	2548.62	2906.13	3175.99
Financial & insurance activities	1269.76	1164.43	1417.06	2449.72	2759.73	3274.71
Real estate activities	1284.65	1337.18	1424.66	1504.92	1599.00	1846.63
Professional, scientific & tech activities	115.74	135.88	122.14	121.31	115.07	111.76
Admin & support services	708.81	755.36	844.33	823.00	860.97	600.44
Public admin &defence; social security	1732.86	1651.12	1694.96	1994.68	2570.30	2868.03
Education	1176.83	1364.57	1507.41	1540.21	1756.99	1855.93
Human health & social work	421.88	486.32	448.75	476.96	623.50	836.12
Arts, entertainment & recreation	357.36	387.61	420.04	450.60	491.42	286.55
Other service activities	929.50	999.70	921.78	885.35	909.55	502.97
GDP basic price (Gross Value Added)	**53450.61**	**58977.97**	**64755.27**	**74079.15**	**83585.53**	**86850.97**
Taxes less subsidies on products	5130.46	5411.97	5386.92	6366.65	7208.23	7418.42
Memorandum items						
Population estimates	1,958,560	2,020,414	2,083,429	2,147,677	2,213,134	2,279,884
GDP per Capita (GMD)	29,910	31,870	33,667	37,457	41,025	41,348
GDP per Capita (USD)	704	727	722	757	807	810

Source: GBoS

2019* Provisional data

Table 36 (A): Government Revenues (in Millions of Dalasi)

	2015	2016	2017	2018	2019	2020
Revenue and grants	8,257.3	8,354.3	13,327.8	10,683.7	16,635.1	22,615

Domestic Revenue	7,535.0	7,646.7	7,723.2	8,779.9	11,801.5	13,444
Tax Revenue	6,827.3	7,014.4	7,099.3	8,103.5	9,954.4	10,323
Direct Tax	1,719.9	1,811.8	1,932.3	2,013.3	2,624.8	2,803
Personal	730.3	758.3	770.8	785.5	962.5	943
Corporate	857.0	944.8	994.5	1,069.2	1,507.4	1,713
Capital Gains	63.7	44.5	67.7	66.0	103.3	104
Payroll	43.9	42.9	53.6	43.5	51.4	43
Other	25.0	21.3	45.7	49.2	0.3	-
Indirect Tax	5,107.4	5,202.6	5,167.0	6,090.2	7,329.6	7,520
Tax on goods & services	1,634.0	1,700.0	1,702.9	2,123.7	2,585.2	2,454
Stamp Duties	96.7	33.3	42.0	52.9	52.5	53
Excise Duties	627.1	732.9	716.9	851.5	1,094.5	923
Domestic Sales Tax	1.4	0.0	471.4	587.8	0.0	0.0
Value Added Tax	819.2	893.8	880.2	1,147.2	1,369.3	1,425
Other taxes on production	89.6	40.0	63.7	72.2	68.8	52
Tax on International Trade	3,473.4	3,502.6	3,464.1	3,966.5	4,744.4	5,066
Duty	2,127.6	2,125.9	1,980.5	2,092.2	2,497.3	2,585
Sales tax on imports	1,345.7	1,376.7	1,483.6	1,874.3	2,247.1	2,481
Nontax Revenue	707.7	632.3	623.9	676.4	1,847.1	3,121
Grants	722.3	707.6	5,604.7	1,903.8	4,833.6	9,171.0

Source: MoFEA

Table 37 (B): Government Revenues (in Millions of Dalasi)

	2015	2016	2017	2018	2019	2020
Expenditure and Net Lending	10,770.4	12,472.6	16,995.3	14,618.2	19,320.3	26,800
Current expenditure	8,396.2	9,860.4	9,786.0	10,381.5	12,840.6	16,197
Personnel emoluments	2,037.8	2,100.3	2,234.5	2,818.8	3,954.9	4,049
Other charges	3,560.5	4,498.9	4,170.8	5,086.0	6,042.8	9,181
O/w: Goods and services	2,066.0	2,746.7	2,372.1	2,931.1	3,374.8	4,717
Subsidies and transfers	1,494.5	1,752.2	1,798.8	2,155.0	2,667.9	4,464
Interest payments	2,798.0	3,261.3	3,380.6	2,476.6	2,842.9	2,966.9
External	369.7	456.0	241.2	419.5	370.5	548
Domestic	2,428.3	2,805.3	3,139.4	2,057.1	2,472.4	2,419
Capital expenditure	2,374.1	2,588.7	7,194.3	4,199.1	6,479.8	10,603
Externally financed	1,698.7	1,954.0	6,403.0	3,493.5	5,500.3	8,841
Loans	976.4	1,246.4	3,808.0	2,235.3	3,457.0	3,287
Grants	722.3	707.6	2,595.0	1,258.2	2,043.3	5,554
Glf capital	675.5	634.7	791.3	705.6	979.5	1,763
Net lending	0.0	23.5	15.0	37.6	0.0	0

Source: MoFEA

Table 38 (C): Fiscal deficit (in millions of Dalasi)

	2015	2016	2017	2018	2019	2020
Overall balance (commitment basis)						

Excluding grants	-3,235.4	-4,846.2	-9,272.2	-5,838.3	-7,518.8	-13,356.02
Including grants	-2,513.1	-4,141.8	-3,667.5	-3,934.5	-2,685.2	-4,185.01
Basic balance	-1,536.7	-2,895.4	-2,869.2	-2,344.8	-2,018.6	-4,515.31
Basic Primary Balance	1,261.3	-365.8	511.4	131.8	824.4	-1,548.42
Statistical Discrepancy	-1,733.8	-8,281.8	-7,252.1	-9,026.8	280.8	0
Financing	4,246.9	4,139.9	3,584.6	5,092.3	2,404.4	3716.43
External (net)	18.7	471.4	5,045.3	2,900.7	2,305.1	2097.25
Borrowing	976.4	1,246.4	6,044.0	2,235.3	3,457.0	3286.69
Project	976.4	1,246.4	3,808.0	2,235.3	3,457.0	3286.69
Amortization	-957.6	-775.0	-998.7	665.4	-1,151.8	-1189.44
Domestic	4,228.2	3,668.6	-1,460.8	2,191.6	99.3	1619.18
Borrowing	4,313.8	4,175.7	-1,116.1	3,038.4	1,179.7	2217.50
Bank	3,671.7	3,687.9	-1,071.3	2,053.1	1,308.9	2780.49
Nonbank	642.1	487.8	-44.8	985.3	-129.1	-562.99
Change in Arrears (- decrease)	-85.6	-507.2	-344.6	-846.8	-1,080.4	-598.32

Source: MoFEA

Table 39: Air-chartered tourist arrivals

	2014	2015	2016	2017	2018	2019	2020
January	26,114	14,460	21,789	13,399	28305	30176	31,142
February	22,919	12,972	19,991	17,659	24416	26752	28,862
March	21,308	12,412	17,787	16,339	23326	25796	13,343
April	13,984	9,235	11,923	11,110	12968	17540	0
May	7,516	6,455	7,032	7,733	7501	11668	40
June	6,499	6,329	6,510	7,263	8432	11399	153
July	7,516	7,046	7,323	8,660	8981	13328	640
August	8,893	6,634	6,650	8,163	9230	13274	360
September	8,477	7,704	8,431	9,244	8479	11439	984
October	13,926	9,681	10,837	11,385	13309	16586	1,561
November	20,301	18,982	19,305	22,807	27153	25543	4,456
December	15527	22,650	23,549	28,313	31370	32209	7,691
Total	**172,980**	**134,560**	**161,127**	**162,075**	**203,470**	**235,710**	**89,232**

Source: Gambia Tourism Board

Table 40: Balance of Payments (in millions of USD)

	2015	2016	2017	2018	2019	2020
Current account	-53.8	-76.1	-95.2	-135.0	-38.8	-90.3

Goods and services	-184.4	-185.2	-282.5	-329.1	-279.8	-516.8
Goods	-226.9	-219.3	-330.6	-421.4	-378.0	-511.8
Exports	107.5	91.2	139.4	157.7	154.5	70.1
o/w: Re-exports	69.8	62.7	109.7	135.1	124.3	55.9
Imports (f.o.b.)	334.4	310.5	470.0	579.1	532.5	581.8
Services	42.5	34.1	48.1	92.2	98.2	-5.0
Exports	107.1	96.2	138.7	204.8	205.7	105.6
Imports	64.6	62.1	90.7	112.6	107.6	110.6
Income	-24.8	-27.8	-30.2	-18.8	-17.6	-28.5
Compensation of employees	-9.8	-8.9	-11.5	-1.0	-1.7	-2.0
Investment income	-15.0	-18.8	-18.7	-17.8	-15.9	-26.6
Current transfers	155.4	136.8	217.5	213.0	258.6	455.0
o/w: Workers' remittances	143.3	136.8	153.5	194.1	258.6	400.1
Capital account	19.3	18.5	55.7	55.9	69.4	95.2
o/w: debt forgiveness	0.0	0.0	0.0	0.0	0.0	0.0
Financial account	-93.1	-92.4	-64.0	-60.8	-6.3	-117.7
Direct investment	-73.4	-71.5	-64.5	-84.8	-76.4	-193.1
Portfolio investment	0.0	0.0	0.0	0.0	0.0	0.0
Other investment	39.7	21.1	-73.3	3.2	-2.0	-56.8
Errors and omissions	-57.8	-35.1	-17.9	18.9	-38.2	-122.5
Overall balance	-127.5	-150.1	-103.5	-139.9	24.2	-112.8
Change in reserve assets	-58.5	-42.4	80.3	21.4	70.7	132.2

Source: CBG